



PENSACOLA BEACH
SANTA ROSA ISLAND AUTHORITY

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PENSACOLA BEACH, FLORIDA
SPECIAL BOARD MEETING MINUTES
OCTOBER 24, 2012

Board Members:

Dave Pavlock
Chairman

Vernon Prather
Vice-Chairman

Thomas Campanella
Secretary/Treasurer

Tammy Bohannon
Acting Secretary/Treasurer

Fred Gant
Elwyn Guernsey

W. A. "Buck" Lee
Executive Director

1-3. A Special Board Meeting of the Santa Rosa Island Authority was held on Wednesday, October 24, 2012, beginning at 5:04 p.m. Members in attendance were: Chairman Dave Pavlock, Dr. Thomas Campanella, Mr. Vernon Prather, and Ms. Tammy Bohannon. Mr. Ed Guernsey and Mr. Fred Gant were absent. Mr. Pavlock called the meeting to order and led the Pledge of Allegiance followed by a moment of meditation.

4. CHAIRMAN'S COMMENTS

Item # 1 - Request approval of the Ground Lessor Estoppel and Agreements for the Hilton and the Holiday Inn. (Report by Mike Stebbins)

Mr. Stebbins gave background on this item and stated the template used for these documents were the same ones used previously (and approved) for the Hampton Inn.

Mr. Prather disclosed that Innesfree had contacted him for gas services, but it was determined that this had no bearing on the matter at hand, and therefore Mr. Prather was able to participate in the vote.

Mr. Stebbins explained what a mezzanine lender was to the Board.

Upon motion by Ms. Tammy Bohannon seconded by Dr. Thomas Campanella, the SRIA Board approves the proposed Ground Lessor Estoppel and Agreements for the Hilton and the Holiday Inn.(4-0)

Item # 2 – Discussion of a Residential Lease Modification Policy for Financing and Refinancing. (Report by Mike Stebbins)

Mr. Pavlock stated this request had been generated by Mr. Richard Puckett, a fellow Rotary Member and beach resident, wishing to refinance.

Mr. Stebbins explained the proposed policy and stated this was one of two options. He stated that if a request was made, staff would review to see if the lease met the necessary criteria, and then the Board would review on a case by case basis. There would be two separate documents signed: an agreement of

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and restated lease (which would permanently supersede the original master lease). The fees associated with the preparing of these documents would be the responsibility of the leaseholder. He stated the language that would be removed was regarding non-monetary violations of the lease.

Dr. Campanella questioned if this request was for a condominium.

Mr. Pavlock stated it was a single family residence.

Mr. Stebbins stated that a change in a condominium lease would require the Master Lease to be changed.

Ms. Ford asked if the policy should read for "Single Family Residences".

Mr. Stebbins stated no, the language needed to be more general for condominiums with direct leases. Mr. Stebbins said this policy would allow staff to review any modification request, not just for Fannie Mae or Freddie Mac.

Mr. Pavlock asked if there was a more expeditious way to handle this.

Mr. Stebbins stated that with this policy, staff could review and make a recommendation, and the Board could sign off on it immediately.

Ms. Bohannon has concerns about the adjustment of the CPI and lease fees. She stated there should be no further burden to leaseholders, especially before knowing the outcome of the legal case pending. She stated there are lenders that will work with leaseholders without an amendment of the lease.

Mr. Prather stated this policy is a way of addressing the needs of leaseholders that do want to use the lenders that require this. He said Mr. Stebbins had done a good job with this, and he liked the fact that it gives us an entry point into the lease.

Dr. Campanella made a motion to approve Mr. Stebbins' recommendation which was seconded by Mr. Vernon Prather. He stated it won't affect everyone, and we have people waiting to utilize this.

Ms. Bohannon questioned how many people it would take to pass this motion. She also asked if it could be approved with no CPI increase until after the Supreme Court decision.

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Mr. Pavlock explained the CPI is only addressed in years divisible by 5, so it would be 2015 before it came back up again.

Much discussion followed.

Mr. Prather stated the Board should address this particular individual's case, and revisit the entire policy at another meeting.

Mr. Lee stated the Board could approve this policy just for this one leaseholder, Mr. Puckett.

Ms. Bohannon refuses to approve the item unless the fees are covered by the Island Authority

Dr. Campanella restated the motion as follows:

Upon amended motion by Dr. Campanella seconded by Mr. Vernon Prather, the SRIA Board approves the use of the procedures outlined in the proposed Residential Lease Modification Policy For Financing and Refinancing for the circumstance of Mr. Richard Puckett, with the exception of Section "F" in the proposed Residential Lease Modification Policy For Financing and Refinancing, such that the SRIA would not seek reimbursement of its attorney's fees from Mr. Puckett for any amendments of Mr. Puckett's lease associated with Mr. Puckett's refinancing. (4-0)

5. ADJOURN

Adjournment:

There being no further business to come before the Board, Chairman Pavlock declared the Special Board Meeting of the SRIA Board adjourned at 5:32 p.m.


SECRETARY


CHAIRMAN

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