



# PANAMA CITY COMMUNITY REDEVELOPMENT AGENCY

## TAX INCREMENT REBATE PROGRAM

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NOVEMBER, 2024



**COMMUNITY  
SOLUTIONS  
GROUP**



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## Exhibits

## Part 1: Program Purpose

The purpose of the Panama City Community Redevelopment Agency Tax Increment Rebate Program is to encourage private sector redevelopment, in-fill development and public realm improvements that are consistent with the City's recovery and redevelopment efforts as articulated through the City's various recovery planning documents, economic development plans and Panama City's Community Redevelopment Districts' Redevelopment Plans.

## Part 2: Definitions

**Annual Tax Bill:** Annual Tax Bill shall mean the Annual Tax Bill document prepared by the Bay County Tax Collector that identifies the specific taxes and assessments that may be due for parcels and projects that are participating in the Panama City Tax Increment Rebate program.

**City:** City shall refer to municipal subdivision of Panama City Government.

**CRA:** CRA shall refer to the Panama City Community Redevelopment Agency (Governing Board) that administers the day to day operations of the Panama City Community Redevelopment Districts and this program, hereinafter referred to as "CRA."

**CRA District:** One of the City's Community Redevelopment Districts (Downtown, Downtown North, Millville and St. Andrews). See Exhibit 1 Panama City CRA Districts MAP.

**Rebate Award:** As determined by the CRA, the rebate award shall be the TIF revenue estimated to be generated by the incremental development value of each project (project taxable value = land value + estimated eligible improvement value, at the time of the award) during the fifteen (15) year period after the new development is placed on the tax roll. The award recipient would receive the % portion of each years' ad-valorem taxes paid, rebated (either 70% or up to 90%) to them, until the cumulative rebate received by the award recipient equals the estimated fifteen (15) year rebate award amount, or the expiration of the award period determined by CRA Department.

**Historically Significant Buildings:** Historically significant buildings shall mean any building or structure that is significant in the history, architecture or culture of Panama City, the State of Florida or the United States. Historically significant building shall also mean buildings that have received a historic designation or have been identified by the Panama City or Bay County government as culturally or historically significant to the local communities.

**Neighborhood Stabilization:** Neighborhood stabilization shall mean development activities that initiate or accomplish any of the following:

- Brings non-compliant structures or nuisance structures into compliance with local building and safety codes. Increases stock of affordable housing;
- Provides employment opportunities for neighborhood residents;
- Increases economic activity in the area;
- Provides needed neighborhood commercial, retail, hospitality or other services (day care, elder care, etc.) needed by the neighborhood;
- Reduces the opportunity for criminal activities;
- Increases neighborhood safety;
- Increases the residential building stock available for home ownership;
- Improve pedestrian and non-automobile transportation safety; and,
- Improves public open spaces, public parks or other public amenities.

**Business Development:** Business Development shall mean a project that increases employment opportunities in the area (creates new jobs), retains existing jobs, and/or increases economic activity in the area.

**Eligible Costs (Improvements):** The following costs are eligible for use of Tax Increment Rebate funds;

- Construction of public works or improvements
- Site Preparation
- Infrastructure or utility improvements
- Demolitions, rehabilitation, alteration, reconstruction or repair of existing buildings
- Capital costs
- Parking
- Impact fees
- Real property assembly costs
- Professional Services (Planning, Architectural, Legal, Engineering)
- Relocation Costs
- Acquisition of additional open spaces
- Environmental remediation

- Please note the above eligible costs are the costs that should be used when determining the project's taxable amount and evaluating the proposal's compliance with the Capital Investment Threshold amounts.

**Minimum Capital Investment Thresholds:** The minimum capital investment thresholds for projects to qualify for consideration of participation in this program is \$500,000.00 (Five-hundred thousand dollars - USD).

**Equity Requirement:** Owners equity in the proposed project is defined as the "Unencumbered Assets of the applicant assigned to the project as may be demonstrated in the proof of Financial Institution funding commitment for the project". The Owners Equity requirement is at least 10% (ten percent) of the proposed project's costs that are assigned to owner's equity.

**Commitment from a Financial Institution:** The Commitment from a Financial Institution shall mean documentation of a commitment by a financial institution, persons or entities to provide lending and/or equity for the project sufficient for financing constructing, equipping, furnishing, and completing the project and the related costs. The Commitment from a Financial Institution should also identify the amount of Owners Equity committed to the project.

**Eligible Development:** Eligible development shall mean, the proposed development is compatible with surrounding development and is a development type(s) that is able to be permitted for the proposed site in accordance with the applicable sections of the Panama City Unified Land Development Code.

**Maximum Award:** The potential maximum Tax Increment Rebate award shall be up to 90% of the increment associated with the eligible costs of the project. If the basic eligibility guidelines are achieved the potential TIF rebate award considered could be a minimum value of 70% of a projected TIF revenue. If bonus guidelines are accommodated, such as a mix of uses in the development program, the inclusion of an affordable housing component in the development program, or the inclusion of a specific amenity, infrastructure improvements or feature(s) desired by the CRA (public artwork, mobility improvements, open space improvements), then the CRA Governing Board may consider the approval up to the maximum TIF rebate award (90% TIF rebate award).

The TIF rebate award amount will be based on the estimated amount of TIF rebate that could be received, based on the project's taxable value (project taxable value = land value + estimated eligible improvements' value, at the time of the award), over a fifteen (15) year TIF rebate period.

**Performance Agreement:** A legal contract between the City of Panama City CRA and the Tax Increment Rebate Program Applicant that outlines the representations and obligations of the Applicant and the representations and obligations of the Panama City CRA regarding proposed private sector development, and proposed public sector rebate of certain taxes paid by the Applicant.

**Project Subject Parcel:** The Project Subject Parcel shall mean the parcel on which the proposed redevelopment project that is participating in the Tax Increment Rebate program is located.

**Term:** The TIF rebate award term maximum will be the amount time needed for the award recipient to receive the estimated TIF rebate award amount described above, or fifteen (15) years which ever is sooner. Changes in property appraisal valuations and changes in applicable millage rates may increase or decrease the amount of ad-valorem taxes paid and impact the amount of annual TIF Rebate amounts and the potential term of the TIF rebate award. No TIF rebate awards will be paid out past the operational term of the Panama City CRA (2044).

## Part 3: Downtown Investment Tax Rebate Program

### Basic Program Eligibility

**Eligible Project Type:** The Panama City CRA will consider utilizing the Tax Increment Rebate Program for the following types of proposed development:

- Revitalization of historically significant or deteriorated buildings.
- Mixed-use developments that creatively integrate commercial and retail projects into a residential development.
- Projects that promote neighborhood stabilization or revitalization.
- Projects that are consistent with the associated district's adopted Community Redevelopment Districts' Community Redevelopment Plans and the Panama City Comprehensive Plan and associated sections of the Panama City Code of Ordinances-Unified Land Development Code; and the Strategic Vision for Panama City's Historic Downtown and its Waterfront.



- Business development (attraction, retention, expansion).
- Projects that involve environmental clean-up, and the removal of slum and blighting conditions.

**Location:** The proposed project must be located within one of the City's Redevelopment Districts (Downtown, Downtown North, Millville and St. Andrews). See Exhibit 1 Panama City CRA Districts MAP.

**Minimum Capital Investment:** The minimum capital investment thresholds for projects to qualify for consideration of participation in this program is and \$500,000.00 (Five-Hundred thousand dollars - USD).

**Owners Equity:** The minimum owner's equity amount for projects to qualify for consideration of participation in this program (i.e., Unencumbered Assets of the applicant assigned to the project as may be demonstrated in the proof of Financial Institution Funding Commitment for the project) is 10% (ten percent) of the total project costs.

**Eligible Costs:** The following eligible costs are eligible for use of Tax Increment Rebate funds;

- Construction of public works or improvements
- Site Preparation
- Infrastructure or utility improvements
- Demolitions, rehabilitation, alteration, reconstruction or repair of existing buildings
- Capital costs
- Parking
- Impact fees
- Real property assembly costs
- Professional Services (Planning, Architectural, Legal, Engineering)
- Relocation Costs
- Environmental remediation

**Commitment from a Financial Institution:** The Applicant shall provide proof of a commitment by a financial institution, persons or entities to provide lending and/or equity for the project sufficient for financing constructing, equipping, furnishing, and completing the project and the related costs. This information should also identify the amount of owners equity committed to the project.

## Potential Tax Increment Rebate Bonus Opportunities

For project submittals that satisfy the basic eligibility guidelines, the base potential TIF rebate award considered would be 70%. The potential TIF rebate could be increased up to a maximum 90% award for the inclusion of the following qualifying items in the proposed development program.

### Affordable Housing Component

*For proposals located in the Downtown North or Millville Community Redevelopment Districts, the Panama City CRA Governing Board shall have the authority to increase the maximum TIF rebate award 10% for each 10% of the residential development program that is dedicated to affordable housing for at least five (5) years.*

### Mixed-Use Component

*For proposals located in all of Panama City's Community Redevelopment Districts, the Panama City CRA Governing Board shall have the authority to increase the maximum TIF rebate award 10% if the proposed development program contains two (2) or more compatible uses.*

### Desired Amenities or Infrastructure Improvements

*For proposals located in all of Panama City's Community Redevelopment Districts, the Panama City CRA Governing Board shall have the authority to increase the maximum TIF rebate award 10% if the proposed development program includes desired community amenities or infrastructure improvements that advance the implementation of the City's redevelopment objectives.*

## TIF Rebate Period

The TIF rebate award term maximum will be the amount of time needed for the award recipient to receive the estimated TIF rebate award amount described above or fifteen (15) years, whichever is sooner. No TIF rebate awards will be paid out past the operational term of the Panama City CRA (2044).

## Part 4: How to Apply

Applicants for consideration for participation in the Panama City Tax Increment Rebate program will submit an Application Form (See Attachment/ Exhibit 2 – Application Form) to the Panama City CRA Department.

### Application Steps

**Step 1:** Review Program Criteria and Application Information

[CRA Projects | Panama City, FL - Official Website](#)

**Step 2:** Complete Application Form and collect submittal documents

[CRA Projects | Panama City, FL - Official Website](#)

**Step 3:** Submit Application and submittal documents to Panama City CRA Department

**Step 4:** Provide additional or follow up information as needed.

**Step 5:** Consideration of award by the CRA Governing Board

**Representations of the City/CRA:** Proposed tax increment award amount (amount of award) expected or anticipated improvements to be received from Applicant.

**Maintaining Eligibility to Collect Award:** Agreement language outlining the Applicant's requirement to maintain consistent uninterrupted payment of all Annual Taxes, Fees or Assessments in order to maintain eligibility to collect tax increment rebate for full term of award and required annual claim of TIF rebate award by April 30th of each year *to be eligible for subsequent years' TIF rebate award, (i.e., miss claiming or not claiming the award for one year and the award is thereafter cancelled).*

***Award recipients may continue to receive the full award amount after selling a portion of the subject property with approval of the CRA Governing Board. Award recipients must retain a portion of the subject property to be able to maintain eligibility to collect the full award.***

***No Tax Increment Rebate Awards will be disbursed without a fully-executed Performance Agreement between the Applicant and the City/CRA recorded and on file in the CRA Department's and City Clerk's files.***

## Part 5: Performance Agreement

### Preparation of Performance Agreement

For Tax Increment Rebate Award applicants that have been determined to receive a TIF rebate award, the Panama City CRA will cause to have prepared a Performance Agreement that will clarify the following items:

**Purpose and Intent of Tax Increment Rebate**

**Program:** Why the program exists and intent of the program.

**Authority to Implement Program:** Legislative authority of the City and CRA to provide incentives for desired redevelopment projects.

**Representations of Applicant:** Proposed type of development, proposed eligible costs (\$ amount), proposed schedule of development, proposed amenities or public purpose(s) served by the proposed development.

### Evaluation Process

Within ten (10) business days of receipt by the Panama City CRA Department, applications for the Tax Increment Rebate Program will be reviewed for completeness and sufficiency by Panama City CRA staff. Upon a determination of the application's completeness and sufficiency of all requisite information, the applications would be reviewed by the CRA Program Manager, and submitted to the CRA Executive Director, or designee, for determination of a recommendation to be presented to the Panama City Community Redevelopment Agency Governing Board for consideration of award.

The CRA Executive Director, or designee, may recommend to approve or deny the application, the amount and term of the award, and if approved, if any special performance conditions are to be placed upon the award.

## TIF Rebate Application Evaluation Process

**Step 1:** Review Application Submittals for completeness and sufficiency (Within 10 business days of receipt).

**Step 2:** Complete and sufficient Application Submittals reviewed by CRA Program Manager (Within 25 business days of determination of completeness and sufficiency).

**Step 3:** Applicant notified by CRA regarding status of Application Evaluation (Within 30 business days of determination of completeness and sufficiency) and upcoming CRA Board meeting to hear application.

The CRA Executive Director, or designee, will provide a summary report of the staff level review, findings and recommendations to the Panama City CRA Governing Board for their review and consideration at their next regularly scheduled meeting.

## Maximum Award

The potential maximum Tax Increment Rebate Award shall be up to 90% of the increment associated with the eligible costs of the project. If the basic eligibility guidelines are achieved, the potential TIF rebate award considered could be a minimum value of 70% of a projected TIF revenue. **If bonus guidelines are accommodated**, such as a mix of uses in the development program, the inclusion of an affordable housing component in the development program, or the inclusion of a specific amenity, infrastructure improvements or feature(s) desired by the CRA (public artwork, mobility improvements, open space improvements), **then the CRA Governing Board may consider the approval up to the maximum proposed TIF rebate award (90% TIF rebate award).**

The TIF Rebate Award amount will be based on the estimated amount of TIF rebate that could be received, based on the project's taxable value (project taxable value = land value + estimated eligible improvement's value, at the time of the award), the applicable millage rates of participating taxing authorities applied over a fifteen (15) year TIF rebate period.

## Determination of Potential Award Amount

The TIF rebate award amount will be based on the estimated amount of TIF rebate that could be received, based on the project's taxable value (project taxable value = land value + estimated eligible improvements' value, at the time of the award), the applicable millage rates of participating taxing authorities applied over a fifteen (15) year TIF rebate period. Each projects' taxable value will be determined by the Bay County Property Appraisers Office.

*project taxable value* = land value + estimated eligible improvements' value

*potential annual TIF rebate award* = ((project taxable value) x (applicable millage rates and collection rates) x (% TIF Rebate))

*potential cumulative TIF rebate award* = ((project taxable value) x (applicable millage rates and collection rates) x (% TIF Rebate )) x (number of years of award max 15)

The potential maximum Tax Increment Rebate Award shall be 70% base +10% (Mixed-Use Bonus) + variable % bonus (CRA Desired Amenities) totaling 90% of the improvement increment associated with the eligible costs of the project, as determined by the Panama City CRA Governing Board.

## Request for Distribution (Payment) of Award

The request for annual payment of the award will only be made to the award recipient AFTER the award recipient has fully-paid all of the assessments, fees and City and County taxes (Ad-Valorem, Tangible/Personal Property) associated with the development and has entered into a fully-executed Performance Agreement with the Panama City CRA Governing Board.

The award recipient will submit to the Panama City CRA Executive Director an **award disbursement request letter** (ADRL) to request annual payment of the award. The ADRL will include the award recipient and project's name, address and the tax bill payment receipt received from Bay County Tax Collector, showing that the Annual Tax Bill for the project's subject parcels has been fully paid.

Award payment amount will be the percentage of the TIF Rebate (70% up to 90%) of the annual tax bill amount paid for the project's subject parcel as demonstrated in the ADRL.

Awards will only be paid for fully-paid Annual Tax Bills. No awards will be paid out for partially-paid Annual Tax Bills.



## TIF Rebate Award Disbursement Request Application Steps

**Step 1:** Applicant to pay all annual tax bills, assessments or fees associated with development of property to Bay County Tax Collector.

[Bay Tax Collector \(baycountyfltax.gov\)](http://baycountyfltax.gov)

**Step 2:** Collect receipt and proof of payments of taxes, fees, and/or assessments.

**Step 3:** Prepare ADRL and submit with proof of annual tax bill payment to CRA Department for processing.

[cras@panamacity.gov](mailto:cras@panamacity.gov)

### Continuing Compliance by the Application

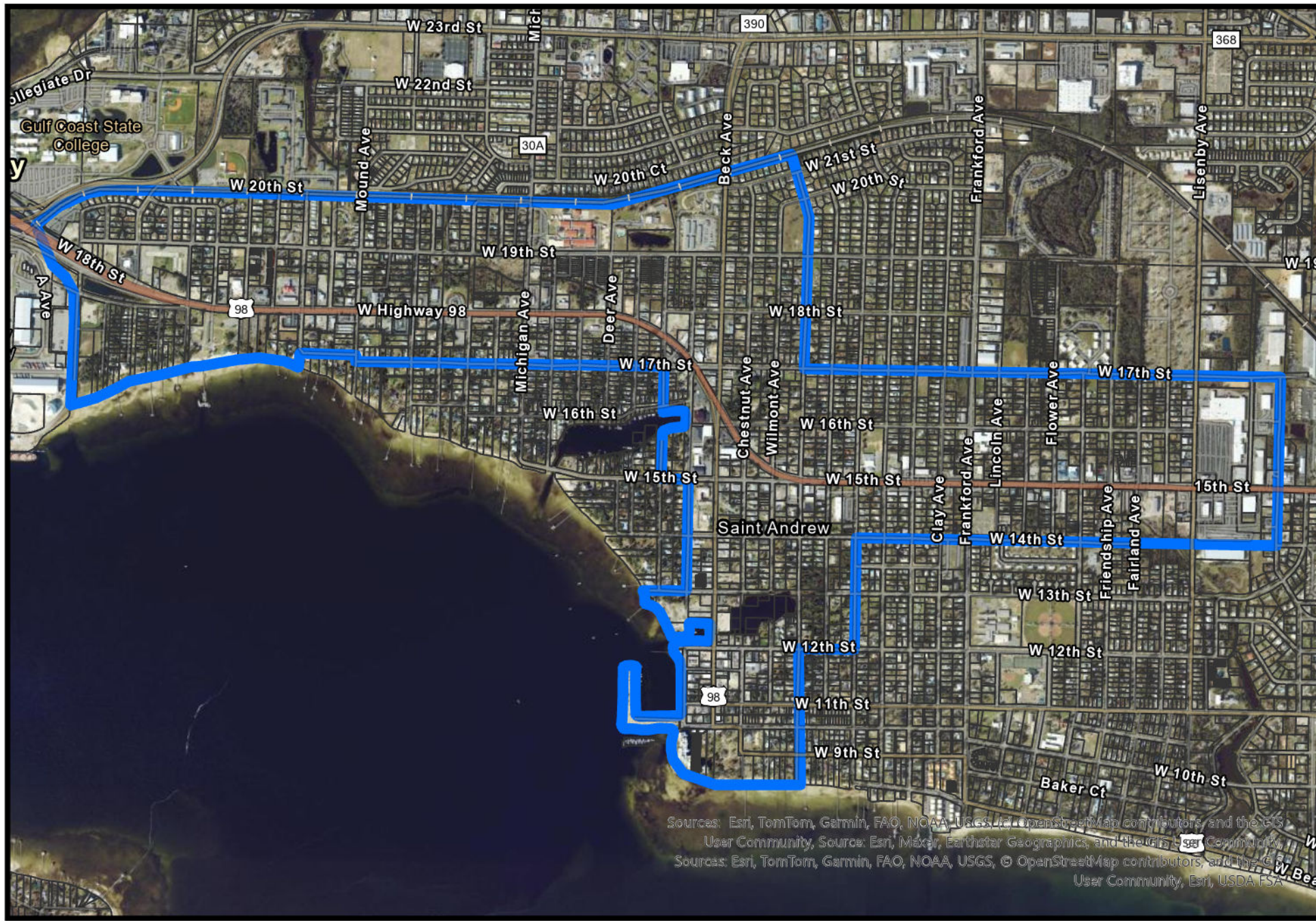
An Applicant that has been granted a TIF rebate award will continue to apply for grant disbursement each year until the full award amount is paid out or the term of the Agreement has expired. If an Applicant that has been granted a TIF rebate award does not submit a claim for reimbursement (ADRL) by April 30th of each year, (i.e., skips or fails to submit their claim for over one year) the remainder of the award will not be able to be claimed.

***An award recipient who sells a portion of the subject property may continue to receive the full award amount with approval of the CRA Governing Board. To maintain eligibility after the sale of a portion of the subject property, the award recipient must notify the CRA Department, maintain current and timely payments of ad-valorem tax bills and must maintain a portion of ownership of the subject parcel, until full award is paid-out as per the terms of the executed Performance Agreement.***

**EXHIBIT 1**

**PANAMA CITY COMMUNITY REDEVELOPMENT DISTRICTS MAPS**

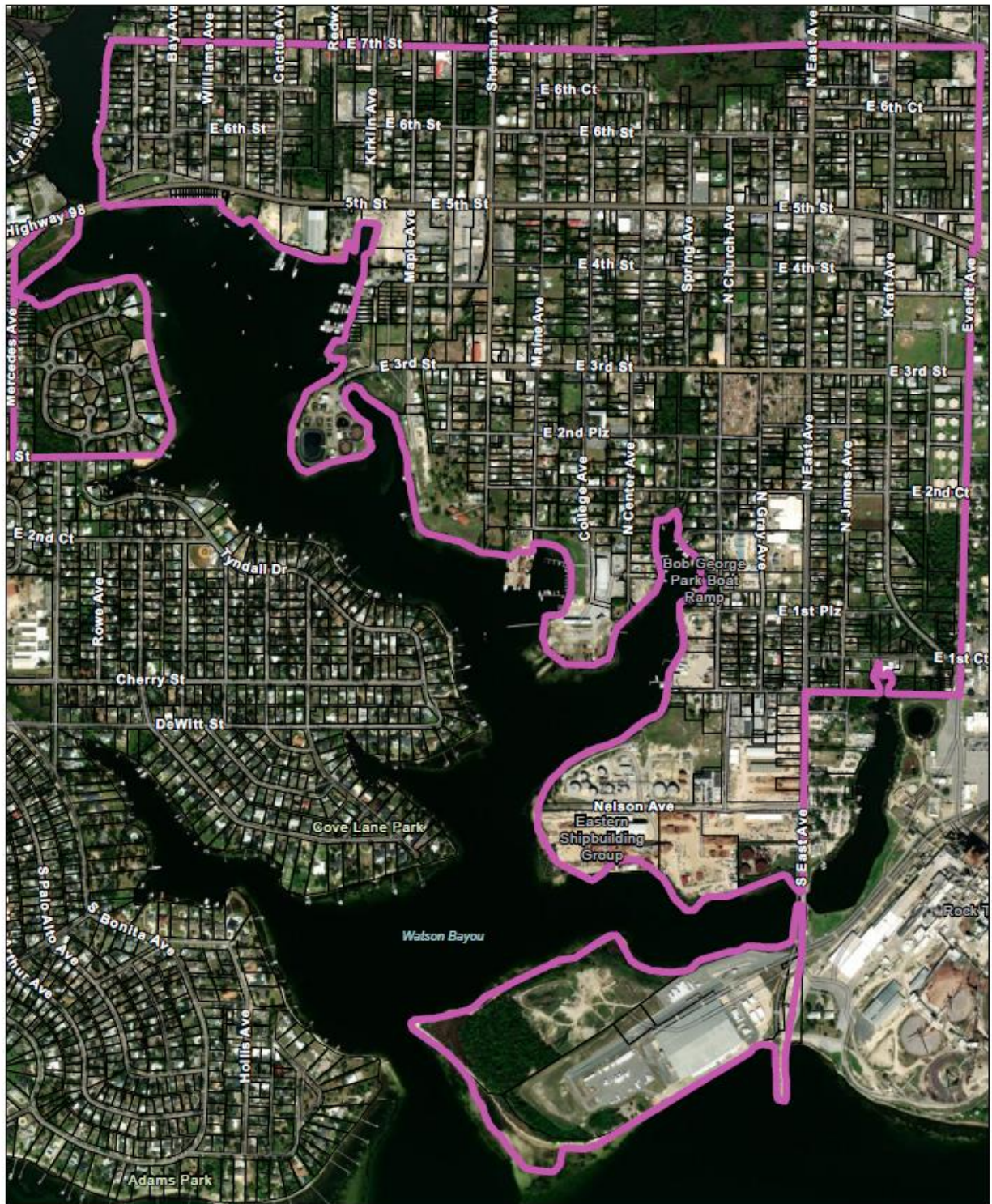




## St. Andrews CRA Boundary Map







# Boundary Map for Millville CRA



Date: 07.09.2024







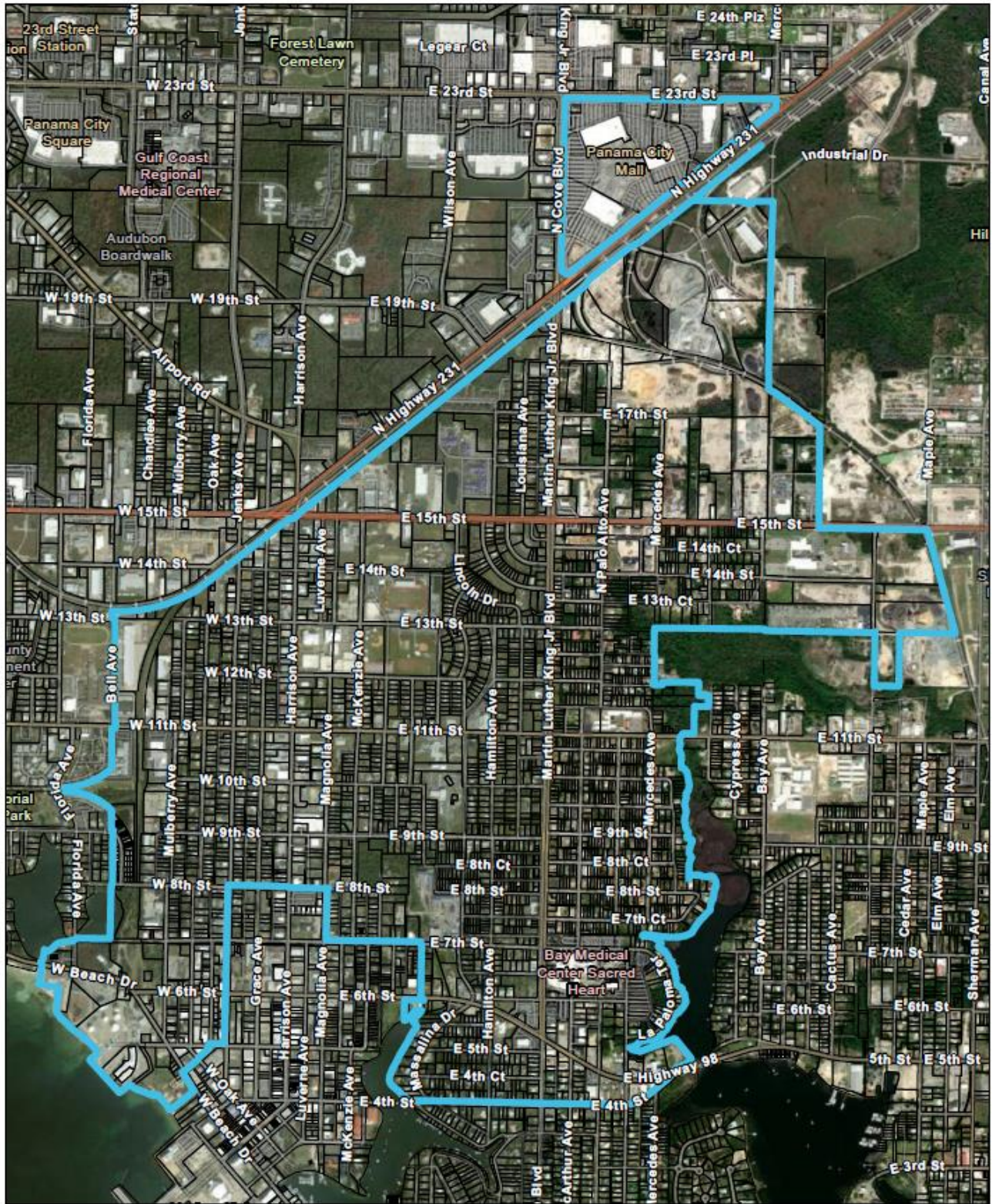
# Boundary Map for Downtown CRA



Date: 07.09.2024







**EXHIBIT 2**

**PANAMA CITY COMMUNITY REDEVELOPMENT AGENCY  
TAX INCREMENT REBATE PROGRAM  
APPLICATION FORM**

# APPLICATION FORM: PANAMA CITY TAX INCREMENT REBATE PROGRAM

## Application Information

	Name	
	Address	
	Telephone	
	E-Mail	

## Proposed Development Type

Project Location/Address		(Please provide project location address location)	
	<b>Residential</b>		
			Type
	(Check applicable type of development)		Single Family Residence (SFR)
			# of Units
			Apartments (MFR)
			# of Units
			Condominium (MFR)
			# of Units
			Affordable Housing Component
			# of Units
	<b>Non-Residential</b>		
			Development Type
	(Check applicable type of development)		Commercial
			Square Feet
			Office
			Square Feet
			Retail
			Square Feet
	(Describe the type of development)		Other
			Use
	(Check applicable type of development)		Square Feet
	General Description	(Please provide a general description of the Proposed Development)	



Check Your Eligibility		
In which Redevelopment District is the project located?		Downtown
(See attached CRA District Maps)		Downtown North
		St. Andrews
		Millville

Eligible Project Type		
(Check all that apply)	<input type="checkbox"/>	Revitalization of historically significant or deteriorated buildings.
	<input type="checkbox"/>	Mixed-use developments that creatively integrate commercial and retail projects into a residential development.
	<input type="checkbox"/>	Projects that promote neighborhood stabilization or revitalization.
	<input type="checkbox"/>	Projects that are consistent with the associated district's adopted Community Redevelopment Districts' Community Redevelopment Plans and the Panama City Comprehensive Plan and associated sections of the Panama City Code of Ordinances-Unified Land Development Code; and the Strategic Vision for Panama City's Historic Downtown and its Waterfront.
	<input type="checkbox"/>	Business development (attraction, retention, expansion).
	<input type="checkbox"/>	Projects that involve environmental clean-up, and the removal of slum and blighting conditions.

Minimum Capital Investment	Project District Location
Must be at least \$500,000.00	Downtown North, Millville, Downtown, St. Andrews
(Check Appropriate box to confirm)	

Owners Authorization		
<input type="checkbox"/>	<input type="checkbox"/>	I am the property owner of the Subject parcel.
	<input type="checkbox"/>	I am authorized to make this application on behalf of the property owner of the Subject parcel.
(Check Appropriate box to confirm)		

Eligible Project Costs		
The following eligible costs are eligible for use of Tax Increment Rebate funds	\$	Construction of public works or improvements
Enter appropriate project costs here)	\$	Site Preparation
	\$	Infrastructure or utility improvements
	\$	Demolitions, rehabilitation, alteration, reconstruction or repair of existing buildings
	\$	Capital costs
	\$	Parking
	\$	Impact fees
	\$	Real property assembly costs
	\$	Professional Services (Planning, Architectural, Legal, Engineering)
	\$	Relocation Costs
	\$	Environmental remediation
	\$	Total Eligible Project Costs

Commitment from a Financial Institution		
(Provide documentation and proof of a commitment by a financial institution, persons or entities to provide lending and/or equity for the project sufficient for financing constructing, equipping, furnishing, and completing the project and the related costs. This information should also identify the amount of Owners Equity committed to the project.)		I have provided the requested information as an Attachment to this Application.

Owners Equity		
(Must be at least 10% of total project costs)		I have provided the requested information as an Attachment to this Application.



**Potential Tax Increment Rebate Bonus Opportunities****(70% Base Rebate may be increased up to 90% Maximum Rebate for inclusion of following items)****Affordable Housing Component**

(Millville and Downtown North CRA Districts only)		# of Affordable Units
		Total Residential Units in Project
		% of Affordable Units (must be at least 10% of total)

**Mixed Use Component**

(Applicable ALL CRA Districts)		Check Box for Uses in Project
		Commercial
		Square Feet
		Office
		Square Feet
		Retail
		Square Feet
		Residential
		# of Units

**Desired Amenities**

(Applicable ALL CRA Districts)	Check CRA Desired amenities associated with this development	
		Trail / Path Connections
		Pedestrian / Bicyclist Safety Improvements
		Open Space / Park (new or enlarged existing area)
		Public Recreational Improvements (i.e., docks, ramps, lights, buildings, park equipment, etc.)
		Enhanced landscaping
		Public Parking
		Other (Describe below)

Applicant's Signature

Date

Please send your completed application and supporting documents (Financial Commitment and Owners Equity) to the CRA Dept via email at [cras@panamacity.gov](mailto:cras@panamacity.gov), or via hand delivery at City Hall, 501 Harrison Ave, Room 101, Panama City, FL 32401

For additional information please contact the Panama City Community Redevelopment Agency at 850.691.4603, or visit <https://www.panamacity.gov/811/Programs>

