



**Salamander Hospitality
LRA Hammock Beach Ocean & LRA NOHI LLC**

**Application
PUD Amendment (Reclassification)
&
Site Development Plan Review In a PUD**

Flagler County Planning and Development Board
December 9, 2014 - Continued Public Hearing



APPLICATION PROCESS TIMELINE

- August 27, 2014: Application for Site Development Plan Review filed
- September 17, 2014: Technical Review Committee meeting
- October 14, 2014 :Planning and Development Board Hearing
 - 4-2 vote to recommend denial of Application
 - 5-1 vote to reconsider the vote
 - 4-2 vote to continue until Nov 12th
- November 12, 2014: Planning and Development Board Hearing moved to continue because of notice glitch
- Notice amended to include Rezoning (Reclassification)
- December 5, 2014: Updated Staff Report and Analysis - Recommendation for Approval

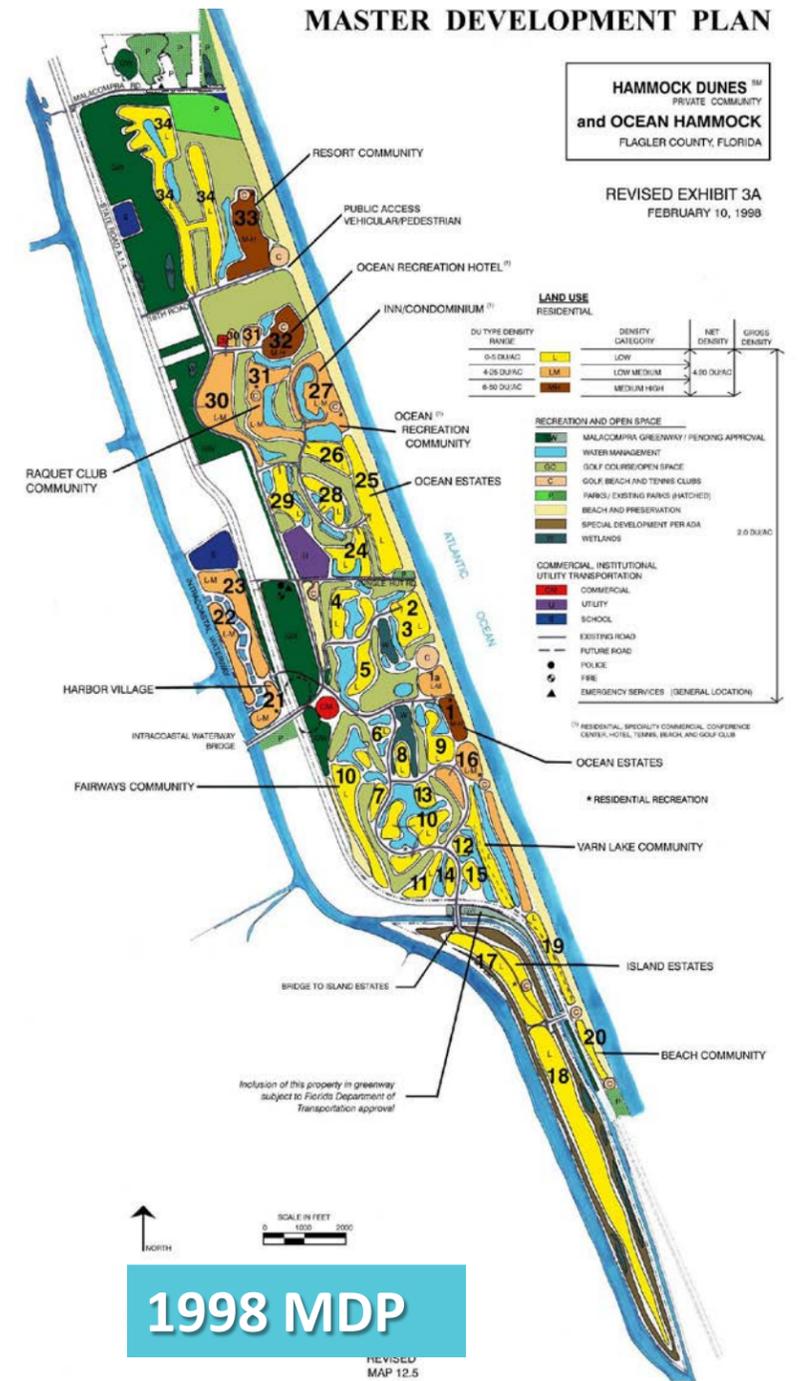
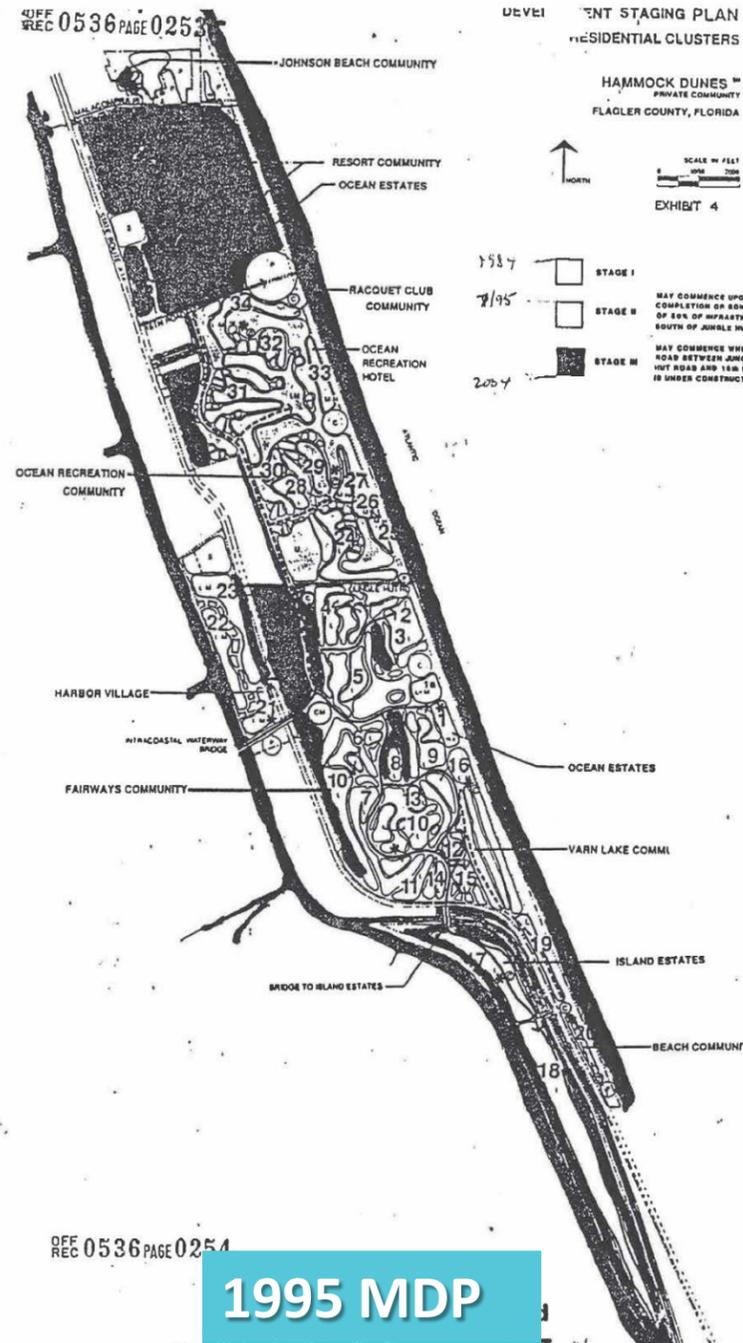
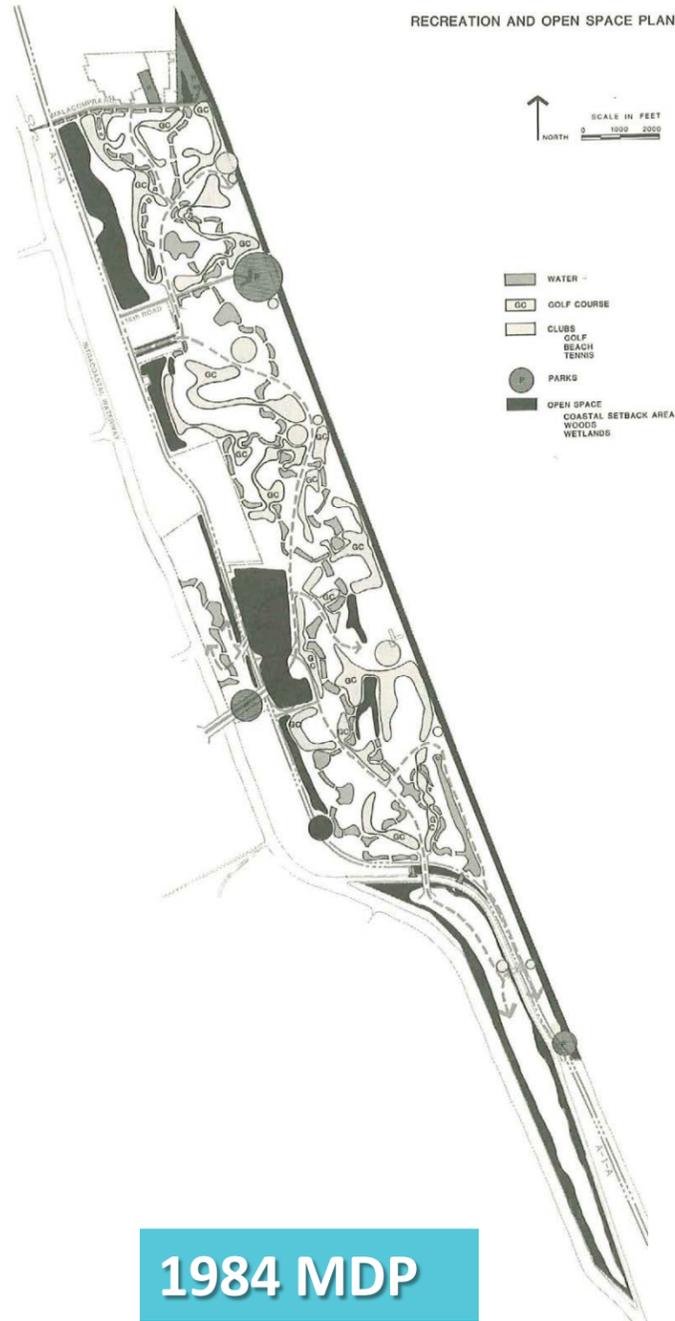
HEARING PROCESS STIPULATION

- The December 9th Planning and Development Board Hearing is a continuation of the October 14, 2014 Hearing;
- All exhibits and testimony from the October 14th hearing are part of the administrative record and do not require resubmittal or reintroduction;
- The Applicant, County Planning Department, and County Attorney are in agreement that the Application may move forward as (a) a Site Development Plan Review, (b) an amendment to the PUD Development Order (e.g. reclassification), and (c) replatting as may be necessary; and
- The Essentially Built Our Agreement (EBOA) allows for succession of the 1984 Hammock Dunes Development of Regional Impact Development Order into a Planned Unit Development, (1) preserving authorizations for use, including type and quantity, (2) confirming capacity, consistency, and concurrency, and (3) providing processes for continued development (or redevelopment).

HAMMOCK DUNES DEVELOPMENT OF REGIONAL IMPACT HISTORY

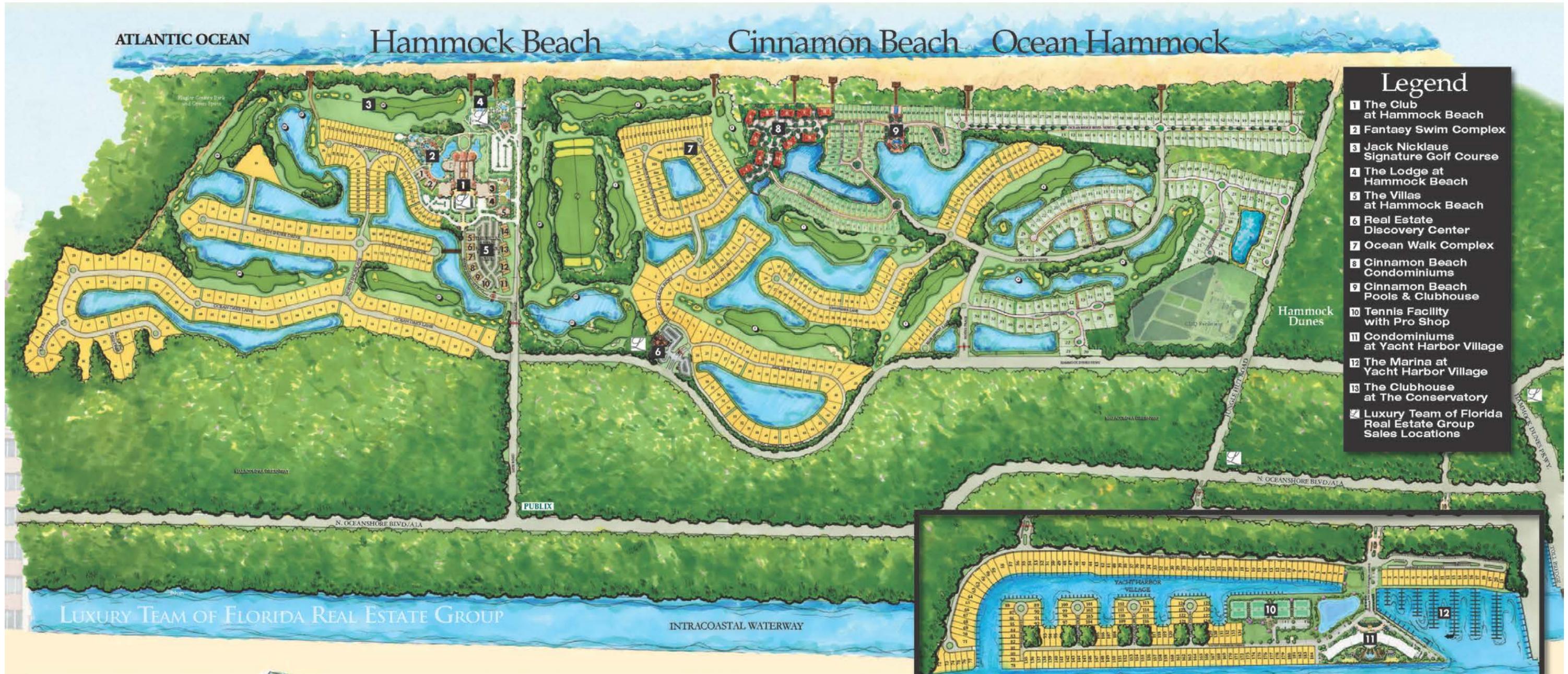
- 1984 DRI Development Order approved [total authorized units - 6,670];
- 1998 DRI amended to revise the master development plan, authorize hotel uses in Tract II and III areas (e.g. north of Jungle Hut Road), reallocate units (2,676 north of Jungle Hut Road), revise clusters, and exchange park land (eliminating 16th Road Park and expanding Malacompra Park), among other changes [total authorized units - 4,400];
- 2001 Golf Course Plat Recorded and Site Plan Approved for Lodge site including 21 hotel units, conference, retail, golf, fitness, pool, dining, recreation, parking, beach access, etc.;
- 2002 Park exchange consummated between the Parties;
- 2010 Board of County Commissioners rejects NOPC request for Cluster 35 creation on 24 acres;
- 2011 ALJ issues Recommended Order & FLAWAC issues Final Order rejecting NOPC, Governor advises creation of plan and resubmittal of application; and
- 2011 Essentially Built Out Agreement executed and recorded, provides that 561 units vested for concurrency (includes hotel uses), continues zoning classification as planned unit development, allows expiration of DRI development order and extinguishment of certain obligations, sets forth process and allowance for future development [total authorized units - 3,800].

HAMMOCK DUNES DEVELOPMENT OF REGIONAL IMPACT HISTORY



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HAMMOCK DUNES DRI – Platted Communities



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HAMMOCK BEACH RESORT

OCEAN TOWERS
PHASE III (42 UNITS)

ONE BEDROOMS
AT HB – NORTH
(67 UNITS)

HAMMOCK BEACH CLUB
CONDOS – PHASE I
(148 UNITS)

ONE BEDROOMS
AT HB – SOUTH
(60 UNITS)

OCEAN TOWERS
PHASE IV (50 UNITS)

VILLAS AT HB
(116 UNITS)

LODGE (20 UNITS)

LEGEND

- (A) THE CLUB PHASE I & II (275 UNITS)
- (B) OCEAN TOWERS PHASE III (42 UNITS)
- (C) OCEAN TOWERS PHASE IV (50 UNITS)
- (D) EXTERIOR POOL AMENITIES
 - (D1) SLIDE POOL
 - (D2) LAZY RIVER
 - (D3) ADULT POOL
 - (D4) BEACH POOL
 - (D5) SPA POOL
- (E) INDOOR POOL COMPLEX
- (F) ROOFTOP POOL
- (G) GRAND LAWN
- (H) PUTTING COURSE
- (I) OCEAN HAMMOCK CLUBHOUSE
- (J) VILLAS

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NEW LODGE APPLICATION PROCESS

- DRI-DO states process for amendment is Site Development Plan Review;
- ALJ Recommended Order and FLAWAC Final Order indicate process for amendment to the DRI should be a reclassification;
- Flagler PUD Ordinance does not provide for PUD amendments;
- Reclassification is akin to rezoning with case specific considerations and factors; and
- Applicant Acknowledges and Stipulates to County Amended Notice; Parties agree the standard for review is:
 1. Whether the proposal is consistent with the Comprehensive Plan; and
 2. Whether the proposal is compatible with adjacent land uses.



STANDARD OF REVIEW – PUD RECLASSIFICATION

- Requirement/Standard:

The proposed PUD does not affect adversely the orderly development of Flagler County and complies with the comprehensive plan adopted by the Flagler County Board of County Commissioners; and

The proposed PUD will not affect adversely the health and safety of residents or workers in the area and will not be detrimental to the use of adjacent properties or the general neighborhood.

- The hearing is Quasi Judicial
- The decision must be supported by competent substantial evidence in the record



CONSISTENCY EVALUATION: Flagler County Comprehensive Plan

Future Land Use Element (FLUE) Goal A.1. *Flagler County shall strive to achieve orderly, harmonious and judicious use of the land through a distribution of compatible land uses, fostering the viability of new and existing communities while maintaining the agricultural pursuits of the County, and recognizing and preserving the integrity of the natural environment.*

The New Lodge site is located within the Hammock Dunes Planned Unit Development (HDPUD), formerly the Hammock Dunes Development of Regional Impact (HDDR) approved in 1984. The HDDRI was approved prior to the Flagler County Comprehensive Plan and adopted with the first approved Comprehensive Plan in __.

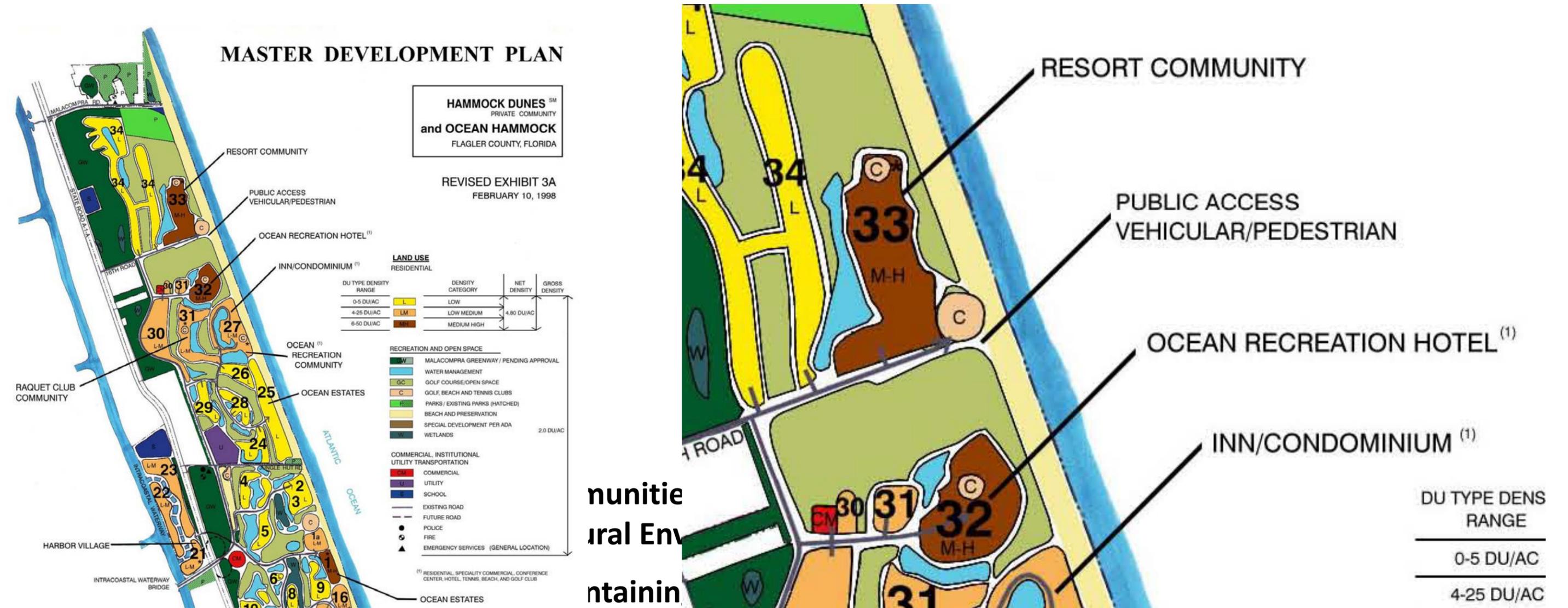
The HDPUD has a future land use of mixed use low intensity/medium-high density and has a zoning of planned unit development. Land uses with the HD PUD include residential (up to 50 DU/AC), ocean recreation hotel, golf, commercial, recreation, club, marina, beach, water management, utility, wetlands, parks and preservation.

The HDDRI originally was approved for development of 6,670 units; the HDPUD is now approved for 3,800 units. The infrastructure is sufficient for concurrency of the 3,800 units. The 198 New Lodge units are included in the HDDRI/HDPUD approvals for the purposes of concurrency.

The New Lodge site is characterized by the PUD Master Development Plan as a Club area. The New Lodge site is currently used as a golf club and hotel, and functions as an integral component of the Hammock Beach Resort.

CONSISTENCY EVALUATION: Flagler County Comprehensive Plan

As reflected by the HD PUD MDP, Flagler County has acknowledged and affirmed that an ocean creation hotel which includes hotel lodging units, specialty commercial, conference, and beach and golf club uses is compatible with the following adjacent uses: golf, beach, medium/high and low/medium residential density, water management, and roadway (private or public).



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CONSISTENCY EVALUATION: Flagler County Comprehensive Plan

The New Lodge site is immediately adjacent to the Hammock Beach Resort, which is depicted on the PUD MDP as a high density residential resort community. The HBR is a luxury destination resort, licensed as a hotel and resort rental operation, providing lodging and a wide range of recreational amenities for use by members and guests.

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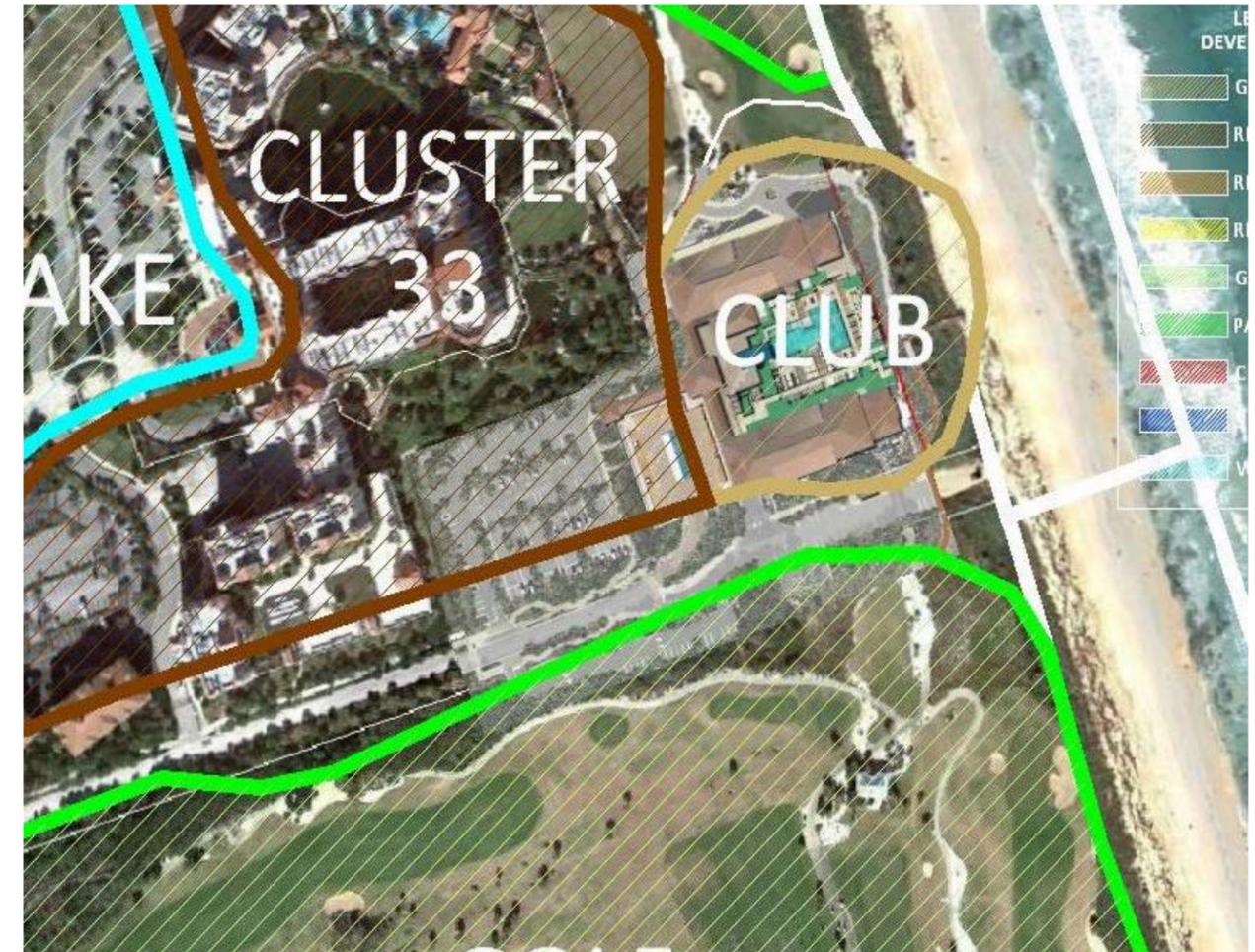
Name:	Commonwealth Palm Coast Operating Corp (Primary Name) LODGE AT OCEAN HAMMOCK (THE) (DBA Name)
Main Address:	50 LEANNI WAY STE C3 PALM COAST Florida 32137
County:	FLAGLER
License Mailing:	50 LEANNI WAY STE C3 PALM COAST FL 32137
County:	FLAGLER
License Location:	105 16TH ROAD PALM COAST FL 32137
County:	FLAGLER

License Information

License Type:	Hotel
Rank:	Hotel
License Number:	HOT2800588
Status:	Ownership Changed
Licensure Date:	04/01/2003
Expires:	06/01/2007

Special Qualifications

Qualification Effective



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CONSISTENCY EVALUATION: Flagler County Comprehensive Plan

The New Lodge is proposed for land uses identical to existing land uses, which are compatible with adjacent uses. Adjacent uses include high density residential with phased condominium buildings having eight to twelve stories in height reaching actual elevations in excess of 195 feet NGVD, dead end public road, signature golf course, and beach. The following table illustrates use compatibility:

Adjacent Use	Compatible
Golf Course	Yes
Beach	Yes
Condominium	Yes
Resort Condominium	Yes
Single Family	Yes, with adequate buffer
Street – Public Road	Yes
Parking Lot	Yes
Preservation Area	Yes
Medium/High Residential Area	Yes
High Density High Rise Resort Condominium/Hotel	Yes
Destination Resort	Yes
Recreation Space	Yes

CONSISTENCY EVALUATION: Flagler County Comprehensive Plan

Recreation and Open Space Element (ROSE) Goal H.1. *Ensure provision of sufficient parks, open spaces, and recreation facilities and programs to satisfy the health, safety and welfare needs of all Flagler County residents and visitors. Flagler County's goal is to strive to preserve and protect open spaces and other natural features with recreation potential for current and future needs. The County shall provide a system of parks, open space, recreational facilities, environmentally sensitive lands, trails, greenways, and blueways to ensure healthy lifestyle choices, improve communities and neighborhoods and offer bicycle and pedestrian access. Lastly, the County shall enhance public access to and utilize the park system and natural resources of Flagler County in order to provide a total quality of life for the residents.*

The Hammock Dunes PUD created more than 1,200 acres of recreation and open space within the 2,258 acre development, far surpassing any County Comprehensive Plan requirements. Over 405.3 acres of land were dedicated and preserved as open space, including Malacompra Greenway and Beachfront Parks (Jungle Hut, Malacompra, Varn). While this level of appropriation of dedicated open spaces is generous, it does not include recreation areas, water management (wet detention and dry retention stormwater ponds) areas, beach areas, and wetlands, which make up another 556.7 acres. Together, this amount of dedicated and general open space is more than 170% of the requirement for this land use for all areas of the County with this land use designation. If golf course areas and club areas were added to this total, the amount of open space would be over 225% of the County wide requirement. Hence, the HD PUD far exceeds the general requirement for open space.

CONSISTENCY EVALUATION: Flagler County Comprehensive Plan

Recreation and Open Space Element (ROSE) Goal H.1. (continued)

In addition to the creation of three beachfront parks in the Hammock area of the barrier island, including Malacompra Park, Jungle Hut Park, and Varn Park, as identified by the MDP; the Hammock Dunes PUD also created the Malacompra Greenway.

The dedicated open spaces mentioned above provide the County with land and natural resources essential to the County's systems of parks, open space, recreational facilities, environmentally sensitive lands, trails, greenways, and blueways which benefit all citizens of Flagler County and visitors.



TRAVEL + LEISURE

According to Travel + Leisure's 2015 World's Best Awards,
Hammock Beach Resort is the #1 rated Florida resort and it's the #5 family resort in the country

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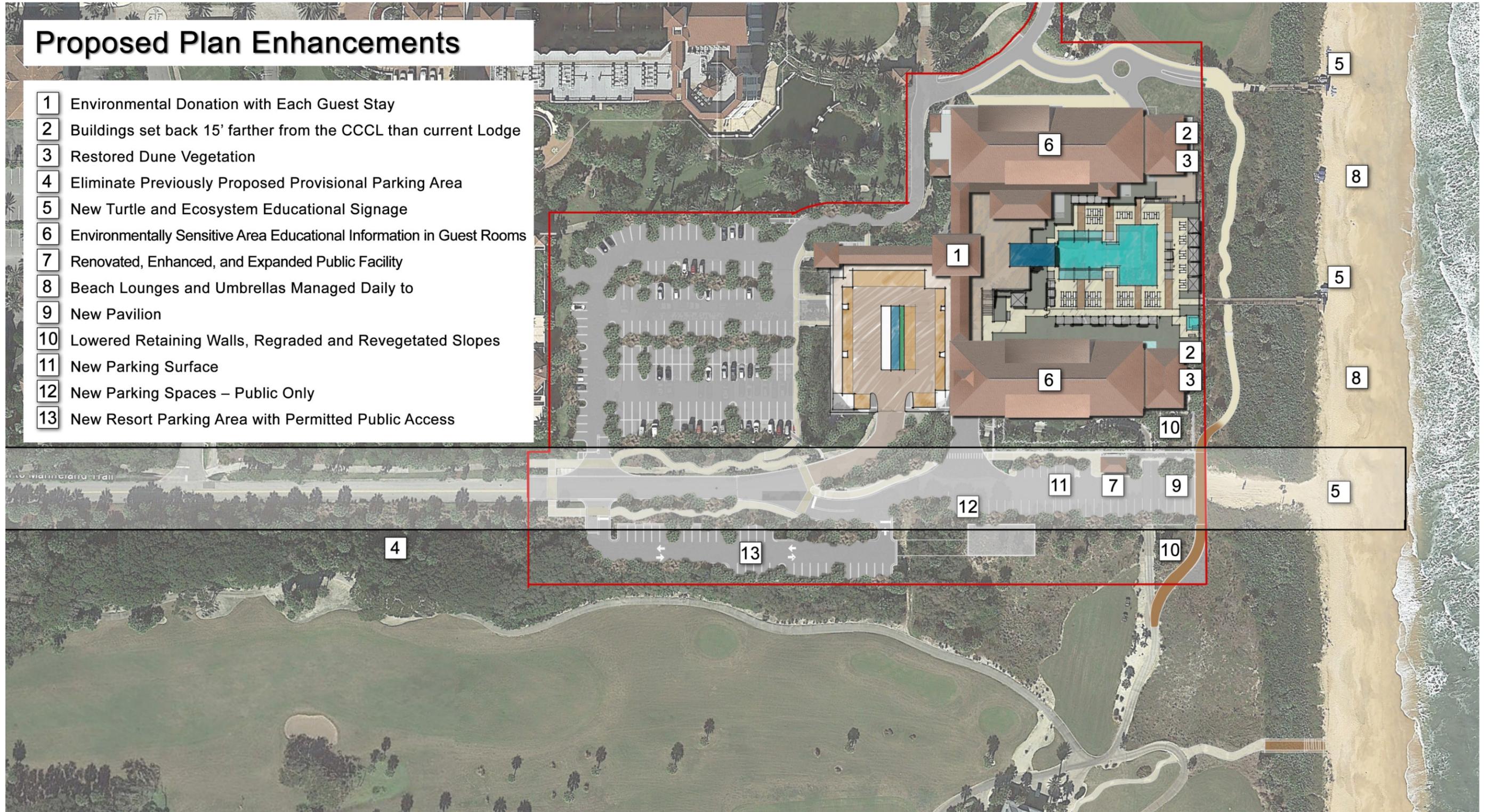
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PROGRESS MADE, BUT CHALLENGES AHEAD

REVISED CONCEPTUAL NEW LODGE PLAN

Proposed Plan Enhancements

- 1 Environmental Donation with Each Guest Stay
- 2 Buildings set back 15' farther from the CCCL than current Lodge
- 3 Restored Dune Vegetation
- 4 Eliminate Previously Proposed Provisional Parking Area
- 5 New Turtle and Ecosystem Educational Signage
- 6 Environmentally Sensitive Area Educational Information in Guest Rooms
- 7 Renovated, Enhanced, and Expanded Public Facility
- 8 Beach Lounges and Umbrellas Managed Daily to
- 9 New Pavilion
- 10 Lowered Retaining Walls, Regraded and Revegetated Slopes
- 11 New Parking Surface
- 12 New Parking Spaces – Public Only
- 13 New Resort Parking Area with Permitted Public Access



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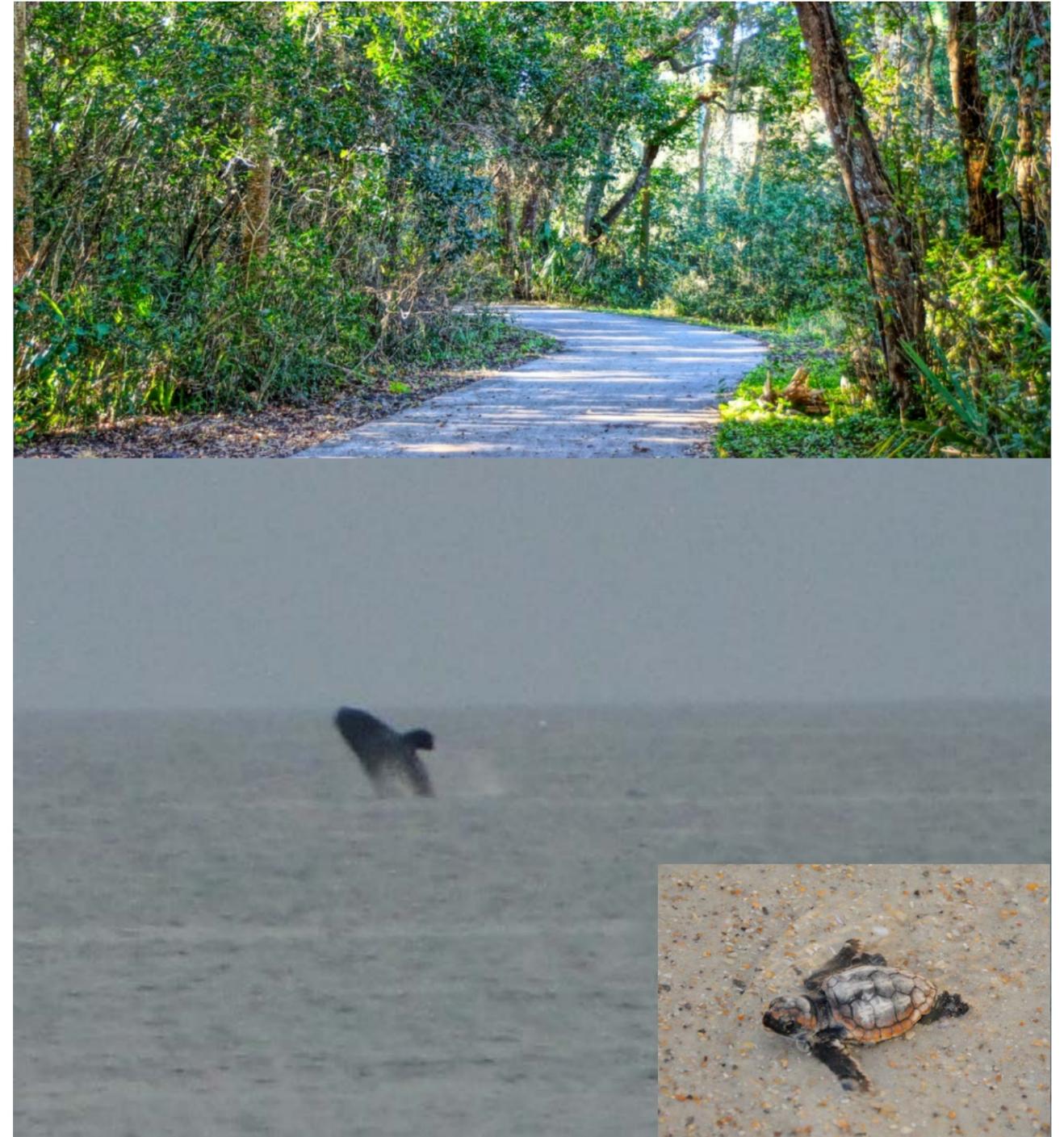
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CONCEPTUAL PLAN CHANGES RESPONSIVE TO PLANNING BOARD



Environmental Donation with Each Guest Stay (\$100,000+ annually)

- Financial contribution of \$2 per guest stay;
- Unprecedented opportunity to solidify the future of the Hammock and provide financial resources to achieve true conservation and environmental protection;
- Use may include:
 - environmental conservation,
 - sensitive land acquisition,
 - dedicated open space preservation,
 - enhancements to existing conserved properties and facilities,
 - environmental education and awareness,
 - environmental monitoring and research studies,
 - Interpretive signage, and
 - more...



NEW LODGE SUMMARY

The New Lodge is an urgently needed, responsible, results driven, environmentally sensitive development purposed to stabilize Hammock Beach, preventing failure, but achieving prominence and prestige of Hammock Beach and Flagler County tourism in the marketplace, producing and promoting employment, stimulating the local economy, creating business development opportunities, and distributing benefits and value to local property owners, citizens, businesses, and government.



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NEW LODGE SUMMARY – Responsible Development

The New Lodge embodies responsible and purposeful development. The Plan:

- does not create precedent, but relies upon existing entitlements, infrastructure, and development authorizations that in combination provide this unique reinvestment and redevelopment opportunity unequal and not replicable in Flagler County;
- Is sited at the only location that can optimize Hammock Beach's existing amenities and operations;
- Is the only viable opportunity for Flagler County to achieve an oceanfront development of the prestige envisioned for the New Lodge;
- maintains the Nicklaus signature on the Ocean Course and avoids any change or reduction in golf playable areas, protecting and upholding the integrity of the existing plat and deed restrictions;
- avoids any use of dedicated open space and preservation areas;
- delivers architectural elegance by using Addison Mizner-themed design elements, the perfect style for the beachfront lodge buildings, complemented by the naturalistic landscape and seaside gardens;
- incorporates renovation and expansion of existing member amenities and Resort facilities; and
- has been designed, and will be managed, by Salamander and its executive leadership who have a proven track record of developing and operating luxury, iconic, and world recognized hotels.

NEW LODGE SUMMARY – Responsible Development Includes Redevelopment



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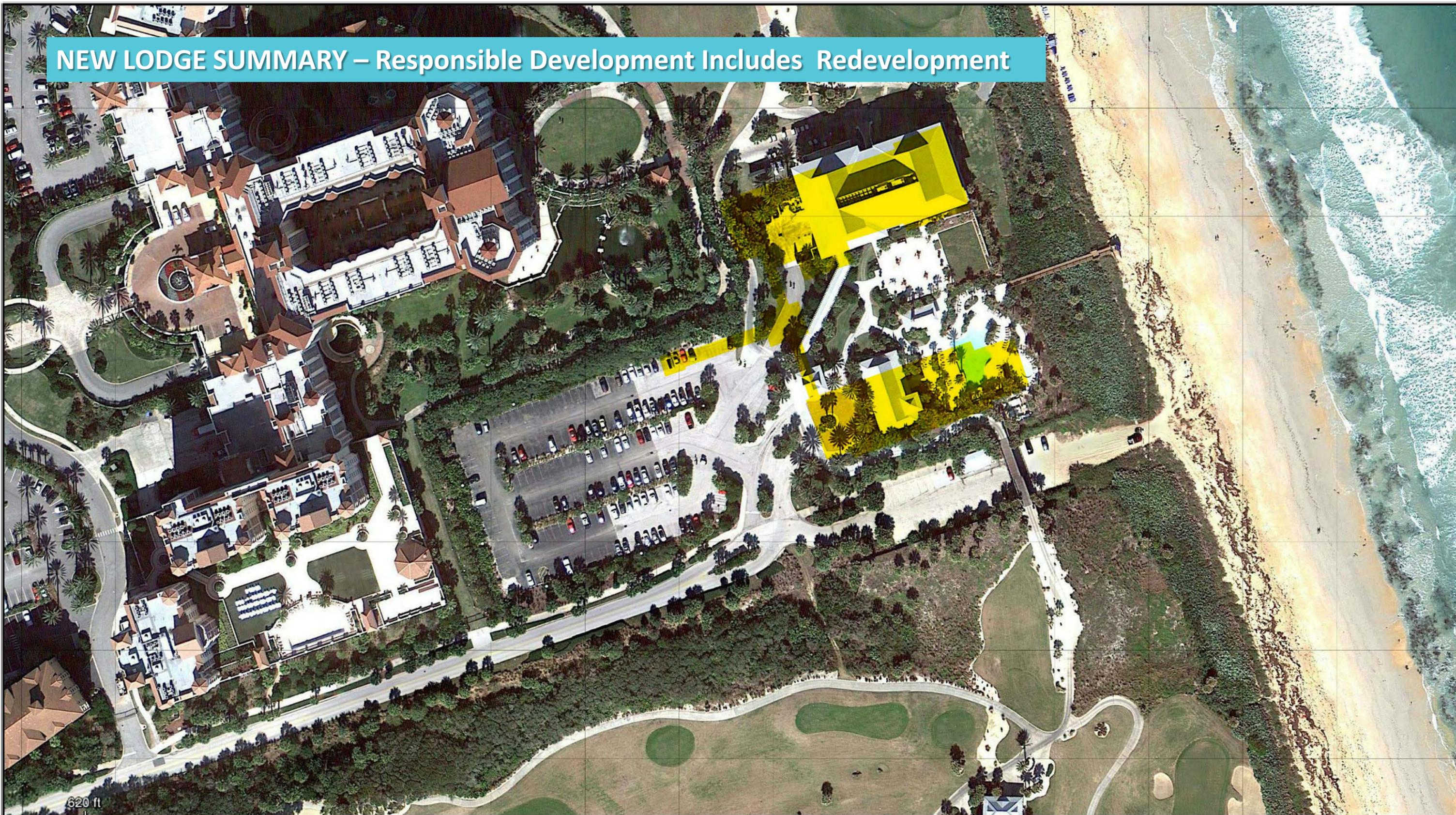
AERIAL VIEW OF SITE



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NEW LODGE SUMMARY – Responsible Development Includes Redevelopment



620 ft

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AERIAL VIEW OF SITE



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NEW LODGE – Responsible Development Includes Community Outreach and Involvement

October 27, 2011	Salamander Begins Management of Hammock Beach
December 11, 2013	2013 Year End Update and Opportunity Discussion
December 2013 – January 2014	Community Committee Established – Parties Appoint Representation
February 13, 2014	Community Committee Meeting – Concept Development
February 27, 2014	Community Committee Meeting – Concept Development
March 6, 2014	Community Committee Meeting – Concept Development
April 5, 2014	Town Hall Meeting, Concept Plan Presentation, and Straw Poll
April 5 – 12, 2014	Straw Poll Ballot Extension - Final Results Communicated April 14
May 6, 2014	Hammock Conservation Coalition Conceptual Plan Presentation
May 7, 2014	Meeting with Dunes CDD
May 7, 2014	Pre-application Meeting with Flagler County Growth Management
August 26, 2014	Community Committee SDP Application Briefing
August 27, 2014	SDP Application Submitted to Flagler County
September 5, 2014	Member and Property Owner SDP Application Briefing
September 17, 2014	Technical Review Committee SDP Application Review
September 26, 2014	Scenic A1A PRIDE Application and SDP Presentation
October 7, 2014	Hammock Conservation Coalition SDP Presentation
October 9, 2014	Scenic A1A PRIDE Special Meeting
October 14, 2014	Planning & Development Board Meeting
October 24, 2014	Scenic A1A PRIDE Meeting

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COMMUNITY OUTREACH TIMELINE

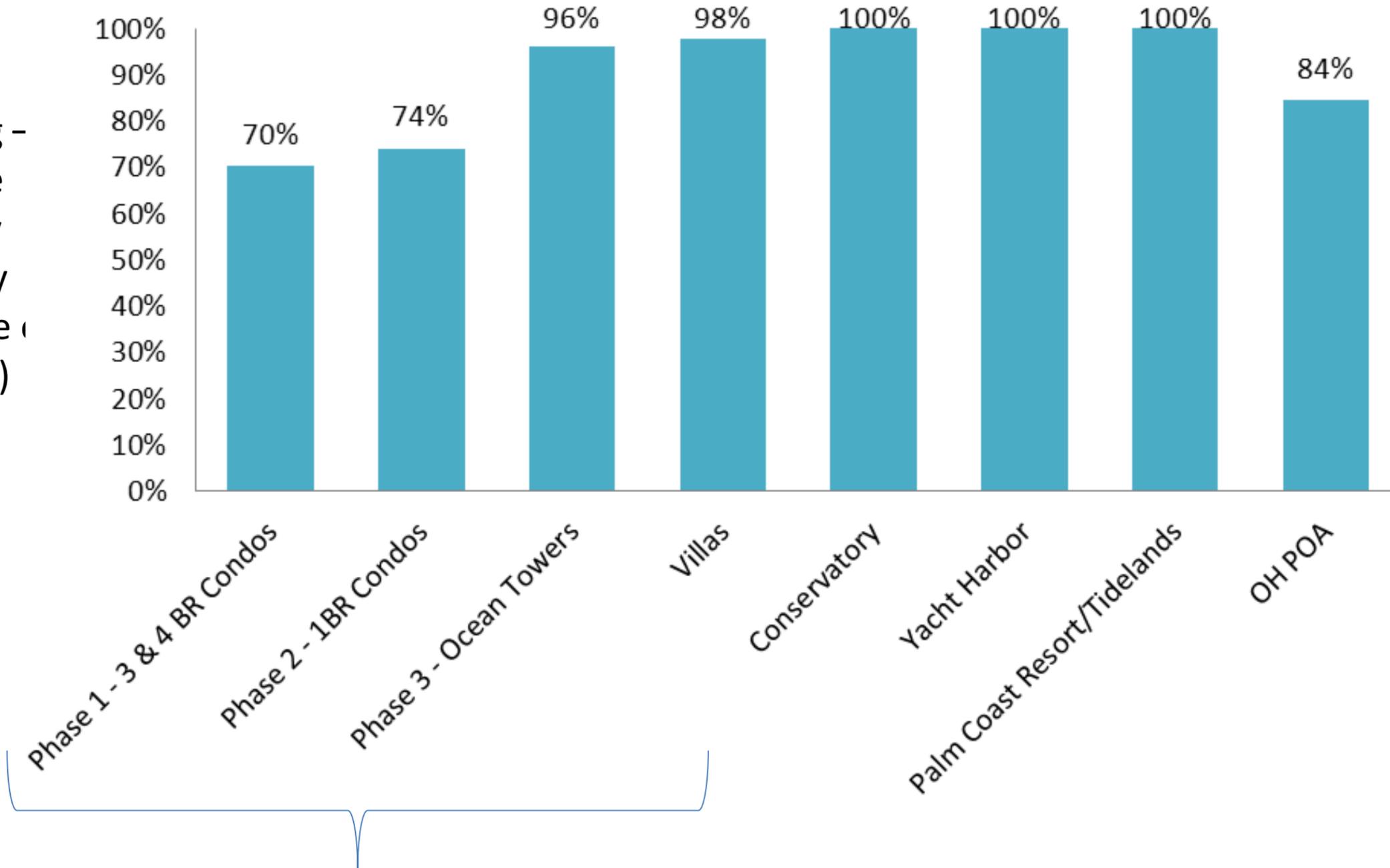
NEW LODGE – Responsible Development Includes Including All Stakeholders

All invitations and requests to meet with interested parties accepted, and to date we have met with or are scheduled to meet with the following:

- One Bedroom Condominium Association Board of Directors
- Conservatory POA Board of Directors
- Harbor Village Marina POA and Yacht Harbor Village Condominium Association Boards of Directors
- Advisory Board of Governors
- Golf Committee/ MGA/ WGA
- Hammock Conservation Coalition
- Scenic A1A PRIDE
- Economic Advisory Council
- Dunes Community Development District
- Department of Economic Opportunity
- Dozens of individual Member/ Owners
- Flagler County Tourism Development Council

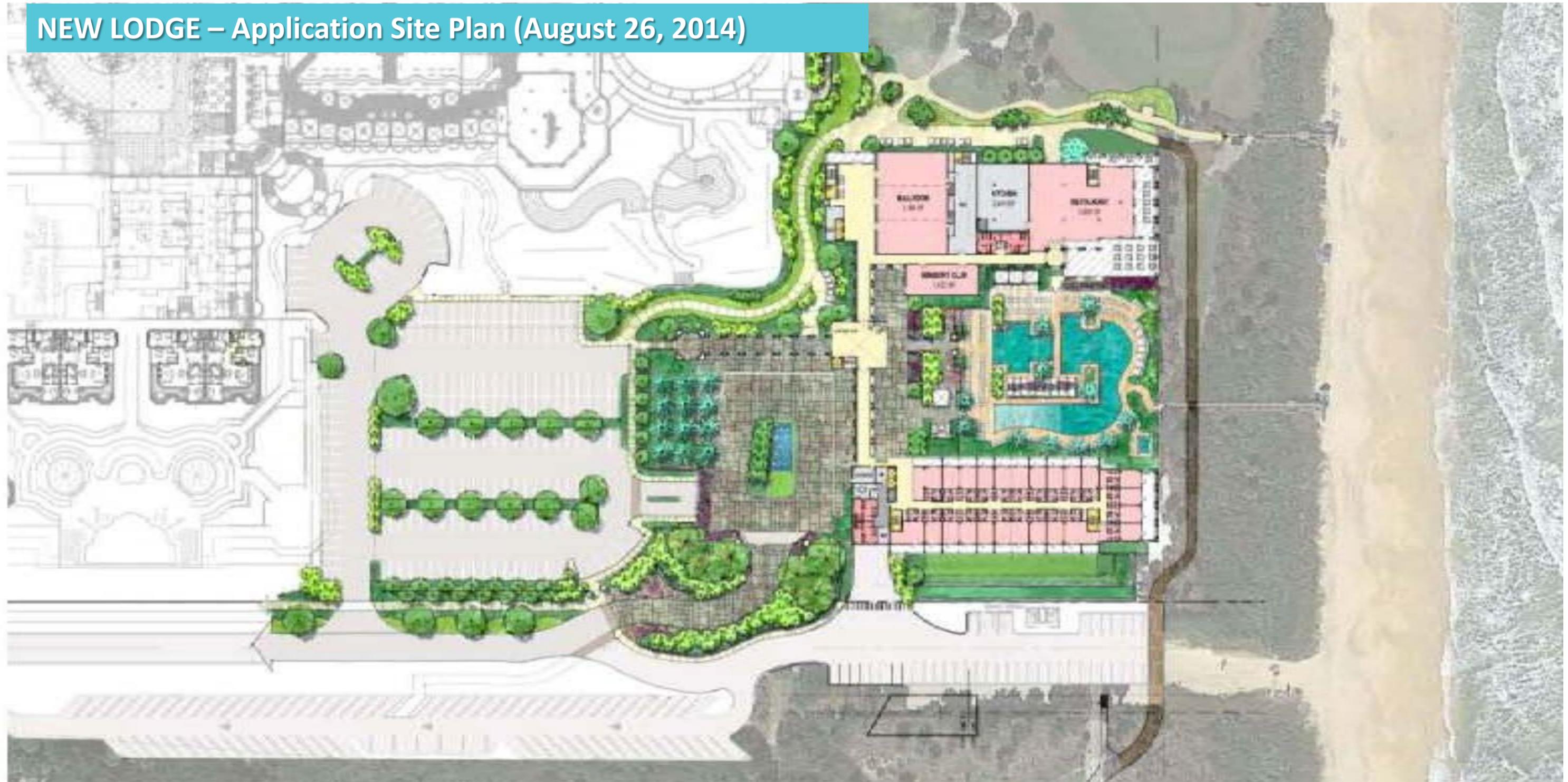
NEW LODGE – Responsible Development Doesn't Mean Everyone Supports

Straw Polling –
Percentage
Support by
Community
(as percentage of
ballots cast)



Note: With regard to Northshore Plat Five (e.g. Hammock Beach), those units closest to the New Lodge, the support level represents 84% with 39% of units casting ballots

NEW LODGE – Application Site Plan (August 26, 2014)

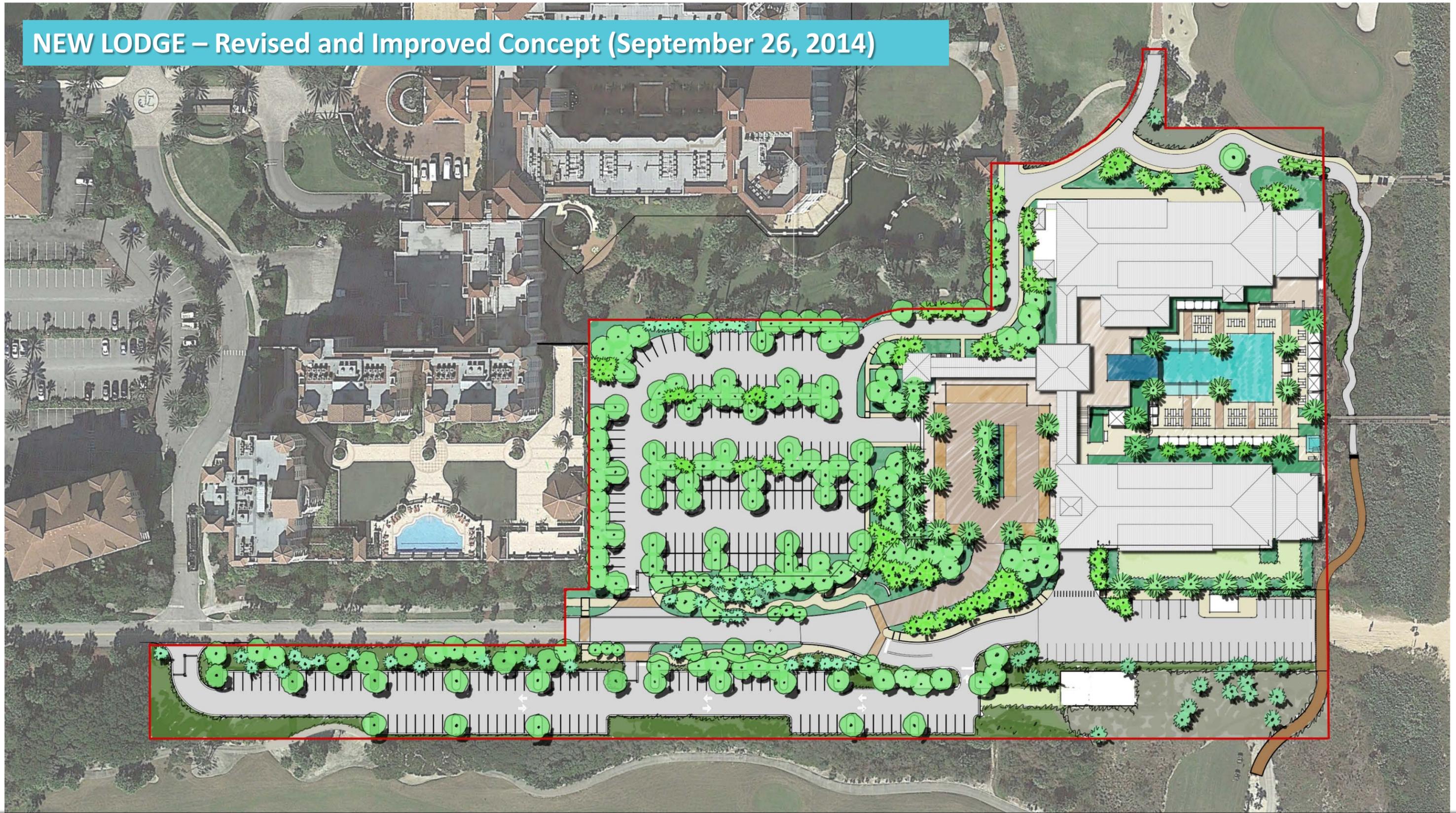


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INITIAL SITE DEVELOPMENT PLAN – AUGUST 26, 2014 – PRESENTED TO COMMUNITY COMMITTEE

NEW LODGE – Revised and Improved Concept (September 26, 2014)



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REVISED SITE DEVELOPMENT PLAN - SEPTEMBER 26, 2014 - PRESENTED TO SCENIC A1A PRIDE

NEW LODGE PLAN: Conceptual Enhancements for Planning Board Consideration (December 9, 2014)



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COOPER CARRY

NEW LODGE - Comparison With Existing Beachfront Buildings Reveals the Appropriateness of New Lodge

Beachfront Building	Stories	Relative to Lodge	Height	Relative to Lodge	Distance to Beach (sand)	Relative to Lodge	Width (Along Beachfront)	Relative to Lodge	
Lodge	4.5		74		157		65		each
Condominiums									
Le Jardin	8	1.78	130	1.76	182	1.16	205	3.15	
Savona	8	1.78	117	1.58	186	1.18	205	3.15	
Portofino	12	2.67	162	2.18	165	1.05	258	3.97	
La Grande Provence	12	2.67	128	1.73	156	0.99	246	3.78	each
Cambria	12	2.67	161	2.18	139	0.88	281	4.33	
Tuscany	12	2.67	174	2.36	132	0.84	318	4.89	
Cinnamon Beach Condos	6	1.33	85	1.14	198	1.26	148	2.28	each
Hammock Beach Resort	12	2.67	196	2.64	622	3.96	238	3.66	
Surf Club	9	2.00	100	1.35	255	1.62	950	14.62	
Single Family Beachfront Homes									
Ocean Hammock (Ocean Ridge)	3	0.67	70	0.95	210	1.34	60	0.92	each
Hammock Dunes (Rue Grande Mer)	3	0.67	70	0.95	130	0.83	90	1.38	each
Hammock Dunes (Clusters 16C, 19, & 20)	3	0.67	70	0.95	100	0.64	75	1.15	each

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NEW LODGE – Distinctly Different in Scale to Hammock Beach Condominiums



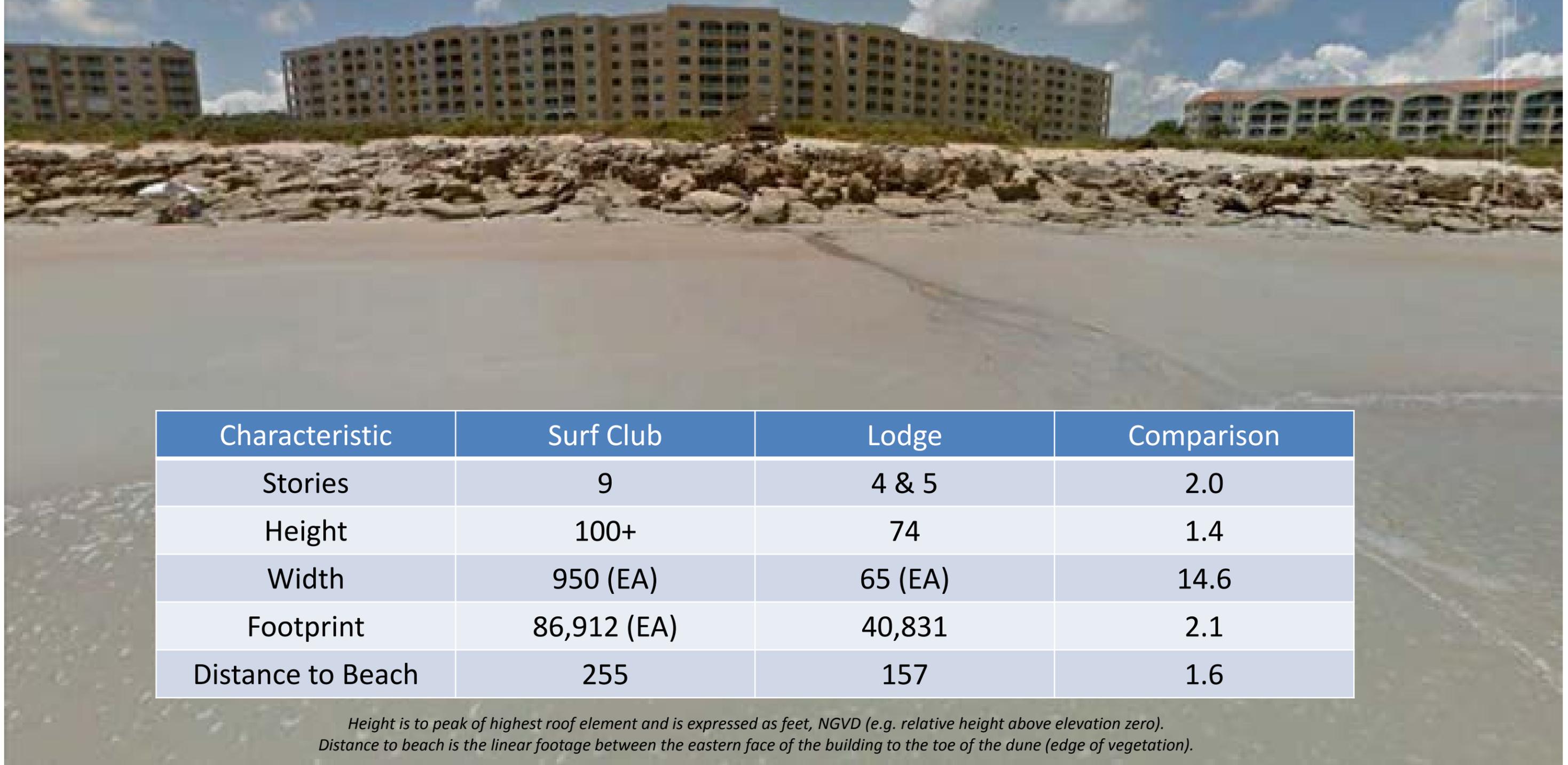
Characteristic	Hammock Beach Resort	Lodge	Comparison
Stories	12	4 & 5	2.7
Height	196	74	2.6
Width	238	65 (EA)	3.7
Footprint	260,800	40,831	6.4
Distance to Beach	622	157	4.0

Distance to beach is the linear footage between the eastern face of the building to the toe of the dune (edge of vegetation).

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NEW LODGE - Surf Club Condominiums Are Not Comparable



Characteristic	Surf Club	Lodge	Comparison
Stories	9	4 & 5	2.0
Height	100+	74	1.4
Width	950 (EA)	65 (EA)	14.6
Footprint	86,912 (EA)	40,831	2.1
Distance to Beach	255	157	1.6

*Height is to peak of highest roof element and is expressed as feet, NGVD (e.g. relative height above elevation zero).
Distance to beach is the linear footage between the eastern face of the building to the toe of the dune (edge of vegetation).*

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NEW LODGE – Comparable to a Single Family Home from Beach



Characteristic	Hammock Dunes (Clusters 16C, 19, & 20)	Lodge	Comparison
Stories	3	4 & 5	0.7
Height	Up to 70	74	0.9
Width	75	65 (EA)	1.2
Distance to Beach	100	157	0.6

Height is to peak of highest roof element and is expressed as feet, NGVD (e.g. relative height above elevation zero).

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NEW LODGE SUMMARY: Results Driven

The New Lodge plan addresses the dire need to reverse the negative trend and stimulate economic growth. The Plan:

- is the only option we have to overcome and reverse the downward slide as Hammock Beach loses ground to regional resort competition, with its competitors spending millions in capital investment and expansion projects;
- prevents the continued depreciation, degradation, and decline of infrastructure, property values, and tax revenues, as evidenced by group business trends (actuals down in 2014 and pace down in 2015);
- reverses the decline in rental revenue of the 120 One Bedroom Condominium units at Hammock Beach;
- using Flagler County lodging statistics, the New Lodge achieves the economic yield equivalent to more than 1,300 independent transient lodging units (198 Lodge units = 1300 other units);
- presents an opportunity for Hammock Beach and Flagler to take a leading position against aggressive coastal community and destination resort competition by delivering luxury lodging at a world class level;
- expands Hammock Beach's capacity for group business, reaching a nationwide segment of corporate events that will introduce Fortune 500 business leaders and executives to Flagler County and local economic development opportunities; and
- offers new guest accommodations to the County more luxurious our regional competitors.

NEW LODGE SUMMARY: Environmentally Sensitive Design

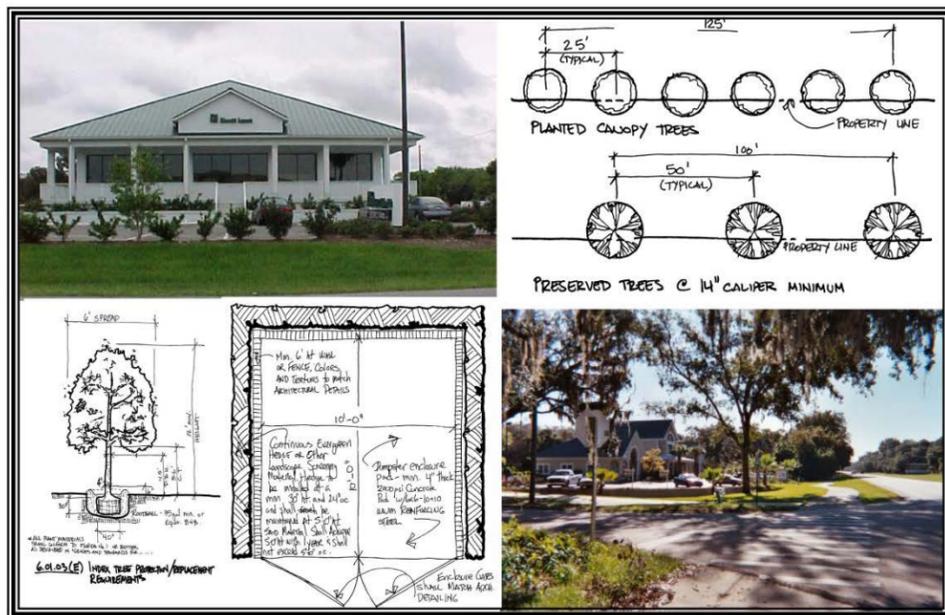
Environmentally Sensitive Design. The New Lodge respects and protects the coastal ecosystem. The Plan:

- increases the number of native tree species increasing tree canopy;
- increases the buffer to the dune by 15 feet between the New Lodge buildings and the Coastal Construction Control Line (CCCL);
- restores dune vegetation between the New Lodge and the CCCL;
- creates a more natural dune environment along the 16th Road beach access and public parking lot;
- raises awareness and education for sea turtles, migratory whales, and coastal birds;
- meets and exceeds resource protection standards established by Flagler County and regulatory authorities;
- contributes funds to the community sharing in the continued protection of the Hammock (patterned after the Kiawah Island program initiated by Prem Devadas); and
- incorporates lighting design elements that prevent uplighting and oceanward directed lighting, complying with County and State standards.



NEW LODGE – Consistent and Compliant with Scenic Corridor Overlay District Design Guidelines

Flagler County Scenic Corridor Overlay District Design Guidelines Handbook



Flagler County, Florida
Department of Planning and Zoning
August 2004



This document was made possible through a grant from the Federal Highway Administration.

Development Criteria

- Land use
- Setbacks
- Landscaping (screening and buffering)
- Perimeter
- Interior
- Buffers
- Tree Protection
- Signs (and lighting)
- Parking (and traffic)
- Loading dock and waste management
- Architecture (perspectives, elevations, harmony)
- Site Design Principles
- Public Beach Access
- Community Benefits

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CME REVIEW CONCERNS

The review letter sent to Flagler County includes the following roles and concerns:

CME Role

- Preservation and protection of “Old Florida” ambience of the Hammock area; and
- Protect public beach access and natural flora and fauna.

CME Concern

1. Potential for traffic congestion at the public beach access and A1A;
2. Lack of any current traffic study;
3. Overcrowding at the beach that could deter from public enjoyment of the County park;
4. Disturbance to dune wildlife and the environment;
5. Loss of mature trees and vegetation;
6. Failure to manage turtle-hazardous lighting and lounge chair removal at night; and
7. Building heights that will overshadow the beach and spoil the feeling of open space.



CME REVIEW CONCERNS ADDRESSED

No.	Concern	Response
1.	Potential for traffic congestion at the public beach access and A1A;	Existing infrastructure is able to accommodate; enhanced beach access will minimize peak use period concerns; parking and beach management will directly benefit beach user experience.
2.	Lack of any current traffic study;	EBOA traffic study addressed future uses; Salamander will work with County if any additional studies are needed; reduced development will increase LOS on roads and at intersections.
3.	Overcrowding at the beach that could deter from public enjoyment of the County park;	Overcrowding is not an issue due to amount of beachfront available; increased parking for public to facilitate use; management of beach chairs north of 16th Road will prevent compaction and promote use of entire beachfront (almost one mile).
4.	Disturbance to dune wildlife and the environment;	FDEP and County rules protect wildlife and the environment; dune restoration and expansion will benefit wildlife and environment; increased education of beachgoers will protect; and cooperation between Resort and CME with SOPs and operations will further protect.

CME REVIEW CONCERNS ADDRESSED

No.	Concern	Response
5.	Disturbance to dune wildlife and the environment;	CME criteria will be met, with minimal area of existing vegetation removal; landscape plan to result in net increase in tree count, DBH of trees, and areal canopy of improvement area; planting of native vegetation will return coastal vegetative communities.
6.	Failure to manage turtle-hazardous lighting and lounge chair removal at night; and	Resort takes compliance with exiting laws and rules very seriously; we are not aware of any indiscretion, but welcome the CME, County, and FDEP's input how to prevent hazards to sea turtles; beach facility management and education will reduce potential issues.
7.	Building heights that will overshadow the beach and spoil the feeling of open space.	The New Lodge is designed to fit within the setting, being much more akin to a single family home than even existing multifamily beachfront buildings in the Hammock.

NEW LODGE SUMMARY: Employment Engine

Employment Engine. The New Lodge stabilizes and stimulates employment. The Plan:

- preserves 450 existing Resort jobs as well as many indirect jobs from commercial enterprises that derive business from the Resort;
- creates approximately 314 construction jobs;
- creates approximately 73 permanent full-time and 70 seasonal Resort jobs; and
- facilitates creation of more jobs in Flagler County by other businesses and local government that are derive opportunity through the Resort's operation.



NEW LODGE SUMMARY: Economic Stimulus

The New Lodge stimulates economic opportunity and yields prosperity. The Plan:

- promotes Flagler tourism, implementing County-promulgated, established, and supported initiatives and facilitating additional outreach and business development opportunities;
- increases marketing spend and recognition of Flagler and Hammock in the regional, national, and worldwide marketplace;
- reaches and attracts individual, corporate, and institutional wealth;
- increases County tax revenues by more than \$3.8M in its first five years, and
- expands and increases local spend by guests by more than \$55M in its first five years as projected by the TDC Financial Impact Model.

TAX SUMMARY	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Sales Tax (6%)	1,022,122	1,218,185	1,383,993	1,443,825	1,496,652	6,564,777
County Sur-Tax (1%)	170,354	203,031	230,666	240,637	249,442	1,094,130
County Occupancy Tax (4%)	426,089	513,289	588,576	615,282	643,060	2,786,297
Telecom Tax (11.71%)	977	1,108	1,216	1,247	1,278	5,826
Total	1,619,542	1,935,613	2,204,452	2,300,991	2,390,432	10,451,030

BENEFITS TO LOCAL COMMUNITY AND TOURISM:

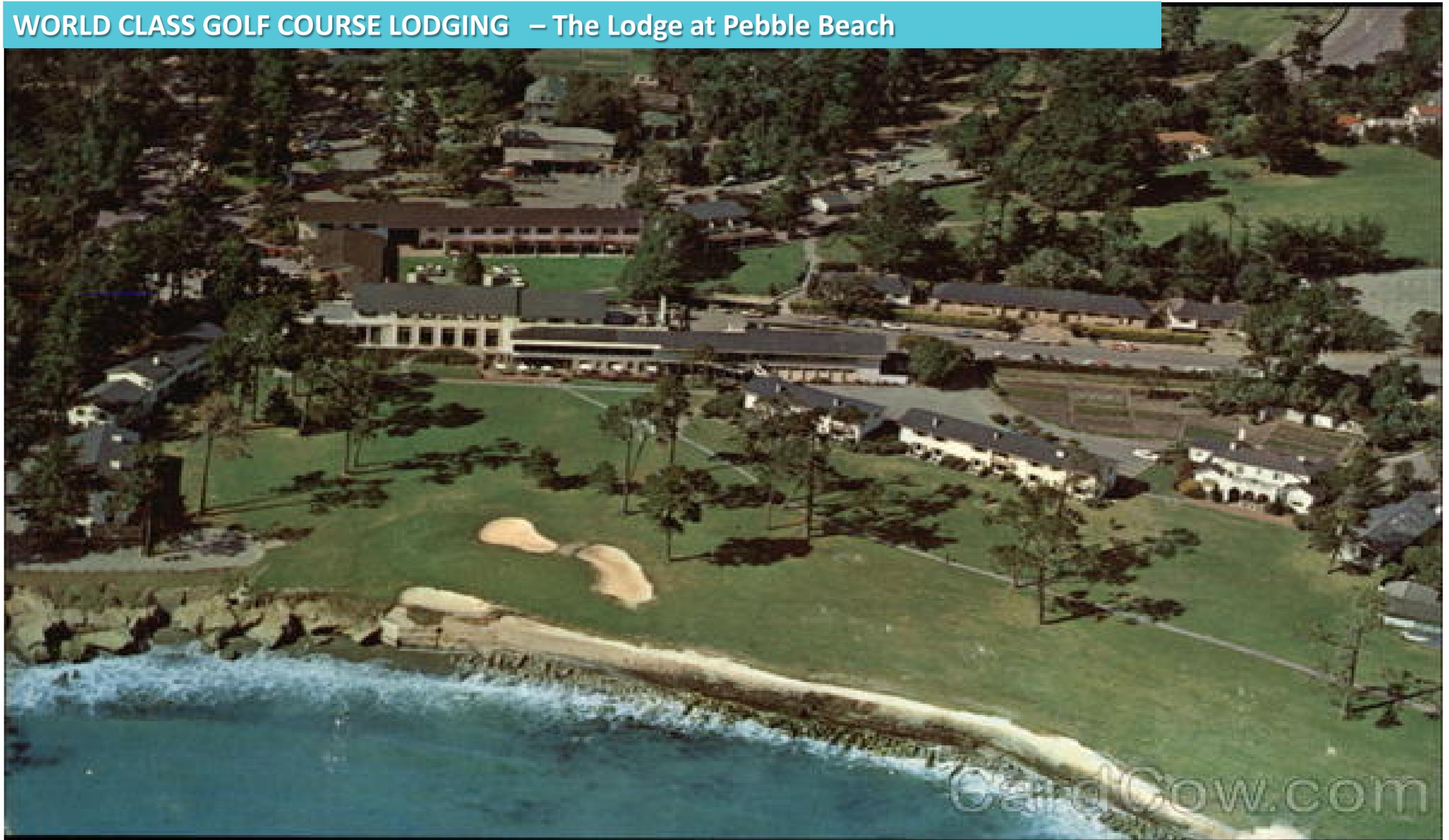
- Protect and preserve Existing Jobs 450 maximum peak season full time, seasonal, and on call associates
- New Incremental Hospitality Jobs 150 full time and part time
- New Construction Jobs 314
- Estimated County Taxes \$3,880,427 (First Five Years)
- Estimated Incremental Community Spend Outside of the Resort \$55,144,457 [First Five Years of Operation] (Using TDC Impact Summary)
- Increase in marketing of Hammock \$2.3MM – \$3.7MM (First Year)
- New hospitality visitors are prospective Hammock property owners, new business owners, investors 36%

NEW LODGE SUMMARY: Distributes Benefits

The New Lodge is a \$72M+ private investment that produces value and benefits to all stakeholders. The Plan:

- elevates rental rates for existing and new lodging units;
- increases property values through appreciation and exposure;
- increases Club membership value through renovation of existing amenities and addition of new amenities;
- enhances the 16th Road beach access through renovation of the public restrooms, addition of a recreational pavilion, providing for storage of beach chairs and umbrellas to allow for daily removal;
- relieves property owners from financial obligation associated with the 16th Road landscape maintenance; and
- produces tax revenues that allow local government to offer more services, and higher levels of service, to citizens, property owners, businesses, and guests.

WORLD CLASS GOLF COURSE LODGING – The Lodge at Pebble Beach



PROJECT # 20120354

12/09/2014

THE LODGE AT PEBBLE BEACH



FLORIDA
ENGINEERING
GROUP



WORLD CLASS GOLF COURSE LODGING – The Lodge at Bay Hill



PROJECT N° 20120354

12/09/2014

THE LODGE AT BAY HILL



FLORIDA
ENGINEERING
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WORLD CLASS GOLF COURSE LODGING – The Lodge at Torrey Pines



PROJECT # 20120354

12/09/2014

THE LODGE AT TORREY PINES



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WORLD CLASS GOLF COURSE LODGING – The Inn at Spanish Bay



PROJECT # 20120354

12/09/2014

THE INN AT SPANISH BAY



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WORLD CLASS GOLF COURSE LODGING – The Lodge at Sea Island Georgia



PROJECT N° 20120354

12/09/2014

THE LODGE AT SEA ISLAND GEORGIA



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WORLD CLASS GOLF COURSE LODGING – The Sanctuary at Kiawah Island



PROJECT # 20120354

12/09/2014

THE SANCTUARY AT KIAWAH ISLAND GOLF RESORT



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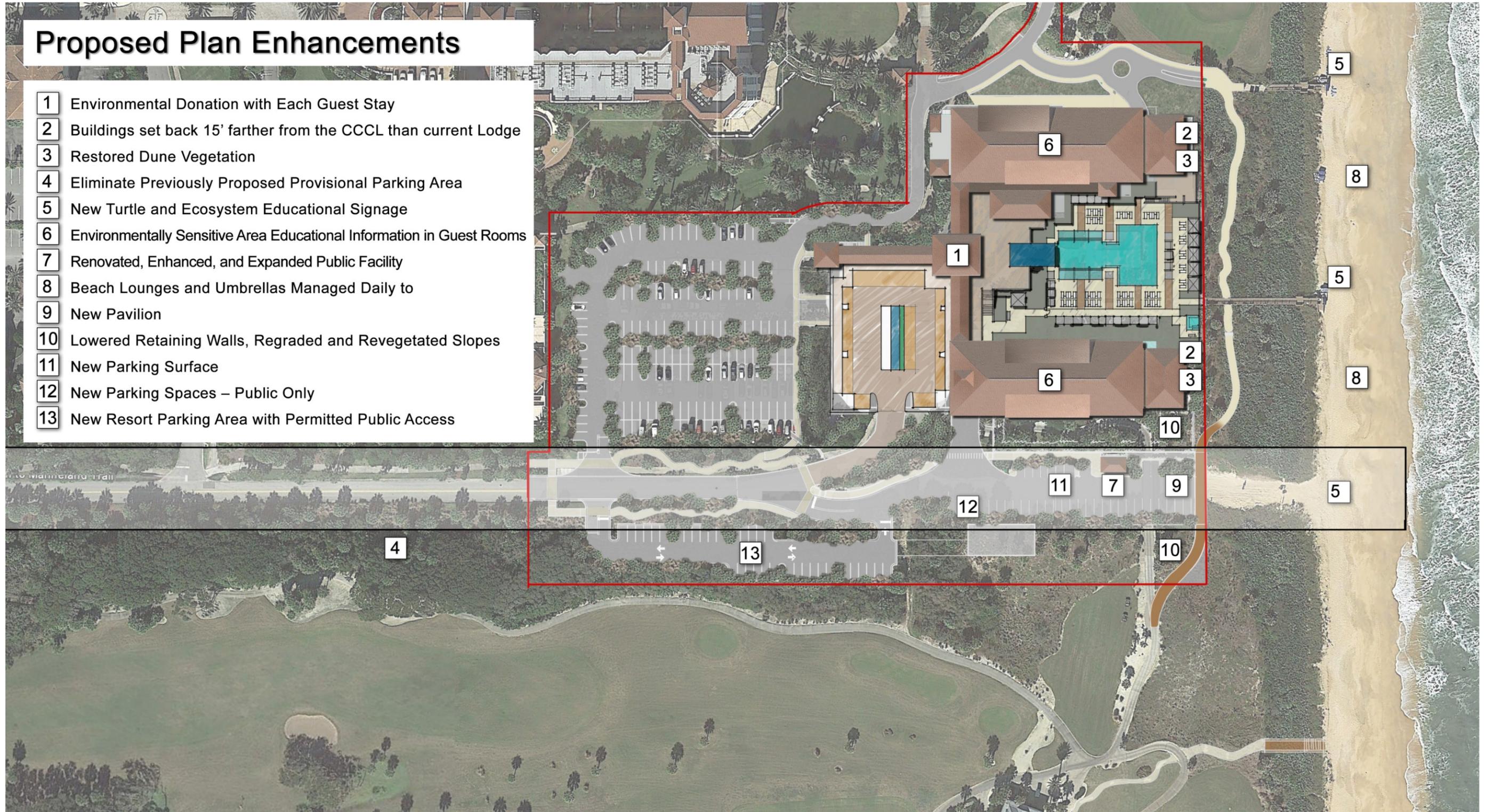
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REVISED CONCEPTUAL NEW LODGE PLAN

Proposed Plan Enhancements

- 1 Environmental Donation with Each Guest Stay
- 2 Buildings set back 15' farther from the CCCL than current Lodge
- 3 Restored Dune Vegetation
- 4 Eliminate Previously Proposed Provisional Parking Area
- 5 New Turtle and Ecosystem Educational Signage
- 6 Environmentally Sensitive Area Educational Information in Guest Rooms
- 7 Renovated, Enhanced, and Expanded Public Facility
- 8 Beach Lounges and Umbrellas Managed Daily to
- 9 New Pavilion
- 10 Lowered Retaining Walls, Regraded and Revegetated Slopes
- 11 New Parking Surface
- 12 New Parking Spaces – Public Only
- 13 New Resort Parking Area with Permitted Public Access



PROJECT # 20120354

12/09/2014