

Feasibility Study & Project Report
Brooks Landing
Habitat Restoration and Boardwalk Project

City of Fort Walton Beach

Submitted by
Development Services
Land Use and Economic Development
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Made Possible by:

Fort Walton Beach Waterfronts Committee
Fort Walton Beach Community Redevelopment Agency

Partners in Progress:

Department of Environmental Protection
University of West Florida Department of Environmental Studies and Department of Biology
National Audubon Society, Emerald Coast Chapter
West Florida Regional Planning Council
Florida Sea Grant
Choctawhatchee Basin Alliance
Okaloosa County Board of County Commissioners
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Introduction

The federal government is now allocating funds for projects providing regional economic stimulus. Projects must be planned, permitted and ready-to-go. The City of Fort Walton Beach will submit applications to fund the Habitat Restoration and Boardwalk Project.

Prime Habitat Restoration and Boardwalk opportunities include:

- Maximizing the opportunity to build off the near-term visitor market (i.e. year round, family-oriented activity);
- Protecting and enhancing the Santa Rosa Sound shoreline to distinguish Fort Walton Beach from competing areas;
- Expanding the somewhat unique family market, as well as the snowbird, golfing and bird watching related markets currently available to the Fort Walton Beach area;
- Producing immediate and visible results.

Incentives

Property owners along the shoreline benefit from the Habitat Restoration and Boardwalk project by the following:

- Receiving the economic stimulus resulting from the multimillion dollar project;
- Density Bonus Points. In return for a 10-foot shoreline boardwalk easement, land owners receive 2 maximum density bonuses in dwelling units per acre. Residential density may be increased up to 1.25 times the maximum base density limit.
- Physical and immediate improvement to property value.
- Numerous ecological benefits, including improving the marine habitat for threatened native bird species, including:
 - American Oystercatcher
 - Brown Pelican
 - Tricolored Heron
 - Little Blue Heron
 - Snowy Egret
 - Black Skimmer
 - Osprey

How Economic Stimulus Works

The economic analysis within this report provides aggregate demand for how the project provides both ecological and economic stimulus to our primary market, 5-county region, the State of Florida, as well as surrounding states which will benefit from exporting goods for this project.

To understand how economic stimulus works, it's important to know the following:

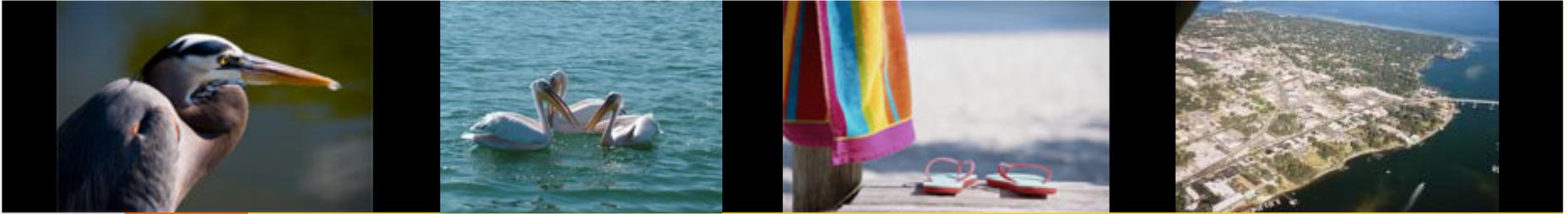
A LOCAL ECONOMY IS STIMULATED BY GROWTH FROM OUTSIDE THE REGION OR FROM GROWTH INSIDE THE REGION.

Tourism is an export business because dollars from outside the local economy are being spent locally. At this time, Destin is capitalizing on the local tourism market. As planned, the Habitat Restoration and Boardwalk Project will complement—not compete with—Destin's harbor activity, providing the critical massing of activity necessary to become a regional and national draw to tourists from outside the market. As the report indicates, tourism has a \$1 billion impact on Okaloosa County annually. Tourism dollars in Okaloosa annually represents \$59 million. This reflects the "ripple effect" caused by stimulating local businesses who in turn, are able to expand and serve more markets.

EXPANDING MARKETS FOR WHAT THE REGION PRODUCES ARE THE BASIS FOR GROWTH.

According to a 2005 study by Florida Atlantic University, 85% of tourists who visit Florida's northwest region visit its beaches. Currently, the City of Fort Walton Beach is not capitalizing on a huge share of the market. There is a lack of awareness of the Fort Walton Landing and Liza Jackson Park by tourists and even some locals. These parks, while essential components to the broader plan for shoreline protection and a boardwalk, do not provide the critical massing and activity necessary for a regional or national draw.

Specific tasks for the Habitat Restoration and Boardwalk Project are described on page 6.



Feasibility Study and Project Report for Phase 1—Brooks Bridge to Santa Rosa Sound



The purpose of this feasibility study and project report is to conduct a project analysis and market study identifying demographic and economic trends that support habitat restoration and boardwalk development within Fort Walton Beach's Community Redevelopment Area (CRA). There are numerous local goals associated with the project including the creation of an attraction along the waterfront that will lure visitors to Fort Walton Beach area, increasing public access to the waterfront, and preserving the area's unique character. This report provides a general project description, primary and secondary market areas, and an economic analysis that includes demographic and market quantitative and qualitative data from state, federal, regional and institutional sources.

Project Scope

Specific tasks to be accomplished for shoreline habitat restoration are:

1. Install a boardwalk along the Santa Rosa Sound from Brooks Bridge to Liza Jackson Park. Phase 1 will stretch 8,500 linear feet from Brooks Bridge to Santa Rosa Sound Park, with potential funding made possible by NOAA Coastal and Marine Habitat Restoration Project Grant under the American Recovery and Reinvestment Act;
2. Provide shellfish habitat restoration/creation, for the broad ecological benefits and ecosystem services it provides including improving water quality and marine life;
3. Provide public education and outreach of marine habitat including shellfish, birds, fish and grasses. Program will include installing USA-manufactured pier-mounted coin binoculars, wooden markers to identify bird and fish species, and 8 life-size bird statues with spread wingspan. All proceeds from the coin binoculars will directly support the Emerald Coast Audubon Society; and
4. Provide for continual monitoring programs. The University of West Florida's Department of Environmental Science and the Department of Biology will regularly monitor the oyster reef and coastal sea grass restoration efforts, and provide hands-on education outreach to students and the general public.

Measurable Economic & Ecological Impacts

A total of 10,206 linear feet will be protected from further degradation by the installation of the boardwalk, named Brooks Landing for the City's original namesake. Approximately half of the shoreline will be restored with natural shoreline grasses.

Long-term socioeconomic and ecological benefits, including:

- Stimulating the regional economy through measurable economic multipliers including tourism, a basic (export) industry representing a \$1 billion dollar impact in Okaloosa County annually;
- On-the-ground restoration of nationally-significant marine and shoreline habitat;
- Contributing to the return of degraded or altered saltwater marine and shoreline habitats to a close approximation of their function prior to disturbance;
- Providing sustainable and lasting benefits of regional or national significance by restoring a total of 12,927 feet along the Gulf Intracoastal Waterway;
- Providing ecological enrichment by educating thousands of visitors each year through on-site ecological lectures, educational markers identifying shorebirds, waterbirds, seabirds, seaturtles, the oyster reef and shoreline habitat restoration, and "life-size" bird statuary;
- Creating a public/private partnership with University of West Florida for continual cost-effective monitoring to evaluate the project's benefits;
- Harnessing funds to implement physical, on-the-ground coastal habitat restoration;
- Providing shellfish habitat restoration/creation, for the broad ecological benefits and ecosystem services it provides; and
- Improving the potential for shoreline habitat, wherever possible, to respond to climate change through restoration or protection of the transition zones that provide room for habitat migration with sea level rise.

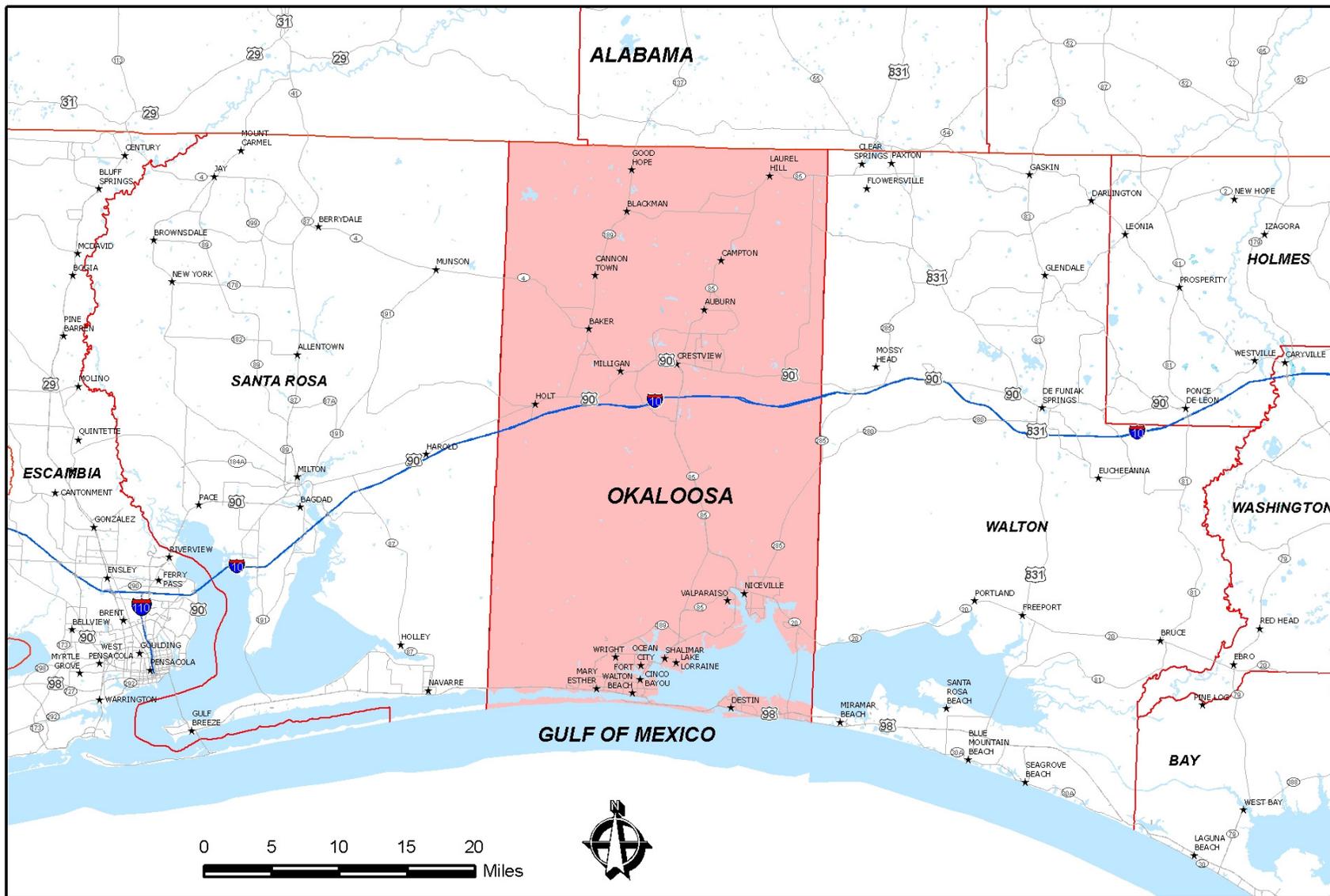


Functions



- Brooks Landing Boardwalk should serve as a linear stretch of activity that connects major uses with nodes of public gathering and activity space.
- Brooks Landing Boardwalk should protect the shoreline from future erosion and human intrusion.
- Existing public pedestrian and vehicular connections as well as drop-off areas enhance the connection between Brooks Landing and Miracle Strip Parkway.
- Brooks Landing Boardwalk will complement the efforts of the City of Destin's Harborwalk, which targets the upscale population ages 45 and older, by providing family-friendly, ecologically-enriching attractions.
- Near-term opportunities exist for family-friendly vacation ownership and residential development capitalizing upon the emerging year-round activity and unique local market segments; this could be combined with lodging developments.
- Free-standing or space sharing (i.e. first floor of new developments) opportunities for history, children's amusements, fish exhibit.
- During peak tourist season, boardwalk could also serve as a space for local restaurant outdoor dining, kiosks, ice cream vendors, etc.
- Incorporate the appropriate local developments currently being considered.
- Boardwalk should provide for day-long activity for residents and visitors (i.e. morning exercise, bird and fish watching, dining, strolling, evening events) which will produce round-the-clock activity at Brooks Landing.

Primary Market Area





Market Orientation

As a means of contextualizing Fort Walton Beach's economy, its growth has been measured utilizing the Fort Walton Beach-Crestview Metropolitan Statistical Area (MSA), the state and the U.S. Quantitative data has been analyzed using a compound annual growth rate (CAGR) which measures the annualized percent change of a particular measure.

The Fort Walton Beach-Crestview-Destin Metropolitan Statistical Area (MSA) consists entirely of Okaloosa County. Fort Walton Beach is the largest city in the MSA with a land area of 7.414 square miles. The interconnected system of bays, sounds, and bayous within and surrounding the city provide the backdrop for its unique character. The region has been ranked by *Forbes Magazine* as one of the top-ten best small places to live for the past five years. Military-related industries and tourism drive the local economy.

Demographic Perspective

Population and Age

The FWB MSA is fairly consistently divided between 20-64 year olds, which accounts for 61.5% of the total MSA population (Source: Florida Research and Economic Database - August 2008). The City of Fort Walton Beach has a median age of 40.37, representing an older population than the MSA at 36.1 years of age and the State (38.7) and nation (35.3). Since the 2000 U.S. Census, the City of Fort Walton Beach experienced an average growth rate of .7%. In 2008, estimated population decreased .4% or 90 persons, from 2007. Overall, the MSA experienced an average growth rate of 16% since 2000.

Jurisdiction	April 1, 2008	Total Change	April 1, 2000
Fort Walton Beach-Crestview-Destin MSA	197,597	27,099	170,498
City of Destin	12,225	1,106	11,119
City of Ft. Walton Beach	20,918	945	19,973
Florida	18,807,219	2,824,395	15,982,824

Population Migration

It is critically important for the Fort Walton Beach MSA to attract in-migration from other states. Like the State of Florida, the Fort Walton Beach MSA depends on migration growth to meet the needs of local industries. Without population growth, basic industries stagnate. Military aside, newcomers relocate to the FWB MSA for the Sunbelt and the Emerald Coast. In 2007, the rate of net domestic migration for Okaloosa County shows a loss of 2,685 persons. For international migration, there is a loss of 85 persons, for a total -2,723. In 2006, Okaloosa County experienced a loss of 1,910 persons, bringing the two-year total loss to 4,633 persons. The reason for the loss can be attributed to the Pentagon's base realignments which privatized and/or relocated some government functions on Eglin and Hurlburt Air Force Bases. From 2006 to 2009, some 4,000 military-dependent families were affected. However, from 2009 to 2011, 7,200 military-dependent families are being relocated to serve various base missions. The military's influence on migration is further substantiated by Okaloosa County losing a net average of 660 persons to international migration between 2000-2007. Only Jefferson and Dixie counties also lost people to international migration, both with a rate of -2, far below Okaloosa County. According to the University of West Florida's Bureau of Economic and Business Research, in Okaloosa County, the top source for in-migration is what the IRS calls "foreign--APO/FPO." That catch-all covers both immigration and military transfers.

Households

Since 2000, the Fort Walton Beach MSA experienced a 17.0% change in total households. According to the Florida Office of Economic Development Research, 47.1% of households are with children under the age of 18. Household size data from the MSA reinforces the previously highlighted demographic shift towards empty-nest households. Remarkable is that in 1990, Fort Walton Beach's average household size mirrored that of the state's but by 2000, the City's average household size had declined by an annualized rate of 0.79%. Fort Walton Beach's household size decline may be attributed to the community's significant median age increase, as well as national and local shifts in family composition including fewer married couples with children and an increase in single-parent families.

Average Household Size

Jurisdiction	1990	2000	CAGR '90-'00
FWB MSA	2.70	2.49	-0.79%
Florida	2.52	2.46	-0.24%

Source: US Census

Income Growth

Adjusted Gross Income

The following table summarizes adjusted gross income (AGI) and its growth between 1991 and 2001 for Florida and the FWB MSA. Adjusted gross income (AGI) is a measure of community wealth that includes total wages, salaries, and income from rent, self-employment earnings, dividends, interest, pension benefit payments, and net gains from the sale of assets. The data illustrates that between 1991 and 2001, Okaloosa County realized an AGI annualized growth of 6.29% which was comparable to state annualized growth (6.59%).

Adjusted Gross Income (\$000)

Jurisdiction	1990	2000	CAGR '90-'00
FWB MSA	\$5,907,503	\$10,870,674	-6.29%
Florida	\$175,584,000	\$332,431,898	-6.59%

Source: Internal Revenue Service

Median Household Income

Median household income is another indicator of community wealth, and the following table outlines median household income at the city, county and state levels. Note that in 1990, Okaloosa County's median household income (\$27,941) was comparable to that of the state's (\$27,483). By comparison, Destin's residents had a median household income that was 117% of Okaloosa County's. Between 1990 and 2000, median household income annualized growth varied greatly between the jurisdictions, with Okaloosa County's (5.50%) comparable to that experienced by the state (5.20%).



Household Comparisons

Household composition in the United States, as well as in Fort Walton Beach and the surrounding region changed considerably between from 1990 to 2007. Since 1990, the US and Florida experienced increases of 8% and 1.6% respectively in their percent of households without children. By comparison to the State and nation, northwest Florida experienced a far more demographic shift towards households without children. Should this present trend continue, a report produced by Economics Research Associates finds that by 2010, 80% of the FWB MSA's households will be without children.

Fort Walton Beach MSA Households	
Total Households	9609
Family Households	5294
Non-Family Households	4315
Households With Children	2314
Households Without Children	7295
Average People Per Household	2.21

Source: US Census and EDR



Education Level by Percent of Population

According to a January 2009 report by the Florida Office of Economic and Demographic Research, 88.0% of the FWB MSA's population has attained a high school degree, compared with the state's average of 79.9%. In addition, 24.2% of the MSA has a bachelor's degree or higher, leading the state by 2%. This is indicative of the region as an education hub that's representative of numerous higher institutions of learning, the region's ranking as the technology center of Northwest Florida, as well the MSA's top state ranking for public education.

Education	
Number of people who have achieved the follow-	
No High School	445
Some High School	840
Some College	4083
Associate Degree	1744
Bachelors Degree	2385
Graduate Degree	1373



Tourism

Two primary generators of demand for recreation and entertainment activities are the regional population and visitor market. There are approximately 58,000 households within a 30 minute driving distance of the Santa Rosa Sound with average annual expenditures on recreation and entertainment of approximately \$2,800 per household. (UWF Haas Center, 2007). Factoring in the current rate of recession, this spending is actually expected to increase to over \$3,000 per household by 2011. Approximately 17 percent of the 59 million dollars spent by tourists each year in Okaloosa County is spent on amusement. In addition, tourism represents an annual \$1 billion industry to northwest Florida, and bird-watching represents an annual \$3.1 billion to Florida (Northwest Florida Daily News, January 26, 2009). Based on this, Fort Walton Beach could support passive shoreline recreation including a boardwalk with opportunities for bird-watching.

Local Military Presence: Eglin AFB

Northwest Florida is home to the largest military base in the world, Eglin AFB. This complex covers 463,128 acres in Okaloosa, Santa Rosa and Walton Counties, and is comprised of three military installations; Hurlburt Field, Duke Field and Eglin AFB. The University of West Florida Haas Center for Business Research released a *Florida Defense Industry Economic Impact Analysis* in January 2008 and provided the following statistics:

- About 35% of Northwest Florida regional output is driven by defense spending; 18% for NE Florida, 5% for Central Florida, and 3% for South Florida.
- Average earnings per military job in Florida are at 175% of average earnings across all Florida jobs (*the more they make the more they spend in our retail and service sectors*).
- In 2005, average military earnings per job were \$68,540 compared to an average of \$39,990 for all Florida jobs.
- In Okaloosa County defense-related spending accounts for 73% of economic activity.
- The defense-related spending in Okaloosa County generates additional employment, wages, consumption spending, and investments throughout the county and continues to produce more spending as it circulates throughout the region's economy.

Industry Sectors

In conjunction with the military employment provided by the Eglin complex, there are also 320 defense contractors in Okaloosa County. Two of the major contractors include the Aerospace Integration Corp. in Fort Walton Beach employing 300 workers, and Crestview Aerospace Corporation with over 500 employees in Crestview. Business Florida Magazine predicts that the number of military contractors could expand in response to a 110 acre technology campus built on Air Force land adjacent to Eglin AFB.

Unemployment

Data compiled by the Florida Department of Labor reveals a consistency between unemployment trends in Florida and the US, with unemployment rates peaking in 2002 for Florida, and decreasing through 2006 to levels significantly below US average. As of January 2009, the Fort Walton Beach-Crestview-Destin MSA has sustained unemployment rates significantly below the state and nation, with MSA unemployment peaking in 2002, and declining to well below US and state averages. According to the Florida Office of Economic and Demographic Research, the County's preliminary unemployment for 2008 was 4.4% - well below the state's 6.0 % and the nation's 8.1%.

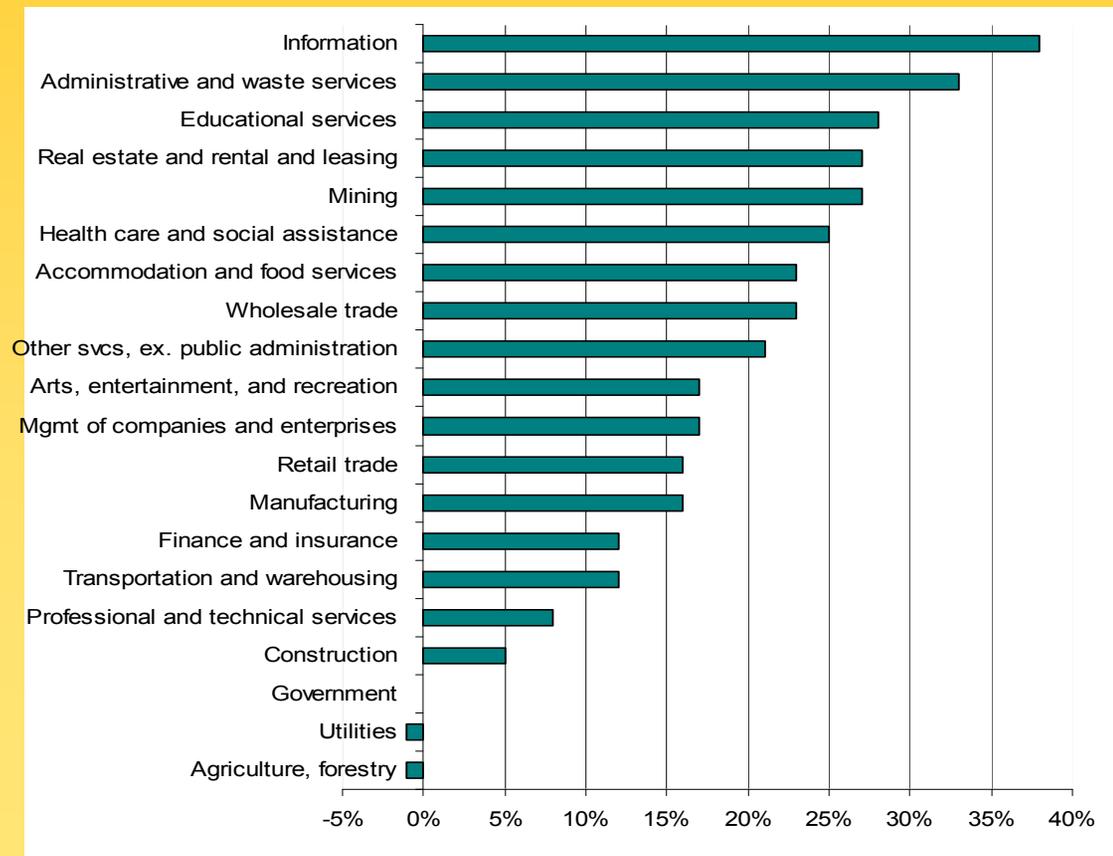
Employment

According to a 2006 Haas Center report, the current and anticipated shift in the economic profile of the region is expected to follow the growth trend of the I-4 corridor region in Florida's Workforce Development Region 12 (WDR12). The growing population in WDR12 led to enrollment growth at the University of South Florida (USF) and the University of Central Florida (UCF), as well as other universities in the region. These institutions adopted strong pro-industry economic development missions. As a result, many high-tech companies (in areas such as microelectronics, telecommunications, medical technologies, and aerospace) were attracted to the region and clustered along the I-4 corridor in order to share a common pool of technologically educated workers. To further develop the I-4 corridor, the Florida High Tech Corridor Council was established in 1996 to help establish pro-industry legislative initiatives, such as an innovative sales tax rebate system whereby manufacturers locating in the corridor can channel their sales tax expenditures for new capital equipment toward university research projects of their choosing, which is then matched dollar-for-dollar from the state. The success of the scheme and the growth of the I-4 corridor's reputation has led to a population growth of over 700,000 residents along the seven counties adjacent to the I-4 corridor over the last ten years, with more than 2,700 high-tech companies, corporate distribution centers, and warehouses locating along I-4, looking for cheap land within proximity of demand from big cities. In turn, these companies employ more than 100,000 people.

A similar trend is developing and expected to continue along the 1-10 corridor. A large number of the fastest-growing occupations in the FWB MSA are technology-based positions. The cluster resulted in the Economic Development Council of Okaloosa County (EDC) creating TeCMEN – a collaborative network of high-technology manufacturing and engineering service companies that work as a collective unit to promote economic and technological growth in the region. Following the regional economic trend, it is anticipated that the MSA will continue to mirror the economic growth in technology-, health-, and aerospace-related occupations realized along the I-4 corridor.

The 'traditional' tourist-driven service-sector positions will also continue to be a major driver of regional economic growth as more migrants are attracted to the area by economic opportunity and quality of life issues. Figure 7 shows the expected employment growth for Okaloosa County by industry from 2005 to 2012.

Figure 7 - Okaloosa employment growth by industry 2005-2012



Source: Economicmodeling.com

Taxable Sales

Local sales data is an important indicator of regional economic activity and can help to determine past or current trends that may lead to a market specialization for a downtown. According to the Florida Office of Economic and Demographic Research, Florida sales tax is typically levied on the sale of goods but not services, and they estimate that taxable sales comprise just 40-45% of all state retail sales. Major categories of exempt sales include food not prepared for immediate consumption, medical and legal services, residential utilities, items purchased for resale, intangible personal property, and rentals over six months.

Retail sales are categorized by the state Department of Revenue according to the type of item purchased. An asterisk indicates categories to benefit from economic stimulus resulting from the proposed Habitat Restoration and Boardwalk Project.

- **Autos & Accessories-** taxable sales include the sale of new and used cars, repair shops, auto supply stores, and taxable sales at gasoline stations.
- **Consumer Durables*** - taxable sales include the sale of appliances, furniture, home electronics, aircraft, boat dealers, hardware and decorating stores.
- **Tourism & Recreation*** - taxable sales include hotels and motels, bar and restaurant sales, liquor stores, photo and art stores, gift shops, admissions, sporting goods, rentals, and jewelry stores.
- **Consumer Nondurables*** - taxable sales include food and convenience stores, department and clothing stores, drug stores, antique dealers, bookstores, florists, pet dealers and suppliers, social organizations, storage, communications firms, print shops, nurseries, vending machines, utilities, and any "kind" that doesn't fit into the other categories.
- **Building Investment*** - taxable sales include sales by building contractors, heating and air conditioning contractors, insulation, well drilling, electrical contractors, interior decorating, paint and wallpaper shops, cabinet and woodworking shops, soil, lumber and building suppliers, and roofing contractors. Services provided by these businesses are not generally taxable.
- **Business Investment*** - taxable sales include farm equipment, feed and seed suppliers, store and office equipment, computer shops, machine shops, industrial machinery, hotel and restaurant suppliers, transportation equipment, manufacturing and refining equipment, industrial suppliers, paper and packaging materials, medical and optical supplies, commercial rentals, and wholesale dealers.



Annual Taxable Sales

The following table summarizes annual taxable sales for the Fort Walton Beach MSA and the state within the categories of durables, tourism, nondurables, construction and business investment. Note that these figures do not include automobiles and accessories, as these high-order goods tend to artificially inflate taxable sales figures. The table highlights MSA taxable sales growth from \$1.7 billion in 1998 to approximately \$2.9 billion in 2005, for a cumulative increase of \$1.2 billion. It is important to note that during this period, the MSA's annualized growth (7.8%) exceeded the state's annualized growth (5.8%) in annual taxable sales.

Annual Taxable Sales (\$000)

Jurisdiction	1998	2001	2003	2005	CAGR'98-05
FWB MSA	\$1,742,093	\$2,018,313	\$2,323,459	\$2,943,311	7.78%
Florida	\$179,657,230	\$208,000,692	\$215,431,153	\$267,010,253	5.82%

Source: Internal Revenue Service

Taxable sales growth has been strong within the MSA since 1998, although percent of total sales by spending category has modestly shifted. Between 1998 and 2005, the percent of total taxable sales in durables and business investment experienced an annualized increase of 3.86% and 4.20% respectively to comprise 12% and 16% of total taxable MSA sales. Consumer nondurables have consistently comprised the greatest share of MSA taxable spending, although this share experienced an annualized decline of 1.32% since 1998.

Ft. Walton Beach MSA: Spending by Category

Spending Category	1998	2000	2001	2002	2003	2004	2005	CAGR '98-05
Durables	9.2%	8.8%	8.4%	9.2%	10.2%	10.3%	12.0%	3.86%
Tourism	28.5%	29.6%	30.8%	30.9%	29.0%	27.9%	25.5%	-1.62%
Non Durables	40.9%	42.0%	41.5%	39.6%	39.8%	38.4%	37.3%	-1.32%
Construction	9.3%	8.5%	7.1%	7.9%	7.1%	8.2%	9.3%	-0.09%
Business	12.0%	11.2%	12.1%	12.4%	13.9%	15.2%	16.0%	4.20%
Total	100%							

Note: These figures do not include automobile sales & may not add to 100% due to rounding

Source: Florida Office of Economic and Demographic Research

Implications

Quantitative and qualitative data show that Fort Walton Beach has somewhat shifting yet generally positive local, regional and tourist visitor markets from which to draw for the boardwalk development. Within the local and regional markets, population and total households growth rates predict a significantly expanding consumer base, while current moderate income levels are projected to grow and translate into greater disposable income. Both markets are currently estimated to have a late thirties median age which has implications for family-oriented, culturally-enriching activities along the boardwalk. In comparison to the local and regional markets, the visitor market is primarily middle to upper income.



Families comprise the greatest share of Fort Walton Beach visitors which is positive given that golfing and gaming trends in the Gulf region are creating competition for the typical retiree market. Although peak tourist season in Fort Walton Beach remains the summer months, the winter months are experiencing a Snowbird population increase which is slowly expanding the tourist season. Much like recent efforts by the City of Destin—also located within the Fort Walton Beach MSA—the data concludes that Fort Walton Beach should continue to focus upon nurturing and expanding this somewhat unique existing family visitor market. Moreover, the City’s plan for an ecological boardwalk will complement Destin’s ongoing efforts to target opportunities to link into the higher income vacationers currently being attracted to such regional destinations as Destin Commons and Baytowne Wharf. Through this project, the City of Fort Walton Beach will complement activities in neighboring shoreline communities, and provide ecological alternatives which do not currently exist in the region. The City of Destin’s Emerald Grande and HarborWalk projects are examples of how the MSA is ideally suited for evolving visitor market opportunities, especially the upper income segments. Nearby large-scale retail attractions and the expanding retail and food/beverage offerings along the beach create a positive market situation for the boardwalk development.

To facilitate essential year-round activity, the City of Fort Walton Beach should include a continued focus on expanding its current, somewhat unique market segments (i.e. summer families, passive recreation, cultural and heritage enrichment, etc.), as well as providing additional lodging, retail and event activity that will enhance opportunities to capture a greater share of the desirable, upper-income market.

Strengths, Weaknesses, Opportunities and Threats

The following is an overview of conclusions regarding the strengths, weaknesses, opportunities and threats (SWOT) of the Habitat Restoration and Boardwalk Project and associated market conditions affecting boardwalk development. Conclusions have been drawn based upon demographic data and market trends, information gathered from interviews as well as site visits.

Strengths

- CRA program and dedicated funding source;
- City Plans allowing density bonus points to improve the value of property as an incentive to land owners to participate, in addition to the far-reaching economic implications;
- Initial identification of potential waterfront development sites;
- Dramatic new visitor attractions which compliment but do not compete with the proposed project (Emerald Grande and HarborWalk);
- Availability of public gathering, recreation and activity space;
- Growing MSA populations;
- Local income growth comparable or exceeding state income growth;
- Significant disposable wealth located within Destin proper;
- Growing local, regional and tourist markets;
- Expanding tourist season;
- Existing family and fishing tourist markets;
- Strong local unit sales growth for condos and single family homes;
- Significant increase in the affordability of local housing;
- Existing developer interest and potential site opportunities within the CRA; and
- Existing groups with community ties to leverage during the planning process to help build community consensus and buy-in.

Weaknesses

- Lack of physical cohesion, plan or theme along the waterfront;
- Limited awareness of Brooks Landing by tourists and possibly locals;
- Lack of a pedestrian connection from the Sound to the north of Miracle Strip Parkway;
- Condominiums represent multiple owners to participate in the boardwalk easement; and
- Lack of a sense of arrival or gateway upon entering the CRA.



Opportunities

- CRA financial incentives can maximize evolving development opportunities;
- Leverage Destin's harbor waterfront and visitor activity and also Navarre's;
- Significant income growth of new FWB residents;
- 2010 BRAC expansion of Eglin AFB;
- Increasing MSA tourism sales;
- Expanding tourist season during the months of January and February;
- Existing commercial fishing fleet providing a marketable harbor image;
- Opportunity to build upon the existing family tourist market;
- Opportunity to leverage county public transit options;
- Popularity of existing regional attractions for transit links to the Brooks Landing;
- Opportunities for partnerships between the CRA with harbor landowners and developers;
- Existing community groups provide opportunities for coordination with local businesses;
- Existence of numerous underutilized parcels along the harbor front creates potential development opportunities; and
- High volume of traffic along Miracle Strip Parkway could potentially bring more visitors to the boardwalk with successful development.

Threats

- Expanding casino attractions in neighboring Gulf regions;
- Escalating land values & hurricane insurance rates threaten existing businesses;
- Development process and timing may deter developer interest; and
- National tourism trends concerning the changing nature of family leisure activities and time availability.



Market Conclusions

The Habitat Restoration and Boardwalk Project will restore the natural shoreline, protect areas from further human intrusion, and provide shellfish reefs to stimulate natural habitat. The ecological benefits of this program are also financial. Family visitor traditions and ecological activities should place the local economy at a regional advantage for the family market.

The market analysis and ongoing coastal projects within the MSA and 5-county area substantiate this report's findings that the proposed Habitat Restoration and Boardwalk Project meets the demand of the local economy but more importantly, will serve as a regional and intrastate draw for tourists. Tourism is an export base business. The economy is stimulated by growth from outside the region or from inside the region; based on this report and feasibility analysis, this project has strong potential to stimulate both.

Prime Habitat Restoration and Boardwalk opportunities include:

- Maximizing the opportunity to build off the near-term visitor market (i.e. year round, family-oriented activity);
- Protecting and enhancing the Santa Rosa Sound shoreline to distinguish Fort Walton Beach from competing areas;
- Expanding the somewhat unique family market, as well as the snowbird, golfing and bird watching related markets currently available to the Fort Walton Beach area; and
- Producing immediate and visible results.

Thank you for your support.

www.fwb.org
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Development Services' Mission: *Foster sustainable development by providing professional, personalized services to the City Council, City Boards, neighborhoods and all business and property owners to promote high quality of life and prosperity for all citizens.*