



# RESOLUTION AUTHORIZING A NON-BINDING LETTER OF INTENT (LOI) WITH RIDA CHULA VISTA, LLC AND THE CITY OF CHULA VISTA FOR A RESORT HOTEL AND CONVENTION CENTER WITHIN THE CHULA VISTA BAYFRONT

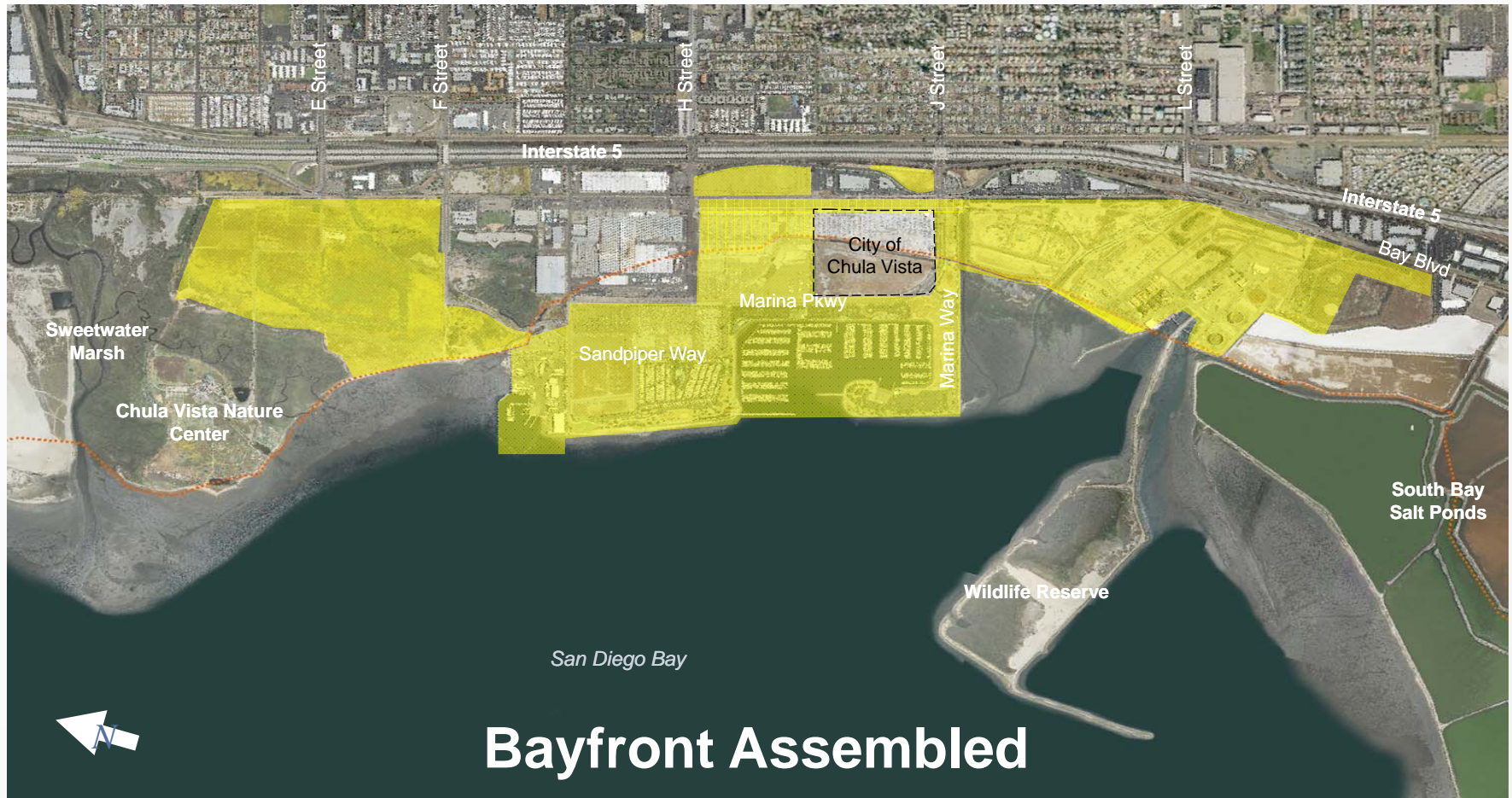
Agenda No. 1 | File No. 2017-0338 | June 20, 2017



# Chula Vista Bayfront - Historic District Tideland







## Bayfront Assembled



## Planning Process

- Joint planning effort by Port and City of Chula Vista
- Collaboration with Pacifica Companies
- Driven by community input

## Settlement Agreement

- Wildlife and habitat
- Energy efficiency
- Building design
- Public participation
- Parks and Recreation
- Job Quality

## Entitlements

- Environmental Impact Report Certification – May 2010
- State Lands Commission Approval – December 2010
- Coastal Commission Approval – August 2012





# Chula Vista Bayfront Master Plan



Public Access and Open Space

# Chula Vista Bayfront Master Plan



Public Amenities - Promenades



# Chula Vista Bayfront Master Plan



Public Amenities - Bikeways



# Chula Vista Bayfront – Master Plan Illustrative





# Chula Vista Bayfront — Decades of Change

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# Request for Qualifications (RFQ)

- Issued RFQ June 30, 2014
- Completed international marketing campaign
- RIDA Selected October 14, 2014





# RIDA's Qualifications

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- Completed similar size projects
- Secured equity and debt for similar size projects
- Embraced Chula Vista Bayfront vision and partnership





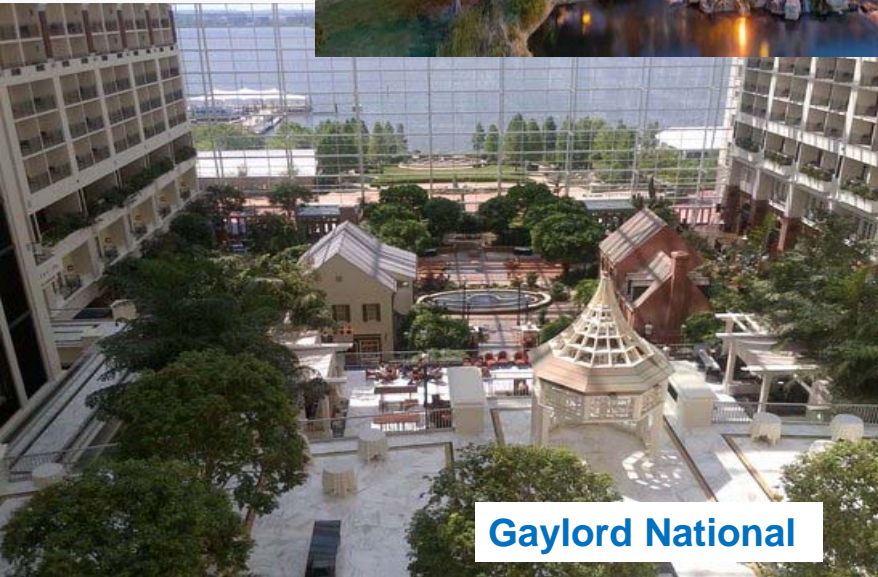
# Gaylord Hotels



Gaylord Texan



Gaylord Opryland



Gaylord National



Gaylord Palms



# Project Scope

- 1,450 hotel rooms (Private)
- 275,000 SF usable convention and meeting space (Public/Private)
- Retail space and resort amenities (Private)
- 1,500 parking spaces (Public)
- Phase 1A infrastructure (Public)









# Due Diligence

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- Revenue Analysis: CBRE Hotels (formerly PKF)
- Development Cost Analysis: Jones Lang LaSalle (JLL)
- Feasibility and Financial Gap Analysis: Keyser Marston associates (KMA)
- Investment Banking and Bond underwriting Services: JP Morgan Securities (JP Morgan)





## Projected Project Cost

		RIDA	Joint Powers Authority (JPA)	Total
A.	Hotel/Convention Center	\$688.0 M	\$225.0 M	\$913.0 M
B.	Infrastructure	----	\$56.3 M	\$56.3 M
C.	Parking	----	TBD	TBD
D.	<b>Total</b>	<b>\$688.0 M</b>	<b>\$281.3</b>	<b>\$969.3 M</b>

Existing Lease  
Revenues

Project Lease  
Revenues

Annual Contribution

Pacifica Land  
Exchange

SDG&E

Revenue



Transient  
Occupancy Tax

Revenue

DIF

EIFD

Municipal Services  
Agreement

PAD Fees



Convention Center



Bayfront Infrastructure



# Project Benefits

## Chula Vista

### Jobs:

**3,100 Construction**

**3,700 On-going**

### Economic Impact:

**\$1.2 Billion Construction**

**\$390 Million/Year On-Going**

### Surplus Revenues\*:

**District – \$47.5M**

**City – \$44.5M**

**\*At Lease Year 38**

## Regional

### Jobs:

**16,000**

### Economic Impact:

**\$1.7 Billion**

### Airport Traffic:

**1.2% - 1.9% increase  
in airport arrivals**

# Letter of Intent

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- Term – 4 Years with three, 1-year extensions
- 80/20 split on Net Operating Income after 11% return to RIDA
- Standard Port Ground Rent after Year 37
- District to receive 10% parking revenues on hotel parking and 100% on public parking
- 1-year exclusive right to negotiate on H23 for additional rooms
- Right to comment on future development projects on adjacent parcels

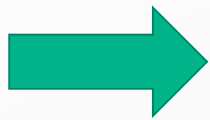


# Next Steps

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## **Negotiate and Execute Disposition and Development Agreement**

Implement Schedule of Performance



Joint Powers Authority Financing and Infrastructure

RIDA Financing and Construction

## **Negotiate and Execute Ground Lease**



Development of Project

Development of Public Infrastructure

# Recommendation



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