

**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

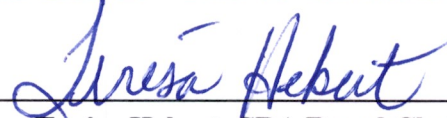
Ms. Sandy Trammell, representing the CRA Board Advisory Committee, suggested creating a written addendum to document the CRA's financial commitment. She emphasized the importance of this documentation to ensure clarity for future councils and committee members.

ADJOURNMENT:

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

ADOPTED THIS 21ST DAY OF OCTOBER 2024

By:



Teresa Hebert, CRA Board Chair

ATTEST:



Rey Bailey, City Clerk