

**FIRST AMENDMENT TO THE AMENDED AND  
RESTATED INTERLOCAL AGREEMENT BETWEEN  
OKALOOSA COUNTY AND THE CITY OF DESTIN FOR  
ACQUISITION, DEMOLITION, DESIGN, CONSTRUCTION  
AND OTHER MATTERS RELATED TO THE PUBLIC  
BEACH/GULF FRONT PUBLIC PARK PROPERTY**

**THIS FIRST AMENDMENT** ("Amendment") is entered into by and between **OKALOOSA COUNTY, FLORIDA**, a political subdivision of the State of Florida (the "County") and the **CITY OF DESTIN**, a municipality organized under the laws of the State of Florida (the "City") (collectively, the County and City will hereinafter be referred to as the "Parties").

**WHEREAS**, on September 9, 2022, the County and the City entered into an Amended and Restated Interlocal Agreement for the acquisition, demolition, design, construction and other matters related to the public beach/gulf front public park property (the "Agreement"); and

**WHEREAS**, for the past two years the Parties had sought to acquire a property in Crystal Beach located at 2970 Scenic Highway 98, Destin, FL 32541 (the "Property"); and

**WHEREAS**, the Parties have since mutually agreed the acquisition of this Property is no longer viable or prudent to pursue at this time due to recent value escalations in the marketplace; and

**WHEREAS**, the Parties, as stewards of public tax dollars including tourism tax dollars, have mutually agreed that other properties and/or projects are likely better investments of these public funds; and

**WHEREAS**, both Parties previously adopted resolutions related to this Property, which will be repealed; and

**WHEREAS**, the City and County staff are hereby directed to terminate any and all efforts to acquire this Property and to modify any plans and permits to proceed to construction as quickly as possible.

**NOW, THEREFORE**, in consideration of the above recitals, mutual covenants, promises and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the County and the City agree as follows:

1. **RECITALS.** The above recitals are true and accurate and are incorporated herein as essential terms of the Agreement.
2. **AMENDMENTS.** The Agreement shall be amended as follows:

**a. The recitals shall be amended as follows:**

**WHEREAS**, the Phase I Properties are adjacent to or near an existing City beach park; and

~~**WHEREAS**, two of the three Phase I Properties have already been acquired by the City, with the last property in the middle, pledged to be acquired by the City through eminent domain proceedings for public use; and~~

~~**WHEREAS**, the City, in furtherance of the eminent domain proceedings against the last property of the Phase I Properties to be acquired, has passed a Resolution of Necessity and the County has passed a Resolution of support for those efforts; and~~

**WHEREAS**, the Trust has sold two of the three Phase I Properties and has offered to sell the Phase II Properties to the City; and

**WHEREAS**, the full costs of the Acquisitions from purchase to usable park properties includes, but is not limited to, the costs for purchase (~~including condemnation of the final of the Phase I Properties~~), demolition, design, permitting, and construction and are estimated to cost ~~\$32,500,000.00~~ \$26,500,000.00, as budgeted in Exhibit "C"; and

**b. Section 5. B. and (2) and (3) shall be amended as follows:**

B. City Advance Funding. To save money, as well as to facilitate the Acquisitions, and assist the City, the County agrees to advance fund the City with up to \$7.510 Million dollars from TDT Reserves for this purpose. Repayment to the County shall come from the City's TDT Allocation as described in the "Whereas" clauses above. Except as set forth in subsection 5.C below, the County shall not charge the City any interest for the initial ten (10) year period. The amount owed shall be repaid as follows:

- 1) The entirety of the advanced funding shall be repaid by the City within ten (10) years of the date that the advanced funding is distributed to the City. Payment shall come in the form of a deduction from the City's TDT Allocation. First repayment in the form of a deduction from amounts allocated shall occur on or before September 30, 2023.
- 2) The City shall commit at least \$750,000.00 ~~1 Million~~ annually of the City's TDT Allocation to servicing the debt described in this Section.
- 3) If the City's TDT Allocation does not amount to a total of at least \$750,000.00 ~~1 Million~~ in a single fiscal year, then the County shall have the right to set off any deficiency against any unallocated money the City may have accrued in the City's TDT Allocation from an earlier fiscal year.

c. Section 5.E. shall be deleted in its entirety:

~~E. City Eminent Domain/Condemnation of Crystal Beach Parcel. The Parties warrant and agree to act in good faith and commit to make every reasonable effort to ensure that the final Phase I Property is acquired. Specifically, to that end, the City agrees to institute legal condemnation proceedings for the remaining lot of the Phase I Properties and to implement said proceedings as soon as reasonably practicable. The final Phase I Property shall be condemned through a "quick take" as provided in Florida Statutes. The County agrees to make its legal counsel reasonably available to assist the City and shall permit the City to hire the County's legal firm to pursue the referenced condemnation without a conflict, but with costs covered as part of the Acquisitions. Costs for this expense are budgeted in Exhibit "C".~~

d. Page 3 of Exhibit A shall be deleted as shown below:

**SHORE AT CRYSTAL BEACH EAST EXPANSION #2**

**~~Lot 3, THE SHORES OF CRYSTAL BEACH, a Planned Unit Development, a Resubdivision of a Portion of Block B, Crystal Beach Subdivision according to the Plat thereof as recorded in Plat Book 13, Page 82, of the Public Records of Okaloosa County, Florida~~**

~~Property Street Address: 2970 Scenic Highway 98 E, Destin, FL 32541~~

~~Parcel Tax ID No.: 00-2S-22-0584-0000-0030~~

e. Exhibit C shall be amended as follows:

**EXHIBIT "C"**  
**Estimated Budgetary Costs for Acquisitions-- Properties**  
**"Phase I Project" and "Phase II Project"**

<b>Beach Access Phase I Project Crystal Beach</b>	
<b>Project Activity</b>	<b>Total (100%)</b>
Acquisition to date	\$6,727,790
Demolition	\$100,218
Design and Permitting	\$272,500
<del>Estimated Acquisition (Center House) Condemnation</del>	<del>\$6,300,000</del>
Condemnation Legal and Acquisition Costs	\$200,000
Demolition	\$75,000
Park Development	\$2,050,750,000
Contingency	\$324,492
<b>Total Project Cost from Acquisition to Operation</b>	<b>159,750,000</b>
<b>SPLIT: COUNTY - 59% CITY - 41%</b>	

<b>Beach Access Phase II Project Tarpon</b>	
<b>Project Activity</b>	<b>Total (100%)</b>
Acquisition	\$14,050,000
Demolition	\$200,000
Design and Permitting	\$300,000
Park Development	\$1,850,000
Contingency	\$350,000
<b>Total Project Cost from Acquisition to Operation</b>	<b>\$16,750,000</b>
<b>SPLIT 50% EACH CITY AND COUNTY</b>	

**Total Costs for both Projects ~~\$32,500,000~~ \$26,500,000**

IN WITNESS WHEREOF, the parties hereto, by and through the undersigned, have entered into this First Amendment, effective when both parties on the date and year last written below.

////////// Signature Pages Follow //////////

**OKALOOSA COUNTY, FLORIDA**

By: Mel Ponder  
Mel Ponder, Chairman



Date: DEC 27 2022

**ATTEST:**

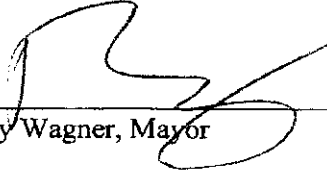
J.D. Peacock II Digitally signed  
by J.D. Peacock II  
Date: 2022.12.27  
10:26:54 -06'00'  
J.D. Peacock II, Clerk



**APPROVED AS TO FORM:**

Lynn M. Hoshihara Digitally signed by Lynn M. Hoshihara  
DN: cn=Lynn M. Hoshihara, ou=Okaloosa  
County, ou=County Attorney,  
email=hoshihara@myokaloosa.com, r=JS  
Date: 2022.12.22 16:05:31 -05'00'  
Lynn M. Hoshihara, County Attorney

**CITY OF DESTIN, FLORIDA**

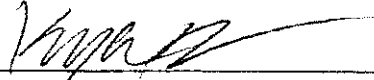
By:   
Bobby Wagner, Mayor

Date: 11/29/22

ATTEST:

  
Rey Bailey, Clerk

APPROVED AS TO FORM:

  
Kyle S. Bauman, City Attorney