



# Flagler County's Coastal Erosion and Management

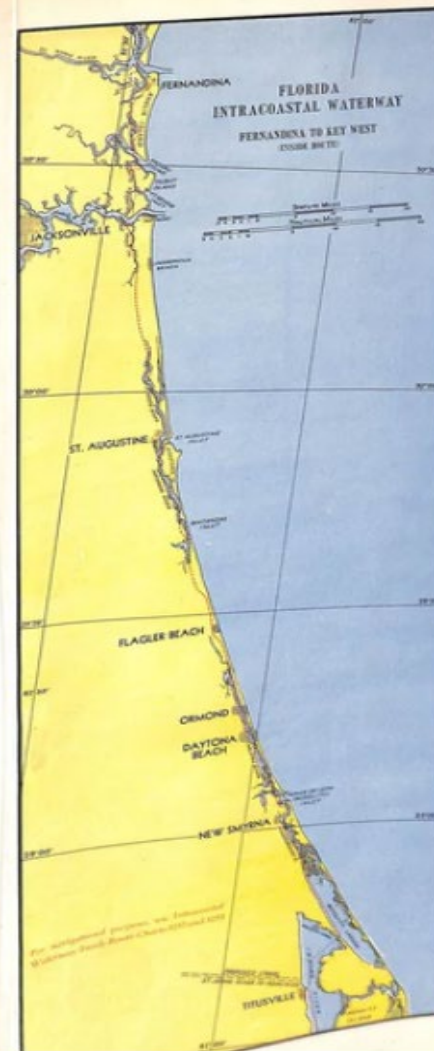
February 27, 2025  
City of Flagler Beach

# Flagler's Barrier Island



- The Barrier Island that exists in Flagler County is **unnamed** and **manmade**.
- It was originally part of the mainland.
- **Created by the Florida Inland Navigation District (FIND)** with the construction of the Intracoastal Waterway.
- Barrier islands provide critical protection by reducing coastal erosion, absorbing storm surges, and shielding inland areas from flooding, helping to preserve ecosystems and infrastructure.

Source: FIND, "The Florida Intracoastal Waterway From The St. Johns River To Miami, Florida" 1935





# Coastal County-Wide Benefits



- Tourism & Revenue Generation
- Recreation & Lifestyle
- Maintaining Coastal Property Values
- Resiliency & Disaster Preparedness
- Environmental & Sustainability Initiatives
- Community Identity & Economic Growth
- Quality of Life & Well Being

# Brief History

- County Emergency Declaration has been continuous **since October 2016**
- County Emergency Declaration has been updated and confirmed by the Board of County Commissioner **192 times**
- Flagler County can only exit emergency conditions by putting in place a local funding strategy and funding ordinance.
- Flagler County is more vulnerable now than just after Hurricane Matthew.



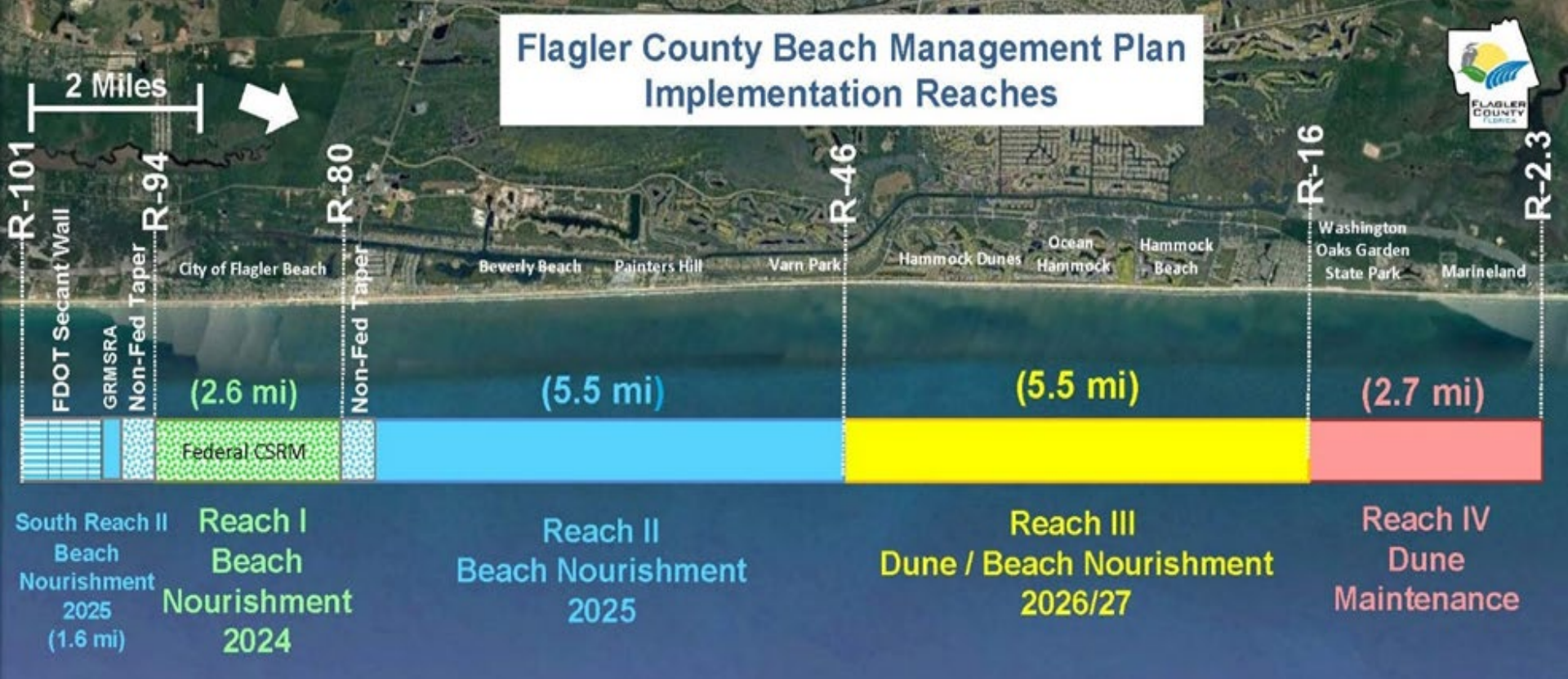


# The Cost of Inaction: Risks and Consequences

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- Increased Erosion & Land Loss
- Declining Property Values
- Higher Flood & Storm Surge Risks
- Negative Economic Impacts
- Infrastructure Damage & Higher Repair Costs
- Loss of Wildlife Habitats
- Reduced Community Resilience
- Regulatory & Insurance Challenges



## Beach Management Program Implementation





# Reach I USACE CSRM Construction Project



- **Description:** Beach and Dune nourishment of 3.5 miles in Flagler Beach from North 7<sup>th</sup> Street to Gamble Rodgers
- **Project Volume:** 1.7 Million CY of offshore sand via dredge
- **Project scope:** 19' dune with 200' wide beach area
- **Status:** 7/5/24 – 8/29/24
- **Budget:** \$29M



# Reach II Permit Modification & Design



- **Description:** Reach II beach and dune nourishment in Flagler Beach north of the pier, Beverly Beach, Painters Hill, to 1900' north of Varn Park - 5.5 miles of shoreline.
- **Project volume:** 1.8 Million CY offshore sand via dredge operation
- **Status:** Project permitting on schedule, final plans are being developed, easement packages will go to property owners in the next few weeks
- **Design/Construction Estimated Cost:** \$35 M
- **Schedule:** Start of construction phase anticipated in Summer 2025





# Reach III Permitting & Design Project



- **Description:** Reach III beach and dune nourishment in Hammock Dunes, Ocean Hammock, Hammock Beach, and Sea Colony between Varn Park and Washington Oaks Gardens State Park - 5.5 miles of shoreline.
- **Status:** Consultant is now scoping the project
- **Permitting/Design Estimated Costs:** \$1.5M
- **Construction Estimated Costs:** \$40 million
- **Schedule:** Permitting/Design Phase expected to begin late Spring 2025. Start of Construction Phase anticipated in 2027



# Hurricane Milton FEMA Cat B & Cat G



- **Description:** Cat G eligible areas include the northern 11 miles of the County excluding the HOA's south of MalaCompra County park.
- **Status:** Damage assessment and engineering report for Cat G currently under review with FEMA. Cat B analysis guidelines changed Dec. 2024, analyses underway.
- **Project Scope:** Truck-haul project to re-build the dune that was lost during Milton.
- **Budget:** \$11.7 Million for Cat G , Cat B TBD
- **Schedule:** Anticipated approval of project Summer 2025.





# Initial Construction Cost Summary

| Segment                                | Initial Cost         | Distribution of Initial Cost |                     |                     |
|--|----------------------|------------------------------|---------------------|---------------------|
|  |                      | USACE/FEMA                   | State               | Local               |
| Reach 1 (Federal)                      | \$22,700,000         | \$16,000,000                 | \$6,700,000         |                     |
| Reach 1 (Non-Federal)                  | \$4,300,000          |                              | \$4,300,000         |                     |
| Remaining Work within Reach 2, 3 and 4 | \$93,125,000         | \$9,743,750                  | \$40,940,625        | \$42,440,625        |
| <b>Total</b>                           | <b>\$120,125,000</b> | <b>\$25,743,750</b>          | <b>\$51,940,625</b> | <b>\$42,440,625</b> |

Estimates based on Beach Management Implementation Plan by Olsen Associates



Planning values only. All values subject to change following detailed engineering and permitting.

# Local Funding Strategy



## Initial Construction Cost = Approximately \$120,125,000

- Local Cost = Approximately \$42.4M
- Flagler County Grant Application & Program Funding Request FY2024 = \$15M +/-
- Local Funding FY25 = \$5M

- **Shortfall = \$22.4M**
- Based on Permit Modification Timeline this will be needed in 2-3 years for Construction of Reach #2,3 and 4



# Periodic Maintenance & Nourishment Cost Summary

| All Segments     | Future Event Cost | Distribution of Nourishment Cost |              |              |
|------------------|-------------------|----------------------------------|--------------|--------------|
|                  |                   | USACE/FEMA                       | State        | Local        |
| Entire Coastline | \$97,107,600      | \$13,056,450                     | \$11,921,490 | \$72,129,660 |

Estimates based on Beach Management Implementation Plan by Olsen Associates

| All Segments     | Equivalent Annual Cost (EAC) (\$/year) |                                  |             |              |
|------------------|--|----------------------------------|-------------|--------------|
|                  | Nourishment Cost                       | Distribution of Nourishment Cost |             |              |
|                  |  | USACE/FEMA                       | State       | Local        |
| Entire Coastline | \$16,184,600                           | \$2,176,075                      | \$1,986,915 | \$12,021,610 |

Estimates based on Beach Management Implementation Plan by Olsen Associates



# Public Purpose - Ensuring Public Benefit

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## Emergency Declarations

- The Use of Federal and State Resources for Emergency Measures and Recovery Efforts

## Customary Use (Adopted in 2018)

- The purpose of the customary use doctrine is to protect the public's right to access beaches for recreational use.

## Perpetual Easements

- To ensure that the public can continue to use the beach after it's been restored with public funds



# Potential Funding Opportunities



## Construction/Regular Periodic Maintenance & Nourishment

- Tourist Development Tax
- Special Assessment/Tax (Municipal Service Benefit Unit / Taxing Unit)
- Other Sources of General Revenue (Local Option Sales Tax, Dedicated Millage)
- Bond

## Supplemental Disaster Recovery

- FEMA Post-Disaster Public Assistance Funding
- Public Law 84-99, Emergency Response to Natural Disasters

# Tourist Development Tax

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Can be used for beach management, including beach maintenance, improvement, and restoration:

- **Beach park facilities:** Can be used to finance beach park facilities.
- **Beach renourishment:** Can be used for beach renourishment and erosion control.
- **Shoreline protection:** Can be used for shoreline protection, enhancement, cleanup, or restoration.

Flagler County levies 5%

- 1% Dedicated to Beach Management Activities
- Approximately \$900,000 per year

# Local Option ½ Cent Sales Tax

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## Flagler County Ordinance **2012-08**

- Effective October 1, 2012, for a 20-Year Term (**expires 2032**)
- Used to maintain appropriate public facilities and maintain acceptable levels of service
- Among other things, can be used on public safety and infrastructure projects including **Beach Restoration**
- Approximately **\$10.4M** generated annually (Flagler County's portion is approx. **\$4.8M**)



# Ad Valorem Property Tax

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- Property taxes that are based on the taxable value of real estate property.
- These taxes fund local services that benefit the community at large.
- Discretionary - property taxes can be used for beach management.
- Beach restoration can increase the value of properties, which can generate more ad valorem revenue for local governments.

# Exploring Funding Strategies: A Path Forward



Initial Construction (Local Share) = Approximately \$42.4M

| Construction R2, R3, and R4   |                      |                      |                     |                      |
|-------------------------------|----------------------|----------------------|---------------------|----------------------|
| Revenues Options              | FY26                 | FY27                 | FY28                | 3 YR Total           |
| 1/2 Cent Sales Tax            | \$ 1,688,301         | \$ 1,364,923         | \$ 1,017,293        | \$ 4,070,517         |
| Fund 1109                     | \$ 946,000           | \$ 1,016,950         | \$ 1,093,221        | \$ 3,056,171         |
| Fund 1111                     | \$ 946,000           | \$ 1,016,950         | \$ 1,093,221        | \$ 3,056,171         |
| .14 Mill                      | \$ 3,365,699         | \$ 3,618,127         | \$ 3,889,486        | \$ 10,873,312        |
| Potential Grant Opportunities | \$ 4,300,000         | \$ 10,584,454        | \$ -                | \$ 14,884,454        |
| FDOT Seawall                  | \$ 500,000           | \$ 500,000           | \$ 500,000          | \$ 1,500,000         |
| FY25 Allocation (Carryover)   | \$ 5,000,000         |                      |                     | \$ 5,000,000         |
| <b>Total</b>                  | <b>\$ 16,746,000</b> | <b>\$ 18,101,404</b> | <b>\$ 7,593,222</b> | <b>\$ 42,440,625</b> |

| Construction Expenses R2, R3, and R4 |                    |                    |                      |               |
|--------------------------------------|--------------------|--------------------|----------------------|---------------|
| Required Beach Funding               | \$ 14,146,875      | \$ 14,146,875      | \$ 14,146,875        | \$ 42,440,625 |
| <b>Balance/Gap</b>                   | <b>\$2,599,125</b> | <b>\$3,954,529</b> | <b>(\$6,553,653)</b> | <b>\$0</b>    |

# Exploring Funding Strategies: A Path Forward



Ongoing Maintenance & Nourishment (Every 6 Years) = Approx. \$72.1M

Equivalent Annual Cost (EAC) = Approx. \$12M

| Renourishment R1, R2, R3, R4 |                     |                      |                      |                      |                      |                      |                      |
|------------------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Revenue Options              | FY 2026             | FY 2027              | FY 2028              | FY 2029              | FY 2030              | FY 2031              | 6 - Year Total       |
| 1/2 Cent Sales Tax (NEW)     | \$ 7,836,639        | \$ 8,385,203         | \$ 8,972,167         | \$ 9,600,219         | \$ 10,272,235        | \$ 10,991,291        | \$ 56,057,754        |
| Fund 1111 (TDC)              | \$ -                | \$ -                 | \$ -                 | \$ 1,175,213         | \$ 1,263,354         | \$ 1,358,105         | \$ 3,796,672         |
| 0.6 Mill                     | \$ -                | \$ -                 | \$ -                 | \$ 1,216,725         | \$ 1,310,802         | \$ 1,391,708         | \$ 3,919,234         |
| MSBU \$160                   | \$ -                | \$ 1,671,200         | \$ 1,671,200         | \$ 1,671,200         | \$ 1,671,200         | \$ 1,671,200         | \$ 8,356,000         |
| Grant Opportunities          | TBD                 | TBD                  | TBD                  | TBD                  | TBD                  | TBD                  | TBD                  |
| FDEP State Parks             | TBD                 | TBD                  | TBD                  | TBD                  | TBD                  | TBD                  | TBD                  |
| FDOT Seawall                 | TBD                 | TBD                  | TBD                  | \$ 500,000           | \$ 500,000           | \$ 500,000           | \$ 1,500,000         |
| Cat G 12.5% Local Match      |                     |                      |                      |                      |                      |                      |                      |
| <b>Total</b>                 | <b>\$ 7,836,639</b> | <b>\$ 10,056,403</b> | <b>\$ 10,643,367</b> | <b>\$ 13,663,357</b> | <b>\$ 14,517,590</b> | <b>\$ 15,412,304</b> | <b>\$ 72,129,660</b> |

| Renourishment Expenses R1-R4        |                      |                      |                      |                    |                    |                    |               |
|-------------------------------------|----------------------|----------------------|----------------------|--------------------|--------------------|--------------------|---------------|
| Required Beach Funding              | \$ 12,021,610        | \$ 12,021,610        | \$ 12,021,610        | \$ 12,021,610      | \$ 12,021,610      | \$ 12,021,610      | \$ 72,129,660 |
| Cat G 12.5% Local Match Requirement | \$ -                 | \$ -                 | \$ -                 | \$ -               | \$ -               | \$ -               | \$ -          |
| <b>Balance/Gap</b>                  | <b>(\$4,184,971)</b> | <b>(\$1,965,207)</b> | <b>(\$1,378,243)</b> | <b>\$1,641,747</b> | <b>\$2,495,980</b> | <b>\$3,390,694</b> | <b>\$0</b>    |



# Equitable Sales Tax Distribution: Aligning Revenue with Project Impact



## 'NEW' ½ Cent Sales Tax Distribution

- Flagler County, Flagler Beach, Beverly Beach, Marineland = 100% BMP
- Palm Coast, Bunnell = 50% BMP
  - Palm Coast , Bunnell = Receive 50% of Allocation

| 1/2 Cent Sales Tax - New             | FY 2026              | FY 2027              | FY 2028              | FY 2029              | FY 2030              | FY 2031              |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Flagler County BOCC                  | \$ 4,723,053         | \$ 5,053,666         | \$ 5,407,423         | \$ 5,785,943         | \$ 6,190,959         | \$ 6,624,326         |
| <b>Estimates for Municipalities:</b> |                      |                      |                      |                      |                      | \$ -                 |
| Beverly Beach                        | \$ 26,298            | \$ 28,139            | \$ 30,109            | \$ 32,217            | \$ 34,472            | \$ 36,885            |
| Bunnell                              | \$ 213,948           | \$ 228,924           | \$ 244,949           | \$ 262,095           | \$ 280,442           | \$ 300,073           |
| Flagler Beach                        | \$ 277,117           | \$ 296,515           | \$ 317,271           | \$ 339,480           | \$ 363,244           | \$ 388,671           |
| Marineland                           | \$ 638               | \$ 682               | \$ 730               | \$ 781               | \$ 836               | \$ 894               |
| Palm Coast                           | \$ 5,405,117         | \$ 5,783,476         | \$ 6,188,319         | \$ 6,621,501         | \$ 7,085,006         | \$ 7,580,957         |
| <b>Total</b>                         | <b>\$ 10,646,171</b> | <b>\$ 11,391,403</b> | <b>\$ 12,188,801</b> | <b>\$ 13,042,017</b> | <b>\$ 13,954,958</b> | <b>\$ 14,931,806</b> |

# Next Steps/Timeline



- Continue Community Outreach (Now until March 3, 2025)
- Consideration and Discussion at Joint County/Cities Workshop (March 12, 2025)
- Finalize Municipalities Level of Commitment (April – May 2025)

## Depending on Level of Commitment

- Move Forward within Unincorporated Areas – Only
- Move Forward with Countywide Beach Management Plan
  - Creation and Adoption of ILA's for Transfer of Beach Responsibility
  - Creation and Adoption of ILA's for Equitable Distribution of 'New' Funding
  - Creation and Adoption of ILA's for MSBU and Ordinance (for FY2027)

# Next Steps/Timeline



- Continue Discussions with FDOT and FDOT (For Ongoing Annual Funding)
- Include BMP Funding in FY2025/2026 Budget Process (Finalization August/September 2025)
- County Commission Meeting - December 2025 (Public Hearing for MSBU Consideration)
- Notification to the State Department of Revenue (As required by Law)
- Notice to Taxpayers – Maximum Assessment to be Levied
- Creation and Adoption of ILAs with Tax Collector and Property Appraiser (March 2026)
- Include BMP/MSBU Funding in FY2026/2027 Budget Process (August/September 2026)
- Begin Collection of MSBU Revenues (November 2026)



# Questions & Answers



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