

Business

SUNDAY
ECONOMY & PERSONAL FINANCEMONDAY
IDEAS & INNOVATIONTUESDAY
RETAIL & SMALL BUSINESSWEDNESDAY
BIOTECH & HEALTH CARETODAY
TOURISM & RESTAURANTSFRIDAY
TECHNOLOGY & ENERGYSATURDAY
REAL ESTATE & GROWTH

MARKETS

▲ 619.07 Dow 16,285.51
 ▲ 191.05 Nasdaq 4,697.54
 ▲ 72.90 S&P 500 1,940.51
 ▲ 0.10 10-yr. T-note 2.18%
 ▼ \$0.71 Oil \$38.60
 ▼ \$13.60 Gold \$1,124.60
 ▼ \$0.56 Silver \$14.05
 Euro 0.8840 • Peso 17.0060

BRIEFLY

SEC STEPS BACK: The U.S. Securities and Exchange Commission won't pursue an enforcement action against Target after hackers stole data on 49 million credit and debit cards during the 2013 holiday shopping season, according to a regulatory filing. The SEC has the authority to impose penalties on companies that don't disclose the magnitude of data breaches.

CARMAKERS SUED: Ten of the world's biggest carmakers were sued over claims that keyless ignitions lacking an automatic shut-off endanger drivers and passengers with deadly carbon monoxide fumes. Manufacturers including Toyota, Ford and Honda have long known of the risks and failed to fix the defect even as 13 people have died, consumers said in a lawsuit filed Wednesday.

RANGER RUMORS: Ford is making plans for a return to the small pickup truck market in the U.S. with a new version of the Ranger. A new small SUV that may be called the Bronco also is under discussion, said the person, who asked not to be identified because the talks are part of national contract negotiations and no agreement has been reached.

DON'T GOBBLE: Kraft Heinz is recalling more than 2 million pounds of turkey bacon products because they may spoil before the date marked on the package, the U.S. Department of Agriculture's Food Safety and Inspection Service said Wednesday. In its second recall since the merger of H.J. Heinz and Kraft Foods Group last month, Kraft Heinz recalled Oscar Mayer turkey bacon produced between May 31 and Aug. 6.

NEW BENEFITS: Road warriors at Accenture with a new baby at home are about to board a lot fewer planes. The global consulting firm, whose consultants often travel weekly when assigned to a remote client's site, announced new benefits for employees who are the primary caregiver of a new child. For the

"This is the first time someone has taken a long-term look at the future and realized the value of Mission Valley."

Robert Rauch • hotel owner, operator and consultant



A major renovation is planned at the Town and Country Resort & Convention Center. K.C. ALFRED • U-T

TOWN AND COUNTRY SET FOR BIG FACE-LIFT

\$80 million renovation aims to attract vacationing families to Mission Valley resort

BY LORI WEISBERG

Like a fading screen idol hoping for a revival, the more-than-half-century-old Town and Country resort is banking on an \$80 million face-lift to transform the 40-acre property into a go-to destination for vacationing families, as well as business travelers and conventioners.

By the time the ambitious makeover is completed in early 2018, about a third of the current structures will have been bulldozed and in their place will be a grand new entryway and lobby, three new restaurants, a spa and, in the center of it all, a 2-

acre water attraction, complete with a sandy beach, slides, waterfalls and a lazy river-style pool. Also envisioned, although further off from being realized, are plans to develop on the eastern and southern fringes of the property four residential towers with more than 600 apartments that would coexist with Town and Country's hospitality and convention facilities. As part of an entirely new master plan for the property, the hotel's current 935 rooms, spread among two towers and low-rise bungalow-style complexes, would be trimmed to 688.

Thanks to the infusion of capital from new investment partners and

guidance from a hotel management company accustomed to helming upscale resorts, the Mission Valley mainstay should be able to shed its dated midcentury décor and image and better compete with hotels that have the advantage of a waterside location.

It's a crucial move, given the increasingly competitive market in San Diego, where hotel owners are aggressively upgrading their properties and new hotel development is enjoying a renaissance following a prolonged period of inactivity.

"Mission Valley for years has been just fixing up existing properties

SEE FACE-LIFT • C4

FLEXIBLE ELECTRICITY MAY SAVE \$13 BILLION

Savings could take bite out of U.S. need for grid investment

BY MORGAN LEE

As consumers gain power over when they use electricity, utilities stand to avoid \$13 billion in annual grid investments, according to a study published Wednesday by the clean energy think tank Rocky Mountain Institute.

Those savings would take more than a 10 percent bite out of the estimated \$15 trillion in grid investments expected over the next 15 years in the U.S., according to the institute based in Snowmass, Colo.

The report takes a look at residential utility customers across the U.S. who increasingly have tools that can help them shift electricity use to hours where power is cheaper and places fewer demands on the grid and power plants.

Those tools include high-tech air conditioners, water heaters and other household appliances with communication capabilities that allow them to be timed or cycled on and off without major investment. SEE POWER • C4

FED OFFICIAL SAYS RATE HIKE LOOKS LESS LIKELY

Case for increase in September called 'less compelling'

BY BINYAMIN APPELBAUM

The continuing turmoil in global financial markets has reduced the chances that the Federal Reserve will raise its benchmark interest rate in September, a senior Fed policymaker said Wednesday.

In response to a question at a news conference after delivering a speech in New York, William C. Dudley, the influential president of the Federal Reserve Bank of New York, said the case for a September increase had become "less compelling."

"From my perspective, at this moment, the decision to begin the normalization process at the September FOMC meeting seems less compelling to me than it was a few weeks ago," Dudley said, referring to the next scheduled meeting of the Federal Open Market Committee, which sets monetary policy.

But Dudley suggested that September remained a possibility if markets regained their equilibrium. And if the Fed decides to wait, he said

SEE FED • C4



The Town and Country Resort & Convention Center will undergo a major renovation, including new rooms like this one. K.C. ALFRED • U-T

FACE-LIFT • New design remains a work in progress

FROM C1 that are generally dated. This is the first time someone has taken a long-term look at the future and realized the value of Mission Valley, which is a phenomenal location," said Robert Rauch, a hotel owner, operator and consultant. "But it sounds like they're going to spend enough to make this a property in better condition than many of the Mission Bay hotels. It makes sense what they're doing."

It's a tectonic shift for a longtime family-owned resort whose design ethic has been more California ranch-style homeyness (with brick and siding, rosebushes and white latticework) than a luxury resort feel.

The new design, though, remains a work in progress, led by Lowe Enterprises and AECOM Capital, the new co-owners who joined forces last year with Town and Country's original owner, Atlas Hotels, to reposition the property. There are no architectural renderings yet, and Destination Hotels, a Lowe subsidiary that is now managing the resort, will say only that its midcentury look will be significantly modernized. Plans for new dining outlets are still vague as well.

"We're going to update it to the 21st century, it will still have a post and beam look to it but it will all be much more open, with all fresco dining, just a very modern look," said Mike

Renovation timeline

February 2016: Start interior renovations of the 324-room Royal Palm tower and convention center.

July 2016: Completion of Royal Palm interior.

October 2016: Completion of convention center interior.

Fall 2016: Secure city approvals for Town and Country master plan, clearing the way for redevelopment of the property.

February 2017: Demolition begins, with construction to follow two months later, of new lobby, restaurants, spa, water feature and exterior face-lift of convention center and hotel towers. Renovation of the other guest rooms will be done at this time.

January 2018: Renovation completed.

Slosser, vice president and area managing director for Destination Hotels, who also helped lead the \$26 million renovation in 2008 of the LAuberge Del Mar. Destination also operates the Paradise Point Resort on Mission Bay. "When we walked the grounds, our impression was this is a tremendous piece of real estate in a great location."

In order to carry out that vision, the low-rise lobby and porte-cochere entrance at the front of the property, just off Hotel Circle North, will be demolished, along with 247 of the garden rooms. Arbors, gazebos and a large tiki hut will also disappear.

A long, meandering and heavily landscaped driveway will lead to a new lobby at the center of the resort that will have a view onto the new water feature. Off

the 11,000-square-foot lobby will be another 11,000-square-foot building that will house three dining facilities designed with ample outdoor seating and views of the enhanced pool area, Slosser said.

As the hotel awaits its makeover, two of the property's restaurants — the Terrace Cafe and Charlie's — continue to operate, and a third, Trellises, recently closed. The owners recently invested \$400,000 to upgrade the three-meal-a-day Terrace cafe and Charlie's, a sports bar and barbecue-themed eatery, even though they will eventually be bulldozed.

While the 113,000-square-foot convention center and the hotel's Regency and Royal Palm towers will remain, they will be modernized, as will 151 of the gar-

den rooms, which will be redesigned in a beachfront milieu, situated on the edge of the future pool area and its planned sandy frontage. In anticipation of all the hotel rooms being updated, a model room was recently completed, featuring hardwood floors and a clean, contemporary look with a muralled wall and splashes of teal.

The changeover is clearly long overdue, but the planned transformation is a little bittersweet for Atlas president C. Terry Brown, whose father Charles Brown built the Town and Country in 1953, initially as a 46-room motor inn set amid farmland and pastures. It wasn't until 1970, under the leadership of Terry Brown, that the convention center and a 10-story hotel tower opened.

Brown acknowledges that as much as the resort needed a reinvention, he didn't have the stomach to go it alone.

"We could have easily gone in the direction of periodic renovations but the wheel needed reinventing," said Brown. "I wanted to do it but didn't want to personally carry the ball and do it all. I wouldn't be human if I didn't feel a little sentimental, but in the end, no one will think about the old days because they'll be so excited about what we are going to have."

The resort's convention facilities, which have played

host to eclectic gatherings like Wizard of Oz Con and a swing-dancing competition, as well as a wide variety of professional groups, have gradually skewed the balance of guests to as high as 80 percent tied to convention business. Brown and Destination Hotels are hoping the renovation will tilt more toward 40 percent leisure travelers.

The timeline for moving forward on the resort's reconstruction will largely be determined by a potentially lengthy entitlement process for the overall master plan, including the new apartments. Already further along is a development plan for Town and Country's next-door neighbor, on the site of The San Diego Union-Tribune property, where a rental housing project is being proposed by developer Doug Manchester.

Plans for the Town and Country project would buffer the hotel rooms from the housing, although it's possible there may be some shared resources.

"With the trolley nearby and Fashion Valley, it just makes sense to have housing," Brown said. "We really fit the bill of infill, transit-oriented development in the city. And if you live in an apartment, maybe you'll have things like valet parking and room service, like living in a luxury hotel."