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**Report from Jekyll Island Legislative Oversight
Committee Meeting**

Jekyll Island, GA - December 17, 2008 - On Tuesday, December 16th, the Jekyll Island Authority presented a comprehensive update regarding the revitalization of Jekyll Island to members of the Jekyll Island Legislative Oversight Committee. The meeting was held at the State Capitol in Atlanta, and lasted approximately 2 hours. The full presentation document is available online at www.jekyllisland.com/news.

Members of the Legislative Oversight Committee in attendance were Committee Chairman Rep. Jerry Keen (R-St. Simons), Rep. Terry Barnard (R-Glenntown), Rep. Karla Drenner (D-Avondale Estates), Sen. Ross Tolleson (R-Perry) and Sen. Chip Pearson (R-Dawsonville). Jekyll Island Authority Chairman Bob Krueger delivered a complete update on revitalization that includes five projects and represents over \$390 million of private investment to rebuild Jekyll's aging hotels and convention center. Chairman Krueger gave a detailed description of the recently adopted amendment to the Jekyll Island Master Plan that will allow work on the new Beach Village project to move forward.

Oversight Committee members were pleased with the progress and satisfied with the terms of the recent redevelopment agreements, including the new Revitalization Partnering Agreement with Georgia-based Linger Longer Communities. All new ground leases are tied to the fair market value of the land and include inflation-based increases. Land values range from \$600,000 to \$900,000 per acre. New leases also include requirements for continued capital investment.

Members raised concern over existing Jekyll Island residential leases that are not tied to land value, and expressed their desire for a remedy. Residential leases were created over fifty years ago and have a fixed ground lease rate. Residential units on Jekyll Island occupy 204 acres, more than four times the amount of land currently under commercial redevelopment. Residential lease revenue to the Jekyll Island Authority from these older leases averages \$350 per lease or \$1,025 per acre, equivalent to less than 1% of a fair market value-based lease.

Concern over residential leases continued with a discussion and question of how leases on the protected south end will be handled. The southern portion of the island was given special protection in 2006 under HB214. Oversight Committee Chairman Keen asked legislative counsel to determine if residential leases could even be extended in this area of the island.

Jekyll Island Authority Vice-Chairman Steve Croy reinforced the importance of moving forward with Jekyll Island revitalization given the struggling economy and the continued decline in island visitation. Committee members were impressed with the number of Georgia-based conventions

that currently meet outside the state but have expressed intention to return to Jekyll Island once new hotels are built.

Rep. Drenner echoed the compliments of committee members with the progress of revitalization, but did express a desire for more information regarding environmental protection. Chairman Krueger shared the elements of Jekyll Island Design Guidelines that encourage LEED-certification for new development, and recent conservation initiatives including the new Wildlife Viewing Platform located on the Jekyll Island Causeway overlooking the Marshes of Glynn.

Sen. Jeff Chapman (R-Brunswick), not a member of the Oversight Committee but whose district includes Jekyll Island, was extended committee courtesy to make remarks. Sen. Chapman applauded efforts to improve Jekyll Island, but referenced a letter distributed to committee members that outlines criticism over revitalization projects. His criticism and call for a halt to revitalization stood in contrast to the support of the committee. Chairman Keen acknowledged receipt of the letter, and asked the Jekyll Island Authority to prepare a complete written response.

A complete video archive of the meeting is available online at http://www.legis.state.ga.us/legis/2007_08/house/Committees/GLN/boardcastIndex.htm

About Jekyll Island

Jekyll Island is a barrier island on Georgia's coast – midway between Jacksonville, Fla. and Savannah, Ga. Accessible by car just minutes from I-95, Jekyll Island offers a variety of amenities, including 10 miles of beach, four golf courses, a 250-acre Historic Landmark District, water park, tennis center, an array of lodging options including hotels, cottages and campgrounds. Owned by the State of Georgia, and managed by the Jekyll Island Authority, Jekyll Island has had development limited to just 35 percent of its available land area. This unique aspect of Jekyll Island serves to preserve the critical barrier island ecosystem, and provide guests with a unique escape from the crowds and complications of other beach resort destinations. The Jekyll Island Foundation is a public 501(c)3 organization which operates exclusively for charitable and educational purposes to support the work of the Jekyll Island Authority. Please visit www.jekyllisland.com for more information or call 1-877-4JEKYLL.