

SD METRO

your business your life

July - August 2011



Downtown's Hughes Marino
Machine — Power Brokers for
Commercial Tenants
East Village — The Final Phase of
Downtown Revitalization

Jason Hughes (left) and David Marino

America's Best
DONOVAN'S
STEAK & CHOP HOUSE

GASLAMP - 6TH & K
619-237-9700

DONOVAN'S
PRIME SEAFOOD

GASLAMP - 333 5TH AVE.
619-906-4850

America's Best
DONOVAN'S
STEAK & CHOP HOUSE

LA JOLLA - UTC
858-450-6666

Rancho Santa Fe Insurance

San Diego's Largest Personal Insurance Agency and
Rancho Santa Fe's Agency of Choice for the Past 25 Years



Craig A. Edwards, President



**Vanessa N. Snodgrass
Chief Executive Officer**



**Laura D. Rodriguez
Executive Administrator**



Anita A. Gentry, CISR



Brooke Gharst



Lisa M. Hill, CISR



Stephanie Moskowitz



**Don Dvorak
Health and Life
Insurance Specialist**



**Janis P. Rochford
Newport Beach
Branch Manager**



**Scott Mosher
Palm Desert
VP Marketing**



**Nancy Wright
Fallbrook
Branch Manager**

Nationally Representing:

- Chubb Insurance
- Fireman's Fund
- ACE Private Risk Services
- Chartis Insurance

• Rancho Santa Fe

858.756-4444

• Newport Beach

949.759.1111

• Palm Desert

760.341.4114

• Fallbrook

760.731.1402

"I want someone with honor and integrity, someone I can trust and believe in to handle my insurance affairs. Craig Edwards provides that for me." – *John Moores*

"It was time to upgrade our existing personal insurance and Rancho Santa Fe Insurance was able to provide more comprehensive coverage than our Allstate policy provided. The pricing was surprisingly low and the personalized service that Craig's team provides is second to none." – *William Scripps*



Hughes Marino is San Diego's leading one-stop resource for businesses, municipalities and non-profits in need of corporate real estate assistance.

No other San Diego commercial real estate company combines the best available in-house brokerage, construction management, lease audit services, and enterprise zone tax credit services for business owners and organizations – all without a conflict of interest.

As San Diego's largest tenant and buyer representation company, it's no coincidence that our experts average nearly twenty years experience, and our core team has been together for more than sixteen years.

Contact us at www.hughesmarino.com to save your company time, risk and money. Guaranteed.



Hughes Marino
Because where you do business matters™

655 West Broadway, Suite 1650, San Diego, CA 92101 | (619) 238-2111 | www.hughesmarino.com

Our Mission is to always provide quality journalism for our readers by being fair, accurate and ethical; and a credible resource for our advertisers.

COVER STORY

14. PROFILE OF HUGHES

MARINO, the powerhouse Downtown real estate company that has the leasing game for tenants down to a precise science.

By Glen Tucker

20. HIGH-POWERED

EXECUTIVES

Meet five San Diego women who have carved out successful careers in their chosen fields.

By Delle Willett

26. DON'T SNEER AT THE "ZONIES"

Arizonans who escape the summer heat for San Diego do more than that — they buy property here.

By Zach Todaro

28. SMART PHONES' BIG WAGE AND HOUR HEADACHE

Legal issues must be considered when an employee uses technology — a smart phone — to stay connected outside of work hours, even if the device is not issued by the employer.

By David Monks

37. EAST VILLAGE

— FINAL PHASE OF DOWNTOWN REVITALIZATION

By Michael Stepner and Cary Lowe

COLUMNS

5. SAN DIEGO SCENE

24. DAVID MARINO

REIT's are the real future of real estate investment.

24. JEFF CAVIGNAC

What you need to know about directors' and officers' liability insurance.

29. AUTO COLUMN

Eric Peters swoons over Chevy's 2011 Corvette Grand Sport.

31. PAT LAUNER

Old Globe's marvelous summer Shakespeare Festival.

33. MARGO SCHWAB

Gala fundraisers for kids, pets, tigers and cops.

SDMETRO
your business your life

Chairman/CEO

Robert Page

BobPage@sandiegometro.com

Publisher

Rebecca Page

RebeccaPage@sandiegometro.com

Managing Editor

Manny Cruz

manny@sandiegometro.com

Contributing Editor

Tom Shess

Art Director

Michael Novido

design@sandiegometro.com

Photography

Margo Schwab

Manny Cruz

Julie Kolb

Contributors

Julie Kolb

Pat Launer

David Marino

David Monks

Eric Peters

Marianne Lalli Regan

Margo Schwab

Michael Stepner

Cary Lowe

Zach Todaro

Glen Tucker

Delle Willett

Get in the loop with SD Metro's Daily Business Report. Sign up for daily emails on the latest business at sandiegometro.com

P.O. BOX 3679

RANCHO SANTA FE, CA 92067

(858) 461-4484

FAX: (858) 759-5755

SD METRO magazine is published by REP Publishing, Inc. The entire contents of SD METRO is copyrighted, 2011, by REP Publishing, Inc. Reproduction in whole or in part is prohibited without prior written consent. All rights reserved. All editorial and advertising inquiries can be made by calling or writing to the above. Editorial and ad deadline is the 24th of the month preceding the month of publication. Mail subscriptions of SD METRO are available for \$50 a year for addresses within the United States. A PDF version of this issue is available at sandiegometro.com.

Additional information, including past articles, online-only content and the Daily Business Report can be found at sandiegometro.com. For reprints or plaques of articles published in SD METRO, please call Rebecca Page at (858) 461-4484



All real estate advertising in this newspaper is subject to the Fair Housing Act which makes it illegal to advertise "any preference limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin, or an intention, to make any preference, limitation or discrimination." Familial status includes children under the age of 18 living with parents or legal custodians; pregnant women and people securing custody of children under 18. This newspaper will not knowingly accept any advertising for real estate which is in violation of this law. Our readers hereby informed that all dwellings advertised in this newspaper are available on an equal opportunity basis. To complain of discrimination call HUD Toll-Free at 1-800-669-9777. The Toll-free telephone number for the hearing impaired is 1-800-927-9275.

NEXT ISSUE: 40 Under 40

Read us online:
sandiegometro.com

SAN DIEGO SCENE



The sand masters competition is on Sunday, July 24, where amateurs and professionals will take to the sand between 9 a.m. and 2 p.m. to create life-size masterpiece sandcastles.

Sandcastle Competition Returns

The only festival that has beach sand as its principal focus returns to Imperial Beach on July 22, 23 and 24. The 31st annual **U.S. Open Sandcastle Competition** will again be launched as the largest sandcastle-building competition in the country. Although the competition in past years has attracted a crowd of 400,000 over its three-day run, it was in danger of being canceled this year because of funding cutbacks and loss of grant money. But sponsors stepped up to rescue the event that takes \$230,000 to stage. Sponsors include **Cox Communications, Dyson, Subway** restaurants, **Vitamin Water**, a division of **Coca-Cola, Foster Farms, Almond Accents, Geico** and the **Imperial Beach Chamber of Commerce**. **Debbie Longley** chairs the committee that stages the event. "It's not just any day at the beach," she says. The event begins on July 22 with a community breakfast and a 21-and-older dance in the evening. Kids 12 and younger can participate on teams in the Kids-N-Kastles competition and be eligible to win prizes on July 23. Registered teams can build from 2 to 3:30 p.m., and winners are announced at 4 p.m. The sand masters show up July 24. Amateurs and professionals take to the sand between 9 a.m. and 2 p.m. to create life-size masterpieces in an attempt to claim their share of more than \$21,000 in cash prizes. Professional teams

compete in the Masters category, which is divided between three- and 10-person teams. Amateur teams compete in an open competition divided into several categories. Participants are encouraged to build castles inspired by memorable moments, significant landmarks or ideals of Southern California seen over the past 31 years. Admission is free.



Jon Mangini Basic Urban Kitchen + Bar

Basic Urban Kitchen + Bar, a 5,000-square-foot restaurant and warehouse lounge in East Village, has been honored as the 2011 BID Business of the Year by the **San Diego Business Improvement District Council**. The restaurant is led by

continued on page 6

Scene

continued from page 5

hospitality veteran **Jon Mangini**, who opened it in 2006. Each of the 16 Business Improvement Districts in the county selects a business from its district to be considered for the honor and the winner is selected by a committee of **SCORE** counselors. "BASIC is a great example of innovation and resilience, growing their concept and business plan over the last five years, said **Patrick Edwards**, president of the BID Council.

With the success of Basic in the San Diego market, Mangini has recently opened the doors to **URBN Coal Fired Pizza** in North Park, which offers the same thin-crust New Haven Pizza as the restaurant in East Village.

Bourbon Street in University Heights is hosting **Mama's Kitchen's** 16th annual Wine Tasting event on Aug. 18 from 6 to 9 p.m. Besides the wine, partygoers will get a selection of hors d'oeuvres. Proceeds go to the daily operations of Mama's Kitchen, the nonprofit that prepares and delivers three meals a day, seven days a week, at no charge to men, women, and children affected by AIDS/HIV or cancer. Pre-sale tickets are available for \$55, and tickets sold at the door are \$65. Bourbon Street is located at 4612 Park Blvd. in San Diego. To purchase tickets and for more information, visit mamaskitchen.org or call (619) 233-6262.



Burt Grossman

Former **Chargers** and **Philadelphia Eagles** player **Burt Grossman**, a teacher at **Hoover High** and a resident of Chula Vista, has been named the 2011 NFL Teacher of the Year. He receives a \$5,000 award and a \$5,000 grant goes to Hoover High. "We couldn't be more proud of Burt and his success with the students at Hoover High School," said **Chargers Executive Vice President-Executive Officer A. G. Spanos**. "As an organization, it's always exciting to see former players make an impact in academics and help our future leaders of tomorrow achieve success." A panel of educators and civic leaders selected Grossman from a pool of former NFL player nominations. Grossman was nominated by the San Diego Chargers and by Hoover High School Vice President and Director of Student and Community Affairs **Andreas Trakas**.

Caroline's Seaside Cafe by GIUSEPPE is scheduled to open in August to provide food service at the **Robert Paine Scripps Forum for Science, Society and the Environment** (Scripps Seaside Forum) at **Scripps Institution of Oceanography at UCSD**. The café will be operated by **GCIUFFA Inc.**, which owns and operates **Giuseppe Restaurants & Fine Catering** of



Caroline's Seaside Café by Giuseppe is scheduled for opening in August.

La Jolla. The café is a tribute to the family of the late **William A. Nierenberg**, who served as director of Scripps Institution of Oceanography for 21 years, from 1965 to 1986. The café will be named for **Caroline**, wife of Nierenberg's son, **Nico**. Caroline's Seaside Café will be open to the public and will provide the primary food service for more than 2,200 faculty, staff, students and volunteers at Scripps Oceanography. The cafe will be open from 7 a.m. to 4 p.m. Monday through Friday, and 8 a.m. to 3 p.m. Saturday and Sunday. The menu will include California-style cuisine with a focus on organic and sustainable sources, hormone-free meats and poultry, fresh produce locally grown and seafood selections.

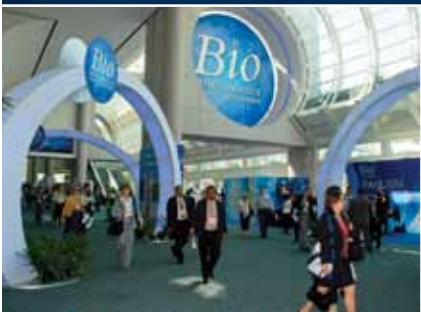


Rendering of a Harbor Island hotel proposed by Sunroad Enterprises.

The **Board of Port Commissioners** has given concept approval to a project to build a 175-room hotel on Harbor Island. **Sunroad Enterprises**, a tenant of the port, was granted an option to lease agreement and concept approval for the hotel to be built at its **Sunroad Resort Marina** leasehold at 955 Harbor Island Drive. The board voted to approve the project as long as the developer was willing to include two conditions in the lease agreement. The commissioners requested that language be inserted indemnifying the port against any legal action and also requested language stating that the hotel operator would comply with all employment and labor laws. Officials said the hotel would provide jobs and bring in about \$1.1 million a year in room taxes and additional money from sales taxes. As landlord, the Port of San Diego would receive about \$825,000 in annual rent – money the port would use to enhance its 17 waterfront parks and other public services. The port also would receive an additional \$1,240,000 in marina rent upon the project's stabilization. These figures are

continued on page 8

Serving our community for over two decades



San Diego Convention Center

Since opening, the San Diego Convention Center continues to be a catalyst for jobs, producing tax revenues to pay for city services and generating \$20.8 billion in regional economic benefits. We'd like to thank the San Diego community along with all of our strategic partners who share in our continued success and future growth.



San Diego
Convention Center
Corporation

VISITSANDIEGO.COM

Scene

continued from page 6

expected to increase by three percent each year.

Teachers and educational professionals are invited to attend **Cabrillo National Monument's** first Educator Open House on July 23 from 6 to 8 p.m. The event gives teachers the chance to learn about teaching opportunities that exist outside the classroom. Exhibitors from a variety of land management, nonprofit, and environmental education organizations will be on hand to discuss these opportunities and to distribute educational materials. The open house is sponsored by Cabrillo National Monument and the **Cabrillo National Monument Foundation**. Educators can register for the event by calling Rick Jenkins at (619) 523-4573.

The **San Diego Better Business Bureau (BBB)** is offering help to for-profit companies and nonprofit charities interested in entering its 2011 BBB Torch Awards for Marketplace Ethics. It will host one-hour workshops starting at noon on July 13 and July 19 at the BBB offices, 5050 Murphy Canyon Road, San Diego. The workshops are designed to assist entrants in preparing their submission for the BBB's annual awards program, now in its 14th year. Admission to the Torch Award entry workshops is free and luncheon refreshments will be served at no cost. To reserve a seat, call (858) 637-6199, Ext. 324.

Commercial real estate leasing firm **Hughes Marino** has established a new Lease Audit Services division to ensure that property owners are charging operating expenses in compliance with their leases. Leading the division is **Ed Muna**, who has 20 years of experience representing landlords in the management and leasing of commercial space. "For 20 years we have been negotiating leases with the goal of protecting tenants," said **Jason Hughes**, company president. "What we found is that, intentional or not, many property owners disregarded many of the protections that were negotiated. The new service allows for a review to ensure compliance with lease terms." Muna is a licensed real estate broker and holds the designation of Certified Property Manager from the **Institute of Real Estate Management**. He is a graduate of **San Diego State University**. Muna is involved with the **San Diego Regional Chamber of Commerce, Downtown San Diego Partnership** and numerous industry groups. "Businesses are looking for the peace of mind that they are paying no more than the charges negotiated in the lease," said Muna. "To our surprise, we are finding that a high percentage of property owners are missing material provisions. These property owners want to keep their tenants happy and maintain long-term relationships, so when a discrepancy is identified we have



Ed Muna

The Prestige

The Glory

The Honor

OR JUST PLAIN

BRAGGING RIGHTS



40
Under 40

*Awards is just
around the corner!*

found that most owners immediately acknowledge and address any issue.”



Debra Reed

Debra L. Reed, a veteran of the utilities industry, has been elected chief executive officer of **Sempra Energy**, parent company of **San Diego Gas & Electric** and four other subsidiaries. Reed, 55, who has been with Sempra Energy companies for 13 years, succeeds **Donald E. Felsing**, who will continue as executive chairman until his planned retirement at age 65 in late 2012. **Neal E. Schmale**, president and

chief operating officer of Sempra Energy, will remain in his current role until his planned retirement later this year. Reed has been executive vice president of Sempra Energy since April 2010. Previously, she was president and chief executive officer of San Diego Gas & Electric and **Southern California Gas Co.**, Sempra Energy’s regulated California utilities. She also served as chief operating officer of the two utilities, after being initially appointed president of SDG&E in 2000. Reed first joined SoCalGas in 1978 as an energy systems engineer. In 1988, she became the first female officer appointed at the company. Reed serves on the board of directors of **Halliburton Co.** and **Avery Dennison Corp.** Previously, she was a board member of the **American Gas Association**, **Genentech** and **Dominguez Services Corp.** She also serves on the board of the **San Diego Regional Economic Development Corp.** (as chair), as well as on the advisory councils of **UCSD’s Jacobs School of Engineering** and the **Precourt Energy Efficiency Center at Stanford University.** Reed graduated summa cum laude from the **University of Southern California** with a bachelor’s degree in civil engineering. Sempra Energy’s five principal subsidiaries are SDG&E, SoCalGas, Sempra Generation, Sempra Pipelines & Storage and Sempra LNG.

Michael McDonald, executive chef at the **Top of the Market**, has been named Chef of the Year by the San Diego chapter of the **California Restaurant Association.** Nominated by his peers and industry leaders, the award recognizes McDonald for his community service, vision and culinary skills. Before taking the helm at Top of the Market in 2009, McDonald led culinary efforts at **Brix@1601** in Hermosa Beach. Prior to that, he was executive chef at the famed **Hollywood Roosevelt Hotel**, overseeing all kitchen operations, including **Dakota**, one of Hollywood’s best reviewed and most star-studded eateries. The youngest of three children, McDonald often found himself in the family kitchen, helping his mother and father prepare meals: learning how to experiment with recipes. “My mom would tell me to try everything at least once; and if I didn’t like it, I didn’t have to try it again,” explains McDonald. “It was at that early age that I began trusting my instincts and palate, and that is something I have never stopped doing.”



Hilde Cheroutre

Award-winning scientist **Hilde Cheroutre** has been promoted to lead the **Division of Developmental Immunology** at the **La Jolla Institute for Allergy & Immunology.** Cheroutre’s expertise in the immunology of the digestive system has brought her to the international forefront of research on inflammatory bowel disease, celiac disease and other intestinal disorders. Her research accomplishments have also brought her national recognition as a recipient of the **National Institutes of Health (NIH) Pioneer Award** in 2009. The award is given annually to a handful of scientists nationwide by NIH Director **Francis Collins**, the nation’s highest ranking research official. The NIH created the award to encourage highly respected scientists to explore bold ideas that have the potential to transform human health. Cheroutre joined the La Jolla Institute in 1998 as an assistant member in the Division of Developmental Immunology, becoming an associate member in 2002 and full member in 2007. In 2007, her seminal discovery that retinoic acid, a vitamin A derivative, can play a critical role in controlling autoimmune diseases and the associated inflammation in the body, published in the journal *Science*, was named as one of the key biomedical research advances of the year by *Nature Medicine*, a journal for biomedical research. Cheroutre has been awarded the NATO Postdoctoral Fellowship twice and the Cancer Research Coordinating Committee Fellowship from the state of California.



Downtown's Newest Icon

The Harbor Drive Pedestrian Bridge, Downtown's newest landmark, was opened in March and has already attracted awards for its engineering beauty.

The American Road & Transportation Association awarded it second place in the bridge category and it received the Award of Excellence from the San Diego/Tijuana section of the Urban Land Institute. The San Diego and Imperial Counties chapter of the American Public Works Association voted it Project of the Year in the transportation category.

The 550-foot bridge, one of the world's longest self-anchored pedestrian suspension bridges, was built at a cost of \$26.8 million next to Petco Park. It allows walkers to safely cross Harbor Drive and nearby train and trolley tracks at their intersection with Park Boulevard and enables easier access to the ballpark and East Village.

The award from the American Road & Transporta-





tion Association cites the use of materials in the bridge that are appropriate for the marine environment of San Diego, mitigation to the railroad tracks and Harbor Drive and community involvement during the planning stages. The American Public Works Association said the bridge enhances walkability and noted efforts that were made to minimize schedule conflicts with freight trains and trolleys. The Urban Land Institute recognized the full development of the bridge project — the construction, economic viability, marketing and management and design.

The bridge was constructed as a requirement of the Public Utilities Commission due to the reconfiguration of streets to accommodate construction of Petco Park and reconstructing a vehicular intersection at Park Boulevard and Harbor Drive. It was designed by Ty Lin International and Safdie Rabines Architects and constructed by Reyes Construction Inc.

Agencies involved in the project besides CCDC were the California Transportation Commission, Federal Highway Administration, Caltrans, SANDAG and the Port of San Diego. JMI Realty also was involved.

Downtown's Co-Merge puts a new spin on shared work space

Co-Merge, a 9,000-square-foot building at 330 A St. in Downtown, offers an unusual angle in shared work environments.

“Co-Merge extends beyond the traditional executive suite or coworking concept by providing a networking-rich environment and the ability for members to only pay for what they use,” said Mike Kenny, co-founder with Robert Conrad. “The space itself is designed to inspire creativity and breed collaboration — key elements for success. An added benefit is that users can choose what space, features and amenities they need at any one time and craft a workplace solution that fits their business and budget.”



RISK... NEEDS TO BE MANAGED

Woman "Diving" Off Car Hood at San Diego Beach, Circa 1920

Managing Risk and Negotiating Insurance for San Diego's Business Community

Jeffrey Cavnagnac, CPCU, ARM, RPLU, CRIS
James P. Schabarum II, CPCU, AFSB
Scott Bedingfield, CIC, AAI | Patrick Casinelli, REBC, RHU

Cavnagnac & Associates
INSURANCE BROKERS

BANK OF AMERICA PLAZA | 450 B Street, Suite 1800, San Diego, CA 92101
619 234 6848 tel www.cavnagnac.com

License No. 0A9320



Michael Kenny Robert Conrad

A business can use and pay for space on an hourly “drop in” rate with no minimum required, or through a monthly membership. Hourly rates are \$10 per hour with parking included and monthly memberships are offered at \$500.

Kenny and Conrad plan to open other Co-Merge locations over the next few years. The building on A Street, formerly used as a bank, was redeveloped under a design by Carrier Johnson + CULTURE. BYCOR General Contractors was the contractor. Crawford & Company in Poway designed the furniture. The furniture systems were installed by i-TEC, a Crawford & Co. sister company.

An outdoor patio faces A Street at the building's entrance. The interior features high, open-beam ceilings, wood and stone accents, exposed steel and cable supports, expansive collaborative work areas and glass-enclosed conference rooms. Contemporary touches include hanging light fixtures, brightly painted accent walls, and custom murals



and artwork. A number of environmentally friendly features were incorporated into the design.

The heart of Co-Merge is a 50-person collaborative work area, along with 22 Allsteel private workstations complete with lockable storage units that are available on a reservation basis. There are private video and phone conference rooms, a kitchen with eating area and another flat-screen television, and a vault with lockers and filing cabinets for members who want to store personal or business items securely. All of the amenities a professional office would need are available — including copy machines, scanners, printers and office supplies.

For more information on Co-Merge, call (619) 255-9040 or visit co-merge.com.

Louis Di Valentin (1907-1982)



Louis Di Valentin

"Bar Room" c1945

oil on canvas 30"x40"

Artist exhibitions: National Academy of Design, Pennsylvania Academy of Fine Art, Corcoran Gallery of Art, Carnegie Institute, Toledo Museum of Art, Springfield (Mass.) Museum of Art, Milch Gallery

K. NATHAN GALLERY
Representing the Estate of Harold Frank (1917-1995)

7723 Fay Avenue, La Jolla, Calif 92037 ■ 858.459.3490 ■ www.knathangallery.com

The Hughes Marino Story

Why every business owner should know these guys

By Glen Tucker

Most of us grow up being told “there’s no free lunch” — and most of the time that’s true. But occasionally one runs across a company that provides a service that’s akin to a free all-you-can-eat smorgasbord. Hughes Marino is one of those companies.

You might see their television commercials featuring their boyish-looking CEO, Jason Hughes, or see their ads in local newspapers, electronic media and even publications such as this one. But what

many don’t see is what powers this gift to San Diego businesses: the duo of Hughes and David Marino — together in force.

To understand what makes this partnership work, it helps to understand their origins. Both men come from modest upbringings — the sons of hard-working families — but with meager means. Both men wanted to change their lives — and provide better lives for their families. They both graduated college and both have their MBAs. Both strive for extraordinary results with all aspects of their lives.

We first profiled Jason Hughes in August 1997, when he was only 30, anointing him the “Lord of Leasing.” Despite continuing over the last 14 years to be the leader in Downtown’s commercial real estate market, and becoming one of the city’s most outspoken voices on the sidelines when it comes to the region’s civic growth, Hughes, now 44, still

loses sleep at night worrying about taking care of his clients, thwarting off the competition and making sure Hughes Marino stays on the cutting edge of the real estate industry. While his passion for protecting businesses’ rights and pocketbooks still causes him sleepless nights, it seems that Hughes’ passions in life remain the same but have become more extreme over the years.

Hughes still lives in Rancho Santa Fe with his wife Shay of 22 years (they met when they were 18 and 16) and three children. Though the Hughes’ children were only in

preschool when we wrote his first cover piece (this is the fourth), they are now in law school, undergraduate college and high school, the oldest two of whom are attending the University of San Diego where their dad got his MBA.

Hughes still climbs mountains, something he has been doing for decades, scaling Mount Whitney with his 18-year-old son in just a day last summer, but he also takes vacations to an extreme. Just this month, Hughes took his family on a whirlwind trip to India, Nepal, Qatar, Greece and England, all in a little over a week’s time. It is that go-for-it mentality that has driven

Hughes since he was a young boy, when he began working at the age of 10 to pay for his own adventures in life, whether it be riding horses, going on ski trips with friends or buying his first car before he could legally drive. Hughes, who had only visited two states by the time he was 18, has since visited over 35 countries with his



Jason Hughes, left, and David Marino in their Downtown office.

continued on page 16

A Healthcare Agency as Fine as **SAN DIEGO.**



Didi Discar
Principal

Carling Communications, Inc, located in San Diego, California, is a global provider of branding and medical education programs.

The company shares its philosophy, focused on a purposeful existence and the commitment to forging partnerships that contain chemistry and success.

Carling Communications offers an extensive suite of state-of-the-art services in conjunction with innovative brand development.

www.carling-communications.com

Hughes Marino

continued from page 14

own family, including Israel, Egypt, Turkey and the UAE in the past year. He is undoubtedly an adventure-seeker.

Hughes is still obsessed with dominating San Diego's commercial real estate market, but his focus has turned from

has known. That's what keeps him up at night these days. Innovation, cutting-edge technology and marketing that is unheard of in the industry have helped attract some of the industry's most talented people that make Hughes Marino San Diego's premier commercial real estate company.

It is their team of people that inspired Hughes and Marino to partner together to buy the firm's "future world headquarters" in Downtown, purchasing the old offices of *San Diego Magazine* on Front Street, gutting the building inside and out to create an office like no other in San Diego. "We view the new building as a new 'home' for Hughes Marino, rather than an office. We want everyone to love where they work and who they work with, and we want a showcase to be able to share with the community for special events," says Hughes.

David Marino, who has long been the suburban team leader of the company, adds, "Our team has a new energy, a zip around here, that will be reflected in our new headquarters. We have an incredibly energized group of team players, and that dynamic is only going to be enhanced by our new offices," which has more "living space" than office space.

From an inviting great room, full gourmet kitchen, gym and shower facilities, and a billiards/ping pong/game room, it is obvious the folks at Hughes Marino like each other. "We

know probably better than anyone else how important a company's location is to the synergy, group dynamics and ultimately the success of a business, so we wanted to raise the



The Hughes Marino offices are on the 16th floor of 655 West Broadway Downtown.

being the Lord Of Leasing to garnering the best and most comprehensive team of real estate brokers, construction managers and business service providers the industry

An advertisement for SDMETRO. The background is a warm sunset over a mountain range. In the top left, the SDMETRO logo is displayed with the tagline "your business your life". In the top right, the text "coming soon. sandiegotmetro.com" is written. In the center, the large text "50/50" is prominently featured. At the bottom, the phrase "This is what over the hill looks like" is written in a cursive font.

bar to a new height and set an example for other businesses to follow,” Marino enthuses.

Setting an example, especially when it comes to giving back to the community, is something Hughes and Marino have been long-time advocates of. Both men and their collective team have given hundreds of thousands of dollars to nonprofits throughout San Diego County, championing the landmark New Children’s Museum, in which Jason, then-president of the NCM, resurrected the museum from extinction when it needed \$15 million to survive. Not only did it survive, but it thrived, and Marino’s wife, Patsy, has since taken over the reins as president of the NCM, helping catapult it to international recognition.

Marino and his wife, who live in La Jolla with their two young children, are some of San Diego’s most-active charitable givers, hosting and chairing events for dozens of nonprofit organizations, including Voices for Children, the Contemporary Museum of Art, and the New Children’s Museum. They have become a staple of San Diego’s giving circle and are known for hosting some of the biggest bashes, like the NCM’s over-the-top galas, to private fundraisers in their own personal wine cellar. “San Diego is one of the greatest cities in the world to live, so it is a natural extension of our company’s philosophy and our personal gratitude to give back to the community as much as possible,” Marino reveals.

From San Diego’s business community to the communities they live in, the people over at Hughes Marino are passionate about contributing and enthused about everything they do. Which brings us to their powerhouse commercial real estate company. To say these guys — and for that matter most everyone in their company from what I could ascertain — are passionate about representing companies in their corporate real estate work is an understatement. These guys literally eat this stuff up.

The Hughes Marino team has a depth of knowledge that Hughes believes sets them apart from the pack. With their own in-house counsel, general contractors, engineers, LEED-certified specialists, MBA’s and a core team that has been together over 16 years, Hughes is “incredibly proud of the group of people we have here.” Another standard they’ve raised the bar to — all Hughes Marino real estate experts must have their brokers license, not just a salesperson license.

One of the many innovative programs the firm has initiated is the “Individual Betterment Program,” a brainchild of Hughes, being led by one of their most senior mentors, John Jarvis, principal and senior vice president of the firm. “We are about much more than making money. We want people to grow and improve as individuals, because that ultimately helps us help our clients succeed too,” Hughes adds.

Jason Hughes seems to take it beyond the establishment. He says that ever since he brought on Dave Marino as his new partner, their company has been in overdrive. Not only has the company grown its client base, but it has grown its own employee base as well.

Last month Hughes announced the formation of a new service division to help companies review and contest operating expenses and CAM charges. He brought on long-time landlord executive Ed Muna to head up this division — having been the asset and property manager for millions of square feet of Class A office space throughout San Diego. Hughes says Muna knows where landlords bury all the bodies — and so far it’s been a huge success. Muna’s first assignment was helping a large local nonprofit organization review their operating expense charges in a downtown high-rise. Within weeks, Muna successfully recouped over \$35,000 of savings by scouring the operating expense language and comparing that



Jason Hughes meets with guests in a Hughes Marino conference room.

to how the landlord had been calculating their bills. Hughes Marino’s cut: a negotiated percentage of the freshly found savings. Had they found nothing, their review would have been free of charge.

Hughes recently announced the acquisition of Cal Tax Group, a five-year old Downtown company founded by Brendan Foote, geared around finding federal and state tax credits, rebates and incentives for companies located within the 42 enterprise zones throughout California. Downtown San Diego happens to be one of these zones. So does a vast majority of the areas south of Interstate 8 all the way down to the Mexican border.

Hughes says his own company, with the help of Brendan,

continued on page 19

New Headquarters

Hughes and Marino aren't sparing any expense on their new headquarters building in Downtown. They recently purchased the former San Diego Magazine building on the corner of Front and Beech streets right as you enter into Downtown. The interior has already been gutted — and they are embarking on an expansion and total redo of everything — all the way down to four walls and the roof (and even that will be getting a major facelift). The new building more than doubles their existing space to 13,000 square feet and will include a state-of-the-art gym (complete with showers and personalized lockers for all employees), a billiards room, a putting green, large entertainment area, multiple conference rooms and media rooms, a chef's kitchen and, budget permitting, a wall of LED televisions tied together in unison — thought to be the first of its kind in San Diego. But the cool stuff doesn't stop there. They are adding solar panels on the roof and they are going for LEED certification. Upstairs, the perimeter will be lined with offices — with an open atrium looking down onto the ground floor “living room” — all drenched in light from the multiple skylights on the roof. Hughes promises the premises to be “a fantastic cultural experience” for the innovative company — and it will be a showpiece for “all of our clients to enjoy.”



Hughes Marino Services

- Core practice group is helping companies with their corporate real estate transactional needs, whether it be buying a new building, renewing an existing lease, expanding or contracting their premises, lease termination workouts, or negotiating to move to alternate locations. Hughes and Marino and their team have represented many of the largest companies in San Diego. Best part about it? The landlord pays their fee — so it doesn't cost Hughes Marino clients anything.

- Hughes Marino CM — the construction management division helps companies with anything related to construction, design and move-related issues. They act as the representative when dealing with contractors and landlords to ensure that the Hughes Marino client receives the value that was negotiated for — making sure that charges are accurate, construction is done on time, items are value-engineered, etc. Basically, the Hughes Marino CM team acts as a highly educated owner's representative — ensuring best pricing, least amount of risk and delivery of the end result on time.

- Hughes Marino LAS — the Lease Audit Service division was developed as a value-add service for existing Hughes Marino clients so that they have a resource to challenge landlords

with their operating expense and CAM charge pass-throughs to tenants. Hughes Marino LAS provides this review free of charge and so far it has netted tens of thousands of dollars in savings for HM clients in the last 30 days alone. The cost to Hughes Marino clients? Zero for the review and analysis. For additional help with the recovery, Hughes Marino LAS receives a small percentage of the refund.

- Hughes Marino TCS — the Tax Credit Service division is the most recent addition to HM., HM acquired Cal Tax Group in early July and has folded it into the HM organization. This too is a value-add service line for existing HM clients as well as new potential clients. After realizing more than \$50,000 in tax credit benefits and refunds for a relatively small employee base, Hughes wanted to add the service to his offerings — as this is “an absolute huge opportunity that very few companies and their owners take advantage of; it's literally found money — and we're here to help get it for our clients.” The cost to Hughes Marino clients? Nothing for a review and evaluation. If successful (which is 90+ percent of the time), Hughes Marino TCS receives a small percentage of the refund or credit (but only after their client receives the benefit).

What Really Bothers These Guys

Both Hughes and Marino have spent countless columns beating the drum about the perils of companies working with brokers having conflicts of interests. Both adamantly state that the laws should be changed to ensure better consumer protection when it comes to this issue.

They argue that the real estate industry doesn't have the safeguards that other industries have about conflict abuse. The abuse goes much further than simply representing both the landlord and tenant at the same time — which on its own merit always gives the landlord the advantage. Marino says that, shockingly, many brokers have silent ownership interests in commercial office buildings that they, or their broker partners, end up bringing to their own buildings.

What many executives don't fully comprehend is that for landlords, their BUSINESS is leasing space. Their world revolves around maximizing return vis-a-vis increased rents and minimal concessions to tenants. They are typically the wealthiest and most sophisticated industry — and they em-

ploy teams of lawyers, CPAs and landlord brokers to advocate their cause. Why, then, would anyone think that allowing them or their agents to “help” them not be a crazy idea?

Hughes says the vast majority of commercial real estate companies derive a huge portion of their revenue from landlords — and it is typically recurring income that tenants don't provide. They do this by not only leasing out their buildings, but they also provide property management, asset management, financing and sales services. Basically, most brokerage companies are simply a marketing arm and service extension of landlords. It's a noble and worthy profession, but one that is conflicted from properly representing companies in their real estate — as they simply have a different agenda. You can't serve two masters equally at the same time.

The legal profession agrees — prohibiting an attorney from representing both the plaintiff and defendant in the same trial. Hughes argues the same should hold true for commercial brokerage.

Hughes Marino

[continued from page 17](#)

was able to gain over \$50,000 in tax rebates — all with only 15 employees at the time. “Brendan's company had the same value proposition as ours,” says Hughes. “It was a natural fit for our client base. Now we can offer our clients real economic savings every year — not just during lease negotiations.” How does the new Hughes Marino Tax Credit Service work for companies? Hughes Marino's TCS division reviews and evaluates all of the potential tax credit benefits for each company as a complimentary service — just like their Lease Audit Service. If they are successful in attaining a refund or credit, they share in a percentage of the newly found savings.

And then you have the stalwart Construction Management division, headed by Kirt Gilliland, who has worked with Hughes for nearly 17 years. “Kirt and the CM team have grown exponentially over the years,” says Hughes. The CM group has helped Hughes Marino clients manage their tenant improvements — and managed the construction for the New Children's Museum in Downtown, assisted-care living facilities, an award-winning high-rise residential tower, multi-floor parking structures, numerous bank and credit union branches and headquarters, among multiple other projects throughout Southern California. “When you understand how commercial rental rates work, a large component revolves around the tenant improvement allowance,” states Marino. “The construction expenses can amount to up to half of the rent — so it only stands to reason that monitoring and managing the expenses, making sure that the allowance gets properly and efficiently utilized — only makes sense.” Hughes Marino's take? Up to 4 percent of the construction budget — however, they guarantee their fee through budget savings — not to mention the time and risk involved for novices.

Notwithstanding all of the above, the Hughes Marino machine thrives on representing businesses, municipalities

and nonprofits with their real estate transactions. “We're in the business of helping companies make smart real estate decisions — saving them time, risk and money. That's what we're all about,” Hughes affirms. And it shows. Whether Hughes is telling you on his TV commercial — or telling you straight to your face — you know he believes in what his company provides.

The Hughes Marino story goes further than just belief. They guarantee all of their service divisions and results, as they have only one fiduciary, their clients. One thing you'll never find Hughes Marino doing is representing landlords. They pride themselves on their mantra, “We represent tenants. All day. Every day.” Hughes even goes so far as to say that “dual agency” should be illegal. “We see brokers who work for landlords — and who also have minority ownership interests in buildings for lease — representing tenants who ultimately sign leases in these buildings. That is the fox watching the hen house,” Hughes fervently adds.

“We don't represent landlords in their leasing of space, selling of buildings, management of space — nor do we have ownership interests in any commercial buildings other than our new corporate office (which we occupy entirely),” Marino explains. “We are not beholden to anyone other than our clients — the companies, municipalities and nonprofits of San Diego.”

In addition, the company now offers free space surveys for companies looking for space who are unsure of how they want to proceed. “I don't ever want a business owner to feel obligated to use us. Working with a company is a privilege for us. We hold ourselves to a much higher standard than most companies and brokers in our industry. We are committed to providing each one of our clients with best-of-class representation in all aspects of their corporate real estate. Period,” says Hughes.

High-Powered Executives

Meet five San Diego women who have carved out successful careers in their chosen fields

By Delle Willett

The Family Dynamic

It's unanimous. The three women partners of Carling Communications Inc. could not be the success they are without drive, talent and a supportive family dynamic.

Didi Discar's husband, Paul, keeps her presence in her large extended Filipino family, even when she is one the road.

Julie Ulloa's husband is a stay-at-home dad, taking care of their 6-year-old twins, a boy and a girl.

Olivia Chang's husband shares the responsibilities of raising two children under the age of 3, a boy and a girl.

These three women teamed up in May 2010 to form Carling Communications, a health care communications advertising agency. Carling is one of the fastest growing health care marketing agencies in Southern California. Clients include biotech firms, pharmaceutical and medical device companies throughout the globe. It was recently selected as the agency of record by ThromboGenics Inc., a Leuven, Belgium-based global biopharmaceutical company. With 22 employees, Carling is based in Liberty Station in Point Loma.

Didi Discar is president and CEO. She drives business development, maintains client relationships, finalizes contracts and oversees clients' strategic directions. "Clients want an agency that isn't afraid to think about the reality of the market, to react to that reality, and evolve their thinking around how that reaction might have created a new reality," Discar says.

Julie Ulloa is the executive vice president, responsible for strategic oversight of all client-related functional areas and, along with her teammates, plays an integral role in the overall management and development of the agency. In her words, "I keep clients happy, build new relationships and keep everything client-related on the right track."

Olivia Chang is executive vice president, general manager, whose job is being "VP of everything else."

Discar is the driving force behind Carling Communications. Where did the courage come from in today's economy to launch the firm? "I give my parents the credit



Carling Communications principals, from left, Didi Discar, Julie Ulloa, Olivia Chang.

for always believing in me,” she says. “My father, who is no longer with me, has always been my inspiration to succeed.”

Discar launched her health care career in 1993 as a sales rep with Wyeth-Ayerst (now Pfizer) after graduating from the University of Southern California with a bachelor’s degree in biomedical engineering, at a time when engineering jobs were drying up. She easily went from her college training in biomedical engineering to marketing. “Engineering involves having good math skills, as does marketing,” she says. “Forecasting for products is critical — and it involves both math



Didi Discar

and analytical skills, so it wasn’t such a big stretch for me.”

Her career led her in many marketing leadership roles, including launching global brand RESTASIS while at Allergan. In 2003, she went on to support multiple health care brands on the services and consulting side of the industry. Having been in the health care industry for 19 years, Discar has worked with a broad spectrum of companies spanning from Fortune 500 to specialty biotechnology companies. She has been instrumental in building the pharmaceutical market-

ing industry in San Diego by being managing partner at Med Access for eight years and now as key principal for Carling Communications.

Managing a career, being married, and raising a family has been quite the journey for Discar. “I married a wonderful man who has supported my entire career. He keeps me present in my large extended family even when I’m not always able to be there.” Husband Paul Schmeling, a SDSU grad, is also employed in medical services.

In her “spare time,” Discar runs with the Bonita Running Club and is active in the Point Loma community, where she lives. Being a “traditional, good Filipina,” she plays classical piano and spends a lot of time with her extended Filipino family, many of whom live in the Bonita area, where she grew up. She also does a lot of international travel with her 14-year-old daughter, Mikaela, who she wants to show that the world is so much bigger than we are. Discar is also active in supporting Filipino women’s community by hosting workshops with the Maria Clara de Pilipinas Sorority to speak to the women about upholding themselves in a professional community while remaining true to their ethnicity.

Julie Ulloa and Didi Discar met 12 years ago when they worked together at a pharmaceutical company. When Discar started Carling Communications, Ulloa joined the team, both ready to do their own thing.

Ulloa has been in the health care industry for 18 years, most of which has been in San Diego. Her early experience at Dura Pharmaceutical (now Elan) included a variety of commercial and product-development roles. From there Ulloa spent the next five years with G&S Research, a health care primary-market research firm where she was responsible for the West coast business unit. It was here that she developed a deep appreciation for the entrepreneurial spirit that is so instrumental in the ongoing development of the San Diego biotech/specialty pharmaceutical community.

After spending the next three years at MedAccess, Ulloa’s entrepreneurial spirit brought her to Carling to aid in the startup of the dynamic, rapidly growing communications agency. Her commercial experience enables her to advise clients on a range of activities including market research, positioning, and brand and advocacy development.

Ulloa was born and raised in Fullerton and is a graduate of Cal State Fullerton with a major in business and minor in biology. She came to San Diego 13 years ago and lives in Rancho Bernardo with her husband and 6-year-old twins. In her “spare time” she hangs out with her kids.

Olivia Chang has been in the professional services and advertising industry for 14 years, with the last four years in pharmaceuticals and medical education. Her previous positions include senior vice president at Access Communications, a pharmaceutical and medical education communications company, and Asia-Pacific regional director at Leo Burnett Worldwide, a Publicis Groupe global advertising

continued on page 22

Profiles

continued from page 21

agency.

Chang holds a bachelor's degree in cognitive science from Northwestern University and a master's degree in statistics and marketing from Northwestern's Kellogg School of Management. Although a small-town Washington State native, Chang considers herself a Midwesterner and an urbanite, having spent 15 years in Chicago, followed by two years in Hong Kong. She now lives in San Diego with her husband and two young children. She speaks Mandarin and Taiwanese and just enough words in Cantonese to order out dinner when the team is working late at the office.

Raising the Education Bar

How Does a high school dropout become an education leader?

She had a dream.

Sarita Fuentes, a San Diego native, dreamed of becoming a principal. She persevered and within six years earned her high school diploma, associate's degree from Southwestern College, bachelor's degree and bilingual teaching credential from San Diego State University and a master's degree from Point Loma Nazarene College — all while being a single mother of two children, Damien and Paula.

For the past 17 years, Fuentes has built a commendable career in education, focused on giving back to the San Diego community. She began her career as a teacher for the Advancement Via Individual Determination (AVID) program and progressed to master teacher, assistant principal, principal, director of instructional support and finally principal and CEO of the Monarch School Project.

At Monarch School — which she is leaving — Fuentes has raised the bar for academic excellence with academic performance index (API) test scores increasing from 488 to a current score of 614 in high school and 728 in elementary school, while creating a warm and nurturing environment for children impacted by homelessness.

She is a firm believer that all students are capable of achieving success if provided with rigorous curriculum, a safe environment and a strong support system. Her focus has been on ensuring that all students have a solid academic foundation and high levels of proficiency in core subjects while blending in “the wonderful experiences and resources that the community offers to this student population.”



Sarita Fuentes

Throughout her career, Fuentes has received numerous honors for her hard work and dedication, including: finalist for San Diego Magazine's 2010 “Woman of the Year” award, featured leader in CNN's 2010 “Leader with Heart” series, 2009 “Local Heroes Award” by Union Bank, among many others.

Convention Industry Spark Plug

Carol Wallace's story gives a new meaning to “achievement.” She has raised the bar for all women with her achievements as a businesswoman, volunteer, woman of color and mother.

Wallace is president and CEO of the San Diego Convention Center Corp., where she has led the 2.6 million-square-foot bayside facility for nearly 20 years. She is responsible for the overall management, marketing and operation of the facility, oversees a full-time and part-time staff of more than 550 and an annual budget that exceeds \$32 million. Under her leadership, the San Diego Convention Center has become one of the most successful facilities in the nation.

When she came to San Diego in 1991, she played a pivotal leadership role, convincing key constituents to expand the San Diego Convention Center, resulting in an expansion opening in 2001. The expansion has exceeded all expectations, and she is currently working with San Diego Mayor Jerry Sanders and



Carol Wallace

community stakeholders on efforts to expand again.

Wallace's hard work and dedication have earned her numerous industry and community accolades. She was recently selected as the North American representative on the AIPC International Association of Congress Centres board of directors, and was named one of the Most Influential African-Americans in the Meetings/Tourism Industry by Black Meetings and Tourism for the second year in a row. She is the past president of the International Association of Venue Managers (IAVM), and in 2004 she received its highest honor, the Charles A. McElravy Award, for her exceptional leadership and extraordinary career-long accomplishments.

A dedicated community leader, Wallace presently serves as board chair of United States International University, Nairobi, Africa, and is the past board chair of ACCION San Diego. She is on the boards of the San Diego Hotel-Motel Association and the San Diego Convention and Visitors Bureau. She is past board member of the San Diego Urban League; United Way CHAD; the American Lung Association of San Diego and Imperial Counties; YMCA; Alliant University; and Home Savings' Partnership Council.

She is a member of the SD Rotary Club and the NAACP and is the recipient of the San Diego Business Journal's Women Who Mean Business "Manpower Balance Award." She was the first woman in the convention industry to be given this high recognition for her commitment to family, community, and profession. Wallace is a graduate of Ohio State University, is married and the mother of three adult children.

An Important Message for Victims of Defective DePuy Hip Replacement and Resurfacing Systems

DePuy Orthopaedics, Inc., a Johnson and Johnson Company, has recalled all of its ASR XL Acetabular Hip Systems and ASR Resurfacing Systems. Victims of these defective products have reported various problems, including pain, popping, grinding, metal sensitivity, raised skin and metal poisoning. Because of the danger of metal poisoning, many physicians are advising that ALL DePuy systems be removed and replaced. We are a San Diego-based products liability law firm representing numerous victims of DePuy Hip Replacement and Resurfacing Systems nationally. DePuy has contacted victims directly and is trying to settle claims for nickels on the dollar. Don't fall for it.

If you or someone you know has been fitted with a defective DePuy System, contact us immediately. Our founder and President, John Gomez, is a Yale Law School graduate, a former federal prosecutor, and the 2006 and 2010 Trial Lawyer of the Year. We will make sure your rights are protected, that you get the honest medical treatment you are entitled to, and that you receive FULL compensation for your potential life time of harm. Call us now at 1-866-395-6792 for a FREE CONSULTATION. Mr. Gomez will come to you and there is NO FEE AT ALL UNTIL WE GET YOU THE MONEY YOU DESERVE. YOU MAY BE ENTITLED TO COMPENSATION EVEN IF YOUR HIP REPLACEMENT SYSTEM HAS NOT BEEN RECALLED AND YOU HAVE EXPERIENCED NO SYMPTOMS!

Don't miss out!

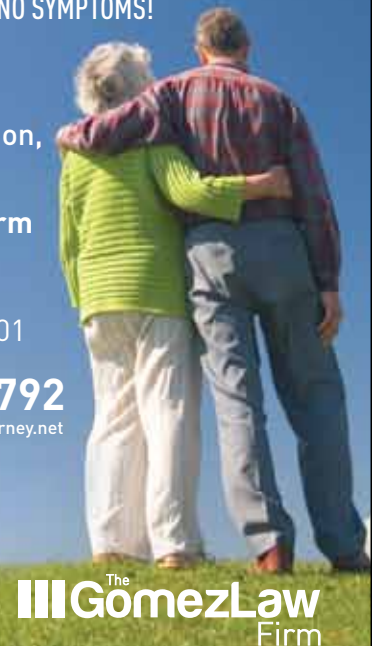
For more information, contact us today:

The Gomez Law Firm

625 Broadway
Suite 1200
San Diego, CA 92101

1-866-395-6792

www.depuhipreplacementattorney.net



The Gomez Law Firm

REIT's are the Future of Real Estate Investment

By David Marino

Back in 1989, when I moved to San Diego to get into the commercial real estate industry, local developers built and owned most of San Diego's commercial real estate. Names like Oliver McMullin, The Hahn Company and The Koll Company dominated the landscape. Then, the real estate recession of the early-mid '90's brought much of that to a close, with assets reverting back to lenders through foreclosure, or to the RTC (Resolution Trust Company) through the seizure of much of the Savings and Loan industry. There was no appetite for investors or lenders to put capital into commercial real estate thereafter for many years.

However, real estate entrepreneurs didn't sit idle during the 1990s, and the capital markets and investment bankers didn't either. While REIT's (Real Estate Investment Trusts) had been in existence for about three decades, the mid-1990s propelled REIT's into what they are now. Individual investors, pension funds and life insurance companies had all been badly stung by buying into individual properties in the 1990s. Those investors still wanted the real estate asset class in their portfolio, but didn't want the risk concentration of any one building or project, or the lack of liquidity inherent in commercial real estate assets. Meanwhile, there were billions of dollars of foreclosed and seized assets that could be bought for half off, or less. Thus, the supply of real estate capital converged with the demand for real estate capital, and the REIT sector took off. As reported by REIT.com in 1990, there were 58 equity REITs in the U.S. with a combined market cap of \$5.5 billion, and in 2010, there were 126 REITs with a combined market cap of \$360 billion.

A REIT is a public entity that raises capital from a stock offering, just like any other company would. However, while most public companies use that capital to fuel their R&D, sales and marketing and the expansion of their operating business, for a REIT, it's the underlying property asset portfolio that is being taken public. The capital raised is generally used to acquire even more real estate assets. The public is investing in the quality of the assets themselves, and most importantly, the cash flow from those assets. What is so attractive to investors in REITs is that a REIT pays no corporate tax, so long as at least 90 percent of a REIT's taxable income is distributed to shareholders through dividends. Thus, investors get a cash dividend from the stock, and also enjoy the upside of capital gains from the growth of the stock.

To a REIT, it's all about amassing assets to drive income. This is why REITs are generally best positioned to fund tenant improvements and building upgrades, as they will often trade capital investment in spades for the increased income they can derive through long-term rents. REITs have been incredibly stable through this recession of the last three years. With typically low debt and broad diversity of assets (both in number of assets and geography), a few empty buildings do not kill a

REIT. Just to put it in perspective, Kilroy Realty, the second-largest owner of property in San Diego County, has 141 buildings totaling 14 million square feet from San Diego to Seattle. Alexandria Real Estate Trust, one of the largest players in biotech facility ownership, has 167 buildings totaling 13.7 million square feet from San Diego to Boston. While property ownership structures of the past would have been wiped out during this recession, REITs have continued to raise capital, have been aggressive in their leasing programs, and have generally seen their stock prices recover.

REITs generally have a long haul view of their commercial real estate investments, and have the staying power to implement major campus remodels and building improvements that will last for many decades. Most of the remaining large tracts of quality buildable land in the central San Diego region are owned by REITs, waiting for larger users to come along that might need a campus, or for a market recovery in which to build new spec buildings.

While I am not an investor in REITs, to avoid any conflicts of interest with my business of representing corporate tenants in their leases, institutional real estate investors should be taking a close look at the opportunities in REIT stocks. I have seen billions of dollars of public pension fund money wiped out over the last four years due to pension funds directly investing in commercial real estate buildings and projects. Pension funds have less expertise in operating real estate, thinner local operating staffs (if any at all) and less market visibility to be making direct investments in commercial real estate. By owning or investing in single-asset buildings or projects, there is also significant market-timing risk related to when an investor might need to get out of the real estate. Pension funds have been net sellers of real estate over the last three years, as they have faced loans maturing and the need to rebalance their portfolios.

Investment in REITs offers the ability to sell in an instant, as they are publicly traded stocks, and also offers a great way to diversify a portfolio. While one REIT in itself offers diversity due to the number of buildings it might own, a portfolio of REITs can offer industry, geographic and product diversity. There are REITs separately specializing in retail, industrial or office product. There are REITs that operate separately on the West Coast or East Coast. There are REITs like Alexandria, Biomed Realty and HCP that focus only on life science real estate. There are even REIT mutual funds if you don't have time to do the research on individual REIT's. REITs are the future of real estate investment.

David Marino is principal of Hughes Marino, the largest San Diego commercial real estate company with brokers exclusively specializing in tenant representation for lease negotiations and building purchases. (619) 238-2111. Email: david@hughesmarino.com.

Extraterritorial Workers Compensation

When do you need foreign workers compensation coverage?

By Jeffrey W. Cavnac

The world is getting smaller and — now more than ever — business is becoming global. It's not uncommon nowadays for companies to set up operations in foreign countries. They might hire local citizens in those countries or send their American employees overseas, sometimes for extended periods of time.

So, let's say that one of your key employees has an extended engagement in China. They are going to be stationed there for six months. Unfortunately, they get involved in a work-related accident and are seriously injured. You turn the claim in to your domestic workers compensation company and they begin asking questions. You start to wonder, "Is my employee covered?"

Most domestic workers compensation insurers extend coverage to covered employees for "temporary" travel outside of the United States. If an employee is injured in a foreign country and coverage applies, the employee would receive "state of hire" benefits. The problem is that "temporary" is not defined. Nor has there been any case law to help clarify just how long temporary is.

In a recent survey by our firm of several insurance companies, the ambiguity of this topic became clear. The following comment is reflective of how most of them viewed this exposure:

"I believe that if a person retains their California residence and travels abroad up to 3-4 months, then the California policy would still extend coverage but, once again, that is my opinion. There could be unique circumstances and evidence that overrides the extension of coverage. Because of the ambiguity, our company does not have a set defined period of time. This remains a decidedly gray area and because of that, it makes sense for employers with known foreign travelers to clearly understand their employees' travel duties/responsibilities and duration of time abroad and consider the purchase of foreign coverage to make the issue black & white vs. gray."

Despite the fact that there is not a clear consensus, we can deduce some basic guidelines:

If an employee occasionally travels abroad, a week or two at a time, even up to three months, you should be able to rely on your domestic workers compensation policy. Note that when you have an exposure, it still makes sense to supplement this with a Foreign Voluntary Workers Compensation Policy. This is included in most foreign programs offered by standard carriers and is relatively inexpensive. Minimums start at about \$2,500 a year. It basically fills any gaps the domestic policy might have, most obviously endemic disease and repatriation.

An endemic disease is one that is particular to a country. The endemic disease coverage language of a foreign workers

compensation endorsement establishes that coverage applies to injury or death arising out of endemic disease even if the disease is not covered under the workers compensation or occupational disease law of the designated state.

Repatriation expense coverage reimburses the insured for expenses over and above normal transportation costs when it is necessary to bring an injured, sick, or deceased employee back to the United States. Some foreign workers compensation coverage endorsements impose a sublimit on repatriation expense coverage; the adequacy of any such sublimit should be carefully evaluated. The extra transportation costs under such circumstances can be enormous.

If an employee is going to locate overseas for more than three months, you should specifically schedule them on the foreign policy. They will be charged a rate just like they would under the domestic policy (albeit higher) and they will receive State of Hire benefits.

If your company is going to establish a foreign corporation with foreign employees working in that country, you will in all likelihood be covered by that country's compulsory insurance program, but you should verify this, as each country is different.

In simple terms, if you have employees traveling overseas, you should buy Foreign Workers Compensation Insurance. The coverage is relatively inexpensive and spending a small amount of dollars to protect against potentially big losses makes good risk management sense.

Conclusion

Many countries have strict insurance laws as it pertains to liability, property and workers compensation. While the focus of this article is workers compensation, it is important to bear in mind that, if you have exposure in a foreign country, all of your exposures should be carefully evaluated and understood. Where appropriate, local legal counsel (or domestic counsel familiar with the country in question) should be engaged, and a foreign insurance program should be implemented. The expertise of an insurance broker familiar with constructing a foreign insurance portfolio shouldn't be underestimated.

Jeff Cavnac is president and principal of Cavnac & Associates, a leading commercial insurance brokerage firm providing a range of insurance and expertise to design and construction firms, law firms, real estate-related entities, manufacturing companies and the general business community. The firm is located at 450 B St., Suite 1800, San Diego. More information about the company can be found at cavnac.com.





Don't Sneer at the 'Zonies'

Arizona 'heat escapees' actually help our economy

By Zach Todaro

Define exodus: a departure or emigration, usually of a large number of people, often forced. As residents of San Diego, we are aware of a massive exodus every summer season, and no, I am not referring to the story of the Israelites.

This exodus has a massive impact on our economy, specifically the housing market. In certain places, this exodus can oft overrun even the most prepared of seaside locales. This group of seasonal nomads travel an average of 350 miles to our shores, and stay for only a season, making the trek back to the desert at the conclusion of the Labor Day weekend. Weather is surely the driving force behind the exodus.

These people, affectionately termed “zonies” by some intrepid locals, have been making the journey from Phoenix and surrounding areas to San Diego for almost 50 years. The average temperature for Phoenix in July is 105 degrees, with an all-time high of 121. Coronado averages 73 degrees for July with a record high of 94.

As a long-time resident of Coronado, I watched as the trend gained momentum throughout the '90s, peaking during the boom years of 2003-2007. And while visitors from across the world tend to pack San Diego's hotel rooms, visitors from Arizona tend to permeate the communities they visit, choosing to live amongst the locales by means of purchasing the homes next to us, and renting the ones across the street.

By conducting a small case study, it is possible to understand the scope by which this exodus affects our local housing market. Of the 32 homes on Coronado's premiere street, Ocean Boulevard, tax records show that six are owned by Ari-

zona residents. Of a sampling of 100 homes on 1st Street, 20 are owned by Arizona residents. Even conducting a cursory study, the impact is more than measurable.

So now that we have established that the “zonies” are real, are here — and here to stay — let's focus on the questions of how and why. With the short distance between San Diego and Los Angeles, the fact that we are within a day's drive of another major U.S. city often eludes us. Phoenix has a population of 1.445 million people, and 4.1 million people in the metro area, making it the sixth largest city and 12th largest metro area in the country, and the largest of all the state capitals.

The economy in Phoenix is focused on tourism and major industrial products that include aircraft parts, electronic equipment, agricultural chemicals, radios, air-conditioning equipment, leather goods and Native American crafts. In addition to the strong manufacturing base, the region is home to several of the country's largest financial institutions that include American Express, Chase Bank, Bank of America, Discover Card Services and Wells Fargo Bank.

Other major Fortune 500 members that have a significant workforce in Phoenix are Boeing, Time Warner, Intel and IBM. The strength of the economy, combined with the area's affordability (consistently ranked in the top 10 of America's most affordable metropolitan areas), and the stifling summer heat wave, makes it obvious to see why residents of Maricopa County make the short trek to San Diego, and how they are able to afford it year after year.

It is difficult to come up with the exact number of seasonal vacationers. Even if we assume only one half of 1 percent of the residents of the Phoenix metro area spend a month

or more in San Diego, that is still over 20,000 Arizona residents that require seasonal housing. Short of a major climate change in the next decade — say dropping the average Phoenix summer temperature by 20 degrees — I think we will see more and more Arizona residents in San Diego each year. These people will require housing, and with the average home price in coastal areas increasing, I think you will see these people move into more affordable areas of San Diego, specifically the metro area.

While many San Diego residents take great pleasure in poking fun at the “zonies,” remember (as they may have already reminded you) that they fill our hotels, eat at our restaurants, support our local museums, fill up their enormous sport utility vehicles at our gas stations and pay our property and sales tax.

Most importantly, unlike many seasonal visitors, they purchase homes in San Diego. This added competition helps support home values, and could be instrumental in the recovery of our real estate market. So next time you come across the family of four from Scottsdale, keep your home value in the back of your mind, and greet them with a smile rather than a sneer, whether it be genuine or not. Local business owners, Realtors and your financial planner will thank you.

Zach Todaro is a Realtor representing clients in the greater San Diego area. Zach can be reached by email at ztodaro@gmail.com and by phone at (619) 302-9239.



Zach Todaro

San Diego County Credit Union in Growth Mode

2010 was a year of change, growth and accomplishment for San Diego County Credit Union.

Despite the economic downturn, the credit union was able to grow and expand and to meet the financial needs of its members. Total locations grew to include 28 branches servicing three counties, membership increased to more than 212,000 and assets grew to nearly \$5 billion.

SDCCU is the largest locally owned financial institution in San Diego and its assets are nearly three times as great as its nearest competitor. According to industry sources, SDCCU has achieved status as one of California's top home loan lenders out of more than 270 credit unions with respect to mortgages and home equity loans and lines of credit.

Business accounts grew by 11 percent to over 9,900 accounts at year-end. The business deposit portfolio grew by approximately 7 percent, exceeding \$88 million. The credit union also maintains a strong performing business loan portfolio of over \$447 million.

SDCCU's concierge auto buying service, Auto Express Sales & Leasing, delivered cars to over 450 members. Many members took advantage of the credit union's competitive auto loan rates and terms and their great leasing program that offers a generous mileage allowance and flexible terms with no security deposit.

It launched an updated Visa product in 2010 as well as a new Fly Miles Plus Reward program Website highlighting new and easier ways to redeem rewards. Included in the improvements were charity and green options with the removal of restrictions on travel.

During the year SDCCU was able to provide some members with historical low interest rates for an opportunity to refinance their home and enjoy lower payments.

To keep up with technological trends and offer their members increased convenience, SDCCU introduced several new products and services:

- Check Car Overdraft Service.
- Live Chat online with an SDCCU representative during normal business hours.
- MoneyTracker. This budgeting tool provides members the opportunity to view accounts from all of their financial institutions within a secure Internet Branch.
- QuickBooks. Business members can now quickly and easily download their transaction data from Internet Branch to QuickBooks with a click of a mouse.
- SDCCUDirect. Enables members to directly transfer funds between their external accounts and those at SDCCU.
- ZashPay. Members can now pay people directly from Bill Payer Plus, using the recipient's email address or mobile phone number.

Smart Phones' Big Wage and Hour Headache



By David Monks

A smart phone is now as much a piece of your office life as a desk, laptop or employee handbook. Anyone can use their BlackBerry or iPhone to stay current on news and events, update social media status and check their email from any location with a signal.

For more and more people, that e-mail checking usually includes a work e-mail box. The potential dilemma: there are legal issues to consider when an employee uses technology to stay connected outside of work hours, even if the smart phone is not issued by the employer.

Recently, a police officer sued the City of Chicago on behalf of himself and others, seeking pay for time spent dealing with work-related phone calls, voice mails, e-mails, text messages and work orders via BlackBerry devices and similar “personal digital assistants.” The officer contends that these activities entitle the group to an award of overtime compensation under the federal Fair Labor Standards Act (FLSA).

The idea of checking on work activities outside of work hours is neither a new phenomenon nor surprising. However, the extreme proliferation of electronic communication devices into every part of our lives creates a new wrinkle and key issues that employers must address when it comes to smart phone use outside the workplace: Non-exempt vs. exempt status – Do you know how your employees are classified?

Recognizing how the law (created 70 years ago) doesn't always relate to current real-life situations.

How do you count/monitor the amount of time spent using personal electronic communication devices to stay current on work situations?

This issue won't be going away any time soon. Although there have been countless wage and hour claims in California on a variety of topics, there is no current legal definition

about compensating for time spent on work projects after hours strictly using electronic communication. The fact is, even without a statute in place, employers need to begin looking at policies regulating and defining electronic communication use outside of work hours and what work constitutes “overtime.”

One initial solution is to put in place procedures and systems that allow (and even require) non-exempt employees to keep accurate records of the time spent working using a mobile device. A firm may wish to create a special time sheet for this or a new online tracking code if the company uses a software-based or web-driven time management tool. Employees should be trained to make a habit of submitting this record so that the activities can be counted along with their other work in order to compute wages.

In just the last few months, the Department of Labor has gotten into the act and created an iPhone app that allows employees to keep their own time records. This is a powerful example of the ways technology can open the door for employees to be deceitful and manipulative in tracking time. It also seems clear that the DOL is doing this to help bolster wage-hour cases against employers.

Apps like this can be truly dangerous. There is a huge risk for mistakes and most employees have no expertise in what is considered to be work time under the FLSA (or applicable state law). This can lead to employees mis-reporting time that otherwise would not count as compensable hours worked.

Moving forward, technology will continue to invade all parts of employee lives and further blur the line between work and personal time. Employers need to stay up-to-date on current information about potential impact of timesheet app entries in wage disputes; it is recommended all employers continue to monitor Department of Labor updates and any potential changes to the Fair Labor Standards Act.

David Monks is a partner in the San Diego office of Fisher & Phillips LLP. He counsels employers on a wide variety of matters, including employee discipline and termination, wage-and-hour issues, disability accommodation protocols, family and medical leave issues, investigations of harassment and other misconduct, and independent contractor issues. (858) 597-9600. dmonks@labor-lawyers.com.



David Monks

2011 Corvette Grand Sport – What's not to love?



By Eric Peters

If you don't like the Corvette, you probably don't like cars. How can you not love a \$49k (to start) sports car that can match moves with \$100k exotics? And which for a bit more money — not all that much money, really — can take them to school and give them a lesson they'll not soon forget?

What it is

The Corvette is famous for being America's sports car — in continuous production longer than any other model of car on the road, including other long-lived notables such as the Ford Mustang — which appeared 11 years after the first Corvette was launched back in 1954. It has competitors, but its combination of exotic power/performance and accessible price puts the Corvette in a class by itself.

Base price for a coupe with 430 hp 6.2 liter V-8 and six-speed manual transmission is \$49,045. A higher-performing Grand Sport with freer-flowing “dual mode” exhaust and other upgrades starts at \$55,045 for the coupe; \$59,045 for a convertible.

For even more performance, you can select the Z06 option, which replaces the 6.2 liter V-8 with a larger 7 liter V-8 that produces 505 hp — in addition to numerous other upgrades. Base price for the Z06 coupe is \$74,375. This model is not available as a convertible.

For the Ultimate Corvette — literally one of the quickest/fastest cars ever built — there's the ZR1. Its 6.2 liter super-charged V-8 delivers 638 hp (38 hp more than the Dodge Viper's V-10), 10-second quarter mile times and 200 MPH top speeds. Base price for this one — also sold only as a hardtop coupe — is \$110,300.

What's New for 2011

Chevy has added a new Z07 performance handling package to the roster of optional equipment you can order with

the Z06 (505 hp) version of the Corvette. It consists of the ZR's even more aggressive wheel/tire combo, plus its Adaptive suspension system and some of the ZR1's lighter-weight body panels. The Gran Sport, meanwhile, can be ordered with the wheel/tire package used with the Z06, plus carbon fiber interior accents. One unusual option that Chevy offers Z06 and ZR1 buyers is the Corvette Engine Build Experience. You get to visit the Wixom, Mich., plant and help assemble your Corvette's engine.

What's Good

\$200k performance at a Chevrolet price. Everyday drivable — even in heavy traffic. Best-looking body since the '68 Sting Ray. Own a legend.

What's No So Good

Legend has a rep — good and bad. Lower cost pony cars such as the Ford Mustang (and the Corvette's Chevy cousin, the Camaro) are nipping at the 'Vette's heels, power and performance-wise. Interior layout doesn't rise to the high coolness of early Corvette interiors — or the price tag of the Z06 and ZR1.

Under the Hood

Base Corvettes come with a 6.2 liter V-8 rated at 430 hp. You can choose either a six-speed manual gearbox or six-speed automatic. All Corvettes are — of course — rear wheel drive. It is a measure of how high the horsepower waters have risen that such a spectacular number is almost ho-hum, in part because 300 hp family cars are now common. That's why Chevy offers upgrades. The first step up is the Grand Sport, which can be ordered with a dual-mode exhaust that's quiet around town but when you punch it, opens up to let the 6.2 liter V-8 breathe easier - and produce an additional 6 hp.

Not enough? Then opt for the Z06. Engine size increases

continued on page 30



to 7 liters and horsepower climbs to an uncommon 505. The car's 0-60 time also drops from a merely asphalt searing 4.5 seconds to an asphalt-ripping 3.9 seconds. The Z06 is an 11 second quarter-mile car, with a Ludicrous Speed top end in the 180s. For \$74k — the base price of the Z06 — this is untouchable performance, unless you include high-performance motorcycles.

And if you want to beat them? Chevy's ultimate Corvette — the ZR1 — stands ready. It has a hand-built and supercharged version of the 6.2 liter V-8 which produces 638 hp and delivers unto you 10 second quarter-mile capability.

On the Road

What can 430 hp do? This car — the standard Corvette — will do 120-plus in third gear, easily. You have three more gears to go. Fourth will get you close to 150 at red-line. Now imagine what 505 hp can do. Or 633 hp. All 2011 Corvettes are quicker and faster than most six-figure exotics of the past 40 years — and have twice (or even three times) the power of the Corvettes of the '70s and '80s. The 2011's Corvette's only real problem is that the extremely high level of power/performance it offers is also now being offered by even lower-cost cars, among them the Ford Mustang GT and of course, the Corvette's in-house cousin, the Camaro SS.

Aside from the panoply of power, perhaps the most impressive thing about the Corvette — all versions — is how everyday drivable they are. Most true exotics are not. The Dodge Viper is hell on wheels but it's also hell to drive it for more than 30 minutes at a time — if yo're not doing a track day.

At the Curb

The current generation Corvette is already six years old, but like most Corvettes ever built, won't ever really look old. That's one of the many perks of owning a pedigreed car such as this. The same is true of almost any Porsche or Ferrari. 20 years old? So what. It's still cooler than most brand-new cars. That's staying power.

The Rest

I've test-driven dozens of Corvettes over the years and love them for the big lovable lugs that they are. The only downside is that some other people don't like them much — including most women and pretty much all cops; both view the Corvette — and its owner — with suspicion. It is unpleasant to be the constant focus of traffic enforcement attention.



But on the upside, the huge sums you saved by purchasing a Corvette rather than a 911 GTS, Viper or Ferrari will pay for a lot of speeding tickets and insurance surcharges.

Eric Peters is the author of "Automotive Atrocities" and "Road Hogs" (spring 2011) and a former editorial writer/columnist for The Washington Times, a contributor to Cars.Com, The CarConnection.com and AOL Autos, among others.

2011 Chevrolet Corvette specifications:

Base price: \$49,045. As tested \$74,600 (Convertible Grand Sport).

Engine: 6.2 liter V-8; 430 hp and 424 lbs.-ft. of torque

Transmission: six-speed manual

Length: 174.6 inches

Width: 72.6 inches

Wheelbase: 105.7 inches

Curb weight: 3,208 lbs. (coupe)

Luggage capacity: 22.4 cubic feet

EPA fuel economy: 16 city/26 highway

Where assembled: Bowling Green, Ken.

Summer = Shakespeare (+ Mozart)



Ben Diskant as Ariel in 'The Tempest.'
Photo by Henry DiRocco.

Miles Anderson (left) as Prospero and Ben Diskant as Ariel in 'The Tempest' by William Shakespeare, directed by Adrian Noble, at The Old Globe. Photo by Henry DiRocco.

By Pat Launer

In cities around the world, summertime is high time for Shakespeare under the stars. The season is enthusiastically anticipated at the Old Globe, too. The Summer Shakespeare Festival draws hordes of locals and tourists alike.

So what keeps folks coming back to these 400 year-old plays? Consider this. The esteemed literary critic Harold Bloom wrote a book called “Shakespeare: The Invention of the Human,” which asserts that the Bard remains popular because his characters feel so real, so up-to-the-minute. Shakespeare imbued his creations with something that hadn’t existed before: “personality,” or what it means to be human. According to Bloom, Shakespeare actually altered human consciousness by describing it; after him, the world was a different place and we were different creatures. In other words, Shakespeare re-created humanity.

Not only that, but he re-created the English language. “Coined by Shakespeare: Words and Meanings First Penned by the Bard,” by Jeffrey McQuain and Stanley Malless, alphabetically lists his inventions, from “assassination” to “zany,” with surprisingly contemporary items in between, like “addiction,” “advertising,” “marketable,” “cold-blooded” and “worthless.” The book contains thousands of entries. And it doesn’t even include the numerous everyday expressions that first appeared in Shakespeare’s plays: come full circle, elbow room, kill with kindness, flesh and blood, play fast and loose, too much of a good thing and many, many more.

So, shouldn’t all this make you re-think your possible long-term aversion to Shakespeare? If not, the gorgeous productions of this summer’s Shakespeare Festival at the Globe, beautiful to look at and extremely clear and easy to understand, should get you back where you belong: Outdoors, surrounded by the stunning foliage of Balboa Park.

What makes the festival special is the fact that three plays are performed in repertory, on alternating nights, by the same actors — an ensemble of 24, including a dozen graduate students from the Old Globe/University of San Diego MFA program.

This year, returning festival artistic director Adrian Noble, who spent years as artistic director of London’s renowned Royal Shakespeare Company, continues a recent San Diego “tradition”: augmenting the Shakespeare works with a modern classic.

The 2011 production trio features Shakespeare’s last play, “The Tempest,” and one of his most beloved comedies, “Much Ado About Nothing,” paired with Peter Shaffer’s fictionalized historical drama, “Amadeus,” which won the Tony Award for Best Play (1979) and the Academy Award for Best Picture (1984).

It’s thrilling to see the same performers play wildly different roles, which is both exciting and daunting for the actors. The festival also presents a huge challenge for designers, who have to create three vastly different but rapidly interchangeable locales.

Scenic designer Ralph Funicello relishes the challenge. “Each show has a very distinct look,” he says, “yet there’s a unity provided by the basic, bi-level wooden stage structure. ‘The Tempest’ is in some ways the simplest, with just a large blue silk fabric, used in many different ways that is pure magic. I think ‘Amadeus’ has the most scenery we’ve used in a show in the past eight seasons but it, too, doesn’t attempt to create literal locations. ‘Much Ado’ adds a Victorian wrought-iron wall that informs the mood and historical period” (mid-19th century).

Like all good theater, each play has a theme greater than

continued on page 32

Theater

continued from page 31

its storyline.

“The Tempest,” which involves shipwrecks that have landed the characters on an enchanted island, is ultimately about forgiveness and redemption. The wizard Prospero (magnificently portrayed by Miles Anderson) takes vengeance on his enemies, but in the end, he gives up his magic (a stand-in, most believe, for Shakespeare himself, putting down his pen after this final creation), lets his sprightly servant go free (Ben Diskant makes a wondrous Ariel, blue hair and all), and takes his rightful place in society. The Globe production is spectacular, laced with the most marvelous music, composed by Shaun Davey for this Noble (and nobly)-directed show.

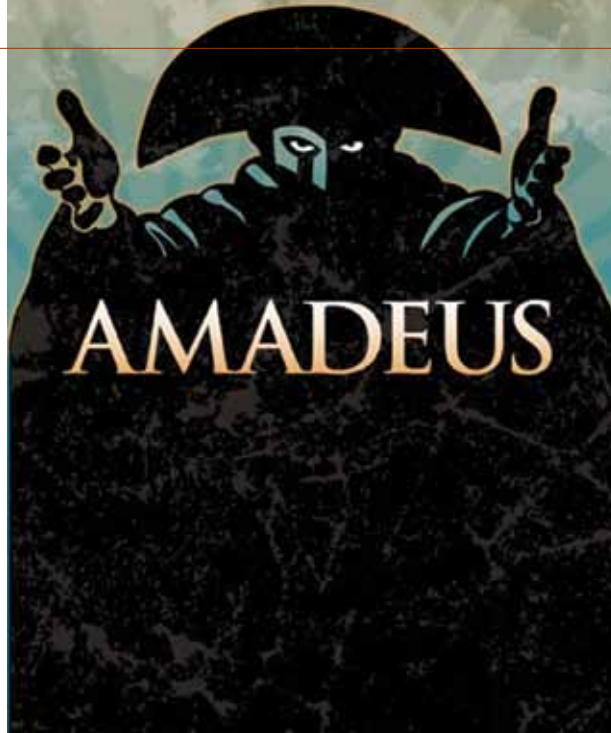
“Much Ado” shows the many faces of love: one couple is instantly smitten, but their relationship is quickly derailed by a villain who blights their affection with a fabricated betrayal. The self-important, sharp-tongued couple engages in a battle of wits till they, too, are duped — into acknowledging their mutual love. This famous duo, Beatrice and Benedick, is played by real-life spouses Jonno Roberts and Georgia Hatzis. Director Ron Daniels downplays the comedy and underscores the more serious thematic elements: the importance of honesty, loyalty and accurate perception.

Though “Amadeus” concerns the rivalry between the young prodigy Wolfgang Amadeus Mozart — depicted in the play as a whinnying, potty-mouthed ninny — and the envious court composer, Antonio Salieri, it’s really a high-spirited meditation on genius vs. mediocrity. Miles Anderson has the major role of Salieri, but Jay Whittaker’s delightfully daft Mozart nearly steals the show.

So, what are you waiting for? The wistful, the magical, the comical and the historical await you. Get thee to the Globe post-haste.

The Tempest,” “Much Ado About Nothing” and “Amadeus” run in repertory through September on the Old Globe’s outdoor Festival Stage. 619- 23-GLOBE; www.theoldglobe.org.

Pat Launer is an Emmy Award-winning arts writer and theater critic who, for the past 25 years, has written for newspapers, magazines, radio, TV and online. Her theater reviews can be heard weekly on KSDS-FM, and she writes regularly for Patch.com. Pat has been named a Living Legacy by the Women’s International Center. www.pattetheater.com.



Jay Whittaker as Wolfgang Amadeus Mozart in ‘Amadeus’ by Peter Shaffer, directed by Adrian Noble. Photo by Henry DiRocco.

Georgia Hatzis as Beatrice and Jonno Roberts as Benedick in The Old Globe’s ‘Much Ado About Nothing,’ directed by Ron Daniels. Photo by Henry DiRocco.



Adrian Noble, artistic director of The Old Globe’s 2011 Shakespeare Festival, directs Shakespeare’s ‘The Tempest’ and Peter Shaffer’s ‘Amadeus.’ Photo by Ken Howard.

Gala fundraisers for kids, pets, tigers and cops



By Margo Schwab
SocialDiaryMagazine.com

Promises2Kids

Promises2Kids rocked to new heights at their gala benefit. The Doobie Brothers performed before hundreds of guests at the La Jolla estate of host and honorary chair Joan Waitt. Rocio and Mike Flynn chaired the event, helping raise significant funds “to break the cycle of child abuse through prevention, education, and advocacy.”

To learn more, visit promise2kids.org.

San Diego Zoo

The San Diego Zoo held its 28th annual RITZ (that’s Rendez Vous In The Zoo) gala fundraiser with the theme, “Moonlight Shangri-La” to benefit the new Southeast Asia Tiger Habitat at the San Diego Zoo’s Safari Park. Clarice Perkins and Debbie Turner were the event co-chairs and Audrey Geisel served as honorary chair. Geisel, under her Dr. Seuss Fund/San Diego Foundation, matched every dollar donated 2-for-1, up to \$1 million.

Visit sandiegoozoo.org to learn more.



1) Mayor Jerry Sanders with former Sheriff Bill Kolender, retired officer Scott Johnston and Police Chief William Lansdowne at the ‘Cop Hop’ fundraiser.

2) Margo Schwab with Kima (aka ‘Lady Dogga Gaga’) and District

Attorney Bonnie Dumanis at P.A. W.S. event.

3) David and Miriam Smotrich attended the Promises2Kids benefit.

4) Joan Waitt with Rocio Flynn and Susan Golding at Promises2Kids fundraiser.

continued on page 34

Social Diary

continued from page 33

P.A.W.S. aka Pets Are Wonderful Support

Jim Urbina, Jeff Johnston and Robert Hunt hosted supporters of P.A.W.S. San Diego County. That's Pets Are Wonderful Support. The fundraiser helped P.A.W.S. dual purpose mission to "assist low-income, elderly, disabled or chronically ill individuals, helping with the care and life maintenance of their therapeutic animals. Lisa Lipsey did a great job chairing the event, and Kima the Service Dog won the dog costume contest in her "Lady Dogga Gaga" outfit.

To learn more, visit pawssdc.org.

Cop Hop Rocks for Police Organizations

The "Cop Hop" fundraiser benefitting The San Diego Police Foundation and The San Diego Police Historical Association was held at the La Jolla Farms estate of Ramin Pourteymour. Guests included San Diego Police Chief William Lansdowne as well as former Sheriff Bill Gore and Natalie Gore, Assemblyman Nathan Fletcher, District Attorney Bonnie Dumanis, Gale and Scott O'Mara, Assistant Police Chief Shelley Zimmerman, San Diego Police Historical Association Executive Director Rick Carlson and Abeer and George Hage.



5) Guests at the Zoo's RITZ gala included Joye Blount with Don and Linda Swortwood. 6) Designer Jordan with David Masterjohn at the San Diego Zoo's RITZ gala.

Visit sdpolicemuseum.com for more information.

For more photos of these and other events, visit socialdiarymagazine.com.

To contact Margo Schwab: socialdiarymagazine@gmail.com.

The Pursuit of Surgical Perfection

"Looking wonderful is a great thing, feeling wonderful is everything."

As plastic surgery has evolved throughout the years, it has climaxed in the art and science of shaping the human form. The practice of San Diego plastic surgeon Dr. Stuart B. Kincaid focuses on the cosmetic branch of plastic surgery for enhancement of body image.

The specialties at Dr. Kincaid's San Diego practice includes but are not limited to breast augmentation (using both saline and silicone breast implants), breast lift, body contouring including liposuction and tummy tuck, fascial plastic surgery including rhinoplasty, facelift, browlift and blepharoplasty. Dr. Kincaid also offers SmartLipo for laser assisted liposuction.

Dr. Kincaid has dedicated his career to the pursuit of surgical perfection and complete patient satisfaction.

His patients come from throughout Southern California to his state-of-the-art facilities in both San Diego and Temecula. He is proud of the number of patients he has attracted from La Jolla, Dana Point, Misson Viejo, Laguna Hills, Newport Beach and San Clemente.

Many of Dr. Kincaid's patients write glowing tributes to his work. Jen wrote, "Being a nurse, I am very picky on doctors whom I choose. I had contemplated complete breast augmentation for many years. The second I stepped into Dr. Kincaid's office I felt totally comfortable. I am thrilled with my results and highly recommend Dr. Kincaid both personally and on a professional level as a health care worker."

Robin said, "I had a wonderful experience with Dr. Kincaid and his staff. They made me feel very comfortable. He surpassed my expectations. I would definitely recommend Dr. Kincaid to all of my friends and

family."

Ashley offered this assessment: "Dr. Kincaid is awesome. He asked me what were my expectations for my breast augmentation and I told him to look natural and that is exactly what he did."

Dr. Kincaid is certified by the American Board of Plastic Surgery. His San Diego office is at 8929 University Center Lane, Suite 201, San Diego 92122. (858) 365-1021.





Addison — The Grand Del Mar, 'Fit for Royalty'

Entrance to the Resort Del Mar.

By David Rottenberg

Ever wonder what it would be like to live like a king? With the recent marriage between William and Kate (now Duke and Duchess of Cambridge), there has been a renewed interest in royalty. Many little girls worldwide now have fantasized of marrying a prince and have dreamed of living in a palace, where staff fulfilled every wish, where every desire was gratified.

There's a shortage of princes (William has only one brother) so marriage may not be the road to the castle. But one can get a taste of the good life (no pun intended) by dining at Addison, located at The Grand Del Mar Resort. The staff is amazingly attentive without being obtrusive, the setting is magnificent and the cuisine is ... well ... fit for royalty.

Be forewarned, though. Dining with high society can come with a high price tag. One may have to pawn the family jewels to have the full experience.

The setting could not be more magnificent. The road to the restaurant's spacious bricked courtyard is a narrow two-lane road lined with trees and luxurious landscaping fronting a tranquil resort, a golf course and large, gorgeous homes.

The restaurant and resort buildings could have housed Lorenzo de Medici. They have strong Italian architectural styling. Architecturally, they are simply beautiful, with earthtone coloring, sloping tile roof and a domed tower. To enter the resort, one's vehicle glides around a sumptuous Roman-like fountain with horse's heads spewing water, supervised by a god-like Jupiter figure.

A wide porte cochere protects arriving guests to the resort from the vagaries of weather. A short distance away, one enters Addison through a magnificent arched glass door. The restaurant is named after Addison Mizner, an architectural visionary whose design approach launched the Florida Renaissance in the 1920s. The entry path leads, if followed all the way through, onto a patio that overlooks a beautiful golf course.

I began a delightful evening with drinks on the patio to enjoy the warmth of the slowly setting sun. A huge white swan swam lazily in the pond at the edge of the golf course, offering glorious entertainment to accompany the fine wine and tasty candied nuts.

A beautiful book-lined lounge is called The Library and houses an imposing 13-foot-high carved limestone fireplace. A full service bar, made of handcrafted wood and topped by solid stone, is adjacent to The Library. The large main dining room has a large fireplace, interesting metal chandeliers, inlaid limestone and aubergine marble flooring and a vaulted roof supported by large wooden beams. Tables are set with 100 percent Egyptian cotton linens and china by Rosenthal. In short, the setting is sophisticated and elegant, fit for royalty.

The culinary team that makes Addison so special is that of Executive Chef William Bradley and Wine Director and Advanced Sommelier Jesse Rodriguez. Both have received major recognition for their talents. Bradley grew up in San Diego and worked under the legendary James Boyce at Loews Azzura

continued on page 36



Wine Director and Advanced Sommelier Jesse Rodriguez.

Point in Coronado. Later, he went with Boyce to the Phoenician Resort in Scottsdale. His dishes are in the French style, with California touches. He focuses on simplicity and flavor, utilizing fresh seasonal products. Among his many honors, he has received the designation of Grand Chef from Relais & Châteaux, one of only 160 chefs worldwide to be so named.

Under Bradley's direction, Addison has been awarded both the highly coveted AAA Five Diamond and Forbes Five Star Awards for the last three years – the first and only restaurant in San Diego to receive these designations. While still in Scottsdale, Bradley was named a candidate for the coveted James Beard “Rising Star Chef” award for three consecutive years.

Jesse Rodriguez was chosen as “Best Sommelier” by readers of *Ranch & Coast: San Diego's Luxury Lifestyle Magazine* for three consecutive years. Addison also received the prestigious Wine Spectator Grand Award in 2009 and 2010; and the 2010 “Wine Restaurant of the Year” Award, as well as the Wine Hospitality Award for Hotel/Resort Fine Dining for three consecutive years, from *Santé* magazine. He assembled Addison's collection of over 35,000 bottles and its wine list of over 3,000 labels from vintners worldwide.

Addison was named one of “America's Best New Restaurants for 2007” by *Esquire* magazine and one of 10 of “America's Best Spots for Wine” by *Forbes.com*. The impressive wine list compiled by Rodriguez was also named “One of Seven Winning Wine Lists for 2007” by *Food & Wine*.

Rodriguez greatly enjoys wine pairings to the delightful dishes prepared by Williams. The menu, which changes seasonally, lists four servings, with four choices for each serving. But, don't be surprised when servers bring other items, such as amuse bouche to clear the palate, or special side dishes. Williams greatly enjoys delighting his guests.

The current menu may change soon. But, on that evening, the “first choice” listed such items as Calamari Grille and Butter Baked Broccoli. The “second choice” included Alaska Sablefish and Coddled Farm Egg. The “third choice” following the appetizers include Wild and Lamb Rack. The flavors of the items on



Addison's dining rotunda.

each plate are placed to enhance each other. The “fourth choice” of desserts include Carmelized Banana Bread and Coconut Custard.

If meat and potatoes comprise one's basic diet, Addison may not be the place to visit. Bradley is an artist, not a cook. His servings may be small but they are more than adequate to create a pallet for his skill to please both the eye and the palate. His platings are colorful arrays of his culinary creations. And the flavors “speak” for themselves.

Addison is expensive but, whether one goes only to celebrate special events or if one can afford to go every night of the week, the experience of Addison is always memorable.

Addison is located at 5200 Grand Del Mar Way, San Diego, CA 92130. Reservations are necessary. Call (858) 314-1900 for assistance and information.



Lamb Loin

East Village – The final phase of Downtown revitalization



By Michael Stepner and Cary Lowe

Downtown San Diego, along with many other central city neighborhoods, has undergone enormous revitalization in recent years. Downtown, in particular, has been a poster child for eliminating “blight” through redevelopment, under the auspices of the Centre City Development Corp.

The East Village, already home to a baseball park and several educational institutions, is the last major component of Downtown to undergo revitalization. Property owners, residents and government officials are pondering some key questions: What other kinds of development and activities belong there? Could it include an arts district? How about the proposed new football stadium?

To many, East Village is merely a place you pass through on your way Downtown. Others think of it mainly as the location of Petco Park, or as a huge homeless encampment and a focus for city social services. Yet others see it as a blighted area without redemption unless and until it provides a new stadium location for the San Diego Chargers.

Nevertheless, some visualize East Village as a burgeoning arts district given vitality and life by such institutions as the SDSpace4Art and the Periscope Project and numerous students make it one of the largest higher education campuses in the region.

In reality, it is all of the above. It is and will be much more.

Neighborhood revitalization has been under way in East Village for a long time and is likely to continue in many ways

for a long time to come. Petco Park is often hailed as the catalyst for the Village’s revitalization, but it was only one step in the process. There has been a continuous process of building new housing while also converting warehouses into residential lofts and into studios for artists, designers and entrepreneurs.

East Village is one of the major higher education centers in our region. At the north end, San Diego City College has an enrollment of close to 20,000 students and a campus that is continually expanding with new facilities and programs. A little further south, at F Street and Park Boulevard, resides the NewSchool of Architecture & Design with 650 students studying architecture, landscape architecture, construction management and digital media arts. NewSchool’s architectural program already is one of the nation’s largest, and there are plans to double its enrollment in the next few years.

Thomas Jefferson School of Law, with another 900 students, recently relocated to a new facility at Island and Park. At 10th and J is FIDM, the Fashion Institute of Design and Merchandising. Moreover, the new main city library, designed by nationally recognized local architect Rob Quigley, is now under construction at 11th and Park, and will have an eager and vibrant clientele comprised of residents, visitors and innumerable students.

The educational institutions are all located along an axis that connects them to each other and to Balboa Park and San Diego Bay,— the Park Boulevard/Bay-to-Park link.

Building on the assets of East Village is the I.D.E.A. Dis-

trict (Innovation, Design, Education, and Arts), proposed by local entrepreneurs David Malmuth and Pete Garcia. The district, bounded by City College, Market Street, Park Boulevard, and I-5, includes 35 blocks of East Village. Envisioning the district as an “industry cluster,” Garcia declares, “Design will be the engine of the I.D.E.A. District. Designers and design firms are the ones that will be the lightning rod to make this place a success. That is a job cluster we have all missed. It has been there but we have been so focused on technology that we have really missed the design job component.”

Park Boulevard is the corridor that ties everything together. John Nolen, the Cambridge, Massachusetts-based city planner who prepared San Diego’s 1908 and 1927 master plans, recommended: “The people of San Diego will do well if they recognize today that the two great central recreation features of the city, now and always, are the City Park (now Balboa Park) of 1,400 (now 1,100) acres and the bayfront; and that the value of both will be increased manyfold if a suitable connecting link, parkway or boulevard can be developed, bringing them into direct and pleasant relation.”

Nolen proposed that this link be along Date Street. In the 1940s, City Planning Director Glenn Rick proposed that the link be along Cedar Street, developed as a mall fronted by major civic buildings terminating at the County Administrative Center. In the 1970s, the link was proposed to be along Fifth and Sixth avenues.

Finally, in the 1980s, the trolley along Twelfth Avenue became the impetus for the Bay-to-Park link and Twelfth Avenue was renamed Park Boulevard. CCDC has enhanced the south terminus of that link with the new bridge that spans Harbor Drive and the railroad tracks, connecting East Village to the bayfront.

The centennial of the Panama Pacific Exposition will be celebrated in 2015. As part of the celebration, we need to complete Nolen’s recommendation. The Bay-to-Park link currently ends at C Street and Park Boulevard widens to freeway dimensions along the City College campus. The entry to the park is nondescript and marked only by a turn signal. We can

do much better, including renaming Park Boulevard the John Nolen Parkway.

The 1915 Panama-California Exposition was a catalyst for many civic improvements, particularly in Balboa Park. The upcoming 100th anniversary of that event must also leave a legacy beyond the year-long celebration. One part of the legacy could be the completion of the John Nolen Parkway. In addition to a pedestrian link, the implementation of the proposed streetcar line from Fowntown to North Park and the bus rapid transit route from Downtown to San Diego State University, both via Park Boulevard, would allow East Village parking to serve the park. It also would provide East Village venues to be part of the 2015 celebration; but, it is equally important that it would be a catalyst that would accelerate East Village revitalization, implementing the visions of John Nolen and his visionary successors.

One major question mark remains — the possible siting of a new home for the San Diego Chargers. Whether such a facility would put East Village on the map or become a black hole sucking up revitalization resources is a major topic that requires much more dialogue. Regardless of where that discussion goes, however, East Village will be an important place and a creative center for San Diego in the coming years.

Michael Stepner is a professor at NewSchool of Architecture and Design, and is the former city Architect of San Diego. Cary Lowe is a land use lawyer and urban planner.



Michael Stepner

SDMETRO
your business your life

welcomes Fox 5 as a new media partner



COMIC-CON PACKS A PUNCH!



SUPERHEROES BRING SUPER BENEFITS

***TO THE CITY OF SAN DIEGO INCLUDING TAX
REVENUES, LOCAL JOBS AND OVER 126,000
ATTENDEES TO OUR FAN-FRIENDLY CITY.***



**San Diego
Convention Center
Corporation**

WWW.VISITSANDIEGO.COM/COMMUNITY

Presort Standard
U.S. POSTAGE
PAID
PERMIT NO. 751
SAN DIEGO, CA

DONOVAN'S

PRIME SEAFOOD

*Donovan's Steak & Chop House
is proud to introduce
Donovan's Prime Seafood,
serving the finest sustainable
seafood available in the market.*

Striving to reshape the concept of fine seafood dining that is uniquely and distinctly San Diego, we are committed to providing the ultimate in seafood by sourcing directly from fishing boats and the most respected aqua farms in the world. In addition, we support our local farms by carefully selecting the freshest produce available in the marketplace.

Donovan's Prime Seafood will ignite your senses with an extraordinary culinary experience laced with our world-class service. We are located in the heart of the Gaslamp district, steps away from the San Diego convention center.

Join us at Donovan's Prime Seafood.

619-906-4850

DonovansPrimeSeafood.com

**333 5th Ave.
In The Gaslamp**

Mon.-Thurs. 5pm-10pm

Fri. & Sat. 5pm-11pm

Closed Sunday

valet parking available

Join Us at Our Classic Steak House

America's Best
DONOVAN'S
STEAK & CHOP HOUSE

877-698-6666
6TH & K - GASLAMP
LA JOLLA
PHOENIX
DonovansSteakhouse.com

A SELECTION OF OUR SEASONAL ENTREES

Monk Fish

Lemon grass and ginger emulsion,
mushroom and braised leeks

Alaskan Halibut

Marble potatoes, fennel, wild arugula,
capers, kaffir lime beurre blanc

Wild Bass

Abalone mushroom, heirloom Peruvian potatoes,
English peas and bacon

Ahi Tuna

Seared Kona spiced Ahi tuna, beluga lentils,
cipollini onions, green garlic sauce

Diver Scallops

Pan seared, almond and fennel crumbs,
celery root purée, pistachio oil

Oscar Style Filet Mignon

100% prime beef filet, topped with crabmeat,
asparagus, bernaise sauce

*Our menu changes according to availability
of fresh, sustainable seafood.*