

*Reply To: Tallahassee***Via Federal Express and Email**

July 11, 2025

James Antun, Mayor
City of Fernandina Beach
204 Ash Street
Fernandina Beach, Florida 32034
jantun@fbfl.org

Re: Notice of Claim Under the Bert J. Harris, Jr. Private Property Rights Protection Act

Mayor Antun:

This firm represents Rayonier Performance Fibers, LLC ("RYAM"). The purpose of this letter is to provide written notice of RYAM's claim for compensation under Florida's "Bert J. Harris, Jr., Private Property Rights Protection Act," (the "Act") codified in Fla. Stat. § 70.001, et seq.

RYAM owns property located at 10 Gum Street, Fernandina Beach, Florida, where it operates an acid sulfite-based pulp mill (the "RYAM Facility"), which has been a cornerstone of the local economy since its establishment in the 1930s. The RYAM Facility has historically contributed significantly to the local economy and continues to be one of the top employers in Nassau County.

Consistent with RYAM's long history of sustainable operations, RYAM proposed to construct a project on a 2.972 acre parcel (the "Property") located within the existing footprint of the RYAM Facility to convert by-product currently generated by the acid sulfite-based pulp mill through the biological process of fermentation and distillation and drying into second-generation bioethanol, a renewable energy source (the "Project"). The City's Land Development Code ("LDC") required RYAM to submit a site plan amendment application in order to receive approval for the Project. On December 19, 2024, RYAM submitted its application for the Project to the City, together with supporting documentation, which it subsequently supplemented at the City's request on January 28, 2025 (the "Application"). On February 4, 2025, the City issued two letters

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F: 727.290.4057

TALLAHASSEE
106 East College Avenue
Suite 1500
Tallahassee, Florida 32301
T: 850.222.5702
F: 850.224.9242

TAMPA
301 West Platt St.
Suite A364
Tampa, Florida 33606
T: 813.775.2331

WEST PALM BEACH
360 South Rosemary Ave.
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West Palm Beach, Florida
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to RYAM denying RYAM's Application (the "Denial Letters"), copies of which are attached hereto as Composite Exhibit A: one from Sarah Campbell, City Manager, finding that the Project constituted "chemical manufacturing or refining" and, therefore, rejected the Application; and the second from Kelly Gibson, stating that RYAM's Application was incomplete because the Application "fails to provide, identify or reference a future land use category or zoning district which permits the Project", based on the first letter from the City Manager.

The Property is zoned "Heavy Industrial I-2" under the City's Land Development Code ("LDC"). Permissible uses in the Heavy Industrial I-2 zoning district include heavy manufacturing and assembly. The Project fits squarely within the description of the types of uses and activities included in the City's definition of "Manufacturing and/or Assembly" as set forth in section 1.07.00 of the LDC. For the reasons set forth in the Application, the Project does not constitute "chemical manufacturing" or "chemical refining".

By wrongfully denying the Project, the City's action has inordinately burdened an existing use or a vested right to a specific use, as these terms are defined in the Act, on the Property. The City's denial was based on the City's misinterpretation of the Comprehensive Plan and Land Development Code. The City's action has directly restricted and limited RYAM's ability to utilize the Property for the Project, a use that is both foreseeable and nonspeculative, such that the denial has permanently thwarted RYAM's reasonable, investment-backed expectations. The inordinate burden created by the City's denial of the Project has resulted in a significant loss in the fair market value of the Property.

The Act provides for recovery of the loss of fair market value of real property when it is inordinately burdened by government action. In support of this claim, RYAM has obtained a written appraisal report, which appraisal quantifies the loss in fair market value to the Property resulting from the Denial Letters. In compliance with section 70.001(4)(a) of the Act, attached to this notice as Exhibit B, is the written appraisal report prepared by Haynes Valuation Services, LLC demonstrating a loss in fair market value to the Property as a proximate and permanent result of the City's denial. RYAM is therefore entitled to relief pursuant to the Act

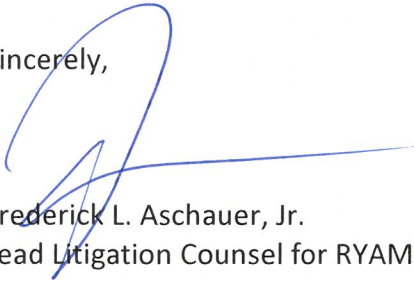
Based on the attached appraisal, RYAM hereby demands that the City compensate RYAM in the amount of **SIX MILLION SIX HUNDRED AND TWO THOUSAND DOLLARS** (\$6,602,000.00), which amount represents the loss in fair market value to the Property as described in the appraisal.

Mayor Antun & City Commissioners
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We look forward to an opportunity to discuss this claim with the City during the statutory waiting period under the Act. If an acceptable resolution and settlement cannot be reached during this period, RYAM reserves the right to seek all remedies available under applicable law, including without limitation, filing suit under the Act to pursue this claim through formal litigation.

Please direct all responses and correspondence regarding this claim to the undersigned.

Sincerely,

A handwritten signature in blue ink, appearing to read 'F. Aschauer, Jr.', with a long horizontal flourish extending to the right.

Frederick L. Aschauer, Jr.
Lead Litigation Counsel for RYAM

Enclosures

cc: Darron Ayscue, Vice Mayor (via email w/encls. – dayscue@fbfl.org)
Joyce M. Tuten (via email w/encls. – jtuten@fbfl.org)
Genece Minshew (via email w/encls. – gminshew@fbfl.org)
Tim Poynter (via email w/encls. – tpoynter@fbfl.org)
Sarah Campbell, City Manager (via email w/encls. – scampbell@fbfl.org)
Harrison Poole, City Attorney Pro Tem (via email w/encls. – hpoole@fbfl.city)
Caroline Best, City Clerk (via email w/encls. – cbest@fbfl.org)