

**REGULAR MEETING
DESTIN CITY COUNCIL
SEPTEMBER 17, 2018
ANNEX COUNCIL CHAMBERS
6:00 PM**

*****Core Value of the Month - Respect*****

CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE

SPECIAL PUBLIC HEARINGS FOR FISCAL YEAR 2019 MILLAGE RATE AND BUDGET:

- A. Second reading of Ordinance 18-18-CN - Adopting Fiscal Year 2019 Millage Rate
- B. Second reading of Ordinance 18-19-CN - Adopting Fiscal Year 2019 Budget

AGENDA APPROVAL *(Matters not specifically listed on the agenda may be added and acted upon with a super-majority vote of the Council members present and eligible to vote on the matter)*

1. APPROVAL OF MINUTES

- A. Approval of minutes of September 5, 2018 regular city council meeting
- B. Approval of September 5, 2018 council executive session

2. PROCLAMATIONS / RECOGNITIONS / **SPECIAL PRESENTATIONS / ANNOUNCEMENTS (No public comments)

- A. Presentation of the 30% plans for the Norriego Point Recreation Improvements - Mr. Pearce Barrett, Florida Department of Environmental Protection

3. PUBLIC COMMENTS ON AGENDA ITEMS THAT ARE NOT PUBLIC HEARINGS AND ANY OTHER MATTERS NOT ON THE AGENDA (All agenda items other than those under Number 5)

(Note: Individual speakers will be limited to 3 minutes. At the discretion of the Mayor, this 3 minute allowance may be adjusted depending on the level of business coming before the City Council)

4. CITY MANAGER REPORTS

- A. Siebert Avenue Parcel, additional parking opportunity
- B. Interlocal Agreement for Waterfront Access Maintenance and Capital Improvements
- C. Adoption of a new Investment Policy Resolution 18-27
- D. Feasibility of OCSO deputy assisting code enforcement during peak season.
- E. Announcements/General Updates

5. PUBLIC HEARINGS

6. *CONSENT AGENDA

- A. Resolution 18-32- Request FDOT for temporary closing of US Hwy 98 for the December 8, 2018 Destin Christmas Parade.
- B. Tyler Content Management Software for Munis Financial System
- C. Citizenserve Software Annual Licensing and Support
- D. Buck Destin Tennis Court Resurfacings/Fencing

7. COMMENTS/PRESENTATIONS FROM MAYOR, COUNCIL, LAND USE ATTORNEY AND CITY ATTORNEY (No public comments)

- A. Councilmember Braden
- B. Councilmember Ramswell
- C. Councilmember Dixon
- D. Councilmember Overdier
- E. Councilmember Marler
- F. Councilmember Destin
- G. Councilmember Morgan
- H. Mayor Gary Jarvis
- I. Land Use Attorney

1) Amendment to Vested Rights Ordinance; Announcement of Pending Ordinance Doctrine

- J. City Attorney

1) Gulf Power Franchise Discussion and Further Consideration of Options

8. ADJOURN

All items listed under Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and may be considered separately.

****To be placed on the Agenda under scheduled presentations, citizens must contact the City Manager or City Clerk's office one (1) week prior to the scheduled City Council Meeting by completing a Speakers Request Form and providing any accompanying documentation as requested in the form's instructions.**

***** Any invocation that is offered before the official start of the City Council meeting shall be the voluntary offering of a private person, to and for the benefit of the City Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the City Council, or the City staff, and the City is not allowed by law to endorse the religious beliefs or views of this, or any other speaker. Persons in attendance at the City Council meeting are invited to stand during the opening invocation and Pledge of Allegiance. However, such invitation shall not be construed as a demand, order, or any other type of command. No person in attendance at the meeting shall be required to participate in any opening invocation that is offered. A person may exit the City Council Chambers and return upon completion of the opening invocation if a person does not wish to participate in or witness the opening invocation.**

If a person decides to appeal any decision made by the Council with respect to any matter considered at this meeting, he/she may need a record of the proceedings, and for such purpose, he/she may need to ensure that verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. FS 286.0105.

Persons with disabilities who require assistance to participate in City meetings are requested to notify the City Clerk's Office at (850) 837-4242 in advance. Hearing Impaired: TTY: 711. Assistance also available through Human Resources, Title VI Coordinator, at (850) 837-4242.

Personas con discapacidades que necesitan asistencia o personas que necesiten ayuda con un idioma para participar en las reuniones de la ciudad, deberán notificar la oficina de la Secretaria Municipal al (850) 837-4242 antes de la reunión. Discapacidad auditiva: TTY: 711 (Solicitar Espanol CA). La ayuda tambien está disponible por Recursos Humanos, Coordinador del Título VI, al (850) 837-4242.

Note: *Persons who wish to provide public comments on agenda items are requested to fill out a blue speaker card and submit it to the City Clerk at the start of the meeting.*

Persons who wish to provide public comments on any other matters not on the agenda are requested to fill out a yellow speaker card and submit it to the City Clerk at the start of the meeting.

All regularly scheduled city council meetings will be streamed live via the city's YouTube channel, www.youtube.com/CityofDestin. Past council meetings can also be viewed here.

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CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Action Item

TO: City Council

THRU: Lance Johnson, Interim City Manager

FROM: Bragg Farmer, Finance Director

DATE: September 7, 2018

SUBJECT: Second reading of Ordinance 18-18-CN - Adopting Fiscal Year 2019 Millage Rate

I. BACKGROUND: Pursuant to Florida Statutes, Chapter 200, and the City Charter, Section 3.13, staff is presenting Ordinance 18-18-CN for adoption of the FY2019 millage rate.

II. DISCUSSION: The proposed Fiscal Year 2019 operating millage rate for the City of Destin is 1.6150 mills, which is more than the roll back rate of 1.5520 mills by 4.06%. The proposed millage rate is the same as the rate in FY2018.

A. Link to Strategic Goals / Objectives: III.A.2. Develop sustainable Operating & Capital budget ensuring the City is managed in a fiscally sound manner and complies with legislative mandates.

B. Effect on Budget (EOB): The ordinance provides required FY2019 General Fund budget revenue of \$7,193,067, Towncenter CRA revenue of \$234,780, and Harbor CRA revenue of \$298,055. All ad valorem revenue amounts are budgeted at 95% of the calculated amount.

C. Level of Service (LOS): Provides funding for City General Fund, Towncenter CRA, and Harbor CRA operations and maintenance in FY2019.

III. CONCLUSION: Adopting Ordinance 18-18-CN provides for the FY2019 General Fund Ad Valorem revenues of the City, Towncenter CRA, and Harbor CRA. This is the same as the millage rate for FY2018.

IV. RECOMMENDED MOTION: I move that Council adopt Ordinance 18-18-CN on second reading adopting the FY2019 millage rate of 1.6150 mills which is more than the rollback rate of 1.5520 mills.

Attachments:

1. 18-18-CN - FY-19 Millage Rate

ORDINANCE 18-18-CN

AN ORDINANCE OF THE CITY OF DESTIN OF OKALOOSA COUNTY, FLORIDA, ADOPTING THE FINAL LEVYING OF AD VALOREM TAXES FOR THE CITY OF DESTIN FOR FISCAL YEAR 2019; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Destin of Okaloosa County, Florida, will adopt Fiscal Year 2019 Final Millage Rate following a public hearing as required by Florida Statute 200.065; and

WHEREAS, the City of Destin of Okaloosa County, Florida, held a public hearing as required by Florida Statute 200.065; and

WHEREAS, the gross taxable value for operating purposes not exempt from taxation within the City of Destin has been certified by the Okaloosa County Property Appraiser to the City of Destin as \$5,035,622,039.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA:

1. The FY 2019 operating millage rate for the City of Destin is 1.6150 mills which is more than the rolled back rate of 1.5520 mills by 4.06%.
2. This ordinance shall take effect immediately upon approval by Council and the signature of the Mayor.

ADOPTED THIS 17th DAY OF SEPTEMBER 2018.

By: _____
Gary Jarvis, Mayor

ATTEST:

The form and legal sufficiency of the foregoing
Has been reviewed and approved by the City
Attorney.

Rey Bailey, City Clerk

Jeff Burns, City Attorney

First Reading: September 05, 2018

Second Reading: September 17, 2018

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Action Item

TO: City Council

THRU: Lance Johnson, Interim City Manager

FROM: Bragg Farmer, Finance Director

DATE: September 7, 2018

SUBJECT: Second reading of Ordinance 18-19-CN - Adopting Fiscal Year 2019 Budget

I. BACKGROUND: Pursuant to Florida Statutes, Chapter 200, and the City Charter, Section 3.13, staff is presenting Ordinance 18-19-CN for adoption of the Fiscal Year 2019 Budget.

II. DISCUSSION: The City of Destin FY2019 budget totals \$21,162,793 for all funds, and includes the following:

General Fund \$ 12,484,968
Capital Improvement Fund (CIP) \$ 6,026,901
Renewal & Replacement Fund \$ 90,000
Debt Service Fund \$ 557,586
Total General Fund \$ 19,159,455

Town Center CRA Fund \$ 860,966
Harbor CRA Fund \$ 594,162
Debt Service Fund \$ 458,210
Impact Fee Fund \$ 90,000
Total Other Funds \$ 2,003,338

Total All Funds \$ 21,162,793

The only change to the final budget is the addition of \$40,000 for a pickleball court using recreation impact fees. The phase II & III personnel increase are included but have a "0" effect on the budget.

A. **Link to Strategic Goals / Objectives:** III.A.2. Develop sustainable Operating & Capital budgets ensuring the City is managed in a fiscally sound manner and complies with legislative mandates.

B. **Effect on Budget (EOB):** Provides the required budget for FY2019 in the total amount of \$21,162,793.

C. **Level of Service (LOS):** Provides funding for operations, maintenance, and debt service of the City in FY2019.

III. **CONCLUSION:** Adopting Ordinance 18-19-CN provides for the annual budget for City operations and capital improvements.

IV. **RECOMMENDED MOTION:** I move that Council adopt Ordinance 18-19-CN on second reading to provide for a balanced budget for FY 2019.

Attachments:

1. 18-19-CN - FY2019 Budget

ORDINANCE 18-19-CN

AN ORDINANCE OF THE CITY OF DESTIN MAKING APPROPRIATIONS FOR CERTAIN EXPENDITURES, EXPENSES, CAPITAL IMPROVEMENTS AND CERTAIN INDEBTEDNESS OF THE CITY OF DESTIN, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Destin is coming to the end of its fiscal year and will begin a new fiscal year on October 1, 2018; and

WHEREAS, it is necessary and required that prior to beginning a new fiscal year a budget should be passed and adopted for the operation of the City government; and

WHEREAS, the City Council has held workshops and the required public hearings on a budget for the fiscal year beginning October 1, 2018 and ending September 30, 2019; and

WHEREAS, there is established a tax at the rate of 1.6150 mils on property assessed as of January 1, 2018 for the purpose of raising revenue for General Fund Operations.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA:

1. That the document entitled "City of Destin 2019 Budget" totals \$21,162,793 for all funds reported, a copy which is attached hereto and made a part hereof by reference, is adopted.
2. This budget represents a 4.7% increase from the FY2018 budget.
3. The budget is being presented as a balanced budget whereby there are sufficient revenues to offset all expenditures.
4. All budget appropriations are based upon the total expenditures even though the budget has been prepared based on line item appropriations.
5. Appropriations may be transferred within departmental budgets by a budget transfer with the approval of the City Manager. This action will not change the total dollar amount of the budget.
6. The City Council during Fiscal Year 2019 may, by Resolution, make any amendments to the Budget adopted by this Ordinance, as it may deem necessary and proper.
7. All Budget Amendments requesting additional expenditures must also identify the corresponding funding source.
8. Projects that were not completed during FY2018 will be carried forward and shown as an amendment to the FY2019 budget as adopted by this ordinance.
9. This ordinance shall become effective on October 1, 2018.

ADOPTED THIS 17th DAY OF SEPTEMBER 2018.

By: _____

Gary Jarvis, Mayor

ATTEST:

The form and legal sufficiency of the foregoing has
Been reviewed and approved by the City Attorney.

Rey Bailey, City Clerk

Jeff Burns, City Attorney.

First Reading: September 05, 2018

Second Reading: September 17, 2018

**MINUTES
REGULAR MEETING
DESTIN CITY COUNCIL
SEPTEMBER 5, 2018
CITY HALL ANNEX COUNCIL CHAMBERS
6:00 PM**

The Council of the City of Destin met in regular session with the following members and staff present:

Destin City Council

Mayor Gary Jarvis
Councilmember Chatham Morgan
Councilmember Parker Destin
Councilmember Cyron Marler

Councilmember Tuffy Dixon
Councilmember Rodney Braden
Councilmember Prebble Ramswell
Councilmember Skip Overdier

Destin City Staff

Interim City Manager Lance Johnson
Acting Parks & Recreation Director Lisa Firth
Deputy City Manager Steve Schmidt
Deputy Public Services Director Tim Pietenpol
Public Information Manager Doug Rainer
City Land Use Attorney Kimberly Kopp

City Clerk Rey Bailey
HR Manager Karen Jankowski
Finance Director Bragg Farmer
Library Director Wen Livingston
City Attorney Jeffrey Burns

CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Gary Jarvis called the meeting to order at 6:00 PM. He asked for moment of silence; which was then followed by the Pledge of Allegiance.

EXECUTIVE SESSION (MOTION):

At this time, Mayor Jarvis asked if any member of the Council wishes to offer any motion from the preceding executive session.

Councilmember Overdier moved to accept the proposed settlement agreement between the City of Destin and B.I., Inc.; seconded by Councilmember Ramswell.

Councilmember Braden remarked that he would not be supporting the proposed settlement agreement as it has more terms and conditions than the one that what presented at a previous executive session, which he was ready to approve.

Councilmember Destin announced he would abstain from voting as he is related to one of the parties involved in the litigation.

The Mayor asked if anyone in the public wishes to make a statement with regards to the motion on the floor. Hearing none, the Mayor called for a vote on the motion.

Motion passes 5-1 (Council members Morgan, Marler, Overdier, Dixon and Ramswell voted “yes”; Councilmember Braden voted “no”; Councilmember Destin abstained from voting).

SPECIAL PUBLIC HEARINGS FOR FISCAL YEAR 2019 MILLAGE RATE AND BUDGET:

A. First Reading of Ordinance 18-18-CN, Adopting Fiscal Year 2019 Millage Rate

The City Attorney read proposed Ordinance 18-18-CN by title; and then presented it to the Council on first reading.

AN ORDINANCE OF THE CITY OF DESTIN OF OKALOOSA COUNTY, FLORIDA, ADOPTING THE FINAL LEVYING OF AD VALOREM TAXES FOR THE CITY OF DESTIN FOR FISCAL YEAR 2019; AND PROVIDING FOR AN EFFECTIVE DATE.

Councilmember Destin moved to adopt Ordinance 18-18-CN on first reading adopting a proposed FY 2019 millage rate of 1.6150 mills which is more than the rollback rate of 1.5520 mills; seconded by Councilmember Morgan.

The Mayor opened a public hearing to receive comments for or against the proposed ordinance. Hearing none, the Mayor closed the public hearing and turned the matter over to the City Council for their discussion and consideration.

The Mayor called for a vote on the motion, which passes 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted “yes”).

B. First Reading of Ordinance 18-19-CN, Adopting the Fiscal Year 2019 Budget

The City Attorney read proposed Ordinance 18-19-CN by title; and then presented it to the Council on first reading.

AN ORDINANCE OF THE CITY OF DESTIN MAKING APPROPRIATIONS FOR CERTAIN EXPENDITURES, EXPENSES, CAPITAL IMPROVEMENTS AND CERTAIN INDEBTEDNESS OF THE CITY OF DESTIN, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019; AND PROVIDING FOR AN EFFECTIVE DATE.

Finance Director Bragg Farmer provided an overview of the proposed 2019 Budget:

Budget Highlights

A) General Fund Revenue has increased 5.3%	--	\$ 682,019
B) Property Values Increased by 6.42% from \$4,731,978,391 to \$5,035,622,039		
C) Tentative millage rate remains at 1.650 mills		
D) Grant Revenue	--	\$2,056,401

E) TDD Operating Funding	--	\$ 454,526
F) Town Center CRA revenue increased	--	\$ 86,661
G) Harbor CRA revenue increased	--	\$ 54,436

Revenue Highlights

➤ Property Tax Value Revenue Increase	--	\$ 421,610
➤ State Revenue Sharing up	--	\$ 33,000
❖ Communications Service Tax – down \$31,000		
❖ ½ Sales Tax, Municipal Tax – up \$64,000		
➤ Gas Tax up	--	\$ 49,000
➤ Grant Revenue		
❖ Airport Road Curve Redesign	--	\$ 104,953
❖ Clement Taylor Park Renovations	--	\$ 729,918
❖ Capt. Royal Melvin Park	--	\$ 1,216,530

General Fund Expenditures Highlights:

➤ Operating Expenditures Increased 7.3%	--	\$ 847,595
➤ Capital Spending	--	\$ 733,180
➤ General Fund Decrease to Town Center CRA	--	(\$ 60,831)
a. FY19 Contribution - \$69,184 (\$2,314,144)		
➤ Sheriff Contract	--	\$2,160,198
a. \$185,118 increase 9.4% (\$78,280)		

Capital Project Funding

A) General Fund	--	\$ 272,500
B) Gas Tax	--	\$ 703,000
C) Impact Fees	--	\$ 340,000
D) Grants	--	\$2,056,401
E) CRA (Harbor)	--	\$ 5,000

Capital Improvement Projects

A) Road Resurfacing Plan	--	\$ 870,000
B) Calhoun Avenue Pedestrian Walkway	--	\$ 118,000
C) Wayfinding Plan	--	\$ 10,000
D) Airport Road Curve Redesign	--	\$ 104,953
E) Clement Taylor Park Restoration	--	\$ 729,918
F) Capt. Royal Melvin Park	--	\$1,216,530
G) Airport Road Landscaping Design	--	\$ 12,500
H) Playground Renovations	--	\$ 50,000
I) Storm Water System Planet Drive to Indian Trail	--	\$ 260,000
J) Gulf Power Easement Trail	--	\$ 5,000

Personnel: 81 Full Time & 17 Part-Time Positions

➤ 2% COLA	--	\$ 72,000
➤ 2% Merit	--	\$ 52,000
➤ Health insurance increase 3.27%		
➤ New positions changes:		
1. Parks Maintenance Custodian	--	\$ 34,401
2. Maintenance Technician/Custodian	--	\$ 52,302
3. Mechanic/Maintenance Technician	--	\$ 56,796

Changes from the Budget Workshop

- Removed the funding for the Beach to Benning ROW access - \$2,700,000
- Removed the receipt of mutual funding from DOT for the Hwy 98 crosswalks - \$750,000

Councilmember Destin moved to adopt Ordinance 18-19-CN on first reading to provide for a balanced budget for FY 2019 and schedules the second reading on September 17, 2018; seconded by Councilmember Morgan.

Councilmember Overdier inquired about the cost to incorporate phase 2 employee salary adjustments into this budget to bring the salary of certain employees up to industry standards.

Mr. Farmer noted it would cost approximately \$65,000 to incorporate the phase 2 employee salary adjustments into the budget; adding the Public Services and Recreation departments were able to come up with that amount in the event Council decides to include it in the FY 2019 budget.

Councilmember Dixon asked how much it would cost to add the phase 3 employee salary adjustment to the budget.

The Human Relations Manager Karen Jankowski replied that the cost would be approximately \$7,000.

Councilmember Dixon moved to include both phase 2 and phase 3 employee salary adjustments in the proposed budget to conform to industry standards without exceeding the advertised budget amount; seconded by Councilmember Ramswell.

The Mayor suggests voting on the original motion first before adding any amendments to it.

The City Attorney advises making all the amendments to the final motion before voting on it.

Councilmember Ramswell discusses the City Manager's salary and trying to make it more competitive with other municipalities in Florida; noting that the Interim City Manager has provided some documentation, and she has also provided some information from the Florida League of Cities in this regard. She stated that most of these salaries are based on year-round

population, and they would need to consider the fact Destin is a city dealing with way more than just a typical year-round population. She suggests increasing the salary range for the Destin City Manager.

Councilmember Destin stated that he supports an increase to the City Manager's salary; however, it was his understanding they have discussed passing the budget first and then potentially doing a budget amendment at a later date to include the salary increase, which would then come from the reserve account.

Mr. Farmer stated it would be the easiest way to fund it because they currently have a balanced budget. If they include the salary increase now, they would have to cut the full amount the Council agrees on somewhere from the budget; whereas, if they wait until the full-time City Manager is hired, they could make a budget amendment at that time based on the actual contract and fund it with the fund balance for the current year and make it part of the regular budget for the next fiscal year.

Councilmember Ramswell noted that an individual went before the Council earlier this year and provided some statistics regarding the popularity of pickleball. She stated there have been some concerns the City is constructing additional tennis courts and not addressing the need for pickleball courts. She suggests they consider construction of a pickleball court or a multi-purpose court.

According to Interim City Manager Lance Johnson, they currently have two tennis courts at Buck Destin Park; and that they budgeted this year for resurfacing and re-striping those two tennis courts to include lining them for pickleball and improving the fencing. He continued that during the budgeting process with the previous City Manager, they also offered the option of building two more courts; approximately \$20,000 to \$40,000 for each court. They have some space next to the small dog park to build these courts.

Councilmember Ramswell stated that pickleball is a growing sport, much like the Little League Baseball, and that she would be in favor of constructing a pickleball court in Destin.

The Mayor agreed with Councilmember Ramswell, stating that pickleball applies to all ages, but it caters to some of their elderly visitors and permanent residents. He suggests constructing a combination tennis and pickleball court.

Councilmember Ramswell moved to include as an amendment the funding for one pickleball court; seconded by Councilmember Marler.

Councilmember Dixon wants to make sure the proposal was to resurface the tennis court making it a dual purpose court, and constructing a new pickleball court; and that they would end up with at least two pickleball courts.

Mr. Johnson replied affirmatively.

Councilmember Destin asked where they propose to get the funding for the pickleball court.

Mr. Farmer replied the impact fees would fund the pickleball court. He suggests adding as part of the motion the construction of one pickleball court for about \$40,000 to be funded by impact fees.

At this time, the Mayor opened a public hearing to receive comments for or against the proposed ordinance. Hearing none, the Mayor closed the public hearing and turned the matter over to the City Council for their discussion and consideration.

Ms. Teresa Hebert, Parks & Recreation Committee Chair, spoke in favor of constructing a pickleball court. She stated that the committee believes it is a sport that will grow in popularity and they will be inundated with people from across the nation wanting to hold pickleball tournaments in Destin because of the weather.

A citizen came forward and addressed the City Manager position. He asked why the Council feels the need to look externally to find somebody to fill the position of full-time City Manager as opposed to monitoring the performance of the Interim City Manager, who has worked for the City for years, and possibly considering him for the full-time position.

Councilmember Ramswell offered a substitute motion to adopt the budget as presented with the following amendments:

- **Incorporate Phase 2 and Phase 3 employee salary adjustments to conform to industry standards; and**
- **Incorporate funding for one pickleball court at a cost not to exceed \$40,000 to be funded by impact fees.**

Councilmember Overdier provided a second to the substitute motion, which passes 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted “yes”).

AGENDA APPROVAL

Councilmember Destin requested that an item be added under his portion on the agenda with regards to possibly scheduling a workshop with regards to the crosstown connector and parking congruency.

Councilmember Braden asked that Consent Agenda item #6L be pulled for further discussion.

The City Attorney requested that an item be added on the agenda under his name regarding discussion on the possibility of assigning a sheriff’s deputy to augment the City’s code enforcement officers.

Motion by Councilmember Destin, seconded by Councilmember Marler, to adopt the agenda as amended passed 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted “yes”).

1. APPROVAL OF MINUTES

A. Approval of minutes of July 26, 2018 special city council meeting

Motion by Councilmember Dixon, seconded by Councilmember Ramswell, to adopt minutes of July 26, 2018 special city council meeting passed 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted “yes”).

B. Approval of minutes of August 13, 2018 Budget Workshop

Motion by Councilmember Dixon, seconded by Councilmember Overdier, to adopt minutes of August 13, 2018 budget workshop passed 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted “yes”).

2. PROCLAMATIONS / RECOGNITIONS / **SPECIAL PRESENTATIONS / ANNOUNCEMENTS (No public comments)

A. Proclamation Recognition of Beach Safety Lifeguards

The Mayor read a proclamation recognizing the efforts of and expressing appreciation to the Destin Fire Control District Beach Safety Lifeguards for their life-saving efforts and for keeping the community safe.

B. Pedestrian Traffic Management Solution Mr. Stephen Deranian

Mr. Stephen Deranian, a Destin resident, provided the following presentation:

Pedestrian Traffic Management Solution – Improving the pedestrian flow to/from the beaches for safety reasons within Crystal Beach

- Beach Access Points – Matthew Street to Dolphin Street (6)
 - ❖ Each beach access point has an associated crosswalk
- Problem
 - ❖ Within the last 20 years, Crystal Beach has experienced massive growth in population
 - A majority of this population is vacation/rental
 - This results in growth of pedestrian traffic
 - ❖ Many people are attempting to find the beach access points without any direction/signage
 - This results in people crossing Scenic Hwy 98 anywhere
 - Many are crossing the road without a crosswalk resulting in unsafe situations due to automobile traffic
 - ❖ For safety reasons, recommend signs be posted to direct people to the proper beach access points
 - Utilize the funneling features of a street to safely steer people towards the access points

- Only placing a sign on end of street is ineffective
- Traffic count of pedestrians
 - ❖ During a normal summer day, 1540 people traversed to/from the beach on one street in Crystal Beach
 - Approximately 27% or 415 people crossed Scenic 98 without a crosswalk and no access point
- Two areas of excessively high volume pedestrian traffic
 - ❖ Village of Crystal Beach
 - Only one road to the beach (Cobia Street) for approximately 2,000 people and no signage
 - ❖ Holiday Inn on Hutchinson Street
 - Only one road to the beach (Hutchinson Street) for the entire hotel population and no signage
- Manual on Uniform Traffic Control Devices
 - ❖ A 2009 issue with 2012 amendments (the most recent version) regarding signage in Florida
 - A great reference material for signage
- Recommended signage – from Matthew Blvd to Dolphin Street
 - ❖ 27 signs with “BEACH ACCESS” and appropriate arrows
 - ❖ 24” x 30” sign with white letters and blue background
- Ultimate goal is to provide safety for pedestrians to/from the beach
- Other options
 - ❖ Improve/widen sidewalks similar to Matthew Blvd and Hutchinson Street
 - ❖ Add more beach access points

Councilmember Ramswell asked for the approximate cost per sign.

Mr. Deranian stated it would be about \$150.00 to \$200.00 per sign; and that each sign post cost about \$45.00.

Councilmember Ramswell inquired as to the City’s current wayfinding sign program.

Mr. Johnson noted that the City formed an internal committee to look at the wayfinding sign system and they feel this can be incorporated into the system; but, they could also work on this ahead of time.

Councilmember Dixon moved to adopt a recommendation of purchasing wayfinding signs and posts and installing them in the Crystal Beach area according to the diagram provided by Mr. Deranian; seconded by Councilmember Ramswell.

Councilmember Braden noted that he attended the Public Works/Safety meeting when this issue was discussed. Following the meeting, he heard several people say that tourists who want to go to the beach do not go east or west where the signs point and then head south. They head directly south and get as close to the beach as possible and then find the easiest way to get there.

Mr. Deranian stated that the signs are also for safety reason. They point the pedestrians to the location of the crosswalks.

Councilmember Braden stated it would be better to have a sign at the south end of every street pointing to the direction of the beach so that they do not have signs all over the neighborhood.

Councilmember Ramswell asked if there could be some sort of grant available for this type of program because of the number of accidents and fatalities on US Hwy 98.

Capt. Nix of the Okaloosa Sheriff's Department stated there is a possibility of grant funding available for this program because of the number of fatalities they had within the City limits.

At this time, the Mayor asked if any member of the public wishes to comment on this issue. Seeing none, the Mayor called for a vote on the motion.

Motion passed 6-1 (Council members Morgan, Destin, Marler, Overdier, Dixon and Ramswell voted "yes"; Councilmember Braden voted "no").

C. Helicopters and Tourism in Destin Mr. Rick Chappell

Mr. Rick Chappell, a Destin resident, expressed his concerns related to the Destin beaches and Destin tourism. He stated there is a situation that currently exists with respect to helicopters that significantly degrades the beach environment because of noise pollution created by these helicopters constantly flying overhead from Henderson Beach to East Pass. He urged the Council to try to put a stop to it.

Mr. Allen French, a Destin resident, stated he is passionate about making Destin the best place to live, work and play. He stated that Destin has a serious problem with helicopters and noise pollution. They fly about 150 feet overhead and up and down the beaches every 5 to 10 minutes at 85 decibels making it difficult for beachgoers to hear each other talk. This would have a negative impact on tourism, loss of tax dollars, income and property values; and most importantly, it is a safety issue.

Mr. Tom Alison, a Destin resident, stated that these low flying helicopters pose a safety threat to beachgoers in violation of the FAA regulations 91.119, a copy of which has been provided to the members of the City Council. He stated that according to this section, no person may operate an aircraft "*over any congested area of a city, town, or settlement, or over any open-air assembly of persons, an altitude of 1,000 feet above the highest obstacle within a horizontal radius of 2,000 feet of the aircraft.*" Within the same section, it further states that "*helicopters may be operated at less than the minimum prescribed altitudes if the operation is conducted without hazard to person or property on the surface.*" He further stated there was a study that was conducted that shows the taxes from the helicopter beach tourist operation generates less than one percent of the total money from the tourists in Destin. He also pointed out that a recent article in the Wall Street Journal states "*there have been more than 170 fiery helicopter crashes in the United States alone, at least 80 avoidable fatalities and ballooning legal liabilities for both manufacturers and operators.*"

Mr. Alison then showed a professionally created video which he states demonstrates the lack of safety created by the helicopters.

Councilmember Destin stated these helicopters are a clear threat to long-term tourism; but, there may be a jurisdictional issue. The FAA controls the airspace. He stated that if the City's attorneys could look into other beach communities that have similar issues with helicopters they could probably come up with a logical solution to this problem.

According to Mr. Alison, they have communicated this issue with the FAA and provided them a copy of the video, and they were told they could not do anything unless they have more documentation. He suggests the Council putting more pressure on the FAA to take some action.

The City Attorney stated that the video showed a helicopter seemingly making some dangerous maneuvers, and so the City could probably write a letter to the FAA supporting this complaint.

The Mayor suggests holding a stakeholders meeting inviting home owners, helicopter company owners and possibly some representatives from Eglin Air Force Base, and try to come up with a solution to this issue; if not, they could then look at their legislative capabilities and try to legislate a solution.

Councilmember Braden noted he was also working on a presentation on the helicopter issue. He stated that received a letter in July this year from an individual who owns a condominium on the beach and forwarded the letter to the County commissioners. The individual sat on his balcony for several hours and recorded 150 helicopter flights that occurred every 2.8 minutes. He continued he was staying on the 12th floor of the same condominium building at the same time. He went up on the roof and videotaped the flights, which were extremely loud. He then played the flight recording from his cell phone.

Councilmember Dixon noted there was a stakeholders meeting held in Destin nearly two years ago. Some of the helicopter companies attended the meeting. They promised to do things differently and make things better; but it has not happened. He continued they need to get the FAA involved as they seemed to be reluctant in taking action against the helicopter companies. He suggests inviting an FAA representative to come to Destin during a Fourth of July weekend so they could observe the helicopter flights themselves.

Mr. Alison stated that the FAA is already aware of the problem; adding they need to provide some data such as elevation, decibel readings and crash reports.

Councilmember Dixon also noted that the one helicopter company that is operating in Destin is located in the County; and that the County is allowing them to operate.

Councilmember Ramswell stated that a statement contained within FAA regulations 91.119, "*helicopters may be operated at less than the minimum prescribed altitudes if the operation is conducted without hazard*" did not specify how much less than the minimum is allowable. Also, it did not give a definition of hazard, which is subjective.

Councilmember Ramswell also pointed out that according to Section 135.203 of the Code of Federal Regulations (CFR-14), “*No one can operate under the Visual Flight Rule (VFR) for helicopters in a congested area at an altitude less than 300 feet.*” She also suggests looking more at Section 91.13 which is *Careless and Reckless Navigation*; adding if they cannot make the argument for altitude, the behavior they are seeing and experiencing are certainly reckless.

Councilmember Braden suggests checking with the Sheriff’s Department about an individual who used to fly a helicopter on Okaloosa Island across from the Gulfarium. He crashed his helicopter three times several years ago, and the department should have a record of these incidents.

The City Attorney asked and received general direction from the Council to look into this issue.

3. PUBLIC COMMENTS ON AGENDA ITEMS THAT ARE NOT PUBLIC HEARINGS AND ANY OTHER MATTERS NOT ON THE AGENDA

Mr. Guy Tadlock, a Destin resident, stated that he agrees with everything that has been presented with regards to the helicopter issue as he hears similar complaints from other tourists about the helicopter noise. He also mentioned that a stakeholders meeting last fall also involved some of the Destin Airport air traffic controllers and the company that is in charge of the air traffic control tower. There were a lot of discussions about this helicopter issue. A lot of people that attended the meeting left angry because the tower, which is supposed to solve the problem, and which the County spent over \$5.3 million building, has not been able to do so. He urged that they take immediate action because the quality of life of their residents and visitors are being negatively impacted; and that many tourists have repeatedly stated they are not coming back to Destin.

Ms. Leigh Moore, representing Howard Group, stated they recently learned that Gulf Power is about to install some new overhead facilities in the City – on Main Street and all of Bayou Drive. She continued that they have already installed one pole and destroyed one Live Oak Tree on Bayou Drive. She asked if Gulf Power is communicating their plans for new facilities with the City since the City is currently pursuing undergrounding the utilities in the entire community.

Councilmember Ramswell stated she seemed to recall Gulf Power stating in a public meeting they were not going to install any new overhead facilities; and that if they have to add anything it would automatically be underground.

Councilmember Destin stated that the franchise negotiations with Gulf Power did not include Gulf Power’s compliance or non-compliance with tree preservations; adding they seemed to be disinterested in the business of undergrounding the utilities.

4. CITY MANAGER REPORTS

A. Membership appointment to the Destin Youth Council

Councilmember Ramswell moved to appoint the following 9 applicants to the Destin Youth Council:

- **Cameron Farrah**
- **Harrison Farrah**
- **Spencer Mackenzie**
- **Broc McPherson**
- **Anastasia Miller**
- **Katherine O'Leary**
- **Alexandra Rodriguez**
- **Luke Seekamp**
- **Wesley Shackelford**

Councilmember Morgan provided a second to the motion, which passes 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted “yes”).

B. Announcement for Public Meeting with interested parties for Structured Parking Solutions

The Interim City Manager Lance Johnson announced that the City of Destin will host a public meeting on Thursday, September 6th, at 5:30 p.m. at City Hall, to gather citizens' feedback on parking and other items related to transportation and pedestrian concerns in and around the harbor and boardwalk.

C. Announcements

Mr. Johnson made the following announcements:

- Tuesday, Sep. 11th, 4-30 to 6:00 p.m. at the Destin Library – Meet and greet for the new librarian
- Wednesday, Sep. 12th, 5:30 p.m. – Harbor CRA-AC meeting
- Thursday, Sep. 13th, at 5:30 p.m. – Special Council meeting on Gulf Power franchise negotiations
- Friday, Sep. 14th, noon to 5:00 p.m. – end of season City staff picnic at Clement Taylor Park
- Saturday, Sep. 15th, 9-11 a.m. – Coastal Cleanup at Norriego Point
- There are currently 29 applicants for the City Manager position from 15 different states. Requested salary range from \$85,000 to \$160,000
- Dolphin Street Widening project – the City possesses enough rights-of-way necessary to widen the road

The Mayor inquired on the status of the banner poles for the Town Center CRA.

Mr. Johnson noted that the City has possession of the banner poles and the anchoring materials, and that they plan to have the poles installed very soon.

Mr. Johnson noted that his contract requires Council's approval to hire attorneys to perform work for the City. He asked for the Council's authorization to hire a Labor Attorney.

Motion by Councilmember Braden, seconded by Councilmember Ramswell, to authorize the Interim City Manager to hire a Labor Attorney passed 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted "yes").

5. PUBLIC HEARINGS

- A. Second reading of Ordinance 18-14-CC, Relating to Prohibiting Gambling within the Destin City Limits.

The City Attorney read proposed Ordinance 18-14-CC by title; and then presented it to the Council on second reading.

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA RELATING TO PROHIBITING GAMBLING WITHIN CITY LIMITS; PROVIDING FOR AUTHORITY; PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR THE CREATION OF CODE OF ORDINANCES, CHAPTER 14, ARTICLE VII, GAMBLING PROHIBITED WITHIN CITY LIMITS; ARTICLE VII, SEC.14-200. – LEGISLATIVE INTENT; ARTICLE VII, SEC. 14-201. – DEFINITIONS; ARTICLE VII, SEC. 14-202. – PROHIBITED GAMBLING AND GAMING ACTIVITIES; ARTICLE VII, SEC. 14-203. – OPERATIONS; ARTICLE VII, SEC. 14-204. – ENFORCEMENT OF THIS ARTICLE; ARTICLE VII, SEC. 14-205. – NOTICE TO AUTHORITIES; ARTICLE VII, SEC. 14-206. – ENFORCEMENT OF THIS ARTICLE; PROVIDING FOR INCORPORATION INTO THE CODE OF ORDINANCES; PROVIDING FOR CONFLICTING PROVISIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

The Mayor opened a public hearing to receive comments for or against the proposed ordinance. Hearing none, the Mayor turned the matter over to the City Council for their discussion and consideration.

Motion by Councilmember Overdier, seconded by Councilmember Ramswell, to approve Ordinance 18-14-CC on second reading passed 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted "yes").

- B. Second reading of Ordinance 18-16-LC, Vested Rights Process

The City Attorney read proposed Ordinance 18-16-LC by title; and then presented it to the Council on second reading.

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA AMENDING ARTICLE 2 OF THE LAND DEVELOPMENT CODE TO ESTABLISH A PROCESS FOR VESTED RIGHTS DETERMINATIONS; PROVIDING FOR INTENT; PROVIDING FOR ELIGIBILITY TO APPLY FOR A VESTED RIGHTS DETERMINATION; PROVIDING FOR APPLICATION REQUIREMENTS, APPLICATION CATEGORIES, AND APPLICATION PROCEDURES; PROVIDING FOR APPEALS; PROVIDING FOR ULTRA VIRES PROTECTIONS; PROVIDING FOR NOTICES TO THE STATE; PROVIDING FOR AUTHORITY; PROVIDING FOR

INCORPORATION INTO THE LAND DEVELOPMENT CODE; PROVIDING FOR
CONFLICTING PROVISIONS; PROVIDING FOR SEVERABILITY; AND
PROVIDING FOR AN EFFECTIVE DATE.

The Mayor opened a public hearing to receive comments for or against the proposed ordinance.

Mr. Shawn Snell, resident of Defuniak Springs, stated that he was informed by the former Community Development Director that this proposed ordinance would allow for their project, The Affordable Banquets, to have a roof slope that is not a 5/12 to 12/12 roof slope. However, when he discussed this matter with the Interim Community Development Director Steve Schmidt, he was informed that without a change to the Vesting Rights ordinance that would allow the 5/12 roof slope to be changed; he would need to change the slope of the building. He continued that the building has been under designed for nearly 8 months. The development order application was submitted on April 4, 2018, but it has not been approved. He stated that at the August 20, 2018 Council meeting, he pointed out that the City's Comprehensive Plan that went into effect on June 8, 2018 had a provision that all future buildings shall have a 5/12 but not greater than a 12/12 roof slope. This provision was added into the comprehensive plan as it was not in there previously. Their project was submitted on April 4, 2018. The 5/12 roof slope provision is an impediment to the City's approval of the development order for his project, which has been designed over 8 months ago with a lower slope roof. The provision would also be an impediment to other projects, such as retail stores, parking garages and other buildings that cannot afford to have a high roof slope. He stated that he checked with other local municipalities and counties, and no one requires all roof slopes on future buildings to be 5/12 to 12/12 pitch. The 5/12 roof pitch is more expensive because it has to be structured more heavily for high wind loads. He further stated that Section 1-2 of the comprehensive plan that reads, *"Fully pitched roofs are required to cover not less than 60% of the roof surface on all buildings a minimum pitch of 5/12 and a maximum pitch of 12/12 are required for the fully pitched roof above the cornice line"* is a mistake in the comprehensive plan. He also pointed out that according to Figure 7.2 – Roofline Design of the Land Development Code, *"The use of varied rooflines, through the utilization of parapets and/or sloped roofs, is required."* Parapets indicate a low slope roof which is practically in every building in Palm Plaza and in Holiday Isle because they are in a high wind zone. He added that since the application for his project was submitted on April 4th, prior to the comprehensive plan that went into effect on June 8th, it should be evaluated with respect to the comprehensive plan, Land Development Code, and Florida Building Code that were in effect on April 4th.

Councilmember Dixon asked why this application was not evaluated based on the current rules when the application was submitted; and if the proposed ordinance addresses this issue.

According to the Land Use Attorney, the proposed ordinance does not address this particular situation. She also stated that under the current comprehensive plan, grandfathering clause and the proposed ordinance, there is no room for staff to give the applicant some kind of variance. She also stated that the way the grandfather clause is written, building heights have to be actual and present and lawfully existing or has an authorized development order to be grandfathered in; adding that if someone submits an application but their development order is not final when the new comprehensive plan went into effect, they would not be grandfathered in.

The Mayor asked if this is an issue for the City's Board of Adjustment.

According to the Land Use Attorney, the Board of Adjustment would get involved only if it was a Land Development Code provision and not a comprehensive plan provision.

Councilmember Marler stated that in the past, when an application was in process, it fell under the existing comprehensive plan provision. He asked when that procedure was changed.

Councilmember Ramswell stated she seemed to remember a similar interpretation of the rule as that of Councilmember Marler.

According to the Land Use Attorney, the new grandfathering clause provides that the building heights, density or intensity has to be actual and present and lawfully existing prior to the effective date of the comprehensive plan or was authorized pursuant to a development order. However, if the Council wants to establish a policy that a pending application can be considered for the comprehensive plan that was in effect at the time the application was submitted, they can direct staff to draft that language.

According to the City Attorney, the applicant is entitled to go in front of the Board of Adjustment under the old comprehensive plan that was in effect when the application was submitted.

Mr. Stephen Taylor of Matthews and Jones stated that he supports the proposed ordinance. He stated that the reason the current comprehensive plan does not grandfather the applicant was because the City would not accept the language his firm brought to them that would have allowed it to happen. They only have a year to apply for their vested right determination. A lot of people do not pay attention to legal notices. It would be worth doing larger ads that people would actually see.

Motion by Councilmember Braden, seconded by Councilmember Destin, to approve Ordinance 18-16-LC on second reading passed 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted "yes").

6. *CONSENT AGENDA

- A. Contract Extension with H&T Contractors, LLC for Miscellaneous Asphalt Continuing Services
- B. Contract Extension with S.H. Hayes Enterprises, LLC for Miscellaneous Concrete Continuing Services
- C. Contract Extension with The Emerald Group of Florida, Inc. dba Gulf Coast Electric for Miscellaneous Electrical Continuing Services
- D. Contract Extension with RONCO Electric Service, LLC for Miscellaneous Generator Continuing Services
- E. Reimbursement for Councilmember Prebble Ramswell for expenses incurred while attending the Florida League of Cities Annual Conference on August 15-19, 2018 at Hollywood, Florida

- F. Reimbursement for Councilmember Skip Overdier for expenses incurred while attending the Florida League of Cities Annual Conference on August 15-19, 2018 at Hollywood, Florida
- G. Contract Extension with Florida Septic & Sewer Service, Inc. for Miscellaneous Stormwater Continuing Services
- H. Contract Extension with Porter Roofing Contractors, Inc. for Miscellaneous Roofing Services
- I. Contract Extension with Florida Pest Control & Chemical Company for Miscellaneous Pest Control Continuing Services
- J. Contract Extension with Emerald Coast Striping dba Coastline Striping, Inc. for Miscellaneous Road Striping Continuing Services.
- K. Contract Extension with Advance Protective Technologies for Miscellaneous Alarm/Fire Safety Continuing Services
- L. Contract Extension with S.H. Hayes Enterprises, LLC for Miscellaneous Fencing Continuing Services
- M. Contract Extension with Gulf Coast Environmental Contractors, Inc. for Miscellaneous ROW/Median Landscape Maintenance Continuing Services
- N. Destin Fishing Rodeo Trailer Temporary Placement
- O. 2018 Destin Seafood Festival Co-Sponsorship

Motion by Councilmember Marler, seconded by Councilmember Overdier, to approve Consent Agenda items #6A thru #6K and items #6M thru #6O, as printed above, passed 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted “yes”).

Councilmember Braden addressed Consent Agenda item #6L. He stated he asked for this item to be pulled for discussion because he could not find any type of material amount or hourly rate.

The Deputy Public Services Director Tim Pietenpol stated that he believes it is a time and materials contract; meaning an hourly rate plus a percentage on the materials used. However, he would need to verify it and come back with a definitive answer.

Councilmember Braden asked if they have a limit as far as the project amount on these continuous services contracts; and it goes out for bid if the amount exceeds that limit.

Mr. Pietenpol replied the limit is \$15,000.

Mr. Johnson added that anything over \$15,000 would come to the Council for their approval.

Councilmember Braden moved to approve Consent Agenda item #6L, as printed above, seconded by Councilmember Marler. Motion passed 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted “yes”).

7. COMMENTS/PRESENTATIONS FROM MAYOR, COUNCIL, LAND USE ATTORNEY AND CITY ATTORNEY

A. Councilmember Braden

Councilmember Braden asked the Interim City Manager to provide the Council a copy of the Royal Melvin Heritage Park plan or design originally submitted for the Restore Act grant funding application.

Mr. Johnson stated that he would provide that information to Council. He also informed the Council the current dollar amount for the design fee for the Heritage Park which the Council previously asked for was \$175,000.

Councilmember Braden also asked for a copy of any grant applications the City have currently submitted.

Councilmember Dixon addressed the dollar figure Mr. Johnson provided relative to the current dollar amount for the design fee for the Heritage Park. He stated that the figure the previous City Manager showed him amounted to over \$290,000.

According to the Finance Director, the difference between the figure provided by the Interim City Manager and the one provided by Councilmember Dixon came from the 3 invoices coded for the Heritage Park, but, were actually engineering drawings for the boardwalk. This was corrected within their accounting system.

B. Councilmember Ramswell

C. Councilmember Dixon

Councilmember Dixon questioned the \$100,000 engineering fee just to design a curb; adding that a private corporation would not pay the same amount of money for this type of work.

The Finance Director explained that the \$104,000 allotted for the curb is not necessarily the amount they would pay. It was the amount FDOT has allocated to the City in a grant to cover the cost. The total cost might only be \$50,000, but they are not going to know until they hire a firm for the job.

Councilmember Dixon wants to know why they cannot utilize the City Engineer for this purpose.

The Mayor stated that FDOT may have a reason for it. He suggests putting the project out for bid so that the Council may make a decision based on monetary consideration.

Councilmember Dixon asked the City Manager to look into the buckle in the sidewalk in front of the Army Recreation Camp, one of the busiest areas in Destin. It has been in that condition for at least two months.

C. Councilmember Overdier

Councilmember Overdier asked if they have changed the advertised salary for the City Manager to a higher amount.

Mr. Johnson stated the number has not changed because it has not been approved by Council.

The Finance Director stated the Council can offer any amount they want for the position. It is completely beside the budget. He added that professionals that apply for this type of job typically put a pay range in their application.

Councilmember Overdier moved to re-advertise for a higher amount for City Manager salary to \$140,000; seconded by Councilmember Morgan.

The Mayor suggests they consider what the City Manager actually has to manage as compared with other cities when they are trying to determine the salary. Destin does not have its own police department, fire department, waste management, and power company, and it has the least amount of employees than most cities of equal size.

Councilmember Ramswell noted that Destin has unique problems and major issues that require constant attention, and above and beyond what other similar size cities are facing.

The Mayor asked if any member of the public wishes to comment on the motion. Seeing none, he turned the matter over to Council for their consideration.

The City Manager stated that the salary offer is at \$120,000. He suggests advertising a range of \$120,000 to \$140,000 so they are not committed to a certain amount.

Councilmember Overdier offered an amended motion to re-advertise for a higher amount for City Manager salary to a range of \$120,000 to \$140,000; seconded by Councilmember Morgan. Motion passed 6-1 Council members Morgan, Destin, Marler, Overdier, Ramswell and Braden voted “yes”; Councilmember Dixon voted “no”).

E. Councilmember Marler

Councilmember Marler asked the City Manager to provide the Council a list of all projects under review for development orders with current status for each one; and to include any reasons for the delay.

F. Councilmember Destin

1) Proposed Gulf Power Franchise Agreement

Councilmember Destin stated it has been very difficult trying to negotiate with Gulf Power. The City has given a lot of concessions, and basically has taken the conversation of purchasing and running the power utility off the table in an attempt to have good faith negotiations for a franchise agreement with Gulf Power. He continued that they have discussed the potential curtailing of the scope of the City’s purchase provision. Gulf Power wanted a language incorporated into the agreement that would basically narrow the scope of the application of the purchase option by prohibiting the City from purchasing and then selling the power utility. He also stated it did not appear they would get an electric utility undergrounding agreement done in time, and so as a concession, they have taken that part off the table with hopes

that future Council would understand it is something that they need to negotiate in the future. The City has also given up a concession for their protection from Southern Company's overruns on the Kempler and Vogle power plants. The proposal that Gulf Power provided to the City is basically the same thing they could have gotten two years ago; and that he feels it is a bad deal for the citizens of Destin. The City would not be allowed to exercise its purchase option for 10 years should they enter into the franchise agreement. Which means the City would be under the control of Gulf Power's parent company, NextEra Energy, which owns Florida Power and Light, for an entire decade. According to the trade reports on the acquisition of Gulf Power by NextEra from Southern Company, NextEra is going to be paying a sky high premium for Gulf Power. It will be approximately 29 times the price to earnings ratio; which many analysts believe is an insane amount of premium. NextEra is not buying Gulf Power to bring lower rates and help the City underground their electric utility. He would like to have one last opportunity to talk to Gulf Power before the September 13th Special Council meeting; and that if Gulf Power does not make significant movements from its current franchise offer, he would recommend they exercise their purchase option and put out an RFP to sell the entire grid system to a competitor for lower rates and a better franchise.

The City Attorney stated that the Council is being asked to vote on the City's proposed counter-offer to Gulf Power which has been included in the Council's briefing materials. And, although the City is giving up a lot with this counter-offer, Gulf Power has essentially indicated they are not going to accept it by commenting on the counter-offer; but they have not officially declined it.

The City's Special Counsel Schef Wright provided the following explanations with regards to the City's proposed counter-offer to the franchise agreement:

- Fifteen-year franchise agreement with 2 years vesting period
- Dropped the undergrounding of electric utilities
- Dropped the protection against Kemper and Vogle overruns
- Beefed up the use of the franchise fee for undergrounding, but at no cost to Gulf Power

Mr. Wright noted that the expiration of the existing franchise pursuant to the recent extension is Friday, September 21, 2018; adding that the scheduled special meeting on September 13th is for Council's further consideration of this issue depending on Gulf Power's response to Council's decision tonight. He also added that if Council takes no action by September 21st, their right to purchase will expire; which is a bad thing for the City of Destin.

Councilmember Ramswell stated she is tired of the way the City of Destin is being treated by Gulf Power. She continued that Gulf Power has gone from the position of openness and willingness to help at one meeting, and then a complete turnaround at the next meeting. The City has already given a lot of concessions. Gulf Power feels the City will do whatever they want and she will not tolerate it any longer. They are not gaining anything by continuing to negotiate with Gulf Power; adding that Fort Walton Beach has functioned for several years without an electrical contract.

Mr. Wright reiterated that if the Council approves the counter-proposal, and it is accepted by Gulf Power, it will provide the City a 15-year franchise with the opportunity to purchase the electrical system after two years. It will be an ultimate protection for the citizens of Destin against future high rates.

Councilmember Ramswell asked if they have any options to purchase the electric utility after their current contract ends.

Mr. Wright explained they would need to exercise the option to purchase, get an extension on the franchise or approve a new franchise by September 21st; otherwise, they would lose the right to purchase. He added they could still buy the system through imminent domain process; however, it would expose the City to a \$3 or \$4 million of legal fees and engineering consultants.

Councilmember Ramswell stated that the City of Destin is a valuable consumer to Gulf Power and they do not deserve the treatment they are getting from them.

Councilmember Morgan stated that Gulf Power has not negotiated in good faith from the beginning. They are not a good community partner. They have defamed some of the members of this Council and misled the public. They are also one of the most expensive energy companies in Florida. The City has an excellent opportunity to exercise their option to purchase, and that he is prepared to vote on it tonight. He would like the City's attorneys to have all required documentations to exercise their option to purchase prepared by the next meeting. He added that they do not necessarily have to sell the system. They could go ahead and hire the people to manage it.

Mr. Wright noted that the City of Winter Park hired some people and ran their own system. Their rates over a 10 year period have been lower than the rates they were paying to the previous utility company. They have continued to increase the amount of undergrounding using revenues generated by the utility system.

Councilmember Marler asked if the sale of Gulf Power been approved by the State of Florida.

According to Mr. Wright, the State of Florida has no jurisdiction to approve or disapprove the sale. The approval would come from the Federal Agency Regulatory Commission and the Federal Trade Commission under the anti-trust laws.

Councilmember Marler asked if it would be possible for the City to negotiate with the new owner, NextEra Energy or Florida Power and Light. If so, it is something they should consider as they continue to negotiate. He added he does not see the City of Destin, with a \$14 million budget being able to purchase and manage a power company.

According to Councilmember Morgan, they could do so through municipal bonds.

Councilmember Marler would like to see more inputs from the citizens before the Council makes such a big decision.

The Mayor stated that he likes the City's proposed counter-offer; and if Gulf Power rejects it and is not willing to compromise, then the Council could decide to take a different route comes the special meeting on September 13th. He asked the Council not to vote on this issue based on emotion but to make sure they conduct the forensic analysis and have the net positive benefit data to present to the citizens of Destin prior to making a decision.

Mr. Wright stated it would take 2 or 3 years to go through this process and to be able to do the due diligence or forensic analysis. It could be done with the next franchise with the two-year purchase option. Otherwise, if Gulf Power rejects the City's counter-offer, they could exercise the purchase option now and conduct the due diligence while the arbitration process is going on.

Councilmember Dixon asked if there would be a recommendation for the City to exercise the purchase option if Gulf Power rejects the City's counter-proposal and refuses to compromise.

Mr. Wright stated it would be the only valid option to preserve their ability to protect themselves from higher rates, unless they get another franchise extension.

According to the City Attorney, it is a low risk for the City to exercise the purchase option in terms of costs. The costs the City would bear is moving forward and start doing all the due diligence studies.

Councilmember Overdier agrees that Gulf Power has not negotiated in good faith with the City; adding that the City has given up a lot and Gulf Power has not given up anything in return. But, he expresses his concern the City could go bankrupt if they decide to exercise the purchase option then tries to run the system and fails.

Councilmember Destin explained that the actual revenues from the system, not the actual assets of the City, would be the collateral on the bond debt. He added the City does not have any valid options if they do not come to terms with Gulf Power.

Councilmember Ramswell asked for Councilmember Destin's recommendation on this matter.

Councilmember Destin recommends sending the City's counter-offer to Gulf Power and giving them another opportunity to negotiate in good faith.

Councilmember Dixon moved to approve the City's proposed counter-offer and send it to Gulf Power; seconded by Councilmember Overdier.

Councilmember Braden stated that he and his family have suffered through this issue during the election. He was voted to protect the citizens of this community. He feels conducting the due diligence is the right thing to do since Gulf Power has not made any effort to negotiate in good faith. He would support the decision to exercise their purchase option once they reach that point.

The Mayor called for a vote on the motion, which passes 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted “yes”).

2) Workshop on the Crosstown Connector and parking congruency

Councilmember Destin requested that the Council schedules a workshop to discuss the crosstown connector and parking congruency. He stated they have allocated funds to build the crosstown connector, but they have not had a workshop to fully discuss it. They need to analyze how this infrastructure would fit with any potential parking garages and other City facilities.

After some discussion, the Council asked the Interim City Manager to schedule the workshop within the next month.

G. Councilmember Morgan

1) Beach issues and code enforcement

Councilmember Morgan moved to direct the City’s attorneys to draft an ordinance that would prohibit the roping off and possibly curtailing some of the signs on the beaches; seconded by Councilmember Destin.

The Mayor mentioned that Walton County is having a special meeting this coming weekend about customary use and a member of this Council of City staff should probably attend that meeting and bring back some information. He asked the Interim City Manager to look into it and obtain some information about this meeting.

Motion passed 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted “yes”).

H. Mayor Gary Jarvis

Mayor Jarvis stated he was a huge supporter of the Town Center CRA when he got elected as Mayor. He is a believer that the Town Center CRA could become something more than it is now; and doing such things as moving the Destin Community Center in the middle of the district so that the Town Center actually becomes the central focal point for the community. He would like to have some discussions on this issue possibly the October/November time frame to include some discussions about the crosstown connector.

Mayor Jarvis stated that the City has a right-of-way that has power lines along it from Main Street to Commons Drive. There have been some discussions about creating paths big enough for biking, walking and possibly golf carts. He would also want this issue to be a part of their discussions this fall.

I. Land Use Attorney

1) Request direction from the City Council regarding inconsistency between the Destin Comprehensive Plan and Land Development Code zoning district

The Land Use Attorney asked for Council's authorization to have the City's attorneys to look at the comprehensive plan for any inconsistencies with the Land Development Code zonings districts and direct them to come back with a proposed ordinance.

Councilmember Braden moved to authorize the City's attorneys to review the comprehensive plan for any inconsistencies with the Land Development Code zoning districts and come back with a proposed ordinance; seconded by Councilmember Ramswell.

Councilmember Dixon noted that they hired Canine and Associates to perform this task.

According to the Land Use Attorney, they have some proposed LDC regulations that they prepared that they could bring before the Council; but, these proposed regulations may need additional work.

Motion passed 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted "yes").

J. City Attorney

1) Preliminary Draft of Purchase Option Resolution Gulf Power Franchise Agreement

The City Attorney stated he would bring back this proposed resolution on September 13th for the Council to vote on.

The City Attorney noted that the City's Finance Director Bragg Farmer has updated the City's Procurement Policy. This document consists of over a hundred pages. He asked for Council's authorization to send the document to the County and the Treasury Department for their review and approval to make sure it is CFR-2 compliant.

Councilmember Braden moved to allow the City Attorney and Finance Director to send the City's proposed Procurement Policy to the County and Treasury Department for their review before bringing it back to the City Council for approval. Councilmember Ramswell provided a second to the motion, which passes 7-0 (Council members Morgan, Destin, Marler, Overdier, Dixon, Ramswell and Braden voted "yes").

The City Attorney noted there was an interest a few months back about possibly updating the Sheriff's contract to include a deputy that would augment the City's code enforcement division. The Sheriff asked the City to provide them a scope of work so he could conduct some analysis for which to make a decision. He asked if the Council is interested in pursuing this initiative.

There was a consensus of the Council to place on the next meeting agenda a discussion regarding the possibility of amending the Sheriff's contract to include a deputy that would supplement the City's code enforcement officers.

Having no further business at this time, the meeting was adjourned at 9:45 PM.

ADOPTED THIS 17TH DAY OF SEPTEMBER 2018

By:

Gary Jarvis, Mayor

ATTEST:

Rey Bailey, City Clerk

**MINUTES
EXECUTIVE SESSION
DESTIN CITY COUNCIL
ANNEX COUNCIL CHAMBERS
WEDNESDAY, SEPTEMBER 5, 2018
6:00 PM**

The Council of the City of Destin met in an executive session with the following members and staff present:

Council Present

Mayor Gary Jarvis

Councilmember Prebble Ramswell

Councilmember Chatham Morgan

Councilmember Cyron Marler

Councilmember Skip Overdier

Councilmember Tuffy Dixon

Councilmember Rodney Braden

Staff Present

Interim City Manager Lance Johnson

City Land Use Attorney Kimberly Kopp

Special Counsel William G. Warner

Others Present

Liz Klein, Court Reporter

Mayor Gary Jarvis called the meeting to order at 5:00 p.m. by stating:

“EXECUTIVE ATTORNEY-CLIENT SESSION: Pursuant To Section 286.011(8), Florida Statutes, the City’s Special Counsel will be seeking the advice of the City Council regarding settlement negotiations and/or strategy related to litigation expenditures concerning the pending litigation:

B.I. Inc, Dewey Destins Harborside LLC, Plaintiff, vs. CITY OF DESTIN, FLORIDA, Defendant, in the Circuit/County Court of the First Judicial Circuit, in and for Okaloosa County, Florida, Case No. 2016-CA-003672F

Interim City Manager Lance Johnson, City Land Use Attorney Kimberly Kopp, Special Counsel William G. Warner, Esq., Mayor Gary Jarvis, Council members Chatham Morgan, Cyron Marler, Skip Overdier, Tuffy Dixon, Prebble Ramswell, and Rodney Braden will be attending the Executive Session”

Mayor Jarvis stated that *“At this time, we will recess the public portion of tonight’s meeting and convene the executive session”*

All persons not listed to participate in the executive session exited the Chamber.

At approximately 7:35 p.m., Mayor Jarvis reconvened the public portion of the meeting and announced he would entertain any motions from the Council.

It was the consensus of the Council to defer the motion to the regular city council meeting which follows this executive session.

Having no further business at this time, the Mayor adjourned the meeting at 7:36 p.m.

ADOPTED THIS 17TH DAY OF SEPTEMBER 2018
By:

Gary Jarvis, Mayor

ATTEST:

Rey Bailey, City Clerk

NORRIEGO POINT RECREATION
ENHANCEMENT PROJECT
DESTIN, FLORIDA

30% DRAFT

DRAWING INDEX

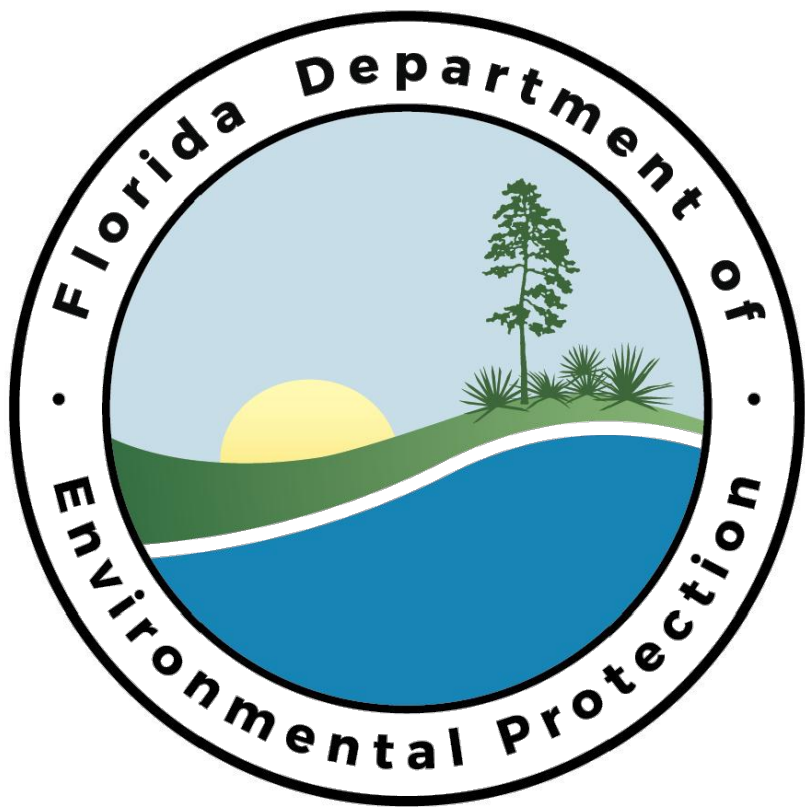
CIVIL SHEETS

- C-1 TITLE SHEET
- C-2 SIGNATURE SHEET
- C-3 GENERAL NOTES
- C-4 OVERVIEW PLAN
- C-5 EXISTING CONDITIONS
- C-6 EXISTING CONDITIONS - ROADWAY
- C-7 DEMOLITION PLAN
- C-8 SITE PLAN
- C-9 GRADING AND DRAINAGE PLAN
- C-10 LANDSCAPE PLAN
- C-11 BOARDWALK / WALKOVER DETAILS

ARCHITECTURAL SHEETS

- A-1 RESTROOM FLOOR PLAN
- A-2 ARCHITECTURAL ELEVATIONS
- A-3 ARCHITECTURAL OUT STRUCTURES

PREPARED FOR:



DEEPWATER HORIZON PROGRAM
DIVISION OF WATER RESTORATION ASSISTANCE
FDEP CONTRACT NO. RM156

CONTRACT MANAGER
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
PROJECT MANAGER: PEARCE L. BARRETT III, P.E.
DEEPWATER HORIZON PROGRAM DIVISION OF WATER
RESTORATION ASSISTANCE
3900 COMMONWEALTH BOULEVARD, MS 240
TALLAHASSEE, FLORIDA 32399
850-245-2106
PEARCE.BARRETT@DEP.STATE.FL.US

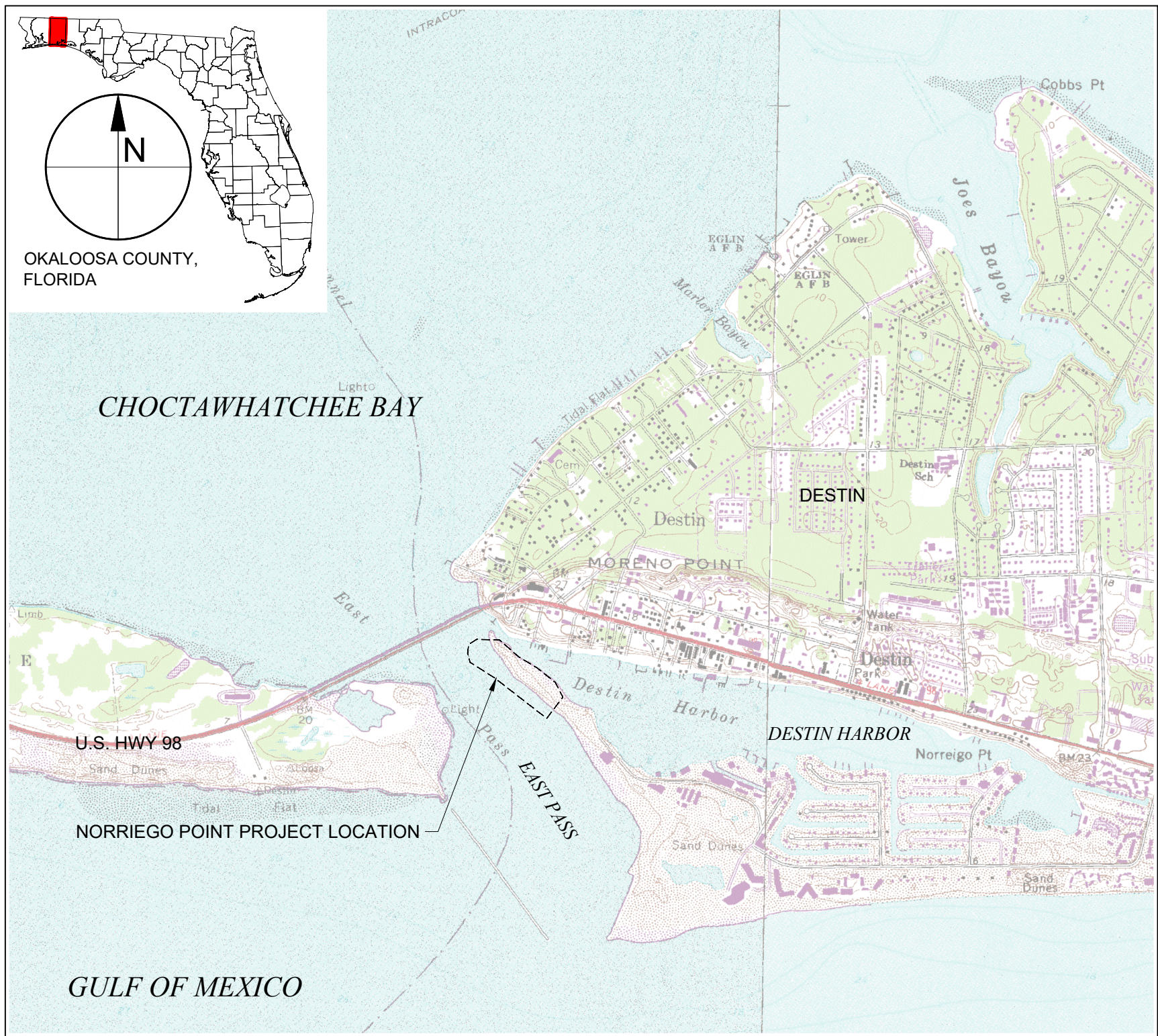
PROPERTY OWNER CONTACT
CITY OF DESTIN
PROJECT MANAGER: DAVID CAMPBELL, P.E.
4200 INDIAN BAYOU TRAIL
DESTIN, FL 32541
850-837-4242
DCAMPBELL@CITYOFDESTIN.COM

ENGINEER CONTACT
MATTHEW A. TRAMMELL, PE
TAYLOR ENGINEERING, INC.
4300 LEGENDARY DRIVE, SUITE C246
DESTIN, FLORIDA 32541
(850) 460-7040
MTRAMMELL@TAYLORENGINEERING.COM

ARCHITECT CONTACT
STEPHEN W. PIAZZA, NCARB
PIAZZA DESIGN ASSOCIATES
P. O. BOX 2295
SANTA ROSA BEACH, FL 32459
(850)496-5735
STEVE@PIAZZADESIGNARCH.COM

ENGINEER CONTACT
ECHO KIDD GATES, P.E., LEED® AP
GENESIS
2507 CALLAWAY ROAD, SUITE 100
TALLAHASSEE, FLORIDA 32303
(850) 224-4400 X104
(850) 264-7593
EGATES@GENESISGROUP.COM
CERTIFICATE OF AUTHORIZATION 9660

ENGINEER CONTACT
TIMOTHY J. MITCHELL, P.E., LEED®AP
H. M. YONGE & ASSOCIATES, INC.
102 EAST GARDEN STREET
PENSACOLA, FLORIDA 32502
(850)434-2661 X 115
TMITCHELL@HMYACE.COM
CERTIFICATE OF AUTHORIZATION: 5254



PROJECT LOCATION
CITY OF DESTIN, OKALOOSA COUNTY, FLORIDA
USGS 7.5' QUADRANGLE MAP: DESTIN, FLORIDA
SECTION: 25
TOWNSHIP: 25
RANGE: 22W
LATITUDE: 30.390° - 30.395°
LONGITUDE: 86.516° - 86.508°
NORTHING: 511,082 - 512,765
EASTING: 1,333,069 - 1,335,417

VICINITY MAP

1"= 2000' (22x34)
1"= 4000' (11x17)



TAYLOR ENGINEERING INC.
4300 LEGENDARY DRIVE
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DESTIN, FLORIDA 32541
(850)-460-7040
10199 SOUTHSIDE BOULEVARD
SUITE 310
JACKSONVILLE, FLORIDA 32256
(904) 731-7040
CERTIFICATE OF AUTHORIZATION # 4815

PRELIMINARY DRAWINGS: THESE DRAWINGS ARE NOT IN FINAL FORM, BUT ARE BEING TRANSMITTED FOR AGENCY REVIEW.	
PROJECT TITLE	
NORRIEGO POINT RECREATION ENHANCEMENT PROJECT DESTIN, FLORIDA	
PROJECT NO	C2015-058
DATE	JUNE 28, 2018

SEAL

30% DRAFT

MATTHEW TRAMMELL P.E.# 69244

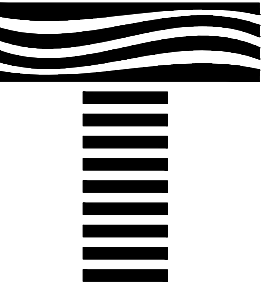
C-1

SHEET 1 OF 14

SUNSHINE STATE ONE CALL OF
FLORIDA
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10199 SOUTHSIDE BOULEVARD
SUITE 310
JACKSONVILLE, FLORIDA 32216
(904) 731-7040

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SEAL

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RECREATION
ENHANCEMENT PROJECT
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DATE	JUNE 28, 2018
DESIGNED	MAT
DRAWN	CAS
CHECKED	AF
REVIEWED	DG
SCALE	AS SHOWN

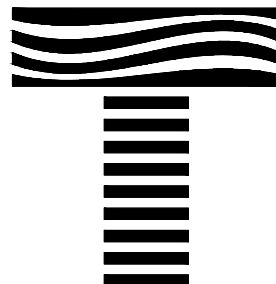
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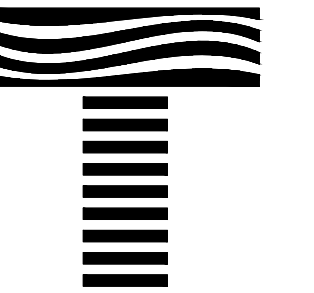
SIGNATURE SHEET

C-2

SHEET 2 OF 14

CATHY SHELL, 7/16/2018 2:21:27 PM, X:\lays\Projects\c2015-056_Norriego_Point\Construction Recreation\c2015-056-C-Rec_Notes.dwg

	1	2	3	4	5	6	7	8	
H	INDEMNIFICATION THE CONTRACTOR SHALL INDEMNIFY AND HOLD HARMLESS THE OWNER AND ENGINEER AND THEIR RESPECTIVE REPRESENTATIVES, AGENTS, AND EMPLOYEES, IN BOTH INDIVIDUAL AND OFFICIAL CAPACITIES, AGAINST ALL LAWSUITS, CLAIMS, DAMAGES, LOSSES, AND EXPENSES, INCLUDING ATTORNEY FEES, CAUSED BY, RESULTING FROM, AND/OR INCIDENTAL TO THE PERFORMANCE OF THE WORK UNDER THIS CONTRACT TO THE FULL EXTENT AS ALLOWED BY THE LAWS OF THE STATE OF FLORIDA AND NOT BEYOND ANY EXTENT WHICH WOULD RENDER THESE PROVISIONS VOID OR UNENFORCEABLE. IN THE EVENT OF ANY SUCH INJURY, DEATH, LOSS, OR DAMAGE, OR CLAIMS THEREOF, THE CONTRACTOR SHALL GIVE PROMPT NOTICE TO THE OWNER AND THE ENGINEER.		AND LIMITS OF CONSTRUCTION. THE CONTRACTOR SHALL MAINTAIN ACCESS TO THE BEACH AREAS ON THE DESTIN HARBOR AND EAST PASS SHORELINES FOR THE GENERAL PUBLIC TO THE GREATEST EXTENT PRACTICAL THROUGHOUT CONSTRUCTION OPERATIONS; HOWEVER, THE CONTRACTOR SHALL EXCLUDE THE PUBLIC FROM WORK AREAS AS NECESSARY TO ENSURE PUBLIC SAFETY. 16. THE CONTRACTOR SHALL COORDINATE WORK HOURS WITH OWNER AND ENGINEER TO MEET PROJECT SCHEDULE REQUIREMENTS. WORK HOURS SHALL BE AS SPECIFIED IN THE CONTRACT DOCUMENTS AND FDEP AGREEMENT. 17. THE CONTRACTOR IS RESPONSIBLE FOR FAMILIARIZING THEMSELVES, THEIR PERSONNEL AND SUBCONTRACTORS WITH THE CONSTRUCTION DRAWINGS, SPECIFICATIONS, REGULATORY AUTHORIZATIONS, AND ALL OTHER CONTRACT DOCUMENTS. 18. ALL WORK SHALL CONFORM TO THE CONSTRUCTING DRAWINGS, SPECIFICATIONS, REGULATORY AUTHORIZATIONS, AND ANY OTHER CONTRACT DOCUMENTS. THE CONTRACTOR SHALL POST AT THE PROJECT SITE ALL PERMIT NOTICES AND COMPLY WITH ALL TERMS OF THE PERMITS AS PERTAINING TO THE WORK.		MLLW TIDAL DATUM REFERENCE: MHHW 0.61' MHW 0.60' MSL 0.28' MLW 0.01' MLLW 0.00' NAVD 88 -0.12'		NAVD 1988 TIDAL DATUM REFERENCE: MHHW 0.73' MHW 0.72' MSL 0.4' MLW 0.13' MLLW 0.12' NAVD 88 0.00'	ABBREVIATIONS EL ELEVATION FRP FIBER REINFORCED POLYMER	 TAYLOR ENGINEERING INC. 4300 LEGENDARY DRIVE SUITE C246 DESTIN, FLORIDA 32541 (850)-460-7040 10199 SOUTHSIDE BOULEVARD SUITE 310 JACKSONVILLE, FLORIDA 32256 (904) 731-7040 CERTIFICATE OF AUTHORIZATION # 4815
G	DEFINITIONS 1. OWNER: FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (FDEP) 2. ENGINEER: OWNER'S DESIGNATED REPRESENTATIVE FOR CONSTRUCTION OBSERVATION AND ADMINISTRATION. 3. ENGINEER OF RECORD (EOR): ENGINEER WHOSE NAME AND SEAL IS AFFIXED TO THE DRAWINGS AND SPECIFICATIONS. 4. RECORD DRAWINGS: A COPY OF THE ORIGINAL SIGNED AND SEALED DRAWINGS KEPT ONSITE AT ALL TIMES WHERE THE CONTRACTOR SHALL KEEP A RECORD OF ALL DEVIATIONS FROM THE ORIGINAL DRAWINGS MARKED IN RED PENCIL OR PEN. 5. AS-BUILT SURVEY DRAWINGS: POST-CONSTRUCTION SURVEY DRAWINGS SIGNED AND SEALED BY A FLORIDA LICENSED SURVEYOR AND MAPPER, MARKED "AS-BUILT" DRAWINGS, AND REVIEWED BY THE ENGINEER(S). THE SURVEY SHALL INCLUDE OR THE ENGINEER SHALL MARK ON THESE AS-BUILT SURVEY DRAWINGS ALL SIGNIFICANT DEVIATIONS IN THE WORK AS RECORDED BY THE CONTRACTOR ON THE RECORD DRAWINGS OR AS KNOWN TO THE ENGINEER. IF THE DEVIATIONS ARE TOO EXTENSIVE TO TRANSFER, THE ENGINEER MAY STAPLE TOGETHER THE AS-BUILT SURVEY DRAWINGS WITH THE RECORD DRAWINGS AND MARK THE FIRST SHEET OF EACH AS "AS-BUILT". 6. U.N.O.: UNLESS NOTED OTHERWISE		EXISTING SHEET PILE WALL LOADS 1. THE CONTRACTOR SHALL TEMPORARILY BRACE EXISTING SHEET PILE WALLS AS NEEDED TO CONTROL EXCESSIVE DEFLECTIONS OR MATERIAL STRESSES DURING CONSTRUCTION. 2. HEAVY EQUIPMENT SHOULD GENERALLY KEEP AT LEAST 20 FT AWAY FROM ALL WALLS DURING CONSTRUCTION INCLUDING EXCAVATION, SOIL BACKFILLING AND/OR COMPACTION UNLESS SOIL ELEVATIONS ARE MATCHING ON BOTH SIDES. ANY WORK PERFORMED WITHIN 20 FT OF THE WALL SHALL ONLY BE DONE WITH LIGHT EQUIPMENT. 3. SEE SPECIFICATIONS FOR FURTHER INFORMATION.						
F	PROPOSED CONSTRUCTION SEQUENCE 1. SEE ATTACHED CONSTRUCTION SEQUENCE DRAWING		STRUCTURAL NOTES		ARCHITECTURAL NOTES		ELECTRICAL NOTES		
E	GENERAL NOTES 1. ALL ELEVATIONS REFERENCE THE 1988 NORTH AMERICAN VERTICAL DATUM (NAVD 88), ELEVATIONS IN FEET U.N.O. 2. ALL COORDINATES REFERENCE STATE PLANE FLORIDA NORTH NAD 83, COORDINATES IN FEET U.N.O. 3. DESTIN HARBOR ENTRANCE CHANNEL AND NORRIEGO POINT BATHYMETRY SURVEYED MARCH AND APRIL 2018 BY FLORABAMA GEOSPATIAL SOLUTIONS, LLC. 4. EXISTING NORRIEGO POINT TOPOGRAPHY SURVEYED NOVEMBER 2015 AND JANUARY 2016 BY GUSTIN, COTHERN AND TUCKER, INC. AND JUNE 2018 BY FLORABAMA GEOSPATIAL SOLUTIONS, LLC. 5. FEDERAL NAVIGATION CHANNEL LIMITS OBTAINED FROM THE U.S. ARMY CORPS OF ENGINEERS MOBILE DISTRICT WEBSITE HTTP://NAVIGATION.SAM.USACE.ARMY.MIL/SURVEYS/DETAIL_ASP?CODE=DE, DRAWING FILE "DESTIN1 C110415, DESTIN2 C110315, AND DESTIN 3 C110315" DATED NOVEMBER 2015. 6. FEDERAL NAVIGATION CHANNEL MARKERS LOCATED FEBRUARY 2016 BY GUSTIN, COTHERN AND TUCKER, INC. 7. THE INFORMATION ON THESE DRAWINGS REPRESENTS THE RESULTS OF THE SURVEYS PERFORMED ON THE DATES AS INDICATED. THE INFORMATION FROM THESE SURVEYS CAN ONLY BE CONSIDERED AS INDICATING THE GENERAL CONDITIONS EXISTING AT THE TIME OF THE SURVEYS. 8. PROJECT AREA AERIAL IMAGERY TAKEN IN JUNE 2018 BY TAYLOR ENGINEERING, INC. SUPPLEMENTARY AERIAL IMAGERY TAKEN MARCH 2013 AND OBTAINED FROM GOOGLE EARTH. AERIAL IMAGERY DISPLAYED HEREON FOR INFORMATIONAL PURPOSES ONLY. NO PHOTOGRAPHIC ACCURACY IS IMPLIED BY THESE MAPS. 9. TIDAL DATUM OBTAINED FROM NOAA CENTER FOR OPERATIONAL OCEANOGRAPHIC PRODUCTS AND SERVICES (HTTP://TIDESANDCURRENTS.NOAA.GOV/). 10. THE CONTRACTOR SHALL INVESTIGATE THE PROJECT SITE DURING BIDDING AND PRIOR TO INITIATING ANY CONSTRUCTION. 11. THE CONTRACTOR SHALL LOCATE AND FIELD VERIFY ALL STRUCTURES AND EXISTING UTILITIES (ABOVE-GROUND AND BELOW-GROUND), WHETHER SHOWN OR NOT ON THE DRAWINGS, BEFORE BEGINNING WORK. CONTRACTOR SHALL ALSO FIELD VERIFY ALL DIMENSIONS AND QUANTITIES. 12. THE STAGING AND ACCESS AREAS SHOWN ON THE DRAWINGS ARE PROPOSED FOR BIDDING PURPOSES. CONTRACTOR MAY PROPOSE ADDITIONAL STAGING OR ACCESS AREAS BUT WILL BE RESPONSIBLE FOR REVIEWING THE SITES SUITABILITY FOR THE PROPOSED WORK AND, IF ACCEPTABLE, OBTAINING USE AGREEMENTS WITH THE UPLAND PROPERTY OWNER FOR THE PROPOSED WORK. CONTRACTOR MAY PROPOSE ADDITIONAL OR ALTERNATIVE STAGING AREAS, LOADING AREAS, TEMPORARY FACILITIES, OR OTHER WORK LOCATIONS IN THEIR CONSTRUCTION WORK PLAN FOR ENGINEER AND OWNER REVIEW AND ACCEPTANCE. 13. CONTRACTOR WILL NOT BE ALLOWED TO TRAVERSE, UTILIZE, OR IMPACT ADJACENT PROPERTIES WITHOUT SPECIFIC AUTHORIZATION FROM THE PROPERTY OWNER AND A CONSTRUCTION WORK PLAN ACCEPTED BY THE OWNER AND ENGINEER. 14. THE CONTRACTOR SHALL CONDUCT CONSTRUCTION AND COORDINATE WITH THE OWNER AND ENGINEER IN SUCH A WAY AS TO ENSURE PUBLIC AND PRIVATE SAFETY IN AND AROUND THE CONSTRUCTION SITE. 15. THE CONTRACTOR SHALL PLACE BARRICADES AND SIGNS INDICATING THE AREAS								
D									
C									
B									
A									
	1	2	3	4	5	6	7	8	PROJECT NO C2015-058 DATE JUNE 28, 2018 DESIGNED MAT DRAWN CAS CHECKED AF REVIEWED DG SCALE AS SHOWN DRAWING TITLE GENERAL NOTES C-3 SHEET 3 OF 14



TAYLOR ENGINEERING INC.

4300 LEGENDARY DRIVE
SUITE C246
DESTIN, FLORIDA 32541
(850)-460-7040

0199 SOUTHSIDE BOULEVARD
SUITE 310
JACKSONVILLE, FLORIDA 32256
(904) 731-7040

SEAL

30% DRAFT

MATTHEW TRAMMELL P.E.# 69244

PROJECT TITLE

NORRIEGO POINT
RECREATION
ENHANCEMENT PROJECT
DESTIN, FLORIDA

SUNSHINE STATE ONE CALL OF
FLORIDA
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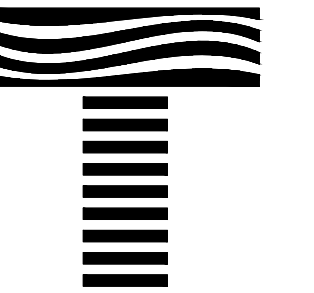
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OVERVIEW PLAN

C-4

SHEET 4 OF 14

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TAYLOR ENGINEERING INC.

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SUITE C246
DESTIN, FLORIDA 32541
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199 SOUTHSIDE BOULEVARD
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DRAWN	CAS
CHECKED	AF
REVIEWED	DG
SCALE	AS SHOWN

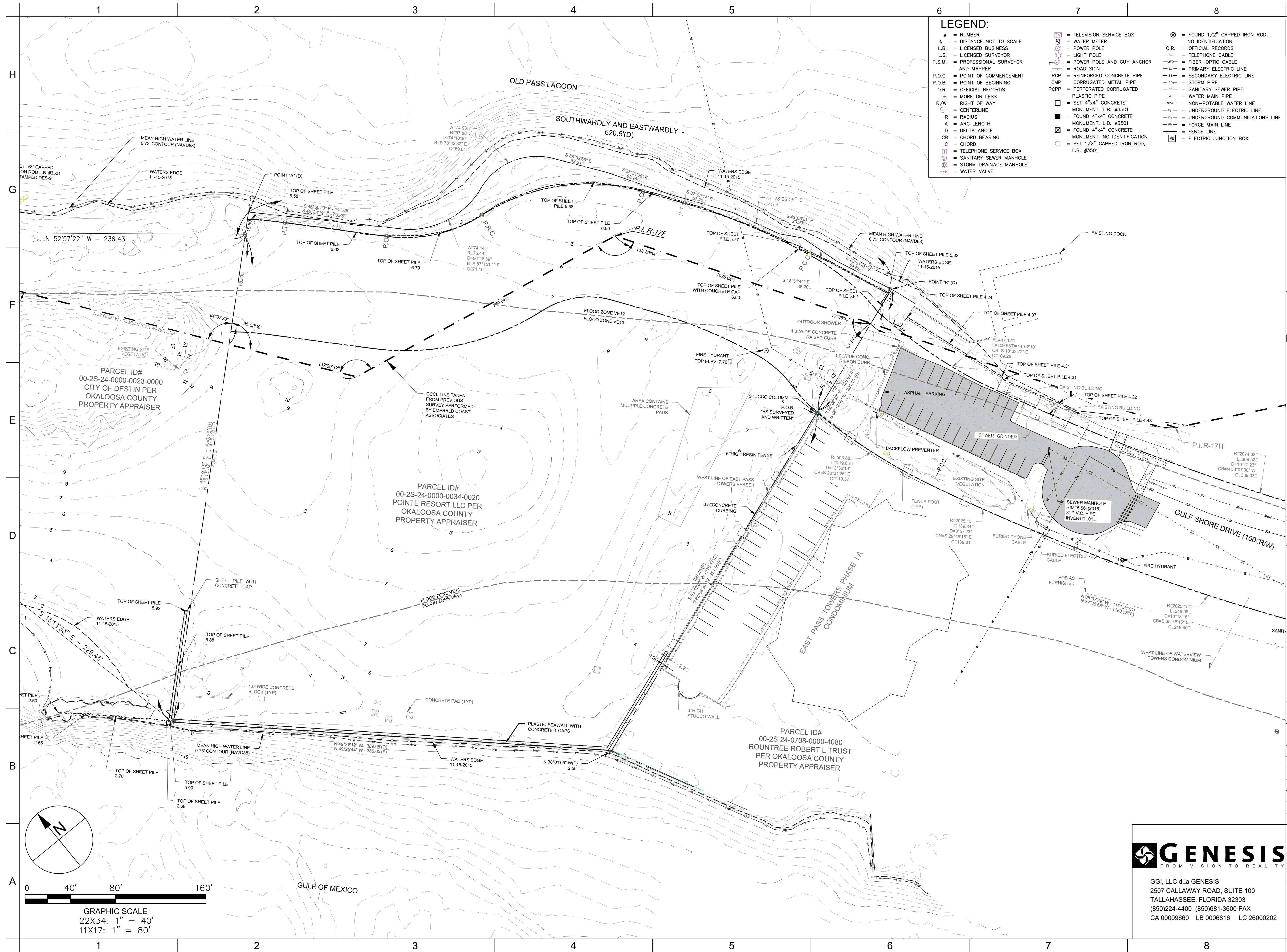
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EXISTING CONDITIONS

C-5

SHEET 5 OF 14

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TAYLOR ENGINEERING INC.

4300 LEGENDARY DRIVE

SUITE C246
FLORIDA 33514

(850) 460-7040

10199 SOUTHSIDE BOULEVARD

SUITE 310

JACKSONVILLE, FLORIDA 3225
(904) 731-7040

CERTIFICATE OF AUTHORIZATION # 4815

SEAL

30% DRAFT

Ec□o Kidd Gates, P.E. License Nu□□er 58615

PROJECT TITLE

NORRIEGO POINT RECREATION IMPROVEMENT PROJECT

GULF SHORE DRIVE

DESTIN, FL 32541

SUNSHINE STATE ONE CALL OF
FLORIDA
SUNSHINE 811 - ALWAYS CALL 811
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1-800-638-4097

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PROJECT NO	C2015-058
DATE	07-16-18
DESIGNED	DSGNBY
DRAWN	A.D.C.
CHECKED	E.K.G.
REVIEWED	REVBV
SCALE	1" = 40'

DRAWING TITLE

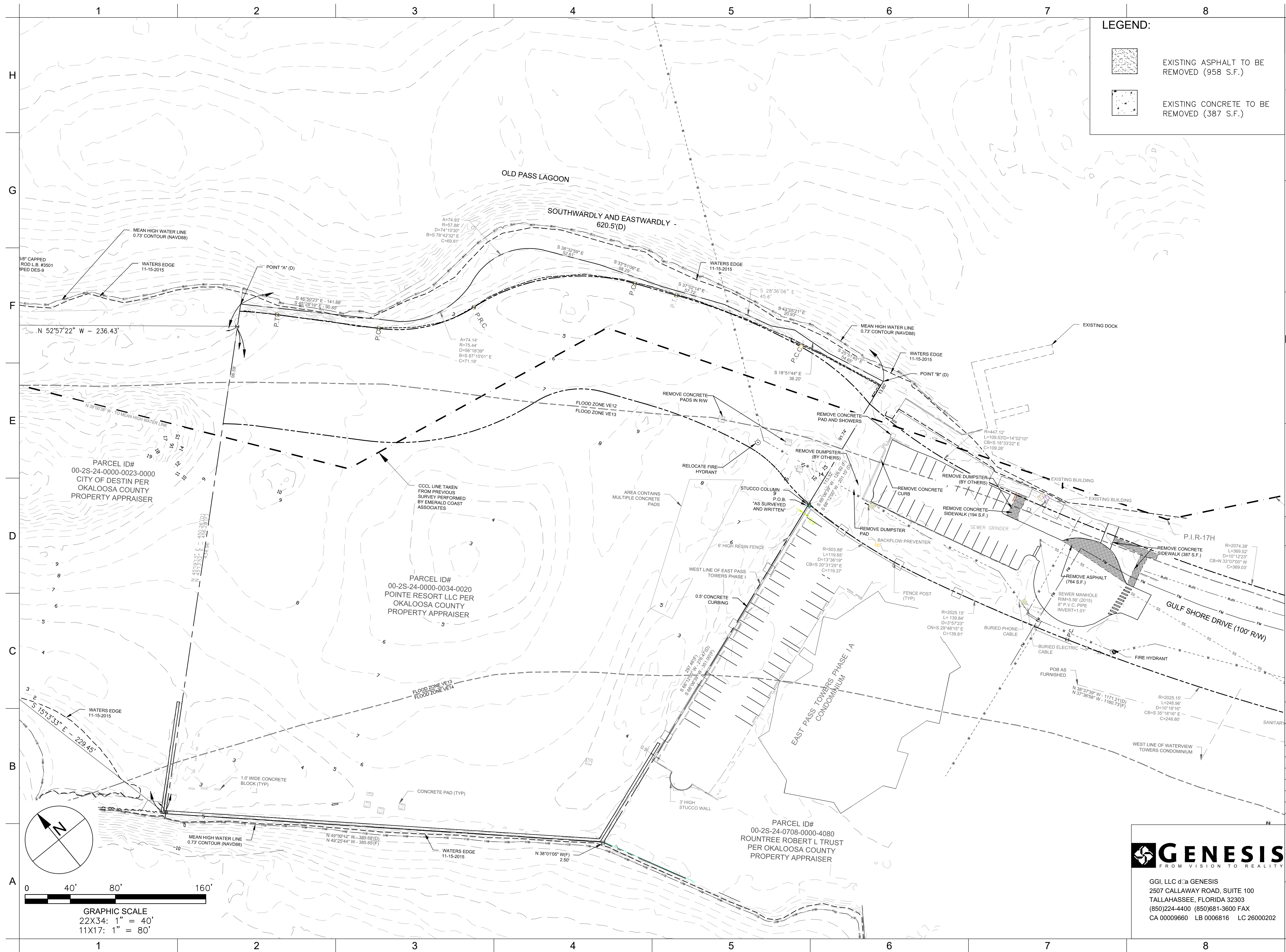
EXISTING CONDITIONS
ROADWAY

C-6

SHEET 6 OF 14



GGI, LLC d**ba** GENESIS
2507 CALLAWAY ROAD, SUITE 100
TALLAHASSEE, FLORIDA 32303
(850)224-4400 (850)681-3600 FAX
CA 00009660 LB 0006816 LC 26000202



TAYLOR ENGINEERING INC.

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0199 SOUTHSIDE BOULEVARD
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Ec□o Kidd Gates, P.E. License Nu□□er 58615

PROJECT TITLE

NORRIEGO POINT
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PROJECT

GULF SHORE DRIVE
DESTIN, FL 32541

SUNSHINE STATE ONE CALL OF
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[illegible]

PROJECT NO	C2015-058	B
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CHECKED	E.K.G.	
REVIEWED	REVBY	
SCALE	1" = 40'	

DRAWING TITLE

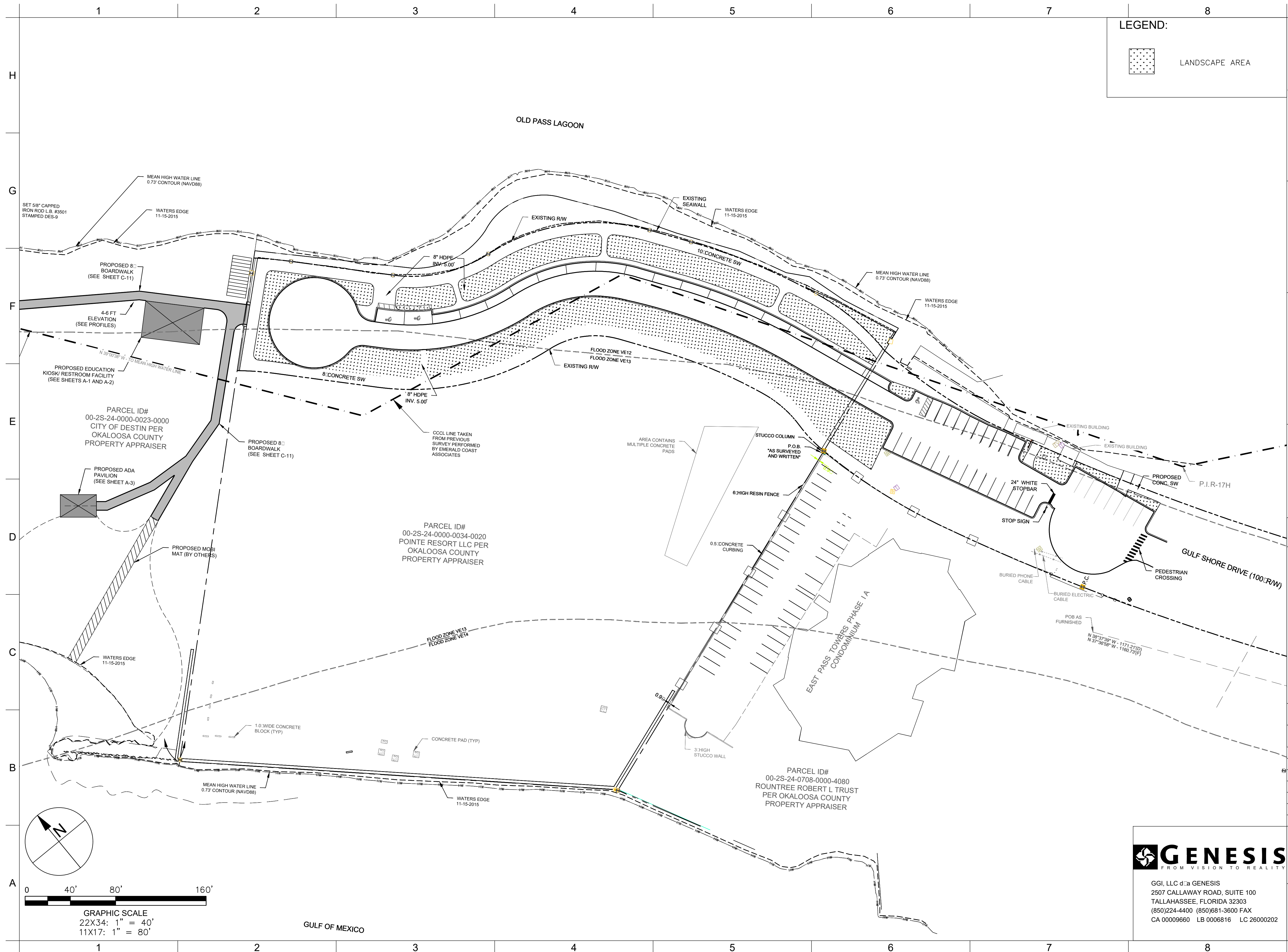
DEMOLITION PLAN

C-7

SHEET 7 OF 14



GGI, LLC d/b/a GENESIS
2507 CALLAWAY ROAD, SUITE 100
TALLAHASSEE, FLORIDA 32303
(850)224-4400 (850)681-3600 FAX
CA 00009660 LB 0006816 LC 26000202



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DRAWN	A.D.C
CHECKED	E.K.G
REVIEWED	REVBV
SCALE	1" = 40'

DRAWING TITLE

LANDSCAPE PLAN

C-10

SHEET 10 OF 14

PRELIMINARY DRAWINGS: THESE DRAWINGS
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TRANSMITTED FOR AGENCY REVIEW.

SHEET 11 OF 14





SEAL

30% DRAFT

PROJECT TITLE

NORRIEGO POINT RECREATION IMPROVEMENT PROJECT

GULF SHORE DRIVE
DESTIN, FL 32541

SUNSHINE STATE ONE CALL OF
FLORIDA
SUNSHINE 811 - ALWAYS CALL 811
BEFORE YOU DIG
1-800-638-4097

PRELIMINARY DRAWINGS: THESE DRAWINGS
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TRANSMITTED FOR AGENCY REVIEW.

[illegible]

PROJECT NO	C2015-058
DATE	06-30-18
DESIGNED	DSGNBY
DRAWN	S.W.P.
CHECKED	CHECKBY
REVIEWED	REVBV
SCALE	AS SHOWN

DRAWING TITLE

RESTROOM FLOOR AND ROOF PLAN

A-1

SHEET 12 OF 14



SCALE: 1/4" = 1'-0"

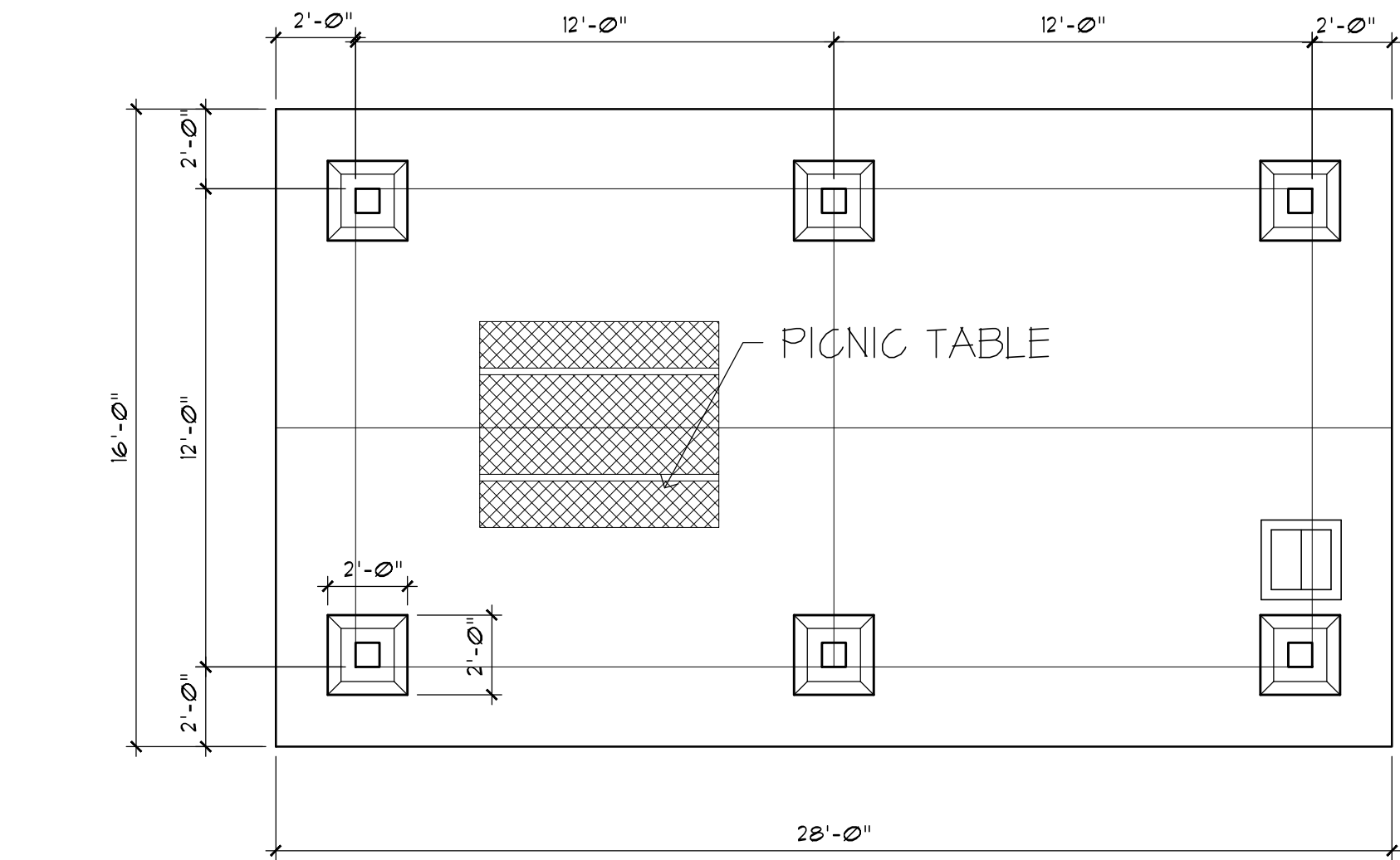


SCALE: 1/4" = 1'-0"

PIAZZA DESIGN
ARCHITECTS, LLC

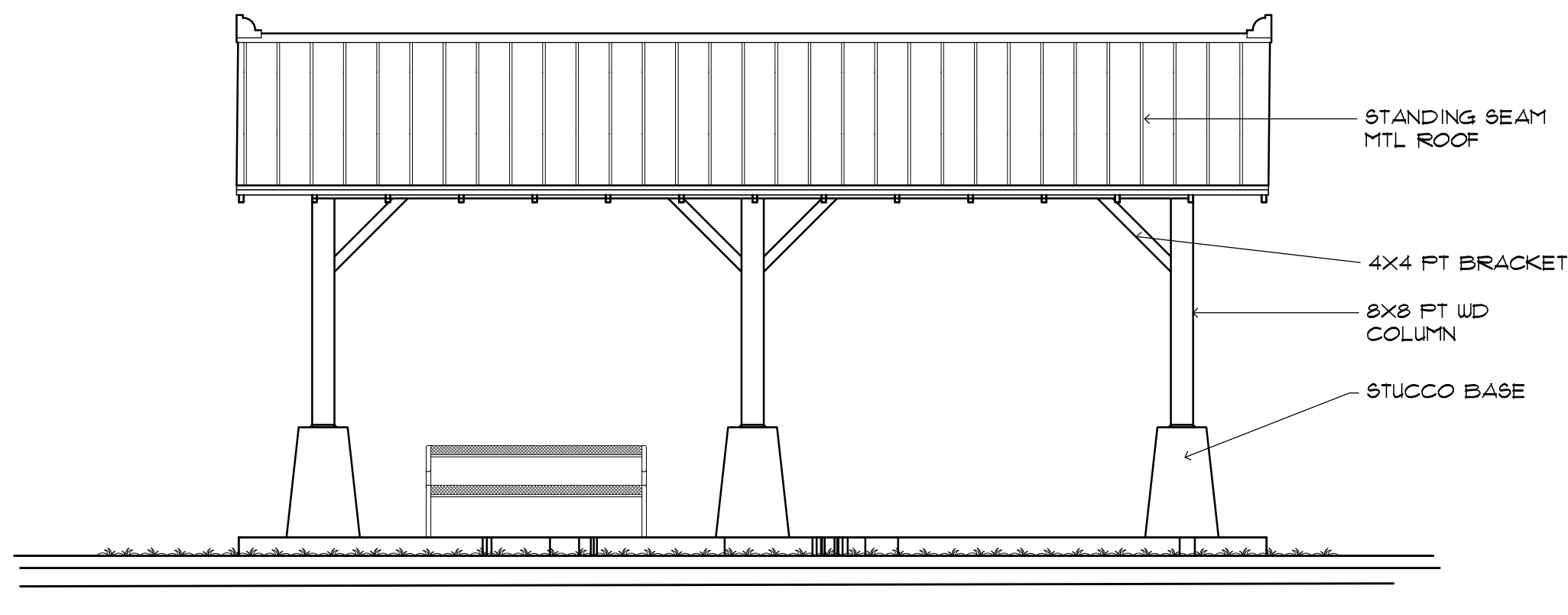
P. O. BOX 2295
Santa Rosa Beach • Florida • 32459 • 850 • 496 • 5735
FL LIC ARO08375 steve@piazzaesignarch.com

CATHY SHELL, 6/19/2018 5:36:54 PM, X:\aysi\Projects\2015\058_Norriego_Pavilion\Construction Recreation\2015-058-C-Rec_Overview.dwg



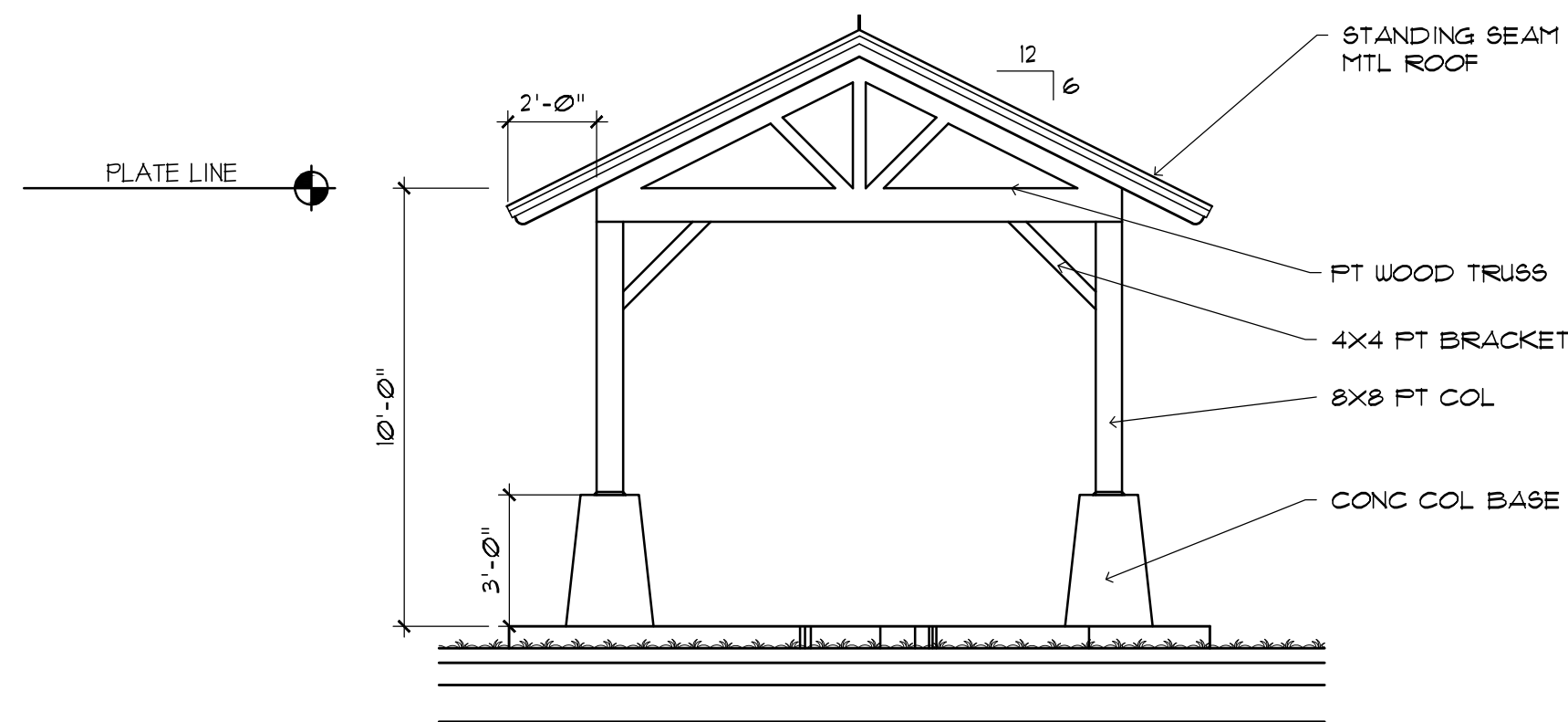
3. PAVILION PLAN

SCALE: 1/4" = 1'-0"



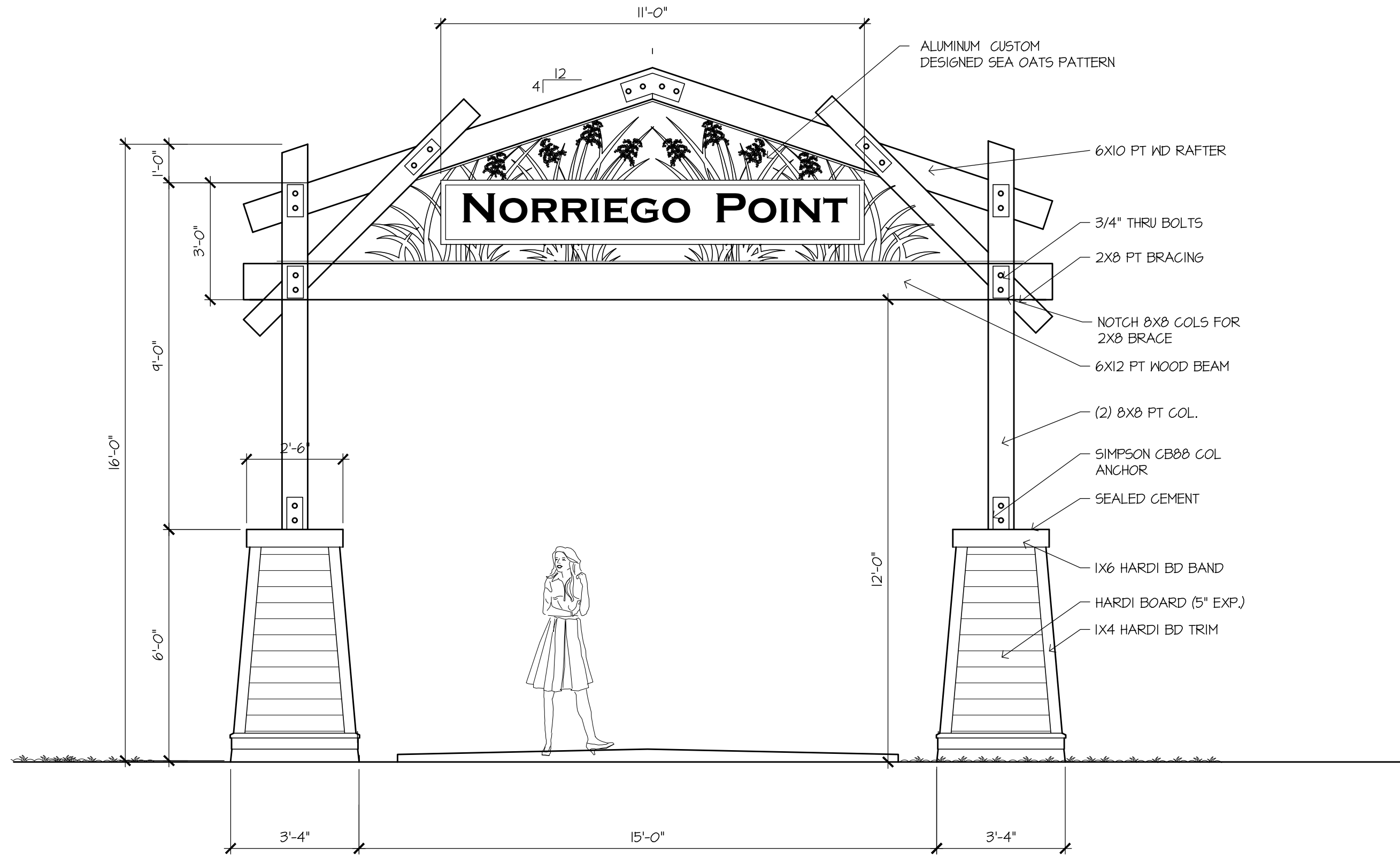
PAVILION ELEVATION

SCALE: 1/4" = 1'-0"



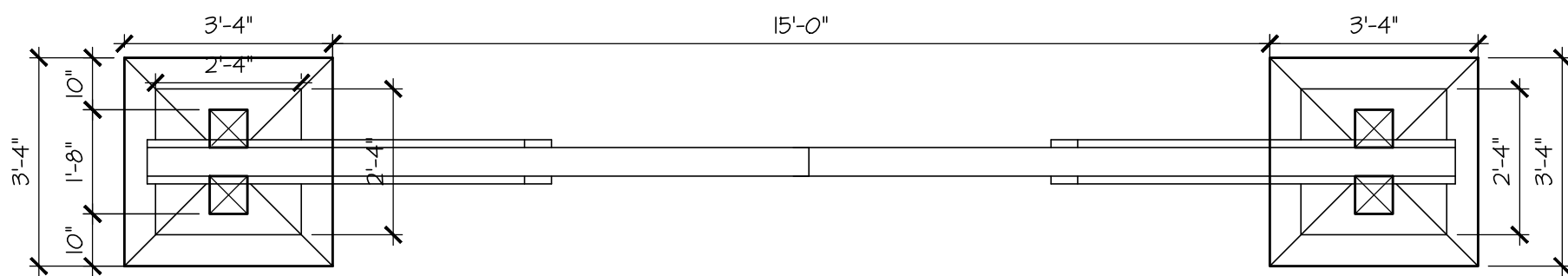
PAVILION ELEVATION

SCALE: 1/4" = 1'-0"



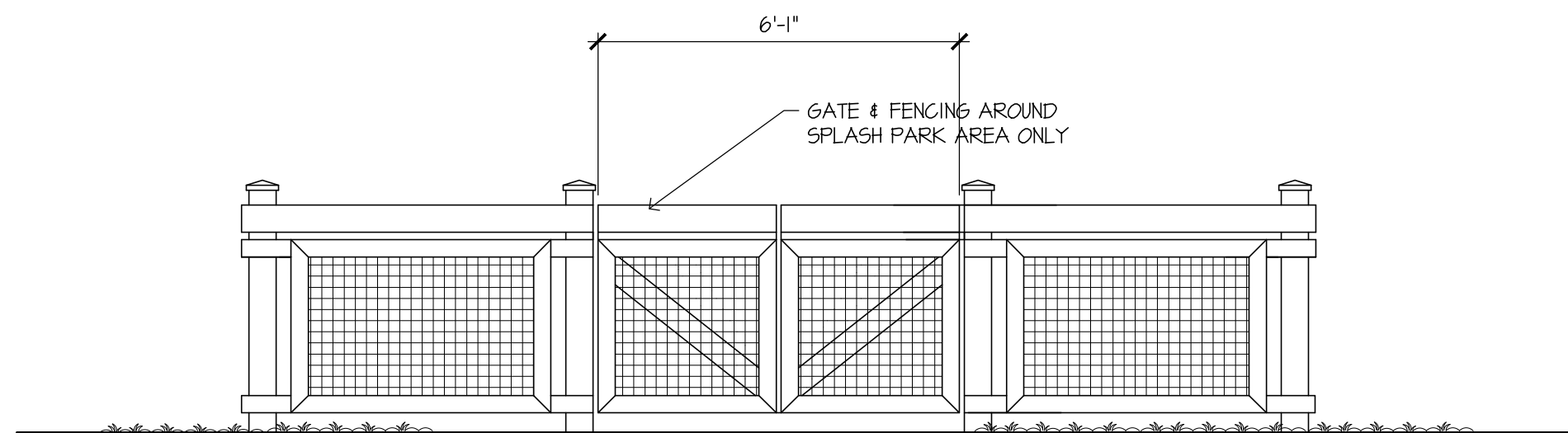
2. ENTRY GATE ELEVATION

SCALE: 3/8" = 1'-0"



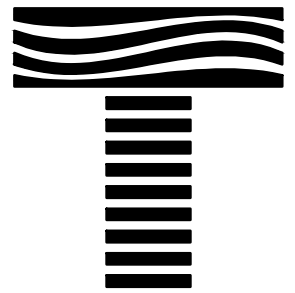
PLAN VIEW

SCALE: 3/8" = 1'-0"



1. TYPICAL FENCE ELEVATION

SCALE: 3/8" = 1'-0"



TAYLOR ENGINEERING INC.

4300 LEGENDARY DRIVE

SUITE C246

DESTIN, FLORIDA 32541

(850)-460-7040

10199 SOUTHSIDE BOULEVARD

SUITE 310

JACKSONVILLE, FLORIDA 32256

(904) 731-7040

CERTIFICATE OF AUTHORIZATION # 4815

SEAL

30% DRAFT

MATTHEW TRAMMELL P.E.# 69244

PROJECT TITLE

NORRIEGO POINT
RECREATION
ENHANCEMENT PROJECT
DESTIN, FLORIDA

SUNSHINE STATE ONE CALL OF
FLORIDA

SUNSHINE 811 - ALWAYS CALL 811

BEFORE YOU DIG

1-800-638-4097

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PROJECT NO C2015-058

DATE JUNE 28, 2018

DESIGNED MAT

DRAWN CAS

CHECKED DG

REVIEWED REVBY

SCALE AS SHOWN

DRAWING TITLE

ARCHITECTURAL OUT
STRUCTURES

A-3

SHEET 3 OF 13

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018**TYPE OF AGENDA ITEM:** City Manager Report

TO: City Council

THRU: Lance Johnson, Interim City Manager

FROM: Steve Schmidt, Deputy City Manager

DATE: September 10, 2018

SUBJECT: Siebert Avenue Parcel, additional parking opportunity

I. BACKGROUND: Staff has on a few occasions contacted, or has been contacted by, the owner of 108 Sibert Avenue for consideration of purchase. The approximately half-acre property is bounded on the northwest by city right-of-way (Sibert Avenue), on the southwest by property of the city (the currently existing Zerbe parking lot) on the southeast by property of the city (the Community Center) and on the northeast by property of the city (a half acre parcel next to the cemetery currently under construction for expansion of public parking). The property is shown on the Property Appraiser's printout attached hereto as Exhibit "A."

II. DISCUSSION: At the request of the City Manager, staff engaged an appraiser to do an appraisal of the property in August, 2017 (a substantial portion of which is attached hereto as Exhibit "B") which appraisal concluded a value of \$250,000.00 for the property. In April, 2018, another appraisal was provided by the seller's representative which concluded a value of \$425,000.00 for the property (attached hereto as Exhibit "C"). The property is currently listed on the MLS for \$400,000.00, and the listing broker has reached out to the city manager to gauge the city's interest in purchasing the property.

A. Link to Strategic Goals / Objectives: 3.A.1. Increase and optimize harbor area parking; explore city parking regulations & requirements; explore pay to park.

B. Effect on Budget (EOB): Funding for this property has not been included within the City's FY2018 or FY2019 budgets, so a purchase would need to be directed by City Council and funded from the fund balance.

C. Level of Service (LOS): Filling in the existing city properties flanking this subject property on Sibert Avenue would provide for a larger, connected

parking facility to serve the harbor area.

III. CONCLUSION: The city is the logical purchaser of this property bounded on three sides by existing city property and on the remaining side by city right-of-way. Acquisition of the property would expand the size and efficiency of harbor area parking, and gives the city a stronger position in any public-private partnership negotiations for use of the property for a parking garage.

The two appraisals show a significant disparity and it should be noted that the seller-provided appraisal utilizes widely-spaced comparables, including one on US Hwy 98. Based on the city's appraised value of \$250,000.00 for the property, staff recommends that City Council approve submission of a contract more or less in that amount.

IV. RECOMMENDED MOTION: "I move that the City Council authorize staff to submit a contract to purchase the property located at 108 Sibert Avenue."

Attachments:

1. Property Appraiser aerial
2. 108 Sibert Ave - Humphrey
3. 108 Siebert Avenue appraisal - Marr

EXHIBIT "A"

Copyright © 2011, qPublic.net



Okaloosa County Appraiser

Parcel: 00-2S-22-0310-000D-3780 Acres: 0

Name:	ENGLESTAD WILBUR J	Land Value:	92,859
Site:	108 SIBERT AVE C DESTIN	Building Value:	1,385
Sale:	\$100 on 1991-08 Reason=I Qual=U	Misc Value:	0
Mail:	608 FIR AVE NICEVILLE, FL 32578	Just Value:	94,244
		Assessed Value	94,244
		Exempt Value	0
		Taxable Value	94,244



Okaloosa County makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. The assessment information is from the last certified taxroll. All data is subject to change before the next certified taxroll.

Date printed: 09/07/18 : 16:40:33

HUMPHREY AND ASSOCIATES, INC.

COMMERCIAL REAL ESTATE VALUATION AND RESEARCH
Specializing in Undivided Partial Interests

APPRAISAL REPORT

Lot 378, Block D, 2nd Revision of Calhouns Subdivision
108 Sibert Avenue
Destin, Okaloosa, Florida 32541



H & A File 170093

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APPRAISAL REPORT

SUBJECT PROPERTY

Lot 378, Block D, 2nd Revision of Calhouns Subdivision
108 Sibert Avenue
Destin, Okaloosa, Florida 32541

EFFECTIVE DATE OF APPRAISAL

August 12, 2017

REPORT DATE

August 16, 2017

INSPECTION DATE

August 12, 2017

CLIENT/INTENDED USER

Walton County Board of County Commissioners
City of Destin
4200 Indian Bayou Trail
Destin, Florida 32541

H & A File 170093

PREPARED BY:

Walter H. Humphrey, MRICS State-certified General Real Estate Appraiser RZ 1218 (FL)

HUMPHREY AND ASSOCIATES, INC.
906 Mar Walt Drive - Un it G
Fort Walton Beach, Florida 32547
Telephone: (850) 862-0766
Facsimile: (850) 862-8991

HUMPHREY AND ASSOCIATES, INC.

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Specializing in Undivided Partial Interests
Fort Walton Beach and Jacksonville

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State-certified General Real Estate Appraiser RZ 742
MAIJD@msn.com

1031 La Salle Street
Jacksonville, FL. 32207
Telephone: (904) 346-1944
Facsimile: (904) 346-1945

August 16, 2017

Carisse LeJeune, City Manager
City of Destin
4200 Indian Bayou Trail
Destin, Florida 32541

Re: The appraisal of the fee simple interest in 108 Sibert Avenue, Destin, Florida.
H & A File 170093

Dear <s LeJeune:

I have completed the research and analyses necessary to appraise the fee simple interest in the above referenced property as you requested.

The accompanying document is an appraisal report as contrasted with a restricted appraisal report.

The purpose of the appraisal is to provide a supported opinion of the fair market value of the real estate, in accordance with your appraisal policies and standards.

The understood intended use of the appraisal is for reference negotiating the purchase of the property. No other use of this report by any other entity or person is authorized.

Fair market value, fee simple interest, leased fee, leasehold, highest and best use, and other pertinent terms are defined in the following report.

I have analyzed the value of the subject property based on the estimate of the highest and best use of the subject as of the date valuation:

Speculative investment for future commercial development is the highest and best use as this use would provide the highest return to the land than any other use analyzed.

Subject to the above analysis, assumptions and limiting conditions, and certification of value set forth herein, it is my professional opinion that the fair market value of the fee simple 100% ownership interest in the subject "as is," and as of the August 12, 2017 is:

\$250,000

The fair market value opinion above is linked to an exposure time and marketing time estimated from market analysis to be between six and twelve months.

I hereby certify that I have no interest, present or contemplated, in the appraised property. The undersigned appraiser is competent for the property type under appraisal. The appraisal is in conformity with the standards for real estate appraisals as established by the Appraisal Foundation and its Appraisal Standards Board reference the 2016-17 edition of the *Uniform Standards of Professional Appraisal Practice* (USPAP). This appraisal assignment and report are intended to conform to all applicable appraisal regulations and guidelines. The fee for this appraisal was not based on value nor was the assignment undertaken based on a predetermined value, a trend in value, or a minimum or maximum value.

Respectfully submitted,

Walter H. Humphrey, MRICS

Digitally signed by Walter H. Humphrey, MRICS
DN: cn=Walter H. Humphrey, MRICS, o=Humphrey and Associates, Inc, ou,
email=bluechip25@aol.com, c=US
Date: 2017.08.16 10:04:18 -05'00'

Walter H. Humphrey, MRICS
State-certified General Real Estate Appraiser RZ 1218 (FL)

APPRAISAL REPORT

CLIENT: Carisse LeJeune, City Manager
City of Destin
4200 Indian Bayou Trail
Destin, Florida 32541

APPRAISER: **Walter H. Humphrey, MRICS**
State-certified General Real Estate Appraiser RZ 1218 (FL)
HUMPHREY AND ASSOCIATES, INC.
906 Mar Walt Drive - Unit G
Fort Walton Beach, Florida 32547

SUBJECT PROPERTY: *Legal Description:* Lot 378, Block D, Second Revision of Calhouns Subdivision of addition to Town of Destin, Florida, according to the plat thereof as recorded in Plat Book 2, Page 43-A, Public Records of Okaloosa County, Florida.

Tax ID №: 00-2S-22-0310-000D-3780

Physical Address 108 Sibert Avenue
Destin, Okaloosa County, Florida 32541

CENSUS TRACT: 233.06

PURPOSE OF THE APPRAISAL: The purpose of the appraisal is to provide a supported opinion of the fair market value of the real estate, in accordance with your appraisal policies and standards.

INTENDED USE OF REPORT: The understood intended use of the appraisal is for reference negotiating the purchase of the property. No other use of this report by any other entity or person is authorized.

INTENDED USER: The intended user is the client stated above, review appraisers, and regulatory authorities. This report is not intended or authorized for any other user or audience.

PROPERTY RIGHTS APPRAISED: The property rights appraised are the fee simple 100% ownership interest in the property. This is absolute ownership interest unencumbered by any other interest or estate, subject only to the governmental regulations of police power, escheat, taxation and eminent domain.

EFFECTIVE DATE OF VALUE: August 12, 2017.

DATE OF REPORT: August 16, 2017.

INSPECTION DATE: Walter H. Humphrey inspected the subject property on August 12, 2017.

FORMAT: Appraisal Report.

HIGHEST AND BEST USE "AS IS:" Speculative investment for future farmstead development is the highest and best use as this use would provide the highest return to the land than any other use analyzed.

VALUE OPINION: **\$250,000**

EXPOSURE TIME: The exposure time linked to the above opinion of the fair market value is a range of six to twelve months.

DEFINITIONS:

Market Value	“Value as used in eminent domain statute, ordinarily means amount which would be paid for property on assessing date to willing seller not compelled to sell, by willing purchaser, not compelled to purchase, taking into consideration all uses to which property is adapted and might reasonably be applied.” ¹
Just Compensation ²	In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken; should put the owner in as good a position pecuniarily as he or she would be if the property has not been taken; generally held to be market value, but courts have refused to rule that it is always equivalent to market value. (Just compensation is regarded the same as full compensation in Florida.)
Damages ³	In condemnation, the loss in value to the Remainder in a partial taking of property. Generally, the difference between the value of the whole property before the taking and the value of the Remainder after the taking is the measure of the value of the part taken and the damages to the Remainder. Three types of damages are recognized: consequential, direct, and severance.
Fee Simple Estate ⁴	Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.
Leased Fee Interest ⁵	A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease).
Leasehold Interest ⁶	The tenant’s possessory interest created by a lease.
Condominium ⁷	1. A form of ownership in which each owner possesses the exclusive right to use and occupy an allotted unit plus and an undivided interest in common areas. 2. A multiunit structure, or a unit within such a structure, with a condominium form of ownership.
Highest and Best Use ⁸	The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability. Alternatively, the probable use of land or improved property-specific with respect to the user and timing of the use-that is adequately supported and results in the highest present value.

...of land or a site as though vacant:

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

...of property as improved:

The use that should be made of a property as it exists. An existing improvement should be renovated or

¹ Florida State Road Dept. v. Stack, 231 So.2d 859 Fla., 1st DCA 1969

² The Dictionary of Real Estate Appraisal, Appraisal Institute, Third Edition, October 1993.

³ Ibid.

⁴ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, Fifth Edition, 2010, Page 78.

⁵ Ibid., Page 111.

⁶ Ibid., Page 161.

⁷ Ibid., Page 59.

⁸ Ibid., Page 93.

retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

Marketing Time⁹

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. to sell on the market subsequent to the date of an appraisal.

Exposure Time¹⁰

1. The time a property remains on the market.
2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of appraisal; a Retrospective estimate based on an analysis of past events assuming a competitive and open market.

Appraisal¹¹

(noun) the actor process of developing an opinion of value; an opinion of value.
(adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services.

Appraisal Review¹²

The act or process of developing and communicating an opinion about the quality of another appraiser's work that was performed as part of an appraisal, appraisal review, or appraisal consulting assignment.

Credible¹³

Worthy of belief. (The comment following this definition states: "Credible assignment results require support, by relevant evidence and logic, to the degree necessary for the intended use.)

Scope of Work¹⁴

The type and extent of research and analysis in an appraisal or appraisal review assignment.

Scope of Work Rule¹⁵

For each appraisal and appraisal review assignment, an appraiser must:
1. identify the problem to be solved;
2. determine and perform the scope of work necessary to develop credible assignment results; and
3. disclose the scope of work in the report.

Extraordinary Assumption¹⁶

an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

Hypothetical Condition¹⁷

a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

⁹ Ibid., Page 121.

¹⁰ Ibid., Page 73.

¹¹ The Appraisal Foundation, *Uniform Standards of Professional Appraisal Practice*, Washington, D.C., 2016, Page 1

¹² Ibid., Page 2

¹³ Ibid., Page 2

¹⁴ Ibid., Page 4

¹⁵ Ibid., Page 14

¹⁶ Ibid., Page 3

¹⁷ Ibid., Page 3

GENERAL ASSUMPTIONS

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be marketable unless otherwise stated. The legal description used in this report is assumed to be correct.
2. The subject property is appraised free and clear of any or all liens, leases, or encumbrances unless otherwise stated. All mortgages, liens, encumbrances, leases and servitudes have been disregarded unless so specified within the report.
3. No survey of the property has been made by the appraiser and no responsibility is assumed in connection with such matters. Sketches, plot plans, or illustrative material presented in this report are included only to assist the reader in visualizing the property.
4. Information and data furnished by others is usually assumed to be true, correct and reliable. When such information and data appears to be dubious and when it is critical to the appraisal, a reasonable effort has been made to verify all such information; however, no responsibility for its accuracy is assumed by the appraiser.
5. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report.
8. It is assumed that the subject property is in compliance with all applicable zoning and land use regulations, unless a nonconformity has been stated, defined and considered in the appraisal report.
9. It is assumed that all required licenses, consents or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value opinion contained in this report is based.
10. It is assumed that the utilization of the land and improvements are within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted within the report.

EXTRAORDINARY ASSUMPTIONS:

None.

GENERAL LIMITING CONDITIONS:

1. This is an Appraisal Report that includes appropriate discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Some supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.
2. Appraisers are not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The appraiser's value opinion is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.
3. The subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would otherwise restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
4. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
5. Neither all nor any part of the contents of this report shall be conveyed to any person or entity, other than the appraiser's or firm's client, through advertising, solicitation materials, public relations, news, sales, or other media without the written consent and approval of the author, particularly as to valuation conclusions, the identity of the appraiser or firm with which the appraiser is connected, or any reference to affiliation with any professional appraisal organization. Further, the appraiser or firm assume no obligation, liability, or accountability to any third party. If this report is placed in the hands of anyone but the client, client shall make party aware of all the assumptions and limiting conditions of the assignment.
6. The appraiser affixing his signature to this appraisal report will not be required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been previously made thereof.
7. No environmental impact studies were either requested or made in conjunction with this appraisal, and the appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research, or investigation.
8. The appraiser has not been supplied with a report of the subsoil conditions indicating the exact capacity of the subsoil. I do not have the benefit of subsoil test results of the properties and detection of possible soil defects would be beyond my realm of expertise. However, there appear to be no hidden or apparent conditions of the subject site or subsoil structures which would render them more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
9. Acceptance of and/or use of this appraisal report constitutes acceptance of the foregoing General Assumptions, Extraordinary Assumptions, General Limiting Conditions, and Hypothetical Conditions.

HYPOTHETICAL CONDITIONS:

None.

APPRAISER'S LIABILITY LIMITATIONS AND CLIENT AGREEMENTS

The acceptance of the report and its use by the client in any manner whatsoever or for any purpose is acknowledgment by him that this report is a satisfactory professional product, and that he has *personally read the report*, and specifically agrees that the data herein is accurate to the best of the Appraiser's ability.

As a part of the Appraiser-Client employment agreement, the client agrees to notify the Appraiser of any error, omission, or invalid data herein within 15 days of receipt and return the report along with all copies to the Appraiser for correction prior to any use whatsoever.

Thus, by acceptance of this report, you acknowledge that a value opinion is the product of a professionally trained mind, but nevertheless is an opinion only and not a provable fact. As a personal opinion, valuation may vary between appraisers based on the same facts.

Thus, the appraiser warrants only that the value conclusions are his best opinion estimates as of the exact day of valuation.

PURPOSE OF APPRAISAL

The purpose of the appraisal is to provide a supported opinion of the fair market value of the real estate, in accordance with your appraisal policies and standards.

INTENDED USE OF REPORT

The understood intended use of the appraisal is for reference in purchasing the property. No other use of this report by any other entity or person is authorized.

INTENDED USER

The intended user is the client stated above. This report is not intended or authorized for any other user or audience.

TERMS OF FINAL VALUE OPINION

The opinion assumes terms of value in cash or other financing arrangements equivalent to cash.

PROPERTY RIGHTS APPRAISED

The property rights appraised are those of a fee simple 100% ownership interest.

SCOPE OF THE APPRAISAL

The subject site was inspected. The property was photographed, and analyzed. The neighborhood was toured.

Neighborhood influences were analyzed and considered. LoopNet, CoStar, public records, and Internet data was researched. File data for similar properties was reviewed. Demographic data from The Site To Do Business was studied.

Highest and best use of the property was studied and concluded.

Comparable land sales have been researched, verified, and analyzed. This included a map search of sales in Destin.

Other activities undertaken included examination of vacant real estate values, site development costs, expected levels of developer profit, zoning and land use regulations, capitalization rates, and anticipated absorption periods.

The Sales Comparison Approach was employed to estimate fair market value.

The data reported herein is limited to that which, in the appraiser's judgment, was found to be the most similar to the subject property, and which reflected a reasonable time period that information could be reasonably obtained from third party sources.

Reported data pertaining to the physical features of the subject property and its amenities is based on the appraiser's observations upon inspection and review of appropriate documents.

The value conclusion was based on interpretation of the data and market as of the valuation date.

CERTIFICATION OF VALUE

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved. I have not previously appraised the subject. I do not own any property that would benefit from the appraisal conclusions.
4. The compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
5. The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the 2016-17 edition of the *Uniform Standards of Professional Appraisal Practice (USPAP)*.
6. I made a personal inspection of the property that is the subject of this report.
7. No one provided significant real property appraisal assistance to the person signing this report.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Royal Institution of Chartered Surveyors.
9. I have the knowledge and experience to complete this assignment competently.
10. Subject to the above and the assumptions, limiting conditions, and certification set forth herein, it is my professional opinion that the fair market value of the fee simple interest in the subject property as of August 12, 2017 is:

\$250,000

The fair market value opinion above is linked to an exposure time and marketing time estimated from market analysis to be between six and twelve months.

HUMPHREY AND ASSOCIATES, INC.

Walter H. Humphrey, MRICS

Digitally signed by Walter H. Humphrey, MRICS
DN: cn=Walter H. Humphrey, MRICS, o=Humphrey and Associates, Inc, ou,
email=bluechip25@aol.com, c=US
Date: 2017.08.16 10:04:53 -05'00'

Walter H. Humphrey, MRICS
State-certified General Real Estate Appraiser RZ 1218 (FL)

DESCRIPTION OF REAL ESTATE APPRAISED**SITE****Ownership:** Wilbur J. Eglestad.**Location****Description:** The subject property is located in the west part of the Destin market area. The site is accessed directly from Sibert Avenue.**SUBJECT LOCATION MAP**

Size/Shape: The subject property is rectangular in shape. It is represented as 22,290 square feet (SF) per the plat fragment on the right. The Sibert road frontage is platted as 75 feet.

Excess Land: None.

Topography: The soil appears to Kureb sand, a excessively soil with 0% to 8% slopes as depicted in the *Soil Survey*.¹⁸

The site is mostly level and at the grade of Sibert Avenue. Elevation is about 10 feet above sea level at the street frontage and slopes up sharply at the rear.

**Easements/**

Encroachments: The existence or nonexistence of encroachments or easements should be confirmed by a Florida licensed surveyor. Utility easements are assumed to apply.

Absent a survey, the presence or absence of encroachments is unknown.

This appraisal assumes no easements, agreements, or encroachments that would adversely affect the value of the subject property.

Ingress/Egress: The subject is accessed directly from Sibert Avenue, a two-lane asphalt paved road.

Flood Risk: Unshaded "X" - A copy of the FEMA map is in the Addenda.

From the FEMA Web Site:

NSFHA: A Non-Special Flood Hazard Area (NSFHA) is an area that is in a moderate-to-low risk flood zone (Zones B, C, X Pre- and Post-FIRM). An NSFHA is not in any immediate danger from flooding caused by overflowing rivers or hard rains.

"A 100-year flood is a flood that has a 1-percent chance of being equaled or exceeded in any given year. A base flood may also be referred to as a 100-year storm and the area inundated during the base flood is sometimes called the 100-year floodplain

The term "100-year flood" is misleading. It is not the flood that will occur once every 100 years. Rather, it is the flood elevation that has a 1- percent chance of being equaled or exceeded each year. Thus, the 100-year flood could occur more than once in a relatively short period of time. The 100-year flood, which is the standard used by most Federal and state agencies, is used by the National Flood Insurance Program (NFIP) as the standard for floodplain management and to determine the need for flood insurance. A structure located within a special flood hazard area shown on an NFIP map has a 26 percent chance of suffering flood damage during the term of a 30-year mortgage.

Assessed Value and Ad Valorem

Taxes: The tax identification number, assessed value, gross tax amount due, and amount paid, for the 2016 tax year were:

Tax Identification Number	Assessed Value	Gross Tax Amount Due	Assessments	Taxes Paid
00-2S-22-0310-000D-3780	\$86,311	\$1,121.39	\$0.00	\$1,076.53

The taxes were paid with an early payment discount on November 4, 2016.

Note that assessed values and taxes have no measurable impact on market value.

History: The property was conveyed to the owner on August 12, 1991.

It has been listed for sale for \$800,000, above market value.

Current Use: The subject was essentially unimproved. The existing structure was hidden in natural growth and contributes no increment value.

**Adjacent/
Nearby Uses:** Adjacent and nearby uses include a mix of commercial, government and residential uses.

**Land Use
Criteria:** Residential, Office, and Institutional (ROI) Future Land Use by the City of Destin. Zoning is Residential, Office, and Institutional= General Development (ROI-GD) by the City of Destin.

Purpose and intent. The Residential, Office, and Institutional - General Development zoning district shall apply to areas developed, redeveloped and/or maintained and conserved as areas that accommodate: business and professional offices; permanent single-family detached or multi-family attached residential dwelling units; and institutional uses. General retail sales and services are allowed but must be integrated in a planned unit development designed to support the surrounding residential neighborhoods. It is the intent of the ROI - GD zoning district to specifically not allow the following uses to be located in the district: seasonal single-family detached or multi-family attached residential dwelling units; commercial hotels, motels, bed and breakfast establishments, or other commercial transient living accommodations; and all non-residential uses not previously listed above.

**Site
Improvements:** None.

**Vertical
Improvements:** Unoccupied. No contributory increment of value.

Subject Photos



View Easterly



View Northerly From Lot On S Side



Street - View Northerly



Street View Southerly



County Property Appraiser Aerial Photo

DESTIN MARKET AREA DESCRIPTION

The City of Destin comprises most of the overall Destin market Area. It has grown from a small fishing village to a city with a high concentration of growth. Fishing and tourism, both predominant industries in the city, have fueled growth in the area by attracting tourists from across the southeast United States. Residential condominium sales in the area were brisk prior to the 2008 recession, and have recovered with new construction starts in several locations.

The city's founder was Leonard Destin, who came to Destin from New London, Connecticut in 1845. A fisherman by trade, Mr. Destin is credited for starting the fishing fleet that numbers a combined 80 charter and party boats. The Destin East Pass is the only access to the Gulf between Pensacola and Panama City, and deep fishing water is closer to Destin, about 10 miles offshore, than any other land point in northwest Florida.

Government: Destin had grown rapidly in the late 1970's through the early 1980's time frame. It was governed previously by Okaloosa County. The residents of the Destin voted to incorporate as a city in 1984 and on November 9, 1984, the City of Destin was incorporated as a municipality with a mayor and city council form of government. The operational management of the municipality is performed by a city manager and the council meetings are on the 1st and 3rd Mondays of each month.

The City has grown in both staff and physical facilities. Recent expanded services have focused on the needs of the service departments, recreation, and the library. The City has acquired a number of properties to serve the expanded traffic and economic activities including recreation and parking.

Population: (2010) 12,305 residents for the City and 15,565 for the Destin 32541 zip code market area, plus many others owning second homes and residential condominiums.

Age Breakdown	Number	%
0 - 24	4,121	26.5
25 - 44	4,288	27.5
45 - 64	4,670	30.0
65 and over	2,466	16.0

Housing: (2010) Total housing units were 15,748 for the 32541 zip code area.

Seasonal, recreational, or occasional use units were 4,719, or 30% of the total.

**Commercial
Activity:**

The area is known throughout the southeast as a spring and summer vacation destination, and its beaches, fishing, shopping, dining, and other activities have attracted more tourists each year. Tourism has and continues to be the driving economic force behind the continued growth in Destin. Other dominant commercial activity includes real estate, construction, restaurants, and retail sales. Retail sales in the Destin area have improved dramatically with the success of several fairly new shopping centers and related infill.

Workforce officials have cited a worker shortage as the No. 1 concern of local employers during the tourist season. Explosive growth of the hospitality and service industries, low wages and seasonal swings in business contribute to high employee turnover. Some employers have offered sign-on bonuses to restaurant workers.

Mid-Bay

Bridge Impact: The Mid-Bay Bridge, opened in October 1993, extends across Choctawhatchee Bay from White Point, near Niceville, southerly to the north side of Highway 98 near Crystal Beach. The bridge has provided quicker access from origination points north of the bay to Destin and the southwest Walton County area. Before the bridge opened, persons living in Niceville, Choctaw Beach, Villa Tasso, Basin Bayou, and other small communities north of the bay were required to access the area through Valparaiso, Shalimar, Fort Walton Beach, and Destin, or by going east to Freeport and taking Highway 331 south to Highway 98 at Santa Rosa Beach and traveling west to Destin.

The bridge has also meant a quicker access to the general area by tourists arriving from north of the area. For example, Alabama tourists previously took Highway 331 from Montgomery south to Freeport, crossed the bay, then traveled west to Destin, or traveled down Highway 85 through Crestview to Fort Walton Beach then east to Destin. The bridge offers alternate routing via Highway 20 from Highway 331, or via Highway 85 to a bypass around Niceville to the Mid-Bay Bridge.

The Mid-Bay Bridge is a toll road with the toll collecting process automated with a Sun Pass drive-by system. Total revenue from the tolls for the Mid-Bay Bridge have consistently been ahead of projections and needs. Widening has been discussed and tolls are expected to increase in the future.

Summary: Economic growth continues to benefit the Destin area with redevelopment and vertical expansion. Forecasts indicate the measures of population and personal income will grow as more people move to Destin and commercial activity increases.

Additional economic and demographic data from Site To Do Business is in the addenda.

HIGHEST AND BEST USE AS VACANT

Overview The highest and best use recognizes the most probable uses for the subject property, given the market for commercial property and development activity in the market area.

Existing Use: The subject is a contiguous 0.51 ± acre parcel.			
Tests: The four tests of legal permissibility, physical possibility, financial feasibility, and maximum profitability are applied to four economic uses typically found in this market area: single-family residential (SFR), multi-family residential (MFR), commercial (COM), and industrial (IND). The conclusions are shown on the following chart.			
Likelihood of Use	Potential Use	Probability	Support
Legally Permissible	SFR	Average	Land use criteria permits, limitations apply
	MFR	Average	Land use criteria permits, limitations apply
	COM	Good	Land use criteria permits, limitations apply
	IND	Nil	Land use criteria prohibits
Physically Possible	SFR	Average	Density limited
	MFR	Average	Density limited
	COM	Good	Limitations apply
	IND	N/A	N/A
Financially Feasible	SFR	Poor	Poor location for one dwelling
	MFR	Average	Some demand for multi-family exists in the market
	COM	Good	Ongoing demand for locations off major roads
	IND	N/A	N/A
Maximally Productive	SFR	Poor	Low return to the land
	MFR	Average	Average return to the land
	COM	Good	Good demand for similar sites
	IND	N/A	N/A

Conclusion of Highest and Best Use

Speculative investment for future commercial development is the highest and best use as this use would provide the highest return to the land than any other use analyzed.

SUMMARY OF ANALYSIS AND VALUATION

Methodology Land valuation via Sales Comparison Analysis involves direct comparisons of the subject property to similar properties that have sold in the marketplace to derive a comparative value indication for the subject property "as though vacant," as of the effective date of value. This approach is also called the "direct sales comparison approach," or the "market approach," and tends to be the most reliable approach for estimating the value of vacant land or sites available for development. Other methods of estimating the value of land are available. Allocation, extraction, land residual, ground rent capitalization, and discounted cash flow analysis are all recognized as reasonable methods. However, sales comparison analysis is employed most often by market participants to derive pricing decisions in the local market area. Therefore, the method is employed.

The cost approach is a reliable methodology for new or nearly new buildings. I estimate the replacement cost or reproduction cost of the existing or proposed improvements and site improvements (including direct and indirect costs as well as an appropriate developer profit), deduct accrued depreciation from physical, functional, and external sources from the total replacement or reproduction cost new. The depreciated replacement or reproduction cost of the improvements is added to the value of the site resulting in a value indication of the fee simple interest in the property.

The sales comparison approach is based on the "Principle of Substitution" which indicates that an informed purchaser would pay no more for a property than the cost of acquiring an equally desirable substitute property with the same or similar utility. This approach is applicable when an active market provides sufficient quantities of reliable data which can be verified from authoritative sources. The Sales Comparison Approach is reliable in an active market, or if an estimate of value is related to properties for which there are comparable sales available. This approach to value is also pertinent when sales data can be verified with the principals to the transaction. Heavy emphasis is usually placed on this approach to value in an active market.

The income approach is recognized as a reliable approach for estimating the value of an "income producing" property to an investor. The income approach consists of methods, techniques, and mathematical procedures that an appraiser uses to analyze a property's capacity to generate income and convert that income into an indication of present value either by capitalizing the current income at a market capitalization rate or discounting the future cash flows into a present value estimate using an appropriate yield (discount) rate. The appraisal process emulates the market, and the most probable buyer would be an investor or prospective owner occupant. Two techniques associated with the income approach are direct capitalization and discounted cash flow analysis.

Methodology Employed in this Appraisal and Explanation of Exclusion of any of the Three Approaches to Value

The sales comparison approach for the land 'as vacant' is employed in this appraisal and is consistent with the concluded highest and best use, and market viewpoints.

The cost approach, and income approaches are not employed in this appraisal for analyses. A reasonable appraiser would not employ these approaches.

LAND VALUATION

Overview

Sales Comparison analysis was employed to estimate the fair market value of the land, “as vacant” as of my most recent date of inspection. The approach consists of steps in which the appraiser searches the market for sales of vacant land similar to the subject property, qualifies the sales prices and terms, compares the sales to the subject property for differences, adjusts the sales for those differences, and formulates an opinion of value of the subject property from the indicated values (as adjusted) of the sales.

Ideally, the subject would be compared to sales of similar parcels of land in the market area that are of the same approximate size, location, utility, and quality as the subject property. Land sales were discovered in the market area with similar locations, size, utility, and zoning, but not necessarily the exact same characteristics as the subject property.

Unit of Comparison

Typically, comparable sales are reduced to a unit of comparison. Units of comparison represent the unit which is consistently used in the market to derive pricing decisions. Analysis of sales of vacant land throughout the market area indicates the predominant common pricing and valuation unit is dollars per square foot of gross vacant land. This analysis recognizes that the size of the purchased land is commonly not a function of the optimum overall use and improvement, but is generally a function of being equal to or larger than the needs of the buyer. **The unit of comparison utilized in this analysis is price per acre (AC) of land.**

Elements of Comparison

The following ten basic elements of comparison should be considered in sales comparison analysis:

- 1) Non-realty components of value: furniture, fixtures, and equipment.
- 2) Real property rights conveyed: fee simple, leased fee, leasehold, fractional interest, etc.
- 3) Financing terms: Cash, cash equivalent, seller financing, financing concessions by seller, etc.
- 4) Conditions of Sale: Seller concessions, personal property included in sale, parties related, etc.
- 5) Expenditures made immediately upon purchase: deferred maintenance repairs, rehabilitation, renovation, upgrades
- 6) Market Conditions: Appreciation, depreciation, stagnation in real estate prices since the time of sale.
- 7) Location: corner, major traffic artery, city/county, interior lot, etc.
- 8) Physical characteristics: Size, topography, access to utilities, construction quality, condition, etc.
- 9) Economic characteristics: rents, operating expenses, vacancy rates, lease provisions, management competence, etc.
- 10) Use: zoning, future land use, building codes, government control, etc.

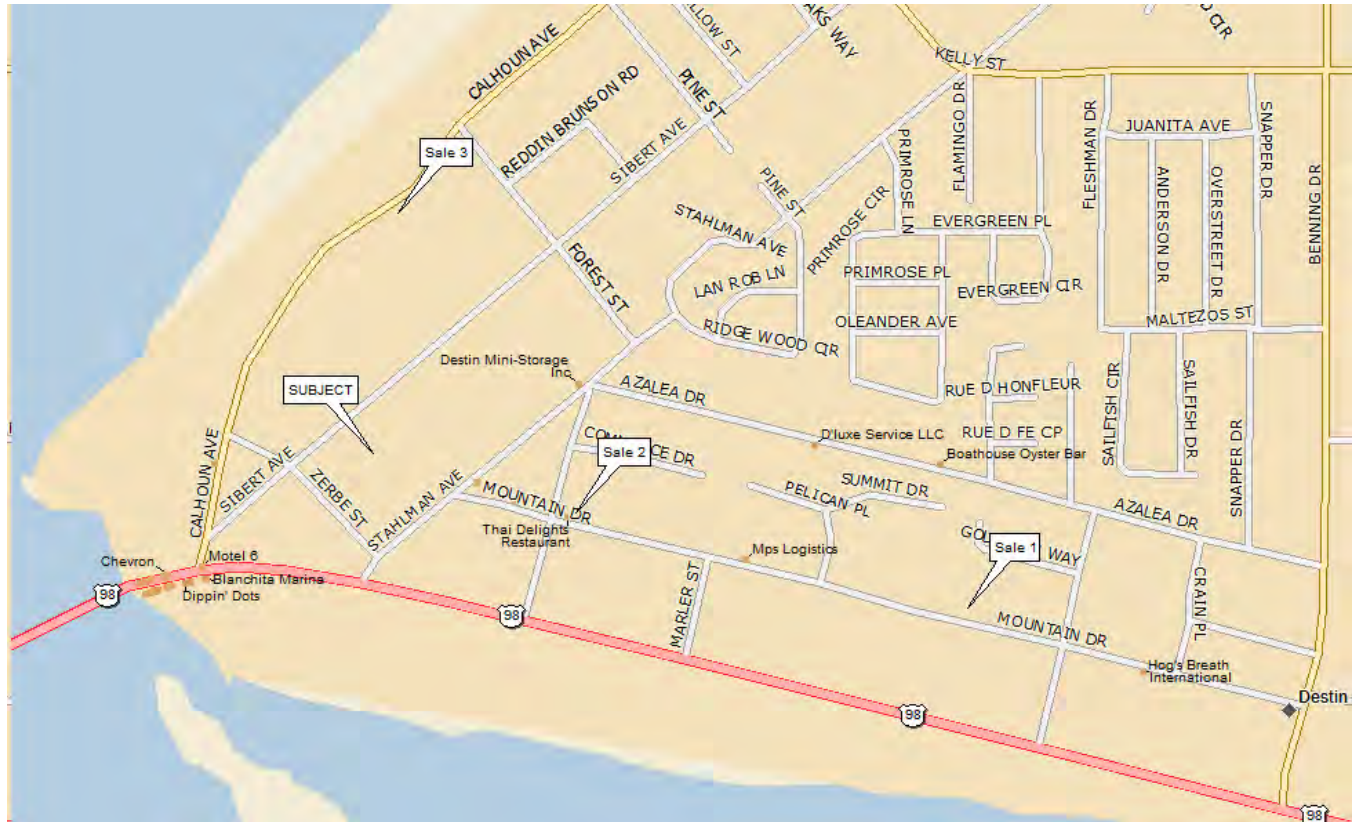
Comparable Land Sales

The descriptions of Comparable Unimproved Sales are presented on the following pages. A comparable sales location map graphically depicts the locational relationship between the subject property and the comparable sales. An adjustment grid is presented following the location map. I have chosen comparable land sales from the market which I conclude were somewhat comparable to the subject property as of the valuation date. All of the comparable sales would have competed with the subject property “as vacant” if all and the subject had been on the market at the same time. The sales are representative of the market for vacant land in the market area.

The following pages will portray a location map and summaries of the land sales with aerial photos, an adjustment grid, explanation of the adjustments, and a conclusion of value via sales comparison.

COMPARABLE LAND SALES SUMMARY TABLE

No.	Location	Sale Date	Price	Size in SF	Price/ SF
1	405 Mountain Drive	01/14/2014	\$600,000	40,000	\$15.00
2	Mountain Drive	02/14/2014	\$125,000	10,000	\$12.50
3	146 Calhoun Drive	08/03/2016	\$175,000	19,602	\$8.93



Land Sale No. 1**Property Identification**

Record ID	2860
Property Type	Vacant Land, Vacant Commercial
Address	405 Mountain Drive, Destin, Okaloosa County, Florida 32541
Location	N side, W of Melvin St.
Tax ID	00-2S-22-0310-000E-3400
Legal Description	Lots 338-41, Block E, Calhoun 2nd Revision
MSA	Fort Walton Beach
Market Type	Vacant land

Sale Data

Grantor	BBP, LLC
Grantee	June Grass, LLC
Sale Date	January 14, 2014
Deed Book/Page	3132/3907
Recorded Plat	2/43-A
Property Rights	Fee simple
Marketing Time	2,253 days
Conditions of Sale	Arm's length
Financing	Cash
Sale History	Listed \$1,200,000
Verification	Other sources: CoStar, Public records, Confirmed by Walter Humphrey

Sale Price	\$600,000
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Land Data

Zoning	CTS
Topography	Cleared
Utilities	All
Dimensions	200 x 200 feet
Shape	Square
Flood Info	X
Depth	200

Land Size Information

Gross Land Size	0.918 Acres or 40,000 SF
Front Footage	200 ft Total Frontage: 200 ft Mountain Drive;

Indicators

Sale Price/Gross Acre	\$653,400
Sale Price/Gross SF	\$15.00
Sale Price/Front Foot	\$3,000

Remarks

The property is 1 block N of Highway 98.



Land Sale No. 2**Property Identification**

Record ID	3118
Property Type	Vacant Land, Vacant Commercial
Address	Mountain Drive, Destin, Okaloosa County, Florida 32541
Location	N side, E of Palmetto
Tax ID	00-2S-22-0310-000E-3010
Legal Description	Lot 301, Block E, Calhoun 2nd Revision
MSA	Fort Walton Beach
Market Type	Vacant land

Sale Data

Grantor	Robert P. Nunn
Grantee	Starboard Side, LLC
Sale Date	February 14, 2014
Deed Book/Page	3136/2858
Recorded Plat	2/43-A
Property Rights	Fee simple
Marketing Time	225 days
Conditions of Sale	Arm's length
Financing	Cash
Sale History	Listed \$199,000
Verification	Other sources: CoStar, Public records, Confirmed by Walter Humphrey

Sale Price	\$125,000
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Land Data

Zoning	CTS, Commercial Trade & Services
Topography	Cleared
Utilities	All
Dimensions	50 x 200 feet
Shape	Square
Flood Info	X
Depth	200

Land Size Information

Gross Land Size	0.230 Acres or 10,000 SF
Front Footage	50 ft Total Frontage: 50 ft Mountain;

Indicators

Sale Price/Gross Acre	\$544,500
Sale Price/Gross SF	\$12.50
Sale Price/Front Foot	\$25,000

Remarks

The property is 1 block N of Highway 98.



Land Sale No. 3**Property Identification**

Record ID	3210
Property Type	Vacant Land, Vacant Commercial
Address	146 Calhoun Dr, Destin, Okaloosa County, Florida 32541
Location	E side
Tax ID	00-2S-22-0310-000D-0720
Legal Description	M & B, Block E, Calhoun 2nd Revision
MSA	Fort Walton Beach
Market Type	Vacant land

Sale Data

Grantor	Biel REO, LLC
Grantee	Old Town Cottages Development, LLC
Sale Date	August 03, 2016
Deed Book/Page	3259/4330
Recorded Plat	2/43-A
Property Rights	Fee simple
Conditions of Sale	Arm's length
Financing	Cash
Sale History	Foreclosed in November 2012
Verification	Other sources: Internet, Public records, Confirmed by Walter Humphrey
Sale Price	\$175,000

Land Data

Zoning	ROI, Residential Office Institutional
Topography	Cleared
Utilities	All
Dimensions	70 x 279 +/- feet
Shape	Irregular
Flood Info	X
Depth	200

Land Size Information

Gross Land Size	0.450 Acres or 19,602 SF
Front Footage	70 ft Total Frontage: 70 ft Calhoun Dr;

Indicators

Sale Price/Gross Acre	\$388,889
Sale Price/Gross SF	\$8.93
Sale Price/Front Foot	\$2,500

Remarks

The property is adjacent to a larger lot previously acquired.



VACANT LAND SALES ADJUSTMENT GRID

ELEMENTS OF COMPARISON	SUBJECT	SALE 1	SALE 2	SALE 3
Sale Price	N/A	\$600,000	\$125,000	\$175,000
Non-realty Components of Value	None	None	None	None
Non-realty Components Adjustment		---	---	---
Adjusted Sales Price		\$600,000	\$125,000	\$175,000
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Property Rights Adjustment	---	---	---	---
Adjusted Sales Price		\$600,000	\$125,000	\$175,000
Financing Terms	Market	Cash	Cash	Cash
Financing Adjustment	---	---	---	---
Adjusted Sales Price		\$600,000	\$125,000	\$175,000
Conditions of Sale	Arms-length	Arms-length	Arms-length	Arms-length
Conditions Adjustment	---	---	---	---
Adjusted Sales Price		\$600,000	\$125,000	\$175,000
Market Conditions (Time)	08/12/2017	January 14, 2014	February 14, 2014	August 3, 2016
Market Conditions Adjustment	---	---	---	---
Adjusted Sale Price (Total)	N/A	\$600,000	\$125,000	\$175,000
Adjusted Sale Price per Acre	N/A	\$15.00	\$12.50	\$8.93
Location	108 Sibert Ave Destin	405 Mountain Drive Destin	Mountain Drive Destin	146 Calhoun Drive Destin
Adjustment	---	-10.00%	-10.00%	---
Size: SF	22,290	40,000	10,000	19,602
Adjustment	---	5.00%	-5.00%	---
Dimensions	Rectangular	Square	Rectangle	Rectangle
Adjustment	---	---	---	---
Zoning	ROI	CTS	CTS	ROI
Adjustment	---	---	---	---
Highest and Best Use	Commercial	Same	Same	Mixed Use
Adjustment	---	---	---	5.00%
Utilities	All	All	All	All
Adjustment	---	---	---	---
Topography	Slopes up	Level	Level	Level
Adjustment	---	---	---	---
Functional Utility	Average	Good - Front = Depth	Same	Same
Adjustment	---	-10.00%	---	---
Access	Average	Same	Same	Same
Adjustment	---	---	---	---
Net Adjustment/%	N/A	-15.0%	-15.0%	5.0%
\$ per SF:	---	(\$2.25)	(\$1.88)	\$0.45
INDICATED VALUE @ SF		\$12.75	\$10.63	\$9.37

**Explanation of
Adjustments
to Comparable
Land Sales**

Adjustments are typically made to the comparable land sales to account for differences between each of the comparable land sales, and the subject property "as vacant." An analysis of each of the elements of comparison and adjustments applied to the comparable site sales to account for the differences is presented below. The presence or absence of adjustments is based on observation of market trends and preferences, and is not based on statistical regression analyses, bracketing, or matched pair studies due to the limited data and scatter of diverse data. Costs for changes are also recognized.

**Non-Realty
Components**

No adjustments are indicated.

**Property Rights
Conveyed**

Each of the properties was conveyed in fee simple ownership by warranty deed instruments. The subject property is owned in fee simple. Therefore, no adjustments are required for property rights.

Financing

All of the comparable land sales employed herein sold with cash to the seller. No adjustment is required for financing.

Conditions of Sale

All of the sales appeared to be arms-length transactions with no duress. No adjustments are indicated.

**Market Conditions
(Time)**

Absent a wealth of data, no adjustments are made for market changes.

Location

Sales № 1 and № 2 were in superior locations. Sale № 3 was in an inferior location. Adjustments were indicated.

Size

I compared the size of comparable sales and the subject land. Sales № 1 and № 2 were adjusted based on economy of scale (larger parcel theory).

Dimensions/Shape

No adjustments are indicated.

Zoning

No adjustments are indicated.

Highest and Best Use

Sale № 3 was adjusted upward for inferior highest and best use.

Utilities

No adjustments are indicated.

Topography

No adjustments are indicated.

Functional Utility

Sale № 2 was adjusted for its superior frontage to depth ratio.

Access

No adjustments are indicated.

**Net
Percentage**

The net adjustment percentage represents the net effect of all the adjustments applied to a particular comparable land sale. Net adjustments to the comparable land sales ranged from plus 5.0% to minus 15.0%.

Discussion

Sale № 3 is the most recent. Sale № 1 is judged to be least similar compared to the subject. Market data shows prices over a wide range for similar properties.

Indication

The above data supports a market value ranging from \$9.37 to \$12.75 per SF for the subject. A more probable range is \$10.50 to \$11.75 per SF.

Calculations

22,290 SF × \$10.50 per SF = \$234,045

22,290 SF × \$11.75 per SF = \$261,908

Conclusion

\$250,000

RECONCILIATION OF VALUE

Site Value

There is very little vacant land, off major roads, and with commercial uses remaining in Destin. Sales are not frequent.

The quality and quantity of data are sufficient to derive a fair market value.

Other sales considered, but not used, were significantly distant in location, or different in size.

CONCLUSION OF FAIR MARKET VALUE

\$250,000

ADDENDA

Public Records

Listing

Demographics

Qualifications of the Appraiser



Okaloosa County Appraiser

Parcel: 00-2S-22-0310-000D-3780 Acres: 0

Name:	ENGLESTAD WILBUR J	Land Value:	85,082
Site:	108 SIBERT AVE C DESTIN	Building Value:	1,249
Sale:	\$100 on 1991-08 Reason=I Qual=U	Misc Value:	0
Mail:	608 FIR AVE NICEVILLE, FL 32578	Just Value:	86,331
		Assessed Value	86,331
		Exempt Value	0
		Taxable Value	86,331



Okaloosa County makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. The assessment information is from the last certified taxroll. All data is subject to change before the next certified taxroll.

Date printed: 08/15/17 : 14:51:12



Sales In Area	Previous Parcel	Next Parcel	Field Definitions	Return to Main Search	Okaloosa Home
Owner and Parcel Information					
Owner Name	ENGLESTAD WILBUR J		Today's Date	August 15, 2017	
Mailing Address	608 FIR AVE		Parcel Number	00-2S-22-0310-000D-3780	
	NICEVILLE, FL 32578		Tax District	DESTIN (District 10)	
Location Address	108 SIBERT AVE C DESTIN		2016 Millage Rates	12.9894	
Property Usage	SINGLE FAM (000100)		Acreage	0	
Section Township Range	00-2S-22		Homestead	N	
Business Name					

[Show Parcel Maps](#)

Value Information			Legal Information
	2015 Certified Values	2016 Certified Values	CALHOUN S/D DESTIN LOT 378 BLK D The legal description shown here may be condensed for assessment purposes. Exact description should be obtained from the recorded deed.
Building Value	\$16,874	\$1,249	
Extra Feature Value	\$0	\$0	
Land Value	\$80,266	\$85,082	
Land Agricultural Value	\$0	\$0	
Agricultural (Market) Value	\$0	\$0	
Just (Market) Value*	\$97,140	\$86,331	
Assessed Value	\$85,545	\$86,331	
Exempt Value	\$45,412	\$0	
Taxable Value	\$40,133	\$86,331	
*Just (Market) Value" description - This is the value established by the Property Appraiser for ad valorem purposes. This value does not represent anticipated selling price.			
Tax Information			

Building Information						
Type	Total Area	Heated Area	Exterior Wall	Roof Cover	Interior Wall	Flooring
SINGLE FAM	1,120	712	CONC BLOCK	BUILT-UP	MINIMUM	NONE
Heating Type	A/C Type	Baths	Bedrooms	Stories	Actual Year Built	Effective Year Built
FORCED AIR	NONE	1	2	0	1961	1961
Show Building Sketch						

Extra Features Data				
Description	Number of Items	Unit Length x Width x Height	Units	Effective Year Built
No records associated with this parcel.				

Land Information				
LAND USE	NUMBER OF UNITS	UNIT TYPE	Frontage	Depth
TRLR PARK	75	FF	75	225
TRLR PARK	75	FF	75	100

Sale Information									
Multi-Parcel Sale	Sale Date	Sale Price	Instrument	Deed Book	Deed Page	Sale Qualification	Vacant or Improved	Grantor	Grantee
No	08-12-1991	\$ 100	Quit Claim Deed	2975	3902	Unqualified	Improved	ENGLESTAD BETTY J	ENGLESTAD WILBUR J
No	12-22-1988	\$ 100	Quit Claim Deed	2975	3901	Unqualified	Improved	ENGLESTAD ROBERT J	ENGLESTAD WILBUR J & BETTY J
No	03-01-1988	\$ 64,200	Warranty Deed	1442	1474	Qualified	Improved		ENGLESTAD W J & B J & R J
No	07-01-1983	\$ 75,000	Warranty Deed	1201	417	Unqualified	Improved		
No	06-01-1981	\$ 100	Quit Claim Deed	1120	814	Unqualified	Improved		
No	01-01-1981	\$ 65,000	Warranty Deed	1109	1507	Unqualified	Improved		
No	05-01-1978	\$ 32,500	Warranty Deed	976	281	Qualified	Improved		
Sales In Area	Previous Parcel	Next Parcel	Field Definitions	Return to Main Search	Okaloosa Home				

The Okaloosa County Property Appraiser's Office makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. The Senior Exemption Does Not Apply to All Taxing Authorities. Just (Market) Value is established by the Property Appraiser for ad valorem tax purposes. It does not represent anticipated selling price. Working values are subject to change. Website Updated: August 14, 2017

QUIT-CLAIM DEED

This Quit-Claim Deed, Executed this 12th day of August, A. D. 19 91, by

BETTY J. ENGLESTAD

first party, to

WILBUR J. ENGLESTAD

whose postoffice address is 108 C Sibert Avenue, Destin, Florida 32541

second party:

(Wherever used herein the terms "first party" and "second party" shall include singular and plural, heirs, legal representatives, and assigns of individuals, and the successors and assigns of corporations, wherever the context so admits or requires.)

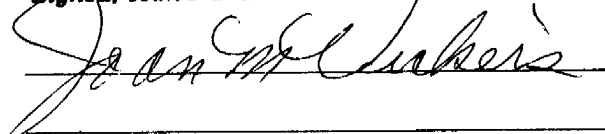
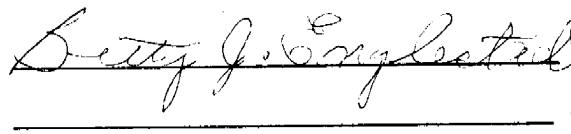
Witnesseth, That the said first party, for and in consideration of the sum of \$ in hand paid by the said second party, the receipt whereof is hereby acknowledged, does hereby remise, release and quit-claim unto the said second party forever, all the right, title, interest, claim and demand which the said first party has in and to the following described lot, piece or parcel of land, situate, lying and being in the County of Okaloosa State of Florida, to-wit:

Lot 378, Block D, Second Revision of Calhouns Subdivision of addition to Town of Destin, Florida, according to the plat thereof as recorded in Plat Book 2, Page 43-A, Public Records of Okaloosa County, Florida.

To Have and to Hold the same together with all and singular the appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever of the said first party, either in law or equity, to the only proper use, benefit and behoof of the said second party forever.

In Witness Whereof, The said first party has signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in presence of:

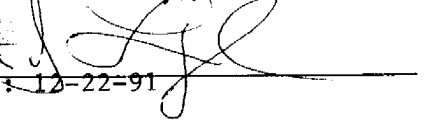
  

STATE OF Florida }
COUNTY OF Okaloosa

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, personally appeared Betty J. Englestad

to me known to be the person described in and who executed the foregoing instrument and she acknowledged before me that she executed the same.

Witness my hand and official seal in the County and State last aforesaid this August 12, day of

 
This instrument prepared by:
Address:

SPACE BELOW FOR RECORDERS USE



Ben Anderson Okaloosa County Tax Collector

2016 Roll Details — Real Estate Account At 108 SIBERT C, DESTIN 32541

[Print this page](#)

Real Estate Account #002S220310000D3780

Parcel details

Latest bill

Full bill history

2016

2015

2014

2013

...

1998

PAID

PAID

PAID

PAID

PAID

Get Bills by Email

PAID 2016-11-04

\$1,076.53

Receipt #303-
16001678

Owner: ENGLESTAD WILBUR J
608 FIR AVE
NICEVILLE, FL 32578

Situs: 108 SIBERT C
DESTIN 32541

Account number: 002S220310000D3780**Alternate Key:** 1001687**Millage code:** DEDF - DESTIN**Millage rate:** 12.9894**Assessed value:** 86,331**School assessed value:** 86,331**Unimproved land value:** 85,082

Location is not guaranteed to be accurate.

Property Appraiser

2016 Annual bill

View

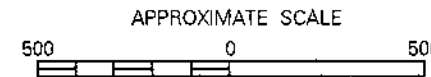
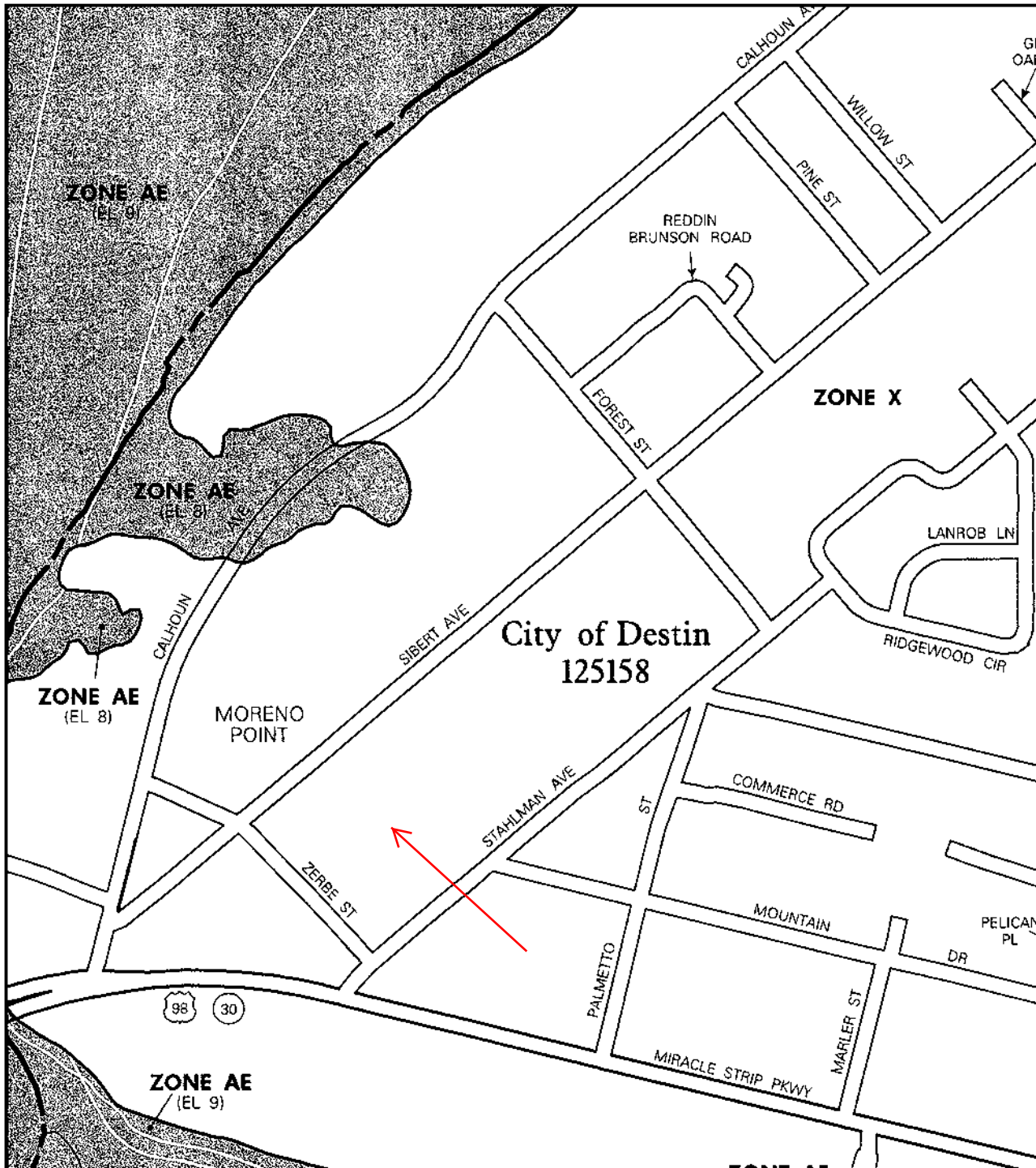
Legal description

Ad valorem: \$1,121.39**Non-ad valorem:** \$0.00**Total Discountable:** 1121.39**No Discount NAVA:** 0.00**Total tax:**

CALHOUN S/D DESTIN LOT 378 BLK D

Location

Book, page, item: 2975-3902-**Range:** 22**Township:** 2S**Section:** 00



NATIONAL FLOOD INSURANCE PROGRAM

FIRM
FLOOD INSURANCE RATE MAP
 OKALOOSA COUNTY,
 FLORIDA
 AND INCORPORATED AREAS

PANEL 469 OF 494

(SEE MAP INDEX FOR PANELS NOT PRINTED)

CONTAINS:

COMMUNITY	NUMBER	PANEL	SUFFIX
DESTIN, CITY OF	125158	0469	IL
OKALOOSA, CITY OF	120173	0469	H

Notice to User: The MAP NUMBER shown below should be used when locating map sheets; the COMMUNITY NUMBER shown above should be used on insurance applications for the listed community.

MAP NUMBER
12091C0469H

EFFECTIVE DATE:
DECEMBER 6, 2002



Federal Emergency Management Agency

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

**\$800,000****108 Sibert Avenue
Destin, FL 32541****MLS #: 771514**

Commercial

Location! Highly Desired location close to Destin Harbor, public parking, and library.

Property Features

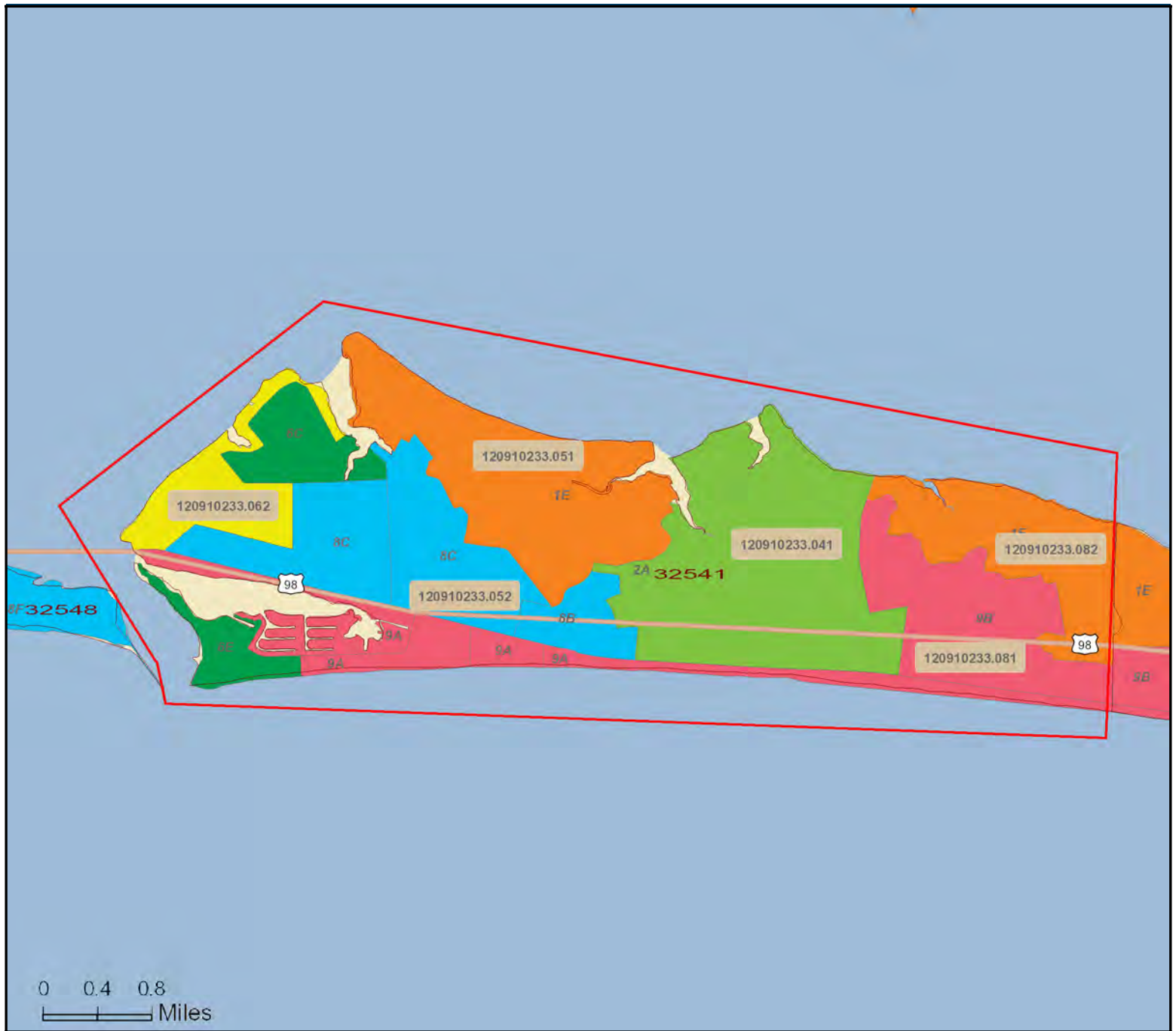
- **Property Type:** Commercial
- **Sub Type:** Commercial
- **Listing Status:** Active
- **Listing Price:** \$800,000
- **County/Area:** Okaloosa County
- **Zip Code:** 32541
- **Acres:** 0.51 acre lot
- **Zoning:** Commercial
- **Land: Property Type:** Commercial
- **Lot Depth:** 225.00
- **Lot Frontage:** 75.00
- **Sub Area:** 1402 - E Destin No Of 98

Your
Photo
Here

Crystal Shores Realty
Navarre, FL 32566
Phone: 850-939-3837
Toll Free: 1-888-880-3837
Email: crystalshores1@mchsi.com

No Logo





Tapestry LifeMode

- | | |
|---|---|
| ■ L1: Affluent Estates | ■ L8: Middle Ground |
| ■ L2: Upscale Avenues | ■ L9: Senior Styles |
| ■ L3: Uptown Individuals | ■ L10: Rustic Outposts |
| ■ L4: Family Landscapes | ■ L11: Midtown Singles |
| ■ L5: GenXurban | ■ L12: Hometown |
| ■ L6: Cozy Country | ■ L13: Next Wave |
| ■ L7: Ethnic Enclaves | ■ L14: Scholars and Patriots |



Source: Esri

Tapestry Segmentation

Tapestry Segmentation represents the latest generation of market segmentation systems that began over 30 years ago. The 68-segment Tapestry Segmentation system classifies U.S. neighborhoods based on their socioeconomic and demographic composition. Each segment is identified by its two-digit Segment Code. Match the two-digit segment labels on the map to the list below. Click each segment below for a detailed description.

Segment 1A (Top Tier)	Segment 8C (Bright Young Professionals)
Segment 1B (Professional Pride)	Segment 8D (Downtown Melting Pot)
Segment 1C (Boomburbs)	Segment 8E (Front Porches)
Segment 1D (Savvy Suburbanites)	Segment 8F (Old and Newcomers)
Segment 1E (Exurbanites)	Segment 8G (Hardscrabble Road)
Segment 2A (Urban Chic)	Segment 9A (Silver & Gold)
Segment 2B (Pleasantville)	Segment 9B (Golden Years)
Segment 2C (Pacific Heights)	Segment 9C (The Elders)
Segment 2D (Enterprising Professionals)	Segment 9D (Senior Escapes)
Segment 3A (Laptops and Lattes)	Segment 9E (Retirement Communities)
Segment 3B (Metro Renters)	Segment 9F (Social Security Set)
Segment 3C (Trendsetters)	Segment 10A (Southern Satellites)
Segment 4A (Soccer Moms)	Segment 10B (Rooted Rural)
Segment 4B (Home Improvement)	Segment 10C (Diners & Miners)
Segment 4C (Middleburg)	Segment 10D (Down the Road)
Segment 5A (Comfortable Empty Nesters)	Segment 10E (Rural Bypasses)
Segment 5B (In Style)	Segment 11A (City Strivers)
Segment 5C (Parks and Rec)	Segment 11B (Young and Restless)
Segment 5D (Rustbelt Traditions)	Segment 11C (Metro Fusion)
Segment 5E (Midlife Constants)	Segment 11D (Set to Impress)
Segment 6A (Green Acres)	Segment 11E (City Commons)
Segment 6B (Salt of the Earth)	Segment 12A (Family Foundations)
Segment 6C (The Great Outdoors)	Segment 12B (Traditional Living)
Segment 6D (Prairie Living)	Segment 12C (Small Town Simplicity)
Segment 6E (Rural Resort Dwellers)	Segment 12D (Modest Income Homes)
Segment 6F (Heartland Communities)	Segment 13A (International Marketplace)
Segment 7A (Up and Coming Families)	Segment 13B (Las Casas)
Segment 7B (Urban Villages)	Segment 13C (NeWest Residents)
Segment 7C (American Dreamers)	Segment 13D (Fresh Ambitions)
Segment 7D (Barrios Urbanos)	Segment 13E (High Rise Renters)
Segment 7E (Valley Growers)	Segment 14A (Military Proximity)
Segment 7F (Southwestern Families)	Segment 14B (College Towns)
Segment 8A (City Lights)	Segment 14C (Dorms to Diplomas)
Segment 8B (Emerald City)	Segment 15 (Unclassified)



Community Profile

Polygon 10
Area: 17.26 square miles

Prepared by Esri

→ Vacant Housing reflects vacation/second homes.

Population Summary

2000 Total Population	12,488
2010 Total Population	15,565
2017 Total Population	16,976
2017 Group Quarters	107
2022 Total Population	18,156
2017-2022 Annual Rate	1.35%
2017 Total Daytime Population	28,689
Workers	21,019
Residents	7,670

Household Summary

2000 Households	5,505
2000 Average Household Size	2.25
2010 Households	6,788
2010 Average Household Size	2.28
2017 Households	7,329
2017 Average Household Size	2.30
2022 Households	7,809
2022 Average Household Size	2.31
2017-2022 Annual Rate	1.28%
2010 Families	4,135
2010 Average Family Size	2.75
2017 Families	4,419
2017 Average Family Size	2.79
2022 Families	4,687
2022 Average Family Size	2.80
2017-2022 Annual Rate	1.18%

Housing Unit Summary

2000 Housing Units	11,459
Owner Occupied Housing Units	35.0%
Renter Occupied Housing Units	13.0%
Vacant Housing Units	52.0%
2010 Housing Units	15,748
Owner Occupied Housing Units	27.3%
Renter Occupied Housing Units	15.8%
Vacant Housing Units	56.9%
2017 Housing Units	17,108
Owner Occupied Housing Units	25.2%
Renter Occupied Housing Units	17.6%
→ Vacant Housing Units	57.2%
2022 Housing Units	18,253
Owner Occupied Housing Units	25.0%
Renter Occupied Housing Units	17.8%
→ Vacant Housing Units	57.2%

Median Household Income

2017	\$68,500
2022	\$77,043

Median Home Value

2017	\$319,226
2022	\$386,005

Per Capita Income

2017	\$45,673
2022	\$51,021

Median Age

2010	41.9
2017	43.9
2022	45.1

Data Note: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.

August 16, 2017



Community Profile

Polygon 10
Area: 17.26 square miles

Prepared by Esri

2017 Households by Income

Household Income Base	7,329
<\$15,000	5.3%
\$15,000 - \$24,999	6.8%
\$25,000 - \$34,999	7.3%
\$35,000 - \$49,999	13.6%
\$50,000 - \$74,999	21.1%
\$75,000 - \$99,999	13.3%
\$100,000 - \$149,999	15.2%
\$150,000 - \$199,999	6.3%
\$200,000+	11.2%

Average Household Income \$105,216

2022 Households by Income

Household Income Base	7,809
<\$15,000	4.8%
\$15,000 - \$24,999	5.9%
\$25,000 - \$34,999	6.0%
\$35,000 - \$49,999	11.5%
\$50,000 - \$74,999	20.2%
\$75,000 - \$99,999	15.3%
\$100,000 - \$149,999	17.2%
\$150,000 - \$199,999	6.8%
\$200,000+	12.4%

Average Household Income \$118,085

2017 Owner Occupied Housing Units by Value

Total	4,312
<\$50,000	1.1%
\$50,000 - \$99,999	2.3%
\$100,000 - \$149,999	5.7%
\$150,000 - \$199,999	10.1%
\$200,000 - \$249,999	14.2%
\$250,000 - \$299,999	13.2%
\$300,000 - \$399,999	17.4%
\$400,000 - \$499,999	7.5%
\$500,000 - \$749,999	13.2%
\$750,000 - \$999,999	6.8%
\$1,000,000 +	8.5%

Average Home Value \$437,604

2022 Owner Occupied Housing Units by Value

Total	4,564
<\$50,000	0.4%
\$50,000 - \$99,999	0.8%
\$100,000 - \$149,999	2.7%
\$150,000 - \$199,999	5.9%
\$200,000 - \$249,999	10.7%
\$250,000 - \$299,999	12.8%
\$300,000 - \$399,999	19.4%
\$400,000 - \$499,999	9.2%
\$500,000 - \$749,999	17.0%
\$750,000 - \$999,999	9.8%
\$1,000,000 +	11.4%

Average Home Value \$516,773

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest dividends, net rents, pensions, SSI and welfare payments, child support, and alimony.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.

August 16, 2017



Community Profile

Polygon 10
Area: 17.26 square miles

Prepared by Esri

2010 Population by Age

Total	15,565
0 - 4	5.1%
5 - 9	5.2%
10 - 14	5.0%
15 - 24	11.2%
25 - 34	15.0%
35 - 44	12.5%
45 - 54	16.5%
55 - 64	13.5%
65 - 74	9.5%
75 - 84	5.1%
85 +	1.4%
18 +	81.6%

2017 Population by Age

Total	16,976
0 - 4	4.5%
5 - 9	5.2%
10 - 14	5.0%
15 - 24	9.8%
25 - 34	14.9%
35 - 44	11.9%
45 - 54	14.0%
55 - 64	15.2%
65 - 74	11.8%
75 - 84	5.7%
85 +	1.9%
18 +	82.6%

2022 Population by Age

Total	18,156
0 - 4	4.4%
5 - 9	5.0%
10 - 14	5.1%
15 - 24	9.2%
25 - 34	13.7%
35 - 44	12.5%
45 - 54	12.7%
55 - 64	15.2%
65 - 74	13.4%
75 - 84	6.6%
85 +	2.2%
18 +	82.8%

2010 Population by Sex

Males	7,873
Females	7,692

2017 Population by Sex

Males	8,584
Females	8,392

2022 Population by Sex

Males	9,175
Females	8,981

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.

August 16, 2017



Community Profile

Polygon 10
Area: 17.26 square miles

Prepared by Esri

2010 Population by Race/Ethnicity

Total	15,565
White Alone	90.5%
Black Alone	1.5%
American Indian Alone	0.3%
Asian Alone	2.1%
Pacific Islander Alone	0.1%
Some Other Race Alone	2.6%
Two or More Races	2.9%
Hispanic Origin	6.2%
Diversity Index	27.6

2017 Population by Race/Ethnicity

Total	16,976
White Alone	88.7%
Black Alone	1.7%
American Indian Alone	0.3%
Asian Alone	2.2%
Pacific Islander Alone	0.1%
Some Other Race Alone	3.4%
Two or More Races	3.5%
Hispanic Origin	8.7%
Diversity Index	33.7

2022 Population by Race/Ethnicity

Total	18,156
White Alone	87.4%
Black Alone	1.8%
American Indian Alone	0.3%
Asian Alone	2.3%
Pacific Islander Alone	0.1%
Some Other Race Alone	4.1%
Two or More Races	4.0%
Hispanic Origin	10.8%
Diversity Index	38.3

2010 Population by Relationship and Household Type

Total	15,565
In Households	99.2%
In Family Households	75.5%
Householder	26.6%
Spouse	21.2%
Child	22.2%
Other relative	3.1%
Nonrelative	2.4%
In Nonfamily Households	23.7%
In Group Quarters	0.8%
Institutionalized Population	0.7%
Noninstitutionalized Population	0.1%

Data Note: Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.

August 16, 2017



Community Profile

Polygon 10
Area: 17.26 square miles

Prepared by Esri

2017 Population 25+ by Educational Attainment

Total	12,814
Less than 9th Grade	1.0%
9th - 12th Grade, No Diploma	2.2%
High School Graduate	17.3%
GED/Alternative Credential	3.2%
Some College, No Degree	22.5%
Associate Degree	9.7%
Bachelor's Degree	30.0%
Graduate/Professional Degree	14.1%

2017 Population 15+ by Marital Status

Total	14,477
Never Married	27.5%
Married	52.5%
Widowed	4.3%
Divorced	15.7%

2017 Civilian Population 16+ in Labor Force

Civilian Employed	96.5%
Civilian Unemployed (Unemployment Rate)	3.5%

2017 Employed Population 16+ by Industry

Total	9,206
Agriculture/Mining	0.8%
Construction	13.8%
Manufacturing	3.2%
Wholesale Trade	1.4%
Retail Trade	10.5%
Transportation/Utilities	2.8%
Information	1.5%
Finance/Insurance/Real Estate	10.0%
Services	52.8%
Public Administration	3.2%

2017 Employed Population 16+ by Occupation

Total	9,206
White Collar	66.0%
Management/Business/Financial	20.0%
Professional	21.5%
Sales	13.6%
Administrative Support	10.9%
Services	18.2%
Blue Collar	15.8%
Farming/Forestry/Fishing	0.9%
Construction/Extraction	7.3%
Installation/Maintenance/Repair	2.0%
Production	1.0%
Transportation/Material Moving	4.6%

2010 Population By Urban/ Rural Status

Total Population	15,565
Population Inside Urbanized Area	100.0%
Population Inside Urbanized Cluster	0.0%
Rural Population	0.0%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.

August 16, 2017

2010 Households by Type

Total	6,788
Households with 1 Person	27.8%
Households with 2+ People	72.2%
Family Households	60.9%
Husband-wife Families	48.7%
With Related Children	16.4%
Other Family (No Spouse Present)	12.2%
Other Family with Male Householder	4.4%
With Related Children	2.5%
Other Family with Female Householder	7.9%
With Related Children	4.8%
Nonfamily Households	11.3%
All Households with Children	24.3%

2010 Households by Size

Total	6,788
1 Person Household	27.8%
2 Person Household	41.5%
3 Person Household	14.5%
4 Person Household	10.3%
5 Person Household	4.2%
6 Person Household	1.3%
7 + Person Household	0.5%

2010 Households by Tenure and Mortgage Status

Total	6,788
Owner Occupied	63.4%
Owned with a Mortgage/Loan	43.2%
Owned Free and Clear	20.2%
Renter Occupied	36.6%

2010 Housing Units By Urban/ Rural Status

Total Housing Units	15,748
Housing Units Inside Urbanized Area	100.0%
Housing Units Inside Urbanized Cluster	0.0%
Rural Housing Units	0.0%

Data Note: Households with children include any households with people under age 18, related or not. Multigenerational households are families with 3 or more parent-child relationships. Unmarried partner households are usually classified as nonfamily households unless there is another member of the household related to the householder. Multigenerational and unmarried partner households are reported only to the tract level. Esri estimated block group data, which is used to estimate polygons or non-standard geography.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.



Community Profile

Polygon 10
Area: 17.26 square miles

Prepared by Esri

Top 3 Tapestry Segments

1. Bright Young Professionals
2. Exurbanites (1E)
3. Urban Chic (2A)

2017 Consumer Spending

Apparel & Services: Total \$	\$20,384,739
Average Spent	\$2,781.38
Spending Potential Index	129
Education: Total \$	\$13,872,688
Average Spent	\$1,892.85
Spending Potential Index	130
Entertainment/Recreation: Total \$	\$29,712,047
Average Spent	\$4,054.04
Spending Potential Index	130
Food at Home: Total \$	\$46,391,425
Average Spent	\$6,329.84
Spending Potential Index	126
Food Away from Home: Total \$	\$31,476,936
Average Spent	\$4,294.85
Spending Potential Index	129
Health Care: Total \$	\$53,052,068
Average Spent	\$7,238.65
Spending Potential Index	129
HH Furnishings & Equipment: Total \$	\$18,631,670
Average Spent	\$2,542.18
Spending Potential Index	131
Personal Care Products & Services: Total \$	\$7,694,772
Average Spent	\$1,049.91
Spending Potential Index	132
Shelter: Total \$	\$155,408,148
Average Spent	\$21,204.55
Spending Potential Index	131
Support Payments/Cash Contributions/Gifts in Kind: Total \$	\$23,203,984
Average Spent	\$3,166.05
Spending Potential Index	135
Travel: Total \$	\$20,690,712
Average Spent	\$2,823.13
Spending Potential Index	136
Vehicle Maintenance & Repairs: Total \$	\$10,091,646
Average Spent	\$1,376.95
Spending Potential Index	128

Data Note: Consumer spending shows the amount spent on a variety of goods and services by households that reside in the area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue. Total and Average Amount Spent Per Household represent annual figures. The Spending Potential Index represents the amount spent in the area relative to a national average of 100.

Source: Consumer Spending data are derived from the 2013 and 2014 Consumer Expenditure Surveys, Bureau of Labor Statistics. Esri.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.

August 16, 2017



Business Summary

Polygon 10
Area: 17.26 square miles

Prepared by Esri

Data for all businesses in area

Total Businesses:	2,000
Total Employees:	18,362
Total Residential Population:	16,976
Employee/Residential Population Ratio (per 100 Residents)	108

by SIC Codes

	Businesses		Employees	
	Number	Percent	Number	Percent
Agriculture & Mining	22	1.1%	97	0.5%
Construction	139	7.0%	754	4.1%
Manufacturing	32	1.6%	408	2.2%
Transportation	66	3.3%	354	1.9%
Communication	12	0.6%	60	0.3%
Utility	3	0.1%	81	0.4%
Wholesale Trade	25	1.2%	176	1.0%

Retail Trade Summary

Home Improvement	18	0.9%	407	2.2%
General Merchandise Stores	16	0.8%	903	4.9%
Food Stores	44	2.2%	655	3.6%
Auto Dealers, Gas Stations, Auto Aftermarket	43	2.1%	307	1.7%
Apparel & Accessory Stores	87	4.3%	767	4.2%
Furniture & Home Furnishings	43	2.1%	402	2.2%
Eating & Drinking Places	177	8.8%	3,767	20.5%
Miscellaneous Retail	127	6.3%	934	5.1%

Finance, Insurance, Real Estate Summary

Banks, Savings & Lending Institutions	33	1.6%	289	1.6%
Securities Brokers	26	1.3%	87	0.5%
Insurance Carriers & Agents	32	1.6%	167	0.9%
Real Estate, Holding, Other Investment Offices	234	11.7%	2,047	11.1%

Services Summary

Hotels & Lodging	47	2.4%	740	4.0%
Automotive Services	29	1.4%	118	0.6%
Motion Pictures & Amusements	152	7.6%	1,270	6.9%
Health Services	73	3.6%	561	3.1%
Legal Services	44	2.2%	205	1.1%
Education Institutions & Libraries	9	0.5%	245	1.3%
Other Services	381	19.1%	2,108	11.5%

Government

	16	0.8%	421	2.3%
Unclassified Establishments	74	3.7%	33	0.2%

Totals	2,000	100.0%	18,362	100.0%
--------	-------	--------	--------	--------

Source: Copyright 2017 Infogroup, Inc. All rights reserved. Esri Total Residential Population forecasts for 2017.

Date Note: Data on the Business Summary report is calculated using **Esri's Data allocation method** which uses census block groups to allocate business summary data to custom areas.

August 16, 2017



Business Summary

Polygon 10
Area: 17.26 square miles

Prepared by Esri

by NAICS Codes	Businesses		Employees	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing & Hunting	2	0.1%	4	0.0%
Mining	0	0.0%	0	0.0%
Utilities	2	0.1%	79	0.4%
Construction	158	7.9%	924	5.0%
Manufacturing	35	1.8%	366	2.0%
Wholesale Trade	25	1.2%	176	1.0%
Retail Trade	364	18.2%	4,333	23.6%
Motor Vehicle & Parts Dealers	36	1.8%	274	1.5%
Furniture & Home Furnishings Stores	28	1.4%	262	1.4%
Electronics & Appliance Stores	10	0.5%	128	0.7%
Bldg Material & Garden Equipment & Supplies Dealers	18	0.9%	407	2.2%
Food & Beverage Stores	41	2.0%	642	3.5%
Health & Personal Care Stores	27	1.4%	232	1.3%
Gasoline Stations	7	0.3%	33	0.2%
Clothing & Clothing Accessories Stores	94	4.7%	803	4.4%
Sport Goods, Hobby, Book, & Music Stores	31	1.6%	408	2.2%
General Merchandise Stores	16	0.8%	903	4.9%
Miscellaneous Store Retailers	53	2.6%	236	1.3%
Nonstore Retailers	5	0.2%	6	0.0%
Transportation & Warehousing	85	4.2%	353	1.9%
Information	32	1.6%	290	1.6%
Finance & Insurance	94	4.7%	550	3.0%
Central Bank/Credit Intermediation & Related Activities	36	1.8%	295	1.6%
Securities, Commodity Contracts & Other Financial	27	1.4%	88	0.5%
Insurance Carriers & Related Activities; Funds, Trusts &	32	1.6%	167	0.9%
Real Estate, Rental & Leasing	246	12.3%	1,982	10.8%
Professional, Scientific & Tech Services	180	9.0%	944	5.1%
Legal Services	51	2.5%	232	1.3%
Management of Companies & Enterprises	2	0.1%	4	0.0%
Administrative & Support & Waste Management & Remediation	58	2.9%	286	1.6%
Educational Services	18	0.9%	272	1.5%
Health Care & Social Assistance	94	4.7%	722	3.9%
Arts, Entertainment & Recreation	103	5.2%	1,104	6.0%
Accommodation & Food Services	224	11.2%	4,515	24.6%
Accommodation	47	2.4%	740	4.0%
Food Services & Drinking Places	177	8.8%	3,775	20.6%
Other Services (except Public Administration)	189	9.4%	1,005	5.5%
Automotive Repair & Maintenance	19	0.9%	83	0.5%
Public Administration	16	0.8%	421	2.3%
Unclassified Establishments	74	3.7%	33	0.2%
Total	2,000	100.0%	18,362	100.0%

Source: Copyright 2017 Infogroup, Inc. All rights reserved. Esri Total Residential Population forecasts for 2017.

Date Note: Data on the Business Summary report is calculated using **Esri's Data allocation method** which uses census block groups to allocate business summary data to custom areas.

August 16, 2017

QUALIFICATIONS OF THE APPRAISER/CONSULTANT

WALTER H. HUMPHREY, MRICS

State-Certified General Real Estate Appraiser RZ1218 and Real Estate Broker № 254762

EDUCATION (* denotes specialized courses attended with end of course examinations passed)

B. A. in Political Science	Park College	Parkville, MO	1960
Missouri Real Estate License Course	Johnson's School of Real Estate	Parkville, MO	*1969
Mortgage Equity Analysis Seminar	Society of Real Estate Appraisers	Kansas City, MO	1971
License Courses, Fort Walton Beach FL	Bob Jenkins Real Estate School	Sales - 1981/ Broker -	1987
URAR Seminar	AACA	Orlando, FL	1987
Appraisal of Vacant Land: Urban Fringe Analysis	AACA	Orlando, FL	1989
Farm Appraisal Seminar	AACA	Orlando, FL	1989
Relocation Appraisal Seminar	Employee Relocation Council	San Antonio, TX	1989
Residential Valuation (8-2)	AIREA	Orlando, FL	*1989
Capitalization Theory & Technique Part A (1B-A)	Appraisal Institute	Athens, GA	*1991
Capitalization Theory & Technique Part B (1B-B)	Appraisal Institute	Athens, GA	*1991
Standards of Professional Practice Part A (SPPA)	Appraisal Institute	Birmingham, AL	*1991
Standards of Professional Practice Part B (SPPB)	Appraisal Institute	Birmingham, AL	*1991
Case Studies in Real Estate Valuation (2-1)	Appraisal Institute	Tallahassee, FL	*1991
Report Writing & Valuation Analysis (2-2)	Appraisal Institute	Tallahassee, FL	*1991
Litigation Valuation Seminar	Appraisal Institute	Sandestin, FL	1991
Appraisal Law/Uniform Standards	R. E. Education Specialists	Fort Walton Bch, FL	1992
Advanced Rural Case Studies (E-3)	Appraisal Institute and ASFMRA	Denver, CO	*1993
Rates, Ratios, and Reasonableness Seminar	Appraisal Institute	Panama City, FL	1993
Accrued Depreciation Seminar	Appraisal Institute	Sandestin, FL	1994
Florida Dept. of Transportation Appraisal Seminar	Appraisal Institute	Sandestin, FL	1994
USPAP Update Core Law Seminar	Andrew McGarry & Associates	Seascape, FL	1994
Understanding Ltd. App. & App. Rep. Options - Gen'l	Appraisal Institute	Birmingham, AL	1994
Appraisal Review - Residential	Appraisal Institute	Seascape, FL	1994
Challenged/Passed - Appraisal Principles (110)	Appraisal Institute	Pensacola, FL	1994
Challenged/Passed - Appraisal Procedures (120)	Appraisal Institute	Pensacola, FL	1994
Appraisal of Retail Properties Seminar	Appraisal Institute	Sandestin, FL	1995
FEMA/Hurricane Evaluation Seminar	Appraisal Institute	Panama City Beach, FL	1995
USPAP Update Core Law Seminar	Appraisal Institute	Sandestin, FL	1996
Highest and Best Use Applications	Appraisal Institute	Gulfport, MS	1996
Environmental Risk and the R. E. Appraisal Process	Appraisal Institute	Panama City Beach, FL	1996
Fractional Interest Seminar	ASFMRA	Lafayette, IN	1997
Eminent Domain	ASFMRA	Colorado Springs, CO	*1997
Standards of Professional Practice - Part C	Appraisal Institute	Pensacola Beach, FL	*1998
Litigation Valuation Overview	Appraisal Institute	San Antonio, TX	1998
USPAP Update Core Law Seminar	Appraisal Institute	Panama City Beach, FL	1998
Regression Analysis in Appraisal Practice	Appraisal Institute	Nashville, TN	1999
Appraisal of Nonconforming Uses - General	Appraisal Institute	Orlando, FL	1999
Case Studies in Commercial Highest and Best Use	Appraisal Institute	Orlando, FL	1999
Business Enterprise Valuation	Appraisal Institute	Orlando, FL	1999
Internet Search Strategies	Appraisal Institute	Biloxi, MS	1999
The Good, The Bad, The Board	Appraisal Institute	Panama City Beach, FL	1999
Partial Interest Valuation - Divided	Appraisal Institute	Tallahassee, FL	2000
Partial Interest Valuation - Undivided	Appraisal Institute	Tallahassee, FL	2000
Recent Developments in Federal Tax Valuation	Valuation 2000	Las Vegas, NV	2000
The "Roadmap System" Cap. Theory and Techniques	Valuation 2000	Las Vegas, NV	2000

The Deal (Business Valuation Negotiations)	Valuation 2000	Las Vegas, NV	2000
Business Valuation Case Law Update	Valuation 2000	Las Vegas, NV	2000
Florida State Law and USPAP Review	Joe R. Price	Tallahassee, FL	2000
State of the Profession	Appraisal Institute	Sandestin, FL	2001
Conservation Easements	ASFMRA and Appraisal Institute	Tallahassee, FL	2001
Standards of Professional Practice, Part C	Appraisal Institute	Pensacola, FL	*2002
Appraisers and the Gramm-Leach-Bliley Act	Appraisal Institute	Tallahassee, FL	2002
Florida State Law and USPAP Review	Joe R. Price	Tallahassee, FL	2002
Mark to Market	Appraisal Institute	Tallahassee, FL	2003
Appraisal Consulting	Appraisal Institute	Tallahassee, FL	2003
Effective Appraisal Writing	Appraisal Institute	Pensacola, FL	2003
Florida State Law for Real Estate Appraisers	Appraisal Institute - Region X	Tallahassee, FL	2003
National USPAP Course - 7 hour Update	Appraisal Institute	Tallahassee, FL	2003
Do the Due Diligence	National PLAM Conference	Amelia Island, FL	2003
Negotiations	National PLAM Conference	Amelia Island, FL	2003
Preserving Fam. Lands: Tax Planning - Landowner	National PLAM Conference	Amelia Island, FL	2003
Timberland Appraisal Methods	Appraisal Institute, NW FL	Tallahassee, FL	2004
Fragmentation of the North Florida Landscape	National PLAM Conference	Sandestin, FL	2004
Role of Conservation Easement Acquisition Programs	National PLAM Conference	Sandestin, FL	2004
Timberland and Changing Market Trends	National PLAM Conference	Sandestin, FL	2004
Innovations in Surveying and Mapping	National PLAM Conference	Sandestin, FL	2004
Appraisal Review Seminar	Appraisal Institute, Mississippi	Biloxi, MS	2005
Valuing Family Limited Partnerships	Partnership Profiles	Dallas, TX	2005
Rates & Ratios: Making Sense of Gims, OARs, & DCFs	Appraisal Institute, NW FL	Tallahassee, FL	2005
Feasibility Analysis, Market Value & Investment Timing	Appraisal Institute, NW FL	Tallahassee, FL	2005
7 Hour USPAP Update	State of Mississippi	Biloxi, MS	2006
Subdivision Valuation	Appraisal Institute, NW FL	Tallahassee, FL	2006
Appraising From Blueprints and Specifications	Appraisal Institute, NW FL	Destin, FL	2006
Florida Law Update	Appraisal Institute, NW FL	Destin, FL	2006
Introduction to Income Capitalization	Appraisal Institute, NW FL	Tallahassee, FL	2006
What Clients Would Like Their Appraiser To Know	Appraisal Institute, NW FL	Tallahassee, FL	2006
Appraising Agricultural Lands in Transition	ASFMRA	Montgomery, AL	2007
Highest and Best Use Applications	Appraisal Institute, NW FL	Destin, FL	2007
Real Estate Investment and Development	Appraisal Institute, NW FL	Destin, FL	2007
Analytics With The Site To Do Business	Appraisal Institute, NW FL	Tallahassee, FL	2007
Forecasting Revenue	Appraisal Institute, NW FL	Tallahassee, FL	2007
Valuation of Conservation Easements	Appraisal Institute, et al	Tallahassee, FL	*2008
Supervisor Trainee Roles and Rules	Appraisal Institute, NW FL	Destin, FL	2008
Florida Law Update	Appraisal Institute, NW FL	Destin, FL	2008
Hypothetical Conditions & Assumptions	Appraisal Institute, NW FL	Destin, FL	2008
7-Hour National USPAP Update Course	Appraisal Institute, NW FL	Destin, FL	2008
Condemnation Appraising: Principles and Applications	Appraisal Institute, NW FL	Destin, FL	*2009
Tax Savings and Conservation Opportunities - Ag Lands	Conservation Trust for Florida	Milton, FL	2009
Analyzing the Effects of Environmental Contamination	Appraisal Institute	Pensacola	2010
National USPAP Course - 7 hour Update	Appraisal Institute	Destin, FL	2010
Supervisor Trainee Roles and Rules	Appraisal Institute, NW FL	Destin, FL	2010
Florida Law Update	Appraisal Institute, NW FL	Destin, FL	2010
Appraisal Curriculum Overview (2-Day General)	Appraisal Institute, NW FL	Tallahassee, FL	2010
Florida Law Update	Appraisal Institute, Region X	Fort Walton Beach, FL	2012
National USPAP Course - 7 hour Update	Appraisal Institute, Region X	Fort Walton Beach, FL	2012
Nuts and Bolts of Green Building For Appraisers	McKissock	Online	2012
The Dirty Dozen	McKissock	Online	2012

Private Appraisal Assignments	McKissock	Online	2012
Even Odder - More Oddball Appraisals	McKissock	Online	2012
Compliance with the Red Book	RICS	Web	2013
National USPAP Course - 7 hour Update	Appraisal Institute	Fort Walton Beach, FL	2014
A Brief Stroll Through America's Architecture	Calypso Continuing Education	On Line	2014
FHA Site Inspection	Calypso Continuing Education	On Line	2014
Environmental Hazards Impact on Value	Calypso Continuing Education	On Line	2014
Florida R. E. Appraisal Law & Rules	Bert Rodgers	On Line	2014
Florida R. E. Appraisal Law & Rules	Bert Rodgers	On Line	2016
USPAP Course - 7 hour Update	Bert Rodgers	On Line	2016
Property and Valuation Analysis for FHA	Bert Rodgers	On Line	2016
Better Be Safe Than Sorry	Bert Rodgers	On Line	2016
Methodology and Application of Sales Comparison	Bert Rodgers	On Line	2016

LICENSES *Florida:* State-Certified General Real Estate Appraiser RZ 1218 and Real Estate Broker № 254762

EXPERIENCE	1969-1977	Broker, Appraiser, and Instructor, Johnson and Associates,	Parkville, Missouri
	1982-1990	Salesman, Broker and Appraiser, Howton Realtors,	Fort Walton Beach, Florida
	1990-1998	Appraiser, Appraisal House, Inc.,	Fort Walton Beach, Florida
	1998-	Appraiser, Humphrey and Smith, L.C., and Humphrey and Associates. Inc.	Fort Walton Beach, Florida

DESIGNATION MRICS designated Member of the Royal Institution of Chartered Surveyors (RICS)

WRITINGS	Co-authored “Unsyndicated Partial Interest Discounting,” <i>The Appraisal Journal</i> , July 1997, published by The Appraisal Institute. The article reviews the USPAP pertaining to partial interest valuations and presents market data analyses. It offers a formula with explanation of the variables for identifying and analyzing the factors affecting discounts or premiums of unsyndicated partial interests.
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Authored "Unsyndicated Partial Interest Appraisals: Before and After the Analyses", a paper presented at the National Summer Conference of the Appraisal Institute in San Antonio, Texas in June 1998.

Authored “Unsyndicated Partial Interest Appraisals”, an edited version of the above paper published in the Third Quarter 1998 issue of the Appraisal Institute’s *Valuation Insights & Perspectives*.

Authored "Tenancy in Common: A Real Estate Appraiser's Viewpoint," January-February 2001 issue of *Valuation Strategies* by RIA in New York. The article offers information and insights for attorneys and accountants.

Co-authored “Peace Treaties for Tenants in Common” with Attorney Raymond F. Newman, Jr., July/August 2001 issue of *Valuation Strategies* by RIA in New York. The article offers insights for drafting agreements for tenancies in common and focuses on minimizing the factors resulting in market discounts.

Authored "Ten Questions For Starting On The Right Foot," January-February 2004 issue of *Valuation Strategies* by RIA in New York. The article presents ten critical issues to be resolved by attorneys and accountants prior to ordering a real estate appraisal.

Authored "Nonconforming Uses," July August 2005 issue of *Valuation Strategies* by RIA in New York. The article presents problems associated with nonconforming uses, particularly involving damages and repair.

CLIENTS - Non-Confidential	Bureau of Land Management
	City of Crestview
	City of DeFuniak Springs
	City of Fort Walton Beach
	FDIC
	Freddie Mac
	Florida DEP
	Florida DOT
	Okaloosa County, FL
	Okaloosa Gas District

South Walton Mosquito Control District
 TIITE/Murphy Act Lands
 U.S. Air Force
 U. S. Army Corps of Engineers
 Town of Cinco Bayou
 Town of Shalimar
 Walton County, FL
 Various Utilities and Fire Districts

LITIGATION SUPPORT

- ▶ Appraisal Defects
- ▶ Casualty Losses
- ▶ Chemical Oversprays
- ▶ Construction Defects
- ▶ Encroachments
- ▶ Eminent Domain
- ▶ Fire Damage
- ▶ Flood Damage
- ▶ Land Use Irregularities
- ▶ Landlocked Resolutions
- ▶ Limited Partnership Discounts
- ▶ Non-conforming Uses
- ▶ Survey Defects
- ▶ Tenant in Common Discounts
- ▶ Termite Damage
- ▶ Title Defects
- ▶ Water Intrusion
- ▶ Wind Damage

- OTHER ▶** Qualified as Expert Witness in Bay, Escambia, Okaloosa, Santa Rosa, Walton Counties, Florida, and Platte County, Missouri Circuit Courts, and the Federal District Court in Pensacola. Participated in court ordered mediation.
- ▶ Certificate of Completion - Valuation of Conservation Easements Certificate Program
 - ▶ Special Expertise: Valuation/Discounting of Undivided Partial Interests via Sales Comparison
 - ▶ Valuation 2000 Seminar Presenter: "Partial Interests: Theory and Case Law."
 - ▶ Consultant to the U.S. General Accounting Office, GAO-03-404, "*Opportunity to Enhance the Oversight of Real Estate Appraisal Industry*," May 2003
 - ▶ Former Member, Issues Resource Panel, Appraisal Standards Board of The Appraisal Foundation, Washington, D.C.

CONTACT: Walter H. Humphrey, MRICS
 Humphrey and Associates, Inc.
 906 Mar Walt Drive - Unit G
 Fort Walton Beach, Florida 32547

Land Line 850 862-0766
 Fax Line 850 862-8771
 Cellular 850 585-9976

Email bluechip25@aol.com
 whhump@gmail.com

Borrower	CLIENT: Wilbur J. Englestad			File No.	171058
Property Address	108 Sibert Ave				
City	Destin	County	Okaloosa	State	FL
Lender/Client	Wilbur J. Englestad			Zip Code	32541

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LAND APPRAISAL REPORT

File No. 171058

IDENTIFICATION

Borrower

CLIENT: Wilbur J. Englestad

Census Tract

0233.06

Map Reference

18880

Property Address

108 Sibert Ave

City

Destin

County

Okaloosa

State

FL

Zip Code

32541

Legal Description

Lot 378, Block D, Calhoun SD

Sale Price \$

None

Date of Sale

N/A

Loan Term

N/A

yrs.

Property Rights Appraised

☒ Fee

☐ Leasehold

☐ De Minimis PUD

Actual Real Estate Taxes \$

1,105

(yr)

Loan charges to be paid by seller \$

N/A

Other sales concessions

N/A

Lender/Client

Wilbur J. Englestad

Address

108 Sibert Avenue, Destin, FL 32541

Occupant

Vacant Land

Appraiser

Thomas A. Marr

Instructions to Appraiser

Develop an opinion of market value as of 10/22/2017.

NEIGHBORHOOD

Location

☐ Urban

☒ Suburban

☐ Rural

Built Up

☐ Over 75%

☒ 25% to 75%

☐ Under 25%

Growth Rate

☐ Fully Dev.

☐ Rapid

☒ Steady

☐ Slow

Property Values

☐ Increasing

☐ Stable

☒ Declining

Demand/Supply

☐ Shortage

☐ In Balance

☒ Oversupply

Marketing Time

☐ Under 3 Mos.

☒ 4-6 Mos.

☒ Over 6 Mos.

Present Land Use

50% 1 Family

5% 2-4 Family

5% Apts.

% Condo

20% Commercial

% Industrial

20% Vacant

%

Change in Present Land Use

☒ Not Likely

☐ Likely (*)

☐ Taking Place (*)

(*) From

Vacant

To

Improved

Predominant Occupancy

☒ Owner

☐ Tenant

50 % Vacant

Single Family Price Range

\$ 150,000

to \$ 1,500,000

Predominant Value \$ 400,000

Single Family Age

5 yrs. to

100 yrs.

Predominant Age 25 yrs.

Employment Stability

Good

Avg.

Fair

Poor

☐

☒

☐

☐

Convenience to Employment

☐

☒

☐

☐

Convenience to Shopping

☐

☒

☐

☐

Convenience to Schools

☐

☒

☐

☐

Adequacy of Public Transportation

☐

☒

☐

☐

Recreational Facilities

☒

☐

☐

☐

Adequacy of Utilities

☐

☒

☐

☐

Property Compatibility

☐

☒

☐

☐

Protection from Detrimental Conditions

☐

☒

☐

☐

Police and Fire Protection

☐

☒

☐

☐

General Appearance of Properties

☐

☒

☐

☐

Appeal to Market

☒

☐

☐

☐

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): The subject commercial land parcel is located just north of the Navarre Parkway (U. S. Highway 98) and on the western side of the Navarre metropolitan area. This is an area which is expanding away from the original down town center of Navarre. This expansion is occurring to both the east and the west.

SITE

Dimensions

75 x 300 x 75 x 300 feet

=

22,500

Sq. Ft. or Acres

☐ Corner Lot

Zoning classification

ROI - Destin

Present Improvements

☒ do

☐ do not conform to zoning regulations

Highest and best use

☐ Present use

☒ Other (specify)

Develop to commercial improvements

Public

Other (Describe)

OFF SITE IMPROVEMENTS

Topo

At Grade/level

Elec.

☒

Street Access

☒ Public

☐ Private

Size

22,500 SF

Gas

☒

Surface

Asphalt

Shape

Rectangular

Water

☒

Maintenance

☒ Public

☐ Private

View

Interior

San. Sewer

☒

☒ Storm Sewer

☒ Curb/Gutter

Drainage

Appears Adequate

☐ Underground Elect. & Tel.

☐ Sidewalk

☒ Street Lights

Is the property located in a HUD Identified Special Flood Hazard Area?

☒ No

☐ Yes

Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions): There appear to be no adverse easements, encroachments or other adverse conditions. The final flood zone determination should be made by a state of Florida surveyor. I have not been provided a survey of the subject parcel. Based on the Okaloosa County GIS, and my viewing, the subject appears to be level and at road grade. The FEMA panel is panel #12091C0469H.

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	108 Sibert Ave Destin, FL 32541	513 Harbor Blvd Destin, FL 32541		209 Main St Destin, FL 32541		315 Mountain Dr Destin, FL 32541	
Proximity to Subject		0.80 miles E		1.47 miles E		0.44 miles E	
Sales Price	\$ None		\$ 50.00		\$ 13.06		\$ 22.5
Price	\$		\$ 625,000		\$ 405,000		\$ 450,000
Data Source	Viewing 11/5/2017	MLS 768430/ORB/P 3324/4755		MLS 784762/ORB/P 3324/4796		MLS 590991/ORB/P 3322/1413	
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	+ (-)\$ Adjust.	DESCRIPTION	+ (-)\$ Adjust.	DESCRIPTION	+ (-)\$ Adjust.
	11/5/2017	11/2/2017		10/30/2017		10/16/2017	
Location	Average	Good/Hwy98 (-25%)	-12.5	Average		Average	
Site/View	Commercial	Commercial		Commercial		Commercial	
SF	22,500 SF	12,500 SF (-20%)	-10	31,000 SF (20%)	+2.61	20,000 SF (-5%)	-1.12
Zoning	ROI - Destin	NHMU - Des (-20%)	-5	ROI - Destin		CTS - Des	
Corner	No	No		No		No	
Improvements	No	Yes (-10%)	-5	Yes (-10%)	-1.31	No	
Sales or Financing Concessions	None	None Apparent		None Apparent		None Apparent	
Net Adj. (Total)		☐ + ☒ -	\$ -32.5	☒ + ☐ -	\$ 1.3	☐ + ☒ -	\$ -1.12
Indicated Value of Subject		Net 65.0 %	\$ 17.5	Net 10.0 %	\$ 14.36	Net 5.0 %	\$ 21.38

RECONCILIATION

Comments on Market Data:

See addenda.

Comments and Conditions of Appraisal:

See addenda.

Final Reconciliation:

See addenda.

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF

November 4 2017

to be \$ 425,000

Thomas A. Marr

☐ Did ☐ Did Not Physically Inspect Property

Appraiser(s)

Review Appraiser (if applicable)

Comparable Photo Page

Borrower	CLIENT: Wilbur J. Englestad				
Property Address	108 Sibert Ave				
City	Destin	County	Okaloosa	State	FL Zip Code 32541
Lender/Client	Wilbur J. Englestad				



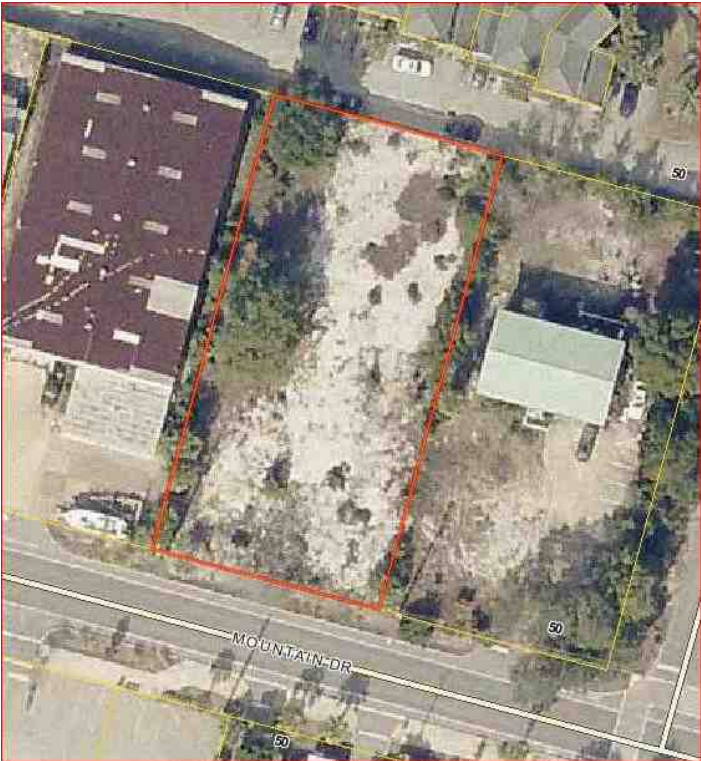
Comparable 1

513 Harbor Blvd
Proximity 0.80 miles E
Sale Price 50.00
GLA
Total Rooms
Total Bedrms
Total Bathrms
Location Good/Hwy98 (-25%)
View Commercial
Site
Quality
Age



Comparable 2

209 Main St
Proximity 1.47 miles E
Sale Price 13.06
GLA
Total Rooms
Total Bedrms
Total Bathrms
Location Average
View Commercial
Site
Quality
Age

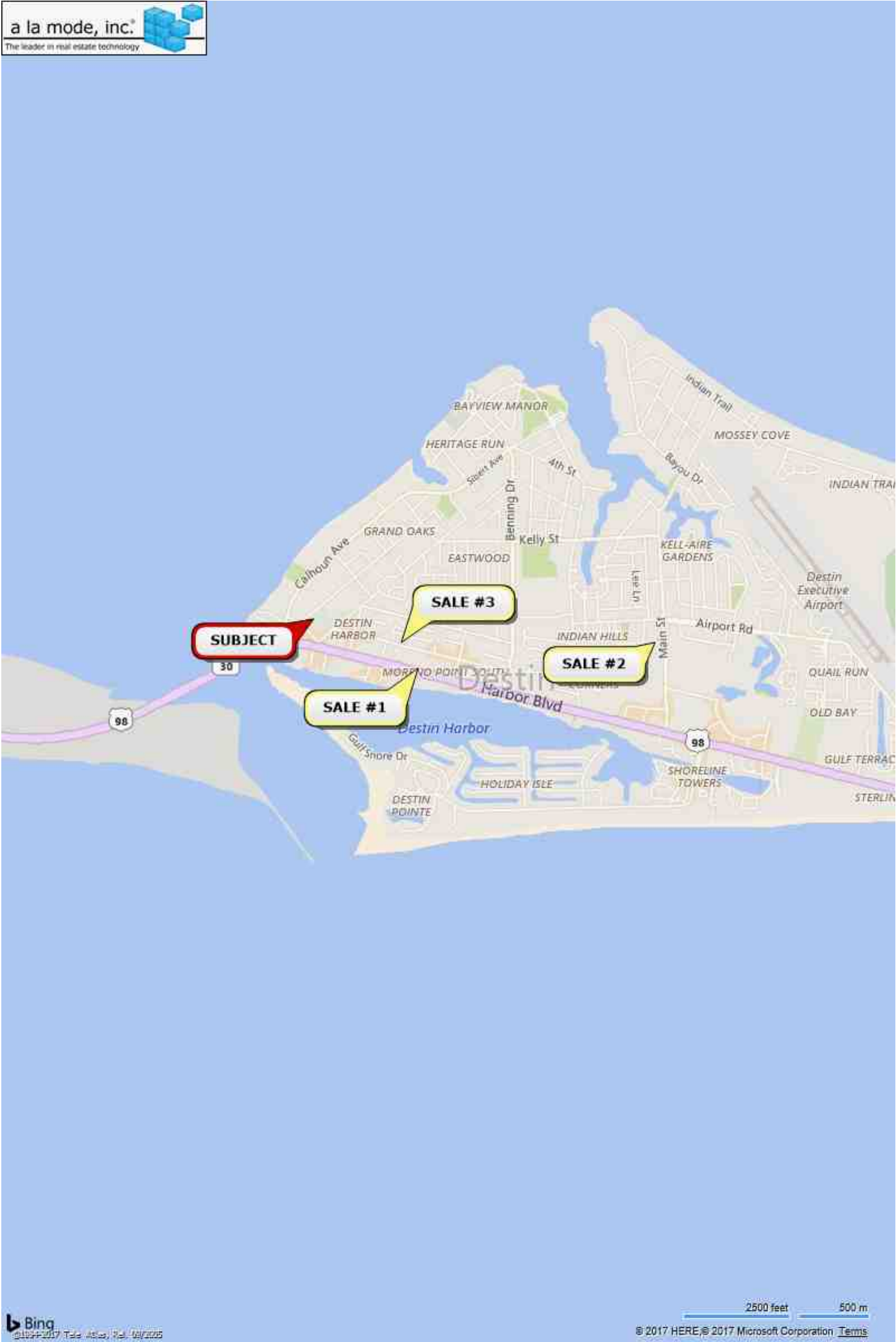


Comparable 3

315 Mountain Dr
Proximity 0.44 miles E
Sale Price 22.5
GLA
Total Rooms
Total Bedrms
Total Bathrms
Location Average
View Commercial
Site
Quality
Age

Location Map

Borrower	CLIENT: Wilbur J. Englestad				
Property Address	108 Sibert Ave				
City	Destin	County	Okaloosa	State	FL Zip Code 32541
Lender/Client	Wilbur J. Englestad				



Supplemental Addendum

File No. 171058

Borrower	CLIENT: Wilbur J. Englestad				
Property Address	108 Sibert Ave				
City	Destin	County	Okaloosa	State	FL Zip Code 32541
Lender/Client	Wilbur J. Englestad				

COMMENTS REGARDING MARKET CONDITIONS

The local market had been increasing in value from 2004 to 2007. After 2007, the overall market began to slow as buyers became aware that there was reduced feasibility for many market products and sellers became aware that there were fewer buyers and that properties were staying on the market for longer times. This eventually resulted in lowered prices for some market products.

However, beginning in approximately 2012, the market began to rebound. This has resulted in steadily increasing prices from 2012 forward. This increase is more confirmed in some market product as compared to other product.

HISTORY OF THE SUBJECT PARCEL

The subject has been owned by the current owner since 1991. This clearly exceeds the required three year analysis period.

The subject is currently listed for \$800,000 per MLS 771514. I consider this list price to be well above the current market value.

DESCRIPTION OF THE SUBJECT PARCEL

The subject parcel is a long and narrow parcel which is 22,500 SF.

The subject had been improved with manufactured homes, however, is now vacant.

The subject is zoned Residential Office Development by Destin. This is a low intensity commercial zoning designation.

I would consider this location to be an average location in the market.

HIGHEST AND BEST USE ANALYSIS

The subject is zoned ROI by Destin. This is a low intensity commercial zoning designation. Thus, many commercial uses are legally permissible.

My viewing indicated that the subject was level and at road grade. It is in an "X" flood zone and the Okaloosa County GIS mapping system indicates that there are no wetlands on the subject parcel. Thus, commercial development appears to be physically possible.

The fact that the local area around the subject was being developed or planned to be developed to new commercial uses, suggests financial feasibility. Thus, it appears that the development of retail and service uses is financially feasible.

Finally, improvement to commercial use appears to be maximally productive.

APPRAISAL METHODOLOGY

The subject was vacant commercial land as of the effective date of the report . Thus, there are no improvements and there is no requirement for the cost approach, the improved sales comparison analysis and the income approach. I will perform a sales comparison analysis for the subject 'as is'.

LAND SALES COMPARISON ANALYSIS UNIT OF COMPARISON

I am using the sales price per SF as my primary unit of comparison in this report as it is my opinion that most of the market uses price per acre or price per SF as the primary unit of comparison for commercial parcels. Thus, I will identify the sales price and divide it by the number of SF in the property. I will then make adjustments to the per SF value.

SELECTION OF COMPARABLE SALES

I selected sales based on the following criteria:

- Commercial zoning of some type;
- Size;
- Use;
- Recent Date of Sale;

I note for the reader that the city of Destin has long been built out and there are very few remaining vacant land parcels. I identified one recent sale of a vacant parcel and two sales where there were still old improvements which ere of limited value.

All of the sales are located in the urban limits of the city of Destin and all are within 1.5 miles of the subject.

SUMMARY COMMENTS REGARDING THE COMPARABLE SALES

Sale #1 is the sale of a parcel located on U. S. Highway 98. The listing realtor was Robert Bonhard, a realtor well known to me. This parcel featured an older improvement constructed in 1943 which was vacant and in poor condition. The parcel was appraised by a local MAI and he appraised it for \$450,000, as he considered land value only. However, the sellers would not lower the sales price and the buyers wanted the property. Thus, the sellers carried back an approximate \$200,000 in a private mortgage. This sale is located on U. S. Highway 98 and is zoned North Harbor Mixed Use, a high intensity commercial designation.

Sale #2 is the sale of an improved parcel at 209 Main Street. I had appraised this parcel for the owner who was out of state. The improvement was of a low quality construction quality and was in poor condition.

Sale #3 is a true, vacant parcel. It is zoned CTS which is a medium intensity zoning designation.

Explanation of Adjustments to Comparable Land Sales:

Adjustments were made to the comparable land sales to account for differences between the subject property, "as is" and each of the comparable land sales. An analysis of each of the elements of comparison and adjustments applied to the comparable site sales to account for the differences is presented below.

Market Condition Adjustments

All sales are within one month. Thus, I made no market condition adjustments.

Location

I adjusted sale #1 downward as it fronts onto U. S. Highway 98.

Supplemental Addendum

File No. 171058

Borrower	CLIENT: Wilbur J. Englestad				
Property Address	108 Sibert Ave				
City	Destin	County	Okaloosa	State	FL Zip Code 32541
Lender/Client	Wilbur J. Englestad				

Size

I adjusted larger parcel upwards and the two smaller parcels downward based on the well accepted economic principle of marginal utility.

Zoning/Land Use

I adjusted sales #1 and #3 downward on a pro rata basis as their zoning designations are more intense than that of the subject.

Improvements

I adjusted Sales #1 and #2 downward as they featured some improvements.

RECONCILIATION OF THE LAND SALES COMPARISON ANALYSIS

The adjusted range of value for the sales is \$14.36 to \$19.13 per SF with an average of \$16.99 per SF, rounded to \$17.00 per SF.

All three sales are very recent.

Sale #3 is most similar in size.

There may have been some seller distress in Sale #2 as they did not want to repair the obvious curable physical depreciation in the improvements of that sale.

I am weighting Sale #3 to a slight degree and I applying slightly less weight to Sale #2.

I am selecting a final value, per SF, of \$19.00.

Thus, 22,500 SF x \$19.00 per SF = \$427,500, rounded to \$425,000.

The final opinion of value via the sales comparison analysis is \$425,000.

FINAL RECONCILIATION

The buyers and sellers of vacant land do not typically use either the cost or income approaches to derive an opinion of value. Thus, a reasonable appraiser would not use either the income or the cost approach to derive an opinion of value.

Thus, the final reconciled opinion of value is \$425,000.

The quality and quantity of data is sufficient to derive a reliable opinion of value.

The estimated exposure time is 3 to 6 months. The estimated marketing time is also 3 to 6 months.

Subject Photos

Borrower	CLIENT: Wilbur J. Englestad				
Property Address	108 Sibert Ave				
City	Destin	County	Okaloosa	State	FL Zip Code 32541
Lender/Client	Wilbur J. Englestad				



Subject Front

108 Sibert Ave
Sales Price None
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location Average
View Commercial
Site
Quality
Age



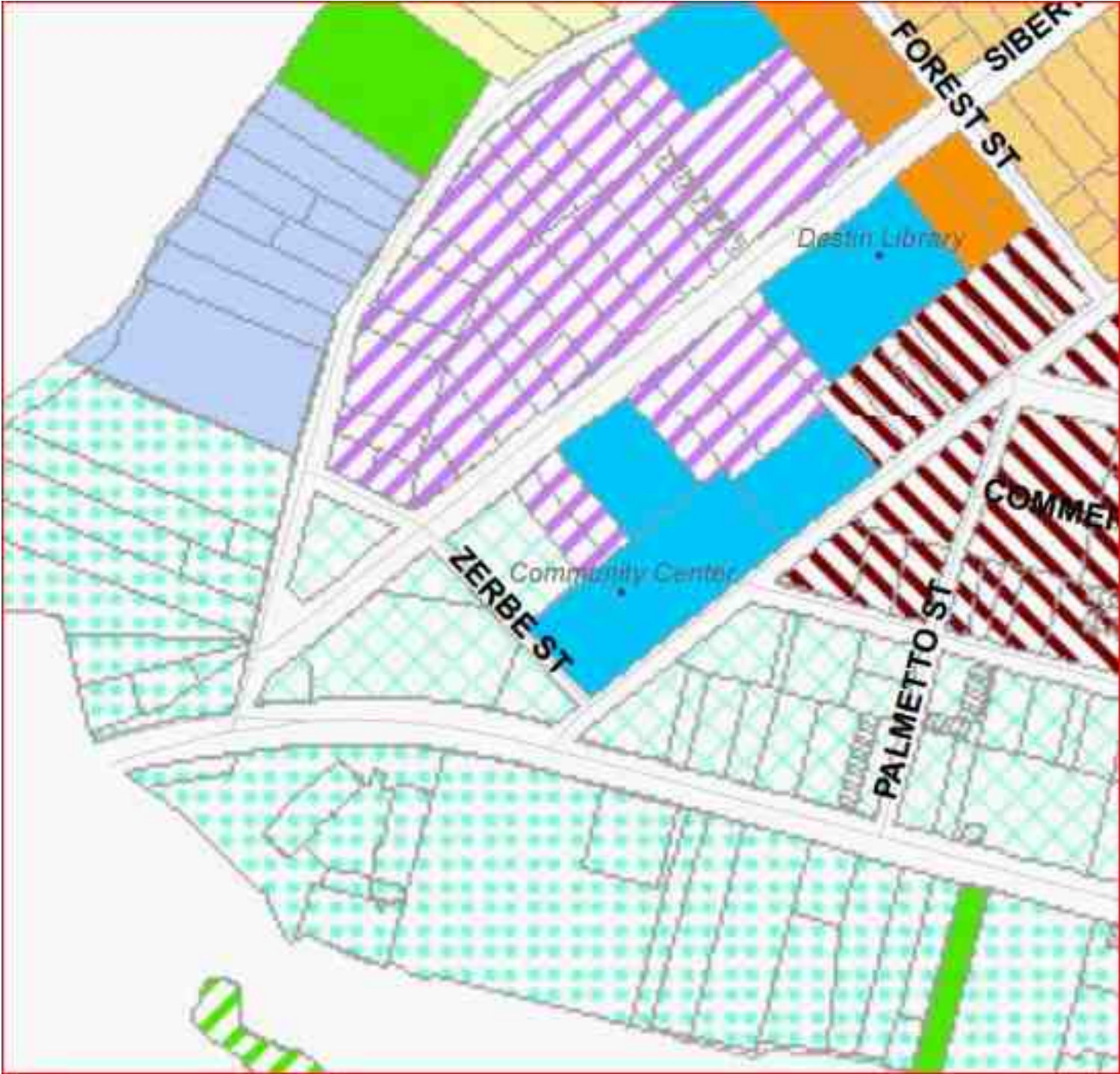
Subject Street

Aerial Photograph

Borrower	CLIENT: Wilbur J. Englestad				
Property Address	108 Sibert Ave				
City	Destin	County	Okaloosa	State	FL Zip Code 32541
Lender/Client	Wilbur J. Englestad				

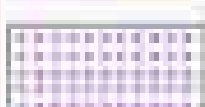
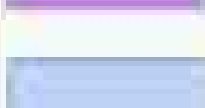
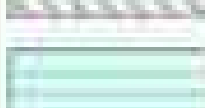
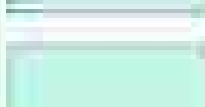
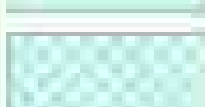


Zoning Map



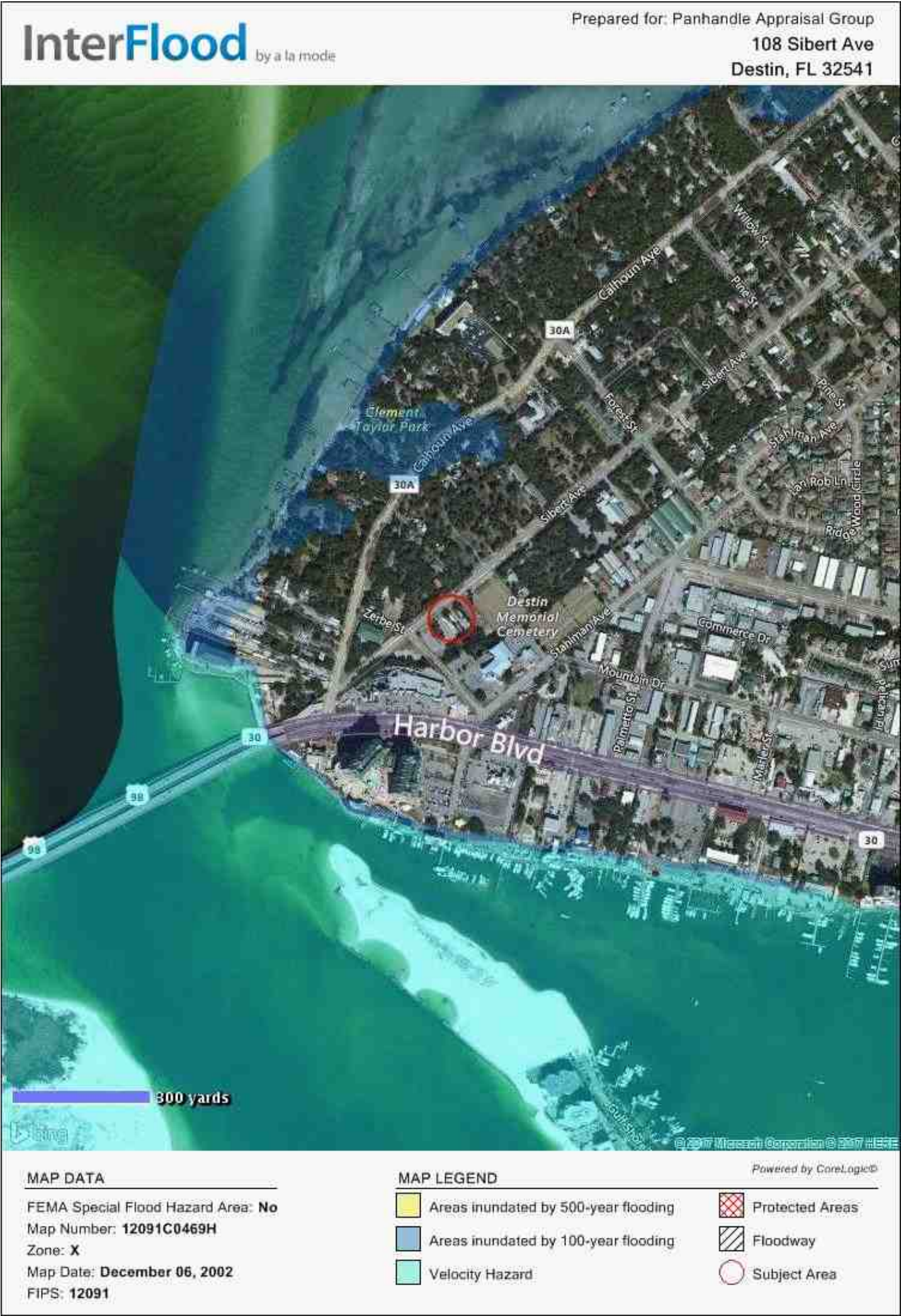
Zoning Designation

Mixed Use

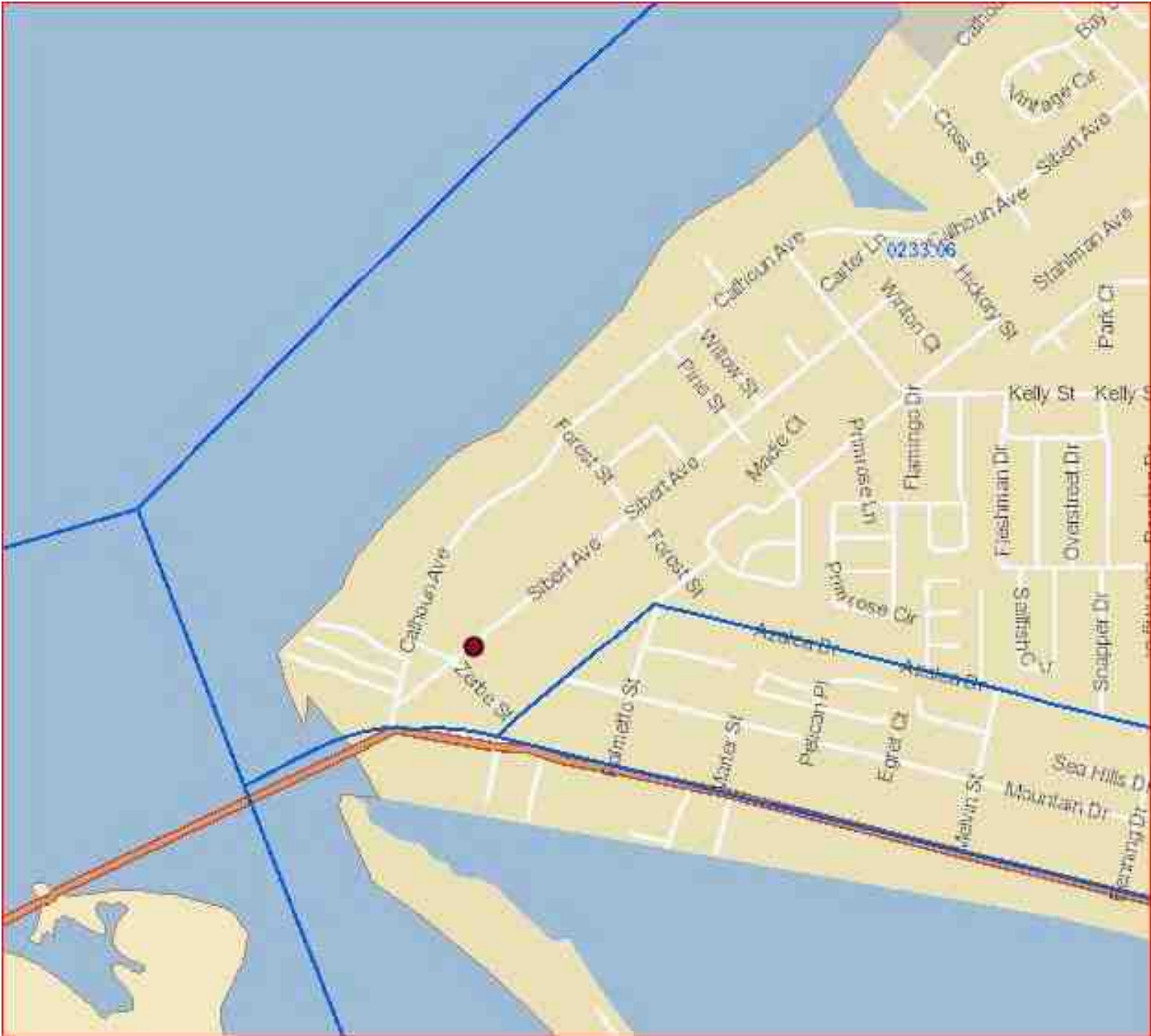
	CBR - Crystal Beach Resort
	ROI-CBR - Residential, Office, & Institutional - Crystal Beach Residential
	ROI-GD - Residential, Office, & Institutional - General Development
	ROI-TD - Residential, Office, & Institutional - Tourist Development
	ROI-VR - Residential, Office, & Institutional - Village Residential
	CMU - Calhoun Mixed Use
	TCMU - Town Center Mixed Use
	HIMU - Holiday Isle Mixed Use
	GRMU - Gulf Resort Mixed Use
	NHMU - North Harbor Mixed Use
	SHMU - South Harbor Mixed Use
	BRMU - Bay Resort Mixed Use

Flood Map

Borrower	CLIENT: Wilbur J. Englestad				
Property Address	108 Sibert Ave				
City	Destin	County	Okaloosa	State	FL Zip Code 32541
Lender/Client	Wilbur J. Englestad				



Census Tract Map



Tax Assessor Card

Borrower	CLIENT: Wilbur J. Englestad				
Property Address	108 Sibert Ave				
City	Destin	County	Okaloosa	State	FL Zip Code 32541
Lender/Client	Wilbur J. Englestad				

2017 Roll Details — Real Estate Account At 108 SIBERT C, DESTIN 32541

Real Estate Account #002S220310000D3780

Pay All: \$1,105.42

2017

2016

2015

2014

...

\$1105.42 due

PAID

PAID

PAID

Apply for the 2018 installment Payment Plan

Get Bills by Email

Pay this bill: \$1,105.42

Owner: ENGLESTAD WILBUR J

608 FIR AVE

NICEVILLE, FL 32578

Situs: 108 SIBERT C

DESTIN 32541

Account number: 002S220310000D3780

Alternate Key: 1001687

Millage code: DEDF - DESTIN

Millage rate: 13.0691

Assessed value: 88,108

School assessed value: 88,108

Unimproved land value: 86,784

Location is not guaranteed to be accurate.

2017 Annual bill

View

Ad valorem: \$1,151.48

Non-ad valorem: \$0.00

Total Discountable: 1151.48

No Discount NAVA: 0.00

Total tax:

Legal description

CALHOUN S/D DESTIN LOT 378 BLK D

Form MAP.GENERIC - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

Appraiser's License

RICK SCOTT, GOVERNOR

KEN LAWSON, SECRETARY

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA REAL ESTATE APPRAISAL BD

LICENSE NUMBER	
RZ2646	

The CERTIFIED GENERAL APPRAISER
Named below IS CERTIFIED
Under the provisions of Chapter 475 FS.
Expiration date: NOV 30, 2018

MARR, THOMAS A
220 HOSPITAL DRIVE
FT WALTON BEACH FL 32548



ISSUED: 10/06/2016

DISPLAY AS REQUIRED BY LAW

SEQ # L1610060001639

Appraiser’s Qualifications - Page 1

Qualifications of
Thomas A. Marr

State-Certified General Real Estate Appraiser No. RZ 2645 (FL)

M.B.A.	Master of Business Administration City University of Seattle, Seattle, WA
B.A.	Bachelor of Arts, English Pennsylvania State University – State College, PA

Business Affiliations and Work Experience, Past / Present

Panhandle Appraisal Group - Real Estate Appraisers
Tom Marr Appraisal - Real Estate Appraisal and Valuation Services
Marsh Appraisal Corporation – Real Estate Appraisers; Fort Walton Beach, FL
Humphrey and Associates – Real Estate Appraisers; Fort Walton Beach, FL
Appraisal House – Real Estate Appraisers; Fort Walton Beach, FL
Department of Transportation – State of Florida - Management Analyst
United States Army - Commissioned Officer for 26 Years

APPRAISAL AND ADVISORY EXPERIENCE
Property Types

Agricultural Land	Day Care Centers	Office-Warehouse Facilities
Aircraft Hangars	Development Appraisals	Office Condominiums
Antenna Towers	Golf Courses / Clubs	Parking Facilities
Apartments	Health Clubs	Residential Condo Development
Hotel and Motels	Historical Properties	Retail Stores
Bank Buildings	Industrial Land	Retail Strip Centers
Broadcast Facilities	Industrial Improvements	Restaurants
Car Washes	Manufacturing Facilities	Self-Service Storage
Churches	Medical Offices	Subdivisions (Commercial)
Condominium Units	Mobile Home Parks	Single-Family Residences
Assemblages, Complexes And Conversions	Multifamily Land	Subdivisions (Residential)
Condominium Vacant Land	Nurseries	Urban Land
	Office Buildings	Warehouses

Assignment Types	Assignment Purposes	Assignment Locations
Insurance	Acquisition	North Okaloosa County
Full and Fractional Interests	Assessment Appeal	South Okaloosa County
Construction Progress	Disposition	North Walton County
Feasibility Studies	Development Feasibility	South Walton County
Highest and Best Use Studies	Estate Planning	North Santa Rosa County
Market Studies	Financing	South Santa Rosa County
Rent Studies	Investment Analysis	Panama City Beach
Appraisal Reviews	Mortgage Collateralization	Panama City

Appraiser's Qualifications - Page 2

Qualifications of
Thomas A. Marr (Continued)
 State-Certified General Real Estate Appraiser No. RZ 2645 (FL)

Appraisal Education / Courses Completed:

Principles of Appraising
 Real Estate Appraisal Specialists, Orlando, FL

Principles of Highest and Best Use
 Appraisal Institute

Advanced Capitalization
 Appraisal Institute

Appraisal Report Writing
 Appraisal Institute

Appraisal CE (2006)
 Ed Klopfer School of Real Estate

Appraisal CE (2008)
 Ed Klopfer School of Real Estate

Appraisal CE 2010
 Ed Klopfer School of Real Estate

USPAP Update (7-Hour) (2010)
 Clay Ketchum School of Real Estate

Appraisal CE 2012
 McKissock School of Real Estate

Appraisal CE 2014
 McKissock School of Real Estate

Appraisal CE 2016
 Steve Williamson School of Real Estate

Representative Clients Past/Present

First National Bank and Trust
 Trustmark National Bank
 Vision Bank
 Whitney Bank
 Beach Community Bank
 Alternative Funding Corporation
 Kevin Helmich, Esc. P.A.
 First City Bank
 BankTrust
 Gulf South Private Bank
 Access Bank and Mortgage
 Colonial Bank
 Florida Coastal Mortgage
 Vanguard Bank
 Pensacola Guarantee Mortgage
 Suntrust Bank
 People's First Community Bank
 Bank of Bonifay
 Compass Bank
 Regions Bank
 Bancorp South
 Bank of Pensacola
 Central Progressive Bank
 First NBC Bank
 CCB Community Bank
 Bowman, Conerly & Dykes, PA
 Michael Mead, Esquire
 Richard Powell, Esquire
 Galloway, Johnson PA
 Florida First Federal Bank

My appraisal experience spans over 19 years of consistent service in the valuation of all types of commercial and residential property. Coupling this experience with a lifetime of personal residential and commercial real estate investment practice, I am able to bring to my work both the appraisal knowledge and the first-hand investment experience necessary to adequately evaluate real estate from all perspectives; the most important of which is the perspective of the client. I pride myself on professional, courteous, and time-responsive service. Please allow me to service all of your commercial and residential valuation requirements.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what they consider their own best interests; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale. (Source: FDIC Interagency Appraisal and Evaluation Guidelines, 2010.)

* Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF LIMITING CONDITIONS AND CERTIFICATION

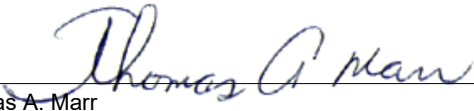
CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is valued on the basis of it being under responsible ownership.
2. Any sketch provided in the appraisal report may show approximate dimensions of the improvements and is included only to assist the reader of the report in visualizing the property. The appraiser has made no survey of the property.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. Any distribution of valuation between land and improvements in the report applies only under the existing program of utilization. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
5. The appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous waste, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. This appraisal report must not be considered an environmental assessment of the subject property.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
8. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
9. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.
10. The appraiser is not an employee of the company or individual(s) ordering this report and compensation is not contingent upon the reporting of a predetermined value or direction of value or upon an action or event resulting from the analysis, opinions, conclusions, or the use of this report. This assignment is not based on a required minimum, specific valuation, or the approval of a loan.

CERTIFICATION: The appraiser certifies and agrees that:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
9. Unless otherwise indicated, I have made a personal inspection of the interior and exterior areas of the property that is the subject of this report, and the exteriors of all properties listed as comparables.
10. Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

ADDRESS OF PROPERTY ANALYZED: 108 Sibert Ave, Destin, FL 32541

APPRAISER:
Signature: 
Name: Thomas A. Marr
Designation: _____
State Certification #: Cert. Gen. RZ2645
or State License #: _____
State: FL Expiration Date of Certification or License: 11/30/2018
Date Signed: 11/06/2017

SUPERVISORY or CO-APPRAISER (if applicable):
Signature: _____
Name: _____
Designation: _____
State Certification #: _____
or State License #: _____
State: _____ Expiration Date of Certification or License: _____
Date Signed: _____
☐ Did ☐ Did Not Inspect Property

Borrower	CLIENT: Wilbur J. Englestad			File No.	171058
Property Address	108 Sibert Ave				
City	Destin	County	Okaloosa	State	FL
				Zip Code	32541
Lender/Client	Wilbur J. Englestad				

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

- ☒ Appraisal Report (A written report prepared under Standards Rule 2-2(a) , pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- ☐ Restricted Appraisal Report (A written report prepared under Standards Rule 2-2(b) , pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

I certify that, to the best of my knowledge and belief:

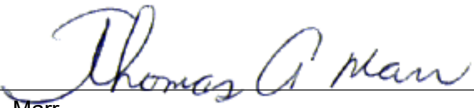
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Reasonable Exposure Time (USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)
My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 3 to 6 months.

Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:
None.

APPRAISER:

Signature: 

Name: Thomas A. Marr

State Certification #: Cert. Gen. RZ2645

or State License #:

State: FL Expiration Date of Certification or License: 11/30/2018

Date of Signature and Report: 11/06/2017

Effective Date of Appraisal: 11/4/2017

Inspection of Subject: ☐ None ☐ Interior and Exterior ☒ Exterior-Only

Date of Inspection (if applicable): November 4, 2017

SUPERVISORY or CO-APPRAISER (if applicable):

Signature:

Name:

State Certification #:

or State License #:

State: Expiration Date of Certification or License:

Date of Signature:

Inspection of Subject: ☐ None ☐ Interior and Exterior ☐ Exterior-Only

Date of Inspection (if applicable):

FROM:

Panhandle Appraisal Group, Inc.
220 Hospital Drive
Fort Walton Beach, FL 32548

Telephone Number: 850-243-2512

Fax Number: 850-226-8462

INVOICE**INVOICE NUMBER**

171058

DATE

11/6/2017

REFERENCE

Internal Order #: 171058

Lender Case #:

Client File #:

Main File # on form: 171058

Other File # on form:

Federal Tax ID: 37-1568404

Employer ID:

TO:

Wilbur Englestad

Telephone Number:

Fax Number:

Alternate Number:

E-Mail:

Thomas A. Marr

DESCRIPTION

Lender: Wilbur J. Englestad

Client:

Purchaser/Borrower: CLIENT: Wilbur J. Englestad

Property Address: 108 Sibert Ave

City: Destin

County: Okaloosa

State: FL

Zip: 32541

Legal Description: Lot 378, Block D, Calhoun SD

FEES**AMOUNT**

Base Appraisal Fee \$1,000

1,000.00

SUBTOTAL

1,000.00

PAYMENTS**AMOUNT**

Check #:

Date:

Description:

Check #:

Date:

Description:

Check #:

Date:

Description:

SUBTOTAL

0

Please note invoice number on check. Thank you.

TOTAL DUE

\$

1,000.00

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: City Manager Report

TO: City Council

THRU: Lance Johnson, Interim City Manager

FROM: Bragg Farmer, Finance Director

DATE: August 31, 2018

SUBJECT: Interlocal Agreement for Waterfront Access Maintenance and Capital Improvements

I. BACKGROUND: The TDD provides funding for the general maintenance and capital improvements at the City owned and maintained beach access points and the City boardwalk. City staff and the City Manager presented the proposed budget to the TDD in the Spring of 2018 and \$454,526 was approved for the FY2019 budget. This is the interlocal agreement that confirms their obligation for FY2019.

II. DISCUSSION: The TDD provides funding for the general maintenance and capital spending for the City beach access points and the City boardwalk. This is an annual grant that is agreed upon during a Spring TDD budget meeting.

A. Link to Strategic Goals / Objectives: Quality of Life for our residents and visitors.

B. Effect on Budget (EOB): The TDD is providing \$454,526 for beach maintenance and capital spending in FY2019.

C. Level of Service (LOS): This is the primary funding source for beach and boardwalk maintenance.

III. CONCLUSION: This interlocal agreement must be approved to receive the TDD funding for FY2019.

IV. RECOMMENDED MOTION: I move that the Interlocal agreement for waterfront access maintenance and capital improvements between the City of Destin and the County TDD be approved.

Attachments:

1. JLB Revised Interlocal Agmt FY19
Parks Operating Capital

**INTERLOCAL AGREEMENT FOR
WATERFRONT ACCESS MAINTENANCE AND CAPITAL IMPROVEMENTS**

THIS INTERLOCAL AGREEMENT (the “Agreement”) is made and entered into on the effective date below by and between OKALOOSA COUNTY, FLORIDA, a political subdivision of the State of Florida (hereinafter referred to as “the County”) and CITY OF DESTIN, a Florida municipal corporation (hereinafter referred to as “the City”).

WHEREAS, the County finds that maintaining and enhancing its waterfront and beach accesses is an essential component of promoting the sub-county taxing district as a tourist destination; and

WHEREAS, the City provides gulf front parks, beach access ways, and a harbor boardwalk frequented by tourists; and

WHEREAS, the County determines it would be in the best interest of its visitors to support the City for the purposes set forth herein.

NOW, THEREFORE, acting pursuant to their statutory authority and in consideration of the mutual covenants and agreements of the parties, the County and the City agree as follows:

Section 1. Recitals. The above recitals are true and accurate and are incorporated herein as essential terms of the Agreement.

Section 2. City’s Responsibilities. The City shall provide and maintain three (3) gulf front parks, eight (8) beach access ways, and a harbor boardwalk as more fully described in the scope of services as set forth in EXHIBIT A attached hereto and incorporated by reference.

The City shall provide a point-of-contact for the services provided under this Agreement. The point of contact shall be available to the County at all times as necessary for the proper performance of this Agreement by the City.

The City shall place the Okaloosa County tourist development logo (“Logo”) as appropriate at locations provided for under this Agreement. Additionally, the City agrees to work with the County to enhance marketing efforts of the sub-county taxing district. Such marketing efforts may include, but not be limited to, social media development and interaction, public relations and publicity initiatives, webpage links and landing pages, and photograph and video.

Section 3. County’s Responsibilities. The County agrees to pay the City FOUR HUNDRED FIFTY FOUR THOUSAND FIVE HUNDRED TWENTY SIX DOLLARS (\$454,526.00) for annual maintenance and capital outlay costs for the fiscal year October 1, 2018 to September 30, 2019 as set forth in EXHIBIT A. Payment shall be made on a reimbursement basis upon receipt of an invoice.

Invoicing detail shall be in sufficient detail for pre- and post-audit review to insure the services were performed and that the correct amount has been invoiced. Invoices shall include backup documentation detailing expenditure transactions, including but not limited to transaction date, vendor name, and purpose of transaction. Invoices shall be itemized such that the description of services performed is consistent with the description of expenses as set forth in

EXHIBIT A. The City is authorized to shift expenses between line items so long as the total annual amount is not exceeded.

Payment may be reduced as necessary in the event of a storm or other occurrence that results in decreased visitation and consequently a significant decrease in tourist development tax revenue.

In the event a portion of an invoice submitted to the County for payment to the City, as specified above, is disputed, payment for the disputed amount may be withheld pending resolution of the dispute, and the remainder of the invoice will be processed for payment without regard to that portion which is in dispute.

If County funds are provided for reimbursement of the purchase of a capital item – “capital item” means property of a non-consumable nature with a value of \$1,000 or more and normal expected life of one (1) year or more – then the proceeds from subsequent disposal of such capital item (e.g. sale, trade-in, auction) shall be refunded to the County.

Section 4. Use of County Funds. The funds set forth in Section 3 above shall be used to pay for costs and expenses as set forth in EXHIBIT A. The parties acknowledge that these services are being funded exclusively through proceeds of the Tourist Development Taxes levied by the Okaloosa County Board of County Commissioners. In the event that it is legally determined that such Tax proceeds may not be used for these purposes, then this Agreement shall terminate immediately with services previously rendered by the City being payable as described under Section 5 below.

Section 5. Non-Appropriation of Funds. The City hereby acknowledges that this Agreement is completely dependent on the appropriation of legally available funds by the County and agrees that in the event such funds are not appropriated for any reason this Agreement shall terminate and be considered as void. If the Agreement is terminated by the County as provided herein, the City will be paid the prorated amount for services actually performed up to the date of termination.

Section 6. Effective Date and Term of Agreement. This Agreement shall be effective on October 1, 2018 and terminate on September 30, 2019, unless terminated earlier in accordance with the provision contained in this Agreement.

Section 7. Termination. Either party may terminate this Agreement by giving thirty (30) days' written notice to the other party of its intent to terminate this Agreement.

Section 8. Records & Audit. For the services performed under this Agreement, the City shall maintain books, records, documents, and other evidence according to generally accepted governmental accounting principles, procedures, and practices which sufficiently and properly reflect all costs and expenditures of any nature, incurred by the City in connection with the services performed under this Agreement.

IF THE CITY HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CITY'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT OKALOOSA COUNTY RISK MANAGEMENT DEPARTMENT 5479 OLD BETHEL

The City must comply with the public records laws, Chapter 119, F.S., specifically the City must:

- a. Keep and maintain public records required by the County to perform the service.
- b. Upon request from the County's custodian of public records, provide the County with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in chapter 119 Florida Statutes or as otherwise provided by law.
- c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the City does not transfer the records to the County.
- d. Upon completion of the contract, transfer, at no cost, to the County all public records in possession of the City or keep and maintain public records required by the County to perform the service. If the City transfers all public records to the public agency upon completion of the contract, the City shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the City keeps and maintains public records upon completion of the contract, the City shall meet all applicable requirements for retaining the public records. All records stored electronically must be provided to the public agency, upon the request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

The County shall have the right from time to time at its sole expense to audit the compliance by the City with the terms, conditions, obligations, limitations, restrictions and requirements of this Agreement and such right shall extend for a period of three (3) years after termination of this Agreement. However, notwithstanding the above, no books, records, documents, or other evidence reflecting all costs and expenditures incurred under this Agreement shall be destroyed until proper authorization for the disposal has been received pursuant to Florida law.

Section 9. Disclaimer of Third Party Beneficiaries. This Agreement is solely for the benefit of the parties and no right or cause of action shall accrue to or for the benefit of any third party that is not a formal party hereto. Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon or give any person or corporation other than the parties any right, remedy, or claim under or by reason of this Agreement or any provisions or conditions of it; and all of the provisions, covenants, and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties.

Section 10. Authority. Each party represents and warrants that it, through its elected board, has the right, power, and authority to execute and deliver this Agreement and to perform all of the obligations stated herein.

Section 11. Notice. If written notice to a party is required under this Agreement, such notice shall be given by hand delivery, recognized overnight delivery service, or by first class mail, registered and return receipt requested.

As to the County as follows:

County Administrator
Okaloosa County
1250 Eglin Pkwy N
Suite 102
Shalimar, FL 32579

As to the City as follows:

City Manager
City of Destin
4200 Indian Bayou Trail
Destin, FL 32541

Section 12. Entire Agreement. This Agreement represents the entire understanding between the parties with respect to the undertakings covered hereunder and there are no oral or collateral agreements with respect thereto between the parties.

Section 13. Governing Law and Venue. The validity, construction and performance of this Agreement shall be governed by the laws of the State of Florida. Venue for any action arising out of this Agreement shall be in Okaloosa County, Florida.

Section 14. Construction. The parties acknowledge and agree that this Agreement has been drafted jointly by the parties and that no uncertainty or ambiguity as to the proper application or interpretation of the Agreement or any term herein is to be construed against either party as the drafter of the Agreement.

Section 15. Assignment. This Agreement shall not be assigned except by consent of the parties.

Section 16. Indemnification. Subject to the limitations provided in section 768.28, Florida Statutes, and without otherwise waiving sovereign immunity, both parties shall indemnify and hold harmless the other from and against any and all third party claims, demands, damages, losses, and expenses, including attorney's fees and costs, arising out of this Agreement, except for those claims, demands, damages, losses, and expenses arising out of the other party's negligence, malfeasance, nonfeasance, or misfeasance.

Section 17. Severability. If any portion of the Agreement, the deletion of which would not adversely affect the receipt of any material benefit by either party, is for any reason held or declared to be invalid or unenforceable, such determination shall not affect the remaining portions of this Agreement. If this Agreement or any portion of this Agreement is held or declared to be inapplicable to any person, property or circumstance, such determination shall not affect its applicability to any other person, property or circumstance.

Section 18. Federal Requirements. During the performance of this Agreement, the parties shall comply with the Federal Regulations as set forth in Exhibit B. Exhibit B is expressly incorporated herein as part of the contract.

Section 19. JURY TRIAL WAIVER. COUNTY AND CITY AGREE TO WAIVE THEIR RIGHTS TO A TRIAL BY JURY REGARDING ANY LAWSUIT INVOLVING THE INTERPRATION,

CONSTRUCTION, ENFORCEMENT, OR GOVERNANCE OF THIS AGREEMENT, AND FOR ANY LAWSUIT RELATED IN ANY WAY TO THIS AGREEMENT OR FOR THE WORK PERFORMED PURSUANT TO THIS AGREEMENT.

IN WITNESS WHEREOF, the parties hereto, by and through the undersigned, have entered into this Agreement.

CITY OF DESTIN

By: _____
Gary Jarvis, Mayor

Dated: _____

ATTEST:

By: _____
Rey Bailey, City Clerk

**BOARD OF COUNTY COMMISSIONERS OF
OKALOOSA COUNTY, FLORIDA**

By: _____
Graham W. Fountain, Chairman

Dated: _____

ATTEST:

By: _____
J.D. Peacock II, Clerk of Circuit Court

EXHIBIT A
SCOPE OF SERVICES

Exhibit B

Title VI Clauses for Compliance with Nondiscrimination Requirements

Compliance with Nondiscrimination Requirements

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees as follows:

Compliance with Regulations: The contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

Non-discrimination: The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor’s obligations under this contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

Information and Reports: The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

Sanctions for Noncompliance: In the event of a contractor’s noncompliance with the Non-discrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

- a. Withholding payments to the contractor under the contract until the contractor complies; and/or
- b. Cancelling, terminating, or suspending a contract, in whole or in part.

Incorporation of Provisions: The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

Title VI List of Pertinent Nondiscrimination Acts and Authorities

Title VI List of Pertinent Nondiscrimination Acts and Authorities

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);

49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;

The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);

Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);

The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;

The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);

Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE)

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.

The [*contractor* | *consultant*] has full responsibility to monitor compliance to the referenced statute or regulation. The [*contractor* | *consultant*] must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division

OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Contractor retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

E-VERIFY

Enrollment and verification requirements.

(1) If the Contractor is not enrolled as a Federal Contractor in E-Verify at time of contract award, the Contractor shall-

- a. Enroll. Enroll as a Federal Contractor in the E-Verify Program within thirty (30) calendar days of contract award;

- b. Verify all new employees. Within ninety (90) calendar days of enrollment in the E-Verify program, begin to use E-Verify to initiate verification of employment eligibility of all new hires of the Contractor, who are working in the United States, whether or not assigned to the contract, within three (3) business days after the date of hire (but see paragraph (b)(3) of this section); and,
 - c. Verify employees assigned to the contract. For each employee assigned to the contract, initiate verification within ninety (90) calendar days after date of enrollment or within thirty (30) calendar days of the employee's assignment to the contract, whichever date is later (but see paragraph (b)(4) of this section.)
- (2) If the Contractor is enrolled as a Federal Contractor in E-Verify at time of contract award, the Contractor shall use E-Verify to initiate verification of employment eligibility of
 - a. All new employees.
 - i. Enrolled ninety (90) calendar days or more. The Contractor shall initiate verification of all new hires of the Contractor, who are working in the United States, whether or not assigned to the contract, within three (3) business days after the date of hire (but see paragraph (b)(3) of this section); or
 - b. Enrolled less than ninety (90) calendar days. Within ninety (90) calendar days after enrollment as a Federal Contractor in E-Verify, the Contractor shall initiate verification of all new hires of the contractor, who are working in the United States, whether or not assigned to the contract, within three (3) business days after the date of hire (but see paragraph (b)(3) of this section); or
 - ii. Employees assigned to the contract. For each employee assigned to the contract, the Contractor shall initiate verification within ninety (90) calendar days after date of contract award or within thirty (30) days after assignment to the contract, whichever date is later (but see paragraph (b)(4) of this section.)
- (3) If the Contractor is an institution of higher education (as defined at 20 U.S.C. 1001(a)); a State or local government or the government of a Federally recognized Indian tribe, or a surety performing under a takeover agreement entered into with a Federal agency pursuant to a performance bond, the Contractor may choose to verify only employees assigned to the contract, whether existing employees or new hires. The Contractor shall follow the applicable verification requirements of (b)(1) or (b)(2), respectively, except that any requirement for verification of new employees applies only to new employees assigned to the contract.
- (4) Option to verify employment eligibility of all employees. The Contractor may elect to verify all existing employees hired after November 6, 2016 (after November 27,

2009, in the Commonwealth of the Northern Mariana Islands), rather than just those employees assigned to the contract. The Contractor shall initiate verification for each existing employee working in the United States who was hired after November 6, 1986 (after November 27, 2009, in the Commonwealth of the Northern Mariana Islands), within one hundred eighty (180) calendar days of-

- i. Enrollment in the E-Verify program; or
- ii. Notification to E-Verify Operations of the Contractor's decision to exercise this option, using the contract information provided in the E-Verify program Memorandum of Understanding (MOU)

(5) The Contractor shall comply, for the period of performance of this contract, with the requirements of the E-Verify program MOU.

- i. The Department of Homeland Security (DHS) or the Social Security Administration (SSA) may terminate the Contractor's MOU and deny access to the E-Verify system in accordance with the terms of the MOU. In such case, the Contractor, will be referred to a suspension or debarment official.
- ii. During the period between termination of the MOU and a decision by the suspension or debarment official whether to suspend or debar, the contractor is excused from its obligations under paragraph (b) of this clause. If the suspension or debarment official determines not to suspend or debar the Contractor, then the Contractor must reenroll in E-Verify.
- iii. Web site. Information on registration for and use of the E-Verify program can be obtained via the Internet at the Department of Homeland Security Web site: <http://www.dhs.gov/E-Verify>.

Individuals previously verified. The Contractor is not required by this clause to perform additional employment verification using E-Verify for any employee-

- (a) Whose employment eligibility was previously verified by the Contractor through the E-Verify program;
- (b) Who has been granted and holds an active U.S. Government security clearance for access to confidential, secret, or top secret information in accordance with the National Industrial Security Program Operating Manual; or
- (c) Who has undergone a completed background investigation and been issued credentials pursuant to Homeland Security Presidential Directive (HSPD)-12. Policy for a Common Identification Standard for Federal Employees and Contractors.

Subcontracts. The Contractor shall include the requirements of this clause, including this paragraph € (appropriately modified for identification of the parties in each subcontract that-

- (1) Is for-(i) Commercial and noncommercial services (except for commercial services that are part of the purchase of a COTS item (or an item that would be a COTS item, but for minor modifications), performed by the COTS provider, and are normally provided for that COTS item); or
(ii) Construction;
- (2) Has a value of more than \$3,500; and
- (3) Includes work performed in the United States.

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CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: City Manager Report

TO: City Council

THRU: Lance Johnson, Interim City Manager

FROM: Bragg Farmer, Finance Director

DATE: September 10, 2018

SUBJECT: Adoption of a new Investment Policy Resolution 18-27

I. BACKGROUND: In accordance with Sections 2-103 of the City Code of Ordinances, City surplus funds may be invested in financial instruments that will maximize our investment returns while minimizing the City's potential for loss of principal. The current City investment options are outlined in Resolution 13-04. While this resolution outlines our current investment strategy it is not in complete compliance with the current State of Florida investment strategies.

II. DISCUSSION: During our FY2017 audit it was recommended by the City Auditor that the City write and adopt an investment policy that brings the City Investment Policy in alignment with the State of Florida policy. While this is not required by the State of Florida it is recommended that we comply with the Florida Statute (218.415) regarding our investment policy. The State and Local government investment goal is to ensure that assets, such as cash, are accounted for and managed according to law, so they will be sufficient to meet the needs of the City in a cost-effective manner. The adoption of this policy will not change how we have invested our surplus funds nor will it require a change in our investment strategy. Listed below are the current investments authorized by City Council.

Authorized Investments: Currently, Raymond James manages the City investments and may purchase, sell, and exchange investments on behalf of the City. The investment program is managed so that investments and deposits can be converted into cash when needed. The current investment options are allowed based on Resolution 13-04 and these options are listed below.

- o Money Markets Instruments
- o Certificate of Deposits
- o U. S. Treasuries
- o Government Agency Bonds
- o Mortgage Backed Securities
- o Investment Grade Corporate Bonds
- o Asset Backed Securities

Change in Investment Policy: Resolution 18-27 maintains our current investment options and adds some additional investment options, as authorized by the State of Florida, that could enhance our funds in the future. This policy adds the following options that have been approved by the State of Florida to ensure our investment objectives are achieved.

- o Local Investment Surplus Trust (SBA)
- o Overnight Repurchase Agreements
- o Federal Agencies and Instrumentalities
- o Any Investment authorized by Law or Ordinance as approved by the State of Florida of City of Destin City Council

A. Link to Strategic Goals / Objectives: III.A.2. Develop sustainable Operating & Capital budget ensuring the City is managed in a fiscally sound manner and complies with legislative mandates.

B. Effect on Budget (EOB): Additional interest and dividend earnings could be generated for the City. The investments will not affect the steady cash flow for the City's operations but could provide for additional revenue other than the ad valorem tax.

C. Level of Service (LOS): Additional funds will allow the City to continue to offer quality services to its Citizens without an additional tax burden.

III. CONCLUSION: City Council has the option to remain with our current investment policy and maintain our current investment strategy but this change is recommended by our Auditor and the State of Florida.

IV. RECOMMENDED MOTION: I move that Resolution 18-27, City Investment Policy, be adopted.

Attachments:

1. Investment Policy 2018
2. Resolution 18-27 City Investment Policy

CITY OF DESTIN, FLORIDA

INVESTMENT POLICY

I. PURPOSE:

The purpose of this Investment Policy is to set forth the investment objectives and parameters for the management of public funds accumulated by the City of Destin Florida. This policy is designed to ensure the prudent management of the City's public funds and maintain an investment return that is competitive with comparable funds and financial market indices.

II. SCOPE:

In accordance with Section 218.415, Florida Statutes, this Policy applies to all financial assets, of the City of Destin with the exception of Pension Funds and funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds. Funds held by state agencies (e.g. Department of Revenue) are not subject to the provisions of this Policy.

III. INVESTMENT OBJECTIVES:

Safety of Principal – The foremost objective of this investment policy is the safety of the principal of those funds within the portfolio. Investment options will focus on growing the overall portfolio while maintaining any capital loss or erosion of market value to a minimum.

From time to time, securities may be purchased at a premium or traded for other securities to improve yield, maturity, or credit risk. For these transactions, a loss may be incurred for accounting purposes to achieve optimal investment return, provided any of the following occurs with respect to the replacement security:

- a. The yield has been increased, or
- b. The maturity has been reduced or lengthened, or
- c. The quality of the investment has been improved.

Liquidity of Funds – The portfolio shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. Periodic cash flow analysis will be performed to ensure the portfolio is positioned to provide optimum cash flow requirements. Any plan to budget annual operating or capital needs from the invested funds will be outlined during the budget process and approved by the City Council.

Return on Investment – The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. Return is achieved through active management where the financial advisor utilizes a total return strategy (which includes both realized and unrealized gains and losses in the portfolio). This total return strategy seeks to increase the value of the portfolio through reinvestment of income and capital gains.

IV. AUTHORITY FOR INVESTMENT:

Responsibility for the investment program is vested with the City Manager. Responsibility for the administration of the investment program is hereby delegated by the City Manager to the City Finance Director, who shall maintain the Investment Policy. The Finance Director shall be responsible for monitoring internal controls, administrative controls, and regulate the activity of the external investment advisor.

V. STANDARD OF PRUDENCE:

The standard of prudence to be used by the investment officials shall be the “Prudent Person” standard and shall be applied in the context of managing an overall portfolio consisting primarily of public funds. Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price change, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments. The “Prudent Person” rule states the following:

Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment.

While the standard of prudence to be used by Authorized Staff who are officers or employees is the “Prudent Person” standard, any person or firm hired or retained to invest, monitor, or advise concerning these assets shall be held to the higher standard of “Prudent Expert”.

VI. ETHICAL STANDARDS:

Employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Also, employees involved in the investment process shall disclose to the city manager any material financial interests in financial institutions that conduct business with the City, and they shall further disclose any material personal financial/investment positions that could be related to the performance of the City’s portfolio.

VII. AUTHORIZED INVESTMENTS:

Investments should be made subject to cash flow needs and such cash flows are subject to revisions as market conditions and the City’s needs change. The City is authorized to allow the Finance Director or the City Investment Advisor to purchase the following investment securities, at prevailing market rates and at the appropriate amount thereof in:

AUTHORIZED INVESTMENTS

1. Local Government Surplus Trust Fund (SBA), the State Investment Pool administered by the State Board of Administration.

2. Securities and Exchange Commission registered “Money Market” funds with the highest credit quality rating from a nationally recognized rating firm.
3. Non-Negotiable Interest bearing Time Certificates of Deposits or Savings Accounts in qualified public depositories as defined in s.280.02.
4. Direct obligations of the U.S. Treasury such as but not limited to the following
 - Cash Management Bills
 - Treasury Bills
 - Treasury Notes
 - Treasury Bonds
 - Treasury Securities – State or Local Government Series (SLGS)
5. Federal Agencies (full faith and credit of the United States Government) and Instrumentalities (United States Government sponsored agencies which are non-full faith and credit).
6. State and/or Local Government Taxable or Tax Exempt Debt.
7. Mortgage Backed Securities
8. Investment Grade Corporate Bonds
9. Asset backed Securities
10. Overnight Repurchase Agreements with collateral held by the trust department of the bank(s) or custodian bank(s).
11. Any other investments authorized by law or ordinance as approved by the State of Florida or the City of Destin City Council.

VIII. PERFORMANCE MEASUREMENTS:

To assist in the evaluation of the portfolios’ performance, the City will use performance benchmarks for short- term and long-term portfolios’. The use of benchmarks will allow the City to measure its returns against other investors in the same markets. Custom benchmarks may be provided by the Investment Advisor when the portfolio is established. All portfolios will be monitored by an established benchmark mutually agreed upon by the City and the Investment Advisor.

IX. MATURITY AND LIQUIDITY REQUIREMENTS:

A Liquid Portfolio and Active Portfolio will be established to achieve the City’s need for liquid assets while maximizing investment maturity. The liquid portfolio is established with a primary emphasis on anticipated cash flow and liquidation for a specific need which must be met within a short term timeframe. This timeframe can be as short as 30 days. These funds are invested between three (3) investment portfolios. The active portfolio is established with a primary goal of achieving a greater rate of return requiring a longer maturity timeframe extending beyond 1

year. This portfolio is established in one (1) investment portfolio. The primary investment maturity goal for all investments is less than 5 years. The overall average maturity timeframe for the investment portfolio is less than 5 years. The four (4) investment funds, descriptions and liquidity requirements are listed below.

1. Emergency Operating Fund: This investment fund will cover at 3 months of City operating expenses and should be completely liquid in no more than 30 days.
2. Debt Service Fund: This investment fund is for the payment of 1 year debt service obligated by the City general fund as should be completely liquid in no more than 30 days.
3. Emergency Maintenance Fund: This investment fund is designated for use after an emergency to fund emergency services and should be completely liquid in no more than 30 days.
4. Alternate Investment Fund: This investment fund is designated for long term investment funds that do have a short term need. These investments will have longer maturity in general to achieve a greater rate of return. No specific maturity timeframe is required but the ability to liquidate while recording minimal losses is desired.

X. RISK AND DIVERSIFICATION:

All assets held shall be diversified to control the risk of loss resulting from the over concentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which these instruments are bought and sold. Diversification strategies within the established guidelines shall be reviewed and revised periodically as necessary.

The longer the maturity of a particular investment, the greater its price volatility becomes. The City seeks to reduce interest rate risk by maintaining the maturities of the majority of its investment portfolio in short-term investments. Accordingly, whenever interest rates are expected to rise in the near future, actions will be taken to shorten the maturities of the investment portfolio. Conversely, when interest rate are expected to decrease, actions will be taken to lengthen the maturities of the investment portfolio to reduce interest rate risk.

XI. AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS

The City shall only purchase securities from financial institutions which are located within the State of Florida and are qualified public depositories by the treasurer of the State of Florida or institutions designated as primary securities brokers/dealers as designated by the Federal Reserve Bank of New York.

XII. THIRD PARTY CUSTODIAL AGREEMENT

All securities shall be held with a third party custodian and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. A third party custodian is defined as any bank depository chartered by the State of Florida or any other state or territory of the United States which has a branch or principal place of business in the State of Florida as defined in Section 658.12, Florida Statutes, or by a national association organized and existing under the laws of the United States which is authorized to accept and

execute trusts and which is doing business in the State of Florida. Certificates of Deposits will be placed in the provider's safekeeping department for the term of the deposit.

XIII. INTERNAL CONTROLS

The City Finance Director shall exercise and monitor a set of internal controls, which said controls are designed to protect the City's funds and ensure proper accounting and reporting of the securities transactions. The internal controls are focused on preventing a loss of funds which might arise from fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees. No person may engage in an investment transaction except as authorized under the terms of the policy. These procedures are intended to reduce the relatively low risk that material losses may occur and not be detected within a timely period by employees in the normal course of performing their assigned duties. The City currently employees a professional investment management firm that performs all investment transactions based on a City Council approved plan and is the custodian of all investment assets.

XIV. REPORTING

The City Finance Director shall provide the City Council with a quarterly investment report. Each report shall contain the following.

1. A list of individual securities held at or near the end of the quarter.
2. Percentage of available funds represented by each investment type.
3. Coupon, discount or earning rate
4. Average life or duration and final maturity of all investments
5. Par value and market value.
6. FY to date of investment earnings, expenses and investment gains/losses.
7. Cash held by each investment category.
8. FY to date return by investment category.

The fourth quarter report should contain an annual evaluation of the total investment earnings and annual return of each investment category.

XV. CONTINUING EDUCATION/TRAINING

The Finance Director shall annually complete 8 hours of continuing education in subjects or course of study related to investment practices and products.

XVI. INVESTMENT POLICY ADOPTION

The Investment Policy shall be adopted by Resolution by the City of Destin City Council. The Finance Director shall review the policy on an annual basis to ensure it is in compliance with F.S. 218.415. Any recommendations for changes will be presented to the City Manager for City Council consideration and adoption at a future City Council meeting.

GLOSSARY OF INVESTMENT TERMS

Accrued interest – The interest due on a bond since the last interest payment was made. The buyer of the bond pays the market price plus accrued interest.

Acquisition – The acquiring of control of one corporation by another. In "unfriendly" takeover attempts, the potential buying company may offer a price well above current market values, new securities and other inducements to stockholders. The management of the subject company might ask for a better price or try to join up with a third company. (See: [Merger](#), [Proxy](#))

American Depositary Receipt (ADR) – a security issued by a U.S. bank in place of the foreign shares held in trust by that bank, thereby facilitating the trading of foreign shares in U.S. markets.

American Stock Exchange (AMEX) – The second largest stock exchange in the United States, located in the financial district of New York City. (Formerly known as the Curb Exchange from its origin on a Manhattan street.)

Amortization – Accounting for expenses or charges as applicable rather than as paid. Includes such practices as depreciation, depletion, write-off of intangibles, prepaid expenses and deferred charges.

Annual report – The formal financial statement issued yearly by a corporation. The annual report shows assets, liabilities, revenues, expenses and earnings - how the company stood at the close of the business year, how it fared profit-wise during the year, as well as other information of interest to shareowners.

Arbitrage – A technique employed to take advantage of differences in price. If, for example, ABC stock can be bought in New York for \$10 a share and sold in London at \$10.50, an arbitrageur may simultaneously purchase ABC stock here and sell the same amount in London, making a profit of \$.50 a share, less expenses. Arbitrage may also involve the purchase of rights to subscribe to a security, or the purchase of a convertible security - and the sale at or about the same time of the security obtainable through exercise of the rights or of the security obtainable through conversion.
(See: [Convertible](#), [Rights](#))

Assets – Everything a corporation owns or that is due to it: cash, investments, money due it, materials and inventories, which are called current assets; buildings and machinery, which are known as fixed assets; and patents and goodwill, called intangible assets. (See: [Liabilities](#))

Auction market – The system of trading securities through brokers or agents on an exchange such as the New York Stock Exchange. Buyers compete with other buyers while sellers compete with other sellers for the most advantageous price.

Auditor's report – Often called the accountant's opinion, it is the statement of the accounting firm's work and its opinion of the corporation's financial statements, especially if they conform to the normal and generally accepted practices of accountancy.

Averages – Various ways of measuring the trend of securities prices, one of the most popular of which is the Dow Jones Industrial Average of 30 industrial stocks listed on the New York Stock Exchange. The prices of the 30 stocks are totaled and then divided by a divisor that is intended to compensate for past stock splits and stock dividends, and that is changed from time to time. As a result, point changes in the

average have only the vaguest relationship to dollar-price changes in stocks included in the average. (See: [NYSE Composite Index](#))

Averaging – (See: [Dollar-cost-averaging](#))

Balance sheet – A condensed financial statement showing the nature and amount of a company's assets, liabilities and capital on a given date. In dollar amounts, the balance sheet shows what the company owned, what it owed and the ownership interest in the company of its stockholders. (See: [Assets](#), [Earnings report](#))

Basis point – One gradation on a 100-point scale representing 1%; used especially in expressing variations in the yields of bonds. Fixed income yields vary often and slightly within one percent and the basis point scale easily expresses these changes in hundredths of 1%. For example, the difference between 12.83% and 12.88% is 5 basis points.

Bear – Someone who believes the market will decline. (See: [Bull](#))

Bear market – A declining market. (See: [Bull market](#))

Bearer bond – A bond that does not have the owner's name registered on the books of the issuer. Interest and principal, when due, are payable to the holder. (See: [Coupon bond](#), [Registered bond](#))

Bid and Asked – Often referred to as a quotation or quote. The bid is the highest price anyone wants to pay for a security at a given time, the asked is the lowest price anyone will take at the same time. (See: [Quote](#))

Block – A large holding or transaction of stock – popularly considered to be 10,000 shares or more.

Blue chip – A company known nationally for the quality and wide acceptance of its products or services, and for its ability to make money and pay dividends.

Blue Sky Laws – A popular name for laws various states have enacted to protect the public against securities frauds. The term is believed to have originated when a judge ruled that a particular stock had about the same value as a patch of blue sky.

Bond – Basically an IOU or promissory note of a corporation, usually issued in multiples of \$1,000 or \$5,000, although \$100 and \$500 denominations are not unknown. A bond is evidence of a debt on which the issuing company usually promises to pay the bondholders a specified amount of interest for a specified length of time, and to repay the loan on the expiration date. In every case a bond represents debt - its holder is a creditor of the corporation and not a part owner, as is the shareholder. (See: [Collateral](#), [Convertible](#), [Debenture](#), [General mortgage bond](#), [Income bond](#))

Book value – An accounting term. Book value of a stock is determined from a company's records, by adding all assets then deducting all debts and other liabilities, plus the liquidation price of any preferred issues. The sum arrived at is divided by the number of common shares outstanding and the result is book value per common share. Book value of the assets of a company or a security may have little relationship to market value.

Broker – An agent who handles the public's orders to buy and sell securities, commodities or other property. A commission is charged for this service. (See: [Commission broker](#), [Dealer](#))

Brokers' loans – Money borrowed by brokers from banks or other brokers for a variety of uses. It may be used by specialists to help finance inventories of stock they deal in; by brokerage firms to finance the underwriting of new issues of corporate and municipal securities; to help finance a firm's own investments; and to help finance the purchase of securities for customers who prefer to use the broker's credit when they buy securities. (See: [Margin](#))

Bull – One who believes the market will rise. (See: [Bear](#))

Bull market – An advancing market. (See: [Bear market](#))

Buy side – The portion of the securities business in which institutional orders originate.

Callable – A bond issue, all or part of which may be redeemed by the issuing corporation under specified conditions before maturity. The term also applies to preferred shares that may be redeemed by the issuing corporation.

Capital gain or capital loss – Profit or loss from the sale of a capital asset. The capital gains provisions of the tax law are complicated. You should consult your tax advisor for specific information.

Capital stock – All shares representing ownership of a business, including preferred and common. (See: [Common stock](#), [Preferred stock](#))

Capitalization – Total amount of the various securities issued by a corporation. Capitalization may include bonds, debentures, preferred and common stock, and surplus. Bonds and debentures are usually carried on the books of the issuing company in terms of their par or face value. Preferred and common shares may be carried in terms of par or stated value. Stated value may be an arbitrary figure decided upon by the director or may represent the amount received by the company from the sale of the securities at the time of issuance. (See: [Par](#))

Cash flow – Reported net income of a corporation plus amounts charged off for depreciation, depletion, amortization, and extraordinary charges to reserves, which are bookkeeping deductions and not paid out in actual dollars and cents. (See: [Amortization](#), [Depreciation](#))

Cash sale – A transaction on the floor of the stock exchange that calls for delivery of the securities the same day. In "regular way" trade, the seller is to deliver on the third business day, except for bonds, which are the next day. (See: [Regular way delivery](#))

Certificate – The actual piece of paper that is evidence of ownership of stock in a corporation. Watermarked paper is finely engraved with delicate etchings to discourage forgery.

Certificate of deposit (CD) – A money market instrument characterized by its set date of maturity and interest rate. There are two basic types of CDs: traditional and negotiable. Traditional bank CDs typically incur an early-withdrawal penalty, while negotiable CDs have secondary market liquidity with investors receiving more or less than the original amount depending on market conditions.

The Commodity Futures Trading Commission (CFTC) – Created by Congress in 1974 to regulate exchange trading in futures.

Collateral – Securities or other property pledged by a borrower to secure repayment of a loan.

Commercial paper – Debt instruments issued by companies to meet short-term financing needs.

Commission – The broker's basic fee for purchasing or selling securities or property as an agent.

Commission broker – An agent who executes the public's orders for the purchase or sale of securities or commodities.

Common stock – Securities that represent an ownership interest in a corporation. If the company has also issued preferred stock, both common and preferred have ownership rights. Common stockholders assume the greater risk, but generally exercise the greater control and may gain the greater award in the form of dividends and capital appreciation. The terms common stock and capital stock are often used interchangeably when the company has no preferred stock.

Competitive trader – A member of the exchange who trades in stocks on the floor for an account in which there is an interest. Also known as a registered trader.

Conglomerate – A corporation that has diversified its operations usually by acquiring enterprises in widely varied industries.

Consolidated balance sheet – A balance sheet showing the financial condition of a corporation and its subsidiaries. (See: [Balance sheet](#))

Consolidated tape – The ticker tape reporting transactions in NYSE-listed securities that take place on the NYSE or any of the participating regional stock exchanges and other markets. Similarly, transactions in AMEX-listed securities, and certain other securities listed on regional stock exchanges, are reported on a separate tape.

Convertible – A bond, debenture or preferred share that may be exchanged by the owner for common stock or another security, usually of the same company, in accordance with the terms of the issue.

Correspondent – A securities firm, bank or other financial organization that regularly performs services for another in a place or market to which the other does not have direct access. Securities firms may have correspondents in foreign countries or on exchanges of which they are not members. Correspondents are frequently linked by private wires. Member organizations of the NYSE with offices in New York may also act as correspondents for out-of-town member organizations that do not maintain New York offices.

Coupon bond – Bond with interest coupons attached. The coupons are clipped as they come due and presented by the holder for payment of interest. (See: [Bearer bond](#), [Registered bond](#))

Cumulative preferred – A stock having a provision that if one or more dividends are omitted, the omitted dividends must be paid before dividends may be paid on the company's common stock.

Cumulative voting – A method of voting for corporate directors that enables the shareholders to multiply the number of their shares by the number of directorships being voted on and to cast the total

for one director or a selected group of directors. A 10-share holder normally casts 10 votes for each of, say, 12 nominees to the board of directors. One thus has 120 votes. Under the cumulative voting principle, one may do that or may cast 120 (10 x 12) votes for only one nominee, 60 for two, 40 for three, or any other distribution one chooses. Cumulative voting is required under the corporate laws of some states and is permitted in most others.

Current assets – Those assets of a company that are reasonably expected to be realized in cash, sold or consumed during one year. These include cash, U.S. Government bonds, receivables and money due usually within one year, as well as inventories.

Current liabilities – Money owed and payable by a company, usually within one year.

Current return – (See: [Yield](#))

Day order – An order to buy or sell that, if not executed, expires at the end of trading day on which it was entered.

Dealer – An individual or firm in the securities business who buys and sells stocks and bonds as a principal rather than as an agent. The dealer's profit or loss is the difference between the price paid and the price received for the same security. The dealer's confirmation must disclose to the customer that the principal has been acted upon. The same individual or firm may function, at different times, either as a broker or dealer. (See: [FINRA](#), [Specialist](#))

Debenture – A promissory note backed by the general credit of a company and usually not secured by a mortgage or lien on any specific property. (See: [Bond](#))

Debit balance – In a customer's margin account, that portion of the purchase price of stock, bonds or commodities that is covered by credit extended by the broker to the margin customer. (See: [Margin](#))

Delayed opening – The postponement of trading of an issue on a stock exchange beyond the normal opening of a day's trading because of market conditions that have been judged by exchange officials to warrant such a delay. Reasons for the delay might be an influx of either buy or sell orders, an imbalance of buyers and sellers, or pending corporate news that requires time for dissemination.

Depletion accounting – Natural resources, such as metals, oil, gas and timber, that conceivably can be reduced to zero over the years, present a special problem in capital management. Depletion is an accounting practice consisting of charges against earnings based upon the amount of the asset taken out of the total reserves in the period for which accounting is made. A bookkeeping entry, it does not represent any cash outlay nor are any funds earmarked for the purpose.

Depository Trust Company (DTC) – A central securities certificate depository through which members effect security deliveries between each other via computerized bookkeeping entries thereby reducing the physical movement of stock certificates.

Depreciation – Normally, charges against earnings to write off the cost, less salvage value, of an asset over its estimated useful life. It is a bookkeeping entry and does not represent any cash outlay nor are any funds earmarked for the purpose.

Director – Person elected by shareholders to serve on the board of directors. The directors appoint the president, vice presidents, and all other operating officers. Directors decide, among other matters, if and when dividends shall be paid. (See: [Proxy](#))

Discount – The amount by which a preferred stock or bond may sell below its par value. Also used as a verb to mean "takes into account" as the price of the stock has discounted the expected dividend cut. (See: [Premium](#))

Discretionary account – An account in which the customer gives the broker or someone else discretion to buy and sell securities or commodities, including selection, timing, amount, and price to be paid or received.

Diversification – Spreading investments among different types of securities and various companies in different fields.

Dividend – The payment designated by the board of directors to be distributed pro rata among the shares outstanding. On preferred shares, it is generally a fixed amount. On common shares, the dividend varies with the fortunes of the company and the amount of cash on hand, and may be omitted if business is poor or the directors determine to withhold earnings to invest in plant and equipment. Sometimes a company will pay a dividend out of past earnings even if it is not currently operating at a profit.

Dollar-cost-averaging – A system of buying securities at regular intervals with a fixed dollar amount. Under this system investors buy by the dollars' worth rather than by the number of shares. If each investment is of the same number of dollars, payments buy more shares when the price is low and fewer when it rises. Thus temporary downswings in price benefit investors if they continue periodic purchases in both good and bad times, and the price at which the shares are sold is more than their average cost. Dollar-cost-averaging does not assure a profit and does not protect against loss in declining markets. Since dollar-cost-averaging involves continuous investment in securities regardless of fluctuating price levels of such securities, investors should consider their financial ability to continue purchases through periods of low price levels. (See: [Formula investing](#))

Down tick – (See: [Up tick](#))

Dow Theory – A theory of market analysis based upon the performance of the Dow Jones Industrial Average and transportation stock price averages. The theory says that the market is in a basic upward trend if one of these averages advances above a previous important high, accompanied or followed by a similar advance in the other. When both averages dip below previous important lows, this is regarded as confirmation of a downward trend. The Dow Jones is one type of market index. (See: [NYSE Composite Index](#))

Earnings report – A statement, also called an income statement, issued by a company showing its earnings or losses over a given period. The earnings report lists the income earned, expenses and the net result. (See: [Balance sheet](#))

Equipment trust certificate – A type of security, generally issued by a railroad, to pay for new equipment. Title to the equipment, such as a locomotive, is held by a trustee until the notes are paid off. An equipment trust certificate is usually secured by a first claim on the equipment.

Equity – The ownership interest of common and preferred stockholders in a company. Also refers to excess of value of securities over the debit balance in a margin account.

Ex-dividend – A synonym for "without dividend." The buyer of a stock selling ex-dividend does not receive the recently declared dividend. When stocks go ex-dividend, the stock tables include the symbol "x" following the name. (See: [Cash sale](#), [Net change](#), [Transfer](#))

Ex-rights – Without the rights. Corporations raising additional money may do so by offering their stockholders the right to subscribe to new or additional stock, usually at a discount from the prevailing market price. The buyer of a stock selling ex-rights is not entitled to the rights. (See: [Ex-dividend](#), [Rights](#))

Extra – The short form of "extra dividend." A dividend in the form of stock or cash in addition to the regular or usual dividend the company has been paying.

Face value – The value of a bond that appears on the face of the bond, unless the value is otherwise specified by the issuing company. Face value is ordinarily the amount the issuing company promises to pay at maturity. Face value is not an indication of market value. Sometimes referred to as par value. (See: [Par](#))

FINRA – The Financial Industry Regulatory Authority (f/k/a National Association of Securities Dealers), is the largest non-governmental regulator for all securities firms doing business in the United States. FINRA was created in July 2007 through the consolidation of NASD and the member regulation, enforcement and arbitration functions of the New York Stock Exchange.

Fiscal year – A corporation's accounting year. Due to the nature of their particular business, some companies do not use the calendar year for their bookkeeping. A typical example is the department store that finds December 31 too early a date to close its books after the Christmas rush. For that reason many stores wind up their accounting year January 31. Their fiscal year, therefore, runs from February 1 of one year through January 31 of the next. The fiscal year of other companies may run from July 1 through the following June 30. Most companies, though, operate on a calendar year basis.

Fixed charges – A company's fixed expenses, such as bond interest, which it has agreed to pay whether or not earned, and which are deducted from income before earnings on equity capital are computed.

Flat income bond – This term means that the price at which a bond is traded includes consideration for all unpaid accruals of interest. Bonds that are in default of interest or principal are traded flat. Income bonds that pay interest only to the extent earned are usually traded flat. All other bonds are usually dealt in "and interest," which means that the buyer pays to the seller the market price plus interest accrued since the last payment date.

Floor – The huge trading area - about the size of a football field - where stocks, bonds and options are bought and sold on the New York Stock Exchange.

Floor broker – A member of the stock exchange who executes orders on the floor of the Exchange to buy or sell any listed securities. (See: [Commission broker](#))

Formula investing – An investment technique. One formula calls for the shifting of funds from common shares to preferred shares or bonds as a selected market indicator rises above a certain predetermined

point - and the return of funds to common share investments as the market average declines.
(See: [Dollar-cost-averaging](#))

Free and open market – A market in which supply and demand are freely expressed in terms of price. Contrasts with a controlled market in which supply, demand and price may all be regulated.

Fundamental research – Analysis of industries and companies based on such factors as sales, assets, earnings, products or services, markets and management. As applied to the economy, fundamental research includes consideration of gross national product, interest rates, unemployment, inventories, savings, etc. (See: [Technical research](#))

Funded debt – Usually interest-bearing bonds or debentures of a company. Could include long-term bank loans. Does not include short-term loans, preferred or common stock.

General mortgage bond – A bond that is secured by a blanket mortgage on the company's property but may be outranked by one or more other mortgages.

Gilt-edged – High-grade bond issued by a company that has demonstrated its ability to earn a comfortable profit over a period of years and pay its bondholders their interest without interruption.

Give-up – A term with many different meanings. For one, a member of the exchange on the floor may act for a second member by executing an order for him or her with a third member. The first member tells the third member that he or she is acting on behalf of the second member and "gives up" the second member's name rather than his or her own.

Gold fix – The setting of the price of gold by dealers (especially in a twice-daily London meeting at the central bank); the fix is the fundamental worldwide price for setting prices of gold bullion and gold-related contracts and products.

Good delivery – Certain basic qualifications must be met before a security sold on the Exchange may be delivered. The security must be in proper form to comply with the contract of sale and to transfer title to the purchaser.

Good 'til canceled (GTC) or open order - An order to buy or sell that remains in effect until it is either executed or canceled.

Government bonds – Obligations of the U.S. Government, regarded as the highest grade securities issues.

Growth stock – Stock of a company with a record of growth in earnings at a relatively rapid rate.

Holding company – A corporation that owns the securities of another, in most cases with voting control.

Hypothecation – The pledging of securities as collateral - for example, to secure the debit balance in a margin account.

Income bond – Generally income bonds promise to repay principal but to pay interest only when earned. In some cases unpaid interest on an income bond may accumulate as a claim against the corporation when the bond becomes due. An income bond may also be issued in lieu of preferred stock.

Indenture – A written agreement under which bonds and debentures are issued, setting forth maturity date, interest rate and other terms.

Independent broker – Member on the floor of the NYSE who executes orders for other brokers having more business at that time than they can handle themselves, or for firms who do not have their exchange member on the floor.

Index – A statistical yardstick expressed in terms of percentages of a base year or years. For instance, the NYSE Composite Index of all NYSE common stocks is based on 1965 as 50. An index is not an average. (See [Averages](#), [NYSE Composite Index](#))

Initial public offering – (See: [Primary distribution](#))

Institutional investor – An organization whose primary purpose is to invest its own assets or those held in trust by it for others. Includes pension funds, investment companies, insurance companies, universities and banks.

Interest – Payments borrowers pay lenders for the use of their money. A corporation pays interest on its bonds to its bondholders. (See: [Bond](#), [Dividend](#))

Intermarket Trading System (ITS) – An electronic communications network now linking the trading floor of seven registered exchanges and FINRA to foster competition among them in stocks listed on either the NYSE or AMEX and one or more regional exchanges. Through ITS, any broker or market maker on the floor of any participating market can reach out to other participants for an execution whenever the nationwide quote shows a better price is available.

Interrogation device – A computer terminal that provides market information - last sale price, quotes, volume, etc. - on a screen or paper tape.

Investment – The use of money for the purpose of making more money, to gain income, increase capital, or both.

Investment banker – Also known as an underwriter. The middleman between the corporation issuing new securities and the public. The usual practice is for one or more investment bankers to buy outright from a corporation a new issue of stocks or bonds. The group forms a syndicate to sell the securities to individuals and institutions. Investment bankers also distribute very large blocks of stocks or bonds - perhaps held by an estate. (See: [Primary distribution](#), [Syndicate](#))

Investment Company – A company or trust that uses its capital to invest in other companies. There are two principal types: the closed-end and the open-end, or mutual fund. Shares in closed-end investment companies, some of which are listed on the New York Stock Exchange, are readily transferable in the open market and are bought and sold like other shares. Capitalization of these companies remains the same unless action is taken to change, which is seldom. Open-end funds sell their own shares to investors, stand ready to buy back their old shares, and are not listed. Open-end funds are so called because their capitalization is not fixed; they issue more shares as people want them.

Investment counsel – One whose principal business consists of acting as investment advisor and rendering investment supervisory services.

IRA – Individual retirement account. A pension plan with tax advantages. IRAs permit investment through intermediaries like mutual funds, insurance companies and banks, or directly in stocks and bonds through stockbrokers. (See: [Keogh Plan](#))

Issue – Any of a company's securities, or the act of distributing such securities.

Keogh plan – Tax-advantaged personal retirement program that can be established by a self-employed individual. (See: [IRA](#))

Legal list – A list of investments selected by various states in which certain institutions and fiduciaries, such as insurance companies and banks, may invest. Legal lists are often restricted to high-quality securities meeting certain specifications. (See: [Prudent Man Rule](#))

Leverage – The effect on a company when the company has bonds, preferred stock, or both outstanding. Example: If the earnings of a company with 1,000,000 common shares increases from \$1,000,000 to \$1,500,000, earnings per share would go up from \$1 to \$1.50, or an increase of 50%. But if earnings of a company that had to pay \$500,000 in bond interest increased that much, earnings per common share would jump from \$.50 to \$1 a share, or 100%.

Liabilities – All the claims against a corporation. Liabilities include accounts, wages and salaries payable; dividends declared payable; accrued taxes payable; and fixed or long-term liabilities, such as mortgage bonds, debentures and bank loans. (See: [Assets](#), [Balance sheet](#))

Limit, limited order, or limited price order – An order to buy or sell a stated amount of a security at a specified price, or at a better price, if obtainable after the order is represented in the trading crowd.

Liquidation – The process of converting securities or other property into cash. The dissolution of a company, with cash remaining after sale of its assets and payment of all indebtedness being distributed to the shareholders.

Liquidity – The ability of the market in a particular security to absorb a reasonable amount of buying or selling at reasonable price changes. Liquidity is one of the most important characteristics of a good market.

Listed stock – The stock of a company that is traded on a securities exchange.

Load – The portion of the offering price of shares of open-end investment companies in excess of the value of the underlying assets. Covers sales commissions and all other costs of distribution. The load is usually incurred only on purchase, there being, in most cases, no charge when the shares are sold (redeemed). (See: [Investment Company](#))

Locked in – Investors are said to be locked in when they have profit on a security they own but do not sell because their profit would immediately become subject to the capital gains tax.

Long – Signifies ownership of securities. "I am long 100 U.S. steel" means the speaker owns 100 shares. (See: [Short position](#), [Short sale](#))

Manipulation – An illegal operation. Buying or selling a security for the purpose of creating false or misleading appearance of active trading or for the purpose of raising or depressing the price to induce purchase or sale by others.

Margin – The amount paid by the customer when using a broker's credit to buy or sell a security. Under Federal Reserve regulations, the initial margin requirement since 1945 has ranged from the current rate of 50% of the purchase price up to 100%. (See: [loan](#), [Equity](#))

Margin call – A demand upon a customer to put up money or securities with the broker. The call is made when a purchase is made; also if a customer's account declines below a minimum standard set by the exchange or by the firm.

Market order – An order to buy or sell a stated amount of a security at the most advantageous price obtainable after the order is represented in the trading crowd. (See: [Good 'til canceled order](#), [Limit order](#), [Stop order](#))

Market price – The last reported price at which the stock or bond sold, or the current quote. (See: [Quote](#))

Maturity – The date on which a loan or bond comes due and is to be paid off.

Member Corporation – A securities brokerage firm, organized as a corporation, with at least one member of the New York Stock Exchange who is an officer or employee of the corporation.

Member firm – A securities brokerage firm organized as a partnership and having at least one general partner or employee who is a member of the New York Stock Exchange.

Member organization – The term includes New York Stock Exchange member firms and member corporations.

Merger – Combination of two or more corporations.

Money market fund – A mutual fund whose investments are in high-yield money market instruments such as federal securities, CDs and commercial paper. Its intent is to make such instruments, normally purchased in large denominations by institutions, available indirectly to individuals. (See: [Certificate of deposit](#), [Commercial paper](#))

Mortgage bond – A bond secured by a mortgage on a property. The value of the property may or may not equal the value of the bonds issued against it. (See: [Bond](#), [Debenture](#))

Municipal bond – A bond issued by a state or a political subdivision, such as county, city, town or village. The term also designates bonds issued by state agencies and authorities. In general, interest paid on municipal bonds is exempt from federal income taxes and state and local taxes within the state of issue. However, interest may be subject to the alternative minimum tax (AMT).

Mutual fund – (See: [Investment company](#))

NASD – please refer to the details listed above for [FINRA](#).

NASDAQ – An automated information network that provides brokers and dealers with price quotations on securities traded over-the-counter. NASDAQ is an acronym for National Association of Securities Dealers Automated Quotations.

Negotiable – Refers to a security, the title to which is transferable by delivery.

Net asset value – Usually used in connection with investment companies to mean net asset value per share. An investment company computes its assets daily, or even twice daily, by totaling the market value of all securities owned. All liabilities are deducted, and the balance is divided by the number of shares outstanding. The resulting figure is the net asset value per share. (See: [Assets](#), [Investment Company](#))

Net change – The change in the price of a security from the closing price on one day to the closing price the next day on which the stock is traded. The net change is ordinarily the last figure in the newspaper stock price list. The mark +1 1/8 means up \$1.125 a share from the last sale on the previous day the stock traded.

New issue – A stock or bond sold by a corporation for the first time. Proceeds may be used to retire outstanding securities of the company, for new plant or equipment, for additional working capital, or to acquire a public ownership interest in the company for private owners.

New York Futures Exchange (NYFE) – A subsidiary of the New York Stock Exchange devoted to the trading of futures products.

New York Stock Exchange (NYSE) – The largest organized securities market in the United States, founded in 1792. The Exchange itself does not buy, sell, own or set the prices of securities traded there. The prices are determined by public supply and demand. The Exchange is a non-profit corporation of 1,366 individual members, governed by a board of directors consisting of 10 public representatives, 10 Exchange members or allied members and a full-time chairman, executive vice chairman and president.

Noncumulative – A type of preferred stock on which unpaid dividends do not accrue. Omitted dividends are, as a rule, gone forever. (See: [Cumulative preferred](#))

NYSE Composite Index – The composite index covering price movements of all common stocks listed on the New York Stock Exchange. It is based on the close of the market December 31, 1965, as 50 and is weighted according to the number of shares listed for each issue. The index is computed continuously and printed on the ticker tape. Point changes in the index are converted to dollars and cents so as to provide a meaningful measure of changes in the average price of listed stocks. The composite index is supplemented by separate indexes for four industry groups: industrial, transportation, utility and finance. (See: [Averages](#))

Odd Lot – An amount of stock less than the established 100-share unit. (See: [Round lot](#))

Off-board – This term may refer to transactions over-the-counter in unlisted securities or to transactions of listed shares that are not executed on a national securities exchange.

Offer – The price at which a person is ready to sell. Opposed to bid, the price at which one is ready to buy. (See: [Bid and Asked](#))

Open-end investment company – (See: [Investment company](#))

Open order – (See: [Good 'til canceled order](#))

Overbought – An opinion as to price levels. May refer to a security that has had a sharp rise or to the market as a whole after a period of vigorous buying which, it may be argued, has left prices "too high."

Oversold – The reverse of overbought. A single security or a market which, it is believed, has declined to an unreasonable level.

Over-the-counter – A market for securities made up of securities dealers who may or may not be members of a securities exchange. The over-the-counter market is conducted over the telephone and deals mainly with stocks of companies without sufficient shares, stockholders or earnings to warrant listing on an exchange. Over-the-counter dealers may act either as principals or as brokers for customers. The over-the-counter market is the principal market for bonds of all types.
(See: [FINRA](#), [NASDAQ](#))

Paper profit (loss) – An unrealized profit or loss on a security still held. Paper profits and losses become realized only when the security is sold. (See: [Profit-taking](#))

Par – In the case of a common share, par means a dollar amount assigned to the share by the company's charter. Par value may also be used to compute the dollar amount of common shares on the balance sheet. Par value has little relationship to the market value of common stock. Many companies issue no-par stock but give a stated per share value on the balance sheet. In the case of preferred stocks it signifies the dollar value upon which dividends are figured. With bonds, par value is the face amount, usually \$1,000.

Participating preferred – A preferred stock that is entitled to its stated dividend and to additional dividends on a specified basis upon payment of dividends on the common stock.

Passed dividend – Omission of a regular or scheduled dividend.

Penny stocks – Low-priced issues, often highly speculative, selling at less than \$1 a share. Frequently used as a term of disparagement, although some penny stocks have developed into investment-caliber issues.

Point – In the case of shares of stock, a point means \$1. If ABC shares rise 3 points, each share has risen \$3. In the case of bonds a point means \$10, since a bond is quoted as a percentage of \$1,000. A bond that rises 3 points gains 3% in \$1,000, or \$30 in value. An advance from 87 to 90 would mean an advance in dollar value from \$870 to \$900. In the case of market averages, the word point means merely that and no more. If, for example, the NYSE Composite Index rises from 90.25 to 91.25, it has risen a point. A point in this index, however, is not equivalent to \$1. (See: [Index](#))

Portfolio – Holdings of securities by an individual or institution. A portfolio may contain bonds, preferred stocks, common stocks and other securities.

Preferred stock – A class of stock with a claim on the company's earnings before payment may be made on the common stock and usually entitled to priority over common stock if the company liquidates. Usually entitled to dividends at a specified rate - when declared by the board of directors and before

payment of a dividend on the common stock - depending upon the terms of the issue. (See: [Cumulative preferred](#), [Participating preferred](#))

Premium – The amount by which a bond or preferred stock may sell above its par value. May refer, also, to redemption price of a bond or preferred stock if it is higher than face value.

Price-to-earnings ratio – A popular way to compare stocks selling at various price levels. The P/E ratio is the price of a share of stock divided by earnings per share for a 12-month period. For example, a stock selling for \$50 a share and earning \$5 a share is said to be selling at a price-to-earnings ratio of 10.

Primary distribution – Also called primary or initial public offering. The original sale of a company's securities. (See: [Investment banker](#))

Prime rate – The lowest interest rate charged by commercial banks to their most credit-worthy customers; other interest rates, such as personal, automobile, commercial and financing loans are often pegged to the prime.

Principal – The person for whom a broker executes an order, or dealers buying or selling for their own accounts. The term "principal" may also refer to a person's capital or to the face amount of a bond.

Profit-taking – Selling stock that has appreciated in value since purchase, in order to realize the profit. The term is often used to explain a downturn in the market following a period of rising prices. (See: [Paper profit](#))

Prospectus – The official selling circular that must be given to purchasers of new securities registered with the Securities and Exchange Commission. It highlights the much longer Registration Statement file with the Commission.

Proxy – Written authorization given by a shareholder to someone else to represent him or her and vote his or her shares at a shareholders meeting.

Proxy statement – Information given to stockholders in conjunction with the solicitation of proxies.

Prudent Man Rule – An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest the fund's money only in a list of securities designated by the state - the so-called legal list. In other states, the trustee may invest in a security if it is one that would be bought by a prudent person of discretion and intelligence, who is seeking a reasonable income and preservation of capital. (See: [Legal list](#))

Quote – The highest bid to buy and the lowest offer to sell a security in a given market at a given time. If you ask your financial advisor for a "quote" on a stock, he or she may come back with something like "45 1/4 to 45 1/2." This means that \$45.25 is the highest price any buyer wanted to pay at the time the quote was given on the floor of the exchange and that \$45.50 was the lowest price that any seller would take at the same time. (See: [Bid and asked](#))

Rally – A brisk rise following a decline in the general price level of the market, or in an individual stock.

Real Estate Investment Trust (REIT) – An organization similar to an investment company in some respects but concentrating its holdings in real estate investments. The yield is generally liberal since REITs are required to distribute as much as 90% of their income. (See: [Investment Company](#))

Record date – The date on which you must be registered as a shareholder of a company in order to receive a declared dividend or, among other things, to vote on company affairs. (See: Ex-dividend, [Transfer](#))

Redemption price – The price at which a bond may be redeemed before maturity, at the option of the issuing company. Redemption value also applies to the price the company must pay to call in certain types of preferred stock. (See: [Callable](#))

Red herring – A registration statement filed with but not yet approved by the Securities and Exchange Commission (SEC). (See: [Prospectus](#))

Refinancing – Same as refunding. New securities are sold by a company and the money is used to retire existing securities. The object may be to save interest costs, extend the maturity of the loan, or both.

Registered bond – A bond that is registered on the books of the issuing company in the name of the owner. It can be transferred only when endorsed by the registered owner. (See: Bearer, [Coupon bond](#))

Registered competitive market maker – Members of the New York Stock Exchange who trade on the floor for their own or their firm's account and who have an obligation, when called upon by an exchange official, to narrow a quote or improve the depth of an existing quote by their own bid or offer.

Registered representative – The man or woman who serves the investor customers of a broker/dealer. In a New York Stock Exchange-member organization, a registered representative must meet the requirements of the exchange as to background and knowledge of the securities business. Also known as a financial advisor or customer's broker.

Registrar – Usually a trust company or bank charged with the responsibility of keeping record of the owners of a corporation's securities and preventing the issuance of more than the authorized amount. (See: [Transfer](#))

Registration – Before an initial public offering may be made of new securities by a company, the securities must be registered under the Securities Act of 1933. A registration statement is filed with the SEC by the issuer. It must disclose pertinent information relating to the company's operations, securities, management and purpose of the public offering. Before a security may be admitted to dealings on a national securities exchange, it must be registered under the Securities Exchange Act of 1934. The application for registration must be filed with the exchange and the SEC by the company issuing the securities.

Regular way delivery – Unless otherwise specified, securities sold on the New York Stock Exchange are to be delivered to the buying broker by the selling broker and payment made to the selling broker by the buying broker on the third business day after the transaction. Regular way delivery for bonds is the following business day. (See: [Transfer](#))

Regulation T – The federal regulation governing the amount of credit that may be advanced by brokers and dealers to customers for the purchase of securities. (See: [Margin](#))

Regulation U – The federal regulation governing the amount of credit that may be advanced by banks to customers for the purchase of listed stocks. (See: [Margin](#))

Rights – When a company wants to raise more funds by issuing additional securities, it may give its stockholders the opportunity, ahead of others, to buy the new securities in proportion to the number of shares each owns. The piece of paper evidencing this privilege is called a right. Because the additional stock is usually offered to stockholders below the current market price, rights ordinarily have a market value of their own and are actively traded. In most cases they must be exercised within a relatively short period. Failure to exercise or sell rights may result in monetary loss to the holder. (See: [Warrants](#))

Round lot – A unit of trading or a multiple thereof. On the NYSE, the unit of trading is generally 100 shares in stocks and \$1,000 or \$5,000 par value in the case of bonds. In some inactive stocks, the unit of trading is 10 shares. (See: [Odd lot](#))

Scale order – An order to buy (or sell) a security, that specifies the total amount to be bought (or sold) at specified price variations.

Scripophily – A term coined in the mid-1970s to describe the hobby of collecting antique bonds, stocks and other financial instruments. Values are affected by beauty of the certificate and the issuer's role in world finance and economic development.

Seat – A traditional figure of speech for a membership on an exchange.

SEC – The Securities and Exchange Commission, established by Congress to help protect investors. The SEC administers the Securities Act of 1933, the Securities Exchange Act of 1934, the Securities Act Amendments of 1975, the Trust Indenture Act, the Investment Company Act, the Investment Advisers Act and the Public Utility Holding Company Act.

Secondary distribution – Also known as secondary offering. The redistribution of a block of stock sometime after it has been sold by the issuing company. The sale is handled off the NYSE by a securities firm or group of firms and the shares are usually offered at a fixed price related to the current market price of the stock. Usually the block is a large one, such as might be involved in the settlement of an estate. The security may be listed or unlisted. (See: [Investment banker](#), [Primary distribution](#))

Securities Industry Automation Corporation (SIAC) – An independent organization established by the New York and American Stock Exchanges as a jointly owned subsidiary to provide automation, data processing, clearing and communications services.

Securities Investor Protection Corporation (SIPC) – Provides funds for use, if necessary, to protect customers' cash and securities that may be on deposit with a SIPC member firm in the event the firm fails and is liquidated under the provisions of the SIPC Act. SIPC is not a government agency. It is a non-profit membership corporation created, however, by an act of Congress.

Seller's option – A special transaction on the NYSE that gives the seller the right to deliver the stock or bond at any time within a specified period, ranging from not less than two business days to not more than 60 days.

Sell side – The portion of the securities business in which orders are transacted. The sell side includes retail brokers, institutional brokers and traders, and research departments. If an institutional portfolio manager changes jobs and becomes a registered representative, he or she has moved from the buy side to the sell side.

Serial bond – An issue that matures in part at periodic stated intervals.

Settlement – Conclusion of a securities transaction when a customer pays a broker/dealer for securities purchased or delivers securities sold and receives from the broker the proceeds of a sale. (See: [Regular way delivery](#), [Cash sale](#))

Short covering – Buying stock to return stock previously borrowed to make delivery on a short sale.

Short sale – A transaction by a person who believes a security will decline and sells it, though the person does not own any. For instance: You instruct your broker to sell short 100 shares of XYZ. Your broker borrows the stock so delivery can be made to the buyer. The money value of the shares borrowed is deposited by your broker with the lender. Sooner or later you must cover your short sale by buying the same amount of stock you borrowed for return to the lender. If you are able to buy XYZ at a lower price than you sold it for, your profit is the difference between the two prices - not counting commissions and taxes. But if you have to pay more for the stock than the price you received, that is the amount of your loss. Stock exchange and federal regulations govern and limit the conditions under which a short sale may be made on a national securities exchange. Sometimes people will sell short a stock they already own in order to protect a paper profit. This is known as selling short against the box.

Sinking fund – Money regularly set aside by a company to redeem its bonds, debentures or preferred stock from time to time as specified in the indenture or charter.

Specialist – A member of the New York Stock Exchange who has two primary functions: first, to maintain an orderly market in the securities registered to the specialist. In order to maintain an orderly market, the exchange expects specialists to buy or sell for their own account, to a reasonable degree, when there is a temporary disparity between supply and demand. Second, the specialist acts as a broker's broker. When commission brokers on the exchange floor receive a limit order, say, to buy at \$50 a stock then selling at \$60 - they cannot wait at the post where the stock is traded to see if the price reaches the specified level. They leave the order with a specialist, who will try to execute it in the market if and when the stock declines to the specified price. At all times the specialists must put their customers' interests above their own. (See: [Limit order](#))

Speculation – The employment of funds by a speculator. Safety of principal is a secondary factor. (See: [Investment](#))

Speculator – One who is willing to assume a relatively large risk in the hope of gain.

Spin off – The separation of a subsidiary or division of a corporation from its parent company by issuing shares in a new corporate entity. Shareowners in the parent company receive shares in the new company in proportion to their original holding and the total value remains approximately the same.

Split – The division of the outstanding shares of a corporation into a larger number of shares. A 3-for-1 split by a company with 1 million shares outstanding results in 3 million shares outstanding. Each holder of 100 shares before the 3-for-1 split would have 300 shares, although the proportionate equity in the

company would remain the same; 100 parts of 1 million are the equivalent of 300 parts of 3 million. Ordinarily, splits must be voted by directors and approved by shareholders. (See: [Stock dividend](#))

Stock – (See: [Capital stock](#), [Common stock](#), [Preferred stock](#))

Stock dividend – A dividend paid in securities rather than in cash. The dividend may be additional shares of the issuing company, or in shares of another company (usually a subsidiary) held by the company.

Stock exchange – An organized marketplace for securities featured by the centralization of supply and demand for the transaction of orders by member brokers for institutional and individual investors. (See: [New York Stock Exchange](#))

Stockholder of record – A stockholder whose name is registered on the books of the issuing corporation. (See: [Registrar](#))

Stock index futures – Futures contracts based on market indexes, e.g. NYSE Composite Index Futures Contracts.

Stock ticker symbols – Every corporation whose transactions are reported on the NYSE or AMEX ticker or on NASDAQ has been given a unique identification symbol of up to four letters. These symbols abbreviate the complete corporate name and facilitate trading and ticker reporting. Some of the most famous symbols are: T (American Telephone & Telegraph), XON (Exxon), GM (General Motors), IBM (International Business Machines), S (Sears Roebuck) and XRX (Xerox).

Stop limit order – A stop order that becomes a limit order after the specified stop price has been reached. (See: [Limit Order](#), [Stop Order](#))

Stop order – An order to buy at a price above or sell at a price below the current market. Stop buy orders are generally used to limit loss or protect unrealized profits on a short sale. Stop sell orders are generally used to protect unrealized profits or limit loss on a holding. A stop order becomes a market order when the stock sells at or beyond the specified price and, thus, may not necessarily be executed at that price.

Street name – Securities held in the name of a broker instead of a customer's name are said to be carried in "street name." This occurs when the securities have been bought on margin or when the customer wishes the security to be held by the broker.

Swapping – Selling one security and buying a similar one almost at the same time to take a loss, usually for tax purposes.

Syndicate – A group of investment bankers who together underwrite and distribute a new issue of securities or a large block of an outstanding issue.

Technical research – Analysis of the market and stocks based on supply and demand. The technician studies price movements, volume, trends and patterns, which are revealed by charting these factors, and attempts to assess the possible effect of current market action on future supply and demand for securities and individual issues. (See: [Fundamental research](#))

Tender offer – A public offer to buy shares from existing stockholders of one public corporation by another public corporation under specified terms good for a certain time period. Stockholders are asked to "tender" (surrender) their holdings for stated value, usually at a premium above current market price, subject to the tendering of a minimum and maximum number of shares.

Third market – Trading of stock exchange-listed securities in the over-the-counter market by non-exchange member brokers.

Ticker – A telegraphic system that continuously provides the last sale prices and volume of securities transactions on exchanges. Information is either printed or displayed on a moving tape after each trade.

Trader – Individuals who buy and sell for their own accounts for short-term profit. Also, an employee of a broker/dealer or financial institution who specializes in handling purchases and sales of securities for the firm and/or its clients. (See: [Speculator](#))

Trading floor – (See: [Floor](#))

Trading post – The structure on the floor of the New York Stock Exchange at which stocks or options are bought and sold.

Transfer – This term may refer to two different operations. For one, the delivery of a stock certificate from the seller's broker to the buyer's broker and legal change of ownership, normally accomplished within a few days. For another, to record the change of ownership on the books of the corporation by the transfer agent. When the purchaser's name is recorded, dividends, notices of meetings, proxies, financial reports and all pertinent literature sent by the issuer to its securities holders are mailed directly to the new owner. (See: [Registrar](#), [Street name](#))

Transfer agent – A transfer agent keeps a record of the name of each registered shareowner, his or her address, the number of shares owned, and sees that certificates presented for transfer are properly canceled and new certificates issued in the name of the new owner. (See: [Registrar](#))

Treasury stock – Stock issued by a company but later reacquired. It may be held in the company's treasury indefinitely, reissued to the public or retired. Treasury stock receives no dividends and has no vote while held by the company.

Turnover rate – The volume of shares traded in a year as a percentage of total shares listed on an exchange, outstanding for an individual issue or held in an institutional portfolio.

Underwriter – (See: [Investment banker](#))

Unlisted stock – A security not listed on a stock exchange. (See: [Over-the-counter](#))

Up tick – A term used to designate a transaction made at a price higher than the preceding transaction. Also called a "plus" tick. A "zero-plus" tick is a term used for a transaction at the same price as the preceding trade but higher than the preceding different price. Conversely, a down tick, or "minus" tick, is a term used to designate a transaction made at a price lower than the preceding trade. A plus sign, or a minus sign, is displayed throughout the day next to the last price of each stock at the trading post on the floor of the New York Stock Exchange.

Variable annuity – A life insurance policy where the annuity premium (a set amount of dollars) is immediately turned into units of a portfolio of stocks. Upon retirement, the policyholder is paid according to accumulated units, the dollar value of which varies according to the performance of the stock portfolio. Its objective is to preserve, through stock investment, the purchasing value of the annuity which otherwise is subject to erosion through inflation.

Volume – The number of shares or contracts traded in a security or an entire market during a given period. Volume is usually considered on a daily basis and a daily average is computed for longer periods.

Voting right – Common stockholders' right to vote their stock in affairs of a company. Preferred stock usually has the right to vote when preferred dividends are in default for a specified period. The right to vote may be delegated by the stockholder to another person. (See: [Cumulative voting](#), [Proxy](#))

Warrants – Certificates giving the holder the right to purchase securities at a stipulated price within a specified time limit or perpetually. Sometimes a warrant is offered with securities as an inducement to buy. (See: [Rights](#))

When issued – A short form of "when, as and if issued." The term indicates a conditional transaction in a security authorized for issuance but not as yet actually issued. All "when issued" transactions are on an "if" basis, to be settled if and when the actual security is issued and the exchange or National Association of Securities Dealers rules the transactions are to be settled.

Working control – Theoretically, ownership of 51% of a company's voting stock is necessary to exercise control. In practice - and this is particularly true in the case of a large corporation - effective control sometimes can be exerted through ownership, individually or by a group acting in concert, of less than 50%.

Yield – Also known as return. The dividends or interest paid by a company expressed as a percentage of the current price. A stock with a current market value of \$40 a share paying dividends at the rate of \$3.20 is said to return 8% ($\$3.20 \div \40.00). The current yield on a bond is figured the same way.

Yield to maturity – The yield of a bond to maturity takes into account the price discount from or premium over the face amount. It is greater than the current yield when the bond is selling at a discount and less than the current yield when the bond is selling at a premium.

Zero coupon bond – A bond that pays no interest but is priced, at issue, at a discount from its redemption price.

Resolution 18-27 Adopted: September 17, 2018

RESOLUTION NO. 18-27

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DESTIN,
FLORIDA, AUTHORIZING THE INVESTMENT OF FUNDS OF THE
CITY OF DESTIN; AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, under the provisions of section 218.415, Florida Statutes, the investment activity of a local government must be consistent with a written investment policy which provides guidance for the investment of its funds; and

WHEREAS, the objective of the Investment Policy is to balance the safety of capital, liquidity of funds, and investment income while obtaining a reasonable rate of return on said funds until such time as they are needed for City purposes;

WHEREAS, the purpose of this Investment Policy is to set forth the investment objectives and parameters for the management of public funds accumulated by the City of Destin Florida. This policy is designed to ensure the prudent management of the City's public funds and maintain an investment return that is competitive with comparable funds and financial market indices;

WHEREAS, in accordance with Section 218.415, Florida Statutes, this Policy applies to all financial assets, of the City of Destin with the exception of Pension Funds and funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds;

WHEREAS, except where specifically directed by the State Constitution, statutes, or regulations, the general investment policies of the City of Destin will be guided by the "prudent person" rule. Investments should be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering first the probable safety and liquidity of their capital; and secondly, the probable income to be derived from the investment;

WHEREAS, the Finance Officer is responsible for reporting investment results quarterly. Such reports are to include securities in the portfolio by class/type, book value, and market value as of date of the report and are to be made publicly available for review;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Destin does hereby authorize, on behalf of the City, the Investment Policy attached hereto as Exhibit "A":

ADOPTED THIS 17TH DAY OF SEPTEMBER 2018

Gary Jarvis, Mayor

ATTEST:

Rey Bailey, City Clerk

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: City Manager Report

TO: City Council

THRU:

FROM: Lance Johnson, Interim City Manager

DATE:

SUBJECT: Feasibility of OCSO deputy assisting code enforcement during peak season.

I. BACKGROUND: Possible options:

Hire off-duty OCSO deputy to assist during peak season or as needed. (budget funds in contract services).

Include part time deputy in OCSO contract.

II. DISCUSSION:

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB):

C. Level of Service (LOS):

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

None

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Resolution

TO: City Council

THRU: Lance Johnson, Interim City Manager

FROM: Lisa Firth, Interim Parks & Rec Director

DATE: September 10, 2018

SUBJECT: Resolution 18-32- Request FDOT for temporary closing of US Hwy 98 for the December 8, 2018 Destin Christmas Parade.

I. BACKGROUND: The City of Destin is seeking a Temporary Closing of Highway 98 for the 33rd Annual Christmas Parade. One of the requirements of the DOT permit is to seek City Council approval through Resolution.

II. DISCUSSION: This has been a standard procedure for the past 34 years of conducting the parade. Once Destin City Council approves the Resolution 18-32, the FDOT permit can be processed.

A. Link to Strategic Goals / Objectives: Enhancing the quality of life for residents and visitors of Destin.

B. Effect on Budget (EOB): None.

C. Level of Service (LOS): The Destin Christmas Parade attracts thousands of spectators and participants annually. The City continues in its effort to provide quality programs that enhance quality of life for residents, businesses and visitors.

III. CONCLUSION: Staff recommends that Council adopts Resolution 18-32 to support the 34th Annual Destin Christmas Parade held on Saturday, December 8, 2018 at 10 a.m.

IV. RECOMMENDED MOTION: I move that the City Council adopt Resolution 18-32 in support of the 34th Annual Destin Christmas Parade.

Attachments:

1. Resolution 18-32 34th Annual
Christmas Parade

RESOLUTION 18-32

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DESTIN
AUTHORIZING THE EXECUTION OF A REQUEST FOR
TEMPORARY CLOSING / SPECIAL USE OF STATE ROAD.**

WHEREAS, the Florida Department of Transportation (the "FDOT") requires public entities desiring to close a State Road for parades or other like purposes to submit a duly executed Resolution, or a certified copy of an excerpt of minutes of a duly scheduled meeting, regarding the public entities' assumption of liability and responsibility for the foreseeable consequences of said road closing; and

WHEREAS, the FDOT requires public entities desiring to close State Road for parades or other like purposes to execute a Request for Temporary Closing / Special Use of a State Road (the "Permit Application"); and

NOW, THEREFORE, BE IT RESOLVED, the City Manager is authorized to execute the Permit Application for temporary closing / Special Use of State Road, a portion of Harbor Boulevard for the 2018 Destin Christmas Parade.

ADOPTED THIS 17th DAY OF September 2018.

By:

Gary Jarvis, Mayor

ATTEST:

Rey Bailey, City Clerk

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Consent Agenda

TO: City Council

THRU: Bragg Farmer, Finance Director
Lance Johnson, Interim City Manager

FROM: Webb Warren, IS & Process Manager

DATE:

SUBJECT: Tyler Content Management Software for Munis Financial System

I. BACKGROUND:

The City of Destin has used Tyler Technologies/Munis as our financial/HR system for almost 20 years. This is a FY 2018 budgeted software addition for the new version of Munis to be installed (ACCT 151932-564001) to support our financial system software. Tyler Technologies is the only vendor who can perform these services. This software package will drastically enhance the document storage and retrieval capabilities for the Munis platform as well as the overall efficiency of city staff. This is an upgrade that is critical to the future capabilities of our financial management system.

This implementation was originally planned and scheduled for FY 2018, but the MUNIS implementation team had an 8 month lead time before implementation (scheduled for Oct-Nov 2018)

II. DISCUSSION:

- A. **Link to Strategic Goals / Objectives:** Service Excellence
- B. **Effect on Budget (EOB):** Money is budgeted in 2018
- C. **Level of Service (LOS):**

III. CONCLUSION: The purchase and implementation of Tyler Content Manager will decrease paper and manual processes within the city and accelerate the transfer of information throughout the organization. It will make information retrieval more efficient for all users. It is a critical component of the Munis platform for future enhancements in the system.

IV. RECOMMENDED MOTION: I move to approve the Tyler Technologies quote #2018-52791 for \$19,740 from budgeted FY 2018 funds (ACCT 151932-564001), for the Tyler Content Manager software license and implementation services, and authorize the city staff to proceed with the installation of the upgrade to the Munis platform.

Attachments:

1. Tyler-Content-Manager-Product-Sheet
2. Destin TCM SE



Tyler Content Manager

Tyler Content Manager manages file content easily and effectively—so you can win that proverbial “paper” chase. We understand that the quest to become a paperless society has created more paper and more electronic file content than ever before! We specialize in managing content, to save you valuable time, energy and dollars. Say goodbye to content that’s been handled multiple times, stored in multiple places, misfiled, misplaced and sometimes... just plain MISSING!

Proven Results

Quick and Easy Document Retrieval

Like their paper-based counterparts, many electronic filing systems rely on “folders” and “directories.” To find anything, the user must understand the way the files have been organized. Tyler Content Manager provides a simpler, more intuitive and more powerful indexing and search system that allows you to quickly retrieve documents, without having to understand arcane directory structures. Simple key word searches produce the documents you want, while letting you view all other logically related documents.

Supports Native File Formats

Tyler Content Manager supports a variety of electronic file formats, for scanned images, word processing documents and spreadsheets... and also accepts other electronically-received content like faxes, TIFF images, PDF and electronic forms, photos, Microsoft file formats and emails. And, all of your items can be saved in the same location—regardless of format.

Powerful Management

Capture Content from Multiple Sources

In addition to scanning directly into Tyler Content Manager from any TWAIN scanner, Windows drag-and-drop techniques can be used to associate electronic information to a folder. Utilities are available to “Acquire an Image” from a directory and to mass load images for batch processing. Web Services API allows the flow of data and content to and from Tyler Content Manager and other applications.

OCR and Full Text Searching

Proper organization and indexing of documents is paramount to whether or not your electronic content is useful and meaningful. Tyler Content Manager uses Optical Character Recognition (OCR) to allow a query on the full text of any scanned document, as well as text-based files such as MS Word and Excel.

...Continued on Reverse

Tyler Content Manager—built on more than 25 years of experience, developing and deploying content management applications. Organize and streamline the flow of digital information throughout your enterprise... and bring order and peace of mind to the task of records and content management.

Native File Formats

TWAIN Compliant

Annotation and Redaction

Audit and Version Management

Full Text OCR Searching

OCR, Automatic Indexing

Batch Processing

Bar Code Recognition

Flexible Workflow

Report Generator

Web Service API

Form Processing

Empowering people who serve the public™



For more information, visit
www.tylertech.com

or email
info@tylertech.com

Tyler Content Manager

Powerful Management (cont.)

Extensive Security, Audit and Versioning

Keep confidential information secure with the extensive built-in security features of Tyler Content Manager—whether it be user-specific or content specific. With the built in versioning and audit trail functions, see who has modified information. Compare versions, or restore content from previous versions.

Add-on Modules

With add-on modules, you can increase the power and capabilities of your Tyler Content Manager system to suit your needs. For instance, publish documents to the Web that are available with Tyler's Web-enabled Public Access module. Create and manage tasks using our Workflow module. Even search documents using your GIS data and mapping interface, and Tyler's GIS Viewer. With eForms, create document templates that can be completed and submitted remotely (such as marriage and permit applications, and so forth). And, with Advanced OCR, enjoy the benefits of automated data capture.



Quoted By: Cindy Chase
Date: 6/29/2018
Quote Expiration: 12/26/2018
Quote Name: Destin - ERP - TCM SE
Quote Number: 2018-52791
Quote Description: TCM SE

Sales Quotation For

City of Destin
4200 Indian Bayou Trl
Destin, FL 32541-4305
Phone +1 (850) 837-4242
Email: wwarren@cityofdestin.com

Tyler Software and Related Services

Description	License	Impl. Hours	Impl. Cost	Data Conversion	Module Total	Year One Maintenance
Productivity:						
Tyler Content Manager SE	\$9,000.00	32	\$5,120.00	\$0.00	\$14,120.00	\$1,620.00
TOTAL:	\$9,000.00	32	\$5,120.00	\$0.00	\$14,120.00	\$1,620.00

Other Services

Description	Quantity	Unit Price	Unit Discount	Extended Price
Tyler Content Manager SE Forms GoDocs Upgrade (Existing Clients)	1	\$2,500.00	\$0.00	\$2,500.00
Tyler Content Manager SE Installation (Existing Clients)	1	\$1,500.00	\$0.00	\$1,500.00
TOTAL:				\$4,000.00

Summary

	One Time Fees	Recurring Fees
Total Tyler Software	\$9,000.00	\$1,620.00
Total Tyler Services	\$9,120.00	\$0.00

Summary	One Time Fees	Recurring Fees
Total 3rd Party Hardware, Software and Services	\$0.00	\$0.00
Summary Total	\$18,120.00	\$1,620.00
Contract Total	\$19,740.00	

Unless otherwise indicated in the contract or Amendment thereto, pricing for optional items will be held for Six (6) months from the Quote date or the Effective Date of the Contract, whichever is later.

Customer Approval:	_____	Date:	_____
Print Name:	_____	P.O. #:	_____

All primary values quoted in US Dollars

Comments

Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the size and scope of your project. The actual amount of services depends on such factors as your level of involvement in the project and the speed of knowledge transfer.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting.

In the event Client cancels services less than two (2) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

Implementation hours are scheduled and delivered in four (4) or eight (8) hour increments.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

In the event Client acquires from Tyler any edition of Tyler Content Manager software other than Enterprise Edition, the license for Content Manager is restricted to use with Tyler applications only. If Client wishes to use Tyler Content Manager software with non-Tyler applications, Client must purchase or upgrade to Tyler Content Manager Enterprise Edition.

Tyler's cost is based on all of the proposed products and services being obtained from Tyler. Should significant portions of the products or services be deleted, Tyler reserves the right to adjust prices accordingly.

Client agrees that items in this sales quotation are, upon Client's signature of same, hereby added to the Agreement between the parties, and subject to its terms. Additionally, and notwithstanding anything in the Agreement to the contrary, payment for said items shall conform to the following conditions: Licensee fees for Tyler and 3rd party products are due when Tyler makes such software available for download by the Client (for the purpose of this quotation, the 'Availability Date') or delivery (if not software); Maintenance fees, prorated for the term commencing when on the Availability Date and ending on the last day of the current annual support term for Tyler Software currently licensed to the Client, are due on the Availability Date; Fees for services, unless otherwise indicated, plus expenses, are payable upon delivery.

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Consent Agenda

TO: City Council

THRU: Bragg Farmer, Finance Director
Lance Johnson, Interim City Manager

FROM: Webb Warren, IS & Process Manager

DATE: 8/31/2018

SUBJECT: Citizenserve Software Annual Licensing and Support

I. BACKGROUND: In 2015, City Council approved the Citizenserve software contract and implementation of the software for Code Enforcement functions, rental registrations and other core functions. This software package is critical to the day-to-day functions of our Code Enforcement processes. This renewal will cover all licensing, hosting and regular support fees for FY2019.

II. DISCUSSION: Citizenserve is used daily for all Code Enforcement, rental registrations and other Community Development functions.

A. Link to Strategic Goals / Objectives: Service Excellence

B. Effect on Budget (EOB): Budgeted in FY 2019 Budget and funded from tech fees collected with permit applications. This contract is \$300 less than the 2018 contract.

C. Level of Service (LOS): Maintain or enhance our level of service

III. CONCLUSION: This licensing and support contract is critical for current day-to-day processes of the city and further development and maintenance of the software suite.

IV. RECOMMENDED MOTION: I move that City Council approve the 2019 contract for Online Solutions, LLC for \$16,200 to be paid from the Community Development tech fee fund balance (151531-552000).

Attachments:

1. Citizenserve_2019_renewal

Online Solutions LLC
1101 E. Warner Rd Suite 160
Tempe, AZ 85284
(800)325-9818x703
jim@citizenserve.com
www.citizenserve.com



BILL TO

City of Destin
Attention: Finance Accounts Payable
4200 Indian Bayou Trail
Destin, Florida 32541

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
2994	06/20/2018	\$16,200.00	06/20/2018	Due on receipt	

ACTIVITY	QTY	RATE	AMOUNT
Annual Billing Annual billing for 9 Citizenserve user subscriptions (10/1/2018 through 9/30/2019)	9	1,800.00	16,200.00

Purchase Order # 00015037-00 FY 2015

BALANCE DUE

\$16,200.00

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018**TYPE OF AGENDA ITEM:** Action Item

TO: City Council**THRU:** Bragg Farmer, Finance Director
Lance Johnson, Interim City Manager**FROM:** Lisa Firth, Interim Parks & Rec Director**DATE:** September 11, 2018**SUBJECT:** Buck Destin Tennis Court Resurfacings/Fencing

I. BACKGROUND: The Buck Destin tennis courts/pickleball are in need of resurfacings and fencing, which is a safety concern. These repairs were requested in the 2019 Budget; however, both items were removed from the 2019 budget. The tennis court/pickleball resurfacings cost is \$27,794.00; The fencing cost is \$31,686.57. Total cost for repairs: \$59,480.57. The funds will be taken out of the Parks and Recreation 2018 budget for the needed repairs.

II. DISCUSSION:

A. Link to Strategic Goals / Objectives: Public Safety

B. Effect on Budget (EOB): 2018 Parks and Recreation Budget; Total cost for repairs \$59,480.57.

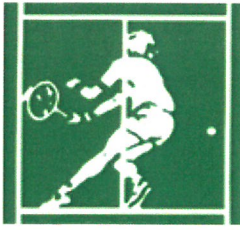
C. Level of Service (LOS): Resurfacing and fencing of the Tennis Courts/pickleball is required to bring the courts up to the American Sports Builders Association standards.

III. CONCLUSION: Tennis court/pickleball resurfacings and fencing at Buck Destin Park is required for safety concerns to protect all age groups utilizing the tennis/pickleball courts.

IV. RECOMMENDED MOTION: I approve the expenditure of up to \$59,500 for the repairs of the Buck Destin tennis/pickleball courts to be funded within the FY2018 Recreation budget.

Attachments:

1. Quote FY18 American Tennis Courts, Inc.
2. SH Hayes Enterprises, LLC Fencing Quote FY18



AMERICAN TENNIS COURTS, INC.

1272 BOLTONS BRANCH DR. • MOBILE, AL 36606 • President: Jeffry M. Nichols
(251) 476-4714 • (800) 854-1921 • FAX (251) 476-4723
www.americantennis courts.net

September 10, 2018

Lisa Firth
City of Destin
Destin, FL

Dear Lisa,

As requested, we are pleased to offer the following quotation for the work to be performed on the two (2) tennis courts located at Buck Destin.

Option 1. Tennis Court Resurfacings

For the price of \$27,794.00, we will:

1. Thoroughly clean and pressure wash the courts
2. Fill all cracks
3. Install the RiteWay Crack Repair System over the existing cracks (1000lf)
4. Fill and level all low areas holding greater than 1/8" of water
5. Install one (1) coat of acrylic resurfacer
6. Install two (2) coats of acrylic (Color: Blue/Green)
7. Install textured playing lines
8. Install two (2) sets of pickleball lines

*RiteWay is offering one of the best methods in our industry for repairing cracks. Although we cannot warranty a reappearing crack, it is certainly a valuable addition to simply filling a crack only for it to return quickly. Please visit the RiteWay website www.ritewaytennis.com for additional information. If you wish to reduce or add to the linear footage of installed RiteWay, the cost is \$15.00 per linear foot. If you do not want the RiteWay to be installed, subtract \$15,000.00 from the price in Option 1, but it is understood the cracks will return. Please see crack disclaimer below.

It is recommended that the proposed scope of work only be performed by a **Certified Tennis Court Builder** as designated by the American Sports Builders Association. This quotation only includes work to be performed inside the fence line unless otherwise specified. Adequate access and water must be made available to the site. All labor and materials will have a one (1) year warranty. **Although all work will be performed to manufacturer's specifications, no warranty can be offered on the return of any cracks. It is understood that the cracks can return at any time after the work has been completed (even the next day depending on the movement of the asphalt or concrete pad).** (Initial _____). Two applications of Roundup must be made to kill the vegetation on the court and along the fence prior to work commencing. All debris must be removed from the court and the fence prior to work commencing. The temperature must be 55 degrees and rising for the work to be performed. This quotation does not include the construction of or the repair of any landscaping, sidewalks, irrigation work, electrical work, fence work, squeegee marks, etc. All sprinkler systems must be turned off prior to work commencing.

ALABAMA
FLORIDA
MISSISSIPPI



GEORGIA
LOUISIANA
TENNESSEE

Thank you for the opportunity to offer this quotation. This quotation is valid for 180 days. If you need any additional information, please call me at the number above. If you wish to schedule and have this work performed, sign below and either fax or mail a copy of this letter to our office. I look forward to hearing from you and working with you.

Sincerely,

Jeff Nichols

Jeffry M. Nichols
President

Signature of Acceptance

Date



The information contained in this proposal remains the property of American Tennis Courts and cannot be utilized by any other parties without the expressed permission of American Tennis Courts, Inc.

S.H. Hayes Enterprises, LLC
707 W 8th Street Cir
Lynn Haven, FL 32444
850-326-5471
Shayes1218@yahoo.com

Andy Fette
City of Destin

DESCRIPTION OF WORK	QUANTITY	UNIT PRICE	LINE TOTAL
1. Remove old existing fence (Labor)	30 hours	\$ 80.00	\$ 2,400.00
2. Erect new #9 gauge chain link fence (commercial) in same dimensions as existing - approx. 75'x300' (Labor)	160 hours	\$ 80.00	\$ 12,800.00
3. Fencing supplies			\$ 16,486.57
*We suggest only putting a 4' high fence on all sides except north side (near street) and center fence to significantly reduce price to replace			
EST. TOT			\$ 31,686.57

Signature

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Presentation

TO:

THRU:

FROM:

DATE:

SUBJECT: Councilmember Braden

I. BACKGROUND:

II. DISCUSSION:

- A. Link to Strategic Goals / Objectives:**
- B. Effect on Budget (EOB):**
- C. Level of Service (LOS):**

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

None

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Presentation

TO:

THRU:

FROM:

DATE:

SUBJECT: Councilmember Ramswell

I. BACKGROUND:

II. DISCUSSION:

- A. Link to Strategic Goals / Objectives:**
- B. Effect on Budget (EOB):**
- C. Level of Service (LOS):**

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:
None

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Presentation

TO:

THRU:

FROM:

DATE:

SUBJECT: Councilmember Dixon

I. BACKGROUND:

II. DISCUSSION:

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB):

C. Level of Service (LOS):

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

None

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Presentation

TO:

THRU:

FROM:

DATE:

SUBJECT: Councilmember Overdier

I. BACKGROUND:

II. DISCUSSION:

- A. Link to Strategic Goals / Objectives:**
- B. Effect on Budget (EOB):**
- C. Level of Service (LOS):**

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:
None

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Presentation

TO:

THRU:

FROM:

DATE:

SUBJECT: Councilmember Marler

I. BACKGROUND:

II. DISCUSSION:

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB):

C. Level of Service (LOS):

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

None

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Presentation

TO:

THRU:

FROM:

DATE:

SUBJECT: Councilmember Destin

I. BACKGROUND:

II. DISCUSSION:

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB):

C. Level of Service (LOS):

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

None

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Presentation

TO:

THRU:

FROM:

DATE:

SUBJECT: Councilmember Morgan

I. BACKGROUND:

II. DISCUSSION:

- A. Link to Strategic Goals / Objectives:**
- B. Effect on Budget (EOB):**
- C. Level of Service (LOS):**

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

None

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Presentation

TO:

THRU:

FROM:

DATE:

SUBJECT: Mayor Gary Jarvis

I. BACKGROUND:

II. DISCUSSION:

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB):

C. Level of Service (LOS):

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

None

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Presentation

TO: City Council

THRU: Lance Johnson, Interim City Manager
Steve Schmidt, Deputy City Manager
Jeff Burns, City Attorney

FROM: Kimberly Kopp, Land Use Attorney

DATE: September 11, 2018

SUBJECT: Land Use Attorney

1) Amendment to Vested Rights Ordinance; Announcement of Pending Ordinance Doctrine

I. BACKGROUND:

The City Land Use Attorney desires that the Mayor, with City Council consensus, announce the invocation of the Pending Ordinance doctrine, in recognition that staff and the City Land Use Attorney are currently drafting an ordinance amending the Land Development Code to allow the City Council to consider a fourth category for certain limited vested rights determinations, as described herein.

II. DISCUSSION:

The proposed ordinance for discussion would create a fourth category for vested rights determinations if the criteria set forth in the proposed ordinance are met. In summary, the proposed criteria and requirements for eligibility include:

- (1) The development application was submitted prior to June 8, 2018, which is the effective date of the current Comprehensive Plan.
- (2) The application is for a minor development.
- (3) The proposed structure is less than 3,000 square feet.
- (4) The proposal cannot be within the MMTD.

The property owner would have six months from the date of the ordinance to apply for a Category Four vested rights determination, and all other provisions of the ordinance adopted by the City Council on September 3, 2018 would be applicable to this category.

Pursuant to *Smith v. City of Clearwater*, 383 So. 2d 681 (Fla. 2d DCA 1980) a “zoning in progress” is hereby announced as to the above referenced City Code and/or Land Development Code (“Code”) amendments, thereby invoking the Pending Ordinance Doctrine. Consideration of all applications for development approval, including any application for development order, development order amendment, building permit, or zoning approval, which is received by the City after the date hereof, and which may be affected by the above referenced Code amendments, shall be compliant with such Code amendments.

A. **Link to Strategic Goals / Objectives:**

B. **Effect on Budget (EOB):**

C. **Level of Service (LOS):**

III. CONCLUSION: The City Land Use Attorney desires that the Mayor, with City Council consensus, announce the invocation of the Pending Ordinance doctrine, in recognition that staff and the City Land Use Attorney are currently drafting an ordinance amending the Land Development Code to allow the City Council to consider a fourth category for certain limited vested rights determinations, as described herein.

IV. RECOMMENDED MOTION: Not applicable.

Attachments:

1. FINAL Sept 17 Amendment to Vested Rights Ordinance

ORDINANCE NO. 18-xx-LC

**AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA
AMENDING ARTICLE 2 OF THE LAND DEVELOPMENT CODE
TO AMENDING THE APPLICATION CATEGORIES FOR
VESTED RIGHTS DETERMINATIONS; PROVIDING FOR
AUTHORITY; PROVIDING FOR INCORPORATION INTO THE
LAND DEVELOPMENT CODE; PROVIDING FOR CONFLICTING
PROVISIONS; PROVIDING FOR SEVERABILITY; AND
PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, Article VIII, Section 2 of the Florida Constitution, and Chapter 166, Florida Statutes, provide municipalities the authority to exercise any power for municipal purposes, except where prohibited by law, and to adopt ordinances in furtherance of such authority; and

WHEREAS, pursuant to the requirements of section 163.3164, et seq., Florida Statutes, the Community Planning Act, (hereinafter “Community Planning Act”) the City of Destin has adopted and has in effect a Comprehensive Plan; and

WHEREAS, the City Council and the City’s Local Planning Agency have previously undertaken the necessary studies and have adopted a Comprehensive Plan to guide and control growth in the city; and

WHEREAS, Policy 1-2.1.5 of the City’s adopted Comprehensive Plan provides that existing land uses that were lawfully conforming uses prior to the effective date of the Comprehensive Plan continue as lawful uses; and

WHEREAS, Policy 1-2.1.5 of the City’s adopted Comprehensive Plan requires that implementing regulations and administrative remedies be set forth in the City’s Land Development Code for vested rights issues;

WHEREAS, on September 3, 2018, the City Council adopted implementing land development regulations consistent with the adopted Comprehensive Plan in accordance with the Community Planning Act; and

WHEREAS, the City Council of the City of Destin desires to add an additional category for potential vested rights determinations provided there is a de minimis impact ; and

WHEREAS, the City Council desires to balance the welfare and quality of life of its citizens and tourist population, and of all the public, with the rights of private property owners; and

WHEREAS, the City Council of the City of Destin, Florida hereby finds this Ordinance to be in the best interests of the public health, safety, and welfare of the citizens of the City of Destin, Florida; and

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA, AS FOLLOWS:

Section 1. Recitals. The foregoing recitals are hereby incorporated herein by this reference.

Article . 2 Administration.

* * *

Section 2.26.02. Eligibility to Apply for a Vested Rights Determination

A. This process is only available to property owners who personally, or through their predecessors in title, can provide written proof that prior to June 8, 2018, they applied to the City of Destin to build something on the property that was never built on a specific parcel of property, and that they are able to meet one of the ~~three~~ four categories of applications set forth below in section 2.26.03.

B. The scope of any such request for a Vested Right shall be limited to what was applied for in the original application filed with the City prior to June 8, 2018, and shall be further limited to any written input or opinions provided by staff at the time of the denial or approval. Any application relied upon by the Applicant, along with any input or opinions from staff, must be attached to any Application submitted under this Chapter.

C. One may not apply if they are seeking a determination as to anything that was subject to an unexpired development order, which was pending as of June 8, 2018, and any building heights, density, and or intensity requirements in the unexpired development order shall continue to be legal after the date of the adoption of the Comprehensive Plan, and shall expire on the expiration date contained within the development order.

D. An Applicant may only submit one application for a Vested Rights Determination per parcel, which will require the Applicant to indicate which category the Applicant is applying under. The Categories are mutually exclusive, and Applicants shall only select one category for their application. If an Applicant selects more than one category, then the Application shall be summarily denied if not corrected within three (3) months of the effective date of this Chapter.

Section 2.26.03. Application Categories.

A property owner may make application to the City Council for a Vested Rights Determination if they fall within one of the ~~three~~ four categories listed below.

* * *

D. Category Four

i. The Applicant duly applied for a Development Order prior to June 8, 2018, and did not receive a final decision for approval or denial prior to June 8, 2018. A formal written application and payment of appropriate applicable fees must have been received by the City prior to June 8, 2018.

ii. Category Four applications for vested rights determinations are subject to the following limitations:

a. The application is for a minor development; and

b. The gross floor area of the proposed structure is less than 3,000 square feet; and

c. The application is not within the Multimodal Transportation District.

iii. This category of Applicant shall be required to submit an application for a vested rights determination by (insert date that is 6 months after effective date of this Ordinance).

Section 3. Incorporation into the Land Development Code.

This ordinance shall be incorporated into the Land Development Code, and any section or paragraph number or letter and any heading may be changed or modified as necessary to effectuate the foregoing.

Section 4. Conflicting Provisions.

All prior inconsistent ordinances and resolutions adopted by the City Council, or parts of prior inconsistent ordinances and resolutions in conflict herewith, are hereby repealed to the extent of the conflict.

Section 5. Severability.

If any section, subsection, sentence, clause, phrase, word or provision of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, whether for substantive, procedural, or any other reason, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this Ordinance.

Section 6. Effective Date.

This ordinance shall become effective adoption by the City Council and signature by the Mayor.

ADOPTED THIS ____ DAY OF _____, 2018.

By: _____
Gary Jarvis, Mayor

ATTEST:

Rey Bailey, City Clerk

The form and legal sufficiency of the foregoing has been reviewed and approved by the City Land Use Attorney, for the City of Destin, only.

Kimberly Romano Kopp, Esq.

First Reading: _____
Second Reading: _____

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 17, 2018

TYPE OF AGENDA ITEM: Presentation

TO:

THRU:

FROM:

DATE:

SUBJECT: City Attorney

I. BACKGROUND:

II. DISCUSSION:

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB):

C. Level of Service (LOS):

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

None