GAYLORD ENTERTAINMENT

Bennett Westbrook, *Senior Vice President, Development, Design & Construction*

December 11, 2006

*via email*

The Honorable Cheryl Cox
Chula Vista Mayor
276 Fourth Avenue
Chula Vista, CA 91910

Honorable Board of Port Commissioners
Unified Port of San Diego
P.O. Box 120488
San Diego, CA 92112-0488

Dear Mayor Cox and Port Commissioners:

We have noted that the Port District staff has pulled the various Port Board agenda items relating to South Bay Replacement Project, LLC's proposed replacement of the existing South Bay Power Plant in Chula Vista. We understand that this was done to allow time for further study of the project, by the staff of both the Port District and the City of Chula Vista. Given this period of further study, I thought that this would be an appropriate time to share Gaylord Entertainment's views on the subject.

As you know, we are working with your respective staffs to deliver a world-class hotel convention center resort at the Chula Vista bayfront, as part of the master plan for this project. In reviewing the current state of affairs for the power plant and its replacement, the first and foremost conclusion that we come to is the incompatibility of our plans with the continued existence of the power plant in its current location and configuration. We can only echo the commonly-held sentiment that the facility as it is today is an eyesore that detracts from the entire bayfront experience. We are certain that this facility would negatively impact the guest experience at our hotel, if it were to remain in existence by the time of our opening. As a result, I am writing today to express our strong opposition to any plan or course of action that leads to the existing power plant remaining for any period of time after the first quarter of the year 2011. I cannot conceive of a situation in which Gaylord would commit to continue the pursuit of our Chula Vista project, if future decisions regarding the plant were to lead to this undesirable outcome.

We understand that the California Energy Commission will be instrumental in determining the future of any power generation that occurs on the Chula Vista bayfront. We also understand the importance of ensuring a continuous and adequate supply of power to the south San Diego region, which will benefit all of the tenants and residents of the bayfront. If the Commission concludes, however, that there is not a justification for continuing power generation within the bayfront master plan site, we would hope that a higher and better use for the proposed relocation parcel could be found. My

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assumption would be that you would share this view, since we share a common interest is developing the bayfront into a destination attraction that is unrivalled on the West Coast. The site that the replacement power plant would occupy presents opportunities for many other uses that would contribute towards this goal.

We appreciate your consideration of our views on this matter.

Sincerely,

Bennett Westbrook

cc: Lee Babcock
Laurie Madigan
Randa Coniglio