

**ATTACHMENT NO. 4**

CONCEPTUAL OUTLINE OF THE  
JOINT EXERCISE OF POWERS AGREEMENT PLAN OF FINANCE

Exhibit 1 to Attachment No. 5  
Page 1 of 1

# ***CONCEPTUAL OUTLINE OF JOINT EXERCISE POWERS AUTHORITY (JEPA) PLAN OF FINANCE***

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## ***CONCEPTUAL OUTLINE OF JOINT EXERCISE OF POWERS AUTHORITY (JEPA) PLAN OF FINANCE***

### **SECTION 1. PURPOSE**

The purpose of the Conceptual JEPA Plan of Finance ("Plan") is to document the expected method of financing the "Phase 1A Infrastructure Costs" and the "Project Public Investment," as those terms are defined in the Disposition and Development Agreement by and among the San Diego Unified Port District ("District"), the City of Chula Vista ("City") and RIDA Chula Vista, LLC ("Developer").

### **SECTION 2. LIMITATIONS**

The funding analysis described herein is for illustration purposes only, and outlines the anticipated sources of funds, the flow of funds from the City and the District to the Joint Exercise of Powers Authority ("JEPA"), the uses of funds, the debt service coverage and the cash flow relating to a financing through the issuance of bonds by the JEPA ("JEPA Bonds"). No assurance can be given that any transaction described herein could in fact be executed, or that the coverage ratios shown in Section 6 will be sufficient to achieve the credit rating upon which the estimated bond proceeds are based. Interest rates are subject to change and will likely increase prior to the completion of the financing. Any such increase in rates or increase in coverage requirements will have an adverse impact on the JEPA bond proceeds available to fund the Resort Hotel and Convention Center ("RHCC") project.

### **SECTION 3. FINANCING OBJECTIVES**

Public Entity Contributions:

- Finance, through the issuance of debt, Phase 1A Infrastructure Costs in the not-to-exceed amount of \$56,000,000
- Finance Project Public Investment in the not-to-exceed amount of \$240,000,000 to be used to construct the Convention Center.
- Provide for funding of the eligible sewer improvements with the City's Sewer Facility funds ("Sewer Facility Contribution").
- Provide for funding of parking improvements ("Parking Improvements") by the District, if applicable.
- Provide for funding and operation of a future fire station and fire services to serve the Bayfront and the RHCC Project ("Fire Services").
- Funding based on the construction and operation of between 1,570 and 1,600 rooms at the RHCC.

## **SECTION 4. SOURCES OF REVENUE**

### **District Revenue Commitment:**

- Bayfront Lease Revenues – an annual amount measured by net revenues received by the District from the existing Bayfront ground leases set forth in the Financing Agreement between the City and the District, together with an annual amount measured by the net revenues received by the District under the new RV park ground lease less any rent credits used to pay for the prior RV park lease buyout, starting July 1, 2018 and thereafter until maturity of the JEPA Bonds.
- Support Payments – an annual amount equal to \$5,000,000 for Lease Years 5-14 (i.e. first 10 operating years), \$6,000,000 for Lease Years 15-19 (i.e. next 5 operating years), \$3,000,000 for Lease Years 20-24 (i.e. next 5 operating years), and \$3,500,000 thereafter until maturity of the JEPA Bonds.
- RIDA Ground Lease Payments – to the extent received by the District, an annual amount equal to \$3,000,000 beginning in Lease Years 20-24 (i.e. 16<sup>th</sup> operating year through the 20<sup>th</sup> operating year), and \$3,500,000 thereafter until maturity of the JEPA Bonds.

### **City Revenue Commitment:**

- RV Park TOT – an annual amount measured by Transient Occupancy Tax (“TOT”) revenues from the existing RV Park and new RV Park, starting July 1, 2018 and thereafter, until maturity of the JEPA Bonds.
- PMSA Revenue – an amount measured by annual revenues paid to the City under the existing Police, Fire and Medical Services Agreement (MSA) between the District and the City, starting July 1, 2018 at \$1,059,364 and increasing annually at the rate of 3% per annum as included in the MSA agreement until maturity of the JEPA Bonds.
- RHCC TOT – an annual amount measured by new TOT revenue generated by the Resort Hotel and Convention Center (“RHCC”) and received by the City until maturity of the JEPA Bonds.
- RHCC Sales Tax – an annual amount measured by new sales tax revenue generated by the RHCC and received by the City until maturity of the JEPA Bonds.

### **Community Facilities District Funding:**

- Special Tax – New Special Tax Revenues levied in the H-3 Community Facilities District (“CFD”), shall be equal to 5% room revenue on the RHCC and may include non-room revenue taxes.

#### Enhanced Infrastructure Financing District Funding:

- EIFD Revenues – The City and the County of San Diego (“County”) tax revenues generated in the CVBMP Enhanced Infrastructure Financing District (“EIFD”) together with the VLF component authorized to be included in EIFD funding until maturity of the JEPA Bonds.
- Property Tax Revenue - In the event that the EIFD is not formed, an amount equal to incremental property tax and VLF revenue (“City Tax Increment”) generated by RHCC and received by the City will be included in “City Commitment” in Section 8 until maturity of the JEPA Bonds.

#### **SECTION 5. OTHER OBLIGATIONS TO BE FUNDED BY THE DISTRICT AND CITY AND OTHER AVAILABLE FUNDING**

##### Other Obligations to be funded by the District and the City:

- City Sewer Facility Contribution – an amount of the Sewer Facility Contribution authorized to be used for specific sewer improvements included in the City Infrastructure Improvement Costs.
- The District will provide some or all of the funding for the Parking Improvements, if applicable.
- The City will provide funding for fire services and a fire station to serve the RHCC and surrounding development.
- The District will contribute SDG&E relocation fees of \$1,653,750, Pacifica Funds of \$3,000,000 and CIP funds of \$1,000,000.
- The District has received preliminary approval for a park grant in the amount of \$4,800,000 to be applied to park improvements and bike pathways within the Bayfront Project area. Due to the provisions of the grant, the District will be required to spend its own funds on the improvements and be reimbursed from the grant.

#### **SECTION 6. JEPA BONDS FINANCING STRUCTURE**

The District and the City have created the Chula Vista Bayfront Facilities Financing Authority (“Authority” or “JEPA”) (amended as necessary). The JEPA will issue revenue bonds to be sold to the investing public, secured by the District Revenues Commitment, the City Revenues Commitment, the CFD Pledged Funding and the EIFD Pledged Funding (collectively, the “Revenues”).

The JEPA Bonds are expected to be issued in two series, a taxable series to pay for the Project Public Investment (“Taxable Bonds”), and a tax-exempt series to pay for the Phase 1A

Infrastructure Costs ("Tax-Exempt Bonds") and, together with the Taxable Bonds, the JEPA Bonds.

The Taxable Bonds and the Tax-Exempt Bonds will be secured and payable on parity from the Revenues (that is, it is not contemplated at this time that there will be series of bonds payable with a first lien on the Revenues and a series of bonds payable secured by a subordinate lien on the Revenues).

**Leases and Subleases.** Close of Escrow for the Project will be dependent on, among other things, execution of the ground lease for the Site, the issuance of the JEPA Bonds and the Developer financing. JEPA Bond proceeds will be structured to pay for the convention center and related infrastructure and the Convention Center shall be subleased back to Developer for \$1 per year.

**Debt Policy.** The JEPA is required to adopt a Debt Policy in compliance with Government Code Section 8855(i) prior to the sale of any JEPA Bonds.

**Limitations on Financing.** The District and the City are not obligated to spend any of their own funds to pay debt service on the Bonds except as described herein. To the extent that interest rates increase to a level that reduces available net proceeds to fund the Public Project Investment and Phase 1A Infrastructure Costs, the parties shall not be required to issue the JEPA Bonds. To the extent that debt service coverage levels described herein cannot be achieved without a reduction in available net proceeds to fund the Public Project Investment and Phase 1A Infrastructure Costs the parties shall not be required to issue the JEPA Bonds subject to the terms of the Disposition and Development Agreement section 5.1.

To the extent that revenues shown in the Feasibility Study (described in the following paragraph) are lower than the estimates used herein and are at a level that reduces available net proceeds to fund the Public Project Investment and Phase 1A Infrastructure Costs, the parties shall not be required to issue the JEPA Bonds. If the EIFD cannot be formed to include the County share of property tax, and as a result, there is a reduction in net proceeds to fund the Phase 1A Infrastructure Costs and therefore a corresponding reduction in the net proceeds to fund the Public Project Investment, the parties shall not be required to issue the JEPA Bonds. Factors that may contribute to a limitation on the net proceeds available from the issuance of the JEPA Bonds include, but are not limited to, the following:

- Debt Service Coverage Ratio to be determined
- No District or City General Fund exposure except as otherwise provided for herein
- Interest Rate to be determined
- Guaranteed maximum price contract requirement of the bond financing
- Assurance in the form of bonds or sureties of timely completion and opening of the RHCC Project within the times required by the funded sources.

**Feasibility Study.** The JEPA Bonds to be issued will be supported by a Feasibility Study prepared by a firm acceptable to the City, the District and the Underwriter. The revenues projected in the Feasibility Study may or may not be the same as the revenues shown in Section

13, which were prepared by Keyser Marston Associates, Inc. (KMA) for planning purposes. To the extent that Feasibility Study revenues are lower than those herein, funding will be adversely affected.

**Construction Period.** The construction period is expected to total 48<sup>1</sup> months for the Developer's Phase 1A Infrastructure and the RHCC. Interest on the Phase 1A Infrastructure Construction Fund during the construction period will accrue to the Construction Fund. The Project Public Investment Construction Fund will be drawn down pursuant to instructions to be agreed upon by the City, the District and RIDA. Interest on the Project Public Investment Construction Fund during the draw down period will accrue to the Construction Fund. The Project Public Investment Construction Fund will generally be utilized *pari passu* with Developer's equity contribution (currently estimated at \$200,000,000) and before any mezzanine or mortgage debt of the Developer.

**Debt Service Coverage Ratio.** For the purposes of illustration, the Revenues are leveraged using a coverage ratio of 1.75 times combined revenue to debt service. This is the anticipated minimum coverage ratio required to obtain an investment grade rating for the entire financing. The coverage ratio and the rating were used to estimate interest rates used in the funding analysis but are preliminary and subject to change. See "Section 2 – Limitations" regarding coverage ratios and interest rates that might change the analysis.

**Capitalized Interest.** Capitalized interest on the Tax-Exempt Bonds will be funded from Tax-Exempt Bond proceeds for 3 years from the date of issuance. An additional 4<sup>th</sup> year of capitalized interest on the Tax-Exempt Bonds will be funded from Taxable Bond proceeds.

It is expected that 100% of the interest on the Taxable Bonds will be capitalized for 4 years. Following the end of construction, a portion of interest on the Taxable Bonds will be capitalized for a significant number of subsequent years, in the amount needed each year to provide 1.75x<sup>2</sup> coverage of revenue compared to net debt service, net of capitalized interest on both series of bonds. However, additional capitalized interest may be added based on investor or rating agency feedback

As described under "Remaining Revenue" below, pre-opening Bayfront Lease Revenues, RV Park TOT and PMSA Revenues may be used to fund a portion of capitalized interest, or may be accumulated to pay for any contingencies that arise during the construction period.

**Debt Service Reserve Fund.** A reserve fund will be funded from bond proceeds of each series, in the maximum amount equal to the lesser of 10% par amount, maximum annual debt service or 125% average annual debt service.

**Remaining Revenue.** During the period when interest on the Bonds is fully capitalized, Revenues will not be needed for current debt service and will be accumulated in the Revenue

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<sup>1</sup> Preliminary and subject to change.

<sup>2</sup> Preliminary and subject to change.

Fund or other agreed upon Fund to be applied to avoidance of capitalized interest, future debt service, financing gap or construction contingencies. Beginning in Year 5<sup>3</sup>, all Revenues will be deposited in a Revenue Fund established for the Bonds and used to pay current debt service on the Bonds. Once the debt service on the Bonds has been paid each year, the remaining amount will be determined annually. The remaining balance in the Revenue Fund will be disbursed in accordance with a Revenue Contribution and Sharing Agreement to be entered into by the City and Port.

## **SECTION 7. DISTRICT COMMITMENT**

The District expects to enter into a Support Agreement to pay an annual amount to the JEPA, to be deposited in the Revenue Fund. The annual payment will equal the Support Payment (fixed), the Bayfront Lease Revenue (in amounts received) and the RIDA Ground Lease (in amounts received).

The District has certain outstanding bonds that have a prior lien on such revenue, and those bonds would have to be paid before deposit of such revenues with the JEPA.

Payments to the JEPA under the Support Agreement will be made as follows:

- Bayfront Lease Revenues: Quarterly in arrears within 30 days of the end of a quarter, in an amount equal to  $\frac{1}{4}$  of the annual projected revenue shown in Section 13, with the final payment for such year to be adjusted for actual revenue, to the extent received by the District.
- Support Payments: Quarterly in arrears within 30 days of the end of a quarter, in an amount equal to  $\frac{1}{4}$  of the annual revenue shown in Section 13.
- RIDA Ground Lease: Quarterly in arrears within 30 days of the end of a quarter, in an amount equal to  $\frac{1}{4}$  of the annual revenue shown in Section 13, to the extent received by the District.

Other than as described herein, the District has not committed additional revenues from its General Fund to pay debt service on the JEPA Bonds. There may be an obligation of the District to fund some or all of the parking improvements referred to in Section 5 and to use other funds for pre-development and other costs during construction as described in Section 5.

## **SECTION 8. CITY COMMITMENT**

The City expects to enter into a Lease Agreement to pay lease payments to the JEPA for use of the Convention Center, such lease payments to be deposited in the Revenue Fund. The annual payment will be made from the RV Park TOT, the PMSA Revenue, RHCC Sales Tax and RHCC TOT in amounts received.

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<sup>3</sup> Preliminary and subject to change.



The City will collect and deposit the following revenues into an account held by the City or JEPA under the lease agreement for the Convention Center and used to make lease payments to the JEPA:

- RV Park TOT: Monthly in arrears within 30<sup>4</sup> days of the end of a month, in an amount equal to actual revenue to the extent received by the City.
- PMSA Revenue: Quarterly in arrears within 30 days of the end of a quarter, in an amount equal to ¼ of the annual projected revenue shown in Section 13, with the final payment for such year to be adjusted for actual revenue.
- RHCC TOT – Monthly in arrears within 30<sup>5</sup> days of the end of a month, in an amount equal to actual revenue received by the City.
- RHCC Sales Tax – Quarterly in arrears within 30 days of the end of a quarter, in an amount equal to actual revenue received by the City.

In the event that the EIFD is not established, a payment equal to the City's share of the property tax and VLF generated from the RHCC will be collected and deposited in an account held by the City or JEPA under the Lease Agreement and used to make lease payments to the JEPA. The payment will be made twice annually, with the first half paid by January 31, in an amount equal to ½ of the projected amount shown in Section 13 and the second half paid by June 30, in an amount equal to the actual revenue received by the City over the entire year less the amount of January 31 payment.

Other than as described herein, the City has not committed additional revenues to pay Lease Payments from its General Fund. There is an obligation of the City to provide for funding and operation of a future fire station and fire services to serve the Bayfront and the RHCC Project as described in Section 5 and to use other funds for pre-development and other costs during construction as described in Section 5.

## **SECTION 9. PLEDGED REVENUES – CFD**

The CFD will issue Special Tax Bonds with an annual special tax levy equal to projected Special Taxes to be levied based on 5% of RHCC room revenue. The JEPA would acquire the Special Tax Bonds with proceeds of the Tax-Exempt Bonds and the debt service paid by the CFD to the JEPA would be deposited in the Revenue Fund. The proceeds of the sale of the Special Tax Bonds will be applied to Phase 1A Infrastructure Costs.

The annual tax levy will initially be equal to the amount projected in Section 13. The debt service/special tax levy each year will be adjusted to reflect 5% of the actual room revenue. The special taxes will be paid by the Developer monthly to the CFD to be remitted to the JEPA.

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<sup>4</sup> Preliminary and subject to change.

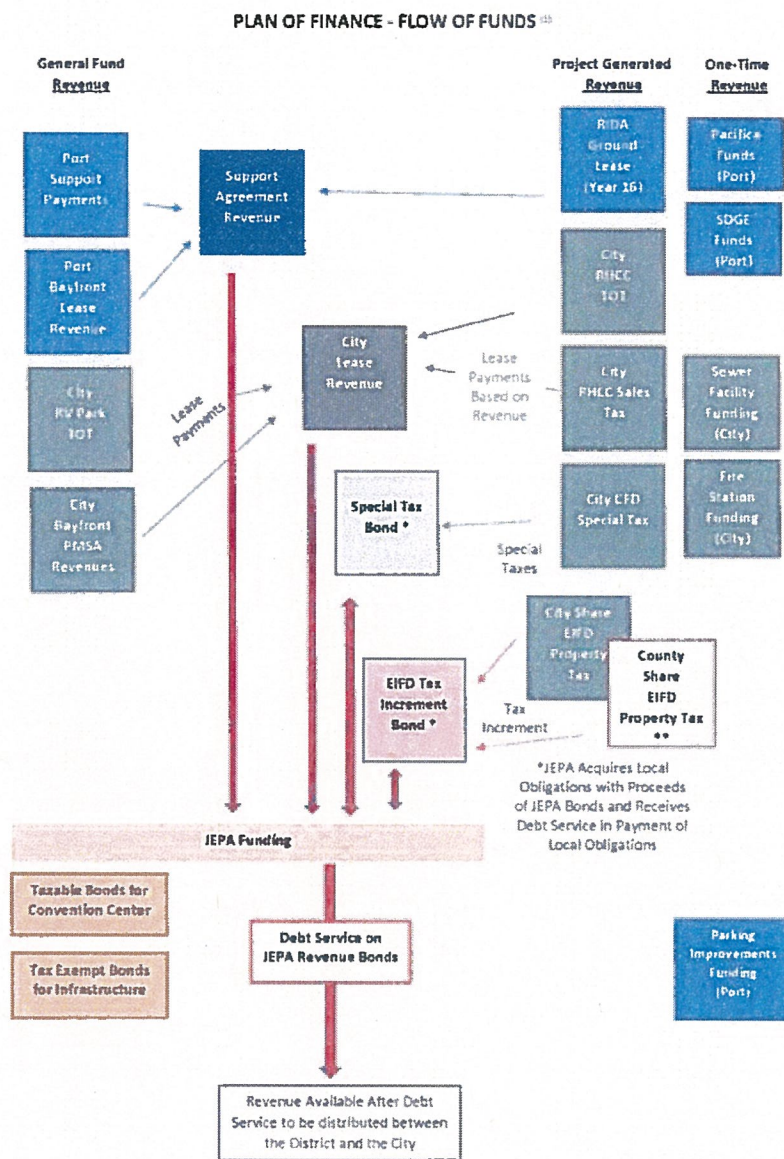
<sup>5</sup> Preliminary and subject to change.

**SECTION 10. PLEDGED REVENUES – EIFD**

If formed, the EIFD will issue Tax Increment Bonds with annual payments equal to projected taxes to be allocated to the EIFD. The JEPA would acquire the Tax Increment Bonds with proceeds of the JEPA Bonds and the debt service paid by the EIFD to the JEPA would be deposited in the Revenue Fund. The debt service on the Tax Increment Bonds each year will be adjusted to reflect actual tax increment received.

The debt service payments will be made twice a year, with the first half paid by January 31, in an amount equal to  $\frac{1}{2}$  of the projected amount shown in Section 13 and the second half paid by June 30, in an amount equal to the actual revenue received by the EIFD over the entire year less the amount of January 31 payment.

## SECTION 11. PROJECTED FLOW OF FUNDS



\*\* Negotiations are underway with the County to contribute the County Share of EIFD Property Tax

<sup>(1)</sup> Subject to Change and Market Conditions for Financing

**SECTION 12. PROJECTED SOURCES AND USES<sup>6</sup>**

	<b>Tax-Exempt Series Phase 1A Infrastructure</b>	<b>Taxable Series Project Public Investment</b>	<b>Total</b>
Par Amount	\$ 63,825,000	\$ 324,715,000	\$388,540,000
Original Issue Premium (Discount)	7,072,567	-	7,072,567
Pre-Opening Cash flow	-	15,067,521	15,067,521
<b>Net Proceeds</b>	<b>\$ 70,897,567</b>	<b>\$ 339,782,521</b>	<b>\$410,680,088</b>
Project Fund	\$ 55,324,185	\$ 239,610,455	\$294,934,639 <sup>7</sup>
Capitalized Interest	8,510,000	74,493,830	83,003,830
Debt Service Reserve Fund	5,462,254	28,911,729	34,373,983
Issuance Expenses	1,601,129	8,121,236	9,722,365
<b>Total Use of Proceeds</b>	<b>\$ 70,897,567</b>	<b>\$ 351,137,249</b>	<b>\$422,034,816</b>
<b>Net Funding Shortfall</b>	<b>\$ 0</b>	<b>\$ 11,354,728</b>	<b>\$ 11,354,728</b>
<b>Less Projected Offsets</b>			
SDG&E and Pacifica Funds <sup>8</sup>		\$4,653,750	\$4,653,750
Cash Contingencies <sup>9</sup>		\$3,354,971	\$3,354,971
Reduction in Infrastructure Costs <sup>10</sup>		\$3,346,007	\$3,346,007
<b>Total Proj. Offsets to Shortfall</b>		<b>\$11,354,728</b>	<b>\$11,354,728</b>
<b>Projected Funding Gap</b>		<b>\$0</b>	<b>\$0</b>

The financing structure as presented herein is highly dependent on achieving investment grade ratings and a public offering solution. Achieving an investment grade rating is not just limited to coverage ratios but is also dependent on certain commercial terms negotiated between the JEPA and the developer. These terms may impact the rating agencies' view of the credit, which could significantly impact credit, coverage, reserves and, ultimately, deliverable proceeds.

<sup>6</sup> Preliminary and subject to change.

<sup>7</sup> Project funds are net of interest earnings earned during the construction period which will be available for the project.

<sup>8</sup> SDG&E and Pacifica funds as discussed on page 3 of the Plan of Finance.

<sup>9</sup> Existing revenues generated by the City and District from July 1, 2018 to close of escrow.

<sup>10</sup> Projected reduction in infrastructure projects costs to be financed from \$56 million to \$50.8 million as described in the Economic Development Subsidy Report. These projections also continue to assume the County of San Diego's participation through an EIFD over the term of the debt.



# SECTION 13. PROJECTED REVENUES BY SOURCE

Project Revenues											Existing Revenues					Uses			
Phase	Year Count	Est. Fiscal Year	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
			Port Lease Support Payments	RIDA Ground Rent 3%	TOT RIDA 10%	TOT Augment RIDA 5%	Sales Tax RIDA 1%	EIFD City 2%	EIFD County 2%	Total Project Revenues	Bayfront Lease Revenue	MSA Reimb 3%	TOT Existing RV Park	TOT New RV Park 3%	Total Existing Revenues	Gross Revenues	Contingency Set Aside	Available Opening Revenues	Pre-Not Revenues Available for Debt
Grand Total			144,000,000	64,000,000	672,260,186	336,130,093	61,262,145	80,072,347	105,530,282	1,463,255,033	194,746,418	76,522,346	200,000	34,372,246	305,841,010	1,769,096,043	3,354,971	15,067,521	1,750,673,552
Pre-Development	Year 0	FY 2018-19	-	-	-	-	-	-	-	-	2,095,607	1,059,364	200,000	-	3,354,971	3,354,971	3,354,971	-	-
	Year 1	FY 2019-20	-	-	-	-	-	-	-	-	1,901,906	1,091,145	-	497,000	3,490,051	3,490,051	-	3,490,051	-
	Year 2	FY 2020-21	-	-	-	-	-	-	-	-	2,038,753	1,123,879	-	511,910	3,674,542	3,674,542	-	3,674,542	-
	Year 3	FY 2021-22	-	-	-	-	-	-	-	-	2,172,496	1,157,596	-	527,267	3,857,359	3,857,359	-	3,857,359	-
	Year 4	FY 2022-23	-	-	-	-	-	-	-	-	2,310,160	1,192,324	-	543,085	4,045,569	4,045,569	-	4,045,569	-
Construction on (48 Months)	Year 5	FY 2023-24	5,000,000	-	9,593,500	4,796,750	919,204	1,667,000	2,197,000	24,173,454	2,419,775	1,228,093	-	559,378	4,207,246	28,380,700	-	28,380,700	-
	Year 6	FY 2024-25	5,000,000	-	11,189,300	5,594,650	1,022,917	1,700,340	2,240,940	26,748,147	2,506,369	1,264,936	-	576,159	4,347,464	31,095,611	-	31,095,611	-
	Year 7	FY 2025-26	5,000,000	-	12,174,300	6,087,150	1,113,917	1,734,347	2,285,759	28,398,472	2,679,571	1,302,884	-	593,444	4,775,899	33,171,372	-	33,171,372	-
	Year 8	FY 2026-27	5,000,000	-	13,041,100	6,520,550	1,190,394	1,769,034	2,331,474	29,852,552	3,499,205	1,341,971	-	611,247	5,452,423	35,304,975	-	35,304,975	-
	Year 9	FY 2027-28	5,000,000	-	13,776,700	6,888,350	1,254,249	1,804,414	2,378,103	31,101,817	3,619,231	1,382,230	-	629,585	5,631,045	36,732,863	-	36,732,863	-
	Year 10	FY 2028-29	5,000,000	-	14,052,300	7,026,150	1,279,334	1,840,503	2,425,666	31,623,952	3,744,088	1,423,697	-	648,472	5,816,257	37,440,209	-	37,440,209	-
	Year 11	FY 2029-30	5,000,000	-	14,333,300	7,166,650	1,304,920	1,877,313	2,474,179	32,156,362	3,856,410	1,466,408	-	667,926	5,990,744	38,147,106	-	38,147,106	-
	Year 12	FY 2030-31	5,000,000	-	14,620,000	7,310,000	1,331,017	1,914,859	2,523,662	32,699,538	3,972,103	1,510,400	-	687,964	6,170,467	38,870,005	-	38,870,005	-
	Year 13	FY 2031-32	5,000,000	-	14,912,400	7,456,200	1,357,639	1,953,156	2,574,136	33,253,531	4,091,266	1,555,712	-	708,603	6,365,581	39,609,112	-	39,609,112	-
	Year 14	FY 2032-33	5,000,000	-	15,210,600	7,605,300	1,384,794	1,992,219	2,625,618	33,818,531	4,214,004	1,602,383	-	729,861	6,546,248	40,364,779	-	40,364,779	-
Operations (Projection per 10 Years)	Year 15	FY 2033-34	6,000,000	-	15,666,918	7,833,459	1,426,337	2,032,064	2,678,131	36,366,909	4,340,424	1,650,455	-	751,757	6,742,636	42,379,544	-	42,379,544	-
	Year 16	FY 2034-35	6,000,000	-	16,136,926	8,068,463	1,469,127	2,072,705	2,731,693	36,478,914	4,470,637	1,699,968	-	774,310	6,944,915	43,423,829	-	43,423,829	-
	Year 17	FY 2035-36	6,000,000	-	16,621,033	8,310,517	1,513,201	2,114,159	2,786,327	37,345,238	4,604,756	1,750,967	-	797,539	7,153,262	44,498,500	-	44,498,500	-
	Year 18	FY 2036-37	6,000,000	-	17,119,664	8,559,832	1,558,597	2,156,442	2,842,054	38,236,590	4,742,899	1,803,496	-	821,465	7,367,860	45,604,450	-	45,604,450	-
	Year 19	FY 2037-38	6,000,000	-	17,633,254	8,816,627	1,605,355	2,199,571	2,898,895	39,153,703	4,885,185	1,857,601	-	846,109	7,588,896	46,742,598	-	46,742,598	-
	Year 20	FY 2038-39	3,000,000	3,000,000	18,162,252	9,081,126	1,653,516	2,243,563	2,956,873	40,097,329	5,031,741	1,913,329	-	871,493	7,816,563	47,913,892	-	47,913,892	-
	Year 21	FY 2039-40	3,000,000	3,000,000	18,707,119	9,353,560	1,703,121	2,288,434	3,016,010	41,068,244	5,182,693	1,970,729	-	897,637	8,051,060	49,119,304	-	49,119,304	-
	Year 22	FY 2040-41	3,000,000	3,000,000	19,268,333	9,634,166	1,754,215	2,334,202	3,076,330	42,067,247	5,338,174	2,029,851	-	924,566	8,292,591	50,359,839	-	50,359,839	-
	Year 23	FY 2041-42	3,000,000	3,000,000	19,846,383	9,923,191	1,806,841	2,380,886	3,137,857	43,095,159	5,498,319	2,090,747	-	952,303	8,541,369	51,636,529	-	51,636,529	-
	Year 24	FY 2042-43	3,000,000	3,000,000	20,441,774	10,220,887	1,861,047	2,428,504	3,200,614	44,152,827	5,663,269	2,153,469	-	980,872	8,797,610	52,950,437	-	52,950,437	-
	Year 25	FY 2043-44	3,500,000	3,500,000	21,065,028	10,527,514	1,916,878	2,477,074	3,264,626	46,241,120	5,833,167	2,218,073	-	1,010,299	9,061,538	55,302,659	-	55,302,659	-
	Year 26	FY 2044-45	3,500,000	3,500,000	21,686,679	10,843,339	1,974,384	2,526,616	3,329,919	47,360,937	6,008,162	2,284,615	-	1,040,608	9,333,385	56,694,322	-	56,694,322	-
	Year 27	FY 2045-46	3,500,000	3,500,000	22,337,279	11,168,639	2,033,616	2,577,148	3,396,517	48,513,200	6,188,407	2,353,154	-	1,071,826	9,613,386	58,126,586	-	58,126,586	-
	Year 28	FY 2046-47	3,500,000	3,500,000	23,007,397	11,503,699	2,094,624	2,628,691	3,464,448	49,698,859	6,374,059	2,423,748	-	1,103,981	9,901,788	59,600,647	-	59,600,647	-
	Year 29	FY 2047-48	3,500,000	3,500,000	23,697,619	11,848,810	2,157,463	2,681,265	3,533,737	50,918,894	6,565,281	2,496,461	-	1,137,100	10,198,841	61,117,735	-	61,117,735	-
	Year 30	FY 2048-49	3,500,000	3,500,000	24,408,548	12,204,274	2,222,187	2,734,890	3,604,411	52,174,310	6,762,239	2,571,354	-	1,171,213	10,504,807	62,679,117	-	62,679,117	-
	Year 31	FY 2049-50	3,500,000	3,500,000	25,140,804	12,570,402	2,288,853	2,789,588	3,676,500	53,466,147	6,965,106	2,648,495	-	1,206,349	10,819,951	64,286,097	-	64,286,097	-
	Year 32	FY 2050-51	3,500,000	3,500,000	25,895,028	12,947,514	2,357,518	2,845,380	3,750,030	54,795,470	7,174,059	2,727,950	-	1,242,540	11,144,549	65,940,019	-	65,940,019	-
	Year 33	FY 2051-52	3,500,000	3,500,000	26,671,879	13,336,940	2,428,244	2,902,287	3,825,030	56,163,380	7,389,281	2,809,788	-	1,279,816	11,478,086	67,642,266	-	67,642,266	-
	Year 34	FY 2052-53	3,500,000	3,500,000	27,472,036	13,736,018	2,501,091	2,960,333	3,901,531	57,571,008	7,610,960	2,894,082	-	1,318,211	11,823,252	69,394,261	-	69,394,261	-
	Year 35	FY 2053-54	3,500,000	3,500,000	28,296,197	14,148,098	2,576,124	3,019,540	3,979,561	58,019,520	7,839,288	2,980,905	-	1,357,757	12,177,850	71,197,470	-	71,197,470	-
	Year 36	FY 2054-55	3,500,000	3,500,000	29,145,083	14,572,541	2,653,408	3,079,931	4,059,153	60,510,115	8,074,467	3,070,332	-	1,398,490	12,543,288	73,053,403	-	73,053,403	-
	Year 37	FY 2055-56	3,500,000	3,500,000	30,019,436	15,009,717	2,733,010	3,141,529	4,140,336	62,044,027	8,316,701	3,162,442	-	1,440,444	12,919,587	74,963,614	-	74,963,614	-
	Year 38	FY 2056-57	3,500,000	3,500,000	30,920,018	15,460,009	2,815,000	3,204,360	4,223,142	63,622,529	8,566,202	3,257,315	-	1,483,658	13,307,175	76,929,704	-	76,929,704	-

Notes:

- (1) TOT and TOT Augment (CFD) assumes room revenue escalation factor of 3.0% beginning in Yr. 16.  
 (2) EIFD assumes an escalation factor of 2.0% beginning in Yr 6.  
 (3) Sales tax equals sales tax from gift shop (80% taxable), food & beverage (80% taxable), spa (20% taxable), rec center (20% taxable), other minor operating depts (20% taxable), & miscell. income (20% taxable). Assumes an escalation factor of 3.0% beginning in Yr 15.

(4) Bayfront Lease Revenues includes existing lease and new RV Park lease; assumes escalation factor of 3.0% beginning in Yr 9.

(5) PMSA Revenues assumes escalation factor of 3.0% beginning in Yr 1.

Source: Keyser Marston Associates, Inc. Revenue Projections as of February 2018 and data provided by City, District and RIDA, Chula Vista LLC.



**SECTION 14. PROJECTED DEBT SERVICE – JEPa BONDS**

FY	Revenue	Tax-Exempt Gross Debt Svc	Tax-Exempt Cap Int	Tax-Exempt Net Debt Svc*	Taxable Gross Debt Svc	Taxable Cap Int	Taxable Net Debt Svc	TOTAL Net Debt Svc	Available Pre-Opening Revenue	Debt Coverage
6/30/2020	3,490,051	2,127,500	2,127,500	-	11,438,611	11,438,611	-	-	3,490,051	-
6/30/2021	3,674,542	3,191,250	3,191,250	-	17,157,916	17,157,916	-	-	3,674,542	-
6/30/2022	3,857,359	3,191,250	3,191,250	-	17,157,916	17,157,916	-	-	3,857,359	-
6/30/2023	4,045,569	3,191,250	3,191,250	-	17,157,916	17,157,916	-	-	4,045,569	-
6/30/2024	28,380,700	3,191,250	-	3,191,250	17,157,916	4,152,216	13,005,700	16,196,950		1.75x
6/30/2025	31,095,611	3,191,250	-	3,191,250	17,157,916	2,608,003	14,549,913	17,741,163		1.75x
6/30/2026	33,171,372	3,191,250	-	3,191,250	17,157,916	1,406,949	15,750,967	18,942,217		1.75x
6/30/2027	35,304,975	3,206,250	-	3,206,250	17,157,916	223,053	16,934,863	20,141,113		1.75x
6/30/2028	36,732,863	3,335,500	-	3,335,500	17,617,916	-	17,617,916	20,953,416		1.75x
6/30/2029	37,440,209	3,403,250	-	3,403,250	17,951,788	-	17,951,788	21,355,038		1.75x
6/30/2030	38,147,106	3,467,250	-	3,467,250	18,293,540	-	18,293,540	21,760,790		1.75x
6/30/2031	38,870,005	3,532,500	-	3,532,500	18,636,264	-	18,636,264	22,168,764		1.75x
6/30/2032	39,609,112	3,598,750	-	3,598,750	18,993,221	-	18,993,221	22,591,971		1.75x
6/30/2033	40,364,779	3,665,750	-	3,665,750	19,357,878	-	19,357,878	23,023,628		1.75x
6/30/2034	42,379,544	3,853,250	-	3,853,250	20,318,302	-	20,318,302	24,171,552		1.75x
6/30/2035	43,423,829	3,945,000	-	3,945,000	20,822,763	-	20,822,763	24,767,763		1.75x
6/30/2036	44,498,500	4,045,250	-	4,045,250	21,338,073	-	21,338,073	25,383,323		1.75x
6/30/2037	45,604,450	4,143,250	-	4,143,250	21,870,523	-	21,870,523	26,013,773		1.75x
6/30/2038	46,742,598	4,248,750	-	4,248,750	22,412,280	-	22,412,280	26,661,030		1.75x
6/30/2039	47,913,892	4,351,000	-	4,351,000	22,980,769	-	22,980,769	27,331,769		1.75x
6/30/2040	49,119,304	4,464,750	-	4,464,750	23,552,383	-	23,552,383	28,017,133		1.75x
6/30/2041	50,359,839	4,574,000	-	4,574,000	24,149,548	-	24,149,548	28,723,548		1.75x
6/30/2042	51,636,529	4,693,500	-	4,693,500	24,758,400	-	24,758,400	29,451,900		1.75x
6/30/2043	52,950,437	4,812,250	-	4,812,250	25,390,592	-	25,390,592	30,202,842		1.75x
6/30/2044	55,302,659	5,024,750	-	5,024,750	26,517,001	-	26,517,001	31,541,751		1.75x
6/30/2045	56,694,322	5,150,750	-	5,150,750	27,189,040	-	27,189,040	32,339,790		1.75x
6/30/2046	58,126,586	5,278,750	-	5,278,750	27,875,671	-	27,875,671	33,154,421		1.75x
6/30/2047	59,600,647	5,413,000	-	5,413,000	28,582,840	-	28,582,840	33,995,840		1.75x
6/30/2048	61,117,735	5,552,500	-	5,552,500	29,310,195	-	29,310,195	34,862,695		1.75x
6/30/2049	62,679,117	5,696,250	-	5,696,250	30,057,118	-	30,057,118	35,753,368		1.75x
6/30/2050	64,286,097	5,843,250	-	5,843,250	30,822,723	-	30,822,723	36,665,973		1.75x
6/30/2051	65,940,019	5,992,500	-	5,992,500	31,620,857	-	31,620,857	37,613,357		1.75x
6/30/2052	67,642,266	6,148,000	-	6,148,000	32,434,295	-	32,434,295	38,582,295		1.75x
6/30/2053	69,394,261	6,303,500	-	6,303,500	33,276,349	-	33,276,349	39,579,849		1.75x
6/30/2054	71,197,470	6,468,000	-	6,468,000	34,144,259	-	34,144,259	40,612,259		1.75x
Total	\$ 1,540,794,351	\$ 151,486,500	\$ 11,701,250	\$ 139,785,250	\$ 801,818,609	\$ 71,302,580	\$ 730,516,030	\$ 870,301,280	\$ 15,067,521	

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