



DESTINATION PANAMA CITY
SCHEDULED MEETING
October 22, 2019
9:00 A.M. (approximately)
Bay County Government Complex
840 West 11th Street, Panama City, FL 32401

- 1) Roll Call
- 2) Acceptance of Minutes 07/19/19
- 3) Acceptance of Financial Report Period Ending 8/31/2019
- 4) Acceptance of Tourist Development Tax Report
- 5) Marketing Agency of Record RFQ
- 6) Land Lease for future Visitors Center
- 7) Authorization to engage Consultant for drafting Design-Build RFP for new multi-use Visitors Center
- 8) CEO Performance Evaluation
- 9) Discussion
 - a) Pole Banners
 - b) Gateway Signage
 - c) Short Term Rental Business License Requirements
 - d) Board Composition and By-Laws (possible vote)
- 10) Upcoming Events
- 11) Next Meeting – November 26, 2019
- 12) Public Participation
- 13) Adjournment

**Panama City Community Development Council
dba Destination Panama City
Agenda Item Summary**

1. PRESENTER NAME:

Jennifer Vigil
President & CEO

2. MEETING DATE:

10/22/2019

3. REQUESTED MOTION/ACTION:

Approve Minutes of the regular meeting of July 9, 2019 as presented.

4. AGENDA

- PRESENTATION
- PUBLIC HEARING
- CONSENT
- REGULAR

5. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO IF NO, STATE ACTION REQUIRED N/A

BUDGET ACTION:
FINANCIAL IMPACT SUMMARY STATEMENT:

DETAILED ANALYSIS ATTACHED?: YES NO

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT ACTION WILL BE ACCOMPLISHED, (WHO, WHERE, WHEN & HOW)

Staff recommends approval of the minutes of the regular meeting of July 9, 2019 as presented.

Attachment:

- Minutes July 9, 2019



DESTINATION PANAMA CITY
MINUTES
JULY 9, 2019

- 1) Roll Call all board members were present.
- 2) Acceptance of Financial Report Period Ending 5/31/19 motion made by Board Member Nichols with a second by Board Member Brudnicki. Unanimous approval vote.
- 3) Acceptance of Tourist Development Tax Report motion made by Board Member Nichols with a second by Board Member Rader. Unanimous approval vote.
- 4) Board composition and expansion was discussed. Board made motion to direct staff to revise the by-laws to allow for a Bay County Commissioner to be added to the board. Motion made by Board Member Rader with a second by Board Member Kenneth Brown. Unanimous approval vote.
- 5) 2020 Program of Work motion to approve made by Board Member Kenneth Brown with a second by Board Member Brudnicki. Unanimous approval vote.
- 6) Marketing Agency of Record RFQ motion to approve by Board Member Nichols with a second by Board Member Kenneth Brown. Unanimous approval vote.
- 7) 2020 Budget motion to approve as presented made by Board Member Brudnicki with a second by Board Member Kenneth Brown. Unanimous approval vote.
- 8) CEO Performance Evaluation Committee motion to select Board Member Nirav Banker, Chairman Haligas, and Board Member Brudnicki was made by Board Member Nichols with a second by Board Member Kenneth Brown. Unanimous approval vote.

The next meeting was announced for October 22, 2019. There was no public participation. The meeting was adjourned.

**Panama City Community Development Council
dba Destination Panama City
Agenda Item Summary**

1. PRESENTER NAME:

Jennifer Vigil
President & CEO

2. MEETING DATE:

10/22/2019

3. REQUESTED MOTION/ACTION:

Approve financial status reports as presented; period ending August 31, 2019.

4. AGENDA

- PRESENTATION
- PUBLIC HEARING
- CONSENT
- REGULAR

5. IS THIS ITEM BUDGETED (IF APPLICABLE)?: Yes No IF No, STATE ACTION REQUIRED N/A

BUDGET ACTION:
FINANCIAL IMPACT SUMMARY STATEMENT:

DETAILED ANALYSIS ATTACHED?: Yes No

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT ACTION WILL BE ACCOMPLISHED, (WHO, WHERE, WHEN & HOW)

Staff recommends approval of the financial status reports period ending August 31, 2019.

Attachment:

- Financial Status reports period ending August 31, 2019

Panama City Community Development Council, Inc.
Statement of Net Position, **UNAUDITED**
August 31, 2019
Interim financial reporting; for internal management use only

Assets

Cash and cash equivalents	\$ 313,984	
Accounts receivable	4,068	
Prepaid expenses	3,639	
Equipment & furniture	2,662	
Allowance for depr/amort	(1,198)	
Total assets	\$ 323,155	-

Liabilities and Net Position

Liabilities:

Accounts payable	\$ -	
Deposits	100,000	
Total liabilities	<u>100,000</u>	-

Net position:

Unrestricted net position	223,155	-
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Total liabilities and net position	<u>\$ 323,155</u>	-
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Final audited balances may vary from interim financial reports.

Panama City Community Development Council, Inc.
Statement of Revenues, Expenses, and Changes in Net Position **UNAUDITED**
For the period ended August 31, 2019
Interim financial reporting; for internal management use only

	Adopted Budget	Budget Amendments	Amended Budget	Y-T-D Actual
Revenues:				
Intergovernmental:				
Bay County TDC Contract	\$ 1,408,301	\$ -	\$ 1,408,301	\$ 852,098
Bay County Carry Forward Revenue	663,300		663,300	-
Advertising revenue PC CDC	-	-	-	500
Total intergovernmental	<u>2,071,601</u>	<u>-</u>	<u>2,071,601</u>	<u>852,598</u>
Miscellaneous:				
Investment/Interest earnings	-		-	2,073
Insurance proceeds	-		-	383,561
Private Contributions & Donations	-		-	1,895
Miscellaneous	-		-	13
Event booth rentals	-		-	300
Sponsorship revenue	-		-	50,800
Alcohol sales	-		-	1,978
Merchandise sales	-		-	-
Total miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>440,620</u>
Total Revenues	<u>2,071,601</u>	<u>-</u>	<u>2,071,601</u>	<u>1,293,218</u>
Expenses:				
Personal services	326,218		326,218	212,616
Operating expenses:				
Professional Services	20,000		20,000	-
Professional Services-DIB	-		-	613
Accounting & Auditing	23,500		23,500	8,500
Other Contractual Svcs	10,000		10,000	6,185
Other Contractual Svcs Dues	171,400		171,400	46,349
Travel and Per Diem	23,000		23,000	6,471
Non-staff Travel Expenses	8,000		8,000	401
Communication Services	8,000		8,000	7,412
Freight & Postage Service	22,000		22,000	112
Utility Services	6,500		6,500	2,883
Rental & Leases	41,000		41,000	32,845
Insurance	8,500		8,500	7,851
Repairs & Maintenance Svc	5,000		5,000	370,196
Printing & Binding	75,000		75,000	7,991
Promotional Activities	750,000		750,000	403,563
Other Current Charges	15,000		15,000	5,347
Office Supplies	2,500		2,500	135
Operating Supplies	15,000		15,000	5,116
Books Publications Memberships	35,000		35,000	19,309
Training	7,000		7,000	-
Operational Reserve For Contingency	82,682		82,682	-
Capital Outlay:				
Buildings	413,301		413,301	-
Machinery & Equipment	3,000		3,000	-
Total Expenses	<u>2,071,601</u>	<u>-</u>	<u>2,071,601</u>	<u>1,143,895</u>
Net change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 149,323</u>
Net position-beginning of year				<u>73,832</u>
Net position-end of year				<u>\$ 223,155</u>

Final audited balances may vary from interim financial reports.

**Panama City Community Development Council
dba Destination Panama City
Agenda Item Summary**

1. PRESENTER NAME:

Jennifer Vigil
President & CEO

2. MEETING DATE:

10/22/2019

3. REQUESTED MOTION/ACTION:

Accept Tourist Development Tax Report as presented.

4. AGENDA

PRESENTATION
PUBLIC HEARING
CONSENT
REGULAR

5. IS THIS ITEM BUDGETED (IF APPLICABLE)?: Yes No IF No, STATE ACTION REQUIRED N/A

BUDGET ACTION:
FINANCIAL IMPACT SUMMARY STATEMENT:

DETAILED ANALYSIS ATTACHED?: Yes No

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT ACTION WILL BE ACCOMPLISHED, (WHO, WHERE, WHEN & HOW)

Tourist Development Tax (TDT) revenue for August 2019 has been reported by the Clerk of Court as \$155,812.93. This is an 18% increase over August 2018. The increase is largely due to the reopening of some of the larger corporate hotels between July and August. According to Smith Travel Research (STR) data, the average daily rates (ADR) and occupancy are significantly higher this year and can be largely attributed to continued Hurricane Michael rebuilding efforts.

Year over year, the TDT collections are down 15.88%. However, of the TDT funds collected in FY 2019, \$113,328.47 was for prior year collections. Therefore, the actual impact of Hurricane Michael on TDT is actually -22.69% for FY 2019.

Attachments:

- TDT Analysis
- TDT Cash Accrual
- TDT Actual Attribution



TDT Monthly Analysis

	<u>% change</u>	<u>FY19</u> 5.00%	<u>% change</u>	<u>FY18</u> 5.00%	<u>% change</u>	<u>FY17</u> 5.00%	<u>% change</u>	<u>FY16</u> 5.00%	<u>% change</u>	<u>FY15</u> 5.00%
OCT	12.99%	113,726.00	-10.74%	100,647.00	19.23%	112,754.00		94,571.27		-
NOV	13.36%	76,472.00	-8.01%	67,457.00	11.00%	73,327.00		66,059.88		-
DEC	-31.22%	41,936.00	-7.14%	60,970.00	5.76%	65,657.00		62,079.90		-
JAN	-22.33%	51,371.66	-5.97%	66,143.00	-10.00%	70,339.00	23.92%	78,155.39		63,069.50
FEB	-31.47%	60,052.42	2.32%	87,624.00	-7.72%	85,637.00	5.64%	92,804.00		87,845.52
MAR	-44.29%	82,363.00	-4.76%	147,843.00	-2.82%	155,229.00	-20.33%	159,731.00		200,483.24
APR	-24.47%	112,356.97	-0.32%	148,756.00	-2.61%	149,230.00	17.10%	153,227.00		130,848.26
MAY	-10.91%	138,971.11	-2.22%	155,982.00	4.75%	159,517.00	4.15%	152,286.00		146,220.71
JUN	-19.97%	188,090.16	15.31%	235,034.00	-3.22%	203,829.00	4.32%	210,619.00		201,906.34
JUL	-19.21%	232,148.00	9.27%	287,350.00	-1.10%	262,982.00	11.66%	265,911.00		238,143.02
AUG	18.00%	155,812.93	6.93%	132,045.00	14.11%	123,488.00	-8.34%	108,223.00		118,070.60
SEP			-85.91%	16,021.00	14.31%	113,733.00	3.74%	99,494.00		95,907.58
TOTAL	-15.88%	1,253,300.25	-4.43%	1,505,872.00	2.11%	\$ 1,575,722	20.32%	\$ 1,543,161		\$ 1,282,495

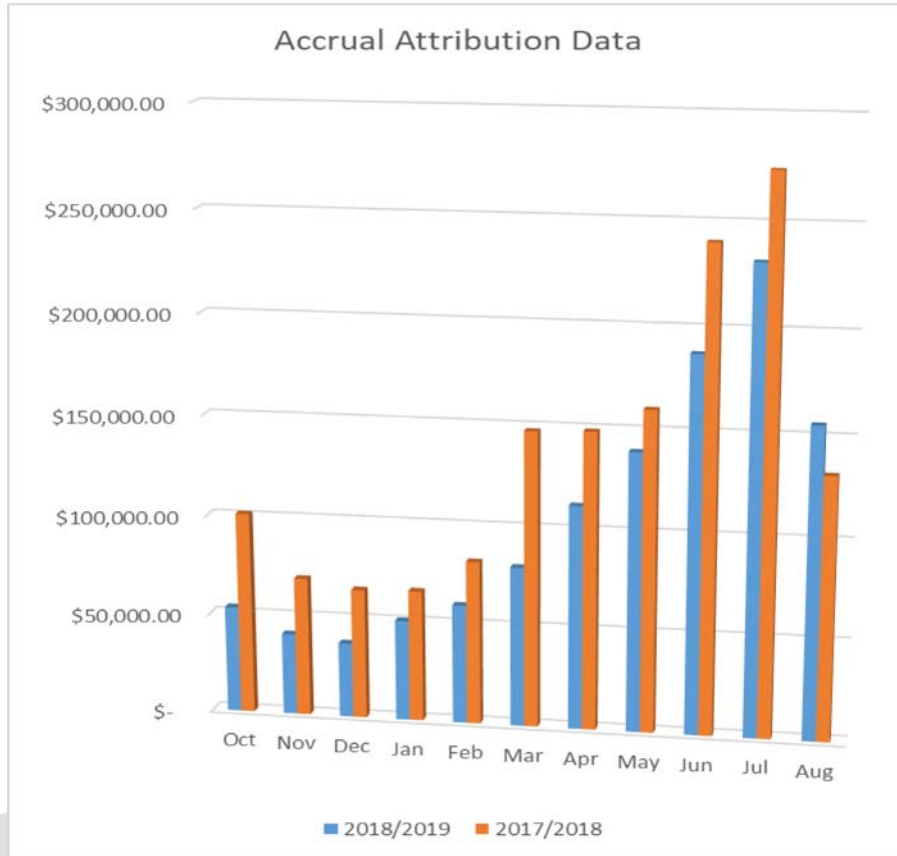
2.96%

1,253,300.25 FY19 YTD
 1,489,851.00 FY18YTD
(236,550.75)



Tourist Development Tax, Bay County, Florida

Panama City



Accrual Attribution Data				
	<u>2018/2019</u>	<u>2017/2018</u>	<u>Variance</u>	<u>Variance %</u>
Oct	\$ 53,465.19	\$ 101,261.73	\$ (47,796.54)	-47.20%
Nov	\$ 40,942.54	\$ 69,765.50	\$ (28,822.96)	-41.31%
Dec	\$ 37,691.14	\$ 65,257.41	\$ (27,566.27)	-42.24%
Jan	\$ 50,642.49	\$ 66,053.88	\$ (15,411.39)	-23.33%
Feb	\$ 59,891.56	\$ 82,266.95	\$ (22,375.39)	-27.20%
Mar	\$ 80,393.83	\$ 147,842.53	\$ (67,448.70)	-45.62%
Apr	\$ 112,406.97	\$ 148,755.72	\$ (36,348.75)	-24.44%
May	\$ 139,913.92	\$ 160,287.99	\$ (20,374.07)	-12.71%
Jun	\$ 187,808.86	\$ 240,405.16	\$ (52,596.30)	-21.88%
Jul	\$ 231,805.34	\$ 274,323.30	\$ (42,517.96)	-15.50%
Aug	\$ 155,812.93	\$ 132,318.08	\$ 23,494.85	17.76%
	\$ 1,150,774.77	\$ 1,488,538.25	\$ (337,763.48)	-22.69%

Bay County Tourist Development Tax, Post Office Box 1230, Panama City, Florida 32402

Express Delivery: 840 w 11th St Suite #3000, Panama City, Florida 32401

Phone: (850) 747-5226 Fax: (850) 747-5212

Visit us at: <https://TDC.BayCoClerk.com/TouristTax/> Email: TDC@BayCoClerk.com



Tourist Development Tax, Bay County, Florida

FY2019 Cash/Accrual Breakdown

Panama City

For Collection Period

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Pre	\$ 82,074.95	\$ 18,289.19	\$ -	\$ 613.99	\$ 1,625.75	\$ -	\$ 10,438.69	\$ -	\$ -	\$ 335.90	\$ -
Oct	\$ 31,651.53	\$ 17,439.94	\$ 4,358.54	\$ 15.18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nov		\$ 40,742.54	\$ 100.00	\$ 100.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dec		\$ 37,477.04	\$ -	\$ -	\$ 50.00	\$ -	\$ -	\$ -	\$ -	\$ 164.10	\$ -
Jan				\$ 50,642.49	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Feb					\$ 58,225.30	\$ 1,666.26	\$ -	\$ -	\$ -	\$ -	\$ -
Mar					\$ 151.37	\$ 80,242.46	\$ -	\$ -	\$ -	\$ -	\$ -
Apr						\$ 454.74	\$ 111,902.23	\$ 50.00	\$ -	\$ -	\$ -
May							\$ 868.48	\$ 138,921.11	\$ 124.33	\$ -	\$ -
Jun									\$ 187,808.86	\$ -	\$ -
Jul									\$ 156.97	\$ 231,648.37	\$ -
Aug										\$ -	\$ 155,812.93
Sep										\$ -	\$ -
	\$ 113,726.48	\$ 76,471.67	\$ 41,935.58	\$ 51,371.66	\$ 60,052.42	\$ 82,363.46	\$ 123,209.40	\$ 138,971.11	\$ 188,090.16	\$ 232,148.37	\$ 155,812.93
											\$ 1,264,153.24

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**Panama City Community Development Council
dba Destination Panama City
Agenda Item Summary**

1. PRESENTER NAME:

Jennifer Vigil
President & CEO

2. MEETING DATE:

10/22/2019

3. REQUESTED MOTION/ACTION:

Authorize CEO to invite the top two firms for a formal presentation on November 26, 2019.

4. AGENDA

- PRESENTATION
- PUBLIC HEARING
- CONSENT
- REGULAR

5. IS THIS ITEM BUDGETED (IF APPLICABLE)?: Yes No IF No, STATE ACTION REQUIRED N/A

BUDGET ACTION:
FINANCIAL IMPACT SUMMARY STATEMENT:

DETAILED ANALYSIS ATTACHED?: Yes No

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT ACTION WILL BE ACCOMPLISHED, (WHO, WHERE, WHEN & HOW)

The Marketing RFQ was advertised in July and August 2019. Three agencies responded to the RFQ: Cision, BCF, and Fahlgren. All three firms met all the requirements of the RFQ, however, the pricing for Cision exceeds the budget constraints of our organization for a post-hurricane year.

All board members should have received copies of all three responding firm submissions. The proposals are available to the public in our offices located at 228 Harrison Avenue.

Staff recommends the board authorize the CEO to invite the firms bcf and Fahlgren to Panama City for a formal presentation (not to exceed 15 minutes) on November 26, 2019.

**Panama City Community Development Council
dba Destination Panama City
Agenda Item Summary**

1. PRESENTER NAME:

Jennifer Vigil
President & CEO

2. MEETING DATE:

10/22/2019

3. REQUESTED MOTION/ACTION:

Authorize CEO to execute land lease agreement with the City of Panama City for parcel 19506-000-000, address 101 West Beach Drive.

4. AGENDA

- PRESENTATION
- PUBLIC HEARING
- CONSENT
- REGULAR

5. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO IF NO, STATE ACTION REQUIRED N/A

BUDGET ACTION:
FINANCIAL IMPACT SUMMARY STATEMENT:

DETAILED ANALYSIS ATTACHED?: YES NO

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT ACTION WILL BE ACCOMPLISHED, (WHO, WHERE, WHEN & HOW))

The Destination Panama City Visitors Center was heavily damaged during Hurricane Michael. Staff was relocated to a construction trailer for several months and established a temporary location at 228 Harrison Avenue in May 2019. Efforts to purchase and repair the original location ended when a purchase price could not be negotiated with the seller.

Hurricane Michael offered opportunities. Looking to our Tourism & Economic Impact report accepted by the board in December 2015, staff evaluated potential future locations that offered the ability to bring a significant asset to the community.

Parcel 19506-000-000, located at 101 West Beach Drive, and commonly referred to as the Kayak Launch property is owned by the City of Panama City. Pre storm and post storm, the location has been underutilized. The location is directly across from the St. Andrews Bay pass, which makes it an ideal location for a community sailing center.

Staff recommends authorizing the CEO to present the attached long-term lease agreement to the City of Panama City for consideration and upon their approval authorize the CEO to execute the agreement.

Attachment:

- Long-term Lease Agreement for Parcel 19506-000-000

LEASE
between
City of Panama City
And
Panama City Community Development Corporation

THIS LEASE is made and entered into on _____, 2019, by and between City of Panama City, Florida, a municipal corporation (City) and Panama City Community Development Corporation, a Florida not for profit corporation, d/b/a Destination Panama City (Destination Panama City). For and in consideration of the provisions of this Lease, the parties agree as follows.

1. LEASED PREMISES

1.1 Description

The City hereby leases the Lessee the Premises, as described in Exhibit A, subject to the terms, conditions and covenants of this Lease.

1.2 As-Is Condition

Destination Panama City has had an opportunity to inspect the conditions of the Premises, and Destination Panama City accepts the physical condition of the Premises “as is” and without any warranties of title (except as to the title of the real property), merchantability, and fitness for a particular purpose.

2. USE

2.1 Visitors Center and Sailing Center

The Premises shall be used solely for the operation of Destination Panama City as administrative offices, visitors center, sailing center or such other uses consistent with the operation of Destination Panama City as the Destination Marketing Organization for the City of Panama City.

2.2 Compliance

Destination Panama City agrees to comply with and conform to all laws and ordinances, municipal, state, federal and/ or other governmental authority and any and all requirements or order of any municipal, state, federal or other governmental board or authority, present or future, relating to the condition, use, and occupancy of the Premises.

3. TERM

Subject to prior termination as provided in this Lease, the initial term of this Lease shall be for a period of twenty (20) years commencing on the date stated above. Upon the conclusion of the initial twenty (20) year term, this Lease shall automatically renew, under the same terms and conditions as contained herein, for one additional ten (10) year term unless either party gives written notice of its intent to terminate this Lease at least 180 days before the end of the current term.

4. DESTINATION PANAMA CITY IMPROVEMENTS.

Destination Panama City shall construct or cause to be constructed upon the Premises,

and, subject to the terms of this Lease, at all times maintain thereon, the buildings, structures and improvements necessary to accommodate Destination Panama City's use of the Premises as described in paragraph 2.1 of this Lease. The buildings, structures and improvements, as designed and constructed are referred to in this Lease as the "Improvements". The City shall not be responsible for the design or construction of the Improvements. Moreover, the design and construction of the Improvements shall be the sole discretion and responsibility of Destination Panama City.

4.3 Title to Improvements.

All Improvements during the Term of this Lease shall be and remain the property of Destination Panama City and upon request of Destination Panama City, the City shall execute such documents as shall be reasonably requested by Destination Panama City to evidence its ownership of the improvements. Upon the expiration or earlier termination of this Lease fee ownership of the Improvements shall vest automatically in the City, without further action of the parties.

5. ALTERATIONS, MODIFICATIONS

Destination Panama City shall have the right to make such alterations or modifications to the Premises from time to time as Destination Panama City may elect, without the consent or approval of the City, subject however, to all of the terms and provisions of this Lease with respect to the use and operation of the Premises and the obligation to comply with all applicable Laws.

All alterations, additions, improvements or other changes permitted hereunder shall be performed in a good and workmanlike manner and diligently prosecuted to completion, in accordance with all applicable legal and insurance requirements and in accordance with the provisions of this Lease. Any work performed by Destination Panama City may, in the discretion of the City, be subject to the City's inspection and approval after completion to determine whether the same complies with the requirements of this Lease.

6. MAINTENANCE AND REPAIRS

6.1 Maintenance

Destination Panama City shall, at its sole cost, keep and maintain the Premises and the improvements, structures, fixtures, equipment, and utilities which may now or thereafter exist on the Premises, in good operable, usable and sanitary order and repair and in a good and safe condition consistent with the highest business practices throughout the term of this Lease, making such repairs and replacements, doing such rebuilding and restoration, and performing such maintenance, as may be required to comply with the terms of this Lease.

6.2 Failure to Maintain or Repair

Should Destination Panama City fail to properly keep and maintain the Premises, improvements, structures, fixtures, and equipment, the City may give Destination Panama City fifteen (15) days written notice to submit to the City Manager a plan to correct such failure. If Destination Panama City does not submit a plan to correct such failure, the City, in addition to

all other remedies available to it by law and equity, may terminate this Lease, or by its own forces or contractors enter upon the Premises and perform Destination Panama City's obligations using any equipment or materials on the Premises suitable for such purposes. On demand by the City, Destination Panama City shall reimburse the City for the costs of correcting such lack of performance. Notwithstanding the foregoing, the parties agree that if the repair needed is an emergency, Destination Panama City shall correct the problem to the extent possible within the fifteen (15) day notice period. As appropriate, if the emergency is such that the City is best equipped to respond to it, the City has an absolute right to perform the needed repair immediately and invoice Destination Panama City, if appropriate.

6.3 Mechanics Liens

Destination Panama City shall pay all costs for construction, maintenance, and repair done by it or caused to be done by it on the premises as permitted by this Lease. Destination Panama City shall keep the buildings, other improvements and land of which the Premises are a part free and clear of all mechanics liens. The City shall have the right to require Destination Panama City's contractor(s), subcontractors and material men to furnish to both Destination Panama City and the City adequate lien waivers on work or materials paid for, in connection with all periodic or final payments, by endorsement on check, making of joint checks, or otherwise, and the City shall have the right to review invoices prior to payment. The City reserves the right to post notices on the premises that the City is not responsible for payment of work performed and the City's interest is not subject to any lien. Destination Panama City will indemnify and hold harmless City by reason of any repairs, installations or improvements made by or at the direction of Destination Panama City. This provision shall survive the expiration or termination of this Lease.

7. RENTAL

7.1 Rent

Destination Panama City hereby covenants and agrees to pay to the City for and throughout each Lease Year of this Lease, without demand, deduction, set-off or counterclaim of any nature whatsoever (except as otherwise specifically provided in this Lease), in addition to and above all other sums and all other additional rents and payments to be made and paid by Destination Panama City to the City under this Lease, annual minimum rent ("Minimum Rent") of One Dollar and No/100s (\$1.00) per Lease Year.

All Minimum Rent to be paid by Destination Panama City to the City hereunder shall be paid annually on October 1, of each Lease Year, at the address of the City specified in this Lease or as the City may otherwise direct in writing.

All sums of money or other charges required to be paid by Destination Panama City under this Lease other than the Minimum Rent, shall be deemed to be "Additional Rent". Unless otherwise stated herein, all Additional Rent shall be due and payable thirty (30) days after written notice thereof is given to Destination Panama City, without any deductions or set-offs whatsoever. Destination Panama City's failure to pay any such Additional Rent when due shall be deemed to be a failure by Destination Panama City to pay rent.

7.2 Payments By Destination Panama City.

All payments and charges required to be made by Destination Panama City to the City hereunder shall be payable in United States funds, at the address which is set forth above, or to such other address or in such other manner as the City shall specify from time to time by written notice to Destination Panama City. All other payments or adjustments required to be made under the terms of this Lease that require proration on a time basis shall be prorated on the same basis. No payment to or receipt by the City of a lesser amount than the amount required to be paid hereunder shall be deemed to be other than on account of the earliest amount of any obligations then due hereunder, notwithstanding any notation, legend or instructions of Destination Panama City to the contrary, which notations, legends or instructions shall be null and void. No endorsement or statement on any check or other communication accompanying a check for payment of any amounts payable hereunder shall be deemed an accord and satisfaction, and the City may accept such check in payment without prejudice to the City's right to recover the balance of any sums owed by Destination Panama City hereunder or to pursue any other remedy available in this Lease, or under law, against Destination Panama City.

7.3 Net Lease.

This Lease is an absolute net lease. Destination Panama City shall pay all expenses, whether now or hereafter existing or within the contemplation of the the City and Destination Panama City, arising from the Premises and the Improvements, including, without limitation, taxes, and expenses arising from the leasing, operation, management, maintenance, construction, repair, rebuilding, use or occupation thereof, or any portion thereof.

7.4 Taxes

Destination Panama City shall pay all real property taxes, if any, which may be levied or assessed against the property of which the leased premises are a part. Destination Panama City also shall pay any and all taxes or assessments levied or assessed against any furniture, fixtures, equipment, and items of a similar nature installed or located in or about the leased premises by Destination Panama City.

7.5 Books and Records

Destination Panama City shall maintain in accordance with generally accepted accounting principles full and accurate books of account and records. These books and records shall be maintained for a period of at least two (2) years following the end of each annual period during which this Lease is in effect, and shall be made available to the City acting through its City Manager or other authorized representative upon request. The City may terminate this lease if Destination Panama City fails to make available its books and records as described.

8. INSURANCE, SURETY REQUIREMENTS

8.1 Hold Harmless

Destination Panama City agrees to defend, indemnify and hold the City harmless against all claims for bodily injury, sickness, disease, death or personal injury or damage to property or loss of use resulting there from, arising out of the agreement, contract or lease unless such claims are a result of the City's sole negligence. Nothing herein shall waive or modify the sovereign

immunity of the City or Destination Panama City.

8.2 Required Coverage

a. Destination Panama City shall procure and maintain the following described insurance, except for coverages specifically waived by the City, on policies and with insurers acceptable to the City. These insurance requirements shall not limit the liability of Destination Panama City. The City does not represent these types or amounts of insurance to be sufficient or adequate to protect Destination Panama City's interests or liabilities, but are merely minimums. Except for workers compensation and professional liability, Destination Panama City's insurance policies shall be endorsed to name the City as an additional insured to the extent of the City's interests arising from this agreement, contract or lease. (General Liability and Business Auto). Except for workers compensation, Destination Panama City waives its right to recovery against the City, to the extent permitted by its insurance policies.

Destination Panama City's deductibles/ self-insured retentions shall be disclosed to the City and may be disapproved by the City and shall be reduced or eliminated at the option of the City. Destination Panama City is responsible for the amount of any deductible or self-insured retention.

Insurance required of Destination Panama City or any other insurance of Destination Panama City shall be considered primary, and insurance of the City shall be considered excess, as may be applicable to claims which arise out of the Hold Harmless, Payment on Behalf of City, Insurance, Certificates of Insurance and any Additional Insurance provisions of this agreement, contract or lease.

b. Workers Compensation Coverage

Destination Panama City shall purchase and maintain workers compensation insurance for all workers compensation obligations imposed by state law and employer's liability limits of at least \$100,00 each accident and \$100,000 each employee/ \$500,000 policy limit for disease. Destination Panama City shall also purchase any other coverages required by law for the benefit of employees.

c. General, Automobile and Excess or Umbrella Liability Coverage.

Destination Panama City shall purchase and maintain coverage on forms no more restrictive than the latest editions of the Commercial General Liability and Business Auto policies of the Insurance Services Office.

Minimum limits of \$1,000,000 per occurrence for all liability must be provided, with excess or umbrella insurance making up the difference, if any, between the policy limits of underlying policies (including employers liability required in the Workers Compensation Coverage section) and the total amount of coverage required.

d. Commercial General Liability Coverage- Occurrence Form Required

Coverage A shall include bodily injury and property damage liability for premises, operations, products and completed operations, independent contractors, contractual liability covering this agreement, contract or lease, broad from property damage, and

property damage resulting from explosion, collapse or underground (x,c,u) exposures. Coverage B shall include personal injury. Coverage C, medical payments, is not required.

e. Business Auto Liability Coverage

Business Auto Liability coverage is to include bodily injury and property damage arising out of ownership, maintenance or use of any auto, including owned, nonowned and hired automobiles and employee nonownership use.

f. Excess or Umbrella Liability Coverage

Umbrella Liability insurance is preferred, but an Excess Liability equivalent may be allowed. Whichever type of coverage is provided, it should be at least “following form” and shall not be more restrictive than the underlying insurance policy coverages.

g. Property Coverage

Destination Panama City shall procure and maintain for the life of the lease, all risk/special perils (including named storm and sinkhole coverages) property insurance (or its equivalent) to cover loss resulting from damage to or destruction of the building, improvements and personal property/ contents. The policy shall cover 100% replacement cost, and shall include an agreed value endorsement to waive coinsurance. Windstorm deductible(s) shall be acceptable to the City. Coverage shall also include continued full payment of rents to the City for up to one year after damage or destruction of the property..

h. Liquor Liability Coverage

If alcohol is to be served, Destination Panama City shall provide evidence of coverage for liquor liability in an amount equal to the general/ umbrella/ excess liability coverage. If the general liability insurance covers liquor liability (e.g. host or other coverage), Destination Panama City’s agent or insurer should provide written documentation to confirm that coverage already applies to this agreement, contract or lease. If needed coverage is not included in the general/ umbrella/ excess liability policy(ies), the policy(ies) must be endorsed to extend coverage for liquor liability, or a separate policy must be purchased to provide liquor liability coverage in the amount required.

8.3 Payments on Behalf of City

Destination Panama City agrees to pay on behalf of the City, and to pay the cost of the City’s legal defense, as may be selected by the City, for all claims described in the Hold Harmless paragraph. Such payment on behalf of the City shall be in addition to any and all other legal remedies available to the City and shall not be considered to be the City’s exclusive remedy.

8.4 Loss Control/Safety

Precaution shall be exercised at all times by Destination Panama City for the protection of all persons, including employees, and property. Destination Panama City shall be expected to comply with all laws, regulations or ordinances related to safety and health, shall make special effort to detect hazardous conditions and shall take prompt

action where loss control/ safety measures should reasonable be expected. The City may order work to be stopped in conditions exist that present immediate danger to persons or property. Destination Panama City acknowledges that such stoppage will not shift responsibility for any damages from Destination Panama City to the City.

8.5 Drug Free Work Place Requirements

All contracts or purchase orders with individuals, or organizations that wish to do business with the Bay City Board of Commissioners shall require contractors, subcontractors, vendors or consultants to have a substance abuse policy that adheres to FS 440.102. In the event an employee of a supplier of goods or services is found to have violated the Substance Abuse Policy that employee shall be denied access to the City's premises and job sites. In addition, if the violation is considered flagrant by the City, and the City is not satisfied with the actions of the contractor, subcontractor, vendor or consultant's employees, the City can exercised its right to bar all of the contractor's, subcontractor's, vendor's, or consultant's employees from its premises, or decline to do business with the contractor, subcontractor, vendor, or consultant in the future. All expenses and penalties incurred by a contractor, subcontractor, vendor or consultant as a result of a violation of the City's Substance Abuse Policy requirement shall be borne by the contractor, subcontractor, vendor, or consultant.

8.6 Evidence/ Certificates of Insurance

The Certificate Holder will be addressed as the City of Panama City, 501 Harrison Avenue, Panama City, Florida 32401. All certificates, cancellation, nonrenewal or adverse change notices should be mailed to this address. As outlined above, the City is to be named as Additional Insured on General Liability and Business Auto. Each certificate will address the service being rendered to the City by Destination Panama City. Required insurance shall be documented in Certificates of Insurance which provide that the City shall be notified at least 30 days in advance of cancellation, nonrenewal or adverse change, New Certificates of Insurance are to be provided to the City at least 15 days prior to coverage renewals. If requested by the City, Destination Panama City shall furnish complete copies of Destination Panama City's insurance policies, forms and endorsements For Commercial General liability coverage, Destination Panama City shall, at the option of the City, provide an indication of the amount of claims payments or reserves chargeable to the aggregate amount of liability coverage. Receipt of certificates or other documentation of insurance or policies or copies of policies by the City, or by any of its representatives, which indicate less coverage than required does not constitute acceptance of the levels of insurance or a waiver of Destination Panama City's obligation to fulfill the insurance referred to in this Lease, so should any such insurance not be approved by the City, and Destination Panama City does not commence and continue to diligently cure such default within 48 hours after written notice by the City, this Lease shall terminate automatically.

9. Miscellaneous

9.1 Assignment or Subletting

Destination Panama City shall not assign, mortgage, or encumber this lease, nor

sublet or permit the Premises or any part thereof to be used by others, except as in the normal course of Destination Panama City's business operations, without the prior written consent of the City in each instance. In connection with an assignment, sublease or encumbrance the City may require the submittal of detailed financial information about the prospective sub-tenant or assignee, to be reviewed by the City, and may require a guarantee of the obligations of the prospective sub-tenant or assignee, and may require detailed financial information about the guarantor, to be reviewed by the City; and there may be alterations to this lease and alterations to the building which are necessary to consummate the transaction. In addition, the City may charge a fee of two percent (2%) of base rent for the first five years of the lease, due in full upon the City's consent, as payment to the City for such investigations, lease alterations and similar matters. No two percent (2%) fee will be charged in connection with an assignment or sublease to an assignee or sub-tenant who is "affiliated" with Destination Panama City. "Affiliated" means under common voting control, directly or indirectly.

If this lease is assigned, or if the Premises or any part thereof is sublet, or occupied by anyone other than Destination Panama City, except as in the normal course of Destination Panama City's business operations, the City may, after default by Destination Panama City, collect rent from the assignee, sub-tenant, or occupant and apply the net amount collected against all rent herein reserved. No such assignment, subletting, occupancy, or collection shall be deemed a waiver of this covenant, or the acceptance of the assignee, sub-tenant, or occupant as Destination Panama City; or a release of Destination Panama City from further performance by Destination Panama City of the covenants in this lease. The consent by the City to an assignment or subletting shall not be construed to relieve Destination Panama City (or any subsequent Destination Panama City) from obtaining the consent in writing of the City to any further assignment or subletting.

9.2 Recording Memorandum of Lease

To effect public recordation, the parties may, at the time this lease is executed, agree to execute a Memorandum of Lease incorporating by reference the terms of this lease, but deleting any expressed statement or mention of the amount of rent reserved, which instrument may be recorded by either party in the Official Records of Bay County.

9.3 No Waiver of Breach; Acceptance of Partial Payments of Rent

No assent, or waiver expressed or implied, or failure to enforce, as to any breach of any one or more of the covenants or agreements herein shall be deemed or taken to be a waiver of any succeeding or additional breach. Performance by Destination Panama City or receipt by the City of an amount less than full performance provided for in this Agreement shall not be deemed to be other than a payment on account of the earliest rent then due, nor shall any endorsement or statement on any check or any letter accompanying any check or payment of rent be deemed an accord and satisfaction, and the City may accept such check or other payment without prejudice to the City's right to recover the balance of all rent then due, and/ or to pursue any or all other remedies provided for in this lease, in law, and/ or in equity including, but not limited to, eviction of Destination Panama City. Specifically, but not as a limitation, acceptance of a partial

payment of rent shall not be waiver of any default by Destination Panama City.

9.4 Controlling Law

The lease, and all terms hereunder shall be governed by the laws of the State of Florida and venue is proper in Bay County, Florida.

9.5 Time of Essence

Time is of the essence in this lease in each and all of its provisions in which performance is a factor.

9.6 Notice

All notices, requests, demands and other communications between the parties shall be in writing and delivered in person or sent by certified mail, postage prepaid, and properly addressed as stated below. Any party may from time to time change its address for the purpose of notices to that party by a similar notice specifying a new address, but no such change shall be deemed to have given until it is actually received by the party sought to be charged with its contents. All notices and other communications required or permitted under this Agreement which are addressed as provided in this Section if delivered personally or air courier, shall be effective upon delivery; and if delivered by mail, shall be effective upon deposit in the United States mail, postage prepaid.

IN WITNESS WHEREOF, the parties have executed this Lease.

Destination Panama City, Inc.

Dated

By: Jennifer Vigil
Its: President and CEO

Witness
Print: _____

Witness
Print: _____

STATE OF FLORIDA
COUNTY OF BAY

Acknowledged and subscribed before me, the undersigned notary, by Jennifer Vigil, as President and CEO of Destination Panama City, Inc., who is personally known to me or produced identification of: _____.

Notary Public

CITY OF PANAMA CITY

Dated

By: Greg Brudnicki
Its: Mayor

ATTEST:

Darlene Hachmeister, Clerk

APPROVED AS TO CORRECTNESS OF FORM:

City Attorney

**Panama City Community Development Council
dba Destination Panama City
Agenda Item Summary**

1. PRESENTER NAME:

Jennifer Vigil
President & CEO

2. MEETING DATE:

10/22/2019

3. REQUESTED MOTION/ACTION:

Authorize CEO to engage a consultant to draft a Design Build RFP for new multi-use Visitors Center.

4. AGENDA

- PRESENTATION
- PUBLIC HEARING
- CONSENT
- REGULAR

5. IS THIS ITEM BUDGETED (IF APPLICABLE)?: Yes No IF NO, STATE ACTION REQUIRED N/A

BUDGET ACTION:
FINANCIAL IMPACT SUMMARY STATEMENT:

DETAILED ANALYSIS ATTACHED?: Yes No

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT ACTION WILL BE ACCOMPLISHED, (WHO, WHERE, WHEN & HOW)

Staff has estimated a project budget for a new multi-use Visitors Center not to exceed \$750,000 and recommends a design-build RFP process for expeditious design and construction. Staff reached out to multiple consultants, both local and nation-wide experienced in this type of project development. Consultants were asked to confirm their capability of drafting a Design Build RFP with a deadline of January 2020 and at a cost that was equivalent to 2.5% - 2.9% of the overall project cost.

Consultant Name	Specific experience	Meet Timeline (Y/N)	2.5% - 2.9%
Anchor CEI	Y	Y	Y
Stone Planning LLC	N	Y	Y
Crossroads Consulting	No response	Not with current workload	No
Johnson Consulting	Y	Y	Y

Given the responses, staff recommends the board authorize the CEO to negotiate and execute a contract for drafting a Design Build RFP not with Anchor CEI.



P. 850.215.1285 F. 850.215.1286
450 Magnolia Avenue
Panama City, FL 32401

October 17, 2019

Ms. Jennifer Vigil
President & CEO
Destination Panama City (PCCDC)
228 Harrison Avenue
Panama City, FL 32401

Sent via email to: jennifer@destinationpanamacity.com

RE: DESIGN-BUILD REQUEST FOR PROPOSALS
ENGINEERING SERVICES
ACEI CLIENT: DESTPC.; ACEI PROJECT NO: 2019-01

Mrs. Vigil:

Anchor CEI, Inc. (ACEI) is pleased to submit this proposal for Professional Engineering Design Services associated with the above referenced project. The project will include working with Destination Panama City (Owner) to develop a design-build delivery solicitation package for a new Destination Panama City Visitors' Center / Community Sailing Center to be located 101 Beach Drive. The scope of the services to be provided are further described below.

SCOPE OF SERVICES

1. Meet with the Owner to discuss the priorities and objectives with regards to the building and site layout.
2. Assist the Owner to obtain a topographic and boundary survey, geotechnical information and environmental information for the property.
3. Collect and evaluate other existing site condition information such as available utilities, City and State regulations, as well as other pertinent available information.
4. Develop a conceptual site plan (if needed) and preliminary or performance-type and/or prescriptive-type contract documents with the Owner and based on available information.
5. Meet with the City/Permitting Agencies to discuss conceptual plan.
6. Develop a design-build request for proposals package that may include the following elements:
 - a. Background and Project Description
 - b. Objectives
 - c. Budget and Design Allowances
 - d. Development and Design Deliverables
 - e. Construction and Close Out Phase Objectives
 - f. Compensation Method
 - g. Selection Process and Scoring Criteria
7. Develop a timeline for bidding, design and construction with the Owner.
8. Collect and include as much information as is available in the RFP and develop a list of assumptions and exclusions to the RFP.
9. Coordinate the review and comment of the RFP with legal counsel.

DELIVERABLES:

Owner will be provided with one 30%, 60% and final RFP to include a conceptual site plan for review and comment.

SCHEDULE:

These services will be complete prior to January 3, 2020.

PROFESSIONAL SERVICES FEES

The services listed above shall be performed for the fixed rate for service equivalent to 2.8% of \$700,000 (or \$19,600).

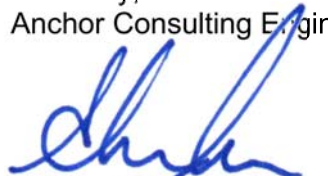
EXCLUSIONS:

The following tasks are not included in this proposal:

- Construction Ready Site Plan
- Construction Ready Building Plans
- Surveying (Recommended topographic, boundary, right of way, etc. performed by a PLS; by others)
- Geotechnical Data Collection (Recommended to be completed; by others)
- Environmental Site Evaluation (Recommended to be completed; by others)
- City, State or Federal Permitting
- Any construction costs or material purchases

To execute this proposal, please sign the attached Professional Services Contract (Exhibit B).

Sincerely,
Anchor Consulting Engineering and Inspection, Inc.



Elizabeth S. Moore, P.E.
President

EM/et
Attachments

cc: Ms. Brittany Trumbull, PE, Vice-President, ACEI (via email at btrumbull@anchorcei.com)

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Exhibit B
Professional Services Contract
ACEI Project No. DestinationPC 2019-01

This Professional Contract is made effective as of _____, 2019, by and between Destination Panama City ("Owner") of 228 Harrison Avenue, Panama City, FL and Anchor Consulting Engineering and Inspection, Inc. ("ACEI") of **450 Magnolia Ave, Panama City, Florida 32401.**

DESCRIPTION OF SERVICES. Beginning on the effective date of this contract, ACEI will provide to the Owner professional engineering services for development of a Design-Build Request for Proposal Package for the proposed Visitors' Center / Community Sailing Center, 101 Beach Dr, Panama City Florida. The tasks to be included as part of these services are described in the attached Cover Letter dated October 17, 2019 (collectively, the "Services").

PAYMENT. Payment shall be made to Anchor Consulting Engineering and Inspection, 450 Magnolia Ave, Panama City, Florida 32401. The Owner agrees to pay ACEI the fixed rate for service equivalent to 2.8% of \$700,000 (or \$19,600) to be billed monthly as a percent of work complete. ACEI will provide a monthly invoice for these services.

CLIENT'S RESPONSIBILITIES. Owner shall provide full information regarding requirements for the project. Owner shall provide any available information regarding the project promptly so as to minimize costs.

TERM. This Contract will terminate automatically upon completion by ACEI of the Services required by this Contract or one year, whichever occurs first.

NO MECHANIC'S LIEN. ACEI shall not permit or suffer any mechanic's lien filed by any subcontractor, Consultant, laborer, or material vendor of ACEI to remain upon the premises of Client, provided such lien arises from the execution of work included in this contract. Upon final payment due under this Contract, ACEI agrees, for himself and his Consultants and subcontractors, that it will furnish to Client, upon request, such certificate or certificates as Client may require or desire, to the effect that no mechanic's liens or claims of ACEI or its Consultants and subcontractors have arisen or are outstanding with respect to the Work and that there is, to the best of the ACEI 's knowledge, information, and belief, no basis for any future liens to be filed, but that if any such liens or claims are filed, ACEI will defend and hold Client harmless against such liens.

ARBITRATION. Any controversies or disputes arising out of or relating to this Contract shall be resolved by binding arbitration in accordance with the then-current Commercial Arbitration Rules of the American Arbitration Association. The parties shall select a mutually acceptable arbitrator licensed in the State of Florida and knowledgeable about issues relating to the subject matter of this Contract. In the event the parties are unable to agree to such a selection,

each party will select an arbitrator and the two arbitrators in turn shall select a third arbitrator, all three of whom shall preside jointly over the matter. The arbitration shall take place in Bay County. All documents, materials, and information in the possession of each party that are in any way relevant to the dispute shall be made available to the other party for review and copying no later than 30 days after the notice of arbitration is served. The arbitrator(s) shall not have the authority to modify any provision of this Contract or to award punitive damages. The arbitrator(s) shall have the power to issue mandatory orders and restraint orders in connection with the arbitration. The decision rendered by the arbitrator(s) shall be final and binding on the parties, and judgment may be entered in conformity with the decision in any court having jurisdiction. The agreement to arbitration shall be specifically enforceable under the prevailing arbitration law. During the continuance of any arbitration proceeding, the parties shall continue to perform their respective obligations under this Contract.

ENTIRE AGREEMENT. This Contract and referenced Cover Letter contains the entire agreement of the parties, and there are no other promises or conditions in any other agreement whether oral or written concerning the subject matter of this Contract. This Contract supersedes any prior written or oral agreements between the parties.

SEVERABILITY. If any provision of this Contract will be held to be invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Contract is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision will be deemed to be written, construed, and enforced as so limited.

AMENDMENT. This Contract may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

GOVERNING LAW. This Contract shall be construed in accordance with the laws of the State of Florida.

NOTICE. Any notice or communication required or permitted under this Contract shall be sufficiently given if delivered in person or by certified mail, return receipt requested, to the address set forth in the opening paragraph or to such other address as one party may have furnished to the other in writing.

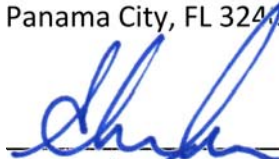
WAIVER OF CONTRACTUAL RIGHT. The failure of either party to enforce any provision of this Contract shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Contract.

SIGNATORIES. This Agreement shall be signed on behalf of the Owner, Destination Panama City (PCCDC) by Mrs. Jennifer Vigil, and on behalf of ACEI by Elizabeth S. Moore, PE, President and effective as of the date above written.

Owner: Destination Panama City (PCCDC)
228 Harrison Avenue
Panama City, FL 32401

By: _____
Ms. Jennifer Vigil, President & CEO

Engineer: Anchor Consulting Engineering and Inspection, Inc.
450 Magnolia Ave
Panama City, FL 32401

By:  _____
Elizabeth S. Moore, PE, President



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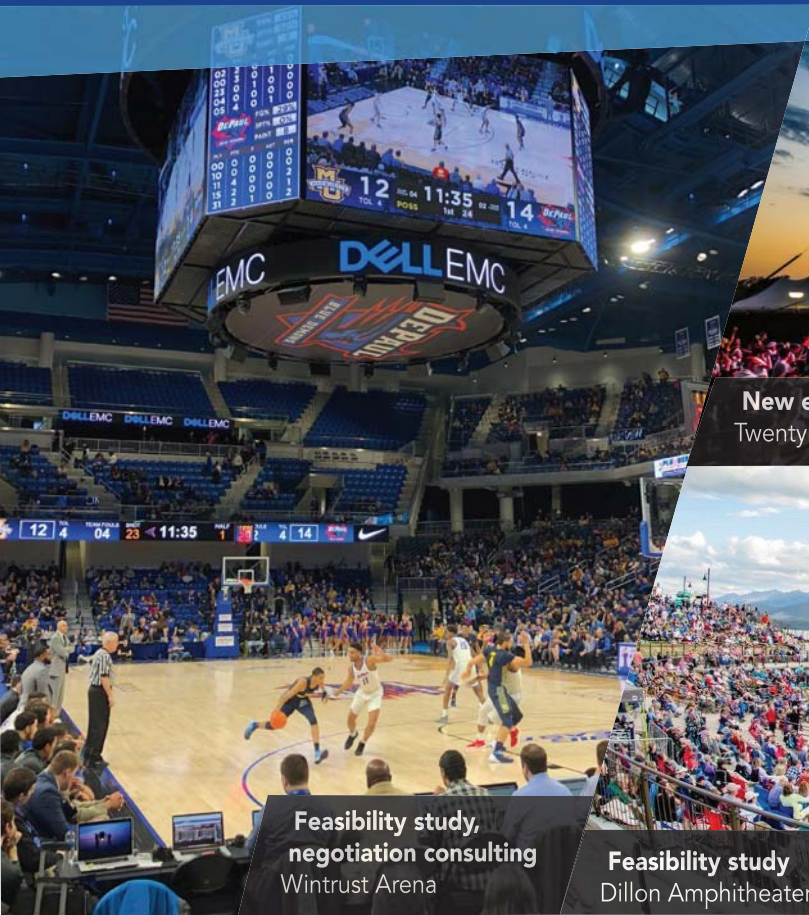
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DESIGN-BUILD RFP FOR MULTI-USE PUBLIC FACILITY SOLICITATION CONSULTING SERVICES

SUBMITTED TO
Destination Panama City - PCCDC

SUBMITTED BY
Johnson Consulting

DATE
October 15, 2019



October 15, 2019

Ms. Jennifer M. Vigil
President & CEO
Destination Panama City (PCCDC)
228 Harrison Avenue
Panama City, FL 32401

Re: Design-Build RFP for Multi-Use Public Facility Solicitation Consulting Services

Dear Ms. Vigil,

Thank you so much for reaching out. Johnson Consulting is pleased to provide this proposal to Destination Panama City ("Client" or "PCCDC") for services to draft and disseminate a Design-Build RFP for a multi-use public facility.

Our response to three questions you posed is as below:

1. Is your company experienced in writing RFPs for Design-Build for multi-use public facilities?

Yes. We are currently working with the City of Waukegan, IL to assist in the recruitment of a casino developer and in Ft Pierce, FL in recruiting a developer for a mixed-use development. Please refer to Pages 9-20 for more details on our experience.

2. Can your company draft the complete RFP for Design-Build for a multi-use public facility by January 3, 2020?

Yes. We always strongly commit to meeting the timeframe requirements of our clients. We have reviewed our upcoming calendar and have budgeted down time for holidays that will occur during the study period. Thus, we feel comfortable with the proposed schedule. If any unanticipated delays arise, we would engage additional team resources to ensure on-time completion.

3. Is your company agreeable to a fixed rate for service equivalent to 2.5% (.025) - 2.9% (.029) of \$700,000 (total project budget) for this project?

Yes. Please refer to Page 4 for details on our professional fees.

The balance of this proposal details our proposed approach to drafting and disseminating the RFP, as well as optional services regarding proposal review/ranking, interviews and selection; along with our qualifications, proposed schedule, fee and contractual conditions. If you have questions, or if there is additional information you require, do not hesitate to call me at 312.447.2001. We truly look forward to the opportunity of serving you.

Sincerely yours,

C.H. JOHNSON CONSULTING, INC.



CHARLES H. JOHNSON IV, PRESIDENT

UNDERSTANDING OF THE ASSIGNMENT

Destination Panama City (“Client” or “PCCDC”) is seeking professional consulting services for the drafting and dissemination of a Design-Build RFP for a multi-use public facility.

SCOPE OF WORK

The scope of work outlined below has been prepared in order to reflect the services that can help you select the best development partner for the project and provide for Johnson Consulting to generally serve as an advisor on the project as it evolves, as needed. Our proposed scope reflects an understanding that your intention is to commence the solicitation process with an RFP. If you determine a need to also prepare and disseminate an Request for Qualifications (RFQ), Johnson Consulting will be pleased to provide a supplemental proposal to support you in that process.

TASK 1 – REQUEST FOR PROPOSALS (RFP) DRAFTING AND DISSEMINATION

Johnson Consulting will draft an RFP document, to be reviewed and accepted by PCCDC representatives, and assist the PCCDC with disseminating the document to potentially interested parties. This is a core competency of our firm. We will discuss the proposal process with potential respondents and represent PCCDC’s best interests when doing so. If desired, we can also set a pre-proposal meeting in order to provide a forum for underscoring PCCDC’s intentions and vision for the project. Johnson Consulting has conducted numerous pre-proposal meetings and is viewed with respect by the development community because of our fairness and integrity in this process. The pre-proposal conference will also allow respondents the opportunity to show their commitment to the project. We will assist PCCDC in preparing an opening statement, answers to potential questions, and generally assist with organizing the meeting and issuing any addenda.

TASK 2 (OPTIONAL) – RFP RESPONSE REVIEW

Johnson Consulting will assist PCCDC in evaluating responses to the RFP. We will provide advice on the process of evaluation and selection of a final developer, participate in interviews that will be undertaken as part of the selection process and provide a summary of the positive and negative aspects of each of the responses for utilization by PCCDC. We will also formulate a list of recommended questions that PCCDC can consider asking potential candidates to clarify the RFP responses.

Johnson Consulting will collect the responses to the RFP and develop a summary document that puts the proposals in a side-by-side comparison. Each category of response will be evaluated, an independent assessment of the proposed project and financial projections will be conducted, and



a conclusion drawn as to which proposal(s) will have the greatest impact on economic development initiatives in the City. We will also conduct reference checks and undertake procedures to verify information contained in the submittals. This will help us in establishing which respondent(s) will be the best development partner for PCCDC. We always suggest ranking, and not designating a one-and-only respondent. In order for PCCDC to retain flexibility in negotiations, the respondents must know that if discussions with the first group are not successful, then PCCDC has the option to proceed to the second-ranked firm.

Prior to arriving at a final ranking, it is our experience that interviews and presentations should be conducted with the top-ranked respondents. While much knowledge can be gained from responses on paper, PCCDC will make its most well-informed decision after combining response information with presentation and question-and-answer clarifications with the top-ranked respondents. It is then that the character of each organization (or team) can be more accurately observed. After this step, PCCDC will be ready to make final rankings of developers. Johnson Consulting will notify the respondents that they were either the top-ranked developer or not and will prepare both PCCDC and the developer for the next steps.

TASK 3 (OPTIONAL) – NEGOTIATION OF A DEVELOPMENT AGREEMENT

Working with your legal team and other advisors, Johnson Consulting will provide advice and consultation to PCCDC during negotiations with the selected developer on a final Development Agreement. We will provide a national perspective and be able to provide best practices learned in other similar projects around the country to ensure that the final Development Agreement achieves PCCDC's goals for the success of the project, while minimizing the public's financial exposure.

Upon determination by PCCDC of the development structure, financing, and developer, we will assist in the negotiation of a Development Agreement and other associated agreements. This is often preceded by a Memorandum of Understanding that establishes the basic terms. The more detailed final Development Agreement will then be negotiated. There are base documents and best-practices that have emerged from deals completed across the U.S. and we will incorporate these into the agreements. We will continually be your resource for this task and make recommendations regarding the negotiations. In addition, as requested, we will serve as your owner's representative, organizing conference calls, meetings, and moderating discussions between the developer, Client, operator, attorneys, and other parties.

TASK 4 (OPTIONAL) – ECONOMIC AND FISCAL IMPACT ANALYSIS

If desired, Johnson Consulting will prepare an economic and fiscal impact analysis of the top ranked developer proposals, which will estimate the benefits as well as annual operations of the proposed project. Our economic and fiscal impact analysis work is often used to support and advance the project in the public relations and political approval processes.

We will perform the economic and fiscal impact analysis to estimate the potential long-term returns, in terms of improved demand, new spending, additional jobs, additional room nights, additional tax revenues, et cetera as the result of the new construction. Among others, the Johnson Consulting will estimate the following types of impacts in the analysis:

- **Economic Impacts** – Impact of adding a new mixed-use development to the local market.
- **New Spending, Additional Jobs, Additional Room Nights** – Represents spending by residents, workers and visitors within the community and the surrounding area, as well as the resulting additional jobs and room nights associated with the new economic activity.
- **Fiscal Impacts** – Represents the incremental tax revenue collected by the municipalities in the area, associated with the net new economic activity related to the project.

It may also be helpful in obtaining final funding grants and ongoing operating support by communicating how the project can help drive demand to the area, how much employment will occur and how much tax revenue will be generated.

OTHER SERVICES (OPTIONAL)

During the pre-development phase, a number of questions and issues generally arise that had not been considered in the past. We are often used to answer questions, calculate new projections, work to mitigate previously unknown issues, etc. Our role is to work with you throughout the process to ensure that it is efficient, thorough, retains complete integrity, and results in a project that provides the benefits sought by PCCDC.

SCHEDULE

We can commence the scope of work in this proposal upon notice to proceed, and can meet PCCDC's desired deadline for preparation of an RFP document for Design-Build for a multi-use public facility by January 3, 2020.

FEES

For the services described above, our professional fees are as follows:

- RFP Development and Dissemination (Task 1) : \$20,000
- RFP Evaluation (Task 2) - OPTIONAL : Time and Materials
- Developer Negotiations (Task 3) - OPTIONAL : Time and Materials
- Economic and Fiscal Impact Analysis (Task 4) - OPTIONAL : Time and Materials
- Expenses: Will be billed as incurred and include items such as airfare, lodging, rental cars, and meals. All expenses will be billed at cost.

For the scope of services we are offering PCCDC, the fee will be billed monthly. Copies of invoices and receipts for out-of-pocket expenses and other third-party charges shall be included with the invoices when payment is requested. We are prepared to commence work as soon as the mobilization fee is received and will complete the project in the time frame stated in this proposal.

OTHER TERMS

We wish to be a more meaningful service provider to PCCDC. For the next two years, this agreement is extendable for other services, as needed. As PCCDC continues to further investigate and advance this project, we believe our services would be of significant value. It is a pleasure to continue our relationship with you on this engagement.

CONTRACTUAL CONDITIONS

Subject to the actual terms and conditions of any subsequent agreement with you, the following conditions are standard policy for Johnson Consulting and are customary for engagements of this type. Should you have any questions concerning any of these conditions, please feel free to contact us.

The findings and recommendations of our research will reflect analyses of primary and secondary sources of information. Estimates and analyses presented in our report will be based on economic trends, market assumptions, and financial data that are subject to variation. Johnson Consulting will use sources that it deems reliable, but will not guarantee their accuracy. Recommendations will be made from information provided by the analyses, internal databases, and from information provided by management.

It is understood in accepting this proposal that neither fees nor payment thereof is contingent upon the findings of the study. Upon receipt of invoices, payment is to be made within 30 days of receipt unless prior arrangements have been made with management. Additionally, all outstanding invoices must be current prior to the release of any draft and final reports.

Johnson Consulting will have no responsibility to update its report for events and circumstances occurring after the date of its report. If you decide not to proceed with the project, or if it appears that the study will result in a finding that the project cannot achieve its required results, Johnson Consulting would, at your request, terminate its work and would only bill you for fees and expenses incurred to that point in time.

If you require us to attend meetings and make presentations beyond the scope of services, Johnson Consulting will charge separately for its actual hours of professional time incurred in preparing for and attending the meetings. Professional time will be billed at Johnson Consulting's standard hourly rates plus travel and incidental expenses.

Invoices outstanding after thirty days of receipt shall accrue at the interest rate of one percent per month until paid. If we need to bring action to enforce the terms contained in this letter, you will be responsible to pay our reasonable attorney's fees, costs and expenses.

AUTHORIZATION TO PROCEED

AUTHORIZATION TO PROCEED

Signature: _____

Name: _____

Title: _____

Date: _____

If you wish to wire payments, our wire information is provided below.

Bank: JP Morgan Chase; ABA #: 071000013; Acct. #: 807069299

QUALIFICATIONS



ABOUT JOHNSON CONSULTING

Johnson Consulting, Inc. is a corporation founded in 1996 in Chicago, Illinois. Since our inception 20 years ago, Johnson Consulting has conducted numerous engagements in the U.S., Canada, Central and South America, Asia, Africa, and Europe with a focus on the development of multi-purpose venues, urban renewal districts, arts and cultural destinations, public assembly facilities, hotels and surrounding districts, and the broader real estate markets.

Our staff at Johnson Consulting have worked in the convention, conference, hospitality and sports consulting fields for over 35 years. The majority of this work is focused on RFP/Q solicitation management, planning, market and feasibility studies, economic and fiscal impact assessments, economic development, strategy development, tax analysis and projections, site selection, development consulting, developer and investor recruitment, operational audits, as well as downtown and suburban development and redevelopment planning.

The majority of our clients are towns, cities and counties, and we also perform studies for private developers, corporations and quasi-governmental organizations, such as universities, convention and visitor bureaus and authorities. With both our public and private sector clients, we deliver high-quality work in a timely manner. Numerous repeat engagements with several clients are evidence of our reputation for quality and client satisfaction.

We have provided analysis, insight and recommendations for various development and real estate projects, providing both comprehensive evaluation of an entire area and specific evaluation of individual facility concepts and economic development potential. Our expertise allows us to counsel our clients on whether development is appropriate, and if so, what should be built, where it should be built, and how to finance and develop and operate the project.

Johnson Consulting is noted for providing straightforward opinions and creating meaningful solutions to complex problems.



+20 YEARS

CONDUCTING ECONOMIC, MARKET AND FINANCIAL ANALYSIS FOR PUBLIC ASSEMBLY FACILITIES



20,000

BUILT HOTEL ROOMS



30M SQ.FT

OF EXHIBITION SPACE



\$100B

IN PROJECTS BUILT



+1,000

PROJECTS/ASSIGNMENTS

C.H. Johnson Consulting, Inc.

6 East Monroe Street, Fifth Floor

Chicago, Illinois 60603

312.447.2010

www.chjc.com

SERVICES



CONSULTING SERVICES



Market & Demand Analysis
Proforma/Financial Analysis
Economic & Fiscal Impacts
Strategic Master Planning
Expansion/Renovation Analysis
Funding Strategies



Project Financing Analysis
Tax Analysis & Projections
Asset Valuation
Sensitivity/Gap Analysis
Owner's Representation
Site Analysis



Manage RFP/RFQ Solicitations
Operational Audits
Naming Rights Valuation
Negotiation Assistance
Public-Private Partnerships (P3)
Public Engagement

JOHNSON CONSULTING'S REPRESENTATIVE PROJECTS

REAL ESTATE AND TIF DISTRICTS

Bay St. Louis Marina District
 Bloomington, MN - Waterpark of America
 Bridge Investment Partners EB5 Center (Co-Founder)
 Boston Redevelopment - District Funding Plan
 Burlington County, NJ - Mixed-Use Resort Development
 Cañon City, CO - Royal Gorge Park Masterplan
 Ceiba, PR - Roosevelt Roads Redevelopment
 Commonwealth, KY - KTDA TIF Manager
 Corpus Christi, TX - Bayfront Master Plan
 Des Moines, IA - Retail and Hotel TIF District
 Kansas City, MO - KC Live! Entertainment District
 Lake Lanier, GA - Condominium Development
 Lake Lewisville, TX - Mixed-Use Redevelopment
 Lexington, KY - Distillery District
 Lexington, KY - Midland Avenue TIF
 Lexington, KY - The Summit Mall
 Lexington, KY CenterPointe Development
 Louisville, KY - 4th Street Live! Retail Complex
 Miami, FL - Port of Miami Strategic Redevelopment Plan
 Mokena, IL - Industrial Transit-Oriented Development
 New York City, NY - World Trade Centers Worldwide
 Newport, KY - Hofbrauhaus Restaurant
 Northern KY - Ovation Mixed-Use Development
 Orlando, FL - Real Estate PUD
 Rockford, IL - Downtown Events Center Master Plan
 San Juan, PR - Waterfront Mixed-Use Development
 Starkville, MS - Cotton Mill District
 Tucson, AZ - Rio Nuevo TIF District
 Waukegan, IL - Waterfront Masterplan

AGRIBUSINESS & FAIRGROUNDS

Albuquerque, NM - New Mexico State Fairgrounds
 Del Mar, CA - Fairgrounds Event Impact Analysis
 Elkhorn, NE - RFD TV Agribusiness Campus
 Estes Park, CO - Estes Park Fairgrounds
 Gallipolis, OH - Gallia County Junior Fair
 Hamilton County, IN - Hamilton County Fairgrounds
 Lexington, KY - Kentucky Horse Park Arena
 Memphis, TN - Mid-South Fairgrounds
 Mt. Pleasant, TX - Educational and Agricultural Pavilion
 Osceola County, FL - Osceola Heritage Park
 Pueblo, CO - Colorado State Fair
 Salem, OR - Fairground Analysis
 Salem, OR - Oregon State Fair and Expo Center
 Santa Clara County, CA - Fairgrounds Redevelopment
 Scottsdale, AZ - WestWorld Equestrian Complex
 Sioux Center, IA - Agriculture Stewardship
 St. Joseph, MO - Agribusiness Expo Center
 Surrey, BC - Community Trade & Exhibition Center
 Versailles, KY - Thoroughbred Square Retail Complex
 Volusia County, FL - Volusia County Fair & Expo Center

MINOR LEAGUE SPORTS&

COLLEGIATE

Albuquerque, NM - Downtown Arena Development
 Alcoa, TN - Proposed Arena Feasibility
 Biloxi, MS - Minor League Baseball Stadium
 Boca Raton, FL - Florida Atlantic University's New Football Stadium
 Cedar Falls, IA - University of Northern Iowa McLeod Center
 Charleston, SC - Proposed Football Stadium
 Chesterfield County, VA - Arena & Soccer Complex
 Dover, DE - Delaware State Univ. Arena/Football Feasibility
 Erie, PA - Erie Civic Center Feasibility Study/
 Masterplan
 Green Bay, WI - Lambeau Field
 Greenville, SC - Bi-LO Center
 Holland, MI - Holland Area Center
 Jackson, MS - Atlanta Minor League Baseball
 Jasper County, IA - Iowa Motor Speedway
 Lake Placid, NY - Olympic Center Modernization
 Lexington, KY - Lexington Center and Rupp Arena
 Louisville, KY - Univ. Louisville Papa John Stadium
 Miami, FL - Florida International University's New Football Stadium

Orlando, FL - University of Central Florida's Convocation Center and New Football Stadium
 Osceola County, FL - Osceola County Stadium and Sports Complex
 Pittsburgh, PA - Formula Motorsports Park
 Sacramento, CA - UC Sacramento Football Stadium Renovation
 Warren County, OH - Sports / Entertainment Complex
 Wayndotte County, KS - Proposed Arena District Feasibility

CONVENTION/CIVIC CENTERS

Akron, OH - Proposed Convention/Conference Center
 Austin, TX - Austin Convention Center
 Baltimore, MD - Convention Center
 Bangkok, Thailand - Bangkok Convention Center Hotel Complex
 Bellevue, WA - Meydenbauer Center Expansion
 Bloomington, IN - Convention Center Expansion
 Boston, MA - Boston Convention & Exposition Center
 Boston, MA - Hynes Convention Center
 Broward County, FL - Broward County Convention Center
 Canton, OH - Canton Civic Center
 Charlotte, NC - Charlotte Convention Center
 Cheyenne, WY - Cheyenne Convention/ Multi-Purpose Center
 Chicago, IL - McCormick Place
 Chicago, IL - Navy Pier
 Cincinnati, OH - Cincinnati Convention Center
 Cincinnati, OH - Cincinnati Convention Center
 College Station, TX - Bryan-College Station Convention/Conference Center
 Columbus, OH - Columbus Convention Center Expansion
 Dane County, WI - Dane County Coliseum/Fairgrounds
 Daytona Beach, FL - Ocean Center
 Des Moines, IA - Convention Center
 Detroit, MI - Cobo Hall
 Durham, NC - Durham Civic Center Expansion
 Gastonia, NC - Civic/Convention Center Feasibility
 Grand Island, NE - Multipurpose Event Center
 Hartford, CT - Connecticut Convention Center
 Indianapolis, IN - William H. Block Theater
 Jackson, MS - Jackson Convention Center
 Kansas City, MO - Kansas City Convention Center
 Kissimmee, FL - Kissimmee Civic Center
 Lansing, MI - Lansing Center
 Mexico - Cancun Convention Center
 Milwaukee, WI - Wisconsin Center Expansion
 Myrtle Beach, SC - Myrtle Beach Convention Center
 New York, NY - Jacob Javits Convention Center
 Norfolk, VA - Norfolk Convention Center
 Orlando, FL - Orange County Convention Center
 Osceola, FL - World Expo Center
 Overland Park, KS - Overland Park Convention Center
 Paducah, KY - Paducah Convention Center
 Peoria, IL - Peoria Civic Center
 Philadelphia, PA - Philadelphia Convention Center
 Pittsburgh, PA - David Lawrence Convention Center
 Portland, OR - Oregon Convention Center
 Benchmarking Analysis
 Richmond, VA - Richmond Centre / Mosque Theater
 Richmond, VA - Richmond Convention Center (San Juan, PR - San Juan Convention Center/WTC
 San Mateo, CA - San Mateo State Fair Expo Hall
 Savannah, GA - Savannah Convention/Civic Center
 Seattle, WA - Washington State Convention & Trade Center
 Singapore - Trade and Convention Center
 South Padre Island, TX - South Padre Island Convention Centre
 South San Francisco, CA - South San Francisco Conference Center
 St. Charles, MO - Convention Center and Hotel Development
 St. Louis MO - St. Louis Cervantes Convention Center
 Tampa, FL - Tampa Convention Center
 Toronto, ON - National Trade Center
 Trenton, NJ - Exhibition Facility Feasibility
 Tucson, AZ - Tucson Arena, Convention Center & Performing Arts Complex
 Vancouver, BC - Vancouver Trade and Convention

Centre
 Winnipeg, MB - Winnipeg Convention Centre Operational Audit

HOTELS

Ashland, KY - Henry Clay House Renovation
 Austin, TX - Austin Convention Center HQ Hotel
 Bangkok, Thailand - HQ Hotel
 Bismarck, ND - UTTC Hotel/Convention Center
 Bloomington, IN - Bloomington Convention Center HQ Hotel
 Calgary, Alberta - Calgary Convention Hotel Land Lease Refinements
 Charlotte, NC - Charlotte Convention Center HQ Hotel
 College Park, GA - Convention Center/Hotel
 Daytona, FL - Embry-Riddle Aeronautical Univ. Conference Center
 Denver, CO - Denver Convention Center Hotel
 Erie, PA - HQ Hotel
 Ft. Wayne, IN - Convention Center HQ Hotel
 Ft. Worth, TX - Convention Center HQ Hotel
 Hammond, IN - Purdue University Calumet Conference Center
 Houston, TX - Houston HQ Hotel
 Kiamesha Lake, NY - Concord Resort Conference Center
 Louisville, KY - 21C Hotel and Museum
 Louisville, KY - Galt House Renovation
 Louisville, KY - Hilton Garden Inn Conference Hotel at Kentucky Fair & Exposition Center
 Macau, China - Proposed Hotel/Casino
 Melbourne, FL - Conference Center Feasibility
 Minneapolis, MN - Convention Center HQ Hotel
 Nashville, TN - Convention Center/HQ Hotel
 New Orleans, LA - New Orleans HQ Hotel
 Osceola County, FL - Convention Center & Hotel
 Overland Park KS - HQ Hotel
 Palm Springs, CA - Hotel/Golf Resort
 Salem, OR - Hotel and Conference Center
 San Moritz, Switzerland - Conference Center/Hotel
 St. Louis, MO - Renaissance HQ Hotel
 Syracuse, NY - Hotel Development
 Tempe, AZ - Hotel and Conference Center
 Washington, D.C. - HQ Hotel
 Wausau, WI - Wausau Hotel/Conference Center
 Will Co. IL - Environmental Education/Conf. Center

TOURISM/ENTERTAINMENT

Ashland, KY - Ashland Motorsports Speedway
 Arlington Heights, IL - Metropolis Performing Arts Ctr.
 Austin, TX - Palmer Auditorium/Bass Hall
 Boston, MA - Boston CVB Funding Analysis
 Buffalo, NY - Buffalo CVB Organizational Analysis
 Cincinnati, OH - Cincinnati CVB Membership & Organizational Study
 Columbus, OH - Center of Science and Industry
 Commonwealth of KY - Tourism Development Initiatives
 Commonwealth of MA, Regional Tourism Study
 Grand Rapids, MI- Grand Rapids CVB Plan & Room Tax Projections
 Greylock Glen, MA - Environmental Education Center
 Houston, TX - Houston Casino Developer—Proposal Review
 Jefferson County, WV - Jefferson County CVB Tourism Strategy Study
 Milwaukee, WI - Milwaukee CVB Organizational Study
 Moline, IL - Quad Cities Arts Tourism Strategy
 Nashville, TN - Nashville Tourism District
 Nespalem, WA - Colville Federated Tribes Tourism Plan
 New Orleans Land-based Casino
 Newport, KY - Newport Aquarium Expansion
 Orlando, FL - Leu Botanical Gardens
 Orlando, FL - Orlando CVB Organizational Study
 Pella, IA - Earthpark Environmental Theme Park
 Tampa, FL - Tampa CVB Organizational Study
 Toronto, ON - Toronto Tourism Strategic Plan
 Tulsa, OK - Tulsa CVB Organizational Study

* Public Sector Clients



PROJECT HIGHLIGHTS

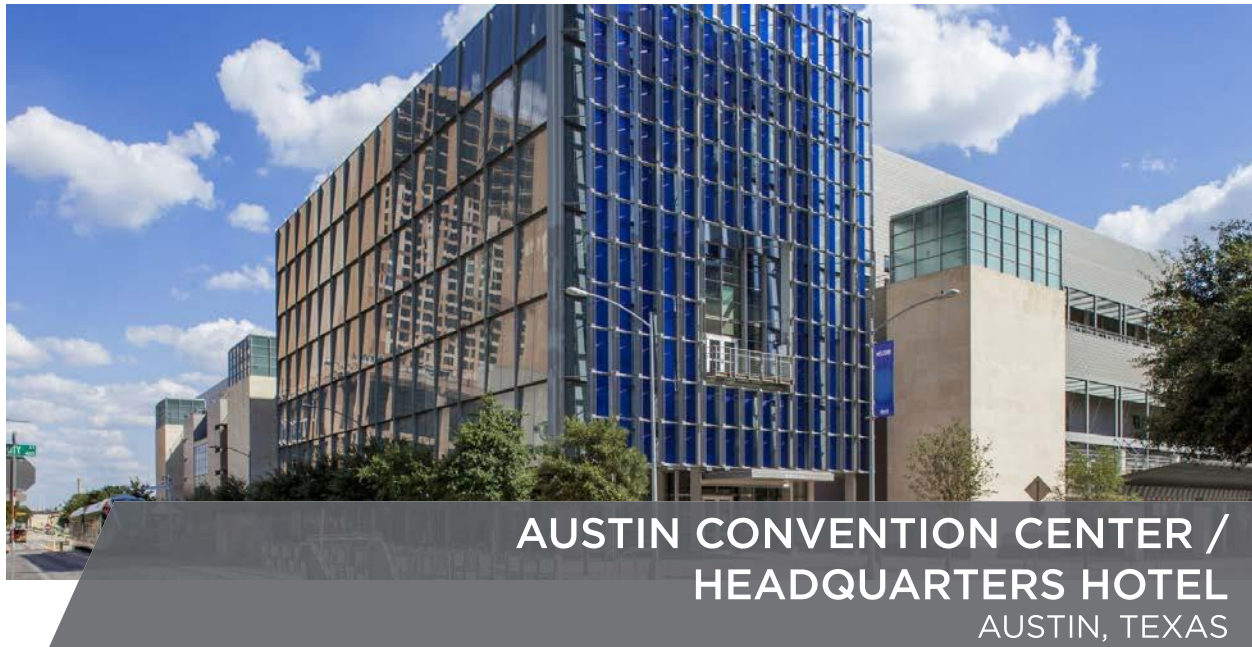
- Feasibility and market study for a new convention center
- Analysis of existing infrastructure to support a new convention center, including hotel supply, air lift, destination marketing, & entertainment options

Johnson Consulting was engaged to perform a market research-based analysis of Convention Center development opportunities for Panama City and the surrounding area. Destinations like Mexico, Brazil, Argentina, and Puerto Rico have over time developed new facilities or improved their convention and meetings infrastructure, by building, expanding, or renovating the facility, advancing the facility operations, and improving the hotel inventory.

Our analysis shows that the existing facility was booked beyond capacity and has a local rather than a trade and convention orientation. It is our expectation that Atlapa and a new convention center should coexist, each focusing on different markets. Competition also comes from the growing number of Caribbean and Latin America resort facilities that offer considerable convention and meeting space.

Through detailed research, interviews, comparable analysis, and market study, Johnson Consulting recommended that the new Panama Convention Center have approximately 200,000 square feet of exhibit space, 40,000 square feet of ballroom space, and 60,000 square feet of meeting rooms. Since Panama sought to participate on the international stage, providing a theater that can attract “congresses” was important for this effort.

Further, an expanded hotel supply must evolve. Over time, new hotel projects near the site were determined to be essential to maximize the use of convention centers and as part of a destination’s leisure demand development.



PROJECT HIGHLIGHTS

- Numerous repeat engagements with the City
- Convention Center expansion
- RFQ management for headquarters hotel developer
- Multiple facility analysis- including performing arts center and the Palmer Events Center
- Extensive meeting planner focus groups to determine needs, sales strategies and key decision points for them

On three separate occasions, the City of Austin engaged Johnson Consulting to conduct an expansion study and a status report on activity at the new Austin Convention Center, Palmer Auditorium, and Coliseum. The first study examined if renovation of the Palmer Auditorium and the City Coliseum was economically viable and in the best interests of the City and arts organizations. We recommended strategic initiatives for the City to pursue in optimizing the Convention Center’s performance, including a headquarters hotel, a new performing arts center, and a convention center expansion. As a result, the Austin Convention Center doubled in exhibition space to 250,000 square feet. The expansion included 125,000 square feet of exhibition space, a 40,000 square foot ballroom, and additional meeting and support space. A master plan called for phased future expansion to 450,000 square feet of exhibition space with an appropriate amount of meeting, banquet, and support space.

To implement the recommendations, the City retained our firm for a long-range masterplan for the convention center, an update of the hotel tax projections and analysis of financing capacity, an evaluation of the market potential for a headquarters hotel, and drafting and managing of RFQ for developer qualifications for the headquarters hotel. The expanded Convention Center successfully opened in May 2002 and the hotel opened in December 2003. In 2014, our firm was retained again to analyze five expansion options, and prepare demand, financial, economic and fiscal impact analyses for each scenario.



**CIVIC CENTER MASTERPLAN AND
CONVENTION HOTEL**
ERIE, PENNSYLVANIA

PROJECT HIGHLIGHTS

- Hotel Developer RFQ/RFP solicitation, coordination, and management
- Master plan for entertainment district featuring two-theaters, an arena, and a AA baseball stadium
- Demand and operating projections
- Cost estimates and phasing plan
- Developer proposal evaluation
- Site analysis and recommendations

Johnson Consulting was engaged by the Erie County Convention Center Authority to conduct four distinct projects to extend the appeal and character of Erie as a convention, event, and tourism destination. Under the first engagement, we worked in partnership with the Authority to prepare a feasibility study and campus facilities master plan for the Erie Civic Center Complex (ECCC).

The ECCC is comprised of three facilities: the Warner Theatre, Tullio Arena, and Jerry Uht Ballpark. Our team was hired to evaluate the condition and performance of the facilities and prepare a master plan that positions the ECCC to remain an ongoing resource for Erie County. Our project explored strategies for developing the ECCC into an integrated arts, entertainment, and cultural district in downtown Erie through the development of the ECCC master plan; evaluated the physical condition of the ECCC’s existing facilities, and recommendations regarding a capital improvements plan; and conducted financial analysis to measure the contribution margin associated with each capital improvement.

A fourth facility, the Erie Bayfront Convention Center, was added to the Authority’s roster of facilities. The Authority retained Johnson Consulting to evaluate development proposals and sites for a convention center and a related headquarters hotel.



PROJECT HIGHLIGHTS

- Developer RFP solicitation, coordination, and management
- Hotel market and project analysis
- Financial analysis
- RFP management/negotiations for a developer
- Developer negotiations and site assessments
- Interface strategies with the existing convention center's ballroom

Johnson Consulting was retained by the City of Kansas City, Missouri to assist in the RFP management/negotiations for a developer of a proposed hotel to serve the downtown convention center.

The project involved solicitation of a developer to develop a new convention headquarters hotel containing approximately 1,000 hotel rooms, with an amount of meeting space with a minimum of 60 square feet per key inclusive of ballroom, pre-function and other meeting space.

In this engagement Johnson Consulting's performed a financial analysis; developed a demand and financial projections for the hotel's development. Johnson Consulting produced and released a Developer Request for Proposals; our services also include evaluating responses and making recommendations to the City, and in helping negotiate a successful developer relationship.

Due to the economic downturn and administrative changes at the City, the project was put on hold. In 2015, the City advanced the project on a much better site next to the new Performing Arts Center.



FUNDING ANALYSIS FOR MUSIC CITY CENTER DEVELOPMENT NASHVILLE, TENNESSEE

PROJECT HIGHLIGHTS

- Hotel Developer & Operator RFP solicitation, coordination, and management
- Projections of potential revenue streams available to fund the development of Nashville's new Music City Center (MCC) from various potential funding sources

Johnson Consulting was retained by Nashville, Tennessee Metropolitan Development and Housing Agency (MDHA) to develop projections of potential revenue streams available to fund the development of Nashville's new Music City Center (MCC) from various potential funding sources. Prior to this assignment, Johnson Consulting had also completed a feasibility study for a Convention Headquarters Hotel, a feasibility study for Nashville's new Music City Center, strategic recommendations for the existing Nashville Convention Center and Renaissance Hotel, as well as assisted MDHA in the selection of the developer and operator of the Convention Headquarters Hotel.

To fund the construction of the Music City Center, Nashville Metropolitan Government plans to issue bonds. To pay off those bonds, seven funding sources have been identified, all of which are derived from existing or new visitor spending. The funding sources include the following: (i) \$0.02 of the existing \$0.05 Hotel/ Motel Tax, (ii) Additional \$0.01 Hotel/ Motel Tax, (iii) Convention Center Fee of \$2.00 per room night, (iv) Rental Car Tax at 1.0 percent, (v) Airport Ground Transportation Departure Tax of \$2.00, (vi) Tourism Development Zone (TDZ) Incremental Sales Tax, and (vii) Redirected Sales Tax Revenues generated within the MCC "Campus."

In this assignment, Johnson Consulting performed analysis of the land uses within the Tourism Development Zone surrounding the Music City Center and estimated their tax revenue potential. With supports from MDHA, Johnson Consulting established a baseline tax revenues from the existing zone, "as-is." Finally, based on the baseline tax revenues and the projected fiscal benefit, Johnson Consulting estimated the amount of tax revenues that will potentially be available overtime to pay for debt service from the Music City Center development.



GREYLOCK GLEN RESORT ADAMS, MASSACHUSETTS

PROJECT HIGHLIGHTS

- Development and distribution of RFQ
- Developer negotiations
- Analysis of development elements
- Demand and financial analysis and projections
- Preparation of a report for use by the State in order to attract developers and concessionaires
- Updated market and financial feasibility analysis
- Identification and analysis of comparable projects
- Impact analysis

MassDevelopment, the economic development authority of the Commonwealth of Massachusetts, engaged Johnson Consulting to perform an analysis of a planned environmental conference and education center project in Adams. Situated in northern Berkshire County, in the popular tourist destination known as the Berkshires, the Greylock Glen Resort area is contiguous with the 12,500-acre Mount Greylock State Reservation, the Commonwealth's flagship state. The Berkshires have a wide variety of world-class performing arts venues, museums, festivals, and education offerings, coupled with the wealth of natural attractions. Numerous ski resorts, golf courses, hiking and biking trails, and other recreational activities are located in or within a short drive of Adams.

Following completion of our initial study, a Request for Proposals (RFP) was released by the Commonwealth to design, construct and manage a development consistent with the Master Plan. The Town of Adams was selected as the designated developer for the project, and subsequently retained Johnson Consulting to provide an update to our prior study, reflecting a modified facility program that included a 170-room lodge and conference center, a 2,500-seat performing arts amphitheater, an 11,000 square foot Outdoor Center, including a Nordic Ski facility with snowmaking ability and lighted ski trails, a 140-site campground with tent sites, rustic cabins, and yurts, and a multi-use trail network that will be utilized by hikers, mountain bikers, horseback riders, cross-country skiers and snowmobilers.

Johnson Consulting was further engaged to prepare and distribute a Request for Qualifications (RFQ) for a developer and/ or operator of the lodge and conference center element of the Resort.

**PROJECT HIGHLIGHTS**

- Produced RFQ/P documents
- Managed selection process for Convention Center operator
- Assisted in contract negotiations

The Memphis and Shelby County Convention Center Commission (Commission) hired Johnson Consulting to manage the selection and contract negotiation process for an operator for the Memphis Cook Convention Center (MCCC). The Commission is charged with overseeing the MCCC, which was using an outside operator at the time. The Commission wanted to put the management of the MCCC up for a competitive proposal.

- Johnson Consulting provided the following services to the Commission:
- Produced and distributed a Management Request for Qualifications (RFQ).
- Analyzed and evaluated submittals to the RFQ,
- Produced and distributed a Management Request for Proposals (RFP) to those entities short-listed from the RFQ process,
- Analyzed and evaluated the RFP responses,
- Conducted interviews and formulated lines of questioning, and
- Assisted Commission in ranking top management entity.

We are currently in the process of assisting the Commission in negotiating an appropriate contract for services.



PROJECT HIGHLIGHTS

- Development and distribution of RFQ
- Real estate market trends analysis
- Site analysis
- Highest and best use analysis
- PPP evaluation
- Assessment and ranking of responses

Johnson Consulting was retained by Pennsylvania State University (PSU) to perform a highest and best use assessment of an undeveloped site adjoining the University Park West Campus and evaluate the potential for a Public Private Partnership (PPP).

With over \$800 million in annual research expenditures, PSU ranks among the top 20 U.S. research universities. In the most recent National Science Foundation rankings of research expenditures in science and engineering, PSU ranks #2 in the U.S. based upon the number of fields in which it is ranked in the Top 10. Development of the subject site presented a unique opportunity to drive economic development by attracting residents and workers to the downtown area in University Park, PA, and formed part of a larger initiative of PSU to advance innovation and entrepreneurship in the local area.

Our analysis considered the potential for each site to support a variety of land uses including office, retail, and residential, with a specific focus on makerspace. PSU defines makerspace as an “open community lab incorporating elements of machine shops, workshops, and/ or studios where makers can come together and share resources and knowledge to build and make things.” A makerspace also functions as a center for peer learning and knowledge sharing via workshops, presentations and lectures.

Reflecting our recommendations to pursue a PPP to develop the subject site, Johnson Consulting was subsequently retained by PSU to develop and distribute a Request for Qualifications (RFQ) and provide ongoing support to the Client group as the project advanced.

**PROJECT HIGHLIGHTS**

- Analysis of the international meetings market and Mexico's position in that market
- Complete review of current facility management and operations, and recommendations for improvement
- Projection of improved Center's operating and financial performance

Johnson Consulting, along with Conventional Wisdom Corp., was engaged by the National Hotel Association of Cancun to provide services regarding the Cancun Convention Center (Center). The Hotel Association was granted the right to take over the management, operation, and oversight of the Center and was seeking a review of its operations.

Our report provided an independent analysis of the Center, its physical condition and technical capabilities, recommended improvements of its management and operation, as well as presented facts relating to the international meetings and events markets, and Cancun's place in these industries. We provided the Hotel Association with recommendations on governance of the facility and the procurement of management services, including the option of hiring a facility management company. Our analysis was used by community leadership to devise strategies regarding the future use, operation, and management of the Cancun Convention Center.

**PROJECT HIGHLIGHTS**

- Waterfront development in Buenos Aires' newest mixed-use area
- Analysis of the international meeting market
- Feasibility of a privately developed convention center

A proponent of a potential convention center in Buenos Aires engaged Johnson Consulting to evaluate the market and financial potential for a convention center in the Puerto Madero district of Buenos Aires. Puerto Madero is an emerging mixed-use district along the Rio de la Plata, near Buenos Aires' central business district and Argentina's federal district. The intended goal of the proposed project is to assist in positioning Argentina as a better trading location. Johnson Consulting's task was to recommend an appropriate facility for the Buenos Aires marketplace, considering several unique factors such as the focus of the Argentine economy and the lack of public funding mechanisms.

Johnson Consulting's study included an overview of the international meetings industry, a summary of the economics and demographics of Buenos Aires and Argentina, an analysis of case study projects, and projections of future demand for the recommended convention center. Johnson Consulting also outlined criteria that must be adhered to in order to implement the project. We also assessed the hotel and retail markets and the notion of using gaming as possible funding source.



PROJECT HIGHLIGHTS

- Analysis of the international meetings market and Jamaica's position in that market
- Projections of event demand and financial performance

Johnson Consulting was engaged by the Urban Development Corporation (UDC) of Jamaica to prepare a market and strategy study for a convention center in Montego Bay, Jamaica.

Jamaica is one of the Western Hemispheres leading tourism destinations as well as an important shipping port because of its access to and from North and South American markets. Its airport, combined with the efforts of Air Jamaica, are serving to establish Montego Bay as a strong air hub, helping position the market appropriately for cruise ships, and as a center of economic activity within the region. Montego Bay is one of the country's cultural, industrial, and tourism centers and hosts more than one million visitors a year. As a result of the opening of the Ritz-Carlton in Montego Bay, and in an effort to diversify the country's visitor attraction base, a convention center has been targeted for a 32-acre parcel across the street from the city's primary group-oriented hotels.

The analysis includes estimates of demand for the facility and its projected financial performance. A conceptual site plan was also outlined and provides guidance on moving forward to implement the project. Johnson Consulting recommended a convention center with 50,000 square feet of exhibit space, 16,000 square feet of meeting space, and 21,000 square feet of ballroom space.



CONVENTION CENTER DISTRICT PUERTO RICO CONVENTION CENTER SAN JUAN, PUERTO RICO

PROJECT HIGHLIGHTS

- Manager of project team
- Market study
- Financial projections
- Room tax projections
- Economic and fiscal impact analysis
- Formation of a special assessment District
- RFP/Q management for developer, construction manager, and convention center management
- Development of a marketing agreement with the CVB

In 1996, Puerto Rico made a public commitment to develop a convention center. Johnson Consulting served as project manager and oversaw a team of twelve local and international consulting firms to define the convention center and its 70-acre supporting neighborhood.

The analysis called for a first phase 500,000 square foot convention center, 750,000 square feet of office space, 600 residential units, a retail complex, a World Trade Center license, two hotels, offering 1,200 rooms and casinos between them.

As part of the engagement, a land-planning firm was hired, under Johnson Consulting’s contract, and we worked with them to devise a specific development concept, identifying block parcels and a specific phasing strategy. Our firm managed the financial modeling for the entire project. The real estate economics could not cover the required infrastructure costs, so an operating entity was created that assesses a sales tax of up to two percent on retail and hotel sales.

Johnson Consulting solicited developers for commercial elements using a two-stage solicitation process, we identified and negotiated a major international development firm to build two office buildings, a hotel, and the retail complex, and finally, we selected local developers to build the smaller office and residential projects.



PROJECT HIGHLIGHTS

- Convention facility and Radisson hotel financed through a TIF district
- Original facility was failing. Expansion led to complete re-orientation of facility so that subsequent expansion could occur

Johnson Consulting worked on the development of a new convention and Exhibition Centre in Lima, Peru. Johnson Consulting has now worked with two ministries in Peru; Vivienda, which is responsible for development of the Convention Centre and ProInversion, the governmental department responsible for operating the Convention Centre.

The site for the under-construction Centre is strategically located next to the National Cultural Museum and the Country’s National Theatre. It is next to one of the top retail areas of Lima and will be interconnected with the Las Rambla mall. For Vivienda, Johnson Consulting conducted a demand and market analysis, analyzed the meetings, incentive, Convention and Exposition market for Peru, South America and World Wide Association International Palais de Congress (AIPC) markets. This report has been accepted by Vivienda and is in use, with our support, in business planning and design review.

Our second phase of work is for ProInversion, this governmental Department is responsible for marketing and operating the venue. For ProInversion, we are going much deeper in developing a marketing strategy for the Convention Centre. We are also managing the Tender Process for hiring a Concessionaire to manage the Convention Centre.

The Centre opened in October 2015, with the World Bank being the first event to be held there.



EL PASEO DEL CANAL, SAN ANTONIO
SAN JUAN, PUERTO RICO

PROJECT HIGHLIGHTS

- Waterfront mixed – use development
- Strategic redevelopment plan
- Land use analysis

Johnson Consulting, in collaboration with Sasaki Associates, was engaged to analyze the redevelopment of land along the Northern bank of the San Antonio Canal (Canal District). The team assessed the existing conditions in the proposed Canal District, made recommendations for development, and provided guidelines for implementation of the masterplan.

Johnson Consulting performed market analysis, identified the market potential for the various land uses within the district and analyzed their potential to generate revenues, and extensively researched waterfront developments, within the continental United States and the Caribbean.

The masterplan proposes a landscaped pedestrian walkway along the waters edge, a fishing charter pier, maritime museum, a mixed-use retail cruise ship terminal, a water-edge park and possibly an Aquarium. The masterplan also calls for housing, office space, and retail.



EUROPEAN MARKETPLACE & TRANSIT HUB ANALYSIS

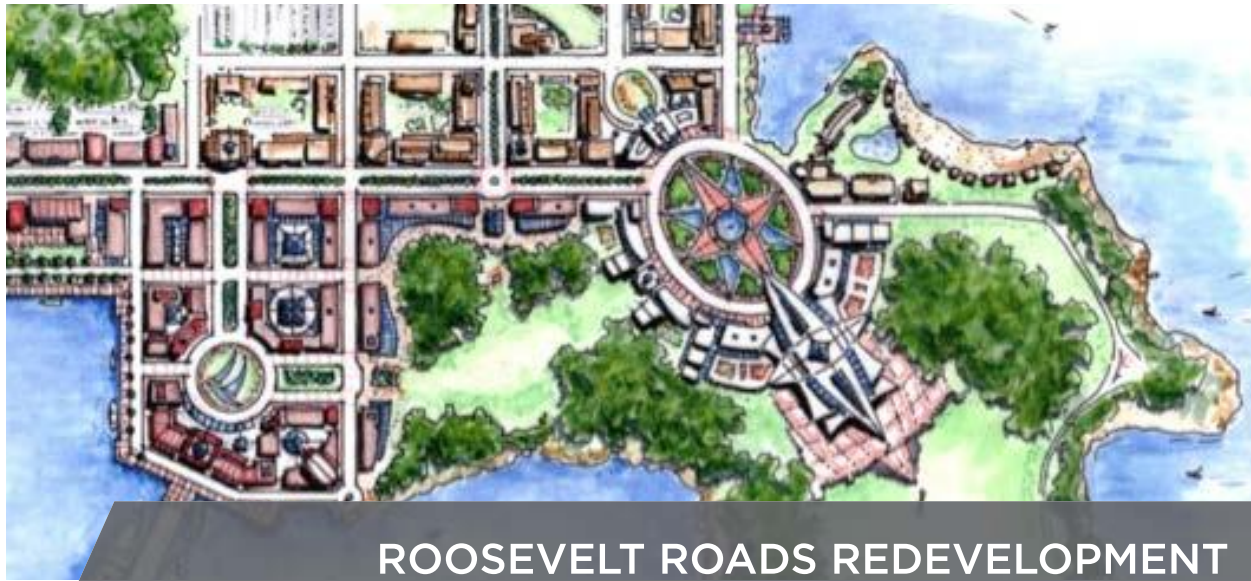
SAN SALVADOR, EL SALVADOR

PROJECT HIGHLIGHTS

- Analysis and financial reporting for certain project elements & for overall project cash flows & progress
- Demand and financial projections
- Owner's representative
- Project coordination & administrator of other service providers

The City of San Salvador engaged Johnson Consulting to conduct a flash advisory and workshop seminar to address the deterioration of the central business district. The Central Business District in San Salvador is perceived and actually is unsafe. Further, street-vendors had usurped numerous business and storefronts throughout downtown which in turn caused the middle and upper class to abandon the area. Johnson Consulting was tasked with the challenge of figuring out a feasible solution.

Johnson Consulting provided an implementation strategy, a viable financing model, and project coordination. Most importantly, Johnson Consulting developed the "Vision" by reorganizing the infrastructure for street vendors into a formalized European Marketplace with an adjacent transit hub. Our firm also assisted with detailed analysis of comparable marketplaces, SWOT analysis, and financial reporting.



ROOSEVELT ROADS REDEVELOPMENT

CEIBA, PUERTO RICO

PROJECT HIGHLIGHTS

- Manager of project team
- Land-use analysis
- Market study
- Financial projections
- Economic and fiscal impact analysis
- Formation of a special assessment
- District
- The Local Redevelopment Authority is currently seeking a master developer for the project

In 2004, the Roosevelt Roads Naval Base was closed, resulting in thousands of lost jobs in the areas surrounding the base. Roosevelt Roads is located on more than 8,600 acres, including 3,800 acres of developable land. Johnson Consulting was brought in to assist the Governor of Puerto Rico in determining the highest and best use of a redeveloped Roosevelt Roads and specifically the type of project that would lead to the greatest creation of jobs and tax revenues to bolster the local and state economies.

Johnson Consulting served as project manager and oversaw a diverse team of consulting and land planning firms to define the development program, phasing of development, and measure the associated economic benefits of redevelopment.

The first phase of development plan included an internationally prominent 130,000 square foot casino, the largest casino in Puerto Rico and the Caribbean, 2,500 hotel rooms, a major cruise ship port and international airport, shopping and entertainment area and other supporting development. Subsequent phases included additional hotel supply and residential units, as warranted.



JOHNSON CONSULTING

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Chicago, IL 60603

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**Panama City Community Development Council
dba Destination Panama City
Agenda Item Summary**

1. PRESENTER NAME:

Jennifer Vigil
President & CEO

2. MEETING DATE:

10/22/2019

3. REQUESTED MOTION/ACTION:

Accept the CEO performance evaluation matrix and recommendations of the CEO Performance Evaluation Committee members of 4% bonus and 6% salary increase.

4. AGENDA

- PRESENTATION
- PUBLIC HEARING
- CONSENT
- REGULAR

5. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO IF NO, STATE ACTION REQUIRED N/A

BUDGET ACTION:
FINANCIAL IMPACT SUMMARY STATEMENT:

DETAILED ANALYSIS ATTACHED?: YES NO

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT ACTION WILL BE ACCOMPLISHED, (WHO, WHERE, WHEN & HOW))

Pursuant to CEO Vigil's employment contract signed October 27, 2015, each year the Board is to select an evaluation committee "to meet with Vigil to evaluate her performance, discuss her performance of this Contract and consider cost of living and merit increases in Vigil's salary".

Jenna Haligas (Chairman of CDC Board), Nirav Banker (Board Member), and Greg Brudnicki (Board Member) completed CEO evaluations for CEO Vigil. A matrix of the form responses is attached for review along with a blank copy of the CEO evaluation form.

Also pursuant to the employment contract, "for each fiscal year Vigil is employed under this Contract she will be considered for a cost of living and merit increase not exceeding 10% of her then current salary based upon measurable performance criteria".

Attachment:

- CEO Performance Evaluation Committee Matrix
- Blank CEO Performance Evaluation Form

Jennifer Vigil, President & CEO
Performance Evaluation Matrix

	Banker	Haligas	Brudnicki	AVERAGE
I. Organizational Management & Leadership	4	4	4	4
II. Fiscal & Business Management	4	4	3	3.67
III. Communication & Relationships with DPC Board	4	4	4	4.0
IV. Community & Intergovernmental Relations	4	4	3	3.67
V. Personal & Professional Traits	4	4	4	4
VI. Overall Performance Rating	4	4	4	4

KEY: (4) Exceptional (3) Exceeds Expectations (2) Meets Expectations (1) Below Expectations

Comments:

Banker:

I. Jennifer's leadership throughout the years have shown why she was the right person for the job. Especially after Hurricane Michael, her continued commitment to our city has not slowed down.

II. Jennifer provides clear documents during meetings and explains them very well for everyone to understand. Continued efforts are made to be creative to make Panama City a top tourist destination. Budget and financial reports are easy to understand, and questions are answered if

V. It is always hard to please everyone, some will agree with Jennifer's ideas and others might not. Jennifer continues to stay positive and continues to treat everyone the same no matter who agrees or disagrees.

III. Jennifer continues to show great communication skills by providing information that is easily understandable. Using the many platforms available to us these days, it has been easy to obtain information and relay anything back to Jennifer in a timely manner.

IV. Jennifer's dedication to take time to be involved in the community has been impeccable. It is no easy task to always be at every event, but Jennifer has shown that it is possible and encourages myself to be more involved.

V. Jennifer continues to take the time to listen to everyone around her. With her positive attitude, it has become very easy to bring ideas or even voice opinions and never having to worry about judgement or backlash. Other around the community I have been able to speak with have said great things about Jennifer.

Merit Increase Recommendation: Full 10% increase, with 3% given as a bonus and 7% as an actual pay increase

Overall Performance Rating: 4 - Jennifer has been a wonderful asset to our community. Her attitude and dedication towards our community reflects her leadership. She has demonstrated great leadership and positive encouragement. She is always there when we need help, she is very informative and if she doesn't know she makes the effort to find out
Recommendation: 4% bonus, 6% salary increase.

Haligas:

Overall Performance Rating: 4 - Jennifer, you are an incredible partner, you are innovative, progressive, creative, talented, intelligent, multi-tasker, and so much more. You are bold and strong enough to get things done. I could not be more proud that you are working on our Panama City behalf!

Merit Increase Recommendation: 4% bonus, 6% salary

Brudnicki:

I. Jennifer lives her job.

III. Always has the good of the organization taking precedence.

IV. Works well with others, very decisive and follows through

V. There is no substitute for good character.

Overall Performance Rating: 4 - Has the good of the city always in mind when she makes a decision. Tireless worker, good leader and decision maker.



2019 Legislative Issue Briefs



Short-Term Rentals

Statement:

The Florida League of Cities SUPPORTS legislation that restores local zoning authority with respect to short-term rental properties, thereby preserving the integrity of Florida's residential neighborhoods and communities. The Florida League of Cities OPPOSES legislation that preempts municipal authority as it relates to the regulation of short-term rental properties.

Background:

In 2011, the Florida Legislature prohibited cities from regulating short-term vacation rentals. A short-term vacation rental is defined as a property that is rented more than three times a year for less than 30 days at a time. The legislation passed in 2011 included a provision that "grandfathered" any ordinance regulating short-term rentals prior to June 1, 2011. Since that time, a number of cities, both "grandfathered" cities and those that did not have an ordinance in place, have experienced problems with these properties. The effect of the 2011 law is that two separate classes of cities were created respective to short-term rentals, those with Home Rule authority and those without.

In 2014, the Legislature passed SB 356 (Thrasher), which diminished the preemption on short-term rentals. The 2014 law allows local governments to adopt ordinances specific to these rentals so that they can address some of the noise, parking, trash and life-safety issues created by their proliferation in residential neighborhoods. Unfortunately, SB 356 left in place existing statutory language stating that cities cannot "prohibit" short-term rentals or regulate the duration or frequency of the rental.

Those cities fortunate enough to have had an ordinance in place prior to the 2011 preemption are still allowed to regulate short-term rentals, but the question remains whether these ordinances will continue to be valid if amended. Some city attorneys believe these ordinances are "frozen" and any future amendments would cause a loss of the "grandfather." The problem with this is twofold. First, with the rise of popular rental websites like Vacation Rental by Owner (VRBO) and AirBnB making it easier to advertise and rent these properties, the number of properties used as short-term rentals in Florida has exponentially increased in the last four years. Second, as a result of this enormous growth in the rental market, the scope of the problem has changed and ordinances adopted before 2011 may no longer be effective.

It is important to note that many of Florida's larger cities (with a larger professional staff) fell into the grandfathered category. They have retained the ability to regulate these properties through zoning and may have duration and frequency requirements. Some of these cities may want to amend their ordinances to adjust to a changing problem. They are reluctant to do so out of fear of losing their existing ordinance and with it their Home Rule authority relating to short-term rentals. Recognizing that the ordinances on the books are no longer effective, cities want the ability to come up with solutions that work for their respective community, but because of the potential loss of the "grandfather," they are unable to do so. It is important to note that any potential amendments to existing ordinances would be vetted through numerous public hearings that allow neighboring

Contact: Casey Cook, Senior Legislative Advocate – 850-701-3609 – ccook@flcities.com

homeowners, short-term rental owners, property managers and local businesses to weigh in on proposed legislation.

Cities without short-term rental regulations in place prior to June 1, 2011, have had their zoning authority stripped and are now seeing these rentals completely overtaking residential neighborhoods. Long-time residents are moving out as a result, and the residential character of traditional neighborhoods is slowly being destroyed.

The impacts of problematic short-term rentals on neighboring residents are felt in a number of ways:

The Hotel Next Door – Commercial Activity in Residential Neighborhoods

Houses that sleep 26 people are now present in what were once traditional neighborhoods. Because of the inability to regulate the duration of a renter's stay, these houses could experience weekly, daily or even hourly turnover. Obviously, the constant turnover of renters creates a number of issues for cities and neighboring property owners. Prior to the preemption, local governments were able to regulate this activity through zoning. Short-term rentals have become increasingly popular in the last five years. Because a city cannot "prohibit" these properties, they are powerless to exclude them from residential neighborhoods. As a result, investors, many of whom are located out of state or even in a different country, have purchased or built single-family homes with the sole intent of turning them into short-term rentals.

Cities use zoning as a tool to prepare for their future growth and also use it to control where commercial and residential properties are located. Hotels have different infrastructure needs than single-family residential properties. As residential neighborhoods are developed, the infrastructure installed is designed for the future use of the properties. Many neighborhoods have infrastructure in place with capacity for up to eight people per house. Now there are houses in these very same neighborhoods that sleep more people than the number originally planned for, placing a significant strain on existing infrastructure. Commercial properties like bars, hotels and restaurants typically need more parking than a single-family property, as well as have different operating hours and experience greater noise levels. The current law removes important land use and zoning tools that will impact how a city plans for future growth and levels of service.

Noise Complaints

In areas where short-term rentals are situated, many neighboring residents complain of the noise generated by the vacationing renters next door. When people go on vacation, often their behavior changes. They may stay awake later, consume more alcoholic beverages throughout the day, or participate in recreational activities that they would not participate in while at their own homes, such as swimming at midnight with music blaring. For those homes located near water, a lake or the ocean, it is important to note that sound travels easily over water – and residents located hundreds of yards away may be the ones calling and complaining to the police and their local elected officials.

Some cities have noise ordinances, but these have proved problematic to enforce. One such example is Lighthouse Point. Its ordinance requires sustained noise over a certain decibel threshold for 10 minutes. Many times after the police arrive at a residence, the noise dies down. These renters may leave the next day with new ones replacing them. The new renters are often unaware of the noise ordinance or past complaints and may cause the same problems. The out-of-state property owner may not even be aware of the problems created by their renters and with the constant turnover. The

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problem ends as one renter leaves and begins again as new renters arrive. This causes a significant drain on law enforcement resources. When law enforcement officers are called to respond to noise complaints, one less officer is on the street either preventing or solving crimes.

Parking

Many short-term rentals are located in single-family neighborhoods. In most cases, the driveway was built to accommodate two or three vehicles. When you now have a renovated house that acts as a small hotel, there will be more than three cars needed to get these renters to the property. This leads to cars that are parked on the street, making it difficult for emergency vehicles to respond to emergencies and causes increased response times in these neighborhoods. Cities have begun to adopt ordinances creating parking standards for short-term rental properties. Unfortunately, these ordinances only solve the parking issue but fail to address any of the other issues created by this commercial activity in residential areas.

Revenue Issues

As stated earlier, a property rented more than three times a year for less than 30 days at a time meets the vacation rental definition and should be licensed by the state. The Department of Business and Professional Regulation (DBPR) is tasked with investigating unlicensed vacation rentals but lacks the resources needed to fully investigate every complaint. Unlicensed vacation rentals could be costing Florida millions of dollars each year from lost licensing revenue.

Licensed short-term vacation rentals and hotels are also required to charge a sales tax to renters and then remit this back to the state. Many licensed and unlicensed vacation rentals are not doing this. The Florida Department of Revenue (DOR) has limited resources and cannot adequately monitor these transactions, costing the state millions of dollars in lost revenue. Similarly, short-term rental owners in some counties are required to collect and remit the tourist development tax to the state. DOR is often unable to track down the vacation rental owners who are not paying the tourist development tax.

The Legislature began the conversation on short-term rentals in 2014, and the Florida League of Cities supported both HB 307 (Hutson) and SB 356 (Thrasher). The bills were a step in the right direction, but they only partially restored Home Rule to Florida's cities. Cities are still prevented from regulating the duration and frequency of the rentals, and local zoning does not apply to these properties. Without the ability to regulate these key areas, local governments will not be able to adequately address the problems associated with these properties.

Status:

There have been several short-term rental bills filed for the 2019 legislative session.

SB 824 (Diaz) and HB 987 (J. Grant) – Oppose

- Preempt to the state the regulation of vacation rentals
- Any ordinances (noise, parking, trash, etc.), must apply to all residential properties, regardless of how the property is being used
- Local governments cannot prohibit rentals (not just STRs), impose occupancy limits on rental properties, or require inspections or licensing of rentals (specific to STRs)
- Create a process where city must prove by clear and convincing evidence that their ordinance or regulation complies with this section

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- **Remove the grandfather clause; also potentially jeopardizes HOA restrictions**
- Require applicants for STR license to provide name, address, phone number, and email to Department of Business and Professional Regulation (DBPR) who must make this available to the public on the division's website.

SB 812 (Simmons) and SB 814 (Simmons) – Support

- Requires short-term rental (STR) registration to be displayed in the establishment and the registration number to be included in any listing or advertisement
- Defines “commercial vacation rental”: five or more units under common ownership
- Defines “hosting platform”
- Clarifies that rental units, in whole or in part, and advertised for rental periods for less than 30 days, are classified as STRs
- Requires the Department of Business and Professional Regulation (DBPR) to inspect commercial vacation rentals at least biannually
- Requires that non-commercial STRs must be made available for inspection upon request
- Requires that local governments treat all residential properties the same, regardless of use...but there's an exception...In single family residences where the owner is not occupying a portion of the property where the rental activity is taking place (home sharing), local governments can adopt specific regulations to the rental
- Requires that STR owners give the city a copy of their state license and the owner's emergency contact information. Cities can't charge for this information.
- Says that grandfathered cities can amend their ordinances if it's the changes are “less restrictive”
- Says that DBPR can refuse to issue or renew, or suspend or revoke, the license of any public lodging establishment that is the subject of a final order from a local government directing the establishment to cease operations due to a violation of a local ordinance
- Requires any advertisements to list the license number, and the ad must also include the physical address of the property
- Adds several new requirements on hosting platforms including a prohibition on facilitating a rental if the property has not been licensed by DBPR
- Requires the hosting platform to maintain rental records of every property advertised on the platform and requires DBPR to audit at least annually, with penalties for noncompliance or failed audits.

SB 1196 (Mayfield) – Support

- Defines “hosting platform,” and provides for more accountability of the platforms
- Requires Department of Business and Professional Regulation (DBPR) to collect information relating to the bookings of each short-term rental and share this information with cities upon request
- Expands definition of transient public lodging establishment to include “group of units in a dwelling”
- Requires a license to be displayed inside the STR and the license number to be included in all advertising
- Prohibits platform from facilitating a booking transaction unless the operator has consented to the disclosure of the required information

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- Requires hosting platform to remove noncompliant ads within three business days of DBPR's notification
- Requires DBPR to revoke, refuse to issue, or renew a short-term rental license when the subject property violates the terms of an applicable lease or property restriction OR the agency determines that the operation of a short-term rental violates a local law, ordinance or regulation.

SB 1720 (Lee) and **HB 1383** (Grant) would significantly amend the Bert J. Harris Act. These bills could have a serious impact on local government operations and expose cities and counties to substantial liability, especially for those who receive a flurry of Harris Act claims relating to vacation rental ordinances. For more information on this set of bills see FLC's Issue Brief on Private Property Rights "Bert Harris Act".

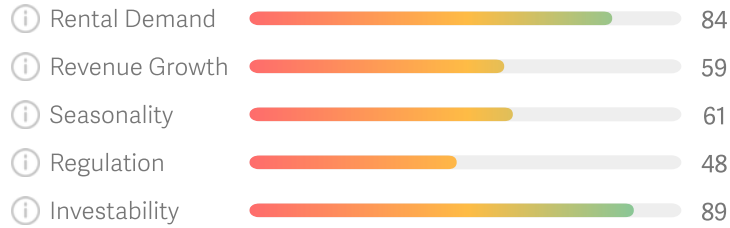
Revised: 3/21/2019



Market Grade

A

89 of 100



Average Daily Rate



\$113



[View Pricing Details →](#)

Occupancy Rate



66%



[View Occupancy Details →](#)

Revenue



\$1,878

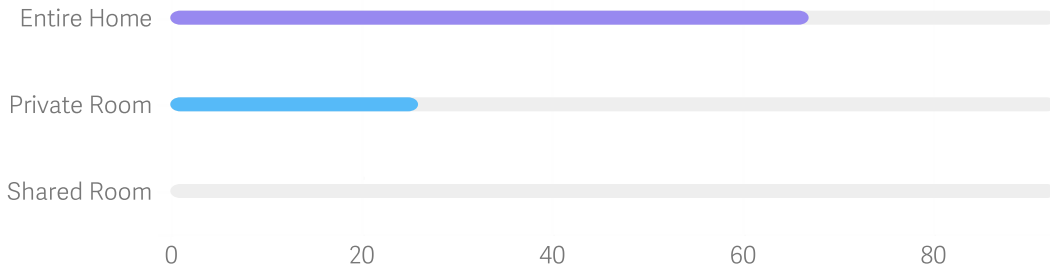


[View Revenue Details →](#)

93 Active Rentals

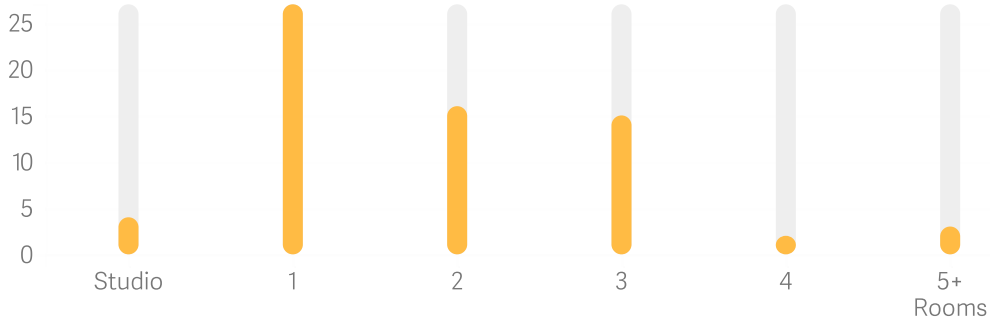
Rental Type

72% Entire Home rentals



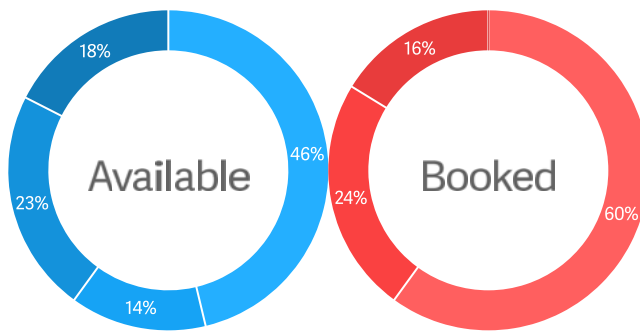
Rental Size

2 Bedrooms / 5 Guests on average



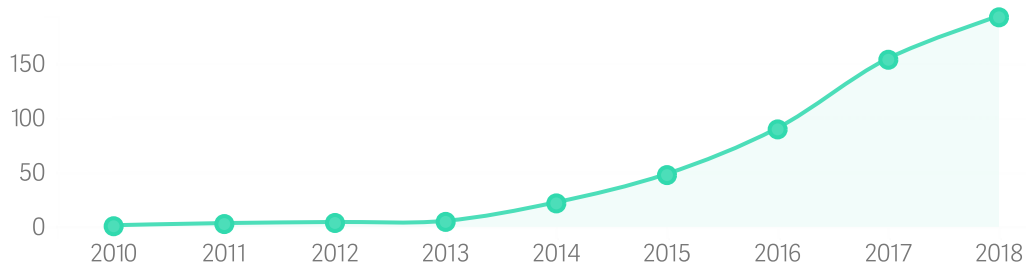
Rental Activity ⓘ

40% Available Full Time



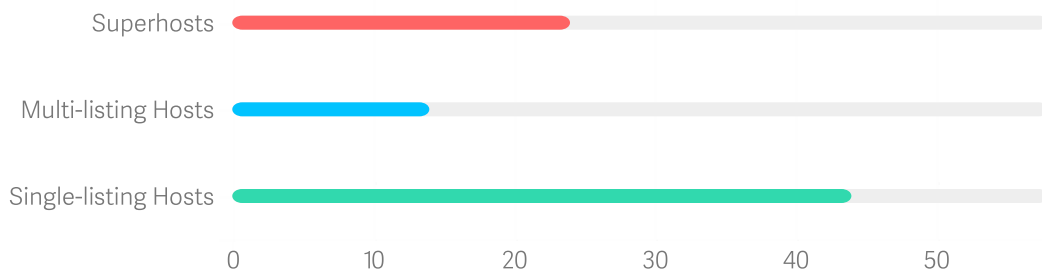
Rental Growth

71% Annual Growth



58 Active Hosts

Hosts



Professional Hosts



Senate bill would remove short-term rental rules

By **JOHN HENDERSON**

News Herald Reporter

Posted Jan 30, 2018 at 1:15 PM

Updated Jan 30, 2018 at 2:53 PM

“Short-term rental folks are usually partying. ... It quickly becomes a nuisance to those who are full-time residents here.”

PANAMA CITY BEACH — Panama City Beach would be forced to allow short-term rentals in single-family neighborhoods where they currently are banned if a bill filed in the Florida Senate passes.

And although it’s early in the legislative process, city officials say that’s a recipe for friction between neighbors.

Senate Bill 1400, filed by Sen. Greg Steube, R-Sarasota, creates the “Florida Vacation Rental Act,” which “preempts regulation and control of vacation rentals to the state.”

“This bill will would eliminate the city’s current prohibition on short-term rentals in certain areas of the city,” city attorney Cole Davis said.

Steube has said his bill — and companion House Bill 773, filed by Rep. Mike La Rosa, R-St. Cloud — “aim to protect private property rights of vacation rental owners who have been unfairly targeted by a growing number of local regulations.”

“Over the last several years local governments have attempted to restrict or outright ban vacation rentals — in violation of Florida state law,” Steube said in a news release. “It is extremely disconcerting to hear stories from my constituents and other homeowners from across that state who are being targeted by their very own local officials for choosing to rent out their homes.”

Steube said vacation rental properties would be regulated largely like hotels and motels, with owners who hold five or more properties being subjected to twice-a-year inspections by state regulators.

The Panama City Beach City Council in 2006 passed a local ordinance banning short-term rentals of 30 days or less in “R-1 zoned” single-family residential neighborhoods such as The Glades, Colony Club, sections of Bid-a-Wee north of Bay Avenue, most of the Lullwater subdivision and Open Sands.

Beach Councilman Phil Chester, who lives in Colony Club, said people who live in residential neighborhoods like his would not be pleased if short-term rentals were allowed.

“We have to have a separation between the full-time residents and short-term renters. It would be huge conflict,” he said.

City Planning Director Mel Leonard agreed.

“Short-term rental folks are usually partying,” he said. “They can stay up all night. They can play music. They can park everywhere, and it quickly becomes a nuisance to those who are full-time residents here.”

In a 4-2 vote Tuesday, the Senate Community Affairs Committee merged Steube’s legislation with SB 1640, sponsored by Sen. David Simmons, R-Altamonte Springs, largely favoring Steube’s bill where differences arose.

Simmons, for example, fell short on his effort to let cities and counties conduct fire and building-code inspections at the vacation rentals. He had warned that a move toward “zero regulation” could lead to consumers being hurt or killed at rental properties.

Simmons also was unsuccessful in arguing that local governments should oversee the rental of single-family homes in residential neighborhoods when owners are not staying at the homes. He said some of those vacation rentals, where neighbors complain about parking, noise and parties, are destroying the “quality” of single-family neighborhoods.

However, Steube said although the state would regulate vacation rentals, the properties would be subject to other local government restrictions.

“Local governments will still be left with the ability to preserve the integrity of their neighborhoods by passing ordinances to address noise, trash, parking or any other behavior that would tend to disturb their neighborhoods,” Steube said.

So far, the city’s ordinance — not allowed under current state law — has been grandfathered in because it was passed before June 2011. That grandfathering would remain in place under HB 773; however, SB 1400 would eliminate the clause.

Mayor Mike Thomas said local governments definitely need to have control over the issue.

“Once again, this shows complete disregard of local government by the Senate,” he said. “Most of them ran on letting local government (control local issues). They have been constantly trying to erode away at that. Thankfully, our senator (George Gainer) has stood by us.”

Beach councilman Hector Solis, who has a vacation rental business on the beach, said he supports the city’s current prohibition, saying families in these neighborhoods should not have to endure transient renters constantly moving next door.

“I think (passage of the bill) would be devastating to those who want to live in a normal neighborhood,” he said.

City Manager Mario Gisbert agreed, pointing to past cases.

“You’ve heard and seen local residents opposed to having renters in their neighborhoods,” he said, noting the city will continue to monitor the progress of the Senate bill.

DISCUSSION ITEM 9a - Pole Banners
Pole Banner Program

historic downtown
panama city

DESTINATION
PANAMA CITY
-COM



historic
St. Andrews

DESTINATION
PANAMA CITY
-COM





stay



DESTINATION
PANAMA CITY
-COM



play



DESTINATION
PANAMA CITY
-COM



CONCEPT H



shop



DESTINATION
PANAMA CITY
-COM



dine



DESTINATION
PANAMA CITY
-COM



CONCEPT H (cont.)



historic downtown
panama city



DESTINATION
PANAMA CITY
-COM



historic
st. andrews

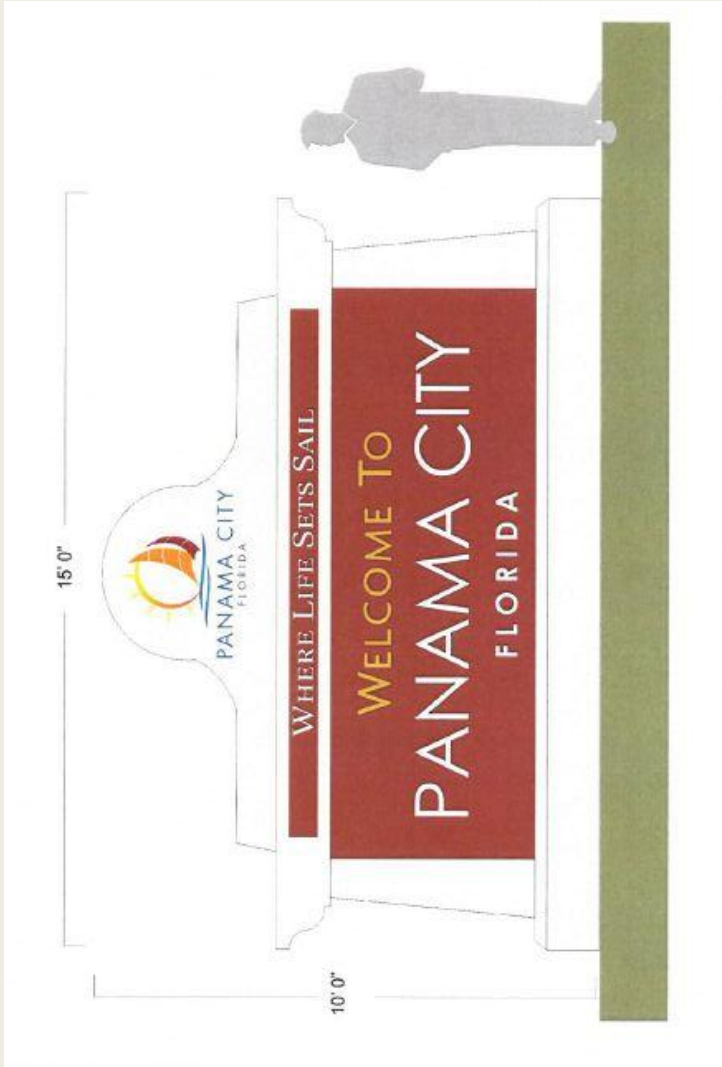


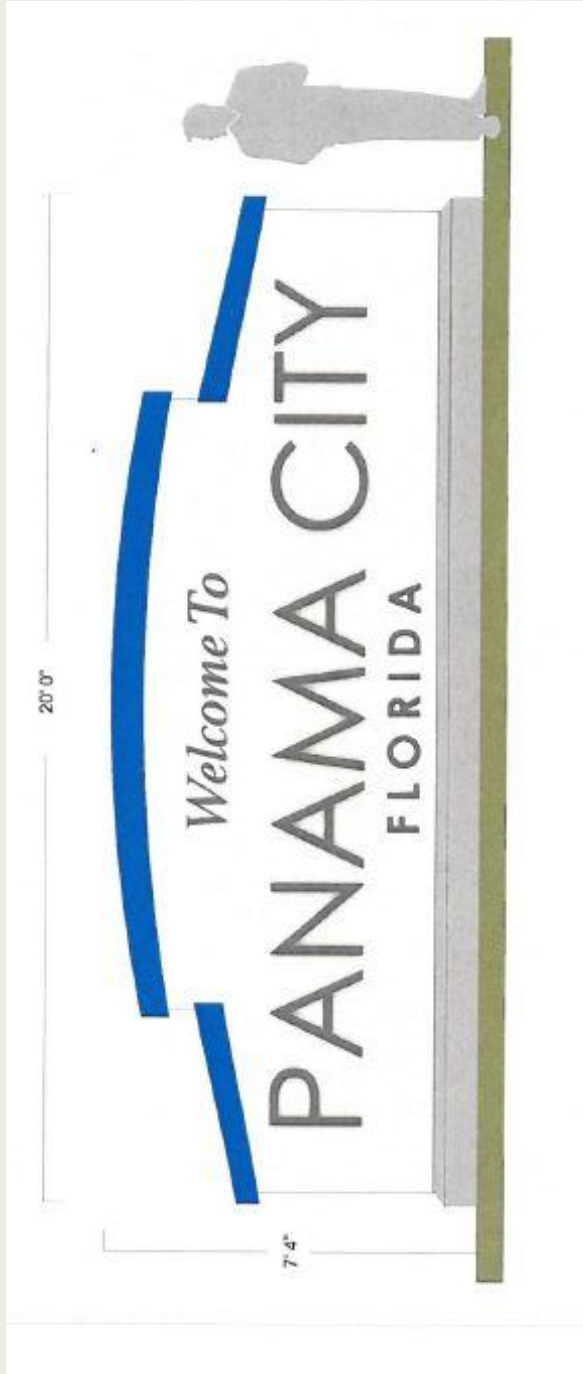
DESTINATION
PANAMA CITY
-COM



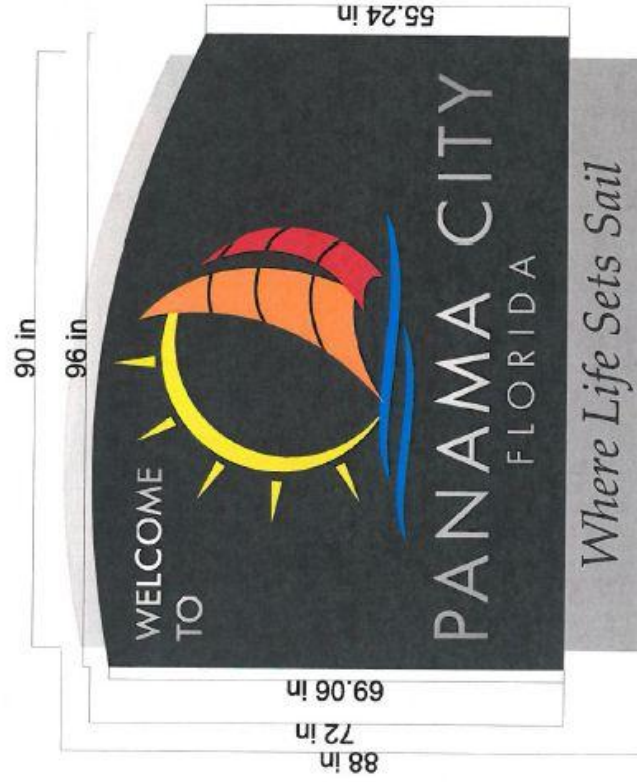
CONCEPT H (cont.)

DISCUSSION ITEM - 9b
Gateway Signage

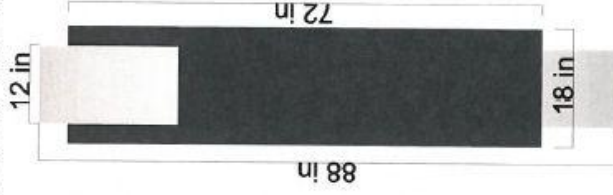


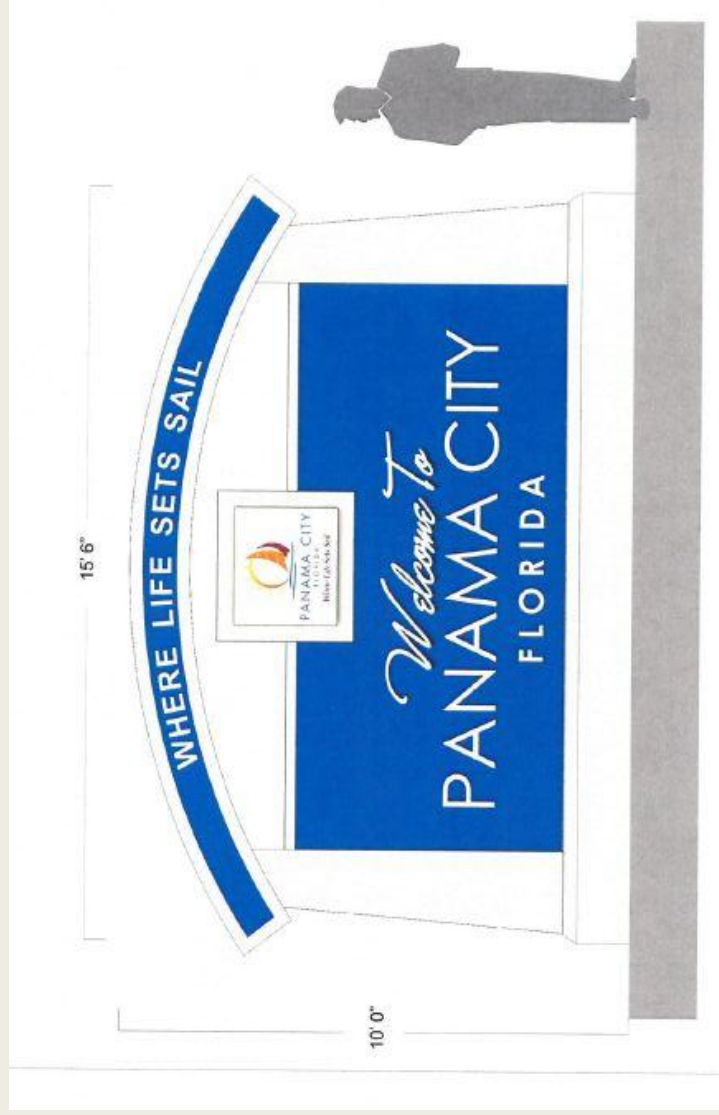


ALUMINUM SKIN MONUMENT

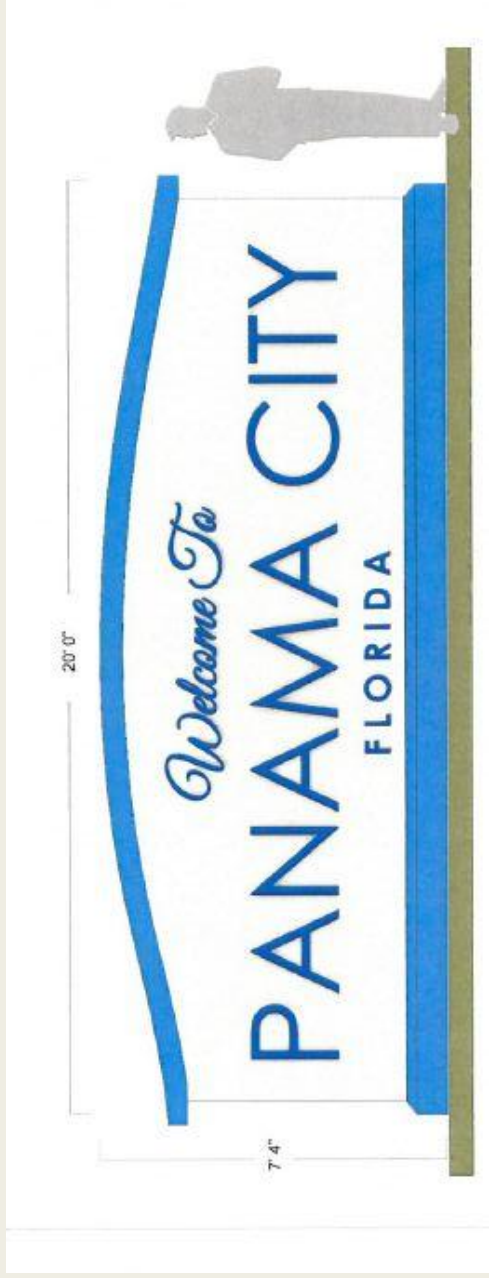


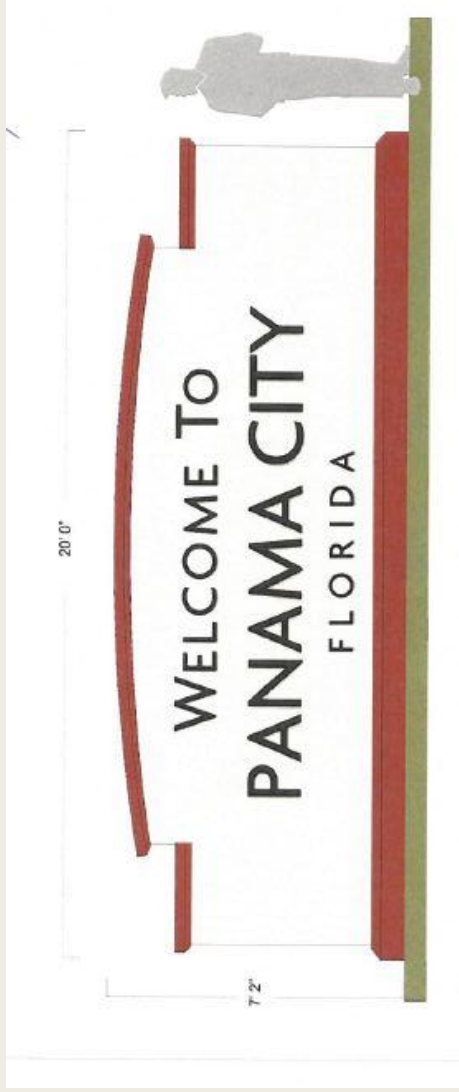
SIDE VIEW



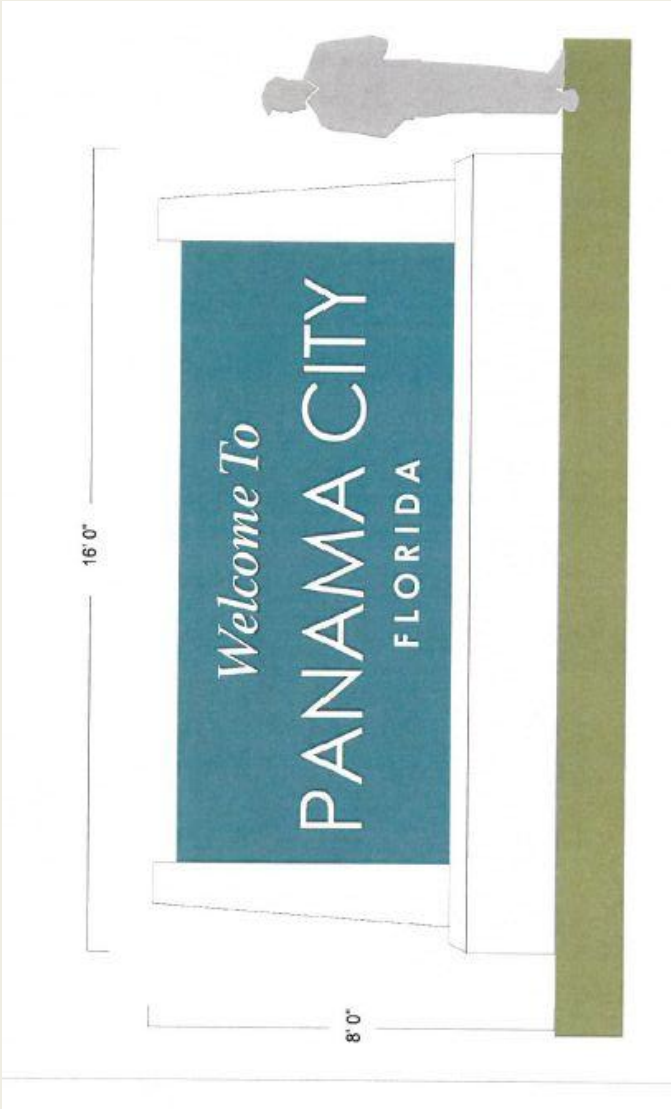


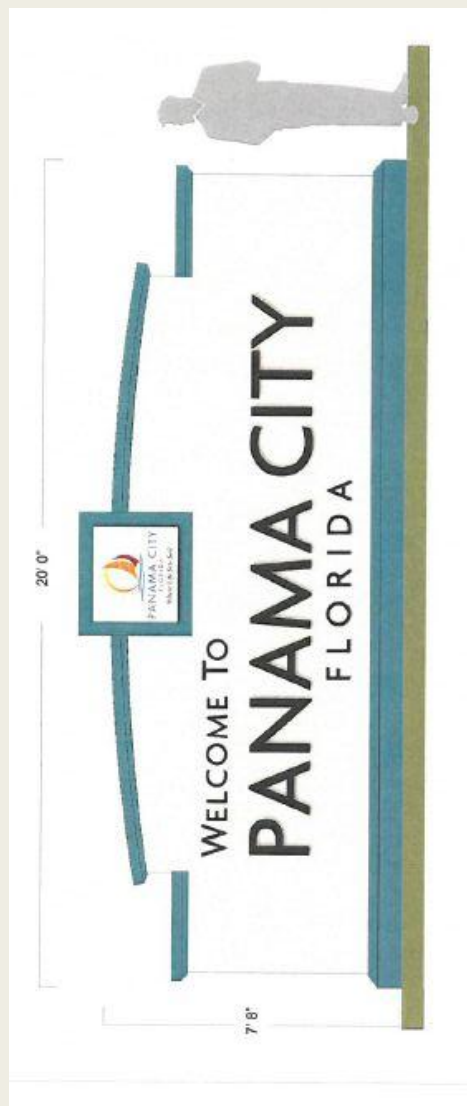




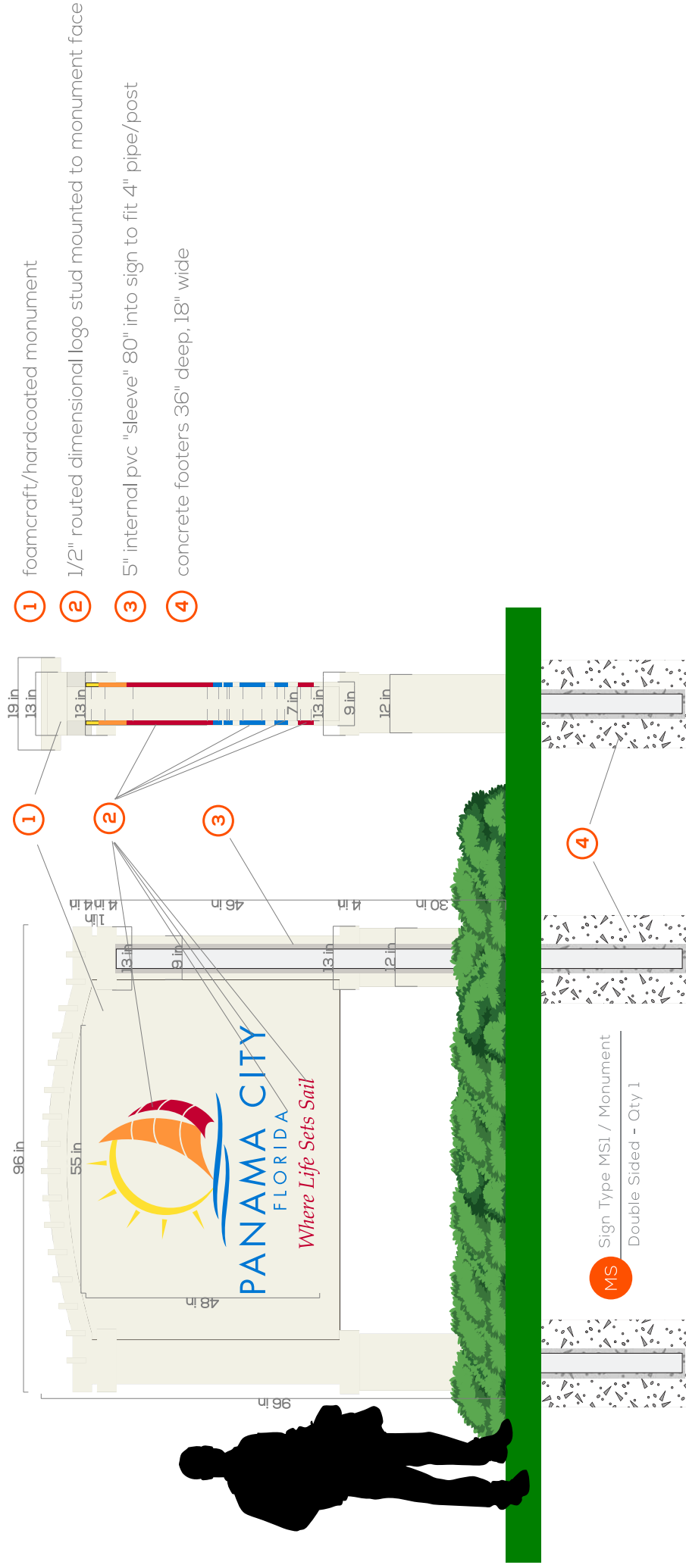








City of Panama City - Entry Monument



- 1 foamcraft/hardcoated monument
- 2 1/2" routed dimensional logo stud mounted to monument face
- 3 5" internal pvc "sleeve" 80" into sign to fit 4" pipe/post
- 4 concrete footers 36" deep, 18" wide

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Contact Name: Jennifer M Vigil
Contact Email: jennifer@destinationpanamacity.com
Contact Ph: 850-832-5262
Ship/install location: 228 Harrison Ave

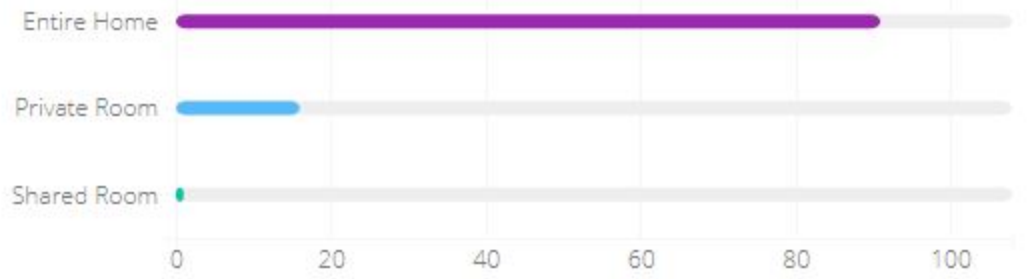
WO#3562
Due Date:
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\\SERVER7\Graphics\Art\CITY OF PANAMA CITY
Panama City Florida 32401

DISCUSSION ITEM 9c - Short Term Rental / Host sharing

108 Active Rentals

Rental Type

84% Entire Home rentals

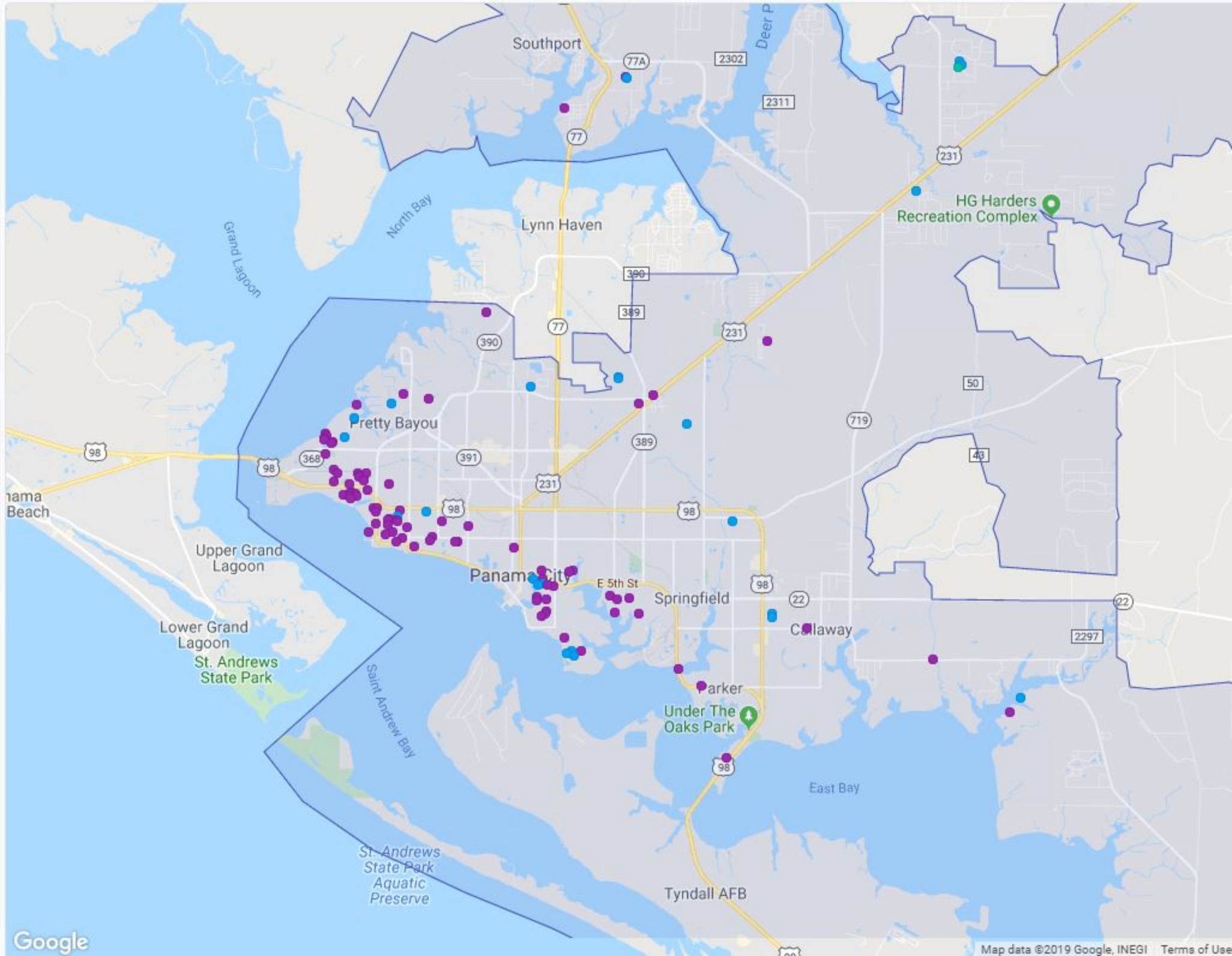


Rental Channel



Rental Size

1.8 Bedrooms / 5.3 Guests on average



Senate bill would remove short-term rental rules

By **JOHN HENDERSON**

News Herald Reporter

Posted Jan 30, 2018 at 1:15 PM

Updated Jan 30, 2018 at 2:53 PM

“Short-term rental folks are usually partying. ... It quickly becomes a nuisance to those who are full-time residents here.”

PANAMA CITY BEACH — Panama City Beach would be forced to allow short-term rentals in single-family neighborhoods where they currently are banned if a bill filed in the Florida Senate passes.

And although it’s early in the legislative process, city officials say that’s a recipe for friction between neighbors.

Senate Bill 1400, filed by Sen. Greg Steube, R-Sarasota, creates the “Florida Vacation Rental Act,” which “preempts regulation and control of vacation rentals to the state.”

“This bill will would eliminate the city’s current prohibition on short-term rentals in certain areas of the city,” city attorney Cole Davis said.

Steube has said his bill — and companion House Bill 773, filed by Rep. Mike La Rosa, R-St. Cloud — “aim to protect private property rights of vacation rental owners who have been unfairly targeted by a growing number of local regulations.”

“Over the last several years local governments have attempted to restrict or outright ban vacation rentals — in violation of Florida state law,” Steube said in a news release. “It is extremely disconcerting to hear stories from my constituents and other homeowners from across that state who are being targeted by their very own local officials for choosing to rent out their homes.”

Steube said vacation rental properties would be regulated largely like hotels and motels, with owners who hold five or more properties being subjected to twice-a-year inspections by state regulators.

The Panama City Beach City Council in 2006 passed a local ordinance banning short-term rentals of 30 days or less in “R-1 zoned” single-family residential neighborhoods such as The Glades, Colony Club, sections of Bid-a-Wee north of Bay Avenue, most of the Lullwater subdivision and Open Sands.

Beach Councilman Phil Chester, who lives in Colony Club, said people who live in residential neighborhoods like his would not be pleased if short-term rentals were allowed.

“We have to have a separation between the full-time residents and short-term renters. It would be huge conflict,” he said.

City Planning Director Mel Leonard agreed.

“Short-term rental folks are usually partying,” he said. “They can stay up all night. They can play music. They can park everywhere, and it quickly becomes a nuisance to those who are full-time residents here.”

In a 4-2 vote Tuesday, the Senate Community Affairs Committee merged Steube’s legislation with SB 1640, sponsored by Sen. David Simmons, R-Altamonte Springs, largely favoring Steube’s bill where differences arose.

Simmons, for example, fell short on his effort to let cities and counties conduct fire and building-code inspections at the vacation rentals. He had warned that a move toward “zero regulation” could lead to consumers being hurt or killed at rental properties.

Simmons also was unsuccessful in arguing that local governments should oversee the rental of single-family homes in residential neighborhoods when owners are not staying at the homes. He said some of those vacation rentals, where neighbors complain about parking, noise and parties, are destroying the “quality” of single-family neighborhoods.

However, Steube said although the state would regulate vacation rentals, the properties would be subject to other local government restrictions.

“Local governments will still be left with the ability to preserve the integrity of their neighborhoods by passing ordinances to address noise, trash, parking or any other behavior that would tend to disturb their neighborhoods,” Steube said.

So far, the city’s ordinance — not allowed under current state law — has been grandfathered in because it was passed before June 2011. That grandfathering would remain in place under HB 773; however, SB 1400 would eliminate the clause.

Mayor Mike Thomas said local governments definitely need to have control over the issue.

“Once again, this shows complete disregard of local government by the Senate,” he said. “Most of them ran on letting local government (control local issues). They have been constantly trying to erode away at that. Thankfully, our senator (George Gainer) has stood by us.”

Beach councilman Hector Solis, who has a vacation rental business on the beach, said he supports the city’s current prohibition, saying families in these neighborhoods should not have to endure transient renters constantly moving next door.

“I think (passage of the bill) would be devastating to those who want to live in a normal neighborhood,” he said.

City Manager Mario Gisbert agreed, pointing to past cases.

“You’ve heard and seen local residents opposed to having renters in their neighborhoods,” he said, noting the city will continue to monitor the progress of the Senate bill.



2019 Legislative Issue Briefs



Short-Term Rentals

Statement:

The Florida League of Cities SUPPORTS legislation that restores local zoning authority with respect to short-term rental properties, thereby preserving the integrity of Florida's residential neighborhoods and communities. The Florida League of Cities OPPOSES legislation that preempts municipal authority as it relates to the regulation of short-term rental properties.

Background:

In 2011, the Florida Legislature prohibited cities from regulating short-term vacation rentals. A short-term vacation rental is defined as a property that is rented more than three times a year for less than 30 days at a time. The legislation passed in 2011 included a provision that "grandfathered" any ordinance regulating short-term rentals prior to June 1, 2011. Since that time, a number of cities, both "grandfathered" cities and those that did not have an ordinance in place, have experienced problems with these properties. The effect of the 2011 law is that two separate classes of cities were created respective to short-term rentals, those with Home Rule authority and those without.

In 2014, the Legislature passed SB 356 (Thrasher), which diminished the preemption on short-term rentals. The 2014 law allows local governments to adopt ordinances specific to these rentals so that they can address some of the noise, parking, trash and life-safety issues created by their proliferation in residential neighborhoods. Unfortunately, SB 356 left in place existing statutory language stating that cities cannot "prohibit" short-term rentals or regulate the duration or frequency of the rental.

Those cities fortunate enough to have had an ordinance in place prior to the 2011 preemption are still allowed to regulate short-term rentals, but the question remains whether these ordinances will continue to be valid if amended. Some city attorneys believe these ordinances are "frozen" and any future amendments would cause a loss of the "grandfather." The problem with this is twofold. First, with the rise of popular rental websites like Vacation Rental by Owner (VRBO) and AirBnB making it easier to advertise and rent these properties, the number of properties used as short-term rentals in Florida has exponentially increased in the last four years. Second, as a result of this enormous growth in the rental market, the scope of the problem has changed and ordinances adopted before 2011 may no longer be effective.

It is important to note that many of Florida's larger cities (with a larger professional staff) fell into the grandfathered category. They have retained the ability to regulate these properties through zoning and may have duration and frequency requirements. Some of these cities may want to amend their ordinances to adjust to a changing problem. They are reluctant to do so out of fear of losing their existing ordinance and with it their Home Rule authority relating to short-term rentals. Recognizing that the ordinances on the books are no longer effective, cities want the ability to come up with solutions that work for their respective community, but because of the potential loss of the "grandfather," they are unable to do so. It is important to note that any potential amendments to existing ordinances would be vetted through numerous public hearings that allow neighboring

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homeowners, short-term rental owners, property managers and local businesses to weigh in on proposed legislation.

Cities without short-term rental regulations in place prior to June 1, 2011, have had their zoning authority stripped and are now seeing these rentals completely overtaking residential neighborhoods. Long-time residents are moving out as a result, and the residential character of traditional neighborhoods is slowly being destroyed.

The impacts of problematic short-term rentals on neighboring residents are felt in a number of ways:

The Hotel Next Door – Commercial Activity in Residential Neighborhoods

Houses that sleep 26 people are now present in what were once traditional neighborhoods. Because of the inability to regulate the duration of a renter's stay, these houses could experience weekly, daily or even hourly turnover. Obviously, the constant turnover of renters creates a number of issues for cities and neighboring property owners. Prior to the preemption, local governments were able to regulate this activity through zoning. Short-term rentals have become increasingly popular in the last five years. Because a city cannot "prohibit" these properties, they are powerless to exclude them from residential neighborhoods. As a result, investors, many of whom are located out of state or even in a different country, have purchased or built single-family homes with the sole intent of turning them into short-term rentals.

Cities use zoning as a tool to prepare for their future growth and also use it to control where commercial and residential properties are located. Hotels have different infrastructure needs than single-family residential properties. As residential neighborhoods are developed, the infrastructure installed is designed for the future use of the properties. Many neighborhoods have infrastructure in place with capacity for up to eight people per house. Now there are houses in these very same neighborhoods that sleep more people than the number originally planned for, placing a significant strain on existing infrastructure. Commercial properties like bars, hotels and restaurants typically need more parking than a single-family property, as well as have different operating hours and experience greater noise levels. The current law removes important land use and zoning tools that will impact how a city plans for future growth and levels of service.

Noise Complaints

In areas where short-term rentals are situated, many neighboring residents complain of the noise generated by the vacationing renters next door. When people go on vacation, often their behavior changes. They may stay awake later, consume more alcoholic beverages throughout the day, or participate in recreational activities that they would not participate in while at their own homes, such as swimming at midnight with music blaring. For those homes located near water, a lake or the ocean, it is important to note that sound travels easily over water – and residents located hundreds of yards away may be the ones calling and complaining to the police and their local elected officials.

Some cities have noise ordinances, but these have proved problematic to enforce. One such example is Lighthouse Point. Its ordinance requires sustained noise over a certain decibel threshold for 10 minutes. Many times after the police arrive at a residence, the noise dies down. These renters may leave the next day with new ones replacing them. The new renters are often unaware of the noise ordinance or past complaints and may cause the same problems. The out-of-state property owner may not even be aware of the problems created by their renters and with the constant turnover. The

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problem ends as one renter leaves and begins again as new renters arrive. This causes a significant drain on law enforcement resources. When law enforcement officers are called to respond to noise complaints, one less officer is on the street either preventing or solving crimes.

Parking

Many short-term rentals are located in single-family neighborhoods. In most cases, the driveway was built to accommodate two or three vehicles. When you now have a renovated house that acts as a small hotel, there will be more than three cars needed to get these renters to the property. This leads to cars that are parked on the street, making it difficult for emergency vehicles to respond to emergencies and causes increased response times in these neighborhoods. Cities have begun to adopt ordinances creating parking standards for short-term rental properties. Unfortunately, these ordinances only solve the parking issue but fail to address any of the other issues created by this commercial activity in residential areas.

Revenue Issues

As stated earlier, a property rented more than three times a year for less than 30 days at a time meets the vacation rental definition and should be licensed by the state. The Department of Business and Professional Regulation (DBPR) is tasked with investigating unlicensed vacation rentals but lacks the resources needed to fully investigate every complaint. Unlicensed vacation rentals could be costing Florida millions of dollars each year from lost licensing revenue.

Licensed short-term vacation rentals and hotels are also required to charge a sales tax to renters and then remit this back to the state. Many licensed and unlicensed vacation rentals are not doing this. The Florida Department of Revenue (DOR) has limited resources and cannot adequately monitor these transactions, costing the state millions of dollars in lost revenue. Similarly, short-term rental owners in some counties are required to collect and remit the tourist development tax to the state. DOR is often unable to track down the vacation rental owners who are not paying the tourist development tax.

The Legislature began the conversation on short-term rentals in 2014, and the Florida League of Cities supported both HB 307 (Hutson) and SB 356 (Thrasher). The bills were a step in the right direction, but they only partially restored Home Rule to Florida's cities. Cities are still prevented from regulating the duration and frequency of the rentals, and local zoning does not apply to these properties. Without the ability to regulate these key areas, local governments will not be able to adequately address the problems associated with these properties.

Status:

There have been several short-term rental bills filed for the 2019 legislative session.

SB 824 (Diaz) and HB 987 (J. Grant) – Oppose

- Preempt to the state the regulation of vacation rentals
- Any ordinances (noise, parking, trash, etc.), must apply to all residential properties, regardless of how the property is being used
- Local governments cannot prohibit rentals (not just STRs), impose occupancy limits on rental properties, or require inspections or licensing of rentals (specific to STRs)
- Create a process where city must prove by clear and convincing evidence that their ordinance or regulation complies with this section

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- **Remove the grandfather clause; also potentially jeopardizes HOA restrictions**
- Require applicants for STR license to provide name, address, phone number, and email to Department of Business and Professional Regulation (DBPR) who must make this available to the public on the division's website.

SB 812 (Simmons) and SB 814 (Simmons) – Support

- Requires short-term rental (STR) registration to be displayed in the establishment and the registration number to be included in any listing or advertisement
- Defines “commercial vacation rental”: five or more units under common ownership
- Defines “hosting platform”
- Clarifies that rental units, in whole or in part, and advertised for rental periods for less than 30 days, are classified as STRs
- Requires the Department of Business and Professional Regulation (DBPR) to inspect commercial vacation rentals at least biannually
- Requires that non-commercial STRs must be made available for inspection upon request
- Requires that local governments treat all residential properties the same, regardless of use...but there's an exception...In single family residences where the owner is not occupying a portion of the property where the rental activity is taking place (home sharing), local governments can adopt specific regulations to the rental
- Requires that STR owners give the city a copy of their state license and the owner's emergency contact information. Cities can't charge for this information.
- Says that grandfathered cities can amend their ordinances if it's the changes are “less restrictive”
- Says that DBPR can refuse to issue or renew, or suspend or revoke, the license of any public lodging establishment that is the subject of a final order from a local government directing the establishment to cease operations due to a violation of a local ordinance
- Requires any advertisements to list the license number, and the ad must also include the physical address of the property
- Adds several new requirements on hosting platforms including a prohibition on facilitating a rental if the property has not been licensed by DBPR
- Requires the hosting platform to maintain rental records of every property advertised on the platform and requires DBPR to audit at least annually, with penalties for noncompliance or failed audits.

SB 1196 (Mayfield) – Support

- Defines “hosting platform,” and provides for more accountability of the platforms
- Requires Department of Business and Professional Regulation (DBPR) to collect information relating to the bookings of each short-term rental and share this information with cities upon request
- Expands definition of transient public lodging establishment to include “group of units in a dwelling”
- Requires a license to be displayed inside the STR and the license number to be included in all advertising
- Prohibits platform from facilitating a booking transaction unless the operator has consented to the disclosure of the required information

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- Requires hosting platform to remove noncompliant ads within three business days of DBPR's notification
- Requires DBPR to revoke, refuse to issue, or renew a short-term rental license when the subject property violates the terms of an applicable lease or property restriction OR the agency determines that the operation of a short-term rental violates a local law, ordinance or regulation.

SB 1720 (Lee) and **HB 1383** (Grant) would significantly amend the Bert J. Harris Act. These bills could have a serious impact on local government operations and expose cities and counties to substantial liability, especially for those who receive a flurry of Harris Act claims relating to vacation rental ordinances. For more information on this set of bills see FLC's Issue Brief on Private Property Rights "Bert Harris Act".

Revised: 3/21/2019

DISCUSSION ITEM 9d - Board Composition & By-Laws

**Panama City Community Development Council
dba Destination Panama City
Agenda Item Summary**

1. PRESENTER NAME:

Jennifer M. Vigil
President & CEO

2. MEETING DATE:

10/17/19

3. REQUESTED MOTION/ACTION:

Board reauthorize Jennine Brown to board of directors for Destination Panama City (PCCDC)

4. AGENDA

- PRESENTATION
- PUBLIC HEARING
- CONSENT
- REGULAR

5. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO IF NO, STATE ACTION REQUIRED N/A

BUDGET ACTION:
FINANCIAL IMPACT SUMMARY STATEMENT:

DETAILED ANALYSIS ATTACHED?: YES NO

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT ACTION WILL BE ACCOMPLISHED, (WHO, WHERE, WHEN & HOW)

In 2014, the Panama City Community Development Council, Inc. was established and the board of directors was defined as the five-seated Panama City Commissioners. The intention of the board has always been to expand the board composition to include tourism partners as the operations became more routine.

In 2018, the Board of Directors voted to accept Nirav Banker, owner / operator of Rodeway Inn, as the small lodging partner with a property of less than 100 rooms. Jennine Brown, general manager of Holiday Inn, was also accepted as the large lodging partner with a property of more than 100 rooms. At that time the board discussed board composition for the future, and indicated that 2019 should introduce two new tourism partners and remove two members of the city commission.

The ramifications of hurricane Michael have had unforeseen circumstances for many. Jennine Brown has submitted her resignation from the Holiday Inn and subsequently the Destination Panama City Board of Directors. Also, as a result of the storm, many of the tourism and hospitality partners are overwhelmed with personal and business repair & renovations. Understanding the situation has changed, staff reviewed the alternative and suggests that instead of burdening hospitality and tourism partners this year, that the best alternative be to invite Bay County Commissioner Bill Dozier to fill the seat of Jennine Brown, and then in two years, when the community has stabilized, introduce the two new tourism / hospitality partners to the board. While staff was working with Bay County to draft appropriate language, an issue arose regarding whether or not there would be dual office holding if Commissioner Dozier was selected by the DPC board and it not be a decision left to the Bay County Board of County Commissioners. Meanwhile, former DPC board member Jennine Brown rejoined the Panama City tourism industry as a general manager at a lodging partner with greater than 100 rooms. The LaQuinta corporate offices support Ms. Brown in her desire to rejoin the DPC board.

Staff recommends no changes be made to the board composition at this time and that Jennine Brown be reappointed as a board member.