

**REGULAR MEETING
DESTIN CITY COUNCIL
SEPTEMBER 18, 2023
ANNEX COUNCIL CHAMBERS
6:00 PM**

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

CALL TO ORDER

*** INVOCATION (Pastor David J. Butler - Faith Assembly Christian Church)**

PLEDGE OF ALLEGIANCE

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. PROCLAMATIONS / RECOGNITIONS / SPECIAL / **PUBLIC PRESENTATIONS / ANNOUNCEMENTS

A. Public Works/Public Safety 2023-2024 Work Plan, presentation by Jim Wood, Chair

2. PUBLIC COMMENTS (Section 5 - Public Hearings has separate public comments time for these items) (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)

3. * CONSENT AGENDA**

A. Operations Financial Report

B. Capital Project Status

C. Amendment to Gulf Shore Drive Extension Construction Agreement For Completion of Construction by December 31, 2023.

D. Resolution 23-20 39th Annual Christmas Parade

E. Annual Insurance Renewals

F. City of Destin Vulnerability Assessment - Dewberry Work Authorization

G. 607 Choctaw Ave- Proposed Residential Marine Construction Project for the construction of a new marginal dock, consisting of a 36.2' x 6' section and an 8' x 6' section

H. Approval of minutes of September 7, 2023 Regular City Council Meeting

I. Approval of minutes of July 17, 2023 Regular City Council Meeting

4. CITY MANAGER REPORTS

A. 401 Beach Drive Update

B. Property Exchange - Shore at Crystal Beach Park

C. Undergrounding Overhead Utilities - Update

D. Announcements

5. PUBLIC HEARINGS

A. Second reading of Ordinance 23-13-CN - Adopting the Fiscal Year 2024 Millage Rate

B. Second reading of Ordinance 23-14-CN - Adopting the Fiscal Year 2024 Budget

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

- A. Councilmember Sweetser
- B. Councilmember Geile
- C. Councilmember Destin
- D. Councilmember Bagby
- E. Councilmember Hebert
- F. Councilmember King
- G. Councilmember Schmidt
 - 1. Conceptual Idea - 1 Harbor property
- H. Mayor Wagner
- I. Land Use Attorney
- J. City Attorney

7. PUBLIC COMMENTS (Comments from the public on any matters considered at the meeting, or on any matters not on the agenda)

8. ADJOURN

* 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.

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

*** 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.

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 necesitan 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.

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. Please visit our agenda center on the city website at www.cityofdestin.com/agendas.

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023

TYPE OF AGENDA ITEM: Action Item

AGENDA OUTLINE NUMBER: 1.A.

TO: City Council

THRU: Lance Johnson, City Manager

FROM: Michael Burgess, Public Services Director

DATE: 09/13/2023

SUBJECT: Public Works/Public Safety 2023-2024 Work Plan, presentation by Jim Wood, Chair

I. BACKGROUND: The Public Works & Public Safety Committee prepares and approves a Work Plan on an annual basis.

II. DISCUSSION: The 2023-2024 Public Works & Public Safety Works Plan is presented for Committee consideration and possible approval.

A. Link to Strategic Goals / Objectives: II. Quality of Life and Safety for Families
IV. Effective, Efficient, and Aesthetically Pleasing Infrastructure

B. Effect on Budget (EOB): None at this time. The FY24 budget has allocated \$100,000 of 1/2 penny surtax funding for use by the Committee to accomplish items identified in the Plan and related projects.

C. Level of Service (LOS): Adoption of the FY24 PWPS Work Plan.

D. Legislative Sponsor:

III. CONCLUSION: The 2023-2024 PWPS Work Plan is attached. The Public Works/Public Safety Committee approved the Plan as presented at their September 12, 2023 meeting and passed a motion to recommend that the FY24 Plan be adopted by City Council. As this PWPS meeting occurred only a few days ago, minutes are not yet available.

IV. RECOMMENDED MOTION: I move that the Public Works and Public Safety Committee approve the 2023-2024 Work Plan and submit it to the City Council at the second meeting in September.

Attachments:

1. PWPS Work Plan 2024 Latest
Revision 18 Aug 2023

DESTIN PUBLIC WORKS/SAFETY COMMITTEE



WORK PLAN FOR FISCAL YEAR 2024

Respectfully Submitted,

18 Sept 2023

James T. Wood Jr.
Chairman, PW/S Committee

John Green
Vice Chairman, PW/S Committee

Public Works/Safety Committee

The Public Works/Safety committee is comprised of seven (7) members, each serving four-year terms consecutive with that of the Councilor making the nomination. The committee members elect a new Committee Chairperson and Vice Chairperson following new city elections once new committee members are chosen at the first available meeting.

MEETING DATE/TIME: The second (2nd) Tuesday of each month at 5:30 p.m. The meeting location is the City Hall Annex facility across Commons Drive from the main City Hall facility (the current City Council Meeting location).

STAFF LIAISON: Public Services Department

MISSION STATEMENT: The Public Works/Safety committee's purpose is to identify and review various functional areas relating to public works and safety, including street construction and maintenance, public parking areas and sidewalks, City rights-of-way, and the like; assess the need for projects relating to matters of public safety including, but not limited to, traffic signals, streetlights, crosswalks and emergency management information; and to staff recommendations to City Council. The committee's objectives shall be based upon implementation of the City's Comprehensive Plan. An additional mission assigned by the City Council is to serve as the City Surtax Committee making recommendations to the City Council on use of funds from the recent Okaloosa County ½ cent sales tax referendum.

Florida Sunshine Compliance: The Public Works / Safety Committee as an advisory committee to the Destin City Council is required by law to operate within Florida Governmental Sunshine Laws. The practical impact of the law is to limit all of your conversations with fellow committee members on topics currently or potentially coming before the committee to the meeting itself and no conversations outside of the meetings. Additionally, and purely as a recommendation, when e-mailed by staff as a meeting/issue topic, never select "reply to all" as other committee members may have been addressed on the original e-mail. Selecting "reply to all" is not in itself a violation; but may inadvertently lead to comments between committee members that could then be construed as violations of the law.

How to Join the Committee: <https://www.cityofdestin.com/FormCenter/City-Clerk-9/Committee-Volunteer-Application-57> (fill and submit the application on-line).

Committee Goals and Strategies:

Goal 1: Provide Destin's citizenry with a venue for raising community issues in the public works and safety arenas. **Strategy:** Conduct meetings the second Tuesday of each month, conduct research and analysis, prioritize and provide recommendations to the Destin City Council.

Goal 2: Review citywide public works projects for efficiency, cost, effect on safety and consistency with City of Destin Mobility Plans and other applicable documents.

Strategy: Review 5 - Year Pedestrian Facilities Plans: Pathways Master Plan, sidewalk plan, road resurfacing plan, roadway restriping plan and evaluate alternatives and prioritize for implementation. Review individual assigned areas for issues and improvements

Goal 3: Develop, manage and implement a process that allow for citizens to request speed humps, stop signs and other regulatory/traffic calming options be added to neighborhoods. **Strategy:**

- Develop the processes for review
- Ensure posting on the city website
- Review, conduct analysis, prioritize and make recommendations to City Council

Note: In order to facilitate these actions, we will ensure proper equipment on hand, calibrated and deployed as needed to collect stealth speed data, crash data etc. and collaborate with the Okaloosa County Sheriff's Office in order to fully understand issues.

Goal 4: Review, update, implement policy leading to improved safety for Pedestrian and LSV operations citywide: **Strategy:**

- Annually review city LSV operations and pedestrian safety issues
- Submit recommendations to policy changes
- Recommend additional Pedestrian Flashing HAWK systems for use
- Add additional crosswalk striping where appropriate

Goal 5: Serve as an advisory committee to the Destin City Council recommending projects for funding from the recent Okaloosa County ½ cent sales tax referendum. Approximately 10% of the annual funds will be set aside for committee project recommendations. **Strategy:** Ensure fiscal prudence applied to spending and that overall spending is within budget constraints.

Goal 6: Provide an avenue for citizen concerns and input on stormwater management issues including: Localized flooding issues, Drainage system failures, City wide Stormwater Master Plan Update, Stormwater Utility Fee adoption. **Strategy:** Provide a dedicated public comment period in each scheduled meeting for citizen input

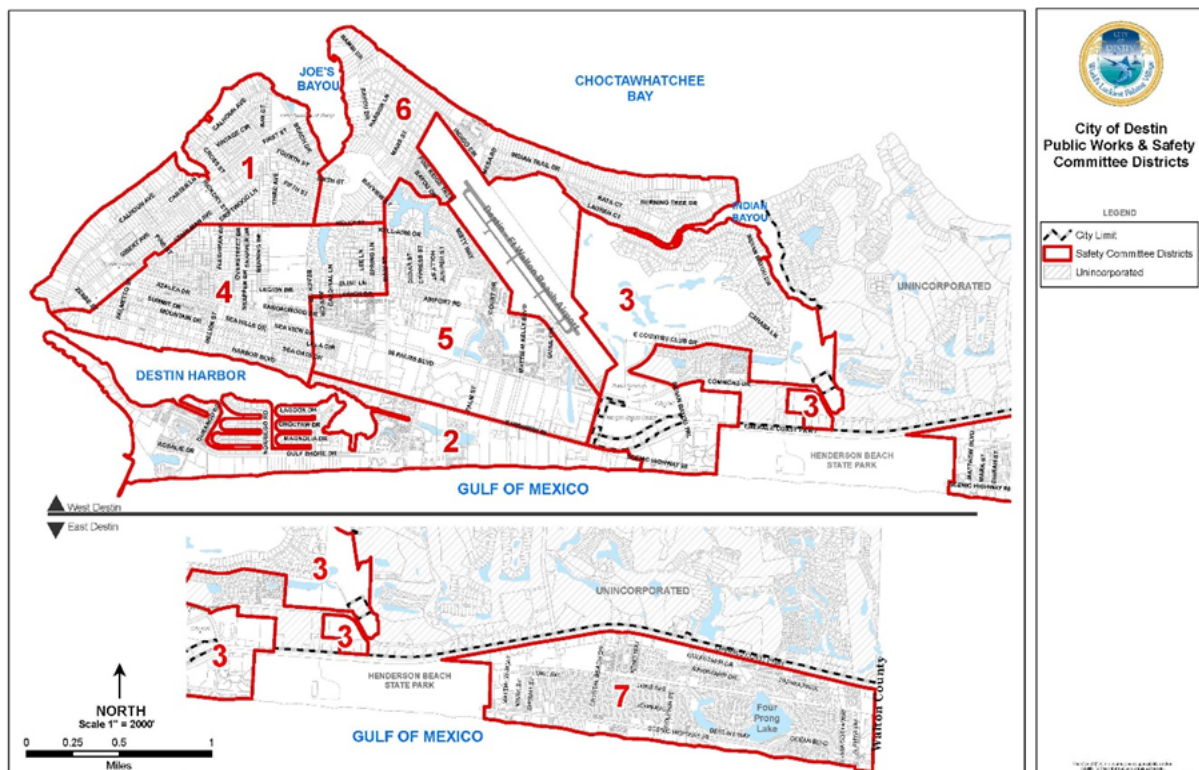
PUBLIC WORKS/PUBLIC SAFETY COMMITTEE

James T. Wood Jr – Chairman / John Green – Vice Chairman
Tom Weidenhamer, Marcie Bell, Curtis Smith, John Stephens, Sam Perman

CITY OF DESTIN PUBLIC WORKS/PUBLIC SAFETY COMMITTEE AREA ASSIGNMENTS AS OF JAN 2021

- Review assigned area at least monthly for any safety concerns.
- Review area for proper signage, condition of roads, sidewalks, bike paths, medians, streetlights, drainage, etc.
- Review any citizens/homeowners' association concerns/recommendations.
- Report concerns/recommendations at monthly committee meetings.

Area Map



1. Weidenhamer / 2. Bell / 3. Smith
4. Stephens / 5. Wood / 6. Green / 7. Perman

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023

TYPE OF AGENDA ITEM: Consent Agenda

AGENDA OUTLINE NUMBER: 3.A.

TO: City Council

THRU: Lance Johnson, City Manager
Kimberly Kopp, City Attorney

FROM: Krystal Strickland, Finance Director

DATE: September 6, 2023

SUBJECT: Operations Financial Report

I. BACKGROUND: This item is informational only.

II. DISCUSSION: Year-to-date budget versus actuals shall be provided to Council within forty-five days of the month end. Governmental funds are accounted for on a modified accrual basis, which excludes long-term assets and liabilities.

Highlights of the period ending 07/31/2023:

At the end of July we were 83% of the way through Fiscal Year 2023, which is October 1 - September 30, 2023

101% of Ad Valorem (property) taxes have been received

We have expended 73% of the Operating Budget

We have expended 48% of the Capital Budget

The net change in total fund balance is a year-to-date increase of \$8.7 million (\$1.7 million net expenditures plus \$7 million funds borrowed from TDC for Tarpon Beach purchase)

Details for all funds are on file with the Finance Department, and are available upon request.

- A. Link to Strategic Goals / Objectives:** Financially sound city providing service excellence
- B. Effect on Budget (EOB):**
- C. Level of Service (LOS):**
- D. Legislative Sponsor:**

III. CONCLUSION:

IV. **RECOMMENDED MOTION:** Not applicable. Item is informational only.

Attachments:

1. 2023p09 July YTD Actual TREND

Balance Sheet - Governmental Funds

	01, 700	102	110	111	122, 125, 127, 129	209, 213, 214, 221	300, 305, 315	2023
Period ended July 31,								
	General Fund	1998-2028 or to 2037 Town Center CRA	2003-2043 Harbor CRA	Florida Building Code Fund	Other Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Governmental Funds
Assets								
Cash and cash equivalents	\$ 13,305,175	\$ -	\$ -	\$ -	\$ 6,956,951	\$ -	\$ 2,332,888	\$ 22,595,013
Investments	16,095,593	-	-	-	-	-	-	16,095,593
Due from other funds	842,360	-	-	-	37,252	-	13,058	892,670
Due from other governments	427,343	-	-	-	219,368	-	120,574	767,285
Advance to other funds	2,448,824	-	-	-	-	-	-	2,448,824
Accounts receivable - other	423,831	-	-	-	-	-	213,300	637,131
Prepaid items	105,106	-	-	-	-	-	-	105,106
Restricted cash and cash equivalents	-	1,662,260	821,401	374,721	-	615,650	5,959,345	9,433,377
Total assets	\$ 33,648,231	\$ 1,662,260	\$ 821,401	\$ 374,721	\$ 7,213,571	\$ 615,650	\$ 8,639,165	\$ 52,974,999
Liabilities, deferred inflows of resources and fund balances								
Liabilities:								
Accounts payable	177,349	81,330	328	3,324	10,392	-	224,788	497,511
Accrued payroll	2,535	-	-	-	-	-	-	2,535
Unearned Revenue	-	-	-	-	-	-	1,314,391	1,314,391
Due to other funds	50,310	-	-	-	-	-	842,360	892,670
Advance from other funds	-	2,448,824	-	-	-	-	-	2,448,824
Total liabilities	230,194	2,530,153	328	3,324	10,392	-	2,381,538	5,155,929
Deferred inflows of resources								
Deferred revenue	262,290	-	-	-	-	-	-	262,290
Total deferred inflows of resources	262,290	-	-	-	-	-	-	262,290
Fund balances:								
Nonspendable	2,581,251	-	-	-	-	-	-	2,581,251
Restricted	-	-	774,813	368,392	-	615,650	2,577,031	4,335,886
Committed	10,874,000	-	-	-	6,096,397	-	1,336,050	18,306,448
Assigned	762,016	484,980	46,259	3,006	1,106,782	-	2,344,546	4,747,588
Unassigned	18,938,479	(1,352,873)	-	-	-	-	-	17,585,606
Total fund balances (deficit)	33,155,747	(867,893)	821,072	371,397	7,203,179	615,650	6,257,627	47,556,779
Total liabilities, deferred inflows of resources and fund balances	\$ 33,648,231	\$ 1,662,260	\$ 821,401	\$ 374,721	\$ 7,213,571	\$ 615,650	\$ 8,639,165	\$ 52,974,999
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Nonspendable = Long-term advance to TownCenter CRA \$2,448,823.50 (in 01 fund) plus prepaid expenses

Restricted = Interlocal Agreements, State and Local Regulations (Harbor CRA 110, Florida Building Code Fund 111, Impact Fees 315), Bond covenants (2013, 2014, 2021 Debt Service Funds), Grant Agreements (305)

Committed = Council resolutions, motions, includes fund balance resolution for 1 yr debt service (\$2.7m) + 3 mos emergency ops x 2 (\$6.7m), Tech Fund balance (125), Oka Half Penny fund balance (129)

Assigned = Contracts, purchase orders, unofficial RR fund (300)

Unassigned = Funds with a negative balance (TC CRA 102), net assets not otherwise categorized

CITY OF DESTIN
Actuals 10/01/2022 - 07/31/2023

SUMMARY ALL FUNDS	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE \$	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
Ad Valorem Taxes	\$ 10,691,777	\$ 10,792,905		\$ 10,802,008	\$ (101,128)
Tax Increment Financing (TIF)	1,597,791	1,592,119		1,592,119	5,672
Delinquent Ad Valorem Taxes	5,000	70,841		70,797	(65,841)
Sales and Use Taxes	3,565,731	2,906,844		3,713,351	658,887
Licenses and Permits	4,938,550	4,544,373		5,648,001	394,177
Impact Fees	105,500	407,571		461,271	(302,071)
Intergovernmental	24,605,770	13,228,073		17,349,714	11,377,696
Charges for services	906,500	1,167,790		1,365,697	(261,290)
Fines and Forfeitures	71,500	84,285		93,519	(12,785)
Investment Income	243,369	377,147		422,371	(133,778)
Contributions	3,766	4,161		4,696	(396)
Miscellaneous income	3,601	116,827		128,581	(113,226)
TOTAL REVENUES	46,738,854	35,292,938	-	41,652,126	11,445,917
<i>check figures:</i>	<i>46,738,854</i>	<i>35,292,938</i>	<i>-</i>	<i>41,652,126</i>	<i>11,445,917</i>
General Government	4,872,036	2,841,092	133,097	3,837,763	1,897,847
Public Safety	4,837,837	3,572,849	436,951	4,353,827	828,036
Physical Environment	335,296	196,410	31,892	275,528	106,994
Transportation	2,084,112	1,593,612	74,264	2,135,252	416,236
Economic Environment	356,856	193,374	115,436	332,252	48,047
Health & Human Services	90,085	38,966	31,331	76,298	19,787
Culture and Recreation	4,452,820	3,038,112	61,394	3,790,726	1,353,314
Debt Service	3,355,098	1,875,573	-	3,334,687	1,479,525
Capital Outlay	49,747,625	20,178,862	3,676,269	24,765,225	25,892,494
TOTAL EXPENDITURES	70,131,765	33,528,850	4,560,635	42,901,558	32,042,279
Excess (deficiency) of revenues over expend	(23,392,910)	1,764,088		(1,249,432)	
Proceeds from issuance of debt	27,545,000	7,020,863		7,020,863	20,524,138
Transfers In	34,123,246	11,430,171		12,939,724	22,693,076
Transfers Out	(34,123,246)	(11,430,171)		(12,939,724)	(22,693,076)
Total other financing sources (uses)	27,545,000	7,020,863	-	7,020,862	20,524,137
Net change in fund balances	4,152,090	8,784,950		5,771,431	
Fund Balance, Beginning	38,771,828	38,771,829		38,771,829	
Fund Balance, Ending	42,923,918	47,556,779		44,543,260	

*FY2023 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward

FUND BALANCE SUMMARY ALL FUNDS	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 PROJECTION
Nonspendable (Town Center CRA + prepaids)	2,361,624	2,581,251	2,581,251
Restricted (FL Statute & Debt Covenants)	10,878,629	4,335,886	6,817,320
Committed (Council Resolutions & Motions)	17,552,436	18,306,448	17,378,645
Assigned (contracts/PO balances)	1,000,000	4,747,588	3,085,933
<i>Unassigned</i>	<i>11,131,229</i>	<i>17,585,606</i>	<i>14,680,111</i>
Ending Fund Balance	42,923,918	47,556,779	44,543,260
	-	(0)	

01 GENERAL FUND	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
01-31 Ad Valorem Taxes	9,779,417	9,880,545		9,889,648	(101,128)
01-31 Delinquent Ad Valorem Taxes	5,000	70,841		70,797	(65,841)
01-31 Sales and Use Taxes	1,745,054	1,336,323		1,588,926	408,731
01-32 Licenses and Permits	2,962,950	2,964,265		3,556,201	(1,315)
01-32 Impact Fees	-	-		-	-
01-33 Intergovernmental	3,141,375	2,635,658		3,845,564	505,717
01-34 Charges for Services	463,700	557,105		674,580	(93,405)
01-35 Fines and Forfeitures	71,500	84,285		93,519	(12,785)
01-36 Investment Income	235,100	364,968		408,037	(129,868)
01-36 Contributions	1,700	4,161		4,696	(2,461)
01-36 Miscellaneous Revenue	3,601	116,827		128,581	(113,226)
TOTAL REVENUES	18,409,397	18,014,978	-	20,260,550	394,419

01-51 General Government	4,722,036	2,841,092	133,097	3,837,763	1,747,847
01-52 Public Safety	3,540,743	2,731,007	433,946	3,312,629	375,791
01-53 Physical Environment	314,296	196,410	31,892	268,528	85,994
01-54 Transportation	1,948,212	1,523,713	74,264	2,050,300	350,234
01-55 Economic Environment	14,500	10,839	-	14,452	3,661
01-56 Health & Human Services	90,085	38,966	31,331	76,298	19,787
01-57 Culture and Recreation	4,452,820	3,038,112	61,394	3,790,726	1,353,314
01-59 Capital Outlay	86,654	40,816	-	70,816	45,838
01-59 Debt Service Principal	19,254	2,214	-	2,214	17,040
01-59 Debt Service Interest	3,390	20	-	20	3,370
TOTAL EXPENDITURES	15,191,990	10,423,190	765,924	13,423,745	4,002,875

Excess (deficiency) of revenues over expend 3,217,407 7,591,788 6,836,805

01-38 Proceeds from Issuance of Debt	45,000	-		-	45,000
01-38 Transfers In	87,200	87,200		87,200	-
01-58 Transfers Out	(3,901,969)	(2,612,101)		(3,086,921)	(1,289,868)
Total other financing sources (uses)	(3,769,769)	(2,524,901)		(2,999,721)	(1,244,868)

01 Net change in fund balances (552,361) 5,066,887 3,837,085
01 Fund Balance (deficit), Beginning 28,088,861 28,088,861 28,088,861
01 Fund Balance (deficit), Ending 27,536,499 33,155,748 31,925,945

*FY2023 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward

102 TOWN CENTER CRA 1998-2037 (RESTRICTED; ECON DEV)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
102-31 County TIF	1,185,012	1,184,650		1,184,650	362
102-31 City TIF (Ad Valorem	499,581	499,581		499,581	-
102-36 Investment Income	1,100	1,165		1,308	(65)
TOTAL REVENUES	1,685,693	1,685,396		1,685,539	297

102-55 Economic Environment	204,848	112,652	69,176	195,775	23,020
102-59 Capital Outlay	1,300,000	80,000	305,804	575,804	914,197
TOTAL EXPENDITURES	1,504,848	192,652	374,980	771,579	937,216

Excess (deficiency) of revenues over expend 180,845 1,492,744 913,961

102-38 Transfers In	-	-		-	-
102-58 Transfers Out	(818,831)	(696,929)		(818,868)	(121,902)
Total other financing sources (uses)	(818,831)	(696,929)		(818,868)	(121,902)

102 Net change in fund balances (637,986) 795,815 95,093
102 Fund Balance (deficit), Beginning (1,663,709) (1,663,709) (1,663,709)
102 Fund Balance (deficit), Ending (2,301,695) (867,893) (1,568,616)

110 HARBOR CRA 2003-2043 (RESTRICTED; ECON DEV)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
110-31 County TIF	412,779	407,469		407,469	5,310
110-31 City TIF (Ad Valorem)	412,779	412,779		412,779	-
110-36 Investment Income	500	606		746	(106)
TOTAL REVENUES	826,058	820,854		820,994	5,204
110-55 Economic Environment	137,508	69,883	46,259	122,024	21,366
110-59 Capital Outlay	6,000,000	-	-	-	6,000,000
TOTAL EXPENDITURES	6,137,508	69,883	46,259	122,024	6,021,366
Excess (deficiency) of revenues over expend	(5,311,450)	750,971		698,969	
110-38 Transfers In	5,950,000	-		-	5,950,000
110-58 Transfers Out	(479,995)	(399,017)		(479,995)	(80,977)
Total other financing sources (uses)	5,470,005	(399,017)		(479,995)	5,869,023
110 Net change in fund balances	158,555	351,954		218,975	
110 Fund Balance (deficit), Beginning	469,117	469,117		469,117	
110 Fund Balance (deficit), Ending	627,672	821,071		688,092	

*FY2023 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward

111 FLORIDA BUILDING CODE FUND (RESTRICTED; PUBLIC SAFETY)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
111-32 Licenses and Permits	1,195,100	757,221		931,682	437,879
111-36 Investment Income	30	115		134	(85)
TOTAL REVENUES	1,195,130	757,336		931,817	437,794
111-52 Public Safety	1,209,094	759,426	3,006	957,449	446,662
111-59 Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	1,209,094	759,426	3,006	957,449	446,662
Excess (deficiency) of revenues over expend	(13,964)	(2,091)		(25,633)	
111-38 Transfers In	-	-		-	-
111-58 Transfers Out	(119,050)	(73,006)		(92,848)	(46,044)
Total other financing sources (uses)	(119,050)	(73,006)		(92,848)	(46,044)
111 Net change in fund balances	(133,014)	(75,097)		(118,481)	
111 Fund Balance (deficit), Beginning	446,495	446,495		446,495	
111 Fund Balance (deficit), Ending	313,481	371,398		328,014	

*FY2023 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward

122 PARKING FUND (COMMITTED; TRANSPORTATION)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
122-34 Charges for Services	442,800	610,685		691,117	(167,885)
122-36 Investment Income	44	334		434	(290)
TOTAL REVENUES	442,844	611,019		691,551	(168,175)
122-54 Transportation	135,900	69,898	-	84,952	66,002
122-59 Capital Outlay	496,000	3,789	60,340	64,129	431,871
TOTAL EXPENDITURES	631,900	73,688	60,340	149,081	497,872
Excess (deficiency) of revenues over expend	(189,056)	537,331		542,470	(666,047)
122-38 Transfers In	-	-		-	-
122-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	-	-		-	-
122 Net change in fund balances	(189,056)	537,331		542,470	

122 Fund Balance (deficit), Beginning	347,845	347,845	347,845
122 Fund Balance (deficit), Ending	158,789	885,176	890,315

*FY2023 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward

125 TECH FUND (COMMITTED; PUBLIC SAFETY)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
125-36 Investment Income	100	326		406	(226)
TOTAL REVENUES	100	326		406	(226)
125-52 Public Safety	88,000	82,416	-	83,749	5,584
125-59 Capital Outlay	112,000	-	-	18,667	112,000
TOTAL EXPENDITURES	200,000	82,416	-	102,416	117,584
Excess (deficiency) of revenues over expend	(199,900)	(82,090)		(102,010)	
125-38 Transfers In	197,995	171,972		197,086	26,023
125-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	197,995	171,972		197,086	26,023
125 Net change in fund balances	(1,905)	89,882		95,075	
125 Fund Balance (deficit), Beginning	351,126	351,126		351,126	
125 Fund Balance (deficit), Ending	349,221	441,007		446,200	

127 WATER QUALITY IMPROVEMENT FUND (ENVIRONMENT; RESTRICTED)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
127-32 Licenses and Permits	500	49,081		49,164	(48,581)
127-36 Investment Income	150	286		311	(136)
TOTAL REVENUES	650	49,367	-	49,476	(48,717)
127-53 Physical Environment	21,000	-	-	7,000	21,000
127-53 Capital Outlay	150,000	(884)	149,938	149,054	946
TOTAL EXPENDITURES	171,000	(884)	149,938	156,054	21,946
Excess (deficiency) of revenues over expend	(170,350)	50,251		(106,579)	
127-38 Transfers In	350,008	336,837		336,837	13,171
127-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	350,008	336,837		336,837	13,171
127 Net change in fund balances	179,658	387,088		230,258	
127 Fund Balance (deficit), Beginning	-	-		-	
127 Fund Balance (deficit), Ending	179,658	387,088		230,258	

129 OKA 1/2 PENNY 01/01/2019-12/31/2029 (COMMITTED; CAPITAL OUTLAYS)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
129-31 Sales and Use Taxes	1,556,293	1,371,029		1,882,654	185,264
129-36 Investment Income	2,100	4,050		4,757	(1,950)
TOTAL REVENUES	1,558,393	1,375,080		1,887,411	183,313
129-59 Capital Outlay	3,112,029	236,199	956,844	1,193,043	1,918,986
TOTAL EXPENDITURES	3,112,029	236,199	956,844	1,193,043	1,918,986
Excess (deficiency) of revenues over expend	(1,553,636)	1,138,881		694,368	
129-38 Transfers In	2,950,000	-		-	2,950,000
129-58 Transfers Out	(353,394)	(291,418)		(353,394)	(61,976)
Total other financing sources (uses)	2,596,606	(291,418)		(353,394)	2,888,024
129 Net change in fund balances	1,042,970	847,463		340,974	
129 Fund Balance (deficit), Beginning	4,642,445	4,642,445		4,642,445	
129 Fund Balance (deficit), Ending	5,685,415	5,489,908		4,983,420	

213 DEBT SERVICE 2013 NOTE (RESTRICTED; DEBT SERVICE)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
213-36 Investment Income	200	252		263	(52)
TOTAL REVENUES	200	252		263	(52)
213-59 Debt Service Principal	424,247	-	-	424,247	424,247
213-59 Debt Service Interest	130,172	65,086	-	130,172	65,086
TOTAL EXPENDITURES	554,419	65,086	-	554,420	489,333
Excess (deficiency) of revenues over expend	(554,219)	(64,834)		(554,156)	
213-38 Transfers In	554,420	462,016		554,420	92,404
213-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	554,420	462,016		554,420	92,404
213 Net change in fund balances	201	397,183		264	
213 Fund Balance (deficit), Beginning	93,504	93,504		93,504	
213 Fund Balance (deficit), Ending	93,705	490,687		93,768	

214 DEBT SERVICE 2014 NOTE (RESTRICTED; DEBT SERVICE)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
214-36 Investment Income	200	285		318	(85)
TOTAL REVENUES	200	285		318	(85)
214-59 Debt Service Principal	441,795	441,795	-	441,795	-
214-59 Debt Service Interest	289,836	289,836	-	289,836	0
TOTAL EXPENDITURES	731,631	731,631	-	731,631	0
Excess (deficiency) of revenues over expend	(731,431)	(731,346)		(731,313)	
214-38 Transfers In	731,631	609,729		731,668	121,902
214-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	731,631	609,729		731,668	121,902
214 Net change in fund balances	200	(121,617)		355	
214 Fund Balance (deficit), Beginning	245,971	245,972		245,971	
214 Fund Balance (deficit), Ending	246,171	124,354		246,326	

221 DEBT SERVICE 2021 NOTE (RESTRICTED; DEBT SERVICE)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
221-36 Investment Income	25	31		35	(6)
TOTAL REVENUES	25	31		35	(6)
221-59 Debt Service Principal	1,208,000	1,002,000	-	1,208,000	206,000
221-59 Debt Service Interest	88,404	74,623	-	88,403	13,781
221-51 General Government	-	-	-	-	-
TOTAL EXPENDITURES	1,296,404	1,076,623	-	1,296,403	219,781
Excess (deficiency) of revenues over expend	(1,296,379)	(1,076,591)		(1,296,368)	
221-38 Transfers In	1,296,403	1,076,623		1,296,404	219,781
221-58 Transfers Out	-	-		-	-
221-38 Proceeds from issuance of debt	-	-		-	-
Total other financing sources (uses)	1,296,403	1,076,623		1,296,404	219,781
221 Net change in fund balances	24	32		36	
221 Fund Balance (deficit), Beginning	577	577		577	
221 Fund Balance (deficit), Ending	602	609		613	

223 DEBT SERVICE 2023 NOTE (RESTRICTED; DEBT SERVICE)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
223-36 Investment Income	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-
223-59 Debt Service Principal	750,000	-	-	750,000	750,000
223-59 Debt Service Interest	-	-	-	-	-
223-51 General Government	150,000	-	-	-	150,000
TOTAL EXPENDITURES	900,000	-	-	750,000	900,000
Excess (deficiency) of revenues over expend	(900,000)	-	-	(750,000)	
223-38 Transfers In	750,000	-	-	750,000	750,000
223-58 Transfers Out	(27,350,000)	(7,020,863)	-	(7,020,863)	(20,329,138)
223-38 Proceeds from issuance of debt	27,500,000	7,020,863	-	7,020,863	20,479,138
Total other financing sources (uses)	900,000	-	-	750,000	900,000
223 Net change in fund balances	-	-	-	-	-
223 Fund Balance (deficit), Beginning	-	-	-	-	-
223 Fund Balance (deficit), Ending	-	-	-	-	-

300 RENEWAL AND REPLACEMENT (COMMITTED; CAPITAL OUTLAYS)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
300-36 Investment Income	1,900	1,973	-	2,353	(73)
TOTAL REVENUES	1,900	1,973	-	2,353	(73)
300-59 Capital Outlay	3,073,831	1,081,630	996,503	2,461,439	995,698
TOTAL EXPENDITURES	3,073,831	1,081,630	996,503	2,461,439	995,698
Excess (deficiency) of revenues over expend	(3,071,931)	(1,079,657)	-	(2,459,085)	
300-38 Transfers In	1,633,748	1,503,090	-	1,607,010	130,658
300-58 Transfers Out	-	-	-	-	-
Total other financing sources (uses)	1,633,748	1,503,090	-	1,607,010	130,658
300 Net change in fund balances	(1,438,183)	423,434	-	(852,075)	
300 Fund Balance (deficit), Beginning	1,900,750	1,900,750	-	1,900,750	
300 Fund Balance (deficit), Ending	462,567	2,324,184	-	1,048,675	

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305 GRANT AND GF CAPITAL PROJECT FUND (RESTRICTED; CAPITAL OUTLAYS)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
305-33 Intergovernmental	21,464,395	10,592,415	-	13,504,150	10,871,979
305-36 Contributions	2,066	-	-	-	2,066
TOTAL REVENUES	21,466,460	10,592,415	-	13,504,150	10,874,045
305-53 Physical Environment	-	-	-	-	-
305-59 Capital Outlay	29,092,884	18,556,494	1,142,430	19,987,046	9,393,960
TOTAL EXPENDITURES	29,092,884	18,556,494	1,142,430	19,987,046	9,393,960
Excess (deficiency) of revenues over expend	(7,626,424)	(7,964,079)	-	(6,482,897)	
305-38 Transfers In	8,671,841	7,182,703	-	7,379,100	1,489,138
305-58 Transfers Out	(750,000)	-	-	(750,000)	(750,000)
Total other financing sources (uses)	7,921,841	7,182,703	-	6,629,100	739,138
305 Net change in fund balances	295,417	(781,376)	-	146,204	
305 Fund Balance (deficit), Beginning	(140,925)	(140,925)	-	(140,925)	
305 Fund Balance (deficit), Ending	154,492	(922,301)	-	5,280	

315 IMPACT AND OTHER RESTRICTED (CAPITAL OUTLAYS)	FY2023 ADOPTED BUDGET*	FY2023 YTD Actuals	FY2023 ENCUMBRANCE S	FY2023 PROJECTION	FY2023 AVAILABLE BUDGET
315-32 Impact Fees	105,500	407,571		461,271	(302,071)
315-32 Licenses and Permits	780,000	773,806		1,110,954	6,194
315-31 Sales and Use Taxes	264,384	199,492		241,771	64,892
315-36 Investment Income	1,920	2,756		3,268	(836)
315-36 Miscellaneous Revenue	-	-		-	-
TOTAL REVENUES	1,151,804	1,383,625		1,817,263	(231,821)
315-53 Physical Environment	-	-	-	-	-
315-59 Capital Outlay	6,324,227	180,817	64,411	245,228	6,078,999
TOTAL EXPENDITURES	6,324,227	180,817	64,411	245,228	6,078,999
Excess (deficiency) of revenues over expend	(5,172,423)	1,202,809		1,572,035	
315-38 Transfers In	10,950,000	-		-	10,950,000
315-58 Transfers Out	(350,008)	(336,837)		(336,837)	(13,171)
Total other financing sources (uses)	10,599,992	(336,837)	-	(336,837)	10,936,829
315 Net change in fund balances	5,427,569	865,972		1,235,199	
315 Fund Balance (deficit), Beginning	3,989,771	3,989,771		3,989,771	
315 Fund Balance (deficit), Ending	9,417,340	4,855,743		5,224,969	

*FY2023 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023
TYPE OF AGENDA ITEM: Consent Agenda
AGENDA OUTLINE NUMBER: 3.B.

TO: City Council

THRU: Lance Johnson, City Manager
Kimberly Kopp, City Attorney

FROM: Krystal Strickland, Finance Director
Jeffrey Cozadd, Grants Manager
Michael Burgess, Public Services Director
Lisa Firth, Parks & Rec Director
Ryan Scott, City Engineer

DATE: September 12, 2023

SUBJECT: Capital Project Status

I. BACKGROUND: This item is informational only.

II. DISCUSSION: Please find attached a summary of the current capital improvement projects, showing status and Year-to-Date expenditures and encumbrances.

A. Link to Strategic Goals / Objectives: 1. Financially sound city providing service excellence

B. Effect on Budget (EOB):

C. Level of Service (LOS):

D. Legislative Sponsor:

III. CONCLUSION:

IV. RECOMMENDED MOTION: Not applicable. Informational only.

Attachments:

1. 2023 0912 Capital Projects

CITY OF DESTIN CAPITAL IMPROVEMENT PLAN - Monthly Status Report

COUNCIL/ MGMT OBJECTIVE	October 1, 2022 - September 12, 2023		FY2023 Budget*	YTD Actuals	YTD Encumbrances	FY2023 Available Budget	Status	Notes
PRIORITY	Citizen/Council Directed							
1.3	EN615	Cross-Town Connector	\$ 8,775,202	\$ 3,509,495	\$ 43,485	\$ 5,222,222	Ongoing	Permitting process started
1.4	CM001	Beach Acquisition	19,513,521	14,506,768	81,826	4,924,927	Ongoing	Tarpon Beach purchased and cleared. TDC has presented the 30% beach park design.
1.2	EVENT	City Center Feasibility/Planning/Design	50,000	-	-	50,000	Ongoing	Council agreed to rate Synalovski Romakik Saye (SRS) as first choice in selection process begin contract negotiations.
1.5	UNDER	Undergrounding	11,956,015	198,699	894,344	10,862,972	Ongoing	Survey was ordered and completed. 104/126 (83%) easements have letters of intent. Completed 17/48 surveys to finalize/record easements. Waiting on a binding cost estimate arrived from FPL.
1.8	TR621	Transit Trolley	-	-	-	-	In process	This is being reviewed as part of the mobility study in process with 3TP Ventures.
1.9	MARINA	City Marina	-	-	-	-		
1.7	ANNEX	Annexation Study	10,000	-	-	10,000	Done	Policy passed City Council May 2023
1.6	CRH60	Pedestrian Pathway Under the Marler Bridge	149,571	-	149,571	0	Restarted August 2023	Baskerville-Donovan engineering firm presented 60% design. FDOT is reconsidering project as it may align with bridge renovation plans.
	EN617	US98/Stahlman Intersection	75,000	-	75,000	-	In process	Study has begun September 2023
	Renewal & Replacement		-	-	-	-		
3.2	RR051	General Government	58,693	39,106	19,437	150	Ongoing	Replaced HVAC Unit in Annex. Replaced gas and diesel tanks at Maintenance Facility. Replacing HVAC units at City Hall.
3.2	RR052	Public Safety	267,000	12,515	30,943	223,541	Ongoing	Replaced transfermer at City Hall for backup generator. Replaced service panel and troubleshot HVAC at Sherriff's Substation. Replacing safety camera at Joe's Bayou.
3.2	RR053	Physical Environment (Stormwater, Cemetery)	150,000	-	149,938	62	Ongoing	Harbor Sluice Gate will go to Council in April 2023.
3.7	RR054	Roads, Sidewalks, Street Lighting (Gas Tax 1 + GF RR Fund)	1,231,626	722,011	498,569	11,046	Ongoing	Complete: Crystal Beach Restripe; Airport Rd patches; Main St and Indian Trl restripe. Underway: Sidewalk repairs; Scenic 98 resurface underway, Moreno Point Road approved, Vintage Circle and Vintage Court.
3.2	RR057	General Culture & Recreation (contracted items rolled forward from FY22)	69,484	67,884	-	1,600	Nearly complet	Morgans: Tip & Roll Bleachers, grinder lift station, concrete around dugouts, replace PA speaker. Library: Gutters replaced, shutters powered coated. Final invoice to clear encumbrance will be paid when last powder coated shutters are returned.
3.2	RR571	Library	224,000	-	-	224,000	Ongoing	Carpet RFP to be re-advertised in September (move bookshelves, replace carpet) est \$85k

COUNCIL/ MGMT	October 1, 2022 - September 12, 2023		FY2023 Budget*	YTD Actuals	YTD Encumbrances	FY2023 Available Budget	Status	Notes
OBJECTIVE								
3.2	RR572	Parks and Recreation	505,130	138,960	110,435	255,736	Ongoing	AC unit replaced at Com Ctr. Backstop at Elementary School. Outfield netting at elementary. Sod ordered for Morgan Sport Center. Windows for Com Ctr - seeking contractor.
3.2	RR573	Other Facilities (i.e. Museum)	39,500	6,203	-	33,297	Started	Staff made dumpster enclosure. Sidewalk repairs complete. Exterior repairs pending.
3.2	RRVEH	Vehicles	768,920	228,277	544,363	(3,720)	Ongoing	Received: Power Tilt Trailer; Mini Excavator; Gator. Ordered: Tractor, Gator and Sprayer, F-150, Bronco Sport; Dumptruck purchased in FY21 should be received by Fall FY23.
	Growth Necessitated & Comp Plan		-	-	-	-		
	CE002	Code Enforcement Equipment	10,000	-	-	10,000		
	LB002	Library Impact Fee Projects	140,000	-	-	140,000		
	NORG1	Norriego Point Road	-	-	-	-	Ongoing	Road design complete; developer beginning construction.
1.10	TR619	Sibert-Zerbe Parking Lot Consolidation	150,000	-	-	150,000	Tabled	Finalized design and requested quotes. Council asked to table the project for now.
	TR620	ADA Transition - Pedestrian Facilities	96,993	72,703	24,291	-	Ongoing	Phase 2 (prioritization; engineering estimate of costs) underway.
1.10	TR622	General Parking Improvements	250,000	3,789	-	246,211		For paid-parking facilities. Roll to FY 2024 (source = parking fund)
	Other Capital Projects		-	-	-	-		
4.15	ARP	Stormwater Infrastructure Projects	1,454,763	256,078	730,941	467,744	In Process	One IT Security project and one Stormwater project approved to date. Task orders for 9 more projects in process, including 4 Prong Lake project.
4.9	CRH63	Captain Royal Melvin Heritage Park and Plaza (RESTORE)	192,707	141,862	9,614	41,231	Completed	Park was opened in July 2023.
	CRT64	Wayfinding	100,000	-	-	100,000	On Hold	
4.16	CRT17	Town Center CRA Easement Trail/Linear Park	730,000	160,000	570,000	-	Ongoing	DAG is working on the design.
	HURRC	Hurricane Response	100,000	-	-	100,000		
	IT002	Tech Fund Hardware/Software Replacements	157,000	6,878	-	150,122	Ongoing	
	IT003	Other Hardware/Software Replacements	65,000	2,509	-	62,491	Ongoing	
	RC101	Harbor Boardwalk Improvements	339,469	193,931	-	145,537	Completed	
	RC124	Morgan's Children's Park Playground Structure	100,000	-	-	100,000	In Process	Plaground contractor is working on a design (and quote) to best fit our budget.
	RC125	Buck Destin Restrooms	200,000	-	99,544	100,456	Ongoing	Modular components on order. Wastewater system needs updated. Installation will be completed in FY 2024 (\$100k).
4.17	RC127	Pickleball Court	400,000	-	51,400	348,600		August 2023 Scott Jenkins design task order goes to Council. \$350k moved to FY 2024 to complete permitting and construction
	RC128	Morgan's Bathrooms/Storage/Fieldhouse	345,000	-	-	345,000		Moving project to 2024

COUNCIL/ MGMT OBJECTIVE	October 1, 2022 - September 12, 2023		FY2023 Budget*	YTD Actuals	YTD Encumbrances	FY2023 Available Budget	Status	Notes
4.12	RC216	Clement Taylor Park Renovations	764,918	39,497	8,783	716,638		New Construction Project manager will be tasked to draft construction RFP when subagreement comes from the County (winter 2024).
	SW53	Stormwater Master Plan	4,023	6,148	-	(2,125)	Completed	
	TRSAF	Intersection Safety	169,270	166,770	2,500	-	Ongoing	Last encumbrances for the year approved at 04/03/23 council meeting
	XMAS	Holiday Decorations	50,000	-	35,804	14,197		Staff presented to CRA's in April 2023
		Total Projects	49,662,805	20,480,084	4,130,787	25,051,934		

*Includes encumbrances rolled forward from prior years.

CITY OF DESTIN 5-YEAR CAPITAL IMPROVEMENT PLAN

			PY Encumbrances rolling forward 08/21/2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
STRATEGIC OBJECTIVE	PRIORITY	Citizen/Council Directed							
	1.3	EN615 Cross-Town Connector	\$ 325,366	\$ 6,877,809	\$ -	\$ -	\$ -	\$ -	\$ 6,877,809
	1.4	CM001 Beach Acquisition	95,364	25,357,849	-	-	-	-	25,357,849
	1.2	EVENT City Center Feasibility/Planning/Design	-	50,000	-	-	-	-	50,000
	1.5	UNDER Undergrounding	171,421	11,815,000	5,775,000	5,400,000	8,375,000	325,000	31,690,000
	1.8	TR621 Transit Trolley	-	-	-	-	-	-	-
	1.9	MARINA City Marina	-	-	75,000	-	-	-	75,000
	1.7	ANNEX Annexation Study	-	10,000	-	-	-	-	10,000
		Renewal & Replacement							
	3.2	RR051 General Government	3,669	30,000	53,500	30,500	30,500	30,500	175,000
	3.2	RR052 Public Safety	20,666	286,000	184,044	128,044	239,500	239,500	1,077,089
	3.2	RR053 Physical Environment (Stormwater, Cemetery)	69,048	150,000	26,307	1,117,307	100,307	26,307	1,420,227
	3.7	RR054 Roads, Sidewalks, Street Lighting (Gas Tax 1)	440,420	1,147,000	1,031,667	1,011,667	1,011,667	1,044,167	5,246,167
	3.2	RR057 General Culture & Recreation	118,434	-	-	-	-	-	-
	3.2	RR571 Library	-	224,000	90,833	50,833	50,833	50,833	467,332
	3.2	RR572 Parks and Recreation	-	508,718	733,978	265,978	298,978	258,978	2,066,631
	3.2	RR573 Other Facilities (i.e. Museum)	-	39,500	24,701	9,701	9,701	9,701	93,303
	3.2	RRVEH Vehicles	419,326	598,000	-	-	-	-	598,000
		Growth Necessitated & Comp Plan							
		CE002 Code Enforcement Equipment	-	10,000	-	-	-	-	10,000
		LB002 Library Impact Fee Projects	-	140,000	235,000	-	-	-	375,000
		NORG1 Norriego Point Road	6,981	-	-	-	-	-	-
		SW54 Stormwater Cleanouts	14,995	-	-	-	-	-	-
	1.6	TR618 Zerbe-Calhoun Pedestrian Pathway	149,571	-	-	-	-	-	-
	1.10	TR619 Sibert-Zerbe Parking Lot Consolidation	-	150,000	-	-	-	-	150,000
		TR620 ADA Transition - Pedestrian Facilities	109,475	-	-	-	-	-	-
	1.10	TR622 General Parking Improvements	4,426	250,000	100,000	-	-	-	350,000
		Other Capital Projects							
	4.15	ARP Stormwater Infrastructure Projects	483,779	1,135,133	-	-	-	-	1,135,133
		CE001 Code Compliance Boat Trailer	7,500	-	-	-	-	-	-
	4.9	CRH63 Captain Royal Melvin Heritage Park and Plaza (REST	70,815	90,000	-	-	-	-	90,000
		CRH64 Harbor CRA Wayfinding Plan Signage	-	-	150,000	-	-	-	150,000
	4.16	CRT17 Town Center CRA Easement Trail/Linear Park	-	540,000	50,000	1,000,000	-	-	1,590,000
		CRT64 Town Center CRA Wayfinding Plan Signage	-	100,000	-	-	-	-	100,000
		TR64 General Wayfinding Plan Signage	-	-	-	-	-	-	-
	HURRIC	Hurricane Response	-	100,000	-	-	-	-	100,000
	IT002	Tech Fund Hardware/Software Replacements	-	157,000	-	-	-	-	157,000

STRATEGIC OBJECTIVE			PY Encumbrances rolling forward 08/21/2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
	IT003	Other Hardware/Software Replacements	-	65,000	85,000	-	-	-	150,000
	LB001	Library Tablet Station & Biblioteca RFID and Mobil A	4,853	-	-	-	-	-	-
3.9	MM001	Multimodal expansion program	-	-	-	-	-	-	-
	PW015	Vehicle WashDown Station	-	-	-	-	-	-	-
	RC101	Harbor Boardwalk Improvements	313,904	21,500	-	-	-	-	21,500
	RC124	Morgan's Children's Park Playground Structure	-	100,000	-	-	-	-	100,000
	RC125	Buck Destin Restrooms	-	200,000	-	-	-	-	200,000
4.17	RC127	Pickleball Court	-	400,000	-	-	-	-	400,000
	RC128	Morgan's Bathrooms/Storage/Fieldhouse	-	345,000	-	-	-	-	345,000
4.12	RC216	Clement Taylor Park Renovations	-	764,918	-	-	-	-	764,918
	SALLY	Hurricane Sally	2,457	-	-	-	-	-	-
	SW53	Stormwater Master Plan	4,023	-	-	-	-	-	-
4.15	SW56	Stormwater Swale Work	-	-	-	-	-	-	-
4.15	SW57	Stormwater Basin Studies	-	-	-	-	-	-	-
	TRSAF	Intersection Safety	37,470	100,000	100,000	100,000	100,000	100,000	500,000
	XMAS	Holiday Decorations	-	50,000	-	-	-	-	50,000
Total Projects			\$ 2,873,961	\$ 51,812,427	\$ 8,715,030	\$ 9,114,030	\$10,216,486	\$ 2,084,986	\$ 81,942,958

			PY Encumbrances rolling forward 08/21/2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Funding Sources									
General Fund	0151212	GENERAL FUND	\$ -	-	-	-	-	-	-
General Fund	30058585	RR GENERAL	695,523	\$ 2,228,218	\$ 1,615,363	\$ 2,084,363	\$ 1,211,819	\$ 1,097,819	\$ 8,237,582
General Fund	30558500	GENERAL FUND	208,095	905,000	160,000	-	-	-	1,065,000
TC CRA	10258500	TOWN CENTER CRA	-	920,000	50,000	1,000,000	4,000,000	-	5,970,000
Harbor CRA	11058500	HARBOR CRA	-	6,000,000	150,000	-	-	-	6,150,000
Parking Fund	12254500	PARKING FUND	4,426	496,000	120,667	20,667	20,667	20,667	678,667
Tech Fund	12552400	TECHNOLOGY FUND	-	112,000	-	-	-	-	112,000
Oka 1/2 Penny	12953831	OKA 1/2 STORMWATER	-	-	-	-	-	-	-
Oka 1/2 Penny	12953931	OKA 1/2 UNDERGROUNDING	171,421	1,940,000	2,400,000	2,400,000	1,375,000	325,000	8,440,000
Oka 1/2 Penny	12954100	OKA 1/2 PUBLIC WORKS & SAFETY	-	100,000	100,000	100,000	100,000	100,000	500,000
Oka 1/2 Penny	12957231	OKA 1/2 BEACH ACQ	71,941	982,997	-	-	-	-	982,997
Gas Taxes	30054131	GAS TAX#1 RR ROADS	376,039	509,000	509,000	509,000	509,000	541,500	2,577,500
Gas Taxes	31554031	GAS TAX#2 COMP PLAN	4,023	500,000	-	-	-	-	500,000
Impact Fees	31552000	POLICE IMPACT FEES	7,500	10,000	-	-	-	-	10,000
Impact Fees	31554032	MULTI-MODAL IMPACT FEES	109,475	140,000	-	-	-	-	140,000

			PY Encumbrances rolling forward						Total
STRATEGIC OBJECTIVE			08/21/2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	
Impact Fees	31554132	ROAD IMPACT FEES	61,072	1,600,000	-	-	-	-	1,600,000
Impact Fees	31557132	LIBRARY IMPACT FEES	-	140,000	235,000	-	-	-	375,000
Impact Fees	31557232	PARK IMPACT FEES	5,412	422,000	-	-	-	-	422,000
Restricted	12753700	NPEB	-	150,000	-	-	-	-	150,000
Restricted	31553833	STORMWATER TRUST FUND	14,995	-	-	-	-	-	-
Franch fees	31553977	ELECTRIC FRANCHISE UNDERGROUNDING	-	3,375,000	3,375,000	3,000,000	3,000,000	-	12,750,000
Grant	30554100	BOCC XTOWN CONSTRUCTION	-	3,300,000	-	-	-	-	3,300,000
Grant	30554036	DEVELOPER CONTRIBUTION	3,491	-	-	-	-	-	-
Grant	30554133	FDOT TRIP GRANT	267,785	1,337,809	-	-	-	-	1,337,809
Grant	30554200	STATE GRANT LINEAR TRL	-	270,000	-	-	-	-	270,000
Grant	30557133	LIBRARY/MUSEUM GRANTS	4,853	-	-	-	-	-	-
Grant	30557233	RESTORE PARK GRANT	46,806	729,918	-	-	-	-	729,918
Grant	30557212	TDC 12.5% (includes Advanced Funding)	313,904	11,032,045	-	-	-	-	11,032,045
Grant	30557237	BOCC (TDC) BEACH ACQ GRANT	23,423	13,454,307	-	-	-	-	13,454,307
Grant	30555900	AMERICAN RESCUE PLAN	483,779	1,135,133	-	-	-	-	1,135,133
Grant	31557236	MORGANS KID PARK GRANT	-	23,000	-	-	-	-	23,000
Total Sources			\$ 2,873,961	\$ 51,812,427	\$ 8,715,030	\$ 9,114,030	\$ 10,216,486	\$ 2,084,986	\$ 81,942,958
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

		5-Year Capital Budget Amount
Council Objectives		
1.1	Offer livable wages & benefits to attract and maintain high caliber, qualified staff	\$ -
1.2	Work with stakeholders to pursue the Destin City Center	50,000
1.3	Complete two-lane Crosstown Connector	6,877,809
1.4	Public Beachfront acquisition initiative	25,357,849
1.5	Underground Utilities	31,690,000
1.6	Stahlman/US 98 pedestrian and vehicle improvements in cooperation with FDOT	-
1.7	Annexation of unincorporated enclaves	10,000
1.8	Transit/Trolley system	-
1.9	City Marina (phase 1 Feasibility Study)	75,000
1.10	Improve parking, explore options (i.e., parking garage, surface parking)	500,000
1.11	Beach re-nourishment, planning and scheduling	-
Management Objectives		
2.1-2.11	These are management-related, not capital project related	-
Management in Progress		
3.1	Memorialize institutional knowledge	-
3.2	Plan for renewal and replacement of city facilities and infrastructure	5,897,582
3.3	Monitor & Manage current grant & funding awards	-
3.4	Find and secure new funding opportunities for city services and city projects	-
3.5	Complete Land Development Code (LDC) revisions	-
3.6	Develop/Implement Wayfinding Program; Improve the City's gateways	-
3.7	Implement a pavement management program	5,246,167
3.8	Provide orientation and key training to Board and Committee members	-
3.9	Improve sidewalks (wider, more walkable)	-
3.10	Redevelopment (Update CRA's Master Plans)	-
3.11	Reestablish environmental committee	-
Major Projects		
4.1	Implement and manage COMPASS software (in progress)	-
4.2	Harbor Capacity Study (USACE) (in progress)	-
4.3	Land Development Code revision (in progress)	-
4.4	Impact Fee Study (in progress)	-
4.5	Building Permit Fee Study (in progress)	-
4.5	Building Permit Fee Study (in progress)	-
4.6	Develop and implement the Mobility Plan and associated Fees (in progress)	-
4.7	Update Business Tax Receipts (BTR) Fee Schedule and processes	-
4.8	Research Stormwater Utility options and Funding	-

4.9	Construct Capt Royal Melvin Heritage Park (in progress)	90,000
4.10	FDOT Median Improvement project (in progress)	-
4.11	Norriego Point Park improvements Phase III - Recreation Components (Pending GSD Roadway extension) (in progress)	-
4.12	Renovate Clement Taylor Park	764,918
4.13	Redevelop Joe's Bayou Recreation Area (in progress)	-
4.14	Continuity of streetlights/Conversion to LEDS (in progress)	-
4.15	Implement prioritized stormwater improvements based on the Stormwater Master Plan (in progress)	1,135,133
4.16	Linear Park: (In partnership with FPL) Secure additional funding, complete design, secure required easements, construct phase 1 Mattie Kelly Blvd to 98 Palms	1,590,000
4.17	Pickleball Courts: Secure additional funding, acquire land, complete design and construct	400,000
	TOTAL	\$ 79,684,458

TOTAL FY2023-2027 CAPITAL BUDGET \$ 81,942,958
% FOR STRATEGIC PLAN 97%

FY 2023 PROPOSED CAPITAL BUDGET
by Governmental Activity

General Government

ANNEX	Annexation Study	10,000
EVENT	Multi-Use Convention/Sports/Comm Ctr	50,000
IT002	Tech Fund Hardware/Software Replacements	157,000
IT003	Other Hardware/Software Replacements	65,000
MARINA	City Marina	-
RR051	General Government	30,000
RRVEH	Vehicles	598,000
Subtotal		910,000

Public Safety

CE002	Code Enforcement Equipment	10,000
HURRIC	Hurricane Response	100,000
RR052	Public Safety	286,000
Subtotal		396,000

Physical Environment

ARP	Stormwater Infrastructure Projects	1,135,133
RR053	Physical Environment (Stormwater, Cemetery)	150,000
UNDER	Undergrounding	11,815,000
Subtotal		13,100,133

Transportation

EN615	Cross-Town Connector	6,877,809
RR054	Roads, Sidewalks, Street Lighting (Gas Tax 1)	1,147,000
TR619	Sibert-Zerbe Parking Lot Consolidation	150,000
TR621	Transit Trolley	-
TR622	General Parking Improvements	250,000
TRSAF	Intersection Safety	100,000
Subtotal		8,524,809

Economic Development

CRH63	Captain Royal Melvin Heritage Park and Plaza (RESTORE	90,000
CRT17	Town Center CRA Easement Trail/Linear Park	540,000
CRT64	Town Center CRA Wayfinding Plan Signage	100,000
Subtotal		730,000

Culture & Recreation

CM001	Beach Acquisition	25,357,849
LB002	Library Impact Fee Projects	140,000
RC101	Harbor Boardwalk Improvements	21,500
RC124	Morgan's Children's Park Playground Structure	100,000
RC125	Buck Destin Restrooms	200,000
RC127	Pickleball Court	400,000

RC128	Morgan's Bathrooms/Storage/Fieldhouse	345,000
RC216	Clement Taylor Park Renovations	764,918
RR571	Library	224,000
RR572	Parks and Recreation	508,718
RR573	Other Facilities (i.e. Museum)	39,500
XMAS	Holiday Decorations	50,000
Subtotal		<u>28,151,485</u>
GRAND TOTAL		<u><u>51,812,427</u></u>

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023**TYPE OF AGENDA ITEM:** Consent Agenda**AGENDA OUTLINE NUMBER:** 3.C.**TO:** City Council**THRU:** Lance Johnson, City Manager**FROM:** Louis Zunguze, Community Development Director
Kimberly Kopp, City Attorney**DATE:** September 5, 2023**SUBJECT:** Amendment to Gulf Shore Drive Extension Construction Agreement For
Completion of Construction by December 31, 2023.

I. BACKGROUND: On October 8, 2021, the City Council approved the attached road construction agreement, which was subsequently signed by the City and Pointe Resort/Pointe Mezzanine ("Developer"). As you will recall, the original agreement requires that the Developer fully pay for all costs associated with construction of the Gulf Shore Drive Extension (this will not change). Additionally, the original agreement requires the Developer to fully construct the GSD Extension within 9 months of the City issuing all necessary permits for construction of the road extension, which would have meant the deadline for completion would occur this month: September, 2023.

Due to typical construction delays, **the Developer now anticipates that the road construction will be complete on or before December 31, 2023. No other changes to the existing agreement have been requested or made.**

Completion of the roadway will enable FDEP to begin construction on the Phase III Improvements of Norriego Point Park. The City has requested that, if possible, FDEP commence its procurement process concurrently with road construction to avoid delays in park construction.

On September 5, 2023, the City received the executed extension agreement, which is currently before the City Council for consideration.

II. DISCUSSION: As discussed with the City Council at its regular meeting of August 21, 2023, the proposed amendment to the construction agreement between the City and Developer is attached. The proposed agreement would extend the end date for completion of construction of the Gulf Shore Drive extension to December 31, 2023.

- A. Link to Strategic Goals / Objectives:
- B. Effect on Budget (EOB):
- C. Level of Service (LOS):
- D. Legislative Sponsor:

III. CONCLUSION: Staff recommends approval of the requested amendment to the Gulf Shore Drive Extension Construction Agreement.

IV. RECOMMENDED MOTION: I move to approve the amendment to the Gulf Shore Drive Extension Construction Agreement.

Attachments:

1. PR First Amendment to Gulf Shore Dr
Extension Construction Agreement
8.24.202367
2. Gulf Shore Drive Extension
Agreement

This instrument prepared by:
Kimberly Romano Kopp
City Attorney
City of Destin
4200 Indian Bayou Trail
Destin, Florida 32541

**FIRST AMENDMENT TO GULF SHORE
DRIVE EXTENSION CONSTRUCTION AGREEMENT**

This First Amendment ("Amendment") is made and entered into this 7th day of September, 2023, by and between **Pointe Resort, LLC**, a Florida limited liability company whose mailing address is 1901 Manhattan Boulevard, Building H, Suite 101, Harvey, Louisiana 70058 ("Pointe Resort"); **Pointe Mezzanine, LLC**, a Florida limited liability company whose mailing address is 1901 Manhattan Boulevard, Building H, Suite 101, Harvey, Louisiana 70058 ("Pointe Mezzanine" and, together "ith Pointe Resort, the "Developers"); and the **City of Destin**, a Florida municipal corporation whose mailing address is 4200 Indian Bayou Trail, Destin, Florida 32541 (the "City") (collectively, the "Parties") to extend and amend the Gulf Shore Drive Extension Construction Agreement, dated December 6, 2021 ("Principal Agreement").

The Parties hereby agree to amend a portion of paragraph 5 of the Principal Agreement as is set forth below. All terms and conditions of Paragraph 5 of the Principal Agreement that are not set forth in this Amendment remain in effect. The text in Paragraph 5 of this Amendment that is ~~strike-thru~~ is language proposed to be deleted from the Principal Agreement, underline language is language to be added, language that is not in strike-thru or underlined is not to be changed.

5. Construction of Gulf Shore Drive Extension.

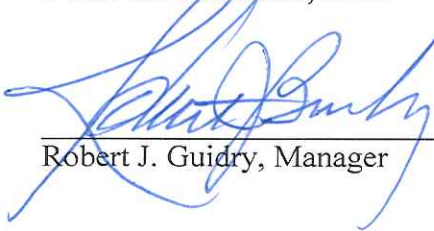
The Gulf Shore Drive Extension Project shall be completed by December 31, 2023.
~~within nine (9) months, of the City's all inclusive final approval of the Project,~~
~~including but not limited to issuance of building permits and right of way permits for~~
~~construction of the Gulf Shore Drive Project.~~

Terms and Conditions of Principal Agreement. All terms and conditions of the Principal

Agreement dated December 6, 2021, not explicitly amended herein remain in full force and effect, except to the extent of conflict with this Amendment.

POINTE RESORT, LLC

Dated: 8-24-2023


Robert J. Guidry, Manager

POINTE MEZZANINE, LLC

Dated: 8-24-2023


Robert J. Guidry, Manager

Dated: _____

CITY OF DESTIN

Bobby Wagner, Mayor

ATTEST:

Rey Bailey, City Clerk

This form is approved for legal sufficiency
for the City of Destin, only.

Kimberly Romano Kopp, City Attorney

This instrument prepared by:
Gary K. Hunter, Jr.
Robert C. Volpe
Holtzman Vogel, PLLC
119 South Monroe Street, Suite 500
Tallahassee, Florida 32301

GULF SHORE DRIVE EXTENSION CONSTRUCTION AGREEMENT

This Gulf Shore Drive Extension Construction Agreement ("Agreement") is made this 6th day of December, 2021, by and between **Pointe Resort, LLC**, a Florida limited liability company whose mailing address is 1901 Manhattan Boulevard, Building H, Suite 101, Harvey, Louisiana 70058 ("Pointe Resort"); **Pointe Mezzanine, LLC**, a Florida limited liability company whose mailing address is 1901 Manhattan Boulevard, Building H, Suite 101, Harvey, Louisiana 70058 ("Pointe Mezzanine" and, together with Pointe Resort, the "Developers"); and the **City of Destin**, a Florida municipal corporation whose mailing address is 4200 Indian Bayou Trail, Destin, Florida 32541 (the "City") (collectively, the "Parties").

WITNESSETH:

WHEREAS, by virtue of that certain Special Warranty Deed dated December 22, 2016, and recorded in the Okaloosa County Official Records at Book 3281, Page 1058 (a true and correct copy of which is attached hereto as Exhibit "A"), Pointe Resort is the fee simple owner of real property identified as Okaloosa County Parcel ID 00-2S-24-0000-0034-0020, which is located within the City of Destin (the "Upland Condominium Parcel"); and

WHEREAS, by virtue of that certain Trustee's Deed dated April 7, 2017, and recorded in the Okaloosa County Official Records at Book 3295, Page 3105 (a true and correct copy of which is attached hereto as Exhibit "B"), Pointe Mezzanine is the fee simple owner of real property identified as Okaloosa County Parcel ID 00-2S-24-0000-0034-0000, which is located within the City of Destin (the "Destin Harbor Parcel"); and

WHEREAS, the Upland Condominium Parcel and the Destin Harbor Parcel were previously part of a larger parcel leased and later owned in fee simple by Pointe One, LLC (“Pointe One”)¹ that extended from the Destin Harbor on the eastern side of the Holiday Isle peninsula to East Pass on the western side of the Holiday Isle peninsula (the “Pointe One Parcel”), and which is specifically described in that certain Assignment and Deed dated May 28, 2004, and recorded in the Okaloosa County Official Records at Book 2537, Page 2079, (a true and correct copy of which is attached hereto Exhibit “C”); and

WHEREAS, Pointe One applied for and obtained Final Development Order SP-09-17 (“DO 09-17”) from the City approving with conditions described therein, a multi-family residential development consisting of 79 long-term dwelling units on the Upland Condominium Parcel (the “Upland Condominium”), a true and correct copy of which is attached hereto as Exhibit “D”; and

WHEREAS, as a condition of DO 09-17, Pointe One was required to dedicate to the City a 100-foot right-of-way across the Pointe One Parcel for the extension of Gulf Shore Drive; and

WHEREAS, on April 29, 2009, Pointe One executed and recorded that certain Special Warranty Deed in the Okaloosa County Official Records at Book 2885, Page 4274, conveying a 100-foot strip of real property to the City for the extension of Gulf Shore Drive in between the Upland Condominium Parcel and the Destin Harbor Parcel and more particularly described in said deed, a true and correct copy of which is attached hereto as Exhibit “E”; and

WHEREAS, on May 8, 2009, Pointe One executed and recorded a Corrective Special Warranty Deed in the Okaloosa County Official Records at Book 2887, Page 2197, a true and correct copy of which is attached hereto as Exhibit “F”; and

¹ The Upland Condominium Parcel and the Destin Harbor Parcel are not and have not been contiguous as the City and its predecessors in title own and owned real property located in between the Upland Condominium Parcel and the Destin Harbor Parcel.

WHEREAS, at an October 17, 2011, regular Destin City Council Meeting (the Minutes of which are attached hereto as Exhibit "G"), the City Council approved and adopted a motion accepting the Special Warranty Deed and Corrective Special Warranty Deed (together, the "2009 Deeds") from Point One as the conveyance of the 100-foot strip of real property in between the Upland Condominium Parcel and the Destin Harbor Parcel, *nunc pro tunc* effective May 13, 2009; and

WHEREAS, the Developers are successors in title to Pointe One and took title to the Upland Condominium Parcel and Destin Harbor Parcel respectively after the 100 foot strip of real property for Gulf Shore Drive had been conveyed to and accepted by the City; and

WHEREAS, the Developers applied for and obtained Environmental Resource Permit No. 0251677-007-EI/46 and Sovereignty Submerged Lands Authorization No. 460338621 (the "FDEP Approvals") from the Florida Department of Environmental Protection ("FDEP") (a true and correct attached hereto as Composite Exhibit "H"), authorizing construction of a 53-slip private solely residential multi-family docking facility on the Destin Harbor Parcel that will serve residents of the Upland Condominium (the "Residential Docking Facility"); and

WHEREAS, on January 31, 2019, Pointe Mezzanine executed and recorded a conservation easement (a true and correct copy of which is attached hereto as Exhibit "I") in the Okaloosa County Official Records at Book 3383, Page 2425, restricting the uses of the Destin Harbor Parcel to those authorized in the FDEP Approvals; and

WHEREAS, Pointe Mezzanine also applied for and obtained Permit No. SAJ-2005-06882 (SP-MDZ) from the United States Army Corps of Engineers (a true and correct copy of which is attached hereto as Exhibit "J"), similarly authorizing construction of the Residential Docking Facility on the Destin Harbor Parcel; and

WHEREAS, the Developers submitted and the City is processing a Major Development Order Application for the Residential Docking Facility as an accessory use to the Upland Condominium; and

WHEREAS, in the process of reviewing the Major Development Order Application, the Parties discovered the existence of a deed from Okaloosa County to the City recorded on October 8, 1998, in the Okaloosa County Official Records at Book 2183, Page 2854, a true and correct copy of which is attached hereto as Exhibit "K" (the "1998 Deed");

WHEREAS, the Parties agree that title issues and ambiguities exist due to the 1998 Deed's existence and wish to clear and clarify these title issues and ambiguities through execution of this Agreement; and

WHEREAS, on November 7, 1958, the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida (the "Board of Trustees") recorded in the Okaloosa County Official Records at Book 194, Page 571, a Quitclaim Deed (a true and correct copy of which is attached hereto as Exhibit "L") to Okaloosa County of all right, title, and interest in certain dredge spoil areas deposited on sovereign lands of the State of Florida, including the real property which is now commonly known as Norriego Point Park; and

WHEREAS, on April 24, 1961, Okaloosa County recorded in the Okaloosa County Official Records at Book 194, Page 573, a Dedication (a true and correct copy of which is attached hereto as Exhibit "M") to the Board of Trustees dedicating Norriego Point Park (as it is more particularly described therein) in perpetuity to be used solely and exclusively for public park and public recreational purposes; and

WHEREAS, on July 27, 2010, Okaloosa County recorded in the Okaloosa County Official Records at Book 2945, Page 2136, a Deed (a true and correct copy of which is attached hereto as

Exhibit “N”) conveying fee title to Norriego Point Park to the City, subject to the aforementioned Dedication dated April 24, 1961; and

WHEREAS, in December 2012 the City submitted the Norriego Point Restoration and Recreation Project for consideration as an Early Restoration Project in the Natural Resource Damage Assessment process for the Deepwater Horizon Oil Spill; and

WHEREAS, as submitted the Norriego Point Restoration and Recreation Project included stabilization of Norriego Point and construction of recreational amenities including sidewalks and vehicle parking along the access road adjacent to the park; and

WHEREAS, the Norriego Point Restoration and Recreation Project was selected and the total estimated cost of the project is \$15,123,208.00; and

WHEREAS, on December 5, 2012, the City also entered into a Memorandum of Understanding with the Board of Trustees (a true and correct copy of which is attached hereto as Exhibit “O”) establishing the responsibilities and relationship between the City and the Board of Trustees with respect to management of Norriego Point Park (the “MOU”); and

WHEREAS, by that MOU the City agreed to be responsible for maintaining and controlling access to Norriego Point Park by the public and third parties; and

WHEREAS, access to Norriego Point Park and the associated recreational improvements included in the Norriego Point Restoration and Recreation Project requires construction of the extension of Gulf Shore Drive to Norriego Point Park; and

WHEREAS, FDEP undertook design of the recreational improvements for the Norriego Point Restoration and Recreation Project, including the design for the extension of Gulf Shore Drive to Norriego Point Park (the “Norriego Point Park Recreational Improvements”); and

WHEREAS, FDEP's conceptual design for the Norriego Point Recreational Improvements was presented to the Destin City Council at 30 percent, 60 percent, and 90 percent plan phases at regular meetings on September 17, 2018, August 19, 2019, and November 4, 2019, respectively; and

WHEREAS, at the 60 percent design phase presentation made on August 19, 2019, the Minutes of which are attached hereto as Exhibit "P," the City Council voted and unanimously approved FDEP's conceptual design for the Norriego Point Park Recreational Improvements, including alignment of the extension of Gulf Shore Drive; and

WHEREAS, the City has determined that construction of the Norriego Point Park Recreational Improvements, including the extension of Gulf Shore Drive, will provide significant benefits to the public health, safety, and welfare of its citizens;

WHEREAS, the Parties recognize the benefits of public-private cooperation and are desirous of finalizing an agreement which secures a plan for funding and construction of the extension of Gulf Shore Drive, as provided for below.

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

1. **Recitals.** The recitals set forth above are true and correct and are incorporated herein by reference.
2. **Purpose.** The purpose of this Agreement is to resolve outstanding title issues and set forth the rights and obligations of the Parties regarding the funding and construction of the extension of Gulf Shore Drive as detailed in the City and FDEP's approved conceptual 95% design plans for the Norriego Point Park Recreational Improvements attached hereto as Exhibit "Q,"

including the proposed concrete walkways and surface parking (the “Gulf Shore Drive Extension Project”).

3. **Exchange of Quitclaim Deeds.** Within ten (10) days of the Effective Date of this Agreement, the City will execute and record a quitclaim deed substantially conforming to the template attached as Exhibit “R” hereto, formally abandoning and quitclaiming to Pointe Resort any and all right, title, or interest the City may have in the property described in the 1998 Deed less and except the real property as described in the 2009 Deeds. Simultaneous with execution and recording of the quitclaim deed described in Exhibit “R,” the Developers will execute and record a separate quitclaim deed substantially conforming to the template attached as Exhibit “S” hereto, quitclaiming to the City any right, title, or interest they may have in the property described in the 2009 Deeds.

4. **1 Gulf Shore Drive Plat.** Within ten (10) days of recording the deeds described in Paragraph 3 above, the Parties will begin the process of jointly recording a plat by proceeding through the process described in City LDC Article 2.19.00, detailing the subdivision of the Pointe One Parcel into the Upland Condominium Parcel, the Destin Harbor Parcel, and the City’s 100-foot strip of real property for the Gulf Shore Drive Extension Project, and substantially conforming to the proposed subdivision plat attached as Exhibit “T” hereto.

5. **Construction of Gulf Shore Drive Extension.** The Developers will be responsible for construction of the Gulf Shore Drive Extension Project and will bear all costs associated therewith, except for those costs relating to the redesign of the Gulf Shore Drive Extension described below. The alignment of the Gulf Shore Drive Extension Project will be constructed generally in conformance with the design plans for the Norriego Point Park Recreational Improvements 90% Plans attached as Exhibit “Q” hereto and with the City’s approved

Environmental Resource Permit No. 0175572-010-EI/46 attached as Exhibit "U," but redesigned in a manner that increases the available public parking with the City retaining ultimate discretion to design Gulf Shore Drive Extension. The Parties recognize that Exhibits "Q" and "U" present only a concept of the Gulf Shore Drive Extension Project at this time and not fully designed and engineered drawings. The City shall undertake the redesign of the Gulf Shore Drive Extension by procuring fully designed and engineered drawings of the Gulf Shore Drive Extension from a licensed engineer to be selected by the City Council (the "GSD Redesign"). The fully designed and engineered drawings shall comply with the City's Comprehensive Plan and Land Development Code. The Parties agree to share costs for the GSD Redesign in the following manner: The City and Developers agree to equally split any and all costs of the GSD Redesign up to Sixty-Thousand Dollars (\$60,000.00), with the Developers' portion to be paid by Developers within 30 days of receipt of invoice from the City. Any cost of the GSD Redesign exceeding Sixty-Thousand Dollars (\$60,000.00) shall be borne solely by the City. The goal of this paragraph is to secure a timely redesign and permitted Gulf Shore Drive Extension Project for the benefit of the public usage of the Norriego Point Park Recreational Improvements. Upon completion, the Gulf Shore Drive Extension Project will be owned and maintained by the City pursuant to the Preliminary and permanent acceptance process outlined in City LDC Article 2.20.00.

Within thirty (30) days of completion of the GSD Redesign, the City agrees to use its best efforts to secure the required Coastal Construction Control Line ("CCCL") Permit for the Gulf Shore Drive Extension Project. Within thirty (30) days after the City secures the CCCL Permit, the Developers or their designee will begin the process of obtaining the required building permits for the Gulf Shore Drive Extension Project. If requested by the City or FDEP, within 120 days of issuance of the required building permits, the Developers or their designee will construct a

temporary roadway within the City's 100 foot strip of real property providing access to Norriego Point Park throughout construction of the Norriego Point Park Recreational Improvements and the Upland Condominium and Residential Docking Facility. The Gulf Shore Drive Extension Project shall be completed within nine (9) months of the City's all-inclusive final approval of the Project, including but not limited to issuance of building permits and right of way permits for construction of the Gulf Shore Drive Project. Within 60 days of issuance of both and Certificate of Occupancy for the Upland Condominium and a Certificate of Completion for the Residential Docking Facility, the Developers shall repair any damage to the Gulf Shore Drive Extension Project.

It is anticipated that construction of the Gulf Shore Drive Extension Project, the Upland Condominium, and the Residential Docking Facility will be concurrent with FDEP undertaking development of the Norriego Point Park Recreational Improvements. The Parties will coordinate with FDEP to the extent possible and agree to extend or otherwise modify the deadlines set forth in this paragraph as needed to accommodate FDEP's construction schedule. All deadlines contained in this Agreement shall only be modified upon mutual consent of both Parties, but neither party shall unreasonably withhold consent and both Parties agree to work in good faith with each other towards completion of the Gulf Shore Drive Extension Project.

6. **Consistency with Comprehensive Plan.** This Agreement and the development activities proposed herein are consistent with the City's Comprehensive Plan and Land Development Code.

7. **Other Permits.** Failure of this Agreement to address a particular permit, condition, term, or restriction shall not relieve the Developer of the necessity of complying with the applicable law governing said permitting requirements, conditions, terms, or restrictions.

8. **Binding Effect.** The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to the benefit of, all successors in interest to and assigns of the Parties to this Agreement.

9. **Applicable Law, Jurisdiction, Venue.** This Agreement, and the rights and obligations of the Parties hereunder, shall be governed by, construed under and enforced in accordance with the laws of the State of Florida. Additionally, in the event of any breach or default under this Agreement by a party, the non-defaulting or non-breaching party shall have the right to exercise any and all remedies at law or in equity, including specific performance, or which are otherwise provided in this Agreement against the defaulting or breaching party. No remedy available to any party shall exclude any other remedy available to such party under this Agreement or at law or in equity. All remedies shall be cumulative of other remedies. Venue for any litigation pertaining to this Agreement shall be exclusively in the Circuit Court of Okaloosa County, Florida.

10. **Severability.** If any provision of this Agreement, or the application thereof to any person or circumstances, shall to any extent be held invalid or unenforceable by any court of competent jurisdiction, then the remainder of this Agreement shall be valid and enforceable to the fullest extent provided by law.

11. **Attorney's Fees.** In the event that it becomes necessary for any party to this Agreement to enforce its rights under the terms of this Agreement, then in that event, the prevailing party in such proceeding shall be entitled to recover reasonable attorney's fees and court costs, including all trial and appellate litigation.

12. **Captions or Paragraph Headings and Exhibits.** Captions and paragraph headings contained in this Agreement are for convenience and reference only, and in no way define, describe, extend, or limit the scope or intent of this Agreement, nor the intent or any

provision thereof. All exhibits are made a part of this Agreement by incorporation as though they were restated herein.

13. **Joint Preparation.** Preparation of this Agreement has been a joint effort of the Parties and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against a party to this Agreement.

14. **Approval and Effective Date.** This Agreement shall become effective upon the approval and execution of Development Order 21-23, which authorizes the Residential Docking Facility.

15. **Amendment.** This Agreement may only be amended if in writing and by mutual consent of the Parties.

16. **Approvals and Duration of Permits.** The Developer acknowledges that this Agreement does not extend the duration of any permits or approvals, nor does it obligate the City to approve development that is not consistent with the City's Comprehensive Plan or Land Development Code. This Agreement shall not limit or impede the City in the exercise of its governmental authority for purposes of review and final action on any of the development described herein. This Agreement in no way alters or otherwise abrogates DO 09-17 or any condition specified therein.

17. **Further Assurances.** The Parties hereto agree to do, execute, acknowledge, and deliver, or cause to be done, executed, acknowledged, and delivered all other further acts and assurances as shall be reasonably requested by the other party in order to carry out the intent of this Agreement and give effect thereto. Without in any manner limiting their specific rights and obligations set forth in this Agreement, the Parties hereby declare their intention to cooperate with

each other in effecting the terms of this Agreement, and to coordinate the performance of their respective obligations under the terms of this Agreement.

18. Notices. Prior to either Party initiating legal proceedings to enforce what it perceives to be a breach of this Agreement, notice shall be provided to the Party alleged to have breached the Agreement by written notification delivered by certified U.S. mail explaining the purported breach and providing the offending Party fifteen (15) days from receipt of notice to cure the purported violation. In the event the breach is not cured within the fifteen (15) day period, the Party providing notice may initiate proceedings to enforce the terms of this Agreement. Failure to bring such an action at the end of the notice period described herein shall not serve as a waiver of the right to seek enforcement. Notice under this section shall be provided to:

For Developers:

Pointe Resort, LLC
1901 Manhattan Boulevard
Building H, Suite 101
Harvey, Louisiana 70058

Pointe Mezzanine, LLC
1901 Manhattan Boulevard
Building H, Suite 101
Harvey, Louisiana 70058

With copy to:

Gary K. Hunter, Jr.
Robert C. Volpe
Holtzman Vogel, PLLC
119 South Monroe Street, Suite 500
Tallahassee, Florida 32301

For the City:

Lance Johnson
City Manager
4200 Indian Bayou Trail
Destin, Florida 32541

With copy to:

Kimberly Romano Kopp
City Land Use Attorney
Romano Kopp Law, PA
P.O. Box 445
Destin, Florida 32541

and with copy to:

Kyle Bauman, Esq.
City Attorney
Anchors Smith & Grimsley
909 Mar Walt Drive No. 1014
Fort Walton Beach, Florida 32547

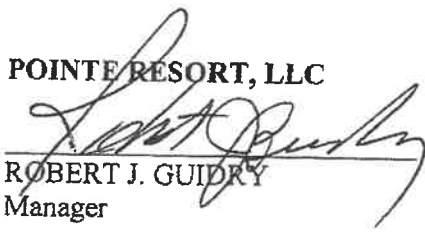
19. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together, shall constitute on and the same document. Approval of this Agreement shall expire unless, within thirty (30) days after approval, the Agreement is fully executed by all of the Parties.

20. **Entire Agreement.** This Agreement contains the entire understanding among the Parties to the Agreement regarding the matters herein set forth and is intended to be and is a final integration thereof. There are no representations, warranties, agreements, arrangements, undertakings, oral or written, between or among the Parties hereto relating to this Agreement which are not fully expressed herein.

[signatures appear on following page]

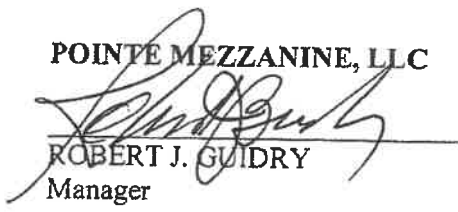
Dated: 12-6-2021

POINTE RESORT, LLC


ROBERT J. GUIDRY
Manager

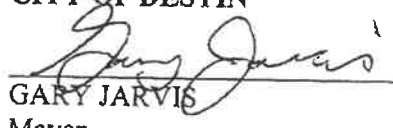
Dated: 12-6-2021

POINTE MEZZANINE, LLC


ROBERT J. GUIDRY
Manager

Dated: 12/6/21

CITY OF DESTIN


GARY JARVIS
Mayor

ATTEST:


Rey Bailey, City Clerk

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023
TYPE OF AGENDA ITEM: Consent Agenda
AGENDA OUTLINE NUMBER: 3.D.

TO: City Council
THRU: Lance Johnson, City Manager
FROM: Lisa Firth, Parks & Rec Director
DATE:
SUBJECT: Resolution 23-20 39th Annual Christmas Parade

I. BACKGROUND: The City of Destin is seeking a Temporary Closing of Highway 98 for the 39th Annual Christmas Parade. One of the requirements of the DOT permit is to seek City Council approval through Resolution.

II. DISCUSSION: The City of Destin is seeking a Temporary Closing of Highway 98 for the 39th Annual Christmas Parade. One of the requirements of the DOT permit is to seek City Council approval through Resolution.

A. Link to Strategic Goals / Objectives: This has been a standard procedure for the past 38 years of conducting the parade. Once Destin City Council approves Resolution 23-20, the FDOT permit can be processed.

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 the quality of life for residents, businesses and visitors.

D. Legislative Sponsor:

III. CONCLUSION: Staff recommends that Council adopts Resolution 23-20 to support the 39th Annual Destin Christmas Parade held on Saturday, December 9, 2023 at 10 am.

IV. RECOMMENDED MOTION: I move that the City Council adopt Resolution 23-20 in support of the 39th Annual Destin Christmas Parade.

Attachments:

1. Resolution Annual Christmas Parade

RESOLUTION 23-20

**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 2023 Destin Christmas Parade.

ADOPTED THIS 18th DAY OF September 2023.

By:

Bobby Wagner, Mayor

ATTEST:

Rey Bailey, City Clerk

The form and content of the above Resolution is hereby approved for legal sufficiency.

Kyle Bauman, City Attorney

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023
TYPE OF AGENDA ITEM: Consent Agenda
AGENDA OUTLINE NUMBER: 3.E.

TO: City Council

THRU: Krystal Strickland, Finance Director
Lance Johnson, City Manager

FROM: Jamie Dittmer, Human Resources Manager

DATE: 09/15/2023

SUBJECT: Annual Insurance Renewals

I. BACKGROUND: The City has been working with Public Risk Insurance Agency since 1996 as a strategic partner in the administration of our Property & Casualty insurance policies. Insurance policies for Property, Automobile (A/L), General Liability (G/L), Public Officials Liability and Employment Practices Liability (POL/EPL) expire on October 1, 2023 at 12:01 a.m. This item is being brought to Council at this time due to the timing of the renewal from the insurance agency and the extensive overview of properties and coverages for FY24.

II. DISCUSSION: FY 2023 insurance was \$327,435. The estimate for FY 2024 is \$503,840 (see list below for "new premium"). This equates to a 54% increase. While some of the insurance premiums are being reduced (Worker's Comp, Automobile, General Liability), Property insurance responsible for most of the total insurance increase. AssetWorks conducted an appraisal of City facilities in May 2023. Property values have increased since the last appraisal in 2012 by \$7,657,568.

To mitigate the increase in premiums, staff decided to obtain a quote for a new Worker's Compensation Policy which resulted in a reduction in premiums by \$61,561 while maintaining comparable coverage.

LINE	OFNew	Change (Increase/-Decrease)
COVERAGE	Premium	
Property	\$226,358	\$100,072
Inland Marine:	\$9,121	\$3,452
Crime:	\$1,279	-\$77
General	\$96,566	-\$1,719

Liability:

Automobile:	\$30,352	-\$2,101
Public	\$61,878	\$11,262
Officials:		
Workers'	\$77,436	-\$61,561
Compensation:		
General	\$850	\$0
Liability (Boat Slips)		

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB): The current version of the FY 2024 Proposed Budget had \$435,380 budgeted. The actual premiums will total \$503,840. Options to address the shortfall of \$68,460 include an internal transfer from other administrative accounts OR increase the Proposed FY 2024 Budget by \$68,460.

C. Level of Service (LOS): Financially Sound City Providing Service Excellence.

D. Legislative Sponsor:

III. CONCLUSION: Staff will be able to mitigate a substantial increase to total premium increases for Property, Casualty, and Workers Compensation insurance by terminating coverage with FMIT and moving forward with Worker's Compensation Coverage with Preferred Governmental Insurance Trust.

IV. RECOMMENDED MOTION: I move to authorize the City Manager to engage Public Risk Insurance Agency to bind all lines of Property and Casualty Coverage and Workers Compensation coverage for Fiscal Year 2024.

Attachments:

None

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023
TYPE OF AGENDA ITEM: City Manager Report
AGENDA OUTLINE NUMBER: 3.F.

TO: City Council

THRU: Louis Zunguze, Community Development Director
Krystal Strickland, Finance Director
Lance Johnson, City Manager

FROM: Jeffrey Cozadd, Grants Manager

DATE: 9/13/2023

SUBJECT: City of Destin Vulnerability Assessment - Dewberry Work Authorization

I. BACKGROUND: The Resilient Florida Program within the Office of Resilience and Coastal Protection was created to help coastal and inland communities plan for the impacts of climate change, including flooding and sea level rise. The Resilient Florida Program offers grants for community planning as well as grants to implement projects that adaptation to impacts associated with flooding and sea level rise.

The Vulnerability Assessment will be performed by a design engineering firm with the expertise and resources needed to meet the grant requirements.

II. DISCUSSION: This Vulnerability Assessment funded by the FDEP Office of Resilience and Coastal Protection will identify critical assets the city has that are at threat of sea level rise and flooding. Critical assets include transportation assets and evacuation routes, critical infrastructure, critical community and emergency facilities, and natural, cultural, and historic resources.

Additional steps in this process include an Adaptation Plan which will identify mitigation measures to protect the critical assets identified in the Vulnerability Assessment. Funding for this step has recently been applied for as well.

Dewberry Engineering is a continuing services provider for the City of Destin. Dewberry is exceptionally qualified to perform this Vulnerability Assessment and has a division of over 80 scientists, planners, and engineers dedicated to Resiliency projects. Dewberry has provided a task order outlining the deliverables and schedule for completing the Vulnerability Assessment. Dewberry has worked closely with FDEP and FDEO on similar

projects and for over 100 other municipalities (past and currently) here in Florida and is the most qualified firm for a project of this nature.

A. Link to Strategic Goals / Objectives: I. Financially sound city providing service excellence.

II. Enhanced quality of life and safety for families.

B. Effect on Budget (EOB): The grant is for \$70,000 and does not require a match.

Revenue: 01300-334310-PE003

Expenditures: 0153800-531000-PE003

Deferred Revenue: 01-223103-PE003

Accounts Receivable: 01-133103-PE003

In the August 21, 2023 Agenda item to approve this grant, we noted that a budget amendment would be brought forth to Council if a professional services contract was brought forth before September 30, 2023. This budget amendment to increase Grant Revenue and to increase Professional Services Expenditures is attached for review and approval.

C. Level of Service (LOS): Level of service will be increased.

D. Legislative Sponsor:

III. CONCLUSION: The Vulnerability Assessment will yield valuable information that the city can use to justify further funding requests for mitigation projects dealing with sea level rise and flooding. Staff recommends that Dewberry be hired to conduct the City-Wide Comprehensive Vulnerability Assessment.

IV. RECOMMENDED MOTION: I move that the city council approve the Task Order from Dewberry to complete the City-Wide Comprehensive Vulnerability Assessment and authorize the City manager to execute this Task Order.

Attachments:

1. 2023-8-18_CityofDestin_Citywide_VA_Task_Work_Order_v1 a
2. -23PLN64 - COMP VULNER ASSESSMENT - EXECUTED
3. 2023 0918 Budget Amendment FDEP VULNERABILITY ASSMT GRANT PE003



Dewberry Engineers Inc. | 850.674.3300
20684 Central Avenue East | 850.644.3330 fax
Blountstown, FL 32424 | www.dewberry.com

August 18, 2023

Jeffrey Cozad, Projects/Grants/Contracts Manager
City of Design
4200 Indian Bayou Trail
Destin, Florida 32541

**RE: Citywide Comprehensive Vulnerability Assessment
FDEP Resilient Grant Program
Okaloosa County, FL**

Mr. Cozadd:

It is our understanding that the City has received funding from the Florida Department of Environmental Protection (FDEP) Resilient Florida Grant Program for the development of a Comprehensive Vulnerability Assessment. Dewberry Engineers Inc. (DEI) is pleased to provide this Task Order to provide planning services to complete the proposed project. **Exhibit A** contains a detailed Task Order with a description of the scope of services.

DEI proposes to provide these services for a lump sum fee of **\$70,000.00**. The associated fees are consistent with the grant amount awarded from FDEP.

Thank you for this opportunity to serve the City. If you have any questions, please give me a call at 321-354-9779.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rudy Mall", is positioned above the printed name.

Rudy Mall
Project Manager

EXHIBIT A
CITY-WIDE COMPREHENSIVE VULNERABILITY ASSESSMENT
PROFESSIONAL ENGINEERING SERVICES
FOR CITY OF DESTIN
AUGUST 2023

This Task Order is for the purpose of Dewberry Engineers Inc. (DEI) as the ENGINEER to provide professional services for the Comprehensive Vulnerability Assessment for the City of Destin, acting by and through its Commission.

The full study is anticipated to be complete no later than March 30, 2025, as supplemental funding is currently being sought by the City, to undertake the full scope of completing the VA study, including public outreach.

In the interim time between execution of this agreement and June 2023, Tasks 1, Tasks 2, and 3 will commence, to prepare for the final exposure and sensitivity analysis, additional public outreach, post the analysis work, and final VA report.

TASKS AND DELIVERABLES:

Task 1: Kick Off Meeting

Description: The Grantee will develop an overall project management plan and address initial actions and then conduct a kick-off meeting for the project. Meeting attendees should discuss the project scope, project goals, schedule, key milestones, and deliverables in order to develop a consistent project approach. Prior to the meeting, the Grantee will prepare the sign-in sheet, draft project schedule, and other meeting materials as necessary. The Grantee will prepare a draft list of City staff representatives that will participate in the project and review deliverables.

Deliverables: The consultant team will provide deliverables in accordance with the FDEP grant agreement to be executed in August 2023.

Task 2: Public Outreach Meeting #1

Description: The Grantee will conduct one initial public outreach meeting for project. The purpose of the first meeting is to allow the public to provide input during the initial data collection stages, preferred methodologies, data for analyzing potential sea level rise impacts and/or flooding, guiding factors to consider, and critical assets important to the community. The Grantee will prepare all social media notifications, meeting invitations, meeting materials, presentations, and graphics utilized during the meeting, as applicable.

Deliverables: The consultant team will provide deliverables in accordance with the FDEP grant agreement to be executed in August 2023.

Task 3: Acquire Background Data and Municipal Outreach

Description: The Grantee will research and compile the data needed to perform the VA based on the requirements as defined in Section 380.093, F.S. Three (3) main categories of data are required to perform a VA: 1) critical and regionally significant asset inventory, 2) topographic data, and 3) flood scenario-related data. GIS metadata should incorporate a layer for each of the four asset classes as defined in paragraphs 380.093(2)(a)1-4, F.S. GIS files and associated metadata must adhere to the Resilient Florida

Program's GIS Data Standards (Exhibit I), and raw data sources shall be defined within the associated metadata. Sea level rise projection data shall include the 2017 National Oceanic and Atmospheric Administration (NOAA) intermediate-high and intermediate-low projections for 2040 and 2070, at a minimum. Other projections can be used at the Grantees discretion. Storm surge data used must be equal to or exceed the 100-year return period (1% annual chance) flood event. In the process of researching background data, the Grantee shall identify data gaps, where missing data or low-quality information may limit the VA's extent or reduce the accuracy of the results. The Grantee shall rectify any gaps of necessary data using available public information and sources.

Deliverables: The consultant team will provide deliverables in accordance with the FDEP grant agreement to be executed in July 2023.

Task 4: Exposure Analysis

Description: The Grantee will perform an exposure analysis to identify the depth of water caused by each sea level rise, storm surge, and/or flood scenario. The water surface depths (i.e. flood scenarios) used to evaluate assets shall include the following data: tidal flooding, current and future storm surge flooding, rainfall-induced flooding, and compound flooding, all as applicable, as well as the scenarios and standards used for the exposure analysis shall be pursuant to s. 380.093, F.S. GIS files and associated metadata must adhere to the Resilient Florida Program's GIS Data Standards (Exhibit I), and raw data sources shall be defined within the associated metadata.

Deliverables: The consultant team will provide deliverables in accordance with the FDEP grant agreement to be executed in July 2023.

Task 5: Sensitivity Analysis

Description: The Grantee will leverage the county-wide sensitivity analysis to refine the impact of flooding on assets that are managed and owned by the City and to apply the data from the exposure analysis to the inventory of critical assets created in Task 3. The sensitivity analysis should include an evaluation of the impact of flood severity on each asset class and at each flood scenario and assign a risk level based on percentages of land area inundated and number of critical assets affected.

Deliverables: The consultant team will provide deliverables in accordance with the FDEP grant agreement to be executed in July 2023.

Task 6: Final Vulnerability Assessment Report, Maps, and Tables Description: The Grantee will finalize the Vulnerability Assessment (VA) report pursuant to the requirements in s. 380.093, F.S., and based upon the steering committee and public outreach efforts. The final VA must include all results from the exposure and sensitivity analyses, as well as a summary of identified risks and assigned focus areas. It should contain a list of critical and regionally significant assets that are impacted by flooding and sea-level rise, specifying for each asset the flood scenario(s) impacting the asset. GIS files and associated metadata must adhere to the Resilient Florida Program's GIS Data Standards (Exhibit I), and raw data sources shall be defined within the associated metadata.

Deliverables: The consultant team will provide deliverables in accordance with the FDEP grant agreement to be executed in July 2023.

REIMBURSABLE COSTS: All reimbursable fees will be charged to the appropriate task. Reimbursement for fees will be submitted with appropriate documentation, for submittal to FDEP. Fees may include costs such as mileage, travel, and reproduction of exhibits and documents for public outreach and final deliverables, as needed.

EXCLUSIONS: No final engineering design, hydraulic or hydrologic, stormwater modeling is included in this scope of services. All modeling provided during planning services is limited to geospatial modeling using ESRI software, consistent with FDEP grant requirements.

PROJECT TIMELINE AND BUDGET DETAIL: A preliminary schedule is provided below; all tasks must be completed by, and all deliverables received in March 2025, to the City. Cost-reimbursable grant funding must not exceed the budget amounts indicated below. Requests for any change(s) must be submitted prior to the current task due date listed in the Project Timeline. Requests are to be sent via email to the Department's Grant Manager, with the details of the request and the reason for the request made clear.

Specific Task Fees are outlined in the table below:

Task No.	Task Title	Budget Category	DEP Amount	Match Amount	Total Amount	*Task Start Date	Task Due Date
1	Kick Off Meeting	Contractual Services	\$3,500	\$0	\$3,500	10/01/2023	10/30/2023
2	Public Outreach Meeting #1	Contractual Services	\$8,500	\$0	\$8,500	2/2/2024	3/31/2025
3	Acquire Background Data	Contractual Services	\$8,000	\$0	\$8,000	11/1/2023	10/31/2024
4	Exposure Analysis	Contractual Services	\$15,000	\$0	\$18,000	9/1/2024	11/15/2024
5	Sensitivity Analysis	Contractual Services	\$13,000	\$0	\$13,000	11/15/2024	1/15/2025
6	Final Vulnerability Assessment Report, Maps, and Tables	Contractual Services	\$22,000	\$0	\$22,000	4/1/2024	3/01/2025
Total:			\$70,000	\$0	\$70,000		

*Note: The full study is anticipated to be complete no later than March 30, 2025. Supplemental funding is currently being sought from FDEP, by the City, for the VA study, for additional data compilation for critical assets, to supplement needed funding for Exposure and Sensitivity Analysis for flooding scenarios, for development of focus areas within the final report, for additional reporting details and conceptual adaption strategies, and for additional public outreach and meetings. If awarded, this task work order is anticipated to be amended for a revised scope of work.

PROFESSIONAL SERVICE FEES

*DEI proposes to provide these services for a lump sum fee of: **TOTAL: \$70,000.00***

IN WITNESS WHEREOF, the parties hereto have caused this Task Order to be executed by their undersigned officials as duly authorized.

DEWBERRY ENGINEERS INC.

By:  _____

Name and Title: Rudolph Mall, Project Engineer

Date: 8/18/2023

City of Destin, Florida

By: _____

Name and Title: _____

Date: _____

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
Standard Grant Agreement**

This Agreement is entered into between the Parties named below, pursuant to Section 215.971, Florida Statutes:

1. Project Title (Project): **City of Destin Comprehensive Vulnerability Assessment** Agreement Number: **23PLN64**

2. Parties **State of Florida Department of Environmental Protection,
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000** (Department)

Grantee Name: **City of Destin** Entity Type: **Local Government**

Grantee Address: **4200 Indian Bayou Trail
Destin, FL 32541** FEID: **59-2480854** (Grantee)

3. Agreement Begin Date: **7/1/2022** Date of Expiration: **6/30/2025**

4. Project Number: Project Location(s): **Okaloosa County**
(If different from Agreement Number)

Project Description: **The project will conduct a comprehensive Vulnerability Assessment pursuant to Section 380.093, Florida Statutes, for the City of Destin within Okaloosa County.**

5. Total Amount of Funding:	Funding Source?	Award #s or Line Item Appropriations:	Amount per Source(s):
\$ 70,000.00	☒ State ☐ Federal	FY 22-23 GAA 1776	\$ 70,000.00
	☐ State ☐ Federal		\$
	☐ Grantee Match		\$
Total Amount of Funding + Grantee Match, if any:			\$ 70,000.00

6. Department's Grant Manager	Grantee's Grant Manager
Name: Charles Neuhauser	Name: Jeff Cozadd
or successor	or successor
Address: Resilient Florida Program 2600 Blair Stone Road, MS235 Tallahassee, Florida 32399	Address: City of Destin 4200 Indian Bayou Trail Destin, Florida 32541
Phone: 850-245-2138	Phone: 850-279-4228
Email: Charles.Neuhauser@FloridaDEP.gov	Email: jcozadd@cityofdestin.com

7. The Parties agree to comply with the terms and conditions of the following attachments and exhibits which are hereby incorporated by reference:

☒ Attachment 1: Standard Terms and Conditions Applicable to All Grants Agreements
☒ Attachment 2: Special Terms and Conditions
☒ Attachment 3: Grant Work Plan
☒ Attachment 4: Public Records Requirements
☒ Attachment 5: Special Audit Requirements
☒ Attachment 6: Program-Specific Requirements
☐ Attachment 7: Grant Award Terms (Federal) *Copy available at https://facts.fldfs.com , in accordance with §215.985, F.S.
☐ Attachment 8: Federal Regulations and Terms (Federal)
☐ Additional Attachments (if necessary):
☒ Exhibit A: Progress Report Form
☐ Exhibit B: Property Reporting Form
☒ Exhibit C: Payment Request Summary Form
☐ Exhibit D: Quality Assurance Requirements
☐ Exhibit E: Advance Payment Terms and Interest Earned Memo
☒ Exhibit J: Common Carrier or Contracted Carrier Attestation Form PUR1808
☒ Additional Exhibits (if necessary): Exhibit F: Final Report Form, Exhibit G: Photographer Release Form, Exhibit H: Contractual Services Certification, Exhibit I: Vulnerability Assessment Compliance Checklist Certification

8.	The following information applies to Federal Grants only and is identified in accordance with 2 CFR 200.331 (a) (1):	
Federal Award Identification Number(s) (FAIN):		
Federal Award Date to Department:		
Total Federal Funds Obligated by this Agreement:		
Federal Awarding Agency:		
Award R&D?	☐ Yes ☐ N/A	

IN WITNESS WHEREOF, this Agreement shall be effective on the date indicated by the Agreement Begin Date unless another date is specified in the grant documents.

City of Destin

GRANTEE

By Lance Johnson
(Authorized Signature)

8/24/2023
Date Signed

Lance Johnson, City Manager

Print Name and Title of Person Signing

State of Florida Department of Environmental Protection

DEPARTMENT

By Eddy Bouza Digitally signed by Eddy Bouza
Date: 2023.09.06 08:10:12 -04'00'
Secretary or Designee

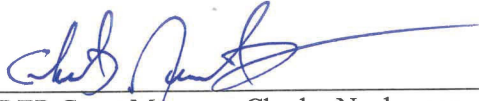
9/6/23
Date Signed

Eddy Bouza, Program Management Director

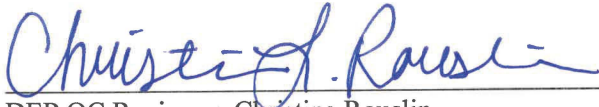
Print Name and Title of Person Signing

☒ Additional signatures attached on separate page.

ORCP Additional Signatures



DEP Grant Manager, Charles Neuhauser



DEP QC Reviewer, Christina Rouslin

Grantee may add additional signatures below, if needed.

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
STANDARD TERMS AND CONDITIONS
APPLICABLE TO GRANT AGREEMENTS**

ATTACHMENT 1

1. Entire Agreement.

This Grant Agreement, including any Attachments and Exhibits referred to herein and/or attached hereto (Agreement), constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral, with respect to such subject matter. Any terms and conditions included on Grantee's forms or invoices shall be null and void.

2. Grant Administration.

- a. Order of Precedence. If there are conflicting provisions among the documents that make up the Agreement, the order of precedence for interpretation of the Agreement is as follows:
 - i. Standard Grant Agreement
 - ii. Attachments other than Attachment 1, in numerical order as designated in the Standard Grant Agreement
 - iii. Attachment 1, Standard Terms and Conditions
 - iv. The Exhibits in the order designated in the Standard Grant Agreement
- b. All approvals, written or verbal, and other written communication among the parties, including all notices, shall be obtained by or sent to the parties' Grant Managers. All written communication shall be by electronic mail, U.S. Mail, a courier delivery service, or delivered in person. Notices shall be considered delivered when reflected by an electronic mail read receipt, a courier service delivery receipt, other mail service delivery receipt, or when receipt is acknowledged by recipient. If the notice is delivered in multiple ways, the notice will be considered delivered at the earliest delivery time.
- c. If a different Grant Manager is designated by either party after execution of this Agreement, notice of the name and contact information of the new Grant Manager will be submitted in writing to the other party and maintained in the respective parties' records. A change of Grant Manager does not require a formal amendment or change order to the Agreement.
- d. This Agreement may be amended, through a formal amendment or a change order, only by a written agreement between both parties. A formal amendment to this Agreement is required for changes which cause any of the following:
 - (1) an increase or decrease in the Agreement funding amount;
 - (2) a change in Grantee's match requirements;
 - (3) a change in the expiration date of the Agreement; and/or
 - (4) changes to the cumulative amount of funding transfers between approved budget categories, as defined in Attachment 3, Grant Work Plan, that exceeds or is expected to exceed twenty percent (20%) of the total budget as last approved by Department.A change order to this Agreement may be used when:
 - (1) task timelines within the current authorized Agreement period change;
 - (2) the cumulative transfer of funds between approved budget categories, as defined in Attachment 3, Grant Work Plan, are less than twenty percent (20%) of the total budget as last approved by Department;
 - (3) changing the current funding source as stated in the Standard Grant Agreement; and/or
 - (4) fund transfers between budget categories for the purposes of meeting match requirements.This Agreement may be amended to provide for additional services if additional funding is made available by the Legislature.
- e. All days in this Agreement are calendar days unless otherwise specified.

3. Agreement Duration.

The term of the Agreement shall begin and end on the dates indicated in the Standard Grant Agreement, unless extended or terminated earlier in accordance with the applicable terms and conditions. The Grantee shall be eligible for reimbursement for work performed on or after the date of execution through the expiration date of this Agreement, unless otherwise specified in Attachment 2, Special Terms and Conditions. However, work performed prior to the execution of this Agreement may be reimbursable or used for match purposes if permitted by the Special Terms and Conditions.

4. Deliverables.

The Grantee agrees to render the services or other units of deliverables as set forth in Attachment 3, Grant Work Plan. The services or other units of deliverables shall be delivered in accordance with the schedule and at the pricing outlined in the Grant Work Plan. Deliverables may be comprised of activities that must be completed prior to Department making payment on that deliverable. The Grantee agrees to perform in accordance with the terms and conditions set forth in this Agreement and all attachments and exhibits incorporated by the Standard Grant Agreement.

5. Performance Measures.

The Grantee warrants that: (1) the services will be performed by qualified personnel; (2) the services will be of the kind and quality described in the Grant Work Plan; (3) the services will be performed in a professional and workmanlike manner in accordance with industry standards and practices; (4) the services shall not and do not knowingly infringe upon the intellectual property rights, or any other proprietary rights, of any third party; and (5) its employees, subcontractors, and/or subgrantees shall comply with any security and safety requirements and processes, if provided by Department, for work done at the Project Location(s). The Department reserves the right to investigate or inspect at any time to determine whether the services or qualifications offered by Grantee meet the Agreement requirements. Notwithstanding any provisions herein to the contrary, written acceptance of a particular deliverable does not foreclose Department's remedies in the event deficiencies in the deliverable cannot be readily measured at the time of delivery.

6. Acceptance of Deliverables.

- a. Acceptance Process. All deliverables must be received and accepted in writing by Department's Grant Manager before payment. The Grantee shall work diligently to correct all deficiencies in the deliverable that remain outstanding, within a reasonable time at Grantee's expense. If Department's Grant Manager does not accept the deliverables within 30 days of receipt, they will be deemed rejected.
- b. Rejection of Deliverables. The Department reserves the right to reject deliverables, as outlined in the Grant Work Plan, as incomplete, inadequate, or unacceptable due, in whole or in part, to Grantee's lack of satisfactory performance under the terms of this Agreement. The Grantee's efforts to correct the rejected deliverables will be at Grantee's sole expense. Failure to fulfill the applicable technical requirements or complete all tasks or activities in accordance with the Grant Work Plan will result in rejection of the deliverable and the associated invoice. Payment for the rejected deliverable will not be issued unless the rejected deliverable is made acceptable to Department in accordance with the Agreement requirements. The Department, at its option, may allow additional time within which Grantee may remedy the objections noted by Department. The Grantee's failure to make adequate or acceptable deliverables after a reasonable opportunity to do so shall constitute an event of default.

7. Financial Consequences for Nonperformance.

- a. Withholding Payment. In addition to the specific consequences explained in the Grant Work Plan and/or Special Terms and Conditions, the State of Florida (State) reserves the right to withhold payment when the Grantee has failed to perform/comply with provisions of this Agreement. None of the financial consequences for nonperformance in this Agreement as more fully described in the Grant Work Plan shall be considered penalties.
- b. Invoice reduction
If Grantee does not meet a deadline for any deliverable, the Department will reduce the invoice by 1% for each day the deadline is missed, unless an extension is approved in writing by the Department.
- c. Corrective Action Plan. If Grantee fails to correct all the deficiencies in a rejected deliverable within the specified timeframe, Department may, in its sole discretion, request that a proposed Corrective Action Plan (CAP) be submitted by Grantee to Department. The Department requests that Grantee specify the outstanding deficiencies in the CAP. All CAPs must be able to be implemented and performed in no more than sixty (60) calendar days.
 - i. The Grantee shall submit a CAP within ten (10) days of the date of the written request from Department. The CAP shall be sent to the Department's Grant Manager for review and approval. Within ten (10) days of receipt of a CAP, Department shall notify Grantee in writing whether the CAP proposed has been accepted. If the CAP is not accepted, Grantee shall have ten (10) days from receipt of Department letter rejecting the proposal to submit a revised proposed CAP. Failure to obtain Department approval of a CAP as specified above may result in Department's termination of this Agreement for cause as authorized in this Agreement.
 - ii. Upon Department's notice of acceptance of a proposed CAP, Grantee shall have ten (10) days to commence implementation of the accepted plan. Acceptance of the proposed CAP by Department does not relieve Grantee of any of its obligations under the Agreement. In the event the CAP fails to correct or eliminate performance deficiencies by Grantee, Department shall retain the right to

require additional or further remedial steps, or to terminate this Agreement for failure to perform. No actions approved by Department or steps taken by Grantee shall preclude Department from subsequently asserting any deficiencies in performance. The Grantee shall continue to implement the CAP until all deficiencies are corrected. Reports on the progress of the CAP will be made to Department as requested by Department's Grant Manager.

- iii. Failure to respond to a Department request for a CAP or failure to correct a deficiency in the performance of the Agreement as specified by Department may result in termination of the Agreement.

8. Payment.

- a. Payment Process. Subject to the terms and conditions established by the Agreement, the pricing per deliverable established by the Grant Work Plan, and the billing procedures established by Department, Department agrees to pay Grantee for services rendered in accordance with section 215.422, Florida Statutes (F.S.).
- b. Taxes. The Department is exempted from payment of State sales, use taxes and Federal excise taxes. The Grantee, however, shall not be exempted from paying any taxes that it is subject to, including State sales and use taxes, or for payment by Grantee to suppliers for taxes on materials used to fulfill its contractual obligations with Department. The Grantee shall not use Department's exemption number in securing such materials. The Grantee shall be responsible and liable for the payment of all its FICA/Social Security and other taxes resulting from this Agreement.
- c. Maximum Amount of Agreement. The maximum amount of compensation under this Agreement, without an amendment, is described in the Standard Grant Agreement. Any additional funds necessary for the completion of this Project are the responsibility of Grantee.
- d. Reimbursement for Costs. The Grantee shall be paid on a cost reimbursement basis for all eligible Project costs upon the completion, submittal, and approval of each deliverable identified in the Grant Work Plan. Reimbursement shall be requested on Exhibit C, Payment Request Summary Form. To be eligible for reimbursement, costs must be in compliance with laws, rules, and regulations applicable to expenditures of State funds, including, but not limited to, the Reference Guide for State Expenditures, which can be accessed at the following web address: <https://www.myfloridacfo.com/docs-sf/accounting-and-auditing-libraries/state-agencies/reference-guide-for-state-expenditures.pdf>.
- e. Invoice Detail. All charges for services rendered or for reimbursement of expenses authorized by Department pursuant to the Grant Work Plan shall be submitted to Department in sufficient detail for a proper pre-audit and post-audit to be performed. The Grantee shall only invoice Department for deliverables that are completed in accordance with the Grant Work Plan.
- f. State Funds Documentation. Pursuant to section 216.1366, F.S., if Contractor meets the definition of a non-profit organization under section 215.97(2)(m), F.S., Contractor must provide the Department with documentation that indicates the amount of state funds:
 - i. Allocated to be used during the full term of the contract or agreement for remuneration to any member of the board of directors or an officer of Contractor.
 - ii. Allocated under each payment by the public agency to be used for remuneration of any member of the board of directors or an officer of the Contractor.The documentation must indicate the amounts and recipients of the remuneration. Such information must be posted on the State's the contract tracking system and maintained pursuant to section 215.985, F.S., and must be posted on the Contractor's website, if Contractor maintains a website.
- g. Interim Payments. Interim payments may be made by Department, at its discretion, if the completion of deliverables to date have first been accepted in writing by Department's Grant Manager.
- h. Final Payment Request. A final payment request should be submitted to Department no later than sixty (60) days following the expiration date of the Agreement to ensure the availability of funds for payment. However, all work performed pursuant to the Grant Work Plan must be performed on or before the expiration date of the Agreement.
- i. Annual Appropriation Contingency. The State's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature. This Agreement is not a commitment of future appropriations. Authorization for continuation and completion of work and any associated payments may be rescinded, with proper notice, at the discretion of Department if the Legislature reduces or eliminates appropriations.
- j. Interest Rates. All interest rates charged under the Agreement shall be calculated on the prevailing rate used by the State Board of Administration. To obtain the applicable interest rate, please refer to: <https://www.myfloridacfo.com/division/aa/local-governments/judgement-interest-rates>.

- k. Refund of Payments to the Department. Any balance of unobligated funds that have been advanced or paid must be refunded to Department. Any funds paid in excess of the amount to which Grantee or subgrantee is entitled under the terms of the Agreement must be refunded to Department. If this Agreement is funded with federal funds and the Department is required to refund the federal government, the Grantee shall refund the Department its share of those funds.

9. Documentation Required for Cost Reimbursement Grant Agreements and Match.

If Cost Reimbursement or Match is authorized in Attachment 2, Special Terms and Conditions, the following conditions apply. Supporting documentation must be provided to substantiate cost reimbursement or match requirements for the following budget categories:

- a. Salary/Wages. Grantee shall list personnel involved, position classification, direct salary rates, and hours spent on the Project in accordance with Attachment 3, Grant Work Plan in their documentation for reimbursement or match requirements.
- b. Overhead/Indirect/General and Administrative Costs. If Grantee is being reimbursed for or claiming match for multipliers, all multipliers used (i.e., fringe benefits, overhead, indirect, and/or general and administrative rates) shall be supported by audit. If Department determines that multipliers charged by Grantee exceeded the rates supported by audit, Grantee shall be required to reimburse such funds to Department within thirty (30) days of written notification. Interest shall be charged on the excessive rate.
- c. Contractual Costs (Subcontractors). Match or reimbursement requests for payments to subcontractors must be substantiated by copies of invoices with backup documentation identical to that required from Grantee. Subcontracts which involve payments for direct salaries shall clearly identify the personnel involved, salary rate per hour, and hours spent on the Project. All eligible multipliers used (i.e., fringe benefits, overhead, indirect, and/or general and administrative rates) shall be supported by audit. If Department determines that multipliers charged by any subcontractor exceeded the rates supported by audit, Grantee shall be required to reimburse such funds to Department within thirty (30) days of written notification. Interest shall be charged on the excessive rate. Nonconsumable and/or nonexpendable personal property or equipment costing \$5,000 or more purchased for the Project under a subcontract is subject to the requirements set forth in chapters 273 and/or 274, F.S., and Chapter 69I-72, Florida Administrative Code (F.A.C.) and/or Chapter 69I-73, F.A.C., as applicable. The Grantee shall be responsible for maintaining appropriate property records for any subcontracts that include the purchase of equipment as part of the delivery of services. The Grantee shall comply with this requirement and ensure its subcontracts issued under this Agreement, if any, impose this requirement, in writing, on its subcontractors.
- i. For fixed-price (vendor) subcontracts, the following provisions shall apply: The Grantee may award, on a competitive basis, fixed-price subcontracts to consultants/contractors in performing the work described in Attachment 3, Grant Work Plan. Invoices submitted to Department for fixed-price subcontracted activities shall be supported with a copy of the subcontractor's invoice and a copy of the tabulation form for the competitive procurement process (e.g., Invitation to Bid, Request for Proposals, or other similar competitive procurement document) resulting in the fixed-price subcontract. The Grantee may request approval from Department to award a fixed-price subcontract resulting from procurement methods other than those identified above. In this instance, Grantee shall request the advance written approval from Department's Grant Manager of the fixed price negotiated by Grantee. The letter of request shall be supported by a detailed budget and Scope of Services to be performed by the subcontractor. Upon receipt of Department Grant Manager's approval of the fixed-price amount, Grantee may proceed in finalizing the fixed-price subcontract.
- ii. If the procurement is subject to the Consultant's Competitive Negotiation Act under section 287.055, F.S. or the Brooks Act, Grantee must provide documentation clearly evidencing it has complied with the statutory or federal requirements.
- d. Travel. All requests for match or reimbursement of travel expenses shall be in accordance with section 112.061, F.S.
- e. Direct Purchase Equipment. For the purposes of this Agreement, Equipment is defined as capital outlay costing \$5,000 or more. Match or reimbursement for Grantee's direct purchase of equipment is subject to specific approval of Department, and does not include any equipment purchased under the delivery of services to be completed by a subcontractor. Include copies of invoices or receipts to document purchases, and a properly completed Exhibit B, Property Reporting Form.
- f. Rental/Lease of Equipment. Match or reimbursement requests for rental/lease of equipment must include copies of invoices or receipts to document charges.
- g. Miscellaneous/Other Expenses. If miscellaneous or other expenses, such as materials, supplies, non-excluded phone expenses, reproduction, or mailing, are reimbursable or available for match or reimbursement under the

terms of this Agreement, the documentation supporting these expenses must be itemized and include copies of receipts or invoices. Additionally, independent of Grantee's contract obligations to its subcontractor, Department shall not reimburse any of the following types of charges: cell phone usage; attorney's fees or court costs; civil or administrative penalties; or handling fees, such as set percent overages associated with purchasing supplies or equipment.

- h. Land Acquisition. Reimbursement for the costs associated with acquiring interest and/or rights to real property (including access rights through ingress/egress easements, leases, license agreements, or other site access agreements; and/or obtaining record title ownership of real property through purchase) must be supported by the following, as applicable: Copies of Property Appraisals, Environmental Site Assessments, Surveys and Legal Descriptions, Boundary Maps, Acreage Certification, Title Search Reports, Title Insurance, Closing Statements/Documents, Deeds, Leases, Easements, License Agreements, or other legal instrument documenting acquired property interest and/or rights. If land acquisition costs are used to meet match requirements, Grantee agrees that those funds shall not be used as match for any other Agreement supported by State or Federal funds.

10. Status Reports.

The Grantee shall submit status reports quarterly, unless otherwise specified in the Attachments, on Exhibit A, Progress Report Form, to Department's Grant Manager describing the work performed during the reporting period, problems encountered, problem resolutions, scheduled updates, and proposed work for the next reporting period. Quarterly status reports are due no later than twenty (20) days following the completion of the quarterly reporting period. For the purposes of this reporting requirement, the quarterly reporting periods end on March 31, June 30, September 30 and December 31. The Department will review the required reports submitted by Grantee within thirty (30) days.

11. Retainage.

The following provisions apply if Department withholds retainage under this Agreement:

- a. The Department reserves the right to establish the amount and application of retainage on the work performed under this Agreement up to the maximum percentage described in Attachment 2, Special Terms and Conditions. Retainage may be withheld from each payment to Grantee pending satisfactory completion of work and approval of all deliverables.
- b. If Grantee fails to perform the requested work or fails to perform the work in a satisfactory manner, Grantee shall forfeit its right to payment of the retainage associated with the work. Failure to perform includes, but is not limited to, failure to submit the required deliverables or failure to provide adequate documentation that the work was actually performed. The Department shall provide written notification to Grantee of the failure to perform that shall result in retainage forfeiture. If the Grantee does not correct the failure to perform within the timeframe stated in Department's notice, the retainage will be forfeited to Department.
- c. No retainage shall be released or paid for incomplete work while this Agreement is suspended.
- d. Except as otherwise provided above, Grantee shall be paid the retainage associated with the work, provided Grantee has completed the work and submits an invoice for retainage held in accordance with the invoicing procedures under this Agreement.

12. Insurance.

- a. Insurance Requirements for Sub-Grantees and/or Subcontractors. The Grantee shall require its sub-grantees and/or subcontractors, if any, to maintain insurance coverage of such types and with such terms and limits as described in this Agreement. The Grantee shall require all its sub-grantees and/or subcontractors, if any, to make compliance with the insurance requirements of this Agreement a condition of all contracts that are related to this Agreement. Sub-grantees and/or subcontractors must provide proof of insurance upon request.
- b. Deductibles. The Department shall be exempt from, and in no way liable for, any sums of money representing a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the Grantee providing such insurance.
- c. Proof of Insurance. Upon execution of this Agreement, Grantee shall provide Department documentation demonstrating the existence and amount for each type of applicable insurance coverage *prior to* performance of any work under this Agreement. Upon receipt of written request from Department, Grantee shall furnish Department with proof of applicable insurance coverage by standard form certificates of insurance, a self-insured authorization, or other certification of self-insurance.
- d. Duty to Maintain Coverage. In the event that any applicable coverage is cancelled by the insurer for any reason, or if Grantee cannot get adequate coverage, Grantee shall immediately notify Department of such cancellation and shall obtain adequate replacement coverage conforming to the requirements herein and provide proof of such replacement coverage within ten (10) days after the cancellation of coverage.

- e. Insurance Trust. If the Grantee's insurance is provided through an insurance trust, the Grantee shall instead add the Department of Environmental Protection, its employees, and officers as an additional covered party everywhere the Agreement requires them to be added as an additional insured.

13. Termination.

- a. Termination for Convenience. When it is in the State's best interest, Department may, at its sole discretion, terminate the Agreement in whole or in part by giving 30 days' written notice to Grantee. The Department shall notify Grantee of the termination for convenience with instructions as to the effective date of termination or the specific stage of work at which the Agreement is to be terminated. The Grantee must submit all invoices for work to be paid under this Agreement within thirty (30) days of the effective date of termination. The Department shall not pay any invoices received after thirty (30) days of the effective date of termination.
- b. Termination for Cause. The Department may terminate this Agreement if any of the events of default described in the Events of Default provisions below occur or in the event that Grantee fails to fulfill any of its other obligations under this Agreement. If, after termination, it is determined that Grantee was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of Department. The rights and remedies of Department in this clause are in addition to any other rights and remedies provided by law or under this Agreement.
- c. Grantee Obligations upon Notice of Termination. After receipt of a notice of termination or partial termination unless as otherwise directed by Department, Grantee shall not furnish any service or deliverable on the date, and to the extent specified, in the notice. However, Grantee shall continue work on any portion of the Agreement not terminated. If the Agreement is terminated before performance is completed, Grantee shall be paid only for that work satisfactorily performed for which costs can be substantiated. The Grantee shall not be entitled to recover any cancellation charges or lost profits.
- d. Continuation of Prepaid Services. If Department has paid for any services prior to the expiration, cancellation, or termination of the Agreement, Grantee shall continue to provide Department with those services for which it has already been paid or, at Department's discretion, Grantee shall provide a refund for services that have been paid for but not rendered.
- e. Transition of Services Upon Termination, Expiration, or Cancellation of the Agreement. If services provided under the Agreement are being transitioned to another provider(s), Grantee shall assist in the smooth transition of Agreement services to the subsequent provider(s). This requirement is at a minimum an affirmative obligation to cooperate with the new provider(s), however additional requirements may be outlined in the Grant Work Plan. The Grantee shall not perform any services after Agreement expiration or termination, except as necessary to complete the transition or continued portion of the Agreement, if any.

14. Notice of Default.

If Grantee defaults in the performance of any covenant or obligation contained in the Agreement, including, any of the events of default, Department shall provide notice to Grantee and an opportunity to cure that is reasonable under the circumstances. This notice shall state the nature of the failure to perform and provide a time certain for correcting the failure. The notice will also provide that, should the Grantee fail to perform within the time provided, Grantee will be found in default, and Department may terminate the Agreement effective as of the date of receipt of the default notice.

15. Events of Default.

Provided such failure is not the fault of Department or outside the reasonable control of Grantee, the following non-exclusive list of events, acts, or omissions, shall constitute events of default:

- a. The commitment of any material breach of this Agreement by Grantee, including failure to timely deliver a material deliverable, failure to perform the minimal level of services required for a deliverable, discontinuance of the performance of the work, failure to resume work that has been discontinued within a reasonable time after notice to do so, or abandonment of the Agreement;
- b. The commitment of any material misrepresentation or omission in any materials, or discovery by the Department of such, made by the Grantee in this Agreement or in its application for funding;
- c. Failure to submit any of the reports required by this Agreement or having submitted any report with incorrect, incomplete, or insufficient information;
- d. Failure to honor any term of the Agreement;
- e. Failure to abide by any statutory, regulatory, or licensing requirement, including an entry of an order revoking the certificate of authority granted to the Grantee by a state or other licensing authority;
- f. Failure to pay any and all entities, individuals, and furnishing labor or materials, or failure to make payment to any other entities as required by this Agreement;

- g. Employment of an unauthorized alien in the performance of the work, in violation of Section 274 (A) of the Immigration and Nationality Act;
- h. Failure to maintain the insurance required by this Agreement;
- i. One or more of the following circumstances, uncorrected for more than thirty (30) days unless, within the specified 30-day period, Grantee (including its receiver or trustee in bankruptcy) provides to Department adequate assurances, reasonably acceptable to Department, of its continuing ability and willingness to fulfill its obligations under the Agreement:
 - i. Entry of an order for relief under Title 11 of the United States Code;
 - ii. The making by Grantee of a general assignment for the benefit of creditors;
 - iii. The appointment of a general receiver or trustee in bankruptcy of Grantee's business or property; and/or
 - iv. An action by Grantee under any state insolvency or similar law for the purpose of its bankruptcy, reorganization, or liquidation.

16. Suspension of Work.

The Department may, in its sole discretion, suspend any or all activities under the Agreement, at any time, when it is in the best interest of the State to do so. The Department shall provide Grantee written notice outlining the particulars of suspension. Examples of reasons for suspension include, but are not limited to, budgetary constraints, declaration of emergency, or other such circumstances. After receiving a suspension notice, Grantee shall comply with the notice. Within 90 days, or any longer period agreed to by the parties, Department shall either: (1) issue a notice authorizing resumption of work, at which time activity shall resume; or (2) terminate the Agreement. If the Agreement is terminated after 30 days of suspension, the notice of suspension shall be deemed to satisfy the thirty (30) days' notice required for a notice of termination for convenience. Suspension of work shall not entitle Grantee to any additional compensation.

17. Force Majeure.

The Grantee shall not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of Grantee or its employees or agents contributed to the delay and the delay is due directly to acts of God, wars, acts of public enemies, strikes, fires, floods, or other similar cause wholly beyond Grantee's control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to Grantee. In case of any delay Grantee believes is excusable, Grantee shall notify Department in writing of the delay or potential delay and describe the cause of the delay either (1) within ten days after the cause that creates or will create the delay first arose, if Grantee could reasonably foresee that a delay could occur as a result; or (2) if delay is not reasonably foreseeable, within five days after the date Grantee first had reason to believe that a delay could result. **THE FOREGOING SHALL CONSTITUTE THE GRANTEE'S SOLE REMEDY OR EXCUSE WITH RESPECT TO DELAY.** Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. No claim for damages, other than for an extension of time, shall be asserted against Department. The Grantee shall not be entitled to an increase in the Agreement price or payment of any kind from Department for direct, indirect, consequential, impact or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency, arising because of delay, disruption, interference, or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist Grantee shall perform at no increased cost, unless Department determines, in its sole discretion, that the delay will significantly impair the value of the Agreement to Department, in which case Department may: (1) accept allocated performance or deliveries from Grantee, provided that Grantee grants preferential treatment to Department with respect to products subjected to allocation; (2) contract with other sources (without recourse to and by Grantee for the related costs and expenses) to replace all or part of the products or services that are the subject of the delay, which purchases may be deducted from the Agreement quantity; or (3) terminate Agreement in whole or in part.

18. Indemnification.

- a. The Grantee shall be fully liable for the actions of its agents, employees, partners, or subcontractors and shall fully indemnify, defend, and hold harmless Department and its officers, agents, and employees, from suits, actions, damages, and costs of every name and description arising from or relating to:
 - i. personal injury and damage to real or personal tangible property alleged to be caused in whole or in part by Grantee, its agents, employees, partners, or subcontractors; provided, however, that Grantee shall not indemnify for that portion of any loss or damages proximately caused by the negligent act or omission of Department;
 - ii. the Grantee's breach of this Agreement or the negligent acts or omissions of Grantee.

- b. The Grantee's obligations under the preceding paragraph with respect to any legal action are contingent upon Department giving Grantee: (1) written notice of any action or threatened action; (2) the opportunity to take over and settle or defend any such action at Grantee's sole expense; and (3) assistance in defending the action at Grantee's sole expense. The Grantee shall not be liable for any cost, expense, or compromise incurred or made by Department in any legal action without Grantee's prior written consent, which shall not be unreasonably withheld.
- c. Notwithstanding sections a. and b. above, the following is the sole indemnification provision that applies to Grantees that are governmental entities: Each party hereto agrees that it shall be solely responsible for the negligent or wrongful acts of its employees and agents. However, nothing contained herein shall constitute a waiver by either party of its sovereign immunity or the provisions of section 768.28, F.S. Further, nothing herein shall be construed as consent by a state agency or subdivision of the State to be sued by third parties in any matter arising out of any contract or this Agreement.
- d. No provision in this Agreement shall require Department to hold harmless or indemnify Grantee, insure or assume liability for Grantee's negligence, waive Department's sovereign immunity under the laws of Florida, or otherwise impose liability on Department for which it would not otherwise be responsible. Any provision, implication or suggestion to the contrary is null and void.

19. Limitation of Liability.

The Department's liability for any claim arising from this Agreement is limited to compensatory damages in an amount no greater than the sum of the unpaid balance of compensation due for goods or services rendered pursuant to and in compliance with the terms of the Agreement. Such liability is further limited to a cap of \$100,000.

20. Remedies.

Nothing in this Agreement shall be construed to make Grantee liable for force majeure events. Nothing in this Agreement, including financial consequences for nonperformance, shall limit Department's right to pursue its remedies for other types of damages under the Agreement, at law or in equity. The Department may, in addition to other remedies available to it, at law or in equity and upon notice to Grantee, retain such monies from amounts due Grantee as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against it.

21. Waiver.

The delay or failure by Department to exercise or enforce any of its rights under this Agreement shall not constitute or be deemed a waiver of Department's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

22. Statutory Notices Relating to Unauthorized Employment and Subcontracts.

- a. The Department shall consider the employment by any Grantee of unauthorized aliens a violation of Section 274A(e) of the Immigration and Nationality Act. If Grantee/subcontractor knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of this Agreement. The Grantee shall be responsible for including this provision in all subcontracts with private organizations issued as a result of this Agreement.
- b. Pursuant to sections 287.133, 287.134, and 287.137 F.S., the following restrictions apply to persons placed on the convicted vendor list, discriminatory vendor list, or the antitrust violator vendor list:
 - i. Public Entity Crime. A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a Grantee, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in section 287.017, F.S., for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.
 - ii. Discriminatory Vendors. An entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity.
 - iii. Antitrust Violator Vendors. A person or an affiliate who has been placed on the antitrust violator vendor list following a conviction or being held civilly liable for an antitrust violation may not submit a bid, proposal, or reply on any contract to provide any good or services to a public entity;

may not submit a bid, proposal, or reply on any contract with a public entity for the construction or repair of a public building or public work; may not submit a bid, proposal, or reply on leases of real property to a public entity; may not be awarded or perform work as a Grantee, supplier, subcontractor, or consultant under a contract with a public entity; and may not transact new business with a public entity.

- iv. **Notification.** The Grantee shall notify Department if it or any of its suppliers, subcontractors, or consultants have been placed on the convicted vendor list, the discriminatory vendor list, or antitrust violator vendor list during the life of the Agreement. The Florida Department of Management Services is responsible for maintaining the discriminatory vendor list and the antitrust violator vendor list and posts the list on its website. Questions regarding the discriminatory vendor list or antitrust violator vendor list may be directed to the Florida Department of Management Services, Office of Supplier Diversity, at (850) 487-0915.

23. Compliance with Federal, State and Local Laws.

- a. The Grantee and all its agents shall comply with all federal, state and local regulations, including, but not limited to, nondiscrimination, wages, social security, workers' compensation, licenses, and registration requirements. The Grantee shall include this provision in all subcontracts issued as a result of this Agreement.
- b. No person, on the grounds of race, creed, color, religion, national origin, age, gender, or disability, shall be excluded from participation in; be denied the proceeds or benefits of; or be otherwise subjected to discrimination in performance of this Agreement.
- c. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.
- d. Any dispute concerning performance of the Agreement shall be processed as described herein. Jurisdiction for any damages arising under the terms of the Agreement will be in the courts of the State, and venue will be in the Second Judicial Circuit, in and for Leon County. Except as otherwise provided by law, the parties agree to be responsible for their own attorney fees incurred in connection with disputes arising under the terms of this Agreement.

24. Build America, Buy America Act (BABA) - Infrastructure Projects with Federal Funding.

This provision does not apply to Agreements that are wholly funded by Coronavirus State and Local Fiscal Recovery Funds under the American Rescue Plan Act. Also, this provision does not apply where there is a valid waiver in place. However, the provision may apply to funds expended before the waiver or after expiration of the waiver.

If applicable, Recipients or Subrecipients of an award of Federal financial assistance from a program for infrastructure are required to comply with the Build America, Buy America Act (BABA), including the following provisions:

- a. All iron and steel used in the project are produced in the United States--this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- b. All manufactured products used in the project are produced in the United States--this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
- c. All construction materials are manufactured in the United States--this means that all manufacturing processes for the construction material occurred in the United States.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

25. Investing in America

Grantees of an award for construction projects in whole or in part by the Bipartisan Infrastructure Law or the Inflation Reduction Act, including the following provision:

- a. **Signage Requirements**
 - a. **Investing in America Emblem:** The recipient will ensure that a sign is placed at construction sites supported in whole or in part by this award displaying the official Investing in America emblem and must identify the project as a "project funded by President Biden's Bipartisan

Infrastructure Law” or “project funded by President Biden’s Inflation Reduction Act” as applicable. The sign must be placed at construction sites in an easily visible location that can be directly linked to the work taking place and must be maintained in good condition throughout the construction period.

The recipient will ensure compliance with the guidelines and design specifications provided by EPA for using the official Investing in America emblem available at:

<https://www.epa.gov/invest/investing-america-signage>.

b. Procuring Signs: Consistent with section 6002 of RCRA, 42 U.S.C. 6962, and 2 CFR 200.323, recipients are encouraged to use recycled or recovered materials when procuring signs. Signage costs are considered an allowable cost under this assistance agreement provided that the costs associated with signage are reasonable. Additionally, to increase public awareness of projects serving communities where English is not the predominant language, recipients are encouraged to translate the language on signs (excluding the official Investing in America emblem or EPA logo or seal) into the appropriate non-English language(s). The costs of such translation are allowable, provided the costs are reasonable.

26. Scrutinized Companies.

- a. Grantee certifies that it is not on the Scrutinized Companies that Boycott Israel List or engaged in a boycott of Israel. Pursuant to section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Grantee is found to have submitted a false certification; or if the Grantee is placed on the Scrutinized Companies that Boycott Israel List or is engaged in the boycott of Israel during the term of the Agreement.
- b. If this Agreement is for more than one million dollars, the Grantee certifies that it is also not on the Scrutinized Companies with Activities in Sudan, Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria as identified in section 287.135, F.S. Pursuant to section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Grantee is found to have submitted a false certification; or if the Grantee is placed on the Scrutinized Companies with Activities in Sudan List, or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria during the term of the Agreement.
- c. As provided in subsection 287.135(8), F.S., if federal law ceases to authorize these contracting prohibitions, then they shall become inoperative.

27. Lobbying and Integrity.

The Grantee agrees that no funds received by it under this Agreement will be expended for the purpose of lobbying the Legislature or a State agency pursuant to section 216.347, F.S., except that pursuant to the requirements of section 287.058(6), F.S., during the term of any executed agreement between Grantee and the State, Grantee may lobby the executive or legislative branch concerning the scope of services, performance, term, or compensation regarding that agreement. The Grantee shall comply with sections 11.062 and 216.347, F.S.

28. Record Keeping.

The Grantee shall maintain books, records and documents directly pertinent to performance under this Agreement in accordance with United States generally accepted accounting principles (US GAAP) consistently applied. The Department, the State, or their authorized representatives shall have access to such records for audit purposes during the term of this Agreement and for five (5) years following the completion date or termination of the Agreement. In the event that any work is subcontracted, Grantee shall similarly require each subcontractor to maintain and allow access to such records for audit purposes. Upon request of Department’s Inspector General, or other authorized State official, Grantee shall provide any type of information the Inspector General deems relevant to Grantee’s integrity or responsibility. Such information may include, but shall not be limited to, Grantee’s business or financial records, documents, or files of any type or form that refer to or relate to Agreement. The Grantee shall retain such records for the longer of: (1) three years after the expiration of the Agreement; or (2) the period required by the General Records Schedules maintained by the Florida Department of State (available at:

<http://dos.myflorida.com/library-archives/records-management/general-records-schedules/>).

29. Audits.

- a. Inspector General. The Grantee understands its duty, pursuant to section 20.055(5), F.S., to cooperate with the inspector general in any investigation, audit, inspection, review, or hearing. The Grantee will comply with this duty and ensure that its sub-grantees and/or subcontractors issued under this Agreement, if any, impose this requirement, in writing, on its sub-grantees and/or subcontractors, respectively.

- b. **Physical Access and Inspection.** Department personnel shall be given access to and may observe and inspect work being performed under this Agreement, with reasonable notice and during normal business hours, including by any of the following methods:
 - i. Grantee shall provide access to any location or facility on which Grantee is performing work, or storing or staging equipment, materials or documents;
 - ii. Grantee shall permit inspection of any facility, equipment, practices, or operations required in performance of any work pursuant to this Agreement; and,
 - iii. Grantee shall allow and facilitate sampling and monitoring of any substances, soils, materials or parameters at any location reasonable or necessary to assure compliance with any work or legal requirements pursuant to this Agreement.
- c. **Special Audit Requirements.** The Grantee shall comply with the applicable provisions contained in Attachment 5, Special Audit Requirements. Each amendment that authorizes a funding increase or decrease shall include an updated copy of Exhibit 1, to Attachment 5. If Department fails to provide an updated copy of Exhibit 1 to include in each amendment that authorizes a funding increase or decrease, Grantee shall request one from the Department's Grants Manager. The Grantee shall consider the type of financial assistance (federal and/or state) identified in Attachment 5, Exhibit 1 and determine whether the terms of Federal and/or Florida Single Audit Act Requirements may further apply to lower tier transactions that may be a result of this Agreement. For federal financial assistance, Grantee shall utilize the guidance provided under 2 CFR §200.331 for determining whether the relationship represents that of a subrecipient or vendor. For State financial assistance, Grantee shall utilize the form entitled "Checklist for Nonstate Organizations Recipient/Subrecipient vs Vendor Determination" (form number DFS-A2-NS) that can be found under the "Links/Forms" section appearing at the following website: <https://apps.fldfs.com/fsaa>.
- d. **Proof of Transactions.** In addition to documentation provided to support cost reimbursement as described herein, Department may periodically request additional proof of a transaction to evaluate the appropriateness of costs to the Agreement pursuant to State guidelines (including cost allocation guidelines) and federal, if applicable. Allowable costs and uniform administrative requirements for federal programs can be found under 2 CFR 200. The Department may also request a cost allocation plan in support of its multipliers (overhead, indirect, general administrative costs, and fringe benefits). The Grantee must provide the additional proof within thirty (30) days of such request.
- e. **No Commingling of Funds.** The accounting systems for all Grantees must ensure that these funds are not commingled with funds from other agencies. Funds from each agency must be accounted for separately. Grantees are prohibited from commingling funds on either a program-by-program or a project-by-project basis. Funds specifically budgeted and/or received for one project may not be used to support another project. Where a Grantee's, or subrecipient's, accounting system cannot comply with this requirement, Grantee, or subrecipient, shall establish a system to provide adequate fund accountability for each project it has been awarded.
 - i. If Department finds that these funds have been commingled, Department shall have the right to demand a refund, either in whole or in part, of the funds provided to Grantee under this Agreement for non-compliance with the material terms of this Agreement. The Grantee, upon such written notification from Department shall refund, and shall forthwith pay to Department, the amount of money demanded by Department. Interest on any refund shall be calculated based on the prevailing rate used by the State Board of Administration. Interest shall be calculated from the date(s) the original payment(s) are received from Department by Grantee to the date repayment is made by Grantee to Department.
 - ii. In the event that the Grantee recovers costs, incurred under this Agreement and reimbursed by Department, from another source(s), Grantee shall reimburse Department for all recovered funds originally provided under this Agreement and interest shall be charged for those recovered costs as calculated on from the date(s) the payment(s) are recovered by Grantee to the date repayment is made to Department.
 - iii. Notwithstanding the requirements of this section, the above restrictions on commingling funds do not apply to agreements where payments are made purely on a cost reimbursement basis.

30. Conflict of Interest.

The Grantee covenants that it presently has no interest and shall not acquire any interest which would conflict in any manner or degree with the performance of services required.

31. Independent Contractor.

The Grantee is an independent contractor and is not an employee or agent of Department.

32. Subcontracting.

Attachment 1

- a. Unless otherwise specified in the Special Terms and Conditions, all services contracted for are to be performed solely by Grantee.
- b. The Department may, for cause, require the replacement of any Grantee employee, subcontractor, or agent. For cause, includes, but is not limited to, technical or training qualifications, quality of work, change in security status, or non-compliance with an applicable Department policy or other requirement.
- c. The Department may, for cause, deny access to Department's secure information or any facility by any Grantee employee, subcontractor, or agent.
- d. The Department's actions under paragraphs b. or c. shall not relieve Grantee of its obligation to perform all work in compliance with the Agreement. The Grantee shall be responsible for the payment of all monies due under any subcontract. The Department shall not be liable to any subcontractor for any expenses or liabilities incurred under any subcontract and Grantee shall be solely liable to the subcontractor for all expenses and liabilities incurred under any subcontract.
- e. The Department will not deny Grantee's employees, subcontractors, or agents access to meetings within the Department's facilities, unless the basis of Department's denial is safety or security considerations.
- f. The Department supports diversity in its procurement program and requests that all subcontracting opportunities afforded by this Agreement embrace diversity enthusiastically. The award of subcontracts should reflect the full diversity of the citizens of the State. A list of minority-owned firms that could be offered subcontracting opportunities may be obtained by contacting the Office of Supplier Diversity at (850) 487-0915.
- g. The Grantee shall not be liable for any excess costs for a failure to perform, if the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is completely beyond the control of both Grantee and the subcontractor(s), and without the fault or negligence of either, unless the subcontracted products or services were obtainable from other sources in sufficient time for Grantee to meet the required delivery schedule.

33. Guarantee of Parent Company.

If Grantee is a subsidiary of another corporation or other business entity, Grantee asserts that its parent company will guarantee all of the obligations of Grantee for purposes of fulfilling the obligations of Agreement. In the event Grantee is sold during the period the Agreement is in effect, Grantee agrees that it will be a requirement of sale that the new parent company guarantee all of the obligations of Grantee.

34. Survival.

The respective obligations of the parties, which by their nature would continue beyond the termination or expiration of this Agreement, including without limitation, the obligations regarding confidentiality, proprietary interests, and public records, shall survive termination, cancellation, or expiration of this Agreement.

35. Third Parties.

The Department shall not be deemed to assume any liability for the acts, failures to act or negligence of Grantee, its agents, servants, and employees, nor shall Grantee disclaim its own negligence to Department or any third party. This Agreement does not and is not intended to confer any rights or remedies upon any person other than the parties. If Department consents to a subcontract, Grantee will specifically disclose that this Agreement does not create any third-party rights. Further, no third parties shall rely upon any of the rights and obligations created under this Agreement.

36. Severability.

If a court of competent jurisdiction deems any term or condition herein void or unenforceable, the other provisions are severable to that void provision, and shall remain in full force and effect.

37. Grantee's Employees, Subcontractors and Agents.

All Grantee employees, subcontractors, or agents performing work under the Agreement shall be properly trained technicians who meet or exceed any specified training qualifications. Upon request, Grantee shall furnish a copy of technical certification or other proof of qualification. All employees, subcontractors, or agents performing work under Agreement must comply with all security and administrative requirements of Department and shall comply with all controlling laws and regulations relevant to the services they are providing under the Agreement.

38. Assignment.

The Grantee shall not sell, assign, or transfer any of its rights, duties, or obligations under the Agreement, or under any purchase order issued pursuant to the Agreement, without the prior written consent of Department. In the event of any assignment, Grantee remains secondarily liable for performance of the Agreement, unless Department expressly waives such secondary liability. The Department may assign the Agreement with prior written notice to Grantee of its intent to do so.

39. Compensation Report.

If this Agreement is a sole-source, public-private agreement or if the Grantee, through this agreement with the State, annually receive 50% or more of their budget from the State or from a combination of State and Federal funds, the

Grantee shall provide an annual report, including the most recent IRS Form 990, detailing the total compensation for the entities' executive leadership teams. Total compensation shall include salary, bonuses, cashed-in leave, cash equivalents, severance pay, retirement benefits, deferred compensation, real-property gifts, and any other payout. The Grantee must also inform the Department of any changes in total executive compensation between the annual reports. All compensation reports must indicate what percent of compensation comes directly from the State or Federal allocations to the Grantee.

40. Execution in Counterparts and Authority to Sign.

This Agreement, any amendments, and/or change orders related to the Agreement, may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument. In accordance with the Electronic Signature Act of 1996, electronic signatures, including facsimile transmissions, may be used and shall have the same force and effect as a written signature. Each person signing this Agreement warrants that he or she is duly authorized to do so and to bind the respective party to the Agreement.

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
Special Terms and Conditions
AGREEMENT NO. 23PLN64**

ATTACHMENT 2

These Special Terms and Conditions shall be read together with general terms outlined in the Standard Terms and Conditions, Attachment 1. Where in conflict, these more specific terms shall apply.

1. Scope of Work.

The Project funded under this Agreement is City of Destin Comprehensive Vulnerability Assessment. The Project is defined in more detail in Attachment 3, Grant Work Plan.

2. Duration.

- a. Reimbursement Period. The reimbursement period for this Agreement is the same as the term of the Agreement.
- b. Extensions. There are extensions available for this Project.
- c. Service Periods. Additional service periods may be added in accordance with 2.a above and are contingent upon proper and satisfactory technical and administrative performance by the Grantee and the availability of funding.

3. Payment Provisions.

- a. Compensation. This is a cost reimbursement Agreement. The Grantee shall be compensated under this Agreement as described in Attachment 3.
- b. Invoicing. Invoicing will occur as indicated in Attachment 3.
- c. Advance Pay. Advance Pay is not authorized under this Agreement.

4. Cost Eligible for Reimbursement or Matching Requirements.

Reimbursement for costs or availability for costs to meet matching requirements shall be limited to the following budget categories, as defined in the Reference Guide for State Expenditures, as indicated:

<u>Reimbursement</u>	<u>Match</u>	<u>Category</u>
☐	☐	Salaries/Wages
		Overhead/Indirect/General and Administrative Costs:
☐	☐	a. Fringe Benefits, N/A.
☐	☐	b. Indirect Costs, N/A.
☒	☐	Contractual (Subcontractors)
☐	☐	Travel, in accordance with Section 112, F.S.
☐	☐	Equipment
☐	☐	Rental/Lease of Equipment
☐	☐	Miscellaneous/Other Expenses
☐	☐	Land Acquisition

5. Equipment Purchase.

No Equipment purchases shall be funded under this Agreement.

6. Land Acquisition.

There will be no Land Acquisitions funded under this Agreement.

7. Match Requirements

There is no match required on the part of the Grantee under this Agreement.

8. Insurance Requirements

Required Coverage. At all times during the Agreement the Grantee, at its sole expense, shall maintain insurance coverage of such types and with such terms and limits described below. The limits of coverage under each policy maintained by the Grantee shall not be interpreted as limiting the Grantee's liability and obligations under the Agreement. All insurance policies shall be through insurers licensed and authorized to issue policies in Florida, or alternatively, Grantee may provide coverage through a self-insurance program established and operating under the laws of Florida. Additional insurance requirements for this Agreement may be required elsewhere in this Agreement, however the minimum insurance requirements applicable to this Agreement are:

a. Commercial General Liability Insurance.

The Grantee shall provide adequate commercial general liability insurance coverage and hold such liability insurance at all times during the Agreement. The Department, its employees, and officers shall be named as an additional insured on any general liability policies. The minimum limits shall be \$250,000 for each occurrence and \$500,000 policy aggregate.

b. Commercial Automobile Insurance.

If the Grantee's duties include the use of a commercial vehicle, the Grantee shall maintain automobile liability, bodily injury, and property damage coverage. Insuring clauses for both bodily injury and property damage shall provide coverage on an occurrence basis. The Department, its employees, and officers shall be named as an additional insured on any automobile insurance policy. The minimum limits shall be as follows:

\$200,000/300,000	Automobile Liability for Company-Owned Vehicles, if applicable
\$200,000/300,000	Hired and Non-owned Automobile Liability Coverage

c. Workers' Compensation and Employer's Liability Coverage.

The Grantee shall provide workers' compensation, in accordance with Chapter 440, F.S. and employer liability coverage with minimum limits of \$100,000 per accident, \$100,000 per person, and \$500,000 policy aggregate. Such policies shall cover all employees engaged in any work under the Grant.

d. Other Insurance. None.

9. Quality Assurance Requirements.

There are no special Quality Assurance requirements under this Agreement.

10. Retainage.

No retainage is required under this Agreement.

11. Subcontracting.

The Grantee may subcontract work under this Agreement without the prior written consent of the Department's Grant Manager except for certain fixed-price subcontracts pursuant to this Agreement, which require prior approval. The Grantee shall submit a copy of the executed subcontract to the Department prior to submitting any invoices for subcontracted work. Regardless of any subcontract, the Grantee is ultimately responsible for all work to be performed under this Agreement.

12. State-owned Land.

The work will not be performed on State-owned land.

13. Office of Policy and Budget Reporting.

There are no special Office of Policy and Budget reporting requirements for this Agreement.

14. Common Carrier.

- a. Applicable to contracts with a common carrier – firm/person/corporation that as a regular business transports people or commodities from place to place. If applicable, Contractor must also fill out and return PUR 1808 before contract execution. If Contractor is a common carrier pursuant to section 908.111(1)(a), Florida Statutes, the Department will terminate this contract immediately if Contractor is found to be in violation of the law or the attestation in PUR 1808.
- b. Applicable to solicitations for a common carrier – Before contract execution, the winning Contractor(s) must fill out and return PUR 1808, and attest that it is not willfully providing any service in furtherance of transporting a person into this state knowing that the person unlawfully present in the United States according to the terms of the federal Immigration and Nationality Act, 8 U.S.C. ss. 1101 et seq. The

Department will terminate a contract immediately if Contractor is found to be in violation of the law or the attestation in PUR 1808.

15. Additional Terms.

Documentary Evidence Requirement for Subcontractor(s). If any work associated with this Agreement is completed by a subcontractor(s), the Grantee shall require that such subcontractor(s) submit documentary evidence (e.g., workshop agendas; meeting recordings) to Grantee demonstrating that the subcontractor(s) has fully performed its Project obligation(s). The Grantee shall forward copies of all such documentary evidence to the Department with the Grantee's relevant deliverable(s), using the approved Project Timeline set forth in Attachment 3 to this Agreement (Grant Work Plan).

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
GRANT WORK PLAN
AGREEMENT NO. 23PLN64**

ATTACHMENT 3

PROJECT TITLE: City of Destin Comprehensive Vulnerability Assessment

PROJECT LOCATION: The Project is located in the City of Destin within Okaloosa County, Florida.

PROJECT DESCRIPTION:

The City of Destin (Grantee) will complete the City of Destin Comprehensive Vulnerability Assessment Project (Project) to include a comprehensive Vulnerability Assessment (VA) pursuant to Section 380.093, Florida Statutes (F.S.). The Project will also include public outreach.

TASKS AND DELIVERABLES:

Task 1: Kick Off Meeting

Description: The Grantee will develop an overall project management plan and address initial actions and then conduct a kick-off meeting for the project. Meeting attendees should discuss the project scope, project goals, schedule, key milestones, and deliverables in order to develop a consistent project approach. Prior to the meeting, the Grantee will prepare the sign-in sheet, draft project schedule, and other meeting materials as necessary. The Grantee will prepare a draft list of City staff representatives that will participate in the project and review deliverables.

Deliverables: The Grantee will provide the following:

- **1.1:** Meeting agenda to include location, date, and time of meeting;
- **1.2:** Meeting sign-in sheets or attendance records with attendee names and affiliation;
- **1.3:** A copy of the presentation(s) and any materials created for distribution at the meeting, as applicable; and
- **1.4:** Kick-off meeting minutes, which documents all decisions and agreed upon outcomes of the meeting.

Task 2: Public Outreach Meeting #1

Description: The Grantee will conduct one initial public outreach meeting during the project. The purpose of the first meeting is to allow the public to provide input during the initial data collection stages, to include input on preferred methodologies, data for analyzing potential sea level rise impacts and/or flooding, guiding factors to consider, and critical assets important to the community. The Grantee will prepare all social media notifications, meeting invitations, meeting materials, presentations, and graphics utilized during the meeting, as applicable.

Deliverables: The Grantee will provide the following:

- **2.1:** Meeting agendas to include location, date, and time of meeting;
- **2.2:** Meeting sign-in sheets with attendee names and affiliation (i.e. local stakeholder, resident, steering committee member, local government staff);
- **2.3:** A copy of the presentation(s) and any materials created in preparation of or for distribution at the meeting (i.e. social media posts, public announcements, graphics), as applicable;

- **2.4:** A copy of the file or weblink of the video or audio recording from the meeting, if applicable; and
- **2.5:** A summary report including attendee input and meeting outcomes.

Task 3: Acquire Background Data

Description: The Grantee will research and compile the data needed to perform the VA based on the requirements as defined in Section 380.093, F.S. Three (3) main categories of data are required to perform a VA: 1) critical and regionally significant asset inventory, 2) topographic data, and 3) flood scenario-related data. GIS metadata should incorporate a layer for each of the four asset classes as defined in paragraphs 380.093(2)(a)1-4, F.S. GIS files and associated metadata must adhere to the Resilient Florida Program's GIS Data Standards (Exhibit I), and raw data sources shall be defined within the associated metadata. Sea level rise projection data shall include the 2017 National Oceanic and Atmospheric Administration (NOAA) intermediate-high and intermediate-low projections for 2040 and 2070, at a minimum. Other projections can be used at the Grantees discretion. Storm surge data used must be equal to or exceed the 100-year return period (1% annual chance) flood event. In the process of researching background data, the Grantee shall identify data gaps, where missing data or low-quality information may limit the VA's extent or reduce the accuracy of the results. The Grantee shall rectify any gaps of necessary data using available public information and sources.

Deliverables: The Grantee will provide the following:

- **3.1:** A technical report to outline the data compiled and findings of the gap analysis;
- **3.2:** A summary report to include recommendations to address the identified data gaps and actions taken to rectify them, if applicable;
- **3.3:** GIS files with appropriate metadata of the data compiled, to include locations of critical assets owned or maintained either by the Grantee or municipalities included within the county as well as regionally significant assets that are classified and as defined in paragraphs 380.093(2)(a)1-4, F.S.; and
- **3.4:** All records or requests for data from municipalities without statutorily compliant VA.

Task 4: Exposure Analysis

Description: The Grantee will perform an exposure analysis to identify the depth of water caused by each sea level rise, storm surge, and/or flood scenario. The water surface depths (i.e. flood scenarios) used to evaluate assets shall include the following data: tidal flooding, current and future storm surge flooding, rainfall-induced flooding, and compound flooding, all as applicable, as well as the scenarios and standards used for the exposure analysis shall be pursuant to s. 380.093, F.S. GIS files and associated metadata must adhere to the Resilient Florida Program's GIS Data Standards (Exhibit I), and raw data sources shall be defined within the associated metadata.

Deliverables: The Grantee will provide the following:

- **4.1:** A draft VA report that provides details on the modeling process, type of models utilized, and resulting tables and maps illustrating flood depths for each flood scenario; and
- **4.2:** GIS files with results of the exposure analysis for each flood scenario as well as the appropriate metadata that identifies the methods used to create the flood layers.

Task 5: Sensitivity Analysis

The Grantee will leverage the county-wide sensitivity analysis to refine the the impact of flooding on assets that are managed and owned by the City and to apply the data from the exposure analysis to the inventory

of critical assets created in Task 3. The sensitivity analysis should include an evaluation of the impact of flood severity on each asset class and at each flood scenario and assign a risk level based on percentages of land area inundated and number of critical assets affected.

Deliverables: The Grantee will provide the following:

- **5.1:** An updated draft VA report that provides details on the findings of the exposure analysis and the sensitivity analysis, and includes visual presentation of the data via maps and tables, based on the statutorily-required scenarios and standards; and
- **5.2:** An initial list of critical and regionally significant assets that are impacted by flooding. The list of critical and regionally significant assets must be prioritized by area or immediate need and must identify which flood scenario(s) impacts each asset.

Task 6: Final Vulnerability Assessment Report, Maps, and Tables

Description: The Grantee will finalize the VA report pursuant to the requirements in s. 380.093, F.S., and public outreach efforts. The final VA must include all results from the exposure and sensitivity analyses, as well as a summary of identified risks. It should contain a list of critical and regionally significant assets that are impacted by flooding and sea-level rise, specifying for each asset the flood scenario(s) impacting the asset. GIS files and associated metadata must adhere to the Resilient Florida Program's GIS Data Standards (Exhibit I), and raw data sources shall be defined within the associated metadata.

Deliverables: The Grantee will provide the following:

- **6.1:** Final VA Report that provides details on the results and conclusions, including illustrations via maps and tables, based on the statutorily-required scenarios and standards in s. 380.093, F.S.;
- **6.2:** A final list of critical and regionally significant assets that are impacted by flooding. The list of critical and regionally significant assets must be prioritized by area or immediate need and must identify which flood scenario(s) impacts each asset.;
- **6.3:** All electronic mapping data used to illustrate flooding and sea level rise impacts identified in the VA, to include the geospatial data in an electronic file format and GIS metadata; and
- **6.4** A signed Vulnerability Assessment Compliance Checklist Certification.

PERFORMANCE MEASURES: The Grantee will submit all deliverables for each task to the Department's Grant Manager on or before the Task Due Date listed in the Project Timeline. The Department's Grant Manager will review the deliverable(s) to verify that they meet the specifications in the Grant Work Plan and the task description, to include any work being performed by any subcontractor(s), and will provide written acceptance or denial of the deliverable(s) to the Grantee within thirty (30) calendar days. Tasks may include multiple deliverables to be completed. The Department will accept partial and full deliverables. Incomplete deliverables will not be accepted. A "partial deliverable" is defined as a deliverable consisting of one (1) or more (but not all) subcomponents listed in the deliverable list for a single task, where such subcomponent(s) are delivered to the Department at one hundred percent (100%) completion. A "full deliverable" is defined as a deliverable comprising all subcomponents listed in the deliverable list for a single task, all delivered to the Department at one hundred percent (100%) completion. An "incomplete deliverable" is defined as a deliverable for which one hundred percent (100%) completion has not been achieved for any of the subcomponents listed in the deliverable list for a single task. A task is considered one hundred percent (100%) complete upon the Department's receipt and approval of all deliverable(s) listed within the task and the Department's approval provided by the Deliverable Acceptance Letter.

CONSEQUENCES FOR NON-PERFORMANCE: For each task deliverable not received by the Department at one hundred percent (100%) completion and by the specified due date listed in the Agreement's most recent Project Timeline, the Department will reduce the relevant Task Funding Amount(s) paid to Grantee in proportion to the percentage of the deliverable(s) not fully completed and/or submitted to the Department in a timely manner.

PAYMENT REQUEST SCHEDULE: Following the Grantee's full or partial completion of a task's deliverable(s) and acceptance by the Department's Grant Manager, the Grantee may submit a payment request for cost reimbursement using the Exhibit C, Payment Request Summary Form. All payment requests must be accompanied by the Deliverable Acceptance Letter; the Exhibit A, Progress Report Form, detailing all progress made in the invoice period; and supporting fiscal documentation including match, if applicable. Interim payments will not be accepted. Upon the Department's receipt of the aforementioned documents and supporting fiscal documentation, the Department's Grant Manager will have ten (10) working days to review and approve or deny the payment request.

PROJECT TIMELINE AND BUDGET DETAIL: The tasks must be completed by, and all deliverables received by, the corresponding task due date listed in the table below. Cost-reimbursable grant funding must not exceed the budget amounts indicated below. Requests for any change(s) must be submitted prior to the current task due date listed in the Project Timeline. Requests are to be sent via email to the Department's Grant Manager, with the details of the request and the reason for the request made clear.

Task No.	Task Title	Budget Category	DEP Amount	Match Amount	Total Amount	Task Start Date	Task Due Date
1	Kick Off Meeting	Contractual Services	\$3,500	\$0	\$3,500	7/1/2022	3/31/2025
2	Public Outreach Meeting #1	Contractual Services	\$8,500	\$0	\$8,500	7/1/2022	3/31/2025
3	Acquire Background Data	Contractual Services	\$8,000	\$0	\$8,000	7/1/2022	3/31/2025
4	Exposure Analysis	Contractual Services	\$15,000	\$0	\$15,000	7/1/2022	3/31/2025
5	Sensitivity Analysis	Contractual Services	\$13,000	\$0	\$13,000	7/1/2022	3/31/2025
6	Final Vulnerability Assessment Report, Maps, and Tables	Contractual Services	\$22,000	\$0	\$22,000	7/1/2022	3/31/2025
Total:			\$70,000	\$0	\$70,000		

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
Public Records Requirements**

Attachment 4

1. Public Records.

- a. If the Agreement exceeds \$35,000.00, and if Grantee is acting on behalf of Department in its performance of services under the Agreement, Grantee must allow public access to all documents, papers, letters, or other material, regardless of the physical form, characteristics, or means of transmission, made or received by Grantee in conjunction with the Agreement (Public Records), unless the Public Records are exempt from section 24(a) of Article I of the Florida Constitution or section 119.07(1), F.S.
- b. The Department may unilaterally terminate the Agreement if Grantee refuses to allow public access to Public Records as required by law.

2. Additional Public Records Duties of Section 119.0701, F.S., If Applicable.

For the purposes of this paragraph, the term “contract” means the “Agreement.” If Grantee is a “contractor” as defined in section 119.0701(1)(a), F.S., the following provisions apply and the contractor shall:

- a. Keep and maintain Public Records required by Department to perform the service.
- b. Upon request, provide Department with a copy of requested Public Records or allow the Public Records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, F.S., or as otherwise provided by law.
- c. A contractor who fails to provide the Public Records to Department within a reasonable time may be subject to penalties under section 119.10, F.S.
- d. 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 contractor does not transfer the Public Records to Department.
- e. Upon completion of the contract, transfer, at no cost, to Department all Public Records in possession of the contractor or keep and maintain Public Records required by Department to perform the service. If the contractor transfers all Public Records to Department upon completion of the contract, the contractor shall destroy any duplicate Public Records that are exempt or confidential and exempt from Public Records disclosure requirements. If the contractor keeps and maintains Public Records upon completion of the contract, the contractor shall meet all applicable requirements for retaining Public Records. All Public Records stored electronically must be provided to Department, upon request from Department’s custodian of Public Records, in a format specified by Department as compatible with the information technology systems of Department. These formatting requirements are satisfied by using the data formats as authorized in the contract or Microsoft Word, Outlook, Adobe, or Excel, and any software formats the contractor is authorized to access.

f. IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, F.S., TO THE CONTRACTOR’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THE CONTRACT, CONTACT THE DEPARTMENT’S CUSTODIAN OF PUBLIC RECORDS AT:

Telephone: (850) 245-2118
Email: public.services@floridadep.gov
Mailing Address: Department of Environmental Protection
ATTN: Office of Ombudsman and Public Services
Public Records Request
3900 Commonwealth Boulevard, MS 49
Tallahassee, Florida 32399

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
Special Audit Requirements
(State and Federal Financial Assistance)**

Attachment 5

The administration of resources awarded by the Department of Environmental Protection (*which may be referred to as the "Department", "DEP", "FDEP" or "Grantor", or other name in the agreement*) to the recipient (*which may be referred to as the "Recipient", "Grantee" or other name in the agreement*) may be subject to audits and/or monitoring by the Department of Environmental Protection, as described in this attachment.

MONITORING

In addition to reviews of audits conducted in accordance with 2 CFR Part 200, Subpart F-Audit Requirements, and Section 215.97, F.S., as revised (see "AUDITS" below), monitoring procedures may include, but not be limited to, on-site visits by DEP Department staff, limited scope audits as defined by 2 CFR 200.425, or other procedures. By entering into this Agreement, the recipient agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by the Department of Environmental Protection. In the event the Department of Environmental Protection determines that a limited scope audit of the recipient is appropriate, the recipient agrees to comply with any additional instructions provided by the Department to the recipient regarding such audit. The recipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Chief Financial Officer (CFO) or Auditor General.

AUDITS

PART I: FEDERALLY FUNDED

This part is applicable if the recipient is a State or local government or a non-profit organization as defined in 2 CFR §200.330

1. A recipient that expends \$750,000 or more in Federal awards in its fiscal year, must have a single or program-specific audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F. EXHIBIT 1 to this Attachment indicates Federal funds awarded through the Department of Environmental Protection by this Agreement. In determining the federal awards expended in its fiscal year, the recipient shall consider all sources of federal awards, including federal resources received from the Department of Environmental Protection. The determination of amounts of federal awards expended should be in accordance with the guidelines established in 2 CFR 200.502-503. An audit of the recipient conducted by the Auditor General in accordance with the provisions of 2 CFR Part 200.514 will meet the requirements of this part.
2. For the audit requirements addressed in Part I, paragraph 1, the recipient shall fulfill the requirements relative to auditee responsibilities as provided in 2 CFR 200.508-512.
3. A recipient that expends less than \$750,000 in federal awards in its fiscal year is not required to have an audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F-Audit Requirements. If the recipient expends less than \$750,000 in federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of 2 CFR 200, Subpart F-Audit Requirements, the cost of the audit must be paid from non-federal resources (i.e., the cost of such an audit must be paid from recipient resources obtained from other federal entities).
4. The recipient may access information regarding the Catalog of Federal Domestic Assistance (CFDA) via the internet at <https://sam.gov/content/assistance-listings>.

PART II: STATE FUNDED

This part is applicable if the recipient is a nonstate entity as defined by Section 215.97(2), Florida Statutes.

1. In the event that the recipient expends a total amount of state financial assistance equal to or in excess of \$750,000 in any fiscal year of such recipient (for fiscal years ending June 30, 2017, and thereafter), the recipient must have a State single or project-specific audit for such fiscal year in accordance with Section 215.97, F.S.; Rule Chapter 69I-5, F.A.C., State Financial Assistance; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. EXHIBIT 1 to this form lists the state financial assistance awarded through the Department of Environmental Protection by this agreement. In determining the state financial assistance expended in its fiscal year, the recipient shall consider all sources of state financial assistance, including state financial assistance received from the Department of Environmental Protection, other state agencies, and other nonstate entities. State financial assistance does not include federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.
2. In connection with the audit requirements addressed in Part II, paragraph 1; the recipient shall ensure that the audit complies with the requirements of Section 215.97(8), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.
3. If the recipient expends less than \$750,000 in state financial assistance in its fiscal year (for fiscal year ending June 30, 2017, and thereafter), an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, is not required. In the event that the recipient expends less than \$750,000 in state financial assistance in its fiscal year, and elects to have an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, the cost of the audit must be paid from the non-state entity's resources (i.e., the cost of such an audit must be paid from the recipient's resources obtained from other than State entities).
4. For information regarding the Florida Catalog of State Financial Assistance (CSFA), a recipient should access the Florida Single Audit Act website located at <https://apps.fldfs.com/fsaa> for assistance. In addition to the above websites, the following websites may be accessed for information: Legislature's Website at <http://www.leg.state.fl.us/Welcome/index.cfm>, State of Florida's website at <http://www.myflorida.com/>, Department of Financial Services' Website at <http://www.fldfs.com/> and the Auditor General's Website at <http://www.myflorida.com/audgen/>.

PART III: OTHER AUDIT REQUIREMENTS

(NOTE: This part would be used to specify any additional audit requirements imposed by the State awarding entity that are solely a matter of that State awarding entity's policy (i.e., the audit is not required by Federal or State laws and is not in conflict with other Federal or State audit requirements). Pursuant to Section 215.97(8), Florida Statutes, State agencies may conduct or arrange for audits of State financial assistance that are in addition to audits conducted in accordance with Section 215.97, Florida Statutes. In such an event, the State awarding agency must arrange for funding the full cost of such additional audits.)

PART IV: REPORT SUBMISSION

1. Copies of reporting packages for audits conducted in accordance with 2 CFR Part 200, Subpart F-Audit Requirements, and required by PART I of this form shall be submitted, when required by 2 CFR 200.512, by or on behalf of the recipient directly to the Federal Audit Clearinghouse (FAC) as provided in 2 CFR 200.36 and 200.512
 - A. The Federal Audit Clearinghouse designated in 2 CFR §200.501(a) (the number of copies required by 2 CFR §200.501(a) should be submitted to the Federal Audit Clearinghouse), at the following address:

By Mail:

Federal Audit Clearinghouse
Bureau of the Census
1201 East 10th Street
Jeffersonville, IN 47132

Submissions of the Single Audit reporting package for fiscal periods ending on or after January 1, 2008, must be submitted using the Federal Clearinghouse's Internet Data Entry System which can be found at <http://harvester.census.gov/facweb/>

2. Copies of financial reporting packages required by PART II of this Attachment shall be submitted by or on behalf of the recipient directly to each of the following:

- A. The Department of Environmental Protection at one of the following addresses:

By Mail:

Audit Director

Florida Department of Environmental Protection
Office of Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

- B. The Auditor General's Office at the following address:

Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, Florida 32399-1450

The Auditor General's website (<http://flauditor.gov/>) provides instructions for filing an electronic copy of a financial reporting package.

3. Copies of reports or management letters required by PART III of this Attachment shall be submitted by or on behalf of the recipient directly to the Department of Environmental Protection at one of the following addresses:

By Mail:

Audit Director

Florida Department of Environmental Protection
Office of Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

4. Any reports, management letters, or other information required to be submitted to the Department of Environmental Protection pursuant to this Agreement shall be submitted timely in accordance with 2 CFR 200.512, section 215.97, F.S., and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

Attachment 5

3 of 7

5. Recipients, when submitting financial reporting packages to the Department of Environmental Protection for audits done in accordance with 2 CFR 200, Subpart F-Audit Requirements, or Chapters 10.550 (local governmental entities) and 10.650 (non and for-profit organizations), Rules of the Auditor General, should indicate the date and the reporting package was delivered to the recipient correspondence accompanying the reporting package.

PART V: RECORD RETENTION

The recipient shall retain sufficient records demonstrating its compliance with the terms of the award and this Agreement for a period of **five (5)** years from the date the audit report is issued, and shall allow the Department of Environmental Protection, or its designee, Chief Financial Officer, or Auditor General access to such records upon request. The recipient shall ensure that audit working papers are made available to the Department of Environmental Protection, or its designee, Chief Financial Officer, or Auditor General upon request for a period of **three (3)** years from the date the audit report is issued, unless extended in writing by the Department of Environmental Protection.

EXHIBIT – 1

FUNDS AWARDED TO THE RECIPIENT PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

Note: If the resources awarded to the recipient represent more than one federal program, provide the same information shown below for each program and show total federal resources awarded

Federal Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following:				
Federal Program A	Federal Agency	CFDA Number	CFDA Title	Funding Amount \$
Federal Program B	Federal Agency	CFDA Number	CFDA Title	Funding Amount \$

Note: If the resources awarded to the recipient represent more than one federal program, list applicable compliance requirements for each program in the same manner as shown below:

Federal Program A	First Compliance requirement: i.e.: (what services or purposes resources must be used for)	
	Second Compliance requirement: i.e.: (eligibility requirement for recipients of the resources)	
	Etc.	
	Etc.	
Federal Program B	First Compliance requirement: i.e.: (what services or purposes resources must be used for)	
	Second Compliance requirement: i.e.: (eligibility requirement for recipients of the resources)	
	Etc.	
	Etc.	

Attachment 5, Exhibit 1

5 of 7

Note: If the resources awarded to the recipient for matching represent more than one federal program, provide the same information shown below for each federal program and show total state resources awarded for matching.

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Matching Resources for Federal				
Federal Program A	Federal Agency	CFDA	CFDA Title	Funding
Federal Program B	Federal Agency	CFDA	CFDA Title	Funding

Note: If the resources awarded to the recipient represent more than one state project, provide the same information shown below for each state project and show total state financial assistance awarded that is subject to section 215.97, F.S.

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Resources Subject to Section 215.97, F.S.					
State Program A	State Awarding Agency	State Fiscal Year ¹	CSFA Number	CSFA Title or Funding Source Description	Funding
Original Award	Florida Department of Environmental Protection	22/23	37.098	Resilient Florida Programs	\$70,000
State Program B	State Awarding Agency	State Fiscal Year ²	CSFA Number	CSFA Title or Funding Source Description	Funding

Total Award	\$70,000
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Note: List applicable compliance requirement in the same manner as illustrated above for federal resources. For matching resources provided by the state for DEP for federal programs, the requirements might be similar to the requirements for the applicable federal programs. Also, to the extent the requirements pertain to different amount for the non-federal resources, there may be more than one grouping (i.e. 1, 2, 3, etc.) listed under each program.

For each program identified above, the recipient shall comply with the program requirements described in the Catalog of Federal Domestic Assistance (<https://sam.gov/content/assistance-listings>) and/or the Florida Catalog of State Financial Assistance (CSFA) (https://apps.fldfs.com/fsaa/state_projects_compliance_supplement) and the State Projects Compliance Supplement (Part Four: State Projects Compliance Supplement) (https://apps.fldfs.com/fsaa/state_projects_compliance_supplement).

¹ Subject to change by Change Order.

² Subject to change by Change Order.

services/purposes for which the funds are to be used are included in the Agreement's Grant Work Plan. Any match required by the R in the Agreement.

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
PROGRAM-SPECIFIC REQUIREMENTS
RESILIENT FLORIDA PROGRAM**

ATTACHMENT 6

1. Sea Level Impact Projection Study Requirement. If the project is within the designated area, pursuant to Section 161.551, F.S. and Chapter 62S-7, *Florida Administrative Code*, the Grantee is responsible for performing a Sea Level Impact Projection (SLIP) study and submitting the resulting report to the Department. The SLIP study report must be received by the Department, approved by the Department, and be published on the Department's website for at least thirty (30) days before construction can commence. This rule went into effect July 1, 2021, and applies to certain state-funded construction projects located in the coastal building zone as defined in the rule.
2. Permits. The Grantee acknowledges that receipt of this grant does not imply nor guarantee that a federal, state, or local permit will be issued for a particular activity. The Grantee agrees to ensure that all necessary permits are obtained prior to implementation of any grant-funded activity that may fall under applicable federal, state, or local laws. Further, the Grantee shall abide by all terms and conditions of each applicable permit for any grant-funded activity. Upon request, the Grantee must provide a copy of all acquired and approved permits for the project.
3. Attachment 3, Grant Work Plan, Performance Measures. All deliverables and reports submitted to the Department should be submitted electronically and must be compliant with the Americans with Disabilities Act, also known as "508 Compliant," in all formats provided.
4. Copyright, Patent and Trademark. The Department reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for state government purposes:
 - a. The copyright in any work developed under this Agreement; and
 - b. Any rights or copyright to which the Grantee or subcontractor purchases ownership with grant support.
5. Grant funds may not be used to support ongoing efforts to comply with legal requirements, including permit conditions, mitigation, and settlement agreements.
6. Funding Source. With the exception of audiovisuals not intended for presentation to the general public that are produced either as research instruments or for documenting experimentation or findings (unless otherwise required under the special terms of this Agreement), Grantee agrees to include the Department's logo (which can be found on the Department's website at: <https://floridadep.gov> or by contacting the Grant Manager for a copy) on all publications, printed reports, maps, audiovisuals (including videos, slides, and websites), and similar materials, as well as the following language:

"This work was funded in part through a grant agreement from the Florida Department of Environmental Protection's Office of Resilience and Coastal Protection Resilient Florida Program. The views, statements, findings, conclusions, and recommendations expressed herein are those of the author(s) and do not necessarily reflect the views of the State of Florida or any of its subagencies."

The next printed line must identify the month and year of the publication.

7. Final Project Report. The Grantee must submit Exhibit F, Final Project Report Form, prior to requesting final payment. The Final Project Report may be submitted in lieu of the final quarterly status report, only in instances where the next quarterly report falls after the project's completion date.

8. Project Photos. The Grantee must submit Exhibit G, Photo Release Form, with the first submission of deliverables and reports (Exhibit A and F) that include photos.
9. Contractual Services. For all grant agreements that include Contractual Services as an expenditure category, the Grantee must submit Exhibit H, Contractual Services Certification, and all required supporting documentation for all contractors conducting work under the grant agreement, prior to requesting payment that includes contractual services.
10. Vulnerability Assessments. For all Planning grant agreements (Resilient Florida Grant Program and Regional Resilience Entities), the Grantee must submit Exhibit I, Vulnerability Assessment Compliance Checklist Certification, with the final grant deliverable(s).
11. Geographic Information System (GIS) files and associated metadata. All GIS files and associated metadata must adhere to the Resilient Florida Program's GIS Data Standards (found on the Resilient Florida Program website: <https://floridadep.gov/rcp/resilient-florida-program/documents/resilient-florida-program-gis-data-standards>), and raw data sources shall be defined within the associated metadata.
12. State and Local Fiscal Recovery Funds. For all grant agreements funded with the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) under the American Rescue Plan Act, the Grantee must submit the SLFRF Reporting Requirements Form upon execution of the grant agreement.

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
RESILIENT FLORIDA GRANT PROGRAM
EXHIBIT A
PROGRESS REPORT FORM**

The current **Exhibit A, Progress Report Form** for the Resilient Florida Program grant agreements can be found on the Department's website at the link below. Each payment request must be submitted on the current form. The Department will notify grantees of any substantial changes to Exhibit A that occur during the grant agreement period.

<https://floridadep.gov/Resilient-Florida-Program/Grants>

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
RESILIENT FLORIDA GRANT PROGRAM
EXHIBIT C
PAYMENT REQUEST SUMMARY FORM**

The current **Exhibit C, Payment Request Summary Form** for the Resilient Florida Program grant agreements can be found on the Department's website at the link below. Each payment request must be submitted on the current form. The Department will notify grantees of any substantial changes to Exhibit C that occur during the grant agreement period.

<https://floridadep.gov/Resilient-Florida-Program/Grants>

EXHIBIT F
DEP AGREEMENT NO. 23PLN64

CITY OF DESTIN COMPREHENSIVE VULNERABILITY ASSESSMENT

City of Destin

Final Project Report



Insert Month & Year

This report is funded in part through a grant agreement from the Florida Department of Environmental Protection. The views, statements, findings, conclusions, and recommendations expressed herein are those of the author(s) and do not necessarily reflect the views of the State of Florida or any of its subagencies.

Part I. Executive Summary

Part II. Methodology

Part III. Outcome

Include the following: 1) evaluation of project's ability to meet goals and expected performance measures and provide explanation for why goals were not met, if applicable; 2) identify successful outcomes, areas for improvement, and quantifiable metrics (including the assigned metric in Exhibit A, if applicable) as a result of the project; and 3) final project photos, if an implementation construction project.

Part IV. Further Recommendations

Instructions for completing Exhibit F Final Project Report Form:

DEP AGREEMENT NO.: This is the number on your grant agreement.

GRANTEE NAME: Enter the name of the grantee's agency.

PROJECT TITLE: Enter the title shown on the first page of the grant agreement.

MONTH & YEAR: Enter month and year of publication

The final Project Report must contain the following sections: Executive Summary, Methodology, Outcome, and Further Recommendations. The Final Project Report must comply with the publication requirements in the grant agreement. Please limit the final project report to no more than five (5) pages. One electronic copy shall be submitted to the Department's Grant Manager for approval. Final payment will be held until receipt and approval of the Final Project Report.

Questions regarding completion of the Final Project Report should be directed to the Department's Grant Manager, identified in paragraph 18 of this agreement.



Florida Department of Environmental Protection

EXHIBIT G

PHOTOGRAPHER RELEASE FORM
FOR PHOTOGRAPHS, VIDEOS, AUDIO RECORDINGS AND ARTWORKS

DEP AGREEMENT NO: 23PLN64

RELEASE FORM FOR PHOTOGRAPHS, VIDEOS, AUDIO RECORDINGS AND ARTWORKS

Owner/Submitter's Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone Number: () _____ Email: _____

License and Indemnification

I certify that I am the owner of the photograph(s), video(s), audio recording(s) and/or artwork(s) being submitted and am eighteen (18) years of age or older.

I hereby grant to the Florida Department of Environmental Protection the royalty-free and non-exclusive right to distribute, publish and use the photograph(s), video(s), audio recording(s) and art work(s) submitted herewith (the "Work") to promote the Florida Department of Environmental Protection. Uses may include, but are not limited to:

1. Promotion of FDEP (including, but limited to publications, websites, social media venues, advertisements, etc.); and
2. Distribution to the media; and
3. Use in commercial products.

The Florida Department of Environmental Protection reserves the right to use/not use any Work as deemed appropriate by the Florida Department of Environmental Protection. No Work will be returned once submitted.

I hereby acknowledge that the Florida Department of Environmental Protection shall bear no responsibility whatsoever for protecting the Work against third-party infringement of my copyright interest or other intellectual property rights or other rights I may hold in such Work, and in no way shall be responsible for any losses I may suffer as a result of any such infringement; and I hereby represent and warrant that the Work does not infringe the rights of any other individual or entity.

I hereby unconditionally release, hold harmless and indemnify the Florida Department of Environmental Protection, its employees, volunteers, and representatives of and from all claims, liabilities and losses arising out of or in connection with the Florida Department of Environmental Protection's use of the Work. This release and indemnification shall be binding upon me, and my heirs, executors, administrators and assigns.

I have read and understand the terms of this release.

Owner signature: _____ Date: _____

Photo/video/audio/artwork/recording
file name(s): _____

Location of photo/video/audio
recording/artwork: _____

Name of person accepting Work submission _____

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
RESILIENT FLORIDA GRANT PROGRAM
CONTRACTUAL SERVICES CERTIFICATION**

Exhibit H

Required for all grant agreements that include Contractual Services as an expenditure category.

DEP Agreement Number: 23PLN64

Project Title: City of Destin Comprehensive Vulnerability Assessment

Grantee: City of Destin

Prior to making a request for payment of contractual services, the Grantee must provide the following to the Department Grant Manager then responsible for the Grantee's Resilient Florida Grant Program grant agreement:

1. Documentation of the Grantee's procurement process, as consistent with Attachment 1, Paragraph 9(c) and Attachment 2, Paragraph 11;
2. A list of all subcontractor quote and/or bid amounts (as applicable), including the company name and address for each subcontractor;
3. An explanation of how and why the Grantee made their determination(s) for the subcontractor(s) selected to perform certain task(s) under the Grantee's relevant grant agreement; and
4. This Exhibit H, signed and dated by the Grantee's own (non-Departmental) grant manager.

By signing below, I certify that, on behalf of the Grantee, I have provided all the information required by items 1. through 3. of this exhibit, as stated above, to the Department Grant Manager currently responsible for the Grantee's Resilient Florida Grant Program grant agreement. I also certify that the procurement process the Grantee utilized follows all of said Grantee's non-Departmental policies and procedures for subcontractors.

Grantee's Grant Manager Signature

Print Name

Date

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
RESILIENT FLORIDA GRANT PROGRAM
VULNERABILITY ASSESSMENT COMPLIANCE CHECKLIST CERTIFICATION**

Exhibit I

Required for all planning grant agreements.

DEP Agreement Number: 23PLN64

Project Title: City of Destin Comprehensive Vulnerability Assessment

Grantee: City of Destin

In accordance with subsection 380.093(3), F.S., the following components, scenarios, data, and information are required for a comprehensive Vulnerability Assessment (VA). The checklist must be completed and submitted with the final VA Report deliverable, pursuant to Attachment 3, Grant Work Plan. The Grantee must abide by the Department's GIS Data Standards found on the Resilient Florida Program webpage at the link below:

<https://floridadep.gov/rcp/resilient-florida-program/documents/resilient-florida-program-gis-data-standards>

Part 1 – Subparagraph 380.093(3)(c)2., F.S.

Item ID	Check if Included	Item Description	Page Reference in VA Report (if applicable)
a	☐	Final Vulnerability Assessment Report that provides details on the results and conclusions, including illustrations via maps and tables.	
All electronic mapping data used to illustrate flooding and sea level rise impacts that are identified in the VA must be provided in the format consistent with the Department's GIS Data Standards and include the following three (3) items:			
b	☒	Geospatial data in an electronic file format.	
c	☐	GIS metadata.	
d	☐	List of critical assets for each jurisdiction, including regionally significant assets, that are impacted by flooding and sea level rise. The list must be prioritized by area or immediate need and must identify which flood scenario(s) impacts each asset	

Part 2 – Subparagraphs 380.093(3)(d)1. and 380.093(3)(d)2., F.S.

Item ID	Check if Included	Item Description	Page Reference in VA Report (if applicable)
e	☐	Peril of Flood Compliance Plan amendments developed that address paragraph 163.3178(2)(f), F.S., if applicable.	

Exhibit I

		☐ Not applicable ☐ Already in compliance	
f	☐	Depth of tidal flooding, including future high tide flooding, using thresholds published and provided by the Department.	
g	☐	To the extent practicable, analysis geographically displays the number of tidal flood days expected for each scenario and planning horizon. <i>(optional)</i>	
h	☐	Depth of current and future storm surge flooding using publicly available NOAA or FEMA storm surge data. <i>(check one)</i> ☐ NOAA data ☐ FEMA data	
i	☐	Initial storm surge event equals or exceeds current 100-year flood event.	
j	☐	Higher frequency storm analyzed for exposure of a critical asset. <i>(optional, but must provide additional detail if included)</i>	
k	☐	To the extent practicable, rainfall-induced flooding was considered using spatiotemporal analysis or existing hydrologic and hydraulic modeling results. <i>(required if item e is not applicable)</i>	
l	☐	Future boundary conditions have been modified to consider sea level rise and high tide conditions. <i>(optional)</i>	
m	☐	Depth of rainfall-induced flooding for 100-year storm and 500-year storm event. <i>(required if item e is not applicable)</i>	
n	☐	To the extent practicable, compound flooding or the combination of tidal, storm surge, and rainfall-induced flooding. <i>(optional)</i>	

Part 3 – Subparagraph 380.093(3)(d)3., F.S.

Item ID	Check if Included	Item Description	Page Reference in VA Report (if applicable)
o	☐	All analyses performed in North American Vertical Datum of 1988.	
p	☐	Includes at least two local sea level rise scenarios, which must include the 2017 NOAA intermediate-low and intermediate-high sea level rise projections.	
q	☐	Includes at least two planning horizons, which must include years 2040 and 2070.	
r	☐	Utilizes local sea level data that has been interpolated between the two closest NOAA tide gauges.	
s	☐	Local, publicly available, sea level data was taken from one of the two closest NOAA tide gauges, which must be the gauge with the highest mean sea level <i>(if so, provide Department approval)</i> .	

Identify all counties and municipalities that are included in this Vulnerability Assessment:

I certify that, to the Grantee's knowledge, all information contained in this completed Vulnerability Assessment Compliance Checklist is true and accurate as of the date of the signature below.

Grantee's Grant Manager Signature

Print Name

Date

**COMMON CARRIER OR CONTRACTED CARRIER ATTESTATION
FORM
(PUR 1808)**

Exhibit J

This form must be completed by a Common Carrier or contracted carrier and submitted to the Governmental Entity with which a Contract being is executed, amended, or renewed. Capitalized terms used herein have the definitions ascribed in section 908.111, F.S.

_____ is not willfully providing and will not willfully provide any service during the Contract term in furtherance of transporting a person into this state knowing that the person is an Unauthorized Alien, except to facilitate the detention, removal, or departure of the person from this state or the United States.

Under penalties of perjury, I declare that I have read the foregoing statement and that the facts stated in it are true.

Printed Name:

Title:

Signature:

Date:

CITY OF DESTIN Budget Amendment Form

Fiscal Year	<u>2023</u>	Short Description	<u>VULNERABILITY GRANT</u>	Entity Code	<u>1</u>
Period	<u>12</u>	Effective Date	<u>9/18/2023</u>	Amendment Type*	<u>1</u>
Ref 1	<u>GRANT</u>	Budget Year Code	<u>2</u>	Budget Projection Inclusion	<u>One Time</u>
Ref 2	<u>FDEP</u>				

*AMENDMENT TYPE: 1 = Exp/Exp or Rev/Rev, 2 = Exp/Rev, 3 = Exp/Rev one sided, 7 = Exp/Rev Inter fund, 8 = Exp/Exp Inter Fund

ORG	OBJECT	PROJECT	LINE DESCRIPTION	(I)increase (D)decrease	AMOUNT	CURRENT AVAILABLE BUDGET	REVISED AVAILABLE BUDGET
01300 GF REVENUE	334310 STATE GRANT	PE003 VULNERABILITY ASSMT	REMOVE DEPUTY CM FY23 Balance	I	\$ 70,000.00	\$ -	\$ 70,000.00
0153800 GF PHYS ENVIR	531000 PROFESSIONAL SVCS	PE003 VULNERABILITY ASSMT	REMOVE DEPUTY CM FY23 Balance	I	\$ 70,000.00	\$ -	\$ 70,000.00

TOTAL \$ 140,000.00

Note

INCREASE GRANT REVENUE AND INCREASE GRANT EXPENDITURE
FOR FDEP'S VULNERABILITY ASSESSMENT GRANT

Initials

Date

Created by:

Entered by:

Approved by:

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023
TYPE OF AGENDA ITEM: Action Item
AGENDA OUTLINE NUMBER: 3.G.

TO: City Council

THRU: Lance Johnson, City Manager

FROM: Louis Zunguze, Community Development Director
 Kimberly Kopp, City Attorney
 Steve O'Connor, Principal Planner

DATE: September 11, 2023

SUBJECT: 607 Choctaw Ave- Proposed Residential Marine Construction Project for the construction of a new marginal dock, consisting of a 36.2' x 6' section and an 8' x 6' section

I. BACKGROUND: Paul Hartzog, on behalf of Edward Hass, applied for Harbor and Waterways Board review for the construction of a new marginal dock, consisting of a 36.2' x 6' section and an 8' x 6' section at the residential address of 607 Choctaw Dr.

Project Details: The applicant is seeking approval from the City Council for a Marine Construction project proposing a dock with:

Total Square Feet:	265.2
Total Number of Piers or Docks:	2 Marginal Docks
Total Length:	6
Total Slip Density:	0
Located in the Destin Harbor:	Located in the canals of Holiday Isle

II. DISCUSSION: The applicant requests City Council approval for residential marine construction located at 607 Choctaw Dr, located within Destin Harbor.

The Harbor and Waterways Board has reviewed the proposed marine project per Land Development Code ***Section 11.05.01 - General regulations; prohibitions.*** Below are Staff's comments provided to the Harbor and Waterways Board with respect to ***Section 11.05.01.*** Items not applicable to this project are marked "Not Applicable."

11.05.01. General regulations; prohibitions. *This article establishes and regulates procedures and standards by which the City controls and regulates development,*

construction and activities within and contiguous to the Harbor and waterways of Destin. The following regulations and prohibitions shall apply to the Harbor and waterways of Destin:

A. No person shall construct or add to an existing dock, seawall, bulkhead, mooring or piling, modify an existing submerged land lease, or conditions thereto, or conduct dredge or fill operations in, or contiguous to, the Harbor or waterways of Destin without first obtaining the proper authorization from the appropriate federal, state and City agencies.

Staff response: The applicant has obtained the proper authorization from all appropriate agencies.

B. The addition or modification of a boat lift or pilings within an existing legal and conforming boat slip shall not require the review of the Harbor and Waterways Board or the City Council. Rather, a copy of the U.S. Army Corps of Engineers permit, DEP permit, and a homeowner's association approval (if applicable) shall accompany a completed application for a building permit, provided no additional slips are created.

Staff response: Not applicable.

C. No fish carcasses and debris shall be discharged into the Harbor or waterways of Destin.

Staff response: This regulation applies to all users of the harbor and waterways of Destin and shall be adhered to.

D. No person who maintains or operates a dock shall allow or permit the disposal of fish carcasses, litter, waste petroleum products or other pollutants into the Harbor or waterways of Destin. Trash disposal receptacles shall be anchored to each dock to ensure compliance with the provisions of this article.

Staff response: This regulation applies to all users of the harbor and waterways of Destin and shall be adhered to.

E. No fuel or oil shall be willfully or knowingly discharged in the Harbor or waterways of Destin. No dock which sells fuel or oil shall be constructed, operated or maintained in the Harbor or waterways of Destin unless an oil abatement plan, in accordance with Coast Guard guidelines, is available at each dock. The Destin Harbor and Waterways Board shall review and recommend approval or disapproval of each oil abatement plan to the City Council, which shall have approval authority. Each existing dock which sells fuel or oil shall develop and have approved an oil abatement plan acceptable to the City. All new docks which sell fuel or oil shall develop and have an approved oil abatement plan, which is acceptable to the City, prior to receiving a building permit from the City.

Staff response: This regulation applies to all users of the harbor and waterways of Destin and shall be adhered to. However, this is not a commercial dock, so an oil abatement plan will not be required.

F. No new or existing dock shall be constructed or modified such that the length of any pier as completed is greater than 20 percent of the width of the Harbor or waterway at the place where the pier is located, or out 200 feet, whichever is less, except in Choctawhatchee Bay.

Staff response: The width of the waterway is approximately 80 feet. The length of the proposed marginal dock is 6 feet. The proposed marginal dock does not exceed 20 percent of the width of the waterway.

G. No piling(s) shall be added to the waterward end of any pier which piling(s) would make the total length of the dock more than 200 feet, or 20 percent of the waterway, whichever is less, except in Choctawhatchee Bay.

Staff response: The width of the waterway is approximately 80 feet. The length of the proposed marginal dock is 6 feet. The proposed marginal dock does not exceed 20 percent of the width of the waterway.

H. No vessel shall be moored or docked on the waterward end of any pier of the maximum legal length, as determined pursuant to subsection F above, for more than 72 hours.

Staff response: This regulation applies to all users of the harbor and waterways of Destin and shall be adhered to.

I. No dock shall be constructed which permits the commercial docking of boats with on-board toilets unless such the dock is equipped with a sewage pump-out.

Staff response: Not applicable.

J. No dock shall be constructed which permits the docking of a live-aboard unless such vessel has an operable holding tank.

Staff response: This regulation applies to all users of the harbor and waterways of Destin and shall be adhered to.

K. No boat shall be moored in the Harbor or waterways of Destin such that constitutes a hazard to navigation.

Staff response: This regulation applies to all users of the harbor and waterways of Destin and shall be adhered to.

L. No dock shall be constructed such that it constitutes a hazard to navigation.

Staff response: This regulation applies to all users of the harbor and waterways of Destin and shall be adhered to.

M. Excepting docks connected to uplands zoned SHMU, or those located on Choctawhatchee Bay, no dock shall be longer than the width, at the mean high-water

line, of the lot to which the dock is attached.

Staff response: Not applicable.

- i. For those docks connected to uplands zoned SHMU, or those located on Choctawhatchee Bay, a dock may be constructed to a length of 1.5 times the width of the property at the mean high-water line, provided the length of the dock does not exceed the maximum length established by paragraphs F and G above.

Staff response: Not applicable.

- ii. For the purpose of this subsection, lots may be combined with neighboring lots. However, no dock may exceed the limitations specified in subsection F above.

Staff response: Not applicable.

N. No dock shall be constructed or modified such that slip density exceeds one slip per eight linear feet of waterfront footage except that, on canals, no lot may have more than one slip per 45 linear feet of waterfront. However, all lots riparian to a canal shall be entitled to at least two slips on the canal.

Staff response: The waterfront footage of the subject property measures approximately 90 linear feet of waterfront. Given that this property is located on a canal, the dock would be allowed a maximum of two slips.

O. No boat or vessel, entering into, exiting or operating within the Destin Harbor shall operate at such speed that would create a wake that endangers other boats or vessels, swimmers or other persons within the Destin Harbor, or would contribute to any adjacent land erosion.

Staff response: This regulation applies to all users of the harbor and waterways of Destin and shall be adhered to.

P. No heated or cooled water may be emitted into the Harbor, waterways, or the Harbor canals other than from a boat.

Staff response: This regulation applies to all users of the harbor and waterways of Destin and shall be adhered to.

Q. No pier shall extend more than six feet into a canal right-of-way.

Staff response: The proposed marginal dock will not extend more than 6' into the canal right of way.

R. No discharge of water shall contain phosphorous or any other substance likely to cause a violation of the water quality standards specified in Chapter 17-302, Florida Administrative Code.

Staff response: This regulation applies to all users of the harbor and waterways of

Destin and shall be adhered to.

S. No dock or vessel shall be placed within the 25-foot setback of a property line without providing prior written notification to the adjoining landowners and requesting their response. Any objections received from the adjoining property owners will be considered by the Harbor and Waterways Board in their recommendations to the City Council.

Staff response: Staff sent the attached Abutters notice, dated August 10, 2023, on August 11, 2023.

T. No dock shall unreasonably interfere with the riparian rights of others.

Staff response: Staff sent the attached Abutters notice, dated August 10, 2023, on August 11, 2023. The riparian rights of others are not interfered with, as proposed.

U. No dock of 100 feet or longer shall be constructed unless a white navigation/security night-light is installed at the furthest point seaward on said dock and such light is to be illuminated continuously from dusk to dawn every night of the year. All existing docks 100 feet or longer shall install and operate a navigation/security light pursuant to this subsection. Each light shall be installed within 90 days after adoption of this Code.

Staff response: Not applicable.

V. No commercially operated boat docking facilities shall be permitted or operated unless equipped with firefighting facilities as specified by the City.

Staff response: Not applicable.

W. No construction shall be allowed which violates any provision of the Standard Building Code, as adopted by the City.

Staff response: Applicant must obtain an approved Marine Construction Permit prior to any construction.

X. No electrical or water service upon any dock shall be installed unless a permit is obtained from the Planning Department and Building Department for that service.

Staff response: Applicant must obtain an approved Marine Construction Permit prior to any construction.

Y. No person, while operating a boat within the or waterways of Destin shall allow or permit the disposal of fish carcasses, litter, waste, petroleum products or other pollutants into the Harbor or waterways of Destin from such boats.

Staff response: This regulation applies to all users of the harbor and waterways of Destin and shall be adhered to.

Z. No lot, or multi-contiguous lots, with less than 50 feet of waterfront footage shall be allowed individual docks, unless they are parallel to the shoreline. However, docks may be allowed under the provisions of subsection 11.05.01.M.2.

Staff response: Not applicable.

Pursuant to **Section 11.05.03, Land Development Code (LDC)**, all construction shall be inspected by the City Building Inspector for compliance with applicable building codes. The applicant shall be responsible for the condition and repair of permitted docks and failure to maintain said docks in a safe condition shall constitute grounds for revocation of the permit.

PUBLIC COMMENT:

Staff has received one comment from the public to date, and this is included in the attachments provided.

- A. Link to Strategic Goals / Objectives:** 4) Enhanced quality of life and safety for families
- B. Effect on Budget (EOB):** n/a
- C. Level of Service (LOS):** n/a
- D. Legislative Sponsor:**

III. CONCLUSION: The applicant requests City Council approval for residential marine construction located at 607 Choctaw Dr, located within the canals of Holiday Isle. Additionally, the applicant provided a receipt of submittal from Florida Department of Environmental Protection (FDEP), Permit No: 0420861001EE.

City Staff reviewed the application and determined that the plans comply with City Codes and Regulations. Specifically, the proposed dock complies with **LDC Section 11.05.01.M, Marina Siting**, and the Coastal Management Element of the City's Comprehensive Plan (**Coastal Management Element Policy 6-1.1.6**).

At the regularly scheduled Harbor and Waterways Board (HWB) hearing on Monday, August 28, 2023, the HWB reviewed and recommended City Council approval of the residential marine construction located at 607 Choctaw Drive.

IV. RECOMMENDED MOTION: I move that the City Council approve the residential marine construction project proposed at 607 Choctaw Drive, for the construction of a new marginal dock, consisting of a 36.2' x 6' section and an 8' x 6' section, with the conditions of:

- i. All applicable Federal or State approvals shall be submitted with the Marine Construction Permit application.
- ii. All regulations of the City's Marina Siting **LDC Section 11.05.00** shall be adhered to and followed at all times.

ALTERNATIVE MOTION:

I move that the City Council deny the construction of the residential marine construction

project proposed at 607 Choctaw Drive, for the construction of a new marginal dock, consisting of a 36.2' x 6' section and an 8' x 6' section.

Attachments:

1. A. Site Plan
2. B. Agent Affidavit
3. C. Warranty Deed
4. D. Layout Plan
5. E. Structural Plans
6. F. FDEP
7. G. Site Photos
8. H. Public Comment

**AGENT AFFIDAVIT
SPECIAL POWER OF ATTORNEY**

KNOWN ALL MEN BY THESE PRESENTS, THAT I, Edward Hass am
presently the owner and/or leaseholder at 607 Choctaw Drive, Destin, Florida, and desiring
to execute a Special Power of Attorney, have made, constituted and appointed, and by these presents do
make, constitute and appoint Paul Hartzog
whose address is 787 Boulevard Of The Champions, County of Okaloosa, State of Florida,
my Attorney-in-Fact to act as follows, GIVING AND GRANTING unto said attorney full power to act as
my agent in any and all matters pertaining to: Permitting The Docks.

FURTHER, I do authorize the aforesaid Attorney-in-Fact to perform all necessary acts in the execution of
the aforesaid authorization with the same validity as I could effect if personally present. Any act or thing
lawfully done hereunder by the said attorney shall be binding on myself and my heirs, legal and personal
representative, and assigns.

PROVIDED; however, that any and all transactions conducted hereunder for me or for my account shall be
transacted in my name, and that all endorsements and instruments executed by the said attorney for the
purpose of carrying out the foregoing powers shall contain my name, followed by that of my said attorney
and the designation "Attorney-in-Fact."

OWNER

Edward Hass
Signature

Edward Hass
Printed Name

STATE OF Florida

COUNTY OF Okaloosa

The foregoing instrument was acknowledged before me by means of physical presence or online

notarization X, this 25th day of July, 2023, by
(name of person acknowledging)

Edward Hass



[Signature]
Signature of Notary

Michael K. Bailey
Printed Name AND Seal of Notary

Personally known OR Produced Identification Yes

Type of Identification Produced State of Arizona DLN D04665538

THIS INSTRUMENT PREPARED BY,
RECORDED AND RETURN TO:
Emerald Coast Title Services, LLC
35008 Emerald Coast Parkway, Suite 500
Destin, FL 32541

This is a purchase and sale transaction and Florida Documentary tax stamps were calculated on the purchase price of \$582500, and \$4077.5 was collected on this transaction.

Parcel ID No. 00-2S-24-2186-000E-0620

(SPACE ABOVE RESERVED FOR CLERK USE)

PARTIAL ASSIGNMENT OF SUBLEASE

STATE OF FLORIDA

COUNTY OF OKALOOSA

THIS PARTIAL ASSIGNMENT OF SUBLEASE, entered into this the 5th day of August, 2020, by and between **Bossier Mobile Homes, Inc, a Louisiana corporation**, whose address is: 4302 East Texas Street, Bossier City, Louisiana 71111, hereinafter referred to as "Assignor," and **The Edward G. Hass and Maryanne Hass Revocable Trust date January 13, 2009**, whose post office address is: 1115 W Ranch Rd, Tempe, Arizona 85284, hereinafter referred to as "Assignee".

WITNESSETH:

Assignor, for and in consideration of the sum of Ten Dollars (\$10.00), and other good and valuable consideration to Assignor in hand paid by Assignee, the receipt of which is acknowledged, sells, transfers, set over to and conveys to Assignee, Assignee's successors and assigns, the following legally described land, situate, lying and being in **Okaloosa County, Florida** (the "Property"):

Lot 62, Block E, Holiday Isle Residential Section No. 4, a subdivision according to the plat thereof recorded in Plat Book 4, Page 29, of the Public Records of Okaloosa County, Florida.

SUBJECT TO RESTRICTIONS, EASEMENTS, COVENANTS, AND LEASES OF RECORD.

This Assignment is subject to the terms, stipulations, and conditions of the original lease recorded in OR Book 209, Page 123, of the Public Records of Okaloosa County, Florida, and any amendments and subleases thereto.

To Have and to Hold, the same through the remainder of the terms of the above-mentioned lease, the same being for an original period of 99 years, subject to the covenants, restrictions and conditions contained in said lease.

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

Signed, Sealed and Delivered
in the Presence of:

Sara Ashley Bowen
Witness Print Name: Sara Ashley Bowen

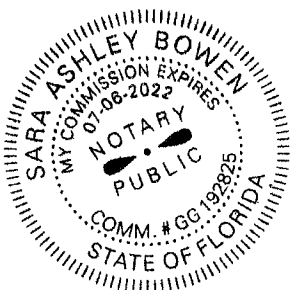
Cheri Moore
Witness Print Name: Cheri Moore

ASSIGNOR:

Regis. J. Kelly
Bossier Mobile Homes, Inc

STATE OF Florida
COUNTY OF Okaloosa

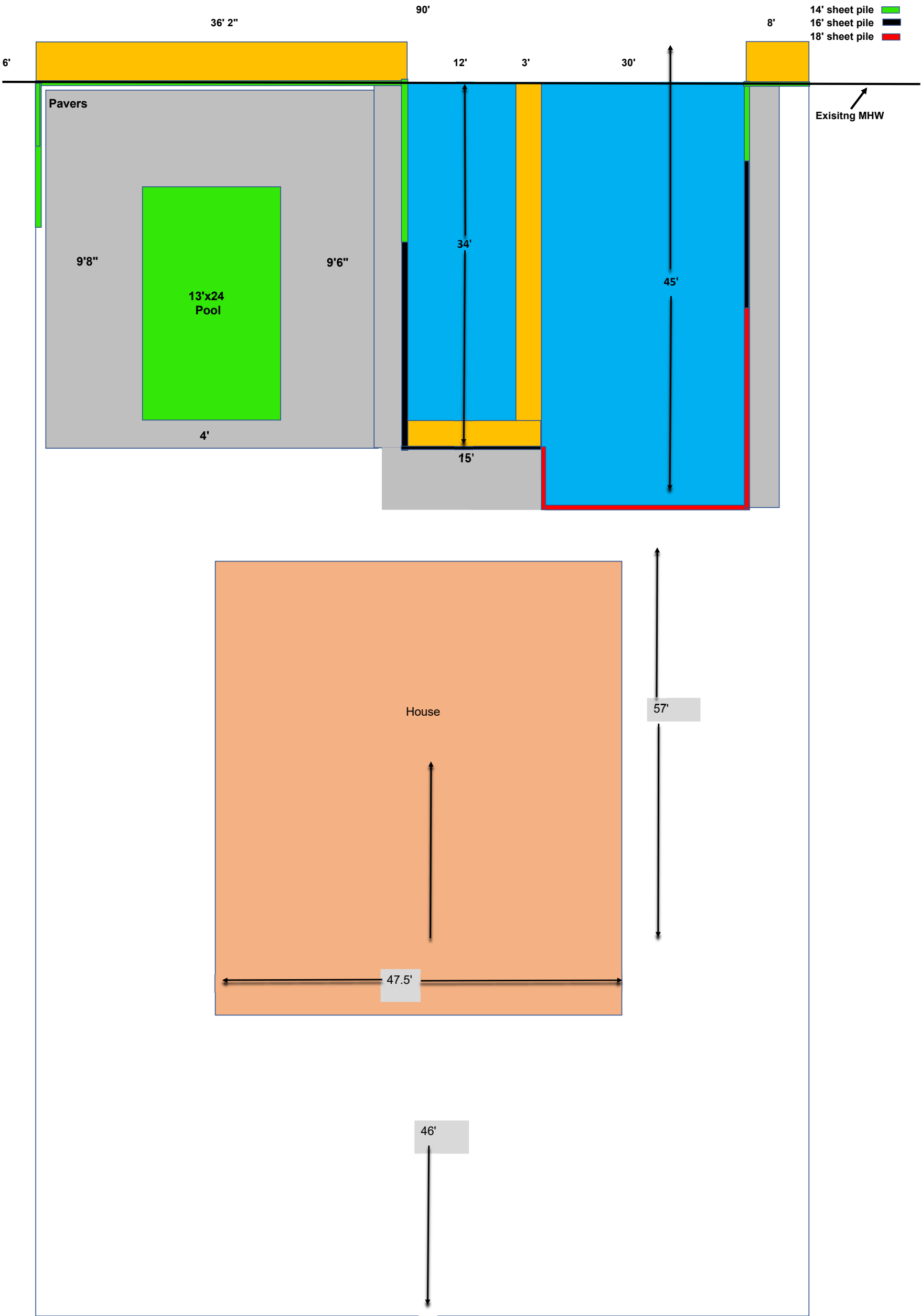
The foregoing instrument was acknowledged before me this the 5th day of August, 2020, 2018, by Bossier Mobile Homes, Inc. They are () personally known to me or ☒ have produced drivers licenses as photo identification. Appeared by means of physical presence. JCB



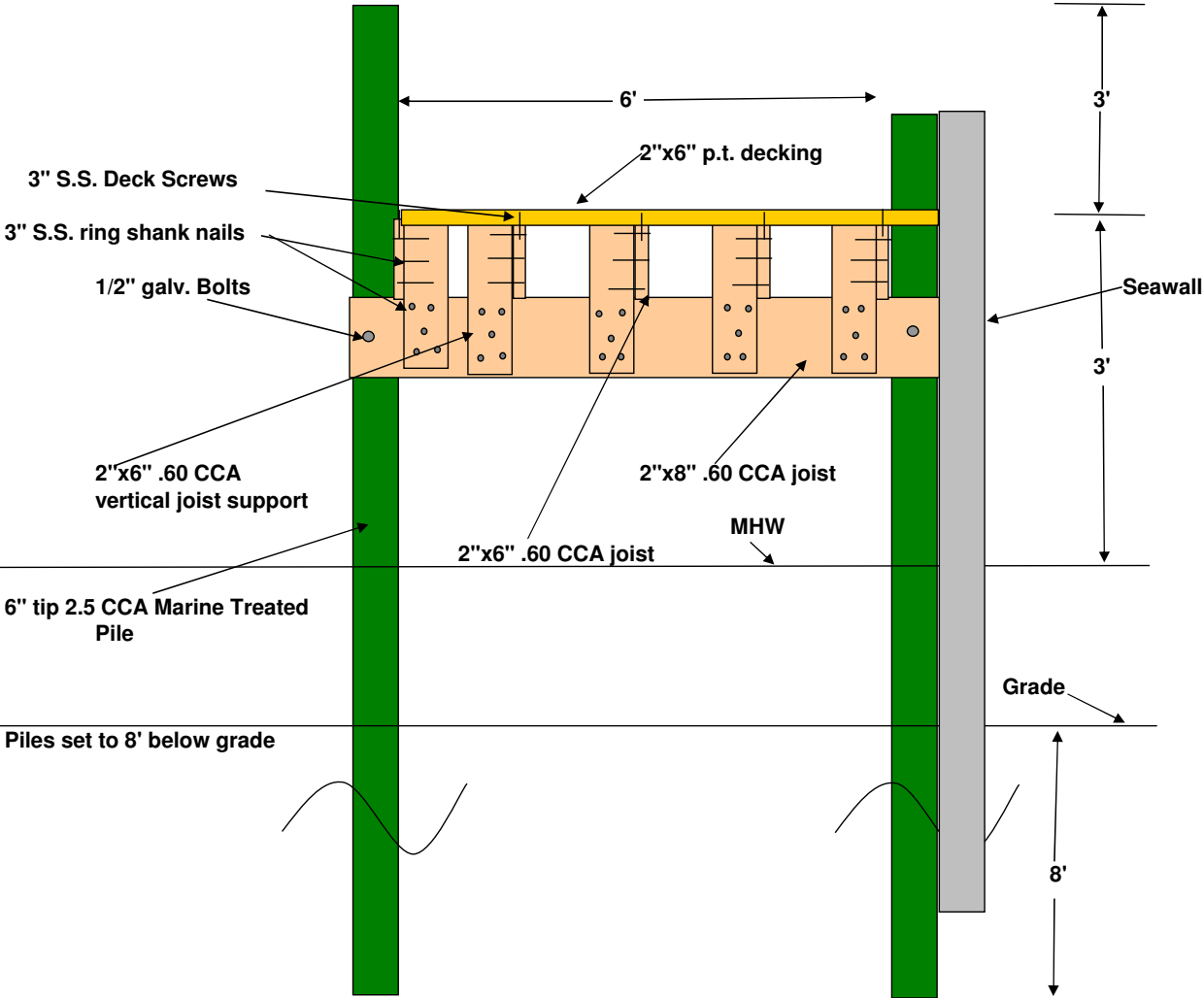
Sara Ashley Bowen
NOTARY PUBLIC (Signature)
TYPED NAME OF NOTARY: Sara Ashley Bowen
MY COMMISSION EXPIRES: 7/6/22

(AFFIX NOTARY SEAL HERE)

Job #70171 (Layout Plan View)



Job #70171(Dock Framing Detail)





FLORIDA DEPARTMENT OF
Environmental Protection

Bob Martinez Center
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Ron DeSantis
Governor

Jeanette Nuñez
Lt. Governor

Shawn Hamilton
Secretary

**CONDITIONS FOR DEPARTMENT OF THE ARMY SELF-CERTIFIED STATE
PROGRAMMATIC GENERAL PERMIT FOR A PROJECT AT A PRIVATE, SINGLE-FAMILY
RESIDENCE**

Self Certification File No.: **0420861001EE**

Verification that the project meets the Project Design Criteria:

You have verified that the project meets the Project Design Criteria (attached in a separate document), and have authorized FDEP to send a copy of this verification to the Corps on your behalf.

General Conditions:

1. The time limit for completing the work authorized on July 27, 2026.
2. You must maintain the activity authorized by this permit in good condition and in conformance with the terms and conditions of this permit. You are not relieved of this requirement if you abandon the permitted activity, although you may make a good faith transfer to a third party in compliance with General Condition 4 below. Should you wish to cease to maintain the authorized activity or should you desire to abandon it without a good faith transfer, you must obtain a modification of this permit from this office, which may require restoration of the area.
3. If you discover any previously unknown historic or archeological remains while accomplishing the activity authorized by this permit, you must immediately notify this office of what you have found. We will initiate the Federal and State coordination required to determine if the remains warrant a recovery effort or if the site is eligible for listing in the National Register of Historic Places.
4. If you sell the property associated with this permit, you must obtain the signature of the new owner on the enclosed form and forward a copy of the permit to this office to validate the transfer of this authorization.
5. If a conditioned water quality certification has been issued for your project, you must comply with the conditions specified in the certification as special conditions to this permit.
6. You must allow representatives from this office to inspect the authorized activity at any time deemed necessary to ensure that it is being or has been accomplished in accordance with the terms and conditions of your permit.

Further Information:

1. Limits of this authorization:
 - a. This permit does not obviate the need to obtain other Federal, State, or local authorizations required by law.
 - b. This permit does not grant any property rights or exclusive privileges.
 - c. This permit does not authorize any injury to the property or rights of others.
 - d. This permit does not authorize interference with any existing or proposed Federal projects.
2. Limits of Federal Liability. In issuing this permit, the Federal Government does not assume any

liability for the following:

- a. Damages to the permitted project or uses thereof as a result of other permitted or unpermitted activities or from natural causes.
 - b. Damages to the permitted project or uses thereof as a result of current or future activities undertaken by or on behalf of the United States in the public interest.
 - c. Damages to persons, property, or to other permitted or unpermitted activities or structures caused by the activity authorized by this permit.
 - d. Design or Construction deficiencies associated with the permitted work.
 - e. Damage claims associated with any future modification, suspension, or revocation of this permit.
3. Reliance on Applicant's Data: The determination of this office that issuance of this permit is not contrary to the public interest was made in reliance on the information you provided.
 4. Reevaluation of Permit Decision: This office may reevaluate its decision on this permit at any time the circumstances warrant. Circumstances that could require a reevaluation include, but are not limited to, the following:
 - a. You fail to comply with the terms and conditions of this permit.
 - b. The information provided by you in support of your permit application proves to have been false, incomplete, or inaccurate (see 3 above).
 - c. Significant new information surfaces which this office did not consider in reaching the original public interest decision.
 5. Such a reevaluation may result in a determination that it is appropriate to use the suspension, modification, and revocation procedures contained in 33 CFR 325.7 or enforcement procedures such as those contained in 33 CFR 326.4 and 326.5. The referenced enforcement procedures provide for the issuance of an administrative order requiring you comply with the terms and conditions of your permit and for the initiation of legal action where appropriate. You will be required to pay for any corrective measures ordered by this office, and if you fail to comply with such directive, this office may in certain situations (such as those specified in 33 CER 209.170) accomplish the corrective measures by contract or otherwise and bill you for the cost.
 6. When the structures or work authorized by this permit are still in existence at the time the property is transferred, the terms and conditions of this permit will continue to be binding on the new owner(s) of the property. To validate the transfer of this permit and the associated liabilities associated with compliance with its terms and conditions, have the transferee sign and date the enclosed form.
 7. The Permittee understands and agrees that, if future operations by the United States require the removal, relocation, or other alteration, of the structures or work herein authorized, or if, in the opinion of the Secretary of the Army or his authorized representative, said structure or work shall cause unreasonable obstruction to the free navigation of the navigable waters, the Permittee will be required, upon due notice from the U.S. Army Corps of Engineers, to remove, relocate, or alter the structural work or obstructions caused thereby, without expense to the United States. No claim shall be made against the United States on account of any such removal, relocation or alteration.

Manatee Conditions:

1. All personnel associated with the project will be instructed about the presence of manatees and manatee speed zones, and the need to avoid collisions with and injury to manatees. The permittee will advise all construction personnel that there are civil and criminal penalties for harming, harassing, or killing manatees which are protected under the Marine Mammal Protection Act, the Endangered Species Act, and the Florida Manatee Sanctuary Act.
2. All vessels associated with the construction project will operate at "Idle Speed/No Wake" at all times while in the immediate area and while in water where the draft of the vessel provides less than a four foot clearance from the bottom. All vessels will follow routes of deep water whenever possible.
3. Siltation or turbidity barriers will be made of material in which manatees cannot become entangled, will be properly secured, and will be regularly monitored to avoid manatee entanglement or entrapment. Barriers must not impede manatee movement.

4. All on-site project personnel are responsible for observing water-related activities for the presence of manatee(s). All in-water operations, including vessels, must be shutdown if a manatee(s) comes within 50 feet of the operation. Activities will not resume until the manatee(s) has moved beyond the 50-foot radius of the project operation, or until 30 minutes elapses if the manatee(s) has not reappeared within 50 feet of the operation. Animals must not be herded away or harassed into leaving.
5. Any collision with or injury to a manatee shall be reported immediately to the Florida Fish and Wildlife Conservation Commission (FWC) Hotline at 1-888-404-3922. Collision and/or injury should also be reported to the U.S. Fish and Wildlife Service in Jacksonville (1-904-731-3336) for north Florida or Vero Beach (1-772-562-3909) for south Florida, and to FWC at **ImperiledSpecies@myFWC.com**.
6. Temporary signs concerning manatees shall be posted prior to and during all in-water project activities. All signs are to be removed by the permittee upon completion of the project. Temporary signs that have already been approved for this use by the FWC must be used. One sign which reads Caution: Boaters must be posted. A second sign measuring at least 8 ½" by 11" explaining the requirements for "Idle Speed/No Wake" and the shut down of in-water operations must be posted in a location prominently visible to all personnel engaged in water-related activities. These signs can be viewed at MyFWC.com/manatee. Questions concerning these signs can be sent to the email address listed above.







August 16, 2023

Dear Mr. Willis:

In response to your letter, dated 8/10/23, regarding marginal dock construction on 607 Choctaw Drive. We take exception to the 6X8 foot section abutting our property at 609 Choctaw Drive.

1. Safety is a concern since our canal receives significant boat/pontoon traffic. Many boating recklessly and disregarding the law with excessive speeds, large wakes and under the influence behaviors. Any extension in the canal will create another obstruction, and narrow the navigable water.
2. The construction of the upland slip at 607 Choctaw, caused damage [sinking] of our pool deck on the west side. The contractors undermined our retaining wall while jetting tie back pilings. The pilings were jetted right next to the retaining wall, which is on the property line. Are pilings considered marine construction? Also, the seawall for the upland slip was permitted 8 feet from our property line. This is too close. The set back needs to be at least 15 feet minimum, to allow jetting for the pilings.
3. We had Pablito Pavers repair the damage to our pool deck at our expense. The general contractor at 607 refused to pay the \$1500 requested. I am concerned any more jetting of pilings will cause more damage to our property.

Yours truly,

Ken McElheny
609 Choctaw Drive
Destin, FL 32541
850 460-0519



**REGULAR MEETING
DESTIN CITY COUNCIL
SEPTEMBER 7, 2023
CITY HALL ANNEX COUNCIL CHAMBERS
5:30 PM**

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

Destin City Council

Mayor Bobby Wagner
Councilmember Torey Geile
Councilmember Terésa Hebert
Councilmember Jim Bagby

Councilmember Kevin Schmidt
Councilmember Dewey Destin
Councilmember Johnny King (Arrived: 6:55 PM)
Councilmember Matthew Sweetser

Destin City Staff

City Manager Lance Johnson
City Engineer Ryan Scott
IT Director Andy Peters
Finance Director Krystal Strickland
HR Manager Jaime Dittmer
Building Official Noell Bell
Land Use Attorney Kimberly Kopp

City Clerk Rey Bailey
Public Works Director Michael Burgess
Community Development Director Louis Zunguze
Grants/Project Manager Jeffrey Cozadd
Public Information Manager Tamara Young
Code Compliance Director Troy Williams
Deputy Code Compliance Director Brian Davis

CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Bobby Wagner called the meeting to order at 5:30 PM. Pastor Steve Farris of the First Baptist Church of Destin gave the invocation, which was then followed by the recitation of the Pledge of Allegiance.

AGENDA APPROVAL

Councilmember Schmidt requests agenda item 4A – *Need for Comprehensive Visioning Framework* be pulled and placed on the next council meeting agenda.

Motion by Councilmember Hebert, seconded by Councilmember Bagby, to approve the agenda, as amended, passed 6-0 (Council members Schmidt, Hebert, Bagby, Destin, Geile, and Sweetser voted “yes”; Councilmember King was not present during the voting).

**1. PROCLAMATIONS/RECOGNITIONS/SPECIAL/PUBLIC PRESENTATIONS /
ANNOUNCEMENTS**

- A. Artificial Turf Permitting & Artificial Turf in regard to Storm Management Systems
Marci Gragg

Ms. Marci Gragg of Forever Lawn of Emerald Coast gave the following presentation:

Artificial Turf Discussion: Permit Requirements & Stormwater Management

- Are Permits Required?
 - ❖ According to City of Destin Land Development Code, 10.03.02 (1) Permits and Stormwater Management review is exempted for “New Single Family or Duplex dwellings” or “the addition of impervious area less than 250 sf.”
 - ❖ There is no listed exemption for pervious to pervious, according to local legal teams. It is an understood exemption.
- Is artificial turf pervious or impervious?
 - ❖ The majority of artificial turf products are made to be pervious. Forever Lawn Select HD is our most popular residential turf product and has a test rating of 41.5” per hour.
- It’s all about the system!
 - ❖ Similar to any building, high rise, or single-family residence, the building is only as good as its foundation. The same is true of artificial turf. The system under the turf is even more important than the turf when it comes to permeability and stormwater management.
 - ❖ Due to the fact we live in a coastal region, Forever Lawn Emerald Coast has chosen to install all our pervious turf options over a Limestone base. We use angular clean aggregate, which not only allows for permeability, but also allows for natural filtration of stormwater.
- Limestone as a stormwater management tool?
 - ❖ There are many university studies showing “limestone proves to be a simple, reliable, and cheap process for removal of nitrates from ground water.” The same holds true for phosphates as well as debris.
- Can an artificial turf system be used in stormwater management?
 - ❖ According to the Synthetic Turf Council and Princeton University’s studies “Stormwater Considerations and Opportunities with Synthetic turf” presentation dated 10/18/2022, it is not only possible to utilize turf as a pervious surface, but the subsurface area can be designed to be used as subsurface storage to manage runoff additional adjacent impervious surfaces.
- Destin specific details
 - ❖ New permit requirements, without written process or appropriate Compass selections.
 - ❖ Project delays and residential stressors.
 - ❖ Loss of income due to additional requirements and unclear processing guidelines
- Our Neighbors?
 - ❖ At this time, there is no city or county in the immediate area requesting or requiring permits for the installation of artificial turf, residentially or commercially (Pensacola through Tallahassee).
 - ❖ Local LDC’s and ordinances state “exception for single-family residence.”
 - ❖ Tampa has been in an 18-month discussion between city staff and local businesses to create a process for permitting, but nothing has been voted on at this time.

- ❖ Atlantic Beach City has adopted a permit process which includes turf as pervious surface, so long as pre-, mid-, and final construction inspections are made to ensure their approved base requirements have been met.

Following the presentation, Ms. Gragg asked the council for some guidance moving forward. She also mentioned that they are scheduled to give this same presentation to the Local Planning Agency.

Councilmember Destin asked whether the company is suspended from operating for lack of permits.

According to Ms. Gragg, they have permit applications that have not been approved; adding that the permitting process is unclear and quite lengthy. It has been taking several weeks following the application is submitted before a permit is issued.

Councilmember Destin stated that as they move forward to this process, he trusts that staff would facilitate a more timely and simplified permitting process. He asked the firm to work closely with staff to make sure they are clear on what to look for to be able to understand their job better in this particular case.

Councilmember Bagby requests the firm provides physical addresses of 3 properties where they installed the most frequently installed turf, and one which they are currently working on but have not laid the turf. He wants to know what type of compaction is being used.

2. PUBLIC COMMENTS

3. CONSENT AGENDA

A. Resolution 23-18 Off Boarding Policy

(August 21, 2023: Councilmember Schmidt moved to direct the City Attorney and City Manager to incorporate into the Offboarding Policy terminating access of outgoing employees to IT technology and bring it back in a resolution format for the council to formally approve at the next council meeting passed 6-0).

B. FFY 2022 Byrne Grant Funding - 51% Letter of Support

C. Resolution 23-19, Authorization to renew FDOT Right-of-Way Maintenance Agreement with Webber, LLC

D. Milling/Re-Surfacing/Re-Striping of Moreno Point Road (Gulf Shore Drive to end of Public ROW)

E. Approval of minutes of July 13, 2023 City Council Workshop

F. Approval of minutes of June 20, 2023 Regular City Council Meeting

G. Minutes of Boards & Committees

H. Attendance Report - Standing Committees/Boards

Motion by Councilmember Schmidt, seconded by Councilmember Hebert, to approve Consent Agenda items 3A thru 3H, as printed above, passed 6-0 (Council members Schmidt,

Hebert, Bagby, Destin, Geile, and Sweetser voted “yes”; Councilmember King was not present during the voting).

4. CITY MANAGER REPORTS

- A. Need for Comprehensive Visioning Framework
(August 21, 2023: Request by Councilmember Bagby regarding the comprehensive planning for utilization of 1 Harbor property, what areas it encompasses, what ideas are being considered and plans for obtaining input from the public).

Item tabled to the next council meeting.

B. Announcements

1. The City of Destin’s contract with Waste Management allows for an annual rate adjustment related to the consumer price index. This year’s increase is at 5.41%, which is approximately \$4.50 per quarter per residential service.
2. The resurfacing of Vintage Circle and Vintage Court is scheduled to begin on September 12th.
3. The resurfacing of the Destin Community Center parking lot is scheduled for September 18th.
4. Doctor Tamara Young completed 29 hours of training at the National Information Officers Association Conference in Tennessee.
5. The city is moving 3 candidates to the next round of interviews, which is scheduled to occur next week, for the Assistant City Manager position.
6. All properties for the Destin Crosstown Connector project have been obtained. The next step is to get those properties cleared and ready for construction.
7. New employees: Mr. Jason Williams, IT Specialist and Mr. Ross Haynes, Code Compliance Officer.
8. City of Destin Open House scheduled for Wednesday, October 25th, at the Destin Community Center. This year’s theme is “Music to Our Ears.”
9. City of Destin Christmas Parade is scheduled for Saturday, December 9th, and this year’s theme is “Christmas Vacation.”

5. PUBLIC HEARINGS

- A. First reading of Ordinance 23-13-CN - Adopting the Fiscal Year 2024 Millage Rate

The City Attorney read proposed Ordinance 23-13-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 2024; AND PROVIDING FOR AN EFFECTIVE DATE.

The City Attorney announced for the record that the FY 2024 operating millage rate for the City of Destin is 1.6150 mills which is more than the rolled back rate of 1.4553 mills by 10.97%.

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

According to the Finance Director, keeping the millage rate at 1.6150 will bring in approximately \$12.8 million to the City of Destin. They are allowed to budget 95% of that amount. The \$11 million will go the General Fund and the remaining balance will go into the two CRA districts.

Councilmember Bagby moved to adopt Ordinance 23-13-CN on first reading, adopting a proposed Tax Year 2024 millage rate of 1.6150 mills which is more than the rollback rate of 1.4553 by 10.97%. The second reading will take place at Public Hearing #2 on September 18, 2023, at 6 pm, in the City Hall Annex; seconded by Councilmember Hebert.

Councilmember Geile asked how long it has been since the council voted to increase the millage rate for the City of Destin.

According to the Finance Director, the city's millage rate was increased to 1.6150 in 2016.

Councilmember Geile asked how much of an impact increasing the millage rate by a tenth of a percentage point would have to the average citizens of Destin.

The Finance Director replied that the average homeowner would pay an additional \$33 per year, and it would bring in approximately \$750,000 to the City of Destin.

Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted "yes").

B. First reading of Ordinance 23-14-CN - Adopting the Fiscal Year 2024 Budget

The City Attorney read proposed Ordinance 23-14-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, 2023 AND ENDING SEPTEMBER 30, 2024; 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 and sent the matter over to the city council for their discussion and consideration.

Motion by Councilmember Bagby, seconded by Councilmember Hebert, to adopt Ordinance 23-14-CN on first reading to provide for a balanced budget for FY 2024. The second reading will take place at Public Hearing #2 on September 18, 2023, at 6 pm, in the City Hall Annex passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted “yes”).

- C. Second reading of Ordinance 23-11-CC, amending Chapter 13 of the Code of Ordinances Section 13-40 Schedule of Fees, to remove the fees listed and add a language that defers and fees to be charged to the Resolution of Fees.

The City Attorney read proposed Ordinance 23-11-CC by title, and then presented it to the council on first reading.

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA, AMENDING CHAPTER 13 OF THE CODE OF ORDINANCES, SECTION 13-40, “SCHEDULE OF FEES” TO REFLECT THAT THE SCHEDULE OF BUSINESS TAX RECEIPT FEES ARE CURRENTLY SET FORTH IN THE CITY’S FEE SCHEDULE RESOLUTION AND AS SUCH SHALL BE REMOVED FROM THE CODE OF ORDINANCES; PROVIDING FOR FINDINGS OF FACT; 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. Having none, the mayor closed the public hearing and sent the matter over to the city council for their discussion and consideration.

Motion by Councilmember King, seconded by Councilmember Hebert, to approve Ordinance 23-11-CC on second reading passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted “yes”).

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

- A. Councilmember Sweetser
- B. Councilmember Geile

Councilmember Geile requests council’s support in scheduling a town hall type meeting for the citizens to meet with the city’s Code Compliance Department to discuss matters dealing directly with the community and code enforcement. He stated that the recently formed Short-Term Rental Impact Committee seems to predominantly be taking up the time discussing issues that ought to be discussed in a workshop session rather than concentrating on the task at hand.

Councilmember Bagby asked for clarification with regards to the mission of the Short-Term Rental Impact Committee.

The City Attorney explained that the committee’s task at hand is to provide the city council a report on both the positive and negative impacts of short-term rentals to the community. The council will then decide whether to forward that report to the State Legislature

and the League of Cities so they could decide if they wanted to lobby on the city's behalf and to make changes to the legislature to give the city the ability to deal with any impacts.

Councilmember Destin recommends advertising the meeting in a way that it would be Sunshine Law compliant in case two or more members of the council decide to attend.

Motion by Councilmember Geile, seconded by Councilmember Destin, to direct the City Manager to schedule a community meeting that will be Sunshine Law compliant, for the citizens to meet with the city's Code Compliance Department and voice their concerns and be educated on the city's policies, passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted "yes").

Councilmember Geile noted that he is being accused lately of listening to the "squeaky wheels" by someone who cannot take the time to come before this council. He wants to make it clear to all that people like John Stephens, Marcie Bell, Guy Tadlock, and others that are invested in this community, who dedicate their time to the city continuously, volunteer to be members of a committee, and are constantly offering their services for the betterment of the city deserve to be heard and will always have his attention.

- C. Councilmember Destin
 - D. Councilmember Bagby
 - E. Councilmember Hebert
 - F. Councilmember King
 - G. Councilmember Schmidt
1. 401 Beach Drive - Information Gathering

Councilmember Schmidt brought up the idea of purchasing 7-plus acres of parcel at 401 Beach Drive, adjoining the Destin Elementary School property. He stated that this specific parcel has been discussed in the past with desires to purchase it, but it was not available. But it is available now and that he recommends doing whatever is necessary for the city to obtain this property. The property is currently owned by the bank and will be going up for auction soon.

Councilmember Hebert supports the idea stating that she had received numerous emails and telephone calls from citizens urging the city to purchase this piece of property. She stated that she fully support buying this property as she believes it is necessary for the future growth of the city.

Councilmember Geile noted that he also received dozens of emails regarding this property all in favor of obtaining this property, but only 9 are verified citizens of the city. He is curious whether the city could afford to buy this land and what the intended purpose is for this property.

Councilmember Schmidt noted that the elementary school is looking to expand, and they already have a plan for the expansion. The school does not need this piece of property to expand, but they could use part of it. In terms of funding, there are a lot of options for the city, such as a partnership with the school board, the General Funds, or debt service.

Councilmember Destin stated that he is in favor of exploring the possibility of partnering with the school district in obtaining this property.

Councilmember Bagby also talked about receiving multiple emails in support of purchasing the land, adding that the majority of the senders wanted the property to be used to expand the school. He expressed concern as to where the money would come from as the city has already taken on too much debt. He also pointed out that obtaining this piece of property is not part of their strategic plan.

Councilmember Sweetser expressed his support of purchasing the property. He reasoned that it was not part of their strategic plan because it was not available when the plan was being developed.

Councilmember King stated that he supports the idea of obtaining the land and making it a part of their strategic plan. But they also need to identify the sources of funding.

The mayor mentioned that the Boys and Girls Club is also interested on the parcel and could also be included in the partnership.

Mr. Steve Horton, Assistant Superintendent of School Operations, confirmed that the school district is in the design and engineering phase for an addition to the Destin Elementary School. The new facility has been designed to fit within the school district's current property. The addition will be a 2-story facility with 32 classrooms. Work is expected to be completed by December 2025. The addition is currently designed to fit in the current school district property. There is not a need for the property at 401 Beach Drive. But there is a desire for a fraction of that property to create more green space for the students. He added that the plan includes bringing the fifth grade back to the Destin Elementary School, which will open up space at the Destin Middle School.

Councilmember Bagby stated that the city cannot afford to purchase the land by itself. He supports the idea of creating a partnership with the school district. However, he would like to see an appraisal before the city commits to anything.

Mr. Horton noted that for the school board to purchase real property over \$100,000 requires two appraisals. They have only ordered one for the purpose of investigating the feasibility of obtaining the parcel, similar to what the city is doing. He does not foresee any issue of sharing the result of that appraisal with the city since they are not buying the property directly from them.

Councilmember Schmidt moved to direct the City Manager and City Attorney to work with the school board about a possible partnership; work with the seller, negotiate, submit a letter of intent, or do whatever necessary to pursue the purchase of 401 Beach Drive, seconded by Councilmember Hebert. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted "yes").

Councilmember Bagby moved to direct the City Manager to obtain an appraisal on this parcel that can be used as a second appraisal for both the school board and the City of

Destin, seconded by Councilmember Destin. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted “yes”).

- H. Mayor Wagner
 - 1. Park Foundation Workshop

Motion by Councilmember Bagby, seconded by Councilmember Geile, to direct the City Manager to proceed with establishing a park foundation and bring the information back to the council passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted “yes”).

- I. City Attorney

7. PUBLIC COMMENTS

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 7:15 PM.

Bobby Wagner, Mayor

ATTEST:

Rey Bailey, City Clerk

**REGULAR MEETING
DESTIN CITY COUNCIL
JULY 17, 2023
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 Bobby Wagner
Councilmember Torey Geile
Councilmember Terésa Hebert
Councilmember Jim Bagby

Councilmember Kevin Schmidt
Councilmember Dewey Destin
Councilmember Johnny King
Councilmember Matthew Sweetser

Destin City Staff

City Manager Lance Johnson
Public Works Director Michael Burgess
IT Director Andy Peters
Finance Director Krystal Strickland
Public Information Manager Tamara Young
Grants/Project Manager Jeffrey Cozadd
Code Compliance Director Troy Williams
Land Use Attorney Kimberly Kopp

City Clerk Rey Bailey
City Engineer Ryan Scott
Senior Planner Daniel Butler
Principal Planner Steve O'Connor
HR Manager Jaime Dittmer
Building Official Noell Bell
City Attorney Kyle Bauman

CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE

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

AGENDA APPROVAL

Request from council to pull the following agenda items:

- Pull Consent Agenda items 3C and 3G for further discussion.
- Pull item 4D from the agenda.
- Pull item 6E(1) from the agenda.

Motion by Councilmember Hebert, seconded by Councilmember King, to approve the agenda, as amended, passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted “yes”).

1. PROCLAMATIONS / RECOGNITIONS / SPECIAL / PUBLIC PRESENTATIONS / ANNOUNCEMENTS

A. Proclamation - Parks and Recreation Month

The mayor read the proclamation designating the month of July 2023 as Parks and Recreation Month in the City of Destin, and then presented it to the members of the Park & Recreation Committee.

2. PUBLIC COMMENTS

Ms. Sandy Trammell, a Destin resident, pointed out that the speed hump north bound on Main Street is uneven and needs to be corrected.

Ms. Carol McIvor, a Destin resident, noted that she has gone before this council and the Public Works/Safety Committee concerning the problem they have in Destiny East and Destiny West due to the flooding issue at Four Prong Lake. They are forced to take on an exorbitant amount of stormwater runoff into that lake. It is a problem that concerns the whole city, and which has been forced upon their neighborhoods. She continued that they presented a plan to the Public Works/Safety Committee to install underground piping which would allow a temporary fix that would prohibit flooding in their neighborhood and alleviate the problem temporarily. She has urged the council to seriously consider this recommendation and take some actions toward a permanent solution. She stated that they received a quote for \$21,000 for the piping installation under Scenic Hwy 98. She urged the council to consider this matter for the American Rescue Plan Act (ARPA) funding that is available and is on tonight's agenda.

Mr. Lee Lazer, a Destin resident, expressed his concerns about the Joe's Bayou expansion with regards to the number of boat ramps they would have because of it. He stated that there are currently three boat ramps and another two are being proposed for the expansion, resulting in massive boat traffic flowing in and out of Joe's Bayou. He also mentioned a memorial for Mr. Dusty Robinette in that area that may need to be moved due to the expansion.

Capt. Gary Jarvis, a Destin resident, asked that the mayor and council continue to make the city center project a major priority for the city.

Capt. Jarvis also noted there is a proposal for speed limit for boats in the Gulf and that every major charter for hire organization, local or state-wide organizations, and most of the commercial fishermen have all spoken out vehemently against this proposal. He stated that it is not only unreasonable, but it would create chaos economically for small business owners across the Gulf of Mexico. He asked for the council support and to submit their argument against this plan.

Mr. Drew Mitchell, a Destin resident, complained about problems they are experiencing on Norriego Point which have been going on for a few years and things are getting worse. People are polluting Destin's park and water because there are no restrooms, trash cans, and any available services nearby. There are some drug dealings occurring out there as well. He stated that when he first brought this same issue to the council last fall, city staff stated that road

construction to extent Gulf Shore Drive was imminent, and that the construction and park amenities will soon follow. However, there is still no road, and nothing has been constructed. The fence that has been up there for a while is now blocking emergency responders' access to East Pass I. There is a marina being constructed which was never discussed. Their homeowners' association was never informed of the proposed marina. He continued that to resolve the urination and defecation issue, there have been some discussions about placing porta potties in the right-of-way on Gulf Shore Drive mainly for the tourists which are being encouraged to come to Norriego Pont. But it is not a solution that would be satisfactory to the residents. Porta potties are not an appropriate use of rights-of-way. He added that the city is marketing Norriego Point as a destination for the tourists, and so it is the city's responsibility to remedy this situation. He urged the council to close the park until it is ready for a grand opening to eliminate all the problems.

Several other residents spoke and urged the council to close the park until all constructions have been completed and it is ready for public use.

Ms. Laurie Sanders, a Destin resident, stated it has been tough trying to get out of their driveway as there is constant flow of traffic in her neighborhood and with people parking everywhere to unload and make their way to the park. There is trash everywhere. They do not really want to see porta potties in their neighborhood. She recommends placing a gate at the entrance to the park that can be locked at night by city staff to prevent people from entering the park. She also mentioned that Harborwalk is now doing fireworks twice a week which is polluting the environment.

Ms. Marcie Bell, a Destin resident, stated that she supports all the comments previous speakers made about all the problems on Norriego Point. But she believes the city needs to place porta potties in the city rights-of-way at least in the interim until the park is finished, adding that she believes the code allows it. She also agreed that having the fireworks twice a week is way too much. It is polluting the environment and needs to be curtailed. And lastly, she stated that she is very happy with the performance of the city's Code Compliance Department. She also realizes that they are understaffed and that she has made a commitment to support the additional funding for more staff so they could function more effectively.

3. CONSENT AGENDA

- A. Purchase of Holiday Lighted Pole Decorations, Town Center CRA
- B. Operations Financial Report
- C. Replacement of Corrugated Metal Pipes, ARPA FUNDING, authorization to issue Purchase Orders
- D. Capital Project Status
- E. Update on Undergrounding Easements. (Informational)
(May 1, 2023 Motion: To direct the City Manager to provide a monthly progress report on the acquisition of easements required to go forward with the undergrounding project along US Hwy 98 passed 6-0).
- F. Destin Community Center, replacement of 20-ton HVAC System, authorization to issue a purchase order

G. Terminated Employee Policy:

(June 20, 2023 Motion: To direct the City Manager to work with the Human Resources Manager to bring back other policies in the surrounding cities in regard to terminated employees passed 6-0)

H. Approval of minutes of June 5, 2023 Regular City Council Meeting

I. Approval of minutes of May 1, 2023 Regular City Council Meeting

J. Minutes of Boards and Committees

Councilmember Hebert moved for approval of Consent Agenda items 3A, 3B, 3D – 3F, and 3H – 3J; seconded by Councilmember Bagby. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted “yes”).

Motion by Councilmember Bagby, seconded by Councilmember Hebert, to authorize the City Manager to issue purchase order to H&T Contractors for the replacement of the corrugated metal storm sewer systems identified in the agenda report passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted “yes”).

Councilmember Schmidt addressed Consent Agenda item 3G – *Terminated Employee Policy*. He thanked city staff for bringing in sample terminated employee policies from the surrounding cities. He stated that anytime a city employee is terminated, that employee should no longer have direct access to their systems as a safety precaution.

Councilmember Schmidt moved to direct the City Manager to draft a policy with regards to immediate termination of access by an outgoing employee to all IT systems and bring it back for council’s review and approval, seconded by Councilmember Hebert.

Councilmember Bagby recommends the written policy includes the following:

- Exit interviews for HR personnel to be conducted by the City Manager.
- Include some kind of exception for personnel in critical positions (i.e., IT, Finance, or HR areas) to allow temporary access to the systems on a case-by-case basis.

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

4. CITY MANAGER REPORTS

A. City Attorney Contract Amendments: Romano Kopp Law, PA and Anchors Smith Grimsley PLC

According to the City Manager, the two separate law firms of Romano Kopp Law PA and Anchors Smith Grimsley PLC each currently contract with the City for the provision of legal services. The latter provides Land Use Attorney legal services and has done so since February of 2017, and the former currently provides City Attorney legal services and has done so since 2016. This request is made jointly by Mr. Bauman and Ms. Kopp. The proposed contract amendments would designate Kimberly Romano Kopp of Romano Kopp Law PA as City Attorney, and further, would designate Kyle Bauman of Anchors Smith & Grimsley as Special Projects Attorney. There

would no longer be a separate Land Use Attorney contract, and it is believed that this consolidation will result ultimately in a cost-savings to the City.

Councilmember Hebert moved to amend proposed contracts giving the City Attorney and Special Projects Attorney each a \$20 per hour increase, seconded by Councilmember Geile.

According to Councilmember Hebert, current Land Use Attorney's pay will increase from \$165 per hour to \$185 per hour; and the current City Attorney from \$135 per hour to \$155 per hour, adding that a \$20 increase for both would be fair rather than a \$40 per hourly increase for the latter and only a \$10 increase for the former.

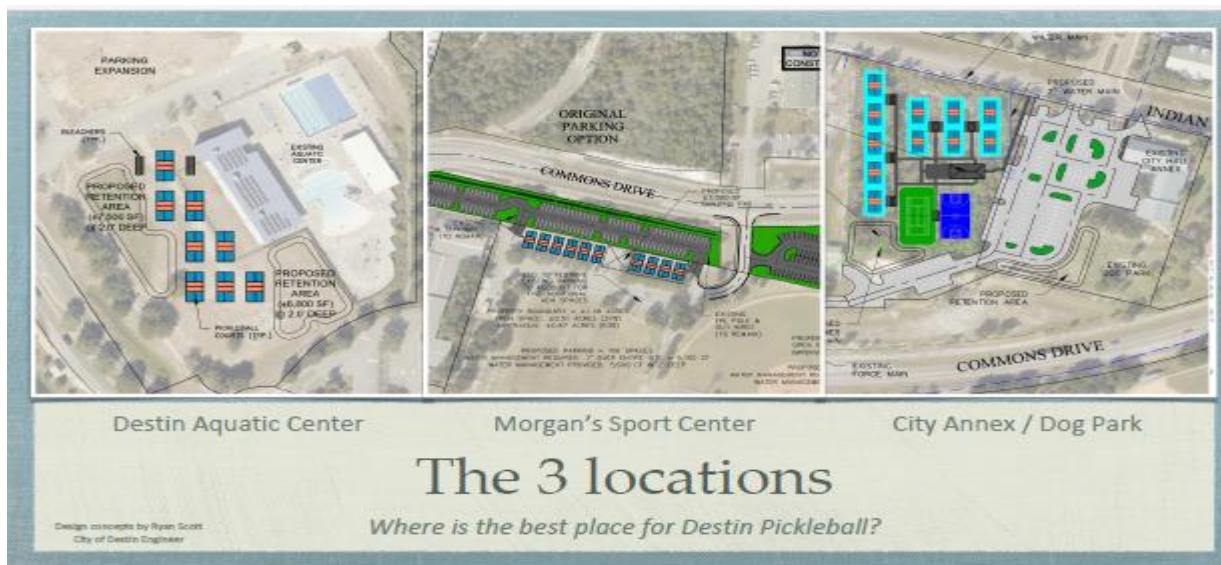
City Attorney Kyle Bauman reasoned that the city's current contract with Anchors Smith Grimsley PLC is 9 years old, and that the requested increase of \$40 per hour would barely keep up with inflation.

Following a brief discussion by the council, Councilmember Bagby offered a substitute motion to approve the proposed contract amendments for Romano Kopp Law, PA and Anchors Smith Grimsley PLC, to be compensated an hourly rate of \$185 and \$175 respectively, and with stipulation that any expenditure of outside counsel by the city attorney or city manager over \$5,000 for any new litigations, on a case-by-case basis, be brought back to council for approval. Seconded by Councilmember Hebert. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted "yes").

B. Pickleball Matrix

(June 5, 2023: It was the consensus of the council to have the City Manager and staff put together a matrix of all current options available for the construction of pickleball courts and bring it back at the July 17th council meeting)

Mayor Wagner presented the following options:



Amberjack Parking lot (Alternate option)



Phase 1 overview

- Constructing 4 courts - \$177,500
- Ability to add 6 more courts
- Site work - \$98,438
- Parking will still need to be built - \$587,688
- Morgan's Bathrooms (RC128 \$250,000 Dollars FY24)
- Phase 1 total = \$863,625

Destin City Annex Option



Location Overview

- Land owned by City of Destin
- No outside agency coordination needed
- Original land concept was tennis facility
- Current parking lot will hold 4 courts but does not meet city code
- Bathrooms needed for courts & dog park
- Current parking lot does not meet city code
- Operate and maintained by city of Destin
- Lots of space for further expansion

Destin City Annex (Phase 1)

Phase 1 overview

- Constructing 4 courts - \$177,500
- Ability to add many more courts
- Current Parking lot has adequate size
- Site work - \$162,700
- Future bathrooms location
- Future lighting
- No cover
- **Phase 1 total: \$340,200**



Court Estimates

Court # (W/ Netting, Fencing, pre-electrical, Benches	Estimate	With 25% Contingency
1	\$38,000	\$47,500
4	\$142,000	\$177,500 (\$44,375/co urt)
10	\$350,000	\$437,500 (\$43,750/co urt)

[illegible]

Estimates # 2 Emerald Coast Tennis Management		
	Description	Cost
Courts	10 professional regulation post tension concrete pickleball courts. Including acrylic resurfacing, hot-tu coating finish, lines, permanent nets, 8-ft vinyl fence perimeter/ 4-ft divider fence	\$350,000

Councilmember Geile noted that when they received the proposal from Destin Aquatic Center, they have indicated that the city will be responsible for maintenance of the facility. He asked whether that is still the case.

Ms. Kathi Hippi, Treasurer of the Emerald Coast Fitness Foundation (ECFF), explained that when ECFF made their initial presentation, they have requested about \$25,000 a year support to help defray the maintenance costs. But, since they are going to charge people to play pickleball, with discounted rates for residents, they will now assume the cost for maintenance.

Councilmember Schmidt moved to proceed with the City of Destin Annex Phase 1 option, seconded by Councilmember Geile.

Councilmember Schmidt expressed concern about giving \$400,000 to a foundation without having some background or history being provided to the council. He also feels that ownership of the land would be best for the city's future.

Councilmember Hebert asked how long it would take to build the facility on city annex property, and how much of the work could be done in-house as compared to having the Destin Aquatic Center build the facility on their property.

The City Engineer noted that the design work for the tennis court has previously been done by Tetra Tech.

The mayor noted that the list of quotes that they received all provided an estimate of 3 months to build the courts and other amenities once the site is ready and all permits are obtained.

According to Councilmember Destin, it might take 3 to 4 city employees to properly run the pickleball center if they build the facility on city property, which could cost the city another \$200,000 easily; adding that they also need to consider putting bathrooms on this site. He opined that the cheapest and quickest way to build the pickleball facility may be to partner with the Destin Aquatic Center.

Councilmember Destin offered a substitute motion to direct the City Manager and City Attorney to work out all the details as part of the interlocal agreement with the Destin Aquatic Center option and bring it back by the second city council meeting in August, at which time the council will make the final decision; seconded by Councilmember Hebert.

Considerable discussions followed as other members of the council expressed their desire to have the following information to be included in the report to council:

- Proposed membership fees for residents
- Proposed membership fees for non-residents
- Other miscellaneous fees.
- The possibility of offering free membership to Destin residents if the city covers part of the maintenance cost for the facility.
- Is there a separation of operation between the FWB facility and the Destin facility?

- Is the future Niceville operation connected to the existing facilities. Can funds be moved from one facility to another?
- Past financial information and future projections from the Destin Aquatic Center.

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

C. Assistant City Manager Job Description

(June 20, 2023 Motion: To direct the City Manager to bring back the job description for Assistant City Manager at the July 17th city council meeting. Authorization for the City Manager to hire an Assistant City Manager for a base salary not to exceed \$93,948.80 (\$23,487.20 x 4) annually and to use the money in the City Manager’s personnel account to make that hire are contingent upon the council’s approval of the job description).

The City Manager stated that per council’s direction, the job description for the Assistant City Manager position is being presented to the council for their review and approval. He also noted that Councilmember Destin, the Legislative Sponsor, provided some assistance in creating the job description.

Motion by Councilmember Destin, seconded by Councilmember Bagby, to approve the job description for the Assistant City Manager position and placing a salary cap of \$120,000, passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted “yes”).

D. FY 2024 Investment Contribution

Above item was pulled from the agenda.

E. FY2023 Strategic Plan Status Update

The City Manager presented the following updates to the council’s priorities:

Critical Priorities

Offer livable wages & benefits to attract and maintain high caliber, qualified staff (I.). OPR: HR

As of 7/10/2023: Fully implemented class and compensation study, to include senior leader compensation adjustment. Implemented Wellness Platform through Better You Strides. Maintained an average quarterly voluntary turnover rate of 3.7% and annual turnover rate of 11.3%. Performance based merit increases ranging from 2%-4%.

1.2 Work with stakeholders to pursue the Destin City Center. (Phase 1 Feasibility Study), (II., III.). OPR: CD

Update: In Progress. Council Representative Schmidt and staff are working with the developer.

Important Priorities

1.3 Complete two-lane Crosstown Connector (II., V.). OPR: GPC/CD/PW

As of 7/7/2023 All required ROW has been purchased. Plans are 100% complete, Construction funding is at 66%, additional funding is being pursued.

1.4 Public Beachfront acquisition initiative (II., III., IV., VI.). OPR: GPC

As of 7/7/2023 Tarpon property purchased and land cleared. Design in progress for Tarpon and Shore at Crystal Beach.

1.5 Underground Utilities (II., IV., VI.). OPR: GPC

As of 7/7/2023 We expect the BCE and final design from FPL in the very near future. Easements are being secured. Bid documents are being prepared. In Progress

1.6 Stahlman/US 98 pedestrian and vehicle improvements in cooperation with FDOT. (II., V.) OPR: CD/Eng

Update 7/10/2023: City Manager and Community Development Director are meeting with District 3 Transportation Director in August, 2023 to discuss this and other pending FDOT items.

Desirable Priorities

1.7 Annexation of unincorporated enclaves (I.) OPR: CD/CMO

Update: Annexation policy adopted by Council

1.8 Transit/Trolley system (V.) OPR: CD/CMO

Update: Unfunded, not started.

1.9 City Marina (Phase 1 Feasibility Study), (III, V.). [Funding in FY 2024]

OPR: CD

Update: Not started.

1.10 Improve parking, explore options (i.e., parking garage, surface parking), (V.). OPR: CD

Update 7/10/2023: Site improvements for the Zerbe/Sibert parking lot have been delayed to FY2024 via Council direction on June 20, 2023. RFQ for assistance with parking garage development will be published in August, 2023.

1.11 Beach Re-nourishment, planning & scheduling in partnership with the County & State. (II., VI.) OPR: GPC

Update 7/12/23: The County has no renourishment plans scheduled at this time.

2023-28 Management Objectives

2.1 Keep resources (Staff, Time, Money) aligned with the adopted Strategic Plan and the adopted budget when asked/directed to reprioritize tasks and/or projects.

A. Maintain a quarterly average employee Vacancy Rate of <15%. (HR)

As of 7/6/2023 the average vacancy rate for FY2023 is 11.3% annually and an average quarterly rate of 3.7%.

B. Keep fiscal expenditures within the adopted budget. (FIN)

As of 7/10/2023 the fiscal expenditures are within the adopted budget.

C. Track and report staff time spends quarterly fulfilling Public Records Requests. (CLK)

Staff spent approximately 518 hours responding to 478 public records requests through 3rd quarter of FY 2023.

2.2 Research/track grants and other funding sources for current and future projects including “Undergrounding Utilities,” and “Land Acquisitions.”

A. Research at least 15 active grants by the end of fiscal 2023. (GPC)

Update 07/12/2023: 18 researched: DEP Recreation Trails Grant, CDBG Small City, Ok. County CIGP program, Sun Trail Grant / FDOT, DEO Sally Hometown Rev. Program, AED Grant, FDEP Vulnerability Assessment

BRIC/FDEM/FEMA, Grid Resilience State Formula Grant Program, FDOT TRIP, FDOT CIG, Rural Surface Transp Grant Program, STORM Act / FDEM, NWFL Military Resilience Review, Energy Efficiency and Conservation Block Grant Program, Thinking Money for Kids Program Kit, Coastal Partnership Initiative (CPI) grant opportunity,

FDOT/TRIP Construction App FY24 - due Jan 24

B. Submit at least 7 grant/funding applications by the end of fiscal 2023. (GPC)

Update 07/07/2023: 12 submitted: BRIC/FDEM App, App. Request – Undergrounding, App. Request - Aux Harbor Pump, TDD/BOCC – Beach and Boardwalk Operations Exp., TDD/BOCC – Advance Funding Award payment,

FDEP Vulnerability Assessment, FDOT Traffic Grant with Sheriff's Office, FDOT TRIP Amendment request,

STORM Act/FDEM - loan funding request, TDD/BOCC - Exp. Plan Beach - budget reallocated for Improvements, Thinking Money for Kids Program Kit - Library

C. Receive at least 3 grant/funding awards by the end of fiscal 2023. (GPC)

Update 07/07/2023: FDEP Vulnerability Assessment – pre award, FDOT TRIP Amendment, TDD/BOCC – Beach and Boardwalk Operations Exp. - prelim approved, TDD/BOCC – Advance Funding Award payment - prelim approved

D. Complete ORAC park projects at Royal Melvin & Clement Taylor Parks. (GPC/PR)

Update 07/07/2023: CRM 100% complete, CTP pending notice to proceed from US Treasury and Okaloosa County.

2.3 Present a policy recommendation for property annexation to Council by 2/1/23. (CD)

Update 07/06/23: Annexation policy adopted by City Council on May 15, 2023.

2.4 Develop and implement processes improvements for consistent and streamlined application of ordinances, codes, policies and procedures;

A. Complete the Land Development Code update by 06/01/2023. (CD)

Update 07.06.23 In progress; 70% complete

B. By March 1, 2023 evaluate the “Development Order Process” and implement ways to consistently expedite completion and increase applicant satisfaction. (PLAN)

Update 07/06/23: Periodic reviews on going.

C. By January 1, 2023 evaluate the “Permitting Process” and implement ways to consistently expedite completion and increase applicant satisfaction. (BLDG)

Update 07/06/23: Reviewed by City Council in May- Update to City Council in July.

D. By January 1 2023 evaluate the inspection process for developments and permitted projects and implement ways to consistently complete pre-phase, mid-phase and post-phase inspections in a timely manner an on a consistent basis. (CD)

Update 07/06/23: Currently being implemented. Requested full time inspector in the FY24 Budget

E. By January 1, 2023 evaluate the “Business Tax Receipt Process” and implement ways to consistently expedite completion and increase applicant satisfaction. (BLDG)

Update 07/06/23: FY24 Renewal notices sent out July.

F. By October 31, 2022 evaluate the “Livery Vessel Registration Process” and implement ways to consistently expedite completion and increase applicant satisfaction. (CODE)

As of 7/6/2023 Developed check list, created additional and need upload document portal. Reviewed previous discrepancies and responsibilities; addressed and changed. Scheduled meeting with Energov in July to determine if a renewal key can be added.

G. By October 31, 2022 evaluate the “Short Term Rental Registration Process” and implement ways to consistently expedite completion and increase applicant satisfaction. (CODE)

As of 7/6/2023 Applicant is now able to upload BTR to Compass and will be required in 2024 to send picture of sign attachments. Goal for STR applicants is to be able to submit payment when they send in application; will be addressed with Energov the scheduled July meeting.

H. By December 31, 2022, present a policy recommendation for code compliance regulations consistent with international property maintenance code (IPMC) (CODE)

I. Present the updated procurement policy to Council for their consideration in Oct., 2022. (FIN)

As of 7/10/2023 the updated procurement policy was provided to Council as Resolution 22-10, which was adopted by Council during the 11/7/2022 Regular City Council meeting.

J. Evaluate ongoing contracts and implement improvements prior to renewing. (GPC, Et al)

Update 07/07/2023: New contracts structured with a three-year term with two one-year renewals when possible. Existing contracts are evaluated for possible improvements. Recent contracts evaluated: H&T (asphalt), Acentria (Health Ins Broker), Sheriff’s Office.

2.5 Improve communication and information sharing with Council/Public/Staff. (PIO, Et al)

A. Enter all new CODE case data into COMPASS before the end of each shift. (CODE)

As of 7/6/2023 100% complete after shift. Total cases for quarter: 1st Quarter Jan-Mar 2023 (1236), 2nd Quarter April-June (1373) (thru June 28th)

B. Respond to all Help Desk submissions within 48 hours. (ASSIGNED DEPT.)

As of 7/13/2023, the median time from when a request is submitted to the Help Desk to when it is assigned is 20.84 hours.

C. Timely submission of monthly, quarterly and annual reports to Council. (ASSIGNED DEPT.)

As of 7/11/2023 monthly, quarterly, and annual reports are being submitted timely to Council.

D. >95% of committee members receive initial training within 90 days of appointment. (CLK)

As of 7/6/2023 Following the November 2022 election, the newly seated council appointed/reappointed members to the city's standing committees in December 2022. Training will be provided to each committee at their regularly scheduled meeting beginning in July 2023.

E. >90% staff participation in monthly trainings. (HR)

As of 7/10/2022 we are maintaining a >90% participation rate in HR Trainings

F. Complete resident survey obtaining a statistically significant sample by 12/1/2022. (CMO)

As of 7/7/2023 the resident survey was completed November 2022.

G. Ensure >90% of PRRs are completed within 3 business days. (CLK)

As of 7/7/2023 96.9 % of all public records requests were fulfilled within 3 workdays during the 3rd quarter of FY 2023.

2.6 Ensure volunteer committees complete their workplans and obtain council approval for each. (CLK)

As of 7/7/2023 Each of the committees will review/finalize their workplans in July and submit them for council's approval in August/September 2023 time frame.

2.7 Review and update departmental Key Functions/Services by December 1st, 2022. (CMO/Et al)

As of 7/7/2023 Review completed.

2.8 Receive an “unmodified” (good) audit opinion for FY-2022. (FIN)

As of 7/10/2023 the City received an “unmodified” (good) audit opinion on 3/15/2023.

2.9 Implement Council approved Harbor Capacity Study recommendations by established due date. (CD)

Update 07/06/23: in progress.

2.10 Establish Park Foundation to assist with acquisitions, renovations and maintenance. (P&R)

As of 7/6/2023: Not started, plan to begin work on this by late 2023.

2.11 Work with the County/State to have derelict vessels removed within 120 days of reporting. (CMO/CODE)

Staff is working with Alex Fogg of the TDC who coordinates with state and federal agencies to have vessels removed.

Some members of the council provided the following recommendations:

- Aggressively pursue other grant opportunities from other outside agencies other than the normal sources (i.e., TDD) (Schmidt)
- Council needs to provide better clarity to the grant application process (Bagby)
- Annexation of unincorporated enclaves – expand the definition for FY 2024 (Mayor)
- Change “Trolley System” to “Alternative Transportation Integrated Transient System” (Mayor)

F. FY2024 Strategic Plan

According to the City Manager, the council reviewed their objectives during the Strategic Planning Session in February. There were a few potential recommendations for inclusion in the 2024-2029 plan that were discussed (listed below) but the overall consensus was to minimize the changes to the plan to enable staff to keep pursuing the multi-year projects on the existing plan. Staff members

have included recommended changes to next year's plan based on the input from the Strategic Planning Session.

The City Manager presented the following information:

Priority Levels Defined

Critical Priority – An objective that must be successfully accomplished within a specified amount of time.

Important Priority – A priority that can have a significant impact on performance. Resources are fixed and the variable is either time or the objective.

Desirable Priority – A priority where both resources and time are variables. The organization desires an outcome but cannot absolutely commit specific resources over any specifiable time period.

Note: Resources are fixed for all Critical and Important priorities, therefore, it may become necessary to transfer resources from Desirable priorities to Critical.

Current Council Objectives FY 23

Critical Priorities

- 1.1 Offer livable wages and benefits to attract and maintain high caliber qualified staff.
- 1.2 Work with stakeholders to pursue the Destin City Council (Phase 1, fixability Study).

Important Priorities

- 1.3 Complete two-lane Crosstown Connector
- 1.4 Public beachfront acquisition initiative
- 1.5 Underground utilities
- 1.6 Stahlman/US 98 pedestrian and vehicle improvements in cooperate with FDOT.

Desirable Priorities

- 1.7 Annexation of unincorporated enclaves
- 1.8 Transit/Trolley System
- 1.9 City Marina (Phase 1 Feasibility Study)
- 1.10 Improve parking, explore options (i.e., parking garage, surface parking).

- 1.11 Beach re-nourishment, planning and scheduling in partnership with the County and State.

Items Discussed During the 2023 Strategic Planning Session

- A. Pursue acquisition of property north of the Marler Bridge for potential Park, Pedestrian Improvements, Marina, Parking Garage, Amphitheater and/or City Center. [REC: Incorporate into current item 1.4]
- B. Support Ferry System to move waterfront traffic City to City. [REC: incorporate into item 1.8]
- C. Provide more Pickleball Courts [Already included in 4.17]
- D. Workforce Housing. [Work with County on options]
- E. Expand access to the east side of Henderson Beach State Park. [REC: Add to Mgt. Objectives]
- F. Build Parking Garage(s) in Harbor District. [Increase/Redefine priority of current item 1.10]
- G. Feasibility of a City Marina in Joe's Bayou. [Could be incorporated into current item 1.9.]
- H. Lifeguards, increase support and assist in securing resources. [REC: Add to Mgt. Objectives]
- I. Elevate Council Objective 1.1 to become the 7th Strategic Goal. [REC: Add to Strategic Goals]

Draft 2024 Strategic Goals with Recommended Incorporated:

- I. Financially sound city providing service excellence
- II. Enhanced quality of life and safety for families
- III. Economic development and revitalization
- IV. Effective, efficient, and aesthetically pleasing infrastructure
- V. Improve mobility and connectivity
- VI. A green and sustainable environment
- VII. Offer livable wages & benefits to attract and maintain high caliber, qualified staff.

Draft 2024 Council Objectives With Recommendations Incorporated:

CRITICAL PRIORITIES:

- 1.X Work with stakeholders to pursue the Destin City Center. (Phase 1 Feasibility Study), (II., III.).(OPR: CD)
- 1.X Complete two-lane Crosstown Connector (II., V.). (OPR: CD/GPC) [REC: Move to Critical]
- 1.X Underground Utilities (II., IV., VI.). (OPR: GPC) [REC: Move to Critical]
- 1.X Stahlman/US 98 pedestrian and vehicle improvements in cooperation with FDOT. (II., V.) (OPR: CD/ENG) [REC: Move to Critical]

IMPORTANT PRIORITIES:

- (1.4) Public Beachfront acquisition initiative including Pursuing acquisition of property north of the Marler Bridge for potential Park... (II., III., IV., VI.). (OPR: GPC) [REC: incorporate item A here.]
- (1.6) Improve parking, explore options (i.e., parking garage, surface parking), (V.). (OPR: PW) [Site improvements for the Zerbe/Sibert parking lot have been delayed to FY2024 via Council direction on June 20, 2023] [REC: Move to Important]

DESIRABLE PRIORITIES:

- 1.7 Annexation of unincorporated enclaves (I.). (OPR: CD/CMO)
- 1.8 Transit, Trolley systems **and support a Ferry System to move waterfront traffic City to City**(V.) [REC: incorporate item B here.] (OPR CD/CMO)
- 1.9 City Marina (Phase 1 Feasibility Study), (III, V.). [Could incorporate item G here.] (OPR: CD)
- 1.11 Beach Re-nourishment, planning & scheduling in partnership with the County & State. (II., VI.) (OPR: CD/CMO)

Some members of the council provided the following recommendations:

- Place the annexation under Important Priorities (Mayor)

- Move Crosstown Connector and Underground the Utilities from under Critical category since they are not currently ongoing and will take some time to complete (Schmidt)
- Parking should be in the Critical priority for the city (surface parking/parking garages) (Schmidt)
- Change Public Beachfront Acquisition Initiative to Waterfront Access Initiative (Schmidt)
 - Place acquisition of 1 Harbor property as a Critical priority to help with potential funding issues (Schmidt)
- Add as an Important Priority the adjustment/expansion of recreation program for city residents and tourism industry. (Schmidt)

The City Manager will bring back another draft of FY 2024 Strategic Plan at the next meeting incorporating tonight's inputs from the council.

G. Okaloosa Half Penny Infrastructure Surtax

The Finance director explained that at the January 27, 2020 Special Workshop, the City estimated it would receive \$12.8 million from the Okaloosa Half Penny Infrastructure Surtax that was voted in for the 10-year period January 2019 - December 2029. Council moved to allocate this Infrastructure Surtax for the following uses:

- Beach Acquisition - 75% - \$9,600,000
- Underground Utilities - 10% - \$1,280,000
- Public Works/Safety Committee identified projects - 10% - \$1,280,000
- Other projects as designated by Council - 5% - \$640,000

In May 2022, after signing an agreement with the Okaloosa Tourist Development District for beach acquisition, City Council adjusted the allocation to reduce the amount for Beach Acquisition and to increase the amount for Undergrounding of Overhead Utilities. Council made a motion on May 2, 2022 to allocate the Okaloosa Half Penny Infrastructure Surtax as follows:

Oka 1/2 allocation as per 05/02/22:					
	Beach	Underground	Stormwater	Public Works/ Safety	TOTAL
Percentage	25%	60%	10%	5%	100%
Est Revs (2019-2029)	4,000,000	9,600,000	1,600,000	800,000	16,000,000

Staff have now realized a mistake was made when reducing the allocation to Beach Acquisition. We inadvertently did not include remaining debt service for the loan taken to purchase parcels near the Crystal Beach Park.

Staff have updated the total estimated revenues based upon collections to date (January 2019 - May 2023) assuming an inflationary factor of 2.5%, we now anticipate collection of \$17.4 million. In order to meet the remaining commitment for debt service for the Beach loan, staff recommend reallocating the funds. The revised allocation is presented below in yellow, followed by expenditures and commitments to date.

This revised allocation will meet our current commitments and will slightly reduce funds available to underground overhead utilities, to address stormwater infrastructure issues and for the public works and safety committee.

Staff recommends reallocating the use of the Okaloosa Half Penny Infrastructure surtax to decrease the allotment towards Beach Acquisition from 25% up to 55%, to decrease the allotment for Undergrounding Utilities from 60% to 55%, to increase the allotment towards stormwater projects from 5% to 6.99%, and to commit the remaining 4.4% to projects recommended by the public works and safety committee.

Councilmember Schmidt moved to allocate portions of the Okaloosa Half Penny Infrastructure Surtax revenues as follows:

- **55% toward undergrounding utilities**
- **33.61% toward beach acquisition**
- **6.99% toward stormwater projects**
- **4.4% toward Public Works and Safety Committee initiated projects**

Motion seconded by Councilmember Hebert and passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted “yes”).

H. American Rescue Plan Act (ARPA) Expenditure Plan

The City Manager noted that in May 2021, the City of Destin applied for and received an award of \$1,581,098 from the US Treasury from the American Rescue Plan Act (ARPA), and that staff recommends allocating the ARPA funds for the following uses:

- | | | |
|-----------------------------|--------------|-----|
| • Stormwater Infrastructure | \$ 1,089,718 | 69% |
| • Stormwater Equipment | 61,845 | 4% |
| • IT Security – Tyler | 429,535 | 27% |

Councilmember Bagby recommends that \$21,000 of the 69% of the ARPA funding to be spent on underground piping for the Destiny Subdivision.

Councilmember Hebert moved to expend the American Rescue Plan Act awarded funds as follows:

- **69% for Stormwater Infrastructure; with \$21,000 of the 69% to be spent on underground piping for Destiny Subdivision.**
- **4% for Stormwater Equipment**
- **27% for IT Security**

Motion seconded by Councilmember Schmidt and passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted “yes”).

I. Establishing the FY2024 Tentative Millage Rate and Budget Public Hearing Dates

The City Manager requests that council confirms the dates and times of the public hearings for the FY 2024 Budget on September 7, 2023, at 5:30 PM and September 18, 2023 at 6:00 p.m., and to set the tentative millage rate for ad valorem taxes at 1.6150 mills to fund the FY 2024 Budget, adding that this amount is 10.97% more than the roll-back rate of 1.4553 mills.

Councilmember Hebert moved to set the tentative millage rate for ad valorem taxes at 1.6150 mills which is 10.97% more than the roll-back rate of 1.4553 mills and confirm the dates and times of the public hearings for the FY 2024 Budget on September 7, 2023 at 5:30 PM and September 18, 2023 at 6:00 PM. Councilmember Geile provided a second to the motion.

Councilmember Geile stated that he would support the motion but he just wanted to state for the record that the alternative millage rate of 1.715 that was previously suggested is a very minimal increase to property tax and could help fund some of the city’s projects.

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

J. City Council Insurance Benefit

(July 20, 2023 Motion: Motion to request that Acentria brings back two proposals, one of which would include the council members in the group health insurance policy, passed 7-0).

Mr. Mike Carraway, Director of Acentria, announced they have received approval from Florida Blue to add members of the city council to the City of Destin’s group insurance policy. There will be no negative impact on renewal for the 2023/2024 insurance rates/ This benefit would include medical, dental, vision, and telehealth insurance. The city pays 100% of the premium for eligible employees and 66 2/3 of the premium for additional family members. Coverage would be effective September 1, 2023, and council members will be entitled to all medical benefits and premium contribution as eligible city employees.

Motion by Councilmember Destin, seconded by Councilmember Hebert, to include members of the City Council and the mayor, to the City of Destin’s group insurance policy at the same rate of contribution as any other city employees, with the 5% renewal rate increase to go into effect on September 1, 2023, passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted “yes”).

K. Announcements

1. The city officially closed on 611 Sandalwood property acquisition.
2. Ribbon Cutting Ceremony for the Capt. Royal Melvin Heritage Park is scheduled for tomorrow morning, July 18th, at 9:00 AM.

3. The City of Destin will be hosting the Okaloosa County League of Cities Quarterly Dinner on Thursday, July 20th, beginning at 6:00 PM, at the Palms Bistrro. Guest speaker will be Colonel Allison Black, Commander, 1st Special Operations Wing at Hurlburt Field.
4. The Destin Library will be closed on Friday, August 4th, for the Okaloosa County Public Library Coop Annual Staff Training Day.
5. Business Tax Receipts are now opened for renewal. Businesses should get payment in by September 30th to avoid any late fees.
6. Council members will be contacted this week by the City Manager's Executive Assistant, Sheri Bethea, this week to coordinate times for a one-on-one City Manager evaluation.
7. All projects submitted for a permit after September 1st will be required to submit a final inspection request form found under the Engineering Division page of the city's website for any Engineering and Planning site final inspections. The intent is to certify that the site meets all the minimum requirements in the approved permit before staff visits the site.
8. Live Oak Fiber has officially started construction of their new lines in Destin on July 10th.
9. The Big Truck Day will be held on August 4th at the Destin Community Center.
10. The City's Open House is scheduled for Wednesday, October 25th.

5. PUBLIC HEARINGS

- A. John Green of Beachside Construction Group, LLC, on behalf of Mr. Shaun Cooper of Elite Investments LLC, is requesting approval for the construction of a ±640 square foot restaurant/café building and the associated site infrastructure. The subject project is located at 36 Terra Cotta Way (Parcel ID: 00-2S-22-0000-0035-A000), totaling approximately 0.16 acres.

The City Attorney sworn in the following individuals for testimony:

- Principal Planner Steve O'Connor
- Senior Planner Daniel Butler
- Building Official Noelle Bell
- City Engineer Ryan Scott
- John Green of ECM & Beachside Construction Group LLC
- Bruce Craul, President of the Enclave Community Property Association & in Conjunction with the Enclave Condominium Association and all Terra Cotta Subdivision Homeowners.

The City Attorney inquired if any member of the council has had any ex-parte communications with regards to this project; to which the mayor and council members present responded "no."

The Land Use Attorney requests that the staff report and all its exhibits be entered into the record as the city's Composite Exhibit A. Having no objection from the applicant, the aforementioned documents have been entered into the record as Staff Exhibit A.

Mr. John Green of ECM & Beachside Construction Group LLC, on behalf of the applicant, requests approval for the construction of approximately 640 square foot restaurant/café building and the associated site infrastructure. The project is located at 36 Terra Cotta Way, totaling approximately 0.16 acres. He stated that the development and use meet the criteria and requirements of the city's Comprehensive Plan and Land Development Code.

Mr. Bruce Craul expressed his opposition to the proposed project and presented the following information:

History of the Neighborhood

- 35 years ago, The Enclave the developer planned to build five condominium buildings with 30 units per building, and Gulf town homes (Green Reef)
- Two buildings were completed together with the community infrastructure to include a Clubhouse, pool, tennis courts and beach access.
- The developers went bankrupt.
- A small parcel, the Sandos lot, was reserved and carved out of the bankruptcy so that one of the developers could reserve the space for a garage to go with their green reef project.
- A PUD (Planned Unit Development) was carved out of the Plat
- The PUD is Terra Cotta Terrace Sub-Division
 - 55 lots for residential homes



The Community Evolved

- In 1992 Terra Cotta Terrace Developers bankrupted the property. I purchased one of the completed seven homes.
 - At the time I was the VP of Operations for Abbott Resorts, today known as Vacasa, and we managed the two Enclave Associations.
- I became a member of the Architectural Review Board and have been on that board for 30 years to ensure that the Covenants, Rules and Restrictions be followed as lots were sold and new homes were developed.

City Development of Beach Access Parking

- The City received funds from numerous sources to complete Beach Access Parking along Scenic 98. Parking was put in front of the Enclave even though, there is zero public beach access for those that park there.
- Nevertheless, it is \$20 per four hours minimum for the public to park there now.
- This lot is for paid parking only.
- The grass is supposed to be maintained by the city but the only time it gets cut is when I call the City Manager, or code enforcement.



The Enclave parking lot is for owners only

- Just to the north of the Sandos lot is the Enclave's parking Lot. Gates are being re-installed at the front entrance of the Enclave and at the connection between Terra Cotta Way and this lot, so customers of this development have no place to park.
- Four parking spaces is only enough for the manager, a cook, a cashier and a bartender.
- People may just pull up and clog up the access to the paid parking or try to park along Terra Cotta Way.



LOCATION

Okaloosa County – Old Highway 98 Destin



The landscape buffer is the Enclave's. Visibility from Highway 98 is an issue.

It is difficult, even now to pull into the city parking lot due to the hard right turn. SUV's can't get in without running over the curb.

Where are the delivery trucks for food and beverage product going to park while offloading? They can't block the parking lot and they can't park along the street.



There will be illegal parking

Since there won't be any free parking, cars will line up along this curb and those that paid to park cannot back out to leave.

The bushes and tall landscaping on the Enclave property blocks the view of the business.

Cranes can't even stack the containers (the building) because of the high electrical wires.

The bike path, 100 days a year will have a bottle neck here. The bike and pedestrian traffic quickly moves along this path.



View east for Terra Cotta entrance

We have landscaped the entrances to the east and the west to improve the look for the neighborhood.

The enhancements to these median and the median to the east are at risk due to trucks, cars stacking and people swinging to make the turn.

While there is a dead end sign there, people will drive into Terra Cotta Terrace looking for a place to park which is traffic that currently does not exist.



Enclave and City Lot exit onto 98

- Traffic exiting this exit is for 60 condominiums, plus the paid parking since it is one way.
- The City and the Enclave Associations settled an ongoing lawsuit that took years to settle that involved a cyclist and a car.
- We landscaped the median for visibility to be improved and to enhance the aesthetics, but the fact remains that these are busy intersections now.



Trash Trucks and the four parking spaces



The entrance to the property is just past the bush on the right. Traffic will back up into the street as people turn around realizing there is not place to park.

There is not street parking on Terra Cotta Way. Plans are underway for the installation of gates just beyond the median to the left.

Liquor License Requirements

- The Florida Statute 561.20(2)(a)4 regulates Special Restaurant Licenses or SRX licenses and states that only establishments that maintain a bona fide restaurant and have 2,500 square feet of covered floor space and seating for 150 patrons, deriving 51% of their gross revenue from the sale of non alcoholic beverages and food can be issued such a liquor license. The Florida Statute 561.20(2)(a)1 regulates the Special Hotel Licenses and states that only hotels, motels and motor courts with 100 guestrooms or more, deriving at least 51% of their gross revenue from room rental can be issued such a license. I am assuming therefore that the project is purchasing a 4 – COP Quota License.

Sandos Beachside Design **EXAMPLES**



- Containers are not a good fit to the neighborhood. This is not a site like Ft Walton or Pensacola Beach. This is a residential neighborhood. The second house in Terra Cotta on the left sold a year ago for 1,700,000 and the owner invested another \$100,000.
- Homes that are reaching \$2,000,000 will be devalued, with a building 50 feet from their homes. This will lead to a subsequent devaluation of these homes, thus lowering their tax base to the city.
- The restaurant business is hard. As a business they have the highest mortality rate of any business. If this business doesn't make it, we will have three containers rusting out at the end of our 56-home neighborhood.

Incompatibility to say the least

- This picture was taken from my Master Bedroom window without using a zoom in feature.
- Imagine the noise from their music, especially at night. Today there is a City ordinance that says that there cannot be noise after 10:00 PM. With a 4 COP liquor license which they will need to sell liquor beer and wine, they can stay open until 5:00 AM if they want to.
- This is our front yard. This is not compatible to the neighborhood. The noise, even just voices will be as if the people are in our driveways.



What if? Alternative Solutions?

- The City has an opportunity to assist this restaurant developer. You have already purchased the land for increased parking on two separate huge parcels right on the Gulf.
- Why not enter into a land lease like the Crab Trap or Pompano Joes? Then there would be bathrooms, parking and a view that is a big deal when you are building a restaurant.



Summary

- We are not against development.
- We are all for development that adds values to an area
 - This project is quite the opposite
- Perhaps there is a deal whereas there is a land swap of source with the City.
- There are uses for this lot that are much less intrusive and will not create safety problems, noise issues and the like.
- We are asking that you not approve of this project as presented.

Following the presentation, the mayor opened a public hearing to receive comments for or against the proposed project.

Ms. Patty Oliver, a Destin resident and business owner, wondered how the required 9 parking spaces for the project has now been reduced to 4 parking spaces. She also stated that the quality of visitors coming to Destin has gone down considerably. Her neighborhood is already suffering from the amount of trash that is being accumulated. Illegal parking has been out of control, and that code enforcement has not been acting fast enough to control these problems. She stated that the proposed development would only exacerbate those problems.

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

Councilmember Hebert asked whether 4 parking spaces are enough when they also need to consider parking for the employees.

Principal Planner Steve O'Connor explained that when the application was initially submitted, it was classified as a full-service restaurant. However, upon further information being provided by the applicant, it was deemed to be a limited-service restaurant with open air seating which does not require extra parking spaces. He continued that full-service restaurants require one space per 75 square feet, and limited-service restaurants only require one space per 150 square feet; and so, at 640 square feet, this restaurant only requires 4 parking spaces per the Land Development Code.

Councilmember Destin opined that 4 parking spaces are not enough to sustain this restaurant. It will create a parking issue especially when it is scheduled to operate until 10 p.m. nightly.

Councilmember Bagby likewise expressed concern about the parking situation, stating that it would take at least 3 to 4 people to run the restaurant and they all need a place to park.

Councilmember King noted that people design their business around the city's Land Development Code and this restaurant is no exception. They are in compliant with city code. He also stated that this type of restaurant is badly needed and is perfect for that particular location. There is a lot of foot traffic in that area and people can ride their bike to the restaurant and so additional parking spots are not necessary.

Councilmember Schmidt moved for approval of Sandos Beachside, a Minor Development Order, as presented; seconded by Councilmember King.

Councilmember Schmidt stated that the council can always amend the code if they are not happy with it, but as it currently stands, this development meets the criteria and requirements of the city's Comprehensive Plan and Land Development Code and has the legal right to exist.

Motion passed 5-2 (Council members Schmidt, King, Hebert, Geile, and Sweetser voted "yes"; Council members Bagby and Destin voted "no").

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

- A. Councilmember Sweetser
- B. Councilmember Geile
- C. Councilmember Destin

Councilmember Destin moved to direct staff to bring back a resolution at the next council meeting supporting the county's action to oppose the proposed speed regulation on vessels fishing in the Gulf; seconded by Councilmember Hebert. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted "yes").

Councilmember Destin moved to direct the City Manager and Land Use Attorney to meet with some residents of Gulf Shore Drive, those who have spoken tonight, to address the situation at the end of Norriego Point to see if they could come up with some temporary solution to the issues that have been identified; seconded by Councilmember Schmidt.

Councilmember Bagby would like to see a long-term solution to the problems before, during, and after construction of the park on Norriego Point.

Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted "yes").

- D. Councilmember Bagby
- E. Councilmember Hebert

1. Florida Retirement System (FRS) Discussion – Item pulled.

- F. Councilmember King
- G. Councilmember Schmidt

1. Construction Parking Plan

Councilmember Schmidt moved to direct staff to come back with suggestions dealing with construction parking plans for residential developments; seconded by Councilmember King.

Councilmember Schmidt noted that they currently do not have a plan where to park and to have a staging area for construction equipment and materials during construction, and they badly need to have a plan in place.

Councilmember Geile warned against being so prescriptive as it could prevent good companies from bidding on city projects.

Motion passed 7-0. (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted "yes").

2. Beach Flag Safety

Item moved to the next council meeting.

3. Norriego Point erosion

Councilmember Schmidt noted that the end of Norriego Point is continuing to erode. There have been a lot of boat traffic in that area. He encouraged staff to continue locking it down as much as possible for safety reasons.

4. Publix Meeting Update and Plan

Councilmember Schmidt moved to direct the Land Use Attorney to work with the mayor in writing a letter to Publix on behalf of the city council reiterating the council's stance on keeping this site a true, mixed-use development; seconded by Councilmember Hebert. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted "yes").

H. Mayor Wagner

I. Land Use Attorney

A. Update - 1 Harbor Blvd

The Land Use Attorney reported that they have communicated the City's final offer of \$8.5 million to the bridge parcel property owner. The property owner has counter-offered at \$9 million. It is the option of this council to accept or decline the property owner's counteroffer.

Councilmember Destin stated that with this acquisition, they are actually adding a parcel with tremendous value for the public purpose they want to achieve which is to preserve the view.

Councilmember Hebert moved to approve the \$9 million counteroffer for 1 Harbor Blvd property with the intent for public use of the property at this time, and subject to the purchase agreement staff will bring back at the next council meeting; seconded by Councilmember King. Motion passed 7-0. (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted "yes").

B. LDC Amendment to Allow RV Park as Conditional Use in TCMU

Councilmember Hebert moved to direct staff to amend the Land Development Code to establish RV Park as Conditional Use in the TCMU zoning district; seconded by Councilmember King. Motion passed 7-0. (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted "yes").

C. Call for an executive session to be held on August 7, 2023 at 5:30 pm in DESTIN FISHING FLEET, INC. Plaintiff, vs. Case No.: 2019 CA 002599 CITY OF DESTIN, BI, INC., DEWEY DESTIN'S HARBORSIDE, LLC, and 200 HARBOR BLVD, LLC

Councilmember Hebert moved to schedule a Council Executive Session on August 7, 2023, at 5:30 PM, in DESTIN FISHING FLEET, INC. Plaintiff, vs. Case No.: 2019 CA 002599 CITY OF DESTIN, BI, INC., DEWEY DESTIN'S HARBORSIDE, LLC, and 200 HARBOR BLVD, LLC; seconded by Councilmember King. Motion passed 7-0. (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voted "yes").

J. City Attorney

7. PUBLIC COMMENTS

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 10:45 PM.

Bobby Wagner, Mayor

ATTEST:

Rey Bailey, City Clerk

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023
TYPE OF AGENDA ITEM: City Manager Report
AGENDA OUTLINE NUMBER: 4.A.

TO: City Council

THRU: Lance Johnson, City Manager

FROM: Kimberly Kopp, City Attorney
Krystal Strickland, Finance Director

DATE: September 14, 2023

SUBJECT: 401 Beach Drive Update

I. BACKGROUND: At the regular City Council meeting of September 7, 2023, the following two motions were made and passed related to this property:

Council Member Schmidt moved to direct the City Manager and City Attorney to work with the school board about a possible partnership; to work with the seller, to negotiate, submit a letter of intent, or whatever is necessary to pursue the purchase of 401 Beach Drive, seconded by Council Member Hebert. Motion passed 7-0.

Council Member Bagby moved to direct the City Manager to obtain an appraisal on this parcel that can be used as a second appraisal for both the school board and the City of Destin, seconded by Council Member Destin. Motion passed 7-0.

II. DISCUSSION: On September 8th, the City Attorney had discussions with CBRE (Seller's broker) and formally submitted the attached correspondence requesting on behalf of the City Council that the City's interest in submitting a formal offer for the property be strongly considered during Seller's evaluation of initial offers, and further requesting that the City be permitted to participate during any subsequent round of offer solicitations. This request has been honored.

The court administrator authorized CBRE to inform all bidders that their **best & final terms are due no later than 3:00 on Tuesday, September 19, 2023.** CBRE stated that they are well aware of the City's interest, and look forward to presenting any offer the City and/or related parties may tender.

Additionally on September 8th, an appraiser was secured to perform an expedited appraisal of the property. The City timely received the appraisal report.

The City Attorney and School Board's attorney have also had discussions relating to potential collaboration.

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB): The effect on budget depends upon the offer amount from the City of Destin. The table below depicts annual debt service for a 15-year 5% loan for a variety of amounts.

Term:	15	years		
Loan Rate:	5%			
Amount Borrowed:	\$ 1,000,000	\$ 2,000,000	\$ 3,000,000	\$ 4,000,000
Annual Debt Service:	\$ 96,342	\$ 192,685	\$ 289,027	\$ 385,369
Millage Increase FY25+:	0.87%	1.74%	2.61%	3.48%
Millage Rate	1.6150	1.6291	1.6431	1.6572
		1.6712		

The uncommitted funding source currently available is Ad Valorem revenues for the General Fund. It is too late to increase the millage rate for FY 2024, but Council could entertain a millage rate increase for the remaining 14 years of the loan term FY 2025 - FY 2039. The first year (FY 2024) would have to be funded from fund balance. We can increase the budget at Public Hearing #2 or do a budget amendment during FY 2024 prior to closing.

C. Level of Service (LOS):

D. Legislative Sponsor:

III. CONCLUSION: If the City Council wishes to purchase the property, a final offer must be made no later than 3:00 on Tuesday, September 19, 2023. Note: The broker has provided the attached recommended form for submission of an offer.

If the City Council does not wish to purchase the property, no further action is necessary.

IV. RECOMMENDED MOTION: One possible motion for the City Council to consider if it wishes to purchase the property:

I move to direct the City Manager and City Attorney to submit a final and best offer in the amount of \$ _____ to the Seller's representative prior to September 19th at 3pm, with the express condition that the deed restriction be modified for the City's purposes.

Attachments:

1. Corr to CBRE re 401 Beach Drive, Destin, Florida 32541
2. Form Purchase Agreement Provided by Broker CBRE



ROMANO KOPP LAW, P.A.

P.O. Box 5524
Destin, Florida 32541
Phone: (407) 430-7070
Email:kkopp@romanokopplaw.com

September 8, 2023

VIA EMAIL

Thomas Watson
CBRE Limited
600 Grand Boulevard, Suite 207
Miramar Beach, FL 32550

RE: 401 Beach Drive, Destin, Florida 32541

Dear Mr. Watson:

I represent the City of Destin, Florida (“City”). I understand that CBRE Limited has been retained on behalf of Zeifman Partners Inc., as the exclusive advisor to seek offers for the disposition of 401 Beach Drive, Destin, Florida (“Subject Property”), which is being sold as part of a receivership sale. As you and I discussed via telephone, the City is interested in a potential purchase of the Subject Property, and it is in this regard that I submit this formal correspondence to you.

Because the City is a municipal government incorporated in the State of Florida, the City is required to follow various state laws, procedures, and local rules when it considers real property acquisitions. Among these various laws, procedures and rules, is a requirement for formal appraisals of the property. Pursuant to section 166.045, Florida Statutes, the City Council is required to obtain at least two appraisals for a purchase of real property in an amount in excess of \$500,000. While the City has not yet obtained the required appraisals, they are in process. I reasonably believe that appraisals will be obtained shortly after your initial offer deadline of September 12, 2023 at 3pm.

On behalf of the City Council of the City of Destin, I respectfully request that the City’s interest in submitting a formal offer for the Subject Property is strongly considered when you evaluate initial offers at the close of your September 12th deadline, and that you allow the City to participate during any subsequent round of offer solicitations. I will be in touch with you on behalf of the City upon receipt of our appraisals and further direction from the City Council regarding next steps.

I sincerely thank you for your time and consideration.

Very truly yours,

Kimberly R. Kopp

Kimberly Romano Kopp
City Attorney

cc: Destin City Council
Lance Johnson, City Manager

Kimberly Romano Kopp, Esq.
Board Certified in City, County & Local Government Law

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT (“**Agreement**”) is made and entered into this ____ day of _____, 2023 (“**Effective Date**”), by and between _____, a _____ (“**Buyer**”), and ZEIFMAN PARTNERS INC. (“**Receiver**”), in its capacity as court-appointed receiver of LEGACY LIFESTYLES _____ PROPERTY LLC, et al, a Delaware limited liability company (“**Seller**”).

1. Recitals.

1.1. Seller is the lawful owner of that real property located in _____, _____ County, _____ identified as Parcel _____, consisting of approximately _____ acres, as shown on Exhibit A, attached hereto and incorporated herein (the “**Property**”). Exhibit A hereto shall automatically be replaced with the Legal Description (defined below) once the Legal Description has been established by the Vesting Deed (defined below) and the Survey (defined below).

1.2. Pursuant to the Amended Order of the Ontario Superior Court of Justice (Commercial List) (the “**Canadian Court**”), dated February 11, 2022 (the “**Receivership Order**”), Receiver was appointed as Seller’s court-appointed receiver.

1.3. Pursuant to the Order Granting Foreign Representative’s Motion for Order Granting Recognition of Foreign Main Proceeding pursuant to §§ 1517 and 1520 of the Bankruptcy Code and Related Relief issued by the United States Bankruptcy Court for the Middle District of Florida (the “**U.S. Bankruptcy Court**”), the Canadian receivership proceedings were recognized in the United States.

1.4. Receiver, on behalf of Seller, desires to sell, and Buyer desires to purchase, subject to the Permitted Encumbrances (defined below), the Property pursuant to the terms of this Agreement.

2. **Purchase Price.** The purchase price for the Property (the “**Purchase Price**”) shall be _____ Dollars (\$ _____) of which Ten Percent (10%) (“**Initial Earnest Money**”) shall be deposited, subject to Section 3 below, within five (5) business days of the Effective Date. At Closing (defined below), the Earnest Money (defined below) shall be credited toward the Purchase Price, and the remainder of the Purchase Price, subject to Closing adjustments and prorations, shall be paid to Receiver.

3. **Earnest Money.** The Earnest Money shall be deposited and held by Covenant National Title, 7101 S. 82nd Street, Suite 102, Lincoln, NE 68516, Attention: Lori Oden-Muth (“**Escrow Agent**”). At Buyer’s option, the Earnest Money shall be held in an interest bearing account for Buyer’s benefit. Except as otherwise provided in this Agreement, if this Agreement is terminated according to its terms then Buyer shall be entitled to a full refund of the Earnest Money from the Escrow Agent within five (5) business days of the terminating party providing written notice of said termination to the non-terminating party.

4. Title Insurance; Survey.

4.1. Title Insurance; Survey. Prior to the expiration of the Due Diligence Period (defined below):

4.1.1. Title Insurance. Buyer shall obtain a commitment for an owner's policy of title insurance in an amount not less than the Purchase Price, including copies of all special exception documents identified in the commitment (collectively, the "**Title Commitment**"). Subject to the terms and conditions of this Agreement, upon Closing, Buyer shall receive an owner's policy of title insurance ("**Owner's Policy**") issued by the Escrow Agent, in the amount of the Purchase Price (or any other amount Buyer deems necessary), showing good and marketable title to the Property in Buyer, subject only to (i) current taxes and assessments not then due and payable, and (ii) any Permitted Exceptions (defined below). The cost of the Title Commitment and the Owner's Policy shall be paid by the Buyer.

4.1.2. Survey. Buyer shall obtain a survey for the Property ("**Survey**"). The cost for the Survey shall be paid by the Buyer.

4.2. Objection and Cure Period. Buyer shall have ten (10) calendar days from the receipt of the later of the Title Commitment or Survey referred to in Section 4.1 above (the "**Objection Period**") to notify Receiver of any objections to the Property disclosed by the information received by Buyer ("**Buyer's Objection Letter**"). Receiver shall respond to Buyer's Objection Letter within five (5) business days of Receiver's receipt thereof denoting which objections Receiver elects to cure, and which objections Receiver declines to cure ("**Receiver's Response Letter**"). As to the objections Receiver elects to cure, Receiver shall have a cure period not to exceed ten (10) calendar days from Receiver's delivery to Buyer of Receiver's Response Letter to cure or correct Buyer's objections contained in Buyer's Objection Letter ("**Cure Period**"). If either (i) Receiver declines to cure certain objections which, in Buyer's discretion, render the Property unfit for Buyer's intended use; or, (ii) Receiver is unable to cure such objections within the Cure Period; then Buyer, at its option, within the Due Diligence Period, may elect either to accept the Property in its then existing condition or terminate this Agreement and the Earnest Money shall be returned to Buyer, after which the parties shall have no further obligations under this Agreement. If Buyer fails to terminate this Agreement prior to the expiration of the Due Diligence Period, Buyer shall be deemed to have automatically accepted the Property in its then existing condition, including, but not limited to, easements, restrictions, encumbrances, and other matters of record, or matters revealed by Buyer's Due Diligence investigation, that existed as of the Effective Date (the "**Permitted Encumbrances**") and to have waived any further objection to the condition of the Property and shall be required to proceed to Closing, subject to the terms and conditions of this Agreement. Notwithstanding the foregoing, Receiver shall have an affirmative obligation to remove all mortgages, liens and other monetary encumbrances from title to the Property at or before the Closing, and such items shall not be considered Permitted Encumbrances; however, Receiver shall not be responsible for removing any mortgages, liens and other monetary encumbrances placed on the Property by Buyer or as a result of Buyer's activities on or investigations of the Property. If, for any reason, the Objection Period and/or Cure Period expire after the Due Diligence Period, the Due Diligence Period shall automatically be extended

to expire upon the expiration of the Cure Period.

5. Due Diligence Period.

5.1. Evaluation/Feasibility. Buyer shall have thirty (30) calendar days from the date of this Agreement to review and approve the suitability of the Property and to ensure that any conditions, limitations, requirements, rules, and regulations of any governmental agency having jurisdiction over the Property or its intended use as an age-restricted independent living facility are acceptable to the satisfaction of Buyer (“**Due Diligence Period**”). During the Due Diligence Period, Buyer and its employees and agents shall have the right, upon not less than forty-eight (48) hours’ notice to Receiver, to enter upon the Property and perform such inspections and testing as it deems necessary to determine suitability of the Property for its intended use, including, but not limited to the inspections and testing set forth in this Section (the “**Due Diligence Investigation**”). Receiver shall have the right to be present at all times while Buyer or Buyer’s employees and/or agents are present on the Property. Buyer shall restore the Property to its original condition if such tests alter the grade, compaction, or vegetation. The cost of the inspections and testing described in this Section shall be paid for by Buyer. If Buyer determines, during the Due Diligence Period, the Property is not satisfactory for any reason whatsoever, then Buyer may, in its sole discretion, terminate this Agreement by sending written notice to Receiver, and Buyer shall be entitled to a full refund of the Earnest Money, subject to the terms and conditions of this Agreement. Buyer shall have until the expiration of the Due Diligence Period (as extended, per Section 5.2 below) to complete its Due Diligence Investigation and decide, in Buyer’s sole discretion, whether the Property is satisfactory to Buyer so as to proceed to Closing. Upon the expiration of the Due Diligence Period, Buyer shall have no further rights to terminate this Agreement except as expressly set forth in other sections of this Agreement.

5.2. Buyer Option to Extend. Buyer shall have the right to extend the Due Diligence Period for thirty (30) days by providing written notice to Receiver of said extension prior to the expiration of the Due Diligence Period and by depositing an additional Fifty Thousand and 00/100 Dollars (\$50,000.00) in non-refundable earnest money with the Escrow Agent, which shall be credited against the Purchase Price (“**Additional Earnest Money**” and, together with the Initial Earnest Money, the “**Earnest Money**”). Upon Buyer’s extension of the Due Diligence Period pursuant to this Section, the Additional Earnest Money only shall automatically become non-refundable except as otherwise expressly set forth in this Agreement.

5.3. Application Filing or Amendment. Buyer shall have the option of filing with any governmental agency having jurisdiction over the Property for its intended use any application or amendment to an existing application for the Property (“**Application**”). This Agreement is contingent upon receiving, in Buyer’s sole discretion, satisfactory approval of any Application filed with a governmental agency for its intended use. If, as of the expiration of the Due Diligence Period, Buyer has not yet obtained approval of any Application, then Buyer may, in its sole discretion, either (i) terminate this Agreement and all Earnest Money shall be paid to Receiver unless notice of such termination is provided prior to the expiration of the Due Diligence Period, in which event the Initial Earnest Money shall be refunded to Buyer and the Additional Earnest Money, if deposited by Buyer, shall be disbursed to Receiver, or (ii) waive this contingency and proceed to Closing. Upon request from Buyer, Receiver agrees to reasonably

assist Buyer, at Buyer's sole cost and expense, in furtherance of an Application, including executing documentation required or requested by Buyer.

5.3.1. The execution of this Agreement by the Receiver is strictly subject to approval of this Agreement and the transaction contemplated herein by the U.S. Bankruptcy Court and the Canadian Court. Closing may only occur if the Court Approval Orders (defined below) have been obtained such that the transaction contemplated herein may be completed and fee simple title, free of encumbrances other than as agreed upon by Buyer, may be vested fully in Buyer.

6. Risk of Loss. Seller shall bear the entire risk of loss until Closing.

6.1. Eminent Domain. If, after the Effective Date and prior to Closing, Receiver receives notice of the commencement or threatened commencement of eminent domain or other like proceedings against the Property or any portion thereof, Receiver shall notify Buyer within five (5) days after Receiver's knowledge of such proceedings, and Buyer shall elect within five (5) business days from and after such notice, by written notice to Receiver, either: (i) not to close the transaction contemplated hereby in which event (a) the Escrow Agent shall immediately return all Earnest Money to Buyer, and (b) neither party shall have further liability to the other arising out of this Agreement (except for such obligations that specifically survive termination of this Agreement); or (ii) to close the transaction contemplated hereby in accordance with its terms but subject to such proceedings, in which event Receiver shall assign its rights and Seller's rights in any condemnation award or proceeds to Buyer. If Buyer does not make such election within the aforesaid five (5) business day period, Buyer shall be deemed to have elected to close the transaction contemplated hereby in accordance with Section 7 hereof.

7. Closing. The transaction contemplated hereby shall be conducted remotely via escrow through the Escrow Agent, at a time acceptable to Receiver and Buyer, and in any event no later than fifteen (15) calendar days following the later to occur of the expiration of the Due Diligence Period and the issuance of all Court Approval Orders (as defined in Section 12.1.5) ("**Closing**"), unless extended by agreement of both parties.

7.1. Closing Deliverables. At Closing, Receiver and Buyer, as applicable, agree to deliver (or cause to be delivered) to the other party, in accordance with the terms of this Agreement, the following:

7.1.1. Receiver shall deliver a special warranty deed in recordable form, conveying marketable title to the Property from Seller to Buyer, subject only to (i) current taxes and assessments not yet due and payable, and (ii) any Permitted Encumbrances (the "**Deed**"), which Deed shall contain a legal description of the Property that matches the current deed vesting title in the Property in Seller ("**Vesting Deed**") and the legal description contained in the Survey (if the Survey provides a modernized legal description, the legal description shall include both the description contained in the Vesting Deed and the Survey) (the "**Legal Description**");

7.1.2. Receiver shall deliver a vendor's/owner's affidavit in a form acceptable to the Escrow Agent sufficient to remove all standard non-survey exceptions from the

Owner's Policy;

7.1.3. Receiver shall deliver an affidavit in a form acceptable to the Escrow Agent stating Seller is not a "foreign person", as such term is used in §1445 of the Internal Revenue Code;

7.1.4. The Escrow Agent shall deliver the Title Policy, which Title Policy shall contain, in Schedule A, the Legal Description;

7.1.5. Receiver and Buyer shall deliver evidence of their respective capacity and authority for Closing if required by the Escrow Agent;

7.1.6. Receiver and Buyer shall deliver a closing statement to be prepared by the Escrow Agent (the "**Closing Statement**") setting forth the Purchase Price and all prorations, adjustments, debits, and credits pursuant to the terms of this Agreement, including, without limitation, the Earnest Money (the "**Net Purchase Price**");

7.1.7. Buyer shall deliver the Net Purchase Price per the Closing Statement; and

7.1.8. All other documents Buyer, Receiver or the Escrow Agent reasonably deems necessary or appropriate to complete the transaction contemplated by this Agreement.

7.2. Receiver Costs at Closing. At Closing, Receiver shall be responsible for the following costs: Receiver's attorney's fees and expenses, all recording costs and filing fees in connection with the cure of any valid title objection, one-half of any escrow costs or charges and any title examination or search fees, Broker Commissions as defined in Section 13 of this Agreement, prorated real estate taxes through the date of Closing, lookback/rollback/lower use reduced taxes (if applicable), and any other costs and expenses actually incurred by Receiver or Seller including, without limitation, any payoffs with respect to any loans actually incurred by Receiver. Seller shall be liable for all real estate taxes for all calendar years prior to Closing. Taxes for the year of closing shall be prorated as of the date of Closing, computed on the basis of prior years' taxes unless the current year mil levy is available.

7.3. Buyer Costs at Closing. At Closing, Buyer shall be responsible for the following costs: recording cost of the special warranty deed from Seller to Buyer, Buyer's attorney's fees and expenses, state real estate transfer tax, the Owner's Policy, one-half of any escrow costs or charges and any title examination or search fees, cost of any inspections or surveys conducted by Buyer or Buyer's agents, prorated real estate taxes excluding lookback taxes (if applicable) from the date of Closing for the balance of the calendar year the Closing occurs, and any other costs and expenses actually incurred by Buyer including, without limitation, the costs associated with any loans obtained by Buyer in connection with its purchase of the Property. Any premiums for any Lender's title policy or any endorsements to the Owner's Policy or Lender's title policy shall be at the Buyer's sole cost and expense.

8. Title and Possession. At Closing, Receiver agrees to deliver a special warranty deed to the Property conveying to Buyer fee simple title to the Property subject only to the Permitted Encumbrances. Receiver shall deliver possession of the Property to Buyer at Closing.

9. Receiver's Disclosures. Within fifteen (15) calendar days from the Effective Date, to the extent such documentation is not available in the dataroom maintained by Receiver or its broker, Receiver shall disclose to Buyer all documentation in its possession relating to the Property including, but not limited to, previous inspection reports, soils investigation reports, environmental reports, site layouts, surveys, litigation or pending litigation, liens, zoning actions, governmental notifications, and copies of all covenants, conditions and restrictions applicable to the Property ("**Receiver Deliveries**"). Any documents that exist in CAD format will be furnished to Buyer in CAD format. Receiver hereby warrants that the copies delivered are complete copies of the documents in its possession, but does not warrant the accuracy of the information contained in any of the documents delivered pursuant to this Section. Except as may be required by law, Buyer shall keep the information contained in any of the Receiver Deliveries confidential. In the event this Agreement is terminated all Receiver Deliveries provided to Buyer shall be returned promptly to Receiver. Notwithstanding the foregoing, Receiver and Seller make no representations or warranties as to the truth, accuracy, or completeness of the Receiver Deliveries and Buyer is not entitled to rely upon the Receiver Deliveries. The Receiver Deliveries are subject to the provisions of Section 11 of this Agreement.

10. Representations and Warranties.

10.1. Representations and Warranties of Receiver. Receiver represents and warrants to Buyer, to the best of Receiver's actual knowledge, as follows:

10.1.1. Organization; Power; Good Standing. Seller is a limited liability company, duly organized and in good standing under the laws of Delaware and, subject to the Receivership Order and the powers granted to the Receiver therein, has all requisite power and authority to own and operate its property and carry on its business as now being conducted.

10.1.2. Authority Relative to Agreement. Subject to obtaining the Court Approval Orders, this Agreement has been duly executed and delivered by Receiver and constitutes a legally binding obligation of Receiver, enforceable in accordance with its terms.

10.1.3. Effect of Agreement. The execution, delivery, and performance of this Agreement by Receiver has been duly authorized by Receiver and does not require the consent, waiver, approval, license, or authorization of any person, entity, or public authority, subject to the issuance of the Approval Orders.

10.1.4. Hazardous Materials. During the time Seller has held title to the Property: (a) there has been no hazardous or toxic material, substance, pollutant, contaminant, waste, asbestos or petroleum product released into the environment, or disposed, discharged, placed or disposed of at, or on the Property; (b) the Property has not been used by any person as a landfill or waste disposal site; (c) there has been no claim, litigation, administrative proceeding, actual or threatened, or judgment or order relating to any hazardous substance, hazardous waste,

discharge, emission or other form of pollution relating in any way to the Property; and (d) there has been no hazardous substance or hazardous waste, as defined by the Resource Conservation Recovery Act, as amended (42 U.S.C. " 6901, et seq.) or the Comprehensive Environmental Response, Compensation and Liability Act, as amended (42 U.S.C. " 9601, et seq.), generated, manufactured, refined, transported, treated, stored, handled or disposed of on, at the Property.

10.1.5. Special Assignments and Liens. No costs whatsoever associated with the present or past construction of any street, public walkway, common area, parking area or utility improvement surrounding or serving the area or the Property including, without limitation, the costs and expenses attributable to paving, curbs, water wells, extension of city water, sanitary sewer, storm sewer lines, street and parking lot lighting, street signs, engineering design and city engineering or inspections have been assessed against the Property.

10.1.6. OFAC. Seller (which, for this purposes of this Section, shall include its partners, members, principal stockholders and any other constituent entities) (i) has not been designated as a "specifically designated national and blocked person" on the most current list published by the Office of Foreign Asset Control of the U.S. Department of the Treasury ("OFAC") at its official website (<http://www.treas.gov/ofac/t11sdn.pdf>) or at any replacement website or other replacement official publication of such list (collectively, the "**List**"); (ii) is currently in compliance with and will at all times during the term of this Agreement (including any extension thereof) remain in compliance with the regulations of OFAC and any statute, executive order (including the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto; and (iii) will not transfer or permit the transfer of any controlling interest in Seller to any person or entity who is, or any of whose beneficial owners are, listed on the List.

10.1.7. Changes in Conditions. Receiver shall advise Buyer of any knowledge Receiver has or comes into with respect to any material change in these representations, warranties, or covenants prior to Closing.

10.1.8. Receivership. Pursuant to the Receivership Order, Receiver was appointed as Seller's court-appointed receiver and has authority to act as receiver for the Property.

References to the "knowledge" of Receiver, "to Receiver's knowledge" or similar phrases shall refer only to the actual, current knowledge of the Designated Representative (defined below), without any investigation or review of any other materials, and shall not be construed, by imputation or otherwise, to refer to the knowledge of any other officer, director, agent, manager, member, shareholder, representative or employee of Receiver or any affiliate thereof or to impose upon the Designated Representative any duty to investigate the matter to which such actual knowledge, or the absence thereof, pertains. As used herein, the term "**Designated Representative**" shall refer to Allan Rutman, as Partner of Receiver. Receiver represents and warrants to Buyer that the Designated Representative is the individual primarily responsible for overseeing management and operations of the Property and transactions related to the Property and is the individual to whom material notices relating to the Property would be forwarded in the ordinary course of business. Under no circumstances shall the Designated Representative have any

personal obligations or liabilities under this Agreement or otherwise.

Notwithstanding anything contained herein to the contrary, there shall be no liability on the part of Receiver or Seller for any breach of a representation, warranty or covenant arising from any matter or circumstance of which Buyer had actual knowledge at Closing unless any such breach is due to Receiver's intentional withholding of information from Buyer with the intent to defraud Buyer or conceal such fact or circumstances.

If any of the foregoing representations is not true as of Closing as a result of a matter, event or circumstance beyond Receiver's reasonable control, Buyer may not consider same as an event of default hereunder; but rather, in such case, Buyer may, at Buyer's option and as Buyer's sole and exclusive remedy, terminate this Agreement and have the Earnest Money returned by the Escrow Agent, whereupon the parties hereto shall have no further rights, obligations or liabilities with respect to each other hereunder, except as set forth herein; provided, however, Receiver shall have a reasonable time following notice from Buyer to cure any representations that are not true as of Closing, not to be less than five (5) business days, prior to Buyer's election to terminate this Agreement. Further, notwithstanding anything contained in this Agreement to the contrary, if, prior to Closing, Buyer obtains actual knowledge that any representation and/or warranty of Receiver is inaccurate or incorrect and Buyer nonetheless proceeds with Closing, Receiver and Seller shall have no liability for any such inaccurate or incorrect representation or warranty, and the same shall not be deemed a Receiver or Seller default hereunder. Subject to the preceding terms and conditions set forth in this paragraph, Seller indemnifies and holds Buyer harmless from and against any and all loss, liability, damage, injury, cost, expense (including reasonable fees and expenses of attorneys, experts and consultants) and claims of any kind or nature which may be paid, incurred, or asserted against Buyer in connection with or in any way (whether directly or indirectly) arising out of or relating to any material, intentional, knowing misrepresentation or breach of warranty by Receiver in this Section 10, and which is not as a result of a matter, event or circumstance beyond Receiver's reasonable control, and of which Buyer did not have knowledge prior to Closing. This indemnity will survive the termination of this Agreement for a period of sixty (60) days.

10.2. Representations and Warranties of Buyer. Buyer represents and warrants to Receiver and Seller as follows:

10.2.1. Organization; Power; Good Standing. Buyer is a _____ duly organized and in good standing under the laws of _____ and has all requisite power and authority to own and operate its properties and carry on its business as now being conducted and to enter into and perform this Agreement.

10.2.2. Authority Relative to Agreement. This Agreement has been duly executed and delivered by Buyer and constitutes a legal, binding obligation of Buyer, enforceable against Buyer in accordance with its terms.

10.2.3. No Bankruptcy. No petition has been filed by or against Buyer under the Bankruptcy Code, and the Buyer is not subject to a receivership, assignment for the benefit of creditors, or insolvency proceeding pending under State or Federal Law.

10.2.4. OFAC. Buyer (which, for this purposes of this Section, shall include its partners, members, principal stockholders and any other constituent entities) (i) has not been designated as a “specifically designated national and blocked person” on the most current list published by the Office of Foreign Asset Control of the U.S. Department of the Treasury (“OFAC”) at its official website (<http://www.treas.gov/ofac/tl1sdn.pdf>) or at any replacement website or other replacement official publication of such list (collectively, the “List”); (ii) is currently in compliance with and will at all times during the term of this Agreement (including any extension thereof) remain in compliance with the regulations of OFAC and any statute, executive order (including the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto; and (iii) will not transfer or permit the transfer of any controlling interest in Buyer to any person or entity who is, or any of whose beneficial owners are, listed on the List.

10.2.5. Legal Proceedings. Buyer is not aware of any current or pending or, to Buyer’s knowledge, threatened litigation against Buyer which would affect Buyer’s ability to perform its obligations hereunder.

10.2.6. Changes in Conditions. Buyer shall advise Receiver of any knowledge Buyer has or comes into with respect to any material change in these representations, warranties, or covenants prior to Closing.

Subject to the preceding terms and conditions set forth in this paragraph, Buyer indemnifies and holds Receiver and Seller harmless from and against any and all loss, liability, damage, injury, cost, expense (including reasonable fees and expenses of attorneys, experts and consultants) and claims of any kind or nature which may be paid, incurred, or asserted against Receiver or Seller in connection with or in any way (whether directly or indirectly) arising out of or relating to any material, intentional, knowing misrepresentation or breach of warranty by Buyer in this Section 10 that is not a result of a matter, event or circumstance beyond Buyer’s reasonable control. This indemnity will survive the termination of this Agreement for a period of sixty (60) days.

11. AS IS. BUYER ACKNOWLEDGES THAT EXCEPT FOR THE WARRANTIES AND REPRESENTATIONS CONTAINED IN THIS AGREEMENT AND CONTAINED IN THE DOCUMENTS EXECUTED BY RECEIVER AT CLOSING, INCLUDING, WITHOUT LIMITATION, THE DEED, BUYER IS NOT RELYING ON ANY WRITTEN, ORAL, IMPLIED OR OTHER REPRESENTATIONS, STATEMENTS OR WARRANTIES BY SELLER, RECEIVER OR ANY AGENT, REPRESENTATIVE OR CONTRACTOR OF SELLER OR RECEIVER OR ANY REAL ESTATE BROKER OR SALESMAN. ALL PREVIOUS WRITTEN, ORAL, IMPLIED OR OTHER STATEMENTS, REPRESENTATIONS, WARRANTIES OR AGREEMENTS, IF ANY, ARE MERGED IN THIS AGREEMENT. EXCEPT AS EXPRESSLY SET FORTH HEREIN, RECEIVER AND SELLER SHALL HAVE NO LIABILITY TO BUYER, AND BUYER HEREBY RELEASES RECEIVER AND SELLER FROM ANY LIABILITY TO BUYER (INCLUDING CONTRACTUAL AND/OR STATUTORY ACTIONS FOR CONTRIBUTION OR INDEMNITY), FOR, CONCERNING OR REGARDING (1) THE NATURE AND CONDITION OF THE

PROPERTY, INCLUDING THE SUITABILITY THEREOF FOR ANY ACTIVITY OR USE; (2) ANY IMPROVEMENTS OR SUBSTANCES LOCATED THEREON; OR (3) THE COMPLIANCE OF THE PROPERTY WITH ENVIRONMENTAL LAWS OR ANY OTHER LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY GOVERNMENT OR OTHER BODY. THE FOREGOING INCLUDES A RELEASE OF RECEIVER AND SELLER FROM CLAIMS BASED ON RECEIVER'S OR SELLER'S NEGLIGENCE IN WHOLE OR IN PART AND CLAIMS BASED ON STRICT LIABILITY. EXCEPT AS SPECIFICALLY OTHERWISE PROVIDED IN THIS AGREEMENT, RECEIVER AND SELLER HAVE NOT MADE, DO NOT MAKE AND EXPRESSLY DISCLAIM, ANY WARRANTIES, REPRESENTATIONS, COVENANTS OR GUARANTEES, EXPRESSED OR IMPLIED, OR ARISING BY OPERATION OF LAW, AS TO THE MERCHANTABILITY, HABITABILITY, QUANTITY, QUALITY, PHYSICAL CONDITION, HEALTH AND SAFETY CONDITION OR ENVIRONMENTAL CONDITION OF THE PROPERTY OR ITS SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE. BUYER AFFIRMS THAT PRIOR TO CLOSING BUYER SHALL HAVE (I) INVESTIGATED AND INSPECTED THE PROPERTY TO ITS SATISFACTION AND BECOME FAMILIAR AND SATISFIED WITH THE CONDITION OF THE PROPERTY, AND (II) SUBJECT TO THE REPRESENTATIONS AND WARRANTIES MADE BY RECEIVER HEREIN, MADE ITS OWN DETERMINATION AS TO (A) THE MERCHANTABILITY, QUANTITY, QUALITY AND CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE PHYSICAL CONDITION, HEALTH AND SAFETY CONDITION, ENVIRONMENTAL CONDITION INCLUDING THE PRESENCE, POSSIBLE PRESENCE, NATURE, AND EXTENT OF TOXIC OR HAZARDOUS SUBSTANCES, MATERIALS OR WASTES OR OTHER ACTUAL OR POTENTIAL ENVIRONMENTAL CONTAMINANTS, AND (B) THE PROPERTY'S SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE. EXCEPT AS SPECIFICALLY OTHERWISE PROVIDED IN THIS AGREEMENT, BUYER HEREBY ACCEPTS THE PROPERTY IN ITS PRESENT CONDITION ON AN "AS IS", "WHERE IS" AND "WITH ALL FAULTS", INCLUDING ENVIRONMENTAL, BASIS AND ACKNOWLEDGES THAT (I) WITHOUT THIS ACCEPTANCE, THIS SALE WOULD NOT BE MADE, AND (II) THAT RECEIVER AND SELLER SHALL BE UNDER NO OBLIGATION WHATSOEVER TO UNDERTAKE ANY INVESTIGATION, REPAIR, ALTERATION, REMEDIATION, ABATEMENT, MITIGATION, REMOVAL, CORRECTIVE ACTION, MONITORING, CONTROL OR OTHER WORK OF ANY KIND WITH RESPECT TO ANY PORTION OF THE PROPERTY OR ANY TOXIC OR HAZARDOUS SUBSTANCES, MATERIALS OR WASTES OR OTHER ACTUAL OR POTENTIAL ENVIRONMENTAL CONTAMINANTS AT, ON, WITHIN, ABOVE OR UNDER THE PROPERTY OR MIGRATING TO AND/OR FROM THE PROPERTY. IF THE CLOSING OCCURS, EXCEPT FOR THE WARRANTIES AND REPRESENTATIONS CONTAINED IN THIS AGREEMENT AND CONTAINED IN THE DOCUMENTS EXECUTED BY RECEIVER AT CLOSING, INCLUDING, WITHOUT LIMITATION, THE DEED, BUYER AND ITS SUCCESSORS AND ASSIGNS HAVE, AND SHALL BE DEEMED TO HAVE, ASSUMED ALL RISK AND LIABILITY WITH RESPECT TO THE PRESENCE OF TOXIC OR HAZARDOUS SUBSTANCES, MATERIALS OR WASTES OR OTHER ACTUAL OR POTENTIAL ENVIRONMENTAL CONTAMINANTS AT, ON, WITHIN, ABOVE OR UNDER THE PROPERTY OR MIGRATING TO AND/OR FROM THE PROPERTY, WHETHER KNOWN OR UNKNOWN, APPARENT, NON-APPARENT OR LATENT, AND

WHETHER EXISTING PRIOR TO, AT OR SUBSEQUENT TO TRANSFER OF THE PROPERTY TO BUYER. EXCEPT FOR THE WARRANTIES AND REPRESENTATIONS CONTAINED IN THIS AGREEMENT AND CONTAINED IN THE DOCUMENTS EXECUTED BY RECEIVER AT CLOSING, INCLUDING, WITHOUT LIMITATION, THE DEED, RECEIVER AND SELLER ARE HEREBY RELEASED BY BUYER AND ITS SUCCESSORS AND ASSIGNS OF AND FROM ANY AND ALL RESPONSIBILITY, LIABILITY, OBLIGATIONS AND CLAIMS, KNOWN OR UNKNOWN (INCLUDING (1) ANY OBLIGATION TO TAKE THE PROPERTY BACK OR REDUCE THE PURCHASE PRICE, OR (2) ACTIONS FOR CONTRIBUTION OR INDEMNITY), THAT BUYER OR ITS SUCCESSORS AND ASSIGNS MAY HAVE AGAINST RECEIVER OR SELLER OR THAT MAY ARISE IN THE FUTURE, BASED IN WHOLE OR IN PART UPON THE PRESENCE OF TOXIC OR HAZARDOUS SUBSTANCES, MATERIALS OR WASTES OR OTHER ACTUAL OR POTENTIAL ENVIRONMENTAL CONTAMINANTS AT, ON, WITHIN, ABOVE OR UNDER THE PROPERTY OR MIGRATING TO AND/OR FROM THE PROPERTY, INCLUDING WITHOUT LIMITATION ALL RESPONSIBILITY, LIABILITY, OBLIGATIONS AND CLAIMS THAT MAY ARISE UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT, AS AMENDED 42 U.S.C. § 9601 ET SEQ. AND/OR ANY OTHER ENVIRONMENTAL LAWS. BUYER FURTHER ACKNOWLEDGES THAT THE PROVISIONS OF THIS SECTION HAVE BEEN FULLY EXPLAINED TO BUYER AND THAT BUYER FULLY UNDERSTANDS AND ACCEPTS THE SAME. THE PROVISIONS OF THIS SECTION SHALL SURVIVE CLOSING. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, THE TERMS AND PROVISIONS OF THIS SECTION SHALL IN NO MANNER AFFECT, DIMINISH, MODIFY, IMPAIR OR VITIATE ANY OF RECEIVER'S EXPRESS REPRESENTATIONS, EXPRESS WARRANTIES AND/OR EXPRESS COVENANTS CONTAINED IN THIS AGREEMENT AND/OR ANY OF THE DOCUMENTS EXECUTED BY RECEIVER AT CLOSING.

12. Conditions of Closing.

12.1. Buyer's Conditions of Closing. Unless waived by Buyer in writing, or deemed waived according to the terms of this Agreement, the obligations of Buyer under this Agreement are subject to fulfillment of the following conditions:

12.1.1. Special Warranty Deed. Buyer shall receive at Closing a special warranty deed for the Property that is acceptable to Buyer.

12.1.2. Sale Free and Clear. The Court Approval Orders shall provide that, on the Closing and concurrently with the Closing, all then existing or thereafter arising obligations, liabilities and encumbrances (except for any Permitted Encumbrances specifically identified herein and in the Court Approval Orders) of, against or created by Seller, shall be fully released from and with respect to the Property. Except as otherwise provided herein, on the Closing, the Property shall be transferred to Buyer free and clear of all obligations, liabilities and encumbrances, other than the Permitted Encumbrances specifically identified herein and in the Court Approval Orders.

12.1.3. Representations and Warranties. There have been no material inaccuracies in the representations and warranties of Receiver and such representations and warranties shall be true as of Closing as though made on and as of such date and Buyer shall have received a certificate dated as of Closing to that effect.

12.1.4. Title Commitment and Survey. Subject to the terms and conditions of this Agreement, Buyer has received a Title Commitment and Survey for the Property that are acceptable to Buyer, subject to (i) those items deemed waived by Buyer and/or (ii) the Permitted Encumbrances, and Receiver has met the obligations contained in Section 4.2 of this Agreement.

12.1.5. Court Approval. To the extent required, and in the sole discretion of the Receiver, the U.S. Bankruptcy Court shall have entered an order authorizing the transaction contemplated herein in the proceeding jointly administered as *In re Legacy Lifestyles Destin LP et al.*, Chapter 15 Case No. 22-01246 and the Canadian Court shall have entered an order authorizing the transaction contemplated herein in the proceeding pending as *Berkid Investments Limited et al. and Hunter Milborne et al.*, Court File Nos. CV-22-00674717-00CL & CV-21-00668821-00CL (together, the “**Court Approval Orders**”). Notwithstanding anything in this Agreement to the contrary, if the transaction contemplated herein fails to close due to the Court Approval Orders not being obtained, or if this Agreement is not approved in the U.S. Bankruptcy Court or the Canadian Court, then all Earnest Money shall be refunded to Buyer.

12.2. Receiver’s Conditions of Closing.

12.2.1. Payment. At Closing, Receiver shall receive from Buyer via wire transfer the amount equal to the Net Purchase Price.

12.2.2. Representations and Warranties. There have been no material inaccuracies in the representations and warranties of Buyer and such representations and warranties shall be true as of Closing as though made on and as of such date and Receiver shall have received a certificate dated as of Closing to that effect.

12.2.3. Court Approval. To the extent required, and in the sole discretion of the Receiver, the U.S. Bankruptcy Court and Canadian Court shall have issued the Court Approval Orders.

12.3. Obtaining Court Approval Orders. Promptly following the expiration or waiver by Buyer of the Due Diligence Period and Buyer’s provision of written confirmation that the condition contained in Section 12.1.4 of this Agreement has been satisfied, Receiver shall use best efforts to obtain, to the extent required in order to complete the transaction contemplated herein, the Court Approval Orders from the U.S. Bankruptcy Court and the Canadian Court as soon as possible. Buyer shall use good faith efforts to assist Receiver in its efforts to obtain the Court Approval Orders.

13. Brokers. Seller and Buyer acknowledge that no agent, broker or finder has been employed by either party, except for Seller’s engagement of CBRE, Inc. Seller and Buyer each warrant to the other that they have not entered into any other contract, arrangement or

understanding with any person or firm which may result in the obligation of the other party to pay any finder's fee, brokerage or agent's commission or other like payment in connection with this Agreement (a "**Broker Commission**") and the parties are not aware of any claim or basis for any claim for payment of any finder's fee, brokerage or agent's commission or other like kind payment in connection with this Agreement other than as stated in this Section. Receiver shall pay for CBRE, Inc.'s Broker Commission.

14. Receiver's Commitment. Receiver agrees that it will not create or permit any additional encumbrances, easements, covenants, restrictions, liens, special assessments (excluding those that will be paid in full by Receiver at or before Closing) or other binding instruments against the Property on or after the Effective Date without the express written authorization of the Buyer.

15. Default. Each party agrees to use its best efforts to satisfy its respective Conditions of Closing set forth in Section 12 of this Agreement. If the Conditions of Closing for a party have not been satisfied and such noncompliance or nonperformance has not been waived by Closing, such party may terminate this Agreement and the parties shall have no liability to the other, except that Earnest Money shall be disbursed according to the terms of this Agreement. If Buyer's Conditions of Closing have been satisfied or waived and Buyer wrongfully fails to consummate the transaction, Receiver may retain the Earnest Money as liquidated damages. The parties acknowledge that the Earnest Money is a reasonable estimate of damages that are difficult to determine and that the amount of Earnest Money bears a reasonable relationship to the damages which Receiver and Seller would suffer as a result of Buyer's default under this Agreement. If Receiver's Conditions of Closing have been satisfied or waived and Receiver wrongfully fails to consummate the transaction, then the Earnest Money shall be returned to Buyer and Buyer shall be entitled to either (i) terminate this Agreement and recover from Seller an amount equal to Buyer's actual, reasonable, and substantiated out of pocket costs and expenses paid or irrevocably committed to be paid in connection with this Contract, which reimbursement amount shall in no event exceed Twenty Thousand and No/100 Dollars (\$20,000), regardless of the amount of Buyer's actual costs, or (iii) seek to exercise the right to specific performance. If Buyer elects to pursue specific performance, Buyer shall be required to file for such cause of action within thirty (30) days of the alleged breach by Receiver.

16. No Waiver or Modification. This Agreement may not be modified in any manner whatsoever without such waiver or modification being in writing duly executed by the parties hereto. No failure by either party to require performance by the other party of any of the terms of this Agreement shall in any way affect such party's right to enforce such terms, nor shall any waiver by either party of any term be a waiver of any other term hereof or any breach hereof.

17. Notices. Any notice, designation, consent or approval required under this Agreement shall be in writing and mailed by certified mail, return receipt requested, or sent by overnight courier, addressed to the parties, or sent by email transmission to the parties at the addresses provided below. Any notice forwarded in accordance with the terms of this Section shall be deemed to have been delivered to the other party three (3) business days following the date of mailing, one (1) business day following the deposit with an overnight courier, or on the business day during which the email notice is sent.

If to Buyer:

Attn: _____
Email: _____

With Copy to:

Attn: _____
Email: _____

If to Receiver or Seller:

Zeifmans Partners Inc., in its capacity as receiver of
Legacy Lifestyles Destin LP, et al.
Attn: Allan Rutman
201 Bridgeland Avenue
Toronto, Ontario M6A 1Y7
Email: aar@zeifmans.ca

With Copy To:

Dentons Bingham Greenebaum LLP
2700 Market Tower, 10 West Market Street
Indianapolis, Indiana 46204
Attn: Leslie Smith
Telephone: (317) 968-5552
Email: leslie.smith@dentons.com

18. Assignment. This Agreement, and the rights, interests and obligations hereunder, shall not be assigned by any Party by operation of law or otherwise without the express written consent of all of the other Parties (which consent shall not be unreasonably withheld, conditioned or delayed) and any assignment in contravention of this Section 18 shall be null and void ab initio. Notwithstanding the foregoing, Buyer may assign this Agreement, and without limiting the foregoing Buyer shall be entitled to designate, in accordance with the terms and subject to the limitations set forth in this Section 18, an affiliate of Buyer to take title to the Property (any such affiliate of Buyer that shall be properly designated by Buyer in accordance with this clause, a “**Designated Buyer**”); it being understood and agreed, however, that any such right of Buyer to designate a Designated Buyer is conditioned upon (a) such Designated Buyer executing and delivering to Seller a counterpart to this Agreement, (b) such Designated Buyer being able to perform the applicable covenants under this Agreement (and make the same representations and warranties as Buyer has made in Section 10.2), and demonstrate satisfaction of the applicable requirements of Section 365 of the Bankruptcy Code (to the extent applicable), (c) any such designation not creating any liability (including any liability relating to taxes) for Seller or its affiliates that would not have existed had Buyer taken title to the Property, and which liability is (i) not fully reimbursed by or on behalf of Buyer prior to or at the Closing or (ii) a liability for which Buyer or the Designated Buyer agrees, at its election, to provide an indemnity reasonably acceptable to Seller, and (d) such designation not reasonably being expected to materially delay,

prevent or hinder the consummation of the transactions contemplated by this Agreement. Any breach hereof by a Designated Buyer shall be deemed a breach by Buyer. The above designation shall be made by Buyer by way of a written notice to be delivered to Seller as soon as reasonably practicable after the date hereof and in no event later than the second business day prior to the issuance of the Court Approval Orders, which written notice shall contain appropriate information about the Designated Buyer. Upon any such permitted assignment, the references in this Agreement to Seller or Buyer will also apply to any such assignee unless the context otherwise requires.

19. Right to Effect an Exchange. At the election of either party and upon written notice to the other party, prior to the date of Closing, either party may elect to effectuate an exchange for certain selected like-kind real property or properties pursuant to I.R.C. §1031. In the event that either party elects to structure this transaction as a like-kind exchange (including, without limitation, any intermediate conveyance to the members of a party), the other party shall reasonably cooperate upon the request of the electing party, including prompt execution of such documents as may reasonably be required to effectuate such exchange, provided that: (a) the electing party shall bear all costs in connection with such exchange and shall indemnify and hold the other party harmless from and against any cost, claims, expenses, or liabilities (including reasonable attorneys' fees) incurred by the other party solely as a result of structuring the transaction as a like-kind exchange; (b) neither party shall be required to take an assignment of this Agreement for the relinquished or replacement property or be required to acquire or hold title to any real property for purposes of consummating an exchange desired by the other party; and (c) the exchange shall have no material effect on the terms of either party's rights or obligations under this Agreement. Notwithstanding any other provision of this Agreement to the contrary, Seller and Buyer agree that the other party hereto may assign its rights in this Agreement to a third party as part of any such exchange. No such assignment shall cause either party to be released from the obligations imposed upon it under this Agreement. Nothing contained herein shall prevent both parties from electing a like-kind exchange.

20. Governing Law, Venue and Consent to Jurisdiction. This Agreement shall be governed by, and construed in accordance with, internal laws of the State of Florida. Receiver, Seller and Buyer irrevocably submit to the jurisdiction of the U.S. Bankruptcy Court, which shall have jurisdiction to determine all disputes which arise from the terms of this agreement. Similarly, the parties agree to waive any objection to the jurisdiction of U.S. Bankruptcy Court. Solely to the extent that the U.S. Bankruptcy Court declines to exercise its jurisdiction, then the parties may only seek redress before the United States District Court for the Middle District of Florida or the courts of Sumter County, Florida, and the parties waive any objection to the jurisdiction of such courts or arguments that such courts are inappropriate venues.

21. Legal Counsel. The parties to this Agreement acknowledge that they are commercially skilled and experienced, have studied and negotiated the terms of this Agreement, and have further had the opportunity to consult with independent legal counsel. No provision of this Agreement shall be construed in favor of, or against, either party as this Agreement has been negotiated and adopted fully and freely by both parties.

22. Entire Agreement. This document contains the entire agreement between the

parties with respect to the subject matter and terms of this Agreement and supersedes all prior proposals, understandings, agreements, correspondence, arrangements, and contemporaneous oral agreements relating to subject matter of this Agreement. The parties mutually covenant and represent that there are no other agreements, promises, assurances, representations, warranties, undertakings, or understandings, either written or oral, between the parties concerning the Property other than those set forth in this Agreement. No amendment of this Agreement shall be effective or binding unless it is in writing and has been signed by both Receiver and Buyer.

23. Time is of the Essence. Time is of the essence for this Agreement, is made a material consideration thereof, and all elements of this Agreement shall be subject to commercially expedient and diligent completion expectations by the parties.

24. Miscellaneous.

24.1. Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors in interest, and permitted assigns. Subject to Section 18, neither party shall assign its rights or obligations under this Agreement to another individual or entity without the prior written consent of the other party.

24.2. Counterparts. This Agreement may be signed in one or more counterparts, each of which would be deemed an original and all of which, when taken together, shall constitute one and the same document. To further facilitate the execution of this Agreement, the parties agree that they will give legal effect to facsimile, electronic or PDF signatures, including through platforms like DocuSign and Digi-Ink and in a file in PDF or similar format, as if such signatures originally appeared on counterpart copies of this Agreement.

24.3. Further Assurances. Each of the parties agrees to execute and deliver such other documents and take such other action, whether prior to or subsequent to Closing, as may be necessary to more effectively consummate the intent and purpose of this Agreement.

24.4. Incorporation of Exhibits. All Exhibits referenced and attached to this Agreement are incorporated as if fully set forth.

24.5. Severability. If for any reason whatsoever, any one or more of the provisions of this Agreement shall be held or deemed to be inoperative, unenforceable, or invalid as applied to any particular case or in all cases, such circumstances shall not have the effect of rendering such provision invalid in any other case or of rendering any of the other provisions of this Agreement inoperative, unenforceable, or invalid. The invalidation of any provision of this Agreement shall not affect the validity of the remaining provisions.

24.6. Survival and Nonmerger. All terms, conditions, representations and warranties contained in this Agreement shall survive the Closing.

24.7. Waiver. Either Buyer or Receiver may, by written notice to the other, (a) extend the time for the performance of any of the obligations of the other under this Agreement; (b) waive any inaccuracies in the representations or warranties of the other contained in this

Agreement or in any document delivered pursuant to this Agreement; (c) waive compliance with any of the conditions or covenants of the other contained in this Agreement; or (d) waive performance of any of the obligations of the other under this Agreement. Except as provided in the preceding sentence, no action taken pursuant to this Agreement, including any investigation by or on behalf of any party, shall be deemed to constitute a waiver of compliance with any representations, warranties, covenants, or agreements contained in this Agreement. The waiver by a party of a breach of any provision shall not be construed as a waiver of any prior or subsequent breach of the same or any other provision.

24.8. Termination. Any termination by Receiver or Buyer as permitted by the terms of this Agreement shall result in neither party having any further liability to the other arising out of this Agreement, except for such obligations that specifically survive termination of this Agreement.

24.9. Consents. With regard to all matters in this Agreement requiring the consent or approval of a party, the parties agree that any such consent or approval shall not be unreasonably withheld, conditioned, or delayed, unless otherwise specifically provided by this Agreement.

24.10. Dates. Unless otherwise indicated, all references to “days” shall mean calendar days. Whenever the time for performance of a covenant or condition falls on a Saturday, Sunday or federal holiday, such time for performance shall be extended to the next business day. All references to “business days” shall mean any day other than a Saturday, a Sunday, or any federal holiday. Wherever any period of time is specified herein for the taking of any action or the giving of any notice, the period shall be computed by excluding the day upon which the period is specified to commence and including the last day of the period specified.

24.11. No Recording. Neither this Agreement nor any memorandum or short form thereof may be recorded by Buyer.

24.12. Third Party Beneficiaries. This Agreement is for the benefit solely of Buyer and Receiver. No other person or entity shall be entitled to rely hereon or to anticipate the benefits hereof or to otherwise assert or be entitled to any rights as a third-party beneficiary hereof.

24.13. Waiver of Jury Trial. RECEIVER AND BUYER WAIVE ANY RIGHT TO TRIAL BY JURY OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER ARISING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN RECEIVER AND BUYER ARISING OUT OF THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS RELATED HERETO.

24.14. Lists. When used in this Agreement, “including” has its commonly accepted meaning associated with such word and any list of items that may follow such word are illustrative and are not be deemed to represent a complete list of the contents of the reference of the subject.

24.15. Headings; Sections. Section titles or captions in this Agreement are included for purposes of convenience only and shall not be considered a part of this Agreement in

construing or interpreting any of its provisions. All references in this Agreement to Sections shall refer to Sections of this Agreement unless the context clearly otherwise requires.

24.16. Preparation of Agreement. The parties acknowledge that each has been represented by, or has had the opportunity to consult with, legal counsel of its own choosing in this matter, and this Agreement has been arrived at through arms' length negotiation. The parties have participated jointly in the negotiation and drafting of this Agreement. If any ambiguity or question of intent or interpretation arises, no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

24.17. Numbers; Pronouns. Unless the context otherwise requires, when used in this Agreement, the singular shall include the plural, the plural shall include the singular, and all pronouns shall be deemed to refer to the masculine, feminine or neuter, as the identity of the person or persons may require.

24.18. Attorneys' Fees. If either Receiver or Buyer shall bring an action against the other party for breach of such party's obligations under this Agreement, the non-prevailing party shall pay the prevailing party's costs and expenses incurred in connection with such litigation, including, without limitation, reasonable attorneys' fees. The "prevailing party" shall be determined by the court hearing such matter. Reference in this Agreement to attorneys shall be deemed to include inside general counsel, outside special counsel, local counsel, and paralegals engaged by any such counsel. "Reasonable attorneys' fees" means attorneys' fees actually incurred at the normal hourly rates of commercial real estate attorneys in the Property jurisdiction and shall not mean any statutory definition of "reasonable attorneys' fees".

24.19. Joint and Several. If more than one person or entity has signed this Agreement as Buyer or Receiver, then all references in this Agreement to Buyer or Receiver, respectively, shall mean each and all of the persons so signing, as applicable. The liability of all persons and entities signing shall be joint and several with all others similarly liable.

24.20. Drafts Not an Offer to Enter into a Legally Binding Contract. The parties hereto agree that the submission of a draft of this Agreement by one party to another is not intended by either party to be an offer to enter into a legally binding contract with respect to the purchase and sale of the Property. The parties shall be legally bound with respect to the purchase and sale of the Property pursuant to the terms of this Agreement only if and when the parties have negotiated all of the terms and provisions of this Agreement in a manner acceptable to each of the parties in their respective sole discretion, including, without limitation, all of the exhibits, schedules and/or addenda hereto, and each of Receiver and Buyer have fully executed and delivered to each other a counterpart of this Agreement, including, without limitation, all exhibits, schedules and/or addenda hereto.

24.21. Disclosures.

24.21.1. Commercial Real Estate Sales Commission Lien Act. The Florida Commercial Real Estate Sales Commission Lien Act provides that a broker has a lien upon the owner's net proceeds from the sale of commercial real estate for any commission earned by the

broker under a brokerage agreement. The lien upon the owner's net proceeds is a lien upon personal property which attaches to the owner's net proceeds and does not attach to any interest in real property. This lien right cannot be waived before the commission is earned.

24.21.2. Special Assessment Liens Imposed by Public Body. The Property may be subject to unpaid special assessment lien(s) imposed by a public body (a public body includes a Community Development District). Such liens, if any, which are due and payable as of Closing, shall be paid by Receiver at the Closing; otherwise, any unpaid assessments or assessment liens not yet due and payable shall be prorated as of the date of Closing.

24.21.3. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

24.21.4. Energy-Efficiency Rating Information. Buyer acknowledges receipt of the information brochure required by Section 553.996, Florida Statutes.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the Effective Date.

BUYER:

_____,
a _____

By: _____

Name: _____

Its: _____

RECEIVER:

ZEIFMAN PARTNERS INC., a Canadian corporation, solely in its capacity as court-appointed receiver of Legacy Lifestyles _____ Property LLC, et al, a Delaware limited liability company, and not in its personal or corporate capacity

By: _____

Name: _____

Its: _____

SELLER:

**LEGACY LIFESTYLES _____ PROPERTY
LLC**, a Delaware limited liability company, by
its court-appointed receiver Zeifmans Partners
Inc., solely in its capacity as court-appointed
receiver, and not in its personal or corporate
capacity

By: _____

Name: _____

Its: _____

EXHIBIT A

[To be inserted]

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023
TYPE OF AGENDA ITEM: Council Discussion Item
AGENDA OUTLINE NUMBER: 4.B.

TO: City Council

THRU: Jeffrey Cozadd, Grants Manager
Kimberly Kopp, City Attorney
Lance Johnson, City Manager
Krystal Strickland, Finance Director

FROM: Lance Johnson, City Manager

DATE: 7/10/23

SUBJECT: Property Exchange - Shore at Crystal Beach Park

I. BACKGROUND:

II. DISCUSSION:

The proposed property exchange would consist of the City acquiring 2940 Scenic 98 and a "charitable donation" of \$50,000 in exchange for 2970 Scenic 98. This does not reflect the City's appraisals relating to the difference between property values, but the Seller has indicated no willingness to further negotiate. The benefits to the city include if the swap happens include the ability to design the park improvements on three contiguous properties.

Property details:

2940 Scenic 98 (Property adjacent to Crystal Beach Park)
Waterfront linear feet: 50 feet
Overall acreage: 0.32 acres (GIS)
Current Market Value: \$3,420,000

2970 Scenic 98 (City Property)
Waterfront linear feet: 67 feet
Overall acreage: 0.44 acres (GIS)
Just Market Value: \$3,950,000

A. Link to Strategic Goals / Objectives:**B. Effect on Budget (EOB):**

The difference in current appraisal value between these two properties is \$530,000 (the city's parcel is worth \$530,000 more than the other property). The owner of the other property has offered \$50,000 to close this gap down to \$480,000. Council must weigh the value to the public of having one contiguous park against this theoretical value loss.

In Governmental accounting, appreciation of land value is not recorded, and this potential loss of \$480,000 in value will not be reflected in our financial statements as a loss.

In accordance with generally accepted accounting principals (GAAP) and Governmental Accounting Standards, land is valued at "historical cost" for financial reporting purposes. The total cost to the City to purchase 2970 Scenic Hwy 98 was \$3,312,781 (book value).

If the offer of \$50,000 cash is accepted for the swap of our two parcels, the net effect on our financial statements would be:

The effect on the Statement of Net Position (Government-wide, full accrual):

+ \$3,420,000 property 2940 Scenic Hwy 98

+ 50,000 cash

- \$3,312,781 property 2970 Scenic Hwy 98

=====

\$ 157,219 increase to Net Position (\$50k cash + \$107,219 net investment in capital assets)

The effect on the General Fund (modified-accrual accounting, similar to cash-basis accounting):

Revenues Increase \$157,219 (364000 Capital Asset Disposal gain)

Expenditures Increase \$107,219 (561000 Land Purchase 2940 Scenic Hwy 98

Appraised Value of \$3,420,000 MINUS Historical Value of our property \$3,312,781)

Assets increase (cash) \$50,000 (101100 Bank)

C. Level of Service (LOS):**D. Legislative Sponsor: Councilman Bagby**

III. CONCLUSION: Staff is looking for the Council's direction with regards to the potential land swap agreement being proposed by the owners of 2940 Scenic Hwy 98.

Note: Any land swap agreement is subject to approval by the Okaloosa Board of County Commissioners.

IV. RECOMMENDED MOTION: I move to Direct the City Manager and City Attorney to either reject or further negotiate the terms of the land swap to increase the amount of funds being provided by the owner's of 2940 Scenic Hwy 98.

I move to accept the offer proposed by the owner's of 2940 Scenic Hwy 98, subject to the approval of the Okaloosa Board of County Commissioners.

Attachments:

1. TS - Land Exchange with City - Scenic 98 Parcels
2. City of Destin Beach Parcel Scenic Gulf Final to Client
3. Emerald LTA Land Scenic Gulf Final to Client
4. 2940 Old Highway 98 E - Okaloosa County Property Appraiser - Report
5. 2970 Old Highway 98 E - Okaloosa County Property Appraiser - Report

City of Destin – Emerald LTA-2
Land Exchange
Term Sheet
July 1, 2023

Parties: City of Destin, Florida a body corporate and political (the “**City**”) and Emerald LTA-2, LLC, a Florida limited liability company (formerly Emerald LTA-2, Inc., “**Emerald**”).

Land Parcels: Parcel owned by the City (the “**City Parcel**”):

Parcel ID 00-25-22-0584-0000-0030
Address: 2970 Scenic Highway 98 E
 Destin, Florida 32541

Parcel owned by Emerald (the “**Emerald Parcel**”)

Parcel ID 00-2S-22-0580-000C-006A
Address 2940 OLD HWY 98 E
 DESTIN 32541

Exchange: Emerald will convey to the City by warranty deed good and marketable fee simple title to the Emerald Parcel free of all liens and debts; and

in exchange,

The City will convey to Emerald by warranty deed good and marketable fee simple title to the City Parcel free of all liens and debts. The state of the title to both parcels is to be determined by a certified title search by a title agency acceptable to the parties.

Donation: Emerald shall make a tax deductible, charitable donation of Fifty Thousand and NO/100 Dollars (\$50,000.00) in immediately available funds to any entity designated by the City (which may include the City itself) simultaneously with the Exchange.

Closing: The closing of the Exchange is subject to the condition precedent of approval of the Exchange by the City Council and the closing shall occur within thirty (30) days after receipt of that approval. All closing costs to be shared equally by Emerald and the City. There are no brokerage fees due to any party in connection with the Exchange and the Exchange shall be documented by normal documentation approved by counsel for the City and for Emerald.

APPRAISAL REPORT



**+/-0.649 ACRES OF MIXED USE ZONED LAND LOCATED ALONG SCENIC HIGHWAY 98,
IN DESTIN, OKALOOSA COUNTY, FLORIDA**

CLIENT: THE CITY OF DESTIN



**EQUIVALUE APPRAISAL, LLC.
PROFESSIONAL APPRAISAL AND VALUATION SERVICES
P.O. Box 5326
DESTIN, FLORIDA 32540
PHONE (850) 424-6119**

Jason P. Shirey, MAI, CCIM, CPM

State-Certified General Real Estate Appraiser RZ3186
Direct Phone (850) 543-5953 (Mobile)
EquiValue Appraisal File No: 230-133B

APPRAISAL REPORT

Of Mixed Use Land Property

+/-0.649 Acres of Land

Location

2970 Scenic Highway 98,
Destin, Okaloosa County, FL
32541

Effective Date

July 15, 2023

Report Date

August 4, 2023

Client / Intended User

The City of Destin

4200 Indian Bayou Trail
Destin, FL 32541

Prepared by:

Jason P. Shirey, MAI, CCIM, Cert Gen RZ3186



Phone 850 424 6119 Fax 888 774 4503

EquiValue Appraisal LLC File #: EQ 230-133B

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August 4, 2023

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



Re: Appraisal of a Gulf Front Parcel of CBN-zoned land containing an approximate +/-0.649 Acres, located along the south side of Scenic Highway 98, and having the assigned postal addresses of 2970 Scenic Highway 98, Destin, Okaloosa County, FL 32541. EquiValue Appraisal File № 230-133B.

Dear Client:

At your authorization and request, we have prepared an appraisal for the above-referenced CBN zoned land in 'As Is' condition. A copy of the engagement document has been included in the addenda to this report if applicable.

This letter of transmittal is not an appraisal report, but merely serves to transmit the attached appraisal report and convey the final conclusion of value.

The accompanying research, analyses and conclusions, and appraisal report following this letter of transmittal has been compiled in accordance with USPAP Standards Rule 2-2(a) for a written appraisal report.

The purpose of the appraisal assignment is to derive an opinion of the current market value of the subject property in 'As Is' condition, subject to our assessment of highest and best use, as of the effective date of the appraisal, July 15, 2023 the most recent date of inspection.

The intended use of this appraisal is to assist the client/intended user, The City of Destin, in the evaluation of the subject property for internal decision making.

This appraisal is intended for the use of the client only. No other users are identified or authorized. The appraiser is not responsible for the unauthorized use of this report.

We have completed the requisite inspections, research, and analyses necessary to appraise the 100% fee simple interest in the subject property, 'As Is' as of July 15, 2023.

Please reference the Scope section of this report for information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis and valuation methodology.

August 4, 2023

Page 2

We certify that we have no present or contemplated future interest in the property beyond this opinion of value. The reported value(s) in this appraisal have not been based on a requested minimum valuation, a specific valuation, or the approval of a loan, and has been prepared in compliance with the Uniform Standards of Professional Appraisal Practice.

Your attention is directed to the Limiting Conditions and Assumptions section following the reconciliation and appraisal certification in this report. Acceptance of this report constitutes an agreement with these conditions and assumptions.

This appraisal is subject to the following Hypothetical Condition(s):

- None.

This appraisal is subject to the following Extraordinary Assumption(s):

- None.

Our opinion of value was formed based on our experience in the field of real property valuation, as well as the research and analysis set forth in this appraisal.

Our concluded opinion of value for the subject property, as of July 15, 2023, subject to the attached assumptions, limiting conditions and certification, is as follows:

**Current Market Value of the Fee Simple Interest in the Subject Property
In 'As Is' Condition, As of July 15, 2023:**

\$3,950,000

Three Million Nine Hundred Fifty Thousand Dollars

The estimated market exposure period necessary for the subject to have achieved this value is estimated to be 9-12 months.

It was a pleasure assisting you with this matter. If you have any questions concerning the following analysis, or if we can be of further assistance, please do not hesitate to call.

Respectfully submitted,

EquiValue Appraisal, LLC



Jason Shirey, MAI, CCIM, CPM
Cert Gen RZ 3186 (FL)

INTRODUCTION

Qualifications of the Appraiser



Qualifications of **Jason P. Shirey, MAI, CCIM, MS-RECM**

State-Certified General Real Estate Appraiser No. RZ 3186 (FL)
State-Certified General Contractor No. CGC 062478 (FL)
Licensed Real Estate Broker No. BK 3168469 (FL)

MAI : Designated Member of the Appraisal Institute
Appraisal Institute, Chicago, Illinois.

CCIM : Designated Certified Commercial Investment Member
CCIM Institute, Chicago, Illinois.

M.S. RECM : Master of Science, Real Estate and Construction Management
University of Denver - Denver, Colorado.

B.S. BCN : Bachelor of Science, Building Construction Management
University of Florida – Gainesville, Florida.

Business Affiliations and Work Experience, Past / Present

EquiValue Appraisal and Consulting Services

Principal and Founder; Real Estate Appraiser, Real Estate Broker, Certified General Contractor

Marsh Appraisal Corporation - Real Estate Appraisal and Valuation Services, Fort Walton Beach, Florida

Registered Trainee Appraiser / State Certified Real Estate Appraiser

Plantation Coast Properties, LLC – Fort Walton Beach, Florida

Principal; Real Estate Investments and Property Management

Alcon Associates, Inc. – Commercial General Contractors / Construction Managers; Pensacola, Florida

Florida Division Manager

National Construction Enterprises, LLC – General Contractor / Construction Managers; Savannah, Georgia

Vice President of Operations, Savannah-Hilton Head Division

Acoustics and Specialties, Inc. – General Contractors; Memphis, Tennessee

Senior Estimator / Project Manager of Healthcare Construction

Brasfield and Gorrie General Contractor Inc. – General Contractors and Construction Managers; Orlando, Florida

Construction Estimator / Project Manager

United States Air Force Reserve

Reserve Pilot, Boeing C-17 Globemaster III



Jason P. Shirey, MAI, CCIM, MS-RECM (Continued)

Professional / Continuing Education

Litigation Appraising - Specialized Topics and Applications <i>Appraisal Institute</i>	Income Property Management <i>Institute of Real Estate Management / University of Denver</i>
Uniform Standards of Professional Appraisal Practice 7 Hour Update, <i>Appraisal Institute</i>	Certified Commercial Investment Member Core Concepts <i>CCIM Institute Comprehensive Exam</i>
Advanced Income Capitalization <i>Appraisal Institute</i>	Appraising from Blueprints and Specifications <i>Appraisal Institute</i>
Advanced Sales Comparison Approach and Principles In Highest and Best Use <i>Appraisal Institute</i>	Florida Building Code Update Florida Workplace Safety and OSHA Update <i>Universal Inspection Service</i>
User Decision Analysis for Commercial Real Estate <i>CCIM Institute Course CI-103</i>	Uniform Standards of Professional Appraisal Practice 15 Hour Update, <i>Appraisal Institute</i>
Advanced Cost Approach <i>Appraisal Institute</i>	Business Practices and Ethics for Appraisers <i>Appraisal Institute Course #420</i>
Real Estate Taxation, Planning and Consequences <i>University of Denver, Burns School of Real Estate</i>	Basic Income Capitalization <i>Appraisal Institute</i>
Advanced Real Estate Feasibility Analysis <i>Urban Land Institute / University of Denver</i>	Advanced Valuation and Report Writing <i>Appraisal Institute Course #540</i>
Real Estate Securities and Syndications <i>University of Denver, Burns School of Real Estate</i>	Real Estate Investment Finance <i>University of Denver, Burns School of Real Estate</i>
Legal Issues In Real Estate and Construction Management <i>University of Denver, Burns School of Real Estate</i>	Computer Applications for Real Estate Analysis <i>University of Denver, Burns School of Real Estate</i>
Income Property Investment <i>Urban Land Institute / University of Denver</i>	Risk Management and Insurance for Investment Real Estate <i>University of Denver, Burns School of Real Estate</i>
Argus Financial Analysis <i>University of Denver, Burns School of Real Estate</i>	Indoor Air Quality and Mold Contamination Remediation <i>National Association of Mold Professionals, 2004</i>
Residential Real Estate Appraiser Course ABII <i>Ed Klopfer Schools of Real Estate</i>	Real Estate Trainee Appraiser Course ABI <i>Ed Klopfer Schools of Real Estate</i>
Real Estate Salesperson Pre-Licensing Course <i>Ed Klopfer Schools of Real Estate</i>	Uniform Standards of Professional Appraisal Practice 15 Hour Update, <i>Appraisal Institute</i>



Jason P. Shirey, MAI, CCIM, MS-RECM (Continued)

Appraiser Experience - Property Types

Affordable Housing
 Agricultural Land
 Aircraft Hangars
 Antenna Towers
 Apartments
 Automobile Dealerships
 Hotels and Motels
 Bank Buildings
 Bowling Alleys
 Broadcast Facilities
 Campgrounds / Recreational Vehicle Parks
 Car Washes
 Churches
 Coastal Land
 Condominium Units:
 Assemblages, Complexes, Conversions
 Condominium Projects:
 Pre-development, Insurable Replacement Cost
 Convenience Stores
 Day Care Centers
 Development Appraisals
 Distribution Facilities
 Golf Clubs and Country Clubs
 Health Clubs
 High-End Residential
 Hobby Farms
 Home Sites (Lots)
 Home Sites (Land - Large Tracts)
 Hotel - Resorts
 Industrial Land
 Industrial Improvements
 Light Industrial Properties
 Manufacturing Facilities
 Marinas / Docks / Boat Storage Facilities
 Medical Offices
 Mixed Use Developments
 Mobile Home Parks
 Multifamily Land
 Multifamily Developments
 Nurseries
 Office Buildings
 Office Condominiums
 Office-Warehouse Facilities
 Outdoor Signs
 Parking Facilities
 Replacement Cost Appraisals
 Retail Stores (Anchor Tenant / Owner Occupied)
 Retail Strip Centers (Multiple Tenant)
 Restaurants (All types)
 Self-Storage Facilities
 Subdivisions (Commercial)
 Subdivisions (Residential)
 Single Family Residences
 Sustainable Development (Green Buildings)
 Urban Land (Vacant and Interim Use)
 Warehouses
 Yacht Clubs

Previous Client List (Partial)

Access Bank and Mortgage
 Alternative Funding Corporation
 BanCorp South
 Bank of America
 Bank of Bonifay
 Bank of Pensacola
 BankTrust
 Beach Community Bank
 CB Richard Ellis
 CCB Community Bank
 Colonial Bank
 Community Bank
 Compass Bank
 Cotton and Gates
 Crystal Beach Development
 DestinFirst Bank
 First Capital Bank
 First City Bank
 First Gulf Bank
 First National Bank and Trust
 Florida Coastal Mortgage
 Guaranty Federal Bank
 GulfSouth Private Bank
 Jay Odom
 Kevin Helmich, P.A.
 Legendary, Inc.
 LNK Development
 M & F Bank
 People's First Community Bank
 Premier Community Bank
 Regions Bank
 Renasant Bank
 Sunbird Condominium Owner's Association
 Suntrust Bank
 The Plaza Owner's Association
 Tranquil Harbor Owner's Association
 Trustmark National Bank
 Vanguard Bank
 Villas on the Gulf Condominium Owner's Association
 Vision Bank
 Wachovia Bank
 Whitney Bank

Assignment Purposes

Acquisition
 Disposition
 Assessment Appeal
 Development Feasibility
 Estate Planning
 Financing (Institutional and Private)
 Investment Analysis
 Portfolio Analysis
 Marital Dissolution
 Relocation
 Mediation, Arbitration, Dispute Resolution



Jason P. Shirey, MAI, CCIM, MS-RECM (Continued)

Assignment Types	Primary Market Area
Appraisal Review	Okaloosa County
Buyer Brokerage	Destin
Complex Valuation	Fort Walton Beach
Construction Progress / Draw Request Inspection	Crestview
Demographic Analysis	Mary Esther
Detrimental Conditions Valuation and Consulting	Niceville
Eminent Domain Valuation and Consulting	Bluewater Bay
Estate Valuation	
Feasibility Studies	Walton County
Fee Appraisals Including Full and Fractional Interests	Miramar Beach
Foreclosure / REO Appraisal - Assessment	Panama City Beach
Highest and Best Use Analysis	Rosemary Beach
Insurance	Santa Rosa Beach
Litigation Support	Blue Mountain Beach
Market Studies	Freeport
Portfolio Valuation and Analysis	Defuniak Springs
Relocation Appraisal	Inlet Beach
Rent Analysis / Studies	Seacrest Beach
Retrospective Valuation	
Site Location Services	Santa Rosa County
Valuation and Consultation for Financial Reporting	Navarre
	Navarre Beach
	Gulf Breeze
	Bay County
	Panama City
	Panama City Beach
	Springfield

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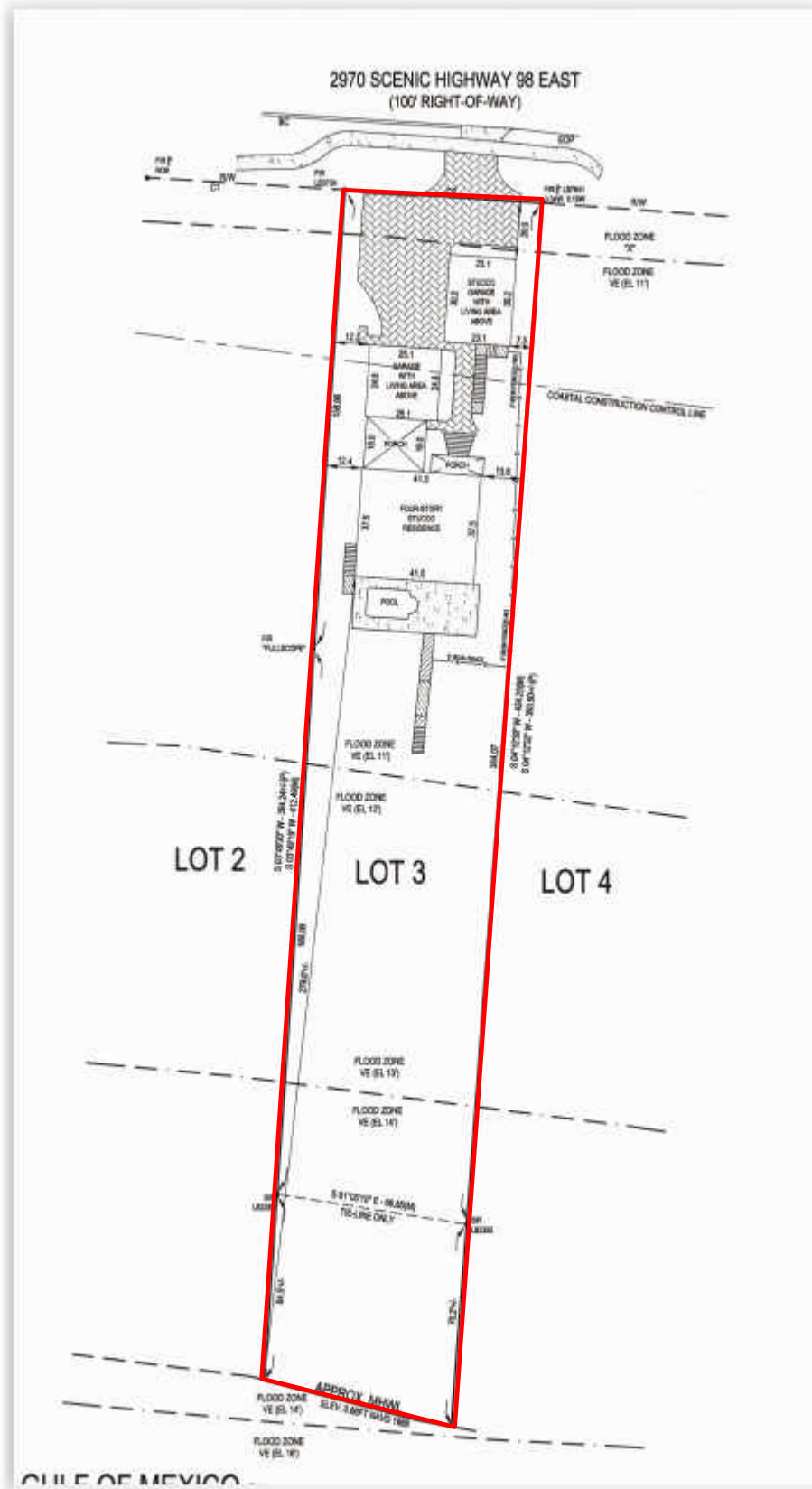
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Subject Photograph

Additional photographs can be referenced in the Property Description Section of the Appraisal Report.



Approximate location of the subject boundaries are identified in blue above.



All Improvements Shown On The Above Survey have been removed.

Summary of Salient Facts and Conclusions

GENERAL	
EquiValue Appraisal File No:	230-133B
Subject:	A single parcel of Crystal Beach Neighborhood-zoned land containing an approximate +/-0.649 Acres, located along the south side of Scenic Highway 98, and having the assigned postal address of 2970 Scenic Highway 98, Destin, Okaloosa County, FL 32541. The subject property contains approximately +/-0.649 Acres and 67 waterfront feet along the Gulf of Mexico Beaches. The subject is presently vacant land. The use of the subject property 'As Is' condition is that of a CBR-zoned vacant site and that is the use represented in this report.
Owner:	The City of Destin 4200 Indian Bayou Trail Destin, FL 32541
Legal Descriptions:	Lot 3, The Shores of Crystal Beach Subdivision, According to the Plat thereof recorded in ORB/P 13/82.
Tax Identification:	00-2S-22-0584-0000-0030
Date of Report:	August 4, 2023
Date of Value:	July 15, 2023
Property Rights Appraised:	Fee simple
Intended Use:	The intended use of this appraisal is to assist the client/intended user, The City of Destin, with the evaluation of the subject property for internal decision making.
Intended User(s):	Client only
Appraisal Purpose:	Current Market Value 'As Is'

Assessed Value 2022:	\$2,241.342 Despite the intention of the property appraiser to value property at market value on a yearly basis, it is the appraiser's opinion that assessed value has no direct correlation to current fair market value in the subject market area.
Taxes 2022:	\$0 (Tax Exempt) According to the Okaloosa County Tax Collector online, the subject property is exempt from taxes given its ownership by a government entity.
Sale History:	The subject property was purchased by the Trust for Public Land on 11/16/2020 for \$3,300,000 per ORB/P 3506/408 and was deeded to the City of Destin on that same day via ORB/P 3506/695. This sale appears to be arms length and nominally consistent with then-current market value.
Current Contracts/Listing:	According to the Emerald Coast Association of Realtors (ECAR) multiple listing service (mls) the subject was listed for sale via MLS 797954 with an asking price of \$3,350,000 prior to selling to the current owner / related party owner for \$3,300,000 in 2020. The subject is not currently listed For Sale to our knowledge. We are unaware of any purchase contract pertinent to the subject property. It is our understanding that a potential land swap is being contemplated regarding the subject property and a proximate parcel, however details of the potential arrangement were not provided the appraiser.
PROPERTY	
Land Area:	Total: ±0.649 Acres Usable: ±0.649 Acres Excess: 0.00 Acres The subject property consists of an approximate +/-0.649 Acres of land and approximately 67 waterfront feet along the shores of the Gulf of Mexico.
Zoning:	<i>Crystal Beach Neighborhood (CBN) by the City of Destin</i>

**Highest and Best Use
'As Is':**

Single Family Residential development is estimated to be the highest and best use for the subject property, 'As Is', as this use provides a higher return to the underlying land than any other use analyzed.

VALUE CONCLUSIONS**Land Value:**

\$3,950,000

Cost Approach:

Not Utilized

**Improved Sales
Comparison Approach:**

Not Utilized

Income Approach:

Not Utilized

**Reconciled Opinion Of
Value (Rounded):**

Premise: 'As Is'
Estate: Fee Simple
Value Conclusion:
Three Million Nine Hundred Fifty Thousand Dollars
(\$3,950,000)
Assuming a 9-12 month exposure time.

Appraisal Scope of Work

In accordance with the 2022-2023 Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s).

This process should meet the expectations of parties who are regularly intended users for similar assignments and be consistent with what an appraiser's peers actions would be in performing the same or a similar assignment.

Therefore, the appraiser must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

This appraisal is prepared for the client, The City of Destin. The intended use of this appraisal is to assist the client/intended user, The City of Destin, in the evaluation of the subject property for internal decision making.

This appraisal report is for use by the client only. No other intended users are identified or authorized.

The appraisers are not responsible for the unauthorized use of this appraisal report.

SCOPE OF WORK

Report Type:

This is an Appraisal Report, which is intended to comply with the reporting requirements established by Standards Rule 2-2(a) of the 2022-2023 edition of the USPAP for a written Appraisal Report. It presents summary discussions of the data, reasoning, and analyses utilized in the appraisal process to develop the appraiser's opinion of value.

Supporting documentation not provided with the report concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated in the report. The appraiser is not responsible for the unauthorized use of this report.

Property Identification:	The subject was identified by the legal descriptions, site inspection, and information provided by the Okaloosa County Property Appraisers Office.
Inspection:	A complete inspection of the site was made, and photographs taken.
Market Area and Analysis of Market Conditions:	A complete analysis of market conditions was made. The appraisers physically inspected the micro and/or macro market environments influencing the subject.
Highest and Best Use Analysis:	A complete analysis of highest and best use for the subject in 'As Is'/'As Vacant' condition was completed.

Valuation Analyses

Land Valuation:	An opinion of value for the subject property in 'As Vacant' condition is being provided. 'As Vacant' land valuation is being conducted via employment of the sales comparison approach.
Cost Approach:	The cost approach was not utilized in this assignment as the subject is vacant land.
Sales Comparison Approach:	The improved sales comparison approach was not applied in this appraisal assignment as the subject is vacant land.
Income Approach:	As the subject property is being appraised as vacant land with no promise of generation of income, the income approach was not utilized in this appraisal.
Hypothetical Conditions:	None
Extraordinary Assumptions:	None.

Exposure Time (Market Value): Exposure Time may be defined as: 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 the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.¹

The estimate of exposure time is presented in consideration of the exposure periods for comparable sales utilized in this appraisal, marketing time information available from nationally published sources including the CB Richard Ellis National Market Survey and the opinions of market participants.

It is estimated that the exposure time necessary for the subject to have achieved the opinion of value is 9-12 months.

¹ USPAP 2018-2019

Definition of Value, Property Rights Appraised, and Intended Use

Purpose of the Appraisal:

The purpose of an appraisal is the stated reason and scope of the appraisal assignment. It is established by the client, and points to the information the client requires in answering specific questions relevant to real property. The purpose of the appraisal establishes the foundation for the final value conclusion which does not change to accommodate the use of the appraisal.²

The purpose of this appraisal is to arrive at a supportable opinion of market value of the property in 'As Is' (Vacant) condition.

Intended Use of the Appraisal and Intended User:

The intended use of an appraisal is the manner a client will employ the information contained in the report. The intended use or function of an appraisal is determined by the client's needs. Because an appraisal may provide a basis for a decision concerning real property, the intended use of the appraisal depends on the decision the client wishes to make.³

This appraisal is prepared for the client, The City of Destin. The intended use of this appraisal is to assist the client/intended user, The City of Destin, in the evaluation of the subject property for internal decision making.

This appraisal report is for use by the client only. No other intended users are identified or authorized.

The appraisers are not responsible for the unauthorized use of this appraisal report.

Property Rights Appraised

Real property is said to possess value as a result of the 'bundle of rights' inherent to property ownership. Regardless of the type of ownership, the owner of real property is said to possess an interest in said property. The following definitions are for the three (3) most commonly-valuated interests as defined by the *Dictionary of Real Estate Appraisal*, Fourth Edition.

Fee Simple Interest:

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:

An ownership interest held by a landlord with the rights of use and occupancy conveyed

² *The Appraisal of Real Estate*, Twelfth Edition

³ *The Appraisal of Real Estate*, Twelfth Edition

by lease to others. The rights of the lessor and the lessee are specified by contract terms contained within the lease.

Leasehold Interest:

The interest possessed by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions. See also negative leasehold; positive leasehold.

The subject property is being appraised 'fee simple', taking into account market conditions at the effective date of the report. Given the valuation of the subject in 'As Is' / 'As Vacant' condition in the absence of any long-term lease, fee simple basis is considered to be the appropriate valuation standard.

Date of Value Opinion

Value opinions are presented as of a specific date, ***July 15, 2023 (effective date)***, taking into account market conditions at that time. The effective date of an appraisal is the date which the analyses, opinions, and advice in an appraisal, review, or consulting service apply. (USPAP, 2022-23 edition.)

The date of the value opinion can be current, in the past (retrospective), or forecast into the future (prospective).

The following presents definitions regarding the date of the opinion of value, as provided by the text *The Appraisal of Real Estate*, Twelfth Edition:

Date of Value Opinion:

The date an opinion of value is valid.

Current Value:

In accounting, synonymous with market value.

Retrospective Value Opinion:

An opinion of value likely to have applied retrospective to a specified historic date. A retrospective value opinion is most frequently sought in connection with appraisals for estate tax, condemnation, inheritance tax, and similar purposes.

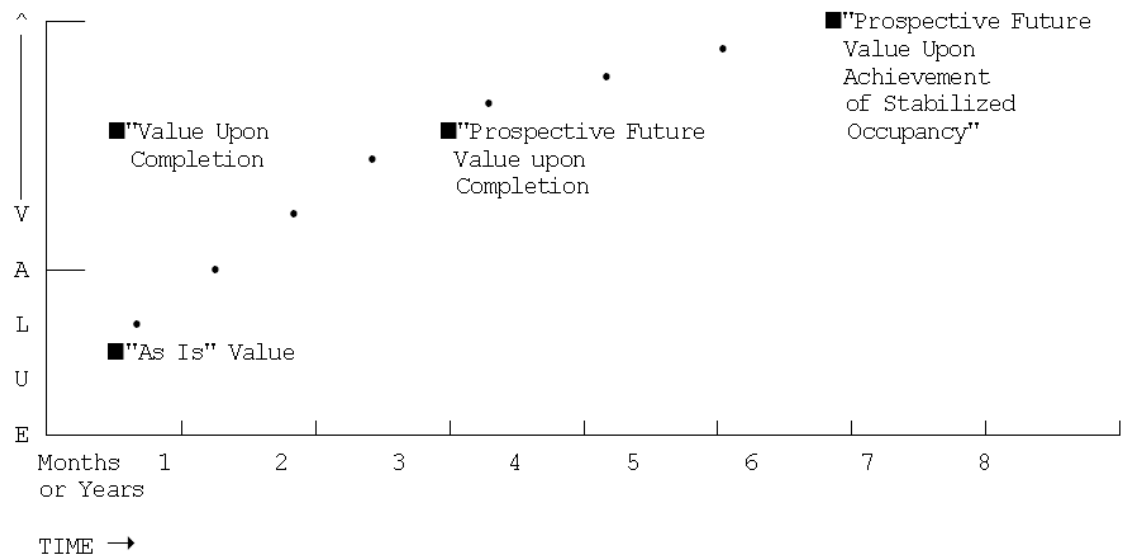
Prospective Value Opinion:

A forecast of the value expected at a specified future date. A prospective value opinion is most frequently sought in connection with real estate projects proposed, under construction, or under conversion to a new use, or those not achieving sellout or a stabilized level of long-term occupancy at the time the report is compiled.

In a prospective appraisal, the appraiser analyzes market trends to provide support for forecasted income and expense or sell-out opinions, absorption periods, capitalization rates, and discount rates retrospective to the effective date. This report was prepared taking into account market conditions present retrospective to

the date of the report. The appraiser(s) cannot be held responsible for unforeseen events altering market conditions prior to the effective date of the report. The following graph presents a graphical depiction of the above-described date of value opinions and their associated position within a potential overall development time scenario.

Value Creation Continuum¹



The preceding exhibit graphically displays the creation of value in a real estate development project over time, assuming a zero inflation environment for clarity of presentation.

¹

Code of Federal Regulations, Title 12, as amended by the Federal Home Loan Bank Board.

Basis of the Subject Value Opinion

The four (4) time differential values on the preceding graph which may be considered in the appraisal of developments are defined as follows:

- (1) **‘As Is’** means an estimate of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications retrospective to the date of appraisal.
- (2) **‘Value as Complete’ or ‘Value Upon Completion’** means the market value of a property with all proposed construction, conversion, or rehabilitation hypothetically completed, or under other specified hypothetical conditions retrospective to the date of appraisal. With regard to properties wherein anticipated market conditions indicate stabilized occupancy is not likely retrospective to the date of completion, this estimate of value shall reflect the market value of the property as if complete and prepared for occupancy by tenants.
- (3) **‘Prospective Future Value Upon Completion’** means the prospective future value of a property on the date construction is completed, based upon market conditions forecast to exist retrospective to that completion date.
- (4) **‘Prospective Future Value Upon Achievement of Stabilized Occupancy’** means the prospective future value of a property at a point in time when all improvements have been physically constructed and leased to its optimum level of long term occupancy.

The purpose of this appraisal is to derive an opinion of the market value for the subject property in ‘As Is’ (Vacant) condition.

The following are the relevant dates to the valuation, viewing, and appraisal reporting of the subject:

Effective Date of Value Opinion: July 15, 2023

Date of Viewing: July 15, 2023

Date of Appraisal Report: August 4, 2023

Date of Photographs: July 15, 2023

Definition of Value

The definition of ‘Market Value’, as defined by the Office of the Comptroller of Currency (OCC) under 12 CFR, Part 34, Subpart C-*Appraisals*, 34.42 Definitions, the Board of Governors of the Federal Reserve System (FRS) and the Federal Deposit Insurance Corporation in compliance with Title XI of *FIRREA*, as well as by the *USPAP* as promulgated by the Appraisal Foundation, is as follows.

Market value means the most probable price property should bring in a competitive and open market under all conditions requisite to a fair sale, the purchaser and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale retrospective to a specified date and the passing of title from seller to purchaser under conditions whereby,

1. Purchaser and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interest;
3. A reasonable time is permitted 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.

Policy Statement of the Appraisal Institute

It is improper to base a conclusion or opinion of value upon the premise the racial, ethnic, or religious homogeneity of the inhabitants of an area or of a property is necessary for maximum value.

Racial, religious, and ethnic factors are deemed unreliable predictors of value trends or price variance.

It is improper to base a conclusion or opinion of value, or a conclusion with respect to neighborhood trends, upon stereotyped, biased presumptions relating to the effective age or remaining life of the property being appraised or the life expectancy of the neighborhood it is located.

FACTUAL DESCRIPTIONS

Property Description

Summary of Site Characteristics and Improvements

SITE	
Information Sources:	Deeds, Inspection, Public Records, Survey and Okaloosa County Property Appraisers Office.
Total Site Size:	+/-0.649 Acres
Usable Site Size:	+/-0.649 Acres The subject property consists of an approximate +/-0.649 Acres of land located along the south side of Scenic Highway 98.
Interior / Corner Lot:	The subject parcel is not situated in a corner location.
Visibility:	The subject features very good visibility from Scenic Highway 98 along the north boundary as well as the Gulf of Mexico along the south boundary.
Road Frontage/Access:	The subject benefits from approximately +/-68' of paved frontage along the southern right of way of Scenic Highway 98. Access to the parcel is considered good.
Water Frontage:	The subject Parcel benefits from approximately +/-67' of beach frontage along the Gulf of Mexico at the southern boundary, and unobstructed views of the Gulf of Mexico to the south.
Topography:	The subject property is essentially level, at road grade. Although a topographic survey was not provided for our review, review of topographic maps of the general area as well as the viewing of the subject property indicates that the subject site is essentially level and poses no non-typical challenges for development. The subject slopes from north to south at the waters edge.
Drainage:	Drainage appears adequate for the subject site.
Soils:	The <i>Soil Survey of Okaloosa County, Florida</i> , produced by the United States Department of Agriculture Soil Conservation Service indicates the following: The subject is comprised of 72% Newhan-Corolla Complex (2 to 30% slopes) and the remaining 28% Beaches.

Newhan-Corolla Complex (2 to 30% slopes) is identified on the soil map as unit #18 and is described as excessively drained soils that are conducive to urban development with proper site preparation.

Potential For
Environmental
Contamination:

The appraisers have not observed, nor are qualified to detect, the existence of potentially hazardous material or underground storage tanks which may be present on or near the subject site. The appraisers recommend that an environmental survey be attained to assure the environmental stability of the subject property. This appraisal assumes no subsoil contamination of the subject site.

Utilities:

Electricity: Electricity is provided and is on site. Standard commercial service capacity exists at the subject with adequate capacity to service commercial improvements.

Sewer: Municipal sewer is provided and is located on site.

Water: Municipal water is provided and is located on site.

Natural Gas: Natural Gas service is provided and is either on site or in the vicinity of the subject site and available for connection.

Adequacy: Available utility service is considered adequate and at least standard for the subject market area.

Site Improvements:

None.

Landscaping:

Landscaping is considered average for the subject market and comprises naturally-occurring coastal vegetation and sea oats.

Site Utility:

Site utility is considered good.

Flood Zone:

The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject Parcel northern boundary is situated in Flood Zone 'X' and the predominant area of the site, the southern portion is situated in Flood Zone 'VE', as noted by the following FEMA Map Number: 12091C0493J Dated March 9, 2021.

Easements:

We were provided a copy of a survey for the subject property. Our review of the survey and appropriate maps and public records for the subject property did not reveal any easements on the subject site that would adversely affect the value opinion of the subject contained herein. This appraisal assumes no other easements, encroachments, or private deed restrictions which would adversely affect the value of the

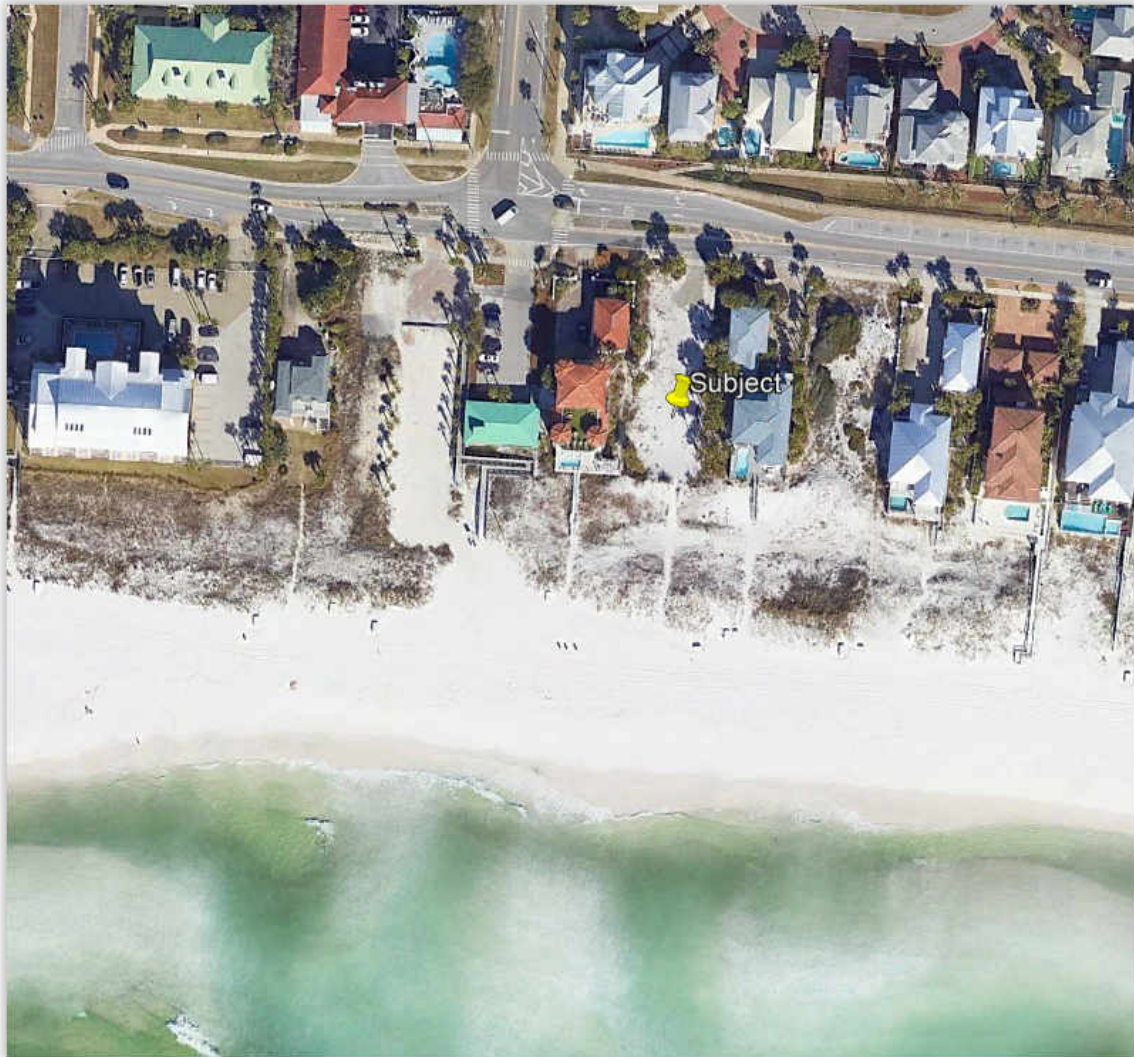
subject property.

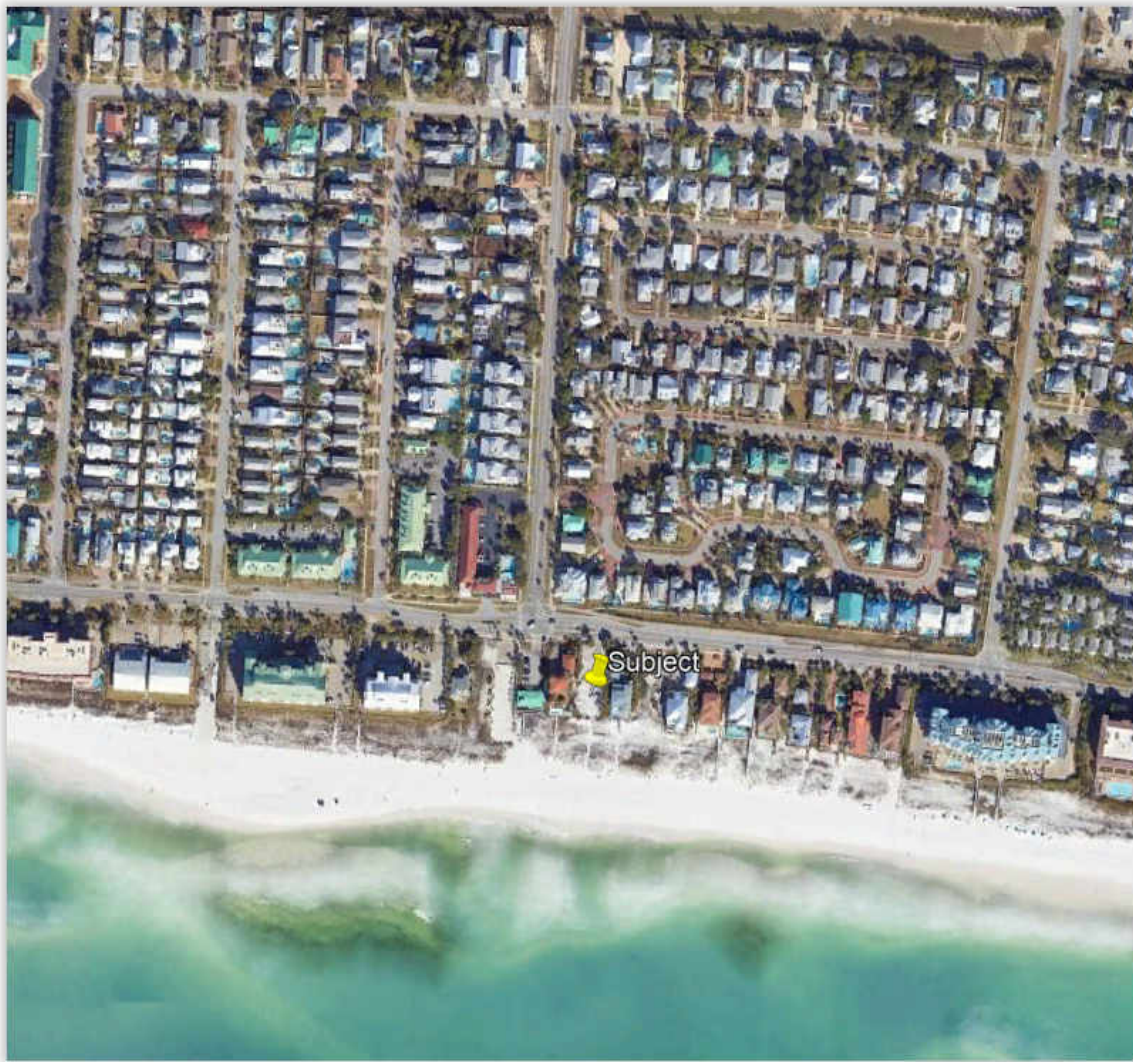
Encroachments: We were provided a copy of a survey for the subject property. Our review of the survey, appropriate maps and public records for the subject property did not reveal any encroachments on the subject site that would adversely affect the value opinion of the subject contained herein. This appraisal assumes no easements, encroachments, or private deed restrictions which would adversely affect the value of the subject property.

Site Comments: The subject benefits from good access and visibility from Scenic Highway 98 and the Gulf of Mexico and Associated beaches.

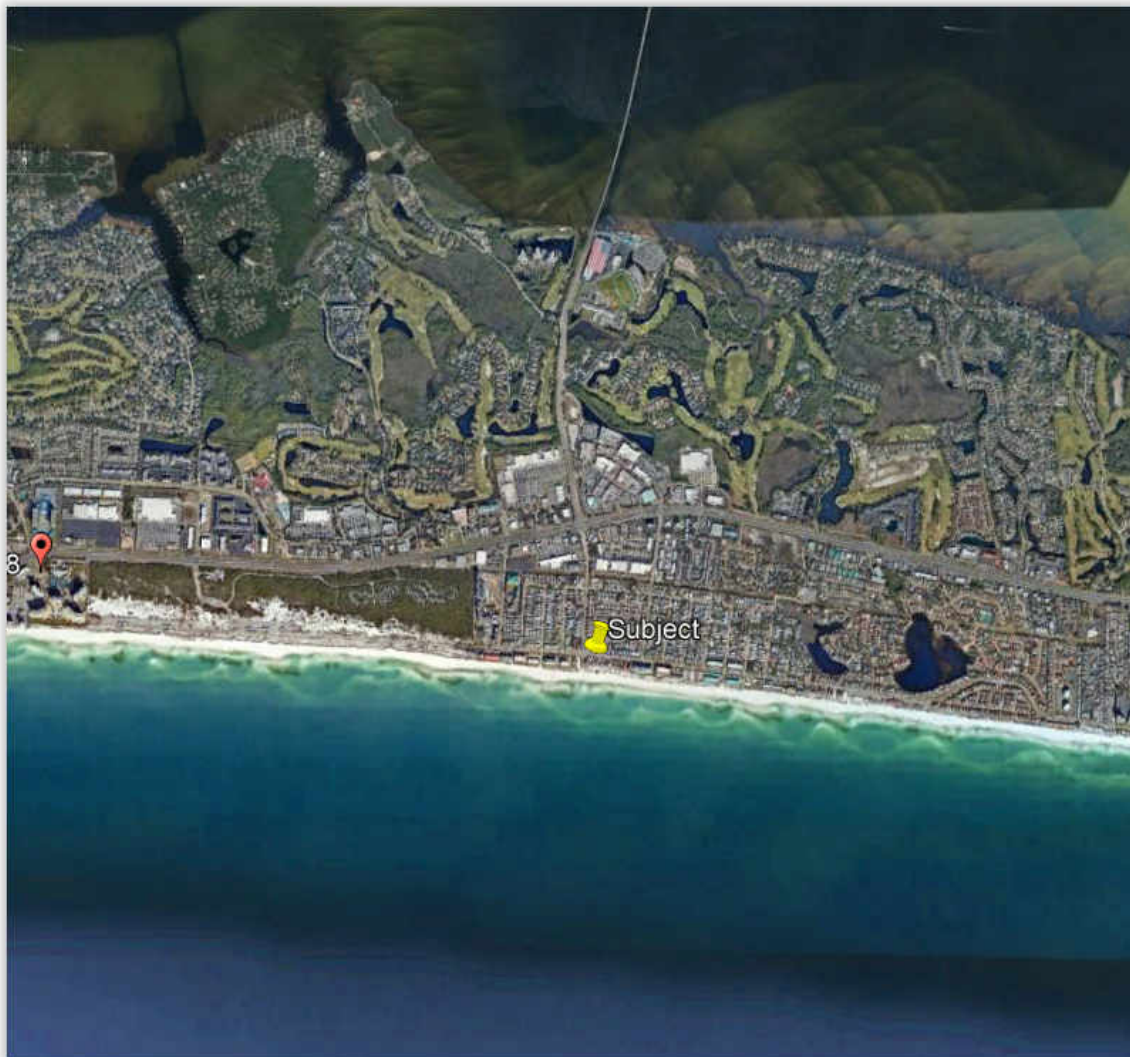
The subject is an excellent site for residential single family development, which is the only likely use of the subject given the zoning, which is primarily limited to residential options, and the plat in place which establishes the subject as a lot-of-record within the Shores of Crystal Beach residential subdivision as recorded in Plat Book and Page 13/82 of Okaloosa County.

Regional Maps

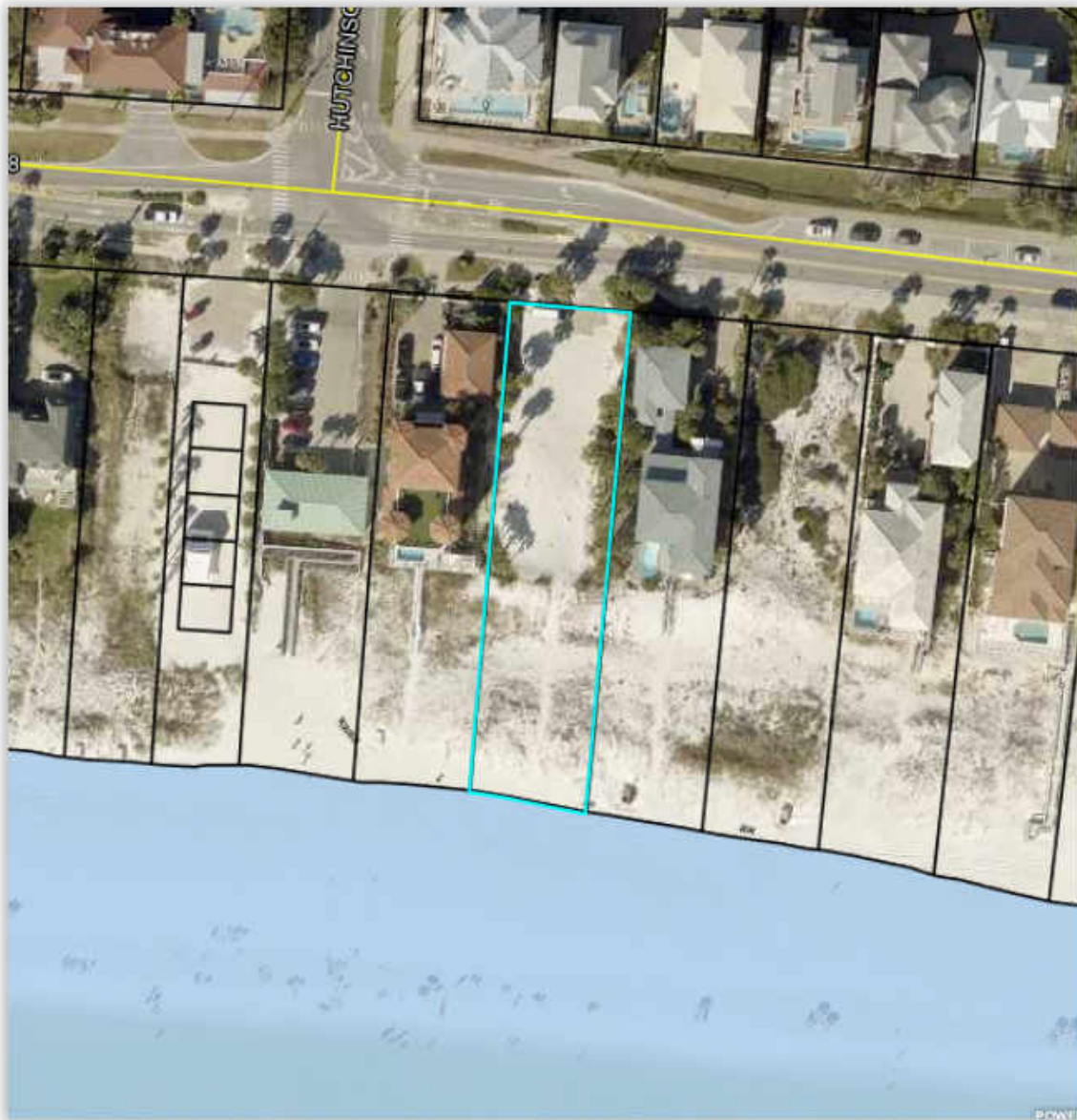




Area Maps

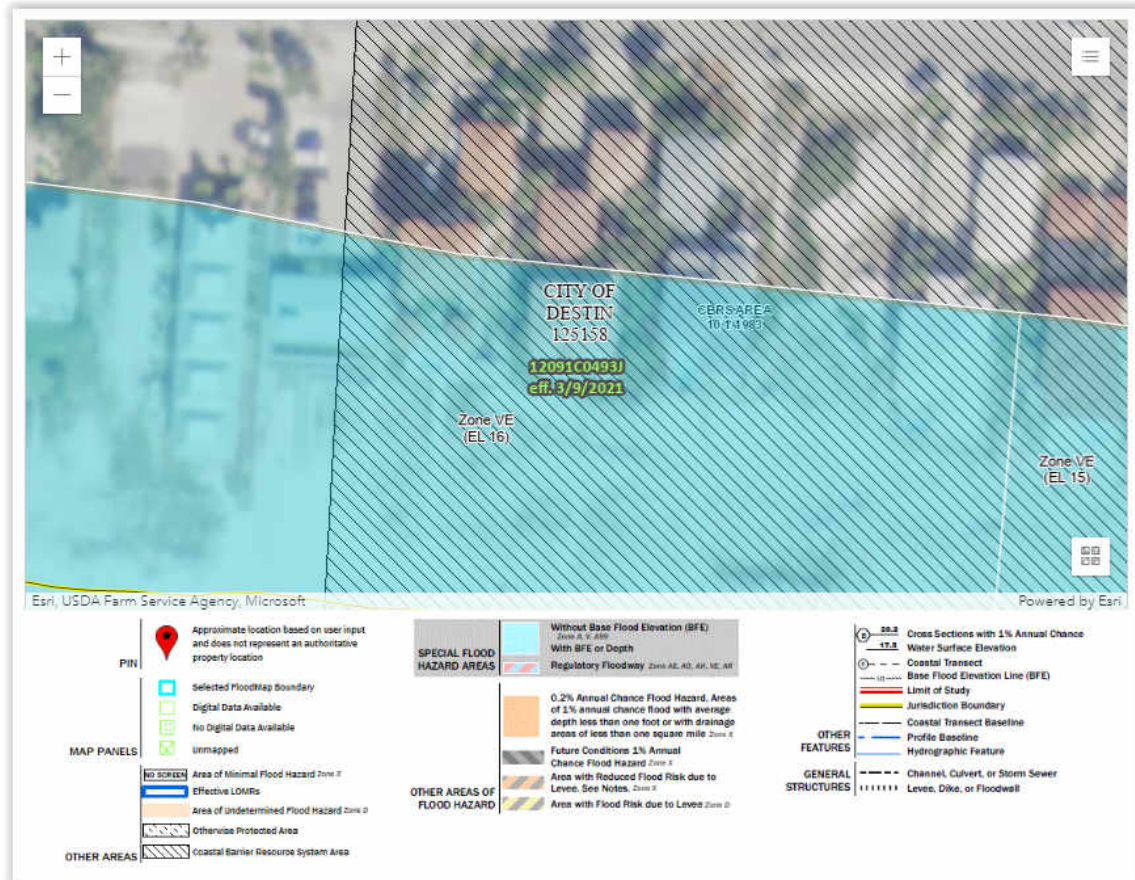


Aerial Photograph



Approximate location of the subject boundaries are identified in blue above.

Flood Map



Flood Zone Descriptions

“A 100-year flood is a flood which 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 flood plain.

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 which 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, the standard used by most Federal and state agencies, is used by the National Flood Insurance Program (NFIP) as the standard for flood plain 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.

Zone AE and A1-A30

Zones AE and A1-A30 are the flood insurance rate zones corresponding to the 100-year flood plains are determined in the Flood Insurance Study by detailed methods. In most instances, Base Flood Elevations derived from the detailed hydraulic analyses are shown at selected intervals within this zone. Mandatory flood insurance purchase requirements apply.

Zone VE

Zone VE is the flood insurance rate zone corresponding to the 100-year 21 flood plains possessing additional hazards associated with storm waves. BFEs derived from the detailed hydraulic analyses are shown at selected intervals within this zone. Mandatory flood insurance purchase requirements apply.

Zones B, C, and X are the flood insurance rate zones corresponding to areas outside the 100-year flood plains, are retrospective to 100-year sheet flow flooding where average depths are less than 1 foot, are retrospective to 100-year stream flooding where the contributing drainage area is less than 1 square mile, or areas protected from the 100-year flood by levees. No BFEs or depths are shown within this zone.”

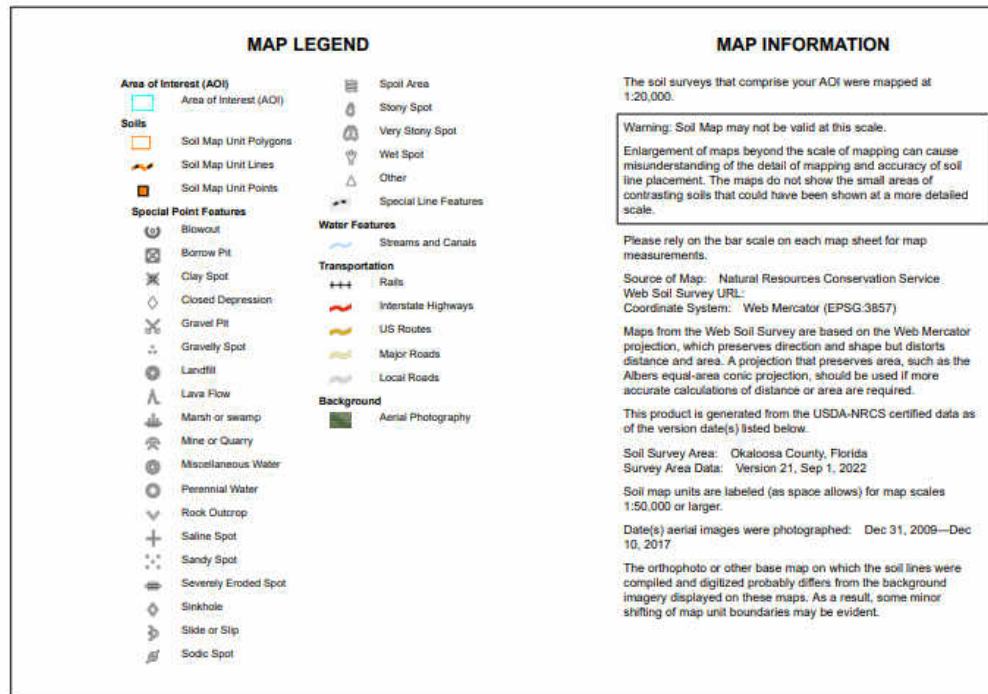
Topography Map



Soil Map



Soil Map—Okaloosa County, Florida



Soil Map—Okaloosa County, Florida

Map Unit Legend

Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
3	Beaches	0.1	27.8%
18	Newhan-Corolla complex, 2 to 30 percent slopes	0.4	72.2%
Totals for Area of Interest		0.5	100.0%

Soils Information

Map Unit Description: Beaches—Okaloosa County, Florida

Okaloosa County, Florida

3—Beaches

Map Unit Setting

National map unit symbol: 1kh9r
Elevation: 0 to 10 feet
Mean annual precipitation: 42 to 48 inches
Mean annual air temperature: 52 to 57 degrees F
Frost-free period: 190 to 210 days
Farmland classification: Not prime farmland

Map Unit Composition

Beaches: 100 percent
Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Beaches

Setting

Landform: Beaches on marine terraces
Landform position (three-dimensional): Rise
Down-slope shape: Convex
Across-slope shape: Linear

Properties and qualities

Slope: 1 to 3 percent
Natural drainage class: Poorly drained
Runoff class: High
Depth to water table: About 0 to 72 inches
Frequency of flooding: Frequent

Interpretive groups

Land capability classification (irrigated): None specified
Land capability classification (nonirrigated): 8
Forage suitability group: Forage suitability group not assigned (G133AA999FL)
Hydric soil rating: Unranked

Data Source Information

Soil Survey Area: Okaloosa County, Florida
Survey Area Data: Version 16, Nov 21, 2017

Map Unit Description: Newhan-Corolla complex, 2 to 30 percent slopes—Okaloosa County, Florida

Okaloosa County, Florida

18—Newhan-Corolla complex, 2 to 30 percent slopes

Map Unit Setting

National map unit symbol: 2w4gq
Elevation: 0 to 20 feet
Mean annual precipitation: 60 to 73 inches
Mean annual air temperature: 63 to 72 degrees F
Frost-free period: 236 to 306 days
Farmland classification: Not prime farmland

Map Unit Composition

Newhan and similar soils: 60 percent
Corolla and similar soils: 30 percent
Minor components: 10 percent
Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Newhan

Setting

Landform: Dunes on marine terraces
Landform position (two-dimensional): Shoulder
Landform position (three-dimensional): Interfluvium
Down-slope shape: Convex
Across-slope shape: Linear
Parent material: Sandy eolian deposits

Typical profile

C - 0 to 80 inches: sand

Properties and qualities

Slope: 2 to 30 percent
Depth to restrictive feature: More than 80 inches
Natural drainage class: Excessively drained
Runoff class: Very low
Capacity of the most limiting layer to transmit water (Ksat): Very high (19.98 to 50.02 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Salinity, maximum in profile: Slightly saline to moderately saline (4.0 to 8.0 mmhos/cm)
Sodium adsorption ratio, maximum in profile: 20.0
Available water storage in profile: Very low (about 1.8 inches)

Interpretive groups

Land capability classification (irrigated): None specified
Land capability classification (nonirrigated): 7s
Hydrologic Soil Group: A



Map Unit Description: Newhan-Corolla complex, 2 to 30 percent slopes--Okaloosa County, Florida

Forage suitability group: Sandy soils on ridges and dunes of xeric uplands (G152AA111FL)
Hydric soil rating: No

Description of Corolla

Setting

Landform: Rises on dunes on marine terraces
Landform position (two-dimensional): Shoulder
Landform position (three-dimensional): Interfluvium
Down-slope shape: Convex
Across-slope shape: Linear
Parent material: Sandy marine deposits

Typical profile

A - 0 to 3 inches: sand
C - 3 to 80 inches: sand

Properties and qualities

Slope: 2 to 30 percent
Depth to restrictive feature: More than 80 inches
Natural drainage class: Somewhat poorly drained
Runoff class: Low
Capacity of the most limiting layer to transmit water (Ksat): Very high (19.98 to 50.02 in/hr)
Depth to water table: About 18 to 36 inches
Frequency of flooding: Rare
Frequency of ponding: None
Salinity, maximum in profile: Moderately saline to strongly saline (8.0 to 16.0 mmhos/cm)
Sodium adsorption ratio, maximum in profile: 20.0
Available water storage in profile: Very low (about 1.2 inches)

Interpretive groups

Land capability classification (irrigated): None specified
Land capability classification (nonirrigated): 7s
Hydrologic Soil Group: A/D
Forage suitability group: Sandy soils on ridges and dunes of xeric uplands (G152AA111FL)
Hydric soil rating: No

Minor Components

Duckston

Percent of map unit: 10 percent
Landform: Flats on marine terraces, depressions on marine terraces, swales on marine terraces
Landform position (three-dimensional): Talf, dip
Down-slope shape: Linear, concave
Across-slope shape: Linear, concave

Subject Photographs



View of subject property Gulf Frontage Facing South to Beaches and Gulf of Mexico



Scenic Highway 98 Viewing West, Subject on Left



Scenic Highway 98 Viewing East, Subject on Right



Interior View of Site Viewing South



Interior view of Site



Gulf Frontage of Site Facing Southwest



Interior View of Site Facing Northeast



Interior View North Portion of Site Facing North

Zoning

According to the City of Destin Planning and Zoning Department, the entire subject property is within the city limits of the City of Destin.

Information provided by the City of Destin Planning and Zoning Department indicates that the entire subject property is designated with the Crystal Beach Neighborhood (CBN) zoning designation.

The purpose and intent of the Crystal Beach Neighborhood (CBN) district is primarily to provide for single-family detached or multi-family attached residential dwelling units. Very limited non-residential uses are permitted in this district. The maximum density allowed in this district is 6 dwelling units per acre.

Furthermore, the subject parcel is subject to restrictions of the parent subdivision as recorded in ORB/P 1737/1811. These restrictions limit use of the subject parcel to residential use. An excerpt of this limitation is reproduced below.

ARTICLE VII

USE RESTRICTIONS

Section 1. Residential use. The Lots may be used for residential dwelling units and for no other purpose, except that individual residential dwelling units may be used as model homes by the Declarant during the development of the Property.

Section 2. Permitted Structures. No structures of any kind shall be erected, altered, placed or permitted to remain on any of the platted Lots, within the Property, other than: (i) one single family dwelling, which may also include one separate garage or garage apartment, specifically approved in writing by the Declarant, its agents or assigns, and (ii) any other structure specifically approved in writing by the Declarant, its agents or assigns.

Therefore, use of the subject lot for residential single-family purposes is the only reasonable legally permissible use.

The following is an excerpt from the City of Destin Code of Ordinances that further describes the allowable uses under the CBN zoning designation.



ZONING FACTSHEET

The purpose and intent of establishing zoning districts is to ensure that all development is consistent with the goals, objectives, and policies of the Comprehensive Plan, by establishing a series of zoning districts that indicate what uses are allowed and are strictly limited to: places of worship, parks, playgrounds, community buildings and similar public service facilities serving the residents of the area, childcare centers and other ancillary neighborhood commercial uses which are approved as part of a planned unit development (PUD) for the exclusive use of the residents of the PUD. It is the intent of the CBN zoning district to specifically not allow the following uses to be located in the district: commercial hotels, motels, bed and breakfast establishments, or other commercial transient living accommodations. (LDC 7.12.05)

CRYSTAL BEACH NEIGHBORHOOD (CBN) (excerpt from LDC 7.12.06.Q)

Purpose and intent: The Crystal Beach Neighborhood zoning district shall apply to areas developed, redeveloped and/or maintained and conserved as permanent or seasonal single-family detached or multi-family attached residential dwelling units. Very limited supportive non-residential uses are allowed and are strictly limited to: places of worship, parks, playgrounds, community buildings and similar public service facilities serving the residents of the area, childcare centers and other ancillary neighborhood commercial uses which are approved as part of a planned unit development (PUD) for the exclusive use of the residents of the PUD. It is the intent of the CBN zoning district to specifically not allow the following uses to be located in the district: commercial hotels, motels, bed and breakfast establishments, or other commercial transient living accommodations.

Crystal Beach Neighborhood – Traditional Development District (CBN-TDD)

The purpose of the Crystal Beach Neighborhood – Traditional Development District zoning overlay is to allow the restoration of the original lots configured as fifty feet in width by one hundred fifty feet in depth (50'x100') as shown in the 1937 Crystal Beach Subdivision plat. This overlay allows those lots to be treated as conforming lots and applies only to those lots depicted in the 1937 Crystal Beach Subdivision plat that are within the boundaries of the Crystal Beach Neighborhood and the Crystal Beach Resort Zoning Districts.

This overlay applies only to minimum lot width and depth. Lot area, setback, building height, density, floor area ratio, and open space standards, is governed by the performance standards of the underlying CBN zoning district.

Dimensional Requirements in CBN (excerpt from LDC 7.12.08)

Crystal Beach Neighborhood (CBN)				CBN-TDD Overlay
Dwelling Units	1	2+	Non	1
Minimum Lot Area (square feet)	7,500	None	None	7,500
Minimum Lot Size	Width	70	None	None
	Depth	100	None	None
Maximum Building Height / Stories	30/3 stories	50/4 stories	50/4 stories	30/3 stories
Setbacks	Front	20	20	20
	Side	7½	A/B	A/B
	Rear	10	A/B	A/B
Maximum Density (units per acre)	6.00	6.00	N/A	6.00
Maximum Floor Area Ratio	N/A	N/A	.50	N/A

Minimum Open Space (%)	30%	25%	25%	30%
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Footnotes:**A**

Building Height	Setbacks		
	Front	Side	Rear
2-Stories or less	20	No side or rear yards are required except where property line is contiguous with residential district boundary	
3-Stories	20	15	20
4-Stories	20	20	25
5-Stories or more	20	Increased by two feet on each side for each story exceeding four stories	

Within the Old Destin MMTD, no minimum front, side or rear setbacks are required, except where the property line is contiguous with a BE or LDR residential district boundary; then ten-foot side and rear yards, maintained as open space, shall be provided.

Buildings or structures three stories or less utilized for residential or multifamily purposes on the same lot shall be a minimum of ten feet apart. All buildings exceeding three stories in height, the distance apart on the same lot shall be increased by two feet for each story exceeding three stories with a maximum of 50 feet between buildings being required. There are no minimum spacing requirements between residential, nonresidential, mixed-use or multifamily buildings located on the same lot in the Old Destin MMTD.

B A ten-foot yard, maintained as open space, shall be provided. Within the Old Destin MMTD, no minimum front setback is required.

Allowable Uses in CBN (excerpt from LDC 7.12.06)**PERMITTED USES:*****Permanent or long-term residential uses***

Single-family detached dwelling
Multi-family attached dwelling
Accessory dwelling
Single-family detached dwelling

Seasonal or short-term residential uses

Single-family detached dwelling

Other residential uses

Community residential home, small (1-6)

NAICS Use Designations

221122	Distribution electric substation
712	Museums, historical sites, zoos & parks ⁽¹⁰⁾
8131	Religious organizations

Uses and structures which are customarily accessory, clearly incidental and subordinate to permitted uses and structures; including home occupations and off-site businesses.

Footnotes:

1 Guest houses are permitted only if the owner of the subject property occupies the primary dwelling as his/her main residence. However, guest houses shall not be rented out separately from the main residence (refer to LDC section 7.12.04.M).

10 Zoos are only allowed in the Industrial zoning district.

CONDITIONAL USES:***Permanent or long-term residential uses***

Multi-family detached dwelling

Seasonal or short-term residential uses

Multi-family detached dwelling

Other residential uses

Community residential home, small (7 – 14)
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NAICS Use Designations

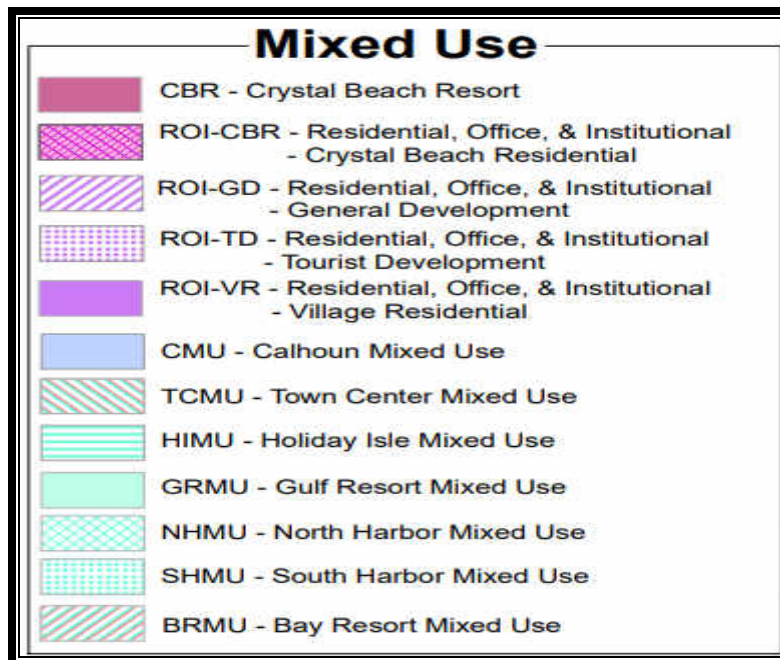
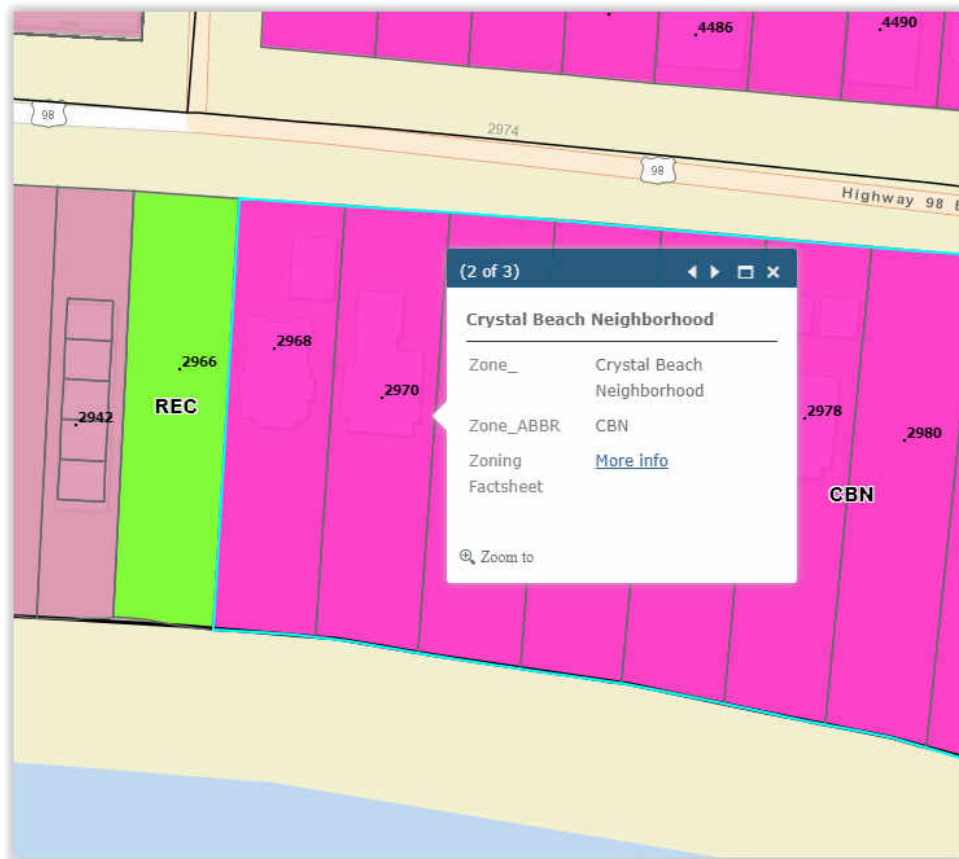
6244	Child day care services
922120	Police protection
922160	Fire protection

ACCESSORY USES:

For more information please contact:

Community Development Department
Planning Division
4100 Indian Bayou Trail, Destin, FL 32541
Phone: (850) 654-1119 option 2
www.cityofdestin.com

Zoning Map

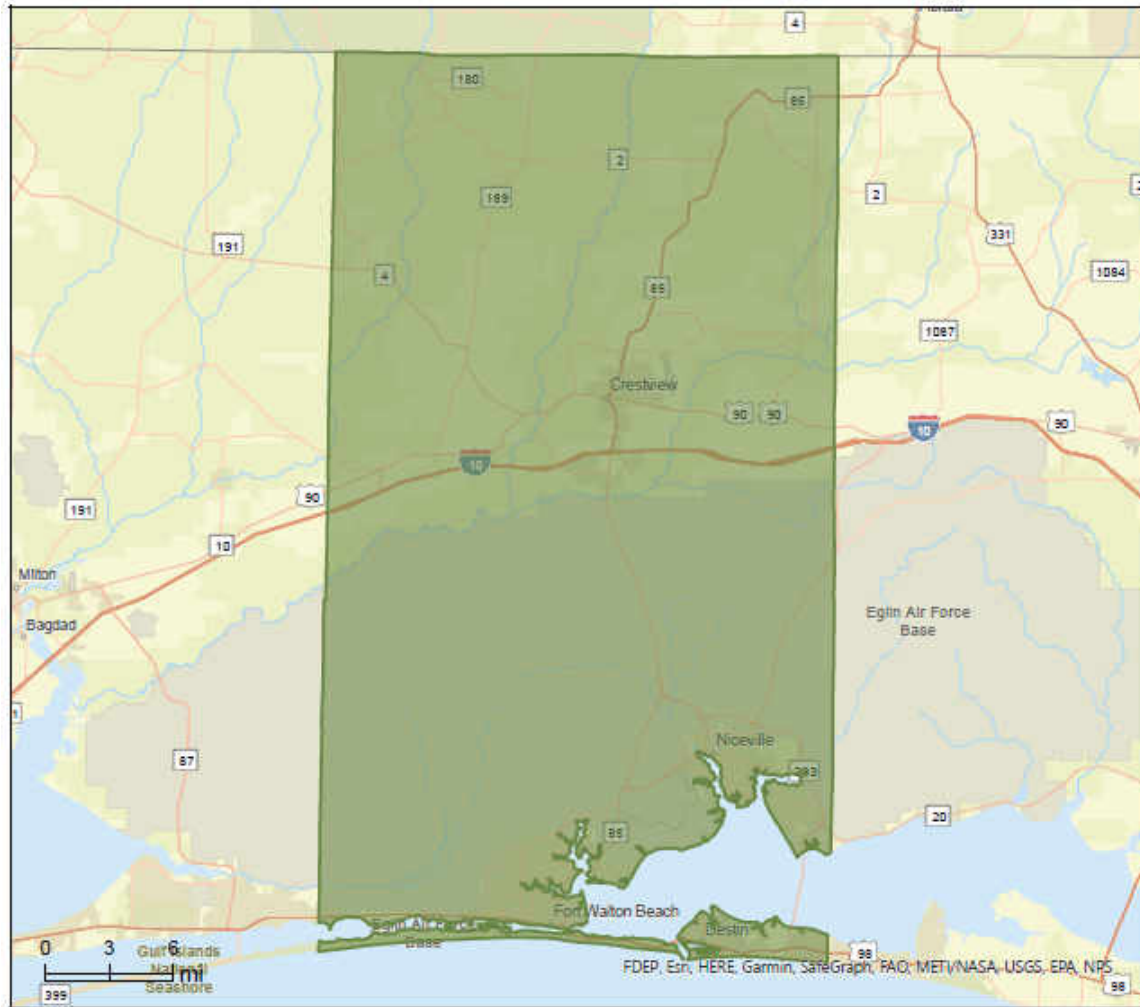


ANALYSIS OF DATA AND OPINIONS OF THE APPRAISER

Market Area Summary

Overview

Okaloosa County, FL



Location:

Okaloosa County is located in the Florida panhandle west of Walton County and east of Santa Rosa County. It contains an area of approximately 936 square miles, or 5100,000 acres, of which 267,000 acres (45%) are held by the federal government and 61,000 acres (10%) are held by the State of Florida. As depicted by the darker beige color on the above map, a large proportion of the land area of Okaloosa County is encompassed by Eglin Air Force Base.

This large military-controlled land area essentially bisects Okaloosa County into two sections; the southern section is comprised of the greater Fort Walton Beach area, and the

cities of Niceville and Destin, while the northern section is comprised of the city of Crestview and surrounding areas. In general, development in the southern end of the county is of a higher density than in the northern part of the county, where the abundance of land allows for lower densities. The county seat is Crestview.

Geography

Elevations range from sea level to 235 feet above sea level. According to the U.S. Census Bureau, the county has a total area of 2,802 km² (1,082 mi²). 2,423 km² (936 mi²) of it is land and 379 km² (146 mi²) of it (13.53%) is water. Fort Walton Beach and two United States Air Force bases (Eglin AFB and Hurlburt Field) are located in the south. Okaloosa County is the sole county in the Fort Walton Beach-Crestview-Destin Metropolitan Statistical Area.

History

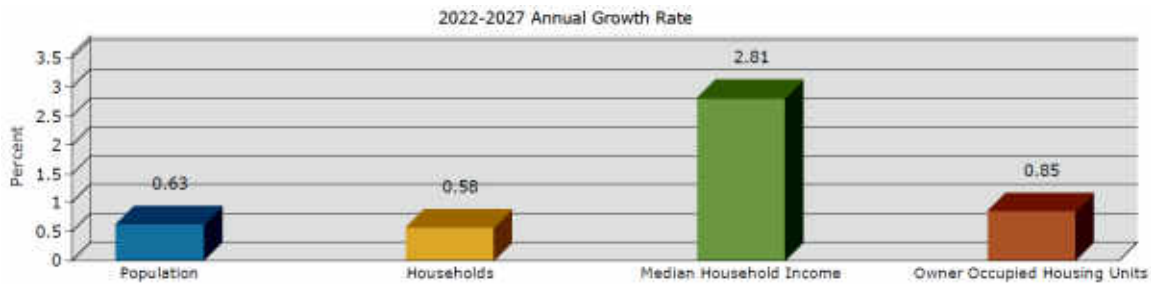
Okaloosa County was created in 1915. It took the Legislature several years to approve the creation of Okaloosa County from parts of Santa Rosa and Walton Counties. On September 7, 1915 the issue was settled. Credit was given to state representative, W.H. Mapoles from Laurel Hill, later known as the ‘Daddy of Okaloosa County.’ Milligan was made the temporary county seat and on March 6, 1917 a county election made Crestview the permanent county seat. Crestview was named because it is located on the crest of a high ridge on the forks of the Shoal and Yellow Rivers. The 1920 census of the county gave a county population of 9,360 persons. Okaloosa reaches from the Alabama state line to the Gulf of Mexico. The county was formed by taking 12 miles in width from Santa Rosa and Walton counties and is 24 miles wide and 40 miles long and contains 998 square miles.⁴

Prior to World War II the county was oriented around rural endeavors. Timber, farming, and isolated fishing camps were the main economic forces (excluding Prohibition era stills, alcohol import, and carry-over gambling). The varied exigencies of the war resulted in the federal forests being consumed by military needs and expanded. This has continued to the present, and spawned the initial growth and development of the southern portion of the county. Today, the south part of the county is a mosaic of military land, unincorporated communities and incorporated entities. Most of the growth in Okaloosa County has been in the southeastern end of the county along the beaches and in Crestview in the north end. Areas such as Fort Walton Beach have very little vacant land available for development.

⁴ Wikipedia, Okaloosa County, http://en.wikipedia.org/wiki/Okaloosa_County,_Florida#History

SOCIAL FORCES

Annual Growth Rates 2022-2027

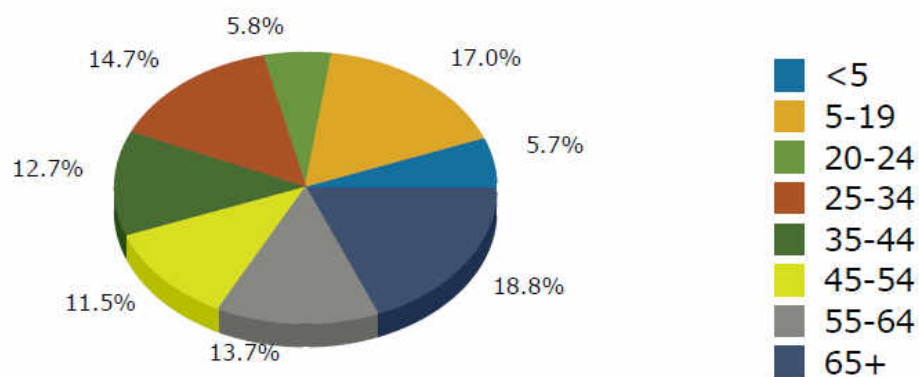


Population Increases 2010-2022

Population	
2010 Population	180,822
2020 Population	211,668
2022 Population	218,169
2027 Population	225,102
2010-2020 Annual Rate	1.59%
2020-2022 Annual Rate	1.35%
2022-2027 Annual Rate	0.63%
2022 Male Population	49.8%
2022 Female Population	50.2%
2022 Median Age	39.9

In 2020, the Census count in Okaloosa County was 211,668. Currently there are an estimated 218,169 persons in Okaloosa County, indicating a 1.35% annual increase. The five-year projection is 225,102 persons, or a projected increase of 0.63% annually from 2022 to 2027. ⁵

2022 Population by Age

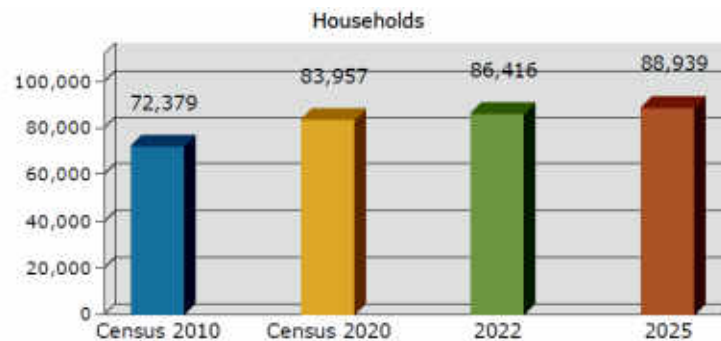


⁵ www.STDB.com

TOTAL POPULATION BY AGE		
Total Population	209,230	100%
Under 5 years	13,335	6.4%
5 to 9 years	13,666	6.5%
10 to 14 years	12,568	6.0%
15 to 19 years	11,640	5.6%
20 to 24 years	14,435	6.9%
25 to 29 years	16,658	8.0%
30 to 34 years	16,091	7.7%
35 to 39 years	14,577	7.0%
40 to 44 years	11,755	5.6%
45 to 49 years	11,230	5.4%
50 to 54 years	12,008	5.7%
55 to 59 years	14,969	7.2%
60 to 64 years	13,263	6.3%
65 to 69 years	11,110	5.3%
70 to 74 years	8,742	4.2%
75 to 79 years	5,766	2.8%
80 to 85 years	4,220	2.0%
85 years and over	3,197	1.5%

The median age for Okaloosa County is 39.9 compared to the United States as a whole of 38.9.

Households 2010-2025

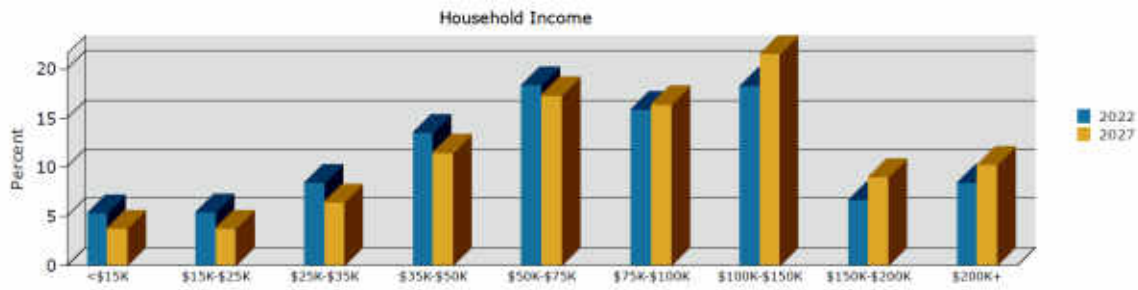


The household count in this area has changed from 83,957 in 2020 to 86,416 in the current year, a change of 1.29% annually. The five year projection of households is 88,939, a change of 0.58 annually from the current year total.

Average household size is currently 2.47, compared to 2.47 in the year 2020. The number of families in 2022 is 57,201 in the specified area.

Household Income 2022-2027

Current (2022) median household income for Okaloosa County is \$73,279, compared to \$72,414 for all U.S. households. The 2027 projection is expected to be \$84,156 compared to \$84,445 for all U.S. households. The current (2022) average household income for Okaloosa County is \$101,450, compared to \$105,029 for all U.S. households. The 2027 projection is expected to be \$118,676, compared to \$122,155 for all U.S. households.



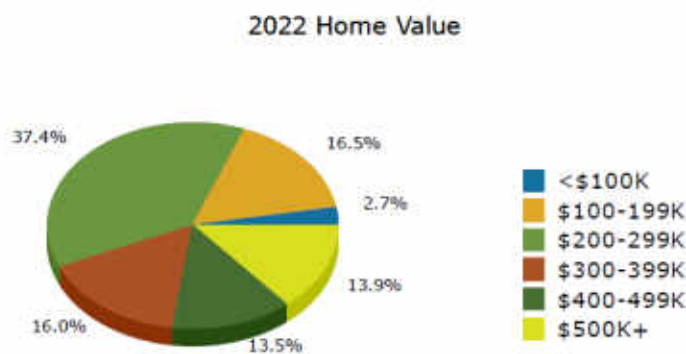
Current per capita income is \$40,365 in the area, compared to the U.S. per capita income of \$40,363. The per capita income is projected to be \$47,065 in five years, compared to \$47,064 for all U.S. households.

Housing 2000-2027

Housing Unit Summary	
2000 Housing Units	78,593
Owner Occupied Housing Units	56.0%
Renter Occupied Housing Units	28.3%
Vacant Housing Units	15.7%
2010 Housing Units	92,407
Owner Occupied Housing Units	51.0%
Renter Occupied Housing Units	27.4%
Vacant Housing Units	21.7%
2020 Housing Units	101,197
Vacant Housing Units	17.0%
2022 Housing Units	103,821
Owner Occupied Housing Units	54.7%
Renter Occupied Housing Units	28.6%
Vacant Housing Units	16.8%
2027 Housing Units	106,984
Owner Occupied Housing Units	55.3%
Renter Occupied Housing Units	27.8%
Vacant Housing Units	16.9%

Currently (2022), 54.7% of the 103,821 housing units in the area are owner occupied; 28.6%, renter occupied; and 16.8% are vacant. In the U.S., 58.2% of the housing units are owner occupied; 31.8% are renter occupied; and 10% are vacant.

Home Value 2022-2027

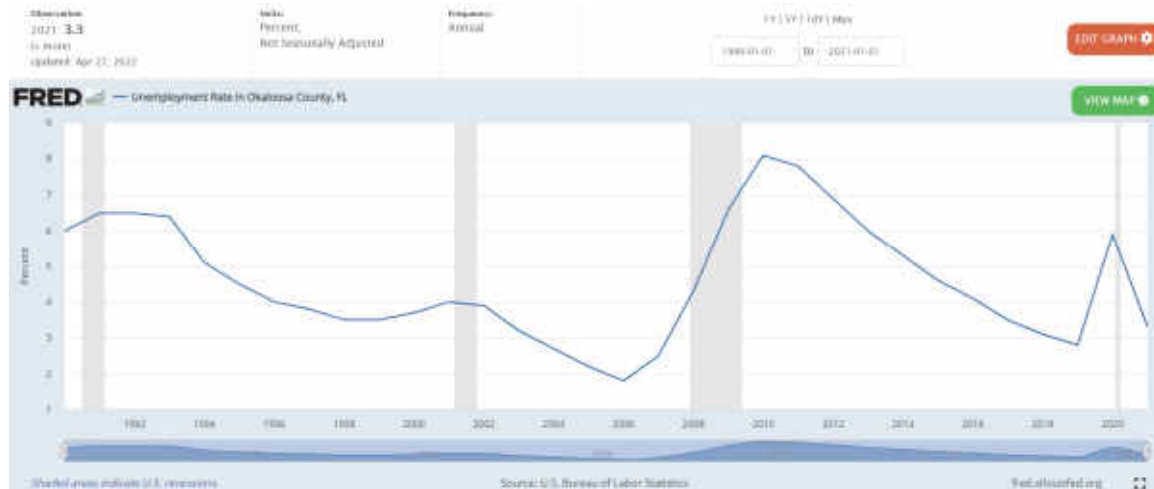


The 2022 median home value in Okaloosa County is \$281,809, compared to a median home value of \$283,272 or the U.S. The 2027 median value is projected to change by 2.68% annually to \$321,708.

ECONOMIC FORCES

Employment 2022

Overall the unemployment rate for Okaloosa County as of April 2022 is reported as 3.3%. The graph below shows the overall downward trend for Unemployment Claims in Okaloosa County.⁶



2022 employment fields (%)

Industry	Employed	Percent	US Percent
Total	106,114	100.0%	100.0%
Agriculture/Forestry/Fishing	373	0.4%	1.2%
Mining/Quarrying/Oil & Gas	45	0.0%	0.4%
Construction	9,400	8.9%	7.1%
Manufacturing	4,540	4.3%	9.6%
Wholesale Trade	1,622	1.5%	2.5%
Retail Trade	12,778	12.0%	10.8%
Transportation/Warehousing	5,058	4.8%	5.5%
Utilities	795	0.7%	0.8%
Information	848	0.8%	1.9%
Finance/Insurance	3,245	3.1%	4.8%
Real Estate/Rental/Leasing	4,307	4.1%	2.0%
Professional/Scientific/Tech	9,200	8.7%	8.0%
Management of Companies	37	0.0%	0.1%
Admin/Support/Waste Management	4,645	4.4%	3.8%
Educational Services	6,486	6.1%	9.0%
Health Care/Social Assistance	11,870	11.2%	14.5%
Arts/Entertainment/Recreation	1,857	1.8%	1.8%
Accommodation/Food Services	11,249	10.6%	6.5%
Other Services (Excluding Public)	6,076	5.7%	4.7%
Public Administration	11,683	11.0%	4.9%

The bulk of employers in Okaloosa County are in service-related fields, which include retail trade, health care/social assistance, public administration and accommodation/food services related fields.⁷

Business Expansion and New Development 2022-2023

⁶ www.fred.stlouisfed.org

⁷ www.STDB.com

The main commercial corridors for Okaloosa County are Highway 90 (east to west) through Crestview, Highway 85 (north to south) from Highway 90 south to Duke Field Air Force Base and Highway 85 (north to south) south of Duke Field into Niceville, and all the areas along Highway 98 (east to west) along the beaches. Much new and expanding commercial development is taking place in the form of retail and service jobs, especially in the areas along the beaches.

An April of 2022 article in the Northwest Florida Daily News⁸ describes a 52-acre mixed use parcel at 1900 Lewis Turner Boulevard that has been approved by city officials and is currently undergoing construction. The project's rendering, known as "Freedom Beacon Park" depicts about 300 multi-family units, a 126-room hotel, 55,000 SF of retail/commercial space, 160,000 SF of office space and a 4-acre central commons area. The site is located on an acreage parcel leased from Eglin Air Force Base on a 50-year ground lease.

A January of 2021 article in the Northwest Florida Daily News⁹ describes the Crestview Commons mixed-use development located on State Road 85 in Crestview, Florida. This development is currently under construction and is planned to feature approximately 73,000 SF of retail space and two national chain restaurants sited upon approximately 22-acres. Aldi, Ulta, Marshall's, Five Below Burlington's Coast Factory and Chili's are confirmed retailers/restaurants by the City of Crestview to be part of the complex.

An October of 2022 article in a 'Get the Coast' online article describes an approximate 20.06-acre parcel located at 757 & 761 Harbor Boulevard¹⁰ in the Destin, Florida has been approved by Destin City Council for a new Publix Shopping Center. This is the redevelopment of an existing shopping center in Downtown Destin. Construction is planned for an approximate 69,000 SF grocery-anchored shopping center which includes a +/-2,800 SF liquor store and +/-4,800 SF of retail / commercial units.

The uses in North Okaloosa County are primarily residential with a trend toward large homesteads with farming and agricultural use. Additionally, much of North Okaloosa County is within the boundary of the Blackwater River State Forest, as area set aside for recreation and conservation, where development will not be occurring.

GOVERNMENTAL FORCES

Public Services

Okaloosa County and the smaller municipalities within the County have all necessary public services including local fire departments, local police and County sheriff departments and local utility providers. Power, telephone, and internet are available. Utilities available include a range of services including water, sewer, natural gas, recycling stations and sanitation pick up. Local providers include Okaloosa Gas, Okaloosa County Water and Sewer, Niceville Water, Crestview Water, South Walton Utilities, Florida Power and Light, Destin Water and Mossyhead Water.

⁸ <http://www.nwfdailynews.com/news/20171117/major-development-proposed-for-fwfb>

⁹ <http://www.nwfdailynews.com/news/20171117/major-development-proposed-for-fwfb>

¹⁰ <https://www.getthecoast.com/destin-approves-publix-shopping-center/>

Governance and Zoning

The County Administrator is the chief administrative officer for the County. Okaloosa County is governed by five elected County Commissioners and houses a County Jail in Crestview. The Planning and Zoning Department of Okaloosa County govern commercial and residential development for the County. Commercial development is contained primarily to the major arterial roadways and thoroughfares that cross Okaloosa County. Axially off these roadways, we see secondary commercial uses and residential developments. The towns and cities of Cinco Bayou, Crestview, Destin, Ft. Walton Beach, Laurel Hill, Mary Esther, Niceville, Shalimar, and Valparaiso each have their own zoning codes which are enforced locally by town and city officials.

Homestead Exemption Laws

The entire state of Florida, inclusive of Okaloosa County, offers residents a homestead exemption up to \$50,000 for their primary residence. A \$25,000 exemption is allowed for all property taxes includes school taxes and an additional \$25,000 is available for homes assessed of from \$50,000 to \$75,000 which is applicable for non-school taxes.¹¹

ENVIRONMENTAL FORCES

Climate

As previously mentioned, Crestview is the County Seat of Okaloosa County and is representative of the County. The illustration below shows the annual average temperature of climate conditions in Crestview are generally mild and warm with temperatures ranging from an average overnight low in January of 37 degrees to 92 degrees in July¹². Average rainfall ranges from a low of 3.90” in October to a high in the month of July when the average rainfall is about 7.18”.

Climate Crestview - Florida

	Jan	Feb	Mar	Apr	May	Jun
Average high in °F	62	65	72	78	86	90
Average low in °F	37	39	45	51	58	67
Avg. precipitation in inch	5.77	5.10	6.32	4.16	4.44	6.65
	Jul	Aug	Sep	Oct	Nov	Dec
Average high in °F	92	91	88	80	72	63
Average low in °F	70	70	65	54	44	39
Avg. precipitation in inch	7.18	6.05	4.44	3.90	4.64	4.30

Transportation Systems

¹¹ <http://floridarevenue.com>

¹² www.usclimatedata.com

Okaloosa County is traversed by Interstate 10 which runs east to west. State Highways include Highway 4, Highway 90, Highway 98 (east / west) as well as Highway 85 (north / south).

Airports in Okaloosa County include Destin-Fort Walton Beach Airport and Bob Sikes Airport. There are no train stops in Okaloosa County, although there is discussion of reinstating Amtrak train service, which had a stop in Crestview before Hurricane Katrina interrupted service in 2005.

Navigable waterways in Okaloosa County including Choctawhatchee Bay and Santa Rosa Sound along the south. Bayous include Rocky Bayou, Tom's Bayou and Boggy Bayou along with numerous smaller bayous and inlets suitable for watercraft and recreation. The primary rivers are Yellow River and Juniper Creek, which run from the Alabama State Line south to the Gulf of Mexico as well as a multitude of smaller creeks and streams which cross Okaloosa County.

Immediate Area

Like most coastal counties in the panhandle of Florida, Okaloosa County development is driven by tourism and its proximity to military bases. Tourist attractions are limited to the beaches of Destin and Ft. Walton Beach along the Gulf of Mexico. Military installations in Okaloosa County include Hulbert Field, Eglin Air Force Base and Duke Field.

Summary of Projected Trends 2022-2027



In summary, it appears that Okaloosa County is ahead of the rest of the state of Florida for projected growth in Population, Households, Families, and Owner Housing Units.

Valuation Methodology

The appraisal analysis is based on analytical techniques encompassing the anticipation of costs and benefits to be derived in the future; however, the subject is appraised as described in this report, including only those assumptions also described in this report.

This appraisal analysis has been conducted, and the appraisal report was prepared in conformance with the requirements of Title XI of the *Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA)*.

The valuation process is a systematic procedure an appraiser follows to provide answers to a client's questions about real property value.¹ Three (3) basic approaches may be used to arrive at an estimate of market value. They are:

1. The Cost Approach
2. The Income Approach
3. The Sales Comparison Approach

Land Valuation Methodology

Land Valuation is generally a component of the Cost Approach in the appraisal of an improved site, however it may be utilized alone in an appraisal for vacant, or 'as if vacant' land not scheduled for development. In this appraisal, land valuation is conducted using the Sales Comparison Approach.

Cost Approach Methodology

The cost approach is a reliable methodology for new, nearly new, or special-use buildings. In the cost approach, value is estimated as the current cost of reproducing or replacing the existing or proposed improvements and site improvements (including direct and indirect costs as well as an appropriate entrepreneurial incentive or profit), and then deducting the loss in value from depreciation due to physical, functional, and external sources.¹³

The depreciated replacement or reproduction cost of the improvements is then added to the value of the site resulting in a value indication of the fee simple interest.

The Cost Approach is summarized as follows:

$$\begin{array}{l} \text{Cost New} \\ - \text{Depreciation} \\ + \text{Entrepreneurial Incentive} \\ + \text{Land Value} \\ = \text{Value} \end{array}$$

¹³ *The Appraisal of Real Estate*, Twelfth Edition

Sales Comparison Approach Methodology

The sales comparison approach is premised on the ‘Principle of Substitution’ indicating an informed purchaser would pay no more for a property than the cost of acquiring an equally desirable substitute property possessing the same or similar utility.

This approach is applicable when an active market provides sufficient quantities of reliable data capable of verification from authoritative sources. The Sales Comparison Approach is most reliable in an active market, or if an estimate of value is related to properties which there exist comparable sales, and heavy emphasis is generally placed on this sales comparison approach when these market conditions are present.

The Sales Comparison Approach compares sales of similar properties with the subject. Each comparable sale is adjusted for its inferior or superior characteristics. The values derived from the adjusted comparable sales form a range of value for the subject. By process of correlation and analysis, a final indicated value is derived.

Income Approach Methodology

The Income Approach converts the anticipated flow of future benefits (income) to a present value estimate through a capitalization and/or a discounting process.

The income approach is recognized as a reliable approach for estimating the value of ‘income producing’ property to an investor. The income approach consists of methods, techniques, and mathematical procedures that an appraiser utilizes to analyze a property’s capacity to generate income and convert 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 actions of the market, and the income approach is most applicable when the probable purchaser would be an investor or prospective owner occupant. Two (2) techniques associated with the income approach are direct capitalization (‘*DCR*’) and discounted cash flow (‘*DCF*’) analysis.

Final Reconciliation Process

In the appraisal process for improved property, typically more than one (1) approach to value is applied, resulting in two (2) or more value indications which must be evaluated for relevancy, applicability and reliability, and a final point value or range of value is chosen.

Resolving the differences among various value indications is called reconciliation.¹⁴

The appraisal process concludes with the ‘*Final Reconciliation*’ of the values derived from the approaches applied to arrive at a single estimate or range of market value opinions. Different properties require different means of analysis and lend themselves to one approach over the others. As such, in the reconciliation appropriate weight is

¹⁴ *The Appraisal of Real Estate*, Twelfth Edition

allocated to the most applicable and/or reliable indication of value to arrive at a conclusion.

Reconciliation is not a mathematical process. Rather, at this point in the valuation process the appraiser must reevaluate all relevant data in the analysis for appropriateness, accuracy, and quality of evidence.

The appraiser then weighs the relative significance, applicability, and defensibility of each value indication and relies most heavily on the approach most appropriate to the nature of the appraisal problem.

Valuation Methodology Utilized in this Assignment

Valuation Analyses

Land Valuation:	An opinion of value for the subject property in ‘As Vacant’ condition is being provided. ‘As Vacant’ land valuation is being conducted via employment of the sales comparison approach.
Cost Approach:	The cost approach was not utilized in this assignment as the subject is vacant land.
Sales Comparison Approach:	The improved sales comparison approach was not applied in this appraisal assignment as the subject is vacant land.
Income Approach:	As the subject property is being appraised as vacant land with no promise of generation of income, the income approach was not utilized in this appraisal.

Land Valuation

Anticipation, change, supply, demand, substitution, and balance are all appraisal principles that influence land value. Land value is substantially affected by supply and demand, but it is the economic use of a parcel of land that determines its value in a particular market.¹⁵

Several methods are commonly utilized by appraisers to provide an opinion of land value in 'As Vacant' or 'as if vacant' condition. These methods include sales comparison, extraction, allocation, direct capitalization, and yield capitalization. Of these methods, the sales comparison approach of valuation of land is the most commonly utilized, and is the preferred method when comparable sales area available.

The sales comparison approach was employed to estimate the current market value of the subject underlying land, 'As if Vacant' as of the effective date of this appraisal.

This valuation approach consists of steps in which the appraiser:

- Searches the market and gathers data on sales, listings, offers and options of comparable property.
- Identifies similarities and differences in data;
- Identifies the highest and best use of each potential comparable sale;
- Identifies units of comparison that explain market behavior;
- Adjusts the sale prices of the comparables to account for dissimilarity;
- Forms a conclusion as to the market value of the subject land.

Ideally, the subject would be compared to sales of similar parcels of land in the market area 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 commonly used in the market to derive pricing decisions.

Analysis of sales of waterfront land less than three (3) acres in size, and suitable for future resort residential development indicates the common valuation unit is the **price of land per water front foot. This is the unit of comparison utilized in this appraisal assignment.**

¹⁵ The Appraisal of Real Estate, Twelfth Edition

Valuation of Subject Via Price per Waterfront Foot

We have searched for comparable sales in the subject market area which feature similar zoning designations and potential for future development at densities consistent with each of the parcels permitted density by zoning regulations.

We have chosen eight comparables from the market which we conclude are comparable to the subject property. In choosing our comparables, we chose comparables of land with similar highest and best use determinations as the subject property.

Comparable	Address	Date	Price	Water Frontage	Price per WFF	Transaction Type
1	2974 Scenic Hwy 98	6/16/21	\$2,925,000	68	\$43,015	Closed
2	XXX Ocean Blvd	8/20/21	\$2,275,000	50	\$45,500	Closed
3	XXX Ocean Blvd	8/27/21	\$2,350,000	51	\$46,078	Closed
4	2942 Scenic Highway 98	10/29/20	\$3,400,000	50	\$68,000	Closed
5	Scenic Hwy 98	11/3/22	\$14,000,000	340	\$41,176	Closed
6	XXX Beach Drive	9/23/22	\$4,250,000	82	\$51,829	Closed
7	XXX W Co Hwy 30A	1/1/22	\$4,000,000	70	\$57,143	Closed
8	5533 W Co Hwy 30A	7/15/23	\$8,500,000	140	\$60,714	Pending

The descriptions and analysis of the land comparables are presented on the following pages.

Land Comparable 1



Location, Market and Sale Information

Name	Walker Land	Address	2974 Scenic Highway 98 E
Image	Aerial Photograph	City	Destin
Land or Improved	Land	County	Okaloosa
Property Type	Vacant Land	Market	Destin
Current Use	Vacant Land	State	FL
Proposed Use	Residential	Tax ID	00-2S-22-0584-0000-0050
Legal Description	Shores of Crystal Beach Lot	Grantor	JOJO Holding, LLC
		Grantee	Walker Property Investments

Site Characteristics

Acres	0.46	Topography	Level
Land SF	20,038	Zoning	CBN
Water Frontage	68	Zoning Type	Crystal Beach Neighborhood
Shape	Rectangular	Flood Zone	Zone X and VE
Utilities	All Available or Proximate	View	Gulf of Mexico

Sale Indications

Date	6/16/2021	Transaction Type	Closed
Price	\$2,925,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$43,014.71	Property Rights	Fee Simple
Price Per SF	\$145.98	Financing	Cash or Equiv.
Days on Market	113	Verification Source	Public Records, MLS 867788
Sale History	08/31/2010 for \$1,150,000	ORB/P	3354/1630

Notes

This is the sale of an approximate 0.46 acre gulf front lot on Scenic Highway 98. This parcel is zoned CBN - Crystal Beach Neighborhood and is only suitable for residential purposes.

Land Comparable 2



Location, Market and Sale Information

Name	Cooke Land	Address	XXX Ocean Blvd
Image	Aerial Photograph	City	Destin
Land or Improved	Land	County	Okaloosa
Property Type	Vacant Land	Market	Destin
Current Use	Vacant Land	State	FL
Proposed Use	Residential	Tax ID	00-2S-22-0075-0000-1130
Legal Description	Destiny by the Sea Lot 113	Grantor	Fourty Four Holdings, LLC
		Grantee	Cooke Properties, LLC

Site Characteristics

Acres	0.25	Topography	Level
Land SF	10,890	Zoning	CBN
Water Frontage	50	Zoning Type	Crystal Beach Neighborhood
Shape	Rectangular	Flood Zone	Zone X and VE
Utilities	All Available or Proximate	View	Gulf of Mexico

Sale Indications

Date	8/20/2021	Transaction Type	Closed
Price	\$2,275,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$45,500.00	Property Rights	Fee Simple
Price Per SF	\$208.91	Financing	Cash or Equiv.
Days on Market	2	Verification Source	Public Records, MLS 878596
Sale History	None prior 3 Years	ORB/P	3568/4941

Notes

This is the sale of an approximate 0.25 acre gulf front lot on Ocean Blvd in Destiny by the Sea. This parcel is zoned CBN - Crystal Beach Neighborhood and is only suitable for residential purposes.

Land Comparable 3



Location, Market and Sale Information

Name	Craparo Land	Address	XXX Ocean Blvd
Image	Aerial Photograph	City	Destin
Land or Improved	Land	County	Okaloosa
Property Type	Vacant Land	Market	Destin
Current Use	Vacant Land	State	FL
Proposed Use	Residential	Tax ID	00-2S-22-0075-0000-0020
Legal Description	Destiny by the Sea Lot 2	Grantor	Craparo, Richard and Judy
		Grantee	Michael and Darcy Smith

Site Characteristics

Acres	0.20	Topography	Level
Land SF	8,712	Zoning	CBN
Water Frontage	51	Zoning Type	Crystal Beach Neighborhood
Shape	Rectangular	Flood Zone	Zone X and VE
Utilities	All Available or Proximate	View	Gulf of Mexico

Sale Indications

Date	8/27/2021	Transaction Type	Closed
Price	\$2,350,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$46,078.43	Property Rights	Fee Simple
Price Per SF	\$269.74	Financing	Cash or Equiv.
Days on Market	856	Verification Source	Public Records, MLS 818790
Sale History	None prior 3 Years	ORB/P	3570/1978

Notes

This is the sale of an approximate 0.20 acre gulf front lot on Ocean Blvd in Destiny by the Sea. This parcel is zoned CBN - Crystal Beach Neighborhood and is only suitable for residential purposes.

Land Comparable 4



Location, Market and Sale Information

Name	Former Crystal Port	Address	2942 Scenic Highway 98
Image	Aerial Photograph	City	Destin
Land or Improved	Land Purchase	County	Okaloosa
Property Type	Condo/Townhome	Market	Destin
Current Use	Condo/Townhome	State	FL
Proposed Use	Public Beach Access	Tax ID	00-2S-22-0590-0000-00A0
Legal Description	Crystal Port Units A-E	Grantor	Emerald LTA-2, LTD
		Grantee	Trust for Public Land

Site Characteristics

Acres	0.41	Topography	Level
Land SF	17,750	Zoning	CBR
Water Frontage	50	Zoning Type	Crystal Beach Resort
Shape	Rectangular	Flood Zone	X and AE
Utilities	All Available	View	Gulf of Mexico

Sale Indications

Date	10/29/2020	Transaction Type	Closed
Price	\$3,400,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$68,000.00	Property Rights	Fee Simple
Price Per SF	\$191.55	Financing	Cash or Equiv.
Days on Market	Unadvertised Sale	Verification Source	Public Record, Seller Peter Bos
Sale History	None In Previous 3 Years	ORB/P	3502/244

Notes

This is the sale of five each older townhomes within Crystal Port, a gulf front townhome development in Destin, FL. The owner of this property had been holding the property for some time with plans for a condominium development on the site, however sold the site and the five townhomes to the Trust for Public Land who in turn deeded the parcel to the City of Destin for public beach access enhancement.

Land Comparable 5



Location, Market and Sale Information

Name	City of Destin Land	Address	Scenic Highway 98
Image	Aerial Photograph	City	Destin
Land or Improved	Land Purchase	County	Okaloosa
Property Type	Redevelopment Site	Market	(14) Destin
Current Use	Resort Rental	State	FL
Proposed Use	Public Use	Tax ID	00-2S-22-0580-000A-0100
Legal Description	Metes and Bounds, Lot-Blk	Grantor	Blasbichler Trust
		Grantee	Trust for Public Land

Site Characteristics

Acres	2.04	Topography	Level
Land SF	88,862	Zoning	CBR
Road Frontage	Scenic Gulf, Gulf of Mexico	Zoning Type	Crystal Beach Resort
Shape	Rectangular	Flood Zone	X, AE, VE
Utilities	All Available	View	Gulf

Sale Indications

Date	11/3/2022	Transaction Type	Closed
Price	\$14,000,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$41,176.47	Property Rights	Fee Simple
Price Per SF	\$157.55	Financing	Cash or Equiv.
Days on Market	Over 365	Verification Source	Seller, Buyer, Appraisal
Sale History	None In Previous 3 Years	ORB/P	3650/608

Notes

This is the sale of a four parcel assemblage containing 2.04 acres more or less. No consideration was given to the improvements present, however they were functional and we consider their interim use value offsets the cost of demolition. These parcels were purchased for public use and were deeded to the City of Destin after purchase. This parcel featured 340 Water Front Feet along the Gulf of Mexico.

Land Comparable 6



Location, Market and Sale Information

Name	My Destiny Way	Address	XXX Beach Drive
Image	Aerial Photograph	City	Santa Rosa Beach
Land or Improved	Land Purchase	County	Walton
Property Type	Improved	Market	Santa Rosa Beach
Current Use	Improved	State	FL
Proposed Use	Redevelopment	Tax ID	34-2S-21-42080-007-025A
Legal Description	Lot 25 Blk 7 Gulf Pines	Grantor	Claude Penn
		Grantee	My Destiny Way Property, LLC

Site Characteristics

Acres	0.67	Topography	Level
Land SF	29,185	Zoning	RP
Water Frontage	82	Zoning Type	Residential Preservation
Shape	Irregular	Flood Zone	X and VE
Utilities	All Available	View	Gulf Of Mexico

Sale Indications

Date	9/23/2022	Transaction Type	Closed
Price	\$4,250,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$51,829.27	Property Rights	Fee Simple
Price Per SF	\$145.62	Financing	Cash or Equiv.
Days on Market	21	Verification Source	Public Record, MLS 905002
Sale History	None In Previous 3 Years	ORB/P	3267/3023

Notes

This is the sale of an approximate 0.67 acre parcel of land on Beach Drive in Santa Rosa Beach which was purchased for residential redevelopment. The listing indicates that this property could be either utilized for single family residential development, or a duplex with a maximum size of 6,000 SF. The duplex that is shown in the photograph was given no value and is reportedly slated for demolition, and this was marketed as a land purchase opportunity.

Land Comparable 7



Location, Market and Sale Information

Name	Ayden Woods	Address	XXX W Co Hwy 30A
Image	Aerial Photograph	City	Santa Rosa Beach
Land or Improved	Vacant Land	County	Walton
Property Type	Vacant Land	Market	30A West
Current Use	Vacant Land	State	FL
Proposed Use	Residential Development	Tax ID	04-3S-20-34050-001-0050
Legal Description	Lot 5 Blk 1 Dune Allen SD	Grantor	WPSR Development, LLC
		Grantee	Ayden Woods Investments

Site Characteristics

Acres	0.28	Topography	Level
Land SF	12,197	Zoning	RP
Water Frontage	70	Zoning Type	Residential Preservation
Shape	Rectangular	Flood Zone	X and VE
Utilities	All Available or Proximate	View	Gulf of Mexico

Sale Indications

Date	1/1/2022	Transaction Type	Closed Sale
Price	\$4,000,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$57,142.86	Property Rights	Fee Simple
Price Per SF	\$327.95	Financing	Cash or Equiv
Days on Market	31	Verification Source	Public Records, MLS 884318
Sale History	\$3,750,000 on 7/30/2021	ORB/P	3234/2399

Notes

This is the closed sale of an approximate 0.28 acre lot on the Gulf of Mexico in Santa Rosa Beach. This lot does not extend to the mean high water line of the Gulf of Mexico, and there is a public beach to the south of this parcel owned by Walton County.

Land Comparable 8



Location, Market and Sale Information

Name	Blakeslee Parcel	Address	5533 W Co Hwy y 30A
Image	Aerial Photograph	City	Santa Rosa Beach
Land or Improved	Residential	County	Walton
Property Type	Residential	Market	30A West
Current Use	Residential	State	FL
Proposed Use	Public Use	Tax ID	04-3S-20-34000-002-0000
Legal Description	Metes and Bounds	Grantor	Blakeslee Et Al
		Grantee	Walton County

Site Characteristics

Acres	0.91	Topography	Level, Outfall
Land SF	39,640	Zoning	NPA
Water Frontage	140	Zoning Type	NPA-Infill
Shape	Irregular	Flood Zone	X and VE
Utilities	All Available or Proximate	View	Gulf of Mexico

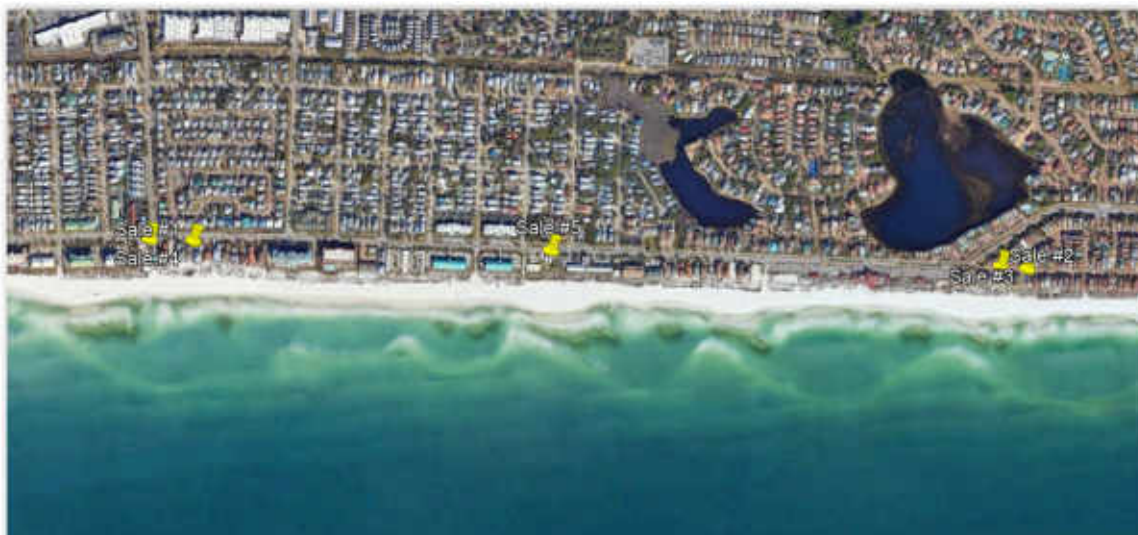
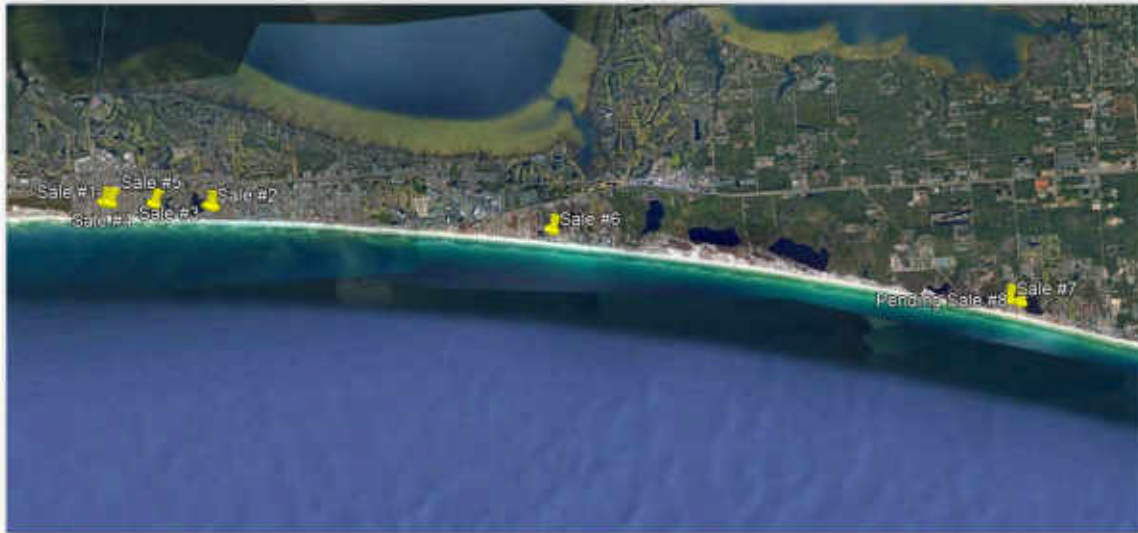
Sale Indications

Date	7/15/2023	Transaction Type	Pending Sale
Price	\$8,500,000	Conditions of Sale	Pending Sale
Water Frontage Unit Price	\$60,714.29	Property Rights	Fee Simple
Price Per SF	\$214.43	Financing	Cash or Equiv
Days on Market	95	Verification Source	MLS 918414, Buyer
Sale History	6/21/2021 for \$4,350,000	ORB/P	Not Yet Recorded

Notes

This is the pending sale of a two parcel assemblage zoned Neighborhood Planning Area Infill, which is improved with an older home, but the home is slated for demolition by the purchaser in order to make way for a public access. This sale includes two each platted lots however the eastern most lot is affected by the dune lake outfall along the east boundary.

Comparables Location Map



Analysis Grid, Improved Comparable Sales

On the page following is depicted a sales comparison grid displaying the subject, the comparables, and the adjustments applied.

Land Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6	Comp 7	Comp 8
Name	City of Destin	Walker Land	Cooke Land	Craparo Land	Crystal Port	City of Destin Land	My Destiny Way	Ayden Woods	Blakeslee Parcel
Address	2970 Scenic Gulf Drive	2974 Scenic Hwy 98	XXX Ocean Blvd	XXX Ocean Blvd	2942 Scenic Highway 98	Scenic Highway 98	XXX Beach Drive	XXX W Co Hwy 30A	5533 W Co Hwy 30A
City	Destin	Destin	Destin	Destin	Destin	Destin	Santa Rosa Beach	Santa Rosa Beach	Santa Rosa Beach
County	Okaloosa	Okaloosa	Okaloosa	Okaloosa	Okaloosa	Okaloosa	Walton	Walton	Walton
Market	Destin	Destin	Destin	Destin	Destin	Destin	Santa Rosa Beach	Santa Rosa Beach	Santa Rosa Beach
State	FL	FL	FL	FL	FL	FL	FL	FL	FL
Property Type	Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Tax ID		00-2S-22-0584-0000-0050	00-2S-22-0075-0000-1130	00-2S-22-0075-0000-0020	00-2S-22-0590-0000-00A0	00-2S-22-0580-000A-0100	34-2S-21-42080-007-025A	04-3S-20-34050-001-0050	04-3S-20-34000-002-0000
Price	\$0	\$2,925,000	\$2,275,000	\$2,350,000	\$3,400,000	\$14,000,000	\$4,250,000	\$4,000,000	\$8,500,000
Price Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjustment	None	None	None	None	None	None	None	None	None
Adjusted Price	\$0	\$2,925,000	\$2,275,000	\$2,350,000	\$3,400,000	\$14,000,000	\$4,250,000	\$4,000,000	\$8,500,000
Date	7/15/2023	6/16/2021	8/20/2021	8/27/2021	10/29/2020	11/3/2022	9/23/2022	1/1/2022	7/15/2023
Price	\$0	\$2,925,000	\$2,275,000	\$2,350,000	\$3,400,000	\$14,000,000	\$4,250,000	\$4,000,000	\$8,500,000
Water Frontage	51	68	50	51	50	340	82	70	140
Water Frontage Unit Price	\$0	\$43,015	\$45,500	\$46,078	\$68,000	\$41,176	\$51,829	\$57,143	\$60,714
Transaction Adjustments									
Property Rights	Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional	Cash or Equiv.	0.0%	Cash or Equiv.	0.0%	Cash or Equiv.	0.0%	Cash or Equiv.	0.0%
Conditions of Sale	Normal	Normal	0.0%	Normal	0.0%	Normal	0.0%	Normal	0.0%
Adjusted Water Frontage Unit Price		\$43,015	\$45,500	\$46,078	\$68,000	\$41,176	\$51,829	\$57,143	\$60,714
Market Trends Through	1/1/23	18.0%	29.1%	25.4%	25.0%	2.7%	4.6%	18.0%	0.0%
Adjusted Water Frontage Unit Price		\$55,551	\$57,054	\$57,596	\$97,471	\$42,293	\$54,234	\$67,429	\$60,714
Location	Very Good	Similar	Superior	Superior	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	-5%	-5%	0%	0%	0%	0%	0%
\$ Adjustment		\$0	-\$2,853	-\$2,880	\$0	\$0	\$0	\$0	\$0
Water Frontage	67	68	50	51	50	340	82	70	140
% Adjustment		0%	-5%	-5%	-5.0%	25%	5.0%	0.0%	15.0%
\$ Adjustment		\$0	-\$2,853	-\$2,880	-\$4,874	\$10,573	\$2,712	\$0	\$9,107
Shape	Rectangular	Rectangular	Rectangular	Rectangular	Rectangular	Rectangular	Irregular	Rectangular	Irregular
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Topography	Level to Sloping	Level	Level	Level	Level	Level	Level	Level	Level
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Zoning	CBN	CBN	CBN	CBN	CBR	CBR	RP Duplex Allowed	RP	NPA Infill
% Adjustment		0%	0%	0%	-10%	-10%	-5%	0%	-10%
\$ Adjustment		\$0	\$0	\$0	-\$9,747	-\$4,229	-\$2,712	\$0	-\$6,071
Highest and Best Use	Residential	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Functional Utility	Good - Extends to Mean High Water Line	Similar	Similar	Similar	Superior - Improvements Included	Access Easement at Boundary	Property Does not Extend to Mean High Water Line	Property Does not Extend to Mean High Water Line	Dune Lake Outfall Issue
% Adjustment		0.0%	0.0%	0.0%	-20.0%	5.0%	10.0%	10.0%	10.0%
\$ Adjustment		\$0	\$0	\$0	-\$19,494	\$2,115	\$5,423	\$6,743	\$6,071
Access	Adequate	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
View	Gulf	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Water Frontage Unit Price		\$55,551	\$51,348	\$51,836	\$63,356	\$50,752	\$59,657	\$74,171	\$69,821
Net Adjustments		29.1%	12.9%	12.5%	-6.8%	23.3%	15.1%	29.8%	15.0%
Gross Adjustments		29.1%	37.9%	37.5%	93.5%	43.8%	25.6%	29.8%	35.0%

Comparable Sale Adjustments

Explanation of Adjustments to Comparable Land Sales

Adjustments were made to the comparable land sales to account for differences between the subject property in 'As Vacant' condition, and each of the comparable land sales. An analysis of each of the elements of comparison and adjustments applied to the comparable land sales to account for the differences is presented below.

Property Rights

This adjustment considers the Fee Simple property rights of the subject. Each of the properties was conveyed in fee simple ownership by Warranty Deed instruments. Therefore, no adjustments are required for property rights.

Financing

All of the comparable sales sold or are anticipated to sell with cash to the seller and/or cash equivalent financing from conventional lending sources at market rates. Although these comparable sale sources did not reveal the exact terms of their financing, none of the purchasers of the comparable sale property indicated that the terms of their financing were materially different than what they perceived as market rate. As such, no adjustment is required for financing for these sales.

Conditions of Sale

All of the comparable land sales and pending sales were arm's length transactions, with no undue pressure on the seller or buyer involved in the comparable sale transactions to perform a purchase or sale. As such, no adjustment is required for conditions of sale for these sales.

Economic Trends / Market Conditions

We have observed dynamic conditions in the real estate market over the prior 3 years. Presently, there are only two gulf front lots for sale in the market area, the subject lot, with an asking price of \$5,750,000 and a gulf front lot on Lands End Drive with the same list price. Obviously, there has been an increase in values of gulf front land over the preceding months, as exhibited by the comparable sales, their sale prices and sale dates, and what is available for sale now. We present the following back-to-back sales in order to support a market conditions adjustment in the market to apply to the older sales in consideration of market conditions.

- 2809 Scenic Gulf Drive sold for \$1,075,000 in August of 2020 and resold in February of 2023 for \$2,725,000. This represents an approximate 153% increase in value over 30 months or an appreciation rate of 5.10 percent per month. This home did incur some nominal upgrades between the times of sale which contribute to the increase in sale price, however we attribute much of this to appreciation.

- 61 Lands End Drive in Destin sold in July of 2020 for \$2,995,000 and resold in June of 2023 for \$4,100,000. This represents an approximate 39% increase in value over 35 months or an appreciation rate of 1.11 percent per month.
- 132 Sandprint Circle in Destin sold in December of 2021 for \$6,025,000 and resold in August of 2022 for \$7,740,000. This represents an approximate 29% increase in value over 9 months or an appreciation rate of 3.22 percent per month.

In consideration of these factors, we will apply a market conditions adjustment of 1.5% per month, or 18% per annum to sales which occurred Prior to January 1, 2023.

Location

The location of the comparable sales relative to the subject was considered based on proximity to established travel corridors and surrounding land uses. The subject property has appealing location along Scenic Highway 98, in close proximity to a wide variety of commercial amenities, as well as the City of Destin tourist corridor. All comparable are considered to have similar location characteristics as compared to the subject, and no adjustment is necessary to this category of comparison.

Size

In this analysis, the subject and each comparable was contrasted for size of the parcel, specifically the quantity of water front feet each parcel featured. A common characteristic of the real estate market is larger parcels typically sell for less per unit of measure than do smaller parcels, all other characteristics being equal, being a reflection of economy of scale in the marketplace. Adjustments were applied as necessary.

Shape

The dimensions of the subject and all comparable sales were contrasted for this feature. No adjustment was considered necessary to this category of comparison as all of the sales were considered to have shape suitable for allowance of development to each parcel's associated highest and best use.

Topography

The subject and all of the comparable sales were contrasted for the feature of topography, and I determined all were essentially similar. Hence, no adjustment is necessary to these comparables.

Zoning

Comparables 4-6 and 8 feature a less restrictive zoning designation which allows for more development options than that to which the subject is limited, single family residential, and these sales were adjusted downward. We made no other adjustments in this area of comparison, as all of the remaining sales were similarly zoned.

Highest and Best Use

We have considered the highest and best use for each of the comparable land sales based on subsequent development, lack thereof, or other market information. All of the sales were roughly similar and did not warrant adjustment.

Functional Utility

The subject and each of the comparables were contrasted for functional utility. Comparable #5 features a deeded beach access easement along the west boundary to which the land area is servient to and was adjusted upward. Comparable #4 sold with notable improvements present which were given consideration in the price paid for the site, despite the fact that the purchaser desired the land only. As the price paid reflected consideration for the improvements, a deduction is made for the presence of these improvements in the purchase. Comparables 7 and 6 do not extend to the high water line of the Gulf of Mexico, an inferior attribute, and were adjusted upward accordingly. Comparable #8 is anticipated to have some nominal challenges to redevelopment by virtue of a dune lake outfall at the east boundary and was adjusted upward.

Access

The subject parcel and each of the comparables are considered to have adequate access thus no adjustments are necessary.

View

The subject and all of the comparables are direct waterfront Gulf of Mexico frontage parcels each sharing similar views and as such no adjustment was necessary in this category of comparison.

Land Value Conclusion

The quantity and quality of data is sufficiently reliable to derive a reasonable and sufficiently supported indication of market value as we employed six comparables which were considered comparable to the subject to premise our analysis, and now, our conclusion.

We consider the quality of improved sales to be sufficient and adequate to derive an opinion of value derived from improved sales comparison.

We consider the quantity of six comparables adequate to render a credible opinion of value.

FULL RANGE OF VALUE	
Sale #1	\$55,551
Sale #2	\$51,348
Sale #3	\$51,836
Sale #4	\$63,356
Sale #5	\$50,752
Sale #6	\$59,657
Sale #7	\$74,171
Pending #8	\$69,821
Lowest	\$50,752
Highest	\$74,171
Average	\$59,562
Median	\$57,604
Std Dev	\$8,321

The sales comparison analysis indicated a full range of value per waterfront foot of the subject site of between \$50,752 and \$74,171 per WFF with an average of \$59,562 rounded to \$60,000 per WFF, and a median of \$57,604 rounded to \$58,000. The standard deviation for the full range of adjusted sale data was \$8,321.

We give some consideration to each of the comparables and reconcile at a rounded \$59,000 per Water Front Foot which is consistent with the average and median value indication produced by the full range of value and is within the full range of value produced by all of the comparables.

Applying this to the +/-67 WFF contained by the property indicates a total value of \$3,950,000.

Ranges & Reconciled Values	
Low:	\$50,752
High:	\$74,171
Average:	\$59,562
Reconciled Value/Unit Value:	\$59,000
Subject Size:	67
Type of Unit Value:	Water Front Foot
Indicated Value:	\$3,953,000
Reconciled Final Value:	\$3,950,000

Based on the previously presented analysis, we have reconciled to the following ‘As Vacant’ / ‘As Is’ value as of July 15, 2023, and subject to the Limiting Conditions and Assumptions of this appraisal.

**Indicated Value Subject Property
In ‘As Is’ Condition
As Of: July 15, 2023**

\$3,950,000

Three Million Nine Hundred Fifty Thousand Dollars

Final Reconciliation

The process of reconciliation involves the analysis of each approach to value. The quality of data, the significance of each approach as it relates to market behavior and defensibility of each approach are considered and weighed. Finally, each is considered separately and comparatively.

Value Indications

Land Value:	\$3,950,000
Cost Approach:	Not utilized
Sales Comparison Approach:	Not Utilized
Income Approach:	Not Utilized

Land Valuation

We have used the sales comparison approach with a highest and best use of land 'As if Vacant' based on comparison with other parcels in the subject market area.

There is sufficient quality and quantity of market data to derive an opinion of land value via the sales comparison approach. In valuing the subject parcel we used eight land comparables.

The comparable sale data utilized is of an adequately nature to derive a credible opinion of value.

All comparable sales were in the general or broader competitive market area of the subject. We concentrated primarily on sales which featured similar highest and best use conclusions and potential for development.

We used price per WFF as our unit of comparison based on the actions of buyers and sellers in the market. Primary weight has been allocated the sales comparison approach to value in this appraisal analysis.

Cost Approach, Improved Sales Comparison Approach, Income Approach

Given valuation of the subject in 'As if Vacant' condition, the cost, improved sales comparison, and income approaches were not utilized in this appraisal assignment.

Therefore, we have allocated primary weight to the value indication from the land sales comparison analysis in our reconciliation. We have noted previously that the sole component of the subject is a result of the underlying land with the improvement value only sufficient to offset costs of demolition and disposal. Therefore, the value of the subject 'As Is' is synonymous with the value of the subject 'As if Vacant'.

Exposure Time

The opinion of value derived as a result of the analyses in this report revolves around the time estimated necessary to sell the subject, given market conditions and conditions / characteristics of the property leading to the date of value.

Exposure time is retrospective from the effective date of value of the appraisal report.

While unique to every property, exposure time is universally dependent on satisfactory effort being given by competent market participants in an effort to sell the subject. This requirement is parallel to the definition of market value utilized in this appraisal assuming competent and aggressive marketing is present in any sale.

Based on the preponderance of market data and analyses presented in the preceding analysis, it is estimated the exposure time necessary to have achieved the value opinion subsequently stipulated is nine to twelve (9-12) months.

Value Conclusion

Based on the data and analyses developed in this appraisal, we have reconciled to the following rounded value conclusion, as of July 15, 2023, subject to the Limiting Conditions and Assumptions of this appraisal.

Reconciled Value

**Market Value of the Fee Simple Interest In the Subject Property
In 'As Is' Condition, As of July 15, 2023:**

\$3,950,000

Three Million Nine Hundred Fifty Thousand Dollars

The estimated market exposure period necessary for the subject to have achieved this value is estimated to be 9-12 months.

Certification

The appraisers have no present or prospective interest in the subject property of this appraisal and no personal interest of bias with respect to the parties involved in this appraisal. We have the appropriate education and experience to conduct this appraisal.

The appraisers will not divulge the analytical findings or conclusions to anyone other than the client or designee, except as may be required by the Appraisal Institute or by a court of law with power of subpoena.

We certify, to the best of our 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 our personal, impartial, and unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the property which is the subject of this report and no personal interest with respect to the parties involved.
- The signatory appraiser has not performed any services regarding the subject property, as an appraiser or in any other, capacity that is the subject of this report within the 3 years prior to the date of acceptance of this appraisal assignment.
- We have no bias with respect to the property which is the subject of this report or to the parties involved with this assignment.
- The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 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.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.

Certification (Continued)

- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this report.
- As of the effective date of this report, I, Jason Shirey, MAI, have completed the continuing education requirements of the Appraisal Institute.

This appraisal has been conducted, and the appraisal report prepared in conformance with the requirements of Title XI of the Financial Institutions Reform, Recover, and Enforcement Act of 1989 (FIRREA, 12 U.S.C. 3331 et seq.). This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

Respectfully submitted,
Equivalue Appraisal, LLC.

A handwritten signature in blue ink, appearing to read 'Jason P. Shirey', with a stylized flourish extending from the end.

Jason P. Shirey, MAI, CCIM, CPM
Cert Gen RZ3186

Limiting Conditions and Assumptions

1. Unless otherwise noted in the body of the report, we assumed that title to the property or properties appraised is clear and marketable and that there are no recorded or unrecorded matters or exceptions that would adversely affect marketability or value. We are not aware of any title defects nor were we advised of any unless such is specifically noted in the report. We did not examine a title report and make no representations relative to the condition thereof. Documents dealing with liens, encumbrances, easements, deed restrictions, clouds and other conditions that may affect the quality of title were not reviewed. Insurance against financial loss resulting in claims that may arise out of defects in the subject property's title should be sought from a qualified title company that issues or insures title to real property.
2. We assume that improvements are constructed or will be constructed according to approved architectural plans and specifications and in conformance with recommendations contained in or based upon any soils report(s).
3. Unless otherwise noted in the body of this report, we assumed: that any existing improvements on the property or properties being appraised are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are, or will be upon completion, in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the property or properties have been engineered in such a manner that it or they will withstand any known elements such as windstorm, hurricane, tornado, flooding, earthquake, or similar natural occurrences; and, that the improvements, as currently constituted, conform to all applicable local, state, and federal building codes and ordinances. We are not engineers and are not competent to judge matters of an engineering nature. We did not retain independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, make no representations relative to the condition of improvements. Unless otherwise noted in the body of this report no problems were brought to our attention by ownership or management. We were not furnished any engineering studies by the owners or by the party requesting this appraisal. If questions in these areas are critical to the decision process of the reader, the advice of competent engineering consultants should be obtained and relied upon. It is specifically assumed that any knowledgeable and prudent purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of the building systems. Structural problems and/or building system problems may not be visually detectable. If engineering consultants retained should report negative factors of a material nature, or if such are later discovered, relative to the condition of the improvements, such information could have a substantial negative impact on the conclusions reported in this appraisal. Accordingly, if engineering consultants report negative findings, we reserve the right to amend the appraisal conclusions reported herein.
4. All furnishings, equipment and business operations, except as specifically stated and typically considered as part of real property, have been disregarded with only real property being considered in the appraisal. Any existing or proposed improvements, on- or off-site, as well as any alterations or repairs considered, are assumed to be completed

- in a workmanlike manner according to standard practices based upon information submitted. This report may be subject to amendment upon re-inspection of the subject property subsequent to repairs, modifications, alterations and completed new construction. Any estimate of Market Value is as of the date indicated; based upon the information, conditions and projected levels of operation.
5. We assume that all factual data furnished by the client, property owner, owner's representative, or persons designated by the client or owner to supply said data are accurate and correct unless otherwise noted in the appraisal report. We have no reason to believe that any of the data furnished contain any material error. Information and data referred to in this paragraph include, without being limited to, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any material error in any of the above data could have a substantial impact on the conclusions reported. Thus, we reserve the right to amend our conclusions if errors are revealed. Accordingly, the client-addressee should carefully review all assumptions, data, relevant calculations, and conclusions within 30 days after the date of delivery of this report and should immediately notify us of any questions or errors.
 6. The date of value to which any of the conclusions and opinions expressed in this report apply, is set forth in the Letter of Transmittal. Further, that the dollar amount of any value opinion herein rendered is based upon the purchasing power of the American Dollar on that date. This appraisal is based on market conditions existing as of the date of this appraisal. Under the terms of the engagement, we will have no obligation to revise this report to reflect events or conditions which occur subsequent to the date of the appraisal. However, we will be available to discuss the necessity for revision resulting from changes in economics or market factors affecting the subject.
 7. We assume no private deed restrictions, limiting the use of the subject property in any way.
 8. Unless otherwise noted in the body of the report, we assume that there are no mineral deposits or subsurface rights of value involved in this appraisal, whether they be gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered unless otherwise stated in this appraisal report. Unless otherwise stated we also assumed that there are no air or development rights of value that may be transferred.
 9. We are not aware of any contemplated public initiatives, governmental development controls, or rent controls that would significantly affect the value of the subject.
 10. The estimate of Market Value, which may be defined within the body of this report, is subject to change with market fluctuations over time. Market value is highly related to exposure, time promotion effort, terms, motivation, and conclusions surrounding the offering. The value estimate(s) consider the productivity and relative attractiveness of the property, both physically and economically, on the open market.
 11. Unless specifically set forth in the body of the report, nothing contained herein shall be construed to represent any direct or indirect recommendation to buy, sell, or hold the

- properties at the value stated. Such decisions involve substantial investment strategy questions and must be specifically addressed in consultation form.
12. Unless otherwise noted in the body of this report, we assume that no changes in the present zoning ordinances or regulations governing use, density, or shape are being considered. The property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based, unless otherwise stated.
 13. This study may not be duplicated in whole or in part without our written consent, nor may this report or copies hereof be transmitted to third parties without said consent. Exempt from this restriction is duplication for the internal use of the client-addressee and/or transmission to attorneys, accountants, or advisors of the client-addressee. Also exempt from this restriction is transmission of the report to any court, governmental authority, or regulatory agency having jurisdiction over the party/parties for whom this appraisal was prepared, provided that this report and/or its contents shall not be published, in whole or in part, in any public document without our written consent. Finally, this report shall not be advertised to the public or otherwise used to induce a third party to purchase the property or to make a “sale” or “offer for sale” of any “security”, as such terms are defined and used in this Securities Act of 1933, as amended. Any third party, not covered by the exemptions herein, who may possess this report, is advised that they should rely on their own independently secured advice for any decision in connection with this property. We shall have no accountability or responsibility to any such third party.
 14. Any value estimate provided in the report applies to the entire property, and any pro ration or division of the title into fractional interests will invalidate the value estimate, unless such pro ration or division of interests has been set forth in the report.
 15. Any distribution of the total valuation in this report between land and improvement applies only under the existing program of utilization. Component values for land and/or buildings are not intended to be used in conjunction with any other property or appraisal and are invalid if so used.
 16. The maps, plats, sketches, graphs, photographs, and exhibits included in this report are for illustration purposes only and are to be used only to assist in visualizing matters discussed within this report. Except as specifically stated, data relative to size or areas of the subject and comparable properties was obtained from sources deemed accurate and reliable. None of the exhibits are to be removed, reproduced, or used apart from this report.
 17. No opinion is intended to be expressed on matters that may require legal expertise or specialized investigation or knowledge beyond that which is customarily employed by real estate appraisers. Values and opinions expressed presume that environmental and other governmental restrictions/conditions by applicable agencies have been met, including but not limited to seismic hazards, flight patters, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, licenses, etc. No survey, engineering study or architectural analysis was provided to us unless otherwise stated within the body of this report. If we were not supplied with a

- termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranty is made concerning obtaining these items. We assume no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
18. Acceptance and/or use of this report constitutes full acceptance of the Assumptions and Limiting Conditions and extraordinary assumptions set forth in this report. It is the responsibility of the Client, or client's designees, to read in full, comprehend and thus become aware of the aforementioned assumptions and limiting conditions. We assume no responsibility for any situation arising out of the Client's failure to become familiar with and understand the same. The Client is advised to retain experts in areas that fall outside the scope of the real estate appraisal/consulting profession if so desired.
 19. We assume that the subject property will be under prudent and competent management and ownership; neither inefficient nor super-efficient.
 20. We assume 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 reports.
 21. No survey of the boundaries of the property was undertaken. All areas and dimensions furnished are presumed correct. It is further assumed that no encroachments to the realty exists.
 22. All value opinions expressed herein are as of the date of value. In some cases, facts or opinions are expressed in the present tense. All opinions are expressed as of the date of value, unless specifically noted.
 23. The Americans with Disabilities Act (ADA) became effective January 26, 1992. Notwithstanding any discussion of possible readily achievable barrier removal construction items in this report, we did not perform a specific compliance survey and analysis of this property to determine whether it is in conformance with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the ADA. If so, the fact could have a negative effect on the value estimated herein. Since we have no specific information relating to this issue, nor are we qualified to make such an assessment, the effect of any possible non-compliance was not considered in estimating the value of the subject property.
 24. The value estimate rendered in this report is predicated on the assumption that there is no hazardous material on or in the property that would cause a loss of value. We were not provided with an Environmental Assessment Report. Further, we are not qualified to determine the existence or extent of environmental hazards. If there are any concerns pertaining to environmental hazards for this property, we recommend that a qualified engineer perform an assessment.

Addenda

Parcel Maps



Property Appraiser Data Cards


Okaloosa County Property Appraiser
Log In

Layers Map Search Tangible Property Search Sales Search Sales List Condo List Results **Report** Sales Results Property Type Search Property Type

Parcel Summary

Parcel ID: 00-25-22-0584-0000-0030
Location Address: 2970 SCENIC HWY 98 E
DESTIN 32541
Neighborhood: RESIDENTIAL GULF (222100.30)
Brief Tax Description*: SHORES OF CRYSTAL BEACH LOT 3
*The Description above is not to be used on legal documents.
Property Use Code: VACANT (000000)
Sec/Twp/Rng: 00-25-22
Tax District: Destin (District 10)
Millage Rate: 12.0509
Acreage: 0.000
Homestead: N
Acreage (GIS): 0.44
Fire District: N/A
[View Map](#)

Owner Information

Primary Owner:
[City Of Destin](#)
4200 Indian Bayou Trl
Destin, FL 32541

Valuation

	2022 Certified Values	2021 Certified Values	2020 Certified Values	2019 Certified Values	2018 Certified Values
Building Value	\$0	\$1,060,277	\$856,123	\$890,466	\$914,923
Extra Features Value	\$0	\$38,604	\$22,394	\$34,386	\$35,684
Land Value	\$2,241,342	\$1,765,939	\$1,473,297	\$1,681,847	\$1,648,870
Land Agricultural Value	\$0	\$0	\$0	\$0	\$0
Agricultural (Market) Value	\$0	\$0	\$0	\$0	\$0
Just (Market) Value	\$2,241,342	\$2,864,820	\$2,361,814	\$2,606,699	\$2,599,477
Assessed Value	\$1,942,533	\$2,864,820	\$2,361,814	\$2,606,699	\$2,189,362
Exempt Value	\$1,942,533	\$2,864,820	\$0	\$0	\$50,000
Taxable Value	\$0	\$0	\$2,361,814	\$2,606,699	\$2,139,362
Cap Diff/Portability Amount	\$298,809	\$0	\$0	\$0	\$410,115

(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.

Homestead Application

[Apply for Homestead Exemption](#)

Land Information

Code	Land Use	Number of Units	Unit Type	Frontage	Depth
000110	SFR GULF	67.00	FF	0	0

Sales

Multi Parcel	Sale Date	Sale Price	Instrument	Book	Page	Qualification	Vacant/Improved	Grantor	Grantee
N	11/16/2020	\$0	SW	2806	695	Unqualified (U)	Improved	THE TRUST FOR PUBLIC LAND	CITY OF DESTIN
N	11/16/2020	\$3,300,000	WD	2806	406	Qualified (Q)	Improved	KMB ROCKY HILL LLC	TRUST FOR PUBLIC LAND
N	05/09/2018	\$100	QC	2249	3426	Unqualified (U)	Improved	WADE KENNETH & MARIE	KMB ROCKY HILL LLC

Prior Listing

797954 Full Agent Report - Residential Detached Single Family - Sold				\$3,300,000																																												
Office File #: Address: 2970 Scenic Hwy 98, Destin, FL 32541 County: Okaloosa Area: 14 - Destin Sub Area: 1404 - Destin Beach East Project Name/Subdivision: CRYSTAL BEACH Zoning: Resid Single Family Parcel ID: 00-25-22-0584-0000-0030 Elementary School: Destin Middle School: Destin High School: Fort Walton Beach Apx SqFt(Htd/Cooled): 5,800 Price/SqFt: \$568.97		Bedrooms: 6 Total Baths: 7 Full Baths: 6 Half Baths: 1 Design: Mediterranean # Stories: 3 Year Built: 1995 Occupancy Status: Vacation Rental Immediate Occupancy: Yes Construction Status: Construction Complete SqFt Source: Agent-Measured Pool: Yes Pool Type: Private																																														
Directions: Headed east from intersection of Scenic 98 and Hutchison St home is 2nd house on the gulf Legal Description: SHORES OF CRYSTAL BEACH LOT 3																																																
Remarks: Just Reduced 150k. Casa De Palmas is one of the most exquisite custom beach front homes in Destin. Ideally located in Crystal Beach, and set on 67' of beachfront, this could very well be your families perfect beach house! You first enter a courtyard shaded by palm trees, and are immediately greeted by an impressive grand entrance staircase with cast stone columns and balustrades. The custom Walnut door is surrounded by a beautiful stained glass window installation that was made for this home. As you enter you're met by ocean views, but as you look closer you'll notice the comfortable and inviting floor plan, with MANY recent upgrades. There are Pecky Cypress ceilings in the main living areas and bedrooms, and a mixture of hardwood and stone floors. More...																																																
Agent to Agent Rmrks: Listing price is extremely firm and As-Is. Showings only during Saturday rental turns. Text Brooks to schedule. Showing: Appointment Only; Call Broker; See Agent Notes																																																
Garage Spaces: 5 Driveway Spaces: 6 Lot Features: Coastal Barrier Zone: Yes; Within 1/2 Mile to Water Lot/Parcel Access: City Road; Paved Road Parking Features: Garage; Garage Attached; Garage Detached; Oversized		Waterfront Feet: 67 Waterfront: Gulf, Shore - Beach; Waterfront Feet: 67 Waterview: Gulf Lot Dimensions: 285X67 Acreage: 0.44 Beach Frontage: Farm Info:																																														
<table border="1"> <thead> <tr> <th>Room Name</th> <th>Lvl</th> <th>Dimnsns</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>Foyer</td> <td>First</td> <td>15 x 10.91</td> <td></td> </tr> <tr> <td>Bedroom</td> <td>Second</td> <td>15.5 x 13</td> <td></td> </tr> <tr> <td>Living Room</td> <td>First</td> <td>28.66 x 18</td> <td></td> </tr> <tr> <td>Bedroom</td> <td>Third</td> <td>20.33 x 17.5</td> <td></td> </tr> <tr> <td>Living Room</td> <td>Second</td> <td>12.25 x 11.25</td> <td></td> </tr> <tr> <td>Dining Room</td> <td>First</td> <td>28.58 x 21.83</td> <td>Dining/Kitchen Combo</td> </tr> <tr> <td>Bedroom</td> <td>Third</td> <td>19.83 x 17.66</td> <td></td> </tr> <tr> <td>Kitchen</td> <td>Second</td> <td>7.41 x 5.75</td> <td></td> </tr> <tr> <td>Master Bedroom</td> <td>Second</td> <td>21.25 x 18.33</td> <td></td> </tr> <tr> <td>Bedroom</td> <td>Second</td> <td>15 x 11.41</td> <td></td> </tr> </tbody> </table>	Room Name	Lvl	Dimnsns	Remarks	Foyer	First	15 x 10.91		Bedroom	Second	15.5 x 13		Living Room	First	28.66 x 18		Bedroom	Third	20.33 x 17.5		Living Room	Second	12.25 x 11.25		Dining Room	First	28.58 x 21.83	Dining/Kitchen Combo	Bedroom	Third	19.83 x 17.66		Kitchen	Second	7.41 x 5.75		Master Bedroom	Second	21.25 x 18.33		Bedroom	Second	15 x 11.41		Construction/Siding: Foundation On Piling; Roof Pitched; Roof Tile/Slate; Stucco Project Facilities: Exterior: Balcony; Columns; Fenced Lot-Part; Hurricane Shutters; Lawn Pump; Patio Covered; Pool - Heated; Porch; Satellite Dish; Shower; Sprinkler System Interior: Breakfast Bar; Built-In Bookcases; Ceiling Crwn Molding; Ceiling Raised; Ceiling Tray/Coffered; Elevator; Fireplace 2+; Fireplace Gas; Floor Marble; Floor Tile; Furnished - All; Guest Quarters; Kitchen Island; Lighting Recessed; Owner's Closet; Pantry; Shelving; Walls Mirrored; Washer/Dryer Hookup; Wet Bar; Window Treatment All; Woodwork Painted Appliances: Auto Garage Door Opn; Cooktop; Dishwasher; Disposal; Dryer; Ice Machine; Microwave; Oven Double; Oven Self Cleaning; Range Hood; Refrigerator W/iceMk; Security System; Smoke Detector; Stove/Oven Gas; Trash Compactor; Washer Utilities: Electric; Gas - Natural; Phone; Public Sewer; Public Water; TV Cable Existing Leases: Daily/Weekly Mstr Bdrnm/Mstr Bath: MBath Double Vanity; MBath Garden Tub; MBath Separate Shwr; MBath Tile; MBath Whirlpool; MBed Fireplace; MBed Walk-in Closet; MBed Waterfront; See Remarks Energy: AC - 2 or More; AC - Central Elect; Ceiling Fans; Double Pane Windows; Heat,Cntrl Electric; Insulated Doors; Water Heater - Elect; Water Heater - Two +			
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Living Room	Second	12.25 x 11.25																																														
Dining Room	First	28.58 x 21.83	Dining/Kitchen Combo																																													
Bedroom	Third	19.83 x 17.66																																														
Kitchen	Second	7.41 x 5.75																																														
Master Bedroom	Second	21.25 x 18.33																																														
Bedroom	Second	15 x 11.41																																														
Assessment Amount: Fees Include: New Buyer Fee Amt: Asso Mgmt Company: N/A Asso Mgmt Contact: N/A Asso Mgmt Name:		Homestead: No Land Lease P/Year: Assessment Fees: No Last Taxes: 27,535.72 Last Tax Year: 2017 Rent/Mo: Lease Expiration Dt: Is Subject Leased: No Assumable Mtg Typ: Financing: Conventional																																														
Listing Office: Gulf Realty 30A LLC EGR3 Listing Member: Brooks M Wade E9801 brooks@gulfrealty30a.com Co-listing Office: Co-listing Member: Trans Broker Comp: 2% Dual/Variable Rate: No As Is: Yes		Agent Ph: 850-887-1261 Agent Cell Ph: 850-887-1261 Office Ph: 850-887-1261 Co-List Ph: Single Agent Comp: 2% Non-Rep Comp: 2% Limited Service List: No Sale Type: Named Exception: No List Type: Exclusive Right of Sale Agency: Single Agent Seller: Nnn/Kenneth Wade & Marie Wade Seller Phone #:																																														

Most Recent Warranty Deeds

FILE #3408027 RCD: 11/17/2020 1:30 PM, BK: 3506 PG: 408, RECORDING: \$10.50 RECORDING ARTICLE V: \$8.00
D Doc Stmp: \$23,100.00 DEPUTY CLERK ASECRIST
JD PEACOCK II CLERK OF COURTS, OKALOOSA COUNTY, FLORIDA

OKALOOSA COUNTY, FLORIDA

Recording Fee: \$ 27.00

Documentary Stamps: \$ 23,100.00

THIS INSTRUMENT PREPARED BY:

C. JEFFREY MCINNIS, Attorney at Law

Anchors Smith Grimsley, P.L.C.

909 Mar Walt Drive, Suite 1014

Fort Walton Beach, Florida 32547

(850) 863-4064

File No. 20-0077CJM

STATE OF FLORIDA)

COUNTY OF OKALOOSA)

WARRANTY DEED

THIS WARRANTY DEED is made effective the 16th day of November, 2020, by **KMB Rocky Hill, LLC, A NEVADA LIMITED LIABILITY COMPANY**, whose post office address for purposes hereof is: P.O. BOX 6177, MIRAMAR BEACH, FL, 32550, (hereinafter called the "Grantor"), to **THE TRUST FOR PUBLIC LAND, a California nonprofit corporation**, whose address for purposes hereof is 306 N. Monroe Street, Tallahassee, FL, 32301 (hereinafter called "Grantee");

WITNESSETH: That Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the Grantee, all that certain land located in Okaloosa County, State of Florida, more particularly described as follows:

Lot 3, THE SHORES OF CRYSTAL BEACH, a Planned Unit Development, a Resubdivision of a Portion of Block B, Crystal Beach Subdivision according to the Plat thereof as recorded in Plat Book 13, Page 82, of the Public Records of Okaloosa County, Florida.

PARCEL ID NO. 00-2S-22-0584-0000-0030

SUBJECT to any and all covenants, restrictions, easements, reservations and other matters of record which are not hereby reimposed.

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD, the same in fee simple forever.

BK: 3506 PG: 409

AND Grantor hereby covenants with Grantee that Grantor is lawfully seized of said land in fee simple; that Grantor has good right and lawful authority to sell and convey said land; that Grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances, except as otherwise stated herein and except taxes accruing subsequent to December 31, 2019.

IN WITNESS WHEREOF, Grantor has signed and sealed these presents effective for all purposes as of the day and year first above written.

Signed, sealed and delivered in our presence:

KMB Rocky Hill, LLC,
a Nevada limited liability company

[Signature]
Witness No. 1: (Signature Above Line)
Printed Name: Asha Delfosse

By: [Signature]
Kenneth R. Wade, Its Managing Member

[Signature]
Witness No. 2: (Signature Above Line)
Printed Name: Loree M. Arrington

STATE OF Florida)
COUNTY OF Collier)

The foregoing instrument was acknowledged before me by means of () physical presence or () online notarization, this 11th day of November, 2020, by Kenneth R. Wade, in his capacity as Managing Member of KMB Rocky Hill, LLC, a Nevada limited liability company, on behalf of the company,

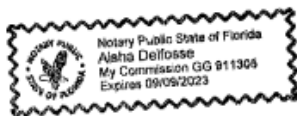
☐ who is personally known to me OR

☒ who has produced a REAL

as proper identification and who did

not take an oath.

[Signature]
NOTARY PUBLIC
My Commission Expires: _____



FILE #3408101 RCD: 11/17/2020 2:31 PM, BK: 3506 PG: 695, RECORDING: \$10.50 RECORDING ARTICLE V: \$8.00
DEPUTY CLERK ASECRIST
JD PEACOCK II CLERK OF COURTS, OKALOOSA COUNTY, FLORIDA

OKALOOSA COUNTY, FLORIDA

Recording Fee: \$ 18.50
Documentary Stamps: \$ EXEMPT

THIS INSTRUMENT PREPARED BY:
C. JEFFREY MCINNIS, Attorney at Law
ANCHORS SMITH GRIMSLEY, PLC
909 Mar Walt Drive, Suite 1014
Fort Walton Beach, Florida 32547
(850) 863-4064
File No. 20-0077CJM

STATE OF FLORIDA)
COUNTY OF OKALOOSA)

THIS INSTRUMENT IS EXEMPT FROM DOCUMENTARY STAMP TAXES
PURSUANT TO
CHAPTER 201.02(6), FLORIDA STATUTES.

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED is made effective the 16th day of November, 2020 by **The Trust for Public Land, a California nonprofit corporation** whose post office address for purposes hereof is 306 North Monroe Street, Tallahassee, FL 32301, (hereinafter called "Grantor"), to **The City of Destin, Florida, a Florida municipal corporation**, whose post office address for purposes hereof is 4200 Indian Bayou Trail, Destin, FL 32541, (hereinafter called "Grantee"):

WITNESSETH: That Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the Grantee, and Grantees successors and assigns forever, all that certain land located in **Okaloosa County, State of Florida**, more particularly described as follows:

Lot 3, THE SHORES OF CRYSTAL BEACH, a Planned Unit Development, a Resubdivision of a Portion of Block B, Crystal Beach Subdivision according to the Plat thereof as recorded in Plat Book 13, Page 82, of the Public Records of Okaloosa County, Florida.
PARCEL ID NO. 00-2S-22-0584-0000-0030

SUBJECT to covenants, restrictions, easements, reservations and other matters of record, if any now exist, which are not hereby reimposed.

BK: 3506 PG: 696

TOGETHER WITH all and singular rights, privileges, hereditaments, and appurtenances to the Real Estate belonging or in any wise incident to appertaining thereto (collectively, the "Property").

TO HAVE AND TO HOLD, the same unto the said Grantee in fee simple forever.

AND Grantor hereby covenants with Grantee that Grantor is lawfully seized of said land in fee simple; that Grantor has good right and lawful authority to sell and convey said land; that Grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons claiming by, through or under the said Grantor, but against none other; and that said land is free of all encumbrances, except as otherwise stated herein and except taxes accruing subsequent to December 31, 2019.

IN WITNESS WHEREOF, Grantor has signed and sealed these presents effective for all purposes as of the day and year first above written.

Signed, sealed and delivered in our presence:

**The Trust for Public Land,
a California nonprofit corporation**

Witness #1: [Signature]
(Witness Sign Above Line)

Printed Name: Will Abberger

[Signature]

Catherine A. Brown
Senior Project Manager

Witness #2: Stacy S. Gayhart
(Witness Sign above Line)

Printed Name: Stacy S. Gayhart

STATE OF FLORIDA)
COUNTY OF LEON)

The foregoing instrument was acknowledged before me by means of (☒) physical presence or () online notarization this ___ day of November, 2020, by Catherine A. Brown in her capacity as Senior Project Manager on behalf of the The Trust for Public Land, a California nonprofit corporation,

☒ who is personally known to me OR

_____ who has produced a _____ as proper identification and who did not take an oath.

(NOTARY SEAL)

Stacy S. Gayhart
NOTARY PUBLIC

My Commission Expires: 10-30-2022



APPRAISAL REPORT



**+/-0.40 ACRES OF MIXED USE ZONED LAND LOCATED ALONG SCENIC HIGHWAY 98,
IN DESTIN, OKALOOSA COUNTY, FLORIDA**

CLIENT: THE CITY OF DESTIN



**EQUIVALUE APPRAISAL, LLC.
PROFESSIONAL APPRAISAL AND VALUATION SERVICES
P.O. Box 5326
DESTIN, FLORIDA 32540
PHONE (850) 424-6119**

Jason P. Shirey, MAI, CCIM, CPM

State-Certified General Real Estate Appraiser RZ3186
Direct Phone (850) 543-5953 (Mobile)
EquiValue Appraisal File No: 230-133A

APPRAISAL REPORT

Of Mixed Use Land Property
+/-0.40 Acres of Land

Location
2940 Scenic Highway 98,
Destin, Okaloosa County, FL
32541

Effective Date
July 15, 2023

Report Date
August 4, 2023

Client / Intended User
The City of Destin
4200 Indian Bayou Trail
Destin, FL 32541

Prepared by:
Jason P. Shirey, MAI, CCIM, Cert Gen RZ3186



Phone 850 424 6119 Fax 888 774 4503

EquiValue Appraisal LLC File #: EQ 230-133A

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August 4, 2023

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



Re: Appraisal of a Gulf Front Parcel of Mixed-Use zoned land containing an approximate +/-0.40 Acres, located along the south side of Scenic Highway 98, and having the assigned postal addresses of 2940 Scenic Highway 98, Destin, Okaloosa County, FL 32541. EquiValue Appraisal File № 230-133A.

Dear Client:

At your authorization and request, we have prepared an appraisal for the above-referenced mixed use zoned land in 'As Is' condition. A copy of the engagement document has been included in the addenda to this report if applicable.

This letter of transmittal is not an appraisal report, but merely serves to transmit the attached appraisal report and convey the final conclusion of value.

The accompanying research, analyses and conclusions, and appraisal report following this letter of transmittal has been compiled in accordance with USPAP Standards Rule 2-2(a) for a written appraisal report.

The purpose of the appraisal assignment is to derive an opinion of the current market value of the subject property in 'As Is' condition, subject to our assessment of highest and best use, as of the effective date of the appraisal, July 15, 2023 the most recent date of inspection.

The intended use of this appraisal is to assist the client/intended user, The City of Destin, in the evaluation of the subject property for internal decision making.

This appraisal is intended for the use of the client only. No other users are identified or authorized. The appraiser is not responsible for the unauthorized use of this report.

We have completed the requisite inspections, research, and analyses necessary to appraise the 100% fee simple interest in the subject property, 'As Is' as of July 15, 2023.

Please reference the Scope section of this report for information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis and valuation methodology.

August 4, 2023

Page 2

We certify that we have no present or contemplated future interest in the property beyond this opinion of value. The reported value(s) in this appraisal have not been based on a requested minimum valuation, a specific valuation, or the approval of a loan, and has been prepared in compliance with the Uniform Standards of Professional Appraisal Practice.

Your attention is directed to the Limiting Conditions and Assumptions section following the reconciliation and appraisal certification in this report. Acceptance of this report constitutes an agreement with these conditions and assumptions.

This appraisal is subject to the following Hypothetical Condition(s):

- None.

This appraisal is subject to the following Extraordinary Assumption(s):

- We were not provided with a title search for the subject property. The deed for the subject references some restrictions from the distant past, however given the lack of a title commitment / title search, these restrictions could not be evaluated. This appraisal is being conducted subject to the extraordinary assumption that the restrictions noted in the deed, and any other restrictions or easements that may be discovered in a formal title search would not have a material adverse impact on the developability of the subject property. This appraisal utilized the preceding extraordinary assumption, the use of which may have affected the assignment results.

Our opinion of value was formed based on our experience in the field of real property valuation, as well as the research and analysis set forth in this appraisal.

Our concluded opinion of value for the subject property, as of July 15, 2023, subject to the attached assumptions, limiting conditions and certification, is as follows:

**Current Market Value of the Fee Simple Interest in the Subject Property
In 'As Is' Condition, As of July 15, 2023:**

\$3,420,000

Three Million Four Hundred Twenty Thousand Dollars

The estimated market exposure period necessary for the subject to have achieved this value is estimated to be 9-12 months.

August 4, 2023

Page 3

It was a pleasure assisting you with this matter. If you have any questions concerning the following analysis, or if we can be of further assistance, please do not hesitate to call.

Respectfully submitted,

EquiValue Appraisal, LLC

A handwritten signature in blue ink, appearing to read "Jason Shirey", with a stylized flourish extending from the end.

Jason Shirey, MAI, CCIM, CPM
Cert Gen RZ 3186 (FL)

INTRODUCTION

Qualifications of the Appraiser



Qualifications of **Jason P. Shirey, MAI, CCIM, MS-RECM**

State-Certified General Real Estate Appraiser No. RZ 3186 (FL)
State-Certified General Contractor No. CGC 062478 (FL)
Licensed Real Estate Broker No. BK 3168469 (FL)

MAI : Designated Member of the Appraisal Institute
Appraisal Institute, Chicago, Illinois.

CCIM : Designated Certified Commercial Investment Member
CCIM Institute, Chicago, Illinois.

M.S. RECM : Master of Science, Real Estate and Construction Management
University of Denver - Denver, Colorado.

B.S. BCN : Bachelor of Science, Building Construction Management
University of Florida – Gainesville, Florida.

Business Affiliations and Work Experience, Past / Present

EquiValue Appraisal and Consulting Services

Principal and Founder; Real Estate Appraiser, Real Estate Broker, Certified General Contractor

Marsh Appraisal Corporation - Real Estate Appraisal and Valuation Services, Fort Walton Beach, Florida

Registered Trainee Appraiser / State Certified Real Estate Appraiser

Plantation Coast Properties, LLC – Fort Walton Beach, Florida

Principal; Real Estate Investments and Property Management

Alcon Associates, Inc. – Commercial General Contractors / Construction Managers; Pensacola, Florida

Florida Division Manager

National Construction Enterprises, LLC – General Contractor / Construction Managers; Savannah, Georgia

Vice President of Operations, Savannah-Hilton Head Division

Acoustics and Specialties, Inc. – General Contractors; Memphis, Tennessee

Senior Estimator / Project Manager of Healthcare Construction

Brasfield and Gorrie General Contractor Inc. – General Contractors and Construction Managers; Orlando, Florida

Construction Estimator / Project Manager

United States Air Force Reserve

Reserve Pilot, Boeing C-17 Globemaster III



Jason P. Shirey, MAI, CCIM, MS-RECM (Continued)

Professional / Continuing Education

Litigation Appraising - Specialized Topics and Applications <i>Appraisal Institute</i>	Income Property Management <i>Institute of Real Estate Management / University of Denver</i>
Uniform Standards of Professional Appraisal Practice 7 Hour Update, <i>Appraisal Institute</i>	Certified Commercial Investment Member Core Concepts <i>CCIM Institute Comprehensive Exam</i>
Advanced Income Capitalization <i>Appraisal Institute</i>	Appraising from Blueprints and Specifications <i>Appraisal Institute</i>
Advanced Sales Comparison Approach and Principles In Highest and Best Use <i>Appraisal Institute</i>	Florida Building Code Update Florida Workplace Safety and OSHA Update <i>Universal Inspection Service</i>
User Decision Analysis for Commercial Real Estate <i>CCIM Institute Course CI-103</i>	Uniform Standards of Professional Appraisal Practice 15 Hour Update, <i>Appraisal Institute</i>
Advanced Cost Approach <i>Appraisal Institute</i>	Business Practices and Ethics for Appraisers <i>Appraisal Institute Course #420</i>
Real Estate Taxation, Planning and Consequences <i>University of Denver, Burns School of Real Estate</i>	Basic Income Capitalization <i>Appraisal Institute</i>
Advanced Real Estate Feasibility Analysis <i>Urban Land Institute / University of Denver</i>	Advanced Valuation and Report Writing <i>Appraisal Institute Course #540</i>
Real Estate Securities and Syndications <i>University of Denver, Burns School of Real Estate</i>	Real Estate Investment Finance <i>University of Denver, Burns School of Real Estate</i>
Legal Issues In Real Estate and Construction Management <i>University of Denver, Burns School of Real Estate</i>	Computer Applications for Real Estate Analysis <i>University of Denver, Burns School of Real Estate</i>
Income Property Investment <i>Urban Land Institute / University of Denver</i>	Risk Management and Insurance for Investment Real Estate <i>University of Denver, Burns School of Real Estate</i>
Argus Financial Analysis <i>University of Denver, Burns School of Real Estate</i>	Indoor Air Quality and Mold Contamination Remediation <i>National Association of Mold Professionals, 2004</i>
Residential Real Estate Appraiser Course ABII <i>Ed Klopfer Schools of Real Estate</i>	Real Estate Trainee Appraiser Course ABI <i>Ed Klopfer Schools of Real Estate</i>
Real Estate Salesperson Pre-Licensing Course <i>Ed Klopfer Schools of Real Estate</i>	Uniform Standards of Professional Appraisal Practice 15 Hour Update, <i>Appraisal Institute</i>



Jason P. Shirey, MAI, CCIM, MS-RECM (Continued)

Appraiser Experience - Property Types

Affordable Housing
 Agricultural Land
 Aircraft Hangars
 Antenna Towers
 Apartments
 Automobile Dealerships
 Hotels and Motels
 Bank Buildings
 Bowling Alleys
 Broadcast Facilities
 Campgrounds / Recreational Vehicle Parks
 Car Washes
 Churches
 Coastal Land
 Condominium Units:
 Assemblages, Complexes, Conversions
 Condominium Projects:
 Pre-development, Insurable Replacement Cost
 Convenience Stores
 Day Care Centers
 Development Appraisals
 Distribution Facilities
 Golf Clubs and Country Clubs
 Health Clubs
 High-End Residential
 Hobby Farms
 Home Sites (Lots)
 Home Sites (Land - Large Tracts)
 Hotel - Resorts
 Industrial Land
 Industrial Improvements
 Light Industrial Properties
 Manufacturing Facilities
 Marinas / Docks / Boat Storage Facilities
 Medical Offices
 Mixed Use Developments
 Mobile Home Parks
 Multifamily Land
 Multifamily Developments
 Nurseries
 Office Buildings
 Office Condominiums
 Office-Warehouse Facilities
 Outdoor Signs
 Parking Facilities
 Replacement Cost Appraisals
 Retail Stores (Anchor Tenant / Owner Occupied)
 Retail Strip Centers (Multiple Tenant)
 Restaurants (All types)
 Self-Storage Facilities
 Subdivisions (Commercial)
 Subdivisions (Residential)
 Single Family Residences
 Sustainable Development (Green Buildings)
 Urban Land (Vacant and Interim Use)
 Warehouses
 Yacht Clubs

Previous Client List (Partial)

Access Bank and Mortgage
 Alternative Funding Corporation
 BanCorp South
 Bank of America
 Bank of Bonifay
 Bank of Pensacola
 BankTrust
 Beach Community Bank
 CB Richard Ellis
 CCB Community Bank
 Colonial Bank
 Community Bank
 Compass Bank
 Cotton and Gates
 Crystal Beach Development
 DestinFirst Bank
 First Capital Bank
 First City Bank
 First Gulf Bank
 First National Bank and Trust
 Florida Coastal Mortgage
 Guaranty Federal Bank
 GulfSouth Private Bank
 Jay Odom
 Kevin Helmich, P.A.
 Legendary, Inc.
 LNK Development
 M & F Bank
 People's First Community Bank
 Premier Community Bank
 Regions Bank
 Renasant Bank
 Sunbird Condominium Owner's Association
 Suntrust Bank
 The Plaza Owner's Association
 Tranquil Harbor Owner's Association
 Trustmark National Bank
 Vanguard Bank
 Villas on the Gulf Condominium Owner's Association
 Vision Bank
 Wachovia Bank
 Whitney Bank

Assignment Purposes

Acquisition
 Disposition
 Assessment Appeal
 Development Feasibility
 Estate Planning
 Financing (Institutional and Private)
 Investment Analysis
 Portfolio Analysis
 Marital Dissolution
 Relocation
 Mediation, Arbitration, Dispute Resolution



Jason P. Shirey, MAI, CCIM, MS-RECM (Continued)

Assignment Types	Primary Market Area
Appraisal Review	Okaloosa County
Buyer Brokerage	Destin
Complex Valuation	Fort Walton Beach
Construction Progress / Draw Request Inspection	Crestview
Demographic Analysis	Mary Esther
Detrimental Conditions Valuation and Consulting	Niceville
Eminent Domain Valuation and Consulting	Bluewater Bay
Estate Valuation	
Feasibility Studies	Walton County
Fee Appraisals Including Full and Fractional Interests	Miramar Beach
Foreclosure / REO Appraisal - Assessment	Panama City Beach
Highest and Best Use Analysis	Rosemary Beach
Insurance	Santa Rosa Beach
Litigation Support	Blue Mountain Beach
Market Studies	Freeport
Portfolio Valuation and Analysis	Defuniak Springs
Relocation Appraisal	Inlet Beach
Rent Analysis / Studies	Seacrest Beach
Retrospective Valuation	
Site Location Services	Santa Rosa County
Valuation and Consultation for Financial Reporting	Navarre
	Navarre Beach
	Gulf Breeze
	Bay County
	Panama City
	Panama City Beach
	Springfield

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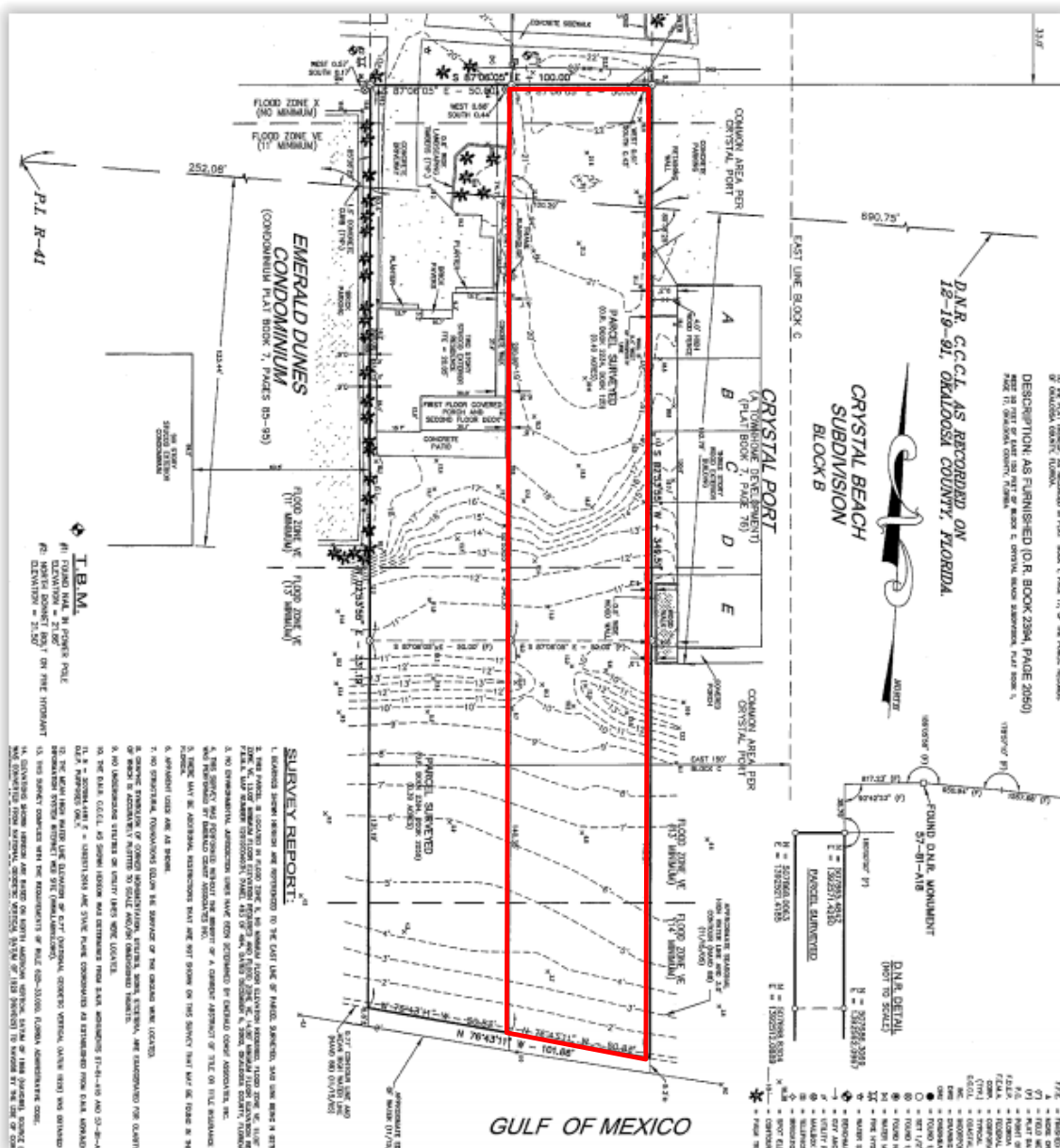
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Subject Photograph

Additional photographs can be referenced in the Property Description Section of the Appraisal Report.



Approximate location of the subject boundaries are identified in blue above.



Summary of Salient Facts and Conclusions

GENERAL	
EquiValue Appraisal File No:	230-133A
Subject:	A single parcel of mixed use zoned land containing an approximate +/-0.40 Acres, located along the south side of Scenic Highway 98, and having the assigned postal address of 2940 Scenic Highway 98, Destin, Okaloosa County, FL 32541. The subject property contains approximately +/-0.40 Acres and 50.83 waterfront feet along the Gulf of Mexico Beaches. The subject is presently vacant land. The use of the subject property 'As Is' condition is that of a mixed-use zoned vacant land site and that is the use represented in this report.
Owner:	Emerald LTA-2 Inc. 4471 Legendary Drive Destin, FL, 32541
Legal Descriptions:	Metes and Bounds – See Addenda
Tax Identification:	00-2S-22-0580-000C-006A
Date of Report:	August 4, 2023
Date of Value:	July 15, 2023
Property Rights Appraised:	Fee simple
Intended Use:	The intended use of this appraisal is to assist the client/intended user, The City of Destin, with the evaluation of the subject property for internal decision making.
Intended User(s):	Client only
Appraisal Purpose:	Current Market Value 'As Is'

Assessed Value 2022:	\$1,915,936 Despite the intention of the property appraiser to value property at market value on a yearly basis, it is the appraiser's opinion that assessed value has no direct correlation to current fair market value in the subject market area.
Taxes 2022:	\$20,071.01 (Paid) According to the Okaloosa County Tax Collector online, the property taxes for the subject have been paid in full with no prior year taxes reported owing.
Sale History:	We found no qualified transfers of the subject land area in the preceding three (3) years. The subject property has been owned by the current owner or a related party for a notable period of time hereto.
Current Contracts/Listing:	According to the Emerald Coast Association of Realtors (ECAR) multiple listing service (mls) the subject land is presently listed for sale via MLS 914950 with an asking price of \$5,750,000. This listing went into effect on 1/13/2023 at this list price. We are unaware of any purchase contract pertinent to the subject property. It is our understanding that a potential land swap is being contemplated regarding the subject property and a proximate parcel, however details of the potential arrangement were not provided the appraiser.

PROPERTY	
Land Area:	Total: ±0.40 Acres Usable: ±0.40 Acres Excess: 0.00 Acres The subject property consists of an approximate +/-0.40 Acres of land and approximately 50.83 waterfront feet along the shores of the Gulf of Mexico.
Zoning:	<i>Crystal Beach Resort (CBR) by the City of Destin</i>
Highest and Best Use 'As Is':	Multi-Family Residential development, resort-oriented single family residential development, or mixed use development is estimated to be the highest and best use for the subject property, 'As Is', as this use provides a higher return to the underlying land than any other use analyzed.

VALUE CONCLUSIONS

Land Value:	\$3,420,000
Cost Approach:	Not Utilized
Improved Sales Comparison Approach:	Not Utilized
Income Approach:	Not Utilized
Reconciled Opinion Of Value (Rounded):	Premise: 'As Is' Estate: Fee Simple Value Conclusion: Three Million Four Hundred Twenty Thousand Dollars (\$3,420,000) <i>Assuming a 9-12 month exposure time.</i>

Appraisal Scope of Work

In accordance with the 2022-2023 Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s).

This process should meet the expectations of parties who are regularly intended users for similar assignments and be consistent with what an appraiser's peers actions would be in performing the same or a similar assignment.

Therefore, the appraiser must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

This appraisal is prepared for the client, The City of Destin. The intended use of this appraisal is to assist the client/intended user, The City of Destin, in the evaluation of the subject property for internal decision making.

This appraisal report is for use by the client only. No other intended users are identified or authorized.

The appraisers are not responsible for the unauthorized use of this appraisal report.

SCOPE OF WORK

Report Type:

This is an Appraisal Report, which is intended to comply with the reporting requirements established by Standards Rule 2-2(a) of the 2022-2023 edition of the USPAP for a written Appraisal Report. It presents summary discussions of the data, reasoning, and analyses utilized in the appraisal process to develop the appraiser's opinion of value.

Supporting documentation not provided with the report concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated in the report. The appraiser is not responsible for the unauthorized use of this report.

Property Identification:	The subject was identified by the legal descriptions, site inspection, and information provided by the Okaloosa County Property Appraisers Office.
Inspection:	A complete inspection of the site was made, and photographs taken.
Market Area and Analysis of Market Conditions:	A complete analysis of market conditions was made. The appraisers physically inspected the micro and/or macro market environments influencing the subject.
Highest and Best Use Analysis:	A complete analysis of highest and best use for the subject in 'As Is'/'As Vacant' condition was completed.

Valuation Analyses

Land Valuation:	An opinion of value for the subject property in 'As Vacant' condition is being provided. 'As Vacant' land valuation is being conducted via employment of the sales comparison approach.
Cost Approach:	The cost approach was not utilized in this assignment as the subject is vacant land.
Sales Comparison Approach:	The improved sales comparison approach was not applied in this appraisal assignment as the subject is vacant land.
Income Approach:	As the subject property is being appraised as vacant land with no promise of generation of income, the income approach was not utilized in this appraisal.
Hypothetical Conditions:	None

Extraordinary Assumptions: We were not provided with a title search for the subject property. The deed for the subject references some restrictions from the distant past, however given the lack of a title commitment / title search, these restrictions could not be evaluated. This appraisal is being conducted subject to the extraordinary assumption that the restrictions noted in the deed, and any other restrictions or easements that may be discovered in a formal title search would not have a material adverse impact on the developability of the subject property. This appraisal utilized the preceding extraordinary assumption, the use of which may have affected the assignment results.

Exposure Time (Market Value): Exposure Time may be defined as: 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 the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.¹

The estimate of exposure time is presented in consideration of the exposure periods for comparable sales utilized in this appraisal, marketing time information available from nationally published sources including the CB Richard Ellis National Market Survey and the opinions of market participants.

It is estimated that the exposure time necessary for the subject to have achieved the opinion of value is 9-12 months.

¹ USPAP 2018-2019

Definition of Value, Property Rights Appraised, and Intended Use

Purpose of the Appraisal:

The purpose of an appraisal is the stated reason and scope of the appraisal assignment. It is established by the client, and points to the information the client requires in answering specific questions relevant to real property. The purpose of the appraisal establishes the foundation for the final value conclusion which does not change to accommodate the use of the appraisal.²

The purpose of this appraisal is to arrive at a supportable opinion of market value of the property in 'As Is' (Vacant) condition.

Intended Use of the Appraisal and Intended User:

The intended use of an appraisal is the manner a client will employ the information contained in the report. The intended use or function of an appraisal is determined by the client's needs. Because an appraisal may provide a basis for a decision concerning real property, the intended use of the appraisal depends on the decision the client wishes to make.³

This appraisal is prepared for the client, The City of Destin. The intended use of this appraisal is to assist the client/intended user, The City of Destin, in the evaluation of the subject property for internal decision making.

This appraisal report is for use by the client only. No other intended users are identified or authorized.

The appraisers are not responsible for the unauthorized use of this appraisal report.

Property Rights Appraised

Real property is said to possess value as a result of the 'bundle of rights' inherent to property ownership. Regardless of the type of ownership, the owner of real property is said to possess an interest in said property. The following definitions are for the three (3) most commonly-valuated interests as defined by the *Dictionary of Real Estate Appraisal*, Fourth Edition.

Fee Simple Interest:

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:

An ownership interest held by a landlord with the rights of use and occupancy conveyed

² *The Appraisal of Real Estate*, Twelfth Edition

³ *The Appraisal of Real Estate*, Twelfth Edition

by lease to others. The rights of the lessor and the lessee are specified by contract terms contained within the lease.

Leasehold Interest:

The interest possessed by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions. See also negative leasehold; positive leasehold.

The subject property is being appraised 'fee simple', taking into account market conditions at the effective date of the report. Given the valuation of the subject in 'As Is' / 'As Vacant' condition in the absence of any long-term lease, fee simple basis is considered to be the appropriate valuation standard.

Date of Value Opinion

Value opinions are presented as of a specific date, ***July 15, 2023 (effective date)***, taking into account market conditions at that time. The effective date of an appraisal is the date which the analyses, opinions, and advice in an appraisal, review, or consulting service apply. (USPAP, 2022-23 edition.)

The date of the value opinion can be current, in the past (retrospective), or forecast into the future (prospective).

The following presents definitions regarding the date of the opinion of value, as provided by the text *The Appraisal of Real Estate*, Twelfth Edition:

Date of Value Opinion:

The date an opinion of value is valid.

Current Value:

In accounting, synonymous with market value.

Retrospective Value Opinion:

An opinion of value likely to have applied retrospective to a specified historic date. A retrospective value opinion is most frequently sought in connection with appraisals for estate tax, condemnation, inheritance tax, and similar purposes.

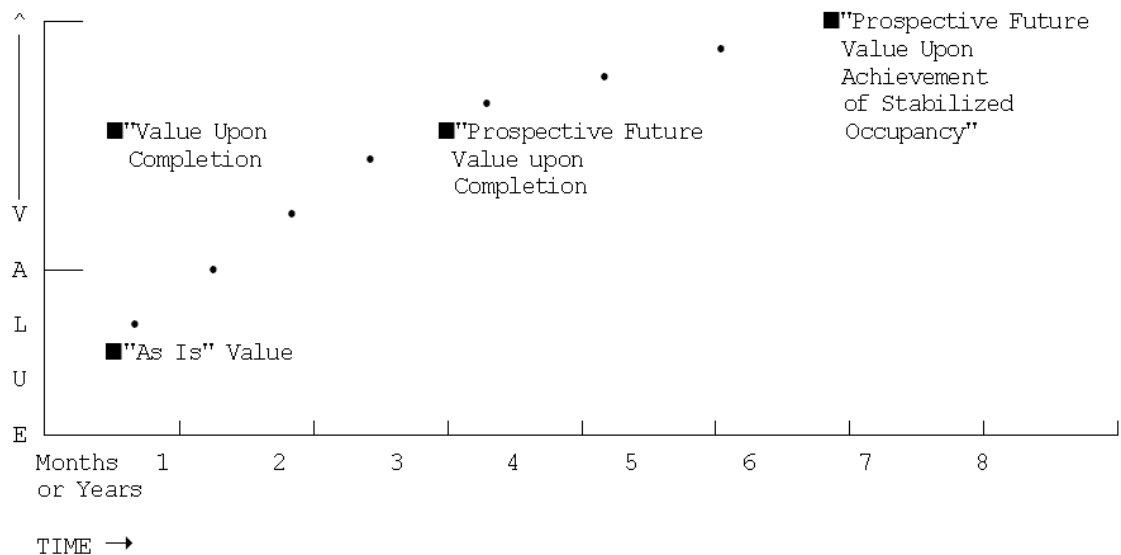
Prospective Value Opinion:

A forecast of the value expected at a specified future date. A prospective value opinion is most frequently sought in connection with real estate projects proposed, under construction, or under conversion to a new use, or those not achieving sellout or a stabilized level of long-term occupancy at the time the report is compiled.

In a prospective appraisal, the appraiser analyzes market trends to provide support for forecasted income and expense or sell-out opinions, absorption periods, capitalization rates, and discount rates retrospective to the effective date. This report was prepared taking into account market conditions present retrospective to

the date of the report. The appraiser(s) cannot be held responsible for unforeseen events altering market conditions prior to the effective date of the report. The following graph presents a graphical depiction of the above-described date of value opinions and their associated position within a potential overall development time scenario.

Value Creation Continuum¹



The preceding exhibit graphically displays the creation of value in a real estate development project over time, assuming a zero inflation environment for clarity of presentation.

¹

Code of Federal Regulations, Title 12, as amended by the Federal Home Loan Bank Board.

Basis of the Subject Value Opinion

The four (4) time differential values on the preceding graph which may be considered in the appraisal of developments are defined as follows:

- (1) **‘As Is’** means an estimate of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications retrospective to the date of appraisal.
- (2) **‘Value as Complete’ or ‘Value Upon Completion’** means the market value of a property with all proposed construction, conversion, or rehabilitation hypothetically completed, or under other specified hypothetical conditions retrospective to the date of appraisal. With regard to properties wherein anticipated market conditions indicate stabilized occupancy is not likely retrospective to the date of completion, this estimate of value shall reflect the market value of the property as if complete and prepared for occupancy by tenants.
- (3) **‘Prospective Future Value Upon Completion’** means the prospective future value of a property on the date construction is completed, based upon market conditions forecast to exist retrospective to that completion date.
- (4) **‘Prospective Future Value Upon Achievement of Stabilized Occupancy’** means the prospective future value of a property at a point in time when all improvements have been physically constructed and leased to its optimum level of long term occupancy.

The purpose of this appraisal is to derive an opinion of the market value for the subject property in ‘As Is’ (Vacant) condition.

The following are the relevant dates to the valuation, viewing, and appraisal reporting of the subject:

Effective Date of Value Opinion: July 15, 2023

Date of Viewing: July 15, 2023

Date of Appraisal Report: August 4, 2023

Date of Photographs: July 15, 2023

Definition of Value

The definition of ‘Market Value’, as defined by the Office of the Comptroller of Currency (OCC) under 12 CFR, Part 34, Subpart C-*Appraisals*, 34.42 Definitions, the Board of Governors of the Federal Reserve System (FRS) and the Federal Deposit Insurance Corporation in compliance with Title XI of *FIRREA*, as well as by the *USPAP* as promulgated by the Appraisal Foundation, is as follows.

Market value means the most probable price property should bring in a competitive and open market under all conditions requisite to a fair sale, the purchaser and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale retrospective to a specified date and the passing of title from seller to purchaser under conditions whereby,

1. Purchaser and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interest;
3. A reasonable time is permitted 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.

Policy Statement of the Appraisal Institute

It is improper to base a conclusion or opinion of value upon the premise the racial, ethnic, or religious homogeneity of the inhabitants of an area or of a property is necessary for maximum value.

Racial, religious, and ethnic factors are deemed unreliable predictors of value trends or price variance.

It is improper to base a conclusion or opinion of value, or a conclusion with respect to neighborhood trends, upon stereotyped, biased presumptions relating to the effective age or remaining life of the property being appraised or the life expectancy of the neighborhood it is located.

FACTUAL DESCRIPTIONS

Property Description

Summary of Site Characteristics and Improvements

SITE	
Information Sources:	Deeds, Inspection, Public Records, Survey and Okaloosa County Property Appraisers Office.
Total Site Size:	+/-0.40 Acres
Usable Site Size:	+/-0.40 Acres The subject property consists of an approximate +/-0.40 Acres of land located along the south side of Scenic Highway 98.
Interior / Corner Lot:	The subject parcel is not situated in a corner location.
Visibility:	The subject features very good visibility from Scenic Highway 98 along the north boundary as well as the Gulf of Mexico along the south boundary.
Road Frontage/Access:	The subject benefits from approximately +/-50' of paved frontage along the southern right of way of Scenic Highway 98. Access to the parcel is considered good.
Water Frontage:	The subject Parcel benefits from approximately +/-50.83' of beach frontage along the Gulf of Mexico at the southern boundary, and unobstructed views of the Gulf of Mexico to the south.
Topography:	The subject property is essentially level, at road grade. Although a topographic survey was not provided for our review, review of topographic maps of the general area as well as the viewing of the subject property indicates that the subject site is essentially level and poses no non-typical challenges for development. The subject slopes from north to south at the waters edge.
Drainage:	Drainage appears adequate for the subject site.
Soils:	The <i>Soil Survey of Okaloosa County, Florida</i> , produced by the United States Department of Agriculture Soil Conservation Service indicates the following: The subject is comprised of 62% Newhan-Corolla Complex (2 to 30% slopes) and the remaining 38% Beaches.

Newhan-Corolla Complex (2 to 30% slopes) is identified on the soil map as unit #18 and is described as excessively drained soils that are conducive to urban development with proper site preparation.

Potential For
Environmental
Contamination:

The appraisers have not observed, nor are qualified to detect, the existence of potentially hazardous material or underground storage tanks which may be present on or near the subject site. The appraisers recommend that an environmental survey be attained to assure the environmental stability of the subject property. This appraisal assumes no subsoil contamination of the subject site.

Utilities:

Electricity: Electricity is provided and is on site. Standard commercial service capacity exists at the subject with adequate capacity to service commercial improvements.

Sewer: Municipal sewer is provided and is located on site.

Water: Municipal water is provided and is located on site.

Natural Gas: Natural Gas service is provided and is either on site or in the vicinity of the subject site and available for connection.

Adequacy: Available utility service is considered adequate and at least standard for the subject market area.

Site Improvements:

None.

Landscaping:

Landscaping is considered average for the subject market and comprises naturally-occurring coastal vegetation and sea oats.

Site Utility:

Site utility is considered good.

Flood Zone:

The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject Parcel northern boundary is situated in Flood Zone 'X' and the predominant area of the site, the southern portion, is situated in Flood Zone 'VE', as noted by the following FEMA Map Number: 12091C0493J Dated March 9, 2021.

Easements:

We were provided a copy of a survey for the subject property. Our review of the survey and appropriate maps and public records for the subject property did not reveal any easements on the subject site that would adversely affect the value opinion of the subject contained herein. This appraisal assumes no other easements, encroachments, or private deed

restrictions which would adversely affect the value of the subject property.

We note that some easements are noted in the deed, however these easements were not apparent on the provided survey, and with lack of a title search these easements could not be evaluated. See extraordinary assumption as to restrictions and easements as included in the scope of work and on the letter of transmittal.

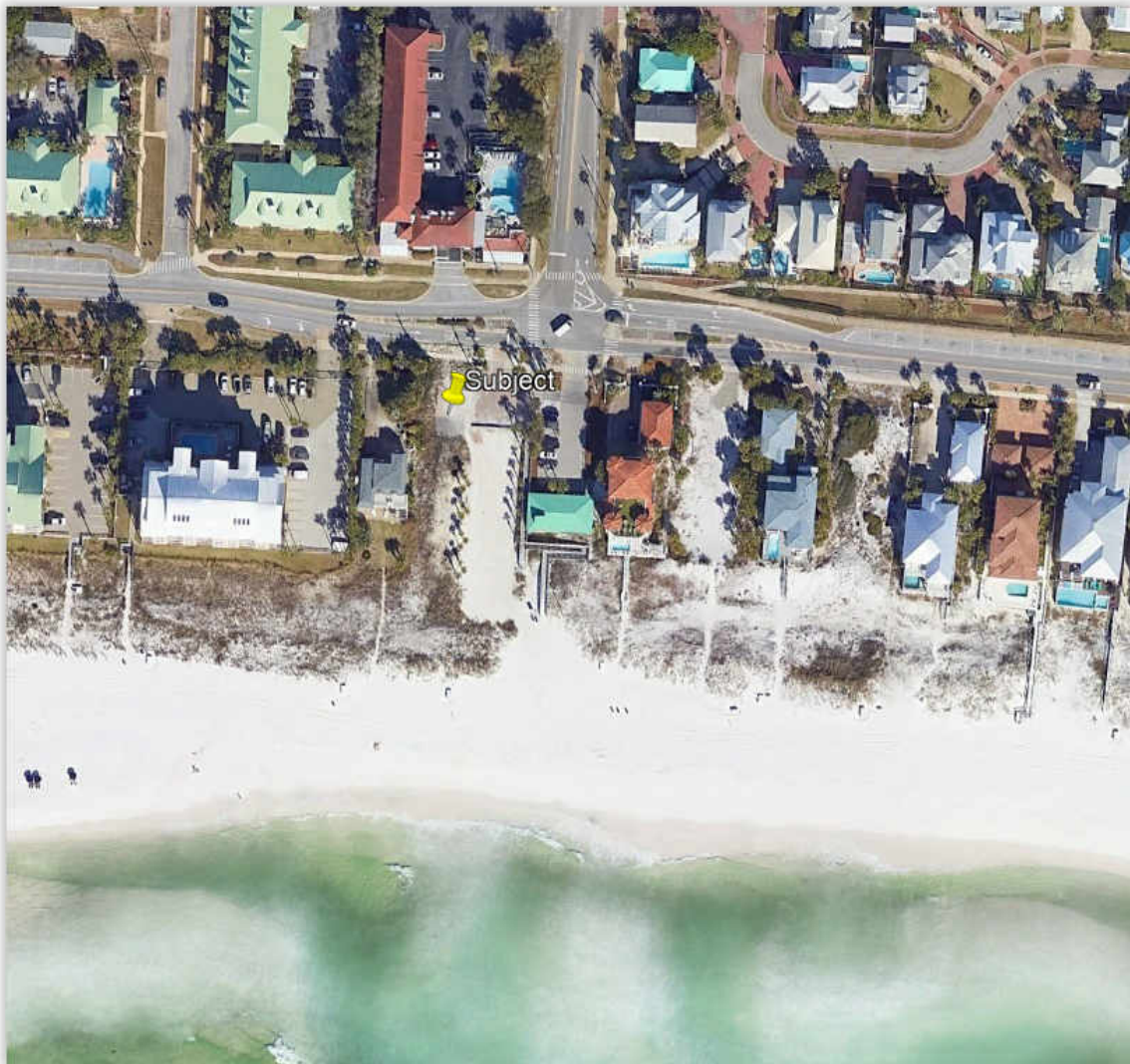
Encroachments:

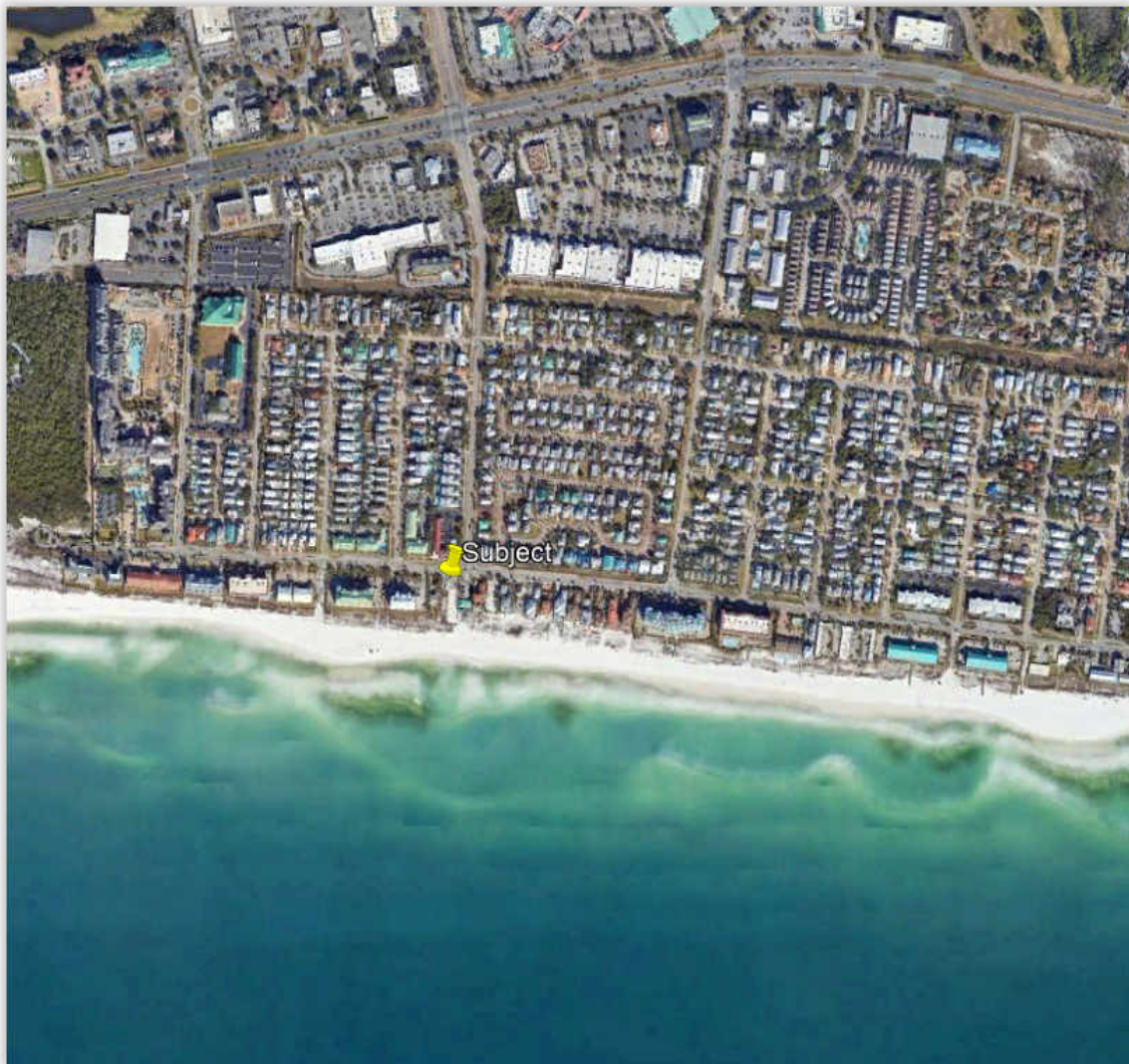
We were provided a copy of a survey for the subject property. Our review of the survey, appropriate maps and public records for the subject property did not reveal any encroachments on the subject site that would adversely affect the value opinion of the subject contained herein. This appraisal assumes no easements, encroachments, or private deed restrictions which would adversely affect the value of the subject property.

Site Comments:

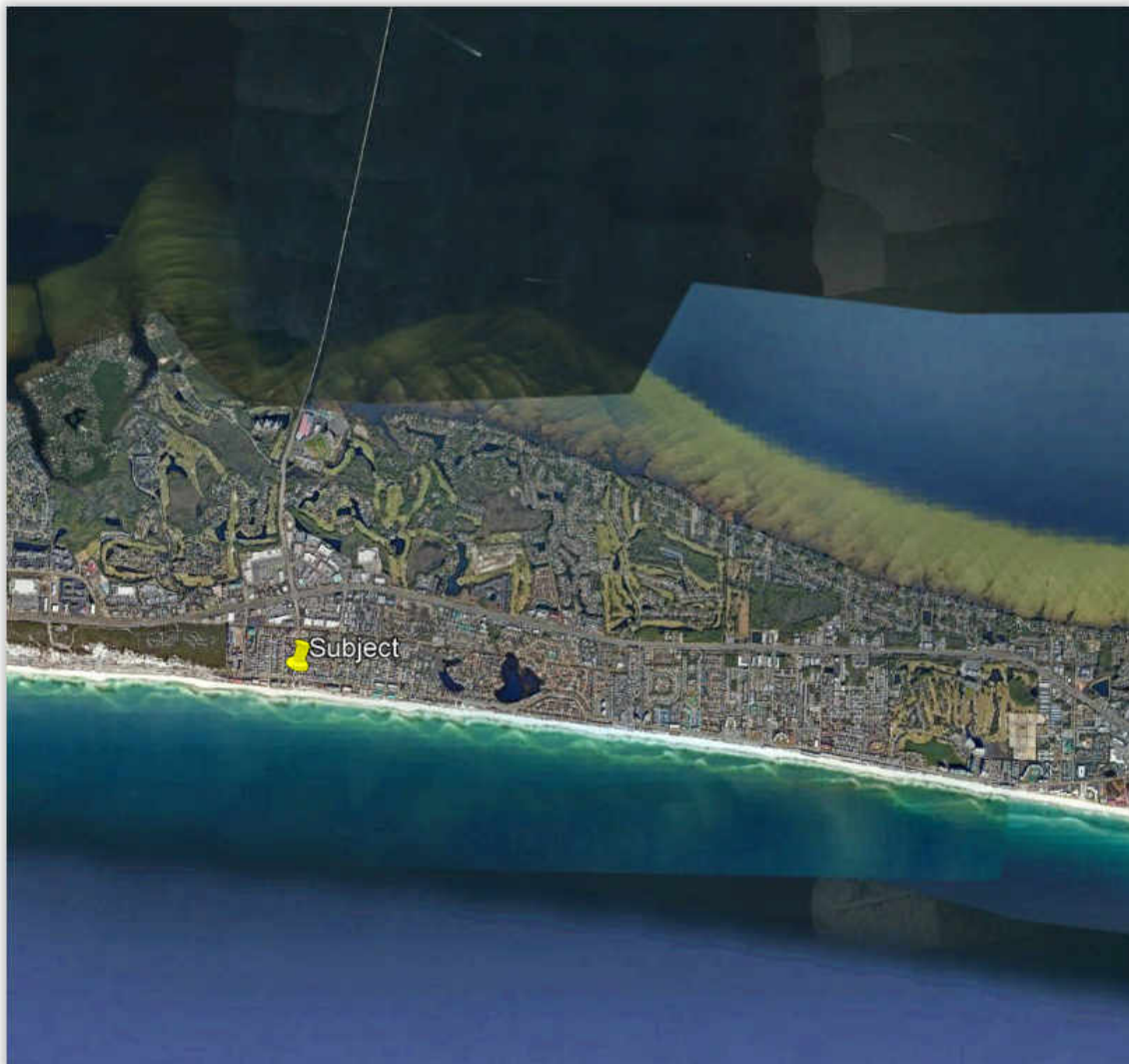
The subject benefits from good access and visibility from Scenic Highway 98 and the Gulf of Mexico and Associated beaches. The subject is an excellent site for either residential or mixed use development.

Regional Maps





Area Maps

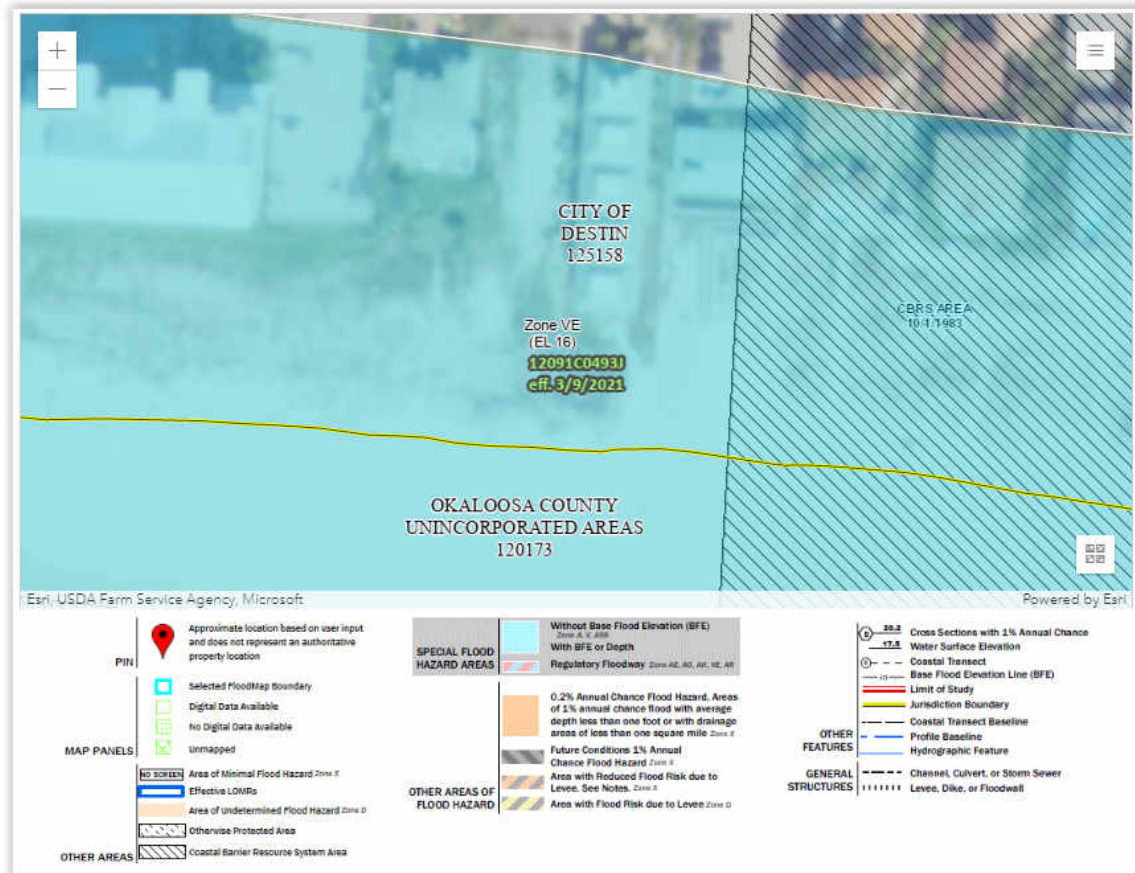


Aerial Photograph



Approximate location of the subject boundaries are identified in blue above.

Flood Map



Flood Zone Descriptions

“A 100-year flood is a flood which 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 flood plain.

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 which 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, the standard used by most Federal and state agencies, is used by the National Flood Insurance Program (NFIP) as the standard for flood plain 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.

Zone AE and A1-A30

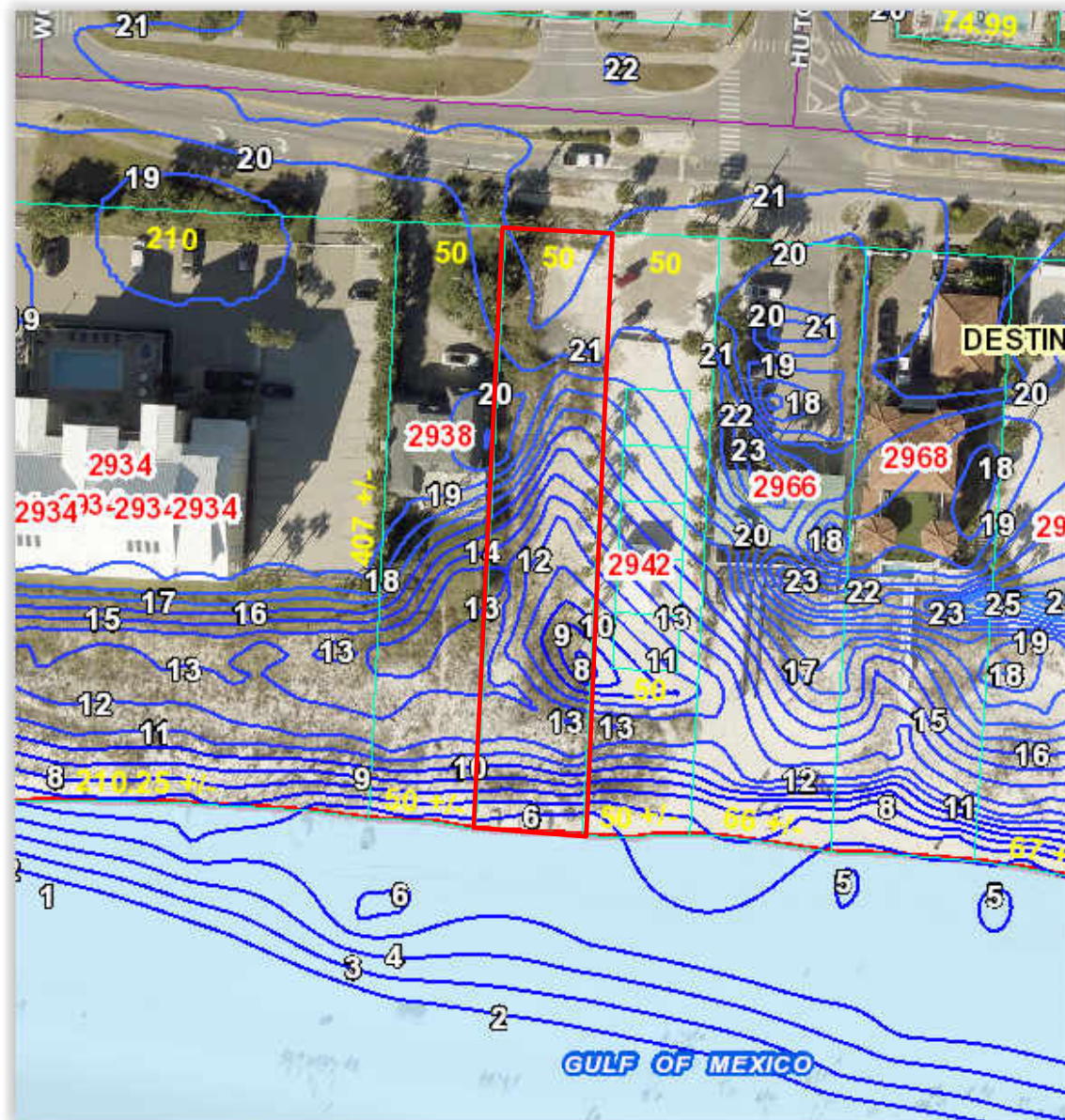
Zones AE and A1-A30 are the flood insurance rate zones corresponding to the 100-year flood plains are determined in the Flood Insurance Study by detailed methods. In most instances, Base Flood Elevations derived from the detailed hydraulic analyses are shown at selected intervals within this zone. Mandatory flood insurance purchase requirements apply.

Zone VE

Zone VE is the flood insurance rate zone corresponding to the 100-year 21 flood plains possessing additional hazards associated with storm waves. BFEs derived from the detailed hydraulic analyses are shown at selected intervals within this zone. Mandatory flood insurance purchase requirements apply.

Zones B, C, and X are the flood insurance rate zones corresponding to areas outside the 100-year flood plains, are retrospective to 100-year sheet flow flooding where average depths are less than 1 foot, are retrospective to 100-year stream flooding where the contributing drainage area is less than 1 square mile, or areas protected from the 100-year flood by levees. No BFEs or depths are shown within this zone.”

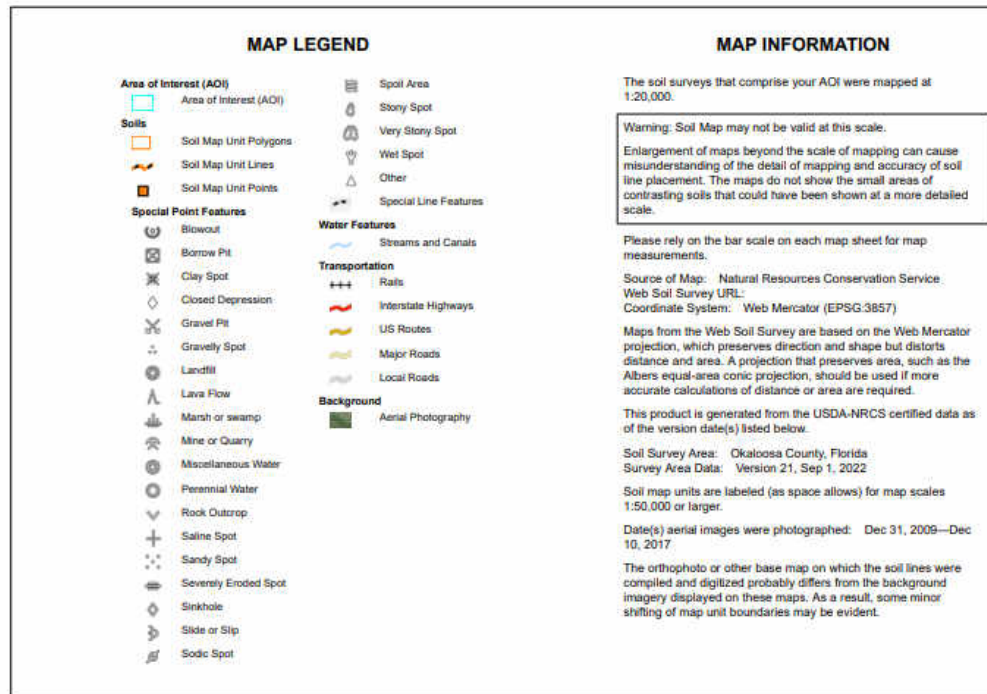
Topography Map



Soil Map



Soil Map—Okaloosa County, Florida



Soil Map—Okaloosa County, Florida

Map Unit Legend

Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
3	Beaches	0.1	37.8%
18	Newhan-Corofia complex, 2 to 30 percent slopes	0.2	62.2%
Totals for Area of Interest		0.4	100.0%

Soils Information

Map Unit Description: Beaches—Okaloosa County, Florida

Okaloosa County, Florida

3—Beaches

Map Unit Setting

National map unit symbol: 1kh9r
Elevation: 0 to 10 feet
Mean annual precipitation: 42 to 48 inches
Mean annual air temperature: 52 to 57 degrees F
Frost-free period: 190 to 210 days
Farmland classification: Not prime farmland

Map Unit Composition

Beaches: 100 percent
Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Beaches

Setting

Landform: Beaches on marine terraces
Landform position (three-dimensional): Rise
Down-slope shape: Convex
Across-slope shape: Linear

Properties and qualities

Slope: 1 to 3 percent
Natural drainage class: Poorly drained
Runoff class: High
Depth to water table: About 0 to 72 inches
Frequency of flooding: Frequent

Interpretive groups

Land capability classification (irrigated): None specified
Land capability classification (nonirrigated): 8
Forage suitability group: Forage suitability group not assigned (G133AA999FL)
Hydric soil rating: Unranked

Data Source Information

Soil Survey Area: Okaloosa County, Florida
Survey Area Data: Version 16, Nov 21, 2017

Map Unit Description: Newhan-Corolla complex, 2 to 30 percent slopes—Okaloosa County, Florida

Okaloosa County, Florida

18—Newhan-Corolla complex, 2 to 30 percent slopes

Map Unit Setting

National map unit symbol: 2w4gq
Elevation: 0 to 20 feet
Mean annual precipitation: 60 to 73 inches
Mean annual air temperature: 63 to 72 degrees F
Frost-free period: 236 to 306 days
Farmland classification: Not prime farmland

Map Unit Composition

Newhan and similar soils: 60 percent
Corolla and similar soils: 30 percent
Minor components: 10 percent
Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Newhan

Setting

Landform: Dunes on marine terraces
Landform position (two-dimensional): Shoulder
Landform position (three-dimensional): Interfluvium
Down-slope shape: Convex
Across-slope shape: Linear
Parent material: Sandy eolian deposits

Typical profile

C - 0 to 80 inches: sand

Properties and qualities

Slope: 2 to 30 percent
Depth to restrictive feature: More than 80 inches
Natural drainage class: Excessively drained
Runoff class: Very low
Capacity of the most limiting layer to transmit water (Ksat): Very high (19.98 to 50.02 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Salinity, maximum in profile: Slightly saline to moderately saline (4.0 to 8.0 mmhos/cm)
Sodium adsorption ratio, maximum in profile: 20.0
Available water storage in profile: Very low (about 1.8 inches)

Interpretive groups

Land capability classification (irrigated): None specified
Land capability classification (nonirrigated): 7s
Hydrologic Soil Group: A

Map Unit Description: Newhan-Corolla complex, 2 to 30 percent slopes—Okaloosa County, Florida

Forage suitability group: Sandy soils on ridges and dunes of xeric uplands (G152AA111FL)
Hydric soil rating: No

Description of Corolla

Setting

Landform: Rises on dunes on marine terraces
Landform position (two-dimensional): Shoulder
Landform position (three-dimensional): Interfluvium
Down-slope shape: Convex
Across-slope shape: Linear
Parent material: Sandy marine deposits

Typical profile

A - 0 to 3 inches: sand
C - 3 to 80 inches: sand

Properties and qualities

Slope: 2 to 30 percent
Depth to restrictive feature: More than 80 inches
Natural drainage class: Somewhat poorly drained
Runoff class: Low
Capacity of the most limiting layer to transmit water (Ksat): Very high (19.98 to 50.02 in/hr)
Depth to water table: About 18 to 36 inches
Frequency of flooding: Rare
Frequency of ponding: None
Salinity, maximum in profile: Moderately saline to strongly saline (8.0 to 16.0 mmhos/cm)
Sodium adsorption ratio, maximum in profile: 20.0
Available water storage in profile: Very low (about 1.2 inches)

Interpretive groups

Land capability classification (irrigated): None specified
Land capability classification (nonirrigated): 7s
Hydrologic Soil Group: A/D
Forage suitability group: Sandy soils on ridges and dunes of xeric uplands (G152AA111FL)
Hydric soil rating: No

Minor Components

Duckston

Percent of map unit: 10 percent
Landform: Flats on marine terraces, depressions on marine terraces, swales on marine terraces
Landform position (three-dimensional): Talf, dip
Down-slope shape: Linear, concave
Across-slope shape: Linear, concave

Subject Photographs



View of subject property Facing South to Beaches and Gulf of Mexico



Old US Highway 98 Viewing West, Subject on Left



Old US Highway 98 Viewing East, Subject on Right



Interior View of Site Viewing Southeast to Neighboring Property



Interior view of Site



Interior View of Site Viewing South



Interior View North Portion of Site



Interior View of Site Facing Southwest

Zoning

According to the City of Destin Planning and Zoning Department, the entire subject property is within the city limits of the City of Destin.

Information provided by the City of Destin Planning and Zoning Department indicates that the entire subject property is designated with the Crystal Beach Resort (CBR) mixed use zoning designation.

The purpose and intent of the Crystal Beach Resort (CBR) district is to accommodate permanent or seasonal single-family detached or multi-family attached residential dwelling units; commercial hotel, motel, bed and breakfast establishments and other commercial transient living accommodations; and limited non-residential uses.

Limited non-residential uses shall include places of worship, community buildings, public facilities, schools, libraries, post offices, childcare centers, clubhouses, museums, visual and performance arts buildings, neighborhood retail commercial goods and services not exceeding 5,500 square feet designed primarily to serve the needs of the Crystal Beach Resort area, offices, medical and dental clinics, laundries and dry cleaning drop off centers, banks, fitness centers, dinner clubs and restaurants.

The following is an excerpt from the City of Destin Code of Ordinances that further describes the allowable uses under the CBR zoning designation.



Community Development Department
Planning Division
 4200 Indian Bayou Trail, Destin, FL 32541
 Phone (850) 837-4242 • Fax (850) 460-2171
www.cityofdestin.com/index.aspx?nid=91

ZONING DISTRICT FACTSHEET

The purpose and intent of establishing zoning districts is to ensure that all development is consistent with the goals, objectives and policies of the Comprehensive Plan, by establishing a series of zoning districts that indicate what uses are allowed and site development regulations that control the use of land in each district. All development within each zoning district shall be consistent with the purposes stated for each district. (LDC 7.12.05)

CRYSTAL BEACH RESORT (CBR)

Purpose and Intent: The Crystal Beach Resort zoning district shall apply to areas developed, redeveloped and/or maintained and conserved as areas that accommodate permanent or seasonal single-family detached or multi-family attached residential dwelling units; commercial hotel, motel, bed and breakfast establishments and other commercial transient living accommodations; and limited non-residential uses. Limited non-residential uses shall include places of worship, community buildings, public facilities, schools, libraries, post offices, childcare centers, clubhouses, museums, visual and performance arts buildings, neighborhood retail commercial goods and services not exceeding 5,500 square feet designed primarily to serve the needs of the Crystal Beach Resort area, offices, medical and dental clinics, laundries and dry cleaning drop off centers, banks, fitness centers, dinner clubs and restaurants. It is the intent of the CBR zoning district to specifically not allow all non-residential uses not previously listed above to be located in the district.

Table 7-2: Table of Allowable Uses (excerpt from LDC 7.12.06)

PERMITTED USES:

Permanent or long-term residential uses

Single-family detached dwelling	P
Multi-family attached dwelling	P
Guest house ⁽¹⁾	P
Accessory dwelling	P
Single room occupancy housing	P

Seasonal or short-term residential uses

Single-family detached dwelling	P
Multi-family attached dwelling	P

Other residential uses

Community residential home, small (1-6)	P
---	---

Family day care home

	P
--	---

NAICS Use Designations

4452	Specialty food stores	P ⁽⁶⁾
446	Health and personal care stores	P ⁽⁶⁾
4512	Book, periodical, and music stores	P ⁽⁶⁾
4529	Other general merchandise stores	P ⁽⁶⁾
4531	Florists	P ⁽⁶⁾
4532	Office supplies, stationery, and gift stores	P ⁽⁶⁾
4539	Other miscellaneous store retailers	P ⁽⁶⁾
491	Postal service	P

Accessory Uses

Uses and structures which are customarily accessory, clearly incidental and subordinate to permitted uses and structures, including home occupations and off-site businesses.

A

52	Finance and insurance	P
531	Real estate services	P
5322	Consumer goods rental	P
541	Professional and technical services	P
541940	Veterinary services	P
551	Management of companies and enterprises	P
561	Administrative and support services	P
561720	Janitorial services	P
621	Ambulatory health care services	P
711	Performing arts and spectator sports	P
713940	Fitness and recreational sports centers	P
721110	Hotels and motels	P
721191	Bed-and-breakfast inns	P
721199	Other traveler accommodation, C.T.L.A. ⁽²⁾	P
7213	Rooming and boarding houses	P
722	Food services and drinking places	P
722110	Full-service restaurants	P
722111	Limited-service restaurants	P
7224	Drinking places, alcoholic beverages	P ⁽⁷⁾
812910	Pet care (except veterinary) services	P
813	Membership associations and organizations	P
8131	Religious organizations	P

CONDITIONAL USES:

	Community residential home, large (7-14)	C
6244	Child day care services	C
712	Museums, historical sites, zoos, and parks ⁽¹⁰⁾	C

Footnotes:

- 1** Guest houses are permitted only if the owner of the subject property occupies the primary dwelling as his/her main residence. However, guest houses shall not be rented out separately from the main residence. (Refer to LDC section 7.12.04.M).
- 4** Neighborhood retail commercial goods and services shall not exceed 5,500 square feet and shall be designed primarily to serve the needs of the Crystal Beach resort area.
- 7** Must meet minimum distance separation requirements; see section 7.16.00 of the Land Development Code.
- 12** Commercial transient living accommodations.

Table 7-3: Schedule of Dimensional Requirements in Zoning Districts (excerpt from LDC 7.12.08)
(all dimensions in feet)

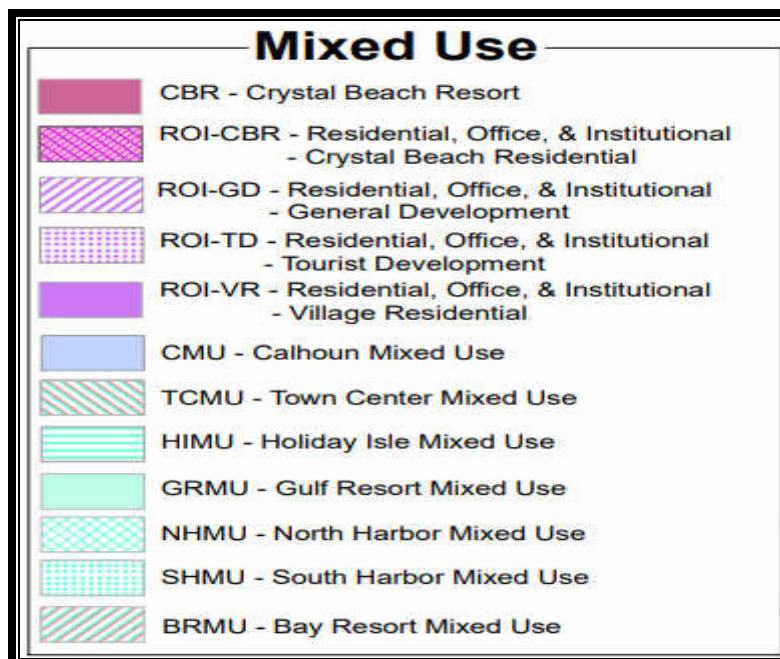
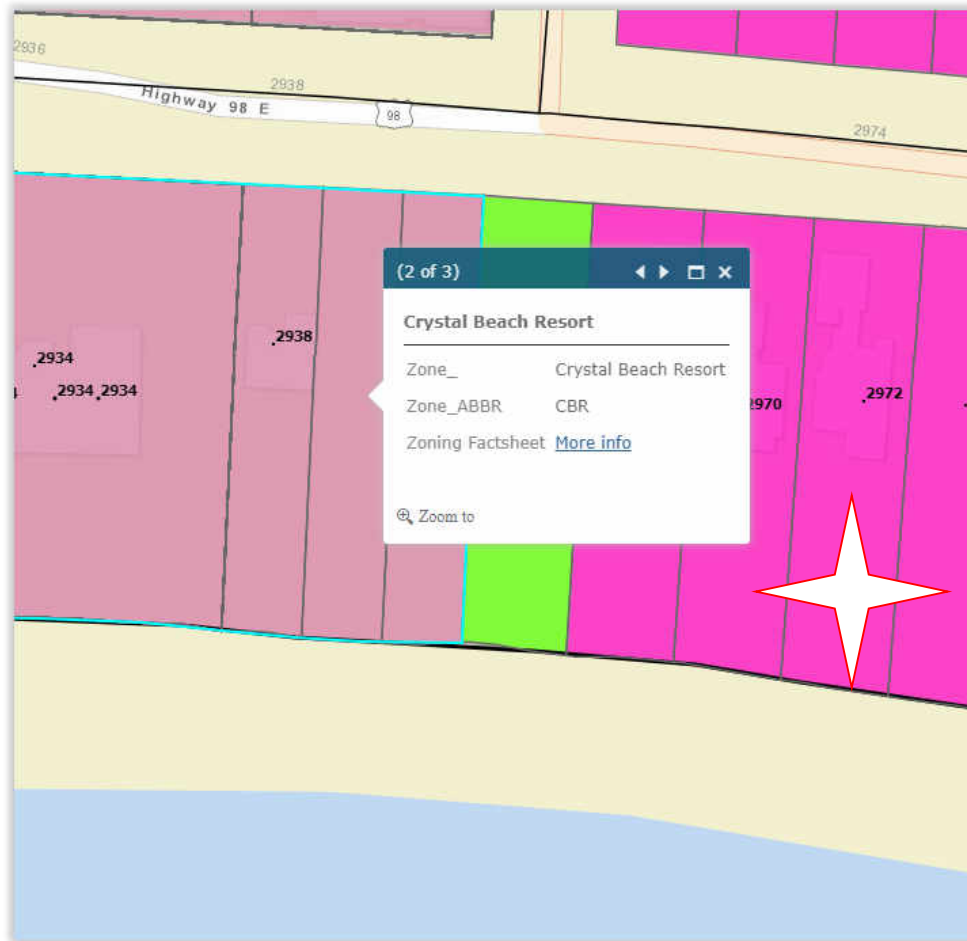
Crystal Beach Resort (CBR)				
Dwelling Units		1	2+	Non
Minimum Lot Area (square feet)		7,500	None	None
Minimum Lot Size	Width	70	None	None
	Depth	100	None	None
Maximum Building Height / Stories	Tier 1	30/3	N/A	N/A
	Tier 2	N/A	N/A	N/A
	Tier 3	N/A	N/A	N/A
Setbacks	Front	20	O	O
	Side	7½	O	O
	Rear	10	O	O
Maximum Density (units per acre)	Tier 1	12.00 Q	N/A	N/A
	Tier 2	N/A	N/A	N/A
	Tier 3	N/A	24.00	N/A
Maximum Floor Area Ratio	Tier 1	N/A	N/A	.50
	Tier 2	N/A	N/A	N/A
	Tier 3	N/A	N/A	N/A
Minimum Open Space (%)	Tier 1	30%	25%	N/A
	Tier 2	N/A	N/A	N/A
	Tier 3	30%	30%	30%

Footnotes:

- O** The following setbacks shall apply to developments proposed in the CBR, BRMU and GRMU zoning districts:
- i. Front setback.
 - a. For those properties located in the CBR and BRMU zoning districts, ten feet minimum and no maximum.
 - b. For those properties in the GRMU zoning district and that front U.S. Highway 98, 15 feet minimum to 25 feet maximum for any portion of a building having a height below 40 feet. For any portion of a building having a height above 40 feet, the front setback shall be a minimum of 45 feet.
 - c. For those properties in the GRMU zoning district that do not have frontage on U.S. Highway 98, ten feet minimum to 20 feet maximum for any portion of a building having a height of 40 feet or less. For any portion of a building having a height above 40 feet, the front setback shall be a minimum of 30 feet.
 - d. For those properties in the GRMU zoning district that have frontage on that portion of Scenic Highway 98 lying west of Henderson Beach State Park, zero feet minimum to ten feet maximum.
 - ii. Side setbacks. Ten feet for any portion of a building having a height of 35 feet or less. Fifteen feet for any portion of a building having a height above 35 feet but below 50 feet. For each ten feet or fraction thereof exceeding 50 feet in height, the side setback shall be increased by two feet on each side.
 - iii. Rear setback. For lots fronting the gulf the rear setback will be established by DEP. For all lots that do not front the gulf, ten feet for any portion of a building having a height of 35 feet or less. Fifteen feet for any portion of a building having a height above 35 feet but below 50 feet. For each ten feet or fraction thereof exceeding 50 feet in height, the rear setback shall be increased by two feet.

- Q** One bedroom short-term residential units shall have a maximum density of 24.00 units per acre.

Zoning Map

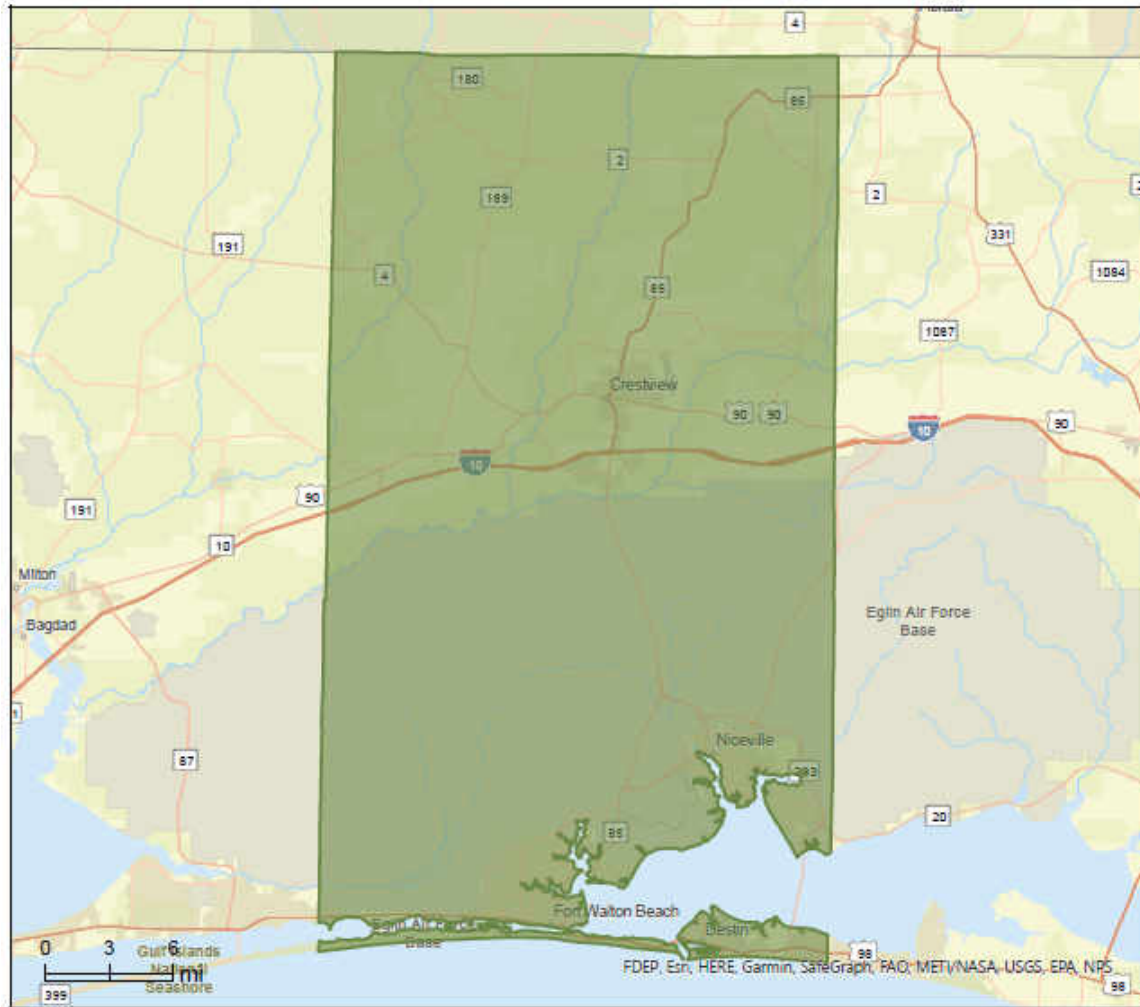


ANALYSIS OF DATA AND OPINIONS OF THE APPRAISER

Market Area Summary

Overview

Okaloosa County, FL



Location:

Okaloosa County is located in the Florida panhandle west of Walton County and east of Santa Rosa County. It contains an area of approximately 936 square miles, or 5100,000 acres, of which 267,000 acres (45%) are held by the federal government and 61,000 acres (10%) are held by the State of Florida. As depicted by the darker beige color on the above map, a large proportion of the land area of Okaloosa County is encompassed by Eglin Air Force Base.

This large military-controlled land area essentially bisects Okaloosa County into two sections; the southern section is comprised of the greater Fort Walton Beach area, and the

cities of Niceville and Destin, while the northern section is comprised of the city of Crestview and surrounding areas. In general, development in the southern end of the county is of a higher density than in the northern part of the county, where the abundance of land allows for lower densities. The county seat is Crestview.

Geography

Elevations range from sea level to 235 feet above sea level. According to the U.S. Census Bureau, the county has a total area of 2,802 km² (1,082 mi²). 2,423 km² (936 mi²) of it is land and 379 km² (146 mi²) of it (13.53%) is water. Fort Walton Beach and two United States Air Force bases (Eglin AFB and Hurlburt Field) are located in the south. Okaloosa County is the sole county in the Fort Walton Beach-Crestview-Destin Metropolitan Statistical Area.

History

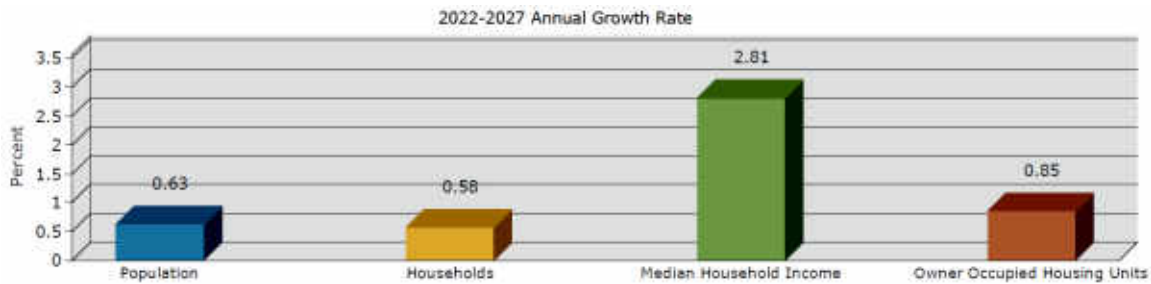
Okaloosa County was created in 1915. It took the Legislature several years to approve the creation of Okaloosa County from parts of Santa Rosa and Walton Counties. On September 7, 1915 the issue was settled. Credit was given to state representative, W.H. Mapoles from Laurel Hill, later known as the ‘Daddy of Okaloosa County.’ Milligan was made the temporary county seat and on March 6, 1917 a county election made Crestview the permanent county seat. Crestview was named because it is located on the crest of a high ridge on the forks of the Shoal and Yellow Rivers. The 1920 census of the county gave a county population of 9,360 persons. Okaloosa reaches from the Alabama state line to the Gulf of Mexico. The county was formed by taking 12 miles in width from Santa Rosa and Walton counties and is 24 miles wide and 40 miles long and contains 998 square miles.⁴

Prior to World War II the county was oriented around rural endeavors. Timber, farming, and isolated fishing camps were the main economic forces (excluding Prohibition era stills, alcohol import, and carry-over gambling). The varied exigencies of the war resulted in the federal forests being consumed by military needs and expanded. This has continued to the present, and spawned the initial growth and development of the southern portion of the county. Today, the south part of the county is a mosaic of military land, unincorporated communities and incorporated entities. Most of the growth in Okaloosa County has been in the southeastern end of the county along the beaches and in Crestview in the north end. Areas such as Fort Walton Beach have very little vacant land available for development.

⁴ Wikipedia, Okaloosa County, http://en.wikipedia.org/wiki/Okaloosa_County,_Florida#History

SOCIAL FORCES

Annual Growth Rates 2022-2027

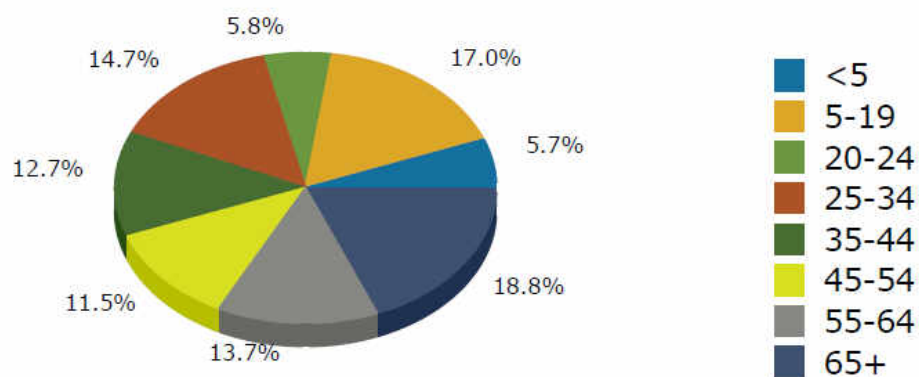


Population Increases 2010-2022

Population	
2010 Population	180,822
2020 Population	211,668
2022 Population	218,169
2027 Population	225,102
2010-2020 Annual Rate	1.59%
2020-2022 Annual Rate	1.35%
2022-2027 Annual Rate	0.63%
2022 Male Population	49.8%
2022 Female Population	50.2%
2022 Median Age	39.9

In 2020, the Census count in Okaloosa County was 211,668. Currently there are an estimated 218,169 persons in Okaloosa County, indicating a 1.35% annual increase. The five-year projection is 225,102 persons, or a projected increase of 0.63% annually from 2022 to 2027. ⁵

2022 Population by Age

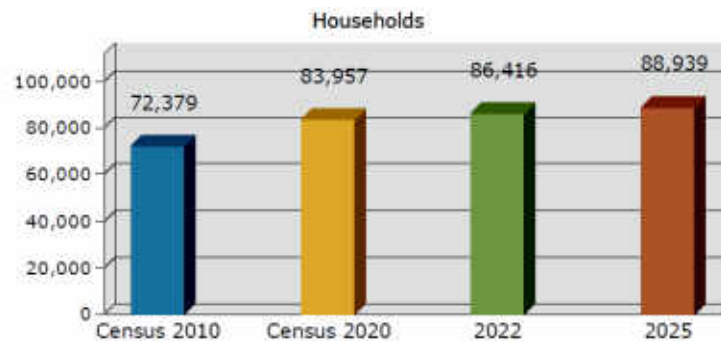


⁵ www.STDB.com

TOTAL POPULATION BY AGE		
Total Population	209,230	100%
Under 5 years	13,335	6.4%
5 to 9 years	13,666	6.5%
10 to 14 years	12,568	6.0%
15 to 19 years	11,640	5.6%
20 to 24 years	14,435	6.9%
25 to 29 years	16,658	8.0%
30 to 34 years	16,091	7.7%
35 to 39 years	14,577	7.0%
40 to 44 years	11,755	5.6%
45 to 49 years	11,230	5.4%
50 to 54 years	12,008	5.7%
55 to 59 years	14,969	7.2%
60 to 64 years	13,263	6.3%
65 to 69 years	11,110	5.3%
70 to 74 years	8,742	4.2%
75 to 79 years	5,766	2.8%
80 to 85 years	4,220	2.0%
85 years and over	3,197	1.5%

The median age for Okaloosa County is 39.9 compared to the United States as a whole of 38.9.

Households 2010-2025

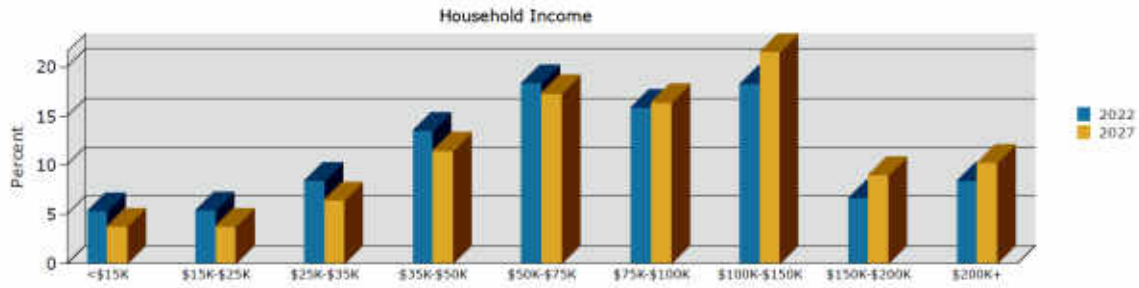


The household count in this area has changed from 83,957 in 2020 to 86,416 in the current year, a change of 1.29% annually. The five year projection of households is 88,939, a change of 0.58 annually from the current year total.

Average household size is currently 2.47, compared to 2.47 in the year 2020. The number of families in 2022 is 57,201 in the specified area.

Household Income 2022-2027

Current (2022) median household income for Okaloosa County is \$73,279, compared to \$72,414 for all U.S. households. The 2027 projection is expected to be \$84,156 compared to \$84,445 for all U.S. households. The current (2022) average household income for Okaloosa County is \$101,450, compared to \$105,029 for all U.S. households. The 2027 projection is expected to be \$118,676, compared to \$122,155 for all U.S. households.



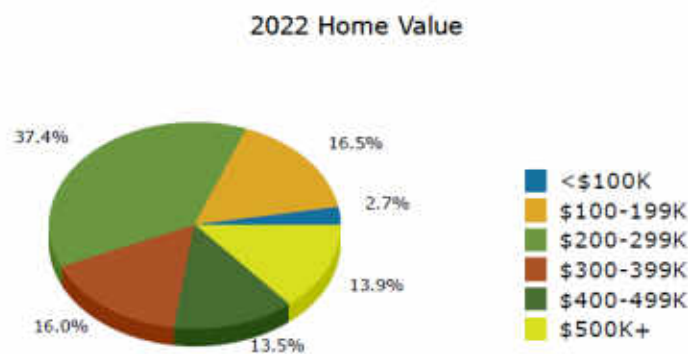
Current per capita income is \$40,365 in the area, compared to the U.S. per capita income of \$40,363. The per capita income is projected to be \$47,065 in five years, compared to \$47,064 for all U.S. households.

Housing 2000-2027

Housing Unit Summary	
2000 Housing Units	78,593
Owner Occupied Housing Units	56.0%
Renter Occupied Housing Units	28.3%
Vacant Housing Units	15.7%
2010 Housing Units	92,407
Owner Occupied Housing Units	51.0%
Renter Occupied Housing Units	27.4%
Vacant Housing Units	21.7%
2020 Housing Units	101,197
Vacant Housing Units	17.0%
2022 Housing Units	103,821
Owner Occupied Housing Units	54.7%
Renter Occupied Housing Units	28.6%
Vacant Housing Units	16.8%
2027 Housing Units	106,984
Owner Occupied Housing Units	55.3%
Renter Occupied Housing Units	27.8%
Vacant Housing Units	16.9%

Currently (2022), 54.7% of the 103,821 housing units in the area are owner occupied; 28.6%, renter occupied; and 16.8% are vacant. In the U.S., 58.2% of the housing units are owner occupied; 31.8% are renter occupied; and 10% are vacant.

Home Value 2022-2027

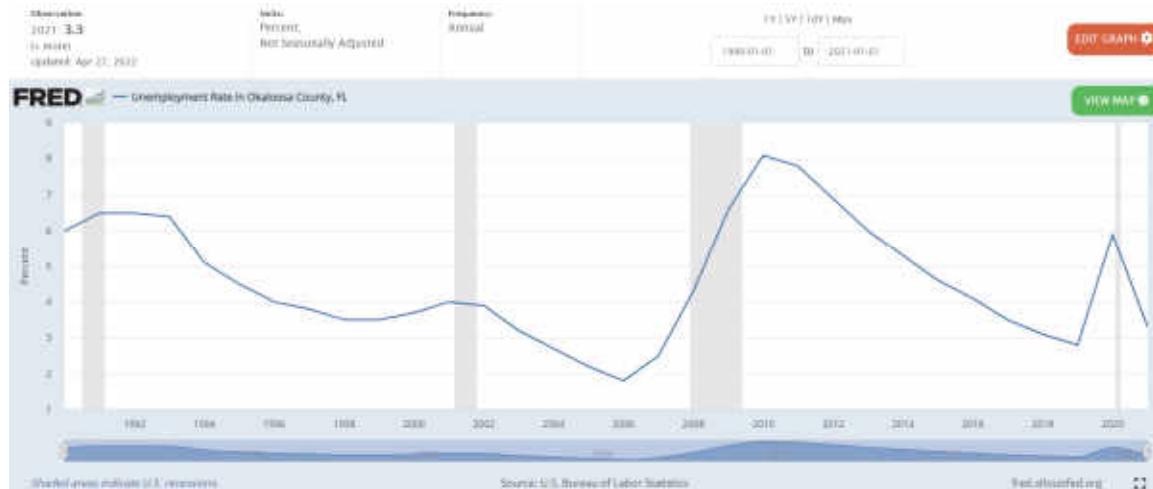


The 2022 median home value in Okaloosa County is \$281,809, compared to a median home value of \$283,272 or the U.S. The 2027 median value is projected to change by 2.68% annually to \$321,708.

ECONOMIC FORCES

Employment 2022

Overall the unemployment rate for Okaloosa County as of April 2022 is reported as 3.3%. The graph below shows the overall downward trend for Unemployment Claims in Okaloosa County.⁶



2022 employment fields (%)

Industry	Employed	Percent	US Percent
Total	106,114	100.0%	100.0%
Agriculture/Forestry/Fishing	373	0.4%	1.2%
Mining/Quarrying/Oil & Gas	45	0.0%	0.4%
Construction	9,400	8.9%	7.1%
Manufacturing	4,540	4.3%	9.6%
Wholesale Trade	1,622	1.5%	2.5%
Retail Trade	12,778	12.0%	10.8%
Transportation/Warehousing	5,058	4.8%	5.5%
Utilities	795	0.7%	0.8%
Information	848	0.8%	1.9%
Finance/Insurance	3,245	3.1%	4.8%
Real Estate/Rental/Leasing	4,307	4.1%	2.0%
Professional/Scientific/Tech	9,200	8.7%	8.0%
Management of Companies	37	0.0%	0.1%
Admin/Support/Waste Management	4,645	4.4%	3.8%
Educational Services	6,486	6.1%	9.0%
Health Care/Social Assistance	11,870	11.2%	14.5%
Arts/Entertainment/Recreation	1,857	1.8%	1.8%
Accommodation/Food Services	11,249	10.6%	6.5%
Other Services (Excluding Public)	6,076	5.7%	4.7%
Public Administration	11,683	11.0%	4.9%

The bulk of employers in Okaloosa County are in service-related fields, which include retail trade, health care/social assistance, public administration and accommodation/food services related fields.⁷

Business Expansion and New Development 2022-2023

⁶ www.fred.stlouisfed.org

⁷ www.STDB.com

The main commercial corridors for Okaloosa County are Highway 90 (east to west) through Crestview, Highway 85 (north to south) from Highway 90 south to Duke Field Air Force Base and Highway 85 (north to south) south of Duke Field into Niceville, and all the areas along Highway 98 (east to west) along the beaches. Much new and expanding commercial development is taking place in the form of retail and service jobs, especially in the areas along the beaches.

An April of 2022 article in the Northwest Florida Daily News⁸ describes a 52-acre mixed use parcel at 1900 Lewis Turner Boulevard that has been approved by city officials and is currently undergoing construction. The project's rendering, known as "Freedom Beacon Park" depicts about 300 multi-family units, a 126-room hotel, 55,000 SF of retail/commercial space, 160,000 SF of office space and a 4-acre central commons area. The site is located on an acreage parcel leased from Eglin Air Force Base on a 50-year ground lease.

A January of 2021 article in the Northwest Florida Daily News⁹ describes the Crestview Commons mixed-use development located on State Road 85 in Crestview, Florida. This development is currently under construction and is planned to feature approximately 73,000 SF of retail space and two national chain restaurants sited upon approximately 22-acres. Aldi, Ulta, Marshall's, Five Below Burlington's Coast Factory and Chili's are confirmed retailers/restaurants by the City of Crestview to be part of the complex.

An October of 2022 article in a 'Get the Coast' online article describes an approximate 20.06-acre parcel located at 757 & 761 Harbor Boulevard¹⁰ in the Destin, Florida has been approved by Destin City Council for a new Publix Shopping Center. This is the redevelopment of an existing shopping center in Downtown Destin. Construction is planned for an approximate 69,000 SF grocery-anchored shopping center which includes a +/-2,800 SF liquor store and +/-4,800 SF of retail / commercial units.

The uses in North Okaloosa County are primarily residential with a trend toward large homesteads with farming and agricultural use. Additionally, much of North Okaloosa County is within the boundary of the Blackwater River State Forest, as area set aside for recreation and conservation, where development will not be occurring.

GOVERNMENTAL FORCES

Public Services

Okaloosa County and the smaller municipalities within the County have all necessary public services including local fire departments, local police and County sheriff departments and local utility providers. Power, telephone, and internet are available. Utilities available include a range of services including water, sewer, natural gas, recycling stations and sanitation pick up. Local providers include Okaloosa Gas, Okaloosa County Water and Sewer, Niceville Water, Crestview Water, South Walton Utilities, Florida Power and Light, Destin Water and Mossyhead Water.

⁸ <http://www.nwfdailynews.com/news/20171117/major-development-proposed-for-fwfb>

⁹ <http://www.nwfdailynews.com/news/20171117/major-development-proposed-for-fwfb>

¹⁰ <https://www.getthecoast.com/destin-approves-publix-shopping-center/>

Governance and Zoning

The County Administrator is the chief administrative officer for the County. Okaloosa County is governed by five elected County Commissioners and houses a County Jail in Crestview. The Planning and Zoning Department of Okaloosa County govern commercial and residential development for the County. Commercial development is contained primarily to the major arterial roadways and thoroughfares that cross Okaloosa County. Axially off these roadways, we see secondary commercial uses and residential developments. The towns and cities of Cinco Bayou, Crestview, Destin, Ft. Walton Beach, Laurel Hill, Mary Esther, Niceville, Shalimar, and Valparaiso each have their own zoning codes which are enforced locally by town and city officials.

Homestead Exemption Laws

The entire state of Florida, inclusive of Okaloosa County, offers residents a homestead exemption up to \$50,000 for their primary residence. A \$25,000 exemption is allowed for all property taxes includes school taxes and an additional \$25,000 is available for homes assessed of from \$50,000 to \$75,000 which is applicable for non-school taxes.¹¹

ENVIRONMENTAL FORCES

Climate

As previously mentioned, Crestview is the County Seat of Okaloosa County and is representative of the County. The illustration below shows the annual average temperature of climate conditions in Crestview are generally mild and warm with temperatures ranging from an average overnight low in January of 37 degrees to 92 degrees in July¹². Average rainfall ranges from a low of 3.90” in October to a high in the month of July when the average rainfall is about 7.18”.

Climate Crestview - Florida

	Jan	Feb	Mar	Apr	May	Jun
Average high in °F	62	65	72	78	86	90
Average low in °F	37	39	45	51	58	67
Avg. precipitation in inch	5.77	5.10	6.32	4.16	4.48	6.65
	Jul	Aug	Sep	Oct	Nov	Dec
Average high in °F	92	91	88	80	72	63
Average low in °F	70	70	65	54	44	39
Avg. precipitation in inch	7.18	6.05	4.44	3.90	4.64	4.30

Transportation Systems

¹¹ <http://floridarevenue.com>

¹² www.usclimatedata.com

Okaloosa County is traversed by Interstate 10 which runs east to west. State Highways include Highway 4, Highway 90, Highway 98 (east / west) as well as Highway 85 (north / south).

Airports in Okaloosa County include Destin-Fort Walton Beach Airport and Bob Sikes Airport. There are no train stops in Okaloosa County, although there is discussion of reinstating Amtrak train service, which had a stop in Crestview before Hurricane Katrina interrupted service in 2005.

Navigable waterways in Okaloosa County including Choctawhatchee Bay and Santa Rosa Sound along the south. Bayous include Rocky Bayou, Tom's Bayou and Boggy Bayou along with numerous smaller bayous and inlets suitable for watercraft and recreation. The primary rivers are Yellow River and Juniper Creek, which run from the Alabama State Line south to the Gulf of Mexico as well as a multitude of smaller creeks and streams which cross Okaloosa County.

Immediate Area

Like most coastal counties in the panhandle of Florida, Okaloosa County development is driven by tourism and its proximity to military bases. Tourist attractions are limited to the beaches of Destin and Ft. Walton Beach along the Gulf of Mexico. Military installations in Okaloosa County include Hulbert Field, Eglin Air Force Base and Duke Field.

Summary of Projected Trends 2022-2027



In summary, it appears that Okaloosa County is ahead of the rest of the state of Florida for projected growth in Population, Households, Families, and Owner Housing Units.

Valuation Methodology

The appraisal analysis is based on analytical techniques encompassing the anticipation of costs and benefits to be derived in the future; however, the subject is appraised as described in this report, including only those assumptions also described in this report.

This appraisal analysis has been conducted, and the appraisal report was prepared in conformance with the requirements of Title XI of the *Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA)*.

The valuation process is a systematic procedure an appraiser follows to provide answers to a client's questions about real property value.¹ Three (3) basic approaches may be used to arrive at an estimate of market value. They are:

1. The Cost Approach
2. The Income Approach
3. The Sales Comparison Approach

Land Valuation Methodology

Land Valuation is generally a component of the Cost Approach in the appraisal of an improved site, however it may be utilized alone in an appraisal for vacant, or 'as if vacant' land not scheduled for development. In this appraisal, land valuation is conducted using the Sales Comparison Approach.

Cost Approach Methodology

The cost approach is a reliable methodology for new, nearly new, or special-use buildings. In the cost approach, value is estimated as the current cost of reproducing or replacing the existing or proposed improvements and site improvements (including direct and indirect costs as well as an appropriate entrepreneurial incentive or profit), and then deducting the loss in value from depreciation due to physical, functional, and external sources.¹³

The depreciated replacement or reproduction cost of the improvements is then added to the value of the site resulting in a value indication of the fee simple interest.

The Cost Approach is summarized as follows:

$$\begin{array}{l} \text{Cost New} \\ - \text{Depreciation} \\ + \text{Entrepreneurial Incentive} \\ + \text{Land Value} \\ = \text{Value} \end{array}$$

¹³ *The Appraisal of Real Estate*, Twelfth Edition

Sales Comparison Approach Methodology

The sales comparison approach is premised on the ‘Principle of Substitution’ indicating an informed purchaser would pay no more for a property than the cost of acquiring an equally desirable substitute property possessing the same or similar utility.

This approach is applicable when an active market provides sufficient quantities of reliable data capable of verification from authoritative sources. The Sales Comparison Approach is most reliable in an active market, or if an estimate of value is related to properties which there exist comparable sales, and heavy emphasis is generally placed on this sales comparison approach when these market conditions are present.

The Sales Comparison Approach compares sales of similar properties with the subject. Each comparable sale is adjusted for its inferior or superior characteristics. The values derived from the adjusted comparable sales form a range of value for the subject. By process of correlation and analysis, a final indicated value is derived.

Income Approach Methodology

The Income Approach converts the anticipated flow of future benefits (income) to a present value estimate through a capitalization and/or a discounting process.

The income approach is recognized as a reliable approach for estimating the value of ‘income producing’ property to an investor. The income approach consists of methods, techniques, and mathematical procedures that an appraiser utilizes to analyze a property’s capacity to generate income and convert 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 actions of the market, and the income approach is most applicable when the probable purchaser would be an investor or prospective owner occupant. Two (2) techniques associated with the income approach are direct capitalization (‘*DCR*’) and discounted cash flow (‘*DCF*’) analysis.

Final Reconciliation Process

In the appraisal process for improved property, typically more than one (1) approach to value is applied, resulting in two (2) or more value indications which must be evaluated for relevancy, applicability and reliability, and a final point value or range of value is chosen.

Resolving the differences among various value indications is called reconciliation.¹⁴

The appraisal process concludes with the ‘*Final Reconciliation*’ of the values derived from the approaches applied to arrive at a single estimate or range of market value opinions. Different properties require different means of analysis and lend themselves to one approach over the others. As such, in the reconciliation appropriate weight is

¹⁴ *The Appraisal of Real Estate*, Twelfth Edition

allocated to the most applicable and/or reliable indication of value to arrive at a conclusion.

Reconciliation is not a mathematical process. Rather, at this point in the valuation process the appraiser must reevaluate all relevant data in the analysis for appropriateness, accuracy, and quality of evidence.

The appraiser then weighs the relative significance, applicability, and defensibility of each value indication and relies most heavily on the approach most appropriate to the nature of the appraisal problem.

Valuation Methodology Utilized in this Assignment

Valuation Analyses

Land Valuation:	An opinion of value for the subject property in ‘As Vacant’ condition is being provided. ‘As Vacant’ land valuation is being conducted via employment of the sales comparison approach.
Cost Approach:	The cost approach was not utilized in this assignment as the subject is vacant land.
Sales Comparison Approach:	The improved sales comparison approach was not applied in this appraisal assignment as the subject is vacant land.
Income Approach:	As the subject property is being appraised as vacant land with no promise of generation of income, the income approach was not utilized in this appraisal.

Land Valuation

Anticipation, change, supply, demand, substitution, and balance are all appraisal principles that influence land value. Land value is substantially affected by supply and demand, but it is the economic use of a parcel of land that determines its value in a particular market.¹⁵

Several methods are commonly utilized by appraisers to provide an opinion of land value in 'As Vacant' or 'as if vacant' condition. These methods include sales comparison, extraction, allocation, direct capitalization, and yield capitalization. Of these methods, the sales comparison approach of valuation of land is the most commonly utilized, and is the preferred method when comparable sales area available.

The sales comparison approach was employed to estimate the current market value of the subject underlying land, 'As if Vacant' as of the effective date of this appraisal.

This valuation approach consists of steps in which the appraiser:

- Searches the market and gathers data on sales, listings, offers and options of comparable property.
- Identifies similarities and differences in data;
- Identifies the highest and best use of each potential comparable sale;
- Identifies units of comparison that explain market behavior;
- Adjusts the sale prices of the comparables to account for dissimilarity;
- Forms a conclusion as to the market value of the subject land.

Ideally, the subject would be compared to sales of similar parcels of land in the market area 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 commonly used in the market to derive pricing decisions.

Analysis of sales of waterfront land less than three (3) acres in size, and suitable for future mixed use or resort residential development indicates the common valuation unit is the **price of land per water front foot. This is the unit of comparison utilized in this appraisal assignment.**

¹⁵ The Appraisal of Real Estate, Twelfth Edition

Valuation of Subject Via Price per Waterfront Foot

We have searched for comparable sales in the subject market area which feature similar zoning designations and potential for future development at densities consistent with each of the parcels permitted density by zoning regulations.

We have chosen eight comparables from the market which we conclude are comparable to the subject property. In choosing our comparables, we chose comparables of land with similar highest and best use determinations as the subject property.

Comparable	Address	Date	Price	Water Frontage	Price per WFF	Transaction Type
1	2974 Scenic Hwy 98	6/16/21	\$2,925,000	68	\$43,015	Closed
2	XXX Ocean Blvd	8/20/21	\$2,275,000	50	\$45,500	Closed
3	XXX Ocean Blvd	8/27/21	\$2,350,000	51	\$46,078	Closed
4	2942 Scenic Highway 98	10/29/20	\$3,400,000	50	\$68,000	Closed
5	Scenic Hwy 98	11/3/22	\$14,000,000	340	\$41,176	Closed
6	XXX Beach Drive	9/23/22	\$4,250,000	82	\$51,829	Closed
7	XXX W Co Hwy 30A	1/1/22	\$4,000,000	70	\$57,143	Closed
8	5533 W Co Hwy 30A	7/15/23	\$8,500,000	140	\$60,714	Pending

The descriptions and analysis of the land comparables are presented on the following pages.

Land Comparable 1



Location, Market and Sale Information

Name	Walker Land	Address	2974 Scenic Highway 98 E
Image	Aerial Photograph	City	Destin
Land or Improved	Land	County	Okaloosa
Property Type	Vacant Land	Market	Destin
Current Use	Vacant Land	State	FL
Proposed Use	Residential	Tax ID	00-2S-22-0584-0000-0050
Legal Description	Shores of Crystal Beach Lot	Grantor	JOJO Holding, LLC
		Grantee	Walker Property Investments

Site Characteristics

Acres	0.46	Topography	Level
Land SF	20,038	Zoning	CBN
Water Frontage	68	Zoning Type	Crystal Beach Neighborhood
Shape	Rectangular	Flood Zone	Zone X and VE
Utilities	All Available or Proximate	View	Gulf of Mexico

Sale Indications

Date	6/16/2021	Transaction Type	Closed
Price	\$2,925,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$43,014.71	Property Rights	Fee Simple
Price Per SF	\$145.98	Financing	Cash or Equiv.
Days on Market	113	Verification Source	Public Records, MLS 867788
Sale History	08/31/2010 for \$1,150,000	ORB/P	3354/1630

Notes

This is the sale of an approximate 0.46 acre gulf front lot on Scenic Highway 98. This parcel is zoned CBN - Crystal Beach Neighborhood and is only suitable for residential purposes.

Land Comparable 2



Location, Market and Sale Information

Name	Cooke Land	Address	XXX Ocean Blvd
Image	Aerial Photograph	City	Destin
Land or Improved	Land	County	Okaloosa
Property Type	Vacant Land	Market	Destin
Current Use	Vacant Land	State	FL
Proposed Use	Residential	Tax ID	00-2S-22-0075-0000-1130
Legal Description	Destiny by the Sea Lot 113	Grantor	Fourty Four Holdings, LLC
		Grantee	Cooke Properties, LLC

Site Characteristics

Acres	0.25	Topography	Level
Land SF	10,890	Zoning	CBN
Water Frontage	50	Zoning Type	Crystal Beach Neighborhood
Shape	Rectangular	Flood Zone	Zone X and VE
Utilities	All Available or Proximate	View	Gulf of Mexico

Sale Indications

Date	8/20/2021	Transaction Type	Closed
Price	\$2,275,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$45,500.00	Property Rights	Fee Simple
Price Per SF	\$208.91	Financing	Cash or Equiv.
Days on Market	2	Verification Source	Public Records, MLS 878596
Sale History	None prior 3 Years	ORB/P	3568/4941

Notes

This is the sale of an approximate 0.25 acre gulf front lot on Ocean Blvd in Destiny by the Sea. This parcel is zoned CBN - Crystal Beach Neighborhood and is only suitable for residential purposes.

Land Comparable 3



Location, Market and Sale Information

Name	Craparo Land	Address	XXX Ocean Blvd
Image	Aerial Photograph	City	Destin
Land or Improved	Land	County	Okaloosa
Property Type	Vacant Land	Market	Destin
Current Use	Vacant Land	State	FL
Proposed Use	Residential	Tax ID	00-2S-22-0075-0000-0020
Legal Description	Destiny by the Sea Lot 2	Grantor	Craparo, Richard and Judy
		Grantee	Michael and Darcy Smith

Site Characteristics

Acres	0.20	Topography	Level
Land SF	8,712	Zoning	CBN
Water Frontage	51	Zoning Type	Crystal Beach Neighborhood
Shape	Rectangular	Flood Zone	Zone X and VE
Utilities	All Available or Proximate	View	Gulf of Mexico

Sale Indications

Date	8/27/2021	Transaction Type	Closed
Price	\$2,350,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$46,078.43	Property Rights	Fee Simple
Price Per SF	\$269.74	Financing	Cash or Equiv.
Days on Market	856	Verification Source	Public Records, MLS 818790
Sale History	None prior 3 Years	ORB/P	3570/1978

Notes

This is the sale of an approximate 0.20 acre gulf front lot on Ocean Blvd in Destiny by the Sea. This parcel is zoned CBN - Crystal Beach Neighborhood and is only suitable for residential purposes.

Land Comparable 4



Location, Market and Sale Information

Name	Former Crystal Port	Address	2942 Scenic Highway 98
Image	Aerial Photograph	City	Destin
Land or Improved	Land Purchase	County	Okaloosa
Property Type	Condo/Townhome	Market	Destin
Current Use	Condo/Townhome	State	FL
Proposed Use	Public Beach Access	Tax ID	00-2S-22-0590-0000-00A0
Legal Description	Crystal Port Units A-E	Grantor	Emerald LTA-2, LTD
		Grantee	Trust for Public Land

Site Characteristics

Acres	0.41	Topography	Level
Land SF	17,750	Zoning	CBR
Water Frontage	50	Zoning Type	Crystal Beach Resort
Shape	Rectangular	Flood Zone	X and AE
Utilities	All Available	View	Gulf of Mexico

Sale Indications

Date	10/29/2020	Transaction Type	Closed
Price	\$3,400,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$68,000.00	Property Rights	Fee Simple
Price Per SF	\$191.55	Financing	Cash or Equiv.
Days on Market	Unadvertised Sale	Verification Source	Public Record, Seller Peter Bos
Sale History	None In Previous 3 Years	ORB/P	3502/244

Notes

This is the sale of five each older townhomes within Crystal Port, a gulf front townhome development in Destin, FL. The owner of this property had been holding the property for some time with plans for a condominium development on the site, however sold the site and the five townhomes to the Trust for Public Land who in turn deeded the parcel to the City of Destin for public beach access enhancement.

Land Comparable 5



Location, Market and Sale Information

Name	City of Destin Land	Address	Scenic Highway 98
Image	Aerial Photograph	City	Destin
Land or Improved	Land Purchase	County	Okaloosa
Property Type	Redevelopment Site	Market	(14) Destin
Current Use	Resort Rental	State	FL
Proposed Use	Public Use	Tax ID	00-2S-22-0580-000A-0100
Legal Description	Metes and Bounds, Lot-Blk	Grantor	Blasbichler Trust
		Grantee	Trust for Public Land

Site Characteristics

Acres	2.04	Topography	Level
Land SF	88,862	Zoning	CBR
Road Frontage	Scenic Gulf, Gulf of Mexico	Zoning Type	Crystal Beach Resort
Shape	Rectangular	Flood Zone	X, AE, VE
Utilities	All Available	View	Gulf

Sale Indications

Date	11/3/2022	Transaction Type	Closed
Price	\$14,000,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$41,176.47	Property Rights	Fee Simple
Price Per SF	\$157.55	Financing	Cash or Equiv.
Days on Market	Over 365	Verification Source	Seller, Buyer, Appraisal
Sale History	None In Previous 3 Years	ORB/P	3650/608

Notes

This is the sale of a four parcel assemblage containing 2.04 acres more or less. No consideration was given to the improvements present, however they were functional and we consider their interim use value offsets the cost of demolition. These parcels were purchased for public use and were deeded to the City of Destin after purchase. This parcel featured 340 Water Front Feet along the Gulf of Mexico.

Land Comparable 6



Location, Market and Sale Information

Name	My Destiny Way	Address	XXX Beach Drive
Image	Aerial Photograph	City	Santa Rosa Beach
Land or Improved	Land Purchase	County	Walton
Property Type	Improved	Market	Santa Rosa Beach
Current Use	Improved	State	FL
Proposed Use	Redevelopment	Tax ID	34-2S-21-42080-007-025A
Legal Description	Lot 25 Blk 7 Gulf Pines	Grantor	Claude Penn
		Grantee	My Destiny Way Property, LLC

Site Characteristics

Acres	0.67	Topography	Level
Land SF	29,185	Zoning	RP
Water Frontage	82	Zoning Type	Residential Preservation
Shape	Irregular	Flood Zone	X and VE
Utilities	All Available	View	Gulf Of Mexico

Sale Indications

Date	9/23/2022	Transaction Type	Closed
Price	\$4,250,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$51,829.27	Property Rights	Fee Simple
Price Per SF	\$145.62	Financing	Cash or Equiv.
Days on Market	21	Verification Source	Public Record, MLS 905002
Sale History	None In Previous 3 Years	ORB/P	3267/3023

Notes

This is the sale of an approximate 0.67 acre parcel of land on Beach Drive in Santa Rosa Beach which was purchased for residential redevelopment. The listing indicates that this property could be either utilized for single family residential development, or a duplex with a maximum size of 6,000 SF. The duplex that is shown in the photograph was given no value and is reportedly slated for demolition, and this was marketed as a land purchase opportunity.

Land Comparable 7



Location, Market and Sale Information

Name	Ayden Woods	Address	XXX W Co Hwy 30A
Image	Aerial Photograph	City	Santa Rosa Beach
Land or Improved	Vacant Land	County	Walton
Property Type	Vacant Land	Market	30A West
Current Use	Vacant Land	State	FL
Proposed Use	Residential Development	Tax ID	04-3S-20-34050-001-0050
Legal Description	Lot 5 Blk 1 Dune Allen SD	Grantor	WPSR Development, LLC
		Grantee	Ayden Woods Investments

Site Characteristics

Acres	0.28	Topography	Level
Land SF	12,197	Zoning	RP
Water Frontage	70	Zoning Type	Residential Preservation
Shape	Rectangular	Flood Zone	X and VE
Utilities	All Available or Proximate	View	Gulf of Mexico

Sale Indications

Date	1/1/2022	Transaction Type	Closed Sale
Price	\$4,000,000	Conditions of Sale	Normal
Water Frontage Unit Price	\$57,142.86	Property Rights	Fee Simple
Price Per SF	\$327.95	Financing	Cash or Equiv
Days on Market	31	Verification Source	Public Records, MLS 884318
Sale History	\$3,750,000 on 7/30/2021	ORB/P	3234/2399

Notes

This is the closed sale of an approximate 0.28 acre lot on the Gulf of Mexico in Santa Rosa Beach. This lot does not extend to the mean high water line of the Gulf of Mexico, and there is a public beach to the south of this parcel owned by Walton County.

Land Comparable 8



Location, Market and Sale Information

Name	Blakeslee Parcel	Address	5533 W Co Hwy y 30A
Image	Aerial Photograph	City	Santa Rosa Beach
Land or Improved	Residential	County	Walton
Property Type	Residential	Market	30A West
Current Use	Residential	State	FL
Proposed Use	Public Use	Tax ID	04-3S-20-34000-002-0000
Legal Description	Metes and Bounds	Grantor	Blakeslee Et Al
		Grantee	Walton County

Site Characteristics

Acres	0.91	Topography	Level, Outfall
Land SF	39,640	Zoning	NPA
Water Frontage	140	Zoning Type	NPA-Infill
Shape	Irregular	Flood Zone	X and VE
Utilities	All Available or Proximate	View	Gulf of Mexico

Sale Indications

Date	7/15/2023	Transaction Type	Pending Sale
Price	\$8,500,000	Conditions of Sale	Pending Sale
Water Frontage Unit Price	\$60,714.29	Property Rights	Fee Simple
Price Per SF	\$214.43	Financing	Cash or Equiv
Days on Market	95	Verification Source	MLS 918414, Buyer
Sale History	6/21/2021 for \$4,350,000	ORB/P	Not Yet Recorded

Notes

This is the pending sale of a two parcel assemblage zoned Neighborhood Planning Area Infill, which is improved with an older home, but the home is slated for demolition by the purchaser in order to make way for a public access. This sale includes two each platted lots however the eastern most lot is affected by the dune lake outfall along the east boundary.

Comparables Location Map



Analysis Grid, Improved Comparable Sales

On the page following is depicted a sales comparison grid displaying the subject, the comparables, and the adjustments applied.

Land Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6	Comp 7	Comp 8
Name	Emerald LTA	Walker Land	Cooke Land	Craparo Land	Crystal Port	City of Destin Land	My Destiny Way	Ayden Woods	Blakeslee Parcel
Address	2940 Scenic Gulf Drive	2974 Scenic Hwy 98	XXX Ocean Blvd	XXX Ocean Blvd	2942 Scenic Highway 98	Scenic Highway 98	XXX Beach Drive	XXX W Co Hwy 30A	5533 W Co Hwy 30A
City	Destin	Destin	Destin	Destin	Destin	Destin	Santa Rosa Beach	Santa Rosa Beach	Santa Rosa Beach
County	Okaloosa	Okaloosa	Okaloosa	Okaloosa	Okaloosa	Okaloosa	Walton	Walton	Walton
Market	Destin	Destin	Destin	Destin	Destin	Destin	Santa Rosa Beach	Santa Rosa Beach	Santa Rosa Beach
State	FL	FL	FL	FL	FL	FL	FL	FL	FL
Property Type	Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Tax ID		00-2S-22-0584-0000-0050	00-2S-22-0075-0000-1130	00-2S-22-0075-0000-0020	00-2S-22-0590-0000-00A0	00-2S-22-0580-000A-0100	34-2S-21-42080-007-025A	04-3S-20-34050-001-0050	04-3S-20-34000-002-0000
Price	\$0	\$2,925,000	\$2,275,000	\$2,350,000	\$3,400,000	\$14,000,000	\$4,250,000	\$4,000,000	\$8,500,000
Price Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Price	\$0	\$2,925,000	\$2,275,000	\$2,350,000	\$3,400,000	\$14,000,000	\$4,250,000	\$4,000,000	\$8,500,000
Date	7/15/2023	6/16/2021	8/20/2021	8/27/2021	10/29/2020	11/3/2022	9/23/2022	1/1/2022	7/15/2023
Water Frontage	51	68	50	51	50	340	82	70	140
Water Frontage Unit Price	\$0	\$43,015	\$45,500	\$46,078	\$68,000	\$41,176	\$51,829	\$57,143	\$60,714
Transaction Adjustments									
Property Rights	Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional	Cash or Equiv.	0.0%	Cash or Equiv.	0.0%	Cash or Equiv.	0.0%	Cash or Equiv.	0.0%
Conditions of Sale	Normal	Normal	0.0%	Normal	0.0%	Normal	0.0%	Normal	0.0%
Adjusted Water Frontage Unit Price		\$43,015	\$45,500	\$46,078	\$68,000	\$41,176	\$51,829	\$57,143	\$60,714
Market Trends Through 1/1/23	18.0%	29.1%	25.4%	25.0%	43.3%	2.7%	4.6%	18.0%	0.0%
Adjusted Water Frontage Unit Price		\$55,551	\$57,054	\$57,596	\$97,471	\$42,293	\$54,234	\$67,429	\$60,714
Location	Very Good	Similar	Superior	Superior	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	-5%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0	-\$2,853	-\$2,880	\$0	\$0	\$0	\$0	\$0
Water Frontage	51	68	50	51	50	340	82	70	140
% Adjustment		0%	0%	0%	0.0%	25%	10.0%	10.0%	15.0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$10,573	\$5,423	\$6,743	\$9,107
Shape	Rectangular	Rectangular	Rectangular	Rectangular	Rectangular	Rectangular	Irregular	Rectangular	Irregular
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Topography	Level to Sloping	Level	Level	Level	Level	Level	Level	Level	Level
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Zoning	CBR	CBN	CBN	CBN	CBR	CBR	RP Duplex Allowed	RP	NPA Infill
% Adjustment		10%	10%	10%	0%	0%	5%	10%	0%
\$ Adjustment		\$5,555	\$5,705	\$5,760	\$0	\$0	\$2,712	\$6,743	\$0
Highest and Best Use	Resid, Multifam, Mixed Use Dev	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Functional Utility	Good - Extends to Mean High Water Line	Similar	Similar	Similar	Superior - Improvements Included	Access Easement at Boundary	Property Does not Extend to Mean High Water Line	Property Does not Extend to Mean High Water Line	Dune Lake Outfall Issue
% Adjustment		0.0%	0.0%	0.0%	-20.0%	5.0%	10.0%	10.0%	10.0%
\$ Adjustment		\$0	\$0	\$0	-\$19,494	\$2,115	\$5,423	\$6,743	\$6,071
Access	Adequate	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
View	Gulf	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Water Frontage Unit Price		\$61,106	\$59,906	\$60,476	\$77,977	\$54,981	\$67,792	\$87,657	\$75,893
Net Adjustments		42.1%	31.7%	31.2%	72.0%	33.5%	30.8%	53.4%	25.0%
Gross Adjustments		42.1%	44.2%	43.7%		33.5%	30.8%	53.4%	25.0%

Comparable Sale Adjustments

Explanation of Adjustments to Comparable Land Sales

Adjustments were made to the comparable land sales to account for differences between the subject property in 'As Vacant' condition, and each of the comparable land sales. An analysis of each of the elements of comparison and adjustments applied to the comparable land sales to account for the differences is presented below.

Property Rights

This adjustment considers the Fee Simple property rights of the subject. Each of the properties was conveyed in fee simple ownership by Warranty Deed instruments. Therefore, no adjustments are required for property rights. We note that some easements are noted in the deed, however these easements were not apparent on the provided survey, and with lack of a title search these easements could not be evaluated. See extraordinary assumption as to restrictions and easements as included in the scope of work and on the letter of transmittal.

Financing

All of the comparable sales sold or are anticipated to sell with cash to the seller and/or cash equivalent financing from conventional lending sources at market rates. Although these comparable sale sources did not reveal the exact terms of their financing, none of the purchasers of the comparable sale property indicated that the terms of their financing were materially different than what they perceived as market rate. As such, no adjustment is required for financing for these sales.

Conditions of Sale

All of the comparable land sales and pending sales were arm's length transactions, with no undue pressure on the seller or buyer involved in the comparable sale transactions to perform a purchase or sale. As such, no adjustment is required for conditions of sale for these sales.

Economic Trends / Market Conditions

We have observed dynamic conditions in the real estate market over the prior 3 years. Presently, there are only two gulf front lots for sale in the market area, the subject lot, with an asking price of \$5,750,000 and a gulf front lot on Lands End Drive with the same list price. Obviously, there has been an increase in values of gulf front land over the preceding months, as exhibited by the comparable sales, their sale prices and sale dates, and what is available for sale now. We present the following back-to-back sales in order to support a market conditions adjustment in the market to apply to the older sales in consideration of market conditions.

- 2809 Scenic Gulf Drive sold for \$1,075,000 in August of 2020 and resold in February of 2023 for \$2,725,000. This represents an approximate 153% increase in value over 30 months or an appreciation rate of 5.10

percent per month. This home did incur some nominal upgrades between the times of sale which contribute to the increase in sale price, however we attribute much of this to appreciation.

- 61 Lands End Drive in Destin sold in July of 2020 for \$2,995,000 and resold in June of 2023 for \$4,100,000. This represents an approximate 39% increase in value over 35 months or an appreciation rate of 1.11 percent per month.
- 132 Sandprint Circle in Destin sold in December of 2021 for \$6,025,000 and resold in August of 2022 for \$7,740,000. This represents an approximate 29% increase in value over 9 months or an appreciation rate of 3.22 percent per month.

In consideration of these factors, we will apply a market conditions adjustment of 1.5% per month, or 18% per annum to sales which occurred Prior to January 1, 2023.

Location

The location of the comparable sales relative to the subject was considered based on proximity to established travel corridors and surrounding land uses. The subject property has appealing location along Scenic Highway 98, in close proximity to a wide variety of commercial amenities, as well as the City of Destin tourist corridor. All comparable are considered to have similar location characteristics as compared to the subject, and no adjustment is necessary to this category of comparison.

Size

In this analysis, the subject and each comparable was contrasted for size of the parcel, specifically the quantity of water front feet each parcel featured. A common characteristic of the real estate market is larger parcels typically sell for less per unit of measure than do smaller parcels, all other characteristics being equal, being a reflection of economy of scale in the marketplace. Adjustments were applied as necessary.

Shape

The dimensions of the subject and all comparable sales were contrasted for this feature. No adjustment was considered necessary to this category of comparison as all of the sales were considered to have shape suitable for allowance of development to each parcel's associated highest and best use.

Topography

The subject and all of the comparable sales were contrasted for the feature of topography, and I determined all were essentially similar. Hence, no adjustment is necessary to these comparables.

Zoning

Comparables 1-3, 6 and 7 feature a more restrictive zoning designations and were adjusted upward. We made no other adjustments in this area of comparison, as all of the remaining sales were similarly zoned allowing a variety of development types.

Highest and Best Use

We have considered the highest and best use for each of the comparable land sales based on subsequent development, lack thereof, or other market information. All of the sales were roughly similar and did not warrant adjustment.

Functional Utility

The subject and each of the comparables were contrasted for functional utility. Comparable #5 features a deeded beach access easement along the west boundary to which the land area is servient to and was adjusted upward. Comparable #4 sold with notable improvements present which were given consideration in the price paid for the site, despite the fact that the purchaser desired the land only. As the price paid reflected consideration for the improvements, a deduction is made for the presence of these improvements in the purchase. Comparables 7 and 6 do not extend to the high water line of the Gulf of Mexico, an inferior attribute, and were adjusted upward accordingly. Comparable #8 is anticipated to have some nominal challenges to redevelopment by virtue of a dune lake outfall at the east boundary and was adjusted upward.

Access

The subject parcel and each of the comparables are considered to have adequate access thus no adjustments are necessary.

View

The subject and all of the comparables are direct waterfront Gulf of Mexico frontage parcels each sharing similar views and as such no adjustment was necessary in this category of comparison.

Land Value Conclusion

The quantity and quality of data is sufficiently reliable to derive a reasonable and sufficiently supported indication of market value as we employed six comparables which were considered comparable to the subject to premise our analysis, and now, our conclusion.

We consider the quality of improved sales to be sufficient and adequate to derive an opinion of value derived from improved sales comparison.

We consider the quantity of six comparables adequate to render a credible opinion of value.

FULL RANGE OF VALUE	
Sale #1	\$61,106
Sale #2	\$59,906
Sale #3	\$60,476
Sale #4	\$77,977
Sale #5	\$54,981
Sale #6	\$67,792
Sale #7	\$87,657
Pending #8	\$75,893
Lowest	\$54,981
Highest	\$87,657
Average	\$68,223
Median	\$64,449
Std Dev	\$10,530

The sales comparison analysis indicated a full range of value per waterfront foot of the subject site of between \$64,981 and \$87,657 per WFF with an average of \$68,223 rounded to \$68,000 per WFF, and a median of \$64,449 rounded to \$65,000. The standard deviation for the full range of adjusted sale data was \$10,530.

We give some consideration to each of the comparables and reconcile at a rounded \$67,000 per Water Front Foot which is consistent with the average and median value indication produced by the full range of value and is within the full range of value produced by all of the comparables.

Applying this to the +/-51 WFF contained by the property indicates a total value of \$3,420,000.

Ranges & Reconciled Values	
Low:	\$54,981
High:	\$87,657
Average:	\$68,223
Reconciled Value/Unit Value:	\$67,000
Subject Size:	51
Type of Unit Value:	Water Front Foot
Indicated Value:	\$3,417,000
Reconciled Final Value:	\$3,420,000

Based on the previously presented analysis, we have reconciled to the following ‘As Vacant’ / ‘As Is’ value as of July 15, 2023, and subject to the Limiting Conditions and Assumptions of this appraisal.

**Indicated Value Subject Property
In ‘As Is’ Condition
As Of: July 15, 2023**

\$3,420,000

Three Million Four Hundred Twenty Thousand Dollars

Final Reconciliation

The process of reconciliation involves the analysis of each approach to value. The quality of data, the significance of each approach as it relates to market behavior and defensibility of each approach are considered and weighed. Finally, each is considered separately and comparatively.

Value Indications

Land Value:	\$3,420,000
Cost Approach:	Not utilized
Sales Comparison Approach:	Not Utilized
Income Approach:	Not Utilized

Land Valuation

We have used the sales comparison approach with a highest and best use of land 'As if Vacant' based on comparison with other parcels in the subject market area.

There is sufficient quality and quantity of market data to derive an opinion of land value via the sales comparison approach. In valuing the subject parcel we used eight land comparables.

The comparable sale data utilized is of an adequately nature to derive a credible opinion of value.

All comparable sales were in the general or broader competitive market area of the subject. We concentrated primarily on sales which featured similar highest and best use conclusions and potential for development.

We used price per WFF as our unit of comparison based on the actions of buyers and sellers in the market. Primary weight has been allocated the sales comparison approach to value in this appraisal analysis.

Cost Approach, Improved Sales Comparison Approach, Income Approach

Given valuation of the subject in 'As Vacant' condition, the cost, improved sales comparison, and income approaches were not utilized in this appraisal assignment.

Therefore, we have allocated primary weight to the value indication from the land sales comparison analysis in our reconciliation.

Exposure Time

The opinion of value derived as a result of the analyses in this report revolves around the time estimated necessary to sell the subject, given market conditions and conditions / characteristics of the property leading to the date of value.

Exposure time is retrospective from the effective date of value of the appraisal report.

While unique to every property, exposure time is universally dependent on satisfactory effort being given by competent market participants in an effort to sell the subject. This requirement is parallel to the definition of market value utilized in this appraisal assuming competent and aggressive marketing is present in any sale.

Based on the preponderance of market data and analyses presented in the preceding analysis, it is estimated the exposure time necessary to have achieved the value opinion subsequently stipulated is nine to twelve (9-12) months.

Value Conclusion

Based on the data and analyses developed in this appraisal, we have reconciled to the following rounded value conclusion, as of July 15, 2023, subject to the Limiting Conditions and Assumptions of this appraisal.

Reconciled Value

**Market Value of the Fee Simple Interest In the Subject Property
In 'As Is' Condition, As of July 15, 2023:**

\$3,420,000

Three Million Four Hundred Twenty Thousand Dollars

The estimated market exposure period necessary for the subject to have achieved this value is estimated to be 9-12 months.

Certification

The appraisers have no present or prospective interest in the subject property of this appraisal and no personal interest of bias with respect to the parties involved in this appraisal. We have the appropriate education and experience to conduct this appraisal.

The appraisers will not divulge the analytical findings or conclusions to anyone other than the client or designee, except as may be required by the Appraisal Institute or by a court of law with power of subpoena.

We certify, to the best of our 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 our personal, impartial, and unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the property which is the subject of this report and no personal interest with respect to the parties involved.
- The signatory appraiser has not performed any services regarding the subject property, as an appraiser or in any other, capacity that is the subject of this report within the 3 years prior to the date of acceptance of this appraisal assignment.
- We have no bias with respect to the property which is the subject of this report or to the parties involved with this assignment.
- The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 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.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.

Certification (Continued)

- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this report.
- As of the effective date of this report, I, Jason Shirey, MAI, have completed the continuing education requirements of the Appraisal Institute.

This appraisal has been conducted, and the appraisal report prepared in conformance with the requirements of Title XI of the Financial Institutions Reform, Recover, and Enforcement Act of 1989 (FIRREA, 12 U.S.C. 3331 et seq.). This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

Respectfully submitted,
Equivalue Appraisal, LLC.

A handwritten signature in blue ink, appearing to read "Jason P. Shirey", with a stylized flourish extending from the end.

Jason P. Shirey, MAI, CCIM, CPM
Cert Gen RZ3186

Limiting Conditions and Assumptions

1. Unless otherwise noted in the body of the report, we assumed that title to the property or properties appraised is clear and marketable and that there are no recorded or unrecorded matters or exceptions that would adversely affect marketability or value. We are not aware of any title defects nor were we advised of any unless such is specifically noted in the report. We did not examine a title report and make no representations relative to the condition thereof. Documents dealing with liens, encumbrances, easements, deed restrictions, clouds and other conditions that may affect the quality of title were not reviewed. Insurance against financial loss resulting in claims that may arise out of defects in the subject property's title should be sought from a qualified title company that issues or insures title to real property.
2. We assume that improvements are constructed or will be constructed according to approved architectural plans and specifications and in conformance with recommendations contained in or based upon any soils report(s).
3. Unless otherwise noted in the body of this report, we assumed: that any existing improvements on the property or properties being appraised are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are, or will be upon completion, in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the property or properties have been engineered in such a manner that it or they will withstand any known elements such as windstorm, hurricane, tornado, flooding, earthquake, or similar natural occurrences; and, that the improvements, as currently constituted, conform to all applicable local, state, and federal building codes and ordinances. We are not engineers and are not competent to judge matters of an engineering nature. We did not retain independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, make no representations relative to the condition of improvements. Unless otherwise noted in the body of this report no problems were brought to our attention by ownership or management. We were not furnished any engineering studies by the owners or by the party requesting this appraisal. If questions in these areas are critical to the decision process of the reader, the advice of competent engineering consultants should be obtained and relied upon. It is specifically assumed that any knowledgeable and prudent purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of the building systems. Structural problems and/or building system problems may not be visually detectable. If engineering consultants retained should report negative factors of a material nature, or if such are later discovered, relative to the condition of the improvements, such information could have a substantial negative impact on the conclusions reported in this appraisal. Accordingly, if engineering consultants report negative findings, we reserve the right to amend the appraisal conclusions reported herein.
4. All furnishings, equipment and business operations, except as specifically stated and typically considered as part of real property, have been disregarded with only real property being considered in the appraisal. Any existing or proposed improvements, on- or off-site, as well as any alterations or repairs considered, are assumed to be completed

- in a workmanlike manner according to standard practices based upon information submitted. This report may be subject to amendment upon re-inspection of the subject property subsequent to repairs, modifications, alterations and completed new construction. Any estimate of Market Value is as of the date indicated; based upon the information, conditions and projected levels of operation.
5. We assume that all factual data furnished by the client, property owner, owner's representative, or persons designated by the client or owner to supply said data are accurate and correct unless otherwise noted in the appraisal report. We have no reason to believe that any of the data furnished contain any material error. Information and data referred to in this paragraph include, without being limited to, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any material error in any of the above data could have a substantial impact on the conclusions reported. Thus, we reserve the right to amend our conclusions if errors are revealed. Accordingly, the client-addressee should carefully review all assumptions, data, relevant calculations, and conclusions within 30 days after the date of delivery of this report and should immediately notify us of any questions or errors.
 6. The date of value to which any of the conclusions and opinions expressed in this report apply, is set forth in the Letter of Transmittal. Further, that the dollar amount of any value opinion herein rendered is based upon the purchasing power of the American Dollar on that date. This appraisal is based on market conditions existing as of the date of this appraisal. Under the terms of the engagement, we will have no obligation to revise this report to reflect events or conditions which occur subsequent to the date of the appraisal. However, we will be available to discuss the necessity for revision resulting from changes in economics or market factors affecting the subject.
 7. We assume no private deed restrictions, limiting the use of the subject property in any way.
 8. Unless otherwise noted in the body of the report, we assume that there are no mineral deposits or subsurface rights of value involved in this appraisal, whether they be gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered unless otherwise stated in this appraisal report. Unless otherwise stated we also assumed that there are no air or development rights of value that may be transferred.
 9. We are not aware of any contemplated public initiatives, governmental development controls, or rent controls that would significantly affect the value of the subject.
 10. The estimate of Market Value, which may be defined within the body of this report, is subject to change with market fluctuations over time. Market value is highly related to exposure, time promotion effort, terms, motivation, and conclusions surrounding the offering. The value estimate(s) consider the productivity and relative attractiveness of the property, both physically and economically, on the open market.
 11. Unless specifically set forth in the body of the report, nothing contained herein shall be construed to represent any direct or indirect recommendation to buy, sell, or hold the

- properties at the value stated. Such decisions involve substantial investment strategy questions and must be specifically addressed in consultation form.
12. Unless otherwise noted in the body of this report, we assume that no changes in the present zoning ordinances or regulations governing use, density, or shape are being considered. The property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based, unless otherwise stated.
 13. This study may not be duplicated in whole or in part without our written consent, nor may this report or copies hereof be transmitted to third parties without said consent. Exempt from this restriction is duplication for the internal use of the client-addressee and/or transmission to attorneys, accountants, or advisors of the client-addressee. Also exempt from this restriction is transmission of the report to any court, governmental authority, or regulatory agency having jurisdiction over the party/parties for whom this appraisal was prepared, provided that this report and/or its contents shall not be published, in whole or in part, in any public document without our written consent. Finally, this report shall not be advertised to the public or otherwise used to induce a third party to purchase the property or to make a “sale” or “offer for sale” of any “security”, as such terms are defined and used in this Securities Act of 1933, as amended. Any third party, not covered by the exemptions herein, who may possess this report, is advised that they should rely on their own independently secured advice for any decision in connection with this property. We shall have no accountability or responsibility to any such third party.
 14. Any value estimate provided in the report applies to the entire property, and any pro ration or division of the title into fractional interests will invalidate the value estimate, unless such pro ration or division of interests has been set forth in the report.
 15. Any distribution of the total valuation in this report between land and improvement applies only under the existing program of utilization. Component values for land and/or buildings are not intended to be used in conjunction with any other property or appraisal and are invalid if so used.
 16. The maps, plats, sketches, graphs, photographs, and exhibits included in this report are for illustration purposes only and are to be used only to assist in visualizing matters discussed within this report. Except as specifically stated, data relative to size or areas of the subject and comparable properties was obtained from sources deemed accurate and reliable. None of the exhibits are to be removed, reproduced, or used apart from this report.
 17. No opinion is intended to be expressed on matters that may require legal expertise or specialized investigation or knowledge beyond that which is customarily employed by real estate appraisers. Values and opinions expressed presume that environmental and other governmental restrictions/conditions by applicable agencies have been met, including but not limited to seismic hazards, flight patters, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, licenses, etc. No survey, engineering study or architectural analysis was provided to us unless otherwise stated within the body of this report. If we were not supplied with a

- termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranty is made concerning obtaining these items. We assume no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
18. Acceptance and/or use of this report constitutes full acceptance of the Assumptions and Limiting Conditions and extraordinary assumptions set forth in this report. It is the responsibility of the Client, or client's designees, to read in full, comprehend and thus become aware of the aforementioned assumptions and limiting conditions. We assume no responsibility for any situation arising out of the Client's failure to become familiar with and understand the same. The Client is advised to retain experts in areas that fall outside the scope of the real estate appraisal/consulting profession if so desired.
 19. We assume that the subject property will be under prudent and competent management and ownership; neither inefficient nor super-efficient.
 20. We assume 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 reports.
 21. No survey of the boundaries of the property was undertaken. All areas and dimensions furnished are presumed correct. It is further assumed that no encroachments to the realty exists.
 22. All value opinions expressed herein are as of the date of value. In some cases, facts or opinions are expressed in the present tense. All opinions are expressed as of the date of value, unless specifically noted.
 23. The Americans with Disabilities Act (ADA) became effective January 26, 1992. Notwithstanding any discussion of possible readily achievable barrier removal construction items in this report, we did not perform a specific compliance survey and analysis of this property to determine whether it is in conformance with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the ADA. If so, the fact could have a negative effect on the value estimated herein. Since we have no specific information relating to this issue, nor are we qualified to make such an assessment, the effect of any possible non-compliance was not considered in estimating the value of the subject property.
 24. The value estimate rendered in this report is predicated on the assumption that there is no hazardous material on or in the property that would cause a loss of value. We were not provided with an Environmental Assessment Report. Further, we are not qualified to determine the existence or extent of environmental hazards. If there are any concerns pertaining to environmental hazards for this property, we recommend that a qualified engineer perform an assessment.

Addenda

Parcel Maps



Property Appraiser Data Cards


Okaloosa County Property Appraiser
Log In

Layers Map Search Tangible Property Search Sales Search Sales List Condo List Results **Report** Sales Results Property Type Search Property Type

Parcel Summary

Parcel ID: 00-25-22-0580-000C-006A
Location Address: 2940 OLD HWY 98 E
DESTEIN 32541
Neighborhood: DESTIN-CB (222101.00)
Brief Tax Description*: CRYSTAL BEACH S/D THAT PART OF BLK C INC LYING BETWEEN SLY EXT TO GULF OF MEXICO OF THE E&W LINES OF LOT 3 BLK 10
*The Description above is not to be used on legal documents
Property Use Code: VACANT (000000)
Sec/Twp/Rng: 00-25-22
Tax District: Destin (District 10)
Millage Rate: 12.0609
Acreage: 0.000
Homestead: N
Acreage (GIS): 0.32
Fire District: N/A
[View Map](#)

Owner Information

Primary Owner:
Emerald Lta-2 Inc
4471 Legendary Dr
Attn: Tracie Blocker
Destin, FL 325410000

Valuation

	2022 Certified Values	2021 Certified Values	2020 Certified Values	2019 Certified Values	2018 Certified Values
» Building Value	\$0	\$0	\$0	\$0	\$0
» Extra Features Value	\$0	\$0	\$0	\$0	\$0
» Land Value	\$1,915,936	\$1,217,865	\$1,255,110	\$1,255,110	\$1,230,500
» Land Agricultural Value	\$0	\$0	\$0	\$0	\$0
» Agricultural (Market) Value	\$0	\$0	\$0	\$0	\$0
» Just (Market) Value	\$1,915,936	\$1,217,865	\$1,255,110	\$1,255,110	\$1,230,500
» Assessed Value	\$1,449,652	\$1,217,865	\$1,255,110	\$1,154,909	\$1,049,917
» Exempt Value	\$0	\$0	\$0	\$0	\$0
» Taxable Value	\$1,449,652	\$1,217,865	\$1,255,110	\$1,154,909	\$1,049,917
» Cap Diff/Portability Amount	\$466,284	\$0	\$0	\$100,201	\$180,582

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.

2022 TRIM Notice
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Homestead Application
[Apply for Homestead Exemption](#)

Land Information

Code	Land Use	Number of Units	Unit Type	Frontage	Depth
000110	SFR GULF	30.00	FF	30	0

Sales

Multi-Parcel	Sale Date	Sale Price	Instrument	Book	Page	Qualification	Vacant/Improved	Grantor	Grantee
N	08/15/2003	\$827,700	WD	2465	4151	Qualified (Q)	Vacant	FULMER TIMOTHY D & MILTON H & BUTLER LESTER J	EMERALD LTA-2 INC
N	12/10/1999	\$785,000	WD	2234	120	Qualified (Q)	Vacant	EMMERT INVESTMENTS LLC	FULMER TIMOTHY D & BUTLER LESTER J (F/J) MFR M

Current Listing

914950 Full Agent Report - Land Vacant Land - Active			\$5,750,000
Office File #:		Lot	50x275x47x275
Address:	2940 Scenic Hwy 98, Destin, FL 32541	Dimensions:	
County:	Okaloosa	Acreage:	0.32
Area:	14 - Destin	Waterfront:	50
Sub Area:	1404 - Destin Beach East	Feet:	
Project:	Crystal Beach S/D	Beach:	50
Name/Subdivision:		Frontage:	
Parcel ID:	00-25-22-0580-000C-006A	Lot Access:	City Road
Elementary School:	Destin	Zoning:	City; County; Resid Single Family
Middle School:	Destin		
High School:	Destin	Mineral Rights:	
Directions: Located directly across the street from Camille's Restaurant in Crystal Beach. Legal Description: CRYSTAL BEACH S/D THAT PART OF BLK C INC LYING BETWEEN SLY EXT TO GULF OF MEXICO OF THE E&W LINES OF LOT 5 BLK 10 Remarks: Beachfront paradise found! Serving up nearly 14,000 square feet of absolute prime vacant beachfront land, this lot is where dreams become reality. Located in the heart of Destin's "Crystal Beach," this lot is located literally minutes from EVERYTHING the area has to offer. Vacant beachfront land is exceptionally rare and this property is one of the last remaining sites of buildable beachfront property along Old/Scenic Hwy. 98. Agent to Agent Rmrks: Showing: Call Listing Assoc.			
Waterfront: Gulf; Gulf/Pass; Shore - Beach; Waterfront Feet: 50		Waterview: Gulf	Utilities: Public Sewer; Public Water
Lot Features: Coastal Barrier Zone: No; Coastal Setback: Within 1/2 Mile to Water		Project Facilities: Waterfront	Farm Info:
Land Lease P/Year:		Rent/Mo:	
Assessment Fees:	No	Lease Expiration Dt:	
Assessment Amount:		Existing Leases:	
Assessment Paid:		Assc Mgmt Company:	
New Buyer Fee Amt:		Assc Mgmt Contact:	
New Buyer Fee Paid:		Assc Mgmt Name:	
Fees Include:			
Listing Office: Legendary Realty LLC ELR2 Listing Member: Lindsey Lynch E7633 lindseylynch@legendaryrealty.com Co-listing Office: Co-listing Member: Trans Broker Comp: 2.5% Dual/Variable Rate: Yes As Is: No Brokerage Interest: Equitable Interest - Listing Broker/Salesperson has equitable interest in the property. Bonus: No Terms of Bonus: Compensation Notes:		Agent Ph: 850-974-7070 Agent Cell Ph: 850-974-7070 Office Ph: 850-337-8000 Co-List Ph: Single Agent Comp: 2.5% Non-Rep Comp: 0% Limited Service List: No	
		Sale Type: Named Exception: No List Type: Exclusive Right of Sale Agency: Transaction Broker Seller Nm: Emerald Lta-2 Inc Seller Phone #:	

Most Recent Warranty Deeds

** OFFICIAL RECORDS **
BK 2465 PG 4151

Prepared by and return to:
Karen S. Greybill
Destin Land & Title, Inc.
607 Highway 98 East, Suite B
Destin, FL 32541
850-654-4358
File Number: DLT03-713
Parcel Identification No. 00-28-22-0580-000C-006A
[Space Above This Line For Recording Data]

FILE # 2046159 RCD: Aug 19 2003 @ 11:25AM
Newman C. Brackin, Clerk, Okaloosa Cnty FL
Deed Doc Stamps \$5,793.90 D.C. FS

Warranty Deed

(STATUTORY FORM - SECTION 689.02, F.S.)

This Indenture made this 15th day of August, 2003 between Timothy D. Fulmer, Lester J. Butler, and Milton H. Fulmer, all married men as to their separate non-homestead property, whose post office address is T. Fulmer: 439 Admiral Court, Destin, FL 32541; L. Butler: P.O. Box 601, Destin, Florida 32540; and M. Fulmer: 4592 Woodwind, Destin, Florida 32541, of the County of Okaloosa, State of Florida, grantor*, and Emerald LTA-2, Inc., a Florida corporation whose post office address is 4460 Legendary Drive, Suite 400, Destin, FL 32541 of the County of Okaloosa, State of Florida, grantee*,

Witnesseth, that said grantor, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable considerations to said grantor in hand paid by said grantee, the receipt whereof is hereby acknowledged, has granted, bargained, and sold to the said grantee, and grantee's heirs and assigns forever, the following described land, situate, lying and being in Okaloosa County, Florida, to-wit:

THAT PART OF BLOCK C INCLUDED BETWEEN THE SOUTHERLY EXTENSION TO THE GULF OF MEXICO OF THE EAST AND WEST LINES OF LOT 5, BLOCK 10, CRYSTAL BEACH, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 17, OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA.

SUBJECT TO Permitted Encumbrances as set forth on Exhibit "A" attached hereto and made a part hereof.

and said grantor does hereby fully warrant the title to said land, and will defend the same against lawful claims of all persons whomsoever.

* "Grantor" and "Grantee" are used for singular or plural, as context requires.

In Witness Whereof, grantor has hereunto set grantor's hand and seal the day and year first above written.

Signed, sealed and delivered in our presence:

[Signature]
Witness Name: DAVID PLEAS

[Signature]
Witness Name: DAVID G. PLEAS

[Signature]
Witness Name: KAREN S. GREYBILL

[Signature]
Witness Name: KAREN S. GREYBILL

[Signature]
Witness Name: KAREN S. GREYBILL

[Signature]
Witness Name: KAREN S. GREYBILL

[Signature]
Witness Name: Cheryl Lester

[Signature] (Seal)
Timothy D. Fulmer

[Signature] (Seal)
Lester J. Butler

[Signature] (Seal)
Milton H. Fulmer

Rec 10:50
Dec 5793.89
580.40

State of Florida
County of Okaloosa

The foregoing instrument was acknowledged before me this 15th day of August, 2003 by Milton H. Fulmer, who [] is personally known or [X] has produced a driver's license as identification.

[Notary Seal]

[Signature]
Notary Public, State of Florida

Printed Name: Karen S. Greybill

My Commission Expires: December 22, 2006

KAREN S. GREYBILL
MY COMMISSION # DO 056773
EXPIRES: December 22, 2006
(Revised Two Notary Public Understandings)

DoubleTimes

**** OFFICIAL RECORDS ****
BK 2465 PG 4152

State of Florida
 County of Okaloosa

The foregoing instrument was acknowledged before me this 15th day of August, 2003 by Timothy D. Fulmer, who ☐ is personally known or ☒ has produced a driver's license as identification.

[Notary Seal]



Notary Public

Printed Name: Karen S. Greybill

My Commission Expires: December 22, 2005

State of Florida
 County of Okaloosa

The foregoing instrument was acknowledged before me this 15th day of August, 2003 by Lester J. Butler, who ☐ is personally known or ☒ has produced a driver's license as identification.

[Notary Seal]



Notary Public, State of Florida

Printed Name: Karen S. Greybill

My Commission Expires: December 22, 2005

EXHIBIT "A"

Restrictions (deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin), covenants, easement(s), setback(s), if any, as may be shown on the Plat recorded in Plat Book 1, Page(s) 17, of the Public Records of Okaloosa County, Florida.

Subject to those Restrictions as recorded in Deed Book 53, Pages 84 and 85, of the Public Records of Okaloosa County, Florida.

Subject to that Easement as recorded in Deed Book 53, Pages 84 and 85, of the Public Records of Okaloosa County, Florida.

The rights, if any, of the public to use the public beach, recreation area, or any part of the land lying between the body of water abutting the subject property and the natural line of vegetation, the bulkhead line, the most extreme high water line or any other legally established boundary line separating the publicly used area from the upland private area.

The nature, extent, or existence of riparian rights, if any, appurtenant to the insured lands lying below the mean/ordinary high water mark, are neither guaranteed nor insured, and the riparian rights of others as the same may affect the said property, are hereby excepted.

Okaloosa County Property Appraiser

Parcel Summary

Parcel ID	00-2S-22-0580-000C-006A
Location Address	2940 OLD HWY 98 E DESTIN 32541
Neighborhood	DESTIN-CB (222101.00)
Brief Tax Description*	CRYSTAL BEACH S/D THAT PART OF BLK C INC LYING BETWEEN SLY EXT TO GULF OF MEXICO OF THE E&W LINES OF LOT 5 BLK 10 <i>*The Description above is not to be used on legal documents.</i>
Property Use Code	VACANT (000000)
Sec/Twp/Rng	00-2S-22
Tax District	Destin (District 10)
Millage Rate	12.0509
Acreage	0.000
Homestead	N
Acreage (GIS)	0.32
Fire District	N/A

[View Map](#)

Owner Information

Primary Owner
Emerald Lta-2 Inc
4471 Legendary Dr
Attn: Tracie Blocker
Destin, FL 325410000

Valuation

	2022 Certified Values	2021 Certified Values	2020 Certified Values	2019 Certified Values	2018 Certified Values
Building Value	\$0	\$0	\$0	\$0	\$0
Extra Features Value	\$0	\$0	\$0	\$0	\$0
Land Value	\$1,915,936	\$1,317,865	\$1,255,110	\$1,255,110	\$1,230,500
Land Agricultural Value	\$0	\$0	\$0	\$0	\$0
Agricultural (Market) Value	\$0	\$0	\$0	\$0	\$0
Just (Market) Value	\$1,915,936	\$1,317,865	\$1,255,110	\$1,255,110	\$1,230,500
Assessed Value	\$1,449,652	\$1,317,865	\$1,255,110	\$1,154,909	\$1,049,917
Exempt Value	\$0	\$0	\$0	\$0	\$0
Taxable Value	\$1,449,652	\$1,317,865	\$1,255,110	\$1,154,909	\$1,049,917
Cap Diff/Portability Amount	\$466,284	\$0	\$0	\$100,201	\$180,583

"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.

2022 TRIM Notice

[Click Here to view the 2022 TRIM Notice \(PDF\)](#)

Homestead Application

[Apply for Homestead Exemption](#)

Land Information

Code	Land Use	Number of Units	Unit Type	Frontage	Depth
000110	SFR GULF	50.00	FF	50	0

Sales

Multi Parcel	Sale Date	Sale Price	Instrument	Book	Page	Qualification	Vacant/Improved	Grantor	Grantee
N	08/15/2003	\$827,700	WD	2465	4151	Qualified (Q)	Vacant	FULMER TIMOTHY D & MILTON H & BUTLER LESTER J	EMERALD LTA-2 INC
N	12/10/1999	\$785,000	WD	2234	120	Qualified (Q)	Vacant	EMMERT INVESTMENTS L C	FULMER TIMOTHY D & BUTLER LESTER J & FULMER M
N	04/15/1997	\$550,000	WD	2066	642	Qualified (Q)	Vacant	DAVIES WILLIAM P & TASHIE PAUL	EMMERT INVESTMENTS L C
N	07/10/1996	\$399,500	WD	2010	1478	Qualified (Q)	Improved	MAXWELL NELL M	
N	01/01/1977	\$7,500	PV	0	0	Unqualified (U)	Vacant		MAXWELL NELL M

2022 Property Record Card

[Click Here to view the 2022 Property Record Card \(PDF\)](#)

Generate Owner List by Radius

Distance:

100

Fee

▼

Use Address From:

☒ Owner

☐ Property

Select export file format:

Address labels (5160)

▼

International mailing labels that exceed 5 lines are not supported on the Address labels (5160). For international addresses, please use the xlsx, csv or tab download formats.

Download

☒ Show All Owners

☐ Show Parcel ID on Label

Skip Labels

0

No data available for the following modules: Building Information, Extra Features, Building Area Types, Permits, Sketches.

The Okaloosa County Property Appraiser's Office (OCPA) 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. Just (Market) Value is established by the Property Appraiser for ad valorem tax purposes. It does not represent anticipated selling price. Current year assessments are as of January 1st and are based on previous year sales activity. All website information is subject to change
| [User Privacy Policy](#) | [GDPR Privacy Notice](#)
[Last Data Upload: 7/10/2023, 3:46:24 AM](#)

[Contact Us](#)



Okaloosa County Property Appraiser

Parcel Summary

Parcel ID	00-2S-22-0584-0000-0030
Location Address	2970 SCENIC HWY 98 E DESTIN 32541
Neighborhood	RESIDENTIAL GULF (222100.30)
Brief Tax Description*	SHORES OF CRYSTAL BEACH LOT 3 <i>*The Description above is not to be used on legal documents.</i>
Property Use Code	VACANT (000000)
Sec/Twp/Rng	00-2S-22
Tax District	Destin (District 10)
Millage Rate	12.0509
Acreage	0.000
Homestead	N
Acreage (GIS)	0.44
Fire District	N/A

[View Map](#)

Owner Information

Primary Owner
[City Of Destin](#)
 4200 Indian Bayou Trl
 Destin, FL 32541

Valuation

	2022 Certified Values	2021 Certified Values	2020 Certified Values	2019 Certified Values	2018 Certified Values
Building Value	\$0	\$1,060,277	\$856,123	\$890,466	\$914,923
Extra Features Value	\$0	\$38,604	\$32,394	\$34,386	\$35,684
Land Value	\$2,241,342	\$1,765,939	\$1,473,297	\$1,681,847	\$1,648,870
Land Agricultural Value	\$0	\$0	\$0	\$0	\$0
Agricultural (Market) Value	\$0	\$0	\$0	\$0	\$0
Just (Market) Value	\$2,241,342	\$2,864,820	\$2,361,814	\$2,606,699	\$2,599,477
Assessed Value	\$1,942,533	\$2,864,820	\$2,361,814	\$2,606,699	\$2,189,362
Exempt Value	\$1,942,533	\$2,864,820	\$0	\$0	\$50,000
Taxable Value	\$0	\$0	\$2,361,814	\$2,606,699	\$2,139,362
Cap Diff/Portability Amount	\$298,809	\$0	\$0	\$0	\$410,115

"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.

Homestead Application

[Apply for Homestead Exemption](#)

Land Information

Code	Land Use	Number of Units	Unit Type	Frontage	Depth
000110	SFR GULF	67.00	FF	0	0

Sales

Multi Parcel	Sale Date	Sale Price	Instrument	Book	Page	Qualification	Vacant/Improved	Grantor	Grantee
N	11/16/2020	\$0	SW	3506	695	Unqualified (U)	Improved	THE TRUST FOR PUBLIC LAND	CITY OF DESTIN
N	11/16/2020	\$3,300,000	WD	3506	408	Qualified (Q)	Improved	KMB ROCKY HILL LLC	TRUST FOR PUBLIC LAND
N	05/09/2018	\$100	QC	3349	3426	Unqualified (U)	Improved	WADE KENNETH & MARIE	KMB ROCKY HILL LLC
N	08/29/2014	\$2,100,000	WD	3163	1929	Qualified (Q)	Improved	SALLEE DONALD B TRUST	WADE KENNETH & MARIE (H&W)
N	12/06/2007	\$100	WD	2828	4165	Unqualified (U)	Improved	SALLEE DONALD B	SALLEE DONALD B TRUST
N	12/06/2007	\$300,000	WD	2828	4161	Unqualified (U)	Improved	SALLEE DONALD B & CHRISTINE D	SALLEE DONALD B
N	01/01/1996	\$1,275,000	WD	1976	942	Qualified (Q)	Improved		SALLEE DONALD B & C D
N	10/01/1994	\$300,000	WD	1874	1609	Qualified (Q)	Vacant		
N	06/01/1993	\$740,000	WD	1752	1335	Unqualified (U)	Vacant		

Permits

Permit Number	Type	Description	Issued	Amount
2101284	0016	DEMOLISH	20210428	\$44,558
1800052	0018	2 SLIDING DOORS	20180105	\$9,021
1602860	0024	RE-ROOF	20161031	\$10,391
1502016	0019	FENCE	20150916	\$2,000
1501772	0019	GUEST HOUSE	20150811	\$3,000
1501382	0021	GARAGE	20150622	\$87,000
1500296	0018	WINDOWS	20150206	\$21,648
1401218	0018	SIGN	20140613	\$450
1100561	0018	11 STORM PANELS	20110428	\$9,000
0501042	0014	MAINTEN	20050311	\$5,000
9802560	0018	MISC	19980923	\$117,863
9801569	0019	XFOB	19980604	\$1,600
963652	0014	MAINTEN	19961216	\$9,000
951783			19950823	\$400,000
951575			19950721	\$10,300
950342			19950216	\$0
950326			19950214	\$400,000

2022 Property Record Card

[Click Here to view the 2022 Property Record Card \(PDF\)](#)

Generate Owner List by Radius

Distance:

100

Fee


☒ Show All Owners

☐ Show Parcel ID on Label

Use Address From:

☒ Owner ☐ Property

Skip Labels

0

Select export file format:

Address labels (5160)



International mailing labels that exceed 5 lines are not supported on the Address labels (5160). For international addresses, please use the [xlsx](#), [csv](#) or [tab](#) download formats.

Download

No data available for the following modules: 2022 TRIM Notice, Building Information, Extra Features, Building Area Types, Sketches.

The Okaloosa County Property Appraiser's Office (OCPA) 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. Just (Market) Value is established by the Property Appraiser for ad valorem tax purposes. It does not represent anticipated selling price. Current year assessments are as of January 1st and are based on previous year sales activity. All website information is subject to change

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CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023
TYPE OF AGENDA ITEM: City Manager Report
AGENDA OUTLINE NUMBER: 4.C.

TO: City Council

THRU: Jeffrey Cozadd, Grants Manager
Louis Zunguze, Community Development Director
Kimberly Kopp, City Attorney
Lance Johnson, City Manager

FROM: Krystal Strickland, Finance Director

DATE: September 13, 2023

SUBJECT: Undergrounding Overhead Utilities - Update

I. BACKGROUND:

At the August 21, 2023 regular council meeting, Utility Consultants of Florida (UCoF) presented their opinion of probable cost for an expanded version of Phase 1 of Utility Undergrounding (US98 Marler Bridge to Airport Road). UCoF has received revised data from the telecom providers with specifics to underground 5.69 (conduit) miles at a revised estimated cost of \$11.5 - \$14.8 million. This amount includes many lateral feeds and replacement of over 100 streetlights within this corridor which at the previous meeting in August 2023 we had estimated at \$14,745,000.

II. DISCUSSION:

The City of Destin's Utility Attorney, Schef Wright, is finalizing the draft Binding Cost Estimate and Undergrounding Agreements with FPL. He is working hard to ensure FPL applies the most favorable storm restoration cost credits for our project. A draft will be brought for Council review in October 2023. Our City Attorney, Kimberly Kopp, has a draft Utility Undergrounding ordinance that she will bring for Council review during the same timeframe.

In preparation to bring forth the correct binding cost estimate (BCE) and conversion agreements with the utility providers, Attorney Wright now needs confirmation of the most likely scenario regarding who will be providing the labor for the conversion of overhead to underground utilities.

The City will need to choose to either hire FPL and the telecom providers to do all the boring and labor OR the City should issue a Request for Proposals this fall to line up our

own contractor.

The estimates for each option are as follows:

	ITEM/DESCRIPTION	FPL & CARRIERS PERFORM WORK	CITY CONTRACTOR PERFORMS THE WORK (Estimated)	
I	FPL INFRASTRUCTURE*	\$ 696,747	\$ 7,927,627	
II	CARRIERS*	3,823,424	2,981,424	
III	GENERAL	1,875,000	820,000	
IV	CLEARING & GRUBBING, RESTORATION, AND SIDEWALK	3,200,000	907,570	
	Conduit to new Streetlights**	955,000	955,000	*Waiting for FPL design
	Contingency (10%)	959,517	1,263,662	
	TOTAL EST COST	\$ 11,509,688	\$ 14,855,283	
* FPL & Carriers = materials +labor BCE; City Contractor = materials BCE + city contractor for labor				
** FPL conducting photometric study to apply new FDOT standards				

The estimate for the City to provide the labor is an average of recent costs from a variety of undergrounding projects in Florida.

Positive Reasons to allow the utility companies to perform the work include:

1. Lower cost to the City.

Positive Reasons for the City to hire it's own contractor include:

1. If FPL and the carriers perform the work they cannot guarantee the schedule and when crews will be in and out of the project. The crews availability will be dependent on other projects, outages, storms and other factors.
2. FPL and the carriers are not responsible for site restoration, sidewalk restoration, sub surface compaction, landscaping, and service laterals.
3. FPL and the carriers are not responsible for trenching and backfilling service laterals.
4. The FPL/Carriers option creates significant coordination challenges with city, business and residents being made aware of when and where FPLs and different Carrier's crews will be.
5. FDOT will require site areas be restored or closed down until surface restoration is complete. The city would have to have a contractor at the ready each time FPL crews come out to the site. This requires continuous mobilization efforts with limited notice, including maintenance of traffic (MOT).
6. The cost for the contractor option is estimated. The cost is based on the estimates received from the utility owners and applied to current unit prices from recent bids, including Gulf Breeze.
7. FPL will require the City to make available all aerial to underground conversion from transformers to meters.
8. The "General" under the "FPL & Carriers Section" includes the estimated cost for lateral work not performed by FPL. The "General" under the "Contractor" is for survey, as-builts, and MOT.

It is recommended that the City hire a contractor in time for them to manage the extensive and expensive materials that will be arriving from FPL and the telecom companies in the Spring.

Some of the next steps are as follows.

Schef Wright will present the Binding Cost Estimate and Conversion Agreement with FPL to Council.

Once the Binding Cost Estimate is accepted and the Undergrounding Agreement is signed with FPL, the City will make the first payment (approximately \$690,000 from Electric Franchise Fee cash on hand) and FPL will order the materials. Conduit and transformers should arrive within 20 - 30 weeks of ordering.

Undergrounding Agreements will be negotiated this fall with the telecom providers, to pin down costs and to allow them to order the materials to move their equipment from the poles.

If materials are ordered in October 2023, we estimate the undergrounded utilities will be ready to "go live" by August 2025.

Financing required for the construction phase will be planned in the December 2023 - February 2024 timeframe when more of the estimates are replaced with firm figures. The financing of this project will include use of cash on hand and debt in the form of either a bank loan or a bond issuance. The City's finance advisory team, which includes Ford & Associates and BMO Law will assist in identifying optimal terms and will assist with writing a financing request for proposals (RFP) or writing an official statement and possibly attaining a credit rating or two for the City.

A. Link to Strategic Goals / Objectives: 2023 Council Objectives:

1.4 Underground Utilities

B. Effect on Budget (EOB): This is for discussion purposes only. Effects would be on budgets of future years beginning in FY 2024.

C. Level of Service (LOS): Increased level of service

D. Legislative Sponsor:

III. CONCLUSION: Staff would appreciate Council direction regarding preference for the City to hire contractors to complete the conversion or to allow the Utility providers to conduct the conversion.

IV. RECOMMENDED MOTION: Council moves to allow Staff to issue a Request for Proposals (RFP) or Request for Qualifications (RFQ) to hire an FPL-approved general contractor to conduct the conversion of overhead utilities to underground.

Attachments:

1. Undergrounding Phase 1 Milestones

				2024												2025												
SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	APR	MAY	JUNE	JULY	AUG
				FPL BINDING COST ESTIMATE "BCE" PAYMENT																								
				UNDERGROUND CONTRACTOR PROCUREMENT																								
				CARRIER AGREEMENTS																								
				CONTRACTOR NTP																								
				FPL RELEASE OF CONDUIT MATERIAL (1ST BATCH)																								
				CONTRACTOR INSTALLATION OF CONDUIT (1ST Batch)																								
				FPL RELEASE OF CONDUIT MATERIAL (2ND BATCH)																								
				CONTRACTOR INSTALLATION OF CONDUIT (2ND Batch)																								
				FPL RELEASE OF REMAINING MATERIAL (3RD BATCH)																								
				CONTRACTOR INSTALLATION OF MATERIALS (3RD Batch)																								
				CONTRACTOR/FPL SWITCHING																								

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023
TYPE OF AGENDA ITEM: City Manager Report
AGENDA OUTLINE NUMBER: 4.D.

TO: City Council

THRU:

FROM:

DATE:

SUBJECT: Announcements

I. BACKGROUND:

II. DISCUSSION:

- A. Link to Strategic Goals / Objectives:**
- B. Effect on Budget (EOB):**
- C. Level of Service (LOS):**
- D. Legislative Sponsor:**

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

None

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023
TYPE OF AGENDA ITEM: Public Hearing
AGENDA OUTLINE NUMBER: 5.A.

TO: City Council

THRU: Kimberly Kopp, City Attorney
Lance Johnson, City Manager

FROM: Krystal Strickland, Finance Director

DATE: September 8, 2023

SUBJECT: Second reading of Ordinance 23-13-CN - Adopting the Fiscal Year 2024 Millage Rate

I. BACKGROUND: Pursuant to Florida Statute Chapter 200.065, and the City Charter Section 3.13, staff is presenting Ordinance 32-13-CN for adoption of the FY 2024 millage rate.

II. DISCUSSION: The proposed Fiscal Year 2024 operating millage rate for the City of Destin is 1.6150 mills, which is more than the roll back rate of 1.4553 by 10.97%. The proposed millage rate is the same as the rate that has been in effect since October 1, 2016.

The formula for the tax levy is: Property Appraiser Assessed Taxable Value x Adopted Millage Rate/1000 = Tax Levy

This year, the City proposes to keep our millage rate the same, however, due to the change in appraised taxable value of certain properties, the total levy collected will be higher than in the previous year. The Florida Department of Revenue (FLDOR) oversees the Truth in Millage program to ensure that all taxing districts within the State of Florida calculate their tax levy's in the same manner, and that when a taxing district may receive more levied dollars for any reason (i.e. property value increases) that we clearly advertise this as a "tax increase". The alternative is for the City to adopt the "rolled-back" millage rate, which is the millage rate that will bring in the same amount of ad valorem dollars despite changes in taxable property values.

The rolled-back rate for Destin is calculated by the FLDOR as 1.4553. The millage proposed by the City is 1.6150 which is 10.97% higher than the 1.4553 rolled-back rate.

The additional 10.97% ad valorem revenue will help the City increase the service level of Code Compliance by adding seven new personnel (5 full-time and 2 part-time). In addition,

we will add five more full-time park maintenance technicians to keep the newly added parks clean and safe and we are requesting to add one more person in the engineering department to be the primary site inspector. Wages and benefits and property insurance costs have also risen.

Chapter 193, Florida Statutes, guides how the property appraiser assesses taxable values of property. The Save our Homes Act limits property value increases on homesteaded properties to a maximum of 3% per year. Both the Florida Department of Revenue and the Okaloosa Property Appraiser have more information regarding how taxable values are assessed on real property.

The City is required to advertise this notice of tax increase and the Budget Summary in a generally circulated newspaper within 2-5 days before Public Hearing #2. These two items are attached to this agenda item as separate files. The format and each word in this advertisement is dictated by the State of Florida.

A. Link to Strategic Goals / Objectives: Goal #1: Financially sound city providing service excellence

B. Effect on Budget (EOB): The millage rate of 1.6150 applied to the gross taxable value of property as certified by the Okaloosa County Property Appraiser (DR-420 line 4 = \$7,941,360,764) would result in a levy of \$12,825,298.

In accordance with statute, the proposed tax levy of \$12,825,298 can be budgeted at 95%, resulting in \$12,184,033 allocated as follows:

\$11,073,048 for the General Fund (net of discounts and delinquents)

616,955 for the Town Center CRA

494,030 for the Harbor CRA

=====

\$12,184,033

The Florida Department of Revenue DR-420 forms and the Budget Summary Ad are attached to this agenda item with the ordinance to be adopted.

C. Level of Service (LOS): A millage rate of 1.6150 provides for increased services levels in FY 2024 as compared to FY 2023. The taxes levied will support an additional 13 staff positions (11 full-time and 2 part-time) for Code Enforcement, Park and beach access maintenance, and a site inspector for engineering.

D. Legislative Sponsor:

III. CONCLUSION: Adopting Ordinance 23-13-CN provides for the FY 2024 General Fund Ad Valorem revenues of the City, the Town Center CRA, and the Harbor CRA.

IV. RECOMMENDED MOTION: I move that Council adopt Ordinance 23-13-CN on second reading adopting the Fiscal Year 2024 operating millage rate of 1.6150 mills which is more than the rollback rate of 1.4553 by 10.97%.

Attachments:

ITEM # 2023-7047

1. FY 2024 Notice of Proposed Tax Increase
2. 2023 0907 Proposed Budget Summary Ad
3. 2023 0726 DR 420 forms CERTIFIED
4. 23-13-CN FY 2024 Millage Rate

NOTICE OF PROPOSED TAX INCREASE

The City of Destin has tentatively adopted a measure to increase its property tax levy.

Last Year's property tax levy:

A.	Initially proposed tax levy	\$	11,254,501
B.	Less tax reductions due to Value Adjustment Board And other assessment changes.....	\$	<u>2,024</u>
C.	Actual property tax levy	\$	<u>11,252,477</u>

This year's proposed tax levy.....\$ 12,825,298

All concerned citizens are invited to attend a public hearing on the tax increase to be held on:

**September 18, 2023
6:00 P.M.
at
City Hall Annex
4100 Indian Bayou Trail
Destin, FL 32541**

A FINAL DECISION on the proposed tax increase and the budget will be made at this hearing.

BUDGET SUMMARY

City of Destin - Fiscal Year 2023-2024

* THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE CITY OF DESTIN ARE
1.8% Less THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES

General Fund 1.6150

	General Fund	Town Center CRA	Harbor CRA	Florida Building Code	NonMajor Special Revenue	Debt Service	Capital Project Funds	Total All Funds
ESTIMATED REVENUES:								
Taxes:	Millage Per \$1000:							
Ad Valorem Taxes	1.6150	\$11,073,048	\$616,955	\$494,030				\$12,184,033
Tax Increment Financing (TIF) / County			1,463,424	489,090				1,952,515
Delinquent Ad Valorem Taxes		5,000						5,000
Sales and Use Taxes	1,639,411				\$1,726,260		\$267,012	3,632,683
Licenses & Permits	3,754,770			1,021,940	49,160		1,020,760	5,846,630
Intergovernmental Revenue	3,706,814						10,160,050	13,866,864
Charges For Services	615,310				579,740			1,195,050
Fines & Forfeitures	109,400							109,400
Miscellaneous Revenue	383,011	1,350	1,450	130	5,940	\$640	7,730	400,251
Special Assessment/Impact Fees							105,500	105,500
TOTAL SOURCES	21,286,764	2,081,729	984,570	1,022,070	2,361,100	640	11,561,052	39,297,925
Proceeds from Issuance of Debt or Lease	50,000					25,371,124		25,421,124
Transfers In	8,600,000		9,001,307	0	213,395	4,325,062	21,963,509	44,103,272
Beginning Fund Balances/Reserves/Net Assets	31,858,535	(1,568,616)	688,092	332,190	6,381,962	340,707	6,158,552	44,191,422
TOTAL REVENUES, TRANSFERS & BALANCES	\$61,795,299	\$513,114	\$10,673,969	\$1,354,260	\$8,956,458	\$30,037,533	\$39,683,112	\$153,013,743
EXPENDITURES								
General Government	\$4,848,224					365,496		5,213,720
Public Safety	4,264,211			1,260,424	50,000			5,574,635
Physical Environment	459,106				25,000			484,106
Transportation	2,075,554				158,807			2,234,361
Economic Environment	14,600	181,543	132,533					328,676
Health and Human Services	89,956							89,956
Culture & Recreation	5,328,546							5,328,546
Debt Services	22,723					3,341,937		3,364,660
Capital Outlay	146,560	-	9,100,000	116,000	2,655,000		37,069,020	49,086,580
TOTAL USES	17,249,480	181,543	9,232,533	1,376,424	2,888,807	3,707,433	37,069,020	\$ 71,705,240
Transfers Out	15,597,515	961,659	836,335	98,671	353,648	25,005,628	1,249,817	44,103,272
Ending Fund Balances/Reserves/Net Assets	28,948,305	(630,088)	605,101	(120,835)	5,714,002	1,324,472	1,364,273	37,205,230
TOTAL APPROPRIATED EXPENDITURES, TRANSFERS, RESERVES & BALANCES	\$61,795,299	\$513,114	\$10,673,969	\$1,354,260	\$8,956,457	\$30,037,533	\$39,683,111	\$153,013,743

THE PROPOSED, ADOPTED, AND / OR FINAL BUDGETS ARE ON FILE IN THE OFFICE OF THE CITY CLERK AS A PUBLIC RECORD.



CERTIFICATION OF TAXABLE VALUE

[Reset Form](#)
[Print Form](#)

DR-420
R. 5/12
Rule 12D-16.002
Florida Administrative Code
Effective 11/12

Year : 2023	County : OKALOOSA
Principal Authority : CITY OF DESTIN	Taxing Authority : CITY OF DESTIN

SECTION I : COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value of real property for operating purposes	\$	7,816,671,888	(1)
2.	Current year taxable value of personal property for operating purposes	\$	124,688,876	(2)
3.	Current year taxable value of centrally assessed property for operating purposes	\$	0	(3)
4.	Current year gross taxable value for operating purposes <i>(Line 1 plus Line 2 plus Line 3)</i>	\$	7,941,360,764	(4)
5.	Current year net new taxable value (Add new construction, additions, rehabilitative improvements increasing assessed value by at least 100%, annexations, and tangible personal property value over 115% of the previous year's value. Subtract deletions.)	\$	112,120,809	(5)
6.	Current year adjusted taxable value <i>(Line 4 minus Line 5)</i>	\$	7,829,239,955	(6)
7.	Prior year FINAL gross taxable value from prior year applicable Form DR-403 series	\$	6,967,477,868	(7)
8.	Does the taxing authority include tax increment financing areas? If yes, enter number of worksheets (DR-420TIF) attached. If none, enter 0	☒ YES	☐ NO	Number 2 (8)
9.	Does the taxing authority levy a voted debt service millage or a millage voted for 2 years or less under s. 9(b), Article VII, State Constitution? If yes, enter the number of DR-420DEBT, <i>Certification of Voted Debt Millage</i> forms attached. If none, enter 0	☐ YES	☒ NO	Number 0 (9)
SIGN HERE	Property Appraiser Certification		I certify the taxable values above are correct to the best of my knowledge.	
	Signature of Property Appraiser: Electronically Certified by Property Appraiser		Date : 6/9/2023 1:27 PM	

SECTION II : COMPLETED BY TAXING AUTHORITY

If this portion of the form is not completed in FULL your taxing authority will be denied TRIM certification and possibly lose its millage levy privilege for the tax year. If any line is not applicable, enter -0-.				
10.	Prior year operating millage levy <i>(If prior year millage was adjusted then use adjusted millage from Form DR-422)</i>	1.6150	per \$1,000	(10)
11.	Prior year ad valorem proceeds <i>(Line 7 multiplied by Line 10, divided by 1,000)</i>	\$	11,252,477	(11)
12.	Amount, if any, paid or applied in prior year as a consequence of an obligation measured by a dedicated increment value <i>(Sum of either Lines 6c or Line 7a for all DR-420TIF forms)</i>	\$	912,360	(12)
13.	Adjusted prior year ad valorem proceeds <i>(Line 11 minus Line 12)</i>	\$	10,340,117	(13)
14.	Dedicated increment value, if any <i>(Sum of either Line 6b or Line 7e for all DR-420TIF forms)</i>	\$	724,122,637	(14)
15.	Adjusted current year taxable value <i>(Line 6 minus Line 14)</i>	\$	7,105,117,318	(15)
16.	Current year rolled-back rate <i>(Line 13 divided by Line 15, multiplied by 1,000)</i>	1.4553	per \$1000	(16)
17.	Current year proposed operating millage rate	1.6150	per \$1000	(17)
18.	Total taxes to be levied at proposed millage rate <i>(Line 17 multiplied by Line 4, divided by 1,000)</i>	\$	12,825,298	(18)

19.	TYPE of principal authority (check one)		☐ County	☐ Independent Special District	(19)
			☒ Municipality	☐ Water Management District	
20.	Applicable taxing authority (check one)		☒ Principal Authority	☐ Dependent Special District	(20)
			☐ MSTU	☐ Water Management District Basin	
21.	Is millage levied in more than one county? (check one) ☐ Yes ☒ No				(21)
DEPENDENT SPECIAL DISTRICTS AND MSTUs				STOP HERE - SIGN AND SUBMIT	
22.	Enter the total adjusted prior year ad valorem proceeds of the principal authority, all dependent special districts, and MSTUs levying a millage. <i>(The sum of Line 13 from all DR-420 forms)</i>			\$ 10,340,117	(22)
23.	Current year aggregate rolled-back rate <i>(Line 22 divided by Line 15, multiplied by 1,000)</i>			1.4553 per \$1,000	(23)
24.	Current year aggregate rolled-back taxes <i>(Line 4 multiplied by Line 23, divided by 1,000)</i>			\$ 11,557,062	(24)
25.	Enter total of all operating ad valorem taxes proposed to be levied by the principal taxing authority, all dependent districts, and MSTUs, if any. <i>(The sum of Line 18 from all DR-420 forms)</i>			\$ 12,825,298	(25)
26.	Current year proposed aggregate millage rate <i>(Line 25 divided by Line 4, multiplied by 1,000)</i>			1.6150 per \$1,000	(26)
27.	Current year proposed rate as a percent change of rolled-back rate <i>(Line 26 divided by Line 23, minus 1, multiplied by 100)</i>			10.97 %	(27)
First public budget hearing		Date : 9/7/2023	Time : 5:30 PM CST	Place : City Hall Annex 4100 Indian Bayou Trail Destin, FL 32541	
S I G N H E R E	Taxing Authority Certification		I certify the millages and rates are correct to the best of my knowledge. The millages comply with the provisions of s. 200.065 and the provisions of either s. 200.071 or s. 200.081, F.S.		
	Signature of Chief Administrative Officer :			Date :	
	Electronically Certified by Taxing Authority			7/26/2023 5:11 PM	
	Title : LANCE JOHNSON CITY MANAGER		Contact Name and Contact Title : KRYSTAL STRICKLAND, FINANCE DIRECTOR		
	Mailing Address : 4200 INDIAN BAYOU TRAIL		Physical Address : 4200 INDIAN BAYOU TRAIL		
	City, State, Zip : DESTIN, FL 32541		Phone Number : 850.337.3146		Fax Number : 850.269.9890

CERTIFICATION OF TAXABLE VALUE INSTRUCTIONS

“Principal Authority” is a county, municipality, or independent special district (including water management districts).

“Taxing Authority” is the entity levying the millage. This includes the principal authority, any special district dependent to the principal authority, any county municipal service taxing unit (MSTU), and water management district basins.

Each taxing authority must submit to their property appraiser a DR-420 and the following forms, as applicable:

- DR-420TIF, Tax Increment Adjustment Worksheet
- DR-420DEBT, Certification of Voted Debt Millage
- DR-420MM-P, Maximum Millage Levy Calculation - Preliminary Disclosure

Section I: Property Appraiser

Use this DR-420 form for all taxing authorities except school districts. Complete Section I, Lines 1 through 9, for each county, municipality, independent special district, dependent special district, MSTU, and multicounty taxing authority. Enter only taxable values that apply to the taxing authority indicated. Use a separate form for the principal authority and each dependent district, MSTU and water management district basin.

Line 8

Complete a DR-420TIF for each taxing authority making payments to a redevelopment trust fund under Section 163.387 (2)(a), Florida Statutes or by an ordinance, resolution or agreement to fund a project or to finance essential infrastructure.

Check “Yes” if the taxing authority makes payments to a redevelopment trust fund. Enter the number of DR-420TIF forms attached for the taxing authority on Line 8. Enter 0 if none.

Line 9

Complete a DR-420DEBT for each taxing authority levying either a voted debt service millage (s.12, Article VII, State Constitution) or a levy voted for two years or less (s. 9(b), Article VII, State Constitution).

Check “Yes” if the taxing authority levies either a voted debt service millage or a levy voted for 2 years or less (s. 9(b), Article VII, State Constitution). These levies do not include levies approved by a voter referendum not required by the State Constitution. Complete and attach DR-420DEBT. Do not complete a separate DR-420 for these levies.

Send a copy to each taxing authority and keep a copy. When the taxing authority returns the DR-420 and the accompanying forms, immediately send the original to:

Florida Department of Revenue
Property Tax Oversight - TRIM Section
P. O. Box 3000
Tallahassee, Florida 32315-3000

Section II: Taxing Authority

Complete Section II. Keep one copy, return the original and one copy to your property appraiser with the applicable DR-420TIF, DR-420DEBT, and DR-420MM-P within 35 days of certification. Send one copy to the tax collector. “Dependent special district” (ss. 200.001(8)(d) and 189.403(2), F.S.) means a special district that meets at least one of the following criteria:

- The membership of its governing body is identical to that of the governing body of a single county or a single municipality.
- All members of its governing body are appointed by the governing body of a single county or a single municipality.
- During their unexpired terms, members of the special district's governing body are subject to removal at will by the governing body of a single county or a single municipality.
- The district has a budget that requires approval through an affirmative vote or can be vetoed by the governing body of a single county or a single municipality.

“Independent special district” (ss. 200.001(8)(e) and 189.403 (3), F.S.) means a special district that is not a dependent special district as defined above. A district that includes more than one county is an independent special district unless the district lies wholly within the boundaries of a single municipality.

“Non-voted millage” is any millage not defined as a “voted millage” in s. 200.001(8)(f), F.S.

Lines 12 and 14

Adjust the calculation of the rolled-back rate for tax increment values and payment amounts. See the instructions for DR-420TIF. On Lines 12 and 14, carry forward values from the DR-420TIF forms.

Line 24

Include only those levies derived from millage rates.



Reset Form

Print Form

MAXIMUM MILLAGE LEVY CALCULATION FINAL DISCLOSURE

For municipal governments, counties, and special districts

DR-420MM
R. 5/12
Rule 12D-16.002
Florida Administrative Code
Effective 11/12

Year : 2023		County : OKALOOSA	
Principal Authority : CITY OF DESTIN		Taxing Authority : CITY OF DESTIN	
1.	Is your taxing authority a municipality or independent special district that has levied ad valorem taxes for less than 5 years?	☐ Yes	☐ No (1)
IF YES, STOP STOP HERE. SIGN AND SUBMIT. You are not subject to a millage limitation.			
2.	Current year rolled-back rate from Current Year Form DR-420, Line 16	1.4553 per \$1,000	(2)
3.	Prior year maximum millage rate with a majority vote from 2022 , Form DR-420MM, Line 13	4.3799 per \$1,000	(3)
4.	Prior year operating millage rate from Current Year Form DR-420, Line 10	1.6150 per \$1,000	(4)
If Line 4 is equal to or greater than Line 3, skip to Line 11. If less, continue to Line 5.			
Adjust rolled-back rate based on prior year majority-vote maximum millage rate			
5.	Prior year final gross taxable value from Current Year Form DR-420, Line 7	\$ 6,967,477,868	(5)
6.	Prior year maximum ad valorem proceeds with majority vote (Line 3 multiplied by Line 5 divided by 1,000)	\$ 30,516,856	(6)
7.	Amount, if any, paid or applied in prior year as a consequence of an obligation measured by a dedicated increment value from Current Year Form DR-420 Line 12	\$ 912,360	(7)
8.	Adjusted prior year ad valorem proceeds with majority vote (Line 6 minus Line 7)	\$ 29,604,496	(8)
9.	Adjusted current year taxable value from Current Year form DR-420 Line 15	\$ 7,105,117,318	(9)
10.	Adjusted current year rolled-back rate (Line 8 divided by Line 9, multiplied by 1,000)	4.1666 per \$1,000	(10)
Calculate maximum millage levy			
11.	Rolled-back rate to be used for maximum millage levy calculation (Enter Line 10 if adjusted or else enter Line 2)	4.1666 per \$1,000	(11)
12.	Adjustment for change in per capita Florida personal income (See Line 12 Instructions)	1.0284	(12)
13.	Majority vote maximum millage rate allowed (Line 11 multiplied by Line 12)	4.2849 per \$1,000	(13)
14.	Two-thirds vote maximum millage rate allowed (Multiply Line 13 by 1.10)	4.7134 per \$1,000	(14)
15.	Current year adopted millage rate	0.0000 per \$1,000	(15)
16.	Minimum vote required to levy adopted millage: (Check one)		
☒	a. Majority vote of the governing body: Check here if Line 15 is less than or equal to Line 13. The maximum millage rate is equal to the majority vote maximum rate. Enter Line 13 on Line 17.		
☐	b. Two-thirds vote of governing body: Check here if Line 15 is less than or equal to Line 14, but greater than Line 13. The maximum millage rate is equal to adopted rate. Enter Line 15 on Line 17.		
☐	c. Unanimous vote of the governing body, or 3/4 vote if nine members or more: Check here if Line 15 is greater than Line 14. The maximum millage rate is equal to the adopted rate. Enter Line 15 on Line 17.		
☐	d. Referendum: The maximum millage rate is equal to the adopted rate. Enter Line 15 on Line 17.		
17.	The selection on Line 16 allows a maximum millage rate of (Enter rate indicated by choice on Line 16).	4.2849 per \$1,000	(17)
18.	Current year gross taxable value from Current Year Form DR-420, Line 4	\$ 7,941,360,764	(18)

Continued on page 2

Taxing Authority :		DR-420MM R. 5/12 Page 2	
19.	Current year adopted taxes <i>(Line 15 multiplied by Line 18, divided by 1,000).</i>	\$ 0	(19)
20.	Total taxes levied at the maximum millage rate <i>(Line 17 multiplied by Line 18, divided by 1,000).</i>	\$ 34,027,937	(20)
DEPENDENT SPECIAL DISTRICTS AND MSTUs		STOP HERE. SIGN AND SUBMIT.	
21.	Enter the current year adopted taxes of all dependent special districts & MSTUs levying a millage. <i>(The sum of all Lines 19 from each district's Form DR-420MM)</i>	\$ 0	(21)
22.	Total current year adopted taxes <i>(Line 19 plus Line 21).</i>	\$ 0	(22)
Total Maximum Taxes			
23.	Enter the taxes at the maximum millage of all dependent special districts & MSTUs levying a millage <i>(The sum of all Lines 20 from each district's Form DR-420MM).</i>	\$ 0	(23)
24.	Total taxes at maximum millage rate <i>(Line 20 plus Line 23).</i>	\$ 34,027,937	(24)
Total Maximum Versus Total Taxes Levied			
25.	Are total current year adopted taxes on Line 22 equal to or less than total taxes at the maximum millage rate on Line 24? (Check one)	☐ YES ☒ NO	(25)
S I G N H E R E	Taxing Authority Certification		I certify the millages and rates are correct to the best of my knowledge. The millages comply with the provisions of s. 200.065 and the provisions of either s. 200.071 or s. 200.081, F.S.
	Signature of Chief Administrative Officer :		Date :
	Title : LANCE JOHNSON CITY MANAGER	Contact Name and Contact Title : KRYSTAL STRICKLAND, FINANCE DIRECTOR	
	Mailing Address : 4200 INDIAN BAYOU TRAIL	Physical Address : 4200 INDIAN BAYOU TRAIL	
	City, State, Zip : DESTIN, FL 32541	Phone Number : 850.337.3146	Fax Number : 850.269.9890

Complete and submit this form to the Department of Revenue with the completed
 DR-487, Certification of Compliance, within 30 days of the final hearing.

**MAXIMUM MILLAGE LEVY CALCULATION
FINAL DISCLOSURE
INSTRUCTIONS**

DR-420MM
R. 5/12
Page 3

General Instructions

Each of the following taxing authorities must complete a DR-420MM.

- County
- Municipality
- Special district dependent to a county or municipality
- County MSTU
- Independent special district, including water management districts
- Water management district basin

Voting requirements for millages adopted by a two-thirds or a unanimous vote are based on the full membership of the governing body, not on the number of members present at the time of the vote.

This form calculates the maximum tax levy for 2023 allowed under s. 200.065(5), F.S. Counties and municipalities, including dependent special districts and MSTUs, which adopt a tax levy at the final hearing higher than allowed under s. 200.065, F.S., may be subject to the loss of their half-cent sales tax distribution.

DR-420MM shows the maximum millages and taxes levied based on your adoption vote. Each taxing authority must complete, sign, and submit this form to the Department of Revenue with their completed DR-487, *Certification of Compliance*, within 30 days of their final hearing.

Taxing authorities must also submit DR-487V, *Vote Record for Final Adoption of Millage Levy*. This form certifies to the Department of Revenue the vote on the resolution or ordinance stating the millage rate adopted at the final hearing.

Specific tax year references in this form are updated each year by the Department.

Line Instructions

Lines 5-10

Only taxing authorities that levied a 2022 millage rate less than their maximum majority vote rate must complete these lines. The adjusted rolled-back rate on Line 10 is the rate that would have been levied if the maximum vote rate for 2022 had been adopted. If these lines are completed, enter the adjusted rate on Line 11.

Line 12

This line is entered by the Department of Revenue. The same adjustment factor is used statewide by all taxing authorities. It is based on the change in per capita Florida personal income (s. 200.001(8)(i), F.S.), which Florida Law requires the Office of Economic and Demographic Research to report each year.

Lines 13 and 14

Millage rates are the maximum that could be levied with a majority or two-thirds vote of the full membership of the governing body. With a unanimous vote of the full membership (three-fourths vote of the full membership if the governing body has nine or more members) or a referendum, the maximum millage rate that can be levied is the taxing authority's statutory or constitutional cap.

Line 16

Check the box for the minimum vote necessary at the final hearing to levy your adopted millage rate.

Line 17

Enter the millage rate indicated by the box checked in Line 16. If the adopted millage rate is equal to or less than the majority vote maximum millage rate, enter the majority vote maximum. If a two-thirds vote, a unanimous vote, or a referendum is required, enter the adopted millage rate. For a millage requiring more than a majority vote, the adopted millage rate must be entered on Line 17, rather than the maximum rate, so that the comparisons on Lines 21 through 25 are accurate.



Reset Form

Print Form

MAXIMUM MILLAGE LEVY CALCULATION PRELIMINARY DISCLOSURE

For municipal governments, counties, and special districts

DR-420MM-P

R. 5/12

Rule 12D-16.002

Florida Administrative Code

Effective 11/12

Year: 2023		County: OKALOOSA	
Principal Authority : CITY OF DESTIN		Taxing Authority: CITY OF DESTIN	
1.	Is your taxing authority a municipality or independent special district that has levied ad valorem taxes for less than 5 years?	☐ Yes	☒ No (1)
IF YES,  STOP HERE. SIGN AND SUBMIT. You are not subject to a millage limitation.			
2.	Current year rolled-back rate from Current Year Form DR-420, Line 16	1.4553 per \$1,000	(2)
3.	Prior year maximum millage rate with a majority vote from 2022 Form DR-420MM, Line 13	4.3799 per \$1,000	(3)
4.	Prior year operating millage rate from Current Year Form DR-420, Line 10	1.6150 per \$1,000	(4)
If Line 4 is equal to or greater than Line 3, skip to Line 11. If less, continue to Line 5.			
Adjust rolled-back rate based on prior year majority-vote maximum millage rate			
5.	Prior year final gross taxable value from Current Year Form DR-420, Line 7	\$ 6,967,477,868	(5)
6.	Prior year maximum ad valorem proceeds with majority vote (Line 3 multiplied by Line 5 divided by 1,000)	\$ 30,516,856	(6)
7.	Amount, if any, paid or applied in prior year as a consequence of an obligation measured by a dedicated increment value from Current Year Form DR-420 Line 12	\$ 912,360	(7)
8.	Adjusted prior year ad valorem proceeds with majority vote (Line 6 minus Line 7)	\$ 29,604,496	(8)
9.	Adjusted current year taxable value from Current Year form DR-420 Line 15	\$ 7,105,117,318	(9)
10.	Adjusted current year rolled-back rate (Line 8 divided by Line 9, multiplied by 1,000)	4.1666 per \$1,000	(10)
Calculate maximum millage levy			
11.	Rolled-back rate to be used for maximum millage levy calculation (Enter Line 10 if adjusted or else enter Line 2)	4.1666 per \$1,000	(11)
12.	Adjustment for change in per capita Florida personal income (See Line 12 Instructions)	1.0284	(12)
13.	Majority vote maximum millage rate allowed (Line 11 multiplied by Line 12)	4.2849 per \$1,000	(13)
14.	Two-thirds vote maximum millage rate allowed (Multiply Line 13 by 1.10)	4.7134 per \$1,000	(14)
15.	Current year proposed millage rate	1.6150 per \$1,000	(15)
16.	Minimum vote required to levy proposed millage: (Check one)		
☒	a. Majority vote of the governing body: Check here if Line 15 is less than or equal to Line 13. The maximum millage rate is equal to the majority vote maximum rate. Enter Line 13 on Line 17.		
☐	b. Two-thirds vote of governing body: Check here if Line 15 is less than or equal to Line 14, but greater than Line 13. The maximum millage rate is equal to proposed rate. Enter Line 15 on Line 17.		
☐	c. Unanimous vote of the governing body, or 3/4 vote if nine members or more: Check here if Line 15 is greater than Line 14. The maximum millage rate is equal to the proposed rate. Enter Line 15 on Line 17.		
☐	d. Referendum: The maximum millage rate is equal to the proposed rate. Enter Line 15 on Line 17.		
17.	The selection on Line 16 allows a maximum millage rate of (Enter rate indicated by choice on Line 16)	4.2849 per \$1,000	(17)
18.	Current year gross taxable value from Current Year Form DR-420, Line 4	\$ 7,941,360,764	(18)

Continued on page 2

Taxing Authority : CITY OF DESTIN		DR-420MM-P R. 5/12 Page 2	
19.	Current year proposed taxes <i>(Line 15 multiplied by Line 18, divided by 1,000)</i>	\$ 12,825,298	(19)
20.	Total taxes levied at the maximum millage rate <i>(Line 17 multiplied by Line 18, divided by 1,000)</i>	\$ 34,027,937	(20)
DEPENDENT SPECIAL DISTRICTS AND MSTUs		STOP HERE. SIGN AND SUBMIT.	
			
21.	Enter the current year proposed taxes of all dependent special districts & MSTUs levying a millage. <i>(The sum of all Lines 19 from each district's Form DR-420MM-P)</i>	\$ 0	(21)
22.	Total current year proposed taxes <i>(Line 19 plus Line 21)</i>	\$ 12,825,298	(22)
Total Maximum Taxes			
23.	Enter the taxes at the maximum millage of all dependent special districts & MSTUs levying a millage <i>(The sum of all Lines 20 from each district's Form DR-420MM-P)</i>	\$ 0	(23)
24.	Total taxes at maximum millage rate <i>(Line 20 plus Line 23)</i>	\$ 34,027,937	(24)
Total Maximum Versus Total Taxes Levied			
25.	Are total current year proposed taxes on Line 22 equal to or less than total taxes at the maximum millage rate on Line 24? (Check one)	☒ YES ☐ NO	(25)
S I G N H E R E	Taxing Authority Certification		I certify the millages and rates are correct to the best of my knowledge. The millages comply with the provisions of s. 200.065 and the provisions of either s. 200.071 or s. 200.081, F.S.
	Signature of Chief Administrative Officer :		Date :
	Electronically Certified by Taxing Authority		7/26/2023 5:11 PM
	Title : LANCE JOHNSON CITY MANAGER	Contact Name and Contact Title : KRYSTAL STRICKLAND, FINANCE DIRECTOR	
	Mailing Address : 4200 INDIAN BAYOU TRAIL	Physical Address : 4200 INDIAN BAYOU TRAIL	
	City, State, Zip : DESTIN, FL 32541	Phone Number : 850.337.3146	Fax Number : 850.269.9890

Complete and submit this form DR-420MM-P, Maximum Millage Levy Calculation-Preliminary Disclosure, to your property appraiser with the form DR-420, Certification of Taxable Value.

**MAXIMUM MILLAGE LEVY CALCULATION
PRELIMINARY DISCLOSURE
INSTRUCTIONS**

DR-420MM-P
R. 5/12
Page 3

General Instructions

Each of the following taxing authorities must complete a DR-420MM-P.

- County
- Municipality
- Special district dependent to a county or municipality
- County MSTU
- Independent special district, including water management districts
- Water management district basin

Voting requirements for millages adopted by a two-thirds or a unanimous vote are based on the full membership of the governing body, not on the number of members present at the time of the vote.

This form calculates the maximum tax levy for 2023 allowed under s. 200.065(5), F.S. Counties and municipalities, including dependent special districts and MSTUs, which adopt a tax levy at the final hearing higher than allowed under s. 200.065, F.S., may be subject to the loss of their half-cent sales tax distribution.

DR-420MM-P shows the preliminary maximum millages and taxes levied based on your proposed adoption vote. Each taxing authority must complete, sign, and submit this form to their property appraiser with their completed DR-420, Certification of Taxable Value.

The vote at the final hearing and the resulting maximum may change. After the final hearing, each taxing authority will file a final Form DR-420MM, Maximum Millage Levy Calculation Final Disclosure, with Form DR-487, Certification of Compliance, with the Department of Revenue.

Specific tax year references in this form are updated each year by the Department.

Line Instructions

Lines 5-10

Only taxing authorities that levied a 2022 millage rate less than their maximum majority vote rate must complete these lines. The adjusted rolled-back rate on Line 10 is the rate that would have been levied if the maximum vote rate for 2022 had been adopted. If these lines are completed, enter the adjusted rate on Line 11.

Line 12

This line is entered by the Department of Revenue. The same adjustment factor is used statewide by all taxing authorities. It is based on the change in per capita Florida personal income (s. 200.001(8)(i), F.S.), which Florida Law requires the Office of Economic and Demographic Research to report each year.

Lines 13 and 14

Millage rates are the maximum that could be levied with a majority or two-thirds vote of the full membership of the governing body. With a unanimous vote of the full membership (three-fourths vote of the full membership if the governing body has nine or more members) or a referendum, the maximum millage rate that can be levied is the taxing authority's statutory or constitutional cap.

Line 16

Check the box for the minimum vote necessary at the final hearing to levy your adopted millage rate.

Line 17

Enter the millage rate indicated by the box checked in Line 16. If the proposed millage rate is equal to or less than the majority vote maximum millage rate, enter the majority vote maximum. If a two-thirds vote, a unanimous vote, or a referendum is required, enter the proposed millage rate. For a millage requiring more than a majority vote, the proposed millage rate must be entered on Line 17, rather than the maximum rate, so that the comparisons on Lines 21 through 25 are accurate.



Reset Form

Print Form

DR-420TIF

R. 6/10

Rule 12D-16.002

Florida Administrative Code

Effective 11/12

TAX INCREMENT ADJUSTMENT WORKSHEET

Year :	2023	County :	OKALOOSA
Principal Authority :	CITY OF DESTIN	Taxing Authority :	CITY OF DESTIN
Community Redevelopment Area :	Destin Town Center (DR)	Base Year :	1998

SECTION I : COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value in the tax increment area	\$	497,118,283	(1)
2.	Base year taxable value in the tax increment area	\$	94,996,840	(2)
3.	Current year tax increment value <i>(Line 1 minus Line 2)</i>	\$	402,121,443	(3)
4.	Prior year Final taxable value in the tax increment area	\$	420,026,278	(4)
5.	Prior year tax increment value <i>(Line 4 minus Line 2)</i>	\$	325,029,438	(5)

SIGN HERE	Property Appraiser Certification	I certify the taxable values above are correct to the best of my knowledge.	
	Signature of Property Appraiser : Electronically Certified by Property Appraiser	Date : 6/9/2023 1:27 PM	

SECTION II: COMPLETED BY TAXING AUTHORITY Complete EITHER line 6 or line 7 as applicable. Do NOT complete both.

6. If the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:				
6a.	Enter the proportion on which the payment is based.		100.00 %	(6a)
6b.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 6a)</i> <i>If value is zero or less than zero, then enter zero on Line 6b</i>	\$	402,121,443	(6b)
6c.	Amount of payment to redevelopment trust fund in prior year	\$	499,581	(6c)
7. If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:				
7a.	Amount of payment to redevelopment trust fund in prior year	\$	0	(7a)
7b.	Prior year operating millage levy from Form DR-420, Line 10		0.0000 per \$1,000	(7b)
7c.	Taxes levied on prior year tax increment value <i>(Line 5 multiplied by Line 7b, divided by 1,000)</i>	\$	0	(7c)
7d.	Prior year payment as proportion of taxes levied on increment value <i>(Line 7a divided by Line 7c, multiplied by 100)</i>		0.00 %	(7d)
7e.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 7d)</i> <i>If value is zero or less than zero, then enter zero on Line 7e</i>	\$	0	(7e)

S I G N H E R E	Taxing Authority Certification	I certify the calculations, millages and rates are correct to the best of my knowledge.		
	Signature of Chief Administrative Officer :		Date :	
	Electronically Certified By Taxing Authority		7/26/2023 5:11 PM	
	Title : LANCE JOHNSON CITY MANAGER		Contact Name and Contact Title : KRYSTAL STRICKLAND, FINANCE DIRECTOR	
	Mailing Address : 4200 INDIAN BAYOU TRAIL		Physical Address : 4200 INDIAN BAYOU TRAIL	
City, State, Zip : DESTIN, FL 32541		Phone Number : 850.337.3146	Fax Number : 850.269.9890	

TAX INCREMENT ADJUSTMENT WORKSHEET INSTRUCTIONS

Property appraisers must complete and sign Section I of this worksheet and provide it with form DR-420, *Certification of Taxable Value*, to all taxing authorities who make payments to a redevelopment trust fund under:

- s. 163.387(2)(a), Florida Statutes, or
- An ordinance, resolution, or agreement to fund a project or to finance essential infrastructure.

“Tax increment value” is the cumulative increase in taxable value from the base year to the current year within the defined geographic area. It is used to determine the payment to a redevelopment trust fund under:

- s. 163.387(1), F.S. or
- An ordinance, resolution, or agreement to fund a project or finance essential infrastructure. In this case, the taxing authority must certify the boundaries and beginning date to the property appraiser.

“Dedicated increment value” is the portion of the tax increment value used to determine the payment to the redevelopment trust fund. (See s. 200.001(8)(h), F.S.) Calculate the dedicated increment value on this form and enter on either Line 6b or Line 7e.

“Specific proportion,” used to determine whether to complete Line 6 or Line 7, refers to the calculation of the tax increment payment. Examples:

- Example 1.
Section 163.387(1), F.S., states the payment made by the taxing authority should equal 95% of the millage levied times the tax increment value. The specific proportion in this case is 95%. The ordinance providing for the payment may set a percentage lower than 95%. In these cases, the lower percentage would be the specific proportion.
- Example 2.
Some required tax increment payments are not directly related to the tax increment value. A constant dollar payment is a payment not based on a specific proportion of the tax increment value. Line 7 converts these payments into a proportion based on the prior year's payment and tax increment value to reach the current year's dedicated increment value.

Section I: Property Appraiser

A. Complete Section I of this form for each county, municipality, independent special district, dependent special district, and MSTU that:

- Has a tax increment value and
- Is not exempted from making payments to a community redevelopment trust fund based on tax increments (s. 163.387(2)(c), F.S.).

If a taxing authority has more than one tax increment value, they must complete a separate form for each tax increment value. Send a copy to each taxing authority with the DR-420 and keep a copy. When the taxing authority returns the completed forms, immediately send the original to:

Florida Department of Revenue
Property Tax Oversight Program - TRIM Section
P. O. Box 3000
Tallahassee, Florida 32315-3000

B. Enter only tax increment values that apply to the value located within the taxing authority indicated.

Section II: Taxing Authority

Complete Section II of the form, keep one copy, and return the original and one copy to your property appraiser with DR-420 within 35 days of certification. Send one copy to your tax collector.

Additional Instructions for Lines 6 and 7

Complete Line 6 if the payment into the redevelopment trust fund is a specific proportion of the tax increment value.

Complete Line 7 if the payment is based on a calculation other than a specific proportion. Do not complete both Lines 6 and 7.



Reset Form

Print Form

DR-420TIF

R. 6/10

Rule 12D-16.002

Florida Administrative Code

Effective 11/12

TAX INCREMENT ADJUSTMENT WORKSHEET

Year :	2023	County :	OKALOOSA
Principal Authority :	CITY OF DESTIN	Taxing Authority :	CITY OF DESTIN
Community Redevelopment Area :	Destin Harbor (DH)	Base Year :	2003

SECTION I : COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value in the tax increment area	\$	518,251,755	(1)
2.	Base year taxable value in the tax increment area	\$	196,250,561	(2)
3.	Current year tax increment value <i>(Line 1 minus Line 2)</i>	\$	322,001,194	(3)
4.	Prior year Final taxable value in the tax increment area	\$	464,642,540	(4)
5.	Prior year tax increment value <i>(Line 4 minus Line 2)</i>	\$	268,391,979	(5)

SIGN HERE	Property Appraiser Certification	I certify the taxable values above are correct to the best of my knowledge.	
	Signature of Property Appraiser : Electronically Certified by Property Appraiser	Date : 6/9/2023 1:27 PM	

SECTION II: COMPLETED BY TAXING AUTHORITY Complete EITHER line 6 or line 7 as applicable. Do NOT complete both.

6. If the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:				
6a.	Enter the proportion on which the payment is based.		100.00 %	(6a)
6b.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 6a)</i> <i>If value is zero or less than zero, then enter zero on Line 6b</i>	\$	322,001,194	(6b)
6c.	Amount of payment to redevelopment trust fund in prior year	\$	412,779	(6c)
7. If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:				
7a.	Amount of payment to redevelopment trust fund in prior year	\$	0	(7a)
7b.	Prior year operating millage levy from Form DR-420, Line 10		0.0000 per \$1,000	(7b)
7c.	Taxes levied on prior year tax increment value <i>(Line 5 multiplied by Line 7b, divided by 1,000)</i>	\$	0	(7c)
7d.	Prior year payment as proportion of taxes levied on increment value <i>(Line 7a divided by Line 7c, multiplied by 100)</i>		0.00 %	(7d)
7e.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 7d)</i> <i>If value is zero or less than zero, then enter zero on Line 7e</i>	\$	0	(7e)

S I G N H E R E	Taxing Authority Certification	I certify the calculations, millages and rates are correct to the best of my knowledge.		
	Signature of Chief Administrative Officer :		Date :	
	Electronically Certified By Taxing Authority		7/26/2023 5:11 PM	
	Title : LANCE JOHNSON CITY MANAGER		Contact Name and Contact Title : KRYSTAL STRICKLAND, FINANCE DIRECTOR	
	Mailing Address : 4200 INDIAN BAYOU TRAIL		Physical Address : 4200 INDIAN BAYOU TRAIL	
City, State, Zip : DESTIN, FL 32541		Phone Number : 850.337.3146	Fax Number : 850.269.9890	

TAX INCREMENT ADJUSTMENT WORKSHEET INSTRUCTIONS

Property appraisers must complete and sign Section I of this worksheet and provide it with form DR-420, *Certification of Taxable Value*, to all taxing authorities who make payments to a redevelopment trust fund under:

- s. 163.387(2)(a), Florida Statutes, or
- An ordinance, resolution, or agreement to fund a project or to finance essential infrastructure.

“Tax increment value” is the cumulative increase in taxable value from the base year to the current year within the defined geographic area. It is used to determine the payment to a redevelopment trust fund under:

- s. 163.387(1), F.S. or
- An ordinance, resolution, or agreement to fund a project or finance essential infrastructure. In this case, the taxing authority must certify the boundaries and beginning date to the property appraiser.

“Dedicated increment value” is the portion of the tax increment value used to determine the payment to the redevelopment trust fund. (See s. 200.001(8)(h), F.S.) Calculate the dedicated increment value on this form and enter on either Line 6b or Line 7e.

“Specific proportion,” used to determine whether to complete Line 6 or Line 7, refers to the calculation of the tax increment payment. Examples:

- Example 1.
Section 163.387(1), F.S., states the payment made by the taxing authority should equal 95% of the millage levied times the tax increment value. The specific proportion in this case is 95%. The ordinance providing for the payment may set a percentage lower than 95%. In these cases, the lower percentage would be the specific proportion.
- Example 2.
Some required tax increment payments are not directly related to the tax increment value. A constant dollar payment is a payment not based on a specific proportion of the tax increment value. Line 7 converts these payments into a proportion based on the prior year's payment and tax increment value to reach the current year's dedicated increment value.

Section I: Property Appraiser

A. Complete Section I of this form for each county, municipality, independent special district, dependent special district, and MSTU that:

- Has a tax increment value and
- Is not exempted from making payments to a community redevelopment trust fund based on tax increments (s. 163.387(2)(c), F.S.).

If a taxing authority has more than one tax increment value, they must complete a separate form for each tax increment value. Send a copy to each taxing authority with the DR-420 and keep a copy. When the taxing authority returns the completed forms, immediately send the original to:

Florida Department of Revenue
Property Tax Oversight Program - TRIM Section
P. O. Box 3000
Tallahassee, Florida 32315-3000

B. Enter only tax increment values that apply to the value located within the taxing authority indicated.

Section II: Taxing Authority

Complete Section II of the form, keep one copy, and return the original and one copy to your property appraiser with DR-420 within 35 days of certification. Send one copy to your tax collector.

Additional Instructions for Lines 6 and 7

Complete Line 6 if the payment into the redevelopment trust fund is a specific proportion of the tax increment value.

Complete Line 7 if the payment is based on a calculation other than a specific proportion. Do not complete both Lines 6 and 7.



CERTIFICATION OF FINAL TAXABLE VALUE

[Reset Form](#)[Print Form](#)

DR-422
R. 5/13
Rule 12D-16.002
Florida Administrative Code
Effective 5/13
Provisional

Year : 2023	County : OKALOOSA	Is VAB still in session? ☐ Yes ☐ No
Principal Authority : CITY OF DESTIN		Check type : ☐ School District ☐ County ☒ Municipality ☐ Independent Special District ☐ Water Management District
Taxing Authority : CITY OF DESTIN		Check type : ☒ Principal Authority ☐ MSTU ☐ Dependent Special District ☐ Water Management District Basin

SECTION I : COMPLETED BY PROPERTY APPRAISER

1.	Current year gross taxable value from Line 4, Form DR-420	\$ 7,941,360,764	(1)
2.	Final current year gross taxable value from Form DR-403 Series	\$ 0	(2)
3.	Percentage of change in taxable value <i>(Line 2 divided by Line 1, minus 1, multiplied by 100)</i>	-100.00 %	(3)

The taxing authority must complete this form and return it to the property appraiser by _____ time _____ date

SIGN HERE	Property Appraiser Certification	I certify the taxable values above are correct to the best of my knowledge.	
	Signature of Property Appraiser :	Date :	

SECTION II : COMPLETED BY TAXING AUTHORITY

MILLAGE RATE ADOPTED BY RESOLUTION OR ORDINANCE AT FINAL BUDGET HEARING UNDER s. 200.065(2)(d), F.S.

If this portion of the form is not completed in full your taxing authority will be denied TRIM certification and possibly lose its millage levy privilege for the tax year. *If any line is inapplicable, enter N/A or -0-.*

Non-Voted Operating Millage Rate (from resolution or ordinance)

4a.	County or municipal principal taxing authority	0.0000	per \$1,000	(4a)
4b.	Dependent special district	0.0000	per \$1,000	(4b)
4c.	Municipal service taxing unit (MSTU)	0.0000	per \$1,000	(4c)
4d.	Independent Special District	0.0000	per \$1,000	(4d)
4e.	School district	Required Local Effort	0.0000	per \$1,000 (4e)
		Capital Outlay	0.0000	per \$1,000
		Discretionary Operating	0.0000	per \$1,000
		Discretionary Capital Improvement	0.0000	per \$1,000
			0.0000	
		Additional Voted Millage	0.0000	per \$1,000
4f.	Water management district	District Levy	0.0000	per \$1,000 (4f)
		Basin	0.0000	per \$1,000

Are you going to adjust adopted millage ?

☐ YES☐ NO

If No, STOP HERE, Sign and Submit.

Taxing Authority :		DR-422 R. 5/13 Page 2	
COUNTIES, MUNICIPALITIES, SCHOOLS, and WATER MANAGEMENT DISTRICTS may adjust the non-voted millage rate only if the percentage on Line 3 is greater than plus or minus 1% . (s. 200.065(6), F.S)			
5.	Unadjusted gross ad valorem proceeds <i>(Line 1 multiplied by Line 4a, 4e, or 4f as applicable, divided by 1,000)</i>	\$ 0	(5)
6.	Adjusted millage rate (Only if Line 3 is greater than plus or minus 1%) <i>(Line 5 divided by Line 2 multiplied by 1,000)</i>	0.0000 per \$1000	(6)
MSTUs, DEPENDENT SPECIAL DISTRICTS , and INDEPENDENT SPECIAL DISTRICTS may adjust the non-voted millage rate only if the percentage on Line 3 is greater than plus or minus 3% (s. 200.065(6), F.S.)			
7.	Unadjusted gross ad valorem proceeds <i>(Line 1 multiplied by Line 4b, 4c, or 4d as applicable, divided by 1,000)</i>	\$ 0	(7)
8.	Adjusted Millage rate (Only if Line 3 is greater than plus or minus 3%) <i>(Line 7 divided by Line 2, multiplied by 1,000)</i>	0.0000 per \$1000	(8)
SIGNATURE	Taxing Authority Certification	I certify the millages and rates are correct to the best of my knowledge. The millages comply with the provisions of s. 200.065 and the provisions of either s. 200.071 or s. 200.081, F.S.	
	Signature of Chief Administrative Officer :		Date :
	Title : LANCE JOHNSON CITY MANAGER	Contact Name and Contact Title : KRYSTAL STRICKLAND, FINANCE DIRECTOR	
	Mailing Address : 4200 INDIAN BAYOU TRAIL	Physical Address : 4200 INDIAN BAYOU TRAIL	
	City, State, Zip : DESTIN, FL 32541	Phone Number : 850.337.3146	Fax Number : 850.269.9890

INSTRUCTIONS

SECTION I: Property Appraiser

1. Initiate a separate DR-422 form for each DR-420, Certification of Taxable Value, and DR-420S, Certification of School Taxable Value, submitted.
2. Complete Section 1 and sign.
3. Send the original to the taxing authority and keep a copy.

SECTION II: Taxing Authority

1. Complete Section II and sign.
2. Return the original to the property appraiser.
3. Keep a copy for your records.
4. Send a copy to the tax collector.
5. Send a copy with the DR-487, Certification of Compliance, to the Department of Revenue at the address below. Send separately if the DR-487 was previously sent to the Department.

Florida Department of Revenue
Property Tax Oversight - TRIM Section
P. O. Box 3000
Tallahassee, Florida 32315 - 3000

All taxing authorities must complete Line 4, millages adopted by resolution/ordinance at final budget hearing.

Counties, municipalities, schools, and water management districts may complete Line 5 and Line 6 only when Line 3 is greater than plus or minus 1%. (s. 200.065(6), F.S.)

MSTUs, dependent special districts, and independent special districts may adjust the non-voted millage rate only when Line 3 is greater than plus or minus 3%. (s. 200.065(6), F.S.)

Adjusted millage rate must comply with statutes. The adjusted millage rate entered on Line 6 or Line 8 cannot exceed the rate allowed by other provisions of law or the state constitution.

Multi-county and water management districts must complete a separate DR-422 for each county.

All TRIM forms for taxing authorities are available on our website at www.michigan.gov/trim

<http://dor.myflorida.com/dor/property/trim>



CERTIFICATION OF FINAL TAXABLE VALUE

[Reset Form](#)[Print Form](#)

DR-422
R. 5/13
Rule 12D-16.002
Florida Administrative Code
Effective 5/13
Provisional

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Principal Authority : CITY OF DESTIN		Check type : ☐ School District ☐ County ☒ Municipality ☐ Independent Special District ☐ Water Management District
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		Capital Outlay	0.0000	per \$1,000
		Discretionary Operating	0.0000	per \$1,000
		Discretionary Capital Improvement	0.0000	per \$1,000
			0.0000	
		Additional Voted Millage	0.0000	per \$1,000
4f.	Water management district	District Levy	0.0000	per \$1,000 (4f)
		Basin	0.0000	per \$1,000

Are you going to adjust adopted millage ?

☐ YES☐ NO

If No, STOP HERE, Sign and Submit.

<http://dor.myflorida.com/dor/property/trim>

ORDINANCE 23-13-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 2024; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Destin of Okaloosa County, Florida, will adopt Fiscal Year 2024 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 \$7,941,360,764.

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

1. The FY 2024 operating millage rate for the City of Destin is **1.6150** mills which is **more** than the **rolled back rate of 1.4553 mills by 10.97%**.
2. This ordinance shall take effect immediately upon approval by Council and the signature of the Mayor.

ADOPTED THIS 18TH DAY OF SEPTEMBER 2023

By: _____
Bobby Wagner, Mayor

ATTEST:

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

Rey Bailey, City Clerk

Kimberly Kopp, City Attorney

First Reading: September 7, 2023
Second Reading: September 18, 2023

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 18, 2023

TYPE OF AGENDA ITEM: Public Hearing

AGENDA OUTLINE NUMBER: 5.B.

TO: City Council

THRU: Kimberly Kopp, City Attorney
Lance Johnson, City Manager

FROM: Krystal Strickland, Finance Director

DATE: September 12, 2023

SUBJECT: Second reading of Ordinance 23-14-CN - Adopting the Fiscal Year 2024 Budget

I. BACKGROUND: Pursuant to Florida Statute Chapter 200, and City Charter Section 3.13, staff is presenting Ordinance 23-14-CN for adoption of the Fiscal Year 2024 Budget.

Budget Workshops were held May 23, 2023 and July 11, 2023, and Budget Public Hearing #1 was held on September 7, 2023.

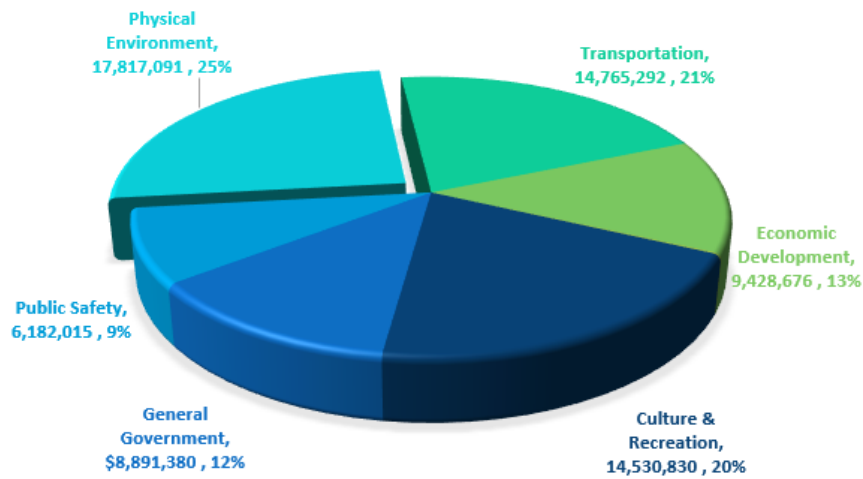
The current budget proposed budget for FY 2024 is \$71,705,240.

There have been no changes to the budget after Public Hearing #1.

II. DISCUSSION:

The City of Destin FY 2024 Proposed Budget totals \$71,705,240 for all funds:

CITY OF DESTIN
2024 TOTAL USES: \$71,705,240



FY 2024 Uses by Category	Operating	Capital	FY 2024 Proposed Budget
General Government	\$ 8,578,380	\$ 313,000	\$ 8,891,380
Public Safety	5,574,635	607,380	6,182,015
Physical Environment	484,106	17,332,985	17,817,091
Transportation	2,234,361	12,530,931	14,765,292
Economic Development	328,676	9,100,000	9,428,676
Health & Human Services	89,956	-	89,956
Culture & Recreation	5,328,546	9,202,284	14,530,830
Total Uses	\$ 22,618,660	\$ 49,086,580	\$ 71,705,240

SOURCES

Revenues in the amount of \$39.2 million plus \$25 million of proceeds from debt issuance and \$6.9 million of fund balance will be used to cover the FY 2024 proposed expenditures.

FY 2024 Sources by Category		
Ad Valorem Taxes	\$ 12,189,033	17%
Tax Increment Financing (T	1,952,515	3%
Sales & Use Taxes	3,632,683	5%
Licenses & Permits	5,846,630	8%
Intergovernmental Reven	13,866,864	19%
Charges for Services	1,195,050	2%
Fines & Forfeitures	109,400	*
Miscellaneous Revenue	400,251	1%
Impact Fees	105,500	*
Debt Proceeds	25,421,124	35%
Fund Balance	6,986,191	10%
Total Sources	\$ 71,705,240	
* less than 0.5%		

The top three revenue categories are ad valorem, intergovernmental, and licenses and permits.

The FY 2024 proposed ad valorem tax levy is \$12,825,298. Ninety-five percent (95%) of these proceeds are budgeted (**\$12,184,033** = \$12,825,298 x 95%). We are also anticipating receipt of \$5000 in delinquent prior year ad valorem taxes.

Over \$11.3 million of revenues are capital and operating grants (tracked in category "Intergovernmental Revenues").

License and permit fees were increased 10% in May 2023. Building permit fees will need to be reviewed again during 2024 and may need to increase to ensure proper coverage of expenditures of enforcement of Florida Building Code.

DEBT

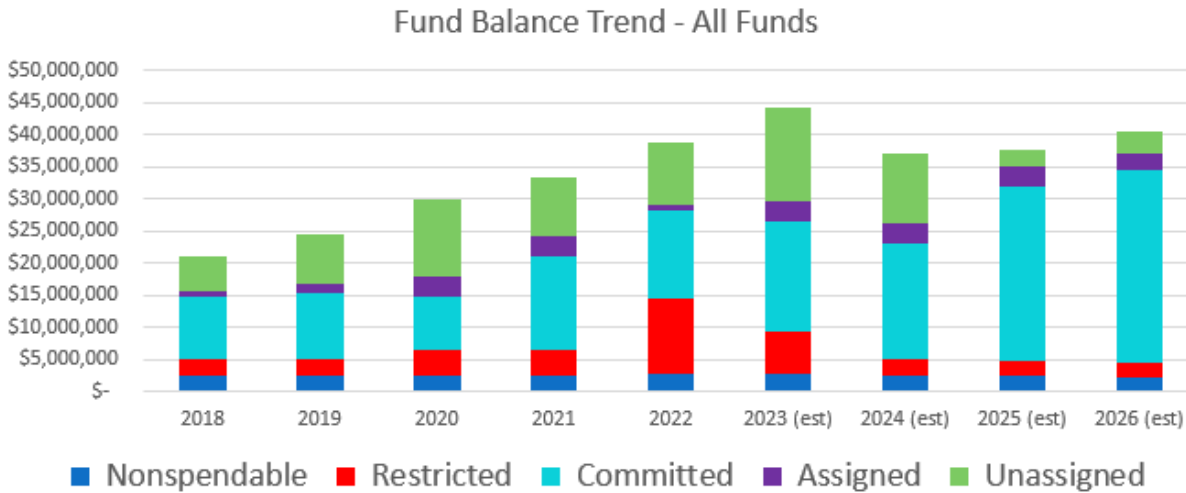
The proceeds from debt issuance is planned for the Undergrounding of overhead utilities (\$13 million), acquisition of a waterfront property near the Marler Bridge (\$9 million) and construction of the Crosstown Connector (\$3 million).

The debt will be securitized by a "Covenant to Budget and Appropriate" (CB&A). However, the cashflow plans are to pay the debt service using committed and restricted funds, not general funds. The debt borrowed for Undergrounding will be paid from the Electric Franchise fees restricted for this purpose, along with Tax Incremental Financing funds committed by the Town Center CRA and the Harbor CRA districts. The debt service for the waterfront property will be paid by the Harbor CRA. The funds borrowed to complete the Crosstown Connector will be Gas Tax#2, which is restricted by Florida Statute to use to address road and traffic related issues that are in the City's Comprehensive Plan. More details regarding the potential debt issuance and instrument options will be presented to Council when project estimates are over 90% complete (January/February 2024).

FUND BALANCE

The City's Fund Balance has doubled from \$20.1 million at Fiscal Year End (FYE) 2018 to over \$44 million as we approach FYE 2023. Nearly \$24 million of this balance is committed or

restricted to projects, many of which will go under construction in FY 2024.



	2018	2019	2020	2021	2022	2023 (est)	2024 (est)	2025 (est)	2026 (est)
Nonspendable	\$ 2,469,107	\$ 2,448,824	\$ 2,451,337	\$ 2,561,841	\$ 2,581,252	\$ 2,581,251	\$ 2,361,624	\$ 2,311,624	\$ 2,111,624
Restricted	2,570,097	2,661,941	3,891,401	3,852,330	11,813,211	6,701,123	2,660,871	2,477,462	2,334,033
Committed	9,657,663	10,129,498	8,411,205	14,739,793	13,683,891	17,240,695	18,130,901	27,171,330	30,134,699
Assigned	951,617	1,543,540	3,008,503	2,912,191	857,077	3,085,933	3,085,933	3,250,000	2,500,000
Unassigned	5,286,183	7,809,142	12,059,093	9,449,759	9,836,399	14,582,419	10,965,901	2,436,932	3,580,941
TOTAL FUND BALANCE	\$ 20,934,667	\$ 24,592,945	\$ 29,821,539	\$ 33,515,914	\$ 38,771,830	\$ 44,191,421	\$ 37,205,230	\$ 37,647,348	\$ 40,661,297

The FY 2024 budget is attached and is integral to the Ordinance. This budget is available on the City website in the Finance Department under the title "2024 Proposed Budget".

The following reports showing further details are available upon request from the Finance Department:

- MUNIS Budget Detail Report - shows unit-level descriptions
- Funded Project Detail Report - maintained by the City's internal Project Review Team as the basis for the 5-year capital improvement plan
- Unfunded Project Detail Report - maintained by the City's internal Project Review Team
- MUNIS Next/Current Year Budget Analysis Report - shows FY22 actual, FY23 budget, FY 23 year-to-date actuals, and FY 2024 proposed budget
- MUNIS Budget Levels Report- shows the changes in budgeted amounts as discussions progressed from Department Entry to Budget Committee to City Manager to Council levels.

A. Link to Strategic Goals / Objectives: Strategic Goal: Financially sound city providing service excellence

B. Effect on Budget (EOB): This ordinance provides required budget for FY 2024 in the total amount of \$71,705,241 for operations, maintenance, debt service and capital projects.

C. Level of Service (LOS): This budget provides for the same level of service for most city departments, and will provide for increased levels of service for Code Enforcement, Parks and Recreation, and Engineering by adding 11 more full time positions and two part time positions. This budget will also increase physical environment service levels to

include stormwater mitigation projects and undergrounding of overhead utilities. Transportation service levels will also increase when the City completes construction of the Crosstown Connector roadway.

D. Legislative Sponsor:

III. CONCLUSION: Adopting Ordinance 23-14-CN provides the annual budget for operations, debt service, renewal and replacement, and capital improvements.

IV. RECOMMENDED MOTION: I move that Council adopt Ordinance 23-14-CN on second reading to provide for a balanced budget for FY 2024.

Attachments:

1. 2023 0907 Proposed Budget Summary Ad
2. 2024 Proposed Budget draft 082923
3. 23-14-CN FY 2024 Budget

BUDGET SUMMARY

City of Destin - Fiscal Year 2023-2024

* THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE CITY OF DESTIN ARE
1.8% Less THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES

General Fund 1.6150

	General Fund	Town Center CRA	Harbor CRA	Florida Building Code	NonMajor Special Revenue	Debt Service	Capital Project Funds	Total All Funds
ESTIMATED REVENUES:								
Taxes:	Millage Per \$1000:							
Ad Valorem Taxes	1.6150	\$11,073,048	\$616,955	\$494,030				\$12,184,033
Tax Increment Financing (TIF) / County			1,463,424	489,090				1,952,515
Delinquent Ad Valorem Taxes		5,000						5,000
Sales and Use Taxes	1,639,411				\$1,726,260		\$267,012	3,632,683
Licenses & Permits	3,754,770			1,021,940	49,160		1,020,760	5,846,630
Intergovernmental Revenue	3,706,814						10,160,050	13,866,864
Charges For Services	615,310				579,740			1,195,050
Fines & Forfeitures	109,400							109,400
Miscellaneous Revenue	383,011	1,350	1,450	130	5,940	\$640	7,730	400,251
Special Assessment/Impact Fees							105,500	105,500
TOTAL SOURCES	21,286,764	2,081,729	984,570	1,022,070	2,361,100	640	11,561,052	39,297,925
Proceeds from Issuance of Debt or Lease	50,000					25,371,124		25,421,124
Transfers In	8,600,000		9,001,307	0	213,395	4,325,062	21,963,509	44,103,272
Beginning Fund Balances/Reserves/Net Assets	31,858,535	(1,568,616)	688,092	332,190	6,381,962	340,707	6,158,552	44,191,422
TOTAL REVENUES, TRANSFERS & BALANCES	\$61,795,299	\$513,114	\$10,673,969	\$1,354,260	\$8,956,458	\$30,037,533	\$39,683,112	\$153,013,743
EXPENDITURES								
General Government	\$4,848,224					365,496		5,213,720
Public Safety	4,264,211			1,260,424	50,000			5,574,635
Physical Environment	459,106				25,000			484,106
Transportation	2,075,554				158,807			2,234,361
Economic Environment	14,600	181,543	132,533					328,676
Health and Human Services	89,956							89,956
Culture & Recreation	5,328,546							5,328,546
Debt Services	22,723					3,341,937		3,364,660
Capital Outlay	146,560	-	9,100,000	116,000	2,655,000		37,069,020	49,086,580
TOTAL USES	17,249,480	181,543	9,232,533	1,376,424	2,888,807	3,707,433	37,069,020	\$ 71,705,240
Transfers Out	15,597,515	961,659	836,335	98,671	353,648	25,005,628	1,249,817	44,103,272
Ending Fund Balances/Reserves/Net Assets	28,948,305	(630,088)	605,101	(120,835)	5,714,002	1,324,472	1,364,273	37,205,230
TOTAL APPROPRIATED EXPENDITURES, TRANSFERS, RESERVES & BALANCES	\$61,795,299	\$513,114	\$10,673,969	\$1,354,260	\$8,956,457	\$30,037,533	\$39,683,111	\$153,013,743

THE PROPOSED, ADOPTED, AND / OR FINAL BUDGETS ARE ON FILE IN THE OFFICE OF THE CITY CLERK AS A PUBLIC RECORD.



CITY OF DESTIN, FLORIDA

FY 2024 PROPOSED BUDGET

The City of Destin, Florida

Mayor

Bobby Wagner

Mayor Pro Tem/Council Member

Dewey Destin

Council Members

Torey Geile	Johnny King
Jim Bagby	Kevin Schmidt
Terésa Hebert	Matthew Sweetser

Lance Johnson, City Manager

Kimberly Kopp, City Attorney

Kyle Bauman, Special Projects Attorney

Rey Bailey, City Clerk

Troy Williams, Code Compliance Director

Michael Burgess, Director of Public Works & Emergency Management

Lisa Firth, Director of Parks and Recreation

Louis Zunguze, Community Development Director

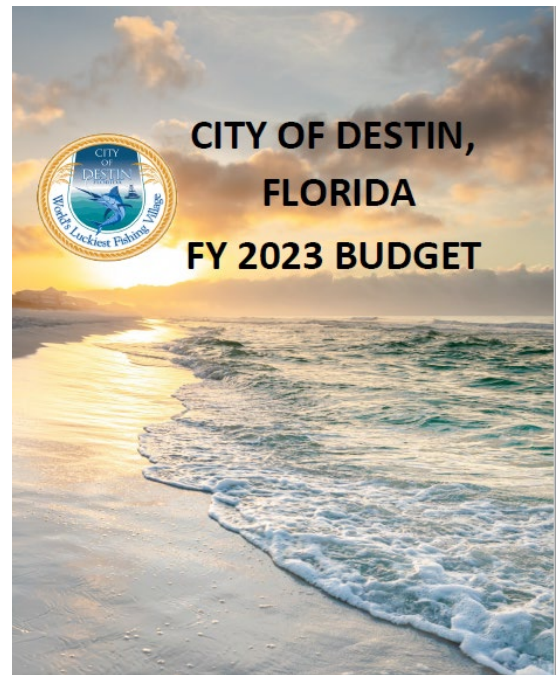
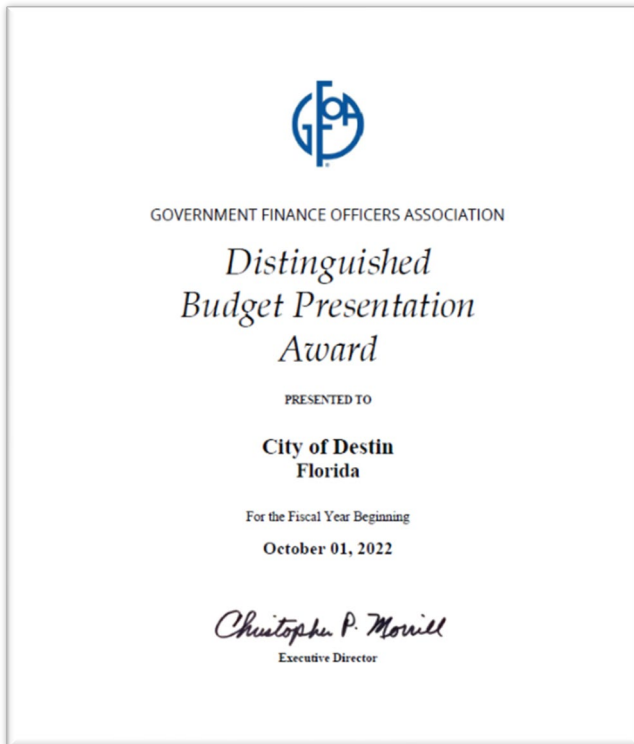
Wen Livingston, Library Director

Jamie Dittmer, Human Resources Director

Anthony Peters, Information Technology Director

Krystal Strickland, Finance Director

Tamara Young, Public Information Director



The Government Finance Officers Association of the United States and Canada (GFOA) presented the Distinguished Budget Presentation Award to the City of Destin, Florida for its annual budget for the fiscal year beginning October 1, 2022 (FY 2023). In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, operations guide, financial plan, and communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



READER'S GUIDE

This section provides readers with a guide to the document contents, where and how to find the information, and how to understand the information. The following describes each of the major sections:

BUDGET MESSAGE

The first significant section of the FY24 Budget is the City Manager's Budget Message. The reader will gain an understanding of the City Manager's vision, major issues, recommended policy, operational changes and Budget Highlights.

PROFILE

This section provides the reader with the background of the City. In this section are the City's history, useful facts, demographics, City-wide organizational chart, and explanation of the type of government a matrix of the relationship between departments and funds.

STRATEGIC PLANNING

This Section provides an understanding of the City's vision, mission, and strategic priorities. Goals and objectives are linked at a policy level to those of the City. Included are the City's Strategic Plan and FY24 Strategic Goal Table.

BUDGET STRUCTURE

This section provides a description of the Budget Process and the Budget Calendar. This section also includes summaries of the primary financial policies.

BUDGET OVERVIEW

This section provides the reader with a basic overview of the budget. It also answers one of the most often asked questions: "What's included in the budget?" Included in this section are the Tax Millage Summary, Revenue, Expenditure, and Fund Summaries and information on budgetary trends.

REVENUE ANALYSIS

This section includes the Revenue Detail and Analysis of Revenue Sources. This section also provides a more detailed description of the major revenue sources.

DEPARTMENT SUMMARIES

This section explains the services offered by the City of Destin. Each department includes an explanation of the services provided, Budget highlights including explanations of variances between the FY23 and FY24 adopted budgets, current year accomplishments and next year challenges, and performance measures and indicators.

SPECIAL REVENUE FUNDS

This section describes the City's two Community Redevelopment Areas (CRAs) and their budget highlights, accomplishments, and future challenges.

CAPITAL IMPROVEMENT PROGRAM

This section includes the 5-year capital improvement program summaries and detailed descriptions of each major funded project.

DEBT SERVICE FUNDS

This section describes each of the City's debt instruments and includes the debt service schedules to maturity.

APPENDICES

This section includes the millage and budget ordinances, financial policies, a glossary, and a list of acronyms.



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BUDGET MESSAGE

To: Honorable Mayor, City Council Members and Citizens of Destin,

The City Administration is pleased to present a balanced budget for fiscal year FY 2024 prepared in compliance with the City Charter. It is through the vision of our City Council and the dedication of our talented City staff that we can provide the service level that our citizens have come to expect.

Last year's budget was created during a booming housing market, extremely low unemployment as well as the beginning of inflationary economic pressures. The increased practice of homeschooling and teleworking continue to bring tourists for a longer season. Housing values in our area have risen. We invested in technology to allow more city business to be conducted electronically, including virtual meetings, and accepting electronic applications and online payments. We believe these investments in technology will assist the City to improve all services to citizens over the long run.

The FY 2024 budget continues to invest heavily into top Council priorities adopted in Destin's Strategic Plan. The Council's top priority continues to be to "offering livable wages & benefits to attract and maintain high caliber, qualified staff". Staffing levels, an extremely competitive labor market and a high cost of living in the Destin area continue to pose large challenges to retain and recruit employees. Other challenges include balancing the needs and services of the City's identified customer groups Destin Residents, businesses and visitors (in priority order established by Council). Destin remains a small town of residents with big city challenges.

In addition to staffing, Council's other top priority is to pursue a Destin City Center with stakeholders. Staff and Council will pursue partnerships and refine the vision for what the Council's vision for a future City Center will be.

Budget Overview

The City's millage rate is remaining steady at 1.6150 mills. The Ad Valorem taxes cover 54% of the City's operating expenses and personnel costs, and other taxes, operating grants and charges for services covers the remainder. Taxable property values are increasing in step with our base operating and maintenance expenditures (13%). The base operating and maintenance expenditure budget increased 13% from \$17 million to \$19 million, primarily due to increased costs of wages, benefits, and insurance. In addition, the City has requested funding for 13 new positions.



Expenditures by Activity	2023 BUDGET*	2024 BUDGET	\$ change 2023 vs 2024	% change
General Government	\$ 4,872,036	\$ 5,213,720	\$ 341,684	7%
Public Safety	4,837,837	5,574,635	736,798	15%
Physical Environment	335,296	484,106	148,810	44%
Transportation	2,084,112	2,234,361	150,250	7%
Economic Development	356,856	328,676	(28,180)	-8%
Health & Human Services	90,085	89,956	(129)	0%
Culture & Recreation	4,452,820	5,328,546	875,726	20%
Debt Service	3,355,098	3,364,660	9,562	0%
Capital Outlay	49,747,625	49,086,580	(661,045)	-1%
TOTAL EXPENDITURES	\$ 70,131,765	\$ 71,705,240	\$ 1,573,475	2%

The capital project budget will again be over \$49 million in FY 2024. There is approximately \$24 million in projects that were anticipated for FY 2023 that were not initiated. These projects have been moved forward to be accomplished in FY 2024. The top capital expenditures for FY 2024 includes \$16 million to underground overhead utilities, \$9 million to purchase another waterfront property, \$4 million to complete beach park development, and \$9 million to complete a critical roadway (Crosstown Connector).

Over \$11 million of the total budget was made possible by grants and awards from Federal, State, and Local partners, such as the Okaloosa County Tourist Development Council.

In 2021, the City made a significant investment to reinvigorate the Renewal and Replacement program. During FY 2022, the City worked with infrastructure and facility asset specialists to ascertain condition levels. During FY 2023 the City began implementation of a new asset management software. We anticipate during FY 2024 that a fully vetted 20-year renewal and replacement schedule will be completed.

Economic and Fiscal Condition

The economic base of the City of Destin is tourism. The registered businesses within the City limits are comprised primarily of short-term rentals, charter fishing, restaurants, and beach vendors. Since the COVID pandemic, there has been increased acceptance of tele-commuting and virtual school which has increased the numbers of tourists and they arrive earlier and stay longer than usual.

Residential remodels, construction, and development activities continued relatively steady throughout fiscal year 2023, despite increases in interest rates.

Financial Strategy - Balanced Growth

To maintain a high quality of services and programs the City must balance expenditures with growth. The City's Comprehensive Plan 2020 takes a comprehensive look at where the City is today, where it will be in the future and creates a vision of what Destin should be like in 2035. Some areas of the City may change very little in this time frame while other areas may change significantly. The Comprehensive Plan focuses on adequately addressing current community needs and neighborhood character, economic development opportunities and challenges and how to encourage mixed use and infill development. The City's Comprehensive Plan also addresses environmental resource conservation and establishes a



framework for planning balanced growth between new development, the provision of adequate infrastructure and environmental stewardship.

Looking ahead, Destin will face several planning and development challenges over the next 25 years, foremost of which, is the need to update the City's Land Development Code (LDC) which is the primary tool for implementing the City's Comprehensive Plan and effectively integrating existing development, non-developable, and developable portions of Destin into the fabric of the City. Other challenges include improving our stormwater systems, redevelopment of the Town Center and Harbor District as vibrant areas, building a diversified job base, providing sites for a full range of housing options and mixed-use development, enhancing the existing multi-modal transportation system, and having adequate parks and public facilities throughout the City. The Comprehensive Plan guides the City to continue to meet the needs of its citizens while enhancing the quality and livability of the City and keeping costs of development affordable.

Significant Factors Influencing the FY2024 Budget

Destin regularly faces the challenge of how to implement Council's adopted strategic plan while managing other unplanned or increasing demands for City services.

To safely sustain operations, many new technology projects will continue to be implemented well into FY 2024. Our Information Technology continues to work with all our departments to provide increased operational transparency to customers and the public. Customers can now access a self-service portal to submit applications online, view the status of applications, schedule inspections, view results of building inspections, submit and track code compliance cases as well as make payments online. Staff is committed to improving the customer portals to make the experience easier and more intuitive. This new technology is streamlining internal processes and workflow in these departments to allow staff to handle increasing demand for their services. The upgrades taking place through 2024 will continue to improve these services.

Staff

Approximately 46% of the operating budget (\$22.6 million) is for personnel (\$10.4 million).

In FY 2024 staff have requested approval for 13 more positions. These new positions will help address the high demand for attention of Code Enforcement Officers (5 FT 2 PT) and will also help us with daily maintenance of the new parks that have come online (5 FT). In addition, there is high demand for engineering assistance with so many capital projects in progress (1 FT).

The City budget includes a 3% cost of living allowance (COLA) and up to a 4% merit increase based on an employee's performance evaluation (annual on hire date).

Comprehensive Document

This document is intended to do more than what is required by state statutes. The Mayor, City Council members and all city staff will use this document as a map to identify the route we have chosen to achieve our goals. The budget communicates the vision of the City's leadership and illustrates the organizational and financial operations for each of the City's departments.



This document is not intended for internal use only. The public, developers, rating agencies, and other organizations can use this document to identify priorities, services, performance, and undertakings planned for this, and future fiscal years as well as the underlying philosophies which guide them.

This document includes performance measures for departments and activities of the City. Without developing measures of effectiveness, it is difficult to gauge the success or failure of funded programs. It is our goal to fund only those programs and activities that are beneficial to our residents and are proven to be successful in meeting stated goals and objectives. We will continue to develop and enhance our performance reporting to allow us to best utilize our limited resources while ensuring alignment with Council's adopted strategic plan.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated services of the City of Destin's staff. I would like to express my appreciation to all Department Directors who assisted and contributed to the preparation of this budget.

I would also like to thank the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Destin's finances and for their attention in conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

Lance A. Johnson



PROFILE

Location

“Where is the City of Destin?”

Destin is in the Northwest Florida Panhandle, along Florida’s beautiful Emerald Coast. This naturally beautiful and historically rich city is situated on a coastal barrier peninsula between the Choctawhatchee Bay and the Gulf of Mexico.

Destin is located in Okaloosa County, Florida. It is a principal city of the Fort Walton Beach-Crestview-Destin, Florida Metropolitan Statistical Area



A Short History



Located in the Florida Panhandle, the City of Destin has a rich historical heritage dating back to American Indian inhabitants as early as the 7th century. Spanish explorers surveyed Florida in 1538. Don Francisco Tapia was commissioned to survey the Florida coast and in 1693, drew the first known map of the East Pass and its shores. Destin traces its immediate history to a fisherman, Captain Leonard Destin, who moved here from New London, Connecticut, and settled in Northwest Florida in about 1845. Captain Destin pioneered the fishing industry and Destin has maintained that heritage to the present.



With the growth and development of Destin from a small fishing village to a major tourist resort came the need for a local government structure. The City of Destin was originally chartered as a municipality under the laws of the State of Florida in 1984. However, the community of Destin, settled for more than one hundred and fifty years, has a long history as a fishing village and premier resort destination.



Known as the "World's Luckiest Fishing Village", the largest and most elaborately equipped fishing fleet in the State of Florida docks at the Destin Harbor. In addition to fishing, recreational opportunities include golf, tennis and water sports, including diving and snorkeling. The Destin Harbor lies closer to the 100 Fathom curve than any other harbor on Florida's west and north coast, which provides speedy deep-water access.

Located on Florida's Emerald Coast, Destin is known for its white beaches and emerald green waters. Originating as a small fishing village, it is

now a popular tourist destination. According to the Florida Department of Environmental Protection, over 80 percent of the Emerald Coast's 4.5 million visitors visit Destin each year.

Geography

The city is located on a peninsula separating the Gulf of Mexico from Choctawhatchee Bay. The peninsula was originally an island; hurricanes and sea level changes gradually connected the island to the mainland. As of the 1940s it technically became an island again with the completion of the Choctawhatchee-west bay intracoastal waterway.

Destin is near several other cities in the region. The city of Fort Walton Beach is located to the west at the inlet of Santa Rosa Sound into Choctawhatchee Bay. North of Destin, across the bay is Niceville, with the Mid-Bay Bridge linking the two by road. Panama City (to the east) and Pensacola (to the west) are each about 50 miles away.

At the western tip of the peninsula is East Pass (also known as Destin Pass), separating it from Santa Rosa Island to the west. East Pass is the only outlet of Choctawhatchee Bay into the Gulf of Mexico; many sources claim that the pass was dug by hand with an inrush of water widening it within hours. The pass appears in early maps and surveys from Spanish, French, and English surveyors, such as Thomas Jefferys's 1775 map *The Coast of West Florida and Louisiana*. Frequent dredging is required to keep East Pass navigable.



"Crab Island," a significant sandbar located in East Pass, is a popular anchorage in the area. The entrance to Destin Harbor, a lagoon between the beaches and the main body of the western portion of the peninsula, is located just north of the East Pass jetty. The lagoon is formed by a sand spit named Holiday Isle; many condominiums have been built along the harbor since the 1970s.

The city has a total area of 8.25 square miles (21 km²), of which 7.65 square miles (19 km²) is land and 0.6 square miles (1.6 km²) (7.95%) is water. Destin is located at 30°23'36"N 86°28'31"W.^[11]

The white beaches and emerald waters of the Destin area draw many tourists. Florida's Department of Environmental Protection estimates that more than 80 percent of the Emerald Coast's 4.5 million yearly visitors travel to the region to visit Destin. Visitors can charter fishing vessels from the harbor, and there are 13 beach access points in the city. Among the access points is Henderson Beach State Recreation Area. A portion of the Gulf Islands National Seashore, the Okaloosa Day Use Area, is just across East Pass on Santa Rosa Island.

The sand on Destin's beaches is some of the whitest in the world. The sand comes from the Appalachian Mountains, and is made of finely ground quartz crystal giving the appearance of sugar. Residue flows down the Apalachicola River and is deposited into the Gulf of Mexico. Because of the currents the sand drifts west along the Gulf Coast and settles from east of Panama City to the Alabama coast.

Several events also take place throughout the year as well. For the month of October, the annual Destin Fishing Rodeo draws anglers to Destin each year since 1948. Also, in the month of October is the Destin Seafood Festival, where fresh seafood is sold, and local artists gather.

In addition to an assortment of hotels and motels, many high-rise condominiums are located in Destin. The first condominiums in Destin were built in the 1970s, and construction continues today. Visitors play a large part in Destin's economy – the city's population of around 14,000 balloons to 100,000 during the tourist season.

Destin's surroundings include other popular tourist destinations. Sandestin, Florida, located to the east in Walton County, is a popular golf and beach resort. Further east along the coast are the master-planned community of Seaside, filming location of the 1998 movie *The Truman Show*; Seagrove Beach, Grayton Beach, and Rosemary Beach, Florida. To the west are Navarre Beach and Pensacola Beach, and the Civil War fortification Fort Pickens is located at the western end of Santa Rosa Island. Many celebrities own homes in the Destin, Florida area.



Climate

In the Florida Panhandle, Destin enjoys a subtropical climate, with fresh breezes off the Gulf of Mexico and few temperature extremes. Average summer temperatures are a high of 91°F, a low of 70°F and a water temperature of 84°F. Average winter temperatures range from a high of 72°F to a low of 38°F.

Demographics

The 2020 Census calculated the population to be 13,931. The US Census Bureau estimates the racial makeup of the city to be 87% White, 9% Hispanic or Latino, 2% African American, 2% Asian, and less than 1% from other races. The population is 50.5% female, and the median age is 42.

The Florida Office of Economic and Demographic Research estimates the median income for a household in the city is \$79,000. The per capita income for the city is \$45,324.

Recreational Facilities and Amenities

The City of Destin offers an abundance of recreational and leisure opportunities. The City maintains 19 parks and recreational facilities, many of which are water-oriented, including the Joe's Bayou Boat Ramp, Mattie Kelly Park Wetlands Walkway and bay-front pier, harbor-front and bayou-front parks with piers or overlooks at Clement Taylor, Harborview, Mattie Kelly, Main Street Park, Leonard Destin Park and Captain Royal Melvin Heritage Park. The City's facilities also include active recreation facilities including a 25-acre Morgan Sports Center with Youth Leagues, softball, soccer fields, walking track and a Children's Park. Rubberized track, baseball, softball, football and soccer fields at the Elementary School Complex. Dewey Buck Destin Park offers tennis, pickleball, basketball courts and serves as our Senior Center for Destin Seniors. Dalton Threadgill Little League Park has 3 fields for little league. The City also maintains 8 beach trails, 3 beach parks. Henderson Beach State Park comprised of more than 250 acres in central Destin offers a variety of nature, picnic and camping alternatives. The City partners with Henderson Beach State Park to provide discounted access to full-time City residents. The City also maintains approximately 500 paid parking spaces to provide vehicular and pedestrian access to amenities in the harbor and beach areas of the City. The City also provides residents passes for use of the Joe Bayou's Boat Ramp and parking in the Harbor District. The City added 340' to beach front parks in 2023 for Tarpon Beach Park.

In addition to these City facilities, Destin is home to a plethora of sport and leisure activities. Deep sea, bay and surf fishing are all popular Destin pastimes. The highlight of the fishing season, which runs from early March to October, is the Destin Fishing Rodeo, which runs the entire month of October. For more than 50 years fisherman have competed in over 30 saltwater categories for more than \$100,000 in prizes annually. Watersports are plentiful in the Destin Harbor and feature pontoon, powerboat, sailboat and personal watercraft rentals as well as sail-surfing, parasailing, diving and snorkeling. There are numerous artificial reefs in the Destin area that are excellent for spearfishing and shelling. Dolphin sightseeing and glass-bottom boat excursions are also available.

The Destin area is also home to some of the South's finest golf courses and golf communities. Tennis, Pickleball are popular outdoor activities, is also available at the City's Buck Destin Park and a variety of private clubs and communities. For those still in search of recreation and leisure activities, the City's Community Center and Library offer year-round programs and activities for all ages. Private amusements in the form of miniature golf, waterslides, paddleboats and go-carts are also available to the tourists and seasonal visitors.



History of the City Logo



Following City incorporation in 1984, City leaders advertised a contest for design of the City Logo. The Mayor and Council appointed a committee to judge the many entries. The \$50 grand prize design that was ultimately selected was submitted by Mr. Leonard Crook and chosen for its strong depiction of the City's physical features and fishing heritage. The centerpiece horseshoe symbolizes and reflects "The World's Luckiest Fishing Village" slogan.



In 2003, the City approved the updated City Logo at left to modernize the colors and better highlight the community's fishing heritage. The new logo maintains the characteristics of the original "fishing theme" logo while merging a new sea oats crest with the old "World's Luckiest Fishing Village" slogan. The new logo brings in the original logo's marlin, charter boat, nautical rope and basic shape of the "lucky" horseshoe. The new logo is used on all official City media.

Form of Government

The City of Destin incorporated and adopted the Council-Manager form of government in 1984. The City Council is composed of seven voting members with the Mayor casting tie-breaking votes only. The Mayor and Council, elected in November of even years by the City at-large, can serve up to two consecutive four-year terms. The City Council is the legislative body of the City Government. They consider and adopt ordinances and enact regulations for the maintenance of good government, the preservation of peace, welfare, health and safety and convenience of the citizens. The Council also reviews and adopts the City Budget, makes appropriations, levies taxes, authorizes bond issues, holds public hearings for citizen input, appoints committees and establishes municipal policies. Pursuant to City Charter, the City Manager is appointed by a super-majority vote of the City Council. The City Manager is the chief administrative officer of the City and serves directly at the pleasure of the City Council. The City Manager implements Council policies, directs and supervises the administration of all departments, programs, offices and agencies of the City.

Funds and Departments

The FY2024 budget provides for the funds required to support the day-to-day operations of the city (General Fund), to pay off Debt (Debt Service Funds), and to pay for Capital Improvements Projects (CIP Funds). The city also has a Community Redevelopment Agency (CRA) with two Special Revenue funds to account for the two CRA districts: the Town Center CRA district and Harbor CRA district. To better



comply with certain statutory requirements, the Building Inspection Department activities are now tracked in a Special Revenue Fund. Council has elected to restrict Parking Fees collected and expenditure of this revenue stream in a Special Revenue Fund. In addition, Council has elected to track funds restricted for use to improve water quality through operational and capital projects to a Water Quality Improvement Special Revenue Fund.

The City of Destin follows the Uniform Accounting System for Florida Local Governments, and for accounting purposes, the units are organized as follows:

General Fund Organizational Units

Budgeting/Accounting Fund	Department Director
GENERAL FUND	
01-51 General Government	
City Council	City Clerk
City Manager	City Manager
City Clerk and Admin	City Clerk
Legal Services	City Manager/Contract
Finance	Finance Director
Human Resources/Risk Management	Human Resources Director
Facilities Maintenance	Public Works Director
Community Development	Community Development Director
Information Technology	IT Director
01-52 Public Safety	
General Public Safety	Contracted to Okaloosa Sheriff's Office and Destin Fire Control District
Code Compliance	Code Compliance Director
Emergency Management	Public Works Director
01-53 Physical Environment	
Stormwater/Water Quality	Public Works/Community Development
Cemetery Operations	City Clerk
01-54 Transportation	
Public Works	Public Works Director
Median Maintenance	Public Works Director
Engineering	Community Development Director
01-55 Economic Development	City Manager
01-56 Health & Human Services	
Wildlife Protection & Animal Control	Code Compliance Director
01-57 Culture and Recreation	
Library	Library Director
Parks	Parks and Recreation Director
SPECIAL REVENUE FUNDS	
102-55 Town Center CRA	Community Development Director
110-55 Harbor CRA	Community Development Director
111-52 Florida Building Code (Bldg Inspections)	Community Development Director
122-54 Parking Fund	Deputy City Manager/Public Works Director
125-52 Technology Fund	IT Director/Community Development Director



127-53 Water Quality Improvement Fund	Public Works Director
129-## Okaloosa Half Penny Fund	City Manager
DEBT SERVICE FUNDS	
213-51 2013 Debt Service Fund	Finance
214-51 2014 Debt Service Fund	Finance
221-51 2021 Debt Service Fund	Finance
223-51 2023 Debt Service Fund	Finance
224-51 2024 Debt Service Fund	Finance
CAPITAL PROJECT FUNDS	
300-## Renewal & Replacement Fund	Finance/Directors
305-## General Capital Project Fund	Finance/Directors
315-## Restricted Capital Project Fund	Finance/Directors
324-## 2024 Bond Expenditures	Finance

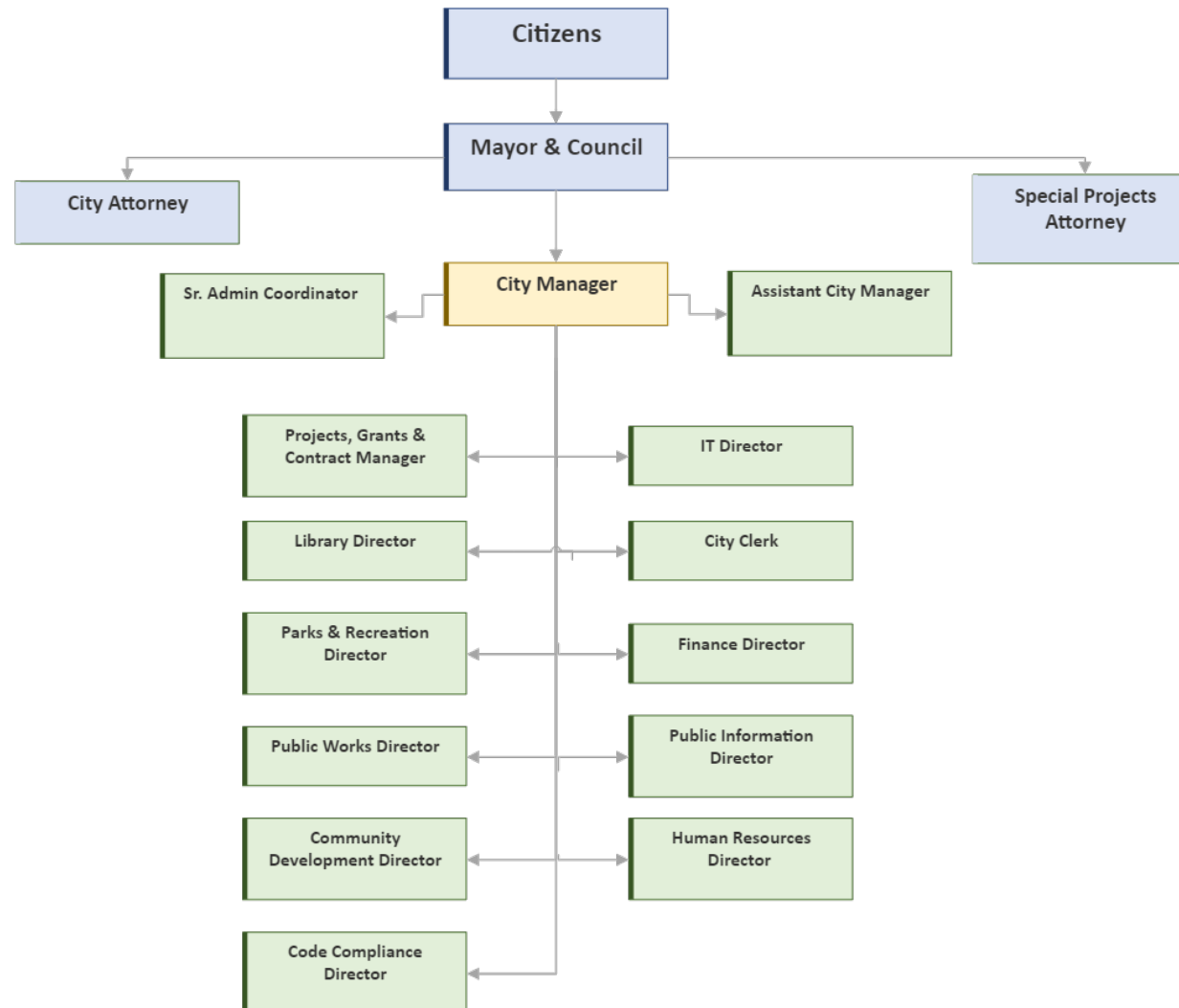


FY2024 ADOPTED BUDGET
Organizational Chart



October 1, 2023
FY 24

City of Destin Organizational Chart





LONG RANGE FINANCIAL PLANS

The City of Destin has a small year-round residential base of approximately 14,000, but it must maintain infrastructure for the transient visitors which often count to over 100,000 during tourist seasons. The City has some major capital initiatives to address the top desires of residents and visitors, such as undergrounding overhead utilities, more public beach space, and an alternative to the busy highway 98 as the main thoroughfare. In addition, the need for parking spaces in our favorite areas creates a daily stress amongst business owners, residents, and visitors.

General Operations

The City must balance the demand for new capital investments (additional parks, recreational facilities, and parking) while maintaining and improving our existing personnel, facilities, and infrastructure. FY 2024 begins with a 2% cost of living increase for our staff and the potential for staff to earn up to a 4% merit increase on their work anniversary. Costs of labor and benefits have increased significantly, and this is reflected in the FY 2024 budget. The Code Compliance department's services have been in great demand. In order to meet service level expectations, this budget proposes 5 new full-time and 2 new part-time code enforcement officers. In addition, we have expanded our beach and park repertoire, and have requested 5 more full time positions to assist with daily park maintenance.

To meet the expenditure demands these studies may present, staff are taking a closer look at our recurring revenues and at the schedule of fees. The COVID-19 epidemic encouraged our departments to embrace technologies that allow us to serve our citizens and customers through online portals and using touchless technologies to check material in and out of our library. Adding these technologies has raised the need to simplify our fee schedules, and we have invited specialists in to review our fees. Technology increases operating expenditures, but also relieves the need to add more staff. The fee studies have begun with the Community Development/Building Department and over the coming years will we work through the other departments.

Funding Capital Improvements

Beach/Waterfront Acquisition and Development. Beach and waterfront property acquisition has been a high priority for a number of years. The City has partnered with the Okaloosa Tourism Development Council and the Trust for Public Lands towards this purpose. During FY 2023, we acquired an additional 300+ feet of beach front to be developed into a beach park using tourism development funds. We are in the design phase to add the park improvements. In early FY 2024 the City will be acquiring another special waterfront property within the Harbor CRA district. The City will need to borrow up to \$9 million to purchase this property.

Undergrounding Overhead Utilities. The electric franchise agreement increased 2% (from 4% to 6%) to raise funds to underground overhead utilities to improve safety, storm-hardening, and beautification. The CRA district committees committed portions of their Tax Incremental Financing (TIF) proceeds towards undergrounding the utilities within their districts, and their respective master workplans are being updated. In addition, Council has moved to commit 60% of the 10-year Okaloosa Half Penny Infrastructure Surtax towards the undergrounding project. We are finalizing a binding cost estimate from FPL in September 2023, and we hope to secure a contractor and begin construction activity in the Spring of 2024. The City is contemplating borrowing up to \$13 million to complete the undergrounding



of overhead utilities lines along US98 from the Marler Bridge to Airport Road. This construction should take approximately 18 months from receipt of materials.

Cross-Town Connector. The Beach Drive to Benning Drive road project is the last unconnected leg of the City's Crosstown Connector, an east-west corridor intended to relieve traffic congestion on U.S. Highway 98. Currently, the city has completed the 2-lane roadway design and has acquired the necessary right of way. Additional funding will still be needed for construction, and efforts to secure that funding is ongoing. Staff have proposed borrowing the \$3-\$4 million needed to complete construction, and to use Gas Tax #2 to pay the debt service.

Other capital initiatives. Parking fees are expected to net around \$500,000 this year due to the rate changes that went effective on May 19, 2023. The impact fees which were lowered over 10 years ago, are currently under review to improve coverage of the impact development has upon our infrastructure. As we update the City's comprehensive plan, we are also updating the long-term master plans for the City's facilities, including Park and Recreation facilities to ensure maintenance of our desired level of service.

Most of the capital projects proposed are using restricted fund balances such as grants, impact fees, and other committed sources that have been accumulating over the past few years. The FY 2024 proposed capital outlays (\$49 million) will use \$2 million of General Fund balance, \$25 million of new debt, \$10 million of capital grants, and \$12 million of restricted and committed fund balance.

Staff anticipate completion of the long-term renewal and replacement plan by the Fall of 2023, and will be recommending one large transfer in to a committed renewal and replacement fund from the General Fund in 2025 (up to \$8 million), and then a series of smaller regular additions for the next 20 years (\$1-\$2 million per year) to meet the needs of replacing aging infrastructure and facility components.

Fund Balance

The City has grown a very healthy unassigned fund balance. In the near-term, this fund balance will likely become committed as Council establishes a formal resolution to maintain a certain balance in the Renewal and Replacement fund, as mentioned above.

The General Fund tracks primary governmental operations. As such it is the primary indicator of a healthy government. Below is the five-year forecast for the General Fund.



FY2024 ADOPTED BUDGET

LONG-RANGE FINANCIAL PLANS

01 GENERAL FUND	FY2023			FY2024				
	FY2022 ACTUALS	ADOPTED BUDGET*	FY2023 PROJECTION	PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION	FY2027 PROJECTION	FY2028 PROJECTION
01-31 Ad Valorem Taxes	8,723,337	9,779,417	9,889,648	11,073,048	11,358,200	11,471,800	11,586,500	11,702,400
01-31 Delinquent Ad Valorem Taxes	(759)	5,000	70,797	5,000	5,000	5,000	5,000	5,000
01-31 Sales and Use Taxes	1,544,294	1,745,054	1,588,926	1,639,411	1,655,810	1,672,320	1,689,030	1,705,840
01-32 Licenses and Permits	3,238,420	2,962,950	3,557,821	3,754,770	3,797,290	3,840,370	3,884,020	3,928,290
01-32 Impact Fees	-	-	-	-	-	-	-	-
01-33 Intergovernmental	3,504,973	3,141,375	3,829,162	3,706,814	3,667,900	3,762,940	3,851,500	3,926,670
01-34 Charges for Services	863,412	463,700	674,580	615,310	628,260	641,950	655,570	669,950
01-35 Fines and Forfeitures	56,135	71,500	93,519	109,400	109,400	109,400	109,400	109,400
01-36 Investment Income	(1,090,598)	235,100	408,037	373,930	377,760	381,690	385,630	389,680
01-36 Contributions	8,794	1,700	4,696	3,880	3,880	3,880	3,880	3,880
01-36 Miscellaneous Revenue	30,928	3,601	128,581	5,201	5,201	5,201	5,201	5,201
TOTAL REVENUES	16,878,936	18,409,397	20,245,768	21,286,764	21,608,701	21,894,551	22,175,731	22,446,311
01-51 General Government	3,562,984	4,722,036	3,902,217	4,848,223	4,797,310	4,962,430	5,133,760	5,361,530
01-52 Public Safety	3,146,309	3,540,743	3,312,629	4,264,211	4,573,010	4,706,520	4,844,380	4,986,740
01-53 Physical Environment	169,711	314,296	268,588	459,106	402,440	416,240	430,550	445,380
01-54 Transportation	1,589,395	1,948,212	2,050,300	2,075,554	2,179,500	2,251,770	2,326,680	2,404,270
01-55 Economic Environment	14,452	14,500	14,452	14,600	14,750	14,900	15,050	15,200
01-56 Health & Human Services	51,604	90,085	76,298	89,956	90,020	90,090	90,160	90,230
01-57 Culture and Recreation	3,292,184	4,452,820	3,786,775	5,328,546	5,396,590	5,584,510	5,779,300	5,981,350
01-59 Capital Outlay	203,723	86,654	70,816	146,560	62,520	64,400	66,330	68,320
01-59 Debt Service Principal	83,311	19,254	2,214	18,813	19,400	19,180	19,308	19,441
01-59 Debt Service Interest	6,222	3,390	20	3,910	3,323	3,820	3,692	3,559
TOTAL EXPENDITURES	12,119,896	15,191,990	13,484,308	17,249,479	17,538,863	18,113,860	18,709,210	19,376,020
Excess (deficiency) of revenues over expenditures	4,759,040	3,217,407	6,761,461	4,037,285	4,069,838	3,780,691	3,466,521	3,070,291
01-38 Proceeds from Issuance of Debt	24,021	45,000	-	50,000	-	45,000	-	-
01-38 Transfers In	-	87,200	87,200	8,600,000	100,000	200,000	200,000	300,000
01-58 Transfers Out	(3,013,636)	(3,901,969)	(3,078,986)	(15,597,515)	(10,321,304)	(3,359,349)	(3,240,377)	(3,245,371)
Total other financing sources (uses)	(2,989,615)	(3,769,769)	(2,991,786)	(6,947,515)	(10,221,304)	(3,114,349)	(3,040,377)	(2,945,371)
01 Net change in fund balances	1,769,425	(552,361)	3,769,674	(2,910,230)	(6,151,466)	666,342	426,144	124,920
01 Fund Balance (deficit), Beginning	26,319,436	28,088,861	28,088,861	31,858,535	28,948,305	22,796,839	23,463,181	23,889,325
01 Fund Balance (deficit), Ending	28,088,861	27,536,499	31,858,535	28,948,305	22,796,839	23,463,181	23,889,325	24,014,246



STRATEGIC PLANNING

Visioning for 2024

The City of Destin City Council held a Visioning Workshop on February 16, 2023. The Mayor, Council Members, and Senior Staff participated in the day long workshop. The session was facilitated by Ed “Buz” Eddy.

After introductions, the workshop began with a look at where we currently stand with a review of the City’s Vision, Mission, and Core Values. Accomplishments were reviewed and discussed as well as current projects. To round out the review portion key customers, priorities, partnerships, and branding were solidified.

Following the introduction and review we entered a discussion of where the City is going. The Mayor and Councilmembers discussed their key initiatives and projects for the upcoming budget cycle. Next, the City Manager provided an opportunity for interactive participation with the elected officials on prioritization of initiatives and projects. The main theme of this year’s visioning session was to “stay the course”, to work towards completion of currently prioritized major capital projects.

Closing the Visioning session, consensus was formed on the direction for the next fiscal year along with budget and funding opportunities. The City’s Fiscal Year 2023-24 Strategic Plan Council objectives were adopted at the August 21, 2023, City Council meeting.

Budget workshops were held May 23, 2023 and July 11, 2023.



City of Destin Strategic Plan

ADOPTED CONDENSED DESTIN STRATEGIC PLAN SUMMARY for FISCAL YEAR

VISION 2035: DESTIN IS A FAMILY - ORIENTED BEACH AND FISHING COMMUNITY WHERE PEOPLE WANT TO LIVE, WORK & PLAY AND WHERE VISITORS ARE WELCOMED TO RESPECTFULLY ENJOY OUR COMMUNITY AND ITS RESOURCES.

PRIORITIZED CUSTOMERS

Year-Round City of Destin Residents
City of Destin-Based Businesses
City of Destin Visitors

2024DESTIN'S CORE VALUES:

The ethics or ideals that guide Destin's decision making, team building and problem solving.

Respect	Teamwork	Stewardship
Integrity	Professionalism	Transparency

PRIORITIZED STRATEGIC GOALS

- I. Financially sound city providing service excellence.
- II. Enhanced quality of life and safety for families.
- III. Economic development and revitalization.
- IV. Effective, efficient, and aesthetically pleasing infrastructure.
- V. Improve mobility and connectivity.
- VI. A green and sustainable environment.
- VII. Offer livable wages & benefits to attract & maintain a high caliber, qualified staff.

SECTION 1: COUNCIL OBJECTIVES FY2024(-2029)**COUNCIL'S CRITICAL PRIORITIES**

- 1.1 Work with stakeholders to pursue the Destin City Center. (Phase 1 Feasibility Study), (II., III.).(OPR: CD)
- 1.2 Public Waterfront acquisition initiative; Acquire property at the foot of the Marler Bridge. (II., IV., V.) (OPR: GPC)
- 1.3 Underground Utilities; Begin Phase 1 (II., IV., VI.) (OPR: GPC)
- 1.4 Stahlman and US 98 pedestrian vehicle improvement concepts in cooperation with FDOT. (II., V.) (OPR: CD/ENG)
- 1.5 Pedestrian access concepts under the Marler Bridge. (II., V.) (OPR: CD/ENG)
- 1.6 Two-lane Crosstown Connector (Beach to Benning); Phase 1. (II., V.). (OPR: CD/GPC)
- 1.7 Improve parking, explore options (i.e., parking garage, surface parking), (V.). (OPR: PW)
- 1.8 Annexation of unincorporated enclaves (I.). (OPR: CD/CMO)

COUNCIL'S IMPORTANT PRIORITIES:

- 1.9 Morgan Sports Center and Dalton Threadgill Park Master Plan for renovations. (OPR: PR)

COUNCIL'S DESIRABLE PRIORITIES:

- 1.10 Support for regional Transit and Ferry systems (V.) (OPR: GPC)
- 1.11 City Marina (Phase 1 Feasibility Study), (III, V.). (OPR: CD)
- 1.12 Support Beach Re-nourishment, planning/scheduling in partnership with the County/State. (II,VI.) (OPR: CD/ENG)
- 1.13 Support regional workforce housing initiatives. (CD)



SECTION 2: MANAGEMENT OBJECTIVES FY2024

- 2.1 Keep resources (Staff, Time, Money) aligned with the adopted Strategic Plan and the adopted budget when asked/directed to reprioritize tasks and/or projects. ...
- 2.2 Research/track grants and other funding sources for current and future projects including "Undergrounding Utilities."
- 2.3 Develop and implement process improvements for consistent application of policies and procedures;
- 2.4 Improve communication and information sharing with Council/Public/Staff. (PIO, Et al)
- 2.5 Ensure volunteer committees complete their workplans and obtain council approval for each. (CLK)
- 2.6 Review and update departmental Key Functions/Services by December 1st, 2022. (CMO/Et al)
- 2.7 Receive an "unmodified" (good) audit opinion for FY-2022.
- 2.8 Implement Council approved Harbor Capacity Study recommendations by established due date. (CD)
- 2.9 Establish Park Foundation to assist with acquisitions, renovations and maintenance. (P&R)
- 2.10 Work with the County/State to have derelict vessels removed within 120 days of reporting. (CMO)

SECTION 3: MANAGEMENT IN PROGRESS FY24-29

- 3.1 Memorialize institutional knowledge OPR: HR (I.)
- 3.2 Plan for renewal and replacement of city facilities and infrastructure OPR: PW (I., IV.)
- 3.3 Monitor & Manage current grant & funding awards. OPR: GPC (I.)
- 3.4 Find and secure new funding opportunities for city services and city projects OPR: GPC (I.)
- 3.5 Complete Land Development Code (LDC) revisions OPR: CD (I.)
- 3.6 Develop/Implement Wayfinding Program; Improve the City's gateways-OPR: CD (II., IV.)
- 3.7 Implement a pavement management program OPR: PW (II., IV.)
- 3.8 Provide orientation and key training to Board and Committee members OPR: CLK (I)
- 3.9 Improve sidewalks (wider, more walkable) OPR: PW (II., IV.)
- 3.10 Redevelopment (Update CRA's Master Plans) OPR: CD (III.)
- 3.11 Re-establish Environmental Committee OPR: Code (VI.)

SECTION 4: MAJOR PROJECTS FY 2024-2029

- 4.1 Implement and Manage COMPASS software (In Progress)
- 4.2 Harbor Capacity Study (USACE) (In Progress) (III., VI.)
- 4.3 Impact Fee Study (In Progress) (I., II., III., IV., V., VI.)
- 4.4 Building Permit Fee Study (In Progress) (I.)
- 4.5 Develop and implement the Mobility Plan and associated Fees (I., II., V.)
- 4.6 Update Business Tax Receipts (BTR) Fee Schedule and processes (In Progress) (I.)
- 4.7 Research Stormwater Utility options and Funding (II., III., VI.)
- 4.8 Construct Capt. Royal Melvin Heritage Park (In Progress) (II., VI.)
- 4.9 FDOT Median Improvement project (In Progress) (IV.)
- 4.10 Norriego Point Park improvements Phase III - Recreation Components (Pending GSD Roadway extension)
- 4.11 Renovate Clement Taylor Park (Pending Funding) (II., VI.)
- 4.12 Redevelop Joe's Bayou Recreation Area (In Progress) (II., VI.)
- 4.13 Continuity of streetlights/Conversion to LEDS (In Progress) (II., VI.)
- 4.14 Implement prioritized stormwater improvements based on the *Stormwater Master Plan* (In Progress) (II., V., VI.)
- 4.15 Linear Park/Sun Trail: (In partnership with FPL) Secure additional funding, complete design, secure required easements, construct phase 1 trail from Mattie Kelly Blvd to 98 Palms. (In Progress) (II., VI.)
- 4.16 Pickleball Courts: Secure additional funding, acquire land, complete design and construct. (II., VI.)



FY 24-28 Strategic Goal Table

To see details of the Strategic Goal Tables, please visit the URL:

www.cityofdestin.com/strategicgoaltable



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BUDGET STRUCTURE

Budget Process

Destin's fiscal year begins on October 1st and ends on September 30th of each year. The City's budget process begins early in the fiscal year when the City Manager holds a Strategic Planning workshop with Council members and Department Directors. New Council Members are voted into their chairs in November. The strategic planning visioning session is generally held in January. The Mayor's Annual State of the City Address is held in February.

Department Directors take the strategic plan and council priorities into consideration as they prepare their next year's anticipated budget requirements. The draft budget requests are entered into the financial software by account number with detailed notes in the spring. The Finance Department prepares projections for anticipated revenues, which are confirmed periodically as the year progresses against projections provided by the state's Office of Economic and Demographic Research and the Okaloosa Property Appraiser. The service needs of the community and Capital Improvement Project requirements are factored into a draft budget. Draft operating and capital budgets are presented to the City Manager who refines the budget for presentation to the Mayor and Council.

The Mayor and Council hold 2-4 public budget workshops with the City Manager and other Department Directors to further refine the budget prior to presentation in the newspaper. Two public hearings are held before the Mayor and Council adopt the Fiscal Year Budget.

Under the provisions Article III, Section 3.13 of the City of Destin Charter, the City Council shall by ordinance adopt a Budget on or before the 30th of September each year. The following are key procedural steps in the City's Budget development process. Note that the process below is indicative of our standard Budget calendar, which typically begins in March, but may be adjusted for future processes.

Budget Amendments

Budget Amendments may occur during the fiscal year by resolution. A summary of all budget amendments is presented to council within 60 days of the end of the fiscal year and officially adopted by Ordinance in accordance with the City Charter.



FY2024 Budget Calendar

City of Destin Calendar to Adopt FY 2024 Budget	
<i>as of 04/04/23</i>	
<u>Date</u>	<u>Event/Deadlines</u>
2/16/2023	Strategic Visioning Session
<u>April Events/Deadlines</u>	
4/6/2023	Senior Leader and Admin Assistant - Budgeting Overview and MUNIS Budget Entry Training
4/11/2023	Open in MUNIS (Define/Start Budget Projection; Budget Setting Default Adjustment)
4/15/2023	All Personnel Budget requests due to HR (Tuition Reimbursements, OT, FTEs, Position Reclassifications)
04/17/2023 to 04/21/2023	Review Current Year Projection Estimates with Directors
4/21/2023	Operating Budget Submissions Due to Program Monitors
4/27/2023	City Manager requests budget from Sheriff and Fire Department
4/27/2023	Review Current Year Projection Estimates with City Manager
4/28/2023	Program Monitors Complete Initial Operating Budget Input into MUNIS
<u>May Events/Deadlines</u>	
05/02/2023 to 05/06/2023	City Manager Budget Review of Budget Projections
5/16/2023	PRT Meeting - Review Capital Project Forms and prioritization
5/19/2023	Grant Revenue Estimate Review (Grants Manager and Finance Director)
5/19/2023	Vehicle and Motorized Equipment Requests Due to Public Works Director
5/23/2023	City Council Budget Workshop #1 Operations
5/29/2023	MEMORIAL DAY
<u>June Events/Deadlines</u>	
6/8/2023	Program/Functional Stmt, Goals & Obj, Accomplishments/Challenges Due
6/20/2023	PRT Meeting - Review Capital Project Forms and prioritize
6/22/2023	5-year Capital Improvement Plan Review with City Manager
<u>July Events/Deadlines</u>	
7/1/2023	Property Appraiser Certifies Taxable Value (Day 1)
7/4/2023	INDEPENDENCE DAY
7/5/2023	Discussion Tentative Millage Rate & Revenue Figures with City Manager
7/6/2023	Revise and Update Operating and 5-Year CIP Budgets



<u>Date</u>	<u>Event/Deadlines</u>
7/11/2023	City Council Budget Workshop #2 Capital & Millage
7/13/2023	Dept Charts in Budget Doc, Text Revisions due to Budget Monitors
7/17/2023	Final Budget Totals & Tentative Millage Rate due to Council for Adoption (Adopt before August 4th)
7/16/2023	Dept Charts in Budget Doc, Text Revisions due to Budget Monitors
7/20/2023 to 7/21/2023	Operations Budget review with City Manager
7/19/2023	Budget Document Draft Due
7/22/2023	Distribute City Manager's Recommended Budget to Council
7/27/2023 to 7/28/2023	Individual Budget Briefs with City Council
<u>August Events/Deadlines</u>	
8/4/2023	Certify Millage Rate and Public Hearing#1 Date with Property Appraiser Form DR420 (Day 35)
8/9/2023	Harbor CRA Review Tentative Budget
8/15/2023	Budget Workshop #3 with Council - Optional
8/16/2023	Town Center CRA Review Tentative Budget
8/23/2023	Publish Tentative Budget online
8/24/2023	TRIM Notice mailed by Property Appraiser to property owners (Day 55)
8/25/2023	Send draft budget ad that will be published after 1st Public Hearing to DOR for review
<u>September Events/Deadlines</u>	
9/4/2023	LABOR DAY
9/5/2023	Post Tentative Budget to Website
9/5/2023	Okaloosa County Budget Public Hearing #1)
9/7/2023	1st Public Hearing - Millage Rate & Budget Ordinances
9/8/2023	Budget Ad submitted to Destin Log for publication on 9/13/22 (Wednesday)
9/13/2023	Budget Ad Published and distributed by Destin Log
9/18/2023	Final Public Hearing - Millage Rate & Budget Ordinances and Regular Council Meeting



<u>Date</u>	<u>Event/Deadlines</u>
9/20/2023	Ordinances adopting Millage Rate & Budget sent to Property Appraiser and Tax Collector

9/22/2023	Certification of Final Taxable Rev (DR-422 sent to Property Appraiser, Tax Collector, and Department of Revenue (FDOR)
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<u>October Events/Deadlines</u>	
10/17/2023	Remit DR-487 Certification of TRIM compliance

<u>Other Important Dates</u>	
07/24/23	School Board 1st Budget Hearing
09/05/23	Okaloosa County 1st Budget Hearing
09/11/23	School Board Final Budget Hearing
09/19/23	Okaloosa County Final Budget Hearing

Budgetary Basis

The City of Destin uses 17 governmental funds to track most of its activities, which are all primarily supported by taxes, grants and similar sources. Governmental funds use modified accrual accounting to track revenues and expenditures. The focus in governmental fund accounting is to match spendable cash inflows in a given period with outflows of the same period (near-term liquidity). The modified accrual basis of accounting is very similar to cash basis accounting, recognizing expenditures when they are paid, and revenues when they are measurable and available.

The basis of this budget is also modified accrual. The revenues projected are expected to be received within the budgeted year presented. Likewise, the expenditures projected are expected to be paid out during the budgeted year. The audited annual comprehensive financial report (ACFR) presents the governmental funds using both modified accrual basis and full-accrual basis, with reconciliatory reports explaining the differences.

The City of Destin also has one fiduciary fund used to monitor activity in the city employee thrift plan. The funds in the thrift plan belong to current and past employees, and as such are not available to the City to expend. The fiduciary fund is not included in the budget, but the inflows and outflows are audited and reported in the ACFR.

Summarized Budgetary and Financial Policies

The City of Destin maintains a comprehensive set of Financial Policies to govern the overall financial management and health of the City.

Policy areas include:

- | | | |
|----------------------------------|--------------------|--------------|
| ▪ Fund Balance | ▪ Revenue | ▪ Reporting |
| ▪ Balanced Budget | ▪ Fiscal Stability | ▪ Debt |
| ▪ Operating Capital | ▪ Investment | ▪ Accounting |
| ▪ Contingency/Emergency Planning | | |



Following is a summary of the primary financial policies that impact the construction of the budget. The full policies can be found in the Appendix.

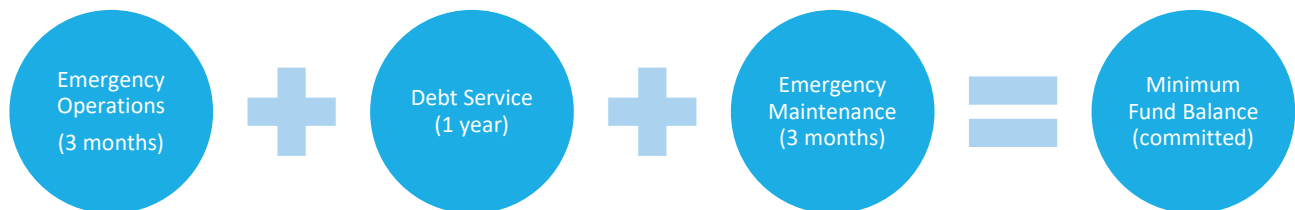
Balanced Budget

Under Florida Statute, the City is required to adopt a balanced budget. This year the budget is balanced by an addition to the fund balance. The budget equation for the adopted FY2023 budget is revenues are equal to expenditures plus an addition to the fund balance.



Fund Balance

The City shall maintain a minimum fund balance equivalent to three months of operating expenses plus one year of debt service plus an emergency maintenance balance equivalent to three months of operating expenses. This minimum fund balance was memorialized in Council Resolution 12-20. As such, this minimum fund balance is classified as “committed” in accordance with GASB financial reporting standards.



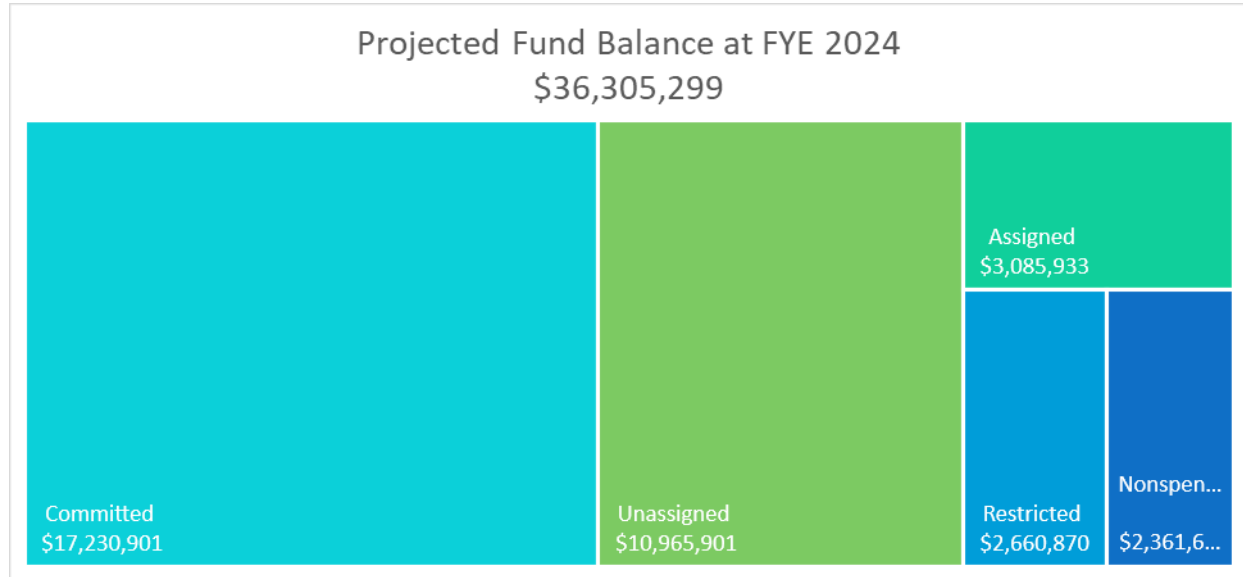
On the government fund statements, fund balance is classified into five categories. Specifically for the City of Destin, the categories include the following details:

- 1) Nonspendable – long-term advance to the Town Center CRA district plus prepaid expenses;
- 2) Restricted – funds restricted by bond covenants (debt service funds), state and local regulations (i.e. Florida Building Code enforcement from building permit fees; impact fees for growth-necessitated expansion), grant agreements and interlocal agreements;
- 3) Committed – fund balances committed through council resolutions and motions i.e. minimum fund balance; Okaloosa Half Penny infrastructure surtax; Parking Fund; Technology Fund;
- 4) Assigned – contracts and agreements (encumbrances); and



- 5) Unassigned – net assets not otherwise categorized.

The fund balance for the fiscal year ending September 30, 2024 is estimated to be as follows:



Fiscal Stability

The City identifies priority services, establishes appropriate service levels, and administers the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services. The city will operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues plus the planned use of fund balance accumulated through prior years.

A five-year capital improvements program shall be prepared and updated each year. The operating impact of each project shall be identified and incorporated into annual operating budgets. Capital assets shall be purchased and maintained on a regular schedule. Within legal limits and the constraints of operating budgets, debt shall be issued for the purchase of capital assets, to match the time period of enjoyment of the assets with the debt service time period.

The detailed policies can be found in the Appendix.



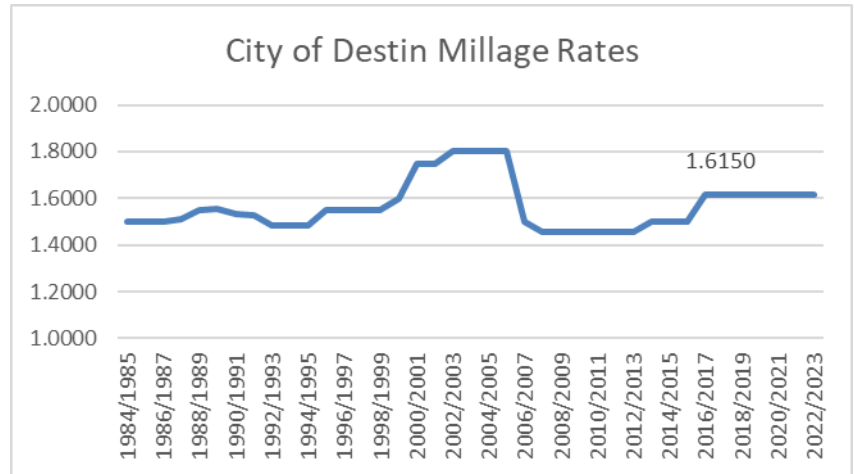
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BUDGET OVERVIEW

Tax Millage Summary

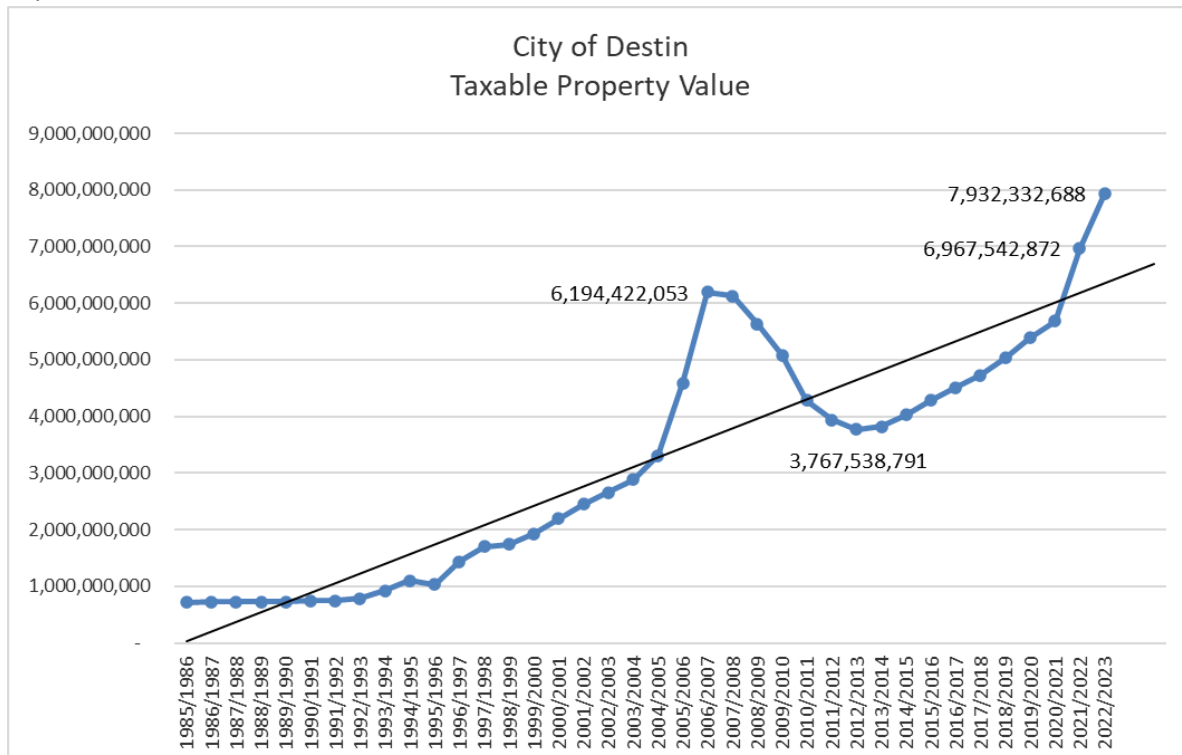
The City of Destin has adopted a millage rate of 1.6150 for the eighth consecutive year. One mill is equal to \$1 per \$1,000 of a property's taxable value (after exemptions). The median taxable value of homes in Destin is approximately \$333k. At a millage rate of 1.6150, a property with a taxable value of \$333,000 will pay \$537.80 in taxes to support the City. This millage rate of 1.6150 is expected to bring in approximately \$12.1 million to support City programs. This \$12.1 million accounts for 31% of the total revenues anticipated to be received in FY2024, and will cover 54% of the operating expenditures. Charges for services, licenses and permits, and operating grants cover the remaining 46% of the operating expenditures.



Ad Valorem Taxes Payable per Household Two scenarios to demonstrate the difference 1/10th of a mill creates

	1.6150	1.7150	Variance
Property Taxable Value			
\$100,000	\$161.50	\$171.50	\$10.00
\$333,000	\$537.80	\$571.10	\$33.30

City of Destin median **taxable** property value on all properites = **\$332,942**





Ad valorem taxes are calculated upon the taxable value of properties within our jurisdiction. Taxable property values reached a historical high in 2006 of nearly \$6.2 billion, and quickly dropped to a low of \$3.7 billion in 2012. The taxable values have been climbing steadily since 2013 at 5% or more a year to a new historical high of \$7.9 billion.

The City coped with the drop in ad valorem tax revenue from 2006 to 2013 by cutting programs, laying off staff, and by deferring renewal and replacements of City equipment, facilities, and infrastructure. The FY2021 budget was the first in many years to make a significant investment back into our existing facilities to replace aged components and machinery that should have been retired previously. The FY2024 budget will continue to invest into the renewal and replacement fund. During FY 2022 the City hired asset valuation specialists to fully document conditions of city infrastructure and to assist in formulation of funding for a proper renewal and replacement program, and during FY 2023 the Facilities team has been working hard to move all the assets into a new asset management software.

The City Charter adopted in 1984 set **a cap on the millage rate at a maximum of 2 mills**. According to the Municipal Report published annually by the Property Tax Oversight, Research & Analysis section of the Florida Department of Revenue, less than 5% of municipalities in the State of Florida have a millage rate of 2 mills or less.

Destin has the lowest millage rate of all municipalities in Okaloosa County.

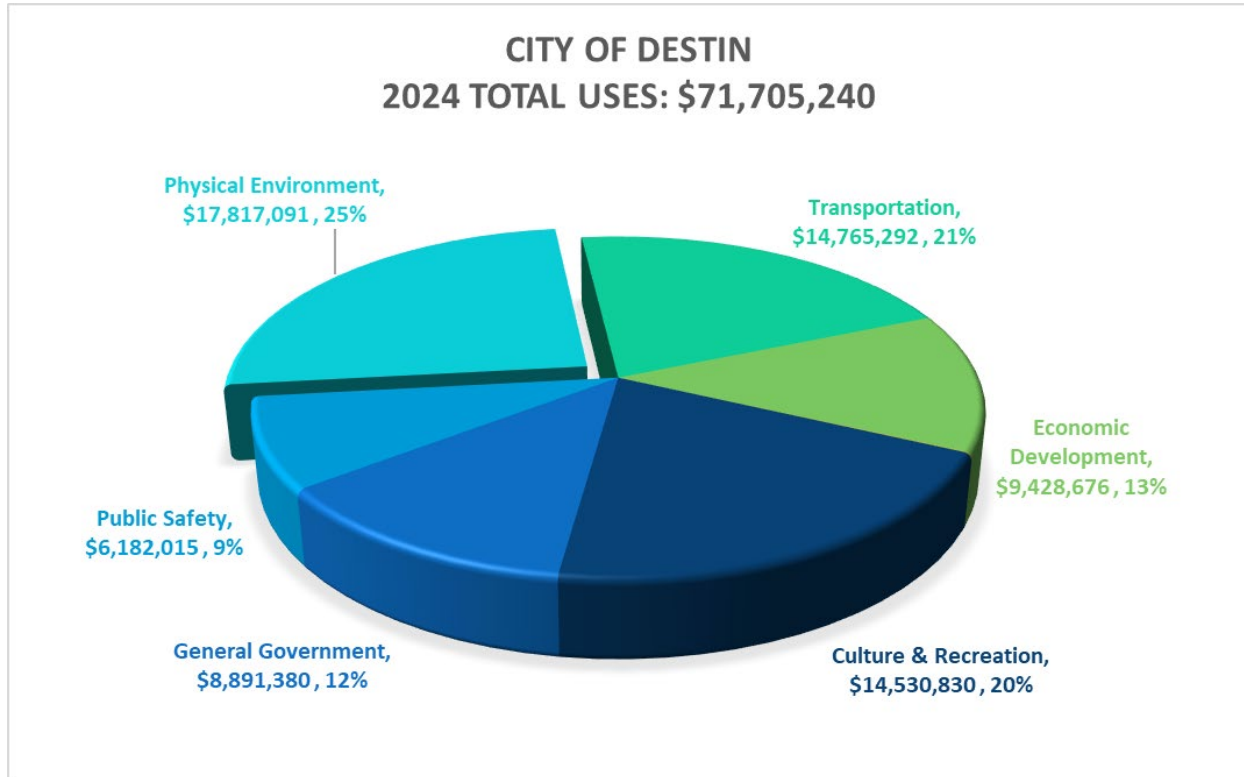
Tax Year	Government	Millage Rate	Ovrelapping (Y/N)
2023	City of Destin	1.6150	Y
2023	Okaloosa County BOCC	3.8308	Y
2023	Okaloosa County School District (RLE+CIP)	5.4800	Y
2023	Destin Fire Control District	1.0000	Y
2023	NW Florida Water Mgmt	0.0234	Y
		<u>11.9492</u>	
Informational Only:			
2023	Okaloosa County Unincorporated MSTU	0.2990	N
2023	Fort Walton Beach	4.9999	N
2023	Crestview	6.8466	N
2023	Valparaiso	5.2942	N
2023	Mary Esther	5.0261	N
2023	Niceville	4.0000	N
2023	Laurel Hill	3.5000	N
2023	Shalimar	2.0000	N



Budget-At-A-Glance

Expenditures

The FY2024 budget totals \$71.7 million. Of the \$71.7 million, over 68% of this budget (\$49 million) is for capital improvements, which includes over \$14 million to increase public waterfront access and basic amenities, \$16 million to underground overhead utilities, and \$9 million to complete a roadway. Approximately 46% of the operating budget (\$22.6 million) is for personnel (\$10.4 million).

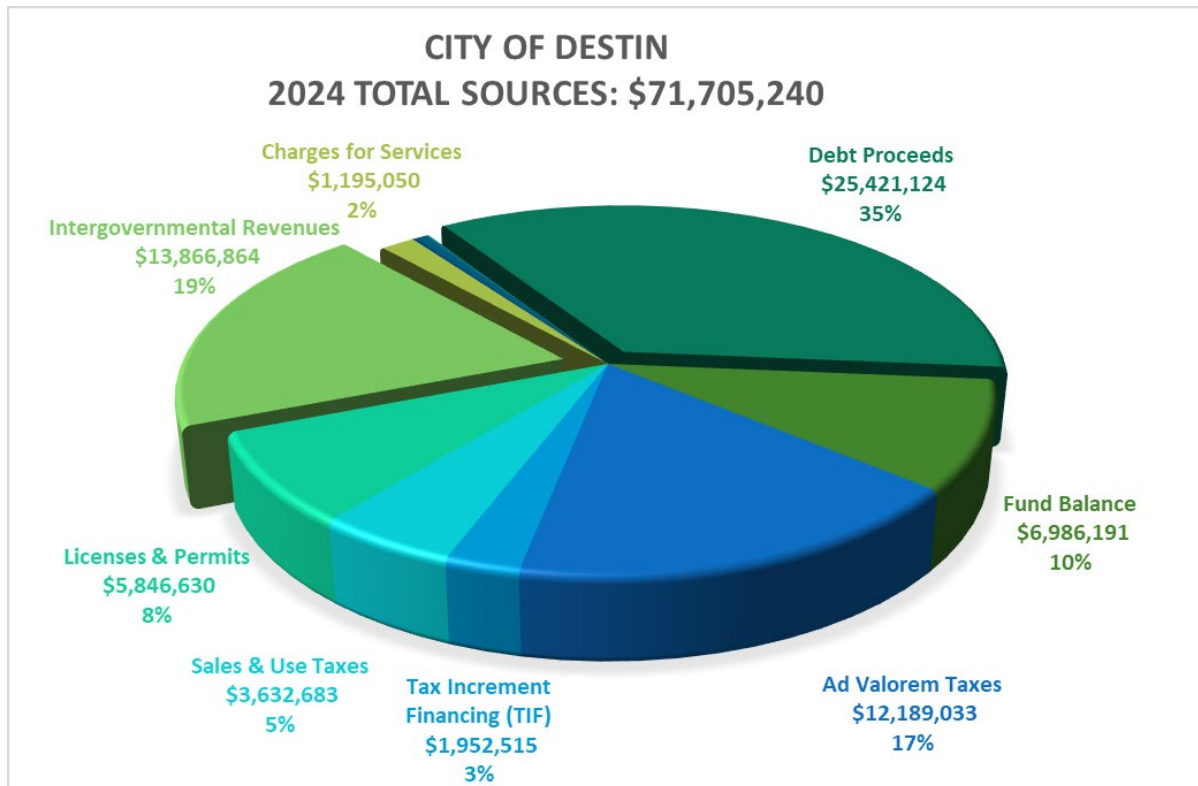


FY 2024 Uses by Category	Operating		Capital	TOTAL	% of Total	
General Government	\$	8,578,380	\$	313,000	\$ 8,891,380	12%
Public Safety		5,574,635		607,380	6,182,015	9%
Physical Environment		484,106		17,332,985	17,817,091	25%
Transportation		2,234,361		12,530,931	14,765,292	21%
Economic Development		328,676		9,100,000	9,428,676	13%
Health & Human Services		89,956		-	89,956	0.1%
Culture & Recreation		5,328,546		9,202,284	14,530,830	20%
Total Uses	\$	22,618,660	\$	49,086,580	\$ 71,705,240	



Revenues

Approximately 17% (\$12.1 million) of the FY 2024 budget is funded by ad valorem (property) taxes. Approximately 19% (\$13.8 million) of the budget is funded by intergovernmental revenue, which includes taxes and grants shared by the County and the State of Florida. License and permit fees have risen to provide 8% of the revenues for the FY 2024 budget. Up to 35% of this budget may be funded by debt proceeds for three high priority capital projects: undergrounding overhead utilities, waterfront land acquisition and completion of a roadway. The City will use nearly \$7 million of accumulated restricted and committed fund balance.



FY 2024 Sources by Category

Ad Valorem Taxes	\$ 12,189,033	17%
Tax Increment Financing (TIF)	1,952,515	3%
Sales & Use Taxes	3,632,683	5%
Licenses & Permits	5,846,630	8%
Intergovernmental Revenues	13,866,864	19%
Charges for Services	1,195,050	2%
Fines & Forfeitures	109,400	*
Miscellaneous Revenue	400,251	1%
Impact Fees	105,500	*
Debt Proceeds	25,421,124	35%
Fund Balance	6,986,191	10%
Total Sources	\$ 71,705,240	

* less than 0.5%



Fund Balance

Fund balance is the difference between all the revenues received and all the expenditures paid from the time a fund was created. In governmental funds, this balance is categorized based upon restrictions on the balance.

Nonspendable is typically long-term advances to other funds.

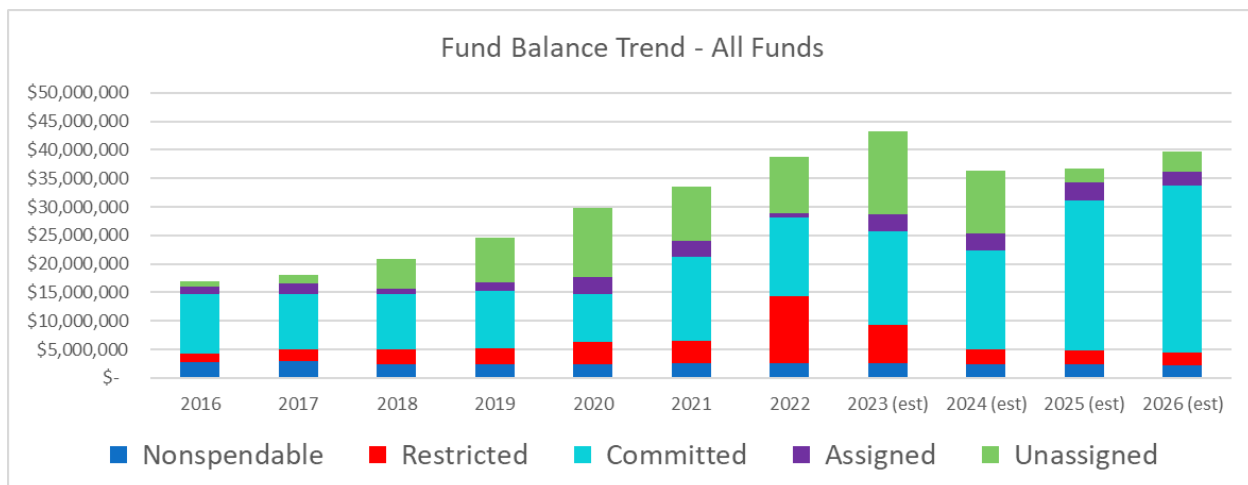
Restricted fund balance are unspent funds that have restrictions on their use, often in the form of bond covenants, grant agreements, or state and local regulations.

Some fund balance is **committed** through council resolutions and motions, such as the fund balance resolution which created **emergency reserves** equal to six months of operating cash and one year of debt service. In July 2023, Council passed a motion to commit all proceeds from the Okaloosa “Half-Penny” Local Discretionary Surtax to certain capital projects, with 34% dedicated to beach property acquisitions and development, 55% towards undergrounding utilities, and 11% committed to addressing stormwater and traffic safety infrastructure issues.

Assigned fund balance is funds the City has promised to vendors in the form of contracts and purchase orders.

The City anticipates a total fund balance at the end of FY2024 of \$36.3 million, of which 30% (\$10.9 million) will be available as **unassigned** fund balance.

FUND BALANCE SUMMARY ALL FUNDS	FY2023			FY2024	FY2025 PROJECTION	FY2026 PROJECTION
	FY2022 ACTUALS	ADOPTED BUDGET*	FY2023 PROJECTION	PROPOSED BUDGET		
Nonspendable (Town Center CRA + prepaids)	2,581,251	2,361,624	2,581,251	2,361,624	2,311,624	2,111,624
Restricted (FL Statute & Debt Covenants)	5,047,165	10,878,629	6,701,122	2,660,870	2,477,461	2,334,032
Committed (Council Resolutions & Motions)	20,392,636	17,552,436	16,340,695	17,230,901	26,271,330	29,234,699
Assigned (contracts/PO balances)	2,187,072	1,000,000	3,085,933	3,085,933	3,250,000	2,500,000
Unassigned	8,702,432	11,131,229	14,582,420	10,965,901	2,436,932	3,580,941
Ending Fund Balance	38,771,829	42,923,918	43,291,421	36,305,229	36,747,347	39,761,296





Fund Summaries and Budgetary Trends

Following is a summary of all funds, then summaries for each of our budgeted funds which include:

01 General Fund

Special Revenue Funds

102 Town Center CRA

110 Harbor District CRA

111 Florida Building Code Enforcement

122 Parking Fund

127 Water Quality Improvement

129 Technology Fund

Debt Service Funds

213 General Fund 2013 Refunding Note

214 Town Center CRA 2014 Refunding Note

221 Beach Acquisition and 2021 Refunding Note

223 Beach Acquisition 2023 TDC Funding Agreement

224 Undergrounding, Waterfront Land, Roadway 2024 Revenue Note

Capital Project Funds

300 Renewal and Replacement

305 Capital Projects and Capital Grants

315 Restricted Capital Projects (Impact Fees)

324 Restricted Capital Projects (2024 Bonds)



01 General Fund

The general fund is the primary operating fund for the City of Destin. General fund expenditures are primarily for personnel (54%) and contracted services (26%). Culture and Recreation (32% of FY24 GF Expenditures) and Public Safety (25%) are the top two governmental activities after general government (administrative offices and Council at 28%). As personnel is the top expenditure of the general fund, it is also the primary driver of increased cost over time. For FY 2024, the cost of living adjustment is 3%. Staff may also receive merit increases up to 4% to award outstanding work.

	FY2022	FY2023	FY2023	FY2024	FY2025	FY2026
01 GENERAL FUND	ACTUALS	ADOPTED BUDGET*	PROJECTION	PROPOSED BUDGET	PROJECTION	PROJECTION
01-31 Ad Valorem Taxes	8,723,337	9,779,417	9,889,648	11,073,048	11,358,200	11,471,800
01-31 Delinquent Ad Valorem Taxes	(759)	5,000	70,797	5,000	5,000	5,000
01-31 Sales and Use Taxes	1,544,294	1,745,054	1,588,926	1,639,411	1,655,810	1,672,320
01-32 Licenses and Permits	3,238,420	2,962,950	3,557,821	3,754,770	3,797,290	3,840,370
01-32 Impact Fees	-	-	-	-	-	-
01-33 Intergovernmental	3,504,973	3,141,375	3,829,162	3,706,814	3,667,900	3,762,940
01-34 Charges for Services	863,412	463,700	674,580	615,310	628,260	641,950
01-35 Fines and Forfeitures	56,135	71,500	93,519	109,400	109,400	109,400
01-36 Investment Income	(1,090,598)	235,100	408,037	373,930	377,760	381,690
01-36 Contributions	8,794	1,700	4,696	3,880	3,880	3,880
01-36 Miscellaneous Revenue	30,928	3,601	128,581	5,201	5,201	5,201
TOTAL REVENUES	16,878,936	18,409,397	20,245,768	21,286,764	21,608,701	21,894,551
01-51 General Government	3,562,984	4,722,036	3,902,217	4,848,223	4,797,310	4,962,430
01-52 Public Safety	3,146,309	3,540,743	3,312,629	4,264,211	4,573,010	4,706,520
01-53 Physical Environment	169,711	314,296	268,588	459,106	402,440	416,240
01-54 Transportation	1,589,395	1,948,212	2,050,300	2,075,554	2,179,500	2,251,770
01-55 Economic Environment	14,452	14,500	14,452	14,600	14,750	14,900
01-56 Health & Human Services	51,604	90,085	76,298	89,956	90,020	90,090
01-57 Culture and Recreation	3,292,184	4,452,820	3,786,775	5,328,546	5,396,590	5,584,510
01-59 Capital Outlay	203,723	86,654	70,816	146,560	62,520	64,400
01-59 Debt Service Principal	83,311	19,254	2,214	18,813	19,400	19,180
01-59 Debt Service Interest	6,222	3,390	20	3,910	3,323	3,820
TOTAL EXPENDITURES	12,119,896	15,191,990	13,484,308	17,249,479	17,538,863	18,113,860
Excess (deficiency) of revenues over expenditures	4,759,040	3,217,407	6,761,461	4,037,285	4,069,838	3,780,691
01-38 Proceeds from Issuance of Debt	24,021	45,000	-	50,000	-	45,000
01-38 Transfers In	-	87,200	87,200	8,600,000	100,000	200,000
01-58 Transfers Out	(3,013,636)	(3,901,969)	(3,078,986)	(15,597,515)	(10,321,304)	(3,359,349)
Total other financing sources (uses)	(2,989,615)	(3,769,769)	(2,991,786)	(6,947,515)	(10,221,304)	(3,114,349)
01 Net change in fund balances	1,769,425	(552,361)	3,769,674	(2,910,230)	(6,151,466)	666,342
01 Fund Balance (deficit), Beginning	26,319,436	28,088,861	28,088,861	31,858,535	28,948,305	22,796,839
01 Fund Balance (deficit), Ending	28,088,861	27,536,499	31,858,535	28,948,305	22,796,839	23,463,181

**102 Town Center CRA**

The Town Center CRA district was established in 1998 and will sunset in 2037. In FY 2024, we anticipate collecting \$2 million in taxes restricted for use within this area. The top expenditures will be for debt service payments for capital projects. See the Special Revenue Funds section for more details.

102 TOWN CENTER CRA 1998-2037 (RESTRICTED; ECON DEV)	FY2023			FY2024	FY2025 PROJECTION	FY2026 PROJECTION
	FY2022 ACTUALS	ADOPTED BUDGET*	FY2023 PROJECTION	PROPOSED BUDGET		
102-31 County TIF	957,717	1,185,012	1,184,650	1,463,424	1,507,330	1,552,550
102-31 City TIF (Ad Valorem	402,452	499,581	499,581	616,955	635,460	654,520
102-36 Investment Income	868	1,100	1,308	1,350	1,390	1,430
TOTAL REVENUES	1,361,037	1,685,693	1,685,539	2,081,729	2,144,180	2,208,500
102-55 Economic Environment	76,862	204,848	195,775	181,543	186,960	192,540
102-59 Capital Outlay	-	1,300,000	575,804	-	-	1,000,000
TOTAL EXPENDITURES	76,862	1,504,848	771,579	181,543	186,960	1,192,540
Excess (deficiency) of revenues over expenditures	1,284,175	180,845	913,961	1,900,186	1,957,220	1,015,960
102-38 Transfers In	-	-	-	-	-	-
102-58 Transfers Out	(731,489)	(818,831)	(818,868)	(961,659)	(1,091,695)	(1,191,932)
Total other financing sources (uses)	(731,489)	(818,831)	(818,868)	(961,659)	(1,091,695)	(1,191,932)
102 Net change in fund balances	552,686	(637,986)	95,093	938,527	865,525	(175,972)
102 Fund Balance (deficit), Beginning	(2,216,394)	(1,663,709)	(1,663,709)	(1,568,616)	(630,088)	235,436
102 Fund Balance (deficit), Ending	(1,663,709)	(2,301,695)	(1,568,616)	(630,088)	235,436	59,464

**110 Harbor CRA**

The Harbor CRA district was established in 2003 and will sunset in 2043. In FY 2024, we anticipate collecting nearly \$1 million in taxes restricted for use within this area. Most of these funds will be used for debt service for the purchase of a waterfront property and for capital projects completed 2003-2007. See the Special Revenue Funds section for more details.

110 HARBOR CRA 2003-2043 (RESTRICTED; ECON DEV)	FY2022 ACTUALS	FY2023 ADOPTED BUDGET*	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
110-31 County TIF	355,522	412,779	407,469	489,090	513,540	539,220
110-31 City TIF (Ad Valorem)	356,309	412,779	412,779	494,030	518,730	544,670
110-36 Investment Income	568	500	746	1,450	1,450	1,450
TOTAL REVENUES	712,399	826,058	820,994	984,570	1,033,720	1,085,340
110-55 Economic Environment	38,467	137,508	122,024	132,533	89,980	92,490
110-59 Capital Outlay	-	6,000,000	-	9,100,000	-	-
TOTAL EXPENDITURES	38,467	6,137,508	122,024	9,232,533	89,980	92,490
Excess (deficiency) of revenues over expenditures	673,932	(5,311,450)	698,969	(8,247,963)	943,740	992,850
110-38 Transfers In	-	5,950,000	-	9,001,307	-	-
110-58 Transfers Out	(481,057)	(479,995)	(479,995)	(836,335)	(1,185,141)	(1,192,510)
Total other financing sources (uses)	(481,057)	5,470,005	(479,995)	8,164,972	(1,185,141)	(1,192,510)
110 Net change in fund balances	192,875	158,555	218,975	(82,990)	(241,401)	(199,660)
110 Fund Balance (deficit), Beginning	276,242	469,117	469,117	688,092	605,102	363,702
110 Fund Balance (deficit), Ending	469,117	627,672	688,092	605,102	363,702	164,042



111 Florida Building Code Fund

The Building Code Fund was created with the passing of Resolution 21-10 in August 2021 to improve compliance with Florida Statutes 533.70-533.898, which state that building permit revenues should cover the costs of enforcing Florida Building Code. Building permit revenues picked up significantly when the City implemented an online permitting and payment system (Compass). A permit fee study was completed in FY 2023. A recommendation to increase permit fees will be brought to Council to ensure the fund maintains an optimal balance. See also the Special Revenue Funds section.

111 FLORIDA BUILDING CODE FUND (RESTRICTED; PUBLIC SAFETY)	FY2022 ACTUALS	FY2023 ADOPTED BUDGET*	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
111-32 Licenses and Permits	976,330	1,195,100	931,682	1,021,940	1,051,930	1,082,840
111-36 Investment Income	50	30	134	130	130	130
	976,380	1,195,130	931,817	1,022,070	1,052,060	1,082,970
111-52 Public Safety	743,552	1,209,094	957,449	1,260,424	1,331,350	1,379,030
111-59 Capital Outlay	-	-	-	116,000	-	-
	743,552	1,209,094	957,449	1,376,424	1,331,350	1,379,030
	232,828	(13,964)	(25,633)	(354,354)	(279,290)	(296,060)
111-38 Transfers In	-	-	-	-	-	-
111-58 Transfers Out	(97,084)	(119,050)	(88,672)	(98,671)	(101,630)	(104,680)
	(97,084)	(119,050)	(88,672)	(98,671)	(101,630)	(104,680)
111 Net change in fund balances	135,745	(133,014)	(114,305)	(453,025)	(380,920)	(400,740)
111 Fund Balance (deficit), Beginning	310,750	446,495	446,495	332,190	(120,835)	(501,755)
111 Fund Balance (deficit), Ending	446,495	313,481	332,190	(120,835)	(501,755)	(902,495)

*122 Parking Fund*

The Parking Special Revenue Fund was established by Resolution 2021-03 to focus the use of paid parking revenues to address parking issues within the City of Destin. In FY 2023, parking fees were planned to be used to add a paid parking lot, electric charging stations, and to maintain existing parking lots and appurtenances. These projects were put on hold and the budget was increased to accomplish these projects in FY 2024. Destin City residents may obtain a parking pass from City Hall for free parking at all city-operated paid parking lots. See the Special Revenue Funds section for more details.

122 PARKING FUND (COMMITTED; TRANSPORTATION)	FY2023		FY2024		FY2025 PROJECTION	FY2026 PROJECTION
	FY2022 ACTUALS	ADOPTED BUDGET*	FY2023 PROJECTION	PROPOSED BUDGET		
122-34 Charges for Services	425,670	442,800	691,117	579,740	585,540	591,390
122-36 Investment Income	74	44	434	440	440	440
TOTAL REVENUES	425,744	442,844	691,551	580,180	585,980	591,830
122-54 Transportation	77,900	135,900	84,952	158,807	109,834	110,874
122-59 Capital Outlay	-	496,000	64,129	525,000	75,000	-
TOTAL EXPENDITURES	77,900	631,900	149,081	683,807	184,834	110,874
Excess (deficiency) of revenues over expenditures	347,845	(189,056)	542,470	(103,627)	401,146	480,956
122-38 Transfers In	-	-	-	-	-	-
122-58 Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
122 Net change in fund balances	347,845	(189,056)	542,470	(103,627)	401,146	480,956
122 Fund Balance (deficit), Beginning	-	347,845	347,845	890,315	786,687	1,187,833
122 Fund Balance (deficit), Ending	347,845	158,789	890,315	786,687	1,187,833	1,668,790

*125 Technology Fund*

The Technology fund is funded by 10% of permits and licenses related to city and Florida building code enforcement. In FY 2024 these funds will support and maintain the software recently installed to facilitate permit and licensing (public safety) activities, and to purchase hardware and equipment to improve the functionality of the permitting software. See the Special Revenue Funds section for more details.

125 TECH FUND (COMMITTED; PUBLIC SAFETY)	FY2022 ACTUALS	FY2023 ADOPTED BUDGET*	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
125-36 Investment Income	262	100	406	420	433	446
TOTAL REVENUES	262	100	406	420	433	446
125-52 Public Safety	34,860	88,000	83,749	50,000	5,000	5,000
125-59 Capital Outlay	-	112,000	18,667	85,000	-	-
TOTAL EXPENDITURES	34,860	200,000	102,416	135,000	5,000	5,000
Excess (deficiency) of revenues over expenditures	(34,598)	(199,900)	(102,010)	(134,580)	(4,567)	(4,554)
125-38 Transfers In	184,317	197,995	190,256	213,395	217,461	221,630
125-58 Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	184,317	197,995	190,256	213,395	217,461	221,630
125 Net change in fund balances	149,719	(1,905)	88,245	78,815	212,894	217,076
125 Fund Balance (deficit), Beginning	201,407	351,126	351,126	439,370	518,185	731,079
125 Fund Balance (deficit), Ending	351,126	349,221	439,370	518,185	731,079	948,155

127 Water Quality Improvement Fund

Beginning with FY 2023, the City decided to separately track the revenues and expenditures related to water quality improvement. This fund is a combination of two special sources of revenue (NPEB fees and an operating grant from FDEP) dedicated to maintaining and improving the quality of water in the Destin Harbor. In FY 2024, staff plan to use approximately \$110k to dredge the harbor channel. See the Special Revenue Funds section for more details.

127 WATER QUALITY IMPROVEMENT FUND (ENVIRONMENT; RESTRICTED)	FY2022 ACTUALS	FY2023 ADOPTED BUDGET*	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
127-32 Licenses and Permits	-	500	49,164	49,160	49,160	49,160
127-36 Investment Income	-	150	311	320	150	125
TOTAL REVENUES	-	650	49,476	49,480	49,310	49,285
127-53 Physical Environment	-	21,000	7,000	25,000	25,000	25,000
127-53 Capital Outlay	-	150,000	149,054	110,000	-	-
TOTAL EXPENDITURES	-	171,000	156,054	135,000	25,000	25,000
Excess (deficiency) of revenues over expenditures	-	(170,350)	(106,579)	(85,520)	24,310	24,285
127-38 Transfers In	-	350,008	336,837	-	-	-
127-58 Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	-	350,008	336,837	-	-	-
127 Net change in fund balances	-	179,658	230,258	(85,520)	24,310	24,285
127 Fund Balance (deficit), Beginning	-	-	-	230,258	144,738	169,048
127 Fund Balance (deficit), Ending	-	179,658	230,258	144,738	169,048	193,333

*129 Okaloosa Half Penny Fund*

The Okaloosa Half Penny infrastructure surtax was voted in for a ten year period January 1, 2019 to December 31, 2029. All of the funds are committed for capital outlays and/or debt service for capital projects. Council passed a motion to commit 34% for beach acquisition, 55% for undergrounding utilities, 7% to address stormwater infrastructure issues and 4% to be programmed by the transportation and safety committee. See the Special Revenue Funds section for more details.

129 OKA 1/2 PENNY 01/01/2019-12/31/2029 (COMMITTED; CAPITAL OUTLAYS)	FY2023			FY2024		
	FY2022 ACTUALS	ADOPTED BUDGET*	FY2023 PROJECTION	PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
129-31 Sales and Use Taxes	1,704,800	1,556,293	1,721,254	1,726,260	1,769,400	1,813,600
129-36 Investment Income	4,085	2,100	4,757	4,760	4,760	4,760
TOTAL REVENUES	1,708,885	1,558,393	1,726,010	1,731,020	1,774,160	1,818,360
129-59 Capital Outlay	292,816	3,112,029	2,093,043	1,935,000	1,300,000	100,000
TOTAL EXPENDITURES	292,816	3,112,029	2,093,043	1,935,000	1,300,000	100,000
Excess (deficiency) of revenues over expenditures	1,416,069	(1,553,636)	(367,033)	(203,980)	474,160	1,718,360
129-38 Transfers In	-	2,950,000	-	-	-	-
129-58 Transfers Out	(353,084)	(353,394)	(353,394)	(353,648)	(353,866)	(353,976)
Total other financing sources (uses)	(353,084)	2,596,606	(353,394)	(353,648)	(353,866)	(353,976)
129 Net change in fund balances	1,062,984	1,042,970	(720,427)	(557,628)	120,294	1,364,384
129 Fund Balance (deficit), Beginning	3,579,461	4,642,445	4,642,445	3,922,019	3,364,392	3,484,686
129 Fund Balance (deficit), Ending	4,642,445	5,685,415	3,922,019	3,364,392	3,484,686	4,849,069

*2013 Debt Service Fund*

The 2013 debt service fund exists to satisfy the debt covenant to repay bonded debt borrowed in FY 2013 to replace a 2002 issuance of debt. The 2002 issuance was used to design and construct a community competitive swimming pool, to build sidewalks, and to purchase land. Communication service tax and Half-Cent sales tax revenues were both pledged for debt payments. See the Debt Service section for more details.

213 DEBT SERVICE 2013 NOTE (RESTRICTED; DEBT SERVICE)	FY2022 ACTUALS	FY2023 ADOPTED BUDGET*	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
213-36 Investment Income	273	200	263	250	100	100
TOTAL REVENUES	273	200	263	250	100	100
213-59 Debt Service Principal	412,531	424,247	424,247	436,296	448,687	461,429
213-59 Debt Service Interest	142,713	130,172	130,172	117,275	104,012	90,372
TOTAL EXPENDITURES	555,245	554,419	554,420	553,571	552,698	551,801
Excess (deficiency) of revenues over expenditures	(554,971)	(554,219)	(554,156)	(553,321)	(552,598)	(551,701)
213-38 Transfers In	555,378	554,420	554,420	553,571	552,698	551,801
213-58 Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	555,378	554,420	554,420	553,571	552,698	551,801
213 Net change in fund balances	407	201	264	250	100	100
213 Fund Balance (deficit), Beginning	93,097	93,504	93,504	93,768	94,018	94,118
213 Fund Balance (deficit), Ending	93,504	93,705	93,768	94,018	94,118	94,218

2014 Debt Service Fund

The 2014 debt service fund exists to satisfy the debt covenant to repay bonded debt borrowed in FY 2014 to replace a 2005 issuance of debt. The 2005 issuance was used for capital improvements within the Town Center CRA. See the Debt Service section for more details.

214 DEBT SERVICE 2014 NOTE (RESTRICTED; DEBT SERVICE)	FY2022 ACTUALS	FY2023 ADOPTED BUDGET*	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
214-36 Investment Income	335	200	318	300	200	100
TOTAL REVENUES	335	200	318	300	200	100
214-59 Debt Service Principal	427,021	441,795	441,795	457,081	472,896	489,258
214-59 Debt Service Interest	304,397	289,836	289,836	274,771	259,184	243,058
TOTAL EXPENDITURES	731,418	731,631	731,631	731,852	732,080	732,316
Excess (deficiency) of revenues over expenditures	(731,084)	(731,431)	(731,313)	(731,552)	(731,880)	(732,216)
214-38 Transfers In	731,489	731,631	731,668	731,852	732,080	732,316
214-58 Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	731,489	731,631	731,668	731,852	732,080	732,316
214 Net change in fund balances	406	200	355	300	200	100
214 Fund Balance (deficit), Beginning	245,566	245,971	245,971	246,326	246,626	246,826
214 Fund Balance (deficit), Ending	245,972	246,171	246,326	246,626	246,826	246,926

*2021 Debt Service Fund*

The 2021 debt service fund exists to satisfy the debt covenant to repay bonded debt borrowed in FY 2021. The 2021 issuance of debt was to refund the 2009 debt series (for Harbor CRA district improvements), to refund the 2015 debt series (general fund projects), and to borrow approximately \$2 million for beach acquisition to be repaid from the Okaloosa Half Penny fund.

221 DEBT SERVICE 2021 NOTE (RESTRICTED; DEBT SERVICE)	FY2022 ACTUALS	FY2023 ADOPTED BUDGET*	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
221-36 Investment Income	40	25	35	40	25	25
TOTAL REVENUES	40	25	35	40	25	25
221-59 Debt Service Principal	1,200,000	1,208,000	1,208,000	1,232,000	1,236,000	1,259,000
221-59 Debt Service Interest	102,077	88,404	88,403	74,514	60,482	46,259
221-51 General Government	-	-	-	-	-	-
TOTAL EXPENDITURES	1,302,077	1,296,404	1,296,403	1,306,514	1,296,482	1,305,259
Excess (deficiency) of revenues over expenditures	(1,302,037)	(1,296,379)	(1,296,368)	(1,306,474)	(1,296,457)	(1,305,234)
221-38 Transfers In	1,302,077	1,296,403	1,296,404	1,306,514	1,296,482	1,305,259
221-58 Transfers Out	-	-	-	-	-	-
221-38 Proceeds from issuance of debt	-	-	-	-	-	-
Total other financing sources (uses)	1,302,077	1,296,403	1,296,404	1,306,514	1,296,482	1,305,259
221 Net change in fund balances	40	24	36	40	25	25
221 Fund Balance (deficit), Beginning	537	577	577	613	653	678
221 Fund Balance (deficit), Ending	577	602	613	653	678	703

*2023 Debt Service Fund*

In FY 2023, the City borrowed over \$7 million from the Okaloosa County Tourism Development Council (TDC) to assist with the acquisition and development of beach front property for a park. This is a zero-percent loan, payable from the City's portion of Tourism Development taxes at the rate of \$750,000 per year. The City had anticipated borrowing up to \$20 million to fund the undergrounding of overhead utilities in FY 2023. Full costs for undergrounding are still being calculated and this potential borrowing will be lower and has been moved to FY 2024, and a new debt service fund (224) will track this potential new debt. See the Debt Service section for details.

223 DEBT SERVICE 2023 NOTE (RESTRICTED; DEBT SERVICE)	FY2022 ACTUALS	FY2023 ADOPTED BUDGET*	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
223-36 Investment Income	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-	-
223-59 Debt Service Principal	-	750,000	750,000	750,000	750,000	750,000
223-59 Debt Service Interest	-	-	-	-	-	-
223-51 General Government	-	150,000	-	-	-	-
TOTAL EXPENDITURES	-	900,000	750,000	750,000	750,000	750,000
Excess (deficiency) of revenues over expenditures	-	(900,000)	(750,000)	(750,000)	(750,000)	(750,000)
223-38 Transfers In	-	750,000	750,000	750,000	750,000	750,000
223-58 Transfers Out	-	(27,350,000)	(7,020,863)	-	-	-
223-38 Proceeds from issuance of debt	-	27,500,000	7,020,863	-	-	-
Total other financing sources (uses)	-	900,000	750,000	750,000	750,000	750,000
223 Net change in fund balances	-	-	-	-	-	-
223 Fund Balance (deficit), Beginning	-	-	-	-	-	-
223 Fund Balance (deficit), Ending	-	-	-	-	-	-

*2024 Debt Service Fund*

The city anticipates borrowing funds for three different capital projects during FY 2024. The first project is acquisition of a waterfront property in the Harbor CRA district. The General Fund will front the cash for an October 2023 closing, and will be refunded when this \$9 million in debt is issued. The second project is undergrounding overhead utilities. The City may issue up to \$13 million when construction begins in the Spring of 2024. The third project is the “Crosstown Connector” roadway. Current estimates show the potential need for \$3-\$4 million to complete construction. See the Debt Service section for details.

224 DEBT SERVICE 2023 NOTE (RESTRICTED; DEBT SERVICE)	FY2022 ACTUALS	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
224-36 Investment Income	-	-	50	50	50
TOTAL REVENUES	-	-	50	50	50
224-59 Debt Service Principal	-	-	-	780,000	820,000
224-59 Debt Service Interest	-	-	-	1,186,250	1,147,250
224-51 General Government	-	-	365,496	-	-
TOTAL EXPENDITURES	-	-	365,496	1,966,250	1,967,250
Excess (deficiency) of revenues over expendit	-	-	(365,446)	(1,966,200)	(1,967,200)
224-38 Transfers In	-	-	983,125	1,966,750	1,966,750
224-58 Transfers Out	-	-	(25,005,628)	-	-
224-38 Proceeds from issuance of debt	-	-	25,371,124	-	-
Total other financing sources (uses)	-	-	1,348,621	1,966,750	1,966,750
224 Net change in fund balances	-	-	983,175	550	(450)
224 Fund Balance (deficit), Beginning	-	-	-	983,175	983,725
224 Fund Balance (deficit), Ending	-	-	983,175	983,725	983,275

*300 Renewal and Replacement Fund*

The renewal and replacement fund is intended to accumulate funds to replace major components of City infrastructure, facilities, and aged vehicles and machinery. A study began in FY 2022 to assess the current conditions and replacement schedules for City infrastructure and facilities. When the review is complete, we plan to set a schedule for regular funding and to plan timing of future expenditures. Approximately \$4.3 million in capital outlays is anticipated for FY 2024 to replace deteriorated infrastructure, motorized equipment and vehicles, and components of major facilities. See the section on Capital Projects for more details.

300 RENEWAL AND REPLACEMENT (COMMITTED; CAPITAL OUTLAYS)	FY2022 ACTUALS	FY2023 ADOPTED BUDGET*	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
300-36 Investment Income	2,233	1,900	2,353	2,360	250	250
TOTAL REVENUES	2,233	1,900	2,353	2,360	250	250
300-59 Capital Outlay	963,379	3,073,831	2,461,439	4,381,082	2,429,240	1,493,810
TOTAL EXPENDITURES	963,379	3,073,831	2,461,439	4,381,082	2,429,240	1,493,810
Excess (deficiency) of revenues over expenditures	(961,146)	(3,071,931)	(2,459,085)	(4,378,722)	(2,428,990)	(1,493,560)
300-38 Transfers In	1,458,937	1,633,748	1,607,010	3,986,926	8,592,800	2,098,700
300-58 Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	1,458,937	1,633,748	1,607,010	3,986,926	8,592,800	2,098,700
300 Net change in fund balances	497,790	(1,438,183)	(852,075)	(391,796)	6,163,810	605,140
300 Fund Balance (deficit), Beginning	1,402,960	1,900,750	1,900,750	1,048,675	656,879	6,820,689
300 Fund Balance (deficit), Ending	1,900,750	462,567	1,048,675	656,879	6,820,689	7,425,829

*305 Grant and Other Capital Project Fund*

The 305 capital project fund is where we track capital grants and certain special capital projects paid with proceeds from the general fund. FY 2024, we expect to expend approximately \$10.1 million of capital grant funds and approximately \$1.9 million of general funds for park improvements, to complete the Crosstown Connector roadway, and for stormwater infrastructure improvements. See the section on Capital Projects for more details.

305 GRANT AND GF CAPITAL PROJECT FUND (RESTRICTED; CAPITAL OUTLAYS)	FY2023			FY2024	FY2025	
	FY2022 ACTUALS	ADOPTED BUDGET*	FY2023 PROJECTION	PROPOSED BUDGET	PROJECTION	FY2026 PROJECTION
305-33 Intergovernmental	2,081,982	21,464,395	13,504,150	10,160,050	750,000	750,000
305-36 Contributions	28,685	2,066	-	-	-	-
TOTAL REVENUES	2,110,666	21,466,460	13,504,150	10,160,050	750,000	750,000
305-53 Physical Environment	-	-	-	-	-	-
305-59 Capital Outlay	2,695,743	29,092,884	19,987,046	11,382,312	595,000	125,000
TOTAL EXPENDITURES	2,695,743	29,092,884	19,987,046	11,382,312	595,000	125,000
Excess (deficiency) of revenues over expenditures	(585,077)	(7,626,424)	(6,482,897)	(1,222,262)	155,000	625,000
305-38 Transfers In	444,152	8,671,841	7,373,820	1,972,262	595,000	125,000
305-58 Transfers Out	-	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)
Total other financing sources (uses)	444,152	7,921,841	6,623,820	1,222,262	(155,000)	(625,000)
305 Net change in fund balances	(140,924)	295,417	140,924	-	-	-
305 Fund Balance (deficit), Beginning	(0)	(140,925)	(140,925)	(0)	(0)	(0)
305 Fund Balance (deficit), Ending	(140,925)	154,492	(0)	(0)	(0)	(0)

**315 Restricted Capital Project Fund**

The 315 capital project fund is where we track highly restricted revenues, such as impact fees, sales and use taxes restricted by Statute (i.e. Gas Tax#2); and License fees restricted by agreement (i.e. portion of electric franchise fees). In FY 2024, the City anticipates expending over \$5.3 million on capital projects including completion of the Crosstown Connector. In addition, certain sources in this fund may begin to support debt service for capital projects as related to the restricted use rules. See the section on Capital Projects for more details.

315 IMPACT AND OTHER RESTRICTED (CAPITAL OUTLAYS)	FY2023			FY2024	FY2025	
	FY2022 ACTUALS	ADOPTED BUDGET*	FY2023 PROJECTION	PROPOSED BUDGET	PROJECTION	FY2026 PROJECTION
315-32 Impact Fees	132,605	105,500	461,271	105,500	105,500	105,500
315-32 Licenses and Permits	793,559	780,000	995,861	1,020,760	1,030,968	1,041,277
315-31 Sales and Use Taxes	247,687	264,384	241,771	267,012	275,022	283,273
315-36 Investment Income	3,598	1,920	3,268	1,870	1,870	1,870
315-36 Miscellaneous Revenue	5,575	-	-	-	-	-
TOTAL REVENUES	1,183,023	1,151,804	1,702,170	1,395,142	1,413,360	1,431,920
315-53 Physical Environment	-	-	-	-	-	-
315-59 Capital Outlay	496,106	6,324,227	245,228	5,301,306	-	-
TOTAL EXPENDITURES	496,106	6,324,227	245,228	5,301,306	-	-
Excess (deficiency) of revenues over expenditure	686,918	(5,172,423)	1,456,943	(3,906,164)	1,413,360	1,431,920
315-38 Transfers In	-	10,950,000	-	-	-	-
315-58 Transfers Out	-	(350,008)	(336,837)	(499,817)	(999,635)	(999,010)
Total other financing sources (uses)	-	10,599,992	(336,837)	(499,817)	(999,635)	(999,010)
315 Net change in fund balances	686,918	5,427,569	1,120,106	(4,405,981)	413,725	432,911
315 Fund Balance (deficit), Beginning	3,302,853	3,989,771	3,989,771	5,109,877	703,895	1,117,621
315 Fund Balance (deficit), Ending	3,989,771	9,417,340	5,109,877	703,895	1,117,621	1,550,531

**324 2024 Bond Capital Project Fund**

The 324 capital project fund is where we plan to track expenditures paid from 2024 debt proceeds. These debt proceeds are needed for undergrounding overhead utilities and to complete construction of the Crosstown Connector roadway.. See the section on Capital Projects for more details.

324 2024 CONSTRUCTION BOND - UNDERGROUNDING (RESTRICTED; CAPITAL OUTLAYS)	FY2022 ACTUALS	FY2023 ADOPTED BUDGET*	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
324-36 Investment Income	-	-	-	3,500	-	-
TOTAL REVENUES	-	-	-	3,500	-	-
324-53 Capital Outlay	-	-	-	16,004,320	-	-
TOTAL EXPENDITURES	-	-	-	16,004,320	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	(16,000,820)	-	-
324-38 Transfers In	-	-	-	16,004,320	-	-
300-58 Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	16,004,320	-	-
324 Net change in fund balances	-	-	-	3,500	-	-
324 Fund Balance (deficit), Beginning	-	-	-	-	3,500	3,500
324 Fund Balance (deficit), Ending	-	-	-	3,500	3,500	3,500



REVENUE ANALYSIS

This section includes the Revenue Detail and Analysis of Revenue Sources. This section also provides a more detailed description of the major revenue sources.

The City's top three revenue categories (Ad Valorem, Intergovernmental, Licenses and Permits) tend to account for over 80% of the City's revenue. Sales and Use Taxes are another major category which tends to accounts for 9-14% of annual revenue. Below are the projected revenues shown as dollars and with the categories shown as a percent of total revenues.

FY 2024 Estimated Revenues / All Sources

Ad Valorem Taxes	\$ 12,184,033	31%
Tax Increment Financing (TIF)	1,952,515	5%
Delinquent Ad Valorem Taxes	5,000	
Sales and Use Taxes	3,632,683	9%
Licenses and Permits	5,846,630	15%
Impact Fees	105,500	
Intergovernmental	13,866,864	35%
Charges for services	1,195,050	3%
Fines and Forfeitures	109,400	
Investment Income	391,170	1%
Contributions	3,880	
Miscellaneous income	5,201	
TOTAL REVENUES	\$ 39,297,925	99%

SUMMARY ALL FUNDS	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
	ACTUALS	PROJECTION	PROPOSED BUDGET	PROJECTION	PROJECTION	PROJECTION	PROJECTION
Ad Valorem Taxes	\$ 9,482,098	\$ 10,802,008	\$ 12,184,033	\$ 12,512,390	\$ 12,670,990	\$ 12,832,560	\$ 12,997,280
Tax Increment Financing (TIF)	1,313,239	1,592,119	1,952,515	2,020,870	2,091,770	2,165,310	2,241,590
Delinquent Ad Valorem Taxes	(759)	70,797	5,000	5,000	5,000	5,000	5,000
Sales and Use Taxes	3,496,780	3,551,950	3,632,683	3,700,232	3,769,193	3,839,701	3,911,734
Licenses and Permits	5,008,309	5,534,529	5,846,630	5,929,348	6,013,647	6,099,530	6,187,047
Impact Fees	132,605	461,271	105,500	105,500	105,500	105,500	105,500
Intergovernmental	5,586,954	17,333,312	13,866,864	4,417,900	4,512,940	4,601,500	4,676,670
Charges for services	1,289,083	1,365,697	1,195,050	1,213,800	1,233,340	1,252,870	1,273,220
Fines and Forfeitures	56,135	93,519	109,400	109,400	109,400	109,400	109,400
Investment Income	(1,078,212)	422,371	391,170	389,008	392,866	396,859	400,938
Contributions	37,479	4,696	3,880	3,880	3,880	3,880	3,880
Miscellaneous income	36,503	128,581	5,201	5,201	5,201	5,201	5,201
TOTAL REVENUES	25,360,214	41,360,851	39,297,925	30,412,529	30,913,727	31,417,311	31,917,460

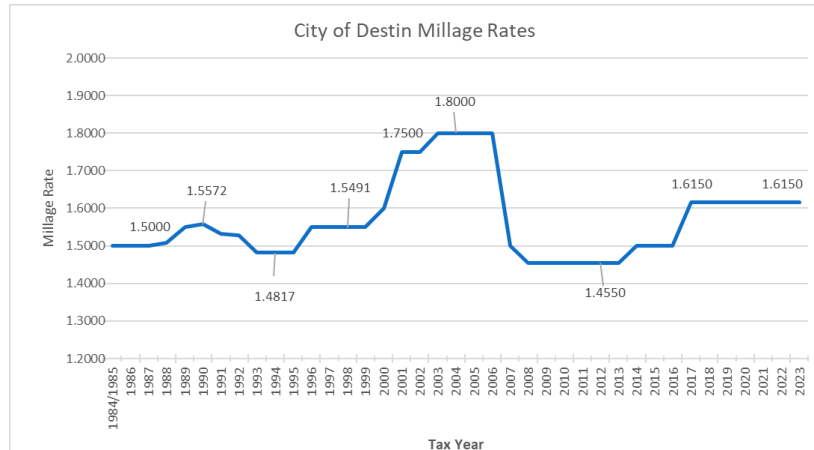
Revenue sources as percentage of total revenues:

SUMMARY ALL FUNDS	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
	ACTUALS	PROJECTION	PROPOSED BUDGET	PROJECTION	PROJECTION	PROJECTION	PROJECTION
Ad Valorem Taxes	37%	26%	31%	41%	41%	41%	41%
Tax Increment Financing (TIF)	5%	4%	5%	7%	7%	7%	7%
Delinquent Ad Valorem Taxes							
Sales and Use Taxes	14%	9%	9%	12%	12%	12%	12%
Licenses and Permits	20%	13%	15%	19%	19%	19%	19%
Impact Fees							
Intergovernmental	22%	42%	35%	15%	15%	15%	15%
Charges for services							
TOTAL REVENUES	98%	94%	95%	94%	94%	94%	94%

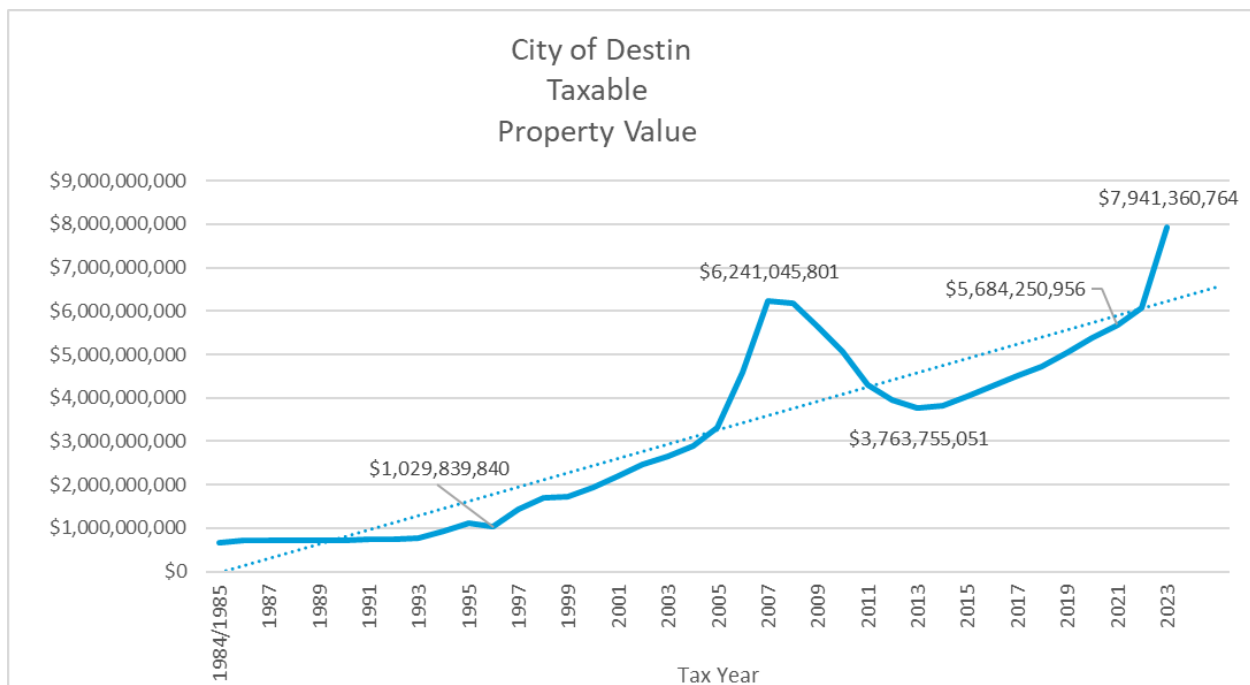


Ad Valorem property taxes

Ad Valorem property taxes tend to account for 26-41% of the City's revenues. They are calculated by multiplying the City's millage rate by the taxable value of properties within the city limits. The County Property Appraiser certifies the taxable values. The City of Destin has maintained its millage rate relatively flat since 1984, between 1.455 and 1.800. The City's charter sets the maximum millage rate at 2.0 mills. A tax levy greater than 2 mills can be imposed by referendum. The millage rate has remained steady at 1.6150 since fiscal year 2017. See also the tax millage summary in the Budget Overview section.



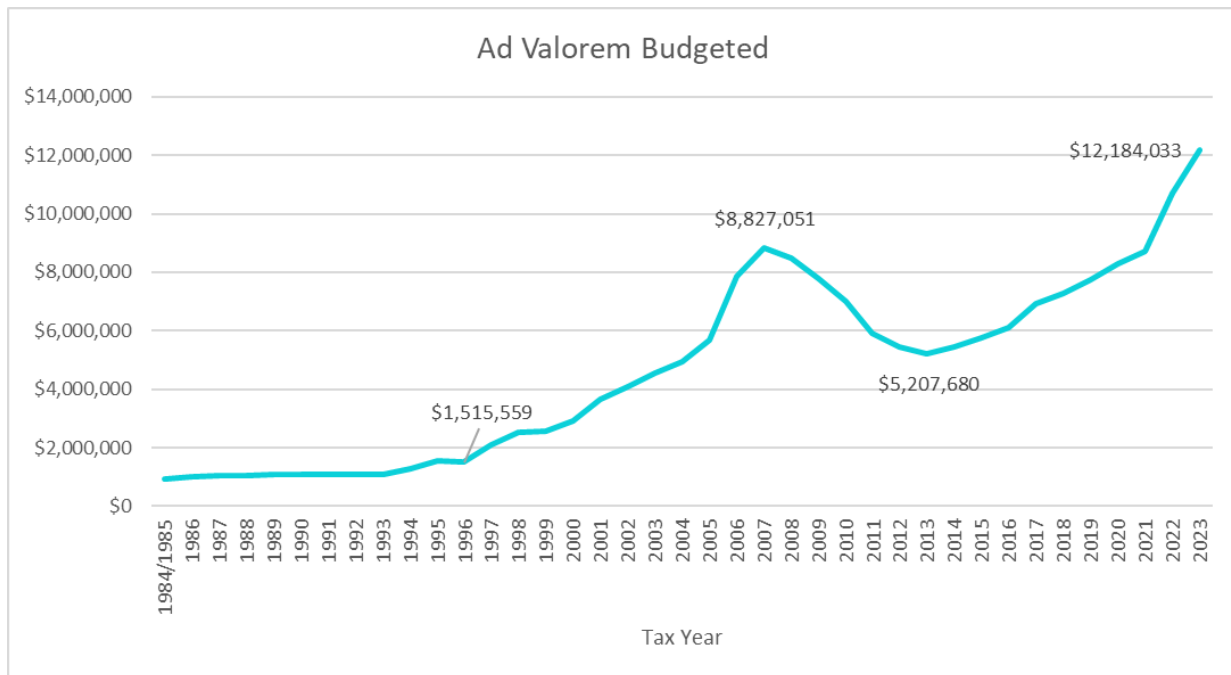
Taxable property values peaked in 2007 and plummeted for a few years during the nation-wide housing market crash. Between 2014-2022, the taxable values have been increasing 5-7% per year. The property values saw a phenomenal increase from January 2022 to January 2023 of 30% as many parcels changed ownership during calendar year 2022.



In June of each year, the Okaloosa County Property Appraiser provides updated estimates of taxable property values to the City. As part of the budget process, City staff determine how much revenue they will need to operate and to accomplish the City Council's objectives and use this information to determine an increase or decrease to the millage rate. The combination of a steady millage rate and



property values increasing 5-7% per year has resulted in ad valorem revenues collected also increasing 5-7% per year. Ad Valorem revenues are budgeted at 95% of expected tax billed amounts (the levy), to account for commissions to be paid for costs to collect and to account for delinquencies.



Intergovernmental revenues

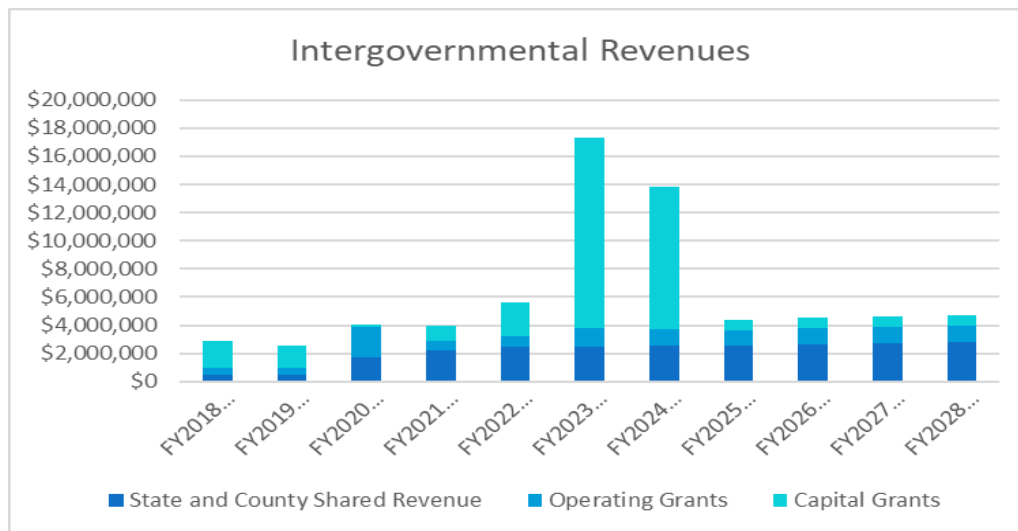
Intergovernmental revenues is the second largest revenue category for the City of Destin. This category includes revenue shared by the State of Florida, operating grants and capital grants. State and County shared revenues include the state-wide half-cent sales tax, the municipal sharing tax and the alcohol and beverage tax. The City of Destin uses the revenue projections published by the State of Florida's Office of Economic and Demographic Research for budget adoption for the state shared revenue, which has tended to be approximately \$2.3 million per year. Most of the state shared revenues use population as a primary variable in the annual allocation formulas. Our population is estimated just over \$14k.

DESCRIPTION	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
	ACTUALS	PROJECTION	PROPOSED BUDGET	PROJECTION	PROJECTION	PROJECTION	PROJECTION
State and County Shared Revenue	2,491,312	2,500,489	2,540,300	2,603,910	2,669,120	2,735,980	2,804,490
Operating Grants	766,680	1,283,555	1,166,514	1,063,990	1,093,820	1,115,520	1,122,180
Capital Grants	2,328,962	13,549,268	10,160,050	750,000	750,000	750,000	750,000
Total Intergovernmental Revenue:	5,586,954	17,333,312	13,866,864	4,417,900	4,512,940	4,601,500	4,676,670

The operating grants tend to be stable and long-term, for example, FDEP has granted a 10-year grant to operate and maintain Captain Leonard Destin Park FY 2021-2031, FDOT gives the City approximately \$185k per year to maintain traffic signals, highway lighting and median maintenance along state highway 98, and the county library cooperative usually gives \$60-70k per year to help with library operating expenses.

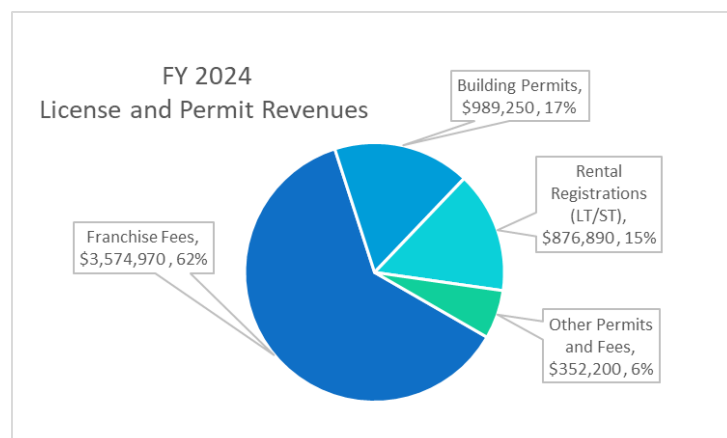


The capital grants vary more widely year over year and have increased significantly since hiring a full-time grants and projects manager (hired in FY 2020). When awards are signed we include them in the budget. The top three largest capital grants include: 1) Okaloosa County Tourist Development Council has granted over \$5 million to develop certain parcels to improve beach access for the public; 2) Okaloosa Board of County Commissioners has pledged \$3.3 million of their tourist development taxes to help construct Destin's Crosstown Connector roadway; and 3) RESTORE Act (federal via Okaloosa County) Park Construction grant to renovate Clement Taylor Park.



Licenses and Permits

The third largest revenue category is Licenses and Permits, which includes franchise fees, building permits, and permits required to for certain activities. Most of these revenue sources are relatively stable, recurring from year to year with no significant change. License and permit fees were increased 10% in May 2023. Franchise fees remain the same.



DESCRIPTION	FY2022 ACTUALS	FY2023 PROJECTION	FY2024 PROPOSED	FY2025 PROJECTION	FY2026 PROJECTION	FY2027 PROJECTION	FY2028 PROJECTION
Franchise Fees	3,159,650	3,379,102	3,574,970	3,616,094	3,657,756	3,699,964	3,742,782
Building Permits	973,850	899,312	989,250	1,018,910	1,049,490	1,080,970	1,113,360
Rental Registrations (LT/ST)	619,375	797,175	876,890	885,660	894,520	903,470	912,500
Other Permits and Fees	255,434	326,740	352,200	354,830	357,490	360,190	362,920
Total Licenses and Permits	5,008,309	5,402,329	5,793,310	5,875,494	5,959,256	6,044,594	6,131,562



Licenses & Permits - Electric Franchise

The electric franchise fee was adopted in 2002 at the rate of 4%. In FY 2022, the City negotiated a 2% increase to the electric franchise fee to help off-set the costs of a mutually beneficial undergrounding program. This new fee went into effect in January 2022. See also Council goals and accomplishments for more information on undergrounding, and the project details in the Capital Project section.

Licenses & Permits - Building Permits

Building permit fees are the second largest revenue source in the category of Licenses and Permits. Building permit fees are more difficult to project and are fully dependent upon development and redevelopment within the City. The city has made efforts to improve compliance and collection of building permit revenue by setting up online application, review, and payment processes. The number of permit applications processed has increased significantly, along with the permit revenue collections.

The City's Comprehensive Plan, Land Development Code, and Future Land Use Map have been aligned, and the long-term vision aims to retain a balance between mixed uses (retail and apartments), full range housing opportunities, economic development, and natural resources. Building permit fees collected from development have maintained a moderate increase and are expected to continue with the same trend.

The Florida Building Code states that building permit fees should cover the cost of enforcing Florida Building Code. As such, most municipalities and counties throughout Florida track these revenues and expenditures in a standalone fund. In FY 2021, the City set up a Florida Building Code fund to facilitate compliance. Initial reviews suggested the building permit fees were not covering the cost of building code inspections and building code enforcement. Demand for inspections has exceeded staff capacity to respond in the most timely manner. A rate consultant has been hired to review the trends to ensure the permit fees adequately cover the cost of building code inspections. Building permit fees were lowered in 2013 and were not increased until May 2023 (10%). Current projections at this new fee level suggest Building Permit fees are still too low to reasonably support enforcement of Florida Building Code. These fees will be reviewed again in FY 2024 and potentially increased again.

Licenses & Permits - Rental Registration

Rental registration is the third largest revenue source in this category. Over the period from FY 2018 to FY 2020, the Code Compliance department worked diligently to register short-term and long-term rentals. Most of the rentals have now been identified and this should prove to be a steady source of revenue that helps the city address the unique impacts of seasonal residents within our City. The outlook for FY 2024 is 10% higher due to new fees adopted in May 2023.

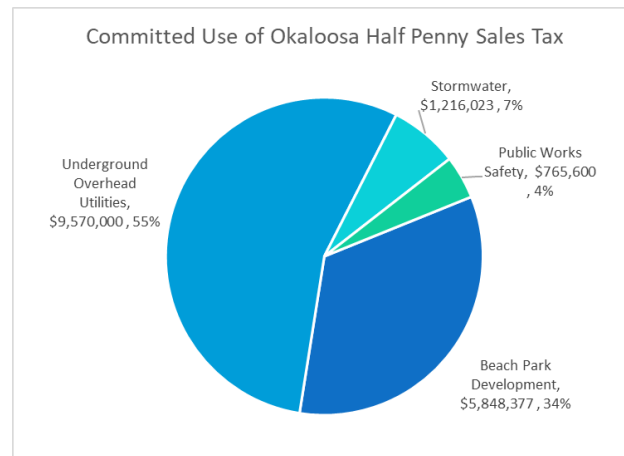


Sales and Use Tax revenues

Sales and use taxes include the Okaloosa Half Penny Infrastructure surtax, the communications services tax, the local option fuel taxes, and local business tax receipts.

DESCRIPTION	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
	ACTUALS	PROJECTION	PROPOSED BUDGET	PROJECTION	PROJECTION	PROJECTION	PROJECTION
Oka 1/2 Penny Sales Tax	1,704,800	1,721,254	1,726,260	1,769,400	1,813,600	1,858,900	1,905,370
Communications Services Tax	885,325	924,642	940,485	949,900	959,400	969,000	978,700
Local Option Gas Tax#1	558,937	554,985	586,926	592,800	598,700	604,700	610,700
Local Option Gas Tax#2	247,687	241,771	267,012	275,022	283,273	291,771	300,524
Business Tax Receipts	100,032	109,299	112,000	113,110	114,220	115,330	116,440
Total Sales and Use Taxes	3,496,780	3,551,950	3,632,683	3,700,232	3,769,193	3,839,701	3,911,734

The Okaloosa Half Penny Sales Tax is the largest revenue source categorized as a Sales and Use Tax. This local discretionary infrastructure sales surtax was voted in and will be in place for the 10-year period starting January 1, 2019. Total proceeds for the 10-year period are anticipated to be approximately \$17 million. This sales surtax can be used to reduce traffic congestion, for flood control and water quality improvements, and to purchase land for public purposes. In July 2023, Council updated the committed usage of this 10-year funding source as follows: 55% for Undergrounding of overhead utilities, 34% to acquire and develop public beaches, 7% to address stormwater infrastructure needs, and 4% is for the Public Works and Safety Committee to expend to address pedestrian and traffic safety issues.



Undergrounding Overhead Utilities. The new electric franchise fee agreement includes a covenant by the City to prove significant progress towards undergrounding of overhead utilities by the fall of 2023. To help meet this covenant, Council committed 55% of the Okaloosa Half Penny Sales Surtax revenue towards the undergrounding of overhead utilities. See also the capital projects section for more details.

Beach Acquisition. The City of Destin and Okaloosa County have been working diligently for several years to address the issue of public beach access in Destin. The Trust for Public Lands has been working with landowners along the gulf. During FY 2021, the City of Destin purchased two of the three parcels in the Crystal Beach area of Destin, which expended \$3.6 million of the Okaloosa Half-Penny sales tax. There remains approximately \$2 million commitment that we anticipate to spend in FY 2023 and FY 2024 towards the improvements to the purchased land and additional purchases.

Since FY 2020, the communications services tax has been trending slightly upward after trending downwards for a number of years. We budget the amount recommended by the Florida Department of Revenue.

The first local option gas tax is restricted for transportation improvements and maintenance. The City has chosen to dedicate this amount to the renewal and replacement of roadways and sidewalks. The



second local option gas tax is restricted to address comprehensive plan transportation issues. The City budgets the amounts calculated by the Florida Department of Revenue's Office of Tax Research.

PERSONNEL

Visioning for 2023

The City of Destin City Council held a Visioning Session on February 16, 2023. The Mayor, Council Members, and senior staff participated in the day long workshop facilitated by Buz Eddy. After introductions, the workshop began with a look at where we currently stand with a review of the City's vision, mission and core values.

Following the introduction, a review of our three-year vision and current project commitments were discussed. Each Councilmember and Mayor were able to share their key initiatives and projects for the upcoming budget cycle. Next, the City Manager provided an opportunity for interactive participation with the elected officials on prioritization of initiatives and projects. Closing the visioning session, consensus was formed on the direction for the next fiscal year along with the budget and funding opportunities.

Vision

Destin is a family-oriented beach and fishing community where people want to live, work & play and where visitors are welcomed to respectfully enjoy our community and its resources.

Values

Transparency

Teamwork

Integrity

Professionalism

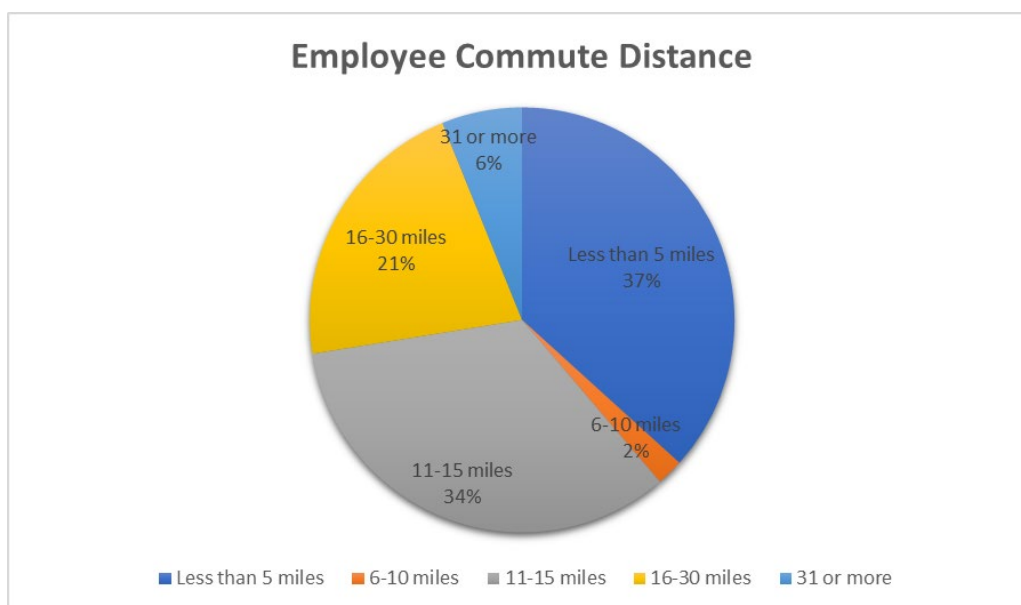
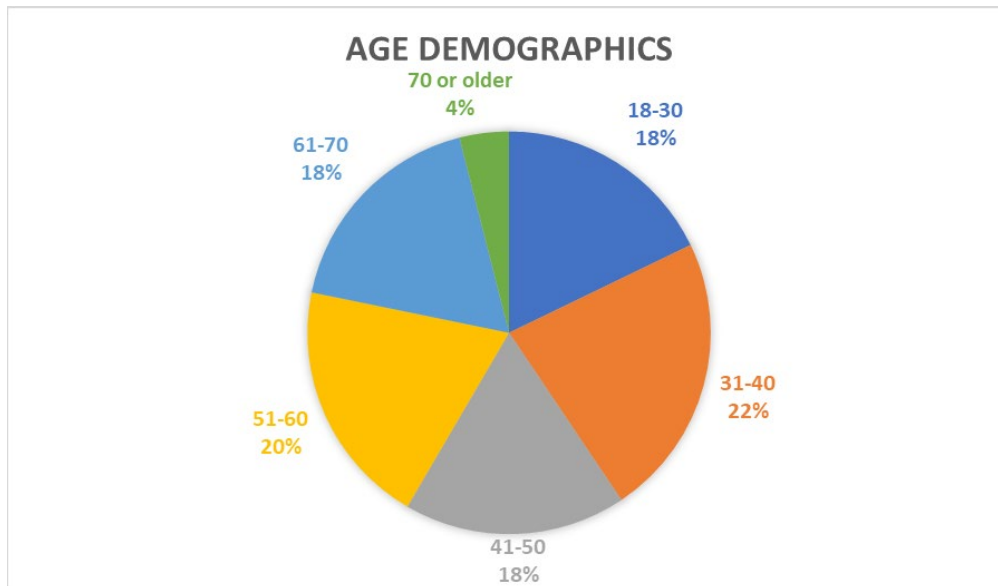
Stewardship

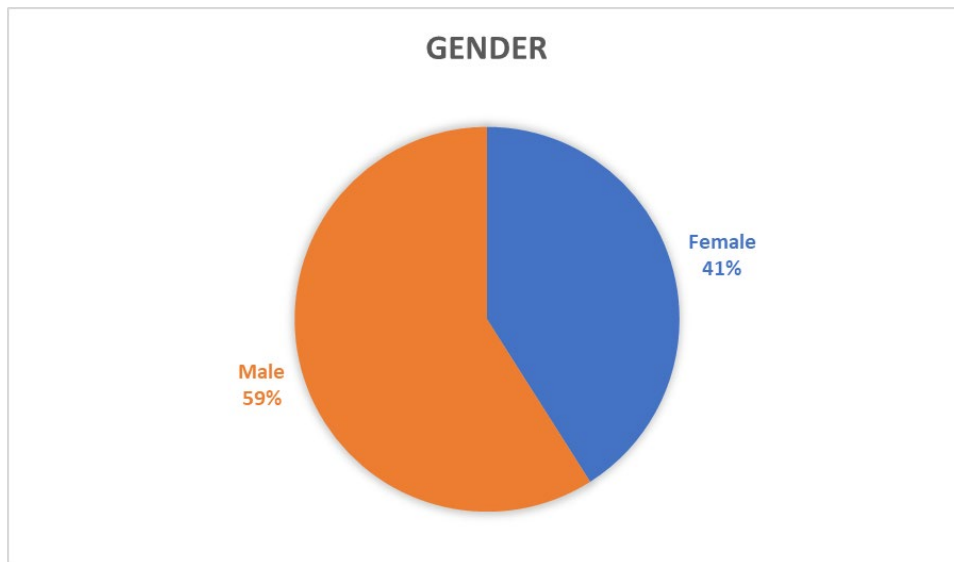
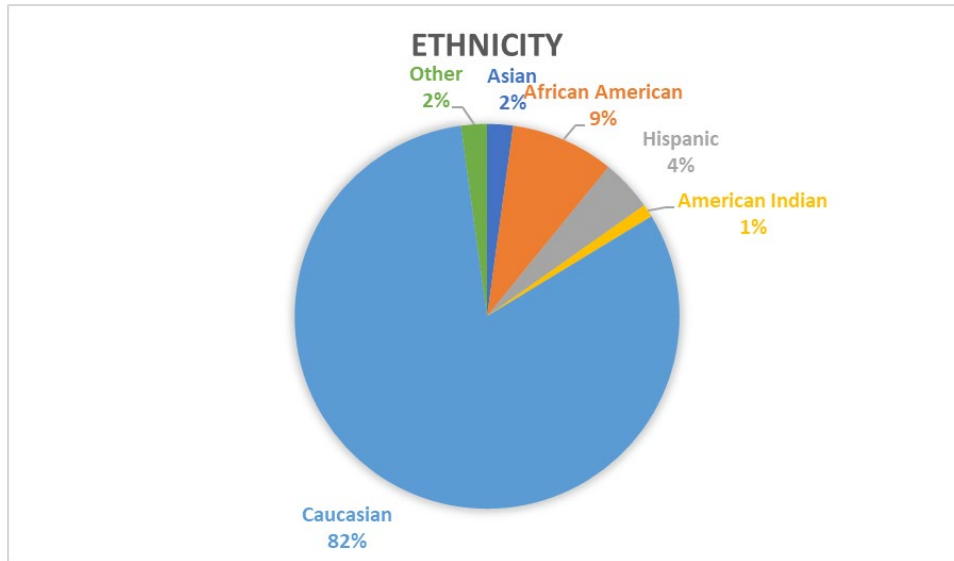
Respect

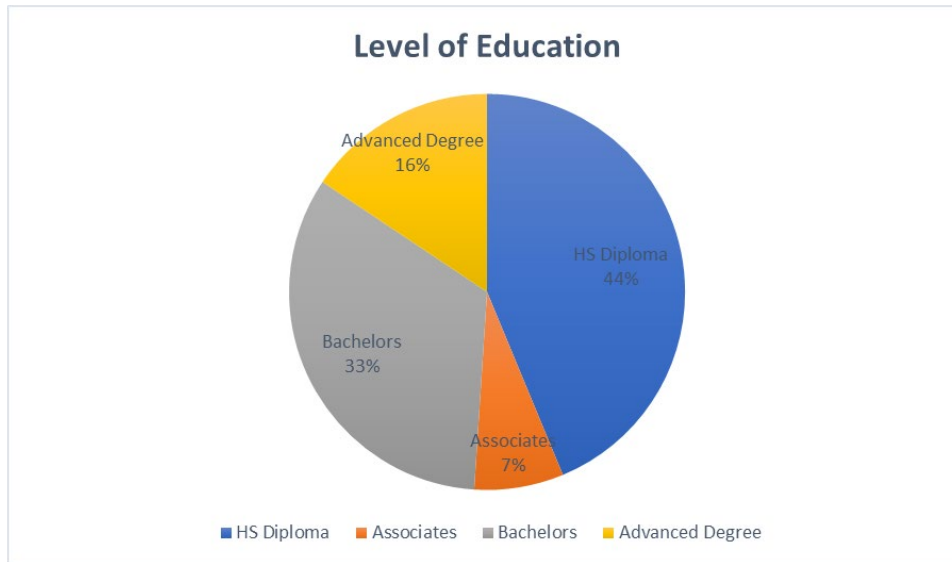
The FY23 Personnel Services budget and supporting information is presented on the following pages to support the mission, vision and values of Team Destin.

Organizational Profile:

The figures below depict workforce demographics as of September 2023







Employee Awards

Employee of the Year

This award has become a tradition and is in its 20th year. The selection process, through staff recommendations, asks individuals to nominate staff members that possess and demonstrate our core values while carrying out the staff mission “...to provide quality service to our community through professionalism, communication and teamwork.”

A selection committee representing each of the five Home Teams interviewed each person that submitted a nomination and based on the criteria, selected Miquel Maldonado as the Employee of the Year for 2022.

Service Awards

The Service Award honors individuals that have achieved 1, 5, 10, 15, 20, 25, & 30 years of contributions to the City.

1-Year Service Award

Dareen Anderson
Shannon Lingerfelt
Franklin Biggers
Ryan Scott
Lindsey Pachan
Christopher Willis
Regina Mitchell

Jamie Dittmer

5-Year Service Award

Trinity Norris
Nicholas Reed
Wennifred Livingston
Amy Adams
Michael Burgess
Alois Zunguze
Michael Runyon

15-Year Service Award

Kaye Capps

20-Year Service Award

Lance Johnson

25-Year Service Award

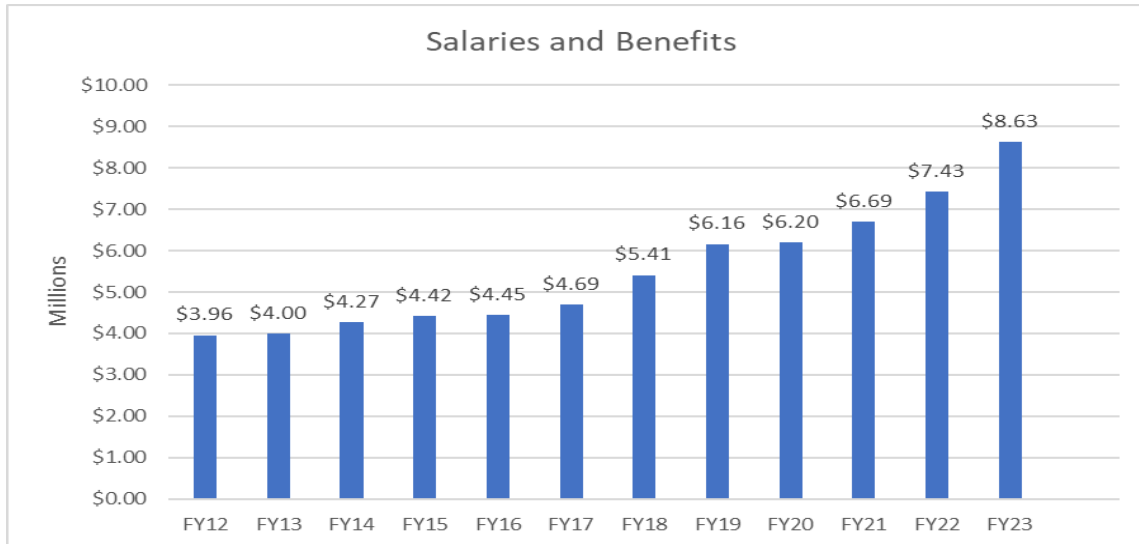
N/A

30-Year Service Award

N/A

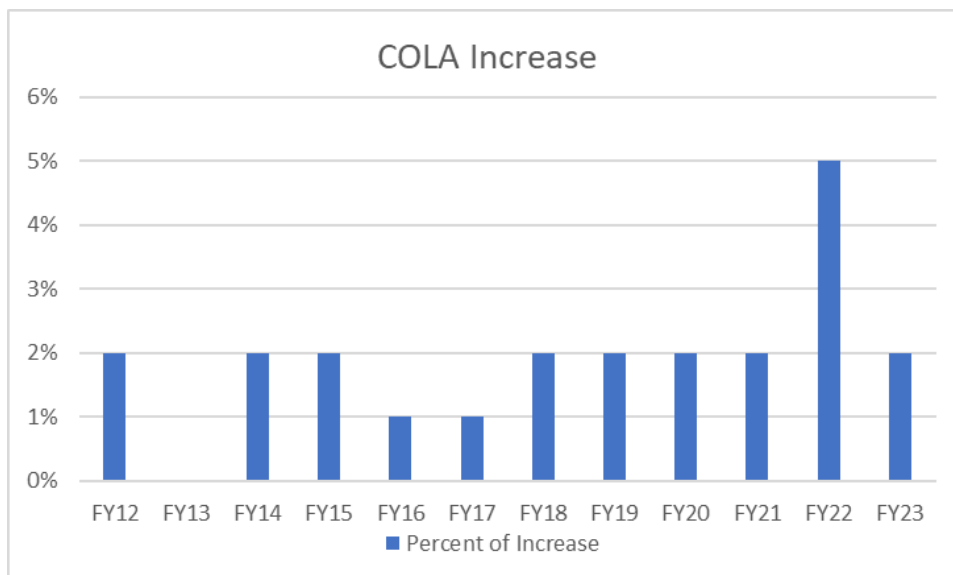
Salaries & Benefits

The chart below reflects the personnel service budget over time since FY12 and is reflected in the millions.



Cost of Living Adjustment (COLA)

The Destin City Council approved a 2% Cost of Living Adjustment (COLA) for FY23. The chart below provides a history of approved COLAs since FY12. COLA adjustments are based on the Social Security increased percentage.



Insurance

Staff was able to obtain a modest increase of 5% for medical insurance and no increase for ancillary benefits. , A Medical- premium increase of 5%

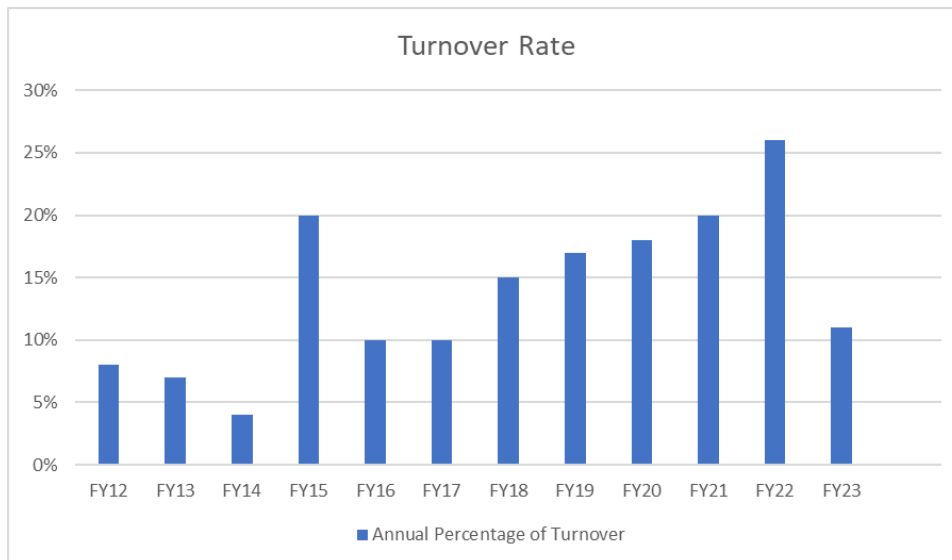
Dental- zero increase

Vision- zero increase

The City funds 100% of employee premiums and subsidizes 66 2/3 of dependent premiums. These cost shares have been included in the 2024 budget.

Employee Turnover

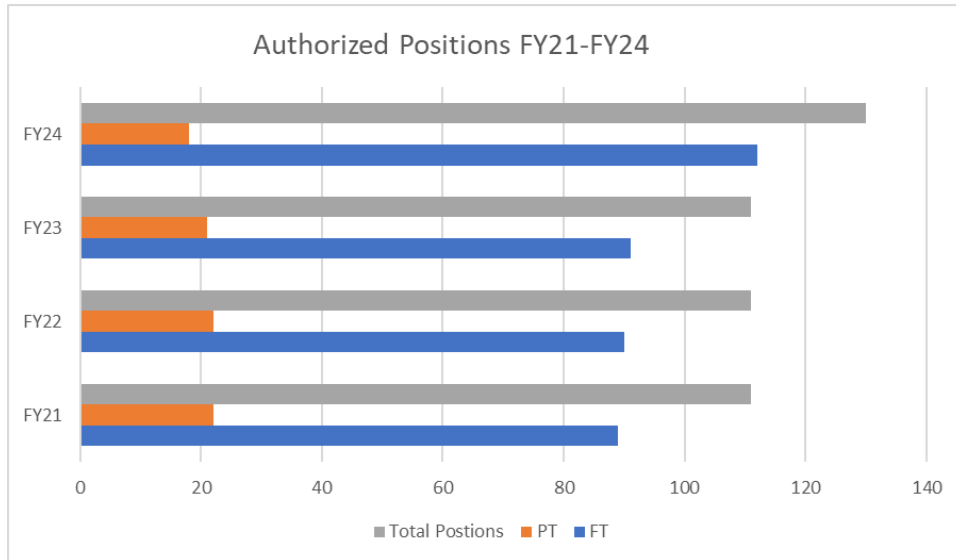
The turnover rate (voluntary and involuntary) through August 2023 is 11.3%. Staff has been successful meeting benchmarks to reduce employee turnover to include: full implementation of class and compensation study, adoption of the Better You Strides, performance-based merit increases ranging from 2%-4% and increasing employee benefits education opportunities. Turnover rate from FY22 to FY23 decreased by 15%.



Staffing

The chart below reflects full-time and part-time positions that have been approved or removed over time. The staffing summary following the chart explains the position changes for the FY22 budget cycle.

Positions Requested	Department	Note
Human Resources did not request any additional personnel for FY24	Human Resources	



Add a table of total FTEs for whole City, with 2 past years and FY24 budget.



GENERAL FUND

The General Fund is the primary fund of the City. This is where we report general government operating activities. The City of Destin does not operate any business-type activities (i.e. utilities) and does not have any enterprise funds. Special Revenue, Debt Service, and Capital Improvement funds were set up as required by state statute, covenants and commitments require. The details on those funds can be found in later sections of this budget book. FY 2024 Revenues are projected to be 16% higher than the previous year, and FY 2024 Expenditures are projected to be 14% higher. See also Long-Range Plans.

General Fund	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Ad Valorem Taxes	\$ 8,579,910	\$ 8,722,578	\$ 9,784,417	\$ 11,078,048	\$ 1,293,631
Sales and Use Taxes	1,608,694	1,544,294	1,745,054	1,639,411	(105,643)
Licenses and Permits	2,826,871	3,238,420	2,962,950	3,754,770	791,820
Impact Fees	-	-	-	-	-
Intergovernmental	2,763,870	3,504,973	3,141,375	3,706,814	565,439
Charges for Services	331,398	863,412	463,700	615,310	151,610
Fines and Forfeitures	59,957	56,135	71,500	109,400	37,900
Investment Income	58,084	(1,090,598)	235,100	373,930	138,830
Contributions	2,500	8,794	1,700	3,880	2,180
Miscellaneous income	2,201	30,928	3,601	5,201	1,600
Total Revenues	\$ 16,233,485	\$ 16,878,936	\$ 18,409,397	\$ 21,286,764	\$ 2,877,367

General Fund Expenditures by Function	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
General Government	\$ 4,426,652	\$ 3,652,517	\$ 4,744,680	\$ 4,870,946	\$ 126,266
Public Safety	3,251,454	3,146,309	3,540,743	4,264,211	723,468
Physical Environment	199,073	169,711	314,296	459,106	144,810
Transportation	1,849,128	1,589,395	1,948,212	2,075,554	127,342
Economic Environment	14,200	14,452	14,500	14,600	100
Health & Human Services	101,254	51,604	90,085	89,956	(129)
Culture and Recreation	3,812,249	3,495,907	4,539,474	5,475,106	935,632
Total Expenditures	\$ 13,654,010	\$ 12,119,896	\$ 15,191,990	\$ 17,249,479	\$ 2,057,489

Net (Expense) Revenue	\$ 2,579,475	\$ 4,759,040	\$ 3,217,407	\$ 4,037,285	\$ 819,877
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General Fund Other Financing Sources	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Proceeds from issuance of Debt	\$ -	\$ 24,021	\$ 45,000	\$ 50,000	\$ 5,000
Transfers In	3,682,536	-	87,200	8,600,000	8,512,800
Transfers Out	(4,522,085)	(3,013,636)	(3,901,969)	(15,597,515)	(11,695,546)
Total Other Financing	\$ (839,549)	\$ (2,989,615)	\$ (3,769,769)	\$ (6,947,515)	\$ (3,177,746)

Net Change in Fund Balance	\$ 1,739,926	\$ 1,769,425	\$ (552,361)	\$ (2,910,230)	\$ (2,357,869)
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DEPARTMENT SUMMARIES

This section explains the services offered by the City of Destin that make up the details of the General Fund.

Each major category in the General Fund starts with a recap of all the departments therein, then includes an explanation of the services provided, budget highlights including explanations of variances between the FY23 and FY24 adopted budgets, current year accomplishments and next year challenges, performance measures and indicators.

The departments are listed under their major function in the following order:

Budgeting/Accounting Fund	Department Director
GENERAL FUND	
01-51 General Government	
City Council	City Clerk
City Manager	City Manager
City Clerk and Admin	City Clerk
Legal Services	City Manager/Contract
Human Resources/Risk Management	Human Resources Director
Finance	Finance Director
Facilities Maintenance	Public Works Director
Community Development	Community Development Director
Information Technology	IT Director
01-52 Public Safety	
General Public Safety	Contracted to Okaloosa Sheriff's Office and Destin Fire Control District
Code Compliance	Code Compliance Director
Emergency Management	Public Works Director
01-53 Physical Environment	
Cemetery Operations	City Clerk/Parks and Recreation Director
Physical Environment (Stormwater)	Public Works/Community Development
01-54 Transportation	
Public Works	Public Works Director
Median Maintenance	Public Works Director
Engineering	Community Development Director
01-55 Economic Development	City Manager
01-56 Health & Human Services	
Wildlife Protection & Animal Control	Code Compliance Director
01-57 Culture and Recreation	
Library	Library Director
Parks	Parks and Recreation Director



General Government

Vision 2035

Destin is a family-oriented beach and fishing community where people want to live, work and play and where guests are welcomed to respectfully enjoy our community and its resources.

Mission

We are an organization that strives to provide a healthy, safe quality of life, balancing the needs of our residents with the expectations of our visitors, and providing open, clear, accurate communication.

Description

General Government includes services provided by the legislative and administrative branches of the City for the benefit of the public and the governmental body as a whole. Organizational units included under General Government include City Council, City Manager, City Clerk, Finance, Human Resources, Facility Maintenance, Legal, Community Development and Information Technology.

	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Department Recap					
City Council	\$ 194,625	\$ 70,428	\$ 118,900	\$ 262,600	\$ 143,700
City Manager	759,121	701,111	871,437	1,033,167	161,730
City Clerk and Admin	398,815	332,263	329,580	364,007	34,427
Finance	456,310	450,983	632,103	567,717	(64,386)
Human Resources	246,962	205,347	295,251	332,797	37,546
Facilities Maintenance	329,872	221,496	262,346	204,242	(58,104)
Legal Services	478,132	482,349	492,647	400,000	(92,647)
Community Development	1,083,008	805,504	1,272,005	1,037,513	(234,492)
Information Technology	479,808	383,037	470,411	668,903	198,492
Total General Gov Expenditures	\$ 4,426,652	\$ 3,652,517	\$ 4,744,680	\$ 4,870,946	\$ 126,266

	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Summary					
Personnel	\$ 2,412,409	\$ 2,301,816	\$ 2,886,699	\$ 3,275,483	\$ 388,784
Contract Services	1,192,903	785,478	1,152,648	802,440	(350,208)
Operations	740,425	475,690	682,689	770,300	87,611
Debt Service	80,916	89,533	22,644	22,723	79
Capital Outlays	-	-	-	-	-
Total General Gov Expenditures	\$ 4,426,652	\$ 3,652,517	\$ 4,744,680	\$ 4,870,946	\$ 126,266



City Council

Program Statement

The City Council is composed of seven voting members and a Mayor casting only tie-breaking votes. The Mayor and Council are elected at-large in November of even years and may serve up to two consecutive four-year terms. The City Council determines the services the City will provide, the taxes to be levied, and enacts legislation to formalize the services and policies to be established. The City Council also reviews and adopts the City budget, conducts public hearings and appoints citizen advisory boards and committees. The City Council appoints the City Manager and the City Attorneys.

Budget Highlights

The Council's budget comprises 2% of the General Fund's total budget. The Council's budget of \$262,600 is \$143,700 more than the FY 2023 budget. The Council members are not paid; however, the Council voted to extend health, dental and vision benefits to council members beginning September 1, 2023. The remaining budget allocated for this division is for supplies, travel and training, dues and memberships and professional services. The City Council budget also includes a contingency line item to cover unanticipated expenditures that arise during the year.

Budget Details

Budget Title: City Council

Budget Org: 0151210

Budget Monitor: City Clerk

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ -	\$ -	\$ -	\$ 90,500	\$ 90,500
Contract Services	45,375	39,271	27,400	68,000	40,600
Operations	149,250	31,157	91,500	104,100	12,600
Total City Council Expenditures	\$ 194,625	\$ 70,428	\$ 118,900	\$ 262,600	\$ 143,700

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
None					
Total FTEs	0.0	0.0	0.0	0.0	0.0

Accomplishments FY23

- Financially sound city. The City Council has continued to keep taxes low for Destin residents, while providing a high level of service to residents, businesses, and visitors.
- The utility undergrounding project obtained an opinion of probable cost that provided a phasing sequence and related cost of undergrounding the utilities in the city. A binding cost estimate from Florida Power and Light has been requested for Phase 1. Phase 1 will include the utilities along Highway 98 from Marler Bridge to Airport Road. The city plans to release a RFQ this year to procure a utility undergrounding contractor, construction of Phase 1 should begin in FY24.



- A full parking pass program is now implemented to ensure full-time City of Destin residents can receive free parking passes to use any of the City's paid parking facilities.
- The City Council 's leadership and support resulted in the following major accomplishments:
 - Alignment of the City's Comprehensive Plan Future Land Use Map and Zoning Map. This effort included zoning amendments to 468 parcels of land in the city. As a result of this effort the City's Zoning Map is now consistent with the Future Land Use Map
 - Staff has completed the preparation of the city's Wayfinding Master Plan – which is the cornerstone of city council's strategic goal of creating the Destin Brand.
 - Continued implementation of the COMPASS/EnerGov implementation which is the city's new community development and code software. This software provides the following services to the city: improved reporting, improved capabilities for employees, customer access to informant, improved review processes, and tracking capabilities across multiple departments regarding permitting, planning, licensing, engineering, and code compliance. This will allow customers access to self-service portal to submit digital applications online and view the status of applications as well as the result of building inspection. Thus, eliminating the need for customers to submit paper applications and plan sets. This system will continue to evolve and be refined moving forward into FY22 and beyond. An upgraded version of Compass will be accomplished in 2023 taking the system to the newest version and will reside fully in the cloud. Much of the funding for this upgrade comes from external funding sources.
- By November of 2023, over 457' of beachfront has been purchased as part of the beach acquisition initiative.
- With the adoption of the livery vessel registration program, the city is holding operators accountable to guidelines that create a safer environment on the water as well as adequate land-based facilities for their customers.
- Re-convened the youth council after a brief hiatus due to covid-restrictions.
- Partnership with the Destin High School for use of the Morgan Sports Center and other facilities for use for high school activities
- Partnership with the Destin Little League to increase the field use at Morgan Sports Center.

Challenges FY24

- Aging infrastructure (roads, drainage, striping, and sidewalks)
- Aging facilities and capital equipment required to maintain infrastructure and facilities
- Achieving a balanced budget with the increased need for capital improvements
- Low ad-valorem revenues
- Town Center CRA redevelopment, financial stability and marketability
- Long-term comprehensive strategy and funding source to manage East Pass, Norriego Point, and the harbor channel
- Long-term strategy and funding for beach restoration
- Year-round population supporting 5-6 times that population on a year-round population-based budget
- Unfunded mandates
- Demand vs. Revenue
- Increased traffic congestion, density



- Recruiting and retaining employees due to a high cost of living in the Destin area
- Post-COVID impacts that are changing workforce expectations
- Lack of affordable housing
- TDC funding needed for Sports Fields

Goals and Objectives (Strategic Plan section 1 for Council Objectives)

- Offer livable wages & benefits to attract and maintain qualified staff
- Work with stakeholders to pursue the Destin City Center
- Complete Two-Lane Crosstown Connector
- Public beach acquisitions initiative
- Underground utilities
- Stahlman/US 98 pedestrian and vehicle improvements in cooperation with FDOT
- Annexation of unincorporated areas
- Transit Trolley (i.e., access to public beach, along Hwy 98)
- City Marina (FY2024 funding for feasibility study)
- Improve parking, explore options (i.e., parking garage, surface parking)
- Beach Renourishment

Performance Measures for FY2023 (Results)

- Offer livable wages & benefits to attract and maintain qualified staff
 - Implement a full Compensation Study for all City Staff and bring recommendations for a plan to Council. Study completed and implemented effective April 2, 2022.
 - FY 2023-2% COLA and 4% Merit approved for all employees
 - FY 2022 granted to \$1000 onetime longevity payment to reward tenured employees
 - Reduced expense and increased benefits for employee health insurance
 - Personnel Budget increased from \$6.69 million in FY 2021 to \$7.43 million in FY 2022 to \$8.6 million in FY 2023
- Research Viability of City Center
 - Before moving forward, Council would like to conduct a feasibility study
- Improve Parking: Explore Options, Garage, and Surface Parking
 - Paid parking Paid parking revenue is earmarked for future parking solutions. Dedicated revenue for parking improvements grew with minimal financial impact to Destin residents
 - Expanded resident parking pass providing for free parking in the harbor district and near beach access points
 - Program is freeing up parking spaces for intended use and preventing unintended use
 - Additional parking will be available in upcoming Zerbe expansion lot (under design)
- Public beach acquisition Initiative
 - 457' gulf front footage added to the city park inventory
 - Over \$22 million committed to this initiative; \$13.5 million funding from external agencies
 - TPL is pursuing other opportunities
 - In 2022, 759 Henderson Beach passes issued to Destin residents.



- **Undergrounding Utilities**
 - New franchise agreement is implemented
 - 2% of Gulf Power franchise fees are dedicated to the undergrounding project
 - Consultant and Project Manager secured in 2021
 - Binding cost estimates is expected in winter 2023
- **Complete Two-Lane Crosstown Connector**
 - Council approved a motion to direct the City Manager to implement right-of-way option No. 2 and multimodal elements Option No. 2, 40' right-of-way with median, into the project design
 - Design Engineering plans are at 100% currently.
 - ROW Acquisition – All properties have been acquired
 - 100% design expected in fall of 2023
- **Pedestrian Pathway Under the Marler Bridge**
 - Put on hold due to FDOT future plans for bridge and the project area
 - Community Development Department completed identification of scope of work
 - Council selected a desired route, and the design engineer is coordinating with FDOT to determine if that route is acceptable as it relates to necessary bridge access.
 - The design is not yet at 30%
- **Continued development and refinement of the Compass/Energov system.**
 - This system is operational, and data is being collected
 - Processes have been streamlined and continued opportunities for improvement are being identified
 - Ease of use by the public is a high priority for staff. Staff continues to solicit feedback from customers for future improvements
 - Improved metrics and reporting are a critical focus for staff in FY24
 - SaaS (cloud upgrade) occurred in early 2023 which should result in greater functionality and improved performance.



City Manager

Mission Statement

The City Manager's office strives to ensure the health, safety and welfare of the community; protect and promote the quality of life through efficient and effective operations and growth management; respond to community needs; and maintain a fully qualified and professional staff.



Program Statement

The City Manager, appointed by the City Council, is the Chief Executive Officer of the City. The Manager is responsible for the day-to-day operations of the City. The City Manager administers policies and legislation adopted by the City Council and directs and delegates duties and responsibilities to all City departments. The City Manager establishes internal procedures and facilitates Council's long and short-term strategic planning. The Manager's Office maintains thorough communication with the City Council and the community through routine oral, written, and electronic mediums; status reports; and public meetings.

Budget Highlights

The City Manager's budget of \$1,033,167, comprises 6% of the General Fund's total budget and represents an increase of \$161,730 (16%) above the FY2023 budget. The Personnel category is increasing due to an increase in the cost of benefits (health, workers comp). Operations and contract services will be higher than usual in FY 2024 as we budgeted special events to celebrate the City's 50th Birthday.

Budget Details

Budget Title: City Manager
Budget Org: 0151212
Budget Monitor: City Manager

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 636,746	\$ 658,614	\$ 755,157	\$ 830,337	\$ 75,180
Contract Services	41,875	10,722	34,500	66,700	32,200
Operations	80,500	31,775	81,780	136,130	54,350
Total City Manager Expenditures	\$ 759,121	\$ 701,111	\$ 871,437	\$ 1,033,167	\$ 161,730



Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
City Manager	1.0	1.0	1.0	1.0	0.0
Deputy City Manager	1.0	1.0	1.0	0	-1.0
Assistant City Manager	0	0	0	1.0	1.0
Sr Administrative Professional	1.0	1.0	1.0	1.0	0.0
Front Desk Receptionist (2 PT)	1.5	1.5	1.5	1.5	0.0
Grants Project Manager	1.0	1.0	1.0	1.0	0.0
Public Information Director	1.0	1.0	1.0	1.0	0.0
Total FTEs	6.5	6.5	6.5	6.5	0.0

Accomplishments FY23

The City continued its efforts to complete the Beach to Benning cross-town connector by acquiring all properties needed for ROW. All properties necessary have been acquired.

In Partnership with Okaloosa County, executed a purchase agreement for 340' of beachfront property in the Crystal Beach area. That acquisition has been secured in FY 2023.

The City continues to advance the council objective of undergrounding utilities. A binding cost estimate is being prepared by Florida Power and Light for Phase 1 of the project. The Phase 1 project area follows Highway 98 from Marler Bridge to Airport Road, including many lateral connections. Construction is anticipated to begin in the Fall 2024.

Staff is working to improve communication between staff and council by moving towards improved operational and metrics reporting. Staff has already increased the frequency and quality of our budget and project reporting. This is done on a monthly basis at council meetings. Staff is working to improve the benchmarking and reporting of key metrics throughout the organization. This will require improved software and staff processes to help display a dashboard of key metrics.

Acquired and are in process of deploying a comprehensive municipal management software with required training (COMPASS/Energov project). System went live in FY2021, a comprehensive upgrade to the MUNIS and COMPASS platform to the latest cloud version to be performed in early 2023. This will digitize many critical processes and allow for improve tracking of service level metrics against benchmark metrics.

Challenges FY24

- Continuous alignment of organizational objectives, processes and performance metrics to accomplish objectives within Council's adopted strategic plan

Managing and maintaining service expectations of a large city with a small city staffing level

- Ensure the organization provides service excellence through more efficient operations, improved customer service delivery and organization-wide systematic recording and review of performance measures
- Finding additional funding for large projects such as beach acquisition, undergrounding of utilities and stormwater



- Aging facilities and buildings need revised short-term maintenance and long-term investment plans
- Adequate funding to attract and retain qualified personnel to deliver services to our residents
- Comprehensive Plan 2030 adopted with Chapter 1, Future Land Use, still under amendment

Goals and Objectives

- 1) Ensure objectives of Council's adopted strategic plan are completed
- 2) Administer resident survey in FY22 to collect data and benchmark results.
- 3) Plan and implement long and short-term community improvement strategies.
- 4) Ensure necessary resources (material, manpower and money) are obtained and effectively used.
- 5) Ensure the effective and efficient administration of internal City operations.
- 6) Ensure legal and ethical compliance with laws, regulations, and City charter.

Productivity Indicators

	FY21	FY22	FY23
Implement Council approved policies	100%	100%	100%
Keep fiscal expenditures within the adopted/amended budget	100%	100%	100%
Facilitate annual visioning session and adopt strategic plan	YES	YES	YES
Number of Active Grants	13	20	19
Review and update departmental key functions	YES	YES	YES
Dollar amount of grant funds earned	\$5,794,778	\$3,095,643	\$15,703,193
Number of City Help Desk Requests received	533	680	627
Number of Media Advisories and/or Press Releases distributed	124	113	128
Instagram Followers	652	784	1,226
Facebook Followers	24.1K	27.5K	35.8K
Servers above 99.8% uptime	100	100	100
Resident Survey distributed every 3 years (results due in December '22)	N/A	2,800	N/A

*Dollar amount of grant funds earned for FY23 are estimated.



City Clerk and Administrative Services

*Agendas
*Minutes
*Contracts

*Public Records
*Ordinances
*Resolutions

Mission Statement

The City Clerk provides overall direction for the care and maintenance of the City's public records including codification of the City's ordinances and Land Development Code. The clerk also serves as a liaison to the Mayor and Council. The City Clerk records and distributes official minutes and proceedings of the Council and certifies or attests public documents for authentication.

Program Statement

The City Clerk administers the City's records management policies intended to standardize filing, protection and retrieval of official city records in accordance with State Statutes. The City Clerk provides services to the citizenry including notary services, duplication of public records, and dissemination of public information, maintaining membership rosters for advisory boards and committees. The Clerk manages codification of ordinances, verifying accuracy and publication of codified materials. The Clerk's Office serves as point of contact for all advertised procurement solicitations, maintaining lists of potential bidders, distributing bid and proposal packages and conducting bid openings.

Budget Highlights

The City Clerk's Office Operations Budget and Administrative Operations Budget total \$364,007, which represents 2% of the total General Fund's adopted budget. The Clerk's Office consists of 3 FTE employees. Of the \$364,007 allocated for this division, 89% is for salaries and benefits. The remaining amount of the FY 2024 budget is for legal ads, printing, supplies, training, dues and memberships and other operating needs. In the past, the City Clerk's office budget was responsible for all legal ads and postage. Beginning in FY 2023, these costs are now born by the department that initiates them.

Budget Details

Budget Title: City Clerk Operations
Budget Org: 0151215
Budget Monitor: City Clerk/Rey Bailey

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 259,930	\$ 254,543	\$ 297,044	\$ 322,687	\$ 25,643
Contract Services	5,185	2,208	3,200	4,800	1,600
Operations	133,700	75,512	29,336	36,520	7,184
Total City Clerk Expenditures	\$ 398,815	\$ 332,263	\$ 329,580	\$ 364,007	\$ 34,427



Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
City Clerk	1.0	1.0	1.0	1.0	0
Deputy City Clerk	1.0	1.0	1.0	1.0	0
Records Technician	1.0	1.0	1.0	1.0	0
Total FTEs	3.0	3.0	3.0	3.0	0

Accomplishments FY23

The Clerk's Office successfully provided administrative support to the City Council, CRA Board, and all the City's volunteer committees and boards.

The Clerk's staff provided administrative support for 108 evening meetings of the City Council, CRA Board, and the City's volunteer committees and Boards, totaling approximately 270 hours; and which required production of 108 sets of minutes.

The Clerk's Office completed and distributed meeting minutes within 10 days following the meeting 93.5% of the time. The 10-day standard meets or exceeds standard set by other local municipalities.

The minutes of meetings approved by the appropriate bodies without challenges or corrections 96.2% of the time.

The Clerk's Office maintained a viable Records Management Program that is in full compliance with Federal and State regulations. Ensured public records are maintained, retained, and destroyed in a timely manner.

Quarterly inventory of records data base reveals timely destruction of obsolete records was accomplished 100% of the time.

Public records provided within 3 days of request 95.4% of the time. The 3-day standard is consistent with the standard set by other local municipalities.

The time, energy, and resources citizen volunteers bring are critically important to the City. They can have a meaningful effect and can provide a fresh perspective and enthusiasm on the primary work of the City. The Clerk's Office coordinated/assisted in engaging, training, and recognizing citizen volunteers to the City's standing committees and boards

Challenges FY24

Increasing demand/expectations for service

Maintaining staff flexibility with increasing demand for overtime in providing administrative support for the City Council, CRA Board and the City's 10 standing committees and boards.

Goals and Objectives

- 1) Ensure the City's Records Management Program is in compliance with Federal and State Statutes.
- 2) Ensure timely destruction of obsolete records
- 3) Ensure response to all public records requests are timely and in strict compliance with Public Records Law.



- 4) Accurately maintain all official actions of the City Council and administrative boards and committees through minutes of meetings.
- 5) Track time for ordinances to be codified within Municode. Benchmark this process for future tracking.

Performance Measures (Results)

	FY21	FY22	FY23
Percentage of all minutes of the city council, boards and committees completed within 10 days of the meeting	86.9%	94%	93.5%
Percentage of all minutes of the city council, boards and committees completed that were approved as written	98%	97%	96.2%
Percentage of all public records requests completed within 3 days of receipt	94.2%	94.4%	95.4
Percentage of all documents destroyed in a timely manner	100%	100%	100%

Productivity Indicators

	FY21	FY22	FY23
Number of council, board and committee meetings	89	118	108
Number of hours spent attending after hour meetings	204	295	270
Sets of minutes required/transcribed	89	118	108
Number of public records requests processed	380	540	660



Finance & Budget

Mission Statement

Ensure the efficient and effective management of the City finances and providing for the timely and accurate accounting of the revenue and expenditures of the City's financial resources.

Program Statement

The Finance and Budget program responsibilities consist of oversight of municipal financial operations which include: cash management, payroll, oversight of encumbrances, budget monitoring, accounts payable, accounts receivable, debt administration, fixed asset reporting, financial analysis, revenue and expenditure forecasting and monitoring, accounting policies and procedures and financial reporting. The purchasing program includes activities such as assisting in the preparation of procurement procedures, monitoring departmental purchasing, issuing purchase orders and maintaining the accounting encumbrance program.

Budget Highlights

The finance department budget of \$567,717 is 3% of the total General Fund adopted budget. The budget decreased by \$64,465 from FY 2023. The most significant reason for the decrease is related to contractual services. Personnel costs are increasing 10% due to insurance increases, COLA, and potential merit increases.

Budget Details

Budget Title: Finance
Budget Org: 0151320
Budget Monitor: Finance Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 272,624	\$ 277,693	\$ 409,436	\$ 448,964	\$ 39,528
Contract Services	72,385	33,147	162,023	54,700	(107,323)
Operations	30,385	50,610	38,000	41,330	3,330
Debt Service	80,916	89,533	22,644	22,723	79
Total Finance Expenditures	\$ 456,310	\$ 450,983	\$ 632,103	\$ 567,717	\$ (64,386)

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Finance Director	1.0	1.0	0.9	0.9	0
Sr Accountant	1.0	1.0	0.9	0.9	0
Jr Accountant/Payroll	0.5	0.5	0.9	0.9	0
A/P Clerk	0.5	0.5	0.9	0.9	0
Finance Intern	-	-	0.66	0.66	0
Total FTEs	3.0	3.0	4.26	4.26	0

Note: Effective FY23, 5% of all Finance Staff is charged to the Town Center CRA district, and 5% is charged to the Harbor CRA district.



Accomplishments FY23

The Finance Department provides oversight for the day-to-day operations of the City's finances. We provide support for the financing and refinancing of all City debt and over-see the investment of excess funds. The City was awarded, for the twenty-eighth consecutive year, GFOA's Certification of Achievement for Excellence in Finance Reporting and the GFOA Distinguished Budget Award for the eighteenth year.

The Finance and HR departments experienced a 90% turnover of staff during FY 2023, as people retired, made families, and moved out of state. Despite the turnover, payroll and payables continued to be paid on time. New procedure manuals were created and tested. New staff (including new auditors, support contractors, and a college intern) were trained in processes and systems. In addition, the accounting software received a major overhaul as we migrated to an upgraded cloud-based version of MUNIS.

This year the Finance staff continued working closely with the CRA committee members and outside consultants to keep as many parties as possible updated on status of major capital projects, including the Undergrounding of Overhead Utilities and related covenants. We recommended and attained a reallocation of Okaloosa Half Penny Infrastructure Surtax to better align funding sources with top capital project priorities. Finance staff assisted with seven property acquisitions. In coordination with the Grants and Projects Manager, we are now managing more grants than before.

We are working with the Bid Committee and the Project Review Team to establish and memorialize better procurement procedures and to improve capital project planning. This year we have continued to work diligently to improve transparency and timeliness of reporting, especially for restricted funds.

Finance staff is also working closely with the City's bond counsel, financial advisors and investment advisors to plan and time cash flows for large capital projects and a potential land swap.

Challenges FY24

The City's financial accounting and payroll software is subpar and does not meet the needs and desires of both staff and external customers. Finance will begin reviewing options to change systems with support of the IT Director and all Departments who accept payments from citizens on a daily basis. Finance works closely with the HR team on many fronts including, most importantly, payroll and benefits. We shall continue to work hard to improve timeliness and accuracy of payroll and benefit administration. In this new era of higher interest rates, the Finance team is working to tighten-up the cash-flow models to ensure more cash is invested in short-term, while balancing demands of cost-reimbursement grants and major capital projects and land acquisitions.

Finance is also monitoring the debt markets to ensure the City has adequate capital for top priority projects which include undergrounding overhead utilities, waterfront property acquisition, and completion of the Crosstown Connector roadway. Finance is also supporting the Facilities Department with their new asset management software, and creating renewal and replacement projections that are attainable given our funding restraints. Over the next year, staff will continue working to improve our performance measurement system. This process will assess all elements and facets of the City to improve the efficiency and effectiveness of its operations. All new performance guidelines will be incorporated into the budget process.

*Goals and Objectives*

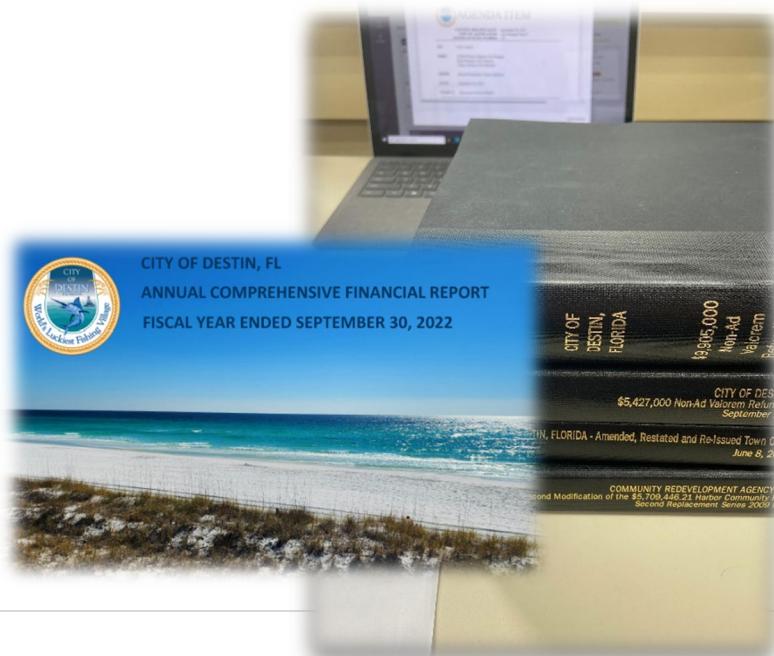
- 1) Manage the financial performance of City assets to achieve strategic goals.
- 2) Provide timely and accurate issuance of vendor, municipal debt, and employee payments.
- 3) Evaluate internal accounting controls over City assets and propose changes where weaknesses are identified.
- 4) Ensure standardization of bidding and purchasing procedures while utilizing competitive procurement procedures in compliance with City and Florida regulations.
- 5) Provide information to City Council in a timely manner to keep them well informed.
- 6) Improve methodology for maintenance of fixed assets inventory and procedures.
- 7) Protect the integrity of City infrastructure and facilities.
- 8) Develop program performance measurement system and long-range financial plan.

Performance Measures (Results)

	FY21	FY22	FY23
Achieve successful audit compliance report	Yes	Yes	Yes
Pay municipal debts on or before the due date	100%	100%	100%
Timely submittal of quarterly financial reports to City Council	85%	100%	70%
CAFR produced accurately and timely	Yes	Yes	Yes
Develop a sustainable operating and capital budget	Yes	Yes	Yes
Complied with all bond related compliance and debt covenants	Yes	Yes	Yes

Productivity Indicators

	FY21	FY22	FY23
Number of funds managed	14	15	17
Number of Purchase Orders processed	152	135	136
Number of invoices processed	4744	3476	2445
Number of payroll payments processed	2615	2649	2302
General Ledger Journal Entries posted	2764	1880	1568
Grant Reimbursement Requests processed	22	52	55





Human Resources

Mission Statement

Promote a stable work environment through quality services and support in the employment cycle, (recruitment, orientation, training, employee relations, benefits, compensation, and safety), while encouraging creativity and innovation to improve effectiveness in carrying out the City's mission. Staff will be provided the same concern, respect, and caring attitude within the organization that they are expected to share with internal and external customers.

Program Statement

The Human Resources Director and the HR Specialist are members of the City Manager's staff. Human Resources' responsibilities include the administration of federal/state laws and city policies regarding the employment cycle of City employees. Risk Management's responsibilities involve the employment of risk control methods as well as the procurement and administration of insurance policies.

Budget Highlights

The Human Resources department is responsible for hiring, orienting, and ensuring timely evaluations and records on all city employees. In addition, this department works with all insurance companies to ensure coverage for employees and all city assets. The Human Resources Department also manages the City Employee Wellness Program.

The Human Resources' budget comprises 2% of the General Fund's total budget. Of the \$332,797 allocated for this division, 73% is for salaries and fringe benefits. The remaining 27% is mostly for operating software for payroll and recruiting, and property insurance for general government assets.

Budget Details

Budget Title: Human Resources/Risk Management

Budget Org: 0151321

Budget Monitor: Human Resources Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 136,107	\$ 127,113	\$ 189,082	\$ 241,340	\$ 52,258
Contract Services	49,700	26,045	27,800	23,690	(4,110)
Operations	61,156	52,188	78,369	67,767	(10,602)
Total HR Expenditures	\$ 246,962	\$ 205,347	\$ 295,251	\$ 332,797	\$ 37,546

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
HR Director	1.0	1.0	1.0	1.0	0
HR Coordinator	.73	.73	1.0	1.0	0
Total FTEs	1.73	1.73	1.73	2.0	0.0



Accomplishments FY23

(Section IV, Personnel Summary of the budget contains additional accomplishments.)

Council's top priority in FY23 was to evaluate total compensation and make adjustments to ensure employees are being offered livable wages. After a comprehensive pay and classification study, council approved base rate increases for all employees. This accomplishment allows for more innovation in attracting and maintaining high caliber, qualified staff.

Property & Casualty Insurance - A modest increase in general liability coverage was obtained.

COLA: A 3% COLA increase for full-time and part-time staff is requested in the proposed FY 2024 budget. Employees can earn up to a 4% merit increase on their anniversary date for exceptional service.

Health Insurance: We offer a full medical package to include medical, dental, and vision coverage. Our medical coverage includes two multi-tiered plans for our employees and their families. We currently offer 100% of employee only coverage in both our HSA and PPO plans and contribute 66 2/3 towards additional family member coverage. We also offer a free Telemedicine service to both full-time and part-time employees.

Employee Evaluations: We continue to grow our evaluation process to ensure our employees are reaching the full extent of their professional development. We continue to improve the effectiveness and the timeliness of this process.

Challenges FY24

- Implementation of timeclocks with and integrated payroll system
- Complete comprehensive and timely annual employee evaluations
- Recruitment of top talent in a low unemployment market
- Revision of employee policies/procedures manual
- Assess employee morale and organizational communication with implementation of Employee Satisfaction Survey
- Build wellness platform to help mitigate rising healthcare costs
- Train staff on revised Operation Instructions and Policy manual

Goals for the recruitment, selection & assignment of employees.

- 1) Track recruitment time of applicants/new employees and benchmark the process
- 2) Evaluate and facilitate to organizational development. Establish metric and benchmark for the process.
- 3) Implement 457 retirement education plan to maximize employee participation
- 4) Provide employees with wellness incentives and benchmark results
- 5) Implement risk mitigation training and techniques by creating a safety committee

*Performance Measures (Results)*

	FY21	FY22	FY23
Post internal job vacancies within two workdays of vacancy and local external job advertisements within 4 workdays of vacancy	86%	93%	95%
Provide departments with evaluation suspense's at least 10 workdays in advance 95% of the time	98%	98%	100%

Productivity Indicators

	FY21	FY22	FY23
Annual staff turnover rate	23.52%	26.01%	11%
Total annual staff vacancies	23	29	27
Total internal and external job advertisements <i>(including part-time temporary and multiple ads for hard to fill positions)</i>	23	29	27
Total employee evaluations	127	85	72
Full time employee participation rate in retirement matching for 457	51%	51%	86%



Facilities Maintenance

Mission Statement

To pursue continuous quality improvement in our work processes ensuring the best possible customer service and provide clean and safe public buildings to our staff, residents, and guests.

Program Statement

The Facilities Maintenance Program is responsible for minor construction projects, maintenance and repair of City-owned facilities to include City Hall, City Hall Annex, Destin Library, Destin Fishing Museum, Emergency Operations Center, Public Works Facility and Sheriff's Office. Secondly, staff assists the Parks & Recreation Department with repairs at 7 beach accesses, Buck Destin Park, Destin Cemetery, Clement Taylor Park, Leonard Destin Park, Destin Community Center, Dalton Threadgill Park, Destin Elementary, Destin Rodeo Building, Kelly Street Duck Pond, Harbor Lane Park, Harborview Park, Joe's Bayou Boat Ramp, Jewel Melvin Park, June White Decker Park, Kell-Aire Park, Kell-Aire Nature Walk, Main Street Park, Marler Street Parking Lot, Mattie Kelly Park, Morgan Sports Center, Shore at Crystal Beach Park and Captain Royal Melvin Park. Facilities Maintenance is also the office of primary responsibility for continuing service contracts that includes those for air conditioning, fire-security monitoring, pest control, electrical, generator maintenance and plumbing services.

Budget Highlights

The Facilities Maintenance budget comprises 1% of the General Fund total budget. Facilities Maintenance consists of 3.5 FTE employees. The main difference for FY 2024 is that Continuing Services functions costs have been allocated to Community Development, Building Department, Code Compliance, Okaloosa Sheriff Office Substation, Library, Parks, Waterfront Parks, Morgan Sports Center & Leonard Destin.

Budget Details

Budget Title: Facilities Maintenance

Budget Org: 0151324

Budget Monitor: Public Works Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 173,847	\$ 123,870	\$ 130,110	\$ 125,145	\$ (4,965)
Contract Services	6,500	4,796	3,500	1,550	(1,950)
Operations	149,525	92,831	128,736	77,547	(51,189)
Total Facilities Expenditures	\$ 329,872	\$ 221,496	\$ 262,346	\$ 204,242	\$ (58,104)

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Maintenance Technician	2.0	3.0	2.0	2.0	0.0
Total FTEs	2.0	2.0	3.0	3.0	0.0

NOTE: the three full-time technicians are split 2/3 (General Government) Facilities Maintenance and 1/3 (Culture and Recreation) Library.

*Accomplishments FY23*

In addition to normal maintenance items, this division completed all monthly facility and facility safety inspections, installed security cameras, coordinated HVAC upgrades at several facilities, and assisted with citywide Christmas decorations and the Christmas parade setup/breakdown. In FY23 staff initiated the implementation of the City's first comprehensive asset management program which will go live prior to the start of FY24.

Challenges FY24

Challenges for this division include the on-going maintenance of aging buildings and other facilities. In response, staff works to continually update our 5-year renewal and replacement plan to assist in budget preparation. A second challenge is the filling of a Facilities Maintenance Technician vacancy open since November 2022.

Goals and Objectives

- 1) Efficiently maintain City properties at a safe and functional level.
- 2) Maintain a pro-active approach ensuring City infrastructure needs are met.
- 3) Perform bi-monthly safety inspections and preventative maintenance to reduce costs and prolong useable life of City facilities.
- 4) Provide clean, safe facilities for public use and services in a timely and responsive manner.
- 5) Ensure timely response and/or completion of work orders.

Performance Measures (Results)

	FY21	FY22	FY23
Perform monthly and bi-monthly safety inspections (of 84), does not include townhomes associated with Crosstown Connector	84+(100%)	84+ (100%)	84+ (100%)
Perform preventative maintenance functions. Shift from reactive to proactive maintenance program.	~150*	156	121**
Ensure outsourced work (through Purchase orders) is accomplished and paid in accordance with the approved contracts.	14	15	12 (est.)

*approximate number, not tracked the same way as the current protocol

**preventative maintenance primarily by one staff member, due to Maint. Tech vacancy since Nov22

Productivity Indicators

	FY21	FY22	FY23
Annual number of completed facility-related work orders	352	358	349 (est.)



Legal Services

Mission Statement

To serve as legal counsel and provide legal services to City Council, City Manager, City staff, boards and commissions and all departments of the City.

Program Statement

This budget covers the citywide costs associated with legal services. The budget is reflected by legal discipline where the City has historically used separate counsel for various legal requirements and specialties: specifically, the City Attorney for City Council and general legal counsel; the Land Use Attorney for planning, quasi-judicial functions and land use legal representations; the Labor Attorney for personnel functions and employment litigation matters; and the Franchise Attorney for franchise, telecommunication tax, utility and related areas. All attorneys serve at the pleasure of and report directly to City Council.

Budget Highlights

The Legal Service's budget comprises 2% of the General Fund's total budget. This budget of \$400,000 represents a decrease of \$92,647 from the FY 2023 budget. At the end of FY 2024, our City Land Use Attorney has taken on most of the responsibilities of City General Counsel. Cost savings are anticipated with only one attorney at most council meetings for FY 2024. Our previous City General Counsel remains on hand part-time for special projects.

Budget Details

Budget Title: Legal Services
 Budget Org: 0151430
 Budget Monitor: City Manager/Lance Johnson

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Contract Services	478,132	482,349	492,647	400,000	(92,647)
Operations	-	-	-	-	-
Total Legal Expenditures	\$ 478,132	\$ 482,349	\$ 492,647	\$ 400,000	\$ (92,647)

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
None					
Total FTEs	0.0	0.0	0.0	0.0	0.0





Community Development

*Planning, Engineering and Building Divisions

*Harbor Development Management

*Community Redevelopment Agencies

*Business Tax Receipt Collection

Mission Statement

To provide consistent, efficient, and high value Community Development services by continuously examining and enhancing our key processes, requirements, and performance to ensure the City's development system is successful and sustainable.

Program Statement

The Community Development Department is composed of three Divisions (Building, Planning and Engineering) and the Office of the Director.

The Building and Planning Divisions assist with ensuring construction and development activities comply with the latest State Building Codes, the City's Land Development Code and the City's Comprehensive Plan.

The Engineering Division applies broad-based engineering, stormwater and transportation principles and plan reviews to ensure the public health, safety and welfare of the city and that development is in compliance with the City Comprehensive Plan and Land Development Code.

The Office of the Director provides coordinated direction, management and support to carry out the Department's mission, City goals and policies. This office provides budgeting, financial, strategic planning, training, personnel and safety services, as well as providing customer service for the community concerning development services that the Department provides. It also oversees the implementation of the Comprehensive Plan, Land Development Code, Development Review Process, Harbor Management, the Community Redevelopment Areas, and the Stormwater Management (classified as Physical Environment). This office also oversees and coordinates the communication, information, emergency, and contract management of the Department. Each major program managed by the Community Development Department is listed separately by their organizational unit and the State of Florida Uniform classification. Building Permit and Inspections are tracked in a separate Special Revenue Fund to better comply with Florida State Statute regarding accounting. Stormwater is reported in the Physical Environment section of the budget. Engineering is under Transportation.



Budget Highlights

The Community Development budget of \$1,037,509 represents a decrease of \$234,496 from the FY 2023 budget. The Community Development's budget is 6% of the total General Fund budget. The main decrease is related to contract services. The FY 2022 and FY 2023 budgets assumed the City would hire consulting services to assist with Planning and Engineering. The Planning Division is now almost fully staffed, reducing the need for additional contracted support.

Budget Details

Budget Title: Community Development

Budget Org: 0151531

Budget Monitor: Community Development Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 557,872	\$ 568,892	\$ 797,874	\$ 780,246	\$ (17,628)
Contract Services	493,751	186,941	386,578	133,000	(253,578)
Operations	31,385	49,672	87,553	124,267	36,714
Total Com Dev Expenditures	\$ 1,083,008	\$ 805,504	\$ 1,272,005	\$ 1,037,513	\$ (234,492)

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Community Development Director	.67	.67	0.67	0.67	0.0
Administrative Assistant	0.5	0.5	0.75	0.75	0.0
Principal Planner	1.0	1.0	1.0	.9	>0.1
Senior Planner	0	0	1.0	1.0	0.0
Planner	4.0	4.0	3.0	3.0	0.0
Business Tax License Clerk	0	0	1.0	1.0	0.0
Total FTEs	7.0	7.0	7.17	7.16	0.0

Accomplishments FY23

- 1) Reviewed and presented recommendations for changes to the City's adopted **Comprehensive Plan** further realizing coordination and **alignment with the Land Development Code**.
- 2) Began work and coordination on a study to update the City's **Impact Fee** program.
- 3) Full implementation of Community Development Software (**COMPASS/EnerGov**) and continue to make improvements.
- 4) Continued coordination between the US Army Corps of Engineers for data collection for the Harbor Capacity Study, which aims to present recommendations on maintaining and improving the health of the Destin Harbor and surrounding waterways.
- 5) Continued work on multiple aspects of the **City's Strategic Plan** including: **Stormwater Master Plan, Land Development Code and Design Manual, and Mobility Plan** aimed at enhancing the multimodal facilities of mobility in the City.
- 6) Began working on a **City-Wide Safety Plan** to address transportation safety issues for all modes of traffic wholistically through the entire City.
- 7) Maintained training, certifications and licensing.



- 8) Maintained a proactive “Quality of Life” development effort.
- 9) Gulf Shore Drive Extension Project

Challenges FY24

- 1) Complete the update of the Land Development Code to implement Comprehensive Plan.
- 2) Preparation and adoption of amendments to Comp Plan: 2030.
- 3) Update Impact Fee Schedule.
- 4) Implementing the City Wayfinding Master Plan – which is the cornerstone of City Council’s strategic goal of creating the Destin Brand.
- 5) Mobility Plan- aimed at enhancing the multimodal facilities of mobility in the City.
- 6) Continue to implement multi-modal standards of development design and transportation systems.
- 7) Fully Staff the Department to meet the development needs of the city.
- 8) Maintain training, certifications, and licensing.
- 9) Maintaining a proactive “quality of life” development effort.

Goals and Objectives

- Refine critical departmental performance metrics and reporting within the COMPASS system and benchmark results.
- Track average time from all permit application submittal to issuance within the compass system.
- Update Impact Fee Schedule.
- Simplify the fee schedule for permits.
- Update Land Development Code to implement Comprehensive Plan.
- Preparation and adoption of amendments to Comp Plan: 2030.
- Prepare Mobility Plan and Fee Schedule to enhance multimodal facilities in the city.
- Continue to implement multi-modal standards of development design and transportation systems.
- Continue to simplify and improve upon the development review services process and achieve full implementation of COMPASS/EnerGov Development Review and Citizen Self-serve Software.
- Maintain training, certifications, and licensing.
- Maintaining a proactive “quality of life” development effort.
- Additional accomplishments, challenges, performance measures and performance indicators details can be found within budget details for the divisions as follows:
 - Public Safety: Building Permits and Inspections
 - Physical Environment: Stormwater and erosion control
 - Transportation: Engineering
- See also details for the two Community Redevelopment Areas and Building Inspections in the section on Special Revenue Funds.

Performance Measures (Results)

	FY21	FY22	FY23
COMPASS System Implementation	50%	100%	n/a
Harbor Capacity Study	50%	90%	100%
Comprehensive Plan & Future Land Use Map (FLUM) Update	75%	100%	n/a



Land Development Code (LDC) Update	50%	80%	LPA recommended approval of the Final Drafts of Articles 1, 2, & 3 . This will be brought before City Council for their consideration. Staff received <i>Article 4 – Zoning Districts, Overlays, and On-site</i> and is currently reviewing for future recommendations from the various appropriate boards. Article 5 and Article 6 are in the drafting phase with 3TP Ventures.
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Productivity Indicators

	FY21	FY22	FY23
Building Permits Issued through COMPASS	2950	3828	
Harbor Capacity Study Surveys & Preliminary Report	Yes	Yes	n/a
Comprehensive Plan & Future Land Use Map (FLUM) Update	Yes	Yes	n/a
Land Development Code (LDC) Update	N/A	In Progress	In Progress



Information Technology

Mission Statement

Develop and maintain a consistent communication and network integration by utilizing the most efficient technology available, and by providing excellent internal and external customer service.

Program Statement

The role of the Information Technology (IT) Program is to advance the overall productivity and efficiency of the City through integrated information systems. The department is responsible for helping all city departments streamline processes and be more efficient through information technology. Primary responsibilities include the development, support and management of all the City's information services and mediums, including computers, tablets, smartphones, network infrastructure, and IP telephone systems. The department is also responsible for staff training on systems and applications and management of all service and maintenance contracts for systems management repair and upgrades.

Budget Highlights

The Information Technology's budget comprises 4% of the General Fund's total budget. The Information Technology's division consists of 4 FTE employees. The Information Technology's budget of \$668,903 represents an increase from FY 2023 of \$198,492. Of the \$668,903 allocated for this division, 65% is for salaries and benefits. The remaining amount allocated for this division is for supplies, required services and training, dues and memberships, other operating needs, software licenses, maintenance support, and capital for the function of the General Government information and communication needs. Personnel costs are the primary reason for the budget increase. Software and communication expenses are generally allocated to the major functions/departments that use them.

Budget Details

Budget Title: Information Technology

Budget Org: 0151932

Budget Monitor: Information Systems and Technology Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 375,284	\$ 291,091	\$ 307,995	\$ 436,264	\$ 128,269
Contract Services	-	-	15,000	50,000	35,000
Operations	104,524	91,946	147,416	182,639	35,224
Total IT Expenditures	\$ 479,808	\$ 383,037	\$ 470,411	\$ 668,903	\$ 198,492



Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Information Technology Director	1.0	1.0	1.0	1.0	0
Network System Administrator	1.0	1.0	1.0	1.0	0
Systems & Network Specialist	1.0	1.0	1.0	1.0	0
GIS Manager/Sys Specialist	1.0	1.0	*0.0	*0.0	0.0
Total FTEs	4.0	4.0	3.0	3.0	0

*GIS moved to Planning

Accomplishments FY23

The Information Technology department's core mission of maintaining network and infrastructure uptime continues to be accomplished at high levels. Uptime (outside of planned maintenance) continues to exceed 99.9% availability.

In 2022, the IT Department continued to face many challenges, as well as achieving many accomplishments, to address the needs of the city throughout another unconventional year. The IT Director position has been vacant for several months which has resulted in IT resources and the Interim IT Director's (Deputy City Manager) resources being stretched thin. Despite these challenges, the department continues to move forward with critical and high priority tasks and initiatives.

IT remains busy with onboarding new employees and getting them integrated into the city technology services. With the assistance of our help desk technician and the use of our ticketing software, processes that flow across the city regarding service requests, such as onboarding, termination/separation, general service requests, phone system support, and other IT related functions, continue to be enhanced and streamlined. These processes have continued to allow the IT to reduce time spent on installation and/or modifications to technology resources. Upgrades to the service catalog, knowledge base, and workflows are continually being evaluated and added. The City's ticket system has become the department's best tool for monitoring and maintaining service levels. This departmental tool is paramount to providing excellent customer service and improved response time for service requests.

IT remains instrumental in making mobile computing a priority for City services. Maintaining access to City services and applications for employees while off-site continues to be a top priority by the department. The proactive approach makes our mobile technology a success and will remain in focus. This is still a critical part in the way the City can conduct business during uncertain times as well as in emergency situations.

One of the key accomplishments in 2021, was the completion of the EnerGov implementation which is the City's new community development and code software, also known as COMPASS (**Community Permitting And Support System**). While still in the early life stages, this software is currently providing the following services to the City: improved reporting, improved capabilities for employees, customer access to information, improved review processes, and tracking capabilities across multiple departments regarding permitting, planning, licensing, engineering, and code compliance. IT has worked hard to continuously and successfully implement COMPASS into the City's information technology ecosystem.



The IT Department has been working with Energov and Tyler Technologies to prepare for a major version upgrade of the MUNIS and Energov system to the Saas/Cloud-based system in early 2023.

Additional Accomplishments

- IT continue to purchase and repurpose computer equipment to accommodate turnover as well as growing staff.
- Upgrading of virtual access for staff.
- Upgrade our recreation software to the cloud hosted version of RecTrac (Major upgrade)
- Upgraded the city's agenda system to the latest version
- Continued maintenance and updates to Munis, the City's financial software
- 99.9% Backup Success Rate, Uptime of Servers, Uptime of Network, and Uptime of VoIP
- 90% of service orders were satisfied within 24 to 48 hours, depending on assigned priority.
- Maintenance of existing network infrastructure to accommodate all city facilities.
- Maintains over 60 phones and the VOIP server-based phone system
- Maintains and supports over 100 computers, 30 Laptops, 42 Smartphones, 26 Printers, and 8 Mobile Networking devices
- Implemented and added Microsoft Defender Advanced Threat Protection to assist in the configuration of Cybersecurity Measures for city cloud/email services.
- Accomplished access to DAVID system and completed necessary training for administrators

Challenges FY24

Major Goals (80+ hours of effort per goal)

- Assist in software development for improved reporting of KPI's and dashboard metrics
- Transition to technical support of our Community Development software (EnerGov)
 - Assist with technical issues that arise in the EnerGov system
 - Maintain user access across multiple departments and divisions
 - Facilitate a system upgrade when available
 - Monitor Tyler Servers in conjunction with Tyler Products
- Provide on-going training in respect to the utilization of Office 365 across all city departments
- Improvements to Security and Compliance regarding email archiving and Office 365
- Improvements to Cloud-to-Cloud backup and replication
- Upgrade our financial software, Munis, to the latest version.
Implement a new technology software platform for Public Works
- Setup vulnerability scanning provided by Critical Infrastructure & Security Administration (CISA)

Minor Goals

- Replacement or upgrade aging computers and systems
- Continued maintenance to operating systems and satisfy system standardization
- Weekly Geographic Information System updates and coordination with county agencies
- Monthly Geographic Information System updates to external mapping systems
- Removable Media Policy (city-wide)
- Cybersecurity and Training Policy
- Utilize the IT help desk ticket system for 100% of city-wide requests the relate to IT

*Goals and Objectives*

- 1) Efficiently maintain City properties at a safe and functional level.
- 2) Maintain a proactive approach ensuring City infrastructure needs are met.
- 3) Perform safety inspections and preventative maintenance to reduce costs and prolong useable life of City facilities.
- 4) Provide clean, safe facilities for public use and services in a timely and responsive manner.
- 5) Ensure timely response and/or completion of work orders.
- 6) Provide support in maintaining or upgrading software applications and move to cloud-based solutions where applicable.

Performance Measures (Results)

	FY21	FY22	FY23
Servers above 99.8% uptime	100%	100%	100%
Daily backup success	99.9%	99.9%	100
Daily server updates	100%	100%	100
% Healthy servers	100%	100%	100
% of closed ITD work orders within user specified due date	99.4%	97%	100
Average age of computers	3.5 Years	3 Years	3 Years
% of closed GIS work orders within user specified due date	98%	97%	95

Productivity Indicators

	FY21	FY22	FY23
Total number of computer users	107	111	178
Total number of workstations (includes Library public workstations)	179	185	121
Total number of servers and virtual servers	14	14	7
Total number of databases maintained	8	8	7
Total number of IT Help Desk requests received	1083	1327	923
Total number of IT Help Desk requests resolved	1079	1325	885
Total number of GIS tickets received	72	116	33
Total number of GIS tickets resolved	72	116	33





Public Safety

Description

Public Safety includes services provided by the legislative and administrative branches of the City for the benefit of the public and the governmental body as a whole. Organizational units included under Public Safety include General Public Safety, Building Inspection, Code Compliance, and Emergency Management Operations.

Law enforcement, in the General Public Safety budget, is provided through an interlocal agreement with the Okaloosa County Sheriff's Office.

Department Recap	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
General Public Safety	\$ 2,582,998	\$ 2,574,705	\$ 2,735,420	\$ 3,021,156	\$ 285,736
Code Compliance	655,256	554,484	763,811	1,199,352	435,541
Emergency Management	13,200	17,120	41,512	43,703	2,191
Total Public Safety Expenditures	\$ 3,251,454	\$ 3,146,309	\$ 3,540,743	\$ 4,264,211	\$ 723,468

Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 536,669	\$ 455,572	\$ 655,506	\$ 1,036,092	\$ 380,586
Contract Services	2,567,740	2,558,028	2,695,995	2,982,778	286,783
Operations	147,045	132,709	189,242	245,341	56,099
Total General Gov Expenditures	\$ 3,251,454	\$ 3,146,309	\$ 3,540,743	\$ 4,264,211	\$ 723,468



General Public Safety (Law Enforcement)

Program Statement

The Public Safety organizational unit includes the cost of law enforcement, beach safety, and school crossing guards.

Law enforcement services for the City of Destin are provided through a contract with the Okaloosa County Sheriff's Office. This contract is reviewed and negotiated prior to the beginning of each fiscal year. The contract defines specific resource allocations that are to be provided by the Okaloosa County Sheriff's Office and the costs associated with the extended level of service. The City has researched if establishing a local police department is feasible and it has been determined that the current contract with the Sheriff is the most cost effective and efficient manner to provide law enforcement to Destin residents.

The City of Destin also contracts with the Destin Fire Control District through an interlocal agreement for beach and ocean lifeguard services. There are two programs within Beach Safety designed to help the division reach the goal of ensuring public safety on the beach: (1) Lifeguard Operations –which provides lifesaving services along the beaches; and (2) the Prevention/Education Program which attempts to reach residents and visitors with beach and ocean safety education.

The public safety organizational unit also includes the cost of part-time temporary employees who fill the role of school crossing guards for Destin Elementary School.

Budget Highlights

The Public Safety's budget comprises 18% of the General Fund's total budget. This budget covers the overall Law Enforcement Services Agreement with the Okaloosa County Sheriff's Office which includes payroll and operating expenses for 21 FTE (17 patrol, 2 investigators, 1 marine, 1 support). For FY 2024, personnel costs have increased 1% for the Sheriff's Office. Fuel and IT costs have increased. This budget also reflects payments to the Destin Fire Department for the Beach Patrol (Lifeguard) Program. This budget also includes wages for three part-time seasonal Elementary School Crossing Guards.

Budget Details

Budget Title: Public Safety
Budget Org: 0152140
Budget Monitor: City Manager

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 14,971	\$ 6,049	\$ 30,419	\$ 30,703	\$ 284
Contract Services	2,558,990	2,556,862	2,686,495	2,972,778	286,283
Operations	9,037	11,795	18,506	17,675	(831)
Total Public Safety Expenditures	\$ 2,582,998	\$ 2,574,705	\$ 2,735,420	\$ 3,021,156	\$ 285,736



Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Crossing Guard (PT Seasonal)	1.0	.58	.58	.58	0
Total FTEs	1.0	1.0	.58	.58	0

Accomplishments FY23

For the Okaloosa Sheriff's Department, in fiscal year 2022, calls for service for the City of Destin reached 35,869.

Beach Safety employs almost 62 employees during peak season In FY2022 and provided the following services and metrics.

	Attendance	Minor First Aid	Major First Aid	Public Contacts	Preventative Acts	Missing Persons	Lost Persons	Persons Rescued	Assits	Boat Infractions	PWC Infractions	Marine Life Stings
MONTHLY TOTALS												
March	91,819	11	6	31,626	14,719	9	4	5	2	-	-	-
April	153,638	-	9	54,566	21,683	4	-	16	4	-	-	-
May	286,270	2	7	84,059	17,407	6	3	61	2	-	-	17
June	442,620	12	21	104,758	26,449	14	6	97	53	9	3	10
July	516,249	20	7	78,230	21,960	41	3	15	55	2	3	2
Aug.	228,357	3	8	42,798	9,456	6	5	18	29	-	-	-
Sept.	142,686	2	1	37,712	6,009	-	2	2	5	-	-	-
Oct.	103,005	3	1	28,379	8,522	1	-	-	-	-	-	-
TOTAL	1,964,644	53	60	462,128	126,205	81	23	214	150	11	6	29

Challenges FY24

Destin has a large influx of visitors between March and October of each year, with peak season from Memorial Day to Labor Day. During this time, the demand for public safety services rapidly increases at the beginning of the tourist season. For these reasons, the City Council created a strategic objective for staff to pursue additional funding for Public Safety from agencies such as the Okaloosa County Tourist Development Council (TDC). Staff's FY2022 request to assist in funding was denied but funding for other services were kept flat; However, staff will continue to pursue opportunities such as the BYRNE Grant, Cares Act Program as well as TDC funding to help absorb the financial impact of the tourist industry on the City of Destin's public safety programs.

For the Okaloosa Sheriff's Department, the increased number of visitors stresses our transportation system which overflows onto residential streets within the City of Destin. This can create challenges in keeping vehicles driving at posted speeds as well as ensuring the safety of pedestrians. Deputies assigned to the City of Destin will continue to address aggressive driving by conducting saturation patrols of problem areas.



It is important for Beach Safety to educate beach goers on water safety as well as maintaining the beach flag system. It has proved challenging for Beach Safety and the Okaloosa Sheriff's Department to gain compliance by swimmers to exit the water during double red flag conditions occur, which is when no swimming is allowed due to dangerous surf conditions. In addition to dangerous surf conditions, the OCSO and Beach Safety crews face challenges of the mobility of resources across congested beaches, ropes, chains and structures during peak season.

Goals and Objectives

- 1) Reduce DUI and BUI related crashes
- 2) Keep the number of swimming/beach related accidents and deaths at a low rate
- 3) Reduce traffic crashes
- 4) Keep violent crime rate low

Performance Measures (Results)

OCSO	FY21	FY22	FY23
Violent Crimes	48	28	29
Traffic Crashes	839	761	575
DUI's	125	107	93
Beach Safety			
Rescues	403	214	**
Drownings in guarded areas	2	1	**
Drownings in unguarded areas	1	0	**

*OCSO Stats are manually counted due to information technology issues and could not be electronically provided at time of deadline. Stats range from Oct 2021 – Sept 2022.

**Destin Beach Safety will provide statistics for the FY23 period by August 7, 2023.

Productivity Indicators

OCSO	FY21	FY22	FY23
Total Calls for Service	39,959	35,869	33,324
Traffic Violations	3130	3,827	4,133
City Ordinance Violations	49	55	121
Beach Safety			**
Beach Attendance	1,892,189	1,964,644	**
Beach Preventative Acts	157,516	126,205	**
Beach Major Medical Responses	67	60	**



Code Compliance

Mission Statement

Code Compliance Department Officers protect the public's well-being and enhances the quality of life by enforcing the city's health, safety, zoning, and sanitation codes. Code Officers are available seven days a week to address code compliance concerns and ensure that our city remains a beautiful place to live, work and play.

Program Statement

The Code Compliance Department is composed of trained officers who use a hometown community approach and in doing so, create strong bonds with our City of Destin residents and visitors. The goal is to strengthen community outreach and gain voluntary compliance through education of City ordinances and codes. Code Compliance Officers perform a variety of technical duties in support of the City's local Code Compliance program. They monitor and enforce a variety of applicable ordinances, codes, and regulations related to zoning, land use, building codes, public nuisance, short and long-term rentals, beach vendors, beach management, harbor and waterways, livery vessels, health and safety, blight, security checks, and other matters of public concern. They serve as a resource of information on City regulations to property owners, residents, businesses, the public, and other City departments, and divisions. In addition to their responsibilities pertaining to Code Compliance, the officers identify and solve problems, establish goals, and define strategies within the community.

Code Compliance Officers work seven-(7) days a week from 7 a.m. to 12:00 a.m. We cover 7.66 square miles containing roughly 63 miles of roadways and sidewalks. There are approximately 6,200 households with nearly 14,000-year-round residents. (1) Annually, the City of Destin experiences more than 4.5 million visitors. (2) There have also been discussions amongst city officials and elected officials of annexation to our east. As one might imagine, with 4.5 million visitors and vehicles there are countless interactions with Code Compliance. To that point, the Code Compliance Department is the catch-all for complaints and questions. The backbone of this job is documentation. If/when these cases go to court, we are expected to have our cases well written, in order, and defensible. The Code Compliance Department also assists the Community Development Department, to include Building, Planning, Engineering and Permitting in the education, oversight, notification and enforcement of numerous city ordinances and land development codes to ensure a safer community.

The Code Compliance Department supports several top priorities:

1. Short Term Rental Registration and Oversight
2. Long Term Rental Registration and Oversight
3. Livery Vessel / Bareboat Charter Issues
4. Beach Vendor Issues
5. Parking Issues
6. Unauthorized/Unpermitted Construction/Renovation Work
7. Boat Patrol of Harbor and Waterways
8. Unauthorized Launching and Pick-ups at City Owned Property
9. Unauthorized Anchoring of Inflatables in Joe's Bayou
10. Derelict Vessels



Budget Highlights

The Code Compliance Department's budget comprises 7% of the General Fund total budget. The Code Compliance Department consists of 9 FTE employees. This Department's budget of \$1,199,352 is an increase of \$435,540 from the FY 2023 budget. Of the \$1,199,352 allocated for this division, 81% is for salaries and benefits. The remaining amount is for software, communications (IT, radio, cell), repairs and maintenance, supplies, and required training. The FY 2024 budget includes 5 new full-time and 2 new part-time positions to meet demands of our City.

Budget Details

Budget Title: Code Compliance
 Budget Org: 0152442
 Budget Monitor: Code Compliance Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 521,698	\$ 436,908	\$ 593,775	\$ 971,286	\$ 377,511
Contract Services	8,750	1,167	9,500	10,000	500
Operations	124,808	116,409	160,536	218,066	57,530
Total Code Compliance Expenditures	\$ 655,256	\$ 554,484	\$ 763,811	\$ 1,199,352	\$ 435,541

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Code Compliance Director	1.0	0.9	0.9	0.9	0
Code Compliance Deputy Director	0	0.9	0.9	0.9	0
Code Compliance Officers	6.5	5.4	5.4	11.25	5.85
Administrative Assistant	1.0	0.9	0.9	0.9	0
Total FTEs	8.5	8.1	8.1	13.95	5.85

Accomplishments FY23

The Code Compliance Department continues to register Short and Long-Term rental properties (1,015 7 141, respectively) along with Beach Vendors (49) and Livery Vessels (401). Most registrations categories increased from the previous year -. Code Compliance have responded to 3151 Calls for Service and issued 269 Code Citations, 66 Notice of Violations, 8 Notice of Hearings, and issued 1,076 Citations for parking violations throughout the city, all from January to July 31st, 2023. A.

A new Code Compliance Director was hired in April and the Code Compliance Department was transformed from a reactive to proactive mode. The operational abilities of the Code Compliance Department were also increased by issuing needed equipment-(Water Resuce Disc, Person Flotation Device (PFD), Trauma Kits, Lock-out tools, and Narcan. All Code Compliance Employees attend FEMA training; each being awarded a Certificate in FEMA's Professional Development Series to better assist the City and Community in a disaster. The Code Compliance Officer of the Quarter Program was instituted and new Code Compliance Officer the Field Training Manual was rewritten. **Short-term rental registrations increased from FY2021 to FY2022 to FY2023 Registration Officers are diligently**



processing Registration and Violations bringing additional properties into compliance. Long-term rentals show a small decrease from 148 to 141 registrations, as now long-term rental properties must submit BTR's.

Challenges FY24

The Code Compliance Department while significantly understaffed will continue to monitor and enforce the registration of Short Term and Long-Term Rental properties along with Beach Vendors and Livery Vessel operators. Increasing rules and regulations awareness to short term rental occupants regarding parking, noise and garbage will also be a key challenge. Forming relationships with and educating short term rental management companies to work with the city to educate renters of expected behavior. Aligning staff availability with peak needs time. It will also be essential to work with the Community Development Department in strengthening various codes to ensure a more comprehensive enforcement procedure may be obtained. Code Compliance is working to add the International Property Maintenance Code as a new tool to aid in improving the City of Destin through enforcement of existing residential and non-residential structures.

Code Compliance is also working on new goals and objectives for FY24. New benchmarks will be created as well as tracking and reporting mechanisms being setup within the new Energov system.

Goals and Objectives FY24

- 1) Compliance rate of cases in the 90th percentile.
- 2) Tracking rental registration and livery application average application time from application to issuance.
- 3) Have all new cases entered before end of shift
- 4) Decrease complaints from residents who live in single-family neighborhoods.
- 5) Respond to complaints within a 24 hour/ (3-business days) timeframe.
- 6) Follow up on 100% of complaints
- 7) Add additional staff
- 8) Code Compliance Officers to obtain additional FACE Certifications
- 9) If approved for its staffing request, the Code Compliance Department will assume responsibility for the Crossing Guard duties and train its staff accordingly.
- 10) Conduct STR Summit for Local Responsible Parties to ensure local ordinances, policies, and rules are understood and shared.

Performance Measures (Results)

	TARGET		FY23
Complete STR registrations for preexisting units by May 1 st (NEW)	100% STR renewals complete		97.5



Open/Update all Code cases by the end of each shift. (NEW)	100% cases updated		100%
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Productivity Indicators

	FY21	FY22	FY23
Short-term rental registrations approved	917	939	1,015
Long-term rental registrations approved	200	148	141
Livery vessel registrations approved	484	383*	401
Beach vendor registrations approved	57	54	49

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Emergency Management

Mission Statement

In the event of a natural or manmade disaster, the City strives to ensure sufficient public notification, and evacuation of Destin's citizens and visitors through an on-going coordination with area emergency management officials and advanced planning and mitigation measures.

Program Statement

The Emergency Management Program falls under the authority of the Emergency Manager, who commands the City's resources in the event of any emergency or disaster. The Emergency Manager maintains and updates Destin's Disaster Preparedness Plan, keeping emergency information current and dispersed to all personnel. The Emergency Manager also maintains continuing service contracts with disaster response and debris removal organizations and informs them when to mobilize and be on stand-by. The Emergency Manager serves as the City's liaison with County, State, and Federal agencies before, during and after a disaster.

Budget Highlights

The Emergency Management's budget comprises of less than 1% of the General Fund's total budget. The Emergency Management's budget of \$43,703 represents an increase of \$2,191 from the FY 2023 budget, primarily due to increased personnel (insurance) costs. Most of this budget is salary and benefits. The remainder of this budget is for printing hurricane preparedness brochures, supplies, disaster preparedness and response training, dues and memberships.

Budget Details

Budget Title: Emergency Management

Budget Org: 0152543

Budget Monitor: Emergency Management/Public Works Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ -	\$ 12,615	\$ 31,312	\$ 34,103	\$ 2,791
Contract Services	-	-	-	-	-
Operations	13,200	4,505	10,200	9,600	(600)
Total Emergency Mgmt Expenditures	\$ 13,200	\$ 17,120	\$ 41,512	\$ 43,703	\$ 2,191

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Public Works and Emergency Management Director			0.2	0.2	0.0
Total FTEs	0.0	0.0	0.2	0.2	0.0

Accomplishments FY23

The City was not required to activate the Emergency Operations Center (EOC) during FY23. The City completely updated the City's Disaster Preparedness Plan in FY21 with periodic updates to individual



documents as required. Full funding from Florida Division of Emergency Management (FDEM) also secured for (2) 6" self-priming pumps for use during emergencies. Staff also purchased a "toy-trailer" to store and transport our inventory of 2", 3", and 4" pumps and hoses.

Challenges FY24

City staff remain committed to annually reviewing the Disaster Preparedness Plan and associated Operating Instructions, updating them as needed, and always remaining flexible during an actual event to meet the immediate and long-term demands of its citizens and visitors.

Goals and Objectives

- 1) Ensure disaster preparedness and recovery activities coordinated with the Okaloosa County Emergency Management Department, the Destin Fire Control District, the Okaloosa County Sheriff's Department, Destin Water Users and State and Federal agencies to ensure public safety, mitigate hazards, and expedite necessary recovery efforts and reimbursements.
- 2) Remain current with policies and practices of the State of Florida's Division of Emergency Management and coordinate all departmental and administrative emergency procedures to ensure uniformity and compliance.
- 3) Ensure proper FEMA documentation and reimbursement procedures.
- 4) Research, develop, and execute mitigation measures to benefit City operations.
- 5) Coordinate with the OCSO, DFCD and Okaloosa County to establish a future CERT program in Destin.

Performance Goals/Measures (Results)

	FY21	FY22	FY23
Update and distribute the City's Disaster Preparedness Plan and EM OIs	Yes	Yes	Yes
Annual renewal of Debris Management contracts	Yes	Yes	Yes
Make available disaster/flood preparedness and recovery materials for the public	Yes	Yes	Yes
Obtain maximum reimbursements for City from FEMA	Yes	Yes	Yes
Maintain EM inventory and supplies	Yes	Yes	Yes
Acquire on-going training twice per year as available for EM issues	6	4	3+

Productivity Indicators

	FY21	FY22	FY23
Total number of significant storm events	0	0	0
Total number of Emergency Operations Center activations	0	0	0
Total Emergency Management meetings	2	2	2



Physical Environment

Description

According to the Florida Uniform Accounting System Manual for Florida Local Governments, the Physical Environment category is cost of services for the primary purpose of achieving a satisfactory living environment by controlling and utilizing elements of the environment. Generally, this category includes provision of utilities, solid waste, conservation and resource management, flood control and stormwater management. This category also includes cemetery management and operations.

The City of Destin does not operate and manage any utilities. Under general physical environment, the city tracks costs related to flood control, stormwater management and water quality. In FY23 the City hired a Stormwater Maintenance Technician. The City also owns, operates and manages a cemetery.

Department Recap	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Stormwater/Water Quality	\$ 187,965	\$ 164,834	\$ 302,829	\$ 447,307	\$ 144,478
Cemetery	11,108	4,877	11,467	11,799	332
Total Physical Envir Expenditures	\$ 199,073	\$ 169,711	\$ 314,296	\$ 459,106	\$ 144,810

Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 119,821	\$ 79,207	\$ 158,250	\$ 234,111	\$ 75,861
Contract Services	7,728	7,728	47,500	106,500	59,000
Operations	71,524	82,776	108,546	118,495	9,949
Total Physical Envir Expenditures	\$ 199,073	\$ 169,711	\$ 314,296	\$ 459,106	\$ 144,810



Stormwater/Water Quality

Mission Statement

The Physical Environment program ensures the implementation of various programs designed to preserve the waterways, beaches, cemeteries and supports the execution of the City's NPDES Stormwater Program.

Program Statement

This program falls under the direction of the Public Works Department. The goals of this program are to maintain and improve upon the City's natural resources. This program monitors environmental concerns, including stormwater, the Adopt-A-Street Program, beach clean-ups, water quality monitoring, and management of the Destin Harbor pumping station.

Budget Highlights

The Stormwater/Water Quality fund budget comprises 2% of the General Fund total budget. For FY 2024, we recognize the need for more effort to address stormwater infrastructure issues, and therefore we are allocating time from Engineering staff and Public Works staff to manage stormwater capital projects that are funded by American Rescue Plan Act funds and an allocation of Okaloosa Half Penny funds. The remaining amount in this budget include the utility expenses to run flood management and water quality pumps, and maintenance and repair costs for the equipment and a generator.

Budget Details

Budget Title: Stormwater/Water Quality
Budget Org: 0153800
Budget Monitor: Public Works Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 119,821	\$ 79,207	\$ 158,250	\$ 234,111	\$ 75,861
Contract Services	7,728	7,728	47,500	106,500	59,000
Operations	60,416	77,899	97,079	106,696	9,617
Total Stormwater/Water Expenditures	\$ 187,965	\$ 164,834	\$ 302,829	\$ 447,307	\$ 144,478



Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Stormwater Manager	0	1.0	0.0	0.0	0.0
Public Works/Stormwater Director			0.2	0.2	0.0
Maintenance Tech			1.0	1.0	0.0
Equipment Operator		0.4	0.4	0.4	0.0
City Engineer			0.1	0.1	0.0
Engineering Assistant II			0.1	0.1	0.0
Engineering Assistant I		0.2	0.2	0.2	0.0
Total FTEs	0.0	1.6	2.0	2.0	0.0

Staff, operating contracts and budget are managed by the Public Works Department with Code Compliance Assistance.

Accomplishments FY23

The Choctawhatchee Basin Alliance conducts regional water quality monitoring on behalf of the City. In addition, the City periodically hires a laboratory to collect and analyze water samples from the Destin Harbor. The City was re-certified through the Tree City USA program for the 20th year. The Choctawhatchee Basin Alliance also provides for the Public Education/Information/Involvement requirements of the City's NPDES Phase II Stormwater Permit. The City's NPDES program underwent a review by the Florida Department of Environmental Protection and was found to be in compliance.

Challenges FY24

This program faced great challenges relating to the environmental surroundings and past budget cuts. Staff will continue to strive to be re-certified in the Tree City USA program and maintain our relationship with the Choctawhatchee Basin Alliance. Staff will continue to administer our NPDES Storm Water Program to ensure compliance. The responsibilities of the former Stormwater Specialist position were re-distributed in FY22.

Goals and Objectives

- 1) Maintain a clean, safe environment for the City of Destin.
- 2) Maintain and improve water quality and aquatic habitat in the waters of the City of Destin.
- 3) Maintain and improve water quality and aquatic habitat within the Destin Harbor by operating the Harbor Pump during the Spring and Summer and on a limited schedule during the off-season.
- 4) Ensure environmental preservation, code education, and regulatory compliance.

Performance Goals/Measures (Results)

	FY21	FY22	FY23
Number of water quality testing rounds	>2	2+	2+
Maintenance of Agreement with CBA	Yes	Yes	Yes
Tree City USA recertification	Yes	Yes	Yes



Productivity Indicators

	FY21	FY22	FY23
Receipt of CBA Public Education Reports (semi-annual)	2	2	2
Receipt of CBA Water Quality Monitoring Reports (semi-annual)	2	2	2



Cemetery

Mission Statement

The Parks & Recreation Department will strive to enhance the community's Quality of Life through safe, efficient, and effective cemetery operations.

Program Statement

The Destin Memorial Cemetery is owned and maintained by the City. Within Florida's uniform classification methodology, cemeteries are classified as Physical Environment. The Parks Division maintains the grounds and the City Clerk keeps the official cemetery records. Cemetery operations also include two Sea Memorials and a Memorial Tree Program providing a means for residents to honor the memory of loved ones.

Budget Highlights

The Cemetery budget comprises less than 1% of the total General Fund budget. This organizational unit has a budget of \$11,799 for property insurance, maintenance and repairs. During FY 2023 we intend to gain a better understanding of the true cost to maintain the cemeteries and to adjust the fees accordingly

Budget Details

Budget Title: Cemetery
Budget Org: 0153950
Budget Monitor: City Clerk

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Contract Services	-	-	-	-	-
Operations	11,108	4,877	11,467	11,799	332
Total Cemetery Expenditures	\$ 11,108	\$ 4,877	\$ 11,467	\$ 11,799	\$ 332

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
None					
Total FTEs	0.0	0.0	0.0	0.0	0.0

Duties are covered by staff from the City Clerk's office and Parks and Recreation.

Goals and Objectives

- 1) Provide efficient and timely cemetery operations.
- 2) Ensure safe, attractive, and well-maintained cemetery grounds.
- 3) Work with customers on disposal of flowerpots and other unsightly items.

Performance Measures (Results)

	FY21	FY22	FY23
Number of complaints received	4	2	2
Number of complaints resolved within goal timeframe	4	2	2



Productivity Indicators

	FY21	FY22	FY23
Number of annual maintenance days	52	52	52
Number of plots marked	100%	100%	
Number of plots maintained	2328	100%	
Number of plots sold	18	8	



Transportation

Description

The transportation category is home to the Public Works department, as most of their expenses are related to maintaining the City's infrastructure (roads, medians, sidewalks, streetlights). Engineering services have also been tracked in the category since inception of the City. The Engineering Division is now managed by the Community Development Director, and their services reach far more than city transportation infrastructure.

Department Recap	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Public Works	\$ 1,445,981	\$ 1,364,787	\$ 1,504,600	\$ 1,463,872	\$ (40,728)
Engineering	280,347	106,960	260,462	488,252	227,790
Median Maintenance	122,800	117,648	183,150	123,430	(59,720)
Total Transportation Expenditures	\$ 1,849,128	\$ 1,589,395	\$ 1,948,212	\$ 2,075,554	\$ 127,342

Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 1,068,086	\$ 854,086	\$ 1,095,827	\$ 1,251,963	\$ 156,136
Contract Services	123,953	95,953	27,500	152,500	125,000
Operations	657,089	639,357	824,884	671,091	(153,793)
Total Transportation Expenditures	\$ 1,849,128	\$ 1,589,395	\$ 1,948,212	\$ 2,075,554	\$ 127,342



Public Works

Mission Statement

To pursue continuous quality improvement in our work processes ensuring the best possible customer service in the following areas:

Administration -Clerical, Payroll, Accounts Payable, Contract Management, Reporting, Work Orders, Dispatch, Scheduling

Street/Drainage Maintenance -Street Repair, Signage, Sidewalks, Road Striping, Drainage, Assessments

Beautification -Right-of-Way Mowing, Tree Trimming, Street Sweeping, Aesthetics

Fleet Maintenance -Vehicles, Equipment

Program Statement

Under the Florida uniform classification system, Public Works is classified under Transportation for reporting purposes. The City of Destin's Public Works Department is responsible for continuous preventative and reactive maintenance of roads, sidewalks, medians, rights-of-way, streetlights, and signage. In addition, the Public Works Department oversees the preventative maintenance program for all facilities, vehicles, and equipment (see also Facilities Maintenance in the General Government section) and coordinates the maintenance of stormwater management devices (see also Physical Environment organizational unit).

Budget Highlights

The Public Work's Budget of \$1,463,872 is 8% of the total General Fund budget. This division consists of 10.5 FTE employees. Of the \$1,463,872 allocated for this division, 64% is for salaries and benefits, 36% is for utilities and repairs for all city facilities, pump stations, and traffic signals, streetlights, and small repairs to sidewalks and roadways. See also the Renewal and Replacement fund and the five-year capital improvement plan for more regarding capital improvements and renewals of our streets, sidewalks and appurtenances.

Budget Details

Budget Title: Public Works
Budget Org: 0154160
Budget Monitor: Public Works Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 830,284	\$ 753,350	\$ 883,897	\$ 942,321	\$ 58,424
Contract Services	95,953	95,953	-	-	-
Operations	519,744	515,485	620,702	521,551	(99,151)
Total Public Works Expenditures	\$ 1,445,981	\$ 1,364,787	\$ 1,504,600	\$ 1,463,872	\$ (40,728)



Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Public Works Director	1.0	0.6	0.6	0.6	0
Deputy Public Works Director	1.0	1.0	1.0	1.0	0
Drafting/CAD Technician	1.0	1.0	1.0	1.0	0
Equipment Operator	1.0	0.6	0.6	0.6	0
Field Crew Supervisor	1.0	1.0	1.0	1.0	0
Mechanic	1.0	0.7	0.7	0.7	0
Maintenance Tech/Mechanic	1.0	1.0	1.0	1.0	0
Maintenance Technicians	2.0	4.0	4.0	4.0	0
Custodian	2.0	0.0	0.0	0.0	0
Administrative Assistant	1.0	1.0	1.0	1.0	0
Total FTEs	12.0	10.9	10.9	10.9	.0

Note: Effective midway through FY 2022, 40% of the PW Director began being charged to Emergency Management and Stormwater/Water Quality. In addition, 33% of the Mechanic started being charged to Parks for work on equipment used to maintain the city-wide parks. In FY 2022, 40% of the Equipment Operator started being charged to Stormwater.

Accomplishments FY23

Public Works Staff striped several City parking lots and roadside public parking spaces throughout the community in support of the City's Pay to Park Program. Contractors working on behalf of the City re-striped Crystal Beach Drive, Vintage Circle & Vintage Court, Scenic Highway 98 (Western Loop - Cobia Street), Main Street (Kelly – Indian Trail), Indian Trail Staff completed the annual assessments of streetlighting (x4) and drainage systems. Highlighted projects include the construction of several stormwater retention swales and the completion of the City's ADA Transition Plan for pedestrian facilities. Crews assisted with the Christmas Parade, Main Street Art Banner Program, and many other small/medium scale projects.

Challenges FY24

Sidewalk installation and replacement/repair, roadway resurfacing/reconstruction, and road striping will be completed as funding allows.

Goals and Objectives

- 1) Efficiently maintain City property at a safe and functional level.
- 2) Maintain a proactive approach ensuring City infrastructure is maintained.
- 3) Maintain an "on call" status for 24-hour emergency and after-hours response capability.
- 4) Ensure a safe, clean, productive, and pleasant work environment.
- 5) Ensure timely response and/or completion of work orders compliance.

*Performance Goals/Measures (Results)*

	FY21	FY22	FY23
Perform annual assessments of City roads & storm sewer infrastructure	Yes	Yes	Yes
Ensure outsourced project work is accomplished and paid in accordance with the contract	25	33	22 (est.)

Productivity Indicators

	FY21	FY22	FY23
Total number of work orders completed	535	516	588 (est.)
Number of continuing services contracts managed	11	11	11



Median Maintenance

Program Statement

The Public Works Department is responsible for maintaining the medians, which includes picking up litter, mowing, and maintaining landscaping. Most of this work is contracted out to a continuing services contractor. The City also maintains the medians in our section of Highway 98, and FDOT partially reimburses the City for this work through their contractor Webber Infrastructure.

Budget Highlights

The Median Maintenance budget of \$123,430 is 1% of the total General Fund budget. Most of the funds budgeted in this organizational unit are to pay a median maintenance contractor (maintenance is classified as “operations”). The FY 2024 budget is based upon three-year trend of actual costs. Beginning in FY 2020, the Community Redevelopment Agency began to support the costs of median maintenance within the two CRA districts (see the Special Revenue Fund section).

Budget Details

Budget Title: Median Maintenance
 Budget Org: 0154183
 Budget Monitor: Public Works Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Contract Services	3,000	-	-	-	-
Operations	119,800	117,648	183,150	123,430	(59,720)
Total Median Maintenance Expenditures	\$ 122,800	\$ 117,648	\$ 183,150	\$ 123,430	\$ (59,720)

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
None					
Total FTEs	0.0	0.0	0.0	0.0	0.0

Duties are covered by staff from the Public Works and the continuing services contractor.

Accomplishments FY23

The City maintained our relationship with our current vendor to provide median maintenance services. The FDOT began its median beautification project (Marler Bridge to Airport Road) in Spring 2022 and completed it in February of 2023. Our median maintenance contractor has not maintained the project area during construction. FDOT’s contractor will be responsible for maintenance of the vegetation for two-years (establishment period) after project close-out.

Challenges FY24

The FDOT intends on providing the City with a median beautification project from Airport Road to the Walton County Line at some point in FY24. The product will be an easier to maintain, FDOT sight-restriction compliant planting of lower growing groundcover, grasses and the addition of several oak



trees within this stretch of US98. A new irrigation system to support these plantings is also to be provided.

Goals and Objectives

- 1) Promote community aesthetics along the US98, Scenic 98 and other collector-class street corridors throughout the City.
- 2) Maintain a proactive approach to vegetation management through the on-going fertilization, pest-control and tree trimming efforts citywide.
- 3) Ensure that irrigation systems that support these areas are inspected and repaired as necessary.

Performance Goals/Measures (Results)

	FY21	FY22	FY23
Perform area inspections of those areas under contract	Yes	Yes	Yes
Maintain FDOT compliance standards for State corridors	Yes	Yes	Yes

Productivity Indicators

	FY21	FY22	FY23
Number of Mowing Cycles per Year	44	44	44
Number of Weed Control applications per Year	12	12	12
Debris Policing and Disposal (Litter Pick-up)	44	44	44



Engineering

Mission Statement

As an arm of the Community Development Department, the Engineering function ensures the public health, safety and welfare by applying broad-based engineering and transportation principles to City projects. The staff applies due diligence and appropriate engineering principles to represent the citizens' and City's interests in a professional, competent, and ethical manner.

Program Statement

The Engineering branch accomplishes its Mission by:

- Providing technical and compliance review of private construction projects affecting the City's right-of-way & infrastructure
- Planning, designing, managing, and budgeting internal work activities associated with past, current and future public infrastructure projects.

These engineering responsibilities are applied to public projects (Capital Improvement Projects) as a functional department within city government and on private projects as the governmental representative of the citizens of the City of Destin, Florida. The Engineering branch provides both leadership and support roles in the evaluation of infrastructure interests for: stormwater mitigation; management and coordination; traffic assessment and mitigation; implementing the City's transportation system, including bicycle and pedestrian facilities (multi-modal); erosion control; beach restoration and re-nourishment; environmental protection; infrastructure maintenance and permitting; parks and street lighting.

Budget Highlights

The Engineering Division's budget of \$488,252 is 3% of the total General Fund budget. Although traditionally categorized as transportation, demands for engineering services come from all City departments. Current engineering demand has been primarily from the Community Development department, so it was decided to hire more engineers and to have the department operate under the Community Development Director. Mid-way through FY2021, the City added a Professional Engineer to the team. In FY 2023, we added an Engineering Assistant, and in FY 2024 we are requesting to add a site inspector engineer. As stormwater and flood abatement projects are becoming more critical, staff have decided to allocate engineering time to the Stormwater (0153800) organizational unit. In recognition of the Engineers' time spent on supporting the Building Official, we have chosen to allocate 10% of the City Engineer and the Engineering Assistant II to the Florida Building Code fund. Most contracted engineering services are budgeted as part of capital projects.

*Budget Details*

Budget Title: Engineering
 Budget Org: 0154161
 Budget Monitor: Community Development Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 237,802	\$ 100,736	\$ 211,930	\$ 309,642	\$ 97,712
Contract Services	25,000	-	27,500	152,500	125,000
Operations	17,545	6,223	21,032	26,110	5,078
Total Engineering Expenditures	\$ 280,347	\$ 106,960	\$ 260,462	\$ 488,252	\$ 227,790

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
City Engineer, PE	1.0	.9	0.8	1.0	.2
Engineering Assistant II	1.0	0.0	0.2	0.2	0
Engineering Assistant I	1.0	.9	0.8	0.8	0
Engineering Site Inspector				.2	.2
Total FTEs	3.0	1.8	1.8	2.2	.4

Accomplishments FY23

During Fiscal Year 2022, Engineering has successfully completed the following projects:

- Administered the City Wide NPDES MS4 Erosion Control Program
- Continued to Provide efficient right-of-way permitting and stormwater plan review
- Administered the Citywide Local Mitigation Strategy, National Flood Insurance Program and Community Rating System.
- Hired a City Engineer (P.E.)
- Complete construction for the Calhoun Avenue Sidewalk LAP Grant

Challenges FY24

Engineering will endeavor to successfully complete the following on-going and future projects:

- Assist with the Administration of Final Design and Construction for the Norriego Point Recreational Improvements
- Clement Taylor Park Construction project
- Begin construction on the 2-lane Crosstown Connector
- Acquire an Advance Funding Agreement with FDOT to purchase the remainder of the right of way for the Crosstown Connector
- Construct the Gulf Shore Drive Extension



- Implementation/Inspections of the City Wide NPDES MS4 Erosion Control Program Requirements
- Continue to Provide efficient right-of-way and stormwater permitting
- Administer the Citywide National Flood Insurance Program and Community Rating System
- Assist with Beach Properties development as needed.
- Design of Linear Park
- Design/Construction assistance with Clement Taylor Park
- Design/Construction assistance with Sibert/Zerbe Parking Lot

Goals and Objectives

- 1) Track time of all permits from time of application to issuance
- 2) Establish benchmark for time to issue all permits
- 3) Protect and preserve public project and informational documents
- 4) Maintain inter-agency coordination and partnering presence for civic issues in local, state and federal entities
- 5) Provide complete and technically correct bid packages
- 6) Strive to keep City in compliance with NPDES MS4 Permit requirements
- 7) Provide engineering support to all City departments

Performance Measures (Results)

	FY21	FY22	FY23
Begin technical review of all development applications within 10 working days of receipt	92%	90%	
Review all permit applications within 10 working days of receipt	89%	90%	
Submit monthly activity and project status reports on time	100%	100%	

Productivity Indicators

	FY21	FY22	FY23
Total projects reviewed	37	49	
Percentage of pre-project inspections completed. (Target 100%)	NEW	100%	
Percentage of mid-project inspections completed. (Target 100%)	NEW	100%	
Percentage of post-project inspections completed. (Target 100%)	NEW	100%	



Economic Development

Mission Statement

Support and promote economic and tourist incentives that lead to a balanced, enhanced economy and quality of life for the Destin community.

Program Statement

Tourism is an intricate part of the industry in the City of Destin. Our beaches and outstanding fishing fleet draw thousands of tourists each year. The City Council allocates several thousand dollars towards cultivating interest in our beautiful area through donations to the local area Economic Development Council and by providing education grants to winners of special events like the Miss Destin contest.

Budget Highlights

The Economic Development budget of \$14,600 is less than 0.1% of the total General Fund budget.

There are no current plans to expand economic development services. The City will continue to support local economic development agencies within Okaloosa County, such as the Okaloosa Tourist Development Council (TDC), and the One Okaloosa Economic Development Council.

Budget Details

Budget Title: Economic Development

Budget Org: 0155271

Budget Monitor: City Manager

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Contract Services	-	-	-	-	-
Operations	14,200	14,452	14,500	14,600	100
Total Economic Dev Expenditures	\$ 14,200	\$ 14,452	\$ 14,500	\$ 14,600	\$ 100

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
None					
Total FTEs	0.0	0.0	0.0	0.0	0.0



Health and Human Services

Program Statement

Health and human services primarily consist of animal control operations, which are outsourced to various experts. The non-profit Panhandle Animal Welfare Society (PAWS) is the primary animal control entity for the area. They have not increased their rates in several decades, so we anticipate rates will increase at some point in the future. The Emerald Coast Wildlife Refuge assists with wild animal issues, such as protection of turtles and relocation of coyotes. Feline Friends assists with controlling the feral cat population.

Budget Highlights

Health and human services accounts for less than 1% of the total general fund budget. All these services are contracted out to local non-profits according to specialty. This budget also includes property insurance on the building the City rents to Food 4 Thought to support local food security.

Budget Details

Budget Title: Health and Human Services

Budget Org: 0156272

Budget Monitor: Code Compliance Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Contract Services	100,000	49,707	88,473	87,750	(723)
Operations	1,254	1,897	1,612	2,206	594
Total Health & Human Expenditures	\$ 101,254	\$ 51,604	\$ 90,085	\$ 89,956	\$ (129)

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
None					
Total FTEs	0.0	0.0	0.0	0.0	0.0

Productivity Indicators

	FY21	FY22	FY23
Number of animal complaints processed	157	173	106
Number of animals captured	95	82	60
Number of animals spayed/neutered	0	59	45
Number of animals relocated	68	59	45
Number of turtle nests protected	6	N/A	N/A



Culture and Recreation

Description

The City of Destin takes culture and recreation very seriously. This is the largest expenditure category, accounting for expenditure of 32% of the total general fund budget, above general government (28%) and public safety (25%).

	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Department Recap					
Library	\$ 692,916	\$ 700,624	\$ 905,642	\$ 1,002,936	\$ 97,294
Morgans Sports Complex	485,527	488,369	808,926	909,097	100,171
Special Events	148,750	54,057	138,400	140,700	2,300
Community Center	758,909	651,419	880,282	988,028	107,746
Parks	1,726,148	1,601,438	1,806,223	2,434,345	628,122
Total Culture & Recreation Expenditures	\$ 3,812,249	\$ 3,495,907	\$ 4,539,474	\$ 5,475,106	\$ 935,632

	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Summary					
Personnel	\$ 2,567,608	\$ 2,215,308	\$ 3,102,192	\$ 3,603,059	\$ 500,867
Contract Services	205,620	124,945	202,503	345,818	143,315
Operations	929,771	951,932	1,148,125	1,379,669	231,544
Capital Outlays	109,250	203,723	86,654	146,560	59,906
Total Culture & Recreation Expenditures	\$ 3,812,249	\$ 3,495,907	\$ 4,539,474	\$ 5,475,106	\$ 935,632



Library

- | | | |
|-------------------------------|----------------------|-------------------------------------|
| *AARP tax assistance | *Ancestry.com | *Art exhibits |
| *Book discussion groups | *Coffee bar | *Events and programs |
| *Technology instruction | *Digital media lab | *Exam proctoring |
| *Faxing and wireless printing | *Meeting rooms | *Notary services |
| *Private study/tutor rooms | *Voters registration | *Video game collection |
| *WiFi and computer access | *Digital Scanning | *Oculus Rift Virtual Reality System |

Mission Statement

The mission of the Destin Library is to provide resources that will empower our community to enrich their lives. **Tagline: Empowering Possibilities**

Program Statement

Through library services, the City of Destin supports the lifelong learning of community members. In addition to information resources, the Library provides professional staff assistance, Wi-Fi, public access computers and tablets, faxing, printing, and personalized one-on-one technology training. The Library offers stimulating and educational events and programs throughout the year, such as summer reading activities, speaker series, book clubs, musical performances, and more.



As an Okaloosa Public Library Cooperative member, the Destin Library extends free services to all of Okaloosa County. It provides a portal for Destin Library cardholders to access information from the other libraries in Okaloosa County. The Library has a physical collection of over 34,000 print, audio, and video materials for checkout. Additionally, more than 19,000 eResources items can be downloaded or viewed on a patron's smart device. New for FY2023 is the addition of Hoopla streaming services, which allows cardholders to stream movies, tv shows, and other tv programs similar to Netflix. The FY2024 budget includes \$60,700 to purchase new books, videos, and digital materials for the upcoming year.

Budget Highlights

The Library's Budget of \$1,002,935 is 6% of the total General Fund budget. This figure represents an increase of \$97,239 from the adopted FY 2023 budget. The Library consists of 6 full-time and 4 part-time employees. Of the \$1,002,935 allocated for this division, 72% is for salaries and benefits. The remaining 28% is for collection development, insurance, maintenance, utilities, supplies, and training. Personnel costs increased 7%, primarily due to the results of the compensation study, which raised most hourly wages from \$11/hour to \$16/hour.

*Budget Details*

Budget Title: Library
 Budget Org: 0157180
 Budget Monitor: Library Director

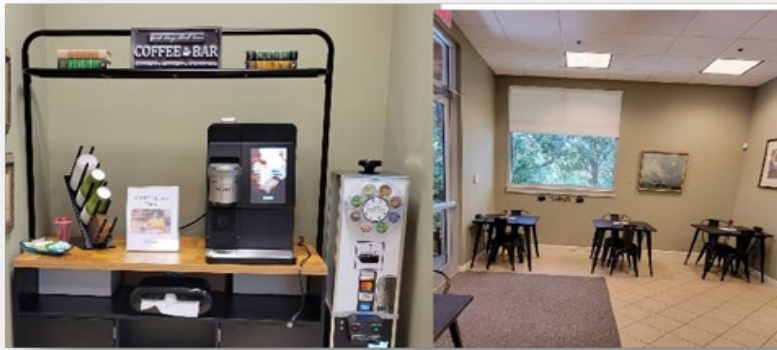
Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 514,667	\$ 510,569	\$ 668,099	\$ 718,940	\$ 50,841
Contract Services	8,081	5,671	2,000	1,500	(500)
Operations	119,918	134,681	178,093	221,796	43,703
Capital Outlays	50,250	49,702	57,450	60,700	3,250
Total Library Expenditures	\$ 692,916	\$ 700,624	\$ 905,642	\$ 1,002,936	\$ 97,294

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Library Director	1.0	1.0	1.0	1.0	0
Youth Services Librarian	1.0	1.0	1.0	1.0	0
Technical Services Librarian	1.0	1.0	1.0	1.0	0
Circulation Supervisor	1.0	1.0	1.0	1.0	0
Technology Program Specialist	1.0	1.0	1.0	1.0	0
FT Library Assistant	1.0	1.0	1.0	2.0	1.0
PT Library Assistants	3.63	2.9	2.9	2.17	-.73
Total FTEs	9.63	8.9	8.9	8.9	.27

Accomplishments FY23

The library team continually updates the Library's collections, programs, and technology to provide the best possible experience for patrons. Here are the highlights of FY2023.

The start of the year saw library operations return to normal after the COVID pandemic and the number of visitors and attendance at library events rising. The teen reading area was relocated to another section of the Library to allow more space for teen materials. The Friends Guild of the Destin Library funded the new seating and tables for the teen area, expanding our comfortable seating areas for both teens and adults.



Another new feature of the Library is the coffee bar located in the lobby outside the Calhoun Meeting Room. The self-service coffee bar includes a vending machine dispensing coffee pods that are then placed into a Keurig coffee brewing system. Furniture was moved to allow space for four bistro-style tables with chairs, offering a convenient place to sit to drink coffee, chat with other patrons, or work on a laptop.

A Friends Guild-sponsored grant from Build-A-Bear enhanced this year's annual Summer Reading Program (SRP). The Library received 400 bears given out to children when they signed up for the SRP as reading buddies. This incentive more than doubled the number of registrations, with **577** participants, compared to FY2022, with 249 participants. The Rotary Club and The Library Friends Guild once again sponsored our program. These local businesses contributed items or services: Okaloosa County Tourist Development Division, Destin History and Fishing Museum, Keep Okaloosa Beautiful, Krispy Kreme Donuts, Dunkin Donuts, Walmart, Winn-Dixie, Lush, Starbucks, The Spice and Tea Exchange, Sam's Club, and Lowes.



Challenges FY24

The demand for digital materials continues to be a challenge for the library. The average cost of an ebook is typically three times the cost of the print counterpart. The digital titles must be repurchased about every two years, depending on the lending model. Next, the Library's building is getting close to 20 years old, and worn items need replacing or updating. Also, we are outgrowing our largest meeting room. During our busy season, we do not have enough space to accommodate safely all those that wish to attend our events and must turn unhappy patrons away.

Goals and Objectives

1. Decrease staff turnover and develop accession planning for the Library's future.
2. Expand our outreach and partner with local organizations to promote awareness of Library services.
3. Repurpose and update some of the library spaces to make better use of the building and offer improved and expanded collaboration and meeting areas.

*Performance Measures (Results)*

Category	FY21	FY22	FY23*
New Patron Enrollment	991	1208	1023
Visitors to the Library	35,901	47,201	43,666
Circulation of print and non-print collection	76,609	67,134	56,609
Circulation of digital materials	22,627	19,695	16,445
Total programs offered	205	135	212
Total program attendance	3792	3759	6981

*Numbers listed are for 10/22 – 7/23.





Parks

Mission Statement

Provide exceptional customer service and a variety of safe, professionally managed recreational opportunities, services and facilities for all ages and ability levels in a fiscally responsible manner through well-trained, professional staff and partnerships.

Program Statement

The Parks Department is responsible for routine maintenance of 33 City owned facilities, including 8 playgrounds.

<u>Beach Parks</u>	<u>Beach Trails</u>	<u>Parks</u>	<u>Recreational Facilities</u>	<u>Sports Complexes</u>	<u>Playground</u>
Shores at Crystal Beach	O'Steen	Nancy Weidenhamer Dog Park	Harbor Boardwalk	Morgan Sports Center	Community Center
June White Decker	Calhoun	Jewel Melvin	Community Center	Dalton Threadgill Park	Captain Leonard Destin Park
Norriego Point	Silver Shells	Kel-Aire North	Buck Destin Park	Destin Sports Complex (DES)	Clement Taylor Park
	Shirah	Kel-Aire South	Destin Cemetery Phases I and II		Dewey Buck Destin Park
	Crystal Beach	Main Street	Marler Parking Lot		Destin Elementary School
	Barracuda	Harbor Lane			Captain Royal Melvin Heritage Park
	Pompano	Duck Pond			Kel-Aire South
	Tarpon	Captain Royal Melvin Heritage Park			Morgan Sports Center
		Captain Leonard Destin Park			
		Clement Taylor Park			
		Joe's Bayou Boat Ramp			
		Mattie Kelly Nature Walk			
		Mattie Kelly Pier			
		Harborview			



In addition, staff perform all landscape maintenance at City Hall, City Hall Annex, Commons Drive, Destin Library, the Destin Fishing Museum, Mattie Kelly Arts, and the Public Works maintenance building.

Budget Highlights

The Parks Division's budget comprises 14% of the General Fund total budget. This division's budget of \$2,434,345 represents an increase of \$628,126 from the FY 2023 budget. Leonard Destin Park opened in FY 2021. Of the \$2.4 million allocated for this division, 33% (\$800,000) is paid for by operating grants from the Okaloosa Tourist Development Council (TDC and Interlocal Agreement allocation to our municipality) and the Florida Department of Environmental Protection (FDEP). Parks and recreation had many personnel that were affected by the compensation study, resulting in higher Personnel costs. Capital outlays are now covered in the capital projects funds. Council has prioritized the need for a Parks and Recreation Master Plan. Consultant fees to hire a specialist are included in the FY 24 budget to help staff draft a master plan for Council review.

Budget Details

Budget Title: Parks
Budget Org: 0157283 Parks/ 0157233 Leonard Destin/0157291 Beaches
Budget Monitor: Park and Recreation Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 1,135,301	\$ 959,886	\$ 1,227,773	\$ 1,566,556	\$ 338,783
Contract Services	78,869	40,661	75,000	194,000	119,000
Operations	452,978	470,892	474,246	587,929	113,683
Capital Outlays	59,000	130,000	29,204	85,860	56,656
Total Parks Expenditures	\$ 1,726,148	\$ 1,601,438	\$ 1,806,223	\$ 2,434,345	\$ 628,122



Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Parks & Recreation Director	1.0	1.0	1.0	1.0	0.0
					0.0
Park Supervisor	1.0	1.0	1.0	1.0	0.0
Assistant Park Supervisor	0.0	1.0	1.0	1.0	0.0
Park Ranger (TDC)	0.0	1.0	1.0	1.0	
Parks Maintenance Tech	8.0	9.0	8.0	11.0	3.0
Parks Maintenance Tech (PT)	0.73	2.2	2.2	2.2	0.0
Park Attendants FT Leonard Destin	1.0	1.0	1.0	1.0	0.0
Park Attendants PT	0.73	2.2	2.2	2.2	0.0
Total FTEs	14.79	20.73	20.73	25.73	5.0

Accomplishments FY23

In addition to normal park maintenance, this division supported the County's "Little Adventure" program, assisted with the Destin Seafood Festival, worked with the construction of Capt. Royal Melvin Heritage Park, installed piling light poles, irrigation, and vegetation. Parks also designed a replica of the old "Welcome to Destin" Sign that sits at the Highway 98 entrance to the Captain Royal Heritage Park. The park was officially open on July 17, 2023, a ribbon cutting and celebration with the Melvin family. Showers, benches, bike racks, waste receptacles and picnic tables were replaced at city wide parks and beaches. Parks crew installed a flagpole to Fly our American Flag proudly at Captain Royal Heritage Park. Trees were planted at the Destin Elementary School, Captain Leonard Destin Park, and Kel-Aire North. Beach message boards were installed at all beach trails.





Parks and Recreation Committee Adopted the Nancy Weidenhamer Dog Park as the first Park to be adopted in the new “Adopt A Park Program”. The Destin Community Center’s Kidz Klub adopted Clement Taylor Park.



Buck Destin Park

With over 50 active members, the Destin Seniors call Buck Destin Park their home. The Seniors participate in 11 different activities between 5 days a week. These activities include bridge, chair fitness, billiards, Thai Chi, and many more. Buck Destin can also be found packed with pickle ball players, basketball athletes, and children utilizing the playground. Buck Destin Park equally hosts various regular rentals such as the Fyl Fisherman and various religious groups and celebrations. Future plans are being made for restrooms to be installed at Buck Destin.

Challenges FY24

Maintaining the current level of services during FY24 will be challenging, due to increasing responsibilities, declining infrastructure, and aging equipment. Parks staff works sunrise to sunset 7 days a week and holidays.

Beach facilities and parks are a challenge to Parks staff during the summer months. The increase of visitors to our facilities keeps us challenged. To maintain the level of standards we are accustomed to, extra staff is required during the summer, holidays, and special events.

Captain Royal Melvin Heritage Park paid for by RESTORE Act funds granted to Okaloosa County from the US Treasury. RESTORE Act funds are the proceeds paid by the oil companies to the US Treasury to restore the Gulf public areas and waters after the Deep Horizon oil spill. Park and restrooms open to serve the Festive Market Place.

The City to accept a capital project grant from Okaloosa County to renovate Clement Taylor Park to be awarded in 2023.

Goals and Objectives

- 1) Efficiently maintain assigned City properties at a safe and functional level.



- 2) Perform bi-monthly safety inspections and preventative maintenance on playgrounds and facilities.
- 3) Provide clean, safe facilities for public use and services in timely, responsive manner.
- 4) Ensure timely accomplishment of work orders based on assigned priority level.
- 5) Ensure contract services are meeting or exceeding minimum standards.

Performance Measures (Results)

	FY21	FY22	FY23
Bi-monthly monthly safety inspections completed	100%	75%	100%
Perform monthly preventative maintenance in accordance with established preventative maintenance program	80%	75%	100%
Timely completion of work orders based on priority level assigned	100%	100%	100%
Ensure outsourced project work is accomplished in accordance with the contract	100%	100%	100%

Productivity Indicators

	FY21	FY22	FY23
Total developed acreage	102	125	125
Number of parks	21	21	22
Number of beach access points	9	11	11
Number of nature walks	2	2	2
Number of undeveloped sites			
Total undeveloped acreage			
Number of restrooms	8	8	10
Number of playgrounds	7	7	8
Number of pavilions	5	5	5





Morgan Sports Center / Destin Sports Complex

Mission Statement

Provide exceptional customer service and a variety of safe, professionally managed recreational opportunities for all ages and ability levels in a fiscally responsible manner.

Program Statement

The Morgan Sports Center is the anchor of the City's existing Outdoor Recreation Programs that continuously strives to improve and expand recreational opportunities for residents and visitors. To accomplish this, we actively pursue partnerships with schools, organizations and businesses that support the importance of constructive recreational opportunities for all ages. Emphasis continues to be placed on hosting sporting events, especially during the off-season months.

Budget Highlights

The Morgan Sports Center budget comprises 5.3% of the General Fund total budget. This division's budget of \$909,097 represents an increase of \$100,171 from the FY 2023 budget. Over 66% of this budget is for personnel. Personnel costs (both wages and benefits) increased most significantly with the compensation study and new salary scales being the primary driver. The remaining 34% covers cost of hiring sports officials, utilities and supplies needed to keep the public spaces clean and the ball fields in playing condition and free of pests.

Budget Details

Budget Title: Morgan Sports Center
Budget Org: 0157284
Budget Monitor: Park and Recreation Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 316,495	\$ 281,105	\$ 525,359	\$ 600,586	\$ 75,227
Contract Services	30,381	20,173	47,018	49,018	2,000
Operations	138,651	163,070	236,549	259,493	22,944
Capital Outlays	-	24,021	-	-	-
Total Morgans Sports Expenditures	\$ 485,527	\$ 488,369	\$ 808,926	\$ 909,097	\$ 100,171



Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Groundskeeper	0.67	0.67	0.67	0.67	
Recreation Program Coordinator	2.0	2.0	2.0	2.0	0.0
Recreation Assistant II	1.0	1.0	1.0	1.0	
Recreation Assistant I FT	0.0	1.0	1.0	1.0	0.0
Recreation Assistant I PT	0.73	1.45	1.45	1.45	0.0
Parks Maintenance Tech	2.0	3.0	3.0	3.0	0.0
Recreation Aid	0.60	0.9	0.9	0.9	0.0
Total FTEs	6.17	9.78	9.78	9.78	0.0

Accomplishments FY23

- The department has continued to improve upon existing programs and services that promote quality of health, connect the community, and impact the local economy in a prosperous way. Staff continues to make substantial progress on the Council assigned initiative to increase sports tourism. We have worked hard to create a strong partnership with our renters to provide top-notch adult and youth tournaments. The amount of weekend and off-night usage has continued to increase to the point of being maxed out on field availability. Leagues hosted at Morgan Sports Center continue to grow we are at capacity. Programs continue to be offered 3-5 nights per week. Cooperative programs with other organizations utilize the facilities on a weekly basis. The Following is a list of additional accomplishments:
- The Contract for Concessions at Morgan Sports Center was awarded to Subway October 1, 2021.
- The Morgan Sports Center hosted 10 sports tournaments in FY2023 (thru July) successfully. 655 Teams traveled from various cities in Florida, Alabama, Georgia, Tennessee, South Carolina, Virginia, Texas, Ohio, Louisiana, Oklahoma, Mississippi, Missouri, Illinois, Indiana, Colorado, Kentucky, North Carolina, Arkansas, and Michigan to attend said tournaments.
- Field lights are replaced as needed at all fields at Morgan Sports Center. (We would like to make the transition to LED lighting in the coming years).
- Destin High School utilizes the Destin Sports Complex 5 days a week for 10+ of its sports
- The baseball field at Destin Sports Complex was made FHSA compliant for the Destin High School
- Installed led lights in the Pavillion at the Childrens Park (Security).
- Morgan Sports Center started our replacement sodding schedule by grading and sodding field one. Destin Water Users has also added a reclaim water system to the 3 fields at Morgan that are not on reclaim. The lift station was upgraded to the lower restrooms.
- Little League expanded into 3 fields at Morgan Sport Center
- Restrooms at Morgan Sports Center being resurfaced

Challenges FY24

Through natural deterioration, amenities such as playground amenities, fencing, backstops, and equipment are reaching the end of their useful life and will need to be replaced. This upkeep is a critical component of providing; safe, clean, and well-maintained facilities which are expected by tournament organizers and program participants. The department will continue to work with other organizations to



maintain rental revenues and bring visitors to our community during the off-peak months. The field demand is at capacity, this is a challenge. FY2023, a field house with public restrooms for the West side of Morgan Sports Center is justified with the increase numbers at our tournaments. Currently, portable bathrooms are brought in to accommodate our customers. For FY2024, LED Lighting, new turf, safety netting, safety surfacing for playground structures are also additional priorities for our department.

Goals and Objectives

- 1) Implement repair and replacement programs within available resources for declining infrastructure.
- 2) Post all program information on the City website and social media in a timely, accurate manner.
- 3) Encourage participants to register using our automated Web-Trac system.
- 4) Provide exceptional customer service verified through post-program and post-event surveys.

Performance Measures (Results)

	FY21	FY22	FY23
Provide sports training and clinics for all coaches and staff	100%	75%	100%
Rotate the playing fields on schedule to maintain a high standard	100%	100%	100%
Timely completion of work orders based on priority level assigned	100%	100%	100%
Provide all program information on the City's Web Page	100%	100%	100%

Productivity Indicators

	FY21	FY22	FY23
Total number of tournaments		12	10
Annual Volunteer Hours	2,200	2,011	1,505
Total number of rentals			179
Total number of Users			124,697

Special Events

Mission Statement

Provide exceptional customer service and a variety of safe, professionally managed recreational: opportunities, services and facilities for all ages and ability levels in a fiscally responsible manner through well-trained, professional staff and partnerships.



Program Statement

The Special Events program provides citizens and visitors with planned activities that are sponsored in whole or part by the City of Destin and are in addition to the special events provided by the Community Center and Morgan Sports Center. The City hosts celebrations during spring and winter holidays, decorates its main street with holiday banners, sponsors the 4th of July fireworks, and provides an annual Arbor Day celebration, Founders Day festivities, Easter Egg Hunt. The City co-sponsors the following Special Events: Wreath Across America; Memorial Day Service with American Legion; and the Gumbo Contest with the Destin Fishing and History Museum.



Budget Highlights

The Special Events budget comprises less than 1% of the General Fund total budget. This division's budget of \$140,700 represents an increase from FY2023 budget of \$2,300. Most of the increase in operations is additional funds to rent more holiday decorations.

Budget Details

Budget Title: Special Events
Budget Org: 0157486
Budget Monitor: Park and Recreation Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Contract Services	59,500	30,338	48,500	71,000	22,500
Operations	89,250	23,719	89,900	69,700	(20,200)
Capital Outlays	-	-	-	-	-
Total Special Events Expenditures	\$ 148,750	\$ 54,057	\$ 138,400	\$ 140,700	\$ 2,300

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
No staff	0.0	0.0	0.0	0.0	0
Total FTEs	0.0	0.0	0.0	0.0	0



Accomplishments FY23

The popularity of all City sponsored special events continues to increase as does the participation rate. Easter Egg Hunt, Arbor Day, Founders Day, Independence Day Celebrations and Fireworks Display, Fall Fest, Pinfish Classic, Christmas Tree Lighting and The Christmas Parade continue to be popular and well attended.

Partnered with Destin United Methodist Church at the last hour to relocate the staging area and route of the Christmas Parade due to the sale of the “Old Time Pottery” property.

Arbor Day, Parks and Recreation Committee, celebrated their 20th year this year by planting 4 Citrus trees to replace the trees we lost to the winter freeze.

Co-sponsored with Okaloosa County on all beach clean ups.



Challenges FY24

Lighting up Highway 98 for Christmas to give a professional look and holiday feel. Contracting the hanging of the lights, purchasing, storing, replacement, and taking down of lights would help for a professional look and city staffing resources used in other ways.

Goals and Objectives

- 1) Provide residents, visitors and businesses a professional Independence Day fireworks display.
- 2) Provide social activities honoring the founding families of Destin.
- 3) Continue to promote the protection of trees through Arbor Day.
- 4) Provide activities and events for citizens and visitors of all ages.
- 5) Develop partnerships that enhance existing events and contribute to the resources required.

Performance Measures (Results)

	FY21	FY22	FY23
Oct: Coordinate Halloween	Yes	Yes	yes
Oct: Host Government Week at Community Center	NO	No	Yes
Oct: Conduct Fall Fest for 400 or more children	Drive Thru	Yes	Yes
Nov: Host a Pin Fish Tournament for 90 children	Yes	Yes	Yes
Dec: Coordinate volunteer's efforts for Annual Christmas Parade	Yes	Yes	Yes
Dec: Host a Christmas Tree Lighting Ceremony for 200 or more participants	Drive Thru	Yes	Yes



Mar/Apr: Conduct a community Easter Egg Hunt for 300 or more children	Drive Thru	Yes	Yes
May: Sponsor an appreciation Luncheon for Destin's founding families with over 200 in attendance (Founder's Day)	No COVID	Yes	YES
April: Arbor Day	Yes	Yes	YES

Productivity Indicators

	FY21	FY22	FY23
Total annual children events/camps	6	17	16
Total annual teen events	4	5	4



Community Center

Mission Statement

The Community Center staff provides exceptional customer service and a first-class facility that serves as a public meeting place for educational, social, and recreational activities.

Program Statement

The Destin Community Center is a vital part of the Parks & Recreation Department that provides programs and activities for all age groups. Additionally, the Community Center hosts multiple events annually that are organized by non-profits, commercial organizations, and residents. The Community Center serves as one of the City's highest volume distribution points for; general information, Joe's Bayou annual launch passes, and Henderson Beach Park annual admission passes. The Community Center is generally open to the public seventy hours per week and manages rental requests for Buck Destin Park, Clement Taylor Park, Captain Leonard Destin Park, and the Children's Park at Morgan Sports Center.

Budget Highlights

The Community Center's budget comprises 5.7% of the General Fund total budget. This division's budget of \$988,028 represents an increase from FY 2023 budget of \$107,746. Personnel costs increased as benefit costs increased. Operating costs increased primarily due to property insurance increases. Repair and maintenance costs have significantly decreased since we began our renewal and replacement program. Utility rates also increased this year due to new rate schedules implemented this year.

Budget Details

Budget Title: Community Center

Budget Org: 0157587

Budget Monitor: Park and Recreation Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 601,146	\$ 463,748	\$ 680,961	\$ 716,977	\$ 36,016
Contract Services	28,788	28,101	29,985	30,300	315
Operations	128,975	159,570	169,336	240,751	71,415
Capital Outlays	-	-	-	-	-
Total Community Center Expenditures	\$ 758,909	\$ 651,419	\$ 880,282	\$ 988,028	\$ 107,746

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Recreation Supervisor	1.0	0.0	0.0	1.0	0.0
Lead Recreation Coordinator	1.0	1.0	1.0	1.0	0.0
Customer Service Specialist	1.0	1.0	1.0	1.0	0.0



Lead Maintenance Tech	1.0	1.0	1.0	1.0	0.0
Maintenance Tech	2.0	2.0	1.0	1.0	0.0
Recreation Assistant II	2.5	2.0	2.0	2.0	0.0
Recreation Assistant I	1.45	1.45	1.0	1.0	0.0
Recreation Aid (PT)	1.45	1.45	2.9	2.9	0.0
Camp Counselor	.73	.73	1.2	1.2	0.0
Total FTEs	13.13	11.08	12.01	12.01	0.0

Accomplishments FY23

During FY23 we are continuing to build a strong committed staff by conducting weekly meetings with all staff for progress/program updates and any questions, comments, or concerns. Following is a list of accomplishments:

- Partnered with Destin High School, Destin Middle School, Destin Elementary, Destin Fishing Rodeo, Destin Fishing Museum, Destin Little League, Destin Chamber and United Way to accomplish a strong committed community partnership
- Offered the youth Basketball program in the City
- Due to popular demand the seasonal Pickleball program is available yearlong to accommodate the average of 20+ regular players five days a week and averaging 80+ players during the winter season
- Successful teenage pickup Basketball and Dodgeball nights
Adult Basketball and Indoor soccer programs
- Partnered with Main Street Banner Art Program, Art Banners Displayed at the Community Center.
- Certified staff in First aid and AED training.
- Repaired gym Stage Floor.
- 20 Successful Summer Camps
- Covered the playground with a shade structure



Challenges FY24

In FY 2023, we are almost fully staffed with a great professional team. City Council's sixth priority on our current strategic plan is to research viability of a Destin City Center. With this vision in mind, the City is trying to balance the number and types of repairs made to our current community center. We have the following list of major projects to complete during FY 2024:

- Address roof leaks
- Replace and update the PA system in gym- Phase II
- Replace the foyer windows with impact glass, removing storm shutters.



- Paint and repair the outside of Community Center

Goals and Objectives

- Increase participation among teenagers and senior citizens.
- Ensure a safe, clean, user-friendly environment for people of all ages.
- Provide a variety of recreational and leisure time programs and activities for all ages.
- Identify opportunities to operate more efficiently and/or effectively to best manage available resources.
- Increase sports league participation amongst youth, women and men.

Performance Measures (Results)

	FY21	FY22	FY23
Train all staff in CPR and First Aid	100%	100%	100%

Productivity Indicators

	FY21	FY22	FY23
Total number of Community Center users	20,644	41,673	54,754
Total number of regular Community Center programs (kidz club, etc)	31	28	31



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SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The City of Destin has six special revenue funds. Two funds account for our two community redevelopment districts that were established by our Community Redevelopment Agency. One fund tracks the revenues and expenditures related to enforcement of Florida Building Code (“Florida Building Fund”) to assist in compliance with Florida Statute. Three other funds account for the expenditure of revenues in accordance with special ordinances, resolutions, and motions passed by Council to commit usage.

Community Redevelopment Agency

The Destin Community Redevelopment Agency (CRA) is a component unit of the City of Destin. A component unit is a legally separate organization for which the elected officials of the primary government have financial accountability. The Destin CRA budgets are included in this document due to the City Council’s fiduciary responsibility for these funds. The CRA Board of Directors is the Destin City Council except for the Mayor. The CRA Executive Director is the City Manager. The CRA establishes districts, Community Redevelopment Areas where redevelopment is needed and dedicates funds for public improvements targeted to stimulate private reinvestment.

When a Community Redevelopment Area is created, property tax revenues resulting from increased property values and new construction within that specific geographic area are dedicated to fund the redevelopment of that area. This includes both County and City property tax revenue that would ordinarily go into their respective general funds. This is called tax increment financing or TIF. TIF is not an additional tax. It is simply a portion of the property tax, earmarked to fund improvements in the area where it is collected. TIF applies the current tax rate to growth in the assessed property values of the CRA district over the base year values. The base year is the year in which the CRA district is formed. The more property values increase, and the newer construction occurs within the CRA, the greater the tax increment.

The Destin CRA has established two redevelopment districts. The Town Center Community Redevelopment Area was established in 1998. The Harbor Community Redevelopment Area was established in 2003. Combined, Destin’s two Community Redevelopment Areas contain approximately 914 total acres.



102 Town Center CRA District

The Town Center District was established in 1998 for a 30-year period to expire in 2028. The CRA status of this district was extended to 2037 when this CRA's Tax Increment Finance (TIF) debt was refinanced to match the maturity date of the debt. The area includes 517 acres located in central Destin between Beach Drive and the Destin Airport. The Town Center was born out of the Visions 2000 study. This study, led by the Destin Chamber of Commerce, was designed to convey the citizen's vision of Destin's future to the City Council. That vision is expressed in the Town Center Community Redevelopment Master Plan which identifies a number of projects addressing transportation, recreation, drainage, and pedestrian safety.

Public improvements valued at over \$18 million went into construction in FY 2006. Those improvements were completed in FY 2008. The improvements were funded by the Florida Department of Transportation (FDOT) Transportation Regional Incentive Program (TRIP) and were supplemented by a revenue bond issued in 2005 that was secured with pledged tax increment revenues (TIF). The bond issue generated \$12 million for construction. Construction of the Main Street and Legion Drive widening, the associated stormwater management improvements, as well as multi-modal and landscaping enhancements; and undergrounding of overhead utilities on Main Street commenced in FY 2006 and were completed in FY 2007. The Airport Road (Corridor Management Plan – Section I) widening, including multi-modal amenities and stormwater management improvements commenced in FY 2008 and were completed by the end of FY 2009. Multi-modal pertains to all modes of transportation other than private and commercial motor vehicles.

Budget Summary

102 TOWN CENTER CRA 1998-2037 (RESTRICTED; ECON DEV)	FY2023			FY2024		
	FY2022 ACTUALS	ADOPTED BUDGET*	FY2023 PROJECTION	PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
102-31 County TIF	957,717	1,185,012	1,184,650	1,463,424	1,507,330	1,552,550
102-31 City TIF (Ad Valorem	402,452	499,581	499,581	616,955	635,460	654,520
102-36 Investment Income	868	1,100	1,308	1,350	1,390	1,430
TOTAL REVENUES	1,361,037	1,685,693	1,685,539	2,081,729	2,144,180	2,208,500
102-55 Economic Environment	76,862	204,848	195,775	181,543	186,960	192,540
102-59 Capital Outlay	-	1,300,000	575,804	-	-	1,000,000
TOTAL EXPENDITURES	76,862	1,504,848	771,579	181,543	186,960	1,192,540
Excess (deficiency) of revenues over expendit	1,284,175	180,845	913,961	1,900,186	1,957,220	1,015,960
102-38 Transfers In	-	-	-	-	-	-
102-58 Transfers Out	(731,489)	(818,831)	(818,868)	(961,659)	(1,091,695)	(1,191,932)
Total other financing sources (uses)	(731,489)	(818,831)	(818,868)	(961,659)	(1,091,695)	(1,191,932)
102 Net change in fund balances	552,686	(637,986)	95,093	938,527	865,525	(175,972)
102 Fund Balance (deficit), Beginning	(2,216,394)	(1,663,709)	(1,663,709)	(1,568,616)	(630,088)	235,436
102 Fund Balance (deficit), Ending	(1,663,709)	(2,301,695)	(1,568,616)	(630,088)	235,436	59,464

Budget Highlights

The General Fund paid the debt service for a number of years while the TIF revenues were inadequate. The Town Center CRA owes \$2.4 million to the General Fund and will began repayments in FY 2023. The Town Center CRA expects to collect \$2m in TIF funds in FY 2024. Revenues have been strong and the fund balance is nearly positive despite the large amount owed to the General Fund.



Approximately half of the Town Center CRA's revenues are transferred out to the 2014 debt service fund to pay interest and principal as it comes due (approximately \$732k per year to FY 2037). In FY 2024, the City will begin undergrounding overhead utilities along highway US98 within this district. The Town Center CRA committed up to \$4.5 million towards debt service related to the undergrounding project. The current long-term projections use \$3.375 million towards this endeavor. See the Debt Service Funds section for more details. In FY 2023, the Town Center CRA hired an engineering firm to design a multi-modal connective trail under the powerline easement from Main Street to Mattie Kelly. Funds provided by the the CRA are being matched by a \$270,000 grant for the design. This grant is being managed by the Florida Department of Transportation. On the operations side, with the uptick in activity, the City will now charge 5% of finance staff salaries and benefits to the CRA to manage purchasing, contracts and the separate audit required by the State. Maintenance costs have also risen to maintain the medians within this area. A professional services contractor has been chosen to work with the Town Center CRA committee to update the Master Plan.

Budget Details

Budget Title: Town Center CRA
 Budget Org: 10255231
 Budget Monitor: Community Development Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ -	\$ -	\$ 16,748	\$ 31,298	\$ 14,550
Contract Services	60,000	2,000	66,250	54,650	(11,600)
Operations	93,257	74,862	121,850	95,595	(26,255)
Contributions/Contingencies	-	-	-	-	-
Capital Outlays	-	-	1,300,000	-	(1,300,000)
Transfers (In)/Out	731,418	731,489	818,831	1,091,467	272,636
Total Expenditures	\$ 884,675	\$ 808,351	\$ 2,323,679	\$ 1,273,010	\$ (1,050,670)

Challenges

- Promote the renovation of commercial properties that will increase the overall property values in the CRA.
- Obtain participation from property owners and businesses in further beautification of the Town Center CRA
- Promote development within the CRA



110 Harbor CRA District

The Harbor District was created in June 2003 for a 40-year period to expire in 2043. This CRA contains 397 acres north of the Destin Harbor stretching from the Marler Bridge to Beach Drive on the north side of Harbor Blvd and to Main Street on the south side of Harbor Blvd. The Harbor Redevelopment Plan identifies approximately \$70 million dollars of capital improvements.

In FY 2009 a revenue note was issued to fund some of these projects. The original issuance was for \$8,000,000 but in early FY 2010 the City refunded \$2,000,000 due to the dramatic downturn in the Harbor property values. This left \$5,919,000 for the construction projects. Using the bond construction funds, TIF revenues, and contributions from the General Fund, nearly \$12 million of capital improvements had been completed within the Harbor CRA District, including: Mountain Drive Roadway Improvements (CRH36 \$4m); Melvin Street Drainage (CRH37 \$80k); Harbor Boardwalk Promenade (CRH61 \$3.9m); Marler Street Parking Lot (CHR62 \$3.8m); and design work to connect the Harbor Boardwalk under Marler Bridge (\$36k). In FY 2013, staff began designing the Captain Royal Melvin Park and Heritage Plaza. Construction was completed this park was officially opened to the public in July 2023.

The summer of 2023 five parcels of land were offered for sale to the City of Destin on the north side of the Marler Bridge. City Council requested staff negotiate the sale. A closing is set for October 2023. The Harbor CRA will borrow \$8.5 million from General Fund unassigned fund balance for property closing costs. The City plans to issue debt early in 2024 and will include the cost of acquiring this land. The debt issuance will reimburse the General Fund unassigned fund balance and the Harbor CRA will be responsible for the debt service. Options for these parcels is being discussed at Council and committee meetings. Initial ideas include installation of the main “Welcome to Destin” sign, observation seating areas to observe Crab Island and sunsets over the bay. Attaining these parcels makes it possible to complete the pedestrian connection under the Marler Bridge to the Harbor Boardwalk. A City Marina option has also been proposed.

The undergrounding of overhead utilities is anticipated to begin the Spring of 2024 and will include the area in the Harbor CRA along US Highway 98 from the Marler Bridge to Main Street. The Harbor CRA committed \$6 million towards the debt service to complete this project. Currently \$4.5 million is in the long-range cash flows (FY2030-FY2043) as transfers to the debt service fund for the undergrounding debt issuance.

*Budget Summary*

110 HARBOR CRA 2003-2043 (RESTRICTED; ECON DEV)	FY2023			FY2024		
	FY2022 ACTUALS	ADOPTED BUDGET*	FY2023 PROJECTION	PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
110-31 County TIF	355,522	412,779	407,469	489,090	513,540	539,220
110-31 City TIF (Ad Valorem)	356,309	412,779	412,779	494,030	518,730	544,670
110-36 Investment Income	568	500	746	1,450	1,450	1,450
TOTAL REVENUES	712,399	826,058	820,994	984,570	1,033,720	1,085,340
110-55 Economic Environment	38,467	137,508	122,024	132,533	89,980	92,490
110-59 Capital Outlay	-	6,000,000	-	9,100,000	-	-
TOTAL EXPENDITURES	38,467	6,137,508	122,024	9,232,533	89,980	92,490
Excess (deficiency) of revenues over expenditures	673,932	(5,311,450)	698,969	(8,247,963)	943,740	992,850
110-38 Transfers In	-	5,950,000	-	9,001,307	-	-
110-58 Transfers Out	(481,057)	(479,995)	(479,995)	(836,335)	(1,185,141)	(1,192,510)
Total other financing sources (uses)	(481,057)	5,470,005	(479,995)	8,164,972	(1,185,141)	(1,192,510)
110 Net change in fund balances	192,875	158,555	218,975	(82,990)	(241,401)	(199,660)
110 Fund Balance (deficit), Beginning	276,242	469,117	469,117	688,092	605,102	363,702
110 Fund Balance (deficit), Ending	469,117	627,672	688,092	605,102	363,702	164,042

Budget Highlights

The Harbor District CRA expects to collect nearly \$1 million in TIF funds in FY 2024. The transfers out to the debt service fund, however, will again be over half of the Harbor District's revenues in FY 2024. The Harbor District currently has a balance of approximately \$2.6 million that will be paid in full by March 2029. The Harbor CRA will expend up to \$9 million towards the purchase of waterfront land near the Marler Bridge in October 2023. A consultant has been working with the Harbor District CRA committee members to update the Master Plan. Five percent of certain city planning staff and the finance department is charged to the Harbor CRA district.

Budget Details

Budget Title: Harbor CRA
 Budget Org: 11055235
 Budget Monitor: Community Development Director

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ -	\$ -	\$ 16,748	\$ 31,298	\$ 14,550
Contract Services	53,000	2,000	58,950	50,000	(8,950)
Operations	105,179	36,467	61,810	51,235	(10,575)
Contributions/Contingencies	-	-	-	-	-
Capital Outlays	-	-	6,000,000	9,100,000	3,100,000
Transfers (In)/Out	481,057	481,057	(5,470,005)	(8,104,840)	(2,634,835)
Total Expenditures	\$ 639,236	\$ 519,524	\$ 667,503	\$ 1,127,693	\$ 460,190



Challenges

- Continue to implement pedestrian mobility, streetscape and safety improvements
- Support undergrounding of overhead utilities within the district
- Find a safe way to conduct pedestrians from the North side of HWY 98 to the South side for all Harbor District businesses to benefit
- Cashflow is a challenge for this district. With the purchase of 1 Harbor Boulevard (at the Marler Bridge), all of the annual TIF revenues will be transferred out to debt service funds through FY2029.



111 Florida Building Fund (Building Inspections)

The Building Code Fund was created with the passing of Resolution 21-10 to improve compliance with Florida Statutes 533.80, which state that building permit revenues should cover the costs of enforcing Florida Building Code. Staff's desire to improve building code compliance within the City and have made great steps to improve the building permit process to make it quick and easy. Part of these efforts included committing 10% of permit and license revenues to investment into a technology fund to allow for online application processing (see also Technology Fund).

Mission Statement

The Building Inspections Division provides efficient and responsive services relating to enforcement of the State of Florida's minimum building code requirements through plan review, permitting, and inspections for the safety, health, welfare and quality of life for Destin citizens, visitors and businesses.

Program Statement

Classified for reporting purposes under Public Safety, the Building Division is managed as part of the Community Development Department. The Division is responsible for ensuring that all structures constructed within the city limits meet all applicable Florida Building Codes. The Division processes applications for building permits, conducts plan reviews, and schedules and performs inspections for compliance with the applicable building codes and adopted City Ordinances. The Division, also reviews and ensures that contractors obtaining permits are properly licensed and insured. Finally, the Division promotes communication between all groups associated with the construction industry. It is intended that by working collaboratively the construction industry will continue to provide a safe environment for our citizens and visitors.

Budget Summary

111 FLORIDA BUILDING CODE FUND (RESTRICTED; PUBLIC SAFETY)	FY2022 ACTUALS	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
111-32 Licenses and Permits	976,330	931,682	1,021,940	1,051,930	1,082,840
111-36 Investment Income	50	134	130	130	130
	976,380	931,817	1,022,070	1,052,060	1,082,970
111-52 Public Safety	743,552	957,449	1,260,424	1,331,350	1,379,030
111-59 Capital Outlay	-	-	116,000	-	-
	743,552	957,449	1,376,424	1,331,350	1,379,030
	232,828	(25,633)	(354,354)	(279,290)	(296,060)
111-38 Transfers In	-	-	-	-	-
111-58 Transfers Out	(97,084)	(88,672)	(98,671)	(101,630)	(104,680)
	(97,084)	(88,672)	(98,671)	(101,630)	(104,680)
111 Net change in fund balances	135,745	(114,305)	(453,025)	(380,920)	(400,740)
111 Fund Balance (deficit), Beginning	310,750	446,495	332,189	(120,835)	(501,755)
111 Fund Balance (deficit), Ending	446,495	332,190	(120,835)	(501,755)	(902,495)

**Budget Highlights**

The Building Division's budget of \$1,475,095 represents an increase of \$146,951 from the FY2023 budget. Of the \$1,475,095 allocated for this division, 68% is for salaries and benefits and 13% is for contracted service providers. A permit fee study was completed and presented to Council in FY 2023. Council chose to increase the fees 10% (effective May 2023). The building fees should be increased again to maintain an optimal fund balance. In FY 2024, the Building department has budgeted to purchase one more vehicle for building inspectors and to replace one aged vehicle.

Budget Details

Budget Title: Building Inspections

Budget Org: 11152441

Budget Monitor: Chief Building Official

Program Cost Summary	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ 788,298	\$ 639,555	\$ 896,588	\$ 1,010,340	\$ 113,752
Contract Services	242,027	24,679	162,500	100,000	(62,500)
Operations	122,853	79,318	150,005	150,084	78
Contributions/Contingencies	-	-	-	-	-
Capital Outlays	-	-	-	116,000	116,000
Transfers (In)/Out	(265,297)	97,084	119,050	98,671	(20,379)
Total Expenditures	\$ 887,881	\$ 840,635	\$ 1,328,144	\$ 1,475,095	\$ 146,951

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
Chief Building Official	1.0	1.0	1.0	1.0	0.0
Building Official	1.0	0.0	0.0	0.0	0.0
Building Inspector	1.0	2.0	2.0	2.0	0.0
Building Insp/Plans Exam I	0.0	1.0	1.0	1.0	0.0
Building Insp/Plans Exam II	0.0	0.0	0.0	0.0	0.0
Permit & Licensing Admin	1.0	1.0	1.0	1.0	0.0
Planning & Permit Tech I	1.0	1.0	1.0	1.0	0.0
Planning & Permit Tech II	1.0	1.0	1.0	1.0	0.0
Planning & Permit Tech III	0.0	1.0	1.0	1.0	0.0
Community Development Director	0.0	0.33	0.33	0.33	0.0
Administrative Assistant	0.0	0.0	0.25	0.25	0.0
Stormwater Mgr	0.0	0.15	0.0	0.0	0.0
Code Enforcement Allocation (10% x 9FTEs)	0.0	0.9	0.9	0.9	0.0
Engineering Allocation (10% x 2FTEs)+ (60%*1 FTE)	0.0	0.2	0.8	0.8	0.0
Total FTEs	7.0	9.68	10.43	10.43	0.0

*Accomplishments FY23*

The new Community Development Software (EnerGov/COMPASS) for online applications and payment system for Plan Reviews, Permitting, and Building Inspections has been utilized now for a year and half. We have issued 547 (17%) more building related permits in FY23 over FY22, and we accomplish 40% more (1863) inspections in FY 2023. This upward trend could be associated with the convenience to the customer and their ability to access the online permitting program virtually versus coming to City Hall.

We have completed and made available on our website the Building Permit and Inspection Utilization Report for Fiscal Year 2022 as required per Florida Statutes 553.80.

Challenges FY24

The Division will continue to customize and improve the customer experience with the City's Development and Permitting System.

Goals and Objectives

- 1) Continue with professional development in using the new Community Development Software to improve the building inspection and permitting process through attending Tyler conferences and online sessions.
- 2) Continue professional development training for staff regarding significant changes that impact the construction industry.
- 3) Continue professional development related to our specific job duties.
- 4) Train Field Inspectors for licensure by the State of Florida. Continue to maintain current State licensure through continuing educational credits.
- 5) Continue collaboration with Code Compliance Department to investigate and eliminate unpermitted activities in the City.
- 6) Streamline the permitting process to meet the Florida Statutory Regulations timelines or less.

Performance Measures (Results)

	FY21	FY22	FY23
Review residential permit applications within 10 business days (Goal: 95%)	99%	95%	100%
Perform all inspections within 24 hours of satisfactory notification (Goal: 95%)	100%	100%	100%

Productivity Indicators

	FY21	FY22	FY23
New residential buildings	55	77	144
Value of new residential buildings	\$31,140,388	\$38,058,480	\$60,244,881
Value of residential additions, alterations, conversions	\$5,628,435	\$14,754,589	\$9,033,292
Value of residential garages attached & not attached	\$356,000	\$282,400	1,412,445
New non-residential buildings	80	12	14
Value of non-residential buildings	\$7,627,320	\$17,688,547	21,260,351
Value of non-residential additions, alterations, conversions	\$1,954,060	\$14,957,547	\$22,270,330
Total inspections	4,482	4,623	6,486
Permits issued	2,932	3,128	3,675
Total Building Permit Fees Paid (EBD01)	\$614,461	\$889,384	\$970,837



122 PARKING FUND

The City began charging to park in certain areas around the City in 2017 with a fee of \$1 for 24 hours in certain parking lots. Each subsequent year, the parking fees and paid parking areas have been updated and refined, and the revenues have become significant. In FY 2022 we made parking permits available for our citizens to park in these areas for free. Starting in FY23, non-residents can purchase an Annual Harbor Parking Pass for \$205 good for the calendar year. Below is a table of showing the history of parking fee revenue collections since the inception of the program.

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023 (est)
Parking Fees, net	\$5,110	\$41,321	\$81,254	\$158,704	\$359,603	\$355,940	\$612,777
Percent Increase YOY		709%	97%	95%	127%	-1%	72%

Because of the significant results attained in FY 2021, Council chose to create a special revenue fund for these fees and to restrict the expenditure of these funds to parking and public transit operating and infrastructure costs.

Budget Highlights

The Parking Fund was established with an effective start date of October 1, 2021. In FY24, the City plans to invest over \$500,000 to add more paid parking spaces and maintain/enhance its existing facilities. This was planned for FY23 but Council asked to pause the project, so it was moved to FY24. In March 2023, the Norriego Point lot availability was suspended due to construction of the Gulf Shore Drive extension, a project which should see completion by the end of calendar year 2023.

122 PARKING FUND (COMMITTED; TRANSPORTATION)	FY2023		FY2024		FY2025 PROJECTION	FY2026 PROJECTION
	FY2022 ACTUALS	ADOPTED BUDGET*	FY2023 PROJECTION	PROPOSED BUDGET		
122-34 Charges for Services	425,670	442,800	691,117	579,740	585,540	591,390
122-36 Investment Income	74	44	434	440	440	440
TOTAL REVENUES	425,744	442,844	691,551	580,180	585,980	591,830
122-54 Transportation	77,900	135,900	84,952	158,807	109,834	110,874
122-59 Capital Outlay	-	496,000	64,129	525,000	75,000	-
TOTAL EXPENDITURES	77,900	631,900	149,081	683,807	184,834	110,874
Excess (deficiency) of revenues over expenditures	347,845	(189,056)	542,470	(103,627)	401,146	480,956
122-38 Transfers In	-	-	-	-	-	-
122-58 Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
122 Net change in fund balances	347,845	(189,056)	542,470	(103,627)	401,146	480,956
122 Fund Balance (deficit), Beginning	-	347,845	347,845	890,315	786,687	1,187,833
122 Fund Balance (deficit), Ending	347,845	158,789	890,315	786,687	1,187,833	1,668,790

**Budget Details**

Budget Title: Parking Fund
 Budget Org: 12254500
 Budget Monitor: City Manager's Office

Parking Fund 122 Fund Expenditures by Type	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change (FY24-FY23)
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Contract Services	-	-	50,000	50,000	-
Operations	87,500	77,900	85,900	108,807	22,907
Debt Service	-	-	-	-	-
Capital Outlays	126,000	-	496,000	525,000	29,000
Total Expenditures	\$ 213,500	\$ 77,900	\$ 631,900	\$ 683,807	\$ 51,907

Program Staffing	2022 Budget	2022 Actual	2023 Budget	2024 Budget	Change
No direct personnel					
Total FTEs					

Accomplishments FY23

Fiscal Year 2023 was the second year for the Parking Fund, and the second year to grant free parking to citizens and the first year to offer the Non-Resident Harbor Parking Pass.

Challenges FY24

There is not enough public parking for citizens and visitors near beach access points nor around the bustling Harbor commercial district.

Goals and Objectives

- 1) Enhance virtual and electronic signage for parking areas.
- 2) Enhance payment options for non-residents to pay parking fees. Current options include payment by mobile app, website or by calling a 1-800 number.
- 3) Maintain quality of the parking areas through regular resurfacing, restriping, and replacement of parking facility infrastructure components.
- 4) Expand parking availability through vertical and horizontal infrastructure improvements.
- 5) Install and maintain public transit infrastructure to improve access to areas popular with tourists and residents.

Performance Measures (Results)

	FY21	FY22	FY23
Beach District Transactions	16,975	52,482	
Harbor District	12,677	37,801	
Total Transactions	29,652	90,283	



Productivity Indicators

	FY21	FY22	FY23
Harbor District Saturation Rate March 1 st – July 31 st			
Beach District Saturation Rate			
Saturation Rate = Transactions per paid space per day			



125 Technology Fund

A 2018 amendment to the Schedule of Fees formalized the commitment to retain 10% of certain license, and permit fees to be invested in technology to support development review/compliance quality process improvement initiatives. Ten percent of building permit fees, rental registration fees, zoning review fees, right-of-way permit fees, livery vessel permits, beach vendor permits, and marine application fees are committed to the Technology Fund. These fees support installation and maintenance of software intended to make these permitting and licensure application processes more streamlined, and to improve compliance with City code, primarily as related to keeping the public safe.

Over the past few years, these funds were used to install the COMPASS system to facilitate online permit and license processes. This capital project was completed in FY 2021. During FY 2024, this fund will cover network infrastructure upgrades and additional of virtual servers required to house the massive documentation maintained by the COMPASS system. A federal grant covered much of the software costs for FY22-FY25 that would normally be covered by this fund. The City recently hired a new IT Director and together with staff he is actively researching system enhancements to make the virtual application/payment processing system more user-friendly for citizens.

125 TECH FUND (COMMITTED; PUBLIC SAFETY)	FY2023		FY2024		FY2025 PROJECTION	FY2026 PROJECTION
	FY2022 ACTUALS	ADOPTED BUDGET*	FY2023 PROJECTION	PROPOSED BUDGET		
125-36 Investment Income	262	100	406	420	433	446
TOTAL REVENUES	262	100	406	420	433	446
125-52 Public Safety	34,860	88,000	83,749	50,000	5,000	5,000
125-59 Capital Outlay	-	112,000	18,667	85,000	-	-
TOTAL EXPENDITURES	34,860	200,000	102,416	135,000	5,000	5,000
Excess (deficiency) of revenues over expenditures	(34,598)	(199,900)	(102,010)	(134,580)	(4,567)	(4,554)
125-38 Transfers In	184,317	197,995	190,256	213,395	217,461	221,630
125-58 Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	184,317	197,995	190,256	213,395	217,461	221,630
125 Net change in fund balances	149,719	(1,905)	88,245	78,815	212,894	217,076
125 Fund Balance (deficit), Beginning	201,407	351,126	351,126	439,370	518,185	731,079
125 Fund Balance (deficit), Ending	351,126	349,221	439,370	518,185	731,079	948,155



127 Water Quality Improvement Fund

Beginning with FY 2023, the City has chosen to separately track the revenues and expenditures related to water quality improvement. This fund is a combination of two special sources of revenue.

The first source is “Net Positive Environmental Benefit” (NPEB) fees. NPEB fees were created in 1987 when the City adopted a coastal management element to be part of the City’s Comprehensive Plan. Comprehensive Plan Policy 6-1.2.3 states the fees collected “shall be earmarked to a water quality improvement fund” to be expended for maintenance, renewal or construction of infrastructure improvements or ecological projects benefiting water quality or ecology within the Destin Harbor. This special revenue is a fee charged upon water-dependent development proposed over water (i.e. marinas, boardwalks, or other construction supporting marine activities).

In FY 2024, the City plans use expend \$100,000 of NPEB funds to dredge the harbor channel.

The second source for this fund is from the 1995 City Ordinance 275 which created the Destin Harbor Stormwater Trust Fund. Funds were received from the Florida Department of Environmental Protection to improve stormwater infrastructure. The funds remaining on hand are to be expended on the maintenance of stormwater units that discharge into the Destin Harbor.

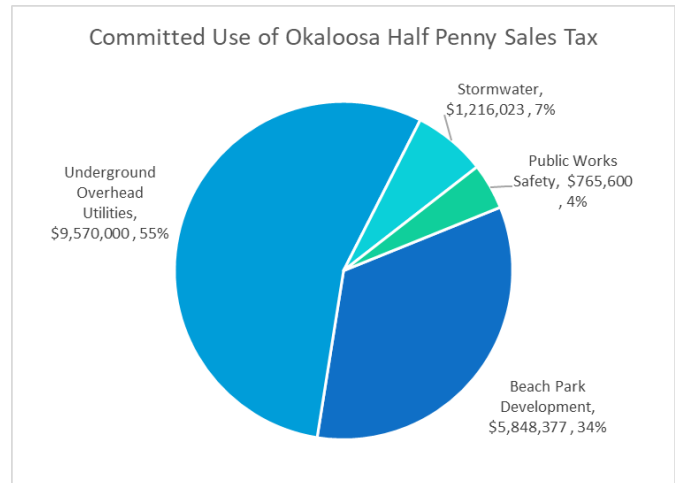
127 WATER QUALITY IMPROVEMENT FUND (ENVIRONMENT; RESTRICTED)	FY2022 ACTUALS	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
127-32 Licenses and Permits	-	49,164	49,160	49,160	49,160
127-36 Investment Income	-	311	320	150	125
TOTAL REVENUES	-	49,476	49,480	49,310	49,285
127-53 Physical Environment	-	7,000	25,000	25,000	25,000
127-53 Capital Outlay	-	149,054	110,000	-	-
TOTAL EXPENDITURES	-	156,054	135,000	25,000	25,000
Excess (deficiency) of revenues over expenditures	-	(106,579)	(85,520)	24,310	24,285
127-38 Transfers In	-	336,837	-	-	-
127-58 Transfers Out	-	-	-	-	-
Total other financing sources (uses)	-	336,837	-	-	-
127 Net change in fund balances	-	230,258	(85,520)	24,310	24,285
127 Fund Balance (deficit), Beginning	-	-	230,258	144,738	169,048
127 Fund Balance (deficit), Ending	-	230,258	144,738	169,048	193,333



129 Okaloosa Half Penny Fund

The Okaloosa Half Penny infrastructure surtax was voted in for a ten year period January 1, 2019 to December 31, 2029. All of the funds are committed for capital outlays and/or debt service for capital projects. During FY 2023, Council updated their commitment of these funds to 34% for beach acquisition, 55% for undergrounding utilities, 7% to be invested in stormwater infrastructure renewal, and 4% to be programmed by the transportation and safety committee.

In FY 2024, we plan to expend \$1 million towards the undergrounding project when we make down payments against the binding cost estimate conversion agreements with the utility providers. When these agreements are signed and the payments are made, the carriers will order the materials needed for the conversion. Approximately \$835k will be used for stormwater projects, and the public works and safety committee will again invest \$100k to making our streets safer. See also the debt service fund 221 for more information on the funds borrowed to purchase beach parcels and the commitment of Okaloosa half penny funds paying the 2021 debt service.



129 OKA 1/2 PENNY 01/01/2019-12/31/2029 (COMMITTED; CAPITAL OUTLAYS)	FY2023			FY2024		
	FY2022 ACTUALS	ADOPTED BUDGET*	FY2023 PROJECTION	PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
129-31 Sales and Use Taxes	1,704,800	1,556,293	1,721,254	1,726,260	1,769,400	1,813,600
129-36 Investment Income	4,085	2,100	4,757	4,760	4,760	4,760
TOTAL REVENUES	1,708,885	1,558,393	1,726,010	1,731,020	1,774,160	1,818,360
129-59 Capital Outlay	292,816	3,112,029	2,093,043	1,935,000	1,300,000	100,000
TOTAL EXPENDITURES	292,816	3,112,029	2,093,043	1,935,000	1,300,000	100,000
Excess (deficiency) of revenues over expenditure	1,416,069	(1,553,636)	(367,033)	(203,980)	474,160	1,718,360
129-38 Transfers In	-	2,950,000	-	-	-	-
129-58 Transfers Out	(353,084)	(353,394)	(353,394)	(353,648)	(353,866)	(353,976)
Total other financing sources (uses)	(353,084)	2,596,606	(353,394)	(353,648)	(353,866)	(353,976)
129 Net change in fund balances	1,062,984	1,042,970	(720,427)	(557,628)	120,294	1,364,384
129 Fund Balance (deficit), Beginning	3,579,461	4,642,445	4,642,445	3,922,019	3,364,392	3,484,686
129 Fund Balance (deficit), Ending	4,642,445	5,685,415	3,922,019	3,364,392	3,484,686	4,849,069



DEBT SERVICE FUNDS

Debt Service funds are used as sinking funds to account for the accumulation of cash resources to make timely payments of interest and principal in accordance with bond covenants. The City has three outstanding notes payable. All three notes payable were privately placed and as such, are not rated. The three notes payable are paid from special revenues, and therefore debt service funds were established.

Lender/Note Issuance Year	Fund/Purpose	09/30/2023 Principal Outstanding	Interest Rate	Maturity Date
SunTrust 2013	213 CIP	\$3,857,732	3.04%	08/01/2031
PNC (BBVA) 2014	214 Town Center CRA	\$8,057,786	3.41%	06/01/2037
Key Government Finance 2021	221 Harbor CRA CIP refi /General CIP refi /Oka Half Beach land	\$7,104,000	1.139%	03/15/2029
Okaloosa Tourist Development Council	223 Beach Development	\$6,270,863	0%	09/30/2032
TBD	224 Undergrounding, Waterfront property, Roadway construction	Proposed: up to \$25 million	TBD	TBD

Debt Limits

The City of Destin has no legal debt margin requirements set forth by the City's Charter nor by the Florida State Statutes. The City must present any general obligation debt issuances to voters for referendum approval. While the City has an outstanding balance owed to Key Government Finance (maturing in FY 2029), the city has agreed to an anti-dilution test for non-ad valorem revenue debt. The city will maintain a ratio of 1.25 or higher of net available non-ad valorem revenues divided by maximum annual debt service. Currently, net available non-ad valorem revenues are 4.9 times higher than maximum annual debt service.

Existing Debt Level and Impact on Current and Future Operations

The City has just over \$21 million of debt, and pays approximately \$2.5 million in debt service payments each year.

The City is looking into undergrounding overhead utilities city-wide. A new electric franchise agreement was negotiated in FY 2022. The incremental increase in electric franchise fees (a new 2%) is dedicated to undergrounding the utilities. In addition, the two CRA districts have committed funds to assist in the debt service to underground the utilities within their territories.

The Tourism Development Council (TDC) advanced \$7 million to the City to complete acquire land for a new beachfront park in FY 2023. This advance will be paid back at the rate of \$750,000 per year for the first nine years, then a final payoff of the balance is due in FY 2032. These payments are made from the



City's portion of the tourism development tax collected by the Okaloosa TDC from hotel room and short term rentals.

Consolidated Debt Service - All current schedules:				
	Debt Service	Interest	Principal	Outstanding Principal Balance
FY 2021	\$ 1,715,446	\$ 508,567	\$ 1,206,879	\$ 23,133,113
FY 2022	\$ 2,588,739	\$ 549,186	\$ 2,039,552	\$ 21,093,561
FY 2023	\$ 3,332,454	\$ 508,412	\$ 2,824,042	\$ 25,290,381
FY 2024	\$ 3,341,938	\$ 466,561	\$ 2,875,377	\$ 22,415,004
FY 2025	\$ 3,331,260	\$ 423,678	\$ 2,907,583	\$ 19,507,422
FY 2026	\$ 3,339,375	\$ 379,688	\$ 2,959,687	\$ 16,547,734
FY 2027	\$ 3,332,325	\$ 334,605	\$ 2,997,720	\$ 13,550,014
FY 2028	\$ 3,334,158	\$ 288,447	\$ 3,045,711	\$ 10,504,303
FY 2029	\$ 2,860,781	\$ 241,091	\$ 2,619,689	\$ 7,884,614
FY 2030	\$ 2,031,295	\$ 204,605	\$ 1,826,689	\$ 6,057,924
FY 2031	\$ 2,030,542	\$ 169,800	\$ 1,860,742	\$ 4,197,182
FY 2032	\$ 1,004,778	\$ 133,887	\$ 870,891	\$ 3,326,291
FY 2033	\$ 734,215	\$ 113,427	\$ 620,788	\$ 2,705,503
FY 2034	\$ 734,525	\$ 92,258	\$ 642,267	\$ 2,063,236
FY 2035	\$ 734,845	\$ 70,356	\$ 664,489	\$ 1,398,747
FY 2036	\$ 735,177	\$ 47,697	\$ 687,480	\$ 711,267
FY 2037	\$ 735,521	\$ 24,254	\$ 711,267	\$ -



Below is the cumulative effect on debt service if the City borrows \$25 million in FY2024 with a final maturity date of FY 2043:

Aggregate Debt Service

	2013 Debt Service	2014 Debt Service	2021 Debt Service	2023 Debt Service	Total Actual Annual Debt Service	Proposed Additional 2024 Debt Service
FY 2021	556,047	731,212	428,188	-	1,715,446	-
FY 2022	555,245	731,418	1,302,076	-	2,588,739	-
FY 2023	554,420	731,631	1,296,404	750,000	3,332,454	-
FY 2024	553,571	731,852	1,306,515	750,000	3,341,938	-
FY 2025	552,698	732,080	1,296,482	750,000	3,331,260	1,966,250
FY 2026	551,801	732,316	1,305,258	750,000	3,339,375	1,967,250
FY 2027	550,878	732,561	1,298,886	750,000	3,332,325	1,966,250
FY 2028	549,929	732,814	1,301,415	750,000	3,334,158	1,963,250
FY 2029	548,953	733,074	828,753	750,000	2,860,781	1,963,250
FY 2030	547,949	733,345	-	750,000	2,031,295	1,961,000
FY 2031	546,917	733,625	-	750,000	2,030,542	1,661,500
FY 2032	-	733,915	-	270,863	1,004,778	1,964,500
FY 2033	-	734,215	-	-	734,215	1,959,750
FY 2034	-	734,525	-	-	734,525	1,962,500
FY 2035	-	734,845	-	-	734,845	1,962,250
FY 2036	-	735,177	-	-	735,177	1,964,000
FY 2037	-	735,521	-	-	735,521	1,957,500
FY 2038	-	-	-	-	-	1,958,000
FY 2039	-	-	-	-	-	1,965,000
FY 2040	-	-	-	-	-	1,963,000
FY 2041	-	-	-	-	-	1,962,250
FY 2042	-	-	-	-	-	1,962,500
FY 2043	-	-	-	-	-	1,963,500

**213 General Fund CIP Debt Service Fund**

On August 26, 2013, the City closed on a \$7,610,000 note payable issued for the purpose of refunding the 2002 capital improvement revenue bonds that were used to design and construct a community competitive swimming pool, to build sidewalks, and to purchase land. Suntrust, also known as ST International, is the note holder. Communication service tax and Half-Cent sales tax revenues were both pledged for debt payments. Interest payments are made twice a year in February and August.

	Debt Service	Pledged Revenue	Debt Ratio
FY 2021	\$ 556,047	\$ 2,577,787	4.64
FY 2022	\$ 555,245	\$ 2,663,628	4.80
FY 2023	\$ 554,420	\$ 2,686,411	4.85
FY 2024	\$ 553,571	\$ 2,804,060	5.07
FY 2025	\$ 552,698	\$ 2,860,100	5.17
FY 2026	\$ 551,801	\$ 2,917,400	5.29
FY 2027	\$ 550,878	\$ 2,976,000	5.40

Principal payments are made once a year each August. The note carries an interest rate of 3.04%. Principal outstanding is \$3,857,732. The note will be paid in full on 08/01/2031.

213 Debt Service Schedule

	Debt Service	Interest	Principal	Outstanding Principal Balance
FY 2021	\$ 556,047	\$ 154,908	\$ 401,139	\$ 4,694,511
FY 2022	\$ 555,245	\$ 142,713	\$ 412,531	\$ 4,281,980
FY 2023	\$ 554,420	\$ 130,172	\$ 424,247	\$ 3,857,732
FY 2024	\$ 553,571	\$ 117,275	\$ 436,296	\$ 3,421,436
FY 2025	\$ 552,698	\$ 104,012	\$ 448,687	\$ 2,972,750
FY 2026	\$ 551,801	\$ 90,372	\$ 461,429	\$ 2,511,320
FY 2027	\$ 550,878	\$ 76,344	\$ 474,534	\$ 2,036,786
FY 2028	\$ 549,929	\$ 61,918	\$ 488,011	\$ 1,548,775
FY 2029	\$ 548,953	\$ 47,083	\$ 501,870	\$ 1,046,905
FY 2030	\$ 547,949	\$ 31,826	\$ 516,123	\$ 530,781
FY 2031	\$ 546,917	\$ 16,136	\$ 530,781	\$ 0



214 Town Center CRA Debt Service Fund

In 2005, the City issued approximately \$12 million to supplement FDOT capital grant funding to widen Main Street, Legion Drive, and Airport Road, and to underground utilities on Main Street within the Town Center Community Redevelopment District. In March of 2014, the 2005 bonds were refunded and replaced when the City closed on a note payable with BBVA in the amount of \$11,871,000. BBVA was the original note holder, and BBVA was acquired and merged into PNC Bank in 2022. This note was restructured in June 2015 down to \$11,205,000. Interest payments are made twice a year in June and December. Principal payments are made once a year each June. The note carries an interest rate of 3.41%. Principal outstanding is \$8,057,786. The note will be paid in full on 06/01/2037. Tax increment financing from the Town Center CRA district is pledged for the repayments.

	Debt Service	Pledged Revenue	Debt Ratio
FY 2021	\$ 731,212	\$ 971,820	1.33
FY 2022	\$ 731,418	\$ 1,360,169	1.86
FY 2023	\$ 731,631	\$ 1,684,231	2.30
FY 2024	\$ 731,852	\$ 2,080,379	2.84
FY 2025	\$ 732,080	\$ 2,142,790	2.93
FY 2026	\$ 732,316	\$ 2,207,070	3.01
FY 2027	\$ 732,561	\$ 2,273,290	3.10

214 Debt Service Schedule

	Debt Service	Interest	Principal	Outstanding Principal Balance
FY 2021	\$ 731,212	\$ 318,472	\$ 412,740	\$ 8,926,602
FY 2022	\$ 731,418	\$ 304,397	\$ 427,021	\$ 8,499,581
FY 2023	\$ 731,631	\$ 289,836	\$ 441,795	\$ 8,057,786
FY 2024	\$ 731,852	\$ 274,771	\$ 457,081	\$ 7,600,705
FY 2025	\$ 732,080	\$ 259,184	\$ 472,896	\$ 7,127,809
FY 2026	\$ 732,316	\$ 243,058	\$ 489,258	\$ 6,638,551
FY 2027	\$ 732,561	\$ 226,375	\$ 506,186	\$ 6,132,365
FY 2028	\$ 732,814	\$ 209,114	\$ 523,700	\$ 5,608,665
FY 2029	\$ 733,074	\$ 191,255	\$ 541,819	\$ 5,066,846
FY 2030	\$ 733,345	\$ 172,779	\$ 560,566	\$ 4,506,280
FY 2031	\$ 733,625	\$ 153,664	\$ 579,961	\$ 3,926,319
FY 2032	\$ 733,915	\$ 133,887	\$ 600,028	\$ 3,326,291
FY 2033	\$ 734,215	\$ 113,427	\$ 620,788	\$ 2,705,503
FY 2034	\$ 734,525	\$ 92,258	\$ 642,267	\$ 2,063,236
FY 2035	\$ 734,845	\$ 70,356	\$ 664,489	\$ 1,398,747
FY 2036	\$ 735,177	\$ 47,697	\$ 687,480	\$ 711,267
FY 2037	\$ 735,521	\$ 24,254	\$ 711,267	\$ -



221 Non-Ad Valorem Refunding Revenue Note, Series 2021

In May 2021, the City issued \$9,905,000 million to refund \$7.1m of higher interest rate debt, and to borrow \$2.8 million to acquire parcels of beach property. The note carries an interest rate of 1.139%. Principal and interest payments are made monthly, with the final payment due March 15, 2029.

The total principal owed September 30, 2023 is \$7,104,000. This issuance is secured by a covenant to budget and appropriate non-ad valorem revenues, and is subject to an anti-dilution test. The anti-dilution test states that net available non-ad valorem revenues should be maintained at 1.25 or higher of maximum annual debt service. This ratio is recalculated each time debt is issued and is currently at 5.12, to take into account the advance from the TDC (see 2023 debt service).

The general fund is transferring debt service funds into the 221 fund for \$3,489,000/\$9,905,000 of this issue that is related to refunding debt originally issued as series 2005B general fund capital improvement debt, subsequently, refunded in 2015 at 2.71%. The general fund's principal balance owed at 09/30/2023 is \$2,489,000.

The Harbor CRA is transferring debt service into the 221 fund for \$3,597,000/\$9,905,000 of this issue that is related to refunding a 2009 TIF revenue note. The 2009 TIF revenue note was used for capital improvements to Mountain Drive, the Harbor Boardwalk, for parking lot construction, and to complete the acquisition of land and design for the Captain Royal Melvin Heritage Park and Plaza. The Harbor CRA's balance owed at 09/30/2023 is \$2,565,000.

The Okaloosa Half Penny fund is paying debt service into the 221 fund for \$2,819,000/\$9,905,000 of this issue that is related to purchasing beach access parcels and structure demolition at Crystal Beach. The Okaloosa Half Penny fund's balance owed at 09/30/2023 is \$2,050,000.

**221 Debt Service Schedule**

Non-Ad Valorem Refunding Revenue Note, Series 2021

	Debt Service	Interest	Principal	Outstanding Principal Balance
FY 2021	\$ 428,188	\$ 35,188	\$ 393,000	\$ 9,512,000
FY 2022	\$ 1,302,076	\$ 102,076	\$ 1,200,000	\$ 8,312,000
FY 2023	\$ 1,296,404	\$ 88,404	\$ 1,208,000	\$ 7,104,000
FY 2024	\$ 1,306,515	\$ 74,515	\$ 1,232,000	\$ 5,872,000
FY 2025	\$ 1,296,482	\$ 60,482	\$ 1,236,000	\$ 4,636,000
FY 2026	\$ 1,305,258	\$ 46,258	\$ 1,259,000	\$ 3,377,000
FY 2027	\$ 1,298,886	\$ 31,886	\$ 1,267,000	\$ 2,110,000
FY 2028	\$ 1,301,415	\$ 17,415	\$ 1,284,000	\$ 826,000
FY 2029	\$ 828,753	\$ 2,753	\$ 826,000	\$ -

General Fund Portion (refi of 2015 GF CIP debt)

	Debt Service	Interest	Principal	Outstanding Principal Balance
FY 2021	\$ 148,402	\$ 12,402	\$ 136,000	\$ 3,353,000
FY 2022	\$ 467,935	\$ 35,935	\$ 432,000	\$ 2,921,000
FY 2023	\$ 463,015	\$ 31,015	\$ 432,000	\$ 2,489,000
FY 2024	\$ 470,032	\$ 26,032	\$ 444,000	\$ 2,045,000
FY 2025	\$ 464,975	\$ 20,975	\$ 444,000	\$ 1,601,000
FY 2026	\$ 466,898	\$ 15,898	\$ 451,000	\$ 1,150,000
FY 2027	\$ 466,718	\$ 10,718	\$ 456,000	\$ 694,000
FY 2028	\$ 465,518	\$ 5,518	\$ 460,000	\$ 234,000
FY 2029	\$ 234,777	\$ 777	\$ 234,000	\$ -

Harbor CRA Portion (refi of 2009 Harbor CRA CIP debt)

	Debt Service	Interest	Principal	Outstanding Principal Balance
FY 2021	\$ 152,786	\$ 12,786	\$ 140,000	\$ 3,457,000
FY 2022	\$ 481,057	\$ 37,057	\$ 444,000	\$ 3,013,000
FY 2023	\$ 479,995	\$ 31,995	\$ 448,000	\$ 2,565,000
FY 2024	\$ 482,835	\$ 26,835	\$ 456,000	\$ 2,109,000
FY 2025	\$ 477,641	\$ 21,641	\$ 456,000	\$ 1,653,000
FY 2026	\$ 484,385	\$ 16,385	\$ 468,000	\$ 1,185,000
FY 2027	\$ 479,054	\$ 11,054	\$ 468,000	\$ 717,000
FY 2028	\$ 482,689	\$ 5,689	\$ 477,000	\$ 240,000
FY 2029	\$ 240,797	\$ 797	\$ 240,000	\$ -

Okaloosa 1/2 Penny Portion (Crystal Beach land acquisition)

	Debt Service	Interest	Principal	Outstanding Principal Balance
FY 2021	\$ 127,000	\$ 10,000	\$ 117,000	\$ 2,702,000
FY 2022	\$ 353,084	\$ 29,084	\$ 324,000	\$ 2,378,000
FY 2023	\$ 353,394	\$ 25,394	\$ 328,000	\$ 2,050,000
FY 2024	\$ 353,648	\$ 21,648	\$ 332,000	\$ 1,718,000
FY 2025	\$ 353,866	\$ 17,866	\$ 336,000	\$ 1,382,000
FY 2026	\$ 353,975	\$ 13,975	\$ 340,000	\$ 1,042,000
FY 2027	\$ 353,114	\$ 10,114	\$ 343,000	\$ 699,000
FY 2028	\$ 353,208	\$ 6,208	\$ 347,000	\$ 352,000
FY 2029	\$ 353,179	\$ 1,179	\$ 352,000	\$ -



223 Debt Service Fund

The City borrowed \$7,020,863 during FY 2023 to purchase a waterfront property in the Crystal Beach area near the Tarpon Beach access trail. The Tourism Development Council (TDC) agreed to lend the City a zero-interest loan in the form of an advanced funding agreement. This advance will be paid back in 9 installments of \$750,000 and one final payment in the 10th year. The payment source is the City of Destin's allocation of Okaloosa Tourism Development tax, which is currently estimated to be \$1.7 to \$2 million per year.

TDC AFA Tarpon Beach land Acquisition

	Debt Service	Interest	Principal	Outstanding Principal Balance
FY 2021	\$ -	\$ -	\$ -	\$ -
FY 2022	\$ -	\$ -	\$ -	\$ -
FY 2023	\$ 750,000	\$ -	\$ 750,000	\$ 6,270,863
FY 2024	\$ 750,000	\$ -	\$ 750,000	\$ 5,520,863
FY 2025	\$ 750,000	\$ -	\$ 750,000	\$ 4,770,863
FY 2026	\$ 750,000	\$ -	\$ 750,000	\$ 4,020,863
FY 2027	\$ 750,000	\$ -	\$ 750,000	\$ 3,270,863
FY 2028	\$ 750,000	\$ -	\$ 750,000	\$ 2,520,863
FY 2029	\$ 750,000	\$ -	\$ 750,000	\$ 1,770,863
FY 2030	\$ 750,000	\$ -	\$ 750,000	\$ 1,020,863
FY 2031	\$ 750,000	\$ -	\$ 750,000	\$ 270,863
FY 2032	\$ 270,863	\$ -	\$ 270,863	\$ -



224 Debt Service Fund

The City of Destin is contemplating borrowing up to \$25 million during fiscal year 2024 for the following three projects:

Waterfront property. Not to exceed **\$9** million. A special opportunity arose to purchase waterfront property on the north side of the Marler Bridge. Acquisition of this property will make it possible to achieve a number of projects that have been on the City's strategic vision plans for decades. The General Fund and the Harbor CRA will use existing cash on hand to purchase the property in October 2023. A reimbursement resolution has been adopted by Council to borrow at a later date to reimburse the General Fund and the Harbor CRA (to assist with cashflow management).

Undergrounding of Overhead Utilities. Not to exceed **\$13** million. In 2021, the City signed a new franchise agreement with Florida Power & Light (NextEra Energy), increasing the franchise fee from 4% to 6%. The new 2% increase is restricted to use towards undergrounding of overhead utilities (90% for undergrounding/10% for landscaping). To stay in compliance with this new franchise fee agreement, by the fall of 2023, the City must prove substantial effort by encumbering the first phase (first three miles) of undergrounding.

The first phase is along Highway US 98 from the Marler Bridge to Airport Road. Including reasonable lateral fees, this phase is estimated to replace 5.69 miles of conduit and is estimated to cost \$14,750,000. The City plans to use cash on hand (\$1.75 million) to start the project, then to borrow up to \$13 million to cover anticipated construction costs. The security for the loan will be a Covenant to Budget and Appropriate. The debt service will be paid from Electric Franchise fees and CRA TIF revenues. See also 324 2024 Bond Capital Project Fund for more details regarding the undergrounding project.

Crosstown Connector Roadway. Not to exceed **\$3** million. In 2005, the City of Destin began reconstruction of Legion Drive along with purchasing land for right-of-way to construct a roadway to connect east and west Destin as an alternate route for locals to the congested US98. In 2022 a design was finalized. In 2023 the last necessary property was acquired. Grant awards plus impact fees and gas tax#2 on hand of near \$6 million have been collected, but we estimate the cost of construction to be \$9-\$10 million. This loan will help ensure completion of this roadway. Debt service will be paid from annual receipts of Gas Tax #2. See also 324 2024 Bond Capital Project Fund for more details regarding this project.

Below are example amortization schedule using a likely muni-bond rate, selling at a premium to attain our financing goals. The series will mature by 2043. It is generally best practice to match the debt service to the life of the assets being constructed/acquired. Twenty years is chosen to best match the cashflows from the sources that will make the debt service payments. These tables are for discussion purposes only.



2024 in aggregate

	Debt Service	Interest	Principal	Outstanding Principal Balance
FY 2021	\$ -	\$ -	\$ -	\$ -
FY 2022	\$ -	\$ -	\$ -	\$ -
FY 2023	\$ -	\$ -	\$ -	\$ -
FY 2024	\$ -	\$ -	\$ -	\$ 23,725,000
FY 2025	\$ 1,966,250	\$ 1,186,250	\$ 780,000	\$ 22,945,000
FY 2026	\$ 1,967,250	\$ 1,147,250	\$ 820,000	\$ 22,125,000
FY 2027	\$ 1,966,250	\$ 1,106,250	\$ 860,000	\$ 21,265,000
FY 2028	\$ 1,963,250	\$ 1,063,250	\$ 900,000	\$ 20,365,000
FY 2029	\$ 1,963,250	\$ 1,018,250	\$ 945,000	\$ 19,420,000
FY 2030	\$ 1,961,000	\$ 971,000	\$ 990,000	\$ 18,430,000
FY 2031	\$ 1,661,500	\$ 621,500	\$ 1,040,000	\$ 17,390,000
FY 2032	\$ 1,964,500	\$ 869,500	\$ 1,095,000	\$ 16,295,000
FY 2033	\$ 1,959,750	\$ 814,750	\$ 1,145,000	\$ 15,150,000
FY 2034	\$ 1,962,500	\$ 757,500	\$ 1,205,000	\$ 13,945,000
FY 2035	\$ 1,962,250	\$ 697,250	\$ 1,265,000	\$ 12,680,000
FY 2036	\$ 1,964,000	\$ 634,000	\$ 1,330,000	\$ 11,350,000
FY 2037	\$ 1,957,500	\$ 567,500	\$ 1,390,000	\$ 9,960,000
FY 2038	\$ 1,958,000	\$ 498,000	\$ 1,460,000	\$ 8,500,000
FY 2039	\$ 1,965,000	\$ 425,000	\$ 1,540,000	\$ 6,960,000
FY 2040	\$ 1,963,000	\$ 348,000	\$ 1,615,000	\$ 5,345,000
FY 2041	\$ 1,962,250	\$ 267,250	\$ 1,695,000	\$ 3,650,000
FY 2042	\$ 1,962,500	\$ 182,500	\$ 1,780,000	\$ 1,870,000
FY 2043	\$ 1,963,500	\$ 93,500	\$ 1,870,000	\$ -

The City works closely with a reputable financial advisor and bond legal counsel for all debt issuance.



CAPITAL IMPROVEMENT FUNDS

This section includes overviews of the three capital project funds, the 5-year capital improvement program and how it relates to the objectives in our Strategic Plan and concludes with detailed descriptions of each major funded project.

The City of Destin currently tracks the majority of capital project expenditures in three capital project funds.

- The Renewal and Replacement fund is intended to accumulate funds to replace major components of existing infrastructure, facilities, and to replace vehicles and machinery as they age.
- The Grants and Other Capital Projects fund tracks capital projects funded by grants and by general fund dollars. This fund is primarily composed of capital grants from federal, state, and county agencies, which have restrictions for use imposed in the grant award agreements.
- The Restricted Capital Project fund tracks the usage of funds that are restricted by state statute, such as the use of impact fees.

While these funds are the primary funding source of capital projects, some capital projects are funded by the special revenue funds and general fund. The following section is a summary of each of the capital project funds, followed by details of the City's 5-year capital improvement plan.



300 Renewal and Replacement Fund

The renewal and replacement fund is intended to accumulate funds to replace major components of City infrastructure, facilities, and aged vehicles and machinery. City staff continue to gather data to refine the 20-year plan and to calculate one even annual addition to maintain adequate cashflows to replace aged infrastructure and facilities. Renewal and Replacement funded projects can be recognized in the 5-year capital plan as those starting with project number “RR”.

300 RENEWAL AND REPLACEMENT (COMMITTED; CAPITAL OUTLAYS)	FY2022 ACTUALS	FY2023 ADOPTED BUDGET*	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
300-36 Investment Income	2,233	1,900	2,353	2,360	250	250
TOTAL REVENUES	2,233	1,900	2,353	2,360	250	250
300-59 Capital Outlay	963,379	3,073,831	2,461,439	4,381,082	2,429,240	1,493,810
TOTAL EXPENDITURES	963,379	3,073,831	2,461,439	4,381,082	2,429,240	1,493,810
Excess (deficiency) of revenues over expenditure	(961,146)	(3,071,931)	(2,459,085)	(4,378,722)	(2,428,990)	(1,493,560)
300-38 Transfers In	1,458,937	1,633,748	1,607,010	3,986,926	8,592,800	2,098,700
300-58 Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	1,458,937	1,633,748	1,607,010	3,986,926	8,592,800	2,098,700
300 Net change in fund balances	497,790	(1,438,183)	(852,075)	(391,796)	6,163,810	605,140
300 Fund Balance (deficit), Beginning	1,402,960	1,900,750	1,900,750	1,048,675	656,879	6,820,689
300 Fund Balance (deficit), Ending	1,900,750	462,567	1,048,675	656,879	6,820,689	7,425,829

305 Grant and Other Capital Project Fund

The 305 capital project fund is where we track capital grants and certain special capital projects paid with proceeds from the general fund. During FY 2024, we expect to expend approximately \$10 million of capital grants and approximately \$1.9 million of general funds on capital projects. See the capital project detail pages for more information.

305 GRANT AND GF CAPITAL PROJECT FUND (RESTRICTED; CAPITAL OUTLAYS)	FY2022 ACTUALS	FY2023 ADOPTED BUDGET*	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
305-33 Intergovernmental	2,081,982	21,464,395	13,504,150	10,160,050	750,000	750,000
305-36 Contributions	28,685	2,066	-	-	-	-
TOTAL REVENUES	2,110,666	21,466,460	13,504,150	10,160,050	750,000	750,000
305-53 Physical Environment	-	-	-	-	-	-
305-59 Capital Outlay	2,695,743	29,092,884	19,987,046	11,382,312	595,000	125,000
TOTAL EXPENDITURES	2,695,743	29,092,884	19,987,046	11,382,312	595,000	125,000
Excess (deficiency) of revenues over expenditure	(585,077)	(7,626,424)	(6,482,897)	(1,222,262)	155,000	625,000
305-38 Transfers In	444,152	8,671,841	7,373,820	1,972,262	595,000	125,000
305-58 Transfers Out	-	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)
Total other financing sources (uses)	444,152	7,921,841	6,623,820	1,222,262	(155,000)	(625,000)
305 Net change in fund balances	(140,924)	295,417	140,924	-	-	-
305 Fund Balance (deficit), Beginning	(0)	(140,925)	(140,925)	(0)	(0)	(0)
305 Fund Balance (deficit), Ending	(140,925)	154,492	(0)	(0)	(0)	(0)



315 Restricted Capital Project Fund

The 315 capital project fund is where we track highly restricted revenues, such as impact fees. Impact fees are restricted for growth necessitated capital improvements. Park impact fees are committed in FY 2024 to expand bathrooms and storage at the increasingly popular Morgans Sports Center. Road impact fees are committed to completion of the growth-necessitated Cross-Town Connector along with Gas tax #2, which is restricted to address comprehensive plan transportation issues. This year we will also be encumbering a portion of the new (restricted) electric franchise fee towards undergrounding overhead utilities.

315 IMPACT AND OTHER RESTRICTED (CAPITAL OUTLAYS)	FY2023		FY2024		FY2025	FY2026
	FY2022 ACTUALS	ADOPTED BUDGET*	FY2023 PROJECTION	PROPOSED BUDGET	PROJECTION	PROJECTION
315-32 Impact Fees	132,605	105,500	461,271	105,500	105,500	105,500
315-32 Licenses and Permits	793,559	780,000	995,861	1,020,760	1,030,968	1,041,277
315-31 Sales and Use Taxes	247,687	264,384	241,771	267,012	275,022	283,273
315-36 Investment Income	3,598	1,920	3,268	1,870	1,870	1,870
315-36 Miscellaneous Revenue	5,575	-	-	-	-	-
TOTAL REVENUES	1,183,023	1,151,804	1,702,170	1,395,142	1,413,360	1,431,920
315-53 Physical Environment	-	-	-	-	-	-
315-59 Capital Outlay	496,106	6,324,227	245,228	5,301,306	-	-
TOTAL EXPENDITURES	496,106	6,324,227	245,228	5,301,306	-	-
Excess (deficiency) of revenues over expenditures	686,918	(5,172,423)	1,456,943	(3,906,164)	1,413,360	1,431,920
315-38 Transfers In	-	10,950,000	-	-	-	-
315-58 Transfers Out	-	(350,008)	(336,837)	(499,817)	(999,635)	(999,010)
Total other financing sources (uses)	-	10,599,992	(336,837)	(499,817)	(999,635)	(999,010)
315 Net change in fund balances	686,918	5,427,569	1,120,106	(4,405,981)	413,725	432,911
315 Fund Balance (deficit), Beginning	3,302,853	3,989,771	3,989,771	5,109,877	703,895	1,117,621
315 Fund Balance (deficit), Ending	3,989,771	9,417,340	5,109,877	703,895	1,117,621	1,550,531

324 2024 Bond Capital Project Fund

The City of Destin is contemplating borrowing up to \$25 million during fiscal year 2024. Nine million for the waterfront parcel acquisition is to reimburse the general fund and the Harbor CRA district. The remaining \$14 million will be used for construction of two projects which will be tracked in this fund.

Undergrounding of Overhead Utilities. Not to exceed \$13 million. To stay in compliance with this new franchise fee agreement, by the fall of 2023, the City must prove substantial effort by encumbering the first phase (first three miles) of undergrounding.

The first phase is along Highway US 98 from the Marler Bridge to Airport Road. Including reasonable lateral fees, this phase is estimated to replace 5.69 miles of conduit and is estimated to cost \$14,750,000. The City plans to use cash on hand (\$1.75 million) to start the project, then to borrow up to \$13 million to cover anticipated construction costs.



Materials can take up to 6 months to arrive from the order date. Construction tends to be 18 months from receive of first batch of materials.

Staff is currently working with utility legal counsel to finalize conversion agreements with all carriers who have equipment above ground in the phase 1 corridor. We anticipate agreements will be signed in September/October 2023, and material for conversion will be ordered in October/November 2023. The City will issue RFPs to secure a construction contractor in October/November timeframe. Any funds borrowed should be fully encumbered by fiscal year end 2024, and should be fully expended by early FY 2026.

324 2024 CONSTRUCTION BOND - UNDERGROUNDING (RESTRICTED; CAPITAL OUTLAYS)	FY2022 ACTUALS	FY2023 ADOPTED BUDGET*	FY2023 PROJECTION	FY2024 PROPOSED BUDGET	FY2025 PROJECTION	FY2026 PROJECTION
324-36 Investment Income	-	-	-	3,500	-	-
TOTAL REVENUES	-	-	-	3,500	-	-
324-53 Capital Outlay	-	-	-	16,004,320	-	-
TOTAL EXPENDITURES	-	-	-	16,004,320	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	(16,000,820)	-	-
324-38 Transfers In	-	-	-	16,004,320	-	-
300-58 Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	16,004,320	-	-
324 Net change in fund balances	-	-	-	3,500	-	-
324 Fund Balance (deficit), Beginning	-	-	-	-	3,500	3,500
324 Fund Balance (deficit), Ending	-	-	-	3,500	3,500	3,500

Crosstown Connector Roadway: Not to exceed \$3 million. The City has acquired all property and Council has approved a 90% plan to complete construction of the Crosstown Connector roadway. Approximately \$7 million in grant awards and other funds on hand have been committed to completing construction. The City may borrow up to an additional \$3 million to complete construction. An RFP for roadway construction should be issued this winter (November 2023 – January 2024).



FIVE-YEAR CAPITAL IMPROVEMENT PLAN

The FY2024-2028 five-year capital improvement program has classified projects into four major categories as follows:

1. **Citizen/Council Directed Projects.** This group includes the top three council strategic priorities. Currently, this includes beach acquisition, the “cross-town connector”, and utility undergrounding.
2. **Renewal & Replacement.** The facilities renewal and replacement fund is intended as a place to build cash reserves for the eventual replacement of major components of facilities, such as a roof, HVAC, or other major components. The general fund transfers money into the facilities renewal and replacement fund based on an estimation of the cost for replacement and the estimated date when the major component will need to be replaced. Each year, conditions of facilities are analyzed, and as appropriate, renewal and replacement funds are used to replace components prior to failure. Renewal and replacement of our roads and sidewalks are funded by a gas tax intended for this purpose (Gas Tax #1).
3. **Growth Necessitated & Comp Plan.** These projects are primarily funded by impact fees, which are collected from developers as their projects increase population or traffic to use city facilities. The city also tracks the use of a second gas tax that is intended for traffic improvements that are outlined in the city’s comprehensive plan.
4. **Other Capital Projects.** This group of capital projects is funded by grants and donations, supported with matching funds from the general fund.

Following is the list of funded projects and the sources to pay for the projects, then individual project worksheets that describe each project in more details, including impacts on operating expenses and links to the strategic plan and the comprehensive plan.

Not all project requests are funded. Projects are reviewed against the available funds, the restricted and committed uses of the available funds, and the prioritized based upon certain criteria to include safety, grant funding, and relative importance to Council as memorialized in the adopted Strategic Plan and Council Objectives. Likelihood of failure and consequence of failure is also considered for capital replacements.



		FY 2024 Proposed Budget	5-Year Funded Capital Plan Amount
Council Objectives			
1.1	Work with Stakeholders to pursue a Destin City Center	\$ 50,000	\$ 50,000
1.2	Public waterfront acquisition initiative	14,069,622	14,069,622
1.3	Underground utilities	16,000,885	16,000,885
1.4	Stahlman/US 98 pedestrian and vehicle Improvements in cooperation with FDOT	-	-
1.5	Pedestrian access concepts under the Marler Bridge	-	-
1.6	Two-lane Crosstown Connector	9,003,151	9,003,151
1.7	Improve parking, explore options (parking garage, surface parking)	525,000	600,000
1.8	Annexation of unincorporated enclaves	-	-
1.9	Morgan Sports Center and Dalton Threadgill Park Master Plan for renovations	-	-
1.10	Support for regional Transit and Ferry systems	-	-
1.11	City Marina (Phase 1 Feasibility Study)	50,000	50,000
1.12	Support Beach Re-nourishment, planning, scheduling in partnership with the County/State	-	-
1.13	Support regional workforce housing initiatives	-	-
Management Objectives		-	-
2.1-2.11	These are management-related, not capital project related	-	-
Management in Progress (capital projects only listed below)		-	-
3.1	Memorialize institutional knowledge		
3.2	Plan for renewal and replacement of city facilities and infrastructure	1,919,302	4,980,152
3.5	Complete land development code revisions	-	-
3.7	Implement a pavement management program	2,537,780	6,878,380
3.9	Improve sidewalks (wider, more walkable)	-	-
Major Projects		-	-
4.1	Implement and Manage COMPASS software	-	-
4.2	Harbor Capacity Study	-	-
4.3	Impact Fee Study	-	-
4.4	Building Permit Fee Study	-	-
4.5	Develop and Implement the Mobility Plan and associated Fees	-	-
4.6	Update Business Tax Receipts (BTR) Fee Schedule and processes	-	-
4.7	Research Stormwater Utility options and Funding	-	-
4.8	Construct Capt. Royal Melvin Heritage Park	-	-



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4.9	FDOT Median Improvement project	-	-
4.10	Norriego Point Park Improvements Phase III - Recreation Components	-	-
4.11	Renovate Clement Taylor Park (Pending Funding)	1,596,180	1,596,180
4.12	Redevelop Joe's Bayou Recreation Area	-	-
4.13	Continuity of streetlights/ Conversion to LEDS (In Progress)	-	-
4.14	Implement prioritized stormwater improvements based on the Stormwater Master Plan	972,000	972,000
4.15	Linear Park (in partnership with FPL) secure additional funding, complete design, secure required easements, construct trail	-	1,000,000
4.16	Pickleball Courts: Secure additional Funding, acquire land, complete design and construct	350,000	350,000
TOTAL for items on the Strategic Plan		\$ 47,073,920	\$ 55,550,370

TOTAL 5-Year CAPITAL BUDGET \$ 59,736,470
% FOR STRATEGIC PLAN 93%

NOT ON COUNCIL OBJECTIVE LIST:

5.1	Upgrades to Morgan Sport Center (Bathrooms; LED lighting; Artificial Infields; Field Lining Technology)	805,000	1,505,000
5.2	Dredge Harbor Channel	110,100	110,100
5.3	Upgrade/Remodel and expand Library	190,000	190,000
5.4	Code Enforcement New Equipment	76,000	96,000
5.5	Building Inspector New Equipment	40,000	40,000
5.6	Hurricane Response (first 30 days; Debris Removal)	100,000	100,000
5.7	Public Works Safety Committee - Intersection and Crossing Safety	100,000	500,000
xxx	Other small projects	445,000	1,645,000
TOTAL for additional projects not on Plan		\$ 1,866,100	\$ 4,186,100
TOTAL for all projects		\$ 48,940,020	\$ 59,736,470



CITY OF DESTIN 5-YEAR CAPITAL IMPROVEMENT PLAN

STRATEGIC OBJECTIVE	PRIORITY		PY Encumbrances rolling forward 08/14/23	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2024 - FY 2028 Total
		Citizen/Council Directed							
	1.2	HRB1 1 Harbor Blvd/1 Calhoun Waterfront Land	\$ -	\$ 9,100,000	\$ -	\$ -	\$ -	\$ -	\$ 9,100,000
	1.3	UNDER Undergrounding	894,344	16,000,885	-	-	-	-	16,000,885
	1.6	EN615 Cross-Town Connector	43,485	9,003,151	-	-	-	-	9,003,151
	1.2	CM001 Beach Acquisition/Beach Park Development	81,826	4,969,622	-	-	-	-	4,969,622
	5.2	DREDG Dredge Harbor	-	110,100	-	-	-	-	110,100
	1.7	TR619 Sibert-Zerbe Parking Lot Consolidation	-	525,000	-	-	-	-	525,000
	1.1	CENTR City Center - Concept Design	-	50,000	-	-	-	-	50,000
	1.11	MARIN City Marina	-	50,000	-	-	-	-	50,000
	1.10	TR621 Transit: Trolley, Ferry	-	-	-	-	-	-	-
	4.8	SW56 Mattie Kelly Naturewalk Outfall	-	175,000	1,200,000	-	-	-	1,375,000
		Renewal & Replacement							
	3.2	RR051 General Government	1,207	155,000	194,160	15,120	-	-	364,280
	3.2	RR052 Public Safety	8,369	230,380	-	126,760	53,200	-	410,340
	3.2	RR053 Physical Environment (Stormwater, Cemetery)	149,938	75,000	750,000	74,000	-	-	899,000
	3.7	RR054 Roads, Sidewalks, Street Lighting	300,884	2,537,780	1,076,200	1,082,100	1,088,100	1,094,200	6,878,380
	3.2	RR056 Human Services (Food4Thought Bldg)	-	-	6,760	-	-	-	6,760
	3.2	RR571 Library	-	127,500	-	14,580	-	8,700	150,780
	3.2	RR572 Parks and Recreation	67,453	749,922	230,400	114,050	402,200	394,000	1,890,572
	3.2	RR573 Other Facilities (i.e. Museum)	-	4,500	-	-	-	6,960	11,460
	3.2	RRV11 Vehicles for Bldg Inspectors	-	76,000	-	-	-	45,600	121,600
	3.2	RRV51 Vehicles for General Government	-	23,000	-	33,600	-	45,600	102,200
	3.2	RRV52 Vehicles for Public Safety (Code)	-	-	41,040	-	88,160	45,600	174,800
	3.2	RRV54 Vehicles for Public Works	-	365,000	41,040	33,600	-	162,000	601,640
	3.2	RRV57 Vehicles for Parks & Recreation	-	113,000	89,640	-	44,080	-	246,720
	3.2	RRVEH Vehicles	670,331	-	-	-	-	-	-
		Growth Necessitated & Comp Plan							
	5.4	CE002 Code Enforcement Equipment	-	30,000	20,000	-	-	-	50,000
	1.5	CRH60 Pedestrian Pathway Under Marler Bridge	149,571	-	-	-	-	-	-
	1.4	EN617 Stahlman/US98 Intersection	-	-	-	-	-	-	-
	5.3	LB002 Library Impact Fee Projects	-	190,000	-	-	-	-	190,000
	xxx	TR620 ADA Transition - Pedestrian Facilities	25,487	-	-	-	-	-	-
	1.7	TR622 General Parking Improvements	-	-	75,000	-	-	-	75,000



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Other Capital Projects									
4.10	ARP	Stormwater Infrastructure Projects	734,853	312,000	-	-	-	-	312,000
5.5	BDVEH	New Inspector Vehicles	-	40,000	-	-	-	-	40,000
5.4	CEVEH	New Code Enforcement Vehicles	-	46,000	-	-	-	-	46,000
xxx	CRH63	Captain Royal Melvin Heritage Park and Plaza	9,614	-	-	-	-	-	-
4.11	CRT17	Town Center CRA Easement Trail/Linear Park	570,000	-	-	1,000,000	-	-	1,000,000
5.6	HURRIC	Hurricane Response	-	100,000	-	-	-	-	100,000
xxx	IT003	Other Hardware/Software Replacements	-	170,000	-	-	-	-	170,000
5.1	RC124	Morgan Children's Park Playground Structure	-	100,000	-	-	-	-	100,000
xxx	RC125	Buck Destin Restrooms	99,544	100,000	-	-	-	-	100,000
4.12	RC127	Pickleball Court	-	350,000	-	-	-	-	350,000
5.1	RC128	Morgan Bathrooms/Storage/Fieldhouse	-	250,000	-	-	-	-	250,000
5.1	RC129	Morgan - Field Lighting (LED)	-	255,000	175,000	75,000	-	-	505,000
5.1	RC130	Morgan - Artificial Infields	-	200,000	400,000	-	-	-	600,000
5.1	RC131	Morgan - Field Lining Robot	-	-	-	50,000	-	-	50,000
4.7	RC216	Clement Taylor Park Renovations	15,968	1,596,180	-	-	-	-	1,596,180
4.10	SW57	CTP Stormwater Mitigation	-	60,000	-	-	-	-	60,000
4.10	SW58	Chickasaw Ct Stormwater Remediation	-	600,000	-	-	-	-	600,000
5.7	TRSAF	Intersection Safety	62,500	100,000	100,000	100,000	100,000	100,000	500,000
xxx	XMAS	Holiday Decorations	35,804	-	-	-	-	-	-
Total Projects			\$ 3,921,176	\$ 48,940,020	\$ 4,399,240	\$ 2,718,810	\$ 1,775,740	\$ 1,902,660	\$ 59,736,470



CAPITAL IMPROVEMENT PROGRAM

Funding Sources		PY Encumbrances rolling forward 08/14/23						FY 2024 - FY 2028 Total
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028		
30058585	RR GENERAL	983,776	\$ 3,792,782	\$ 1,835,040	\$ 893,710	\$ 1,069,640	\$ 1,144,860	\$ 8,736,032
30558500	GENERAL FUND	265,083	1,972,262	595,000	125,000	-	-	2,692,262
10258500	TOWN CENTER CRA	415,804	-	-	1,000,000	-	-	1,000,000
11058500	HARBOR CRA	-	9,100,000	-	-	-	-	9,100,000
11152441	BUILDING FUND	-	116,000	-	-	-	45,600	161,600
12254500	PARKING FUND	60,340	525,000	75,000	-	-	-	600,000
12552400	TECHNOLOGY FUND	-	85,000	-	-	-	-	85,000
12953831	OKA 1/2 STORMWATER	-	835,000	1,200,000	-	-	-	2,035,000
12953931	OKA 1/2 UNDERGROUNDING	894,344	1,000,000	-	-	-	-	1,000,000
12954100	OKA 1/2 PUBLIC WORKS & SAFETY	62,500	100,000	100,000	100,000	100,000	100,000	500,000
12957231	OKA 1/2 BEACH ACQ	-	-	-	-	-	-	-
32453900	2024 Bond Issuance	-	16,004,319	-	-	-	-	16,004,319
30054131	GAS TAX#1 RR ROADS	4,127	588,300	594,200	600,100	606,100	612,200	3,000,900
31554031	GAS TAX#2 COMP PLAN	-	1,000,000	-	-	-	-	1,000,000
31552000	POLICE IMPACT FEES	-	10,000	-	-	-	-	10,000
31554032	MULTI-MODAL IMPACT FEES	25,487	26,307	-	-	-	-	26,307
31554132	ROAD IMPACT FEES	40,120	1,575,000	-	-	-	-	1,575,000
31557132	LIBRARY IMPACT FEES	-	190,000	-	-	-	-	190,000
31557232	PARK IMPACT FEES	-	474,000	-	-	-	-	474,000
12753700	NPEB	149,938	110,000	-	-	-	-	110,000
12753800	STORMWATER TRUST FUND	-	-	-	-	-	-	-
31553977	ELECTRIC FRANCHISE UNDERGROUNDING	-	2,000,000	-	-	-	-	2,000,000
30554100	BOCC XTOWN CONSTRUCTION	-	3,300,000	-	-	-	-	3,300,000
30554133	FDOT TRIP GRANT	3,364	98,410	-	-	-	-	98,410
30554200	STATE GRANT LINEAR TRL	190,000	-	-	-	-	-	-
30557133	LIBRARY/MUSEUM GRANTS	-	-	-	-	-	-	-
30557233	RESTORE PARK GRANT	-	729,918	-	-	-	-	729,918
30557212	TDC 12.5% (includes Advanced Funding)	91,440	2,254,115	-	-	-	-	2,254,115
30557237	BOCC (TDC) BEACH ACQ GRANT	-	2,715,607	-	-	-	-	2,715,607
30555900	AMERICAN RESCUE PLAN	734,853	312,000	-	-	-	-	312,000
31557236	MORGANS KID PARK GRANT	-	26,000	-	-	-	-	26,000
Total Sources		\$ 3,921,176	\$ 48,940,020	\$ 4,399,240	\$ 2,718,810	\$ 1,775,740	\$ 1,902,660	\$ 59,736,470



**FY 2024 PROPOSED CAPITAL BUDGET
by Governmental Activity**

General Government

CENTR	City Center Feasibility Study	50,000
IT003	Other Hardware/Software Replacements	170,000
RR051	General Government	155,000
RRV51	Vehicles	23,000
Subtotal		398,000

Public Safety

CE002	Code Enforcement Equipment	30,000
CEVEH	New Code Enforcement Vehicles	46,000
BDVEH	New Inspector Vehicles	40,000
HURRIC	Hurricane Response	100,000
RR052	Public Safety	230,380
RRV11	Vehicles for Bldg Inspectors	76,000
RRV52	Vehicles for Public Safety (Code)	-
Subtotal		522,380

Physical Environment

ARP	Stormwater Infrastructure Projects	312,000
DREDG	Dredge Waterway Channels	110,100
RR053	Physical Environment (Stormwater, Cemetery)	75,000
SW56	Mattie Kelly Outfall at Joe's Bayou	175,000
SW57	CTP Stormwater Mitigation	60,000
SW58	Chickasaw Ct Stormwater Remediation	600,000
UNDER	Undergrounding	16,000,885
Subtotal		17,332,985

Human Services

RR056	Human Services (Food4Thought Bldg)	-
Subtotal		-

Transportation

EN615	Cross-Town Connector	9,003,151
RR054	Roads, Sidewalks, Street Lighting (Gas Tax 1)	2,537,780
RRV54	Vehicles for Public Works	365,000
TR619	Sibert-Zerbe Parking Lot Consolidation	525,000
TRSAF	Intersection Safety	100,000
Subtotal		12,530,931

**Economic Development**

CRT17	Town Center CRA Easement Trail/Linear Park	-
HRB1	1 Harbor Blvd	9,100,000
CRH60	Pedestrian Pathway under Marler Bridge	-
CRT64	Town Center CRA Wayfinding Plan Signage	-
CRH64	Harbor CRA Wayfinding Plan Signage	-
Subtotal		9,100,000

Culture & Recreation

CM001	Beach Acquisition	4,969,622
LB002	Library Impact Fee Projects	190,000
MARIN	City Marina	50,000
RC124	Morgan's Children's Park Playground Structure	100,000
RC125	Buck Destin Restrooms	100,000
RC127	Pickleball Court	350,000
RC128	Morgan's Bathrooms/Storage/Fieldhouse	250,000
RC129	Morgan - Field Lighting (LED)	255,000
RC130	Morgan - Artificial Infields	200,000
RC131	Morgan - Field Lining Robot	-
RC216	Clement Taylor Park Renovations	1,596,180
RR571	Library	127,500
RR572	Parks and Recreation	749,922
RR573	Other Facilities (i.e. Museum)	4,500
RRV57	Vehicles for Parks & Recreation	113,000
Subtotal		9,055,724

GRAND TOTAL	48,940,020
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**CAPITAL IMPROVEMENT PROJECT REQUEST**

ARP

Other Capital Projects: American Rescue Plan Infrastructure Improvements

Project Manager: Public Works/Stormwater Director

Council Objective: Improve the quality of life and safety for families. A Green and Sustainable Environment.**Purpose and Justification:** The American Rescue Plan Act has allocated \$790,000 to the City of Destin for two years. After Staff research was conducted, Council approved IT and Stormwater related projects. Remaining funds must be encumbered by December 2024. Additional projects will be identified and brought to Council this fiscal year.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	312,000	0	0	0	0
TOTAL	\$ 312,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 6-1.2.1, 4-4.1.1, 4-4.2.3

Is this a Multi-Year Project: Yes

If yes, what was/is the Project's initiation Date: FY23

Operations & Maintenance (O & M) impact(s): Projects completed as part of this initiative will require regular cleaning to support optimal functionality.**Impact on Level of Service:** Renewal and Replacement of existing corrugated metal piping, installation of new and restoration of existing roadside stormwater swales. Other projects may include property or ROW acquisition for new drainage features in areas that experience flooding.

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$15,600
565006 Inspection	\$15,600
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$280,800
Other(s) (please list)	
TOTAL	\$312,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	\$0

of Additional FTEs

-

Funding Source(s)	
30555900 ARPA	\$312,000
TOTAL	\$312,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

BDVEH

Other Capital Projects: New Inspector Vehicles

Project Manager: Public Works Director

Council Objective: Financially Sound City providing Service Excellence

Purpose and Justification: Vehicles and motorized equipment are critical components required to provide service to our citizens and visitors. A properly prepared capital improvement plan is essential to the future financial health of our organization as is the continued delivery of services to citizens and businesses. This project account is one of several used to track the addition of vehicles as we expand staff and expand services.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	40,000	0	0	0	0
TOTAL	\$ 40,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 9-1.1.1

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: NA

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain and extend the life expectancy of these assets, but components will still need replacing or upgrading at the end of their useful life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$2,000
565006 Inspection	\$2,000
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$36,000
Other(s) (please list)	
TOTAL	\$40,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	\$0
# of Additional FTEs	-

Funding Source(s)	
11152441 Building Fund	\$40,000
TOTAL	\$40,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

CEVEH

Other Capital Projects: New Code Enforcement Vehicle**Project Manager:** Public Works Director**Council Objective:** Financially Sound City providing Service Excellence

Purpose and Justification: Vehicles and motorized equipment are critical components required to provide service to our citizens and visitors. A properly prepared capital improvement plan is essential to the future financial health of our organization as is the continued delivery of services to citizens and businesses. This project account is one of several used to track the addition of vehicles as we expand staff and expand services.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	46,000	0	0	0	0
TOTAL	\$ 46,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 9-1.1.1

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: NA

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain and extend the life expectancy of these assets, but components will still need replacing or upgrading at the end of their useful life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	
565006 Inspection	
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Sigr	\$46,000
565000 Permitting & Construction	
Other(s) (please list)	
TOTAL	\$46,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	\$0
# of Additional FTEs	-

Funding Source(s)	
30558500 General Fund	\$46,000
TOTAL	\$46,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

CE002

Renewal & Replacement: Traffic Management Equipment**Project Manager:** Code Compliance Director**Council Objective:** Strategic Goals 2026: #1. Financially sound City providing Service Excellence and Strategic Goal #2. Enhanced Quality of Life and Safety for Families**Purpose and Justification:**

Growth necessitated equipment for the Code Compliance department. There many needs around the city, one of which is to slow drivers down. In order to help achieve safer travel we are wanting to purchase two speed trailers and a PA system for our code vehicles in 2024, as well as a Drone for code investigations purposes in 2025. These items will assist us in making the community safer and more accountable.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	30,000	20,000	-	-	-
TOTAL	\$ 30,000	\$ 20,000	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 9-1.1.1: Commit necessary resources for Capital Improvements

Is this a Multi-Year Project: No

If yes, what was/is the Project's initiation Date: NA

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

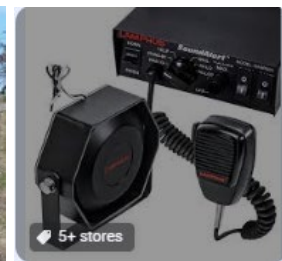
Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	
565006 Inspection	
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures	\$30,000
565000 Permitting & Construction	
Other(s) (please list)	
TOTAL	\$30,000

Annual Operating Costs	
Boat / Trailer	
Personnel	
Contractual	\$0
Operating Expenses	\$2,000
RR Fund	\$4,100
Debt Service	
TOTAL	\$6,100

of Additional FTEs

Funding Source(s)	
30558500 General Fund	\$20,000
3155200 Police Impact Fees	\$10,000
TOTAL	\$30,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

CENTR

Citizen/Council Directed Projects: City Center - Concept Design

Project Manager: Community Development Director

Council Objective: Strategic Objective #1.1

Purpose and Justification: Council Objective 1.1 is to work with stakeholders to pursue the Destin City Center. Negotiations with an engineering firm are currently underway for a town center concept.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	50,000	0	0	0	0
TOTAL	\$ 50,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy:

Is this a Multi-Year Project: Yes - annual budget review

If yes, what was/is the Project's initiation Date:

Operations & Maintenance (O & M) impact(s):

Impact on Level of Service:

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	\$50,000
565005 Construction Management	
565006 Inspection	
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	
Other(s) (please list)	
TOTAL	\$50,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	

of Additional FTEs

Funding Source(s)	
30558500 General Fund	\$50,000
TOTAL	\$50,000

**CAPITAL IMPROVEMENT PROJECT REQUEST**

CM001

Citizen/Council Directed Projects: Public Waterfront Acquisition

Project Manager: City Manager

Council Objective: Strategic Objective #1.2

Purpose and Justification: Acquisition of public waterfront to improve access for citizens is the #1.2 council objective in the FY2024-2029 Strategic plan. Previous purchases include beachfront properties at Tarpon and Crystal Beach. The remaining \$4.9 million for FY 2024 is to complete design and construction of park facilities at these beachfront properties.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	4,969,622	0	0	0	0
TOTAL	\$ 4,969,622	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy:

Is this a Multi-Year Project: Yes - annual budget review

If yes, what was/is the Project's initiation Date:

Operations & Maintenance (O & M) impact(s): Increases to O&M will be calculated if the City chooses to expand the existing facilities.

Impact on Level of Service: To increase beach accessible to our citizens

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	\$248,481
565005 Construction Management	\$248,481
565006 Inspection	
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$4,472,660
Other(s) (please list)	
TOTAL	\$4,969,622

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	

of Additional FTEs

Funding Source(s)	
30557212 TDC 12.5%	\$2,254,015
30557237 BOCC	\$2,715,607
TOTAL	\$4,969,622



**CAPITAL IMPROVEMENT PROJECT REQUEST****CRT17****Other Capital Projects: Town Center CRA Easement trail/park Main to Mattie Kelly****Project Manager:** Community Development Director/Parks & Recreation Director/Grants & Project Manager**Council Objective:** Improve mobility and connectivity

Purpose and Justification: Develop a trail/park in the Power Liner Easement to connect Main Street to Mattie Kelly Blvd to Airport Road to promote the mobility plan to have convenient access to Main Street shops and amenities without need to drive. Also to serve as a recreational pathway. Funding in FY2024 is for design. FY25 funding is for construction. This timing also allows for more discretionary funds to build within the Town Center CRA from the existing Tax Incremental Financing (TIF) agreement.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	0	0	1,000,000	0	0
TOTAL	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -

Status:

Comprehensive Plan Policy: 1-1.1.2c

Is this a Multi-Year Project: Yes

If yes, what was/is the Project's initiation Date: December 2020/January 2021

Operations & Maintenance (O & M) impact(s): Additional costs to maintain landscape, trail, and benches is estimated to be 100 labor hours per year (\$3500/year). Approximately \$2500/year should be added to RR054 to periodically replace the trail surface, and to \$1750/ year to RR057 to replace major landscape/park components as they age.

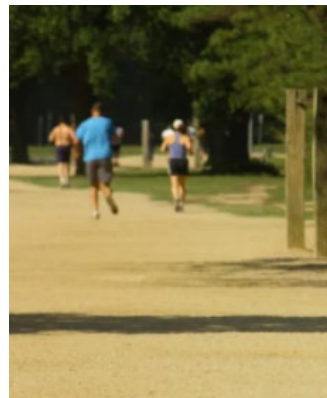
Impact on Level of Service: Improves non-vehicular access for citizens and visitors to local businesses and increases citizen and visitor access to park and other service areas.

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	
565006 Inspection	
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	
Other(s) (please list)	
TOTAL	\$0

Annual Operating Costs	
Personnel	TBD
Contractual	upon
Operating Expenses	design
RR Fund	completion
Debt Service	
TOTAL	\$0

of Additional FTEs

Funding Source(s)	
10258500 Town Center CRA	
30554200 State Appropriation (Grant)	\$270,000
TOTAL	\$270,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

DREDG

Citizen/Council Directed Projects: Dredge Harbor

Project Manager: Community Development Director

Council Objective: Strategic Objective #1

Purpose and Justification: The 100-foot ACOE channel into the Destin Harbor from East Pass is an integral piece to the viability and growth for businesses, citizens, and tourists alike. With an ever-changing environment (tides and storms) the channel over time slowly fills in. Once the channel fills to a certain point it makes it more difficult for the larger vessels to navigate into and out of the Harbor. Periodic maintenance will be required to clear out the channel to previously permitted allowances.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	110,100	0	0	0	0
TOTAL	\$ 110,100	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy:

Is this a Multi-Year Project: Yes - annual budget review

If yes, what was/is the Project's initiation Date:

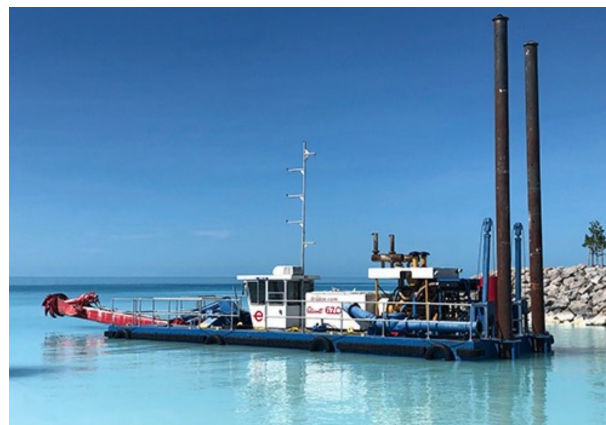
Operations & Maintenance (O & M) impact(s): In an "as needed" basis, periodic bathymetric surveys shall be conducted to help determine the scope and need for the dredging required to match permitted conditions.

Impact on Level of Service: To increase Harbor accessibility for vessels.

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$5,505
565006 Inspection	\$5,505
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$99,090
Other(s) (please list)	
TOTAL	\$110,100

Annual Operating Costs	
Personnel	\$69,888
Contractual	\$6,000
Operating Expenses	\$2,000
RR Fund	\$3,000
Debt Service	
TOTAL	\$80,888
# of Additional FTEs	1.50

Funding Source(s)	
12753700 NPEB	\$110,000
30557212 TDC 12.5% (Includes Advance Fund	\$100
TOTAL	\$110,100



**CAPITAL IMPROVEMENT PROJECT REQUEST**

EN615

Citizen/Council Directed Projects: Cross-Town Connector**Project Manager:** Community Development Director**Council Objective:** Complete Two-Lane Crosstown Connector 1.6

Purpose and Justification: Since 2004, the City has worked on an alternative to Highway 98 for citizens to access City amenities within Destin. Atkins North America has redesigned the project to a two-lane section with multi-use trails. All right of way purchases are now complete. The City anticipates support from Okaloosa County for construction. As awards are obligated, the funding is captured in our 5-year capital budget.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	9,003,151	0	0	0	0
TOTAL	\$ 9,003,151	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 2-1.1.2, 2-1.1.12, et al.

Is this a Multi-Year Project: Yes. Budget review annually.

If yes, what was/is the Project's initiation Date: 2004

Operations & Maintenance (O & M) impact(s): This road extension will need to be restriped approximately every 7 years (\$3000) and will need to be resurfaced approximately every 15 years (\$200,000). Median maintenance (mowing, edging, other landscape maintenance, street lighting, pavement marking maintenance, etc.) will be several thousand dollars per year post-construction.

Impact on Level of Service: Increased level of service with improved vehicle, bicycle and pedestrian access to west Destin.

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$450,158
565006 Inspection	\$450,158
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$8,102,836
Other(s) (please list)	
TOTAL	\$9,003,151

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	\$1,000
RR Fund	\$13,762
Debt Service	
TOTAL	\$14,762
# of Additional FTEs	-

Funding Source(s)	
30554100 BOCC Grant	\$3,300,000
30554133 FDOT TRIP Grant	\$98,410
31554031 Gas Tax #2	\$1,000,000
31554032 Multi-Modal Fees	\$26,307
31554132 Road Impact Fees	\$1,575,000
32453000 2024 Bond	\$3,003,434
TOTAL	\$9,003,151



**CAPITAL IMPROVEMENT PROJECT REQUEST**

HRB1

Citizen/Council Directed Projects: 1 Harbor Blvd/1 Calhoun Waterfront Land Acquisition

Project Manager: Grants/Project Manager

Council Objective: Critical Priority 1.2 Public Waterfront Acquisition Initiative

Purpose and Justification: Increasing public access to the waterfront has been a council priority for many years. Recent efforts have increased beachfront access through the acquisition of a number of privately owned properties. The purchase of Harbor 1 will extend this initiative to the harbor district as the Council has approved the purchase of this property for public use.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	9,100,000	0	0	0	0
TOTAL	\$ 9,100,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: Please check.

Is this a Multi-Year Project: Yes. Budget review annually.

If yes, what was/is the Project's initiation Date: 2023

Operations & Maintenance (O & M) impact(s): Please fill out.**Impact on Level of Service:** Please fill out.

Current Year Total Funding Requirement:	
531000 Professional Svc Project Mgmt/Architects/Engineers	
565005 Construction Management	\$455,000
565006 Inspection	\$455,000
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$8,190,000
Other(s) (please list)	
TOTAL	\$9,100,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	\$1,000
RR Fund	\$13,762
Debt Service	
TOTAL	\$14,762

of Additional FTEs

-

Funding Source(s)	
11058500 Harbor CRA	\$9,100,000
TOTAL	\$9,100,000

**CAPITAL IMPROVEMENT PROJECT REQUEST****HURRIC****Growth/Comp Plan Projects: General Parking Improvements****Project Manager:** Public Works/Emergency Mgmt Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, 3. Improve mobility and connectivity, 6. Effective, efficient, and aesthetically pleasing infrastructure

Purpose and Justification: In event of a hurricane, these funds will be allocated to prior-approved continuing services contractors to complete expedient debris removal and critical repairs to ensure safety of our citizens and to facilitate mobility immediately after a natural event. These expenditures are often reimbursed by FEMA.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	100,000	-	-	-	-
TOTAL	\$ 100,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: Multi Modal Strategy

Is this a Multi-Year Project: Yes

If yes, what was/is the Project's initiation Date:

Operations & Maintenance (O & M) impact(s):

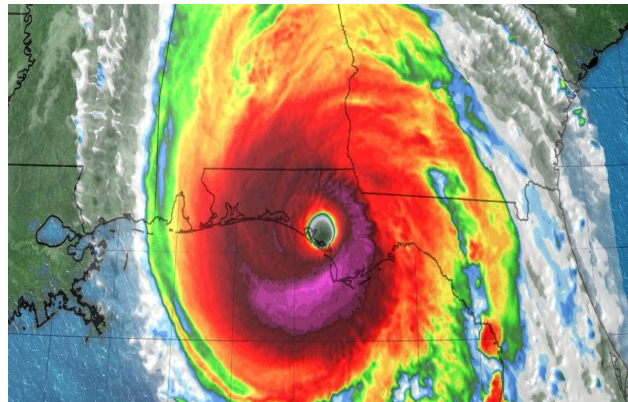
Impact on Level of Service: Increases and improves accessibility to city-wide walkways, sidewalks, trails and other access areas to all visitors and residents.

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$5,000
565006 Inspection	\$5,000
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$90,000
Other(s) (please list)	
TOTAL	\$100,000

Annual Operating Costs	
Personnel	\$0
Contractual	\$0
Operating Expenses	\$3,000
RR Fund	\$12,000
Debt Service	
TOTAL	\$15,000

of Additional FTEs

Funding Source(s)	
30558500 General Fund	\$100,000
TOTAL	\$100,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

IT002

Other Capital Projects: Hardware/Software Replacements

Project Manager: IT Director

Council Objective: Assists with 1B, 4C, and Additional IT goals for Service Excellence

Purpose and Justification: To support all departments in pursuit of council goals, IT identifies the following tasks:

1. Upgrade or replace ineffective software and ensure data/code ownership (vendor purchased portion).
2. Implement a 5-year network infrastructure replacement plan.
3. Make use of Large Language Models for business improvement.
4. Balance cloud and on-premise solutions for optimal cost and flexibility.

This project will ensure proper server upgrades, lightning damage mitigation improvements, replacement desktop computers, assistance in customer software development where required, replacement of Chinese hosted camera systems in accordance with Florida State Law.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	85,000	40,000	40,000	40,000	40,000
TOTAL	\$ 85,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000

Status: Exploratory Phase

Comprehensive Plan Policy:

Is this a Multi-Year Project: Yes

If yes, what was/is the Project's initiation Date:

Operations & Maintenance (O & M) impact(s):

1. Upgrade or replace ineffective software and ensure data/code ownership (in-house production portion).
2. Balance cloud and on-premise solutions for optimal cost and flexibility.
3. Update and test disaster recovery plans regularly.
4. Train internal IT staff in the profession.
5. Engage stakeholders to align IT services with organizational needs.
6. Promote tech innovation within the IT department.
7. Address environmental impacts of IT operations (accumulated e-waste).
8. Prioritize cybersecurity and compliance measures.

Impact on Level of Service: Improves productivity during operational hours

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	
565006 Inspection	
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures	\$85,000
565000 Permitting & Construction	
Other(s) (please list)	
TOTAL	\$85,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	\$0
# of Additional FTEs	1.50

Funding Source(s)	
12252400 Technology Fund	\$85,000
30558500 General Fund	\$85,000
TOTAL	\$170,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

IT003

Other Capital Projects: Other Hardware/Software Replacements**Project Manager:** IT Director**Council Objective:** Assists with Goals 1 and 4

Purpose and Justification: This project uses general fund monies to update software and related hardware for departments that are not supported by the CD Tech Fund. The city will benefit greatly from the incorporation of additional modules within the agenda system (CivicClerk) to assist the Clerk's office and the Facilities Maintenance department needs an improved asset management software to schedule maintenance while also maintaining records of locations, conditions, and last maintenance or repair of each the city's assets, facilities, and equipment.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	170,000	0	0	0	0
TOTAL	\$ 170,000	\$ -	\$ -	\$ -	\$ -

Status: Discovery Phase

Comprehensive Plan Policy:

Is this a Multi-Year Project: No

If yes, what was/is the Project's initiation Date:

Operations & Maintenance (O & M) impact(s): Upgrading the software may increase software maintenance costs, but it should also improve productivity of staff and better availability for online citizen services.

Impact on Level of Service: Improves efficiency of operations and may increase number of hours facilities are accessible to citizens

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	
565006 Inspection	
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Sigr	\$170,000
565000 Permitting & Construction	
Other(s) (please list)	
TOTAL	\$170,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	\$0

of Additional FTEs 1.50

Funding Source(s)	
30558500 General Fund	\$85,000
12552400 Technology Fund	\$85,000
TOTAL	\$170,000

**CAPITAL IMPROVEMENT PROJECT REQUEST**

LB002

Growth/Comp Plan Projects: Library Impact Fee Projects

Project Manager: Library Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, 4. Enhanced quality of life and safety for families

Purpose and Justification: A variety of growth-necessitated upgrade projects to expand/improve park and recreation services to the community. Project priorities are being considered.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	190,000	-	-	-	-
TOTAL	\$ 190,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 4-6.1.3

Is this a Multi-Year Project: Yes. To be reviewed and budgeted annually.

If yes, what was/is the Project's initiation Date:

Operations & Maintenance (O & M) impact(s): No significant additional maintenance costs are anticipated above and beyond current budget.

Impact on Level of Service: Increase useability and accessibility of library services to our growing population.

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$9,500
565006 Inspection	\$9,500
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$171,000
Other(s) (please list)	
TOTAL	\$190,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	\$0

of Additional FTEs

Funding Source(s)	
31557132 Library Impact Fees	\$190,000
TOTAL	\$190,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

MARIN

Citizen/Council Directed Projects: MARINA

Project Manager: Grants & Project Manager

Council Objective: 1.11 City Marina

Purpose and Justification: Perform business analysis and feasibility study.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	50,000	0	0	0	0
TOTAL	\$ 50,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy:

Is this a Multi-Year Project: Yes. Budget review annually.

If yes, what was/is the Project's initiation Date:

Operations & Maintenance (O & M) impact(s):**Impact on Level of Service:**

Current Year Total Funding Requirement:	
531000 Professional Svc Project Mgmt/Architects/Engineers	
565005 Construction Management	\$2,500
565006 Inspection	\$2,500
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$45,000
Other(s) (please list)	
TOTAL	\$50,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	\$0

of Additional FTEs tbd

Funding Source(s)	
30558500 General Fund	\$50,000
TOTAL	\$50,000

**CAPITAL IMPROVEMENT PROJECT REQUEST**

RC124

Other Capital Projects: Morgan's Children's Park Playground Structure

Project Manager: Park & Recreation Director

Council Objective: Falling under Strategic Goal II Enhanced quality of life and safety for families.

Purpose and Justification: To add a playground module for the 2-5 year age group.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	100,000	0	0	0	0
TOTAL	\$ 100,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 7-1.1.2: Maintain level of service standards for parks and recreation facilities

Is this a Multi-Year Project: No

If yes, what was/is the Project's initiation Date: NA

Operations & Maintenance (O & M) impact(s): additional cost to parks and recreation maintenance budget includes inspections and clean up.

Impact on Level of Service: Maintain current playground

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$5,000
565006 Inspection	\$5,000
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$90,000
Other(s) (please list)	
TOTAL	\$100,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	\$500
Debt Service	
TOTAL	\$500

of Additional FTEs

-

Funding Source(s)	
31557232 Park Impact Fees	\$74,000
31557236 Morgan Family Donation	\$26,000
TOTAL	\$100,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

RC125

Other Capital Projects: Buck Destin Restrooms**Project Manager:** Park & Recreation Director**Council Objective:** Falling under Strategic Goal II Enhanced quality of life and safety for families.**Purpose and Justification:** The outside facilities do not have restrooms. Basketball, Pickleball, Tennis and Childrens playground will benefit.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	100,000	0	0	0	0
TOTAL	\$ 100,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 7-1.1.2: Maintain level of service standards for parks and recreation facilities

Is this a Multi-Year Project: No

If yes, what was/is the Project's initiation Date: NA

Operations & Maintenance (O & M) impact(s): additional cost to parks and recreation maintenance budget for the daily cleaning and upkeep.**Impact on Level of Service:** Enhanced quality of life and safety for families.

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$5,000
565006 Inspection	\$5,000
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$90,000
Other(s) (please list)	
TOTAL	\$100,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	\$1,200
RR Fund	\$5,000
Debt Service	
TOTAL	\$6,200

of Additional FTEs

-

Funding Source(s)	
30558500 General Fund	\$100,000
TOTAL	\$100,000

**CAPITAL IMPROVEMENT PROJECT REQUEST**

RC127

Other Capital Projects: Pickleball Court

Project Manager: Parks & Recreation Director

Council Objective: Major Project 4.12 Pickleball Courts

Purpose and Justification: Pickleball is a healthy activity appreciated by many locals and visitors.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	350,000	0	0	0	0
TOTAL	\$ 350,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 7-1.6.4: Identify Future Recreation Facilities in Capital Improvements Element

Is this a Multi-Year Project: No

If yes, what was/is the Project's initiation Date: NA

Operations & Maintenance (O & M) impact(s):

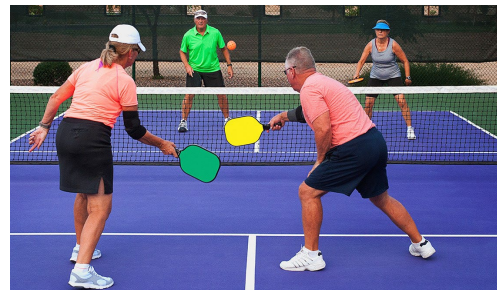
The City is analyzing land near City Hall Annex to establish outdoor pickleball courts due to popular demand.

Impact on Level of Service: Increased level of service to pickleball players

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$17,500
565006 Inspection	\$17,500
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$315,000
Other(s) (please list)	
TOTAL	\$350,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	\$3,000
Debt Service	
TOTAL	\$3,000
# of Additional FTEs	0.50

Funding Source(s)	
30558500 General Fund	\$350,000
TOTAL	\$350,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

RC128

Other Capital Projects: Morgans Bathrooms

Project Manager: Park & Recreation Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, 4. Enhanced quality of life and safety for families

Purpose and Justification: The city currently rents handwashing stations and portapotties for all tournaments at Morgan's sports complex. The current Restrooms are not able to handle the numbers that our Tournaments bring in.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	250,000	0	0	0	0
TOTAL	\$ 250,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 7-1.1.2: Maintain Level of Service Standards for Parks and Recreation Facilities

Is this a Multi-Year Project: No

If yes, what was/is the Project's initiation Date: NA

Operations & Maintenance (O & M) impact(s): Park Facilities RR057 should increase approximately \$3000 to provide for ongoing maintenance of this facility.

Impact on Level of Service: Increased level of service for tournaments and field users

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$12,500
565006 Inspection	\$12,500
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$225,000
Other(s) (please list)	
TOTAL	\$250,000

Annual Operating Costs	
Personnel	
Contractual	\$1,200
Operating Expenses	\$1,800
RR Fund	
Debt Service	
TOTAL	\$3,000
# of Additional FTEs	-

Funding Source(s)	
31557232 Park Impact Fees	\$250,000
TOTAL	\$250,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

RC129

Other Capital Projects: Morgans Field Lighting (LED)**Project Manager:** Park & Recreation Director**Council Objective:** Strategic Goals 2026: 1. Financially sound City providing Service Excellence, 4. Enhanced quality of life and safety for families**Purpose and Justification:** The field lights are 20 years old and need replacing with LED lighting.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	255,000	175,000	75,000	0	0
TOTAL	\$ 255,000	\$ 175,000	\$ 75,000	\$ -	\$ -

Status:

Comprehensive Plan Policy: 7-1.1.2: Maintain Level of Service Standards for Parks and Recreation Facilities

Is this a Multi-Year Project: No

If yes, what was/is the Project's initiation Date: NA

Operations & Maintenance (O & M) impact(s): Park Facilities RR057 should increase approximately \$3000 to provide for ongoing maintenance of this facility.**Impact on Level of Service:** Increased level of service for tournaments and field users

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$12,750
565006 Inspection	\$12,750
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$229,500
Other(s) (please list)	
TOTAL	\$255,000

Annual Operating Costs	
Personnel	
Contractual	\$1,200
Operating Expenses	\$1,800
RR Fund	
Debt Service	
TOTAL	\$3,000

of Additional FTEs

-

Funding Source(s)	
30558500 GENERAL FUND	\$255,000
TOTAL	\$255,000

**CAPITAL IMPROVEMENT PROJECT REQUEST**

RC130

Other Capital Projects: Morgans Storage

Project Manager: Park & Recreation Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, 4. Enhanced quality of life and safety for families

Purpose and Justification: The city currently has equipment outside and across the street. Storage will keep Recreation field equipment protected.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	200,000	400,000	0	0	0
TOTAL	\$ 200,000	\$ 400,000	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 7-1.1.2: Maintain Level of Service Standards for Parks and Recreation Facilities

Is this a Multi-Year Project: No

If yes, what was/is the Project's initiation Date: NA

Operations & Maintenance (O & M) impact(s): Park Facilities RR057 should increase approximately \$3000 to provide for ongoing maintenance of this facility.

Impact on Level of Service: Increased level of service for tournaments and field users

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$10,000
565006 Inspection	\$10,000
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$180,000
Other(s) (please list)	
TOTAL	\$200,000

Annual Operating Costs	
Personnel	
Contractual	\$1,200
Operating Expenses	\$1,800
RR Fund	
Debt Service	
TOTAL	\$3,000

of Additional FTEs

-

Funding Source(s)	
30558500 General Fund	\$200,000
TOTAL	\$200,000

**CAPITAL IMPROVEMENT PROJECT REQUEST**

RC131

Other Capital Projects: Morgans Fieldhouse

Project Manager: Park & Recreation Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, 4. Enhanced quality of life and safety for families

Purpose and Justification: The city currently rents handwashing stations and portapotties for all tournaments at Morgan's sports complex. The current Restrooms are not able to handle the numbers that our Tournaments bring in.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	0	0	50,000	0	0
TOTAL	\$ -	\$ -	\$ 50,000	\$ -	\$ -

Status:

Comprehensive Plan Policy: 7-1.1.2: Maintain Level of Service Standards for Parks and Recreation Facilities

Is this a Multi-Year Project: No

If yes, what was/is the Project's initiation Date: NA

Operations & Maintenance (O & M) impact(s): Park Facilities RR057 should increase approximately \$3000 to provide for ongoing maintenance of this facility.

Impact on Level of Service: Increased level of service for tournaments and field users

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$0
565006 Inspection	\$0
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$0
Other(s) (please list)	
TOTAL	\$0

Annual Operating Costs	
Personnel	
Contractual	\$1,200
Operating Expenses	\$1,800
RR Fund	
Debt Service	
TOTAL	\$3,000

of Additional FTEs

-

Funding Source(s)	
30558500 General Fund	\$0
TOTAL	\$0

**CAPITAL IMPROVEMENT PROJECT REQUEST**

RC216

Other Capital Projects: Clement Taylor Park Renovations

Project Manager: Parks & Recreation Director

Council Objective: Major Project 4.7 Renovate Clement Taylor Park

Purpose and Justification: This project is funded by a RESTORE grant, which is Deep Horizon oil spill settlement funds paid to the US Treasury. Okaloosa County manages this grant for the City of Destin to update and improve the existing Clement Taylor Park. The City will release a request for proposals (RFP) for construction when the award is obligated, expected in FY24.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	1,596,180	0	0	0	0
TOTAL	\$ 1,596,180	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 7-1.6.5 Use grant programs and technical assistance.

Is this a Multi-Year Project: No

If yes, what was/is the Project's initiation Date: NA

Operations & Maintenance (O & M) impact(s): These grant-funded upgrades are not expected to change the current operations and maintenance costs for this park.

Impact on Level of Service: Improve park facilities

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$79,809
565006 Inspection	\$79,809
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$1,436,562
Other(s) (please list)	
TOTAL	\$1,596,180

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	\$0

of Additional FTEs

-

Funding Source(s)	
30557233 RESTORE Grant via BOCC	\$729,918
30558500 General Fund (Match Required)	\$35,000
30558500 General Fund	\$681,262
31557232 Park Impact Fees	\$150,000
TOTAL	\$1,596,180



**CAPITAL IMPROVEMENT PROJECT REQUEST**

RR051

Renewal & Replacement: General Government Facilities**Project Manager:** Public Works Director

Council Objective: Strategic Goals 2026: 1. Financially Sound City providing Service Excellence, Management in Progress FY21-25: 3.2 Plan for Renewal and Replacement of City Facilities and Infrastructure

Purpose and Justification: Facilities, infrastructure, technology and major equipment are the physical foundation for providing services to our constituents. A properly prepared capital improvement plan is essential to the future financial health of our organization and continued delivery of services to citizens and businesses. This project tracks and implements renewal and replacement of major components of government facilities that are not classified elsewhere. These capital assets include City Hall and the Maintenance Facility. The City should fund this account annually to fund periodic replacement of major components of these buildings such as the roof, HVAC, and other interior and exterior components.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	155,000	194,160	15,120	0	0
TOTAL	\$ 155,000	\$ 194,160	\$ 15,120	\$ -	\$ -

Status:

Comprehensive Plan Policy: 9-1.1.1: Commit Necessary Resources for Capital Improvements

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$7,750
565006 Inspection	\$7,750
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$139,500
Other(s) (please list)	
TOTAL	\$155,000



Funding Source(s)	
30058585 RR General Fund	\$155,000
TOTAL	\$155,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

RR052

Renewal & Replacement: Public Safety Facilities**Project Manager:** Public Works Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, Management in Progress FY21-25: 3.2 Plan for Renewal and Replacement of City Facilities and Infrastructure

Purpose and Justification: Facilities, infrastructure, technology and major equipment are the physical foundation for providing services to our constituents. A properly prepared capital improvement plan is essential to the future financial health of our organization and continued delivery of services to our citizens and businesses. This is the project account to track renewal and replacement of major components of government facilities related to public safety to include the City Hall Annex and the Emergency Operations Center, and the Sheriff's Sub Station. The City should fund this account annually to fund periodic replacement of major components of these buildings such as the roof, HVAC, and other interior and exterior components.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	230,380	0	126,760	53,200	0
TOTAL	\$ 230,380	\$ -	\$ 126,760	\$ 53,200	\$ -

Status:

Comprehensive Plan Policy: 9-1.1.1: Commit Necessary Resources for Capital Improvements

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$11,519
565006 Inspection	\$11,519
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$207,342
Other(s) (please list)	
TOTAL	\$230,380

Funding Source(s)	
30058585 RR General Fund	\$230,380
TOTAL	\$230,380



**CAPITAL IMPROVEMENT PROJECT REQUEST**

RR053

Renewal & Replacement: Physical Environment Facilities**Project Manager:** Public Works Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, 4. A Green and Sustainable Environment, Management in Progress FY21-25: 3.2 Plan for Renewal and Replacement of City Facilities and Infrastructure

Purpose and Justification: Facilities, infrastructure, technology and major equipment are the physical foundation for providing services to constituents. A properly prepared capital improvement plan is essential to the future financial health of our organization and continued delivery of services to our citizens and businesses. This is the project account to track renewal and replacement of major components of government facilities related to physical environment, which by common practice in most states, includes Cemetery and Stormwater facilities. The City should fund this account annually to fund periodic replacement of major components of these facilities, including replacement of major pumps, flap valves, sluice gates, cemetery sod, and storage buildings.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	75,000	1,091,000	74,000	-	-
TOTAL	\$ 75,000	\$ 1,091,000	\$ 74,000	\$ -	\$ -

Status:

Comprehensive Plan Policy: 6-1.2.3: Protect Water Quality within Destin Harbor

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$3,750
565006 Inspection	\$3,750
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$67,500
Other(s) (please list)	
TOTAL	\$75,000



Funding Source(s)	
30058585 RR General Fund	\$75,000
TOTAL	\$75,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

RR054

Renewal & Replacement: Transportation Facilities**Project Manager:** Public Works Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, Management in Progress FY21-25: 3.2 Plan for Renewal and Replacement of City Facilities and Infrastructure

Purpose and Justification: Facilities, infrastructure, technology and major equipment are the physical foundation for providing services to our constituents. A properly prepared capital improvement plan is essential to the future financial health of our organization and continued delivery of services to our citizens and businesses. This is the project account to track renewal and replacement of city's critical transportation infrastructure to include roads, sidewalks and streetlights. This is to include milling, resurfacing and restriping roads, replacing ADA sidewalk panels and damaged sidewalk as part of a planned program, and replacements of streetlights as per current plans (LED; design). This account is funded annually from a local option gas tax, and should be supplemented as required by the general fund.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	2,537,780	1,076,200	1,082,100	1,088,100	1,094,200
TOTAL	\$ 2,537,780	\$ 1,076,200	\$ 1,082,100	\$ 1,088,100	\$ 1,094,200

Status:

Comprehensive Plan Policy: 9-1.1.1: Commit necessary resources for Capital Improvements

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$126,889
565006 Inspection	\$126,889
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	\$2,284,002
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	
Other(s) (please list)	
TOTAL	\$2,537,780



Funding Source(s)	
30054131 Gas Tax#1	\$588,300
30058585 RR General Fund	\$1,949,480
TOTAL	\$2,537,780



**CAPITAL IMPROVEMENT PROJECT REQUEST**

RR056

Renewal & Replacement:**Project Manager:**

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, Management in Progress FY21-25: 3.2 Plan for Renewal and Replacement of City Facilities and Infrastructure

Purpose and Justification:

This is the project account to track renewal and replacement of major components of facilities related to the Library. In FY 20023 City will replace the irrigation system, the carpet, and will paint the interior. Windows need to be resealed and one of the HVAC units need to be replaced.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	-	6,760	-	-	-
TOTAL	\$ -	\$ 6,760	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 9-1.1.1: Commit necessary resources for Capital Improvements & Library 4-6.1.1: Provide Programs of Service

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
TOTAL	\$0

Funding Source(s)	
TOTAL	\$0

**CAPITAL IMPROVEMENT PROJECT REQUEST**

RR571

Renewal & Replacement: Park & Rec Facilities**Project Manager:** Library Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, Management in Progress FY21-25: 3.2 Plan for Renewal and Replacement of City Facilities and Infrastructure

Purpose and Justification:

This is the project account to track renewal and replacement of major components of facilities related to the Library. In FY 20023 City will replace the irrigation system, the carpet, and will paint the interior. Windows need to be resealed and one of the HVAC units need to be replaced.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	127,500	-	14,580	-	8,700
TOTAL	\$ 127,500	\$ -	\$ 14,580	\$ -	\$ 8,700

Status:

Comprehensive Plan Policy: 9-1.1.1: Commit necessary resources for Capital Improvements & Library 4-6.1.1: Provide Programs of Service

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$6,375
565006 Inspection	\$6,375
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$114,750
Other(s) (please list)	
TOTAL	\$127,500

Funding Source(s)	
30058585 RR General Fund	\$127,500
TOTAL	\$127,500



**CAPITAL IMPROVEMENT PROJECT REQUEST****RR572****Renewal & Replacement: Park & Rec Facilities****Project Manager:** Park & Recreation Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, Management in Progress FY21-25: 3.2 Plan for Renewal and Replacement of City Facilities and Infrastructure

Purpose and Justification: This is the project account to track renewal and replacement of major components of facilities related to parks and recreation to include the Harbor Walk, Community Center, Buck Destin Park, Morgan's Sports Complex, Destin Little League, Joes's Bayou, Mattie Kelly, June White Decker, Leonard Destin, Clement Taylor, and parking lots to access all of these facilities. In FY 2023, the City plans to replace the windows at the Community Center and the Morgans Sports Center, resurface the Buck Destin basketball court, stucco resurfacing at multiple facilities, and replace several HVAC units. The City also plans to renew the rubberized track at Destin Elementary and to replace some turf and fences at the Morgan's Sports Center.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	749,922	230,400	114,050	402,200	394,000
TOTAL	\$ 749,922	\$ 230,400	\$ 114,050	\$ 402,200	\$ 394,000

Status:

Comprehensive Plan Policy: 9-1.1.1: Commit necessary resources for Capital Improvements & Library 4-6.1.1: Provide Programs of Service

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$37,496
565006 Inspection	\$37,496
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$674,930
Other(s) (please list)	
TOTAL	\$749,922



Funding Source(s)	
30058585 RR General Fund	\$749,922
TOTAL	\$749,922



**CAPITAL IMPROVEMENT PROJECT REQUEST**

RR573

Renewal & Replacement: Park & Rec Facilities**Project Manager:** Public Works Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, Management in Progress FY21-25: 3.2 Plan for Renewal and Replacement of City Facilities and Infrastructure

Purpose and Justification:

This is the project account to track renewal and replacement of major components of the Destin Fishing Museum. In FY 2023 the City plans to replace soffit and some exterior siding and to renew portions of the sidewalk.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	4,500	-	-	-	6,960
TOTAL	\$ 4,500	\$ -	\$ -	\$ -	\$ 6,960

Status:

Comprehensive Plan Policy: 9-1.1.1: Commit necessary resources for Capital Improvements & Library 4-6.1.1: Provide Programs of Service

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$225
565006 Inspection	\$225
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$4,050
Other(s) (please list)	
TOTAL	\$4,500

Funding Source(s)	
30058585 RR General Fund	\$4,500
TOTAL	\$4,500

**CAPITAL IMPROVEMENT PROJECT REQUEST**

RRV11

Renewal & Replacement: Vehicles for BLDG Inspectors**Project Manager:** Public Works Director**Council Objective:** Financially Sound City providing Service Excellence

Purpose and Justification: Vehicles and motorized equipment are critical components required to provide service to our citizens and visitors. A properly prepared capital improvement plan is essential to the future financial health of our organization as is the continued delivery of services to citizens and businesses. This project account is one of several used to track the renewal and replacement of the City's fleet as it ages, becomes obsolete, unsafe, or when cumulative repair costs become higher than the vehicle's/equipment's value.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	76,000	-	-	-	45,600
TOTAL	\$ 76,000	\$ -	\$ -	\$ -	\$ 45,600

Status:

Comprehensive Plan Policy: 9-1.1.1: Commit necessary resources for Capital Improvements & Library 4-6.1.1: Provide Programs of Service

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$3,800
565006 Inspection	\$3,800
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$68,400
Other(s) (please list)	
TOTAL	\$76,000



Funding Source(s)	
11152441 Building Fund	\$76,000
TOTAL	\$76,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

RRV51

Renewal & Replacement: Park & Rec Facilities**Project Manager:** Public Works Director**Council Objective:** Financially Sound City providing Service Excellence

Purpose and Justification: Vehicles and motorized equipment are critical components required to provide service to our citizens and visitors. A properly prepared capital improvement plan is essential to the future financial health of our organization as is the continued delivery of services to citizens and businesses. This project account is one of several used to track the renewal and replacement of the City's fleet as it ages, becomes obsolete, unsafe, or when cumulative repair costs become higher than the vehicle's/equipment's value.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	23000	-	33,600	-	45,600
TOTAL	\$ 23,000	\$ -	\$ 33,600	\$ -	\$ 45,600

Status:

Comprehensive Plan Policy: 9-1.1.1: Commit necessary resources for Capital Improvements & Library 4-6.1.1: Provide Programs of Service

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$1,150
565006 Inspection	\$1,150
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$20,700
Other(s) (please list)	
TOTAL	\$23,000

Funding Source(s)	
30058585 RR General Fund	\$23,000
TOTAL	\$23,000

**CAPITAL IMPROVEMENT PROJECT REQUEST**

RRV52

Renewal & Replacement: Park & Rec Facilities

Project Manager: Public Works Director

Council Objective: Financially Sound City providing Service Excellence

Purpose and Justification: Vehicles and motorized equipment are critical components required to provide service to our citizens and visitors. A properly prepared capital improvement plan is essential to the future financial health of our organization as is the continued delivery of services to citizens and businesses. This project account is one of several used to track the renewal and replacement of the City's fleet as it ages, becomes obsolete, unsafe, or when cumulative repair costs become higher than the vehicle's/equipment's value.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	-	41,040	-	88,160	45,600
TOTAL	\$ -	\$ 41,040	\$ -	\$ 88,160	\$ 45,600

Status:

Comprehensive Plan Policy: 9-1.1.1: Commit necessary resources for Capital Improvements & Library 4-6.1.1: Provide Programs of Service

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$0
565006 Inspection	\$0
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$0
Other(s) (please list)	
TOTAL	\$0

Funding Source(s)	
30058585 RR General Fund	\$0
TOTAL	\$0



**CAPITAL IMPROVEMENT PROJECT REQUEST**

RRV54

Renewal & Replacement: Park & Rec Facilities

Project Manager: Public Works Director

Council Objective: Financially Sound City providing Service Excellence

Purpose and Justification: Vehicles and motorized equipment are critical components required to provide service to our citizens and visitors. A properly prepared capital improvement plan is essential to the future financial health of our organization as is the continued delivery of services to citizens and businesses. This project account is one of several used to track the renewal and replacement of the City's fleet as it ages, becomes obsolete, unsafe, or when cumulative repair costs become higher than the vehicle's/equipment's value.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	365,000	41,040	33,600	-	162,000
TOTAL	\$ 365,000	\$ 41,040	\$ 33,600	\$ -	\$ 162,000

Status:

Comprehensive Plan Policy: 9-1.1.1: Commit necessary resources for Capital Improvements & Library 4-6.1.1: Provide Programs of Service

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$18,250
565006 Inspection	\$18,250
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$328,500
Other(s) (please list)	
TOTAL	\$365,000



Funding Source(s)	
30058585 RR General Fund	\$365,000
TOTAL	\$365,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

RRV57

Renewal & Replacement: Park & Rec Facilities

Project Manager: Public Works Director

Council Objective: Financially Sound City providing Service Excellence

Purpose and Justification: Vehicles and motorized equipment are critical components required to provide service to our citizens and visitors. A properly prepared capital improvement plan is essential to the future financial health of our organization as is the continued delivery of services to citizens and businesses. This project account is one of several used to track the renewal and replacement of the City's fleet as it ages, becomes obsolete, unsafe, or when cumulative repair costs become higher than the vehicle's/equipment's value.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	113,000	89,640	-	44,080	-
TOTAL	\$ 113,000	\$ 89,640	\$ -	\$ 44,080	\$ -

Status:

Comprehensive Plan Policy: 9-1.1.1: Commit necessary resources for Capital Improvements & Library 4-6.1.1: Provide Programs of Service

Is this a Multi-Year Project: Yes - permanent annual

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): A proper maintenance schedule will maintain the life expectancy of these assets, but components will still need replacing or upgrading at their end of life.

Impact on Level of Service: To maintain current level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$5,650
565006 Inspection	\$5,650
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$101,700
Other(s) (please list)	
TOTAL	\$113,000



Funding Source(s)	
30058585 RR General Fund	\$113,000
TOTAL	\$113,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

SW56

Citizen/Council Directed Projects: **Mattie Kelly Naturewalk Outfall**

Project Manager: Community Development Director/Public Works Director

Council Objective:

Purpose and Justification: Over the years the existing outfall has experienced tidally influenced sedimentation which reduces the effectiveness of the drainage system. Without a proper settling basin, the tides deposit sand inside the undersized outfall pipe resulting in restricted outflow for the wetland and surrounding neighborhood. A study shall be conducted to determine what size pipes shall be installed at the outfall to handle the flow for a determines storm frequency and to design a proper outfall settling basin.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	175,000	1,200,000	0	0	0
TOTAL	\$ 175,000	\$ 1,200,000	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy:

Is this a Multi-Year Project: Yes. Budget review annually.

If yes, what was/is the Project's initiation Date: FY2022

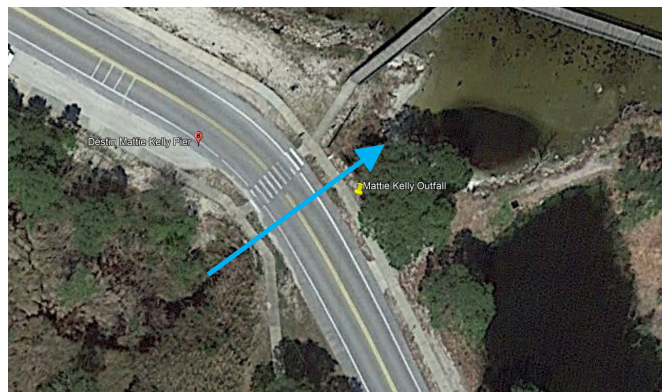
Operations & Maintenance (O & M) impact(s): This storm outfall will require regular maintenance and cleaning to ensure effectiveness.

Impact on Level of Service: Increased level of service

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$8,750
565006 Inspection	\$8,750
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$157,500
Other(s) (please list)	
TOTAL	\$175,000

Annual Operating Costs	
Personnel	
Contractual	tbd
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	\$0
# of Additional FTEs	tbd

Funding Source(s)	
12953831 OKA 1/2 Stormwater	\$175,000
TOTAL	\$175,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

SW57

Other Capital Projects: CTP Stormwater Mitigation

Project Manager: Parks & Recreation Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, 4. Enhanced quality of life and safety for families, Management in Progress FY21-25: 3.3 Monitor RESTORE grants, Major Projects FY21-25: 4.11 Renovate Clement Taylor Park

Purpose and Justification: This project is funded by a RESTORE grant, which is Deep Horizon oil spill settlement funds paid to the US Treasury. Okaloosa County manages this grant for the City of Destin to update and improve the existing Clement Taylor Park. The City will release a request for proposals (RFP) for construction when the award is obligated, expected in FY22.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	60,000	0	0	0	0
TOTAL	\$ 60,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 7-1.6.5 Use grant programs and technical assistance.

Is this a Multi-Year Project: No

If yes, what was/is the Project's initiation Date: NA

Operations & Maintenance (O & M) impact(s): These grant-funded upgrades are not expected to change the current operations and maintenance costs for this park.

Impact on Level of Service: Improve park facilities

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$3,000
565006 Inspection	\$3,000
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$54,000
Other(s) (please list)	
TOTAL	\$60,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	\$0
# of Additional FTEs	-

Funding Source(s)	
12953831 OKA 1/2 Stormwater	\$60,000
TOTAL	\$60,000

**CAPITAL IMPROVEMENT PROJECT REQUEST**

SW58

Other Capital Projects: Chickasaw Stormwater Remediation**Project Manager:** Parks & Recreation Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, 4. Enhanced quality of life and safety for families, Management in Progress FY21-25: 3.3 Monitor RESTORE grants, Major Projects FY21-25: 4.11 Renovate Clement Taylor Park

Purpose and Justification: This project is funded by a RESTORE grant, which is Deep Horizon oil spill settlement funds paid to the US Treasury. Okaloosa County manages this grant for the City of Destin to update and improve the existing Clement Taylor Park. The City will release a request for proposals (RFP) for construction when the award is obligated, expected in FY22.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	600,000	0	0	0	0
TOTAL	\$ 600,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 7-1.6.5 Use grant programs and technical assistance.

Is this a Multi-Year Project: No

If yes, what was/is the Project's initiation Date: NA

Operations & Maintenance (O & M) impact(s): These grant-funded upgrades are not expected to change the current operations and maintenance costs for this park.

Impact on Level of Service: Improve park facilities

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$30,000
565006 Inspection	\$30,000
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$540,000
Other(s) (please list)	
TOTAL	\$600,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	\$0
# of Additional FTEs	-

Funding Source(s)	
12953831 OKA 1/2 Stormwater	\$600,000
TOTAL	\$600,000

**CAPITAL IMPROVEMENT PROJECT REQUEST**

TR619

Growth/Comp Plan Projects: Sibert-Zerbe Parking Lot Consolidation

Project Manager: Public Works Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, Council Objectives: 1.10 Improve parking, explore options (i.e., garage, surface, etc.)

Purpose and Justification: Funding for this project will be used to consolidate three parking areas on Sibert Avenue north of the Zerbe Street intersection. Improvements will include lot consolidation, additional lighting, additional signage, etc.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	525,000	-	-	-	-
TOTAL	\$ 525,000	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: 7-1.1.4

Is this a Multi-Year Project: No

If yes, what was/is the Project's initiation Date: FY23

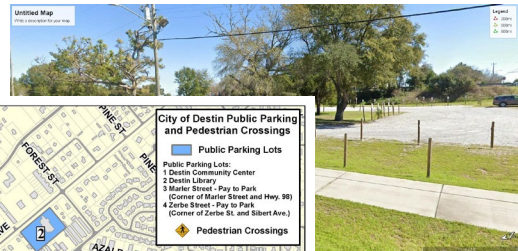
Operations & Maintenance (O & M) impact(s): No significant additional maintenance costs are anticipated above and beyond current budget. Funding for long-term maintenance will be generated by parking fees. Parking fees of \$5/24 hours could increase General Fund revenues up to \$5000 per year.

Impact on Level of Service: To increase affordable public parking near Community Center and Harbor Walk and to provide for additional lighting and other infrastructure.

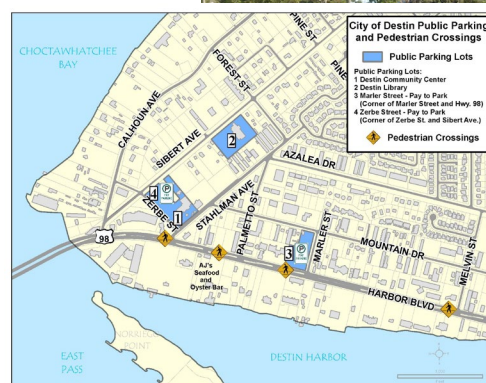
Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$26,250
565006 Inspection	\$26,250
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$472,500
Other(s) (please list)	
TOTAL	\$525,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	\$1,000
RR Fund	\$3,000
Debt Service	
TOTAL	\$4,000

of Additional FTEs



Funding Source(s)	
12254500 Parking Fund	\$525,000
TOTAL	\$525,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

TR622

Growth/Comp Plan Projects: General Parking Improvements**Project Manager:** Public Works Director

Council Objective: Strategic Goals 2026: 1. Financially sound City providing Service Excellence, 3. Improve mobility and connectivity, 6. Effective, efficient, and aesthetically pleasing infrastructure

Purpose and Justification: Parking improvements will be funded from the parking fund. Types of maintenance activities include repaving, restriping, and potentially other projects to reduce parking issues throughout the City.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	-	75,000	-	-	-
TOTAL	\$ -	\$ 75,000	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy: Multi Modal Strategy

Is this a Multi-Year Project: Yes

If yes, what was/is the Project's initiation Date: FY20

Operations & Maintenance (O & M) impact(s): No significant additional maintenance costs are anticipated above and beyond current budget.

Impact on Level of Service: Increases and improves accessibility to city-wide walkways, sidewalks, trails and other access areas to all visitors and residents.

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$0
565006 Inspection	\$0
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$0
Other(s) (please list)	
TOTAL	\$0

Annual Operating Costs	
Personnel	\$0
Contractual	\$0
Operating Expenses	\$3,000
RR Fund	\$12,000
Debt Service	
TOTAL	\$15,000

of Additional FTEs

Funding Source(s)	
12254500 Parking Fund	\$0
TOTAL	\$0



**CAPITAL IMPROVEMENT PROJECT REQUEST**

TRSAF

Other Capital Projects: Traffic Safety Improvements

Project Manager: Public Works Director

Council Objective: Enhanced quality of life and safety for families.**Purpose and Justification:** Based on input from available data, law enforcement, emergency response, community, or council, these resources are needed to study areas of concern and implement solutions to improve safety.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	100,000	100,000	100,000	100,000	100,000
TOTAL	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000

Status:

Comprehensive Plan Policy: 2-1.3.11

Is this a Multi-Year Project: Yes

If yes, what was/is the Project's initiation Date: FY22

Operations & Maintenance (O & M) impact(s): O&M requirements will be dependent on the items the Committee brings forward. Items like pavement markings will require little to no maintenance while pedestrian beacon systems and other electronics may require regular maintenance and technical support.**Impact on Level of Service:** Improved driver, bicyclist, and pedestrian safety.

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$5,000
565006 Inspection	\$5,000
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$90,000
Other(s) (please list)	
TOTAL	\$100,000

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	\$100,000
RR Fund	
Debt Service	
TOTAL	\$100,000

of Additional FTEs

-

Funding Source(s)	
12954100 Okaloosa Half Penny	\$100,000
TOTAL	\$100,000



**CAPITAL IMPROVEMENT PROJECT REQUEST**

UNDER

Citizen/Council Directed Projects: Undergrounding

Project Manager: Grants & Projects Director

Council Objective 1.3 Underground Utilities

Purpose and Justification: The City anticipates construction of phase 1 (corridor along Highway 98 from Marler Bridge to Airport Road) of the undergrounding project to begin in FY24. The project will improve resiliency (reduce storm damage) and beautify the city by removing overhead electric, telephone, and cable lines. Council has assigned 10% of the Okaloosa 1/2 penny local discretionary surtax towards this endeavor. Utility franchise fees and debt will round out the primary sources of long-term funding.

Capital Expenditure Overview					
	FY24	FY25	FY26	FY27	FY28
Estimated Project Costs	16,000,885	-	-	-	-
TOTAL	\$ 16,000,885	\$ -	\$ -	\$ -	\$ -

Status:

Comprehensive Plan Policy:

Is this a Multi-Year Project: Yes. Budget to be reviewed and updated annually.

If yes, what was/is the Project's initiation Date:

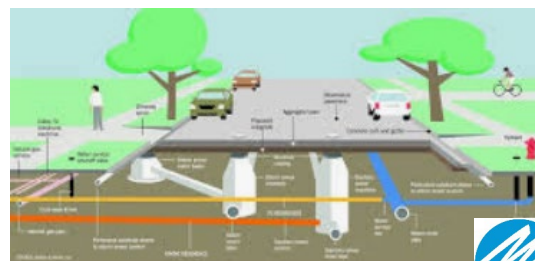
Operations & Maintenance (O & M) impact(s): City revenue from electric franchise fees may increase to offset cost of debt for design, permitting, and construction. Upon completion, these improvements should lower the frequency of outages but may increase the cost of certain periodic repairs. O&M cost estimates will be prepared before construction begins.

Impact on Level of Service: This project will increase current level of service.

Current Year Total Funding Requirement:	
531000 Professional Svc	
Project Mgmt/Architects/Engineers	
565005 Construction Management	\$800,044
565006 Inspection	\$800,044
561000 Land Acquisition	
563000 Infrastructure (Street/Sidewalk)	
564000 Machinery/Equipment/Fixtures (Signs)	
565000 Permitting & Construction	\$14,400,797
Other(s) (please list)	
TOTAL	\$16,000,885

Funding Source(s)	
12953931 Oka Half Penny	\$1,000,000
31553977 Electric Franchise	\$2,000,000
32453000 2024 Bond	\$13,000,885
TOTAL	\$16,000,885

Annual Operating Costs	
Personnel	
Contractual	
Operating Expenses	
RR Fund	
Debt Service	
TOTAL	\$0
# of Additional FTEs	-







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APPENDICES

This section includes the millage and budget ordinances, financial policies, programmatic, operating and capital policies and plans, a glossary, and a list of acronyms.



Millage Ordinance

ORDINANCE 22-13-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 2023; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Destin of Okaloosa County, Florida, will adopt Fiscal Year 2023 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 \$6,968,731,442.

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

1. The FY 2023 operating millage rate for the City of Destin is 1.6150 mills which is more than the rolled back rate of 1.4391 mills by 12.22%.
2. This ordinance shall take effect immediately upon approval by Council and the signature of the Mayor.

ADOPTED THIS 19TH DAY OF SEPTEMBER 2022

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
Attorney.


Kyle Bauman, City Attorney

First Reading: September 8, 2022
Second Reading: September 19, 2022



Budget Ordinance

ORDINANCE 22-14-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, 2022 AND ENDING SEPTEMBER 30, 2023; 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, 2022; 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, 2022 and ending September 30, 2023; and

WHEREAS, there is established a tax at the rate of 1.6150 mills on property assessed as of January 1, 2022 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 2023 Budget" totals \$73,037,963 for all funds reported, a copy which is attached hereto and made a part hereof by reference, is adopted.
2. This budget represents a 114.6% increase from the FY 2022 budget.
3. The budget is being presented as a balanced budget whereby there are sufficient revenues and fund balance appropriations 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 2023 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 FY 2022 will be carried forward and shown as an amendment to the FY2023 budget as adopted by this ordinance.
9. This ordinance shall become effective on October 1, 2022.

ADOPTED THIS 19TH DAY OF SEPTEMBER 2022

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 Attorney.


Kyle Bauman, City Attorney.

First Reading: September 8, 2022
Second Reading: September 19, 2022



Financial Policies

The City of Destin has developed a comprehensive set of financial policies that are consistent with the City's goals and objectives. Specific attention has been given to make sure that these policies are both consistent and relationally sound. Financial policies are an integral part of the development of service, capital, and financial plans and the budget. They provide the basis for decision-making and continue Destin's tradition of financial stability.

1) Fund Balances

The City will maintain reserved and unreserved stabilization funds at levels sufficient to protect the City's credit as well as its financial position from emergencies.

The City of Destin seeks to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures. Stabilization funds are called by many names including rainy day funds, unreserved, undesignated fund balances, and contingency funds. These funds are used at a government's discretion for many purposes such as addressing temporary cash flow shortages, funding emergencies, funding one-time opportunities, and to maintain service levels during unanticipated economic downturns.

These funds provide flexibility to respond to unexpected opportunities that may help a government achieve its goals. The minimum and maximum amounts to be accumulated are based on the types of revenue, the level of uncertainty associated with revenues, the condition of capital assets, or the City's level of security with its financial position. The State of Florida does not provide any local government constraints regarding the establishment of stabilization funds.

The following summarizes the City's policy on reserved and unreserved ending fund balances:

Unreserved Fund Balances

General Fund: The General Fund shall maintain an unreserved fund balance equal to at least 15% of the total audited General Fund expenditures for the previous fiscal year. These funds are to be left in the City's general operating cash account for the purpose of sustaining the City's operations during adverse circumstances, while also supporting general cash balances throughout the fiscal year.

Reserved Fund Balances

All Reserved Fund Balances shall be set aside in a special bank account. The total set aside in this account is to be equal to the cumulative total of all "Reserved for Fund Balances" for the previous fiscal year. These fund balances may only be used for the express purpose of funding expenditures directly related to the specified fund.

2) Revenue

The City will design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.

Since the principle revenue stream for the government is determined by the fees and charges that are established, it is important that the City adopt policies that identify the manner in which fees and charges are set and the extent to which they cover the cost of the service provided. A revenue system



that requires the identification of both the cost of the program and the portion of the cost that will be recovered through fees & charges allows the City and its citizens to develop a better understanding of the cost of services and to consider the appropriateness of established fees and charges.

To that end, the City has established the following goals that are used to accomplish this policy:

- a. The City will seek to establish all user charges and fees at a rate that will attempt to recover as much of the full cost of service, including operating, direct, indirect and capital, as possible. The City will review these fees & charges annually in the budget process and target rates that recover as close as possible the cost to serve – particularly in the City’s key businesses (Recreation, Library, Community Development and Engineering).
- b. Costs of service include direct and indirect costs such as operating and maintenance costs, overhead, and charges for use of capital (depreciation and debt service). Although attempts to recover all costs may not be feasible, these costs should be identified and considered when reviewing fees and charges.
- c. The City will consider market rates and charges levied by other businesses and municipalities for like services in establishing rates, fees and charges. These fees will be reviewed through the City’s annual budget process.
- d. One-time or special revenues shall not be used to finance ongoing City operations but rather be used for the funding of special projects.
- e. An aggressive policy of seeking the collection of delinquent license fee accounts will be maintained.
- f. In determining revenue projections - and where judgment is required - conservatism shall be the rule.

The City will annually review its revenue source to maintain a diversified revenue base

The City of Destin is committed to a diverse revenue base. Since all revenue sources have particular characteristics in terms of stability, growth, sensitivity to inflation or business cycle effects, and impact on tax and rate payers - a diversity of revenue sources can improve a government’s ability to handle fluctuations in revenues and potentially help to better distribute the cost of providing services.

The City will identify approaches that will be used to improve revenue diversification. In accomplishing this policy, the City will analyze the sensitivity of revenues to changes in rates, the fairness of the tax or fee, administrative aspects of the revenue source, and other relevant issues.

Over time the City will strive to improve its revenue diversity to the extent feasible. Since the City is statutorily limited as to the types of revenues it may raise, it may consider options to enhance flexibility within the constraints of available revenue sources. For example, The City will seek to diversify the tax base on which the property tax is levied.

The City will limit the use of one-time revenues to pay for ongoing expenditures of the government

By definition, one-time revenues cannot be relied on in future budget periods. Since the use of one-time revenues can have disruptive effects on services due to non-recurrence of these sources, the City will dedicate one-time revenues (e.g. infrequent sales of government assets, bond refunding savings,



infrequent revenues from development, and grants) to be used on expenditures appropriate startup costs, stabilization, special projects, and capital purchases.

Any use of revenue that adds to the ongoing expenditure base will be carefully reviewed and minimized (e.g., capital expenditures that significantly increase ongoing operating expenses without a sustainable and offsetting long-term revenue plan).

The City will annually evaluate all revenues, determine those that are considered to be unpredictable, and determine the best use of those revenues

A financial plan for governments should consider the unpredictable nature of key revenues. This ensures that a government understands the potential impact on its ability to cover service costs and develops contingency plans in advance to address unpredictable revenue fluctuations. Specific allocation and contingency plans do not have to be developed for all unpredictable revenues but become increasingly necessary as the size or unpredictability of the revenue source increases.

The City will annually identify major revenue sources it considers unpredictable and define how these revenues may be used. Unpredictable revenue sources cannot be relied on as to the level of revenue they will generate. Particularly with major revenue sources, it is important to consider how significant variation in revenue receipts will affect the government's financial outlook and ability to operate programs in the current and future budget periods.

For each major unpredictable revenue source, the City will identify those aspects of the revenue source that make the revenue unpredictable. Most importantly, the City will identify the expected or normal degree of volatility of the revenue source. For example, revenues from a particular source may fluctuate, but rarely, if ever, fall below some predictable minimum base. The City will decide, in advance, on a set of tentative actions to be taken if these revenue sources generate revenues substantially higher or lower than projected. The plans should be publicly discussed and used in budget decision making.

3) Reporting

City staff will provide to the City Council a report on the operating results of the City

All excess revenue collected by the City of Destin that exceeds the projected budget revenue figure from a specific revenue category for each fiscal reporting period must be reported to City Council on a monthly basis. The expenditure of any and all excess revenue will be at Council's discretion and cannot be utilized within the City budget without Council's approval.

Likewise, all expenditures that exceed the projected budget expense figures in excess of \$15,000 on a departmental level must be reported to Council in writing by the next scheduled Council meeting. Expenditures that would cause an increase above the \$15,000 cap on a departmental level cannot be made without prior approval of Council based on the City Charter.

Cost savings that may occur within a specific department can be utilized within that particular department; however, this cost savings cannot be transferred to another department without prior approval of Council.



4) *Balanced Budget*

The City will annually adopt a Balanced Operating Budget

According to the laws of the State of Florida (Section 216.162 and 216.221), the City will adopt a balanced operating budget and provide full disclosure when a deviation from a balanced operating budget is planned or when it occurs. This balanced budget will ensure that all operating revenues are equal to, or exceed, all operating expenditures at adoption and at year-end. Any increase in expenses, decrease in revenues, or combination of the two that would result in a budget imbalance will require budget revision, rather than spending unappropriated surpluses or designated reserves to support ongoing operations. Any year end operating surpluses will revert to unappropriated balances.

The City of Destin annual budget appropriation will cover the twelve-month period beginning October 1 and ending September 30 of the following year. The proposed budget document is to be presented to the City Council for their consideration no later than September 1 with adoption of the approved ordinance by September 30. According to state law, any required public hearings will be scheduled to receive input on the development of the budget. Special public hearings are also required to consider the issue of a tax increase.

Budgets shall be prepared at the department level and provide the basis for the City's financial management system. The adopted appropriations by fund shall constitute the maximum expenditure authorization for that fund and can be amended only by action of the City Council. The budget shall be developed in conjunction with a stated program of performance objectives and measures with which to gauge progress towards meeting those objectives.

The following guidelines will be used in the preparation of the budget document:

- a. Current appropriations in all funds are limited to the sum of available, unencumbered cash balances and revenues estimated to be received in the current budget period.
- b. General Fund expenditures and subsidy appropriations for mandated and priority programs are to be made against current revenue sources and not dependent upon uncertain reserves or fluctuating prior period cash balances.
- c. Special Revenue Funds are supported by special levies and fees, grants or intergovernmental revenues. Expenditures in these funds are strictly limited to the mandates of the funding source. Special Revenue Funds are not to be used to subsidize other funds, except as required or permitted by program regulations.
- d. Multi-year operating cost projections shall be prepared and updated each year to identify the impact on resources.
- e. A five-year Capital Improvements Program shall be prepared and updated each year. The operating impact of each project shall be identified and incorporated into annual operating budgets. Capital assets shall be purchased and maintained on a regular schedule. Within legal limits and the constraints of operating budgets, debt shall be issued for the purchase of capital assets, including major renovations.
- f. For purposes of this policy, the cash basis of accounting is used in defining revenues and expenditures.
- g. It will be the duty of the City Manager to take action to bring the budget into balance if adjustments are needed in the course of a fiscal period.



5) *Fiscal Stability*

The City will identify priority services, establish appropriate service levels, and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.

The City will operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues plus the planned use of fund balance accumulated through prior years.

The City shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit is projected at year-end. Corrective actions are outlined separately within these policies. Expenditure deferrals into the following fiscal year, short-term loans, or use of one-time revenue sources to balance the budget will be avoided.

The Finance Director is charged with performing periodic staff and third-party reviews of City programs for both efficiency and effectiveness. Privatization and contracting with other governmental agencies will be evaluated as alternatives to service delivery. Programs that are determined to be inefficient and/or ineffective are to be reduced in scope or eliminated.

The City of Destin makes every effort to maximize any discounts offered by creditors / vendors. Staff shall also use competitive bidding to attain the best possible price on goods and services.

6) *Debt Policy*

The City will adhere to a debt policy that ensures that debt is issued and managed prudently in order to maintain a sound fiscal position and protect credit quality

Issuing debt commits the City's revenues several years into the future and may limit the City's flexibility to respond to changing service priorities, revenue inflows, or cost structures. A debt policy sets forth the parameters for issuing debt and managing outstanding debt and provides guidance to decision makers regarding the timing and purposes for which debt may be issued, types and amounts of permissible debt, method of sale that may be used and structural features that may be incorporated.

The City plans long- and short-term debt issuance to finance its capital program based on its cash flow needs, sources of revenue, capital construction periods, available financing instruments and market conditions. The Director of Finance oversees and coordinates the timing, issuance process and marketing of the City's borrowing and capital funding activities required in support of the capital improvement plan.

This debt policy recognizes a binding commitment to full and timely repayment of all debt as an intrinsic requirement for entry into the capital markets. Adherence to a debt policy helps to ensure that the City maintains a sound debt position and that credit quality is protected. Components of the debt policy are as follows:

The City will confine its long-term borrowing to capital improvements and follow a policy of full disclosure on every financial report and bond prospectus. In no case will General obligation debt be used for self-supporting enterprise activities. The City will use voter-approved general obligation debt to fund general-purpose public improvements that cannot be financed from current revenues.



Capital Planning. The City will have an annual capital planning process that outlines major projected capital expenditures over the next ten years. The capital budget identifies revenue sources and capital expenditures and projects this information for each of the ten years. This information is updated annually.

Financing Team. The City often employs outside financial specialists to assist it in developing a bond issuance strategy, preparing bond documents and marketing bonds to investors. The key players in the City's financing transactions include its bond counsel, the underwriter and underwriters counsel (on a negotiated sale), the City financial advisor and City representatives (the Director of Finance and other City representatives as may be appointed by the City Manager). Other outside firms, such as those providing paying agent/registrar, trustee, credit enhancement, auditing, or printing services, are retained as required. The financing team will meet at least annually to review the overall financing strategy of the City and make recommendations to the City Manager.

Term of Debt Repayment. Borrowings by the City shall mature over a term that does not exceed the economic life of the improvements that are financed. General Obligation Bonds shall be issued with a term not to exceed 25 years; Revenue Bonds with a term not to exceed 30 years; and tax increment bonds with a term not to exceed 25 years. The City does not finance improvements with a probable useful life less than twenty years, using pay-as-you-go funding for such needs.

Debt service structure. Although the City finances its long-lived municipal improvements over a 20-30-year term, the City will, whenever possible, structure the principal repayments on general obligation bonds such that their weighted average maturity approximates 15 years. This rapid amortization results in over 60% of the City's consolidated public improvement debt being repaid within twenty years. This policy minimizes the interest payments made over time and causes the rating agencies to look more favorably on the City's debt structure. The City will seek to continue this practice, unless general fund revenues are projected to be insufficient to provide adequately for debt service payments on necessary debt.

Call provisions. The City seeks to minimize the protection from optional redemption given to bondholders, consistent with its desire to obtain the lowest possible interest rates on its bonds. The City's bonds are generally subject to optional redemption. The City seeks early calls at low or no premiums because such features have allowed it in the past to refinance debt more easily for debt service savings when interest rates dropped. The City will annually evaluate optional redemption provisions for each issue to assure that the City does not pay unacceptably higher interest rates to obtain such advantageous calls.

Interest rates. In most cases, the city will use fixed-rate debt to finance its capital needs.

Method of Sale. The City will select a method of sale that is the most appropriate in light of financial, market, transaction-specific and issuer-related conditions.

Competitive Sales. General obligation debt obligations are issued through a competitive sale, according to state law. For these bonds, and any other bonds that the City may deem necessary, the City will set the terms of the sale to encourage as many bidders as possible. By maximizing bidding, the City seeks to



obtain the lowest possible interest rates on its bonds. The following conditions may favor the use of a competitive sale:

- a. The market is familiar with the issuer;
- b. The issuer is a stable and regular borrower in the public market;
- c. There is an active secondary market with a broad investor base for the City's bonds;
- d. The issue has a non-enhanced credit rating of A or above or can obtain a credit enhancement prior to the competitive sale;
- e. The debt structure is backed by the issuer's full faith and credit or a strong, known or historically performing revenue stream;
- f. The issue is neither too large to be easily absorbed by the market nor too small to attract investors without a concerted sale effort;
- g. The issue does not include complex or innovative features or require explanation as to the bonds' security;
- h. The issue can be sold and closed on a schedule that does not need to be accelerated or shortened for market or policy reasons; and
- i. Interest rates are stable, market demand is strong, and the market is able to absorb a reasonable amount of buying or selling at reasonable price changes

Negotiated Sales. When certain conditions favorable for a competitive sale do not exist and when a negotiated sale will provide significant benefits to the City that would not be achieved through a competitive sale, the City may elect to sell its debt obligations through a private or negotiated sale. Such determination may be made on an issue-by-issue basis, for a series of issues, or for part or all of a specific financing program. The following conditions may favor the use of a negotiated sale:

- a. Ensure fairness by using a competitive underwriter selection process through a request for proposals where multiple proposals are considered;
- b. Remain actively involved in each step of the negotiation and sale processes to uphold the public trust;
- c. Ensure that either an employee of the issuer, or an outside professional other than the issue underwriter, who is familiar with and abreast of the condition of the municipal market, is available to assist in structuring the issue, pricing, and monitoring sales activities;
- d. Require that the financial advisor used for a particular bond issue not act as underwriter of the same bond issue;
- e. Require that financial professionals disclose the name or names of any person or firm, including attorneys, lobbyists and public relations professionals compensated in connection with a specific bond issue;
- f. Request all financial professionals submitting joint proposals or intending to enter into joint accounts or any fee-splitting arrangements in connection with a bond issue to fully disclose to the issuer any plan or arrangements to share tasks, responsibilities and fees earned, and disclose the financial professionals with whom the sharing is proposed, the method used to calculate the fees to be earned, and any changes thereto; and
- g. Review the "Agreement among Underwriters" and ensure that it is filed with the issuer and that it governs all transactions during the underwriting period.



Refinancing. The City may undertake a refinancing of outstanding debt under the following circumstances:

Debt Service Savings. The City may refinance outstanding long-term debt when such refinancing allows the City to realize significant debt service savings without lengthening the term of refinanced debt and without increasing debt service in any subsequent fiscal year.

Defeasance. The City may refinance outstanding debt, either by advance refunding to the first call or by defeasance to maturity, when the public policy benefits of replacing such debt outweigh the costs associated with new issuance as well as any increase in annual debt service.

Conduit Financings. Conduit financings are securities issued by a government agency to finance a project of a third party, such as a non-profit organization or other private entity. The City may sponsor conduit financings for those activities (e.g., economic development, housing) that have a general public purpose and are consistent with the City's overall service and policy objectives. Unless a compelling public policy rationale exists, such conduit financings will not in any way pledge the City's faith and credit.

Credit Ratings

Rating Agency Relationships. The Director of Finance is responsible for maintaining relationships with the rating agencies that assign ratings to the City's various debt obligations. This effort includes providing periodic updates on the City's general financial condition along with coordinating meetings and presentations in conjunction with a new debt issuance.

Quality of Ratings. The City requests ratings prior to the sale of securities from each of the two major rating agencies for municipal bond issues: Moody's Investors Service and Standard & Poor's Corporation. The City may provide a written and/or oral presentation to the rating agencies to help each credit analyst make an informed evaluation. The City will make every reasonable effort to maintain its high-quality credit ratings.

Rebate Reporting/Covenant Compliance/Reporting Practices. The Director of Finance is responsible for maintaining a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. Additionally, general financial reporting and certification requirements embodied in bond covenants are monitored to ensure that all covenants are complied with. The City will comply with the standards of the Government Finance Officers Association for financial reporting and budget presentation and the disclosure requirements of the Securities and Exchange Commission.

Checklist of Debt Policy Considerations. The City will observe the following GFOA checklist in determining the appropriateness of debt issuance

- a. How long is the capital planning period?
- b. Have all non-debt sources of funds been considered?
- c. How are borrowing plans reviewed internally?
- d. What level of debt is manageable in order to maintain or improve the government's credit quality?
- e. How much "pay-as-you-go" financing should be included in the capital plan?



- f. How much short-term borrowing will be undertaken, including both operating and capital borrowings?
- g. How much debt will be issued in the form of variable-rate securities?
- h. How does the redemption schedule for each proposed issue affect the overall debt service requirements of the government?
- i. What types of affordability guidelines will be established to help monitor and preserve credit quality?
- j. What provisions have been made to periodically review the capital plan and borrowing practices?
- k. What is the overlapping debt burden on the taxpayer?
- l. How will the formal debt policies be integrated into the capital planning and funding process?

The city will establish thresholds for the maximum amount of debt and debt service that should be outstanding at any one time.

Policies guiding the amount of debt that may be issued by a government help ensure that outstanding and planned debt levels do not exceed an amount that can be supported by the existing and projected tax and revenue base. Because of this, the City has developed distinct policies for general obligation debt, debt supported by revenues of government enterprises, and other types of debt such as special assessment bonds, tax increment financing bonds, short-term debt, variable-rate debt, and leases.

General Obligation Debt Affordability Measures. The City examines four statistical measures to determine debt capacity and compares these ratios to other cities, rating agency standards and Destin's historical ratios to determine debt affordability:

- a. The State of Florida does not set a limit on the amount of general obligation that the City can incur. This limit will reflect compliance with bond requirements.
- b. Debt Service as a Percentage of General Revenues: Debt service as a percentage of general revenues measures the percent of the city's budget devoted to debt service. The higher the percentage of budget required by debt service the less financial flexibility for responding to economic slowdowns, unexpected expenditures or changes in budget priorities for operational or fixed capital outlay expenditures. Based on other cities throughout the state of Florida this ratio should be approximately 3.3%
- c. Debt as a Percentage of Personal Income: Debt as a percentage of personal income is another standard measure of debt used by credit analysts and rating agencies. The measure is simply debt divided by the personal income. The capability of the City's populace to absorb the financial obligation associated with governmental debt can be determined using this ratio. The ability of governments to transform personal income into governmental revenues makes personal income a strong indicator of the City's potential to repay debt obligations. Based on other cities throughout the state of Florida this ratio should be approximately 2.7%
- d. Debt Per Capita: Debt per capita is the third standard measure used by the rating agencies, credit analysts and investors to evaluate debt burden. The amount of tax-



supported debt is divided by the City's population resulting in the dollar amount of debt per person.

Tax Increment Debt Affordability Measures. The City's Tax Increment debt level shall not exceed the current available revenues or revenues projected within the district from projects that have obtained a building permit.

7) Contingency/Emergency Planning

The City will develop practices to guide the financial actions it will take in the event of emergencies, natural disasters, or other unexpected events.

When emergencies or unexpected events occur, having a policy that can be applied, or at least serve as a starting point, for financial decisions and actions improves the ability of a government to take timely action and aids in the overall management of such situations. Policies on contingency planning are used as a general guide when an emergency or unexpected event occurs. A set of actions and strategies are identified for each type of situation. Examples of financial emergencies that require contingency plans are sudden and severe decreases in locally collected revenues or intergovernmental aid, and unexpected major capital maintenance requirements. Development of a contingency plan in advance of such situations may be viewed positively by the rating agencies when evaluating a government's credit quality. This can also help expedite relief efforts when an emergency does occur and allow the government to recover funds more quickly or more effectively in the event of a natural disaster.

The following is a summary of the phase classifications and the corresponding actions to be taken.

Alert. An anticipated net reduction in available reserves or reduction in major revenue source(s) from 1% up to 9%. The actions associated with this phase would best be described as delaying expenditures where reasonably possible, while maintaining the "Same Level" of service. Each department will be responsible for monitoring its individual budgets to ensure that only essential expenditures are made.

Minor. A reduction in reserves in excess of 9%, but less than 23%. The objective at this level is still to maintain "Same Level" of service where possible. Actions associated with this level would be:

- a. Implementing the previously determined "Same Level" Budget.
- b. Intensifying the review process for large items such as contract services, consulting services, and capital expenditures including capital improvements.
- c. Closely scrutinizing hiring for vacant positions, delaying the recruitment process, and using temporary help to fill in where possible.

Moderate. A reduction in reserves in excess of 23%, but less than 50%. Initiating cuts of service levels by:

- a. Requiring greater justification for large expenditures.
- b. Deferring capital expenditures.
- c. Reducing CIP appropriations from the affected fund.
- d. Hiring to fill vacant positions only with special justification and authorization.
- e. Closely monitoring and reducing expenditures for travel, seminars, retreats and bonuses.



Major. A reduction in reserves of 50% to 100%. Implementation of major service cuts.

- a. Instituting a hiring freeze.
- b. Reducing the temporary work force.
- c. Deferring merit wage increases.
- d. Further reducing capital expenditures.
- e. Preparing a strategy for reduction in force.

Crisis. Reserves have been 100% depleted and potential for having a deficit is present.

- a. Implementing reduction in force or other personnel cost-reduction strategies.
- b. Eliminating programs.
- c. Eliminating capital improvements.

In the event that an economic uncertainty is expected to last for consecutive years, the cumulative effect of the projected reduction in reserves will be used for determining the appropriate phase and corresponding actions.

8) Accounting Policy

The City of Destin will perform accounting functions that shall conform to the generally accepted accounting principles as applicable to governments.

The diverse nature of governmental operations and the necessity of assuring legal compliance preclude recording all governmental financial transactions and balances in a single accounting entity. Therefore, from an accounting and financial management viewpoint, a governmental unit is a combination of several distinctly different fiscal and accounting entities, each having a separate set of accounts and functioning independently of each other.

The City will comply with prevailing federal, state, and local statutes and regulations. The City will also conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), and the Government Finance Officers Association (GFOA).

In general, it will be the policy of the City to:

- a. Prepare and present regular reports that analyze, evaluate, and forecast the City's financial performance and economic conditions. This information will be made available to the public for their inspection.
- b. With available resources, the City will seek out and employ the assistance of qualified financial advisors and consultants in the management and administration of the City's financial functions.
- c. An independent audit will be performed annually.
- d. The City will issue annual financial reports in accordance with generally accepted accounting principles (GAAP) as outlined in the Governmental Accounting, Auditing and Financial Reporting (GAAFR) publication.



The **basis of accounting** refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. As in the basis of budgeting, accounting records for the City of Destin governmental funds are maintained on a **modified accrual basis** with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received, and the liabilities are incurred. In contrast to the basis of budgeting, accounting records for proprietary funds are maintained on the accrual basis in which revenues are recognized when earned and expenses are recognized when incurred. The City does not currently have any proprietary funds.

The City of Destin's accounting system is organized and operated on a "fund" basis. Each accounting entity is accounted for in a separate "fund" which is defined as a fiscal accounting entity with a self-balancing set of accounts recording cash and other financial resources together with related liabilities and residual equities or balances, and changes therein. Two fund types defined in the "Description of Budgeted Funds" is further defined below as well as the addition of Fiduciary Funds.

Fund Category	Fund Type
Governmental	General fund Special Revenue funds Debt Service funds Capital Project funds
Proprietary	Enterprise funds Internal service funds
Fiduciary	Pension and other employee benefit trust funds Investment trust funds Private-purpose trust funds Agency funds

Governmental Funds. These funds are, in essence, accounting segregations of financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are to be paid; and the differences between governmental fund assets and liabilities (the fund equity) is referred to as "Fund Balance". The primary measurement focus is "flow of current financial resources." Increases in spendable resources are reported in the operating statement as revenues or other financing sources, and decreases are reported as expenditures or other financing uses. The City of Destin currently has 11 governmental funds.

Proprietary Funds. These funds are sometimes referred to as "income determination," "non - expendable "or" commercial type" funds and are used to account for a government's on-going organizations and activities which are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government's business and quasi-business activities, where net income and capital maintenance are measured, are accounted for through proprietary funds. The generally accepted accounting principles here are those applicable to similar businesses in the private sector, and the measurement focus is the economic condition of the fund as a result of the events and transactions of the period. Events and transactions that improve the economic



position of a proprietary fund are reported as revenues or gains in the operating statement. Those that diminish the economic position are reported as expenses or losses. The City of Destin does not currently have any proprietary funds.

Fiduciary Funds. These funds account for assets held by the City in a trustee capacity or as an agent for other governmental units and for other funds. Each trust fund is accounted for as either a governmental or a proprietary fund. Fiduciary funds are not budgeted in the annual budget process. The City currently has one fiduciary fund for the employee thrift plan.

Account Groups. These represent another accounting entity used to establish control and accountability for the City's general fixed assets and the long-term portion of principal outstanding (General Fixed Assets Account Group and General Long- Term Debt Account Group). While the governmental funds are presented on a modified accrual basis (similar to cash-basis) to emphasize cash-flow, accounting staff still must maintain records on the non-cash long-term valuation to also present full-accrual reports, also known as "government-wide" reports.

These additional account group records are accounted for in a self-balancing group of accounts. These account groups are not financial resources available for expenditures, as they represent assets such as land, buildings, and equipment needed for operations. The total outstanding principal of the general long-term debt and general long-term liabilities do not require an appropriation or expenditure during the account year.

Internal Control. In developing and maintaining the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

9) Investment Policy

The City will have an investment goal to maintain adequate cash to meet current obligations and to invest in those legal securities that maximize earnings and protect principal. Monies that are not required on a short-term basis are to be invested in compliance with the guidelines of the Florida Statutes (section 166.021 and 166.261) and City of Destin Charter Chapter 2 Article 5.

The City Council of the City of Destin shall, by resolution, invest and reinvest surplus public funds. The City will seek safe securities that provide the greatest pretax return with maturities that coincide with the need for funds. Short term needs can be satisfied with Treasury bills and certificates of deposit. Treasury notes, Treasury bonds, and U.S. agency securities can be used for intermediate needs. Some City funds may be invested in longer term Treasury and agency securities, depending on state law. Since it is difficult to gauge long-term interest rates, the City generally does not invest in long-term securities.



The Finance Director is charged with minimizing the risk of default on all investments. Investments shall be made with judgment and care, under circumstances then prevailing, with 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.

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Finance Directors acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Scope. This investment policy applies to activities of the City with regard to investing the financial assets of all funds, including the following: General Fund, Special Revenue Funds, Capital Projects Funds, Enterprise Funds (Stormwater), Debt Service Funds, Special Assessment Funds, Bond Funds. These funds are accounted for in the City's Comprehensive Annual Financial Report.

General Objectives. The City's available funds are invested in accordance with all applicable state statutes Charter provisions, and this investment policy, in short-term and intermediate-term fixed income instruments. Except for cash in certain restricted and special funds, the City will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles. The objectives of these investments shall be:

1. **Safety.** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
2. **Credit Risk.** The City will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:
 - a. Limiting investments to the safest types of securities
 - b. Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business
 - c. Diversifying the investment portfolio so that potential losses on individual securities will be minimized.
3. **Interest Rate Risk.** The City will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:
 - a. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity
 - b. Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.



4. **Liquidity.** The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in local government investment pools which offer same-day liquidity for short-term funds. All investments must meet the requirements of the Florida Code of Laws.
5. **Yield.** 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 secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk options in anticipation of earning a fair return relative to the risk being assumed. Investments shall not be sold prior to maturity with the following exceptions:
 - a. An investment with declining credit may be sold early to minimize loss of principal.
 - b. An investment swap would improve the quality, yield, or target duration in the portfolio.
 - c. Liquidity needs of the portfolio require that the security be sold.

This policy specifically prohibits trading securities for the sole purpose of speculating on the future direction of interest rates. Specifically, load open-end or closed-end portfolio restructuring transactions are prohibited.

Delegation of Authority. Authority to manage the City's investment program is derived from the City's Code of Ordinance 133 Section 2.103. The City of Destin investment official is the Finance Director, under the direction of the City Manager. Authority to manage the investment program is granted to the Finance Director and derived from the Florida Statutes Sections 166.261 and 166.021. Responsibility for the operation of the investment program is hereby delegated to the Finance Director or his designee, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

The Finance Director's responsibilities include the authority to open accounts with banks, brokers and dealers, to arrange for the custody of securities, and to execute such documents as may be necessary to carry out this responsibility.

The Finance Director or his designee will 1) furnish timely instructions to depositories concerning settlement of investment transactions, 2) verify the accuracy of completed transactions, and 3) employ internal controls designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees and officers of the City of Destin. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.



Ethics and Conflicts of Interest. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

Safekeeping and Custody. The following policies shall apply with regard to the safekeeping and custody of funds:

- 1. Authorized Financial Dealers and Institutions.** A list will be maintained of financial institutions authorized to provide investment services. In addition, a list also will be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- a. Audited financial statements
- b. Proof of National Association of Securities Dealers (NASD) certification
- c. Proof of state registration
- d. Completed broker/dealer questionnaire
- e. Certification of having read and understood and agreeing to comply with the City's investment policy.

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the Finance Director.

- 2. Internal Controls.** The Finance Director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Finance Director shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- a. Control of collusion
- b. Separation of transaction authority from accounting and recordkeeping
- c. Custodial safekeeping
- d. Avoidance of physical delivery securities
- e. Clear delegation of authority to subordinate staff members



- f. Written confirmation of transactions for investments and wire transfers
- g. Development of a wire transfer agreement with the lead bank and third-party custodian

3. Delivery vs. Payment. All trades where applicable will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

Cash Budgeting. A cash budget is used to determine planned cash needs over the near future. The Finance Director assesses the possibility of unexpected cash needs - occasioned by slow revenue receipts, unexpected appropriations, or emergency expenditures. Based on these evaluations, the Finance Director ascertains a probability distribution of possible cash shortages. The Finance Director receives a cash budget at the beginning of each calendar year. The cash budget differs from the operating budget in that it is much less detailed. It only contains aggregates of forecasted cash expenditures and inflows for the period. A carefully prepared operating budget, controlled expenditures, and relatively stable and predictable revenues lend to a quite accurate cash budget.

The Finance Director or his designee will prepare this document, taking into account expected cash disbursements and receipts throughout the year. The combination of receipts and disbursements determine the net effect on the cash position. This cash budget determines the timing and magnitude of projected cash needs and cash surpluses.

Authorized and Suitable Marketable Securities. The Finance Director manages these investments subject to oversight by the City Manager and City Council. The Finance Director may purchase, sell, and exchange investments on behalf of the City. The investment program is to be managed so that investments and deposits can be converted into cash when needed. Money may be invested for interest in any bank, savings and loan association, trust company, or any other investment firm in the form of certificates of deposit or other forms of time deposit that City Council approves.

The City's investment officials are empowered by statute and the City's Charter to invest in the following for and on behalf of the City of Destin:

1. **U.S. Treasury Obligations.** This is the largest segment of the fixed-income securities market. Treasury securities are the safest and most marketable investments, but they yield the lowest return for a given maturity of all investment instruments. Treasury securities are classified as bills, notes, and bonds.

The Finance Director is authorized to invest in bills, notes, bonds and debentures (bond backed by the general credit of the issuer rather than a specific lien on particular assets) of the United States Treasury, the maturities of which are not more than 1 year from the date of purchase.

All United States Treasury issue transactions will be conducted only with primary dealers from the list of Government Security dealers reporting to the Markets Reports Division of the Federal Reserve Bank of New York.



2. **Agency Securities.** These obligations of various agencies and corporations chartered by the federal government are guaranteed by the issuer. Principal issuers include federal land banks, federal home loan banks, federal intermediate credit banks, the Federal National Mortgage Association ("Fannie Mae"), the Governmental National Mortgage Association ("Ginnie Mae"), and the banks for cooperatives.

Notes or bonds secured by mortgages insured by the Federal Housing Administrator, securities of national mortgage associations, and debentures issued by the Federal Housing Administrator (FNMA, GNMA, and FHMLC) are acceptable investments so long as the maturity dates do not extend more than 1 year from the date of purchase.

3. **Negotiable Certificates of Deposit.** A CD is the deposit of funds at a commercial bank for a specified period of time and at a specified rate of interest. Rates on CD's are quoted by money-market banks. Certificates of deposit and other evidences of deposit at financial institutions, bankers' acceptances, and commercial paper, must be rated in the highest tier (e.g., A-1, P-1, F-1, or D-1 or higher) by a nationally recognized rating agency and must be fully collateralized at 102%. The City may make a practice of investing only in the CDs of local banks located within the City. It shall be perfectly acceptable to support the local banks that benefit the City.
4. **Local Government Investment Fund (State Pool).** The Florida Statutes authorizes the State Treasurer to establish and maintain a common trust fund (The Florida Pooled Investment Fund) in which cities, counties, school districts, regional councils of government, and other political subdivision of the State may deposit public monies. The monies are to be invested in the same type of investments in which the City is allowed to invest.

The City currently wire transfers deposits into the Local Government Investment Pool whenever excess cash is available for investment. The City may withdraw deposits with a one-day notice to the State Treasurer's Office.

5. **Non-Negotiable Certificates of Deposit.** Non-Negotiable Certificates of Deposit shall not be permitted.
6. **Reverse Repurchase Agreements.** Reverse repurchase agreements and securities lending from the City's portfolio shall not be permitted.
7. **Repurchase Agreements.** Repurchase agreements and securities lending from the City's portfolio shall not be permitted.
8. **Mutual Funds.** The City is not authorized to invest surplus funds in mutual funds - regardless of whether or not the mutual fund has invested in government securities.
9. **Banker's Acceptances.** Banker's Acceptances shall not be permitted.



10. **Commercial Paper/Corporate Securities.** The City is not authorized to invest in commercial paper or corporate securities.

Investment Procedures. The following procedures will be followed in the investments of city resources.

1. **Selection of Depository and Security of Deposits.** City funds deposited in excess of the amount of federal insurance must be secured by collateral pledged by the bank or savings and loan in accordance with prevailing state statutes. The City Council designates one or more official depositories from time to time as needed. The funds on deposit in this official depository are to be secured by deposit insurance, surety bonds, or other investment securities in an amount sufficient to protect the City.

In doing so, the City Council, City Manager, and the City's employees are relieved of responsibility for any losses sustained by the City because of the default or insolvency of the depository. No security is required for the protection of funds remitted to and received by a depository acting as a fiscal agent for the payment of principal and interest on bonds or notes, when the funds are remitted no more than 60 days prior to the maturity date.

2. **Commercial Bank Interest and Fees.** Because banks differ in their interest rates and charges, the City investigates all banks in the City to find the bank offering the best net return for the given level of activity.

Major investments are normally made with a single institution whenever possible since dispersal and decentralization of balances can result in a large number of accounts with individually small balances. Fractionalizing overall cash flows in this manner inhibits pooling of cash for investment purposes and restricts the range of investment possibilities to the individual characteristics of the separate funds and accounts.

Before the City of Destin invests any funds, a competitive bid is conducted, if market conditions and time permit. If a special maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, bids will be requested for instruments which meet the maturity requirement. If no specific maturity is required, an analysis is conducted to determine which maturities and instruments would be required from financial institutions for various options with regard to term and instrument. The Finance Director accepts the bid that provides the highest rate of return within the maturity required and within the parameters of this policy. If a financial institution consistently proves non-responsive, the institution may be dropped from the list of approved firms.

Records are to be kept of the bids offered, the bid accepted, and a brief explanation of the decision which was made regarding the investment. These records are to be maintained over the life of the maturity.

The City recognizes that the investment portfolio is subject to public review and evaluation at all times. The overall program is to be designed and managed with the highest degree of professionalism worthy of the public trust.



3. **Banking Policy.** The City's contract for banking services is awarded for a five-year period after local banks submit proposals. The City Manager's Office, Finance Director, and Bid Committee evaluate the proposals and present to City Council a summary of the proposals. City Council then selects a bank and awards the bid. The City's present bank is Trustmark National Bank.

Cash kept on hand (the transaction cash balance) is determined with reference to several factors:

- a. The minimum balance required by commercial banks;
- b. The cost of bank and market transactions;
- c. The consequences of running out of cash;
- d. The difference between current interest rates on transaction balances and those available in the market on short-term securities.

In order to minimize the size of idle funds, the City's operating account at Trustmark is actually made up of a repurchase agreement and three separate bank accounts. The bank transfers sufficient funds from repurchase and central deposit to cover the total amount of checks that clear the bank at the end of the day.

The City maintains other cash accounts for certain restricted funds. These are:

- CRA Harbor
- CRA Town Center
- Suntrust Debt Service (2013 Note)
- BBVA Town Center CRA Debt Service (2014 Note)
- Key Government Finance Debt Service (2021 Note)
- Police Impact Fees
- Traffic Impact Fees
- Library Impact Fees
- Multimodal Fees
- NPEB Assessment
- Morgan's Children's Park
- American Rescue Plan

The City maintains other cash accounts for certain funds committed by ordinance or motion:

- Renewal & Replacement – Facilities
- Renewal & Replacement – Roads
- CD Tech Fund
- Okaloosa Half Penny Infrastructure Surtax

Balances in all accounts are insured by the FDIC for up to \$250,000 and are secured by pledged U.S. Government securities for balances over \$100,000.

The City's Finance Director is responsible for compiling investment alternative information for the City. The Finance Director or his/her designee is authorized to transfer funds among City accounts as needed.



For security purposes, the financial institutions call the Finance Director to confirm oral instructions before executing requested transactions.

Securities held by the City are under the control of the Finance Director who also maintains a schedule of current investments. Investments are placed with various financial institutions depending on the interest rates they offer. Investment rates are compiled with a phone call to each institution in the City. The Finance Director examines the rates and makes the final decision on the award.

Daily Deposits. Monies received by the City are to be deposited by an officer or designated employee of the City. This officer or employee is to deposit the collections and receipts daily. Deposits in an official depository are to be reported to the Finance Director by means of a duplicate ticket on the day of the deposit.

Safekeeping and Custody. Safekeeping and custody are paramount concerns for the City and will follow these standards:

1. **Delivery versus Payment.** Securities purchased by the City of Destin shall be delivered against payment and held in a custodial safekeeping account with the trust department of a bank insured by the Federal Deposit Insurance Corporation designated by the Finance Director. Securities will be held by a third-party custodian designated by the City and evidenced by safekeeping records.
2. **Repurchase Agreements.** Securities purchased from and subject to resale to a bank, broker, or dealer under the terms and conditions of a master repurchase agreement shall be delivered to and held in a custodial safekeeping account with the trust department of a bank insured by the Federal Deposit Insurance Corporation designated for this purpose by the Finance Director.

Diversification. In no case shall more than 10 percent of the portfolio, or \$2 million (whichever is greater) be invested in obligations of any one issuer except direct obligations of the U.S. Government or its agencies. Also, at appropriate times, the City may sell certain securities to meet cash flow needs or to obtain capital gains.

The City's investments shall be diversified by:

1. limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
2. limiting investment in securities that have higher credit risks,
3. investing in securities with varying maturities, and
4. continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations. The City shall adopt weighted average maturity limitations (which often range from 90 days to 18 months), consistent with the investment objectives.

Maximum Maturities. To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the maximum maturity of any instrument in the City's portfolio may not exceed 18 months from the date of acquisition by the City. In order to preserve liquidity and to lessen market risk, not more than 25 percent of the total portfolio may mature more than one year beyond the date of calculation. The maturity of non-negotiable time deposits may not exceed one year.



Reserve funds and other funds with longer-term investment horizons may be invested in securities not exceeding 18 months if the maturity of such investments is made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the legislative body.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as LGIPs, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

Reporting. The following standards shall apply to the reporting of the City's investments:

1. **Methods.** The Finance Director shall prepare an investment report at least semi-annually, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the City to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the City Manager, the legislative body, and any pool participants. The report will include the following:
 - a. Listing of individual securities held at the end of the reporting period.
 - b. Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) requirements).
 - c. Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
 - d. Listing of investment by maturity date.
 - e. Percentage of the total portfolio which each type of investment represents.
2. **Performance Standards.** The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis.
3. **Marking to Market.** The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the City's expectations. In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

Internal Control. The Finance Director has established a system of internal controls over investments. The internal controls have been reviewed by the City's independent auditors. The controls are designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by staff and City officials.

Performance Standards. The Finance Director shall continue to employ a strategy for the City's portfolio to obtain a market average rate of return, considering investment risk constraints, cash flow needs, bond indenture restrictions and Internal Revenue Service arbitrage rebate considerations. Given this



strategy, the basis used to determine whether market yields are being achieved shall be the six-month U.S. Treasury Bill.

Notice to Financial Institutions. The Finance Director shall send annually the current edition of this investment policy to all institutions which are approved to handle City investments. The institution shall confirm in writing that the policy has been received, reviewed, and accepted by appropriate personnel. In the absence of such acceptance, business transactions will not be considered with the institution. Financial institutions are also required to send a copy of their Annual Financial Report to the Finance Director on a timely basis after the institution's fiscal year has concluded.

Collateralization. Although not dictated by state statute, the City requires all money deposited with a bank, savings and loan, savings bank, or credit union including checking accounts, NOW accounts, non-negotiable certificated of deposit, time deposits or similar type accounts provided by the financial institution in excess of the amount of federal insurance to be fully collateralized in accordance with the following:

1. All deposits shall be secured by collateral pledged by the depository institution and maintained in the possession of a custodial agent.
2. The market value of the collateral pledged to secure City deposits shall equal at least 102 percent of the amount of the deposit plus accrued interest, minus the amount insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration. The depository institution is required to furnish monthly, or upon demand by the Finance Director, a detailed statement of all securities pledged as collateral showing par and market values of each. If at any time the market value of the collateral is less than 102 percent of the aggregate of all City deposits (including accrued interest), the depository institution shall immediately add sufficient securities to the pledged collateral to increase the market value of the collateral to at least 102 percent of the aggregate of all City deposits.
3. The City Council or Finance Director shall select a bank or trust company, whose deposits are insured by the Federal Deposit Insurance Corporation, as a trustee to act as an independent holder of collateral pledged by depository institutions holding deposits of City funds, and shall enter into a written trust or safekeeping agreement with the trustee. Alternatively, collateral pledged by the depository institution to secure City deposits may, with approval of the Finance Director, be held by the same depository institution in trust for the City. Such arrangement shall be subject to execution of a trust agreement satisfactory to the Finance Director. Failure by the depository institution to abide by any of these provisions governing the pledge and adequacy of collateral shall be cause for disqualification of the depository institution to receive and hold City funds. The Finance Director is responsible for analyzing and evaluating creditworthiness, capability and reputation of any depository for City funds or trustee holding collateral to secure City deposits.
4. Time and demand deposits of City funds shall be secured by the same types of collateral as allowed for securing deposits.
5. If any depository institution holding time deposits of the City fails to pay any deposit for deposits of any depositor, or any part thereof when due, then the Finance Director shall have the option to demand delivery to the Finance Director of any collateral pledges by the depository to secure City deposits. Upon making such demand for delivery of pledged collateral, the Finance Director may sell all or any part of the collateral in the manner determined to be reasonable. If there is an excess of



proceeds after deducting expenses of the sale, or of collateral after satisfaction of the deposit and accrued interest, the excess must be returned to the depository institution or its successor in interest.

Report on Deposits and Investments. The Finance Director is charged with the responsibility of including a market report on investment activity and returns in the City's Comprehensive Annual Financial Report. Reports will conform to the requirements of GASB 3.

Investment Policy. The City's investment policy shall be determined to be a management tool used by the Finance Department in all investment activities, and to that extent, represents the official policy for investment of City funds. The policy shall be reviewed on an annual basis by the Finance Department staff and any modifications made thereto must be approved by the Finance Director.



Programmatic, Operating and Capital Policies and Plans

The City will prepare policies and plans to guide the design of programs and services

The City has developed a strategic planning process with broad goals that are then developed into specific strategies for achieving those goals. These policies and plans provide the basis for designing specific programs and services. The City Council reviews these strategies periodically (at least twice a year) to ensure their continued applicability to the City's overall mission.

Maintain Service Capacity

The City recognizes the importance of establishing and maintaining levels and standards that ensure adequate maintenance and growth of City Service levels and the entire City infrastructure – including but not limited to Facilities, Equipment, General Government Infrastructure, Technology, Staff, and Roads.

To achieve this goal, the Engineering Department will:

Develop the Stormwater System in order to meet future growth demands in the City through:

- Revision of the current city master plan for stormwater issues in the City
- Develop a plan for the major stormwater projects to improve drainage in the City.

To achieve this goal, the Public Works Department will:

Concentrate on infrastructure improvements and repair in the City

- Initiate improvements to the City's sidewalk, curb and gutter infrastructure
- Initiate improvements to the City's roadway infrastructure
- Conduct a needs assessment of City facilities

Concentrate on infrastructure enhancements and additions in the City

- Initiate enhancements and additions to the City's sidewalk, curb and gutter infrastructure
- Initiate enhancements and additions to the roadway infrastructure

To achieve this goal, the Recreation Department will:

Concentrate on Recreation infrastructure improvements throughout the City to continue quality leisure services

- Identify existing facility/equipment needs
- Develop cost estimates and timetables for needed infrastructure improvements
- Evaluate current programs based on consumer, staff and commission input
- Provide improved facilities at neighborhood centers to meet community needs

Concentrate on Recreation infrastructure enhancements and additions to the City system to continue quality leisure service programs

- Identify new facility and equipment needs
- Develop cost estimates and projected timetables for new facilities, equipment, technology, staff and infrastructure
- Research new programs based on consumer needs and staff program evaluations



Provide a Long-Term Plan for Economic Development

We will work to strengthen the City's role as a place for economic activity through job creation, business location and expansion, redevelopment and tourism

To achieve this goal, the Community Development Department will:

Work to attract high quality jobs and businesses to Destin, particularly, corporate offices, and retail outlets by:

- Ensuring the availability of competitive sites and services for business location and expansion inside the City.
- Strengthening partnerships with economic development allies
- Investing in improvements in the Town CRA and Harbor CRA to sustain and expand this area as a premier business center

Attract residents, businesses, jobs and investments to by:

- Creation and implementation of a redevelopment plan for the Town CRA and Harbor CRA
- Creation and implementation of an affordable housing program for the Town CRA and Harbor CRA area

To achieve this goal, the Recreation Department will:

Create destinations and marketing programs designed to attract visitors to Destin by:

- Supporting the efforts of other community groups to develop cultural, historical and arts destinations in Destin
- Perpetuating Destin's national reputation and success in attracting national and regional softball tournaments
- Improving the appearance and business environment on major visitor entries to the city

Develop community amenities that provide diverse opportunities for local residents and that keep Destin competitive within the region for quality businesses and jobs

- Adopting a trails and greenways master plan and begin the development of an integrated trail system serving Destin neighborhoods

Provide for Effective Management of Growth

The City recognizes the importance of effective growth management in the Destin area by 1) the establishment of urban service boundaries based on service capacity and sound land use planning; 2) the implementation of standards that result in quality, sustainable development; and 3) the implementation of the principles and recommendations of the Comprehensive Plan

To achieve this goal, the Community Development Department will:

Provide Growth policies and standards that will result in quality, sustainable development in the Destin service area

- Rewrite zoning and land development codes.



- Convene workshops with City Council (and Planning Commission) to focus on growth management issues.
- Implement stormwater program
- Continue specific programs to enhance community appearance
- Continue to evaluate ways to improve development approval process and enhance customer service/communication with development community
- Update Comprehensive Plan elements and required surveys and data
- Evaluate staffing resources to maintain quality service delivery

Establish urban services boundaries that allow the City to provide services and infrastructure in a cost-effective manner and develop policies that ensure planned quality growth that can be served at a reasonable cost

- Work together with Okaloosa County to recognize City's urban services area and mutually agree to land use regulations for the defined area.
- Establish standards regarding the rate and timing of growth and the amount and density of growth
- Implement impact fees to ensure that growth pays for related infrastructure improvements

Emphasize importance of corridor and transportation/land use planning

- Complete major transportation planning initiatives that focus on infrastructure improvements, land use, and alternative transportation modes

Promote revitalization and maintenance of inner city areas

- Continue to focus on the strengthening of urban core neighborhoods and corridors.
- Continue to focus on improving the existing housing quality and promote affordable housing opportunities for residents.

The City Will Emphasize Quality of Government

The City employees seek to deliver an extraordinary level of quality services to citizens - provided by a customer-focused, well trained, highly motivated workforce

To achieve this goal, the Human Resources Department will:

Recruit and retain of a high-quality workforce by:

- Developing specialized mentoring programs
- Continuing to recruit the best candidates for the job
- Surveying employees and retirees on health insurance issues

Provide for the continuous development of a high-quality workforce through:

- Developing systems to ensure a citizen/customer focus and highly productive workforce
- Development of customer service training citywide
- Developing ethics training for City employees
- Providing incentives for time and cost savings and innovations to enhance citizen/customer service and productivity in the workplace.



Ensure that the workforce and city services are easily accessible by the citizen through:

- Development of a more customer focused approach for citizens who need access to city services
- Enhancement of communications between the City and its Citizens
- Continuing to develop and strengthen the neighborhood ambassador program as a quality of life initiative
- Evaluating City services to determine the ease of customer use

Implementation of Financial Management Plan

The City will develop financial policies and practices for the City of Destin that ensures adequate protection of the City's financial resources

To achieve this goal, the Finance Department will:

Develop a comprehensive policy for managing current and future debt obligations by

- Examining opportunities to reduce the use of debt
- Developing a comprehensive pay-as-you go schedule for financing capital projects over the next 10 years
- Investigating the use of lease-purchase arrangements for meeting the capital needs (including equipment) of the City

Examine and make recommendations on alternate sources of revenue for the City by

- Examining revenue sources for all other major cities in the state and region to determine the feasibility of implementing new revenue sources in the City
- Developing a comprehensive list of revenues that are not currently available to the City under State law. Lobby the Florida State Legislature for changes that would allow these revenues.

Thoroughly review the City's financial position and recommend necessary changes by:

- Developing a comprehensive set of written, formal financial policies for the City
- Establishing and maintaining formal bank accounts for all reserved and unreserved fund balances
- Developing recommendations on formal policies related to cost-to-serve in the City's Key Businesses (Community Development, Recreation, Engineering and Library)



Glossary of Terms

A

Account Systems: The total set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity.

Accounts Payable: A liability account reflecting amounts on open account owing to private persons or organizations for goods and services received by a government (but not including amounts due to other funds of the same government or to other governments).

Accounts Receivable: An asset account reflecting amounts owing to open accounts from private persons or organizations for goods and services furnished by a government.

Accrual Basis of Accounting: A basis of accounting in which transactions (debts and credits) are recognized at the time they are incurred, as opposed to when cash is received or spent.

Activity: A specific and distinguishable line of work performed by one or more organizational component of a government is responsible. Public safety and culture and recreation are examples of governmental activities.

Adopted Budget: An annual budget approved by City Council each September detailing the revenues and expenditures of the City for the upcoming fiscal year.

Adoption: Formal action by the City Council that sets the spending limits for the fiscal year.

Ad Valorem: Latin for “value of”. Refers to the tax assessed against real (land and buildings) and personal (equipment and furniture) property.

Allocation: The portion of an appropriation which is designated for expenditure by specific organization units and/or for specific purposes.

Amended Budget: A revised version of the adopted budget prepared after the close of each fiscal year to reflect actual revenues and expenditures.

Annual Operating Budget: The City’s plan of current expenditures and the proposed means of financing them. The annual operating budget is the primary controlling document for most of the City’s spending, financing, and/or for specific purposes.

Appropriated Budget: An expenditure authority created by Ordinance, which is signed into law, and the related estimated revenues. The appropriated budget includes all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes.

Appropriation: The legal authorization granted by a legislative body (the City Council) to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in both amount and time.

Appropriation from Fund Balance: A non-revenue funding source used to bridge the gap between anticipated revenues and expenditures in the adopted budget of governmental, special revenue, and similar funds.



Appropriation Ordinance: The City's legal instrument by which budgets are set and adopted on a line-item basis.

Arbitrage: The interest earnings derived from invested bond proceeds or debt service fund balances.

Assessed Valuation: The estimated value placed on real and personal property by the chief appraiser of the appraisal district as the basis for levying property taxes. All appraisal activity is the responsibility of the York County Assessor's Office.

Audit: A methodical examination of the use of resources. It concludes in a written report of its findings, and it is a test of management's accounting system to determine the extent to which report of its findings and it is a test of management's accounting system to determine the extent to which internal accounting controls are both available and being used.

B

Balance Sheet: The basic financial statement which discloses the assets, liabilities, and equities of an entity at a specified date in conformity with GAAP.

Balanced Budget: A budget in which planned funds available equal planned expenditures.

Basis of Accounting: Defines when revenues and expenditures are recognized in the cities financial accounts and reported on financial statements.

Basis of Budgeting: Is the recognition of costs and revenue in budget development. The city uses a modified accrual basis for budgeting funds.

Bond: A written promise to pay a specifies sum of money, called the face value or principal amount, at a specific date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

Budget: A comprehensive financial plan of operation which incorporates an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget Amendment: An increase or decrease in the total adopted budget amount. This must be accomplished by a Resolution approved by the City Council.

Budget Basis: The budget is prepared on a basis consistent with generally accepted accounting principles (GAAP) and generally follows the basis of accounting with few exceptions. During the year, the City's accounting system is maintained on the same basis as the adopted budget, which enables department budgets to be easily monitored through the accounting system. The major difference between this budget and GAAP for governmental funds is that certain revenues and expenditures (e.g. compensated absences and depreciation) are not recognized for budgetary purposes but are recorded in the accounting system at year-end.

Budget Calendar: The schedule of key dates or milestones which the City follows in the preparation and adoption of the budget.

Budget Development Process: A listing of the procedural steps that define the "rules of the game" in developing the next fiscal year budget.



Budget Guide: A brief Summary of the information contained in each section of the budget Document

Budget Message: A general discussion of the proposed budget presented in writing as a part of the budget issues against the background of the present economy and financial experience in recent years.

Budget Transfer: A reallocation of funds among line items, within the same fund, with the approval of the city Manager or designee.

Budgetary Control: The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

C

Capital Expenditure: An expenditure resulting in the acquisition of or an addition to the government's general fixed assets.

Capital Improvement Program (CIP): A plan for purchasing, leasing, and/or constructing the equipment or property needed to complete the City's long-term improvements projects. The plan details by year (over a fixed number of years) for each project. The plan also specifies the resources estimated to be available to pay for the project expenditures.

Capital Outlay: Equipment with a value in excess of \$5,000 and an expected life of more than one year.

Capital Project: Construction, purchase or major renovation of City infrastructure with a cost of at least \$20,000, or equipment purchase with a cost of at least \$50,000, and which results in a fixed asset.

Capital Projects Fund: Accounts for the planned capital improvements to municipal facilities and infrastructure construction.

Cash Basis of Accounting: A basis of accounting under which revenues are recognized when cash is received and expenditures incurred when cash is paid.

Certificates of Participation (COPS): A financing instrument by which certificates or securities are sold to investors who underwrite a project. The issuance of COPs is secured by lease-purchase agreements to which the City is a party.

City in Brief: A description of the geographical, historical and demographic characteristics of Destin, summary of recreational facilities and amenities, and a synopsis of Destin's Government, Philosophy and Mission.

Community Redevelopment Agency: A public organization that works to improve a specific area (called a Community Redevelopment District) in a community through redevelopment and economic investment. The targeted area must meet the state definition of "slum and blight," which includes 14 conditions such as deteriorating buildings, lack of parking and sidewalks, inadequate roadways, faulty lot layout, flooding problems, and outdated building patterns.

Community Redevelopment Agency (CRA) Board: Oversees redevelopment projects and recommends infrastructure improvements within the CRA district. The board endeavors to implement specific projects to encourage redevelopment within the CRA district.



Community Redevelopment Agency (CRA) Fund: A “discretely presented component unit” that accounts for the revenues and expenditures associated with the CRA.

Consumer Price Index (CPI): A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living.

Contingency: Funds set aside for future appropriation due to unforeseen needs. Contingency funds appropriations require the approval of the City Council.

Costs: The amount of money or other consideration exchanged for property or services. Costs may be incurred even before money is paid; that is, as soon as liability is incurred.

Current Assets: Those assets which are available or can be made readily available from current operations or to pay current liabilities. Those assets which will be used up or converted to cash within one year. Some examples are cash, temporary investments and taxes receivable which will be collected within one year.

Current Liabilities: Debt or other legal obligation arising out of transactions in the past which must be liquidated, renewed, or refunded within one year.

Current Taxes: Taxes levied and due within one year.

D

Debt: An obligation resulting from borrowed money or from the purchase of goods and services. Debts of government include bonds and notes.

Debt Limit: The maximum amount of general obligated debt which is legally permitted.

Debt Service: The payment of principal and interest on borrowed funds, such as bonds.

Debt Service Fund: The fund used to account for the accumulation of resources and the payment of principal and interest of long-term debt.

Debt Service Requirement: The amount of money required to pay the interest currently due on outstanding debt, and/or principal portion due on debt maturing in the up-coming year.

Delinquent Taxes: Taxes that remain unpaid on and after the date they are due and which include a penalty for nonpayment.

Department: A major administrative unit of the City which manages an operation or group of related operations within a functional area.

Depreciation: The decrease in value of physical assets due to use and the passage of time.

Division: A sub-unit of a Department having responsibility for a specific function within the Department.

E

Encumbrance: Commitments related to unperformed contracts for goods or services. Encumbrances represent the estimated amount of expenditures ultimately to result if the unperformed contracts are completed.



Enterprise Fund: A fund established to account for operations: (a) financed through user charges and operated in a manner similar to private businesses, where the intent is to cover the cost of providing goods and services to the general public on a continuing basis; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, or other purposes. The City's Enterprise Funds are for water, wastewater, storm water, and electric utilities.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Exempt: Personnel not eligible to receive overtime pay and who are expected to put in whatever hours are necessary to complete their job assignments. Compensatory time off, as partial compensation for overtime hours worked, may be allowed by the respective department head.

Expenditure/Expenses: The amount of cash paid or to be paid for a service rendered, goods received or an asset purchased.

F

Federal Emergency Management Agency (FEMA): A federal agency that provides disaster relief.

Fiscal Year (FY): A 12-month period which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. The City of Destin's fiscal year begins October 1st and ends the following September 30th.

Fixed Asset: Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than building, machinery and equipment.

Forfeiture: An automatic loss of cash or other property as a penalty for not complying with legal provisions and as compensation for the resulting damages or losses. This term should not be confused with confiscation. The latter term designates the actual taking over of the forfeited property by the government. Even after property has been forfeited, it is not considered confiscated until the governmental claims it.

Franchise Fee: A fee levied in proportion to gross receipts on business activities of all or designated types of businesses.

Full Time Equivalent (FTE): Number of staff positions calculated on the basis that one FTE equates to 2080 hours a year.

Full Accrual Basis of Accounting: The method of accounting where revenues are recognized when earned, expenditures are recognized when incurred and fixed assets are depreciated over their estimated useful life. All enterprise and internal service funds are accounted for using this method of accounting.

Fund: An fiscal and accounting entity that has self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.



Fund Balance: The difference between governmental fund assets and liabilities also referred to as fund equity.

G

GASB 34: Statement number 34 issued by GASB. A new reporting model that will require government financial statements to be written in a format similar to private business.

Generally Accepted Accounting Principles (GAAP): A body of accounting and financial reporting standards set by the Governmental Accounting Standards Board GASB for state and local governments.

General Fund: The fund used to account for all financial resources except those required to be accounted for in another fund.

General Fund Budget Comparison: A listing by Uniform Accounting Category of the actual Budget for 2003 revised budget for 2004 and proposed budget for 2005 identifying difference and change between 2004 and 2005 budgets.

General Fund Budget Programs: Those budget programs that are appropriated within General Fund budget.

General Ledger: A book, file or other device which contains the accounts needed to reflect the financial position and the results of operations of an entity, in double entry ledger are equal; therefore, the debit balances equal the credit balances.

General Obligation (GO) Bonds: When the City pledges its full-faith and credit to the repayment of the bonds it issues, then those bonds are general obligation (G.O.) bonds. Sometimes the term is used to refer to bonds which are repaid from taxes and other general revenue.

Goal: A statement of broad direction, purpose or intent on the needs of the community. A goal is general and timeless.

Goals and Objectives: Activities defined by each budget program designed to help achieve a defined target within a specified period of time.

Governmental Accounting Standards Board (GASB): The authoritative accounting and financial reporting standard-setting body for government entities.

Governmental Funds: Those funds which are primarily financed by taxes levied upon the citizens.

Grant: A contribution by a government or other organization to support a particular function. Grants are categorized as operating or capital, depending upon the functions they support. The City receives mostly “cost reimbursement” grants, which require the City to submit proof of payment to the grantor to be reimbursed for allowed expenses.

/

Impact Fee: Imposed on new construction in order to support specific demands on a given service (i.e. streets, parks, police, and library). Also known as “developer fees”, these funds are restricted to addressing growth-necessitated impacts upon public assets and services.



Improvement Other than Building: An attachment or annexation to land that is intended to remain attached or annexed, such as sidewalks, trees, drives, tunnels, drains, and sewers. Sidewalks, curbing, sewers and highways are sometimes referred to as betterments, but the term “improvements” is preferred.

Interfund Transfers: Amounts transferred from one fund to another, generally for expenses incurred but paid from another fund for services rendered or for account tracking purposes.

Intergovernmental Revenue: Revenue received from other governments, whether local, state or federal, usually in the form of grants, entitlements, shared revenues or payments in lieu of taxes.

Investment: Most commonly, securities and real estate held for the production of revenues in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in operations.

L

Legal Debt Limit: The State of Florida does not place a legal limit of debt on the municipalities. For general obligation debts greater than one year, the City must conduct a voter referendum process. Special revenue debt is pledged by a specific revenue source and limited by available revenue and is not subject to voter referendum.

Library COOP: Okaloosa County Library Cooperative. OCPLC consists of 6 municipal libraries and a bookmobile. The 6 municipalities are Crestview, Destin, Fort Walton Beach, Mary Esther, Niceville, and Valparaiso. The libraries have a shared circulation system and provide reciprocal borrowing privileges to all cardholders. A courier runs between the libraries 3 times per week, delivering materials that patrons have requested online.

Likert Scale: A methodology to evaluate statistical data using a scale of 1 to 5 where 1 is positive 3 is neutral and 5 is negative.

Long Term Debt: Principal that is due in more than 12 months.

M

Machinery and Equipment: Property that does not lose its identity when removed from its location and is not changed materially or consumed immediately (i.e. within one year) by use.

Major Fund: Government fund or Enterprise fund that is reported as a separate column in the basic fund financial statements and subject to a separate opinion in the independent auditor’s report.

Millage: The tax rate applied to the value of real property based on \$1 of value per \$1,000 of value.

Mission Statement: A statement that focuses on the vision and values of an organization.

Modified Accrual Accounting: A basis of accounting in which expenditures are accrued but revenues are accounted for on a cash basis. This accounting technique is a combination of cash and accrual accounting since expenditures are immediately incurred as a liability while revenues are not recorded until they are actually received or are “Measurable” and available. It is recommended as the standard for most governmental funds.



N

Non-Exempt: Personnel eligible to receive overtime pay when work has been authorized or requested by the supervisor.

Non-Operating Expenses: An expense not directly related to the municipality's operating activities.

Non-Operating Revenue: A revenue not directly related to the municipality's operating activities.

Non-Recurring Expense: A one-time expense, such as the purchase of a piece of equipment.

O

Objectives: A desired outcome that is measurable and that can be achieved within a specific time frame.

Office Supplies: Consumable items used in an office such as pens, pencils, paper, paper clips staples, file folders, etc.

Operating Budget: A financial plan for the city's general operations, such as salaries, utilizes and supplies.

Operating Transfers: Legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended. An example would be the transfer of funds from the general fund to a debt service fund to pay debt as per a loan agreement.

Operation and Maintenance (O&M) Cost: The day-to-day operating and maintenance cost of a municipality including such things as personnel, gas, electric utility bills, telephone expense, reproduction cost, postage, and vehicle maintenance.

Operating Supplies: Consumables used in operations such as cleaning supplies, gasoline, chemicals, uniforms, small equipment, etc.

Ordinance: A formal legislative enactment by the governing board of a municipality (the City Council). If it is not in conflict with any higher form of law, such as, a State statute, a Federal law, or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

P

Pay as You Go: A type of financing whereby current revenues, taxes, and/or grants rather than long-term debt are used to pay for capital improvements.

Pay as You Use: A type of financing whereby long-term debt rather than current revenues is used to pay for capital improvements.

Performance Measures: A method of evaluation that uses measurable performance of activities to determine achievement of goals.

Personnel Services: The combination of regular wages, overtime, incentive pay, social security, Medicare, and benefits including deferred compensation, retirement, insurance (dental, health, & life), and worker's compensation.



Productivity Indicators: Quantifiable measures that can be applied to a specific Budget Program that measure the quality and quantity of activity expended in achieving specified goals.

Program: An organized set of related work activities that are directed toward a common purpose or goal and represent well-defined uses of city resources.

Program Budgeting: A method of budgeting expenditures to meet programmatic objectives rather than on a line item basis.

Program Description: A narrative description of a specific budget program

Program Statement: A description as to the functional objective of a specific Budget Program.

Property Tax: Property taxes are levied on both real and personal property according to the property's assessed valuation and the tax rate applied.

Proposed Budget: The budget as formulated and proposed by the budget-making authority (the City Manager). It is submitted to the legislative body (the City Council) for review and approval.

Proprietary Fund: Funds that focus on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. There are two types of proprietary funds: enterprise funds and internal service funds,

Purchase Order: A document which authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

R

Reserve: An account used to earmark a portion of the fund balance. This may be done for various reasons. The most common are to indicate that a portion of the fund balance is not available for general expenditures or the amount has been legally segregated for specific future use.

Resolution: A special or temporary order of a legislative body (the City Council). This action requires less legal formality than an ordinance.

Resource: Total monies available for appropriation purposes to include revenues, fund balances, transfers, and other financing services (e.g. bond proceeds).

Restricted Assets: Monies or other resources whose use is restricted by legal or contractual requirements. In governmental accounting, special treatment is given to resources restricted by debt covenants, statutes and ordinance regarding uses of impact fees, and restrictions imposed within grant agreements.

Retained Earnings: An equity account reflecting the accumulated earnings of an enterprise or internal service fund. For governmental funds, the nearest equivalent would be "fund balance".

Revenue: Income received or anticipated from taxes or other sources, such as business licenses, user fees, fines, and investments.

Revenue Bonds: When a government issues bonds which do not pledge the full faith and credit of the jurisdiction, it issues limited liability revenue bonds. Typically, pledges are made to dedicate one specific revenue source to repay these bonds.



Roll-Back Rate: The millage rate that will provide the same ad Valorem tax revenue for the taxing authority as was levied during the prior year, exclusive of new construction, additions to structures, deletions, increases in the value of improvements that have undergone a substantial rehabilitation which increased the assessed value of such improvements by at least 100 percent, and property added due to the geographic boundary changes.

S

Short Term Debt: In Governmental Accounting terms, principal that will be paid within 12 months. In Financial terms, any debt obligation of five years or less duration, such as may be borrowed to purchase equipment.

Sinking Fund: An account required by debt covenant established for the accumulation of resources to pay bond principal and interest on agreed-upon dates.

Special Assessments: A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Special Revenue Fund: A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Supplies: A cost category for minor items (individually priced at less than \$500) required by departments to conduct their operations.

Supplemental Appropriation: An additional appropriation made by the legislative body (the City Council) after the budget year has begun.

T

Taxes: Charges levied by a government upon the citizens within its jurisdiction to pay for services performed for the benefit of the general public, such as police and fire services, planning, parks and recreation, etc. This term does not include specific charges such as special assessments or user charges.

Tax Increment Financing: Florida law allows the use of tax increment financing (TIF) to fund specific public improvement projects in the CRA area. The TIF is determined by the growth in the assessed value of taxable property in the CRA area from the base year to the current tax year and multiplied by the current tax rate for the City and County.

Truth in Millage (TRIM): A uniform method for calculating and reporting ad valorem tax rates in accordance with Chapter 200 of the Florida State Statutes.

U

Unencumbered Balance: The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future use.

User Charges: The payment of a fee for direct receipt of a public service by the party benefiting from the service (e.g. fees paid for periodic refuse pick-up).

W

Working Capital: An amount calculated by subtracting current liabilities from current assets. An indicator of the liquidity of an entity.



Acronyms

ACFR	Annual Comprehensive Financial Report
ADA	Americans with Disabilities Act
CD	Community Development
CIP	Capital Improvement Program
COLA	Cost of Living Adjustment
COPS	Certificates of Participation
CPI	Consumer Price Index
CRA	Community Redevelopment Agency
DBPR	Department of Business and Professional Regulation
DCM	Deputy City Manager
DOR	Department of Revenue
DS	Debt Service
EM	Emergency Management
FAQ	Frequently Asked Questions
FDEM	Florida Division of Emergency Management
FDEP	Florida Department of Environmental Protection
FDOT	Florida Department of Transportation
FEMA	Federal Emergency Management Agency
FTE	Full Time Equivalent
FY	Fiscal Year (Destin = Oct 1 – Sept 30)
GAAP	Generally Accepted Accounting Principals
GAAFR	Governmental Accounting, Auditing, and Financial Reporting
GASB	Governmental Accounting Standards Board
GF	General Fund
GFOA	Government Finance Officers Association of United States and Canada
GIS	Geographic Information Systems
GO	General Obligation Bonds



HR	Human Resources
ICC	International Code Council (Building Codes)
IT	Information Technology
LOGT	Local Option Gas Tax
NFWF	National Fish and Wildlife Foundation
NPDES	National Pollutant Discharge Elimination System
NPEB	Net Positive Environmental Benefit
O&M	Operations and Maintenance
OCPLC	Okaloosa County Public Library Cooperative
OCSO	Okaloosa County Sheriff's Office
PO	Purchase Order
PTS	Part Time Seasonal
PTT	Part Time Temporary
PW	Public Works
R&R	Renewal and Replacement
TDC	(Okaloosa County) Tourist Development Council
TDD	(Okaloosa County) Tourist Development Department
TIF	Tax Incremental Financing
TRIM	Truth in Millage



The End

ORDINANCE 23-14-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, 2023 AND ENDING SEPTEMBER 30, 2024; 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, 2023; 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 budget workshops and the required public hearings for the budget for the fiscal year beginning October 1, 2023 and ending September 30, 2024; and

WHEREAS, there is established a tax at the rate of **1.6150** mills on property assessed as of **January 1, 2023** 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 2024 Budget" totals **\$71,705,240** for all funds reported, a copy which is attached hereto and made a part hereof by reference, is adopted.
2. This budget represents a 1.8% decrease from the FY 2023 budget.
3. The budget is being presented as a balanced budget whereby there are sufficient revenues and fund balance appropriations 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 2024 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 FY 2023 will be carried forward and shown as an amendment to the FY2024 budget as adopted by this ordinance.
9. This ordinance shall become effective on October 1, 2023.

ADOPTED THIS 18TH DAY OF SEPTEMBER 2023

By: _____

Bobby Wagner, Mayor

ATTEST:

The form and legal sufficiency of the foregoing has been reviewed and approved by the City Attorney for the City of Destin, only.

Rey Bailey, City Clerk

Kimberly Romano Kopp, City Attorney

First Reading: September 7, 2023
Second Reading: September 18, 2023