



# Department of Real Estate and Airport Management

Quarterly City Council Update #3  
Midway Rising  
June 20, 2023

Item No. 330

# The Property

- 3220, 3240, 3250 and 3500 Sports Arena Blvd.
- 48.5 acres
- Council District 2



# Next Steps (March 2023)



## **January – July 2023:**

Completing physical due diligence on-site  
Update comprehensive financial feasibility analysis  
Update Pro forma and Financing Plan

## **May 18, 2023:**

Midway Rising Team - 2nd Quarterly Informational Workshop  
San Diego Central Library  
Neil Morgan Auditorium

## **June 2023:**

City Staff – 3<sup>rd</sup> Quarterly City Council Update





# On-Site Due Diligence



**December 2022/January 2023:**

Formalize site access and mobilize consultants

**January – July 2023:**

Conduct physical due diligence on-site

- Property research and visual site inspections – **complete**
- Geotechnical exploration – **in progress**
- Soil vapor sampling – **complete**
- Hazardous materials testing – **in progress**



# Community Engagement



**May 18, 2023:**

2nd Quarterly Informational Workshop

- Approximately 85 attendees

**Additional Presentations:** March 29, 2023 – Burnham Center for Community Advancement

May 9, 2023 – SD Regional Chamber of Commerce

May 30, 2023 – Point Loma Optimist Club



# Exclusive Negotiation Agreement



**Term:** December 5, 2022 – December 4, 2024  
With up to two options to extend of one year each at the City's sole discretion

## Deposits Paid:

- ✓ \$100,000 Good Faith Deposit – submitted December 8
- ✓ \$70,000 Non-Refundable Negotiation Payment – submitted December 8
- ✓ \$5,000 License Fees– submitted December 8

## Performance Milestones:

- **March 3, 2023:** ✓ Community Engagement Plan – submitted February 22
- **July 31, 2023:** Completion of physical due diligence  
Updated and comprehensive financial feasibility analysis  
Updated Pro forma and Financing Plan
- **October 29, 2023:** Project description sufficient to commence CEQA



# Addition to the Team



**March 15, 2023:**

Request to modify ownership structure to add equity Investor – Stan Kroenke

**March – June 2023:**

Due diligence and analysis

**June 9, 2023:**

Approval of ownership structure





# Interim Arena Lease



**July 31, 2024:**

Current lease with ASM expires

**August 1, 2024:**

Negotiating new short-term lease with Midway Rising





# Next Steps (June 2023)



## **July 31, 2023:**

Completion of physical due diligence  
Updated and comprehensive financial feasibility analysis  
Updated Pro forma and Financing Plan

## **August 2023:**

3<sup>rd</sup> Quarterly Informational Workshop  
Location TBD

## **September 2023:**

4<sup>th</sup> Quarterly City Council Update





Department of Real Estate  
and Airport Management

---

MIDWAY  
RISING







