

bizSanDiego

CONVERSATION THAT MATTERS



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CLEANTECH

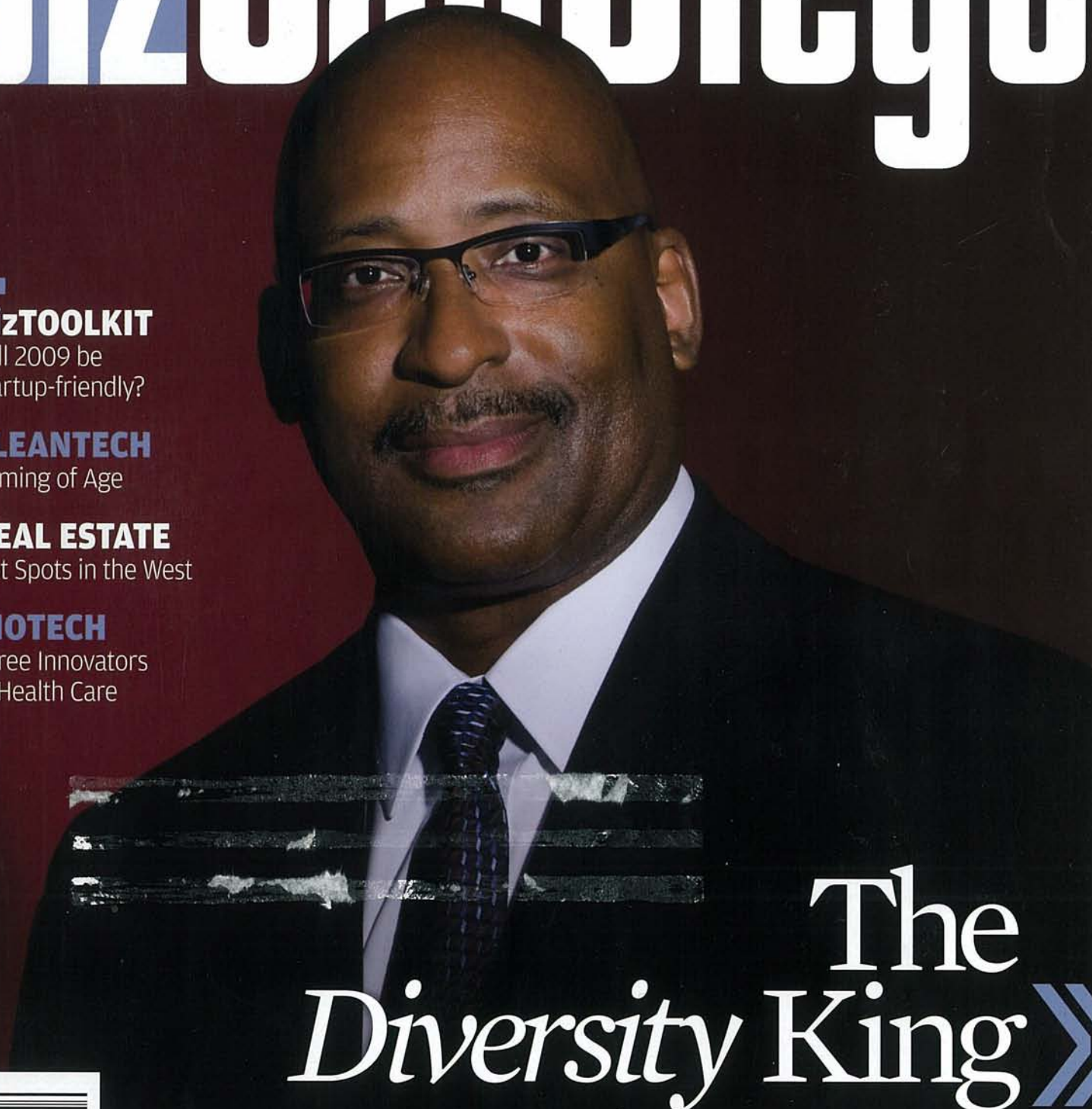
Coming of Age

REAL ESTATE

Hot Spots in the West

BIOTECH

Three Innovators in Health Care



The Diversity King

RAY KING, president and CEO of the Urban League of San Diego County, is a leading advocate for the minority work force. And local companies are also stepping up their minority recruiting efforts. **BUT IS SAN DIEGO BEHIND THE CURVE?**



WHEN MONEY IS NO OBJECT

A resource for extravagant buying...



By Rick Bell

SO YOU'VE GOT IT MADE. Financially, that is.

Not because you hit the nickel slots jackpot at Pala. Or the quarter slots. Or even the dollar slots. The local casinos are where you roll when you feel like dropping a few thousand bucks with friends on a night when you want to stay local instead

of loading into your jet for the hour-long trip to Vegas.

Work the next day, you know. OK, really? The surf's up tomorrow, so you're on the Dawn Patrol.

Despite threats of a recession, there's plenty of money flowing through San Diego. There are at least nine known

billionaires who call San Diego home. There is another dozen or so worth more than \$200 million. You may not be among them, but you're close.

Some of it is old money, like billionaire David Copley, whose family has owned the *San Diego Union-Tribune* for nearly a century. And some of it belongs to relative



Pleasure on the Pacific can be a tax write-off



The San Diego Hard Rock offers a lot more than great tunes and a great view

youngsters like Rancho Santa Fe's Robert Sarver who, besides his background in banking and real estate, is the majority owner of the NBA's Phoenix Suns (he and his partners paid \$401 million to buy the team in 2004).

Dozens, if not hundreds of multi-millionaires and billionaires, either are deeply invested in San Diego or just love to spend a lot of their free time in this little corner of paradise.

But let's put the short-timers aside for a moment.

Like any local, San Diego's wealthiest residents have their favorite watering holes and eateries. They also have their favorite galleries and boutiques.

And there are more ways for them to spend their money than, well, there are pennies in the Balboa Park Fountain.

Extravagant? Oh yeah. In our eyes, anyway.

THOUSANDS FOR DINNER?

Dining and cocktails have grown and matured here. Foodies now find San Diego to be a destination rather than a pit stop on their way to L.A. or San Francisco.

The famed Sky Room at the historic La Valencia Hotel in La Jolla still ranks among the pinnacles of epicurean extravagance. Oysters and champagne remain a favorite at La Jolla's famed property, which recently was sold for a reported \$100 million to San Diego-based American Property Management Corp.

If you want to spend the night away from the spread on The Ranch or the manse in La Jolla, there's always the Star Suite at the Ivy Hotel in the Gaslamp

Quarter. Among the amenities in this room that typically runs \$4,000 a night, the 1,275-square-foot suite on the Ivy's top floor offers a sweeping view of San Diego. There's a fully stocked bar, king-size bunk beds—and a stripper pole—for an evening of, umm, imaginative entertainment.

Want more opulence? Just around the corner in the Gaslamp, the Hard Rock Hotel offers 17 unique Rock Star Suites for a cool \$6,000 a night. One suite offers a firepit and deck seating for 20 people; another has an outdoor hot tub overlooking San Diego Bay.

Yet, spending money goes well beyond hanging out in La Jolla or the Gaslamp.

A SLEEK RIDE

There are plenty of rigs on land that cost big bucks. The sleek Mercedes CLS 550 is



the hottest and arguably most popular ride on Southern California's freeways these days, and at \$70,000, why not? With 382 horses packed into a 5.5-liter V-8 engine and equipped with digital SurroundSound, it's the perfect everyday car—or a dependable backup when the Maserati Quattroporte needs its monthly dose of tender loving care.

When the brand name oozes wealth and status, whether it be Mercedes, Hard Rock or Prada, service plays the ultimate role in the brand's success, says Sheryll Jackman, owner of home design atelier and boutique Seaside Home, which has locations in Coronado, La Jolla and Rancho Santa Fe.

"Superior brands cannot stand alone," Jackman says. "It takes paramount service and a tailored understanding of the client's personal needs."

AND MORE...FROM LAND TO AIR TO SEA

Indeed, a yacht is a luxury. And there's a certain amount of pampering that accompanies a purchase. But consider this: According to HS Yacht Sales in San Diego, if a boat has a place to sleep, a head (that's a bathroom, ya landlubber) and a galley, it will qualify as a second-home deduction, meaning the owner can write off interest expenses related to the boat, just like a primary residence. In some instances, it can be considered a business expense. You'll definitely want to meet with your accountant ahead of time to ensure you're following IRS guidelines. Just a little food for thought if a yacht is on the list of things to buy in 2008.

Land and sea, of course, are wonderful, but a lot can happen in the air, too. Yes, it's a cliché, but Debi Carlston says the

NECESSITY BEGINS WHERE NECESSITY ENDS

Sheryll Jackman exudes taste. She's a licensed general contractor, real estate broker and certified interior designer. She also owns high-end design boutique Seaside Home with locations in Coronado, La Jolla and Rancho Santa Fe.

Her clients aren't just wealthy, they're ultra-wealthy. So Jackman has an innate understanding of what makes them shop.

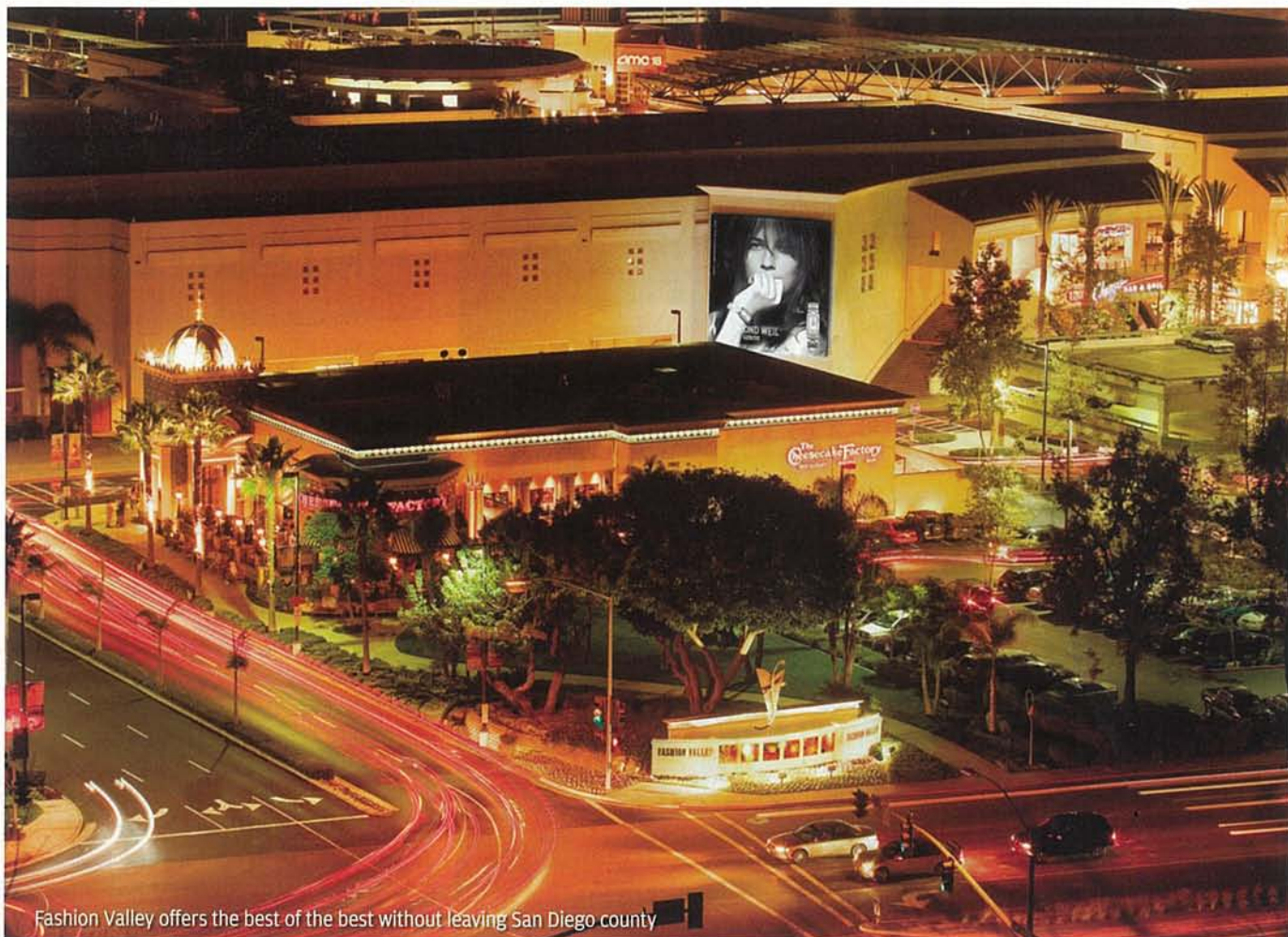
"I have to agree with Coco Chanel, who described luxury as 'the necessity that begins where necessity ends.'" she says. "Luxury is not just about opulent commodities, but also more about lifestyle."

It's also downright ordinary, she says—time with family, traveling and a trip to the day spa—although on an entirely different scale.

"Commodities are just one of the trappings that create a sumptuous life," Jackman says. "We view status symbols of wealth and success in many the same ways as they've been viewed. But now European automobiles, jewelry and mansions are joined by private jet travel, mega-yachts and multiple homes."

And while a recession is negligible for the ultra-wealthy, there is an ever-so-slight change in spending, she says.

"For the ultra-wealthy, yes, I'd say the luxury market is recession-proof. You will still see someone buying that expensive designer handbag. But instead of spending \$5,000, they might opt for the \$3,000 handbag instead."



Fashion Valley offers the best of the best without leaving San Diego county

sky is the limit for people wanting to use an aircraft at Carlsbad-based JetSource. There's limo service from door to door, champagne and custom catering and a personal flight attendant.

"We'll also make all the arrangements for entertainment and hotels at the destination," Carlston says.

Fashion Valley boasts an impressive lineup of high-end retailers. Neiman Marcus, Nordstrom and Saks Fifth Avenue anchor the likes of Gucci, Tory Burch, Louis Vuitton and Just Cavalli sprawling across 1.7 million square feet tucked into the western edge of Mission Valley. But there's more to come in 2008.

Hermes, Jimmy Choo, Rolex and Barney's Co-Op are set to open this year. And there's a reason such high-end

retailers are drawn to Fashion Valley, says Francine Miley, the mall's marketing director.

"Fashion Valley is one of three centers in the world that has the combination of Neiman Marcus, Saks Fifth Avenue and Bloomingdale's," she says. "We will appeal to San Diegans who would rather shop in San Diego instead of driving to Orange County or Los Angeles. It's also become a destination shopping experience, being we have many visitors from Mexico City and Central and South America."

At this point, Fashion Valley has yet to open a store that features clothing for space travel. Yet, orbiting Earth is an option for the ultra-wealthy these days, courtesy of Sir Richard Branson's

Virgin Atlantic or, more accurately, Virgin Galactic. Flights are set to take off from the Mojave Spaceport in California's high desert, although there's no date set for the inaugural flight. The price? A cool \$200,000.

And, like a designer handbag or even a Mercedes, space travel at some point will be affordable to people other than the ultra-wealthy.

"Luxury has definitely been marketed to the masses," Seaside Home's Jackman says. "You see articles about handbags, shoes, expensive jewelry and other items people indulge in to create an aura of having taste and knowing what is made well.

"I think that type of culture only ups the ante for the truly wealthy. And it elevates what they can indulge in." ■