



THE CITY OF SAN DIEGO

September 17, 2020

The Honorable Gavin Newsom  
Governor  
State of California  
State Capitol  
Sacramento, CA 95814

RE: Safe Reopening Guidelines for Convention Centers Statewide

Dear Governor Newsom:

We are writing to respectfully request that you approve the Safe Reopening Guidelines for convention centers statewide that were submitted to your office in June 2020. As Mayor of the second largest City in the state and Chair of the City of San Diego's Economic Development and Intergovernmental Relations Committee, one of our top priorities is ensuring our local tourism industry survives the COVID-19 pandemic and ultimately thrives.

Timely approval of state reopening guidelines will provide convention centers with much needed regulatory clarity to plan for and execute a safe reopening. The San Diego Convention Center (SDCC), specifically, needs at least four months advance notice for its customers so that they will be able to successfully host their respective event. The SDCC has a handful of events booked for early 2021, however, many of them are considering a cancellation due to the uncertainty of the venue's ability to reopen. With that said, the Safe Reopening Guidelines submitted to your office in June 2020 must be approved by November 2020 to allow enough time for the SDCC to host its first event in 2021. Since the recent announcements the state has provided around reopenings have given little to no notice so that businesses can prepare, we ask that the state plan ahead and provide the certainty necessary to ramp up California's sizeable convention industry.

Under normal circumstances, the SDCC serves as an economic engine for the City, generating activity for businesses in the region as well as essential tax revenue for core City needs and services. In Fiscal Year 2019, SDCC hosted 143 events and 836,695 attendees, accounted for 822,528 hotel room nights, \$755.3 million in direct attendee spending, \$29 million in hotel and sales tax revenue to the City, and had an overall regional impact of \$1.3 billion. Due to the pandemic, events are not allowed at SDCC so its ability to generate revenue for the City is stalled.

The SDCC has lost more than 100 events between March and December of this year. In addition to lost events, the projected lost figures for the cancelled and rescheduled events in 2020 are:

- Event attendees: 628,440
- Hotel nights: 671,670
- Direct attendee spending: \$707.8 million
- Tax revenue: \$24.7 million
- Regional impact: \$1.2 billion

The consequences for not approving the Safe Reopening Guidelines for convention centers in a timely manner are severe. The longer the SDCC is prohibited from hosting events, the longer it will take for the venue to recover financially, making it harder to retain its critical workforce. In addition, the City relies on tax revenue generated from SDCC events and visitors. Delays in reopening convention centers negatively impacts the City's General Fund and our ability to provide core services to constituents. These ripple effects have real consequences. As stated before, when conventions are allowed to reopen is just as critical as how they will be allowed to resume, and the state should be proactive in approving these guidelines well in advance. The world's fifth largest economy cannot turn on a dime and this guidance has been thoughtfully developed with an emphasis on public health and safety by leaders in the industry.

We respectfully urge your office to expeditiously review and approve the Safe Reopening Guidelines for convention centers throughout the state. Should you have any questions, please don't hesitate to contact the City at (619) 236-6616.

Sincerely,



Kevin Faulconer  
Mayor



Chris Cate  
Councilmember, 6th District