



City of San Diego



Brown Field Development Exclusive Negotiation Agreement





RFQ/RFP Process

- RFQ issued in December 2006
 - Nationally advertised
 - Larger scale proposals were encouraged
 - Six responses were received
 - Two most qualified respondents were selected for RFP process

- RFP issued in July 2007
 - Two outstanding proposals were submitted
 - Evaluation team included representatives from local planning group, local chamber of commerce, Airport Authority, general aviation
 - Distinctive Projects Company (DPC) was selected as the best respondent



Current State of Brown Field

- One fixed base operator (FBO) to service jet aircraft
 - FAA strongly discourages monopolies on airports.
- No maintenance facilities for jet aircraft
- Immediate and long term needs of the airport:
 - New jet facility and hangars
 - Jet maintenance facility
 - Additional fueling services
 - Runway and taxiway rehabilitation
 - Helicopter facility
 - Avionics maintenance
 - New general aviation facility
 - Pilot lounge with restaurant
 - Water, sewage & drainage improvements

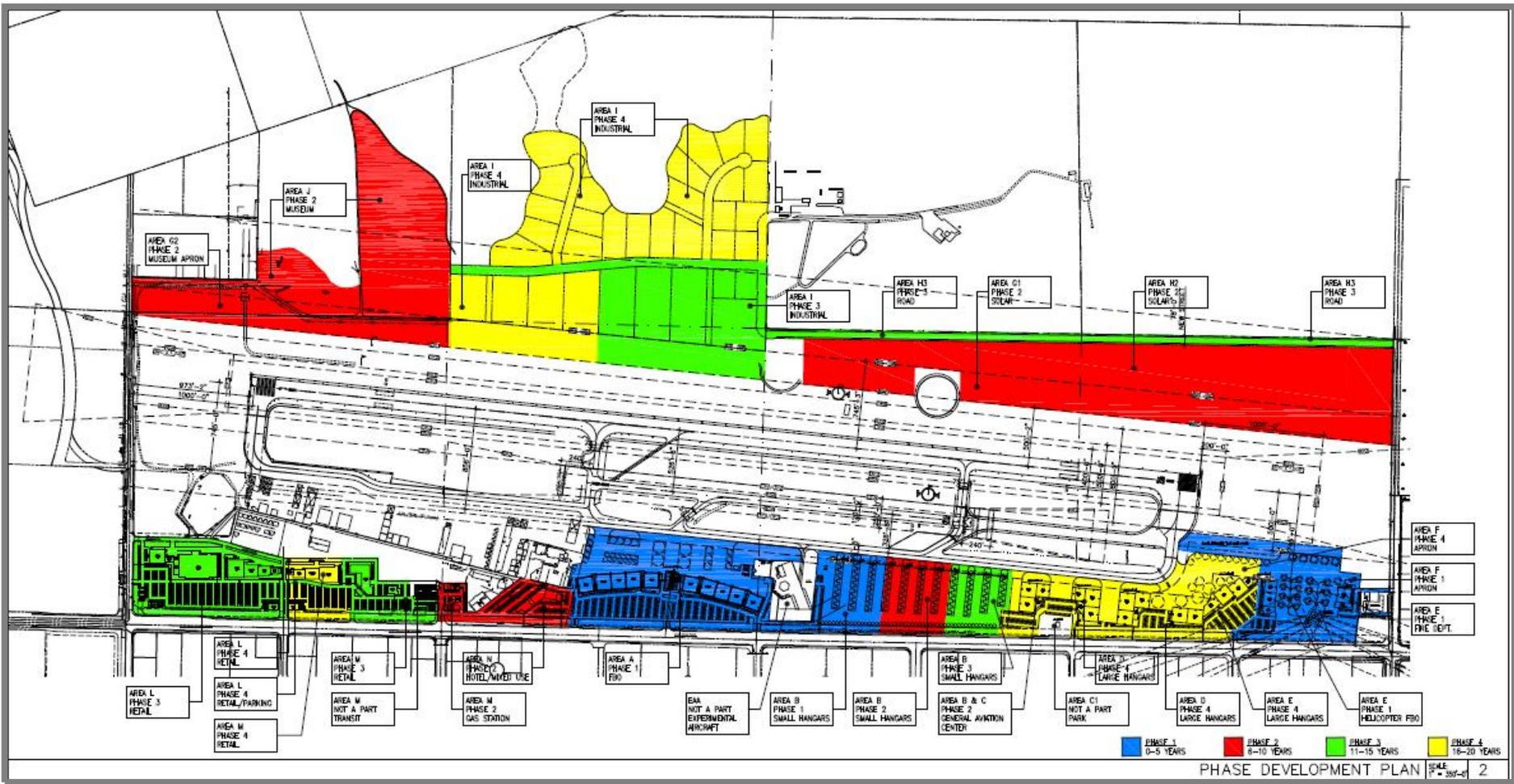


Benefits of the Development

- Will increase aviation revenue in conformance with FAA Grant Assurances
 - Will generate an estimated \$13.9 million in rent to Airport Division
- Will provide significant economic impact: \$79.6 million and 1,300 jobs in first 5 years (Phase 1)
- Will create high-paying jobs, averaging \$47,000/yr
- Will construct capital improvements of \$100 million in first 5 years (Phase 1)



Proposed Phased Development





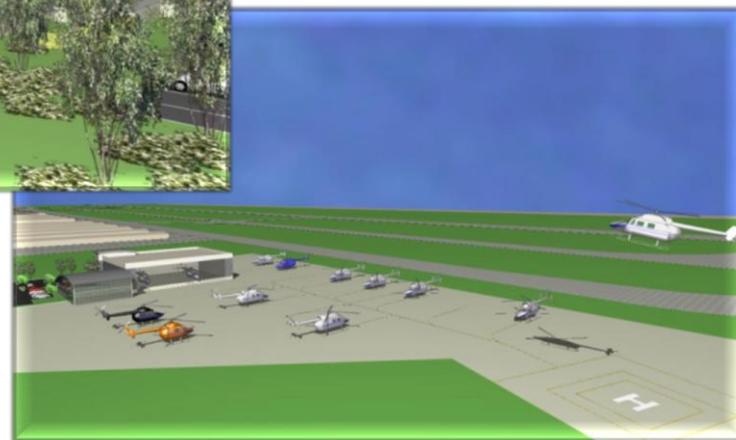
Aviation Development – Phase 1



Jet Facility
29 acres, 300,000 sq ft



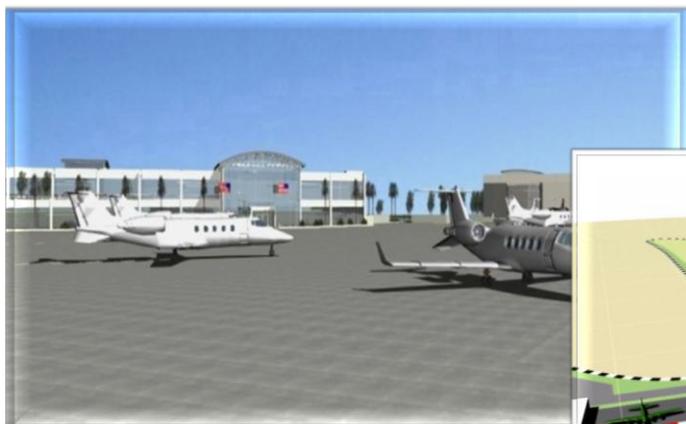
General Aviation
10 acres, 100,000 sq ft



Helicopter Facility
11 acres, 90,000 sq ft



Aviation Development – Phases 2 - 4



Future Aviation
11 acres



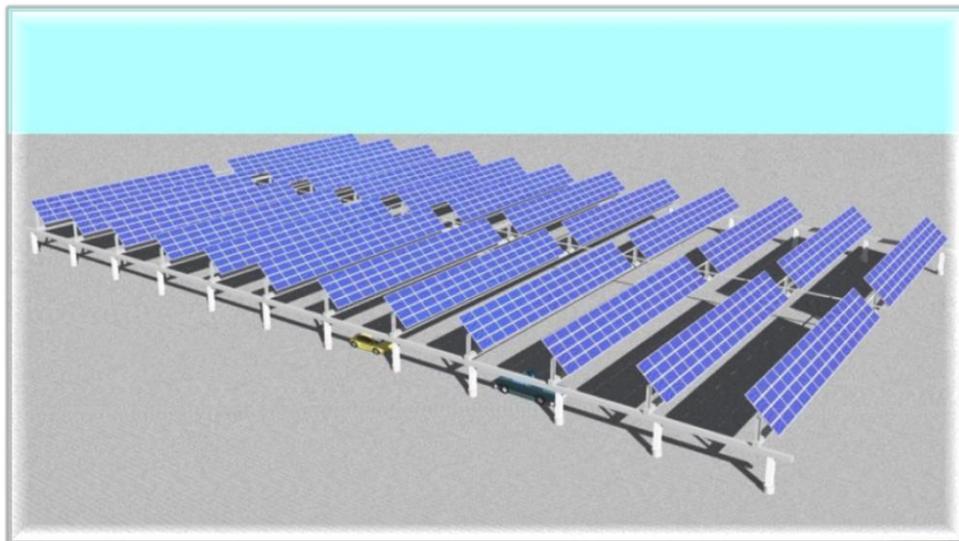
**San Diego Air and Space
Museum, 33 acres**



Aviation Nexus
Industrial, 80 acres



Support Development – Phases 2 - 4



**Solar Facility (10 MW plus bonded storage)
66 acres**



**Aviation Support Services (restaurants, hotel)
38 acres**



City's Obligations in the ENA

- Negotiate exclusively with DPC for two years
- Undertake reasonable efforts to form Infrastructure Financing District
- Request FAA approval of development in Airport Layout Plan
- Apply standard lease terms
- Work cooperatively with Airport Authority and SANDAG to ensure consistency



DPC's Obligations in the ENA

- Submit a financing plan for the two-year ENA period
- Compensate City \$100,000 for 2 years of negotiations
- Commission environmental review within 180 days
- Submit Planned Development Permit application within 180 days
- Use reasonable efforts to form Infrastructure Financing District
- Assist City in obtaining FAA approval of development in Airport Layout Plan.
- Work cooperatively with Airport Authority and SANDAG to ensure consistency



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Questions