

JICANet Update

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www.jekyllcitizens.org*

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Record of JISPA Jan 19 Meeting

Record of the Jekyll Island State Park Authority (JISPA) Board Meeting of 19 January 2010, in the Convention Center, as recorded for JICA.

Chairman Bob Krueger brought the meeting to order at 9:32 AM. Board members present were Buddy DeLoach, Mike Hodges, Sybil Lynn, Ben Porter, and Richard Royal. Chris Clark and legal counsel George Zier were on conference phone. Also present was Park Authority Executive Director Jones Hooks. The audience numbered about 60 persons.

COMMITTEE SESSIONS:

CONSERVATION AND PRESERVATION

Chairman Royal called upon Senior Facilities Director Ronny Smith to announce the opening of the Park's newest tower for birding. Smith invited attendees to come to a ribbon cutting at the tower on the west side of the St. Andrews picnic area adjacent to the saltmarsh, following the Board meeting. Smith notified the audience that at the tower they would see some construction taking place – this is part of providing handicap accessibility.

FINANCE COMMITTEE

Chairman Hodges reported December revenue of \$938,000, 8% under budget. For the first six months of the fiscal year, the revenues stand at \$8.4 million, 1% over budget. Year-to-date, the parking fees are \$258,000 over budget, the golf revenues are \$126,000 under budget, and the Sea Turtle Center is \$74,000 under budget. Expenditures during December totaled \$1.1 million, and \$7.6 million for the fiscal year to date, \$347,000 less than budget. In December, the net operating income was negative (-\$185,000); for the year to date, the net operating income was \$816,000 (110% over budget). Occupancy of available hotel rooms was 32% in December, and revenue per available room was about \$31, very near to the value for December, 2008.

Hodges described terms for the new lease for Flash Foods for their new gas station/convenience store/Dairy Queen restaurant on 1.01 acres. The lease will be for 20 years, with options for two 10-year renewals. Base rent will be \$2,000 per acre per month plus 3% of gross revenues, excluding petroleum

products. For the fast-food operations, the rental percentage of gross revenues will be 1.5%. A CPI adjustment will be applied every five years. A reserve account will be required, topping out at \$10,000, and a security deposit of \$12,000. The Park Authority will put about \$2 million into this operation. Richard Royal asked for clarification: to what will the CPI adjustment be applied? Answer: the base rental amount. Director Hooks pointed out that all significant trees on the Flash Foods site will be retained, there will be only one entrance and exit, the number of gas pumps will be limited, and there will be no drive-thru window at the Dairy Queen. Ben Porter inquired about the opening date? Answer: 4-6 months following the initiation of construction. The Committee approved the new lease.

Chairman Hodges announced that Ms. Joann Simkins will be taking over the lease for The Cottage retail business which has been sold to her by the Harts. Simkins will have essentially the same lease, for a 3-year period, as was held by the Harts. The base rent will be \$7 per square foot. The Committee approved this transaction.

Director Hooks announced that Larry Crews would like to move his bait-and-tackle business from the Shopping Center to the Clam Creek area at the north end of the Park. It is proposed that the fishing-tackle business be placed under the current pavilion (920 square feet) in the Clam Creek picnic area. Crews would undertake to build the new store, to JISPA specifications. Chairman Krueger asked if Authority staff had met with Crews to discuss terms, and whether Crews had agreed to potential terms? Answer: Authority staff has provided potential terms, and Crews has agreed to them in principle. Hodges gave a green light to negotiations on a Clam Creek lease for Crews.

Chairman Hodges stated that the Attorney General's office and the Authority's residential-lease consultant have been drafting the final, official version of the proposed new lease extension for Park residents. The version now available is the second, January 15th draft. This draft may be the final one, but Hodges requested that the Board review it and comment. A special, teleconference meeting of the Board will be held before 29 January to make a decision on the version to be presented to residents (see Addendum below). It is expected that the Citizens Association will present the final version to its attorneys for review and recommendation. Counsel Zier remarked that there are a few business points in the draft lease offer that still require discussion and revision. Krueger and Zier agreed that these points needing revision can be dealt with within a weeks' time.

Mindy Egan inquired whether there was more than one pavilion at the Clam Creek picnic area? Answer: there is only one open pavilion. Egan pointed out that if the fishing-tackle store is built within the pavilion, there will no longer be a place for shelter for picnickers during rainstorms. Hooks noted that the fishing pier itself is covered. Egan suggested that if the fishing-tackle business moves to the current pavilion, another pavilion be constructed for picnickers. Egan then commended the Authority on their tasteful plans for the new gas station business area.

Onnalee Willnow asked how much time the Park residents will have to make their decisions regarding signing up (or not) for the new lease-extension offer? Answer: until the end of 2010. Hodges requested that residents not wait en masse until the end of December 2010 to make decisions.

PERSONNEL COMMITTEE

Chairman Lynn called upon Human Resources Director Cornell Harvey. Harvey recognized Howard "Doc" Brown, Vehicle Maintenance Superintendent, who has received a 30-year Faithful Service Award. Harvey also reluctantly announced the 1 January retirement of Bruce Smith after 18 years of service to the Landscape Department (Greenhouse Group). Harvey introduced the Park Authority's new Leasing Manager, Steve Williams. Williams has expertise in real estate, accounting, and related computer technology.

Director Hooks announced that the Park Authority has begun its testing in its new Drugfree Workplace program, initiated in January. No one has tested positive. Ben Porter questioned whether administrative staffers have been tested? Answer: yes.

MARKETING COMMITTEE

Chairman Porter called upon Communications Director Eric Garvey. Garvey noted that 2009, though a depressed year relative to the Park's hotel businesses, has ended on a positive note. The Marketing Division and Director Hooks were successful in convincing the Georgia Farm Bureau that bringing their convention to Jekyll in 2010 would be a good idea, since it will be held in the Historic District (in the temporary Park convention facilities). Another big plus for the start of 2010 was the opening of the new Hampton Inn and Suites in January. A retreat is planned among the Park's hoteliers and the Marketing Division to generate ideas for advertising the Park's attractions. One idea is to place a visitor-information center at Exit 29 on I95. Ben Porter commended Garvey for his publicity work regarding the activities of the Sea Turtle Center in its recent treatment of cold-shocked sea turtles.

Lucien DeBacker reminded the group of the Arts Association's Festival during the second weekend in March. DeBacker invited the Board members to attend the Festival, which he projected to be likely to bring in thousands of dollars in parking fees. Garvey added that the Marketing Division will be unveiling the Jekyll Island State Park Bulldog (prepared with the help of the Arts Association) during the Arts Festival. Chairman Porter drew attention to the current issue of BeachScape (<http://blog.jekyllisland.com/category/beachscape/january-2010/>).

COMMITTEE OF THE WHOLE

Chairman Krueger notified the audience that the three ordinances that received their first readings during the past month (the Tree Ordinance, the Sign Ordinance, and the Home Occupation Ordinance were available for review on the Park Authority's website) have been revised following public input, and will now be brought forward for the Board's adoption. Director Hooks expanded on this point – both public input and legal review have been considered. Significant changes to the Tree Ordinance included: a change in the definition of "Protected Trees" (changed to all native trees greater than 4 inches in diameter at breast height); addition of protective wording for cabbage palms (all cabbage palms in the historic district must be replaced on a 1:1 basis, and cabbage palms elsewhere will be treated on an equal basis to other native trees, except for live oaks). Landscape Superintendent Cliff Gawron thanked the public for their helpful comments during the first reading of the Tree Ordinance. The Home Occupation Ordinance was changed after legal review – a penalty section was added, with the ultimate penalty being lease default.

Director Hooks provided Revitalization updates. Construction of Great Dunes Park (just north of the Convention Center) is underway. Nine merchants have submitted request letters to be included in the temporary retail area. Plans are being drawn up for preparation of the preferred temporary retail site (the parking lot just south of Oceanside Inn), including modification of utilities, repaving, etc. The remodeled Morgan Tennis Center building (part of the temporary convention center) will have construction underway in January, with a goal of completion by June. The Federal Economic Development Administration has notified the Park Authority, regarding its grant proposal for funds for the new Park entryway, that it does not favor granting funds to hospitality-related projects, so other funding options are being considered. In the meantime, final drawings for the entryway will be prepared. A schedule for development of the Beach Village includes: 20-21 January, Showcase presentation to potential bidders on projects within the Village (response from developers has been very positive); evaluation of Showcase responses during the week of 25 January; a public-information session in early February; issuance of RFPs in mid February;

consideration of proposals in March; a public-information meeting in late March; consideration of leases in April.

Hooks reported that Verizon is now aiming to have its mobile-phone tower operational by the second week of February. Also, the new Hampton Inn will have its grand opening celebration on the evening of 19 April.

Hooks drew attention to the fact that the news media gave equal coverage on rehabilitation of cold-shocked sea-turtles to the Georgia Sea Turtle Center, Marineland, and the Georgia Aquarium. It is hoped that partnerships among these entities will grow stronger.

Hooks reported that two wildfires have recently occurred on the north end of the Park (in the portion separated to the east by saltmarsh). The first burned about 3 acres, and the second occurred about ten days later, burning about 15 acres. Hooks thanked Georgia Forestry and Jekyll Fire Department volunteers for their help in controlling the fires. Georgia Forestry is assisting in attempting to determine how these fires were started.

Hooks thanked Shearouse Lumber for donations of lumber used in construction of the two bird-observation towers in the Park.

Mindy Egan reiterated her strong opinion that the proposed loss of a public, sheltered pavilion near the Clam Creek fishing pier (to be replaced by the bait-and-tackle business) is unfair. Egan pointed out that no one would want to move to the high fishing pier in a thunderstorm, notwithstanding the fact that the pier is covered.

Frank Mirasola observed that there had been a cold-shock fish-kill in Ski Rixen Pond. Mirasola also inquired about the demolition work going on in preparation for Great Dunes Park – is this work permitted under the Shore Protection Act? Answer: this work has been specifically allowed under a Shore Protection permit. Project Manager Jim Broadwell invited concerned persons to come to his office for review of the permitted work.

ADDENDUM:

Teleconference meeting focused upon the lease-extension offer to Park residents in the afternoon of 25 January in Room 9 of the Convention Center. Board members present: Mike Hodges, along with Executive Director Jones Hooks. Board members on the conference call: Steve Croy, Sam Kellett, Bob Krueger, Sybil Lynn, Ben Porter, Richard Royal. Also on conference phone: legal counsel George Zier and leasing consultant David Shiver. Attendance: 25 persons. No public comments were accepted. Highlights follow.

The lease-extension offer to be made to the residents of Jekyll Island State Park has been rewritten in legal fashion. Two versions have been prepared: 1) the "special" version to be signed during 2010, at 0.4% of land value, with discounts for signing in 2010, and for having homestead-exemption status; 2) the "standard" version to be signed after 31 December 2010, at 5% of land value. The lease provides for use of CPI-U (Consumer Price Index-All Urban Consumers <http://www.inflationdata.com/inflation/consumer_price_index/CPI.asp>) for adjustment of land values, if for any reason Glynn County should choose not to appraise the land in the Park. The provision for charging a fee to residents who rent their homes will be defined in the same terms in both the new lease offer, and in a new ordinance governing home-rental procedures. Multifamily residences (duplexes and quadriplexes) will have a separate lease document prepared, because of potentially unclear partitioning among lessees' properties. An FAQ (Frequently Asked Questions) document about the lease transitioning has been prepared by consultant Shiver; this will be distributed among the Park's residents.

Except for duplex/quadruplex occupants, the new lease-extension offer will be available to the Park's residents within a matter of days. The Board approved execution of the residential-lease-extension offer.

An update on the results of the Beach Village Showcase for developers (see above) was presented. Attending the Showcase were 69 representatives of 44 different companies. The outcomes of discussions with these business representatives were very encouraging, so the fast-track schedule for requesting proposals (see above) will be followed. The public-information session will be held on 10 February, and 12 February will be the date of issuance of RFPs, with a deadline of 15 March. A public-information session will be held on 14 April, and leases may be signed in May. The Board gave this plan its okay.

Respectfully submitted,

Steven Y. Newell, Jekyll Island Citizens Association

Revitalization Update - Jan 27,2010

Happy New Year from Jekyll Island. The year 2010 is off to a very busy start, much like the end of 2009. The groundbreaking for Great Dunes Park on December 7th was a fantastic way to wrap up a year of much progress as the revitalization of Jekyll Island got underway. The end of 2009 also saw the termination of the partnering agreement with Linger Longer LLC, our previously selected private revitalization partner. We made the commitment that we would quickly seek a solution for getting the private development components of the beach village going as soon as possible.

The ribbon cutting for the new Jekyll Island Hampton Inn & Suites on January 7th was certainly a great way to start the year. The Hampton Inn & Suites is the first new hotel to open on Jekyll Island since 1974. And speaking of accomplishments, the Jekyll Island Authority Board also cut the ribbon on our second wildlife viewing platform on January 19th. The new platform is located on the south end of the island and offers tremendous views of St. Andrews Sound.

A developer's showcase conference was conducted on January 20th and 21st to highlight the new development opportunities available within the Jekyll Island beach village plan. The response was very encouraging with 44 firms represented at the conference. Due to the very positive response, we will proceed quickly with Request for Proposals (RFPs) to secure developers for the retail and hotel parcels. Just yesterday, the Jekyll Island Authority Board gave final approval to the new Jekyll Island residential leases. The new residential lease policy is complete in time for residential leaseholders to convert, should they choose to a new lease with an extended lease term to expire December 31, 2088. The board action on Tuesday, January 26, completes the lengthy process of public input, consultant review and much deliberation. I think the result is a policy that is fair to the leaseholders as well as to the citizens of Georgia. Current residential leaseholders will soon be sent notice with all the details and the steps they must take to convert to the new lease.

We will see construction activity in the coming months on the approved gas station project. The new facility will include gas, a convenient store and quick-serve restaurant with an outdoor picnic area. The exterior design will meet Jekyll Island design guidelines. This project will also require the planned changes to Ben Fortson Parkway. The current four lane parkway will be reduced to a "Jekyll-size" two-lane. The new gas station should be complete before summer visitation.

Also, the adaptive reuse of the historic J.P. Morgan indoor tennis court is underway and the resulting new Morgan Conference Center will open this summer.

As you can see there are many reasons to be optimistic as we begin 2010. Plans are coming to fruition now, and we will have a steady string of ground breakings and ribbon-cuttings.

Thank you for your continued interest and I encourage you to come and visit and see the progress first-hand. On Jekyll Island, it's all good!

Sincerely,

Jones Hooks, Executive Director, Jekyll Island Authority

New JICA Editor

Jim Reed has agreed to become the new editor of this news letter. He will be working with Darrell until he can fly solo and minimize the typos. Jim and his wife Nancy, have been vacationing here since 1990, wintering here since 2001 and home owners/parttime residents since 2005.

Reminders of Previously Announced Events

- Feb 14: Tidelands "Art Inspired by Nature" show and sale, Convention Center Hartley Lobby, 10:00 am - 4:00 pm. Prospective exhibitors contact Dawn Zenkert at 912-635-5032.

---and that's the news from Jekyll Island where history lives, nature abounds and we may be pumping gas in June!! -- Jim Reed, your new JICANet Editor

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