



December 7, 2012

Dear Industry Partner:

Enclosed is an important ballot regarding creation of a proposed Moscone Expansion District. Your vote is vital. Please return your ballot by February 5, 2013.

Tourism is San Francisco's largest industry, employing more than 70,000 individuals, but it won't stay that way unless we take bold steps. We have a plan.

Since the founding of the San Francisco Tourism Improvement District in 2009, a group of tourism industry representatives have been exploring the expansion of Moscone Center. The City is already losing valuable conventions because of space constraints, and larger groups are bypassing San Francisco for our competitors with more contiguous space. These losses have a direct impact on the bottom line of every hotel in the City, large or small.

To address this important issue, we are proposing a public/private partnership that builds on the successful Moscone Center renovation project, which was just completed on time and on budget. A new Moscone Expansion District (MED) would be created to fund:

- Expansion of Moscone Center, including design, entitlements, construction, financing, etc.
- A Convention Incentive fund, to attract significant conventions to San Francisco. (This fund was initiated with the original TID, but expires December 31, 2013, unless the MED is approved, putting the City at another competitive disadvantage.)
- A specific sales and marketing fund to market Moscone Center to meeting, convention and event planners.
- A Capital Improvement fund, to ensure that the Center never again falls into disrepair.

The combination of MED funding, raised through this assessment, and City funding will help ensure that the convention industry thrives in San Francisco.

You are receiving an official ballot along with a CD that contains the supporting documents.

We are asking the hotel community to support this effort by completing the ballot with a YES vote and returning it to the Department of Elections, which will tabulate the results and submit them to the Board of Supervisors. **Please make sure to complete the business details, sign the ballot, and return by mail no later than February 5, 2013.**

If you have any questions please do not hesitate to contact me directly.

Sincerely,



Joe D'Alessandro, President & CEO

San Francisco Travel Association



Toni Knorr, Chair

San Francisco Tourism Improvement District Management Corporation



David Nadelman, Chair

San Francisco Travel Association