

**MINUTES
REGULAR MEETING
DESTIN CITY COUNCIL
AUGUST 15, 2022
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 Jim Bagby
Councilmember Terésa Hebert
Councilmember Dewey Destin

Councilmember Johnny King
Councilmember Bobby Wagner
Councilmember Rodney Braden
Councilmember Kevin Schmidt

Destin City Staff

City Manager Lance Johnson
City Clerk Rey Bailey
Code Compliance Director Susan Corbin
Community Development Director Louis Zunguze
Grants/Project Manager Jeffrey Cozadd
Finance Director Krystal Strickland
Engineering Assistant Joe Bodi
Land Use Attorney Kim Kopp

Deputy City Manager Webb Warren
Public Information Manager Catherine Card
Public Works Director Michael Burgess
Parks/Recreation Director Lisa Firth
Building Official Noell Bell
City Engineer Ryan Scott
Principal Planner Steve O'Connor
City Attorney Kyle Baumann

CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Gary Jarvis called the meeting to order at 6:00 PM. Pastor Steve Farris of First Baptist Church of Destin gave the invocation, which was then followed by the recitation of the Pledge of Allegiance.

AGENDA APPROVAL

Motion by Councilmember Hebert, seconded by Councilmember Bagby, to approve the agenda passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted "yes").

- 1. PROCLAMATIONS / RECOGNITIONS / SPECIAL /PUBLIC PRESENTATIONS / ANNOUNCEMENTS**
- 2. PUBLIC COMMENTS**

Mr. Bob Schmidt, a Destin resident, noted there are a lot of ballparks throughout their region that are exceptionally higher than Destin's ballparks. The City of Destin is behind about 30 years in their ballparks, especially those at the Morgan Sports Center and at Calhoun Park. He urged the council to make every effort to upgrade their ballparks in order to keep up with other places in the region as they have an overabundance of children in the community that will utilize these ballparks.

Mr. Parker Destin, a Destin resident and former council member, stated that he does not necessarily believe that supporting the Town Center or baseball fields are mutually exclusive to beach acquisition. He does not believe they have to pick one or the other. They can do them both. There are multiple sources of revenues, as well as TDC funding, that are available. He continued there are ways to support sports tourism and the proliferation and expansion of tournament like facilities, and the acquisition of those types of facilities. .

Mr. Jim Wood, a Destin resident and former council member, and Chairman of the Public Works and Safety Committee, addressed some of the committee's recent actions. He stated that they voted at their previous meeting to purchase 10 units of the Safe walk Pedestrian Crossing Illuminator estimated to cost about \$40,000. They have requested installation of two sets of speed humps: one on Beach Drive and the other on Stahlman Avenue each costing approximately \$7,500. They also want to send 3 projects to the City Engineer: one of which is a stormwater project at the corner of Misty Way and Airport Road. He urged for council's support of these endeavors.

Mr. Shane Moody, President, and CEO of the Destin Chamber of Commerce addressed the annexation approval item on the agenda. He stated that the Chamber has always supported annexation, and that it has been more than a decade ago since they have annexed something into the city. He stated that one key element they need to remember when they discuss annexation is what they can offer in the future. It takes tremendous vision and planning, but they would need to have a plan in place as to what they want to do a few years down the road once they receive the annexation money as this will be key to convincing people to annex into the city.

Mr. Matthew Pace, a Destin resident, noted that the property at Melvin and Azalea Roads where some townhomes are being built is a total mess. The owners have completely neglected it. He asked the Code Compliance officers to be mindful of that area as they make their rounds in the city as some of the grassy areas are taller than the fence which violates the city's ordinance.

3. CONSENT AGENDA

- A. Operations Financial Report
- B. Quarterly Investment Report
- C. Capital Project Status
- D. FY 2022 Budget Amendment for TDC FY2022
- E. Harbor Boardwalk Repairs
- F. Single-family Residential Marine Construction Proposed at 4145 Belcourt Drive
- G. Authorization to Purchase Decorative Holiday Lighting, Harbor-CRA Advisory Board Recommendation
- H. Replacement of two HVAC units, City Hall Annex
- I. Committee Absentee Report through July 2022
- J. Approval of minutes of July 11, 2022 Regular City Council Meeting
- K. City Boards & Committee Minutes

Motion by Councilmember Hebert to approve Consent Agenda items 3A thru 3K, as printed above, was seconded by Councilmember Destin and passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted "yes").

4. CITY MANAGER REPORTS

A. Destin High School Request for A Baseball Field @ Morgan Sports Fields, Update

The City Manager informed the council that Destin High School representatives will present request to the Parks and Recreation Committee on August 23, 2022. The Destin Water Users will present their recommendation to the city, and that the item is tentatively scheduled to be on the September 8, 2022 city council meeting agenda.

B. Adoption of a Formal Annexation Policy

Community Development Director Louis Zunguze presented a proposed formal annexation policy:

Need for a Formal Annexation Policy:

- To provide a clear and comprehensive vision of the city's goals regarding annexation
- To establish a policy and procedure for annexation application.
- To establish criteria and standards to allow for an objective review of properties proposing annexation.

Two Types of Annexation Policies and Processes

- City initiated annexation
- Property owner-initiated annexation

City Initiated Annexation

- For continuity of the city boundary (removal of enclaves)
 - ❖ Elimination of Enclaves: The easiest properties to consider for annexation are enclave properties; properties that are surrounded by the city limits. Currently the city has several enclaves mostly concentrated along Commons Drive and a few along Airport Road to Commons Drive. Enclaves present the city with the opportunity to provide both continuity in its boundary and services, but also the economic benefits not currently realized. Annexation of enclaves is a desirable Priority 1.7 for council in FY 2022.
- Economic Benefits
 - ❖ Enhance the City Economic and Tax Base. The city is currently impacted by the commercial development north of Emerald Coast Parkway from Triumph Drive to the Walton County Line. Due to the geographical nature, of the City of Destin being a peninsula, the users of these commercial establishments impact city roads and infrastructure and traffic overall. As users must utilize either Commons Drive or Emerald Coast Parkway (Highway 98) both of which are predominantly within city limits. However, the city does not benefit from the significant economic and tax base that these properties offer.

➤ Impacts of Services

- ❖ Stormwater. Annexation of the enclaves, commercial areas and residential areas would allow the city to work with the businesses and residents to find the best solutions to mitigate the stormwater challenges. The stormwater impacts from unincorporated properties are not limited to the enclaves, many of the unincorporated residential and commercial properties west of Danny Wuerffel Way (Highway 293) also impact the city's stormwater infrastructure. These stormwater impacts range from minimal to critical and the city does not recoup the costs associated with the impacts.
- ❖ Traffic. All from unincorporated Okaloosa County, south of the Choctawhatchee Bay, will use either Commons Drive or Emerald Coast Pkwy (Highway 98) to travel east or west, within and through the city limits. Essentially, the city is impacted by users of these properties without recouping any of the costs associated from these impacts.

Property Owner Initiated Annexation

- Issues for consideration:
- ❖ Future Land Use Designation
 - ❖ Zoning Designation
 - ❖ Compatibility/Conformity to current standards
 - ❖ Are services available without a negative impact on budgets?

Pros and Cons of Annexation

- Pros
- ❖ Management of land use and development (i.e., zoning/uses, signage, building height)
 - ❖ Increased tax base
 - ❖ Lower costs of or access to enhanced services (i.e., solid waste, library, recreation, etc.)
 - ❖ Increased electorate base
 - ❖ Less confusion for residents and visitors
- Cons
- ❖ Increased impact/costs to city budget for current services (i.e., library, parks, etc.)
 - ❖ Increased service area for road/stormwater infrastructure and costs to city budget
 - ❖ Possibility of non-compatible/conforming land uses

Conclusion

- Annexation policy will help the city evaluate and analyze all requests for annexation.
- Annexation policy will help city staff better inform city council of the effects and impacts to city services and land use vision.
- The annexation policy should be formally incorporated into the Comprehensive Plan and Land Development Code, through the current Land Development Code update project.

Motion by Councilmember Bagby, seconded by Councilmember Wagner, to direct the City Manager to prepare an Annexation Policy for council consideration passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

Councilmember Bagby requests staff look at the Pros and Cons of Annexation from the landowners’ perspective similar to the Pros and Cons from the city’s perspective as they develop the policy and present that information to council.

C. Mobility Plan Update

Mr. Alan Steinbeck, 3TP Ventures, Inc, presented the Mobility Plan update

- **Overall Mobility Plan Goal**
 - ❖ Compile a comprehensive list of projects the city can undertake and fund with mobility fees and other sources of funding.
- **Current Status**



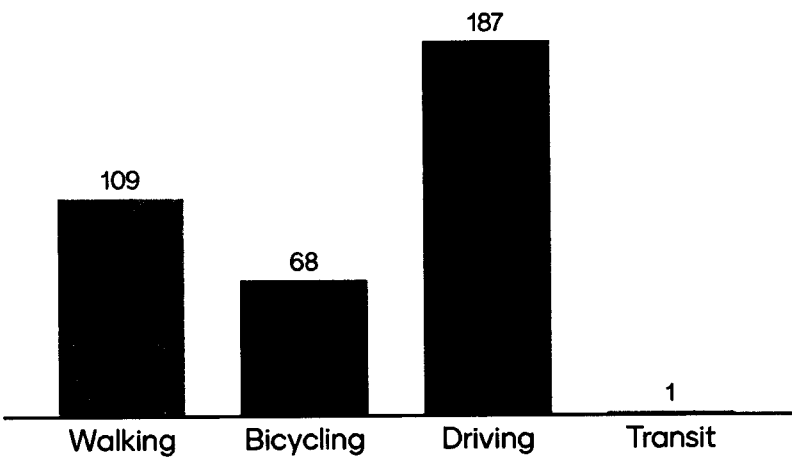
Completed

- Needs assessment and trends and conditions analysis
- Initial feedback on transportation issues and needs
- Identified primary roadway projects and intersection improvements

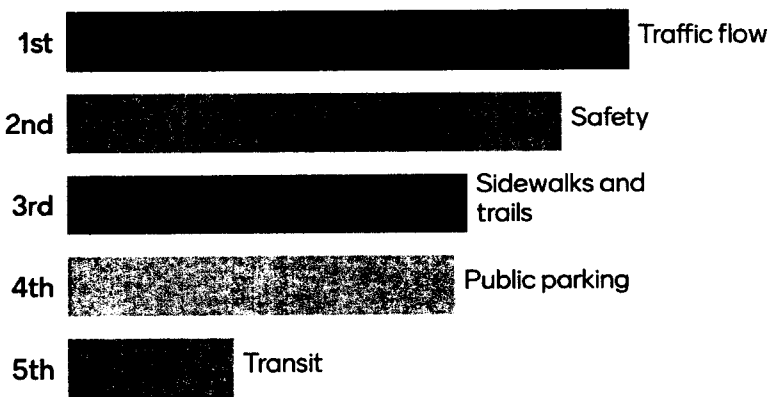
In Progress

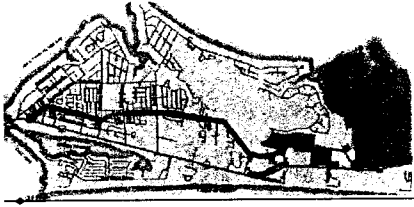
- Mobility Plan and Fee Study documentation
- Evaluating and vetting projects

What modes of transportation do you use to get around Destin (not including exercise)?



Rank the following transportation emphasis areas in order of importance to you





Crosstown Connector Sections

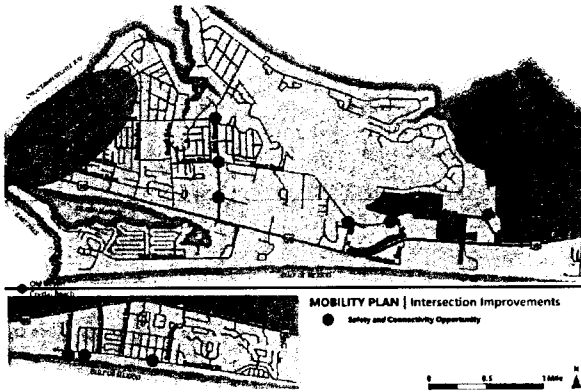
- A Stahlman Avenue north of Zerbe Street
- B Stahlman Avenue north of Mountain Drive
- C Azalea Drive east of Stahlman Avenue
- D Azalea Drive west of Benning Drive
- E Azalea Drive Extension east of Benning Drive
- F Legion Drive west of Benning Drive
- G Airport Road east of Main Street
- H Commons Drive east of Airport Road

US 98 West of Airport Road

- Coordination issues with FDOT during current PD&E Study
 - ❖ Status of Marler Bridge replacement
 - ❖ Operational improvements at intersections (US 98 and Stahlman Avenue)
 - ❖ Pedestrian pathway under the bridge
 - ❖ Intersection design – safety for all users
 - ❖ Ultimate design condition back of curb for sidewalks and buffer zone
 - ❖ Utilities relocation
 - ❖ Lighting and landscape
 - ❖ Location of transit stops and transit operations
 - ❖ Wayfinding

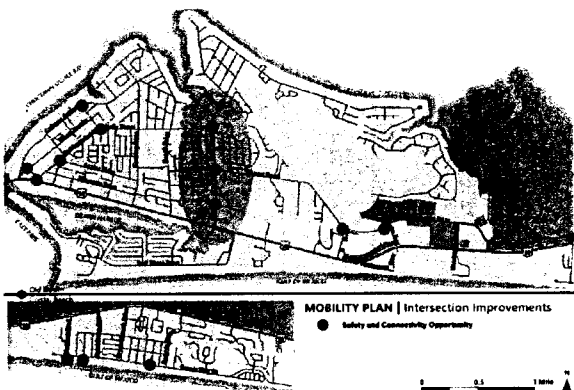
Gulf Shore Drive

- Better utilization of right-of-way (lane reassignment) for the four travel lanes and continuous turn lane
- Increase safety for drivers and others
- Pedestrian and bicycle facilities
- Bus stop location and design
- Gateway to Holiday Isle
 - ❖ Lighting and landscape



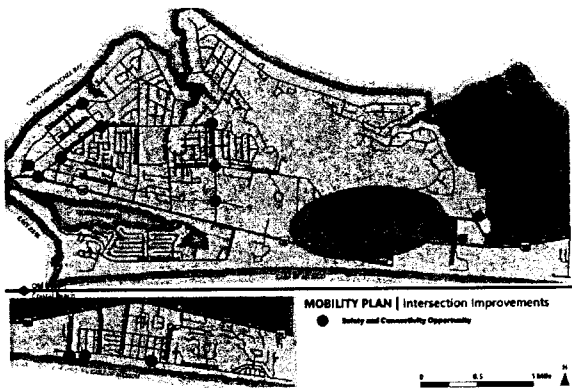
Intersection Improvements West

- Stahlman Avenue/Zerbe Street @ US 98 – Cross Town Connector – Pedestrian facilities linking public parking and Harbor
- Stahlman Avenue @ Azalea Drive – Cross Town Connector – Skew angles and lack of pedestrian crossing
- Stahlman Avenue @ Kelly Street
- Calhoun Avenue @ Sibert Avenue – Pedestrian facilities linking public parking and Harbor
- Calhoun Avenue @ Kelly Street – Traffic calming, east-west bicycle connection



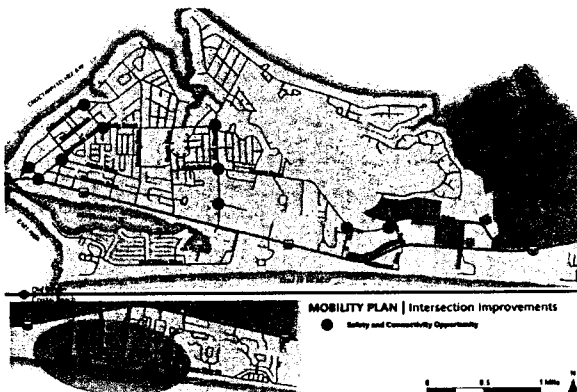
Intersection Improvements Main Street

- Main Street @ Legion Drive/Airport Road – Cross Town Connector, transition between 2 and 4 lane
- Main Street @ 98 Palms Boulevard
- Main Street @ Kelly Street – Pedestrian safety, traffic calming, east-west bicycle connection



Intersection Improvements Commons Drive

- Commons Drive @ Airport Road – Cross Town Connector, connection to Gulf Power Linear Park
- Commons Drive @ Indian Bayou Trail – Cross Town Connector – Bike ramp connection to sidewalk, complete sidewalks and crossings



Intersection Improvements Scenic 98

- Scenic 98 @ Matthew Boulevard – Bicycle and pedestrian connection between US 98 and Scenic 98
- Scenic 98 @ Shirah Street – Mid-block crossing links to beach access
- Scenic 98 @ Pompano Street – Mid-block crossing links to beach access

Small Project Initiatives

- Construct John Avenue between Dolphin and Sunfish Streets
- Construct Pine Street between Blue Marlin Court and Sibert
- Construct Sailfish Drive between Sailfish Circle and Azalea Drive
- Acquire right-of-way and construct roadway between Indian Trail and Indian Bayou North.
- Round-a-bout at First and 4th Streets at Benning Drive.
- Provide 6'' sidewalks on all local streets in Crystal Beach, prioritize streets with beach accesses to the Gulf
- Transportation infrastructure linked to stormwater improvements

Policy and Project Initiatives

- Main Street streetscape improvements
- Coordinated transit and park and ride strategy
- Parking strategy for harbor district
- Gulf Power Linear Park and Trail
- Sidewalks on both sides of street
- Implement sidewalk and other street requirements for new development

Next Steps

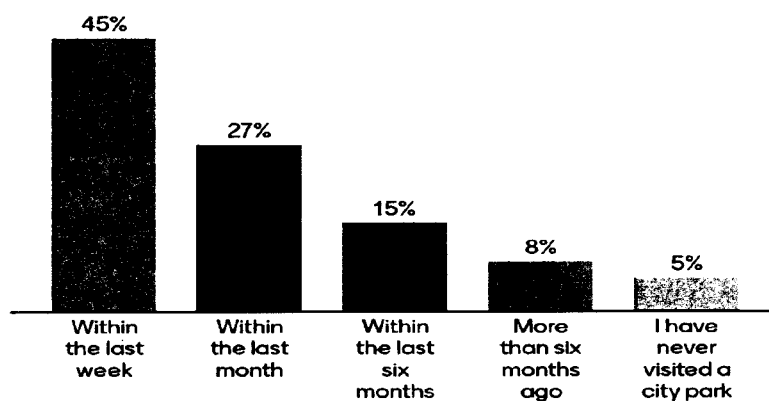
- Complete scoping and cost estimating for priority projects
- Update and publish a draft project list
- Map recommended projects
- Vet, refine and prioritize projects

D. Impact Fee Study Update

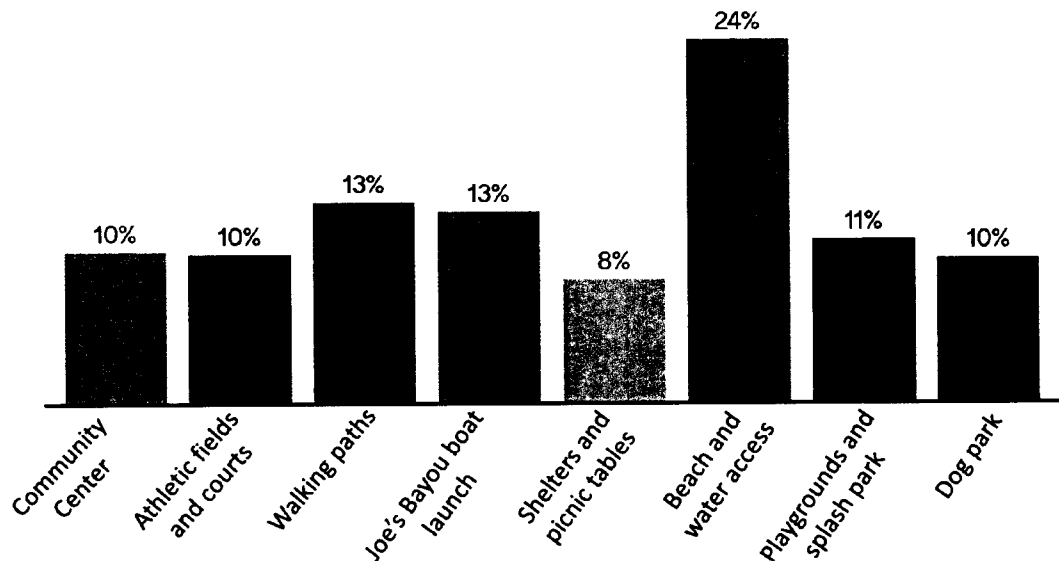
Mr. Alan Steinbeck presented the Impact Fee Study update.

Results from the survey regarding Destin parks and library services:

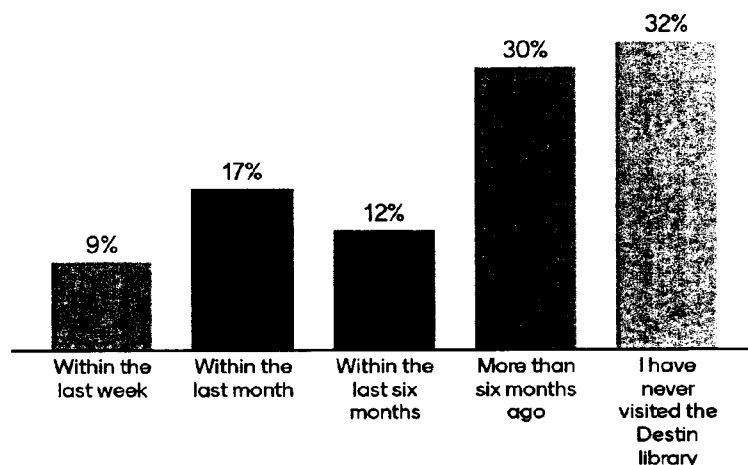
When was the last time you visited a City of Destin park?



What parks or facilities do you or members of your household use when visiting a City of Destin park?



When was the last time you visited the Destin library?



Legal Parameters for Local Governments

- Impact fees collected must be spent on infrastructure and facilities.
 - ❖ Funds cannot be used for maintenance.
 - ❖ Projects must be capacity improvements.
- Impact fees cannot cure deficiencies relative to existing level of service.
 - ❖ Future users only have to pay for their anticipated share of the expansion.
- Local governments must have a plan for how and when the money will be spent, or it could be considered an expansion.
- Local governments must have a plan for how and when the money will be spent, or it could be considered an exaction.

Florida Statutory Requirements for Increasing Fees

- Base fees on recent and localized data
- Provide notice of increase at least 90 days prior to effective date of ordinance
- Impact fees may not be increased by more than 50% over 4 years
- Rates cannot be increased by more than 12.5% a year
 - ❖ 25% or less – two annual increments
 - ❖ 25% - 50% - 4 annual increments
- A local government may exceed the 50% limitation if:
 - ❖ The local government completes a demonstrated need study that justifies the increase
 - ❖ Demonstrates the extraordinary circumstances necessitating the need to exceed the phase-in limitations
 - ❖ Holds at least two publicly noticed workshops
 - ❖ Adopts the impact fee increase by at least a two-thirds vote

Types of Fees

- Consumption based
 - ❖ Fees determined by calculating the value of improvements as “consumed” by different land uses
 - ❖ Level of service = existing value of the system divided by and allocated to existing users of the system
 - ❖ Fee = cost per unit of maintaining existing level of service
- Improvement based
 - ❖ Fees determined by calculating the value of planned improvements
 - ❖ Level of service = policy-based standard for each element of the system
 - ❖ Fee = proportionate share of planned improvements as limited by existing level of service

Fee types for Destin

- Parks and Recreation – consumption based
- Library – consumption based
- Public Safety – Consumption based
- Mobility Fee – improvement bases

History And Method of Calculation – Parks

- This fee is based on the existing level of service from 2006
 - ❖ Existing LOS calculated by determining total value of property and infrastructure dedicated to park use
- Level of Service Model
 - ❖ Impact fee is based on providing the existing Level of Service for Parks to future residents
 - ❖ Formula
 - $\text{Impact Fee} = \frac{\text{Total existing park cost (land value and infrastructure costs)}}{\text{existing EDUs (equivalent dwelling units)}}$
 - Credits are provided for existing debt and other funding sources (State/Federal grants)

Maximum Fee Increases – Parks

Maximum Fee Increases - Parks			
Land Use	2007 Recommended Fee	Current Adopted Fee	Maximum Fee Increase Allowed (12.5%/50%)
Typical dwelling unit	\$1,944.00	\$399.00	\$448.88/\$598.50

History and Method of Calculation – Library

- This fee is based on the existing level of service from 2006
 - ❖ Existing LOS calculated by determining total value of property and infrastructure for the Destin Library
- Level of Service Model
 - ❖ Impact fee is based on providing the existing level of service for library services to future residents
 - ❖ Formula
 - $\text{Impact Fee} = \frac{\text{Total existing library cost (land value, building, materials, and equipment costs)}}{\text{existing peak population}}$
 - Cost assessed per dwelling based on average household size
 - Credits are provided for existing debt and other funding sources (State/Federal grants)

Maximum Fee Increases - Library

Land Use	2007 Recommended Fee	Current Adopted Fee	Maximum Fee Increase Allowed (12.5%/50%)
Typical dwelling unit	\$344.00	\$133.00	\$149.63/\$199.50

History and Method of Calculation – Police

- This fee utilizes the “functional population” methodology, which assumes that demand for this service is generally proportional for the presence of people.
 - ❖ Functional population represents the number of “full-time equivalent” people at the site of a land use.
- Level of Service Model
 - ❖ Impact fee is based on providing the existing level of service for police services to future residents
 - ❖ Formula
 - $\text{Impact Fee} = \frac{\text{Total existing police costs (land value and infrastructure costs)}}{\text{existing functional population}}$
 - Fee assessed per dwelling or 1,000 sq. ft. of non-residential use

Maximum Fee Increases – Police

Land Use	2007 Recommended Fee	Current Adopted Fee	Maximum Fee Increase Allowed (12.5%/50%)
Typical dwelling unit	\$33.00	\$19.00	\$21.38/\$28.50

History and Method of Calculation – Transportation

- In 2008, this fee was changed from “roads only” to a multimodal fee.
 - ❖ Includes capacity, physical improvement and funding needs of both motorized and non-motorized transportation.

➤ Improvements Driven Model

❖ Formula

- Impact Fee = Cost of growth-related improvements through 2030
((Roadway capacity projects, bike projects and pedestrian projects) / # of projected EDUs (equivalent dwelling units)).

Methods of Calculation – Future Fees

➤ Transportation

- ❖ Improvement Based Method – Mobility Fee
- ❖ Every need in the Mobility Plan
- ❖ Formula: Roadway capacity projects, bike projects and pedestrian projects, transit, parking
 - Areawide level of service

Impact Fee: Persons per Dwelling Unit Long Term Units Current Policy		
Dwelling Size Category	Approximate Midpoint	Average Household Size
Less than 500 SQFT	400	1.028
500-749 SQFT	625	1.294
750-999 SQFT	875	1.539
1,000-1,499 SQFT	1,250	1.850
1,500-1,999 SQFT	1,750	2.201
2,000-2,999 SQFT	2,500	2.646
3,000-3,990 SQFT	3,500	3.148
4,000 or more SQFT	4,500	3.584

Table is from the impact fee study that was the basis for the current fee structure

Impact Fee: Persons per Dwelling Unit Long Term Units			
Housing Type/Bedrooms	Rooms	Avg Sq Ft (parcel)	Avg Destin PP/HH
0-1 Bedroom	1.00	813	1.00
2 Bedrooms	2.00	1,255	1.49
3 Bedrooms	3.00	1,830	2.23
4 Bedrooms	4.00	2,649	2.97
5 Bedrooms	5.00	3,550	3.72
6 + Bedrooms	6.00	4,387	4.46

2.23 persons per household is derived from 2022 population estimates (14,436) divided by Occupied Dwelling Units (6,486). Three bedrooms houses comprise 54% of the non-condo Single-Family and SF/Townhouse housing stock in Destin (Parcel data, assessors office, May 2022).

Impact Fee: Persons per Dwelling Unit Short Term Rentals

Short Term Rental/Bedrooms	Rooms	Max occupancy allowed by code	80% Max	Long Term Units Comparison
0 1 Bedroom	1	6	4.8	1.00
2 Bedrooms	2	8	6.4	1.49
3 Bedrooms	3	10	8	2.23
4 Bedrooms	4	12	9.6	2.97
5 Bedrooms	5	14	11.2	3.72
6 + Bedrooms	6	16	12.8	4.46

Code allows a maximum occupancy of 2 persons per bedroom, plus 4 more. The table shows the maximum, and recommends the impact fees be based on 80% of maximum

Residential Impact Fees Comparing Destin Fee Categories

Average Fees for Residential Dwelling Unit

JURISDICTION	Law Enforcement	Transportation	Parks and Recreation	Library	TOTAL (for all fee categories)
DESTIN	\$23	\$1,425	\$479	\$160	\$2,087
MARY ESTHER	\$323	\$1,500	\$150		\$3,210
DEFUNIAK SPRINGS	\$188				\$10,733
BAY COUNTY			\$329	\$82	\$600
PANAMA CITY BEACH	\$144		\$867	\$72	\$6,687
MEXICO BEACH	\$103		\$900		\$4,555

Project Status

- Complete
 - ❖ Policy framework, inventory of assets, population projections
- In progress
 - ❖ Baseline assumptions, impact by land use, cost estimating, mobility fee project identification
- Next Steps
 - ❖ Calculate fees, recommend new fee structure, prepare study report

Councilmember Schmidt asked whether all the requirements listed under Florida Statutory Requirements for Increasing Fees have to be met in order to increase fees.

Mr. Steinbeck replied that all Florida statutory requirements listed on the slide have to be met in order to increase fees by more than 50 percent.

Councilmember Wagner asked whether there are any language promoting green buildings for sustainability; adding that a lot of other jurisdictions in Florida have those kinds of incentives to build better buildings. He added that this is a great opportunity for the city to build something new and sustainable.

According to Mr. Steinbeck, the impact fee study does not include that type of language; adding that they have to assess replacement value of the structures. As an example, since the Destin Community Center is not a green building, they could not put the cost of building a new all green community center. He added that the impact fee study may not be the place to account for these types of things. Impact fees cannot be used for operational costs.

Councilmember Hebert questioned whether impact fees will increase for those who are already paying the fees.

Mr. Steinbeck stated that impact fee increase will not impact those who are already residing in the city and have no intention of changing the use of their property.

Councilmember Destin cautioned against a large impact fee increase; stating that they do not want to make it so expensive that it will make it much harder for people to build and live in Destin whether it is for home or business.

Councilmember Bagby recommends an impact fee increase of no more than 50 percent; and that the fee increase for short-term rentals will be at council's discretion whatever they deem is fair. He added that they want to encourage people currently residing in the city, especially those living in the older part of the city, to redevelop their property. They do not want this to be cost prohibitive for them to do so.

E. Destin Youth Council Membership Appointments

Councilmember Hebert moved to appoint the following 11 students to the Destin Youth Council; seconded by Councilmember Bagby.

- 1. James Ball**
- 2. Anna Marie Carroll**
- 3. Grace Fountain**
- 4. Charlie Frankfurt**
- 5. Alaina Granier**
- 6. Gianna Jackson**
- 7. Bianca Rodriguez**
- 8. Macy Sexton**
- 9. Parker Sexton**
- 10. Alexis Ventimiglia**
- 11. Annabelle Zielinski**

Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

F. Announcements:

1. Derelict boats on the harbor - update
2. Early voting for the 2022 Primary Election is on August 13th thru August 20th, from 10:00 AM to 6:00 PM, at the Destin Community Center
3. Primary election is Tuesday, August 23rd
4. City facilities will be closed on September 5th for Labor Day Holiday
5. The next Council Meeting is scheduled for September 8th beginning at 5:30 PM
6. Youth tackle football program - update

5. PUBLIC HEARINGS

- A. Second reading of Ordinance 22-09-CN - Exclusive Solid Waste Franchise Agreement With Waste Management, Inc, of Florida**

The City Attorney read proposed Ordinance 22-09-CN by title, and then presented it to the city council on second reading.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA PROVIDING FOR THE EXCLUSIVE FRANCHISE TO WASTE MANAGEMENT, INC. OF FLORIDA, A PRIVATE CORPORATION, FOR THE COLLECTION AND DISPOSAL OF ALL RESIDENTIAL AND COMMERCIAL TRASH, GARBAGE, AND OTHER REFUSE WITHIN THE CITY LIMITS; PROVIDING FOR THE COLLECTION OF RESIDENTIAL RECYCLABLE MATERIALS WITHIN THE CITY LIMITS; PROVIDING FOR DEFINITIONS; GRANT OF FRANCHISE; LIMITS OF FRANCHISE; TERM; FRANCHISE CONSIDERATION; ASSIGNMENT; BANKRUPTCY OR INSOLVENCY; DEFAULT; RATE CHANGES; RIGHTS OF FIRST REFUSAL; RESTORATION; COMPLIANCE WITH LAWS, LIABILITY INSURANCE, HOLD HARMLESS, WORKERS COMPENSATION; PERFORMANCE BOND; RIGHT TO REQUIRE PERFORMANCE; DISPUTE RESOLUTION; OPERATIONS DURING DISPUTE; STANDARD OF PERFORMANCE; CURBSIDE RECYCLABLE MATERIALS COLLECTION AND DISPOSAL; RECYCLING PROGRAM; COLLECTION SERVICES AND OPERATIONS; OFFICE AND COLLECTION HOURS; COLLECTION EQUIPMENT; DISPOSAL ROUTES AND SCHEDULES; GRANTEE PERSONNEL; SPILLAGE AND LITTER; STORMS AND OTHER EMERGENCIES; NONDISCRIMINATION PROVISION; RATES AND CHARGES; RATE CHANGES; DELINQUENT ACCOUNTS; ACCOUNTING, RIGHT TO AUDIT; COMPLAINTS; CHARGES FOR FAILURE OF PERFORMANCE; VENUE; SOVEREIGN IMMUNITY; CONFLICTING ORDINANCES AND RESOLUTIONS; SAVINGS CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

The mayor opened a public hearing to receive comments for or against the proposed ordinance. Having none, the mayor closed the public hearing portion and send the matter back to the city council for their discussion and consideration.

Motion by Councilmember Hebert, seconded by Councilmember Wagner, to approve Ordinance 22-09-CN on second reading passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

B. Second reading of Ordinance 109.11 - Amending the City's Personnel Rules and Regulations

The City Attorney read proposed Ordinance 109.11 by title, and then presented it to the city council on second reading.

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA, PROVIDING FOR AMENDMENT OF ORDINANCE 109, AS AMENDED, PERSONNEL RULES AND REGULATIONS, PROVIDING FOR AUTHORITY; PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR AMENDMENT TO SECTION 40, HOLIDAYS; 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. Having none, the mayor closed the public hearing portion and send the matter back to the city council for their discussion and consideration.

Councilmember Hebert moved for approval off Ordinance 109.11 on second reading; seconded by Councilmember Destin. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

C. Second reading of Ordinance 22-11-CN - Relating to the lease of certain real property owned by the City of Destin. Providing for city council approval of the second amendment to the reclaimed water lease for the lease of property located at 4200 Indian Bayou Trail, Destin, Florida to Destin Water Users, Inc.

The City Attorney read proposed Ordinance 22-11-CN by title, and then presented it to the city council on second reading.

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA RELATING TO THE LEASE OF CERTAIN REAL PROPERTY OWNED BY THE CITY; PROVIDING FOR AUTHORITY; PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR CITY COUNCIL APPROVAL OF THE SECOND AMENDMENT TO RECLAIMED WATER LEASE FOR LEASE OF PROPERTY LOCATED AT 4200 INDIAN BAYOU TRAIL, DESTIN, FLORIDA TO DESTIN WATER USERS, INC.; PROVIDING FOR AN EFFECTIVE DATE.

The mayor opened a public hearing to receive comments for or against the proposed ordinance. Having none, the mayor closed the public hearing portion and send the matter back to the city council for their discussion and consideration.

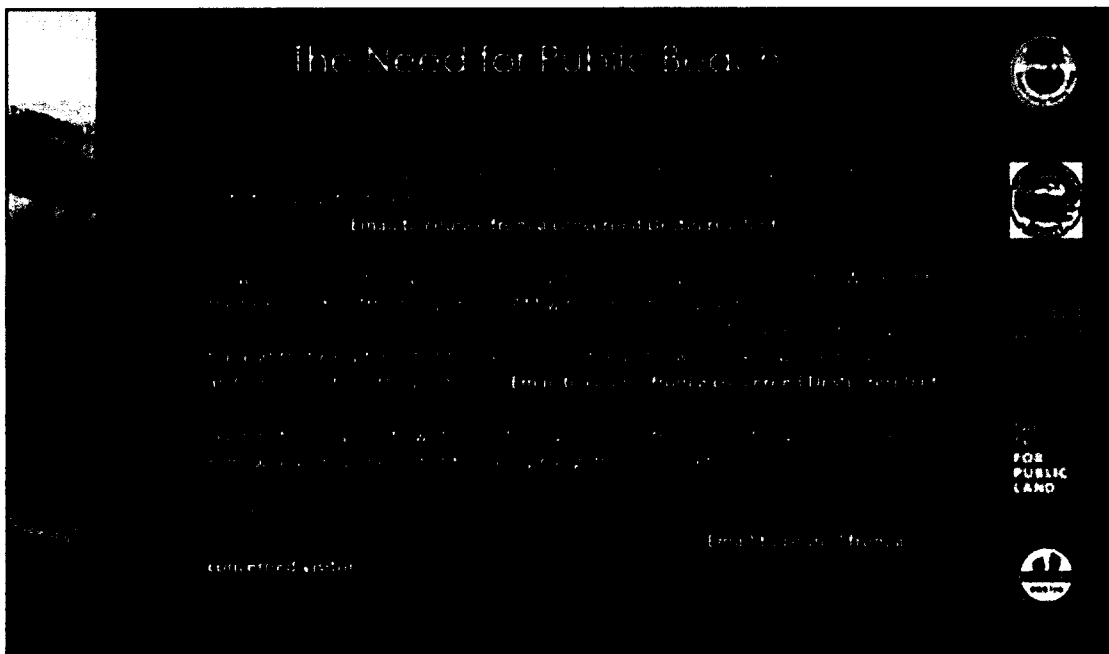
Motion by Councilmember Hebert, seconded by Councilmember Wagner, to approve Ordinance 22-11-CN on second reading passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

- D. First reading of Ordinance 22-12-CN - Approving the form and authorizing execution and delivery of an interlocal agreement between the City of Destin and Okaloosa County to facilitate the city's acquisition of certain beach property and the development or redevelopment of such property for public recreation and tourism purposes, and to establish the respective financial obligations of the city and county associated therewith.

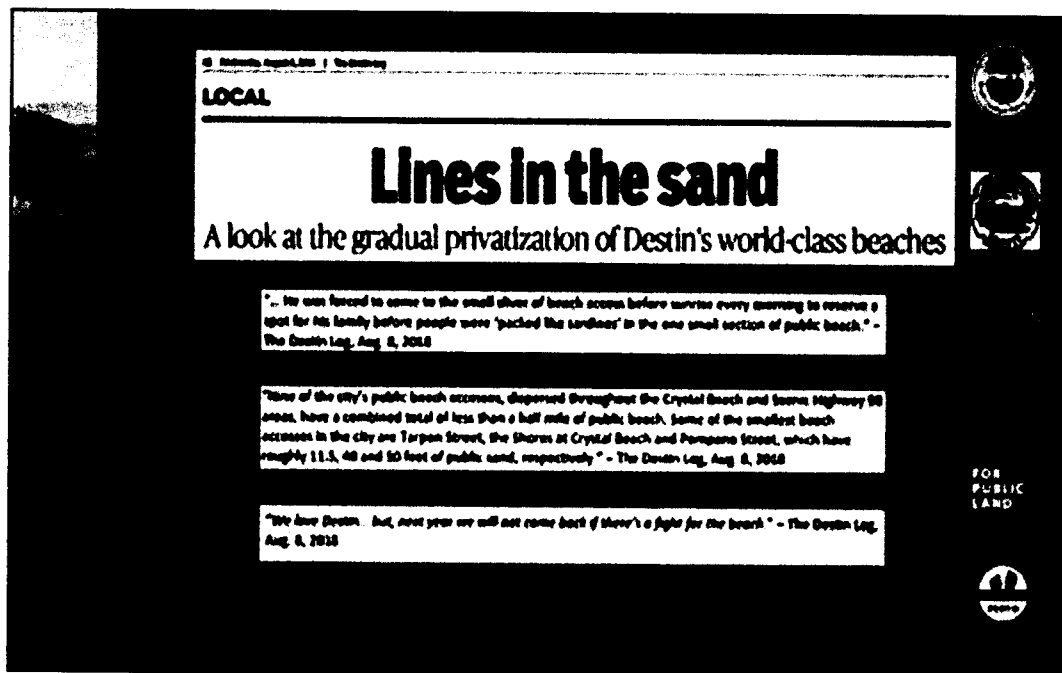
The City Attorney read proposed Ordinance 22-12-CN by title, and then presented it to the city council on first reading.

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA APPROVING THE FORM AND AUTHORIZING EXECUTION AND DELIVERY OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF DESTIN AND OKALOOSA COUNTY TO FACILITATE THE CITY'S ACQUISITION OF CERTAIN BEACH PROPERTY AND THE DEVELOPMENT OR REDEVELOPMENT OF SUCH PROPERTY FOR PUBLIC RECREATION AND TOURISM PURPOSES, AND TO ESTABLISH THE RESPECTIVE FINANCIAL OBLIGATIONS OF THE CITY AND COUNTY ASSOCIATED THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

Deputy City Manager Webb Warren provided the following presentation:



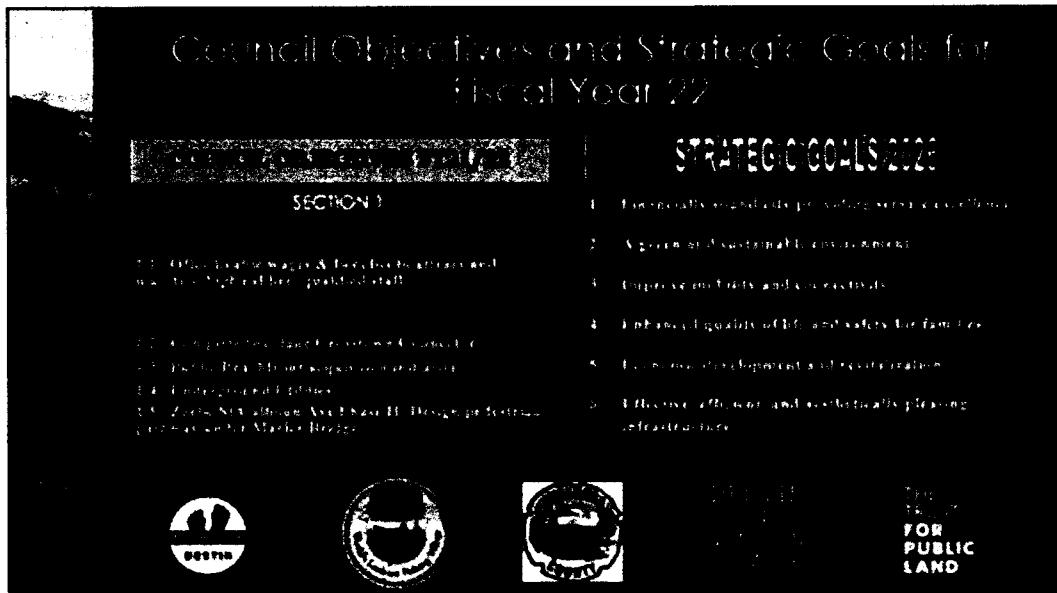
- Council, staff and the city's local businesses all receive lots of feedback from residents and visitors concerning the public's ability to visit and enjoy Destin's beaches.
- Some comments include:
 - ❖ "The tourists have no idea where to set up"
 - ❖ "We could barely find a place"
 - ❖ "The beach is blocked for us second class visitors...."



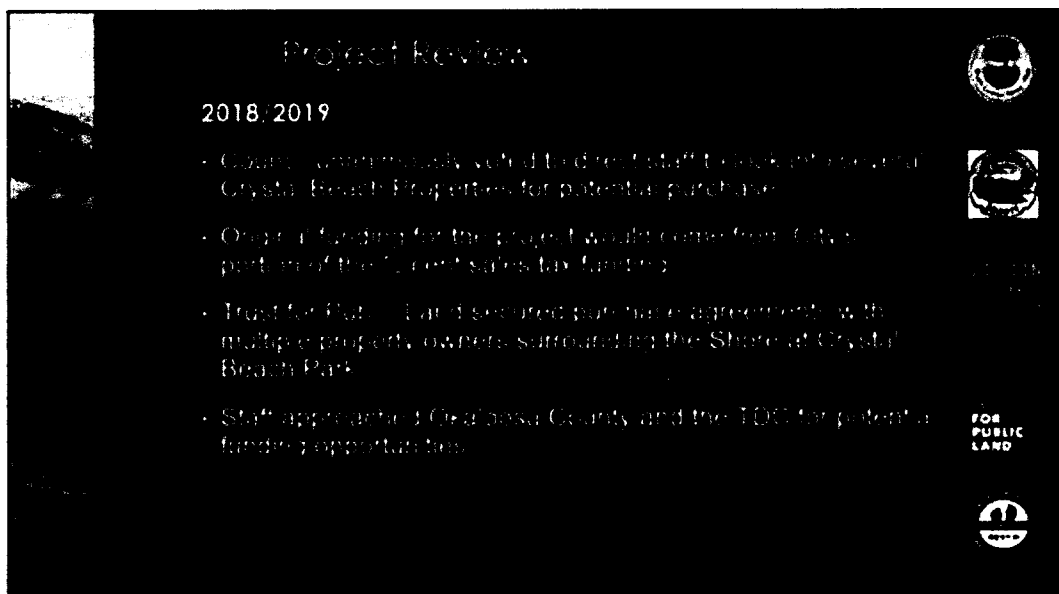
- Additional comments in local newspapers:
 - ❖ A sliver of beach access...
 - ❖ Very small beach accesses and parks...
 - ❖ We love Destin, but we won't be coming back if there is a fight for the beach...



- Pictures from recently expanded shore at crystal beach park. It remains heavily used even with the recent addition of beach footage over the last year.
- Staff and visitors alike have been very excited for the expanded beach area. It certainly has helped but space continues to be a challenge.



- Destin's adopted strategic plan for fiscal year 2022 provides an important priority for public beach acquisition. It is in the top 3 of council objectives.
- This initiative hits on 5/6 of Council's strategic goals, which are listed on the slide.



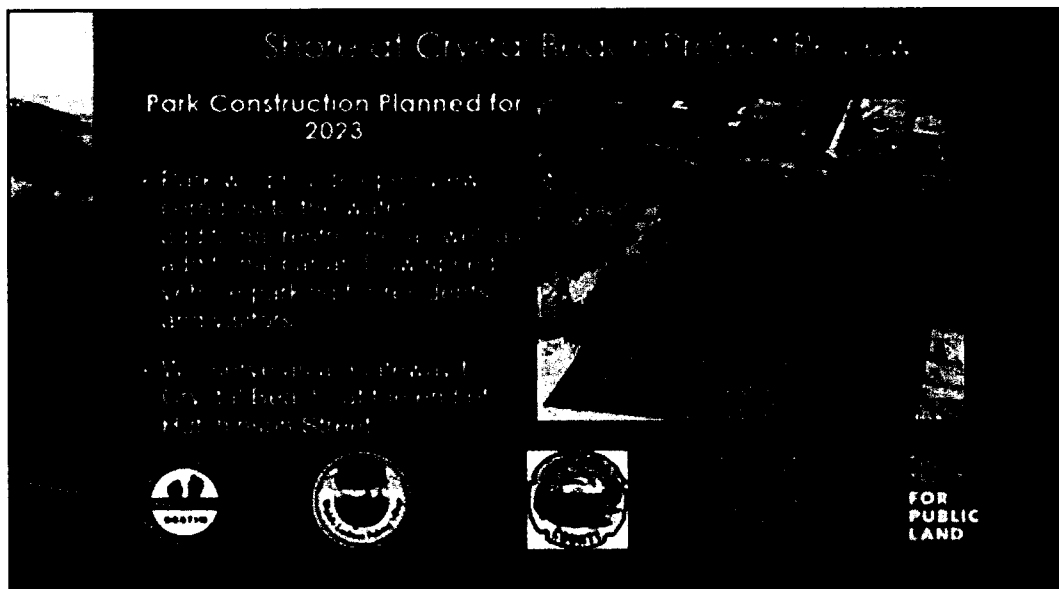
- This process started late 2018. Willing sellers surrounding the Shore at Crystal Beach entered into purchase agreements with the Trust for Public Land.
- This phase 1 project would provide immediate gulf front footage immediately adjacent to the existing shore of crystal beach park.



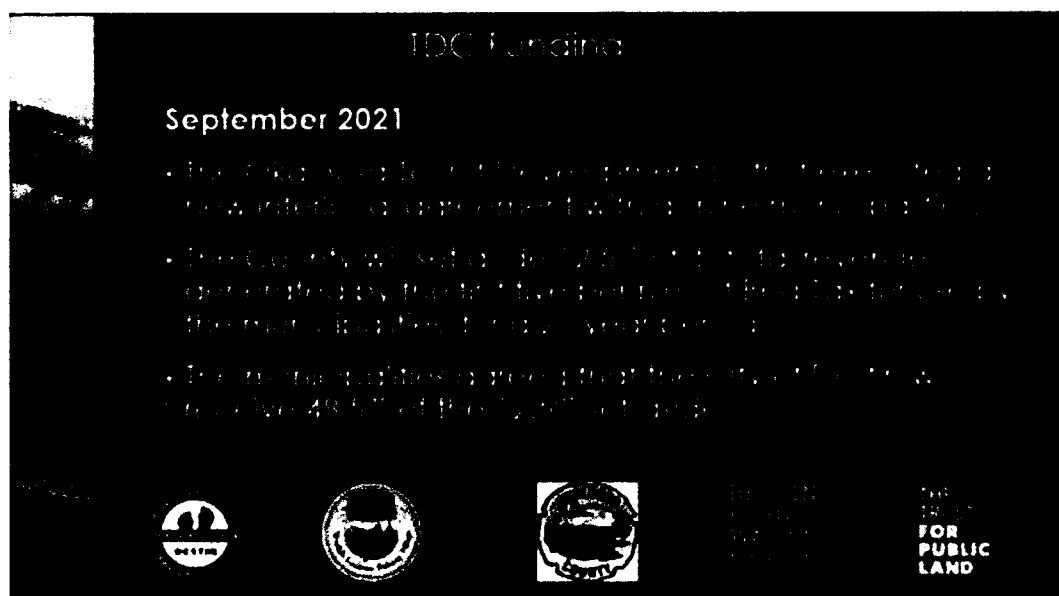
- Part of this project has been identifying logical locations for purchase - we have the Henderson Beach state park on the west side of Crystal Beach and James Lee Park on the east.
- James Lee Park boasts ¼ mile of beach with full facilities. Henderson beach is a popular drive-to destination, requires a fee and has no gate or restrooms on its eastern border.
- The Shore of Crystal Beach provides a gateway for the area where the park will be at the end of the heavily traversed Hutchinson Street



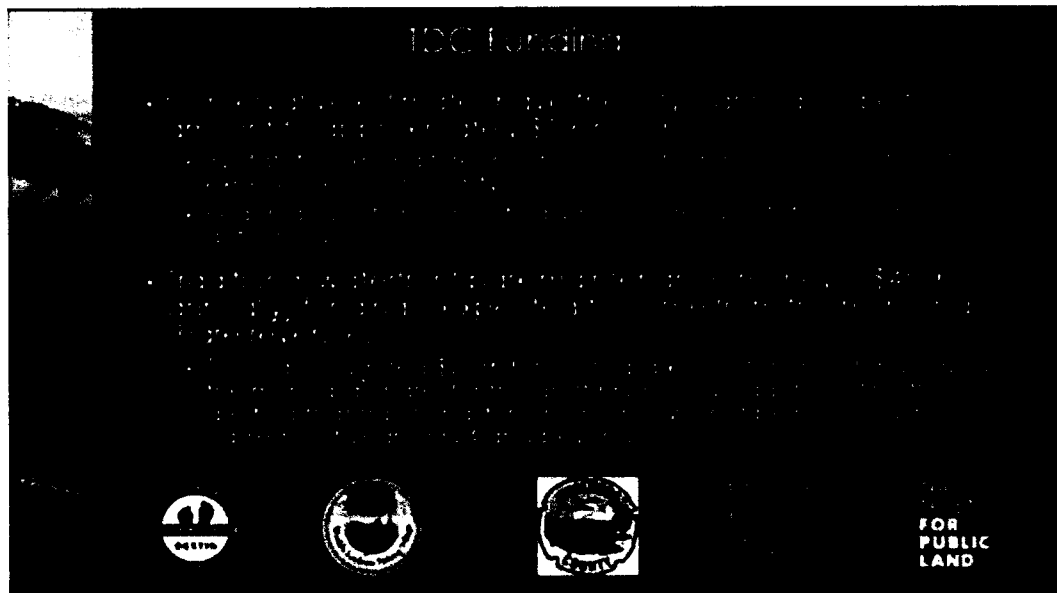
- In 2020, the City of Destin and Okaloosa County executed an interlocal agreement late in 2020 to expand the Shore of Crystal Beach park from about 60' to over 250' of waterfront footage. This was done at a cost sharing of about 59% from the TDC/County and 41% from the city.



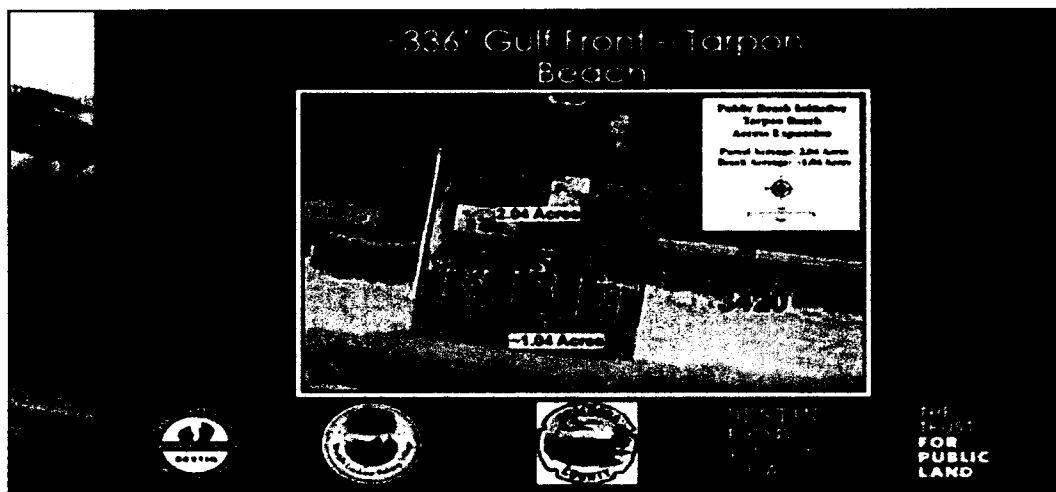
- Construction of the park is planned for 2023 and will provide open view corridors to the water, much needed beach space as well as appropriate facilities for beach goers, including expanded restrooms and parking.



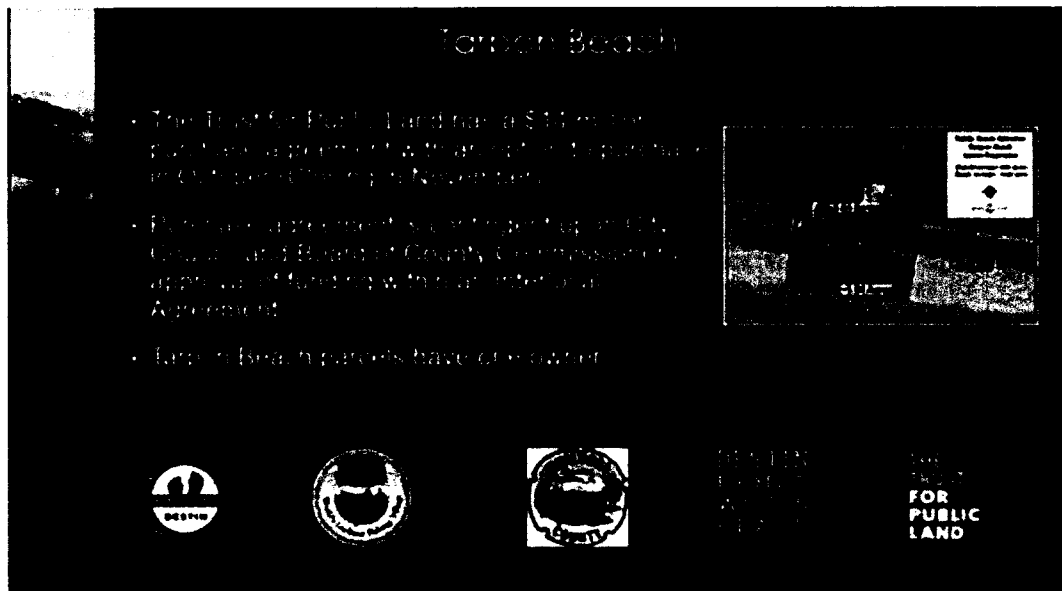
- In late 2021, Okaloosa County and the TDC executed a new interlocal agreement with all 9 municipalities within Okaloosa County.
- This agreement outlined that the TDC would set aside 12.5% generated by the first 5 pennies of bed tax for use by the municipalities for a 20 year period.
- Destin receives 48.5% of that 12.5% set-aside.



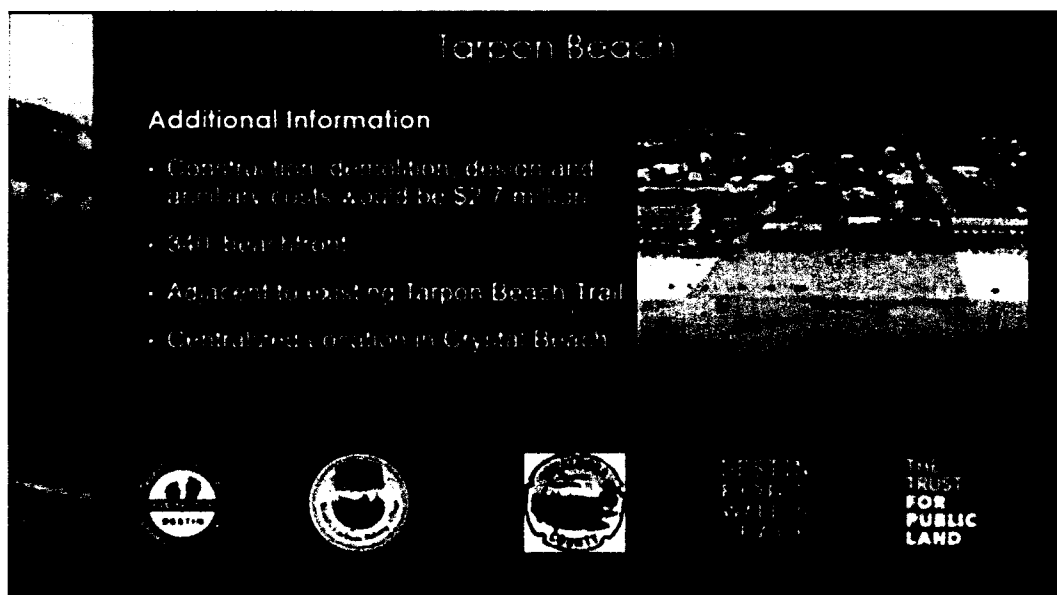
- The City's portion of that sharing plan amounts to approximately \$1.6 million a year. All expenditures from this revenue must demonstrate that a project improves tourist experience in our locality or increase tourism.
- Beach acquisition is specifically recognized by statute as an authorized use.
- Prior to the municipal share revenue agreement, waterfront park maintenance funds came from an annual allotment from the county and TDC. Currently, \$258K of funding is tentatively budgeted by the county to continue to support waterfront parks in Destin for FY2023.
- Okaloosa County does not intend on budgeting those funds for future years outside of the municipal revenue sharing program.



- Tarpon Beach is about 340' of beachfront parcels and is immediately adjacent to Tarpon Beach trail.
- At this location, there are currently have limited parking, a beach trail with a boardwalk and showers. There are no restrooms or dedicated beach park area.



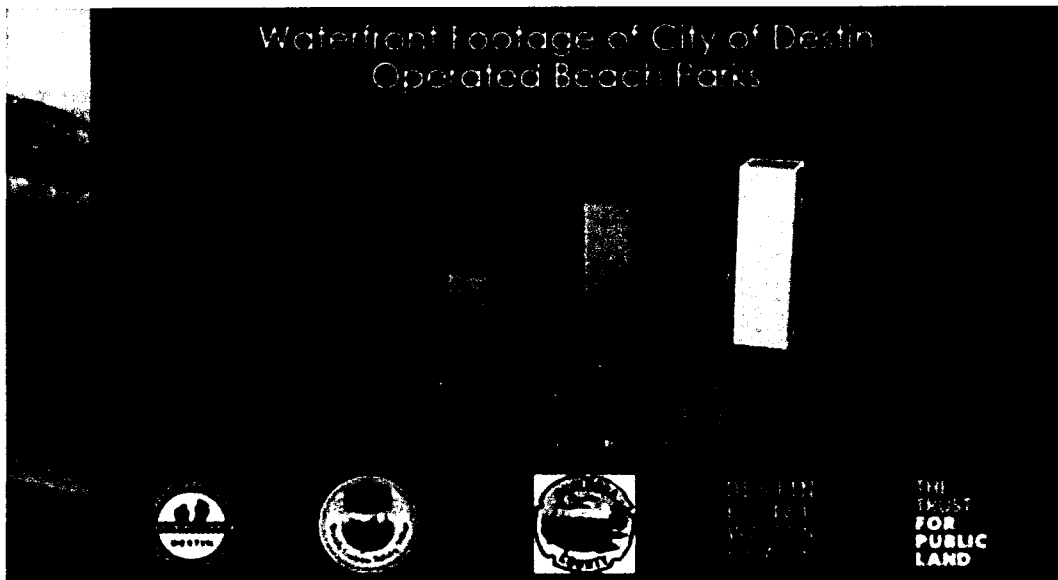
- The trust for public land has a \$14 million purchase agreement on this parcel. This purchase agreement is contingent upon council and county approval. In order for staff to bring that purchase agreement to council, the city must have an interlocal agreement in place establishing the funding.
- These tarpon beach properties have smaller and older structures on the parcels as compared to other areas of Crystal Beach. Again, this is about 340' of beachfront footage. These parcels also have one owner.



- Staff has worked with the Trust for Public Land and Okaloosa County to analyze this opportunity.
- Construction, demo and ancillary costs would be \$2.7 Million. The purchase cost would be \$14 million.



- Yellow parcel depicted on this map, the parcel is centrally located within the Crystal Beach district. The purple dots represent known STR rentals in the area and we believe that the property would provide additional relief to crowded beach parks as well as provide a strategic central location in Crystal Beach for walking as well as low speed vehicle traffic. This type of traffic helps to reduce parking woes at parks as well as traffic in the Crystal Beach area.
- In addition, there would be regular vehicular parking available.



- This graphic depicts waterfront footage of City of Destin operated beach parks, with the yellow demonstrating the additional footage that Tarpon could provide as well as future footage of the Shore of Crystal Beach

Phase - Project Funding

Beach Access - Project Crystal Beach

Project Activity	Cost (\$)
Acquisition to date	\$4,727,790
Demolition	\$100,718
Design and Permitting	\$272,600
Estimated Acquisition (Center House) Condemnation	\$4,300,000
Condemnation Legal and Acquisition Costs	\$200,000
Demolition	\$75,000
Park Development	\$1,750,000
Contingency	\$328,472
Total Project Cost from Acquisition to Operation	16,760,000
SPLIT: COUNTY - 59% CITY - 41%	

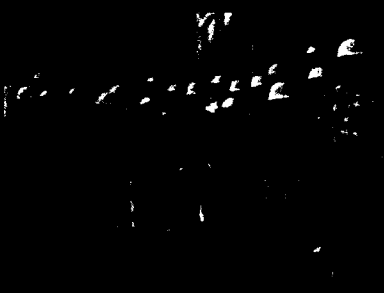





FOR
PUBLIC
LAND

- This slide outlines the details of the funding for the Shore of Crystal Beach. The costs are proposed to be a 59% county, 41% city split on cost.
-

Review of Proposed Interlocal Agreement

Shore of Crystal Beach 59% County / 41% City funded	
Tarpon Beach 50% City / 50% County funded	





FOR
PUBLIC
LAND

- Summary of the proposed interlocal agreement. The Shore of Crystal Beach would be 59% County/41% City funded.
- The Tarpon Beach opportunity would be a 50/50 split.
- The total cost of all projects would be \$32,500,000
- Much of Destin's portion of funding would be advanced funding through the municipal TDC shared revenue plan. The TDC would in essence front the money of the City's portion of the purchase from the TDC revenue. The city portion would be

the 41% and 50% of the cost of the projects as the County would contribute 59% and 50% of the costs.

- This interlocal would provide almost 600' of beach parks operated by the City of Destin in the Crystal Beach area.
- In 2018, the city operated 67' of beachfront parks at the Shore of Crystal Beach.
- This initiative would mostly encumber the municipal share revenue for the next 10 years, out of 20-year agreement.

Commissioner Mel Ponder complimented city staff for an excellent job working with county staff in bringing together this partnership opportunity for beach access acquisition. He stated that they have a great opportunity to obtain a contiguous stretch of land, with one owner, and with a funding source that is already in place. The cost will not come from the city's budget. It will be funded through the TDC, which is a proper use of those funds. He added it will be a great opportunity for residents and tourists alike to enjoy the beach.

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

Mr. Bob Smith, a Destin resident, stated that he does not understand why the city would want to spend about \$14 million, which is the city's portion of the cost, to obtain this beach access, when there are no guarantees they would not experience what they are currently experiencing with the other beach accesses. He reiterated that they have ballparks that need upgrading because they are an embarrassment as compared to other cities' ballparks. He urged the council to start looking at the infrastructure of this community for the future generations instead of spending a lot of money for a beach access for other people to use.

Ms. Marcie Bell, a Destin resident, stated that she supports this initiative, but, she also supports the statement made by the previous speaker because the children in the community are important. She urged the council to move forward and search for a path that could possibly connect these two issues at some point.

Mr. Shane Moody noted that the number one complaint from residents and tourists has been the inability to get on the beach. He stated they need more beach accesses, and that they have a situation now where somebody will help them purchase and maintain a beach access. It will be a great partnership with the county, and that they should take advantage of this opportunity. He urged the council to move forward with this endeavor.

Having no further comments from the public, the mayor closed the public hearing portion and send the matter back to the city council for their discussion and consideration.

Councilmember Hebert moved to approve Ordinance 22-12-CN on first reading and direct staff to advertise it for second reading; seconded by Councilmember Destin.

Councilmember Schmidt stated that he has a lot of consternation with this proposal and how they plan to obtain the beach. He stated that the entire presentation highlights short-term rentals at Crystal Beach as those who would benefit the most. It would provide additional relief to crowded beach parks as well as provide a strategic central location for beachgoers at Crystal Beach. He also stated that he agrees they need more beaches, but it should not be a quick

decision; adding that if the proposed ordinance passes on first reading tonight, they will then decide whether to purchase the property at their next meeting. He stated they will need more time to make such a decision. He continued that he does not support tying up a lot of money to purchase beach property at this current market conditions. He also does not like the fact that the maintenance of the park will be the city's responsibility. He stated they should consider other options, such as trying to open up the eastern side of Henderson Beach State Park and figuring out ways to make it more accessible to the people. He added that he has had some discussions with a lot of people, and on one is totally in favor of this proposal as it is being presented. He does not feel this is the best use of the TDC allocated funds for tourists and residents.

Okaloosa County Deputy Administrator Craig Coffey stated that this is a joint investment. It is the county's number one priority and their tourism economic engine, which will benefit residents and tourists alike. He stated that the tourism money they are now bringing to the table is replacing what was the city's local option sales tax. It essentially frees up about \$9 million of local option sales tax that the city can now spend on other needs. He stated this is a zero-interest loan; but in the event of a hurricane, the county has to borrow money to put sand on the beaches. The city will only have to pay the interest the county pays for the portion that is outstanding; adding it is a safety valve recommended unanimously by the TDC Board. He also stated that the city will maintain full control of the park. The only prohibition is having vendors charging for umbrellas and chairs, and paid parking. He added this is something that will last a long time and will allow the city to double its tourism dollars.

Motion passed 6-1 (Council members King, Hebert, Bagby, Destin, Wagner, and Braden voted "yes"; Councilmember Schmidt voted "no").

Councilmember Bagby noted that the area between Henderson Beach State Park to the Walton County line (approx. 2.7 boat miles) is public beach; and that the city needs to help identify that fact.

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

- A. Councilmember Braden
- B. Councilmember Wagner

1. Community First Meetings

Councilmember Wagner requests council consider moving Section 6: *Comments / Presentation from Mayor and Council*, at the very beginning of the agenda to facilitate as much citizen output and collaboration.

2. Florida League of Cities Annual Conference – Report

Councilmember Wagner reported that the Florida League of Cities Annual Conference he recently attended was excellent.

Councilmember Wagner expressed the need to address the lifeguard situation on their beaches soon. The Destin Fire Control District expects to have fewer lifeguards next year as

compared to this year due to cost of living increase. They need to find additional revenue source or do some budget cuts to increase their lifeguards service expenditures.

The City Manager will speak with District Chief Sasser to gather more information regarding this issue and provide a report to council at the next council meeting.

C. Councilmember Destin

D. Councilmember Bagby

1. City Manager Evaluation

Councilmember Bagby moved to direct the City Manager to develop draft metrics for FY 22-23 and bring them back to the council by the second meeting in September. Councilmember Wagner provided a second to the motion, which passes 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

Councilmember Bagby moved to appoint Ms. Lisa Mason to the Parks and Recreation Committee was seconded by Councilmember Hebert and passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

E. Councilmember Hebert

F. Councilmember King

G. Councilmember Schmidt

1. Fiscal Year 2022 - 2023 Strategic Plan

Councilmember Schmidt recommends creating an easy-to-follow online tutorial video showing how to use the COMPASS EnerGov System.

Councilmember Schmidt recommends the city develops some type of a process for email responses to the public to avoid having different individuals responding to the same email.

H. Mayor Gary Jarvis

I. Land Use Attorney

J. City Attorney

7. PUBLIC COMMENTS

Ms. Marcie Bell expressed her concern with regards to Code Compliance officers that are just driving by and ignoring obvious violations, some of which she reported. She stated that she has personally witnessed this happening and urged the council to make sure these officers are doing the job for which they were hired.

Ms. Sandy Trammell, a Destin resident and former council member, urged each member of the council to make sure they nominate individuals to the volunteer committees and boards so that members are appointed, and all vacant slots are filled. She reported that the Town Center CRA, of which she is a member has had to cancel multiple meetings for lack of a quorum.

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 10:05 PM.



Gary Jarvis, Mayor

ATTEST:



Rey Bailey, City Clerk

