

**SAN DIEGO CONVENTION CENTER CORPORATION
BUDGET COMMITTEE MEETING
OF THE BOARD OF DIRECTORS**

**Director Will Rodriguez-Kennedy, Chair
Director Jaymie Bradford
Director Gretchen Newsom**

**WEDNESDAY, AUGUST 28, 2024, 11:30 A.M.
111 W. Harbor Drive, 2nd Floor, Executive Boardroom
San Diego, California 92101**

AGENDA

**Telephone number for members of the public
to observe, listen, and address the meeting telephonically:
1(888) 251-2909 – Access code is 6724115#**

1. **Call to Order** -Will Rodriguez-Kennedy, Chair
2. **Non-Agenda Public Comment:**
This portion of the agenda provides an opportunity for members of the public to address the Board on items of interest within the jurisdiction of the Board that have not previously been before the Board. Pursuant to the Brown Act, no discussion or action shall be taken by the Board on items not posted on the agenda.
3. **Approval of Proposed Budget Committee Meeting Minutes of June 12, 2024 and "Special" Budget Committee Meeting Minutes of June 12, 2024**
4. **Chair's Report**
5. **Action Item(s):**
 - A. **Consideration of Recommendation to the Board to Enter into A Lease Agreement for 825 Energy Way, Chula Vista, CA 91911**
6. **Staff Updates:**
 - CFO
 - President & CEO
7. **Urgent non-agenda items** (must meet the requirements of Government Code, Section 54954.2)

8. **Budget Committee Comment** [Govt. Code §54954.2(a)(2)]

Adjournment

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In compliance with Government Code section 54957.5, non-exempt written material that is distributed to the Board prior to the meeting will be available at the meeting or it may be viewed in advance of the meeting online at visitsandiego.com. Materials distributed to the board after the posting of this agenda also will be available. Please contact Pat Evans at (619)525-5131 or pat.evans@visitsandiego.com if you would like to receive a copy of any material related to an item on this agenda.

Agenda Item 3

MINUTES

**SAN DIEGO CONVENTION CENTER CORPORATION
BUDGET COMMITTEE OF
THE BOARD OF DIRECTORS
COMMITTEE MEETING OF JUNE 12, 2024**

**BOARD MEMBERS
PRESENT:** Director Gretchen Newsom

**BOARD MEMBERS
ABSENT:** Chair Will Rodriguez-Kennedy and Director Jaymie Bradford

STAFF PRESENT: Rip Rippetoe, Mardeen Mattix, Corey Albright, Shannon Teem, Victoria Mitchell and Pat Evans (Recorder)

ALSO PRESENT:

*Meeting Minutes memorialize votes on "Action Items" and Staff Reports and are not a verbatim transcript of regular Committee meetings. Audio copies of Committee meetings are available upon request. Please contact Pat Evans at (619)525-5131 or pat.evans@visitsandiego.com to request a copy.

The San Diego Convention Center Budget Committee meeting, regularly scheduled for June 12, 2024, at Noon, was cancelled due to lack of a quorum of Directors available at Noon.

CERTIFICATION

I, Will Rodriguez-Kennedy, Chair of the Budget Committee of the Board of the Directors of San Diego Convention Center Corporation, Inc., do hereby certify that the foregoing is a true and correct copy of the minutes of the Budget Committee of the Board of Directors of the San Diego Convention Center Corporation, Inc. at a duly noticed meeting scheduled for June 12, 2024, at Noon.

Will Rodriguez-Kennedy, Chair

Agenda Item 3

MINUTES

“SPECIAL” SAN DIEGO CONVENTION CENTER CORPORATION BUDGET COMMITTEE OF THE BOARD OF DIRECTORS COMMITTEE MEETING OF JUNE 12, 2024

BOARD MEMBERS PRESENT: Chair Will Rodriguez-Kennedy and Directors Jaymie Bradford and Gretchen Newsom

BOARD MEMBERS ABSENT:

STAFF PRESENT: Rip Rippetoe, Mardeen Mattix, Corey Albright, Shannon Teem, Victoria Mitchell and Pat Evans (Recorder)

ALSO PRESENT:

*Meeting Minutes memorialize votes on “Action Items” and Staff Reports and are not a verbatim transcript of regular Committee meetings. Audio copies of Committee meetings are available upon request. Please contact Pat Evans at (619)525-5131 or pat.evans@visitsandiego.com to request a copy.

1. **Call to Order:** Chair Rodriguez-Kennedy called the meeting to order at 12:33 p.m. in the Executive Conference Room of the San Diego Convention Center, 111 West Harbor Drive, San Diego, California.

Chair Rodriguez-Kennedy announced that since this meeting is being conducted on site with an open line to the public, the first action is to perform a roll call to determine which Board members are present on this call:

Director Rodriguez-Kennedy – Present
Director Bradford- Present
Director Newsom– Present

Chair Rodriguez-Kennedy reported that all Directors were present, and all votes would be recorded via roll-call vote.

2. **Non-Agenda Public Comment:** Chair Rodriguez-Kennedy requested public comment regarding any non-agenda items. No members of the public responded to the request for comment.

3. **Approval of Minutes of April 17, 2024, Budget Committee Meeting:**

Chair Rodriguez-Kennedy inquired if any member of the public wished to comment on Agenda Item (3). No members of the public responded to the request for comment.

Directors Newsom and Bradford moved and seconded, respectively, to approve the minutes from the April 17, 2024, meeting.

Director Rodriguez-Kennedy – Aye

Director Bradford- Aye

Director Newsom– Aye

Vote: Unanimous

AYES: 3

NAYS: 0

ABSTENTIONS: 0

4. **Chair’s Report:** Chair Rodriguez-Kennedy thanked the Committee for rescheduling the meeting time to 12:30 p.m.

5. **Action Item(s):**

A. Recommendation to Authorize Approval of Revised FY 2025 Budget

Chair Rodriguez-Kennedy called for a staff report regarding Agenda Item (5.A). After staff submitted its report, Chair Rodriguez-Kennedy inquired if any member of the public wished to comment on Agenda Item (5.A).

Ms. Lori Saldaña submitted a speaker’s slip requesting an opportunity to address the Committee regarding Agenda Item (5A), and she was granted an opportunity to address her comments to the Committee. Ms. Saldaña requested clarity regarding the number of gas appliances in the west kitchen remodel that are being retained versus the number of appliances that are being replaced with newer, more efficient, appliances.

After presentations by staff, and public comment, Directors Bradford and Newsom moved and seconded, respectively, to recommend Authorizing Approval of the Revised FY 2025 Budget.

Director Rodriguez-Kennedy – Aye

Director Bradford- Aye

Director Newsom– Aye

Vote: Unanimous

AYES: 3

NAYS: 0

ABSTENTIONS: 0

B. Recommendation to Authorize Approval of Contract for Temporary Staffing

Chair Rodriguez-Kennedy called for a staff report regarding Agenda Item (5.A). After staff submitted its report, Chair Rodriguez-Kennedy inquired if any member of the public wished to comment on Agenda Item (5.B).

Ms. Lori Saldaña submitted a speaker's slip requesting an opportunity to address the Committee regarding Agenda Item (5B), and she was granted an opportunity to address her comments to the Committee regarding whether hiring temporary workers for Comic-Con will be a permanent change going forward for future years or if this action is a response to post-COVID employment adjustments.

After presentations by staff, and public comment, Directors Newsom and Bradford moved and seconded, respectively, to recommend Authorizing Approval of the Contract for Temporary Staffing.

Director Rodriguez-Kennedy – Aye
Director Bradford- Aye
Director Newsom– Aye

Vote: Unanimous

AYES: 3

NAYS: 0

ABSTENTIONS: 0

6. Staff Updates:

CFO: Ms. Mattix reported:

- That the Corporation's May financials look fantastic.
- Staff has been training employees on some of the policies Directors will see presented at future Audit Committee meetings (i.e., Employee Handbook related items such as leaves of absence, harassment training, and employee relations).
- The Corporation is also engaged in three audits (pension, workers' compensation, and financial statement audits).

President & CEO: Mr. Rippetoe reported:

- The quality of our customers and their exhibitors has been improving and is gaining national attention. Our commitment to service, including solid electrical support and clean, safe spaces, reinforces this trend.
- Social responsibility and climate action are increasingly important to clients, impacting both budgetary and industry trends.
- Higher event attendance is leading to more collaboration with local venues like the Rady Shell, Petco Park, the FAL lot, and the Midway Museum. Collaboration with these entities enhance event quality and revenue.

- San Diego’s welcoming atmosphere and strong track record give us an edge over competitors, who are offering incentives to attract business. However, we must stay adaptable and not take our advantages for granted.
- Successful events generate higher spending per attendee, benefiting both the community and our revenue. This cyclical process is crucial for sustained success.
- The Convention Center has been ranked fifth in C-Events' top fifty meeting destinations.
- Ms. Coker and I will soon present an update on Sales and Marketing to the City Council’s ED&IR Committee to discuss these points further.

Chair Rodriguez-Kennedy inquired if any member of the public wished to comment on Agenda Item 6.

Ms. Lori Saldaña submitted a speaker’s slip requesting an opportunity to address the Committee regarding Agenda Item (6), and she was granted an opportunity to address her comments to the Committee. Ms. Saldaña inquired if written reports were offered under “staff updates” and further inquired how impaired parties could access information reported orally.

7. **Urgent non-agenda items** (must meet the requirements of Government Code, Section 54954.2) – **None**

8. **Budget Committee Comment** [Govt. Code §54954.2(a)(2)]: **None**

There being no further business, the meeting adjourned at 1:10 p.m.

CERTIFICATION

I, Will Rodriguez-Kennedy, Chair of the Budget Committee of the Board of the Directors of San Diego Convention Center Corporation, Inc., do hereby certify that the foregoing is a true and correct copy of the minutes of the business transacted by the Budget Committee of the Board of Directors of the San Diego Convention Center Corporation, Inc. at a duly noticed meeting held on June 12, 2024.

Will Rodriguez-Kennedy, Chair

Agenda Item 5.A

SAN DIEGO CONVENTION CENTER CORPORATION M E M O R A N D U M

TO: Budget Committee

FROM: Corey Albright, Chief Operating Officer

DATE: For the Agenda of August 28, 2024

RE: Consideration of Recommendation to the Board to Enter into A Lease Agreement for 825 Energy Way, Chula Vista, CA 91911.

BACKGROUND

The San Diego Convention Center relies on efficient logistics to ensure smooth operations and a positive experience for all clients and exhibitors. A key component of this logistics infrastructure is a dedicated marshaling yard, which serves as a staging area for trucks and trailers delivering various freight requirements to the Convention Center. The marshaling yard allows for the orderly coordination and scheduling of vehicle arrivals and departures, minimizing congestion in and around the convention center. By centralizing these operations in a dedicated yard, the Convention Center mitigates air pollution, noise, and traffic congestion, contributing to a more sustainable and environmentally responsible operation in accordance with previous Environmental Impact Report (EIR) requirements.

DISCUSSION

The San Diego Convention Center's current 5.35-acre marshaling yard, leased since April 1, 2013, was initially secured through a 10-year lease directly with the property owner. However, upon the lease's expiration, the landlord chose to lease the property to a new tenant, who is now subleasing it back to the Corporation under less desirable terms for two (2) years. This sublease, which runs through March 2025, has prompted a search for a more stable and long-term solution to continue supporting the Convention Center's logistics operations. Despite extensive efforts, including inquiries into City-owned properties, viable alternatives have been limited.

In June 2024, staff identified a promising opportunity with a vacant 10.3-acre property at 825 Energy Way, Chula Vista, CA 91911. This property is ideally suited for a truck marshaling yard featuring a fully paved lot with existing infrastructure such as a truck scale, office trailer, restrooms, updated fencing, and utilities, making it operationally ready without the need for significant capital improvements.

Pursuant to Board Policy 517, this item was brought to the Board on June 26, 2024, and the Board authorized the business purpose for the negotiations of a marshaling yard, the location of the 10.3-acre property at 825 Energy Way, Chula Vista, CA 91911, the negotiating party and authorized Staff to begin negotiations on a potential lease.

