



City of DeFuniak Springs

The Road Ahead

June 16, 2015

Institute for Senior Professionals
Northwest Florida State College
100 College Boulevard
Niceville, FL 32578

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INTRODUCTION

OBJECTIVES AND APPROACH

The Institute of Senior Professionals (ISP) assistance to the City of DeFuniak Springs (the City) began in December 2013 with a request to “evaluate the strengths and weaknesses existing within our operations and structure, then follow up with recommendations.” See Appendix A for the request letter.

Following the City’s request, ISP reviewed the current situation within the community and the City and produced the June 17, 2014 “Opportunities and Needs” report. The report articulated a vision statement and a set of values for the City as well as recommended critical actions (called imperatives) in the following five areas:

- City Furnished Utilities: Protect Them and Extend Them
- Strengthen the City’s Planning, Management, and Financial Resources
- Create Jobs
- Meet Other Infrastructure Needs
- Promote Government and Citizen Agreement on City Direction

The report is available as separate document.

The City Council accepted the “Opportunities and Needs” report and requested further assistance from ISP in September 2014 to “validate portions of the June 2014 report and assist the City in adopting a business plan that identifies and prioritizes specific actions needed to promote economic development, enhance city government operations and to preserve our shared values.” See Appendix B for the request letter.

In response to this request, ISP identified the approach steps needed to develop a business plan for the City. Appendix C presents a flow chart of the approach steps. As the next step, ISP helped the City conduct a workshop (Workshop 1) to validate and modify, if necessary, the City’s vision, values and imperatives. Some changes were made to the vision and values and an additional imperative was created. All the workshop participants (elected officials, city staff, and residents) conducted a preliminary ranking of the imperatives. Workshop 1 results were documented and are available in a separate report.

The City Council accepted the results of Workshop 1 and conducted a final priority ranking of the 17 imperatives. Council members determined to focus the City’s efforts on the top three imperatives.

The immediate need is to organize to accomplish the three top priority imperatives. Subsequently, the remaining steps outlined in Appendix C are needed to prepare the City’s business plan. It should be noted, that the City has already taken some of the necessary actions. These accomplishments will be detailed later in this report.

SUMMARY OF OPPORTUNITIES AND NEEDS REPORT

CONDUCT

To understand the current situation ISP interviewed city officials, city staff, community leaders and interested residents. City financial and operational reports and data were reviewed, as were pertinent Walton County and State of Florida information. To put the City's situation in perspective, comparative data was gathered from cities similar to DeFuniak Springs.

Using the collected information, ISP conducted a SWOT (strengths, weaknesses, opportunities, and threats) analysis to highlight those areas needing attention and those opportunities the City could capture. Following an analysis of the findings the "Opportunity and Needs" report was prepared presenting the analytical results and ISP's recommendations.

SWOT RESULTS

<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none">• Transportation hub• Attractive quality of life• Business – friendly community• Already attracting tourists	<p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none">• Lack of job creation• Stagnant population• Gaps in City's capability• Lack of city outreach• Perceived limited access to good healthcare
<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none">• Utility expansion• Leveraging U.S. 331 widening• Airport expansion; industrial park• Annexation• Downtown historic district development• Retirement community• Available undeveloped land	<p style="text-align: center;">Threats</p> <ul style="list-style-type: none">• Limited financial resources• Resistance to change• Competition (from nearby communities)

RECOMMENDATIONS

The following vision statement and set of values were compiled using the input provided by interviewees.

Vision

- Grow to attract business and provide good jobs
- Become the “Community for a Lifetime”
 - Good jobs that give local kids a chance for an in – town career
 - Education, entertainment and personal enrichment options to keep citizens engaged with the community
 - Attractive community opportunities for senior citizens, including a senior housing development
 - Good healthcare for all ages, young and old
- Preserve and promote the City’s rich heritage
 - Enhanced historic district
 - Revitalized downtown
 - City’s history touted
 - Baby Boomer generation target marketed
- Sustain family values and the high quality of life
- Maintain a safe environment with good policing and firefighting services
- Have a vibrant airport; a preferred private jet destination
- Have an effective and efficient city government

Values

- Family oriented, small town quality of life
- Business friendly
- Senior friendly
- Transparent, honest government

Imperatives

The report laid out a systematic approach for the City to meet its needs and realize its vision. The recommended imperative action steps are summarized below.

Immediate Tasks

- Protect and extend the city furnished utilities: natural gas, water and sewer

- As the City's "cash generators" they fund the majority of the budget
- Strengthen the City's planning, management and financial resources
 - Conduct an independent operational audit with focus on operating efficiencies, effective grant writing, planning capability, support for economic development, and standardized project evaluation
 - Conduct a financial review to clarify the City's financial picture and develop a funding plan for the next 5 to 10 years. Focus on finding all the available sources of funding and expense reductions available to the City
- Improve communication between the City and its citizens on city plans and needed improvements
 - Consider town hall meetings, public workshops, and local media offerings

Near – Term Tasks

- The focus of the near - term tasks needs to be job creation
 - Form a joint council of City staff, business leaders and representatives from the Walton County EDA and Chamber of Commerce to create a business development master plan for the City
 - The Economic Development Tourism Committee could be tasked to lead this effort
 - Leverage the widening of highway U.S. 331 by attracting new businesses with a controlled growth plan
 - Continue upgrading the airport according to the 2011 Airport Master Plan
 - The City should take a "pay as you go" approach to assure that investments create value for the city

Longer – Term Tasks

- Leverage the City's history and heritage
 - Determine the potential for invigorating the historic district and revitalizing downtown
 - If justified, develop a master plan for redevelopment
- Determine the feasibility of developing a retirement community.
 - Consider the combination of a retirement community in the redevelopment of the historic district
- Meet other infrastructure needs, especially a new building for the police department and addressing the lack of space in City Hall
- Consider friendly annexation to increase city revenue while providing a larger population attractive to new businesses

SUMMARY OF WORKSHOP 1

CONDUCT

The objective of the workshop was to validate and modify, if necessary, the findings and recommendations of the “Opportunity and Needs” report as the next step towards developing a business plan.

The workshop was properly advertised and was a workshop meeting of the City Council conducted on December 9, 2014. In addition to City Council members and the Mayor, the participants included city staff and interested residents.

The business of the workshop was facilitated in four steps. (1) An exercise which allowed participants to identify outcomes they hoped to get from this process. (2 & 3) In the next two steps participants validated a vision statement and a statement of values for the City. (4) In the last step Imperatives from the June 2014 report were discussed and modified in a facilitated exercise. All the participants also made a prioritized ranking of the imperatives for the Council's consideration.

RESULTS

Participants' Desired Outcomes

The workshop participants expressed the following six desired outcomes of the workshop or the business plan process as a whole:

1. **Roadmap for the future:** The desire is for a prioritized list of objectives with a timetable for their accomplishment.
2. **Where to get the funds:** The desire is to identify specific sources of funds that will likely be needed to finance the prioritized actions.
3. **How can CareerSource help?** The Executive Director of CareerSource Okaloosa/Walton County offered the organizations help to train the workforce that would likely be needed to support new businesses.
4. **Implementation strategy:** The desire is to have a clear strategy for ensuring that the identified imperatives become a reality.
5. **Summer jobs for young and older people:** The desire is to have a summer program for youth and older citizens to help beautify the City.
6. **Clear line of leadership:** The desire is for the City's government to have a clear “chain of command” and a defined process to get things done.

Participants' Consideration for the Business Plan

Two considerations involved resources that could be tapped for useful information and insight:

- **Community for a Lifetime Committee Report** – the report has similar ideas to the ISP *Opportunities and Needs* report
- **Input from young people, ages 13 to 25** – the list of interviewees for the ISP report included city officials, business persons, religious leaders, community activists, and media executives; but none fit the young person age demographic

Four considerations pointed out challenges that must be addressed in order that the business plan can be successfully executed:

- **Workforce training** – it is recognized that the City's available workforce would require additional training to meet the needs of some prospective employers
- **People that can fill the jobs** – given the City's relatively small size, there may not be enough people to fill the job requirements of a prospective employer
- **How to get sustained progress with constant leadership turnover** – given that the decision – making authority lies in the hands of officials that are elected, commitment to a course of action could, potentially, change every two years
- **City regulations and legislation need to be consistent with and support the City's vision** – regulations and legislation must work in concert with the actions outlined in the business plan

Two considerations highlighted elements that need to be part of the business plan:

- **Right sequence of infrastructure, jobs, workforce and training** – the business plan timeline will present the recommended sequence of action steps
- **List of City Assets** – a list of the City's strengths (assets) as well as weaknesses will be presented in the business plan

Modified Vision and Values

The workshop participants made several comments on the vision statement and set of values. After discussion, the following modified statements of vision and values emerged.

Vision Statement

- A. Grow to attract business and provide good jobs
- B. Become the "Community for a Lifetime" for active adult living

- a. Good jobs that give local kids a chance for an in – town career
- b. Education, entertainment and personal enrichment options to keep citizens engaged with the community
- c. Attractive community opportunities for senior citizens, including a senior housing development
- d. Good healthcare for all ages, young and old
- C. Preserve and promote the City, focusing on its rich heritage
 - a. Enhanced, aesthetically pleasing historic district
 - b. Revitalized downtown
 - c. City’s history touted
 - d. Baby Boomer generation target marketed
- D. Sustain small town family values and ensure that all citizens; regardless of race, religion, gender, age, or socio economic circumstances; have the opportunity for a high quality of life
- E. Maintain a safe environment with good policing and firefighting services
- F. Have a vibrant airport: preferred private jet destination
- G. Have an effective and efficient city government

Set of Values

- A. Small town quality of life
- B. Acceptance of the whole community, embracing diversity and being family, young person, senior citizen, and business friendly.
- C. Partnership; working together to realize the City’s vision
- D. Transparent, honest city government

Modified Imperatives

The recommendations in the “Opportunity and Needs” report were distilled into 16 distinct imperatives. Those imperatives were presented to the workshop participants for discussion. As a result, five imperatives were modified and a new imperative (Improve the City’s curb appeal) was identified. The modified list of imperatives, along with a brief description of each imperative, follows.

Utility Imperatives

A. Repair or replace aging infrastructure. To preserve a primary source of revenue the City must maintain and upgrade these valuable assets by making necessary repairs and replacements. Maintenance requires significant funding.

B. Add water and wastewater water treatment capacity for anticipated growth. The Water Master Plan indicates that with the recommended improvements the system should

be able to meet future growth needs. The Sewer Master Plan recommends improvements to keep the current system functional and states that the limitation to future growth is treatment capacity; another treatment plant location is suggested to provide the additional capacity.

C. Extend utility service areas where feasible. DeFuniak Springs has successfully extended utilities beyond the city limits. There is opportunity to continue this expansion. In addition to increasing the major source of income, the expansion will bring improved service to nearby communities and provide the infrastructure for business development. An aggressive expansion plan will also prevent other providers from capturing potential business.

D. Use impact fees to finance infrastructure maintenance and expansion. Given just the demands of water and sewer infrastructure there is need for additional available income. The City should consider all means for securing the needed funds, including:

- When providing fee relief as an economic development incentive ensure that there is adequate contribution to funds needed to maintain utility systems
- Implement expense reductions identified by the recommended operational audit
- Aggressively explore funding sources from state agencies and entities

E. Acquire nearby utility systems. Two water systems border on the DeFuniak Springs water service area. They are the Mossy Head and Argyle systems. While they are small, they encompass substantial lengths of U.S. 90 and Interstate 10 that are natural corridors for future development. They might be a source of steady income for years if bought while they are small and presumably less expensive because of economies of scale in operations. Additionally, if newly acquired service area residents are already paying the City for water service, they might accept friendly annexation to acquire additional city services.

City Resources Imperatives

F. Increase planning resources. Anticipated economic growth will require a full-time planner to manage individual growth projects, guide requests for land use categories and zoning changes through their legal channels, acquire and manage grants for planning and development, and maintain the city Comprehensive Plan. The City Council in 2014 addressed the Comprehensive Plan requirement for a five year capital improvement plan with an update. In February 2015 the City Council voted to hire a planner. It appears the major work on this imperative is complete.

G. Conduct a management review to increase the efficiency and effectiveness of city operations. The Management Review is an operational audit of the effectiveness and efficiency of all major city functions to determine if they can meet current and future needs. While all functions are within the scope of the review the focus should be on the Building, Marshall/Police, Fire, Parks and Facilities, and Public Works departments.

The review should examine the organizational structure, staffing levels, skills, procedures, management systems, and budget appropriateness of city functions and make recommendations for necessary improvements. Consideration should be given to providing services by city employees, by county employees or by hired contractors.

Functions within the Finance Department are included in the Financial Review.

H. Conduct a financial review to get a clear picture of the financial situation, develop a five to ten year funding plan, and increase the effectiveness of financial operations. The purpose of the Financial Review is threefold. The first is to establish a clear picture of the City's current financial position. The second is to project its cash needs and potential funding sources for the next five to ten years. Both expense and capital items are included. The third is to determine whether the City's financial procedures and systems have the ability to meet its current and future needs. The review will look at the effectiveness and efficiency of the organization structure, staffing levels, and skills within the Finance Department and make recommendations for improvement.

The Financial Review is not intended to replicate the work of the annual financial audit, but a review of the management letters accompanying the last five audits would be useful input for the review.

Create Jobs Imperatives

I. Use Economic Development Committee to develop a master plan for economic development. A first step in preparing and implementing a city economic development plan is to have a unified approach supported by city government, businesses, and citizens. The new Economic Development Committee (EDC) should bring all these parties together to oversee the planning and execution of economic development. There may be existing organizations, such as the Economic Development Tourism Committee, that could complement the EDC. At a minimum the EDC ought to have representation from:

- City staff responsible for planning and development
- DeFuniak Springs Business and Professional Association
- Walton County EDA

- The Walton Area Chamber of Commerce

The EDC should move ahead with creating a Business Development Master Plan for the City which:

- Determines what kind of businesses the City wants
- Lists the City's economic development advantages and describes the competitive advantage "hook" that will cause businesses to select DeFuniak Springs
- Identifies infrastructure needs and workforce skill requirements
- Identifies regulatory and legislative changes needed to spur economic development
- Determines funding and timing requirements
- Creates a marketing plan

In particular, the plan needs to address the lack of a trained workforce. Employers want to locate where potential employees have the basic skills needed to perform on the job. The City should work with organizations that provide certified job skills.

J. Develop a plan to leverage widening of U.S. 331 to attract new business. A high priority project ought to be leveraging the widening of highway U.S. 331. DeFuniak Springs has been successful in attracting businesses along the U.S. 331 corridor. With four lanes all the way to U.S. 98 and with four lanes to the Alabama line usage of the highway will likely increase. There is considerable available land within city limits south of I-10 that is adjacent to the highway

This is right time to develop a plan for controlled growth along U.S. 331. The initial focus should be development opportunities around the I-10 interchange and the properties south of I-10. The development plan should reach beyond city limits and be coordinated with the plan to extend utilities down U.S. 331. In addition to a plan for controlled growth, some attention should be given to developing a desired appearance along what will now be the main corridor through the city. Opportunities for friendly annexation could also be explored at this time.

K. Continue upgrading the airport to permit use by larger jets and to create space for an industrial park. The DeFuniak Springs Airport has served local airplane owners well with reasonably priced services and aviation fuel. In recent years, the City has been following the 2011 Airport Master Plan making near – term improvements, including the construction of covered hanger space which will significantly increase hanger rentals. The City plans to lengthen the 09/27 runway to 5,000 feet which will permit operation of larger business jet aircraft.

The Master Plan also includes space for commercial development next to the airport outlining the conversion of land used for recreation to industrial development. An earlier

city plan included the relocation of a recreational area from the airport to another city location, which could be pursued as part of the Master Plan. This initiative is well on its way.

L. Leverage the City's history to revitalize the downtown and historic district.

Several successful events are held each year in the historic district. There is wide spread support among citizens and the city administration to build on this success and further develop the historic and downtown areas. Form a joint taskforce of city administration and local business and tourism representatives to determine the feasibility of invigorating the historic district and revitalizing downtown. This taskforce should take the following steps:

- Hire a qualified consultant to evaluate the potential for revitalization and recommend next steps
- If potential is justified, develop a master plan for redevelopment
- Consider creating a Community Redevelopment Agency and tapping into the state Main Street Program which have been successfully used to redevelop other downtown areas

In addition, the City should consider whether it would make sense to become part of the Walton County Tourist Development Council (TDC). Inclusion in the TDC would enable the taxation of tourist lodging creating a fund to market tourism for the City. If the Mayor and Councilmen agree that the City has tourist attractions to promote, they need to lobby the County Commissioners to extend the authority of the TDC to all of the County.

M. Develop a mixed use, senior adult community. The population of the United States is graying, generating more demand for senior friendly residential developments. Seniors typically make small demands on city services. The major development of a high - end senior friendly community in south Bay and Walton Counties by the St Joe Company highlights the market for such developments in the area.

DeFuniak Springs could offer a more affordable alternative for this growing market. The City has a low cost of living, a charming historic district, abundant vacant land suitable for development, and has already attracted the attention of snowbirds. The widening of U.S. 331 will provide safer and quicker access to the beaches in the southern part of the County.

The City should conduct a feasibility study to determine the potential of establishing a senior oriented, multi-purpose community in DeFuniak Springs. The study should:

- Develop a concept of the type of senior community that has the best chance of success
- Identify the segment of the senior market that would be attracted to the community
- Quantify the level of demand

- Determine infrastructure needs, including the need for quality healthcare
- Draw on the State of Florida resources for “Communities for a Lifetime”

Introduce the retirement community concept into the historic district/downtown revitalization plan. Seniors look for an inviting, walkable environment with interesting activities. DeFuniak Springs’ pleasant outdoor atmosphere with the lake and rich history might be a good combination. Consider conducting both studies together if the concept has appeal.

Other Infrastructure Needs Imperatives

N. Build a new Police Station. A new police station is needed. The City Marshal/Police Department has outgrown its current inefficient quarters which were not designed for police operations. The department has been living with this situation for some time. To maintain public safety as one of the City’s strengths, the department needs to relocate to accommodations that have the needed space and can be designed for efficient operations.

O. Build a new City Hall. A more functional City Hall is needed. While the building is considered to be a sound structure, it does not have the space to accommodate all of city operations and does not provide sufficient meeting space. Council Chambers are small limiting seating for citizens attending meetings. Our team members witnessed attendees at routine meetings having to participate from the foyer outside Council Chambers. We have also read media accounts of Council meetings being held in the Civic Center when large crowds were expected. Several interviewees report that its location at a busy corner and on a hill makes access difficult, particularly for senior citizens. And apparently the property is attractive to commercial businesses. The City should include the relocation of City Hall in its capital planning.

Promote Better Government and City Agreement on Direction Imperative

P. Provide better communication channels to update citizens and gather their input. Several interviewees expressed the desire for greater communication with city officials. Not only to learn about future plans and the status of projects, but to have more opportunities to provide their input. A multi – pronged approach to improving communication is needed.

First, establish more on - going communication channels, such as holding scheduled town hall meetings to update citizens and to listen to listen to their needs.

Second, hold government/citizen workshops to address specific opportunities and needed improvements. This participative approach permits citizens to ask questions, provide input, and develop community support for projects.

Third, update the community on city plans and their progress using communication channels that people use today.

City Facelift Imperative

Q. Improve the City's curb appeal. This item was added as the result of discussions in the December 9, 2014 workshop. Several participants noted that anyone driving through the City would be exposed to numerous commercial and residential properties. Many of those need to be cleaned up with the application of paint or other improvements to site and structure. Some structures are health and safety threats as they are unoccupied and collapsing. Any potential new resident or business person surveying the City could easily get the impression of poverty and decline. Lack of attractive "curb appeal" will discourage positive growth. The City has taken up this challenge by consideration of an ordinance to control the appearance of blight.

ISP Recommended Next Steps

Building on the outcomes from the December 9, 2014 workshop, ISP recommended the following four next steps to the City Council.

1. Approve the output of the December 2014 workshop and select high priority imperatives
2. Analyze the imperatives that will form the basis of the business plan, including the action steps, timing and resource requirements for making each selected imperative a reality
3. Develop a preliminary timeline of required actions
4. Conduct a workshop to present and discuss the details of the selected imperative analyses and the preliminary timeframe

FINAL RANKING OF IMPERATIVES

The City Council accepted ISP's summary report of Workshop 1. Council members also announced that the Mayor and each of the five Councilmen would conduct a final ranking of the 17 imperatives. The results are presented below.

Elected Officials Imperative Prioritization Results

	IMPERATIVE	Rank Order
J	Develop a plan to leverage widening of U.S. 331 to attract new business	1
Q	Improve the City's curb appeal	1
H	Conduct financial review to determine financial situation, develop a 5-10 year funding plan, and increase the effectiveness of financial operations	3
C	Extend utility service areas where feasible	4
G	Conduct management review to increase the efficiency and effectiveness of city operations	5
K	Continue upgrading the airport for larger jets and space for an industrial park	5
L	Leverage the City's history to revitalize the downtown and historic district	7
I	Use EDC to develop a master plan for economic development	8
B	Add water and waste water treatment capacity for anticipated growth	8
A	Repair or replace aging infrastructure	10
F	Increase planning resources	10
P	Provide better communication channels to update citizens and gather their input	12
M	Develop a mixed use, senior adult community	13
N	Build a new Police Station	13
O	Build a new City Hall	15

E	Acquire nearby utility systems	16
D	Use impact fees to finance infrastructure maintenance and expansion	17

City officials also announced that they would be focusing near – term efforts on the three highest ranked imperatives.

	IMPERATIVE	Rank Order
J	Develop a plan to leverage widening of U.S. 331 to attract new business	1
Q	Improve the City's curb appeal	1
H	Conduct financial review to determine financial situation, develop a 5-10 year funding plan, and increase the effectiveness of financial operations	3

ISP Comment: *These are good choices for the City. Leveraging the widening of U.S. 331 is the best opportunity to bring new business to DeFuniak Springs thereby creating new jobs. It will require the City to determine what type of businesses it wants to attract and to focus on utility infrastructure planning that could set the stage for future expansion. Upgrading curb appeal is needed to attract businesses, visitors and future residents. The financial review is a much needed step to rebuild the City's strength.*

We would like to see the City take additional steps, like the operational review, but we recognize that the City has limited resources and there are many challenges to tackle.

CITY ACCOMPLISHMENTS

The City has already taken several steps to bring about positive change, including some of the actions recommended in the “Opportunities and Needs” report. The following are a few of these actions:

- Hired a full – time City Planner
- Developing a capital spending plan as an amendment to the Comprehensive Plan
- Strengthen grant writing capabilities
- Formed the Economic Development Council
- Passed Ordinance 857 giving the City authority to remedy health and safety issues on private property; helps improve curb appeal
- Returned personnel responsibility to the City Manager

NEXT STEPS

IMMEDIATE NEED

The most immediate need is getting the implementation of the top three imperatives underway. The following are ISP's recommended actions for getting these imperatives going.

J. Develop a plan to leverage widening of U.S. 331 to attract new business.

- Form a joint working group to develop the plan for capturing this opportunity. Recommended participants are: City Planner, Public Works representatives/H2M Hill, EDC representative, and City Legal
 - The plan should contain the action steps, costs, timing and funding sources for implementing the plan
- Understand DOT plan and schedule
- Understand property ownership and intentions
- Establish a vision of how each section ought to develop, including a prioritized list of the most desirable types of businesses and developments
- Understand utility needs for this and subsequent development (water, sewer, electricity, natural gas, communications/land line and cellular bandwidth)
- Review city Comprehensive Plan and revision process. Understand FLUM, Land Use Categories, and Land Development Code. Be clear on the process for changes
- Review Walton County Comp Plan and revision process. Understand FLUM, Land Use Categories, and Land Development Code
- Proceed in two phases: Phase 1 - Immediate work on U.S. 331 South; Phase 2 - More deliberate consideration of U.S. 331 North
- Consider hiring outside consulting assistance to update the Land Use Plan and the Future Land Use Map for the U.S. 331 corridor (West Florida Regional Planning Council and Florida League of Cities are potential consulting sources)

Q. Improve the City's curb appeal

- Participants that should be included in the implementation of this imperative include: Code Enforcement, City Planner, Realtor, City Code expert, City Legal
- Survey U.S. 331, U.S. 90 and the downtown district to identify problem sites
 - Compile list and display on maps

- Categorize sites into specific problem areas, such as unoccupied/derelict and occupied, but health – safety – or welfare hazard
- Review city ordinances to identify existing tools to remedy the problems
- Attempt voluntary remedies along with pro-active code enforcement
- Continue to write new ordinances to add remedies, if needed
- Identify state-owned right – of - way problems and contact FDOT District III leadership
- Identify potential funding sources for improvements (grants, buyers for derelict properties, state programs)
- Establish recognition program to publicize the most improved situations and cite the worst problems

H. Conduct a financial review to get a clear picture of the financial situation, develop a five to ten year funding plan, and increase the effectiveness of financial operations

- The participants that should be involved in the hiring of a vendor to conduct the financial review and the implementation of resulting recommendations are: City Manager, Financial Director, and City Legal
- Develop a detailed Scope of Work of the financial review
- Prepare RFP and send to qualified vendors to conduct the review
- Review proposals and select a vendor
- Potential vendors: Municipal Internal Auditors Association; The Municipal and Financial Services Group – MD

NEXT PRIORITY

After the above immediate need the focus should be on completing the steps to develop a business plan for the City.

As described in the Appendix C exhibit, the next steps are to develop the details of all the imperatives the City wishes to implement and to vet them in Workshop 2. The workshop would also determine the City's approach for economic development. Next, the initial draft of the business plan would be developed and reviewed in Workshop 3. Last, after City Council input, the final business plan would be prepared.

A proposed outline of the business plan is presented in Appendix D along with ISP's comments and recommendations.

WRAP UP

The City has made progress toward developing a Business plan. The City Council has finalized the City's vision and values, prioritized a set of imperatives, and selected three imperatives to be the focus for the immediate future:

- Develop a plan to leverage the widening of U.S. 331
- Improve the City's curb appeal
- Conduct financial review

These three imperatives will be the three goals that form the heart of the early part of the five year period covered by the Business Plan. The successful implementation of these goals will enable the City to capture significant opportunities.

Nevertheless, there are still major challenges to be met over the five years, some of which run concurrent with the three selected goals. Appendix C presents the approach steps for completing the Business Plan and Appendix D provides a format for the plan and ISP's suggestions for making some of the decisions needed to completing it.

A collective effort of city and community representatives have accomplished a lot in the last several months and their continued effort is needed to realize the City's vision.

ISP Members contributing to this report: Wayne Smith, Randy Powers, Jim Marasia and Michael Flynt

APPENDICES

A – December 2013 letter requesting ISP assistance

B – September 2014 letter requesting further assistance from ISP

C – Approach for developing a Business Plan

D – Proposed Format for the Business Plan

City of DeFuniak Springs

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December 13, 2013

Ms. Becky Tislow
Institute for Senior Professionals
Northwest Florida State College
100 College Boulevard
Gulf Breeze, FL 32578-1295

Ms. Tislow,

Please let this letter serve as an official request for your services from the City of DeFuniak Springs City Council. The specific request at this time is pertaining to our strategic plan for the council and staff to adopt and implement. We do have previous strategic objective documents in possession, which were created and upgraded during Mrs. Kirby's tenure.

Our desire is to have you evaluate the strengths and weaknesses existing within our operations and structure, then follow up with your recommendations.

Thank you for your consideration.

Sincerely,


Bob Campbell
Mayor

City of DeFuniak Springs

US Highway 90 West
City Office Box 685
DeFuniak Springs, FL 32435



Phone: 850-892-8500
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September 26, 2014

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Ms. Tislow,

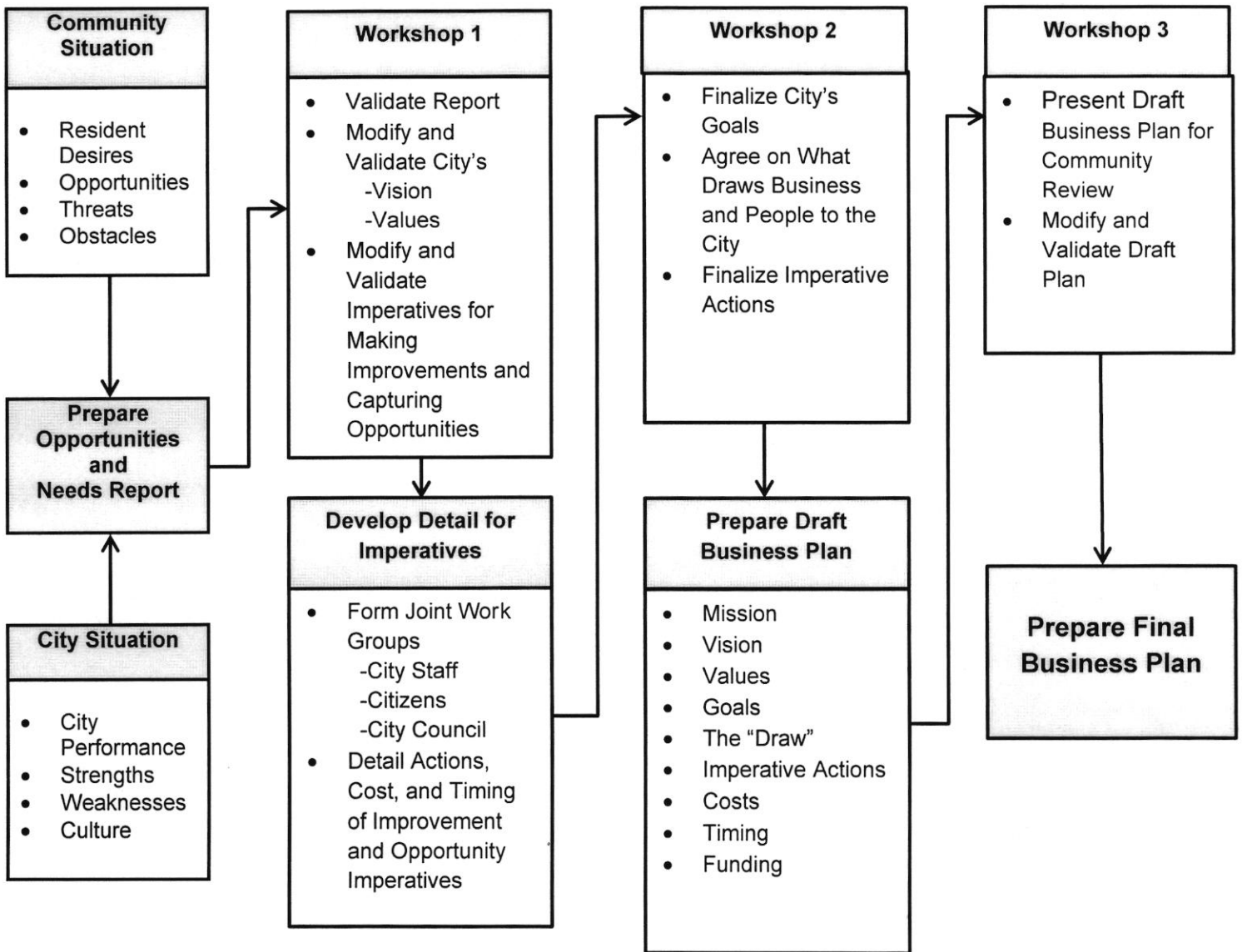
This is to thank the Institute for Senior Professionals (ISP) for approving continuation of the project for City of DeFuniak Springs. We anticipate validating and if needed, modifying the Vision & Values, and the Aspirations portions of their June 2014 Opportunities and Needs Report. Our goal is to adopt a business plan that identifies and prioritizes specific actions needed to promote economic development, enhance city government operations and to preserve our shared values.

Finally, we appreciate ISP support helping DeFuniak Springs grow more prosperous and preserve our Quality of Life. Thank you for your consideration and assistance.

Bob Campbell
Mayor

APPENDIX C

APPROACH FOR DEVELOPING A BUSINESS PLAN



04JUN2015

APPENDIX D

PROPOSED FORMAT FOR THE BUSINESS PLAN

This appendix recommends a format for DeFuniak Springs' business plan. In addition to the plan outline, ISP makes several comments regarding content for the business plan. It is recognized that ISP's comments are suggestions and that responsibility for the final plan content rests with city staff and ultimately the City Council.

The business plan is a prioritized set of goals (imperatives) for the City to accomplish over the next several years (usually five years). For each of these goals, the plan details the action steps, timing, costs, and funding sources needed for implementation. While the goals are an important part of the business plan, the plan also serves as guidepost for decision-making. Key elements such as the City's mission, vision, and values serve to shape the decisions made by city staff and the City Council. Actions taken by the City should be consistent with its mission, move it toward its vision, and reinforce its values.

An additional element is necessary to guide the City's approach to economic development: "The Draw" for the City; i.e. what makes DeFuniak Springs so unique that new businesses want to open in, tourists want to visit, and people want to relocate to the City. Once defined, "The Draw" becomes a powerful tool for evaluating economic development decisions.

The proposed business plan outline follows.

I. ACKNOWLEDGEMENTS

This section recognizes those that contributed to the development of the business plan. It can list the Mayor, the city staff and the Council members as well as citizens that contributed thoughts and ideas.

II. EXECUTIVE SUMMARY

A brief section that describes the highlights of the plan

III. THE BUSINESS PLANNING PROCESS

This section is an overview of the process used to develop the plan and could include the approach chart shown in Appendix C. It can include the results of some of the process steps, like the SWOT analysis.

IV. CITY'S MISSION



We will empower our leadership and citizenship to embrace future growth and opportunity while preserving our distinctive history.

We will accomplish this by:

- Providing health and safety through municipal services*
- Responsible planning for the future while preserving tradition*
- Involve the community with resources and knowledge to make informed decisions*

V. CITY'S VISION AND VALUES

City of DeFuniak Springs Vision Statement

- Grow to attract business and provide good jobs
- Become the “Community for a Lifetime” for active adult living
 - Good jobs that give local kids a chance for an in – town career
 - Education, entertainment and personal enrichment options to keep citizens engaged with the community
 - Attractive community opportunities for senior citizens, including a senior housing development
 - Good healthcare for all ages, young and old
- Preserve and promote the City, focusing on its rich heritage
 - Enhanced, aesthetically pleasing historic district
 - Revitalized downtown
 - City’s history touted
 - Baby Boomer generation target marketed
- Sustain small town family values and ensure that all citizens; regardless of race, religion, gender, age, or socio economic circumstances; have the opportunity for a high quality of life
- Maintain a safe environment with good policing and firefighting services
- Have a vibrant airport; preferred private jet destination
- Have an effective and efficient city government

City of DeFuniak Springs Values

- Small town quality of life
- Acceptance of the whole community, embracing diversity and being family, young person, senior citizen, and business friendly
- Partnership; working together to realize the City’s vision
- Transparent, honest government



VI. THE DRAW

As previously stated, the Draw is that unique reason that new businesses, tourists and future residents are drawn to the City.

There may be others, but ISP sees two potential Draws for DeFuniak Springs: Location and the Historic Lake District. **Location.** The City's strength as a transportation hub and its position at the I-10 and U.S. 331 crossroad make it attractive to potential businesses. This is why the Tesla charging station is in the City. With the widening of U.S. 331, which eases the approach to and from the beach, the City is more attractive to tourists and future residents as well as businesses. With a major chunk of the 3.2 million annual visitors to South Walton County passing through the I-10 and U.S. 331 intersection, the area adjacent to this crossroad is of particular interest to "location" oriented businesses and developers.

Historic Lake District. DeFuniak Springs has over 200 buildings on the historic register, many of which are located around Lake DeFuniak. The round lake with its historic significance is a jewel that other cities in the area do not possess. The movement to revitalize the Chautauqua Fellowship Hall could be a catalyst to make the lake the center of a major tourist attraction, conference center, and a desirable place to live. It would take investment, but envision places to dine overlooking the lake, bed and breakfast inns, maybe a lodge, performing arts, and loft like condos on the other side of the railway.

These two Draws are not necessarily mutually exclusive. Each Draw attracts different types of businesses and visitors. With the "location" draw you want to get traffic to pull off I-10 and U.S. 331. With the "historic lake district" draw you want visitors and residents to come browse for an afternoon, attend a conference, or have their daily walk. Whichever draw the City chooses it will affect future decisions. An example is the placement of a new city hall. If the choice is "location," maybe city hall needs to be near I-10 and U.S. 331 as other cities have done that were by passed by the interstate. The city hall could be an anchor to bring a sit – down restaurant, shopping and other businesses of interest to travelers and citizens alike. If the City wants to emphasize the "historic lake district" then the city hall location should be located near the lake; maybe even overlooking the lake.

VII. GOALS

The goals are the same as the imperatives that have already been prioritized by the City Council. Each goal should contain the following elements:

- Brief description of the goal
- Leader of goal implementation
- List of Action Steps needed to implement the goal
- Timing
- Costs and sources of needed funding
- Benefits to the City and its citizens

As ISP sees it, there are three types of goals: New, standalone goals; on – going goals; and opportunity – driven goals. A suggested format for presenting these goals follows. The placement of the imperatives in the goal categories and the posted content are ISP’s suggestions. It is recognized that the responsibility for prioritizing the goals and determining the descriptive content, ultimately, lies with the City Council.

New, Standalone Goals

These goals are new, not an out – growth of on – going programs or departmental activities and are standalone, i.e. can be accomplished without waiting for an opportunity to present itself.

Using the “Leverage Widening of U.S. 331” goal, the following charts illustrate how the information needed to manage its implementation can be displayed.

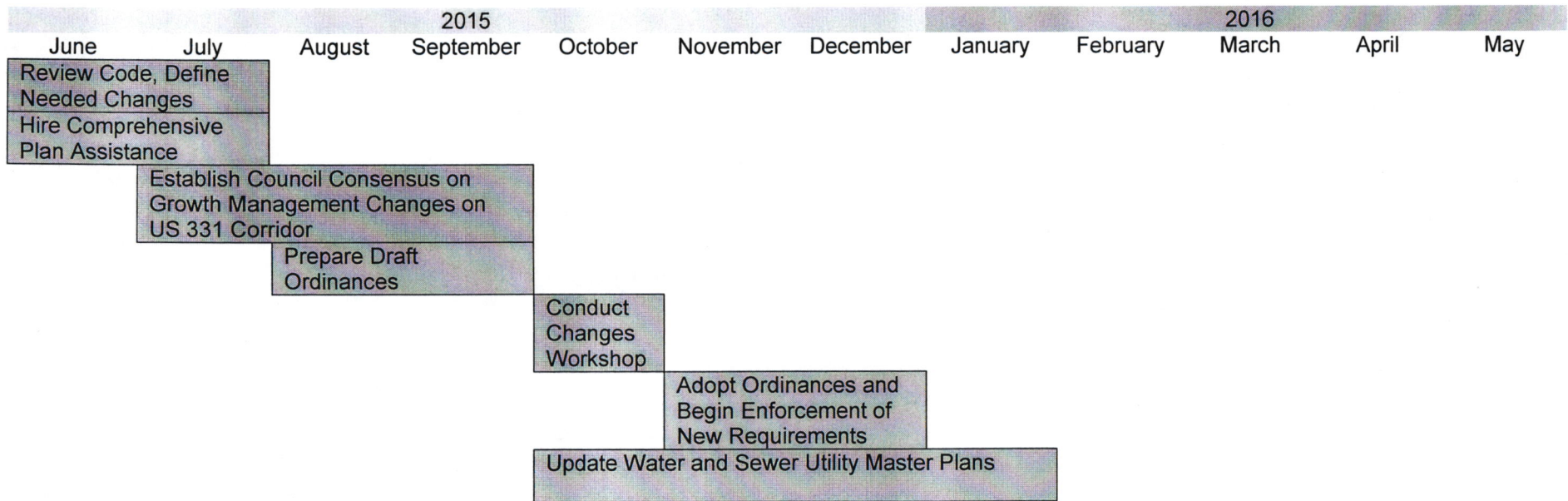
DEVELOP A PLAN TO LEVERAGE WIDENING U.S. 331 TO ATTRACT NEW BUSINESS			
Goal Leader: City Planner			
Action Steps	Timing	Cost, Funding	Comments/Benefits
Review State, County, and City road and land use plans and procedures	Complete by 01 Aug 2015	In House Staff	
Understand utility impacts for this goal. Put in perspective of total city requirements; update utility master plans	Complete by 01 Sept 2015	In House Staff	
Hire consultant to assist in developing land use map	Complete by 01 Aug 2015	\$X,000 to \$XX,000	Added expertise to take full advantage of the opportunity
Establish a vision for how the U.S. 331 corridor should be developed; most desirable businesses and development	Complete by 01 Sept 2015	In House Staff	Effort will jump start the development of the Economic Development Master Plan for the City

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LEVERAGE WIDENING OF US 331 TO ATTRACT NEW BUSINESS

This Gantt Chart format is a useful method to plan and track essential tasks in a major project such as the Imperatives selected by the City Council. The chart can be written to answer the questions "How long will it take to complete this project?" or, "By when must each essential task be accomplished to finish the task by a certain date?" The chart should be adjusted during the project to show changes in accomplishment of tasks and resources available.

The Imperative of Leveraging Widening of US 331 to Attract New Business is shown as an example:



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Suggested Work Group

- City Planner
- Public Works Director
- City Manager
- EDC Member
- H2M Hill Manager

Cost Estimate

- Comp Plan Consultant
- Utility Master Plan Updates

Gantt Chart Steps

1. Identify Essential Tasks.
2. Identify Task Relationships
3. Put Tasks on Gantt Chart
4. Chart Progress

NOTE: For additional information on Gantt Charts see: www.mindtools.com/pages/article/newPPM_03.htm

Other goals that fall within the New, Standalone category are:

- **Improve the City's curb appeal**
- **Conduct financial review to determine financial situation, develop a 5-10 year funding plan, and increase the effectiveness of financial operations**
- **Conduct management review to increase the efficiency and effectiveness of city operations**
- **Leverage the City's history to revitalize the downtown and the historic district**
- **Use EDC to develop a master plan for economic development**
- **Develop a mixed use, senior adult community**

On – Going Goals

These goals are an extension of existing projects or are a natural out – growth of departmental activities. The goals that fall in this category are:

- **Extend utility service areas where feasible**
- **Continue upgrading the airport for larger jets and space for an industrial park**
- **Add water and waste water treatment capacity for anticipated growth**
- **Repair or replace aging infrastructure**
- **Provide better communication channels to update citizens and gather their input**

Opportunity – Driven Goals

These goals are dependent on an opportunity arising before they are likely to move forward. The goals that fall in this category are:

- **Build a new police station**
 - There is an acknowledged need for a new police station which could place it in the new goal category. This goal is listed here because it is tied to the sale of the city hall land giving the City an opportunity to build a new police station as well as a new city hall
- **Build a new city hall**
- **Acquire nearby utility systems**

Two imperatives were not listed in the goal categories. "Increase Planning Resources" has already been completed and "Use Impact Fees to Finance Infrastructure

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Maintenance and Expansion” is really an action item under the “Repair or Replace Aging Infrastructure” goal.