

ORDINANCE NO. 13- 20

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF OKALOOSA COUNTY, FLORIDA, AMENDING ORDINANCE 12-21, AS SUBSEQUENTLY AMENDED BY ORDINANCE 13-19, AND SECTION 20-72 OF THE OKALOOSA COUNTY CODE OF ORDINANCES, RELATING TO THE TOURIST DEVELOPMENT PLAN AND USE OF TOURIST DEVELOPMENT TAX REVENUE; TO PROVIDE FOR THE FUNDING OF SPONSORSHIPS; TO PROVIDE FOR THE CONSTRUCTIONS OF ARTIFICIAL REEFS AND OTHER ECO-TOURISM PROJECTS; UPDATE REVENUE PROJECTIONS; MODIFY THE AUTHORIZED USES OF THE PROCEEDS OF THE VARIOUS PENNIES OF TOURIST DEVELOPMENT TAXES; PROVIDE FOR A RESERVE FOR THE PROCEEDS OF EACH PENNY OF TOURIST DEVELOPMENT TAX; PROVIDING FOR CODIFICATION, SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to Section 125.0104, Florida Statutes, known as the "Local Option Tourist Development Act", the Board of County Commissioners ("Board") has authorized the collection of five cents of tourism development tax per dollar exchanged on certain short-term lodging rental transactions within the sub-county tourism development district, created the County's initial Tourist Development Plan (the "Plan") and established the Okaloosa Tourist Development Council (the "Council"); and

WHEREAS, the Board desires to clarify and expand the goals and objectives contained in the existing tourist development plan and reallocate the tourist development tax revenues which will be used to fund these goals and objectives; and

WHEREAS, in order to effectuate these changes the Board hereby finds that it is necessary to amend Ordinance 12-21, as subsequently amended by Ordinance 13-19, and Section 20-72 of the Okaloosa County Code of Ordinances.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF OKALOOSA COUNTY, FLORIDA:

SECTION 1. Ordinance 12-21, as subsequently amended by Ordinance 13-19; and Section 20-72 of the Okaloosa County Code of Ordinances is hereby amended as follows:

(~~stricken~~ words indicate deletions, underlined words indicate additions)

Sec. 20-72. - Tourist development plan.

- (a) *Revenue projections.* The tax revenues pursuant to this section for the next fiscal year and thereafter until amended by the Board shall be used to fund the Okaloosa County Tourist Development Plan, which is hereby adopted as follows:

The anticipated annual revenues to be produced by the tourist development tax as identified herein in parenthesis for each budget category is provided as an annual total based on past collection trends projected forward. The projected revenues are estimates and may vary from those identified herein. The amounts shown have already been reduced by the costs of administration retained by the Tax Collector.

- (b) *Taxing district boundaries.* The geographic area included within the County's sub-district is depicted on Exhibit A, as attached hereto and incorporated herein.
- (c) *County tourist development plan.* The County hereby determines that the tourist development plan for the sub-district shall be comprised of the following broad goals and objectives and makes the following findings of fact:
- (1) *Tourism promotion.* The tourism related economy within Okaloosa County generates significant direct and indirect revenue to businesses within the community. Accordingly, tourism is essential to a healthy economy and is a driving force in the growth of business development and increased employment opportunities for County residents. The County has worked diligently on the development and maintenance of quality advertising, sales, marketing and public relations initiatives for the sub-district which presents a consistent and positive brand for the area. This branding is essential to the development of this section of the economy and the County will work towards the development and implementation of unified marketing campaigns. These campaigns will be monitored and analyzed by the Tourist Development Council (the "Council"), the Director and tourist development department staff with, at a minimum, quarterly reports provided to the Board. Within the guidelines set forth herein, the campaigns shall be conducted with funding levels designed to achieve maximum positive promotional exposure to potential visitors to

the sub-district. The primary objective for the campaigns shall be the maintenance of consistent positive "branding" which consists of image and name recognition and the further development of "year round business" to encompass group and leisure business.

The support for a variety of special events and sponsorships is another productive means to further the development of year round business and bolster image and name recognition for the sub-district. Funds may be allocated on an annual basis, as approved by the Board, for support of special events and sponsorships approved by the Board in accordance with procedures provided in the adopted Tourist Development Council Bylaws and Tourist Development Department Operation and Procedures Manual. The development of a visible and professional support community for local production of film and advertising projects is may also be a productive means to further maintain a consistent positive investment "branding" of both in the sub-district economy and in the overall branding for and the County overall. Funds may be allocated to support such projects.

The County determines that continuing maintenance efforts to keep the beaches, waterways, access ways and other tourist destination recreational and eco-tourism facilities within the sub-district ("Tourist Destination Facilities") clean, attractive and safe for public usage are important to the image and marketing of the primary asset of the sub-district and may include a mechanical beach cleaning program for all Gulf beaches within the sub-district outside of those owned or controlled by the Federal government. This also includes the maintaining of the aesthetics of access corridors within the sub-district so as to provide a consistent positive branding for the area.

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- (2) *Convention business development.* The County has operated the Emerald Coast Convention Center ("ECCC") since 2003 and its value as a catalyst for the growth of the conference/convention/group business segment of the visitor population is well established and is an effective means of developing year round business in the sub-district. The ECCC will continue to be managed in house or by contract with professional management firms, or by a combination of the two. The facility will also provide a venue indoor and outdoor venues for cultural, educational, sport and entertainment events which will be a positive draw for visitors as well as a benefit to the overall quality of the branding of County products. The County will continue to explore options for the future expansion of the ECCC facilities, grounds and functions will further the development of year-round business in the sub-district.

- (3) *Product improvement.* The County determines that the beaches and waters of the Gulf of Mexico and the Choctawhatchee Bay are the focus of the attraction that the sub-district offers to our visitors. This includes not only the beach and waterways themselves but the ~~tourist destination facilities, including recreational facilities within the sub-district~~ Tourist Destination Facilities, which allow greater access and enhanced enjoyment of these areas. Accordingly, both the maintenance and improvement of these natural assets and other ~~†Tourist ‡Destination §Facilities~~, including the improvement of public access to and use of these assets, are essential to the preservation ~~and~~ improvement and promotion of the very foundation of the economy that the County is promoting.

The long-term maintenance goals of this plan also include the use of tourism tax revenues as a part of an ongoing partnership between federal, state and county and municipal entities for the restoration and re-nourishment of the beaches within the sub-district. The County will continue to fund the permitting and construction of restoration and re-nourishment projects for beaches within the sub-district. This will facilitate the dual goal of this long-term restoration plan and preservation and management of the County's waterfront resources and other ~~†Tourist ‡Destination §Facilities~~ within the sub-district, including the improvement of public access to those resources and facilities throughout the sub-district. This component of beach access improvement and beach restoration and monitoring is essential for ensuring access for visitors utilizing non-waterfront accommodations. The maintenance of beach access facilities and other ~~†Tourist ‡Destination §Facilities~~ promotes a broader accommodation base by improving access for non-waterfront accommodations. Accordingly, the allocation of tourist tax revenues for the improvement, maintenance and repair of our beaches and waters and other ~~†Tourist ‡Destination §Facilities~~, including access to these facilities, is an appropriate use of these revenues when and if funding is available.

The County further determines that constructing artificial reefs will promote tourism within the sub-district by offering diving, snorkeling and fishing activities. Additionally, the construction of artificial reefs will enhance the waters of the Gulf of Mexico by providing increased fisheries and improved aquatic habitat. Once enough artificial reefs are constructed, the County may develop an aquatic nature center as an eco-tourism facility to showcase these tourism activities and assets. Thus, the allocation of tourist tax revenues for the construction of artificial reefs is an appropriate use of these revenues and funds may be allocated accordingly.

An essential component of product improvement and promotion is to provide a safe environment for the use of the beaches, waters and facilities. Therefore, the allocation of tourist development tax revenues

for the provision of lifeguard services for the beaches and waterways is an appropriate use of these revenues when and if funding is available.

- (4) *Administration.* The County determines that the best means for administration of the tourism tax revenues allocated under this plan is local administration by the Director of the Tourist Development Department under the direction of the County Administrator. The administration of the revenue collection process shall be carried out under a subcontract an agreement with the Tax Collector's Office.

- (5) *Reserve or emergency operations fund(s).* The County determines that it is prudent, based on actuarial and actual experience, to maintain reserve funds for the purpose of supplementing standard promotional functions and beach maintenance efforts and for restoration of the county's beach improvements in the aftermath of a major storm event which impacts sub-district coastal areas. ~~This~~ These reserve amounts should be carried forward as a budget allocation from year to year and should be in sufficient amount, as determined by the Board, to address recovery needs in these areas in the case of a catastrophic storm event. These funds are also available for allocation in the case of extraordinary beach maintenance needs related to natural or man-induced events requiring additional beach cleaning efforts and equipment following the impact of an emergency event. The Council, through the Director, will be responsible for recommending to the Board when and how these funds should be used in the event of an emergency or catastrophic storm event.

- (d) *Tax revenue projections and allocations.* Pursuant to the requirements of Section 125.0104(4), F.S., the tax revenues collected pursuant to this Ordinance shall be used to fund the goals and uses identified in the Okaloosa County Tourist Development Plan as set forth above. The allocation shall begin Fiscal Year ~~2012-2013~~ 2013-2014 and shall continue for subsequent fiscal years until amended by the Board.

- (1) For the revenues generated by the first percentage point on each dollar, for each year beginning with Fiscal Year ~~2012-2013~~ 2013-2014, the allocation shall be as follows:

- a. To provide and improve beach park facilities or beach improvements including access; to provide maintenance, renourishment, restoration and erosion control, including shoreline protection, enhancement, access, cleanup or restoration of beaches, other waterways; and to provide and improve ~~†Tourist ‡Destination †Facilities~~ within the sub-district for which there is public access, including the beaches located within the city limits of the City of Destin. (24 month projected

revenue total, net of administrative charges, is \$4,074,000
\$4,656,000).

- b. To the extent that such proceeds are not required for those uses set forth under section 20-72 (d)(1) a. above, then the Board may direct that such proceeds may be used for any other purposes authorized under section 125.0104 (5), Florida Statutes.
- (2) For the revenues generated by the second percentage point on each dollar, for each year beginning with Fiscal Year ~~2012-2013~~ 2013-2014, the allocations shall be as follows:
- a. ~~Beach, waterways, and other tourist destination facilities, improvements, landscaping, operations and maintenance including Tourism Services, including visitor services, brochure distribution, communication and research; Tourist Bureau Administration; and lifeguard services and protection. (24 month projected revenue total, net of administrative charges, is \$2,824,000~~ \$4,656,000).
 - b. ~~Tourist bureau administration. (24 month projected revenue total, net of administrative charge, is \$1,250,000).~~
 - b. To the extent that such proceeds are not required for those uses set forth under section 20-72 (d)(2) a. and b. above, then the Board may direct that such proceeds may be used for any other purposes authorized under section 125.0104 (5), Florida Statutes.
- (3) For the revenues generated by the third percentage point on each dollar, for each year beginning with Fiscal Year ~~2012-2013~~ 2013-2014, the allocation shall be as follows:
- a. ~~The~~ To provide and improve Visitor Welcome or Information Centers; to provide for the operations and maintenance of the Convention Center, the beach Visitor Welcome or Information Centers, and other beach park or Tourist Destination Facilities; and to provide for the promotion of the use of the Convention Center and other Tourist Destination Facilities. (24 month projected revenue total, net of administrative charges, is ~~\$4,074,000~~ \$4,656,000).
 - b. To the extent that such proceeds are not required for those uses set forth under section 20-72 (d)(3) a. above, then the Board may direct that such proceeds may be used for any other purposes authorized under section 125.0104 (5), Florida Statutes.
- (4) For the revenues generated by the fourth percentage point on each dollar for each year beginning with Fiscal Year ~~2012-2013~~ 2013-2014, the allocation shall be as follows:

- a. For the payment of debt service on bonds issued to finance the construction, reconstruction or renovation of a convention center and to pay the planning and design costs incurred prior to the issuance of such bonds. The Board determines that the extension of the fourth percentage point is necessary to provide funds to operate, maintain, repair or renew the convention center. Therefore, following the expiration of bonds issued to fund the construction of the convention center, the proceeds of the fourth percentage point shall be used for any future expansion, renovation or reconstruction of the convention center, including the construction, expansion, renovation or reconstruction of outdoor venues for the convention center. (24 month projected revenue total, net of administrative charges, is \$4,074,000 \$4,656,000).
 - b. To the extent that such proceeds are not required for those uses set forth under section 20-72 (d)(4) a above, then the Board may direct that such proceeds may be used for any other purpose authorized by section 125.0104(3) (l) 2, 3, or 4, Florida Statutes
- (5) The fifth percentage point shall remain in effect until further action by the Board. For the revenues generated by the fifth percentage point on each dollar, for each year beginning with Fiscal Year ~~2012-2013~~ 2013-2014, the allocation shall be as follows:
- a. Tourism promotion. (24 month projected revenue total, net of administrative charges, is \$4,074,000 \$4,656,000).

SECTION 2. EFFECT. The remaining provisions of Ordinance 12-21, as amended by Ordinance 13-19 shall remain in full force and effect.

SECTION 3. CODIFICATION IN THE CODE OF ORDINANCES. It is the intention of the Board, and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Okaloosa County Code of Ordinances, and that the sections of this Ordinance may be renumbered to accomplish such intent.

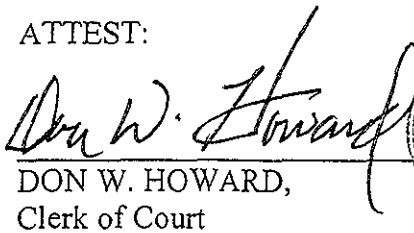
SECTION 4. SEVERABILITY. Should any section or provision of this Ordinance or any portion thereof, or any paragraph, sentence, or word be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remainder hereof other than the part declared to be invalid.

SECTION 5. EFFECTIVE DATE. This Ordinance shall be effective on October 1, 2013.

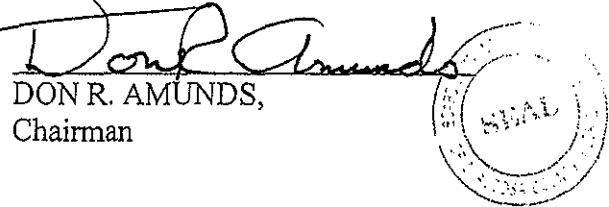
PASSED AND ADOPTED in Regular Session this 6th day of August, 2013.

BOARD OF COUNTY COMMISSIONERS
OF OKALOOSA COUNTY, FLORIDA

ATTEST:


DON W. HOWARD,
Clerk of Court




DON R. AMUNDS,
Chairman

