



November 15, 2008

Lorena Gonzalez
Secretary - Treasurer
San Diego - Imperial Counties Labor Council
3717 Camino Del Rio South
San Diego, CA 92105

Tom Lemmon
Business Manager
San Diego County Building and Construction Trades Council
3737 Camino Del Rio South
Suite 202
San Diego, CA 92108

Dear Lorena and Tom,

It is with great disappointment that I write this letter to inform you that Gaylord is discontinuing its plans to develop a resort and convention center project on the Chula Vista bayfront. The Chula Vista project has proven to be very complex and challenging and we have made many strides in addressing the major obstacles before us. Unfortunately, we have been unable to overcome perhaps the biggest hurdle of the project – funding the enormous infrastructure costs associated with the bayfront redevelopment in a manner that will generate adequate financial returns for Gaylord, the Port, and the City of Chula Vista. From the outset, we knew that finding a mutually beneficial way to fund the infrastructure was a tall order. The Port, City and Gaylord committed significant internal and external resources to analyze possible solutions. Nevertheless, we have concluded that there is no workable solution despite our collective best efforts. This is amplified all the more by the current tumultuous economic environment.

We are disappointed at this ultimate outcome today, as we have no doubt that a Gaylord facility would operate very successfully in Chula Vista. We do take satisfaction in knowing that Gaylord and your respective organizations collectively resolved our major differences and were down to the final steps of documenting our mutual

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agreements. There will likely be people who would like to place the blame for the failed project at the door of organized labor but that simply is not the case. Yes, we had our differences and things got a little heated. At the end of the day, though, we were able to come together and find common ground, and for that we thank you.

We regret that we are not going to have the opportunity to work with you to launch the Chula Vista project and realize its significant benefits.

We wish you the best of luck in your future endeavors.

Sincerely,



Bennett Westbrook