

**DRAFT****RESOLUTION 20xx-xxx****RESOLUTION GRANTING CONCEPT APPROVAL  
TO SUNROAD HIE HOTEL PARTNERS, L.P. FOR  
THE SUNROAD HARBOR ISLAND EAST HOTEL  
PROJECT**

**WHEREAS**, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I (Port Act); and

**WHEREAS**, Section 87(b) of the Port Act grants authority to the District to lease the tidelands or submerged lands, or parts thereof, for limited periods, not exceeding 66 years, for purposes consistent with the trusts upon which those lands are held, by the State of California; and

**WHEREAS**, Sunroad HIE Hotel Partners, L.P. (Sunroad) is proposing the development of the Sunroad Harbor Island East Hotel, which would involve demolition of the existing improvements within the project site, site preparation, and construction, including: grading, development, operation and maintenance of a 450-room, dual-brand hotel structure and associated amenities including a walk-up restaurant and bar area, swimming pool, jacuzzi spa, retail space, conference space, parking lot(s), waterfront promenade and landscaping (Project); and

**WHEREAS**, the Project is located at the northeast corner of Harbor Island Drive and East Harbor Island Drive, consisting of two parcels totaling approximately 7.5 acres, generally identified as 851 Harbor Island Drive (Project Site); and

**WHEREAS**, on April 14, 2017, Sunroad entered into an Exclusive Negotiating Agreement (ENA) with the District for the redevelopment of approximately 7.55 acres in East Harbor Island commonly referred to as the “Elbow Parcel”; and

**WHEREAS**, in accordance with the California Environmental Quality Act statutes and guidelines, the Project was adequately analyzed in the 2014 Revised FEIR for the Sunroad Harbor Island Hotel Project and East Harbor Island Subarea Port Master Plan Amendment (2014 Revised FEIR) (Certified March 4, 2014; UPD #83356-EIR-783; SCH#2006021027; Clerk’s Document No. 61175) and the First Addendum to the 2014 Revised FEIR (Resolution No. 2021-059); and

**WHEREAS**, on April 13, 2021, the Board of Port Commissioners (BPC) granted an Option to Lease Agreement with Sunroad for a 66-Year Lease and adopted a First Addendum to the Revised Final Environmental Impact Report for

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the “Sunroad Harbor Island Hotel Project & East Harbor Island Subarea Port Master Plan Amendment” and authorized staff to file a Notice of Determination; and

**WHEREAS**, the Option includes various conditions that Sunroad must meet within the specified deadlines in order to exercise the Option and enter into the Lease; and

**WHEREAS**, Sunroad proposes the construction and operation of a hotel development at the northeast corner of Harbor Island Drive and East Harbor Island Drive, consisting of two parcels totaling approximately 7.55 acres (commonly known as the Elbow Parcel) on East Harbor Island; and

**WHEREAS**, the Project Site consists of two parcels: one parcel is approximately 6.43 acres and is currently paved with asphalt and used for parking, and is designated as Commercial Recreation in the existing Port Master Plan (PMP); the other parcel is approximately 1.12 acres and has limited landscaping and is designated as Open Space; and

**WHEREAS**, the Project would include a dual-branded hotel complex with up to 450 rooms, including an extended stay hotel and a limited service hotel within a single structure; and

**WHEREAS**, common areas serving both hotel brands, such as lobby, registration desks or pods, lounge and bar, and breakfast area, would be provided on the ground floor; and

**WHEREAS**, the extended stay wing would consist of 12 floors and include 200 rooms, with the rooms distributed from levels 2 through 12 and the extended stay wing would have a building footprint of 9,500 square feet and total floor area of 118,000 gross square feet (GSF); and

**WHEREAS**, the limited service wing would consist of 15 floors and include approximately 250 rooms and the rooms would be distributed from levels 2 through 15, with a total floor area of 123,000 GSF; and

**WHEREAS**, the maximum height of the building would be approximately 160 feet from finished grade to the top of the building parapet (excluding the elevator overrun and mechanical enclosures); and

**WHEREAS**, the maximum height including the elevator overrun and mechanical enclosures would be 175 to 180 feet and the maximum height approved by the Federal Aviation Administration (FAA) is up to 224 feet above ground level (AGL) or 237 feet AMSL to accommodate the building flagpole; and

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**WHEREAS**, in addition to the common areas/amenities serving the dual brand hotel, the ground floor would also include meeting rooms and ballrooms totaling approximately 10,000 GSF; and

**WHEREAS**, the hotel building would also include amenities such as fitness center and restrooms totaling 3,000 GSF and retail shops totaling approximately 350 GSF; and

**WHEREAS**, the ground floor would also include other areas necessary for hotel operations such as space for administrative functions, laundry, and operational equipment; and

**WHEREAS**, the Project would have a total building footprint of 34,000 SF and the maximum building gross square footage of the Project would be 265,000 GSF; and

**WHEREAS**, outside of the proposed hotel building, the Project would provide an outdoor swimming pool with jacuzzi spa and outdoor private function space for hotel guests and approximately 3,500 GSF of walk-up restaurant or bar area open to the public; and

**WHEREAS**, the Project would provide approximately 350 parking spaces within two surface parking areas located on the eastern and western sides of the proposed hotel building and additional landscaping would be installed along the Project Site frontage to screen the parking areas from Harbor Island Drive; and

**WHEREAS**, Project construction would be performed in one continuous construction phase consisting of five stages: demolition; site preparation; grading; building construction; and paving; no pile driving or blasting would occur; and

**WHEREAS**, construction of the Project is expected to begin in late 2023 and be completed by late 2025 for a total duration of approximately 24 months; and

**WHEREAS**, the Project is fully consistent with Chapters 3 and 8 of the Coastal Act and the District's certified Port Master Plan (PMP); and

**WHEREAS**, pursuant to BPC Policy No. 357, plans for new tenant development must be presented to the Board for approval if the project is estimated to cost more than \$500,000; and

**WHEREAS**, the Project cost is approximately \$153 Million; and

**WHEREAS**, the Project involves demolition of existing improvements and construction of a hotel; and

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**WHEREAS**, staff is recommending the Board authorize the granting of concept approval pursuant to BPC Policy No. 357.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Port Commissioners (BPC) of the San Diego Unified Port District does hereby grant concept approval to Sunroad HIE Hotel Partners, L.P. for the Sunroad Harbor Island East Hotel Project.

APPROVED AS TO FORM AND LEGALITY:  
GENERAL COUNSEL

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By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 9<sup>th</sup> day of November 2021, by the following vote: