

SBA COMMUNICATIONS CORP
Form DEF 14A
April 17, 2007
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, For Use of the Commission Only

(as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to § 240.14a-12

SBA COMMUNICATIONS CORPORATION

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

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(1) Amount previously paid: _____

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(4) Date Filed: _____

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SBA COMMUNICATIONS CORPORATION

5900 Broken Sound Parkway NW

Boca Raton, Florida 33487

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD MAY 17, 2007

SBA Communications Corporation's Annual Meeting of Shareholders will be held on Thursday, May 17, 2007, at 10:00 a.m., local time. We will meet at SBA Communications Corporation, 5900 Broken Sound Parkway NW, Boca Raton, Florida 33487. If you owned common stock at the close of business on March 16, 2007, you may vote at this meeting or any adjournments or postponements thereof. At the meeting, we plan to:

1. elect two directors for a term of three years, in each case, until their successors are duly elected and qualified; and
2. transact such other business as may properly come before the meeting or any adjournments or postponements thereof.

The Board of Directors is not aware of any other proposals for the May 17, 2007 meeting.

It is important that your common stock be represented at the meeting regardless of the number of shares you hold. You are encouraged to specify your voting preferences by marking and dating the enclosed proxy card. If you attend the meeting, you may, if you wish, withdraw your proxy and vote in person.

On behalf of the Board of Directors of

SBA Communications Corporation,

STEVEN E. BERNSTEIN

Chairman

Boca Raton, Florida

April 17, 2007

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**YOUR VOTE IS IMPORTANT. PLEASE COMPLETE AND RETURN THE ENCLOSED
PROXY PROMPTLY SO THAT YOUR VOTE MAY BE RECORDED
AT THE MEETING IF YOU DO NOT ATTEND PERSONALLY.**

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SBA COMMUNICATIONS CORPORATION

5900 Broken Sound Parkway NW

Boca Raton, Florida 33487

PROXY STATEMENT

INFORMATION ABOUT THE MEETING

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors of SBA Communications Corporation, or SBA, for the Annual Meeting of Shareholders to be held on Thursday, May 17, 2007 at 10:00 a.m., local time, at SBA Communications Corporation, 5900 Broken Sound Parkway NW, Boca Raton, Florida 33487 and thereafter as it may from time to time be adjourned. This proxy statement and the accompanying proxy are first being mailed to shareholders on or about April 17, 2007.

Who May Vote

Each shareholder of record at the close of business on March 16, 2007 (the Record Date) is entitled to notice of and to vote at the annual meeting. On the Record Date, there were 105,925,544 shares of our Class A common stock outstanding, with a par value of \$.01 per share (the Class A Common Stock or Common Stock). On the Record Date, there were no shares of Class B Common Stock outstanding. Holders of the Class A Common Stock are entitled to one vote per share held as of the Record Date.

How You May Vote

You may vote (1) in person by attending the meeting or (2) by mail by completing and returning a proxy. To vote your proxy by mail, mark your vote on the enclosed proxy card, then follow the instructions on the card.

Proxies duly executed and received in time for the meeting will be voted in accordance with your instructions. If no instructions are given, proxies will be voted as follows:

1. FOR the election as a director of the two Class II nominees named herein, each to serve for a term of three years, in each case, until their successors are duly elected and qualified; and

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2. In the discretion of the proxy holders, FOR or AGAINST such other business as may properly come before the meeting or any adjournment thereof.

How You May Revoke or Change Your Vote

Proxies may be revoked at any time prior to the meeting in the following ways:

by giving written notice of revocation to the Secretary of SBA;

by giving a later dated proxy; or

by attending the meeting and voting in person.

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Voting Procedures

All record holders of issued and outstanding shares of Common Stock are entitled to vote on Proposal 1. Brokers who hold shares in street name for customers have the authority under the rules of the various stock exchanges to vote on certain items when they have not received instructions from beneficial owners. Brokers that do not receive instructions are entitled to vote those shares with respect to the election of directors. Shares for which brokers have not received instructions, and therefore are not voted with respect to a certain proposal, are referred to as broker non-votes.

Under Florida law and our Bylaws, the presence in person or by proxy of shareholders entitled to cast a majority of all votes entitled to be cast on the matter at the annual meeting constitutes a quorum, except that under our Bylaws, in no event shall a quorum consist of less than one-third of the shares entitled to vote. A share that is represented for any purpose is deemed present for quorum purposes. Therefore, abstentions and broker non-votes will count for purposes of determining if there is a quorum present at the annual meeting.

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PROPOSAL 1

ELECTION OF DIRECTORS

Proposal

Our Board of Directors currently consists of seven directors, divided into three classes with members of each class of directors serving for staggered three-year terms. Our current Board members and classifications are as follows:

<u>Class I</u>	<u>Class II</u>	<u>Class III</u>
Brian C. Carr Philip L. Hawkins Steven E. Nielsen	Jack Langer Jeffrey A. Stoops	Steven E. Bernstein Duncan H. Cocroft

The terms of the two current Class II directors will expire at the 2007 Annual Meeting of Shareholders. The Nominating and Corporate Governance Committee has recommended that Messrs. Langer and Stoops, the current Class II directors, be nominated for re-election.

Nominees to Serve for a Three Year Term Expiring in 2010

The following current Class II directors have been nominated by the Board for re-election to the Board of Directors as Class II directors for a term of three years, expiring at the 2010 Annual Meeting of Shareholders and until their successors are elected and qualified.

Jack Langer, 58, has served as a director of SBA since May 2004. Mr. Langer is a private investor. From April 1997 to December 2002, Mr. Langer served as Managing Director and the Global Co-Head of the Media Group at Lehman Brothers Inc. From 1995 to 1997, Mr. Langer served as the Managing Director and Head of Media Group at Bankers Trust & Company. From 1990 to 1994, Mr. Langer served as Managing Director and Head of Media Group at Kidder Peabody & Company, Inc. Mr. Langer also serves on the Board of Directors of CKX, Inc., a company engaged in the ownership, development and commercial utilization of entertainment content.

Jeffrey A. Stoops, 48, President, Chief Executive Officer and Director, joined SBA in April 1997 and has served as a director of SBA since August 1999. Mr. Stoops was appointed Chief Executive Officer effective as of January 2002, President in April 2000, and previously served as our Chief Financial Officer.

Each of the nominees has consented to be named in this proxy statement and to serve as a member of our Board of Directors if elected. In the event that a nominee withdraws or for any reason is not able to serve as a director, the proxy will be voted for such other person as may be designated by the Board of Directors, but in no event will the proxy be voted for more than two nominees as Class II directors. Our management has no reason to believe that the nominees will not serve if elected.

Vote Required

The affirmative vote of a plurality of the votes cast by holders of outstanding shares of the Common Stock entitled to vote is required for the approval of the election of a director. You may vote in favor of a nominee or you may withhold your vote from a nominee. Votes that are withheld with respect to this matter will be excluded entirely from the vote and will have no effect, other than for purposes of determining the presence of a quorum.

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Recommendation of the Board of Directors

The Board of Directors recommends a vote **FOR** each of the two nominees.

Continuing Directors

Directors Whose Terms Expire in 2008

Steven E. Bernstein, 46, our founder, has served as our Chairman since our inception in 1989 and was our Chief Executive Officer from 1989 to 2001. From 1986 to 1989, Mr. Bernstein was employed by McCaw Cellular Communications. Mr. Bernstein was the Personal Communications Industry Association's 1996 Entrepreneur of the Year.

Duncan H. Cocroft, 63, has served as a director of SBA since August 2004. Mr. Cocroft is a private investor who retired in March 2004 from Cendant Corporation, a provider of consumer and business services primarily in the travel and real estate services industries. Mr. Cocroft was Executive Vice President - Finance and Treasurer of Cendant and Executive Vice President and Chief Financial Officer of PHH Corporation, Cendant's wholly-owned finance subsidiary. Prior to joining Cendant in June 1999, Mr. Cocroft served as Senior Vice President and Chief Administrative Officer of Kos Pharmaceuticals, where he was responsible for finance, information systems and human resources. His other prior senior management positions include Vice President - Finance and Chief Financial Officer of International Multifoods, an operator of food manufacturing businesses in the U.S. and Canada, and Vice President and Treasurer of Smithkline Beckman, a pharmaceutical company.

Directors Whose Terms Expire in 2009

Brian C. Carr, 45, has served as a director of SBA since May 2004. Since January 2007, Mr. Carr has served as a consultant to Sonic Healthcare Limited, a medical diagnostics company providing pathology and radiology services, which acquired American Esoteric Laboratories in January 2007. Mr. Carr previously served as Chairman and Chief Executive Officer of American Esoteric Laboratories, a company engaged in advanced clinical laboratory testing, from June 2003 until January 2007. From November 2000 to April 2003, Mr. Carr was the President and a director of AmeriPath, Inc., a publicly held anatomic pathology laboratory company. From March 1997 to November 2000, Mr. Carr was the founder, President, Chief Executive Officer and a director of InformDX, a pathology services company that was acquired by AmeriPath.

Philip L. Hawkins, 51, has served as a director of SBA since August 2004. Mr. Hawkins has served as the Chief Executive Officer of DCT Industrial Trust, Inc., a publicly traded real estate investment trust focused on the acquisition, development and operation of bulk distribution properties in the United States and Mexico, since October 2006. Previously, Mr. Hawkins served as President and a director of CarrAmerica Realty Corporation, a publicly-traded real estate investment trust, from March 2002 to July 2006 and as Chief Operating Officer from October 1998 to March 2002. Prior to joining CarrAmerica in 1996, Mr. Hawkins was employed by Jones Lang LaSalle, a real estate services company. Mr. Hawkins also serves on the Board of Directors of DCT Industrial Trust, Inc.

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Steven E. Nielsen, 44, has served as a director of SBA since November 2001. Mr. Nielsen has served as President and Chief Executive Officer of Dycom Industries, Inc., a publicly-traded provider of engineering, construction and maintenance services to telecommunication providers, since March 1999. From August 1996 to March 1999, Mr. Nielsen served as President and Chief Operating Officer of Dycom Industries, Inc. and from February 1996 to August 1996 as Vice President of Dycom Industries, Inc. Mr. Nielsen also serves as Chairman of the Board of Directors of Dycom Industries, Inc.

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Information about Corporate Governance, the Board of Directors and Committees

Independence of the Board

The Board of Directors has determined that the following five individuals of its seven members of the Board of Directors are independent as defined under Rule 4200(a)(15) of The Nasdaq Stock Market LLC's Marketplace Rules: Messrs. Carr, Cocroft, Hawkins, Langer and Nielsen.

Code of Ethics

On March 4, 2004, the Board of Directors approved our Code of Ethics. The Code of Ethics sets forth standards of conduct applicable to our Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer to promote honest and ethical conduct, full, fair, accurate, timely and understandable disclosure, and compliance with applicable governmental rules and regulations. Our Code of Ethics is available to view at our website, www.sbsite.com.

Board of Directors and Committees

The Board of Directors held 9 meetings, including 5 regularly scheduled meetings and 4 special meetings, during the year ended December 31, 2006. Each director attended at least 75% or more of the aggregate number of meetings held by the Board of Directors and the committees on which he served. It is the policy of the Board of Directors of SBA to encourage its members to attend SBA's Annual Meeting of Shareholders. All members of the Board of Directors were present at SBA's 2006 Annual Meeting of Shareholders.

Our Board of Directors has three standing committees: the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee. The Audit Committee and the Compensation Committee were established in May 1999. The Nominating Committee was established in March 2002 and was expanded to a Nominating and Corporate Governance Committee in November 2005.

Audit Committee. The Audit Committee presently consists of Messrs. Carr, Cocroft and Nielsen. Our Board of Directors has determined that the members of the Audit Committee are independent directors as defined under Rule 4200(a)(15) of The Nasdaq Stock Market LLC's Marketplace Rules. The Audit Committee has been assigned the principal function of establishing our audit policies, selecting our independent auditors and overseeing the engagement of our independent auditors. The Audit Committee's responsibilities are set forth in a written charter that has been adopted by the Audit Committee and the Board of Directors. A copy of this charter is available on our website at www.sbsite.com. We periodically review and revise this charter. The Audit Committee Chairperson reports on Audit Committee actions and recommendations at Board of Director meetings. The Board of Directors has designated Mr. Cocroft the audit committee financial expert as defined by the rules promulgated by the Securities and Exchange Commission (the SEC). The Audit Committee held 11 meetings during the year ended December 31, 2006.

Compensation Committee. The Compensation Committee presently consists of Messrs. Carr, Hawkins, Langer and Nielsen. Our Board of Directors has determined that the members of the Compensation Committee are independent directors as defined under Rule 4200(a)(15) of The

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Nasdaq Stock Market LLC's Marketplace Rules. The Compensation Committee establishes salaries, incentives and other forms of compensation for our Chief Executive Officer, Chief Financial Officer, our other three most highly compensated executive officers and our Chief Accounting Officer (the Officer Group). This includes awards under SBA's equity-based compensation plans. The Compensation Committee's responsibilities are set forth in a written charter that has been adopted by the Compensation Committee and the Board of Directors. A copy of this charter is available on our website at www.sbasite.com. We periodically review and revise this charter. The Compensation Committee Chairperson reports on Compensation Committee actions and recommendations at Board of Director meetings. The Compensation Committee held 12 meetings during the year ended December 31, 2006.

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Role of Compensation Consultants and Advisors. The Compensation Committee has the authority, pursuant to its charter, to engage the services of outside legal or other experts and advisors as it deems necessary and appropriate to assist the Compensation Committee in fulfilling its duties and responsibilities. In connection with the Compensation Committee's deliberations for 2006 and 2007 compensation, the Compensation Committee directly selected and retained Mercer Human Resource Consulting (Mercer), an independent human resource consulting firm, to advise the Compensation Committee. See the discussion under Compensation Discussion & Analysis- Compensation Setting Process- Compensation Consultant for a discussion of what the Compensation Committee asked Mercer to review and assess regarding compensation. With respect to compensation of the Officer Group, the Compensation Committee currently receives a full benchmarking analysis from Mercer every other year and a market update in the alternate years, which updates their prior year's benchmarking analysis with estimates of market salary increases, changes in equity incentive trends and other trends in the compensation area. In 2006 and 2007, Mercer was also directed to provide the Committee a benchmarking analysis for SBA's non-executive director compensation as compared to that provided by a group of industry-related companies and to provide recommendations. Mercer reports directly to the Compensation Committee. In connection with the Compensation Committee's deliberations for 2006 compensation, negotiation of an employment agreement with Mr. Macaione in 2006 and negotiation of employment agreements to replace existing employment agreements with Messrs. Bagwell and Hunt in 2006, the Compensation Committee directly selected and retained a different outside legal counsel from the one we regularly use for corporate/securities matters to provide legal advice to the Compensation Committee. We believe that the use of independent consultants and legal advisors provide additional assurance that our programs are reasonable and consistent with SBA's objectives.

Nominating and Corporate Governance Committee. The members of the Nominating and Corporate Governance Committee are Messrs. Cocroft, Hawkins and Langer. Our Board of Directors has determined that the members of the Nominating and Corporate Governance Committee are independent directors as defined under Rule 4200(a)(15) of The Nasdaq Stock Market LLC's Marketplace Rules. The Nominating and Corporate Governance Committee has been assigned the functions of (i) soliciting, considering, recommending and nominating candidates to serve on the Board under criteria adopted by it from time to time; (ii) advising the Board with respect to Board composition, procedures and committees; (iii) overseeing periodic evaluations of the Board and Board committees, including establishing criteria to be used in connection with such evaluations; and (iv) reviewing and reporting to the Board on a periodic basis with regards to matters of corporate governance. The Nominating and Corporate Governance Committee's responsibilities are set forth in a written charter that has been adopted by the Nominating and Corporate Governance Committee and the Board of Directors. A copy of this charter is available on our website at www.sbasite.com. We periodically review and revise this charter. The Nominating and Corporate Governance Committee Chairperson reports on Nominating and Corporate Governance Committee actions and recommendations at Board of Director meetings. The Nominating and Corporate Governance Committee held 2 meetings during the year ended December 31, 2006.

The Nominating and Corporate Governance Committee considers possible candidates from many sources, including shareholders, for nominees for directors. If a shareholder wishes to recommend a nominee for director, written notice should be sent to the Corporate Secretary by December 19, 2007 in accordance with the instructions set forth later in this proxy statement under Shareholder Proposals for 2008 Annual Meeting. Each written notice must set forth: (1) the name and address of the shareholder who is making the nomination; (2) the number of shares of SBA's Common Stock which are beneficially owned by the shareholder and a representation that the shareholder is a holder of record of SBA's Common Stock entitled to vote at such annual meeting of the shareholders and intends to appear in person or by proxy at the meeting and nominate the person specified in the notice; (3) the name of the director candidate; (4) a complete resume or statement of the candidate's qualifications (including education, work experience, knowledge of SBA's industry, membership on the board of directors of another corporation and civic activity); (5) a description of all arrangements or understandings between the shareholder and the candidate and/or any other person or persons pursuant to which the nomination is to be made by the shareholder; (6) such other information regarding a candidate as would be required to be included in a proxy statement, including information with respect to a candidate's independence as defined under the rules and regulations promulgated by the SEC and The Nasdaq Stock Market and information regarding the

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candidate's attributes that the Nominating and Corporate Governance Committee would need to consider in order to assess whether such candidate would qualify as an audit committee financial expert as defined by the rules and regulations promulgated by the SEC; and (7) the candidate's consent to serve as a director of SBA if elected.

The Nominating and Corporate Governance Committee evaluates the suitability of potential candidates nominated by shareholders in the same manner as other candidates recommended to the Nominating and Corporate Governance Committee, in accordance with the Criteria for Nomination to the Board of Directors, which contains the following requirements for suitability among others:

high ethical character;

superior credentials;

relevant expertise and experience;

the ability to exercise sound business judgment; and

the lack of material relationships that could present realistic possibilities of conflict of interest or legal issues.

The Criteria for Nomination to the Board of Directors is set forth in the Nominating and Corporate Governance Committee charter, which, as discussed above, can be found on SBA's website, www.sbsite.com.

From time to time, the Nominating and Corporate Governance Committee has retained the services of Korn/Ferry International, a third party search firm providing recruitment and leadership development services, to assist the Nominating and Corporate Governance Committee in identifying and evaluating potential nominees for the Board of Directors.

Contacting the Board of Directors

Shareholders may communicate with the Board of Directors by directing their communications in a hard copy (i.e., non-electronic) written form to the attention of one or more members of the Board of Directors, or to the Board of Directors collectively, at our principal executive office located at 5900 Broken Sound Parkway NW, Boca Raton, Florida 33487. A shareholder communication must include a statement that the author of such communication is a beneficial or record owner of shares of Common Stock of SBA. Our Corporate Secretary will review all communications meeting the requirements discussed above and will remove any communications relating to (i) the purchase or sale of products or services, (ii) communications from landlords relating to our obligations or the obligations of one of our subsidiaries under a lease, (iii) communications from tenants relating to our obligations or the obligations of one of our subsidiaries under a lease, (iv) communications from suppliers or vendors relating to our obligations or the obligations of one of our subsidiaries to such supplier or vendor, (v) communications from pending or threatened opposing parties in legal or administrative proceedings regarding matters not related to securities law matters or fiduciary duty matters, and (vi) any other communications that the Corporate Secretary deems, in his or her reasonable discretion, unrelated to the business of SBA. The Corporate Secretary will compile all communications not removed in accordance with the procedure described above and will distribute such qualifying communications to the intended recipient(s). A copy of any qualifying communications that relates to our accounting and auditing practices shall also be sent directly to the Chairman of the Audit Committee, whether or not it was directed to such

person.

Compensation Committee Interlocks and Insider Participation

During the fiscal year ended December 31, 2006, Messrs. Carr, Hawkins, Langer and Nielsen served as members of the Compensation Committee. Mr. Carr was appointed to the Compensation Committee on May 4, 2006, the date of our 2006 annual shareholders meeting. None of the members of the Compensation Committee

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served as an officer or employee of ours or any of our subsidiaries during the fiscal year ended December 31, 2006. There were no transactions between us and any of the members of the Compensation Committee during the fiscal year ended December 31, 2006.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires our directors and executive officers and persons who own more than 10% of our outstanding Common Stock to file with the SEC reports of changes in their ownership of Common Stock. Officers, directors and greater than 10% shareholders are also required to furnish us with copies of all forms they file under this regulation. To our knowledge, based solely on a review of the copies of such reports furnished to us and representations that no other reports were required, during the year ended December 31, 2006, all Section 16(a) filing requirements applicable to our officers, directors and greater than 10% shareholders were complied with.

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AUDIT COMMITTEE REPORT

The Audit Committee oversees the accounting and financial reporting process of SBA on behalf of the Board of Directors of SBA. Management has primary responsibility for SBA's financial statements, financial reporting process and internal controls over financial reporting. The independent auditors are responsible for performing an independent audit of SBA's consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) and evaluating the effectiveness of internal controls and issuing a report thereon. The Audit Committee's responsibility is to select the independent auditors and monitor and oversee the accounting and financial reporting processes of SBA, including SBA's internal controls over financial reporting, and the audits of the financial statements of SBA.

During the course of 2006 and the first quarter of 2007, the Audit Committee regularly met and held discussions with management and the independent auditors. In the discussions related to SBA's consolidated financial statements for fiscal year 2006, management represented to the Audit Committee that such consolidated financial statements were prepared in accordance with U.S. generally accepted accounting principles. The Audit Committee reviewed and discussed with management and the independent auditors the audited consolidated financial statements for fiscal year 2006, management's annual report on internal control over financial reporting, the results of the independent auditor's testing and evaluation of SBA's internal control over financial reporting and the independent auditor's attestation report regarding management's assessment of internal control over financial reporting.

In fulfilling its responsibilities, the Audit Committee discussed with the independent auditors the matters that are required to be discussed by Statement on Auditing Standards No. 61 (as amended) (Communication with Audit Committees). In addition, the Audit Committee received from the independent auditors the written disclosures and letter required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), and the Audit Committee discussed with the independent auditors that firm's independence. In connection with this discussion, the Audit Committee also considered whether the provision of services by the independent auditors not related to the audit of SBA's financial statements for fiscal year 2006 is compatible with maintaining the independent auditors' independence. The Audit Committee's policy requires that the Committee must approve any audit or permitted non-audit service proposed to be performed by its independent auditors in advance of the performance of such service.

Based upon the Audit Committee's discussions with management and the independent auditors and the Audit Committee's review of the representations of management and the report and letter of the independent auditors provided to the Audit Committee, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements for the year ended December 31, 2006 be included in SBA's Annual Report on Form 10-K, for filing with the SEC.

See the portion of this proxy statement titled "Information about Corporate Governance, the Board of Directors and Committees" beginning on page 5 for information on the Audit Committee's meetings in 2006.

The Audit Committee

Brian C. Carr

Duncan H. Cocroft

Steven E. Nielsen

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April 6, 2007

Notwithstanding anything to the contrary set forth in any of our previous filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, that might incorporate future filings, including this proxy statement, in whole or in part, the Audit Committee Report above and the Compensation Committee Report that follow shall not be incorporated by reference into any such filings.

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INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTANTS

Our Audit Committee has not yet selected the accounting firm that will serve as our independent registered certified public accountant for the fiscal year ending December 31, 2007. Our Audit Committee currently intends to select our independent registered certified public accountant for the fiscal year ending December 31, 2007 at its first regular meeting subsequent to the completion of the 2006 audit.

Ernst & Young LLP served as our independent registered certified public accountant for the fiscal year ended December 31, 2006. Representatives from Ernst & Young LLP are expected to be present at the annual meeting, will have the opportunity to make a statement if they desire, and will be available to answer questions.

Independent Auditor's Fees

The aggregate fees billed to SBA for the years ended December 31, 2005 and 2006, by our principal accounting firm Ernst & Young LLP, are as follows:

Audit Fees: The aggregate audit fees paid for professional services rendered by Ernst & Young LLP for the years ended December 31, 2005 and 2006 were approximately \$1,531,000 and \$1,927,000, respectively. These professional services included fees associated with (i) the audit of our annual financial statements (Form 10-K); (ii) reviews of our quarterly financial statements (Forms 10-Q); (iii) the audit of SBA's internal control over financial reporting and attestation services in connection with SBA's compliance with Section 404 of the Sarbanes-Oxley Act of 2002; (iv) fees associated with assisting us with the preparation and review of our various documents relating to our equity offerings and equity offerings by our selling shareholder, AAT Holdings, LLC, including the preparation of comfort letters; and (v) other statutory audits required for the years ended 2005 and 2006.

Audit-Related Fees: The aggregate fees for professional services rendered by Ernst & Young LLP for the performance of agreed upon procedures and review of our various documents relating to our securitization transactions during the years ended December 31, 2005 and 2006 were approximately \$351,000 and \$410,000, respectively.

Tax Fees: The aggregate fees for professional services rendered by Ernst & Young LLP for (i) compliance fees for preparation of tax returns, (ii) tax work on the securitization transactions (during 2005 and 2006), (iii) assistance with tax planning strategies, (iv) tax work related to the AAT acquisition and (v) tax examination assistance during the years ended December 31, 2005 and 2006 were approximately \$356,000 and \$926,000, respectively.

All Other Fees: The aggregate fees for professional services rendered by Ernst & Young LLP in connection with providing SBA with the EY Online accounting research tool for the years ended December 31, 2005 and 2006 were approximately \$2,000.

Ernst & Young LLP advised the Audit Committee that it did not believe its audit was impaired by providing such services. As a result, Ernst & Young LLP confirmed that, as of December 31, 2006, it was an independent accountant with respect to SBA within the meaning of the

Securities Act of 1933 and the requirements of the Independence Standards Board.

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Pre-Approval Policies and Procedures for Audit and Permitted Non-Audit Services

The Audit Committee's policy requires that the Committee must approve any audit or permitted non-audit service proposed to be performed by its independent auditors in advance of the performance of such service. These services may include audit services, audit-related services, tax services and other services. The Audit Committee has not implemented a policy or procedure which delegates the authority to approve, or pre-approve, audit or permitted non-audit services to be performed by Ernst & Young LLP. In connection with making any pre-approval decision, the Audit Committee must consider whether the provision of such permitted non-audit services by Ernst & Young LLP is consistent with maintaining Ernst & Young's status as our independent auditors.

Consistent with these policies and procedures, the Audit Committee approved all of the services rendered by Ernst & Young LLP during fiscal year 2006, as described above.

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As of April 17, 2007, each of the persons below served as one of our executive officers or key employees.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Jeffrey A. Stoops	48	President and Chief Executive Officer
Kurt L. Bagwell	42	Senior Vice President and Chief Operating Officer
Thomas P. Hunt	49	Senior Vice President and General Counsel
Anthony J. Macaione	43	Senior Vice President and Chief Financial Officer
Jason V. Silberstein	39	Vice President Property Management
Reid Boynton	52	Vice President Northeast Region
Brendan T. Cavanagh	35	Vice President and Chief Accounting Officer
Jorge Grau	44	Vice President and Chief Information Officer
Pamela J. Kline	43	Vice President Capital Markets
Jim D. Williamson	61	Vice President Southeast Region

Below is a summary of the business experience of each of our executive officers who does not serve on our Board of Directors. The business experience of Mr. Stoops appears under the caption Election of Directors set forth above.

Kurt L. Bagwell has served as our Senior Vice President and Chief Operating Officer since January 1, 2002. Mr. Bagwell joined SBA Network Services, Inc., a subsidiary of ours, in February 2001 as Vice President of Network Services. Prior to joining us, Mr. Bagwell served as Vice President Site Development for Sprint PCS from May 1995 to February 2001.

Thomas P. Hunt has served as our Senior Vice President and General Counsel since September 2000. Prior to joining us, Mr. Hunt was a partner with Gunster, Yoakley & Stewart, P.A., a South Florida law firm, where he practiced for 16 years in the corporate and real estate areas. Mr. Hunt is a member of the Florida Bar.

Anthony J. Macaione, CPA, has served as our Senior Vice President and Chief Financial Officer since April 2004. From April 2001 to March 2004, Mr. Macaione served as Senior Vice President, Corporate Controller and Chief Accounting Officer for Perry Ellis International, Inc., an apparel company. Prior to Perry Ellis, Mr. Macaione served in various accounting and financial roles, including as Vice President-Finance, for a division of the Liz Claiborne Co. from August 1995 to December 2000.

Jason V. Silberstein has served as our Vice President Property Management since January 2000. Mr. Silberstein joined SBA in 1994 and has held various positions with us, including Director Property Management and Regional Director Florida.

Below is a summary of the business experience of each of our key employees.

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Reid Boynton has served as our Vice President – Northeast Region since January 2001. Mr. Boynton joined SBA in 1996 and has held various positions, including Project Director for Sprint PCS in Boston and President of Operations. Prior to joining us, Mr. Boynton was a Site Development Director for Nextel Communications in the New England market.

Brendan T. Cavanagh, CPA, has served as our Vice President and Chief Accounting Officer since June 2004. Mr. Cavanagh joined SBA in 1998 and has held various positions with us including serving as Vice President – Site Administration, from January 2003 to June 2004. Prior to joining us, Mr. Cavanagh was a senior accountant with Arthur Andersen LLP where he was employed for three years.

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Jorge Grau has served as our Vice President and Chief Information Officer since August 2003 when he joined SBA. Prior to joining us, Mr. Grau was Director of Information Technology for Vision Care Holdings, a vision care specialist and eye laser center, from July 2002 through August 2003. Prior to joining Vision Care Holdings, Mr. Grau served as Chief Information Officer of Bentley's Luggage Corporation from 1989 to May 2002.

Pamela J. Kline, CPA, has served as our Vice President - Capital Markets since January 2001. Ms. Kline joined SBA in 1997 and has held various positions, including Director of Finance and Accounting and Chief Accounting Officer. Prior to joining us, Ms. Kline was an Audit Manager with Arthur Andersen LLP where she was employed for 10 years.

Jim D. Williamson has served as our Vice President - Southeast Region since January 2001. Mr. Williamson joined us in October 1995 and has held various positions with us, including Program Manager, Project Director responsible for network buildouts, Corporate Director of Build to Suit Support, Director of Due Diligence with overall responsibility for SBA's Corporate Strategic Siting Initiative, Territory Manager for Alabama, Mississippi and Northeast Florida and General Manager for the Southeast Region. Prior to joining us, Mr. Williamson was employed for 28 years in various capacities with BellSouth.

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COMPENSATION DISCUSSION AND ANALYSIS

Overview of Compensation Program

We design our executive officer compensation program to reward our named executive officers for our sustained financial and operating performance, their leadership excellence and the creation of long-term value for our shareholders. The Compensation Committee of the Board has been delegated principal responsibility for establishing and implementing a compensation program for our named executive officers and our principal accounting officer, which we refer to as our Officer Group, that adheres to our compensation objectives. The duties of the Committee include establishing the salaries, incentives and other forms of compensation for our Officer Group and for approving and administering all awards under SBA's equity-based compensation plans.

Compensation Philosophy and Objectives

In determining the form and amount of compensation payable to our Officer Group, the Committee is guided by the following objectives and principles:

Total compensation levels should be sufficiently competitive to attract and retain the highest quality officers. We seek to maintain an executive compensation program that attracts, motivates and retains high performance officers and rewards them for our financial and operational growth and maintains our competitive position in our industry. Total compensation (i.e., maximum achievable compensation) should increase with position and responsibility.

Performance-based incentive compensation should constitute a substantial portion of total compensation. We seek to foster a pay-for-performance culture, with a significant portion of total compensation being at risk. Accordingly, a substantial portion of total compensation should be tied to and vary with our financial, operational and strategic performance, as well as individual performance. We view two components of our total compensation program, cash bonuses and long-term equity incentives, as performance-based and at risk. Executives with greater roles and the ability to directly impact our strategic goals and long-term results should bear a greater proportion of the risk if these goals and results are not achieved.

Long-term incentive compensation should align executives' interests with our shareholders and the creation of long-term shareholder value. Awards of equity-based compensation encourage executives to focus on our long-term growth and prospects and incentivize executives to manage our company from the perspective of owners with a meaningful stake, and to encourage them to remain with us for long and productive careers. Equity-based compensation subjects our executives to market risk, which is a risk also borne by our shareholders.

Compensation Setting Process

Management's Role in the Compensation-Setting Process

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Our Chief Executive Officer, Jeffrey Stoops, provides the Committee with (1) evaluations of each member of our Officer Group and (2) recommendations regarding base salary levels, the form and amount of the annual cash bonuses and long-term equity awards to be paid to each member of our Officer Group. Additionally, upon the Committee's request Mr. Stoops attends Committee meetings and provides compensation and other information to the Committee, including historical and prospective breakdowns of primary compensation components for each member of our Officer Group. Mr. Stoops is generally not present during the Committee's deliberation of Officer Group compensation, and never present during Committee deliberations of his own compensation.

Table of Contents*Compensation Consultant*

The Committee Charter provides the Committee sole authority to retain and terminate any compensation consulting firm or other adviser it deems appropriate. In connection with the Committee's deliberations for 2006 and 2007 compensation, the Committee selected and retained Mercer, independent from management and our company, to review and assess total compensation and individual pay components (i.e., base salary, cash bonuses and long-term equity awards) for each member of our Officer Group and to provide various compensation analyses requested by the Committee. Specifically, the Committee this year directed Mercer to provide (1) a comprehensive position-by-position benchmarking analysis regarding base salary and total compensation levels at the companies which comprised our Compensation Peer Group and our Survey Group (as described below), (2) observations and recommendations for improving pay competitiveness, (3) key emerging trends in equity compensation, and (4) pay information for the non-executive Chairman of the Board. In addition, in connection with the execution of employment agreements with each of Messrs. Bagwell, Hunt and Macaione, the Committee directed Mercer to assess the contractual terms of the employment agreements relative to competitive market practices and to provide recommendations. The Committee also engaged outside legal counsel, different from the one that we regularly use for corporate/securities matters, to prepare the employment agreements and provide the Committee with advice and recommendations. The Committee currently receives, for the Officer Group, a full benchmarking analysis from Mercer every other year and a market update in the alternate years, which updates their prior year's benchmarking analysis with estimates of market salary increases, changes in equity incentive trends and other trends in the compensation area. In 2006 and 2007, Mercer was also directed to provide the Committee a benchmarking analysis for SBA's non-executive director compensation as compared to that provided by a group of industry-related companies and to provide recommendations. Mercer reports directly to the Committee. Other than certain valuation, plan design and contract negotiation services associated with healthcare costs which are provided to our Human Resources department, Mercer does not provide additional services to the company. The Committee does not believe that our payments to Mercer for such additional services impairs Mercer's independence. We believe that the use of an independent consultant provides additional assurance that our programs are reasonable and consistent with SBA's objectives.

Benchmarking Against Our Peer Group

In order to establish total compensation levels, we review compensation practices at selected peer companies in the tower and wireless telecommunications industries (the Compensation Peer Group) and a broader group of companies in the telecommunications industry of similar revenue size as SBA (the Survey Group) bi-annually. For the 2007 analysis, the companies comprising the Compensation Peer Group were:

American Tower Corporation
 Crown Castle International Corp.
 LCC International, Inc.
 Metro One Telecommunications, Inc.
 Wireless Facilities, Inc.

Global Signal Inc.
 Rural Cellular Corporation
 Syniverse Holdings, Inc.
 Inphonic, Inc.
 iPCS Inc.

Because of the variance in size and operating characteristics between SBA and the Compensation Peer Group, and the fact that only three companies in the Group were specifically in the tower ownership industry, we also review compensation practices of the Survey Group. Based on the recommendation of Mercer, we then created composite weighted compensation levels, which, in 2007, were based on a 75% weighting to the Survey Group and 25% weighting to the Compensation Peer Group.

We do not target a specific position in the range of comparative data for each individual; however, our current policy with respect to base salaries is to target our base salaries to be between the 50th percentile and 75th percentile of the weighted compensation levels. We establish total compensation based on the reviews discussed above, our financial and operational performance and other factors regarding the individual officer such as level of responsibility, prior experience, and our judgment as to that officer's individual performance. The Committee has focused on the establishment of total compensation that is internally equitable for each member of our

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Officer Group and intended to be competitive with companies of similar size and complexity in markets in which we compete for executive talent. In addition, the Committee has focused on having a substantial portion of total compensation being performance-based. As such, the Committee retains flexibility to vary the awards of specific components of compensation from benchmarking data or any particular percentile of such benchmarking data.

Forms of Compensation

To achieve its policy goals, the Committee has utilized three components of total compensation- salary, cash bonuses and grants of stock options. We do not currently provide members of the Officer Group with a pension plan, deferred compensation or other long term incentive compensation other than the ability to contribute their earnings to SBA's 401(k) Plan or participate in SBA's Employee Stock Purchase Plan.

Executive Compensation Components and Practices

Base Salaries

Each of Messrs. Stoops, Bagwell, Hunt and Macaione has entered into an employment agreement that specifies a minimum level of base salary for the officer. The Committee, however, is able to increase each officer's salary as it deems appropriate and did so in each of 2006 and 2007. At the beginning of each fiscal year, the Committee reviews our Chief Executive Officer's salary recommendations for each member of the Officer Group, and then establishes salaries for such year through Committee deliberations. The Committee has adopted a policy that base salary annual increases will be based upon the benchmarking analysis and/or updates received from the independent compensation consultant, which for the last several years has been Mercer. In addition, the Committee takes into consideration evaluations of each individual officer, market changes and the economic and business conditions affecting SBA at the time of the evaluation. Evaluations of each individual officer are based on a relative valuing of the duties and responsibilities of such officer, such officer's role in developing and implementing SBA's overall business strategy and such officer's past and expected future performance. Current policy provides that no future base salary increases can cause an officer's base salary to exceed 115% of the 50th percentile or 100% of the 75th percentile of the composite weighted compensation levels provided in the independent consultant's report and if the officer's salary is above 100% of the 50th percentile of the composite weighted compensation levels, the salary increase will not exceed the market average increase as determined by the Committee's consultant. For 2006 and 2007, none of the base salary increases for the members of our Officer Group exceeded either of these measurements. As a result of its review during early 2007, the Committee approved salary increases for fiscal 2007 of approximately 3.3% for Mr. Stoops and ranging from 3.6% to 6.3% for each of the other members of the Officer Group.

Cash Bonuses

Based upon the recommendations of the Chief Executive Officer, our annual budget and other factors, the Committee establishes annual cash bonus opportunities for each member of the Officer Group. Other than for Mr. Silberstein, whose bonus structure is discussed below, these cash bonus opportunities are expressed as a percent of base salary. These opportunities are established in accordance with SBA's guiding principles and are set in much the same manner as described for salary structures and annual salary adjustments. The employment agreements for each of Messrs. Stoops, Bagwell, Hunt and Macaione establishes the annual cash bonus opportunities expressed as a percentage of the then current base salary for each executive officer, which may be increased by the Compensation Committee in its discretion. To date, the Committee has not increased annual cash bonus opportunities above the percentages of salary specified in the agreements. While the Committee retains the authority to pay more than the amount of the annual cash bonus opportunity in its discretion, the Committee's current guidelines are that members of the Officer Group (other than Mr. Silberstein) may not receive more than 100% of their respective annual cash bonus opportunity

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absent unique or extraordinary circumstances. The Committee did in 2006 award bonuses to reward one-time events (the AAT acquisition discussed below) that caused total cash bonuses paid for 2006 to exceed the annual cash bonus opportunities for certain members of the Officer Group.

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A substantial portion of the annual cash bonus opportunity for each member of the Officer Group is tied directly to the achievement of company-wide financial and strategic performance goals. The performance goals are established at the beginning of each year by the Committee based on recommendations from the Chief Executive Officer, our annual budget and other factors. The annual cash bonus opportunity for each member of the Officer Group is then divided into components. The amount of the annual cash bonus opportunity for certain components