ROLL
MAYOR GAYLE F. OBERST
COUNCILORS:
JOHN REICHARD
RICK RUSSELL
JOSIE STRANGE
KEITH CURRY
CITY MANAGER:
MARIO GISBERT
CITY CLERK:
HOLLY J. WHITE
ASSISTANT CITY ATTORNEY:
AMY MYERS

Mayor Oberst called the meeting to order at 2:00 P.M., with all the Council, the City Manager, City Clerk and Assistant City Attorney present.

Police Chaplain John Woodrow gave the invocation and Mayor Oberst led the pledge of allegiance.

The Mayor asked if there were any additions or deletions to the Agenda. Councilman Curry asked to add “Spring Break and Family Spring Break” to the Agenda. Second was by Councilman Reichard. The Mayor called for comments; there were none. The motion passed by unanimous roll call vote recorded as follows:

Councilman Reichard    Aye
Councilman Russell     Aye
Councilwoman Strange   Aye
Councilman Curry       Aye
Mayor Oberst           Aye

The Minutes of the Regular Meeting of March 12, 2015 were read and approved as written per motion by Councilman Russell. Second was by Councilwoman Strange and the motion passed by unanimous roll call vote recorded as follows:

Councilman Reichard    Aye
Councilman Russell     Aye
Councilwoman Strange   Aye
Councilman Curry       Aye
Mayor Oberst           Aye

CONSENT AGENDA

1 "WELCOME HOME, VIETNAM VETERANS DAY" PROCLAMATION. “A Proclamation designating March 29, 2015 as “Welcome Home, Vietnam Veterans Day” in PCB”, and encouraging all Americans to thank our Vietnam Veterans for their service in defense of global freedom and democracy.

2 REVISION OF THE CITY MASTER AUDIT LIST TO REMOVE OBSOLETE ITEMS. All Departments have been asked to update their audit lists for surplus/obsolete equipment/vehicles/etc. This item is to be removed from the Master Audit List and STAFF RECOMMENDS approval to remove this item. By approval of this matter in the Consent Agenda, the City Council makes a finding of surplus for this item and approves its removal from the Master Audit List. The equipment is planned for a scrap sale due to its condition rather than sold at the next auction.

3 RESOLUTION 15-73, PANAMA CITY BEACH MARATHON ROAD CLOSURES. The Panama City Beach Chamber of Commerce is hosting the Panama City Beach Marathon (formerly the Run For The Redfish Half-Marathon and 5K Race, adding a full Marathon) on Saturday, December 5, 2015. The traffic will be controlled by PCBPD and BCSO for the race.

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“A Resolution of the City of Panama City Beach related to the “Panama City Beach Marathon”; authorizing temporary road closures on portions of Front Beach Road on Saturday, December 5, 2015, for the event.”

4 RESOLUTION 15-74, 2015 GULF COAST TRIATHLON ROAD CLOSURES. The annual Gulf Coast Triathlon has been scheduled for Saturday, May 9, 2015, and the Resolution is entitled “A Resolution of the City of Panama City Beach authorizing temporary road closures on portions of Front Beach Road and SR 79 on Saturday, May 9, 2015 to permit the 2015 Gulf Coast Triathlon.”

5 RESOLUTION 15-76, BIDS- TRAILER MOUNTED JET SEWER CLEANER PURCHASE. Staff allocated funds in the FY 2014-2015 Utilities Budget to purchase a trailer mounted jet sewer cleaner for use by the Underground Utility Division. The existing unit is 10 years old and has reached the end of its useful service life. Bid specifications were prepared and a Request for Bids was publically advertised in the News Herald and on the City website. Three bidders responded and a bid tabulation is attached for review. STAFF RECOMMENDS that the Council authorize the City Manager to purchase the jet sewer cleaner from the low bidder, P&H Supply Company, in the total amount of $66,077.89.

Upon Council approval, a purchase order will be issued and delivery is expected within 24 weeks thereafter. “BE IT RESOLVED that the appropriate officers of the City are authorized but not required to execute and deliver on behalf of the City that certain Agreement between the City and P&H Supply Company, relating to the purchase of a trailer mounted jet sewer cleaner, in the basic amount of Sixty-Six Thousand, Seventy-Seven Dollars and Eighty-Nine Cents ($66,077.89), with such changes, insertions or omissions as may be approved by the City Manager, whose execution of such agreement shall be conclusive evidence of such approval.”

6 RESOLUTION 15-77, BIDS- UTILITY SERVICE VEHICLES PURCHASE. Staff allocated funds in the FY 2014-2015 Water and Wastewater Utilities Budget to purchase eight service vehicles. All of the vehicles are replacements for existing ones that have reached the end of their useful service life. Bid specifications were prepared and a Request for Bids was publically advertised in the News Herald and on the City website. One bidder responded and a bid tabulation is attached for review. STAFF RECOMMENDS that the Council authorize the City Manager to purchase the eight vehicles from Hub City Ford, for the total amount of $217,289.

Costs will also be allocated between the Water and Wastewater Divisions by use as shown on the bid tabulation. This annual fleet purchase is budgeted and total costs are below the budgeted amount. Upon approval, purchase orders will be issued and delivery of all vehicles is expected within 20 weeks thereafter. “BE IT RESOLVED that the appropriate officers of the City are authorized but not required to execute and deliver on behalf of the City that certain Agreement between the City and Hub City Ford, relating to the purchase of eight utility service vehicles, in the total amount of Two Hundred Seventeen Thousand, Two Hundred Eighty-Nine Dollars ($217,289), with such changes, insertions or omissions as may be approved by the City Manager, whose execution of such agreement shall be conclusive evidence of such approval.”

Ms. White presented the Consent Agenda. The Mayor asked for comments from the Council. Hearing none, Councilwoman Strange made the motion to approve the Consent Agenda. Second was by Councilman Russell. The Mayor called for comments; there were none. The motion passed by unanimous roll call vote recorded as follows:

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<td>Councilman Rechard</td>
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<td>Councilman Russell</td>
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<td>Councilwoman Strange</td>
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<td>Councilman Curry</td>
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<td>Mayor Oberst</td>
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REGULAR AGENDA

ITEM NO. 1 PLANNING BOARD MEMBER APPOINTMENT. Mr. Leonard said Mr. Tony Viejo had to leave the Planning Board due to a conflict with meeting dates for the next few months. The Council had directed Staff to advertise for the vacancy and five residents requested consideration for the appointment. Mayor Oberst said the Council members would vote on the paper ballots and the City Clerk would tabulate the votes and announce who had been chosen. Ms. White tabulated the votes and announced that Mr. John Malco received three (3) votes, Ms. Sue Reiss one (1) vote and Ms. Velda Whigham one (1) vote. The Mayor thanked all who had requested to serve on the Planning Board.

Ms. Sue Reiss, resident of 17799 Front Beach Road, thanked the Council for the consideration and said she would continue to offer her services to the City.

Copies of the signed ballots are attached to and become an official part of these Minutes.

ITEM NO. 2 APPROVAL AND ACCEPTANCE OF THE CRA ANNUAL REPORT FOR FY 2014. Mr. John Alaghemand presented the 2014 CRA Annual Report and Financial Statements. He said the Annual report presented an overview of both the Pier Park CRA and the Front Beach Road CRA with their plans, goals, and objectives. He said they continued right-of-way purchases for Front Beach Road, Segment 2 project and the construction design was completed, advertisements published, with the bid opening occurring April 24th. Other projects completed in 2014 were the improvements to SR 79 and the final design for Front Beach Road Segments. Sidewalks on the north side of North Thomas Drive were completed in 2014. Mr. Alaghemand said on September 25, 2014, the Council adopted the 2015 Near-Term Workplan. A significant accomplishment was the demolition and clearing of the blighted Beach Club Motel property. Regarding the Pier Park CRA, significant accomplishments were the opening of Dave & Busters, and the design and permitting for the Osaka restaurant.

Mr. Alaghemand explained the two Financial Statements in detail. He said Staff recommended acceptance and approval of the Annual Report.

Councilman Curry asked if the FDOT permits were ready for the Segment 2 construction. Mr. Alaghemand replied that Staff was working with FDOT and at the last meeting they had indicated they would not stop the City from moving forward. However, discussions were being held concerning transferring Front Beach Road to the City and they were trying to create an Agreement which would transfer that portion of the road at the end of construction. He said connection permits had not yet been issued but FDOT indicated they would work with the City. He said FDOT realized that the City could not take over the maintenance but they were willing to compensate the City for related expenses. Staff was in the process of developing that cost and had retained a financial consultant to determine those costs.

Councilman Curry said he understood that FDOT would like the City to take over the entire Front Beach Road and he was concerned how the City would fund the maintenance of the road. He asked if Staff was looking to assessments to fund the maintenance. Mr. Alaghemand said that would be determined at the end of the analysis and assessments would be one option. Mr. Gisbert clarified this would be specifically for Front Beach Road, not an assessment of the entire community.

Councilman Reichard asked if the City would be obligated to take over that segment of Front Beach Road if the improvement project was started. Mr. Alaghemand said FDOT had not indicated that intent because Segment 1 was improved in the same manner as Segment 2. He said the City was entitled to the same type of permits as Segment 1; however, when the City approached them, FDOT said they were working on a Transfer Agreement for the City’s consideration. He said FDOT could not force the City to take over the maintenance of the roadway. Mr. Alaghemand said the FDOT Secretary had said at their last meeting that they would not stop the City from moving forward with construction. Councilman Reichard asked when the first phase of construction would begin. Mr. Gisbert said that would depend upon the contractor and Mr. Alaghemand as there were tasks which had to be done before a shovel could hit the dirt. Councilman Reichard said he was concerned about the project being halted because of something due from the State. Mr. Gisbert said the conversations with FDOT made it clear that both the City and State agreed that the project should not be delayed while open dialogue would continue about the possibility of a transfer or funds for the transfer. He said FDOT knew clearly that the City did not have the dollars for the means and methods to maintain the road. The Mayor asked if there were any further questions. There were none.

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Councilman Reichard made the motion to approve and accept the CRA Annual Report. Second was by Councilman Russell. The Mayor called for comments; there were none. The motion passed by unanimous roll call vote recorded as follows:

- Councilman Reichard: Aye
- Councilman Russell: Aye
- Councilwoman Strange: Aye
- Councilman Curry: Aye
- Mayor Oberst: Aye

A copy of the CRA Annual report is attached to and becomes an official part of these Minutes.

3 ITEM NO. 3 ORDINANCE 1338, PROHIBITING DUNE WALKOVERS, 2ND READING, PUBLIC HEARING AND ADOPTION. Mayor Oberst opened the Public Hearing at 2:35 P.M. Ms. Myers read Ordinance 1338 by title. Mr. Leonard explained that the Planning Board recommended denial on March 9th because they thought it was indicative of spot zoning and that it would put additional pressure on using the at-grade public beach accesses that would potentially be more harmful to the dune system than the State-approved dune walkovers.

Councilman Reichard asked Mr. Leonard if there was a restriction on the size of an Overlay District. Mr. Leonard said no. Councilman Reichard asked if the City was inviting someone to create an Overlay District for merely one lot. Mr. Leonard said the smaller the District or Zone would be more indicative of spot zoning and the larger the size would further the community purpose. He said there was not a magic size and usually Overlay Districts were larger. Councilman Reichard questioned that if adopted would this Ordinance allow someone to create an Overlay for a smaller area. Mr. Leonard said examples were given at the Planning Board meeting so it was possible.

Councilman Russell said this area was unique and each lot had a beach access on either side. He questioned the Planning Board’s concern about the at-grade beach accesses and the potential increases of people widening the walkways in the dunes.

Councilman Reichard questioned Mr. Leonard about an Overlay District being created for a parcel which would then restrict nearby properties and if it would be allowed. Mr. Leonard said yes, if the Planning Board agreed with the creation and ultimately the City Council thought it was a good idea by serving a public purpose. Councilman Reichard said he thought this instance did not serve a public purpose but rather that some citizens did not like the way the walkovers looked.

Councilman Curry said the Planning Board had unanimously recommended denial.

Mayor Oberst said she had been contacted by a resident on Oleander about two new homes built that both had dune walkovers. The resident questioned that since the new home had walkovers they maybe she should build one at her home. The Mayor said she had been supportive when first discussed and understood the concerns of nearby neighbors but was not sure if this would be opening a can of worms.

Councilwoman Strange said that was a valid point and questioned who else might come to the Council to ask for the same thing. Councilman Reichard said he was concerned about property rights. Mr. Leonard said if the Council adopted this Ordinance, there would be no more private beach walkovers in the Beach Boulevard area. Councilman Reichard said this Ordinance should be for the entire City and he was concerned it might affect future areas.

Mr. Hector Solis, resident of 13220 Front Beach Road, said he understood property owners’ rights. However, in this instance with the view interference due to the massive walkovers especially with a public access next to the property, it made no sense. Councilman Reichard said that area had the most dune walkovers on the beach. Mr. Solis said on Oleander, the new home with two new walkovers was right next to a public access. He was also concerned about potential debris during a hurricane. He said he thought this was a good Ordinance and recommended adoption.

Councilman Curry said he understood Mr. Solis’ comments about the debris but there were also the old City beach accesses which were in bad shape. At least the new walkovers were FDEP-approved. Councilwoman Strange agreed that the new walkovers did take away the view but the property owners had rights. Councilman Russell said this was a unique neighborhood where everyone had a beach access and he opposed private dune walkovers. Councilman Reichard said property views depended upon the location of the homes.

Ms. Felicia Cook, resident of 104 Sunset Circle, said she supported property owners’ rights and reminded that the State had approved the dune walkovers. She recommended less government and more personal freedom.
Mayor Oberst said this Ordinance would prohibit any further private dune walkovers on Beach Boulevard and create a new Overlay District. She asked Mr. Leonard if the Ordinance could “skip around” to the other areas discussed. Ms. Myers said that would need another Ordinance and begin again. The Mayor said it could be revisited and include the other three areas mentioned. Mr. Leonard said it would go back to the Planning Board and would also need input from those other areas and whether it met the criteria. Councilman Russell said he thought the only fair thing would be to include the other three areas. Councilwoman Strange said she thought this was spot zoning and feedback from the other neighborhoods was the best thing.

Councilman Curry made the motion to deny Ordinance 1338. Second was by Councilman Reichard. The Mayor called for comments; there were none. The motion passed by majority roll call vote recorded as follows:

Councilman Reichard: Aye
Councilman Russell: Nay
Councilwoman Strange: Aye
Councilman Curry: Aye
Mayor Oberst: Aye

Mayor Oberst said it was the consensus of the Council to direct Staff to look at this proposed Ordinance again to include all like neighborhoods. The Public Hearing was closed at 2:54 P.M.

4 ITEM NO. 4 RESOLUTION 15-75, WATER SUPPLY FACILITIES WORK PLAN UPDATE. Ms. Myers read Resolution 15-75 by title. Mr. Leonard said the Planning Board considered this matter and recommended approval at their March 9th meeting. He detailed how this Resolution would make changes to the Water Supply Plan after the Water Management District made their changes March 2014. He said this update changed the population projections and indicated that Bay County was working on an alternative pumping source at the north end of Deerpoint Dam in case there was a saltwater intrusion at the dam. He said the next item would be the Council considering a change to the Comprehensive Plan which included the population update and that Mr. Shortt would update the rate study in 2016. The Mayor called for questions.

Councilwoman Strange asked if any of the wells on the island were still operational. Mr. Shortt replied that ten of the thirteen wells were pulled and abandoned, with the remaining three casings without pumps. The original plan had been for those three wells to supplement the reclaimed water system but they instead were capped. In response to Councilman Curry’s question if something catastrophic happened and the three wells needed to be placed back into service, Mr. Shortt said it would take a year to get new pumps and a power supply to activate them. The Mayor said the island was totally dependent on Bay County for water. Councilwoman Strange made the motion to approve Resolution 15-75. Second was by Councilman Curry. The Mayor called for comments; there were none. The motion passed by unanimous roll call vote recorded as follows:

Councilman Reichard: Aye
Councilman Russell: Aye
Councilwoman Strange: Aye
Councilman Curry: Aye
Mayor Oberst: Aye

5 ITEM NO. 5 ORDINANCE 1341, COMPREHENSIVE PLAN UPDATE TO THE UTILITIES ELEMENT TO INCORPORATE THE UPDATED WATER SUPPLY PLAN, 1ST READING, PUBLIC HEARING. Mayor Oberst opened the Public Hearing at 2:58 P.M. Ms. Myers read Ordinance 1341 by title. Mr. Leonard said the Planning Board recommended approval. This was an extension of the Water Supply Plan and approving the changes to the Comp Plan which included the updated population and that a rate study would be conducted in 2016. The Mayor called for questions; there were none. Councilman Curry made the motion to approve Ordinance 1341. Second was by Councilman Russell. The Mayor called for comments; there were none. The motion passed by unanimous roll call vote recorded as follows:

Councilman Reichard: Aye
Councilman Russell: Aye
Councilwoman Strange: Aye
Councilman Curry: Aye
Mayor Oberst: Aye

The Public Hearing was closed at 2:59 P.M.
6 ITEM NO. 6 RESOLUTION 15-78, CALYPSO BEACH OUTFALL IMPROVEMENTS. Ms. Myers read Resolution 15-78 by title. Ms. Kelly Jenkins said there were ten (10) continuous outfalls in City limits and this location was in the worst condition. She said Staff proposed to extend the outfall approximately 80' which would limit the erosion and remove the bubble-up structure. She said there would also be water quality improvements upstream near Front Beach Road, adding exfiltration pipes which would take some of the flow off this pipe as well as remove floatables off the street.

Ms. Jenkins said this would be paid by funds already in the Stormwater Utility Budget. Councilman Reichard asked where the reduced flow would be directed. Ms. Jenkins showed its path on the map, noting the new and existing pipes. The Mayor said the City was addressing the outfalls and reminded that it was a long permitting process. Councilman Reichard asked if the residents were aware of the City’s proposed plans. Ms. Jenkins said Calypso Towers Homeowners Association had supported the City in this effort and Staff had met with them. The Mayor called for comments from the audience.

Mr. Rolfe Hant, 255 South Glades Trail, asked about the water quality from the outfall as children played in the water. Ms. Jenkins replied that the Bay County Health Department tests the waters and administers advisories if needed. She said upstream were natural wetlands which had natural pollutants such as bird droppings. Councilman Reichard made the motion to approve Resolution 15-78. Second was by Councilwoman Strange. The Mayor called for comments; there were none. The motion passed by unanimous roll call vote recorded as follows:

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<td>Councilman Reichard</td>
<td>Aye</td>
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<td>Councilman Russell</td>
<td>Aye</td>
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<td>Councilwoman Strange</td>
<td>Aye</td>
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<tr>
<td>Councilman Curry</td>
<td>Aye</td>
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<td>Mayor Oberst</td>
<td>Aye</td>
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7 ITEM NO. 7 RESOLUTION 15-81, LOOP ROAD CONVEYANCE. Ms. Myers said a Resolution had been prepared last August for this matter but it had not been published in the Packet. With no objections, she read Resolution 15-81 by title. Mr. Gisbert said this would only be the first segment of the new road and part of a larger project. If the Council approved this Agreement, it would release the St. Joe Company to do the engineering to look at the true alignment of the road and instigate the survey for the traffic studies and how the new road would connect with the existing North Pier Park Road.

Councilwoman Strange questioned doing this Loop Road before addressing another exit for Colony Club. Mr. Gisbert said he was working directly with FDOT to address the Colony Club issue, which was to modify the existing median and entryway. Councilman Reichard said this was two projects which one day might connect. Mr. Gisbert said he was also working a third project at the median on the Parkway as opposed to an alternate off the side of Colony Club. Councilwoman Strange asked how much money the City was putting into this Loop Road. Mr. Gisbert said at this time, nothing. At some future date, the City would look at this and determine if the road would be built at the projected price of $2.6 Million Dollars. Approximately $1.6 Million Dollars would be for the road with the balance for the connections to water and sewer and sidewalks to Gayle’s Trails. Councilwoman Strange asked if this money was already set aside. Mr. Gisbert said there were Proportionate Share funds, Impacts Fees and savings from the Pier Park Refunding.

Councilman Reichard asked if the Impact Fees from North Pier Park would be available for this project if needed. Mr. Gisbert said the Proportionate Share funds must be spent within the area of North Pier Park. In response to Councilwoman Strange’s question, Colony Club was not within that area and thus would not be eligible for the use of those funds.

Councilman Reichard said this would be a classic example of the opportunity for the public/private partnership. He said to partner with St. Joe since they owned most of the land would be a natural event and they would be giving the City sufficient land to 4-lane that Loop Road eventually to alleviate some of the pressure off the Parkway. Mr. Gisbert said when the land was donated, that was a major component and reminded that the City had recently spent $2.5 Million Dollars to purchase land for the CRA Front Beach Road Segment 2 project. Councilman Reichard asked if the State would favor this project with the City’s involvement. Mr. Gisbert replied that when Staff met with FDOT, they said they saw a major benefit because adding a sixth lane to the Parkway would give more capacity. However, that additional capacity would be affected by all of the driveways currently entering onto the lane. By the City starting this project,
Mr. Gisbert said it would be a catalyst for FDOT to move this road into a cost-feasible category which meant the State would begin allocating funds for the roadway and would make the Back Back Beach Road a reality that much quicker. Councilman Reichard said moving on this project would not penalize the other projects which would address the Colony Club situation. Mr. Gisbert said in fact, it would accelerate addressing it.

Councilwoman Strange asked about the people on the Trail and if a four-way stop was planned. Mr. Gisbert said the design would determine those details. He said he could only speculate that it would be a pedestrian crossing, similar to how Gayle’s Trails crossed SR 79.

Councilman Curry said Staff had been directed to bring back an Interlocal Agreement but this was a proposed Land Conveyance. Ms. Myers replied that an Interlocal Agreement was between government agencies and the appropriate document for this transaction would be a land conveyance. Mr. Gisbert said the Back Back Beach Road was planned as a 30-year road, and this would be the first leg of the Loop Road. The map published in the News Herald was displayed. Councilman Curry said the City would be spending $2.6 Million Dollars for a mile road and he asked for specific numbers to support FDOT’s claim that this would be a major benefit to the Parkway. Mr. Gisbert said the traffic study would come from the engineering. Councilman Curry said he wanted the City to be cautious in moving forward and not make a commitment without having numbers. He continued that it seemed this road would benefit the largest landowner, not the residents of the City. Councilman Curry reported the accidents at Hills Road, which were an issue, as well as Colony Club. Mr. Gisbert said FDOT had designed the traffic light for Hills Road and it should be under construction by the end of the year. He continued that this Loop Road would be an alternate road which had a benefit greater than the actual road itself because it would pull traffic from the Parkway. He added that many neighborhoods such as Open Sands, Palmetto Trace, Colony Club and Summerwood would all benefit from this road. Councilman Curry said the City would have to maintain this road once built so this would be the burden of the taxpayers.

Mr. Mike Thomas, resident of 148 Heather Drive, said this Loop Road would help everybody in this area and the start of the road was important. He urged the City to get started as soon as possible and acknowledged it would cost money the same as any road. He said the traffic would not get better if the road was not built. Mr. Thomas said everyone knew this road was coming years ago. St. Joe owned the land and the City would have to deal with them, whether the land was given or purchased. He urged the Council to get started.

Ms. Debbie Sasser, resident of 132 Colina Circle, explained the areas of congestion on the Parkway. She said the “porkchop” would do nothing as people drove over it and then traffic backed traffic down Colina Circle. She said the road should start at Colony Club and work eastward. She said this road would benefit no one except St. Joe.

Mr. Arthur Cullen, resident of 161 Rusty Gans Drive, said years ago when the Parkway was being developed, the question had been how it could avoid being like 23rd Street with all of the traffic lights. Now the Parkway has become the island’s 23rd Street. He said many residents wanted the Back Back Beach Road to be built. He agreed with Commissioner Thomas in that the project had to start somewhere and this road was the future of travel for the island.

Mr. Gisbert reported the statistics for accidents at Summerwood, Colony Club, Lantana, Clara, and Hills Road for 2012-2014. Only one accident was reported specific to the entrance to Colony Club.

Ms. Felicia Cook, resident of 104 Sunset Circle, said there had been accidents at the entrance of Colony Club that were not reported because she personally had three accidents and had not reported them. Mr. Gisbert said the intent of the “porkchop” was to prevent people from stacking in the median which was where a majority of the fender benders occurred. Ms. Cook said she appreciated St. Joe giving the land and encouraged the City to take the land that was being given.

Mr. Neel Bennett said the City has one chance to do the Back Back Beach Road because 25 years ago, it had been discussed and the residents dreamed of the opportunity to create another road that would alleviate the “Destin traffic”. He agreed that St. Joe would benefit as they were the landowner but the project would not happen without them. He said when they designed SeaHaven, they also did traffic studies to study their proposed project around Hills Road and eight years ago, Hills Road was bad. He said this was a once in a lifetime opportunity to deal with the traffic issue. Councilman Reichard made the motion to approve Resolution 15-81. Second was by Councilman Russell. The Mayor called for comments. Councilman Curry said this was not committing any funds and Ms. Myers agreed. The motion passed by unanimous roll call vote recorded as follows:
Councilman Reichard  
Councilman Russell  
Councilwoman Strange  
Councilman Curry  
Mayor Oberst  

8 ITEM NO. 8 LAND DEVELOPMENT CODE DISCUSSION. Councilman Russell said he would like the Council to direct Staff to review the grandfathering regulations in the LDC. He suggested shortening the time from a property sitting dormant from 180 days to 90 days. The Mayor said many times when new businesses appeared which did not match the LDC, it was stated that they did not have to conform because they were grandfathered. She said she thought this was negating the work of the LDC. Councilman Russell asked for Staff to bring back ideas. Councilwoman Strange asked if he meant specific areas such as only the Tourist Corridor or the entire City. Councilman Russell said he would like it for the entire City. There were no objections.

9 ITEM NO. 9 CITY MANAGER UPDATE. Mr. Gisbert said he had none.

10 ITEM NO. 10 SPRING BREAK AND FAMILY SPRING BREAK. The Mayor reminded the audience and those in the hallway about the Three Minute Speaking Rule in order to give everyone the opportunity to speak. She said forms were on the table for those who wished to address the Council and once completed, should be given to the City Clerk.

Mr. Philip Boyce, resident of 10625 Front Beach Road, reported sirens all hours of the night and horns blaring. He commented about the drugs, drinks, and debauchery as opposed to trying to upscale this place. Councilman Reichard asked Mr. Boyce if he had short term rentals in his building and he said yes. Councilman Reichard said that would be a beginning to stop the Spring Breakers from being in his building. Mr. Boyce said he had done so and told his rental agency that there would be no one in his rooms except Snowbirds for March and half of April. He confirmed it was not a policy of the Homeowners Association.

Mr. David Holt, Bikini Beach Resort, said part of Mr. Boyce’s problem was owners renting their condos out like hotel rooms. The Homeowner Associations created their own problems which would need to be corrected. He said the condos were renting the rooms more cheaply than a motel and had no security. He reported the beach crowds were better than last year, more controlled. He said he thought the City was on the right track and the new Ordinances helped.

Mr. William Miller, resident of 16807 East El Centro Blvd, said banning alcohol on the beach would send the signal that this was a family-friendly community. He also urged banning glass bottles on the beach and more tickets being issued.

Mr. Jim Muscaro, resident of 88 Windridge Lane, said he thought these discussions should be held after Spring Break to see what worked and what did not work.

Mr. Ricky Lee Jones, resident of 17757 Front Beach Road, said he was a realtor with his #1 challenge convincing people that PCB was a great place to vacation and own. He explained difficulties with his renters and urged banning alcohol on the beach during March. He also mentioned Daytona and Fort Lauderdale banning the alcohol with social media spreading the message.

Councilman Reichard said he lived in a condo on Front Beach Road and was President of a condo HOA, and he would request that if there was a problem with the condo management and who was staying in the condos, it was a problem for the Homeowners Association to solve.

Mr. Lee J. Kenner, resident of 230 South Glades Trail, thanked Mr. Gisbert, Chief Whitman, Public Works and the Police Department for their work. He also thanked the Council for their thoughts in creating a plan which would work.

Mr. Darrell Sellers, resident of 10713 Front Beach Road, said it was frustrating to hear about shootings and stabbings. He said this happened during Spring Break and commended Councilwoman Strange for speaking out. He said Law Enforcement was doing a great job but the problem was that they were outnumbered and outgunned. He suggested cameras on the street to help Law Enforcement. He said he monitored social media and many of the college kids did not want to come back.

Mr. Bob Smith, resident of 224 Belaire, said he was tired of the news diminishing the City and County. He said a few bad apples made it bad for everyone. He said the property values were improving and questioned how the City would replace the revenue by doing away with Spring Break.
Mr. Hector Solis, resident of 13220 Front Beach Road, reported the vulgar lyrics from a concert at Sharkey’s going at 3 P.M. while families were on the sandy beach. He mentioned the scooters, the lawlessness, and drunkenness. He read the 10 day crime statistics.

Mr. Louis Carroll, resident of 262 S. Glades, said he appreciated the 2 A.M. closing and the scooter vests. He urged the Council to look at Fort Lauderdale that stopped the alcohol and had specific occupancies, such as checking to see who rented the rooms. He said they were able to turn the College Spring Break into families. He urged the City to try to ban the alcohol.

Ms. Velda Whigham, resident of 230 Pinsettia Drive, said her business was near the pop-up club, Fahrenheit, which was difficult to deal with and she thanked the Police for their assistance. She said the drinking on the beach can be controlled.

Mr. Rolfe Hunt, resident of 255 South Glades Trail, said he did not think the Ordinances adopted last year were effective. He said they were not bold enough. He said the bad publicity was attracting the wrong people and pushing away for good people.

Ms. Clair Pease, resident of 116 Terra Verde, said she managed numerous condos along Front Beach Road and said she was upset that all the good changes were not reported, such as the City Manager going to other cities to see how they handled their problems, the business leaders paying for the new drug dogs, the work of the new dogs and the resulting arrests, and the resorts and condo owners assisting by doubling security on their properties. Ms. Pease said she had been fortunate to be invited to see how the Hiltons handled Spring Break at their properties and learned from the best. From those lessons, they instituted the bracelets, copies of everyone’s id’s in the building, and other measures to control and secure their own buildings.

Ms. Julie Hilton said their experience was very different from that selectively filmed for the Hannity show. She said they only allowed their guests to be on their properties and had strict security during Spring Break. Their rules were more strict than the City’s, one being that they did not allow funnels. She encouraged the Council to think about controlling behavior rather than eliminating events.

Ms. Mary Kassiris, resident of 120 Seacclusion Drive, reported stolen vehicles in the Seaclosure subdivision and crime drastically increasing compared to last year. She said Fort Lauderdale and Daytona turned their Spring Break into a positive thing. She said the businesses enabled the kids to drink by having the stores stacked with beer and the early closing just brought the drinking out of the clubs into the neighborhoods and streets.

Mr. Neel Bennett said everyone knew the problem and it had been an ongoing issue. He said a majority of the college kids were good kids and it was the element that followed the kids that was the problem. He said the Hannity report was selective media which did not show the positive things done by the college kids, such as the young men walking from Troy. He said he would deal with the foul language in the music heard from Sharkeys.

Ms. Jan Pittman, resident of 314 Beachside Drive, said she was concerned because she did not think the changes worked. She had owned a club in Daytona Beach during their Spring Break and when their Spring Break was stopped, she was able to attract new clientele. She urged the City to get rid of the scary thugs.

Mr. Arthur Cullen thanked Law Enforcement and commended the Council for the changes made last year. He said he thought they were great changes which resulted in more enforcement. However, he felt more time was needed in order to see what worked or not. He questioned what would replace the revenue made during Spring Break if it was eliminated and reminded that the City did not have an Ad Valorem Tax.

Mr. Sparky Sparkman said the City had a plan after working tirelessly last year and there was some success from working that plan. He reported that Bay County had growth in lodging revenue which would not have been possible if the beach was not family-friendly. He reminded that bad things happened during summer also.

Councilman Curry said we had a problem controlling Spring Break as it had gotten out of control. He said some police officers and paramedics had reported that this was the worst Spring Break. He said the business community could fix this problem as they had the resources and were the ones who benefitted from Spring Break. He said he was asking the business community to help by digging deep in their pockets for extra EMS and extra law enforcement.

Chief Whitman thanked his men and women on the street. He said Spring Break was getting better but his job was made that much harder with the people who hated Spring Break. He said he had hoped to bring statistics at the end of Spring Break but was able to say that people could drive down Front Beach Road this year as opposed to last year in gridlock. For Wal-Mart, last year he had to close the store where this year, there was nothing to broadcast as he had fixed the problem. He said the Council would hear complaints about the 2 A.M. closing not working, but it was because he received information from his officers and the Sheriff’s officers; the people who were upset were those people who were losing money. He continued that it would put a rush of people out at 2 A.M. but it was the same last year at 3:30 A.M. or 4 A.M. He said this year at 2

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March 26, 2015

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A.M., he had almost 100 officers on the street so it was safer for his people. Regarding shooting reports on Front Beach Road, that was a golf cart which was removed from the street. He explained the details about miscellaneous other shootings and stabbings, some of which were not Spring Break-related. He said on the weekends, he had close to 100 officers on the road. Crime statistics were up because his officers were proactive. Misdemeanors were up but forceable felonies were down which was what he expected. Chief Whitman said the Hannity show reported about the smell of marijuana up and down the beach, but her focus had been on a small piece on the beach, not the full 27 miles of the beach, and unfairly painted the whole beach in that manner. Regarding safety of his officers, it was not safe for any police officer in the US at this time.

Councilman Curry asked the Chief if it would help having twenty more officers. Chief Whitman said he would take more but twenty more officers would not fix the problem. That was the reason he was bringing in FHP, Bay County, and Washington County. He expected a large crowd this upcoming weekend because of advanced advertising. Councilman Curry mentioned the business community helping pay for that extra law enforcement in order to police the large crowds. Chief Whitman said that would be up to the Council but as for the business community, Ms. Clair Pease had done an outstanding job with her properties. Ms. Pease took over the management of Laketown Wharf that had been horrible last year. This year, there was no loitering in the parking lot and her security was on the sidewalks preventing people from coming onto the property. She was also cleaning up the Shores using the example of the Hiltons. Unfortunately, some businesses in Long Beach did not even have a security guard. He said the Bennetts were doing a great job on their properties, controlling the crowds. Regarding the Luke Bryan concerts, in two days there were 43,000 kids on site but only seven arrests. Most businesses were helping but there were a few who did not care and merely took the money. Regarding grandfathering, he said there was one business that was an extreme problem because it would hold 199 people but had only 20 parking places. In order to control that situation, he would have to assign 10 officers on site in order to clear the area with wreckers; he said they were invading the nearby neighborhoods and the City Park. Chief Whitman said he had asked for new Ordinances last year and that it would take a few years to correct the problems.

Councilman Reichard addressed the eviction problem in condominiums and said law enforcement could not evict someone unless the condo owner gave permission. He said he would ask all of the condo association managers and Homeowners Associations to assist law enforcement to evict people when needed. Mr. Sellers said he did assist with evictions. Chief Whitman said many of the CAM groups created a form for the condo owner to sign which gave permission for an eviction if needed. Ms. Pease said she evicted them.

Mayor Oberst said she and Councilman Russell rode with the Chief recently, and two years ago, they would not have been able to drive down Front Beach Road. It was a parking lot. She said now the kids were on the sidewalks instead of walking in the roadways.

Chief Whitman said there had been two deaths, tragic for the families but the Hannity report had made them out to be drug and alcohol-related but they were not. The Mayor said she had received a call from a man in Panama City concerned about the number of ambulances on the beach allowing for no coverage in town if needed. She had told him that our Fire Department were First Responders and the ambulances followed but that the rest of the County was not left lacking. Councilman Reichard said the City’s Fire/Rescue went on every medical call and were usually there before the ambulance.

Chief Whitman also addressed the 100 mile club, not Spring Breakers, but rather grown men preying on the kids. These people had no place to stay which was the reason law enforcement was removing them from the parking lots. He said sixty cars were towed from the Wal-Mart parking lot last Friday and another twenty from Club Fahrenheit. Most of these adults have never been to college. Regarding the K9’s, they were doing an outstanding job by assisting at traffic stops and drugs and guns being removed from the streets. For social media, the information was out that law enforcement was not playing. The Chief said things could get worse, but the changes were working and the numbers were great because of the reasons for the increases and decreases. The audience responded with applause for the Chief in appreciation for his men and women.

ANNOUNCEMENTS

ITEM 1  FLAGS HALF-STAFF. Mayor Oberst reminded that flags would be half-staff tomorrow in honor of Sgt. Kevin Kight, killed ten years ago. She said Pastor Woodrow was also having a service at the Gulfview United Methodist Church at 3 P.M. tomorrow for the family.

ITEM 2  EASTER EGG HUNT. The Mayor announced that Parks & Recreation was hosting an Easter Egg Hunt Saturday, April 4th, at 10AM at Frank Brown Park

Regular Meeting
March 26, 2015

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With nothing further, the meeting was adjourned at 5:05 P.M.

READ AND APPROVED this 9th of April, 2015.

IN THE EVENT OF A CONFLICT BETWEEN THE FOREGOING MINUTES AND A VERBATIM TRANSCRIPT OF THESE MINUTES, THE FOREGOING MINUTES SHALL CONTROL.

[Signature]
Mayor

ATTEST:
[Signature]
Deputy City Clerk
BALLOT
Council selection for Planning Board member, replacing Tony Viejo. Term will run through this September, 2016.

Brandon Caldwell
Hugh Greco
John Malko
Susan Reiss
Velda Whigham

Choice:

Signature 3/26/15

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Susan Reiss
Velda Whigham

Choice:

Signature 3/26/15

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Choice:

Signature 3/26/15
Panama City Beach Community Redevelopment Agency

Front Beach Road CRA & Pier Park CRA Annual Reports & Financial Statements

Fiscal Year 2014 Annual Report
Community Redevelopment Agency
City of Panama City Beach
110 South Arnold Road
Panama City Beach, Florida

March 31, 2015
Table of Contents

I. Community Redevelopment Agency FY 2014 Annual Reports
   - Front Beach Road CRA Annual Report
   - Pier Park CRA Annual Report

II. Community Redevelopment Agency FY 2014 Financial Statements
   - Front Beach Road CRA Annual Financial Statement
   - Pier Park CRA Annual Financial Statement

Chapter 163 of the Florida Statutes requires each CRA to provide an annual report by March 31 of each year to the Governing Body (City Council). This report and attached financial statement is submitted in fulfillment of that requirement and to provide information to the public.
The Panama City Beach Community Redevelopment Agency

Fiscal Year 2014 Annual Report
Front Beach Road & Pier Park Community Redevelopment Areas

Mayor
Gayle F. Oberst

Council Members
John Reichard
Rick Russell
Josie Strange
Keith Curry

City Manager
Mario Gisbert

City Clerk
Holly White
Front Beach Road Community Redevelopment Area

On November 30, 2000, the City Council of Panama City Beach, Florida created the Panama City Beach Community Redevelopment Agency and declared the City Council as the governing body of the Agency. Subsequently, on June 21, 2001, the Council adopted a resolution and created the Front Beach Road Community Redevelopment Area (CRA).

The Front Beach Road CRA is generally bounded by the city limits of Panama City Beach on the east and west, the Gulf of Mexico on the south, and on the north along the northerly right-of-way of Panama City Beach Pkwy from the western city limits to Richard Jackson Blvd including the right-of-way of Panama City Beach Pkwy easterly to the city limits, and also southerly along the eastern right-of-way of Richard Jackson Blvd to the northern boundary of Hutchison Blvd and easterly to and along the northern right-of-way of Thomas Drive to the eastern most city limits. This described area is shown below and includes all streets/right-of-ways.

The Front Beach Road CRA Redevelopment Plan

The Front Beach Road CRA Redevelopment Plan provides a framework for redevelopment of infrastructures within the CRA. The Plan was adopted by the City Council in August 2001.
The Community Redevelopment Plan recommends enhancement of approximately 19.8 miles of existing roadways within the Front Beach Road CRA. Cost elements include various streets widening to three, four or five lanes, enhancing roadway lighting, paving, striping, turn lanes, landscaped medians, roadside landscaping, new signage, hardscape, sidewalks, stormwater drainage systems and ponds and undergrounding of all utilities. Streets within the Redevelopment Area currently identified for improvements include: Front Beach Road, North Thomas Drive, South Thomas Drive, Churchwell Drive, Richard Jackson Blvd, Alf Coleman Road, Clara Avenue, Nautilus Street, Hill Road, Powell Adams Road, South Arnold Road, Cobb Road, Hutchison Blvd, and Panama City Beach Parkway.

The Front Beach Road CRA Redevelopment Plan contains three long-term primary objectives:

1. Pedestrian Parking and Transportation Improvements. This objective includes an enhanced and interconnected network of right-of-way and other infrastructure projects that focuses on improving pedestrian movement, overall parking needs along Front Beach Road, ingress/egress and evacuation routes along Front Beach Road and its major connectors, upgrading stormwater management along Front Beach Road, and undergrounding of utilities within the Redevelopment Area;

2. Enhance Beach Access and Related Parking. This objective includes the enhancement of existing beach access points and the creation of new access points where warranted, and the provision of parking areas to support these access points throughout the corridor;

3. Plan Funding and Financing. This objective includes the creation and maintenance of efficient, practical, equitable funding and financing to properly implement the Plan and its projects, utilizing tax increment revenues, non-ad valorem assessment revenue, bonds, other public instruments, grants, public/privet partnerships and other sources of funding.
The City staff has developed short term and long term goals to accomplish the primary objectives, namely:

(1) Provide for safe and convenient multimodal mobility along the beachfront roadways;

(2) Provide stormwater, streetscape and landscape improvements and undergrounding of aerial utilities;

(3) Provide for improved parking, particularly for beach access.

(4) Provide for dedicated transit and bicycle lanes anchored by gateway multimodal centers providing convenient, fun, safe and timely mobility for both pedestrians and bicyclists;

(5) Secure Program funding to supplement tax increment revenues;

(6) Manage right of way acquisition effort needed for roadway and storm drainage improvements;

(7) Manage Program planning, design and construction effort and projects.

(8) Lead effort to qualify for Federal and other funding to supplement tax increment revenues;

(9) Lead effort to develop Front Beach Road maintenance agreement with the Florida Department of Transportation;

(10) Develop a work plan for CRA improvements.

CRA Near Term Work Plan

On September 25, 2014, the City Council approved the CRA Near Term Work Plan and authorized the following activities through fiscal year 2015:

(1) Complete right-of-way acquisition and final design of the Front Beach Road Segment 2 Redevelopment Project and begin construction in fiscal year 2015;

(2) Manage construction of sidewalk along the north side of Alf Coleman Road from Hutchison Blvd to Panama City Beach Parkway;

(3) Continue coordination with the Florida Department of Transportation to develop a transfer agreement for the improved segments of Front Beach Road;

(4) Manage the CRA landscape maintenance contract;

(5) Resubmit a Transportation Regional Incentive Program (TRIP) grant application for the design phase of Front Beach Road Segment 4 Improvement (Lullwater–Lake Drive to Hills Road);
(6) Continue support of clearing and cleanup of blighted properties within CRA;

(7) Continue right-of-way acquisition effort needed for roadway and stormwater improvements;

(8) Continue efforts to find grant funding for landscape and roadway lighting along Panama City Beach Parkway;

(9) Continue identification of beach parking opportunities to compliment beach access points to include public-private parking partnerships;

(10) Continue exploring alternate roadway and transit funding through government grants, loan programs, non-ad valorem assessment revenue and public/private partnerships, and

(11) Continue effort to evaluate local economic trends and available tax increment revenues to develop financing options and plans, including leveraging tax increment funds to procure additional bond financing.

**Fiscal Year 2014 Accomplishments**

The Community Redevelopment Agency accomplishments in fiscal year 2014 consisted of the following:

1. **Front Beach Road Segment 2 Redevelopment Project**

The Front Beach Road Segment 2 Redevelopment Project begins approximately 500 feet west of Richard Jackson Blvd and ends at the South Thomas Drive intersection, approximately 1.1 miles long. In fiscal year 2014, the CRA issued a task order to the Consultant to update/complete the final design phase of the project. The project design was substantially completed in 2010 and required to be updated to the latest design standards. In 2014, the CRA purchased approximately 1.44 acres of land for a stormwater pond and several right of way strips on Front Beach Road and Richard Jackson Blvd. In 2008, the CRA purchased approximately 1.50 acres of land for a stormwater pond for the eastern part of the project. Both stormwater ponds will be used to treat and attenuate stormwater runoff and will function as public parks with extensive landscaping, pathways, lighting and seating. The project includes dedicated transit and bicycle lanes on both sides of Front Beach Rd, two through lanes, turn lanes, landscaped medians, stormwater drainage system, sidewalks, street lights, underground utilities, streetscape and landscape on both sides of the road. The construction phase of the project will begin in fiscal year 2015;
2. North Thomas Drive Sidewalk Project
   Designed and constructed a sidewalk on the north side of N. Thomas Drive from S. Thomas Drive to Joan Avenue;

3. SR 79 (Arnold Road) Redevelopment Project
   The Project Development & Environment (PD&E) Reevaluation of the SR 79 Redevelopment Project, SR 30A (Front Beach Road) to SR 30 (Panama City Beach Parkway), was initiated in fiscal year 2009 and completed in 2010. The final design phase of the project was initiated in fiscal year 2010 and was completed in 2014. The Project includes four travel lanes with turn lanes/landscaped medians, stormwater retention pond, sidewalks, underground utilities, streetscape, landscape and roadway lighting;
4. The Front Beach Road Segment 3 Reconstruction Project

The final design phase of Front Beach Road Segment 3 Redevelopment Project was initiated in fiscal year 2010 and was completed in 2014. The project begins at SR 79 and ends at Lullwater Drive and includes construction of an urban roadway with dedicated transit lanes, sidewalks, bicycle lanes, underground utilities, street lights, streetscapes, landscape, and stormwater system/retention ponds. The Front Beach Road Segment 3 and SR 79 Reconstruction Projects were designed at the same time to maintain continuity of the roadway, landscaping, stormwater and utilities for these intersecting projects;

5. Coordinated approval of the CRA Work Plan through the Bay County Transportation Planning Organization (TPO) and integrated the Plan into the Long Range Transportation Plan, State Transportation Improvement Program (TIP) and Bay County TPO Transportation Improvement Program as a necessary step to qualify CRA projects for the state and federal funding;
6. A Transportation Regional Incentive Program (TRIP) grant application in the amount of $1.70 million for the final design phase of the Front Beach Road Segment 4.1 Redevelopment Project (Lullwater Drive to Hill Road, approximately 1.5 miles) was submitted to the Florida Department of Transportation;

7. A 2014 TIGER 6 grants application in the amount of $17 million for the construction phase of the Front Beach Road Segment 2 Redevelopment Project was submitted to the US Department of Transportation;

8. Continued management of the landscape maintenance contract for the improved CRA projects;

9. Continued code enforcement activities for clearing and cleanup of blighted properties along Front Beach Road. The following cleanup activities were conducted by the Code Enforcement during fiscal year 2014:

- Initiated contract documents for demolition and cleanup of the Beach Club Motel properties located at 10637, 10703 Front Beach Road;

- Destiny Worship Center: stormwater drainage violations at 13300 PCB Pkwy;

- Panama City, LLC: clean-up and grass cutting at 17851 Front Beach Road

- Pledger Property: stormwater drainage violations at 9401 Thomas Drive;

- Surfside Villas: clean-up of graffiti and trash at 17561 Front Beach Rd;

- Cabana Cay Sale Office: clean-up of landscape and trash at 17188 Front Beach Rd;

- Alvin’s Island Stores: removal of nonconforming old signs;

- Subcore (Fernwood Property): clean-up of graffiti and requested the owner to install a fence at 612 Gardenia Street;

- Lawrence Family, LLC: undergrowth clean-up and trash removal at 601 Gardenia Street;
• Eagle FL (old Fiesta Silo): overgrowth and clean-up of trash 13626 Front Beach Road;

• Lakeshore Capital, LLC: lot clean-up at 10637 Front Beach Road;

• Somal Inc.: trash Clean-up at the vacant lot located at the Clara Avenue/Panama City Beach Parkway intersection;

• Dean’s Weaver Property: overgrowth clean-up at 219 S. Arnold Road;

The Community Redevelopment Agency’s Past Accomplishments:

Since the inception of the program, intense planning and public involvement have resulted in a comprehensive plan for a series of innovative infrastructure projects that are transforming the community’s roadways into a safe and efficient multi-modal system. The system includes roadway lanes dedicated specifically for transit vehicles connecting regional multi-modal centers as well as local public parking lots resulting in efficient mobility during even the most congested season. The multi-modal centers and transit system serve regional parking needs for commerce and beach access and, in conjunction with a revised transit-oriented land development code, create vitally needed opportunities for urban redevelopment throughout the community. All roadway infrastructure projects provide for sidewalks, bicycle lanes, landscape; streetscape and fiber optic communications to complement the transit system operations and relocate all aerial utilities underground for storm protection and beautification.

Activities previously authorized by the City Council and subsequently completed to advance the first, third and to a more limited degree the second, primary objectives include:
1. **The Powell Adams Road Redevelopment Project:** On February 23, 2012 the Council entered into a public-private partnership agreement with Wal-Mart Stores East, LP ("Walmart") for the Powell Adams Road Segment 1 Redevelopment Project from Panama City Beach Parkway (US 98) to L C Hilton Jr. Drive. Walmart proposed to front the entire cost of improvements and be reimbursed by the City the fees and costs incurred for the design, engineering, construction and installation of improvements, less the cost of the Wal-Mart specific offsite improvements and less the proportionate fair-share contribution for the Walmart Development. The Council also authorized staff to begin the process for the right-of-way and pond site acquisition for the Project. The Final Design for the Powell Adams Road Segment 1 Redevelopment Project was completed on December 21, 2011. The Project was released for bid and awarded by Walmart in March 2012. The construction phase of the Powell Adams Road Redevelopment Project began in April 2012 and was completed in 2013.

To maintain design continuity between segment 1 improvements and the remaining segment of the Powell Adams Road Redevelopment Project from L C Hilton Jr. Drive to Front Beach Road, on November 10, 2011, the City Council approved a Professional Services Agreement for the final design phase of the Powell Adams Road Redevelopment Project. The final design for the Powell Adams Road Segment 2 Redevelopment Project was completed on April 17, 2012;
2. The South Thomas Drive Redevelopment Project construction began in fiscal year 2009 and was completed in fiscal year 2013. The Project included reconstruction of South Thomas Drive between Front Beach Road and North Thomas Drive and provides a dedicated transit and bicycle lane on the north side of the roadway, a dedicated bicycle lane on the south side of the roadway, two travel lanes, turn lanes, landscaped medians, stormwater pond, sidewalks, underground utilities, roadway lighting, streetscape and landscape on both sides of the road. The stormwater retention pond functions as a public walking park with extensive landscaping, pathways, lighting and seating.
3. The Front Beach Road Segment 1 Redevelopment Project construction began at the same time as the South Thomas Drive Reconstruction Project in 2009 and was completed in fiscal year 2013. The Front Beach Segment 1 Reconstruction Project included reconstruction of Front Beach Road (SR 30A) between South Thomas Drive and Hutchison Boulevard and provides a dedicated transit and bicycle lane on the south side of the roadway, dedicated bicycle lane on the north side of the roadway, an additional eastbound vehicle lane, improved westbound merge lane at the Middle Beach Road and North Thomas Drive intersection and provides a stormwater retention pond. Sidewalks, underground utilities, streetscape, landscape and roadway lighting. The stormwater retention pond functions as a public walking park with extensive landscaping, pathways, lighting and seating;

4. The CRA Intelligent Transportation (ITS) Projects construction were completed in 2013. The projects included running fiber optic cables along Front Beach Road from Hutchison Blvd to S. Thomas Drive, along S. Thomas Drive from Front Beach Road to N. Thomas Drive and along N. Thomas Drive from S. Thomas Drive to Joan Avenue. The projects also include installation of the ITS equipment (i.e. control boxes, poles, communication equipment, and CCTV);

5. Churchwell Drive Redevelopment Project construction of Churchwell Drive and public parking lot were completed in 2007. The City integrated and coordinated CRA funding with Federal Bridge Replacement funding through Local Agency Program (LAP) Agreement with the Florida Department of Transportation (FDOT) and replaced the Churchwell Drive Bridge. The project provides sidewalks, bike lanes, underground utilities, landscape, roadway lighting and stormwater ponds for stormwater runoff treatment and attenuation;
6. **Richard Jackson Blvd Redevelopment Project** construction was completed in 2007. Richard Jackson Blvd was formerly named Beckrich Road. The project provides sidewalks, bike lanes, underground utilities, landscape, roadway lighting and stormwater ponds for stormwater runoff treatment and attenuation;
7. The Front Beach Road Project Development & Environment (PD&E) Study from the Middle Beach Road/North Thomas intersection to SR 79 which was initiated in fiscal year 2009 was completed in 2012. This Study was initiated to maintain eligibility for federal funding of Front Beach Road and transit improvements;

8. Alf Coleman Road Preliminary Design and Right-of-way Acquisition
Completed 60% design of the Alf Coleman Road Redevelopment Project and acquired properties for north stormwater pond at Surfside Storage, south stormwater pond at Grand Panama and roadway right of way strips on north end of Alf Coleman Road.

9. Preliminary Design of Clara Avenue
Completed the preliminary design of Clara Avenue to identify anticipated right-of-way needs on this connector;

10. 90% Design of North Thomas Drive
Completed 90% design of the North Thomas Drive Redevelopment Project from Front Beach Road to Joan Avenue;

11. Preliminary Design of Hill Road
Completed the preliminary design of Hill Road to identify anticipated right-of-way needs and developed associated legal descriptions on this connector;

12. TIF Bond Financing
Secured $54.8 million bond financing;

13. SR 79 TRIP Financing
Developed application and secured $500,000 TRIP funding for SR 79 reevaluation and design phases of the SR 79 Reconstruction Project;
14. **Transit Development Study**  
Completed development of an operational model for multimodal improvements on Front Beach Road (the "Transit Operation Plan");

15. **Purchase of Land for Eastern Multimodal Facility**  
The City Council acquired a 3.8 acre parcel on North Thomas Drive for a future public parking/multimodal facility;

16. **Front Beach Road 30% Roadway and 60% Drainage Plans**  
Completed development of preliminary roadway and drainage plans and a Corridor Study for Front Beach Road ("Front Beach Road Preliminary Design");

17. **Design Guidelines Manual**  
Completed development of a manual which establishes the CRA design standards and guidelines;

18. **Parking Meters**  
Purchased parking meters for the CRA parking lots;

19. **Federal and State Transportation Plans**  
Coordinated approval of the CRA Work Program through the Bay County TPO and integrated the Plan into the Bay County LRTP, State TIP and Bay County TPO TIP as a necessary step to qualify CRA projects for State and Federal funding.
**Pier Park Community Redevelopment Area**

In 2001, the City entered into an agreement with the Panama City Beach Community Redevelopment Agency, the Pier Park Community Development District (the “CDD”) and the St. Joe Company (“St. Joe”), titled the “Public Improvement Partnership Agreement” (the “PIPA”). This Agreement provides for the construction of improvements in the Pier Park Redevelopment Area and the transfer of properties between the parties to facilitate the development of this area.

Pier Park is serving as the premier shopping destination for Panama City Beach and the entire Emerald Coast market. Pier Park is an approximately 1.1 million square foot open-air regional lifestyle center, bringing unique shopping, tourist attractions and dining to the Panama City Beach area. Located on Front Beach Road in the heart of Panama City Beach, Pier Park is ideally located to serve the area’s growing residential community, and over 7 million tourists that visit each year. Pier Park has approximately 900,000 square feet retail, dining and entertainment complex and is located on 93 acres of land between Front Beach Road (at the City Pier) and US 98 (Panama City Parkway).
The CDD was authorized to issue debt to provide funds for public improvements constructed in the Pier Park Redevelopment Area. The City has pledged tax increment revenue collected within Pier Park to the CDD to be applied to the payment of interest and principal on the debt obligations.

**Fiscal Year 2014 Activities**

The fiscal year 2014 major accomplishments within the Pier Park CRA included completion of a Dave & Buster's (40,000 square feet) and completion of design and permitting phases of Osaka Restaurant (10,000 square feet).

The CDD also continued its maintenance activities for the entire infrastructure within the Pier Park CRA, including but not limited to the roads, street lights, stormwater systems, stormwater retention ponds, the landscape areas throughout Pier Park, Aaron Bessant Park, and the City Pier restroom facilities and concession deck.
The Pier Park Community Development District's Past Accomplishments:

The following exhibits/tables which are included in the CDD's annual report summarize the past accomplishments and activities of the Pier Park CRA:

EXHIBIT A

a. Describe changes in the plan of development or phasing for the reporting year and for the subsequent years.

Table A-1 is provided for information only. No changes in the plan of development or phasing, buildout, or expiration dates were requested during the reporting years.

The developer filed a letter with the City of Panama City Beach on November 1, 2011, notifying the City that, based upon statutory changes by the Legislature, the developer intended to extend the approved buildout date and expiration date of the DRI development order as amended by the City on December 8, 2005. Table A-1 indicates the buildout extension date and expiration date, as originally approved, amended, and extended.

See Exhibits A-1 and A-2, letters regarding extensions of the DRI buildout date and expiration date.

| Table A-1 |
| DRI Development Order Buildout Dates and Expiration Dates |
| Amendments Authorized |
| Original and Amendments | Date Authorized | Buildout Date | Expiration Date |
| Amended by City Council Resolution 05-57 | December 8, 2005 | December 31, 2009 | December 31, 2010 |
| Buildout date and expiration date extended consistent with HB 72C3 | Notification by Developer December 18, 2009 | December 31, 2012 | December 31, 2013 |
| See Exhibit A-1 | Acknowledgement of Extension of Buildout and Expiration Date by City February 4, 2010 |
| Buildout date and expiration date extended consistent with the enactment of Chapter 2011-139, Laws of Florida | Notification by Developer November 1, 2011 | December 31, 2016 | December 31, 2017 |
| See Exhibit A-2 | Acknowledgement of Extension of Buildout and Expiration Date by City November 17, 2011 | Termination Date December 31, 2017 |
EXHIBIT C

DEVELOPMENT ACTIVITY

Table C-1 is a summary of approved development activity during the reporting period. Development that occurred during the reporting period is the Marshalls store, and the reconstruction of the performance stage and additional restrooms at Aaron Bessant Park. Future development will consist of buildout of remaining out-parcels, and the 23 acre Northwest Commercial pod on US 98 west of Pier Park Drive (Pier Park West).

<table>
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<th>Measure (GFA)</th>
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<td>1,073,000</td>
<td>802,694 $^1,2$</td>
<td>Sq. ft.</td>
</tr>
<tr>
<td>Attractions (Seats)</td>
<td>None</td>
<td>None</td>
<td>Seats</td>
<td>3,700</td>
<td>3,539</td>
<td>Seats</td>
</tr>
<tr>
<td>Hotel/Motel</td>
<td>None</td>
<td>None</td>
<td>Units</td>
<td>450</td>
<td>None</td>
<td>Units</td>
</tr>
<tr>
<td>Vacation Time-Share Units</td>
<td>None</td>
<td>None</td>
<td>Units</td>
<td>125</td>
<td>None</td>
<td>Units</td>
</tr>
<tr>
<td>Public Recreation</td>
<td>Aaron Bessant Park Amphitheater $^3$</td>
<td>Aaron Bessant Park Amphitheater $^1$</td>
<td>Acres</td>
<td>Aaron Bessant Park Amphitheater $^3$</td>
<td>Aaron Bessant Park Amphitheater $^1$</td>
<td>Acres</td>
</tr>
<tr>
<td></td>
<td>Fier-related Facilities $^4$</td>
<td>Pier-related Facilities $^4$</td>
<td>Acres</td>
<td>Pie-related Facilities $^4$</td>
<td>Pie-related Facilities $^4$</td>
<td>Acres</td>
</tr>
<tr>
<td>Roadways</td>
<td>None</td>
<td>None</td>
<td>Acres</td>
<td>11</td>
<td>13.55</td>
<td>Acres</td>
</tr>
</tbody>
</table>

Source: Pier Park development plans approved prior to and during current reporting period

$^1$ Dave & Buster’s (40,000 square feet, GFA received a development order and construction permits in October 2013. Construction was begun during the reporting period but not completed. Therefore, Dave & Buster’s is not included in the “Total Built to Date” column for the reporting period.

$^2$ Marshalls retail store (26,000 square feet, GFA), completed construction in late 2011, but was not included in the Total Built to Date column in the previous biennial report. The Total Built to Date column now reports the total, including Marshalls.

$^3$ The Aaron Bessant Park performance stage was reconstructed during the reporting period. Construction of the facilities was completed in 2013. The facilities constructed include the stage, additional restrooms, and soccer fields.

$^4$ Pier-related facilities on parcels on the south side of Front Beach Road owned by the City of Panama City Beach were under construction during the last reporting period. Construction of the facilities was completed in 2011. The facilities, including a bañ, tackle, and gift shop, restrooms, and outdoor seating areas replaced similar facilities that existed prior to the development of the Pier Park site. These facilities were constructed concurrently with the replacement construction of the existing Russell-Fields Pier damaged by hurricanes Opal and Dennis. No additional "proposed" or "constructed" floor area is shown in the table for these facilities as they are replacements for the previously existing facilities.
EXHIBIT F

LOCAL, STATE AND FEDERAL PERMITS
OBTAINED, APPLIED FOR, OR DENIED DURING THE REPORTING PERIOD

<table>
<thead>
<tr>
<th>Agency</th>
<th>Permit Type</th>
<th>Permit No.</th>
<th>Issue Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Florida Forest Service</td>
<td>Burn Authorization</td>
<td>The burning of the understory is contracted to the Florida Forest Service and will be carried out in accordance with the terms and conditions of the Conservation Easement recorded in the Public Records of Bay County at File # 2003010210, OR BK 2238 Page 2313, Recorded 02/13/2003.</td>
<td>Conservation Easement executed December 16, 2002.</td>
<td>Required to burn the wetland conservation easement parcel located on US 98, immediately west of Pier Park Drive and adjacent to the Pier Park West parcel. [The controlled burn took place on 11/5/2013.]</td>
</tr>
<tr>
<td>City of Panama City Beach</td>
<td>Building Permit</td>
<td>201201042</td>
<td>7/19/20/2</td>
<td>Aaron Bessant Park Restrooms</td>
</tr>
<tr>
<td>City of Panama City Beach</td>
<td>Building Permit</td>
<td>201201041</td>
<td>7/19/20/2</td>
<td>Aaron Bessant Park Stage</td>
</tr>
<tr>
<td>City of Panama City Beach</td>
<td>Building Permit</td>
<td>201301588</td>
<td>8/30/20/3</td>
<td>Dave &amp; Buster’s Building Shell</td>
</tr>
<tr>
<td>City of Panama City Beach</td>
<td>Building Permit</td>
<td>201301635</td>
<td>9/6/2013</td>
<td>Dave &amp; Buster’s</td>
</tr>
</tbody>
</table>

Source: City of Panama City Beach, June 2014, and Atkins files.
### EXHIBIT G

**COMPLIANCE WITH DEVELOPMENT ORDER CONDITIONS**

Some of the descriptions below are abbreviated. To see the entire description, please see the development order in the Notification of Proposed Change No. 1.

<table>
<thead>
<tr>
<th>Development Order Section Number</th>
<th>Development Order Condition</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Condition 1</td>
<td>The name of the development is: Pier Park</td>
<td>On-going</td>
</tr>
<tr>
<td>General Condition 2</td>
<td>The legal description of the DRI Property is attached as Exhibit &quot;A&quot; and is incorporated into this development order by this reference.</td>
<td>On-going</td>
</tr>
<tr>
<td>General Condition 3</td>
<td>The Developer is The St. Joe Company (&quot;Developer&quot;).</td>
<td>See revised condition below</td>
</tr>
<tr>
<td>NOPC 1 - Section 3, No. 3</td>
<td>The Developer is Simon Property Group, LP (&quot;Developer&quot;)</td>
<td>Completed (See note below)</td>
</tr>
<tr>
<td></td>
<td>The developer, Simon Property Group, L.P., has conveyed its interest in the Project to a new entity, Pier Park, LLC, in which Simon Property Group holds a majority interest and continues to exercise operational control. The Developer's authorized agent is Myles H. Minton, 225 W. Washington Street, Suite 1345, Indianapolis, IN 46204.</td>
<td>Revised</td>
</tr>
<tr>
<td>General Condition 4</td>
<td>The Developer's authorized agents are David G. Tillis, Vice President, Regulatory Affairs, and Robert M. Rhodes, Executive Vice President and General Counsel, The St. Joe Company, 1650 Prudential Drive, Suite 400, Jacksonville, FL 32207.</td>
<td>See revised condition below</td>
</tr>
<tr>
<td>NOPC 1 - Section 4, No. 4</td>
<td>The developer, Simon Property Group, L.P., has conveyed its interest in the Project to a new entity, Pier Park, LLC, in which Simon Property Group holds a majority interest and continues to exercise operational control. The Developer's authorized agent is Myles H. Minton, 225 W. Washington Street, Suite 1345; Indianapolis, IN 46204</td>
<td>Completed (See note below)</td>
</tr>
<tr>
<td></td>
<td>The Developer's authorized agent is Myles H. Minton; senior Vice President – Development; Simon Property Group, LP; 225 W. Washington Street, Suite 1345, Indianapolis, IN 46204.</td>
<td>Revised</td>
</tr>
<tr>
<td>General Condition 5</td>
<td>The Project shall occur in one phase and is authorized to consist of retail and service development totaling 1,073,000 GSF on 129 acres with 6,576 parking spaces; attraction with 2,750 permanent seats and 917 parking spaces; hotel and motel development with 450 rooms; vacation time-share residential development totaling 125 units; recreation and open space on 93 acres and internal roads totaling 11 acres as set forth in the Pier Park Development Program as attached as Exhibit &quot;B&quot;, which is incorporated into this development order by this reference.</td>
<td>See revised condition below</td>
</tr>
<tr>
<td>NOPC 1 - Section 5, No. 5</td>
<td>The Project shall occur in one phase and is authorized to consist of retail and service development totaling 1,073,000 GSF on 129 acres with 6,576 parking spaces; attraction with 3,700 permanent seats and 1,216 parking spaces; hotel and motel development with 450 rooms; vacation time-share development totaling 125 units; recreation and open space on 93 acres and internal roads totaling 11 acres as set forth in the Pier Park Development program attached as Revised Exhibit &quot;B&quot;, which is incorporated into this development order by this reference. The Pier Park Development Program incorporates and includes all development previously addressed by the Preliminary Development Agreement.</td>
<td>On-going</td>
</tr>
<tr>
<td>Development Order Section Number</td>
<td>Development Order Condition</td>
<td>Status</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>General Condition 6</td>
<td>Development shall be located substantially as depicted on the Master Development Plan depicted on Exhibit &quot;C&quot; which is incorporated into this development order by this reference.</td>
<td>Completed</td>
</tr>
<tr>
<td>General Condition 7</td>
<td>All development shall be consistent with the Panama City Beach Comprehensive Plan, The Panama City Beach Land Development Code and this development order. …</td>
<td>Completed</td>
</tr>
<tr>
<td>General Condition 8</td>
<td>The Project shall be developed in accordance with the information, plans and commitments contained in the Application for Development Approval (dated April 2001) except for the separate volume entitled “Appendices”), the Sufficiency Response (dated September 2001), both of which are incorporated into this development order by this reference, unless superseded by the terms and conditions of this development order.</td>
<td>See revised condition below</td>
</tr>
<tr>
<td>NOPC 1 - Section 6, No. 8</td>
<td>The Project shall be developed in accordance with the information, plans and commitments contained in the Application for Development Approval (dated April 2001) except for the separate volume entitled “Appendices”), the Sufficiency Response (dated September 2001), and Notification of Proposed Change No. 1 as amended and interpreted herein, all of which are incorporated into this development order by this reference, unless superseded by the terms and conditions of this development order.</td>
<td>On-going</td>
</tr>
<tr>
<td>General Condition 9</td>
<td>Physical development as defined by Section 380.04, F.S., shall commence within three years after the effective date of this development order. …</td>
<td>Completed</td>
</tr>
<tr>
<td>General Condition 10</td>
<td>The projected build-out for all development is December 31, 2007. The termination and development order expiration dates are established as December 31, 2008. The provisions of Section 380.06(19), F.S., shall govern any extensions of the DRI build-out, termination or expiration dates.</td>
<td>See revised condition below</td>
</tr>
<tr>
<td>NOPC 1 - Section 7, No. 10</td>
<td>The projected build-out date for all development is December 31, 2009, and the termination and development order expiration dates are established as December 31, 2010, provided that the 125 vacation time share and the 450 hotel/motel rooms (the “Extended Development”) shall have a build-out date of December 31, 2012, upon written approval of FDOT delivered to the City prior to December 31, 2009, in which event the termination and expiration dates of this development order with respect to the Extended Development shall be December 31, 2013. The provisions of Section 380.06(19), F.S., shall govern any extensions of the DRI build-out, termination or expiration dates.</td>
<td>See Exhibit A-1, letter from City of Panama City Beach acknowledging the extension of the buildout date from December 31, 2009 to December 31, 2012, and the expiration date from December 31, 2010 to December 31, 2013.</td>
</tr>
<tr>
<td>NOPC 1 - Section 7, No. 10</td>
<td>The projected build-out date for all development is December 31, 2009, and the termination and development order expiration dates are established as December 31, 2010, provided that the 125 vacation time share and the 450 hotel/motel rooms (the “Extended Development”) shall have a build-out date of December 31, 2012, upon written approval of FDOT delivered to the City prior to December 31, 2009, in which event the termination and expiration dates of this development order with respect to the Extended Development shall be December 31, 2013. The provisions of Section 380.06(19), F.S., shall govern any extensions of the DRI build-out, termination or expiration dates.</td>
<td>See also Exhibit A-2, letter from City of Panama City Beach acknowledging the further extension of the buildout date</td>
</tr>
<tr>
<td>Development Order Section Number</td>
<td>Development Order Condition</td>
<td>Status</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>Development shall be December 31, 2013. The provisions of Section 380.06(19), F.S., shall govern any extensions of the DRI build-out, termination or expiration dates.</td>
<td>from December 31, 2012 to December 31, 2016, and the expiration date from December 31, 2013 to December 31, 2017.</td>
</tr>
<tr>
<td>General Condition 11</td>
<td>Upon issuance, this development order shall be rendered by the City Clerk to DCA, WFRPC and the Developer as provided by Rule 9J-2.205(5), F.A.C. As to that portion of the DRI Property owned by the Developer and the City, this development shall take legal effect as provided by the law. ...</td>
<td>Completed</td>
</tr>
<tr>
<td>General Condition 12</td>
<td>The Director of the Panama City Beach Planning and Building Departments shall be responsible for monitoring compliance with this development order.</td>
<td>On-going</td>
</tr>
<tr>
<td>General Condition 13</td>
<td>The Project shall not be subject to down-zoning, unit density reduction or intensity reduction or other reduction of approved land uses prior to December 31, 2007, unless either (a) the Developer consents to such a change or (b) the City demonstrates that substantial changes in the conditions underlying the approval of the development order have occurred, or that the development order was based on substantially inaccurate information provided by the Developer, or that the change is clearly essential to the public health, safety or welfare.</td>
<td>See revised condition below</td>
</tr>
<tr>
<td>NOPC 1 - Section 8, No. 13</td>
<td>The Project shall not be subject to down-zoning, unit density reduction or intensity reduction or other reduction of approved land uses prior to December 31, 2009, unless either (a) the Developer consents to such a change or (b) the City demonstrates that substantial changes in the conditions underlying the approval of the development order have occurred, or that the development order was based on substantially inaccurate information provided by the Developer, or that the change is clearly essential to the public health, safety or welfare.</td>
<td>On-going. See also Exhibit A-2, letter from City of Panama City Beach acknowledging the further extension of the buildout date from December 31, 2012 to December 31, 2016, and the expiration date from December 31, 2013 to December 31, 2017.</td>
</tr>
<tr>
<td>General Condition 14</td>
<td>Notice of adoption of this development order or any subsequent amendment to it shall be recorded by the Developer, within 30 days after its effective date, in accordance with Sections 28.222 and 380.06(15)(f), F.S., with the Clerk of the Circuit Court of Bay County, Florida. ...</td>
<td>Completed</td>
</tr>
<tr>
<td>General Condition 15</td>
<td>The Developer or its successors or assigns shall prepare and submit an annual report on April 1 of each year, beginning in 2003, until the expiration date of this development order, for the period from January 1 through December 31 of the preceding calendar year. ...</td>
<td>See revised condition below</td>
</tr>
<tr>
<td>Development Order Section Number</td>
<td>Development Order Condition</td>
<td>Status</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>-------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>NOPC I - Section 9, No. 19</td>
<td>The Developer or its successors or assigns shall prepare and submit an annual report on December 1 of each year, beginning in 2003, until the expiration date of the development order, for the period from January 1 through December 31 of the preceding calendar year, but starting in 2006 shall be prepare and submit only a biennial report on April 1 of each even-numbered year for the period from January 1 through December 31 of the preceding two calendar years, as authorized by section 380.06(18), F.S. The report shall be submitted to the Panama City Beach Planning and Building Departments, WFRPC and DCA, or successors to such agencies as determined by law. Failure to timely file a report may result in temporary suspension of this development order. The report shall include, at a minimum, a complete response to the following: A. Any changes in the plan of development, or in the representations contained in the ADA or in the phasing for the reporting year and for the next year. B. A summary comparison of development activity proposed and actually conducted for the year. C. Identification of undeveloped tracts of land, other than individual single family lots, that have been sold to a separate entity or developer. D. Identification and intended use of lands purchased, leased or optioned by the Developer adjacent to or within one-half mile radius of the original site since issuance of this development order. E. A specific assessment of the Developer’s and City’s compliance with each individual condition of approval contained in this development order and the commitments in the ADA which have been identified by the City, WFRPC or DCA as being significant. F. Any known incremental DRI applications for development approval or requests for a substantial deviation determination that were filed in the reporting year and to be filed during the next year. G. Any indication of a change, if any, in local government jurisdiction for any portion of the development since issuance of this development order. H. A list of significant local, state and federal permits which have been obtained or which are pending by agency, type of permit, permit number and purpose of each. I. A statement that all persons have been sent copies of the annual report in conformance with Sections 380.06(15) and (18), F.S. J. A copy of any recorded notice of adoption of a development order or the subsequent modification of an adopted development order that was recorded by the Developer pursuant to Section 380.06(15)(d), F.S.</td>
<td>This report fulfills this requirement, including A through J.</td>
</tr>
</tbody>
</table>

| General Condition 16 | This development order shall not preclude the City from requiring payment of impact fees and/or other fees for development or construction within the Project provided that such fees are assessed in accordance with a duly adopted ordinance and are charged for the same activities within the other area of Panama City Beach. | On-going |

| General Condition 17 | The Developer shall submit simultaneously to the City, WFRPC and DCA any notification for proposed changes to this development order and shall comply with the requirements of Section 380.06(19), F.S. | Completed |

<table>
<thead>
<tr>
<th>Development Order Section Number</th>
<th>Development Order Condition</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specific Condition 1</td>
<td>Vegetation and Wildlife</td>
<td>Completed</td>
</tr>
<tr>
<td>Specific Condition 2</td>
<td>Wetlands</td>
<td>Completed</td>
</tr>
<tr>
<td>Specific Condition 3</td>
<td>Stormwater Management</td>
<td>Completed</td>
</tr>
<tr>
<td>Specific Condition 4</td>
<td>Transportation</td>
<td>Completed</td>
</tr>
<tr>
<td>Specific Condition 5</td>
<td>Public Safety</td>
<td>Completed</td>
</tr>
<tr>
<td>Specific Condition 6</td>
<td>Water and Sewer</td>
<td>Completed</td>
</tr>
<tr>
<td>Specific Condition 7</td>
<td>Energy</td>
<td>Completed</td>
</tr>
<tr>
<td>Specific Condition 8</td>
<td>Hazardous Waste and Materials</td>
<td>Completed</td>
</tr>
</tbody>
</table>
In order to provide the reader with as much information as possible with regard to the activities of both the Front Beach Road and Pier Park Community Redevelopment Areas, the attached financial statements report the combined activities of the Panama City Beach Community Redevelopment Agency (the “Agency”) and the City of Panama City Beach CRA Special Revenue Fund. The Agency is a blended component unit of the City of Panama City Beach and as such, its activities are combined with the City’s CRA Special Revenue Fund and reported as a major fund within the City’s audited financial statements. Tax increment funds are received by the Agency from Bay County and other than interest earnings represent the Agency’s sole source of revenue. The tax increment funds related to the Pier Park Community Redevelopment Area are transferred from the Agency to the Pier Park CDD. The tax increment funds related to the Front Beach Road Community Redevelopment Area are transferred to the City which restricts the use of such funds to the implementation of the Front Beach Road Community Redevelopment Plan.
Front Beach Road CRA Financial Statement

The CRA receives its revenue through Tax Increment Funds (TIF). The TIF funds vary based on the increased property values from the 2002 base year. Total TIF revenue received by the CRA since creation of the Front Beach Road CRA is listed below:

<table>
<thead>
<tr>
<th>Fiscal Year 2003-2013 TIF Revenue</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$923,154</td>
</tr>
<tr>
<td>2004</td>
<td>$1,848,987</td>
</tr>
<tr>
<td>2005</td>
<td>$2,494,974</td>
</tr>
<tr>
<td>2006</td>
<td>$6,940,002</td>
</tr>
<tr>
<td>2007</td>
<td>$9,234,244</td>
</tr>
<tr>
<td>2008</td>
<td>$8,522,456</td>
</tr>
<tr>
<td>2009</td>
<td>$10,019,940</td>
</tr>
<tr>
<td>2010</td>
<td>$8,246,840</td>
</tr>
<tr>
<td>2011</td>
<td>$7,263,322</td>
</tr>
<tr>
<td>2012</td>
<td>$6,396,059</td>
</tr>
<tr>
<td>2013</td>
<td>$5,719,481</td>
</tr>
<tr>
<td>2014</td>
<td>$5,710,445</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$73,319,904</strong></td>
</tr>
</tbody>
</table>

FISCAL YEAR 2014 REVENUE

The CRA actual revenue in fiscal year 2014 totaled $6,812,552. The CRA also receives monies from federal grants, public parking, proportionate share payments, interest, rents and code enforcement fines. The CRA issued Capital Improvement Revenue Bonds, Series 2006, in the amount of $54,835,000. Debt service payments are approximately $3.8 million per year. As of September 30, 2014, all of the Bond
proceeds have been expended primarily for new road reconstruction and right-of-way acquisition. TIF and grant funds will need to be accrued in order to build the next round of projects. The CRA is currently pursuing grant and other funding opportunities.

The Front Beach Road CRA Fiscal Year 2014 Expenditures and Fiscal Year 2015 Budget are shown below:
Pier Park CRA Financial Statement

For the year ended September 30, 2014, tax increment funds remitted by the County to the City for the Pier Park CRA were in the amount of $336,930. These funds were subsequently paid to the CDD by the City. Additionally, the City has irrevocably pledged the business tax receipts collected within Pier Park to the CDD to be applied (after deduction of certain amounts for public safety services) to certain CDD costs and obligations, including the payment of interest and principal on the debt obligations, in a priority specifically detailed in the PIPA. Business tax receipts and related penalties for late payments collected in the fiscal year ended September 30, 2014 were in the amount of $2,013,001. Of this amount, $332,000 was retained by the City for the provision of public safety services within Pier Park CRA. The amount retained by the City is determined under the terms of the Public Improvement Partnership Agreement (PIPA) between the City and the CDD. The balance of collected funds remitted by the City to the CDD prior to September 30, 2014 is $1,691,001.

Exhibit A

City of Panama City Beach, Florida
Balance Sheet
Community Redevelopment Fund
September 30, 2014

<table>
<thead>
<tr>
<th>Community Redevelopment Fund</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$253,691</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$6,061</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>$4,030</td>
</tr>
<tr>
<td>Cash and cash equivalents - restricted</td>
<td>$16,347,953</td>
</tr>
<tr>
<td>Accrued interest receivable - restricted</td>
<td>$156</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$16,611,891</strong></td>
</tr>
</tbody>
</table>

**Liabilities and fund balance**

<table>
<thead>
<tr>
<th>Liabilities</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$1,353,264</td>
</tr>
<tr>
<td>Due to other governments</td>
<td>$203</td>
</tr>
<tr>
<td>Due to other funds</td>
<td>$244</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>$3,059</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>$1,150</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>1,357,920</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fund balance</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonspendable</td>
<td>$4,030</td>
</tr>
<tr>
<td>Restricted</td>
<td>$14,992,170</td>
</tr>
<tr>
<td>Committed</td>
<td>-</td>
</tr>
<tr>
<td>Assigned</td>
<td>$257,771</td>
</tr>
<tr>
<td><strong>Total fund balance</strong></td>
<td><strong>15,253,971</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total liabilities and fund balance</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total liabilities and fund balance</strong></td>
<td><strong>$16,611,891</strong></td>
</tr>
</tbody>
</table>
City of Panama City Beach, Florida  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Community Redevelopment Fund  
Year Ended September 30, 2014  

<table>
<thead>
<tr>
<th>Community Redevelopment Fund</th>
</tr>
</thead>
</table>

### Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax increment funds</td>
<td>$5,710,446</td>
</tr>
<tr>
<td>Front Beach Road</td>
<td>336,930</td>
</tr>
<tr>
<td>Pier Park</td>
<td>889,222</td>
</tr>
<tr>
<td>Municipal services impact fees</td>
<td>11,501</td>
</tr>
<tr>
<td>Fines and forfeitures</td>
<td>127,389</td>
</tr>
<tr>
<td>Grants</td>
<td>1,200</td>
</tr>
<tr>
<td>Rents</td>
<td>4,157</td>
</tr>
<tr>
<td>Interest</td>
<td>71,838</td>
</tr>
<tr>
<td>Other fees and miscellaneous</td>
<td></td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td><strong>7,149,482</strong></td>
</tr>
</tbody>
</table>

### Expenditures

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td>156,498</td>
</tr>
<tr>
<td>Front Beach Road</td>
<td>320,109</td>
</tr>
<tr>
<td>Pier Park</td>
<td>388,937</td>
</tr>
<tr>
<td>Highways and streets</td>
<td></td>
</tr>
<tr>
<td>Debt service</td>
<td>1,605,000</td>
</tr>
<tr>
<td>Principal</td>
<td>2,155,144</td>
</tr>
<tr>
<td>Interest and fiscal charges</td>
<td></td>
</tr>
<tr>
<td>Capital outlay</td>
<td>2,241,387</td>
</tr>
<tr>
<td>Highways and streets</td>
<td></td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td><strong>6,867,075</strong></td>
</tr>
</tbody>
</table>

Excess of revenues over expenditures: 282,407

Net change in fund balance: 282,407

Fund balance - beginning, as restated: 14,971,564

Fund balance - ending: $15,253,971
Contact Information

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