PANAMA CITY BEACH CITY COUNCIL
AGENDA

NOTE: AT EACH OF ITS REGULAR OR SPECIAL MEETINGS, THE CITY COUNCIL ALSO SITS, EX-OFFICIO, AS THE CITY OF PANAMA CITY BEACH COMMUNITY REDEVELOPMENT AGENCY AND MAY CONSIDER ITEMS AND TAKE ACTION IN THAT LATTER CAPACITY.

MEETING DATE: March 12, 2020
MEETING TIME: 6:00 p.m.

I. CALL TO ORDER AND ROLL CALL
II. INVOCATION – COUNCILMAN CASTO
III. PLEDGE OF ALLEGIANCE – COUNCILMAN CASTO
IV. COMMUNITY ANNOUNCEMENTS
V. APPROVAL OF AGENDA, AND ADDITIONS OR DELETIONS
VI. PRESENTATIONS – COUNCILMAN CASTO
   1. BOYS & GIRLS CLUB CIVIC ACHIEVEMENT AWARD
VII. PUBLIC COMMENTS – REGULAR (NON-PUBLIC HEARINGS) & CONSENT ITEMS ONLY (LIMITED TO THREE MINUTES)

IX. REGULAR AGENDA - DISCUSSION/ACTION

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<td>ML ORDINANCE 1509, ST. JOE PIER PARK EAST LARGE-SCALE COMPREHENSIVE PLAN AMENDMENT, 2ND READING, PUBLIC HEARING.</td>
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<td>ML ORDINANCE 1510, ST. JOE PIER PARK EAST REZONING, 2ND READING, PUBLIC HEARING.</td>
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<td>ML RESOLUTION 20-69, PIER PARK EAST DEVELOPMENT AGREEMENT, PUBLIC HEARING.</td>
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<td>TO ORDINANCE 1516, GULF POWER FRANCHISE AGREEMENT, 1ST READING.</td>
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<td>LC/DW ORDINANCE 1517, SPECIAL EVENT SERVICES, 2ND READING, PUBLIC HEARING.</td>
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<td>LC/DW RESOLUTION 20-65, SPECIAL EVENT SERVICES RATES.</td>
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<td>LP RESOLUTION 20-70, BID AWARD – TALENTEEPERS EMPLOYEE ENGAGEMENT CONSULTANT SERVICES AND BUDGET AMENDMENT #22.</td>
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<td>MB RESOLUTION 20-71, GRANICUS AGENDA MANAGEMENT SOFTWARE AND BUDGET AMENDMENT #19.</td>
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<td>LP RESOLUTION 20-72, BID AWARD – CONDREY CLASSIFICATION AND PAY PLAN STUDY AND BUDGET AMENDMENT #23.</td>
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<td>PIO RESOLUTION 20-73, CITY OF PANAMA CITY BEACH 50TH ANNIVERSARY CELEBRATION BUDGET AMENDMENT #21.</td>
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<td>11</td>
<td>DC RESOLUTION 20-74, SUPPORTING FDOT ROAD SAFETY AUDIT RECOMMENDATIONS.</td>
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12* DC RESOLUTION 20-75, AUTHORIZING SERIES 2020 BOND ISSUANCE, PUBLIC HEARING.

13 DC RESOLUTION 20-79, JOINT RESOLUTION OF CITY AND AGENCY REGARDING SERIES 2020 BONDS.

14 LP RESOLUTION 20-76, EXTENSION OF SEGAL CONSULTING AGREEMENT BUDGET AMENDMENT #18.

15 AS RESOLUTION 20-78, BALL REVENUE CERTIFICATE.

16 TO DISCUSSION OF PROPOSED 2020 STRATEGIC PLAN.

XI. DELEGATE AND STAFF REPORTS

1 DELEGATIONS. In accordance with the City Council’s rules and procedures, residents or tax-collectors of the City (upon any subject of general or public interest), City employees (regarding his/her employment), and water and sewer customers (on matters related to the City’s water and/or sewer system), may address the City Council under Delegations on items not on the printed agenda by filling out a speaker card. Speaker cards are located inside the Council meeting room and should be provided to the City Clerk. Please observe the time limit of three (3) minutes while speaking under Delegations. Delegations shall be limited to thirty (30) minutes unless extended by the Chair.

2 ATTORNEY REPORT.

3 CITY MANAGER REPORT.

4 COUNCIL COMMENTS.

5 ADJOURN.

*Action items noted with an asterisk are taken both by the City Council and the Panama City Beach Redevelopment Agency jointly and concurrently.

| PAUL CASTO | X | PAUL CASTO | X |
| PHIL CHESTER | X | PHIL CHESTER | X |
| GEOFF MCCONNELL | X | GEOFF MCCONNELL | X |
| HECTOR SOLIS | X | HECTOR SOLIS | X |
| MIKE THOMAS | X |

I certify that the Council members listed above have been contacted and given the opportunity to include items on this agenda.

IN AN EFFORT TO CONDUCT YOUR COUNCIL MEETINGS IN AN ORDERLY AND EXPEDIENT MANNER, WE RESPECTFULLY REQUEST THAT YOU WAIT UNTIL THE CHAIR RECOGNIZES YOU TO SPEAK, THEN COME TO THE PODIUM AND STATE YOUR NAME AND ADDRESS FOR THE RECORD.

E-mailed to interested parties and posted on the website on: 03/09/20 4 p.m.

NOTE: COPIES OF THE AGENDA ITEMS ARE POSTED ON THE CITY’S WEBSITE WWW.PCBGOV.COM THIS MEETING WILL BE LIVE-STREAMED ON THE CITY WEBSITE AND CITY FACEBOOK PAGE “CITY OF PANAMA CITY BEACH-GOVERNMENT”.

2 of 3

Reg Mtg Agenda
March 12, 2020
NOTE: ONE OF MORE MEMBERS OF OTHER CITY BOARDS MAY APPEAR AND SPEAK AT THIS MEETING.

If a person decides to appeal any decision made by the City Council with respect to any matter considered at the meeting, if an appeal is available, such person will need a record of the proceeding, and such person 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 based. Sec. 286.0105, FS (1995).
PRESENTATION

1
CITY OF PANAMA CITY BEACH

CIVIC ACHIEVEMENT AWARD

Be It Known That

Caden Reyes

HAS GIVEN EXCEPTIONAL SERVICE
TO THE BOYS AND GIRLS CLUB
OF PANAMA CITY BEACH

For the responsibility assumed, for the unselfish service rendered his community and its citizens in discharging the duties of good citizenship, this token of CIVIC ACHIEVEMENT is hereby awarded.

Presented this 12th of March, 2020

MAYOR MIKE THOMAS
REGULAR ITEM

1
**CITY OF PANAMA CITY BEACH**

**AGENDA ITEM SUMMARY**

1. **DEPARTMENT MAKING REQUEST/NAMES:**
   - PLANNING

2. **MEETING DATE:**
   - MARCH 12, 2020

3. **REQUESTED MOTION/ACTION:**
   - Hold public hearing and second reading of Ordinance 1509 amending the Future Land Use Map from Multi-Family to Tourist for approximately 30 acres of property located on the west side of Hill Road.

4. **AGENDA**
   - PRESENTATION
   - PUBLIC HEARING: ✓
   - CONSENT
   - REGULAR: ✓

5. **IS THIS ITEM BUDGETED (IF APPLICABLE)?**
   - Yes ☐ No ☑ N/A ✓
   - BUDGET AMENDMENT OR N/A
   - DETAILED BUDGET AMENDMENT ATTACHED: Yes ☐ No ☑ N/A ✓

6. **BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)**
   - The St. Joe Company wishes to unify this property with approximately 50 acres bordered on the north and west of the property so that a master plan can be created and implemented providing for a mixture of land uses. The Planning Board considered the request at their December 11, 2019 meeting and recommended approval. The City Council held a public hearing on January 9, 2020, approving the Ordinance's transmittal to the State for review. There were no comments received that warranted modification of the proposed ordinance.

   Notice was timely published of the March 12, 2020 public hearing in the News Herald. The ordinance may be adopted at the conclusion of the public hearing.
ORDINANCE NO 1509

AN ORDINANCE AMENDING ORDINANCE 1143, KNOWN AS THE "2009 AMENDED AND RESTATED PANAMA CITY BEACH COMPREHENSIVE GROWTH DEVELOPMENT PLAN;" ACTING UPON THE APPLICATION OF THE ST. JOE COMPANY TO CHANGE THE FUTURE LAND USE DESIGNATION OF A PARCEL OF LAND FROM MULTI-FAMILY RESIDENTIAL TO TOURIST; DESIGNATING FOR TOURIST LAND USE A CERTAIN PARCEL OF LAND LYING WITHIN THE CITY OF PANAMA CITY BEACH, FLORIDA, CONSISTING OF APPROXIMATELY 28.074 ACRES; SAID PARCEL LOCATED ON THE WEST SIDE OF HILL ROAD, SOUTH OF PANAMA CITY BEACH PARKWAY, PARCEL ID 33750-020-000; AS MORE PARTICULARLY DESCRIBED IN THE BODY OF THE ORDINANCE; AMENDING THE CITY'S FUTURE LAND USE MAP TO DESIGNATE THE PARCEL FOR TOURIST LAND USE; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT; AND PROVIDING THAT THIS ORDINANCE SHALL TAKE EFFECT AS PROVIDED BY LAW.

WHEREAS, the City of Panama City Beach City Council adopted the "2009 Amended and Restated Panama City Beach Comprehensive Growth Development Plan" (the Comprehensive Plan") on December 10, 2009, by Ordinance No. 1143; and

WHEREAS, The St. Joe Company (the "Applicant") submitted an application requesting an amendment to the Comprehensive Plan; and

WHEREAS, the Panama City Beach Planning Board reviewed the land use request, conducted a public hearing on December 11, 2019, and recommended approval of the request; and

WHEREAS, on January 9, 2020, the City Council conducted a properly noticed transmittal hearing as required by Section 163.3184, Florida Statutes, and on March 12, 2020, transmitted the proposed amendment to the Florida Department of Economic Opportunity and

Ordinance No. 1509
Page 1 of 4 Pages
WHEREAS, on March 12, 2020, as required by Section 163.3184, Florida Statutes, the City Council conducted a properly noticed adoption hearing and adopted this Ordinance in the course of that hearing; and

WHEREAS, all conditions required for the enactment of this Ordinance to amend the City of Panama City Beach Comprehensive Growth Development Plan to make the respective FLUM designation for the subject parcel has been met.

NOW, THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF PANAMA CITY BEACH, FLORIDA:

SECTION 1. The following described parcel of real property situated within the municipal limits of the City of Panama City Beach, Florida, is designated for Tourist land use under the Comprehensive Plan, to wit,

SEE ATTACHED AND INCORPORATED EXHIBIT “A”
and the City’s Future Land Use Map is amended accordingly.

SECTION 2. All ordinances or parts of ordinances in conflict herewith are repealed to the extent of such conflict.

SECTION 3. This ordinance shall take effect as provided by law.

PASSED, APPROVED and ADOPTED at the regular meeting of the City Council of the City of Panama City Beach, Florida, this ___ day of ______________, 2020.

_________________________________________________________________
Mike Thomas, Mayor
ATTEST:

Mary Jan Bossert, City Clerk

EXAMINED AND APPROVED by me this ____ day of _____________. 2020.

______________________________
Mike Thomas, Mayor

PUBLISHED in the Panama City News-Herald on the 23rd day of December, 2019, and the 5th day of March, 2020.

POSTED on pcbgov.com on the ____ day of ________________, 2019.

______________________________
Mary Jan Bossert, City Clerk
DESCRIPTION: (PARCEL "A")

A PARCEL LYING IN SECTION 20, TOWNSHIP 3 SOUTH, RANGE 16 WEST, BAY COUNTY FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT A NAIL AND DISK (NO. 3961) MARKING THE NORTHEAST CORNER OF WALMART AT PIER PARK EAST SUBDIVISION, AS RECORDED IN PLAT BOOK 24, PAGE 65, OF THE PUBLIC RECORDS OF BAY COUNTY, FLORIDA; SAID POINT ALSO BEING A POINT ON THE SOUTH RIGHT OF WAY LINE OF U.S. HIGHWAY 98 (STATE ROAD 30-A, 200' R/W); THENCE PROCEED ALONG THE EAST LINE OF SAID SUBDIVISION AS FOLLOWS: THENCE SOUTH 35 DEGREES 23 MINUTES 26 SECONDS WEST, FOR A DISTANCE OF 243.41 FEET; THENCE NORTH 57 DEGREES 37 MINUTES 44 SECONDS WEST, FOR A DISTANCE OF 32.36 FEET; THENCE SOUTH 32 DEGREES 18 MINUTES 25 SECONDS WEST, FOR A DISTANCE OF 858.97 FEET TO THE SOUTHEAST CORNER OF SAID SUBDIVISION AND THE POINT OF BEGINNING; THENCE LEAVING SAID EAST LINE, PROCEED SOUTH 86 DEGREES 00 MINUTES 43 SECONDS EAST, FOR A DISTANCE OF 1,103.64 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF HILL ROAD (66' R/W); THENCE SOUTH 27 DEGREES 18 MINUTES 43 SECONDS WEST, ON SAID WEST RIGHT OF WAY LINE, FOR A DISTANCE OF 1,353.69 FEET; THENCE SOUTH 31 DEGREES 43 MINUTES 13 SECONDS WEST, ON SAID WEST RIGHT OF WAY LINE, FOR A DISTANCE OF 16.41 FEET TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF SECTION 20; THENCE LEAVING SAID WEST RIGHT OF WAY, PROCEED NORTH 86 DEGREES 13 MINUTES 56 SECONDS WEST, ON SAID SOUTH LINE, FOR A DISTANCE OF 667.00 FEET; THENCE LEAVING SAID SOUTH LINE, PROCEED NORTH 01 DEGREE 03 MINUTES 44 SECONDS EAST, FOR A DISTANCE OF 1,261.81 FEET TO A POINT ON THE SOUTH LINE OF WALMART AT PIER PARK EAST SUBDIVISION; THENCE SOUTH 86 DEGREES 00 MINUTES 43 SECONDS EAST, ON SAID SOUTH LINE, FOR A DISTANCE OF 171.36 FEET TO THE POINT OF BEGINNING.

CONTAINING 28.074 ACRES, MORE OR LESS.
City of Panama City Beach
Rezoning Application

St. Joe Company
Pier Park Rezoning Application

November 2019
Site Description ........................................................................................................................... 1
Existing Zoning ........................................................................................................................... 1
Proposed Zoning .......................................................................................................................... 1

Appendix A: Maps
Appendix B: Application
Appendix C: Survey
Appendix D: Notice
Appendix E: Agent Affidavit
Site Description

The subject site is a 30-acre parcel (#33750-020-000) located along Hill Road, south of Panama City Beach Parkway. Please see appendix A: Maps for a location map depicting the site’s location. The site is bordered on the north, west, and south by vacant land with a zoning designation of Commercial High (CH). The site is bordered on the east by Hill Road, across which is a developed neighborhood zoned Single Family, High Density (R-1c). The site contains a small area of floodplain and wetlands in the northwest corner. The site is currently vacant and has frontage on Hill Road.

This rezoning is requested to allow the site’s owner, St. Joe Company, to develop the subject site with both residential and non-residential uses.

Existing Zoning

The entirety of the 30-acre parcel is zoned Townhouse (RTH). The RTH Zoning District allows for 12.0 residential dwelling units per acre and does not have a Floor Area Ratio (FAR) standard for non-residential development. This Zoning District allows for single- and multi-family residential dwelling units and accessory uses, parks, and some recreation facilities; uses such as schools, churches, hotels, and transient residential rentals are allowed conditionally. Other non-residential uses are not permitted.

Proposed Zoning

The proposed zoning for the parcel is Commercial High (CH). This Zoning District allows for up to 45 dwelling units per acre and has a FAR of 100% for non-residential development. The CH zoning district allows a variety of non-residential and residential uses to be located in close proximity to each other.
Appendix A:
Maps
LEGEND

Panama City Beach Boundary

 Amendment Boundary

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community
AGENDA ITEM # _

Pier Park East
Wetland Map
November 2019

Legend

- Boundary

Wetland Type

- Estuarine and Marine Deepwater
- Freshwater Emergent Wetland
- Freshwater Forested/Shrub Wetland
- Freshwater Pond
- Riverine
DESCRIPTION (AS SURVEYED AND WRITTEN)

This survey was performed by Dewberry Engineering, using the appropriate methods of surveying and marking the boundaries of the parcel as shown on the attached map. The parcel is located on the southwest corner of the intersection of Beach Road and Parcel 76983 Acres.

AGENDA ITEM #: 1
DATA AND ANALYSIS

I. APPLICANT: St. Joe Company

II. PROJECT LOCATION: Approximately 30 Acres

III. REQUEST: This request is for a Large Scale Plan Amendment and Rezoning. The applicant is requesting a change from Multi Family Residential Future Land Use designation to Tourist and a Rezoning from R-TH (Townhomes) to CH (Commercial High Intensity).

IV. REASON FOR REQUEST: The subject property is bordered on the north and west (approximately 50 acres) by property also owned by the applicant. The applicant wishes to unify the properties under one Future Land Use and Zoning designation so that a master plan can be created and implemented providing for a mixture of land uses. Townhomes do not appear to be one of the desired uses for this portion of the future development.

VI. SITE EVALUATION:

A. IMPACT ON PUBLIC FACILITIES:

1. Transportation Facilities:

Hill Road: According to the Panama City Metropolitan Planning Organization’s Congestion Management System Plan, the adjacent segment of Hill Road has an annual average daily traffic volume of 4,300 trips with a maximum allowable volume of 13,320 trips. Committed trips on this segment total 9,138, therefore this segment will be over capacity by 118 trips as a result of approved future developments.

Panama City Beach Parkway: According to the Panama City Metropolitan Planning Organization’s Congestion Management System Plan, the adjacent segment of Panama City Beach Parkway has an annual average daily traffic volume of 49,333 trips with a maximum allowable volume of 39,800 trips. Committed trips on this segment total 6,721; therefore, this segment is over capacity by 16,254 trips.
Front Beach Road: According to the Panama City Metropolitan Planning Organization’s Congestion Management System Plan, the adjacent segment of Front Beach Road has an annual average daily traffic volume of 12,373 trips with a maximum allowable volume of 14,800 trips. Committed trips on this segment total 4,313, therefore this segment will be over capacity by 1,886 trips as a result of approved future developments.

The applicant will be required to submit a revised traffic impact analysis as part of the Development Order review process, which depicts the number of peak hour trips impacting PCB Parkway, SR79, Hill Road and Front Beach Road. Impacts to failing segments of these roadways as a result of development on the subject site will require a financial contribution to fund future capacity improvements to those impacted roadway segments. It is anticipated that future development on the subject site will add traffic to failing sections of Front Beach Road, Hill Road and PCB Parkway.

2. Sewer:

The City wastewater treatment plant (WWTP) provides Advanced Wastewater Treatment (AWT) quality effluent, with an accompanying wetlands effluent discharge system in a 2,900-acre facility containing 2,000 acres of receiving wetlands. Currently, the operating permit allows 14 mgd maximum monthly average (10 mgd annual average) treatment and disposal capacity. Monthly average plant flows for January 1, 2018 through December 31, 2018 ranged from 4.4 mgd to 10.3 mgd on a monthly average. In addition, the City’s reclaimed water system has been in operation since 2006 and provided between 1.5 and 3.3 mgd of irrigation water per month in the last fiscal year, depending on the time of year and demands, to residential and commercial areas of the City.

Based on previous historic growth rates of wastewater generation, it is anticipated that there will be a 4% yearly growth in wastewater generation within the City’s service area (from the Hathaway Bridge to the West Bay Bridge to the Phillips Inlet Bridge). Accordingly, the City has planned for facilities to be upgraded to coincide with the increased demand.

According to the City’s Utility Department, the City has the capacity to handle the potential of 450 residential units and 150,000 sq. ft. of commercial space on the subject site.

3. Potable Water:

The City has a franchise from Bay County authorizing the City to provide water service to the incorporated City limits and unincorporated Bay County
west of St Andrew Bay, and south of West Bay and the contiguous Intracoastal Waterway. The City utility system also purchases 100% of its potable water from Bay County via contract. The term of the agreement is through 2042 and states that 26.4 million gallons per day (mgd) will be available to the City in 2011 with best efforts by the County to be able to provide increasing amounts each year up to 33.79 mgd in the year 2020. The City receives the treated County water via two delivery points at bridges crossing St. Andrew Bay and West Bay. That water is stored and repumped on demand to meet the City's water needs. The City's current available pumping and transmission capacity is approximately 37.8 mgd. The contract with the County has been designed to increase capacity by approximately 4% per year in order to continue to have capacity available for growth. Additionally, the City has two (2) - 7 million gallon storage tanks at its West Bay storage and pumping facility, and 2, 4 and 5 million gallon storage tanks at its McElvey Road storage and pumping facility near the St. Andrew Bay delivery point, which gives the City an additional 25 million gallons of working reserve for peak season and fire flow demand.

Daily water demand for January 1, 2018 through December 31, 2018 ranged from 9.2 mgd to 15.7 mgd on a monthly average, with an annual average of 12.1 mgd. The maximum single-day demand was 18.5 mgd. The County's projected available capacity to supply potable water to the City in 2018 was to be 28.4 mgd, which leaves an excess monthly average capacity ranging from 19.2 mgd to 12.7 mgd with an annual average excess of 16.3 mgd. The excess on the single-day maximum is expected to be 10.8 mgd.

The City has also implemented a reclaimed water system that makes highly treated effluent from the wastewater system available for irrigation to new subdivisions and commercial developments. With the implementation of this reclaim system, it is estimated that the 20% of total potable water consumption previously used by similar developments will be replaced by reclaimed water in these new subdivisions.

According to the City's Utility Department, the City has the capacity to handle the potential of 450 residential units and 150,000 sq. ft. of commercial space on the subject site.

B. SITE SUITABILITY:

1. Wetlands: According to information supplied by Bay County GIS there appears to be a small amount of wetlands located on the subject site. Therefore, as part of the Final Development Plan approval process and among other requirements, future development will be required to meet
the standards of Chapter 3 of the Land Development Code (Floodplain Management and Resource Protection) along with required FDEP permitting.

2. **Plant and Wildlife Resources:** Information regarding natural resources is based on information from the Florida Natural Areas Inventory “FNAI”, which is a non-profit organization administered by The Florida State University. This group is involved in gathering, interpreting, and disseminating information critical to the conservation of Florida's biological diversity.

According to information supplied by FNAI, there is a potential for, threatened or endangered species to be located on the subject site. Therefore, an environmental study will be required prior to the issuance of a Development Order.

3. **Flood Zones:**

According to information supplied by FEMA, the site is located almost entirely in Flood Zone X, which is defined as an area determined to be located outside of the 100 and 500-year floodplains.

C. **COMPATABILITY WITH SURROUNDING LAND USES:**

Compatibility is generally defined as a condition in which land uses or conditions can coexist in relative proximity to each other in a stable fashion over time such that no use or condition is unduly negatively impacted directly or indirectly by another use or condition.

Surrounding parcels to the north, west and south are zoned CH and parcels to the east are zoned R-1c. The proposed rezoning will require additional setbacks, lighting controls for those areas adjacent to Single Family zoning districts.

**CONCLUSION:**

The applicant wishes to begin master planning the subject property along with the adjacent owned-properties as a development that is compatible with Pier Park. The applicant wishes to unify the zoning of the properties so that all elements of development (roads, landscaping, stormwater, utilities, etc...) can be placed where needed within the development. The townhome zoning would prohibit any improvements not directly related to townhomes from being placed in the current zoning district.
The CH zoning will still allow for townhomes, if the applicant wishes, but will also allow for the development and its improvements to be unified rather than requiring two separate developments. The applicant will be required to pay proportionate fair share for its impact to the transportation system and such monies will then be spent on capacity improvements as part of the City’s ongoing transportation improvement program.

Staff has no objection to the requests.
REGULAR ITEM 2
### CITY OF PANAMA CITY BEACH
#### AGENDA ITEM SUMMARY

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<tr>
<td>1. <strong>DEPARTMENT MAKING REQUEST/NAME:</strong></td>
<td>2. <strong>MEETING DATE:</strong></td>
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<td>MARCH 12, 2020</td>
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<tr>
<td>3. <strong>REQUESTED MOTION/ACTION:</strong></td>
<td>Hold public hearing and second reading of Ordinance 1510 amending the zoning map for approximately 30 acres of property located on the west side of Hill Road from Townhome (RTH) to &quot;Commercial High Intensity&quot; (CH).</td>
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<tr>
<td>4. <strong>AGENDA</strong></td>
<td>5. <strong>IS THIS ITEM BUDGETED (IF APPLICABLE)?</strong> Yes ☐ No ☐ N/A ✓</td>
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<td>BUDGET AMENDMENT OR N/A</td>
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<td></td>
<td>DETAILED BUDGET AMENDMENT ATTACHED Yes ☐ No ☐ N/A ✓</td>
</tr>
<tr>
<td>6. <strong>BACKGROUND:</strong> (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)</td>
<td>The St. Joe Company wishes to unify this property with approximately 50 acres bordered on the north and west of the property so that a Master Plan can be created and implemented providing for a mixture of land uses. While townhomes are permitted in the CH zoning district, the current RTH zoning would prohibit improvements not directly related to townhomes. The Planning Board considered the request at their December 11, 2019 meeting and recommended approval.</td>
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<td>Staff recommends approval of the requests.</td>
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<td>Notice was timely published of the March 12, 2020 public hearing in the News Herald. The ordinance may be adopted at the conclusion of the public hearing.</td>
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**AGENDA ITEM # 2**
ORDINANCE NO 1510

AN ORDINANCE REZONING FROM TOWNHOUSE (RTH) TO COMMERCIAL HIGH INTENSITY (CH) THAT CERTAIN PARCEL OF LAND LYING WITHIN THE CITY OF PANAMA CITY BEACH, FLORIDA, CONTAINING APPROXIMATELY 28.074 ACRES; LOCATED ON THE WEST SIDE OF HILL ROAD, SOUTH OF PANAMA CITY BEACH PARKWAY, PARCEL ID 33750-020-000, ALL AS MORE PARTICULARLY DESCRIBED IN THE BODY OF THE ORDINANCE; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT; AND PROVIDING THAT THIS ORDINANCE SHALL TAKE EFFECT AS PROVIDED BY LAW.

WHEREAS, The St. Joe Company, the owner of real property designated herein, has initiated this ordinance by filing a petition praying that said real property, being more particularly described below be rezoned from Townhouse (RTH) to Commercial High Intensity (CH); and

WHEREAS, this ordinance changes only the zoning map designation of the real property described herein; and

WHEREAS, the Panama City Beach Planning Board reviewed the land use request, conducted a public hearing on December 11, 2019, and recommended approval of the request; and

WHEREAS, the City Council conducted public hearings on January 9, 2020 and March 12, 2020; and

WHEREAS, after consideration of evidence adduced in a properly advertised public hearing conducted on March 12, 2020, the City found the requested change to be consistent with the currently applicable Comprehensive Growth Development Plan and to reasonably accomplish a legitimate public purpose.
NOW, THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF PANAMA CITY BEACH, FLORIDA:

SECTION 1. The following described parcel of real property situate within the municipal limits of the City of Panama City Beach, Florida, is rezoned from Townhouse (RTH) to Commercial High Intensity (CH), to wit,

SEE ATTACHED AND INCORPORATED EXHIBIT “A”
and the City's Zoning Map is amended accordingly.

SECTION 2. All ordinances or parts of ordinances in conflict herewith are repealed to the extent of such conflict.

SECTION 3. This ordinance shall take effect immediately upon passage, and the land use changes approved herein shall take effect upon, and only upon, adoption by the City Council of Ordinance 1509 adopting a comprehensive plan amendment respecting the lands which are the subject of this ordinance, and that comprehensive plan amendment subsequently becoming effective as provided by law.

PASSED, APPROVED and ADOPTED at the regular meeting of the City Council of the City of Panama City Beach, Florida, this ___ day of ___________, 2020.

ATTEST:

Mike Thomas, Mayor

Mary Jan Bossert, City Clerk
EXAMINED AND APPROVED by me this _____ day of ________________, 2020.

______________________________
Mike Thomas, Mayor

PUBLISHED in the Panama City News-Herald on the 23rd day of December, 2019, and March 5, 2020.

POSTED on pcbgov.com on the _____ day of ________________, 2019.

______________________________
Mary Jan Bossert, City Clerk
EXHIBIT A

DESCRIPTION: (PARCEL "A")

A PARCEL LYING IN SECTION 20, TOWNSHIP 3 SOUTH, RANGE 16 WEST, BAY COUNTY FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT A NAIL AND DISK (NO. 3961) MARKING THE NORTHEAST CORNER OF WALMART AT PIER PARK EAST SUBDIVISION, AS RECORDED IN PLAT BOOK 24, PAGE 65, OF THE PUBLIC RECORDS OF BAY COUNTY, FLORIDA; SAID POINT ALSO BEING A POINT ON THE SOUTH RIGHT OF WAY LINE OF U.S. HIGHWAY 98 (STATE ROAD 30-A, 200' R/W); THENCE PROCEED ALONG THE EAST LINE OF SAID SUBDIVISION AS FOLLOWS: THENCE SOUTH 35 DEGREES 23 MINUTES 26 SECONDS WEST, FOR A DISTANCE OF 243.41 FEET; THENCE NORTH 57 DEGREES 37 MINUTES 44 SECONDS WEST, FOR A DISTANCE OF 32.36 FEET; THENCE SOUTH 32 DEGREES 18 MINUTES 25 SECONDS WEST, FOR A DISTANCE OF 858.97 FEET TO THE SOUTHEAST CORNER OF SAID SUBDIVISION AND THE POINT OF BEGINNING; THENCE LEAVING SAID EAST LINE, PROCEED SOUTH 86 DEGREES 00 MINUTES 43 SECONDS EAST, FOR A DISTANCE OF 1,103.64 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF HILL ROAD (66' R/W); THENCE SOUTH 27 DEGREES 18 MINUTES 43 SECONDS WEST, ON SAID WEST RIGHT OF WAY LINE, FOR A DISTANCE OF 1,353.69 FEET; THENCE SOUTH 31 DEGREES 43 MINUTES 13 SECONDS WEST, ON SAID WEST RIGHT OF WAY LINE, FOR A DISTANCE OF 16.41 FEET TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF SECTION 20; THENCE LEAVING SAID WEST RIGHT OF WAY, PROCEED NORTH 86 DEGREES 13 MINUTES 56 SECONDS WEST, ON SAID SOUTH LINE, FOR A DISTANCE OF 667.00 FEET; THENCE LEAVING SAID SOUTH LINE, PROCEED NORTH 01 DEGREE 03 MINUTES 44 SECONDS EAST, FOR A DISTANCE OF 1,261.81 FEET TO A POINT ON THE SOUTH LINE OF WALMART AT PIER PARK EAST SUBDIVISION; THENCE SOUTH 86 DEGREES 00 MINUTES 43 SECONDS EAST, ON SAID SOUTH LINE, FOR A DISTANCE OF 171.36 FEET TO THE POINT OF BEGINNING.

CONTAINING 28.074 ACRES, MORE OR LESS.
REGULAR ITEM

3
1. **DEPARTMENT MAKING REQUEST/NAME:**
   
   PLANNING/MEL LEONARD

2. **MEETING DATE:**
   
   MARCH 12, 2020

3. **REQUESTED MOTION/ACTION:**
   
   HOLD PUBLIC HEARING AND CONSIDER RESOLUTION APPROVING DEVELOPMENT AGREEMENT WITH THE ST. JOE COMPANY FOR PIER PARK EAST PROJECT

4. **AGENDA**
   
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5. **IS THIS ITEM BUDGETED (IF APPLICABLE)?**
   
   YES ☐  NO ☐  N/A ❑ 

   **BUDGET AMENDMENT OR N/A**

   DETAILED BUDGET AMENDMENT ATTACHED ✔

   **YES ☐  NO ☐  N/A ❑**

6. **BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)**
   
   LAST YEAR THE ST. JOE COMPANY INITIATED THE PROCESS TO AMEND THEIR ZONING AND COMPREHENSIVE PLAN LAND DESIGNATIONS FOR CERTAIN PROPERTY LOCATED ON HILLS ROAD IN ORDER TO UNIFY THE LAND USES PERMITTED WITH APPROXIMATELY 50 ADJACENT ACRES. AS PART OF THAT PROCESS, THE ST. JOE COMPANY HAS REQUESTED THE CITY ENTER A DEVELOPMENT AGREEMENT CONFIRMING THE LAND USES, HEIGHTS AND INTENSITIES FOR THE UNIFIED 78 ACRE PARCEL.

   FLORIDA LAW EXPRESSLY AUTHORIZES A LOCAL GOVERNMENT TO ENTER INTO A DEVELOPMENT AGREEMENT FOLLOWING TWO PUBLIC HEARINGS NOTICED BY MAIL AND PUBLICATION. NOTICE OF THE FIRST PUBLIC HEARING, AND OF THIS SECOND PUBLIC HEARING ON 3/12, HAVE BEEN PROVIDED BY MAIL TO AFFECTED PARTIES WITHIN 300 FEET, AND PUBLISHED IN THE NEWS HERALD.

   THE AGREEMENT HAS BEEN MODIFIED SINCE THE FIRST HEARING, AND THE CHANGES ARE INDICATED IN LEGISLATIVE FORMAT IN THE ATTACHED.

   UPON CONCLUSION OF THE PUBLIC SECOND PUBLIC HEARING ON 3/12, THE COUNCIL MAY APPROVE, APPROVE WITH MODIFICATIONS OR REJECT THE PROPOSED DEVELOPMENT AGREEMENT.
RESOLUTION 20-69

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, APPROVING AN AGREEMENT WITH THE ST. JOE COMPANY REGARDING THE DEVELOPMENT OF APPROXIMATELY 78 ACRES LOCATED WEST OF HILLS ROAD.

BE IT RESOLVED that The appropriate officers of the City are authorized to accept and deliver on behalf of the City that certain Agreement between the City and The St. Joe Company relating to the development of approximately 78 acres of land located west of Hills Road, in substantially the form attached and presented to the Council today, with such changes, insertions or omissions as may be approved by the City Manager and whose execution shall be conclusive evidence of such approval.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in regular session this ___ day of __________, 2020.

CITY OF PANAMA CITY BEACH

By:

______________________________

Mike Thomas, Mayor

ATTEST:

______________________________

Mary Jan Bossert, City Clerk
PIER PARK EAST

DEVELOPMENT AGREEMENT

This DEVELOPMENT AGREEMENT (herein "Agreement") is entered into on this ____ day of __________________ 2020, by THE CITY OF PANAMA CITY BEACH, FLORIDA, a Florida municipal corporation, acting through its City Council (herein "City"), and The St. Joe Company a Florida corporation, its subsidiaries, affiliates and assigns (herein "Owner"), for the purpose of establishing and binding the Owner's development rights for the Property described herein, and providing assurances to the Owner that upon receipt of appropriate Local Development Orders and Development Permits it may proceed with development subject to the terms and conditions of this Agreement.

I. DEFINITIONS

The following definitions shall apply to terms and conditions as used in this Agreement.

1. "Act" and all references to provisions within the Act shall mean the Florida Local Government Development Agreement Act, Sections 163.3220-163.3243, Florida Statutes (2019).

2. "Agreement" shall mean this Development Agreement.

3. "Association" shall mean the master owners association which may be formed pursuant to the provisions of Chapter 617, Florida Statutes, and shall include as members the owners of all development within the Project.

4. "City" shall mean Panama City Beach, Florida and its City Council.

5. "City Council" shall mean the governing body of the City.

6. "Development Permit" shall mean any building permit, environmental permit, or other permit, authorization or approval, except a Local Development Order, and any amendments thereto, which may be required by the City or any agency of either the State of Florida or the government of the United States of America in order for the Owner to develop the Property or part of the Property.

7. "Effective Date" shall mean the effective date of this Agreement as specified in Section VIII of this Agreement.

8. "Height" shall mean the ceiling of the highest habitable floor in a building.

9. "Impervious Area" shall mean the area of non-vertical surfaces that do not readily absorb water; as such term is used or intended generally in the context of stormwater management, engineering, or regulation.

10. "Land Development Code" shall mean the City's Land Development Code in effect on the Effective Date of this Agreement.

11. "Local Development Order" means the approval of an application for a site plan, subdivision plat, variance, or rezoning, which does not authorize development without any required Development Permit.
12. "Ordinances" shall refer to the City's ordinances in effect and published in the Panama City Beach Code of Ordinances on the Effective Date of this Agreement. The term includes all land use regulations governing development of land within the City's jurisdiction except in the Land Development Code (defined above).

13. "Owner" shall mean collectively, The St. Joe Company, its subsidiaries, affiliates and assigns, successors in interest and successors in title permitted herein.

14. "Party" or "Parties" shall refer to the City and the Owner.

15. "Plan" shall mean the Panama City Beach Comprehensive Plan adopted by the City in October, 2009 pursuant to Chapter 163, Part II, Florida Statutes, as it has been amended from time to time, which is in effect on the Effective Date of this Agreement.

16. "Project" shall mean the overall development of the Property subject to the provisions and limitations of this Agreement.

17. "Property" shall mean the real property legally described in Exhibit "A" attached hereto and incorporated herein.

18. "Roadways" shall mean all roads and streets internal to the Project.


20. "Term" shall mean the term of this Agreement as set forth in Section VI.

II. RECITALS

WHEREAS, the intent of the "Florida Local Government Development Agreement Act" as expressed in Section 163.3220, Florida Statutes, is as follows:

(1) The Legislature finds and declares that:

(a) The lack of certainty in the approval of development can result in a waste of economic and land resources, discourage sound capital improvement planning and financing, escalate the cost of housing and development, and discourage commitment to comprehensive planning.

(b) Assurance to a developer that upon receipt of his or her development permit or brownfield designation he or she may proceed in accordance with existing laws and policies, subject to the conditions of a development agreement, strengthens the public planning process, encourages sound capital improvement planning and financing, assists in assuring there are adequate capital facilities for the development, encourages private participation in comprehensive planning, and reduces the economic costs of development.

(2) In conformity with, in furtherance of, and to implement the Community Planning Act and the Florida State Comprehensive Planning Act of 1972, it is the intent of the Legislature to encourage a stronger commitment to comprehensive and capital facilities planning, ensure
the provision of adequate public facilities for development, encourage the efficient use of resources, and reduce the economic cost of development.

(3) This intent is effected by authorizing local governments to enter into development agreements with developers subject to the procedures and requirements of Sections 163.3220 - 163.3243, Florida Statutes; and

WHEREAS, the encouragement of an attractive and functional mix of living, working, shopping, and recreational activities is an expressed policy of the State and the City pursuant to Section 187.201(15), Florida Statutes; and

WHEREAS, the application of innovative and flexible planning and development strategies and creative land use planning techniques such as clustering and mixed-use development are clearly encouraged and contemplated by the State and the City pursuant to Section 163.3177(1), Florida Statutes; and

WHEREAS, the Owner desires for the Property to be developed as a mixed-use Development which may include a combination of the uses currently permitted within the Tourist Future Land Use Map Category and the Commercial High Intensity CHz zoning district; and

WHEREAS, the Project has been conceptually designed to contain a cohesive mix of uses including, but not limited to, retail, entertainment center, hotel, and residential uses; and

WHEREAS, since such development demands both a significant investment of the Owner's time and a significant expenditure of the Owner's funds, the Owner is desirous of agreeing upon, and reducing to contractual terms, the existing development rights of the Owner with regard to the Property; and

WHEREAS, it is in the best interests of the City and the citizens of the City that the development of the Property be completed in a planned and orderly fashion, giving consideration to the subjects addressed in this Agreement; and

WHEREAS, the Owner and the City have agreed upon terms and conditions relating to the development of the Property and the Owner's development rights which are acceptable to the Owner and to the City and the Owner and City deem it appropriate that the terms and conditions of their agreements be reduced to written form; and

WHEREAS, the Act provides a vehicle for the Owner and the City to document the assurances sought by each; and

WHEREAS, pursuant to the requirements of Section 163.3225, Florida Statutes, the City has held the two required public hearings with respect to this Agreement on the ___ day of ____________, 2020, and the _____ day of ____________, 2020, with notice of such hearings having been provided as required by law, and has considered the public comments and record of such public hearings.

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein, and other good and valuable considerations, the Owner and the City agree:

III. FINDINGS

1. The foregoing Definitions and Recitals are correct and complete and are incorporated herein.
2. The Owner holds legal and equitable title to the Property.

3. The Property consists of approximately 76.98 acres designated as of the Effective Date on the Future Land Use Map in the Plan as "Tourist," as shown on attached and incorporated Exhibit "B," and zoned as of the Effective Date as Commercial High Intensity (CH). A portion of the Property is located within the FBO-2 Overlay District.

4. The Owner intends to proceed with development in accordance with the densities, intensities and building heights (and limits) specified in this Agreement and the uses permitted and set forth in this Agreement. Upon reliance on this Agreement, Owner will expend substantial sums of money for developing the site.

5. The Owner acknowledges that it has initiated the request that the City enter into this Agreement; that the terms and conditions of the Agreement incorporate proposals made by the Owner and agreed to by the City; and that the City has not required the Owner to draft or enter into this Agreement.

6. The public hearings notices, procedures, and conditions required by the Act relating to the Agreement have been held and met.

IV. AUTHORITY

Execution of this Agreement is expressly authorized by Section 163.3223, Florida Statutes.

V. PUBLIC HEARINGS

Public hearings required to enter into, amend or revoke this Agreement have been or shall be advertised and held in accordance with the provision of Section 163.3225, Florida Statutes.

VI. STATUTORY REQUIREMENTS

Required provisions to be included within this Agreement, as set forth in Section 163.3227 of the Act, are hereinafter addressed as follows:

1. Legal Description. The legal description of the Property is attached as Exhibit "A".

2. Duration of the Agreement. The Term of this Agreement shall be ten (10) years from the Effective Date, unless otherwise terminated or extended by mutual consent of the Parties or in accordance with either applicable law or the provisions of this Agreement. The City shall have the option to unilaterally terminate this Agreement if an application for a Local Development Order for the entire Property has not been filed within four (4) years of the Effective Date of this Agreement, or physical development of the Property pursuant to a Development Permit has not commenced within two (2) years after the filing of an application for a Local Development Order and been continued in a manner consistent with the economic conditions of the community as a whole as opposed to the value or development potential of the Property individually.
3. Development Rights and Uses. During the Term of this Agreement and whenever Owner is not in breach of any material covenant of this Agreement, the City hereby agrees that:

(a) The Owner shall have the right to proceed with development of that portion of the Property shown upon Exhibit "C," for the uses currently permitted in Commercial High Intensity (CH) zones under the Land Development Code, subject always to the terms and conditions of this Agreement; provided, however, that Owner's right to proceed with such development is conditioned upon the Owner having first obtained all Local Development Orders and Development Permits required for the development. The density and intensity and heights set out below in subsection (e) are the maximum that will be allowed. The Owner may, in its sole discretion, apply for more limited amount of development. At the termination of this Agreement, by the passage of time or otherwise, any unused density or intensity that is not authorized by an appropriate Local Development Order is released and may be included by the City in any determination of average density.

(b) Whenever Owner is not in breach of any material covenant of this Agreement, the Owner is entitled to apply for Local Development Orders and Development Permits required to carry out the development substantially as described in this Agreement.

(c) The City will review Owner's application for a Local Development Order and Development Permit issued under the City's jurisdiction for the Project pursuant to the Plan and Ordinances, and pursuant to the City's Land Development Code in effect on the date of filing such applications (except as provided in subsection (d) below). In the event of any conflict or inconsistency between this Agreement and the Plan and ordinances identified above, this Agreement shall control. Ordinances or regulations adopted after the Effective Date of this Agreement shall not preclude the Owner from developing the uses specifically allowed in this Agreement at the densities, intensities, building height, and other development parameters specified herein.

(1) Master Stormwater Review. As part of the master planning process, the developer will coordinate with a stormwater and watershed management consultant (the "Consultant"), as selected by the City. The developer will provide a site plan consisting of the following:
   i. Master stormwater consisting of off-site flow, pond locations, discharge points, and outfall location
   ii. Impervious Surface Ratio (ISR)

   The Consultant will use that information to update the floodplain model and determine if the proposed ISR maintains the floodplain standards. Once the Consultant has completed their review and provided a recommendation on the overall site plan, the City will be able to process the individual development orders within the site plan without further floodplain review. The Consultant will no longer be required to analyze on a project by project basis in order to receive project approval; instead the model can be updated when approved DO plans have been issued.

(d) Changes to Comprehensive Plan and Land Development Code. Except as specifically provided herein, the City's Comprehensive Plan and Land Development Code in effect on the effective date of this Agreement as they specify the land use, building height, density and intensity of the land.
use shall apply to the Property for the duration of this Agreement. Changes to the Comprehensive Plan or the Land Development Code adopted or enacted after the Effective Date of this Agreement, shall apply except as such changes modify the land uses permitted by the current Comprehensive Plan and Land Development Code or restrict the building height, densities or intensities of the development outlined in this Agreement.—provided, that, the City conducts a public hearing and determines: a) the proposed changes are not in conflict with the laws and policies governing this Agreement and do not prevent development of the land uses, intensities, or densities in this Agreement; b) the proposed changes are essential to the public health, safety, or welfare, and expressly state they shall apply to a development that is subject to this Agreement; c) the proposed changes are specifically anticipated and provided for in this Agreement; and, d) the City demonstrates that substantial changes have occurred in pertinent conditions existing at the time of approval of this Agreement, or (e) the development agreement is based on substantially inaccurate information supplied by the developer. The Owner and the City may enter into mutual, written agreements making later adopted plan amendments or regulations applicable to the Property without the necessity of amending this Agreement.

(e) The following buffer, density, intensity, and building height limitations shall apply to the Property;

(1) Density and Intensity. The maximum density for residential use shall be forty-five (45) dwelling units per acre as provided in the currently adopted (December 12, 2019) Land Development Code for CH zones. Density shall not be reduced or limited in any way by a determination of average density that includes development outside the Property. Intensity shall be limited to a maximum floor area ratio of 80% as provided in the Plan, Ordinances or Land Development Code for CH zones adopted December 12, 2019.

(2) Front Beach Overlay Building Height. Development within the Front Beach Overlay-2 (FBO-2), as depicted on Exhibit “B”, shall be limited to 45 feet in height.

(3) Building Height. Development on the remainder of the Property, outside of FBO-2, as depicted on Exhibit “B”, shall be limited to a height of 65 feet.

(4) Buffer. A landscape buffer shall be required where property outside of the Project is zoned residential and is directly adjacent to commercial uses within the Project boundary. The minimum buffer width shall be 20 feet and be planted with one large or medium tree for each 60 linear feet of property on the boundary separating the adjacent Uses. No buffer shall be required internal to the Project.

(5) Development Not a Non-Conforming Use. The Parties acknowledge and agree that development of the Property under the terms and conditions of this Agreement shall not be deemed to be a non-conforming use during the Term.

(f) Owner acknowledges its responsibility, and agrees, to satisfy any transportation proportionate fair share obligation imposed upon it by law in effect at the time of issuance of a Development Order.

4. Impact Fees and Assessments. All development on the Property shall be subject to such impact fees at such rates as may be imposed by the City from time to time.
(a) If during the term of this Agreement, the City of Panama City Beach Community Redevelopment Agency or City of Panama City Beach completes an expansion of Hills Road, which abuts the eastern boundary of Owner's Property, and no dispute exists between the Parties, Owner agrees to dedicate to the City a 34’ right-of-way along the western side of Hills Road in exchange for the granting of concurrency credits, including, but not limited to, credits for any transportation proportionate fair share obligation of the Owner, in favor of Owner. The proposed right-of-way consists of approximately 1,896.64 LF, for a total of 1.4804 acres and is shown on the attached Exhibit “D” . In the event the City doesn’t move forward with the expansion of Hills Road, or is no longer acting in good faith of the agreement herein, Owner shall retain ownership of the right-of-way and pay the then applicable impact fees.

(b) There shall be no exemption from special assessments or user fees in favor of the Owner.

5. Permits Required by State or Federal Agencies. Any state or federal permits required to commence development of the Property shall be obtained prior to the start of construction.

6. Description of Public Facilities. Public facilities needed to service development authorized by this Agreement, the providers, the dates any new facilities will be constructed, and a schedule to assure that public facilities are available concurrent with the impacts of development are as follows:

(a) Potable Water Service. Subject to the City's ordinances, policies, rules and regulations established from time to time and consistently applied, retail potable water service will be supplied to the Project by the City. Owner will construct or cause to be constructed all necessary water service infrastructure within the Project in accordance with reasonable engineering standards established from time to time by the City and the Florida Department of Environmental Protection. The water service infrastructure within the Project will be ultimately owned and maintained by the Owner or the Association, unless dedicated to and accepted by the City in the City's sole discretion. If the infrastructure is owned and maintained by the Association, the Association must have the power to assess members of the Association for the ongoing maintenance of the water service infrastructure and to impose liens on all of the Property and all lots, parcels and units within the Project to secure the payment of such assessments. Owner's reservation of water service to be available to such Units is conditioned upon Owner purchasing from City an adequate number of water and sewer taps at then-current rates to service the number of such Units to be constructed. Owner agrees that potable water availability and service shall be subject to Panama City Beach Code Section 23-31 (2003) entitled Capacity Reservation and Developer Improvements (see Section 23-31 (2003)).

(b) Wastewater Collection, Transmission, Treatment, and Disposal. Subject to the City's ordinances, policies, rules and regulations established from time to time and consistently applied, retail wastewater treatment and disposal services will be supplied to the Project by the City. Owner will construct or cause to be constructed all necessary wastewater collection and transmission infrastructure within the Project in accordance with reasonable engineering standards established from time to time by the City and the Florida Department of Environmental Protection. The wastewater collection and transmission infrastructure within the Project will be ultimately owned and maintained by the Owner or the Association unless dedicated to and accepted by the City, in the City's sole discretion. If the wastewater collection and transmission infrastructure is owned and maintained by the Association, the Association must have the power to assess members of
the Association for the ongoing maintenance of the infrastructure and to impose liens upon all of the Property and all lots, parcels and units within the Project to secure the payment of such assessments. Owner’s reservation of wastewater treatment and disposal service to be available to Units in the Project is conditioned upon Owner purchasing from City an adequate number of water and sewer taps at then-current rates to service the number of Units to be constructed. Owner agrees that the availability of wastewater treatment capacity and service shall be subject to Panama City Beach Code Section 23-31 (2003) entitled Capacity Reservation and Developer Improvements (see Section 23-31 (2003)).

(c) Roadways. Owner will construct or cause to be constructed all Roadways and vehicular access areas in accordance with reasonable engineering standards established from time to time by the City based upon the nationally accepted standards found in "A Policy on Geometric Design of Highways and Streets, 7th ed., 2018 American Association of State Highway and Transportation Officials (AASHTO)", commonly known as the "Green Book." All such roadways shall be owned and maintained by the Owner, and eventually by the Association. The Association must have the power to assess its members for the ongoing maintenance of the internal roadways and to impose liens on all of the Property and all lots, parcels and units within the Project to secure the payment of such assessments. Roadways and vehicular access areas internal to the Project may, but are not required to be, constructed of pervious and semi-pervious materials, such as pervious asphalt, provided that such materials are not lose or frangible, such as gravel. Any portion of a Roadway or vehicle access area constructed on a public right of way, such as the connection apron between an off-site street and the Roadway, shall be constructed of solid material reasonably acceptable to the City. Roadways shall be constructed with a minimum pavement width of 22 feet measured from edge of pavement to edge of pavement, provided, however, that in no event shall a Roadway, in the reasonable judgment of the City, be such that it will not accommodate emergency vehicles, e.g., fire trucks, ambulances.

(d) Pathways. Sidewalks, paths, trails and other non-vehicular pathways may be constructed of compacted soil, white clay, limestone, concrete, pavers, asphalt and other materials selected by the Owner provided that they are privately maintained. Owner agrees to provide sidewalks of the material and size included in any redevelopment plan associated with the Front Beach Road Community Redevelopment Agency.

(e) Stormwater/Drainage. All stormwater runoff and drainage system improvements within the Property will be: (i) designated by Owner in accordance with reasonable engineering standards established from time to time by the City and the Florida Department of Environmental Protection, (ii) constructed or caused to be constructed by Owner, and (iii) owned and maintained by Owner or the Association, unless dedicated and accepted by the City in the City’s sole discretion. The City will not be responsible for any construction or maintenance costs associated with the stormwater/drainage system within the Property. In the event that the onsite stormwater/drainage system is not dedicated to and accepted by the City, in the City’s sole discretion, the stormwater drainage system will be owned and maintained by the Owner or the Association which must have the power to assess members of the Association for the ongoing maintenance of the stormwater drainage system, and to impose liens upon all of the Property and all lots, parcels and units within the Project to secure the payment of such assessments.
(f) Reclaimed Water for Irrigation. Subject to the City's ordinances, policies, rules and regulations established from time to time and consistently applied, retail reclaimed water service for irrigation will be supplied to the Project by the City. Owner will construct or cause to be constructed, all necessary infrastructure for distribution of reclaimed water for irrigation infrastructure within the Project in accordance with reasonable engineering standards established from time to time by the City and the Florida Department of Environmental Protection. The infrastructure for distribution of reclaimed water for irrigation infrastructure within the Project will be ultimately owned and maintained by the Owner or the Association unless dedicated to and accepted by the City, in the City's sole discretion. If the infrastructure for distribution of reclaimed water for irrigation infrastructure is owned and maintained by the Association, the Association must have the power to assess members of the Association for the ongoing maintenance of the infrastructure for distribution of reclaimed water for irrigation infrastructure and to impose liens upon all of the Property and all lots, parcels and units within the Project to secure the payment of such assessments. Owner's reservation of reclaimed water for irrigation in the Project is conditioned upon Owner purchasing from City an adequate number of taps to service the number of such Units to be constructed.

(g) Solid Waste Collection. All solid waste collection within the Project will be supplied by private contract, unless the City shall establish a mandatory garbage collection system in which case solid waste collection would then be supplied in accordance with that system.

(h) Other Utility Services. All utilities, not otherwise covered in this paragraph 6, including telephone, cable and electricity will be supplied directly by the applicable utility companies. The City will not be responsible for any construction, maintenance or provision of any such utility services. Telephone, cable, and electricity will be scheduled to be supplied to various areas of the Project as improvements are constructed requiring the services.

(i) Recreational Facilities. Any recreational areas to be constructed as part of the Project for residents and guests of the Units to be constructed on the Property will be constructed as part of the Project, and constructed or caused to be constructed by the Owner and maintained by the Owner or the Association. The City will not be responsible for providing, constructing or maintaining any of the recreational facilities to be constructed as a part of the Project.

(j) Educational Facilities. Subject to the City's ordinances, policies, rules and regulations established from time to time and consistently applied, educational facilities will be supplied to the Project by the Bay District School system. A school impact analysis will be conducted at the time of development order application for residential development.

(k) The Parties agree that any new facilities required to serve the Project will be constructed as part of the development. The facilities will serve and will be available concurrent with the impact of development.

7. The Association and Sub-Associations. In addition to the Association, the Owner reserves the right to form, or cause to be formed, homeowners associations, condominium associations or other sub-associations which would be applicable only to certain portions of the Project.

8. Consistency With Comprehensive Plan and the City's Land Use Regulations.
(a) The City hereby finds and confirms that, subject to this Agreement becoming effective upon final approval of the related and concurrent large scale Plan amendment and rezoning of the Property, the density, intensity, building heights, and all other terms and conditions of development as set forth in this Agreement are consistent with the Panama City Beach Comprehensive Plan and the uses permitted by the City's Land Development Code. During the Term, all development that conforms to this Agreement shall be lawfully conforming development as to height, density and intensity and use, regardless of any later amendments to the building height, density or intensity standards or uses permitted in the Plan, or Land Development Code. Notwithstanding the foregoing, City reserves the right to deny any Development Permit which does not meet concurrency requirements for roads, potable water, wastewater, solid waste, stormwater or recreation as specified in the Plan.

b) The Parties acknowledge that the City has adopted a Transportation Concurrency Exception Area ("TCEA") that include the Property. Owner shall be entitled to take full advantage of the TCEA in the same manner as any other property owner, provided that Owner makes any proportionate share payment required from time to time by the City to implement the TCEA.

9. Compliance With All Applicable Permit and Approval Requirements. The Owner hereby acknowledges and agrees that the failure of this Agreement to address a particular permit condition, term, restriction, approval, or requirement with respect to the development of the Project, shall not relieve the Owner of the necessity of complying with the law governing said permitting requirements, condition, term, or restriction, or obtaining any applicable permit or approval prior to initiating any part or phase of the development of the Property for which such permit or approval may be required subject in all respects to Owner’s right to complete the full development authorized by this Agreement.

10. Timing of Development. The City acknowledges that the most efficient development of the Property depends upon numerous factors, such as market demand, interest rates and competition. Accordingly, the timing and sequencing of development shall be as determined by the Owner consistent with this Agreement.

VII. LOCAL LAWS AND POLICIES

The City's laws and policies governing development of the land at the time of the execution of the development agreement shall govern the development of the land for the duration of the development agreement. However, this Agreement specifically anticipates and provides that the City may apply certain subsequently adopted Land Development Code to the development of the Property, as identified in this Agreement; provided, however, that Owner is entitled to apply for a Development Order and all Development Permits required to carry out the maximum development substantially as described in this Agreement. Other subsequently adopted ordinances and policies may be applied to the development that is the subject of this Agreement as provided in Section 163.3223(2)(a), (b), (c), (d), and (e), Florida Statutes (2019); provided, however, that no subsequently adopted law or policy shall be construed to render any development to which the Owner is entitled under this Agreement or a validly issued Development Order nonconforming during the Term. Nothing set forth in this Section VII shall act to abrogate any rights which may vest in the Owner with respect to the development of the Property pursuant to common law.
VIII. RECORDING AND EFFECTIVE DATE

Within fourteen (14) days after the City executes this Agreement with the Owner, the City shall cause this Agreement to be recorded in the Official Records of Bay County, Florida. A copy of the recorded Agreement shall be submitted to the State Department of Economic Opportunity within fourteen (14) days after the Agreement is recorded. A copy of the recorded Agreement shall also be provided to the Owner. This Agreement shall not be effective until (a) it has been recorded in the Official Records of Bay County, Florida, and (b) until thirty (30) days have elapsed after this Agreement has been received by the State Department of Economic Opportunity, and (c) the related and concurrent large scale Plan amendment and rezoning of the Property have both become finally effective. If this Agreement does not become effective on or before ________________, 2020, it shall terminate, expire and be of no further force and effect. This Agreement shall be binding upon and shall benefit and inure to the successors in interest of the Parties to this Agreement.

IX. ASSIGNMENT OF DEVELOPMENT RIGHTS AND OBLIGATIONS

The City acknowledges that the Owner has the right at any time, upon written consent of the City, to assign some or all of its rights in, but not less than all, of this Agreement, together with the development rights and obligations established herein, to a third-party owner(s) and developer(s) of the Property, provided that any such assignee third-party owner(s) and developer(s) shall be bound to develop the Property in accordance with the provisions of this Agreement. In the event that the Owner assigns its rights in this Agreement to third party owners and developers, then the Owner shall record a Notice of Assignment of Development Agreement Rights ("Notice of Assignment") in the Official Records of Bay County, Florida, specifying: (a) the densities and intensities assigned to the third party owners and developers; (b) identifying with a sketch and legal description the land to which the densities and intensity have been transferred; and (c) the densities and intensities retained by the Owner and or previously assigned to other third party owners and or developers. In addition to recording the Notice of Assignment in the Official Records of Bay County, Florida, the Owner shall provide the Notice of Assignment to the City in accordance with section XI of this Agreement. Provided, further, that by executing this Agreement the City consents in advance that Owner may assign all, but not less than all, of this Agreement to any assignee as to which a party to this Agreement is an equity owner in the assignee without prior written consent of the City. The City and the Owner acknowledge that, in accordance with Section 163.3239, Florida Statutes (2019), the burdens of this Agreement and the benefits of this Agreement shall inure to the benefit of and be binding upon all of the successors in interest to the Parties to this Agreement.

X. DISPUTE RESOLUTION

1. Notice of Default. The City agrees to use its best efforts to promptly notify the Owner of any breach of a material covenant under this Agreement, provided that the failure to do so shall not constitute a waiver of the same or of any subsequent breach, or affect any remedy available to the City.
2. **Mediation.** The Parties will attempt in good faith to resolve by mediation any controversy or claim of any kind or nature arising out of or relating to this Agreement prior to the commencement of any litigation. If the Parties are unable to agree upon a mediator to serve, the mediator shall be selected by the Chief Judge of the Circuit Court of the First Judicial Circuit of the State of Florida, upon application being made by either party. The mediation shall be set by the mediator. The mediation process shall be concluded within 30 days after the mediator is selected, unless extended for good cause by the mediator. In the event that any such dispute cannot be resolved by mediation after a good faith effort by both Parties, either party may seek relief in the Circuit Court of the Fourteenth Judicial Circuit, in and for Bay County, Florida.

3. **Remedies.** Following unsuccessful mediation, the affected party shall be entitled to pursue all remedies available at law or in equity as shall be necessary to achieve the intent of this Agreement, including without limitation, the right to obtain specific performance and mandatory injunction, rescission, and the right to such other remedy or remedies as the court having jurisdiction deems appropriate. None of these remedies shall be deemed exclusive of one another or exclusive of any other remedy which the court having jurisdiction deems appropriate. Such remedies shall be granted either singularly, or in combination, and to the extent necessary to achieve the intent of the Agreement.

4. Upon a breach of a material covenant under this Agreement which also is a violation of a Development Permit issued by the City, the City shall have all rights and remedies accorded to it under general law with respect to such Development Permit. The provisions of this paragraph are cumulative to any other remedy available to the City.

5. **Estoppel Certificate.** At any time and from time to time, the Owner may request from the City a certificate acknowledging that proposed or constructed facilities; or proposed or finalized documents, comply with specific provisions of this Agreement. Upon the receipt of such request, the City shall have fifteen (15) working days to either issue such certificate or request such additional information or documentation as it may deem appropriate or, necessary to make the requested certificate. In lieu of such additional information or documentation, the Owner may request that the City make stated assumptions in its certificate regarding the matters which would be elicited by such additional information or documentation. Upon receipt of any requested additional information or documentation, or the Owner's request that the City make certain assumptions in lieu of such documentation, the City shall promptly (and in no event more than fifteen (15) working days after such receipt) prepare a certificate stating whether or not the proposed or constructed facilities or the proposed or finalized documents comply with the specified provisions of this Agreement. The City shall be estopped from taking a position inconsistent with such certificate.

**XI. NOTICES**

Any notices required or elected to be given by either of the Parties pursuant to the terms of this Agreement shall be deemed effectively provided when (1) placed in the United States Mail, Certified Mail Return Receipt Requested, (2) placed in the hands of an overnight delivery service e.g. Federal Express, Airborne Express, (3) telefaxed to Parties, or (4) hand delivered to the Parties at the addresses and telefax numbers provided below.
XII. MISCELLANEOUS

1. Amendment. No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by all Parties hereto after notice required by law.

2. Headings. The headings of the sections and paragraphs in this Agreement are for convenience of the reader and do not control the meaning of the provision of this Agreement.

3. Severability. If any provision of this Agreement is declared invalid or unenforceable in a court of competent jurisdiction, the other provisions of this Agreement shall remain in full force and effect.
4. Drafting. Both Parties have participated in the drafting and preparation of this Agreement and the provisions hereof shall not be construed for or against any party by reason of authorship.

5. Cost and Expenses. Simultaneously with the execution of this Agreement, Owner shall pay the City the sum of $__________________________ to cover the City’s costs and expenses of entering into this Agreement.

6. No Waiver. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision of this Agreement, whether or not similar, unless otherwise expressly provided. Neither the failure or any delay by any party hereto in exercising any right or power under this Agreement nor any course of dealing between the City, on the one hand, and the Owner or its permitted assignee, on the other hand, will operate as a waiver of such right or power, and no single or partial exercise of any such right or power will preclude any other of further exercise of such right or power or the exercise of any other right or power.

IN WITNESS WHEREOF, the Parties have set their hands and seals on the day and year first written above.

Signed, Sealed and delivered in the presence of:

______________________________________
Witness
Print Name_______________________Name:________________________________________
Title:__________________________________________

______________________________________
Witness
Print Name_______________________

STATE OF FLORIDA
COUNTY OF __________

The foregoing instrument was acknowledged before me by means of ___ physical presence or ___ online notarization, this _____ day of _____________, 2020 by __________________________ as __________________________ of THE ST. JOE COMPANY, a Florida corporation. He/she is personally known to me or has produced ______________________ as identification.

______________________________________
AGENDA ITEM #3
EXHIBIT “A”  Legal Description

A PARCEL LYING IN SECTIONS 20 AND 21, TOWNSHIP 3 SOUTH, RANGE 16 WEST, BAY COUNTY FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT A NAIL AND DISK (NO. 3961) MARKING THE NORTHEAST CORNER OF WALMART AT PIER PARK EAST SUBDIVISION, AS RECORDED IN PLAT BOOK 24, PAGE 65, OF THE PUBLIC RECORDS OF BAY COUNTY, FLORIDA; SAID POINT ALSO BEING A POINT ON THE SOUTH RIGHT OF WAY LINE OF U.S. HIGHWAY 98 (STATE ROAD 30-A, 200' R/W); THENCE PROCEED SOUTH 54 DEGREES 11 MINUTES 29 SECONDS EAST, ON SAID SOUTH RIGHT OF WAY, FOR A DISTANCE OF 881.90 FEET TO A FOUR INCH SQUARE CONCRETE MONUMENT AND THE INTERSECTION OF THE WEST RIGHT OF WAY LINE OF HILL ROAD (66' R/W); THENCE LEAVING SAID SOUTH RIGHT OF WAY, PROCEED SOUTH 27 DEGREES 18 MINUTES 43 SECONDS WEST, ON SAID WEST RIGHT OF WAY, FOR A DISTANCE OF 1,880.28 FEET TO A 5/8 INCH IRON ROD (NO. 7070); THENCE SOUTH 31 DEGREES 43 MINUTES 13 SECONDS WEST, ON SAID WEST RIGHT OF WAY, FOR A DISTANCE OF 16.41 FEET TO A FOUR INCH SQUARE CONCRETE MONUMENT ON THE SOUTH LINE OF THE NORTHEAST QUARTER OF SECTION 20; THENCE LEAVING SAID WEST RIGHT OF WAY, PROCEED NORTH 86 DEGREES 13 MINUTES 56 SECONDS WEST, ON SAID SOUTH LINE, FOR A DISTANCE OF 1,894.52 FEET TO A POINT ON THE NORTH LINE OF AQUA CONDOMINIUMS, AS RECORDED IN OFFICIAL RECORDS BOOK 2933, PAGE 1829, OF THE PUBLIC RECORDS OF BAY COUNTY; THENCE LEAVING SAID SOUTH LINE, PROCEED NORTH 57 DEGREES 57 MINUTES 06 SECONDS WEST, ON SAID NORTH LINE AND THE WESTERLY PROJECTION THEREOF, FOR A DISTANCE OF 66.55 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF FIRST AVENUE (35' R/W); THENCE SOUTH 32 DEGREES 09 MINUTES 30 SECONDS WEST, ON SAID WEST RIGHT OF WAY, FOR A DISTANCE OF 35.84 FEET TO A 5/8 INCH IRON ROD (NO. 6745) ON THE AFORESAID SOUTH LINE OF THE NORTHEAST QUARTER OF SECTION 20; THENCE LEAVING SAID WEST RIGHT OF WAY, PROCEED NORTH 86 DEGREES 13 MINUTES 56 SECONDS WEST, ON SAID SOUTH LINE, FOR A DISTANCE OF 9.87 FEET TO A POINT ON THE EAST LINE OF THE PROPERTY DESCRIBED IN OFFICIAL RECORDS BOOK 2540, PAGE 172, OF THE PUBLIC RECORDS OF BAY COUNTY; THENCE LEAVING SAID SOUTH LINE, PROCEED NORTH 00 DEGREES 39 MINUTES 54 SECONDS EAST, ON SAID EAST LINE, FOR A DISTANCE OF 48.01 FEET TO A 5/8 INCH IRON ROD (NO ID.) ON THE SOUTHEASTERLY LINE OF THE PROPERTY DESCRIBED IN OFFICIAL RECORDS BOOK 3557, PAGE 309 OF THE PUBLIC RECORDS OF BAY COUNTY; THENCE LEAVING SAID EAST LINE, PROCEED ALONG THE SOUTHEASTERLY AND NORTHEASTERLY BOUNDARY LINES OF SAID PARCEL AS FOLLOWS: THENCE NORTH 32 DEGREES 18 MINUTES 17 SECONDS EAST, FOR A DISTANCE OF 458.55 FEET TO A 5/8 INCH IRON ROD (NO ID.); THENCE NORTH 57 DEGREES 42 MINUTES 35 SECONDS WEST, FOR A DISTANCE OF 160.54 FEET TO A 5/8 INCH IRON ROD (NO ID.) ON THE SOUTHEASTERLY LINE OF THE PROPERTY DESCRIBED IN OFFICIAL RECORDS BOOK 3557, PAGE 309, OF THE PUBLIC RECORDS OF BAY COUNTY; THENCE LEAVING SAID NORTHEASTERLY LINE, PROCEED NORTH 32 DEGREES 18 MINUTES 37 SECONDS EAST, ON SAID SOUTHEASTERLY LINE, FOR A DISTANCE OF 837.78 FEET TO A 5/8 INCH IRON ROD (NO. 3961) MARKING THE SOUTHWEST CORNER OF AFORESAID WALMART AT PIER PARK EAST SUBDIVISION; THENCE LEAVING SAID SOUTHEASTERLY LINE, PROCEED SOUTH 86 DEGREES 00 MINUTES 43 SECONDS EAST, ON THE SOUTH LINE OF WALMART AT PIER PARK EAST SUBDIVISION, FOR A DISTANCE OF 949.13 FEET TO A 5/8 INCH IRON ROD (NO ID.) MARKING THE SOUTHEAST CORNER OF SAID SUBDIVISION; THENCE LEAVING SAID SOUTH LINE, PROCEED ALONG THE EAST LINE OF SAID SUBDIVISION AS FOLLOWS: THENCE NORTH 32 DEGREES 18 MINUTES 25 SECONDS EAST, FOR A DISTANCE OF 858.97 FEET TO A 5/8 INCH IRON ROD (NO. 3961); THENCE SOUTH 57 DEGREES 37 MINUTES 44 SECONDS EAST, FOR A DISTANCE OF 32.36 FEET TO A 5/8 INCH IRON ROD (NO. 3961); THENCE NORTH 35 DEGREES 23 MINUTES 26 SECONDS EAST, FOR A DISTANCE OF 243.41 FEET TO THE POINT OF BEGINNING.

CONTAINING 76.983 ACRES, MORE OR LESS.

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AGENDA ITEM # 3
REGULAR ITEM 4
CITY OF PANAMA CITY BEACH
AGENDA ITEM SUMMARY

1. **DEPARTMENT MAKING REQUEST/NAME:**  
   ADMINISTRATION/LEGAL

2. **MEETING DATE:**  
   MARCH 12, 2020

3. **Requested Motion/Action:**  
   APPROVE FIRST READING OF ORDINANCE RENEWING FRANCHISE AGREEMENT WITH GULF POWER.

4. **AGENDA**

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<th>Presentation</th>
<th>Public Hearing</th>
<th>Consent</th>
<th>Regular</th>
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5. **IS THIS ITEM BUDGETED (IF APPLICABLE)?**

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<th>Budget Amendment or N/A</th>
<th>Detailed Budget Amendment Attached</th>
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6. **BACKGROUND: (Why is the action necessary, what goal will be achieved)**

   The City's 15-year franchise agreement with Gulf Power expired in March 2016. The City approved an interim agreement as a longer-term agreement was negotiated.

   The proposed agreement differs significantly from the form of the prior franchise, though it aligns more closely with Nextera franchises entered throughout the state. The 30-year franchise proposed maintains the current franchise rate of 5%, though allows for modification of this rate in certain circumstances. The agreement does not provide for the City's buyout of the utility.

   Staff recommends approval.
ORDINANCE NO. 1516

AN ORDINANCE GRANTING TO GULF POWER COMPANY, ITS SUCCESSORS AND ASSIGNS, AN ELECTRIC FRANCHISE, IMPOSING PROVISIONS AND CONDITIONS RELATING THERETO, PROVIDING FOR MONTHLY PAYMENTS TO PANAMA CITY BEACH, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of Panama City Beach, Florida recognizes that Panama City Beach and its citizens need and desire the continued benefits of electric service; and

WHEREAS, the provision of such service requires substantial investments of capital and other resources in order to construct, maintain and operate facilities essential to the provision of such service in addition to costly administrative functions, and Panama City Beach does not desire to undertake to provide such services; and

WHEREAS, Gulf Power Company (Gulf Power) is a public utility which has the demonstrated ability to supply such services; and

WHEREAS, Gulf Power and Panama City Beach are parties to an existing franchise agreement, the terms of which are set forth in Panama City Beach Ordinance No. 714 granting to Gulf Power, its successors and assigns, an electric franchise ("Current Franchise Agreement"); and

WHEREAS, Gulf Power and Panama City Beach desire to enter into a new agreement (New Franchise Agreement) providing for the payment of fees to Panama City Beach in exchange for the nonexclusive right and privilege of supplying electricity and other
services within Panama City Beach free of competition from Panama City Beach, pursuant to certain terms and conditions, and

WHEREAS, the City Council of Panama City Beach deems it to be in the best interest of Panama City Beach and its citizens to enter into the New Franchise Agreement;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF PANAMA CITY BEACH, FLORIDA:

Section 1. There is hereby granted to Gulf Power Company, its successors and assigns (hereinafter called the "Grantee"), for the period of 30 years from the effective date hereof, the nonexclusive right, privilege and franchise (hereinafter called "franchise") to construct, operate and maintain in, under, upon, along, over and across the present and future roads, streets, alleys, bridges, easements, rights-of-way and other public places (hereinafter called "public rights-of-way") throughout all of the incorporated areas, as such incorporated areas may be constituted from time to time, of Panama City Beach, Florida, and its successors (hereinafter called the "Grantor"), in accordance with the Grantee's customary practice with respect to construction and maintenance, electric light and power facilities, including, without limitation, conduits, poles, wires, transmission and distribution lines, and all other facilities installed in conjunction with or ancillary to all of the Grantee's operations (hereinafter called "facilities"), for the purpose of supplying electricity and other services to the Grantor and its successors, the inhabitants thereof, and persons beyond the limits thereof.
Section 2.

a) Grantee’s Facilities shall be so located, relocated, installed, constructed and so erected as to not unreasonably interfere with the convenient, safe, continuous use or the maintenance, improvement, extension or expansion of any public “road” as defined under the Florida Transportation Code, nor unreasonably interfere with traffic over the Public Rights-Of-Way, nor unreasonably interfere with reasonable egress from and ingress to abutting property.

b) To minimize conflicts with the standards set forth in subsection (a) above, the location, relocation, installation, construction, or erection of all facilities shall be made as representatives of the Grantor may prescribe in accordance with the Grantor’s reasonable rules and regulations with reference to the placing and maintaining in, under, upon, along, over and across said public rights-of-way; provided, however, that such rules or regulations shall be (i) for a valid municipal purpose; (ii) shall not prohibit the exercise of Grantee’s rights to use said public rights-of-way for reasons other than conflict with the standards set forth above; (iii) shall not unreasonably interfere with Grantee’s ability to furnish reasonably sufficient, adequate and efficient electric service to all of its customers while not conflicting with the standards set forth above; or (iv) shall not require the relocation of any of Grantee’s Facilities installed before or after the effective date hereof in public right-of-way unless or until the facilities unreasonably interfere with the convenient, safe, or continuous use,
or the maintenance, improvement, extension, or expansion, of such public “road”.

c) Such rules and regulations shall recognize that Grantee’s above-grade Facilities installed after the effective date hereof should, unless otherwise permitted, be installed near the outer boundaries of the public right-of-way to the extent possible and such installation shall be consistent with the Florida Department of Transportation’s Manual of Uniform Minimum Standards for Design, Construction and Maintenance for Streets and Highways.

d) When any portion of a public right-of-way is excavated, damaged, or impaired by Grantee or any of its agents, contractors or subcontractors because of the installation, inspection, or repair of any of its facilities, the portion so excavated, damaged or impaired shall, within a reasonable time and as early as practicable after such excavation be restored to its original condition before such damage by the Grantee at its expense.

e) The Grantor shall not be liable to Grantee for any cost or expense incurred in connection with any relocation of Grantee’s facilities required under this Section, except, however, Grantee shall be entitled to reimbursement of its costs and expenses from others as provided by law.

Section 3. The Grantor shall in no way be liable or responsible for any accident or damage that may occur in the construction, operation or maintenance by the Grantee of its facilities hereunder, and the acceptance of this ordinance shall be deemed an agreement on the part of the Grantee to indemnify the Grantor and hold it harmless against any and all
liability, loss, cost, damage or expense which may accrue to the Grantor by reason of the negligence, default or misconduct of the Grantee in the construction, operation or maintenance of its facilities hereunder.

Section 4. All rates and rules and regulations established by the Grantee from time to time shall be subject to such regulation as may be provided by law.

Section 5. As a consideration for this franchise, the Grantee shall pay to the Grantor, commencing 90 days after the effective date hereof, and each month thereafter for the remainder of the term of this franchise, an amount which added to the amount of all licenses, excises, fees, charges and other impositions of any kind whatsoever (except ad valorem property taxes and non-ad valorem tax assessments on property) levied or imposed by the Grantor against the Grantee's property, business or operations and those of its subsidiaries during the Grantee's monthly billing period ending 60 days prior to each such payment will equal five (5%) percent of the Grantee's billed revenues, less actual write-offs, exclusively from the sale of electrical energy to customers served under Grantee's residential, commercial and industrial rate schedules (as such customers and rate schedules are defined by Gulf Power's Tariff for Retail Electric Service) within the incorporated areas of the Grantor for the monthly billing period ending 60 days prior to each such payment, and in no event shall payment for the rights and privileges granted herein exceed six (6%) percent of such revenues for any monthly billing period of the Grantee. The Grantor understands and agrees that such revenues as described in this paragraph are limited to the precise revenues described therein.
The Grantor shall, as provided herein, have the right to change the percentage remitted to any rate between 0.5 percent and 6.0 percent. The Grantor shall not exercise such right more than once in any calendar year. If the Grantor changes the rate, the Grantor shall give Grantee at least 60 days' advance written notice prior to the effective date of the new rate, which date shall always be on the first day of Grantee's "billing cycle", and Grantee shall have 60 days after such effective date to begin remitting the fee provided for herein to the Grantor.

Section 6. If during the term of this New Franchise Agreement, Grantee enters into a franchise agreement with any other municipality located within Gulf Power's service territory, each such municipality or county referred to herein as an "Other Governmental Entity," the terms of which provide for the payment of franchise fees by Grantee at a rate greater than six (6.0%) percent of Grantee's residential, commercial and industrial revenues (as such customers are defined by Grantee's tariff), under the same terms and conditions as specified in Section 6 hereof, Grantee, upon written request of the Grantor, shall negotiate and enter into a new franchise agreement with the Grantor in which the percentage to be used in calculating monthly payments under Section 6 hereof shall be no greater than that percentage which Grantee has agreed to use as a basis for the calculation of payments to any such Other Governmental Entity, provided, however, that if the franchise with such Other Governmental Entity contains additional benefits given to Grantee in exchange for the increased franchise rate, which such additional benefits are not contained in this New Franchise Agreement, such new franchise agreement shall include those additional or reasonably equivalent benefits to Grantee. Subject to all limitations, terms and conditions
specified in the preceding sentence, the Grantor shall have the sole discretion to determine the percentage to be used in calculating monthly payments, and Grantee shall have the sole discretion to determine those benefits to which it would be entitled, under any such new franchise agreement.

Section 7. As a further consideration, during the term of this franchise or any extension thereof, the Grantor agrees: (a) not to engage in the distribution and/or sale, in competition with the Grantee, of electric capacity and/or electric energy to any ultimate consumer of electric utility service (herein called a "retail customer") or to any electrical distribution system established solely to serve any retail customer formerly served by the Grantee, (b) not to participate in any proceeding or contractual arrangement, the purpose or terms of which would be to obligate the Grantee to transmit and/or distribute, electric capacity and/or electric energy from any third party(ies) to any other retail customer's facility(ies), and (c) not to seek to have the Grantee transmit and/or distribute electric capacity and/or electric energy generated by or on behalf of the Grantor at one location to the Grantor's facility(ies) at any other location(s). Nothing specified herein shall prohibit the Grantor from engaging with other utilities or persons in wholesale transactions which are subject to the provisions of the Federal Power Act.

Nothing herein shall prohibit the Grantor, if permitted by law, (i) from purchasing electric capacity and/or electric energy from any other person, or (ii) from seeking to have the Grantee transmit and/or distribute to any facility(ies) of the Grantor electric capacity and/or electric energy purchased by the Grantor from any other person; provided, however, that before the Grantor elects to purchase electric capacity and/or
electric energy from any other person, the Grantor shall notify the Grantee. Such notice shall include a summary of the specific rates, terms and conditions which have been offered by the other person and identify the Grantor's facilities to be served under the offer. The Grantee shall thereafter have 90 days to evaluate the offer and, if the Grantee offers rates, terms and conditions which are equal to or better than those offered by the other person, the Grantor shall be obligated to continue to purchase from the Grantee electric capacity and/or electric energy to serve the previously-identified facilities of the Grantor for a term no shorter than that offered by the other person. If the Grantee does not agree to rates, terms and conditions which equal or better the other person's offer, all of the terms and conditions of this franchise shall remain in effect.

Section 8. If the Grantor grants a right, privilege or franchise to any other person or otherwise enables any other such person to construct, operate or maintain electric light and power facilities within any part of the incorporated areas of the Grantor in which the Grantee may lawfully serve or compete on terms and conditions which the Grantee determines are more favorable than the terms and conditions contained herein, the Grantee may at any time thereafter terminate this franchise if such terms and conditions are not remedied within the time period provided hereafter. The Grantee shall give the Grantor at least 60 days advance written notice of its intent to terminate. Such notice shall, without prejudice to any of the rights reserved for the Grantee herein, advise the Grantor of such terms and conditions that it considers more favorable. The Grantor shall then have 60 days in which to correct or otherwise remedy the terms and conditions complained of by the Grantee. If the Grantee determines that such terms or conditions are not remedied by the
Grantor within said time period, the Grantee may terminate this franchise agreement by delivering written notice to the Grantor's Clerk and termination shall be effective on the date of delivery of such notice.

Section 9. If as a direct or indirect consequence of any legislative, regulatory or other action by the United States of America or the State of Florida (or any department, agency, authority, instrumentality or political subdivision of either of them) any person is permitted to provide electric service within the incorporated areas of the Grantor to a customer then being served by the Grantee, or to any new applicant for electric service within any part of the incorporated areas of the Grantor in which the Grantee may lawfully serve, and the Grantee determines that its obligations hereunder, or otherwise resulting from this franchise in respect to rates and service, place it at a competitive disadvantage with respect to such other person, the Grantee may, at any time after the taking of such action, terminate this franchise if such competitive disadvantage is not remedied within the time period provided hereafter. The Grantee shall give the Grantor at least 90 days advance written notice of its intent to terminate. Such notice shall, without prejudice to any of the rights reserved for the Grantee herein, advise the Grantor of the consequences of such action which resulted in the competitive disadvantage. The Grantor shall then have 90 days in which to correct or otherwise remedy the competitive disadvantage. If such competitive disadvantage is not remedied by the Grantor within said time period, the Grantee may terminate this franchise agreement by delivering written notice to the Grantor's Clerk and termination shall take effect on the date of delivery of such notice.
Section 10. Failure on the part of the Grantor to comply in any substantial respect with any of the provisions of this Ordinance, including but not limited to: (a) denying the Grantee use of public rights-of-way for reasons other than as set forth in Section 2; (b) imposing conditions for use of public rights-of-way contrary to Florida law or the terms and conditions of this Franchise; or (c) unreasonable delay in issuing the Grantee a use permit, if any, to construct its facilities in public rights-of-way, shall constitute a breach of this franchise and entitle the Grantee to withhold such portion of the payments provided for in Section 5 hereof as a court of competent jurisdiction has upon action instituted by Grantee, determined to be equitable, just, and reasonable, considering the totality of the circumstances, until such time as a use permit is issued or a court of competent jurisdiction has reached a final determination (after the expiration or exhaustion of all rights of appeal) in this matter. The Grantee recognizes and agrees that nothing in this franchise agreement constitutes or shall be deemed to constitute a waiver of the Grantor’s delegated sovereign right of condemnation and that the Grantor, in its sole discretion, may exercise such right as provided by law, provided that the Grantor shall not exercise such right so as to violate the Grantor’s covenant, set forth in Section 7 hereof, not to compete against the Grantee in the distribution and/or sale of electricity to ultimate consumers.

Section 11. Failure on the part of the Grantee to comply in any material respect with any of the provision of this franchise shall be grounds for forfeiture and termination of this Franchise, but no such forfeiture and termination shall take effect if the reasonableness or propriety thereof is reasonably and timely protested by the Grantee until there is final determination (after the expiration or exhaustion of all rights of appeal) by a court of
competent jurisdiction that the Grantee has failed to comply in a material respect with any of the provisions of this franchise, and the Grantee shall have six months after such final determination to make good the default before a forfeiture or termination shall result with the right of the Grantor at its discretion to grant such additional time to the Grantee for compliance as necessities in the case require.

Section 12. The Grantor may, upon reasonable notice and within 90 days after each anniversary date of this franchise, at the Grantor's expense, examine the records of the Grantee relating directly to the calculation of the franchise payment for the year preceding such anniversary date. Such examination shall be during normal business hours at the Grantee's office where such records are maintained. Records not prepared by the Grantee in the ordinary course of business may be provided at the Grantor's expense and as the Grantor and the Grantee may agree in writing. Information identifying the Grantee's customers by name or their electric consumption shall not be taken from the Grantee's premises. Such audit shall be impartial and all audit findings, whether they decrease or increase payment to the Grantor, shall be reported to the Grantee. The Grantor's right to examine the records of the Grantee in accordance with this Section shall not be conducted by any third party employed by the Grantor whose fee, in whole or part, for conducting such audit is contingent on findings of the audit.

Grantor waives, settles and bars all claims relating in any way to the amounts paid by the Grantee under the Current Franchise Agreement embodied in Ordinance No. 714.
Section 13. The provisions of this ordinance are interdependent upon one another, and if any of the provisions of this ordinance are found or adjudged to be invalid, illegal, void or of no effect, the entire ordinance shall be null and void and of no force or effect.

Section 14. As used herein "person" means an individual, a partnership, a corporation, a business trust, a joint stock company, a trust, an incorporated association, a joint venture, a governmental authority or any other entity of whatever nature.

Section 15. Ordinance No. 714, passed and adopted February 22, 2001 and all other ordinances and parts of ordinances and all resolutions and parts of resolutions in conflict herewith, are hereby repealed.

Section 16. As a condition precedent to the taking effect of this ordinance, the Grantee shall file its acceptance hereof with the Grantor's Clerk within 30 days of adoption of this ordinance. The effective date of this ordinance shall be the date upon which the Grantee files such acceptance.

PASSED on first reading this ____ day of ____________, 2020.

PASSED AND ADOPTED on second reading this ____ day of ____________, 2020.

PANAMA CITY BEACH, FLORIDA

By: ______________________

ATTEST:
By: ____________________________________________ (SEAL)

Clerk of Panama City Beach, Florida

APPROVED AS TO FORM AND LEGALITY

________________________________________

Attorney, Panama City Beach, Florida
REGULAR ITEM
5
**CITY OF PANAMA CITY BEACH**  
**AGENDA ITEM SUMMARY**

1. **DEPARTMENT MAKING REQUEST/NAME:**  
   FIRE AND POLICE

2. **MEETING DATE:**  
   MARCH 12, 2020

3. **Requested Motion/Action:**  
   HOLD PUBLIC HEARING TO CONSIDER SECOND READING AND ADOPTION OF ORDINANCE 1517 REVISING THE ADMINISTRATION OF MUNICIPAL SERVICES AT SPECIAL EVENTS.

4. **AGENDA**
   - PRESENTATION
   - PUBLIC HEARING ✔
   - CONSENT ✔
   - REGULAR ✔

5. **IS THIS ITEM BUDGETED (IF APPLICABLE)?**  
   YES ☐ NO ☐  
   N/A ☑

6. **BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)**

   IN AUGUST, 2019, THE COUNCIL DIRECTED STAFF TO DRAFT RULES WHICH WOULD ALLOW THE CITY TO DIRECTLY PROVIDE LAW ENFORCEMENT, TRAFFIC CONTROL, EMERGENCY MEDICAL AND OTHER MUNICIPAL SERVICES AT SPECIAL EVENTS IN THE CITY.

   ORDINANCE 1517 CODIFIES A PROCESS BY WHICH THE CITY DIRECTLY CONTRACTS WITH SPECIAL EVENT HOLDERS TO PROVIDE MUNICIPAL SERVICES AT A RATE DETERMINED BY THE COUNCIL.

   THE ORDINANCE CONTEMPLATES SPECIAL EVENT APPLICANTS RESERVING THESE MUNICIPAL SERVICES IN ADVANCE AND THE EXECUTION OF AN AGREEMENT BETWEEN THE CITY AND APPLICANT FOR THOSE SERVICES NECESSARY FOR ENSURING THE EVENT IS IN COMPLIANCE WITH THE CITY'S PUBLIC SAFETY REQUIREMENTS.

   THIS ORDINANCE WAS CONSIDERED AND APPROVED BY THE CITY COUNCIL ON FEBRUARY 27, 2020. STAFF RECOMMENDS APPROVAL. NOTICE OF A PUBLIC HEARING AND 2ND READING WAS PUBLISHED ON FEBRUARY 28, 2020. IF THIS ORDINANCE IS APPROVED, A RESOLUTION ESTABLISHING RATES FOR THESE SERVICES WILL BE CONSIDERED AT THIS MEETING.
ORDINANCE 1517

AN ORDINANCE OF THE CITY OF PANAMA CITY BEACH, FLORIDA, ESTABLISHING RULES AND PROCEDURES FOR THE PROVISION OF MUNICIPAL SERVICES DURING SPECIAL EVENTS; ESTABLISHING A MUNICIPAL SERVICES RESERVATION SYSTEM FOR SPECIAL EVENT PROMOTERS PRIOR TO THE FILING OF A SPECIAL EVENT APPLICATION; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

NOW therefore be it ordained by the city council of the city of Panama City Beach:

SECTION 1. From and after the effective date of this ordinance, Section 2-54 of the Code of Ordinances of the City of Panama City Beach related to Off-Duty Employment, is amended to read as follows (new text **bold and underlined**, deleted text **struckthrough***):

Sec. 2-54 General Provisions

**(j)** The City Police Department and Fire Department employees may not engage in off duty employment for the provision of law enforcement, security, traffic control, emergency medical technician services, fire protection, crowd management, or provide any other services necessary for the implementation of a special event within the corporate limits of the City of Panama City Beach.
SECTION 2. From and after the effective date of this ordinance, Section 4-16 as of the Code of Ordinances of the City of Panama City Beach related to Special Events, is amended to read as follows (new text **bold and underlined**, deleted text **struckthrough**):

Sec. 4-16. - Definitions

The term “municipal services” shall mean law enforcement, security, traffic control, emergency medical technician services, fire protection, crowd management, or any other services necessary for the implementation of a special event within the corporate limits of the City of Panama City Beach performed by employees of the City Police or Fire department.

SECTION 3. From and after the effective date of this ordinance, Section 4-20 of the Code of Ordinances of the City of Panama City Beach related to Special Events, is amended to read as follows (new text **bold and underlined**, deleted text **struckthrough**):

Sec. 4-20. – Application for Permit

(1) Each application for a special event permit required by this Article shall contain the information described below and must be filed, and the permit fee paid, no less than the following number of days before the opening of the event to the public:

a. Sixty (60) calendar days for a large event or for a medium event to be held in whole or in part during the month of March, Memorial Day weekend, 4th of July and its closest weekend or Labor Day weekend.
b. Thirty (30) calendar days for a medium event other than at the above times.

c. Twenty (20) calendar days for a small event.

Notwithstanding the foregoing, the City Manager shall accept a tardy application and if (i) City staff has the capacity to conduct an ordinary review of the application without causing material neglect of other staff duties or, (ii) the event promoter stands willing and able to pay and deposits a sum of money to cover any overtime for City staff to conduct an ordinary review of the application, and staff volunteers such overtime, then the City will use reasonable efforts to process a tardy application in time to allow the event to be held. Applications shall be reviewed in the order received and priority shall be given to timely filed applications.

(2) All applications for a permit under this Article must contain:

a. The name and address of the applicant and if not a natural person the names and addresses of all persons controlling or owning greater than a five (5) percent interest in the applicant or a parent company of the applicant.

b. The dates and times of the event.

c. A list of the names and addresses of all vendors, independent contractors or other persons or firms which will be engaged by or associated with the applicant to offer goods or services during the special event, including a description of the goods and services offered by each and the name and address of the person who will have on-site responsibility, if different. The names and addresses of such persons shall be used only for the purposes of (i) identifying the source of good or services after the event, if necessary, (ii) allowing the City to collect all business license taxes due, and (iii) contacting such persons or firms as necessary in the normal course of City business. The information may not be used to grant or deny a permit. Should such a list not be available at the time application is made, applicant shall give a written statement to that effect and agreeing to furnish such a list no later than thirty-six (36) hours before the event and acknowledging that failure to timely
provide such a list will result in termination of the special event permit.

d. The names and addresses of all entertainers. This information shall be used for the sole purpose of the City, first, investigating whether sufficient adverse secondary effects have accompanied the entertainer's performance(s) at past performances to raise an objective and reasonable concern that a performance at the event could require planning for and provision of extraordinary municipal services and precautions due to a special or enhanced danger to public health, safety or welfare, and then, second, to allow the City to contact such entertainers as necessary in the normal course of City business.

e. Whether (i) patrons will be permitted to bring alcoholic beverages into the event (herein a "coolers event"), or (ii) patrons will not be permitted to bring alcoholic beverages into the event but patrons will be offered alcoholic beverages within the event (herein an "alcohol sales event"), or (iii) alcoholic beverages will be prohibited within the event (herein a "no alcohol event").

f. An estimate of the largest number of persons anticipated to be in attendance in the event venue at any point in time, a statement as to how such attendance was estimated (i.e., such as historical events, ticket sales, etc.), and a plan for: (i) determining the actual number of persons in attendance at the event venue as the event progresses; (ii) keeping the City informed in real time of that number; and (iii) a plan to manage and control or disburse the persons desiring to enter the event after capacity is reached. The name, address, telephone number and a description of any prior experience in estimating attendance at previous events shall be included for all persons participating in the attendance estimation.

g. A plan for sanitation facilities and sewage, garbage and litter collection and disposal (during and after the event) generated by the event or by its patrons (wherever such garbage or litter
may be located), water supply and food service. A plan submitted under this section is presumptively a danger to public health and safety if it violates, any rules promulgated by the Department of Health or other executive department pursuant to F.S. Ch. 381 (Public Health), F.S. Ch. 386 (Sanitary Nuisances), F.S. Ch. 509 (Food Service), or similar laws.

h. A plan for flood-lighting the special event and parking areas if any activities are to be offered during darkness.

i. A plan for parking facilities and plans for transporting or conducting patrons from said facilities to the special event venue.

j. A plan for the provision of security, on site and off site traffic control, communications, fire protection and emergency services, including ambulance service, and emergency vehicle access in and around the event venue, and the general background of the training and ability of the personnel to be used in implementing the plan.

(i) A traffic control plan submitted under this section is presumptively a danger to public health and safety if it does not provide for at least one (1) person professionally trained or experienced in vehicular traffic control for every five hundred (500) anticipated, maximum attendees to actively guide traffic during the event.

(ii) A security plan submitted under this section is presumptively a danger to public health and safety if it does not provide for the following on site security officers to work the event:

(a) for a "cooler event" at least five (5) persons on duty for every one thousand (1,000) attendees or portion thereof who shall be certified law enforcement officers, licensed security guards under F.S. Ch. 493 (Class "D" or better), or in-house security professionally trained according to recognized standards;
(b) for an "alcohol sales event" at least three (3) persons on duty for every one thousand (1,000) attendees or portion thereof who shall be certified law enforcement officers, licensed security guards under F.S. Ch. 493 (Class "D" or better), or in-house security professionally trained according to recognized standards;

(c) for a "no alcohol event" at least one (1) person for every one thousand (1,000) attendees or portion thereof who shall be a certified law enforcement officer, a licensed security guard under F.S. Ch. 493 (Class "D" or better), or in-house security professionally trained according to recognized standards.

One certified law enforcement officer, licensed security guard, or in-house security person for each event must be designated as the commanding officer tasked with supervision of other security personnel and maintaining compliance with this section. The City Manager may approve a plan that does not meet this staffing criteria if it is reasonably shown that public health and safety can be secured through alternative means or that such staffing is not reasonably required for the proposed event, or alternatively the City Manager may require additional staffing reasonably shown to be required to secure the public health and safety during the proposed event.

A security plan submitted under this section is presumptively a danger to public health and safety if it does not prohibit security and traffic control personnel from working more than one (1) twelve-hour shift in any twenty-four-hour period.

k. A plan for medical services to be provided at the special event. A medical services plan submitted under this section is presumptively a danger to public health and safety if it does not prohibit medical personnel from working more than one (1) twelve-hour shift in any twenty-four-hour period. A medical services plan presumptively presents a danger to public safety
or health if it does not provide for the following on site professionals to work the event. **The event shall be staffed by sufficient Medical Aid Personnel as follows:***

(i) For a small event: none.

(ii) For or a medium event: two (2) Emergency Medical Technicians ("EMTs"), paramedics, or other professionals with equivalent (or higher) medical training **Medical Aid Personnel**.

(iii) For a large event: two (2) EMTs, paramedics or other professionals with equivalent (or higher) medical training Medical Aid Personnel, plus an additional two (2) such persons for each eight thousand (8,000) anticipated maximum attendees, or portion thereof, over five thousand (5,000) anticipated maximum attendees.

(iv) **One Medical Aid Personnel for each medium and large event must be designated as the commanding officer tasked with supervision of other Medical Aid Personnel and maintaining compliance with this section.**

(v) For the purposes of this section "Medical Aid Personnel" means a person licensed by the State of Florida as an Emergency Medical Technician, paramedic, or other professional with equivalent (or higher) medical training.

The City Manager may approve a plan that does not meet this staffing criteria if it is reasonably shown that public health and safety can be secured through alternative means or that such staffing is not reasonably required for the proposed event.

The foregoing presumption is intended to address an event presenting a moderate hazard. The staffing guidelines set forth above may be decreased or increased as may be reasonably required to secure the public health and safety during the event depending upon whether the event objectively presents a lower or higher hazard. By way of illustration, the staffing guidelines set forth above are intended for moderate hazard events which include, but are not limited to, concerts, carnivals and fairs.
Similarly, low hazard events include, but are not limited to, car shows, flea markets, local festivals, craft shows, local sporting events, and organized sporting tournaments. High hazard events include, but are not limited to, an event with stunts or having the potential for special danger to participants or spectators, or the potential for sustained exposure to extreme ambient temperatures. A low or moderate event may present a higher hazard due to extreme temperatures. Higher hazard events may be required to provide an Advanced Life Support Unit with transport capability. Staffing shall be equipped with customary supplies necessary to treat injuries and illnesses commonly associated with outdoor activities or similar events.

I. A plan for assuring that all stages, booths, tents, scaffoldings or structures of any kind on, under or within which persons may congregate, will conform to applicable building and construction codes in effect within the City, and that any entertainment stage erected on the sandy beach in connection with a special event will be guarded by a certified law enforcement officer, a licensed security guard under F.S. Ch. 493 (Class "D" or better), or an in-house security professionally trained according to recognized standards and authorized and instructed to prevent unsafe, public use or activity on or about the stage twenty-four (24) hours a day, seven (7) days a week.

m. A site plan showing the location and size of the event venue and all parking areas (including required handicap parking), and the location of all other features required by this section. For a sandy beach event, the site plan shall show a cleared east/west corridor on the sandy beach outside the event venue adequate to permit the one-way passage of an emergency vehicle, and a cleared east/west pedestrian corridor at and above the wet sand at the water’s edge at least twenty-five (25) feet wide.

n. A plan to provide and control safe pedestrian access between parking area(s) and the event venue which will minimize adverse impacts upon surrounding properties and businesses. For a sandy beach event a plan to keep the east/west
emergency vehicle corridor and the waterfront pedestrian corridor open for traffic at all times must be provided.

o. A plan to deal with persons congregating outside the event in public right of ways either seeking entry to the event or attracted to the event should the number of such numbers persons call for municipal services to a degree above that which the City routinely provided under ordinary, everyday circumstances.

p. A plan to enclose, restrict or control access to all parking at the event venue and to limit the number of persons within the event venue to the maximum number anticipated, and a contingency plan to deal with persons in excess of that number to minimize adverse impacts upon surrounding properties and businesses.

q. For a medium or large event held in any part on the sandy gulf beach, plans demonstrating that the event space on the sandy beach event venue will be enclosed on all sides by fences or other structures adequate to prevent access to the event at any point other than controlled access gates, and also demonstrating adequate egress facilities and routes to clear the event venue in case of an emergency. If any entertainment or activity is provided for the event which is reasonably likely to attract a crowd outside the event venue, the fences or other structures shall be opaque and a minimum of six (6) feet high so as to prevent persons standing on ground level outside the fence or event venue from viewing the entertainment; except that in lieu of a six (6) foot opaque fence on the gulf water side there may be substituted two (2) parallel fences each a minimum of four (4) feet high lying parallel to the gulf water’s edge and no less than ten (10) feet apart.

r. During sea turtle nesting season, a plan for the fences to be removed from the beach daily before 9:00 p.m. and not replaced until after the beach has been inspected for turtle nests the next morning.

s. For a large event out of doors, a plan to provide sufficient elevated viewing platforms to permit event security and, upon

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request, City police to oversee the crowd and be able to identify and respond to a disturbance or unusual activity before it escalates.

t. A list of all live animals to be used in connection with the event and a plan for the care and safe keeping of such animals.

u. For medium events, a cash deposit in the amount of two thousand dollars ($2,000.00) or one thousand dollars ($1,000.00) per day, whichever is greater, but not to exceed five thousand dollars ($5,000.00). For large events, a cash deposit in the amount of three thousand dollars ($3,000.00) or one thousand five-hundred dollars ($1,500.00) per day, whichever is greater, but not to exceed six thousand dollars ($6,000.00). The return of such deposit, in whole or in part, shall be conditioned upon the applicant timely and completely performing all of the plans submitted with the application or reimbursing the City for all direct and indirect costs incurred to protect public or private health, safety or welfare in the absence of such performance or to pay the City any rent due the City for the use of city facilities in the event. In the event any such cost shall exceed the amount of the deposit, the applicant shall be liable to the City for such excess to the extent permitted by law.

v. The plans required by this Article are designed to allow the City to evaluate and assure that the proposed event will not pose an unreasonable danger to public health and safety and will not excessively burden municipal resources without adequate planning so as to create such a danger. Any plan submitted hereunder is presumptively a danger to public health and safety if it does not (i) include evidence that the applicant is reasonably qualified, experienced and capable of executing the plan alone, or written commitments from one (1) or more qualified, experienced and capable third parties promising to execute or assist the applicant in executing the plan and acknowledging that the commitment is being made to induce the City to issue a permit for the event, and (ii) demonstrate that it is reasonably capable of being executed through the equipment, personnel and processes specified in it, and (iii) demonstrate that it will be
reasonably effective to protect the public from the health or safety risks it is intended to address.

w. The City Manager may waive any requirement herein if it is reasonably shown that public health and safety can be secured through alternative means or that such a plan is not reasonably required for the proposed event.

(Ord. No. 1379, § 3, 1-5-2016)

SECTION 4. From and after the effective date of this ordinance, Section 4-21 of the Code of Ordinances of the City of Panama City Beach related to Special Events, is amended to read as follows (new text bold and underlined, deleted text struck through):

Sec. 4-21. - Application fee and municipal services fee.
(1) Application for a special event permit shall be accompanied by one of the following applicable fees for administrative expenses incurred in evaluating and processing the application:
   (i) For small event, $50.00.
   (ii) For a medium event, $225.00
   (iii) For a large event, $350.00.

If an event permit for a large event wholly or partially on the sandy beach is not issued due to other such sandy beach event(s) occurring on the same calendar day the application fee shall be refunded. In the event the City Council shall find that the event will serve a charitable, public and non-religious purpose, it may by resolution waive or lower the application or City services fee, or both, by appropriating general revenue funds to be applied to the fee.

(2) As part of the City's administrative review of an application for a large or medium event permit, the City shall determine the municipal services or other City resources needed as a direct
result of the event and not as a duty to the public generally, together with any municipal services requested by the applicant, and their respective costs, and shall prepare an itemization of the services and their cost (the municipal services fee). The purpose of the municipal services fee is to place upon a large or medium event the marginal reasonable cost of providing municipal services which are reasonably necessary to directly support the event.

(3) The level of municipal services required shall be determined by an objective, reasonable examination of the totality of the circumstances, including but not limited to the following factors:

(i) The size of the event venue and the anticipated attendance.

(ii) The location of the event to determine the potential for pedestrian and vehicular congestion.

(iii) The nature of the event, the activities planned during it and the weather conditions of the season to evaluate the danger of harm to persons and property such as a fireworks explosion, a collision of participants or spectators, spectator or participant heatstroke, drowning, and the like.

(iv) The historical density of visitors to the beaches during the annual season of the event and the type of activities, safe and unsafe, in which those visitors have historically engaged.

(v) Whether the event venue is specifically designed and staffed to handle the anticipated needs and effects of the anticipated number of attendees.

(4) The City Manager or his or her designee shall promptly provide the applicant a copy of the itemization and amount of the municipal services fee at such rates as are approved by the City Council by resolution and attempt to schedule or arrange a pre-permit conference with the applicant, or other means of communication between the city and the applicant as may be suggested by the applicant, in order to discuss the conduct of the event, the coordination of public and private resources and the level of municipal services required and the amount of the municipal services fee. It shall be the Applicant's duty to attend the pre-permit
meeting at a day and time convenient for City staff, or to request an alternative to the pre-permit meeting and the City Manager shall allow the request if it is reasonable and practical to do so.

(5) If the applicant does not accept the type and extent of municipal services listed and the amount of the municipal services fee, the City shall nonetheless proceed in ordinary course to complete the application process and either deny the permit through the process contained in this Article without consideration of the applicant's objection to the fee, or if the applicant is entitled to the permit then grant the permit upon the condition that the municipal services fee be paid before the permit becomes valid or effective. The applicant shall have the right to appeal to the City Council the type and extent of services required and the amount of the municipal services fee, by letter filed with the City Clerk within three (3) business days after the City shall provide the applicant the itemization and amount of the fee which notice shall state that the applicant may appeal within three (3) business days. The City Council shall uphold or lessen the fee based upon information about the extent of services to be rendered by the City directly related to the event and the cost of those services as presented by City Manager or his/her designee and the applicant in a de novo, quasi-judicial hearing held as soon as may be practicable. The City Council's decision, including its reasons therefore, shall be announced at the conclusion of the hearing and entered onto the record thereof which shall constitute the Council's final order in any subsequent proceedings. The hearing may be continued from time to time in the sole discretion of the City Council. If the City Council is unable to timely conduct or conclude the hearing in time for the event to be held pursuant to an otherwise valid permit, the applicant may pay to the City the disputed fee under protest, and the permit shall become effective so that the event may be held, in which case the hearing shall be held and concluded after the event at a mutually convenient time. If the fee is upheld, it shall be accepted by the City; if it is reduced the reduction shall be refunded to the applicant.
(6) Prior to the provision of municipal services at a special event, the City Manager and applicant shall execute an agreement, in a form approved by the City Attorney, which delineates the specific services to be performed by the City at the special event which agreement shall specify the number and roster of personnel, schedule of work, and all rates, fees, and taxes to be provided by the City and paid by the applicant.

(7) Following the execution of a municipal services agreement, should the applicant determine that the municipal services for which it contracted will no longer be required the promoter shall to request a reduction in services from the coordinating department no later than twenty-four (24) hours prior to the start of such services for a small or medium event and seventy-two (72) hours prior to a large event. Upon receipt of such request, the coordinating department may deny the request if the department determines the reduction would create a safety risk to the public. In the event that the applicant fails to timely request a reduction, the City shall charge a minimum of two (2) hours for each employee who reports for duty to the applicant's event.

(Ord. No. 1379, § 3, 1-5-2016)

SECTION 5. From and after the effective date of this ordinance, Section 4-21.5 of the Code of Ordinances of the City of Panama City Beach related to Special Events, is hereby created to read as follows (new text **bold and underlined**, deleted text struckthrough):

**Sec. 4-21.5 – Municipal Services Reservation.**

(a) **Municipal services performed by City personnel in support of a special event are available on a first-come-first-serve basis. The City is not obligated to provide or reserve any**
personnel prior to the execution of an agreement between the applicant and the City for the services to be rendered and payment of any municipal services fee.

(b) Any applicant who intends to procure municipal services from the City in order to meet the special event obligations required herein shall be required to secure a municipal services reservation pursuant to this section before any permit can be issued.

(c) A municipal services reservation request must include:

1. The information listed in section 4-20 (a), (b), (e), (f), (i), (j), (k), and (m).

2. The number of Police Department and Fire Department personnel requested.

3. A proposed schedule of work for each City employee requested based upon the applicant's need throughout the duration of the event.

(d) Upon the receipt of a municipal services reservation request, the City Manager, the Chief of Police and the Fire Chief, or their respective designees, shall provide the applicant a copy of the itemization and amount of the municipal services fee based upon the rate then in effect as set by the City Council.

SECTION 6. REPEAL. All ordinances or parts of ordinances in conflict herewith are repealed to the extent of such conflict.

SECTION 7. CODIFICATION. The appropriate officers and agents of the City are authorized and directed to codify, include and publish in electronic format the provisions of this Ordinance within the Panama City
Beach Code of Ordinances, and unless a contrary ordinance is adopted within ninety (90) days following each such publication, each codification of this Ordinance shall become the final and official record of the matters herein ordained and there codified. Section numbers may be assigned and changed whenever necessary or convenient.

SECTION 8. SEVERABILITY. If any section, subsection, clause, phrase, or provision of this Ordinance is held invalid or unconstitutional, such invalidity or unconstitutionality shall not be construed as to render invalid or unconstitutional the remaining provisions of this Ordinance.

SECTION 9. EFFECTIVE DATE. This Ordinance shall take effect immediately upon passage.

PASSED, APPROVED AND ADOPTED at the regular meeting of the City Council of the City of Panama City Beach, Florida, this ____day of ____________, 2020.

____________________________________
MAYOR

ATTEST:

____________________________________
CITY CLERK
EXAMINED AND APPROVED by me this ____ day of
________________, 2020.

________________
MAYOR

Published in the News Herald on the 28th day of February, 2020.

Posted on pcbgov.com on the ____ day of ________________, 2020.
REGULAR ITEM
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### AGENDA ITEM SUMMARY

1. **DEPARTMENT MAKING REQUEST/NAMES:**
   - POLICE/FIRE

2. **MEETING DATE:**
   - MARCH 12, 2020

3. **REQUESTED MOTION/ACTION:**
   - APPROVE RESOLUTION SETTING THE RATES FOR SPECIAL EVENT MUNICIPAL SERVICES.

4. **AGENDA**
   - **PRESENTATION:**
     - [ ]
   - **PUBLIC HEARING:**
     - [ ]
   - **CONSENT:**
     - [ ]
   - **REGULAR:**
     - [ ]

5. **IS THIS ITEM BUDGETED (IF APPLICABLE)?**
   - [ ] YES
   - [ ] NO
   - [ ] N/A
   - **BUDGET AMENDMENT OR N/A**
   - [ ]

6. **BACKGROUND:** *(WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)*

   THE CITY COUNCIL, UPON ITS APPROVAL OF ORDINANCE 1517, HAS ESTABLISHED RULES AND PROCEDURES FOR THE PROVISION OF CITY RESOURCES TO PROTECT THE PUBLIC HEALTH, SAFETY, AND WELFARE OF SPECIAL EVENT ATTENDEES, RESIDENTS, AND VISITORS.

   THESE SERVICES ARE REQUIRED BY THE CITY'S SPECIAL EVENT ORDINANCE AND THE CITY COUNCIL HAS INDICATED ITS DESIRE THAT THESE SERVICES BE PROVIDED AND ADMINISTERED AS AN OFFICIAL FUNCTION OF THE CITY. UNDER THESE NEW RULES, THE CITY SHALL PROVIDE THESE SERVICES IN THE ORDINARY CONDUCT OF ITS POLICE AND FIRE DUTIES AND WILL CHARGE A RATE FOR THE PERSONNEL DEDICATED TO THIS TASK AS SET BY THE COUNCIL.

   RESOLUTION 20-65 SETS RATES FOR COMMANDING OFFICERS AND RATES FOR OTHER PERSONNEL TASKED WITH THESE DUTIES. THESE RATES WERE DETERMINED BASED UPON AN ANALYSIS OF THE AVERAGE COST TO THE CITY IN STAFFING THESE EVENTS AND ENSURING THAT THEY ARE CONDUCTED IN A MANNER COMPLIANT WITH THE CITY'S SPECIAL EVENT ORDINANCE.

   STAFF RECOMMENDS APPROVAL. IF APPROVED, THIS RESOLUTION WILL REPEAL RATES PREVIOUSLY SET BY THE COUNCIL AND BECOME EFFECTIVE IMMEDIATELY.
RESOLUTION 20-65

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, ADOPTING RATES FOR MUNICIPAL SPECIAL EVENT SERVICES; REPEALING ALL RESOLUTIONS IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Ordinance 1517 establishes rules and procedures for the provision of municipal police, fire, and other services by the City to maintain the public, health, safety, and welfare of special events in the City; and

WHEREAS, Ordinance 1517 represents a change in prior procedure, such that the use of municipal special event services shall be administered directly through the City to protect the public health, safety, and welfare of special event attendees, the City’s residents, and visitors; and

WHEREAS, Section 4-21(4) of the Ordinance provides that the rates for these municipal services be established by resolution of the City Council; and

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Panama City Beach, from and after the effective date of this Resolution:

1. The rates for City of Panama City Beach municipal special event services within the City are adopted as follows:
   a. For special event municipal services provided by the City Police Department:
      i. $50.00 per hour for each commanding officer, as designated by the Chief of Police.
      ii. $37.00 per hour for each person not designated as commanding officer.
   b. For special event municipal services provided by the City Fire Department:
      i. $40.00 per hour for each commanding officer, as designated by the Fire Chief.
      ii. $27.00 per hour for each person not designated as commanding officer.

2. Resolution 19-114 of the City of Panama City Beach is hereby repealed.
AND BE IT FURTHER RESOLVED THAT all resolutions or parts of ordinances in conflict herewith are repealed to the extent of such conflict.

THIS RESOLUTION SHALL TAKE EFFECT immediately upon its passage.

PASSED, APPROVED AND ADOPTED, in regular session this ___ day of ____________, 2020.

CITY OF PANAMA CITY BEACH, FLORIDA

BY: ____________________________
    Mike Thomas, Mayor

ATTEST:

Mary Jan Bossert, City Clerk
REGULAR ITEM

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CITY OF PANAMA CITY BEACH
AGENDA ITEM SUMMARY

1. **DEPARTMENT MAKING REQUEST/NAME:**
   Administration

2. **MEETING DATE:**
   March 12, 2020

3. **REQUESTED MOTION/ACTION:**
   Approve an agreement with TalentKeepers, Inc., for an Employee Engagement Survey appropriate funds for that purpose.

4. **AGENDA**
   - Presentation
   - Public Hearing
   - Consent
   - Regular

5. **IS THIS ITEM BUDGETED (IF APPLICABLE)?**  Yes ☐ No ☑  N/A ☐
   **BUDGET AMENDMENT OR N/A**
   **DETAILED BUDGET AMENDMENT ATTACHED**  Yes ☑ No ☐  N/A ☐

6. **BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHieved)**
   At its January 23rd meeting, the City Council authorized the City Manager to seek a qualified firm to conduct an employee survey. On February 27th, bids were accepted for the Employee Engagement Consulting Services.

   The City received (5) five responsive bids and (1) one non-responsive bid. Based on the scoring system delineated in the Request for Proposals, TalentKeepers, Inc. submitted the best qualified proposal at a price of $10,900. This item is not budgeted.

   TalentKeepers will provide an employee engagement and satisfaction survey as well as allow for the City to tailor the survey to its needs and customize certain questions. The survey will be administered electronically and by paper form if needed to accommodate all employees and maximize response rate. At the completion of the survey, TalentKeepers will analyze the results and develop a comprehensive summary to present to City Leadership. All supervisors with 5 or more direct reports that respond will receive feedback on engagement and satisfaction. This will allow leaders to complete comprehensive online action plans to provide accountability for their post-survey actions.

   The responses will be 100% confidential and tracked by TalentKeepers.

   Staff recommends approval. This project will begin upon approval and be complete by June 2020.
RESOLUTION 20-70

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, APPROVING AN AGREEMENT WITH TALENTKEEPERS, INC., FOR EMPLOYEE ENGAGEMENT CONSULTING SERVICES IN THE AMOUNT OF $10,900; AND APPROVING A BUDGET AMENDMENT TO FULLY FUND THE PURCHASE.

BE IT RESOLVED by the City Council of the City of Panama City Beach, that:

1. The appropriate officers of the City are authorized to execute and deliver on behalf of the City that certain Agreement between the City and TalentKeepers, Inc. relating to Employee Engagement Consulting Services, in the amount of Ten Thousand, Nine Hundred Dollars ($10,900.00), as presented to the Council today, attached as Exhibit A.

2. The following budget amendment (#22) is adopted for the fiscal year beginning October 1, 2019 and ending September 30, 2020, to fully fund the purchase, in substantially the form attached as Exhibit B.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in regular session this ___ day of _____________, 2020.

CITY OF PANAMA CITY BEACH

By: ____________________________
    Mike Thomas, Mayor

ATTEST:

Mary Jan Bossert, City Clerk
END USER LICENSE AGREEMENT AND PURCHASE AGREEMENT

THIS END USER LICENSE AGREEMENT is made effective as of 3/3/2020 by and between TalentKeepers, Inc., a Florida corporation, having a place of business at 280 West Canton Avenue, Suite 100, Winter Park, Florida 32789 ("TalentKeepers®") and The City of Panama City Beach, having a place of business at 17007 Panama City Beach Pkwy., Panama City Beach, FL 32413 ("End User").

ATTENTION: THIS IS A LICENSE, NOT A SALE. THIS END USER LICENSE AGREEMENT AND ALL APPLICABLE ADDENDUMS DEFINE WHAT THE END USER MAY DO WITH THE ONLINE SERVICES AND SOFTWARE PROVIDED BY TALENTEEPRERS®. THIS AGREEMENT SETS FORTH THE TERMS AND CONDITIONS UNDER WHICH TALENTEEPRERS OFFERS SUCH SERVICES AND THIS CONTAINS LIMITATIONS ON WARRANTIES AND/OR REMEDIES.

1.0 Definitions

1.1 "Confidential Information" means all non-public confidential and proprietary business, financial, and technical information supplied by one party hereunder (the "Disclosing Party") to the other party (the "Receiving Party"), provided that such information is marked as "Confidential" or "Proprietary" if disclosed in tangible form, or, if disclosed orally, is identified as "Confidential" at the time of disclosure and confirmed in writing within thirty (30) days.

1.2 "Developed Software Code" means any software code developed by TalentKeepers® or any other software code used by TalentKeepers® in an underlying software platform.

1.3 "Documentation" means that standard documentation provided by TalentKeepers® to its customers and their permitted users in connection with their use of the Software and/or Services, including, but not limited to, program procedures and descriptions (but excluding descriptions of Source Code and build procedures for Executable Code), procedures for permitted maintenance and modification, testing data and similar written material relating to the design, structure and implementation of the Software and Services, as well as help files and User documentation to allow individual Users to use the Software and Services.

1.4 "Service" or "Services" means the online functionality of TalentKeepers® Web Based Applications in combination with the Software and End User content, as accessed through the Service Pages.
1.5 "Service Pages" means all internet pages of the Service (including, without limitation, any screens associated with the Service or emails or other communications sent to End Users or others by operation of the Service).

1.6 "Software" means any Software or program code provided by TalentKeepers® or any other software code used by TalentKeepers®, any updates and upgrades thereto, and any related Documentation for such Software.

1.7 "Use" means the utilization, public display, public performance, and digital performance of the Service (including the End User Content) or access to the Web Based Applications in accordance with this Agreement.

1.8 "Users" means employees of End User who are individual users of the Software and/or Services who use the Services and TalentKeepers® Web Based Applications and the Service Pages in connection with this Agreement.

1.9 "Web Based Applications" means the surveys, training modules, reports, cost calculators, and other applications offered by TalentKeepers®.

1.10 "End User Content" means all content provided to TalentKeepers® for use with its Web Based Applications, Software and Services including, but not limited to, survey questions, indices, data organizing names, labels, themes and historical results data.

2.0 Terms of Use

2.1 License Grant. Subject to the restrictions in this Agreement and contingent upon payment of applicable fees, TalentKeepers grants to End User a nonexclusive, nontransferable, non-sub licensable, license to use the Services, Web Based Applications and any applicable Software associated with the Web Based Applications included in the purchase agreement.

2.2 Purchase Agreement. The products and services TalentKeepers will provide under this Agreement, as well as the payment terms, are defined in TalentKeepers Proposal which is attached as Schedule A. Additional products and services may be purchased by amending Schedule A.

2.3 Customer Support and Service. TalentKeepers hereby grants to End User a nonexclusive, nontransferable, non-sub licensable, worldwide license to Use the Services and Web Based Applications by accessing the Service Pages
through the internet strictly in accordance with the terms and conditions of this Agreement. During normal business hours, End User shall have access via e-mail and/or voicemail to TalentKeepers® customer support to assist the End User with the Service and the Service Pages. TalentKeepers reserves the right to place time limits and costs associated with the amount of customer support TalentKeepers® shall provide. Specifically, TalentKeepers reserves the right to charge End User for performing activities which the End User has been trained to perform, has the ability to perform (e.g., resetting passwords, modifying reporting relationships, pulling participation reports, etc.), but instead requests TalentKeepers to perform on their behalf.

2.4 End User Data. All End User Data collected by TalentKeepers from End User shall be owned by the End User, but TalentKeepers® shall have the right to use all data gathered through its various services for the purpose of research and reporting. TalentKeepers® agrees not to publish End User specific information identified as the End User’s data without prior written authorization from the End User. However, TalentKeepers® shall be able to publish End User’s data as part of research results as long as the End User’s name is not associated with the results. All individuals, companies and organizations associated with End User shall remain confidential and will not be made public in any form or by any means except as stated above.

2.5 Texting End User’s Users (employees). If End User selects the option to have TalentKeepers text their Users notifications regarding activities associated with the use of the Services including, but not limited to, invitations to complete surveys and access reports the End User hereby attests it has the legal right to text its Users for this purpose. Furthermore End User assumes all liability for such texts and shall indemnify and hold harmless TalentKeepers against all complaints, penalties, sanctions or other consequences from Users, telecommunication carriers, regulatory agencies and all other lawful entities.

3.0 License Restrictions

3.1 License Restrictions. End User must limit Use of the Service and access to the Service Pages to the number of Users for whom End User has paid the required license fees.

NOTWITHSTANDING the above, End User agrees not to do, or permit any third party to:

1. Use the Services or access the Service Pages, except as described in this Agreement.
2. Copy any software or the Documentation.
3. Translate the Software or the Documentation.
4. Merge the Software with another program or modify the Software or the Documentation. Modification, customization or alteration, including the creation of derivative works, of any of TalentKeepers® products, including but not limited to the Web Based Applications, the Services, the Software and the Service Pages, without the involvement of and prior written approval of TalentKeepers®, is strictly prohibited.

5. Reverse engineer, disassemble, decompile, or make any attempt to discover the Developed Software Code or source code of the Software except as otherwise specifically permitted under applicable law.

6. Sublicense, rent, or lease any portion of this Software or the Services.

7. Use the Software or the Services or access the Service Pages for any purposes other than as set forth in this Agreement.

4.0 Ownership

4.1 Trade Secrets Ownership. TalentKeepers® holds the technology used in the Services as a trade secret and End User shall maintain any information learned about that technology as a trade secret and shall not disclose such information or permit such information to be disclosed by any person or entity; however this sentence shall not restrict End User in training its employees in the ordinary use of the Services. The Services, including but not limited to the Software and its source codes and other intellectual property, of TalentKeepers® are protected by the United States and International Copyright Laws and International Treaty Provisions.

4.2 TalentKeepers® Ownership. TalentKeepers® retains all right, title and interest in the Services and the Service Pages, the Documentation and intellectual property rights to the foregoing (including any and all modifications or add-ons, whether or not made in conjunction with the Agreement), which is and shall remain TalentKeepers® sole and exclusive property. The Services, Service Pages, the Web Based Applications, the Software and other intellectual property of TalentKeepers® are protected by the United States and International Copyright Laws and International Treaty Provisions. TalentKeepers® reserves all rights not expressly granted to End User in this Agreement, and the licenses granted to End User herein shall in no event be construed as conferring a license to, or rights in, any TalentKeepers® copyright or patent. TalentKeepers® agrees that it will not assert any of its rights under such patents against End User or its employees based upon proper exercise by End User of the licenses granted to End User in this Agreement.

5.0 Limited Warranty
5.1 Services. During the term of this Agreement, the Services will perform substantially in accordance with its associated Documentation. If End User reports a failure of the Services to perform substantially in accordance with its associated Documentation during the term, End User’s sole and exclusive remedy for breach of this warranty shall be that TalentKeepers® will either provide End User with a workaround or make the Services conform to such Documentation, or in TalentKeepers® sole discretion, will refund the prorated license fee for which End User paid for the nonconforming services. This warranty is void if failure of the Services is due to modification, abuse, misapplication or accident.

5.2 Customer Support. TalentKeepers® warrants that the customer support will be performed in a professional, workmanlike and skillful manner. If End User reports a breach of this warranty during the term of this Agreement, End User’s sole and exclusive remedy shall be to require TalentKeepers® to re-perform the defective customer support.

5.3 No Warranty for Third Party Products. TalentKeepers® does not warrant third party products provided hereunder. Any third party warranty shall, to the extent permissible, be passed through to End User.

5.4 Disclaimer of Warranty. TalentKeepers® disclaims on behalf of itself and its suppliers, all express, implied or statutory warranties related to the Software and Services, except as set forth in this Article including, but not limited to, the implied warranties of merchantability, fitness or a particular purpose, title and non-infringement.

6.0 Indemnity

6.1 TalentKeepers® Indemnity. TalentKeepers® shall defend, indemnify and hold End User harmless from and will defend against any third party claims that the Service (a) infringes any copyright, (b) misappropriates any trade secret, (c) infringes any U.S. patent, (d) is deceptive, defamatory, obscene, pornographic, or unlawful, or contains any viruses, worms, or other malicious computer programming codes intended by TalentKeepers® to damage a User’s system or data; provided, End User (a) gives TalentKeepers® prompt notice of any actual or threatened claim of such infringement or misappropriation, (b) gives control of the defense of such claims to TalentKeepers® and (c) cooperates fully, at TalentKeepers® expense, with TalentKeepers® and its counsel in the defense or settlement of such claims. TalentKeepers® obligation shall not extend to a claim based on any alleged infringement arising from (i) additions, changes or modifications to the Software or Services by or on behalf of End User, (ii) any incorporation of the Software or Services or any component thereof into any other product or process, (iii) any use by End User or its Users of any Software or Services subsequent to availability to End User of a non-infringing Update, Upgrade or otherwise superseding version of such Software or Services, or (iv) use of the Software or Services other than as permitted by this Agreement.
6.2  **End User Indemnity.** End User shall defend, indemnify and hold TalentKeepers® harmless from and will
defend against any third party claims, arising from or in connection with the End User Content, including, but not limited
to, claims that the End User Content (a) infringes any copyright or trademark, (b) misappropriates any trade secret or (c)
infringes any U.S. patent, (d) is deceptive, defamatory, obscene, pornographic or unlawful, or I contains any viruses,
worms or other malicious computer programming codes intended by End User to damage a user’s system or data;
provided, that TalentKeepers® (i) gives End User prompt notice of any actual or threatened claim of such infringement or
misappropriation, (ii) gives control of the defense of such claims to End User, and (iii) cooperates fully, at End User’s
expense, with End User and its counsel in the defense or settlement of such claims.

7.0  **Limited Liability**

7.1  **Limited Liability.** In no event shall TalentKeepers® be liable for any consequential, incidental, or special
damages whatsoever (including without limitation, damages for loss of profits, business interruption, loss of formation, or
other pecuniary loss). TalentKeepers® aggregate cumulative liability, whether in contract or tort otherwise, will not exceed
the amount of fees payable to TalentKeepers® hereunder.

8.0  **Confidential Information**

8.1  **Protection of Confidential Information.** Each party acknowledges that it may have access to proprietary or
confidential information related to the other party’s technology, products, and/or the business, business practices or
marketing plans of the other party. Each party shall protect the proprietary or confidential information of the other party in
the same manner as it would protect its own proprietary or confidential information, and shall not use proprietary or
confidential information of the other party for its own benefit or the benefit of any other person or entity, except as may be
specifically permitted hereunder.

8.2  **Exceptions to Confidential Treatment.** The foregoing obligations of confidentiality and non-use shall not apply
to any confidential or proprietary information of one party which:

8.2.1 was known by the other party prior to its disclosure by the disclosing party as demonstrated by written records
in existence prior to said disclosure (whether prior or subsequent to the date of this Agreement) and not obtained or
derived, directly or indirectly, from such party or its affiliates, or if so obtained or derived, was lawfully obtained or derived
and is not held subject to any confidentiality or non-use obligations;
8.2.2 is or becomes publicly available other than through any act or default of a party that has an obligation of confidentiality and on-use with respect to such information;

8.2.3 is obtained or derived subsequent to the date of this Agreement from a third party, which, to the knowledge of the party acquiring such information, is lawfully in possession of such information and does not hold such information subject to any confidentiality or non-use obligations;

8.2.4 is required to be disclosed by one of the parties pursuant to applicable law, or under a government or court order; provided, however, that (a) the obligations of confidentiality and non-use shall continue to the fullest extent not in conflict with such law or order, and (b) if and when a party is required to disclose such confidential or proprietary information pursuant to any such law or order, such party shall promptly notify the other party and use reasonable best efforts to obtain a protective order or take such other actions as shall prevent or limit, to the fullest extent possible, public access to, or disclosure of, such confidential or proprietary information.

9.0 Marketing and Promotion

9.1 Marketing and Promotion. End User shall have the right to market and promote TalentKeepers® and its "Web Based Applications" within its organization, divisions and subsidiaries through any means, both electronic and print, for the purpose of encouraging participation and involvement. Use of TalentKeepers® marks (i.e., trademarks), designs, product names, images, models and other copyrighted materials must be approved by TalentKeepers® prior to use. TalentKeepers® shall have the right to list End User as a customer on its website and in similar marketing and promotional materials, both digital and print.

10.0 Term and Termination

10.1 Term. The term of this Agreement shall commence upon the effective date and continue for the purchased license period as defined in TalentKeepers Proposal which is attached as Schedule A.
10.2 **Termination.** TalentKeepers® may terminate this Agreement, in whole or in part, and the licenses granted hereunder, effective immediately upon written notice to End User, if End User breaches any material provision of this License and does not cure such breach within ten (10) days after receiving written notice thereof from TalentKeepers®. End User may terminate this Agreement, in whole or in part, and the licenses granted hereunder, effective immediately upon written notice to TalentKeepers®, if TalentKeepers® breaches any material provision of this Agreement and does cure such breach within forty-five (45) days after receiving written notice thereof from End User.

10.3 **Effect of Termination.** Upon termination by either party for any reason, any amounts owed to either party under this Agreement before such termination will be due and payable within thirty (30) days, all licenses granted hereunder shall immediately cease and End User must promptly discontinue all use of the Software or Services, destroy all copies of any Software in its possession and certify in writing to TalentKeepers® that it has complied with the above.

11.0 **Audit**

11.1 **Audit.** TalentKeepers® may, from time to time, request from End User, and End User shall promptly give access to TalentKeepers®, an opportunity to audit the number of Users using the Software or the Services or accessing the Service Pages. In the event TalentKeepers® detects users for which subscription fees have not been paid, End User shall pay any additional subscription fees as necessary to be in conformance with this Agreement retroactive to the effective date (or the most recent annual renewal of this Agreement, as applicable).

12.0 **Miscellaneous**

12.1 **General.** TalentKeepers® may subcontract its duties to a third party; provided, that TalentKeepers® remains responsible for the third party's actions. This Agreement is governed and interpreted in accordance with the laws of the State of Florida, excluding its conflict of law rules. The United Nations Convention on Contracts for the International Sale of Goods is expressly disclaimed. This Agreement may not be assigned by either party without the other's prior written consent, and any such attempted assignment shall be void and of no effect; except, however, that either party may assign this Agreement to any successor by merger, consolidation or sale of all or substantially all of its assets without the consent of the other party so long as (a) the assigning party gives written notice to the non-assigning party of such assignment and (b) any such assignment by End User is not to a direct competitor of TalentKeepers®. This Agreement will be binding upon the successors and permitted assigns of the parties and the name of a party appearing herein will be deemed to include the names of such party's successor's and permitted assigns to the extent necessary to carry out the intent of this Agreement.
12.2 **Injunctive Relief.** Each party acknowledges that the other party will have no adequate remedy at law if such party breaches any provision concerning confidential information, and that the non-breaching party shall have the right, in addition to any other rights it may have, to obtain, in any court of competent jurisdiction, injunctive relief to restrain any such breach or threatened breach.

12.3 **Attorneys' Fees and Venue.** If any litigation occurs between the parties with respect to this Agreement, the prevailing party or parties shall be entitled to receive reimbursement of the reasonable attorneys' fees, expert fees, and court costs incurred by such party or parties in the litigation. Each party hereto consents to the personal jurisdiction and venue of the federal and state courts with jurisdiction in Orange County, Florida, for a resolution of all disputes arising out of the construction, interpretation, or enforcement of any term or provision of this Agreement, and each party hereby waives the claim or defense that such courts constitute an inconvenient forum.

12.4 **Severability.** Any provision of this Agreement which is invalid, illegal or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability, without affecting in any way the remaining provisions hereof in such jurisdiction or rendering that or any other provision of this Agreement invalid, illegal or unenforceable in any other jurisdiction. If any provision of this Agreement shall be declared so broad as to be invalid or unenforceable, such provision shall be interpreted to be only so broad as is necessary for it to be valid or enforceable.

12.5 **Survival.** The terms and conditions contained in this Agreement that by their sense and context are intended to survive the termination of this Agreement, including, but not limited to, indemnities and limitations of liability, shall survive termination.

12.6 **Waiver.** No waiver of any rights under this Agreement or default hereunder will be valid or effective unless in writing signed by the party against whom enforcement of such waiver is sought. Any waiver by either party of a breach of any provision of this Agreement or default hereunder shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Agreement or any other default hereunder. The failure of either party to insist upon strict adherence to any term of this Agreement on one or more occasions shall not be considered a waiver or to deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.
12.7 **Counterparts.** This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same document.

12.8 **No Joint Venture.** Nothing contained in this Agreement shall be construed to place the parties in the relationship of partners or joint ventures, or principal and agent or employer and employee, and no party shall have the power to obligate or bind the other party in any manner whatsoever.

12.9 **Headings.** The headings included in this Agreement are for the convenience of the parties only and shall not affect the construction or interpretation of this Agreement.

12.10 **Amendments.** This Agreement may be modified, amended, superseded or terminated only by a writing duly signed by authorized representatives of both parties.
IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day first written above.

Signed, sealed and delivered

TALENTKEEPERS, INC.

In the presence of:

_______________________________
By:_____________________________
Print Name:_______________________
Name:_____________________________
Title:_____________________________

The City of Panama City Beach

_______________________________
By:_____________________________
Print Name:_______________________
Name:_____________________________
Title:_____________________________
Schedule A: TalentKeepers Proposal

Employee Engagement Consulting Services

Submitted to:

PANAMA CITY BEACH
FLORIDA

2/25/2020

Submitted by:

Patrick Mulligan

Page 12 of 44
Talent Management Strategy Consultant

280 West Canton Avenue
Suite 100
Winter Park, Florida 32789
407.660.6041
Much of the information contained in this document is proprietary to TalentKeepers®, Inc. As such, the information in this document should not be disclosed to any party outside of Panama City Beach or used in whole or in part, for any purpose other than to evaluate this proposal, without the expressed written permission of TalentKeepers®, Inc.
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Organization Profile and Qualifications

TalentKeepers® was founded in 2000 to conduct global research on why highly-valued employees choose to join, stay and leave organizations. Our findings have enabled us to develop proven solutions for the most challenging talent management issues. Partnering with organizations in virtually every industry around the world, we continue to find that optimizing employee engagement is one of the greatest unmet opportunities in business today. The criticality of employee engagement is not subject to the vagaries of the economy; employers always need to engage their talented people, whether during times of little or rapid growth. Securing the future of the organization resides in your people.

TalentKeepers is well experienced in the human resources industry, specializing in talent management, with award-winning solutions in onboarding, employee engagement, leadership development, employee retention, and other key talent management areas. Our team of Industrial/Organizational psychologists will work collaboratively with you to develop a talent management strategy, correlate results to your key business metrics, and execute strategies that get results.

How will we accomplish this? We'll work with you in attacking organization, job and career, co-worker, and leader factors that keep high performers engaged. We also provide on-going analytic information that enables you to monitor and benchmark the impact of the four factors, which influence people's decision to join, stay or leave. Predictive information will allow you and your organization to take pro-active and pre-emptive action. With our solutions you can build a culture that keeps your best talent, boosts productivity, and cuts labor costs.

TalentKeepers has helped thousands of organizations with millions of employees improve key performance metrics such as safety, productivity, and customer satisfaction by increasing employee engagement. In addition to partnering with organizations, since 2004, TalentKeepers has conducted Workplace AmericaSM, the longest continuously running study of employee engagement in the United States. This annual research, of over 500+ organizations from all industries, allows us to better understand the cost, causes, and consequences of disengaged employees and to share proven strategies and best practices that help keep your employees engaged.
Our solutions have twice been awarded "Top Product of the Year" honors by Human Resource Executive Magazine and, in 2017, TalentKeepers published a highly acclaimed book "Talent Keepers: How to Engage and Retain Great People," which is being used by leadership teams and practitioners across the country to improve organizational performance through stronger employee engagement. In 2018, TalentKeepers was named a "Top 10 Employee Engagement Solution Provider" by HR Tech Outlook. Additionally, in 2019, we were awarded "Best Business Book of 2019" by Soundview Magazine as well as "12 HR Books That Need to Make Your List" by People Managing People.

We comply with the EU-US Privacy Shield Framework and the Swiss-US Privacy Framework as set forth by the US Department of Commerce regarding the collection, use, and retention of personal information from European Union member countries and Switzerland transferred to the United States pursuant to Privacy Shield. TalentKeepers has certified that it adheres to the Privacy Shield Principles with respect to such data.

Our Mission

Our mission is to build insight, knowledge, and understanding for individuals and organizations about the world of work around them and provide solutions to increase commitment, engagement, and desire to excel.

Our Core Values:

- Adapt to unlock potential
- Teamwork and collaboration
- Assume positive intent
- Responsiveness
- Growth through innovation
- Provide service with a personal touch

Commit. Engage. Excel SM

- Establish a mutual commitment to roles, expectations, goals, recognition and relationships
- Positive, added energy and effort are evident, driving individual, team and organizational results
- Sustained performance, growth, and adaptability fuel momentum to excel and realized potential
Employee engagement is your employees' ability and willingness to contribute to organizational success, especially their willingness to give "discretionary effort", going beyond what is normally required in their position to make the organization successful. Employee engagement is an essential element of organizational health and is the goal of strategic initiatives that seek to improve employee attitudes and retention through leadership, co-workers, job/career satisfaction, and a high performing organization. Higher levels of employee engagement are linked to employee commitment, a high performing workforce, satisfied and loyal customers, and a productive and profitable organization.

Our model below illustrates the four drivers (in blue) of employee engagement which TalentKeepers' research has shown are essential to creating an engaged workforce. The bottom elements of the model show the outcomes (in gold) of developing and maintaining an engaged workforce.

**TalentKeepers' Drivers of Employee Engagement:**

- **Credible Leadership** involves engagement of team members by immediate managers, including trust, coaching, and recognition
- **Supportive Co-workers** have positive relationships, support performance, and work with others who have similar work ethics.
- **Job & Career Satisfaction** include clarity of roles, responsibilities, accountability, opportunity to utilize skills and career growth.
- **High Performing Organization** include perception of senior leadership, vision and mission, reputation, policies & procedures, culture, and environment.

## Resumes of Primary Individuals

**Christopher Mulligan**: Christopher is CEO at TalentKeepers. Christopher has his Masters Degree in Industrial/Organizational Psychology and over 30 years of experience in the human resources industry, the majority of which has been in the employee engagement, selection, assessment, and retention arena. Christopher co-founded TalentKeepers in 2000, an organization dedicated to the issue of employee engagement and retention. TalentKeepers products have twice been recognized as "Top Training Product of the Year" by Human Resource Executive Magazine. Christopher has served as an executive coach to senior leadership teams within organizations around the world on employee engagement and retention issues including: Accenture, AT&T, BMW, Coke, GE, Marriott and UPS.

Prior to co-founding TalentKeepers, Christopher was the Vice President of Business Development for AlignMark, a former division of The Thomson/Reuters Corporation. Christopher is a national speaker and published author on the subject of employee engagement and retention including a book "Talent Keepers: How Top Leaders Engage and Retain their Best Performers" published by Wiley & Sons Publishing in 2019. Christopher is a member of the American Psychological Society and an Associate Member of the Society for Industrial and Organizational Psychology. He holds a Bachelor of Science degree in Psychology from the Florida State University, and a Master of Science degree in Industrial/Organizational Psychology from the University of Central Florida.

**Christina Rawls**: Christina is a Client Services Analyst at TalentKeepers with 8 years of data analysis experience, working with organizations in both the public and private sectors. Prior to joining TalentKeepers, Christina worked with government agencies, designing, administering, and analyzing the results of surveys and training assessments.

Christina received her Bachelor's degree in Psychology as well as her Master's degree in Industrial/Organizational Psychology from the University of Central Florida.
Christina is responsible for the following activities:

- Perform data analysis for client organizations based on multiple employee surveys
- Conduct research and analysis into key aspects of employee attrition data focused on a holistic understanding of costs, causes and consequences of turnover and disengagement
- Work with clients to apply TalentKeepers tools and research as it relates to specific talent management issues and help develop efficient implementation processes
- Perform detailed quality assurance and track project progress; create status reports
- Support team members in research collaboration, idea development, and other strategic initiatives
- Create engaging and useful ways to depict results and develop presentations

References

The City of Durham: Regina Youngblood, Director Human Resources
919-560-4214 ext. 23270
101 City Hall Plaza, Durham, NC 27701

The Council of State Governments Justice Center: Kenya Salaudeen, Human Resources Director
646-383-5758
22 Cortlandt St, Floor 22, New York, NY 10007

JEA: Robb Mack, Director Organizational Effectiveness and Payroll
Articles of Incorporation

We have included proof as a separate document.

Scope of Work

Survey Design

1. Develop project plan with City management

Upon award, TalentKeepers will host a project kick off call to introduce you to our project team and develop a comprehensive activities calendar with detailed assignments and time lines to meet your desired launch date of April 20, 2020. Weekly meetings will be held, via web-meeting, as needed, up until survey launch. During these calls, we will discuss the design and development of the survey as well as the best strategies for both communication and administration to ensure strong participation.

2. Review and analyze previous survey instruments and results
Per “Employee Engagement Consulting Services Questions and Answers” question and answer #23, it seems this is the City’s first engagement survey initiative.

3. Prepare and work with City staff to finalize survey questions and the expected measurement plan

TalentKeepers’ TalentWatch® survey is a best in class survey system used to survey millions of employees across thousands of organizations. TalentKeepers’ project team will review this survey with City staff to ensure the final items measure the desired drivers of engagement.

The survey has the following features:

- 12-minute, confidential engagement survey
- Measures 8 key metrics proven to drive engagement:
  1. Leader Engagement Effectiveness
  2. Job and Career Engagement Effectiveness
  3. Organizational Engagement Effectiveness
  4. Co-worker Engagement Effectiveness
  5. Employee Net Promoter Score (ENPS)
  6. Intent to Stay
  7. Satisfaction
  8. Satisfaction Change
- Indices are created for each metric listed above and available down to the individual leader level

TalentKeepers’ TalentWatch® survey scoring method uses a 5-point Likert scale of agreement which respondents use to rate their agreement with positively worded behavioral statements (e.g., My leader is someone I trust). We calculate both individual item results as well as key metrics which are comprised of multiple items pertaining to an overall factor or driver. The metrics are calculated using a mathematical threshold to determine if the respondent is in overall agreement with the factor or not. Use of metrics allows important drivers and factors to be more reliably measured and the underlying behavioral statements are provided resulting in action planning to be targeted to address specific behaviors.
4. Receive City management phase approval of the survey instrument and plans prior to proceeding

TalentKeepers will receive City management phase approval of the survey instrument before proceeding.

Survey Procedures

1. Provide fully hosted web portal and survey software

Employees will access the survey through TalentKeepers' proprietary LMS, RetentionWorks. Employees will receive an email from TalentKeepers with a unique link and password to access the survey to ensure anonymity. All surveys are mobile optimized for employee convenience at no additional cost.

2. Allow City staff access to test and approve web portal and actual survey prior to launch

TalentKeepers will work with City staff to allow them to test the web portal and survey for approval prior to launch.

3. Provide one alternate method for survey response
TalentKeepers can offer a paper survey for employees without a City sponsored email address or regular computer access. Completed surveys will need to be mailed back to TalentKeepers for input and analysis.

Alternatively, if the City can help provide login credentials to those without an email address, they could participate online via their smartphone, a tablet, or a shared computer which would yield cost savings for the City.

4. Develop and provide survey controls, procedures and participant instructions

TalentKeepers will provide survey controls, procedures, and participant instructions to each employee to ensure easy participation. These include access instructions delivered with their survey links as well as instructions throughout the system making the overall experience very user friendly.

5. Work with City staff to develop all employee communication scripts in advance

Communication and trust are critical elements of an effective employee engagement survey. Following these tenets, we will be able to set a positive tone in these areas before the survey even begins. Moreover, communicating and establishing trust will also increase the survey response rate as well as the candor of the responses. We believe the most effective way to communicate, rollout your survey, and achieve a high participation rate is to:

- Announce in advance the upcoming survey, with timeline;
- Explain the organization’s intent on conducting the survey;
- Explain how and when the results will be shared with the workforce;
- Emphasize that all the data is being collected by an outside entity, Encourage employees to respond candidly and get in front of
any potential trust issues that might exist;

- Highlight the benefits to each employee. Simply telling people that you want to know about employee satisfaction or employee engagement might ring hollow with some people. It is okay to use terms like "employee satisfaction" in your communications, but make the benefits more personal. Think about the tone of your message from the employees' perspective.
- Explain what they can expect to gain from this process and how this survey will be different from the ones previously conducted; and follow through on action plans and commitments. Change needs to come from the top down. If employees see leadership buy-in and support, they will more likely be engaged.

6. Provide personal access codes delivered directly to each employee for ensuring confidentiality

TalentKeepers will email unique login instructions to each employee. For those employees without email access, they will either be given a paper survey to complete or we can provide the appropriate City staff with those employees' login I.D.'s so that they may participate via smart phone, tablet, or shared computer.

7. Receive City management phase approval prior to launch

TalentKeepers will receive City management phase approval prior to launch.

Survey Administration (Target Survey Period to run from April 20 to May 8, 2020)

1. Monitor survey throughout survey time frame
TalentKeepers will monitor the survey participation throughout the time frame. Additionally, City staff will have 24/7 access to real time participation reporting.

2. Provide periodic status reports to City management

TalentKeepers will provide periodic status reports to City management upon request.

3. Provide dedicated resources for responding to employee questions or issues

TalentKeepers client services team will respond to any employee questions or issues during the survey time frame to ensure prompt resolution of any user issue.

4. Receive City management acceptance prior to survey closure Note: The City may request to extend the survey period one week to May 15 if an acceptable participation rate is not achieved by May 8.

Prior to survey closure, TalentKeepers will gain City management approval. If the survey is not at an acceptable participation rate, the survey administration will be extended.
Survey Analysis (Delivery of Finalized & Accepted Survey Executive Report no later than June 5, 2020)

1. Analyze and tabulate survey results

TalentKeepers' team are well-trained on conducting comprehensive statistical analyses including trending analysis. TalentKeepers routinely provides predictive analytics to clients specifically leveraging the demographics of survey participants such as tenure, position, location, operational performance metrics, etc. These analyses encompass all types of survey results including rated items and free responses which pertain to specific trends and outcomes. Our standard data analysis includes both a summary of quantitative results and a qualitative review, a summary of overall trends, as well as areas of strength and vulnerabilities. We correlate responses to survey items with client defined performance metrics, allowing us to identify factors and behaviors, which are associated with better performance on the job. In turn, the focus on improving these behaviors will drive better performance and economic outcomes.

We maintain a comprehensive benchmarking database with general and "best in class" benchmarks against which client results are compared. All results are stored at the individual respondent level which allows for the grouping by any attribute associated with the individual. Our standard analysis compares and contrasts groups to identify high and low performing groups and we frequently conduct ad-hoc analyses with clients as we identify areas of interest which warrant additional analysis. Our standard data analysis reporting prioritizes areas of strength and improvement opportunities along with comprehensive recommendations and a full featured online action planning process for leaders of all levels. We provide detailed Excel files with all key metric and individual survey items organized by attribute and hierarchy.

A bit more on our data analysis process:

PowerPoint Presentations & Virtual Delivery of Results
• One Power Point at the Executive Level
  1. Results in PPT:
     1. Key metrics
     2. All client attributes
     3. Observations & recommendations
        1. At Level 1 and Level 2 data
        2. In PPT or Word as appropriate to client
  2. One PowerPoint delivered during one, 2-hour data review
  3. Custom question will be reported as frequencies

Spreadsheets of Results

• Key Metrics Spreadsheet
  1. Data displayed for the following groups:
     a) Overall results
     b) Organizational levels/grouping(s) as defined by the City's hierarchy
     c) Per leader with survey results
  2. Data within spreadsheet:
     a) Leaders Name, Login ID, Attributes
     b) Organization Engagement Index
     c) Job & Career Engagement Index
     d) Co-worker Engagement Index
     e) Leader Engagement Index
     f) Willingness to Recommend
     g) Intent to Stay (% Low Risk, Stay 1 Yr. or More)
     h) Overall Satisfaction Level (% Favorable)
     i) Satisfaction Change (% Increased Satisfaction)
     j) # of survey raters

• Free Response Spreadsheet
  1. Spreadsheet with all individual respondents free response text for reasons to stay or consider leaving (individual respondents themselves not identified)

• Engagement Item Spreadsheet
1. % of favorable responses for each engagement survey item displayed

2. Data displayed for the following groups:
   a) Overall results
   b) Organizational levels/grouping(s) as defined by the City's hierarchy
   c) Per leader with survey results

3. Data within spreadsheet:
   a) 52 Engagement Survey Items:
      1. 12 High Performing Organization (Organization Engagement Items)
      2. 12 Job & Career Satisfaction (Job Engagement Items)
      3. 6 Supportive Co-worker (Co-worker Engagement Items)
      4. 22 Credible Leadership (Leader Engagement Items)

4. 3 Spreadsheets
   a) 1) Group, 2) Individual Leader, 3) Engagement Item
   b) By Overall and up to 10 organizational attributes

**Analysis of Attribute groupings**

- Attributes: Client defined groups by which survey results are analyzed and reported
  - Count of included Attributes: 10
  - Recommended attributes include: job title, location/region, tenure, and performance metrics
    - Performance and tenure limited to 5 levels within the attribute (For example: tenure less than 1 year, 1-3 years, 3-6 years, 6-10 years, and 10 years or more)
    - The number of job titles and locations are not limited
- Correlation analysis will be completed between the TalentWatch® key metrics and relevant client defined attributes

2. Provide all actual response data in a Microsoft compatible format (scrubbed of individual employee identity) to City staff

All actual response data will be provided to City staff in an Excel Spreadsheet, scrubbed of individual employee identifiers.
No individual survey data will ever be available to your organization, including those privy to employee personal data; that is our promise to the survey takers.

The results are available to City staff at multiple levels:

1. **Individual leaders** would be able to access their team members’ results on-line as well as elect to print out their results within 15 days after the survey administration closes. The results are presented in an easy to understand format using key metrics (i.e. leader engagement index, intent to stay, satisfaction change, etc.) and guided action planning steps allowing each leader to quickly see areas of strength as well as areas of development opportunity. Reports include statistical data and narrative (free response) information. Individual reports are available for leaders with 5+ responses.

2. **Aggregate results.** Your organization will also be able to review group data by demographic factors that are most important to you within 30 days after the survey administration closes. Some examples would be to analyze results by generational differences, performance levels, and tenure. Any attributes that your Human Resources Information System (HRIS) or operational performance system captures, can be used to analyze survey results.

We will also make available a comprehensive Excel spreadsheet with all key metric and individual survey item organized by demographics and organizational hierarchy. This will allow you to quickly compare group results and see where there are the biggest opportunities for improvement.

TalentKeepers also will make available to senior leadership a dynamic dashboard that will allow them to drill down into their organization’s results and identify key opportunity areas. Our dashboard builds awareness of the strategic advantage an engaged workforce can deliver. We accomplish this by measuring the impact of improving talent management in terms of operating metrics: sales, service, productivity, etc. At a glance, senior leaders will learn the following from our online dashboard:

- Compare key metrics (i.e. leader engagement index, ENPS) across their operating groups
- Compare their groups’ performance to that of their peers
- Results within the dashboard can be set up to be viewed by leadership hierarchy as well as across other groupings such as job positions, levels, etc.
- Ability to display current and previous survey administration data to assess trends and accountability
- Customized definitions of organizationally specific key metrics are displayed for ease of understanding
- Displays group participation percentages used to generate the dashboard results
• Drill down into various hierarchy levels of data down to individual leader levels
• Clear and easy way to identify individual leader’s areas of strength and opportunity

Lastly, TalentKeepers will provide a comprehensive executive summary via PowerPoint.

Additionally, TalentKeepers will make an Online Action Plan available to all leaders to ensure they take action on their results. The online action plan is available when the survey administration closes to all leaders, who have at least 5+ respondents, and the benefits are:

• **Systemic method for driving action plan participation**
  - All activity notifications sent directly from TalentKeepers
  - Instructions sent to leaders to develop their online action plan
  - Reminder emails sent only to leaders who have not yet completed and submitted their plan

• **Easy to use online action planning form**
  - Prepopulated key metrics from most recent survey administration allow easy goal setting for individual leaders
  - Versatile action planning options including leveraging strengths, developing behaviors, inclusion of comments, and guides for developing an approach and setting SMARTER goals

• **Built in accountability**
  - Instant emails to the leader’s manager, when a leader has submitted their action plan
  - Notifications to managers to review the action plans
  - Status updates
  - Participation reports available to track action plan progress at all steps

• **Guidance on next steps**
  - Clean and concise next steps for leaders help administrators more effectively manage the action planning process
  - Direction provided on action plan behaviors and goal setting in order to increase accountability, employee engagement, and business metrics
  - On the job tips and tactics for each engagement item available for inclusion in action plan
3. Work with City staff to develop and then present executive summary to City management regarding the survey results

TalentKeepers will work with City staff to develop and then present an executive summary to City management regarding the survey results. Positioning the right information to ensure all leaders understand the data and are clear about action planning and next steps is a crucial and necessary step. Communicating the data succinctly helps executive leaders learn the information in a way that makes sense for their role and provides a clear path to incorporating the data into their everyday interactions with their teams.

TalentKeepers makes this process easy. We provide you all the observations and recommendations in a user-friendly format and help facilitate ongoing meetings to confirm status updates, address any challenges, and work with you on next steps. Our expertise to identify and analyze strategies as well as develop an organizational action plan that assists in the development of long-range goals and strategies, are just one of the reasons we are recognized as a leading provider that increases employee engagement and retention.

What gets managed gets done. You likely are familiar with that management phrase. A critical step in the post-survey process is to consolidate all the observations and recommendations that were discussed in the leadership meetings. Next, it is essential to determine what items will be addressed and, just as importantly, what items will not be and why. Each action item will need an owner who will be responsible for addressing the item, identifying criteria that will be determined to measure progress or completion, providing status updates, and communicating the outcomes to all relevant stakeholders.

We are your partner throughout the entire process and will recommend best practices that are proven to be effective. Our shared goal is to see positive results that will be captured in your next survey administration.
4. Receive City management acceptance of results and reports

TalentKeepers will receive City management acceptance of results and reports.

Other services

1. Provide detailed feedback results and an additional executive summary to City management that includes suggested action plans based on industry best practices.

TalentKeepers will provide an additional executive summary along with detailed feedback results to City management that includes suggested action plans based on industry best practices. To support taking action, TalentKeepers will also provide access to our best in class online action planning tool. The online action plan is available when the survey administration closes to all leaders, who have at least 5+ respondents, and the benefits are:

- Systemic method for driving action plan participation
  - All activity notifications sent directly from TalentKeepers
  - Instructions sent to leaders to develop their online action plan
  - Reminder emails sent only to leaders who have not yet completed and submitted their plan

- Easy to use online action planning form
Prepopulated key metrics from most recent survey administration allow easy goal setting for individual leaders

Versatile action planning options including leveraging strengths, developing behaviors, inclusion of comments, and guides for developing an approach and setting SMARTER goals

- Built in accountability
  - Instant emails to the leader’s manager, when a leader has submitted their action plan
  - Notifications to managers to review the action plans
  - Status updates
  - Participation reports available to track action plan progress at all steps

- Guidance on next steps
  - Clean and concise next steps for leaders help administrators more effectively manage the action planning process
  - Direction provided on action plan behaviors and goal setting in order to increase accountability, employee engagement, and business metrics
  - On the job tips and tactics for each engagement item available for inclusion in action plan

Another look at our survey tool

TalentWatch® Employee Engagement System

Employee engagement surveys are very important to creating an engaged workforce. It is imperative to hear the voice of your employees and let them know that their feedback and commitment to the organization is valued. Creating stronger employee bonds enhances brand identity and loyalty, which reinforces your organizational culture. As we all know, administering an engagement survey is only the first step to measuring factors that matter most to your greatest asset...your employees.

The TalentWatch system is a best-in-class solution. It is appropriate for organizations who do not have an existing employee engagement program as well as those who are integrating it with other existing engagement tools. It offers a research-based, proven
The TalentWatch® Employee Engagement System includes:

- A standard TalentWatch® or customized/branded employee engagement survey
  - Survey customization is not included in the standard cost
- All administration support including planning, distribution, email notifications and reminders, and participation tracking data
- Comprehensive reporting by user-defined attributes
- Online individual leader reports available down to front-line leadership
- Dynamic dashboard for senior leaders which provides peer comparisons and enables on-demand drill downs to review subgroup performance
- Team Meeting Guides to help leaders communicate survey results and make sharing the data a positive experience
- Online action planning guides to prioritize and plan concrete follow-up initiatives. Notifications to superiors, reminders and alerts are built in to ensure accountability and follow-through
- Longitudinal reporting for tracking progress over multiple administrations
• Benchmark database comparisons
• Educating Executives through front-line leadership on the results and next steps

Team Meeting Guide

Taking the survey is the easiest part of the process, but sharing the results down to the team level is what really matters to employees. Hearing about the survey results is very important to those that participated. This should be a positive experience for the team, inspiring them to be supportive and engaged in the improvement process. Providing a guide for leaders to support their conversations helps them prepare effectively for this discussion. The following are included in the Team Meeting Guide:

• Meeting objectives
• Meeting tips
• Tactics to help respond to questions about specific employee engagement items
• How to start the discussion, share highlights of the results, and ask questions
• Share actions that will be taken (i.e. how the organization and senior leadership are going to use the results)
• Share personal actions and commitment to the team
• Detailed recommendations for improvement for each survey item
Employee Engagement Survey Cycle

Timeline

The timeframe is broken into 3 parts:
1. Implementation activities
2. Survey results & leadership training
3. Post program action planning activities
TalentKeepers can implement the surveys in as few as 30-60 days from the signed contract. This timing is based on your organization's availability to schedule meetings together, scope out and review customization requests (if applicable), and provide timely feedback.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Owner</th>
<th>Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Implementation activities:</strong> Examples are communication strategy, employee data file development, web-testing, and training for City staff</td>
<td>Virtual meetings to introduce the program to Panama City Beach staff, discuss the implementation schedule, training, and required tasks.</td>
<td>Panama City Beach Coach TalentKeepers</td>
<td>March 2020</td>
</tr>
<tr>
<td><strong>Survey administration:</strong> 1. TalentWatch®</td>
<td>TalentWatch is the anonymous engagement survey.</td>
<td>All Employees, including Leadership</td>
<td>April 20-May 8, 2020</td>
</tr>
<tr>
<td><strong>Paper survey mailed to TalentKeepers IF APPLICABLE</strong></td>
<td>In order to complete your data analysis on time, TalentKeepers will need to receive all paper surveys by the last day of the survey administration period.</td>
<td>Coach</td>
<td>Received by last day of survey administration period</td>
</tr>
<tr>
<td><strong>Data analysis</strong></td>
<td>TalentKeepers' experts will analyze key metrics and findings to coach the Executive team down to front-line leadership on the results.</td>
<td>TalentKeepers</td>
<td>3 weeks post survey close date</td>
</tr>
<tr>
<td><strong>Onsite Leadership meeting:</strong> 1. Executive Briefing</td>
<td>Leaders learn the program purpose, expectations, resources, survey results, observations and action planning recommendations.</td>
<td>Coaches Leaders TalentKeepers</td>
<td>No later than June 5th</td>
</tr>
<tr>
<td><strong>Goal setting &amp; action planning</strong></td>
<td>Leaders complete their online action plans.</td>
<td>Leaders Team Members</td>
<td>6-8 weeks post survey close</td>
</tr>
<tr>
<td><strong>Post-survey virtual meetings</strong></td>
<td>Once a quarter, the Execution Coaches and other leadership will meet virtually with TalentKeepers to discuss program observations and recommendations progress, challenges, business metrics, and goals.</td>
<td>Coach Leadership TalentKeepers</td>
<td>Reoccurring virtual calls: 6 + 9 months after receiving results</td>
</tr>
<tr>
<td><strong>Solution(s) Expiration Date</strong></td>
<td>The Solution(s) expire 12-months from the initial launch date.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Compensation

The following recommended solution components are individually priced for your review below. This includes online deployment, report compilation and distribution, availability of standard tools and templates, and basic access to tech support and client services personnel. All products must be used within 2 years of signing the End-User License and Schedule Agreement.

<table>
<thead>
<tr>
<th>Product &amp; Services</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Implementation Planning &amp; Training</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Virtual Implementation Activities</strong></td>
<td></td>
</tr>
<tr>
<td>• Introduce the strategy, define roles, set goals, expectations, schedules and develop common practices across locations (program aligned recruiters, trainers, and coaches participate)</td>
<td></td>
</tr>
<tr>
<td>• Unlimited administration access determined by your organization</td>
<td></td>
</tr>
<tr>
<td>• Complete due diligence on internal tools/processes to determine how to best leverage them</td>
<td></td>
</tr>
<tr>
<td>• System administration training guides</td>
<td></td>
</tr>
<tr>
<td>a. System training, set-up education, and learning resources for Execution Coaches</td>
<td></td>
</tr>
<tr>
<td>b. Learn how to navigate through the online system to better understand how to access data 24/7</td>
<td></td>
</tr>
<tr>
<td>• Data file education &amp; development</td>
<td></td>
</tr>
<tr>
<td>a. Up to 2, 30-minute virtual sessions to train on our system</td>
<td></td>
</tr>
<tr>
<td>• Online training to further understand the importance of monitoring engagement and retention and being an expert for other employees</td>
<td></td>
</tr>
<tr>
<td>• Receive 5 book copies of <em>Talent Keepers: How to Engage &amp; Retain Great People</em></td>
<td></td>
</tr>
<tr>
<td>• Complimentary access to our research whitepapers</td>
<td></td>
</tr>
<tr>
<td>• 20% discount on webinars, including SHRM and HRCI recertification credit hours</td>
<td></td>
</tr>
</tbody>
</table>

Each administration below includes TalentKeepers' consultative support with the following:

• Setting-up on TalentKeepers® LMS
• Personalizing site with logo and message
• Senior leader announcement email message, if applicable
• Data file development and processing
• Log-in instructions email to invited employees, if applicable
• Reminder emails, if applicable
• Calls with Execution Coaches to confirm progress on implementation activities & discuss next steps

### Survey Design, Development, and Administration

#### Survey Customization
- Includes the following activities:
  - Initial customization options call
  - Up to 2 revisions by TalentKeepers after draft of survey is designed
  - Final customization call with your organization
  - Quality check of custom survey(s) prior to administration
  - Quality check of deliverables

#### 330 TalentWatch® Engagement System
- Includes online survey, individual and aggregate reports, dashboard for senior leadership, Team Meeting Guides, and action plans (for all of leadership)

#### 80 Paper Survey Data Entry
- Processing of partial or complete surveys by TalentKeepers
- Shipping to and from Panama City Beach to be billed at cost
- Non-English surveys may incur additional cost

### Data Analysis and Delivery

#### Data Analysis & Results Delivery
- Standard TalentWatch survey analysis
- PowerPoint presentations
  - Executive level
- Data analysis package includes:
  - PowerPoint presentations to introduce the program, discuss organizational results, observations & recommendations
  - Excel spreadsheets with individual leader data, free responses, and key metric data
  - Summary document containing all observations and recommendations
  - Post-survey calls to review status updates of observations & recommendations

### Travel Costs

Total Cost: $10,900

### Optional Services:

**Filter & Screen Free-Responses** at $550/instance
- Standard TalentWatch Engagement Survey Only; Customized survey is $TBD
- Review and collect ethical issues as well as send them to the appropriate personnel, via email
- Ethical issues will be removed from deliverables
<table>
<thead>
<tr>
<th><strong>Onsite Leader Meetings</strong> at $3,300/day + travel</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Survey read-out sessions and action planning sessions with leaders</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Web Facilitated Meetings</strong> at $704/session</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Up to 2 hour virtual, web-based coaching sessions</td>
</tr>
<tr>
<td>• TalentKeepers® to facilitate survey results to leadership</td>
</tr>
<tr>
<td>• 25 leaders maximum per session</td>
</tr>
<tr>
<td>• Any land-line connection charges will be billed at cost</td>
</tr>
<tr>
<td>• Cost does not include any additional data analysis or presentations</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Recorded training sessions</strong> at $275/session/30-day access</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Additional Consulting</strong> at $275/meeting/email response</td>
</tr>
<tr>
<td>• Up to 60-minute meeting</td>
</tr>
<tr>
<td>• Requiring consultation after results provided to your organization's personnel (e.g. additional review of data after delivery, understanding the story behind the data)</td>
</tr>
<tr>
<td>• Follow-up can be completed either by email or phone</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Additional Data Analysis</strong> at $275/hour</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Request will be scoped out and approved by your organization</td>
</tr>
<tr>
<td>• Results delivered via email or telephone to project manager</td>
</tr>
</tbody>
</table>
Acceptance and Payment Terms

- The terms of this proposal are valid for acceptance until 4/3/2020.
- Payment terms on all invoices are Net 30.
- Any cost incurred from wired payments will be paid by your organization.
- Late payments will be assessed a 1.5% finance charge per month.
- Your organization will be required to furnish accounts payable contact information prior to actual contracting.
- Payment for reimbursable travel is due upon receipt.
- Your organization acknowledges and agrees that it is responsible for the payment of all applicable taxes and duties, including, without limitation, sales, use, excise, value added, and national and international taxes, associated with the License granted, the products and services performed under this Agreement, except for taxes based on TalentKeepers' income.
- Once approved and started, if a project is cancelled, modified, or postponed by your organization, then the organization named will be liable for all work completed prior to cancellation, modification or postponement.
• If the contract is changed (i.e. no longer using all contracted solutions, change launch date of 60 days+, reduction in population of 15% or greater) or cancelled, then the named organization is responsible for 15% of the total cancelled value or $500, whichever one is greater.
• Any multi-year and/or multi-product discounts offered which no longer apply due to the change or cancellation would be invoiced immediately.
### CITY OF PANAMA CITY BEACH
### BUDGET TRANSFER FORM BF-10

<table>
<thead>
<tr>
<th>FUND</th>
<th>GENERAL</th>
<th>ACCOUNT DESCRIPTION</th>
<th>APPROVED BUDGET</th>
<th>BUDGET ADJUSTMENT</th>
<th>NEW BUDGET BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TO</td>
<td>001-1100-511.31-60</td>
<td>Professional-Other</td>
<td>1,000.00</td>
<td>185.00</td>
<td>1,185.00</td>
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<tr>
<td>TO</td>
<td>001-1300-513.31-60</td>
<td>Professional-Other</td>
<td>418,600.00</td>
<td>300.00</td>
<td>418,900.00</td>
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<tr>
<td>TO</td>
<td>001-1500-515.31-60</td>
<td>Professional-Other</td>
<td>17,500.00</td>
<td>85.00</td>
<td>17,585.00</td>
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<tr>
<td>TO</td>
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<td>Professional-Other</td>
<td>35,000.00</td>
<td>2,870.00</td>
<td>37,870.00</td>
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<tr>
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<td>Professional-Other</td>
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<td>1,750.00</td>
<td>52,050.00</td>
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<tr>
<td>TO</td>
<td>001-2202-522.31-60</td>
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<td>500.00</td>
<td>185.00</td>
<td>685.00</td>
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<td>865.00</td>
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<td>4,374,000.00</td>
<td>(7,125.00)</td>
<td>4,366,875.00</td>
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**CRA**

| TO   | 160-2400-524.31-60 | Professional-Other | 1,500.00        | 40.00            | 1,540.00          |
| TO   | 160-5901-559.31-60 | Professional-Other | 165,500.00      | 160.00           | 165,660.00        |
| FROM | 160-5901-559.95-00 | Reserves Restricted | 14,573,925.00  | (200.00)         | 14,573,725.00     |

**UTILITY**

| TO   | 401-3300-533.31-60 | Professional-Other | 82,000.00       | 1,325.00         | 83,325.00         |
| TO   | 401-3500-535.31-60 | Professional-Other | 277,000.00      | 1,560.00         | 278,560.00        |
| TO   | 401-3800-538.31-60 | Professional-Other | 18,000.00       | 300.00           | 18,300.00         |
| FROM | 401-8100-999.95-00 | Reserves Restricted | 22,321,020.00  | (300.00)         | 22,320,720.00     |
| FROM | 401-8100-999.96-00 | Reserves Available for Expenditures | 45,845,685.00 | (2,885.00)       | 45,842,800.00     |

**PIER**

| TO   | 402-7500-575.31-60 | Professional-Other | 1,000.00        | 265.00           | 1,265.00          |
| FROM | 402-7500-575.95-00 | Reserves Available for Expenditures | 209,391.00    | (265.00)         | 209,126.00        |

**AQUATIC CENTER**

| TO   | 403-0000-572.31-60 | Professional-Other | 2,500.00        | 125.00           | 2,625.00          |
| FROM | 403-0000-999.96-00 | Reserves Available for Expenditures | 180,658.00    | (125.00)         | 180,533.00        |

Check Adjustment Totals: 86,644,580.00

**BRIEF JUSTIFICATION FOR BUDGET ADJUSTMENT:**

To appropriate funds for the contract with Talent keepers related to the employee survey. The budget has been allocated to various funds and departments pro-rata based upon the number of FT employees in each respective area.
REGULAR ITEM

8
# CITY OF PANAMA CITY BEACH

## AGENDA ITEM SUMMARY

<table>
<thead>
<tr>
<th>1. DEPARTMENT MAKING REQUEST/NAME:</th>
<th>2. MEETING DATE:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration/Mary Jan Bossert</td>
<td>March 12, 2020</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. REQUESTED MOTION/ACTION:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approve Budget Amendment #19 in the amount of $7,500 for agenda management software.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. AGENDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRESENTATION</td>
</tr>
<tr>
<td>[ ]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>5. IS THIS ITEM BUDGETED (IF APPLICABLE)?</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ] Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BUDGET AMENDMENT OR N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>DETAILED BUDGET AMENDMENT ATTACHED</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds are needed for the agenda management software as a service from Granicus for a period of one year at a cost of $7,500.00. The use of agenda management software was not anticipated when the budget was approved in September 2020, and there is no money currently budgeted for this purchase.</td>
</tr>
<tr>
<td>This software will allow the Clerk and Council Members to access meeting materials on any device to view and edit agenda items in real time. This software also offers citizens and interested parties digital access to meeting agendas and minutes in a central searchable portal. Time is saved as well as paper by automating agenda approval and meeting minutes management.</td>
</tr>
</tbody>
</table>
RESOLUTION 20-71

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, APPROVING A BUDGET AMENDMENT TO APPROPRIATE FUNDS FROM RESERVES FOR PURCHASE OF MEETING AND AGENDA SOFTWARE.

Whereas, the City is purchasing Meeting and Agenda Software from Granicus in the amount of Seven Thousand, Five Hundred dollars ($7,500.00); and

Whereas, a budget amendment is necessary to appropriate funds from reserves for the purchase of the software.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Panama City Beach that:

1. The following budget amendment (#19) is adopted for the fiscal year beginning October 1, 2019 and ending September 30, 2020, to appropriate funds from reserves for the purchase of Granicus Meeting and Agenda Software, in substantially the form attached as Exhibit A.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in regular session this ___ day of __________, 2020.

CITY OF PANAMA CITY BEACH

By: ____________________________
    Mike Thomas, Mayor

ATTEST:

______________________________
Mary Jan Bossert, City Clerk
CITY OF PANAMA CITY BEACH
BUDGET TRANSFER FORM BF-10
No. BA # 19

<table>
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<tr>
<th>FUND</th>
<th>GENERAL</th>
<th>ACCOUNT DESCRIPTION</th>
<th>APPROVED BUDGET</th>
<th>BUDGET ADJUSTMENT</th>
<th>NEW BUDGET BALANCE</th>
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<td>TO</td>
<td>001-1300-513.34-10</td>
<td>Contracted Services</td>
<td>25,000.00</td>
<td>7,500.00</td>
<td>32,500.00</td>
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<td>(7,500.00)</td>
<td>4,389,000.00</td>
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Check Adjustment Totals: 4,421,500.00 0.00 4,421,500.00

BRIEF JUSTIFICATION FOR BUDGET ADJUSTMENT:

To appropriate funds from reserves for software as a service from Granicus for its meeting and agenda management software
for a period of one year

EXHIBIT A
REGULAR ITEM 9
1. **DEPARTMENT MAKING REQUEST/NAME:**
Administration/HR

2. **MEETING DATE:**
March 12, 2020

3. **REQUESTED MOTION/ACTION:**
Request Council to authorize budget amendment and approve consulting services agreement with Condrey & Associates relating to services for a Compensation and Classification Study.

4. **AGENDA**

<table>
<thead>
<tr>
<th>Presentation</th>
<th>Public Hearing</th>
<th>Consent</th>
<th>Regular</th>
</tr>
</thead>
</table>

5. **IS THIS ITEM BUDGETED (IF APPLICABLE)?**

| Yes ☑ | No ☑ | N/A ☐ |

**BUDGET AMENDMENT OR N/A**

| Detailed Budget Amendment Attached | Yes ☑ | No ☑ | N/A ☐ |

6. **BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)**

On February 27th, bids were accepted for the Compensation and Classification Study.

We received (3) three responsive bids. Based on the scoring system, the staff recommends Condrey & Associates for $39,500. This item is budgeted for $21,000, so the attached budget amendment is necessary to fully fund the contract.

Condrey will be interviewing approximately 50% of staff to understand exactly what our employees do in their unique roles. By interviewing staff, it will allow them to expand on "all other duties as assigned". The City will be able to approve the list of up to 25 comparable entities. They will also provide the City with (3) three different implementation plans showing the relative impact of differing funding levels on the compensation plan. In addition, their fee includes 12 months of follow-up technical assistance at no charge.

Staff recommends approval of the agreement and budget amendment. If approved, this project would commence April 1 and be complete by June 30, 2020.
RESOLUTION 20-72

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, APPROVING AN AGREEMENT WITH CONDREY & ASSOCIATES FOR AN EMPLOYEE CLASSIFICATION AND PAY PLAN STUDY FOR THE BASIC AMOUNT OF $39,500; AND AUTHORIZING A BUDGET AMENDMENT TO APPROPRIATE ADDITIONAL FUNDS FOR THIS CONTRACT.

BE IT RESOLVED that:

1. The appropriate officers of the City are authorized to accept and deliver on behalf of the City that certain Agreement between the City and Condrey & Associates, relating to the performance of an employee classification and pay plan study, in the basic amount of Thirty Nine Thousand, Five Hundred Dollars ($39,500.00), in substantially the form attached and presented to the Council today, draft dated February 10, 2020, attached as Exhibit A.

2. The following budget amendment #23 is adopted for the City of Panama City Beach, Florida, for the fiscal year beginning October 1, 2019 and ending September 30, 2020, as shown in and in accordance with the attached and incorporated Exhibit B.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in regular session this ___ day of ____________, 2020.

CITY OF PANAMA CITY BEACH

By: ________________________________

Mike Thomas, Mayor

ATTEST:

Mary Jan Bossert, City Clerk

Resolution 20-72
Page 1 of 1
February 10, 2020

Ms. Lori Philput  
HR/Risk Management Director  
City of Panama City Beach  
17007 Panama City Beach Parkway  
Panama City Beach, Florida 32413

Dear Ms. Philput:

I have enclosed a proposal to conduct a classification and compensation study for the City of Panama City Beach. If selected, we plan to begin work on the project April 1, 2020, with a preliminary report submitted for review in June 2020 and a final report submitted on or before June 30, 2020. The enclosed proposal outlines a thorough study for the City.

I believe you will agree that confidence is built in a new classification and compensation system by involving management and employees in the process. If selected for this project, we would interview approximately 50% of the City of Panama City Beach’s 330 employees covered under this letter of agreement. We believe this high percentage of persons individually interviewed for the study will greatly increase its validity. As you will note from the enclosed proposal, in the employee interview process we utilize a variety of skilled consultants with specific subject matter knowledge of local government administration, public safety, public utilities, public finance, public works and information technology. This process leads to a valid and expertly prepared compensation plan that is accepted by the City’s employees.

Condrey and Associates has been serving clients nationwide for more than 21 years and has never been involved in any litigation. I strongly encourage you to check the references we have listed in our proposal packet. I believe you will find that we work very hard to deliver a thoroughly documented and competitive personnel system that meets the needs of management and employees alike.

This offer of services is valid until September 30, 2020. We will be happy to revise the enclosed memorandum of agreement to meet appropriate legal requirements as deemed necessary by the City of Panama City Beach or to enter into an appropriate contract initiated by the City.

We are looking forward to providing high quality human resource management consulting services to the City of Panama City Beach. I believe you will find our firm to be highly competent and responsive to the needs of your jurisdiction. Please contact me at (706) 380-7107 if I may provide further information.

Sincerely,

Steve Condrey, Ph.D., IPMA-SCP  
President

AGENDA ITEM # 9
PROPOSAL FOR A CLASSIFICATION
AND COMPENSATION STUDY
FOR THE CITY OF
PANAMA CITY BEACH, FLORIDA

February 10, 2020

Condrey and Associates, Inc.
PO Box 7907
Athens, Georgia 30604-7907
(706) 380-7107 (phone)
(586) 816-4067 (fax)
steve@condrey-consulting.com
www.condrey-consulting.com

EXHIBIT A
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Memorandum of Agreement 17
Contract for Technical Assistance to the City of Panama City Beach 20
Schedule of Activities 23
PROFILE OF PROPOSER

Condrey and Associates, Inc. is a human resource management consulting firm providing personnel-related technical assistance to local and state government organizations. All work performed for the City of Panama City Beach project will be conducted on site and at the firm’s offices in Athens, Georgia.

The two principals associated with the project, Dr. Steve Condrey and Ms. Jan Hansford, have collaborated on over 500 similar projects for state and local governments. Consultants for this project will be chosen from among consultants with specific subject matter knowledge in local government, public safety, public utilities, public health, and public works administration: Dr. Rex Facer, Associate Professor in the Romney Institute of Public Management at Brigham Young University and a skilled human resources consultant, Mr. Mark Knowles, an independent consultant experienced in financial administration and information technology, Gene Mays, former Chief Deputy of the Athens-Clarke County, Georgia, Sheriff’s Department and a skilled law enforcement consultant, Mr. James Hansford, a skilled classification consultant and former Executive Director of the Georgia Firefighter Standards and Training Commission, Mr. Mike Mahathirath, a skilled consultant specializing in IT, Finance and Staffing Analyses, Dr. Mark Foster, an industrial psychologist with extensive experience in law enforcement administration, Dr. James M. Austin, Jr., an industrial psychologist and President of Austin Consulting, Inc., Mr. Brian Burke, a certified Real Estate Appraiser and Firefighter, and Dr. Greg Reece, a skilled technical writer and consultant.
REPRESENTATIVE CLIENT CONTACTS

Listed below are five representative references. Additional professional references are available upon request.

Ms. Stacey Stanish  
Human Resources Director (former)  
St. Johns County Government  
2446 Dobbs Road  
St. Augustine, FL 32086  
(904) 392-1841  
sstanish@bellsouth.net

In 2011 we completed a comprehensive classification and compensation study for St. Johns County (approximately 1,300 employees). We completed a market survey for the County in 2015 and 2017. St. Johns County chose Condrey and Associates for this project after a very competitive selection process.

Mr. Kevin Carruth  
City Manager  
City of Rockport  
622 E. Market Street  
Rockport, Texas 78382  
(361) 729-2213, ext. 221  
citymgr@cityofrockport.com

We completed a classification and compensation study for the City of Rockport in 2015 (approximately 145 employees). We are currently in the process of updating Rockport’s personnel system.

Ms. Lisa Thrash  
Human Resources Director,  
City of Prattville  
101 West Main Street  
Prattville, Alabama 36067  
(334) 595-0701  
lisa.thrash@prattvilleal.gov

We completed a comprehensive classification and compensation study for the City of Prattville in 2018 (approximately 400 employees).
Mr. Steve North
Assistant City Manager
City of Lawrenceville
70 S. Clayton Street
Lawrenceville, GA 30046
(770) 963-2414
steve.north@lawrencevillegaweb.org

We completed a comprehensive classification and compensation study for the City of Lawrenceville in 2017 (approximately 300 employees). We are currently in the process of updating Lawrenceville’s personnel system.

Ms. Heather Doke, PHR
Human Resources Director
City of Sheridan
55 Grinnell Plaza
Sheridan, WY 82801
(307) 675-4220
hdoke@sheridanwy.net

We completed a comprehensive classification and compensation study for the City of Sheridan in 2005 (approximately 200 employees). We completed updates of their system in 2013 and 2018.
SELECTED CLIENTS

**Alabama**
Alabama Department of Postsecondary Education
Alabama Department of Corrections
Alabama Department of Human Resources Head Start
Anniston Water Works and Sewer Board
   City of Anniston
   City of Auburn
Curry Water Authority
   City of Dothan
Dothan-Houston County Intellectual Disabilities Board
   City of Eufaula
Eufaula Water & Sewer Board
   Etowah County
   Town of Falkville
   City of Gadsden
   City of Jasper
Jasper Water Works and Sewer Board
   Lee County
   City of Madison
   City of Mobile
   Mobile County
Mobile County Personnel Board
Mobile Area Water and Sewer Board
Mobile Housing Authority
North Central Alabama Regional Council of Governments (NARCOG)
   City of Opelika
   City of Prattville
   City of Rainbow City
   City of Tallahassee
   City of Tuscaloosa
Selma Waterworks and Sewer Board
   Walker County

**Alaska**
Matanuska-Susitna Borough

**Arkansas**
City of Jonesboro
City of North Little Rock

**Connecticut**
Town of Waterford
Florida
City of Miami Beach
St. Johns County
St. Johns County Property Appraiser
St. Johns County Clerk of Courts

Georgia
City of Acworth
Ben Hill County
Brunswick-Glynn County Joint Water and Sewer Commission
City of Canton
City of Cartersville
Columbus Consolidated Government
Cook County
Coweta County Water and Sewerage Authority
City of Forest Park
City of Hinesville
City of Holly Springs
City of Lawrenceville
City of Suwanee
Lowndes County
Morgan County
Paulding County
City of Peachtree City
Pickens County
City of Statesboro
Tift County
Troup County
City of Tybee Island
United Methodist Church, North Georgia Conference
City of Valdosta
City of Watkinsville

Kentucky
Bowling Green Municipal Utilities
DESA International, Inc., Bowling Green
City of Morganfield

Illinois
Village of Forsyth
City of Moline

Iowa
Dallas County
Muscantine Power and Water
City of Pella
Maine
City of Scarborough

Maryland
City of Takoma Park

Missouri
City of Cape Girardeau
City of Gladstone
City of Jefferson City
City of Lake Saint Louis
City of O'Fallon
City of Sedalia

Nevada
Carson City School District
City of Boulder City

New Hampshire
Local Government Center
City of Concord
Town of Hanover
Manchester Employees’ Contributory Retirement System

New Mexico
Bloomfield School District
Deming Public School System
Santa Fe Community College
San Juan College

New York
Madison County Government
Onondaga County Government
Orange County Government

North Carolina
Braswell Memorial Library, Rocky Mount
Cape Fear Public Utility Authority
Town of Chapel Hill
City of Hickory
City of Laurinburg
Lenoir County
City of Lincolnton
Lincoln County Government
North Carolina League of Municipalities
Orange County Government
North Carolina, Continued
City of Rocky Mount
Rutherford County Government
   City of Wilson

North Dakota
City of Bismarck
City of Mandan
Mandan Parks District

Oklahoma
City of Broken Arrow
Northeastern State University

South Carolina
Town of Fort Mill
City of Goose Creek
Jasper County Government
   McCormick County
   Saluda County

South Dakota
City of Aberdeen
   City of Pierre
Minnehaha County
Pennington County
   City of Madison
   City of Mitchell
   City of Rapid City
   City of Spearfish

Tennessee
City of Hendersonville

Texas
City of Big Spring
City of Beaumont
City of Forney
City of Galveston
City of Rockport
City of Seabrook
Galveston County Government
   Galveston County Health District
   Harris County Housing Authority
   Oller Engineering, Inc., Lubbock
   Texas Municipal League Intergovernmental Risk Pool
Texas (Continued)
Webb County Government

Vermont
Town of Hartford
Town of Norwich

Virginia
The Children's Center
City of Franklin
Franklin Development and Housing Authority
Powhatan County
Town of Rocky Mount
Town of Vinton

Washington
City of Moses Lake

Wyoming
City of Casper
City of Cody
City of Evanston
Evanston Parks & Recreation District
City of Gillette
City of Green River
City of Laramie
City of Rock Springs
City of Sheridan
Sheridan County Government
Sheridan Recreation District
Sweetwater County
SUMMARY OF PROPOSER'S QUALIFICATIONS

Stephen E. Condrey, Ph.D. Steve Condrey, President of Condrey and Associates, has over thirty years of professional experience in human resource management and has consulted nationally and internationally with over 800 organizations concerning personnel-related issues. He is the immediate past Editor-in-Chief of the *Review of Public Personnel Administration* and is the co-editor of *Public Administration in Post-Communist Countries* (CRC Press, 2013), editor of the *Handbook of Human Resource Management in Government*, Jossey-Bass, (1998, 2005 and 2010), and *Radical Reform of the Civil Service*, Lexington Press, 2001. He is the 1998 recipient of the University of Georgia’s Walter Barnard Hill Award for Distinguished Achievement in Public Service and Outreach and was named Hill Fellow by the University of Georgia in 2004 (the University of Georgia’s highest public service faculty honor). He holds the IPMA-SCP designation from the International Public Management Association for Human Resources. Steve retired from the Carl Vinson Institute of Government, University of Georgia in 2010. He was appointed by President Obama as Chairman of the Federal Salary Council in 2010 and served in this capacity until 2017. Dr. Condrey was elected as a Fellow to the National Academy of Public Administration in 2012 and was President of the American Society for Public Administration for 2013-2014.

Ms. Jan Hansford. Jan Hansford, Vice President of Condrey and Associates, is a Principal Human Resource Management Consultant with the Vinson Institute and recently retired as Human Resources Director of Athens-Clarke County, Georgia, a consolidated government of over 1600 employees. With over 30 years of related experience, both as a practitioner and as a consultant, Jan specializes in administrative classification issues, *Fair Labor Standards Act* compliance, and payroll restructuring and administration. She is also well-versed in communicating complex classification and compensation issues in a clear and understandable fashion and will assist in communicating study results to department heads, elected officials, and employees. Ms. Hansford has assisted in managing over 400 personnel-related projects. Jan holds the IPMA-SCP designation from the International Public Management Association for Human Resources.

Mr. Mark Knowles. Mark Knowles, Principal Consultant with Condrey and Associates, is the founder of GovDirections.com – a leading online procurement monitoring system. Mark has prior experience with the Georgia Municipal Association, where he provided technical assistance to local governments. Mark has assisted with organizational management issues related to technology in several communities including the cities of Rapid City, South Dakota, and Auburn, Alabama. Mark has experience in performance benchmarking and assisted in the design and implementation of systems in communities such as Lowndes County and Dawson County, Georgia. Mark has over twenty years of classification and compensation experience and has assisted managing projects in over 200 jurisdictions across the United States.

Mr. Gene Mays. Gene Mays, Senior Consultant with Condrey and Associates, has over twenty-five years of law enforcement experience as a Patrol Officer, Corporal, Juvenile Officer, Detective, Sergeant, Internal Affairs Officer, and Captain with the Athens-Clarke County Police Department. He recently retired as Chief Deputy of the Clarke County, Georgia Sheriff Department. In addition to directly-related law enforcement experience, Gene is a skilled law
enforcement consultant, having consulted with numerous jurisdictions concerning personnel-related issues (classification and compensation, job analysis, and assessment centers). Gene coordinated the law enforcement interviews with the City of Anniston, Alabama, Orange County, North Carolina, Jefferson City, Missouri, North Little Rock and Jonesboro, Arkansas, Galveston County, Texas, Wilson, North Carolina, Auburn, Alabama, Cape Girardeau, Missouri, Sheridan, Wyoming, Gladstone, Missouri and Jasper, Alabama projects.

Mr. James E. Hansford. Jim Hansford, Principal Consultant with Condrey and Associates, has over thirty-five years of experience as a Firefighter, Lieutenant, Captain, Chief of Training and Fire Chief of a consolidated government fire department. He recently retired as the Executive Director of the State of Georgia Firefighter Standards and Training Council, where he administered the certification program for all fire departments in the State of Georgia. Jimmy is a member of the International Association of Fire Chiefs, Georgia Association of Fire Chiefs, and the Georgia Firefighters Association. Mr. Hansford is a skilled consultant, having assisted with over 100 personnel-related projects in various jurisdictions.

Mr. Mike Mahathirath. Mike Mahathirath, Senior Consultant with Condrey and Associates, is co-founder of GovDirections – the leading online procurement monitoring service. Mike has prior experience with the Georgia Municipal Association and the Georgia Department of Community Affairs. Mike managed one of the largest lease-purchase pools in the United States and implementation of a statewide uniform chart of accounts for Georgia Local Governments. Mike has over twelve years of experience working with local governments throughout the United States.

Mr. Ellis Cadenhead. Ellis Cadenhead, Senior Consultant with Condrey and Associates, recently retired as Executive Director of the Coweta County (Georgia) Water Authority. Ellis previously served as Executive Director of Electric Cities of Georgia and Assistant General Manager of Newnan Utilities (Georgia), a full-service utilities commission. Ellis is active in various state and national professional organizations. He assisted with the Galveston, Texas, North Little Rock, Arkansas, Bowling Green Municipal Utilities (Kentucky), Wilson, North Carolina and Muscatine Power and Water (Iowa) projects. Ellis was the founder of the Georgia Public Web, as well as numerous telecommunications innovations while with Newnan Utilities.

Dr. Rex Facer. Rex L. Facer II, Senior Consultant with Condrey and Associates, is an Associate Professor in the Romney Institute of Public Management in the Marriott School at Brigham Young University where he teaches in the Master of Public Administration program. President Obama appointed Facer to the Federal Salary Council in 2010. Facer previously served on NASPAA’s Commission on Peer Review and Accreditation, including a term as chair. The commission is the accrediting body for master’s degree programs in public administration. Professor Facer regularly lectures and consults nationally and internationally on human resource management and local public finance issues. His published research has appeared in leading peer-reviewed journals. His current research focuses on public sector compensation practices, alternative work schedules, and local government finance. Rex coordinates all performance appraisal design and training as well as all salary equity analyses for Condrey and Associates, Inc.
Dr. James M. Austin, Jr. Jim Austin, Senior Consultant with Condrey and Associates, is President of Austin Consulting, Incorporated. Dr. Austin has extensive experience in conducting job analysis, assessment center preparation/administration, policy development, training, and position classification activities in a variety of public and private sector organizations including Home Depot.

Dr. Mark Foster. Mark Foster, Senior Consultant with Condrey and Associates, is an industrial psychologist with over 20 years of experience in law enforcement personnel selection and promotion administration. Mark has coordinated the promotional process for the Georgia State Patrol for the past twelve years, and the Georgia Bureau of Investigation for the past eight years. Additionally, he has consulted nationally with numerous other law enforcement agencies and with Fortune 500 corporations such as Georgia Pacific and Federal Express.

Dr. Cathy Reese. Cathy Reese, Senior Consultant with Condrey and Associates, is Assistant Professor of Public Administration at Arkansas State University where she teaches courses in budgeting, financial administration, and human resource management. Cathy has over 15 years of experience in conducting classification and compensation studies and most recently worked on the North Little Rock and Jonesboro, Arkansas, projects.

Mr. Brian Burke. Brian Burke, Senior Consultant with Condrey and Associates, is a certified Real Estate Appraiser and Fire Officer. Brian has consulted with over 30 organizations, and currently works for a local government.

Ms. Linda Seagraves. Linda Seagraves, Principal Consultant with Condrey and Associates, is a Personnel Specialist with the Vinson Institute of Government. Ms. Seagraves specializes in payroll restructuring and is skilled in calculating project implementation costs so that accurate budget projections are provided to the client. Ms. Seagraves has consulted with over 500 organizations.

Dr. Greg Reece. Greg Reece, Principal Consultant with Condrey and Associates, is a skilled technical writer, author and consultant. He holds graduate degrees from Vanderbilt University (M.Div.) and Claremont Graduate University (Ph.D). He teaches courses in Ethics at the University of Alabama, Birmingham.
FLORIDA SURVEY RESEARCH CENTER PROFILE

Michael J. Scicchitano, Ph.D.  Michael J. Scicchitano is an associate professor of political science and the director of the Florida Survey Research Center (FSRC) at the University of Florida. As Director of the FSRC he has implemented hundreds of survey research and program evaluation projects in the past ten years including projects related to housing and real estate. He has extensive knowledge of the implementation of telephone, mail, and in-person surveys. He brings expertise in survey design, sampling, and data analysis to this project. Dr. Scicchitano earned a BA in political science and masters in public administration from Pennsylvania State University. He received his Ph.D. in political science from the University of Georgia in 1984. Since 1984 he has been on the faculty at West Virginia University, the University of Connecticut and the University of Florida. In addition to his work with the FSRC, he is director of the masters program in public administration. He is also editor of State and Local Government Review, which is the official journal for American Society for Public Administration’s section on intergovernmental management. His research on issues related to public policy and public affairs has been published in Journal of Politics, Publius, Legislative Studies Quarterly, Policy Studies Journal, Administration and Society and many others. He has taught courses on public budgeting, computer applications, and public policy and administration to graduate and undergraduate students at the University of Florida.

Tracy L. Johns, Ph.D.  Tracy Johns is an Adjunct Instructor for the Departments of Sociology and Political Science and the Research Director at the Florida Survey Research Center (FSRC) at the University of Florida. As Research Director of the FSRC, she has designed and overseen the implementation of hundreds of surveys. Dr. Johns is responsible for the creation and design of survey instruments, population sampling, managing survey implementation, supervising data analysis, and writing summary reports of research conducted by the FSRC. She has an extensive background in conducting mail, telephone, and in-person surveys as well as secondary data analysis and program evaluations. Dr. Johns earned a B.A. and M.A. in sociology from the University of Florida, and completed her Ph.D. in sociology at the University of Florida in 2001.

Dr. Johns has published, in journals such as Journal of Research in Crime and Delinquency and Security Journal, and presented papers on a variety of topics, including: crime and deviance on college campuses, disaggregated homicide results, racism in America, and survey methodology. Dr. Johns’ research focuses on issues related to alcohol use and abuse, date rape, and white collar crime. She has initiated and overseen several large-scale studies on alcohol and drug use and she is currently studying shoplifting behaviors. Dr. Johns teaches courses in deviant behavior and general sociology at the University of Florida.
SUMMARY OF CONSULTANT RESPONSIBILITIES AND ASSIGNMENTS

Steve Condrey will serve as project director and will coordinate all direct contacts with the client in conjunction with Jan Hansford. Jan will also coordinate the classification interview schedule, personally interview top administrative personnel, be responsible for constructing the overall classification plan, direct the salary survey, calculate project implementation costs, review the proposed classification plan with appropriate County officials, conduct employee classification appeals (if any), and be available on an as-needed basis for follow-up technical assistance and training during the first year of project implementation.

Jan Hansford and Mark Knowles will serve as assistant project directors and will assist Steve Condrey in the above outlined duties. Mark will also conduct the classification interviews in conjunction with Jan Hansford.

Dr. Greg Reece is the writer for the project. Linda Seagraves will coordinate salary data collection activities conducted by the University of Florida as part of this project and will calculate the costs of various project implementation plans.

City of Panama City Beach staff support required for the project will be minimal. We request that one person be appointed to serve as our principal contact for the purpose of communicating project plans and schedules, gathering current payroll information, and disseminating and collecting position questionnaires and draft job descriptions.
PROJECT UNDERSTANDING, PROPOSED APPROACH, AND METHODOLOGY

* For a full description of project activities please see the enclosed draft contract. Individual employees will be apprised of project activities through a series of project orientation sessions as well as personally during the time that they are interviewed for classification purposes.

* Condrey and Associates will conduct a salary survey specifically for this project. Approximately 25 organizations will be invited to participate in the survey. The salary data will be collected using a university-based online system. This system makes it easy for the target organizations to quickly and accurately input their salary and, if needed, benefit information. Each organization will be sent an email that explains the online salary system as well as access information. The team implementing the online salary survey is available to answer questions and provide support as needed. A sample of the web-based salary data collection system can be viewed at: http://www.flsurveyresearch.org/demo/ using the access code: NJFRHP

* We will provide the City of Panama City Beach with three implementation plans showing the relative impact of differing funding levels on the compensation plan. This will provide the County with a degree of flexibility in implementing the project. Back-up data will provide individual employee salary calculations for placement in the new plan. Additionally, Condrey and Associates will discern the need for and, if necessary, detail the cost of any equity adjustment to ease employee pay compression.

* Three months following project implementation, Condrey and Associates will conduct an employee appeals process. The appeals process will provide employees an opportunity to provide written justification for appealing their classification. Condrey and Associates will reply to all appeals in writing and will conduct telephone or onsite reviews to ascertain the nature of the appeals. We normally have few (if any) classification appeals.

* Condrey and Associates utilizes a modified version of the Factor Evaluation System (FES). FES is the most widely utilized point-factor evaluation system and is the basis for most all other point-factor job evaluation systems. We have utilized FES in over 500 organizations of differing functions and degrees of administrative sophistication. We find that FES, when applied skillfully and properly, produces an internally equitable classification plan that is highly acceptable to management as well as the organization’s employees. Training in FES application will be provided to the City of Panama City Beach human resources staff. Also, we provide a full year of follow-up technical assistance to include additional training to insure that the system is properly maintained. Please note that all FES data calculations are available in electronic format. Also, since FES is in the public domain, there are no copyright or royalty fees associated with its use.

* We will conduct extensive interviews or desk audits with full-time position incumbents (approximately 50% of the City of Panama City Beach’s 330 employees). This will help assure an accurate and internally equitable classification plan that is accepted by management as well as the County’s employees.
* Condrey and Associates utilizes a system of career ladders as an overlay to the classification system developed through our job evaluation system. These career ladders provide avenues for managerial flexibility as well as individual employee incentive and achievement. We believe this methodology is superior to traditional broad-banding and avoids that system’s potential flaws, including those related to equal pay.

* Condrey and Associates is very familiar with the Americans with Disabilities Act (ADA). In addition to providing advice to clients in the practical application of ADA, one of the firm’s principals conducted the most extensive survey to date of ADA implementation in America’s cities. Approximately 300 cities responded to the survey. The results appear in the American Review of Public Administration.

* All written products produced for the City of Panama City Beach project will become the property of the City. This includes the job evaluation system, position questionnaires, salary survey data, and all training materials. These products will also be provided to the client in disk form. Our current software includes Word, Excel, and the Statistical Package for the Social Sciences (SPSS+). There is no additional charge for this service.
SUMMARY OF THE PROPOSED FEE STRUCTURE

Condrey and Associates will provide the services outlined in the enclosed draft contract for the **fixed cost** of $39,500. This fee includes one year of follow-up technical assistance at no additional charge to the jurisdiction.

Condrey and Associates' hourly rate for computing extra work not specified in the contracted scope of work is $225.00 per hour.

Please note that this proposal is made without collusion with any other person or entity submitting a proposal pursuant to this RFP.
MEMORANDUM OF AGREEMENT

This agreement is made and entered into this ___ day of __________ 2020, by and between the City of Panama City Beach, party of the first part, hereinafter called the COOPERATOR and Condrey and Associates, Inc., party of the second part, hereinafter called the CONSULTANT. All obligations under this agreement will be performed by Condrey and Associates, Inc.

WITNESSETH, inasmuch as the COOPERATOR is desirous of setting up a cooperative service with Condrey and Associates and inasmuch as the CONSULTANT is willing to undertake and conduct such a cooperative service, the purpose of this agreement is to establish the terms and conditions under which such a cooperative service will be accomplished pursuant to the conditions herein set forth.

The CONSULTANT is an independent contractor. Furthermore, the parties hereto agree that any information gathered from the COOPERATOR or its employees, and the documents prepared therefrom, shall be the property of the COOPERATOR. They shall remain confidential and shall not be used by CONSULTANT other than in its duties and responsibilities hereunder.

NOW, THEREFORE, in consideration of the following mutual promises, covenants, and conditions, it is agreed as follows:

Section I

Condrey and Associates will:

a. Carry on the cooperative service onsite and in the offices of Condrey and Associates substantially as set forth in the attached outline marked "Appendix A" and made a part of this agreement.

Condrey and Associates, Inc.
b. Preserve all of its records bearing upon the amounts payable under this agreement and as provided by law, and further agrees that any specifically authorized representative of the COOPERATOR shall, until the expiration of one year after final payment under this agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of Condrey and Associates involving transactions related to this agreement.

Section II

COOPERATOR will pay Condrey and Associates a fixed fee of $39,500 upon receipt of invoices. This amount will be paid in two (2) equal installments, within twenty (20) days of receipt of billing. The invoices should be directed to Ms. Lori Philput, HR/Risk Management Director, City of Panama City Beach, 17007 Panama City Beach Parkway, Panama City Beach, Florida 324132; telephone number (850) 233-5100. The billings shall occur on April 15, 2020 and June 1, 2020.

Section III

The term of this agreement shall be from April 1, 2020 through June 30, 2020. However, it may be terminated by either party by written notice of such intent submitted 30 days in advance. In the event of such termination, the COOPERATOR will pay Condrey and Associates a prorated portion of the upcoming installment consistent with the revised termination date. Condrey and Associates will continue to work on the project until the revised termination date and will provide to the COOPERATOR interim findings and summary notes that reflect the status of the project at the time of revised termination.
Section IV

This agreement may be modified at any time by mutual consent of the parties hereto. Any modification hereto shall be in writing and signed by both parties.

Section V

Neither party to this agreement will discriminate against any person, employee or applicant for employment because of race, creed, color, religion, sex, national origin, ancestry, age, veteran status, or disability.

Section VI

COOPERATOR is a public agency subject to the Florida Public Records Law expressed in Chapter 119, Florida Statutes. Accordingly, to the extent that it is determined that Condrey is acting on behalf of City as provided under Section 119.011(2), Condrey agrees to also comply with that law, specifically including to:

A. Keep and maintain public records that ordinarily and necessarily would be required by the City in order to perform the service.

B. Upon request of the City, provide the public with access to public records on the same terms and conditions that the City would provide the records and at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law, or provide the City with a copy of the requested records.

C. 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 Consultant does not transfer the records to the City.

Condrey and Associates, Inc.
D. Meet all requirements for retaining public records and transfer, at no cost, to the City all public records in possession of the contractor upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the City in a format that is compatible with the information technology systems of the City.

IF CONDREY HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO CONDREY'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT 850.233.5100, mibossert@pcbgov.com, 17007 Panama City Beach Parkway, Panama City Beach, FL 32413.

IN WITNESS WHEREOF, this agreement is entered into on the date first above written.

FOR CONDREY AND ASSOCIATES:

________________________________________
Stephen E. Condrey
President

Date:____________________________________

________________________________________
Jan H. Hansford
Vice President

Date:____________________________________

FOR THE CITY OF PANAMA CITY BEACH:

________________________________________
Tony O’Rourke
City Manager

Date:____________________________________

________________________________________

Corporate Seal

Condrey and Associates, Inc.
APPENDIX A

Contract for Technical Assistance to the City of Panama City Beach: Proposal for Reviewing and Updating the City’s Compensation and Classification System

The administration of the City of Panama City Beach has determined the need for a review and updating of the job classification system and pay plan for selected jobs covered under its personnel system.

Condrey and Associates proposes the following schedule of activities to accomplish four objectives:

1. Review and revise the current personnel classification system and pay plan for all employees covered under this agreement;

2. Produce an updated description of each job and produce a classification system based on job content analysis;

3. Collect salary data and produce a recommended pay plan based on job analysis, job evaluation, and survey data; and

4. Train designated personnel in each step of classification and pay plan development to help insure the implementation and maintenance of the system.

Phase I – Developing a Work Plan and Schedule of Activities

1.1 Condrey and Associates, in cooperation with appropriate officials, will generate a work plan of activities and target dates for completion.

1.2 During this phase all the documents detailing the current personnel policies and procedures, job classification system and pay plan will be made available to Condrey and Associates for review and analysis.

Phase II – Job Analysis Survey

2.1 Condrey and Associates will develop a detailed job survey form to be completed by position incumbents. This data will serve as the basis for generating updated job descriptions, job classifications, and job evaluations (ranking of jobs).

2.2 Condrey and Associates will determine the number of interviews and/or job audits that will need to be conducted to insure adequate data for generating a complete and valid description of each job and job classification. It is anticipated that approximately 50% of
the City of Panama City Beach’s 330 employees will be interviewed concerning their job
duties and responsibilities.

2.3 After the job survey, job audits and interview data are analyzed, a properly formatted job
description will be completed for each job. The written job description will draw on four
sources of information: (1) current job descriptions, (2) information from the job survey,
(3) supervisors’ review and critique, and (4) interviews and job audits.

Phase III – Job Evaluation

3.1 Condrey and Associates will furnish a job evaluation format of established procedures for
ranking jobs and measuring differences in job content.

3.2 Condrey and Associates and appropriate officials will select a format best suited for
measuring different levels of knowledge, skills, and abilities required to perform the jobs
to be evaluated.

Phase IV – Developing a Compensation Structure

Condrey and Associates will:

4.1 Condrey and Associates will conduct a salary survey of organizations specifically for this
project. The survey will include up to 25 organizations and 40 benchmark positions.

4.2 Condrey and Associates will collect, review, and format published salary data covering
relevant public and private organizations.

4.3 Condrey and Associates will analyze and format the survey data for use in establishing
competitive pay levels.

4.4 After the survey data is compiled, Condrey and Associates will review all data generated
to this point with appropriate officials to determine what additional information needs to
be considered before moving to the next phase.

Phase V – Developing a Pay Plan

Condrey and Associates will:

5.1 Establish recommended pay grades based on the job evaluation results (Phase III) and the
wage survey (Phase IV).
5.2 Establish pay steps or ranges in each grade and present the complete recommended pay plan to appropriate officials for review. At this point the plan will reflect the data from Phases III and IV as well as cost-of-living data and the jurisdiction’s financial condition and compensation policy.

**Phase VI – Implementing and Administering the Program**

Condrey and Associates will:

6.1 Recommend a series of career ladders and lattices as appropriate.

6.2 Determine the proper FLSA designation of each position.

6.3 Present alternative plans to ameliorate salary compression.

6.4 Be available to provide a reasonable level of ongoing technical assistance necessary to maintain the program.

**Cost and Duration**

The cost to Condrey and Associates to provide the services specified in this proposal will be a **fixed fee** of $39,500. Considering the scope of the project, we anticipate a three (3) month work plan beginning April 1, 2020, with final reports submitted on or before June 30, 2020. Follow-up technical assistance will be provided through June 30, 2021 at no additional cost to the City (with the exception of travel-related costs). Formal involvement would terminate June 30, 2020.
## CITY OF PANAMA CITY BEACH
### Schedule of Activities

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<th>DATE</th>
<th>ACTIVITY</th>
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<tbody>
<tr>
<td>April 2020</td>
<td>o Conduct project orientation for human resources staff and department heads</td>
</tr>
<tr>
<td></td>
<td>o Distribute position questionnaires</td>
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<tr>
<td></td>
<td>o Completed position questionnaires returned to Condrey and Associates</td>
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<tr>
<td>May 2020</td>
<td>o Conduct employee interviews</td>
</tr>
<tr>
<td></td>
<td>o Conduct salary survey</td>
</tr>
<tr>
<td>June 2020</td>
<td>o Develop preliminary cost estimate</td>
</tr>
<tr>
<td></td>
<td>o Present preliminary classification and pay report</td>
</tr>
<tr>
<td></td>
<td>o Publish final report</td>
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<tr>
<td>July 2020 –</td>
<td>o Provide follow-up technical assistance in pay plan implementation.</td>
</tr>
<tr>
<td>June 2021</td>
<td></td>
</tr>
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</table>

**Project Directors:**
Dr. Stephen E. Condrey, President  
Ms. Jan Hansford, Vice President  
Condrey and Associates, Inc.  
PO Box 7907  
Athens, GA 30604-7907  
(706) 380-7107 (Phone)  
(586) 816-4067 (FAX)  
steve@condrey-consulting.com  
jan@condrey-consulting.com  
www.condrey-consulting.com
CITY OF PANAMA CITY BEACH  
BUDGET TRANSFER FORM BF-10  
No. BA # 23

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Check Adjustment Totals: 71,320,591.00 0.00 71,320,591.00

BRIEF JUSTIFICATION FOR BUDGET ADJUSTMENT:

To appropriate funds for the contract with Condrey & Associates related to the employee pay plan study. The budget has been allocated to various funds and departments pro-rata based upon the number of FT employees in each respective area.

ROUTING FOR APPROVAL

____________________________________ DEPARTMENT HEAD _______________ DATE  
____________________________________ CITY MANAGER _______________ DATE

____________________________________ FINANCE DIRECTOR _______________ DATE

BF-10 3/5/2020 2:54 PM  
EXHIBIT B  
AGENDA ITEM # 9
REGULAR ITEM

10
### CITY OF PANAMA CITY BEACH
#### AGENDA ITEM SUMMARY

1. **DEPARTMENT MAKING REQUEST/NAME:** Administration/Debbie Ward

2. **MEETING DATE:** March 12, 2020

3. **REQUESTED MOTION/ACTION:**
   Staff requests approval of a budget amendment in the amount of $15,000 for promotional activities for the 50th Anniversary Celebration for the City.

4. **AGENDA**
   - [ ] PRESENTATION
   - [ ] PUBLIC HEARING
   - [x] CONSENT
   - [ ] REGULAR

5. **IS THIS ITEM BUDGETED (IF APPLICABLE)?**
   - [ ] Yes
   - [ ] No
   - [ ] N/A

6. **BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHieved)**
   A Citywide 50th Anniversary Celebration will be held August 7 at Aaron Bessant Park. At the Council meeting held February 27, 2020, Council authorized the expenditure of up to $25,000 for this celebration. The current amount budgeted for promotional activities for this event is $10,000. Staff requests a budget amendment in the amount of $15,000 in order to have total funds appropriated in the amount of $25,000.
   Funds will be used to provide food, entertainment, fireworks, specialty items, giveaways, etc. during this recognition of 50 years of City government.
RESOLUTION 20-73

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA; AUTHORIZING A BUDGET AMENDMENT TO PROVIDE ADDITIONAL FUNDING FOR THE CITY’S 50th ANNIVERSARY CELEBRATION IN THE AMOUNT OF $15,000.

WHEREAS, on February 27, 2020, the Council authorized a budget of up to $25,000.00 for the City’s 50th Anniversary Celebration; and

WHEREAS, the amount currently budgeted for the promotional activities, which will include among other things, food, entertainment, fireworks, specialty items, and giveaways for the Celebration is $10,000.00; and

WHEREAS, a budget amendment is necessary for the appropriation and expenditure of additional funds for the Celebration.

NOW THEREFORE BE IT RESOLVED by the City of Panama City Beach, Florida that:

1. The following budget amendment #21 is adopted for the City of Panama City Beach, Florida, for the fiscal year beginning October 1, 2019, and ending September 30, 2020, as shown in and in accordance with the attached and incorporated Exhibit A, to reflect the additional funds to be appropriated for the purposes stated therein.

2. This Resolution shall take effect immediately upon passage.

PASSED, APPROVED AND ADOPTED at the regular meeting of the City Council of the City of Panama City Beach, Florida, this ____ day of ________________, 2020.

CITY OF PANAMA CITY BEACH

By___________________________
MIKE THOMAS, MAYOR

ATTEST:

MARY JAN BOSSERT, CITY CLERK

Resolution 20-73

AGENDA ITEM #_____
CITY OF PANAMA CITY BEACH  
BUDGET TRANSFER FORM BF-10

BRIEF JUSTIFICATION FOR BUDGET ADJUSTMENT:
To appropriate additional funds in accordance with direction provided by the Council at its last meeting to be used to provide funding for the City's 50th birthday celebration.

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<th>FUND</th>
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Check Adjustment Totals: 4,402,000.00 0.00 4,402,000.00

AGENDA ITEM # 10
REGULAR ITEM

11
1. **DEPARTMENT MAKING REQUEST/NAME:**
   Public Works (CRA) David O. Campbell

2. **MEETING DATE:**
   3/12/2020

3. **REQUESTED MOTION/ACTION:**
   Request FDOT, in conjunction with the City, provide for Priority 2 and Priority 3 improvements as outlined in the SR 30A (US 98) from Alf Coleman Rd to R. Jackson Blvd Road Safety Audit.

4. **AGENDA**
   - PRESENTATION
   - PUBLIC HEARING
   - CONSENT
   - REGULAR

5. **IS THIS ITEM BUDGETED (IF APPLICABLE) □ Yes □ No**
   - N/A □
   - BUDGET AMENDMENT OR N/A
   - DETAIL BUDGET AMENDMENT ATTACHED □ Yes □ No
   - N/A □

6. **BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)**
   In 2019 FDOT conducted the SR 30A (US 98) from Alf Coleman Rd to R. Jackson Blvd Road Safety Audit that identified safety concerns and recommended improvements to address those concerns.

   In accordance with the Road Safety Audit recommendations attached, staff recommends City Council adopt a resolution requesting FDOT provide the following:
   - **Priority 2 Improvement**
     - The temporary median restrictions at the full median opening should be replaced with a permanent median treatment that will restrict all movements except for the westbound left-turn movement. FDOT should consider utilizing its Safety Pushbutton contract in order to expedite construction of this improvement.
   - **Priority 3 Improvements**
     - Convert the southbound approach of Richard Jackson Boulevard to accommodate dual left-turn lanes, a through lane, and a right-turn lane.

   Any recommended improvements to Richard Jackson Blvd between Publix and Home Depot is the responsibility of the City of Panama City Beach.

   Approving this resolution will help achieve the continuing goal of improving our transportation system.
RESOLUTION 20-74

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA,

WHEREAS, FDOT commenced a Roadway Safety Audit to evaluate travel demand and safety concerns on a portion of Panama City Beach Parkway between Alf Coleman Road and Richard Jackson Boulevard; and

WHEREAS, the Roadway Safety Audit included analysis of crash reports from January 1, 2012 to December 31, 2016, and field reviews conducted on June 26, 2019; and

WHEREAS, the Roadway Safety Audit includes a variety of improvement recommendations, including median modification, pedestrian crossing improvements, updated lighting and signage, to improve conditions for all users of this roadway segment; and

WHEREAS, the Audit proposes recommendations for longer-term improvements requiring the acquisition of right of way or substantial funding, as well as lower cost projects that can be constructed within existing ROW, incorporated into improvements already funded and planned by FDOT and/or programmed as stand-alone projects in the FDOT Five-year Work Program.

NOW THEREFORE BE IT RESOLVED that:

1. The City hereby declares its support for the addition of the following (Priority 2) improvements to upcoming FDOT projects:
   a. Replacement of the temporary median restrictions with a permanent median treatment that will restrict all movement except for the westbound left-turn movement (Priority 2); and
   b. Conversion of the southbound approach of Richard Jackson Boulevard to accommodate dual left-turn lanes, a through lane, and a right turn lane (Priority 3); and
   c. Conversion of the westbound left-turn movement at Alf Coleman Road to dual left-turn lanes, and construction of a second receiving lane on southbound Alf Coleman Road (Priority 3).

2. The appropriate officers of the City are directed to deliver signed copies of this Resolution to the FDOT and the local Transportation Planning Organization as evidence of the City’s support.
THIS RESOLUTION shall be effective immediately upon passage.

PASSED in regular session this ___ day of _________, 2020.

CITY OF PANAMA CITY BEACH

By: __________________________

Mike Thomas, Mayor

ATTEST:

Mary Jan Bossert, City Clerk
REGULAR ITEM

12
CITY OF PANAMA CITY BEACH
AGENDA ITEM SUMMARY

1. DEPARTMENT MAKING REQUEST/NAME:
   CRA/FINANCE

2. MEETING DATE:
   MARCH 12, 2020

3. REQUESTED MOTION/ACTION:
   HOLD PUBLIC HEARING AND APPROVE RESOLUTION AUTHORIZING THE SALE ISSUANCE OF
   COMMUNITY REDEVELOPMENT BONDS

4. AGENDA
   PRESENTATION
   PUBLIC HEARING ✓
   CONSENT ✓
   REGULAR ✓

5. IS THIS ITEM BUDGETED (IF APPLICABLE)?
   YES ☑ NO ☐ N/A ✓
   BUDGET AMENDMENT OR N/A
   DETAILED BUDGET AMENDMENT ATTACHED YES ☑ NO ☐ N/A ✓

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)
   As contemplated at the January 9th, 2020 public hearing in which Council authorized the general
   issuance of revenue bonds not to exceed $80,000,000, Staff now returns to the Council to request the
   specific approval of the issuance and sale of bonds not to exceed $40,000,000 to use immediately to
   accelerate the design, acquisition and construction of Front Beach Road Segments 4.1, 4.2 and 4.3
   and portions of other connectors. Among other things, the Resolution delegates to the City Manager
   the execution of the Bond Purchase Agreement in the form approved with this Resolution, approves a
   Preliminary Official Statement, and approves the Costs of Issuance.

   If approved, the Financing Team will proceed to finalize the bond documents and work toward a
   Closing of this transaction in early May.

   Staff still anticipates returning to the Council in 2025 to request the issuance of bonds in an amount
   then determined necessary (up to but not to exceed the remaining $40,000,000 bond capacity
   authorized by Resolution 20-52) to complete the remaining redevelopment projects by 2045.
RESOLUTION NO. 20-75

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA SUPPLEMENTING RESOLUTION NO. 20-52 ADOPTED ON JANUARY 23, 2020; AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $40,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS CAPITAL IMPROVEMENT REVENUE BONDS (FRONT BEACH ROAD PROJECT), SERIES 2020 TO FINANCE CAPITAL PROJECTS AND PAY THE COSTS OF ISSUANCE OF SUCH SERIES 2020 BONDS; PLEDGING TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH SERIES 2020 BONDS CERTAIN PLEDGED FUNDS; DELEGATING THE AWARD OF THE SALE OF THE SERIES 2020 BONDS TO THE CITY MANAGER; APPROVING THE FORM OF A PRELIMINARY OFFICIAL STATEMENT; APPOINTING A PAYING AGENT AND REGISTRAR; AUTHORIZING AND APPROVING THE COSTS OF ISSUANCE FOR SUCH SERIES 2020 BONDS; PROVIDING FOR A BOND INSURANCE POLICY AND/OR A RESERVE FUND INSURANCE POLICY; AMENDING RESOLUTION NO. 15-69 ADOPTED ON MARCH 12, 2015; PROVIDING FOR SECURITY FOR THE HOLDER OF SUCH SERIES 2020 BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS FOR THE BENEFIT OF THE HOLDER OF SUCH SERIES 2020 BONDS; AND PROVIDING AN EFFECTIVE DATE.
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Exhibit A – Description of 2020 Project
Exhibit B - Form of Bond Purchase Agreement
Exhibit C - Form of Preliminary Official Statement
Exhibit D - Form of Paying Agent and Registrar Agreement
Exhibit E - Costs of Issuance
RESOLUTION NO. 20-75

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA SUPPLEMENTING RESOLUTION NO. 20-52 ADOPTED ON JANUARY 23, 2020; AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $40,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS CAPITAL IMPROVEMENT REVENUE BONDS (FRONT BEACH ROAD PROJECT), SERIES 2020 TO FINANCE CAPITAL PROJECTS AND PAY THE COSTS OF ISSUANCE OF SUCH SERIES 2020 BONDS; PLEDGING TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH SERIES 2020 BONDS CERTAIN PLEDGED FUNDS; DELEGATING THE AWARD OF THE SALE OF THE SERIES 2020 BONDS TO THE CITY MANAGER; APPROVING THE FORM OF A PRELIMINARY OFFICIAL STATEMENT; APPOINTING A PAYING AGENT AND REGISTRAR; AUTHORIZING AND APPROVING THE COSTS OF ISSUANCE FOR SUCH SERIES 2020 BONDS; PROVIDING FOR A BOND INSURANCE POLICY AND/OR A RESERVE FUND INSURANCE POLICY; AMENDING RESOLUTION NO. 15-69 ADOPTED ON MARCH 12, 2015; PROVIDING FOR SECURITY FOR THE HOLDER OF SUCH SERIES 2020 BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS FOR THE BENEFIT OF THE HOLDER OF SUCH SERIES 2020 BONDS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PANAMA CITY BEACH, FLORIDA:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to Chapter 166, Part II, Florida Statutes, Chapter 163, Part III, Florida Statutes, the Bond Resolution and other applicable provisions of law.

SECTION 2. DEFINITIONS. All capitalized undefined terms shall have the same meaning as set forth in the Bond Resolution, as hereinafter defined, and those definitions are incorporated by reference in this Resolution. In addition, the following terms shall have the following meanings herein, unless the text expressly requires otherwise. Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

"Authorized Denomination" shall mean $5,000 and any integral multiple thereof, except to the extent otherwise determined by subsequent resolution of the Issuer.
"Bond Purchase Agreement" shall mean the Bond Purchase Agreement between the Issuer and the Underwriters to be dated the date of sale and substantially in the form attached hereto as Exhibit "B" and incorporated herein by reference.

"Bond Resolution" shall mean the Master Resolution, as supplemented by the 2020 Supplemental Resolution.

"Bonds" shall mean the Parity Bonds, the Series 2020 Bonds and any Additional Bonds, authorized pursuant to the Master Resolution.

"Business Day" shall mean a day of the year which is not a Saturday or Sunday or a day on which the Paying Agent is lawfully closed or on which the New York Stock Exchange is closed.

"Financial Advisor" shall mean PFM Financial Advisors LLC and their successors and assigns.

"Finance Director" shall mean the Assistant to the City Manager for Finance.

"Issuer" shall mean the City of Panama City Beach, Florida.

"Master Resolution" shall mean Resolution No. 02-30 adopted by the Issuer on June 20, 2002 authorizing the Bonds, as amended and restated by Resolution No. 06-60 adopted by the Issuer on August 16, 2006.

"Parity Bonds" shall mean the Issuer's remaining outstanding $42,915,000 Capital Improvement Refunding Revenue Bonds, Series 2015 (Front Beach Road Project) issued on March 26, 2015.

"Paying Agent" shall mean Regions Bank, Jacksonville, Florida and its successors and assigns.

"Registrar" shall mean Regions Bank, Jacksonville, Florida and its successors and assigns.

"Reserve Fund Bonds" shall mean (i) the Parity Bonds, (ii) the Series 2020 Bonds, if designated per Section 12 hereof, and (iii) any Additional Bonds authorized pursuant to the Master Resolution and which by supplemental resolution designates such Series of Bonds as Reserve Fund Bonds.
“Reserve Fund Requirement” shall mean the lesser of (i) the Maximum Debt Service Requirement on the Reserve Fund Bonds, (ii) 125% of the average Debt Service Requirement on the Reserve Fund Bonds, or (iii) the maximum amount allowed under the Internal Revenue Code of 1986, as amended; or such other amount as determined by the City Manager evidenced by a certificate of the Issuer.

“Reserve Fund Requirement for Series 2020 Bonds” shall mean the lesser of (i) the Maximum Debt Service Requirement on the Series 2020 Bonds, (ii) 125% of the average Debt Service Requirement on the Series 2020 Bonds, or (iii) the maximum amount allowed under the Internal Revenue Code of 1986, as amended; or such other amount as determined by the City Manager evidenced by a certificate of the Issuer.

“Resolution” shall mean this instrument, as the same may from time to time be amended, modified or supplemented.

“Series 2020 Bonds” shall mean the Issuer’s not to exceed $40,000,000 Capital Improvement Revenue Bonds, Series 2020 (Front Beach Road Project), authorized pursuant to this Resolution and the Bond Resolution.

“2020 Project” shall mean such projects as described on Exhibit “A” attached hereto.


“Underwriters” shall mean, collectively, Raymond James & Associates, Inc. and Jefferies LLC.

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared that:

A. The Issuer is a municipal corporation organized under the laws of the State of Florida and is authorized under the Act to issue the Series 2020 Bonds and use the proceeds thereof for the purposes of financing the 2020 Project.

B. The Issuer previously approved the Master Resolution authorizing the Bonds.

C. On January 23, 2020, the Issuer adopted the 2020 Supplemental Resolution authorizing its not to exceed $80,000,000 Capital Improvement Revenue Bonds (Front Beach Road Project) to be issued in one or more series.
D. The Issuer now desires to supplement the 2020 Supplemental Resolution to authorize its not to exceed $40,000,000 Capital Improvement Revenue Bonds (Front Beach Road Project), Series 2020 to finance the 2020 Project.

E. It is necessary and desirable to acquire and construct the 2020 Project, as provided herein, in order to enhance, preserve and protect the public health, safety and welfare of the inhabitants of the Issuer and to issue the Series 2020 Bonds to provide funds for such purposes.

F. The Series 2020 Bonds shall be considered Bonds under the terms of the Master Resolution. The principal of and interest on the Series 2020 Bonds and all required reserve and other payments shall be payable solely from Pledged Funds. The Issuer shall never be required to levy ad valorem taxes on any real or personal property within the City of Panama City Beach to pay the principal of and interest on the Series 2020 Bonds herein authorized or to make any other payments provided for herein. The Series 2020 Bonds shall not constitute a lien upon any properties owned by or located within the boundaries of the Issuer.

G. The revenues pledged for the payment thereof are not now pledged or encumbered in any manner, except for the payment of principal and interest on the Parity Bonds.

H. The estimated revenues pledged for the payment thereof will be sufficient to pay all principal of and interest on the Series 2020 Bonds to be issued hereunder and the Parity Bonds as the same become due, and to make all required reserve or other payments required by this Resolution and the Bond Resolution.

I. The Issuer is advised that due to the present volatility of the market for tax-exempt public obligations such as the Series 2020 Bonds, it is in the best interest of the Issuer to sell the Series 2020 Bonds by negotiation, allowing the Issuer to enter the market at the most advantageous time, rather than at a specified advertised date, thereby permitting the Issuer to obtain the best possible price, interest rate and other terms for the Series 2020 Bonds; and, accordingly, the Issuer does hereby find and determine that it is in the best interest of the Issuer that a negotiated sale of the Series 2020 Bonds be authorized.

SECTION 4. AUTHORIZATION OF THE 2020 PROJECT. There is hereby authorized the design, acquisition, construction and improvement of the 2020 Project. The cost of such 2020 Project, in addition to the items set forth in the plans and specifications on file or to be filed with the City Clerk, may include, but not be limited to, all costs permitted under the Bond Resolution and this Resolution. Provided however, the Issuer reserves the right, if it be found at the time of construction of the 2020 Project that the amounts allocated for a portion thereof are inadequate therefor, to allocate additional amounts from other portions of said 2020 Project.
and, if it be found at the time of construction of the 2020 Project that less than the amounts allocated to certain purposes are needed for such purposes, to allocate the amount so saved to other portions of the 2020 Project or, if through unusual conditions or circumstances it is deemed necessary and advisable to change or delete any of the portions of the 2020 Project described above, to make such necessary changes or deletions in such 2020 Project as the Issuer deems necessary so long as all said funds are used for the purposes provided by law, this Resolution and the Bond Resolution and, to the extent used for construction, according to the plans and specifications to be on file with the Issuer prior to disbursement of such funds.

SECTION 5. THIS RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Series 2020 Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Issuer and such Holders. The covenants and agreements herein set forth and in the Bond Resolution to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Holders of any and all of the Series 2020 Bonds, all of which shall be of equal rank and without preference, priority or distinction of any of the Series 2020 Bonds over any other thereof, except as expressly provided therein and herein.

SECTION 6. AUTHORIZATION OF SERIES 2020 BONDS. Subject and pursuant to the provisions hereof, obligations of the Issuer to be known as “Capital Improvement Revenue Bonds, Series 2020 (Front Beach Road Project)” are authorized to be issued in the aggregate principal amount of not exceeding $40,000,000.

SECTION 7. PROVISIONS FOR REDEMPTION. The Series 2020 Bonds may be subject to redemption prior to their maturity, at the option of the Issuer, at such times and in such manner as shall be provided in Bond Purchase Agreement.

SECTION 8. APPLICATIONS OF PROVISIONS OF THE MASTER RESOLUTION AND THE 2020 SUPPLEMENTAL RESOLUTION. The Series 2020 Bonds, herein authorized, shall for all purposes (except as herein expressly provided) be considered to be issued under the authority of the Master Resolution and the 2020 Supplemental Resolution, and shall be entitled to all the protection and security provided therein for Bonds issued thereunder. The Series 2020 Bonds constitute “Additional Bonds” under the terms of the Master Resolution.

SECTION 9. SERIES 2020 BONDS NOT TO BE INDEBTEDNESS OF ISSUER. The Series 2020 Bonds shall not be or constitute general obligations or indebtedness of the Issuer as “bonds” within the meaning of any constitutional or statutory provision, but shall be special obligations of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds equal and ratable to the lien on the Parity Bonds, in accordance with the terms of this Resolution and the Bond Resolution. No Holder of any Series 2020 Bond shall ever have the right to compel the exercise of the ad valorem taxing power of the State, Bay County or any
A governmental entity to pay such Series 2020 Bond or shall be entitled to payment of such Bond from any moneys of the Issuer except the Pledged Funds, in the manner provided in the Master Resolution and this Resolution.

The Pledged Funds shall be subject to the lien of this pledge immediately upon the issuance and delivery of the Series 2020 Bonds, without any physical delivery by the Issuer of the Pledged Funds or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind against the Issuer, in tort, contract or otherwise.

SECTION 10. APPOINTMENT OF PAYING AGENT AND REGISTRAR. Regions Bank, Jacksonville, Florida is hereby appointed as Paying Agent and Registrar for the Series 2020 Bonds. The Mayor and the City Manager are hereby authorized to enter into any agreements with such Paying Agent and Registrar, which may be necessary to reflect the obligation of such Paying Agent and Registrar to accept and perform the respective duties imposed upon each and to effectuate the transactions contemplated, by this Resolution and the Bond Resolution in substantially the form attached hereto as Exhibit “D” with such changes, amendments, modifications, omissions and additions thereto as shall be approved by the Mayor or the City Manager. The execution and delivery of the Paying Agent and Registrar Agreement by the Mayor or the City Manager shall be deemed conclusive evidence of the approval of such changes.

SECTION 11. DELEGATION OF AWARD OF SERIES 2020 BONDS. Subject to full satisfaction of the conditions set forth in this Section, the City Council of the Issuer hereby authorizes a delegated negotiated sale of the Series 2020 Bonds to the Underwriters in accordance with the terms of the Bond Purchase Agreement, with such changes, amendments, modifications, omissions and additions thereto as shall be approved by the City Manager in accordance with the provisions of this Section (including, without limitation, making the final determination concerning the structuring and marketing of the Series 2020 Bonds to obtain the most favorable rating and interest rate on the Series 2020 Bonds), and the execution and delivery of the Bond Purchase Agreement by the City Manager shall be deemed conclusive evidence of the approval of such changes and the full and complete satisfaction of the conditions set forth in this Section.

The Issuer hereby delegates to the City Manager the authority (a) to determine (i) the dated date, (ii) the maturity dates, prices or yields, and amounts, (iii) the interest rates, (iv) the redemption provisions, (v) the delivery date, and (vi) all other details of the Series 2020 Bonds; (b) to take such further action as shall be required for carrying out the purposes of this Resolution all with respect to the Series 2020 Bonds; and (c) to execute and deliver, on behalf of the Issuer, the Bond Purchase Agreement as provided above; provided, however, that the City Manager shall not take any action pursuant to this Section unless the City Manager shall have received from the Underwriters all required disclosure information required by Section 218.385,
Florida Statutes, a good faith deposit check from the Underwriters made out to the Issuer in an amount not less than 1% of the principal amount of the Series 2020 Bonds, and a certificate from the Financial Advisor recommending to the Issuer that it accept the offer of the Underwriters as set forth in the Bond Purchase Agreement, and finding that (i) the par amount of the Series 2020 Bonds is not in excess of $40,000,000, (ii) the true interest cost rate of the Series 2020 Bonds is not more than 4.50%, (iii) the final maturity of the Series 2020 Bonds is not later than September 30, 2049, and (iv) the underwriting discount is not greater than $4.00 per bond. All actions of the City Manager taken pursuant to the authority contained in this Section shall be evidenced by the Bond Purchase Agreement, and the execution of the Bond Purchase Agreement shall constitute complete evidence of the actions of the City Manager and shall constitute the action of the Issuer.

Upon satisfaction of the conditions set forth in this Section, the City Manager and the City Clerk are hereby authorized to execute and deliver the Series 2020 Bonds and any other documents, agreements or certificates relating to the Series 2020 Bonds, and are further authorized and directed to prepare and furnish to the purchasers of the Series 2020 Bonds, when the Series 2020 Bonds are issued, certified copies of all the proceedings and records of the Issuer relating to the Series 2020 Bonds, and such other affidavits and certificates as may be required to show the facts relating to the legality and marketability of the Series 2020 Bonds as such facts appear from the books and records in the officers’ custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the Issuer as to the truth of all statements contained therein.

SECTION 12. RESERVE FUND REQUIREMENT. There is hereby created and established the “City of Panama City Beach Capital Improvement Revenue Bonds (Front Beach Road Project), Series 2020 Reserve Fund” (the “Series 2020 Reserve Fund”). The Issuer may deposit in the Series 2020 Reserve Fund, on the date of issuance of the Series 2020 Bonds, the Reserve Fund Requirement for the Series 2020 Bonds.

Notwithstanding the above, the Issuer may choose to deposit moneys in the Reserve Fund Subaccount created by Resolution No. 15-69 adopted on March 12, 2015 (the “2015 Supplemental Resolution”), as provided by Section 13 below. In order to produce the lowest true interest cost possible for the Series 2020 Bonds, the City Manager, in consultation with the Financial Advisor and Bond Counsel, shall make a determination to (i) deposit moneys in the Series 2020 Reserve Fund or (ii) designate such Series 2020 Bonds as Reserve Fund Bonds and deposit moneys in the Reserve Fund Subaccount, in compliance with the Reserve Fund Requirement, as provided in Section 13 below. Such deposit, determination and designation shall be evidenced by a certificate of the City Manager dated the date of issuance of the Series 2020 Bonds.
The provisions of Section 4.05(D) of the Master Resolution shall apply to any reserve fund deposits pursuant to this Section 12.

SECTION 13. AMENDMENT OF RESOLUTION NO. 15-69. SECTION 14. RESERVE FUND SUBACCOUNT of the 2015 Supplemental Resolution is hereby amended as follows:

SECTION 14. RESERVE FUND SUBACCOUNT. There is hereby created and established a subaccount in the Reserve Fund called the “City of Panama City Beach Capital Improvement Revenue Bonds, Series 2015 (Front Beach Road Project) Reserve Fund Subaccount” (the “Series 2015 Reserve Fund Subaccount”). On the date of issuance of the Series 2015 Bonds and any other Reserve Fund Bonds, there shall be on deposit therein, the Reserve Fund Requirement. Amounts on deposit in the Series 2015 Reserve Fund Subaccount shall be used solely for security and payment of debt service on the Series 2015 Bonds. On or prior to each principal and interest payment date for the Series 2015 Bonds and other any Reserve Fund Bonds, money in the Series 2015 Reserve Fund Subaccount shall be applied by the Issuer for payment of principal of, interest on, or the Redemption Price of, the Series 2015 Bonds and any other Reserve Fund Bonds to the extent moneys in the Interest Account, the Principal Account and the Bond Amortization Account shall be insufficient for such purpose.

Such amendment shall only take effect upon the consent of the Holder of the Parity Bonds.

SECTION 14. PRELIMINARY OFFICIAL STATEMENT. The Issuer hereby authorizes and directs a Preliminary Official Statement to be prepared, which shall be in substantially the form attached hereto as Exhibit “C” and incorporated herein by reference, with such changes, insertions and omissions as shall be approved by the City Manager. The City Manager is hereby authorized to deem the Preliminary Official Statement final for purposes of Rule 15c2-12 (the “Rule”) of the Securities and Exchange Commission, except for “permitted omissions,” as defined in the Rule, with such changes, insertions and omissions as shall be approved by the City Manager.

SECTION 15. BOND INSURANCE POLICY AND/OR RESERVE FUND INSURANCE POLICY. In order to produce the lowest true interest cost possible for the Series 2020 Bonds or any portion thereof, the City Manager is hereby authorized to secure a Bond Insurance Policy in the form of a municipal bond insurance policy and/or a Reserve Fund Insurance Policy or a Reserve Fund Letter of Credit, with respect to the Series 2020 Bonds, if, after consultation with the Financial Advisor and the Finance Director determines that obtaining such Bond Insurance Policy and/or Reserve Fund Insurance Policy or a Reserve Fund Letter of Credit is in the best interests of the Issuer. The City Manager is hereby authorized to provide for the payment of
any premium(s) on such Bond Insurance Policy and/or Reserve Fund Insurance Policy or a Reserve Fund Letter of Credit from the proceeds of the issuance of such Series of Series 2020 Bonds and the City Manager is hereby authorized to negotiate, enter into, execute, and deliver such agreements as may be necessary to secure such Bond Insurance Policy and/or Reserve Fund Insurance Policy or a Reserve Fund Letter of Credit, in a form acceptable to the Finance Director, the Financial Advisor, the City Attorney and Bond Counsel. The City Manager’s executions of any such agreements, after consultation with the Finance Director, the Financial Advisor, the City Attorney, and Bond Counsel, is to be conclusive evidence of the Issuer’s approvals thereof, the final form of which is to be approved by the City Attorney.

SECTION 16. COSTS OF ISSUANCE. For purposes of this Resolution, "Costs of Issuance" includes, legal, financial advisory and all other miscellaneous costs associated with the issuance of the Series 2020 Bonds, without limitation, and specifically excludes underwriting discount and municipal bond insurance premium. The Costs of Issuance are hereby approved and approved as set forth on Exhibit "E" attached hereto. The City Clerk is hereby authorized to make such payments with no further authorization needed from the City Council. The City Manager is hereby authorized to execute and deliver engagement letters and agreements with any of the parties listed on Exhibit "E", upon approval of the City Attorney.

SECTION 17. GENERAL AUTHORITY. The Mayor, City Manager, City Clerk, City Attorney and other agents and employees of the Issuer are hereby authorized to do all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Series 2020 Bonds and this Resolution, and they are hereby authorized to execute and deliver all documents which shall be required by Bond Counsel or the initial purchasers of the Series 2020 Bonds to effectuate the sale of the Series 2020 Bonds.

SECTION 18. NO PERSONAL LIABILITY. No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Series 2020 Bonds, or in any certificate or other instrument to be executed on behalf of the Issuer in connection with the issuance of the Series 2020 Bonds, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member of the City Council, officer, employee or agent of the Issuer in his or her individual capacity, and none of the foregoing persons nor any officer of the Issuer executing the Series 2020 Bonds, or any certificate or other instrument to be executed in connection with the issuance of the Series 2020 Bonds, shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

SECTION 19. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or
against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Series 2020 Bonds issued hereunder.

SECTION 20. REPEAL OF INCONSISTENT RESOLUTIONS. All resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 21. HEADINGS NOT A PART HEREOF. The headings preceding the several sections hereof shall be solely for convenience of reference and shall not constitute a part of this Resolution or affect its meaning, construction or effect.

SECTION 22. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this ____ day of March, 2020.

CITY OF PANAMA CITY BEACH, FLORIDA

[SEAL]

By: ____________________________

Mayor

ATTEST:

By: ____________________________ By: ____________________________

City Clerk City Manager
EXHIBIT “A”

DESCRIPTION OF 2020 PROJECTS

“2020 Project” shall mean the design, acquisition of land, rights and easements, construction, improvement and streetscaping of the following projects:

(a) Front Beach Road Segment 3/Hwy 79
(b) Powell Adams Phase 2
(c) Front Beach Road Segment 4.1 (1.35 miles from Lullwater Drive to Hills Road)
(d) If there are additional Series 2020 Bonds proceeds remaining, any other project approved by Resolution No. 20-52
EXHIBIT "B"

FORM OF BOND PURCHASE AGREEMENT
BOND PURCHASE AGREEMENT

[_____] [___], 2020

City of Panama City Beach, Florida
110 South Arnold Road
Panama City Beach, Florida 32413

Re: $[_____] City of Panama City Beach, Florida Capital Improvement Revenue
Bonds, Series 2020 (the “Series 2020 Bonds”)

Ladies and Gentlemen:

Raymond James & Associates, Inc. (the “Senior Managing Underwriter”), acting on behalf
of itself and as the representative of Jefferies I.I.C (collectively, the “Underwriters”) offers to enter
into this Bond Purchase Agreement (the “Purchase Contract”) with the City of Panama City Beach,
Florida (the “Issuer”), which, upon the Issuer's acceptance hereof, will be binding upon the Issuer
and upon the Underwriters. This offer is made subject to the Issuer's acceptance by execution of
this Purchase Contract and its delivery to the Underwriters on or before 6:00 P.M., City of Panama
City Beach, Florida time, on the date hereof. Terms not otherwise defined herein shall have the
same meanings ascribed to them in the Bond Resolution and the Official Statement as each is
described below.

1. Purchase and Sale of the Bonds. Subject to the terms and conditions and in reliance
upon the representations, warranties and covenants set forth herein, the Underwriters hereby agree
to purchase from the Issuer for offering to the public, and the Issuer hereby agrees to sell to the
Underwriters for such purpose, all (but not less than all) of the aggregate principal amount of the
$[_____] City of Panama City Beach, Florida Capital Improvement Revenue Bonds, Series 2020
(the “Series 2020 Bonds”). If any of the Series 2020 Bonds are purchased pursuant to this Purchase
Contract, the Underwriters are obligated to purchase all of the Series 2020 Bonds. The aggregate
purchase price of the Series 2020 Bonds (the “Purchase Price”) shall be $[_____] (calculated as
$[_____] principal amount of the Series 2020 Bonds, [plus][less] an original issue
[premium][discount] of $[____:], less an Underwriters’ discount of $[____:]). The Purchase
Price shall be payable to the Issuer on the Closing Date (as such term is hereinafter defined), by
wire transfer of federal funds as provided in Section 8 below.

2. Description and Purpose of the Bonds. The Series 2020 Bonds shall be issued
pursuant to and under the authority of the Constitution and laws of the State of Florida, including
particularly the Community Redevelopment Act of 1969, as amended, being Chapter 163, Part III,
Florida Statutes, as amended, and other applicable provisions of law (the “Act”), Resolution No.
02-30 adopted by the City Council of the City of Panama City Beach, Florida (the “City Council”)
on June 20, 2002, as amended, restated and supplemented by Resolution No. 06-60 on August 16, 2016 (the “Master Bond Resolution”) and a Supplemental Resolution adopted by the City Council on March 12, 2020 (collectively, the Bond Resolution”).

The Series 2020 Bonds are being issued for the purpose of providing funds, together with certain other available funds of the Panama City Beach Community Redevelopment Agency (the “Agency”), to (i) finance certain public improvements as described in the Bond Resolution (the "2020 Project"); (ii) make a deposit to the 2020 Debt Service Reserve Fund to satisfy the Reserve Fund Requirement for the Series 2020 Bonds; and (iii) pay certain costs of issuing the Series 2020 Bonds [including the premium for the Policy (defined below)].

The Series 2020 Bonds are limited obligations of the Issuer, solely payable from and secured by a pledge of and first lien on the Pledged Funds (as defined in the Bond Resolution) of the Issuer in amounts sufficient to pay the principal of and interest on the Series 2020 Bonds, all in the manner and to the extent provided in the Bond Resolution. The Series 2020 Bonds shall mature, bear interest and be subject to redemption as set forth in Exhibit A attached hereto, and have all such other terms and provisions, as set forth in the Bond Resolution and as described in the Official Statement (as hereinafter defined). The information required by Section 218.385(6), Florida Statutes, to be provided by the Underwriters is set forth in Exhibit B attached hereto. Further, in order to assist the Issuer in complying with Section 218.385(2) and (3), Florida Statutes, the Senior Managing Underwriter is providing the Issuer with a completed truth-in-bonding statement, the form of which is attached to Exhibit B as Schedule I. The Issuer, by its acceptance hereof, accepts such disclosure and agrees that it does not require any further disclosure from the Underwriters prior to the delivery of the Series 2020 Bonds with regard to the matters set forth in Section 218.385, Florida Statutes.

[________ (the “Insurer”) will, concurrently with the issuance of the Series 2020 Bonds, issue a municipal bond insurance policy (the “Policy”) guaranteeing the scheduled payment of principal of and interest [on the Series 2020 Bonds] [on the Series 2020 Bonds maturing ______ 1, 20__ through and including ______ 1, 20__ ] (collectively, the “Insured Series 2020 Bonds”), when due.]

3. **Good Faith Deposit.** Upon execution of this Purchase Contract, the Senior Managing Underwriter shall deliver to the Issuer a check (the “Good Faith Deposit”), in the amount of $[_____] ([_____] ), calculated as 1% of the estimated principal amount of the Series 2020 Bonds as reflected in the Preliminary Official Statement (as defined below), as security for the performance by the Underwriters of their obligation to accept and pay for the Series 2020 Bonds on the Closing Date in accordance with the provisions of this Purchase Contract. In the event the Issuer does not accept this officer, such check shall be immediately returned to the Senior Managing Underwriter. If the offer made hereby is accepted, the Issuer agrees to hold the check uncashed until the Closing (as such term is hereinafter defined), as security for the
performance by the Underwriters of their obligation to accept and pay for the Series 2020 Bonds, and in the event of their compliance with such obligations, such check shall be returned to the Senior Managing Underwriter at the Closing. In the event of failure by the Issuer to deliver the Series 2020 Bonds at the Closing, or if the Issuer shall be unable to satisfy the conditions of the Closing contained herein, or if the obligations of the Underwriters shall be terminated for any reason permitted by this Purchase Contract, such check shall be immediately returned to the Senior Managing Underwriter and such return shall constitute a full release and discharge of any claims the Underwriters may have against the Issuer arising out of the transactions contemplated hereby. In the event that the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Series 2020 Bonds at the Closing as herein provided, such check shall be retained and cashed by the Issuer as and for full liquidated damages for such failure and for any defaults hereunder on the part of the Underwriters, and the Issuer’s collection and retention of such check shall constitute a full release and discharge of all claims by the Issuer against the Underwriters arising out of the transactions contemplated hereby.


(a) Prior to the date hereof, the Issuer has prepared for use in connection with the public offering, sale and distribution of the Series 2020 Bonds, and has provided to the Underwriters for their review, the Preliminary Official Statement dated [____], 2020 (including the cover page, inside cover pages and appendices thereto, the “Preliminary Official Statement”). The Issuer hereby represents and warrants that the Preliminary Official Statement was deemed final by the Issuer as of its date, except for the omission of such information which is dependent upon the final pricing of the Series 2020 Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended (the “Rule”). Such Preliminary Official Statement, as amended to delete preliminary language and reflect the final terms of the Series 2020 Bonds together with such supplements and amendments as approved by the Issuer and agreed to by the Senior Managing Underwriter, is herein referred to as the “Official Statement.” If the Issuer makes any changes to the Official Statement that are not also approved by the Senior Managing Underwriter, and if such changes result in the Official Statement omitting material information or containing information that is materially misleading, then the Senior Managing Underwriter may, in its discretion, terminate this Purchase Contract.

(b) The Issuer shall deliver, or cause to be delivered, at its expense, to the Underwriters, within seven (7) business days after the date hereof or within such shorter period as may be reasonably requested by the Underwriters, and in no event later than required to enable the Underwriters to comply with its responsibilities under applicable rules of the Municipal Securities Rulemaking Board (“MSRB”): (i) sufficient copies of the Official Statement to enable the Underwriters to fulfill their obligations pursuant to the securities laws of the State of Florida and the United States, in form and substance satisfactory to the Underwriters, and (ii) an executed
original counterpart or certified copy of the Official Statement at Closing. In determining whether
the number of copies to be delivered by the Issuer are reasonably necessary, at a minimum, the
number shall be sufficient to enable the Underwriters to comply with the requirements of the Rule,
all applicable rules of the MSRB, and to fulfill their duties and responsibilities under Florida and
federal securities laws generally.

(c) The Senior Managing Underwriter agrees to file the Official Statement with
the Electronic Municipal Market Access system ("EMMA") (accompanied by a completed Form
G-32) by the date of Closing. The filing of the Official Statement with EMMA shall be in
accordance with the terms and conditions applicable to EMMA.

(d) From the date hereof until the earlier of (i) ninety days from the "end of the
underwriting period" (as defined in the Rule), or (ii) the time when the Official Statement is
available to any person from the MSRB (but in no case less than twenty-five (25) days following
the end of the underwriting period), if any event occurs or a condition or circumstance exists which
may make it necessary to amend or supplement the Official Statement so that it will not contain
any untrue statement of a material fact or omit to state a material fact necessary to make the
statements therein, in the light of the circumstances under which they were made, not misleading,
the Issuer shall promptly notify the Underwriters (and for the purposes of this clause provide the
Underwriters with such information as they may from time to time request) and if, in the reasonable
opinion of the Issuer or the reasonable opinion of the Senior Managing Underwriter, such event
requires the preparation and publication of an amendment or supplement to the Official Statement,
the Issuer, at its expense, promptly will prepare an appropriate amendment or supplement thereto,
in a form and in a manner reasonably approved by the Senior Managing Underwriter (and file, or
cause to be filed, the same with the MSRB, and mail such amendment or supplement to each record
owner of the Series 2020 Bonds) so that the statements in the Official Statement, as so amended
or supplemented, will not contain any untrue statement of a material fact or omit to state a material
fact necessary to make the statements therein, in light of the circumstances under which they were
made, not misleading. The Issuer will promptly notify the Underwriters of the occurrence of any
event of which it has knowledge or the discovery of such conditions or circumstance, which, in its
reasonable opinion, is an event described in the preceding sentence. If such notification shall be
subsequent to the Closing, the Issuer shall furnish such legal opinions, certificates, instruments
and other documents as the Senior Managing Underwriter may deem necessary to evidence the
truth and accuracy of such supplement or amendment to the Official Statement.

(e) (i) The Underwriters agree to make a bona fide public offering of
substantially all of the Series 2020 Bonds to the public at initial public offering prices not
greater than (or yields not less than) the initial public offering prices (or yields) set forth in
Exhibit A hereto, provided, however, that the Underwriters reserve the right to make
concessions to certain dealers, certain dealer banks and banks acting as agents and to
change such initial public offering prices as the Underwriters shall deem necessary in connection with the marketing of the Series 2020 Bonds.

(ii) The Senior Managing Underwriter agrees to assist the Issuer in establishing the issue price of the Series 2020 Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate substantially in the form attached hereto as Exhibit C, together with the supporting pricing wires or equivalent communications, with modifications to such certificate as may be deemed appropriate or necessary, in the reasonable judgment of the Senior Managing Underwriter, the Issuer and Bryant Miller Olive P.A., as bond counsel (the "Bond Counsel"), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2020 Bonds.

(iii) Except as set forth in Exhibit A attached hereto, the Issuer will treat the first price at which 10% of each maturity of the Series 2020 Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Contract, the Senior Managing Underwriter shall report to the Issuer the price or prices at which the Underwriters have sold to the public each maturity of the Series 2020 Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2020 Bonds, the Senior Managing Underwriter agrees to promptly report to the Issuer the prices at which the Series 2020 Bonds of that maturity have been sold by the Underwriters to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Series 2020 Bonds of that maturity or until all Series 2020 Bonds of that maturity have been sold to the public, provided that, the Underwriters' reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or Bond Counsel. For purposes of this Section, if Series 2020 Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2020 Bonds.

(iv) The Senior Managing Underwriter confirms that the Underwriters have offered the Series 2020 Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Series 2020 Bonds for which the 10% test has not been satisfied and for which the Issuer and the Senior Managing Underwriter, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of each such maturity as of the sale date as the issue price of that maturity (the "hold-
the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2020 Bonds, the Underwriters will neither offer nor sell unsold Series 2020 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following: (1) the close of the fifth (5th) business day after the sale date; or (2) the date on which the Underwriters have sold at least 10% of that maturity of the Series 2020 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Senior Managing Underwriter will advise the Issuer promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Series 2020 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Issuer acknowledges that, in making the representation set forth in this subsection, the Senior Managing Underwriter will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2020 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Series 2020 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. Subject to compliance with the provisions of subsection (v) below, the Issuer further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series 2020 Bonds.

(v) The Senior Managing Underwriter confirms that:

(1) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the Senior Managing Underwriter is a party) relating to the initial sale of the Series 2020 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such
retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Series 2020 Bonds of each maturity allotted to it until it is notified by the Senior Managing Underwriter that either the 10% test has been satisfied as to the Series 2020 Bonds of that maturity or all Series 2020 Bonds of that maturity have been sold to the public, and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Senior Managing Underwriter and as set forth in the related pricing wires, and

(2) any agreement among underwriters relating to the initial sale of the Series 2020 Bonds to the public (as such term is defined below), together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Series 2020 Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2020 Bonds of each maturity allotted to it until it is notified by the Senior Managing Underwriter or the Underwriter that either the 10% test has been satisfied as to the Series 2020 Bonds of that maturity or all Series 2020 Bonds of that maturity have been sold to the public, and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Senior Managing Underwriter or the Underwriter and as set forth in the related pricing wires.

(vi) The Underwriters acknowledge that sales of any Series 2020 Bonds to any person that is a related party to the Underwriters shall not constitute sales to the public for purposes of this section. Further, for purposes of this Section:

(1) “public” means any person other than an underwriter or a related party;

(2) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2020 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2020 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2020 Bonds to the public);

(3) a purchaser of any of the Series 2020 Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or
indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(4) "sale date" means the date of execution of this Purchase Contract by all parties.

(f) The Issuer hereby authorizes the Underwriters to use the forms or copies of the Bond Resolution, the Continuing Disclosure Certificate related to the Series 2020 Bonds (the "Continuing Disclosure Certificate") and the Official Statement and the information contained therein in connection with the public offering and sale of the Series 2020 Bonds and ratifies and confirms its authorization of the distribution and use by the Underwriters prior to the date hereof of the Preliminary Official Statement in connection with such public offering and sale. The Underwriters agree that they will not confirm the sale of any Series 2020 Bonds unless the confirmation of sale requesting payment is accompanied or preceded by the delivery of a copy of the Official Statement. The Issuer hereby confirms that it does not object to the distribution of the Official Statement in electronic form. The Senior Managing Underwriter shall notify the Issuer of the occurrence of the "end of the underwriting period", as such term is defined in the Rule, and of the passage of the date after which the Underwriters no longer remain obligated to deliver Official Statements pursuant to paragraph (b)(4) of the Rule.

5. **Representation of the Underwriters as to Authority.** The Senior Managing Underwriter is duly authorized to execute this Purchase Contract on behalf of the Underwriters and has been duly authorized to act hereunder in connection with the issuance of the Series 2020 Bonds.

6. **Underwriters not Acting as Agents or Fiduciaries.** The Issuer acknowledges and agrees that (i) the purchase and sale of the Series 2020 Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the Issuer and the Underwriters, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as municipal advisors, financial advisors, agents or fiduciaries to the Issuer, (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Issuer.
with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters or any of their respective affiliates have provided other services or is currently providing other services to the Issuer on other matters) and the Underwriters have no obligation to the Issuer with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Contract, (iv) the Underwriters have financial and other interests that differ from those of the Issuer and (iv) the Issuer has consulted its own legal, financial and other advisors to the extent it has deemed appropriate.

7. **Representations, Warranties and Covenants of the Issuer.** The Issuer hereby represents and warrants to and covenants with the Underwriters that:

(a) The Issuer has reviewed the information in the Preliminary Official Statement. Except for information which is permitted to be omitted pursuant to the Rule, the Preliminary Official Statement (excluding the information regarding DTC and its book-entry system of registration, as to which no representations or warranties are made), as of its date and as of the date hereof was and is true and correct in all material respects and did not and does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(b) The Official Statement (excluding the information regarding DTC and its book-entry only system of registration, as to which no representations or warranties are made) is, as of its date and (unless the Official Statement is amended or supplemented pursuant to paragraph (d) of Section 4 of this Purchase Contract) at all times subsequent thereto during the period up to and including the Closing Date will be, true and correct in all material respects and will not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) If the Official Statement is supplemented or amended pursuant to paragraph (d) of Section 4 of this Purchase Contract, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the Closing Date, the Official Statement, as so supplemented or amended, will not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(d) The Issuer is, and will be on the Closing Date, a duly organized and validly existing municipal corporation under the laws of the State of Florida, with the powers and authority set forth in the Act and with full legal right, power and authority to enact the Bond Resolution, to
issue, sell and deliver the Series 2020 Bonds to the Underwriters as provided herein, to pledge the Pledged Funds as provided in the Bond Resolution, and to execute, deliver and perform its obligations, as the case may be, under this Purchase Contract, the Bond Resolution, the Series 2020 Bonds, and the Continuing Disclosure Certificate (collectively, the "Issuer Documents"), and to otherwise carry out the transactions contemplated by each of the Issuer Documents and the Official Statement.

(e) The Issuer has duly enacted the Bond Resolution in accordance with the Act, and the Bond Resolution is in full force and effect and has not been amended, modified or repealed since March 12, 2020. Concurrently with or prior to the acceptance hereof, the Issuer has (i) duly authorized and approved the execution and delivery of the Series 2020 Bonds and the Issuer Documents, (ii) duly authorized and approved the Official Statement and the distribution thereof and has deemed the Preliminary Official Statement as of its date to be "final" for purposes of the Rule, (iii) duly authorized and approved the sale of the Series 2020 Bonds to the Underwriters, and (iv) duly authorized and approved the consummation by the Issuer of all other transactions contemplated by the Official Statement and this Purchase Contract. The Issuer Documents, when executed by the Issuer and assuming the due authorization and execution by the other parties thereto, if any, will each constitute the legal, valid and binding limited obligations of the Issuer enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency or other laws affecting creditors' rights and remedies generally and to general principles of equity.

(f) As of the time of acceptance hereof and as of the Closing Date, except as otherwise disclosed in the Official Statement, the Issuer is not and will not be in breach of or in default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States relating to the Issuer or any applicable judgment or decree or any trust agreement, loan agreement, indenture, bond, note, resolution, ordinance, certificate, agreement or other instrument to which the Issuer is a party or to which the Issuer or its assets is otherwise subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default by the Issuer under any of the foregoing; the consequence of any of which or the correction of any of which would materially and adversely affect the operations or financial condition of the Issuer, or the collection or application of Pledged Funds as of such dates; and, as of such times and except as disclosed in the Official Statement, the execution and delivery of the Series 2020 Bonds, the Issuer Documents and the enactment of the Bond Resolution and compliance with the provisions on the Issuer's part contained in each such document do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States or a breach of any applicable judgment, decree, trust agreement, loan agreement, indenture, bond, note, resolution, ordinance, agreement or other instrument to which the Issuer is a party or to which the Issuer or its assets is otherwise
subject, nor will such enactment, adoption, execution, delivery, authorization or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer, or under the terms of any law, administrative regulation, ordinance, resolution or instrument, except as expressly provided by the Bond Resolution. The Issuer has not, as of the date hereof or as of the Closing Date, failed to pay principal (and premium, if any) or interest when due on any of its outstanding indebtedness.

(g) On the Closing Date, all approvals, authorizations, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Issuer of its obligations under the Bond Resolution or the other Issuer Documents will have been duly obtained.

(h) The financial statements of, and other financial information regarding the Issuer, in the Official Statement fairly present the financial position and results of the Issuer, including the Pledged Funds as of the dates and for the periods therein set forth, and there are no material liabilities, contingent or otherwise, of the Issuer that have not been disclosed in the Official Statement. Between the date of the Official Statement and the Closing, there will be no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the Issuer, including the Pledged Funds. The Issuer is not a party to any litigation or other proceedings pending or, to its knowledge, threatened which, if decided adversely to the Issuer, would have a materially adverse effect on the financial condition of the Issuer.

(i) Except as described in the Official Statement, there is no legislation, action, suit, proceeding, inquiry, or investigation at law or in equity before or by any court, government agency, public board or body pending or, to the best knowledge of the Issuer, after having made due inquiry with respect thereto, threatened against the Issuer, affecting the existence of the Issuer or the titles of its members and officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2020 Bonds or the collection and receipt of any of the Pledged Funds or in any way contesting or affecting the validity or enforceability of the Series 2020 Bonds, the Issuer Documents or any other material agreement or instrument to which the Issuer is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the Issuer or any authority for the issuance of the Series 2020 Bonds, the enactment of the Bond Resolution, or the execution and delivery of the Issuer Documents, nor, to the best knowledge of the Issuer, is there any basis therefore wherein an unfavorable decision, ruling or finding could materially adversely affect the validity or enforceability of the Series 2020 Bonds, the Bond Resolution, the other Issuer
Documents or any of them. The Issuer shall advise the Senior Managing Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Preliminary Official Statement or the Official Statement in connection with the offering, sale or distribution of the Series 2020 Bonds.

(j) Between the date of this Purchase Contract and the Closing Date, the Issuer will not, without the prior written consent of the Senior Managing Underwriter, offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by any of the Pledged Funds.

(k) The Issuer has complied, and at the Closing will be in compliance, in all respects, with the terms of the Act and with the obligations on its part in connection with the issuance of the Series 2020 Bonds and contained in the Issuer Documents.

(l) When delivered to and paid for by the Underwriters at the Closing in accordance with the provisions of this Purchase Contract, the Series 2020 Bonds will have been duly authorized, executed, issued and delivered and will constitute valid and binding obligations of the Issuer in conformity with the Act and the Bond Resolution, enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and subject to general principles of equity as to enforceability.

(m) The Issuer will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Series 2020 Bonds to be applied in a manner contrary to that provided for in the Bond Resolution and as described in the Official Statement.

(n) Other than as described in the Official Statement, since December 31, 1975, and at all times subsequent thereto to and including the Closing Date, the Issuer has not been and will not be in default with respect to payment of the principal of, or interest on, any bonds or other debt obligations that it has issued or will issue or that it has guaranteed or will guarantee (excluding bonds or other debt obligations for which it has served as a conduit issuer).

(o) The Issuer has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Issuer is a bond issuer whose arbitrage certifications may not be relied upon.

(p) Except as disclosed in the Official Statement, within the last five (5) years, the Issuer has not failed to comply in all material respects with any continuing disclosure undertaking made by it pursuant to the Rule in connection with outstanding bond issues for which the Issuer has agreed to undertake continuing disclosure obligations.
(q) No representation or warranty by the Issuer in this Purchase Contract, nor any statement, certificate, document or exhibit furnished to or to be furnished by the Issuer pursuant to this Purchase Contract or the Official Statement or in connection with the transactions contemplated hereby contains, or will contain on the Closing Date, any untrue statement of material fact or omits or will omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

8. The Closing. At or before 1:00 p.m., New York time, on [_____] [___], 2020, or at such other time or on such earlier or later business day as shall have been agreed upon by the Issuer and the Senior Managing Underwriter (the “Closing” or the “Closing Date”), the Issuer shall deliver, or cause to be delivered, subject to the terms and conditions hereof: (i) the Series 2020 Bonds, bearing proper CUSIP numbers, to the Senior Managing Underwriter, in definitive form, duly executed and authenticated by the Bond Registrar, via the FAST system as described below, and (ii) the closing documents hereinafter mentioned. The Underwriters, subject to the terms and conditions hereof, will accept such delivery and pay the Purchase Price as set forth in Section 1 hereof by wire transfer of federal funds to the order of the Issuer. The Series 2020 Bonds shall bear proper CUSIP numbers and shall be in typewritten form, with a single bond for each maturity and interest rate of the Series 2020 Bonds, each such bond to be in a principal amount equal to the principal amount thereof maturing on each such date. The Series 2020 Bonds shall be registered in the name of Cede & Co., as nominee of DTC, will be made available for inspection and checking by the Underwriters not later than 3:00 P.M., New York City time, on the business day prior to the Closing Date and will be delivered through the DTC FAST system.

9. Closing Conditions. The Underwriters are entering into this Purchase Contract in reliance upon the representations, warranties, covenants and agreements of the Issuer contained herein, and in reliance upon the representations, warranties, covenants and agreements to be contained in the documents and instruments to be delivered at the Closing, and upon the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriters’ obligations hereunder to purchase and pay for the Series 2020 Bonds shall be subject to the performance by the Issuer of its obligations to be performed hereunder and under such other documents and instruments to be delivered at or prior to the Closing, and shall also be subject to the following additional conditions, including the delivery by the Issuer of such documents as are enumerated herein, in form and substance reasonably satisfactory to the Senior Managing Underwriter:

(a) The representations and warranties of the Issuer contained herein shall be true, complete and correct in all material respects as of the date hereof and at the time of the Closing, as if made at the time of the Closing, and the statements made in all certificates and other documents delivered to the Underwriters at the Closing shall be true, complete and correct as of
the Closing Date and the Issuer shall be in compliance with each of the agreements made by it in this Purchase Contract as of the Closing Date.

(b) At the time of the Closing (i) the Bond Resolution shall be in full force and effect and shall not have been amended, modified or supplemented after the date of this Purchase Contract except with the prior written approval of the Senior Managing Underwriter; (ii) the Issuer Documents shall each have been duly executed and delivered by the Issuer and the other parties thereto and shall not have been amended, modified or supplemented after the date of this Purchase Contract (other than to conform to the description contained in the Official Statement) except with the prior written approval of the Senior Managing Underwriter; and (iii) the Issuer shall perform or have performed all of its obligations required under or specified in this Purchase Contract and the other Issuer Documents to be performed at or before the Closing.

(c) The Issuer shall not be in default in the payment of principal or interest on any of its bonds, notes, or other debt obligations.

(d) At the time of the Closing, there shall not have occurred any change or any development involving a prospective change in the condition, financial or otherwise, or in Pledged Funds or operations of the Issuer, from that set forth in the Official Statement that, in the reasonable judgment of the Senior Managing Underwriter, is material and adverse and that makes it, in the judgment of the Senior Managing Underwriter, impracticable to market the Series 2020 Bonds on the terms and in the manner contemplated in the Official Statement.

(e) All steps to be taken and all instruments and other documents to be executed, and all other legal matters in connection with the transaction contemplated by this Purchase Contract shall be reasonably satisfactory in legal form and effect to the Senior Managing Underwriter.

(f) The Senior Managing Underwriter shall have the right to terminate this Purchase Contract by notification to the Issuer if, after the execution hereof and prior to the Closing any of the following events shall occur in the sole and reasonable judgment of the Senior Managing Underwriter:

(i) An event shall occur which makes untrue or incorrect in any material respect, as of the time of such event, any statement or information contained in the Official Statement or which is not reflected in the Official Statement but should be reflected therein in order to make the statements contained therein in the light of the circumstances under which they were made not misleading in any material respect and, in either such event, (1) the Issuer refuses to permit the Official Statement to be supplemented to supply such statement or information in a manner satisfactory to the Senior Managing Underwriter, or
(2) the effect of the Official Statement as so supplemented is, in the reasonable judgment of the Senior Managing Underwriter, to materially adversely affect the market price or marketability of the Series 2020 Bonds or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Series 2020 Bonds; or

(ii) Legislation shall be introduced in, enacted by, reported out of committee, or recommended for passage by Florida, either House of the Congress, or recommended to the Congress or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation is proposed for consideration by either such committee by any member thereof or presented as an option for consideration by either such committee by the staff of such committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, or a bill to amend the Code (which, if enacted, would be effective as of a date prior to the Closing) shall be filed in either House, or a decision by a court of competent jurisdiction shall be rendered, or a regulation or filing shall be issued or proposed by or on behalf of the Department of the Treasury or the Internal Revenue Service of the United States, or other agency of the federal government, or a release or official statement shall be issued by the President, the Department of the Treasury or the Internal Revenue Service of the United States, in any such case with respect to or affecting (directly or indirectly) the federal or state taxation of interest received on obligations of the general character of the Series 2020 Bonds which, in the reasonable judgment of the Senior Managing Underwriter, materially adversely affects the market price or marketability of the Series 2020 Bonds or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Series 2020 Bonds; or

(iii) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, sale or distribution of obligations of the general character of the Series 2020 Bonds (including any related underlying obligations) is in violation or would be in violation of any provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended or the Trust Indenture Act of 1939, as amended; or

(iv) Legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form
of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Series 2020 Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended (the "Securities Act"), or that the Bond Resolution is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering, or sale of obligations of the general character of the Series 2020 Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect; or

(v) there shall have occurred (1) any outbreak or escalation of hostilities, declaration by the United States of a national or international emergency or war, or (2) any other calamity or crisis in the financial markets of the United States or elsewhere; or (3) a downgrade of the sovereign debt rating of the United States by any major credit rating agency or payment default on United States Treasury obligations which, in the reasonable judgment of the Senior Managing Underwriter, materially adversely affects the market price or marketability of the Series 2020 Bonds or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Series 2020 Bonds; or

(vi) there shall have occurred a general suspension of trading, minimum or maximum prices for trading shall have been fixed and be in force or maximum ranges or prices for securities shall have been required on the New York Stock Exchange or other national stock exchange whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental agency having jurisdiction or any national securities exchange shall have: (1) imposed additional material restrictions not in force as of the date hereof with respect to trading in securities generally, or to the Series 2020 Bonds or similar obligations, or (2) materially increased restrictions now in force with respect to the extension of credit by or the charge to the net capital requirements of underwriters or broker-dealers which, in the reasonable judgment of the Senior Managing Underwriter, materially adversely affects the market price or marketability of the Series 2020 Bonds or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Series 2020 Bonds; or

(vii) a general banking moratorium shall have been declared by federal or New York or Florida state authorities or a major financial crisis or a material disruption in commercial banking or securities settlement or clearances services shall have occurred which, in the reasonable judgment of the Senior Managing Underwriter, materially

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adversely affects the market price or the marketability for the Series 2020 Bonds or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Series 2020 Bonds; or

(viii) a downgrading or suspension of any rating (without regard to credit enhancement) by S&P Global Ratings, a business unit of S&P Financial Services LLC (“S&P”) or Moody’s Investors Service, Inc. (“Moody’s”) of any debt securities issued by the Issuer which are secured by the Pledged Funds (as defined in the Bond Resolution), or there shall have been any official statement as to a possible downgrading (such as being placed on “credit watch” or “negative outlook” or any similar qualification) of any rating by S&P or Moody’s of any debt securities issued by the Issuer which are secured by the Pledged Funds (as defined in the Bond Resolution), including the Series 2020 Bonds, which, in the reasonable judgment of the Senior Managing Underwriter, materially adversely affects the market price or marketability of the Series 2020 Bonds or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Series 2020 Bonds.

(g) At or before the Closing, the Underwriters shall receive the following documents:

(1) The Official Statement, and each supplement or amendment thereto, if any, executed on behalf of the Issuer by its City Manager, or such other official as may have been agreed to by the Senior Managing Underwriter;

(2) Certified copy of the Bond Resolution;

(3) Each of the other Issuer Documents, fully executed by the respective parties thereto;

(4) A copy of the Letter of Representations with DTC;

(5) The approving opinion of Bond Counsel, as to the Series 2020 Bonds, dated the Closing Date, substantially in the form attached to the Official Statement together with a letter of Bond Counsel addressed to the Underwriters, and dated the Closing Date, to the effect that such bond approving opinion may be relied upon by the Underwriters to the same extent as if such opinion were addressed to the Underwriters;

(6) A supplemental opinion of Bond Counsel, dated the Closing Date, addressed to the Underwriters, to the effect that, (i) the statements contained in the Official Statement under the captions “INTRODUCTION”, “PURPOSE OF THE ISSUE”, “THE
SERIES 2020 BONDS" (except for the information relating to DTC and its book-entry system of registration, as to which no view need be expressed), and "SECURITY AND SOURCES OF PAYMENT", insofar as such information purports to summarize portions of the Bond Resolution and the Series 2020 Bonds, constitute a fair summary of the information purported to be summarized therein. The statements contained under the caption "TAX MATTERS" are accurate statements or summaries of the matters therein set forth, (ii) the Bonds are exempt from registration under the Securities Act of 1933, as amended, and (iii) the Bond Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended;

(7) An opinion of Hand Arendall Harrison Sale LLC, City Attorney, dated the Closing Date and addressed to the Underwriters, to the effect that:

(A) the Issuer is a municipal corporation of the State of Florida (The "State"), duly created, organized and validly existing under the laws of the State, and has full legal right, power and authority under the Act and the Bond Resolution (1) to enter into, execute and deliver the Issuer Documents and all documents required hereunder and thereunder to be executed and delivered by the Issuer, (2) to sell, issue and deliver the Bonds to the Underwriters as provided herein, (3) to pledge the Pledged Funds as provided in the Bond Resolution, and (4) to carry out and consummate the transactions contemplated by the Issuer Documents and the Official Statement, and the Issuer has complied, and will at the Closing be in compliance in all respects, with the terms of the Act and the Issuer Documents as they pertain to such transactions;

(B) By all necessary official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized all necessary action to be taken by it for (1) the enactment of the Bond Resolution and the issuance and sale of the Series 2020 Bonds, (2) the approval, execution and delivery of, and the performance by the Issuer of the obligations on its part contained in the Bonds and the Issuer Documents, (3) the pledge of the Pledged Funds as provided in the Bond Resolution, and (4) the consummation by it of all other transactions contemplated by the Official Statement, the Issuer Documents and any and all such other agreements and documents as may be required to be executed, delivered and/or received by the Issuer in order to carry out, give effect to, and consummate the transactions contemplated herein and in the Official Statement;

(C) The Bond Resolution was duly and validly enacted by the Issuer and is in full force and effect and has not been amended, modified or repealed; the Bond Resolution and all other proceedings pertinent to the validity and enforceability of the Series 2020 Bonds and the receipt of the Pledged Funds and all Issuer required actions to receive all of the Pledged Funds have been duly and validly adopted or undertaken in compliance with all applicable procedural requirements of the Issuer and in compliance with the Constitution and laws of the State, including the Act;
(D) The Issuer Documents have been duly authorized, executed and delivered by the Issuer, and constitute legal, valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their respective terms, except to the extent limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws and equitable principles of general application relating to or affecting the enforcement of creditors’ rights; and the Series 2020 Bonds, when issued and delivered and paid for in accordance with the Bond Resolution and this Purchase Contract, will constitute legal, valid and binding obligations of the Issuer entitled to the benefits of the Bond Resolution and enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors’ rights; upon the issuance, authentication and delivery of the Series 2020 Bonds as aforesaid, the Bond Resolution will provide, for the benefit of the holders, from time to time, of the Series 2020 Bonds, the covenant to levy and collect the Pledged Funds it purports to create as set forth in the Bond Resolution;

(E) the information in the Preliminary Official Statement and the Official Statement under the captions "THE CITY", "THE AGENCY", "COMMUNITY REDEVELOPMENT AREA" and "LITIGATION" is true and complete in all material respects, and with respect to the other information in the Preliminary Official Statement and the Official Statement, based upon his review of the Preliminary Official Statement and the Official Statement as counsel to the Issuer and without having undertaken to determine independently the accuracy or completeness of the contents of such other portions of the Preliminary Official Statement and the Official Statement, he has no reason to believe that such other portions of Preliminary Official Statement, as of its date, and the Official Statement, as of its date and the Closing Date (in each case, except for the financial and statistical data contained therein and the information relating to DTC and its book-entry system of registration, as to which no view need be expressed) contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(F) the use of the Preliminary Official Statement by the Underwriters for the purpose of offering the Series 2020 Bonds for sale has been duly authorized and ratified by the Issuer;

(G) the Official Statement has been duly authorized, executed and delivered by the Issuer and the Issuer has consented to the use thereof by the Underwriters;

(H) the enactment of the Bond Resolution and the authorization, execution and delivery of the Issuer Documents and the Series 2020 Bonds and compliance with the provisions hereof and thereof, will not conflict with, or
constitute a breach of or default under, any constitutional provision, law or administrative regulation, or to the best of their knowledge, any consent decree, ordinance, resolution or any agreement or other instrument to which the Issuer was or is subject, as the case may be, nor will such adoption, execution, delivery, authorization or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer, or under the terms of any law, administrative regulation, ordinance, resolution or instrument;

(I) to the best of my knowledge, all approvals, authorizations, licenses, permits, consents, and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction in any matter which would constitute a condition precedent to the performance by the Issuer of its obligations hereunder and under the Issuer Documents have been obtained and are in full force and effect;

(J) except as disclosed in the Official Statement, there is no legislation, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best of my knowledge, threatened, against the Issuer, affecting the existence of the Issuer or the titles of its members and officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2020 Bonds or the collection and receipt of any of the Pledged Funds, or in any way contesting or affecting the validity or enforceability of the Series 2020 Bonds, the Issuer Documents or any other material agreement or instrument to which the Issuer is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the Issuer or any authority for the issuance of the Series 2020 Bonds, the enactment of the Bond Resolution, or the execution and delivery of the Issuer Documents, nor, to the best of their knowledge, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Series 2020 Bonds or the Issuer Documents;

(8) A certificate of the Issuer dated the Closing Date signed by its City Manager and attested to by the City Clerk, in form and substance satisfactory to the Senior Managing Underwriter, to the effect that (i) the representations, covenants, agreements and warranties of the Issuer contained herein are true and correct in all material respects on and as of the Closing Date as if made on the Closing Date; (ii) except as disclosed in the Official Statement, no litigation or proceeding against it is pending or, to the best of his knowledge, threatened in any court or administrative body nor is there a basis for litigation which would (A) contest the right of the members or officials of the Issuer to hold and exercise their respective positions, (B) contest the due organization and valid existence of the Issuer, (C) contest the validity, due authorization and execution of the Bonds or the Issuer Documents,
(D) attempt to limit, enjoin or otherwise restrict or prevent the Issuer from levying and collecting Pledged Funds, (E) contest in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or (F) which may result in any material adverse change in the business, properties, assets or financial condition of the Issuer; (iii) the Bond Resolution was duly and validly enacted and is in full force and effect and has not been amended, modified or repealed; (iv) to the best of its knowledge, no event affecting the Issuer has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which is necessary to disclose therein in order to make the statements and information therein, in light of the circumstances under which made, not misleading in any respect as of the time of Closing; (v) except for the information provided by DTC or the Underwriters (as to which no representations are made), the Preliminary Official Statement did not, as of its date, and the Official Statement did not as of its date, and does not as of the Closing Date, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purposes for which such Official Statements are to be used, or which is necessary in order to make the statements contained therein, in light of the circumstances in which they were made, not misleading; (vi) the Issuer has complied or is presently in compliance with all agreements related to the Series 2020 Bonds and has satisfied all conditions on its part to be observed or satisfied under the Bond Resolution and this Purchase Contract as of the Closing Date; (vii) the Issuer Documents have been duly authorized, executed and delivered by one or more duly authorized officers of the Issuer and each of the Issuer Documents is a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms, except as such enforceability may be limited by (A) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally, and (B) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law); and (viii) since September 30, 2018, no material adverse change has occurred in the financial position or results of the operations of the Issuer, except as disclosed in the Official Statement;

(9) Evidence that the rating agencies who have rated the Series 2020 Bonds have issued ratings of not lower than the respective ratings on the Series 2020 Bonds which are published in the Official Statement and that such ratings are in full force and effect as of the Closing Date;

(10) A certificate executed by the appropriate officer of the Issuer, delivered pursuant to Rule 15C2-12 under the Securities Exchange Act of 1934, deeming the Preliminary Official Statement to be final as of its date;

(11) An opinion of Disclosure Counsel, dated the Closing Date and addressed to the Issuer, together with a letter addressed to the Underwriters authorizing the Underwriters to rely upon the letter addressed to the Issuer, to the effect that in accordance with their understanding with the Issuer, as Disclosure Counsel such firm has rendered legal advice and assistance to the Issuer in the course of the preparation of the Official Statement; that assistance involved, among other things, inquiries concerning various legal
and related matters, their review of certain records, documents and proceedings, participation in discussions with representatives of the Issuer, the Issuer's Financial Advisor, and others concerning the contents of the Official Statement and related matters; that in accordance with their understanding with the Issuer, they are not passing upon, and do not assume responsibility for, the accuracy, completeness or fairness of the contents of the Official Statement; that, however, they can advise that, in their capacity as Disclosure Counsel and on the basis of the information that has come to their attention, and in reliance on the certificates, opinions and documents they have reviewed in the course of their performance of the services referred to above, and without having undertaken to verify independently the accuracy, completeness or fairness of the contents of the Official Statement, nothing has come to their attention which leads them to believe that the Official Statement, as of its date and the Closing Date (in each case, excluding the financial and statistical data included in the Official Statement and the appendices thereto, and the information relating to The Depository Trust Company or its book-entry only system), as of its date and as of the Closing Date, contained or contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(12) An opinion of Underwriters' Counsel, dated the Closing Date and addressed to the Underwriters, to the effect that: (i) the Series 2020 Bonds are not subject to the registration requirements of the Securities Act; (ii) based upon their participation in the preparation of the Preliminary Official Statement and the Official Statement as counsel to the Underwriters and without having undertaken to determine independently the accuracy or completeness of the statements contained in the Preliminary Official Statement or the Official Statement, as of the Closing Date, nothing has come to the attention of such counsel that causes them to believe that the Preliminary Official Statement, as of its date, and the Official Statement as of its date and as of the Closing Date (in each case, excluding the financial statements, and the reports, financial and statistical data and forecasts included therein, and the information regarding DTC and its book-entry system of registration, as to all of which no opinion need be expressed) contained or contains any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; and (iii) based upon their review of the appropriate documents regarding the Continuing Disclosure Certificate as it relates to continuing disclosure under the Rule, the requirements of the Rule have been satisfied;

(13) A certificate of Regions Bank, in its capacity as Paying Agent and Registrar, dated the Closing Date, in a form reasonably satisfactory to the Underwriters;

(14) [A true and correct copy of the Policy insuring payment of the Insured Series 2020 Bonds;]

(15) Such additional certificates, legal opinions, instruments, proceedings and other documents as the Underwriters or its counsel may reasonably deem necessary to evidence the truth and accuracy as of the time of the Closing of the representations of the Issuer, the compliance of the Issuer with legal requirements and the
due performance or satisfaction by the Issuer on or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

By its execution of this Purchase Contract, the Issuer consents to the use by the Underwriters of the documents listed above, including specifically the Official Statement, the Bond Resolution and the information contained therein, in connection with the public sale of the Series 2020 Bonds.

If the Issuer shall be unable to satisfy the conditions contained in this Purchase Contract, or if the obligations of the Underwriters shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and an amount equal to the Good Faith Deposit shall be returned by the Issuer to the Senior Managing Underwriter as provided in Section 3, and neither the Underwriters nor the Issuer shall be under further obligation hereunder except as expressly set forth in Sections 11(a), (b) and (c) below.

10. The Issuer covenants with the Underwriters to cooperate with them in qualifying the Series 2020 Bonds for offer and sale under the securities or “Blue Sky” laws of such states as the Underwriters may request; provided that in no event shall the Issuer be obligated to take any action which would subject it to general service of process in any state where it is not now so subject or qualify to do business in connection with any such qualification or determination in any jurisdiction. It is understood that the Issuer is not responsible for compliance with or the consequences of failure to comply with applicable “Blue Sky” laws, or for any expenses incurred in such compliance.

11. (a) The Issuer shall pay (i) the cost of the preparation and printing or other reproduction (for distribution on or prior to the date hereof) of the Official Statement; (ii) the fees and expenses of Bond Counsel, Disclosure Counsel, the Paying Agent and Registrar, and the Issuer’s Financial Advisor, and any other experts or consultants retained by the Issuer; (iii) the costs and fees of the rating agencies; and (iv) out-of-pocket expenses of the Issuer. The Issuer shall reimburse the Underwriters for actual expenses incurred or paid by the Underwriters on behalf of the Issuer which are directly related to the marketing, issuance, and delivery of the Series 2020 Bonds, including, but not limited to, transportation, lodging, and meals for Issuer’s employees and representatives; provided, however, that (x) reimbursement for such expenses shall not exceed an ordinary and reasonable amount for such expenses and (y) such expenses are not related to the entertainment of any person and not prohibited from being reimbursed from the proceeds of an offering of municipal securities under the MSRB’s Rule G-20. Such reimbursement may be in the form of inclusion in the expense component of the Underwriter’s discount. The provisions of this paragraph shall not obligate the Issuer to pay any fees or expenses that are contingent upon the occurrence of the Closing, unless a successful Closing occurs. The Issuer’s obligations to pay expenses incurred by the Underwriters on behalf of the Issuer and its staff related to food and lodging survive even if the underlying transaction fails to close or consummate.

(b) The Underwriters shall pay expenses related to the initial purchase and sale of the Series 2020 Bonds as follows (which may be included as an expense component of the

AGENDA ITEM # 12
Underwriter’s discount) (x) the cost of printing or other reproduction of this Purchase Contract and the cost of preparation and printing of the Blue Sky, if any, report to be used by them; (y) all advertising expense in connection with the public offering of the Series 2020 Bonds; and (z) all other expenses incurred by them in connection with the public offering and distribution of the Series 2020 Bonds, including the fees and expenses of counsel retained by it.

(c) If the Series 2020 Bonds are sold to the Underwriters pursuant to this Purchase Contract, the Issuer shall pay, from the proceeds of the sale of the Series 2020 Bonds or from other funds available to it, the costs of issuance with respect to the Series 2020 Bonds, other than those set forth in Section 11(b) above. If the Issuer shall be unable to, or shall otherwise fail to, satisfy the conditions to the obligation of the Underwriters to purchase, accept delivery of, and pay for the Series 2020 Bonds pursuant to the terms of this Purchase Contract, or if the obligation of the Underwriters to purchase, accept delivery of and pay for the Series 2020 Bonds shall be terminated for any reason permitted by this Purchase Contract, then the Issuer shall reimburse the Underwriters for all out-of-pocket expenses (including the fees and expenses of its counsel) reasonably incurred by the Underwriters in connection with this Purchase Contract or the offering contemplated hereunder.

12. Any notice or other communication to be given to the Issuer under this Purchase Contract shall be given by delivering the same in writing to the Issuer at 110 South Arnold Road, Panama City Beach, Florida 32413, Attention: City Manager. Any notice or other communication to be given to the Underwriters under this Purchase Contract shall be given by delivering the same in writing to Raymond James & Associates, Inc., 807 W. Morse Boulevard, Suite 200, Winter Park, Florida 32789, Attention: Jon Eichelberger.

13. This Purchase Contract shall constitute the entire agreement between the Issuer and the Underwriters and is made solely for the benefit of the Issuer and the Underwriters (including their respective successors or assigns). No other person shall acquire or have any rights hereunder or by virtue hereof. All representations, warranties and agreements of the Issuer in this Purchase Contract shall remain operative and in full force and effect, regardless of (a) any investigation made by or on behalf of any of the Underwriters, and (b) the delivery of and payment for the Series 2020 Bonds hereunder.

14. This Purchase Contract may not be amended without the written consent of the Issuer and the Senior Managing Underwriter.

15. The validity, interpretation and performance of this Purchase Contract shall be governed by the internal laws of the State of Florida, without regard to conflict of law principles.

IN WITNESS WHEREOF, the parties hereto have caused this Purchase Contract to be duly executed by their duly authorized officers as of the day and year first above written.

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AGENDA ITEM # 12
[Counterpart Signature Page to Bond Purchase Agreement, dated [___ ___], 2020]

Accepted:

CITY OF PANAMA CITY BEACH, FLORIDA

By:__________________________

Tony O’Rourke, City Manager

ATTEST:

By:__________________________

Mary Jan Bossert, City Clerk
EXHIBIT A

MATURITY SCHEDULE

City of Panama City Beach, Florida
Capital Improvement Revenue Bonds, Series 2020

$[_____] Serial Bonds

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<th>Maturity (November 1)</th>
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<td>2036</td>
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<tr>
<td>2037</td>
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<tr>
<td>2038</td>
<td></td>
<td>%</td>
<td>%</td>
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<tr>
<td>2039</td>
<td></td>
<td>%</td>
<td>%</td>
<td></td>
</tr>
</tbody>
</table>

$[_____] [_____]% Term Bond due May 1, [_____]*; Yield [_____]% , Price [_____]

$[_____] [_____]% Term Bond due May 1, [_____]*; Yield [_____]% , Price [_____]

*[Callable any time on or after _____, at par.]*

Exhibit A-1

AGENDA ITEM # 12
REDEMPTION PROVISIONS

Optional Redemption. The Series 2020 Bonds maturing on or after November 1, 20__ are subject to redemption prior to maturity, at the option of the City, on or after November 1, 20__, in whole or in part at any time, in any order of maturity selected by the City and by lot within a maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2020 Bonds to be redeemed, together with accrued interest to the date fixed for redemption.

Mandatory Sinking Fund Redemption. The Series 2020 Bonds maturing on November 1, 20__ are subject to mandatory sinking fund redemption in part prior to maturity, by lot, through the application of Amortization Installments, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on November 1 of each year in the following amounts and in the years specified:

<table>
<thead>
<tr>
<th>Date (November 1)</th>
<th>Amortization Installment</th>
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</thead>
<tbody>
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<td>$</td>
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*Final Maturity.

Exhibit A-2
EXHIBIT B

FORM OF DISCLOSURE LETTER PURSUANT TO
SECTION 218.385, FLORIDA STATUTES

[_____, 2020]

City of Panama City Beach, Florida
110 South Arnold Road
Panama City Beach, Florida 32413

Re: City of Panama City Beach, Florida Capital Improvement Revenue Bonds, Series 2020

Ladies and Gentlemen:

In connection with the proposed issuance by the City of Panama City Beach, Florida (the “Issuer”), of $[_____] aggregate principal amount of its Capital Improvement Revenue Bonds, Series 2020 (the “Series 2020 Bonds”), Raymond James & Associates, Inc. (the “Senior Managing Underwriter”), acting on behalf of itself and as representative for Jefferies LLC (collectively, the “Underwriters”), has agreed to underwrite a public offering of the Series 2020 Bonds. Arrangements for underwriting the Series 2020 Bonds will include a Bond Purchase Agreement (the “Contract”) between the Issuer and the Underwriters that will embody the negotiations in respect thereof.

The purpose of this letter is to furnish, pursuant to the provisions of Section 218.385, Florida Statutes, certain information in respect of the arrangements contemplated for the underwriting of the Series 2020 Bonds as follows:

(a) The underwriting spread, including the management fee, expected to be realized is as follows:

<table>
<thead>
<tr>
<th>ITEM</th>
<th>$/1,000</th>
<th>AMOUNT</th>
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<tbody>
<tr>
<td>Average Takedown</td>
<td>$[_____]</td>
<td>$[_____]</td>
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<tr>
<td>Underwriter’s Expenses</td>
<td>[_____]*</td>
<td>[_____]</td>
</tr>
<tr>
<td>Total Underwriting Spread</td>
<td>$[_____]*</td>
<td>$[_____]</td>
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</tbody>
</table>

*May not add due to rounding.

(b) The nature and estimated amounts of expenses to be incurred by the Underwriters in connection with the purchase and offering of the Bonds are set forth in Schedule I attached hereto.

Exhibit B-1

AGENDA ITEM # 12
(c) There are no “finders,” as defined in Section 218.386, Florida Statutes, who have been retained or who will be paid by the Underwriters in connection with the issuance of the Series 2020 Bonds.

(d) No other fee, bonus or other compensation is estimated to be paid by the Underwriters in connection with the issuance of the Series 2020 Bonds to any person not regularly employed or retained by the Underwriters, except as specifically enumerated as expenses referred to in paragraph (a) above to be incurred by the Underwriters as set forth in Schedule I attached hereto.

(e) The name and address of the Senior Managing Underwriter is set forth below:

Raymond James & Associates, Inc.
807 W. Morse Boulevard, Suite 200
Winter Park, Florida 32789

(f) Based on representations of the Issuer, it is our understanding that the Issuer is proposing to issue $[_____] in aggregate principal amount of the Series 2020 Bonds for the purpose of providing funds, together with certain other available funds of the Panama City Beach Community Redevelopment Agency (the “Agency”), to (i) finance certain public improvements as described in the Bond Resolution (the “2020 Project”); (ii) make a deposit to the 2020 Debt Service Reserve Fund to satisfy the Reserve Fund Requirement for the Series 2020 Bonds; and (iii) pay certain costs of issuing the Series 2020 Bonds. The Series 2020 Bonds are expected to be repaid over a period of approximately [_____] years. At a True Interest Cost of approximately [_____]%, total interest paid over the life of the Series 2020 Bonds will be $[_____].

(g) Based on representations of the Issuer, it is our understanding that the Series 2020 Bonds will be payable solely from the Pledged Funds in amounts sufficient to pay the principal of and interest on the Series 2020 Bonds, in the manner provided in the Bond Resolution. The Series 2020 Bonds carry an average annual debt service of approximately $[______]. Assuming the Issuer pays debt service on the Series 2020 Bonds from the Pledged Funds, such funds equal to an average of $[______] that will not be available to finance the other services of the Issuer each year that the Series 2020 Bonds will be outstanding, which is approximately [_____] years. Notwithstanding the foregoing, we are not accountants or actuaries, nor are we engaged in the practice of law. Accordingly, while we believe the above-described calculations to be correct, we do not warrant them to be so.

Exhibit B-2

AGENDA ITEM #12
We understand that you do not require any further disclosure from the Underwriters pursuant to Section 218.385, Florida Statutes.

Exhibit B-3

AGENDA ITEM #10
Very truly yours,

RAYMOND JAMES & ASSOCIATES, INC.

By: ___________________________
Name: Jon Eichelberger
Title: Managing Director
**SCHEDULE I**

**ESTIMATED EXPENSES**

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<td>CUSIP Fee</td>
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<td>DTC Fee</td>
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Exhibit 3- 5
EXHIBIT C

ISSUE PRICE CERTIFICATE

The undersigned, Raymond James & Associates, Inc. (the “Senior Managing Underwriter”), acting on behalf of itself and as representative for Jefferies LLC (collectively, the “Underwriters”) hereby certifies as set forth below with respect to the sale and issuance by the City of Panama City Beach, Florida (the “Issuer”) of its $[_____] Capital Improvement Revenue Bonds, Series 2020 (the “Issue”).

[Select appropriate provisions below:]

1. [Alternative 1] — All Maturities Use General Rule: **Sale of the Bonds.** As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A. [Alternative 2] — Select Maturities Use General Rule: **Sale of the General Rule Maturities.** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. **Initial Offering Price of the [Bonds][Hold-the-Offering-Price Maturities].**

   (a) [Alternative 1] — All Maturities Use Hold-the-Offering-Price Rule: The Underwriting Group offered the Bonds to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B. [Alternative 2] — Select Maturities Use Hold-the-Offering-Price Rule: The Underwriting Group offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

1 If Alternative 1 is used, delete the remainder of paragraph 1 and all of paragraph 2 and renumber paragraphs accordingly.

2 If Alternative 2 is used, delete Alternative 1 of paragraph 1 and use each Alternative 2 in paragraphs 2(a) and (b).

3 If Alternative 1 is used, delete all of paragraph 1 and renumber paragraphs accordingly.

4 Alternative 2(a) of paragraph 2 should be used in conjunction with Alternative 2 in paragraphs 1 and 2(b).

Exhibit C- 6
(b) [Alternative 1 – All Maturities use Hold-the-Offering-Price Rule: As set forth in the Purchase Contract, the Underwriters have agreed in writing that, (i) for each Maturity of the Bonds, they would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period. [Alternative 2 – Select Maturities Use Hold-the-Offering-Price Rule: As set forth in the Purchase Contract, the members of the Underwriting Group have agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, they would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. **Total Issue Price.** The total of the issue prices of all the Maturities is $__________.

4. **Defined Terms.**

   [(a) **General Rule Maturities** means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”]

   [(b) **Hold-the-Offering-Price Maturities** means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”]

   [(c) **Holding Period** means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (__________, 2020), or (ii) the date on which the Underwriters have sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

   (d) **Issuer** means the City of Panama City Beach, Florida.

   (e) **Maturity** means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

   (f) **Public** means any person (including an individual, trust, estate, partnership, Exhibit C-7

Exhibit C-7

AGENDA ITEM #12
association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is __________, 2020.

(h) Underwriter means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Senior Managing Underwriter’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the [Tax Certificate] and with respect to compliance with the federal income tax rules affecting the Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

[Signature page to follow]
RAYMOND JAMES & ASSOCIATES, INC..

By: ______________________________________
Name: James A. Wright
Its: Managing Director – Municipal Underwriting


Exhibit C-9
Schedule A

SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

(Attached)
SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)
EXHIBIT C

FORM OF PRELIMINARY OFFICIAL STATEMENT
NEW ISSUE – BOOK-ENTRY ONLY

RATINGS: See "Ratings" herein.

In the opinion of Bond Counsel, assuming compliance by the City with certain covenants, under existing statutes, regulations and judicial decisions, the interest on the Series 2020 Bonds will be excluded from gross income for federal income tax purposes of the holders thereof and will not be an item of tax preference for purposes of the federal alternative minimum tax. See "TAX MATTERS" herein for a description of other tax consequences to holders of the Series 2020 Bonds.

CITY OF PANAMA CITY BEACH, FLORIDA
Capital Improvement Revenue Bonds, Series 2020
(Front Beach Road Project)

Dated: Date of Delivery

The City of Panama City Beach, Florida, Capital Improvement Revenue Bonds, Series 2020 (Front Beach Road Project) are being issued by the City of Panama City Beach, Florida (the "City"), under the authority of the Act (as defined herein) and Resolution No. 02-30 adopted by the City Council of the City ("City Council") on June 20, 2002, as restated, amended and supplemented on August 16, 2006 (the "Master Bond Resolution") and a Supplemental Resolution adopted by the City Council on March 12, 2020 (collectively with the Master Bond Resolution, the "Bond Resolution"). The Series 2020 Bonds will be issued as fully registered bonds, without coupons, in denominations of $5,000 and integral multiples thereof and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2020 Bonds. Purchasers will not receive certificates representing their ownership interests in the Series 2020 Bonds purchased. See "THE SERIES 2020 BONDS - Book-Entry-Only System" herein. Interest on the Series 2020 Bonds will accrue from their date of delivery and will be payable on November 1, 2020 and semiannually on each May 1 and November 1, thereafter. While the Series 2020 Bonds are registered through the DTC Book-Entry-Only System, principal of and interest on the Series 2020 Bonds will be payable by the Paying Agent to DTC. Regions Bank, Jacksonville, Florida, will serve as the initial Paying Agent for the Series 2020 Bonds.

The Series 2020 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein.

The proceeds of the Series 2020 Bonds will be used, together with certain other available moneys of the Panama City Beach Community Redevelopment Agency (the "Agency"), to (i) finance the costs of the 2020 Project (as described herein); (ii) make a deposit to the 2020 Debt Service Reserve Fund to satisfy the Reserve Requirement for the Series 2020 Bonds; and (iii) pay certain costs of issuing the Series 2020 Bonds. The Series 2020 Bonds are solely payable from and secured by a pledge of and first lien on the Pledged Funds derived by the City from (i) FBRCRA Tax Increment Revenues (as defined herein); and (ii) until applied in accordance with the provisions of the Bond Resolution, the Series 2020 Bond proceeds and all moneys, including investments thereof, in the funds and accounts created under the Bond Resolution, except the Rebate Fund (as such terms are defined herein), on a parity with the
City's outstanding Capital Improvement Refunding Revenue Bonds, Series 2015 (Front Beach Road Project). See "SECURITY AND SOURCES OF PAYMENT" herein.

The City has received or expects to receive a commitment from ______________ to issue a bond insurance policy securing all or a portion of the Series 2020 Bonds. The decision to utilize such bond insurance will be made at the time of pricing of the Series 2020 Bonds.


This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2020 Bonds are offered, subject to prior sale when, as and if issued by the City, subject to the approval of their legality by Bryant Miller Olive P.A., Miami, Florida, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the City by Hand Arendall Harrison Sale LLC, Panama City, Florida, City Attorneys. Certain legal matters relating to disclosure will be passed upon for the City by Nabors, Giblin & Nickerson, P.A, Tampa, Florida, Disclosure Counsel. PFM Financial Advisors LLC, Orlando, Florida, is serving as Financial Advisor to the City. Nelson Mullins, Broad & Cassel LLP, Orlando, Florida, is representing the Underwriters in connection with the issuance of the Series 2020 Bonds. It is expected that settlement on the Series 2020 Bonds will occur through the facilities of DTC in New York, New York on or about ____________, 2020.

RAYMOND JAMES

JEFFERIES

Dated: ____________, 2020

Preliminary, subject to change.

AGENDA ITEM # 12
Maturities, Principal Amounts, Interest Rates, Yields, Prices and Initial CUSIP Numbers

City of Panama City Beach, Florida
Capital Improvement Revenue Bonds, Series 2020
(Front Beach Road Project)

<table>
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<tr>
<th>Maturity (November 1)</th>
<th>Principal Amount</th>
<th>Interest Rate</th>
<th>Yield</th>
<th>Price</th>
<th>Initial CUSIP No. **</th>
</tr>
</thead>
</table>

*Preliminary, subject to change.

**Neither the City nor the Underwriters shall be responsible for the use of CUSIP numbers, nor is any representation made as to their correctness. They are included solely for the convenience of the readers of this Official Statement.

AGENDA ITEM # 12
CITY OF PANAMA CITY BEACH, FLORIDA
PANAMA CITY BEACH COMMUNITY REDEVELOPMENT AGENCY

CITY COUNCIL/BOARD OF COMMISSIONERS

Mike Thomas, Mayor/Chair
Paul Casto, Councilman
Phil Chester, Councilman
Geoff McConnell, Councilman
Hector Solis, Councilman

CITY MANAGER/EXECUTIVE DIRECTOR

Anthony O'Rourke

CITY/AGENCY ATTORNEY

Hand Arendall Harrison Sale LLC
Panama City, Florida

CONSULTANTS

Bond Counsel
Bryant Miller Olive P.A.
Miami, Florida

Disclosure Counsel
Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

Financial Advisor
PFM Financial Advisors LLC
Orlando, Florida

Independent Auditor
Carr, Riggs & Ingram, LLC
Panama City Beach, Florida

AGENDA ITEM # 12
No dealer, broker, salesman or other person has been authorized by the City, the Agency or the Underwriters to make any representations, other than those contained in this Official Statement, in connection with the offering contained herein, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2020 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information contained in this Official Statement has been obtained from public documents, records and other sources considered to be reliable and, while not guaranteed as to completeness or accuracy, is believed to be correct. Any statement in this Official Statement involving estimates, assumptions and opinions, whether or not so expressly stated, are intended as such and are not to be construed as representations of fact, and the Underwriters and the City expressly make no representation that such estimates, assumptions and opinions will be realized or fulfilled. Any information, estimates, assumptions and matters of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement, nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections in this Official Statement. The offering of the Series 2020 Bonds is made only by means of this entire Official Statement.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements generally are identifiable by the terminology used, such as "plan," "expect," "estimate," "project," "forecast," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Neither the City nor the Agency plans to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

THE SERIES 2020 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, NOR
HAS THE BOND RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE EXEMPTION OF THE SERIES 2020 BONDS FROM REGISTRATION OR QUALIFICATION IN CERTAIN STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE AGENCY AND THE CITY AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR GOVERNMENTAL ENTITY OR AGENCY WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED OR RECOMMENDED THE SERIES 2020 BONDS FOR SALE. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2020 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET, AND SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE SERIES 2020 BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

THIS OFFICIAL STATEMENT SHALL NOT CONSTITUTE A CONTRACT BETWEEN THE CITY OR THE UNDERWRITERS AND ANY ONE OR MORE HOLDERS OF THE SERIES 2020 BONDS.
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APPENDIX A -- GENERAL INFORMATION AND ECONOMIC DATA REGARDING THE CITY OF PANAMA CITY BEACH, FLORIDA

APPENDIX B -- BASIC FINANCIAL STATEMENTS OF THE CITY OF PANAMA CITY BEACH, FLORIDA FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018 AND UNAUDITED FINANCIAL STATEMENTS OF THE PANAMA CITY BEACH COMMUNITY REDEVELOPMENT AGENCY FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

APPENDIX C -- THE BOND RESOLUTION

APPENDIX D -- PROPOSED FORM OF OPINION OF BOND COUNSEL

APPENDIX E -- FORM OF CONTINUING DISCLOSURE CERTIFICATE
OFFICIAL STATEMENT
relating to
$________*
CITY OF PANAMA CITY BEACH, FLORIDA
Capital Improvement Revenue Bonds, Series 2020
(Front Beach Road Project)

INTRODUCTION

The purpose of this Official Statement, including the cover page and all appendices, is to set forth certain information relating to the City of Panama City Beach (the "City"), the Panama City Beach Community Redevelopment Agency (the "Agency"), the Panama City Beach Community Redevelopment Area (the "FBRCRA") and the issuance by the City of its Capital Improvement Revenue Bonds, Series 2020 (Front Beach Road Project) (the "Series 2020 Bonds"). The Series 2020 Bonds are being issued pursuant to and under the authority of the Constitution and laws of the State of Florida (the "State"), including particularly the Community Redevelopment Act of 1969, as amended, being Chapter 163, Part III, Florida Statutes, as amended, and other applicable provisions of law (the "Act"), Resolution No. 02-30 adopted by the City Council of the City of Panama City Beach, Florida (the "City Council") on June 20, 2002, as amended, restated and supplemented by Resolution No. 06-60 on August 16, 2020 (the "Master Bond Resolution") and a Supplemental Resolution adopted by the City Council on March 12, 2020 (collectively the "Bond Resolution"). The Series 2020 Bonds and the Outstanding Parity Bonds (each as hereinafter defined) and any Additional Bonds which may be issued under the provisions of the Bond Resolution in the future are hereinafter referred to collectively as the "Bonds."

The Series 2020 Bonds will be issued in book-entry only form and purchasers of the Series 2020 Bonds will not receive certificates representing their interest in the Series 2020 Bonds purchased. The Series 2020 Bonds will contain such other terms and provisions, including provisions regarding redemption, as described in "THE SERIES 2020 BONDS" herein.

The Series 2020 Bonds are solely payable from and secured by a pledge of and first lien on the Pledged Funds derived by the City from (i) FBRCRA Redevelopment Trust Fund Revenues (as described herein) and (ii) until applied in accordance with the Bond Resolution, the Bond proceeds and all moneys, including investments thereof, in the funds and accounts established under the Bond Resolution, except the Rebate Fund, on a parity with the City's Capital Improvement Refunding Revenue Bonds, Series 2015 (Front Beach Road Project), currently outstanding in the principal amount of $35,050,000 (the "Outstanding Parity Bonds"). Additional Bonds may be issued on a parity with the Series 2020 Bonds and Outstanding Parity Bonds upon satisfaction of the conditions described in the Bond Resolution. In addition, Subordinate Indebtedness may be issued payable from Pledged Funds on a subordinate basis. See "SECURITY AND SOURCES OF PAYMENT - Additional Bonds, Flow of Funds and Subordinate Indebtedness" herein.

*Preliminary, subject to change.
The Series 2020 Bonds shall not be and shall not be deemed to constitute a debt, liability or obligation of the Agency, the City, Bay County, Florida (the "County"), the State or any political subdivision thereof within the meaning of any constitutional, statutory or charter provisions or limitations, or a pledge of the faith and credit of the Agency, the City, the County, the State or any political subdivision thereof but shall be payable solely from the Pledged Funds, and the obligations evidenced thereby shall not constitute a lien upon any property owned by or situated within the corporate territory of the Agency or the City, but shall constitute a lien only on the Pledged Funds, all in the manner provided in the Bond Resolution. See "SECURITY AND SOURCES OF PAYMENT – Limited Liability" herein.

This introduction is intended to serve as a brief description of the Official Statement and is expressly qualified by reference to the Official Statement as a whole. A full review should be made of the entire Official Statement, including its appendices, as well as the documents and reports summarized or described herein. The description of the Series 2020 Bonds, the documents authorizing and securing the same, and the information from various reports contained herein are not comprehensive or definitive. All references herein to such documents and reports are qualified by the entire, actual content of such documents and reports. Copies of such documents and reports may be obtained from the City. Capitalized terms used but not defined in this Official Statement shall have the meaning ascribed to such terms in the Bond Resolution. See "APPENDIX C -- THE BOND RESOLUTION", attached hereto.

PURPOSE OF THE ISSUE

General

The Series 2020 Bonds are being issued for the purpose of providing funds, together with certain other available moneys of the Agency, to (i) finance certain public improvements as described in the Bond Resolution (the "2020 Project"); (ii) make a deposit to the 2020 Debt Service Reserve Fund to satisfy the Reserve Fund Requirement for the Series 2020 Bonds; and (iii) pay certain costs of issuing the Series 2020 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The 2020 Project

The 2020 Project to be financed with proceeds of the Series 2020 Bonds shall consist of the preparation, planning, design, land acquisition, construction and implementation necessary to carry out the FBRCRA Redevelopment Plan, related improvements and tasks and the projects included in the FBRCRA Redevelopment Plan (see "THE AGENCY" herein), including, but not limited to:

(i) Front Beach Road Segment 3/Hwy 79
(ii) Alf Coleman Phase 1
(iii) Powell Adams Phase 2
(iv) Front Beach Road Segment 4.1 (1.35 miles from Lullwater Drive to Hills Road)
The portion of the proceeds from the issuance of the Series 2020 Bonds that will be deposited into the Construction Fund to finance the 2020 Project will only be used to pay costs related to such project. See "ESTIMATED SOURCES AND USES OF FUNDS" herein.

**ESTIMATED SOURCES AND USES OF FUNDS**

The following table sets forth the estimated sources and uses of funds from the proceeds of the Series 2020 Bonds:

**Sources of Funds**

<table>
<thead>
<tr>
<th>Sources of Funds</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Par Amount of Series 2020 Bonds</td>
<td></td>
</tr>
<tr>
<td>Net original issue [premium][discount]</td>
<td></td>
</tr>
</tbody>
</table>

**Uses of Funds**

<table>
<thead>
<tr>
<th>Uses of Funds</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposit to Construction Fund</td>
<td></td>
</tr>
<tr>
<td>Deposit to 2020 Debt Service Reserve Fund</td>
<td></td>
</tr>
<tr>
<td>Costs of Issuance and Underwriters’ Discount (1)</td>
<td></td>
</tr>
<tr>
<td>Total Estimated Uses of Funds</td>
<td></td>
</tr>
</tbody>
</table>

(1) Includes fees of Financial Advisor, Bond Counsel, Disclosure Counsel, City’s Counsel, the rating agency, bond insurance premium (if any), underwriters’ discount and miscellaneous costs of issuance.

**THE SERIES 2020 BONDS**

**General**

The Series 2020 Bonds will be dated the date of their delivery, will be issued in denominations of $5,000 or integral multiples thereof and will bear interest at the rates and mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. Interest on the Series 2020 Bonds is payable on November 1, 2020 and
semiannually thereafter on each May 1 and November 1 until maturity or earlier redemption. Such interest shall be calculated on the basis of a 360 day year consisting of twelve 30-day months. The City has appointed Regions Bank, Jacksonville, Florida, as the Paying Agent for the Series 2020 Bonds (the "Paying Agent") and as the registrar for the Series 2020 Bonds (the "Registrar").

The Series 2020 Bonds will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"). Purchases of beneficial interests in the Series 2020 Bonds will be made in book-entry-only form, without certificates. Unless a securities depository other than DTC is selected by the City, so long as the Series 2020 Bonds shall be in book-entry-only form, the principal of and interest on the Series 2020 Bonds will be payable to Cede & Co. (or such other nominee selected by DTC), as registered owner thereof, and will be distributed by DTC and the DTC Participants to the Beneficial Owners (as such terms are hereinafter defined). See "THE SERIES 2020 BONDS - Book-Entry Only System" herein.

Optional Redemption

The Series 2020 Bonds maturing on or after November 1, 20___ are subject to redemption prior to maturity, at the option of the City, on or after November 1, 20___, in whole or in part at any time, in any order of maturity selected by the City and by lot within a maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2020 Bonds to be redeemed, together with accrued interest to the date fixed for redemption.

Mandatory Sinking Fund Redemption

The Series 2020 Bonds maturing on November 1, 20___ are subject to mandatory sinking fund redemption in part prior to maturity, by lot, through the application of Amortization Installments, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on November 1 of each year in the following amounts and in the years specified:

<table>
<thead>
<tr>
<th>Due (November 1)</th>
<th>Amortization Installment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Final maturity

Moneys in the Bond Amortization Account shall be used solely for the purchase, redemption or payment at maturity of the Term Bonds payable therefrom. However, amounts
accumulated in the Bond Amortization Account with respect to any Amortization Installment may be applied by the City, on or prior to the sixtieth (60th) day preceding the due date of such Amortization Installment (i) to the purchase of Term Bonds of the Series and maturity for which such Amortization Installment was established, at a price not greater than the Redemption Price at which such Term Bonds may be redeemed on the first date thereafter on which such Term Bonds shall be subject to redemption, or (ii) to the redemption at the applicable Redemption Price of such Term Bonds. The applicable Redemption Price (or principal amount of maturing Term Bonds) of any Term Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Amortization Account until such Amortization Installment date, for the purposes of calculating the amount of such Account. The City shall pay out of the Bond Amortization Account and the Interest Account to the respective Paying Agents, on or before the day preceding such redemption date (or maturity date), the amount required for the redemption (or for the payment of such Term Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment).

Notice of Redemption

**Mailing of Notice of Redemption.** Unless waived by any holder of Bonds to be redeemed, notice of redemption shall be given by the Registrar on behalf of the City by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least thirty (30) and not more than sixty (60) days before the redemption date to all registered owners of the Series 2020 Bonds or portions of the Series 2020 Bonds to be redeemed at their addresses as they appear on the registration books to be maintained in accordance with the provisions of the Bond Resolution. No defect in any notice given to a registered owner of a Series 2020 Bond to be redeemed nor failure to give such notice, shall defeat the effectiveness of a call for redemption of all other Series 2020 Bonds to be redeemed.

Every official notice of redemption shall be dated and shall state:

1. the redemption date,
2. the Redemption Price,
3. if less than all outstanding Bonds are to be redeemed, the number (and, in the case of a partial redemption of any Bond, the principal amount) of each Bond to be redeemed,
4. that on the redemption date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and
5. that such Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment of the Redemption Price plus accrued interest at the office of the Paying Agent.
Prior to any redemption date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of and accrued interest on all the Bonds or portions of Bonds which are to be redeemed on that date.

**Effect of Redemption.** Notice having been given in the manner and under the conditions described above, the Series 2020 Bonds or portions of Series 2020 Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the Redemption Price provided for redemption of such Series 2020 Bonds or portions of Series 2020 Bonds on such date shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar and/or Paying Agent at the appropriate Redemption Price, plus accrued interest. Each check or other transfer of funds issued by the Registrar and/or Paying Agent for the purpose of the payment of the Redemption Price of Bonds being redeemed shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer. Installments of interest due on or prior to the Redemption Date shall be payable as provided in the Bond Resolution for payment of interest. All Bonds which have been redeemed shall be canceled by the Registrar and shall not be reissued.

**Book-Entry-Only System**

The information provided immediately below concerning DTC and the Book-Entry Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter, the City or the Paying Agent.

Unless the book-entry system described herein is terminated, DTC will act as securities depository for the Series 2020 Bonds. The Series 2020 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One or more fully-registered bond certificates will be issued for the Series 2020 Bonds, and will be deposited with the Registrar on behalf of DTC. Individual purchases of beneficial interests in the Series 2020 Bonds will be made in increments of $5,000 or integral multiples thereof.

**DTC and its Participants.** DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain
other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's Rating of AA+. The DTC rules applicable to its Direct and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The contents of such website do not constitute a part of this Official Statement.

**Purchases.** Purchases of the Series 2020 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2020 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2020 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchases. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2020 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2020 Bonds, except in the event that use of the book-entry system for the Series 2020 Bonds is discontinued.

**Transfers.** To facilitate subsequent transfers, all Series 2020 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2020 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2020 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2020 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

**Notices.** Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2020 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2020 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2020 Bonds may wish to ascertain that the nominee holding the Series 2020 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.
Redemption notices shall be sent to DTC. If less than all of the Series 2020 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2020 Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2020 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

NEITHER THE CITY NOR THE REGISTRAR WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE SERIES 2020 BONDS. THE CITY CANNOT PROVIDE ANY ASSURANCE THAT DTC, DIRECT PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2020 BONDS PAID TO DTC OR ITS NOMINEE, AS THE REGISTERED OWNER, OR ANY NOTICES TO THE BENEFICIAL OWNERS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

Payments. Payments on the Series 2020 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Registrar on the relevant payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Discontinuance of Book Entry-Only System. DTC may discontinue providing its services as depository with respect to the Series 2020 Bonds at any time by giving reasonable notice to the City or the Registrar. Under such circumstances, in the event that a successor depository is not obtained, certificated Series 2020 Bonds are required to be printed and delivered to the holders of record.

The City may decide to discontinue use of the system of book entry-only transfers through DTC (or a successor securities depository) with respect to the Series 2020 Bonds. Under current industry practices, however, DTC would notify its Direct or Indirect Participants of the
City's decision but will only withdraw beneficial interests from a Series 2020 Bond at the request of any Direct or Indirect Participant. In that event, certificates for the Series 2020 Bonds will be printed and delivered.

**No Assurance Regarding DTC Practices**

The foregoing information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City, the Underwriters and the Registrar take no responsibility for the accuracy thereof.

So long as Cede & Co. is the registered owner of the Series 2020 Bonds as nominee of DTC, references herein to the holders or registered owners of the Series 2020 Bonds will mean Cede & Co. and will not mean the Beneficial Owners of the Series 2020 Bonds.

Neither the City, the Registrar nor the Underwriter will have any responsibility or obligation to the Participants, DTC or the persons for whom they act with respect to (i) the accuracy of any records maintained by DTC or by any Direct or Indirect Participant of DTC, (ii) payments or the providing of notice to the Direct Participants, the Indirect Participants or the Beneficial Owners, (iii) the selection by DTC or by any Direct or Indirect Participant of any Beneficial Owner to receive payment in the event of a partial redemption of the Series 2020 Bonds or (iv) any other action taken by DTC or its partnership nominee as owner of the Series 2020 Bonds.

**Registration, Transfer and Exchange**

Subject to the provisions described above under "Book Entry-Only System" while the Series 2020 Bonds are held under a book entry system of registration, the Series 2020 Bonds will be and have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code - Investment Securities Laws of the State of Florida, subject to the DTC Book Entry-Only System and to the provisions for registration, exchange and transfer contained in the Resolution and in the Series 2020 Bonds. The Series 2020 Bonds will be transferable only upon the registration books maintained for such purpose at the corporate trust office of the Registrar. So long as any of the Series 2020 Bonds remain outstanding, the Registrar must maintain and keep books for the registration of the Series 2020 Bonds.

All Series 2020 Bonds presented for transfer, exchange, or payment (if so required by the City or the Registrar) must be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the City or the Registrar, duly executed by the Registered Owner or by his or her duly authorized attorney.

The Registrar or the City may require payment from the Registered Owner or transferee of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in connection with any exchange or transfer of the Series 2020 Bonds. Such charges and expenses shall be paid before any new Series 2020 Bonds shall be delivered.
The Registrar is not required to issue, transfer or exchange any Series 2020 Bonds between the Record Date and the relative Interest Payment Date on such Series 2020 Bonds or, in the case of any proposed redemption of Series 2020 Bonds, after any such Series 2020 Bonds or any portion thereof has been selected for redemption.

New Series 2020 Bonds delivered upon any transfer or exchange will be valid obligations of the City, evidencing the same debt as the Series 2020 Bonds surrendered, will be secured by the Resolution, and will be entitled to all of the security and benefits of the Resolution to the same extent as the Series 2020 Bonds surrendered.

The City and the Registrar may treat the Registered Owner of any Series 2020 Bond as the absolute owner thereof for all purposes, whether or not such Series 2020 Bond is overdue, and will not be bound by any notice to the contrary.

SECURITY AND SOURCES OF PAYMENT

Pledged Funds

The payment of the principal of, redemption premium, if any, and interest on the Series 2020 Bonds and any Additional Bonds issued pursuant to the Bond Resolution are secured equally and ratably by a lien on and pledge of the Pledged Funds, which consist of (i) the FBRCRA Redevelopment Trust Fund Revenues, as defined below, (ii) to the extent the City shall so provide by Supplemental Resolution, the Assessments, and (iii) until applied in accordance with the provisions of the Bond Resolution, the proceeds of the Series 2020 Bonds and all moneys, including investments thereof, in the funds and accounts established under the Bond Resolution, except the Rebate Fund. **No Assessments are pledged to the Series 2020 Bonds or the Outstanding Parity Bonds.** "FBRCRA Redevelopment Trust Fund Revenues" means those FBRCRA Tax Increment Revenues received by the City from the Agency pursuant to the Agency Interlocal Agreement (as defined below). "FBRCRA Tax Increment Revenues" means the revenues derived from the Front Beach Road Community Redevelopment Area and received by the Agency from the County and any other "taxing authority" (as defined in Section 163.340(2) of the Act or any other successor statute or statutory provision) for deposit to the FBRCRA Tax Increment Trust Fund.

The City has reserved the right to impose special assessments (the "Assessments", as more fully defined below) upon property benefited by a particular Project, which amounts may be included as a part of the Pledged Funds as described above. "Assessments" is defined in the Bond Resolution to mean the proceeds derived from all or that portion of the Authorized Assessments levied against the lands and properties to be specially benefited by the construction of any Project, including interest on such assessments and any penalties thereon and moneys received upon the foreclosure of the liens on any such assessments, but excluding moneys recovered for the expense of collecting Assessments. "Authorized Assessments" means those assessments authorized to be levied against benefited property pursuant to Ordinance No. 947 of the City, enacted May 12, 2005, and specifically designated by the City as "Authorized Assessments" under one or more future supplements to the Resolution. Pursuant to the Bond Resolution, the Insurer, if any, of any Series of Bonds will have the right to consent to the
method of apportioning the cost of the Project to be financed by Bonds secured by Authorized Assessments among the properties benefited by such Project, such consent shall not be unreasonably withheld. As of the date of issuance of the Series 2020 Bonds, the City has not imposed any Assessments. No Assessments are pledged to secure the Series 2020 Bonds.

The FBRCRA Tax Increment Trust Fund was established in accordance with the Act. See "THE AGENCY - Creation of Agency and Redevelopment Areas" herein. Pursuant to Section 163.387 of the Act, the annual funding of the FBRCRA Tax Increment Trust Fund must be in an amount not less than that increment in the income, proceeds, revenues, and funds of each taxing authority derived from or held in connection with the undertaking or carrying out of the FBRCRA Redevelopment Plan. The increment is an amount equal to ninety-five percent (95%) of the difference between:

1. The amount of ad valorem taxes levied each year by each taxing authority, exclusive of any amount from any debt service millage, on taxable real property contained within the geographic boundaries of the Front Beach Road Community Redevelopment Area; and

2. The amount of ad valorem taxes which would have been produced by the rate upon which the tax is levied each year by or for each taxing authority, exclusive of any debt service millage, upon the total of the assessed value of the taxable real property in the Front Beach Road Community Redevelopment Area, as shown on the most recent assessment roll used in connection with the taxation of such property by each taxing authority for the Front Beach Road Community Redevelopment Area, prior to the effective date of the resolution establishing the FBRCRA Tax Increment Trust Fund; provided, however, the Agency, City and County entered into an Interlocal Agreement dated July 5, 2005 (the "County Interlocal Agreement") that provided, in part, that any portion of the tax increment revenue generated due to an increase in the county-wide ad valorem millage rate (5.6620) shown on the 2004 assessment roll (such increase is referred to herein as the "Increased Millage Increment") shall be returned to the County unless otherwise required by debt service requirements related to bonds or obligations issued by the City or Agency.

The FBRCRA Tax Increment Trust Fund was established pursuant to Ordinance No. 729 enacted by the City Council on August 31, 2001. Therefore, the assessment roll used for purposes of determining tax increment revenues attributable to the FBRCRA is the 2000 tax year roll. See "THE AGENCY - Creation of Agency and Redevelopment Area" and "FBRCRA TAX INCREMENT REVENUES - Historical Tax Increment Revenues Attributable to the FBRCRA" herein.

The City and the Agency have entered into an Interlocal Agreement, dated June 20, 2002 (the "Agency Interlocal Agreement"), specifying that the Agency is required to transfer to the City, as received, sufficient tax increment revenues attributable to the FBRCRA to pay the Debt Service Requirement on the Bonds for the current or ensuing Bond Year, as appropriate, together with any amounts required to be deposited in the Reserve Fund pursuant to the Bond Resolution (the "FBRCRA Tax Increment Revenue"), plus reimbursement to the City of any moneys advanced for Debt Service Requirements. In the event moneys on deposit in the
FBRCRA Tax Increment Trust Fund are insufficient to meet the Debt Service Requirement on the Bonds in any Bond Year, the entire amount on deposit is required to nevertheless be transferred to the City to pay as much of the Debt Service Requirement as possible. The Resolution explicitly recognizes the Insurer and the Holders of the Bonds as being third-party beneficiaries under the Agency Interlocal Agreement, entitled to enforce the City’s rights to receive the FBRCRA Tax Increment Revenues required to be paid under the Agency Interlocal Agreement. In addition, by Joint Resolution No. _____ adopted __________, 2020, the City and the Agency have explicitly recognized the Insurer and the Holders of the Bonds as being third-party beneficiaries under the County Interlocal Agreement for the purpose of requiring the County to fund the FBRCRA Tax Increment Revenues as thereby agreed.

The Act provides that each taxing authority must, by January 1 of each year, appropriate to the FBRCRA Tax Increment Trust Fund for so long as any Bonds are Outstanding a sum which is no less than the increment defined in the Act accruing to such taxing authority. Any taxing authority that does not pay the increment to the FBRCRA Tax Increment Trust Fund by January 1 must pay an amount equal to five percent (5%) of the amount of the increment and must pay interest on the amount of the increment equal to one percent (1%) for each month the increment is outstanding. The statutory payment method provided by the Act has been modified by the County Interlocal Agreement. The County Interlocal Agreement provides that the tax increment revenue which the County is required to appropriate to the FBRCRA Tax Increment Trust Fund by January 1 of each year (except as may be reduced by the estimated amount of tax revenues received as a result of the County millage being in excess of 5.6620 mills) shall be paid by the County to the FBRCRA Tax Increment Trust Fund in four (4) equal quarterly installments due on or before January 1, April 1, July 1 and October 1 of that same year.

The increment is used to measure the amount of the contribution which must be appropriated and contributed by each taxing authority that is required to make payments. The taxing authorities are not required and cannot be compelled to levy ad valorem taxes to generate any such increment to make such payments. The statutory obligation of a taxing authority to make the required payments to a community redevelopment trust fund continues for so long as a community redevelopment agency has indebtedness outstanding pledging tax increment revenues to the payment thereof, but not to exceed thirty (30) fiscal years from the date tax increment revenues were first deposited into the redevelopment trust fund or the fiscal year in which the redevelopment plan is subsequently amended. Additionally, the obligation of the governing body which established a community redevelopment agency to fund the community redevelopment trust fund annually continues until all loans, advances and indebtedness, if any, and interest thereon, of a community redevelopment agency incurred as a result of redevelopment in a community redevelopment area have been paid. In the case of the City, the obligation to fund the FBRCRA Tax Increment Trust Fund is only from the proceeds of the increment of County ad valorem taxes, since the City levies no ad valorem tax.

Notwithstanding the foregoing, Section 163.387(2)(c) of the Act exempts from payment of the tax increment described above the following:
(1) A special district that levies ad valorem taxes on taxable real property in more than one county;

(2) A special district for which, at the time the ordinance providing for the funding of the redevelopment trust fund is adopted, the sole available source of revenue such district has the authority to levy is ad valorem taxes; or any revenues or aid of such special district that may be dispensed or appropriated to a mosquito control district at the discretion of an entity other than such district;

(3) A library district, unless the community redevelopment agency had validated bonds as of April 30, 1984;

(4) A neighborhood improvement district created by the laws of the State under the Safe Neighborhoods Act;

(5) A metropolitan transportation authority; or

(6) A water management district created under Section 373.069, Florida Statutes; or

(7) A school district pursuant to Section 163.340(2), Florida Statutes.

In addition, Section 163.387(2)(d) of the Act provides that the City may exempt from payment of the tax increment described above special districts that levy ad valorem taxes within the community redevelopment area of the Agency, either in the City's sole discretion or in response to a request from a special district. Presently, there are two special districts within the Front Beach Road Community Redevelopment Area, the Northwest Florida Water Management District and the Gulf Mosquito Control District, and both districts are exempt pursuant to Section 163.387(2)(c) of the Act. The City has not issued any exemptions to any special districts in the Front Beach Road Community Redevelopment Area pursuant to Section 163.387(2)(d) of the Act. However, no assurance can be given that the City will not grant such exemptions in the future in accordance with the Act. Presently, Bay County, Florida is the only taxing authority contributing to the FBRCRA Tax Increment Trust Fund.

[The City and County have entered into discussions about amending the County Interlocal Agreement to require the City to remit to the County certain "excess" FBRCRA Tax Increment Revenues not needed in each Fiscal Year to pay debt service on the Bonds. Such amendment has not been concluded as of the date of issuance of the Series 2020 Bonds, but is not precluded by the issuance of the Series 2020 Bonds.]

**Flow of Funds**

*Creation of Funds and Accounts.* Pursuant to the Act, the City established the Front Beach Road Community Redevelopment Area and created the FBRCRA Tax Increment Tax Fund of the Agency. Funds from the FBRCRA Tax Increment Trust Fund will be transferred pursuant to the Agency Interlocal Agreement to the City for deposit into the Revenue Fund established by the Bond Resolution. See "THE AGENCY – Creation of Agency and
Redevelopment Areas" herein. The Bond Resolution creates the Assessment Fund and Debt Service Fund (and within the Debt Service Fund, the Interest Account, Principal Account and Bond Amortization Account) for the exclusive benefit of the Series 2020 Bonds, the Outstanding Parity Bonds and any other Additional Bonds hereafter issued under the Bond Resolution.

The Bond Resolution also creates a Rebate Fund (the "Rebate Fund"), which fund shall be maintained by the City separate and apart from all other funds and accounts of the City and which fund shall not be subject to the lien of the Bond Resolution in favor of Holders of the Bonds. The City shall deposit into the Rebate Fund the amounts required to be paid to the United States of America to satisfy the arbitrage rebate covenants made by the City in connection with the issuance of tax-exempt Bonds.

In addition, the Bond Resolution creates a Construction Fund (the "Construction Fund"). Moneys in the Construction Fund shall be disbursed pursuant to written requisitions filed in the manner provided in the Bond Resolution.

Each of the funds and accounts created under the Bond Resolution (except for the Rebate Fund) shall constitute trust funds held solely for the purposes provided in the Bond Resolution.

**Assessments.** After the issuance of any Series of Bonds for the purpose of financing assessable improvements, and with respect to which the City shall pledge to the debt service of that Series of Bonds Assessments pertaining to such assessable improvements, the City shall deposit into the Assessment Fund all Assessments levied and collected promptly upon receipt thereof. For any fiscal year, the City may choose not to levy all of the Authorized Assessments, provided that it is not in default under the Resolution and that it levies the minimum amount described below under the subheading "Additional Bonds." The City shall establish a subaccount in the Assessment Fund for each Series of Bonds for which Assessments are pledged. Assessments shall be deposited into the appropriate subaccount as provided by Supplemental Resolution authorizing that Series of Bonds. No Assessments are pledged to the Series 2020 Bonds or the Outstanding Parity Bonds.

**FBRCRA Redevelopment Trust Fund Revenues.** The City shall deposit all FBRCRA Redevelopment Trust Fund Revenues into the Revenue Fund, promptly upon the receipt thereof. FBRCRA Tax Increment Revenues received by the Agency in excess of that required to be transferred to the City pursuant to the Agency Interlocal Agreement shall remain with the Agency and will not be transferred to the City, unless later needed to satisfy the Agency's obligation under the Agency Interlocal Agreement. In any fiscal year, the tax increment revenues received by the Agency attributable to the Front Beach Road Community Redevelopment Area may exceed the FBRCRA Tax Increment Revenues required to be transferred by the Agency to the City pursuant to the Agency Interlocal Agreement. Such FBRCRA Redevelopment Trust Fund Revenues shall be used no later than ten (10) days prior to each debt service payment date (unless Bonds shall be Outstanding on which interest is payable on a monthly basis, in which case amounts to be deposited in the Interest Account of the Debt Service Fund shall be deposited no later than the 20th day of each month), and the moneys in the
Revenue Fund shall be deposited or credited in the following manner and in the following order of priority:

(1) **Debt Service Fund.** The City shall deposit into or credit to the Debt Service Fund such sums as are described under the subheading "Debt Service Fund" below.

(2) **Reserve Fund.** Next, the City shall deposit into or credit to the Reserve Fund such sums as are described under the subheading "Reserve Fund" below.

(3) **Supplemental Reserve Fund.** Next, the City shall deposit into or credit to the Supplemental Reserve Fund such sums as are described under the subheading "Supplemental Reserve Fund" below.

(4) **Surplus Moneys.** The balance of any moneys remaining in the Revenue Fund after payments and deposits described in (1), (2) and (3) above may be used for any lawful purpose of the City, including the payment of principal, premium, if any, and interest on any subordinated indebtedness issued by the City.

**Debt Service Fund.** The moneys on deposit in the Debt Service Fund shall be applied in the manner described below solely for the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds and shall not be available for any other purpose. The moneys transferred to the Debt Service Fund shall be deposited or credited in the following manner and in the following order of priority:

(1) **Interest Account.** The City shall deposit into or credit to the Interest Account the sum which, together with the balance in said account, shall equal the interest on all Outstanding Bonds accrued and unpaid and to accrue to the next succeeding interest payment date (unless Bonds shall be Outstanding on which interest is payable on a monthly basis, in which case such sum as will be sufficient taking into consideration amounts on deposit therein to pay one-sixth (1/6th) of all interest coming due on all outstanding Bonds on the next interest payment date). Moneys transferred from the Interest Account of the Assessment Fund shall be used to pay interest when due on the applicable Series of Bonds, whether by redemption or otherwise, prior to moneys transferred from the Revenue Fund. Moneys in the Interest Account shall be applied by the City to pay interest on the Bonds as and when the same shall become due, whether by redemption or otherwise, and for no other purpose.

(2) **Principal Account.** Next, the City shall deposit into or credit to the Principal Account the sum which, together with the balance in said account, shall equal the principal amount of all Outstanding Bonds due and unpaid on the next principal payment date other than Term Bonds. Serial Capital Appreciation Bonds (including their respective interest components) shall be payable entirely from moneys in the Principal Account on their respective maturity dates. Not later than the month immediately preceding any principal payment date, the City shall adjust the amount of the deposit into the Principal Account so as to provide sufficient moneys in the Principal Account to pay the principal on the Bonds other than Term Bonds becoming due on such principal payment date. Moneys in the Principal Account shall be applied by the City to pay the principal of the Bonds other than Term Bonds as and when the same shall become due,
whether at maturity or otherwise, and for no other purpose. Moneys transferred from the Principal Account of the Assessment Fund shall be used to pay principal when due on the applicable Series of Bonds prior to moneys transferred from the Revenue Fund.

(3) **Bond Amortization Account.** Payments to the Bond Amortization Account shall be on a parity with payments to the Principal Account. Commencing in the month prior to the due date of each Amortization Installment, the City shall deposit into or credit to the Bond Amortization Account the sum which, together with the balance in said account held for the credit of such Amortization Installment and all Outstanding Term Bonds due and unpaid. Term Capital Appreciation Bonds (including their respective interest components) shall be payable entirely from moneys in the Bond Amortization Account on the respective due dates of the Amortization Installments applicable thereto. The City shall adjust the amount of the deposit into the Bond Amortization Account not later than the month immediately preceding any date for payment of an Amortization Installment so as to provide sufficient moneys in the Bond Amortization Account to pay such Amortization Installment on such date. Moneys in the Bond Amortization Account shall be applied by the City to purchase or redeem Term Bonds in the manner provided in the Bond Resolution, and for no other purpose.

**Reserve Fund.** The City shall deposit into or credit to the Reserve Fund such sum, if any, as will be necessary to immediately restore the funds on deposit therein to an amount equal to the Reserve Fund Requirement including the reinstatement of any Reserve Fund Insurance Policy or Reserve Fund Letter of Credit on deposit therein or the cash replacement thereof. On or prior to each principal and interest payment date for the Bonds, moneys in the Reserve Fund shall be applied by the City to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds to the extent moneys in the Interest Account, the Principal Amount and the Bond Amortization Account shall be insufficient for such purpose. Whenever there shall be surplus moneys in the Reserve Fund by reason of a decrease in the Reserve Fund Requirement or as a result of a deposit therein of a Reserve Account Insurance Policy and/or a Reserve Account Letter of Credit, such surplus moneys shall be deposited by the City into the Principal Account, or such other appropriate fund or account of the City or used to pay or provide for necessary rebate through the Rebate Fund or to pay the premium on the Reserve Fund Insurance Policy, provided such deposit to such other fund or account shall not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes.

Whenever moneys on deposit in the Reserve Fund, together with other available amounts in the Debt Service Fund, are sufficient to fully pay all Outstanding Bonds (including principal and interest thereon) in accordance with their terms, the funds on deposit in the Reserve Fund shall be applied to the payment of Bonds.

Notwithstanding the foregoing provisions, in lieu of the required deposits into the Reserve Fund, the City may, at its sole option and discretion, cause to be deposited a Reserve Fund Insurance Policy and/or Reserve Fund Letter of Credit in an amount equal to the difference between the Reserve Fund Requirement applicable thereto and the sums, if any, remaining on deposit in the Reserve Fund after the deposit of such Reserve Fund Insurance Policy and/or Reserve Fund Letter of Credit. Such Reserve Fund Insurance Policy and/or Reserve Fund Letter of Credit shall be payable to the Paying Agent for such Series (upon the giving of notice as
required thereunder) on any interest payment or redemption date on which a deficiency exists which cannot be cured by funds in any other fund or account held pursuant to this Resolution and available for such purpose. The issuer providing such Reserve Fund Insurance Policy and/or Reserve Fund Letter of Credit shall be either (a) an insurer whose municipal bond insurance policies insuring the payment, when due, of the principal of and interest on municipal bond issues results in such issues being rated in one of the two highest rating categories (without regard to gradations, such as "plus" or "minus" of such categories) by Standard & Poor’s Ratings Group and Fitch Ratings, or (b) a commercial bank, insurance company or other financial institution the bonds payable or guaranteed by which have, or whose obligation to pay is guaranteed by a commercial bank, insurance company or other financial institution which has, been assigned a rating by Fitch Ratings and Standard & Poor’s Ratings Group in one of the two highest rating categories (without regard to gradations, such as "plus" or "minus" of such categories).

[The City intends to satisfy its obligation to fund the Reserve Fund with respect to the Series 2020 Bonds by ____________.] The City has established a separate subaccount within the Reserve Fund which secures the Outstanding Parity Bonds. Amounts on deposit in said subaccount are not pledged to secure the Series 2020 Bonds.

Supplemental Reserve Fund

If required, the City shall deposit into or credit to the Supplemental Reserve Fund such sum, if any, as will be necessary to fund the Supplemental Reserve Fund to an amount which will equal the Maximum Debt Service Requirement. Deposits to the Supplemental Reserve Fund will only be required if upon calculation made on August 1st of each year, FBRCRA Tax Increment Revenues due for the current Trust Fund Year plus Assessments due for the current Fiscal Year are less than 1.25x the Maximum Debt Service Requirement. No deposit has been made to the Supplemental Reserve Fund since the Bond Resolution was originally adopted in 2006.

Notwithstanding the foregoing, no more deposits will be required to be made to the Supplemental Reserve Fund, if: (i) on the date of calculation FBRCRA Tax Increment Revenues due for the current Trust Fund Year plus Assessments due for the current Fiscal Year are at least 1.35x the Maximum Debt Service Requirement and 50% of the Maximum Debt Service Requirement is on deposit in the Supplemental Reserve Fund; or (ii) on the date of calculation, the average of the current Trust Fund Year and the immediately preceding Trust Fund Year of FBRCRA Tax Increment Revenues plus Assessments due for the current Fiscal Year and the immediately preceding Fiscal Year is greater than 1.35x the Maximum Debt Service Requirement. If (ii) above is met, all funds in the Supplemental Reserve Fund may be released upon certificate of the City Manager given to the Insurer.

The funds on deposit in the Supplemental Reserve Fund may be applied to the payment of the Bonds or if released pursuant to (ii) above may be used for any lawful purpose of the City or be used for payment of the principal of, premium, if any, and interest on any Subordinated Indebtedness hereafter issued by the City.
Subordinated Indebtedness

In addition to the issuance of the Series 2020 Bonds and any other Additional Bonds that may be issued by the City, the Bond Resolution provides that the City may issue Subordinated Indebtedness, the payment of the principal of, redemption premium, if any, and interest on which shall be secured by a lien on and pledge of the Pledged Funds subordinate to the pledge of, lien on and priority of payment from the Pledged Funds provided for the Series 2020 Bonds and any other Additional Bonds that may be issued by the City. In addition, Subordinated Indebtedness has no right to or interest in the funds and securities held in the 2020 Debt Service Reserve Fund, including, without limitation, any Reserve Fund Insurance Policy and/or Reserve Fund Letter of Credit. The City shall have the right to covenant with the holders from time to time of any Subordinated Indebtedness to add to the conditions, limitations and restrictions under which Additional Bonds may be issued.

Additional Bonds

Pursuant to the Bond Resolution, no Additional Bonds, payable out of the Pledged Funds, including, without limitation, FBRCRA Redevelopment Trust Fund Revenues, on a parity with the Series 2020 Bonds and the Outstanding Parity Bonds shall be issued unless certain conditions set forth in the Bond Resolution are met, including:

(A) The City shall certify that it is current in all deposits into the various funds and accounts established by the Bond Resolution and all payments theretofore required to have been deposited or made by it under the provisions of the Bond Resolution and has complied with the covenants and agreements of the Bond Resolution.

(B) There shall have been obtained and filed with the City a certificate of the City Manager stating that one of the following tests have been met (including all calculations):

(1) the amount of FBRCRA Tax Increment Revenues due and to become due during the current Trust Fund Year equals at least 1.75x the Adjusted Maximum Debt Service Requirement for all Outstanding Bonds and such Additional Bonds then proposed to be issued; or

(2) (a) the average of the revenues calculated in (1) above plus the actual FBRCRA Tax Increment Revenues due in the prior Trust Fund Year and received prior to the date of this calculation equals at least 1.60x the Adjusted Maximum Debt Service Requirement for all Outstanding Bonds and such Additional Bonds then proposed to be issued and (b) FBRCRA Tax Increment Revenues due and to become due during the current Trust Fund Year equals at least 1.50x the Adjusted Maximum Debt Service Requirement for all Outstanding Bonds and such Additional Bonds proposed to be issued; or

(3) (a) the average of the revenues calculated in (1) above and the actual FBRCRA Tax Increment Revenues due in the prior two Trust Fund Years and received prior to the date of this calculation equals at least 1.50x the Adjusted Maximum Debt
Service Requirement for all Outstanding Bonds and such Additional Bonds then proposed to be issued and (b) FBRCRA Tax Increment Revenues due and to become due during the current Trust Fund Year equals at least 1.50x the Adjusted Maximum Debt Service Requirement for all Outstanding Bonds and such Additional Bonds then proposed to be issued.

In addition to the tests set forth in paragraph (B) above, if any Outstanding Bonds or the Additional Bonds then proposed to be issued required the inclusion of Qualified Assessments to meet the applicable Additional Bonds test specified in paragraph (B) above, the amount of FBRCRA Tax Increment Revenues due and to become due during the current Trust Fund Year plus the amount of Assessments due and to become due during the current Fiscal Year plus the amount of Assessments pledged to the Additional Bonds then proposed to be issued which have been levied and billed for the current Fiscal Year must equal at least 1.25x the Maximum Debt Service Requirement for all Outstanding Bonds and the Additional Bonds then proposed to be issued. If the inclusion of Qualified Assessments was not required to meet the applicable Additional Bonds test for either any portion of Outstanding Bonds or the Additional Bonds then proposed to be issued, then this paragraph shall not apply.

For purposes of the foregoing, the following definitions apply:

"Adjusted Maximum Debt Service Requirement" means, for all Outstanding Bonds and such Additional Bonds then proposed to be issued, an amount equal to the Maximum Debt Service Requirement for such Outstanding Bonds and such Additional Bonds then proposed to be issued, less an amount equal to the quotient obtained by dividing legally available Qualified Assessments by 1.10, provided that such amount deducted shall be limited to 50% of the Maximum Debt Service Requirement for such Outstanding Bonds and such Additional Bonds proposed to be issued.

"Qualified Assessments" means (a) any Authorized Assessments consented to by the Insurers or (b) (i) any Authorized Assessments which extend until the maturity of the applicable Bonds, and (ii) the lesser of at least 10% of the maximum annual Authorized Assessments or $1,000,000 is currently levied. For purposes of (ii) in the preceding sentence, each individual series of Authorized Assessments must meet the requirement.

"Trust Fund Year" means the Fiscal Year in which the annual payment of funds are due to the FBRCRA Tax Increment Trust Fund by law regardless of the fact that such funds shall be paid pursuant to the County Interlocal Agreement on each January 1st, April 1st, July 1st and October 1st.

The Bond Resolution defines "Authorized Assessments" to mean the assessments authorized to be levied against the lands and properties to be specifically benefited by any construction of any project pursuant to Ordinance No. 947 enacted by the City on May 12, 2005 and specifically designated by the City as Authorized Assessments pursuant to the Bond Resolution as supplemented in the future. "Assessments" is defined to be the proceeds derived from all or that portion of the Authorized Assessments levied, including interest on such assessments and any penalties thereon and moneys received upon the foreclosure of liens of
any said assessments, but excluding moneys recovered for the expense of collecting Assessments. For any fiscal year, the City may choose not to levy all of the Authorized Assessments, provided that upon the issuance of Additional Bonds pursuant to the Bond Resolution, if Qualified Assessments were required to meet the applicable Additional Bonds test therein, for so long as any portion of such Additional Bonds shall remain Outstanding, the City has covenanted: (1) to levy the lesser of 10% of the maximum annual Authorized Assessments related to such Additional Bonds or $1,000,000 of the maximum annual Authorized Assessments related to such Additional Bonds, for the term of the Series of such Additional Bonds; and (2) to levy a sufficient portion of Authorized Assessments related to such Additional Bonds (up to the maximum authorized amount) such that FBRCRA Redevelopment Trust Fund Revenues for each Trust Fund Year plus that portion of Authorized Assessments levied for the corresponding Fiscal Year equal at least 1.25x the Maximum Debt Service Requirement for such applicable Series of Bonds.

In computing Maximum Debt Service Requirement for purposes of paragraphs (A) and (B) above, the Maximum Debt Service Requirement may be adjusted by deducting any interest earned in the Revenue Fund. Additionally, the interest rate on outstanding Variable Rate Bonds, and on additional parity Variable Rate Bonds then proposed to be issued, shall be calculated as provided in the definition of Debt Service Requirement.

In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of paragraph (A) and (B) above shall not apply, provided that the issuance of such Additional Bonds shall not result in an increase in the aggregate amount of principal of and interest on the Outstanding Bonds becoming due in the current Fiscal Year and all subsequent Fiscal years. The conditions of paragraph (B) above shall apply to Additional Bonds issued to refund Subordinated Indebtedness and to Additional Bonds issued for refunding purposes which cannot meet the conditions of this paragraph.

The term "Additional Bonds" shall be deemed to mean additional obligations evidenced by Bonds issued within the limitations of the Bond Resolution to finance or refinance community redevelopment projects within the Front Beach Road Community Redevelopment Area under the Act, payable from the Pledged Funds on a parity with the Series 2020 Bonds. The term "Additional Bonds" shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the Pledged Funds is subordinate and subject to the prior and superior liens on the Pledged Funds of the Bonds or indebtedness by tax increment revenues from any other community redevelopment areas by the Agency or the City.

The City expects to issue up to $40,000,000 in aggregate principal amount of Additional Bonds to fund the remainder of the costs of the 2020 Project.

Other Obligations Secured by Pledged Funds

Except upon the conditions and in the manner provided in the Bond Resolution, the City has covenanted that it will not issue any other obligations payable from the Pledged Funds, including, without limitation, FBRCRA Redevelopment Trust Fund Revenues, nor
voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or any other charge having priority to or being on a parity with the lien of the Bonds on the Pledged Funds, including, without limitation, FBRCRA Redevelopment Trust Fund Revenues.

Limited Liability

The Series 2020 Bonds shall not be and shall not be deemed to constitute a debt, liability or obligation of the Agency, the City, the County, the State or any political subdivision thereof within the meaning of any constitutional, statutory or charter provisions or limitations, or a pledge of the faith and credit of the Agency, the City, the County, the State or any political subdivision thereof, but shall be payable solely from the Pledged Funds. No Holder or Holders of any Series 2020 Bonds shall ever have the right to compel the exercise of the ad valorem taxing power of the City, the County, the State or any political subdivision thereof, or taxation in any form of any real or personal property therein, or the application of any funds of the Agency, the City, the County, the State or any political subdivision thereof to pay the Series 2020 Bonds or the interest thereon or the making of any sinking fund or reserve payments provided for in the Bond Resolution, other than the Pledged Funds. The Series 2020 Bonds and the obligations evidenced thereby shall not constitute a lien upon any property owned by or situated within the corporate territory of the Agency or the City, but shall constitute a lien only on the Pledged Funds, to the extent, in the manner, and with the priority of application provided in the Bond Resolution. See "APPENDIX C -- THE BOND RESOLUTION", attached hereto.

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DEBT SERVICE SCHEDULE

The following table sets forth the annual debt service payments to be made on the Series 2020 Bonds.

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<th>Series 2020 Bonds</th>
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THE CITY

The City is located on the Gulf Coast of northwest Florida in Bay County, Florida. The City was merged with three other cities on August 12, 1970, and is a beach resort community, occupying a twelve-mile elongated area on the Gulf of Mexico. Tourism is currently the City's main industry, although the value of land located within the City and the amount of redevelopment planned and underway is changing the City's demographics. The City has an
estimated permanent resident population of 13,435, with an estimated 4,500,000 annual "overnight" tourists and another 1,500,000 annual "daytime" tourists.

The City is currently undergoing a significant amount of growth and redevelopment. See "APPENDIX A -- GENERAL INFORMATION AND ECONOMIC DATA REGARDING THE CITY OF PANAMA CITY BEACH, FLORIDA," for additional information regarding the City and the Panama City Beach area.

THE AGENCY

General

The Agency is a public body corporate and politic, and a public instrumentality, created by the City pursuant to the Act in order to pursue and fund a program of community redevelopment within designated portions of the City, as permitted by the Act. The primary objective of the Agency is to formulate, implement and fund a workable program for utilizing appropriate private and public resources to eliminate and prevent the development and spread of blighted conditions in the designated redevelopment areas. The members of the city council, ex officio, serve as the governing body of the Agency, and the City Manager serves as the Executive Director of the Agency.

The funding required to accomplish the objectives of the Agency may involve a variety of sources, but emphasis for such funding is placed primarily on tax increment revenue financing. Tax increment revenue financing provides a mechanism for tax revenues generated by properties within slum and blighted areas to effectively pay for redevelopment in the area, without reducing the amount of tax revenues received by taxing authorities in the area when the redevelopment trust fund is created. See "SECURITY AND SOURCES OF PAYMENT - Pledged Funds" herein.

Creation of Agency and Redevelopment Area

On November 30, 2000, the City Council of the City created the Panama City Beach Community Redevelopment Agency (the "Agency") pursuant to Resolution No. 00-23 and declared that the City Council would sit ex-officio as the governing body of the Agency. The City Council by Resolution No. 01-19, adopted May 24, 2001, authorized a finding of necessity and provided for the study and identification of a proposed redevelopment area generally along and associated with Front Beach Road, within the City of Panama City Beach. On June 21, 2001, by Resolution No. 01-25, the City Council determined the Front Beach Road Community Redevelopment Area, as therein depicted, and made a finding of necessity as set forth in Section 163.355, Florida Statutes, with respect to said Front Beach Road Community Redevelopment Area, declaring that one or more blighted areas exist within said Area and that the rehabilitation, conservation or redevelopment, or a combination thereof, is necessary in the interest of the public health, safety, morals or welfare of the residents of the City. On August 30, 2001, pursuant to Resolution No. 01-41, the City Council and ex-officio as the Agency governing board made certain findings and approved and adopted the Front Beach Road Community Redevelopment Plan dated August 2001 (as amended as described below, the "FBRCRA
Redevelopment Plan"). On August 30, 2001, the City Council adopted the Front Beach Road Community Redevelopment Trust Fund Ordinance (Ordinance No. 729), establishing the Front Beach Road Community Redevelopment Trust Fund (the "FBRCRA Tax Increment Trust Fund") for the Front Beach Road Community Redevelopment Area. On September 26, 2019, pursuant to Resolution No. 19-140, the City Council and ex officio as the Agency governing board made certain findings and approved and adopted a First Amendment to the Front Beach Road Community Redevelopment Plan, extending the duration of the FBRCRA Redevelopment Plan. On November 14, 2019, pursuant to Resolution No. 20-16, the City Council and ex officio as the Agency governing board made certain findings and ratified the First Amendment to the Front Beach Road Community Redevelopment Plan.

Pursuant to the Act, the City (and, ex officio, the Agency) is authorized, among other things, to issue redevelopment revenue bonds and refunding bonds, payable solely out of revenues pledged to and received by the Agency, deposited into the FBRCRA Tax Increment Trust Fund and transferred to the City, to finance community redevelopment in the Front Beach Road Community Redevelopment Area in accordance with the FBRCRA Redevelopment Plan.

The City subsequently entered into validation proceedings with respect to the Bonds and the FBRCRA Redevelopment Area. See "VALIDATION" herein. The FBRCRA Redevelopment Plan provides, among other things, the duration of the redevelopment process in the Front Beach Road Community Redevelopment Area, the vision and objectives of the proposed redevelopment, strategies, an approval and an initial capital projects work plan. The duration of the plan is through September 30, 2049.

The City (and, ex officio, the Agency) has created another Community Redevelopment Area (the Pier Park Community Redevelopment Area) and may in the future create other such areas. Tax increment associated with the Pier Park Community Redevelopment Area or any other such community redevelopment area does not flow into the FBRCRA Tax Increment Trust Fund and is not pledged to secure the Bonds.

Powers

Pursuant to the Act, the City or the Agency possess all of the powers necessary or convenient to carry out and effectuate redevelopment within its redevelopment areas, including, without limitation, the power:

1. to acquire, dispose of, mortgage, pledge or otherwise encumber real property;

2. to demolish or remove buildings or improvements or to carry out plans for the voluntary or compulsory repair or rehabilitation of buildings or improvements;

3. to install, construct or reconstruct streets, utilities, parks, playgrounds or other improvements necessary for carrying out the community redevelopment objectives of the Agency;
(4) to provide, arrange or contract for the furnishing of services, privileges, works, streets, roads, public utilities or other facilities in connection with community redevelopment;

(5) to borrow or invest money or to accept advances, loans, grants, contributions or other forms of financial assistance and to give such security as may be required therewith; and

(6) to prepare plans for and assist in the relocation of persons or entities displaced from the community redevelopment area and to make relocation payments to such persons or entities.

The Community Redevelopment Plan

The Front Beach Road Community Redevelopment Area is generally defined by the City limits of the City of Panama City Beach, Florida on the east and west, the Gulf of Mexico on the south, and on the north by parcels contiguous to the northern right of way of Front Beach Road or certain roads connecting Front Beach Road with U.S. Highway 98 (Panama City Beach Parkway), including certain parcels at the intersections of those connector roads. Included on the next page is a map depicting the Front Beach Road Community Redevelopment Area:

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The FBRCRA Redevelopment Project focuses on creating an enhanced and interconnected network of right of way and other infrastructure projects that focuses on improving pedestrian movement, overall parking needs along the corridor, beach access, ingress/egress and evacuation routes along Front Beach Road and its major connectors throughout the year and during peak periods of visitation or emergency. Specific contemplated improvements include: street lighting, landscaping, medians and undergrounding of utilities for Front Beach Road, multi-model transit facilities, as well as certain sidewalk, drainage and signalization improvements and additional roadway improvements to Front Beach Road and connecting roads. Additional improvements include enhanced parking structures and drainage improvements throughout the Redevelopment Area. See "PURPOSE OF THE ISSUE -- FBRCRA Series 2020 Redevelopment Project" herein.

AD VALOREM TAXATION

As ad valorem tax revenues form the basis for the FBRCRA Tax Increment Revenues pledged to secure the Series 2020 Bonds, the following information is provided with respect to ad valorem taxation within the State of Florida. The taxing power of neither Bay County nor any other entity is pledged to secure the Series 2020 Bonds.

Procedure for Property Assessment

General. Ad valorem taxes may be levied only by counties, school districts, municipalities and certain special districts (railroad properties are centrally assessed at the State level). No State ad valorem taxes are levied upon real estate or tangible personal property. State law requires that all ad valorem taxation be assessed at a uniform rate within each taxing unit and, with certain exceptions, that real and personal property subject to ad valorem taxation be assessed at 100% of its just value. See "Limitation on Increase in Assessed Value of Property" below. The following property is generally subject to taxation in the manner provided by law: (1) all real and personal property in the State and all personal property belonging to persons residing in the State; and (2) all leasehold interests in property of the United States, of the State, or any political subdivision, municipality, agency, authority, or other public body corporate of the State. Pursuant to the State Constitution and State law, certain of such property may be exempt from ad valorem taxation. See "Exemptions from Ad Valorem Taxation" below.

The City is located in northwestern Florida in Bay County (the "County"). Taxpayers pay ad valorem taxes to the County. The City does not currently impose separate ad valorem taxes.

Determination of Property Valuation. The Property Appraiser of the County (the "Property Appraiser") determines property valuation on real and tangible personal property subject to ad valorem taxation as of January 1 of each year. By July 1 of each year, the Property Appraiser notifies the County, each municipality, and each other legally constituted special taxing district as to its just valuation, the legal adjustments and exemptions, and the taxable valuation. The taxable valuation is then used by each taxing body to calculate its ad valorem millage for the budget year. See "Millage Set by Local
Governing Body" and "Limitation on Increase in Assessed Value of Property" below for limitations on increased in assessed value of property.

**Limitation on Increase in Assessed Value of Property.** The State Constitution limits the increases in assessed just value of homestead property to the lower of (1) three percent of the assessment for the prior year or (2) the percentage change in the Consumer Price Index for all urban consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics. The accumulated difference between the assessed value and the just value is known as the "Save Our Homes Benefit." Further, any change of ownership of homestead property or upon termination of homestead status such property shall be reassessed at just value as of January 1 of the year following the year of sale or change of status; new homestead property shall be assessed at just value as of January 1 of the year following the establishment of the homestead; and changes, additions, reductions or improvements to the homestead shall initially be assessed as provided for by general law.

Owners of homestead property may transfer up to $500,000 of their Save Our Homes Benefit to a new homestead property purchased within two years of the sale of their previous homestead property to which such benefit applied if the just value of the new homestead is greater than or is equal to the just value of the prior homestead. If the just value of the new homestead is less than the just value of the prior homestead, then owners of homestead property may transfer a proportional amount of their Save Our Homes Benefit, such proportional amount equaling the just value of the new homestead divided by the just value of the prior homestead multiplied by the assessed value of the prior homestead.

For all levies other than school district levies, assessment increases for specified nonhomestead real property may not exceed ten percent (10%) of the assessment for the prior year. See "-Legislation Relating to Ad Valorem Taxation - Recent Amendments Relating to Ad Valorem Taxation" below.

**Preparation of Tax Roll.** The Property Appraiser applies the final certified millage of each taxing body to the assessed valuation on each item of real and tangible personal property, and prepares the final tax roll which is certified to the County Tax Collector (the "Tax Collector") by October 1. This permits the printing of tax bills for delivery on November 1 of each year. The tax bills contain all of the overlapping and underlying millages set by the various taxing bodies. All ad valorem taxes are collected by the Tax Collector and distributed to the various taxing bodies. See "-Tax Collection and Distribution by County Tax Collector" below.

**Appealing Property Valuation.** Concurrently with notification to the various taxing bodies, the Property Appraiser notifies each property owner of the proposed valuation and the proposed millage on his or her property. If the individual property owner believes that his or her property has not been appraised at just value, the owner may (1) request an informal conference with the Property Appraiser to resolve the issue, or (2) file a petition with the clerk of the County value adjustment board (the "Adjustment Board"), or (3) appeal to the Circuit Court within 60 days of the certification for collection of the tax roll or within 60 days of the issuance of a final

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AGENDA ITEM # 2
decision by the Adjustment Board. A petition to the Adjustment Board must be signed by the taxpayer or be accompanied at the time of filing by the taxpayer's written authorization for representation by a qualified person. A taxpayer receives notice of the hearing and is required to provide the Property Appraiser with a list of evidence, copies of documentation, and summaries of testimony prior to the hearing before the Adjustment Board. The Adjustment Board holds public hearings on such petitions and may make adjustments to the valuations made by the Property Appraiser if such valuations are found not to be fair and at market value. The Adjustment Board must complete all required hearings and certify its decision with regard to all petitions and certify to the Property Appraiser the valuation to be used by June 1 following the tax year in which the assessments were made. The June 1 requirement shall be extended until December 1 in each year in which the number of petitions filed with the Adjustment Board increased by more than 10 percent over the previous year. These changes are then made to the final tax roll.

Property owners appealing the assessed value or assigned classification of their property must make a required partial payment of taxes (generally equal to 75% of the ad valorem taxes due, less the applicable statutory discount, if any) with respect to the properties that will have a petition pending on or after the delinquency date (normally April 1). A property owner's failure to make the required partial payment before the delinquency date will result in the denial of the property owner's petition.

Millage Set by Local Governing Body

General. The State Constitution provides that ad valorem taxes, exclusive of taxes levied for the payment of voter-approved general obligation bonds (such as the Bonds), shall not be levied in excess of the following millages upon the assessed value of real estate and tangible personal property: for all county purposes, ten mills; for all municipal purposes, ten mills; for all school purposes, ten mills; for water management purposes for the northwest portion of the state lying west of the line between ranges two and three east, 0.05 mill; for water management purposes for the remaining portions of the state, 1.0 mill; and for all other special districts a millage authorized by law approved by voters. There is no limit under the Florida Constitution or statutory law on the amount of ad valorem taxes a local government may levy for the payment of debt service on voter-approved general obligation bonds.

As described above, the Property Appraiser is required to certify to each taxing authority the aggregate taxable value of all non-exempt property within the jurisdiction of the taxing authority, as well as the prior year's tax revenues, for use in connection with the determination of the forthcoming budget and millage levy. The form on which such certification is made by the Property Appraiser is required to include instructions to each taxing authority describing the proper method of computing a millage rate, which, exclusive of new construction, additions to structures, deletions and property added due to geographic boundary changes, will provide the same ad valorem tax revenues for each taxing authority as was levied during the prior fiscal year. See "- Millage Rollback Legislation" below.

Each respective millage rate, except as limited by law, is set on the basis of estimates of revenue needs and the total taxable property valuation within the taxing authority's respective
jurisdiction. Ad valorem taxes are not levied in excess of actual budget requirements. By law, budget expenditures cannot exceed 95% of estimated revenues except for cash carry forward amounts. In adopting an annual budget, the taxing authority must first adopt tentative millage rates within 35 days of receipt from the Property Appraiser of the preliminary certificate of taxable value. A notice of the impact of the tentative millage rates adopted by each taxing authority on the proposed tax statement for each taxpayer is then mailed to each individual taxpayer. Next, the taxing authority must hold a public hearing to adopt a tentative budget with the tentative millage rate. A second public hearing is held to adopt a final budget and millage rate.

**Millage Rollback Legislation.** In 2007, the State Legislature adopted a property tax plan which significantly impacted ad valorem tax collections for State local governments (the "Millage Rollback Legislation"). One component of the Millage Rollback Legislation required counties, cities and special districts to roll back their millage rates for the 2007-2008 fiscal year to a level that, with certain adjustments and exceptions, would generate the same level of ad valorem tax revenue as in fiscal year 2006-2007; provided, however, depending upon the relative growth of each local government's own ad valorem tax revenues from 2001 to 2006, such rolled back millage rates were determined after first reducing 2006-2007 ad valorem tax revenues by zero to nine percent (0% to 9%). In addition, the Rollback Legislation also limited how much the aggregate amount of ad valorem tax revenues may increase in future fiscal years. A local government may override certain portions of these requirements by a supermajority, and for certain requirements, a unanimous vote of its governing body.

**Truth in Millage.** The governing bodies of taxing authorities are required to fix the millage rate and assess all property at one hundred percent (100%) of its just value. Section 200.071, Florida Statutes, and Section 200.091, Florida Statutes, prohibit the millage for taxing authorities from being set by referendum, except as provided in the State Constitution.

**Tax Collection and Distribution by County Tax Collector**

**General.** All real and tangible personal property taxes are based on assessed values as certified and delivered to the Tax Collector by the Property Appraiser as described above. The Tax Collector mails to each property owner on the tax roll a tax bill for the taxes levied by the various taxing authorities in the County. Taxes may be paid upon receipt of such notice with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount. Because several taxpayers pay taxes in the months where a discount is applicable, taxes collected will likely never be 100% of the tax levy.

The Tax Collector is required to distribute the taxes collected to each governmental unit levying the tax. Such distribution is to be made four times during the first two months after the tax roll comes into its possession, and once per month thereafter.

**Delinquent Taxes.** Delinquent real property taxes bear interest at the rate of 18% per year from April 1 until a tax certificate is sold at auction, from which time the interest rate shall
be as bid by the buyer of the tax certificate. Delinquent tangible personal property taxes also bear interest at the rate of 18% per year from April 1 until paid. Delinquent personal property taxes must be advertised within 45 days after delinquency, and after May 1, the property is subject to warrant, levy, seizure and sale.

**Tax Certificates and Tax Deeds.** On or before June 1 or the sixtieth day after the date of delinquency, whichever is later, the Tax Collector must advertise once each week for three weeks and must sell tax certificates on all real property that is the subject of delinquent taxes. The tax certificates are sold to those bidding the lowest interest rate. Such certificates include the amount of delinquent taxes, the penalty interest accrued thereon and the cost of advertising. Delinquent tax certificates not sold at auction become the property of the County. State law provides that real property tax liens and certain other governmental charges and assessments liens are superior to all other liens, except prior Internal Revenue Service liens.

To redeem a tax certificate, the owner of the property must pay all delinquent taxes, the interest that accrued prior to the date of the sale of the tax certificate, charges incurred in connection with the sale of the tax certificate, omitted taxes, if any, and interest at the rate shown on the tax certificate (or interest at the rate of 5%, whichever is higher) from the date of the sale of the tax certificate to the date of redemption. If such tax certificates or liens are not redeemed by the property owner within two years, the holder of the tax certificates can cause the property to be sold to pay off the outstanding certificates and the interest thereon.

At any time after two years have elapsed since April 1 of the year of the issuance of a tax certificate and before the expiration of seven years, the holder of the tax certificate may apply for a tax deed with respect to any tax certificate it holds. Two years after such April 1, the County may make application for a tax deed with respect to any tax certificate it holds. Upon receipt of such applications, a public sale is advertised and held (unless the property is redeemed), and the highest bidder at such sale receives a tax deed for the property. Provisions are also made for the collection of delinquent tangible personal property taxes, but in a different manner which includes the possible seizure of the tangible personal property.

**Redemption of Land by Owners.** To redeem a tax certificate, the owner of the property must pay all delinquent taxes, the interest that accrued prior to the date of the sale of the tax certificate, charges incurred in connection with the sale of the tax certificate, omitted taxes, if any, and interest at the rate shown on the tax certificate (or interest at the rate of 5%, whichever is higher) from the date of the sale of the tax certificate to the date of redemption. If such tax certificates or liens are not redeemed by the property owner within two years, the holder of the tax certificates can cause the property to be sold to pay off the outstanding certificates and the interest thereon. Provisions are also made for the collection of delinquent tangible personal property taxes, but in a different manner which includes the possible seizure of the tangible personal property.

**Exemptions from Ad Valorem Taxation**

**General.** State law provides for numerous exemptions and limitations on ad valorem taxation of real property and tangible personal property. Real property used for the following
purposes is generally exempt from ad valorem taxation: religious, educational, literary, charitable, scientific, and governmental uses. Certain additional exemptions and limitations are described below. This description does not purport to describe all exemptions available to property owners in the State, and reference is made to the State Constitution and Chapter 196, Florida Statutes, for a full description of such exemptions. In addition, State law allows for, but does not mandate, the imposition of some exemptions by local governments by ordinance. Where applicable, it is noted where the County has imposed such optional exemptions or limitations. Certain recent amendments to existing provisions relating to ad valorem tax exemptions are described under "Legislation Regarding Ad Valorem Taxes - Recent Amendments Relating to Ad Valorem Taxation" below.

**Constitutional Exemptions**

Exempt Entities/Exempt Purposes. The State Constitution provides that all property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious or charitable purposes (exempt purposes) may be exempted by general law from taxation. State law provides that all property owned by an exempt entity, including educational institutions, and used exclusively for exempt purposes shall be totally exempt from ad valorem taxation and all property owned by an exempt entity, including educational institutions, and used predominantly for exempt purposes (at least 50%) shall be exempted from ad valorem taxation to the extent of the ratio that such predominant use bears to the nonexempt use.

Household Goods and Personal Effects. The State Constitution provides that there shall be exempt from taxation, cumulatively, to every head of a family residing in the State, household goods and personal effects to the value fixed by general law, not less than one thousand dollars and to every widow or widower or person who is blind or totally and permanently disabled, property not less than five hundred dollars. State law exempts from taxation to every person residing and making his or her permanent home in the State, all household goods and personal effects and exempt property up to the value of $500 of every widow, widower, blind person, or totally and permanently disabled person who is a resident of the State.

Economic Development. The State Constitution provides that any county or municipality may, for the purpose of its respective tax levy and subject to the State Constitution and general law, grant community and economic development ad valorem tax exemptions to new businesses and expansions of existing businesses, as defined by general law. Such an exemption may be granted only by ordinance of the county or municipality, and only after the electors of the county or municipality voting on such question in a referendum authorize the county or municipality to adopt such ordinance. An exemption so granted shall apply to improvements to real property made by or for the use of a new business and improvements to real property related to the expansion of an existing business and shall also apply to tangible personal property of such new business and tangible personal property related to the expansion of an existing business. The amount or limits of the amount of such exemption shall be specified by general law (up to 100% in certain circumstances) and the period of time for which such exemption may be granted to a
new business or expansion of an existing business shall be determined by general law. State law provides that the authority to grant such exemption shall expire ten years from the date of approval by the electors of the county or municipality, and may be renewable by referendum as provided by general law and that exemptions may be granted for up to 10 or 20 years depending on the use of the applicable facility. This exemption does not apply to the levy of taxes for the payment of bonds (such as the Bonds). The County has not enacted an ordinance granting the exemption described in this paragraph.

Historic Preservation. The State Constitution provides that any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of the State Constitution and general law, grant historic preservation ad valorem tax exemptions to owners of historic properties. This exemption may be granted only by ordinance of the county or municipality. The amount or limits of the amount of this exemption and the requirements for eligible properties must be specified by general law. State law provides that such exemption may be for an amount up to 50% of the assessed value of the property. The period of time for which this exemption may be granted may continue until the ordinance is repealed or the property no longer qualifies for the exemption. This exemption does not apply to the levy of taxes for the payment of bonds (such as the Bonds). The County has not enacted an ordinance granting the exemption described in this paragraph.

Tangible Personal Property and Solar Devices. The State Constitution provides that by general law and subject to conditions specified therein, $25,000 of the assessed value of property subject to tangible personal property tax shall be exempt from ad valorem taxation. Effective January 1, 2018 through December 31, 2037, the assessed value of solar devices or renewable energy source devices subject to tangible personal property tax may be exempt from ad valorem taxation, subject to limitations provided by general law.

Property Dedicated In Perpetuity for Conservation. The State Constitution provides that there shall be granted an ad valorem tax exemption for certain real property dedicated in perpetuity for conservation purposes, including real property encumbered by perpetual conservation easements or by other perpetual conservation protections, as defined by general law.

Homestead Exemption. In addition to the exemptions described above, the State Constitution also provides for a homestead exemption. Every person who has the legal title or beneficial title in equity to real property in the State and who resides thereon and in good faith makes the same his or her permanent residence or the permanent residence of others legally or naturally dependent upon such person is eligible to receive a homestead exemption of up to $50,000. The first $25,000 applies to all property taxes, including school district taxes. The additional exemption, up to $25,000, applicable to the assessed value of the property between $50,000 and $75,000, applies to all levies other than school district levies. A person who is receiving or claiming the benefit of an ad valorem tax exemption or a tax credit in another state where permanent residency, or residency of another legally or naturally dependent upon the owner, is required as a basis for the granting of that ad valorem tax exemption or tax credit is not entitled to the homestead exemption. In addition to the general homestead exemption described in this paragraph, the following additional homestead exemptions are authorized by State law.
Certain Persons 65 or Older. A board of county commissioners or the governing authority of any municipality may adopt an ordinance to allow an additional homestead exemption equal to (i) of up to $50,000 for persons age 65 or older with household income that does not exceed the statutory income limitation of $20,000 (as increased by the percentage increase in the average cost of living index each year since 2001) or (ii) the assessed value of the property with a just value less than $250,000, as determined the first tax year that the owner applies and is approved, for any person 65 or older who has maintained the residence as his or her permanent residence for not less than 25 years and whose household income does not exceed the statutory income. The City enacted ordinance No. 2018-7 on November 7, 2018, granting the exemption described in this paragraph. In addition, veterans 65 or older who are partially or totally permanently disabled may receive a discount from tax on homestead property if the disability was combat related and the veteran was honorably discharged upon separation from military service. The discount is a percentage equal to the percentage of the veteran's permanent, service-connected disability as determined by the United States Department of Veteran's Affairs.

Deployed Military Personnel. The State Constitution provides that by general law and subject to certain conditions specified therein, each person who receives a homestead exemption; who was a member of the United States military or military reserves, the United States Coast Guard or its reserves, or the Florida National Guard; and who was deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature shall receive an additional exemption equal to a percentage of the taxable value of his or her homestead property. The applicable percentage shall be calculated as the number of days during the preceding calendar year the person was deployed on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature divided by the number of days in that year. During the 2018 legislative session, the statutory list of military operations eligible for the exemption was updated to remove certain operations.

Certain Active Duty Military and Veterans. A military veteran who was honorably discharged, is a resident of the State, and who is disabled to a degree of 10% or more because of misfortune or while serving during wartime may be entitled to a $5,000 reduction in the assessed value of his or her property. This exemption is not limited to homestead property. A military veteran who was honorably discharged with a service-related total and permanent disability may be eligible for a total exemption from taxes on homestead property. A similar exemption is available to disabled veterans confined to wheelchairs. Under certain circumstances, the veteran's surviving spouse may be entitled to carry over these exemptions. During the 2018 legislative session, the five-year limitation on the veteran's surviving spouse's eligibility to receive the tax exemption was removed.

Certain Totally and Permanently Disabled Persons. Real estate used and owned as a homestead by a quadriplegic, less any portion used for commercial purposes, is exempt from all ad valorem taxation. Real estate used and owned as a homestead by a paraplegic, hemiplegic, or other totally and permanently disabled person, who must use a wheelchair for mobility or who is legally blind, is exempt from taxation if the gross household income is below statutory limits.
**Survivors of First Responders.** Any real estate that is owned and used as a homestead by the surviving spouse of a first responder (law enforcement officer, correctional officer, firefighter, emergency medical technician or paramedic), who died in the line of duty may be granted a total exemption on homestead property if the first responder and his or her surviving spouse were permanent residents of the State on January 1 of the year in which the first responder died.

**Other Exemptions.** Other exemptions include, but are not limited to, nonprofit homes for the aged (subject to income limits for residents), proprietary continuing care facilities, not for profit sewer water/wastewater systems, certain hospital facilities and nursing homes for special services, charter schools, certain historic property used for commercial purposes and certain tangible personal property.

**Legislation Relating to Ad Valorem Taxation**

**Recent Amendments Relating to Ad Valorem Taxation.** In the 2016 legislative session, several amendments were passed affecting ad valorem taxation, including classification of agricultural lands during periods of eradication or quarantine, deleting requirements that conservation easements be renewed annually, providing that just value of real property shall be determined in the first tax year for income restricted persons age 65 or older who have maintained such property as their permanent residence for at least 25 years, authorizing a first responder who is totally and permanently disabled as a result of injuries sustained in the line of duty to receive relief from ad valorem taxes assessed on homestead property, revising procedures with respect to assessments, hearings and notifications by the value adjustment board, and revising the interest rate on unpaid ad valorem taxes.

**Future Amendments Relating to Ad Valorem Taxation.** Historically, various legislative proposals and constitutional amendments relating to ad valorem taxation have been introduced in each session of the State legislature. Many of these proposals have provided for new or increased exemptions to ad valorem taxation and limited increases in assessed valuation of certain types of property or otherwise restricted the ability of local governments in the State to levy ad valorem taxes at current levels. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would have a material adverse effect upon the collection of ad valorem taxes by the City, the City's finances in general or the City's ad valorem taxing power.

**TAX INCREMENT REVENUES ATTRIBUTABLE TO THE FRONT BEACH ROAD COMMUNITY REDEVELOPMENT AREA**

**Assessed Valuations**

Set forth below is a table that shows the assessed value of the taxable real property in the Front Beach Road Community Redevelopment Area that provided the basis for the amount of FBRCRA Tax Increment Revenues collected from the County.
Historical Front Beach Road Community Redevelopment Area Real Property Assessed Values

<table>
<thead>
<tr>
<th>Tax Roll Year</th>
<th>Fiscal Year</th>
<th>Final Gross Taxable Value</th>
<th>Percentage Increase Over Prior Year</th>
<th>Base Year Taxable Value</th>
<th>Incremental Value</th>
<th>Percentage Increase Over Prior Year</th>
<th>Dollar Increase Over Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>10/11</td>
<td>$2,711,292,848</td>
<td>(9.47%)</td>
<td>$616,607,224</td>
<td>$2,094,685,624</td>
<td>(11.93%)</td>
<td>($283,638,854)</td>
</tr>
<tr>
<td>2011</td>
<td>11/12</td>
<td>$2,461,180,496</td>
<td>(9.22%)</td>
<td>$616,607,224</td>
<td>1,844,573,272</td>
<td>(11.94%)</td>
<td>(250,112,352)</td>
</tr>
<tr>
<td>2012</td>
<td>12/13</td>
<td>$2,266,061,126</td>
<td>(7.93%)</td>
<td>$616,607,224</td>
<td>1,649,453,902</td>
<td>(10.58%)</td>
<td>(195,119,370)</td>
</tr>
<tr>
<td>2013</td>
<td>13/14</td>
<td>$2,263,455,114</td>
<td>(-0.12%)</td>
<td>$616,607,224</td>
<td>1,646,847,890</td>
<td>(0.16%)</td>
<td>(2,606,012)</td>
</tr>
<tr>
<td>2014</td>
<td>14/15</td>
<td>$2,388,901,545</td>
<td>5.54%</td>
<td>$616,607,224</td>
<td>1,772,294,321</td>
<td>7.62%</td>
<td>125,446,431</td>
</tr>
<tr>
<td>2015</td>
<td>15/16</td>
<td>$2,570,855,176</td>
<td>7.62%</td>
<td>$616,607,224</td>
<td>1,954,247,952</td>
<td>10.27%</td>
<td>181,953,631</td>
</tr>
<tr>
<td>2016</td>
<td>16/17</td>
<td>$2,750,236,497</td>
<td>6.98%</td>
<td>$616,607,224</td>
<td>2,133,629,273</td>
<td>9.18%</td>
<td>179,381,321</td>
</tr>
<tr>
<td>2017</td>
<td>17/18</td>
<td>$2,769,316,432</td>
<td>0.69%</td>
<td>$616,607,224</td>
<td>2,152,709,208</td>
<td>0.89%</td>
<td>19,079,935</td>
</tr>
<tr>
<td>2018</td>
<td>18/19</td>
<td>$3,064,524,495</td>
<td>10.66%</td>
<td>$616,607,224</td>
<td>2,447,917,271</td>
<td>13.71%</td>
<td>295,208,063</td>
</tr>
<tr>
<td>2019</td>
<td>19/20</td>
<td>$3,274,424,413</td>
<td>6.85%</td>
<td>$616,607,224</td>
<td>2,657,817,189</td>
<td>8.57%</td>
<td>209,899,918</td>
</tr>
</tbody>
</table>

(1) The FBRCRA Project was created in 2001, making the 2000 tax roll the base year.
(2) Incremental Value equals the Final Gross Taxable Value minus the Base Year Taxable Value.
(3) Estimated.

Source: Bay County Property Appraiser Office and the City of Panama City Beach.

Historical Tax Increment Revenues

The City and the County are the only two taxing authorities that are required to make payments into the FBRCRA Tax Increment Fund. The City currently levies no ad valorem tax by which to measure a contribution to the FBRCRA Tax Increment Fund and therefore is not obligated to make such contribution. Set forth below is a table that shows the Tax Increment Revenues attributable to the Front Beach Road Community Redevelopment Area that have been collected from the County for the past ten (10) fiscal years and the amount estimated by the City to be received in Fiscal Year 2020 based upon the preliminary 2020 tax roll and expected millage. For more detailed information relating to the City and the County, see "APPENDIX A -- GENERAL INFORMATION AND ECONOMIC DATA REGARDING THE CITY OF PANAMA CITY BEACH, FLORIDA."

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)
Historical and Expected 2020 Tax Increment Revenues Attributable to the Front Beach Road Community Redevelopment Area

<table>
<thead>
<tr>
<th>Tax Roll Year</th>
<th>Fiscal Year</th>
<th>Taxable Value</th>
<th>Incremental Value</th>
<th>Revenue (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>10/11</td>
<td>$2,711,292,848</td>
<td>$2,094,685,624</td>
<td>$7,263,322</td>
</tr>
<tr>
<td>2011</td>
<td>11/12</td>
<td>2,461,180,496</td>
<td>1,844,573,272</td>
<td>6,396,058</td>
</tr>
<tr>
<td>2012</td>
<td>12/13</td>
<td>2,266,061,126</td>
<td>1,649,453,902</td>
<td>5,719,481</td>
</tr>
<tr>
<td>2013</td>
<td>13/14</td>
<td>2,263,455,114</td>
<td>1,646,847,890</td>
<td>5,710,445</td>
</tr>
<tr>
<td>2014</td>
<td>14/15</td>
<td>2,388,901,545</td>
<td>1,772,294,321</td>
<td>7,829,110</td>
</tr>
<tr>
<td>2015</td>
<td>15/16</td>
<td>2,570,855,176</td>
<td>1,954,247,952</td>
<td>8,632,890</td>
</tr>
<tr>
<td>2016</td>
<td>16/17</td>
<td>2,750,236,497</td>
<td>2,133,629,273</td>
<td>9,425,307</td>
</tr>
<tr>
<td>2017</td>
<td>17/18</td>
<td>2,769,316,432</td>
<td>2,152,709,208</td>
<td>9,509,593</td>
</tr>
<tr>
<td>2018</td>
<td>18/19</td>
<td>3,064,524,495</td>
<td>2,447,917,271</td>
<td>10,316,478</td>
</tr>
<tr>
<td>2019(2)</td>
<td>19/20(3)</td>
<td>3,274,424,413</td>
<td>2,657,817,189</td>
<td>11,201,078(3)</td>
</tr>
</tbody>
</table>

(1) Pursuant to an Interlocal Agreement between the City and the County, revenue is received in quarterly installments due January 1, April 1, July 1 and October 1. Any adjustments, plus or minus, as a result of changes to the tax roll are corrected in the final installment due October 1.

(2) Preliminary estimates.

(3) Assuming the issuance of the Series 2020 Bonds at an aggregate principal amount of $_______ and a true interest cost of ____% per annum, this would result in a debt service coverage of maximum annual debt service on the Series 2020 Bonds and Outstanding Parity Bonds of x.

Source: City of Panama City Beach Finance Department.

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Set forth below is a table that shows the top ten (10) principal taxpayers in the Front Beach Road Community Redevelopment Area for the current Fiscal Year, the taxable value attributable to such taxpayers and the percentage of such value to the gross taxable value of all taxable property in the Front Beach Road Community Redevelopment Area.

### Front Beach Road Community Redevelopment Area Principal Taxpayers

<table>
<thead>
<tr>
<th>Taxpayer</th>
<th>Fiscal Year 2018/19 Taxable Value</th>
<th>Percentage of Gross Taxable Value</th>
</tr>
</thead>
</table>

**Source:** Bay County Property Appraiser.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)
Set forth below is a table that shows the top five (5) planned properties or developments located in the Front Beach Road Community Redevelopment Area, based on the taxable value of such property or development for fiscal year 2019.

**Front Beach Road Community Redevelopment Area Principal Developments\(^{(1)}\)**

<table>
<thead>
<tr>
<th>Development</th>
<th>Use of Property</th>
<th>Approx. Sq. Footage</th>
<th>2019 Gross Project Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Embassy Suites</td>
<td>Hotel 255 Rooms</td>
<td>213,366</td>
<td>$39,430,344</td>
</tr>
<tr>
<td>Beckrich Office III</td>
<td>Office</td>
<td>35,732</td>
<td>6,200,000</td>
</tr>
<tr>
<td>Alvins Island</td>
<td>Retail</td>
<td>18,195</td>
<td>3,380,000</td>
</tr>
<tr>
<td>Capital City Bank</td>
<td>Bank</td>
<td>4,769</td>
<td>1,597,500</td>
</tr>
<tr>
<td>Shalamar</td>
<td>Conf. Centr./Gym</td>
<td>12,321</td>
<td>1,446,506</td>
</tr>
</tbody>
</table>

**TOTAL** $52,054,350

\(^{(1)}\) Projects herein have received a Building Permit from the City prior to September 29, 2019, allowing construction but construction has not been completed as of February 2020.

Source: City of Panama City Beach Planning Department.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)
Set forth below is a table that shows the aggregate operating millage rates levied during the past ten (10) years in the Front Beach Road Community Redevelopment Area.

### Historical Millage Rates

<table>
<thead>
<tr>
<th>Tax Roll Year</th>
<th>Aggregate Millage Rate for Property in City of Panama City Beach(1)</th>
<th>Bay County, Florida Millage Rate(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>10.9518</td>
<td>3.6500</td>
</tr>
<tr>
<td>2012</td>
<td>10.6918</td>
<td>3.6500</td>
</tr>
<tr>
<td>2013</td>
<td>10.6780</td>
<td>3.6500</td>
</tr>
<tr>
<td>2014</td>
<td>11.8010</td>
<td>4.6500</td>
</tr>
<tr>
<td>2015</td>
<td>11.8178</td>
<td>4.6500</td>
</tr>
<tr>
<td>2016</td>
<td>11.4571</td>
<td>4.6500</td>
</tr>
<tr>
<td>2017</td>
<td>11.2225</td>
<td>4.4362</td>
</tr>
<tr>
<td>2018</td>
<td>11.1372</td>
<td>4.4362</td>
</tr>
<tr>
<td>2019</td>
<td>10.9405</td>
<td>4.4362</td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Aggregate millage rate includes millage rates levied by the taxing jurisdictions of Bay County, Beach Mosquito Control District, Bay County School District, and Northwest Florida Water Management District; the City does not levy a millage rate.

(2) Only the millage rate of Bay County is taken into account in determining the FBRCRA Tax Increment Revenues.

Source: Bay County Property Appraiser Office.

### RISK FACTORS

The following discussion provides information relating to certain risks that could affect payments of the principal of, redemption premium, if any, and interest on the Bonds. The order in which the following information is presented is not intended to reflect the relative importance of the risks discussed. The following information is not, and is not intended to be, exhaustive and should be read in conjunction with all of the other sections of this Official Statement, including its appendices. Prospective purchasers of the Series 2020 Bonds should analyze carefully the information contained in this Official Statement, including its appendices (and including the additional information contained in the form of the complete documents referenced or summarized herein), for a more complete description of the investment considerations relevant to purchasing the Series 2020 Bonds. Copies of any documents referenced or summarized in this Official Statement are available from the City.
Limited Obligation of the City

Payment from Pledged Funds Only. The ability of the City to make timely payments of the principal of, redemption premium, if any, and interest on the Series 2020 Bonds depends upon the ability of the Agency to collect tax increment revenues attributable to the Front Beach Road Community Redevelopment Area which, together with earnings thereon and on amounts held in the funds and accounts created under the Bond Resolution, will be adequate to make such payments. The Series 2020 Bonds are not general obligations supported by the full faith and credit of the City, the Agency, the County or the State or any political subdivision of the foregoing, but are payable solely from the Pledged Funds. Neither the State, the County or the City, or any other political subdivision of the State has any obligation or power under the Bond Resolution or under Florida law to levy any taxes in order to pay debt service on the Series 2020 Bonds or to avail or cure any default in any such payments. The Agency is not authorized to levy ad valorem taxes and the City Charter prohibits the levy of ad valorem taxes by the City.

Series 2020 Bonds Not Secured by Assessments. As indicated herein, the Series 2020 Bonds are not secured by Assessments. However, future series of Bonds issued pursuant to the Master Bond Resolution and secured by the FBRCRA Redevelopment Trust Fund Revenues on a parity with the Series 2020 Bonds and the Outstanding Parity Bonds may also be secured by Assessments. As described above under "SECURITY AND SOURCES OF PAYMENT – Additional Bonds," the test for issuing Additional Bonds secured by the FBRCRA Redevelopment Trust Fund Revenues on a parity with the Series 2020 Bonds and the Outstanding Parity Bonds permits the consideration of Assessments authorized but not levied as long as the lesser of 10% or $1,000,000 of the maximum annual Authorized Assessment is currently levied. As such, additional debt secured on a parity with the Series 2020 Bonds and the Outstanding Parity Bonds could be issued by taking into account additional revenues which do not secure the Series 2020 Bonds and the Outstanding Parity Bonds. In addition, the ability of the City to issue such debt based on assessments authorized but not then levied could result in a delay in such parity assessment-secured bondholders receiving sufficient assessment revenues to repay their debt, thereby putting more claim on the FBRCRA Trust Fund Revenues in the interim and delaying the payment on capital improvements needed to generate projected levels of FBRCRA Tax Increment Revenues.

Limited Replenishment Of Deficiencies. Except for the 2020 Reserve Fund and the Supplemental Reserve Fund, there is no fund or account under the Bond Resolution which is required to contain amounts to make up for any deficiencies in the event of one or more defaults by the Agency in making payments of debt service on the Series 2020 Bonds. There is no source from which the Debt Service Fund will be replenished, except the FBRCRA Redevelopment Trust Fund Revenues, any Assessments subsequently imposed by the City and certain moneys in the funds and accounts held under the Bond Resolution. There can be no representation or assurance that the Agency will realize sufficient FBRCRA Tax Increment Revenues to pay, when due, all payments due under the Agency Interlocal Agreement sufficient to pay all required payments of debt service on the Series 2020 Bonds.
Capital Improvement Financing

Concentration of Revenues. A significant portion of the tax increment revenues attributable to the Front Beach Road Community Redevelopment Area received by the Agency are from large condominium and residential developments in the Front Beach Road Community Redevelopment Area. See "TAX INCREMENT REVENUES ATTRIBUTABLE TO THE FRONT BEACH ROAD COMMUNITY REDEVELOPMENT AREA – Historical Tax Increment Revenues Attributable to the Front Beach Road Community Redevelopment Area " herein. The occurrence of any event that has a major negative impact on such developments, including, without limitation, natural disasters (such as hurricanes and other major tropical storms to which the Gulf Coast is generally subject), could significantly reduce the FBRCRATax Increment Revenues that can be collected by the Agency which could, in turn, have a material adverse impact on the ability of the City to pay debt service on the Series 2020 Bonds.

Stabilized Values. The amount of FBRCRATax Increment Revenues expected to be generated to pay debt service on the Series 2020 Bonds is dependent, in part, upon stability in the taxable value of real property in the Front Beach Road Community Redevelopment Area resulting from new construction projects and improvements to existing property in the area. No assurance can be given that such valuations will stay at current levels. A decline in values could have a material adverse impact on the ability to pay debt service on the Series 2020 Bonds.

Decreases in Property Values. The amount of FBRCRATax Increment Revenues expected to be collected to make payments on the Series 2020 Bonds is dependent, in part, upon future increases in the taxable value of real property in the Front Beach Road Community Redevelopment Area. Such value has actually decreased in recent years in other parts of the State as a result of downturns in the economy and specifically, in the real estate market throughout the State. Numerous events could occur that might further reduce or cause an extended stagnation in value or real property within the Front Beach Road Community Redevelopment Area, including, without limitation, natural disasters (such as hurricanes and other major tropical storms to which Florida is generally subject), public acquisition of property within the Front Beach Road Community Redevelopment Area by the State or political subdivisions exercising their respective rights of eminent domain, or social, economic or demographic factors (or adverse public perceptions related thereto) beyond the control of the City or the taxpayers in the Front Beach Road Community Redevelopment Area. Any or all of such events could materially, adversely affect the realization and collection of FBRCRATax Increment Revenues.

Competition from Comparable Development Projects. The current growth strategy for the Front Beach Road Community Redevelopment Area is in competition with other communities located outside the Front Beach Road Community Redevelopment Area whose growth will not generate FBRCRATax Increment Revenues. The growth strategy for the Front Beach Road Community Redevelopment Area is heavily dependent upon the development of condominium, rental and commercial projects. In the event that a large number of condominium, rental or commercial projects are constructed in the City or the County outside the Front Beach Road Community Redevelopment Area, the demand for residential housing
and commercial space within the Front Beach Road Community Redevelopment Area could be reduced, thereby leading to a possible reduction in future development in the Front Beach Road Community Redevelopment Area and a reduction in the collection of FBRCRA Tax Increment Revenues.

**Millage Rate; Assessed Valuations.** The addition of significant numbers of new taxpayers or an increase of property values outside the Front Beach Road Community Redevelopment Area could result in an environment favorable to the reduction of the County millage rate. The County could determine that its millage rates should be reduced for other reasons as well. Any reduction in millage rates by the County could reduce the amount of the FBRCRA Tax Increment Revenues payable by the County which, in turn, could negatively impact the ability of the Agency to pay debt service on the Series 2020 Bonds.

**Beach Renourishment Issues.** Much of the attraction of the Panama City Beach area is due to its world famous beaches. Accordingly, substantial beach erosion or other acts of nature that substantially damage the beach and natural environs could have an impact on property values within the area and its desirability as a destination. Like many coastal communities, the Panama City Beach area has experienced some beach erosion over the years, due in large part from the impact of hurricanes and other storms on the area. The Bay County Board of County Commissioners has taken action to address this by dedicating one cent of Bay County's tourist development tax collected on Panama City Beach to beach renourishment there. This has enabled the community to fund smaller scale renourishment projects and to use this funding as a local contribution toward larger state and federally funded projects. Such state and federal contributions are typically dependent on continuing legislative appropriations, which have been available to the Panama City Beach area in the past; however, no assurance can be given that such amounts will continue to be appropriated in the future.

**State, National and International Economic and Political Factors.** Certain economic or political developments, such as downturns in the State, national or international economy, increased national or international barriers to tourism or trade or international currency fluctuations, could all adversely affect the continued development of the Front Beach Road Community Redevelopment Area, its attraction to businesses and investors and, as a result, its ability to produce sufficient FBRCRA Tax Increment Revenues to pay debt service on the Series 2020 Bonds.

**Appeals of Assessments.** The amount of FBRCRA Tax Increment Revenues collected annually is dependent upon the assessed value of taxable property in the Front Beach Road Community Redevelopment Area. See "SECURITY AND SOURCES OF PAYMENT – Pledged Funds" herein. State law allows taxpayers to dispute assessment valuations. Any successful appeals of assessment valuations will result in less tax increment revenues attributable to the Front Beach Road Community Redevelopment Area being collected annually than is currently contemplated. If such appeals resulted in a significant reduction in the overall assessed value of the taxable property in the Front Beach Road Community Redevelopment Area, they could have a material adverse impact on the ability of the Agency to pay amounts due under the Agency Interlocal Agreement sufficient to pay debt service on the Series 2020 Bonds.

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**AGENDA ITEM # 12**
**Adverse Legislative, Judicial or Administrative Action.** The State legislature, the courts or an administrative agency with jurisdiction in the matter could enact new laws or regulations or interpret, amend, alter, change or modify the laws or regulations governing the collection, distribution, definition or accumulation of ad valorem tax revenues generally, or tax increment revenues specifically, in a fashion that would adversely affect the ability of the Agency to receive FBRCRA Tax Increment Revenues in an amount necessary to pay amounts due under the Agency Interlocal Agreement sufficient to pay debt service on the Series 2020 Bonds.

**Future Natural Disasters**

The State of Florida is naturally susceptible to the effects of extreme weather events and natural disasters, including floods, droughts, and hurricanes, which could result in negative economic impacts on communities including the City and the County. Such effects can be exacerbated by a longer term shift in the climate over several decades (commonly referred to as climate change, as generally described in the immediately preceding paragraph), including increasing global temperatures and rising sea levels. The occurrence of such extreme weather events could damage local infrastructure that provides essential services to the County. The economic impacts resulting from such extreme weather events could include a loss of ad valorem revenue, interruption of service, and escalated recovery costs.

The Front Beach Road Community Redevelopment Area is susceptible to tropical storms and hurricanes. The last hurricane that caused significant community-wide structural damage was Opal in 1995; however, within the last five (5) years, the following named storms or hurricanes came within one hundred fifty (150) miles of the Front Beach Road Community Redevelopment Area, none of which caused significant community-wide structural damage.

<table>
<thead>
<tr>
<th>Storm Type</th>
<th>Storm Name</th>
<th>Landfall Date</th>
<th>Landfall Location</th>
<th>Approximate Distance From Panama City Beach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hurricane</td>
<td>Michael</td>
<td>October, 2018</td>
<td>East of Panama City, FL</td>
<td>10 miles East</td>
</tr>
</tbody>
</table>

[to be updated]

A major storm event in the Front Beach Road Community Redevelopment Area that results in the significant destruction of improvements could result in a significant reduction in the assessed value of property resulting in a decline in FBRCRA Tax Increment Revenues. A significant reduction in FBRCRA Tax Increment Revenues could, in turn, have a material adverse impact on the ability of the City to pay debt service on the Series 2020 Bonds.

**Climate Change Issues**

Numerous scientific studies on climate change show that, among other effects on the global ecosystem, sea levels will rise, extreme temperatures will become more common, and extreme weather events like Hurricane Michael will become more frequent as a result of increasing global temperatures attributable to atmospheric pollution. Sea levels will continue to rise in the future due to the increasing temperature of the oceans causing thermal expansion and growing ocean volume from glaciers and ice caps melting into the ocean. Coastal areas
like Bay County are at risk of substantial flood damage over time, affecting private development and public infrastructure, including roads, utilities, emergency services, schools, and parks. As a result, the County could lose considerable tax revenues and many residents, businesses, and governmental operations could be displaced. However, the City is unable to predict whether sea level rise or other impacts of climate change or flooding from another major storm will occur, when they may occur, and if any such events occur, whether they will have a material adverse effect on the business operations or financial condition of the City or the FBRCRA Tax Increment Revenues.

Cybersecurity

Computer networks and systems used for data transmission and collection are vital to the efficient operations of the City. City systems provide support to departmental operations and constituent services by collecting and storing sensitive data, including intellectual property, security information, proprietary business process information, information applying to suppliers and business partners, and personally identifiable information of customers, constituents and employees. The secure processing, maintenance and transmission of this information is critical to department operations and the provision of citizen services. Increasingly, governmental entities are being targeted by cyberattacks (including, but not limited to, hacking, viruses, malware and other attacks on computers and other sensitive digital networks and systems) seeking to obtain confidential data or disrupt critical services. A rapidly changing cyber risk landscape may introduce new vulnerabilities and avenues that attackers/hackers can exploit in attempts to cause breaches or service disruptions. Employee error and/or malfeasance may also contribute to data loss or other system disruptions. Additionally, the City's computer networks and systems routinely interface and rely on third party systems that are also subject to the risks previously described. Any such breach could compromise networks and the confidentiality, integrity and availability of systems and the information stored there. The potential disruptions, access, modification, disclosure or destruction of data could result in interruption of the efficiency of City commerce, initiation of legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, disruptions in operations and services provided, and the loss of confidence in City operations. [Insert City-specific actions taken] However, no assurances can be given that any cyberattacks, if successful, will not have a material adverse effect on the operations of the City.

Bond Insurance

In the event the City utilizes bond insurance as described on the cover page hereof, the following provisions will apply: Although the Series 2020 Bonds are insured by the bond insurance policy (the "Policy") issued by such insurer (the "Insurer") which unconditionally guarantees the payment of that portion of the principal of and interest on the Series 2020 Bonds which has become due for payment, but which is unpaid by reason of nonpayment by the City, there can be no assurance that the Insurer will make such payments. See the information under the heading "BOND INSURANCE" herein.
In the event of default of the payment of principal or interest with respect to the Series 2020 Bonds when all or some becomes due, any owner of the Series 2020 Bonds shall have a claim under the Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of optional redemption, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Series 2020 Bonds by the City which is recovered by the City from the Owner as a voidable preference under applicable bankruptcy law is covered by the insurance policy, however, such payments will be made by the Insurer at such time and in such amounts as would have been due absent such prepayment by the City unless the Insurer chooses to pay such amounts at an earlier date.

The Insurer may direct and must consent to any remedies and the Insurer's consent may be required in connection with amendments to any applicable bond documents.

In the event the Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Series 2020 Bonds are payable solely from the moneys received pursuant to the Resolution. In the event the Insurer becomes obligated to make payments with respect to the Series 2020 Bonds, no assurance is given that such event will not adversely affect the market price of the Series 2020 Bonds or the marketability (liquidity) for the Series 2020 Bonds.

The long-term rating on the Series 2020 Bonds is dependent on the financial strength of the Insurer and its claims paying ability. The Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term rating of the Insurer and of the rating on the Series 2020 Bonds will not be subject to downgrade, and such event could adversely affect the market price of the Series 2020 Bonds or the marketability (liquidity) for the Series 2020 Bonds. See "RATINGS" herein.

The obligations of the Insurer are general obligations of the Insurer and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

Neither the City nor the Underwriters have made independent investigation into the claims paying ability of the Insurer, and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the FBRCRA Tax Increment Revenues to pay principal and interest on the Series 2020 Bonds and the claims paying ability of the Insurer, particularly over the life of the investment. See "BOND INSURANCE" herein for further information provided by the Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Insurer.
LEGAL MATTERS

Certain legal matters incident to the validity of the Series 2020 Bonds, including their authorization, issuance and sale by the County, are subject to the unqualified approval of Bryant Miller Olive P.A., Miami, Florida, Bond Counsel, in the form attached hereto as APPENDIX D. Certain legal matters will be passed upon for the City by Hand Arendall Harrison Sale I.LC, City Attorneys, Panama City, Florida, and by Nabors Giblin & Nickerson, P.A., Tampa, Florida, Disclosure Counsel to the City. Nelson Mullins, Broad & Cassel LLP, Orlando, Florida, is representing the Underwriters in connection with the issuance of the Series 2020 Bonds.

Bond Counsel has not been engaged to, nor has it undertaken to, review the accuracy, completeness or sufficiency of the Official Statement or any other offering material relating to the Series 2020 Bonds; provided, however, that Bond Counsel will render an opinion to the City and the Underwriters (upon which only the City and the Underwriters may rely) relating to the accuracy of certain summaries of the Bond Resolution, the Series 2020 Bonds and the Code (as hereinafter defined) herein. Except as expressly provided in such opinion, Bond Counsel expresses, and will express no opinion as to the accuracy, completeness or fairness of any statements in this Official Statement, or in any other reports, financial information, offering or disclosure documents or other information pertaining to the City or the Series 2020 Bonds that may be prepared or made available by the City, the Underwriters or others to the holders of the Series 2020 Bonds or other parties.

LITIGATION

There is no litigation pending that seeks to restrain or enjoin the issuance or delivery of the Series 2020 Bonds or contesting the proceedings or authority under which they are to be issued, or the creation, organization or existence of the City or the Agency.

It is anticipated that the City and the Agency will experience routine litigation and claims incidental to the conduct of its affairs. In the opinion of the City and Agency Attorney, there are no lawsuits presently pending or, to the best of his knowledge, threatened, the adverse outcome of which would impair the City's or the Agency's ability to perform its obligations to the owners of the Series 2020 Bonds.

VALIDATION

Issuance of not to exceed $80,000,000 of the City's Bonds pursuant to the Bond Resolution was validated by judgment of the Circuit Court in and for Bay County, Florida entered on _______, 2020, for which no appeal was filed within the 30-day appeal period. Pursuant to Chapter 75, Florida Statutes, such judgment is conclusive as to all matters adjudicated therein, and the validity of said Bonds or the revenues pledged to the payment thereof may not thereafter be called into question in a Florida court of law. The judgment by its terms confirms that authority is conferred upon the City to issue the Bonds secured by pledge of FBRCRA Tax Increment Revenues promised to the City by the Agency for the purpose of funding improvements to the Front Beach Road Community Redevelopment
Area. The principal amount of Bonds validated pursuant to the validation judgment does not limit the City’s ability under the Bond Resolution to issue Additional Bonds in amounts in excess of such principal amount. See "SECURITY AND SOURCES OF PAYMENT – Additional Bonds."

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2020 Bonds upon the occurrence of a default under the Bond Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by the Bond Resolution and the Series 2020 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2020 Bonds (including Bond Counsel’s approving opinion) will be qualified, as to the enforceability of the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery and to general principles of equity (whether sought in a court of law or equity).

TAX MATTERS

General

The Internal Revenue Code of 1986, as amended (the "Code") establishes certain requirements which must be met subsequent to the issuance of the Series 2020 Bonds in order that interest on the Series 2020 Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the Series 2020 Bonds to be included in federal gross income retroactive to the date of issuance of the Series 2020 Bonds, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the Series 2020 Bonds and the other amounts are to be invested and require that certain investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The City has covenanted in the Resolution to comply with such requirements in order to maintain the exclusion from federal gross income of the interest on the Series 2020 Bonds.

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing laws, regulations, judicial decisions and rulings, interest on the Series 2020 Bonds is excluded from gross income for purposes of federal income taxation. Interest on the Series 2020 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax.

Except as described above, Bond Counsel will express no opinion regarding other federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series 2020 Bonds. Prospective purchasers of the Series 2020 Bonds should be aware that the ownership of Series 2020 Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Series 2020 Bonds; (ii) the reduction of the loss reserve deduction...
for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on the Series 2020 Bonds; (iii) the inclusion of interest on the Series 2020 Bonds in earnings of certain foreign corporations doing business in the United States for purposes of the branch profits tax; (iv) the inclusion of interest on the Series 2020 Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on the Series 2020 Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for the purposes of determining whether such benefits are included in gross income for federal income tax purposes.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the City, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the Series 2020 Bonds and of the property financed thereby), without undertaking to verify the same by independent investigation.

**PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2020 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.**

**Information Reporting and Backup Withholding**

Interest paid on tax-exempt bonds such as the Series 2020 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2020 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Series 2020 Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the Series 2020 Bonds and proceeds from the sale of the Series 2020 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2020 Bonds. This withholding generally applies if the owner of Series 2020 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2020 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.
Other Tax Matters

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2020 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2020 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2020 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2020 Bonds.

Prospective purchasers of the Series 2020 Bonds should consult their own tax advisors as to the tax consequences of owning the Series 2020 Bonds in their particular state or local jurisdiction and regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Tax Treatment of Original Issue Discount

Under the Code, the difference between the maturity amount of the Series 2020 Bonds maturing on __________ (the "Discount Bonds"), and the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity and, if applicable, interest rate, was sold is "original issue discount." Original issue discount will accrue over the term of the Discount Bonds at a constant interest rate compounded periodically. A purchaser who acquires the Discount Bonds in the initial offering at a price equal to the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he or she holds the Discount Bonds, and will increase his or her adjusted basis in the Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or disposition of the Discount Bonds. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of the Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Bondholders of the Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of the Discount Bonds and with respect to the state and local tax consequences of owning and disposing of the Discount Bonds.

Tax Treatment of Bond Premium

The difference between the principal amount of the Series 2020 Bonds maturing on __________ 1 of the years __________ through and including __________ (collectively, the "Premium Bonds") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Premium Bonds of the same maturity and, if applicable,
interest rate, was sold constitutes to an initial purchaser amortizable bond premium which is not
deductible from gross income for federal income tax purposes. The amount of amortizable bond
premium for a taxable year is determined actuarially on a constant interest rate basis over the
term of each of the Premium Bonds, which ends on the earlier of the maturity or call date for
each of the Premium Bonds which minimizes the yield on the Premium Bonds to the purchaser.
For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an
initial purchaser who acquires such obligation in the initial offering is required to decrease such
purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond
premium for the taxable year. The amortization of bond premium may be taken into account as a
reduction in the amount of tax-exempt income for purposes of determining various other tax
consequences of owning the Premium Bonds. Bondholders of the Premium Bonds are advised
that they should consult with their own tax advisors with respect to the state and local tax
consequences of owning the Premium Bonds.

CONTINUING DISCLOSURE

In order to provide certain continuing disclosure with respect to the Series 2020 Bonds
under Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), the City will
execute a Continuing Disclosure Certificate for the benefit of the Holders of the Series 2020
Bonds to provide certain financial information and operating data relating to the City and the
Pledged Funds by June 1 of the calendar year following the end of each fiscal year of the City,
commencing with the City's fiscal year ended September 30, 2020, and to provide notices of
the occurrence of certain enumerated events, if material. [The City has not failed to comply
with its previous undertakings made with respect to the Rule.]

The form of the Continuing Disclosure Certificate is attached to this Official Statement
as APPENDIX E.

FINANCIAL STATEMENTS

The Basic Financial Statements of the City for the Fiscal Year ended September 30,
2018 and the report of Carr, Riggs & Ingram, LLC independent certified public accountants, in
connection therewith, dated June 3, 2019, are included in APPENDIX B as part of the public
records of the City. Such financial statements and report contain information relating to the
Agency and the Front Beach Road Community Redevelopment Area. Unaudited financial
statements for the Agency for the Fiscal Year ended September 30, 2019 are also included in
APPENDIX B.

The consent of Carr, Riggs & Ingram, LLC was not requested for the reproduction of
its audit report in this Official Statement. The auditor has performed no services in connection
with the preparation of this Official Statement and is not associated with the offering of the
Series 2020 Bonds.
RATINGS

The following ratings ("","" outlook) have been assigned to the Series 2020 Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: __________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________, _________.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2020 Bonds.

FINANCIAL ADVISOR

The City has retained PFM Financial Advisors LLC, Orlando, Florida, as financial advisor with respect to the authorization and issuance of the Series 2020 Bonds (the "Financial Advisor"). The Financial Advisor will receive a fee for services provided in connection with the issuance of the Series 2020 Bonds, which fees are contingent upon the issuance of the Series 2020 Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

PFM Financial Advisors LLC is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

UNDERWRITING

The underwriters of the Series 2020 Bonds are Raymond James & Associates, Inc. and Jefferies LLC (the "Underwriters"). The Underwriters have agreed to purchase the Series 2020 Bonds at a price of $_________ (which represents the $_________ principal amount of the Series 2020 Bonds, [plus] [net] original issue [premium] [discount] of $_________, and less an Underwriters' discount of $_________). The Underwriters will purchase all of the Series 2020 Bonds, if any are purchased. The obligation to make such purchase is subject to certain terms and conditions contained in a Bond Purchase Agreement relating to the Series 2020 Bonds and to the approval of certain legal matters by counsel.

The Underwriters may offer and sell the Series 2020 Bonds to certain dealers and others at prices lower than the respective public offering prices set forth on the inside cover of the Official Statement. After the initial public offering, the respective offering prices may be changed from time to time by the Underwriters.

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Jeffries LLC has entered into an agreement (the "Distribution Agreement") with E*TRADE Securities LLC ("E*TRADE") for the retail distribution of the Series 2020 Bonds. Pursuant to the Distribution Agreement, Jeffries will sell Series 2020 Bonds to E*TRADE and will share a portion of its selling concession compensation with E*TRADE.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and Rule 3E400.003, Florida Administrative Code, requires the City to disclose each and every default as to payment of principal and interest after December 31, 1975 with respect to obligations issued or guaranteed by the City. Rule 3E400.003 further provides, however, that if the City in good faith believes that such disclosure would not be considered material by reasonable investors, such disclosure may be omitted. The City is not in default and has not been in default since its establishment in the payment of principal or interest with respect to any obligations issued or guaranteed by the City.

AUTHORIZATION CONCERNING OFFICIAL STATEMENT

The delivery of this Official Statement has been duly authorized by the City Council of the City. At the time of the delivery of the Series 2020 Bonds, the City's Mayor and City Manager will furnish a certificate to the effect that nothing has come to their attention which would lead them to believe that this Official Statement, as of its date and as of the date of delivery of the Series 2020 Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purpose for which this Official Statement is intended to be used, or which is necessary to make the statements contained herein, in the light of the circumstances under which they were made, not misleading.

A limited number of copies of the final Official Statement will be provided, at the City's expense, on a timely basis.

CONCLUDING STATEMENT

All information included in this Official Statement has been provided by the City, except where attributed to other sources. The summaries of and references to all documents, statutes, reports, and other instruments referred to herein do not purport to be complete, comprehensive or definitive, and each such reference or summary is qualified in its entirety by reference to each such document, statute, report or other instrument. The information in this Official Statement has been compiled from official and other sources and, while not guaranteed by the City, is believed to be correct. To the extent that any statements made in this Official Statement and the appendices attached hereto involve matters of opinion or of estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.
This Official Statement has been duly executed and delivered by the Mayor and the City Manager of the City of Panama City Beach, Florida.

CITY OF PANAMA CITY BEACH, FLORIDA

By:________________________________________
    Mike Thomas, Mayor

By:________________________________________
    Anthony O'Rourke, City Manager
APPENDIX A

GENERAL INFORMATION AND ECONOMIC DATA REGARDING THE CITY OF PANAMA CITY BEACH, FLORIDA

THE FOLLOWING INFORMATION CONCERNING THE CITY OF PANAMA CITY BEACH, FLORIDA AND BAY COUNTY, FLORIDA, IS INCLUDED ONLY FOR THE PURPOSE OF PROVIDING GENERAL BACKGROUND INFORMATION. THE COMPILATION OF SUCH INFORMATION ON BEHALF OF THE CITY INVOLVED ORAL AND WRITTEN COMMUNICATION WITH THE VARIOUS SOURCES INDICATED. THE UNDERWRITER HAS MADE NO INVESTIGATION INTO THE ACCURACY OF SUCH INFORMATION AND THE INFORMATION IS SUBJECT TO CHANGE, ALTHOUGH EFFORTS HAVE BEEN MADE TO UPDATE THE INFORMATION WHERE PRACTICABLE.

THE SERIES 2020 BONDS ARE NOT A GENERAL OBLIGATION OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY OF PANAMA CITY BEACH, FLORIDA.

General Description and Location

The City of Panama City Beach, Florida (the "City"), is located on the Gulf coast of northwest Florida in Bay County, Florida (the "County"). The City has historically been a resort community, although its demographics are changing. The City was merged on August 12, 1970, with the City of Long Beach Resort, the City of West Panama City and the Town of Edgewater Beach Resort. The City occupies a twelve-mile elongated area on the Gulf of Mexico and is a sister community to the City of Panama City, Florida. Tourism is the City's main industry. The permanent resident population in the year 2019 was an estimated 13,435. Annually, an estimated 4,500,000 tourists stay overnight and another 1,500,000 visit the City for the day.

Source: Bureau of Economic and Business Research, University of Florida, as reported by the Office of Economic & Demographic Research, The Florida Legislature.

Population

Population trends for the City and the County are reflected in the following table:

(REMAINDER OF PAGE INTENTIONALLY BLANK)
### Population Trends 2005-2019

**City of Panama City Beach, Florida and Bay County, Florida**

<table>
<thead>
<tr>
<th>Year</th>
<th>City of Panama City Beach</th>
<th>Average Annual Percentage Increase</th>
<th>Bay County</th>
<th>Average Annual Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>8,972</td>
<td>7.81%</td>
<td>161,721</td>
<td>2.07%</td>
</tr>
<tr>
<td>2006</td>
<td>10,005</td>
<td>11.51%</td>
<td>165,515</td>
<td>2.35%</td>
</tr>
<tr>
<td>2007</td>
<td>11,651</td>
<td>16.45%</td>
<td>167,631</td>
<td>1.27%</td>
</tr>
<tr>
<td>2008</td>
<td>13,453</td>
<td>15.47%</td>
<td>169,307</td>
<td>1.00%</td>
</tr>
<tr>
<td>2009</td>
<td>14,514</td>
<td>7.89%</td>
<td>164,767</td>
<td>(2.68)%</td>
</tr>
<tr>
<td>2010</td>
<td>12,018</td>
<td>(17.20)%</td>
<td>168,852</td>
<td>2.43%</td>
</tr>
<tr>
<td>2011</td>
<td>12,025</td>
<td>0.53%</td>
<td>171,291</td>
<td>1.45%</td>
</tr>
<tr>
<td>2012</td>
<td>12,067</td>
<td>0.34%</td>
<td>169,392</td>
<td>(1.12)%</td>
</tr>
<tr>
<td>2013</td>
<td>12,094</td>
<td>0.22%</td>
<td>169,866</td>
<td>0.28%</td>
</tr>
<tr>
<td>2014</td>
<td>12,191</td>
<td>0.80%</td>
<td>170,781</td>
<td>0.54%</td>
</tr>
<tr>
<td>2015</td>
<td>12,467</td>
<td>0.22%</td>
<td>173,310</td>
<td>1.48%</td>
</tr>
<tr>
<td>2016</td>
<td>12,545</td>
<td>0.62%</td>
<td>176,016</td>
<td>1.56%</td>
</tr>
<tr>
<td>2017</td>
<td>12,741</td>
<td>1.56%</td>
<td>178,820</td>
<td>1.59%</td>
</tr>
<tr>
<td>2018</td>
<td>13,099</td>
<td>2.80%</td>
<td>181,199</td>
<td>1.33%</td>
</tr>
<tr>
<td>2019</td>
<td>13,435</td>
<td>2.56%</td>
<td>167,283</td>
<td>(9.23)%</td>
</tr>
</tbody>
</table>

*Source: Bureau of Economic and Business Research, University of Florida, 2005-2019 estimates.*
Government

The City is served by a mayor and four council members. The mayor is elected for a four-year term. The council members are elected on staggered four-year terms. Listed below are the current mayor and City Council members and their term expiration date.

<table>
<thead>
<tr>
<th>Elected Officials</th>
<th>Term Expires</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mike Thomas, Mayor</td>
<td>2020</td>
</tr>
<tr>
<td>Phil Chester, Vice-Mayor</td>
<td>2020</td>
</tr>
<tr>
<td>Paul Casto</td>
<td>2022</td>
</tr>
<tr>
<td>Geoff McConnel</td>
<td>2022</td>
</tr>
<tr>
<td>Hector Solis</td>
<td>2020</td>
</tr>
</tbody>
</table>

There are currently 147 employees of the City, including a 56-member police department and a 29-member fire department. By City Charter, the City imposes no ad valorem taxes.

Source: City of Panama City Beach, Florida, Office of the City Manager.

Employee Relations

Under the State of Florida Public Employees Relations Act, Chapter 447, Florida Statutes, the employees of the City have certain rights, including the right to bargain collectively through representatives of their choosing on questions of wages, hours and other terms of employment. The Public Employees Relations Act and the Florida State Constitution prohibit strikes by municipal employees.

Florida is a right-to-work state and while employees may be designated by the State of Florida Public Employees Relations Commission as being within a bargaining unit, the employees have a statutory right to join or to refrain from joining the union, as they see fit. At the present time, the employees of the City are not represented by a union.

The City Charter creates a civil service board, which is charged with screening applicants and hearing and determining appeals for disciplinary actions.

Source: City of Panama City Beach, Florida, Office of the City Manager.

Budget Preparation

The City is required by law to formulate a budget annually with respect to all departments of the City and to hold public hearings thereon. The timetable for budget preparation is as follows:

May 1 to July 1. After preparing estimates of available revenues, department heads submit detailed expenditure budget requests to the City Manager for evaluation. The City
Manager evaluates department requests in relationship to available revenues and presents his recommended balanced budget to the City Council.

**August 1 to September 30 (fiscal year ending date).** The City Council reviews the City Manager's recommendations along with department budget requests at public budget hearings, making adjustments to the City Manager's recommendations as they deem appropriate.

**Prior to October 1.** The budget is adopted by resolution after notice as authorized by Section 166.241, Florida Statutes.

**Panama City Beach Comprehensive Growth Development Plan**

As required by Florida's growth management law, the City has adopted its Growth Management Development Plan (the "Plan"). The Plan serves as the blueprint for growth within the City and all City land use policies and procedures and future development are required to be consistent with the Plan. The City's planned redevelopment efforts within the Front Beach Road Community Redevelopment Area are consistent with the provisions of the Plan.

**Employees' Pension Trust**

The City provides a pension trust for all full-time permanent employees with at least one thousand (1,000) hours of annual service. Separate funds are maintained for general employees, police officers and firefighters. The normal retirement benefit is monthly income equal to two and one-half percent (2.5%) of average monthly compensation for years of credited service prior to October 1, 2005, and three percent (3.0%) for years of credited service thereafter for general employees, three and one-half percent (3.5%) for police officers and three and thirty-five one hundredths percent (3.35%) for firefighters for each year of credited service. Average monthly compensation is computed at one-twelfth (1/12th) of the average annual compensation of the best five (5) years of the last ten (10) years of creditable service prior to retirement. Normal retirement is available to members who have attained age fifty-five (55) with accrued credited service of at least ten (10) years or to those who have attained the age fifty (50) with accredited service of at least twenty (20) years. Firefighters may apply after twenty-five (25) years of service. The plan also provides an early retirement option and disability retirement benefits.

The employee contributes eight and seven-tenths percent (8.7%) of compensation in the case of general employees, eight and one-tenth percent (8.1%) of compensation in the case of firefighters, and eleven percent (11.0%) of compensation in the case of police officers in order to fund the plan. In addition, the Firefighters' and Police Officers' Funds receive state contributions. The City meets all additional cost for the three funds according to actuarial valuations performed annually. The annual pension costs to the City for the year ended September 30, 2018, were $1,715,753 for general employees, a deficit of $974,483 for police officers and $202,014 for firefighters. Such contributions paid by the City are treated as employer contributions and thus nontaxable to the employee until the benefits are actually received. The City's most recent actuarial report (as of September 30, 2018) shows funded ratios
of 104.62%, 95.94% and 101.24% for the general employee, police officer and firefighter pension funds, respectively.

Other Postemployment Benefit Plans/Pension Plans

In accordance with Section 112.0801, Florida Statutes, because the City provides medical plans to employees of the City and their eligible dependents, the City is also required to provide retirees the opportunity to participate in the group employee health plan at their expense without any City financial participation. This post-retirement benefit plan provides medical coverage including prescription drug benefits to retired employees of the City and their eligible dependents (the "Benefit Plan"). Similar to most other jurisdictions, the City has historically accounted for the annual premiums associated with its Benefit Plan as part of its annual budget, on a pay as you go basis. GASB 45 applies accounting methodology similar to that used for pension liabilities (GASB 27) to other postemployment benefits ("OPEB") and attempts to more fully reveal the costs of employment by requiring governmental units to include future OPEB costs in their financial statements. While GASB 45 requires recognition and disclosure of the unfunded OPEB liability, there is no requirement that the liability of such plan be funded.

All retired employees of the City (except non-union City police officers and firefighters) who retire after 30 years of service or after the age of 60 with a minimum of ten years of service are entitled to participation in the Benefit Plan. Non-union police officers and firefighters must be 52 years of age with at least ten years of service or have at least 25 years of service to participate. Currently, the health benefit under the Benefit Plan provides for the City to pay 0% of the annual medical premiums. While Florida law requires the retirees be permitted to participate in the same health insurance plans as active employees, retirees can be required to pay 100% of the annual medical premium. As of September 30, 2018, the City had fifteen (15) retired employees participating in the Benefit Plan.

The City received an actuarial report in September 30, 2018 showing a $1,384,454 net OPEB liability as of the end of fiscal year 2018 and estimating a $_________ net OPEB liability as of the end of fiscal year 2019.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)
Major Employers in Bay County, Florida
(2019)

<table>
<thead>
<tr>
<th>Firm</th>
<th>Type of Business</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Navy Support Activity</td>
<td>Military</td>
<td>5,200</td>
</tr>
<tr>
<td>Tyndall Air Force Base</td>
<td>Military</td>
<td>3,888</td>
</tr>
<tr>
<td>Bay District Schools</td>
<td>Government/Education</td>
<td>3,000</td>
</tr>
<tr>
<td>Eastern Shipbuilding</td>
<td>Manufacturer</td>
<td>1,800</td>
</tr>
<tr>
<td>Wal-Mart/Sam's</td>
<td>Retail</td>
<td>1,500</td>
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<tr>
<td>Bay County Constitutional Officers</td>
<td>County</td>
<td>1,214</td>
</tr>
<tr>
<td>Bay Medical – Sacred Heart</td>
<td>Health Care</td>
<td>1,000</td>
</tr>
<tr>
<td>Trane</td>
<td>Manufacturer</td>
<td>800</td>
</tr>
<tr>
<td>Gulf Coast Medical Center</td>
<td>Health Care</td>
<td>631</td>
</tr>
</tbody>
</table>

Source: Bay County Major Employers, Bay County Economic Development Alliance.

City Redevelopment

In 2001, the City approved and adopted its Front Beach Road Community Redevelopment Plan, providing for an enhanced and interconnected network of right of way and other infrastructure projects that focus on improving pedestrian movement, overall parking needs along the corridor, beach access, ingress/egress and evacuation routes along Front Beach Road and its major connectors throughout the year and during peak periods of visitation or emergency. Specific contemplated improvements include: street lighting, landscaping, medians and undergrounding of utilities for Front Beach Road, multi-model transit facilities, as well as sidewalk, drainage and signalization improvements and roadway improvements. The City issued $54,835,000 in capital improvement bonds in 2006 to fund the first phase of such improvements, and has completed the reconstruction of Churchwell Drive and associated surface parking improvements and the majority of the former Beckrich Road (now Richard Jackson Boulevard). It is anticipated that Phase I of the Front Beach Road redevelopment project will be completed in May, 2012 at a cost of $23 million. The City has acquired right-of-way for other projects and has determined to commence construction of subsequent phases when sufficient redevelopment funds have been collected.

**Pier Park**—Pier Park is a 266 acre parcel which extends from U.S. 98 to the City's Pier in the Gulf of Mexico. Pier Park is designed as a fun, family-oriented retail destination containing a mix of shopping, dining and entertainment venues, as well as a bathing beach and sightseeing/fishing pier. The western third of Pier Park is a passive or low impact, public recreation area and provides a fully developed venue for programmed activities such as "Concerts in the Park." Pier Park also offers 1200 feet of gulf beach open to the public with ample, landscaped parking. Pier Park in its own right is a primary destination for residents and visitors alike.

**Ripley's Entertainment**—Ripley's Believe it or Not! Museum and Ripley's Moving Theater (a dynamic, high-tech simulation ride) on the east side of the City. This entertainment complex
opened in the Summer of 2006. The entertainment complex is designed to emulate a 1950's vintage luxury cruise liner run aground on the beach.

**Economic Base**

Total employment in Bay County in 2019 reached approximately 82,202. Leading economic sectors based on relative employment levels include: government, retail and wholesale trade, services and manufacturing.

No discussion of Bay County's economic base would be complete without special reference to the area's two military installations located in Bay County.

**Tyndall Air Force Base**, located on a 29,000 acre reservation in southeastern Bay County, houses the 325th Fighter Wing, Headquarters 1st Air Force, Southeast Air Defense Sector, 53rd Weapons Evaluation Group and United States Air Force Civil Engineering Support Agency. Approximately 7,000 military and civilian personnel are employed at Tyndall. The base provides support facilities for almost 9,000 military retirees. The economic impact of Tyndall AFB on Bay County in fiscal 2017 was over $596 million.

**Tyndall Air Force Base Economic Impact for 2017**

<table>
<thead>
<tr>
<th>Type of Personnel</th>
<th>Total</th>
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<tr>
<td>Military</td>
<td>3,644</td>
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<tr>
<td>Civilians</td>
<td>1,304</td>
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<td>709</td>
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<tr>
<td>Retirees</td>
<td>9,383</td>
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<tr>
<td>Jobs Created</td>
<td>1,908</td>
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<td>370,882,233</td>
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<td>Expenditures</td>
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<tr>
<td>Value of Jobs Created</td>
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<tr>
<td><strong>TOTAL ECONOMIC IMPACT</strong></td>
<td><strong>$596,000,110</strong></td>
</tr>
</tbody>
</table>


The **Naval Support Activity, Panama City**, is located on 657 acres along St. Andrews Bay. The station is a research and development facility for naval operations in coastal regions such as amphibious missions, swimmer operations, diving and salvage, and mine countermeasures. The Naval Diving and Salvage Training Center is headquartered at Navy Support Activity, Panama City. The base employs approximately 4,000 military and civilian personnel. The economic impact on Bay County is $600 million annually.

The NSWC PCD is a major research, development, test and evaluation laboratories of the Naval Sea Systems Command (NAVSEA). It is one of the largest employers in Bay County, Florida with an annual payroll of about $117 million. NSA PC employs approximately 2800 civilian and military personnel, for an annual payroll of over $150 million. NSA PC contracts
services, buys local goods, and maintains an active construction program. Its economic impact on Bay County is about $600 million annually.

Source: Naval Support Activity, Panama City.

Area industrial parks are as follows:


Bay County Industrial Park, Phase 2 consists of 1511 acres located adjacent to Bay County Industrial Park Phase 1 on U.S. Highway 231, 8 miles north of Panama City and 38 miles south of Interstate 10. The site is under development.

Hugh Nelson Industrial Park consists of 193 acres and is located 4 miles north of Panama City on North Bay off State Road 390. Current tenants are Merrick Industries, Student Loan Marketing Association (SallieMae) and The Natural Light.

Lynn Haven Industrial Park consists of 105 acres and is located one block east of the intersection of State Roads 390 and 389, one mile west of U.S. Highway 231 within the city limits of Lynn Haven. Current tenants are The Trane Company, Shwinco Industries, IPSO-USA, MAP Industries, Southern Tool & Die, and Remedy Staffing.

Housing in Bay County

Housing opportunities in Bay County allow one to choose housing that will complement one's desired lifestyle. The relaxed, informal community offers traditional and modern homes, country estates, apartments, villas and condominiums. Almost all of Bay County's communities contain attractive residential areas offering housing in both new subdivisions and in older, well-established neighborhoods. The median sales price of a home in Bay County for 2019 was $220,000*.

* Source: Florida Association of Realtors

Apartments

One, two and three bedroom furnished and unfurnished townhouses and apartments in multi-unit buildings are available as rentals. Most apartments are conveniently located close to transportation, schools, churches, shopping and recreational facilities. Most rentals include range, refrigerator, garbage collection, laundry storage and parking areas. Most new rentals feature carpeting, drapes, electric kitchens including disposals and dishwashers, recreational facilities and playgrounds for children. Utilities are not usually included in rent.
Education

Education is a dominant factor in the makeup of the community, home of Gulf Coast Community College, the Florida State University-Panama City Campus, Tom P. Haney Vocational-Technical Center, a highly regarded public school system and several private and parochial schools.

Gulf Coast Community College offers degree, university transfer, vocational and continuing education programs to more than 23,000 students. Students may earn one of approximately 76 Associate of Arts or one of more than 24 Associate of Science degrees offered by the college. Six-month to one-year certificate programs are also offered in some 20 areas of study, as well as a broad variety of non-credit offerings through its Office of Lifelong Learning.

The Panama City Campus of Florida State University currently provides 14 undergraduate and 21 graduate degree programs to area residents in a number of fields. Present enrollment is approximately 1,000 students. The local campus of Florida State University also cooperates with Gulf Coast Community College in a 2 + 2 program whereby students study for 2 years at each institution leading to a bachelor's degree.

Troy University, Florida Region at Tyndall Air Force Base currently provides undergraduate degree programs to Bay County area residents in Management and Resources Management. Graduate degree offerings cover three different fields: Counseling and Psychology, Human Resources Management, and Management.

The Resident Center of Embry-Riddle Aeronautical University at Tyndall Air Force Base offers degree programs in the Associate of Science and Bachelor of Science in Professional Aeronautics, a Bachelor of Science in Management of Technical Operations and a Masters of Aeronautical Science with specialization in Aeronautics or Management.

The Tom P. Haney Technical Center offers curriculums in various programs including data processing, welding, aviation, drafting, and computer-aided manufacturing.

Bay County School District public schools serve a population of around 169,307 people within a geographic area of 764 square miles. The school district has a current enrollment in excess of 26,000 students. The school district student population is 78.9% Caucasian, 15.6% African American, 3% American Indian, 1.9% Asian/Pacific Island and 1.7% Hispanic.

Area students attend 42 school centers throughout the County. These schools include 18 elementary schools, 6 middle schools, 5 senior high schools, 3 special purpose schools and 2 adult education facilities, including 1 vocational-technical center facility. One high school, one middle school and one elementary school are located within the City of Panama City Beach. While the age of school facilities varies, the district, through its ongoing building program, constructs and updates plant facilities as the community's growth patterns dictate.

The Bay County School Board employs almost 5,000 people to operate the school district. This includes 1,700 certified teachers.
All Bay County District public schools are fully accredited by the Florida Department of Education and the Southern Association of Colleges and Schools. Annual number of high school graduates in 2010 was 1,428. The annual percent of high school graduates continuing their education is approximately 68%.

Bay Haven Charter Academy began operating in August 2001 with 235 students, 14 teachers for K-4 through fifth grades. By the following year there were 565 students. For the 2019 school year there are 696.

Transportation to and from public schools is provided for all Bay County elementary students who live more than 3/4 miles from their assigned schools, for middle school students who live 1 1/2 miles from their assigned schools, and senior high students who live 2 miles or more from their assigned schools.

Bay County has several private schools affiliated with religious organizations. Registration times and fees vary with each school.

Utilities

At a time when many parts of the country are experiencing power shortages and utility rates are skyrocketing, the Bay County area enjoys an adequate supply of electricity at some of the lowest rates in the country. In addition, an abundant water supply of potable water gives Bay County residents a competitive edge over other areas of Florida.

Electric, gas, telephone and water companies require deposits for first time service in the area. Deposits of varying amounts for water, garbage and sewer are required by the governmental jurisdiction which provides such service.

Medical Facilities

Serving the community for more than 57 years, Bay Medical Center (the "BMC") is a ___-bed regional referral center, serving a seven-county area. The BMC has grown with the health care demands of the community and has developed in size and technology to that of a full-service regional medical center. BMC provides a wide range of medical-surgical services, including inpatient and outpatient surgery, open heart surgery, state-of-the-art intensive care units, gastroenterology, a sleep disorders center, a dedicated pediatric unit, obstetrics and gynecology, radiation/oncology services, and 24 hour emergency services staffed with board certified emergency physicians. The medical center has many support services including the childhood communications disorders clinic, rehabilitation facilities and respiratory therapy, to name a few. There are more than ___ physicians, and a total personnel count of nearly _____.

BMC's Outpatient Center has available the latest in diagnostic services including open and closed magnetic resonance imaging systems, CT scanner, ultrasound, the latest in mammography equipment and full diagnostic X-ray equipment. The outpatient center affords patients the convenience of having their outpatient diagnostic tests completed in one easy location. Bay Medical at the Beach (located within the City of Panama City Beach) and Bay
Medical Gulf County also provide a selection of diagnostic services for patients living outside Panama City.

Gulf Coast Medical Center (the "GCMC") is a ____-bed private enterprise hospital located in Panama City. There are ____ physicians on staff and the total personnel count is approximately 625. Primarily servicing Panama City and the County, but attracting patients from many surrounding areas, GCMC provides acute care including medical, surgical, obstetrics, gynecological, coronary care, intensive care, post-coronary care, acute renal dialysis, a newborn nursery and neo-natal intensive care unit, cancer center and gastric-bypass program. A wide range of ancillary support and outpatient services are provided including: EKG/EEG, laboratory, pathology, operating and recovery rooms, pharmacy, physical therapy, respiratory therapy, general and special radiology, diagnostic nuclear medicine and ultrasound. In addition, GCMC provides a 24-hour emergency room staffed by full-time physicians.

The Tyndall Air Force Base Hospital provides medical care to active military personnel, retirees and family members for all area service branches. The base hospital has 20 beds. Although Tyndall health services assist nearly 34,000 local military residents, the base hospital also provides services to patients from Tallahassee, parts of Alabama and parts of Georgia. The base has use of the Air Force Rescue and Recovery Squadron and a helicopter rescue on call through the Sheriff's department.

HealthSouth Emerald Coast Rehabilitation Hospital is a 65-bed specialty hospital. This post acute, specialty facility focuses on physical rehabilitation and functional independence and is the only free-standing, specialty acute hospital in the area.

HealthSouth provides inpatient and outpatient services to persons with strokes, hip fractures, major trauma, spinal cord and brain injury, as well as for neurological or musculo-skeletal injuries or illnesses. Pain management, arthritis, and hydrotherapy programs are also available.

Bay Medical Center provides ambulance service and emergency medical services for all of Bay County. In addition to emergency room response, the Medical Center ambulance service provides critical care and non-emergency transport. There are 65 trained EMS professionals staffing the main unit at BMC, branch locations in Panama City Beach and Lynn Haven, and a quick response unit in northern Bay County.

Recreation

In 20____, the City's Parks and Recreation Department served _____ full-time residents and over _____ visitors through a variety of recreational opportunities, regional competitions and national tournaments. Panama City Beach is a growing coastal community that has become a tourist destination for sports and special events complimented by the City's greatest recreational asset – the "World's Most Beautiful Beaches". Hundreds of acres of land have been dedicated for passive outdoor recreation, conservation, and environmental education. Aaron Bessant Park and the Russell-Fields Fishing Pier are adjacent to the beautiful beaches of the Gulf of Mexico. This park provides an outdoor amphitheatre, stage for local cultural events, and a
historical Veteran's Memorial on site. Saltwater fishing pier, freshwater fishing lakes, and greenways and trails are open year round.

Frank Brown Park Recreational Sports Complex boasts a total of ten baseball, softball, t-ball fields, three soccer fields, three multi-purpose football fields, four tennis courts, two outdoor basketball courts, two shuffle-board courts, one gymnasium, one community center, one large group pavilion, one playground and 20-acre festival site.

In 2006, the Panama City Beach Aquatic Center was built at Frank Brown Park to include a 50-meter competitive pool to host swimming events, two 1-meter diving boards, a Kid's Activity Pool with water slide, concessions and picnic area. A Miracle League Field was also added to the park to serve those individuals in the community who have disabilities but would like to play baseball without barriers. Scott's Field and Maggi Still Parks offer neighborhood playgrounds, picnic shelters, and outdoor basketball court. The City also provides recreational, social and cultural activities for senior citizens at the Lyndell Center.

Transportation

Intercity bus transportation is provided by Southern Greyhound. Small package express service is available through Federal Express and UPS, both of which maintain terminals in Panama City.

Commercial airline service at the Northwest Florida Beaches International Airport is provided by Delta - Atlantic Southeast Airlines, which provides jet service to Atlanta, and Southwest Airlines, which provides jet service to Nashville, Orlando, Baltimore and Houston. The new airport facility, the first built in the United States in over 20 years, was completed in 2010.

The Atlanta and St. Andrews Bay Railway Company (locally known as "The Bay Line") provides rail freight service to and from Bay County, with tracks to and from industrial and port facilities.

Port Panama City has 2500 linear feet of deep water berth space and 600 linear feet of barge berthing space and construction is under way on 650 feet of additional deep water berthing space. Controlling depth of the port is 36 feet. The Port is located directly on the Gulf Intra-Coastal Waterway and average time from the sea buoy to berth is less than one hour. All deep-water berths have marginal rail tracks adjacent. Port Panama City has heavy lift capabilities including a 75-ton gantry crane and the Port has 400,000 square feet of warehouse space and three acres of open storage. Port Panama City was awarded Foreign Trade Zone status and is listed as Zone #65.

Culture

As the community grows, so do the cultural opportunities. Bay County is abundantly blessed with natural beauty from the glittering Gulf waters and white beaches, to the oak tree-
lined shore of St. Andrews Bay. In this setting, the arts and humanities have flourished and enriched the lives of area residents.

Bay County is fortunate to have had a strong beginning with groups such as the Panama City Music Association, Art Association, Friends of the Library and Historical Society providing quality cultural events for many years. Building on the successes of the past, these groups have been joined by many others in recent years. To list just a few: Ballet Theatre of Northwest Florida, Kaleidoscope Theatre, Bay Arts Alliance, Visual Arts Center, Gulf Coast Community College Symphony Orchestra, Northwest Florida Chapter of the Florida Anthropological Society, Junior Museum of Bay County, Bay County Audubon Society, Panhandle Writer's Guild, Spring Festival of the arts and several art galleries. The Museum of Man in the Sea, the only deepwater diving museum in the United States, is located in Bay County.

Taxes

Florida has no personal state income tax or inheritance tax. There is a state corporate tax of 5.5 percent on net income (with an exemption on the first $5,000 of corporate profit), a retail sales tax of 6 percent. The Cities of Panama City and Panama City Beach each have a 1% gross receipts business tax. (In 2012, the Florida Legislature considered a proposal to abolish such taxes, but it failed to reach a vote in either house). Ad valorem (real estate) taxes combine city, county and school districts levies, plus special districts. Florida's Homestead Exemption Act exempts home owner's taxes on the first $50,000 of assessed value. Property in the City and County is assessed at approximately 100% of true market value. Bay County ranks among the lowest in millage rates in the state.
APPENDIX B

BASIC FINANCIAL STATEMENTS OF THE CITY OF PANAMA CITY BEACH
FLORIDA FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2018

AND

UNAUDITED FINANCIAL STATEMENTS FOR THE PANAMA CITY BEACH
COMMUNITY REDEVELOPMENT AGENCY FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019
APPENDIX C

THE BOND RESOLUTION
APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL
APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE
EXHIBIT D

FORM OF PAYING AGENT AND REGISTRAR AGREEMENT
REGISTRAR AND PAYING AGENT AGREEMENT

THIS REGISTRAR AND PAYING AGENT AGREEMENT, made and entered into as of this __ day of ____________ 2020 between City of Panama City Beach, Florida (the "Issuer") and Regions Bank (the "Bank"), having a designated corporate trust office in Jacksonville, Florida;

WHEREAS, the Issuer, pursuant to the Resolution (as hereinafter defined), has designated the Bank as Paying Agent and Registrar for its $__________ Capital Improvement Revenue Bonds (Front Beach Road Project), Series 2020 (the "Series 2020 Bonds"); and

WHEREAS, the Issuer and the Bank desire to set forth the Bank’s duties as Paying Agent and Registrar;

NOW, THEREFORE, it is agreed by the parties hereto as follows:

(1) Duties. The Bank agrees to serve as Paying Agent and Registrar for the Series 2020 Bonds and to perform the duties of Paying Agent and Registrar as specified in or contemplated by the Resolution No. 06-60, adopted on August 16, 2006, as amended and supplemented from time to time, and as particularly supplemented by Resolution No. 20-52, adopted on January 23, 2020, as further supplemented by Resolution No. 20-____ adopted on March ___, 2020 (collectively, the "Resolution"). In connection therewith, the Bank hereby acknowledges receipt of the following documents:

(a) Resolution;
(b) Specimen of the Series 2020 Bonds;
(c) Bond Counsel Opinion; and
(d) Official Statement.

(2) Deposit of Funds. The Issuer shall deposit or cause to be deposited with the Bank sufficient funds from the funds pledged for the payment of the Series 2020 Bonds under the Resolution to pay when due and payable the principal of and interest on the Series 2020 Bonds.

(3) Use of Funds; Cancelled Series 2020 Bonds. The Bank shall use the funds received from the Issuer pursuant to paragraph (2) of this Agreement to pay the principal of and interest on the Series 2020 Bonds in accordance with the Resolution. The Bank shall destroy cancelled Series 2020 Bonds and transmit to the Issuer a certificate of destruction therefor.
(4) **Statements.** The Bank shall prepare and shall send to the Issuer upon request written statements of account relating to all transactions effected by the Bank pursuant to this Agreement.

(5) **Obligation to Act.** The Bank shall be obligated to act only in accordance with the Resolution and any written instructions received in accordance therewith; provided, however, that the Bank is hereby authorized to comply with any orders, judgments, or decrees of any court and shall not be liable as a result of its compliance with the same.

(6) **Reliance by Bank.** The Bank may rely absolutely upon the genuineness and authorization of the signature and purported signature of any party upon any instruction, notice, release, request, affidavit, or other document delivered to it purportedly pursuant to the Resolution.

(7) **Indemnity.** To the extent permitted by law, the Issuer hereby agrees to indemnify the Bank and hold it harmless from any and all claims, liabilities, losses, action or suits., which it may incur or with which it may be threatened by reason of its acting as Paying Agent or Registrar under the Resolution, unless caused by its willful misconduct or negligence; and in connection therewith, to indemnify the Bank against any and all expenses, including reasonable attorneys' fees and the costs of defending an action, suit, or proceeding, or resisting any claim whether or not such claim is actually filed. The Issuer's obligations hereunder shall survive any termination of this Agreement.

(8) **Counsel; Limited Liability.** The Bank may consult with counsel of its own choice and shall have sole and complete authorization and protection for any action taken or suffered by it under the Resolution in good faith. The Bank shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct or negligence.

(9) **Compensation.** No fees or expenses shall be paid to the Bank for its services as Paying Agent and Registrar for the Series 2020 Bonds.

(10) **Furnishing Information; Authorization.** The Bank shall at all times, when requested to do so by the Issuer, furnish full and complete information pertaining to its functions as the Paying Agent and Registrar with regard to the Series 2020 Bonds, as is customary and shall without further authorization, execute all necessary and proper deposit slips, checks, certificates and other documents with reference thereto.

(11) **Cancellation; Termination.** Either of the parties hereto, at its option, and in accordance with any such provisions of the Resolution, may cancel this Agreement after giving 30 days written notice to the other party of its intention to cancel, and this Agreement may be cancelled at any time by mutual consent of the parties hereto. This Agreement shall terminate without further action upon final payment of the Series 2020 Bonds and the interest appertaining
thereto; provided, however, the Bank's resignation shall not become effective until such time as the Issuer has appointed a successor Paying Agent and Registrar. The Issuer agrees to appoint a successor Paying Agent and Registrar within 10 days of notice of such resignation. In the event the Issuer does not appoint the Paying Agent and Registrar within 10 days, the Paying Agent and Registrar may petition a court of competent jurisdiction to require the appointment of the successor Paying Agent and Registrar. If any Series 2020 Bond shall not be presented for payment within the period of three years following the date when such Series 2020 Bond becomes due, whether by maturity or otherwise, the Bank as Paying Agent shall return to the Issuer the funds theretofore held by it for payment of such Series 2020 Bond and such Series 2020 Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer.

(12) **Successor Paying Agents.** Notwithstanding any of the other provisions herein contained, any successor Paying Agent appointed by the Issuer shall have combined, capital, surplus and undivided profits of at least $50 million. No resignation or removal of any Paying Agent shall become effective until a successor has been appointed and has accepted the duties of Paying Agent under the Resolution; provided, however, if the Issuer desires to perform the duties of Paying Agent and Registrar under the Resolution, then no successor Paying Agent is necessary.

(13) **Surrender of Funds, Registration Records; Notification of Bondholders.** In the event of a cancellation of this Agreement, the Issuer shall deliver releases to the Bank (in a form acceptable to the Bank) upon demand and the Bank shall thereafter upon demand pay over the funds on deposit with the Bank as Paying Agent and Registrar in connection with the Series 2020 Bonds and surrender all registration books and related records, and the Issuer may appoint and name a successor to act as Paying Agent and Registrar for the Series 2020 Bonds. The Issuer shall, in such event, at its expense, notify all holders of the Series 2020 Bonds of the appointment and name of the successor, by providing notice in the manner required for the redemption of the Series 2020 Bonds.

(14) **Nonassignability.** This Agreement shall not be assigned by either party without the written consent of the other party.

(15) **Modification.** No modification of this Agreement shall be valid unless made by a written agreement, executed and approved by the parties hereto.

(16) **Severability.** Should any action or part of any section of this Agreement be declared void, invalid, or unenforceable by any court of law for any reason, such determination shall not render void, invalid, or unenforceable any other section or other part of any section of this Agreement.

(17) **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida.
(18) **Merger or Consolidation of the Bank.** Any corporation into which the Bank, or its Corporate Trust Department, may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Bank shall be a party, shall be the successor Paying Agent and Registrar under this Agreement, without the execution or filing of any paper or any further act on the part of the parties hereto, unless otherwise set forth in the Resolution.

[Signature Page Follows]

**IN WITNESS WHEREOF,** the parties hereto have caused this Agreement to be executed by their duly authorized officers and their official seals to be hereunto affixed as of the date first above written.

(CITY OF PANAMA CITY BEACH, FLORIDA)

By: __________________________

Mayor

ATTEST:

By: __________________________

City Clerk

[Signature Page | Registrar and Paying Agent Agreement]
EXHIBIT E
COSTS OF ISSUANCE

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<th>Amount</th>
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REGULAR ITEM

13
CITY OF PANAMA CITY BEACH
AGENDA ITEM SUMMARY

1. DEPARTMENT MAKING REQUEST/NAME: LEGAL

2. MEETING DATE:
   MARCH 12, 2020

3. REQUESTED MOTION/ACTION:

4. AGENDA
   Presentation
   Public Hearing
   Consent
   Regular

5. IS THIS ITEM BUDGETED (IF APPLICABLE)?
   BUDGET AMENDMENT OR N/A
   DETAILED BUDGET AMENDMENT ATTACHED
   Yes ☐ No ☐ N/A ☑

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)
   In 2005 the City entered an interlocal agreement with Bay County to cap the tax increment revenue that the County would be obligated to transfer to the CRA Trust Fund (the "increased millage increment"), unless such revenue is required to pay debt service on bonds issued by the City or agency. As such, Bond Counsel has prepared the attached joint resolution of the City and agency to confirm the City and agency's intention to honor that interlocal agreement with regard to the increased millage increment.

   Staff recommends approval.
RESOLUTION NO. 20-79

A JOINT RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA AND THE PANAMA CITY BEACH COMMUNITY REDEVELOPMENT AGENCY PROVIDING FOR CERTAIN COVENANTS AND AGREEMENTS FOR THE BENEFIT OF THE HOLDERS OF THE NOT TO EXCEED $40,000,000 CITY OF PANAMA CITY BEACH, FLORIDA CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2020 (FRONT BEACH ROAD PROJECT); AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Panama City Beach Community Redevelopment Agency (the “Agency”) has requested that the City of Panama City Beach, Florida (the “Issuer”) issue its not to exceed $40,000,000 Capital Improvement Revenue Bonds, Series 2020 (Front Beach Road Project) (the “Series 2020 Bonds”) to finance certain capital improvement projects in the Front Beach Road Community Redevelopment Area in furtherance of the Front Beach Road Community Redevelopment Plan; and

WHEREAS, the Issuer desires to issue the Series 2020 Bonds payable from Tax Increment Revenues received from the Agency;

WHEREAS, the Issuer, the Agency and Bay County, Florida (the “County”) have previously entered into the Interlocal Agreement dated July 5, 2005 (the “County Interlocal Agreement”), which provides for the transfer of the Tax Increment Revenues from the County to the Agency and contemplates the return to the County of certain tax increment revenue generated by increased ad valorem millage (the “Increased Millage Increment”);

WHEREAS, the Issuer and the Agency have previously entered into the Interlocal Agreement dated June 20, 2002 (the “Agency Interlocal Agreement”), which provides for the transfer of certain amounts of the Tax Increment Revenues from the Agency to the Issuer; and

WHEREAS, the Issuer and the Agency desire to provide certain covenants for the benefit of the holders of the Series 2020 Bonds.
NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PANAMA CITY BEACH, FLORIDA AND THE BOARD OF THE PANAMA CITY BEACH COMMUNITY REDEVELOPMENT AGENCY:

SECTION 1. COVENANTS. In consideration of reliance upon these presents, the Issuer hereby covenants so long as the Series 2020 Bonds shall remain Outstanding:

(A) The Issuer will take all actions required or useful pursuant to the County Interlocal Agreement to require the County to transfer to the Tax Increment Trust Fund all tax increment revenue due, including without limitation any Increased Millage Increment as that term is defined in the County Interlocal Agreement, and refrain from any action which would permit such Increased Millage Increment to be credited or returned to the County prior to the payment in full of the Debt Service Requirement on the Series 2020 Bonds for the current or ensuing Bond Year, as appropriate, together with any amounts required to be deposited in the Reserve Fund and the Supplemental Reserve Fund pursuant to the Master Resolution (as defined below); plus reimbursement to the Issuer of any moneys advanced for payments to the Debt Service Fund.

(B) The Issuer hereby explicitly recognizes the Bondholders as being a third-party beneficiaries under the (i) County Interlocal Agreement for the purpose of requiring the County to fund the Tax Increment Revenues as thereby agreed and (ii) the Agency Interlocal Agreement for the purpose of requiring the Agency to fund the Tax Increment Revenues thereunder.

SECTION 2. COVENANTS. In consideration of reliance upon these presents, the Agency hereby covenants so long as any of the Series 2020 Bonds shall remain Outstanding:

(A) The Agency will take all actions required or useful pursuant to the County Interlocal Agreement to require the County to transfer to the Tax Increment Trust Fund all tax increment revenue due, including without limitation any Increased Millage Increment as that term is defined in the County Interlocal Agreement, and refrain from any action which would permit such Increased Millage Increment to be credited or returned to the County prior to the payment in full of the Debt Service Requirement on the Series 2020 Bonds for the current or ensuing Bond Year, as appropriate, together with any amounts required to be deposited in the Reserve Fund and the Supplemental Reserve Fund pursuant to the Master Resolution, plus reimbursement to the Issuer of any moneys advanced for payments to the Debt Service Fund.

(B) The Agency hereby explicitly recognizes the Bondholders as being a third-party beneficiary under (i) the County Interlocal Agreement for the purpose of requiring the County to fund the Tax Increment Revenues as thereby agreed and (ii) the Agency Interlocal Agreement.
for the purpose of requiring the Agency to fund the Tax Increment Revenues thereunder.

SECTION 3. REPEAL OF INCONSISTENT RESOLUTIONS. All resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 4. DEFINITIONS. All capitalized undefined terms used therein shall have the meaning ascribed to them in Resolution No. 06-60 adopted by the Issuer on August 16, 2006 (the "Master Resolution").

SECTION 5. HEADINGS NOT A PART HEREOF. The headings preceding the several sections hereof shall be solely for convenience of reference and shall not constitute a part of this Resolution or affect its meaning, construction or effect.

SECTION 6. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.
PASSED, APPROVED AND ADOPTED this _____ day of March, 2020.

CITY OF PANAMA CITY BEACH, FLORIDA

By: __________________________
   Mayor

ATTEST:
By: __________________________
   City Manager

PANAMA CITY BEACH COMMUNITY REDEVELOPMENT AGENCY

By: __________________________
   Chairman

ATTEST:
By: __________________________
   Agency Clerk

By: __________________________
   Executive Director
REGULAR ITEM

14
CITY OF PANAMA CITY BEACH
AGENDA ITEM SUMMARY

1. **DEPARTMENT MAKING REQUEST/NAME:** Administration / Lori Philput

2. **MEETING DATE:** March 12, 2020

3. **REQUESTED MOTION/ACTION:**
Request Council to appropriate funds for an extension to the consulting services agreement with Segal relating to retirement plan designs.

4. **AGENDA**

<table>
<thead>
<tr>
<th>Presentation</th>
<th>Public Hearing</th>
<th>Consent</th>
<th>Regular</th>
</tr>
</thead>
</table>

5. **IS THIS ITEM BUDGETED (IF APPLICABLE)?**

| Detailed Budget Amendment Attached | Yes | No | N/A |

6. **BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)**

At the request of the City Manager, Segal has provided an agreement to extend its prior consulting services agreement with regard to retirement planning to perform the following tasks:

- Estimate "replacement ratios" for current General, Police and Fire Pension Plan Benefits. Replacement ratios compare projected retirement benefits to final salary at retirement including a projection of social security benefits to determine if reasonable retirement ratios are being achieved compared to average benchmarks.

- Review hybrid design options for the General Employees Pension Plan. Such changes, if any, would be applicable to employees hired after October 1, 2021 (FY 2022). Items to be considered include 5-year vesting, reduction in the benefit multiplier, and increasing the normal retirement age. Additionally, Segal will investigate an employer match to 457 employee contributions in coordination with the proposed changes to the traditional defined benefit plan. The analysis will include the calculation of replacement ratios and funding costs under various alternatives.
RESOLUTION 20-76

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, APPROVING A BUDGET AMENDMENT TO APPROPRIATE FUNDS FROM RESERVES FOR PURCHASE OF RETIREMENT CONSULTING SERVICES IN THE AMOUNT OF $9,500.

WHEREAS, the City Manager has requested an extension of Retirement Consulting Services with Segal Consulting to examine changes to retirement benefits for general employees; and

WHEREAS, Segal Consulting will provide the services in the amount of Nine Thousand, Five Hundred Dollars ($9,500.00); and

WHEREAS, a budget amendment is necessary to appropriate funds from reserves for the services.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Panama City Beach that:

1. The following budget amendment (#18) is adopted for the fiscal year beginning October 1, 2019 and ending September 30, 2020, to appropriate funds from reserves for the purchase of Retirement Consulting Services, in substantially the form attached as Exhibit A.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in regular session this ___ day of __________, 2020.

CITY OF PANAMA CITY BEACH

By: ____________________________
   Mike Thomas, Mayor

ATTEST:

______________________________
Mary Jan Bossert, City Clerk
CITY OF PANAMA CITY BEACH
BUDGET TRANSFER FORM BF-10

<table>
<thead>
<tr>
<th>FUND</th>
<th>GENERAL</th>
<th>ACCOUNT DESCRIPTION</th>
<th>APPROVED BUDGET</th>
<th>BUDGET ADJUSTMENT</th>
<th>NEW BUDGET BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TO</td>
<td>001-1300-513.31-60</td>
<td>Professional Services Other</td>
<td>418,600.00</td>
<td>9,500.00</td>
<td>428,100.00</td>
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<tr>
<td>FROM</td>
<td>001-8100-999.96-00</td>
<td>Reserves Available for Expenditures</td>
<td>4,406,000.00</td>
<td>(9,500.00)</td>
<td>4,396,500.00</td>
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</tbody>
</table>

Check Adjustment Totals: 4,824,600.00 0.00 4,824,600.00

BRIEF JUSTIFICATION FOR BUDGET ADJUSTMENT:
To appropriate funds for an extension to the consulting services agreement with Segal related to the City's retirement plans

ROUTING FOR APPROVAL

____________________ DEPARTMENT HEAD ___________ DATE

____________________ CITY MANAGER ___________ DATE

____________________ FINANCE DIRECTOR ___________ DATE

EXHIBIT A
REGULAR ITEM
15
CITY OF PANAMA CITY BEACH  
AGENDA ITEM SUMMARY

<table>
<thead>
<tr>
<th>1. DEPARTMENT MAKING REQUEST/NAME:</th>
<th>2. MEETING DATE:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities Department - Al Shortt, Utilities Director</td>
<td>March 12, 2020</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. REQUESTED MOTION/ACTION:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Approve a Revenue Certificate under City Resolution 08-67 for a sewer forcemain constructed in the 21320 block of Front Beach Road with private funds.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. AGENDA</th>
<th>5. IS THIS ITEM BUDGETED (IF APPLICABLE)?</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRESENTATION</td>
<td>YES ☐ No ☐ N/A □</td>
</tr>
<tr>
<td>PUBLIC HEARING</td>
<td></td>
</tr>
<tr>
<td>CONSENT</td>
<td></td>
</tr>
<tr>
<td>REGULAR</td>
<td>Yes ☐ No ☐ N/A □</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>An extension of a City sewer forcemain was funded and constructed by Mr. &amp; Mrs. Ball in order to serve their property located at 21320D Front Beach Road. This extension includes approximately 500 linear feet of 2-inch sanitary sewer forcemain, valves and appurtenances developed in accordance with Utilities Department criteria. Under the provisions of Resolution 08-67, Mr. &amp; Mrs. Ball have requested a revenue certificate for reimbursement of sewer impact fees allowed under this Resolution. Staff and the applicants have agreed to a value of the utility improvements of $15,355.00. If approved, Mr. and Mrs. Ball would receive 75% of any sewer impact fees collected by the City for connections that utilize the improvements. Staff recommends council approval of the certificate. This certificate will sunset upon reimbursements reaching the face value or five (5) years time, whichever occurs first.</td>
<td></td>
</tr>
</tbody>
</table>

AGENDA ITEM #_15_
RESOLUTION NO. 20-78

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, ACCEPTING CERTAIN SEWER FACILITIES FROM DARYL W. BALL AND NANCY J. BALL, AND IN CONSIDERATION THEREOF AUTHORIZING EXECUTION AND DELIVERY OF A REVENUE CERTIFICATE IN AN AMOUNT NOT TO EXCEED $15,355.00 PAYABLE SOLELY FROM SEVENTY-FIVE PERCENT OF IMPACT FEES COLLECTED BY THE CITY OF PANAMA CITY BEACH FOR SEWER UTILITY CONNECTIONS MADE TO THOSE SAME, CERTAIN FACILITIES, ALL AS MORE PARTICULARLY DESCRIBED IN THE BODY OF THE RESOLUTION; AND PROVIDING AN IMMEDIATELY EFFECTIVE DATE.

BE IT RESOLVED BY THE PEOPLE OF THE CITY OF PANAMA CITY BEACH, FLORIDA:

That in consideration of the transfer of the following described facilities to the City by Daryl W. Ball and Nancy J. Ball, whose address is 2730 Ferol Lane, Lynn Haven, FL 32444, receipt whereof is hereby acknowledged, to wit,

Sewer improvements consisting of approximately 500 linear feet of 2" diameter force main pipe and assorted appurtenances. The improvements lie entirely in the Front Beach Road Right of Way, from a point of connection at 21222 Front Beach Road. Collectively, the foregoing, together with the miscellaneous items and equipment affixed to and made a permanent art of those improvements, are referred to herein as the "Personalty."

The City does hereby issue and the appropriate officers and staff thereof are authorized to execute and deliver to Daryl W. Ball and Nancy J. Ball, that certain sewer revenue certificate of even date in an amount not to exceed Fifteen Thousand Three Hundred Fifty Five dollars and no cents ($15,355.00) with no interest thereon, payable solely from seventy-five percent (75%) of Impact Fees collected by the City of Panama City Beach under Article III, Chapter 23, Panama City Beach Code of Ordinances, or similar ordinance superseding same, for connections made to those certain sewer facilities described above.

Nothing herein shall be construed as a conveyance or mortgage of the City's facilities or property or any part thereof or any interest therein, nor is the obligation authorized hereby a general obligation or indebtedness of the City or bonds within the Resolution 20-78
meaning of Section 12, Article VII, of the Constitution of Florida, but shall be payable solely from and secured by a lien upon or a pledge of the special funds as herein provided. The lien and pledge securing said Certificate shall be inferior and subordinate to the lien and pledge, if any, of all currently outstanding water and sewer revenue bonds of the City of Panama City Beach, Florida. In addition, the holder of the Certificate authorized hereby shall agree to subordinate, at any time requested by the City, the lien and pledge hereof to any future water or sewer, or both, revenue bond which may be issued by the City, provided that any such future revenue bond shall not prohibit payment of any sum due under the Certificate whenever said bond shall not be in default and every debt reserve fund, renewal or replacement fund, or other fund of any nature required thereby shall be fully funded. The certificate authorized hereby shall be payable solely from seventy-five percent (75%) of collected Impact Fees described herein; in the event insufficient connections are made or the City is unable through reasonable diligence to collect sufficient Impact Fees to satisfy the certificate on or before five (5) years from date, these certificates shall be void and of no further force and effect.

PASSED, APPROVED, AND ADOPTED this _____ day of ______________, 2020.

CITY OF PANAMA CITY BEACH,
FLORIDA

BY: __________________________
    Mike Thomas, Mayor

ATTEST:

Mary Jan Bossert, City Clerk
BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, that Daryl W. Ball and Nancy J. Ball whose address is 2730 Ferol Lane, Lynn Haven, FL 32444, ("Sellers"), for and in consideration of the sum of Ten and no/100's Dollars, lawful money of the United States, to it paid by THE CITY OF PANAMA CITY BEACH, FLORIDA, a municipal corporation, duly organized and validly existing under the laws of the State of Florida ("Buyer"), whose address is 17007 Panama City Beach Parkway, Panama City Beach, Florida 32413, the receipt and sufficiency of which is hereby acknowledged, have granted, bargained, sold, transferred, and delivered, and by these presents does grant, bargain, sell, transfer, and deliver unto the Buyer, the following goods and chattels:

1. Sewer improvements consisting of approximately 500 linear feet of 2" diameter force main pipe and assorted appurtenances. The improvements lie entirely in the Front Beach Road Right of Way, from a point of connection at 21222 Front Beach Road. Collectively, the foregoing, together with the miscellaneous items and equipment affixed to and made a permanent part of those improvements, are referred to herein as the "Personalty."

TO HAVE AND TO HOLD the same unto the Buyer, Buyer's successors and assigns forever.

AND each Seller does, for itself, covenant to and with the Buyer that Sellers collectively are or represent all of the lawful owners of the Personalty; that the said property is free and clear of all liens, encumbrances, and charges whatsoever; that each Seller has good right and lawful authority to sell the Personalty; and that each Seller does warrant and defend the sale of the Personalty to the Buyer, its successors and assigns, against the lawful claims and demands of all persons whomsoever.

AND each Seller represents and warrants to the Buyer that, to its present knowledge the Personalty is free from defects in material and workmanship, and that Seller is not presently aware of any facts or circumstances which would cause a prudent wastewater operator to investigate whether a defect in material or workmanship exists. The warranties stated above are expressly in lieu of all other warranties not expressly stated herein, including the warranties of quality, productiveness, and fitness for a particular purpose. Except as expressly stated herein, Sellers make no implied warranties.

DATED this __________ day of ________________, 2020.

Signed, sealed & delivered in the presence of:

________________________  _______________________
Print Name ___________________________  By: ___________________________

________________________  _______________________
Print Name ___________________________  Its

AGENDA ITEM # 15
STATE OF ______________________
COUNTY OF ______________________

The foregoing instrument was acknowledged before me by means of [ ] physical presence
or [ ] online notarization, this ___ day of ______________, 2020, by
______________________________, as ________________ of ________________, on behalf of the
corporation, who: (notary must check applicable line)
_____ is personally known to me.
_____ produced a current driver's license as identification.
Type of Identification Produced ________________.

Signature of Notary Public – State of FL

Print, Type or Stamp Commissioner Name
Or Notary Public

THIS INSTRUMENT PREPARED BY:
Amy E. Myers
HAND ARENDALL HARRISON SALE LLC
16901 PANAMA CITY BEACH PKWY, SUITE 300
PANAMA CITY BEACH, FLORIDA, 32413
(850) 769-3434

AGENDA ITEM # 15
REGULAR ITEM

16
The City Council has expressed interest in creating a Strategic Plan in 2020 to serve as a "road map" to what the community aspires to be and how to get there.

The Strategic Plan will establish a community vision, core values, priorities, strategies, key intended outcomes and performance measures to monitor and measure the plan progress. The Strategic Plan will create a framework for City Council and staff decision making when developing policies and programs, delivering city services, preparing the City's budget and capital plans, developing annual department work plans and assessing the performance of the City Manager and staff.

Given the April 21, 2020 City Council election, the development of the proposed Strategic Plan will commence in May. To that end I have prepared the attached presentation to highlight the elements and process of creating a Strategic Plan.
PANAMA CITY BEACH STRATEGIC PLANNING
Examine the present,
Envision a desired future,
Choose how to get there,
and Make it happen!
STRATEGIC PLANNING
9 STEP PROCESS

SWOT Analysis

Vision
What the community aspires to be

Mission
What is our purpose? Why do we exist?

Values
The qualities & norms that reflect the essence of the community

Strategic Priorities
What are the key strategies that will achieve the community's vision?

Key Intended Outcomes
What desired results need to be achieved to support strategic priorities and vision.

Performance Measures & Targets
How will we know if we are achieving desired results? Measure & monitor progress.

Alignment
Annual Business Plan, Budget, CIP, Dept Work Plans, Staff Performance Plans

Review / Revise
Annual review. Make midcourse revisions where needed.
Strategic Plan: A Roadmap to a Desired Destiny

A tool to guide decision-making and resource allocation to achieve the community vision, mission and priorities.

Community and Organizational S.W.O.T. Analysis
A review of the strengths, weaknesses, opportunities, and threats of the community and organization.

Vision Statement
An aspirational statement that articulated the desired future state of the community.

Mission Statement
A statement of the City’s purpose and how it will achieve its vision.

Values
The qualities and norms that reflects the essence of being Panama City Beach.

Strategic Priorities
The vital few strategies/goals that will guide City Council and community policy-making and resource allocation to move the community toward fulfilling its mission and vision.

Key Intended Outcomes (KIO’s)
To ensure results are and accountability, KIO’s are built into the Strategic Plan as a guide post and marching orders.
Strategic Plan: A Roadmap to a Desired Destiny

Performance Metrics
Key performance measures per strategy are selected to monitor and measure plan performance and progress.

Alignment
Simply producing a Strategic Plan does not ensure success. That requires integration and alignment of the Strategic plan under the current City policy-making, budget decisions, and day-to-day government operations. The Strategic Plan relies on an Annual Business Plan, operating and capital budget, department operating plans, and staff performance plans to ensure its integration and alignment with the City's day-to-day activities and decision making.

• **Annual Business Plan** - breaks the Strategic plan into shorter, more actionable units.

• **Department Business Plans** - are formed on how the department operations move the dial on the "how" and "what" for achieving key intended outcomes in the Strategic Plan.

• **Staff Performance Plans** - identity who is responsible for achieving department goals, strategic key intended outcomes and performance measures.

• **Budget** - focuses on City Council strategic priorities and lines desired key intended outcomes to the day-to-day management of the city.

• **Plan Review/Revision**
Periodically review and revise the Strategic plan to ensure it is guiding decision making and aligning the organizational resources and activities to achieve the community's desired vision.
Strategic Plan Process

"Listen"
- SWOT
- Citizen, Council, Staff Input

"Learning"
Data Analysis

Formulate/Review Strategy
Vision, Mission, Values, Priorities

Measure & Monitor Performance

Develop Operational Plans

Build Alignment
Budget, Business Plan, CIP, Dept. Plans, Employee Performance Plan
Strategic Plan Policy Making Framework

- **Environmental Impact**
  How will the proposed plan or action demonstrate responsible environmental stewardship?

- **Quality of Life Impact**
  How will the proposed plan or action contribute to keep Panama City Beach unique and vibrant?

- **Social Equality Impact**
  How will the proposed plan or activity foster an inclusive and socio-economic diversity?

- **Economic Impact**
  How will the proposed plan or activity contribute to a diverse and sustainable economy and support the ability to provide public services?