

## MEMORANDUM

TO: Authority Members

FROM: General Manager

DATE: October 15, 2003

RE: Minutes of October 8, 2003 Development & Leasing Committee Meeting

Prior to the beginning of the Development and Leasing Committee, Mr. Bill Griffith reviewed the guidelines for speakers appearing before the Santa Rosa Island Authority.

A regularly scheduled meeting of the Development & Leasing Committee was held on Wednesday, October 8, 2003. Members present were Mr. Jimmie Perkins, Mr. Bill Griffith and Dr. Thomas Campanella. Also present were board members Mr. Don Ayres, Mr. McGuire Martin and Mr. Thom Blas. Mr. Perkins, chairman of the committee, called the meeting to order and presented the following items:

Item #1 - Mr. Fred Simmons, W.A.S., Inc., 69 Via de Luna – Request for inclusion of lease renewal clause in the existing lease at 69 Via de Luna

Ms. Mary Bolman said that staff had reviewed the issue of renewal clauses for leases that do not currently have renewal clauses and noted that legal counsel had additional information to share with the committee. Mr. Mike Stebbins reported on his research, stating that properties with existing leases would not be required to be bid upon expiration, and it was within the board's discretion as to whether to include renewal clauses in the leases that do not currently have that option.

Ms. Bolman reviewed the leases that do not currently have renewal options. She said staff recommended that existing commercial leases without a renewal provision be amended to allow for renewal subject to negotiation of the terms and conditions of the renewal, including number of years, amount of the lease fee, percentage fees, and further options for renewal, and with the provision that renewals be considered no sooner than one year prior to the expiration of the existing lease. She noted that this action would enable future boards to have input regarding the current market conditions at the time of renewal.

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Ms. Bolman said staff further recommended that any renewals granted be subject to payments that may be due as a result of the adoption of a commercial lease extension policy and that staff be instructed to research and report to the board regarding the previously proposed commercial lease extension policy. A discussion followed.

**Upon motion of Dr. Campanella, seconded by Mr. Griffith, the committee unanimously recommended amending all commercial leases without renewal clauses to include a renewal clause, negotiable as to terms and conditions, with the provision that the renewal clause not be exercised sooner than one year prior to expiration of the existing lease. (3-0)**

**Upon motion of Dr Campanella, seconded by Mr. Griffith, the committee unanimously recommended that staff research and report on the previously proposed commercial lease extension policy. (3-0)**

Item #2 – Azure Development, L.L.C., d/b/a Soundside Centre, 5 Via de Luna – Revisions to tenant list for the Phase II Retail Complex to include a retail space in Unit 5.5 (The Bead Shop) and an office in Unit 10 (for the Aveda Day Spa)

**Upon motion of Mr. Griffith, seconded by Dr. Campanella, the committee unanimously recommended approval of the request by Azure Development, LLC, to revise their tenant list for the Phase II retail complex to include a retail space in Unit 5.5 (The Bead Shop) and an office in Unit 10 (the Aveda Day Spa). (3-0)**

The following item was added to the agenda at the committee meeting:

Item #3 – Mr. Rick Morette, Sabine Marina, Inc. – Assignment of Lease for Sabine Marina, 715 Pensacola Beach Boulevard, to Sabine Marina LLC

Mr. Rick Morette appeared before the committee to discuss the recent request by the board for information about the existing subleases at Sabine Marina.

**Upon motion of Mr. Griffith, seconded by Dr. Campanella, the committee unanimously recommended accepting Mr. Morette's statements and information presented regarding the Pensacola Beach Yacht Club. (3-0)**

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There being no further business before the committee, the meeting was adjourned.

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Monte E. Blews  
General Manager

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