

BAY COUNTY CHAMBER OF COMMERCE

Legislative Agenda

FY 2023

Governmental Affairs Committee

The mission of the Bay County Chamber of Commerce is to create superior value for all chamber members large and small, cultivate economic and personal development, promote and protect a competitive system of business, be a community leader, while embracing Bay County's opportunities and challenges.

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FY 2023 Bay County Chamber of Commerce State Legislative Agenda Item

Competitive Florida Tax Refund Program

Action Requested/Needed

The Bay County Chamber urges our legislators to renew and reinstate the Qualified Industry Tax Refund Program (QTI) or comparable economic recovery tax refund initiative. The QTI program was not reauthorized in the 2020 Florida Legislative Session and ‘sunset’ on June 30, 2020.

Issue

Since June 30, 2020, the Qualified Target Industry (QTI) tax refund program that enhanced Florida’s competitive advantage has not been available. This incentive – which has helped the state secure over 50,000 high-wage jobs and billions in capital investment since 2011 – provided a significant return on investment and posed zero risks to taxpayers. If the jobs promised were not created or the salaries were not above average wages, no payout was made to the company deemed eligible for QTI.

More importantly, the QTI incentive is a revenue generator for the State of Florida, with a return on investment of 4.4, according to Amy Baker with the Florida Office of Economic and Demographic Research.

Current Status

The QTI program (or comparable tax refund initiative) is a critical economic development tool used by the State of Florida and the local economic development organizations to attract and facilitate the expansion of businesses operating in targeted industries. This program has been successful at its mission to promote economic growth by attracting high-wage jobs to communities statewide and enabling the expansion of existing Florida businesses. *

Currently, the State of Florida has very limited economic development tools to be competitive in a global economy.

**- Sources include Enterprise Florida, Florida TaxWatch, and associated economic development entities.*



FY 2023 Bay County Chamber of Commerce State Legislative Agenda Item

Reducing & Protecting Business Rent Tax

Action Requested/Needed

The Bay County Chamber urges our legislators to continue reducing business rent tax and ensure SB 50, signed in to law in July 2021, remains in place to keep business rent taxes low. Ensuring a fair and equitable tax system is key to attracting and retaining businesses of all sizes in our state.

Issue

Florida is one of few states that charges sales tax on commercial leases. This tax affects any business that leases space. This is a hindrance to business growth. In Bay County, businesses are paying property tax as well as an additional sales tax on the property they rent. Reducing this tax puts money directly into the pockets of job creators, allowing them to expand, grow, and become more productive. We want to create a business climate that attracts our nation's top job creators.

Current Status

If a tenant makes payments such as mortgage, ad valorem taxes, or insurance on behalf of a landlord, those payments are included in the total amount of rent paid and are subject to sales tax and surtax.

Examples of commercial real property rentals are considered for purposes of this tax are:

- Office Space
- Retail Space
- Convention and Meeting Rooms
- Mini-warehouses
- Warehouses

The Florida legislature has taken incremental steps in previous legislative sessions. The original total amount of rent paid for the right to use or occupy commercial real property was subject to Florida's sales and use tax, a six-percent levy. This levy was reduced to 5.8 percent for 2018; 5.7 percent for 2019; and 5.5 percent, effective January 1, 2020. No action was taken in the 2020 legislature to reduce the business rent tax. However, in 2021 SB-50 was signed into law and took effect on July 1, 2021 and reduces the tax rate on the rental of commercial real property from 5.5 percent to 2 percent beginning the second month after the Unemployment Compensation Trust Fund exceeds a balance of \$4.07 billion. Current projections indicate the fund to exceed the threshold balance of \$4.07 billion at the end of the 23-24 Fiscal Year.



FY 2023 Bay County Chamber of Commerce Local and State Legislative Agenda Item

Home Rule/Local Control

Action Requested/Needed

The Bay County Chamber of Commerce recognizes the importance of Home Rule/Local Control by local government and will act to ensure that Home Rule/Local Control is protected. The Chamber supports the concept of Home Rule/Local Control and strongly opposes efforts to remove or reduce this authority.

Issue

Home Rule/Local Control is a central tenet of local government. Unlike the state legislature, local governments are part of the communities they serve, meet throughout the year, and are able to timely respond to local needs and desires. Home Rule language was proposed in the 1968 Constitutional revision and was adopted by the people. After several legal challenges, the Legislature adopted the Home Rule Powers Act in 1973, which ended challenges related to city and county powers. The Florida Constitution states in Article VIII, Section 2(b) for municipalities that “Municipalities shall have governmental, corporate and proprietary powers to enable them to conduct municipal government, perform municipal functions and render municipal services, and may exercise power for municipal purposes except as otherwise provided by law.” These powers do not extend to fiscal Home Rule: the state reserves all taxing authority unto itself.

During the 2020 Florida legislative session, multiple attempts were made to limit home rule, including preemption on the regulation of businesses, professions and occupations; imposing unfunded mandates; adding restrictions on impact fees and various zoning and land use regulations; and restricting regulations of short-term rentals. Some of these attempts succeeded, others failed.

Current Status

In 2022 the Florida Legislature passed CS/SB 620: Local Business Protection Act. It allowed a business to claim business damages from the municipality if it enacted or amended an ordinance or charter provision that will cause a reduction of at least 15% of the business’ profit. Other requirements and exemptions were included in the bill language: business needed to be in business for a minimum of three years and could recover attorney fees and costs as well as exemptions for the municipality for emergency ordinances and compliance with state or federal law. Governor DeSantis vetoed the bill in June 2022.



FY 2023 Bay County Chamber of Commerce Local and State Legislative Agenda Item

Gulf of Mexico Restoration Funding

Action Requested/Needed

The Bay County Chamber of Commerce recognizes the importance of Triumph Gulf Coast, Inc., established by Florida's Gulf Coast Economic Corridor Act, and will act to ensure the Gulf Coast Economic Corridor Act is implemented and will participate in the activities of Triumph Gulf Coast, Inc. The Chamber supports the purpose of Triumph funds and strongly opposes any move to divert these monies to elsewhere in the state.

Issue

Triumph Gulf Coast, Inc. is a non-profit organization with a seven-member board defined by the Florida Legislature in the 2013 Gulf Coast Economic Corridor Act and subsequent legislation. Triumph is to receive, hold, invest, and administer 75% of all state economic damages funds recovered from the 2010 Deepwater Horizon oil spill for the benefit of the eight disproportionately-affected counties in the Panhandle - Bay, Escambia, Franklin, Gulf, Okaloosa, Santa Rosa, Walton, and Wakulla Counties. These funds are designated for economic recovery, diversification and enhancement, essentially to deepen and broaden economic opportunities in Northwest Florida. The total payment to the State of Florida for economic damages is expected to be \$2 billion, with an initial payment of \$400 million received in 2016. The initial appropriation for Triumph by the Legislature in 2017 was \$300 million. After a two-year hiatus, Florida will receive approximately \$107 million per year for 15 years until the total reaches \$2 billion.

Triumph will receive 75% of the total economic damages payment. This will be approximately \$80 million per year, totaling \$1.5 billion. Future payments for Triumph do not have to go through the legislative appropriation process. Future Legislatures do have the power to modify the Triumph legislation and distribution of funds.

The remaining 25% (\$500 million) of the economic damages payment will be distributed by the Florida Legislature. Northwest Florida will be tasked with fending off state legislators until 2033 for the settlement money reserved for Triumph.



Current Status

The Triumph board has established application and evaluation processes for potential projects. Local elected governing boards of each county have a voice in recommending to the Triumph Board how a portion of the funds will be spent. Triumph made the first funding award in June 2018 and has approved potential funding exceeding \$256 million for economic diversification and expansion projects in all eight counties in coastal Northwest Florida as of August 2022. Sixty-seven million of this is for projects in Bay County. Triumph considers and advances additional projects at their regular meetings.

In 2021, the Florida Legislature revised the Triumph statute to re-create the trust fund and remove the termination date.

Gulf Coast Economic Corridor, Ch. 288.80 – 288.8018, Florida Statutes



FY 2023 Bay County Chamber of Commerce Local and State Legislative Agenda Item

Support for College of Engineering and for programs at FSUPC to meet area needs

Action Requested/Needed

The Bay County Chamber supports the efforts of Florida State University Panama City as the university works to meet the needs of our area. Supporting the continued development and expansion of programs at FSUPC will help meet the needs of students, employers, family members of current and future active-duty military members.

In addition, the Chamber supports enhanced funding for the FAMU-FSU College of Engineering. Because it is a joint college of two universities, the College of Engineering receives a separate appropriation from the legislature. The growth of the College of Engineering is critical as we expand our program offerings and meet the engineering workforce needs here in northwest Florida. As a specific part of this effort for the FAMU-FSU College of Engineering, the Chamber supports the development of an applied engineering research facility on the Panama City campus

Issue

Supporting the expansion of programs at FSUPC will help meet the needs of students, employers and current and future active-duty military members. Local businesses, the Bay County School District, non-profits, social services and hospitals have called upon FSUPC for degree programs and various other professional guidance for long-term recovery.

Current Status

Florida State University Panama City (FSUPC) has served Bay County for 39 years and continues to grow to meet the needs of students from the area. Moving forward, FSUPC will be working to add programs to more closely align with expected needs of the community.



FY 2023 Bay County Chamber of Commerce State Legislative Agenda Item

Opposition to Local Workforce Development Board Consolidation

Action Requested/Needed

The Bay County Chamber opposes the consolidation of the Local Workforce Development Boards, especially in Northwest Florida, and encourages the legislature to maintain the local boards in their current regional designation. Consolidation of these boards will dilute the quality of services offered. The current design linking the local workforce regions with state colleges has created a system that has a strong focus on the local needs/challenges in each region. Businesses and future employees are best supported by a staff who understands the communities they serve. We encourage the state to address poorly performing boards where needed.

Issue

Following an audit released in January of 2021 by the US Department of Labor, the Florida House of Representatives initiated legislation that made sweeping changes to the state's workforce system, including authorizing the Governor to seek federal waivers to create greater flexibility and strategic investment in Florida's implementation of the Workforce Innovation and Opportunity Act (WIOA). The findings came after an investigation revealed that the CEO of a joint board consisting of sister centers CareerSource Pinellas.

Current Status

Under current law, WIOA grants the Governor broad oversight authority of both the state and local level workforce development programs. Specifically related to LWDBs, the Governor is responsible for designating the local workforce areas, certifying the LWDBs and negotiating the performance measures required by WIOA. The Governor has the additional authority to decertify a LWDB, and require its reorganization, for fraud, abuse, or failure to carry out its statutory duties. If a LWDB fails to meet its agreed upon performance measures in two consecutive program years, the Governor may decertify the LWDB and implement a reorganization plan.



FY 2023 Bay County Chamber of Commerce Federal Legislative Agenda Item

Support for Naval Support Activity Panama City Enhanced Turning Basin

Action Requested/Needed

The Bay County Chamber supports the Naval Support Activity Panama City (NSA PC) and local defense supporters as they work to obtain Federal funding to incorporate a strategically located turning basin near the entrance to the installation's berthing facility to accommodate future mission needs and increase mission efficiency.

This includes the costs of preliminary engineering design, environmental considerations, mobilization and demobilization of equipment to and from the site, dredged material removal and placement cost, relocation and establishment of aids to navigation, and the cost for environmental protection measures for the submerged aquatic vegetation (SAV).

Issue

The NSA PC facility channel is located on the western side of St. Andrew Bay approximately 5,400 feet south of the Hathaway Bridge. The channel's western terminus is in Alligator Bayou and the channel extends eastward to deep water in St. Andrew Bay. The channel is used by the Navy and also serves the U.S. Coast Guard Station Panama City dock located in Alligator Bayou.

The current port facilities and navigational channel at NSA PC can accommodate shallow draft vessels like the U.S. Navy's LCS-class ship, but requires the vessel to back out when exiting the installation, deterring them from using the facilities. Most ship commanding officers consider backing a vessel through a narrow channel as an unnecessary risk they are not willing to take. Due to the lack of a turning basin, LCS class ships use the Panama City Operating Area for testing and evaluation but transit to and from the port facility at Naval Air Station Pensacola due to its accessibility. The addition of a turning basin would allow vessels to use the local operating areas and have easy and safe access to port facilities at NSA PC.

NSA PC and its tenant commands are growing and continuing to expand research activities and other missions. As the largest tenant command at NSA PC, the Naval Surface Warfare Center Panama City Division (NSWC PCD) is designated as the Navy's lead in the development and integration of LCS Warfare Mission Modules and Command and Control Systems. Although the



testing and evaluation of these systems are conducted in the Panama City Operating Area, hundreds of thousands of dollars are spent sending equipment and personnel NAS Pensacola.

The creation of a ship's turning basin at NSA PC will ensure the safe transit for large shallow draft vessels and increase mission efficiency by allowing LCS Mine Warfare Module testing to be conducted entirely at NSA PC, saving the Navy both time and money.

Current Status

A Feasibility Study, "Proposed Turning Basin Naval Support Activity, Panama City, Bay County, Florida," was prepared for the Bay County Board of Commissioners and completed December 2016 through a grant provided by the Florida Defense Support Task Force. At the time of the study, the cost of this project was estimated at \$4.5M. The Bay Defense Alliance continues to actively seek ways to fund the project and to lower the estimated cost. One cost saving option is to leverage Port of Panama City dredging projects to reduce both mobilization and demobilization cost.



**FY 2023 Bay County Chamber of Commerce
State Legislative Agenda Item**

**Support for continued funding at Gulf Coast State College for the PIPELINE
and LINE INITIATIVES passed in the 2022 Legislative Session**

Action Requested/Needed

The Bay County Chamber requests continued funding for PIPELINE and LINE Funds to meet program needs at Gulf Coast State College in order to support future workforce demand for nurses and other medical professions.

Issue

According to the Florida Hospital Association, there is a projected shortfall of approximately 60,000 nurses by 2035. The staggering deficit prediction along with the new hospital planned by Tallahassee Memorial in Panama City Beach creates a critical need for more nurses in the region served by Gulf Coast State College. The funding from PIPELINE and LINE will provide financial assistance to Gulf Coast and other training providers to educate the demand for nurses and other medical professionals.

Current Status

From the funds provided in Specific Appropriation 126A, \$40,000,000 is provided for the Prepping Institutions, Programs, Employers, and Learners through Incentives for Nursing Education (PIPELINE) Fund to reward performance and excellence among nursing education programs at Florida College System institutions pursuant to, and contingent upon, SB 2524 or substantially similar legislation becoming law.

From the funds provided in Specific Appropriation 126A, \$19,000,000 is provided for the Linking Industry to Nursing Education (LINE) Fund to incentivize collaboration between nursing education programs and healthcare partners. Funds shall be provided to eligible school district postsecondary technical career centers under section 1001.44, Florida Statutes, charter technical career centers under section 1002.34, Florida Statutes, Florida College System institutions, or independent non-profit colleges or universities and shall be administered by the Department of Education pursuant to, and contingent upon, SB 2524 or substantially similar legislation becoming law.



**FY 2023 Bay County Chamber of Commerce
Federal Legislative Agenda Item
Opposition to Offshore Drilling and Wind Energy Areas
Within Florida's Joint Range Complex**

Action Requested/Needed

The Bay County Chamber of Commerce continues to strongly oppose any action expanding drilling as well as the creation of any Wind Energy Areas in the Gulf of Mexico within or east of the Military Mission Line. The Chamber requests the 2020 Presidential Memoranda moratorium on all offshore energy development extension until 2032 be respected. Additionally, the Chamber requests a legislative solution to extending the moratorium or implementing an indefinite ban when the current extension sunsets in 2032.

Issue

Florida's Joint Gulf Range Complex is the largest military training range in the continental United States and provides military training activities that are essential to our national security. Wind Energy Areas and offshore drilling threaten this unique military testing and training area on, above and below the surface of the water, poses safety hazards and is incompatible with weapons testing and training. Wind Energy Areas and oil and gas leasing activities would jeopardize Florida's appeal to retain or attract military installations, missions, training and defense contractors. Loss of such activities would negatively affect the 96.9 billion defense related economic impact in the State.

Current Status

Currently, the area east of the Military Mission Line is part of the Eastern Gulf of Mexico Planning Area and is under a special protective lease by the federal government known as a moratorium. This lease, established in GOMESA, holds that offshore drilling should be prohibited in these areas until 2022. The Department of Interior proposed 5-year drilling plan for 2012-2017 and 2017-2022 respects the boundaries established by GOMESA. Without an extension of the moratorium or a desired permanent ban on all offshore energy development east of the Military Mission Line, the entire Eastern Gulf will be open for drilling after 2032. Over 50 counties, cities, chambers, and other local organizations in the state of Florida are aligned with the Bay County Chamber in advocating against drilling in the Eastern Gulf Planning Area. In a May 2018 report to Congress, the DOD states "The eastern Gulf of Mexico is an irreplaceable national asset used by the Department of Defense to develop and maintain the readiness of our combat forces and is critical to achieving the objectives contained in the 2018 National Defense Strategy."

There are 8,000 leases on the Continental Shelf, over 1,900 of those are in the BOEM Gulf of



Mexico. It is imperative we avoid any further drilling in areas that would threaten the Military Mission Line, which is critical to Department of Defense testing and training.

The 2023-28 National Outer Continental Shelf Oil and Gas Leasing Proposed Program includes 10 potential lease sales in the western Gulf. These recent developments cause concern that the federal government will overturn the moratorium established by GOMESA and the 2020 Presidential Memoranda, expanding offshore drilling in the Eastern Gulf of Mexico.

The Biden administration launched a new Federal-State Offshore Wind Implementation Partnership that will accelerate the growing offshore wind industry and in October 2022, BOEM designated two Wind Energy Areas (WEA) in the western Gulf of Mexico. The first WEA is located off the coast of Galveston, TX and the second WEA is located off the coast of Lake Charles, LA. The growth of this energy source in the Gulf and other oceans needs to be monitored and legislators must prioritize preservation of the Joint Gulf Range Complex.



FY 2023 Bay County Chamber of Commerce State Legislative Agenda Item

Support for Affordable Workforce Housing

Action Requested/Needed

The Bay County Chamber supports full funding of the Sadowski State and Local Government Housing Trust Funds which are essential to affordable housing. We encourage the preservation of SB 2512 which permanently stops any further sweeping of funds and support augmenting affordable housing funding with supplemental revenue in the future.

Issue

Florida's affordable housing is in high demand. As median home sales prices have increased over the last year, the affordable housing issue affects more than just those facing poverty. According to a report published by the Florida Chamber Foundation, affordable housing affects 81.1 percent of Floridians. Specific to Bay County, Fla., there is a substantial need for affordable workforce housing. Bay County Chamber of Commerce members identified this as the issue of most concern for themselves or their employees. Employers are struggling to maintain normal business hours and keep their doors open due to a lack of workforce availability. Maintaining and implementing affordable housing programs and funding in Bay County and the state as a whole is crucial to Florida's economic recovery and growth.

Current Status

The Sadowski Affordable Housing Trust Fund was established in 1992 and is funded through documentary stamp tax revenue. Prior to 2021, the fund received about 24 percent of documentary stamp tax collections. However, over the past two decades, Florida lawmakers have "swept," or diverted \$2.2 billion away from Sadowski Trust Funds to be used to fund other parts of the state budget and therefore have escalated the affordable housing issue. In 2021, Senate Bill 2512 was passed, making Sadowski funding recurring, but also reduced the amount of documentary stamp tax revenue earmarked for the Sadowski trust fund by half (reducing the distribution to 9.7 percent). Allocations in 2021-2022 fiscal years totaled 209.2 million. In the 2022-2023 fiscal year budget, lawmakers allocated \$262 million to the State and Local Government Housing Trust Funds, which fund the State Housing Initiatives Partnership (SHIP) and State Apartment Incentive Loan programs (SAIL). Every dollar spent from Sadowski Funds leverages between \$4-\$6 from other private and public sources. FY 2022-2023 projected economic impact equates to nearly \$3.6 billion.



**FY 2023 Bay County Chamber of Commerce
Local and State Legislative Agenda Item**

Panama City Performing Arts and Event Center

Action Requested/Needed

Support for the location and development of a new performing arts and events center in downtown Panama City within a walkable location to dining, shopping, marina and new hotel on the Panama City Marina.

Issue

As community leaders, citizens and investors work to revitalize downtown Panama City, it is critical that the arts, cultural and entertainment hub remain as a draw to the downtown district. Visitors desire accommodations near the current civic center location and prefer to walk from their hotel to dine or shop within one locale. Hotel Indigo is expected to open on the marina in 2023. It is important that city leadership continue to take action to bring back a large-scale events venue. The combination of a hotel and performing arts and events center would be a huge economic boost not only for downtown but for Bay County.

Current Status

The Civic Center incurred catastrophic damage during Hurricane Michael. Panama City's request for federal funding to replace the Marina Civic Center was denied in 2022 in a two-to-one ruling by the Civilian Board of Contract Appeals. The city and architectural firm, Wilson Butler – Fentress Architect, performed a market analysis that defined the amenities, size, location, and cost for a new Panama City Performing Arts and Events Center (PAEC) in April of 2022. Architects hosted a series of public meetings and workshops to share updates on the market analysis and gather feedback from the community.

The City of Panama City Commission voted on July 26, 2022 to select the Panama City Marina location for the site of the new PAEC. On September 27, 2022 the city held a public workshop and unveiled PAEC Phase 1 design results. Results include a flexible venue design utilizing new technologies to accommodate local arts, touring performances as well as conferences and larger scale events and shows. Anticipated costs for the project range from \$150-\$170 million.

It is the recommendation of the Bay County Chamber of Commerce for the City of Panama City to continue its path towards a PAEC located at the Panama City Marina. The economic impact of a vibrant cultural hub along with hotel will further revitalization efforts of the downtown district.



FY 2023 Bay County Chamber of Commerce State and Federal Legislative Agenda Item

Supporting a Feasibility and Design Study (Phase 1) and EIS (Phase 2) for the Reopening of East Pass

Action Requested/Needed

We are requesting your support of the Bay County Board of County Commissioners' efforts to definitively determine the feasibility of permanently reopening East Pass. The Board has allocated \$1 million in RESTORE Act funding aimed at completing a feasibility and design study and the environmental impact study which are required by federal and state agencies before East Pass can be reopened. We also ask that you support allocation of state and federal funds toward the permanent solution should the studies deem its reopening feasible.

Issue

The proposed project is to reopen East Pass along the path of the historic channel linking St. Andrew Bay and the Gulf of Mexico. When the Corps of Engineers cut through the peninsula in the late 1930s to create the main shipping channel they also created Shell Island. The new inlet provided a second exit for tidal water and altered the hydrographic regime. As the Corps maintained and modified the new inlet, less and less water exited East Pass. Although it took nearly 60 years, the long-shore sand transport system closed East Pass.

Current Status

In December 2001, Bay County, with the assistance of the U.S. Army Corps of Engineers and Tyndall Air Force Base, completed an experimental project to reopen the East Pass. The 300-foot-wide, 10-foot-deep channel closed up within two years.

The permanent reopening of East Pass is expected to improve essential fish habitat, resulting in benefits to commercial and recreational fishing as well as improved water quality and clarity for 4,000 or more acres of St Andrew Bay between Shell Island and Tyndall AFB. Seagrasses in the area would be positively impacted, and the proposed project will also enhance habitat for an endangered beach mouse, sea turtles, and the piping plover. The \$1 million in RESTORE funds will be used for Phase I, a feasibility and design study and Phase II, design and permitting that includes an environmental impact statement. Phase III construction is estimated at \$15.5 million. Future funding for the third phase has not been secured.

As of October 2023, the feasibility and design study has been completed. Phase II A & B have begun. The preparation of planning documents required in the decision as to whether the East Pass can be re-opened is being conducted by a contractor. Environmental review and permitting will follow and public comments will be solicited during that phase. Bay County Public Works manages the project, with a scheduled completion date of June 2025.



FY 2023 Bay County Chamber of Commerce Local and State Legislative Agenda Item

Panhandle Estuary Programs Funding

Action Requested/Needed

Recognizing that the bay systems are an essential component of the Florida Panhandle's economic viability and quality of life, the Chamber wholeheartedly supports Florida legislative funding for Panhandle Estuary Programs, including the St. Andrew and St. Joseph Bays Estuary Program.

The Chamber has participated in the local Gulf restoration process, providing comments and supporting projects. The Chamber will also support efforts to obtain other funds, such as Natural Resource Damage Assessment (NRDA), Gulf Environmental Benefit Fund, and Gulf RESTORE Council (Pot 2) funds for the Estuary Programs, including for environmental restoration projects.

Issue

An Estuary Program is a locally-driven, non-regulatory effort to identify and solve issues facing a bay and watershed, based on objective, scientific information. Estuary Programs lead and support wide-ranging projects, including coastal infrastructure, seagrass and shellfish restoration, water quality improvement, and science and monitoring to guide decision-making across political jurisdictions. Panhandle counties and partners have established Estuary Programs in Pensacola/Perdido, Choctawhatchee, and St. Andrew/St. Joseph bays, that are initiatives modeled on the National Estuary Program. Funds from multiple sources have been secured by each Estuary Program to establish the programs and for each program to develop a Comprehensive Conservation and Management Plan (CCMP), which is a long-term strategic plan.

The St. Andrew and St. Joseph Bays Estuary Program aims to provide stakeholders with a permanent forum for reviewing information, agreeing on issues, and collaborating to develop action plans, solutions, and funding to address those issues and ensure the economic viability of our region. Each plan will be a fully vetted roadmap for the restoration and preservation of each bay. The initial effort will also identify projects and apply for funding and work to implement pilot projects for healthy bays.

The Bay County Board of County Commissioners pledged ten percent of Bay County's RESTORE Act Direct Component (Pot 1) funds to match funds from other sources to establish



the St. Andrew and St. Joseph Bays Estuary Program (SASJBEP) and work to implement projects to improve the Bays. The County received a RESTORE Pot 1 grant award, passed through to FSU PC, for the Estuary Program to prepare the CCMP. This contribution of funds was matched with \$1 million from The Nature Conservancy to stand up the program and prepare the plan. The Florida State University Panama City is hosting the St. Andrew and St. Joseph Bays Estuary Program.

Current Status

The SASJB Estuary Program staff are hired, the board management groups are in place and meeting, and advisory committees are active with additional ones being formed. Committees have created draft desired outcomes and goals that provide the overall direction for actions that the Estuary Program will focus on to increase the condition of the Bay. These goals include increasing awareness of the importance of the Bays through targeted outreach campaigns supporting responsible stewardship of our citizens and visitors. In addition to preparing the CCMP, Estuary Program staff are working with municipalities to prepare proposals for funds to restore and enhance our bay system. In just one year, the Estuary Program has submitted proposals for over \$7.9 million in grant funds that will increase resiliency to communities and the bays and better understand the economic services provided by the Bay.

Successful Estuary Programs are supported by stakeholders and have staff from local municipalities that are integrated within each level of the Estuary Program. This support and integration take time to build through meaningful and repeated engagement. Continued long-term support of the Estuary Program is critical to improving the Bays and ensuring our region's economic integrity.



FY 2023 Bay County Chamber of Commerce Local and State Legislative Agenda Item

Gulf of Mexico Restoration Funding

Action Requested/Needed

As an advocate of the original RESTORE Act, the Chamber wholeheartedly supports the Bay County Board of County Commissioners and the State of Florida in obtaining and distributing the settlement delegated to Bay County for economic development and environmental restoration. The Chamber has participated in the local RESTORE process, providing comment and has supported projects.

The Chamber will also support efforts to obtain other Gulf restoration funds, such as Natural Resource Damage Assessment (NRDA), Gulf Environmental Benefit Fund, and RESTORE Act Pots 2 and 3 funds for Bay County economic and environmental projects.

Issue

As a result of the Deepwater Horizon disaster, various sources of funds are available for Gulf Coast environmental and economic restoration. Some of these funds are reserved for Bay County; the majority is not. Bay County has the opportunity to influence how these funds are spent.

The RESTORE Act, signed in July of 2012, will provide 5.3 billion dollars for Gulf of Mexico environmental and economic restoration from settlements with BP, Transocean, and Anadarko. This will lead to Bay County directly receiving \$42.2 million dollars. The \$34.9 million from BP will be received in approximately equal payments over 15 years, starting in 2017. Substantial amounts are also available through other Gulf restoration funds, such as the Natural Resource Damage Assessment, Gulf Environmental Benefit Fund and RESTORE Act Pots 2 and 3.

Current Status

RESTORE funds

Bay County has a Treasury-approved plan for Bay County's share of RESTORE Act Direct Component (Pot 1) funds. The RESTORE Act Advisory Committee, appointed by the Board of County Commissioners, reviewed proposed projects and, after substantial public comment, made recommendations to the Board. The Board approved the recommended projects, added another project and approved the Multi-Year Plan for submittal to the U.S. Department of the Treasury. Treasury accepted the plan in May 2017. Each project in the plan must have a separate grant



application. The County is the grant recipient for all projects. In July 2020 after a public input process, the Board submitted an amendment to the plan to provide funds for the incipient St. Andrew and St. Joseph Bays Estuary Program. The amendment was approved by Treasury and the grant award has been issued. The Estuary Program is staffed and hosted by FSU Panama City. An amendment to add the East Bay Living Shoreline Project, next to Tyndall Air Force Base, was later approved, and the grant application is under review by Treasury.

The projects included in the plan are: Bay Technology Initiative, North Bay Wastewater System Reuse, Restoring Bay County's Recreational Fishing Industry through Artificial Reef Construction and Monitoring, Porter Park Improvements, Bay County East Pass Environmental Impact Statement (EIS), Carl Gray Park Boat Ramp, Bay County Stormwater Master Plan and Capital Improvement Strategic Plan Update, AMIkids Panama City Marine Institute Dock Repair, City of Panama City Beach and Bay County Continuous Outfall Sediment Reduction Projects, St. Andrew & St. Joseph Bays Estuary Program, and East Bay Living Shoreline Project.

The County has completed the AMIkids dock project, Porter Park Improvements, and the Carl Gray project. Additional grant awards have been received for the artificial reef project, the stormwater master plan update, the East Pass EIS, North Bay Wastewater System Reuse and the Estuary Program. Project status information is available under “Quick Links” on the County’s RESTORE web page (<http://co.bay.fl.us/227/RESTORE-Act>) and a story map can be viewed at <https://tinyurl.com/BayRESTOREprojectstory>.

The Gulf Consortium, consisting of one representative for each of Florida’s 23 Gulf coastal counties and six ex-officio members, prepared a State Expenditure Plan for the RESTORE Act Spill Impact Allocation funds (Pot 3). Bay County is a member of the Consortium. Both environmental and economic development projects are eligible. About \$286 million will be available to Florida, from the Transocean settlement and BP (approximately equal payments over 15 years). The Consortium decided to allocate equal amounts of Florida’s Pot 3 to each of the 23 counties, about \$12 million per county. Bay County nominated nine projects, focusing on the water quality and habitat of the Bay. The plan was submitted in July 2018 to the Gulf Coast Ecosystem Restoration Council and subsequently approved. The grant application for the Bay County St. Andrew Bay Stormwater Improvement Program – St. Andrew Bay Watch – Water Quality Monitoring was approved and the project is underway. This grant funds water quality monitoring and summary reports to provide information to decision makers. The grant application for the Deer Point Septic-to-Sewer project is under review by the Gulf RESTORE Council. Additional Gulf Consortium information is available at <https://www.gulfconsortium.org>.



FY 2023 Bay County Chamber of Commerce State and Federal Legislative Agenda Item

Support Science-Based Regulatory Fisheries Decisions/Opposition to H.R. 4690

Action Requested/Needed

The Bay County Chamber opposes H.R. 4690 Sustaining America's Fisheries for the Future Act that overhauls the Magnuson-Stevens Act (MSA). Federal and state officials should listen to stakeholders when enacting regulations and utilize science-based but fair regulatory decisions. It is important to protect healthy, sustainable fisheries, but also seriously consider the economic impacts of regulatory actions on the fishing industry.

Issue

The Magnuson-Stevens Act (MSA) is the primary law governing fishery resources and fishing activities in federal waters. Initially passed in 1976, the MSA's original intent was to prevent overfishing, rebuild over-fished stocks, increase long-term social and economic benefits and ensure a safe, sustainable seafood supply. H.R. 4690 would overhaul MSA, creating inflexible new requirements and granting the Secretary of Commerce new authorities to reduce access to fishing opportunities.

A key issue at stake in H.R. 4690, is the existing science-based and collaborative management system for all sectors of the fishing industry and its implementation into the NOAA fishery data models. These models have allowed scientists and managers to work together to minimize overfishing, conserve fishery resources, and achieve optimum yield, creating a balance conservation efforts and economic impacts to each fishing sector. Currently under the existing framework of MSA, commercial and for-hire industries have strict regulations concerning their data collection and processing that allows these two sectors increasing access to the Federal Fisheries.

Current Status

The current bill H.R. 4690 is being pushed through Committee to prevent measures from being inserted that will protect America's fishing industry.

Commercial and recreational fisheries industry bear significant economic impacts. According to the NOAA *Fisheries Economics of the United States* 2019 report, the economic impacts of commercial and recreational fisheries include 1.8 million jobs, \$255 billion in sales and \$117 billion in value-added. Advocacy is needed for anglers not just in Florida, but the Nation, and the economic impacts they represent while designing laws to protect both the environment and the fishing industry.



FY 2023 Bay County Chamber of Commerce State and Federal Legislative Agenda Item

Northwest Florida International Beaches Airport Capital Projects

Action Requested/Needed

The Bay County Chamber of Commerce requests support for airport capital projects:

1. The creation of an aerospace and aviation hub at the Northwest Florida Beaches International Airport (ECP), known as the ECP Aviation Center of Excellence.
2. Johnny Reaver Road extension to support the Florida Air National Guard's preferred armory site.
3. ECP terminal improvements and expansion to support future growth and capacity.

Issue

Northwest Florida Beaches International Airport has seen significant growth since opening in 2010. Bay County public and private sector leaders recognize the impact of airport development on economic development. Infrastructural improvements are critical in the competitive economic development landscape. Companies require "project-ready" sites with all infrastructure at the site and shovel ready. Hangars, support facilities, adequate roadways, ramps, additional taxiways, and an aerospace training center are required, on site, in order to accommodate the location of new and expanding companies. Businesses have numerous location options for their facilities and will eliminate those communities that do not have the necessary assets and infrastructure in place to accommodate their operation.

Current Status

1. The ECP Aviation Center of Excellence is a concept to bring the public, private and education sectors together on one campus at the Airport. The concept includes the maintenance, repair and overhaul (MRO) operations, which could include engine repair and overhaul, airframe repair and overhaul along with inspections and refinishing in one location, enabling aircraft operators the ability to have access to a full breadth of services. Furthermore, educational partnerships with post-secondary educational institutions could be included at the Center for Excellence for training and development of their employees.

More than two dozen qualified aviation and aerospace companies have inquired and are considering ECP as a location for their operations. Additionally, ECP's 10,000-foot runway is a key asset to these industries that require immediate access to an airport. In order to secure future projects, necessary infrastructure needs to be in place with certified shovel ready sites.



2. In 2018, Hurricane Michael caused significant damage to the Florida National Guard Armory located on Lisenby Drive in Panama City. The decision to relocate the Armory was made. Multiple locations throughout Bay County were considered and the preferred site is at the Airport, located on the west end of Johnny Reaver Road. A roadway extension is required. The estimated cost of this road extension is approximately \$3-4 million in design and construction costs. The Airport has been working with FDOT for alternative funding opportunities and the Guard will have to assist in the development cost.

3. In recent years, passenger activity at ECP has steadily increased; terminal improvements and expansion are needed in order to accommodate future capacity. Multiple projects are underway, either in design or construction. These projects include parking lot development, the addition of an escalator to the lower-level gates, bag room expansion and terminal buildout on the second level of the concourse. A 300' expansion of the North Terminal is planned and will include relocating the baggage claim area and security checkpoint as well as an expansion and relocation of rental car counters. Many of these projects are funded through various federal programs and FDOT participation. The Terminal Expansion project cost estimation is \$55,000,000.

Infrastructure development is often linked with economic development. Airport growth has a direct correlation to improving economic development in surrounding regions. With growth continuing at Northwest Florida Beaches International Airport in commercial, corporate and general aviation, dynamic and strategic planning along with state and federal funding will be critical to its future success.



**FY 2023 Bay County Chamber of Commerce
Local and State Legislative Agenda Item**

Transportation Priorities

Action Requested/Needed

The Bay County Chamber requests that the Bay County Transportation Planning Organization and the Florida Department of Transportation acknowledge the following projects as priorities for the Bay County Chamber of Commerce:

The existing and continued growth in Bay County dictates an imminent need for capacity improvements along these corridors. Prioritization and full funding for the projects listed above will provide the transportation infrastructure required for the Northwest Florida Beaches International Airport, the West Bay Sector Plan, the Port of Panama City and its inland intermodal park, improve safety for hurricane evacuation, and facilitate successful economic growth in Bay County.

Issue

Current Status