Development Team

BlackRidge has worked diligently to assemble a first-class, fully integrated team to develop the San Bruno Crossing Hotel. From strong national branding and equity relationships to long established local design and construction partners, the team is committed to delivering a high-quality hospitality asset.

Developer/Sponsor:  

Capital Partner:  

San Bruno Crossing Hotel

Design:  

Brand Partner:  

Construction:  

BlackRidge Group  

Element by Westin  

City of San Bruno  

Axis GF+  

Marriott  

STOER Construction
Developer/Sponsor
BlackRidge Group
Qualifications

BlackRidge Group is highly qualified to execute on the proposed Marriott hotel project in San Bruno based on the following:

- The principals of BlackRidge recently developed a 230-room Hyatt Place hotel in San Francisco next to Giants Stadium.
- BlackRidge has a strong working relationships with the bay area construction industry. We also understand the complexities of the San Bruno Crossing site.
- BlackRidge has a strong track record of completing complex hotel development projects within urban locations. The principals of the company have completed over $800 million of hotel development projects over the past 17 years, many tight logistical locations.
- BlackRidge currently has two hotel projects in development in Northern California (San Francisco and Sacramento). Therefore, we have “boots on the ground” and understand the current construction environment.
- The Principals of Blackridge have worked successfully with numerous cities on Request for Proposal (RFP) and government participation projects.
- Blackridge has assembled a highly qualified development team with a solid track record of performance in the San Francisco Bay area.
Principal Bios

Scott McChesney, Principal
Scott McChesney a founding Principal of Blackridge Group. Prior to Blackridge Group, Scott worked for Stonebridge Companies for 10 years. As Senior Vice President of Acquisitions and Development, Scott oversaw hotel development, acquisitions, project funding, and new business opportunities totaling over $800 million. Prior to joining Stonebridge, Mr. McChesney was Vice President of RD Olson Development where he was instrumental in growing the company into Southern California’s 20th largest developer in 2007. Mr. McChesney also worked for The Walt Disney Company where he was Director of Development & Acquisitions for their Disney Imagineering Division. He also spent one year in Disney’s Corporate Strategic Planning Group. At the Pepsi-Cola Corporation/Yum Brands, he was Senior Manager of Development where he analyzed and approved or disapproved the development of proposed fast food sites, overseeing approximately $300 million in development capital. Mr. McChesney also has two years of investment banking experience.

Tim Wilson, Principal
As a Principal of Blackridge Group, Tim Wilson oversees all planning and entitlement, design, and construction activities throughout the development portfolio. Previously, Mr. Wilson served as Director of Development for Stonebridge Companies where he managed over $500 million in hospitality development and construction. With more than 15 years of senior real estate experience, Mr. Wilson has been responsible for hospitality, office, and mixed-use projects such as the Renaissance New York Midtown Hotel and the Arista mixed-use development. Mr. Wilson graduated from the University of Nebraska with a Bachelor of Science degree and went on to obtain a Master of Urban Planning from the University of Colorado.
BlackRidge
Recent Examples of San Francisco Bay Area Projects
Hyatt Place San Francisco

- Opened January 2019, on time and on budget
- Complex urban project
- Located near AT&T Stadium and Chase arena
TBD Hotel San Francisco

- Currently pursuing entitlements for a 135-room hotel
- Complicated soils will require reinforced foundation system.
- Currently pricing construction costs.
Representative Hotel Development Experience

**Completed:**
- Moxy – Seattle, WA *
- Residence Inn – Seattle, WA *
- Courtyard by Marriott – Manhattan, NY *
- Residence Inn by Marriott – Manhattan, NY *
- Renaissance New York Midtown – Manhattan, NY *
- Homewood Suites by Hilton – Aliso Viejo, CA *
- Springhill Suites by Marriott – Denver, CO **
- Residence Inn by Marriott – Burbank, CA ***
- Aloft Hotel – Broomfield, CO **
- Residence Inn by Marriott – Oceanside, CA ***
- Hyatt Place – San Francisco, CA *

**Under Construction/Development:**
- Home2 by Hilton – Denver, CO
- Element by Westin – Seattle, WA
- TBD Hotel – San Francisco, CA
- AC Hotel – Sacramento, CA

* Completed as SVP and Director of Development for Stonebridge Companies
** Completed as Director of Weins Capital
*** Completed as VP of RD Olson Development
Residence Inn, Seattle, WA

- 924 Howell Street, Seattle, WA
- $98M million ($325k/room) development budget
- Completed on budget in 18 months
- Opened November 2017
- 302 Keys
Renaissance New York Midtown

- 40 stories - 350 keys - Mixed Use with 3 floors of retail
- Located adjacent to Madison Square Garden
- Largest outdoor roof terrace in Manhattan
Capital Partner
Washington Holdings
Headquartered in Seattle, with offices in Los Angeles and Silicon Valley. Completing over $3 billion of investments since their founding in 2002. Recently completed a 174-room Marriott Element in Santa Clara, CA with AXIS/GFA as the architect. Sample of hotel assets include:

- Residence Inn – Manhattan Beach, CA
- Courtyard – Seattle, WA
- Element by Westin – Santa Clara, CA
- AC by Marriott – Pleasanton, CA
- Hilton Garden – El Segundo, CA
- Hilton Garden Inn – Redmond, WA
Inspired by the Westin Hotel Resort, the Element Hotel in Santa Clara, California is situated directly within the campus of the Mission Park Business Center, next door to the newly build marketplace of approximately 23,000 sq. ft. Located in the heart of the Santa Clara Silicon Valley, this 5 story Extended Stay Hotel has 175 rooms, a unique “sunken living room” courtyard patio and a large pool. Designed in the modern style, the hotel exterior finish materials include stone veneer, smooth stucco, metal panels, and wood siding.
General Contractor
Stoer Construction
• Headquartered in San Jose, CA.
• Currently working with AXIS/GFA on two Silicon Valley hotel projects.

• Sample of relevant hotel construction projects include:
  - Element by Westin – Milpitas, CA
  - AC by Marriott – Sunnyvale, CA
  - AC by Marriott – Santa Clara, CA
  - AC/Courtyard by Marriott – Palo Alto, CA
Stoer Construction

AC by Marriott - Sunnyvale

$29,000,000.00
123 Rooms
5 Stories
Underground Parking
Completion Date – Dec, 2018
Developer: T2 Hospitality
Architect: DLR Group
Stoer Construction

Element by Westin - Milpitas

- $35,000,000.00
- 192 Rooms
- 5 Stories
- Construction start – Oct, 2018
- Developer: Lodging Dynamics
- Architect: Richardson Design Partnership LLC
Architect Partner
AXIS/GFA Architects
• Headquartered in San Francisco, CA.
• Designed the Element in Santa Clara with Washington Holdings.

• Sample of relevant hotel projects include:
  • Element by Westin – Santa Clara, CA
  • Virgin Hotel – San Francisco, CA
  • Healdsburg Suites Hotel – Healdsburg, CA
  • Marriott Courtyard – Palo Alto, CA
  • Hyatt House – Cupertino, CA
  • Element by Westin – Anaheim, CA
  • Aloft Hotel – Sunnyvale, CA
Project Team Member – Architect

AXIS Architecture and Design and Gene Fong Associates recently merged to form AXIS/GFA Architecture + Design. With offices in San Francisco and Los Angeles, AXIS/GFA Architecture + Design is an internationally acclaimed firm servicing the Western U.S. and Hawaii. The combined firms bring a significant amount of hospitality expertise and local experience to the team. AXIS / GFA has many projects underway in the Bayarea and fully understands the complex local design and approval process.
MARRIOTT COURTYARD AND AC HOTELS
Palo Alto, CA

New dual hotel campus with an 81,000 square foot, 154-room AC by Marriott hotel, and a 72,000 square foot, 143-room Courtyard by Marriott hotel. Both hotels are 5-story, concrete structures with one and a half levels of parking below grade. The hotels share a common interior courtyard with an Entry Court, Pool Area, and surface parking lot shaded by landscaping and solar shading canopies.
Crossing Hotel Development Plan
Element by Westin

Key attributes of the proposed Element by Westin hotel contributing to the goals of San Bruno:

- A Hotel of High Quality Design and Construction
- Feasible Project – A project that will get built!
- Amenity for area businesses including You Tube, Walmart.com, etc.
- Local Job Creation
- Ability to attract transient and extended stay hotel customers from the SFO market which will benefit local businesses.
- Transportation connection to local attractions, major employers, regional transportation (BART and CalTrans), and SFO via Hotel shuttle.
Branding Vision

**Development Proof Points**

- Element Is The Ideal Brand with Strong Guest Appeal
- Segment redefining product that resonates with today’s guest. Leverages the DNA of Westin programming – natural light, open spaces and healthy options with innovative programming and a commitment to sustainability.
- Positive consumer perception of the brand and high guest satisfaction scores are driving demand with developers & guests
- Element excels and delivers strong performance
- Experienced team focused on owner success
Summary of Proposed Hotel Project

The following summarizes the current development metrics for the hotel:

- Brand: Element by Marriott
- Number of rooms: 176-180
- Building GSF: 103,000 GSF
- Number of floors: 5
- Building Height: Approximately 62 ft.
- Number of parking spaces: 139
- Estimate construction costs: $43M
- Estimated total development cost: $61.5M, $349k/room
Hotel Operating Projections

The following summarizes the current stabilized hotel operating projections:

- Average Daily Rate (ADR) $240
- Occupancy 80%
- RevPar $195

- Total Estimated Annual Revenues (Stabilized) $13.5M
- Estimated Annual Transient Occupancy Tax Generation $1.56M
Ground Floor

PROJECT DATA

PROPOSED 5 STORY
ELEMENT by WESTIN
SITE AREA - 1.65 AC

BUILDING AREA

GROUND FLOOR - 10,615 SF
TYP. FLOOR - 23,017 SFx4
TOTAL - 102,063 SF
F.A.R. = 1.43

ROOMS

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<td>28</td>
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Parking Provided - 136 spaces
0.77 space per room

ELEMENT BY WESTIN
SAN BRUNO, CA

GROUND FLOOR/ SITE PLAN A-1.0
DATE: 09.26.2019
JOB NO.: -

BLACKRIDGE GROUP
Typical Floor Layout
Elevations
Elevations
Key Business Terms
Summary of our Letter of Intent

The following summarizes the offer terms for the 1.52-acre hotel site in San Bruno, CA:

• **Purchase Price** $6,000,000
• **Exclusive Negotiations** 90 days
• **Due Diligence Period** Contingent on final approval of a hotel of 175 rooms or more and expiration of all appeal periods along with execution of a binding Development Agreement with the City of San Bruno.
• **Earnest Money** $250,000
• **Closing Date** 30 days after receipt of building permits.
Entitlement Process

The following summarizes our understanding of the entitlement process and the amendments to the Navy Site Specific Plan we would be seeking:

• Increasing the room count from 152 to 176-180 rooms.
• Lowering the required parking ratio from 1:1 (136 parking stalls/176 guestrooms = .77).
• Removal of meeting space requirements.
• Explore billboard signage on the site/structure.
• Potential increase in building height.
## Development Budget

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<th>San Bruno Hotel</th>
<th>Project Total</th>
<th>Cost Per Room</th>
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We look forward to next steps. Thank you for your time.