

**MINUTES
WORKSHOP
DESTIN CITY COUNCIL
OCTOBER 28, 2024
ANNEX COUNCIL CHAMBERS
5:30 PM**

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

Destin City Council

Mayor Bobby Wagner
Councilmember Jim Bagby
Councilmember Kevin Schmidt
Councilmember John Stephens

Councilmember Dewey Destin
Councilmember Terésa Hebert
Councilmember Torey Geile

City of Destin Staff

Interim City Manager Larry Jones
Projects/Grants/Contract Manager Jeffrey Cozadd
Senior Planner Daniel Butler
Planner Jesse Hernandez
Special Projects Counsel Kyle Bauman

City Clerk Rey Bailey
Principal Planner Steve O'Connor
Planner Sherry Burney
Planner Ashley Dominguez

PUBLIC COMMENTS: None

WORKSHOP

A. Draft Article 7 – Resource Conservation, Protection, Resiliency, and Sustainability

Principal Planner Steve O'Connor introduced the focus of the new article, which consolidates and restructures existing environmental regulations, particularly those from the current Article 11 related to beach and resource management. The updated article, renamed "Resource Conservation, Protection, Resiliency, and Sustainability," integrates sections on sustainability and resiliency scattered throughout the current code to streamline and clarify these issues in a single location.

Mr. O'Connor emphasized the town's reliance on its natural environment, asserting that the community's identity and existence depend heavily on preserving its natural beauty and resources. Due to this significance, considerable effort was devoted by staff to ensure the article reflects both community needs and modern regulatory practices. Staff sought to address longstanding confusion over existing regulations, incorporating updated policy guidance and best practices to offer clarity.

Mr. O'Connor then introduced the Senior Planner Daniel Butler noting that Mr. Butler and a former city employee Rachel Hoag, were instrumental in drafting the new article. Both

have educational and professional backgrounds in environmental fields—Mr. Butler in fishery management and Ms. Hoag in sustainability—which formed the basis for this critical regulatory framework.

Senior Planner Daniel Butler gave the following presentation:

Language

- **The current LDC is cumbersome to read**
- **Current language has allowed inconsistent interpretations and challenges in enforcement**
- **Written in a more readable manner (reduced “legalese”)**
- **Easier for users (residents, developers, Staff) to read and understand the regulations**

Format:

- **Significant deviation from the current LDC format**
- **An easier to read and better flowing document**
- **Reduced multi-sentence run-on paragraphs**
- **The sections are bookmarked and hyperlinked**
- **Chart with graphic used rather than paragraphs for max. dock lengths**

Mr. Butler provided an overview of Article 7, focusing on resource conservation, protection, resiliency, and sustainability. He noted that the new article consolidates much of the material from Article 11 of the existing Land Development Code (LDC), along with specific portions of Article 7, particularly regarding alternative energy generation. He stated that the current LDC structure has proven cumbersome for staff, contractors, and citizens alike due to its complex language and format.

The revision aims to streamline and simplify this language, making the content clearer and more accessible. They have reduced the legalistic language to make it easier for all users to read, understand, and implement in their everyday practice. He emphasized that the updated format departs significantly from the existing LDC’s dense paragraphs and lengthy sentences. Instead, the revised version presents information in lists and concise, user-friendly formats.

One key improvement is the inclusion of a graphic-based chart for determining allowable dock lengths, which replaces a series of text-heavy descriptions. He explained that current regulations for marina siting, for example, are scattered across sentences and cross-referenced footnotes, making them difficult to follow. The new chart allows users to quickly locate their property’s zoning designation—such as Upland Zone, South Harbor Mixed Use, or Choctawhatchee Bay—then refer directly to the chart to identify the permitted dock length for that specific area. The update to Article 7 reflects a concerted effort to make the LDC more navigable and functional for all users.

Organization and Consolidation:

- **Section 7.01**
 - ❖ **Bay Shoreline Protection Zone – 11.01.10**
 - ❖ **Gulf Shoreline Protection Zone – 11.01.01, 11.03.01**

- ❖ White Sand Protection Zone – 11.07.00
- ❖ Environmentally Sensitive Areas – 11.01.03, 11.01.04, 11.01.06, 11.01.07, 11.01.09, 11.03.02
- ❖ Significant Environments and Wildlife Protection – 7.17.04
- Section 7.02
 - ❖ Marina Siting – 11.05.00
- Section 7.03
 - ❖ Archeological and Historical Resource Protection – 7.05.00
- Section 7.04
 - ❖ Illicit Discharge Detection and Elimination – 11.09.00
- Section 7.05
 - ❖ Alternative Energy Development – 7.20.00

Mr. Butler highlighted that the ordinances related to shoreline protection, Gulf shoreline preservation, and white sand areas are now consolidated in a single section, whereas previously they were dispersed throughout Article 11. He also noted that upcoming code sections will cover Marina Siting, including the recently debated Net Positive Environmental Benefit (NPEB) fee, a prominent topic for discussion in the city.

Public Workshops and LPA Meetings

- Staff conducted multiple public meetings discussing Article 7 and specific topics pertaining to Article 7
 - ❖ March 7, 2024 – LPA Meeting (NPEB)
 - ❖ March 28, 2024 – HWB (NPEB)
 - ❖ April 11, 2024 – LPA Meeting
 - ❖ May 16, 2024 – LPA Meeting (NPEB)
 - ❖ June 6, 2024 – LPA Meeting (NPEB)
 - ❖ July 18, 2024 – LPA Meeting
 - ❖ August 8, 2024 – LPA Meeting
- *Net Positive Environmental Benefit (NPEB): Section 7.02.05.*

Staff has discussed the NPEB fee and how it should be collected with the HWB and LPA at multiple regularly scheduled meetings. At the April 25, 2024 HWB meeting, the HWB recommended altering the method of NPEB collection, with the LPA recommending a separate method of NPEB collection at the July 18, 2024 LPA meeting.

 - ❖ **HWB Recommendation:** *Chairman Green recommend to the City Council that the current NPEB fee be maintained and the liability of the funds for the NPEB not covered, come from the General Fund with Board member Jones providing the second. After additional discussion regarding the 25%, 10 % & 7% that Council did not approve of, Chairman Green amended his motion to Modify the existing fee structure so that tier one is 10%, tier two at 10% for the canals and commercial is tier three of 25% and anything that is not covered by that, the city would make up the difference from the General Fund for the cost of maintaining the harbor. The motion passed with a unanimous vote of 5-0.*

- ❖ **LPA Recommendation:** *Motion by Agency member Buhr to have a structure set up for nonresidential (430 docks) are charged \$100.00 per year (per slip), residential both multifamily and single family are charged \$50.00 per year (per slip), additionally he recommends two exemptions, one a homestead exemption that allows for 75% as well as an exemption for owners that have previously paid into the NPEB fee, however, it would be on the owner to provide staff with proof of payment towards their NPEB fee with documentation for the following:*
 - *Paid NPEB in 2024 - 10-year exemption per slip*
 - *Paid in 2023 – 9-year exemption*
 - *Paid in 2022 – 8-year exemption*
 - *Paid in 2021 – 7-year exemption*
 - *Paid in 2020 – 6-year exemption*
 - *Paid in 2019 – 5-year exemption*
 - *Paid in 2018 – 4-year exemption*
 - *Paid in 2017 – 3-year exemption*
 - *Paid in 2016 – 2-year exemption*
 - *Paid in 2015 – 1-year exemption*
- ❖ *Agency member Bell provided the second. In discussion, Agency member Buhr, he feels this would be an easy way for staff to regulate and enforce by working with the County and provide fund solvency.*
- ❖ *Agency member Bell questioned how the other impacts regarding the usage of the harbor, that are not generated by any of these slips, factor in the equation. According to Agency member Buhr, that is a great question, however, it is currently not written into the current regs for collection towards the fund. Adding that is on Council to make those changes. The motion passed 5-0.*

DISCUSSION:

Subsequent discussions focused on recommendations from the Harbor and Waterways Board and the Local Planning Agency (LPA) regarding the net positive environmental benefit (NPEB) fee structure for dock and marina projects within the city's harbor. The goal was to determine the preferred direction regarding fee structures to support harbor maintenance, environmental protections, and infrastructure. Senior Planner Daniel Butler presented the topic, explaining that the Harbor and Waterways Board proposed an NPEB fee structure based on a percentage of construction costs: 10% for small, self-certifiable residential projects (Tier 1), 10% for residential docks with 10 or more slips (Tier 2), and 25% for commercial marinas (Tier 3). Currently, the city charges a flat 25% fee on all applicable construction projects. The alternative LPA recommendation bases the fee on slip count, with a \$100 annual fee per slip and a 75% reduction for homesteaded slips. This slip-count structure could provide more stable revenue since it charges existing slips, not just new construction projects, which can vary from year to year.

Councilmember Schmidt questioned if there could be an environmental component to the fee, proposing potential reductions for high-quality, environmentally friendly materials that reduce contamination. He also suggested that dock owners could engage in environmental rehabilitation projects, like oyster reefs, which might qualify them for a fee reduction.

Councilmember Stephens stated that adding that fee variations could account for different vessel types and impacts, with higher fees for larger, commercial, or environmentally taxing boats, while recreational vessels might incur a lower fee.

Councilmember Hebert supported this view, emphasizing the need to distinguish fees for commercial versus residential slips, citing environmental concerns, especially from commercial activities like boat painting and maintenance in the harbor.

Mayor Wagner suggested further legal review of the proposed fee structures, given the complexities raised and the need to ensure all methods comply with city regulations.

Councilmember Bagby expressed concern over the stability of revenue under the existing construction-cost model, as it fluctuates depending on new projects. He supported the LPA's slip-count model for consistent funding. However, he asked for a thorough review by the city's legal team to ensure that both fee structures align with legal standards.

Principal Planner Steve O'Connor confirmed that the LPA model would increase revenue consistency, with an estimated \$43,000 annual intake from the proposed \$100-per-slip fee. In contrast, the Harbor and Waterways Board's tiered model would generate less due to the lower percentages proposed.

Councilmember Bagby requested a five-year comparative revenue analysis to evaluate the potential income under both fee structures, comparing historical data to estimate future stability. Staff confirmed that the average annual revenue since 2006 is around \$24,000, with occasional peaks when large marinas are renovated or constructed.

Councilmember Destin supported maintaining the construction-cost-based fee, proposing instead to increase the fee percentage if more revenue is needed. He argued this approach aligns more closely with environmental impact by incentivizing better materials and environmentally friendly construction methods.

There was a suggestion for a hybrid of the LPA's slip-count approach and the Harbor Board's construction-cost model, advocating for a tiered fee based on vessel size and usage. It was noted that the environmental impact of vessels varies, with larger vessels and commercial activities posing a greater risk than smaller, recreational boats.

Councilmember Bagby expressed concern about reliance on self-reported construction costs, as this could lead to underreporting. He proposed that the city retain the right to review contractors' cost estimates for accuracy but acknowledged that it might be invasive.

Councilmember Geile noted from his professional experience that municipalities struggle to enforce accurate reporting on contractor proposals, a significant challenge in managing fee assessments tied to construction costs.

The council discussed applying fee reductions for homesteaded properties, potentially reducing financial burdens for residents. Homestead properties would pay a reduced rate under the LPA model, while commercial and non-homesteaded properties would contribute more significantly.

Councilmember Destin supported a simpler percentage-based approach, tied to new construction and repair projects, that avoids complicating fee structures. He proposed increasing the percentage to ensure sufficient funds rather than adding more complexity. He also highlighted the importance of providing credits for environmentally friendly construction materials, like composite pilings, which help reduce environmental impact.

The council concluded by asking staff to conduct a five-year financial analysis comparing revenue under both models and to verify the legal standing of each approach. Additionally, they requested further consideration of environmental impact factors, particularly fees that correlate to slip size, vessel type, and material choice in construction projects. Staff will bring back the requested information and recommendations for Council review and decision-making.

❖ ***Dock Length:*** The current measurement of dock length has previously caused some confusion, as there is a maximum limit on docks in the Harbor to two-hundred feet (200'). This is generally measured much like a buffer is measured from the mean high-water line (MHWL) waterward to the maximum allowable length up to 200'.

- ***HWB & LPA Recommendation:*** *Measurement of dock length shall start at the waterward most point of the Mean-High Water Line (MHWL). From the waterward point, a perpendicular line (or perpendicular line to the tangent for a curved MHWL) is drawn the distance allowed waterward. At the maximum length allowed, another perpendicular line (parallel to the MHWL) is drawn between the identified or implied riparian lines. This area depicts the developable marine area (please see graphic in Staff Report for reference). There was no support to include shuttle parking reduction from the discussion at the April 11 meeting. Staff will not include any parking reduction provisions for shuttle parking.*

DISCUSSION

The discussion addressed updates to the regulations regarding dock lengths within various city waterways, specifically focusing on a proposal to simplify the measurement methodology. Currently, dock length requirements vary based on the property's location, whether on a harbor, bay, or bayou, with maximum allowable lengths stated directly in the LDC. The proposed change involves presenting these guidelines in a chart format, making them easier to interpret based on the property's specific location. Additionally, a new graphical illustration, included in meeting packets, was reviewed. This graphic was previously endorsed by both the Harbor Waterways Board and the LPA for its clarity and transparency.

The updated measurement methodology simplifies determining allowable dock length by establishing a defined "developable area" using clear spatial guidelines. Under this approach, property owners would identify the waterward-most point of their property, measure a perpendicular line outward to the maximum allowable dock length (e.g., 200 feet), and then draw a parallel line back to the shore, creating a "box" that marks the dock's permissible construction zone. This method, staff explained, helps avoid potential misinterpretations that could arise from varying property layouts, as seen in previous marina projects.

Staff expressed that this format is more transparent and easier to communicate to residents. The council was invited to provide feedback, raise concerns, or suggest alternative methods.

Councilmember Destin raised questions regarding the rationale behind dock length restrictions on bayfront properties in Destin, contrasting it with the harbor area where a shoreline limits encroachment. He noted that in the harbor, dock lengths were based on a formal study to maintain navigational safety due to the proximity of the shore, but no similar study had been conducted for bayfront properties where shoreline is further away, often miles distant.

Mr. Butler responded by explaining that, according to current code, dock lengths in bay areas are restricted to 1.5 times the lot width at the mean water line or 200 feet, whichever is shorter. However, he confirmed that to his knowledge, no study had been conducted to justify these particular restrictions in bay areas. He clarified that while no changes to these dock length restrictions were proposed, if an applicant needs a longer dock to reach sufficient water depth, they could seek a variance from the Board of Adjustment (BOA) to address site-specific environmental conditions.

Principal Planner Steve O'Connor acknowledged that the current bayfront dock length limitations were set in the city code without an accompanying study or clear justification. He added that the city limits extend only to the mean high-water line on Choctawhatchee Bay, further complicating the enforcement of these regulations. He concurred with Councilmember Destin's assessment that the dock length limits appear arbitrary, acknowledging they were likely adopted without a defined basis but stated there was no current plan to modify them.

- ❖ ***Comprehensive Plan Policy 6-1.11.3: Consider Scenic Views in Site Plans:*** Current policy in the Comprehensive Plan requires any waterfront development to include design measures that provide, enhance, and preserve scenic views of the water for the general public from public rights-of-way. Currently, there are no LDC requirements that would implement this policy. Staff discussed potential requirements or incentives with the LPA at both the July 18, 2024 and the August 8, 2024 meetings, with the below recommendation.

- **LPA Recommendation:** The LPA recommended that any proposed waterfront non-residential or multi-family development (or redevelopment) that provides a perpetual public access easement or dedication to the public from the public right-of-way to the Waterfront may reduce the required open space by 15 percent (15%), provided the Perpetual Public Access Easement or the plot of dedication to the public shall be a minimum of five foot wide (5'), and the development shall dedicate at least four (4) vehicle parking spaces for the public to use as parking, while meeting ADA parking standards.
- ***Motion by Agency member Bell, seconded by Agency member Purut to recommend approval to the City Council of the Draft Article 7 - Resource Conservation and Protection, as presented and discussed. The motion passed unanimous vote of 5-0.***

DISCUSSION:

City staff presented a proposed LDC amendment to implement Policy 6-1.11.3 from the city's comprehensive plan, which focuses on preserving scenic views in waterfront development. Senior Planner Daniel Butler outlined that currently, the comprehensive plan mandates design measures to enhance public scenic views of waterfront areas, but this has not yet been enacted in the LDC. The proposed amendment would require any non-residential or multifamily waterfront development or redevelopment to establish a minimum 5-foot-wide, perpetual public access easement from a public right-of-way to the waterfront. In exchange, developers would be allowed a 15% reduction in required open space if they provide this easement, along with four public parking spaces near the access point. The previously reviewed this proposal and gave it unanimous approval.

Councilmember Destin raised questions about the practical design of the easement, emphasizing its role as a public corridor that would also maintain scenic views. He likened it to a "view corridor" rather than solely a pathway to the beach, suggesting it should prevent the appearance of a continuous wall of buildings and instead provide gaps for scenery. Destin further inquired if the easement could be designed as a "meandering" path, which, though narrow, could still offer a clear line from the roadway to the waterfront.

Councilmember Bagby emphasized that while the 15% open space reduction might incentivize developers to provide public access, he preferred to cap the reduction at 15%. He shared concerns from prior experiences, where developers, even when required to provide view corridors, often landscaped these areas heavily, thereby limiting actual scenic views with dense vegetation. He pointed out that these concerns would need to be considered in the final language to avoid unintended outcomes.

Principal Planner Steve O'Connor provided additional context, clarifying the policy's application specifically to non-residential and multifamily development, which would primarily affect properties along the Gulf and, potentially, certain areas along Holiday Isle. He explained that the city's open space requirements, typically 25-30%, are fairly lenient as they include any area not occupied by buildings or vehicle use, such as pools and decks.

The council agreed that further internal discussion was needed to refine the proposal, with an emphasis on ensuring scenic views while allowing practical public access to waterfront areas.

❖ *Definition of 'Beach'*

❖ *Current Definition (Wheeled Vehicle – LDC Section 11.08.02.C.2)*

- The zone of unconsolidated material that extends landward from the mean low water line to the place where there is marked change in material or physiographic form, or to the line of permanent vegetation, usually the effective limit of storm waves. Also, the definition of beach includes: (1) any undeveloped property wherein a federal spoils easement exists for the placement of fill from a dredging operation; (2) any undeveloped sandy areas, including sea oats, within a 1,000-foot radius of the Army Corp of Engineers jetty located on the eastern shore of the East Pass; (3) any sandy areas, including sea oats, seaward of any home or condominium building, located between the Army Corp

of Engineers jetty located on the eastern shore of the East Pass, and the entrance of the Destin Harbor; or (4) any undeveloped sandy areas, including sea oats, located on Norriego Point, including the City park, and any sandy areas within 1,000 feet of the park and on Norriego Point.

❖ ***Proposed Rewritten Definition (also in Glossary currently)***

- The zone of unconsolidated material that extends landward from the mean low water line to the place where there is marked change in material or physiographic form, or to the line of permanent vegetation, usually the effective limit of storm waves. "Beach," as used in the coastal management element requirements, is limited to Gulf, *East Pass*, and estuarine shorelines.

DISCUSSIONS:

The Senior Planner presented on the city's efforts to redefine "beach" within the LDC, specifically for clarity and enforcement. He highlighted two current definitions: one found in the "wheel vehicle vendors" section and a second, simpler definition in the glossary, which is proposed for the LDC rewrite. Both definitions contain complexities that make enforcement challenging, particularly with phrases like "physiographic form" and "line of permanent vegetation," which lack clear boundaries. To streamline this, he suggested using the state-established Coastal Construction Control Line (CCCL) as a simple, consistent demarcation of beach areas. This change would help enforce restrictions more effectively.

Councilmember Schmidt supported this simplified approach, advocating for an unambiguous definition. He emphasized that if an area is sandy and undeveloped, it should be classified as "beach" to avoid loopholes.

Councilmember Hebert agreed, stating that a clearer, "dumbed-down" version would prevent ambiguity. She suggested labeling all sandy, undeveloped areas as beach to simplify public understanding and staff enforcement.

Mayor Wagner also supported the CCCL proposal, acknowledging the importance of using a reliable, survey-based boundary that could be referenced citywide. He pointed out that using a defined line would reduce code enforcement complications.

The council discussed implementing a beach bonfire program similar to Walton County's, which generates revenue while allowing controlled, permitted beach bonfires.

Councilmember Schmidt expressed strong support, noting its potential for revenue and enhanced beach experiences. He shared his positive experiences with similar programs in other counties and suggested the city adopt a similar, well-regulated model.

Councilmember Bagby expressed caution, noting potential enforcement issues, such as unauthorized operators and the need for code enforcement to manage compliance, especially during events like weddings. He recommended a structured and enforceable framework to avoid conflicts and negative interactions.

Next, the council addressed concerns about remaining septic systems and the impact of seawalls versus living shorelines.

Councilmember Bagby highlighted the urgency of phasing out septic tanks to protect the Choctawhatchee Bay. He urged the city to enforce the one-year state requirement for connecting to the municipal sewer system where it's available. He asked for this issue to be formally addressed after the newly seated council is sworn-in suggesting potential state or federal grants as support.

Principal Planner Steve O'Connor confirmed that Destin Water Users has data on properties not connected to the sewer system and noted that past city actions were more lenient due to the financial burden on residents. He supported a clearer, enforceable timeline for conversions while considering assistance options for those with financial hardships.

Councilmember Stephens added that the city could pursue grants to offset costs for residents required to convert from septic systems. He suggested that the council looks into ways to make the process affordable for low-income residents.

On living shorelines, Councilmember Schmidt advocated for incentives over seawalls, as living shorelines offer a more sustainable solution for erosion control. He proposed a streamlined permitting process and potential incentives for residential properties willing to adopt this option, noting that seawalls often exacerbate shoreline erosion.

The council addressed concerns regarding marina signage and dock permitting, specifically related to consistency with Army Corps of Engineers and state guidelines.

Councilmember Stephens raised the issue of discrepancies between city and state dock plans, which have previously led to complications.

Mr. O'Connor clarified that recent policies have resolved these issues, requiring applicants to submit the same dock plans to both the city and state agencies to ensure alignment.

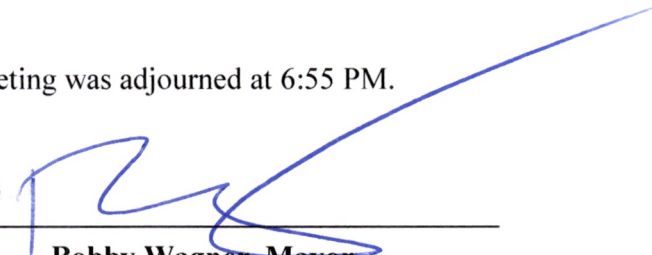
PUBLIC COMMENTS:

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 6:55 PM.

ATTEST:


Rey Bailey, City Clerk


Bobby Wagner, Mayor