

**SPECIAL MEETING OF JACKSON MUNICIPAL
AIRPORT AUTHORITY BOARD OF COMMISSIONERS
DECEMBER 11, 2015**

I. CALL TO ORDER/ROLL CALL/DECLARATION OF QUORUM

The Board of Commissioners (the “Board”) of the Jackson Municipal Airport Authority (the “Authority” and “JMAA”) convened its Special Meeting in the Community Room, Main Terminal Building, Jackson-Medgar Wiley Evers International Airport (“JAN”), in Jackson, Mississippi, at 1:00 p.m. on Friday, December 11, 2015 (the “Meeting”), pursuant to proper notice. A copy of the Notice is attached as an Exhibit to the December 11, 2015 Special Meeting Minutes.

Chairman Rosie L.T. Pridgen, Ph.D., presided, called the Meeting to order at 1:00 p.m. and called the roll of Commissioners.

The following Commissioners were present, in person, during roll call for a quorum at the Special Board Meeting:

Rosie L.T. Pridgen, Ph.D., Commissioner and Chairman
Vernon W. Hartley, Sr., Commissioner
Evelyn O. Reed, Commissioner

The following Commissioners attended the Special Board Meeting telephonically:

LaWanda D. Harris, Commissioner (She answered “present” during the quorum roll call.)

Pastor James L. Henley, Jr., Commissioner and Vice Chairman (He connected telephonically at approximately 1:01 p.m., after the Invocation.)

Chairman Pridgen, Ph.D., announced that a quorum was present at the Special Meeting, as required by the Bylaws of the Authority, and announced that the Meeting would proceed with discussion of the Agenda (the “Agenda”) for the Special Meeting of the Board scheduled for 1:00 p.m. on Friday, December 11, 2015 in the Community Room, Main Terminal Building, Jackson-Medgar Wiley Evers International Airport (“JAN”), in Jackson, Mississippi. The following other persons were also present at the Meeting:

Carl D. Newman, A.A.E., JMAA Chief Executive Officer
Perry Miller, JMAA Chief Operating Officer
John L. Walker, Esq., Walker Group, PC Attorneys at Law
Kevin Bass, Esq., Walker Group, PC Attorneys at Law
Regina May, Esq., The May Law Firm, PLLC Attorneys at Law
John Richard May, Jr., Esq., The May Law Firm, PLLC Attorneys at Law
And persons listed on [EXHIBIT A: Sign in Sheet for 12-11-15](#)

II. INVOCATION

Chairman Rosie L.T. Pridgen, Ph.D., gave the Invocation.

Vice Chairman Pastor Henley joined the meeting telephonically at this point in the meeting.

III. ACCEPTANCE OF NOTICE

- A.** Notice of the Special Meeting of the Board of Commissioners (“The Board”) of the Jackson Municipal Airport Authority (“JMAA”) December 11, 2015 at 1:00 p.m.

RESOLUTION CY-2015-185

APPROVAL OF THE NOTICE OF THE DECEMBER 11, 2015 SPECIAL MEETING

After discussion and review, and upon the motion made by Commissioner Reed, seconded by Commissioner Hartley, and approved by the majority vote 4-0-1 of the Commissioners, the following resolution was made and entered.

RESOLVED, that the Board hereby approves the Notice of the December 11, 2015 Special Meeting and directs that said notice be filed in the appropriate minute book and records of the Authority.

Yeas: Hartley, Harris, Pridgen, Reed

Nays: None

Abstentions: Henley

December 11, 2015

IV. PUBLIC COMMENTS

None

V. REPORTS

A. Chief Executive Officer

Mr. Carl D. Newman, A.A.E., CEO, addressed comments to the Board as he went through Agenda items and made references to supporting documentation in the Packet for 12-11-15 (“Special Meeting Packet”). The Special Meeting Packet is attached as an Exhibit to the December 11, 2015 Special Meeting Minutes.

Mr. Newman stated that the purpose of the December 11, 2015 Special Meeting is for the Commissioners to consider a Resolution allowing JMAA to enter into a Lease Option Agreement with Freedom Real Estate, LLC (“Freedom”), for the lease of approximately 130 acres owned and/or controlled by JMAA, which is bound by Lakeland Drive on the north and

Airport Road on the west. The lease agreement will be for forty (40) years and the rent will be based upon appraisals of the property, if the option to lease is exercised.

Mr. Newman then invited the representatives from Freedom Real Estate, LLC to address the Board.

At this point, Attorney John Walker informed the Board that in accordance with Mississippi Code of 1972 Annotated § 25-4-7(4)(g), the Board is authorized to discuss the Lease Option Agreement in Executive Session, if the Board so chooses.

OPEN SESSION

Vice Chair Pastor Henley then moved that the Board enter into a Closed Session to discuss whether to go into an Executive Session to discuss the Lease Option Agreement, and Commissioner Reed seconded the motion.

The Board by a vote of 5-0, resolved that the session be closed. Chairman Dr. Pridgen asked all, except Mr. Carl D. Newman, A.A.E., CEO, and attorneys from Walker Group, PC and The May Law Firm, to leave the room.

All present with the exceptions noted were directed to vacate the room; this was done.

The Board went into Closed Session at 1:08 p.m.

CLOSED SESSION

The Board of Commissioners discussed whether to enter into Executive Session at that time. After the discussion, the Board decided to proceed in Open Session to allow all Commissioners and audience members the opportunity to hear the presentation by Freedom Real Estate, LLC's representatives.

Commissioner Hartley moved that the Board end the Closed Session and enter into Open Session and Commissioner Reed seconded the motion. The Commissioners voted 4-1-0 to return to Open Session for the stated purposes. The votes were as follows:

Yeas: Hartley, Harris, Pridgen, Reed

Nays: Henley

Abstentions: None

The Closed Session ended at 1:26 p.m.

OPEN SESSION

Chairman Dr. Pridgen invited all persons outside the room to re-enter and some did.

Chairman Dr. Pridgen stated in Open Session that the Board, during Closed Session, discussed whether to enter into Executive Session, but decided not to enter into Executive Session at that point.

Mr. Newman then invited Jeff J. Dungan, PE, PLS with Dungan Engineering and Mr. Ronald Harvey and Mr. Charles Theus with Freedom Real Estate, LLC to address the Board.

1. Presentations Regarding Proposed Development Project

(a) Jeff Dungan, PE, PLS, with Dungan Engineering

Mr. Dungan is a Professional Engineer who is working with Freedom on this proposed project. He provided information as to the property on which the proposed project will be located. Then, he explained the due diligence as to the subject property which will be conducted through surveys, inspections, environmental studies, etc. to ensure the subject land is suitable for the proposed development. He displayed a visual of the proposed development as a part of his PowerPoint Presentation. The PowerPoint Presentation is attached as an Exhibit to the December 11, 2015 Special Meeting Minutes.

(b) Ronald Harvey, Freedom Real Estate, LLC

Mr. Harvey, a Mississippi native who attended Jackson State University where he was a member of the football team, provided some historical background as to Freedom. He thanked the Board for considering the proposed Option Agreement with Freedom and expressed Freedom's excitement about the opportunity to bring economic development to Jackson-Medgar Wiley Evers International Airport and the area surrounding it.

(c) Charles Theus, Freedom Real Estate, LLC

Mr. Theus provided some details concerning the proposed development project. He informed the Board that an anchor store tenant and four (4) other tenant stores are already committed to leasing space in the proposed development and have executed Letters of Intent. He further stated that eighteen (18) other potential tenant stores are standing by and willing to execute Letters Of Intent after the land is leased. He informed the Board that the development will be between 350,000 and 500,000 square feet. Additionally, he provided information about Freedom's previous development projects

Next, Mr. Newman invited Attorney John May to address the Board to provide the salient points of the proposed Lease Option Agreement.

2. Terms of Proposed Agreement.....Page 1¹

(a) John R. May, Jr., Esq., May Law Firm, PLLC

Attorney May then provided details concerning the proposed Lease Option Agreement, which provides Freedom with 270 days to conduct due diligence to determine if the land covered by the proposed Lease Option Agreement is fit for the proposed development. If Freedom exercises the Option to lease the land in question, it will enter into a Lease Agreement with JMAA for forty (40) years. In exchange for the Lease Option, JMAA will receive from Freedom \$25,000 and all documents, etc., as to any surveys, title reports, testing, etc., of the land in question. Further, JMAA is agreeing to enter into a lease agreement with Freedom if the property is deemed proper for the proposed development and Freedom chooses to proceed with the development project. The basic terms of the potential lease are included in the Resolution authorizing the Lease Option Agreement. Freedom will be able exercise its option during the 270 day period by leasing at least 50 acres of property in question from JMAA.

In response to Commissioner Harris's inquiry as to the recipient of the revenue from the proposed development, Attorney May informed the Board that as to the land owned by JMAA, the revenue generated from the lease agreement will be received by JMAA.

OPEN SESSION

Commissioner Reed then moved that the Board enter into a Closed Session to discuss whether to go into an Executive Session to consider a matter that she believed could be discussed in Executive Session, and Commissioner Hartley seconded the motion.

The Board, by a vote of 5-0, resolved to close the session. Chairman Dr. Pridgen, asked all, except Mr. Carl D. Newman, A.A.E., CEO, and the attorneys from Walker Group, PC and The May Law Firm, to leave the room.

All present with the exceptions noted were directed to vacate the room and this was done.

The Board went into Closed Session at 1:43 p.m.

CLOSED SESSION

Commissioner Reed then moved that the Board enter into Executive Session to discuss the proposed Lease Option Agreement. Commissioner Hartley seconded the motion to enter Executive Session and the Commissioners voted 4-0-1 to enter Executive Session for the stated purposes. The votes were as follows:

Yeas: Hartley, Henley, Pridgen, Reed

¹ "Page #" refers to the page number in the Meeting Packet.

Nays: None
Abstentions: Harris

The Closed Session ended at 1:47 p.m.

OPEN SESSION

Chairman Dr. Pridgen, invited all persons outside the room to re-enter and some did.

Chairman Dr. Pridgen, stated in Open Session that the Board, during Closed Session, voted to enter into Executive Session to discuss the proposed Lease Option Agreement.

Chairman Dr. Pridgen asked all present, with the exception of Mr. Carl D. Newman, A.A.E. CEO, and the attorneys from Walker Group, PC and The May Law Firm, to leave the room.

The Board terminated the teleconference participation of Vice Chairman Pastor Henley and Commissioner Harris at this point.

The Board went into Executive Session at 1:49 p.m.

EXECUTIVE SESSION

During the Executive Session, the Board discussed matters as to the proposed Lease Option Agreement and took no action.

Upon motion by Commissioner Hartley, seconded by Commissioner Reed, and the unanimous approval of the Board Members participating in the Executive Session (3-0-0), the Executive Session was ended at 2:01 p.m.

VI. ACTION ITEMS

A. Option Agreement to Lease Real Estate: Request To Authorize JMAA's Chief Executive Office To Execute.....Page 2

Commissioner Harris was re-connected telephonically at 2:04 p.m. and she participated in the remainder of the meeting telephonically.

The Commissioners in attendance at the meeting attempted to again connect telephonically Vice Chairman Pastor Henley; however, they were unable to contact Vice Chairman Pastor Henley by telephone or text messaging.

RESOLUTION CY-2015-186

RESOLUTION AUTHORIZING EXECUTION OF A CONTRACT FOR OPTION TO LEASE REAL ESTATE BETWEEN FREEDOM REAL ESTATE, LLC AND JMAA FOR 130 ACRES OF PROPERTY OWNED AND/OR CONTROLLED BY JMAA LOCATED IN RANKIN

COUNTY, MISSISSIPPI AND BOUND BY LAKELAND DRIVE ON THE NORTH AND AIRPORT ROAD TO THE WEST, BUT EXCLUDING THE PARKWAY SHOPPING CENTER

Upon motion by Commissioner Hartley, seconded by Commissioner Reed, the following **RESOLUTION** was made and approved by a vote of 4-0.

WHEREAS, the Jackson Municipal Airport Authority (“JMAA”), a municipal airport authority organized and existing under the Airport Authorities Law of the State of Mississippi, Section 61-3-1 et seq., Mississippi Code of 1972, as amended, received an unsolicited proposal from Freedom Real Estate, LLC, a Mississippi limited liability company (“Freedom”), for the sale and/or lease of certain property owned and/or controlled by JMAA, consisting of approximately 130 acres and located in Rankin County, Mississippi and bound by Lakeland Drive on the north and Airport Road to the west, but excluding the Parkway Place Shopping Center (the “Property”), the legal description of which will be secured once the Property is surveyed by a certified Land Surveyor, jointly agreed upon by JMAA and Freedom, said surveys and legal descriptions being paid for by Freedom; and

WHEREAS, JMAA has thoroughly considered the unsolicited Freedom proposal and has determined that it is in the best interest of the Jackson Municipal Airport to enter into a Contract for Option to Lease Real Estate (“Contract Option”) with Freedom for a period not to exceed 270 days (“Option Period”) to allow Freedom the exclusive opportunity to determine the fitness of the Property for the proposed project, for which Freedom shall pay to JMAA an option fee of Twenty-Five Thousand Dollars (\$25,000) upon execution of the Contract Option; and

WHEREAS, Freedom must agree to lease no less than fifty (50) acres of the Property prior to expiration of the Option Period to effectively exercise the Option and further must lease at least fifty (50) acres to exercise any subsequent commitment from JMAA under the Contract Option; and

WHEREAS, both JMAA and Freedom have considered and acknowledged that should Freedom exercise its Option to lease the Property, the basic terms of said Ground Lease will include, but not be limited to the following:

1. The initial term of the Ground Lease will be for forty (40) years, and the rent for this initial forty-year term shall be determined by Section 61-3-19 of the Airport Authorities Law, subject to all applicable federal statutes and regulations, including any applicable regulations of the Federal Aviation Administration (“FAA”); and
2. During the initial forty-year term, said rental will be recalculated every fifth year of said Ground Lease in accordance with the appropriate Consumer Price Index to determine the amount that the rent will be increased, if any; and

3. The parties agree to negotiate in good faith for a maximum of two (2) consecutive extensions of the initial forty-year Ground Lease of five (5) years each with rental for said extensions to be determined based upon re-appraisal of the property at each said extension; and
4. If before expiration of the Option Period, Freedom exercises the option to lease at least fifty (50) acres of the Property, Freedom shall have a right of first refusal to lease all of the remaining Property for two (2) years after the date of the Closing of its first election to lease at least fifty (50) acres of the Property.

IT IS THEREFORE RESOLVED that JMAA has received and accepted the unsolicited proposal and request for a Contract Option on the Property from Freedom Real Estate, LLC in order for Freedom to determine the feasibility of leasing said Property for a commercial retail development.

IT IS FURTHER RESOLVED that JMAA hereby authorizes its Chief Executive Officer, Carl D. Newman, or his duly-appointed designee, to execute a Contract for Option to Lease Real Estate upon substantially the same terms and conditions appearing in this Resolution.

Yeas: Hartley, Reed, Pridgen, Harris
Nays: None
Abstentions: None

December 11, 2015

VII. ADJOURNMENT

Thereafter, it was moved by Commissioner Hartley, seconded by Commissioner Reed, and unanimously resolved (4-0-0) that the Special Meeting of the Board be ADJOURNED at 2:07 p.m.

Respectfully submitted,

Rosie L.T. Pridgen, Ph.D., Chairman

Pastor James L. Henley, Jr., Vice Chairman

Ms. LaWanda D. Harris, Commissioner

Vernon W. Hartley, Sr., Commissioner

Ms. Evelyn O. Reed, Commissioner