

**Appendix J**  
**Land Donation Agreement\***

**\* Does not include associated appendix and attachments. These documents are available from the Airport Sponsor.**

## Land Donation Agreement

Between

**Panama City - Bay County Airport:and Industrial District**

and

**The St. Joe Company**

This Land Donation Agreement (this "Agreement") made and entered into this 22<sup>nd</sup> day of August, 2006, by and between the Panama City-Bay County Airport and Industrial District (the "District"), an independent special district of the State of Florida, and The St. Joe Company ("JOE"), a Florida corporation (collectively, the "Parties").

WITNESSETH:

WHEREAS, as early as the 1960s the District recognized the need for expanded facilities and runways at the existing Panama City-Bay County International Airport (the "Existing Airport"); and

WHEREAS, in the 1970s the Federal Aviation Administration (the "FAA"), various regulatory agencies and Governor Claude Kirk reviewed plans to extend the primary runway at the Existing Airport; and

WHEREAS, plans to extend the primary runway did not proceed at that time due to inadequate funding and community concerns about the environmental and social impacts of extending the primary runway; and

WHEREAS, in 1987 a District master plan approved by the FAA recommended the expansion of the terminal facilities and again recommended the extension of the primary runway; and

WHEREAS, plans to extend the primary runway were delayed due to community concerns about environmental and social impacts; and

WHEREAS, in 1993 the Panama City Commission and the Bay County Board of County Commissioners entered into an interlocal agreement backing bonds to improve terminal facilities, held public meetings and completed a substantial deviation of its Development of Regional Impact in order to permit expansion; and

WHEREAS, in 1994 the District initiated environmental studies and permitting to extend its 6,300 foot primary runway by 1,700 to 2,200 feet into Goose Bayou, requiring an estimated 42 acres of fill in North Bay, including 14 acres containing seagrasses; and

WHEREAS, over the next four years the District conducted environmental studies and pursued environmental permits seeking permission from the state to extend the runway; and

WHEREAS, throughout the four year time period, certain concerned citizens and environmental advocacy groups opposed plans to extend the runway; and

WHEREAS, in June of 1998, in response to opposition to the runway extension plans, the District initiated studies to explore other alternatives to improve the Existing Airport; and

WHEREAS, the District initiated discussions with JOE to seek its support for an improved and expanded airport; and

WHEREAS, such discussions led to a proposal that included the possible charitable donation of land by JOE to relocate the Existing Airport to achieve the objectives of additional air traffic and overall safety improvements; and

WHEREAS, on November 23, 1998, the District placed runway extension plans on hold and initiated the process of determining the feasibility of a replacement airport facility; and

WHEREAS, on November 17, 1999, after nearly 18 months of consideration, JOE formally indicated its willingness to make a charitable contribution of up to 4,000 acres in west Bay County to the District to allow it to further explore the feasibility of a replacement airport facility; and

WHEREAS, on April 12, 2001, following feasibility studies and a site evaluation analysis, the FAA provided a tentative, advisory determination under

14 CFR Part 157 that, subject to certain specified conditions, a proposed relocation of the Panama City-Bay County International Airport (the "Airport") to a site in west Bay County would not adversely affect the safe and efficient use of local airspace; and

WHEREAS, on November 6, 2001, the District, JOE and the Bay County Board of County Commissioners entered into an agreement to prepare an optional sector plan on approximately 75,000 acres in west Bay County in order to seek citizen participation and develop a vision for the Airport, including planning for compatible area land uses and environmental conservation; and

WHEREAS, the West Bay Area Sector Plan provides a blueprint for the area land uses including the Airport and the creation of the West Bay Preservation Area, a plan that proposes to protect the West Bay environment forever and mitigate environmental impacts of the relocated airport development; and

WHEREAS, on September 24, 2002, the Bay County Board of County Commissioners unanimously adopted the West Bay Sector Plan overlay map and policies; and

WHEREAS, at the District's request the FAA initiated an Environmental Impact Statement process and held a public meeting on May 13, 2003, in order to receive initial public comment on alternatives to expand or relocate the Existing Airport; and



WHEREAS, on December 11, 2003, the Bay County Board of County Commissioners adopted the West Bay Detailed Specific Area Plan and the Airport Detailed Specific Area Plan providing land use approval for the Airport and adjacent compatible uses and environmental conservation; and

WHEREAS, the District has initiated an airport master planning process in accordance with FAA guidelines and requirements, and such process will include preparation of an Airport Master Plan and an Airport Layout Plan ("ALP"), and such Airport Master Plan and ALP will provide that the Airport will have sufficient infrastructure and facilities necessary for the operation of a public commercial service airport at a service level equal to or greater than that provided at the Existing Airport; and

WHEREAS, resolutions, proclamations and letters in support of the Airport have been adopted by the Bay County Commission, the Panama City Beach City Council, the Washington County Commission, the Gulf County Commission, the Franklin County Commission, the City of Port St. Joe Commission, the City of Callaway Commission, the Town of Cedar Grove Council, the City of Parker Council, the City of Lynn Haven Commission, the Panama City Beach Convention and Visitors Bureau, Inc., the City of Springfield Commission, the City of Wewahitchka Commission, the Bay County Chamber of Commerce, the Panama City Beach's Chamber of Commerce, the Bay County Tourist Development Council and Gulf Coast Workforce Board; and

WHEREAS, the FAA released a Draft Environmental Impact Statement in November 2004 and thereafter, in order to seek public comment on the alternatives to expanding or relocating the Existing Airport, held a public hearing on January 11, 2005, and received written comments through January 28, 2005; and

WHEREAS, the FAA issued a Notice of Availability for the Final Environmental Impact Statement (FEIS) in the Federal Register on May 12, 2006 and received written comments through July 5, 2006; and

WHEREAS, JOE recognizes the potential public benefits that can be promoted by the Airport, including (i) attracting additional air carriers to the region and thereby benefiting the public by bringing better air service to Northwest Florida; (ii) protecting the environment; (iii) creating a higher quality planning standard for Bay County; (iv) creating new jobs for the region; (v) benefiting the United States military and specifically Tyndall Air Force Base through the reduction or elimination of air space conflicts; and (vi) creating potential economic development for Bay County; and

WHEREAS, JOE desires to support the project through the charitable contribution of its land as set forth herein; and

WHEREAS, JOE wishes to ensure that its contribution of land is used for its intended charitable purpose as a federally-funded, grant-obligated, public-use

airport and the District wishes to provide JOE with assurances and legally enforceable rights to ensure that the donated land be used for such purposes;

NOW, THEREFORE, in consideration of the mutual premises and covenants contained herein, the District and JOE hereby agree as follows:

1. Contribution of Airport Property. Subject to the terms and conditions set forth herein, and in consideration of the premises provided in this Agreement, JOE will transfer to the District by Special Warranty Deed the property consisting of approximately 4,000 acres of land as specified in *Exhibit A* (the "Airport Property"). The transfer of the Airport Property is subject to the occurrence of the following events:

- a. The District has received final federal, state and local governmental permits and approvals required for the construction, equipping and operation of the new Airport as generally described in *Exhibit B* (the "Improvements"), and all applicable appeal and challenge periods for such permits, approvals and authorizations have either expired or, with respect to any federal challenge periods, the requirement that such challenge period shall have expired in order for the District to comply with this provision of the Agreement shall have been waived by JOE in its sole discretion;
- b. The District has the authority, pursuant to special acts and general law, to construct the Improvements and to perform the terms of this Agreement; and



- c. Either (i) the District has secured and has available all funds that are required to pay for the construction, equipping and operational costs of the Improvements or (ii) the District has presented documentation demonstrating that it is reasonably certain that all funds that are required to pay for the construction, equipping and operational costs of the Improvements will be available to complete the Improvements in accordance with this Agreement.

On or before the Deadline (as hereinafter defined), the District shall deliver to JOE a certificate (the "Compliance Certificate") certifying that the events set forth in paragraphs 1(a), (b) and (c) above have occurred. The District shall attach to the Compliance Certificate such documentation as may be necessary to demonstrate the accuracy of the certifications. "Deadline" shall mean December 1, 2006; provided, however, that if the District is diligently pursuing the Ecosystem Team Permit, the FEIS, the FAA Record of Decision, the U.S. Army Corps of Engineers 404 permit, state and federal funding and/or bonding backed by the sale of the Existing Airport (if required), the Deadline shall be December 1, 2007. Notwithstanding the foregoing, if the District and the FAA have entered into a letter of intent for the financing of the federal share of the funds necessary to complete the full construction of the Airport and the District is diligently pursuing the Ecosystem Team Permit, the FEIS, the FAA Record of Decision and the U.S. Army Corps of Engineers 404 permit, the Deadline shall be December 1, 2008. Notwithstanding the foregoing, the Deadline may be extended by JOE in its sole discretion.

JOE shall have 30 days after receipt of the Compliance Certificate to verify the accuracy of the information contained therein and to notify the District in writing whether or not JOE is satisfied that the certifications in the Compliance Certificate are accurate and in compliance with this Agreement (the "JOE Certificate"). If the JOE Certificate indicates that JOE is satisfied, JOE shall transfer to the District title as outlined herein to the Airport Property by delivery to the District of a Special Warranty Deed within 15 days of the delivery of the JOE Certificate (the "Closing Date").

If the JOE Certificate indicates that JOE has determined that the certifications in the Compliance Certificate are not accurate and/or are not in compliance with this Agreement, the basis for such determination shall be disclosed in writing to the District at the time of delivery of the JOE Certificate. The District shall have 90 days after receipt of the JOE Certificate to satisfy the objections of JOE. If JOE determines that the District has satisfied its objections within such 90 days, JOE shall so notify the District and shall transfer to the District fee simple title, subject to normal and customary permitted exceptions, including mineral rights existing on the property, to the Airport Property by delivery to the District of a Special Warranty Deed within 15 days of such notice (the "Closing Date").

In the event that JOE fails to deliver to the District a Special Warranty Deed as required by the foregoing, and such failure continues for 30 days after JOE's receipt of written notice thereof from the District, the District shall have

the right to file an action seeking injunctive relief and/or specific performance of JOE's obligations under this Agreement.

If (i) a Compliance Certificate is not delivered on or before the Deadline or (ii) a Compliance Certificate delivered on or before the Deadline is deemed by JOE not to be accurate and/or not in compliance with this Agreement and JOE's objections are not satisfied by the District within 90 days after the District's receipt of the JOE Certificate, then this Agreement shall terminate and the District and JOE shall be relieved of their respective obligations contained herein unless the Parties mutually agree otherwise in writing.

- d. The Airport Property shall be occupied and used by the District for the construction, operation and maintenance of a federally-funded, grant-obligated, public-use airport according to the requirements of applicable federal planning and engineering standards and to the federally-approved Airport Layout Plan ("ALP") as more fully set forth in **Exhibit B**. In the event that (i) the District elects to abandon or fails to diligently pursue the relocation of the Airport, (ii) a final judicial decision renders the relocation of the Airport infeasible, (iii) construction of the Airport has not commenced within two years of the Closing Date, or (iv) the Airport has not opened for public use within five years of the Closing Date, JOE shall have the right to cause the Airport Property, in whole or in part (in JOE's sole discretion), to revert back to JOE, its successors or assigns, who thereupon may immediately re-enter and take possession of the Airport Property free and clear of all claims, liens or

encumbrances, including any of the District; provided, however, that JOE shall reimburse the FAA, the Florida Department of Transportation and the District for (i) any grant funds disbursed by them for planning and construction of the Airport and (ii) any funds directly expended by them to third parties in connection with the construction of the Airport.

The provisions of this paragraph 1(d) shall survive the transfer of the Airport Property to the District, and shall be incorporated into the Special Warranty Deed.

2. Encumbrance of *Mitigation* Lands. The Parties acknowledge that the District will be unable to receive all of the permits set forth in Paragraph 1(a) unless land necessary to mitigate for the environmental impacts of the Improvements on the Airport Property (the "Mitigation Lands") is available. Within 30 days after presentation by the District to JOE of evidence satisfactory to JOE that, but for the placement of a conservation easement on the Mitigation Lands, the District will receive the permits and the events set forth in paragraphs 1(a), (b) and (c) have occurred or are reasonably expected to occur, JOE agrees to encumber the Mitigation Lands by a conservation easement (the "Conservation Easement"); provided, however, the obligation to encumber the Mitigation Lands is subject to the following conditions:

a. The amount and location of the Mitigation Lands needed to offset the environmental impacts disclosed in the FEIS shall be limited to those areas defined by **EXHIBIT C** (the "Survey") attached hereto (also to be identified as

Exhibit A of the Conservation Easement). The District agrees that if EXHIBIT C attached hereto is materially different in defining the amount and location of the Mitigation Lands as compared to the amount and location of Mitigation Lands referenced in either the Ecosystem Management Agreement ( "EMA ) issued by the Florida Department of Environmental Protection or the 404 permit issued by the U.S. Army Corps of Engineers, then the District, not JOE, will be obligated to take whatever action or provide whatever assurances are deemed necessary by the permitting agencies to offset the environmental impacts disclosed in the FEIS

- b. The uses permitted on the Mitigation Lands shall be limited to those uses consistent with *the* Conservation Easement on the subject Mitigation Lands as well as conditions set forth under the EMA to be issued by the Florida Department of Environmental Protection and incorporated into the U.S. Army Corps of Engineers 404 permit currently under review (collectively referred to as the "Mitigation Plan").
- c. The District shall be solely responsible for the management, implementation and costs of the Mitigation Plan and such obligation shall be set forth in the Conservation Easement.
- d. Subject to the provisions of Paragraph e below, the Conservation Easement shall be perpetual and shall contain restrictions deemed necessary by the permitting agencies, including the Florida Department of Environmental

Protection and the U.S. Army Corps of Engineers, for issuance of their respective permits.

e. In the event that the District fails to commence construction of the Improvements on the Airport Property within two years of the Closing Date, JOE shall have the option to either file an action seeking injunctive relief and/or specific performance of the District's obligations under this Agreement or to request that the District, and the District agrees upon receipt of such request, to surrender the permit for which the Conservation Easement was issued and cause the Conservation Easement to be terminated, and the Conservation Easement shall contain provisions consistent hereto.

3. *Access Road and Utilities.* The District agrees to construct, in accordance with Florida Department of Transportation construction standards and the roadway standards set forth in the West Bay Detailed Specific Area Plan, a four-lane divided access road connecting the Airport Property to County Road 388 (the "Access Road") and to provide utilities to the Airport Property as required to operate the Improvements. The Access Road shall be located in the general area depicted on the map attached as Exhibit D. JOE agrees to make a charitable donation to the District such real property as is reasonably required to construct the Access Road and to provide easements or land as necessary to construct water, sewer, gas, electrical and other utility lines to provide service to the Airport Property. JOE and the District each acknowledge that the funding of

the construction of the Access Road and utilities will be in accordance with all applicable federal requirements.

- a. JOE, its affiliates, successors and assigns, shall have the right to use the Access Road for access to property of JOE or its affiliates, or their successors or assigns, and the Access Road will be encumbered with an easement allowing such use by JOE and its affiliates, or their successors or assigns.
- b. JOE and its affiliates, or their successors or assigns, shall also have the right, but not the obligation, to receive water, sewer, gas, electrical and other utilities service from the lines constructed in the Access Road right of way or elsewhere on Airport Land to provide service to the Airport Property, provided that such lines have sufficient capacity, beyond that required by the District to operate the Improvements and to accommodate a reasonable amount of future expansion by the District, for the proposed use by JOE and its affiliates, or their successors or assigns, and JOE and its affiliates, or their successors or assigns, agree to pay the impact fees and user charges that are uniformly charged to other customers by the provider of such water, sewer, gas, electrical or other utilities services. The District shall cooperate with JOE in increasing the capacity of water, sewer, gas and other utilities service for use by JOE and its affiliates, or their successors or assigns, provided that JOE and its affiliates, or their successors or assigns, shall be responsible for the incremental cost for improvements beyond those that would otherwise be constructed to meet the needs of the Airport.

c. JOE consents to the subsequent transfer of the Access Road to the State of Florida or another governmental entity, provided that the state or other governmental entity accepts the easement and agrees in writing to be bound by the obligations of the District to JOE and its affiliates, or their successors or assigns, concerning the use of the Access Road and the construction of utilities. Any such transfer must comply with all applicable federal requirements.

d. JOE agrees that its use of the Access Road shall not impede the ability of normal motor vehicle traffic to enter or leave the Airport.

4. *Economic Development.* The District and JOE agree that economic development in Bay County and Northwest Florida is a primary goal of this Agreement. As such, the Parties agree to cooperate on specific strategies to market the Airport Property and the West Bay Area Sector Plan to attract new industries consistent with the uses contemplated in the map and policies adopted by the Bay County Board of County Commissioners known as "Chapter 12" of the Bay County Comprehensive Plan. In order to facilitate these strategies, the Parties agree that in the event that JOE sells or otherwise transfers real property adjacent to or near the Airport Property for the purpose of locating industries or businesses that desire to have access to the facilities of the Airport, the District agrees to provide such access consistent with the interest of the District in ensuring the safety and security of the airfield and providing for the financial self-sustainability of the Airport. Notwithstanding the foregoing, the terms and



conditions of any such access, including the location of infrastructure, the method of controlling access and assessment of access fees and the protection of the ability of the District to adhere to its federal obligations shall be subject to the prior approval of the FAA and shall be in compliance with all applicable FAA rules and the District's federal grant obligations. The District's agreement to provide such access shall also be subject to the laws administered by the Florida Department of Environmental Protection and the U.S. Army Corps of Engineers regulating development activities related to such assets.

5. Appraisals, Receipts, *Etc.* The District agrees to cooperate fully with JOE with respect to the steps necessary for JOE to claim charitable contribution deductions under Internal Revenue Code (the "Code") Section 170 and the Treasury Regulations promulgated thereunder with respect to the charitable contributions contemplated by this Agreement. Among other things, this shall include the timely issuance by the District to JOE of all appropriate written receipts and acknowledgements in the prescribed form and the cooperation by the District with respect to all appropriate appraisals; provided, however, that the District shall not be financially responsible for the cost of such appraisals. JOE recognizes that the District may be required to undertake a separate appraisal as part of its funding obligations, the cost of which will be the responsibility of the District.

6. *Arbitration.* In the event of a breach of the terms of this Agreement, the Parties shall have available to them all legal and equitable remedies, including specific

pursuant to this Agreement, the District hereby (a) irrevocably waives any and all objections to JOE's standing to enforce its rights under this Agreement and (b) represents and warrants that it will not object to or challenge in any way the legal standing of JOE, its successors and assigns, to enforce its rights under this Agreement.

8. Interpretation. In the event that any provision of this Agreement shall be held to be invalid, such provision shall be null and void; however, the validity of the remaining provisions of this Agreement shall not in any way be affected thereby. The headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement. The Parties understand that a substantial number of additional agreements, deeds, restrictive covenants and other documentation will be required as a result of fulfilling the terms, conditions, purposes and goals of this Agreement, and the Parties agree to work in good faith to prepare and then execute such other legal instruments that are required to satisfy and effectuate the terms, conditions, purposes and goals of this Agreement.

9. *Uncontrollable* Circumstances and Time Periods. Neither party shall be obligated to perform or fulfill a particular duty or responsibility within the time periods specified herein if such performance is delayed as a result of an "Uncontrollable Circumstance," which shall mean an act which is beyond the reasonable control of the party relying thereon and shall only include (i) acts of God, such as storm, hurricane, flood or earthquake; (ii) civil disturbances, such

as riots, revolutions, rebellion or insurrections; (iii) acts of terrorism; (iv) accidents or disruptions, such as fire or explosions; and (v) labor difficulties, such as strikes, lockouts or sabotage. During the occurrence of an Uncontrollable Circumstance, each party will take reasonable steps to continue performance of its obligations to the extent possible. If an Uncontrollable Circumstance presents or delays a party's performance, the party claiming an Uncontrollable Circumstance shall notify the other in writing as soon as reasonably possible of the commencement of such Uncontrollable Circumstance, the nature of the Uncontrollable Circumstance, its impact and its anticipated duration, and a proposed date for completion of the party's performance. The Parties shall then mutually agree to the establishment of new time periods for the performance of the duty or responsibility that was delayed by the Uncontrollable Circumstance. As soon as reasonably possible following the termination of the Uncontrollable Circumstance, the party claiming an Uncontrollable Circumstance shall provide the other with written notice of its termination.

10. FAA Review Required. The Parties agree that this Agreement is subject to written acknowledgement by the FAA that the Agreement is consistent with FAA rules and guidelines applicable to the District's current and future federal obligations, and such acknowledgement shall be attached to this Agreement as Exhibit E. The Parties acknowledge that the District is expected to enter into FAA grant assurances or other federal agreements in the future to support the development or operation of the Airport Property as provided under federal law and that in the event that the provisions of such agreements conflict with

Sections 3 through 14 of this Agreement, the provisions of such agreements shall control.

11. Subsequent Transfers. Other than the transfer of the Airport Property to another governmental authority or entity ("public entity") as the airport sponsor, (a) if at any time the District desires to assign, sell, transfer, convey, lease (other than an Exempt Lease, as defined in subparagraph (e) below) or grant ("Transfer") all or any portion of the District's right, title or interest in or to the Airport Property (the "Offered Land") to a non-public entity, then the District shall submit a written notice (the "Transfer Notice") of such intention to JOE. The Transfer Notice shall disclose the Offered Land proposed to be Transferred, the terms and conditions, and the proposed price. The Transfer Notice shall further state that, in accordance with the provisions of this Agreement, all but not less than all of the Offered Land may be Transferred to JOE for the price and upon the other terms and conditions set forth therein. Within 30 days of its receipt of the Transfer Notice, JOE will notify the District in writing (the "JOE Notification") if it desires to accept the Transfer of the Offered Land on the terms, conditions and price set forth in the Transfer Notice or if it is willing to purchase or lease, as applicable, the Offered Land on different terms and conditions or at a different price, which shall be indicated in the JOE Notification. If JOE accepts on the terms, conditions and price set forth in the Transfer Notice, the Offered Land shall be transferred to JOE on such terms, conditions and price as set forth in subparagraph (d) below. If JOE indicates different terms, conditions or price, JOE and the District shall negotiate in good faith the terms, conditions and price

of the Transfer. If JOE and the District agree upon terms, conditions and price within 60 days (the "Negotiation Period"), the Offered Land shall be transferred to JOE at the agreed upon terms, conditions and price as set forth in subparagraph (d) below, provided such terms, conditions and price specified in the transfer notice are at Fair Market Value.

(b) If JOE does not send a JOE Notification to the District within the 30 day period specified above or if JOE and the District do not agree upon terms, conditions and price within the Negotiation Period, the Offered Land may be Transferred to a third party at any time within 180 days after the date of the Transfer Notice on terms, conditions and price not more favorable than those specified in the Transfer Notice or after the expiration of the Negotiation Period on terms, conditions and price not more favorable than the terms, conditions and price indicated in the JOE Notification, as the case may be. Any Offered Land not Transferred within such 180-day period shall continue to be subject to the requirements set forth in this paragraph 11. In connection with such Transfer, any third party transferee shall agree to be bound by the terms of this paragraph 11.

(c) Prior to any transfer of Offered Land by sale or conveyance, the District, as airport sponsor, shall obtain authorization from the FAA for the transfer of the Offered Land and a release from the federal obligations related to the property. Prior to the conversion of any previously identified aeronautical property to a non-aeronautical use, the District, as airport sponsor, shall obtain authorization from

the FAA for any land use changes and obtain any necessary releases from federal obligations related to the property.

(d) The Transfer of the Offered Land to JOE shall be made 30 days following JOE's acceptance (or if such 30<sup>th</sup> day is not a business day, on the next succeeding business day); provided authorization for any disposal or release of the federal obligations for the Offered Land has been provided to the District by the FAA. Such Transfer shall be effected by the District's delivery to JOE of a Special Warranty Deed or lease, as the case may be, against payment to the District by JOE of the price in accordance with the Transfer Notice or as agreed upon by JOE and the District during the 60 day negotiation period.

(e) An "Exempt Lease" shall mean a lease (i) for an in terminal use, or (ii) for aeronautical services or aviation or aviation support facilities (including, without limitation, passenger air carrier services, air cargo and air courier services where such operation requires direct runway access, air ambulance services, air charters, aircraft and flight support services necessary to support the operation of aircraft, air traffic control facilities, fuel storage facilities, aircraft and aircraft component manufacturing and assembly where such operation requires direct runway access, aircraft and aircraft component research and development facilities where such operation requires direct runway access, pilot training and flight schools, aircraft rental and sightseeing, aerial photography and surveying, crop dusting and other agricultural applications, aerial advertising and banner towing, aircraft and aircraft component sales and services where such operation requires direct runway access, sale of aviation petroleum products, repair and

maintenance of aircraft and aircraft components where such operation requires direct runway access, aircraft tie down and storage, corporate and private hangar facilities, aerial firefighting, power line or pipeline patrol, fixed base operation services, airport parking facilities, and rental car storage and service facilities

(f) Notwithstanding the foregoing, the provisions of this Paragraph 11 shall expire at the end of the fiftieth (50<sup>th</sup>) year following the Closing Date.

(g) Notwithstanding the foregoing, the provisions of this Paragraph 11 shall not be construed to grant approval to the District to transfer its interest as the sponsor of the Airport to JOE.

(h) Notwithstanding the foregoing, a lease for any use with a term, including renewals, of less than ten (10) years shall also be considered an Exempt Lease.

12. No Naming Rights. Although JOE shall have the right to disclose to the general public the charitable contributions contemplated and effectuated by this Agreement, JOE shall have no rights with respect to the name of the Airport Property and/or any improvements that are located thereon. A suitable tangible acknowledgement of JOE's charitable contribution with respect to the Airport Property may be placed in one or more locations at or near the Airport, but only if and to the extent that the District so agrees.

13. Closing Costs. All closing costs related to the transfer of land set forth in this Agreement shall be paid for by the District, except as otherwise provided in paragraph 5. Such costs include surveys, title commitments, recording fees, and document stamps.

14. *Donation of Land "As Is"*. The Airport Property and Mitigation Lands shall be donated in "as is" condition with no obligation on the part of JOE to undertake any improvements or to clear any exceptions to title. The Airport Property and Mitigation Lands shall be donated free of any mortgages or financial liens.

15. Successors and Assigns. This Agreement shall be binding on the Parties respective successors and assigns

### SIGNATURES

#### PANAMA GIN-BAY COUNTY AIRPORT AND INDUSTRIAL DISTRICT

By: Joseph K. Tanshill  
Name:  
Title:

#### THE ST. JOE COMPANY

By: Peter Runner  
Name:  
Title: