

**JEKYLL ISLAND AUTHORITY
PRIVATE REVITALIZATION PARTNER RFP-244
JUNE 25, 2007 PROPOSERS MEETING
QUESTIONS AND ANSWERS**

1. WHAT ARE THE HEIGHT RESTRICTIONS FOR DEVELOPMENT ON THE ISLAND?

- A. Height restrictions are addressed in the Data Book, in the excerpts from the Design Guidelines for the Town Center site. As shown on page 55, the guidelines suggest the following height limits:
- i. Condominium buildings should be a maximum of 54 ft. in height including first floor retail,
 - ii. Hotel building heights would be restricted as follows:
 - 70% of the building at 54 ft.
 - 30% of the building at 64 ft.
 - An unoccupied tower element could be as high as 72 feet.
 - iii. All heights are measured from the FEMA line.

2. WHAT IS THE CAPACITY OF THE WASTEWATER TREATMENT PLANT AND WATER RESOURCES ON THE ISLAND?

- A. The Wastewater treatment plant on the island is currently running at 50% to 55% of capacity. Permitted capacity is 1 million gallons per day (gpd) and usage is currently averaging about 500,000 to 550,000 gpd. Our analysis indicates that the plant can service another 1,000 hotel rooms before reaching 80% of capacity.

Water and Wastewater Capacities:

- Water: Monthly Average Maximum daily withdrawal limit- 2.15 Million gallons
- Annual Average Maximum daily withdrawal limit- 1.85 Million gallons
- Wastewater: Monthly Average Daily Flow- 1 Million gallons
- 7 Consecutive Day Average Maximum- 1.25 Million Gallons

Current levels of Use:

- Water: 1,049,000 gallons per day (annual average last twelve months)
- Wastewater: 457,000 gallons per day (annual average last twelve months)
- EPD guidelines dictate the need for Wastewater plant expansion when flows are consistently 80% or more of permitted capacity. Current wastewater usage, 457,000 gallons per day, is 45.7% of capacity. The wastewater plant can support 343,000 more gallons per day before reaching EPD maximums.

3. HOW OLD IS THE WASTEWATER TREATMENT PLANT?

- A. The plant was constructed in the early 1960's. It has been renovated three times. The most recent renovation was in 2003.

4. DOES THE WASTEWATER TREATMENT PLANT TREAT STORMWATER?

- A. No, it does not.

5. PLEASE CLARIFY WHAT YOU SAID ABOUT RESIDENTIAL LEASES. ARE RESIDENTIAL LEASES PART OF THE RFP?

- A. The 2004 Master Plan Update recommended to the JIA that it address the issue of the future of the existing residential leases but did not make any specific recommendations. Residential leases are not included within the scope of this RFP.

6. WILL PROPOSALS BE RESTRICTED TO THE TOWN CENTER SITE?

- A. No, the RFP primarily addresses the Town Center Site because the JIA wanted to receive readily quantifiable and comparable offers for a specific property and project. The RFP also discusses the JIA's desire to enter into a long-term partnership with the selected developer based on the results of this first project. Proposers are encouraged to discuss your interest in becoming the Authority's long term development partner and how you would propose structuring the partnership in terms of future development opportunities on Jekyll Island. It could include a discussion of future development options, management of the Authority's existing amenities and proposed financial structure for the partnership.

7. WHAT GREEN BUILDING STANDARDS WILL APPLY?

- A. The draft Design Guidelines discusses specific goals concerning green building standards. The JIA's current objective is to attain, at minimum, the Silver Standard under the U.S. Green Building Council's LEED Program, or its equivalent. We would welcome proposals which provide innovative ways for some or all of the proposed development on the Town Center site to exceed these minimums, as appropriate.

8. WHAT HOTEL AND RETAIL LEASE INFORMATION WILL BE PROVIDED? IS ALL OF THAT INFORMATION IN THE DATA BOOK?

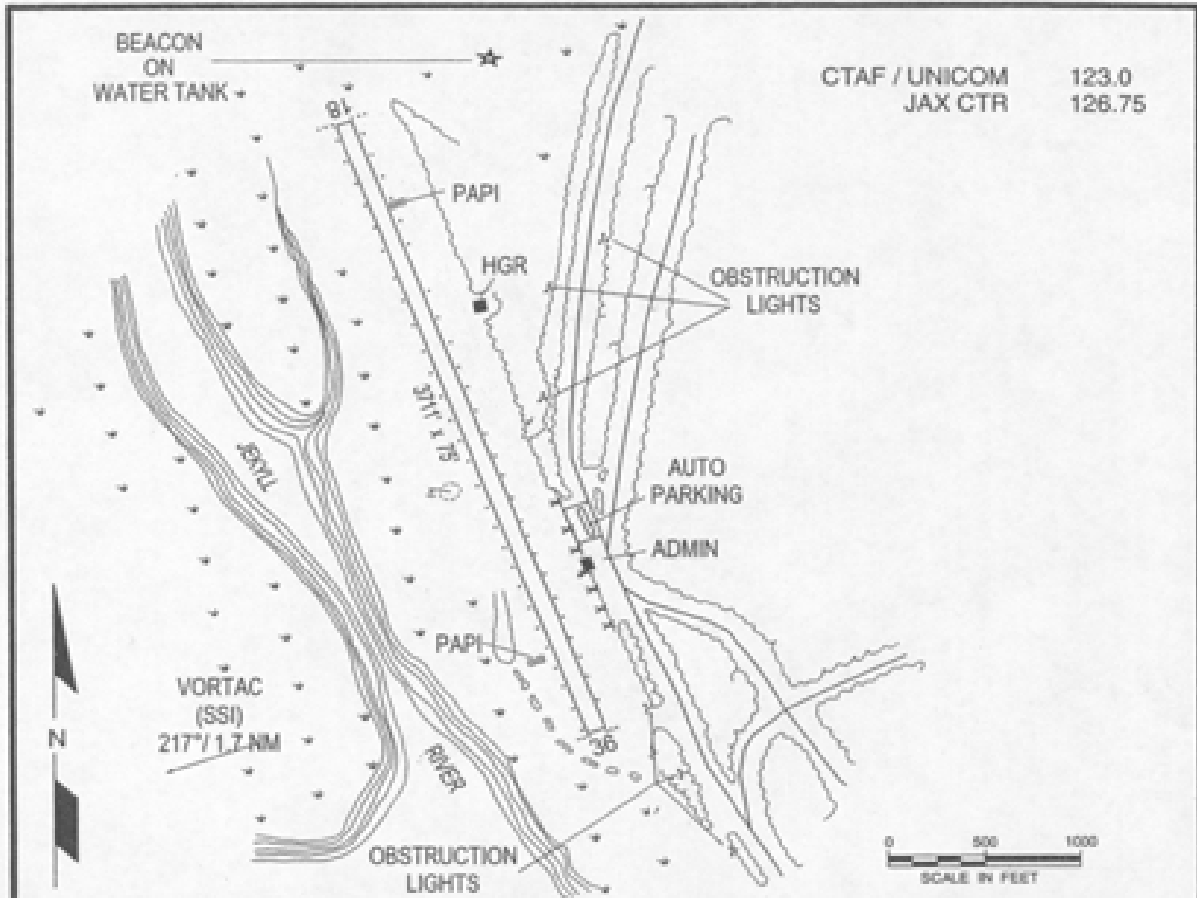
- A. The current status and expiration dates of the hotel leases are discussed in the RFP. A summary of the lease terms for the retail center is presented at the end of this memo.

9. WHAT ARE YOUR PLANS CONCERNING RENOURISHMENT OF THE BEACH?

- A. The draft Conservation Plan (available on the Authority's web site) includes an extensive discussion of beach nourishment. The JIA has a draft RFP to obtain engineering and design services to develop a program for beach nourishment. The scope of the engineering study will include a plan to address 15,800 FT. of primary renourishment and 3,600 ft. of transitional renourishment of the beach at the north end of the island, which is most affected. The JIA does not anticipate any action on this item in the near future.

10. CAN YOU PROVIDE DETAILS CONCERNING THE AIR STRIP ON THE ISLAND?

- A. The airstrip is centrally located on the west side of the island facing the marsh. The runway is 3,711 ft. long and 75 ft. wide. The Authority has invested \$750,000 in Federal and State Department of Transportation grant funds over the past several years for renovations, which include improvements to repave the runway, painting and navigational lights. (See map on the following page.)



CTAF / UNICOM 123.0
JAX CTR 126.75

| | | |
|------------------|-------------------|----------------|
| LAT: 31°04.47' N | LONG: 81°25.67' W | ELEVATION: 12' |
|------------------|-------------------|----------------|

LIGHTING:

- RWY: Dusk - 2200. After 2200 - CTAF
- PAPI: Rwy 18 & 36 operate with rwy lights.
- BEACON: Yes - on water tank 0.5 - 1.0 mi. NE Rwy 18.
- OTHER: No

- FUEL: No
- RESTROOM: Yes
- PHONE: Mgr: (912) 635-2236
- ATTENDED: Unattended
- REMARKS: Right Traffic Rwy 18.



| | |
|-------------|---------------|
| RNAV: 114.5 | CRG 005 / 45 |
| 109.8 | SSI 037 / 1.7 |

11. HOW MANY SLIPS ARE IN THE MARINA? HOW LARGE A BOAT CAN IT TAKE? CAN THE MARINA BE EXPANDED?

- A. There are currently 38 wet slips and approximately 80 dry slips in the Marina. The largest boat that can be accommodated is 35 feet in length. It is possible that more dry slips could be added.

12. WHAT IS THE STATUS OF THE TWO VACANT HOTEL SITES? HOW BIG IS THE FORMER HOLIDAY INN SITE?

- A. The former Georgia Coast Inn is in litigation and there are currently no plans for redevelopment. The former Holiday Inn is being redeveloped to include 200 hotel rooms, meeting space and several cottage-type hotel accommodations. This site is approximately 14+/- acres.

13. CAN YOU PROVIDE A BREAKOUT OF GOLF ROUNDS BY COURSE? DOES THE JIA CHARGE DIFFERENT RATES? HOW MUCH WAS SPENT TO IMPROVE THE PINE LAKES COURSE?

- A. As indicated in the Data Book, the 63-hole golf complex attracts approximately 82,000 paid rounds annually. The three 18-hole courses charge identical greens fees. Greens fees for the 9-hole course are lower. In 2002 approximately \$3.1 million was spent to remodel Pine Lakes Golf Course, which included clearing, new greens, bunkers, drainage, irrigation, tees and cart paths.

Summary of Existing Retail Leases with the Authority

| Name | Term of Lease | Renewal Option | Rent | Property Size |
|--|--|---|--|--|
| Part of Jekyll Island Shopping Center Beachview Drive (north half of Shopping Center) | Original term 6/1/64 - 5/31/04 | (1) 10 year option to 6/2/14; exercised 5/31/04 | \$2,400 per year base rent payable annually and in advance; plus 3% gross monthly rental income payable on the 15 th of each month | All Parcel 160, 1.309 acres (North half of shopping center area) |
| AMERIS (formerly 1 st Bank of Brunswick) 18-B Beachview Drive | 10/26/05 – 10/25/07 | None | \$2,305/month due on or before 10 th of month | 3,000+ square feet with West side security/storage area |
| Jekyll Realty "B" Beachview Drive | 5/3/04 – 5/02/07 | None | Lease Year 1: \$18,255.97 = \$1,521.33/mo. due by 1 st of month ** Annual Rental to increase annually by CPI for the 12 months ending in March not to exceed +3% | 1,200 square feet |
| Maxwell's Variety Store 16 Beachview Drive | 5/1/05 - 4/30/2007 | None | Beginning 1/1/06 and continuing throughout thereafter: 8.00% of total gross sales under \$400,000 8.25% percent total gross sales \$400,000-\$500,000 8.50% percent total gross sales \$500,000-\$600,000 8.75% percent total gross sales \$600,000-\$700,000 9.00% percent total gross sales \$700,000 or more | 3,900 square feet |
| The Sand Pail Space "D" | 11/16/01 - 11/15/06 [Original term: Extended by Assignment to 11/15/01] | None | Base rent \$852/month due on the 1 st of each month; plus 8% monthly gross income less \$852 due on or before the 15 th | 852 sq. ft. |
| Beverage Center 12-E Beachview Drive | 1/6/03 – 12/31/07 (5 years) | None | \$47,202/year = \$3,933.50/month due on the 10 th of the month | 2,810 square feet |
| IGA Grocery 29-A Beachview Drive | 5/1/05 - 4/30/07 | None | Three per cent (3%) total gross sales payable by 10 th of month next succeeding month were revenue accrued. | 3,900 square feet |
| Jekyll Pharmacy 10 Beachview Drive | 5/1/05 - 4/30/07 | None | 3% monthly gross on prescription drug sales, 6% monthly gross on all else, due by the 15 th | 3,900 square feet |
| U. S. Post Office Jekyll Shopping Center | 6/1/07 -5 /31/09 | None | \$766.916/month (\$9,203/year) due end of calendar month | 1,355 square feet |