

Ocean Properties Meeting with HIC --- ESC
December 29, 2014 2:00 – 3:30pm
Florida Oceanographic Society Conference Room

In Attendance: Gene Barnes (Spinnaker), Bobby Byrd (Martin County Engineering), John Canavan (Suntide), Jack Florin (HIC), Ed Griffith (Marriott Courtyard), Jim Hudson (HIC), Vicki Hudson, Tom McMurrian (Ocean Properties), Rich Morrin (IRP), Nerissa Okiye (Martin County Tourism & Marketing), Kathy Overton (Publix), Bill Peloso (IRP), Bob Raynes (Gunster – attorney), Ken Trabue (Green Turtle Cove), Mark Walsh (Ocean Properties)

I. The main purpose of this meeting was to get a status update on the Oceanside Resort (Old Holiday Inn).

Mark Walsh, one of the owners of Ocean Properties, described his company as a family---owned builders of hotels/resorts. They currently own 42 hotels/resorts. The closest resort is the Jupiter Beach Resort. The closest hotel is the Hutchinson Island Marriott Courtyard in St. Lucie County. They have two major construction projects currently going on in Florida, one in Clearwater and one in Long Boat Key and they have two other hotels up in the New England area that are being built. Mark assures us that the resort that they have planned is being over---designed for the long---term – a unique, one---of---a---kind resort for this area. It will be a high---end resort, but not pretentious. It is being designed with corporate meeting space, weddings, and family events (because it cannot be sustainable with just the typical vacationing tourist of Martin County). Mark said they are going to try to stay as an independent resort (i.e., they are hoping they don't have to "brand" the resort – like making it a Ritz---Carlton) because it is quite expensive to brand a hotel or resort.

Mark explained that they bought the Old Holiday Inn from Wayne Hiezenga (in late 2009). At that time the economy started its downward spiral. The market has been slowly recovering, but not at a pace that makes it feasible to start the building process. Unlike the other areas of Florida that they have hotels/resorts that have an average occupancy rate of 95%+ all year round; Martin County occupancy rate has an average occupancy rate of about 65% --- this is not enough to sustain a resort that they are planning for their property at the old Holiday Inn site. They have been making strides towards completing the preliminary work that needs to be done before any building can take place. The site plan has been approved. Right

now, they are spending about \$600K to finalize the engineering plans on the exterior and the interior design – both are going well.

All construction permits are to be pulled by April of 2015. The reason that Ocean Properties wanted to get some people together from the Hutchinson Island Coalition was to inform the residents of the Island that they are applying for a 2---year extension; which is allowed as part of Florida Statutes. Bob (Ocean Properties attorney) said that the request had to be in to the Commissioners by Wednesday, December 31, 2014. This would mean they have until April of 2017 to get all the permitting pulled and then they would have 2---years to complete the building. Mark said that they don't know if they will need the extension, but they felt that they needed to apply for the extension just in case they did need it.

After the meeting for Ocean Properties, Gene, Jim, Bobby and Rich stayed around to talk about the Jensen Beach Roundabout plan. Based on the polling of the residents of the Island (including some in St. Lucie County), Martin County was asked to delay the project until after "the season" and after the Sailfish Regatta. We asked Bobby to have everything staged and ready to go on Monday, May 18, 2015 and to finish as soon as possible. Gene also asked to have the landscaping changed to something more suitable to what the Coalition is trying to accomplish on the Island. Bobby and Gene will be working together to make the necessary changes.

II. Several people have asked what the yellow Martin County permitting/zoning signs on the Island are for. You will note that they have project numbers #15---8 through #15---14. All are on Martin County owned land. The changes were ordered by the Board of County Commissioners to change zoning codes from Estate Density or Industrial zoning to Conservation or recreational zoning.

Minutes submitted by Vicki Hudson