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Contact: Irene McCormack, 619 453-4988



News Release

Mayor Bob Filner

Statement regarding the Tourism Marketing District Agreement:

“I have said from the outset that I believe the TMD tax is illegal because it violates Prop 26’s requirement that all new taxes be approved by a vote of the people. That was not done in the case of the TMD, and as a result, that is for the courts to decide now.

The City Council directed me to enter into an agreement with the TMD, and I set out to negotiate a better deal for the taxpayers of San Diego -- one that promotes our economic growth through a robust tourism marketing program, while protecting taxpayers from what could be millions of dollars in damages.

With the help of the last-minute negotiating skills of Councilman David Alvarez, I am pleased to announce that the TMD Corporation today agreed to fully protect San Diego taxpayers if the courts rule that their funding source is illegal. Councilman Alvarez would not take no for an answer and worked diligently last night and today to get the deal that I had been working on done.

Under this agreement, hotels will guarantee to protect the taxpayers, or the city will withhold TMD funds to cover potential liability for hotels who don’t protect us. Either way, the taxpayers win.

I look forward to working with the City Attorney’s office, the Council President’s office and with TMD representatives to get this deal finalized and voted on very soon.

There is more accountability and more transparency in this agreement and it ensures that taxpayers will have more information than ever about how these public funds are being used to pay the salaries of the top executives in the publically funded organizations.

I am also proud to announce that the agreement guarantees upwards of \$3 million per year, depending on the funds available, in funding for the 2015 Balboa Park Centennial Celebration.

Finally, Council President Gloria has agreed to hold a hearing on the city’s Living Wage Ordinance – including desperately needed protections for hotel workers, who are the backbone of the hospitality industry. We ought to be talking about this in the city of San Diego. It’s important.

I want to thank Councilmember Alvarez for his leadership, in helping to conclude these negotiations. His commitment and my commitment were to protect the taxpayers while ensuring the growth of our tourist economy.

I also want to thank Council President Pro Tem Sherri Lightner and Councilmember Marti Emerald for their support and for pushing to include appropriate indemnification in the agreement.

Last Tuesday, when I came to this Council, I said that this was a sad day for San Diego. Well today is a good day for San Diego. We came together driven by how much we love San Diego. We need the tourism industry to thrive. And we need to protect taxpayers. That's why it's a good day."

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