

**St. Joe Amended Ecosystem Management  
Agreement For Bay and Walton  
Counties**

**This agreement is made and entered into by The St. Joe Company (St. Joe) and the  
Florida Department of Environmental Protection (DEP).**

**I. Threshold and Procedural Matters**

1. This Ecosystem Management Agreement (the "Agreement") is entered into pursuant to the authority provided by Sections 403.0752, Florida Statutes (F.S.). It is intended to be a binding agreement under Subsections 403.0752(7) and 403.0752(8). Governmental approvals addressed herein will be subject to public notice, hearing and decision-making procedures (including points of entry for third parties) as set forth in the applicable provisions of state law and this Agreement.
  
2. The ecosystem management process established herein coordinates the regulatory responsibilities of the DEP and the U.S. Army Corps of Engineers (USACE) with the interests of the business community, private landowners and the public, as partners in a streamlined and effective program to protect the environment and to provide net ecosystem benefits (403.0752(1), F.S.).

3. This Agreement is intended to coordinate and facilitate flexible permitting for community and economic development and to achieve Net Ecosystem Benefit (NEB) and related public objectives for the region. The Parties acknowledge that the permitting process described in this EMA will provide reasonable assurance the objectives and requirements of subsections 403.0752(1), (2), (3), (4), F.S. are met.
  
4. Subsection 403.0752(2), F.S. provides that an ecosystem management agreement may be entered into by DEP and regulated entities when DEP determines that:
  - a. Implementation of such an agreement meets all the applicable standards and criteria, so that there is a net ecosystem benefit to the subject ecosystem more favorable than operation under applicable rules;
  - b. entry into such an agreement will not interfere with the Department's obligations under any federally delegated or approved program;
  - c. implementation of the agreement will result in a reduction in overall risks to human health and the environment compared to activities conducted in the absence of the agreement; and
  - d. the regulated entity has certified to the Department that it has in place internal environmental management systems or alternative internal controls sufficient to implement this Agreement.

The Department has determined that these requirements of subsection 403.0752(2) are satisfied by the approach outlined in this Agreement. This agreement does not authorize dredging and filling in waters of the United States under Section 404 of the Clean Water Act (CWA). St. Joe currently obtains CWA authorization from USACE in the form of regional general permits (RGPs). If and when the state of Florida assumes authority over the 404 permitting program, DEP will administer the USACE RGPs in state assumed waters pursuant to 40 CFR § 233.21(a) until the RGPs expire. Prior to expiration of the USACE RGP, and to ensure consistency with this EMA, DEP will initiate rulemaking to create State 404 general permits under Ch 62-331, F.A.C., that will operate similar to the RGPs.

## **II. Agreement Overview**

This Agreement addresses regulatory approvals for development within a 31,369 acre tract of land in Bay and Walton Counties owned by St. Joe, identified as the Agreement Area on Exhibit 1. Specifically, this Agreement sets forth the procedures and criteria to be followed by DEP and St. Joe for pre-application meetings, and procedures for application submittal, review and approval for individual projects within the Agreement Area, as well as coordination with federal agencies and notice to the public. Execution of the Agreement by DEP shall constitute final agency action for dredge and fill, storm water, and mitigation banking permits pursuant to Chapters 403 and 373, F.S. and Rules 62-330, ERP Applicant's Handbook Volume II - NFWFMD, and 62-342, Florida Administrative Code (F.A.C.). This Agreement is intended to be the sole mechanism used by St. Joe for authorization to conduct the specific activities included in the Agreement within the Agreement Area.

This Agreement constitutes a finding that reasonable assurance has been provided that the activities described herein meet or exceed the substantive criteria of Rules 62-330, ERP Applicant's Handbook Volume II - NFWMD and 62-342, F.A.C. This agreement also constitutes certification of compliance with state water quality standards under Section 401 of the Clean Water Act, 33 U.S.C. Prior to construction, individual projects must demonstrate compliance with the conditions of this Agreement under an individual project approval process outlined in subsequent sections of this Agreement.

This Agreement does not constitute approval by the Board of Trustees of the Internal Improvement Trust Fund to conduct activities on sovereign submerged lands. Such approval, if needed, must be obtained separately by St. Joe prior to conducting any activities on sovereign submerged lands.

### **III. Description of Agreement Area & Ecosystem Characteristics**

Located within the St. Andrew Bay Watershed and Gulf Coastal Lowland physiographic region of Northwest Florida, the Bay and Walton County Agreement Area encompasses 31,369 acres of St. Joe Company property. General cardinal boundaries are as follows: Northern boundary = the Intracoastal Waterway (ICW), Eastern boundary = St. Andrew Bay-West Bay, Southern boundary = U.S. Highway 98, Western boundary = Peach Creek. These boundaries include portions of Walton & Bay Counties, the City of Panama City Beach, and West Bay Township.

The Agreement Area has been divided into three basins: Breakfast Point, Devil's Swamp and Lake Powell. These three basins have been further subdivided into a total of 17 sub-basins. Basins and sub-basins are shown on Exhibit 1a.

#### **IV. EMA Process**

The St. Joe Company has extensive landholdings in northwest Florida, some of which it intends to develop, requiring dredge and fill and stormwater permits. The USACE and DEP initiated discussions with St. Joe and several federal and state commenting agencies to improve communication and coordination on many pending permit applications. Since September 2000, meetings have been held on a regular, usually quarterly, basis. Early on it was recognized that a more comprehensive approach to the evaluation and regulation of development would benefit all involved. The ensuing discussions were guided by an interagency team of senior staff representatives from the USACE, DEP, Environmental Protection Agency (EPA), U.S. Fish and Wildlife Service (USFWS), National Marine Fisheries Service (NMFS), Northwest Florida Water Management District (NFWMD) and The St. Joe Company. The interagency team continues to meet on a regular basis and will provide ongoing guidance and monitoring of the Agreement. The team meetings provide the forum for identification of issues and set work scopes for a smaller "technical team". to research, conduct field studies and report back to the full interagency team. The smaller technical team consists of field biologists and scientists from USACE, DEP, USFWS, NMFS, EPA, St. Joe and its consultant team. Workshops and specific field exercises were conducted on topics including wetland functional assessment, flat woods salamander habitat identification, selection of suitable regional offsite mitigation areas, identification and mapping of conservation units, and field verification of GIS data used in the analysis.

## **V. Conservation Units**

Central to this Agreement is the concept of "Conservation Units", areas of high quality habitat and landscape function, which have been identified and are to be excluded from development. The 10 Conservation Units within the Agreement Area are identified on Exhibit 2. Future development will be planned and designed to accommodate and complement the Conservation Units, in order to maximize their habitat values and functions. As community and economic development occurs within the Agreement Area, the Conservation Units and open space within individual project sites will be designed with connective qualities, primarily to link Conservation Units. Over time, this will increase the value of the conservation landscape within the Agreement Area.

These Conservation Units link wildlife corridors and protected upland/wetland habitats from St. Andrew Bay to the Point Washington State Forest and Devil's Swamp mitigation bank (discussed in Section VIII), which in turn continues the connection to Northwest Florida Water Management District lands and eventually the Choctawhatchee floodplain and Bay systems. The result is a two-pronged "Bay to Bay" wildlife corridor which will help to preserve the ecological integrity of two of Northwest Florida's most rapidly developing watersheds. The Conservation Units also provide wetland, water resource and wildlife protection within the watershed of Lake Powell, an Outstanding Florida Water.

Five ecological criteria were adopted by the EMA Interagency Team to analyze and select appropriate areas for inclusion in Conservation Units: Regional Significance, Biodiversity, Water Quality, Essential Fish Habitat and Nursery/Living Marine

Resources (Appendix C). Many of these Conservation Units are presently in planted pine plantations, but are restorable to more natural conditions. Their specific locations were chosen based on their present and potential contributions to the ecosystems in and surrounding the Agreement Area. Conservation Units may only be used for conservation purposes and limited passive recreational purposes. The uses and activities authorized in the conservation units are limited to the following:

1. Wetland and upland habitat enhancement and restoration.
2. Forest management, which shall be conducted through sustainable forestry, uneven age management regimes and best management practices, in accordance with, and as defined in the Principles for Forest and Wildlife Management of Conservation Units within the Bay-Walton Sector Plan Ecosystem Management Agreement and RGP SAJ-114 (“Forest and Wildlife Management Plan”, see Exhibit 17). No timbering of cypress or wetland hardwoods or clear cutting is permitted except as allowed in the Forest and Wildlife Management Plan.
3. Hunting, fishing and birding.
4. Passive recreational facilities including hiking and biking trails, boardwalks, gathering shelters, restrooms, camping platforms, horseback trails and hitching areas and other facilities of a similar nature. These facilities shall result in no more than minimal impacts. Trails and boardwalks may cross wetlands, but must be minimized to the maximum extent practicable. All other facilities must be located in uplands.
5. Wetland mitigation as required by any future permit.

6. Green Burial Council Certified Conservation Burial Grounds. This level of certification employs burial/scattering programs that aid in the restoration, acquisition and/or stewardship of natural areas.
7. Reinstitution of fire regime, including necessary firebreaks, which mimics natural conditions.
8. Linear utilities and infrastructure facilities, which shall be defined as (i) electric transmission, collection and/or distribution lines, (ii) water transmission, collection and/or distribution lines, (iii) sewer transmission, collection and/or distribution lines, (iv) natural gas transmission, collection and/or distribution lines, (v) data and/or telecommunications transmission, collection and/or distribution lines (phone, cable, fiber optics, internet), and (vi) stormwater conveyances, but not stormwater ponds. In addition, ancillary facilities that are part of and support the linear utilities and infrastructure facilities described above shall be allowed. All linear utilities and infrastructure facilities shall, when practical, be co-located with road crossings and be installed by direct bore methods. The linear infrastructure shall be subject to the criteria and wetland impact limitations as set forth in sub-paragraph 3 of Article VII below.
9. Activities needed to maintain, in current condition, existing access, roads and ditches within and through the Conservation Units. These allowable maintenance activities do not include activities to relocate such access, roads and ditches.
10. Nature centers, including single access roads. A Leadership in Energy and Environmental Design (“LEED”) certification of silver or higher must be obtained for any enclosed structures. Nature centers may only be located in



uplands. Access roads to serve nature centers must comply with paragraph 3 of Article VII below and paragraph 12 below.

11. Within buffers that are required to be preserved by the Individual Project Approval and that are part of the property, construction of boardwalks for dock access and on-grade trails will be permitted. Also, application of herbicides and pesticides is authorized to the extent herbicides and pesticides are used to control exotic plant vegetation within the buffers.
12. Construction of five new or improved road crossings shown on Exhibit 3.
13. Crossing Number 4, through the Wildlife Corridor Conservation Unit, shall be bridged. These road crossings shall be subject to individual project approval as required in Section IX, and shall be subject to the wetland impact limitations of Section VII.

#### **VI. Permitted Activities**

This Agreement authorizes dredging and filling in waters of the State, establishment of two mitigation banks, and construction and maintenance of stormwater facilities, associated with residential, commercial, recreational and institutional projects, including supporting infrastructure, by St. Joe within the identified 31,369-acre Agreement Area, excluding the Conservation Units described in Section V. Subject to the conditions of this Agreement, dredging and filling for the referenced activities is authorized in wetlands and ditches. Dredging and filling in, on or over other surface waters is limited to road, bridge, or boardwalk crossings.

Specifically, this permit includes activities such as the construction of building foundations, building pads and attendant features that are necessary for the use and

maintenance of the structures. Attendant features may include, but are not limited to, roads, parking lots, garages, yards, utility lines, and storm water management facilities. Residential developments include multiple and single unit developments. Examples of commercial developments include retail stores, light industrial facilities, restaurants, business parks, and shopping centers. Examples of recreational facilities include playgrounds, playing fields, golf courses, hiking trails, bike paths, horse paths, stables, nature centers, and campgrounds. No marinas or docking structures are authorized under this Agreement. Examples of institutional developments include schools, fire stations, government office buildings, judicial buildings, public works buildings, libraries, hospitals, and places of worship.

## **VII. Wetland Impacts and Stormwater**

The Agreement Area, as depicted in Exhibit 1, is divided into three basins: Breakfast Point, Lake Powell and Devil's Swamp. Wetland jurisdiction was assessed using the USACE wetland delineation methodology. The USACE wetland boundaries will be used as the Department wetland jurisdictional line, providing the state with a "safe" upland line to represent the landward edge of waters of the State. For projects under the Agreement, the state will be allowed to exercise regulatory jurisdiction over a significantly larger area than presently allowable under state law.

Wetlands in each basin have been identified, mapped and classified as either high quality or altered, Exhibit 5. Altered wetlands are jurisdictional areas, which are in silviculture. Altered wetlands also include ditches. High quality wetlands are all other jurisdictional areas. Altered wetlands are typically hydric pine plantations.

High quality wetlands are typically cypress domes/strands, bay/gallberry swamps,

harvested cypress swamp areas, titi monocultures, and hypericum bogs.

In order to be approved, wetland impacts must meet all of the following criteria:

1. Impacts to altered wetlands shall not exceed 20% of the total altered wetlands in any one sub-basin. The areas within a particular sub-basin to be used to make the 20 percent calculation do not include areas within either mitigation banks or conservation units located with the sub-basin. Sub-basins are depicted in Exhibit 1a.
2. Projects may impact more than 20% of the altered wetlands within an individual project site if cumulative altered wetland impacts for all approved projects within the sub-basin do not exceed 20% at any time. Examples of where this may occur include:
  - a. An individual project impacts only 15% of the altered wetlands in the project site and the remaining on-site wetlands are preserved through a conservation easement to DEP in the form of the applicable easement document in Exhibit 6. St. Joe may request that a subsequent project within that sub-basin impact more than 20% of the altered wetlands in the project site, as long as the total impact to altered wetlands for all approved projects within the sub-basin does not exceed 20%.
  - b. An individual project impacts 30% of the altered wetlands on the project site. Simultaneously with approval of the project, a sufficient amount of altered wetlands are preserved through a conservation easement to DEP, in the form of the applicable easement document in

Exhibit 6, elsewhere within the same sub-basin so as not to exceed the maximum 20% impact to altered wetlands for all approved projects within the sub-basin.

3. Impacts to high quality wetlands shall be limited to road and bridge crossings, boardwalks and paths, linear infrastructure (which includes stormwater conveyances but not stormwater ponds), utility corridors, and any other linear access facilities necessary to support the associated development and shall typically not exceed a width of 100 feet of combined filling or clearing at each crossing, but may in certain cases, consistent with the criteria in this section, be allowed up to a total width of 160 feet. Florida Department of Transportation roads may be allowed up to a width of 200 feet consistent with criteria in this section. The aggregate total filling or clearing of high quality wetlands for crossings and other linear infrastructure within the Agreement Area shall not exceed 100 acres. The first preference for new high quality wetland road crossings will be at existing silviculture road crossings. Crossings at locations other than existing silviculture roads can be authorized on a case-by-case basis. All crossings, whether at existing silviculture roads or locations other than existing silviculture roads, will be designed and constructed to minimize high quality wetland impacts. In addition, for each crossing proposed at a point where no previous crossing existed, an existing silviculture road crossing within the same sub-watershed must be removed and the wetland hydrologic connection including any associated natural stream or tributary within the area of removal, shall be restored. Restoration in this section is defined as re-establishment of natural soil surface grades and appropriate vegetation is naturally re-emerging no later than the 365th day following the date of the

initiation of construction of the new crossing.

4. All road or bridge crossings in wetlands shall be designed so that the hydrologic conveyance is not reduced or impaired. Bridging is encouraged wherever practical. The following factors shall be considered when determining if bridging of the wetlands is practical: 1) the degree of water flow within the wetland, 2) the length of the wetland crossing, 3) the topography of the wetland and associated upland, and 4) the degree to which a roadway would adversely affect the movement of wildlife expected to use the wetland.
5. Surface Water management systems for all projects authorized by this Agreement shall be designed, constructed, operated and maintained in compliance with Chapter 62-330 Florida Administrative Code (F.A.C.) and ERP Applicant's Handbook Volume II - NFWMD and shall include an additional level of treatment that is 50% above the treatment that is required for a non-OFW. Although the Surface Water Management systems will be designed to meet OFW standards, water quality standards appropriate to the receiving waters shall be applied for determining compliance with water quality standards.

### **VIII. Mitigation**

Within the Agreement Area, individual project wetland impact mitigation may be satisfied within: (1) the two specified mitigations banks, (2) designated Conservation Units, or (3) within the project area. Mitigation at a mitigation bank shall not be an available option for a project within the Lake Powell basin. Projects within this basin must provide mitigation within the basin. Mitigation for impacts within the Lake Powell

basin can be within the project site, or within a designated Conservation Unit in the basin.

The first priority for mitigation of permitted wetland impacts in the Agreement Area, except for impacts within the Lake Powell basin as described above, is restoration/enhancement-based activities at one of two designated mitigation banks.

1. Breakfast Point mitigation bank, 4,637 acres in size, is only available for projects within the Breakfast Point Basin.
2. Devil's Swamp mitigation bank, 3,049 acres, is only available for projects within the Devil's Swamp Basin.

The two mitigation banks and their respective basins, as well as the Lake Powell basin, are depicted in Exhibit 4. Together with the 10 Conservation Units discussed above, these wildlife corridors and significant habitats traverse the Agreement Area, actively linking public resources from Choctawhatchee Bay to St. Andrew Bay, filling gaps roughly 15 miles long.

The mitigation potential for each mitigation bank has been evaluated using WRAP analysis and field observations, and mitigation credits have been assigned pursuant to Rule 62-342.

Mitigation for impacts to estuarine wetlands and other surface waters may be higher than indicated above based on an individual project evaluation. Factors to be considered in determining if additional mitigation is needed shall include: 1) the extent of direct impacts from fill, including pilings and support structures, 2) the amount of shading or

other secondary impacts expected to result from the activity, and 3) impacts from construction methodologies, such as barge access or the use of heavy equipment. Mitigation for impacts to estuarine wetlands shall be conducted either on site or within a conservation unit that contains estuarine species.

## **IX. Individual Project Approval**

### **Pre-Application Process**

The evaluation process to determine if an individual project conforms to the requirements and criteria of this Agreement shall begin with a pre-application meeting to which the appropriate representatives from DEP, USACE, USFWS, NMFS, EPA and NFWFMD are invited. The primary purpose of the pre-application process is to identify and produce preliminary data necessary for evaluation during the application phase and to conduct an informal analysis of the project and evaluate how it complies with the Agreement criteria. The pre-application meeting shall also provide an opportunity to discuss the proposed project design and the opportunity for habitat corridors between on-site wetlands, the Conservation Units, and other wetlands in the Agreement Area.

Additionally, the Department and St. Joe will discuss the need for a separate approval to use sovereign submerged lands to implement the proposed project. If sovereign submerged lands approval is needed, every effort will be made to process such approval concurrently with the individual project review required by this Agreement.

At the pre-application meeting, the following information will be provided:

1. Scope of the Project- Type of project and how it comports with activities authorized by the Agreement.
2. Location/ Project Boundaries - Exhibits showing general project location within the Project Area boundaries and specific location (1"=200' or other appropriate scale).
3. The identification and delineation of wetlands and other surface waters within the individual project area. Wetlands may be delineated using aerial photo-interpretation (API) and ground-truthing, and if necessary, mapped using GPS and other GIS mapping techniques. The identification and delineation of wetlands must be in accordance with the USACE's Wetlands Delineation Manual (1987). In much of the project area, historical aerial photography will be used to obtain pre-pine plantation wetland community signatures. If the construction line falls within 250 feet of a wetland boundary estimated using the method described in this paragraph, then a ground-truthed wetland jurisdictional determination will be required for that segment of the proposed project.
4. Maps of high quality and Altered wetlands onsite - The existing high quality/altered wetland map shall be used as a starting point for classification of onsite wetlands (Exhibit 5). During or after the estimation of jurisdictional wetland boundaries using the API method described in 3. above, the resulting wetland area will be classified and mapped by quality. The procedure will use a combination of GPS technology, visual inspection of photography, and ground-truthing. Additional data that may be used include overlays involving timber stand data.



5. Proposed Wetland Impacts - The number, type, location, and acreage of all wetland impacts, as well as drawings and other exhibits that accurately and sufficiently depict the proposed project.
6. Stormwater attenuation and treatment options under consideration. At a minimum, this shall include illustrating that treatment volume requirements are met, include the basic overall design and include calculations showing that drawdown requirements are met.
7. Documentation of submittal of project to the State Historic Preservation Officer (SHPO) and the Florida Fish and Wildlife Conservation Commission. When required by the SHPO, the applicant shall conduct a Phase I archeological and historical survey on each individual project site. This information shall be provided to the SHPO and the USACE, so that measures can be identified to avoid, minimize or mitigate adverse impacts to historic properties listed, or eligible for listing in the National Register of Historic Places, or otherwise of archeological or historical value.

**Formal Individual Project Review**

Following the pre-application meeting, St. Joe shall formally submit the individual project for approval per Rule 62-330.060, F.A.C.. A processing fee shall accompany each application in an amount consistent with the fee schedule in Rule 62-330.071, F.A.C.. The application shall be completed pursuant to the instructions. The desired permit duration of the individual project approvals shall be 10 years.

In addition to the application form, the submittal shall include:

1. The necessary technical information, drawings and calculations describing the stormwater management system proposed for the individual project, and,

2. Documentation of coordination with the State Historic Preservation Officer regarding any needed archaeological and historical surveys for the project area, and any measures needed to avoid, minimize or mitigate adverse impacts to sites of historical or archaeological value.
3. Documentation of coordination with the Florida Fish and Wildlife Conservation Commission.

Upon receipt of the complete application for individual project approval, DEP will have 60 days to review the information for compliance with the terms of this Agreement. The review shall also consider St. Joe's history of compliance with previously issued permits, and individual project approvals granted under this Agreement, as a factor in determining if reasonable assurance has been provided that the terms of the Agreement or individual project approval will be met. A history of non-compliance with previously issued permits and approvals may serve as the basis for project denial, modification, or the addition of specific conditions, based on the nature, severity, and extent of the non-compliance.

If the application is found to provide reasonable assurance that the project complies with the terms of this Agreement, DEP shall approve the individual project. DEP shall issue a letter of approval or denial of the individual project that shall include a point of entry for challenging the agency action. The letter will also include a public notice of the agency action that St. Joe shall publish in a newspaper of general circulation in the county where the individual project is located and publication shall be accomplished in the same manner as provided in Rule 62-110.106(3)(a), F.A.C. Any challenge to the agency

action on the individual project shall be limited to whether or not the individual project complies with the terms of this Agreement.

**Preservation of Third Party Rights**

This Agreement is not intended to alter or modify the rights of third parties to challenge agency actions, except that the requirements imposed by this Agreement for stormwater management systems, dredge and fill of wetlands, and wetlands impact mitigation shall govern rather than the requirements of Florida Statutes and Florida Administrative Code.

If the DEP proposes to issue an Individual Project Approval pursuant to section IX of this Agreement, any Florida corporation not for profit which meets the requirements of § 403.412(6), Fla. Stat., and any person whose substantial interests will be determined or affected by individual project approvals under the Agreement may petition the Department for a formal administrative hearing pursuant to § 120.569 or 120.57, Fla. Stat.

The scope of a challenge to an Individual Project Approval is limited to whether the Individual Project Approval complies with this Agreement. General issues that may be raised include, as applicable, whether the stormwater management system, the dredging and filling of waters of the state and the mitigation to offset wetland impacts, proposed for an individual project approval comply with this Agreement. Examples of specific issues which may be raised in such hearings, to determine compliance with this Agreement, include the following:

**Stormwater Management Systems:**

- a. Whether an activity is subject to the stormwater management system requirements contained in ERP Applicant's Handbook Volume II - NFWWMD
  - i. whether the activity is below the thresholds of Rule 62-330.020, F.A.C.
  - ii. whether the activity qualifies for an exemption under Rule 62-330.051, F.A.C.,
  - iii. whether the activity qualifies for a general permit under Chapter 62-330, F.A.C.
  
- b. If a stormwater management system exceeds the thresholds of section 2.0.1 of ERP Applicant's Handbook Volume II - NFWWMD, whether reasonable assurance has been provided that the proposed stormwater management system (with all criteria as further defined in Part III of ERP Applicant's Handbook Volume II - NFWWMD):
  - i. will not cause adverse water quantity impacts to receiving waters and adjacent lands;
  - ii. will not cause flooding to on-site or off-site property;
  - iii. will not cause adverse impacts to existing surface water storage and conveyance capabilities;
  - iv. will not adversely impact the value of functions provided to fish and wildlife and listed species by wetlands and other surface waters;
  - v. will not result in discharges from the system to surface and ground water of the state that cause or contribute to violations of state water quality standards as set forth in chapters 62-4, 62-302 and 62-520, F.A.C., including any antidegradation provisions of paragraphs 62-4.242(1)(a) and (b), subsections 62-

4.242(2) and (3), and section 62-302.300, F.A.C., and any special standards for Outstanding Florida Waters and Outstanding National Resource Waters set forth in subsections 62-4.242(2) and (3), F.A.C.;

vi. will not cause adverse secondary impacts to the water resources;

vii. will not adversely impact the maintenance of surface or ground water levels or surface water flows established pursuant to Section 373.042, Fla. Stat.;

viii. will be capable, based on generally accepted engineering and scientific principles, of being performed and of functioning as proposed;

ix. will be conducted by an entity with the financial, legal, and administrative capability of ensuring that the activity will be undertaken in accordance with the terms and conditions of the permit, if issued; and

x. will comply with any applicable special basin or geographic area criteria rules within the EMA area including, but not limited to, whether the water quality design and performance criteria meet OFW standards for those stormwater systems discharging to the Lake Powell Basin.

## **2. Dredging and Filling of Waters of the State:**

a. Whether reasonable assurance has been provided that wetlands boundaries set forth in any individual project approval sought pursuant to this Agreement have been accurately identified and delineated in accordance with the USACE's Wetlands Delineation Manual (1987) as set forth in Section VII of this Agreement.

b. Whether reasonable assurance has been provided that wetlands proposed to be impacted meet the altered or high quality wetland definitions set forth in section VII of this Agreement.

c. Whether reasonable assurance has been provided that impacts to high quality wetlands do not exceed area, width, and use limitations and impacts to altered wetlands do not exceed use limitations specified in section VII of this Agreement.

d. Whether reasonable assurance has been provided that the appropriate width of upland or altered wetland buffers are proposed to be established around high quality wetlands as set forth in section X. 17. of this Agreement.

e. Whether reasonable assurance has been provided that any proposed road or bridge crossing is designed so that hydraulic conveyances are not reduced or impaired as set forth in section VII of this Agreement and in ERP Applicant's Handbook Volume II - NFWFMD.

### **3. Wetlands Impact Mitigation:**

a. Whether mitigation credits are properly assigned to compensate for wetlands impacts as set forth in section VIII.

b. Whether mitigation for wetlands impacts occurs within the appropriate mitigation bank, Conservation Unit, or project area depending upon the applicable basin as set forth in section VIII of this Agreement.

### **4. General:**

a. Whether the application for Individual Project Approval was submitted to and coordinated with the State Historic Preservation Officer and the Florida Fish and Wildlife Conservation Commission as set forth in section IX. 7. of this Agreement.

b. Whether the appropriate public notice of the proposed individual project approval was provided as set forth in section IX of this Agreement.

c. Whether the individual project approval incorporates the applicable St. Joe commitments set forth in section X of this Agreement.

**Individual Project Approval General and Specific Conditions**

The General Conditions contained in Appendix F shall be conditions of any individual project approval.

If mitigation for the project is provided in a mitigation bank, the approval shall specify the number of credits to be used to offset the project impacts, pursuant to Section VIII. If mitigation for the individual project is to be provided either on-site or in a Conservation Unit, rather than a mitigation bank, the individual project approval shall also include Specific Conditions describing the details of the required mitigation, and any associated requirements for monitoring the success of the mitigation.

As part of reasonable assurance that the mitigation provided outside of the mitigation bank will be maintained in perpetuity in its enhanced or restored state, the individual project approval shall also include a requirement for the placement of a conservation easement over the mitigation site. The conservation easement shall be in the form of the applicable easement document in Exhibit 6. Prior to issuing a letter of approval for the individual project, St. Joe shall submit a draft of the conservation easement, along with documentation that the property over which the conservation easement will be granted has no encumbrances or liens that would be contrary to the purpose of the conservation easement. The individual project approval shall include a condition requiring that the

conservation easement be executed, delivered and recorded by the following February 15<sup>th</sup> from the authorized in the project approval letter. Conservation easements for projects authorized 45 days prior to February 15<sup>th</sup> may be recorded by the following year.

St. Joe shall use best management practices during individual project construction to minimize impacts to wetlands and other surface waters not authorized to be dredged or filled, and to control erosion and turbidity to ensure that state water quality standards are not violated. The Department may include specific conditions related to project construction techniques in the individual project approval letters to address these issues.

#### **Web Site for Public Information**

The Department agrees to maintain a web site, accessible to the public, containing information regarding individual projects reviewed under the Agreement. At a minimum, the web site will include information on the individual projects approved, or pending approval by the Department. This information may be viewed at the following web address: <https://floridadep.gov/northwest/nw-permitting/content/st-joe-company-development-project-information> Posting of such information does not constitute public notice of a point of entry to challenge the Department's action on individual project approvals. Such public notice shall be accomplished as set forth in Section IX.

#### **X. St. Joe Commitments**

St. Joe Corporation agrees to the following commitments:



1. This Agreement is intended to be the sole mechanism used by St. Joe for authorization to conduct the specific activities included in the Agreement within the Agreement Area. Any change in authorized activities, or any other deviation from the terms of the Agreement, will require amendment of the Agreement. Separate individual or general permits may be applied for within the Agreement Area for activities that are not addressed by this Agreement, including but not limited to marinas and docking facilities.
2. The Conservation Units shall be excluded from development plans or activities, other than those authorized under Section V.
3. St. Joe will manage the Conservation Units and mitigation banks consistent with their ultimate conservation use unless or until transferred in accordance with paragraph 4 below.
4. If Conservation Units, or any portion thereof or interest therein, are conveyed to subsequent owners, if not already subject to a conservation easement pursuant to paragraph 11 below, St. Joe shall place conservation easements on such property to assure the perpetual conservation use of the Conservation Units. The conservation easement shall be in the form of the applicable easement document in Exhibit 6.
5. Ownership or interest in a mitigation bank, other than the sale of mitigation credits to a third party, may only be transferred to a governmental agency for conservation purposes, or to a 501c(3) conservation organization. If a mitigation bank, or any part thereof or any interest therein, is conveyed to a subsequent conservation owner, St. Joe will ensure that the new owner is bound by the conditions and requirements of the mitigation plan approved by this Agreement. Prior to the conveyance, the Department must approve the instrument(s) that

ensure compliance with the Agreement, and may require execution of a subsequent agreement with the conservation owner to provide for continued compliance with the approved mitigation plan. The Department's approval of the assurance instruments shall be contingent on the conservation owner providing reasonable assurance that such owner has the technical and financial resources to comply with the approved mitigation bank plan.

6. Mitigation of project impacts will be conducted in a manner consistent with the approved mitigation plan for each of the mitigation banks, or in accordance with the conditions of the individual project approval if mitigation is to be conducted on the project site or within a Conservation Unit.
7. Mitigation will occur prior to or be implemented concurrently with permitted impacts.
8. A perpetual conservation easement will be placed on each mitigation bank, or each approved phase of a mitigation bank, prior to commencing any development that will use the bank or phase of the bank for mitigation. The conservation easement shall be in the form of the applicable easement document in Exhibit 6.
9. For mitigation conducted outside of a mitigation bank, a perpetual conservation easement will be placed on the mitigation area prior to beginning work on the individual project for which the mitigation is approved and shall be in the form of the applicable easement document in Exhibit 6.
10. Perpetual conservation easements will be placed on the wetlands not authorized for impact on each project site following the individual project approval and according to the timeframe specified in the approval. The easement shall be in the form of the applicable easement document in Exhibit 6.

11. By February 15 of each year, St. Joe shall have placed a perpetual conservation easement, in the form of the applicable easement document in Exhibit 6, on portions of Conservation Units equal to the percentage of the total acreage of approved projects in each sub-basin. To determine the acreage of the Conservation Units that must be placed under conservation easement:
  - a. Divide the total acreage within approved project boundaries in a sub-basin (including impact and preserved area) by the total acreage of land within the sub-basin minus the area of any conservation units within the sub-basin contained within the Agreement area.
  - b. This percentage of the Conservation Units in each sub-basin shall be placed under a conservation easement by the end of each annual reporting period.
12. Stormwater management systems in project areas within the Agreement Area will be designed, constructed and maintained to meet the criteria in ERP Applicant's Handbook Volume II - NFWWMD.
13. There will be no wetland fill for septic tanks or drain fields.
14. St. Joe base maps will depict the location of Conservation Units to assure each business unit within the company is aware of their location and restrictions placed upon them to assure that there is no encroachment or activity incompatible with conservation use.
15. Forest management activities within the Conservation Units will be based on uneven age management, with no clear cutting except as part of mitigation plans for forest restoration as set forth in Appendix D.
16. Buffers are required around Lake Powell, a coastal dune lake. A 100-foot buffer between the lake from the Ordinary High Water Line (OHWL) and development

is required in Walton County. A 30-foot buffer between the lake from the OHWL and development is required in Bay County. All buffers, whether upland or wetland, will be preserved and maintained in a natural condition, except for boardwalks for dock access and on-grade trails. Application of fertilizers, herbicides and pesticides is prohibited within all buffer areas.

17. In general, high quality wetlands shall be buffered from development by uplands/and or altered wetlands. Except at road crossings, upland and/or altered wetland buffers adjacent to high quality wetlands shall be an average of 50 feet wide, with a minimum 30-foot width for each individual project area. All buffers, whether upland or wetland, will be preserved and maintained in a natural condition, except for boardwalks for dock access and on-grade trails. Application of fertilizers, herbicides and pesticides is prohibited within all buffer areas.
18. Only clean fill and rock material compatible with existing soils (*e.g.*, soil, rock, sand, marl, clay, stone, and/or concrete rubble) shall be used for wetland fill.
19. No work is authorized under this Agreement on properties listed or eligible for listing in the *National Register of Historic Places*.
20. When required by the State Historic Preservation Officer, St. Joe will conduct a Phase I archeological and historical survey on each individual project site. This information will be provided to the State Historic Preservation Officer, the Department and the USACE so that measures can be identified to avoid, minimize or mitigate adverse impacts to historic properties listed, or eligible for listing in the *National Register of Historic Places*, or otherwise of historical or archeological value.

21. No activity is authorized by this Agreement that is likely to adversely affect a federal or state listed threatened or endangered species or a species proposed for such designation, or destroy or adversely modify its designated critical habitat.
22. St. Joe certifies that it has and will maintain internal systems and controls to ensure adherence to these commitments and implementation of this Agreement.

### **XI. Monitoring and Reporting**

1. St. Joe shall establish and maintain a GIS based ledger and map for each basin and sub-basin, depicting the amount, type and percentage of wetland impact and mitigation implemented in the Agreement Area. An updated ledger balance sheet demonstrating compliance with the Agreement shall be submitted with each individual request for project approval. The ledger will include the following:
  - a. Total high quality and altered wetlands in Agreement Area.
  - b. Total project size - uplands and wetlands.
  - c. Project impacts - high quality and altered amount and percent of total.
  - d. Mitigation required and location.
  - e. Cumulative project impacts (acreage total and percentage).
  - f. Total wetlands by quality remaining in the Agreement Area.

St. Joe shall submit an annual report by February 15 for the preceeding calendar year identifying:

- 1) The location and acreage of any mitigation activity undertaken;
- 2) conservation easements executed;
- 3) conservation units or mitigation banks conveyed to other owners;
- 4) activities undertaken within Conservation Units; and
- 5) other activities that may impact this Agreement.

## **XII. Net Ecosystem Benefits**

The parties acknowledge that the Agreement will result in NEBs and implement progressive policies for ecosystem management and team permitting because:

1. Implementation of this Agreement satisfies applicable standards and criteria, and includes commitments to various operational, mitigation and conservation conditions that exceed current regulatory requirements;
2. Implementation of this Agreement will result in a significant reduction in overall risks to the environment compared to activities conducted in absence of the Agreement through the NEBs listed below;
3. Implementation of this Agreement will result in conservation at a regional landscape-scale, that includes the best possible diversity and extent of habitats, selected prior to development occurring;
4. That the regional conservation plan established by this Agreement increases the ability of adjacent - existing and proposed - public conservation lands and waters to sustain long term ecological values, enhances regional wildlife dispersal and survival; protects regional water resources; and creates significant opportunities for public nature based recreation.

The specific NEBs provided by this Agreement are as follows:

1. Ten Conservation Units will be established as depicted on Exhibit 2, in addition to mitigation required for wetland impacts. These units link wildlife corridors and protected upland/wetland habitats to create a two-pronged "Bay-to-Bay"

wildlife corridor which will help to preserve the ecological integrity of two of Northwest Florida's most rapidly developing watersheds.

2. The wetland impact criteria included in the agreement is expected to result in a larger percentage of preserved wetlands than would otherwise be expected as a result of the usual permitting process.
3. Two landscape-scale mitigation banks will be established and implemented, resulting in immediate ecosystem benefits from expedited restoration.
4. Through this Agreement, both uplands and wetlands shall be enhanced or restored in the mitigation banks and Conservation Units and protected in perpetuity. Significant uplands, such as xeric sandhills, scrubby flatwoods and mesic flatwoods were included in Conservation Units to increase habitat diversity, wildlife conservation and corridor values adjacent to high priority wetlands. 3,011 acres of uplands will be protected within the Conservation Units. 2,033 acres of uplands will be protected within the mitigation banks.
5. By protecting and restoring uplands within the Conservation Units and mitigation banks, the St. Joe Company is providing habitat for the Flatwoods Salamander, a Federally listed threatened species.
6. Throughout the Agreement Area, wetland jurisdictional determinations will be conducted utilizing the USACE wetland jurisdictional line, rather than one federal and one State, resulting in more regulatory jurisdiction for the State.
7. Development immediately next to high quality wetlands will have a buffer of uplands and/or altered wetlands, which is not required under existing rules, with an average width of 50 feet and a minimum width of 30 feet.
8. No fill for septic tanks or drain fields will occur in wetlands.

9. Breakfast Point mitigation bank will enhance the protection of water quality for St. Andrew Bay by restoring the natural system and providing a perpetual buffer between development and the Bay.
10. Devil's Swamp mitigation bank will enhance the protection of water quality for Choctawhatchee Bay by restoring the natural system and providing a perpetual buffer between development and the Bay.
11. Storm water management systems will incorporate water quantity and quality components which meet or exceed the rule criteria in Rule 62-330, F.A.C and in ERP Applicant's Handbook Volume II - NFWFMD, which will provide greater protection for water quality and provide protection from off-site flooding.

#### **XTII. Amendments**

This Agreement may be modified at any time by written amendment approved by both parties, which shall be submitted, reviewed and processed in the same manner as this Agreement or as otherwise provided for by law. Amendments must be consistent with the provisions of sections 403.075 and 403.0752, F.S.

#### **XIV. Term of Agreement**

This agreement shall be perpetual, unless modified according to Section XIII or terminated according to Section XV.

#### **XV. Termination**

1. DEP may terminate this Agreement by giving thirty days prior written notice to St. Joe or request renegotiation of this Agreement if DEP demonstrates that:



- a. There has been a material change in conditions from the original Agreement such that the intended net ecosystem benefits are not being, or may not reasonably be expected to be, achieved through continuation of the Agreement.
  - b. St. Joe is in material breach of the terms of the agreement. Nothing in this paragraph shall preclude the Department from taking appropriate enforcement action in lieu of, or in combination with, termination for violations of this Agreement or any individual project approval issued hereunder.
2. St. Joe may terminate this Agreement by giving thirty days prior written notice to the DEP as provided in Section XVI, provided that:
  - a. The mitigation commitments in the approved mitigation bank plans, or mitigation commitments identified in the individual project approvals, are fulfilled or agreements are entered into to ensure fulfillment.
  - b. The conservation easements required by the Agreement and individual project approvals up to the time of termination have been properly executed, delivered and recorded.
3. Upon termination of the Agreement, previously issued individual project approval letters shall remain in effect for the duration of such approval. Such individual projects shall continue to be subject to the General and Specific Conditions included in the individual project approval letter, and the terms of this Agreement.
4. Every five year, FDEP shall hold a public information-gathering forum to receive public comment on whether there is cause for FDEP to terminate this Agreement. At least 30 days prior notice of such forum shall be published in a newspaper of general circulation in both Bay and Walton Counties. Actual notice shall also be

provided to the NMFS, USACE, USFWS, NFWFMD, FWC, EPA, Bay County Commission, and Walton County Commission.

**XVI. Notices**

Notices under this Agreement shall be sent by certified mail, return receipt requested or email to the parties.

**XVII. Effective Date**

The effective date of this Agreement shall be the date on which the last party executed the Agreement.

IN WITNESS THEREOF, the parties, by and through the undersigned duly authorized representatives, have executed this Agreement on the dates set forth below.

**EXECUTION AND CLERKING**

Executed in Pensacola, Florida.

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

THE ST. JOE COMPANY

Budger Reese Elizabeth Mullins Orr  
District Director – Northwest District

6.10.2020  
Date

06/10/2020  
Date

**CERTIFICATE OF SERVICE**

The undersigned duly designated deputy clerk hereby certifies that this document and all attachments were sent on the filing date below to the following listed persons:

- Justin Smith, St. Joe Company, justin.smith@Joe.com
- Thomas Estes, Icarus, thomas@icarus.com
- Amy Douglas, Icarus, amy@icaruses.com
- Ann Amicarelle, Icarus, ann@icaruses.com
- Elizabeth Mullins Orr, DEP, Elizabeth.Orr@FloridaDEP.gov
- Kim Allen, DEP, Kim.Allen@FloridaDEP.gov
- Wade Dandridge, DEP, Wade.Dandridge@FloridaDEP.gov
- USACE, Lisa.S.Lovvorn@usace.army.mil, Andrew.A.kizlauskas@usace.army.mil
- Bay County, jcyr@baycountyfl.gov, lpowell@baycountyfl.gov, agolden@baycountyfl.gov

**FILING AND ACKNOWLEDGMENT**

FILED, on this date, pursuant to Section 120.52, F.S., with the designated Department Clerk, receipt of which is hereby acknowledged.

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Date