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Randa J. Coniglio
President/CEO
San Diego Unified Port District
3165 Pacific Highway
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July 26, 2018

Dear Mrs. Coniglio,

The purpose of this letter is to request an extension for the remaining deadlines in the ENA between the Port and Sunroad. Currently the ENA is set to expire on September 27, 2018, per a letter received from Tony Gordon dated November 16, 2017.

As you know, Sunroad has met all of the deadlines for submissions as set under the ENA. We have had several productive meetings with staff over the last months to move this project forward.

Section 2.c. of the ENA requires "the District and Developer to negotiate in good faith the terms of a Definitive Agreement to enable the leasing, development and operation of the Proposed Development." We have not yet received any terms or draft lease from the Port. We were informed at a meeting on July 24 that staff will not be in a position to provide us with a draft lease until some point after a meeting with the Board on August 14. In addition, we understand staff intends to request direction from the Board to pursue additional CEQA review. Their estimate of the process is for it to take approximately six months.

At the meeting on July 24, we discussed Sunroad requesting an extension of the ENA to allow for sufficient time for Staff to present and negotiate a definitive agreement with Sunroad, as required by the ENA. Real Estate Staff expressed that it would be able to accomplish the negotiation during the time that Planning will require to finalize its CEQA review. For this reason, Sunroad believes it is appropriate to extend the ENA by six months, until March 2019.

Please let me know if you would like to discuss this further. I will make myself available at your convenience.

Sincerely,

A handwritten signature in blue ink, appearing to read "Uri Feldman", with a long horizontal flourish extending to the right.

Uri Feldman