

October 21-2024 CRA Board Meeting

**MONDAY, OCTOBER 21, 2024
5:30 PM**

- 1. CALL TO ORDER**
- 2. ROLL CALL/PLEDGE OF ALLEGIANCE**
- 3. AGENDA APPROVAL**
- 4. APPROVAL OF MINUTES**
 - A. Approval of minutes of August 7, 2023, CRA Board Meeting.**
- 5. PUBLIC COMMENTS**
- 6. NEW BUSINESS**
 - A. Resolution CRA-24-01 Interlocal Restatement 2024 Debt**
 - B. Resolution CRA-24-02 - Adopting the Fiscal Year 2025 Town Center CRA budget
 - C. Resolution CRA-24-03 - Adopting the Fiscal Year 2025 Harbor CRA budget
- 7. PUBLIC COMMENTS**

If a person decides to appeal any decision made by the City Council, committee, board, panel, or agency with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she will may need to ensure that a record of the verbatim record of the proceedings is made, which record includes the testimony and evidence upon the appeal is to be based. "Persons with disabilities who require assistance to participate in this meeting are requested to notify the City Clerk's Office 850.837.4242 at least 48 hours in advance".

**MINUTES
COMMUNITY REDEVELOPMENT AGENCY
BOARD OF DIRECTORS MEETING
AUGUST 7, 2023
ANNEX COUNCIL CHAMBERS
5:45 PM**

The Community Redevelopment Agency met in a regular session with the following members and staff present:

Destin Community Redevelopment Agency

Board Chair Teresa Hebert
Boardmember Torey Geile
Boardmember Jim Bagby

Boardmember Dewey Destin
Boardmember Matthew Sweetser
Boardmember Kevin Schmidt

City of Destin Staff

CRA Executive Director Lance Johnson
Public Works Director Michael Burgess
Grants/Project Manager Jeff Cozadd
Land Use Attorney Kimberly Kopp

City Clerk Rey Bailey
IT Director Andy Peters
Finance Director Krystal Strickland
City Attorney Kyle Bauman

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

CRA Board Chair Terésa Hebert called the meeting to order at 5:45 PM.

1. Approval of Minutes

A. Approval of minutes of April 3, 2023, CRA Board meeting.

Motion by Boardmember Schmidt, seconded by Boardmember Geile, to approve minutes of April 3, 2023, CRA Board Meeting passed 6-0 (Board members Schmidt, Hebert, Bagby, Geile, Destin, and Sweetser voted “yes”; Boardmember King was absent from the meeting).

2. New Business

A. One Harbor Blvd Property Acquisition – CRA Approval

The main agenda item discussed was the acquisition of the One Harbor Boulevard property, specifically the Community Redevelopment Agency (CRA) approval for this purchase. Finance Director Krystal Strickland presented an overview of the acquisition’s financial implications, which she outlined in the agenda packet provided to council members.

- **Estimated Costs:** The Finance Director detailed the project costs, estimating the acquisition at \$9 million, with an additional \$100,000 estimated for closing costs and a potential \$100,000 for bond issuance.
- **Funding Sources:** The project will be funded using Harbor CRA funds, which also cover utility undergrounding commitments, potentially depleting the Harbor CRA's

resources. The Finance Director mentioned a bond issue planned for later in the year, which will integrate the costs of both the property acquisition and undergrounding.

- **CRA Financial Projections:** The Finance Director provided a long-term financial outlook for the CRA, including anticipated revenues, expenditures, and projected debt service for the Harbor CRA. She highlighted the importance of these funds for projects like the pedestrian underpass and debt service payments.

Board members questioned the responsibility for the \$9 million debt and clarified that the city would initially cover the cost with general funds, which would be reimbursed once bonds are issued. The Finance Director confirmed that the city would bear responsibility for issuing the bonds but noted that debt service payments would be made from CRA funds under a covenant to budget and appropriate.

The discussion included inquiries about the bond issuance process, its timing, and the financial obligations tied to both the property purchase and undergrounding project. The Finance Director explained the decision-making process for the type of financing (bank loan or bond), with the intent to secure the best rates by negotiating with underwriters.

Board members expressed concern over long-term debt management, emphasizing the need for clear agreements on CRA's repayment obligations to the city. They highlighted that despite these arrangements, taxpayer liability remains significant.

Boardmember Schmidt moved to approve the purchase of One Harbor Blvd; seconded by Boardmember Bagby. Motion passed 6-0 (Board members Schmidt, Hebert, Bagby, Geile, Destin, and Sweetser voted "yes"; Boardmember King was absent from the meeting).

3. Public Comments

Ms. Sandy Trammell, representing the CRA Board Advisory Committee, suggested creating a written addendum to document the CRA's financial commitment. She emphasized the importance of this documentation to ensure clarity for future councils and committee members.

ADJOURNMENT:

Having no further business at this time, the meeting was adjourned at 5:55 PM.

ADOPTED THIS 21ST DAY OF OCTOBER 2024
By:

Terésa Hebert, CRA Board Chair

ATTEST:

Rey Bailey, City Clerk



**AGENDA
CRA BOARD MEETING
MONDAY, OCTOBER 21, 2024
5:30 PM
DESTIN CITY HALL ANNEX COUNCIL CHAMBERS**

TO: CRA Board

THRU: Larry Jones , Interim City Manager
Kimberly Kopp, City Attorney
Kyle Bauman, Special Projects Attorney

FROM: Krystal Strickland, Finance Director

DATE: October 12, 2024

SUBJECT: Resolution CRA-24-01 Interlocal Restatement 2024 Debt

I. BACKGROUND: On June 3, 2024, Council directed City staff to:

1. Approve issuance of \$25 million to underground overhead utilities from the Marler Bridge to Airport Road, to complete construction of the Cross Town Connector, and for purchase of 1 Harbor Boulevard; and
2. Undertake a competitive solicitation for either a bank loan or an underwriter for a public offering.

On October 7, 2024, after reviewing the competitive solicitation, Council elected to proceed forward with a bank loan from Trustmark National Bank (the 2024A Note).

II. DISCUSSION: Timeline:

- October 8: Send advertisement to newspaper to advertise Debt Ordinance 24-19-CN public hearing #1 for publication by October 11th for October 21st City Council

meeting.

- October 9: Harbor CRA Advisory Committee review of Interlocal Agreement between CRA and City through Resolution CRA-24-01.
- October 16: Town Center CRA Advisory Committee review of Interlocal Agreement between the CRA and the City through Resolution CRA-24-01.
- October 21: CRA Board meeting to review Interlocal Agreement between CRA and City through Resolution CRA-24-01
- October 21: Public hearing #1 at regular City Council meeting of the Debt Ordinance 24-19-CN.
- October 22: Send advertisement to newspaper to advertise Debt Ordinance 24-19-CN public hearing #2 for publication by October 25th for November 4th City Council meeting.
- November 4: Public hearing #2 at regular City Council meeting of Debt Ordinance 24-19-CN.
- November 7: Loan Closing.

Loan Proceeds:

The City intends to utilize the \$25 million dollar in loan proceeds for the following purposes:

- \$11.5 million – Undergrounding Overhead Utilities Project Phase I
- \$9.0 million – Reimbursement for Acquisition of 1 Harbor Boulevard
- \$4.5 million – Construction of Cross Town Connector Roadway.

CRA Impact:

Projects' Locations: The Undergrounding Utilities Project Phase I is partially in both the Harbor CRA District and the Town Center CRA District. 1 Harbor Boulevard is located within the Harbor CRA District.

The CRA's Master Plans: These projects are described in each CRA District's master plans and the proposed expenditures are lawful.

Undergrounding Utilities: The Harbor CRA-AC has previously recommended a commitment of up to \$6 million in TIF for the purposes and Undergrounding Utilities while the Town Center CRA-AC has previously recommended a commitment of up to \$4.5 million in TIF for the purposes of Undergrounding Utilities.

1 Harbor Boulevard: The Harbor CRA has also recommended the use of Harbor CRA TIF funding for the purposes of acquiring 1 Harbor Boulevard. 1 Harbor Boulevard was previously acquired using General Fund money. Also, the City adopted Reimbursement Resolution 23-13 expressing the City's intent for the Harbor CRA to reimburse the City with the use of Harbor CRA TIF funding.

Debt Service: The debt is proposed to be serviced through the following sources with any shortfalls supplemented by the General Fund:

Undergrounding:

Town Center CRA TIF: Up to \$4 million

Harbor CRA TIF: Up to \$4 million

Electric Franchise Fee

1 Harbor Boulevard:

Harbor CRA TIF

Cross Town Connector:

Gas Tax #2 (this tax is restricted by Florida Statute to Comprehensive Plan transportation related projects).

Trustmark Loan's Terms: The Trustmark Loan's Terms are summarized as follows:

- Commitment Term: 5 Years
- Amortization: 15 Years
- Principal: \$25 million
- Prepayment Penalty: \$0
- Estimated Closing Costs: \$160,000
- Interest Rate: 3.48% (firm)
- Projected General Fund Impact: \$981,169 through Year 5.
- Mandatory Refinancing: At Year 5
- Projected Outstanding at Refinancing: \$18,210,000

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB): The impact on the CRA districts is only known for the first five years. Within 5 years, this debt needs to be refinanced or paid off. Estimates are shown in the CRA district long-term financial projections.

The impact on the two CRA districts' current and future budgets are estimated as follows (columns highlighted in yellow). Any shortages in CRA TIF funds will be covered by the General Fund with the expectation of being reimbursed in a future year with the CRA fund is able:

FY	Harbor	TCCRA	EFF	Gas Tax 2	TOTAL
2025	\$ 665,000	\$ 252,742	\$ 430,598	\$ 366,293	\$ 2,034,963
2026	\$ 607,633	\$ 270,028	\$ 460,048	\$ 391,345	\$ 2,174,141
2027	\$ 668,266	\$ 269,966	\$ 459,942	\$ 391,255	\$ 2,173,639
2028	\$ 722,751	\$ 270,071	\$ 460,121	\$ 391,407	\$ 2,174,484
2029	\$ 1,013,013	\$ 270,082	\$ 460,139	\$ 391,423	\$ 2,174,571
2030	\$ 1,052,603	\$ 269,999	\$ 459,998	\$ 266,888	\$ 2,173,902
2031	\$ 1,052,830	\$ 270,057	\$ 460,097	\$ 272,226	\$ 2,174,370
2032	\$ 1,052,614	\$ 270,001	\$ 460,002	\$ 277,671	\$ 2,173,924
2033	\$ 1,052,891	\$ 270,072	\$ 460,123	\$ 283,224	\$ 2,174,495
2034	\$ 1,052,665	\$ 270,015	\$ 460,025	\$ 288,889	\$ 2,174,030
2035	\$ 1,052,857	\$ 270,064	\$ 460,108	\$ 294,666	\$ 2,174,425
2036	\$ 1,052,470	\$ 269,965	\$ 459,940	\$ 300,560	\$ 2,173,627
2037	\$ 1,052,450	\$ 269,959	\$ 459,931	\$ 306,571	\$ 2,173,585
2038	\$ 1,052,728	\$ 270,031	\$ 460,052	\$ 312,702	\$ 2,174,159
2039	\$ 1,019,696	\$ 236,949	\$ 526,278	\$ 318,956	\$ 2,174,297
TOTAL	\$ 14,170,467	\$ 4,000,000	\$ 6,937,402	\$ 4,854,077	\$ 32,472,613

C. Level of Service (LOS):

D. Legislative Sponsor:

III. CONCLUSION: A recommendation of adoption of this Interlocal Agreement to the CRA will allow the City to proceed with closing the Trustmark Loan, the proceeds of which will be utilized to further the Undergrounding Utilities Project, the 1 Harbor Boulevard Project, and the Cross Town Connector Project.

IV. RECOMMENDED MOTION: I move to recommend that the CRA Board approve the attached Interlocal Agreement.

Attachments:

1. Resolution CRA-24-01 Interlocal Restatement 2024 Debt
2. CRA-Destin Interlocal Agreement Restated 102124

Any person requiring a special accommodation at this hearing because of a disability or physical impairment should contact the City Clerk at (850) 837-4242 at least 48 hours prior to the hearing. If a person decides to appeal any decision made with respect to any matter considered at such meeting, such person will need a record of the proceeding and for such purpose may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. (Sec. 286.0105, Florida Statutes)

RESOLUTION NO. CRA-24-01

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA, A PUBLIC BODY CORPORATE AND POLITIC, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF AN AMENDED AND RESTATED INTERLOCAL AGREEMENT WITH THE CITY OF DESTIN, FLORIDA; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Community Redevelopment Agency of the City of Destin, Florida (the "Agency") desires to enter into that certain Amended and Restated Interlocal Agreement with the City of Destin, Florida (the "City") (the "Interlocal Agreement"), the substantially final form of which is attached hereto as Exhibit A.

BE IT RESOLVED BY THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA:

SECTION 1. The form of the Interlocal Agreement, attached hereto as Exhibit A, is hereby approved. The Interlocal Agreement with such non-material omissions, insertions and variations as may be necessary and/or desirable and approved by the Chair or Vice-Chair prior to the execution thereof, which necessity and/or desirability and approval shall be presumed by the Agency's execution of the Interlocal Agreement, shall be executed in the name of the Agency by the Chair or Vice-Chair and attested by the Secretary or an authorized assistant or deputy and a seal of the Agency shall be affixed thereto or reproduced thereon.

SECTION 2. This resolution shall become effective immediately upon its passage and adoption.

COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF DESTIN, FLORIDA

Passed: October 4, 2024

(SEAL)

By: _____
Chair

ATTEST:

By: _____
Secretary

EXHIBIT A

FORM OF INTERLOCAL AGREEMENT

AMENDED AND RESTATED INTERLOCAL AGREEMENT

This AMENDED AND RESTATED INTERLOCAL AGREEMENT is made and entered into this 21st day of October 2024 (herein, the "Agreement"), by and between the COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA, a public body corporate and politic, and a public instrumentality, duly created pursuant to the Florida Community Redevelopment Act, Chapter 163, Part III, Florida Statutes, as amended (hereinafter referred to as the "Agency"), and the CITY OF DESTIN, FLORIDA, a municipal corporation of the State of Florida (hereinafter referred to as the "City");

WITNESSETH:

WHEREAS this Agreement amends and restates in its entirety the Interlocal Agreement by and between the Agency and the City dated May 21, 2021 (the "Prior Agreement"); and

WHEREAS, pursuant to Resolution No. 98-09 adopted by the City Council of the City (the "City Council") on March 3, 1998, the City created and established the Agency to conduct the community redevelopment purposes of the provisions of Part III, Chapter 163, Florida Statutes (the "Redevelopment Act"); and

WHEREAS, pursuant to Resolution No. 03-06 adopted by the City Council on June 2, 2003, the City determined that the area described therein as the "Harbor Community Redevelopment Area" is a blighted area as defined in Section 163.340(8), Florida Statutes, and made a finding of necessity for such area; and

WHEREAS, pursuant to Resolution No. 03-06 adopted by the City Council on June 2, 2003, the City approved the "Redevelopment Plan for the Harbor Community Redevelopment Area" (as may be amended from time to time, the "Harbor Redevelopment Plan"); and

WHEREAS, pursuant to Ordinance No. 03-01-CRA enacted by the City Council on June 16, 2003 (the "Harbor Trust Fund Ordinance"), the City provided for the establishment of a Redevelopment Trust Fund for the purpose of carrying out redevelopment in the Harbor Community Redevelopment Area pursuant to the Harbor Redevelopment Plan (the "Harbor Redevelopment Trust Fund"); and

WHEREAS, pursuant to Resolution No. 98-09 adopted by the City Council on March 3, 1998, the City approved the "Redevelopment Plan for the Town Center Community Redevelopment Area" (as may be amended from time to time, the "Town Center Redevelopment Plan"); and

WHEREAS, pursuant to Ordinance No. 328 enacted by the City Council on October 5, 1998 (the "Town Center Trust Fund Ordinance"), the City provided for the establishment of a Redevelopment Trust Fund for the purpose of carrying out redevelopment in the Town Center

Community Redevelopment Area pursuant to the Town Center Redevelopment Plan (the "Town Center Redevelopment Trust Fund"); and

WHEREAS, on October 25, 2010, pursuant to Resolution No. 09-01-CRA adopted by the Board of Directors (the "Board") of the Agency on August 24, 2009 (as amended and supplemented from time to time, the "Agency Resolution"), the Agency issued its Community Redevelopment Agency of the City of Destin, Florida Harbor Community Redevelopment Area Phase 1 Revenue Note, Series 2009 (as amended, restated, replaced and re-issued from time to time, and as particularly amended, restated, replaced and re-issued on September 18, 2015, the "Agency Note") for the purpose of financing the cost of a redevelopment project within the Harbor Community Redevelopment Area (the "2009 Harbor CRA Project"); and

WHEREAS, the 2009 Harbor CRA Project is located in the area of operation of the City and serves a public purpose, in furtherance of the purposes for which the Agency was created; and

WHEREAS, the Agency Note was heretofore secured by Trust Fund Revenues which consist of, collectively, (i) Net Tax Increment Revenues (as defined in the Agency Resolution), and (ii) all investment earnings and income thereon; and

WHEREAS, pursuant to Ordinance No. 2021-11-CN enacted on May 17, 2021 and a resolution adopted on May 17, 2021 (collectively, the "2021 Ordinance"), the City issued its \$9,905,000 City of Destin, Florida Non-Ad Valorem Refunding Revenue Note, Series 2021 (the "2021 Note") for the purpose, amongst others, of currently refunding the Agency Note for net present value debt service savings; and

WHEREAS, pursuant to Ordinance No. 24-19-CN enacted on November 4, 2024 and a resolution adopted on November 4, 2024 (collectively, the "2024 Ordinance," and together with the 2021 Ordinance, the "Ordinances"), the City issued its not to exceed \$25,000,000 City of Destin, Florida Non-Ad Valorem Revenue Note, Series 2024 (the "2024 Note," and together with the 2021 Note, the "City Notes") for the purpose, amongst others, of undergrounding overhead utilities and for the acquisition of certain land for the purpose of providing public park facilities located within the City; and

WHEREAS, the portion of the undergrounding overhead utilities located within the Harbor Redevelopment Plan and the acquisition of certain land for the purpose of providing public park facilities located within the City are hereinafter referred to as the "2024 Harbor CRA Projects," and together with the 2009 Harbor CRA Projects, the "Harbor CRA Projects"); and

WHEREAS, the portion of the undergrounding overhead utilities located within the Town Center Redevelopment Plan are hereinafter referred to as the "Town Center CRA Projects," and together with the Harbor CRA Projects, the "CRA Projects"); and

WHEREAS, the City and Agency desire to enter into this Agreement to memorialize the terms by which the Agency shall reimburse the City for its obligations heretofore incurred by the Agency by paying to the City each year, from Harbor Tax Increment Revenues and the Town Center Tax Increment Revenues, as applicable, an amount equal to the applicable annual principal and interest payments on the City Notes attributable to the respective CRA Projects.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

1. Incorporation of Recitals. The recitals set forth above are hereby incorporated into the terms of this Agreement.

2. Definitions. The following terms in this Agreement shall have the following meanings unless the text otherwise expressly requires:

"Harbor Tax Increment Revenues" shall mean the tax increment revenues derived from the Harbor Community Redevelopment Area and received by the Agency from the City, Okaloosa County and, to the extent permitted by law, any other "taxing authority", for deposit to the Harbor Redevelopment Trust Fund, all pursuant to Section 163.387, Florida Statutes, and the Harbor Trust Fund Ordinance, and deposited in the Harbor Redevelopment Trust Fund. For purposes of this definition, the term "Taxing Authority" shall have the meaning ascribed thereto in Section 163.340(24), Florida Statutes, or any other successor statute or statutory provision to the extent the same maybe applicable in respect of the Harbor Tax Increment Revenues.

"Town Center Tax Increment Revenues" shall mean the tax increment revenues derived from the Town Center Community Redevelopment Area and received by the Agency from the City, Okaloosa County and, to the extent permitted by law, any other "taxing authority", for deposit to the Harbor Redevelopment Trust Fund, all pursuant to Section 163.387, Florida Statutes, and the Harbor Trust Fund Ordinance, and deposited in the Harbor Redevelopment Trust Fund. For purposes of this definition, the term "Taxing Authority" shall have the meaning ascribed thereto in Section 163.340(24), Florida Statutes, or any other successor statute or statutory provision to the extent the same maybe applicable in respect of the Town Center Tax Increment Revenues.

3. Obligation to Repay City.

A. To the extent permitted by the Redevelopment Act, the Agency shall reimburse the City for all costs incurred by the City on behalf of the Agency in connection with the issuance of the City Notes which are attributable to the Harbor CRA Projects as described in Section 4.C hereof. In the event Harbor Tax Increment Revenues are not sufficient to

immediately reimburse the City for these payments, then, in addition to the amounts due the City as described in the immediately preceding sentence, the Agency shall pay the same interest rate due on the City Notes on amounts paid by the City and due and owing from the Agency from Harbor Tax Increment Revenues from the date of such payment until and including the date reimbursed by the Agency.

B. To the extent permitted by the Redevelopment Act, the Agency shall reimburse the City for all costs incurred by the City on behalf of the Agency in connection with the issuance of the City Notes which are attributable to the Town Center CRA Projects as described in Section 4.D hereof. In the event Town Center Tax Increment Revenues are not sufficient to immediately reimburse the City for these payments, then, in addition to the amounts due the City as described in the immediately preceding sentence, the Agency shall pay the same interest rate due on the City Notes on amounts paid by the City and due and owing from the Agency from Town Center Tax Increment Revenues from the date of such payment until and including the date reimbursed by the Agency.

4. Financing.

A. The City's issuance of the City Notes is authorized by and in accordance with the Ordinances for the purpose of refinancing and financing, as the case may be, the CRA Projects and for other lawful purposes authorized by the Ordinances. The debt service on the City Notes is not secured by any amounts pledged to the City hereunder.

B. In consideration of the payment of the Harbor Tax Increment Revenues by the Agency to the City to pay the portion of the City Notes which is attributable to the Harbor CRA Projects, the City has refinanced and financed, as the case may be, the cost of the Harbor CRA Projects through the issuance of the City Notes pursuant to the Ordinances.

C. Upon execution of this Agreement, the Agency shall timely deposit or cause to be deposited Harbor Tax Increment Revenues received from time to time by the Agency with the City in amounts sufficient to pay the following (the "Harbor CRA Obligations"):

(i) all amounts paid or payable pursuant to the Ordinances, by reason of the issuance of the portion of the City Notes which is attribute to the Harbor CRA Projects; and

(ii) all amounts necessary to reimburse the City for amounts expended by it to pay any of the items mentioned in clause (i) above and any interest thereon as prescribed in Section 3 hereof.

The Agency agrees that it will reimburse the City for any subsequent shortfalls which may be encountered hereafter in the amounts payable by the Agency from Harbor Tax Increment Revenues to the City in respect of applicable annual debt service on the City Notes.

The obligation to transfer the Harbor Tax Increment Revenues to the City to pay the Harbor CRA Obligations shall survive the date on which the City Notes are no longer due and owing under the Ordinances.

Any Harbor Tax Increment Revenues received by the Agency in excess of the amount necessary to pay the Harbor CRA Obligations set forth above may be retained by the Agency and used for any lawful purpose of the Agency.

D. Upon execution of this Agreement, the Agency shall timely deposit or cause to be deposited Town Center Tax Increment Revenues received from time to time by the Agency with the City in amounts sufficient to pay the following (the "Town Center CRA Obligations"):

(i) all amounts paid or payable pursuant to the Ordinances, by reason of the issuance of the portion of the City Notes which is attribute to the Town Center CRA Projects; and

(ii) all amounts necessary to reimburse the City for amounts expended by it to pay any of the items mentioned in clause (i) above and any interest thereon as prescribed in Section 3 hereof.

The Agency agrees that it will reimburse the City for any subsequent shortfalls which may be encountered hereafter in the amounts payable by the Agency from Town Center Tax Increment Revenues to the City in respect of applicable annual debt service on the City Notes.

The obligation to transfer the Town Center Tax Increment Revenues to the City to pay the Town Center CRA Obligations shall survive the date on which the City Notes are no longer due and owing under the Ordinances.

Any Town Center Tax Increment Revenues received by the Agency in excess of the amount necessary to pay the Town Center CRA Obligations set forth above may be retained by the Agency and used for any lawful purpose of the Agency.

E. (i) In order to secure its indebtedness to the City for the Town Center CRA Obligations, the Agency hereby pledges to the City the Town Center Tax Increment Revenues which pledge shall be prior and superior to all other pledges thereof; provided, however, that the tax increment revenues which derive from any other redevelopment areas heretofore or subsequently established by the Agency are not pledged in any manner to secure the Harbor CRA Obligations.

(ii) In order to secure its indebtedness to the City for the Town Center CRA Obligations, the Agency hereby pledges to the City the Town Center Tax Increment Revenues which pledge shall be prior and superior to all other pledges thereof; provided, however, that

the tax increment revenues which derive from any other redevelopment areas heretofore or subsequently established by the Agency are not pledged in any manner to secure the Town Center CRA Obligations.

F. (i) The Agency is presently entitled to receive the Harbor Tax Increment Revenues to be deposited in the Harbor Redevelopment Trust Fund, and has taken all action required by law to entitle it to receive such Harbor Tax Increment Revenues, and the Agency will diligently enforce the obligation of any Taxing Authority to appropriate its proportionate share of the Harbor Tax Increment Revenues and will not take, or consent to or adversely permit, any action which will impair or adversely affect the obligation of each such Taxing Authority to appropriate its proportionate share of such Harbor Tax Increment Revenues, impair or adversely affect in any manner the deposit of such Harbor Tax Increment Revenues in the Harbor Redevelopment Trust Fund, or the pledge of such Harbor Tax Increment Revenues hereby to the extent as described herein. The Agency and the City shall be unconditionally and irrevocably obligated so long as the City Notes are outstanding, and until the payment in full by the Agency of its indebtedness to the City for the Harbor CRA Obligations, to take all lawful action necessary or required in order to ensure that each such Taxing Authority shall appropriate its proportionate share of the Harbor Tax Increment Revenues as now or later required by law, and to make or cause to be made any deposits of Harbor Tax Increment Revenues or other funds required by this Agreement.

(ii) The Agency is presently entitled to receive the Town Center Tax Increment Revenues to be deposited in the Town Center Redevelopment Trust Fund, and has taken all action required by law to entitle it to receive such Town Center Tax Increment Revenues, and the Agency will diligently enforce the obligation of any Taxing Authority to appropriate its proportionate share of the Town Center Tax Increment Revenues and will not take, or consent to or adversely permit, any action which will impair or adversely affect the obligation of each such Taxing Authority to appropriate its proportionate share of such Town Center Tax Increment Revenues, impair or adversely affect in any manner the deposit of such Town Center Tax Increment Revenues in the Town Center Redevelopment Trust Fund, or the pledge of such Town Center Tax Increment Revenues hereby to the extent as described herein. The Agency and the City shall be unconditionally and irrevocably obligated so long as the City Notes are outstanding, and until the payment in full by the Agency of its indebtedness to the City for the Town Center CRA Obligations, to take all lawful action necessary or required in order to ensure that each such Taxing Authority shall appropriate its proportionate share of the Town Center Tax Increment Revenues as now or later required by law, and to make or cause to be made any deposits of Town Center Tax Increment Revenues or other funds required by this Agreement.

G. (i) The Agency does hereby authorize and consent to the exercise of full and complete control and custody of the Harbor Redevelopment Trust Fund, and any and all

moneys therein, by the City for the purpose provided in this Agreement, including payment of the Harbor CRA Obligations.

(ii) The Agency does hereby authorize and consent to the exercise of full and complete control and custody of the Town Center Redevelopment Trust Fund, and any and all moneys therein, by the City for the purpose provided in this Agreement, including payment of the Town Center CRA Obligations.

5. Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

6. Applicable Provisions of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

7. Rules of Interpretation. Unless expressly indicated otherwise, references to sections or articles are to be construed as references to sections or articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinafter," "hereinafter" and other equivalent words refer to this Agreement and not solely to the particular portion in which any such word is used.

8. Captions. The captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

9. City Council Members of the City Exempt from Personal Liability. No recourse under or upon any obligation, covenant or agreement of this Agreement or the City Notes or for any claim based thereon or otherwise in respect thereof, shall be had against any City Council members of the City, as such, of the City, past, present or future, either directly or through the City it being expressly understood (a) that no personal liability whatsoever shall attach to, or is or shall be incurred by, the City Council members of the City, as such, under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom, and (b) that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such City Council member of the City, as such, are waived and released as a condition of, and as a consideration for, the execution of this Agreement and the issuance of the City Notes on the part of the City.

10. Board Members of the Agency Exempt from Personal Liability. No recourse under or upon any obligation, covenant or agreement of this Agreement or the City Notes or for any claim based thereon or otherwise in respect thereof, shall be had against any board members of the Agency, as such, of the Agency, past, present or future, either directly or through the Agency it being expressly understood (a) that no personal liability whatsoever shall

attach to, or is or shall be incurred by, the board members of the governing board of the Agency, as such, under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom, and (b) that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such board member of the Agency, as such, are waived and released as a condition of, and as a consideration for, the execution of this Agreement.

11. Obligations Limited. By execution of this Agreement, the Agency hereby consents to all the provisions of the Ordinance. The obligation to pay to the City the Harbor CRA Obligations and Town Center CRA Obligations shall not be deemed to constitute a debt of the Agency or a pledge of the faith and credit of the Agency, but such Harbor CRA Obligations and Town Center CRA Obligations shall be payable solely from the Harbor Tax Increment Revenues and the Town Center Tax Increment Revenues, as applicable, to be received by the Agency pursuant to the Redevelopment Act. The Agency has no taxing power.

12. Eligibility to Receive Harbor Tax Increment Revenues and the Town Center Tax Increment Revenues. The Agency shall comply with all applicable requirements set forth in the Redevelopment Act which are necessary in order to receive Harbor Tax Increment Revenues and Town Center Tax Increment Revenues from each applicable Taxing Authority and shall take all lawful action necessary or required to continue to receive such Harbor Tax Increment Revenues and Town Center Tax Increment Revenues so long as it exists and shall not allow an impairment of its receipt of the Harbor Tax Increment Revenues and Town Center Tax Increment Revenues to the detriment of the City.

13. Amendment and Restatement. This Agreement amends and restates in its entirety the Prior Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties to this Agreement have caused their names to be affixed hereto by the proper officers thereof as of the day and year first written above.

CITY OF DESTIN, FLORIDA

(SEAL)

Bobby Wagner, Mayor

Larry Jones, Interim City Manager

ATTEST:

Rey Bailey, City Clerk

COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF DESTIN,
FLORIDA

Chair

ATTEST:

Secretary

[Signature Page to Agreement]



**AGENDA
CRA BOARD MEETING
MONDAY, OCTOBER 21, 2024
5:30 PM
DESTIN CITY HALL ANNEX COUNCIL CHAMBERS**

TO: CRA Board

THRU: Larry Jones , Interim City Manager
Kimberly Kopp, City Attorney

FROM: Krystal Strickland, Finance Director
Tina Deater, Community Development Director

DATE: October 12, 2024

SUBJECT: Resolution CRA-24-02 - Adopting the Fiscal Year 2025 Town Center CRA budget

I. BACKGROUND: Pursuant to Florida Statutes, Chapter 189.016, staff is presenting Resolution CRA-24-02 for adoption of the Fiscal Year 2025 Town Center CRA Budget.

II. DISCUSSION: The Town Center CRA FY2025 expenditure budget totals \$143,217, and includes the following:

Town Center CRA Revenues	\$ 2,337,868
Town Center CRA Expenditures	<143,217>
Transfers out for Debt Service	<1,039,159>
Net Change to Fund Balance	\$ 1,155,493

Beginning Fund Balance	\$ <21,735>
Ending Fund Balance	\$ 1,133,757

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB): Provides the required expenditure budget for FY 2025

in the total amount of \$143,217.

C. Level of Service (LOS):

D. Legislative Sponsor:

III. CONCLUSION: Adopting Resolution CRA-24-02 provides for the annual budget for Town Center CRA operations and transfers out for debt service.

IV. RECOMMENDED MOTION: I move that the Community Redevelopment Agency Board of Directors adopt Resolution CRA-24-02 to provide for a balanced budget for FY 2025.

Attachments:

1. Resolution 24-02 CRA Towncenter
2025 Budget

Any person requiring a special accommodation at this hearing because of a disability or physical impairment should contact the City Clerk at (850) 837-4242 at least 48 hours prior to the hearing. If a person decides to appeal any decision made with respect to any matter considered at such meeting, such person will need a record of the proceeding and for such purpose may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. (Sec. 286.0105, Florida Statutes)

RESOLUTION CRA-24-02

**A RESOLUTION APPROVING THE BUDGET FOR FISCAL
YEAR 2024-25 FOR THE TOWN CENTER COMMUNITY
REDEVELOPMENT AGENCY; AND PROVIDING FOR AN
EFFECTIVE DATE.**

WHEREAS, the Interlocal Cooperation Agreement between Okaloosa County, Florida (the “County”) and the Town Center Community Redevelopment Agency (the “Agency”) requires that the Agency transmit its adopted annual budget to the Board of County Commissioners of Okaloosa County, Florida (the “Board”) for approval; and

WHEREAS, this Board desires to approve the Agency’s adopted annual budget for Fiscal Year 2024-25 for the Town Center Community Redevelopment Area in the form attached hereto as Exhibit A and incorporated herein by reference; and

WHEREAS, this Board desires to accomplish the purpose outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED by the Town Center Community Redevelopment Agency Board of Directors of the Town Center Community Redevelopment Agency that:

Section 1. The matters contained in the foregoing recitals are incorporated in this Resolution by reference.

Section 2. This Board approves the Agency’s annual adopted budget for Fiscal Year 2024-25 related to the Town Center Community Redevelopment Area in the form attached hereto as Exhibit A.

Section 3. This resolution becomes effective on October 1, 2024 and upon the signature of the Town Center Redevelopment Agency Chairman.

SO DONE THIS 21st DAY OF October 2024

By: _____

Terésa Hebert, Chairman

ATTEST:

Rey Bailey, City Clerk

EXHIBIT A

TOWN CENTER CRA FUND DETAILS (30 yrs+9 1998-DEBT paid 2037)				2024 PROJECTION	FY 2025 ADOPTED BUDGET	FY 2026 PROJECTION
ORG	OBJ	PROJEC	ACCOUNT DESCRIPTION			
102300	311101		TIF REVENUES - COUNTY	1,461,280	1,609,381	1,657,662
102300	311102		TIF REVENUES - CITY	616,955	678,487	698,842
102300	361100		INTEREST EARNINGS	28,715	5,000	1,000
102300	361021		RJ 102 INTEREST	46,714	45,000	25,000
			Total 102300 TOWNCENTER CRA REVENUE	2,153,663	2,337,868	2,382,504
10254183	546001		MEDIAN MAINT CONTRACT	-	80,724	83,150
10254183	552000		OPERATING SUPPLIES	-	-	-
			Total 10254183 TC CRA Median Maint	-	80,724	83,150
10255231	512000		REGULAR SALARIES	16,190	21,827	22,480
10255231	514000		OVERTIME PAY	-	-	-
10255231	521000		FICA TAXES	221	250	260
10255231	522000		RETIREMENT CONTRIBUTIONS	1,961	2,664	2,740
10255231	523000		LIFE/HEALTH INSURANCE	2,916	4,432	4,570
10255231	524000		WORKERS COMP	497	469	480
10255231	532000		AUDIT	3,050	3,150	3,240
10255231	534000		OTHER CONTRACTS	12,533	10,000	5,000
10255231	543000		UTILITIES	17,621	17,600	18,040
10255231	546000		REPAIRS AND MAINTENANCE	36,299	1,000	1,030
10255231	546001		MEDIAN MAINTENANCE	14,435	-	-
10255231	549000		OTHER CHARGES/ADVERTISING	0	-	-
10255231	552000		OPERATING SUPPLIES	-	-	-
10255231	554000		MEMBERSHIPS (ANNUAL CRA FEE TO STA	263	1,100	1,100
10255231	563000		INFRASTRUCTURE	-	-	-
10258500	565000	CRT17	LINEAR TRAIL MAIN-MATTIE KELLY BLVD	345,095	-	1,000,000
10258500	565000	CRT64	WAYFINDING	-	-	-
10258500	565000	XMAS	HOLIDAY DECORATIONS	28,643	-	-
			Total 10255231 TOWNCENTER CRA OPEX	479,724	62,493	1,058,940
			NET OPERATING (REV - EXP)	1,673,939	2,194,651	1,240,414
10258188	581214		DEBT SERVICE INTRFND TRANSFER	(731,928)	(732,159)	(732,398)
10258188	581224	UNDER	2024 DEBT SVC	-	(307,000)	(307,000)
			Total TC CRA TXFRS OUT	(731,928)	(1,039,159)	(1,039,398)
			102 Increase (decrease) in Fund Balance	942,011	1,155,493	201,016
			102 Fund Balance, beginning of year	(963,746)	(21,735)	1,133,757
			102 Fund Balance, ending of year	(21,735)	1,133,757	1,334,774



**AGENDA
CRA BOARD MEETING
MONDAY, OCTOBER 21, 2024
5:30 PM
DESTIN CITY HALL ANNEX COUNCIL CHAMBERS**

TO: CRA Board

THRU: Larry Jones , Interim City Manager
Kimberly Kopp, City Attorney

FROM: Krystal Strickland, Finance Director
Tina Deater, Community Development Director

DATE: October 12, 2024

SUBJECT: Resolution CRA-24-03 - Adopting the Fiscal Year 2025 Harbor CRA budget

I. BACKGROUND: Pursuant to Florida Statutes, Chapter 189.016, staff is presenting Resolution CRA-24-02 for adoption of the Fiscal Year 2025 Harbor CRA Budget.

II. DISCUSSION: The Harbor CRA FY2025 expenditure budget totals \$71,583, and includes the following:

Harbor CRA Revenues	\$ 1,143,844
Harbor CRA Expenditures	<71,583>
Transfers out for Debt Service	<1,141,050>
Proceeds from Debt Issuance	8,868,432
Transfers out to repay GF	<8,500,000>
Net Change to Fund Balance	\$ 299,643

Beginning Fund Balance	\$ 640,992
Ending Fund Balance	\$ 940,635

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB): Provides the required expenditure budget for FY 2025 in the total amount of \$71,583.

C. Level of Service (LOS):

D. Legislative Sponsor:

III. CONCLUSION: Adopting Resolution CRA-24-03 provides for the annual budget for Harbor CRA operations and transfers out for debt service.

IV. RECOMMENDED MOTION: I move that the Community Redevelopment Agency Board of Directors adopt Resolution CRA-24-03 to provide for a balanced budget for FY 2025.

Attachments:

1. Resolution 24-03 CRA Harbor 2025 Budget

Any person requiring a special accommodation at this hearing because of a disability or physical impairment should contact the City Clerk at (850) 837-4242 at least 48 hours prior to the hearing. If a person decides to appeal any decision made with respect to any matter considered at such meeting, such person will need a record of the proceeding and for such purpose may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. (Sec. 286.0105, Florida Statutes)

RESOLUTION CRA-24-03

A RESOLUTION APPROVING THE BUDGET FOR FISCAL YEAR 2024-25 FOR THE HARBOR COMMUNITY REDEVELOPMENT AGENCY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Interlocal Cooperation Agreement between Okaloosa County, Florida (the “County”) and the Harbor Community Redevelopment Agency (the “Agency”) requires that the Agency transmit its adopted annual budget to the Board of County Commissioners of Okaloosa County, Florida (the “Board”) for approval; and

WHEREAS, this Board desires to approve the Agency’s adopted annual budget for Fiscal Year 2024-25 for the Harbor Community Redevelopment Area in the form attached hereto as Exhibit A and incorporated herein by reference; and

WHEREAS, this Board desires to accomplish the purpose outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED by the Harbor Community Redevelopment Agency Board of Directors of the Harbor Community Redevelopment Agency that:

Section 1. The matters contained in the foregoing recitals are incorporated in this Resolution by reference.

Section 2. This Board approves the Agency’s annual adopted budget for Fiscal Year 2024-25 related to the Harbor Community Redevelopment Area in the form attached hereto as Exhibit A.

Section 3. This resolution becomes effective on October 1, 2024 and upon the signature of the Town Center Redevelopment Agency Chairman.

SO DONE THIS 21st DAY OF OCTOBER 2025

By: _____

Terésa Hebert, Chairman

ATTEST:

Rey Bailey, City Clerk

EXHIBIT A

HARBOR CRA FUND DETAILS (40 years 2003 - 2043)				2024 PROJECTION	FY 2025 ADOPTED BUDGET	FY 2026 PROJECTION
ORG	OBJ	PROJEC'	ACCOUNT DESCRIPTION			
110300	311101		TIF REVENUES - COUNTY	493,032	557,572	574,229
110300	311102		TIF REVENUES - CITY	494,030	557,572	574,229
110300	361100		INTEREST EARNINGS	12,079	1,000	1,000
110300	361101		RJ INTEREST EARNED	12,379	15,000	7,500
110300	362000		RENT OF CITY PROPERTY	29,020	12,700	12,700
			Total 110300 HARBOR CRA REVENUE	1,040,540	1,143,844	1,169,658
11054183	546001		MEDIAN MAINT CONTRACT	-	32,290	33,260
11054183	552000		OPERATING SUPPLIES	-	-	-
			Total 11054183 HRBR CRA Median Maint	-	32,290	33,260
11055235	512000		REGULAR SALARIES	14,988	21,827	22,480
11055235	514000		OVERTIME PAY	-	-	-
11055235	521000		FICA TAXES	215	250	260
11055235	522000		RETIREMENT CONTRIBUTIONS	1,817	2,664	2,740
11055235	523000		LIFE/HEALTH INSURANCE	2,452	4,432	4,570
11055235	524000		WORKERS COMP	497	469	480
11055235	532000		AUDIT	3,050	3,150	3,240
11055235	534000		OTHER CONTRACTS	28,431		
11055235	543000		UTILITIES	4,403	4,400	4,510
11055235	544000		RENTS AND LEASES	2,057	-	-
11055235	546000		REPAIRS AND MAINTENANCE	25,702	1,000	5,000
11055235	546001		MEDIAN MAINTENANCE	-	-	-
11055235	547000		PRINTING AND BINDING	-	-	-
11055235	549000		OTHER CHARGES/ADVERTISING	1	-	-
11055235	552000		OPERATING SUPPLIES	-	-	-
11055235	554000		MEMBERSHIPS (ANNUAL CRA FEE TO STA	88	1,100	1,100
11058500	561000	HRB1	1 HARBOR BLVD	9,028,088	-	-
11058500	565000	HRB1	CONSTRUCTION IN PROGRESS	35,575	-	-
11058500	565000	CRH60	PEDESTRIAN UNDER MARLER BRIDGE	-	-	-
11058500	565000	CRH64	HARBOR DISTRICT WAYFINDING SIGNAGE	-	-	-
			Total 11055235 HARBOR CRA OPERATING	9,147,362	39,293	44,380
			NET OPERATING (REV - EXP)	(8,106,822)	1,072,261	1,092,018
11058188	581209		2009 DEBT SERVICE INTERFUND TRANSFER	-		
11058188	581221		2021 DEBT SERVICE INTERFUND TRANSFER	(482,835)	(477,641)	(484,385)
11058188	581224	UNDER	2024 DEBT SERVICE INTERFUND TRANSFER	-		
11058188	581224	HRB1	2024 DEBT SERVICE INTERFUND TRANSFER	-	(663,409)	(663,409)
11058188	581110	HRB1	TXFR OUT TO GF	-	(8,500,000)	-
110300	381110	HRB1	TXFR IN FROM GF/224 loan	8,500,000	8,868,432	-
			Total HARBOR CRA TXFRS OUT	8,017,165	(772,618)	(1,147,794)
			110 Increase (decrease) in Fund Balance	(89,657)	299,643	(55,776)
			110 Fund Balance, beginning of year	730,649	640,992	940,635
			110 Fund Balance, ending of year	640,992	940,635	884,859