

RESOLUTION NO. 19-129

A RESOLUTION OF THE CITY COUNCIL OF PANAMA CITY BEACH, FLORIDA, RELATING TO THE AVAILABILITY AND FUNDING OF FIRE PROTECTION AND RELATED ESSENTIAL SERVICES WITHIN THE CITY; PROVIDING FOR THE IMPOSITION OF SPECIAL ASSESSMENTS WITHIN THE CITY TO FUND, IN PART, THE SERVICES, FACILITIES AND PROGRAMS ASSOCIATED WITH THE CONTINUAL READINESS TO PROVIDE FIRE PROTECTION; IDENTIFYING BENEFITS, BURDENS AND COSTS TO BE ASSESSED; ESTABLISHING THE METHOD OF APPORTIONING BENEFITS, BURDENS AND COSTS AMONG SPECIALLY BENEFITED PROPERTY; ADOPTING AN ASSESSMENT ROLL; PROVIDING THE METHOD OF COLLECTION; PROVIDING FOR ASSOCIATED POLICY DIRECTION; AND PROVIDING AN EFFECTIVE DATE.

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

ARTICLE I

INTRODUCTION

SECTION 1.01. AUTHORITY. This Resolution of Panama City Beach, Florida (the "City") is adopted pursuant to Ordinance No. 1444 (the "Assessment Ordinance"), Sections 166.021 and 166.041, Florida Statutes, and other applicable provisions of law.

SECTION 1.02. DEFINITIONS. This Resolution constitutes the Annual Assessment Resolution as defined in the Assessment Ordinance. All capitalized words

and terms not otherwise defined herein shall have the meaning set forth in the Assessment Ordinance, unless the context hereof otherwise requires.

SECTION 1.03. INTERPRETATION. Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa; the terms "hereof," "hereby," "herein," "hereto," "hereunder" and similar terms refer to this Resolution; and the term "hereafter" means after, and the term "heretofore" means before, the effective date of this Resolution. Words of any gender include the correlative words of the other gender, unless the sense indicates otherwise.

SECTION 1.04. FINDINGS. It is hereby ascertained, determined and declared as follows:

(A) The constant and continued preparedness to provide fire protection services, facilities and programs possesses a logical relationship to the value, use and enjoyment of real property by: (1) protecting the value of the improvements and structures through the continual availability of fire control and provision of fire protection and associated rescue services; (2) protecting the life and safety of intended occupants in the use and enjoyment of real property; (3) lowering or stabilizing the cost of casualty or liability insurance by the presence of a professional municipal fire protection and associated rescue program within the City; (4) providing protection for uninsured or underinsured property and property owners; and (5) containing the spread of fire incidents, sometimes occurring on vacant or undeveloped property, with

the potential to spread and endanger the structures and occupants of nearby improved property, thereby limiting liability.

(B) The sharing of benefits, burdens and costs for fire protection services and facilities based upon the relative value of improvements for each Tax Parcel in the City as compared to the value of improvements for all Tax Parcels in the City could conceivably serve alone as a fair and reasonable means to apportion entirely the Fire Service Assessed Cost. Such approach substantially removes the underlying land values from consideration and reasonably focuses upon the built, improved, or husbanded environment on the land protected by fire services, facilities and programs. This is a direct and logically related means to share benefits, burdens and costs of fire protection services, facilities and programs.

(C) It is also clear that the relative improvement value of improvements to land may be utilized as one factor among others considered in a given formula or calculus since the resulting Assessments are formed from a reasoned or logical base against which the special benefits, burdens and costs may be multiplied or determined.

(D) Apportionment on the basis of relative improvement value (as determined by data derived from the Tax Roll prepared by the Property Appraiser) recognizes and fairly shares the relatively higher benefit accruing to properties which face greater financial loss in the event of fire incident.

(E) Besides the advantage of relying upon data prepared by the Property Appraiser in the normal conduct of such person's responsibilities, an approach based in whole or in part upon relative improvement value is also advantageous because it is self-correcting. Relative value of improvements may change from year to year in accordance with market conditions and other factors and such variation will be adjusted automatically each subsequent year in accordance with the updated improvement value determined by the Property Appraiser. If the improvements on a given Tax Parcel were to increase or decrease in value with the passage of time relative to the updated improvement value city-wide, that Tax Parcel's relative percentage to the total amount assessed for that Tax Parcel and all Tax Parcels would also increase or decrease proportionately.

(F) The mere availability of fire protection services and facilities benefits each Tax Parcel of real property in the City in a substantially uniform fashion by relieving the common burden placed upon City services and facilities collectively created by individual Tax Parcels whether a fire event occurs or not. Fundamentally, the presence of each Tax Parcel within the City creates a comparable and similar requirement to stand ready to serve and continually maintain a preparedness to provide fire protection and associated services and facilities for all Tax Parcels.

(G) The City's core preparedness costs are generally those necessary to maintain the readiness of fire personnel, equipment and facilities to respond in the

event of random emergency calls and to assure an effective network of coverage, a metric used by insurance ratings organizations for calculation of basic insurance ratings. Such preparedness is continual and predominantly lies in wait for the emergency of a fire incident.

(H) The Council has previously carefully considered the report prepared by GAI Consultants, Inc. describing a special assessment apportionment methodology designed to fund all or some portion of the City's annual budget expenditures corresponding to fixed (as opposed to more variable) costs incurred in maintaining common or similar continual readiness to provide fire protection to all parcels.

(I) These core preparedness costs of lying in wait are largely recurring, almost fixed over the course of a budgetary period, because they are strongly associated with wages, salaries, administration, and overhead which support the constant availability of fire protection related services and facilities. Such core costs must be absorbed even when firefighting capabilities remain exclusively in standby mode.

(J) Fixed costs can generally be described as those costs incurred in providing services, facilities or programs required for readiness to provide fire protection which do not necessarily vary from parcel to parcel based upon property classification, parcel-specific physical characteristics (improvements) or actual demand in the event of deployment. Variable costs are those dependent upon or which more closely bear a direct relationship to property classification and/or parcel-specific physical

characteristics such as value of improvements, and therefore are more likely to vary from parcel to parcel.

(K) The constant potential for the outbreak of a fire represents the predominant requirement for service. When and where a fire incident occurs is essentially an unknown and difficult variable to accurately predict. The scale of this potential defines the basic underlying cost of being prepared to limit fire loss and to protect property values. From a policy and public purpose standpoint, preparedness is the predominant activity of the City's fire services and facilities. The City, in this state of readiness, must consider the committable personnel, necessary equipment and facilities, and the time likely required to extinguish a fire (planning or preparing for the potential incident or event) prior to the emergency allocation of direct resources enabling a fire to be extinguished as quickly as possible (deploying to or intervening in the incident or event itself). The amount of resources for fire protection service, facilities and programs made available in such a continual preparedness exercise each year is a public administration and policy decision which necessarily focuses in the aggregate on all property within the City.

(L) In developing a recurring revenue source to fund a portion of the core fixed cost component of the City's annual budget associated with a continued readiness to provide fire protection services, facilities and programs, it is not necessary to solely focus on the size, value or physical characteristics of individual Tax Parcels for fire

protection. Instead, in this context, each individual Tax Parcel contributes similarly to the required state of readiness, and similarly and substantially shares the same benefits from such core fixed cost component; and, therefore it is fair and reasonable to ask the owner of each Tax Parcel to contribute equally toward funding all or a portion of the core fixed costs associated with such continual readiness to provide fire protection services and facilities.

(M) The findings contained herein are premised upon information, input, analysis and review from City staff, officials and experts, and public comment, as well as careful consideration by the City Council. A combination of the foregoing yields a reasoned apportionment methodology premised upon two distinct tiers or classes of apportionment allocation: Tier 1 – a sharing of benefits, burdens and costs for fire protection services and facilities based upon the relative value of improvements for each Tax Parcel in the City as compared to the value of improvements for all Tax Parcels in the City; and, Tier 2 – a sharing of benefits, burdens and costs for fire protection services and facilities on a per Tax Parcel allocation premised upon maintaining a continual state of preparedness and readiness to serve whether or not a request for actual assistance is ever received. Although either of these two tiers might be used singularly to address a significant portion of the budget for special assessment apportionment purposes, together they provide a simplified and powerful equity tool

for the City to fairly and reasonably share assessable benefits, burdens and costs among all assessable Tax Parcels in the City.

(N) Allocating a portion of the fixed costs attributable to the City's continual readiness to provide fire protection services and facilities on a Tax Parcel basis reasonably avoids cost inefficiencies and unnecessary administration, and is a fair, efficient and reasonable mechanism to allocate such costs among all Tax Parcels.

(O) The use of data derived from the Tax Roll (both in form and content), which is a statutorily required and uniformly maintained database of all Tax Parcels employed by the Property Appraiser and Tax Collector, represents a reasonably accurate, fair and efficient means to allocate or distribute Fire Service Assessed Cost associated with standing ready to provide fire protection and associated services and facilities.

(P) It is fair, reasonable, effective, and efficient for all Tax Parcels, including statutorily defined parcels such as individual condominium or cooperative units with extraordinary alienability, to share equally in the core fixed costs represented by the special assessments to be imposed hereby, particularly since such costs are not necessarily dependent upon or determined by physical characteristics or demand in the event of deployment.

(Q) It is also fair and reasonable that some portion of fixed costs and variable costs be shared and distributed among Tax Parcels, including statutorily defined parcels

such as individual condominium or cooperative units with extraordinary alienability, using apportionment methods which are weighted more heavily on the Fire Assessment Roll (using data from the Tax Roll) toward physical characteristics, such as those represented by the relative value of improvements.

(R) City staff and consultants have reviewed current and prior year budget information related to the provision of fire protection services, which reveals the City advanced life support services (“ALS”) fall almost exclusively to emergency medical units operated by parties other than the City. Nevertheless, the budgetary review and analysis considered by the Council conservatively excluded even the appearance of funding any advanced life support services by eliminating costs associated with ALS training, certifications or special pay from the Fire Service Assessed Cost. Because the City’s Fire Department does not endeavor to provide, and the exemplary budget conservatively excludes any cross-over costs of, ALS services separately funded through the county government, the City’s exemplary budget used to determine the Fire Service Assessed Cost, on its face, avoids any question that the Fire Service Assessed Cost improperly includes emergency medical services other than first response medical services routinely delivered by fire fighters. This factually serves to isolate such advanced life support medical services from fire service related responses and avoids debate as to case law validity of the resulting Fire Service Assessment.

(S) GAI Consultants, Inc. and Ennead, LLC reviewed current and prior year budget information related to the provision of fire protection services and facilities and shared a reasoned analysis of fixed and variable cost budget components, resulting in the determination that all Tax Parcels benefit in a substantially uniform manner from services, facilities and programs characterized as fixed and otherwise necessary to provide a continual readiness to provide fire protection. In light of how the community handles ALS and emergency medical services, and the exclusion of cross-over costs from the exemplary budget, GAI Consultants, Inc., Ennead, LLC and the City Council have determined that as much as 40% of the exemplary fire department budget could be reasonably allocated per Tax Parcel to core fixed cost expenditures incurred in maintaining readiness to provide fire protection and associated services and facilities (Tier 2); and as much as 50% of the fire department budget could be reasonably allocated to both fixed and variable cost expenditures based upon the relative value of improvements associated with each Tax Parcel (Tier 1). In any event, the remainder of the exemplary budget for fire services can be provided through other legally available funds.

(T) It is fair and reasonable to fund all or a portion of the Fire Service Assessed Cost on the basis of the relative value of improvements associated with each Tax Parcel compared to the total value of all improvements in the City in order to

recognize the proportional benefit accruing to properties which face greater financial loss in the event of fire incident.

(U) It is fair and reasonable to multiply the estimated budget for fire protection services, facilities and programs by an identified proportion of the core fixed costs associated with the continual readiness to provide fire protection, in order to determine a proportional amount of the estimated budget allocable to such core fixed costs; and, then divide such amount by a reasonable estimate of the total number of Tax Parcels within the City in order to determine the proposed annual rate of assessment per Tax Parcel in an attempt to uniformly and proportionally fund such core fixed costs.

(V) The City is not required to fully fund any given essential service or capital cost through a special assessment. So long as the application of funds is for a public purpose and funds are legally available, the City may alternatively determine to fund all or some discrete portion of an essential service or capital cost, such as fire protection services, facilities and programs, with general fund or other legally available revenues. The determination as to whether to contribute other legally available revenues, and how much to contribute, lies solely in the discretion of the City Council.

(W) There is no requirement that the City impose an assessment for the maximum amount of the budget that can be funded by special assessments. Stated in the alternative, the City Council may annually determine as a tax equity tool to impose special assessments at a rate less than necessary to fund all or any specific portion of the

costs which might otherwise be funded by special assessments associated with fire protection services and facilities. Costs incurred in providing fire protection services, facilities and programs not otherwise funded through Fire Service Assessments may be paid with general fund or other legally available revenues. Such legally available revenues as a matter of policy may be applied exclusively to any tier or class of budget allocation or expense otherwise funded by a special assessment, in part to one tier or class of any budget allocation or expense, or in any combination thereof, and maintain the validity of each apportionment approach used for the remaining portion of the budget attributed to the Fire Service Assessed Cost. This flexibility is implemented through a policy and legislative determination employed through careful adherence to case law, statutory law, and the State Constitution, as well as the exercise of annual budget responsibility, discretion and equity vested in the City Council. However, in no event shall any annual rate of special assessment exceed that previously noticed to the affected land owners without further notice and public hearing pursuant to the Assessment Ordinance.

(X) The City Council is cognizant that any system, metric or analytical view of appraising benefits or assessing costs will be open to some criticism or suggestion of alternative methods or approaches, and has labored to educate itself as to the facts, analysis, law and policy latitudes available to it in determining the Fire Service

Assessed Cost and the rate of the Fire Service Assessment in the process of approving the Fire Service Assessment Roll.

(Y) The apportionment among Tax Parcels of a portion of the City's annual budget for fire protection services, facilities and programs represented by the assessment rates and Fire Service Assessments hereby adopted (sometimes called "Simplified Fire"™), are reasonably characterized as necessary for providing the continual readiness to provide fire protection, notwithstanding whether fire incidents or fire calls materialize or not; and, is hereby determined to be a fair and reasonable means to annually allocate and share such benefits, burdens and costs.

(Z) The benefits derived or burdens relieved from the continual readiness to provide fire protection services, facilities and programs as to each Tax Parcel subjected to the Fire Service Assessments equal or exceed the amount of the special assessments levied and imposed hereunder. The Assessment for any Tax Parcel within the City in employing such an approach also does not exceed the proportional benefits (or corresponding relief of burdens) that such Tax Parcel will receive (or cause) compared to any other Tax Parcel so assessed within the City.

(AA) The foregoing findings and determinations are predicated on a substantially similar proposed budget and information for the upcoming Fiscal Year as last year; and, the Council determines it is reasonable to confirm and ratify same, and reimpose the Assessments at the same rates, fees and charges as last year.

(BB) The Council hereby finds and determines that the Fire Service Assessments to be imposed in accordance with this Resolution provide a proper and equitable method of funding associated fire protection services and facilities by fairly and reasonably allocating a portion of the cost thereof among specially benefited property.

ARTICLE II

NOTICE AND PUBLIC HEARING

SECTION 2.01. ESTIMATED FIRE SERVICE ASSESSED COST; RATE OF ASSESSMENT.

(A) The estimated Fire Service Assessed Cost to be recovered through Fire Service Assessments for the Fiscal Year commencing October 1, 2019 is \$3,794,646.38 consisting of \$2,258,385.38 for Tier 1 – relative value of improvement for each Tax Parcel for variable cost and \$1,536,288.00 for Tier 2 – per Tax Parcel for fixed, readiness to serve cost.

(B) The Fire Service Assessments established in this Annual Assessment Resolution are determined by the assessment rates prepared for consideration by the public and City Council in the preparation of the Fire Service Assessment Roll for the Fiscal Year commencing October 1, 2019.

(C) The rate of Fire Service Assessment is (1) \$0.63 per thousand dollars of improvements, or fraction thereof, for each Tax Parcel as reflected in the Tax Roll (Tier 1), plus (2) \$78.00 per Tax Parcel (Tier 2).

SECTION 2.02. FIRE SERVICE ASSESSMENT ROLL

(A) The Assessment Coordinator has prepared a preliminary Fire Service Assessment Roll that contains the following information:

(1) a summary description of each Tax Parcel (conforming to the description contained on the Tax Roll maintained by the Property Appraiser for the purpose of levying and collecting ad valorem taxes) which is intended to be subject to the Fire Service Assessment;

(2) the name of the owner of record of each Tax Parcel, as shown on the Tax Roll; and

(3) the proposed amount of the total Fire Service Assessment for each affected Tax Parcel for the fiscal year commencing October 1, 2019, exclusive of anticipated costs of collection and administration.

(B) In the event the City also imposes or collects an impact fee upon new growth or development for capital improvements related to fire protection, the special assessments provided for hereunder shall not include costs attributable to capital improvements necessitated by new growth or development which were included in the computation of such impact fee or which are otherwise funded by such impact fee.

(C) Copies of the Assessment Ordinance, this Resolution and the preliminary Fire Service Assessment Roll have been made available in the City Clerk's office at City Hall Annex, George C. Cowgill Bldg., 110 South Arnold Road, Panama City Beach, Florida, 32413, or have been open to public inspection in a manner consistent with the Assessment Ordinance. The proposed approach and amount of Assessment for each Tax Parcel has been noticed since August 23, 2019 at or through the City's website and accessible through the internet at www.pcbgov.com and at the City Clerk's office located at City Hall Annex, George C. Cowgill Bldg., 110 South Arnold Road, Panama City Beach, Florida.

(D) In the event the Assessment Coordinator makes any corrections, exemptions, administrative hardship deferrals or other modifications to the Assessment Roll authorized by the Assessment Ordinance, this Resolution or otherwise, all funding for such changes to the Assessment Roll shall be funded by legally available funds other than direct proceeds of the Assessments. Such changes shall not require any recalculation or change in the rate or rates of assessment otherwise considered or adopted pursuant to the Assessment Ordinance or any Annual Assessment Resolution.

SECTION 2.03. NOTICE BY PUBLICATION.

The Assessment Coordinator has directed the publication of notice of a public hearing in the manner and time provided in the Assessment Ordinance. Proof of timely and compliant publication of the notice is attached hereto as Appendix A.

SECTION 2.04. PUBLIC HEARING. A public hearing was held on September 12, 2019 commencing at or about 6:00 p.m. in City Hall Council Chambers, 110 South Arnold Road, Panama City Beach, Florida 32413, at which time the Council received and considered information and comments on the Fire Service Assessments from City officials, staff, experts and advisors, as well as the public and affected property owners, and considered imposing Fire Service Assessments and the method of collection thereof as required by the Assessment Ordinance.

ARTICLE III

ASSESSMENTS

SECTION 3.01. IMPOSITION THROUGHOUT CITY.

Upon adoption hereof, Fire Service Assessments are to be levied and imposed throughout the entire area within the boundaries of the City and this Resolution shall be deemed to be adopted and confirmed for all purposes.

SECTION 3.02. IMPOSITION OF ASSESSMENTS. Fire Service

Assessments shall be imposed against Tax Parcels located within the City, the annual amount of which shall be computed for each Tax Parcel in accordance with this Resolution and shall include all administration and collection costs, fees and adjustments provided for in Section 2.01(B) of the Ordinance. When imposed, the Fire Service Assessment for each Fiscal Year shall constitute a lien upon Assessed Property

equal in rank and dignity with the liens of all state, county, district or municipal taxes and other non-ad valorem assessments as provided in the Assessment Ordinance.

SECTION 3.03. APPORTIONMENT APPROACH.

(A) As provided for herein, the Fire Service Assessed Cost shall be apportioned among all Tax Parcels within the City, not otherwise exempted hereunder, and including any statutorily defined parcels such as individual condominium or cooperative units with extraordinary alienability. The estimated Fire Service Assessed Cost and rate of Fire Service Assessment shall be that described in Section 2.01 hereof.

(B) It is hereby ascertained, determined, and declared that the method of determining the Fire Service Assessments as set forth in this Annual Assessment Resolution is a fair and reasonable method of paying for, recovering and apportioning the Fire Service Assessed Cost among Tax Parcels of Assessed Property located within the City.

(C) The Fire Service Assessment Roll is hereby approved.

SECTION 3.04. APPLICATION OF ASSESSMENT PROCEEDS.

Proceeds derived by the City from the Fire Service Assessments, after payment of costs and expenses associated with collection and administration of the Assessments, shall be utilized for the provision of fire protection related services, facilities, and programs associated with maintaining continual readiness to serve. In the event there is any fund balance remaining at the end of the Fiscal Year, such balance shall be carried

forward and used only to fund costs associated with fire protection related services, facilities, and programs.

SECTION 3.05. COLLECTION OF ASSESSMENTS; VALIDATION.

(A) Unless otherwise determined by the Council, collection of the Fire Service Assessments shall take place pursuant to the uniform method of collection described in Article III of the Assessment Ordinance.

(B) The amount of the Assessment imposed, levied, and billed to each owner of Assessed Property may additionally include a pro rata share of the City's costs and expenses associated with development, implementation, notice, collection and administration of the Assessments, but not to exceed five dollars (\$5.00) per Tax Parcel to defray such City costs.

(C) Capital equipment and facilities are fundamental components to the preparedness necessary to continually stand ready to provide fire protection services, facilities and programs. Following the initial Fire Service Assessment adoption for FY 2018-19, counsel for the City as directed successfully instituted proceedings pursuant to Chapter 75, Florida Statutes, which judicially confirmed the validity of the Assessments and use of proceeds of the Assessments to secure Obligations as provided for in the Assessment Ordinance. Any Obligations issued by the City shall contain a covenant by the City to adopt an Annual Assessment Resolution imposing Assessments for each Fiscal Year until any Obligations have been paid in full.

SECTION 3.06. DIRECTION CONCERNING ANY EXEMPTION.

(A) Tax Parcels which are statutorily exempted from the payment of ad valorem taxes are in most circumstances subject to the Fire Service Assessments contemplated hereunder. Tax Parcels classified or described by the Property Appraiser as institutionally tax exempt, have been previously included in other non-ad valorem assessments imposed by the City, and are subject to the Fire Service Assessments contemplated hereunder.

(B) Tax parcels comprising Government Property are not subject to the Fire Service Assessments contemplated hereunder. Such Tax Parcels include those classified or described by the Property Appraiser as government-owned, including the following: (1) military, (2) forest, parks, recreational, (3) public county schools, (4) public colleges, (5) public hospitals, (6) other county-owned property, (7) other state-owned property, (8) other federal-owned property, and (9) other municipal-owned property. Provided, however, each such Government Property owner may be approached by the Mayor, or his designee, and asked to pay as a fee or charge an amount comparable to the Assessment for each such Government Property. Said amount may be invoiced annually, quarterly or monthly in accord with Section 3.04 of the Assessment Ordinance.

(C) The following Tax Parcel classifications are special designations used by the Property Appraiser for recordkeeping purposes and do not represent actual or

assessable Tax Parcels and are not subject to the Fire Service Assessments contemplated hereunder: (1) common element, (2) header record, and (3) notes parcel.

(D) Certain Tax Parcels associated with the following classifications used by the Property Appraiser typically do not receive a special benefit from the provision of fire protection services and facilities or are infeasible or impractical to assess, and therefore are not subject to the Fire Service Assessments contemplated hereunder: (1) right-of-way (including beach access), (2) rivers, lakes & submerged land, (3) sewage disposal & waste lands, and (4) outdoor recreation or parkland.

(E) Tax Parcels associated with the following classifications used by the Property Appraiser receive a special benefit from the provision of fire protection services and facilities and are subject to the Fire Service Assessments contemplated hereunder: (1) cropland, (2) timberland, (3) grazing land, (4) orchards and groves, (5) apiary, aquaculture, fowl, horse, and other animals, and (6) nursery, floriculture, sod production, and hydroponics. As the assessments contemplated hereunder are not imposed pursuant to chapter 170, Florida Statutes, the exemption from assessment for certain agricultural lands described therein does not apply. In the event a court of competent jurisdiction determines that such agricultural lands are not subject to the Fire Service Assessments, the imposition of the Fire Service Assessments on such properties or portions of properties not subject to the Fire Service Assessments shall be severed from this Resolution and an amount equivalent to that which would have been raised

by such levy shall be paid from other legally available funds.

(F) The classifications of properties in this Section which are or may be exempted, in whole or in part, are reasonably determined to be inappropriate, infeasible or impracticable to assess, and either benefit marginally or create a lesser or nominal demand or burden on the City's costs associated with readiness to serve, do not merit the expenditure of public funds to impose or collect the Fire Service Assessments, are exempt and/or otherwise generally serve in some respect to promote the public health, safety, morals, general welfare, security, prosperity and contentment of the inhabitants or residents of the City. The Assessment Coordinator, or his designee, is authorized and directed to use sound judgment in extending such determinations and guidance as the Fire Service Assessment Roll is collected. The foregoing classifications of properties not to be assessed do not include Government Property that is leased for private use.

(G) Based upon the foregoing, there are relatively few exempt properties within the City. Using legally available funds other than the proceeds of the Fire Service Assessments, the City shall otherwise fund or contribute an amount equal to the Fire Service Assessments that would have been otherwise derived, in whole or in part, from such exempt properties.

(H) Provided, however, the City Council reserves the right and ability in the future to impose Fire Service Assessments against Tax Parcels determined to be exempt, in whole or in part, hereunder to the extent permitted by law, for any reason including

lack of reasonable cooperation or willingness to pay for a share of the Fire Service Assessment Cost, or otherwise in the event required or directed to do so by a court of competent jurisdiction.

SECTION 3.07. EFFECT OF ANNUAL ASSESSMENT RESOLUTION.

The adoption of this Annual Assessment Resolution shall be the final adjudication of the issues presented herein (including, but not limited to, the method of apportionment and assessment, the rate or rates of assessment, the Assessment Roll, the levy and lien of the Assessments, and method of collection and enforcement), unless proper steps are initiated in a court of competent jurisdiction to secure relief within twenty (20) days from the date of City Council's adoption of this Annual Assessment Resolution.

ARTICLE IV

GENERAL PROVISIONS

SECTION 4.01. AUTHORIZATIONS. The Mayor and any member of the City Council, the City Attorney, the City Manager, the Clerk, the Fire Chief and such other officials, employees or agents of the City as may be designated by the City Council are authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents, and contracts on behalf of the City that are necessary or desirable in connection with the imposition and collection of the

Fire Service Assessments contemplated hereunder, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution.


SECTION 4.02. CONFLICTS. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4.03. SEVERABILITY. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are declared to be severable.

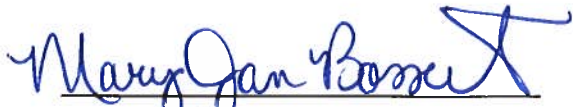
SECTION 4.04. EFFECTIVE DATE. This Annual Assessment Resolution shall take effect immediately upon its passage and adoption.

PASSED and ADOPTED in regular session of the City Council of the City of Panama City Beach, Florida, this 12th day of September 2019.

PANAMA CITY BEACH CITY COUNCIL

By: 
Mike Thomas, Mayor

ATTEST:


Mary Jan Bossert, City Clerk

**APPENDIX A
PROOF OF PUBLICATION**

The News Herald

501 W. 11th Street
P.O. Box 1940, Panama City, FL 32401
Published Daily
Panama City, Bay County, Florida

State of Florida County of Bay

Before the undersigned authority personally appeared Susan Collins, who on oath says that she is a Legal Advertising Representative of The News Herald, a newspaper published at Panama City in Bay County, Florida; that the attached copy of advertisement, being a Legal Advertisement #11058288 in the matter of **NOTICE OF ANNUAL HEARING - CITY OF PANAMA CITY BEACH** in the Bay County Court, was published in said newspaper in the issue of **August 23, 2019**.

Affiant further says that the said The News Herald is a newspaper published at Panama City. In said Bay County, Florida, is a *direct successor of the Panama City News* and that the said newspaper, *together with its direct predecessor*, has heretofore been continuously published in said Bay County, Florida, each day (*except that the predecessor, Panama City News, was not published on Sundays*) and has been entered as periodicals matter at the post office in Panama City, in said Bay County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement, and affiant further says that (s)he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in said newspaper.

Susan Collins

State of Florida

County of Bay

Sworn to and subscribed before me this 23rd day of **August**, A.D., 2019.

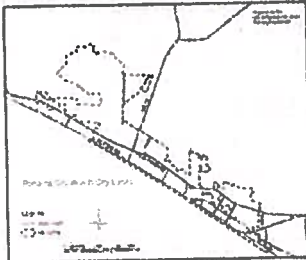
By Susan Collins, Legal Advertising Representative of The News Herald,

who is personally known to me or has produced N/A as identification.

Melissa Elaine Clemmons
Notary Public, State of Florida at Large



**NOTICE OF ANNUAL HEARING CONCERNING
NON-AD VALOREM ASSESSMENTS
TO FUND IN PART THE COSTS ASSOCIATED WITH
THE CONTINUAL READINESS TO PROVIDE FIRE PROTECTION**



The property subject to assessment lies within the City of Panama City Beach, Florida.

This notice concerns the process the City Council of the City of Panama City Beach, Florida (the "City"), is using to address the challenge of funding essential City services and facilities with means other than funding solely through the collection of business taxes (and to continue to put off the need to consider ad valorem property taxes). This published Notice is compliant with the requirements of law, and at the same time shares and directs the reader to an overview and an explanation of how our community funds and provides essential fire protection related services, equipment, facilities and programs.

The City is budgeting and preparing to adopt the annual non ad valorem Fire Service Assessment to defray a large portion of the annual operating and capital costs associated with the Panama City Beach Fire Department. The City put in place this supplemental and alternative means to deal with budget needs through the adoption of assessment rates that will remain the same as this past year. No increase in rates are being proposed. By considering City policies, practices, the annual fire department budget, the City's overall budget, and other economic conditions, our community continues to make fire protection services and facilities available while showing financial stewardship. Accordingly, provision of fire services, facilities, and improvements is expected to be funded again next year, in part, by fire service assessments levied on property located within the City limits. The remainder of the fire protection budget will then be funded with other legally available revenues (some of which could be both the City's business taxes and other non-ad valorem revenues) of the City. This has proven to be a solid approach which addresses a challenging balancing process that must be addressed annually and always with an eye on our future.

These special assessments for each parcel of property are based on a two-tier benefits or burdens analysis approved by the Florida Supreme Court and validated locally by our circuit court. They are associated with the continual availability of fire protection services and facilities made available every day to all tax parcels within the City. The City will assess properties based on a two-tier rate structure. Tier 1 is based on the relative improvements value associated with each tax parcel (no land value is generally used in this calculation) and is focused on variable, and possibly some, fixed costs. Tier 2 is a flat rate per tax parcel focused on fixed costs. If you wish to learn more, a detailed description of the assessment program is available on the City's website at <http://www.pcbgov.com> which includes a copy of the relevant City Ordinance and annual resolution to be considered for adoption after a public hearing.

On September 12, 2019, at 6:00 p.m. the City Council will hold a public hearing in the City Council Chambers at City Hall, 110 South Arnold Road, Panama City Beach, Florida, for the purpose of receiving comments on the proposed annual fire service assessment.

You are invited to attend or appear at the public hearing, and/or to file written comments or objections with the City Clerk and addressed to the City Council within 20 days of this Notice. You may send your written comments or objections to the Clerk at pcbfirefund@pcb.gov. If you decide to appeal any decision made by the City Council with respect to any matter considered at or after the hearing, you will need a record of the proceedings and may need to ensure that a verbatim record is made, including the testimony and evidence upon which the appeal is to be made.

In this approach each parcel of property assigned an identification number by the Bay County Property Appraiser is considered one (1) tax parcel. If approved by City Council after the hearing, the rate of assessment for each tax parcel is proposed to be the same as this last year, which is the sum of (i) sixty-three cents (\$0.63) per \$1,000 of the value of improvements attributed to the tax parcel by the Bay County Property Appraiser (Tier 1), plus (ii) \$78.00 per tax parcel (Tier 2), plus (iii) \$5.00 to defray City notice, administrative and implementation costs. These are the same rates, fees and charges as for this past year.

Any fire service assessment imposed will by law only be imposed by the City Council, and not the County, nor its Constitutional Officers, the Property Appraiser or Tax Collector. Any activity of the Property Appraiser or Tax Collector under the provisions of this process are purely ministerial.

The dollar amount attributed to each affected tax parcel in the City and other information concerning the proposed fire service assessment is available online at <http://aprxksearch.enheed-data.com/pcbfire/>.

The amount of revenue the City expects to collect using the specific assessment rates described in this Notice, net of cost for statutory discount for early payment necessarily associated with the use of the uniform method of collection (by law up to 4%) and statutory commissions and fees charged by the County or its Constitutional Officers (by law up to 4%), and the City's cost to defray associated program development, advertising, implementation and administrative costs (\$5 per tax parcel) is closely approximated to be \$3,883,153; and such revenue must be used exclusively to fund the associated budget for the City's fire department.

This annual assessment is for the purpose of funding only a part of the City's budget for the continual readiness and availability of essential services and capital facilities and equipment associated with fire protection.

Payment of the fire service assessment is anticipated to be due and collected as a special assessment on the same bill as taxes to be mailed around November 1, 2018. This collection process is called the uniform method. General law requires that affected property owners be reminded that: Until paid, the fire service assessment will constitute a lien against assessed property equal in rank and dignity with the liens of all state, county, district, or municipal taxes and other non-ad valorem assessments. Assessments become delinquent in the same manner as for unpaid taxes, and failure to pay the upcoming assessment will cause a tax certificate to be issued against the property which may result in loss of title.

ANY PERSON WISHING TO ENSURE THAT AN ADEQUATE RECORD OF THE PROCEEDINGS IS MAINTAINED FOR APPELLATE PURPOSES IS ADVISED TO MAKE THE NECESSARY ARRANGEMENTS FOR RECORDING AT HIS OR HER OWN EXPENSE.

ANY PERSON REQUIRING A SPECIAL ACCOMMODATION AT THIS MEETING BECAUSE OF A DISABILITY OR PHYSICAL IMPAIRMENT SHOULD CONTACT THE PANAMA CITY BEACH CITY CLERK, AT CITY HALL, 110 SOUTH ARNOLD ROAD, PANAMA CITY BEACH, FLORIDA 32413 OR BY PHONE AT (850) 233-6100 AT LEAST FIVE (5) CALENDAR DAYS PRIOR TO THE MEETING IF YOU ARE HEARING OR SPEECH IMPAIRED, AND YOU POSSESS TDD EQUIPMENT, YOU MAY CONTACT THE CITY CLERK USING THE FLORIDA DUAL PARTY RELAY SYSTEM WHICH CAN BE REACHED AT (800) 856-8770 (VOICE) OR (800) 955-8771.

PUBLISHED AT THE DIRECTION OF THE ASSESSMENT COORDINATOR, CITY OF PANAMA CITY BEACH.

Publish on or before August 23, 2019.

PC180004

September 3, 2019

Honorable Mayor Thomas and City Council,
City of Panama City Beach, Florida
110 South Arnold Road
Panama City Beach, Florida 32413

**Annual Executive Summary Report
Simplified Fire Service Assessment
City of Panama City Beach, Florida**

Dear Mayor Thomas and City Council Members:

This memorandum summarizes the estimated 2019-20 Fire Service Assessment revenue, and among things, considers a summarized annual budget analysis, describes the simplified apportionment method and provides funding (amount) scenarios for decision-making purposes based upon direction to employ the same rates of assessments as last year. This information then necessarily will assist you with incorporating these revenues in your upcoming budget and shares in summary form the approach to the ongoing annual determination of this non-ad valorem assessment for affected tax parcels, whether developed or undeveloped, in the entire community.

Introduction And Purpose

Special assessments comprise a levy made against certain real property to recover all or part of the cost of a specific service or capital improvement deemed to benefit certain real properties. In 2018 the City of Panama City Beach in Bay County adopted a special assessment to defray a portion of the annual operating and capital costs associated with its fire department.

When the assessment program was adopted by the City, it was understood the reasoning and the use of the simplified funding strategy and apportionment methodology (sometimes called "Simplified Fire"™) underlying the program would itself remain unaltered or evergreen. Likewise, it was also understood the amount of the actual assessment might change as City policies or practices, the annual budget, and conditions attributed to each tax parcel might also change from year to year. In brief, the methodology for calculating the assessment in Panama City Beach stems from a series of considerations associated with the relative value of all improvements in the City, the number of tax parcels in the City subject to the assessment, and an allocation of the fire department budget reflecting two defined tiers of costs.

As described in our 2017 detailed report, there were two levels or tiers of cost, functioning together, to be assessed.

- Tier 1 costs are those which are largely, but not exclusively, variable and indeterminate.
- The costs allocated to Tier 2 are largely recurring based on an expected staffing level necessary to maintain a certain standard of departmental readiness or preparedness. These latter costs are primarily labor costs and largely, but not altogether, fixed.

The combination of both tiers in the adopted assessment program has logical and identified relationships to the benefits, burdens and costs of the affected tax parcels, creating a strong, rational, and proportionate funding vehicle that can be further linked to, or supplemented by, other legally available resources.

This initial annual update document comments on relevant legislation or case law associated with assessments generally, summarizes findings associated with a review of the fire department budget for FY 2019-20, serves to explore or confirm the absence of material changes therein, if any, and provides parameters for the upcoming assessment. This process of information sharing and analysis contributes to assuring the methodology and procedures outlined in the original Simplified Fire analysis and as previously implemented by the City are reasonably maintained.

Special Assessments In General, Florida Law

Recapping key legal points from our prior analysis, special assessments are a dedicated revenue source available to general purpose local governments in Florida to fund capital improvements or essential services. While this discussion of the law governing special assessments should not be construed as a legal opinion, there are legal guidelines to draw upon in laying out an assessment methodology which conforms to accepted principles and practices necessary to achieve legal validity.

As established by Florida case law, two requirements exist for the imposition of a valid special assessment.

- The property assessed must derive a special benefit from the improvement or service provided; and
- The assessment must be fairly and reasonably apportioned among the properties receiving the special benefit.

Under both Florida's case law and certain statutory components, it is well settled that the benefit required for a valid special assessment may be measured or benchmarked against something other than simply an increase in real property market value. The concept of benefit also includes the relief of a burden or

demand created by property as well as added use and enjoyment of the real property.

It is not necessary that the benefits be direct or immediate, but they must be substantial, certain, and capable of being realized within a reasonable time. The benefits, then, can be conceptual, but they must be capable of being evaluated by some metric and being apportioned in some reasonable manner. The benefits must be distinguishable or different from those of non-assessed properties, but they may coincidentally extend to non-assessed properties.

In sum, Florida's case law, as well as its statutory regime relating to special assessments, supports substantial latitude both in the means by which benefit to or relief of burden created by real property is identified and determined and the subsequent manner by which an assessment itself is calculated or apportioned. Though Florida law requires that special assessments funding improvements or services must be fairly and reasonably apportioned, the State's Supreme Court has held that the method of apportionment is immaterial and may vary provided the amount of the assessment for each property does not exceed the proportional benefits it receives compared to other properties. No single apportionment methodology has emerged as preferable in the governing case law for a given service or improvement. So long as the apportionment is reasonable and not arbitrary, the assessment is generally capable of withstanding legal challenge.

Judicial Approval Of Simplified Fire In The City Of Panama City Beach

In 2018, Mr. Lawson and Ms. Myers took the City through a judicial validation procedure which involved the City's Simplified Fire apportionment approach. The program proceeded to collections once it had obtained a favorable ruling from the Circuit Court, without appeal, that a portion of the assessments could be used to secure financing of capital debt. The Circuit Court in, and for Bay County, validated proposed revenue bonds based on the imposition of fire service assessments using the Simplified Fire method made available for the City's use. This validation entailed a detailed and well-reasoned judicial approval of the assessments and the apportionment methodology associated with them. The validation serves *inter alia* the function of providing finality to the legality of the City's chosen assessment regime.

To the general points above, it is well settled that local governments are afforded great latitude under Florida law with respect to legislative determinations concerning special benefit and reasonable apportionment. Specifically, the reasoned Simplified Fire assessment methodology described in this executive summary, has been expressly focused upon and judicially validated in circuit court by Mr. Lawson several times since 2012, including in Hernando County (Brooksville), Pinellas County (St. Petersburg), Polk County (Haines City), Putnam County (City of Palatka) and Bay County (City of Springfield and City of Panama City Beach). The concept was subsequently subjected to a challenge in 2014 and upheld by the Florida Supreme Court. The Florida Supreme Court has now also

expressly confirmed the use of the two-tiered approach and legal construct (relative improvement value and per tax parcel) upon which Simplified Fire is premised. In *Morris v. City of Cape Coral*, 163 So. 2d 1174 (Fla. 2015), the Supreme Court addressed a line of reasoning from prior cases, reiterating that the determination of whether a special assessment confers a special benefit on property is not based on whether the benefit is “unique” to that property, but whether instead there is a logical relationship between the assessment on a property and the benefit conferred upon that property. Decisions that seemed to indicate the contrary, including *St. Lucie County-Ft. Pierce Fire Prevention & Control District v. Higgs*, 141 So. 2d 744 (Fla. 1962), turned solely on invalid apportionment, not on inadequate benefit to property.

The holding in *Morris* is like the argument made by the City of Springfield and the City of Haines City in their validations and in an amicus curiae brief filed in *Morris* by Haines City and Springfield (the “Municipalities”). The Municipalities filed an amicus brief because the Cape Coral methodology in *Morris* had been taken, almost verbatim in some instances, from the methodology in reports and work previously delivered to Haines City and Springfield and had been represented by Cape Coral in the circuit court as work and approach almost identical to that provided to other cities by Mr. Lawson, GAI and Ennead LLC. In fact, Cape Coral’s expert testified at the trial level hearing that the methodology of the four cities where Mr. Lawson, GAI and Ennead LLC had previously developed each of those programs (including Brooksville and St. Petersburg alongside Springfield and Haines City) and validated the Simplified Fire methodology was “almost exactly the same” as the Cape Coral methodology.

The Supreme Court opinion in *Morris* noted significant calculation errors made by Cape Coral (affecting some 8% of parcels) but determined that it could validate Cape Coral’s bonds and the fire assessment methodology despite such errors. In doing so the Supreme Court also adopted the logic and analysis in the amicus brief filed by Mr. Lawson for the Municipalities. The wider impact of *Morris* is that the legal and conceptual use of a two-tiered Simplified Fire methodology presented in this Executive Summary, and the ‘almost the same’ method used in Cape Coral, has been determined legally sufficient, valid and approved by the Supreme Court on appeal as compliant with case law and thus not arbitrary nor invalid.

Morris or Mr. Lawson’s validations at the circuit court level should not be construed to mean that local governments considering the use of special assessments can, or should, adopt a particular apportionment methodology based solely on its use elsewhere. The failure to perform a factual and reasoned analysis specific to a set of circumstances in each community can expose another community to legal and political challenges based upon factual differences and/or well-intentioned, but unnecessary use of raw public data. Florida’s local governments vary in their needs, composition, and policies. The well settled implication is local governments are free to select an apportionment methodology which provides competent and substantial means to share the benefits, burdens, and costs of the fire protection budget and represents the best

fit in terms of cost, ease of implementation, and political acceptance not only with respect to affected landowners, but also in consideration of the staff required and resources involved with maintenance of the assessment program from year to year.

Unlike the modified data approach in *Morris*, the specific parcel identification and evaluation system required by law to be maintained by the local property appraiser and tax collector used by the Simplified Fire approach will always be sustained, certified annually by the local property appraiser for other purposes and updated over the years as properties within Panama City Beach develop and change. The use of such classification and statutorily required end product of each community's mass appraisal system and description of tax parcels is publicly prepared, stable, readily accessible, reasonably consistent and accurate, maintained without cost to the City and capable of being used from year to year without extraordinary consumption of resources better expended to address other fire protection related issues.

Even in extraordinary and unusual circumstances such as Hurricane Michael, this data tends to normalize relatively quickly. Accordingly, the assessment approach contemplated herein reasonably relies upon such system as a stable, reasoned and standardized resource. Attempts by other methods to focus on demand characteristics, call data, or working data used by the Property Appraiser create complexities that Simplified Fire, by its design, typically avoids.

Parcel Data Review

The assignment of assessment values is based on data certified by the Bay County Property Appraiser to the Florida Department of Revenue each year. This year's analysis is provided by Ennead, LLC.¹

Budget Review

The fire department budget for 2019-20, after consultation with City officials, is based on the budget information substantially consistent with last year. As done in our initial analysis, we considered the possible impacts, if any, of advanced life

¹ Research reveals there are approximately 20,227 tax parcels (this includes 19 parcels deemed "confidential" by the Property Appraiser) within the boundaries of the City with a total relative improvement value of \$3,662,986,372. Among the 20,227 parcels, 402 are excluded by resolution due to either their "just value" being less than \$5,000 or such parcels are excluded due to their classification as right-of-way or other use that is not appropriate for development. After removing those parcels from the roll, the "assessable" tax parcel count is 19,825. Of these, 113 are parcels owned by governmental entities which must be excluded since "governmentally-owned" parcels which are used by the government for public purposes cannot be assessed. It is noted that 16 tax parcels are designated as "agricultural" by the Bay County Property Appraiser. Based upon the home-rule imposition authority employed by the City and presented to the circuit court in 2018, these parcels have been assessed. With the adjustments for parcels removed from the roll, the total number of tax parcels used for analysis is 19,696.

support (ALS) emergency medical services (EMS) on the City's fire budget because only first response medical aid routinely delivered by firefighters can be funded through special assessments.

Although the lines between first response and more intensive care may appear blurred, in the City of Panama City Beach the role of advanced life support and transport continues to fall almost exclusively to EMS units managed by parties other than the City and its fire department. Because of the differences between first response medical aid and ALS as these are implemented locally and because ALS is primarily a cost or activity addressed outside the fire department budget, it can be concluded plausibly that all costs in the City's fire department budget are appropriate for recovery through assessments in the manner described in this report. For its part, the City has continued to avoid any overlapping ALS activities from the fire department budget. This avoids any technical argument as to whether assessment revenue is being used impermissibly to fund ALS functions.

Additionally, the estimated revenue from the 2019-20 Fire Service Assessment, will however, only recover approximately 38% of the total the City's fire department budget. See Table 1, Approximate Fire Department Budget Funding Sources *infra*.

Guidelines For Current Assessments

It is well-settled in Florida case law that local governments, should they impose an assessment, are not required to *fully* fund that service or improvement through the special assessment itself. The local government may determine, entirely in its own discretion, to fund some portion of the overall cost with general fund or other legally available revenues.

Clearly, the City Council may annually determine as a tax equity tool to impose special assessments at a rate less than necessary to fund all or any specific portion of the costs which might otherwise be funded by special assessments associated with fire protection services and facilities. Costs incurred in providing fire protection services, facilities and programs not otherwise funded through Fire Service Assessments may be paid with general fund or other legally available revenues. Such legally available revenues as a matter of policy may be applied exclusively to any tier or class of budget allocation or expense otherwise funded by a special assessment, in part to one tier or class of any fire department budget allocation or expense, or in any combination thereof, and maintain the validity of the Simplified Fire apportionment approach used for the remaining portion of the budget attributed to the fire service assessed cost. This flexibility is implemented through a policy and legislative determination employed through careful adherence to case law, statutory law, and the State Constitution, as well as the exercise of annual budget responsibility, discretion and equity vested in the City Council. See Table 2 Approximate Tier Allocation.

To be clear, please keep in mind that a local government should not impose an assessment to a parcel for the same portion of capital items purchased with impact fees charged to new development thereon. For this reason, it was verified that the Panama City Beach does not collect associated impact fees from new development for capital expenditures found in the City’s fire department budget.

Table 1: Approximate Fire Department Budget Funding Sources

	Assessment	General Fund	Total
Distribution	38%	62%	100%
Dollar	\$3,794,673	\$6,194,401	\$9,989,074²

Table 2: Approximate Tier Allocation

	Tier 1	Tier 2	Total
Distribution	59%	41%	100%
Dollar	\$2,258,385	\$1,536,288	\$3,794,673

Assessment Roll

Upon consultation with City management no change in annual assessment rates is proposed nor shown. Using available certified data, Ennead, LLC has accordingly prepared the proposed annual assessment roll which can be accessed world-wide at either <http://quicksearch.ennead-data.com/pcbfire/> or www.pcbgov.com. Those links allow for convenient interactive search and transparent public inquiry concerning parcels to be assessed by: owner name, location address, or parcel identification number. The values and information shown provide subtotals, generally explain adjustments for expenses of administration and collection using the same bill as for taxes and show the total amount of non-ad valorem assessment proposed to be certified for collection in November for each parcel. This provides extraordinary public transparency and assists the City Council in decision-making based upon the same rates as last year using the assumed budget at this point in the annual budget cycle, and a convenient means to review of the array of tax parcels affected. *See also, Parcel Data Review, supra.*

² Subject to final City budget adoption.

Connection With Prior Work

This annual executive summary and referenced information incorporate by reference GAI's prior Executive Summary work placed in the record before the City Council at its previous public hearings on this matter. Consistent with that record, the content of this summary provides a reasoned review and analysis of information, facts and circumstances associated only with the City of Panama City Beach and is exclusively for the use by the City Council of Panama City Beach.³

Sincerely,

GAI Consultants, Inc.



Owen M Beitsch, PhD, FAICP, CRE
Senior Director

CC: Mario Gisbert, City Manager; Amy Myers, City Attorney; Mark G. Lawson and James C. Dinkins, Special Counsel, Ennead, LLC, Special Consultant

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