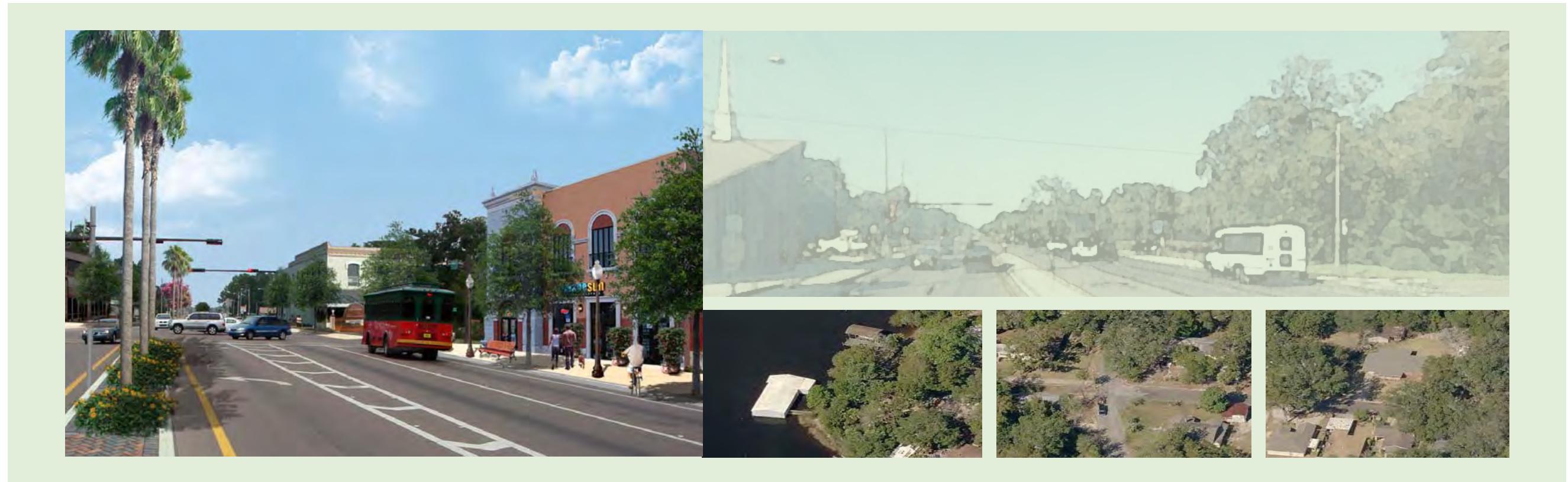


General Redevelopment Plan - per F.S. 163.365  
Conceptual Plan - Approved June 8, 2010, City Commission Meeting  
Resolution number 60810.2

- Living Document subject to modification per F. S. 163.361
- Guiding principles for redevelopment
- Flexible framework for potential projects and ideas
- Initial step in the development of a workable plan per F.S. 163.350 for various neighborhoods
- Redevelopment activities carved out in stages per F.S. 163.365

# Panama City Downtown North CRA Plan Update



Submitted to Panama City Community Redevelopment Agency  
by IBI Group and Wendy Grey Land Use Planning  
April, 2009

# Table of Contents

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Executive Summary	3	Part III Implementation	44
Part 1 Overview	11	Chapter 3: Capital Improvements Program	44
Chapter 1: Context	11	Overview	45
Historic Context	12	Five Year Capital Improvement Projects Budget	45
Geographic Context	13	Five Year Capital Improvement Projects Description	46
Part II Redevelopment Master Plan	14	Six Plus Year Capital Improvement Projects Summary	48
Chapter 2: Concept Plan	14	Six Plus Year Capital Improvement Projects Description	48
Plan Content and Description	15	Chapter 4: Implementation Plan	49
Concept Plan	16	Program Management and Implementation	50
Land Use Element	17	Redevelopment Project Implementation	51
Housing Element	23	Finance and Management	52
Recreation and Open Space Element	26	Part IV Appendices	
Neighborhood Character and Identity Element	29	Appendix A Economic and Market Analysis Report	A-1
Community Facilities and Amenities Element	34	Appendix B Inventory and Analysis Report	B-1
Circulation and Connectivity Element	36	Appendix C Visual Preference Survey	C-1
Economic Development Element	40	Appendix D Statutory Requirements	D-1
		Appendix E Finding of Necessity Study	E-1
		Appendix F Previous Planning Studies	F-1
		Appendix G Best Practices for Effecting the Rehabilitation of Affordable Housing (HUD report)	G-1

## Executive Summary

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# EXECUTIVE SUMMARY



## Background and Purpose

The City of Panama City, Florida is the county seat of Bay County and the third largest city (in terms of population) in the Northwest Florida region. Numerous redevelopment efforts have been successfully undertaken in the downtown core, the Millville district, and the St. Andrews waterfront area. Since the early 1970s, the Panama City Community Redevelopment Agency has been instrumental in implementing these significant initiatives to revitalize, redevelop and improve the quality of life in the downtown area and the surrounding neighborhoods. The Community Redevelopment Agency was created by the City of Panama City in 2006. Prior to 2006, the Downtown Improvement Board served as the Community Redevelopment Agency for the City's four CRA districts- Downtown CRA (1984), St. Andrews CRA (1989), Downtown North CRA (1993), and the Millville CRA (2004).

Since the original Downtown North Redevelopment Plan, adopted in 1993, progress has been made on many of the projects and programs undertaken by the Downtown Improvement Board/CRA to address the continual decline of Panama City's African-American community, through efforts such as the Greater Glenwood revitalization and visioning initiative in 2003. While many areas of the Downtown and those neighborhoods adjacent to the revitalization areas have seen significant investment, the areas further away from that economic activity, particularly the Downtown North CRA, are in need of attention. In March 2008, the City Commission adopted the results of the Finding of Necessity Study prepared by IBI Group and unanimously approved expanding the original Downtown North CRA boundaries from 12th Street North to U.S. Highway 231 between McKenzie Avenue and Mercedes Avenue.

The Downtown North CRA encompasses nearly two square mile of land area, which includes the Greater Glenwood area and the Bay Medical Center. The City Commission, the Downtown Improvement Board/CRA, working in partnership with the Glenwood residents and the Glenwood Revitalization Steering Committee, initiated a community-driven visioning effort in 2004 and since then several improvements and projects have been initiated to address the neighborhood concerns. However, several of the improvements were implemented in isolation and have been overshadowed by projects, such as the widening of Martin Luther King Jr. Boulevard, which has resulted in proliferation of vacant parcels and substandard lot sizes leading to a decline in investment image and contributed in creating a negative perception for the entire area.

The Panama City CRA, with the objective of building on the Glenwood community's visioning effort and expansion of the CRA's original boundaries, retained the services of IBI Group to update the Downtown North Redevelopment Plan that reflects the community vision related to the future growth of the Community Redevelopment Area. This redevelopment plan update identifies the community's vision for the future of the Downtown North CRA, and serves as a guide to implement this vision through refocusing of the roles, priorities, and connections of the Agency with other organizations to leverage additional funds and resources for identified projects. The purpose of this community driven planning process is to provide a forum for continued dialogue between the Agency, area residents and the consultants concerning program development and direction.

The Downtown North Redevelopment Plan is intended to be a guiding document for local government actions designed to overcome deterrents to desired future growth and development in order to stimulate private investment. The plan is not intended to be static. Over time, the objectives and strategies of the plan should be updated and revised based upon changes in the economy, relevant public concerns and opportunities associated with private development proposals. While the Redevelopment Plan is comprehensive in its assessment of the issues impacting the future of the Downtown North district, the program will not be responsible for implementation of plans, projects and programs that are being proposed by other agencies and organizations. The Community Redevelopment Agency cannot possibly assume the roles of other organizations responsible for projects within the area. Rather, the Agency's role is to maintain close relationships with other organizations and support their efforts through supplemental funding and other program initiatives. The redevelopment program will be pursued at multiple levels by numerous jurisdictions at the same time. The Agency may take the lead in certain efforts, while other departments and organizations will lead their efforts where appropriate.

The proposed Downtown North Redevelopment Plan contains several projects consisting of public, private, and joint public/private efforts that will take at least twenty years for completion. While some of these projects may seem ambitious in the present context and not appeal to everyone, the Plan is intended to provide a guide for the various stakeholders and with different perspectives to work together towards achieving common goals through changing economic times and community priorities. Some concepts and programs recommended in the Plan will require further research and refinement and will occur in different stages of the redevelopment program. It is critical that the Agency incorporates a sound project implementation strategy when identifying priorities. This will ensure the most effective results in terms of addressing the community's needs while stimulating private sector activity to obtain a favorable return on the public sector's financial investment.

## Planning Process

The phased planning approach used to develop the Downtown North Redevelopment Plan Update was integrated into a well orchestrated public involvement effort at the beginning of the process which then continued to provide a public forum throughout the life of the project. This document is the result of an extensive community visioning process conducted over a period of 8 months. The recommendations and projects identified in this Plan were a product of the public participation process, led by the Mayor, City's Community Redevelopment Agency, the Downtown North CRA, the Glenwood Improvement Board, the Glenwood Working Partnership and the consultant team. The purpose of this citizen-led planning effort was also designed to initiate an open dialogue between stakeholders, staff, and the city leadership for sharing concerns and priorities related to the Downtown North redevelopment and for building a consensus between the various players that have a role in the successful implementation of the redevelopment program. From May 2008 to November 2008, IBI Group worked with a diverse group of participants including residents, business owners, county officials, elected officials, and government representatives to create a realistic plan reflective of the community and stakeholder interests and aspirations. More than one hundred residents and stakeholders came together to participate in the visioning process to explore new concepts and opportunities for the future growth of the Downtown North redevelopment area.



The first step in preparing the plan was the development of an inventory of existing conditions in the Downtown North area, including, but not limited to: existing land use patterns, regulatory framework, infrastructure provisions, transportation and economic development programs. The series of focus group meetings and public workshops that followed generated discussions about the community's assets, concerns and goals. The community-driven process generated a variety of strategies and solutions that are presented in Appendix C of this document. Development capacity and market potential were also assessed through the Economic Analysis (Appendix A) to direct the planning recommendations and objectives.

The Concept Plan was developed after analyzing the existing conditions in the redevelopment area and determining the issues and concerns expressed by members of the community. The descriptive narrative of the Concept Plan summarizes the general intent of the Redevelopment Program. It has been developed as a guideline for promoting the sound development and redevelopment of the properties in the redevelopment area. Opportunities for public improvements, redevelopment activities and proposed future land use composition are identified and graphically represented on the Concept Plan illustration. The Concept Plan contains descriptions of several types of projects and programs, including capital projects, public/private projects, and government programs. The Concept Plan graphically and in general terms describes the required elements of a Community Redevelopment Plan as provided in Section 163.362 F.S. The Redevelopment Concept Plan Summary Graphic provides an overview of the proposed redevelopment concepts within the Downtown North CRA district.

#### Synopsis of the Downtown North Redevelopment Plan

The Downtown North Redevelopment Plan is intended to serve as a comprehensive resource for community leaders and stakeholders that are engaged in shaping the social, economic, and physical form of the area. Future actions targeted in this area are anticipated to follow the recommendations of the Redevelopment Plan through continued discussions with the residents, community stakeholders, and City agencies. The purpose of this document is to establish a framework for the community's future growth, as well as identify strategies that will provide guidance for successful implementation of the overall theme to create seamless neighborhoods throughout the City. The findings, analysis, and recommendations of the Plan are organized into four parts and five chapters to communicate both the broad principles and the detailed action strategies of the subject matter. The first part provides the background and the overall historic and geographic context that forms the foundation for understanding the Downtown North redevelopment area's evolution to its current state. The contents of subsequent chapters are summarized in the following narrative:

The Redevelopment Plan is organized by the seven overriding themes identified during the course of the planning process including: [Land Use](#), [Housing](#), [Recreation and Open Space](#), [Neighborhood Character and Identity](#), [Community Facilities and Amenities](#), [Circulation and Connectivity](#), and [Economic Development](#). These seven themes, or plan elements, encompass the full spectrum of the planning systems that constitute Downtown North's urban structure: The Redevelopment Plan presents an integrated approach for growth and change in Downtown North through a discussion of overriding themes that will result in a more efficient model

for future development. These themes illustrate how future land use designations, neighborhood rehabilitation, circulation patterns, environmental preservation efforts, and economic development strategies can be translated into a workable redevelopment program that accents the area's natural and cultural amenities. The conceptual themes are presented through a brief narrative description of the issue, followed by an objective statement that defines the intent of the Plan, and finally a series of action strategies that interweave the thematic concepts to address the related issues and concerns.

#### Land Use

##### Objective:

Encourage a mix of uses that reflects the neighborhood as a community with diversified interests and activities. Integrate commercial and industrial lands into the functional and aesthetic framework of the Downtown North redevelopment area, maximizing the economic benefits of these uses, while at the same time mitigating their undesired impact.

##### Next Steps to Achieve the Objective

- *Modify the Land Development Regulations to match existing development patterns with zoning designations and future land use designations. For example, the section of the Downtown North redevelopment area in the vicinity of the Downtown defined generally by the area south of West 8th Street should be incorporated into the pilot study area for the City's ongoing Comprehensive Plan and Land Development Regulations update project.*
- *Work with the community and create detailed Urban Design and Architectural Standards and adopt the Standards through an ordinance as part of its revised Land Development Regulations Code to further ensure consistent development and redevelopment in the redevelopment area.*
- *Ensure that the vision defined for Downtown is incorporated into the ongoing Comprehensive Plan and Land Development Regulations Update process.*
- *Strengthen code enforcement and utilize the design review process to ensure adherence and attention to design guidelines in order to maintain the architectural integrity of future development.*
- *Work with the City to hire additional Planning Staff or a Development Coordinator to monitor the streamlining of the approval and permitting process with various agencies within the CRA district.*



Photo Simulation: Martin Luther King Jr. Boulevard and 15th Street

- *Conduct a site feasibility and program study on locating a consolidated Neighborhood Town Center at an appropriate location in the Downtown North redevelopment area.*
- *Work cooperatively with existing landowners and investors to assemble property for redevelopment as needed. Some of the key opportunities for potential land acquisition activities include: the Neighborhood Town Center concept, Grocery Store proposal, the Watson Bayou park, and the MLK Trails and Recreation concept.*
- *Work closely with Bay Medical Centre as they embark on plans for expanding the facility. Encourage medical related commercial services that are strategically located to serve the interests of the hospital while also supporting objectives of the redevelopment program*

## Housing

### Objective:

Redevelop vacant and boarded properties to encourage adaptive reuse, in-fill development, and to improve the investment image of the community to attract new private development, while at the same time developing strategies to increase home ownership in the area.

### Next Steps to Achieve the Objective

- *Review the "Best Practices for Effecting the Rehabilitation of Affordable Housing" Report published by U.S. Department of Housing and Urban Development (Appendix G) and initiate contact with successful towns to gain a better understanding of the solutions related to implementing successful infill housing and rehabilitation programs.*
- *Work with Bay Medical to develop strategies and pursue opportunities to provide for affordable workforce housing opportunities in the area.*
- *Identify and contact non-profit or faith-based housing developing organizations, especially those organizations with experience in developing affordable housing in low-income communities, to initiate discussions on potential housing development opportunities or partnerships.*
- *Work with the Code Enforcement Department to identify sites in the neighborhood that have a detrimental impact on the investment image and the tax base of the community, and work with the City to clean up these properties.*
- *Collaborate with local developers, the Chamber of Commerce, and the City to create a*



Photo Simulation: Existing home renovation

strategy for marketing the positive attributes of the redevelopment area to attract new residents and homeowners to the area.

- *Develop policies and enforce regulations that hold absentee landowners accountable for the maintenance and upkeep of their properties.*
- *Coordinate with the Life Management Center, Big Bend Community Based Coalition, SCORE and other non-profit organizations in support their efforts to initiate education and counseling programs that assist existing and prospective homeowners with programs such as life management skills, home maintenance and repair counseling, financing options, and debt management.*
- *Create a one-stop resource directory easily accessible to the residents with information on all available housing programs and social service providers.*

## Recreation and Open Space

### Objective:

Develop an interconnected parks and recreation system that enhances the neighborhood's aesthetic and environmental character and provides increased public access to a diverse range of recreational activities.

### Next Steps to Achieve the Objective

- *Work with the City to conduct neighborhood workshops to address the recreational needs of the residents including: assessing the need for expansion of the Martin Luther King Jr. Recreation Center; developing neighborhood parks; developing a waterfront park at Watson Bayou; and forming joint-use agreements with area churches and schools.*
- *Pursue the design and construction of a linear park and multi-use trail system along Martin Luther King Jr. Boulevard that will serve as a pedestrian connector linking the area's activity centers centers to utilize their facilities and premises for additional recreation and cultural facilities.*
- *Examine the feasibility of introducing water-based activities, such as boardwalks, canoeing, kayaking and paddle boating.*
- *Upgrade Henry Davis Park and enhance visual and physical access from Martin Luther King Jr. Boulevard. Upgrade the stormwater retention pond.*



Photo Simulation: Neighborhood Park In-Fill on Vacant Lot

## Neighborhood Character and Identity

### Objective:

Establish neighborhood identity and improve neighborhood interconnectivity. Preserve the existing neighborhood character and enhance the cultural and physical conditions to establish a safe, culturally rich and aesthetically pleasing environment.

### Next Steps to Achieve the Objective

- *Initiate "Living in Downtown North" events showcasing the neighborhood's assets and City's resources, such as the community barbecue, art festivals, heritage tours, etc.*
- *Continue with the ongoing effort to provide urban design and motif determination and ensure that the development of a themed arts and cultural district concept is evaluated as part of the effort.*
- *Construct streetscape improvements such as gateways and neighborhood markers at key locations to a pilot project to establish a unique identity for the area.*
- *Work with residents, the African-American Cultural Center, and property owners to introduce uses and activities that promote the area's rich heritage on an ongoing basis.*
- *Support community policing and other innovative efforts undertaken by the Panama City police department to address changing trends in crime within the community. Incorporate accredited safe neighborhood design techniques for all public places and for proposed public/private redevelopment projects.*
- *Work with the City, educational institutions, faith-based organizations and other non-profit organizations to organize neighborhood outreach drives to inform and educate the residents about emergency preparedness, reporting of illegal activities in the area, and other housekeeping issues to prevent code violations and fire accidents in the neighborhood.*

## Community Facilities and Amenities

### Objective:

Form strategic partnerships with all appropriate government agencies, quasi-government entities, non-profit organizations, faith-based institutions, and private utility providers to strategically locate and utilize community facilities in order to provide a high level of service.

### Next Steps to Achieve the Objective

- *Initiate discussions with City departments, neighborhood associations, faith-based organizations, and community agencies to create a one-stop resource center (Business Assistance Center) that provides the area residents and businesses with updated information on local and regional services and programs.*
- *Prepare a grant feasibility study for public projects including: roads, utilities, streetscapes, parks, and law enforcement, particularly targeting potential projects to receive funding through President Obama's American Recovery and Reinvestment Stimulus Plan.*
- *Work with the City's Public Works and Leisure Services departments to devise policies for the construction and maintenance of proposed capital improvements. These policies will streamline the operating and overhead expenses of the Agency freeing up revenue*

for much needed capital improvements.

- Develop a detailed feasibility study for the proposed Neighborhood Town Center concept. The detailed study should include an evaluation of the existing Glenwood Community Center facilities, programming of spaces and uses, location analysis, site requirements, economic feasibility, financing mechanisms, cost estimates, and a phasing plan for construction.
- Work with AmeriCorps and other quasi-governmental entities and non-profit organizations to implement youth training and other job assistance strategies to reduce unemployment in the redevelopment area



Examples of preferred uses to be located in the proposed Neighborhood Town Center include a civic plaza, a community center, and neighborhood oriented retail, etc.

## Circulation and Connectivity

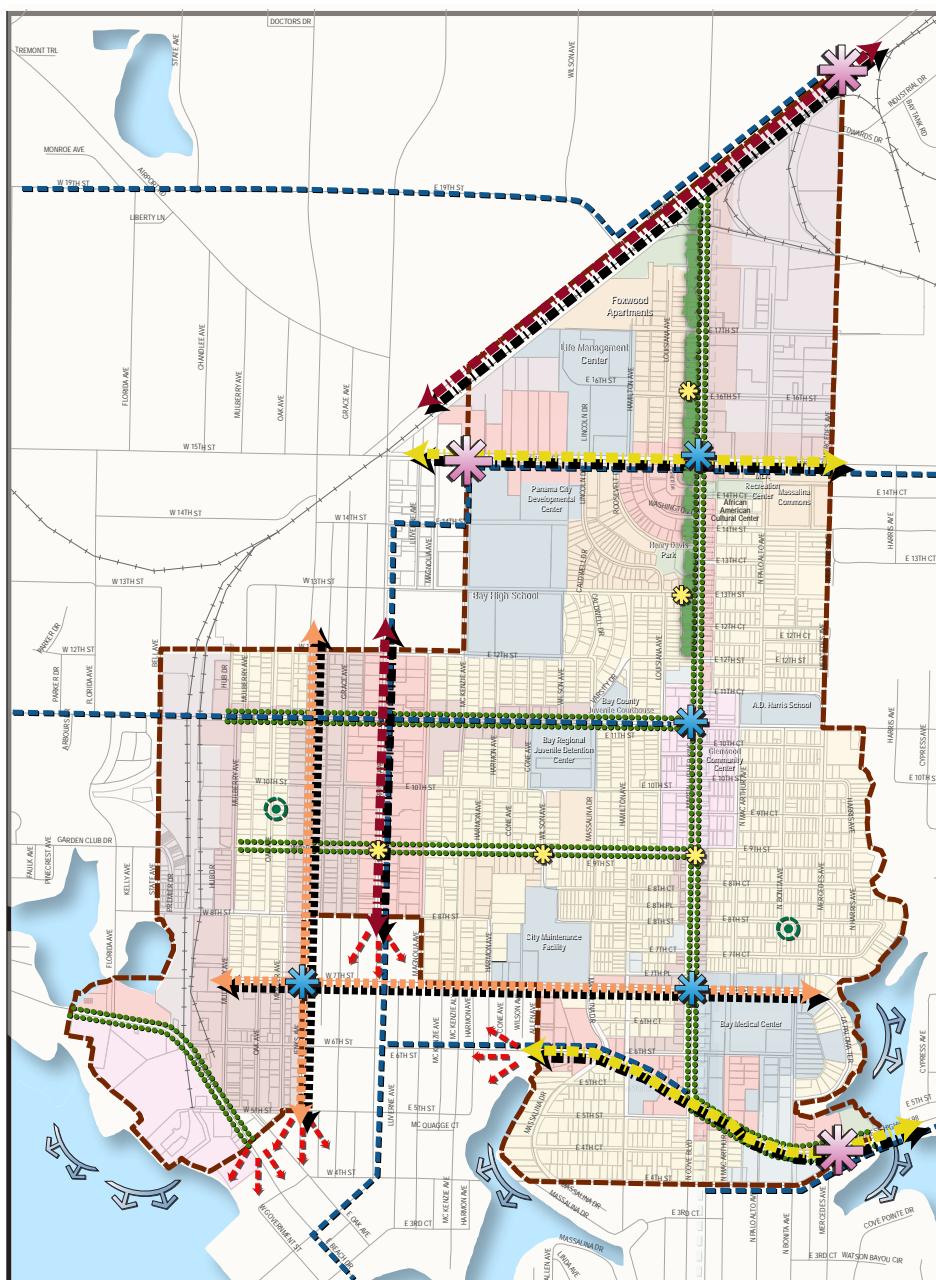
### Objective:

Improve streetscape along identified corridors and create a balance between the economic benefits of commercial corridors and their aesthetic environment, while at the same time minimize their impact on adjacent less intense land uses.

### Next Steps to Achieve the Objective

- Strengthen relationship with the City Commission to provide stronger direction for policy decisions and support for capital projects including roadway improvements and maintenance.
- Pursue roadway improvements to 6th Street/ US Business 98 as a high-priority in order to take advantage of the federal funding that might become available through the American Recovery and Reinvestment Stimulus Plan and the FDOT grant received by the CRA in early 2009.
- Initiate discussions with public and private sector entities to obtain easements and pursue streetscape improvements along the 6th Street/ US Business 98 corridor and the proposed waterfront walkway.
- Continue to prioritize identified streetscape projects in conjunction with other planned public and private sector improvements.

- Work with the Florida Department of Transportation, review the FDOT "Livable Communities" policies, and pursue its application on the Martin Luther King Jr. Boulevard, as appropriate.
- Work with area residents and Bay County to identify inadequately designed bus transit routes and evaluate the location of bus stops in relation to pedestrian generating uses



Circulation and Connectivity System Map

## Economic Development

### Objective:

Establish a set of priorities, with the sole purpose of focusing on the needs of the Downtown North economic development, within the appropriate administrative framework required for successful program implementation. Formulate economic development strategies that provide the area residents access to a diverse range of businesses, employment opportunities and housing choices.

### Next Steps to Achieve the Objective

- Work with the City, County and the Chamber of Commerce to establish an Office of Economic Development for Downtown North and align the various City departments' budgets, goals, and priorities where possible to support the Downtown North's economic development.
- Work with the City to hire an Economic Development Director and additional planning staff to assure continuity of current efforts in the various districts.
- Develop a grant stacking strategy to leverage revenues with matching grant programs for economic development efforts such as green-collar job training, arts and cultural programs, African-American heritage tourism, .
- Prepare a comprehensive business recruitment and retention program in conjunction with the proposed physical improvements and ongoing events programming. The Agency should concentrate initial efforts to attract commercial establishments related to opportunities related to attracting green-collar jobs.
- Work with the City, County and the Chamber of Commerce to establish a business assistance center to retain and attract businesses to the area, expand training and mentorship opportunities, and increase job accessibilities for the area residents and employers.
- Work with the City to develop programs and incentives that support existing and prospective small and minority owned businesses in the area, especially in the green industry. Such incentives may include expedited review and flexible zoning for green businesses.
- Establish measurable indicators to track progress and activities in the revitalization area. Set initial benchmark indicators and then report annual results on the revitalization effort in the residential, neighborhoods, the promotion of the revitalization effort and civic engagement in the process, and the economic development activities on the overall economic performance.
- Work with the City to pursue the Enterprise Zone designation for the Downtown North redevelopment area
- Partner with non-profit organization and agencies such as AmeriCorps, NAACP, Big Bend Community Based Coalition, and SCORE, etc., to offer workshops, seminars, and training programs that will increase the skills of the working population and improve the labor force participation rate among the area residents
- Work with the Life Management Center to institute programs to educate residents about basic life management skills, such as financial management and home ownership awareness.

- Develop a newsletter to share information about the community's accomplishments, status of proposed projects, and resources available to the residents and business owners.
- Organize community-wide meetings on a regular basis to update stakeholders about the progress in the neighborhoods and engage the residents.

## Implementation Plan

### Leadership

Successful program implementation hinges upon close cooperation and coordination between private and public groups and agencies requiring strong and determined leadership. While leadership is a highly intangible quality, it is the single most important factor for successful implementation of the redevelopment program. The leadership of the Mayor, City Commission, City Manager and staff in Panama City has been Downtown North's greatest need thus far. Many of the current challenges facing Downtown North are a direct result of the City electing not to take a leadership role with the redevelopment program and the CRA/DIB working somewhat in isolation of the City administration in the past. With the restructuring of the CRA Board to include the City Manager and recent efforts to strengthen the relationship with the City Commission, the redevelopment program has improved this important relationship. Also, in light of the recently adopted agreement between the DIB and CRA outlining the roles and relationships of the organizations, it is recommended that the City Commission strengthen its relationship with the CRA providing stronger direction for policy decisions and support for projects and programming activities for all four of the redevelopment areas. It is recommended that the City and CRA through a strengthened relationship continue to work with Advisory Boards comprised of representatives from the existing redevelopment areas, including the Downtown, Downtown North, Millville and St Andrews. The Plan recommends that the City and CRA devise policies for the construction and maintenance of proposed capital improvements. These policies will streamline the operating and overhead expenses of the Agency freeing up revenue for much needed capital improvements.

### Capital Projects and Programs

Chapter 4 identifies a phased capital improvements program that prioritizes capital projects to help the Agency move forward with enhancements to infrastructure and public realm improvements that will support future private sector investment. It should be noted that the Downtown North Redevelopment Plan will not be implemented all at once, and it is likely that all elements of the plan will not occur within the time sequence described. The redevelopment plan is intended to provide the framework for implementing actions designed to overcome deterrents to desired future growth and development in order to stimulate private investment. Over time, portions of the plan may be updated and revised to reflect changes in the economy, public concerns and opportunities associated with public and private development proposals. It is important to note that the capital improvement plan is flexible in nature. It is the best estimate of project costs based on a measure of the order of magnitude for projects in relation to anticipated revenues.

As a matter of practice the Agency will continue to prepare annual budgets as well as establishing one, three and five-year work programs for budgetary and administrative purposes. Ultimately project costs will be refined during the design and construction phase of any given project. They are not a guarantee of expenditure of funds on a given project in a given year. Actual funding allocations will be determined annually through the City's/ Agency's budget process. As priorities change, the capital improvement budget and projects are amended. Managed correctly, funds from the City and CRA can be leveraged through grants and commercial financing to accomplish a substantial number of capital improvements and planning activities. When successful, the Agency should see a substantial increase in the tax base and realize a healthy return on its investment through increased ad valorem revenues, sales tax receipts and other formulated revenue sharing programs. The Capital Improvements Program identifies capital projects and a statement of the projected costs of redevelopment as one of the required elements of a Community Redevelopment Plan as provided in Section 163.362 F.S.

### Next Steps:

- Adopt the Redevelopment Plan Update
- Strengthen relationships with City Commission, the City staff and other levels of government that are key players in implementing and maintaining identified projects and programs.
- Work with the City to hire an Economic Development Director to assure continuity of current efforts in the various districts.
- Augment the City's Planning Staff by providing funding for a professional Planner responsible for assisting the Planning Director with implementing the planning and regulatory aspects of the redevelopment program.
- Prepare grant feasibility study for public projects including: roads, utilities, streetscapes, parks, and law enforcement, particularly targeting potential projects to receive funding through President Obama's American Recovery and Reinvestment Stimulus Plan.
- Establish and strengthen relationships with local, state and federal representatives to develop coordinated strategies for obtaining funding and support to implement key projects and programs in the redevelopment area.
- Work with the City Manager and Finance Director to strategically devise annual operating and capital improvements budgets to maximize the use of anticipated tax increment revenues.
- Develop one, three, and five-year work programs for budgetary and administrative purposes.
- Contact affected property owners to determine their level of interest in participating in proposed redevelopment activities.

## Statutory Requirements

This document has been prepared under the direction of the Panama City Community Redevelopment Agency in accordance with the Community Redevelopment Act of 1969, F. S. 163, Part III. This Plan updates and amends the City of Panama City Downtown North Community Redevelopment Plan adopted by the Panama City Commission in 1993. Overall, this Plan is comprehensive in scope, containing many programs, projects, and activities which could be applied to serve the objectives of the CRA. Appendix D addresses the specific requirements of Chapter 163, Part III, Florida Statutes, as they relate to the preparation and adoption of Community Redevelopment Plans in accordance with Sections 163.360 and 163.362. This Appendix includes a brief synopsis of each Sub-Section requirement from 163.360 and 163.362, and a brief description of how the redevelopment plan and adoption process meet those requirements. The matrix on the following page summarizes the Statutory Requirements as it relates to the Contents of Community Redevelopment Plans in accordance with F.S. 163.362 and provides a reference to the sections of the Master Plan that address these requirements.

CONTENTS OF COMMUNITY REDEVELOPMENT PLAN REQUIRED BY STATUTE (F.S. 163.362)	REFERENCE IN PLAN
(1) Contain a legal description of the boundaries of the community redevelopment area and the reasons for establishing such boundaries shown in the plan.	Appendix E
<p>(2) Show by diagram and in general terms:</p> <ul style="list-style-type: none"> <li>(a) The approximate amount of open space to be provided and the street layout.</li> <li>(b) Limitations on the type, size, height, number, and proposed use of buildings.</li> <li>(c) The approximate number of dwelling units.</li> <li>(d) Such property as is intended for use as public parks, recreation areas, streets, public utilities, and public improvements of any nature.</li> </ul>	Part II: Redevelopment Concept Plan Chapter 3: Concept Plan Appendix A: Economic and Real Estate Market Analysis Report Appendix B: Inventory and Analysis Report
<p>(3) Neighborhood Impact Element  If the redevelopment area contains low or moderate income housing, contain a neighborhood impact element which describes in detail the impact of the redevelopment upon the residents of the redevelopment area and the surrounding areas in terms of relocation, traffic circulation, environmental quality, availability of community facilities and services, effect on school population, and other matters affecting the physical and social quality of the neighborhood.</p>	Appendix D: Statutory Requirements Chapter 3: Concept Plan
(4) Publicly Funded Capital Projects: Identify specifically any publicly funded capital projects to be undertaken within the community redevelopment area.	Chapter 4: Capital Improvements Program
(5) Safeguards: Contain adequate safeguards that the work of redevelopment will be carried out pursuant to the plan.	Appendix D: Statutory Requirements
(6) Retention of Control: Provide for the retention of controls and the establishment of any restrictions or covenants running with land sold or leased for private use for such periods of time and under such conditions as the governing body deems necessary to effectuate the purposes of this part.	Appendix D: Statutory Requirements
(7) Assurances of Replacement Housing for Displaced Persons: Provide assurances that there will be replacement housing for the relocation of persons temporarily or permanently displaced from housing facilities within the community redevelopment area.	Appendix D: Statutory Requirements
(8) Element of Residential Use: Provide an element of residential use in the redevelopment area if such use exists in the area prior to the adoption of the plan or if the plan is intended to remedy a shortage of housing affordable to residents of low or moderate income, including the elderly, or if the plan is not intended to remedy such shortage, the reasons therefor.	Appendix D: Statutory Requirements Chapter 3: Concept Plan
(9) Statement of Projected Costs: Contain a detailed statement of the projected costs of the redevelopment, including the amount to be expended on publicly funded capital projects in the community redevelopment area and any indebtedness of the community redevelopment agency, the county, or the municipality proposed to be incurred for such redevelopment if such indebtedness is to be repaid with increment revenues.	Chapter 4: Capital Improvements Program
(10) Duration of Plan: Provide a time certain for completing all redevelopment financed by increment revenues. Such time certain shall occur no later than 30 years after the fiscal year in which the plan is approved, adopted, or amended pursuant to s. 163.361(1). However, for any agency created after July 1, 2002, the time certain for completing all redevelopment financed by increment revenues must occur within 40 years after the fiscal year in which the plan is approved or adopted.	Chapter 5: Implementation Plan: Program Administration and Financing
(11) Statutory Disposition: Subsections (1), (3), (4), and (8), as amended by s. 10, chapter 84-356, Laws of Florida, and subsections (9) and (10) do not apply to any governing body of a county or municipality or to a community redevelopment agency if such governing body has approved and adopted a community redevelopment plan pursuant to s. 163.360 before chapter 84-356 became a law; nor do they apply to any governing body of a county or municipality or to a community redevelopment agency if such governing body or agency has adopted an ordinance or resolution authorizing the issuance of any bonds, notes, or other forms of indebtedness to which is pledged increment revenues pursuant only to a community redevelopment plan as approved and adopted before chapter 84-356 became a law.	Not Applicable

# PLAN ORGANIZATION

*The Downtown North Redevelopment Plan intends to serve as a comprehensive resource for community leaders and stakeholders that are engaged in shaping the social, economic, and physical form of the area. Future actions targeted in this area are anticipated to follow the recommendations of the Redevelopment Plan through continued discussions with the residents, community stakeholders, and City agencies. The purpose of this document is to establish measurable benchmarks for the community's future growth and identify strategies that will provide guidance for successful implementation of the overall theme to create seamless neighborhoods throughout Downtown North.*

The Plan is organized into four parts and four chapters, as described below.

## Part I: Overview

### Chapter 1: Context

Chapter 1 presents the historic and geographic contexts that form the foundation for understanding the Downtown North redevelopment area's evolution to its current state.

## Part II: Redevelopment Master Plan

### Chapter 2: Concept Plan

#### Land Use Element

This element addresses the key attributes of the Downtown North's land development pattern and character: future land use composition; proposed development projects; development intensities and densities; open space system; overview of Downtown North's residential neighborhoods and proposed special districts.

#### Housing Element

This element addresses issues impacting the provision of a wide variety of affordable housing stock that will better serve the needs of the residents through preservation and enhancement of the existing residential neighborhood, introduction of multi-family housing units at strategic locations, encouraging in-fill development, and creative strategies to increase homeownership.

#### Recreation and Open Space Element

Issues addressed in this element include improvements and expansion to the existing recreational facilities, restoration of the bayou and natural resources; preservation of existing vegetation and introduction of new greenways and trails.

#### Neighborhood Character and Identity Element

Issues addressed in this element include establishing a positive neighborhood identity through both physical improvements such as the construction of distinct gateways, creating of a cultural district that celebrates the rich heritage of the community, and improvements to neighborhood safety by engaging the community.

#### Community Facilities and Amenities Element

This element addresses issues impacting the provision of the primary civic realm infrastructure-utility network and stormwater systems; community facilities related to educational and cultural resources –neighborhood town center, community center, resource center and other civic amenities.

#### Circulation and Connectivity Element

This element includes proposed improvements to the transportation network; bicycle and pedestrian connectivity; trail network; transit and multimodal transportation.

## Economic Development Element

The primary focus of this element is related to Downtown North's economic positioning within a regional and historic context. The element addresses essential economic development components such as employment base, workforce training, marketing and promotion, strategies related to retaining and attracting sustainable employment base.

## Part III: Implementation

### Chapter 3: Capital Improvements Program

This chapter builds on projects outlined in Part II, to prioritize actions that will need to be pursued in the short-term (5 years) and long-term (6+ years) for successful implementation of the redevelopment program. The chapter also presents a 5-year preliminary budget for the proposed improvements, and identifies funding sources to assist the CRA with budgeting and financial planning.

## Chapter 4: Implementation Plan

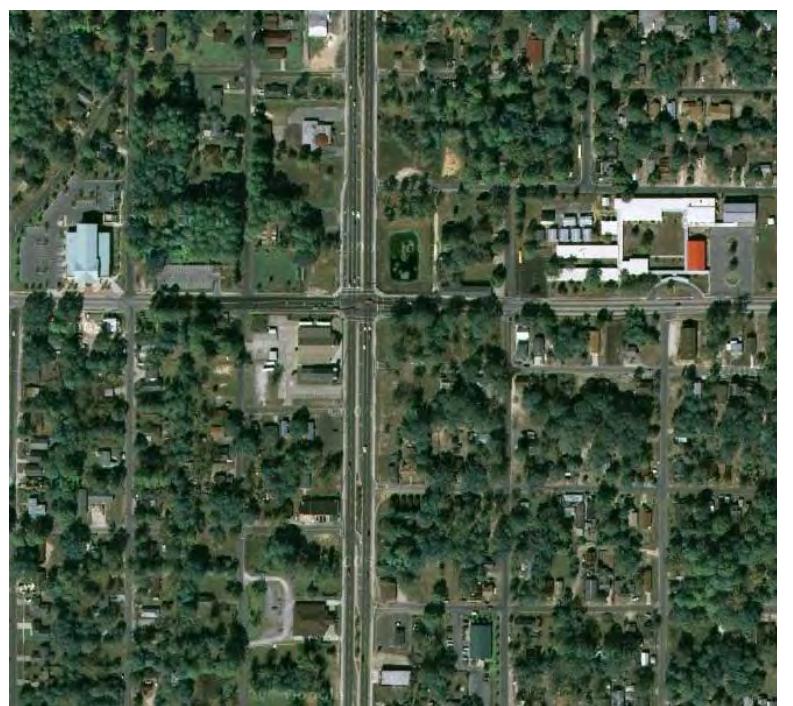
This chapter presents the organizational framework and financial strategies that will be required for successful implementation of the Redevelopment Plan program. It defines the roles and responsibilities that should be undertaken by the various agencies and stakeholders that are involved in shaping the future development of Downtown North.

## Part IV: Appendices

The appendices provide resources that contain information required by Florida Statutes Section 163.362 and supplemental data and community input that was utilized in the preparation of the Redevelopment Plan. Appendix A contains the Economic and Real Estate Market Analysis Report. Appendix B contains the Inventory and Analysis report. Appendix C contains detailed results of the visual preference survey results. Appendix D of the Plan contains a section that addresses the specific requirements of Section 163.362 of the Florida Statutes related to Community Redevelopment Plans. Appendix E contains the Finding of Necessity Study. Appendix F presents previous planning study and reports including Greater Glenwood Revitalization Report and pertinent sections from U.S. Business 98 Heritage Corridor Study. Appendix G contains a portion of the report issued by the U.S. Department of Housing and Urban Development that introduces best practices for effecting the rehabilitation of affordable housing.

## Chapter 1 Context

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# HISTORIC CONTEXT



The Downtown North CRA residents have historically played a pivotal role in the development of Panama City's African-American community. Beginning in the 1880s, several efforts to market the area to become Panama City were made by real estate entrepreneurs- L.M. Ware, F.M. Moates, R.M. Baker, G.W. Jenks, and the St. Andrews Bay Railroad, Land and Mining Company. In 1905, the Gulf Coast Development Company was formed and became the driving force behind the development of the St. Andrews Bay Re-platting Jenks' and Demorest' "Harrison" Plat, and by securing the terminus of a rail line from Dothan, Alabama, the company was instrumental in connecting the new town of Panama City to the rest of the State. Under the developer G.M. West, the community was named Panama City in 1906, and witnessed the growth of St. Andrews Bay waterfront as an industrial center where rudimentary piers housed commercial shipping, a post office and the city jail. The promotion of tourism and opening of hotels in the area in 1911 represented another significant development in the economic development of Panama City. Following the creation of Bay County in 1913, Panama City was chosen to be the new county seat the following year, allowing for development of a courthouse and a jail facility.

Source: <http://www.panamacitydowntown.com/Default.aspx?tabid=2183>

As a result of this regional economic growth and the development of Panama City as the county seat, the area to the north of Downtown, that includes the current Downtown North Redevelopment Area also experienced significant growth in population. The 1920s witnessed continued growth for Panama City, and was closely linked to the economies of Millville and St. Andrews. With the rapidly declining supply of timber, the proprietors of the St. Andrews Bay Lumber Company decided to search for another major industry to be located in the area, and felt that they needed to demonstrate that the area accommodated a population of at least 5,000 residents to serve as a potential employment base. As a consequence, in 1925, Panama City annexed both Millville and St. Andrews, thereby combining the three towns into one city.

In the next two decades, in the 1930s and 1940s, businesses in Panama City continued to boom, and the Downtown North neighborhoods also witnessed an increase in entrepreneurial ventures, to serve the needs of the residents working in the industries and as domestic servants for the more affluent residents of Panama City. The 1940s and 1950s, characterized by the civil rights movement in the entire nation, also witnessed a parallel escalation in civic unrest within the African-American population residing in Panama City. It was during this period that two civic organizations- the Negro Improvement Association

and Women's Civic Club- were established in the Downtown North redevelopment area. The two organizations, working in close collaboration, were instrumental in promoting several social and civic initiatives within the area. According to a story published in a local newspaper in 1944, the members of the Negro Improvement Association requested the Panama City Commission to "plan a program of improvement for the Negroes of Panama City". The recommendations requested by the association included restricting Glenwood to colored residents and businesses only; collecting garbage in the congested Negro districts; erecting street lights; providing city water and sewage disposal; paving and repairing roads where necessary; and providing a Negro policeman in full uniform to work the areas as a member of the city police department. The decades of the 1940s and 1950s also witnessed the start of several institutions- black churches and schools, in the Glenwood community.

Source: *Greater Glenwood Revitalization Plan*



# GEOGRAPHIC CONTEXT

The City of Panama City is located on a peninsula between St. Andrews Bay and the Gulf of Mexico in the Florida Panhandle, along the Emerald Coast. It is the largest city between Pensacola and Tallahassee, and also the larger of the two principal cities of the Panama City- Lynn Haven Metropolitan Statistical Area in terms of total population. Designated as the county seat for Bay County in 1914, the City is bordered to the south by the Gulf of Mexico, Lynn Haven to the north, Hiland Park to the northeast, Cedar Grove to the east, and Panama City Beach to the west.

Bay County is located in the northwestern region of the Florida Panhandle which also includes Escambia, Santa Rosa, Okaloosa, Walton, Holmes, and Washington Counties. Regional access from the Downtown North CRA/ Bay County is primarily through Highway 231 and Interstate 10. Other corridors connecting the Downtown North CRA with regional urban and rural centers include US Highway 98, Business US 98 in the east-west direction. The area is also connected to the north by U.S. Highways 29,331 and 231, as well as by minor state roads 79, 85 and 87. Atlanta- Bay Railroad connects the Port of Panama City to Washington County and to Escambia County.

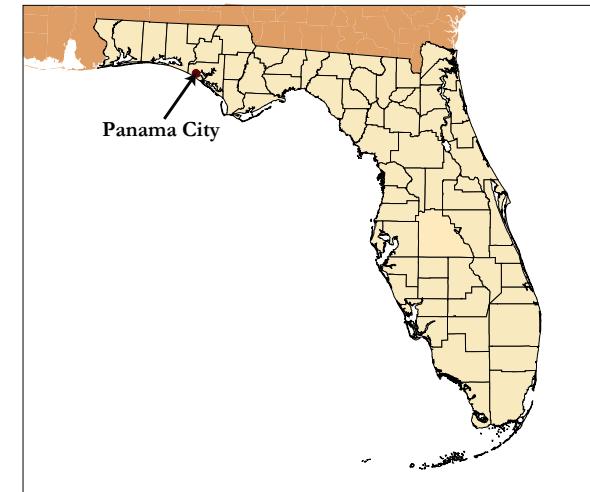


Fig. 1.1 Map showing Panama City's location in Florida  
Source: Bay County GIS Database/IBI Group, May 2008  
Prepared By: M. Ye/ B.Kalra, IBI Group

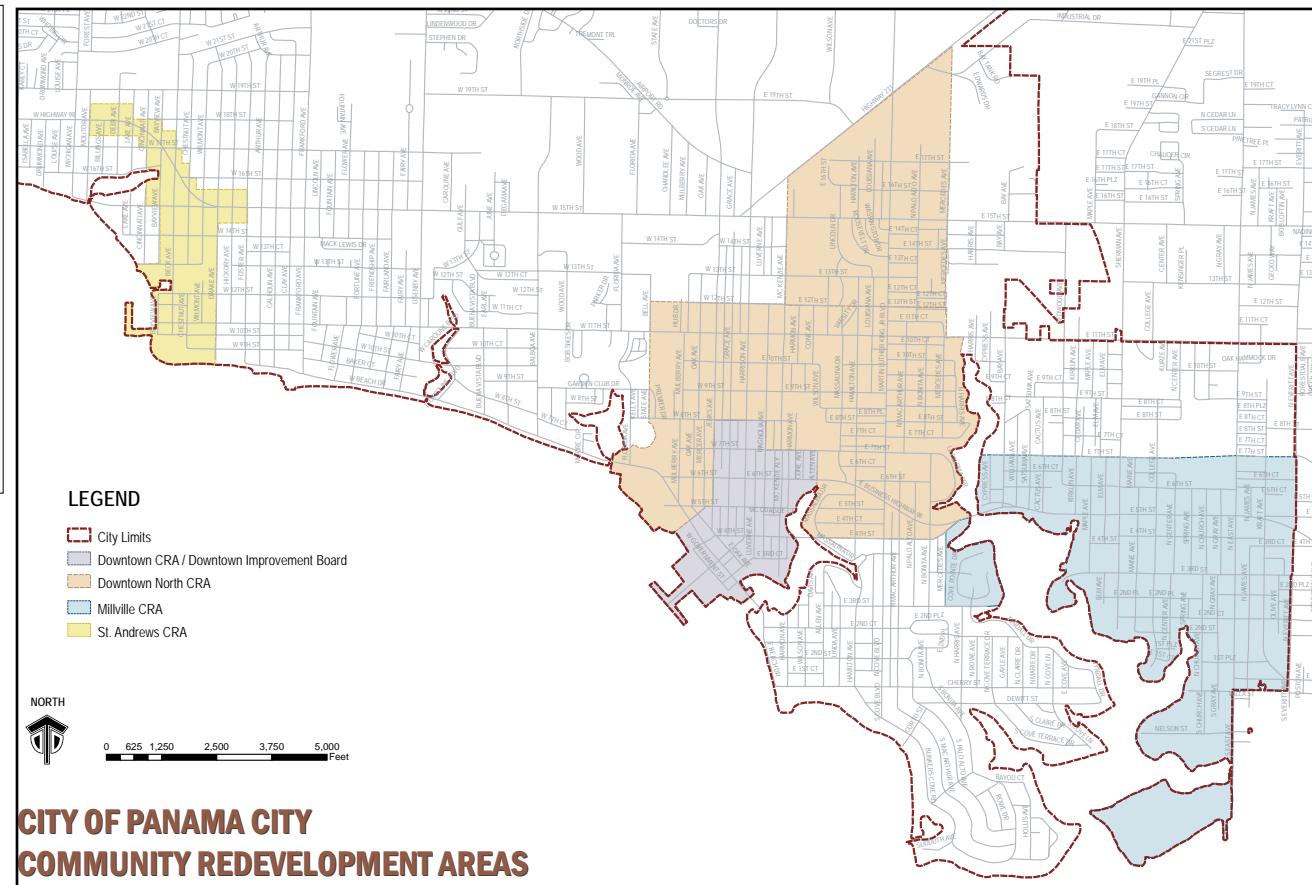
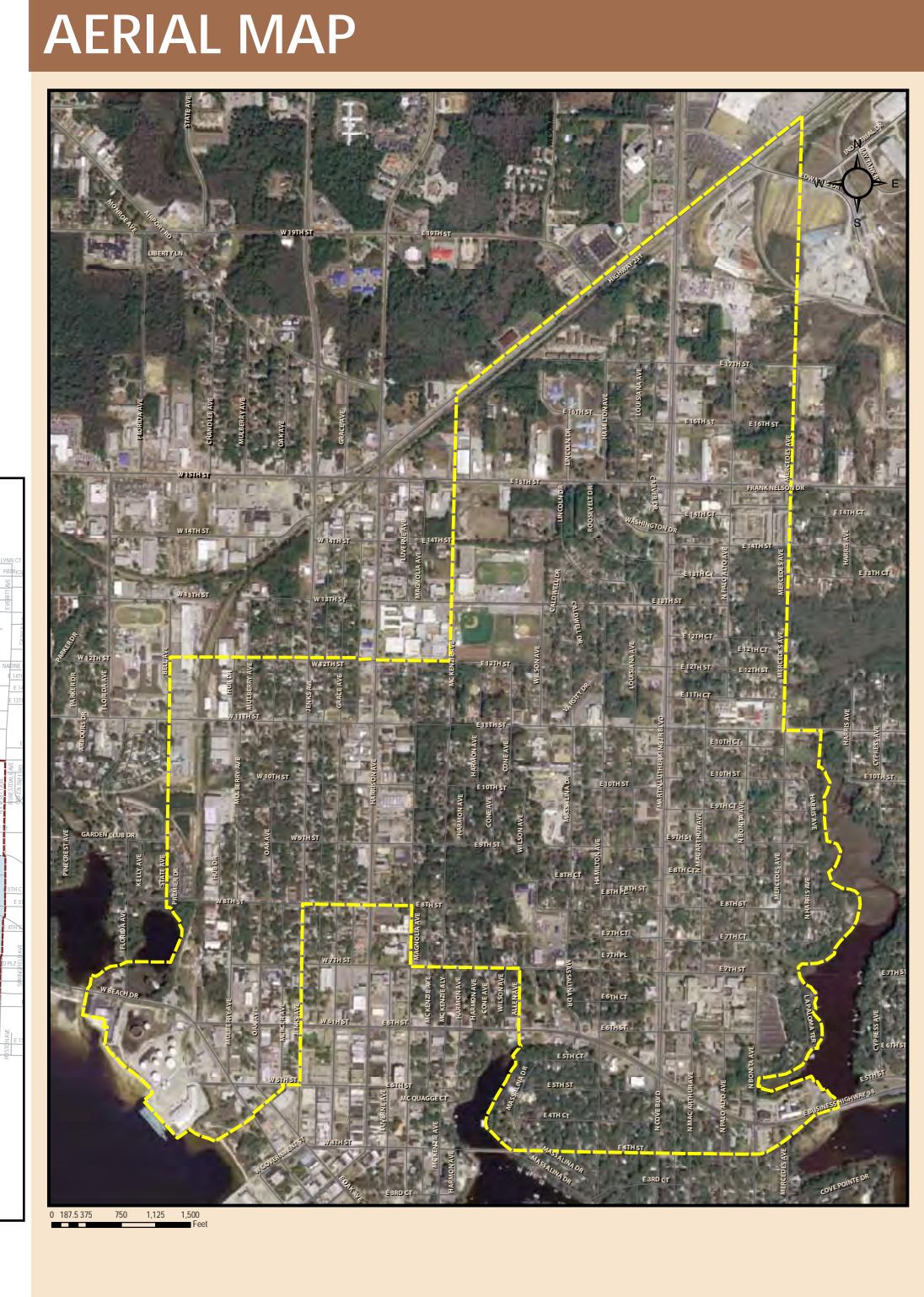


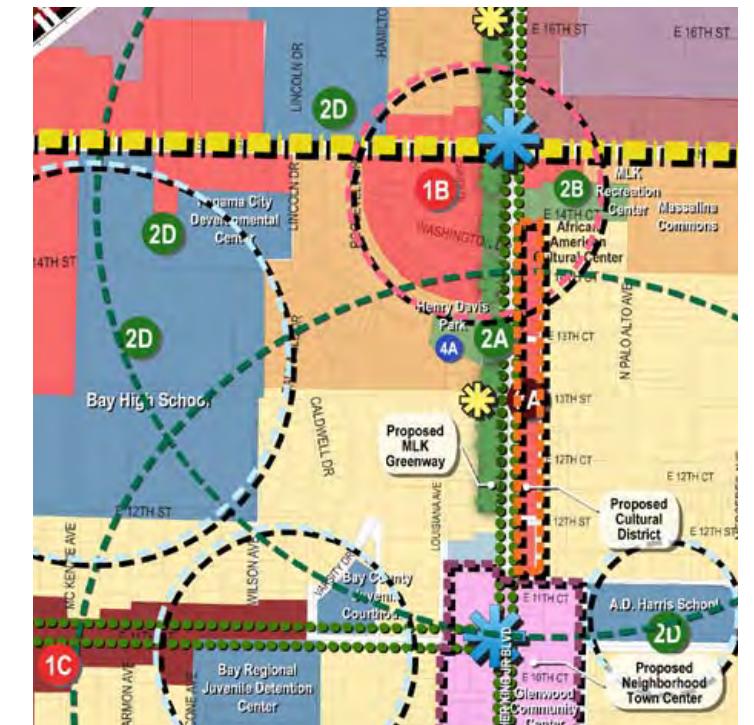
Fig. 1.2 Map showing Panama City Community Redevelopment Areas  
Source: Bay County GIS Database/IBI Group, May 2008  
Prepared By: M. Ye/ B.Kalra, IBI Group

The Downtown North CRA is located in the area surrounding the downtown core of Panama City. Figure 1.2 illustrates the geographic location of the Downtown North CRA in relation to the other CRA districts in the City. The redevelopment area covers approximately two square miles, defined generally by U.S Highway 231 to the north, Bell Avenue to the west, Mercedes Avenue to the east, and East 4<sup>th</sup> Street to the south. Harrison Avenue, Martin Luther King Jr. Boulevard, US Business Highway 98 and East 7<sup>th</sup> Streets serve as the primary transportation connectors.



## Chapter 2 Concept Plan

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# PLAN CONTENT AND ORGANIZATION

This descriptive narrative of the Plan summarizes the general intent of the redevelopment program. It has been produced as a guideline for promoting the sound development and redevelopment of the properties in the redevelopment area. Opportunities for public improvements, redevelopment activities and proposed future land use composition are identified and graphically included in the Plan. It has been prepared to reflect the future land use and development patterns desired by the community as expressed during the focus group meetings, visual preference surveys, and community workshops.

While the Downtown North Redevelopment Plan is comprehensive in its assessment of the issues impacting the future of the Downtown North district, the program, will not be responsible for implementation of plans, projects and programs that are being proposed by other agencies and organizations. The Community Redevelopment Agency cannot possibly assume the roles of other organizations responsible for projects within the area. Rather, the Agency's role is to maintain close relationships with other organizations and support their efforts through supplemental funding and other program initiatives. The redevelopment program will be pursued at multiple levels by numerous jurisdictions at the same time. The CRA may take the lead in certain efforts, while other departments and organizations will lead their efforts where appropriate.

It must also be understood that the plan will not happen all at once, and it is likely that the elements of the Plan will not necessarily occur within the time sequence described herein. The Downtown North Redevelopment Plan is intended to be a guiding document for local government actions designed to overcome deterrents to desired future growth and development in order to stimulate private investment, and to serve as a capacity building instrument that will develop and strengthen the skills, abilities, processes and resources that the Downtown North community needs to thrive. The plan is not intended to be static. Over time, the objectives and strategies of the plan should be updated and revised based upon changes in the economy, relevant public concerns and opportunities associated with private development proposals.

Based on the over-arching planning principles, the Plan is divided into seven "Plan Elements:

1. Land Use Element
2. Housing Element
3. Recreation and Open Space Element
4. Neighborhood Character and Identity Element
5. Community Facilities and Amenities Element
6. Circulation and Connectivity Element
7. Economic Development Element

Each element contains an overview section at the beginning that describes the existing conditions and its relationship to the Plan. The overview section is followed by an objective statement and action strategies to be taken, in order to realize the intended development character. Maps, tables, and illustrative renderings support the text in each chapter.

The Plan contains descriptions of several types of projects and programs, including capital projects, public/private projects, and government programs. Capital projects are those that are funded solely by the public sector to address specific infrastructure needs such as roads, drainage, streetscapes, parks and other municipal facilities. The Plan also contains projects that provide opportunities for the public and private sector to work together toward mutually beneficial development activities. The public and private sectors can bring different resources and capabilities to bear on projects that fulfill the objectives of the redevelopment plan but otherwise might be unsuccessful.

The most important aspects of the Plan are the following:

1. The Plan identifies, in general, where primary land uses and activity centers will be located in order to best attract prospective businesses and residents, while at the same time being well integrated into desired future transportation and land use patterns.
2. The Plan provides a tool for the Redevelopment Agency and the City to promote economic development by showing prospective investors locations that have been designated for their purpose; thereby reducing the developer's risk and permitting hurdles when coming to the community.
3. The Plan provides a holistic means for the Redevelopment Agency and the City to provide the approvals of new developments based upon an agreed-upon strategy.
4. The Plan allows the Redevelopment Agency and the City to make capital improvements projections based upon known future, public project needs, demands and proposed locations.
5. The Plan establishes a framework for policy decisions that anticipate the need for densification of future development patterns.
6. The Plan facilitates the preparation of new land development regulations that provide a higher standard of urban and residential design.

7. The Plan supports desired social, physical and economic development strategies, as expressed by community representatives, including:

- *Improve physical and visual access to the area's recreation and open space network*
- *Develop the Downtown North Neighborhood Town Center to serve as a community focal point as well as to provide essential service to the community*
- *Celebrate the culture heritage of the Downtown North through establishing an African American Cultural District that will become a regional destination of heritage tourism*
- *Support historic preservation efforts*
- *Support infill, renovation and enhancement of residential areas and the prevention of commercial encroachment into neighborhoods*
- *Introduce mixed-use and owner-occupied multi-family development at strategic locations*
- *Increase homeownership opportunities*
- *Provide enhanced connectivity between the area's recreational resources, commercial centers, and residential neighborhoods*
- *Pursue beautification efforts and streetscape improvements, such as street lighting, traffic calming, and tree planting, to improve the overall perception of safety for the area residents*
- *Enhance the aesthetic character of the commercial corridors and neighborhood connectors to improve the neighborhood's investment image*
- *Promote development patterns and infrastructure improvements that ensure access to an integrated, safe and aesthetically pleasing pedestrian environment to all residents*
- *Strengthen the existing network of community based services and institutions including the area schools and faith based organizations*
- *Improve business climate through capacity building, youth development, and workforce training*
- *Provide connections between service providers and their clients*
- *Expand public safety programmatic efforts in the neighborhood to provide a safe and secure environment for the residents*

## 1 LAND USE AND HOUSING

- Preserve the single-family residential character of the neighborhoods
- Develop strategies to increase homeownership
- Introduce multi-family housing and mixed uses at strategic locations to buffer single-family residential uses from intense uses and increase diversity in housing stock
- Improve housing conditions- encourage infill development and adaptive reuse
- Contact absentee landlords and owners of vacant properties to determine their interest in the redevelopment process
- Provide adequate buffering between residential and industrial uses employing appropriate design standards and encouraging flex-space along the frontage
- Review development regulations along MLK Boulevard related to construction on substandard lots
- Examine the feasibility of increasing the depth of commercial uses along MLK Boulevard, where appropriate
- Initiate beautification and landscaping awards to encourage residents to maintain their properties
- Encourage residential development along the Bayou
- Retain existing industrial uses and continue to direct new industrial development in appropriate areas buffered from residential uses
- Encourage transition of existing manufacturing jobs to green industries (e.g. repairing hybrid cars, building green rooftops and solar panels, refining waste oil into biodiesel)
- Identify opportunities to locate community facilities, including a library, a neighborhood family center, grocery store, neighborhood retail, and restaurants within the area
- Create a mixed-use "Downtown North Neighborhood Town Center" that builds upon the existing Glenwood Community Center facility and introduces new activities and uses serving as a focal point for the entire community
- Introduce medical related commercial uses and professional offices near Bay Medical
- Encourage hotel and tourism related uses along Business Highway 98 capitalizing on its proximity to Bay Medical and the future Federal Courthouse
- Encourage clustering of uses to create efficient, pedestrian friendly and well- serviced commercial centers

### Key Projects:

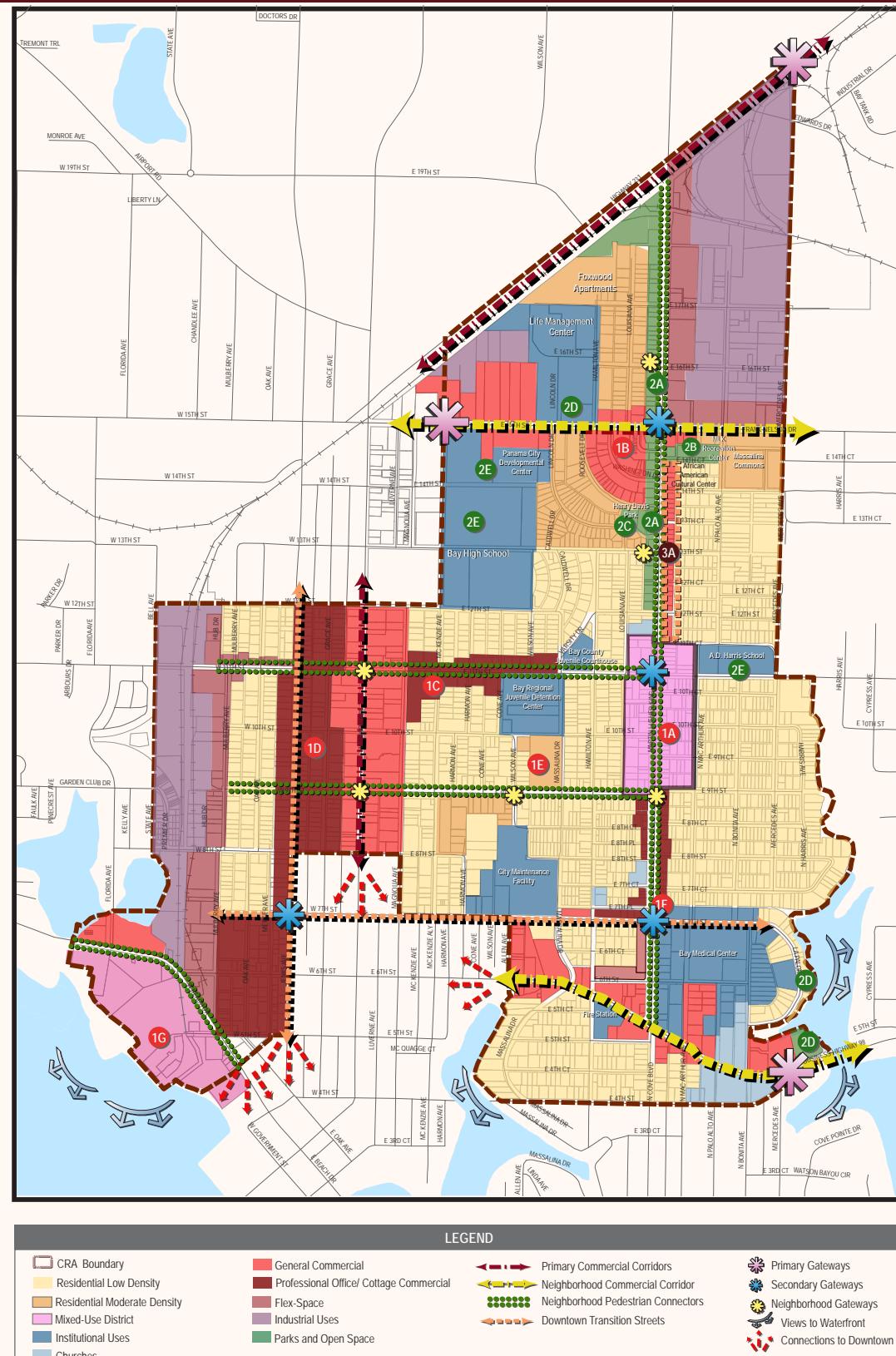
- 1A Downtown North Neighborhood Town Center: Swimming Pool/ Amphitheater/ Community Center/ Business Resource Center/ Youth Employment Services
- 1B Gateway Mixed-Use Node: MLK and 15th Street Potential for grocery store/ bank/ neighborhood retail
- 1C Professional Office District: 11th Street
- 1D Downtown Transition District: Jenks Avenue
- 1E County Storage Facility Redevelopment
- 1F Bay Center Expansion and Medical Related Commercial Services
- 1G Bayfront / Chevron Site Mixed-Use Development

## 2 RECREATION AND OPEN SPACE

- Expand and upgrade existing facilities at the Martin Luther King Recreation Center to introduce new activities and uses
- Design a pedestrian/bicycle trail along MLK Boulevard and Business Highway 98 connecting the neighborhoods to Watson Bayou and the St. Andrews Bay
- Pursue restoration of Watson Bayou and examine the feasibility of introducing waterfront activities, where possible
- Locate a community park/ sports complex with a swimming pool at an appropriate location
- Work with the School Board and the churches to form joint-use agreements that serve the area's recreational needs
- Coordinate youth programs to encourage community participation in neighborhood activities
- Ensure that adequate natural areas are protected, restored, and enhanced
- Incorporate recreational activities such as canoeing, kayaking, and fishing along the bayou, if feasible
- Preserve existing tree canopies
- Seek opportunities to develop vacant properties into pocket parks where possible
- Develop a land acquisition strategy and seek partnerships to assemble land along MLK Boulevard
- Initiate discussions with the faith-based organizations located within the area to utilize their facilities and premises for additional recreation and cultural facilities
- Accommodate special events (community picnics, nature study tours, concerts, inter-neighborhood sports events) at the area's recreational facilities and parks to develop a sense of pride in the community and to help the parks function as positive recreation environments

### Key Projects:

- 2A MLK Boulevard Linear Park and Trail
- 2B Community Recreation Center/ Sports Facility
- 2C Henry Davis Park: Enhance visual and physical access from MLK/ Upgrade Stormwater Retention Pond
- 2D Watson Bayou Canoe/ Kayak/ Fishing/ Boardwalk
- 2E Joint-Use Recreation Opportunity



## 3 NEIGHBORHOOD CHARACTER AND IDENTITY

- Continue the enhancement of the area's infrastructure and amenities, such as the upgrade to the Henry Davis Park and installing new streetlights, to ensure that public improvements are in place to support new development and the anticipated population increase.
- Construct gateway features and directional signage at primary intersections to create a sense of arrival
- Work with residents, African-American Cultural Center, and property owners to introduce uses and activities that promote the area's rich heritage
- Institute programs to involve youth with housing renovations and construction and instill a sense of pride in their neighborhood.
- Expand and upgrade the recreation facilities to meet the needs of the area residents as well as to create a destination for residents from the neighboring areas.

**Key Projects:** 3A Cultural District: Heritage Museum/ Music School/ Arts Program/ African American Book Store/ African-American Art

## 4 COMMUNITY FACILITIES AND AMENITIES

- Form strategic partnerships with all appropriate government, non-profit organizations, quasi-governmental entities and private utility providers to strategically locate and use community facilities in order to provide a high level of service
- Provide adequate street lighting in the redevelopment area, incorporating appropriate lighting design standards for all public improvements including alleyway improvements
- Initiate discussions with City departments, neighborhood associations, faith-based organizations, and community agencies to create a one-stop resource center that provides the area residents and businesses with updated information about local and regional services and programs.
- Seek opportunities to co-locate community facilities, such as day-care centers, neighborhood Family Center, with area schools and faith-based organizations
- Continue to work with the Police Department, the Fire Department, and the residents to address crime and fire emergency issues in the Downtown North Redevelopment Area and also strengthen the police and community partnership
- Incorporate accredited safe neighborhood design techniques for all public places and for proposed public/private redevelopment projects
- Organize neighborhood outreach drives to inform and educate the residents about emergency preparedness, reporting of illegal activities in the area, and other housekeeping issues to prevent code violations and fire accidents in the commercial and residential areas
- Implement youth training and other job assistance strategies to reduce unemployment in the redevelopment area
- Utilize the code enforcement and design review process to improve the neighborhood's physical conditions

**Key Projects:** 1A Downtown North Neighborhood Town Center

## CIRCULATION AND CONNECTIVITY

- Improve pedestrian circulation and safety along the major corridors employing a combination of streetscape elements including directional signage, landscaped medians, traffic calming, and sidewalks
- Design a unified design theme for streetscape improvements along the identified neighborhood connectors
- Emphasize linkages to area parks, trails, schools, commercial centers, and community facilities
- Accentuate significant intersections with urban design elements where neighborhood connector streets meet primary corridors
- Ensure that important community features like the proposed "Downtown North Town Center" and "Community Park/ Sports Complex" are well- served by bus routes
- Improve user comfort and visibility of bus stops by installing lit shelters, benches, trash receptacles, signage, etc.
- Work with area residents to identify inadequately designed bus transit routes and evaluate the location of bus stops in relation to pedestrian generating uses

### Street Hierarchy

- Primary Commercial Corridors: Highway 231, Harrison Avenue
- Neighborhood Commercial Corridors: 15th Street, Business Highway 98
- Neighborhood Connectors: MLK Boulevard, 11th Street, 9th Street
- Downtown Transition Corridors: Jenks Avenue, 7th Street

## ECONOMIC DEVELOPMENT

- Develop programmatic and strategic partnerships between institutional entities to provide additional training and services for the area's youth
- Promote green industries and training programs for green-collar jobs
- Seek opportunities to develop incentives and form partnerships between developers and residents that encourage local participation
- Encourage the area's institutions and faith-based organizations to promote the benefits of home ownership and to increase awareness about available resources for prospective homeowners.
- Establish a business assistance center to retain and attract businesses to the area, expand training and mentorship opportunities, and increase job accessibility for the area residents and employers
- Work with the City to develop programs and incentives that support existing and prospective small and minority owned businesses in the area
- Partner with non-profits and agencies such as NAACP/ Big Bend Community Based Coalition/ SCORE, to offer workshops, seminars, and training programs that will increase the skills of the working population and improve the labor force participation rate among the area residents.

# DOWNTOWN NORTH REDEVELOPMENT MASTER PLAN

# LAND USE

## Community Concerns and Priorities

- Revitalize Martin Luther King Jr. Boulevard: substandard lot size due to roadway widening, limited left turns
- Attract employment generating uses
- Restore Watson Bayou and improve Henry Davis Park
- Improve Jenks Avenue to create a seamless transition from Downtown
- Encourage medical related services and facilitate the expansion of **Bay Medical Center**
- Preserve and improve residential neighborhoods
- Need for a community focal point and gathering place to create a sense of pride for the residents
- Need for community facilities that provide workforce training, youth program, and business assistance and other assistance to serve both residents and business owners
- Need for grocery store, bank, pharmacy and other neighborhood retail to address the daily need of the residents
- Need for more recreational opportunities and open space

## Land Use Assets

- Strong presence of educational and faith-based institution
- Strong presence of residential neighborhoods
- Large pieces of government-owned land that offer redevelopment opportunities
- Existing employment generating uses: Bay Medical Center, Chevron, etc.
- Waterfront properties that offer redevelopment and recreational opportunities

*As new development and redevelopment occur, the conditions in the Downtown North redevelopment area will invariably change and possibly transform the physical, economic, and social system of the area. The sustainable growth of the redevelopment area relies on the manner in which the residential areas, activity centers, transportation network, built environment and natural resources are designed and coordinated. The primary objective of the Land Use element is to provide the community with a broad spectrum of uses and activities that will enable a viable mix of retail, commercial, recreational and residential uses.*

The Downtown North redevelopment area, encompassing approximately 860 acres, contains a diverse mix of land uses including residential, commercial, institutional and industrial uses, with residential being the most predominant use which takes up more than one third of the total land area. It is also noted during the inventory and analysis phase of the planning process, that nearly a quarter of the land is currently vacant, which presents both a challenge and opportunity for future development.

During the course of the planning process, the residents emphasized that the success of the Downtown North CRA Plan will ultimately rest on how well the overall vision is connected with the community's assets. Based on the community's expressed concerns and desires, the Plan capitalizes on the strengths of the area to encourage a complimentary mix of land uses that support the sustainable growth of the community.

Residential use constitutes the largest component of the existing land use in the redevelopment area, accounting for approximately 305 acres or 35.6% of the total developable land area. There are 1,336 single-family housing units in the redevelopment area accounting for 97.3% of the total parcels under residential uses. The remainder 37 parcels, or 2.7% of the total parcels, are multi family units including apartments and duplexes. The Plan calls for further improvement and stabilization of the residential neighborhoods, while at the same time encouraging multi-family in-fill developments to provide a more diverse mix of housing products to better serve the need of the community. Such multi-family in-fill opportunities sites include the current County storage facility site on 9<sup>th</sup> Street East, the undeveloped property at McKenzie Avenue and 9<sup>th</sup> Street East, the portion of land bounded by 15<sup>th</sup> Street East to the north, 13<sup>th</sup> Street East to the south, Bay High School to the west, Roosevelt Drive to the northeast and Martin Luther King Jr. Boulevard to the east as illustrated on the Concept Plan.

Commercial uses account for 14% of the total land of the redevelopment area, encompassing more than 120 acres. The majority of the commercial uses are concentrated along 15<sup>th</sup> Street East, 6<sup>th</sup> Street, Harrison Avenue, Martin Luther King Jr. Boulevard, Jenks Avenue and U.S. Highway 231. Among various commercial uses, Office use constitutes almost half of total land area used for commercial purpose and is the largest share of all commercial developments. The vicinity of Bay Medical Hospital and the area along Martin Luther King Jr. Boulevard have seen a steady growth in medical-related businesses, which provides an opportunity to serve as a catalyst for further strengthening of the economic base of the redevelopment area. The commercial development along the primary corridors is dominated by suburban-style strip malls, auto-oriented uses such as drive through restaurants, motels, gas stations, auto repair and storage yards. While these commercial establishments provide an important economic base for the redevelopment area, many of the

properties are experiencing significant deterioration which has a negative impact on the community. The intent of the Plan is to sustain the long-term viability of the businesses while improving the physical conditions of the properties. This can be accomplished through property clean-up, code enforcement, and the establishment of appropriate development regulations for future uses.



Residential



Commercial



Industrial



Institutional

# Concept Plan Element

## 1 LAND USE

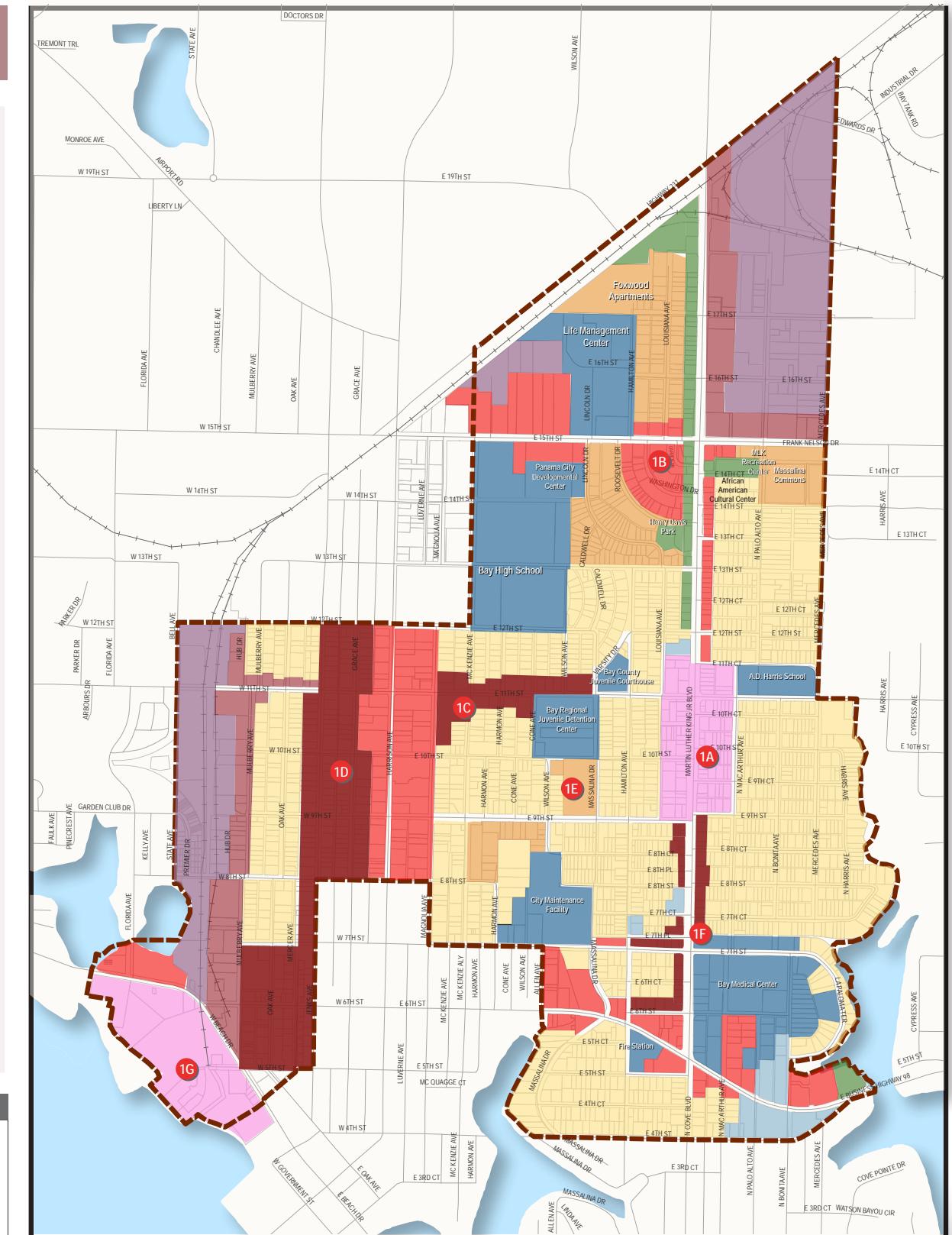
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- 1G Bayfront Mixed-Use Development



Fig. 3.1 Concept Plan Element Map: Land Use



The node of Martin Luther King Jr. Boulevard and 15th Street serves both as a gateway to the Downtown North redevelopment area, as well as an appropriate location to introduce neighborhood commercial uses that are highly demanded by the residents, such as a grocery store, pharmacy, bank, and restaurants. Research has shown that low-income neighborhoods often times suffer from limited or no access to local grocery stores. Grocery stores, along with other types of retail and services such as banks, pharmacies and restaurants, are essential components of livable and well-functioning communities and can enhance their broader economic and social health. Distressed communities benefit from new grocery store developments because the stores can contribute to the area's economic development and revitalization. Success has been seen across the country where low-income communities effectively bring in grocery stores, such as St. Petersburg's Midtown community which has successfully brought in a Sweetbay Supermarket. Creative funding, strong public/private partnership and persistent community leadership all play important roles in making a new grocery store a reality. The *Economic Analysis Report* prepared by the IBI Group suggests that the demographic and market condition of the Downtown North redevelopment area may not support a large format supermarket, however, a store of some 33,000 sf may be supportable in the Downtown North. Because of crucial economic and social benefits to the community, the Plan recommends the CRA aggressively pursue the development of the grocery store and explore alternative strategies as necessary. The CRA should initiate the process by contacting supermarket chains such as Sweetbay that have experience in low-income neighborhoods, or non-profit developers that have completed similar projects. The CRA should also start to investigate the possibility of land acquisition and assembly, and to review land development regulations to clear up roadblocks for potential interested developers.

The Plan proposes a comprehensive approach to revitalize the [Martin Luther King Jr. Boulevard corridor](#). The Martin Luther King Jr. Boulevard was the historic center of commerce for the African American community in Panama City, but in the 1970s and '80s that began to change. With the widening of the corridor by the Department of Transportation, much of that historical legacy was lost to the community, and the business vitality of the corridor was devastated. The Plan seeks to restore the legacy and the energy of the corridor by designating a Cultural District as an African American heritage tourism destination, inclusive of commercial, entertainment and residential attractions, that enhances the area's appeal to tourists visiting Bay County. Detailed strategies on this subject will be discussed further in the Neighborhood Character and Identity Element. Also as an integral part of the revitalization effort, the Plan proposes a linear park and multi-use trail greenway along the corridor, which will not only provide further open space and recreational opportunities highly desired by the community, but also serve as a "spine" that effectively links major activity centers of the area and improves pedestrian mobility. Further details of this concept are discussed in the Recreation and Open Space Element.

## Photo Simulation Martin Luther King Jr. Boulevard

### Existing Condition



### Phase I: Streetscape Improvements



### Phase II: In-fill redevelopment



### Case Study: Sweetbay Supermarket in Midtown, St. Petersburg

Bringing supermarkets and grocery stores to economically depressed communities can be a challenging task. Typically traditional economic analysis utilizes Census information to measure the market potential for investment in a community. The problem in this case is that there are informal transactions in these communities that are often cash-based and are not reported in the Census forms. As a result, big chains believe that these communities lack the population to support a large, suburban-style supermarket and the big chains have been unwilling to deviate from their standard formats in order to serve these markets. However, success has been seen in Florida and across the country. The new Sweetbay Supermarket in St. Petersburg's Midtown is one of such projects, whose success changes the perception of the community and becomes the catalyst of neighborhood revitalization.

#### Community and Project Profile

Midtown, a low-income, predominantly African-American community where 33 percent of the local residents live below the poverty line and earn on average 47 percent of the area's median income. The community had for years lacked many of the basic services most neighborhoods take for granted. The Sweetbay Supermarket, the first full-service grocery store and pharmacy in the neighborhood, is the anchor of a new 47,000-square-foot neighborhood shopping center – Tangerine Plaza. The remaining retail space in the center is occupied by smaller local retail tenants.

#### Project Leaders and Partners

The lead developer for Tangerine Plaza, Urban Development Solutions (UDS), a nonprofit organization, has had prior experience building affordable housing projects in Midtown. UDS approached the City of St. Petersburg with the shopping center proposal, and the City bought the parcels required for the development, rezoned the property for neighborhood commercial development and replatted the lots into one parcel, and then leases the property to UDS for 99 years with an annual payment of \$5.

#### Financing Structure

Funds for construction for the project were provided by Neighborhood Lending Partners of West Florida (NLPWF) and the community development financial institution (CDFI). The City and NLPWF were also instrumental in providing \$1,998,000 in subordinated funds. An additional \$700,000 federal grant came from the Office of Community Services; the principals of the developer donated another \$10,000; and the city provided \$75,000 to fund site work such as sidewalks. LISC (Local Initiatives Support Corporation) invested \$9.2 million in the project through New Markets Tax Credit (NMTC), obtaining equity capital from BB&T and Fifth Third Bank. Through an award from the Federal Home Loan Bank of Atlanta's EDGE (Economic Development and Growth Enhancement) program, BB&T also provided permanent first mortgage financing for the project. Leveraged financing through the NMTC funded a \$200,000 reserve for a Community Outreach Program, a \$500,000 reserve for tenant support (such as build-out, lease support, working capital) and \$500,000 for working capital.

#### Economic and Social Benefits

Since its opening in December 2005, the Midtown Sweetbay supermarket has set sales records for the Florida-based company. In addition, the property tax revenue increased from \$6,000 in 2000 to over \$110,000 in 2006. Sweetbay also received state job tax credits for hiring neighborhood residents. The project's most important achievement is the social equity it has generated in the community. Its success has also established a track record to support continued redevelopment of Midtown. Several new projects are planned or underway in the Midtown area. The estimated \$25 million in investments will include two affordable housing developments and an office building with the community's first bank branch.

(Appendix A Economic and Real Estate Market Analysis contains a detailed market analysis on the supermarket potential in Downtown North)



Bay Medical Center is a major employer in the region, and its own Master Plan would add medical office space, parking and other facilities. The hospital would reorient its main entrance toward Martin Luther King Jr. Boulevard. While the demand for professional office space is strong, hospital employees or visitors lack opportunities for nearby retail, restaurant visits or accommodations. The Plan encourages a mixture of uses in the vicinity of the hospital, including medical related professional offices, retail, restaurants and hotels, while at the same time preservation of the adjacent residential neighborhoods.



Above: Existing condition of Bay Medical Center and Vicinity

Below: Rendering of the Proposed Expansion (Source: Gresham, Smith and Partners)



## Photo Simulation

### Flex-Space Concept (15th Street)

#### Existing Condition



#### Phase I: Streetscape Improvements



#### Phase II (below): Flex-space along the frontage



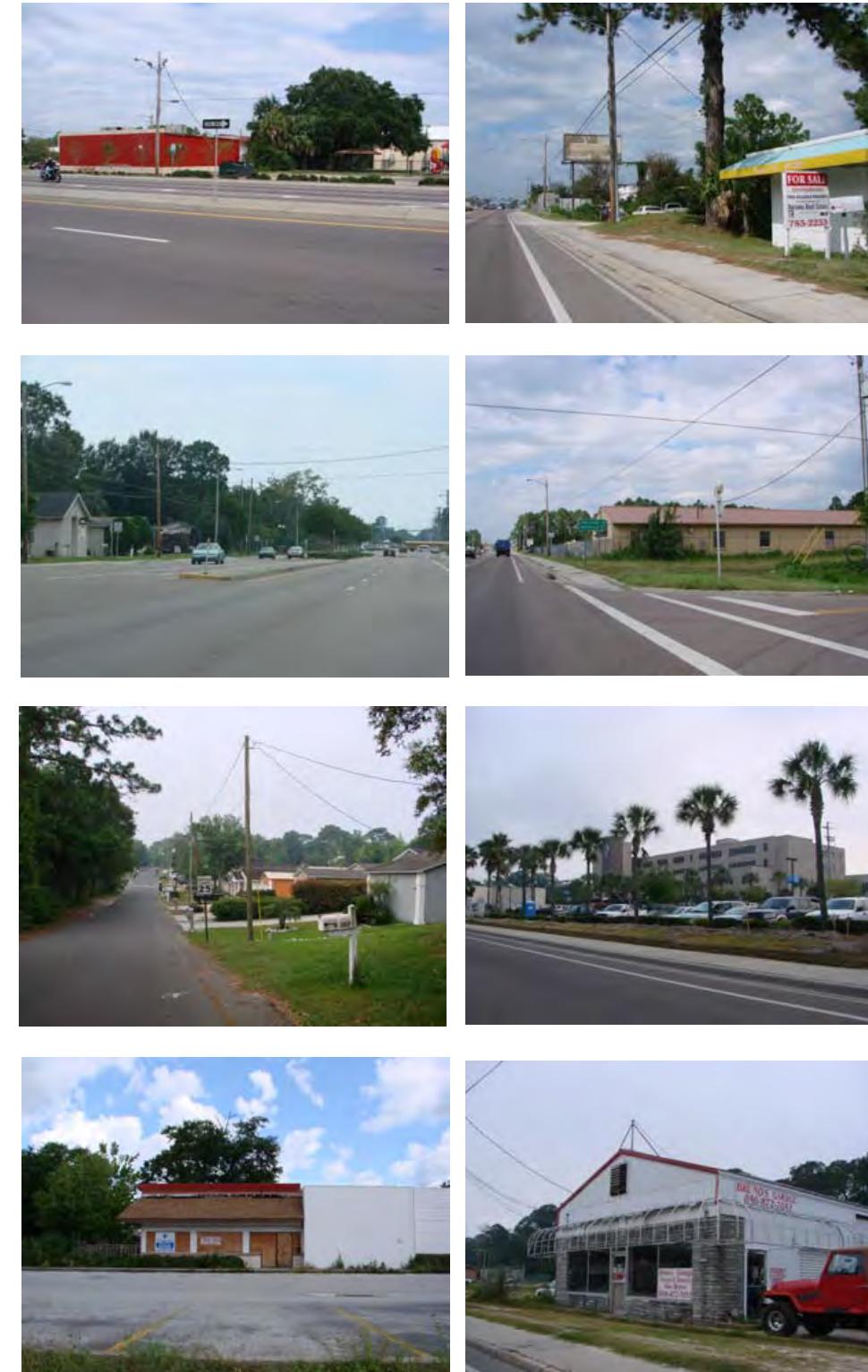
The large tract of [waterfront properties](#), located at the southwestern corner of the redevelopment area and currently anchored by a Chevron factory, represents prime redevelopment opportunity. The *U.S. Business 98 Heritage Corridor Study* conducted in 2006 called for the redevelopment of this site into an open space and mixed use center. While the Plan anticipates the current industrial use will remain in the short term, however, in the future when Chevron decides to relocate and when the properties become available for redevelopment, the Plan recommends a mixed use center with public green with water access, high density residential, retail and office uses for this location. The existing heavy industrial use should be replaced with more environmentally friendly uses to capitalize on the prime location and proximity with the Downtown Panama City. The CRA should initiate discussion with the appropriate representatives of Chevron to determine their long-term plan.

For [the industrial uses](#) concentrated along the railroad and primary corridors, the Plan acknowledges the economic importance of the industrial establishments for the redevelopment area, while at the same time calls for the sustainable development to improve the long-term viability of the businesses and improve the physical conditions of the properties to become more compatible with the residential neighborhoods. This can be accomplished through property clean-up, code enforcement, and the establishment of appropriate development regulations to create adequate buffering for industrial uses. Specifically, the Plan recommends the development of flex-space office buildings along the frontage of the industrial parcels abutting major roadways. This would provide a more attractive street frontage while buffering the industrial establishments.

The [open space network and recreational amenities](#) serve as the redevelopment area's physical spine, which presents an opportunity to promote circulation, mobility, and connectivity for the redevelopment area. The Plan calls for an upgrade and expansion to the existing open space and recreational system, through improvements to the current facilities such as Martin Luther King Jr. Recreation Center and Henry Davis Park, restoration of Watson Bayou and introducing passive water-based activities, and construction of a linear park and multi-use trail along Martin Luther King Jr. Boulevard that will effectively connect the recreational facilities and amenities. The Plan also recommends the development of neighborhood in-fill pocket parks on vacant properties where opportunity exists. The Recreation and Open Space Element provides further discussion on the aforementioned improvements.

Based on the community's expressed concern of the lack of a community focal point and the need to establish an identity for the redevelopment area, the Plan's recommendations are designed around the development of the ["Downtown North Neighborhood Town Center"](#), which will be located in the vicinity of the intersection of Martin Luther King Jr. Boulevard and 11<sup>th</sup> Street. The Town Center will build upon the existing Glenwood Community Center, introduce new community facilities and services such as a neighborhood family center and business assistance center, and incorporate complementing neighborhood oriented retails. The Town Center will serve to cultivate civic pride as well as facilitate economic development. The CRA should initiate the process by conducting a feasibility and program study on the proposed concept, and investigate the possibility of land acquisition and assembly. This concept will be discussed in further details in the Community Facilities and Amenities Element.

## Zoning and Development Standards



Existing Development Character in Downtown North

The City of Panama City Municipal Code currently provides regulations for guiding new development and implementing the land use planning policies contained in the City's Comprehensive Plan. The analysis of the regulatory framework was necessary to identify existing gaps and consider what modifications need to be made to ensure that the recommendations contained in this Plan are implemented to encourage the desired private development and public investment in the Redevelopment Area. There are currently 13 zoning districts within the Downtown North Redevelopment Area: Residential Low Density 1 and 2 (RLD-1 and RLD-2), General Commercial 1 and 2 (GC-1 and GC-2); Mixed-Use 1, 2, 3, 4 and 6 (MU-1, MU-2, MU-3, MU-4 and MU-6); Light Industry (LI), Heavy Industry (HI); Recreation (REC); and Public/ Institutional (P/I). Over a period of time, the Panama City Land Development Code has been amended regularly to provide opportunities for new development in the City. Discussions with community members, developers, businesses and others stakeholders during the focus group meetings conducted as part of this planning process revealed that the existing development review process in the City is lengthy and confusing. Some stakeholders also expressed that the need to meet the different standards of the reviewing agencies both at the City and the County is redundant and time-consuming. This has served as a disincentive to new developments and redevelopment of existing structures for new uses.

Typically, communities maintain both a Future Land Use Map (FLUM) and Zoning Map. The FLUM is State mandated by Chapter 163, Part II, FS Local Government Comprehensive Planning and Land Development Regulation and must be consistent with the City's Comprehensive Plan. Zoning Map or the Land Development Regulations Code on the other hand is the local regulatory tool to control the character and use of buildings. The Zoning Map and related designations must be an allowed use for that parcel in the Comprehensive Plan's Future Land Use Element and Map. However, there are some inconsistencies between the overall intent and provisions of the Future Land Use Map and the Zoning code that has resulted in confusion within the local development community during the project initiation phase. Additionally, certain development standards in the existing land development regulations for the Downtown North redevelopment area are not well-suited for the kind of redevelopment that is envisioned by the community. For example, in the General Commercial 1 and 2 districts, a consistent height limit of 120 feet with provisions to reach 175 feet would not be consistent with citizens' vision of the Downtown North as a unique community with neighbourhood scaled buildings.

Recognizing these issues, the City recently (November 2008) hired a consultant to embark on a process to update its Land Development Regulations and the Future Land Use Element of the Comprehensive Plan. The recommendations related to land use and development characteristics presented in this Plan are intended to guide the update process for the Comprehensive Plan and the Land Development Regulations.

In addition, there are no design standards established in the Land Development Regulations that are typically associated with mixed-use districts. The current Design Guidelines are not comprehensive and detailed enough to address site planning issues and other deficiencies in the various commercial, residential and industrial areas. As a result, it is extremely difficult to interpret for infrequent users such as small business owners and homeowners that are interested in investing in Downtown North.

As an integral part of any successful redevelopment efforts, high quality **urban design standards** play an important role in community revitalization. Good urban design is a concerted effort to recognize the positive attributes of the community, to enhance and conserve those attributes, and to improve the living environment where it is less than satisfactory. The CRA should work with the community, utilize a range of approaches aimed at engaging with the citizens, and create detailed Urban Design and Architectural Standards that can help create lively places with distinctive neighborhood character, streets and public spaces that are safe, accessible, pleasant to use and human in scale. The CRA should adopt such standards through an ordinance as part of its revised Land Development Regulations Code to further ensure consistent development and redevelopment in Downtown North.

Administration and enforcement for the Land Development Regulations play a pivotal role in attracting investment and new development to Downtown North. During the community workshops participants expressed the need to simplify the current development review process to encourage more investment in Downtown North. In order to ensure consistency and greater control of the development character in new developments and renovation of existing structures, the key implementing agencies- CRA and the City- should work together to develop strategies to streamline the process as part of the Land Development Regulations Rewrite process that was initiated in December 2008.

### *Urban Design Standards further ensure consistent and high quality redevelopment*



**GOAL:**

Establish a land use pattern that strengthens the neighborhood's residential character while provides a dynamic mix of uses so that people can live, work, shop and play in the Downtown North redevelopment area.

**OBJECTIVE:**

Encourage a mix of uses that reflects the neighborhood as a community with diversified interests and activities. Integrate commercial and industrial lands into the functional and aesthetic framework of the Downtown North redevelopment area, maximizing the economic benefits of these uses, while at the same time mitigating their undesired impact.

**ACTION STRATEGIES:**

1. Preserve the single-family residential character of the neighborhoods
2. Introduce multi-family housing and mixed uses at strategic locations to buffer single-family residential uses from more intense uses and increase diversity in housing stock. Such locations shall be determined based on factors such as land availability, ease of assembly, parcel size, land use compatibility and property ownership, etc.
3. Encourage residential development along Watson Bayou
4. Provide incentives to rehabilitate older housing stock and encourage infill development of vacant residential and commercial properties
5. Contact absentee landlords and owners of vacant properties to determine their interest in the redevelopment process
6. Work with the Planning Staff to re-evaluate minimum lot size requirements and other development regulations for properties along Martin Luther King Jr. Boulevard to facilitate development on substandard lots
7. Encourage the development of appropriate transitional office and low-impact / neighborhood oriented retail uses along Jenks Avenue. Allow for adaptive reuse of existing residential structures.
8. Encourage professional offices along 11<sup>th</sup> Street East to capitalize on the presence of the County Juvenile Courthouse and Detention Center
9. Facilitate the expansion of **Bay Medical** Center, and encourage medical related commercial services in the vicinity
10. Redevelop the large tract of properties currently anchored by Chevron as a mixed use center with high density residential, retail and office uses, when the properties become available for redevelopment.
11. Retain existing industrial uses and continue to direct new industrial development in appropriate areas well buffered from residential uses
12. Provide adequate buffering between residential and industrial uses by employing appropriate design standards and encouraging flex-space along the frontage. Flex-space is the building space that is versatile and may accommodate various uses including office, research and development, and light industrial uses. Flex-space can serve as a buffer between industrial and less intense uses, and enhance the visual appearance of the industrial parcels.
13. Aggressively pursue and attract neighborhood commercial uses, such as a grocery store, pharmacy, bank, and restaurants, especially at the node of Martin Luther King Jr. Boulevard and 15<sup>th</sup> Street.
14. Create a mixed-use "Downtown North Neighborhood Town Center" that builds upon the existing Glenwood Community Center facility and introduces new activities and uses serving as a focal point for the entire community
15. Encourage hotel and tourism related uses along Business Highway 98 capitalizing on its proximity to **Bay Medical** Center and the future Federal Courthouse
16. Encourage clustering of uses to create efficient, pedestrian friendly and well-serviced commercial or mixed use centers incorporating New Urbanist principles, especially when large tracts of properties become available for redevelopment, such as the City Maintenance Facility site.
17. Pursue restoration of Watson Bayou and examine the feasibility of introducing waterfront activities, where possible
18. Seek opportunities to develop vacant properties into pocket parks/ neighborhood parks where possible
19. Develop a land acquisition strategy and seek partnerships to assemble land along M.L.K. Boulevard for the use of a Multi-Use Trail.
20. Provide linkages between neighborhoods utilizing the existing and proposed system of trails, sidewalks, alleyways and bicycle routes.
21. Develop a comprehensive set of Urban Design and Architectural Standards and adopt the Standards through an ordinance as part of its revised Land Development Regulations Code to further ensure consistent development and redevelopment in Downtown North.
22. Consider adopting a hybrid code that integrates conventional zoning and form-based codes. A hybrid code is one that incorporates a form based code with use provisions, processes, and standards from the conventional code. The form based code typically includes standards for the design and character of buildings and streets, and uses a combination of illustrations and text. As witnessed in communities throughout the country, a hybrid code has been effective and instrumental in shaping new developments.
23. Develop an administration strategy for administering the revised code, working in close collaboration with key implementing agencies including the City staff, Planning and Zoning Board, and the CRA. Strategies may include staff training on form based codes; evaluating the need to hire consultants or staff with architectural or urban design capabilities; testing the draft code on past or future development applications; monitoring of performance.
24. Appoint a Development Coordinator to monitor the streamlining of the approval and permitting process with various agencies. Form a committee that will function as an advisory committee with the authority to make recommendations and resolve design conflicts that will then be incorporated into the site plan review process in the City's Planning Department. This committee should include representatives from the CRA, City staff, development community, design professionals, and property owners.
25. Ensure that residents and stakeholders are involved in the development of a new code in order to educate them about the advantages and disadvantages of adopting form-based zoning.

# HOUSING

## Community Concerns and Priorities

- Need for a diverse range of housing options
- Need to improve the deteriorating condition of the existing housing stock
- Need for affordable housing
- Increase home ownership
- Need assistance from the City for property improvements and new in-fill housing development

## Identified Assets

- Stable single-family residential neighborhood south of U.S. Business Highway 98
- Strategic location: proximity to Downtown and major arterials
- Strong presence of educational and faith-based institutions
- Mature tree canopy, water access, and recreational opportunities

*Single-family residential units occupy ninety-seven percent (97%) of the housing stock in the Downtown North redevelopment area. According to the 2007 estimates provided by University of West Florida, Haas Center for Business Research, the Downtown North redevelopment area has a population of 3,747 residents accounting for nearly 10% of the City's total population. There are 1,564 households with a high percentage of single parents (34%) residing in the redevelopment area.*

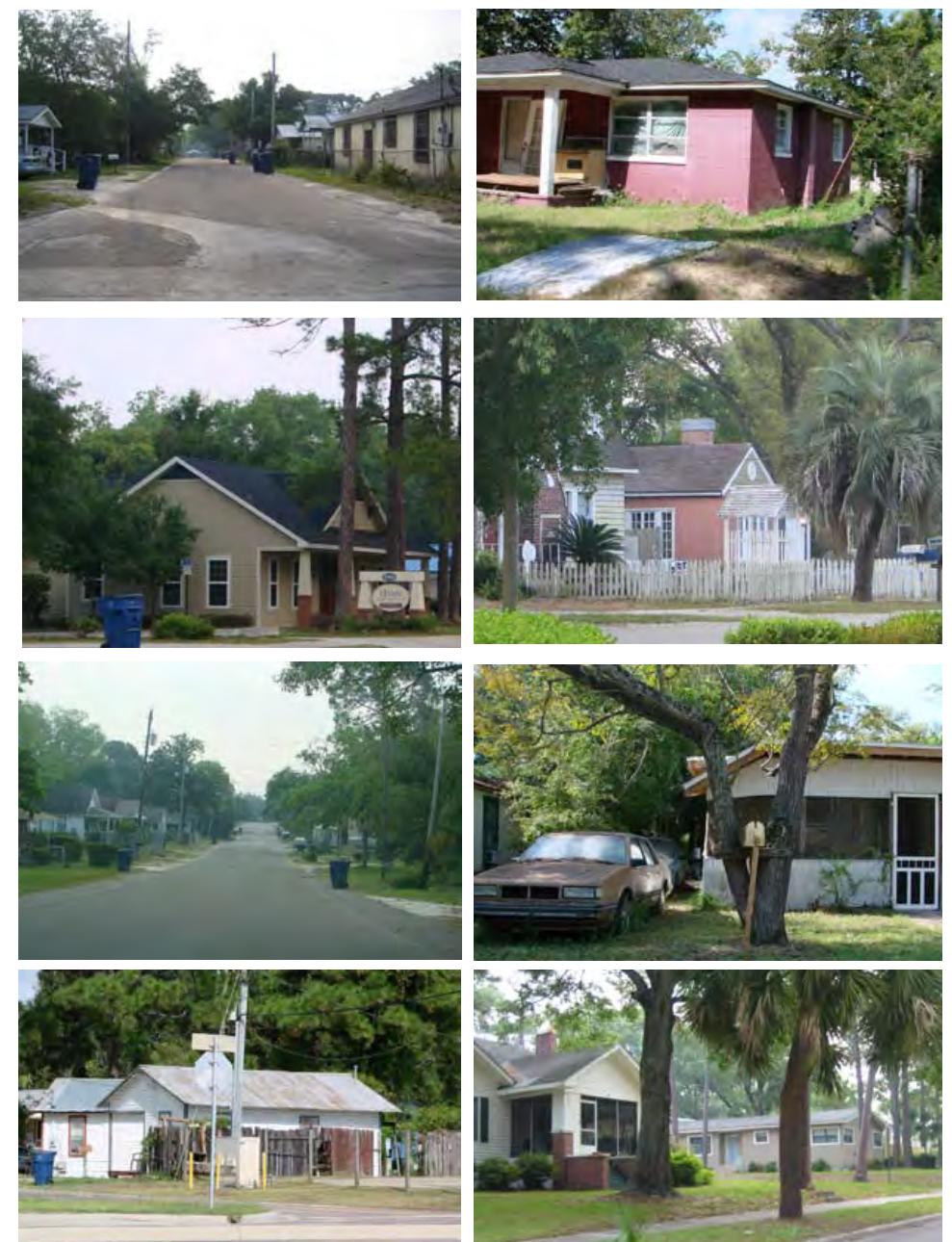
The Downtown North redevelopment area contains the following neighborhoods: Glenwood Neighborhood, Grace Avenue and part of Cove Neighborhood. From the initial stages of the planning process, the residents emphasized the importance of developing mechanisms and strategies to increase home ownership rates in the neighborhoods as well as introducing more mixed-use residential and owner-occupied multi-family housing units at strategic locations in the community.

Although residential use constitutes the largest component of the existing land use in the redevelopment area, accounting for approximately 305 acres or 35.6% of the total land area, they are predominantly single-family housing units accounting for 97.3% of the total parcels under residential uses. Only 37 parcels, or 2.7% of the total parcels, are multi family units including apartments and duplexes. The few multi-family developments within the redevelopment area include the Foxwood Apartment, the Massalina Housing Complex, and small parcels scattered throughout the redevelopment area.

To address the issues and concerns evaluated during the inventory and neighborhood assessment phases, the Plan proposes effective strategies that build on the community's assets and existing housing assistance programs. The area's strategic location within the larger community is a valuable asset that provides a unique opportunity to attract quality residential and commercial developments. The area's existing and proposed natural resources and recreational facilities enhance the overall quality of life of the existing and future residents. The significant low percentage of multi-family units indicates a potential market for a more diverse mix of housing products to better serve the need of the community. The *Economic and Real Estate Market Analysis* conducted by the IBI Group also suggests that housing stocks geared towards single person or single-parent households are highly desired in Downtown North. The Plan identifies several multi-family in-fill opportunities sites, which include the current County storage facility site on 9<sup>th</sup> Street East, the vacant property at McKenzie Avenue and 9<sup>th</sup> Street East, the portion of land bounded by 15<sup>th</sup> Street East to the north, 13<sup>th</sup> Street East to the south, Bay High School to the west, Roosevelt Drive to the northeast and Martin Luther King Jr. Boulevard to the east as illustrated on the Concept Plan.

The relatively high percentage of vacant residential properties in the redevelopment area presents both a challenge and opportunity. According to the Bay County 2008 GIS database, there are more than 350 vacant residential parcels in the redevelopment area representing 26% of the total number of residential properties. These underutilized properties present a unique opportunity for introducing in-fill housing, land assembly, and targeted redevelopment activities.

The Housing element includes strategies to preserve and improve the quality of the existing housing conditions through increased awareness about existing housing assistance programs, while at the same time expand the programs to introduce incentives and creative programs for the area's existing and prospective residents in partnership with the area educational resources, social service providers, non-profit organizations, and faith-based institutions, such as the Glenwood Improvement Board and the Glenwood Working Partnership, etc. The Plan also recommends pursuing in-fill development opportunities to develop pocket parks and multi-family developments through land acquisition and land assembly, where appropriate. The Plan further identifies locations within the neighborhood that are potential target areas for multi-family, mixed-use development, and pocket neighborhood parks.



**GOAL:**

Promote housing development and reinvestment to provide a diverse range of housing options in the neighborhoods while at the same time increasing home ownership opportunities for all residents.

**OBJECTIVE:**

*Redevelop vacant and boarded properties to encourage adaptive reuse, in-fill development, and to improve the investment image of the community to attract new private development.*

**ACTION STRATEGIES**

1. Review the residential property inventory to identify opportunities to develop neighborhood pocket parks and initiate acquisition of privately owned vacant lots, dilapidated or uninhabitable structures
2. Introduce multi-family housing and mixed uses at strategic locations to buffer single-family residential uses from more intense uses and increase diversity in housing stock.
3. Initiate discussions with property owners of vacant parcels within areas designated for potential projects to assess their willingness to participate in the projects.
4. Contact absentee landlords and owners of vacant properties to determine their interest in the redevelopment process.
5. Identify and contact non-profit or faith-based housing developing organizations, especially those organizations with experience in developing affordable housing in low-income communities, to initiate discussions on potential housing development opportunity or partnership.
6. Support and facilitate the efforts in developing affordable housing in the redevelopment area of entities such as Glenwood Improvement Board, Glenwood Working Partnership, Bay Equity, etc.
7. Work with the Code Enforcement Department to identify sites in the neighborhood that have a detrimental impact on the investment image and the tax base of the community, and work with the City to clean up these properties

**OBJECTIVE:**

*Continue to enhance the neighborhoods through promoting programs that support investment in residential development. Enhance property values and cultivate positive perceptions of housing.*

**ACTION STRATEGIES**

1. Collaborate with local developers, the Chamber of Commerce, and the City to create a strategy for marketing the positive attributes of the redevelopment area to attract new residents and homeowners to the area.
2. Involve the neighborhood associations, business groups, non-profit developers, local realtors, and City Staff in the decision making process related to housing provisions in the redevelopment area.
3. Develop policies and enforce regulations that hold absentee landowners accountable for the maintenance and upkeep of their properties, and address concerns regarding absentee landlords who do not provide adequate service to the residents of their property.
4. Promote the formation of a Landlord/Tenant Association to encourage and support the landlords in providing the best quality service to the renters
5. Initiate "Living in Downtown North" events showcasing the neighborhood's assets and City's resources, such as the community barbecue, art festivals, heritage tours, etc.

**Photo Simulation** Improvement to Existing Housing Stock

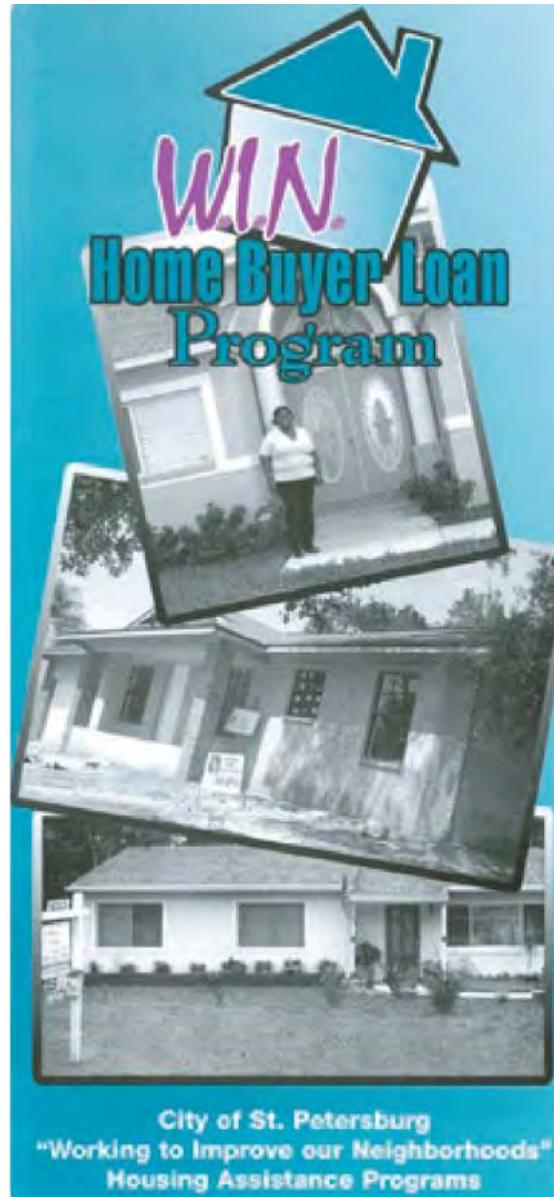
Existing Condition



Phase I: Streetscape Improvements and Yard Clean-up



Phase II: House renovation and front yard beautification



Example of home buyer assistance program

## OBJECTIVE:

*Increase homeownership opportunities in the Downtown North redevelopment area.*

## ACTION STRATEGIES

1. Work with the Life Management Center, Big Bend Community Based Coalition, SCORE and other non-profit organizations to initiate education and counseling programs that assist existing and prospective homeowners with programs such as life management skills, home maintenance and repair counseling, financing options, and debt management.
2. Work with the City to streamline the development review process for housing renovation and development.
3. Encourage the area's institutions and faith-based organizations to promote the benefits of home ownership and to increase awareness about available resources to prospective homeowners.
4. Work with area banks to create incentives such as increased points added to credit scores and lower mortgage payments for potential buyers who complete a home buyer's education program.
5. Provide support and post-purchase home buyer education including foreclosure prevention and inform residents about strategies that add value to property's final sale.
6. Work with area schools to provide financial literacy and life management training programs for the community's youth.
7. Create a one-stop resource directory easily accessible to the residents with information on all available housing programs and social service providers.
8. Examine cooperative housing ownership mechanisms as a way to encourage ownership in new and existing multifamily developments.

*Special Report:***Best Practices for Effecting the Rehabilitation of Affordable Housing**

U.S. Department of Housing and Urban Development

The rehabilitation of affordable housing (hereinafter "rehab" or "renovation") faces many barriers. It is concerned inherently with existing, typically older buildings, making the rehab process less predictable and in many ways more challenging than new construction.

Rehab faces a major economic barrier, namely the gap that often exists between the costs of renovation and the financial resources available for those buildings requiring improvement. Of the \$1.3 trillion in rehab needed nationwide in 2003—a conservative estimate—\$569 billion, or about four-tenths, is unaffordable without some measure of subsidy or other means of support (e.g., using "sweat equity" or staggering the improvements over time).

Accomplishing rehab also is a challenge. The development process can entail difficulties in acquiring properties, estimating costs, dealing with restrictive land-use requirements (e.g., limitations on mixed use and adaptive reuse), and other issues. The construction phase involves assembling qualified trades people and abiding by myriad codes regulating asbestos, construction, fire safety, energy efficiency, historic preservation, lead paint, radon, and so on. Although development and construction requirements are essential for the public's welfare and in many respects foster rehab efforts (e.g., historic preservation often encourages upgrading), they can be challenging.

Yet, the barriers to rehab are far from insurmountable. The roughly \$200 billion of renovation done annually in the United States attests to this. The public and private sectors are working together on many fronts to resolve lingering issues. More rehab-friendly building code regulations ("smart codes") have been adopted in New Jersey, Maryland, and other states. Banks have become more receptive to financing renovation. There are promising collaborations between the public sector and industry that are improving the collection of data on rehab so that it can be better understood.

This report distills the practices that have been shown to work in many settings to implement the renovation of affordable housing. These best practices are designed to address the challenges to rehab at its development, construction, and occupancy stages. For example, receivership can improve property acquisition, recently developed software can aid cost estimation, and context-sensitive requirements (e.g., requiring less parking in areas served by mass transit) can reduce the land-use conflicts and other hurdles to rehab at the development stage. Renovation's construction can be abetted through such means as enacting "smart codes," adopting more flexible historic preservation regulations, and improving the coordination and implementation of lead-based paint, accessibility, and other mandates. Finally, property tax abatements and rent controls that recognize the need for a financial return from capital investment can enhance the long-term occupancy viability of the renovated affordable housing units.

The report's recommendations emphasize a holistic and collaborative framework. A comprehensive array of supportive actions are needed on the development, construction, and occupancy fronts. Further, these actions require broad and cooperative participation by government at all levels as well as the private and non profit sectors involved in affordable housing rehab.

Appendix G contains Part 2 of the report:  
Strategy Guide – Best Practices for  
Affordable Housing Rehab.

(Source and further reading: [http://www.huduser.org/publications/pdf/BarriersVol1\\_part1.pdf](http://www.huduser.org/publications/pdf/BarriersVol1_part1.pdf), [http://www.huduser.org/publications/pdf/BarriersVol1\\_part2.pdf](http://www.huduser.org/publications/pdf/BarriersVol1_part2.pdf))



# RECREATION AND OPEN SPACE

## Community Concerns and Priorities

- Need for more activities and programs for residents of all ages
- Need for sport facilities
- Expand and upgrade of existing facilities
- Need for a community gathering place and venue for community events
- Shortage of neighborhood parks
- Need for water based recreational opportunities
- Restoration of Watson Bayou
- Restoration and improvement of Henry Davis Park

## Identified Assets

- Water access
- Joint-use opportunities with area schools and faith based institutions
- Mature tree canopy

The Downtown North redevelopment area is home to a handful of recreational facilities, which include the Martin Luther King Jr. Recreation Center, Glenwood Community Center, Henry A. Davis Park, and Watson Bayou Park. All the four facilities combined provide 4.6 acres of recreational area to a total estimated population of 3,747 residents. Such level of service is lower than the City's adopted standards for recreation, which is  $\frac{1}{4}$  acre per 1,000 population for neighborhood parks and 2.75 acres per 1,000 population for community parks. In addition, all these facilities are located west of Martin Luther King Jr. Boulevard, and are inaccessible to the residents living in the remainder of the redevelopment area. In order to meet the City's adopted level of service standards, and to meet the recreational demand and needs of the residents, the Plan calls for the improvements to existing parks and recreational facilities, while at the same invest in the expansion of the current system to establish a high quality and comprehensive system of parks, open space and trails system capitalizing on the natural assets of the community.

During the course of the planning process, the residents stressed the need for high quality recreational facilities and well-preserved open space. Based on the community's expressed concerns and desires, the Plan capitalizes on the existing facilities and natural resources of the area and proposes the following key projects as catalysts to establish a comprehensive system of parks, open space and trails:

- The restoration of Watson Bayou
- Martin Luther King Jr. Boulevard Linear Park and Multi-Use Trail System
- Upgrade and expansion of the Martin Luther King Jr. Recreation Center
- The restoration and improvement of Henry Davis Park

The purpose of the [Watson Bayou restoration project](#) is to return the Bayou to a healthy estuarine system that supports wildlife habitat and the ecological system of the bayou. The project will also provide opportunities for canoeing, kayaking, and paddle boating, if deemed feasible by further environmental impact analysis.

Potential passive recreation activities in the restored Watson Bayou Park



The widening of Martin Luther King Jr. Boulevard had a devastating effect on the local businesses; however, it also presents a unique opportunity to develop a [Linear Park and Multi-Use Trail Greenway](#), as part of the comprehensive revitalization strategies to revitalize the corridor. The linear park and trail system will accommodate varied uses and activities through its entire course, including a well-designed series of linear parks and passive uses that reinforces the recreational assets available to the community. The system will also serve as an attractive pedestrian connector linking the area's activity centers, including parks, waterfront, community facilities, and shopping destinations. The system will be constructed on land assembled by the CRA, or on private property through obtained easements. The multi-use trail should be a minimum of 10' wide. Where adjacent to roadways, trails can replace sidewalks. Trails should be paved, with the exception of those in environmentally sensitive areas, where pervious services are recommended, and adhere to the same lighting standards as pedestrian sidewalks. The trails should also be clearly marked and easily accessible to pedestrian and bicycle traffic. The multi-use trail network and parks system combined with proposed streetscape and alleyway improvements will provide an integrated recreation and open space system easily accessible to the community. To implement such a system, the CRA should start to assemble land, work with private property owners to obtain easements, and to engage the community to designate the system route and adopt it through an ordinance as part of its revised Land Development Regulations Code to ensure collaboration from the private sector.

The [Martin Luther King Jr. Recreation Center](#), located on 14<sup>th</sup> Street, is a 1.1 acre community park facility that provides amenities and programs such as indoor and outdoor basketball courts, recreation center, playground, and indoor volleyball. The Center also provides an after school assistance program for students during the school year. The Plan calls for an upgrade and expansion of the existing recreation center to provide more sport facilities, such as a community swimming pool, and to accommodate more activities and programs. The CRA should work with the City to initiate neighborhood workshops, targeted at the area's youth, to study the user participation in the existing programs and the demand for additional programs, and design detailed programs for an improved and expanded recreation center. In particular, the City should work with the City's Leisure Services Division to investigate the feasibility of accommodating a community swimming pool, such as the land area, siting, and other development requirements.



The [Henry Davis Park](#), a 2.5 acre open space park located on Roosevelt Avenue, accommodates a playground and basketball courts as the primary facilities. Currently, the park is undergoing a drainage improvement project to alleviate the flooding issues in the park. The CRA should coordinate with the City's Leisure Services Division to improve the visual and physical access of the park from Martin Luther King Jr. Boulevard, and integrate the park as one of the key links of the proposed linear park and multi-use trail system along the boulevard.

# Concept Plan Element

## 2 RECREATION AND OPEN SPACE

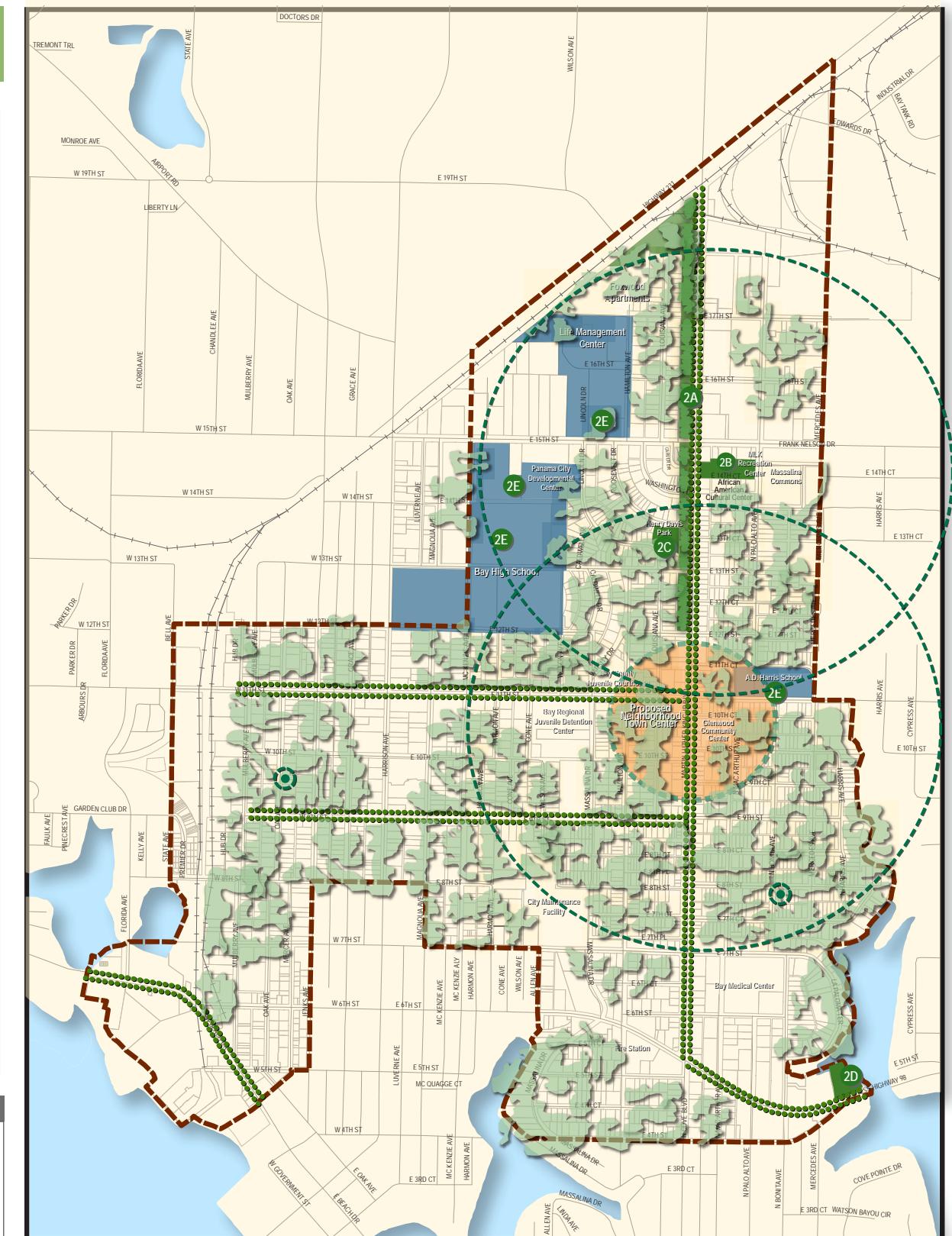
- Expand and upgrade existing facilities at the Martin Luther King Recreation Center to introduce new activities and uses
- 2B - Design a pedestrian/ bicycle trail along MLK Boulevard and Business Highway 98 connecting the neighborhoods to Watson Bayou and the St. Andrews Bay
- Pursue restoration of Watson Bayou and examine the feasibility of introducing waterfront activities, where possible
- Locate a community park/ sports complex with a swimming pool at an appropriate location
- 2C - Work with the School Board and the churches to form joint-use agreements that serve the area's recreational needs
- Coordinate youth programs to encourage community participation in neighborhood activities
- Ensure that adequate natural areas are protected, restored, and enhanced
- Incorporate recreational activities such as canoeing, kayaking, and fishing along the bayou, if feasible
- Preserve existing tree canopies
- Seek opportunities to develop vacant properties into pocket parks where possible
- Develop a land acquisition strategy and seek partnerships to assemble land along MLK Boulevard
- Initiate discussions with the faith-based organizations located within the area to utilize their facilities and premises for additional recreation and cultural facilities
- Accommodate special events (community picnics, nature study tours, concerts, inter-neighborhood sports events) at the area's recreational facilities and parks to develop a sense of pride in the community and to help the parks function as positive recreation environments

### Key Projects:

- 2A MLK Boulevard Linear Park and Trail Greenway
- 2B Watson Bayou Canoe/ Kayak/ Fishing/ Boardwalk
- 2C Community Recreation Center/ Sports Facility
- 2D Joint-Use Recreation Opportunity
- 2E Henry Davis Park: Enhance visual and physical access from MLK/ Upgrade Stormwater Retention Pond



Fig. 3.2 Concept Plan Element Map: Recreation and Open Space



As the majority of existing parks and recreational facilities are located east of Martin Luther King Jr. Boulevard, the majority of the redevelopment area's residential neighborhoods are not located within the ideal half-mile radius of existing playgrounds. The City should examine opportunities to develop vacant lands for small passive neighborhood parks, where possible. Another alternative to ensure the provision of adequate neighborhood parks in proximity to residential neighborhoods, is to work with the Bay County School Board and faith-based institutions to provide joint use park sites and programs, for example, for residents to share the schools' playground facilities in exchange for maintenance of the playgrounds by the City.

### Photo Simulation Neighborhood Park



#### GOAL:

Enhance the aesthetic and functional character of the area's recreational facilities, natural resources, parks and open space. Establish a high quality and comprehensive system of parks, open space and trails system. Create a neighborhood environment that improves the quality of life for the entire community.

#### OBJECTIVE:

*Develop an interconnected parks and recreation system that enhances the neighborhood's aesthetic and environmental character and provides increased public access to a diverse range of recreational activities.*

#### ACTION STRATEGIES

1. Conduct neighborhood workshops to assess the need for expansion of the Martin Luther King Jr. Recreation Center. Evaluate the feasibility of locating a community park/sports complex at this location.
2. Pursue the design and construction of a linear park and multi-use trail system along Martin Luther King Jr. Boulevard that will serve as a pedestrian connector linking the area's activity centers. The CRA should start to assemble land, work with private property owners to obtain easements, and engage the community to designate the system route and adopt it through an ordinance as part of its revised Land Development Regulations Code to ensure collaboration from the private sector.
3. Pursue the restoration of Watson Bayou and examine the feasibility of introducing water-based activities, such as canoeing, kayaking and paddle boating.
4. Work with the School Board and the churches to form joint-use agreements that serve the area's recreational needs, e.g. utilizing their facilities and premises for additional recreation and cultural facilities
5. Accommodate special events, such as the Glenwood community barbecue, nature study tours, outdoor concerts, inter-neighborhood sports event, etc., at the area's recreational facilities and parks to develop a sense of civic pride and to facilitate the positive recreational environment of the parks.
6. Upgrade Henry Davis Park and enhance visual and physical access from Martin Luther King Jr. Boulevard. Upgrade the stormwater retention pond.
7. Develop neighborhood pocket parks through acquisition of privately owned vacant lots, dilapidated or uninhabitable structures.
8. Preserve existing tree canopies

#### Case Study: Sarasota Multi-Use Recreational Trail

The Sarasota Multi-use Recreational Trail (MURT) is a long-term project which will be accomplished in segments when funding is available. Along with many miles of sidewalks and bicycle lanes, the City of Sarasota is eager to promote and develop this non-motorized urban trail as a means of general recreational enjoyment, as well as enhancing a multi-modal network. The trail is asphalt and 12 feet wide, making it popular for a variety of activities, such as walking, running, biking, and roller-blading.

With money obtained through the Florida Department of Transportation, the MURT will assume a bicycle/pedestrian accommodation. The section of MURT along the Bayfront where wider public right-of-ways are available provides a welcoming place for residents and visitors to explore and appreciate some of the valuable natural and historical resources along Sarasota Bay. The MURT also promotes health and fitness by drawing people of all ages and physical abilities to utilize its path.

MURT will be designed to comply with the Florida Department of Transportation's "Bicycle Facilities Planning and Design Manual" (BFPDM) and the United States Department of Transportation's "Manual of Uniform Traffic Control Devices" (MUTCD).

The Trail will be constructed within the existing right-of-way, except where land owners donate easements for the project, and will use existing sidewalks and bicycle lanes wherever possible.

The City's goal is to provide the opportunity for Sarasota County and Manatee County to connect the MURT with the regional trail network. The City views this project as a great benefit for the community which will continue to benefit future generations.



Example of multi-use trail

# NEIGHBORHOOD CHARACTER AND IDENTITY

## Community Concerns and Priorities

- Create a distinct community identity
- Transform the negative perception of the community
- Nurture a sense of the pride in the community
- Need a community focal point
- Buffer the neighborhoods from more intense uses
- Provide better access to City's social service network
- Need for neighborhood beautification
- Improve safety of the neighborhood

## Identified Assets

- Rich cultural heritage
- Stable single-family residential neighborhood south of U.S. Business Highway 98
- Strategic location: proximity to Downtown and major arterials
- Strong presence of educational and faith-based institutions
- Mature tree canopy, water access, and recreational opportunities

*The Downtown North redevelopment area's neighborhood character is derived from the area's rich history, cultural heritage, geographic location, physical features and its socio-economic composition. The Plan intends to capitalize on the area's unique assets and future opportunities, and create a sense of place and civic pride for the residents in the redevelopment area. To accomplish this goal will require a combination of public improvements and private sector investment, as well as engaging stakeholders and residents within the community.*

The Downtown North redevelopment area is conveniently located in close proximity to Downtown Panama City and major arterials, and is home to Glenwood, Cove and the Jenks and Grace Avenue neighborhoods. The area has a strong presence of institutional uses, including the Bay High School, A.D. Harris High School, Bay County Juvenile Courthouse, Bay County Juvenile Retention Center, the Life Management Center of Northwest Florida, African American Cultural Center, Bay Medical Center, and other faith-based institutions, non-profit organizations, educational institutions, and community facilities.

The redevelopment area holds a long and rich history. As a result of the regional economic growth and the development of Panama City as the County seat in the 1910s, the area to the north of Downtown, that includes the current Downtown North redevelopment area and the Glenwood community, experienced a significant growth in population closely related to the area's intensification in the industries of turpentine, fishing, sawmill, stevedoring, and tourism. In the next two decades, in the 1930s and 1940s, the area witnessed an increase in entrepreneurial ventures that served the needs of local residents. The 1950s and 1960s, characterized by the civil rights movement in the entire nation, also witnessed the rise of civic movement in the community. It was during this period that two civic organizations – the Negro Improvement Association and Women's Civic Club – were established in the Glenwood community, both of which played a pivotal role in advancing the welfare of the African American community.

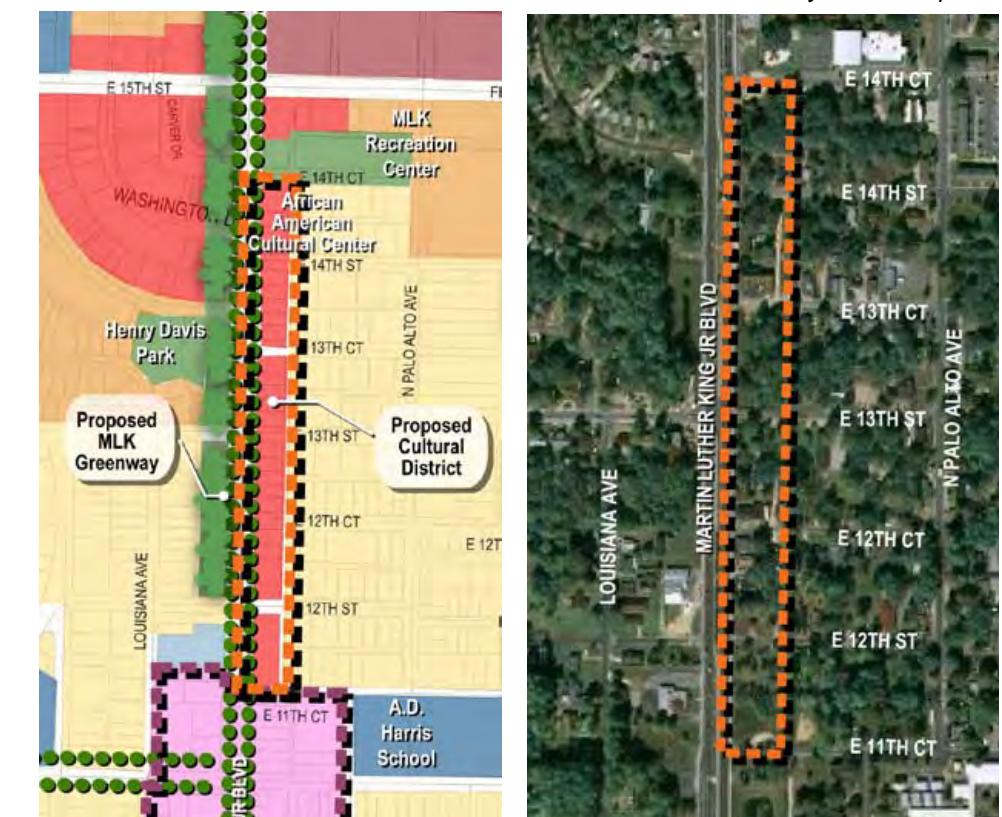


To capitalize on such a rich cultural heritage which provides the redevelopment area a unique advantage over other communities in the region, the Plan proposes to establish a [Cultural District](#) along Martin Luther King Jr. Boulevard, the historic center of commerce for the African American community in Panama City, between 15<sup>th</sup> Street and 11<sup>th</sup> Street. The Cultural District will restore that historical legacy, and serve to create a sense of place and nurture civic pride in the community effectively. Heritage Museum, music school, dance studios, African American arts programs, and African American books stores are all desired uses to be located within this district, complemented by neighborhood oriented retail and

mixed-use developments. The existing African American Cultural Center may be improved or redeveloped to a new state of the art building that could house a visitor's information center and a gift shop. It is anticipated that the Cultural District will become a destination in Northwest Florida of cultural heritage tourism, and will also serve as a catalyst to revitalize the Martin Luther King Jr. Boulevard corridor economically.

As an integral part of creating a strong sense of community identity, the Plan recommends strategies to strengthen the role of the arts in support of its overall economic development efforts. [Public art](#) enhances the quality of life for citizens by encouraging a heightened sense of place and enhancing a community's prestige and visual quality. Public art should be encouraged throughout Downtown North as part of the planning and design of public spaces. The Agency should form a committee inviting people from various arts organizations in the City whose primary functions may include: providing technical assistance to independent artists and non-profits; promoting the Panama City arts community to corporations, foundations, governmental agencies; and securing grants and funding to encourage public arts projects in Downtown North. The committee members may include members from existing organizations including: the Bay Arts Alliance, Panama City Music Association, Visual Arts Center local artists, art gallery owners, representatives from the Gulfcoast Community Division of Visual and Performing Arts, African-America Cultural Heritage Center, merchants, and volunteers. In order to fund public art projects, communities across the nation have devised creative ways to raise funds such as dedicating a certain percentage of all capital improvement projects towards public art or enacting a hotel-motel tax for the arts.

*Proposed Cultural District: General boundary and aerial photo*



# Concept Plan Element

## 3 NEIGHBORHOOD CHARACTER AND IDENTITY

- Continue the enhancement of the area's infrastructure and amenities, such as the upgrade to the Henry Davis Park and installing new streetlights, to ensure that public improvements are in place to support new development and the anticipated population increase.
- Work with residents, African-American Cultural Center, and property owners to introduce uses and activities that promote the area's rich heritage
- Institute programs to involve youth with housing renovations and construction and instill a sense of pride in their neighborhood.
- Expand and upgrade the recreation facilities to meet the needs of the area residents as well as to create a destination for residents from the neighboring areas.
- Construct gateway features and directional signage at primary intersections to create a sense of arrival

### Primary Gateways:

- Highway 231 and Mercedes Avenue, Business Highway 98 and Mercedes Avenue, McKenzie Avenue and 15th Street East.

### Secondary Gateways:

- Martin Luther King Jr. Boulevard and 15th Street East, Martin Luther King Jr. Boulevard and 11th Street East, Martin Luther King Jr. Boulevard and 7th Street East, Jenks Avenue and 7th Street West

### Neighborhood Gateways:

- Martin Luther King Jr. Boulevard and 13th Street East, Martin Luther King Jr. Boulevard and 9th Street East, Wilson Avenue and 9th Street East, Harrison Avenue and 9th Street East

### Key Projects:

3A Cultural District:  
Heritage Museum/ Music School/ Arts Program/ African American Book Store/ African-American Art

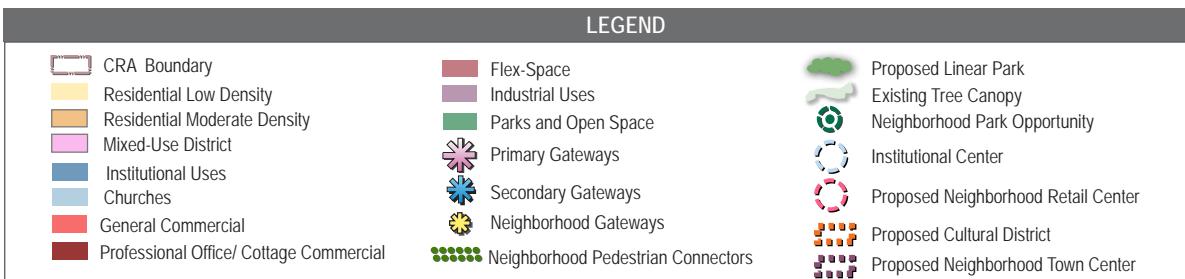
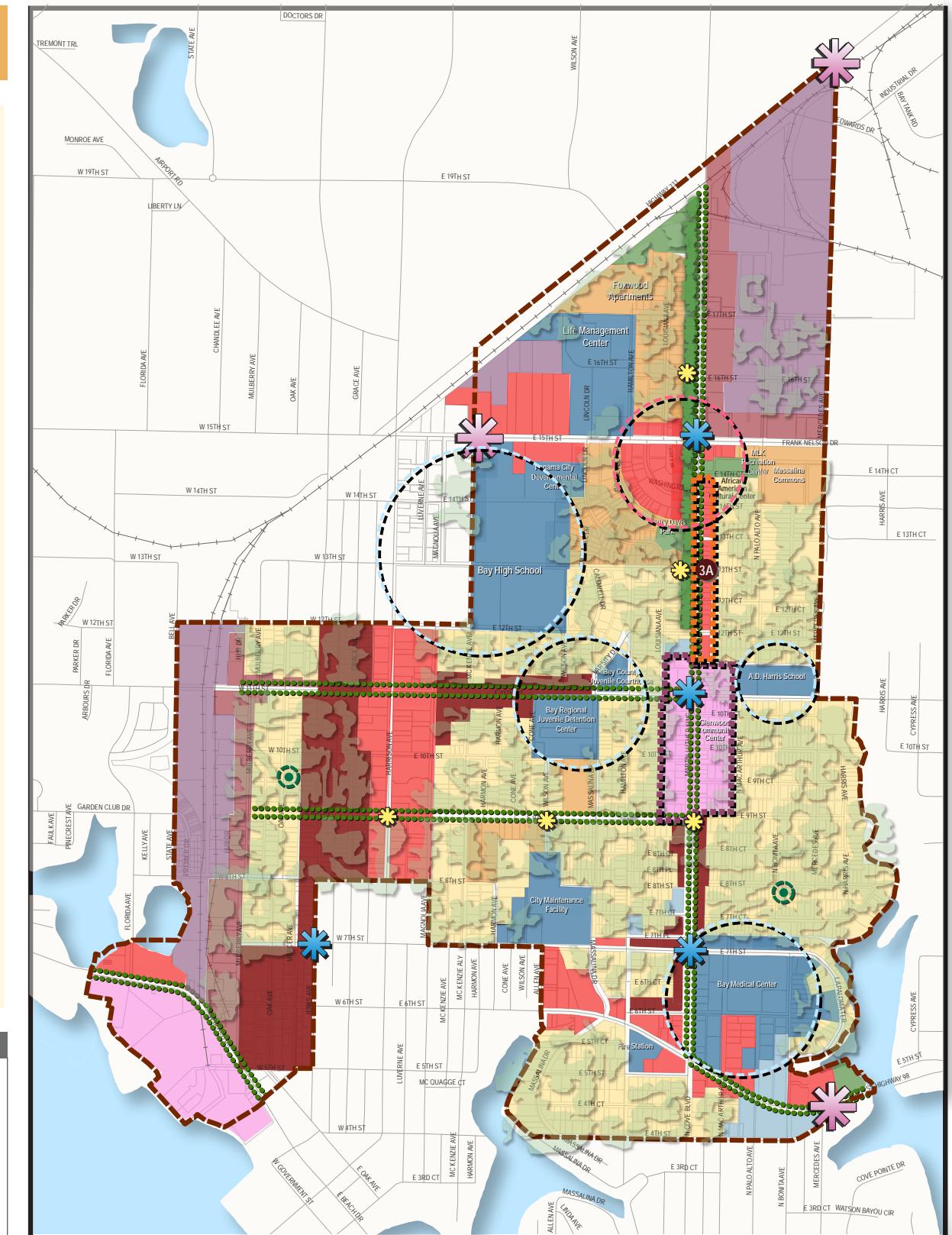


Fig. 3.3 Concept Plan Element Map:  
Neighborhood Character and Identity





Examples of gateway features

To build a positive image, reinforce the visual appeal and create a strong sense of civic pride, the Plan recommends establishing a coordinated system of gateways and directional signage. Gateways are visual landmarks that effectively "announce" and reinforce the entrance of a geographic area. Gateways employ a combination of design elements such as landscaping, change in paving material, signage and/or structures. The Plan identifies several opportunities for establishing gateways in the redevelopment area that will create a coherent identity for the neighborhoods and the primary corridors:

#### Primary Gateways:

- Highway 231 and Mercedes Avenue,
- Business Highway 98 and Mercedes Avenue,
- McKenzie Avenue and 15th Street East.

#### Secondary Gateways:

- Martin Luther King Jr. Boulevard and 15th Street East,
- Martin Luther King Jr. Boulevard and 11th Street East,
- Martin Luther King Jr. Boulevard and 7th Street East,
- Jenks Avenue and 7th Street West

#### Neighborhood Gateways:

- Martin Luther King Jr. Boulevard and 13th Street East,
- Martin Luther King Jr. Boulevard and 9th Street East,
- Wilson Avenue and 9th Street East,
- Harrison Avenue and 9th Street East

During the community workshops [public safety](#) surfaced as one of the concerns contributing to the negative perception of the Downtown North redevelopment area. The community identified several areas to improve the area's safety and perceived negative image and create a sense of place and civic pride. Such areas that need to be addressed are: deteriorating physical environment, inadequate street lighting, low home ownership rates, need for nurturing youth development, and lack of access to the City's social service network. The Plan calls for further expansion of public safety programmatic efforts in the neighborhood to provide a safe and secure environment for the residents. The CRA should actively work with the Police Department, the Fire Department and the residents to address crime and fire emergency issues, strengthen the police and community partnership, and initiate community based activities involving the youth and the public safety staff to generate support and participation in local anti-crime programs. The CRA should also pursue programs such as Weed and Seed that are effective in addressing crime prevention in distressed neighborhoods.

The Neighborhood Character and Identity element includes strategies to preserve and improve the quality of the existing neighborhoods through improvements of the trails and sidewalk network, preservation and expansion of historic resources, a clearly defined directional signage system, initiation of streetscape improvements, and enhanced entryway features at critical intersections through appropriate gateway treatments. Further, it is vital to develop a systemized neighborhood outreach and public involvement process, especially through active partnership with faith-based organizations, to engage the community and nurture civic pride in the current and future residents.

#### Special Topic: Weed and Seed



Weed and Seed, a community-based strategy sponsored by the U.S. Department of Justice (DOJ), is a comprehensive multiagency approach to law enforcement, crime prevention, and community revitalization. Weed and Seed is foremost a strategy—rather than a grant program—that aims to prevent, control, and reduce violent crime, drug abuse, and gang activity in designated high-crime neighborhoods across the country. The more than 250 Weed and Seed sites range in size from several neighborhood blocks to several square miles, with populations ranging from 3,000 to 50,000.

At each site, the relevant U.S. Attorney's Office plays a leadership role in organizing local officials, community representatives, and other key stakeholders to form a steering committee. The U.S. Attorney's Office also facilitates coordination of federal, state, and local law enforcement efforts so that sites effectively use federal law enforcement partners in weeding strategies. In some instances, the U.S. Attorney's Office helps sites mobilize resources from a variety of federal agencies for seeding programs.

The Weed and Seed strategy is a multilevel strategic plan that includes four basic components: law enforcement; community policing; prevention, intervention, and treatment; and neighborhood restoration. In most Weed and Seed sites, joint task forces of law enforcement agencies from all levels of government aim to reduce both crime and fear of crime, which gives back hope to residents living in distressed neighborhoods and sets the stage for community revitalization. Community policing embraces two key concepts—community engagement and problem solving. Community policing strategies foster a sense of responsibility within the community for solving crime problems and help develop cooperative relationships between the police and residents.

The prevention, intervention, and treatment component concentrates an array of human services on the designated neighborhood and links law enforcement, social services agencies, the private sector, and the community to improve the overall quality of services to residents. Every Weed and Seed site is required to establish a Safe Haven, a multiservice center often housed in a school or community center, where many youth- and adult-oriented services are delivered. Through coordinated use of federal, state, local, and private-sector resources, neighborhood restoration strategies focus on economic development, employment opportunities for residents, and improvements to the housing stock and physical environment of the neighborhood.

Communities interested in becoming Weed and Seed Communities (WSCs) must submit a Notice of Intent to the U.S. Attorney's Office (USAJO). WSCs must be developed in partnership with many local organizations to reduce crime and improve the quality of life in a community primarily through the redeployment of existing public and private resources into the community.



**GOAL:**

Establish a positive and distinct identity for the Downtown North redevelopment area that creates a sense of place and nurtures civic pride.

**OBJECTIVE:**

Establish neighborhood identity and improve neighborhood interconnectivity. Preserve the existing neighborhood character and enhance the cultural and physical conditions to establish a safe, culturally rich and aesthetically pleasing environment.

ACTION STRATEGIES	ACTION STRATEGIES
<p>1. Establish area-wide gateway and directional signage system to neighborhoods and major centers of activity, as summarized below:</p> <p><b>Primary Gateways:</b></p> <ul style="list-style-type: none"> <li>• Highway 231 and Mercedes Avenue,</li> <li>• Business Highway 98 and Mercedes Avenue,</li> <li>• McKenzie Avenue and 15th Street East.</li> </ul> <p><b>Secondary Gateways:</b></p> <ul style="list-style-type: none"> <li>• Martin Luther King Jr. Boulevard and 15th Street East,</li> <li>• Martin Luther King Jr. Boulevard and 11th Street East,</li> <li>• Martin Luther King Jr. Boulevard and 7th Street East,</li> <li>• Jenks Avenue and 7th Street West</li> </ul> <p><b>Neighborhood Gateways:</b></p> <ul style="list-style-type: none"> <li>• Martin Luther King Jr. Boulevard and 13th Street East,</li> <li>• Martin Luther King Jr. Boulevard and 9th Street East,</li> <li>• Wilson Avenue and 9th Street East,</li> <li>• Harison Avenue and 9th Street East</li> </ul> <p>2. Initiate streetscape improvement to create a cohesive urban form throughout the redevelopment area</p> <p>3. Enhance the area's infrastructure and amenities, such as upgrading the Henry Davis Park and installing new streetlights, to ensure that public improvements are in place to support new development and the anticipated population increase</p> <p>4. Work with the City, the Panama City African American Chamber of Commerce and the Florida Black Chamber of Commerce and initiate programs that promote African American culture and heritage.</p> <p>5. Work with residents, the African-American Cultural Center, and property owners to introduce uses and activities that promote the area's rich heritage</p> <p>6. Institute programs to involve youth with housing renovations and construction and instill a sense of pride in their neighborhood</p> <p>7. Identify, restore and preserve historic buildings as tourist attractions and for historical/cultural uses.</p> <p>8. Work with the Glenwood Working Partnership and the community to create historic preservation guidelines and incentives for restoring historic buildings.</p> <p>9. Create a major event that resurrects the Downtown North's community activities of the past, such as the Emancipation Day parade, Thanksgiving Football Bowl, May Day, etc.</p> <p>10. Develop an annual calendar of events to attract people to the redevelopment area to live, work and play.</p> <p>11. Encourage residents to become active participants/members of existing marketing and cultural affairs organizations and events such as Mardi Gras, holiday celebrations and major festivals.</p> <p>12. Work with the Community Development Department and Code Enforcement Division to identify properties that have code violations and contact property owners to assist them with the maintenance and up keeping of the property</p> <p>13. Work with community and faith-based organizations to generate community support in pursuing beautification efforts in the neighborhood</p> <p>14. Create a citywide Public Arts Commission to oversee the visioning, implementation, and management of the public arts program. The committee should be comprised of local artists, community members, and representatives from key institutions to select and review proposals for public art that enhance the community's character.</p> <p>15. Work with the City staff to formalize policies and procedures for incorporating public art into public realm improvement projects. Incorporate public art projects into the revised Land Development Regulations to allow for placement of public art in Downtown North.</p> <p>16. Develop a consolidated financing strategy to generate an ongoing funding source for the arts. Strategies could include grant stacking, corporate sponsorships, adopt-a-street programs, and appropriation of tax dollars.</p>	<p>1. Work with the Police Department, the Fire Department and the residents to address crime and fire emergency issues as well as strengthen the police and community partnership</p> <p>2. Incorporate neighborhood design techniques that prevent crimes for all public places and proposed public/private partnership projects</p> <p>3. Work with the City, educational institutions, faith-based organizations and other non-profit organizations to organize neighborhood outreach drives to inform and educate the residents about emergency preparedness, reporting of illegal activities in the area, and other housekeeping issues to prevent code violations and fire accidents in the neighborhood</p> <p>4. Initiate community based activities involving the youth and the public safety staff to generate support and participation in local anti-crime programs, and to improve public relations with the Police Department.</p> <p>5. Encourage the neighborhoods to institute Neighborhood Watch programs.</p> <p>6. Work with the Utilities Department to provide and maintain adequate street lighting.</p>

## Case Study: St Petersburg's African-American Historical & Cultural District - Greater 22nd Street Business District

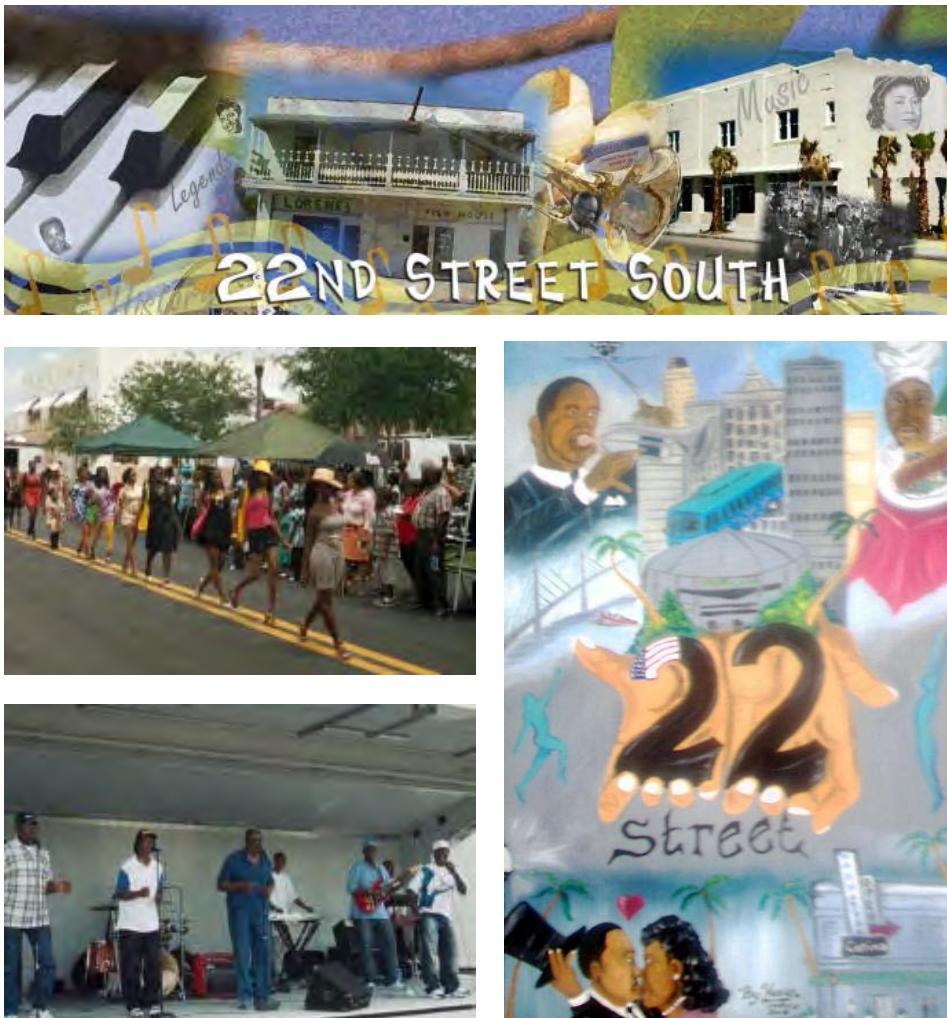
22nd Street in the City of St. Petersburg is a powerful version of the American dream through an African-American lens. The District is the historic African-American commercial, entertainment and worship center. Today, Businesses, organizations, volunteers, residents and community supporters are actively involved and work together to promote the business, historic and cultural aspects of 22nd St.

The establishment of the District is a positive response to the growing interest in improving the appearance and economic stability of the 22nd St. district. Effective solutions to the problems of deteriorating building stock, loss of business, and the waning economic strength of the district are now being sought as the district refreshes itself. There is much to preserve and celebrate as change continues. Community leaders and residents believe that an economically healthy 22nd Street district and organization:

- Builds a positive image for the community.
- Reflects a community's confidence in itself and its future.
- Creates job opportunities.
- Attracts new industry and strengthens service and retail job markets.
- Saves tax dollars.
- Stabilizes and improves the area's tax base, and protects the investment already made in downtown infrastructure.
- Preserves the community's historic resources.
- Enables property owners to maintain historic commercial buildings and preserve an important part of the community's heritage.

22nd St. Redevelopment operates a 4-point approach Main Street revitalization program within the context of historic preservation. Its success is dependent upon the amount of activity leaders, business and property owners on 22nd St coupled with support by the community overall.

Currently the District's landscape includes enduring landmarks, a museum, a college campus, and a growing number of food, shopping and service businesses. The rich heritage comes to life on stage, in the museum, art, music and in the church. The District is active in marketing and engaging the community. Cultural events celebrating the African American heritage are held throughout the year, such as the Annual Black History Event, Annual Seafood Festival, Youth Market, Clean-Up Event, etc. The District is active in marketing and reaching out to the community. The District hosts a website (<http://www.discover22ndst.com/default.htm>) that is updated frequently to provide the most recent information on activities of the district, including history of the district, business inventory, real estate inventory, etc.



Arts and Cultural Programs of 22nd Street



Museum, community library, and art gallery are all preferred uses in the proposed Cultural District

# COMMUNITY FACILITIES AND AMENITIES

## Community Concerns and Priorities

- Need for community facilities that provide workforce training, youth program, and business assistance and other assistance to serve both residents and business owners
- Need for grocery store, bank, pharmacy and other neighborhood retail to address the daily needs of the residents
- Need for more after-school programs, community mentoring programs, and programs to assist single-mothers and teen mothers
- Need for a community gathering place and venue for community events

## Identified Assets

- Joint-use opportunity with area educational and faith-based institution
- Existing non-profit community development organizations: NAACP, DCF, Big Bend Community Based Coalition, SCORE, AmeriCorps

*The Community Facilities and Amenities element relates to the physical and programmatic aspects of community facilities. Easy access to community facilities and the provision of adequate public services play a pivotal role in ensuring a high quality of life for the community. The community amenities shall effectively meet the needs of the Downtown North residents. The walkability of the community can be enhanced by an efficient and equitable allocation of neighborhood amenities in close proximity to residential uses.*

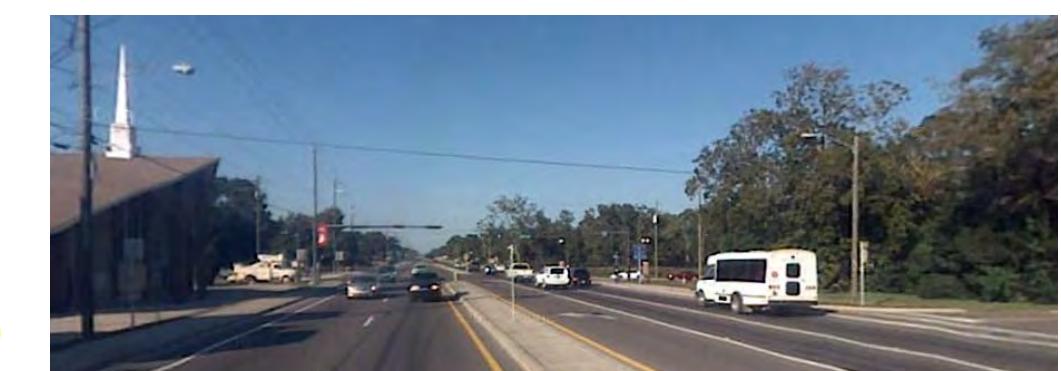
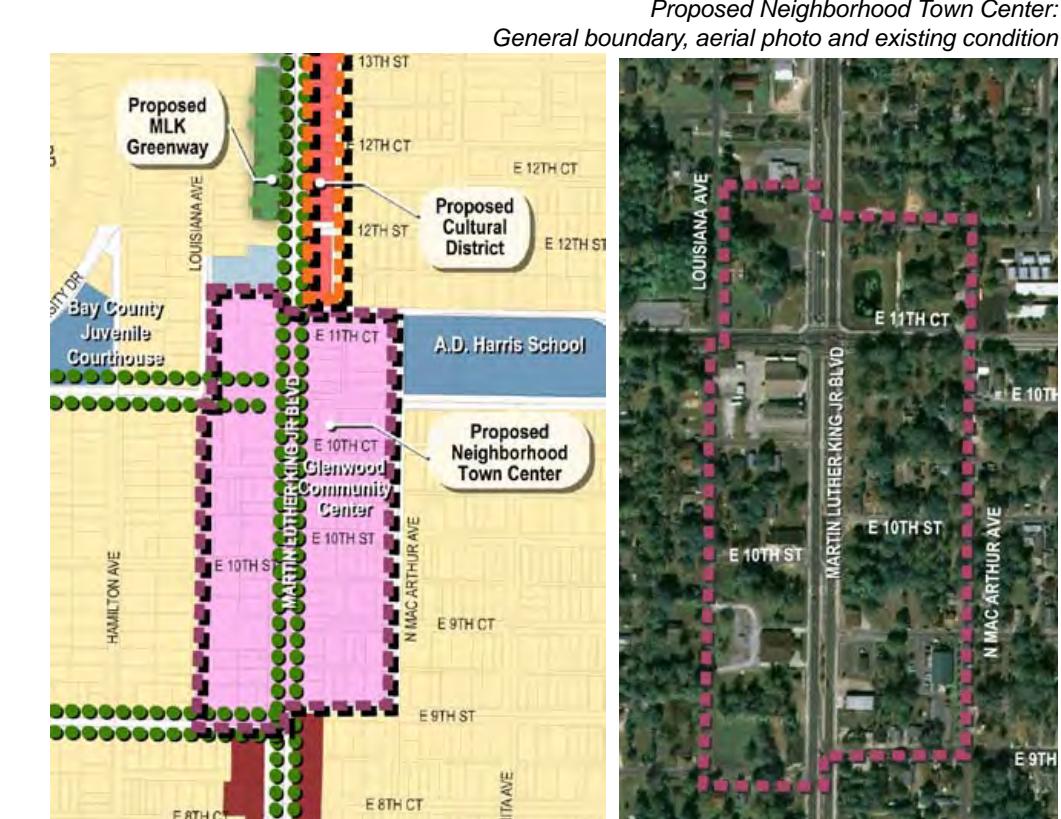
During the planning process, several residents expressed their desire to locate essential community facilities, such as a community center, neighborhood family center, community gathering place and performance venue, etc., in a central location and form a community focal point that will further stabilize and enhance the Downtown North redevelopment area.

The Plan supports the residents' aspiration and calls for the establishment of a Downtown North Neighborhood Town Center at the intersection of Martin Luther King Jr. Boulevard and 11<sup>th</sup> Street. The accompanying Concept Plan illustrates the general area of the proposed Town Center (*It is important to note that the proposed boundary is not a pledge that all properties included will be developed as part of the Town Center, nor that this will be the final location of the Town Center; rather, further feasibility study will be conducted and the CRA will work with individual property owners to determine the optimal use of the property, as well as the most desirable location of the Town Center*).

The Neighborhood Town Center will build upon the existing Glenwood Community Center, introduce new facilities, programs and services. Taking into consideration the presence of a high percentage of youth and single parent households residing in the redevelopment area, it is crucial to provide programs and services that address their needs, such as a new neighborhood family center including daycare services, and a youth employment services center. To better serve the community as a whole, stimulate economic development, provide employment opportunities, it is also pivotal to establish a business resource center and a one-stop resource center that will provide the area residents and businesses with updated information on all available local and regional services and programs. The Town Center will also feature a civic plaza and amphitheater providing a community gathering place to accommodate special events, such as outdoor concerts, cultural festivals, and art shows, etc. Neighborhood retail and restaurants are also desired uses that will complement a vital town center.

The Plan also intends to focus on the strategic allocation of the area's existing resources and to ensure that the access to new services and programs are maximized through coordination among City departments, non-profit organizations, faith-based institutions, and the Bay County School Board. The recommended strategies include exploring opportunities to initiate partnerships with the area's service providers both from a programmatic perspective and to encourage joint use of facilities. For example, if A. D. Harris Alternative High School is to be closed, the facilities may be used for a business resource center, or workforce and youth training center in partnership with the School Board as a short term strategy. As the area grows and develops, the CRA should examine the opportunities to locate these services in a dedicated facility through land acquisition of underutilized sites to provide the desired services in a centralized facility.

To support future growth and redevelopment in the greater Downtown area, the City has designed necessary utility improvements as part of its "Greater Downtown Service Area" (GDSA) project, which will install new water transmission lines in the Downtown North redevelopment area. This planned service expansion and other upgrades, the estimated total cost of which is \$5.8 million, are needed to better serve the community and accommodate future growth. Such upgrades include replacing existing water lines with new lines of larger diameter, and replacing aged gravity sanitary sewer lines with modern lines. The Plan recommends the Agency work closely with the City and support the proposed utility improvements in the redevelopment area.



**GOAL:**

Provide adequate public services that effectively meet the needs of the Downtown North redevelopment area residents to ensure a high quality of life and stimulate positive growth of the community.

**OBJECTIVE:**

Form strategic partnerships with all appropriate government agencies, quasi-government entities, non-profit organizations, faith-based institutions, and private utility providers to strategically locate and utilize community facilities in order to provide a high level of service.

**ACTION STRATEGIES**

1. Work with the City, property owners, and residents to initiate the feasibility and program study on locating a consolidated neighborhood town center in the area around the intersection of Martin Luther King Jr. Boulevard and 11<sup>th</sup> Street. This mixed-use town center will build upon the existing Glenwood Community Center facility and introduce new activities and uses serving as a focal point for the entire community
2. Form strategic partnerships with all appropriate government agencies, non-profit organizations, quasi-government entities and private utility providers to strategically locate and use community facilities in order to provide a high level of service
3. Provide adequate street lighting in the redevelopment area, incorporating appropriate lighting design standards for all public improvements including alleyway improvements
4. Initiate discussions with City departments, neighborhood associations, faith-based organizations, and community agencies to create a one-stop resource center that provides the area residents and businesses with updated information on local and regional services and programs
5. Seek opportunities to co-locate community facilities, such as day-care center and a neighborhood family center, with area schools and faith-based organizations
6. Work with AmeriCorps and other quasi-governmental entities and non-profit organizations to implement youth training and other job assistance strategies to reduce unemployment in the redevelopment area
7. Encourage the provision of daycare centers and counseling services as support to the high percentage of single mothers residing in the redevelopment area
8. Support the City's "Greater Downtown Service Area" (GSDA) project, which will install new water transmission lines in the Downtown North redevelopment area.
9. Work with the City's Engineering Division and Utilities Division to upgrade the water and sewer system to better serve the redevelopment area



*Examples of preferred uses to be located in the proposed Neighborhood Town Center: performance venue, civic plaza, community center, community garden, and neighborhood oriented retail including bookstore and neighborhood cafe*

# CIRCULATION AND CONNECTIVITY

## Community Concerns and Priorities

- Improve poor roadway conditions through streetscape treatment
- Minimize neighborhood cut-through traffic
- Improve pedestrian environment and pedestrian connectivity
- Need for ample transit service

## Identified Assets

- Easy access to regional roadway network
- Opportunity to create a regional trail network
- Existing roadway improvement plans

*Circulation, mobility and connectivity are a vital component of the community's growth and development that has a significant impact on the quality of life. The Downtown North redevelopment area is currently served by a diverse but rather constrained transportation network system, which consists of roadways, public transportation and nominal bicycle and pedestrian facilities. It is essential to design and develop a holistic system of linkages that connect the area both internally and with the surrounding neighborhoods.*

Throughout the planning process, the community identified safe pedestrian environment, mobility, traffic circulation and traffic calming as pivotal elements of neighborhood revitalization efforts. Highly visible and easily accessible locations are critical components of community development, therefore, the integration of transportation and land use requires a coordinated approach to establish an attractive, safe and efficient traffic circulation system. The Plan establishes a hierarchy of connectors that will support existing and proposed residential, commercial, institutional and recreational uses within the Downtown North redevelopment area. The key is to create a better balance of transportation options that will improve and increase pedestrian, bicycle, transit and auto mobility throughout the area.

The following is a hierachic system based on function and traffic volumes:

Primary Commercial Corridors: U.S. Highway 231, Harrison Avenue

Community Commercial Corridors: 15<sup>th</sup> Street, Business Highway 98

Downtown Transition Corridors: Jenks Avenue, 7<sup>th</sup> Street

Neighborhood Connectors: Martin Luther King Jr. Boulevard, 9<sup>th</sup> Street and 11<sup>th</sup> Street

## Primary Commercial Corridors

U.S. Highway 231 and Harrison Avenue serve the Downtown North redevelopment area as the major commercial thoroughfares designed to move residents and goods into and around the area's residential, economic, education and recreation centers. U.S. Highway 231 is a four-lane divided road serving as a major route through the City of Panama City, connecting the Downtown North redevelopment area to Interstate 10 and communities to the north-east. U.S. Highway 231 converts to Harrison Avenue and 15<sup>th</sup> Street East (U.S. 98), connecting the redevelopment area to the Downtown and Panama City Beach to the west.

The majority of the corridor is dedicated to commercial uses, including heavy commercial, auto repair, fast food restaurants, and other automobile-oriented commercial establishments. Constraints relating to the future development of the corridor include inadequate streetscape improvements, obsolete suburban style strip commercial site development, encroachment of heavy commercial uses into the neighborhoods, and an unsafe pedestrian environment.

The intent of the Plan is to retain the economic benefits of commercial uses while striving for improved integration of the commercial uses and the adjoining residential areas through enhanced streetscape improvements. The improvements should include both physical and programmatic initiatives to maximize resource utilization while improving the availability of services for both the residents and businesses. The key is to create a better balance of transportation options that will improve and increase pedestrian, bicycle, transit and auto mobility of the corridors.

## Photo Simulation

## Harrison Avenue

*Existing Condition*



*Phase I: Streetscape Improvements*



*Phase II: Storefront improvements and New In-fill Development*



# Concept Plan Element

## CIRCULATION AND CONNECTIVITY

- Improve pedestrian circulation and safety along the major corridors employing a combination of streetscape elements including directional signage, landscaped medians, traffic calming, and sidewalks
- Design a unified design theme for streetscape improvements along the identified neighborhood connectors
- Emphasize linkages to area parks, trails, schools, commercial centers, and community facilities
- Accentuate significant intersections with urban design elements where neighborhood connector streets meet primary corridors
- Ensure that important community features like the proposed "Downtown North Town Center" and "Community Park/ Sports Complex" are well- served by bus routes
- Improve user comfort and visibility of bus stops by installing lit shelters, benches, trash receptacles, signage, etc.
- Work with area residents to identify inadequately designed bus transit routes and evaluate the location of bus stops in relation to pedestrian generating uses

### Street Hierarchy

**Primary Commercial Corridors:**  
Highway 231, Harrison Avenue

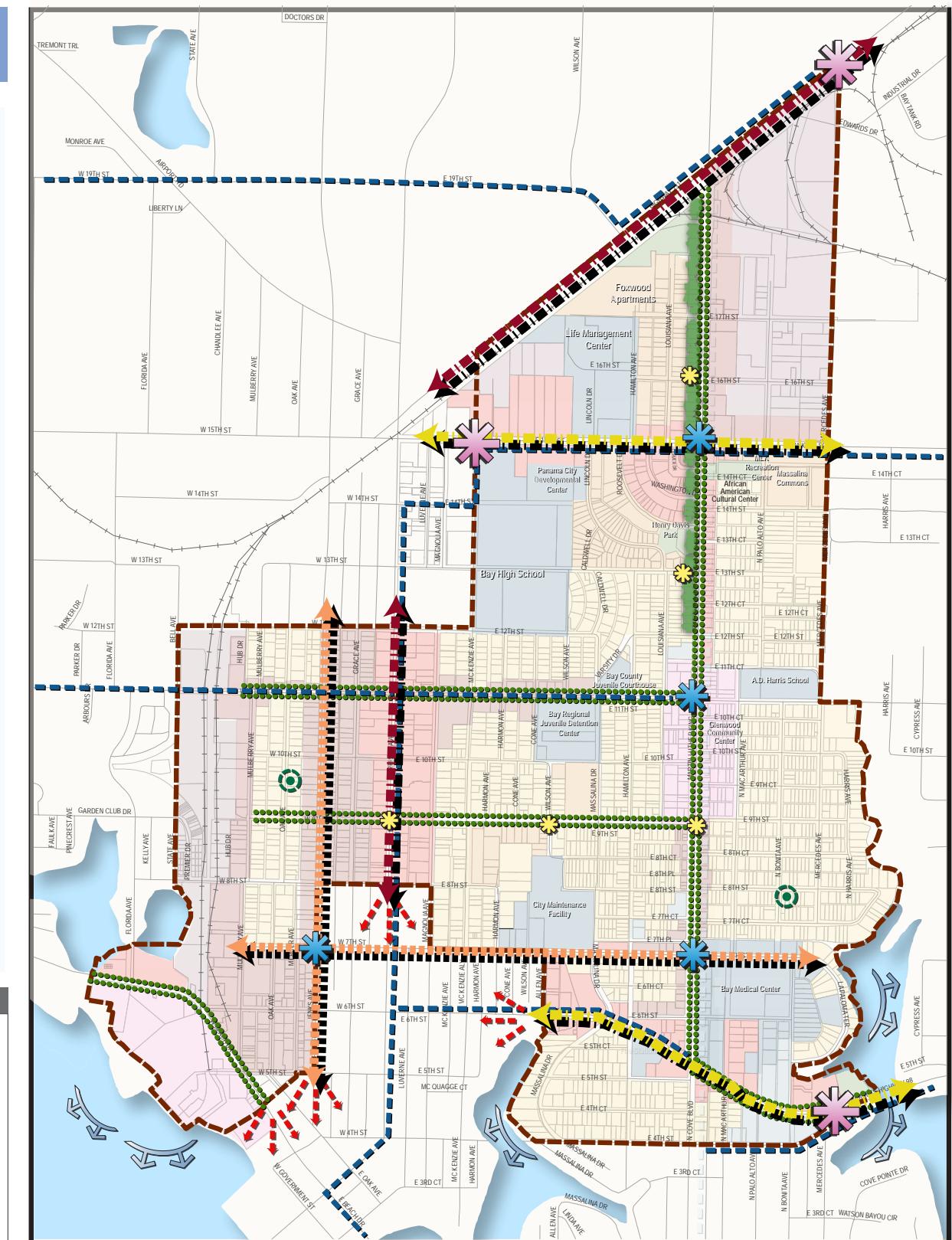
**Neighborhood Commercial Corridors:**  
15th Street, Business Highway 98

**Neighborhood Connectors:**  
MLK Boulevard, 11th Street, 9th Street

**Downtown Transition Corridors:**  
Jenks Avenue, 7th Street



Fig. 3.4 Concept Plan Element Map: Circulation and Connectivity



## Community Commercial Corridor

Fifteenth Street and Business Highway 98 are identified as Community Commercial Corridors. The Neighborhood Commercial Corridors are intended to accommodate appropriate transition in land uses from the more intense, primarily commercial use, to the less intense residential area. Future land uses in such corridors would consist of community oriented commercial uses, such as grocery stores, banks, hotels, professional offices, mixed-use high density multi-family developments, etc. The intent of the corridor is to capitalize on the proximity to major employment and activity centers, while at the same time provide a buffer for the single-family residential neighborhoods.

## Downtown Transition Corridor

Jenks Avenue and 7<sup>th</sup> street are classified as Downtown Transition Corridors. As the term implies, the Corridor is intended to provide a seamless transition from the Downtown to the Downtown North area. Future land uses in such corridors would consist of cottage commercial, specialty retail, professional offices, and other neighborhood friendly uses. The Downtown Transition Corridor encourages the restoration of the historic grid of the area, including smaller lot size, reduced parking requirements, and a pedestrian friendly environment that supports local commerce while ensuring minimal impact to the adjacent neighborhoods. In addition, traffic calming measures should be incorporated to minimize cut-through traffic and further stabilize the neighborhoods.

## Neighborhood Connector

Martin Luther King Jr. Boulevard, 9<sup>th</sup> Street and 11<sup>th</sup> Street are identified as Neighborhood Connectors. As the term suggests, neighborhood connectors provide linkages between the residential uses and the area parks, schools, faith-based institutions, commercial centers and other activity centers. The Plan recommends improving the pedestrian connection along the connectors, incorporating a combination of elements, where possible, including: minimum 6 feet wide sidewalks, traffic calming measures, street lighting, street furniture, and preserving the existing tree canopies while adding complementing street trees.



Example of traffic calming device

**Pedestrian circulation** is an integral part of the circulation network. The Downtown North redevelopment area's overall physical structure, with blocks typically measuring 300 feet by 300 feet, is ideal for creating a safe pedestrian environment, allowing frequent intersections and interconnected areas. However, currently only nominal pedestrian amenities are in place within the redevelopment area, and there are numerous sections of the sidewalk that are missing, discontinuous, and in need of repair. As identified in the Inventory Report, the following critical sidewalk gaps and hot spots for bicycle and pedestrian crashes in the redevelopment area should be addressed with high priority:

- U.S Business 98 and 7th Street West (near the Rescue Mission)
- Harrison Avenue and 11th Street East (near Bay High School)
- 15th Street/ US 98 and Martin Luther King Jr. Boulevard
- Cove Boulevard between Business 98 and 4th Street East
- Areas in the vicinity of Bay Medical Center
- 11th Street west of Martin Luther King Jr. Boulevard

**Multi-use trail** is an alternate mode of transportation to complement the on-road pedestrian and bicycle facilities. Trail networks interconnected with on-street facilities encourage regional connectivity, reduce travel time and distance for pedestrians and cyclists, while at the same time increase the level of safety for the users, if designed appropriately. In addition to the Martin Luther King Jr. Boulevard linear park and trail greenway system proposed previously discussed in the Recreation and Open Space Element, rail to trail conversion opportunities exist within the Downtown North redevelopment area. Such opportunities, as identified in the Bay County TPO Bicycle and Pedestrian Master Plan, include the conversion of the abandoned railroad to a multi-use trail from US Business 98 to 11th Street.

Taking into consideration the presence of a high percentage of households without access to cars residing in the redevelopment area, it is essential to provide an adequate, efficient, and convenient **public transit system** so that the residents have easy access to schools, commercial centers, hospitals, churches, employment centers, parks and other activity centers. The Plan recommends enhanced access to the Bay Town Trolley System with improved lighting at stops, and when the community grows and develops, the CRA should work the County to identify and address the needs for new routes and additional services.



Well-designed bus shelters are essential for transit users, and can boost civic pride and provide opportunity for community arts



Well-designed bus shelters are essential for transit users, and can boost civic pride and provide opportunity for community arts

## Photo Simulation | Pedestrian Amenities: Bay High School

Existing Condition: 13th Street



Improved and safer pedestrian environment



**GOAL:**

**Establish a safe and efficient circulation and mobility system that provides increased access to all modes of transportation connecting the Downtown North redevelopment area with the balance of the community.**

**OBJECTIVE:**

*Improve streetscape along identified corridors and create a balance between the economic benefits of commercial corridors and their aesthetic environment, while at the same time minimize their impact on adjacent less intense land uses.*

**OBJECTIVE:**

*Increase pedestrian mobility in the redevelopment area to connect the neighborhoods internally, to establish regional connections with adjoining areas, and to create a safe and convenient system of pedestrian and bicycle routes.*

**OBJECTIVE:**

*Enhance mobility by providing increased access to a multi-modal transportation system.*

**ACTION STRATEGIES**

1. Design a unified design theme for streetscape improvements along the identified major connectors
2. Emphasize linkages to area parks, trails, schools, commercial centers, and community facilities
3. Accentuate significant intersections with urban design elements where neighborhood connector streets meet primary corridors
4. Prioritize streetscape projects of the following corridors in conjunction with other planned improvements:
  - Primary Commercial Corridors: U.S. Highway 231, Harrison Avenue
  - Community Commercial Corridors: 15<sup>th</sup> Street, Business Highway 98
  - Downtown Transition Corridors: Jenks Avenue, 7<sup>th</sup> Street
  - Neighborhood Connectors: Martin Luther King Jr. Boulevard, 9<sup>th</sup> Street
5. Introduce appropriate mix of uses along the commercial corridors to generate more pedestrian activity along the corridors
6. Encourage shared paring between adjacent uses along the commercial corridors to reduce excessive curb-cuts and create a safer environment for both pedestrians and automobiles.
7. Work with the Florida Department of Transportation, review the FDOT "Livable Communities" policies, and pursue its application on the Martin Luther King Jr. Boulevard, as appropriate.

**ACTION STRATEGIES**

1. Improve pedestrian circulation and safety along the major corridors employing a combination of streetscape elements including directional signage, landscaped medians, traffic calming, and sidewalks.
2. Design the proposed Martin Luther King Jr. Boulevard Linear Park and Multi-Use Trail Greenway using Crime Prevention Through Environmental Design (CPTED) principles, and accommodate a diverse range of activities that encourage pedestrian walkability such as civic plazas, visual landmarks, and passive recreational uses.
3. Encourage clustering of land uses, where appropriate, to create a compact neighborhood form that supports a pedestrian friendly environment.
4. Identify key destinations in the redevelopment area and its vicinity and accentuate their visibility to pedestrians through architectural design, building placement, establishing view corridors, planting, and directional signage.
5. Support the improvements identified by the Bay County TPO Bicycle and Pedestrian Master Plan that are within Downtown North redevelopment area.

**ACTION STRATEGIES**

1. Work with area residents to identify inadequately designed bus transit routes and evaluate the location of bus stops in relation to pedestrian generating uses
2. Work with Bay County to ensure new neighborhood activity centers are well served by transit when the community grows and develops
3. Improve user comfort and visibility of bus stops by installing lit shelters, benches, trash receptacles, signage, etc.
4. Work with the City to investigate the feasibility of providing dedicated shuttle service to connect various activity centers in the redevelopment area, the Downtown, the surrounding neighborhoods, and the entire City.

# ECONOMIC DEVELOPMENT

## Community Concerns and Priorities

- Need for workforce training
- Need for an assistance center for small business owners
- Negative perception of the community may be a deterrent for investment
- Need for public-private partnerships to generate more quality jobs in the community
- Need to streamline the development review process

## Identified Assets

- Existing employment centers: Bay Medical Center, Chevron, and relocated Airport
- High percentage of youth population

*The future development of the Downtown North redevelopment area relies on comprehensive and sound strategies to strengthen the area's economic development, based on a profound understanding of socioeconomic, demographic, and physical contexts. In order for the Downtown North residents to retain and build personal wealth and to access public services and amenities that improve their quality of life, the Plan strives to strengthen the existing market to make the redevelopment area more competitive as a place to live, work and invest, stimulate private market forces to bring people and capital into the redevelopment area in order to create a mixed-income community of choice, and promote equity and ensure that residents have the capacity to act as full partners in guiding investment in their neighborhoods.*

From a socioeconomic and demographic perspective, some of the area's distinctive characteristics include:

- High percentage of youth population
- High percentage of single-mother households
- High minority population
- Low educational attainment level
- Low median income level
- Low per capita income

Economic development in Downtown North redevelopment area is the essential component of community development, meant to provide individuals with employment opportunities to secure a living wage with benefits comparable to other areas in the region. Economic development is achieved through:

- Investment in public infrastructure to support future growth and development
- Private investment
- Access to venture capital
- Education and training that anticipates demand in the job market to ensure sustainable career opportunities
- Retention and expansion of existing businesses
- Investment incentive and business development assistance
- Access to business loans and programs designed to support local entrepreneurial efforts
- Transportation to outside employment opportunities

Successful, economic development establishes a foundation for community revitalization which:

- Causes growth in the population
- Stabilizes the housing market
- Sustains commercial development opportunities
- Promotes private investment
- Increases the tax base providing additional revenues for needed public infrastructure and government services
- Improves the sense of security and public safety
- Increases access to health care

- Creates an environment for social, educational, recreational, and cultural activities to flourish
- Invigorates a sense of community pride and spirit

The Downtown North redevelopment area residents identified economic development as a fundamental component of community development. Based on the input from stakeholders, business owners, and residents, and a thorough economic analysis of the redevelopment area, the following economic development opportunities are identified that serve as foundation for the action strategies proposed in the Economic Development element:

## Workforce Development

Maintaining a stable core of employment generating businesses and availability of a skilled workforce is pivotal in creating a sustainable community that ensures economic opportunities for all residents. The Plan seeks to maximize opportunities by devising strategies to retain and attract businesses to the redevelopment area, expanding training and mentorship opportunities, and increasing job accessibility for the area residents. Particularly, the Plan calls for an aggressive pursuit of new businesses in the green industry and training for green collar jobs. In December 2007, President Bush signed the Green Jobs Act to train workers for green collar jobs, while the Obama Administration puts green industry and energy-clean economy on an ever high priority. Federal funding and other grants are available for workforce training programs targeted at veterans, displaced workers, at-risk youth, and families in extreme poverty. It will train people for jobs like installing solar panels and weatherization. The redevelopment area possesses a strong industrial base, which has the advantage and potential to be upgraded to green industry, employing local trained workforce and capitalizing on the new wave of investment and economic growth.

The recommended strategies build on strengthening partnerships with the area's existing institutional and economic development resources, including the City and County Economic Development Staff, Life Management Center, AmeriCorps, NAACP, DCF, Big Bend Community Based Coalition, SCORE, and other government agencies and non-profit organizations. The Plan additionally recommends aggressive pursuit of Federal grants in workforce training. Further, the high percentage of single mother households in the redevelopment area warrants special strategies, such as encouraging a greater range of child care centers, health care facilities, counseling services, and financial services, i.e. debt management, home ownership, family counseling, etc.

## Investment Incentives and Business Development Assistance

Small enterprises are an integral part of the area's economic base and developing strategies to increase local entrepreneurship will be pivotal to ensuring the provision of neighborhood amenities and instilling a sense of civic pride. The Plan recommends that the CRA work with the City to take actions to retain, upgrade and expand existing businesses and attract new investment and jobs to the Downtown North redevelopment area. Such actions include, but are not limited to, pursuing the designation of Enterprise Zone to provide a diverse range of incentives and tax credits for the businesses looking to locate or expand in the redevelopment area. The CRA should also work with

City to further streamline the process of business licensing, permitting, and development review for new businesses coming to the area or the upgrade of existing businesses, especially for the kind of businesses desired by the community, such as green businesses.

## Marketing and Outreach Program

The public investment in the redevelopment area should be actively marketed to potential business owners, private developers and prospective homeowners to cultivate a long-term commitment from the private sector in achieving the desired community character. By offering specific home ownership strategies, diversifying the housing stock, and implementing proposed public realm improvements, it is anticipated that new private development will be attracted to the redevelopment area. While incremental progress through public realm improvements strengthens the overall investment environment, ultimately the private sector is anticipated to assume the lead in future economic growth with continued support from the CRA. The Plan recommends the CRA form active partnerships with the Chamber of Commerce and the City to develop a creative and aggressive marketing strategy capitalizing on the area's assets and highlighting the proposed improvements to attract private sector investment.

## Partnership and Collaboration

The success of the redevelopment of the community ultimately rests on the coordinated efforts of the CRA with the City, the residents, the private sector, the County, faith-based institutions and non-profit organizations. As the initial step, the CRA should work with the County and the Chamber of Commerce to establish an Office of Economic Development for Downtown North and align the various City departments' budgets, goals, and priorities where possible to support the Downtown North's economic development. This office should coordinate any information about plans, projects, and programs that will be undertaken within or have an impact on the Downtown North redevelopment area, develop a work program for one, three, and five-year time frames, and establish measurable indicators to track progress and activities in the redevelopment area. The CRA should also work through this office with the City, County and the Chamber of Commerce to establish a business assistance center to retain and attract businesses to the area, expand training and mentorship opportunities, and increase job accessibilities for the area residents and employers.

It is equally crucial to strategically allocate the available resources and form strong and effective partnership with various players of the community. Potential partnership projects include joint-use agreements with Bay County School Board, training and social service programs in partnership with the area's educational and faith-based institutions, the Life Management Center and AmeriCorps.

Economic development and the resulting sense of community well-being do not happen overnight. In fact, many of these expectations will take more than a generation for success. Therefore it will be important for the CRA and the residents to set realistic benchmarks for different aspects of the program that will relate to appropriate timelines. The community should not lose sight of the fact that ultimately the real measure of success is when the private sector assumes the lead in economic development and the government's role is diminished over time.

### GOAL:

**Strengthen the existing market to make the Downtown North redevelopment area more competitive as a place to live, work and invest. Stimulate private market forces to bring people and capital into the redevelopment area in order to create a mixed-income community of choice. Promote equity.**

### OBJECTIVE:

*Establish a set of priorities, with the sole purpose of focusing on the needs of the Downtown North economic development, within the appropriate administrative framework required for successful program implementation.*

### ACTION STRATEGIES

1. Work with the City, County and the Chamber of Commerce to establish an Office of Economic Development for Downtown North and align the various City departments' budgets, goals, and priorities where possible to support the Downtown North's economic development.
2. Coordinate, through this office, any information about plans, projects, and programs that will be undertaken within or have an impact on the Downtown North redevelopment area.
3. Develop a work program for one, three, and five-year time frames.
4. Work with the City, County and the Chamber of Commerce to establish a business assistance center to retain and attract businesses to the area, expand training and mentorship opportunities, and increase job accessibilities for the area residents and employers. As an alternative, the CRA may work with the Bay County Business Center to explore the opportunity to establish a satellite office in Downtown North.
5. Work with the City to develop programs and incentives that support existing and prospective small and minority owned businesses in the area, especially in the green industry. Such incentives may include expedited review and flexible zoning for green businesses
6. Work with City departments to develop appropriate channels of communication and measures for monitoring program success.
7. Establish measurable indicators to track progress and activities in the redevelopment area. Set initial benchmark indicators and then report annual results on the revitalization effort in the residential neighborhoods, the promotion of the revitalization effort and civic engagement in the process, and the economic development activities on the overall economic performance. Such indicators should include, but not limited to, the following:
  - Annual change in property value
  - Annual number of new residential units
  - Annual review of design/planning goals and objectives
  - Annual review of new business statistics
  - Annual earned media about the redevelopment area
  - Annual inventory of community-based organizations
  - Annual review of communication/promotion goals and objectives
  - Annual review of economic restructuring goals and objectives
8. Work with the City to utilize the Geographic Information System (GIS) to provide a more usable format for integrating data from outside sources and upgrading internal networking and services.

**OBJECTIVE:**

Formulate economic development strategies that provide the area residents access to a diverse range of businesses, employment opportunities and housing choices.

**ACTION STRATEGIES**

1. Develop programmatic and strategic partnerships between institutional entities to provide additional training and service for the area's youth
2. Promote green industries and training programs for green-collar jobs; Seek grants for green-collar job training
3. Encourage transition of existing manufacturing jobs to green industries (e.g. repairing hybrid cars, building green rooftops and solar panels, refining waste oil into biodiesel)
4. Work with the City to pursue the Enterprise Zone designation for the redevelopment area
5. Seek opportunities to develop incentives and form partnerships between developers and residents that encourage local participation
6. Partner with non-profit organization and agencies such as AmeriCorps, NAACP, Big Bend Community Based Coalition, and SCORE, etc., to offer workshops, seminars, and training programs that will increase the skills of the working population and improve the labor force participation rate among the area residents
7. Encourage the area's institutions and faith-based organizations to promote the benefits of home ownership and to increase awareness about available resources for prospective homeowners
8. Work with the Life Management Center to institute programs to educate residents about basic life management skills, such as financial management and home ownership awareness.
9. Work with neighborhood organizations to contact local firms and employers and assist these employers in recruiting local residents.
10. Communicate with current industry and business operators within the redevelopment area in an effort to identify specific needs and barriers to growth that can be resolved by the local educational and training institutions, government agencies, and other private sector businesses.

**OBJECTIVE:**

Support and market existing and proposed development programs and activities to stimulate an improved flow of information between the public entities, private sector, faith-based institutions, and other organizations while creating strategic partnership between the various stakeholders.

**ACTION STRATEGIES**

1. Develop a marketing strategy capitalizing on the area's assets to attract private sector investment in quality commercial and residential development.
2. Develop a newsletter to share information about the community's accomplishments, status of proposed projects, and resources available to the residents and business owners.
3. Organize community-wide meetings on a regular basis to update stakeholders about the progress in the neighborhoods and engage the residents.
4. Work closely with neighborhood leaders, the City, the County, the faith-based institutions and other pertinent organizations to develop one, three and five year work programs to update and review the community's concerns and progress
5. Work with the City and the County to ensure consistency between the planning efforts and align the various budgets, goals, and priorities of the CRA, City and County, where possible, to support the redevelopment of Downtown North.
6. Work in close collaboration with community organizations, including Habitat for Humanity, AmeriCorps, NAACP, Big Bend Community Based Coalition, and SCORE, Glenwood Community Center, etc., to expand and improve the social services delivery system for the residents.

**Case Study: St. Petersburg Business Assistance Center**

The St. Petersburg Business Assistance Center (BAC) is a one-stop facility for starting or growing the existing small business. The BAC provides business counseling, training and access to capital and credit for startups as well as established businesses seeking growth or specialized assistance.

The Business Assistance Center (BAC) provides case management and follow-up services for the creation, retention and expansion of small businesses. Specifically, the BAC offers:

- Business counseling, access to financial assistance, contracting and procurement through the Small Business Enterprise (SBE) Program, technical assistance, mentoring and training workshops.
- The Midtown Corridor Case Management Program – The BAC staff works directly with Midtown businesses for business startup, retention and expansion.
- The Business Resource Center (BRC) – a one-stop resource for providing personal computers with Internet access, interactive videos and an extensive business reference library for business planning and research. The BRC is open Monday – Friday, 8:00 – 5:00 p.m.
- Small Business Enterprise (SBE) Program -- certifies small businesses and provides technical assistance to enhance contracting and procurement opportunities with the City of St. Petersburg. e-mail us at "mailto:SBEPrograms@stpete.org"
- Weed and Seed Program -- offers community development services.

The Business Assistance Center partners with a diverse group of service providers to provide an array of business retention and development services including:

- SCORE (Counselors to America's Small Business) --offers business counseling, training, assessment and mentoring at no cost to the client.
- The Florida Small Business Development Center at the University of South Florida (USFSBDC) -- provides business counseling and training to start and grow your business.
- Tampa Bay Black Business Investment Corporation (TBBBIC) -- offers technical assistance to small businesses and assists with accessing capital.
- Eckerd College Intern Volunteer Program – provides hands-on assistance to businesses participating in the Midtown Corridor Case Management Program.





*The existing industrial use may be upgraded to provide green collar jobs*



### **Special Topic: Green Collar Jobs**

The term “green-collar jobs” generally refers to family-supporting jobs that contribute significantly to preserving or enhancing environmental quality. Defined more by industry than occupation, they reside primarily in the sectors that make up the clean energy economy—efficiency, renewables, alternative transportation, and fuels.

There's already a huge green economy developing. In 2006 renewable energy and energy efficiency technologies generated 8.5 million new jobs, nearly \$970 billion in revenue, and more than \$100 billion in industry profits. According to the National Renewable Energy Lab, the major barriers to a more rapid adoption of renewable energy and energy efficiency in America are insufficient skills and training. In December 2007, former President George W. Bush signed the Green Jobs Act to train workers for green collar jobs. It authorizes \$125 million for workforce training programs targeted to veterans, displaced workers, at-risk youth, and families in extreme poverty. It will train people for jobs like installing solar panels and weatherization. President Obama promises to spend \$150 billion over 10 years to create 5 million new green-collar jobs. Jobs in renewable-energy and energy-efficiency industries could grow to as many as 40 million by 2030, according to a November report commissioned by the American Solar Energy Society.

Below is a list of example green collar jobs in specific sectors:

- Energy retrofits to increase energy efficiency and conservation
- Green building
- Green waste composting on a large scale
- Hauling and reuse of construction materials and debris (C&D)
- Hazardous materials clean-up
- Landscaping
- Manufacturing jobs related to large scale production of appropriate technologies (i.e. solar panels, bike cargo systems, green waste bins, etc.)
- Materials reuse
- Non-toxic household cleaning in residential and commercial buildings
- Parks and open space expansion and maintenance
- Printing with non-toxic inks and dyes
- Public transit jobs related to driving, maintenance, and repair
- Small businesses producing products from recycled materials
- Solar installation
- Tree cutting and pruning
- Peri-urban and urban agriculture
- Water retrofits to increase water efficiency and conservation
- Whole home performance, including attic insulation, weatherization, etc.

Green collar jobs can provide a career ladder for the population without high education attainment. For example, some workers might start at \$10 an hour inspecting homes for energy-efficient light bulbs. Then they might become \$18-an-hour workers installing solar panels and eventually \$25-an-hour solar-team managers. Eventually they might become \$40-an-hour electricians or carpenters who do energy-minded renovations.

New funding opportunities for green jobs training are abundant. For example, a grant from the Living Cities initiative will award up to \$300,000 to collaborative efforts in green jobs training programs. Funds will be given to private/public partnerships that prepare workers for employment in energy efficiency, retrofitting, renewable energy, and/or green building.



## Chapter 3 Capital Improvements Program

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# CAPITAL IMPROVEMENTS

Capital investment in improvement projects, including pedestrian-targeted improvements, will help to achieve the goals and desires of the Downtown North community. It is through such projects that CRA will enhance the functional and aesthetic quality of the redevelopment area and provide the basis for leveraging private redevelopment investment. This chapter presents a list of proposed capital projects and programs that could be pursued by the CRA to implement the recommendations of this Redevelopment Plan.

The strategies herein are divided into short-term (within 5 years), mid-term (5 to 10 years), and long range (+10 years) time horizons to help facilitate budgeting and provide a guide to what projects may be considered a higher priority at first. It is important to note that these proposed capital improvement strategies are not a pledge of expenditure of funds on a given project in a given year. Actual funding allocations will be determined annually through the City's budget process. Also, as years pass, priorities may change and the capital improvement strategies may need to be amended to reflect that. City funds can be used to leverage grants and commercial financing to accomplish a substantial number of capital improvements and planning activities. With successful revitalization, the CRA should see a substantial increase in the tax base and realize a healthy return on its investment through increased ad valorem tax revenues, sales tax receipts and other formulated revenue sharing programs.

The Redevelopment Plan contains several projects consisting of public, private and joint public/ private efforts that may take up to twenty years to complete. It is essential that the CRA incorporates a sound project implementation strategy when identifying priorities. The community should understand that the CRA will be pursuing multiple elements of the Redevelopment Plan at all times, and it is important to note that the summary of capital implementation strategies on this page is flexible in nature. It is the best estimate of project costs based on a measure of the order of magnitude for projects in relation to anticipated revenues. As a matter of practice the City will continue to prepare annual budgets as well as establish five-year and long-range work programs for budgetary and administrative purposes. Ultimately project costs will be refined during the design and construction phase of any given project.

5 Year Capital Improvements Program Downtown North CRA						
Project Description	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	
<b>1. Planning</b>						
1A. Urban Design and Architectural Standards, Streetscape Specifications Manual	\$150,000					
1B. Develop Form-based Codes and Revise Land Development Regulations (Ongoing)	NA					
1C. Comprehensive Plan Amendments	NA					
1D. Martin Luther King Jr. Boulevard Cultural District Master Plan	\$25,000					
1E. Martin Luther King Jr. Boulevard Linear Park and Trail System Design Master Plan		\$75,000	\$75,000			
1F. Neighborhood Town Center Master Plan (including Business Assistance Center)	\$75,000					
1G. Martin Luther King Jr. Recreation Center Space Needs Study				\$25,000		
1H. Beach Drive Rails to Trails Design Study					\$50,000	
1J. Watson Bayou Restoration and Recreation Master Plan				\$50,000	TBD	
<b>2. Design Development, Construction Documentation and Permitting</b>						
2A. Henry Davis Park Improvements	\$50,000					
2B. Harrison Avenue Streetscape		\$50,000	\$50,000			
2C. Jenks Avenue Streetscape	\$50,000					
2D. U.S. Business Highway 98 Streetscape Construction Document & Permitting	\$100,000	\$50,000	\$50,000			
2E. Watson Bayou Park Construction Document & Permitting				\$75,000		
2F. Martin Luther King Jr. Boulevard Linear Park and Trail System Construction Document & Permitting (on-going)				\$200,000	TBD	TBD
2G. Beach Drive Rails to Trails						TBD
2H. Neighborhood Town Center					TBD	TBD
<b>3. Construction</b>						
3A. Henry Davis Park Improvements	\$100,000					
3B. Watson Bayou Restoration and Park Construction		\$100,000	TBD	TBD	TBD	
3C. U.S. Business Highway 98 Streetscape Construction Document & Permitting	\$150,000	\$200,000	\$200,000			
3D. Harrison Avenue Streetscape		\$200,000	\$200,000			
3E. Jenks Avenue Streetscape			\$200,000	\$200,000		
3F. Secondary Streetscape Improvements (on-going)	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	
3G. Martin Luther King Jr. Boulevard Linear Park and Trail System Construction (on-going)				\$150,000	\$150,000	
3H. Utility Upgrades (on-going)	\$500,000	\$800,000	\$800,000	\$750,000	\$750,000	
3J. Gateways (on-going)	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	
<b>4. Land Acquisition and Site Assemblage</b>						
4A. Neighborhood Town Center	TBD	TBD	TBD	TBD	TBD	
4B. MLK Boulevard Multi-Use Linear Park and Trail System	TBD	TBD	TBD	TBD	TBD	
4C. Watson Bayou Restoration and Park Construction	TBD	TBD	TBD	TBD	TBD	
4D. 15th Street and MLK Grocery Store	TBD	TBD	TBD	TBD	TBD	
<b>Total</b>	\$1,450,000	\$1,725,000	\$2,025,000	\$1,500,000	\$1,200,000	

Detailed Description: 5 Year Capital Improvement Projects		
Projects	Description	Funding Source
<b>1. PLANNING</b>		
1A. Urban Design and Architectural Standards, Streetscape and Gateways Design Specifications Manual	Design and install wayfinding and signage specifications. Develop detailed design specifications for gateways at key intersections. Develop details for sidewalks, landscaping and street furniture (lighting, bike racks, trash receptacles, benches, etc.)	TIF/ General Fund/ KAB/ CDBG/ FDOT/ TEP
1B. Develop Form-based Codes and Revise Land Development Regulations (Ongoing)	Develop Form-Based Codes. Develop Administrative Procedures for review of development proposals in accordance with the Form Based Codes. Create expedited development approval process. Assess staff resources to review new developments based on modified land development regulations or retain the services of an architect/ planner on record to assist property owners. Prepare a "regulatory audit" to identify barriers in the existing regulations that discourage transit oriented compact development patterns.	General Fund
1C. Comprehensive Plan Amendments	Amend Comprehensive Plan to incorporate recommendations contained in the Downtown North Redevelopment Plan and revised Land Development Regulations	General Fund
1D. Martin Luther King Jr. Boulevard Cultural District Feasibility Study and Master Plan	Conduct an economic study to determine the market feasibility for a cultural district. Initiate discussions with Bay County to create a regional cultural venue (possible uses include heritage museum, art gallery, theater, etc.) Initiate dialogue with current property owners and the community to discuss the intent, phasing, and redevelopment possibilities. Prepare master plan based on community input and market conditions.	TIF/ General Fund/ FCT
1E. Martin Luther King Jr. Boulevard Linear Park and Trail System Design Master Plan	Initiate discussions with FDOT. Initiate dialogue with current property owners and the community to discuss the intent, phasing, and land acquisition and easement possibilities. Prepare master plan based on the community input.	TIF/ General Fund/ KAB/ CDBG/ FDOT/ TEP/FRDAP/ UFG/ RTP/ FLP/ HBG
1F. Neighborhood Town Center Master Plan (including Business Assistance Center)	Conduct study to determine the feasibility and programmatic needs for a neighborhood town center. Initiate discussions with Bay County, the Chamber of Commerce, and other public service providers to seek support and partnership. Initiate dialogue with current property owners and the community to discuss the intent, phasing, and redevelopment possibilities. Prepare master plan based on community input and market conditions.	TIF/ General Fund/ FCT/ FRDAP/ MSBU/ TPL/ ARRSP
1G. Martin Luther King Jr. Recreation Center Space Needs Study	Conduct study to determine programmatic needs for the Recreation Center. Initiate discussions with Bay County to seek support and partnership. Initiate dialogue with the community to discuss the recreational needs, phasing, and expansion or redevelopment possibilities.	TIF/ CDBG/ General Fund/ SBA/ KAB/FRDAP/ LWCF/ RN/ FIND/ FBIP
1H. Beach Drive Rails to Trails Design Study	Initiate discussions with FDOT. Initiate dialogue with current property owners and the community to discuss the intent, phasing, and land acquisition and easement possibilities. Prepare trail design based on the community input.	TIF/ General Fund/ KAB/ CDBG/ FDOT/ TEP/FRDAP/ UFG/ RTP/ FLP/ HBG
1J. Watson Bayou Restoration and Recreation Master Plan	Initiate discussions with FDEP. Initiate dialogue with the community to discuss the intent, phasing, and programs. Prepare a master plan based on the community input.	FDOT/ TIF/ CDBG/ General Fund/ SBA/ KAB/FRDAP/ LWCF/ RN/ FIND/ FBIP
<b>2. DESIGN DEVELOPMENT, CONSTRUCTION DOCUMENTATION, AND PERMITTING</b>		
2A. Henry Davis Park Improvements	Develop construction documents including construction cost estimates and technical specifications and drawings for bidding.	TIF/ CDBG/ General Fund/ SBA/ KAB/FRDAP/ LWCF
2B. Harrison Avenue Streetscape	Develop construction documents including construction cost estimates and technical specifications and drawings for bidding.	Infrastructure Tax/ Impact Fees/ FDOT/ TIF/ CDBG/ General Fund/ SBA/ KAB/ ARRSP/ Private Sector Contribution
2C. Jenks Avenue Streetscape		
2D. U.S. Business Highway 98 Streetscape		
2E. Watson Bayou Park Construction Document & Permitting	Develop construction documents including construction cost estimates and technical specifications and drawings for bidding.	TIF/ CDBG/ General Fund/ SBA/ KAB/FRDAP/ LWCF/ RN/ FIND/ FBIP

CDBG- Community Development Block Grant  
 SHIP- State Housing Initiatives Partnership  
 KAB- Keep America Beautiful

SBA- Small Business Administration Tree Planting Grant  
 FDOT- Florida Department of Transportation  
 FRDAP- Florida Recreation Development Assistance Program

FCT- Florida Communities Trust

LWCF- Land and Water Conservation Fund  
 RN- River Network

UFG- Urban Forestry Grant

RTP- Florida Recreational Trails Program  
 FIND- Florida Inland Navigation District

MSBU- Municipal Service Benefit Unit

FLP- Federal Lands to Parks

TPL- Trust for Public Land

HBG- Highway Beautification Grant

FBIP- Florida Boating Improvement Program

TEP- Transportation Enhancement Program

ARRSP- the American Recovery and Reinvestment Stimulus Plan

**Detailed Description: 5 Year Capital Improvement Projects  
(Continued)**

Projects	Description	Funding Source
2F. Martin Luther King Jr. Boulevard Linear Park and Trail System Construction Document & Permitting (on-going)	Initiate design development phase for the system. Develop construction documents including construction cost estimates and technical specifications and drawings for bidding.	TIF/ General Fund/ KAB/ CDBG/ FDOT/ TEP/FRDAP/ UFG/ RTP/ FLP/ HBG/ Private Sector Contribution
2G. Beach Drive Rails to Trails	Initiate design development phase for the system. Develop construction documents including construction cost estimates and technical specifications and drawings for bidding.	TIF/ General Fund/ KAB/ CDBG/ FDOT/ TEP/FRDAP/ UFG/ RTP/ FLP/ HBG
2J. Neighborhood Town Center	Undertake a detailed design development study to fully integrate the appropriate phasing of all proposed elements including, but not limited to: (1) Design development of civic plaza/ amphitheater; (2) Upgrade and expansion plan for Glenwood Community Center (3) Design development and phasing of the Business Assistance Center, Neighborhood Family Center and other desired neighborhood facilities as identified by the feasibility and programmatic study; and (4) Preliminary construction cost estimate.	TIF/ General Fund/ FCT/ FRDAP/ MSBU/ TPL/ ARRSP
<b>3. CONSTRUCTION</b>		
3A. Henry Davis Park Improvements	Complete the improvement to the stormwater system and upgrades to the park	TIF/ CDBG/ General Fund/ SBA/ KAB/FRDAP/ LWCF
3B. Watson Bayou Restoration and Park Construction	Restoration and construction phase	TIF/ CDBG/ General Fund/ SBA/ KAB/FRDAP/ LWCF/ RN/ FIND/ FBIP
3C. U.S. Business Highway 98 Streetscape Construction Document & Permitting	Widen sidewalks (6'-8'), repair deteriorating sidewalks, install missing sidewalks. Install bike racks. Improve landscaping, shade trees, pedestrian lighting, signage, and street furnishings.	Infrastructure Tax/ Impact Fees/ FDOT/ TIF/ CDBG/ General Fund/ SBA/ KAB/ ARRSP/ Private Sector Contribution
3D. Harrison Avenue Streetscape		
3E. Jenks Avenue Streetscape		
3F. Secondary Streetscape Improvements (on-going)		
3G. Martin Luther King Jr. Boulevard Linear Park and Trail System Construction (on-going)	Land acquisition, linear park landscape improvements, construction of the trail	TIF/ General Fund/ KAB/ CDBG/ FDOT/ TEP/FRDAP/ UFG/ RTP/ FLP/ HBG/ Private Sector Contribution
3H. Utility Upgrades (on-going)	Pursue utility upgrades per the City's Greater Downtown Service Area" (GSDA) project	CDBG/ Infrastructure Tax/ Impact Fees/ TIF/ ARRSP
3J. Gateways (on-going)	Design and Construction of identified gateways. Directional Signage, Landscaping, Neighborhood markers.	TIF/ General Fund/ KAB/ CDBG/ FDOT/ TEP
<b>4. Land Acquisition and Site Assemblage</b>		
4A. Neighborhood Town Center	Site assemblage of properties in the vicinity of Glenwood Community Center	TIF (supported with conventional financing)
4B. MLK Boulevard Multi-Use Linear Park and Trail System	Site assemblage of properties on the west side of MLK Boulevard for construction of the linear park.	TIF (supported with conventional financing)
4C. Watson Bayou Restoration and Park Construction	Site assemblage of properties in the vicinity of the existing Watson Bayou Park and along the Bayou	TIF (supported with conventional financing)
4D. 15th Street and MLK Grocery Store	Site assemblage of properties in the vicinity of the intersection of MLK Boulevard and 15th Street	TIF (supported with conventional financing)

CDBG- Community Development Block Grant  
SHIP- State Housing Initiatives Partnership

KAB- Keep America Beautiful

SBA- Small Business Administration Tree Planting Grant

FDOT- Florida Department of Transportation

FRDAP- Florida Recreation Development Assistance Program

FCT- Florida Communities Trust

LWCF- Land and Water Conservation Fund

RN- River Network

UFG- Urban Forestry Grant

RTP- Florida Recreational Trails Program

FIND- Florida Inland Navigation District

MSBU- Municipal Service Benefit Unit

FLP- Federal Lands to Parks

TPL- Trust for Public Land

HBG- Highway Beautification Grant

FBIP- Florida Boating Improvement Program

TEP- Transportation Enhancement Program

ARRSP- the American Recovery and Reinvestment Stimulus Plan

6+ Years Capital Improvements Budget Downtown North CRA
Project Description
<b>1. Planning</b>
1A. County Storage Facility Redevelopment Plan
1B. City Maintenance Facility Redevelopment Plan
<b>2. Design Development, Construction Documentation and Permitting</b>
2A. Neighborhood Town Center
2B. Martin Luther King Jr. Boulevard Cultural District Design
2C. 15th Street Streetscape Construction Document & Permitting
2D. U.S. Highway 231 Improvements
2E. U.S. Business Highway 98
2F. Martin Luther King Jr. Boulevard Linear Park and Trail System Construction Document & Permitting (on-going)
2G. Martin Luther King Jr. Recreation Center Expansion
2H. Neighborhood Pocket Parks
<b>3. Construction</b>
3A. Neighborhood Town Center Construction
3B. Martin Luther King Jr. Boulevard Cultural District Construction
3C. Martin Luther King Jr. Recreation Center Expansion
3D. Neighborhood Pocket Parks
3E. Secondary Streetscape Improvements (on-going)
3F. Martin Luther King Jr. Boulevard Linear Park and Trail System Construction (on-going)
3G. Utility Upgrades (on-going)
3H. Façade Improvement, Property Clean-Up and Home Renovation Grants and Incentives (on-going)
3J. Gateways (on-going)

CDBG- Community Development Block Grant  
SHIP- State Housing Initiatives Partnership  
KAB- Keep America Beautiful

SBA- Small Business Administration Tree Planting Grant  
FDOT- Florida Department of Transportation

FRDAP- Florida Recreation Development Assistance Program  
FCT- Florida Communities Trust

LWCF- Land and Water Conservation Fund

RN- River Network

UFG- Urban Forestry Grant

RTP- Florida Recreational Trails Program

FIND- Florida Inland Navigation District

MSBU- Municipal Service Benefit Unit

FLP- Federal Lands to Parks

TPL- Trust for Public Land

HBG- Highway Beautification Grant

FBIP- Florida Boating Improvement Program

TEP- Transportation Enhancement Program

ARRSP- the American Recovery and Reinvestment Stimulus Plan

6+ Years Capital Improvements Budget Downtown North CRA			
Projects	Description	Funding Source	
<b>1. PLANNING</b>			
1A. County Storage Facility Redevelopment Plan	Initiate discussion with Bay County to determine the possibility of relocating the County Storage Facility and redevelopment. If the County expresses interests, work with the Conduct a study on market condition, feasibility and programmatic needs for the redevelopment. Identify partners and potential grant opportunities.	TIF/ General Fund/ CDBG	
1B. City Maintenance Facility Redevelopment Plan	Initiate discussion with the City to determine the possibility of relocating the City Maintenance Facility and redevelopment. If the City expresses interest, work with the City to conduct a study on market condition, feasibility and programmatic needs for the redevelopment. Identify partners and potential grant opportunities.	TIF/ General Fund/ CDBG	
<b>2. DESIGN DEVELOPMENT, CONSTRUCTION DOCUMENTATION AND PERMITTING</b>			
2A. Neighborhood Town Center	Continue the detailed design development study to fully integrate the appropriate phasing of all proposed elements, and incorporate new elements as demand changes.	TIF/ General Fund/ FCT/ FRDAP/ MSBU/ TPL/ ARRSP	
2B. Martin Luther King Jr. Boulevard Cultural District Design	Undertake a detailed design development study to fully integrate the appropriate phasing of all proposed elements including, but not limited to: (1) Upgrade or reuse plan for the African American Cultural Center (2) Design development and phasing of the Heritage Museums and other cultural facilities as identified by the feasibility and program study; and (3) Preliminary construction cost estimate.	TIF/ General Fund/ FCT	
2C. 15th Street Streetscape Construction Document & Permitting	Develop construction documents including construction cost estimates and technical specifications and drawings for bidding.	Infrastructure Tax/ Impact Fees/ FDOT/ TIF/ CDBG/ General Fund/ SBA/ KAB/ ARRSP/ Private Sector Contribution	
2D. U.S. Highway 231 Improvements			
2E. U.S. Business Highway 98	Develop construction documents including construction cost estimates and technical specifications and drawings for bidding.	FDOT/ TIF/ CDBG/ General Fund/ SBA/ KAB/ FRDAP/ LWCF	
2F. Martin Luther King Jr. Boulevard Linear Park and Trail System Construction Document & Permitting (on-going)			
2G. Martin Luther King Jr. Recreation Center Expansion	Develop construction documents including construction cost estimates and technical specifications and drawings for bidding.		
2H. Neighborhood Pocket Parks	Develop construction documents including construction cost estimates and technical specifications and drawings for bidding.	FDOT/ TIF/ CDBG/ General Fund/ SBA/ KAB/ FRDAP/ LWCF	
<b>3. CONSTRUCTION</b>			
3A. Neighborhood Town Center Construction	Construction phase	TIF/ General Fund/ FCT/ FRDAP/ MSBU/ TPL/ ARRSP	
3B. Martin Luther King Jr. Boulevard Cultural District Construction	Construction phase	TIF/ General Fund/ FCT	
3C. Martin Luther King Jr. Recreation Center Expansion	Construction phase	FDOT/ TIF/ CDBG/ General Fund/ SBA/ KAB/ FRDAP/ LWCF	
3D. Neighborhood Pocket Parks	Construction phase	FDOT/ TIF/ CDBG/ General Fund/ SBA/ KAB/ FRDAP/ LWCF	
3E. Secondary Streetscape Improvements (on-going)	Widen sidewalks (6'-8'), repair deteriorating sidewalks, install missing sidewalks. Install bike racks. Improve landscaping, shade trees, pedestrian lighting, signage, and street furnishings.	Infrastructure Tax/ Impact Fees/ FDOT/ TIF/ CDBG/ General Fund/ SBA/ KAB/ ARRSP/ Private Sector Contribution	
3F. Martin Luther King Jr. Boulevard Linear Park and Trail System Construction (on-going)	Construction phase	TIF/ General Fund/ KAB/ CDBG/ FDOT/ TEP/ FRDAP/ UFG/ RTP/ FLP/ HBG/ Private Sector Contribution	
3G. Utility Upgrades (on-going)	Pursue utility upgrades per the City's Greater Downtown Service Area" (GDSA) project	CDBG/ Infrastructure Tax/ Impact Fees/ TIF/ ARRSP	
3H. Façade Improvement, Property Clean-Up and Home Renovation Grants and Incentives (on-going)	Construction and renovation	TIF/ CDBG/ SHIP/ SBA/ FCT	
3J. Gateways (on-going)	Design and Construction of identified gateways. Directional Signage, Landscaping, Neighborhood markers.	TIF/ General Fund/ KAB/ CDBG/ FDOT/ TEP	

## Chapter 4 Implementation Plan

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# PROGRAM MANAGEMENT AND IMPLEMENTATION

Successful realization of the redevelopment strategies presented in this Redevelopment Plan will require the coordinated efforts of the City, the Redevelopment Agency, Bay County and other governmental agencies, neighborhood associations, Bay Medical Center, faith-based organizations, non-profit agencies, local businesses owners, property owners, investors, and residents. These efforts will be coupled with the employment of various organizational, legal, funding and promotional techniques to successfully implement the program. This chapter sets forth the organizational framework and administrative processes that must be taken by various players for the realization of the envisioned transformation.

## Leadership

Successful program implementation hinges upon close cooperation and coordination between private and public groups and agencies requiring strong and determined leadership. While leadership is a highly intangible quality, it is the single most important factor for successful implementation of the redevelopment program. The leadership of the Mayor, City Commission, City Manager and staff in Panama City has been Downtown North's greatest need thus far. With the restructuring of the Board to include the City Manager and recent efforts to strengthen the relationship with the City Commission, the redevelopment program has improved this important relationship. Also, in light of the recently adopted agreement between the DIB and CRA outlining the roles and relationships of the organizations, it is recommended that the City Commission strengthen its relationship with the CRA providing stronger direction for policy decisions and support for projects and programming activities for all four of the redevelopment areas.

## Continued Stakeholder Involvement: CRA Advisory Board

It is recommended that the City and CRA through a strengthened relationship continue to work with Advisory Boards comprised of representatives from the existing redevelopment areas, including the Downtown, Downtown North, Millville and St Andrews. This policy will assure continuity of current efforts in the various districts while also helping to define the administrative requirements and staff relationships associated with the management of Board activities. The Board, during policy deliberation, should be considerate of the issues facing all of the districts ensuring continuity of redevelopment efforts that will strive to serve the interest of the entire community.

## Administrative Efficiency: CRA Staff

It is recommended that the City/ CRA evaluate their existing administrative structure with the intent of streamlining costs. For example, they may consider reorganizing the CRA Staff to consist of two coordinators and an administrative assistant for the four CRA districts, housed within the City Administration and that the City provide support services such as finance, purchasing and human resources for the operations and staffing of the CRA. It is also recommended that the CRA augment the City's Planning Staff by providing funding for a professional Planner responsible for assisting the Planning Director with implementing the planning and regulatory aspects of the redevelopment program. Finally, it is recommended that the City and CRA devise policies for the construction and maintenance of proposed capital improvements. These policies will streamline the operating and overhead expenses of the Agency freeing up revenue for much needed capital improvements.

## Economic Development

It is recommended that the City establish a Downtown North Economic Development Committee consisting of representatives from the Bay Medical Center, residents, CRA Board, business owners, the Glenwood Working Partnership, and the Glenwood Improvement Board. The primary function of this committee should include: working with existing business owners; primary marketing and promotions agency; coordinating new development in the Downtown North CRA; strengthening the economic base of the community; monitoring the economic growth of the area; and managing promotional efforts including hosting events to promote the MLK Cultural District concept.

## Encouraging Development: Private Sector

The private sector ultimately carries the burden of funding the redevelopment program through their investment in development projects and the advalorem taxes they pay, therefore a positive development environment must be established to capture private investment in an increasingly competitive market.

Private-sector leadership can come from local banks, real estate development entrepreneurs, and property owners within the community. Local banks may provide financing for private developments and establishing a consortium to provide a revolving loan pool at below market interest rate. This activity may provide an opportunity for these financial institutions to meet their goals with respect to the Community Reinvestment Act that is designed to provide capacity building support and financial assistance for the revitalization of low and moderate income communities. Additionally, the CRA should contact corporations dedicated to investing in local communities. A number of companies actively invest in several communities across Florida with a mission of enhancing the quality of life for the community. First Union Corporation (Northwest Florida, Lee County) and the Corporate Partners Program (St. Petersburg) are examples of programs that involve corporate investment in community development. Similar companies may exist in Bay County. However, in order to encourage private investment, the right set of conditions must be in place that facilitate investment and help reduce risk. Creating new business incubators and working closely with interested property owners to develop and/or redevelop vacant land and structures in accordance with the community's overall vision for the Redevelopment Area's future growth is a recommended start. Ensuring that property owners are familiar with the brownfield development procedures and financial incentives available for brownfield redevelopment would also help significantly.

## Organizational Roles and Relationships

Activities that encourage development and redevelopment in Downtown North are dependent upon an effective organizational framework to maximize available resources and ensure potential private developers that the City is committed to enhancing the viability of Downtown North. The key to implementing redevelopment activities rests with the cooperative efforts of property owners, business people, developers, the Agency and the City.

Clear delineation of responsibilities is essential for successful implementation. With assignment of responsibilities, elements such as those outlined in the Downtown North Redevelopment Plan can be applied to affect changes and manage redevelopment. In addition, detailed elements can be modified or refined, as changing conditions dictate, by the responsible group or groups. The key ingredient to this process is coordination among groups to develop a dynamic process that confronts and resolves issues proactively rather than reacting to changing conditions.

It is critical to establish lines of communication between all sectors and facets of the community. The planning process has initiated important conversations related to the redevelopment program between key players in this effort, but has not fully developed roles and responsibilities. The City and Agency must develop the organizational framework and institutional relationships to facilitate effective redevelopment activities in cooperation with area businesses, residents and community representatives. A network of relationships must be established and nurtured to provide focus on the redevelopment effort to maximize the use of available resources and avoid duplication of responsibilities enabling effective program implementation. The City, Agency and their staffs must work cooperatively with other jurisdictions, including, but not limited to the State, Bay County, Bay County School District, Bay County Chamber of Commerce/ Economic Development Alliance, Local institutions of higher education, and any other local, state or federal agencies.

#### City Commission's Role

The Mayor and City Commission serving as the CRA Board are the leaders of the redevelopment program and must assume this role with vitality and enthusiasm. City leaders and staff members must support the program's activities and provide a well-devised management system to carry out the Redevelopment Plan. They will be responsible for establishing the administrative, financial and programmatic mechanisms necessary to achieve the goals and objectives of the redevelopment program. They should establish policies that support the principles described in this Plan and concentrate on the following actions throughout the redevelopment process.

- Provide commitment of public policy and resources for the redevelopment effort.
- Support the redevelopment mission and insure implementation of scheduled projects.
- Commit to making the necessary public improvements identified in the Plan.
- Provide necessary staffing and administrative support to properly implement the Redevelopment Plan.
- Ensure maintenance for completed capital projects releasing available tax increment revenues for other capital improvement proposals contained in the Plan.
- Provide leadership and support for administering public development controls and incentives to promote high-quality private development; this may include streamlining the development review process to minimize time involved in the approval process, revising the zoning code, providing economic incentives, and developing site and architectural design guidelines.

City and CRA Staff's Role (Planning/ Finance and Management/ Capital Improvements/ Maintenance)

The City staff should be involved in the execution of the Plan. The following strategies are intended to provide recommendations for administrative and management actions that should be undertaken by the City and CRA Staff, to ensure the successful realization of the redevelopment program.

- Appropriate staff resources as required for planning, capital improvements and maintenance of public facilities.
- Integrate budgeting practices for the CRA within the City's budget.
- Review and update (if necessary) the Comprehensive Plan and Capital Improvements Plan to ensure consistency with the proposed Redevelopment Plans.
- Revise the City's Land Development Regulations to establish consistency between documents and the recommendations of this plan.
- Establish a land management team to devise a land disposition/acquisition strategy for potential sale/purchase of property in accordance with the redevelopment opportunities described in the Plan.
- Form basic public/private development agreements to be used for developer solicitation on selected projects
- Prepare grant feasibility study for public projects, including roads, utilities, streetscapes, parks, and law enforcement, particularly targeting potential projects to receive funding through President Obama's economic stimulus funding.
- Increase awareness of funding resources and program initiatives available to property owners interested in improving their property as means of increasing property values and the aesthetic character of the Downtown North.
- Develop a master plan for the use of City owned properties consistent with the Plan's vision of improving the Downtown North redevelopment area's character.
- Proactively increase code enforcement activities in all redevelopment areas.
- Involve residents in the planning process through advisory committees and other regular meetings with residents.
- Conduct all other redevelopment activities as described further in the subsequent section of this plan.

#### Community Organizations

Active community organizations such as the Glenwood Working Partnership and the Glenwood Improvement Board are incredible assets to engage the community and implement the various elements of the Redevelopment Plan. The CRA should form strategic partnership and work closely with the community organizations to capitalize on their strengths and outreach capacity. Active involvement of the community organizations can aid in organizing community-wide efforts to address the needs in historic preservation, economic development, social service, and marketing and promoting the community.

#### Faith-based Institutions

Downtown North Redevelopment Area churches and other faith-based institutions have an important social role in the successful implementation of the redevelopment plan. The CRA should work closely with faith-based organizations to develop community development programs that

capitalize on their strengths and outreach capacity. Participation from faith-based organizations can aid in obtaining community-wide support, addressing the social service needs such as instituting daycare centers, organizing neighborhood clean-up drives and crime prevention campaigns, and encouraging youth participation in community development programs such as mentorship and job training programs to enhance their sense of responsibility.

#### Redevelopment Project Implementation

In attempting to attract investment from private developers, the CRA will target strategic development projects, solicit developers, then negotiate a public/private development agreement. The agreement sets forth terms and conditions involving the disposition of land, the nature of the prospective development, City/CRA contributions and other conditions pertaining to the project. Following are fundamental components in this process:

- Contact affected property owners to determine their level of interest in participating in proposed redevelopment activities.
- Master plan targeted public/private projects, such as the reinforcing positive aspects of existing activity and providing attractive combinations of building masses and open spaces. These plans can then be used to illustrate the CRA's intention for the site, facilitating proforma analysis when soliciting interest from the private sector.
- Formulate policies and procedures for developer solicitation and form basic public/private development agreements to enable strategic development on selected projects.

#### Site Assembly

One of the functions of the Redevelopment Agency is site assembly, clearance and relocation and policy-making relative to implementing the Redevelopment Plan. Through site assembly clearance and relocation activities, land can be provided at a price that is an incentive for private redevelopment. The Redevelopment Agency must also plan and coordinate other revitalization activities with the City and County to ensure that public infrastructure projects address any deficiencies in the provision of services due to a lack of capacity.

This is a vital function in creating new development in the redevelopment area. In the case of Downtown North the principal opportunity for dramatic change lies in new development, in coordination with major infrastructure improvements, business rehabilitation and streetscape improvements. Site assembly can be used for the future purposes of land trades, creating development partnerships. Recent court decisions and legislative actions have eliminated the use of eminent domain for site assembly for the purposes of redevelopment. Therefore all land acquisition must be through cooperative sales. It is recommended that the CRA use conventional financing for land acquisition rather than consuming cash reserves through direct cash purchasing. This policy enables the Agency to stretch its limited financial resources while having a greater immediate impact on the redevelopment program.

## Anticipated Redevelopment Activities

Activities that encourage development and redevelopment in the redevelopment area are dependent upon an effective organizational framework to maximize available resources and ensure potential private developers that the City/CRA is committed to enhancing the viability of Downtown North. The key to implementing redevelopment activities rests with the cooperative efforts of property owners, business people, developers, the CRA and City of Panama City.

Clear delineation of responsibilities is essential for successful implementation. With assignment of responsibilities, elements such as those outlined in the Redevelopment Plan can be applied to affect changes and manage redevelopment. In addition, detailed elements can be modified or refined, as changing conditions dictate, by the responsible group or groups. The key ingredient to this process is coordination among groups to develop a dynamic process that confronts and resolves issues proactively rather than reacting to changing conditions.

Implementation functions consist of both financing and non-financing considerations, with both areas equally as important. Non-financing considerations deal with the sometimes complex organizing efforts and ensuring that use of resources is maximized and that revitalization is conducted in a positive and reinforcing manner. Non-financing functions are briefly discussed below with financing strategies discussed in the following section.

## Capital Improvements

These can include major infrastructure items including street improvement and upgrading utilities. Also, capital improvements can include a variety of revitalization items such as facade improvements, landscaping, streetscaping, etc. as well as new parks and trails construction. In the case of Downtown North, the principal requirements appear to be additional parks and recreation facilities, general landscape and streetscape treatments throughout the redevelopment area, gateways, utility upgrading and site assembly.

## Standards and Controls

Standards and controls are beneficial to assure developers and tenants that quality development will occur. The City/CRA should work with the community to update its Standards and Controls through implementation of a unified land development code with an article devoted toward Downtown North redevelopment. The additional Design Standards and design principles recommended by this plan will continue to enhance the redevelopment area's appearance.

## Marketing

Marketing takes two forms. Securing qualified developers and anchor tenants is required for new development. Site disposition is directly related to this activity. Second, general promotion is primarily keyed to the proposed Cultural District and the Downtown North redevelopment area, involving a variety of media and event type activities. CRA should form active partnership with the Chamber of Commerce and the City and hire a full time Marketing Specialist to develop creative

and aggressive marketing strategy capitalizing on the area's assets and highlighting the proposed improvements to attract private sector investment.

## Promotion and Communication

The CRA, the City and staff should work with the Glenwood Working Partnership, the Glenwood Improvement Board, area residents, property owners, and businesses to establish channels of communication that foster support for the redevelopment effort and facilitate program implementation. CRA should provide public information concerning all aspects of the redevelopment program throughout the process using venues such as newsletters, radio, television, newspapers and the Internet as well as presentations to neighbourhood and civic organization meetings to generate public support.

## Technical Assistance

This function primarily involves providing technical assistance to existing and prospective businesses and property owners in the redevelopment area such as assistance in loan applications, architectural design, business operations, etc. The CRA should work in conjunction with the City of Panama City, Bay County, and the Chamber of Commerce to hire a full time Economic Development Officer to provide technical assistance and facilitate business needs.

## Physical Development

This is the actual construction of new facilities and rehabilitation of older facilities. Physical development is dependent upon several factors, the most important of which is the ability to effectively rehabilitate existing facilities and to attract and integrate new development in concert with a comprehensive redevelopment plan.

## Development Incentives

To further stimulate private investment the CRA can provide development incentives through various means, including: facade, landscape, signage or property improvement grants; payment of impact fees; provision of site specific infrastructure improvements to address any deficiencies; participation in environmental clean-up of contaminated sites, flexibility in the application of use restrictions and increasing intensity of site use, flexible parking regulations, grants or low interest loans for life safety improvements; joint business support ventures such as district business identification signage or centralized marketing strategies.

## Finance and Management

### Tax Increment Financing

This is a fund that uses increased revenues generated by taxes gained from growth in property values resulting from successful redevelopment activities. Tax Increment Funds can be used for development in a declared redevelopment area only. The resources generated from the fund are used for continuation of improvements within the redevelopment areas of the City. Tax increment financing was originally developed over 30 years ago as a method to meet the local match requirements of federal grant programs. With the reduction in federal funds available for local projects, however, tax increment financing is standing on its own as a method to finance local redevelopment. State law controls tax increment financing. Because of this control, tax increment financing takes on a number of different techniques and appearances throughout the country.

In Florida, tax increment financing is derived from the Community Redevelopment Act of 1969, which is codified as Part III, Chapter 163 of the Florida Statutes. This act provided for a combination of public and private redevelopment efforts, but did not authorize the use of tax increment financing. The Act was amended in 1977 to allow tax increment financing. Under the Statutes, municipalities must go through a number of steps to establish a redevelopment area and implement tax increment financing and tax increment revenue is typically the major source of funding for redevelopment projects under the State of Florida Community Redevelopment Act.

Upon approval of the governing body, a trust fund for each community redevelopment area may be established. The revenues for the trust fund are obtained by allocating any increases in taxable assessed value to the area. The current assessed value of the district is set as the base and any increases (the tax increment revenues) are available for improvements to the area. The property tax paid on the base assessed value continues to be distributed to the local governments. The tax collector collects the entire property tax and subtracts the tax on the base value, which is available for general government purposes. Of the remaining tax increment revenues, 95 percent are deposited to the trust fund. The local government as a collection fee keeps the remaining 5 percent of the incremental growth.

### Type of Expenses Allowed

Funds from the Redevelopment Trust Fund may be expended from time to time for undertakings of the Community Redevelopment Agency within the CRA boundary and as an approved goal. The improvements should be directly related to financing or refinancing of redevelopment in the CRA pursuant to an approved community redevelopment plan for the following purposes, including, but not limited to:

- Establishment and Operations - they can be used for the implementation and administrative expenses of the Community Redevelopment Agency
- Planning and Analysis - they can be used to develop the necessary engineering, architectural, and financial plans
- Financing - the revenues may be used to issue and repay debt for proposed capital

improvements contained in the Community Redevelopment Plan

- Acquisition - the revenues may be used to acquire real property
- Preparation -Revenues may also be used for site preparation, including the relocation of existing residents.

According to F.S. 163.370(2), however, the funds may not be used for the following purposes:

1. To construct or expand administration buildings for public bodies or police and fire buildings unless each taxing authority involved agrees;
2. Any publicly-owned capital improvements which are not an integral part of the redevelopment if the improvements are normally financed by user fees, and if the improvements would have otherwise been made without the Redevelopment Agency within three years, or
3. General government operating expenses unrelated to the Redevelopment Agency.

In addition, tax increment funds cannot be spent on capital projects contained in the local government's Capital Improvement Plan for the preceding three (3) years.

#### Tax Increment Funds

Community redevelopment will not be successful without funding through tax increment financing. Therefore the ultimate goal of the redevelopment program is to increase the tax base to generate additional revenue for capital improvements and services through implementation of projects and programs, as described in this Plan. Managed effectively, tax increment resources can be leveraged to enable the undertaking of substantial public and private sector improvements. With this in mind, the following finance and management practices should be employed.

- Coordinate with the City Manager, Finance Director and other department heads to strategically devise annual operating and capital improvements budgets to maximize the use of anticipated tax increment revenues.
- Coordinate with appropriate County, State and other public officials which may be sponsoring capital improvements in the District to maximize the leveraging of Redevelopment Agency resources.
- The CRA should leverage tax increment revenues through grants, commercial loans, or other financial mechanisms to expedite the completion of projects.
- The CRA should work with area banks and bond counsels to research bond feasibility for financing major public facilities.
- The CRA should work with area financial institutions to develop favourable loan programs for private sector development and property rehabilitation projects.
- The CRA should routinely undertake project proforma analysis on proposed development and redevelopment projects to determine projected revenues and devise strategies to maximize the use of these resources on a site-specific project or on an area wide programmatic basis.

#### Debt Financing

This method essentially requires a community to sell bonds or otherwise borrow money to be repaid from an annual automatic lien on the general fund. Or a community can pay for its infrastructure in the same way a person borrows money to purchase a home. In both instances, the capital need is immediate and high, the equity appreciation reasonably assured, and the monthly or annual principal and interest payments generally fixed. Like all forms of infrastructure financing, there are some disadvantages and risks. One major risk is voter aversion to approving bond issues, which means an increase in their property taxes.

#### Reserves

Reserves are those surplus funds in a local government coffers that are either intentionally built up for a "rainy day" or accrue because the budget requirements were less than the revenues collected. By having sufficient reserves, a municipality does not have to try to sell bonds or borrow capital improvement funds. Reserves are difficult to project.

#### Real Estate Transfer Fees

As cities expand, the need for infrastructure improvements grows. Since parks add value to neighbourhoods and communities, some cities have turned to real estate transfer fees to fund parks and recreation needs. Usually transfer fees amount to 1/4% to 1/2% on the total sale of the property.

#### Challenge Strategy

The challenge strategy involves the guaranteed construction of public improvements, but only after private revitalization actively reaches a certain point. This provides incentive for the developer while ensuring both parties, the CRA and the developer, that desired private development will take place along with public improvements. A recognizable schedule of funding can be determined with this strategy and can be selectively implemented, usually on a block-by-block or project-by-project basis.

#### Private Investment

Generally, this is the single most important source in revitalization, if successful revitalization is to occur, private investment usually must exceed public funding by three to four fold. Such funding takes the form of equity investment and conventional real estate loans.

#### Project Equity Position

When the CRA takes an equity position in a project, the CRA contributes cash or land to the project with a return in the form of profit sharing. This CRA participation has the effect of reducing developer costs and can be used for projects such as redevelopment and parking structures.

#### Leasing

City-owned land, buildings, equipment, etc. can be leased to developers for projects. For the developer, this eliminates the need for capital investment in land, buildings, etc. or debt service on money borrowed to finance the purchase of such things as land, building, and equipment. The city receives lease payments which are deductible from the developer's income tax. The lease may also constitute a purchase option.

#### Public Improvements in conjunction with Private Sector Development

The CRA can offer public improvement activities such as street improvements, vaccinations, streetscaping, parking development, open space development, and utility hook-ups as a way of stimulating or responding to private investment. These improvements are usually funded through the City's Capital Improvement Plan or program, using sources such as property assessments, general funds and tax increment finances.

#### Land Write-Downs

Land write-down by the CRA is a method whereby the fair value of land is determined for uses that the City is interested in seeing developed on that land. The land use may not be the most profitable use, but may be the most desirable by the City on an overall basis (e.g., development of retail facilities in the downtown north area, and parking structure developments). Land write down reduces development costs, the need for equity and fixed-interest costs, and it improves the developer's cash flow, net income and risk position. It often requires a considerable city investment with no significant financial return to the city, however, there is a potential for making an otherwise infeasible project attractive when combined with a package of other incentives.

#### Joint Ventures

In real estate syndication ventures, the CRA can contribute equity capital to a project. This has the effect of reducing equity requirements from the developer and/or reducing the amount which must be debt serviced. Through equity syndication, tax subsidy benefits can be passed on to investors in the form of depreciation, investment tax credits, deferral of taxes and capital gains.

#### Mortgage Write-Downs

Mortgage write downs by the CRA is a method usually used to encourage residential development and home ownership in the downtown north area. Funds from the CRA are offered to qualified potential home buyers (low-moderate income, first time buyers, etc.) to increase their down payment, thereby decreasing mortgage payments. The CRA usually takes an ownership interest in the dwelling for a predetermined period of time to guarantee against misuse of the funds.

Other Opportunities to raise funds for waterfront improvements are discussed further.

## Naming Rights

Many cities have turned to selling the naming rights for new buildings or the renovation of existing buildings and parks for the cost associated with the improvement.

## Special Taxing Districts

Taxing districts are established to provide funds for certain types of improvements that benefit a specific group of affected properties. Improvements may include landscaping, park furnishing, public art, supplemental services for improvements and promotions and cultural enhancements.

## Facility Rentals

As the new parks and trail systems are added to the system, a fee plan for rental facilities should be developed. The fees should be set to cover true cost of the facility including utilities, personnel costs and clean up, and produce revenue for the City. Picnic shelters can be used on a first come-first served basis; however, guaranteed use can be made through a reservation program that includes a rental and clean-up fee. Facility rental should be competitive with private facilities.

## Equipment Rentals

This revenue source is available through the rental of equipment such as tables, chairs, tents, stages, bicycles, roller blades, canoes, kayaks, sports equipment, etc.

## Special Fundraisers

Many park and recreation agencies have special fundraisers on an annual basis to help cover the costs of specific programs and/or capital projects.

## Utility Round-up Programs

Some park and recreation agencies have worked with the local utilities on a round-up program whereby a consumer can pay the difference between their bill up to the even dollar amount and they then pay the parks and recreation department the difference.

## Corporate Sponsorships

This revenue-funding source allows corporations to invest in the development or enhancement of additional programs in the City. Sponsorships are also used for special events.

## Foundations

These dollars are raised from tax-exempt, non-profit organizations established with private donations in promotion of specific causes, activities or issues. They offer a variety of means to fund capital projects, gifts, fundraisers, endowments, etc.

## Advertising

This revenue source is for the sale of appropriate advertising on park and recreation related items such as the City's program guide, scoreboards, dasher boards, fences or other visible products or services that expose the product or service to many people.

## Adopt-A-Park Program

The development of a formal Adopt-A-Park program would establish rules and guidelines of responsibilities for the adoptee. Interested stakeholders include neighbourhood organizations, homeowners associations, businesses, and non-profit organizations.

## Volunteer Programs

The use of volunteers to do clerical work and programming can be a useful tool in augmenting the staffing levels. Volunteer programs should be formalized and include background checks, regular schedules, job descriptions and evaluations to assure the safety of the clientele and the quality of the volunteers. It should be recognized that the development of a formalized process would require considerable work by the Parks and Recreation and Human Resources staff; however, in the long run, it would be a useful tool in helping augment recreation staff.

## Grants and Potential Funding Sources

State and federal grants have long been a source of funds for public improvement and environmental restoration projects. Sources that have been used by other cities to fund waterfront and recreational programs include the Community Development Block Grant (CDBG), FCT, FRDAP, and Waterfronts Florida. Appendix C contains a detailed description of funding sources available for waterfront development.

## Appendix A Economic and Real Estate Market Analysis

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Panama City CRA, Florida

## PANAMA CITY ECONOMIC & REAL ESTATE MARKET ANALYSIS

REPORT

APRIL, 2009



### TABLE OF CONTENTS

<b>1. INTRODUCTION .....</b>	<b>1</b>
1.1 Structure of the Report .....	1
1.2 Background .....	2
1.3 Summary of Key Findings .....	3
Population: Growth and Characteristics .....	3
Employment, Wages & Income .....	4
Real Estate Trends .....	5
Other Observations .....	5
Market Opportunities .....	6
Analysis of Development Opportunities .....	7
400 Grace Avenue - Pro Forma - Downtown .....	7
Supermarket Market Analysis - Downtown North .....	8
Conclusion .....	8
<b>2. THE BROADER CONTEXT .....</b>	<b>9</b>
2.1 The Economic Backdrop .....	9
2.2 Population .....	11
2.2.1 Historic Population Growth - Bay County and Panama City .....	11
2.2.2 A Shift in the Location of Population Growth .....	12
2.2.3 Future Growth .....	13
2.2.4 Downtown and Downtown North .....	14
2.2.5 Age - Gender Profile .....	15
2.3 Demographic and Household .....	19
2.3.1 Age .....	19
2.3.2 Ethnicity .....	19
2.3.3 Household Characteristics .....	19
2.4 Employment, Wages and Income .....	21
2.4.1 Historic Job Growth .....	21
2.4.2 Employment Profile - Sectoral Breakdown .....	22
2.4.3 Establishments and Wages .....	24
2.4.4 Bay County - Major Employers .....	26

APRIL, 2009

Page i.

## TABLE OF CONTENTS (CONT'D)

2.4.5 Income .....	30
2.5 Real Estate Development Trends.....	30
2.5.1 Regional Trends .....	30
2.5.2 County and Local Trends .....	31
2.6 Panama City-Bay County Airport Relocation Future Land Use .....	36
2.7 Additional Observations.....	38
<b>3. MARKET OPPORTUNITIES .....</b>	<b>41</b>
3.1 Market Profiles.....	41
3.2 Residential Opportunities.....	43
3.3 Office Market.....	45
3.4 Retail Opportunity.....	47
<b>4. DEVELOPMENT OPPORTUNITIES .....</b>	<b>49</b>
4.1 Proforma Analysis – 400 Grace Avenue.....	49
4.1.1 Additional Considerations .....	53
4.2 Market Analysis: Grocery/Supermarket Store Potential.....	54

**APPENDIX A: 400 GRACE AVENUE DETAILED CASHFLOW****APPENDIX B: REFERENCES****1. INTRODUCTION**

This economic and real estate market analysis forms part of the broader CRA Plan Update being carried out for the Panama City Community Redevelopment Agency (CRA). The purpose of this report is to analyze the current socio-economic, market and real estate market conditions in Panama City, Florida, focusing on two Community Redevelopment Areas (CRAs): – Downtown and Downtown North to ascertain opportunities for growth and sustainability. Local features and trends are analyzed and placed within the context of the broader context of Panama City and Bay County. Analysis and conclusions are supplemented by broader discussions on regional, state and national conditions where appropriate. This analysis was developed with the aim of providing background for the City in determining sustainable opportunities for the future of its Downtown area.

**1.1 Structure of the Report**

The report covers a broad range of issues intended to assist in furthering the understanding of opportunities for growth and development in the Downtown and Downtown North CRAs. In an analysis of the type contemplated for this report, a progression of steps is required in order to carry out the analysis and to reach conclusions. The report has been prepared with this in mind and is structured to allow the reader to follow the progression through the analysis and the ultimate conclusions and recommendations.

The structure of the report is as follows:

- The remainder of this section provides additional background in terms of some historical background, the approach to the study and some methodological considerations and assumptions. Section 1 concludes with the key findings of the analysis.
- Section 2 – provides the general economic context for analysis, including documentation of recent factors affecting the future economic climate nationally and regionally. This section also provides the socio-economic and real estate analysis of the CRAs in a broader context. This is important in establishing a deeper understanding and appreciation for the opportunities for the CRA moving forward. The analysis includes population, employment & income, housing, real estate trends and other general considerations.
- Section 3 provides an overview of market opportunities in the Downtown and Downtown North based on the economic information analyzed in Section 2 augmented by more local information. The analysis is at a fairly high level due to the limited availability of relevant and specific data.
- Section 4 provides specific analysis of development opportunities in the Downtown and Downtown North CRAs. For Downtown a proforma analysis has been carried out to demonstrate financial feasibility requirements for a mixed use development comprised of 80 residential units, 20,000± sf of retail/office at grade and 320 parking spaces. For Downtown North, the market opportunity for a grocery store/supermarket is examined to demonstrate market feasibility.

The report draws on data available from a variety of sources, including public agencies including the federal Bureau of Census, Bureau of Economic Analysis, and Bureau of Labor Statistics, Bay County Economic Development as well as private companies like Metro Market Trends, ESRI, and Loopnet. Additionally, the report relies on input from interviews and workshops with various stakeholders through the broader CRA Plan Update process, of which this subject study is a component. Additionally, the study team was provided with copies of 2 reports previously carried out in the area: (1) the April 2006 report prepared by BBP Associates for the Panama City Downtown Improvement Board and (2) the August 2007 Retail Market Analysis and Development Study: St Andrews Waterfront Commercial Area – Panama City Florida, prepared by Renaissance Planning Group and Thomas Point Associates Inc. The focus of each of the studies is quite different but both contain valuable data/information which was utilized in the subject study.

Despite this variety of data sources, a constant hurdle in executing the study was the lack of data for smaller geographic areas, including Panama City and the CRAs. In other cases small-scale data had to be treated with caution, either due to margins of error or for problems in aggregation<sup>1</sup>.

## 1.2 Background

Panama City, the seat of government of Bay County, is located at the heart of North West Florida, the coastal area along the Gulf of Mexico also known as the Emerald Coast or the Florida Panhandle. It is the largest community roughly mid-way between Tallahassee and Pensacola. According to the Florida Office of Economic and Demographic Research, Bay County, is currently the 27th largest (of 67 counties) in Florida with some 167,000 population; Panama City has an estimated population of about 37,000.

The City started as one of many communities created in the second half of the 19th century along the northern shore of St Andrew's Bay, a long coastal water body separated from the sea by a string of barrier islands. In 1908 it became the terminal of the Atlanta & St Andrews Bay Railway (the Bay Line), and was incorporated the following year. Bay County was created in 1913. The area flourished from the extraction of local natural resources, especially lumber, and soon attracted war veterans and vacationers. The construction of new roads, bridges to the coastal beaches and important military installations (a navy shipyard and an air force base) contributed to ease the access and diversify the economy. An artificial canal (the "New Pass", completed in 1934) ensured continuous entrance to boats from the sea.

The current Downtown corresponds to the core of the original railway settlement, and is where many of the County administrative buildings are found. It occupies a small peninsula, with the Massalina Bayou to the east and St Andrew's Bay to the south; an arm of Johnson Bayou, now partly reclaimed, was its western limit. The main access is from the north, through Harrison Avenue, which acts as the main street and the organizing element of the street network: south-to-north avenues run parallel to Harrison, while east-to-west streets intersect it with their numbers starting at the bay. The subject study area is subdivided in two portions:

- Downtown, between St. Andrews Bay and 8th Street, and from Massalina Bayou on the east to Mercer and Jenks Avenues on the west; and
- **Downtown North**, is generally north of Downtown, bounded by Bell and State Avenues on the west, Hwy 231 on the north, and Watson Bayou on the east.

<sup>1</sup> For instance, most sources have included the inmates of the Bay County Jail in the Downtown area, and that of the Bay County Juvenile Detention Center in the Downtown North area as part of the permanent population estimates; when this 'institutional' population is included in the trend analysis or forecasts, the outcomes may be inappropriately skewed or misrepresentative.

Panama City has many natural and physical assets. Residents enjoy its mild climate, natural environment, proximity to sugar white sand beaches, and various coastal recreational opportunities. Panama City has a strong sense of community, and offers its residents and visitors alike many cultural activities related to art and theatre, and water-based sporting events. Panama City benefits from being the seat of county government, in addition to being home to many local and federal government offices and activities. As well, the area has a relatively strong industrial and institutional economic base.

As discussed later in this report, Panama City contains a wide variety of businesses, which cater to the local and to a lesser degree, regional population. Harrison Avenue, the main thoroughfare downtown, contains a number of retail stores and services that range from specialty services such as art galleries, to home furnishings and antiques, to restaurants.

Panama City is a city in transition. Now is the time to explore the many opportunities to enhance these various natural and man-made attributes to allow Panama City to grow into a city that has a balance of cultural, natural, economic and social amenities for today and well into the future. The challenge is to grow the city, given that the city has remained relatively stable in terms of population growth over the past few decades.

## 1.3 Summary of Key Findings

1. The current economic backdrop provides a "snapshot" at a given point in time. It is not expected that the current economic conditions will prevail in the long term. Panama City needs to position itself appropriately to respond to opportunities when they arise. While the analysis has focussed on the opportunities within the Downtown and Downtown North CRAs, the City needs to ensure it has a planning policy environment and process that reinforces the CRA initiatives. For example, continued approval of developments such as retail, hotel or public administrative facilities in other areas of the City will detract from the opportunity to create momentum in the Downtown or Downtown North CRA.

### POPULATION: GROWTH AND CHARACTERISTICS

2. In order to understand opportunities for the Downtown and Downtown North CRAs, there needs to be a fundamental understanding of the context within which these areas function. In 1960 Panama City comprised about 50% of the County population; today it comprises approximately 22% of the County population. Notwithstanding this change, it is important to understand that the City has had a relatively stable population over the last decade, hovering at about 37,000 residents. Population growth in the County over the last number of years has focussed on Panama City Beach. If growth is to occur in the City and/or the CRAs it will be as a result of the creation of housing opportunities and not as a result of significant changes to natural growth or in-migration. In many markets we see a stable population but growth in the number of households. This is attributed to a changing family structure (i.e., children leaving home, separated families etc.). Additionally, in the case of Panama City, there are housing opportunities for those with middle to higher incomes, but few housing opportunities for lower income households.
3. The relocation of the Panama City-Bay County Airport brings with it a much larger airport complete with a full range of uses and activities around it. It has been suggested that the new airport will have a similar impact as the Southwest Florida International Airport in Fort Meyers helped to drive a housing boom along Florida's

southwest coast. In our view, before that could become a reality, the air service into the new Panama City-Bay County Airport would have to improve significantly. Our research indicated that this was not likely in the short term given the current economic climate, federal funding and airline economics. Notwithstanding, the site of the current airport will be freed up and the plans suggest a new residential community will emerge, thus providing for some increased growth in the local population.

4. Focussing on Panama City, the demographic profile of the City reveals that it is generally reflective of the County as a whole. The population is generally equally represented by males and females, the population in the 0-14 age group is about 20% and the over 65 age group comprises about 15%. The City is predominantly white (74%). Average household size is 2.3 persons with the County slightly higher at 2.4. Housing vacancy levels are low in the City at 10% compared to 24% at the County level. The City has 58% owner occupied housing and the County is higher at 69%.
5. Local population characteristics reveal that the Downtown is predominantly comprised of elderly, white females.
6. By contrast, the Downtown North is more typical in its overall age/gender profile but is predominantly African American; a more detailed analysis reveals that the northern portion of Downtown North has a higher concentration of children, teens/young adults, a higher proportion of females and single parent households and African Americans.

#### EMPLOYMENT, WAGES & INCOME

7. Bay County has a reasonably healthy economy with an activity rate of about 50% (suggesting 1 job for every 2 residents). However, the County relies too heavily on external forces such as Leisure & Hospitality and Public Administration, making it susceptible to economic swings. On a comparative basis the County (as well as the Region and the State) are weak in manufacturing relative to national trends. A location quotient analysis revealed that Bay County's relative strength (compared to the State as a whole) was in the following sectors: Leisure & Hospitality, Government, Natural Resources and Mining & Construction. More recent data suggests a decline in the Leisure & Hospitality sector and increasing strength in the remaining sectors.
8. Based on 2006 on-line data, key Bay County employers include: Tyndall Air Force Base, Naval Support Activity, Bay District Schools, Bay Medical Center, Wal-Mart, Sallie Mae, Gulf Coast Medical Centre, Trane, Smurfit-Stone<sup>2</sup>, Eastern Shipbuilding, Winn Dixie, City of Panama City, Bay County, Publix, Gulf Coast Community College, GAC Contractors.
9. Panama City is a key component of the Bay County economy. Panama City has many economic strengths including the fact that it is home to the majority if not all manufacturing activity in the County – the foundation of the goods producing economy which typically has high multiplier effects across the local and regional economy. As well, Panama City has strong representation in public administration, health, education, hospitality and business services. Data suggest that there has been some fluctuation in public administration (i.e., government) jobs, however, these areas continue to provide a significant component of employment in the area.

<sup>2</sup> Recently Smurfit-Stone, a paper manufacturing company employing 650 people, announced it will be closing the plant.

10. Both the Downtown and Downtown North have a good complement of employment. Downtown employment is characterized by a broad cross section of sectors including public administration, business services, offices, retail and arts/culture and hospitality. Based on visual review, **Downtown North also has a broad cross section of jobs across various sectors including industrial, retail, office and public administration.**

11. The CRAs can be characterized as being low income area. The Downtown median household income is approximately \$10,000; Downtown North is almost double at \$18,555. This is compared to \$31,500 for the City as a whole and \$44,800 for the County.

#### REAL ESTATE TRENDS

12. Real estate data indicates that in ZIP 32401, an area comprised generally of southern Panama City, the resale of single family homes has been the predominant real estate transaction. Of note, new condo/townhouse sales peaked in 2006 (St. Andrews). By comparison, in the rest of Bay County, residential lot sales predominate followed by single family resales, condo/townhouse resales and then new condo/townhouse resales.
13. This trend is confirmed by a review of development order/building permit data which reveals very little new residential development in Panama City in recent years. There is some sporadic office/retail development along major arterials, but no major activity in terms of scale or location.
14. For every type of residential real estate transaction, the average sales price in ZIP 32401 area was significantly lower than the County average, particularly for residential lots and single-family resales.
15. The pattern found in commercial real estate is not fundamentally different for that found in residential. An analysis of recent transactions within and outside ZIP 32401 confirms that office and retail properties in the southern half of Panama City are generally older, smaller, and sell for lower prices than the County's averages.

#### OTHER OBSERVATIONS

16. The City has a rich history and heritage which should be leveraged for opportunities in both CRAs.
17. Raised through stakeholder consultation and confirmed through research<sup>3</sup>, crime in the City (focussed on property crime) is comparatively high. Additional activity and "eyes on the street" provide solutions to curbing or at least deterring crime.
18. Increased residential development is essential to creating a more vibrant community. In addition to providing "eyes on the street" and a doorstep market, the activity will create a better sense of community locally. **Given the competitive beachfront condominium developments in adjacent communities, opportunities for niche residential development exists in Panama City and the Downtown and Downtown North CRAs.**

<sup>3</sup> Based on data in the 1980-2005 timeframe.

19. Given the arts/cultural community in the area, Downtown could accommodate loft style development or infill development.
20. As well, given the income characteristics of Downtown, opportunities for subsidized housing should also be examined.
21. The characteristics of Downtown North suggest that housing for single person and/or single parent households would be welcome.
22. There are also opportunities to create economic activity locally. The creation of arts districts and a range of other cultural, entertainment, business specific districts within urban centres is part of a broader concept to achieve the following goals:
  - Provide a sustainable future for older urban centres which have suffered from economic decline due to the changing nature of the commercial, office and residential markets, which have resulted in disinvestment in city centres.
  - A recognition that the nature of the economy in many places has changed, away from a manufacturing and service base, into a more diversified information-based economy, which provides considerable economic opportunity for cultural expression and identity, as well as the development of a range of new media businesses.
  - Residential development is often key to the regenerative impacts of the arts and culture district – this could include market and subsidized housing;
23. Based on a survey carried out for "Friday Fest", it has been determined that activities in Downtown appeal to a fairly defined geographic area comprised of Panama City, Lynn Haven, Callaway, Springfield and Parker. Visitation from other areas of Bay County is quite limited due to distance and accessibility factors.
24. The waterfront is by far the City's most underutilized asset.
25. Educational infrastructure such as colleges or other schools focussing on the arts or green job training could be accommodated in the City, particularly in the CRAs. Typically educational facilities have relatively high economic spin offs.

#### MARKET OPPORTUNITIES

26. Analysis of market opportunities for a range of development was examined from a market/economic perspective.
  - i. For residential development, as noted previously, Panama City Beach has been the focus of new development. Panama City itself missed an opportunity to respond to development proposals in the early 2000's. In the absence of large tracts of waterfront, it is unlikely that substantial residential development will occur, at least in the short term. Over the next few years, the City should ready itself, through the recommendations of the CRA Plan Update, for future development proposals.
  - ii. As a proactive initiative, there should be consideration given to more niche markets for housing opportunities. This could include market housing as well as subsidized housing. These opportunities exist for both the Downtown and Downtown North. The specifics of each opportunity should be examined to ascertain if/where the City can

assist in the approval process and potentially in land assembly, zoning permissions, impact fees, and, if possible, tax incentives.

- iii. For commercial development, including both office and retail, the City should ensure that its planning policies reflect initiatives to encourage development in the CRAs. Policies which allow significant development to occur at the fringe or outside the CRAs, diminish opportunities within the CRA. In this regard, the City has powers which it can exercise to attract development into these areas.
- iv. The Downtown has strengths given its diverse composition in terms of Bay County offices, the County Court House, City Hall, the Civic Centre, the Martin Theatre, the various churches as well as the diverse retail, restaurant and service facilities focussed on Harrison Avenue. Building on these strengths, the City should continue to ensure that its planning policies and procedures are responsive to potential users.
- v. Retail opportunity exists but in many respects is thwarted by mega projects such as Pier Park in Panama City Beach. Again, the opportunity is focussed more on the niche opportunities than the traditional or conventional retail shopping mall. Opportunities exist in the downtown for some stores in the durable goods category focussing on tv/video/computer/home furnishings. As well there is an opportunity for additional food stores and restaurants.
- vi. For Downtown North the focus should be on local serving retail and service facilities to recapture expenditures leaving the community. This is discussed in further detail below.

#### ANALYSIS OF DEVELOPMENT OPPORTUNITIES

As part of the work carried out for the CRA, IBI Group undertook 2 components of work to demonstrate elements typically considered by the private sector in pursuing development. The first example is a pro forma analysis of a mixed use development in the Downtown CRA; the second is a supermarket market analysis of a site in the Downtown North CRA.

##### 400 Grace Avenue – Pro Forma - Downtown

- A proforma analysis essentially provides a financial feasibility analysis for a proposed project. In its simplest form it examines costs/expenses relative to revenues. Costs/expenses included in the analysis are broad ranging and include: land, construction, landscaping, tenant improvements, approval related costs, impost/impact fees, financing fees, building soft costs, marketing and other costs. Revenues are achieved through either sale of units or rental of retail space. The feasibility of the project is determined through the relative position of costs and revenues. A prospective investor/developer will be interested only if the return on investment is reasonably good relative to other investment opportunities. Thus, if a project results in costs exceeding revenues, investment will not occur.
- The analysis assumes a mixed use development at 400 Grace Avenue comprised of 80 residential units, 20,000± sf of retail/office at grade and 4 levels of structured parking (320 parking spaces). The analysis assumes a "mid-market" conventional mid to hi-rise development. These parameters reflected a "base case".
- The results revealed that under the base case parameters, the project would result in a negative cashflow and would not be pursued by a prospective investor or developer.
- However, a sensitivity analysis undertaken to test the impact of removing the structured parking (which is typically very costly), revealed a more reasonable result

which provided a more reasonable outcome. Additional changes to a demonstration project could be considered and include: reduction of hard construction costs (more reflective of say loft development), reduction in % soft costs (perhaps building permit fees could be eliminated), reduced landscaping costs, and other possibilities.

- Thus while the base case results were not positive, the “tweaking” of a project can result in an attractive prospect for development.

#### Supermarket Market Analysis – Downtown North

- For the Downtown North, a market analysis of a potential grocery store/supermarket at 15<sup>th</sup> Street and Cove Blvd. was carried out. Taking the location of competitive supermarkets into account, the geographic extent of the market area is a 1 to 2 mile driving distance which is typical of a small supermarket trade area which relies on local market support. We recognize that large format supermarkets draw from a much broader geographic area, however, such a supermarket is not contemplated for the Downtown North due to site availability, the location of competitive facilities as well as the characteristics of the local population.
- The analysis reveals, under the range of assumption made, a store of some 33,000± sf is supportable. Given that the store would draw predominantly from the local market area, focusing on the Downtown North, and to ensure sustainability, the store could be in the 20,000 to 30,000 sf range.
- A successful example where a supermarket was developed within a community that lacked a sizable grocery store is the Sweetbay Supermarket in St. Petersburg, Florida. It is also an example of a public/private partnership. The model used to bring the Sweetbay Supermarket on stream could be replicated in Downtown North. Further, the supermarket functions as an “anchor” around which other stores and services can function. In addition to providing a retail service to the community, jobs are created for local residents, property tax values increase, activity increases and there are a range of intangible benefits including community pride.

#### CONCLUSION

The results of this economic and real estate market analysis have been used in the determination of recommended initiatives for both the Downtown and Downtown North CRAs. They build on the strengths of the community and provide suggestions for community building and the creation of sustainable communities.

## 2. THE BROADER CONTEXT

### 2.1 The Economic Backdrop

In November, 2006, the monthly issue of *Business 2.0*<sup>4</sup>, placed Panama City at the top of a list of US metropolitan areas offering “great opportunities for those who have the patience to buy and hold” (CNN Money 2006.) The piece emphasized the relatively low prices (for Florida standards) and the potential for a housing boom linked to the building of a new international airport. But it also was circumspect in two senses: it reported that prime real estate like two-bedroom beachfront condos had lost more than 20% of its value in the previous year, and warned that supply could “get out of hand” and prices stall. In other words, a great place to buy with caution, and hold.

Shortly thereafter, in February 2007, Panama City was ranked # 1 as one of “The Best Places to (Still) Invest – while the opportunity to play the “buy-and-flip” game had disappeared in the market, there were still some opportunities for those with patience to buy and hold<sup>5</sup>. The article projected 72% gain in home prices for Panama City and further noted:

*A small City needs one of two things to jack up housing demand: more people or wealthier people. Unlike the rest of Florida, Panama City hasn't really attracted either, mainly because it is isolated on Florida's panhandle. The interstate highway system bypasses it, and the runway at the local airport isn't long enough to support anything beyond regional jets. But now Panama City is poised to host big airliners, more visitors – and a lot more buyers. State and local governments and a top regional developer, St. Joe Co., are planning to build a new airport by 2008<sup>6</sup> at a cost of more than \$300 million. Locals expect the new facility to open up the region the way Southwest Florida International Airport in Fort Myers helped to drive a housing boom along Florida's southwestern coast in the 1980's.*

*“Panama City is an economy waiting to break out,” says Steven Cochrane, chief regional economist for Moody's Economy.com. Other factors increasing demand: Property prices are still low by Florida standards, and the local market has already absorbed a price correction after peaking last year. Janet Roan, a Century 21 agent in Panama City, notes that 2-bedroom beachfront condos<sup>7</sup> are going for as little as \$330,000 – down by more than \$100,000 from 2005<sup>8</sup>. (emphasis added)*

Clearly the market has been bullish on the prospects for Panama City in recent years. However, by 2008, much had changed. In many respects, end 2006/early 2007 saw a reversing of economic trends across the United States. The national GDP, which had been growing steadily for several years at rates above 3%, entered a more erratic pattern of very strong and very weak periods intermeshing where, for instance, one quarter with a growth rate below 1% could be followed by another with a rate above 4%, and shortly after by another below 1% (BEA 2008a.)

- **Inflation**, low and steady for many years with values oscillating around 2.5%, jumped over 3.7% after October 2007 and remained above 4% in nine out of ten months; by July 2008, it had **reached 5.6%, the highest value since the recession of the early 1990s**.

<sup>4</sup> *Business 2.0* is an online publication affiliated with CNN, Fortune & Money.

<sup>5</sup> Other places included in the list were Vero Beach, Lakeland FL; Bridgeport, CT; McAllen, TX; San Luis Obispo, CA; Wilmington, NC; Manchester, NH; Fort Collins, CO; and Atlanta, GA.

<sup>6</sup> See Section 2.7 for a progress update of the new airport.

<sup>7</sup> Of note, the vast majority of beachfront condos are in Panama City Beach not Panama City.

<sup>8</sup> The February 2007 article also noted that local politicians have green-lighted several master planned communities for future development; if the supply gets out of hand, real estate prices will stall.

- **Unemployment** had been decreasing since 2003, but after March 2007 followed a similar rising trend, and by **August 2008 had hit 6.1%** (BLS 2008a, 2008b.)

But the most serious economic problems have been related to the housing and credit markets, as unusually large numbers of foreclosures and unsold units started accumulating in the market. RealtyTrac, a nationwide database on foreclosures, recently reported for 2007 an annual increase of 79.2% over the previous year (RealtyTrac 2008a.)

- By November 2008, about 1 in every 488 households in the nation had received a foreclosure filing during the month (**in Florida the figure was 1 in every 173**) and about 17% of the inventory of homes for sale was made of bank repossessions (RealtyTrac 2008b.) In Bay County, the figure was 1 in every 414 households had received a foreclosure filing in November 2008, similar to the national average and well below the State rate.

As the housing market became oversupplied, house prices started plunging, forcing banks to increase interest rates, which led to more outstanding mortgages and more foreclosures. This dangerous spiral compelled the federal government to intervene in two major mortgage institutions in September, 2008, and led to the collapse of major financial institutions like Bear Sterns, Lehman Brothers and Merrill Lynch (AP 2008,) and more recently to an emergency finance bailout plan (Hagenbaugh 2008.)

The impact of all these events has been felt across the country, and has led to economic deceleration and increasing uncertainty, with states with fastest growing urban populations like California, Nevada and Florida being hit harder. In Florida, the state GDP posted zero growth rate in 2007, and construction alone subtracted more than one percentage point from real growth (BEA 2008b.) Florida, and especially larger cities like Miami and Orlando, over decades the major recipients of external investment, have been recently dubbed as the worst place to invest in the country (Property Wire 2008.) In several coastal metropolitan areas of central and southern Florida (Sarasota, Fort Myers, Port Saint Lucie) house prices fell more than 20% over one single year. According to OFHEO (the Office of Federal Housing Enterprise Oversight) price declines in the Panama City metropolitan area have been clearly below the state average, but still well above the national average.

In July 2008, the Florida Economic Estimating Conference met to revise the economic forecast for the state. The latest forecast revealed an economy burdened in the short run by national and state fiscal shocks, but still showing underlying resilience in the longer term. Of note, the GDP for Florida had dropped sharply post 2005, exceeding the rate of decline experienced across the country. Key aspects of the economy were identified as follows:

- *Personal income growth and employment growth had not been as robust as originally expected.*
- *Sectors hardest hit included: manufacturing, natural resources and mining, financial activities and information services. Overall, job losses totaled 74,700 jobs – 54% of which are directly linked to the construction downturn.*
- *The growing inventory of unsold houses together with the credit crisis dampened residential construction – focusing on the single family home.*
- *The slowing in the housing sector had a spillover effect in durable goods consumption (i.e., appliances, carpeting etc.). Further, consumers curtailed discretionary spending.*

- *Adding to the burden was oil prices hovering at \$140/barrel – resulting in increased prices for a range of goods and services.*
- *The fastest growing sectors in Florida focus on **Education and Health Services** – mainly in the area of Health Services. As well there is an expectation that the **Professional and Business Services** Sector will also grow<sup>9</sup>.*

Under this scenario of uncertainty, economic deceleration and cautious investment, a fast recovery is very unlikely. Florida's economy has been highly dependent on external investment, primarily oriented to its top tier cities. Once the economy stabilizes and economic growth resumes, it will take some time for trickle down effects to spread all over the state.

What could be the consequences of such events for Panama City? In the short term, uncertainty in the markets and extra caution in lending institutions can only mean that there will be fewer buyers and less construction. And the longer the crisis, the higher the risk for existing comparative advantages to erode will be – more good deals will eventually emerge almost everywhere.

A short-term reversal of the economic trends seems unlikely, and federal assistance is (and will be) harder to obtain due to recent large natural disasters and ongoing conflicts abroad. The wait can be long, and results will be far from guaranteed.

## 2.2 Population

### 2.2.1 HISTORIC POPULATION GROWTH - BAY COUNTY AND PANAMA CITY

According to the U. S. Bureau of Census, Bay County had close to 164,000 inhabitants and Panama City close to 37,000 by mid 2007. Exhibit 2.1 shows how the population of Bay County doubled in the last 27 years (1980-2007) while Panama City's population remained relatively stable during this same time period<sup>10</sup>.

	Panama City MSA <sup>11</sup>	Panama City	Rest of Bay County*
1970	75,283	32,125	43,158
1980	97,740	33,346	64,394
1990	126,994	34,378	92,616
2000	148,217	36,417	111,800
2003	154,726	37,426	117,300
2007	163,984	36,805	127,179

**Exhibit 2.1 - Population Growth 1970-2007**

In recent years **the most important factor behind population growth has been the strong inflow of migrants from other parts of the country; as well a relatively high birth rate has been a strong factor in growth** (see Exhibit 2.2).

Major drops in migration flows, like those that happened in 2000 and 2007, have not always been offset by the steadily positive natural growth. This was the case of 2007, when Bay County

<sup>9</sup> Job growth in this sector is expected to focus on employment agencies, temporary help and leasing services, janitorial and cleaning services, exterminating and pest control services, and landscaping. Of note, much of the job growth in this sector is temporary in nature or "out sourced" to minimize operating costs.

<sup>10</sup> Of note, Bay County has historically grown at a substantially slower rate than the rest of Florida; this has consistently been the case over the 1940 to 2000 timeframe. (Source: West Bay Area Vision, Bay County Sector Plan, 2000).

<sup>11</sup> Panama City Metropolitan Statistics Area (MSA) is the equivalent geographic area as Bay County.

registered a negative population growth of 200. Of note, recent history shows that **Bay County is reliant on net migration to achieve growth**. This is characteristic of the State of Florida as a whole.

	2000	2001	2002	2003	2004	2005	2006	2007
<b>natural increase</b>	113	632	394	588	651	900	930	935
<i>births</i>	1,458	2,022	1,879	2,060	2,126	2,373	2,401	2,426
<i>deaths</i>	(1,345)	(1,390)	(1,485)	(1,472)	(1,475)	(1,473)	(1,471)	(1,491)
<b>net migration</b>	(84)	1,047	2,096	1,946	2,634	2,973	1,723	(1,147)
<i>internal</i>	(166)	947	2,225	2,518	2,248	2,924	1,497	(1,185)
<i>international</i>	82	100	(129)	(572)	386	49	226	38
<b>residual</b>	12	(125)	(79)	(32)	(154)	(131)	(68)	12
<b>net change</b>	41	1,554	2,411	2,502	3,131	3,742	2,585	(200)
<b>final population</b>	148,259	149,813	152,224	154,726	157,857	161,599	164,184	163,984

*Note: the U.S. Bureau of Census estimates populations as of July 1 of each year.*

*Source: U. S. Bureau of Census, Population Estimates.*

### Exhibit 2.2 – Components of Population Change - Bay County - 2000-2007

#### 2.2.2 A SHIFT IN THE LOCATION OF POPULATION GROWTH

Over the last four decades the City and the rest of the County have been growing at very different rates.

- In 1960 Panama City was the 20<sup>th</sup> largest incorporated place in Florida, with a population already close to 33,000; at the time it amounted to about one half of the County's population of 67,000.
- From 1960 to 2007 population grew at an average annual rate of 1.9% in the County, and just 0.2% in the City. As a result of the significantly different growth rates, Panama City declined in terms of its relative share of the County population from 49% in 1960 to just 22% by 2007.

Exhibit 2.3 provides a summary of recent trends in population in Bay County and its constituent municipalities. Different growth rates were also behind the redistribution of the population across the County, with suburban communities north and east of Panama City experiencing the most gains.

- Panama City's population has remained relatively stable over the last seven years. When examining the other municipalities located within Bay County, Panama City Beach has nearly doubled in population over the seven year period (2000-2007), while the other municipalities in Bay County remained relatively stable.
- Over the last 7 years, the population of Panama City Beach doubled, thus experiencing and providing almost all population gains in the County.

- From 2006 to 2007 Panama City Beach was the sole incorporated place in Bay County having positive population growth. As well, unincorporated places grew – likely as a result of some segments of the market looking for reasonably priced housing<sup>12</sup>.

Geographic Area	Population Estimate/Date								Census 2000
	1-Jul-00	1-Jul-01	1-Jul-02	1-Jul-03	1-Jul-04	1-Jul-05	1-Jul-06	1-Jul-07	
FLORIDA	16,049,316	16,348,628	16,667,906	16,959,251	17,342,623	17,736,027	18,057,508	18,251,243	
Bay County	148,259	149,813	152,224	154,726	157,857	161,599	164,184	163,984	
Callaway	14,293	14,311	14,460	14,534	14,493	14,430	14,199	13,974	
Cedar Grove	5,067	5,088	5,146	5,177	5,189	5,227	5,205	5,147	
Lynn Haven	12,454	12,824	13,212	14,107	14,551	15,330	15,385	15,177	
Mexico Beach	1,010	1,011	1,022	1,027	1,027	1,192	1,296	1,266	
Panama City Beach	7,735	7,800	7,973	8,349	10,238	11,532	13,682	14,435	
Panama City	36,882	36,910	37,254	37,426	37,448	37,526	37,227	36,805	
Parker	4,584	4,588	4,634	4,655	4,656	4,669	4,626	4,563	
Springfield	8,901	8,907	8,994	9,033	9,033	9,062	8,9811	8,857	
Other	57,333	58,374	59,529	60,418	61,222	62,631	63,583	63,760	

*Source: U.S. Bureau of Census, Population Estimates*

### Exhibit 2.3: Panama City/Bay County/Florida – Recent Population Estimates 2000 – 2007

#### 2.2.3 FUTURE GROWTH

According to the *West Bay Area Vision, Bay County Sector Plan, 2000*, the County is expected to grow from a 2000 base of 148,000± to 204,600± by 2030. This translates into annual growth of 1.27% annually. Recent historic data (2000 to 2007) suggests that growth has been somewhat more rapid at 1.5%. However, within the broader context, the State of Florida is forecast to grow from a 2000 base of 15.98 million to 24.42 million by 2030, or at a rate of 1.76% annually. Thus, while Bay County is expected to grow by some 56,000 people over a 30 year timeframe, the area will grow at a slower rate than Florida as a whole.

Given recent historic trends within the cities and towns that comprise Bay County, population growth will likely occur in areas other than Panama City. Having noted the trend and the context of the population forecast, opportunities can be created to attract population growth. These will be discussed in greater detail later in this report.

<sup>12</sup> The term "reasonably priced" is used rather than "affordable". According to the U.S. Department of Housing and Urban Development the generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual income on housing.

#### 2.2.4 DOWNTOWN AND DOWNTOWN NORTH

The Downtown CRA occupies 48 census blocks, of which 29 (60%) had no permanent residents and only 19 blocks had residents at the time of the 2000 population Census. Exhibit 2.4 demonstrates that the majority of blocks comprising the Downtown CRA are non-residential uses; as well there are many vacant blocks.

According to the 2000 Census, the total population of the Downtown CRA was 692, an illusive figure because 44% corresponded to block 2075 (with 303 persons) alone, which is occupied by the Bay County Jail. Excluding the jail, the residential population of 389 was also very unevenly distributed, and more than a half (223 persons) of them was found in block 2066, which is occupied by the St. Andrews Towers elderly property. In other words, only 166 persons across downtown lived in typical open-market housing units. The population of the Downtown CRA is relatively stable with little or no growth occurring over the last number of years.

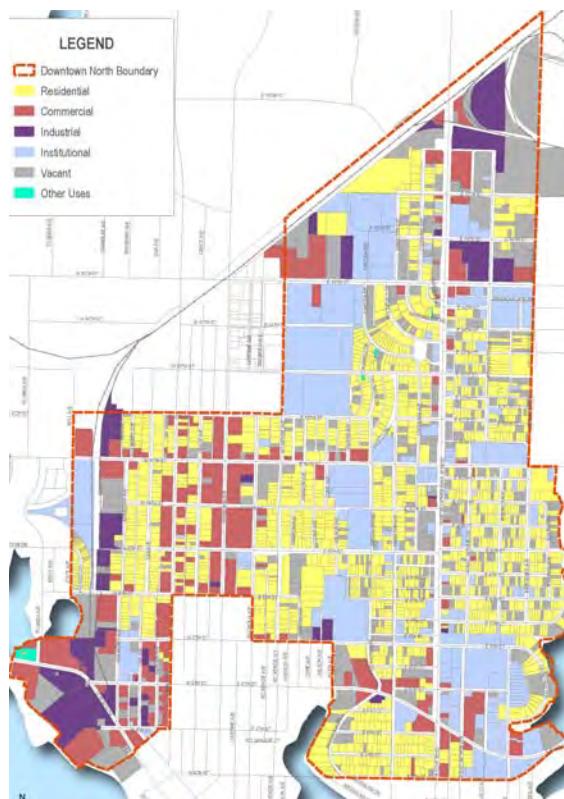


Exhibit 2.4: Downtown CRA

Overall, Downtown Panama City is almost 'depopulated'. At the time of the 2000 Census there were no people living between Oak Avenue and Seventh Street at a two-block distance from Harrison Avenue. Most of the area's population resides farther from Harrison as well as the Bay.

In the same context, Downtown North occupies 188 blocks, and only 38 (20%) of them had no population in 2000. Overall, in total the population of Downtown North is relatively stable in the range of  $3,730 \pm$ . Exhibit 2.5 shows the land use patterns. In disaggregating the Downtown North, into north and south components<sup>13</sup>, the following is noted:

- North of 12<sup>th</sup> Street the population is very unevenly distributed, and most land is devoted to institutional, commercial and industrial uses.
- In the north, residential areas are relatively discontinuous. More than 55% of the population is concentrated in three pockets: between E. 17<sup>th</sup> St/Hamilton, North Cove Blvd and the railway; between E. 15<sup>th</sup> St, Palo Alto Ave, E. 14<sup>th</sup> St, and Mercedes Ave; and between E. 13<sup>th</sup> St, North Cove Blvd, E. 15<sup>th</sup> St. and Caldwell/Lincoln Drives.



Ex 2.5: Downtown North CRA

<sup>13</sup> To some degree, the disaggregation is done on the basis of data availability for small geographic areas.

- South of 12<sup>th</sup> Street the population of the Downtown North area is predominantly residential with clusters of institutional and commercial areas. The major exception is found in the western border of the district, where industrial land uses along the railway are predominant.

The population density of Downtown Panama City is relatively low in the context of the City; with the residents of the St. Andrews Towers included, the density reached 1,175 persons per square miles in year 2000, well below the overall City average of 1,772 persons per square mile. The population density of Downtown North is 2,110 persons per square mile, indicating that Downtown North is more densely populated than Panama City as a whole.

#### 2.2.5 AGE – GENDER PROFILE

There are substantial contrasts in the composition of the population in the two subject areas, Downtown and Downtown North, both when compared to each other and relative to Panama City as a whole and the County. The relative proportion of age and gender cohorts in all aforementioned areas are represented in Exhibit 2.6 (a through f).

The pyramids for Panama City and Bay County (2.6 a and b, respectively) were almost identical, showing the characteristic symmetric and pear-shaped distribution found in most American jurisdictions. There were only two differences deserving notice: the City showed a larger proportion of elders (ages 70 and over,) the County a larger proportion of young (ages 0-19.)

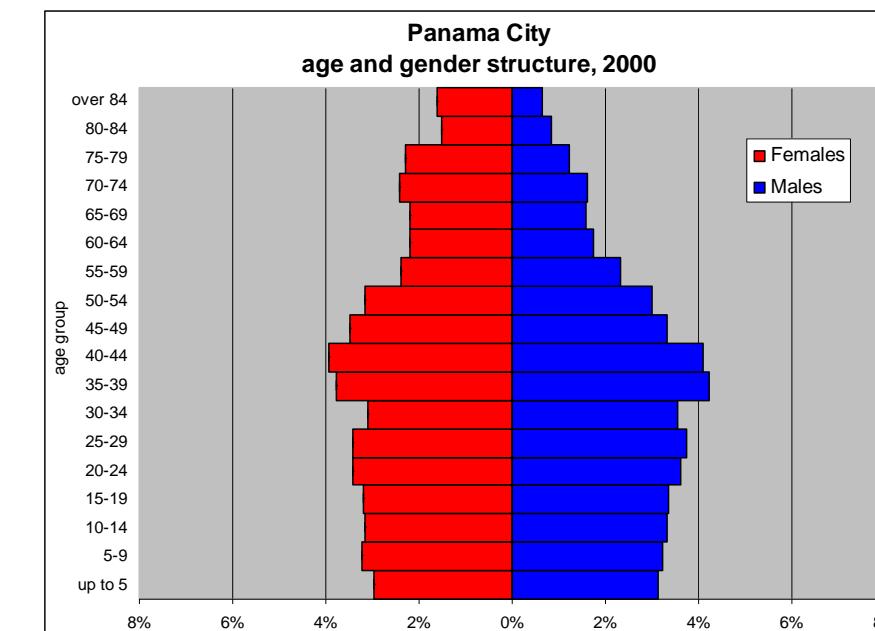


Exhibit 2.6 a – Age/Gender Structure - Panama City

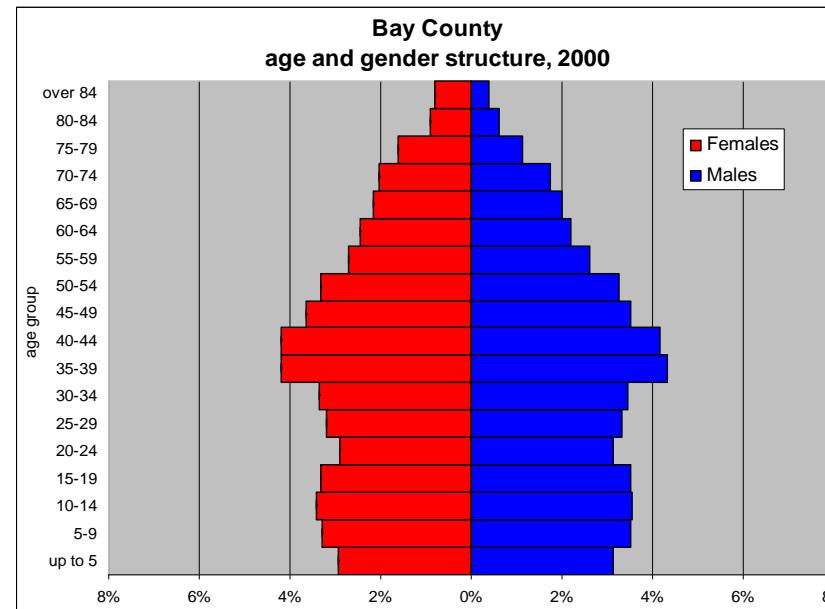


Exhibit 2.6 b – Age/Gender Structure - Bay County

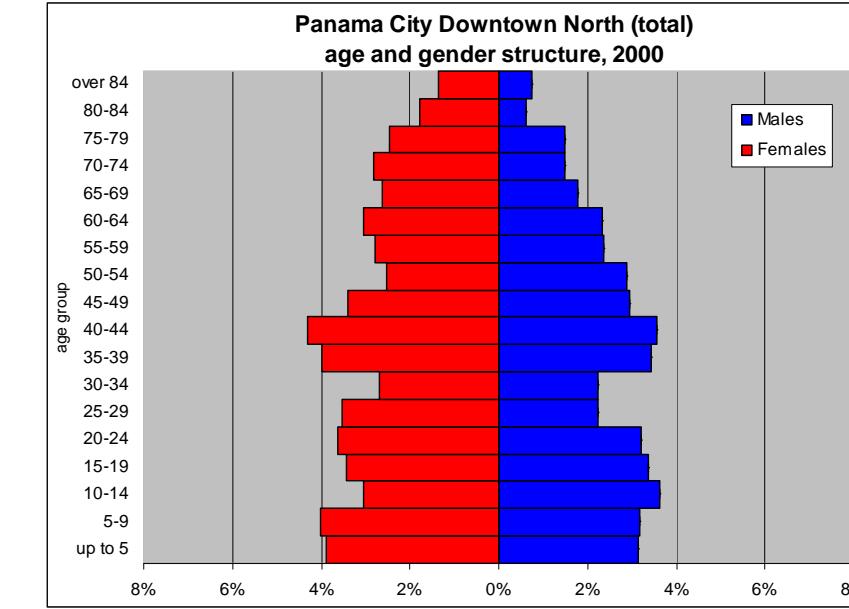


Exhibit 2.6 d – Age/Gender Structure - Downtown North

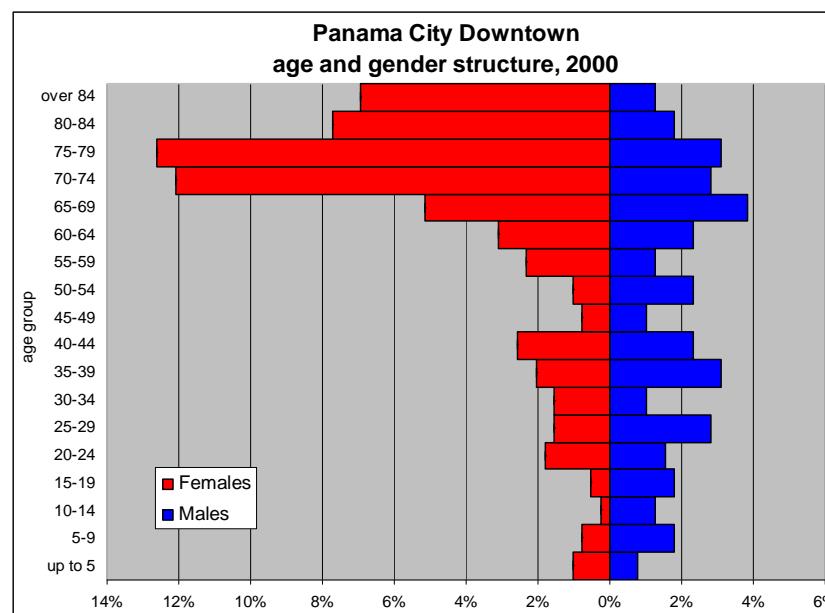


Exhibit 2.6 c – Age/Gender Structure – Downtown CRA – Panama City

The pyramid for Downtown is very irregular as demonstrated on Exhibit 2.6 c; a few key findings are noted:

- the pyramid is extremely asymmetric, showing skewed contrasts between the male and female population;
- the female distribution is very atypical; there is overrepresentation of older females and underrepresentation of virtually all other age groups.
- the male distribution is also atypical and has lower shares in all age groups.

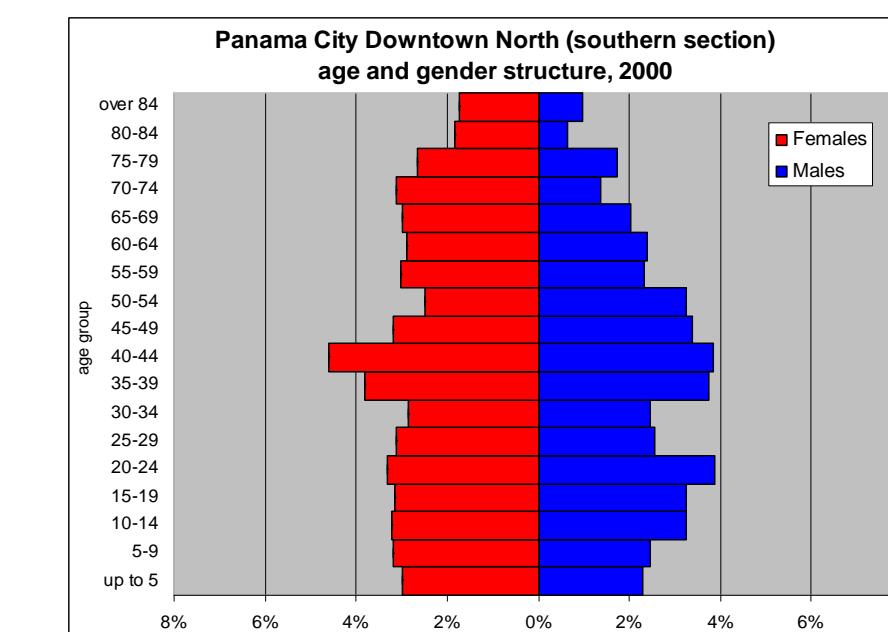


Exhibit 2.6 e – Age/Gender Structure - Downtown North (southern section)

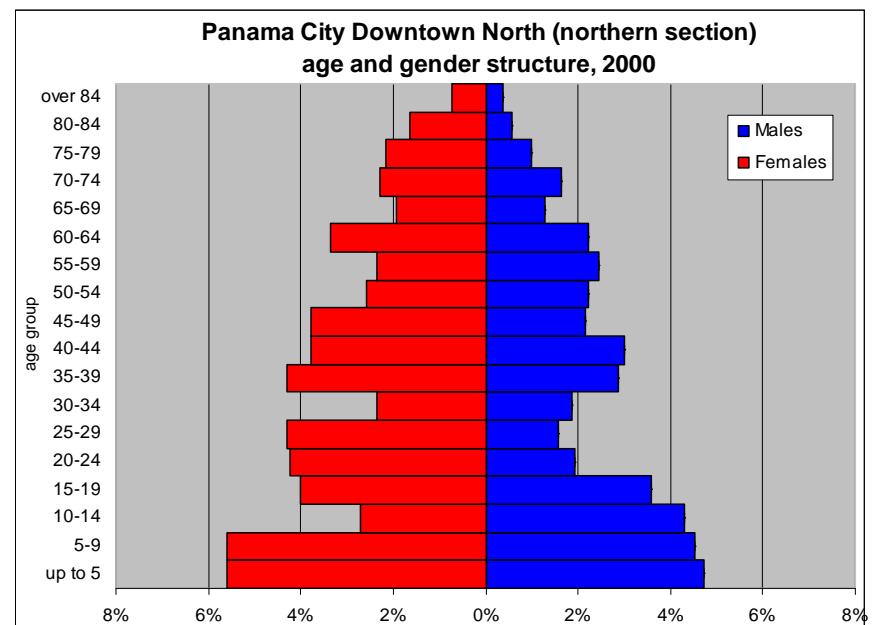


Exhibit 2.6 f – Age/Gender Structure - Downtown North (northern section)

Key age/gender considerations are noted as follows:

- Downtown North (southern section) has a population that has a more "typical" age / gender composition;
- Downtown North (northern section) has a much higher proportion of children, teens and young adults;
- Downtown North (northern section) has a higher proportion of females.

These latter two findings are significant from a demographic perspective and will need to be addressed in some manner in the plan and recommended initiatives. The socio-economic characteristics are dealt with in further detail later in this section of the report.

- The age / gender analysis reveals that both the Downtown and Downtown North have unique characteristics that need to be considered in the recommendations and strategies for the CRA Plan Update.

Given the stable population of Panama City over almost five decades (hovering around 37,000 people), it is unlikely that the population of the City and the Downtown area will change significantly due to the current migration or natural growth trends. Recent (2003 – 2008) building permit data indicates that little new residential development has occurred in the City, thus further supporting the factual information that indicates little or no population growth.

- Unless there are new intervening factors, like major changes in employment, property value, changes to zoning bylaws, or changes to the housing supply, a conservative forecast will be a stable, slowly ageing population in the City and its Downtown and Downtown North for the near to mid-term.

## 2.3 Demographic and Household

The following discussion further examines some age/gender characteristics as well as ethnicity, household characteristics and occupancy status of both the Downtown and Downtown North areas of Panama City.

Exhibit 2.7 offers an overview of the population of the two subject study areas, with its relative gender and age composition compared to a few selected areas.

### 2.3.1 AGE

- Three major differences immediately stand out for Downtown:
  - the very high share of people aged 65 and over (57.3%) and a very low share of children (5.9%),
  - the high share of females (63.8%) over males (36.2%).
- In Downtown North, overall, the area seems to have a similar age gender composition to the City and County as a whole. This was demonstrated in the age/gender pyramids.
- Of significance, when Downtown North is disaggregated, the north and south (with 12<sup>th</sup> Street providing the dividing line) areas exhibit different characteristics. The northern area exhibits:
  - a higher proportion of females (57.8%),
  - a significantly higher proportion of children (28.5%), and
  - a lower share of people aged 65 and over (13.2%).

### 2.3.2 ETHNICITY

Exhibit 2.7 also shows the ethnic characteristics for Bay County, Panama City, and the Downtown and Downtown North areas. The majority of the populations of both Bay County and Panama City are white, while the rest of the population is African American or non-white. Of note:

- The majority of the Downtown area is white (83.8%);
- By contrast, the majority of Downtown North is African/American (64.7%). In breaking down the Downtown North area it is noted that the northern area has a significantly higher share of African Americans (82.9%) compared to the southern area (55.6%).

### 2.3.3 HOUSEHOLD CHARACTERISTICS

The household characteristics of Bay County, Panama City, and the Downtown and Downtown North areas are also shown on Exhibit 2.7. The following key characteristics are noted:

- The number of households in the Downtown area of Panama City is significantly lower than that of the Downtown North area, which indicates that there are few people residing in the Downtown CRA.

	Bay County	Panama City	Downtown <sup>1</sup>	Downtown North		
				Total	South of 12 <sup>th</sup> St.	North of 12 <sup>th</sup> St.
<b>Population</b>	<b>148,217</b>	<b>36,417</b>	<b>389</b>	<b>3,736</b>	<b>2,486</b>	<b>1,250</b>
% male	49.5 %	48.6 %	36.2 %	45.6 %	47.4 %	42.2 %
% female	50.5 %	51.4 %	63.8 %	54.4 %	52.6 %	57.8 %
% age 0-14	19.9 %	19.1 %	5.9 %	20.2 %	16.0 %	28.5 %
% age 65 and over	13.4 %	15.9 %	57.3 %	20.3 %	23.9 %	13.2 %
% white	84.2 %	73.6 %	83.8 %	32.5 %	41.9 %	13.7 %
% black / African American	10.4 %	21.5 %	14.7 %	64.7 %	55.6 %	82.9 %
<b>Households</b>	<b>59,597</b>	<b>14,819</b>	<b>288</b>	<b>1,522</b>	<b>1,025</b>	<b>497</b>
population in households	97.7 %	93.5 %	96.9 %	89.1 %	85.8 %	95.8 %
average size	2.43	2.30	1.31	2.19	2.08	2.41
one-person households	26.0 %	32.2 %	81.3 %	38.4 %	40.1 %	34.8 %
one-parent households	16.0 %	19.2 %	6.5 %	20.0 %	14.2 %	32.2 %
couples with children	20.8 %	16.2 %	2.1 %	9.1 %	9.7 %	7.8 %
couples without children	31.2 %	25.6 %	6.3 %	16.5 %	18.6 %	12.1 %
non-family households (over 1)	6.1 %	6.8 %	3.8 %	5.5 %	6.5 %	3.4 %
<b>Housing Units</b>	<b>78,435</b>	<b>16,548</b>	<b>325</b>	<b>1,809</b>	<b>1,239</b>	<b>570</b>
% occupied	76.0 %	89.6 %	88.6 %	85.1 %	83.6 %	88.4 %
% vacant	24.0 %	10.4 %	11.4 %	14.9 %	16.4 %	11.6 %
<b>Occupied Housing</b>	<b>59,597</b>	<b>14,819</b>	<b>288</b>	<b>1,540</b>	<b>1,036</b>	<b>504</b>
% owner-occupied	68.6 %	57.8 %	10.4 %	51.6 %	55.9 %	42.9 %
% white owner-occupied	62.2 %	47.8 %	6.3 %	16.7 %	24.4 %	0.8%
% black owner-occupied	4.3 %	8.3 %	3.8 %	33.6 %	29.9 %	41.2 %
% renter-occupied	31.4 %	42.2 %	89.6 %	48.4 %	44.1 %	57.1 %
% white renter-occupied	24.6 %	29.6 %	80.2 %	17.6 %	21.8 %	8.9 %
% black renter-occupied	5.2 %	10.6 %	8.0 %	29.3 %	20.8 %	46.9 %
<b>Vacant Housing</b>	<b>18,838</b>	<b>1,729</b>	<b>37</b>	<b>269</b>	<b>203</b>	<b>66</b>
% for rent	29.2 %	45.8 %	29.7 %	24.0 %	20.7 %	34.2 %
% for sale only	6.4 %	12.6 %	5.4 %	10.4 %	11.8 %	6.3 %
% seasonal & recreational use	46.8 %	8.8 %	8.1 %	1.5 %	1.7 %	1.3 %

*Note: block 2075 (Bay County Jail) were not included in Downtown figures.*

Source: IBI calculations based on data from the U.S. Bureau of Census and ESRI.

**Exhibit 2.7: Socio-Economic Characteristics – Bay County, Panama City, Downtown CRA and Downtown North CRA**

APRIL, 2009

Page 20

- In terms of average size of households, Bay County has the largest average household size, followed by Panama City as a whole, and Downtown North. The Downtown has a low household size, and is comprised of mainly one-person households, compared to Downtown North, Panama City, and Bay County.
- Twenty percent of Downtown North is headed by a one-parent household, significantly larger than that of the Downtown population at 6.5%. Downtown North also has more couples living with children than Downtown (9.1% versus 2.1%).
- Of significance, when Downtown North is disaggregated, the north and south areas exhibit different household characteristics:
  - The northern area is comprised of a proportionately higher share of **one-parent households** (32.2%).
  - The southern area is comprised of proportionately higher **one person households** (40.1%).

When reviewing the number of housing units that exist in both Downtown and Downtown North, it is clear that Downtown North has a significantly higher number of housing units than Downtown, which as stated previously, supports the observation that there are fewer residents living Downtown than in Downtown North.

When examining the occupied housing statistics for both Downtown and Downtown North the following is noted:

- The majority of housing located Downtown is occupied by renters.
- In Downtown North there is an almost even split between owner and renter occupied housing.

The share of vacant housing for both rent and for sale in Downtown and Downtown North areas of Panama City is the same order of magnitude at 35% in total, while the percentage of vacant seasonal and recreational housing was significantly higher in Downtown compared to Downtown North (but substantially lower when compared to Bay County as a whole).

## 2.4 Employment, Wages and Income

### 2.4.1 HISTORIC JOB GROWTH

Employment growth levels in Bay County have been comparable to the area's demographic trends, according to Census data. There were 41,043 employed residents in 1980, 58,462 in 1990, and 68,764 in 2000. Over the 20 year time horizon, the employment growth translates into a 3.3% annual growth rate overall. Of note, in the 1980 to 1990 timeframe employment growth grew by some 17,500 jobs compared to 10,300 in the 1990 to 2000 time period. Expressed in terms of annual growth rate, the 1980-1990 timeframe had job growth on the order of 4.25% annually compared to 1.75% in the 1990-2000 time period. Thus the 2<sup>nd</sup> decade experienced a sharp drop in the job growth rate.

The majority of workers (95%) living in the County also worked within its boundaries; as well, some 5,900 workers living in other jurisdictions work in Bay County, while only 3,400 of Bay County

residents worked outside County boundaries. Thus Bay County is a **net importer of labor**. This characteristic of being a net importer of labor is recognized as a positive economic attribute.

Beyond Census data, various organizations/agencies provide estimates of employment. Bay County utilizes estimates prepared by the Florida Research and Economic Database 2007; these estimates suggest that jobs in Bay County have grown from a 2000 base of 68,533 jobs to an estimated 87,258 jobs in 2007, an increase of 23% over the 7 years or an average of 3.3% annually. This is equivalent to the 20 year average annual growth rate in employment in the 1980 to 2000 timeframe as reported in historic Census data. Further, the estimate suggests that there has been more rapid growth in the post 2000 era.

The activity rate is a common measure used to estimate the relative balance of jobs and population in a community. Based on data utilized by Bay County, the County's activity rate has increased from a 2000 base of 45.7% to 50.3% in 2007. A reasonably 'healthy' local economy would expect an activity rate on the order of 50% which translates into 1 job for every 2 residents. This cannot always be achieved in communities in more complex regions as there is considerable in and out commuting and some areas develop more as residential communities rather than diverse, complete communities.

### 2.4.2 EMPLOYMENT PROFILE – SECTORAL BREAKDOWN

While the activity rate is an indicator of relative economic balance, a more detailed analysis of the job profile in the area provides additional insights. The Bureau of Census has grouped employment-related data into three main types: Production of Goods, Provision of Services and Government. Additionally the former two categories are broken down into major economic sectors. Table 2.8 presents basic employment distribution data (i.e., expressed in percentages) from the 2000 Census and 2006 estimates at the County, regional, state and national levels<sup>14</sup>. Major observations include:

- Historically most employment in the United States has been concentrated in four major sectors:
  - Education & Health Services,
  - Manufacturing,
  - Retail Trade, and
  - Professional & Business Services.
- In 2006, these sectors accounted for 54.0% of employment in the nation; in Bay County they accounted for 46.7%.
- In the period 2000-2006, the County share of employment in the Production of Goods increased by 3.1% while in the Provision of Services decreased by 3.6%; these trends were consistent with those of North West Florida and Florida, while far more pronounced, but the reverse of the national trend;
- The share of government-related employment in Bay County has been well above national and state levels; in 2000-2006, it also increased (+0.6%,) while it decreased in North West Florida, Florida, and the United States; and
- Compared to regional, state and national figures, employment shares in Bay County have been higher in Construction and Financial Activities, and lower in

<sup>14</sup> It should be noted that older data, especially from the 1990 Census, is not comparable due to the adoption of a new industry classification system (the NAICS) in 1997.

Education & Health Services, Natural Resources, and Transportation, Warehousing & Utilities.

sector \ year	Bay County		NW Florida		Florida		United States	
	2000	2006	2000	2006	2000	2006	2000	2006
<b>Production of Goods</b>	<b>16.5</b>	<b>19.6</b>	<b>17.4</b>	<b>18.1</b>	<b>16.6</b>	<b>17.6</b>	<b>22.8</b>	<b>21.3</b>
Natural Resources	0.9	0.5	1.3	0.6	1.3	1.1	1.9	1.8
Construction	9.1	11.7	9.4	10.7	8.0	10.6	6.8	7.9
Manufacturing	6.5	7.3	6.7	6.8	7.3	5.9	14.1	11.6
<b>Provision of Services</b>	<b>75.7</b>	<b>72.1</b>	<b>73.9</b>	<b>73.4</b>	<b>78.3</b>	<b>77.7</b>	<b>72.5</b>	<b>74.0</b>
Wholesale Trade	2.3	2.5	2.6	2.0	4.0	3.6	3.6	3.4
Retail Trade	14.5	11.9	13.7	11.9	13.5	12.8	11.7	11.5
Transportation, Warehousing & Utilities	4.7	3.7	5.0	4.4	5.3	5.2	5.2	5.0
Information	2.2	2.9	2.4	2.6	3.1	2.4	3.1	2.5
Financial Activities	6.8	9.4	6.1	7.3	8.1	8.7	6.9	7.2
Professional & Business Services	7.8	10.5	8.4	11.3	10.6	11.4	9.3	10.1
Education & Health Services	18.4	17.0	19.4	19.7	18.1	18.3	19.9	20.8
Leisure & Hospitality	14.0	9.7	10.9	9.0	10.5	10.2	7.9	8.6
Other Services	5.0	4.5	5.4	5.1	5.1	5.1	4.9	4.8
<b>Public Administration</b>	<b>7.7</b>	<b>8.3</b>	<b>8.7</b>	<b>8.5</b>	<b>5.2</b>	<b>4.7</b>	<b>4.8</b>	<b>4.7</b>
Note: some totals do not add because of rounding.								
Source: IBI Group calculations based on figures from the US Bureau of Census.								

**Exhibit 2.8 – Employment<sup>15</sup> Distribution by Sector - Bay County & Selected Areas, 2000- 2006**

Actual changes in employment during the period 2000-2006, both in relative (shares of total employment) and absolute (net change in employment) terms are summarized in Exhibit 2.9. Overall, Bay County posted a net employment gain of 11,512; the breakdown of the employment gain was: 36.6% in the Production of Goods, 51.7% in the Provision of Services, and 11.7% in Public Administration. Major changes include:

- Bay County posted the largest net employment gains in
  - Construction,
  - Professional & Business Services,
  - Financial Activities, and
  - to a lesser extent in Manufacturing, and
  - Education & Health Services;
In the first four sectors these gains led to increases in their share of total employment.
- In Education & Health Services the share of total employment decreased in Northwest Florida, while it increased slightly in Bay County overall.
- Leisure & Hospitality was the sector posting the largest net employment loss; there were also fewer net employment losses in Retail Trade, Transportation & Warehousing, and Natural Resources; and

<sup>15</sup> Employment reflects civilian employment and excludes military jobs.

- The share of Public Administration-related employment in Bay County has been well above state levels; in 2000-2006, it also increased (+0.6%,) while it decreased in North West Florida, and Florida.

sector \ year	Bay County			NW Florida			Florida		
	2000	2006	net change	2000	2006	net change	2000	2006	net change
<b>Production of Goods</b>	<b>10,729</b>	<b>14,940</b>	<b>4,211</b>	<b>63,550</b>	<b>62,252</b>	<b>(1,298)</b>	<b>1,162,444</b>	<b>1,465,709</b>	<b>303,265</b>
Natural Resources	576	384	(192)	4,775	2,059	(2,716)	92,463	88,633	(3,830)
Construction	5,914	8,948	3,034	34,445	36,932	2,487	562,111	887,115	325,004
Manufacturing	4,239	5,608	1,369	24,330	23,261	(1,069)	507,870	489,961	(17,909)
<b>Provision of Services</b>	<b>49,162</b>	<b>55,118</b>	<b>5,956</b>	<b>270,245</b>	<b>252,122</b>	<b>(18,123)</b>	<b>5,471,693</b>	<b>6,482,090</b>	<b>1,010,397</b>
Wholesale Trade	1,460	1,902	442	9,393	7,004	(2,389)	278,360	297,219	18,859
Retail Trade	9,424	9,129	(295)	50,154	40,961	(9,193)	943,449	1,063,994	120,545
Transportation, Warehousing & Utilities	3,079	2,858	(221)	18,287	15,138	(3,149)	374,179	432,214	58,035
Information	1,414	2,232	818	8,918	8,963	45	215,787	197,327	(18,460)
Financial Activities	4,386	7,171	2,785	22,414	25,013	2,599	563,552	729,528	165,976
Professional & Business Services	5,090	8,004	2,914	30,578	38,688	8,110	739,516	952,143	212,627
Education & Health Services	11,969	12,977	1,008	70,973	67,732	(3,241)	1,264,965	1,525,398	260,433
Leisure & Hospitality	9,113	7,393	(1,720)	39,856	31,065	(8,791)	732,460	855,138	122,678
Other Services	3,227	3,452	225	19,672	17,558	(2,114)	359,425	429,129	69,704
<b>Public Administration</b>	<b>4,992</b>	<b>6,337</b>	<b>1,345</b>	<b>31,992</b>	<b>29,323</b>	<b>(2,669)</b>	<b>360,910</b>	<b>396,309</b>	<b>35,399</b>
Note: some totals do not add because of rounding.									

Source: IBI Group calculations based on figures from the US Bureau of Census.

**Exhibit 2.9 – Employment<sup>16</sup> by Sector - Bay County And Selected Areas, 2000-2006**

2.4.3 ESTABLISHMENTS AND WAGES

By 2007 the number of establishments was above 5,000 and annual total wages approached \$2,500 million in Bay County (see Exhibit 2.10). An establishment is a single physical location at which business is conducted and/or services are provided. The public and private sectors showed important contrasts; the following points deserved notice:

- The Public Sector accounted for only 2% of establishments but 22% of the wages, and the Private Sector for 98% of establishments and 78% of wages, respectively;
- The Provision of Services was the most important economic activity in the County, accounting for 38% of establishments and 31% of wages;
- The average number of employees per establishment in the Public Sector was above the average, especially at the local level;
- Average salaries in the Public Sector tended to be much higher (22% above average,) especially at the federal level (85% above average);
- Private establishments tended to be small, averaging 12 employees per unit, with Information and Manufacturing having the highest figures;
- Highest average salaries in the Private Sector were found in Manufacturing, Professional & Business Services, Financial Activities, and Education & Health Services; and

<sup>16</sup> Employment reflects civilian employment and excludes military jobs.

- Lowest average salaries in the Private Sector were found in Leisure & Hospitality, followed by Trade, Transportation & Utilities, Information, and Construction.

	Establishment Count	Employees per Establishment	Annual Total Wages (000s)	Average Weekly Wage
<b>PUBLIC SECTOR</b>	<b>124</b>	<b>108</b>	<b>556,346</b>	<b>797</b>
Federal Government	40	79	200,178	1,214
State Government	59	22	47,768	715
Local Government	26	345	308,400	661
<b>PRIVATE SECTOR</b>	<b>5,099</b>	<b>12</b>	<b>1,926,900</b>	<b>621</b>
<b>Production of Goods</b>	<b>570</b>	<b>9</b>	<b>200,336</b>	<b>744</b>
Natural Resources	14	6	3,127	705
Construction	487	7	112,061	646
Manufacturing	70	25	85,148	931
<b>Provision of Services</b>	<b>1,979</b>	<b>12</b>	<b>763,114</b>	<b>595</b>
Trade, Transportation & Utilities	560	12	190,891	528
Information	30	27	26,373	633
Financial Activities	272	10	105,100	754
Professional & Business Services	394	10	163,034	815
Education & Health Services	243	16	149,418	754
Leisure & Hospitality	277	19	91,666	332
Other	205	7	37,631	549
<b>BAY COUNTY (total)</b>	<b>5,223</b>	<b>14</b>	<b>2,483,246</b>	<b>653</b>

*Note: data from this and previous exhibits are not comparable due to differences in reporting and counting criteria; figures may not add because of rounding.*

*Source: IBI Group calculations based on figures from the US Bureau of Census.*

#### **Exhibit 2.10 – Distribution of Establishments and Wages in Bay County, 2007**

Combining the information/data on employment from Exhibits 2.8 through 2.10, the following characteristics of the Bay County economy are evident:

- The County average weekly wage of \$653 (in 2007) was well below the state average of \$764, a clear sign of a higher number of low-paid jobs in the County. Of note, most employment in Bay County was provided by the private sector with average wages below the County and state averages;
- About 15% of employment in Bay County is in the Leisure & Hospitality sector; this sector had the lowest average weekly wages, and is typically characterized by high rates of temporary employment (eg. Temporary and/or seasonal and/or part-time); and
- County wages related to the production of goods, which generally have stronger spin-offs across the economy, represented only 10% of the aggregate annual total wages paid by the private sector in 2007.

Although Leisure and Hospitality showed a larger net employment loss, focus group participants including various agencies, county and city government representatives, downtown property owners and other stakeholders commented that Downtown Panama City lacked the proper amount of hospitality and tourism-related uses such as short term rentals, hotels, etc. Comments were also made regarding the potential relocation of the County offices, and that professional offices such as those used by attorneys, architects, engineers and other professional office tend to follow suit.

#### **2.4.4 BAY COUNTY – MAJOR EMPLOYERS**

Bay County's largest employers are significant contributors to the local economy. Key employers in the area include the military, government, health care, manufacturers and retailers as shown on Exhibit 2.11.

COMPANY	PRODUCT / SERVICE	EMPLOYMENT
Tyndall Air Force Base	Military	5,191
Naval Support Activity – Panama City	Military	3,816
Bay District Schools	Government	3,370
Bay Medical Center	Health Care	2,040
Wal-Mart	Retailer	1,240
Sallie Mae	Broker / Student Loans	1,200
Gulf Coast Medical Center	Health Care	850
Trane	Manufacturer	750
Smurfit-Stone Container Corp.	Kraft Linerboard	650
Eastern Shipbuilding	Industrial Marine Conversion	601
Winn Dixie	Grocery Store	580
City of Panama City	Government	567
Bay County	Government	528
Publix	Grocery Store	520
Gulf Coast Community College	State College	385
GAC Contractors	Road Maintenance	359

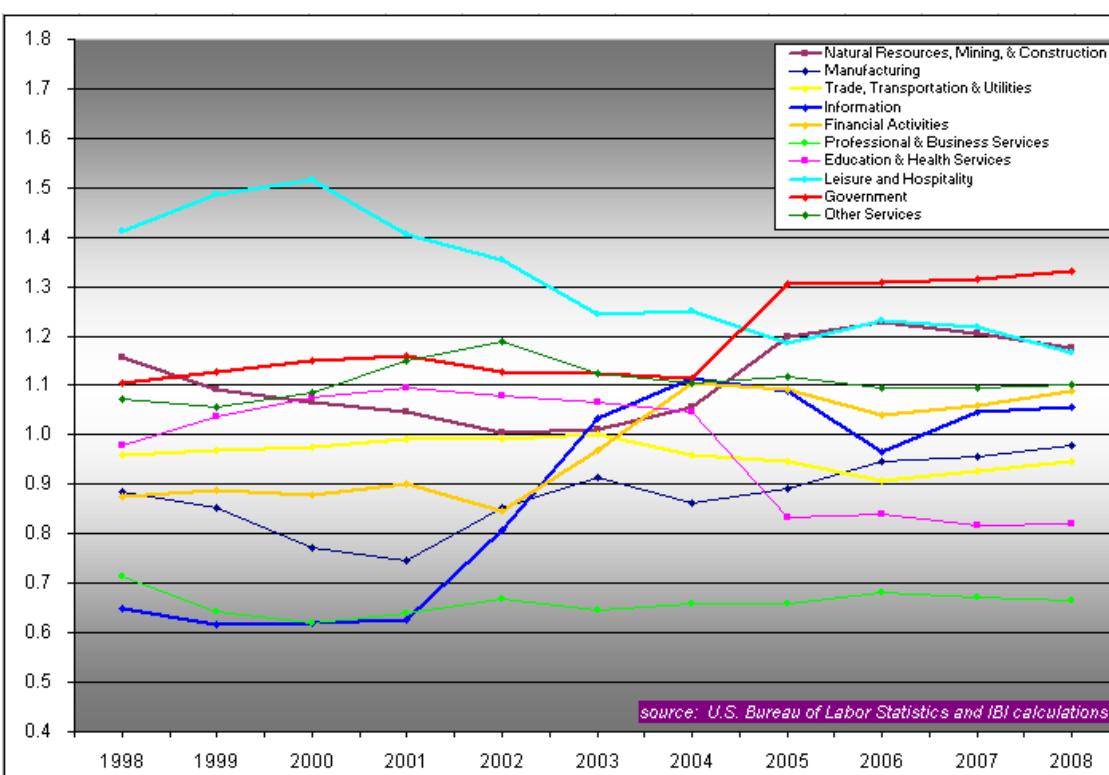
#### **Exhibit 2.11 – Bay County – Major Employer**

The economy is generally moving towards a service oriented economy rather than a goods producing economy. The data has borne this out for Bay County, NW Florida and the State of Florida as a whole. More traditionally, manufacturing has played a large role in economic development due to its high economic multiplier impact, i.e., the spin offs generated. In this regard, Bay County has a number of manufacturers which contribute to the economy. Exhibit 2.12 highlights some of the major manufactures in Bay County, their products and total jobs. Also of note, the County has a total of 59 establishments according to Bay County's Manufacturers Directory (Fall 2007). All of the manufacturers listed in the directory are located in Panama City.

BUSINESS NAME	PRODUCT	EMPLOYS
Trane	Air Conditioners	750
Smurfit-Stone Container Corp.	Kraft Linerboard	650
Eastern Shipbuilding	Industrial and Marine Conversion	601
Oceaneering Multiflex Inc.	Underwater Cable	286
Gulf Power Company	Utilities	250
Century Boats	Fiberglass & Outdoor Engines	240
Arizona Chemical	Fatty Acids, Resins, Terpenes	205
Berg Steel Pipe Corp.	Steel Pipes	200
News Herald	Newspaper Publishing	150
Peadon Air Conditioning	Air Conditioners & Heaters	150

**Exhibit 2.12 – Bay County – Largest Manufacturers**

An analysis of location quotients, a technique that synthesizes the relative distribution of employment over time into single indices of base 1, thus offering a simple way to compare the economic structure of different jurisdictions is shown on Exhibit 2.13. Quotients for the period 1998-2008 were calculated for Bay County, using Florida state values as the benchmark. These quotients are graphically represented in Exhibit 2.13.

**Exhibit 2.13 – Location Quotients for Major Economic Activities, Bay County relative to Florida Annual data, 1998-2008**

Key observations from the location quotient analysis include:

- Over the whole study period three sectors have been more representative in Bay County than in Florida (with values well above 1 – the state average – in the figure):
  - Leisure & Hospitality;
  - Government;
  - Natural Resources; and
  - Mining & Construction;
- Quotients for Leisure & Hospitality have been slowly decreasing over time, with levels of employment converging towards the state average; conversely, those for Government, and Natural Resources, Mining & Construction have been slowly increasing; and
- Quotients for Professional & Business Services and Educational & Health Services, with values consistently below 1, are indicative of a relatively poor contribution to the County employment; additional notice should be made to the sudden fall in the Educational & Health Services from 2004 to 2005.

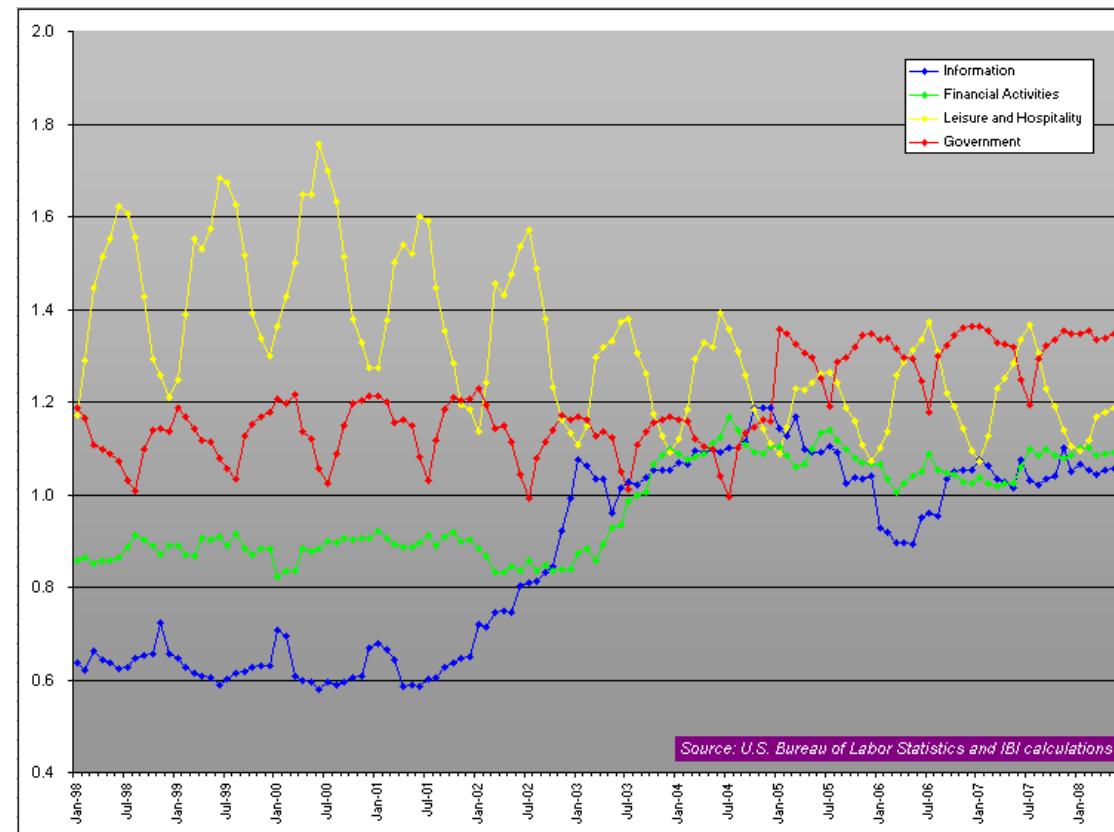
Overall, the quotients as a whole confirmed previous conclusions. Bay County employment has become more dependent on government and construction jobs, far more than the state average, and this trend is more pronounced after 2004. Conversely, the relatively low quotients for Professional & Business Services and Educational & Health Services, two sectors offering jobs that tend to be more progressive, specialized and better paid than the average, indicates some difficulty to increase the participation in more profitable and highly-specialized sectors.

An unexpected aspect revealed by the analysis of location quotients was the importance of short-term seasonal cycles in employment (see Exhibit 2.14). Leisure & Hospitality and Government, two sectors historically overrepresented in Bay County, have been following patterns almost symmetrical over time: in summer months the levels of employment in Leisure & Hospitality tend to raise, while in Government tend to drop; in winter months, the opposite happens, with employment in Government raising, and in Leisure & Hospitality dropping. To a lesser degree, cyclical trends in employment were observed in Information and Financial Activities. These cycles indicate that substantial numbers of temporary jobs are created (and terminated) from year to year.

Exhibit 2.14 shows the total number of jobs by source of income and their relative location in Bay County over the period 1980-2000<sup>17</sup>. Some general trends observed in the County:

- Private wage and salary workers have accounted for most employment, and their share of total employment has been on the rise (from 61% in 1980 to 68% in 2000,) with a net gain of over 22,256 jobs;
- The share of self-employed workers also increased from 7% to 10%, corresponding to a net gain of 4,141 jobs; and
- These share gains contrasted with share losses in the public sector, and especially the Federal Government (falling from 18% in 1980 to 12% in 2000,) despite a net increase of 2,779 jobs over the whole period.

<sup>17</sup> Figures cannot be compared with those in previous exhibits, because the public sector can fund activities classified separately in previous exhibits, like education and health services.



**Exhibit 2.14 – Location Quotients for Selected Economic Activities, Bay County relative to Florida Monthly data, 1998-2008**

It should be noted that these decreasing shares in public employment represent long-term trends over the period 1980-2000.

Along this shift towards more jobs in the private sector in Bay County, the spatial distribution of employment has also been changing. By 1980, 63% of the County's jobs were located in Panama City, but by 2000 this figure was below 45%; even in government jobs, the City share fell from 41% in 1990 to 34% in 2000. The following observations are evident from Exhibit 2.15:

- By 1980 the number of Private Wage and Salary Workers working in Panama City was about three times larger than in the rest of Bay County; by 2000, the figure for the rest of the County had surpassed the City's;
- From 1980 to 2000 Panama City had a net loss of State and Local Government workers of -167, while the rest of the County posted a net gain of +2,194; and
- The most significant gains in Panama City were in Self-Employed workers (+870,), but the corresponding figure for the rest of the County was much higher (+2,542).

		Bay County	Panama City	Rest of Bay County
Total – All Jobs	1980	41,069	25,726	15,343
	1990	58,698	31,609	27,089
	2000	70,020	31,180	38,840
	1980	25,214	18,810	6,404
Private Wage & Salary Workers	1990	38,417	22,763	15,654
	2000	47,470	23,105	24,365
	1980	7,338	926	6,412
Federal Government	1990	9,439	2,021	7,418
	2000	8,090	1,185	6,905
	1980	5,253	4,192	1,061
State and Local Government	1990	6,875	4,742	2,133
	2000	7,280	4,025	3,255
	1980	2,919	1,532	1,387
Self-Employed	1990	3,648	1,940	1,708
	2000	7,060	2,810	4,250
	1980	346	214	132
Unpaid Family Work	1990	319	143	176
	2000	120	60	60

Source: HUD User and U.S. Bureau of Census.

**Exhibit 2.15 – Jobs by Classification of Worker and Place of Work in Bay County, 1980-2000**

Overall, job growth has been stronger outside Panama City. The City has been gaining private sector jobs (especially self-employed,) but losing government jobs. In the last inter-census period, it also posted a negative net job growth (-429 workers, or -1.4%).

#### 2.4.5 INCOME

In the context of employment and income, Panama City's relative income profile reveals a number of concerns:

- In 2000, the median household income in the City was \$31,745; this is considerably lower than the County median household income of \$44,800; and
- For the Downtown, the median household income was approximately \$10,000 (or 1/3 of the City's median household income); Downtown North had a median household of \$18,555 equivalent to about 60% of the City level<sup>18</sup>.
- The poverty rate was above 17% in the City, and 13% in the County; child poverty rate was close to 25% in the City, and below 19% in the County (both for year 2000).

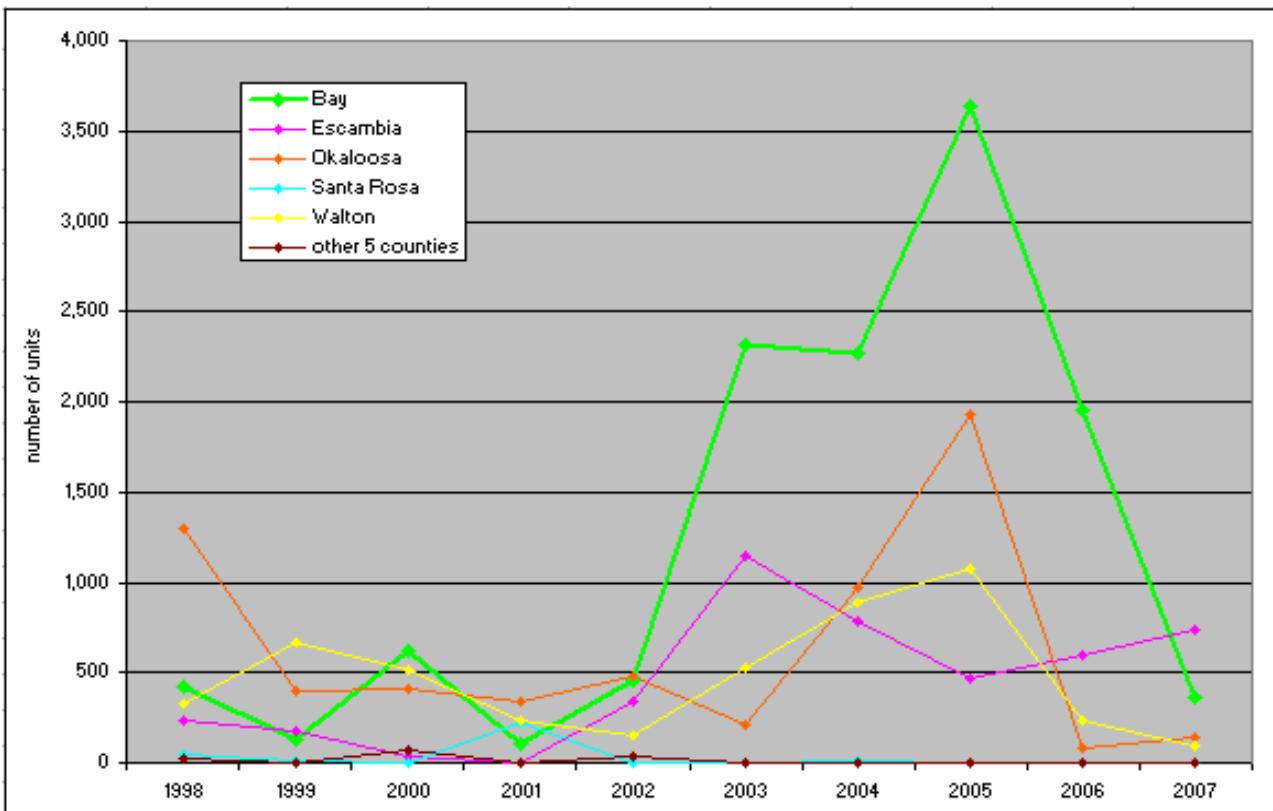
## 2.5 Real Estate Development Trends

### 2.5.1 REGIONAL TRENDS

Real estate activity has been very intense in North West Florida in recent years, with record building permits issued in all five metropolitan counties – Bay, Escambia, Okaloosa, Santa Rosa and Walton – over the period 2002-2005 (HUD User 2008,) but relatively low figures in the five rural counties.

<sup>18</sup> According to ESRI data.

Figures for single-family structures in all metropolitan counties were consistently between 1,000 and 2,000 permits per year during this period. In regard to permits for structures of 5 or more units, figures for Bay County were substantially higher, with permits for more than 10,000 units issued during the period 2003-2006, more than the other nine counties of the region combined (see Figure 2.16.)



**Exhibit 2.16 – Building Permits for Residential Structures of >4 Units, North West Florida, 1998-2007 (Source: HUD User)**

After 2005 the number of permits for every type of structure started decreasing significantly throughout the region, and for 2007 they had reached figures below 500 permits per year in most counties, comparable to those found in the 1990s (see Exhibit 2.17).

## 2.5.2 COUNTY AND LOCAL TRENDS

Property sales data at the County level and for five-digit ZIP code areas (the smallest spatial unit with disaggregated data available) allowed for the identification of real estate trends by type of development over time. Information covering real estate sales over the period 1996-2007 was obtained for ZIP 32401 (which broadly covers the southern half of Panama City, including Downtown and Downtown North) and compared to figures for the rest of Bay County. **INCLUDE ZIP MAP HERE**

The share of ZIP 32401 has been relatively small and stable, varying between a low of 6.8% in 2005 and a peak of 9.6% in 2006. When looking at figures in detail, the following details should be noted (see Exhibit 2.17; *note differences in the y-scale*):

- In ZIP 32401 the resale of single-family houses has historically been the most frequent type of housing, and reached a peak of 654 operations in 2004.
  - Over the period 1996-2007 single family resales amounted to between one half and 2/3 of all real estate transactions in the area;
  - The sales of residential lots and improved commercial properties followed in terms of quantum of sales but were well below the single family resales.
  - Of note, new condo/townhouse sales have typically been relatively low, except in 2006 when they peaked at approximately 125 units.
- The real estate transaction pattern has been very more diversified in the rest of Bay County, with the resale of single-family houses and the sales of residential lots being the two most frequent types of transactions over the whole period; their combined share remained relatively stable between 57% and 62% from 1997 to 2005, but fell under 50% after 2006; and
- The sales of new condos/townhouses have been gaining relevance, and by 2007 (when reached a total of 1,744 transactions) they were already the second most important real estate sales type in the County.

Such differences are consistent with data on housing previously discussed. In southern Panama City the housing stock remains relatively stable, without a significant number of new units or sales of new residential lots, while most new activity occurs in the rest of the County. The moderate number of new residential lots/units within Panama City is partially due to the existing zoning and permitted process that exists in Panama City.

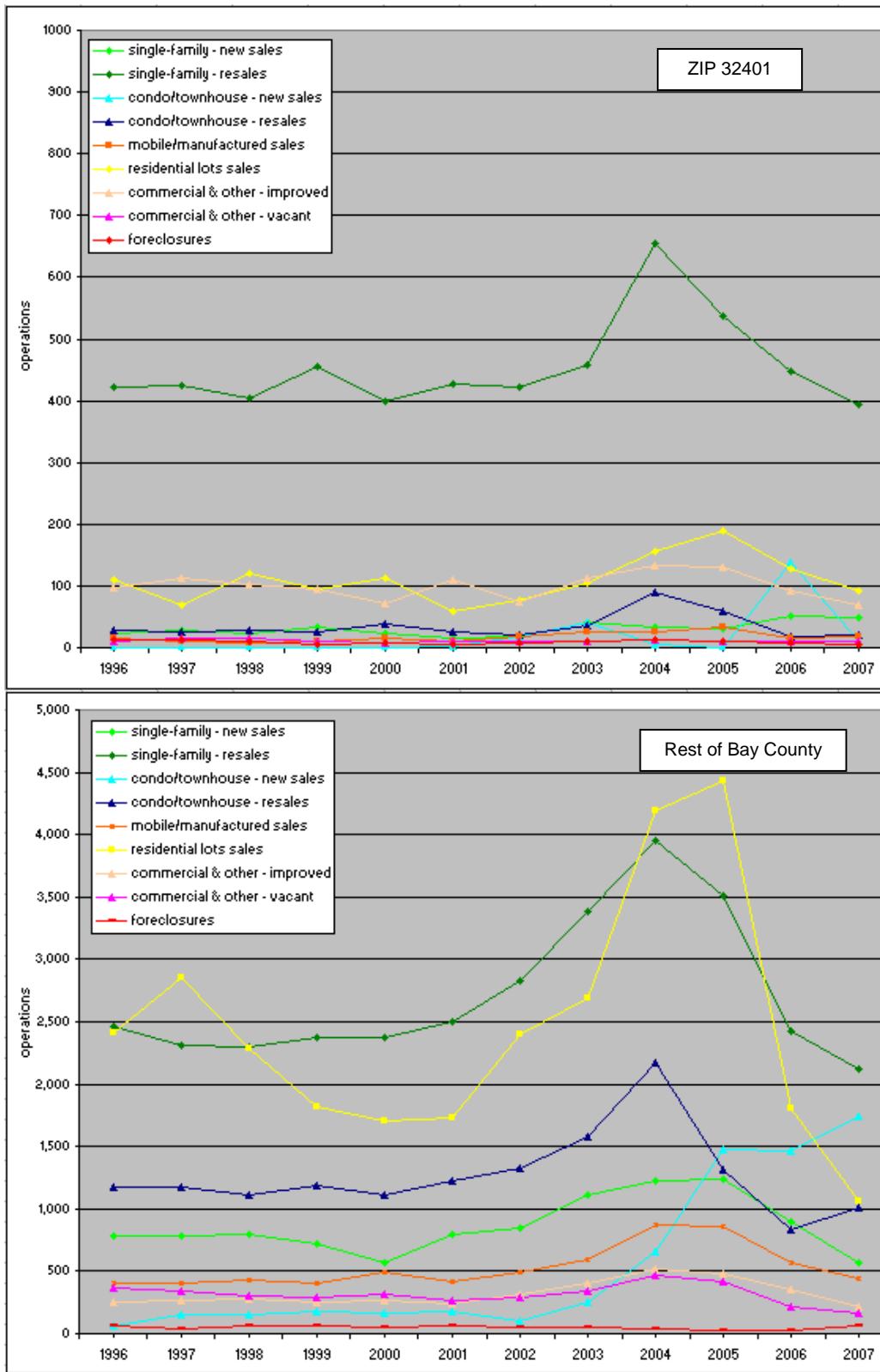


Exhibit 2.17 – Real Estate Sales by Type in ZIP 32401 &amp; Rest of Bay County, 1996-2007

These differences are summarized in Exhibit 2.18, which shows the ZIP 32401 share of real estate transactions in Bay County over the period 1997-2007 (2<sup>nd</sup> column) and, the average price of transactions in ZIP 32401 compared with the County average over the same period. For every type of transaction, the average sales price in this part of the City was significantly lower than the County average, particularly for residential lots and single-family resales (53% and 57% of the County average, respectively.)

	ZIP 32401 share of Bay County Sales	ZIP 32401 share of Bay County Sales Price
Single-family - new sales	3.7%	71.9%
Single-family - resales	14.5%	57.2%
Condo/townhouse - new sales	3.6%	62.8%
Condo/townhouse - resales	2.6%	79.8%
Mobile/manufactured	2.9%	67.4%
Residential lots	4.6%	53.2%
Commercial & other - improved	23.9%	65.5%
Commercial & other - vacant	3.7%	69.5%

Source: IBI calculations based on figures from Metro Market Trends, Inc.

Ex 2.18 – Average Real Estate Sales Share &amp; Sales Price in ZIP 32401 Relative to Bay County 1997-2007

In general, data consistently indicates that the Panama City real estate market has been less dynamic, and property values have been lower relative to Bay County as a whole. For instance:

- There is a much higher proportion of loans for the refinancing of 1 to 4 family units in the City (51% versus 42% for Bay County, as of 2005, the most recent data available);
- The median loan for home purchase of 1 to 4 family units was significantly lower in the City, an indication of lower property values (\$142,224, versus \$216,663 for Bay County, figures of 2005); and
- A higher proportion of mortgages refinanced by subprime lenders in the City (23.7%, versus 19.4% for Bay County, figures of 2004).

The pattern found in commercial real estate is not fundamentally different for that found in residential. An analysis of recent transactions within and outside ZIP 32401 confirms that office and retail properties in the southern half of Panama City are generally older, smaller, and sell for lower prices than the County's averages (see Exhibit 2.19).

	ZIP 32401		Bay County	
	2004-2007	2007 only	2004-2007	2007 only
Office Sales				
median year of construction	1957	1961	1972	1979
average area (square feet)	3,986	8,231	5,085	9,564
sales price per square foot	\$107	\$135	\$126	\$148
Retail Sales				
median year of construction	1961	1972	1972	1980
average area (square feet)	4,976	6,667	5,007	6,900
sales price per square foot	\$105	\$103	\$151	\$133

Source: IBI calculations based on figures from LoopNet Inc.

Ex 2.19 – Selected Commercial Real Estate Sales Data - ZIP 32401 &amp; Bay County, 2004-2007

When comparing 2007 figures to the 4-year period average a few changes are noticeable:

- The average size of commercial properties being sold was increasing in both in the City and the County; and
- The average sales price for the area increased substantially for offices, but conversely the price decreased for retail properties.

The drop in price per unit of area in retail space could be contextual, related to both the recent slowing down of demographic growth and to the opening of the new Pier Park Mall, with over 600,000 square feet.

In order to evaluate the "business" supply in Downtown Panama City, the oldest and densest cluster of office and retail in the subject study area, a comprehensive set of internet searches was undertaken. Exhibit 2.20 provides a summary of the results.

- A large number and broad variety of businesses exist Downtown;
- The high concentration of businesses along Harrison Avenue, with about 90 businesses in a strip less than 1-mile long, which corresponded to more than half of the businesses in the area; and
- The existence of some specialized clusters, like the Antiques, Crafts & Gifts stores concentrated along Harrison Avenue, north of 4<sup>th</sup> Street, and the Law offices found east of Harrison Avenue.

	Harrison Avenue		Other Downtown		Total
	south of 4 <sup>th</sup> Street	north of 4 <sup>th</sup> Street	west of Harrison	east of Harrison	
<b>OFFICES</b>	<b>11</b>	<b>14</b>	<b>15</b>	<b>32</b>	<b>72</b>
Construction & Engineering	1	1	2	0	4
Finance	4	7	5	7	23
Law	3	2	5	23	33
Real Estate	3	3	1	1	8
Other	0	1	2	1	4
<b>RETAIL</b>	<b>26</b>	<b>42</b>	<b>17</b>	<b>10</b>	<b>95</b>
Art	4	3	4	1	12
Photography	1	1	1	1	4
Antiques, Crafts & Gifts	2	10	0	1	13
Electronics	0	4	0	0	4
Fashion & Apparel	3	2	1	0	6
Home Furnishing	2	7	1	0	10
Personal Health & Beauty	1	3	4	4	12
Restaurants & Eateries	7	8	4	2	21
Sports & Recreation	2	1	0	0	3
Other	4	3	2	1	10
<b>TOTAL</b>	<b>37</b>	<b>56</b>	<b>32</b>	<b>42</b>	<b>167</b>

Source: IBI research.

Exhibit 2.20 – Businesses in Downtown Panama City by type and location, 2008

The number of commercial properties currently available for lease in Bay County is not very large, and it was not possible to collect comprehensive data; a sample of thirty properties provides an indication of average leasing rates in the market. Once more rates were generally lower in the City than elsewhere in the County (see Exhibit 2.21.)

	Downtown and Downtown North	Rest of Bay County
Offices, Shops and Restaurants average area (square feet) average annual rent per square foot	3,665 \$9.96	5,245 \$12.69
Industry, Storage and Vehicle-related average area (square feet) average annual rent per square foot	6,840 \$5.94	5,570 \$6.15

Source: IBI calculations based on figures from LoopNet Inc.

Ex 2.21 – Selected Commercial Leasing Data - ZIP 32401 & Bay County, 2004-2007

## 2.6 Panama City-Bay County Airport Relocation Future Land Use

The Panama City-Bay County International Airport *Detailed Specific Area Plan* was developed in 2003 to address future land uses for the area surrounding the relocation of the Panama City-Bay County International Airport. The relocation of the new airport spurred Bay County to start to question its long-term land use changes and opportunities for economic development for the lands surrounding the new airport location. As a result, an Optional Sector Plan was created for the area surrounding and including the new airport location, which encompasses approximately 75,000 acres of north central Bay County. Land uses proposed in the sector planning area include the following:

- Agriculture/timberland
- Airport and industrial district
- Business Center
- Conservation
- Low-intensity village
- Regional employment center
- Village
- Village Center
- West Bay Center.

Land uses that will generate economic development opportunities are discussed in the following excerpts from the plan (emphasis added)

**The airport and industrial district** land use is intended to allow a **full range of uses and activities** normal to the operation of airports and aviation-related facilities. All uses compatible with and supporting aviation and airport operations will be permitted within the land use. Uses within the airport and industrial district may include all uses related to the operation of the airport, manufacturing and warehousing, restaurants, transient lodging including hotels, motels, bed and breakfast inns, including conference centers, retail sales, including department, grocery, drug, and specialty stores, professional offices, personal services, entertainment venues, and infrastructure facilities.

**The Business Center** land uses will allow a **wide range of commercial, retail, business, office, and service uses and activities** which provide supporting services to expected airport facilities and which gain access to the market provided by the airport visitors and surrounding

residents. Typical uses are those which will supply goods and services required for the operation of the airport, and commercial uses and activities which will serve both the surrounding neighborhoods and the wider region. **Public institutional uses will be allowed** and are encouraged with this land use. Uses allowed in the business center district include: transient lodging, including hotels, motels, bed and breakfast inns, retail sales, including department, grocery, drug and specialty stores, restaurants, financial institutions, professional offices, personal services, religious institutions, educational facilities, campuses, and other public facilities, medical facilities, entertainment venues, recreational facilities, infrastructure facilities, and silviculture.

The area defined as the **Regional Employment Center**, aims to attract **aviation-related and general industrial businesses and service and distribution facilities** that would benefit from a location near an airport. It will be used for **large-scale industrial, manufacturing, educational, and research campuses and office parks** to provide "landing zones" for businesses and industries relocating to Bay County. The aim of this land use is to allow active interrelationships and interaction between uses on the airport site and within the regional employment center district. It is specifically intended that some uses may share between the airport and industry district and the regional and employment center land uses.

The **Village Center** land use is intended to be a **mixed-use center providing a combination of residential, commercial, retail, business, office, service, and public facility** uses commonly needed to serve multiple neighborhoods or a small community. It is intended to be at a scale that serves the surrounding neighborhoods without drawing from a regional market. Village Center land uses are located at intersections of major roads and highways which will create activity centers at nodes where traffic access can be carefully controlled. Land uses allowed within the Village Center include: single family detached and attached units, townhomes and patio homes, multi-family units, including apartment buildings, duplexes, triplex, quadplex units, and garden apartments, retail sales, including regional, community, and neighborhood-scale shopping centers, department, grocery and drug stores, and specialty stores, transient lodging, restaurants, financial institutions, professional offices, personal services, churches, educational facilities, campuses, and other public facilities, medical facilities, entertainment venues, recreational facilities, infrastructure facilities, and silviculture.

Reference was made earlier in this section of the report to the relocation of the Panama City/Bay County International Airport; the site work was started in January 2008 and the Terminal and Support Facilities has gone through the bid process. As of October 2008, construction of the new airport was 46% complete. Construction is going ahead of schedule, with the runways and other hard paved surfaces almost completed.

The relocated Panama City-Bay County Airport will provide numerous jobs to the Bay County region, and in turn will provide various job opportunities to residents of Panama City.

Of note plans for the existing airport site indicate likely residential development. Given the setting of the site, the opportunity exists for the creation of a well planned neighborhood. The site represents an example of an opportunity for increased population growth within Panama City.

## 2.7 Additional Observations

In a report of this nature there are always additional issues that should be added to the discussion, especially those relating to major relevant opportunities and constraints. A brief assessment of some of them will follow.

### **Diversification Would Strengthen County & Local Economy**

Overall, Bay County has developed an economy that is not substantially diversified; it is highly dependent on the public sector and on regular waves of external investment (linked to seasonal tourism and to real estate opportunities.) This model has been able to generate some periods of strong economic growth, but also presents structural economic challenges: (1) it is based on a relatively low-priced supply, leaving few alternatives to compete besides lowering prices; (2) it is identical to many coastal areas of the South, thus every place has no significant comparative advantage over its neighbors; and (3) by being highly dependent on external economic trends it leaves the area highly vulnerable to market downturns. The more dependence on low revenue groups, the more vulnerable to any change because investment from such groups tends to be the first to contract.

### **City's Waterfront: Significant Opportunity**

The City's waterfront, arguably its major asset, has been developed in ways that do not stimulate investment or interest. The Downtown waterfront portion, featuring mostly paved surfaces, lacking trees and shade, pedestrian walkways, places to stop and stay, does not lend itself to be a place to spend leisure time and enjoy the natural scenery; rather it seems more like a place to quickly go through by car. The County Jail and the refinery are both major visual impediments and physical hurdles to developing a continuous recreational corridor along the water. On the positive side access to the water remains easy and unobstructed, therefore most options remain in place. The west side, all the way to St. Andrews, could be landscaped and transformed in a waterside promenade with relatively small interventions.

### **Educational Infrastructure**

Considering the size of the metropolitan area, Panama City's college population is relatively small, especially when compared to other metropolitan areas of North West Florida. Additionally, and given the importance of tourism and marine activities in the local economy and the large proportion of older residents, the absence of college degrees on tourism, arts and entertainment, marine biology, fisheries, and the limited number of programs oriented to health-related services, is somewhat surprising. Buildings such as the Old Public Library or the old County Offices on Mulberry Street and other spaces along West Government Street have the potential to become the core of a second college education area in town, and thus could contribute to revitalizing the Downtown.

Of interest and importance is the economic value that educational infrastructure brings to a community. Recent work published by the Metropolitan Policy Program at Brookings reveals significant spin off benefits occur in areas where there are opportunities for higher education.

### Crime is a Concern

Through discussions with stakeholders the matter of crime was raised<sup>19</sup>. IBI Group's research reveals that of crime, particularly property related crime<sup>20</sup> is relatively high in the City. Crime statistics from 1980 through 2005 show a general decline in crime relative to the Florida index (see Exhibit 2.22). A potential solution to assist in addressing this matter could include higher police visibility and some form of regular police presence in the Downtown area and Downtown North, a possible solution when considering the clustering of public services, businesses and law courts found in the Downtown area.

Violent Crime Index Based Upon 100,000 People in Panama City [black] and in Florida [red]

Year	Murder/Manslaughter	Rape	Robbery	Aggravated Assault	Total Violent Crime
2005	5.3 / 2.6	50.1 / 62.4	200.4 / 34.8	630.3 / 432.7	886.2 / 552.4
2004	10.6 / 6.5	73.9 / 68.7	171.5 / 59.7	627.8 / 430.6	883.7 / 565.5
2003	2.7 / 2.7	90.9 / 81.0	232.7 / 74.3	684.6 / 472.5	1,010.9 / 630.5
2002	7.9 / 6.7	86.7 / 75.9	236.3 / 67.9	522.6 / 540.3	853.4 / 690.7
2001	8.0 / 4.1	88.3 / 84.1	248.9 / 66.5	428.3 / 573.8	773.5 / 728.4
2000	5.5 / 5.6	82.4 / 77.9	205.9 / 45.9	549.2 / 474.5	843.0 / 603.9
1995	7.8 / 2.8	62.2 / 49.9	210.0 / 31.3	806.3 / 444.5	1,086.3 / 528.5
1990	2.9 / 5.9	32.0 / 41.0	168.7 / 27.3	773.8 / 456.8	977.4 / 530.9
1985	5.3 / 9.9	64.1 / 101.4	138.8 / 54.4	507.1 / 197.9	715.2 / 363.7
1980	12.1 / 5.6	60.4 / 56.1	108.8 / 56.1	568.0 / 72.9	749.2 / 190.7

Property Crime Index Based Upon 100,000 People in Panama City [black] and in Florida [red]

Year	Burglary	Larceny Theft	Vehicle Theft	Total Property Crime
2005	957.4 / 691.5	4,238.3 / 2,646.1	274.3 / 216.3	5,470.0 / 3,554.0
2004	1,176.5 / 656.3	4,616.3 / 2,902.6	350.8 / 260.7	6,143.7 / 3,819.5
2003	1,310.4 / 791.0	5,811.2 / 3,620.8	414.5 / 290.7	7,536.2 / 4,702.5
2002	1,407.5 / 918.2	5,532.8 / 3,621.0	365.0 / 252.8	7,305.3 / 4,792.0
2001	1,134.9 / 857.3	4,464.5 / 3,996.0	329.2 / 196.7	5,928.6 / 5,050.0
2000	1,257.7 / 802.9	4,322.2 / 3,133.8	258.1 / 231.0	5,837.9 / 4,167.8
1995	1,527.1 / 995.8	5,574.1 / 3,456.2	378.5 / 176.7	7,479.7 / 4,628.7
1990	2,085.6 / 1,059.9	6,038.7 / 2,801.1	392.7 / 283.0	8,517.1 / 4,144.1
1985	1,662.7 / 776.9	6,864.2 / 942.7	258.9 / 257.3	8,785.7 / 1,977.0
1980	2,546.8 / 911.4	6,320.2 / 1,155.3	347.4 / 235.6	9,214.5 / 2,302.2

Exhibit 2.22: Crime Statistics – Panama City Relative to Florida, 1980 to 2005

<sup>19</sup> The issue of crime was raised in a stakeholder meeting with City staff on May 8, 2008.

<sup>20</sup> Property related crime includes burglary, larceny theft and vehicle theft. Violent crime includes murder/manslaughter, rape, robbery and aggravated assault.

### History & Heritage: Opportunities for Growth

Historic buildings and connections in the area abound. There are several places in the National Registry of Historic Properties (Belle Booth House, Sapp House, Sherman Arcade), and others with considerable tourist interest (Martin Theater, Atlanta & St. Andrews Bay Line Diesel Shop.) They could provide the core elements for developing design guidelines for further development in the historical district, and for increasing its visual appeal and homogeneity. Tax breaks could be considered for building renovations and residential extensions following such guidelines. An attractive and unique historic design, faithful to the local heritage, could provide a focus for tourism marketing and increase property values and visitation.

This is an opportunity for Downtown North as well. Given the predominant African American ethnicity of the Downtown North there are opportunities to create heritage related facilities that assist in community building.

#### Downtown: Build on Strengths, Increase Activity

Downtown Panama City has been able to retain a good number of assorted businesses over the years, despite the lack of any substantial increase in jobs, construction, and residents; about 150 different units were identified, two-thirds of them on Harrison Street alone. In this context, any significant increase in business opportunities must be related to one out of three scenarios – increasing the resident population, increasing local employment, increasing the number of visitors – or, preferably, some combination of all of them.

The concentration of public services and small business makes it difficult to understand the lack of commercial accommodation in Panama City's Downtown. The inventory of hotels/motels along major arterials in the City (as well as hotels in Panama City Beach) likely diminish the opportunities in the Downtown. While the current overnight visitor flows seem unable to sustain a sizeable property in the Downtown area, some smaller units, including bed and breakfasts, are necessary. The introduction of water taxis offering a direct link to the barrier islands across the bay has the potential to increase the market demand, especially for age groups trying to escape more congested and noisy areas by the ocean; in this way it would be possible to lodge in a quiet area and go to the beaches when desired.

Most visitors to Bay County are seasonal beachgoers, and consistently all commercial accommodation is close to the ocean: incentives are limited to make them visit communities across the bay. Downtown events tend to be small, designed for locals, and related information is not easy to find, especially before planning a vacation. It is important to maintain the successful main street program, but the calendar can be supplemented by progressively adding seasonal events in the shoulder season targeting diverse but relatively specialized tourism market niches (e.g. a short film festival, a university theatre festival, a collectors' fair) and taking advantage of the waterfront location (e.g. short and long distance boat races, bay-crossing races, boat shows.) A few regular commercial events around the marina and the Civic Center can also contribute to strengthen a water- and action-related component.

Finally, the centennial celebrations are around the corner. There is little time to introduce major changes in the program, but the event could be used as a point of reference, marking a new beginning – Panama City, a centennial community.

### 3. MARKET OPPORTUNITIES

#### 3.1 Market Profiles

In carrying out the analysis for the Downtown and Downtown North, it was critical to understand the areas independently and in context in order to examine market opportunities for housing and retail development. Exhibit 3.1 provides a market profile of Downtown, Downtown North and Panama City.

Variable	Downtown	Downtown North	Panama City
Tapestry Segment			
Dominant Segment			
Other	<b>Social Security Set</b> Modest Income	<b>Modest Income</b> City Commons Social Security Set	<b>Midlife Junction</b> Prosperous Empty Nesters Great Expectations
Housing Units			
Owner Occupied	28%	43%	52%
Renter Occupied	62%	58%	48%
Housing Structure			
Single Family	43%	75%	67%
Apartments	57%	25%	33%
Median Yr Hhld Arrived	1995	1995	1995
Median Yr of House/Structure	1968	1957	1969
Other Household Characteristics			
Median Hhld Income	\$ 11,000	\$ 20,180	\$ 35,200
Total Households	293	1,556	15,350
Average Rent	\$ 260	\$ 274	\$ 417
Avg Hhld Size	1.68	2.22	2.3
Median Age	42	37	38
Household Type			
Married Couple	19%	26%	42%
Other Family	14%	38%	19%
Householder Living Alone	63%	36%	32%
Race/Ethnicity			
White Alone	71%	28%	74%
Black Alone	25%	72%	22%
Education			
less than 9th gr	6%	16%	7%
9th-12th gr, no diploma	25%	26%	14%
High School Grad	37%	29%	30%
Some College	17%	19%	23%
Employment Status			
In labour force	24%	47%	56%
Not In labour force	76%	54%	44%
Employment Pop by Industry			
Transportation/Utilities	15%	7%	4%
Services	61%	59%	50%
Finance/Insurance/Real Estate	7%		7%
Construction		10%	9%
Public Administration		7%	7%
Retail Trade		6%	13%
Avg Travel Time to Work (in minutes)	14	18	19
Avg # of vehicles			
none	41%	24%	11%
1	43%	46%	42%
2	12%	30%	34%
2007 Average Consumer Spending/Household			
Apparel & Services	\$ 783	\$ 1,149	\$ 1,813
Computers + Accessories	\$ 73	\$ 106	\$ 182
HH Furnishings	\$ 570	\$ 899	\$ 1,527
TV/Video/Sound Equipment	\$ 376	\$ 567	\$ 872
Food at Home	\$ 1,676	\$ 2,410	\$ 3,670
Food Away from Home	\$ 1,065	\$ 1,575	\$ 2,482
Entertainment/Recreation	\$ 931	\$ 1,459	\$ 2,420
Health Care	\$ 1,254	\$ 1,916	\$ 2,895

**Exhibit 3.1 – Market Profile**

Based on the findings of ESRI Business Information Solutions, a commercial research company, the population in the study areas can be set within a typology of market segments according to their consumer and lifestyle preferences.

The Downtown area is dominated by the Social Security Set as well as representation from the Modest Income group. **The Downtown North Area is dominated by the Modest Income group and includes the Social Security Set as well as City Commons.** And Panama City overall is dominated by Midlife Junction followed by Prosperous Empty Nesters and Great Expectations. The following summarizes general characteristics of these market segments is as follows:

- **Social Security Set** – Seniors; low income; education ranging from no high school to high school graduate; typically resides in high rise rental; white or black race/ethnicity; activities include church, fraternal order or veterans' club; attend movies once a week; watch game shows.
- **Modest Income** – Other family households or singles; low income; employment focused on services or skilled labor or unemployed; education ranging from no high school to high school graduate; typically resides in single family dwelling or duplex; black race/ethnicity; activities include eating out at fast food restaurants; listen to urban and gospel radio, watch cable and syndicated TV.
- **City Commons** – Single parent/single households; low income; employment focused on services; education ranging from no high school to high school graduate; typically resides in multiunit rentals; black race ethnicity; activities focus on clothing shopping, cell phones and listening to urban and gospel radio.
- **Midlife Junction** – Traditional living in mixed households; middle income, employed in professional/management or services; some college education; typically resides in single family or multi family units; white race ethnicity; activities include fishing and softball, attend country music concerts, watch classic movies on DVD.
- **Prosperous Empty Nesters** – Seniors; upper/middle income; employed in professional or management; education ranging from some college to bachelor/grad; resides in single family units; white race/ethnicity; activities include playing golf, furniture refinishing, reading daily newspaper.
- **Great Expectations** – Mixed households; lower/middle income; employed in professional/management/skilled or services; high school graduates or some college; resides in single family or multifamily units; white race/ethnicity; activities include listening to rock radio, watch cable or syndicated tv.

The short descriptions of the relevant market segments provide some key differences to be taken into consideration in examining market opportunities for development including housing and retail.

The profiles provide an opportunity for a more detailed comparative analysis. Of particular importance is the relative comparison of the Downtown and Downtown North against Panama City in total. The information reveals a stark reality:

- The Downtown is dominated by an elderly, female<sup>21</sup>, white, low income population, residing alone in rental apartments and less mobile.

<sup>21</sup> This finding is augmented by the population analysis in Section 2 of this report.

- The Downtown North is more diverse and tends to reside in single family rentals, has low/moderate income, is more mobile<sup>22</sup> and more diversified in its education/employment composition.
- The profile for Panama City shows very different market tendencies: owner occupied single family dwellings, moderate income, white, married couples, higher level of education, diversified employment, mobile and higher levels of consumer spending.

### 3.2 Residential Opportunities

Typically the determination of housing market opportunity in a given geographic area is a function of anticipated growth in the area. Usually, a population forecast provides the foundation of the need to provide additional housing to accommodate the forecast growth. Alternatively, data on housing starts by type would provide absorption trends. In the case of Panama City, including the Downtown and the Downtown North areas, reliable forecasts and/or absorption data are not available. Other studies carried out have relied on a **trend** analysis as the basis of the forecast rather than any real understanding of the market fundamentals. This is particularly relevant in examining the opportunities in the Downtown and Downtown North as the market profile findings have a considerable impact on the forecast.

In recent years, the population of Panama City has hovered around the 37,000 level. There is no indication that this is expected to change significantly. Further, in recent years, the housing market has focused on other areas in Bay County as noted on Exhibit 3.2. While the data is from 2006, the likelihood is that the location of future residential development has not changed significantly. Through the City's Planning Department, development order information (2003-2008) provided up-to-date information on new residential building permit activity in Panama City. The data provided revealed only two new residential building permits: (1) a 2003 permit for 8 units, and (2) a 2008 permit for 243 units. This information further emphasizes the lack of substantive growth in the City in recent years.

At the time of writing, the BBP report for the Panama City Downtown Improvement Board reported on a number of projects either underway or proposed. These included:

Harbor Village in St Andrews – a 116 unit project which opened in June 2006. The project by Triomphe Properties LLC, reserved all 116 units within the first day of open sales.



<sup>22</sup> In this case mobility refers to average # of vehicles per household.

Most residents were from Panama City and Lynne Haven and include retiree aged residents. The location of this residential development located adjacent to the St Andrews Marina and the historic St Andrews area bodes well for the development.

Massalina Commons was a 130 mixed use development proposed for a site adjacent to McKenzie Park in Downtown Panama City. In addition to the 130 residential units, 9 commercial/office spaces and 34 boat slips were proposed. The initial sales reservations were from Panama City and Lynne Haven residents, approximately half of which were retiree aged residents currently residing in the Cove



neighborhood. This project did not proceed.



Snug Harbor in Millville, proposed 393 residential units and was marketed as the "boater's resort" complete with a marina and a slate of recreational activities. This project did not proceed.

Relative to the scale of other housing development in the Downtown and Downtown North, the two proposed projects which did not proceed, were proposed in a different economic climate compared to the current economic conditions. However, at the time of writing the BBP report, it was noted that there was already some skepticism in the market for more projects of a similar type i.e., high density, mid to upscale units with a menu of amenities. Important to consider is that both the Harbor Village and Massalina Commons projects derived a significant proportion of their sales from the retiree aged residents from Panama City and Lynne Haven. IBI Group concurs with the findings of the BBP report that there is a limit to the number of units required or demanded by residents with this socio-economic profile. With the baby boomer market heading into retirement, the depth of the retiree market will be growing over the next decade, however, there are also many competitive cities and towns looking to attract the retiree market across the nation.

Based on the socio-economic profile of the Downtown, Downtown North and the City as a whole, IBI Group believes that there is a need for diversification in the socio-economic composition of the CRAs. There is a need to increase the "24/7" life of the Downtown in particular. Currently the area has a very limited population; in turn this limited population is constrained in terms of its age, mobility and disposable income.

The previously proposed developments had the advantage of direct waterfront access. The Downtown, with the exception of the Marina/Civic Centre/City Hall area, has few waterfront properties available. Further, while it would be an amenity to have a waterfront property, the challenge is to create activity IN the Downtown. The parcel analysis of the Downtown shows that much of the parcel fabric is devoid of residential activity. The introduction of infill development to the area, would provide increased traffic and activity into the area which in turn would generate support for retail and service activity and more "eyes on the street" to allow for passive monitoring; that is, more people living/working in an area 24 hours a day, seven days a week, therefore making it safer.

Earlier in the report, it was noted that single family unit resales have dominated the immediate market area but has fallen off in recent years. Condo/townhouse new sales have typically been very low over the last decade, with the exception of Harbor Village in St Andrews. Similarly, resale condo/townhouse units have been in decline since 2004. By contrast, in the rest of Bay County, both new sales and resales of single family units have dropped sharply since 2004. In the condo/townhouse market new unit sales have been generally been rising since 2002 – however – there was a plateau in the 2004-2006 timeframe – and the market picked up again in 2007. The condo/townhouse resale market declined in the 2004-2006 timeframe but picked up again in 2007.

For the purposes of this analysis, the opportunity for residential development in the Downtown is focused entirely on the condo/townhouse market. Discussions with realtors did not provide any updated absorption information on multifamily residential units in Panama City. The BBP analysis was based on an absorption rate of 17 units/year; this estimate was derived from units reserved or purchased by areas outside the Downtown for the projects noted. As will be demonstrated in Section 4.1, a pro forma analysis has been carried out using an absorption level of 24 units/year.

Given current economic conditions, and the absence of forecasts and documented trends, it is difficult to estimate the opportunities for residential development. In addition, with the deepening mortgage crisis, **Panama City needs to employ some strategies to ready itself when the housing market levels out and starts to improve.** Suggested strategies include:

- Look for opportunities to rezone areas to residential where it was not previously allowed.
- Ensure a reasonably smooth development approval process; this will help attract developers to Panama City, although it may take longer than anticipated to proceed with the development due to the current lending environment.
- Examine niche residential market opportunities. For example, investigate alternative housing types. Given the artistic and cultural community, a loft style condominium development, with ground floor artist gallery space could find market acceptance. This type of development will accommodate the desire to have residential development in the downtown/harbor area, and it will appeal to the arts community that current enjoy the various artistic opportunities in Panama City. This “niche” market will enable Panama City to differentiate itself from the competitive market, which is focused on beach condo type development.

### 3.3 Office Market

The Panama City office market is comprised of some 250,000 sf of space in 53 buildings<sup>23</sup>. The majority of this space is located within one block of Harrison Avenue. Based on analysis carried out by IBI Group (in Section 2.5), it was determined that there were some 72 businesses located in office space in Downtown Panama City. Law offices represented 45% of the offices, followed by finance (32%), real estate (11%) and construction/engineering/other (11%).

The office market in Downtown is largely driven by the existence of the County Court House. For some time, it has been rumored that a Federal Court House was to locate Downtown, but to date nothing has come to fruition. Under current economic conditions, it is unlikely that any federal investment will be occurring in the short term future.

<sup>23</sup> *Retail, Restaurant, Lodging, Office and Residential Market Findings, Downtown Panama City, FL*, prepared by BBP Associates for the Panama City Downtown Improvement Board, April 18, 2006.

Development order information (2003-2008) indicates issuance of building permits for new offices in Panama City. While the pattern appears to be sporadic in terms of location, there appears to be some concentration of activity along Highway 231.

The BBP report for the DIB noted that the average space per office worker in Panama City was about 345 sf/worker. Further, the DIB noted a low vacancy of just under 5%. IBI Group has not been able to obtain updated data for the purposes of this study. Based on the BBP data, the sf/worker estimate is very high when compared to other areas, but discussions with DIB suggested that there had not been any significant changes. Typically, offices are planned to allow for about 200-250sf/worker. The Panama City standard is more in line with space standards of 10-20 years ago. Thus, there is an opportunity for more efficient use of space in the existing office space. In the absence of new office product coming on stream, it is likely that existing businesses will reduce work station/office space per worker rather than create demand for new space. However, the vacancy rate of 5% suggests that the market is constrained. There may be a dynamic at play with the office space per worker which is having an impact on the vacancy levels.

Earlier data (see Section 2.5) revealed that office space statistics suggest a surge in market activity. Sales of office space (as opposed to leasing) showed an increase in the average size and price/sf sold across both the Zip Code 32401 (i.e., southwest Panama City, including Downtown and Downtown North) and Bay County. The increase in sales per sf was 26% in the zip code and 17% in Bay County. Also of note, the age of the facilities (i.e., median year of construction) in the zip code reflected much older product compared to the County.

In terms of leasing rates, current data shows that space in Downtown and Downtown North is currently leasing for just under \$10/sf compared to \$12.69 for the rest of Bay County. The differential in rates is likely due to the age of the space and issues such as parking and amenities.

Similar to the residential analysis, office market opportunity is typically determined by examining one of two factors: (1) employment growth forecasts by sector, or (2) office space absorption trends. This data does not exist for Panama City or Bay County. In the absence of an anchor tenant or commitment and construction of facilities such as a federal courthouse, new office space would be purely speculative.

Notwithstanding this finding, large and modern office spaces with greater parking opportunities in the Downtown could compete more effectively with the existing office corridors along 23<sup>rd</sup> Street and Route 98. As well the amenities in the area would also entice potential tenants, including: the range of restaurants and services in the Downtown, the marina/waterfront, potential conference type facilities at the Civic Centre and the already concentration of office activity in the area. Key to attracting new users is the availability and “hassle-free”/free provision of parking.

BBP had estimated office demand of some 56,000 sf over a 10 year timeframe or approximately 5,600 sf annually. Assuming 250 sf/worker, the 5,600 sf of office space would translate into 22 jobs annually. In the 2000-2006 timeframe, a total of 7,750 jobs were added to industries typically located in office space (including financial, professional and business services, other services and information) in Bay County. Discounting that estimate by 50% to allow for such uses to locate in retail type space (e.g. banks, realtors etc.), leaves 3,875 job growth over 6 years or 645 jobs annually. Downtown would have to attract 3.4% of total “office jobs” annually, in order to meet the BBP forecast of 5,600 sf of office space annually. In our view, achieving this capture rate of office employees would be possible with the appropriate marketing and attraction strategy.

### 3.4 Retail Opportunity

In assessing retail opportunity for the Downtown and Downtown North, a range of inputs and assumptions was used to ascertain potential. Of note, the issue of market area is a key consideration. In the absence of specific origin destination data of existing shoppers, the results of the Friday Fest survey respondents are used as a proxy. Results from that event indicate that some 80% of visitors to the Downtown originate in Panama City, Lynn Haven, Callaway, Parker and Springfield. While the survey indicates that a small portion of survey respondents came from other Bay County areas, they tended to be much more dispersed. A visual review of the Bay County area also reveals that access from municipalities outside the aforementioned immediate environs of Panama City Beach is hindered by lack of road access and distance considerations. Therefore, for analysis purposes, the market area for retail purposes focuses on Downtown and Downtown North, as well as the rest of Panama City, Lynn Haven, Callaway, Parker and Springfield.

Exhibit 3.3 provides an analysis of retail opportunity in Downtown. Flowing through the exhibit from top to bottom the analysis is as follows:

- Identify the population for Downtown, Downtown North and the City as a whole and the market area extending out to Lynn Haven, Callaway, Parker and Springfield. Limited population growth is expected in the area, thus the 2007 population estimate is used;
- Identify per capita spending by category based on ESRI data;
- Identify market share estimate for expenditures directed to Downtown;
- Apply market share to per capita expenditures;
- Sum the total expenditures from all market areas;
- Apply an inflow estimate;
- Apply sales/sf performance standards; and
- Finally, estimate supportable sf and compare to existing inventory estimate to identify areas of opportunity.

It should be noted that in the Spring of 2008, a new shopping and entertainment center opened up in the Panama City Beach area, called Pier Park. Pier Park is located 14 miles west of Panama City, and encompasses one million total square feet of retail, entertainment, and restaurant development. Pier Park is an open-air center that features a combination of specialty retailers, department stores, entertainment, tourist attractions, and other dining options. Key anchor stores include Dillard's, Target, JC Penney, Old Navy, and the Ron Jon Surf Shop. In addition, Pier Park includes a 16 movie theatre complex. Pier Park is run by the Simon Property Group, which is the largest public U.S. real estate company. Pier Park is a development that is in direct competition with all other retail establishments along the Emerald Coast. It contains large retail chain stores, restaurants, and entertainment options that other areas do not currently have. It is part of the destination for visitors throughout the Panama City Beach area. It is also in direct competition with the current businesses in Panama City and adjacent municipalities. In trying to estimate market share for Downtown and Downtown North, consideration for existing retail facilities needs to be incorporated. This includes Pier Park as well as other competitive shopping areas.

The analysis reveals opportunities in the following: durable goods (i.e., computers, household furnishings, video/tv etc.) food stores and restaurants (food away from home). An estimated 13,000 sf of net additional retail/service space is supportable.

	2007		
	Downtown	Downtown North	Other Panama City, Lynn Haven, Callaway, Parker & Springfield
<b>Population</b>	398	3,721	76,880
<b>Annual Per Capita Spending</b>			
Apparel & Services	\$ 466	\$ 518	\$ 788
Computers & Accessories	\$ 43	\$ 48	\$ 79
Household Furnishings	\$ 339	\$ 405	\$ 664
TV/Video/Sound/Other	\$ 224	\$ 255	\$ 379
Food at Home	\$ 998	\$ 1,086	\$ 1,596
Food Away From Home	\$ 634	\$ 709	\$ 1,079
<b>Potential Market Share for Downtown</b>			
Apparel & Services	30%	10%	7.5%
Computers & Accessories	30%	5%	5%
Household Furnishings	25%	10%	5%
TV/Video/Sound/Other	50%	25%	13%
Food at Home	80%	5%	0%
Food Away From Home	25%	10%	5%
<b>Potential Expenditures Directed to Downtown</b>			
Apparel & Services	\$ 55,649	\$ 192,587	\$ 4,545,112
Computers & Accessories	\$ 5,188	\$ 8,883	\$ 304,177
Household Furnishings	\$ 33,759	\$ 150,684	\$ 2,552,082
TV/Video/Sound/Other	\$ 44,538	\$ 237,591	\$ 3,643,443
Food at Home	\$ 317,642	\$ 201,973	\$ -
Food Away From Home	\$ 63,076	\$ 263,990	\$ 4,148,177
<b>Total Potential Expenditures by Category</b>			
Apparel & Services	\$ 4,793,348		
Computers & Accessories	\$ 318,249		
Household Furnishings	\$ 2,736,524		
TV/Video/Sound/Other	\$ 3,925,572		
Food at Home	\$ 519,615		
Food Away From Home	\$ 4,475,243		
<b>Total Expenditure Potential Including Inflow</b>		<b>Inflow factor</b>	<b>Total Expenditures</b>
Apparel & Services		5%	\$ 5,045,629
Computers & Accessories		5%	\$ 334,999
Household Furnishings		10%	\$ 3,040,583
TV/Video/Sound/Other		10%	\$ 4,361,747
Food at Home		5%	\$ 546,963
Food Away From Home		10%	\$ 4,972,492
<b>Performance Per Sq. Ft</b>			
Apparel & Services	\$	200	
Computers & Accessories	\$	150	
Household Furnishings	\$	100	
TV/Video/Sound	\$	150	
Food at Home	\$	200	
Food Away From Home	\$	200	
<b>DOWNTOWN NORTH CRA OPPORTUNITY</b>			
<b>Space Opportunity</b>	<b>Supportable Space</b>	<b>Existing Inventory</b>	<b>Opportunity</b>
Apparel & Services	25,228	25,700	(472)
Computers & Accessories	2,233	960	1,273
Household Furnishings	30,406	30,100	306
TV/Video/Sound/Other	29,078	25,200	3,878
Food at Home	2,735	25,515	2,082
Food Away From Home	24,862		
<b>Total</b>	<b>114,543</b>	<b>107,475</b>	<b>7,068</b>

**Exhibit 3.3 – Retail Analysis – Downtown Opportunity**

## 4. DEVELOPMENT OPPORTUNITIES

To assist the CRA in understanding the development decision making process two analyses have been provided: a proforma analysis of a mixed use development in the Downtown, and a supermarket market analysis for the Downtown North. These are provided to give the CRA insight into a developer's consideration of potential development in either geographic area.

### 4.1 Proforma Analysis – 400 Grace Avenue

A proforma analysis is provided on Exhibits 4.1 through 4.3. A proforma analysis essentially provides a financial feasibility analysis for a proposed project. In its simplest form it examines costs/expenses relative to revenues. Costs/expenses included in the analysis are broad ranging and include: land, construction, landscaping, tenant improvements, approval related costs, impost/impact fees, financing fees, building soft costs (i.e., design, construction admin fees, accounting, legal and building permits), marketing and other costs. Revenues are achieved through either sale of units or rental of retail space. The feasibility of the project is determined through the relative position of costs and revenues. A prospective investor/developer will be interested only if the return on investment is reasonably good relative to other investment opportunities. Thus, if a project results in costs exceeding revenues, investment will not occur.

For demonstration purposes, the analysis assumes a mixed use development at 400 Grace Avenue comprised of 80 residential units, 20,000± sf of retail/office at grade and 4 levels of structured parking (320 parking spaces). The analysis assumes a "mid-market" conventional mid to hi-rise development. The detailed assumptions are provided on Exhibit 4.1.

Additionally, two options are examined to demonstrate the potential impact of a change in a key cost assumption:

- **Option 1** – Developer pays \$1 million for land costs; and
- **Option 2** – Assumes DIB provides their lands at no cost AND CRA contributes remaining land costs AND tax increment financing occurs.

The proforma commences with a project description profile. Assumptions include number of units, building gross floor area (gfa), construction costs, net saleable/leasable area, selling price or rental rent. Assumptions reflect local conditions/market expectations. Other assumptions are noted on Exhibit 4.1. The inputs are synthesized such that a cashflow analysis is undertaken. In its simplest form the cashflow takes the anticipated costs relative to the anticipated revenues to estimate cash surpluses or shortfalls on an annual basis. The cashflow stream is then expressed in terms of a net present value (discounted at 10% to September 1, 2008). Exhibit 4.2 provides the cashflow tables. The analysis assumes full build/out and sale of units (retail and residential) at 2012.

The analysis reveals a negative cashflow under **either** option – suggesting investment could not be attracted based on current market conditions and assumptions. However, with the assistance of contributions from DIB/CRA under Option 2, the potential improves.

Exhibit 4.3 provides a succinct summary of the results. The results indicate that, based on the cashflow analysis, the proposed project would yield results **BELOW** the break even point (i.e. where costs = revenues) without consideration for profit margins. Under the analysis carried out, a developer/builder would not pursue the development as proposed. The detailed cashflow analysis is provided in Appendix A.

### Panama City (400 Grace Avenue)

#### Assumptions of Proforma Financial Analysis (in 2008 \$)

##### Project Description

SITE	1.3 Acres	(1) Number of Units	Building GFA Sq. Ft.	Construction Cost \$/SF GFA	Net Saleable/ Leasable Sq. Ft.	Average Size (Saleable Sq. Ft./ Unit)	Selling Price \$/Net SF	Rental Rate \$/Net SF
Condo. Units		80	120,000	\$135	120,000	1,500	200	300,000
Retail / Office At Grade			20,300	\$110	18,676			\$10
Total		80	140,300		138,676			

Condo Units	- Gross to Net Ratio assumed at	100%
Office / Retail	- Gross to Net Ratio assumed at	92%
Land Cost	Option 1 \$ 1,000,000	\$500K for DIB parcels + \$500,000 for remaining parcels
	Option 2 \$ -	\$500K assumed to be provided for DIB parcels in value of land + +\$500K for remaining parcels provided by CRA
Tenant Improvement for Retail	\$ 20 /Net Sq. Ft.	
Leasing Commission for Retail	\$ 5 /Net Sq. Ft.	
Operating Cost for Vacant Retail Space	\$ 2.5 /Net Sq. Ft.	
The rental revenue of the Retail space will be capped at	7.0%	with a 5.0% vacancy allowance
Parking Spaces	320 Spaces at a construction cost of	\$15,750 /Space
Each Space GFA	400 SF	
Total Parking GFA	128,000 SF	(Excluding circulation)
Monthly Absorption	2 Units,	60% Units Pre-sold before Construction Start
Sales Receipt	15% Deposit,	85% at Closing
Sales Commission	3.5% of Sales Revenues	

##### Development Schedule

	From	To	No. of Months
Design Development	2008-10-01	2009-02-28	5
Planning Approval	2009-03-01	2009-08-31	6
Building Permit Approval	2009-09-01	2010-02-28	6
Pre-Sale	2009-09-01	2010-02-28	6
Construction	2010-03-01	2012-02-29	24
Landscaping	2011-09-01	2012-02-29	6
Closing	2012-03-01	2012-05-31	3
Sales After Closing Start	2012-06-01	2012-12-31	7
Total Time (months)	2008-10-01	2012-12-31	51

##### Building Soft Costs

(Includes Permits/ Fees, Legal/ Accounting, Design-Construction-Admin, Contingency)

#### Exhibit 4.1 – Assumptions

**Panama City (400 Grace Avenue)****Assumptions of Proforma Financial Analysis (in 2008 \$)****Other Capital Costs**

	Total	\$/Unit	From	To
Impact Fee	\$100,000		2009-03-01	2009-08-31
Landscaping / Common Area	\$250,000		2012-03-01	2012-02-29
Marketing/Advertising Cost	\$120,000	\$1,500		
Appliances	\$800,000	\$10,000	2012-02-01	2012-02-29
Condominium Legal Fee		\$1,000		
50% Sales Period	\$40,000	\$500		
50% Closing Period	\$40,000	\$500		
Home Warranty Insurance	\$48,000	\$600	2010-02-01	
After Sales Service	\$40,000	\$500	2012-03-01	2012-05-31
Financing Fee	1.25% of Borrowing Amount			

Escalation Factor	Revenue	2.0% Per Annum	Base Year	2008
	Cost	3.0% Per Annum	Base Year	2008

Capital Financing	Interest Cost	6.5% Per Annum
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**Annual Tax Increment Financing** \$ 100,000 (Only in Option 2)

Interest on Deposit	Earned by Project	3.5% Per Annum
	Paid to Purchaser	2.5% Per Annum

**Discount Rate** 10.0% to 2008-09-01

(1) Profile by Floor - (Based on email - September 22, 2008)

Floor	Retail GFA	# of Units	Parking spots	Total GFA
1	20,300	0	80	52,300
2		0	80	32,000
3	0	0	80	32,000
4	0	0	80	32,000
5	0	20		30,000
6	0	20	0	30,000
7	0	20	0	30,000
8	0	20	0	30,000
	20,300	80	320	268,300

**Exhibit 4.1 – Assumptions cont'd****Panama City (400 Grace Avenue)**  
**Summary of Cash Flow in Inflated Dollars (\$'000)**

OPTION 1	LAND COST \$500K for DIB parcels + \$500,000 for remaining parcels	NPV \$/SF of GFA \$6,243	NPV at 10.0% 2008-09-01 Z = Y/X	\$'000											
				Total	2008	2009	2010	2011	2012	2013	2014				
X															
Net Saleable/ Leasable Sq. Ft. 138,676															
Y															
Residential Net Revenues \$131 \$18,164 \$24,524 \$0 \$184 \$562 \$573 \$23,205 \$0 \$0															
Retail Income capitalized at 7% \$15 \$2,025 \$2,760 \$0 \$0 \$0 \$0 \$2,760 \$0 \$0															
Total Net Sales Revenues (Net of Sales Commission) \$146 \$20,189 \$27,283 \$0 \$184 \$562 \$573 \$25,965 \$0 \$0															
Annual Tax Increment Financing \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0															
Capital Costs incl. Debt Financing but excl. Portion Financed by Equity (\$137) (\$18,946) (\$25,589) \$0 (\$184) (\$562) (\$573) (\$24,270) \$0 \$0															
Cash Flow after Debt Financing but before Repaying Developer's Equity \$9 \$1,243 \$1,695 \$0 \$0 \$0 \$0 \$1,695 \$0 \$0															
Repay Cash Equity (\$33) (\$4,580) (\$6,243) \$0 \$0 \$0 \$0 (\$6,243) \$0 \$0															
Project Net Cash Flow for Developer (\$24) (\$3,337) (\$4,548) \$0 \$0 \$0 \$0 (\$4,548) \$0 \$0															

OPTION 2	LAND COST \$500 assumed to be provided for DIB parcels in value of land + +\$500K for remaining parcels provided by CRA	NPV \$/SF of GFA \$6,243	NPV at 10.0% 2008-09-01 Z = Y/X	\$'000										
				Total	2008	2009	2010	2011	2012	2013	2014			
X														
Net Saleable/ Leasable Sq. Ft. 138,676														
Y														
Residential Net Revenues \$131 \$18,164 \$24,524 \$0 \$184 \$562 \$573 \$23,205 \$0 \$0														
Retail Income capitalized at 7% \$15 \$2,025 \$2,760 \$0 \$0 \$0 \$0 \$2,760 \$0 \$0														
Total Net Sales Revenues (Net of Sales Commission) \$146 \$20,189 \$27,283 \$0 \$184 \$562 \$573 \$25,965 \$0 \$0														
Annual Tax Increment Financing \$3 \$448 \$500 \$100 \$100 \$100 \$100 \$100 \$0 \$0														
Capital Costs incl. Debt Financing but excl. Portion Financed by Equity (\$131) (\$18,149) (\$24,392) (\$100) (\$284) (\$662) (\$673) (\$22,674) \$0 \$0														
Cash Flow after Debt Financing but before Repaying Developer's Equity \$18 \$2,488 \$3,391 \$0 \$0 \$0 \$0 \$0 \$0 \$0														
Repay Cash Equity (\$33) (\$4,580) (\$6,243) \$0 \$0 \$0 \$0 (\$6,243) \$0 \$0														
Project Net Cash Flow for Developer (\$15) (\$2,092) (\$2,851) \$0 \$0 \$0 \$0 (\$2,851) \$0 \$0														

**Exhibit 4.2 – Summary Cashflow**

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Panama City CRA, Florida  
PANAMA CITY ECONOMIC & REAL ESTATE MARKET ANALYSIS

Capped Retail Revenue @	Condo Selling Price \$/ SF	Project Net Cash Flow for Developer	NPV of Project Net Cash Flow for Developer @10%	NPV of Project Net Cash Flow for Developer per SF of GFA (138,676 SF)
		(\$Current Total inflated)	(\$1000)	(\$1000)
Option 1	\$ 2.76 M	\$200	(\$ 4.50 M)	(\$ 3.31 M)
Option 2	\$ 2.76 M	\$200	(\$ 2.85 M)	(\$ 2.09 M)
Option 1 (At Breakeven)	\$ 2.76 M	\$237	Almost Zero	Almost Zero
Option 2 (At Breakeven)	\$ 2.76 M	\$223	Almost Zero	Almost Zero

## Exhibit 4.3 – Summary Results

## 4.1.1 ADDITIONAL CONSIDERATIONS

Given the results of the proforma analysis, a conventional developer of a typical condominium housing project would not invest in the proposed development. Consideration should be given to examining alternatives, which would include:

- Excluding or significantly reducing the structured parking; this component of the test case comprises \$5.04 million or some 21% of the capital cost;
- Appealing to a niche market such as a live/work lifestyle development which could appeal to the artistic buyer/user – this type of construction would be less expensive due to structural and finishing considerations; and
- Provide gallery/exhibit space at grade. This space could provide the artistic community with space to showcase their work at nominal cost. The space might also provide a venue for art classes.

		Capped Retail Revenue	Condo Selling Price \$/ SF	Project Net Cash Flow for Developer (\$Current Total inflated) (\$M)	NPV of Project Net Cash Flow for Developer @10% (\$M)	NPV of Project Net Cash Flow for Developer per SF of GFA (138,676 SF)
		(\$1000)	(\$1000)	(\$1000)	(\$1000)	(\$1000)
<b>Sensitivity Analysis Results</b>						
<b>Option 1</b>	Excluding Parking Construction Hard Costs	2,760	\$200	\$1,619	\$1,188	\$9
<b>Option 2</b>	Excluding Parking Construction Hard Costs	2,760	\$200	\$3,274	\$2,402	\$17
<b>Sensitivity Analysis - Break Even - Price / Sq Ft</b>						
<b>Option 1</b>	Excluding Parking Construction Hard Costs @ Breakeven	2,760	\$187		Almost Zero	
<b>Option 2</b>	Excluding Parking Construction Hard Costs @ Breakeven	2,760	\$174		Almost Zero	

## Exhibit 4.4: 400 Grace Avenue - Mixed Use Development - Proforma - Sensitivity

Exhibit 4.4 provides a sensitivity analysis of the proforma, excluding the structured parking. The impact of excluding this one component reveals that a project of this nature can be a feasible undertaking under the appropriate conditions. Additional sensitivities could be run which reduce impact fees, reduce soft costs, reduce landscaping fees as well as appliance costs. A change to the type of unit proposed such as a loft style, which has a lower per sq ft construction cost could also impact the “bottom line”. The “tweaking” of the project and the associated costs can result in a more feasible undertaking which could potentially appeal to investors. Under the more traditional or conventional model, as reflected in the base case, there would likely be little market appeal.

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Panama City CRA, Florida  
PANAMA CITY ECONOMIC & REAL ESTATE MARKET ANALYSIS

## 400 Grace Avenue - Mixed Use Development - Proforma

			Capped Retail Revenue	Condo Selling Price \$/ SF (inflated)	NPV of Project Net Cash Flow for Developer (\$ Current Total inflated)	NPV of Project Net Cash Flow for Developer per SF of GFA (138,676 SF)
<b>Absorption = 2 units per month</b>						
<b>A1</b>	Option 1	\$500K for DIB parcels + \$500,000 for remaining parcels	2,760	\$200	(\$4,500)	(\$3,310)
	Option 2	\$500K assumed to be provided for DIB parcels in value of land + \$500K for remaining parcels provided by CRA	2,760	\$200	(\$2,800)	(\$2,090)
	Option 1 @ Breakeven		2,760	\$237		Almost Zero
	Option 2 @ Breakeven		2,760	\$223		Almost Zero
<b>B1</b>	Option 1	Excluding Parking Construction Hard Costs	2,760	\$200	\$1,619	\$1,188
	Option 2	Excluding Parking Construction Hard Costs	2,760	\$200	\$3,274	\$2,402
	Option 1	Excluding Parking Construction Hard Costs @ Breakeven	2,760	\$187		Almost Zero
	Option 2	Excluding Parking Construction Hard Costs @ Breakeven	2,760	\$174		Almost Zero
<b>Absorption = 1 unit per month</b>						
<b>A2</b>	Option 1	\$500K for DIB parcels + \$500,000 for remaining parcels	2,760	\$200	(\$5,673)	(\$2,809)
	Option 2	\$500K assumed to be provided for DIB parcels in value of land + \$500K for remaining parcels provided by CRA	2,760	\$200	(\$3,709)	(\$1,745)
	Option 1 @ Breakeven		2,760	\$241		Almost Zero
	Option 2 @ Breakeven		2,760	\$227		Almost Zero
<b>B2</b>	Option 1	Excluding Parking Construction Hard Costs	2,760	\$200	\$1,381	\$1,093
	Option 2	Excluding Parking Construction Hard Costs	2,760	\$200	\$2,355	\$2,193
	Option 1	Excluding Parking Construction Hard Costs @ Breakeven	2,760	\$190		Almost Zero
	Option 2	Excluding Parking Construction Hard Costs @ Breakeven	2,760	\$176		Almost Zero

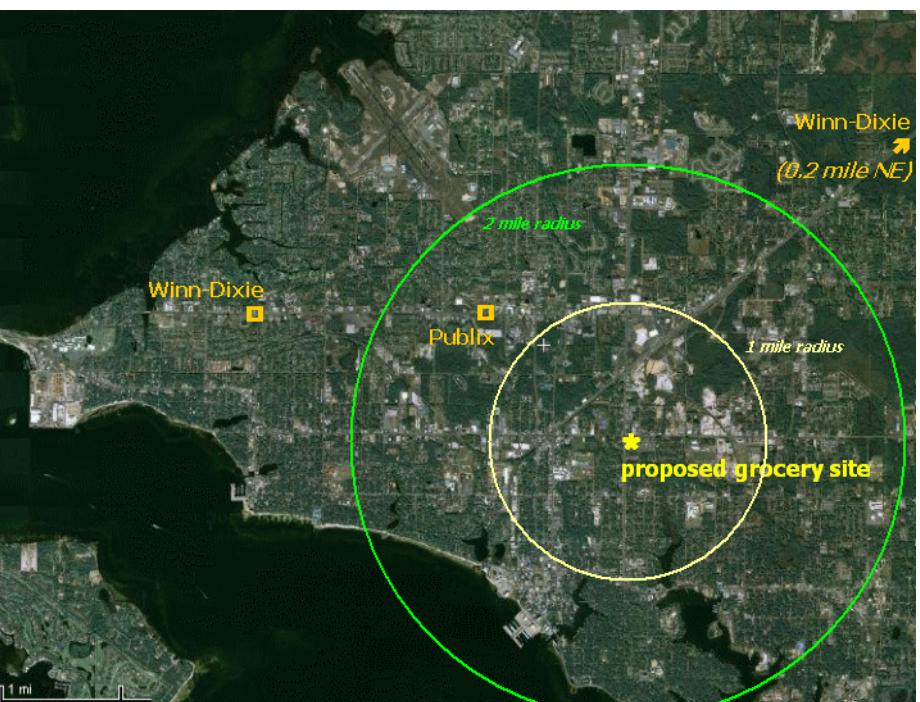
## Exhibit 4.5 – Sensitivity Analysis

Exhibit 4.5 provides a sensitivity analysis which assumes a reduced absorption rate from 24 units/year (i.e., 2 units/month) to 12 units/year (i.e., 1 unit/month). This sensitivity analysis reflects the impact of a slower absorption rate.

Panama City CRA, Florida  
PANAMA CITY ECONOMIC & REAL ESTATE MARKET ANALYSIS

## 4.2 Market Analysis: Grocery/Supermarket Store Potential

For the Downtown North, a market analysis of a potential grocery store/supermarket at 15<sup>th</sup> Street and Cove Blvd. was carried out. The site location is shown on Exhibit 4.6; the location of competitive supermarkets is also shown as is the geographic extent of a 1 and 2 mile driving distance. The 1 and 2 mile radii is typical of a small supermarket trade area which relies on local market support. We recognize that large format supermarkets draw from a much broader geographic area, however, such a supermarket is not contemplated for the Downtown North due to site availability, the location of competitive facilities as well as the characteristics of the local population.



**Exhibit 4.6 – Proposed Grocery Store Location and 1 & 2 mile radii**

Exhibit 4.7 provides a summary of the market analysis. The analysis reveals, under the range of assumption made, a store of some  $33,000 \pm$  sf is supportable. Given that the store would draw predominantly from the local market area, focusing on the Downtown North, and to ensure sustainability, the store could be in the 20,000 to 30,000 sf range.

A review of supermarket characteristics<sup>24</sup> in areas similar to Downtown North suggest the size range is 17,000 to 35,000 sf function successfully. Supermarkets reviewed included independent owners as well as small, medium and large chains. Competitors were located within 1-2 miles of the supermarket median. Store sales varied, but were in the range of \$150 to \$250.

<sup>24</sup> Sources include *Supermarket Characteristics and Operating Costs in Low-Income Areas*, Robert P. King et al, United States Dept. of Agriculture, December 2004; *Healthy Food Healthy Communities*, Policy Link/The California Endowment, Fall 2005; *Food, Markets and Healthy Communities*, Northside Grocery Store, 2008; and *Healthy Foods, Strong Communities*, Rebecca Flournry, 2006.

The National Housing Institute has conducted several studies, and found that distressed communities that have experienced years of population, job loss and physical and economic decline benefit from a new grocery store development because the stores can contribute to the area's economic development and revitalization. The stores create jobs for local residents, capture dollars currently being spent outside of the community, recycle money in the local economy and increase local sales tax revenue.

Many cities across the United States are exploring "public/private partnerships" as a way to meet the public's need for infrastructure, community facilities, and services. Public/private partnerships are agreements between government and private sector organizations that feature shared investment, risk, responsibility, and reward. Reasons for such arrangements often involve financing, design, construction, operation, and maintenance of public infrastructure and services.

A successful example where a supermarket was developed within a community that lacked a sizable grocery store is the Sweetbay Supermarket in St. Petersburg, Florida. It is also an example of a public/private partnership. The City of St. Petersburg, Florida agreed to purchase the property needed to construct the supermarket, rezoned parcels where necessary, replatted the lots into one parcel, and removed liens and other encumbrances against the properties that comprised the supermarket. Financing the development of the supermarket in St. Petersburg, Florida came from numerous partners and a complex financing package. Once the land was ready for construction, the City agreed to lease the property for 99 years with an annual payment of \$5. Once constructed, the supermarket has resulted in property tax revenue increasing from \$6,000 in 2000 to over \$110,000 in 2006. Since the supermarket is located in a designated community development area, a portion of the increased tax revenue could be utilized to fund additional redevelopment projects in the surrounding neighborhood.

The model used to bring the Sweetbay Supermarket on stream could be replicated in Downtown North. Further, the supermarket functions as an "anchor" around which other stores and services can function. In addition to providing a retail service to the community, jobs are created for local residents, property tax values increase, activity increases and there are a range of intangible benefits including community pride.

**Grocery Store/Supermarket Opportunity - Downtown North****Primary Trade Area**

Primary Trade Area Population (1 mile radius from site) 8,500

Average Per Capita At Home Food Expenditures \$ 1,086

Supermarket/Grocery Share 70%

Average Per Capita Supermarket/Grocery Store Expenditure \$ 760

Market Share Directed to Subject Site 70%

Primary Trade Area Expenditures Directed to Subject Site \$ 4,523,190

**Secondary Trade Area**

Secondary Trade Area Population (within 2 miles of site) 26,500

Average Per Capita At Home Food Expenditures \$ 1,596

Supermarket/Grocery Share 70%

Average Per Capita Supermarket/Grocery Store Expenditure \$ 1,117

Market Share Directed to Subject Site 5%

Secondary Trade Area Expenditures Directed to Subject Site \$ 1,480,290

Sub-total Trade Area Expenditures \$ 6,003,480

Inflow @ 10% \$ 667,053

Total Potential Supermarket Expenditures at Subject Site \$ 6,670,533

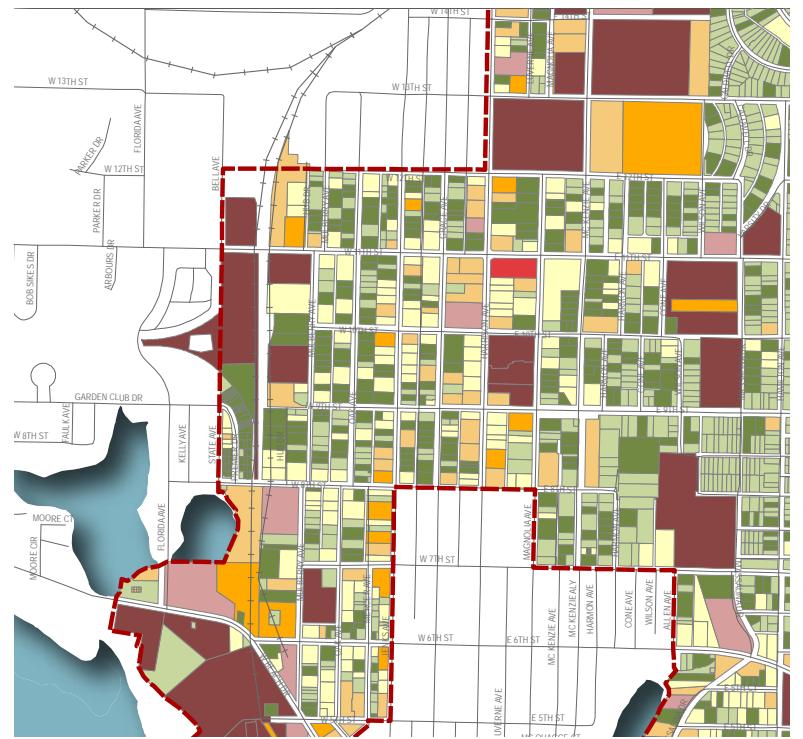
Sales/sf Required \$ 200.00

**Supermarket Opportunity in sf 33,353**

**Exhibit 4.7 – Supermarket Potential**

## Appendix B Inventory and Analysis Report

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# Downtown North CRA Plan Update

Inventory and Analysis Report

*Prepared for the Panama City CRA, Florida*

*June, 2008*

# Downtown North CRA Plan Update Inventory and Analysis Report

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Prepared for:

Panama City CRA, Florida

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Prepared by:



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June, 2008

# Table of Contents

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<b>Chapter 1: Introduction and Overview</b>	4
Historic Context	5
Geographic Context	6
Relationship to Previous Plans	7
<b>Chapter 2: Inventory and Analysis</b>	15
<b>Demographic/ Economic Profile</b>	16
Existing Land Use	21
Residential Uses	22
Institutional Uses	23
Vacant Lands	24
Commercial Uses	25
Industrial Uses	25
Land Development Regulations	26
Land Ownership	29
Property Values	30
Infrastructure and Public Facilities	31
Transportation and Circulation	31
Roadways and Street Network	31
Pedestrian Circulation	31
Other Transportation Modes	32
Utilities	32
Public Facilities and Services	33
	34



# Chapter 1

# INTRODUCTION AND OVERVIEW

The City of Panama City, Florida is the county seat of Bay County and the third largest city (in terms of population) in the Northwest Florida region. Numerous redevelopment efforts have been successfully undertaken in the downtown core, the Millville district, and the St. Andrews waterfront area. Since the early 1970s, the Panama City Community Redevelopment Agency has been instrumental in implementing these significant initiatives to revitalize, redevelop and improve the quality of life in the downtown area and the surrounding neighborhoods. The Community Redevelopment Agency was created by the City of Panama City in 2006. Prior to 2006, the Downtown Improvement Board served as the Community Redevelopment Agency for the City's four CRA districts: Downtown CRA (1984), St. Andrews CRA (1989), Downtown North CRA (1993), and the Millville CRA (2004).

Since the original Downtown North Redevelopment Plan, adopted in 1993, progress has been made on many of the projects and programs undertaken by the Downtown Improvement Board/ CRA to address the continual decline of Panama City's African-American community, through efforts such as the Greater Glenwood revitalization and visioning initiative in 2003. While many areas of the Downtown and those neighborhoods adjacent to the revitalization areas have seen significant investment, the areas further away from that economic activity, particularly the Downtown North CRA, are in need of attention. In March 2008, the City Commission adopted the results of the Finding of Necessity Study prepared by IBI Group and unanimously approved expanding the original Downtown North CRA boundaries from 12<sup>th</sup> Street North to U.S. Highway 231 between McKenzie Avenue and Mercedes Avenue.

The Downtown North CRA encompasses nearly two square mile of land area, which includes the Greater Glenwood area and the Bay Medical Center. The City Commission, the Downtown Improvement Board/CRA, working in partnership with the Glenwood residents and the Glenwood Revitalization Steering Committee, initiated a community-driven visioning effort in 2004 and since then several improvements and projects have been initiated to address the neighborhood concerns. However, several of the improvements were implemented in isolation and have been overshadowed by projects, such as the widening of Martin Luther King Jr. Boulevard, which has resulted in proliferation of vacant parcels and substandard lot sizes leading to a decline in investment image and contributed in creating a negative perception for the entire area.

The Panama City CRA, with the objective of building on the Glenwood community's visioning effort and expansion of the CRA's original boundaries, retained the services of IBI Group to update the Downtown North Redevelopment Plan that reflects the community vision related to the future growth of the Community Redevelopment Area. This redevelopment plan update identifies the community's vision for the future of the Downtown North CRA, and serves as a guide to implement this vision through refocusing of the roles, priorities, and connections of the Agency with other organizations to leverage additional funds and resources for identified projects. The purpose of this community driven planning process is to provide a forum for continued dialogue between the Agency, area residents and the consultants concerning program development and direction. The redevelopment plan update is intended to be a guiding document for actions designed to overcome deterrents to desired future growth and development in

order to stimulate private investment. The plan is not intended to be static. Over time, portions of the plan may be updated and revised to reflect changes in the economy, public concerns and opportunities associated with public development proposals.

The following activities were undertaken by the IBI Group and Panama City CRA staff in the preparation of this inventory:

1. Inventory all plans, programs and projects and present this information as an educational segment to focus groups and community-wide groups to obtain their input and their vision for the area;
2. Evaluate and analyze the plans, programs and projects to streamline them into a more understandable and manageable format and make recommendations concerning program organization and capital improvement priorities for the Downtown North CRA.

## HISTORIC CONTEXT

The Downtown North CRA residents have historically played a pivotal role in the development of Panama City's African-American community. The Downtown area was originally called "Harrison" and briefly "Park Resort" in the 1800s. Beginning in the 1880s, several efforts to market the area to become Panama City were made by real estate entrepreneurs- L.M. Ware, F.M. Moates, R.M. Baker, G.W. Jenks, and the St. Andrews Bay Railroad, Land and Mining Company. In 1905, the Gulf Coast Development Company was formed and became the driving force behind the development of the St. Andrews Bay. Re-platting Jenks' and Demorest's "Harrison" Plat, and by securing the terminus of a rail line from Dothan, Alabama, the company was instrumental in connecting the new town of Panama City to the rest of the State. Under the developer G.M. West, the community was named Panama City in 1906, and witnessed the growth of St. Andrews Bay waterfront as an industrial center where rudimentary piers housed commercial shipping, a post office and the city jail. The promotion of tourism and opening of hotels in the area in 1911 represented another significant development in the economic development of Panama City. Following the creation of Bay County in 1913, Panama City was chosen to be the new county seat the following year, allowing for development of a courthouse and a jail facility.

Source: <http://www.panamacitydowntown.com/Default.aspx?tabid=2183>

As a result of this regional economic growth and the development of Panama City as the county seat, the area to the north of Downtown, that includes the current Downtown North Redevelopment Area also experienced significant growth in population. The 1920s witnessed continued growth for Panama City, and was closely linked to the economies of Millville and St. Andrews. With the rapidly declining supply of timber, the proprietors of the St. Andrews Bay Lumber Company decided to search for another major industry to be located in the area, and felt that they needed to demonstrate that the area accommodated a population of at least 5,000 residents to serve as a potential employment base. As a consequence, in 1925, Panama City annexed both Millville and St. Andrews, thereby combining the three towns into one city.

In the next two decades, in the 1930s and 1940s, businesses in Panama City continued to boom, and the Downtown North neighborhoods also witnessed an increase in entrepreneurial ventures, to serve the needs of the residents working in the industries and as domestic servants for the more affluent residents of Panama City. The 1940s and 1950s, characterized by the civil rights movement in the entire nation, also witnessed a parallel escalation in civic unrest within the African-American population residing in Panama City. It was during this period that two civic organizations- the Negro Improvement Association and Women's Civic Club- were established in the Downtown North redevelopment area. The two organizations, working in close collaboration, were instrumental in promoting several social and civic initiatives within the area. According to a story published in a local newspaper in 1944, the members of the Negro Improvement Association requested the Panama City Commission to "plan a program of improvement for the Negroes of Panama City". The recommendations requested by the association included restricting Glenwood to colored residents and businesses only; collecting garbage in the congested Negro districts; erecting street lights; providing city water and sewage disposal; paving and repairing roads where necessary; and providing a Negro policeman in full uniform to work the areas as a member of the city police department. The decades of the 1940s and 1950s also witnessed the start of several institutions- black churches and schools, in the Glenwood community.

Source: *Greater Glenwood Revitalization Plan*

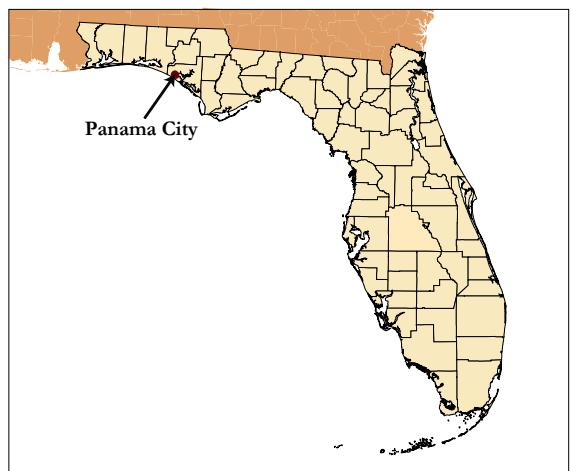


## GEOGRAPHIC CONTEXT

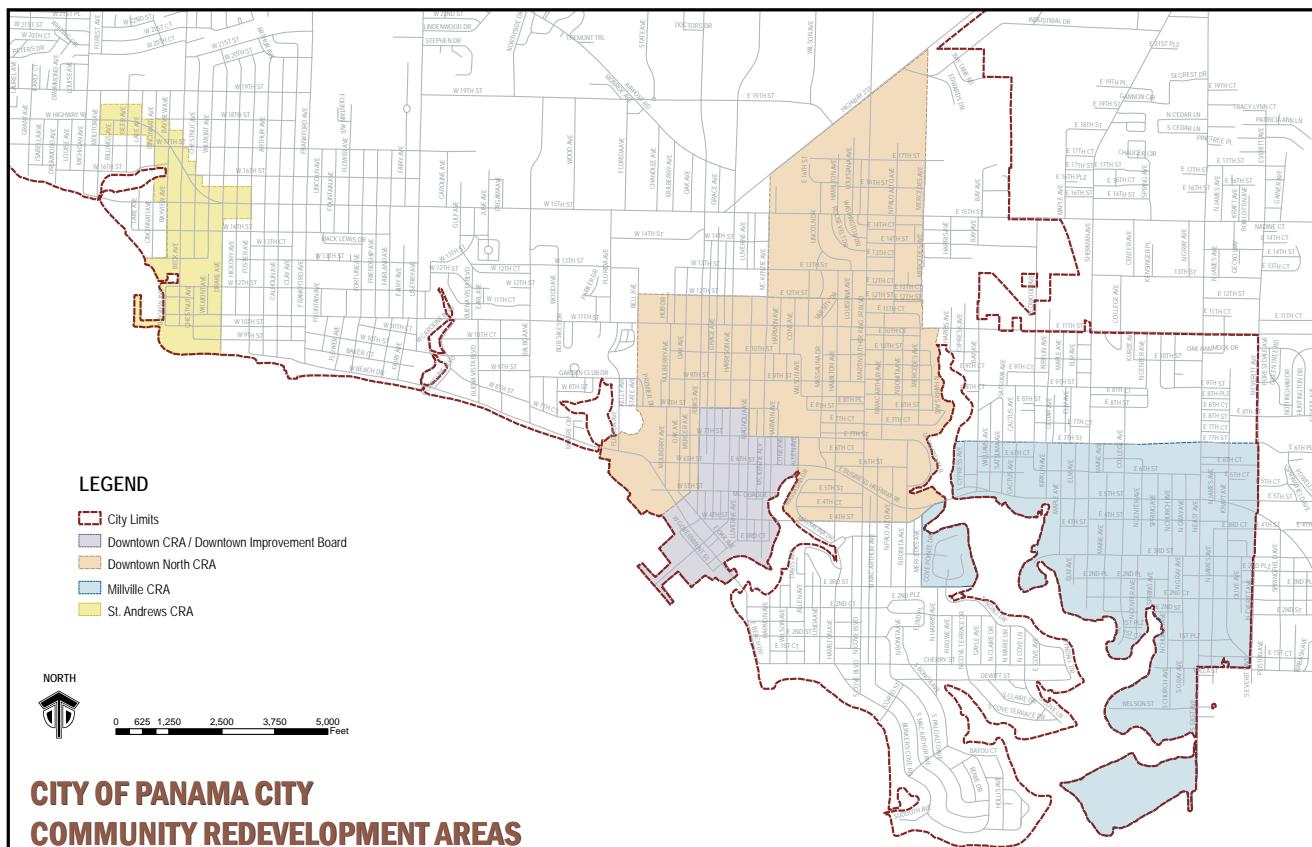
The City of Panama City is located on a peninsula between St. Andrews Bay and the Gulf of Mexico in the Florida Panhandle, along the Emerald Coast. It is the largest city between Pensacola and Tallahassee, and also the larger of the two principal cities of the Panama City- Lynn Haven Metropolitan Statistical Area in terms of total population. Designated as the county seat for Bay County in 1914, the City is bordered to the south by the Gulf of Mexico, Lynn Haven to the north, Hiland Park to the northeast, Cedar Grove to the east, and Panama City Beach to the west.

Bay County is located in the northwestern region of the Florida Panhandle which also includes Escambia, Santa Rosa, Okaloosa, Walton, Holmes, and Washington Counties. Regional access from the Downtown North CRA/ Bay County is primarily through Highway 231 and Interstate 10. Other corridors connecting the Downtown North CRA with regional urban and rural centers include US Highway 98, Business US 98 in the east-west direction. The area is also connected to the north by U.S. Highways 29,331 and 231, as well as by minor state roads 79, 85 and 87. Atlanta- Bay Railroad connects the Port of Panama City to Washington County and to Escambia County.

The Downtown North CRA is located in the area surrounding the downtown core of Panama City. The figure below illustrates the geographic location of the Downtown North CRA in relation to the other CRA districts in the City. The redevelopment area covers approximately two square miles, defined generally by U.S Highway 231 to the north, Bell Avenue to the west, Mercedes Avenue to the east, and East 4<sup>th</sup> Street to the south. Harrison Avenue, Martin Luther King Jr. Boulevard, US Business Highway 98 and East 7<sup>th</sup> Streets serve as the primary transportation connectors.

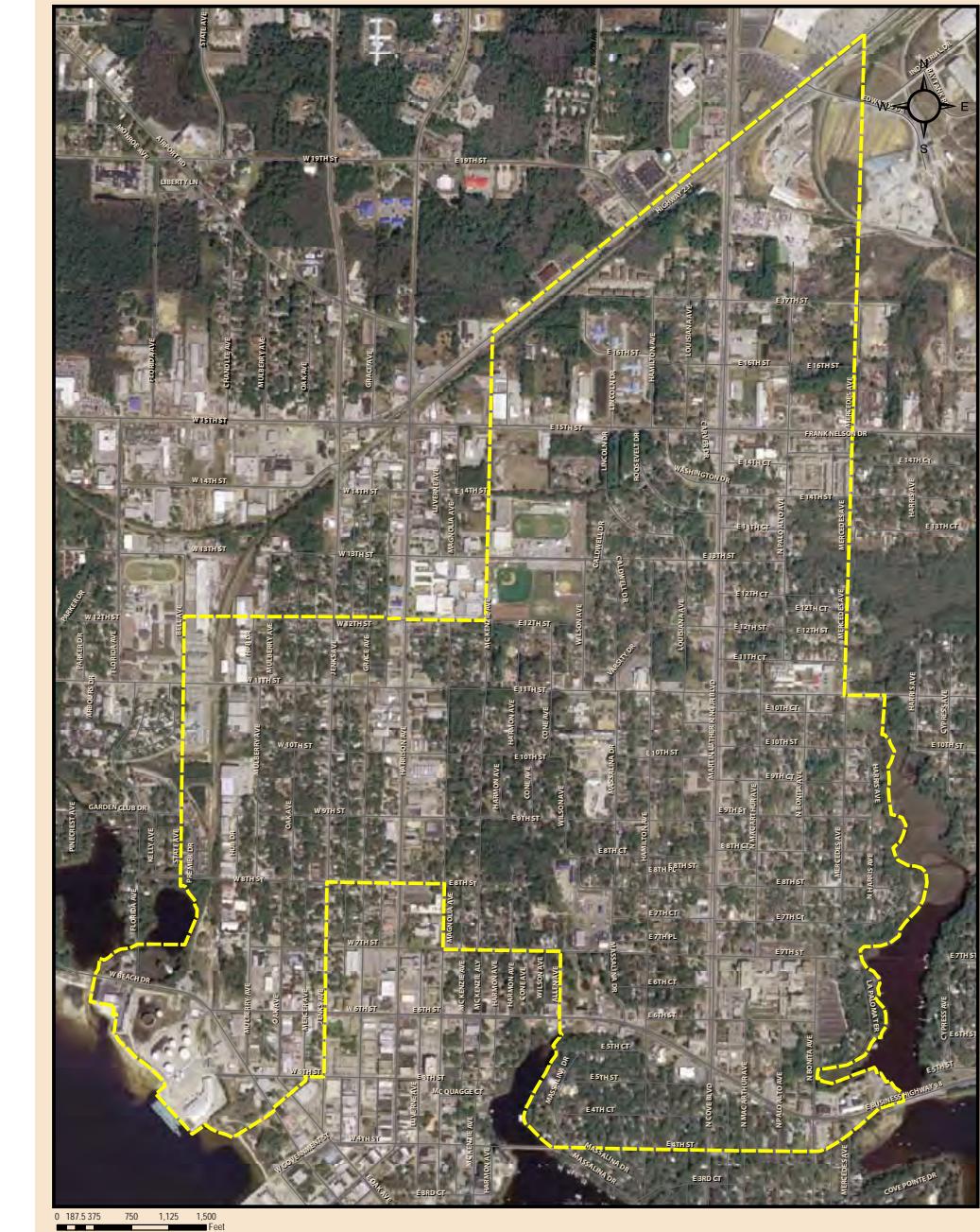


Map showing Panama City's location in Florida  
Source: Bay County GIS Database/IBI Group, May 2008  
Prepared By: M. Ye/ B.Kalra, IBI Group



Map showing Panama City Community Redevelopment Agencies  
Source: Bay County GIS Database/IBI Group, May 2008  
Prepared By: M. Ye/ B.Kalra, IBI Group

## AERIAL MAP



## RELATIONSHIP TO PREVIOUS PLANS

The following section provides a summary of the various programs, plans and studies that have been developed in the Downtown North CRA, that have a significant impact on the redevelopment area. The information contained in this section is critical in establishing the foundation for the recommendations contained in this Plan, and to ensure that the Plan provides continuity in function, future land uses and programmatic strategies.

Prior to this study, the most recent redevelopment plan update was adopted by the Downtown Improvement Board/ Panama City CRA in 1993. The 1993 redevelopment plan, by Casella and Associates, was instrumental in establishing the Community Redevelopment Area district in accordance with Florida Statutes, and has provided the City with appropriate tools and mechanisms to fund redevelopment activities within the designated CRA boundaries. Since the original plan, the Downtown North CRA including the Greater Glenwood neighborhood, has been the focus of numerous plans and studies undertaken by the City staff, DIB, CRA, and other consultants.

### Downtown North CRA Plan (1993)

This redevelopment plan was the direct result of a finding of blight in the area north of the downtown district that would be designated one of Panama City's four community redevelopment areas. Of this "Downtown North" district's 128 parcels, 102 were found to be deteriorated, along with fully half of the buildings in the entire district. A need for redevelopment was reaffirmed by substandard economic performance as well—poverty rates at approximately 40%, median income roughly half the city average, elevated rates of crime, etc. Even so, the city recognized that Downtown North is an important part of the city. It is home to a range of county and city government services, the Bay Medical Center, and some light industry. It is also the gateway to the downtown for the majority of visitors to the city and (despite deteriorating housing stock) an important source of affordable housing. Therefore, redevelopment of the Downtown North is an essential component to the overall revitalization of Panama City.

Primary objectives in the redevelopment plan were as follows:

- Economic development—the essential foundation for long-term sustainability of the CRA
- Growth in employment opportunities—a critical need for a population affected by high unemployment and low incomes
- Housing improvement—the replacement of substandard housing would resolve longstanding code violations, increase property values, and raise the sense of community
- Crime reduction—High crime rates deter families and employers from establishing in Downtown North. Reducing crime encourages both personal and economic investment
- Growth in the tax base—if all the above activities could be achieved, a growth in the tax base would occur, allowing additional revenues to be generated via tax-increment financing.

Economic development objectives recommended to focus on existing assets, notably the Bay Medical Center, and increasing the light-industrial base by encouraging auto parts manufacturers. Other economic growth drivers may be found in encouraging large companies to establish back office and/or support service outposts in the Downtown North CRA. The redevelopment plan also called for the city government to consider creating a business incubator in Downtown North.

Housing improvement would take a remedial course of action starting with code enforcement, tear-downs of seriously deteriorated structures, and construction of replacement housing. Specific strategies and policies recommended by the 1993 Plan and its current status (May 2008) are described in the matrix on the following pages.

### Panama City Strategic Master Plan (2002)

RMPK Group, 2002

In May 2001, the Downtown Improvement Board hired the RMPK Group to provide focus on the redevelopment program and direction for future development based on regional economic analysis. The citywide Strategic Master Plan prepared by RMPK Group has served as the guiding document for successful implementation of the City's overall redevelopment efforts. The Plan consolidated information related to the three existing redevelopment areas in the City and provides recommendations concerning program organization and additional tasks needed for success. It was based on the desires of the community as expressed during previous visioning workshops and founded on an economic positioning strategy that anticipated demographic changes in a competitive market system. The 2002 Panama City Strategic Plan contained the following opportunities and strategies specifically related to the Downtown North CRA.

### Opportunities and Challenges

- Expansion of the hospital provides an opportunity to create an attractive area for hospital-related developments that might replace some old, unattractive commercial developments
- To guide development in the area, there needs to be a clear delineation between the residential area, the hospital, and areas appropriate for commercial development. This should be developed in consultation with the community and other interested parties, and adopted as part of the City plan for the area. It may also be appropriate to limit the type or size of development allowable close to the residential community.
- Need for more attractive streetscapes linking the area to the downtown
- Build upon the area's significance as the center of the City's African American community
- Proximity to the downtown
- Cohesive community
- Creation of CRA provides focus and potential funding for revitalization efforts
- Low income area
- Many properties in need of repair
- Expansion of hospital and widening of MLK Boulevard have had a negative impact on immediately adjacent residential areas.
- Decline of downtown, especially retail, has weakened this adjacent community and inconvenienced people without access to transportation

## Recommendations

- Evaluate existing plans and programs for the following:
- Economic development
- Education
- Job training
- Employment assistance
- Business development assistance
- Small business loans
- Health care
- Transportation
- Public safety
- Encourage in-fill housing development
- Encourage neighborhood retail at appropriate locations
- Strengthen relationship with hospital
- Work to ensure future efforts address mutual needs of hospital and CRA
- Develop strategies to direct location of hospital expansion and medical offices toward Hwy 98
- Master plan and design improvements to MLK
- Include detailed land use and development feasibility analysis
- Seek grant funding for land acquisition on MLK (FDOT, CDBG)
- Design corridor as a parkway with buffering between residential uses
- Work with Community Development Staff and Housing Authority to locate appropriate sites for affordable housing and assisted living facilities
- Develop prototype housing design with architectural integrity

## Panama City Cultural Heritage Tourism Site Assessment

National Trust for Historic Preservation, 2004

The National Trust's Heritage Tourism Program (Southern Regional Office) undertook a study in the first half of 2004 of the heritage tourism potential of Panama City in order to determine what characteristics the city could be emphasized to entice greater tourism in the downtown. The National Trust recognized that Panama City has an advantage over other cities in the region—hundreds of years of history as a seaside harbor and town. This advantage could be leveraged to redefine the city as a tourism destination, but in order for that to occur, a coordinated approach is needed from city leaders.

Create a cultural heritage tourism database—An updatable resource of the events and sites that qualify for heritage tourism, including a short description of each, how to get there and where to park, what admission might cost, and other technical and logistical factors.

Develop visitor services—In order to draw tourism in the downtown, visitors must have places to stay, places to eat, and a wide variety of meaningful and enjoyable things to see and do. Visitors must also be made to feel welcome in all arenas where their presence may occur (restaurants, hotels, parks, shops, etc.).

Establish leadership for the entire cultural tourism program—Whoever participates in leading this project must ensure that there is an organizational structure that allocates duties and accepts responsibilities for various aspects of the cultural tourism program; i.e., who populates the tourism database, who is responsible for preserving and protecting existing cultural assets, who creates the marketing program and who administers it, etc. Representatives from all allied fields—from shop owners to historians to civic leaders to restaurateurs—must be part of the leadership.

Particular strategies recommended by the National Trust included:

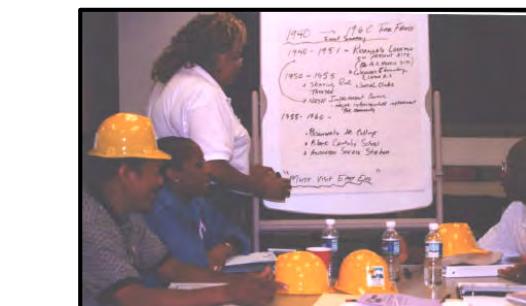
- Creating a permanent tourism staff position at the Downtown Improvement Board
- Creating a separate Bay County arts organization to relieve some of the overwhelming responsibilities of the existing Bay Arts Alliance
- Establishing an arts funding plan for Panama City, perhaps by way of levying or appropriating a portion of taxes on lodgings, sales, or property
- Determine the true extent of current economic impact of the arts in Panama City and publicize the results, both in order to understand its value and promote that value widely
- Determine the true extent of current economic impact of historic preservation in Panama City and undertake a comprehensive survey of all historic buildings and sites that goes deeper than the "windshield survey" of historic buildings undertaken in 2002
- Develop a community awareness program and a volunteer resource center to engage the public in cultural tourism and preservation efforts
- Nominate all qualified and eligible city-owned properties to the National Register of Historic Places and the Florida Historic Preservation Office
- Consider designating a local heritage district (which would likely focus on the downtown south of 6<sup>th</sup> Street) and create a preservation plan that would limit the amount of redevelopment that could occur on designated properties. Particular attention would have to be paid to historic properties or buildings deemed part of a blight zone and how such properties would be handled

It was noted that the city would be celebrating its centennial anniversary in 2009 and that the intervening five years would be the ideal time to implement cultural preservation and tourism efforts.

## Greater Glenwood Revitalization Plan (2004)

The Greater Glenwood Revitalization Plan, a joint community-based visioning effort, was initiated by the Downtown North CRA/ Downtown Improvement Board and the Greater Glenwood Revitalization Steering Committee in 2003. The project intended to engage residents and other Glenwood stakeholders in developing a vision of the future revitalization of the Glenwood community and the Downtown North CRA. The revitalization visioning project, modeled after the Main Street program, funded by the Downtown Improvement Board/ Downtown North CRA, and facilitated by Lucas Communications, Inc. involved more than 300 stakeholders. The matrix on the following page summarizes the goals, objectives, and strategies that were developed for the Greater Glenwood community and the current status (June 2008) of the recommendations presented in the document.

### GREATER GLENWOOD REVITALIZATION A COMMUNITY'S VISION FOR ITS FUTURE



PREPARED FOR:  
DOWNTOWN IMPROVEMENT BOARD/  
NORTH DOWNTOWN CRA  
GREATER GLENWOOD STEERING COMMITTEE  
JUNE 2004

RECOMMENDATION	STATUS (Summer 2008)
Downtown North Redevelopment Plan, Casella and Associates, 1993	
Review the appropriateness of the Heavy Industry land use category in the Downtown North	
Apply available resources from CDBG and SHIP programs for affordable housing in the Downtown North, particularly residential areas north of Bay Medical Center	
Encourage the Panama City Chamber of Commerce to promote the Downtown North district when marketing Bay County for development and expansion of light industry and office operations	
Encourage Bay Medical Center to take an active role in supporting housing, employment and safety improvements in the neighborhood near its facility	
GENERAL RECOMMENDATION - Replace substandard housing	
GENERAL RECOMMENDATION - Reduce crime rates	
GENERAL RECOMMENDATION - Increase employment opportunities	
Greater Glenwood Revitalization Plan, 2004	
GOAL 1: The development of the Greater Glenwood Historic District as an African American heritage tourism destination, inclusive of commercial, entertainment and residential attractions, that enhances Panama City's appeal to tourists visiting Bay County. The district would include not only the historic East End "quarters" along Business Highway 98 and Massaleno Bayou but also sites and points of interest along the Martin Luther King Boulevard and 11th Street corridors.	On Going
OBJECTIVE 1.1: Form the Greater Glenwood Community Partnership (GGCP), as a liaison with Downtown North CRA, to monitor implementation of the Revitalization Plan in collaboration with the Downtown Improvement Board/Community Redevelopment Agency and the City of Panama City in order to establish a set of priorities with the sole purpose of focusing on the needs of the Greater Glenwood community.	Done
STRATEGY 1: Form an 11-member community partnership to work in conjunction with the Downtown North CRA staff and City Of Panama City toward full implementation of the Greater Glenwood plan.	Done
STRATEGY 2: Serve as both an oversight and liaison between the Greater Glenwood community, the CRA and the city	Done
GOAL 2: Sustained involvement of the Greater Glenwood Community Partnership in the ongoing revitalization of Greater Glenwood in accordance with this Vision Plan in order to achieve community-based development through direct participation and involvement of neighborhood residents and community stakeholders in all facets of the development process.	On Going
OBJECTIVE 2.1: Set initial benchmark indicators and then report annual results to the Panama City Commission on the revitalization effort in residential neighborhoods.	On Going
STRATEGY 1: Set up a system that will measure the following demographic and neighborhood indicators below and others as deemed necessary by the GGCP within the Greater Glenwood community:	
Annual change in property values Annual number of new residential units Annual review of design/planning goals and objectives Annual review of new business statistics	Pending
OBJECTIVE 2.2: Set initial benchmark indicators and then report annual results to the Panama City Commission on the communication/promotion of the revitalization effort and civic engagement in the process.	Pending
STRATEGY 2: Set up a system that will measure the communications indicators below and others as deemed necessary by the GGCP within the Greater Glenwood community, including but not limited to the following:	
Annual earned media about Greater Glenwood Annual inventory of community-based organizations Annual review of communication/promotion goals and objectives	Pending

RECOMMENDATION	STATUS (Summer 2008)
OBJECTIVE 2.3: Set initial benchmark indicators and then report annual results to the Panama City Commission on the results of the economic development activities on the overall economic performance of the Greater Glenwood community.	Pending
GOAL 3: Visually depict the revitalized community based on this Vision Plan and inclusive of Greater Glenwood community in the direct participation and involvement of neighborhood residents and community stakeholders in all facets of the development process.	Pending
OBJECTIVE 3.2: Develop a master land use plan and design restrictions for Greater Glenwood with a clear delineation between the residential and commercial areas and one that denotes historical sites and buildings.	On Going
STRATEGY 1: An urban planner would be utilized to employ a holistic community planning approach to create mixed income/mixed-use neighborhoods within Greater Glenwood.	On Going
STRATEGY 2: Create a 3D visualization Plan depicting the vision for Business 98, MLK Boulevard and 11th Street within Greater Glenwood.	On Going
STRATEGY 3: Identify, restore and preserve historic buildings as tourist attractions and for historical/cultural uses.	On Going
OBJECTIVE 3.2: Develop a design code that guides development in Greater Glenwood according to the vision outlined in this plan.	On Going
STRATEGY 1: Build a demonstration project depicting the design code along a block in Greater Glenwood.	On Going
STRATEGY 2: Advocate for adoption of a local historical preservation ordinance to provide guidelines and incentives for restoring historic buildings.	Pending
GOAL 4: Renovate the existing and increase the number of new residential housing units in the Greater Glenwood community in order to shape the physical image of Greater Glenwood as a safe, attractive place for families and homeowners to settle.	On Going
OBJECTIVE 4.1: Renovate deteriorating residential units that will upgrade the community's appearance to overcome visual blight within Greater Glenwood.	Pending
STRATEGY 1: Working with the City Community Development staff, identify and inventory specific residential units within Greater Glenwood who are in violation of the city building codes and/or in need of demolition, repairs and renovations. Plan and organize community resources necessary to remove, repair and restore identified existing residential housing units.	Pending
Create a 3D visualization plan depicting the vision for U.S. Business 98, Martin Luther King Blvd, and 11th Street	Pending
STRATEGY 2: Establish a revolving fund to finance the clean-up, paint-up, demolition, repairs, and renovation of residential properties and vacant lots where owners refuse to act, lien the property, and reimburse the revolving fund when the lined property transfers ownership	Pending
GOAL 5: Attract new residents, developers, and community interest through new housing construction in order to increase local population in support of future commercial growth and development with successful housing and neighborhood improvement programs.	On Going
OBJECTIVE 5.1: Create mixed-income/mixed-use residential neighborhoods within Greater Glenwood that are safe and attractive.	On Going
STRATEGY 1: Implement a Single Family Rehabilitation Program.	Pending
STRATEGY 2: Identify those homes that are deteriorating structures and may be salvageable and pursue efforts to rehabilitate them for resale to interested buyers.	Pending
STRATEGY 3: Conduct a feasibility study on a block-by-block basis to weigh the costs and benefits of rehabilitation versus demolition.	Pending
OBJECTIVE 5.2: Work with Panama City Code Enforcement to remove the dilapidated and destroyed properties that blight Greater Glenwood	Pending
STRATEGY 1: Identify potential problem lots and pursue owners to have the structures demolished.	On Going
OBJECTIVE 5.3: Increase the number and quality of housing in Greater Glenwood to create more diversified neighborhoods.	Pending
STRATEGY 1: Utilize an infill approach by filling vacant lots within the neighborhood.	Pending
STRATEGY 2: Identify available lots, market the neighborhood to potential buyers, and collaborate with local developers to construct new housing in concert with the existing codes.	Pending

RECOMMENDATION	STATUS (Summer 2008)
OBJECTIVE 5.4: Improve landlord/tenant relationships and quality of life in rental housing, which is nearly 60 percent of the occupied housing units according to the 2000 Census.	Pending
STRATEGY 1: Promote the formation of a Greater Glenwood Landlord/Tenant Association to encourage and supports the landlords in providing the best quality service to the renters.	Pending
STRATEGY 2: Address concerns regarding absentee landlords who do not provide adequate service to the residents of their property	Pending
STRATEGY 3: Work towards finding solutions to tenant problems.	Pending
GOAL 6: Enhance and protect the natural resources within Greater Glenwood by providing open spaces for recreation and family activities in order to cultivate a healthy quality of life that will attract others to work, shop, live and/or play in Greater Glenwood.	On Going
OBJECTIVE 6.1: Provide recreational and family activity areas that are safe, well lighted and attractive.	On Going
STRATEGY 1: Conduct a feasibility study of Watson Bayou Regional Park Development.	Pending
STRATEGY 2: Conduct feasibility study for a regional park development in the district.	Pending
STRATEGY 3: Provide recreational activities for youth that include a swimming pool and other outdoor activities.	Pending
STRATEGY 4: Conduct a study of the retention ponds along MLK Boulevard to determine health and financial impact to Greater Glenwood residents.	Pending
STRATEGY 5: Conduct Brownfield Study to determine environmental impact of future development within the Greater Glenwood district.	Pending
GOAL 7: Create attractive, eye-catching entranceways to Greater Glenwood and increase safety within the district in order to further the district's commercial and residential viability	On Going
OBJECTIVE 7.1: Provide for welcoming people to the historic Greater Glenwood district with signage in concert with the spirit of Panama City.	On Going
STRATEGY 1: Erect Greater Glenwood Welcome signs at major entry points to Greater Glenwood, the heart of Panama City's African-American community.	On Going
STRATEGY 2: Engage the Panama City Police Department and Bay County Sheriff's Department in working with the CRA staff and the GGCP to implement and support Community Policing strategies within Greater Glenwood.	On Going
GOAL 8: Increase community participation and involvement in the revitalization through the GGCP as the main vehicle for organizing and involving Greater Glenwood residents and other stakeholders in the revitalization effort.	On Going
OBJECTIVE 8.1: Promote programs and resources that improve the educational, financial and career opportunities for residents.	On Going
STRATEGY 1: Work in partnership with local banks to provide consumer readiness training for homeownership, entrepreneurial and other ventures.	On Going
STRATEGY 2: Publicize job opportunities and training available to Greater Glenwood residents.	On Going
STRATEGY 3: Work in partnership with Bay County School District to improve educational opportunities for residents.	On Going
GOAL 9: Promote Greater Glenwood Historic District as an African American heritage tourism destination as part of the commercial redevelopment of the district and to increase employment opportunities for the residents.	On Going
OBJECTIVE 9.1: Conduct a marketing study to identify themes which accurately portray the African American history and culture of Northwest Florida.	Pending
STRATEGY 1: Create a marketing plan based on those identified themes.	Pending
STRATEGY 2: Create promotions that encourage developers to cultivate and create a multiplicity of commercial and economic units of positive, financial and self-supporting activities.	Pending
STRATEGY 3: Work in partnership with the Bay County and Panama City Beaches chambers of commerce and the Bay County Tourist Development Council to develop strategies to market Greater Glenwood.	Pending

RECOMMENDATION	STATUS (Summer 2008)
OBJECTIVE 9.2: Promote people and activities of historical and cultural prominence for Greater Glenwood.	On Going
STRATEGY 1: Create a major event that resurrects a Greater Glenwood community activity of the past (Emancipation Day parade, Thanksgiving Football Bowl, May Day, etc.).	On Going
STRATEGY 2: Develop an annual calendar of events to attract people to Greater Glenwood to live, work and play.	On Going
STRATEGY 3: Promote collaborative ventures among Greater Glenwood organizations, community leaders and gatekeepers.	On Going
STRATEGY 4: Conduct an Oral History study of elders to capture their memories of the Greater Glenwood of yesteryear.	Pending
STRATEGY 5: Produce an official history of Greater Glenwood that can be published and/or broadcast as part of community events and promotions.	Pending
STRATEGY 6: Work in partnership with the Bay County and Panama City Beaches chambers of commerce and the Bay County Tourist Development Council and Cultural Arts community to market successful strategies for Greater Glenwood.	Pending
STRATEGY 7: Encourage residents to become active participants/members of existing marketing and cultural affairs organizations and events such as Mardi Gras, holiday celebrations and major festivals.	On Going
GOAL 10: Expand the skills and training of the local employment base to allow residents to access existing jobs and future employment opportunities.	Pending
OBJECTIVE 10.1: Shape new development agreements to create many new jobs and opportunities that can be taken by the residents.	Pending
STRATEGY 1: Enable Greater Glenwood residents access to jobs paying livable wages with benefits commensurate with other areas in Northwest Florida.	Pending
STRATEGY 2: Form public/private collaborations to offer job training programs with placement as an end product.	On Going
STRATEGY 3: Contact local firms and establish presence of neighborhood organization and goals of program.	On Going
STRATEGY 4: Assist these firms in recruiting local residents who are unemployed and underemployed to take advantage of these new employment opportunities.	On Going
STRATEGY 5: Encourage the establishment of a grocery store, and banking and postal services within the community.	On Going
GOAL 11: Strengthen the existing and increase the number of new industrial, commercial and neighborhood retail/service/medical establishments located in the Greater Glenwood community to enable Glenwood residents access to jobs paying livable wages.	On Going
OBJECTIVE 11.1: Strengthen the existing industry and commercial businesses located in the Greater Glenwood community:	On Going
STRATEGY 1: Communicate with current industry/business operators within Greater Glenwood in an effort to identify specific needs/barriers to growth that can be resolved by the local educational and training institutions, governmental agencies and other private sector businesses.	On Going
STRATEGY 2: Implement strategies learned from current industry/business operators to address their specific needs/barriers.	On Going
OBJECTIVE 11.2: Increase the number of new industrial, commercial and neighborhood retail/service/medical establishments located in the Greater Glenwood community.	On Going
STRATEGY 1: Working with an urban planner, identify, purchase, permit, develop and make available for sale/lease suitable land parcels (large scale and small) within Greater Glenwood that will be attractive to new industry, commercial and neighborhood retail/service/medical establishments.	On Going
STRATEGY 2: Develop a master land use plan and design restrictions for Greater Glenwood with a clear delineation between the residential and commercial areas.	On Going

RECOMMENDATION	STATUS (Summer 2008)
STRATEGY 3: Actively encourage and support the continued expansion of the <b>Bay Medical Center campus</b> in Greater Glenwood, including the location of new affiliated medical support service businesses (doctor's offices, laboratories, rehabilitation facilities, outpatient clinics, etc).	On Going
STRATEGY 4: Working with the City Community Development/DIB staff, identify, solicit and engage into the development process governmental, public and Glenwood Revitalization Report Page 25 private financing providers for the capital needed for land acquisition, construction and business loans. Investigate using CDBG and Land Bank funds and the CRA North Tax Increment Funds (TIF) as the primary sources of repayment for funding needed revolving loans/bonds funds used to finance recommended land acquisitions and associated public capital infrastructure projects (sidewalks, bike	On Going
STRATEGY 5: Pursue all or parts of Greater Glenwood community being designated a Florida Enterprise Zone and/or other special enterprise districts, whereby special incentives are made available to new and expanding enterprises who are located within the Zone.	On Going
STRATEGY 6: Working with City Code Enforcement, aggressively address city building, vacant building and vacant lot code violations to the fullest extent of the law along MLK Boulevard and throughout parallel and intersecting streets in Greater Glenwood. Establish a revolving fund to finance the clean up and demolition of properties where owners refuse to act, lien the property and reimburse revolving fund when the lined property transfers ownership in the future. Constant grooming of planted landscaping and the maintenance of all public right of ways and utilities easements along MLK Boulevard must be maintained by the respective city, county, state and private utilities.	On Going
STRATEGY 7: Investigate the acquisition and commercial development of waterfront properties along the northern shore of Massalina Bayou for a themed entertainment/retail complex targeting African-American tourism.	On Going
STRATEGY 8: Working with the Florida Department of Transportation, press for more "U" turns on MLK Boulevard at strategic medium cuts, increase the number of medium cuts and slow the flow of traffic down to 35 MPH. Review the FDOT "Livable Communities" policies and its application along MLK Boulevard.	On Going
STRATEGY 9: Special attention needs to be focused on making the necessary public and private property improvements and streetscapes to the east entrance of the Downtown area along Business Highway 98 and 11th Street between MLK Boulevard and Harrison Avenue.	On Going
STRATEGY 10: Working with City Community Development and CRA North staff, compile and publish a demographic and vacant property information sheet on the Greater Glenwood trade area for distribution to inquiring business prospects, area Commercial Realtors, commercial park developers and Chamber of Commerce organizations. Survey Panama City, Lynn Haven, Callaway, Cedar Grove, Parker and Springfield consumers as to their perception of shopping on MLK Boulevard.	Pending
OBJECTIVE 11.3: Increase the number of new residential housing units in the Greater Glenwood community.	On Going
STRATEGY 1: Working with an urban planner, identify, purchase, permit, develop and make available for sale/lease suitable land parcels (large scale and small) within Greater Glenwood that will be attractive to new home and multifamily construction.	On Going
STRATEGY 2: Involve local, governmental affordable housing development agencies (Housing Authority, City Community Development Department, SHIP funds, etc.), non-profit organizations (Habitat for Humanity, Bay Equities, CEII, etc) and private developers/builders in the purchase of these suitable vacant land parcels for the purpose of constructing new residential subdivisions, gated neighborhoods, in fill housing, multi-family and single-family living unit(s).	On Going
STRATEGY 3: Working with the City Community Development Block Grant/CRA North staff, identify, solicit and engage into the development process governmental, public and private financing providers for the capital needed for land acquisition, infrastructure construction and home construction/permanent mortgage loans. Investigate using CDBG funds and the CRA North Tax Increment Funds (TIF) as the primary sources of repayment for funding needed revolving loans/mortgage/bonds funds used to finance recommended land acquisitions and associated public capital infrastructure projects (sidewalks, bike paths, storm water sewers, street lighting, streetscape, utilities, etc) within Greater Glenwood.	On Going

## U.S. Business 98 Heritage Corridor Study (2006)

In October 2005, the Panama City Downtown Improvement Board/ Community Redevelopment Agency retained the services of Renaissance Planning Group to prepare a community-driven planning initiative for the US Business 98 Corridor from Everitt Avenue in Millville through Downtown and to St. Andrews at Beck Avenue and 15th Street. The study area covered the City's four Community Redevelopment Areas, including the Downtown North CRA. The Master Plan serves as a guide for the community and each of the four CRAs to create a unifying character for the neighborhoods impacted by the corridor, while at the same time celebrating the unique character and history within each CRA.

The Heritage Corridor Master Plan presents a coherent vision and recommends strategies that create strong linkages between the diverse array of uses and assets sited along the entire length of the Business 98 corridor. The master plan, completed in June 2006, focused on the following overall community design goals:

- *Enhance access to water and parks;*
- *Capitalize on existing community character and identity;*
- *Increase multimodal opportunities and connectivity;*
- *Create pedestrian-oriented destination, walkable districts and streets;*
- *Create a city-wide network of destinations.*

The following recommendations and key projects identified in the US Business 98 Study provide a basis for establishing the community's perspective on redevelopment along the US 98 corridor within the City.

### Goal 1: Enhance access to water and parks

#### Recommended Strategies and Key Projects (Downtown North CRA)

- Create park at the eastern end of East 7th Court fronting Watson Bayou.
- Stormwater parks along MLK Boulevard just north of East 8th Street and 11th Street.

### Goal 2: Capitalize on existing community character and identity

#### Recommended Strategies and Key Projects (Downtown North CRA)

- Create new neighborhood-oriented commercial or mixed use gathering places that will serve the community's needs.
- Work with Bay Medical Center to reorient its main entrance towards Martin Luther King Jr. Boulevard, with a secondary access likely at Palo Alto Avenue and US Business 98.

### Goal 3: Increase multimodal opportunities and connectivity

#### Recommended Strategies and Key Projects (Downtown North CRA)

- Redesign 11th Street as a multimodal gateway corridor between Beck Avenue and the Glenwood community in the Downtown North CRA. Explore potential to include it as a Safe Routes to Schools project for state and federal funding opportunities.
- Create a multi-use trail/ trolley route through the Depot property to Bay Memorial Park and 11th Street. This would link to the 11th Street corridor enhancement project.
- Add bicycle lanes and center medians to 11th Street.
- Magnolia Avenue bicycle and pedestrian route parallel to Harrison Avenue.
- Construct bicycle facility along 4th Street into downtown Panama City.

### Goal 4: Create pedestrian-oriented destination, walkable districts and streets

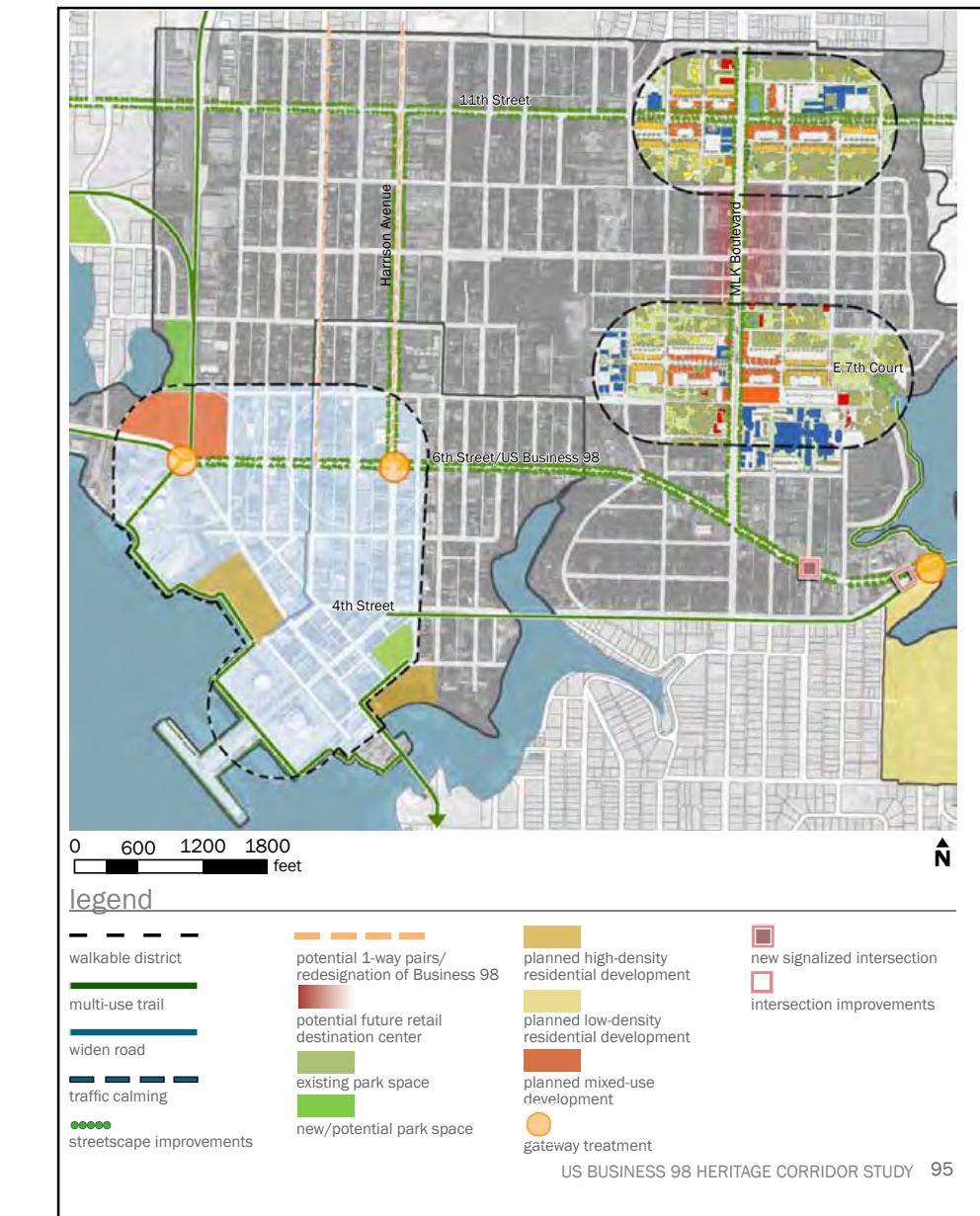
#### Recommended Strategies and Key Projects (Downtown North CRA)

- Create two community focal points at 11th Street and East 7th Court.
- Reconfigure the 4th Street intersection with Business 98.
- Explore the feasibility of a traffic signal at Palo Alto Avenue.
- Establish/ mark gateways at the intersection of MLK Boulevard and 11th Street; Business 98 with 4th Street and MLK Boulevard.

### Goal 5: Create a city-wide network of destinations

#### Recommended Strategies and Key Projects (Downtown North CRA)

- Improving pedestrian access to amenities from neighborhoods on either side of MLK Boulevard.
- Rails-to-trails project from Beach Drive to 11th Street and Memorial Park.





## Chapter 2

# EXISTING CONDITIONS INVENTORY

Developing a thorough understanding of the existing conditions within the Downtown North CRA serves as the foundation for the recommendations and action strategies that will be recommended as part of this Redevelopment Plan Update. Additionally, analyzing the socio-economic conditions in the neighborhood and its surrounding areas is necessary to develop an understanding of how specific recommendations could be tailored to directly benefit the community residents and businesses. The inventory, which is elaborated in this chapter includes a demographic

summary, economic profile, existing and future land use patterns, existing zoning designations, ownership patterns and proposed land development regulations. The inventory resources include: previous planning studies, interviews with city staff, residents and business owners; Bay County Property Appraiser GIS database, U.S. Census 1990 and 2000 data, and University of West Florida Haas Center for Business Research 2007 estimates. The data gathering process also included a series of focus group meetings to obtain citizen input in the planning process. Based on the

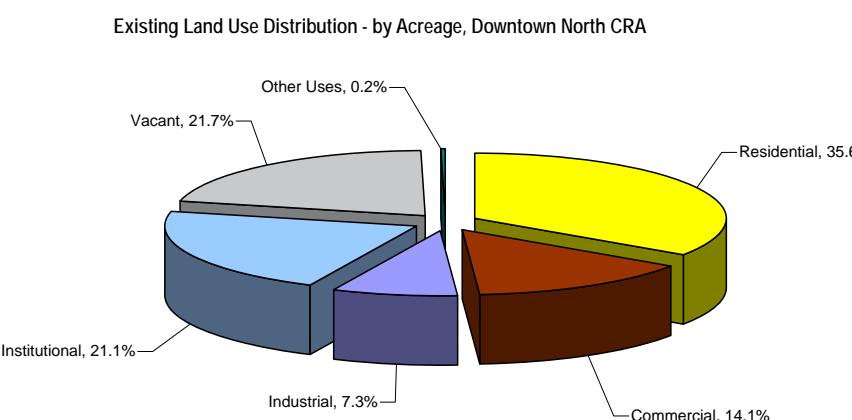
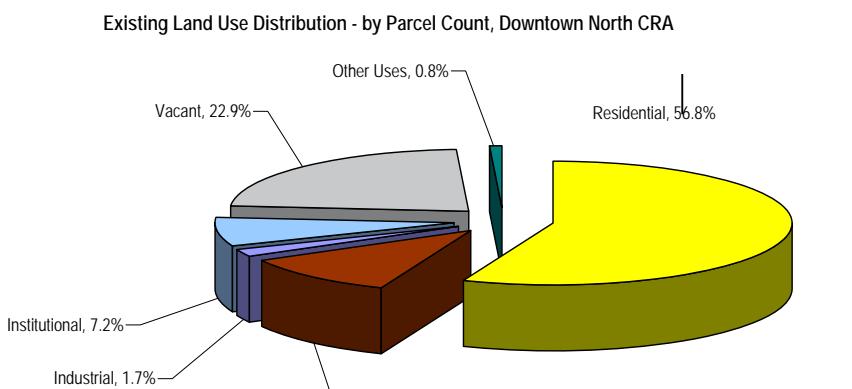
information obtained during the public involvement process and the inventory phase of the planning process, this report documents the current status of neighborhood improvements, and previous plans and programs that have contributed to the current conditions prevailing within the Downtown North Community Redevelopment Area. Within this section, the terms "redevelopment area" and "Downtown North CRA" are used interchangeably, and refer to the expanded Downtown North Community Redevelopment Area.

## EXISTING LAND USE

The Downtown North CRA encompasses nearly two square-miles of land area (1.7 sq. miles or 1,088 acres) including right-of-ways, which includes a total of 2,418 properties. The Bay County Property Appraiser utilizes land use codes based on the Department of Revenue codes to appraise land values for tax collection. According to the records obtained from the Property Appraiser's Office, the redevelopment area contains a diverse mix of land uses that includes a diverse mix of land use categories. For analysis purposes, these codes are classified into the following five major categories:

1. Residential Uses (1,373 parcels, 56.8% of total parcels)
2. Institutional (175 parcels, 7.3% of total parcels)
3. Vacant Lands (553 parcels, 21.7% of total parcels)
4. Commercial Uses (258 parcels, 14.1% of total parcels)
5. Industrial (40 parcels, 7.3% of total parcels)

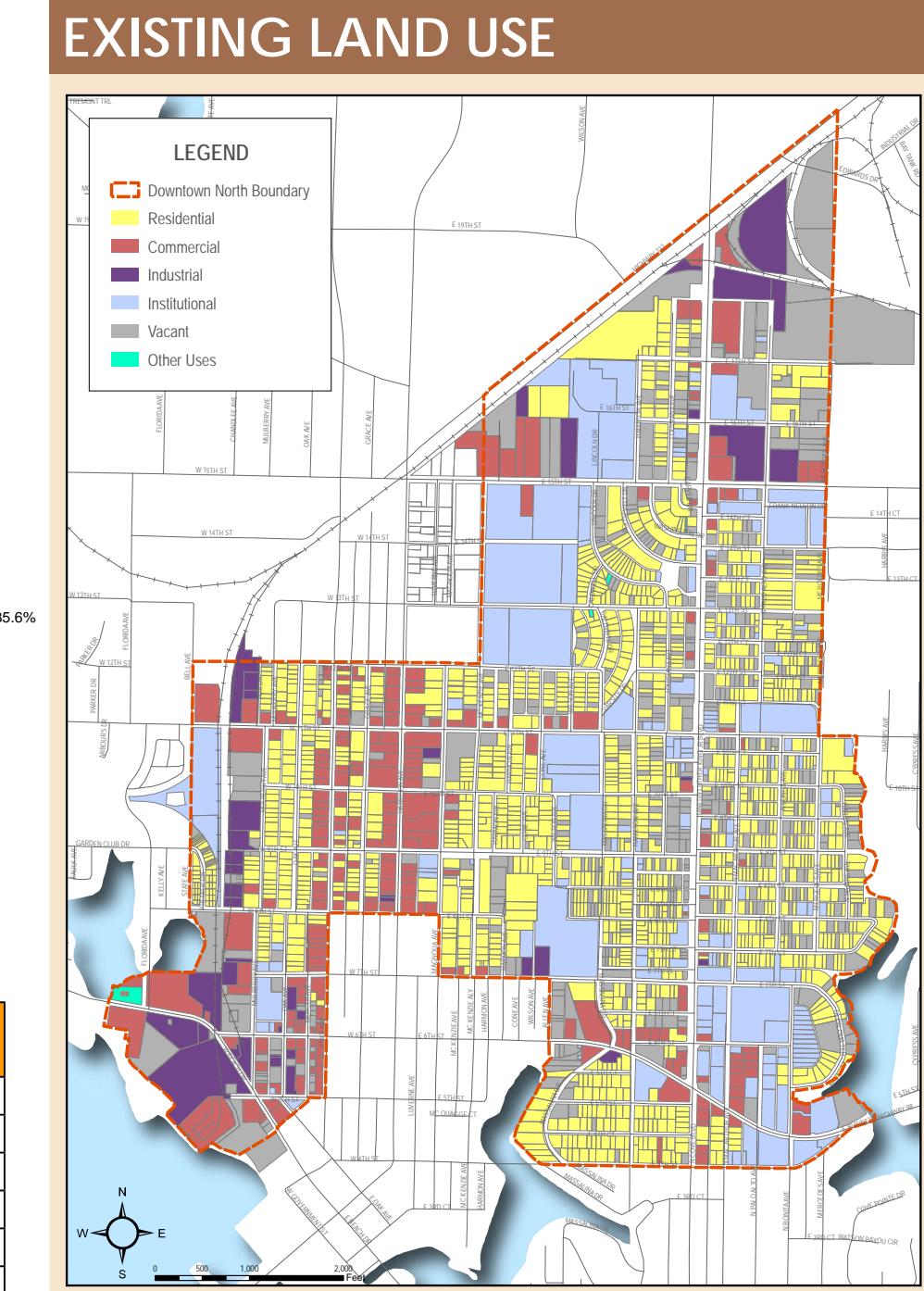
The Existing Land Use Map (right) illustrates the distribution of existing land uses in the planning area and the accompanying table provides a tabulation of land uses divided according to parcel count, total acreage covered, and percent of the total planning area acreage and total parcel count. The Downtown North redevelopment area is predominantly residential accounting for approximately thirty-five percent (35.6%) of the total land area, followed by vacant (21.7%), institutional uses (21.1%), commercial uses (14.1%), and finally industrial uses (7.3%).



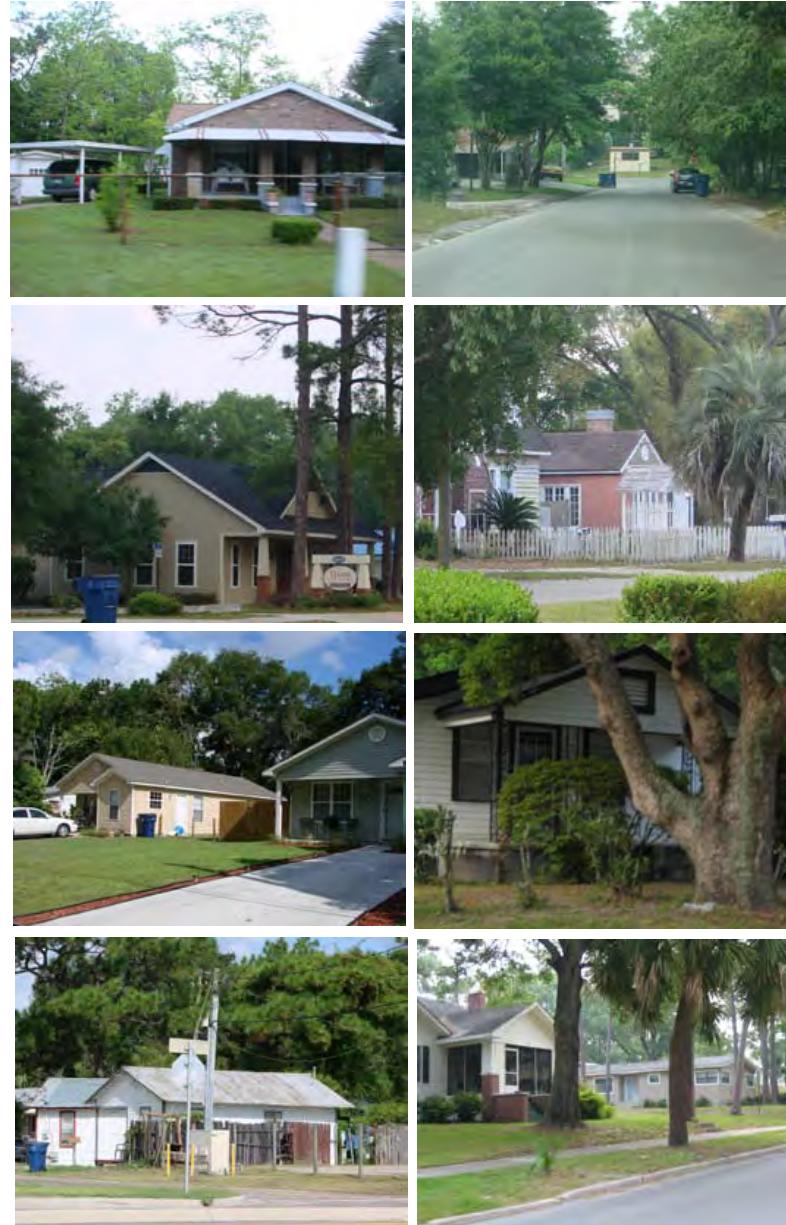
Source: Bay County GIS Database/IBI Group, May 2008

LAND USE	ACREAGE	%	PARCEL COUNT	%
Residential	305.5	35.6%	1,373	56.8%
Commercial	121.4	14.1%	258	10.7%
Industrial	62.9	7.3%	40	1.7%
Institutional	181.1	21.1%	175	7.2%
Vacant	186.2	21.7%	553	22.9%
Other Uses	1.7	0.2%	19	0.8%
<b>Total</b>	<b>858.9</b>	<b>100.0%</b>	<b>2,418</b>	<b>100.0%</b>

Existing Land Use Distribution, Downtown North CRA  
Source: Bay County GIS Database/IBI Group, May 2008



## RESIDENTIAL USES



Residential uses constitute the largest component of the existing land use categories in the Downtown North CRA, accounting for more than 300 acres or 36% of the redevelopment area's total land area excluding right-of-ways. The Downtown North CRA's population, according to the 2007 ESRI estimates, was estimated at 3,747 residents accounting for an overall population density of 2,081 persons per square mile. In comparison, Panama City accommodated a population of 38,537 in 2007, with a population density of 1,774 persons per square mile.

There are 1,336 single-family housing units in the redevelopment area accounting for 97.3% of the total parcels under residential uses. The remainder consists of 37 parcels under multi-family residential uses (including apartments and duplexes), accounting for 1.7% of the total acreage. Clearly, the percentage of multifamily units is significantly lower indicating a potential market to provide for a diverse mix of housing products in the redevelopment area. The multi-family developments within the redevelopment area include the Foxwood Apartment located in the northern section of the CRA (intersection of Hamilton Avenue and East 17<sup>th</sup> Street), the Massalina Housing Complex, and small parcels scattered throughout the area that are classified as multi-family units according to the Property Appraiser's database.

According to the 2007 ESRI estimates provided by the UWF Hass Center for Business Research, over forty percent (40.5%) of the housing units in the Downtown North CRA is considered as renter-occupied. The high percentage of renter occupied housing units combined with the predominantly single-family residential character of the redevelopment area suggests the presence of a relatively high percentage of absentee owners that has resulted in an overall deterioration of the area's aesthetic character including a lack of property maintenance, deterioration of housing conditions, and a related decline in housing values and a negative investment image for the entire area.

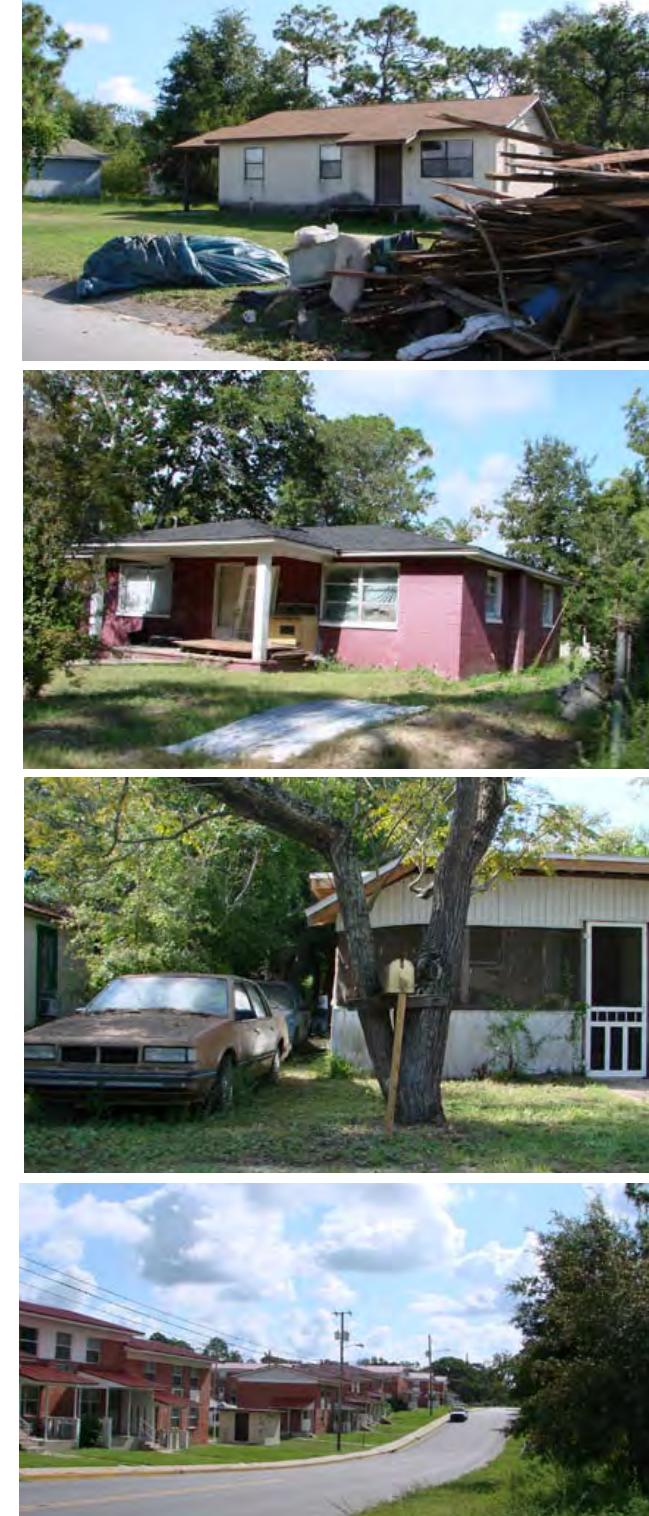
There are more than 356 vacant residential parcels in the redevelopment area. Map 2.5 shows that the vacant residential units are scattered throughout the planning area, with significant occurrences in the residential areas between Magnolia Avenue and Martin Luther King Jr. Boulevard, north of East 7<sup>th</sup> Street. While vacant residential properties impact the investment image of a community and reduce the tax base, these underutilized properties also present unique opportunity for introducing infill housing, land assembly, and targeted redevelopment activities in the deteriorating sections of the area.

The presence of dilapidated, vacant or boarded-up housing units in a neighborhood is a negative influence on surrounding residents. The condition of

these units is a deterrent to continuing investment and maintenance of other units. A number of units are presently occupied; however, they have been allowed to slide into disrepair. Deferred maintenance occurs for three primary reasons- first, owner-occupants may not be able to afford needed improvements and regular maintenance; second, owner-occupants may not be inclined to continue investing in maintenance of the unit, anticipating a move or feeling that housing conditions in the area do not warrant continued upkeep; third, owners of rented units may defer maintenance in order to maximize return on the unit. Poorly maintained and overgrown vacant lots and other open spaces such as easements and canal banks are blighting influences on residential neighborhoods. Periodic maintenance of these areas, with costs billed to the landowner, can prevent the accumulation of debris and overgrowth. The 1993 Downtown North Redevelopment Plan and the 2007 Finding of Necessity Study undertaken for the expansion of the Downtown North CRA boundaries both reported presence of a substantial number of deteriorated structures in the redevelopment area. According to the 1993 housing conditions survey conducted by Casella and Associates, significant deterioration was found in 102 of the 128 blocks surveyed. In addition, the 2007 finding of necessity study included a windshield survey that demonstrated numerous instances of dilapidated and deteriorated housing conditions within the expanded redevelopment area.

According to the 2000 Census, nearly seventy-five percent (75%) of the housing units in the redevelopment area were 40 years old and over. The age of housing is often considered as a contributor to the declining conditions and high vacancy rates witnessed in the Downtown North CRA. Aging buildings typically require increased maintenance and repair. Concentrations of older, poorly maintained and dilapidated buildings creates many negative influences in an area including a loss of economic status, a lack of interest in new development, an increased occurrence of crime, and decreased revenues for businesses.

LAND USE	ACREAGE	PARCEL COUNT
Residential		
Single Family	290.6	1,336
Mobile Homes	3.0	13
Multi-Family more than 10 units	8.7	2
Condominium	0.1	8
Multi-Family less than 10 units	2.5	14
<b>Total</b>	<b>304.9</b>	<b>1373</b>



## INSTITUTIONAL USES



Institutional uses within the Downtown North CRA encompass over twenty percent (21.1%) of the redevelopment area's total acreage. The institutional uses include the Bay Medical Center, faith-based institutions, non-profit organizations, educational institutions, and government owned lands. The redevelopment area contains 175 properties categorized as institutional uses, encompassing a total area of approximately 181 acres.

County owned facilities within the Downtown North CRA include the Bay County Administrative Offices located at the intersection of West 6th Street and Mulberry Avenue (facility expected to be vacant and for sale in 2008); Bay County Cooperative Extension and Veterans Service (647 Jenks Avenue); Bay County Juvenile Justice Building (538 East 11th Street); Bay Regional Juvenile Detention Center. Other municipal institutions include the State Department of Juvenile Justice (505 W. 11th Street) and city-owned offices, public housing project, and other facilities.

There are a total of 51 properties owned by faith-based organizations located in the Downtown North CRA. These institutions are representative of a diverse population base and are pivotal in ensuring community involvement through the implementation phase of various programs. Map 2.4 shows the location of the institutional uses located in the redevelopment area. During the focus group meetings, several members of the community expressed the need for developing a more active role for the faith-based organizations in community revitalization and exploring the opportunity to expand the use of these facilities for greater community engagement.

In addition to the faith-based organizations, two public schools are located in the planning area, covering an area of nearly 40 acres or twenty-one percent (21%) of the total land area under institutional uses. As shown in the Institutional Use Map on the right, the educational institutions within the CRA boundaries include the A. D. Harris High School and Bay High School. Other institutional uses in the CRA include the Life Management Center of Northwest Florida, African American Cultural Heritage Center, Glenwood Community Center, Martin Luther King Jr. Recreation Center, Henry A. Davis Park, and the After School Assistance Program (ASAP) building operated by the City.

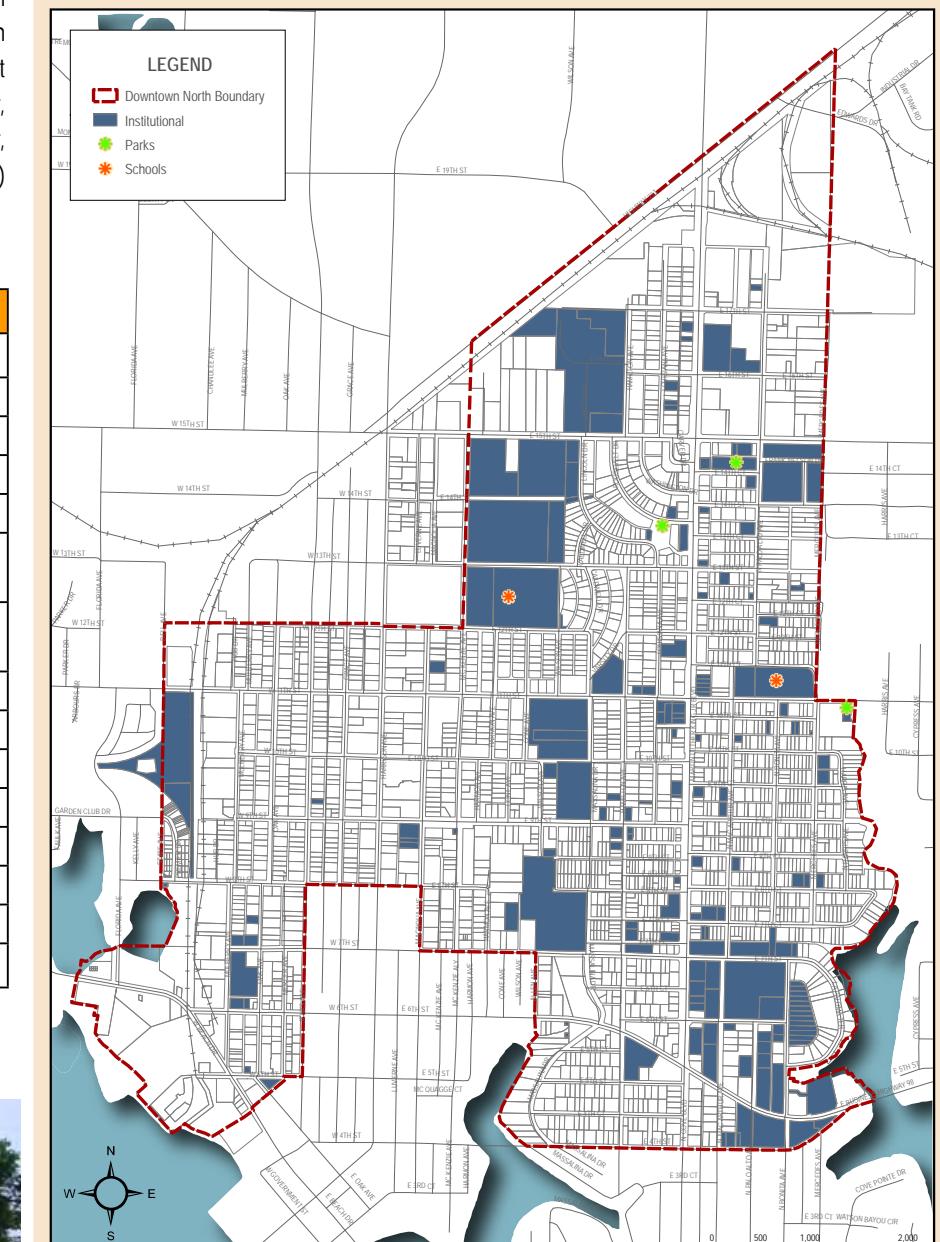
LAND USE	ACREAGE	PARCEL COUNT
<b>Institutional</b>		
Church	18.9	51
Private School	0.5	1
Home for the Aged	2.4	1
<b>Non-Profit</b>	<b>8.3</b>	<b>7</b>
Mortuary, Cemetery, Crematory	1.4	3
Clubs, Lodges, and Union Halls	0.6	3
Public Schools	38.9	9
Hospitals	8.3	2
County	45.2	49
State	16.7	12
Municipal	35.8	37
Utilities	3.2	2
Rights-of-ways	1.3	1
<b>Total</b>	<b>181.1</b>	<b>178</b>

### Residential Uses, Downtown North CRA

Source: Bay County GIS Database/IBI Group, May 2008  
Prepared By: M. Ye/ B. Kalra, IBI Group



## INSTITUTIONAL USE



### CITY OF PANAMA CITY

Map showing distribution of institutionally owned properties, Downtown North CRA  
Source: Bay County GIS Database/IBI Group, May 2008  
Prepared By: M. Ye/ B. Kalra, IBI Group

### DOWNTOWN NORTH REDEVELOPMENT PLAN

## VACANT LANDS

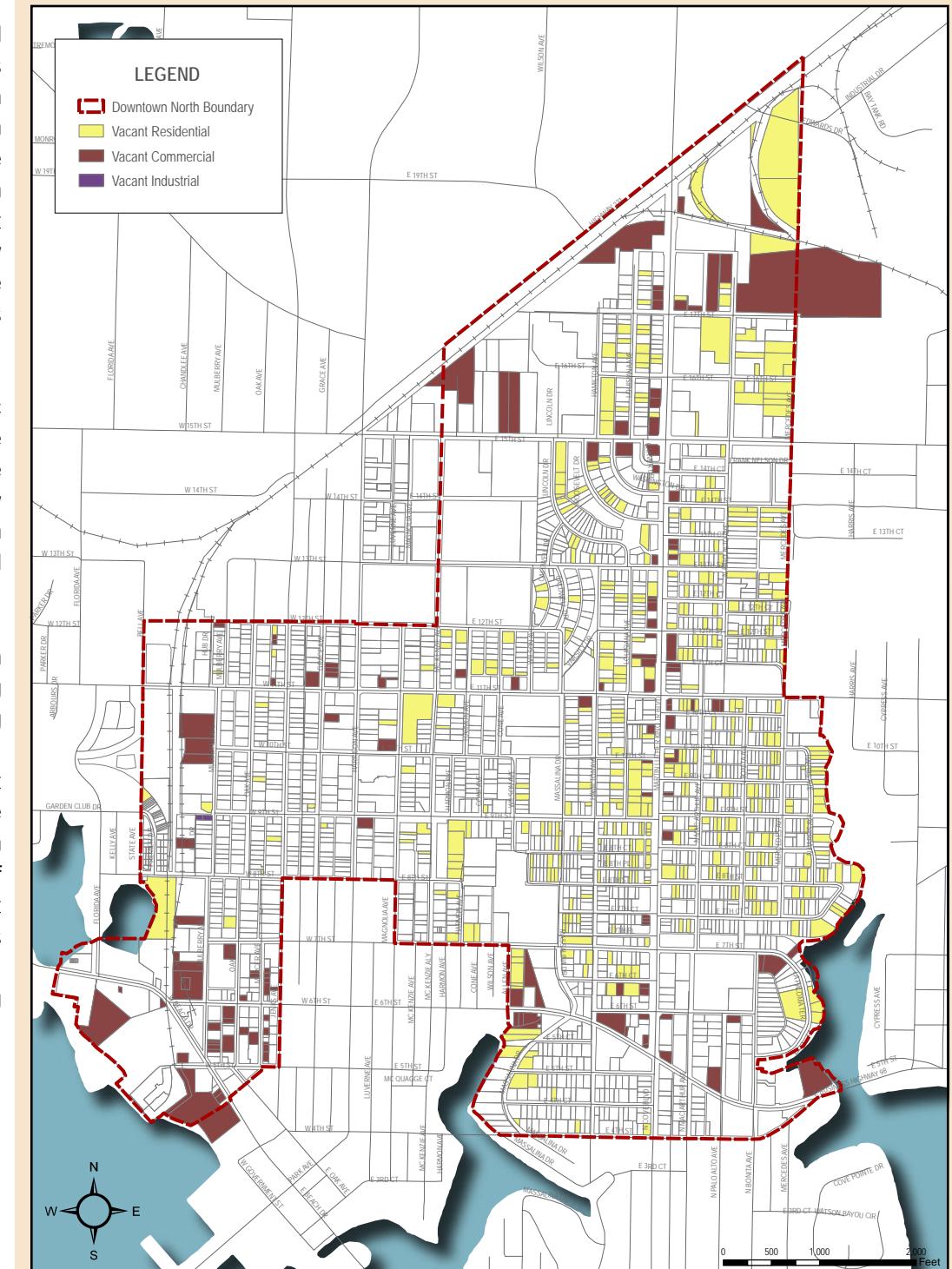


More than twenty percent (21.7%) of the redevelopment area's total land area is vacant, encompassing an area of 186 acres. The Vacant Lands Map shows the distribution of vacant lands within the Downtown North CRA boundaries. There are approximately 553 vacant parcels located in the redevelopment area with vacant residential lands representing the highest percentage of all vacant lands located within the CRA. Although the vacant residential lands are scattered throughout the redevelopment area, signs of concentration are visible in the areas located in the vicinity of industrial areas found in the northern and western sections of the CRA. There is also a high concentration of vacant residential properties in the blocks located in the vicinity of Martin Luther King Jr. Boulevard.

Vacant structures and abandoned lots are strong indicators of economic distress and lead to deterioration of the physical environment and are detrimental to the investment image of the community. The presence of vacant and underutilized buildings contributes both as an opportunity and a liability for redevelopment. Vacant parcels of considerable size can be assembled to support significant adaptive reuse of underutilized and deteriorating buildings.

There are approximately 135 vacant commercial properties found in the redevelopment area, located primarily along Martin Luther King Jr. Boulevard and 15<sup>th</sup> Street East. The widening of Martin Luther King Boulevard by FDOT in order to accommodate the regional traffic patterns, has resulted in substandard lot sizes along the corridor that are not economically feasible investments for potential developers. There are twenty-one (21) city owned vacant parcels located within the Downtown North CRA encompassing a total area of nearly five acres. Some of these parcels are of considerable size and represent redevelopment opportunities. The parcels that represent redevelopment opportunities include a concentration of vacant parcels located along Lincoln Drive, while the isolated parcels could be either utilized for creating infill housing or to construct neighborhood parks.

## VACANT LANDS



Map showing Vacant Lands, Downtown North CRA

Source: Bay County GIS Database/IBI Group, May 2008

Prepared By: M. Ye/B. Kalra, IBI Group

## COMMERCIAL



Commercial uses account for less than fifteen percent (14.1%) of the planning area encompassing more than 120 acres. Most of the commercial development within the planning area is concentrated along 15<sup>th</sup> Street East, 6<sup>th</sup> Street, Harrison Avenue, Martin Luther King Jr. Boulevard, and Jenks Avenue. Office buildings constitute the largest share of the commercial developments currently existing in the redevelopment area. The area along the MLK Boulevard corridor, in the vicinity of Bay Medical Hospital, has seen growth in hospital-related businesses, and provides opportunities to serve as a catalyst that can be built upon to strengthen the economic base in the area.

Commercial development along the primary corridors within the redevelopment area boundaries range from suburban-style strip malls, retail stores, drive through restaurants, fast food chains, motels, and gas stations to auto repair garages and storage yards. During the focus group meetings and the visioning sessions conducted by the Greater Glenwood Steering Committee, the participants observed that the existing inventory of commercial uses along the corridors is insufficient to meet the neighborhood needs, such as grocery stores and restaurants, thus motivating residents to search outside the neighborhood for their daily needs.

LAND USE	ACREAGE	PARCEL COUNT
Commercial		
Stores, 1 story	23.9	41
Store/office	3.6	13
Office Buildings	46.3	113
Professional Buildings	13.2	29
Transit	0.5	1
Restaurants	8.6	11
Financials	2.9	5
Repair Service	6.3	18
Service Stations	0.9	2
Wholesale	0.8	1
Night Clubs and Bars	0.5	2
Hotels and Motels	4.7	6
<b>Total</b>	<b>121.4</b>	<b>256</b>

## INDUSTRIAL

There are forty parcels (40) under the industrial land use category within the redevelopment area boundaries, covering nearly 63 acres or 7.3% of the CRA's total land area. The majority of the industrial uses are located along the railroad, along U.S. Highway 231 and Mulberry Avenue. The Chevron Plant, located along Beach Drive in the southern section of the Downtown North CRA, is the area's largest industrial establishment. Several of these industrial properties are adjacent to single-family residential units and lack adequate buffering, resulting in incompatible land use development patterns and unsafe conditions. These industrial uses are a health and safety hazard to the neighborhood leading to a deterioration of visual character and a significant decline in property values.



## LAND DEVELOPMENT REGULATIONS

Zoning serves as the primary tool for implementing the goals, objectives, and policies of the City's Comprehensive Plan. As illustrated in Zoning Map (right), Downtown North CRA contains thirteen (13) distinct zoning categories that represent six general development types—residential, commercial, industrial, institutional, recreation and mixed-use. The thirteen districts are summarized below and in the matrix on the following pages.

**RLD-1 and RLD-2—Residential low density:** This category allows for residential uses on lots no smaller than 10,000 square feet (0.23 acre) or narrower than 85 feet (100 feet for a corner lot, 20 feet for a curve or cul-de-sac lot), at a density no higher than 5 housing units per acre or an intensity no greater than 40% (as determined by dividing impervious surface by total gross lot area). Building heights cannot exceed 35 feet above the base flood elevation, while setbacks for square or rectangular lots will be 25 feet from the front property line, 30 feet from the rear, and 7 feet from the side. Zero lot line structures and other nonconforming residential uses may be allowed under permission by the City planning board. Two parking spaces per housing unit must be allocated.

A density bonus can be achieved under certain conditions for RLD, allowing one additional housing unit per acre and an increase in intensity up to 50%. However, bonuses can only be allocated to lots wider than 75 feet and setbacks must be 25 feet from the rear property line, 5 feet from the side property lines, and consistent with adjacent structures from the front property line.

**MU-1—Mixed use:** This category allows for a combination of residential and retail or office commercial uses on lots no smaller than 7,500 square feet (0.17 acre) or narrower than 75 feet. Up to 5 housing units per acre are permissible at an intensity no greater than 50% (as determined by dividing impervious surface by total gross lot area). Building heights cannot exceed 35 feet above the base flood elevation, while setbacks for square or rectangular lots will be 25 feet from the front property line, 25 feet from the rear, and 7 feet from the side. A density bonus is available for up to 25 housing units per acre at an intensity no greater than 75%. In such cases, rear setbacks are reduced to 20 feet and side setbacks reduced to only 5 feet between principal adjacent structures.

**MU-2—Mixed use:** This category is the same in all respects to MU-1 except that the standard density is up to 10 units per acre at an intensity no greater than 65%.

**MU-3 to MU-6—Mixed use:** These categories are the same in all respects to MU-1 except that the standard density is up to 20 units per acre at an intensity no greater than 75% and the maximum allowable building height is increased to 65 feet.

**GC-1—General commercial:** This category allows for regular commercial activity. No minimum lot area or widths are required, nor do density maximums apply. An intensity maximum of 90% (as determined by dividing impervious surface by total gross lot area) is enforced, however. The regular maximum building height is 125 feet above base flood elevation, although it may be exceeded by city commission approval under certain circumstances. However, under no circumstance will the maximum allowable height of the highest habitable unit be greater than 150 feet (plus 25 feet for roof).

Minimum setbacks are 25 feet from the front property line, 3 feet from the rear property line adjacent to another GC property (otherwise, 25 feet), and zero feet from the side unless adjacent to a residential or mixed use lot, in which case the minimum setback will be 10 feet. A minimum of 10% of gross lot area must remain open space that does not address stormwater management or treatment.

**GC-2—General commercial:** This category is the same in all respects to GC-1 except for the reduction of the front and side setbacks to zero feet. The open space requirement is also removed if the lot is within the City's designated central business district; otherwise, the 10% minimum applies.

**LI—Light industry district:** This category allows for light-intensity industrial activities. Minimum lot area and widths and maximum building heights and densities do not apply, although a maximum 90% intensity (as determined by dividing impervious surface by total gross lot area) is applicable. The only setback requirement is 25 feet from any property line adjacent to collector or arterial roadways. A minimum of 10% of gross lot area is required for open space, along with landscape buffers.

**HI—Heavy industry district:** This category allows for heavier industrial activities in areas that require more isolation from other land uses. It is the same in all respects to LI except there is no open space requirement.

**REC—Recreation district:** This category allows for public-oriented recreational facilities. It has the same development requirements as LI in all respects except for minimum setbacks, which are as follows: 25 feet from the front property line, 3 feet from the rear property line adjacent to a GC or P/I property (otherwise, 25 feet), and 10 feet from the side property line adjacent to any RLD or MU property. A landscaping buffering requirement exists for adjacent RLD or MU properties but not for GC or P/I properties.

**P/I—Public/institutional district:** This category allows for municipal, government, or institutional uses and shares all of the same allowances and restrictions as REC.

## ZONING

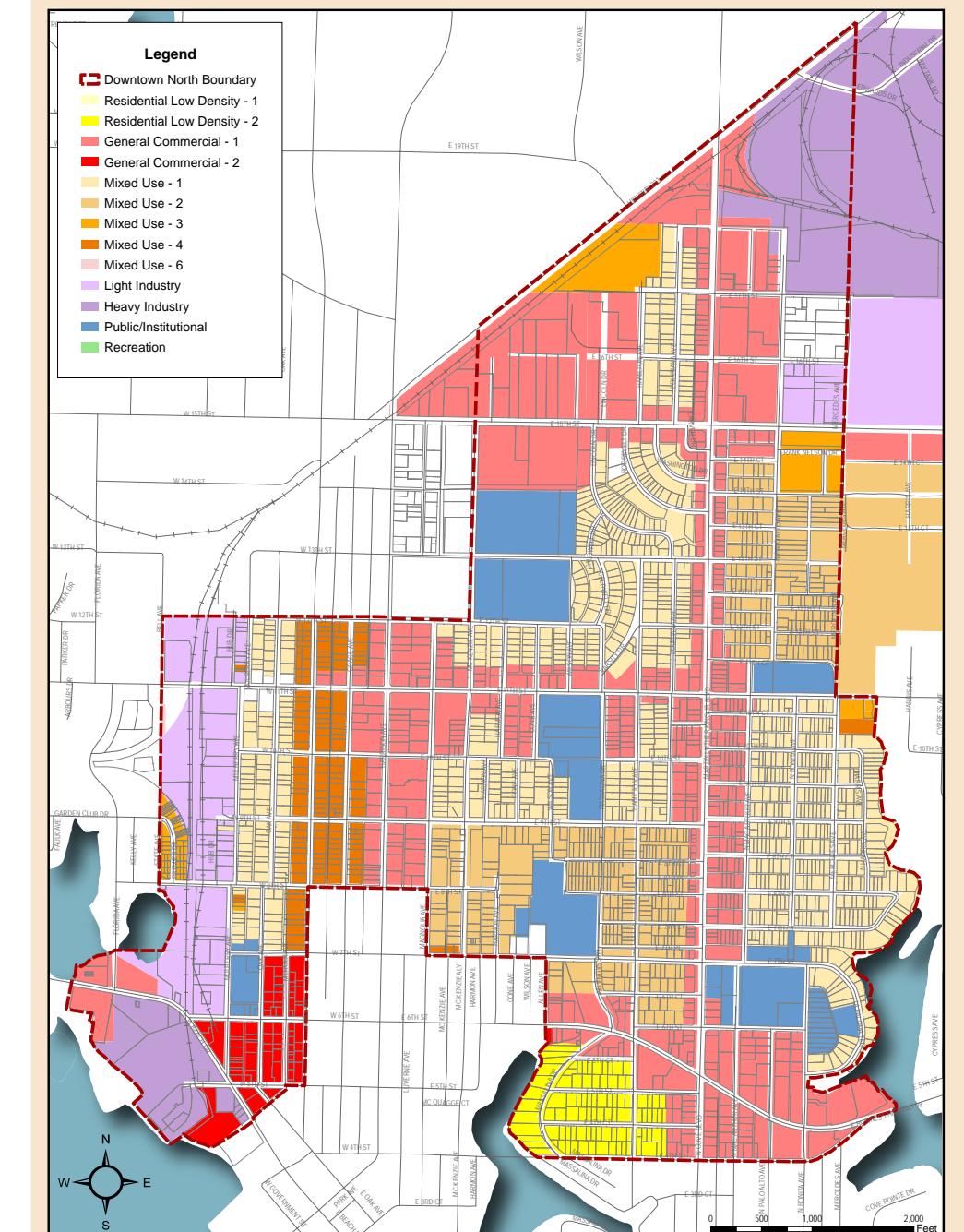


Table 3.5 Zoning Regulations, Downtown North CRA

Source: City of Panama City Land Development Regulations, May 2008

ZONING	MINIMUM LOT AREA	MINIMUM LOT WIDTH	MAXIMUM BUILDING HEIGHT	DENSITY	INTENSITY	MINIMUM SETBACKS FOR PRINCIPAL STRUCTURES	MINIMUM SETBACKS FOR ACCESSORY STRUCTURES	MINIMUM OPEN SPACE	PARKING	DENSITY BONUS	OTHER STANDARDS
RLD-1 (Residential Low Density)	10,000 sq.ft.	Square or rectangular: 85'; Corner: 100'; Cul-de-sac or curve: 20'	35' above base flood elevation (BFE) in flood zones A, AE, and VE ; and a maximum height of 35' from ground elevation in all other flood zones.	No more than 5 dwelling units per acre.	No more than 40% as determined by dividing the impervious areas by the gross area of the site or lot.	Front: 25'; Side(s): 7'; Rear: 30'. Setbacks on odd-shaped lots shall be determined by averaging the setback measures at right angles from the lot line to the building corners. Front setbacks on curves or culs-de-sac shall be determined by measuring at right angles from a line drawn through the front lot line corners to the front of the building. Setbacks for corner lots shall be determined by measuring the front setback as the distance from the lot line to the side of the building with the main entrance, while the other front yard setback shall be one-half the required front yard setback for that district. For corner lots with main entrances on both fronting streets, such as duplexes, the front yard setback shall be the same required front yard setback for that district for each main entrance side. Rear setbacks shall be established by the director. For buildings with unusual shapes or offset entrances, setbacks will be determined by the director.	3' from any abutting property line not adjoining a street or alley; 7' from a street or alley right-of-way line.	N/A	2 spaces per dwelling unit.	Maximum density: 6 dwelling units per acre; Minimum lot width: 75'; Intensity: No more than 50% as determined by dividing the impervious areas by the gross area of the site or lot. Front Setback: Consistent with adjacent principal structures; Rear: 25' from the property line; Side(s): 5' from the property line.	Zero lot lines, etc. Dwellings with zero lot lines and other complexes with courtyard or common parking areas shall be subject to approval by the director. Unattached zero lot line subdivision dwellings shall be subject to approval by the planning board.
RLD-2 (Residential Low Density)	10,000 sq.ft.	Same as RLD-1									
MU-1 (Mixed Use)	7,500 sq.ft.	75'	shall not exceed 35' above base flood elevation (BFE) in flood zones A, AE, and VE and a maximum height of 35' from ground elevation in all other flood zones.	5 units/acre.  10 units/acre.	no more than 50%.  no more than 65%.	Front: 25'; Side(s): 7'; Rear: 25'. For corner, curved, cul-de-sac or odd-shaped residential lots, as specified for the RLD zones.	3' from any abutting property line not adjoining a street or alley; 7' from a street or alley right-of-way line	N/A	As specified in subsection 105-181	Maximum density: 25 dwelling units per acre; Intensity: No more than 75% as determined by dividing the impervious areas by the gross area of the site or lot. Front Setback: Consistent with adjacent principal structures; Rear: 20' from the property line; Side(s): 5' between adjacent principal structures.	N/A
MU-2 (Mixed Use)	7,500 sq.ft.	75'									
MU-3 (Mixed Use)	7,500 sq.ft.	75'	shall not exceed 65 feet above BFE in flood zones A, AE, and VE; and a maximum height of 65 feet from ground elevation in all other flood zones.	20 units/acre.	no more than 75%.						
MU-4 (Mixed Use)	7,500 sq.ft.	75'									
MU-5 (Mixed Use)	7,500 sq.ft.	75'									
MU-6 (Mixed Use)	7,500 sq.ft.	75'	Same as MU-1 and MU-2								

Table 3.5 (Contd.) Zoning Regulations, Downtown North CRA  
Source: City of Panama City Land Development Regulations, May 2008

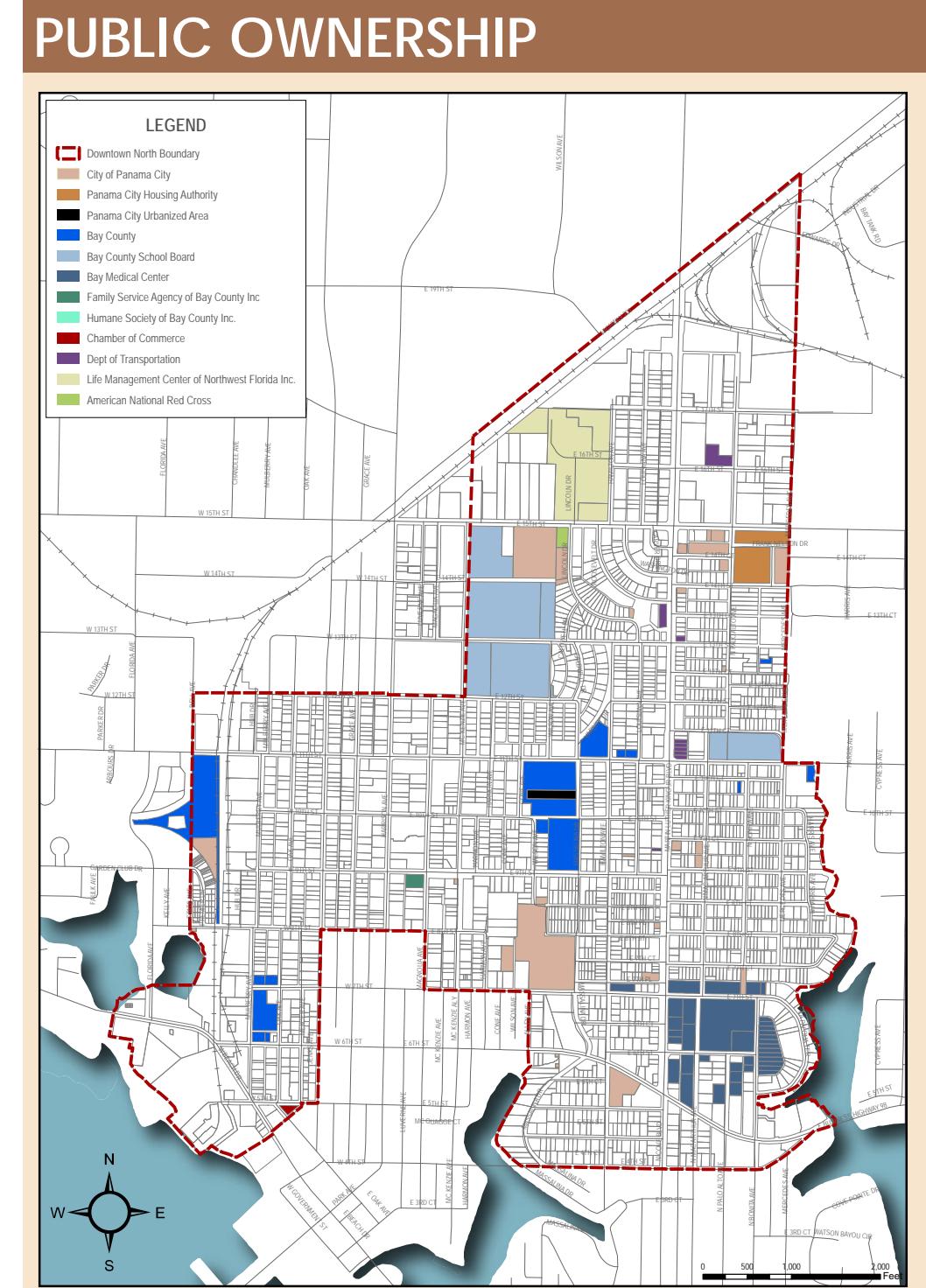
ZONING	MINIMUM LOT AREA	MINIMUM LOT WIDTH	MAXIMUM BUILDING HEIGHT	DENSITY	INTENSITY	MINIMUM SETBACKS FOR PRINCIPAL STRUCTURES	MINIMUM SETBACKS FOR ACCESSORY STRUCTURES	MINIMUM OPEN SPACE	PARKING	DENSITY BONUS	OTHER STANDARDS
GC-1 (General Commercial)	N/A	N/A	Residential Height Limitation Exception: The height limit of 120' may be exceeded if certain building and construction criteria are met, and if it is recommended by the board of architects and approved by the city commission. Under no circumstances shall the ceiling of the highest habitable unit exceed 150', plus 25' for roof.	Residential Density: the ceiling of the highest habitable residential unit shall not exceed 120', plus 25' for roof; or the total height of the structure shall not exceed 145'.	No more than 90%.	Front: 25'; Rear: 3' from lot line adjacent to other commercial land use or GC land use districts. 25' from lot line adjacent to RLD or MU districts. Side: 0'; however, 10' from lot line adjacent to RLD or MU designated land use districts. Residential Minimum setbacks: Front 25'; side 15'; Rear 30'.	3' rear and side setbacks.	10%, stormwater treatment area not included.	As specified by the pertinent requirements of this land development regulation code.	N/A	N/A
GC-2 (General Commercial)	N/A	N/A				Front: 0'; Rear: 3' from lot line adjacent to other commercial land use or GC land use districts. 25' from lot line adjacent to RLD or MU districts. Side: 0'. Residential Minimum setbacks: 30-foot setback from the mean high tide line of a natural body of water.	0' side setback and 3' rear setback.	None, if in an overlay of a designated CBD zone. 10% otherwise, including stormwater treatment area.			
LI (Light Industry District)	N/A	N/A	N/A	N/A	No More than 90%	No closer than 25' from any property line adjacent to arterial or collector roadways.	N/A	10%	As specified in subsection 105-181.	N/A	Landscaping: None required except buffers.
HI (Heavy Industry District)	N/A	N/A	N/A	N/A	No More than 90%	No closer than 25' from any property line adjacent to arterial or collector roadways.	N/A	N/A	As specified in subsection 105-181.	N/A	Landscaping: None required except buffers.
REC (Recreation District)	N/A	N/A	N/A	N/A	No More than 90%	Front: 25'; Rear: 3' from property line abutting any GC or P/I, 25' from property line abutting RLD or MU. Side(s): 10' from property line abutting RLD or MU.		10%	As specified in subsection 105-181.		Landscaping: 10% of the area to be used for off-street parking. Buffer shall be required between abutting RLD or MU, not be required between abutting GC or P/I.
P/I (Public/Institutional District)	N/A	N/A	N/A	N/A	No More than 90%	Front: 25'; Rear: 3' from property line abutting any GC or P/I, 25' from property line abutting RLD or MU. Side(s): 10' from property line abutting RLD or MU.		10%	As specified in subsection 105-181.		Landscaping: 10% of the area to be used for off-street parking. Buffer shall be required between abutting RLD or MU, not be required between abutting GC or P/I.

## OWNERSHIP

The redevelopment potential of a project is often dependent on the property ownership patterns. Multiple ownership patterns can be a hindrance for assembling individual properties to support redevelopment projects. For example, if one owner is interested in redeveloping a property but needs additional area to meet existing land development regulations, and the adjacent owners are not interested in joining forces or selling the property, then the first owner is powerless to make the necessary property improvements. Large shares of public-owned vacant land also reduces the tax base for the City and creates some challenges for redevelopment. On the other hand, often the public entities are more supportive of the community's vision and could be an asset in developing "demonstration" projects to facilitate investment and revitalization of deteriorating areas.

There are 69 parcels under public ownership within the planning area. The major public owners include the City of Panama City, Bay County, Bay County School Board, Florida Department of Transportation, Panama City Housing Authority. The map on the right shows the public owned lands found in the Downtown North CRA.

Single-family residential properties with absentee owners also create challenges for redevelopment and preserving the aesthetic character of a neighborhood, typically due to the lack of property maintenance. Residential ownership patterns in the Downtown North CRA were analyzed using the Bay County Property Appraiser records. Residential properties were determined to be owner occupied if the owner's address and the property listing matched. Approximately 240 properties or 17% of the total number of residential properties in the redevelopment area are owned by property owners that live outside Panama City.



## PROPERTY VALUES

The Bay County Property Appraiser GIS database was utilized to analyze assessed values for all assessed properties within the Downtown North CRA boundaries. The assessed value is the dollar value assigned to a property by the Bay County Property Appraiser's Office for taxation purposes. The assessed value, as determined by the Bay County Property Appraiser, is primarily based on the land use, building square footage, property improvements, building materials, and location. The total assessed value of all properties in the Downtown North CRA is \$303,935,957. The average assessed value of all properties in the Downtown North CRA is \$125,697. More than half of the properties (53.8%) in the redevelopment area are valued below \$50,000 (1,302 properties). There are approximately seven hundred properties (694 properties) in the Downtown North CRA that have an assessed value below \$25,000.

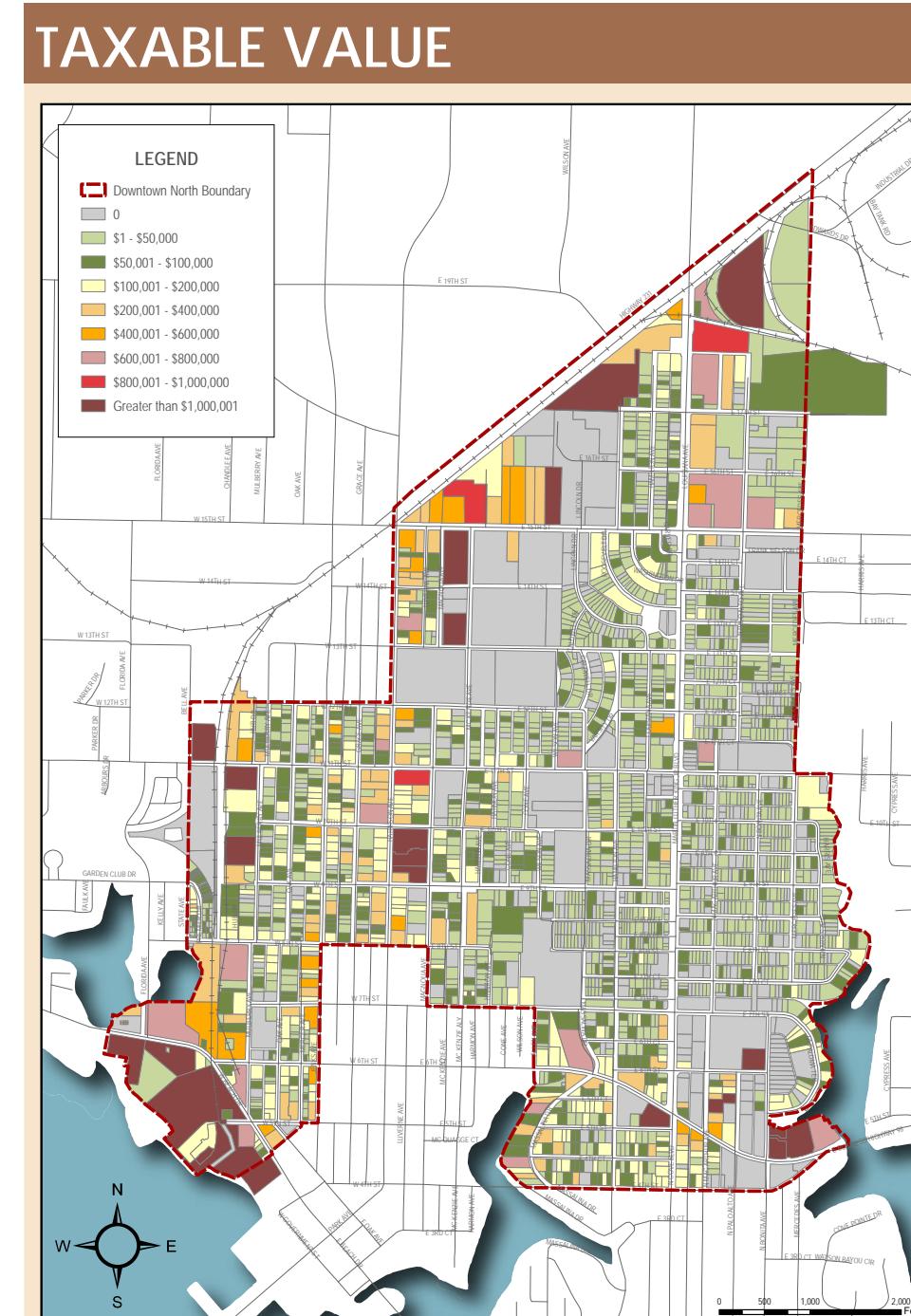
In terms of taxable values, there are nearly five hundred properties (481) in the Downtown North CRA that have zero taxable value. Taxable value is the assessed value less any applicable exemptions. The properties with zero taxable value include properties that could include lands under public ownership, faith-based organization (churches), institutional uses, and hence producing no revenue for the City. The following paragraphs discuss the property values for lands classified according to residential and non-residential uses.

### Residential Uses

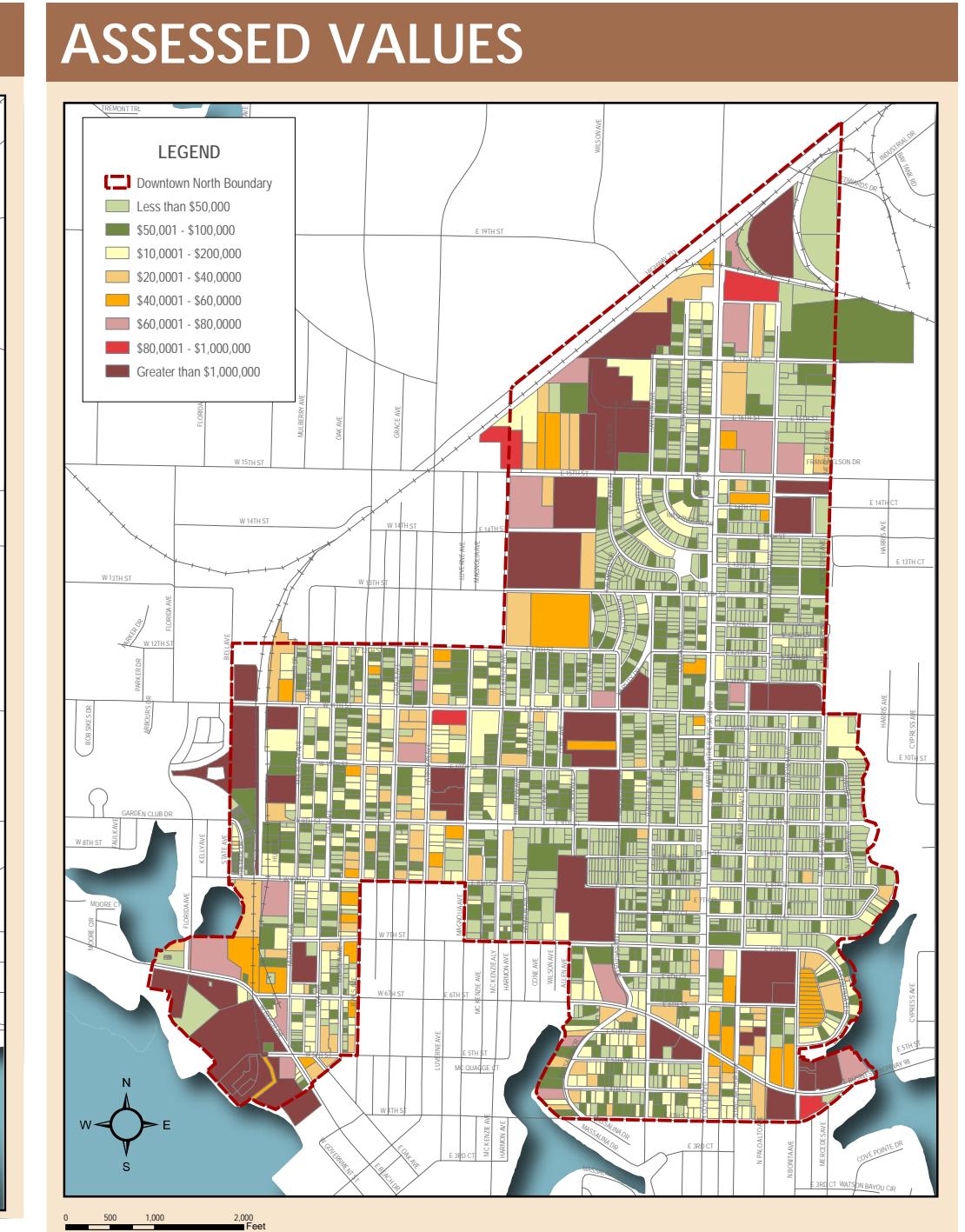
Residential properties in the redevelopment area have a total assessed value of \$85,841,860 and an average value of \$62,521. In comparison, the average assessed value for single-family uses in Panama City is \$97,102, nearly \$30,000 more than the Downtown North CRA values. Single family homes in the redevelopment area range in assessed values from \$6,177 to \$605,176. There are 737 (54%) residential properties that have some exemption, 236 of those pay no property taxes because of values below \$25,000. These properties can be found throughout the redevelopment district including a concentration in areas near East 9<sup>th</sup> Street and Hamilton Avenue.

### Non-Residential Uses

The total assessed value for all non-residential properties in the redevelopment area is \$218,094,097, while the total assessed value for vacant properties is \$23,393,309. The total commercial property assessed value in the planning area is \$72,814,181 and the average assessed value for the properties is \$282,225. The total assessed value for institutional uses (including schools and churches) is \$108,289,937 and the average assessed value for the parcels under this designation is \$618,799.



TAXABLE VALUES	TOTAL PARCELS	%
0	481	19.9%
Less than \$50,000	1,126	46.6%
\$50,000 - \$100,000	422	17.5%
\$100,000 - \$200,000	242	10.0%
\$200,000 - \$400,000	87	3.6%
\$400,000 - \$600,000	21	0.9%
\$600,000 - \$800,000	16	0.7%
\$800,000 - \$1,000,000	3	0.1%
Greater than \$1,000,000	20	0.8%
Total	2,418	100.0%



LAND USE	ASSESSED VALUES
Residential	\$85,841,860
Commercial	\$72,814,181
Industrial	\$13,544,038
Institutional	\$108,289,937
Vacant	\$23,393,309
Total	\$303,935,957

Maps showing taxable values (left) and assessed values (right), Downtown North CRA  
Source: Bay County GIS Database/IBI Group, May 2008  
Prepared By: M.Ye/ B.Kalra, IBI Group

# INFRASTRUCTURE AND PUBLIC FACILITIES

## TRANSPORTATION AND CIRCULATION

Transportation and Circulation patterns are a vital component of the community's growth and development, particularly as it relates to the interface between land use and transportation. The sections below summarize the existing inventory of roadway facilities, identification of planned and or programmed transportation improvements, public transportation facilities, and significant transportation issues within the redevelopment area. The Downtown North CRA is currently served by a diverse but constrained transportation network system consisting of roadways, public transportation and minimal bicycle and pedestrian facilities. The roads located within the Downtown CRA are the responsibility of three jurisdictions: Florida Department of Transportation (FDOT), City of Panama City, and Bay County. The Bay County Transportation Planning Organization (formerly the Panama City Urbanized Area Metropolitan Planning Organization) adopts a Transportation Level of Service (LOS) report each year for the City's roadways. The City uses the MPO's Level of Service (LOS) standards to determine the quality of service of the roadway into six grade levels with "A" describing the highest quality and "F" describing the lowest quality. These standards relate to a range of operational conditions on a roadway, based on roadway characteristics and traffic volumes. As volumes increase LOS decreases, unless road improvements are made.

The City of Panama City Comprehensive Plan adopted a level of service (LOS) of D and LOS of E for its principal and minor arterials respectively indicating that the existing roadway network within the City is adequate to serve the automobile traffic generated by existing land uses. This section of the report contains an analysis of existing public realm improvements including traffic circulation, pedestrian network, utilities, and public facilities and services. The primary data sources utilized for the analysis include the 2007 Updated Comprehensive Plan, 2007 Evaluation Appraisal Report, U.S. Business 98 Heritage Corridor Study, Panama City Urbanized Area Congestion Management System (2000), Bay County Transportation Planning Organization Project Priorities FY 2009-2013 (2007), data provided from various City Departments, and field surveys conducted by IBI Group staff in May 2007.

### Roadways and Street Network

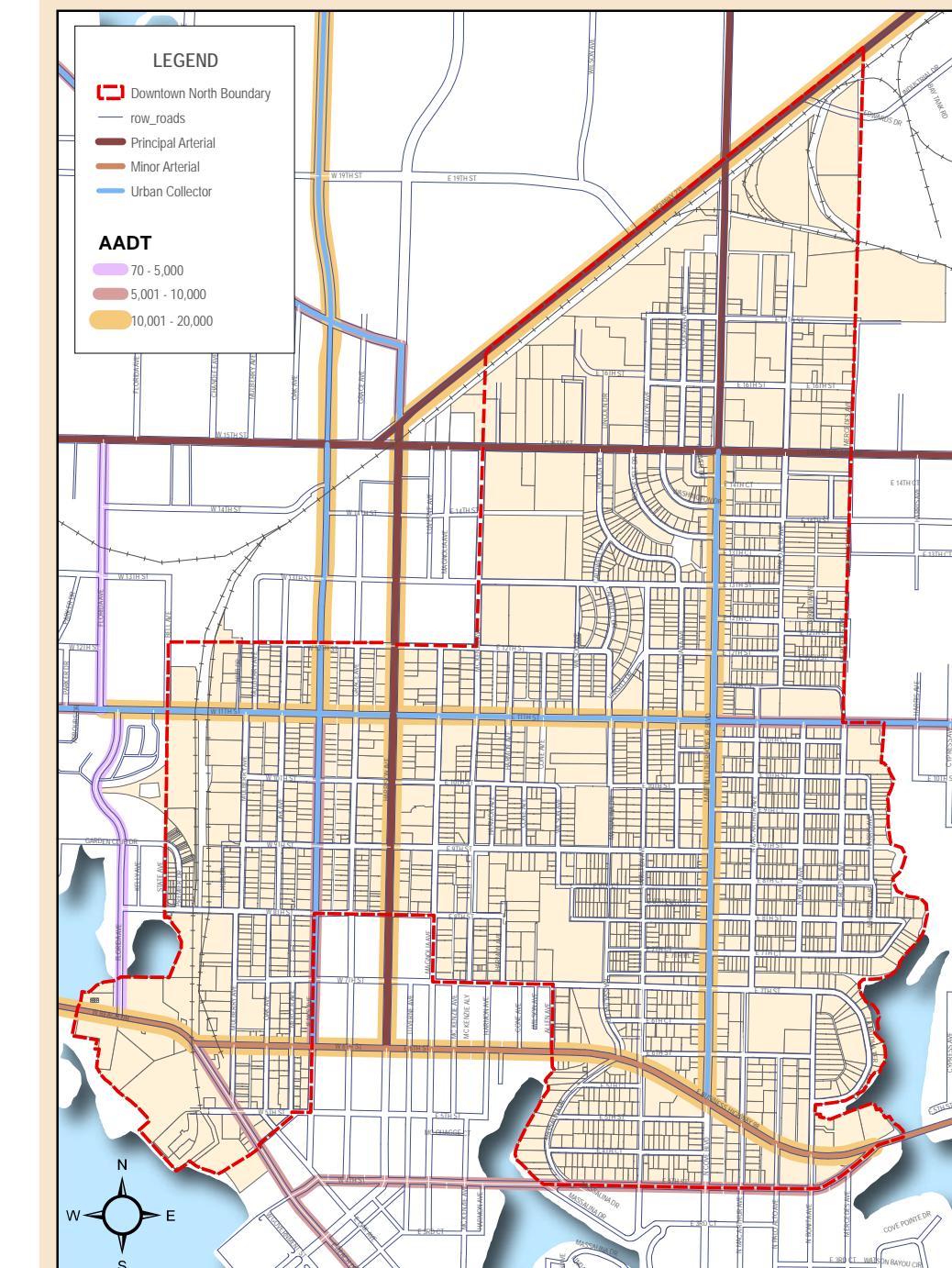
Downtown North's street grid is organized for the most part in a traditional grid system with a minimal number of cul-de-sacs or dead ends, allowing efficient pedestrian and vehicular movement through the Downtown North CRA along its north-south or east-west corridors and streets. As illustrated in Fig. 3.18, U.S. Highway 231, the northern boundary to the Downtown North CRA also serves as the primary access into the City from Interstate 10. Harrison Avenue/ US 231 (SR 75) and Martin Luther King Jr. Boulevard (SR 77) are the north-south primary corridors bisecting the redevelopment area, and connecting the area to Downtown Panama City to the south and the City of Lynn Haven and the Panama City- Bay County International Airport to the north.

Fig. 3.18 also delineates the three types of roadways within the redevelopment area- Arterials, Collectors and Local Roadways. The major roadway classifications used are based on allocated use and vary depending on volume, operating speeds, and type of trips. The City of Panama City Comprehensive Plan defines the roadways into the following three road classifications:

1. Principal Arterial: A state roadway that provides a high degree of mobility and continuity for motorists that are traveling in a corridor that connects major activity centers. U.S. Highway 231, a four-lane divided road serving as a major route through the City of Panama City, is classified as a principal arterial connecting the Downtown North CRA to Interstate 10 and communities to the north-east. U.S. Highway 231 converts into Harrison Avenue and 15<sup>th</sup> Street East (US 98), connecting the redevelopment area to the Downtown, the Panama City- Bay County International Airport and Panama City Beach to the east. Harrison Avenue from US 98 to Business 98, 15<sup>th</sup> Street from Beck Avenue to US 231, and 6<sup>th</sup> Street from Beach Drive to Hamilton Avenue are the other principal arterials traversing the Downtown North CRA.

2. Minor Arterial: A state, county or city roadway that provides a significant degree of mobility and continuity for motorists at typically lower operating speeds and shorter trip lengths than principal arterials. Martin Luther King Jr. Boulevard (SR 77), a four-lane divided roadway, is designated as a minor arterial between US 231 and Business 98.

## CIRCULATION



Map showing existing circulation pattern, hierarchy of roads, and annual average daily traffic (AADT) counts , Downtown North CRA district

Source: Bay County GIS Database/IBI Group, May 2008  
Prepared By: M.Ye/ B.Kalra, IBI Group

3. Collector: A city or county roadway providing service which is of relatively moderate traffic volume, moderate trip length, and moderate operating speed. Collector roads collect and distribute traffic between local roads and arterial roads. 11<sup>th</sup> Street and Jenks Avenue serve as the major collectors in the north-south and east-west direction respectively, connecting the Downtown North CRA to the rest of the City.

The table shown below presents a summary of the right-of-way widths and functional classification for the primary roadways that connect the Downtown North CRA with the rest of the City and County.

NAME	R.O.W.	FDOT CLASSIFICATION
U.S. Highway 231	75 feet	Principal Arterial
East 15th Street	75 feet	Principal Arterial
Harrison Avenue	75 feet	Principal Arterial
Martin Luther King Jr. Boulevard	70 feet	Principal Arterial, Urban Collector
East Business Highway 98	60 feet	Minor Arterial
East 11th Street	60 feet	Urban Collector
Jenk South Avenue	60 feet	Urban Collector

## PEDESTRIAN CIRCULATION

The Bay County TPO Bicycle and Pedestrian Master Plan completed in October 2005, identifies goals and strategies that address the deficiencies in the existing pedestrian and bicycle network conditions along the roadways and neighborhoods in the entire county including the City of Panama City. The Bicycle and Pedestrian Master Plan sets forth an action plan for the community's desired vision for the future of the city's pedestrian and bicycle network. The Downtown North CRA has nominal pedestrian and bicycle amenities in place that support safe and easier access to schools, parks, recreational trails, and community activity centers by foot and bicycle. The following paragraphs briefly discuss the existing conditions for the redevelopment area's pedestrian and bicycle circulation network including sidewalks, alleys, street lighting, and trails.

Downtown North CRA's overall physical structure, with blocks typically measuring 300 feet by 300 feet, is ideal for creating a safe pedestrian environment, allowing frequent intersections and interconnected areas. Currently, pedestrian activity is high in the vicinity of the schools with students walking to school. City staff reports, crash data presented in the Bay County TPO Bicycle and Pedestrian Master Plan, US Business 98 Heritage Corridor Study, and windshield investigations conducted by IBI Group indicate that there are numerous sections of the sidewalk and bicycle network that are missing, discontinuous, and in need of repair. Currently, Martin Luther King Jr. Boulevard is the only location with bicycle lanes within the Downtown North CRA boundaries. The critical sidewalk gaps and hot spots for bicycle and pedestrian crashes in the Downtown North CRA that have been identified in the above referenced studies and surveys include:

- U.S Business 98 and 7<sup>th</sup> Street West (near the Rescue Mission)
- 15<sup>th</sup> Street/ US 98 and Martin Luther King Jr. Boulevard
- Cove Boulevard South of Business 98
- Areas in the vicinity of Bay Medical Center
- 11<sup>th</sup> Street west of Martin Luther King Jr. Boulevard

Alleys or alleyways are an integral part of the traffic and pedestrian circulation network linking neighborhoods and activity centers in a neighborhood. However, often alleys are perceived as negative elements as they lead to an increase in illegal activities due to under utilization, trash disposal, reduced lighting, and narrow widths. Alleys in the planning area are typically 10-12 feet wide, with the exception of some alleys that are 4-6 feet wide.

Rail to trail conversion opportunities are identified in the Bay County TPO Bicycle and Pedestrian Master Plan as an alternate mode of transportation to complement the on-road pedestrian and bicycle facilities. Trail networks interconnected with on-street facilities encourage regional connectivity, reduces travel time and distance for pedestrians and cyclists, while at the same time increases the level of safety for the users, if designed appropriately. The Downtown North CRA currently does not have any dedicated trails identified. The 1997 Panama City Urbanized Area Transportation Study identified a trail project, located in the Downtown North CRA, to convert the abandoned railroad to a multi-use trail from US Business 98 to 11<sup>th</sup> Street.

## PUBLIC TRANSPORTATION

The Bay Town Trolley currently operates three transit routes within the Downtown North CRA. These routes provide service with one hour headways Monday through Friday from 6 AM to 6 PM. The current routing structure provides direct access to the Bay Medical Center, Panama City International Airport, St. Andrews commercial district, Harrison Avenue and the Marina, Martin Luther King Boulevard, and Business 98 through Millville. The Bay County TPO Annual Transit Development Plan Update 2007-2016 calls for the addition of one new route in the Bay Town Trolley system and realignment of the three routes that are within the Downtown North CRA. The following is a description of changes to the route network proposed by the Bay County TPO:

New Route 7, providing service from Target to Gulf Coast Community College via S.R. 231 and 15th Street (Business 98). This route will provide service along an intensive corridor and will also enable the Route 4 to operate primarily in the 11th Street corridor.

Re-aligned Route 4 – The Route 4 will no longer serve 15th and 19th Streets but will continue to provide service between Downtown Panama City and Gulf Coast Community College via the 11th Street corridor, also serving St. Andrews.

Re-aligned Route 3 – The Route 3 will continue to operate between Target and the Wal-Mart on Tyndall Parkway, but will add a loop on Harrison between 15th and 11<sup>th</sup> Streets to serve Bay High School. The route will then continue along 15th Street east to East Avenue south to 11th Street east to Transmitter Road south to 7th Street and into the Wal-Mart on Tyndall Parkway.

Realigned Route 1 – The Route 1 will continue to provide service between Downtown Panama City and Lynn Haven but will operate on Pennsylvania and Florida Streets in Lynn Haven, each one block east and west of Highway 77.

Panama City-Bay County International Airport and Port of Panama City are within a 10-mile radius from the center (MLK Boulevard and 11th Street) of the Downtown North CRA.

## UTILITIES

### Sewer

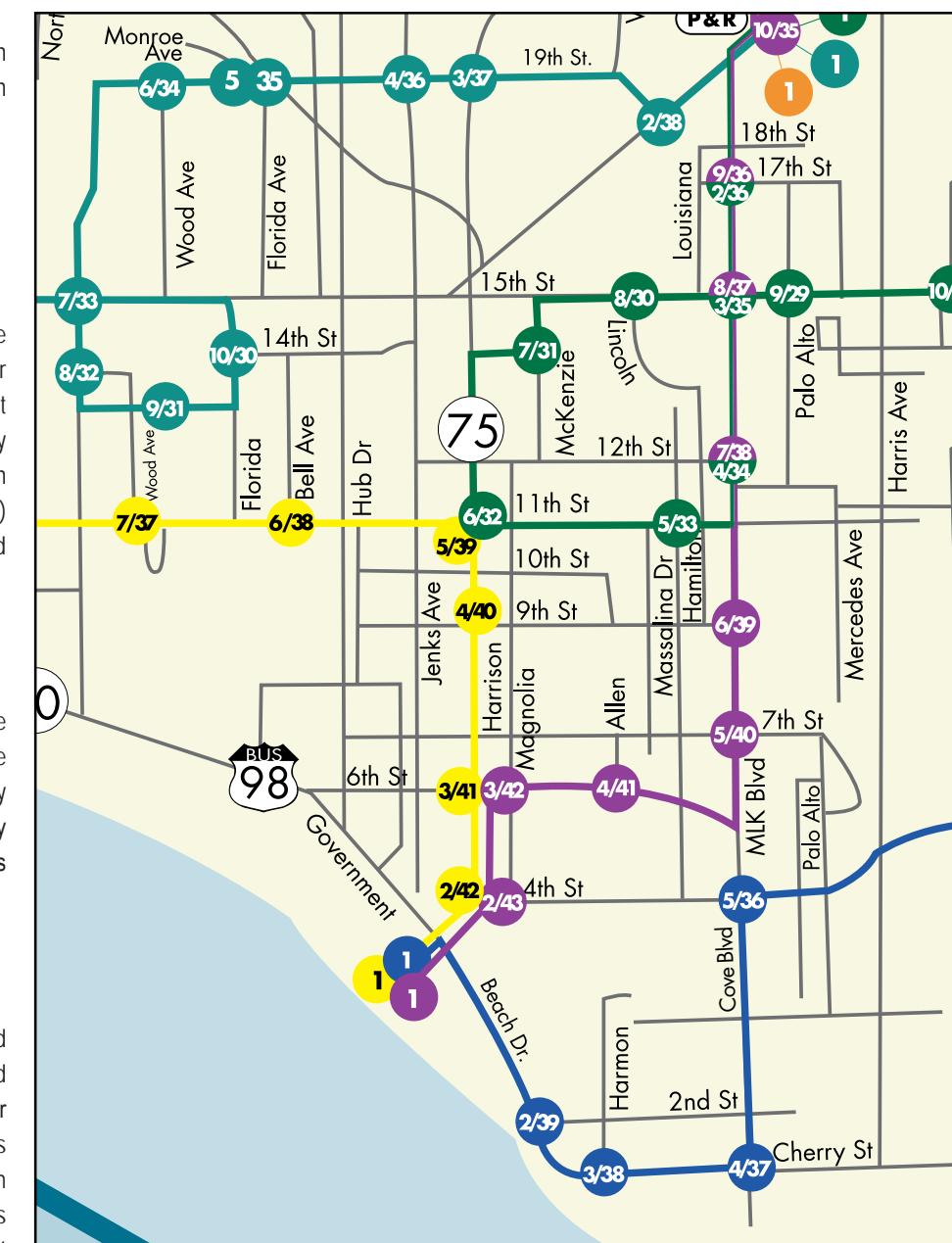
The City owns and operates the wastewater collection and treatment system. The St. Andrews treatment plant serves the western half of the City, including both older established and newer areas in the northern part of the City. The Millville treatment plant serves the eastern half of the City, including the Downtown, Panama City Mall, and some older residential and strip commercial areas. Both plants have been upgraded in the past ten years and have capacities of 5 million gallons per day (mgd) each, for a total of 10 mgd. The projected demand in 2005 is 6.9 mgd, and 7.1 mgd in 2010.

### Solid Waste

Solid waste services for the City are handled jointly by the City and County. The City's Public Works Department is responsible for collection of residential garbage and commercial construction; a private contractor hauls yard waste. The County processes all wastes at either the Steelfield Road landfill or the solid waste-to-energy incinerator. The landfill is expected to have capacity through 2017; the incinerator has a 510-ton per day capacity and is expected to meet projected growth demands.

### Potable Water

Panama City purchases its water from Bay County for service areas both inside and outside City limits. The City is responsible for maintaining only distribution lines and meters; it does not own or operate wellfields or storage tanks. The County water treatment plant is capable of treating approximately 35 mgd; as of 2000, it was operating at about 55% capacity. The average daily demand for the entire system is 19.5 mgd; as of 1998 the City's average demand was 6.7 mgd. Bay County is currently upgrading and expanding the system. Water supplies from Deer Point Lake and Econfina Creek are expected to serve the needs of current and projected population demands.



### Stormwater

Stormwater management programs are examined as an on-going priority by the City. In 1980, the first drainage plan was developed. There are over \$20 million in improvements that have been identified for the system. In 1987, the City developed a Comprehensive Stormwater Management Plan for the entire City. The plan was intended to address the stormwater issues in the City, however, the plan was not implemented. Currently, the City is updating the 1980 Master Drainage Plan, which will prioritize capital improvements over the next several years. Surface water runoff within the City, including the Downtown North CRA, flows into the St. Andrews Bay through a combination of overland flow through sewer and open ditch systems. The two main drainage basins in the Downtown North CRA- Massalina Bayou and Watson Bayou- outlet directly to St. Andrews Bay.

Massalina Bayou watershed is approximately 625 acres of commercial and residential development. The primary conveyance system to be evaluated in this watershed is a 3,000 foot open ditch network extending south from 9th Street to the Bayou at 6th Street. Flooding in this watershed is evident along 9th Street, specifically in the vicinity of the intersection at 9th Street/ McKenzie Avenue and Magnolia Avenue.

Watson Bayou, the largest bayou in the City, accommodates a watershed area of approximately 4,000 acres of residential, commercial, and industrial development. According to the City of Panama City Comprehensive Plan Update (2007) there are two primary conveyance systems in this watershed. The first is a 1,300-foot storm sewer line serving 9th Street from MacArthur Avenue east to the Bayou. The second system is a 19,500-foot open ditch network extending generally south in three major tributaries from the Atlanta and St. Andrews Bay Railroad yards and the Bay Line Railroad Industrial Park area to the Bayou at 11th Street. Areas within the Downtown North CRA that were identified as flood-prone areas in the City's Comprehensive Plan include Pal Alto between 14th and 15th Streets, 11th Street east of Sherman Avenue, and sections of the industrial areas between the Atlanta and St. Andrews Bay Railroad Yard.

The City's Land Development Regulations (LDR) as well as permitting requirements of DEP, FDOT, and Bay County all provide regulatory controls on future development, which will dovetail with improvements to antiquated components of the existing system for an overall improved management program.

## PUBLIC FACILITIES AND SERVICES

The Downtown North CRA neighborhoods have access to several community based and publicly funded facilities and resources. Community services and facilities that are essential to ensure sustainable growth of a neighborhood include schools, hospitals, libraries, day care centers, youth and family centers, parks, recreation facilities, and fire and police protection. The following description summarizes the community's existing public facilities and services and identifies resources to build future collaborations. The information is divided into four primary categories- 1) Recreation Facilities; 2) Education and Cultural Resources; 3) Health Care and Family Services; 4) Public Safety

### RECREATION FACILITIES

The Downtown North CRA currently accommodates some recreational programs and facilities to serve the area residents. The primary recreational features include the Martin Luther King Jr. Recreation Center, Glenwood Community Center, Henry A. Davis Park, and Watson Bayou Park. The Martin Luther King Jr. Recreation Center, located on 14<sup>th</sup> Street, is a 1.1 acre community park facility that provides amenities and programs such as indoor and outdoor basketball courts, recreation center, playground, and indoor volleyball, to the residents. The center also provides an after school assistance program for students during the school year. Henry A. Davis Park, a 2.5 acre open space located on Roosevelt Avenue, accommodates a playground and basketball courts as the primary facilities. Currently, the park is undergoing a drainage improvement project to alleviate the flooding issues faced in the park. Combined, the two recreational facilities provide 3.6 acres of recreational area to a total estimated population of 3,747 residents. The City's adopted level of service standards for recreation, according to the City of Panama City Comprehensive Plan Update, is  $\frac{1}{4}$  acre per 1,000 population for neighborhood parks and 2.75 acres per 1,000 population for community parks. Based on these standards, the Downtown North CRA's population needs an additional 6.6 acres of community park area to meet the neighborhood's recreational demands. The existing recreational facilities in the Downtown North CRA are significantly lower than the City's adopted LOS standards for recreation for the redevelopment area's population. All these parks are located west of Martin Luther King Jr. Boulevard, and is inaccessible to the residents living in the remainder of the Downtown North CRA.

In order to meet the recreational demand of these residents, the City and the CRA should explore opportunities to work closely with the Bay County School Board to develop joint use agreements for residents to share the schools' playground facilities for public use in exchange for maintenance of the playgrounds by the City.

### EDUCATION AND CULTURAL RESOURCES

The Downtown North CRA is home to four educational and cultural facilities that contribute in satisfying the needs of area residents. The two public schools located in the area include the Bay High School, A.D. Harris High School, and Jinks Middle School. The area also contains the Glenwood Community Center that serves as a center for community activities, programs, and meetings. The City's After School Assistance Program (ASAP) offers learning opportunities to very low- to low- income youths and their families who are at-risk of educational failure and need for a safe haven after school program. Bay County Public Library, located at the intersection of West 11<sup>th</sup> Street and Balboa Avenue, is the closest public library available to the residents of the Downtown North CRA residents.

In terms of cultural resources, the African-American Cultural Center is located on Martin Luther King Jr. Boulevard. The center is a resource center for documenting and exhibiting the history of African-Americans in the City and Bay County. The rich African- American heritage reflected by the past, present and future residents of the Downtown North area is an opportunity to create a venue that could become a tourist destination. Developing partnerships and initiating joint ventures with the Panama City African American Chamber of Commerce, Inc. (PCAACC) and the Florida Black Chamber of Commerce should be explored to further this goal to create a tourist destination that builds upon the Visit Florida's Black Heritage Trail program.

### HEALTH CARE AND FAMILY SERVICES

The primary facility providing health care service to the Downtown North CRA residents include the Bay Medical Center, a 413-bed regional referral center. The Life Management Center of Northwest Florida Inc. is a non-profit facility located within the Downtown North CRA that provides comprehensive behavioral health and family counseling services to the entire region.

The Downtown North CRA is home to nearly residents representing 10% of the City's total population. Considering the significantly high percentage of youth and single parents in the redevelopment area compared to the City, the area has an inadequate network of health facilities and ancillary uses such as day care centers, youth training programs, social service agencies that provide basic support services to the area residents.

## PUBLIC SAFETY

The 2007 crime statistics provided by the City of Panama City Police Department indicates that 6,997 of the total 24,408 calls for services occurred within the Downtown North CRA. This represents over 28% of the total calls for service made in the City.

While the Study Area contains nearly **ten percent (9.72%)** of the City's total population, it is experiencing a disproportionate incidence of crime compared to the total population. The calls of service per capita in the Downtown North CRA at **6,997** calls answered for a population of **3,747** residents, is nearly five times higher than the citywide rate of **over 63%** (24,408 calls for a population of 38,537).

The high incidence of crime deters the private sector from investing in redeveloping the area. Crime is closely related to deteriorating neighborhood conditions such as high unemployment rates, significant vacancy rates, and unsafe conditions. Left unaddressed, the crime rates will most likely continue to escalate within the Study Area burdening the City and residents with additional costs.

CRIME STATISTICS (2007)					
	Panama City	Downtown North CRA	Percent of City Population		
Population	38,537	3,747	9.72%		
	# of Crimes	Crimes Per Capita	# of Crimes	Crimes Per Capita	% Crime Occurrence in North Extension Area
Crime Category					
Traffic Crashes	2,030	5.3%	628	50.9%	30.9%
Code Enforcement	678	1.8%	187	15.1%	27.6%
Total Calls for Service	24,408	63.3%	6,997	566.6%	28.7%

## Appendix C Public Participation

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# COMMUNITY PARTICIPATION



The Downtown North Redevelopment Plan Update is the result of an extensive community visioning process conducted over a period of 8 months. The recommendations and projects identified in the Plan were a product of the public participation process, led by the Mayor, City's Community Redevelopment Agency, and the consultant team. The purpose of this citizen-led planning effort was also designed to initiate an open dialogue between stakeholders, staff, and the city leadership for sharing concerns and priorities related to Downtown North development and for building a consensus between the various players that have a role in the successful implementation of the redevelopment program.

From May 2008 to November 2008, IBI Group worked with a diverse group of participants including residents, business owners, county officials, elected officials, and government representatives to create a realistic plan reflective of the community and stakeholder interests and aspirations. More than a hundred residents and stakeholders came together to participate in the visioning process to explore new concepts and opportunities for the future growth of the Downtown North redevelopment area.

The project was initiated with a series of focus group meetings with the DIB members, Glenwood Improvement Board members, Glenwood Working Partnership members, city residents, elected officials, City staff, property owners, and other key stakeholders. These meetings provided the consultant team with an understanding of the prevailing concerns and perceptions about the Downtown North's future development. Meetings were scheduled to obtain input from the staff relating to the community's assets, critical issues associated with the project, existing planning efforts and proposed projects that would help define a clear scope for the initiative.

The consultant team gave project update presentations to the participants, which included sharing information about the existing Downtown North conditions from a land use, environment, and economic development perspective. In addition, the CRA and the City together with the consultant team conducted a Visual Preference Survey, in which the participants engaged in an interactive exercise to select the desired mix of uses, densities, heights and neighborhood character based upon selected photographs that represented different neighborhoods from cities across the nation. The following are highlights of the input received from the focus group meeting sessions, and the results of the Visual Preference Survey.



# FOCUS GROUP MEETINGS SUMMARY REPORT

Following is a summary report outlining the information obtained during focus group work sessions and interviews conducted on May 6<sup>th</sup>, 7<sup>th</sup>, and 8th in the City of Panama City. At each meeting a brief overview of the planning process was provided along with a summary of the preliminary assessment of the physical conditions and demographic trends conducted by the IBI Group. The information contained in this summary includes a list of the attendees, and a brief summary of the comments provided by the participants. This information will be used during the inventory and analysis phase of the redevelopment planning process and will be incorporated when formulating the goals and objectives of the Redevelopment Plan.

*May 06, 2008*

*Glenwood Working Partnership*

*List of Attendees: Toni Shamplain, Judy Rouchac, Miachel P. Woulcard, Matt Shack, Kenneth Brown, Estoria Clark, Anderson Edwards, Rufus Wood, Cynthia Godbey, Kurt Easton (IBI Group), Bankim Kalra (IBI Group)*

*Targeted CRA: Downtown North*

Assets:

- Community residents and the Glenwood Working Partnership
- Massalina Bayou
- Henry Davis Park
- Bay High School (Culinary Arts Program)

Issues:

- Deteriorating environmental conditions along the Bayou;
- Property values for waterfront lands are high but the water is not usable because of the deteriorating conditions;
- Substandard lot depths and sizes throughout the redevelopment area act as obstacles for redevelopment and often require assemblage;
- Right-of-way acquisition during the Martin Luther King Boulevard widening project cut a large part of the frontage lots rendering the properties along the corridor undevelopable;
- Downtown North's negative perception within the larger community needs to be addressed and overcome;
- Lack of transit facilities;
- Need for upgrading existing transit facilities;
- Lack of proactive code enforcement;
- Downtown North residents don't trust the City leadership and staff;
- Lack of career enhancement and job training opportunities;
- Existing deficiencies codes have not been addressed by the City's leadership to accommodate changes in recent development patterns and infrastructure conditions;
- Young population from the community leave neighborhoods;
- Lack of cultural and economic diversity;
- Lack of education;

Opportunities/ Solutions:

- Rezone commercial properties along Martin Luther King Boulevard to improve the redevelopment potential for properties fronting the corridor;
- Widening of MLK Boulevard also presents an opportunity to increase residential development along the corridor and encourage nodal commercial development;
- Good relationship with the Glenwood Working Partnership;
- Increase awareness and education through the Glenwood Working Partnership;
- Attract people back to the area;
- Start a business incubator and work with mentors to train the youth and unemployed;
- Evaluate businesses near corridors and the relationship between area employment

anchors and businesses;

- Need to start a vocational training program;
- Get school children involved as the path and the vehicle to bring positive change into the community;
- Develop incentives for workforce training such as day care centers and one-stop resource center;
- Determine measures and benchmarks to gauge success after redevelopment.

*May 06, 2008*

*Bay County Representatives*

*List of Attendees: Daniel Shaw, Cynthia Godbey, Kurt Easton (IBI Group), Bankim Kalra (IBI Group)*

*Targeted CRA: Downtown and Downtown North*

Comments:

- Old county administration site at 6<sup>th</sup> and Mulberry available for redevelopment;
- Within the next 18 months, County will be relocating its services from the existing facilities;
- Gulf Power owned vacant site presents a redevelopment opportunity;
- Engineering building on McKinsey will also be vacated;
- Plans to knock down the jail in the next year and use it for the expansion of the courthouse;
- Parking issue for the Courthouse expansion on-site;
- Evaluate other alternatives for introducing structured parking Downtown;
- "Boot Camp" building owned by the County but leased to the State is another redevelopment opportunity;
- Create a consolidated redevelopment strategy for school owned properties;
- Construction of federal courthouse
- Old boat yard for sale
- Elks Lodge trying to sell
- Relocation of the library- future development may get impacted by the submerged lands laws;
- Tank farm impacting adjacent properties;
- Opportunity to relocate City Hall and open the waterfront to its natural state;
- Evaluate alternative sites to relocate City Hall to the center of the Downtown;
- Federal Building will be available for redevelopment;
- Residential developments along the waterfronts approved but not materialised due to market conditions;
- Evaluate opportunities to redevelop the old Train Depot site

May 07, 2008

**Downtown North Stakeholders (Social Service Agencies)**

**List of Attendees:** Lee Brigg (Bay Trolley), Ronnie Adams (Bay Equity), Al Lewis (Jenks Project), Carolyn Moseley (NAACP), Helen Croswell (DCF), Matt Shack, Mary Helen Barnes (Big Bend Community Based Coalition), Dr. Newsome (Health Department), Rick Dye (Regions Bank), Toni Shamplain, Cynthia Godbey, Kurt Easton (IBI Group).

**Targeted CRA: Downtown and Downtown North CRA**

- Discussion of the demographic profile stirred interests in the participants;
- Other suggestions for statistical analysis were also shared by the participants;
- City hinders development opportunities because of the relative cost of pursuing development projects and it would be interesting to do a comparative analysis of the development fees in neighboring communities;
- Part of the reason for commercial zoning in the City is for collecting taxes on franchise fees and other business taxes;
- In general, the group indicated that their services are being cut because of the economic downturn;
- Problem with indigent care in the City- the indigent issue is creating a negative because of its visibility in the DT/ DTN area;
- Need for workforce training, computers, and new industries;
- Neighborhood Watch programs exist but there is a need for community policing policies;
- Affordable Housing-

There have been some successful infill housing projects in the City. The key for successful affordable housing is to reduce costs associated with land and that there are some policies, if implemented by the City, will improve the availability of affordable land. For example, vacant lands could be turned over to non-profits for affordable housing;

Waiver of impact fees and property taxes for non-profit builders until project is turned over to the private sector.

- Research into expenditures from CDBG and SHIP funds to determine how much is being spent for housing;
- Trolley bus storage facility may be located;
- Business owners in Downtown require additional residents living in the Downtown;
- Discrepancy in water and sewer rates between business and residential uses;
- Downtown and Downtown North need to become aware of regional planning and impact on growth;
- Property owner of low income housing in Downtown North willing to build affordable housing but need assistance and incentives from City;
- City needs to provide more help in the form of incentives for redevelopment in Downtown North;
- Affordable housing needed in Downtown North;
- City needs to expedite review process;
- Downtown Business owners want to use this time to prepare for market turn around;

- Downtown Advisory committee seeking expansion of time for the Downtown CRA;
- Infrastructure is a concern for future residential coming to Downtown;
- Perception that Jenks Avenue is part of Downtown area.

May 07, 2008

**Glenwood Improvement Board, Inc.**

**List of Attendees:** Toni Shamplain, Cynthia Godbey, Kurt Easton (IBI Group),

**Targeted CRA: Downtown and Downtown North CRA**

- Need improvements to the Bayou;
- One-stop shop for government services;
- Develop start-up businesses programs within a small business support center from which small businesses could launch operations, that could eventually lead into a Business Assistance Center;
- Need two full-time maintenance personnel to help keep CRA cleaned up;
- Affordable housing needs updating;
- Identify and remove aging wood frame houses;
- Absentee landlords is an issue of concern;
- Develop strategies to relocate tenants during rehabilitation and redevelopment of deteriorated areas;
- Need grocery store in the Downtown North area;
- Lack of streetlighting;
- Need to address low household incomes, if we are working towards increasing property values;
- Need to get legal opinion regarding the use of collected TIF funds in the expansion area;
- Property next to Foxwood is a high crime area- need to clean up Foxwood and turn it into Massalina;
- Need extra code enforcement staffing;
- McArthur and Louisiana residents need to be relocated and build new housing subdivision/ development with regional park;
- Need to address stormwater run-off need and research the history and anthropology of the area;
- Park on Watson Bayou needs to be closed and replace with bait and tackle shop, and small marina;
- Concern over Watson Bayou condition- possibility of dredging;
- Problem with ex-offenders residing in the area not able to get jobs- set up system to get felons hired;
- Create jobs through workforce training and mentorship programs;
- Need economic restructuring along 15<sup>th</sup> Street- need to create jobs;
- Need to acquire property for infill housing and explore land banking as a mechanism to improve housing conditions and turning it back to private sector;

**Glenwood Improvement Board, Inc.: Committee Input**

Our objective is to create a vibrant working neighborhood for the citizens of Glenwood. To do so is recommended that our input be apart of the new Downtown North Redevelopment Plan.

Our plan is comprised on four components or stages of redevelopment:

**Stage 1. ECONOMIC DEVELOPMENT**

- Obtain approval from the City Commission to use Downtown North CRA funds within the entire boundaries of the North CRA. To included the new expansion of the CRA from 121ft street up to highway 231
- Additionally, land should be purchased to built and construct a small business complex on Martin Luther King Blvd. This complex will house twelve (12) new business to help reactivate this community back to the once thriving an industrious business area.
- Businesses located within this complex would be restaurants, shops, banks,clinics, theatres, skating Rink and governmental agencies.
- Hire Two (2) new fulltime environmental service personnel tasked with the responsibility to maintain all of the road ways within the Glenwood Community.
- Demolish and construct a new African American Cultural Center. This new state of the art building would house the Glenwood visitor's information center and a gift shop.

**Stage 2. AFFORDABLE HOUSING**

- Affordable housing is in short supply within the Glenwood Community. A majority of the existing homes are in need of modernization. In order to fix this problem all the wood frame deteriorated homes located on Roosevelt, Washington and Carver Drive within the Glenwood Community should be demolished, building new single family homes on Roosevelt Drive, and building a new multistory apartment complex on Washington and Carver Drive.
- Property bounded by Palo Alto, 141ft street, Redwood Avenue and 11th street. To the North purchase and develop a new housing area that includes a regional park. Equipped with an Olympic size swimming pool, tennis court, Soccer field, four (4) baseball fields, two (2) softball fields and a concert size covered stage where community events can be held.

**Stage 3. WATER FRONT**

By constructing a bait and tackle shop in the current location of the Watson Bayou Park would bring immediate life to our priceless waterfront and provide jobs for Many of our unemployed citizens. This shop could include a restaurant, small shop space and a small marina.

#### Stage 4. STREETSCAPE

Transform the existing deteriorated streetscape of the Glenwood Community by installing brick streets, brick side walks, modernize street lighting, palm trees and a computerized marquee with a clock where community events could be posted. Eliminate the concrete median that runs from the street up to highway 231. Replace with traffic entrances to all road ways that exist with the Glenwood Community.

*May 08, 2008*

*City Staff*

*List of Attendees: Neil H. Fravel, John Van Etten, Michael A. Johnson, Ron Morgan, Vervi J. McIntyre, Allara Gutcher, Cynthia Godbey, Kurt Easton (IBI Group), Bankim Kalra (IBI Group)*

*Targeted CRA: Downtown CRA and Downtown North CRA*

#### Marina and waterfront

- The City plans to improve the function and physical conditions of the marina;
- Currently, expansion of the marina is a question but acquisition should be considered in the near future;
- It is important to provide affordable waterfront access and recreational uses;

#### Community Development

- No major affordable housing projects planned currently;
- Department works primarily with multi-family residential developers;
- Infill and rehabilitation projects- based on those people that apply for assistance;
- CDBG funds used for street improvements;

#### Infrastructure

- PWD gets the bill for streetlights- approx. \$43,000 per month;
- Informal policy for streetlighting;
- Street lighting inventory north of 12<sup>th</sup> Street has not been completed;
- Past expenditures in the Downtown and Downtown North area need to be documented to calm the negative perception about City's involvement;
- Brownfields Assessment Funds- alternative funding source;
- Infrastructure capacity and needs assessment are so large that they have not been quantified;
- Infrastructure was redone when MLK Boulevard was widened in the Downtown North CRA;

- Transmission mains are positioned to take advantage of the waterfront;
- Alleyways and on-street parking are often used as dumpsters by business owners;
- Evaluate opportunities to provide consolidated dumpsters at strategic locations;
- Most of the stormwater related problem is a perception issue;
- Harrison between 11<sup>th</sup> Street and 14<sup>th</sup> Street experiences flooding issues;
- As part of the Capital Improvements Program- dirt alleys are being paved; no road

improvements planned in the Downtown and Downtown North; study to create a major north-south collector;

#### Community Policing

- Downtown and Downtown North both have substations;
- Prime issue in Downtown- Homelessness;
- Rescue Mission on 6<sup>th</sup> Street- always cooperative with the staff; take a small amount in, however provide free meals that attract homeless people into the Downtown who loiter along the waterfront and public parks;
- Crime issues related to Downtown- trespassing, drinking on City property, sleeping on City property
- Crime issues related to Downtown North- drug-related and violent crimes
- The issue of ex-offenders and destitution is connected;
- Solutions- community services program/ make connections with faith-based groups;
- Lack of availability of services and access to the existing services;
- Code Enforcement is an issue and is primarily reactive- handled by the Police Department;
- Lack of time for the police department to pursue proactive enforcement;
- Demolition and clean-ups are also part of code enforcement in terms of dollar amount;
- City/ CRA owned properties could accommodate a pilot clean-up project to encourage private property owners to maintain their property;
- Develop an inventory of targeted, existing, and city-owned properties for redeveloping affordable housing

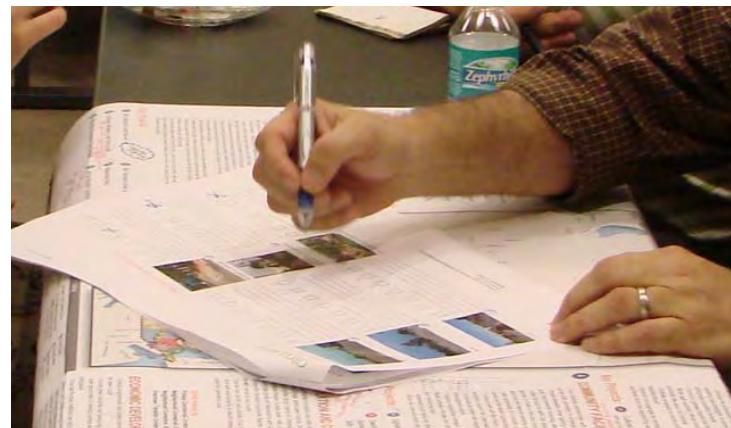
#### Parks

- Maintenance of parks is a major issue in terms of funding and personnel;
- Public restrooms and restricted shower areas are needed for the marina;
- Some kind of tie-in is needed between improvements and maintenance;
- Redwood property is a big issue
- Budget cuts are going to have an impact on further development;
- 14<sup>th</sup> Court and MLK Boulevard- assemblage of properties is underway;
- The City is under the LOS standards for parks as per the Comprehensive Plan;
- Per the LDRs, new multi-family residential development allows developers to donate land in lieu of park;
- LOS according to comprehensive plan- 3.75 acres per 1000 people; currently 3.6 acres/ 1000

#### Development Approval Process

- Too many layers and dysfunctional;
- Pre-development review meeting preferred only for Level 3 development orders;
- Need a streamlined process;
- CRA staff level has the Architectural Review Committee.

# VISUAL PREFERENCE SURVEY SUMMARY REPORT



A visual preference survey was conducted for the residents of the Downtown North Community Redevelopment Area on September 17, 2008. The survey presented varying images of different characteristics that represented five primary land use categories: residential, commercial, community facilities, recreation and open space: passive, recreation and open space: active, and street character. The survey participants were asked to rate each image on a scale from -3 to 3, and to provide additional comments as needed. The results of the survey were compiled, analyzed and summarized below.

## Residential

Six images were presented in the residential category. The most preferred image is Image 1a, which showed a single-family house of Bungalow style. It received a high score of 2.7, along with comments that requested this type of residential development "must be affordable for population which is already there". Image 1c which depicted a duplex of moderate density was the second favorite of the group, also with comments that it should be affordable for existing residents. The least preferred image is Image 1d, which showed a 2-story townhome development of moderate density, and received a low score of -1.4.

The comments for this category stressed the need for affordable yet quality residential developments.

## Commercial

Fifteen images were presented in the commercial category. Image 2f, which showed a local restaurant that blended well with the neighborhood, received the highest score of 2.6 from the participants. Image 2e depicting a book store/cafe also received a high score of 2.3, with comments indicating that such development should "blend in with houses". Other preferred types of developments include neighborhood grocery stores, medium-sized grocery stores, chain restaurants, and mixed use developments. Image 2a of a suburban corridor development/strip mall was the least favorite of the group and received a low score of -0.2.

The scores and comments for this category reflect a desire for small to medium-sized commercial establishments that are of neighborhood scale and would serve the needs of local residents.

## Community Facilities

Nine images were presented in the community facilities category. The most preferred image is Image 5b, which depicted a band shell/performance venue and received a high score of 2.7. Other types of facilities the participants preferred include business assistance centers, performing/visual art classes, vocational training centers, community gardens, and artist studios/galleries.

Although Image 5d of a tool library is the least preferred of the group, it should be noted that the image still scored a relatively high score of 0.9.

Overall, the images of the community facilities all received relatively high scores, which reflect a

high demand for such facilities by the local residents.

## Recreation and Open Space: Passive

Six images were presented in this category, which all received very high scores. The most preferred image is Image 6a of a neighborhood park with shade trees and pavilions. Trails, bike paths, picnic facilities, fishing boardwalks were all highly preferred by the participants. The least preferred image is Image 6b of a linear park, however, it still scored a high point of 2.5.

The high scores of the images in this category revealed a strong desire of the local residents for various recreation and open space opportunities.

## Recreation and Open Space: Active

Six images were presented in this category. The most preferred image is Image 7f of a multi-purpose playground. Other preferred types of recreational facilities include basketball courts, swimming pools, and tennis courts. Although scored the lowest among the group, Image 7d of a soccer field still received a relatively high score of 1.7.

Overall, the images of this category all received relatively high scores, which revealed a high demand for active recreational facilities by the local residents.

## Street Character

Six images were presented in this category. The most preferred image is Image 8f, which depicted a well landscaped urban plaza with seating, a fountain and other amenities as a connector of the street network. Image 8e showing a narrow sidewalk with planting strip between the curb and the sidewalk was also preferred by the participants. The least favorite of the group is Image 8a, which showed a four-lane road way with a turning lane and little landscaping. This image scored a negative 1.3. Generally the participants expressed desire for streets with pedestrian friendly features, such as shade trees, landscaping, wide sidewalk and other pedestrian amenities.

The next page contains the most preferred images from the survey, followed by detailed scores of all images presented in the survey.

## Most Preferred Images



Residential



Local Restaurants



Book Store / Cafes

Commercial Development



Performance Venues



Artist Studio/ Gallery



Business Assistance Center



Neighborhood Park



Trail



Picnic Facilities

Recreation and Open Space: Passive Recreational Uses



Multi-purpose Playground



Basketball Courts

Recreation and Open Space: Active Recreational Uses



Plazas and Open Space as connectors

Street Character

# LAND USE AND DEVELOPMENT CHARACTERISTICS: VOTING RESULTS

## Residential



Single-Family: Bungalow



Single-Family: Frame Vernacular



Moderate Density: Duplexes

1a

1b

1c

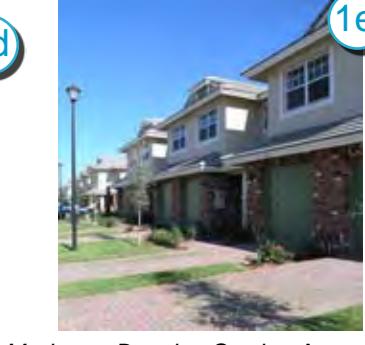


Moderate-Density: Townhomes

1d

1e

1f



Moderate Density: Garden Apartments



Moderate-Density: Apartments

Visual #	Score							Total	Average Score
	-3	-2	-1	0	1	2	3		
1a	0	0	0	1	2	5	36	44	2.7
1b	13	2	3	5	0	2	19	44	0.3
1c	2	4	2	1	8	9	19	45	1.5
1d	25	3	4	8	2	3	3	48	-1.4
1e	15	1	2	13	3	4	6	44	-0.5
1f	6	2	7	7	6	8	8	44	0.4

### Comments

1a. Must be Affordable for population which is already there/Like very much  
 1b. Must be Affordable for population which is already there/ No, No, No  
 1c. Must be Affordable for population which is already there  
 1d. No  
 1e. okay, maybe, add garage  
 1f. A Possibility

## Commercial



Suburban Corridor Development



Cluster Development



Cottage Commercial

2a

2b

2c



Neighborhood Grocery Store



Book Store / Cafes



Local Restaurants

Visual #	Score							Total	Average Score
	-3	-2	-1	0	1	2	3		
2a	21	3	2	0	1	8	14	49	-0.2
2b	11	0	1	5	4	8	14	43	0.7
2c	15	0	0	4	5	11	10	45	0.3
2d	5	0	0	1	6	4	28	44	1.9
2e	4	0	0	0	1	7	33	45	2.3
2f	1	0	0	1	1	8	35	46	2.6

### Comments

2a. OK, MLK, Parking could be a problem, Clean up 6th Street  
 2b. Sure, Why not, These types in conjunction with neighborhood grocery, book store, local restaurant  
 2c. Nope  
 2d. Yes/Okay  
 2e. Yes, Blend in with houses  
 2f. Yes

# LAND USE AND DEVELOPMENT CHARACTERISTICS: VOTING RESULTS

## Commercial



Medium-sized Grocery Store



Chain Restaurants/ Stores



Entertainment



Professional Offices



Mixed-Use (Office above retail)

Flex-Space  
(Commercial fronting Industrial)

Visual #	Score								Total	Average Score
	-3	-2	-1	0	1	2	3			
3a	4	1	1	7	3	10	19	45	1.4	
3b	5	0	1	4	6	7	21	44	1.5	
3c	7	0	0	8	1	8	20	44	1.3	
3d	4	2	2	11	4	2	21	46	1.2	
3e	4	5		2	1	11	30	53	1.7	
3f	12	5	2	5		4	12	40	-0.1	

### Comments

3a. Yes, Yes, Yes

3b. Yes

3c. Yes

3d. Maybe, Not sure

3e. Yes

3f. Yes



Hotel



Bed and Breakfast



Banks

Visual #	Score								Total	Average Score
	-3	-2	-1	0	1	2	3			
4a	8	0	0	3	2	8	19	40	1.3	
4b	4	0	1	2	2	9	25	43	1.9	
4c	5	1	0	18	1	3	12	40	0.7	
4d	5	0	0	9	2	2	23	41	1.5	
4e	4	0	0	1	4	12	20	41	1.9	
4f				9	6	1	24	40	2.0	

### Comments

4a. Yes

4b. Yes

4c. Thinking about it

4d. Yes, Yes

4e. Yes

4f. Yes, Yes, Yes



Museum



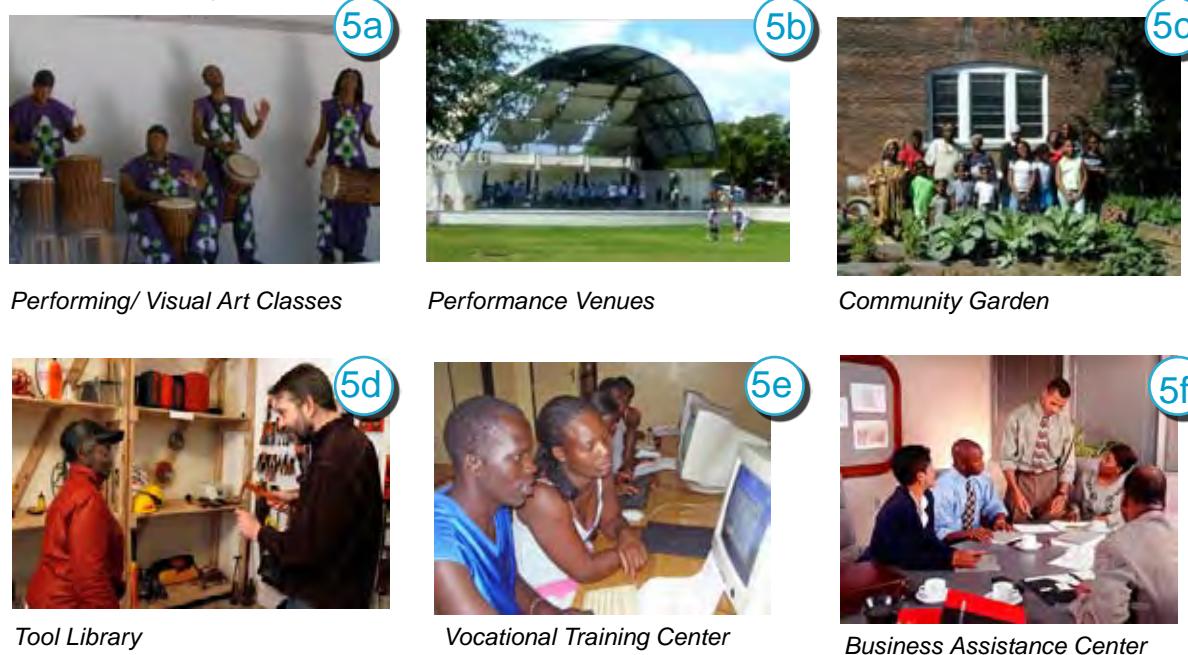
Theater/ Performing Arts Center



Artist Studio/ Gallery

# LAND USE AND DEVELOPMENT CHARACTERISTICS: VOTING RESULTS

## Community Facilities



Visual #	Score							Total	Average Score
	-3	-2	-1	0	1	2	3		
5a	0	0	0	3	4	5	26	38	2.4
5b	0	0	0	1	0	9	30	40	2.7
5c	2	0	0	3	6	9	20	40	2.0
5d	10	0	1	4	0	10	16	41	0.9
5e	0	0	1	4	2	7	26	40	2.3
5f	0	0	0	0	2	10	23	35	2.6

### Comments

5a. Very much so, Downtown Marina area

3b. Yes, Large civic center

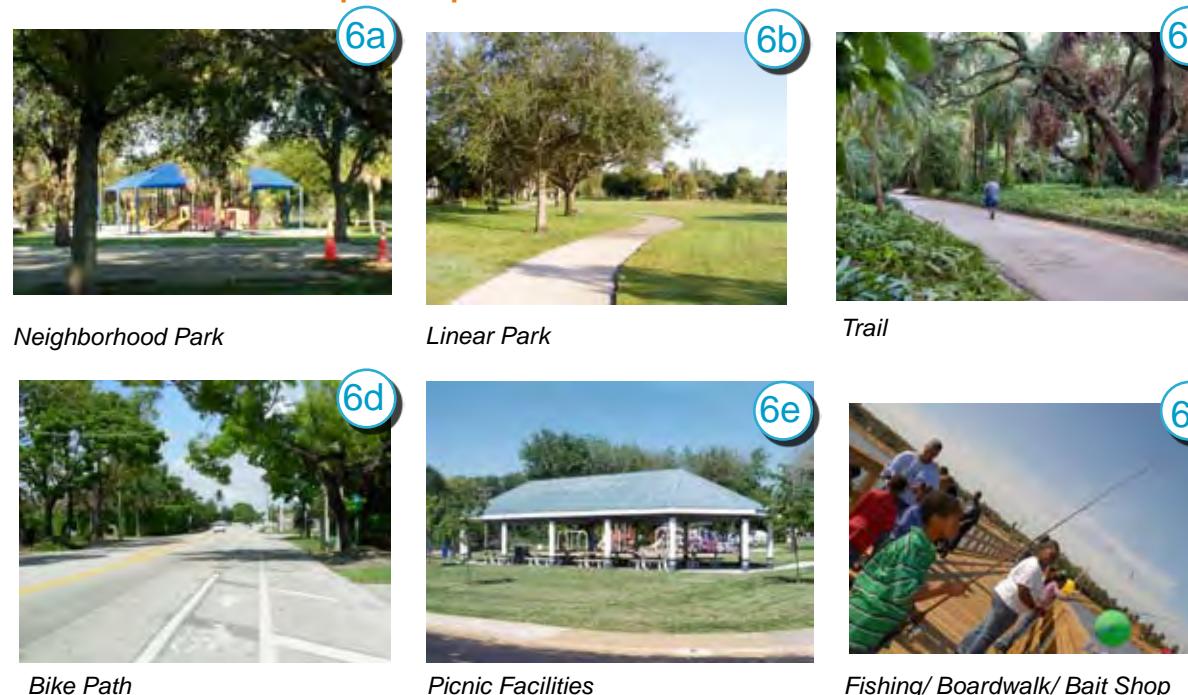
3c. Yes

3d. Yes

3e. Yes, Yes

3f. Yes, Yes

## Recreation and Open Space: Passive



Visual #	Score							Total	Average Score
	-3	-2	-1	0	1	2	3		
6a	0	0	0	0	0	5	36	41	2.9
6b	0	0	0	0	5	9	27	41	2.5
6c	0	0	0	1	1	2	36	40	2.8
6d	0	0	0	0	5	3	32	40	2.7
6e	0	0	0	0	5	4	31	40	2.7
6f	0	0	0	0	3	6	31	40	2.7

### Comments

6a. Yes

6b. Yes, Golf Course

6c. Yes

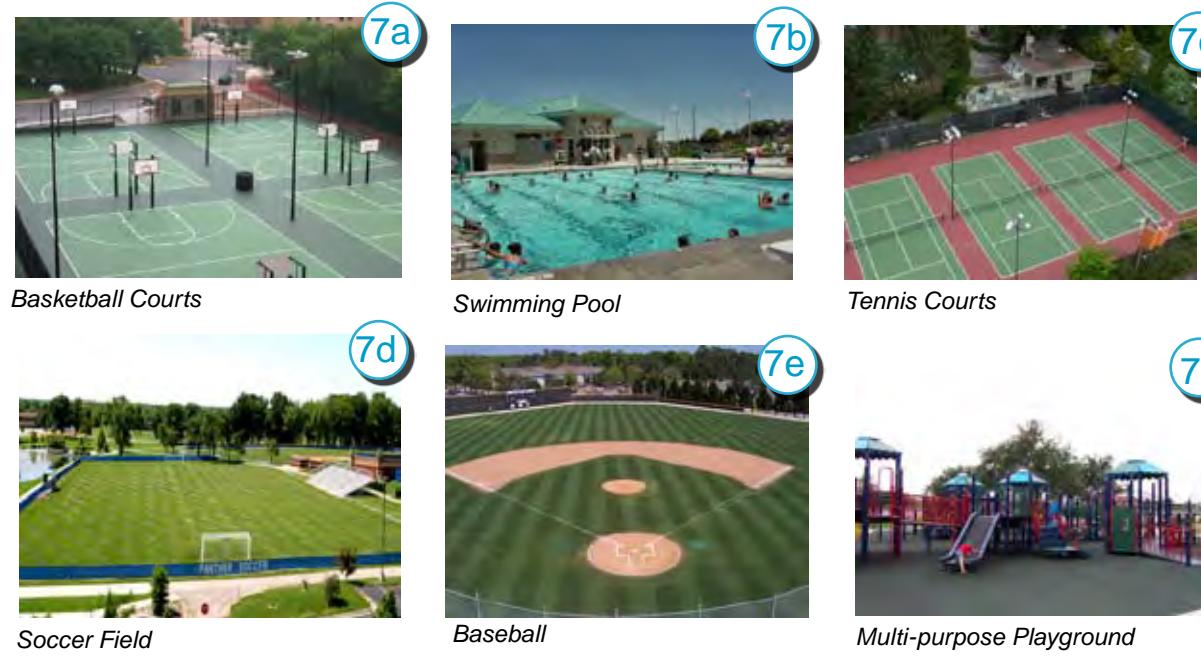
6d. Yes

6e. Yes

6f. Yes

# LAND USE AND DEVELOPMENT CHARACTERISTICS: VOTING RESULTS

## Recreation and Open Space: Active

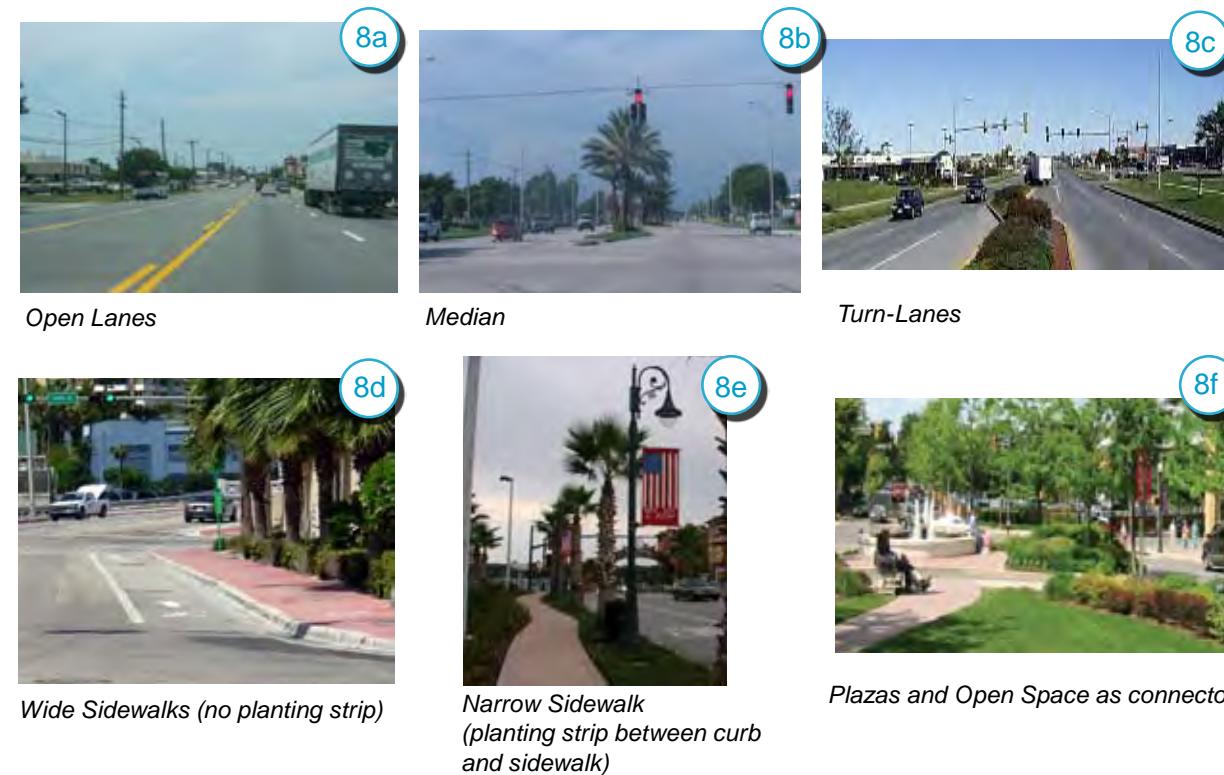


Visual #	Score							Total	Average Score
	-3	-2	-1	0	1	2	3		
7a	1	0	2	1	5	6	24	39	2.2
7b	1	0	2	5	5	2	29	44	2.1
7c	1	0	1	5	1	2	27	37	2.2
7d	4	0	1	2	3	10	19	39	1.7
7e	4	0	1	2	3	8	21	39	1.8
7f	0	0	1	1	3	7	27	39	2.5

### Comments

7a. Yes, we need them  
7b. Okay sure  
7c. Yes, we need them  
7d. Yes  
7e. Yes, Hamilton Avenue, 10th Street Corridor  
7f. Oh Yes

## Street Character



Visual #	Score							Total	Average Score
	-3	-2	-1	0	1	2	3		
8a	20	4	0	3	0	0	8	35	-1.3
8b	1	0	0	5	8	11	7	32	1.5
8c	2	1	0	0	5	4	23	35	2.1
8d	11	0	2	3	4	4	10	34	0.2
8e	2	1	0	0	0	3	26	32	2.4
8f	0	0	0	0	0	7	28	35	2.8

### Comments

8a. Very good idea  
8b. Don't want it  
8c. Yes  
8d. No, No, No  
8e. Yes  
8f. Yes

# PUBLIC WORKSHOPS: DEFINING SUCCESS

The Panama City Community Redevelopment Agency and the City hosted a special joint workshop for the Downtown and Downtown North CRA on August 13, 2008. The following were the primary objectives of the workshop:

- To convey up-to-date information from the CRA about planning activities in the Downtown and Downtown North districts.
- To help the CRA understand what participants would like to see these areas look like in the future so that vision can be incorporated into the redevelopment plans.
- To encourage property and business owners in the Downtown and Downtown North CRA districts to
  1. Reevaluate their thinking about redevelopment
  2. Share their ideas with each other about the future of Panama City
  3. Get involved in the next steps in the planning processes

The participant's comments are summarized in this section.

August 13, 2008  
**Defining Success in Downtown and Downtown North CRAs**  
**GROUP 1**  
**Facilitator: Dutch Sanger**

## Characteristics of Success for the Downtown North CRA Ranked

1. Pedestrian-friendly streetscape (10 votes)
2. Developed parcels (6 votes)
3. Public/private partnerships like curbside appeal program (tied with 4 votes)
3. Ethnic elements/open air market (tied with 4 votes)
4. Hotels by hospital (3 votes)
5. Small business services (tied with 2 votes)
5. Smooth traffic flow (tied with 2 votes)
6. Amphitheatre with events (tied with 1 vote)
6. Small downtown within Glenwood (tied with 1 vote)
6. Underground utilities (tied with 1 vote)
6. Continuity in appearance between communities (tied with 1 vote)
6. Industrial development near 231 (tied with 1 vote)
6. Commercial uses/ e.g., bank (tied with 1 vote)
7. Business recruitment (no votes)
7. Accessibility across MLK (no votes)
7. Development of side streets (no votes)

August 13, 2008  
**Defining Success in Downtown and Downtown North CRAs**  
**GROUP 2**  
**Facilitator: Nancy Wengel**

## Characteristics of Success for the Downtown North CRA Ranked

1. Identify and accommodate unique subsets/areas in the district, including in design criteria (incentivized) (7 votes)
2. Professional sports facility (6 votes)
3. Revitalize old county offices (4 votes)
4. Recreation path connecting to St. Andrews (3 votes)
5. Safe (tied with 2 votes)
5. Grants for residence and business owners (tied with 2 votes)
6. Higher standards for landscaped corridors (1 vote)
7. Grocery store on 77 (no votes)
7. Pedestrian friendly (no votes)

August 13, 2008

**Defining Success in Downtown and Downtown North CRAs**

GROUP 3

Facilitator: Mary Sue Boles

Characteristics of Success for the Downtown North CRA Ranked

1. Improved infrastructure/streetscaping (sidewalks, lighting, enhanced landscaping with palms and live oaks for shade)
2. Incentive program to help promote business and residential development
3. Outdoor activities and bike trails
  - Something for the kids/parks
  - Historic tours/ B & B
  - Better shopping opportunities and more eateries
  - Decreased lot size to make it more affordable
  - Make it easier to develop

August 13, 2008

**Defining Success in Downtown and Downtown North CRAs**

GROUP 4

Facilitator: Toni Shamplain

Characteristics of Success for the Downtown North CRA Ranked

1. Address lot sizes, zoning, land banking, curbside appeal and incentives to achieve mixed use/add affordable single family/develop waterfront housing/clean up Watson Bayou
2. Address transportation including bus routes/shelters make it Walkable/bikeable/develop sidewalks and bike lanes/address traffic calming where appropriate/address road conditions
3. Address streetscaping (specifically on Jenks)
  - Buffer between unique areas within the district
  - Land banking to facilitate future development
  - More businesses/banks/light industry/dedicated fish and tackle shop/small businesses/strip mall/legal offices
  - Major attraction park/linear park
  - More restaurants/ maybe a B & B/motels/nightlife
  - Expand medical complex/add parking
  - Address safety

August 13, 2008

**Defining Success in Downtown and Downtown North CRAs**

GROUP 5

Facilitator: Cynthia Godbey

Characteristics of Success for the Downtown North CRA Ranked

1. Master plan for affordable/traditional/mixed use residential development that fosters strong neighborhoods (17 votes)
2. Scenic (Business) 98 (tied with 10 votes)
2. Safety (tied with 10 votes)
3. Family-friendly facilities that include indoor/outdoor recreational parks/facilities (maybe a natatorium) (6 votes)
4. Improved infrastructure/roads/stormwater/transportation (to include a stormwater improvement fund) (tied with 5 votes)
4. Improved streetscaping (sidewalks/lighting, etc.) (tied with 5 votes)
5. Increased code enforcement (3 votes)
6. Improved business facades (tied with 1 vote)
6. Historic (tied with 1 vote)
7. Families and residents of the area are seen regularly (in lieu of transients) (no votes)
7. Better signage to increase awareness of existing facilities/resources (no votes)

# PUBLIC WORKSHOPS: CONCEPT PLAN VALIDATION

The Downtown North community gathered once again to review the draft concept plan and comment on the redevelopment concepts and preliminary strategies identified based on the community's expressed needs and concerns. The participants were then divided into groups and asked to review and provide feedback on the Plan elements. The purpose of the workshop was two-fold: developing consensus on the Plan's recommendations, and obtaining feedback on the Plan's recommendations. The community's expressed preferences of the concepts presented were then used as a foundation to study the broad economic impacts and investment returns to the community through a market analysis. The preferences were utilized to elaborate the detailed action strategies and refinement of alternative planning solutions. The following is a brief summary of the community's comments as it related to the Concept Plan recommendations.

## 1A. Downtown North Neighborhood Town Center: Library/ Community Center/ Business Resource Center/ Youth Employment Services/ Life Management Skills/ Mentorship Programs

### Comments:

*Strong support for the concept (7/7 groups)*

- Include Town Center in the Cultural District concept
- Extend Town Center further north and south on MLK
- Further examine the need and feasibility of a neighborhood library
- Avoid having everything face the road- create a plaza concept

## 1B. Gateway Mixed-Use Node: MLK and 15<sup>th</sup> Street

### Comments:

*Strong support for the concept (100%)*

- Provide visual and physical access to Henry Davis Park from MLK as part of the gateway treatment
- Add a grocery store at the intersection, if feasible

## 1C. Professional Office District: 11<sup>th</sup> Street

### Comments:

*Strong support for the concept (100%)*

- Traffic should be evaluated
- Evaluate widening to 4-lanes on 11<sup>th</sup> Street

## 1D. Downtown Transition District Jenks Avenue

### Comments:

*Strong support for the concept (100%)*

- Need more street-lighting and sidewalks
- Currently not walkable like the Cove

## 1E. County Storage Facility: Neighborhood Retail Center

### Comments:

*Strong support for the concept (100%)/ Weak support for the location (40%)*

- Not a good location in terms of accessibility and residential nature
- Like the concept of a neighborhood retail center but not at the specific location
- Neighborhood Retail Center should include bank and grocery store

## 1F. Bay Medical Center Expansion and Medical Related Services

### Comments:

*Strong support for the concept (100%)*

## 1G. St. Andrews Bay Waterfront Mixed-Use Development

### Comments:

*Moderate support for the concept (80%)*

- Need more explanation
- Public Access and/ or park
- Need more public waterfront activities- canoeing/ kayaking/ boardwalk/ public restrooms
- Potential to redevelop as a hotel site

## 2A. MLK Boulevard Linear Park and Trail

### Comments:

*Moderate support for the concept (80%)*

- Area designated for MLK Linear Park too large
- Need to support more tax-generating uses
- Create pedestrian cross over across MLK

## 2B. Community Recreation Center/ Sports Facility

### Comments:

*Strong support for the concept (100%); Moderate support for the location (80%)*

- Probably combine MLK Recreation Center and Community Sports Facility
- Need golf course/ aquatic center
- Add housing development- purchase property on Louisiana and McArthur Avenue
- Include amphitheater for outdoor concerts
- Need a swimming pool near MLK Recreation Center/ Sports Complex

## 2C. Watson Bayou Canoe/ Kayak/ Fishing/ Boardwalk

### Comments:

*Strong support for the concept (100%)*

- Dredge Bayou
- Aquatics Center on Massalina Bayou
- Introduce a small marina/ gift shop similar to the Downtown on Watson Bayou

**2D. MLK Recreation Center Upgrade****Comments:***Strong support for the concept (100%)*

- Probably combine MLK Recreation Center and Community Sports Facility
- Need swimming pool
- Swimming lessons and additional programs

**2E. Neighborhood Parks****Comments:***Moderate support for the concept (75%)*

- Need neighborhood parks to serve residential neighborhoods
- Residential infill should be given priority

**2F. Joint-Use Recreation Opportunity****Comments:***Strong support for the concept (100%)***3A. Cultural District: Heritage Museum/ Music School/ Arts Program/ African-American Book Store/ African-American Art****Comments:***Strong support for the concept (100%)*

- Build new building for the African American Cultural Center

**4A. Upgrade Henry Davis Park- Stormwater Retention area****Comments:***Strong support for the concept (100%)*

- Purchase adjacent property for parking
- Provide access and visibility to Henry Davis Park from MLK Boulevard
- Upgrade Henry Davis Park- evaluate feasibility of constructing a swimming pool

**Circulation and Connectivity***Strong support for all recommendations (100%)*

- New Bay County trolley routes discussed
- Do not widen Jenks Avenue
- Widen 11<sup>th</sup> Avenue to 4-lanes
- Sidewalks along MLK

**Economic Development**

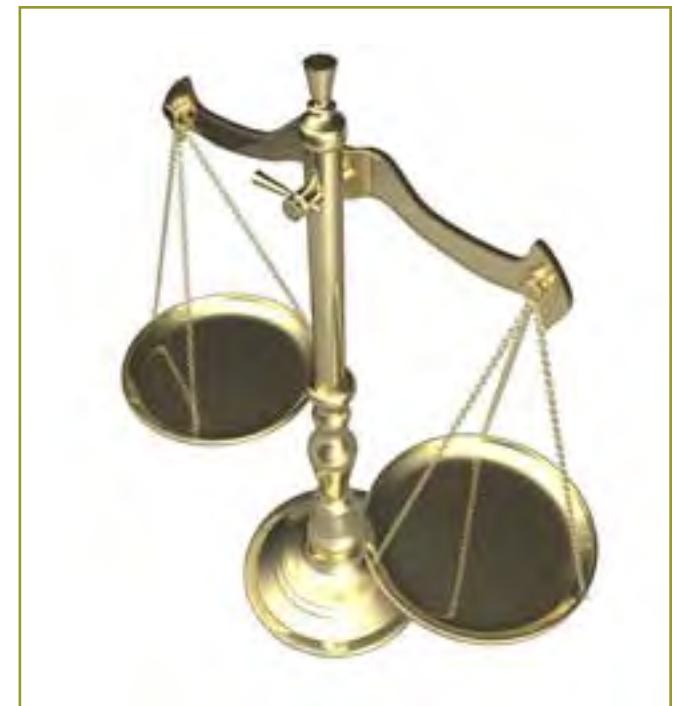
- Strong support for all recommendations (100%)

**Miscellaneous Comments**

- Need better street lighting in the entire area
- A.D. Harris- Opportunity to construct a swimming pool
- Need to increase tourism related uses
- Lack of public restrooms
- Cultural District- fantastic idea
- Improving infrastructure should be a priority
- Scatter multi-family development throughout the redevelopment area
- Retain Industrial Areas
- Strongly support the idea to redevelop the maintenance buildings
- Industrial uses west of Jenks should be converted to a linear park concept
- Hotels should not be encouraged on Business Hwy 98 but on 15<sup>th</sup> Street
- Need a hotel on Business Hwy 98
- Need a pedestrian overpass to cross MLK
- Signage to locate all churches in the area
- Like to see public swimming pool at 14<sup>th</sup> Court and Palo Alto (near MLK Recreation Center)
- More eating spots
- Regardless of any improvements, transient population issue needs to be addressed
- Recycling by Rescue Mission has created a landfill which is also a health hazard
- Construct shelters and benches at all bus-stops
- Retention pond on MLK has stagnant water and is breeding mosquitoes- need to treat the condition
- Henry Davis Park is good so far but needs parking and complete development. Snakes are a problem.

## Appendix D Statutory Requirements

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# STATUTORY REQUIREMENTS

*This section addresses certain specific requirements of Chapter 163, Part III, Florida Statutes, as they relate to the preparation and adoption of Community Redevelopment Plans in accordance with Sections 163.360 and 163.362. Provided below is a brief synopsis of each subsection requirement from 163.360 and 163.362, and a brief description of how the redevelopment plan and adoption process meet those requirements.*

## 163.360 – Community Redevelopment Plans

### Section 163.360 (1), Determination of Slum or Blight by Resolution

This section requires that a local governing body determine by resolution that an area has been determined to be a slum or blighted area before a redevelopment area can be established.

**Action:** The City of Panama City previously commissioned a blight study which established conditions of blight in Downtown North and designated the area as appropriate for community redevelopment.

### Section 163.360 (2)(a), Conformance with the Comprehensive Plan

The Local Planning Agency is charged with determining that the Downtown North Redevelopment Plan is in conformance with the adopted Comprehensive Plan.

**Action:** The Local Planning Agency determined conformance with the City's Comprehensive Plan at a meeting held on

### Section 163.360 (2)(b), Completeness

This section requires that the Redevelopment Plan be sufficiently complete to address land acquisition, demolition and removal of structures, redevelopment, improvements and rehabilitation of properties within the redevelopment area, as well as zoning or planning changes, land uses, maximum densities, and building requirements.

**Action:** These issues are addressed in the Concept Plan section (Chapters 2), and are also reflected in the Capital Improvements Program section (Chapter 3) and the Implementation Plan section (Chapter 4) of the Redevelopment Plan.

### Section 163.360 (2)(c), Development of Affordable Housing

This section requires the redevelopment plan to provide for the development of affordable housing, or to state the reasons for not addressing affordable housing.

**Action:** The Redevelopment Plan anticipates the need to maintain and provide affordable housing within the community where it currently exists in the Downtown North Redevelopment Area. The Redevelopment Agency will coordinate with the City of Panama City Community Development Department and Bay County to seek opportunities for the development of affordable housing and to increase awareness about the City's affordable housing programs such as down payment and closing cost assistance, home ownership counseling, and home rehabilitation programs. Specifically, the Concept Plan section(Chapter 2) identifies strategies to promote affordable housing in the Downtown North.

### Section 163.360 (3), Community Policing Innovations

The redevelopment plan may provide for the development and implementation of community policing procedures.

**Action:** The Redevelopment Plan supports the use of community policing as stated in the Neighborhood Character and Identity section of the Redevelopment Plan (Chapter 2).

### Section 163.360 (4), Plan Preparation and Submittal Requirements

The Community Redevelopment Agency may prepare a Community Redevelopment Plan. Prior to considering this plan, the redevelopment agency will submit the plan to the local planning agency for review and recommendation as to its conformity with the comprehensive plan.

**Action:** The City Commission has authorized the preparation of this Community Redevelopment Plan Update through the contracted services of the IBI Group Inc., Certified Planners and Licensed Landscape Architects. On \_\_\_\_\_ 2009, the Local Planning Agency determined that the redevelopment plan was in conformance with the City's Comprehensive Plan.

### Section 163.360 (5), (6), (7)(a)(d), Plan Approval

163.360 (5). The Community Redevelopment Agency will submit the Redevelopment Plan, along with written recommendations, to the governing body and each taxing authority operating within the boundaries of the redevelopment area.

**Action:** The City of Panama City CRA will submit this Redevelopment Plan to the Bay County Government Board of Commissioners to pass a resolution delegating redevelopment powers to the City prior to final adoption of the Plan as provided by statute. Following this, the City Commission will proceed with a public hearing on the redevelopment plan as outlined in subsection (6), below.

163.360 (6). The governing body shall hold a public hearing on the Community Redevelopment Plan after public notice by publication in a newspaper having a general circulation in the area of operation of the Englewood Redevelopment Area.

**Action:** A public hearing on the Downtown North Redevelopment Plan will be held \_\_\_\_\_ at \_\_\_\_\_.

163.360 (7). Following the public hearing described above, the City of Panama City may approve the redevelopment plan if it finds that:

(a) A feasible method exists for the location of families who will be displaced from the Redevelopment area in decent, safe, and sanitary dwelling accommodations within their means and without undue hardship to such families;

**Action:** To minimize the relocation impact, the CRA will provide supportive services and equitable financial treatment to any individuals, families and businesses subject to relocation. When feasible, the relocation impact will be mitigated by assisting relocation within the immediate neighborhood and by seeking opportunities to relocate within new/redeveloped buildings that will contain residential and commercial space.

It is anticipated that certain property acquisitions within the Redevelopment area will occur through private enterprise. Private sector land acquisition and redevelopment projects are not subject to the same provisions. If a voluntary sale is made, relocation of occupants, whether tenants or owners, is the responsibility of the parties to that sale. In the case of tenants displaced as a consequence of a voluntary sale, the Redevelopment Agency, if requested, will assist by providing technical assistance and by referring the displaced parties to known local private and public housing providers to assure that replacement housing is available to them.

(b) The Redevelopment Plan conforms to the general or comprehensive plan of the county or municipality as a whole;

Action: The City's Local Planning Agency made recommendations to ensure that the Downtown North Redevelopment Plan conforms to the City's Comprehensive Plan on \_\_\_\_\_, 2009. The City of Panama City Comprehensive Plan is the long-range planning document for the City as mandated by Chapter 163, Part II, F.S. The Comprehensive Plan, as amended from time to time, has been found in compliance with State of Florida requirements. The Future Land Use map series of the Comprehensive Plan designates each parcel of land in a category which establishes the range of permitted uses over time, and maximum density and intensity standards measured in dwelling units per acre and floor area ratio, respectively.

The City recently (November 2008) hired a consultant to embark on a process to update its Land Development Regulations and the Future Land Use Element of the Comprehensive Plan. The recommendations related to land use and development characteristics presented in this Plan are intended to guide the update process for the Comprehensive Plan and the Land Development Regulations.

(c) The Redevelopment Plan gives due consideration to the utilization of community policing procedures, and to the provision of adequate park and recreational areas and facilities that may be desirable for neighborhood improvement, with special consideration for the health, safety, and welfare of children residing in the general vicinity of the site covered by the Plan;

Action: The need to utilize community policing procedures is supported in Section 3 above. The Plan recommends improved recreational opportunities as referenced in the Concept Plan section (Chapter 2) and the costs for which are contained in the Capital Improvements Program (Chapter 3).

(d) The Redevelopment Plan will afford maximum opportunity consistent with the sound needs of the county or municipality as a whole, for the rehabilitation or redevelopment of the redevelopment area by private enterprise.

Action: The need for, and role of, private enterprise and investment to ensure the successful rehabilitation or redevelopment of the Downtown North area is described throughout the Plan.

(e) Maintenance of coastal area evacuation time and protection of property against exposure to natural disasters.

Action: The Agency will continue to work with the City to plan for and where appropriate restrict development activities where such activities would damage or destroy coastal resources; and to protect human life and limit public expenditures in areas subject to destruction by natural disaster.

#### Section 163.360 (8)(a)(b), Land Acquisition

Action: These sections of the statute establish requirements for the acquisition of vacant land for the purpose of developing residential and non-residential uses. The Redevelopment Plan supports future development of both residential and non-residential uses at various locations in the redevelopment area as described in the Concept Plan section (Chapter 2). The Plan identifies strategies that will promote and facilitate public and private sector investment in vacant land acquisition for these purposes.

#### Section 163.360 (9), Full Force and Effect

Upon approval by a governing body of a community redevelopment plan or any modification thereof, the plan and/or modification shall be deemed in full force and effect.

Action: None, this sub-section will apply once the City Commission adopts the Downtown North Community Redevelopment Plan Update.

#### Section 163.360 (10), Need as a Result of Emergency.

Provides guidance for development of a redevelopment plan when an area has been designated as blighted as the result of an emergency under Chapter 252.34(3).

Action: Not Applicable.

### Chapter 163.362 - Contents of Community Redevelopment Plans

Every community redevelopment plan shall:

#### Chapter 163.362(1) Legal Description

Contain a legal description of the boundaries of the redevelopment area and the reasons for establishing such boundaries shown in the plan.

Action: A legal description of the boundaries of the redevelopment area and the reasons for establishing the boundaries are contained in the Finding of Necessity Study. The legal description has been incorporated into this Redevelopment Plan.

#### Chapter 163.362(2) Show by Diagram and General Terms:

(a) Approximate amount of open space and the street layout.

Action: This task is achieved in the Redevelopment Plan in the Concept Plan section (Chapter 2).

(b) Limitations on the type, size, height number and proposed use of buildings.

Action: These are described in general terms in the Concept Plan section (Chapter 2); however it is expected that the City's zoning ordinance and land development regulations will continue to provide the regulatory framework for any building dimension or style limitations.

(c) The approximate number of dwelling units.

Action: Based on the future land use concepts contained in the Plan, and the expressed desire to increase residential opportunities in Downtown North, it can be reasonably expected that new investment in housing will occur over time. Future development of moderate to high density residential projects are encouraged in other areas of the redevelopment area, as well as new investment in single family infill, if successful, residential density is expected to increase.

(d) Such property as is intended for use as public parks, recreation areas, streets, public utilities and public improvements of any nature.

Action: Proposed future uses and activities of this nature are described in the Concept Plan section (Chapter 2).

#### Chapter 163.362(3) Neighborhood Impact Element

If the redevelopment area contains low or moderate income housing, contain a neighborhood impact element which describes in detail the impact of the redevelopment upon the residents of the redevelopment area and the surrounding areas.

Action: The Downtown North Redevelopment Area contains a significant number of dwelling units which may be considered low to moderate-income units. The Redevelopment Plan makes provisions for affordable housing through rehabilitation and new construction. Shortages in affordable housing will be addressed through existing and new affordable housing development strategies, with an emphasis on developing ways in which affordable housing can be integrated within market rate housing projects.

The implementation of the Downtown North Redevelopment Plan will contribute significantly in improving the quality of life for the citizens residing in the redevelopment area. Potential impacts are summarized below for each category required by statute: Relocation, traffic circulation, environmental quality, availability of community facilities and services, effect on school population, and other matters affecting the physical and social quality of the neighborhood.

#### Relocation

The Redevelopment Plan as proposed supports the preservation of existing residential areas and does not require the relocation of any of the low or moderate income residents of the redevelopment area. To minimize the relocation impact, the Community Redevelopment Agency will provide support services and equitable financial treatment to any individuals, families and

businesses subject to relocation. When feasible, the relocation impact will be mitigated by assisting relocation within the immediate neighborhood and by seeking opportunities to relocate within new/redeveloped buildings that will contain residential and commercial space.

#### Traffic Circulation

The implementation of the Redevelopment Plan recommendations related to streetscape improvements and traffic circulation are anticipated to positively impact the Downtown North Redevelopment Area. The primary corridor improvements, a component of the Redevelopment Plan, envisions enhancing identified roadways through streetscape improvements that encourage pedestrian mobility and improve vehicular circulation within the area.

#### Environmental Quality

The Community Redevelopment Agency will work closely with developers to ensure anticipated new development does not negatively affect the drainage capacity of the area, and, when feasible, support on-site provision of stormwater retention facilities for new development. The development of vacant and/or underutilized sites within the Downtown North Redevelopment Area may result in minor increases in the amount of stormwater runoff which may contain pollutants. The Redevelopment Plan recommends pursuing environmental remediation in close cooperation with property owners to ensure that the pollutants are handled adequately prior to new development on identified brownfield sites. The City will closely monitor the capacity of the existing and planned stormwater infrastructure to ensure sufficient capacity exists, and there are no negative impacts from development.

In terms of vegetation and air quality, proposed parks, streetscape improvements and the linear park/greenway are anticipated to add vegetation to the Downtown North Redevelopment Area and preserve existing mature tree canopies. No negative impact on the existing sanitary sewer is expected from implementation of the Redevelopment Plan, and expansion of said sewer may be required to spur redevelopment. If future deficiencies are projected, the City and the Redevelopment Agency will ensure that adequate capacity is available at the time of development.

#### Community Facilities and Services

The Redevelopment Plan presents strategies to create a Neighborhood Town Center which will host a cluster of community facilities that will accommodate a diverse range of community and cultural facilities serving the needs of the local population. The Redevelopment Plan also calls for improvements and expansion to the existing open space/recreation facilities in Downtown North, including Martin Luther King Jr. Recreation Center, Henry Davis Park, and Watson Bayou Park. The Plan recognizes the importance of these facilities and supports improvements of these facilities.

#### Effect on School Population

The Redevelopment Plan does not anticipate significantly affecting the school population within Downtown North. Any increase in school population is expected to be absorbed by the existing schools in the area. The Redevelopment Plan recommends streetscape improvements and sidewalks connecting the area schools to improve pedestrian safety and walkability for students and parents who walk to school. The City and the Redevelopment Agency will continue to work

closely with Bay County School Board to ensure the board's plans for area schools are consistent with the Redevelopment Plan.

#### Physical and Social Quality

The Redevelopment Plan's recommendations to continue with improvements to the existing streetscape environment, to redevelop vacant land and former industrial sites, to establish urban design and architectural standards for new development, and to continue code enforcement will have a positive impact on Downtown North's physical and visual character.

Implementation of the redevelopment plan will also improve community access to the social service network currently available to local residents. Job training, apprenticeship opportunities, and mentorship programs created through commercial and industrial redevelopment and establishment of a community center will support the development of human capital, increase employment opportunities and serve as a tool to improve the household income.

#### Chapter 163.362(4) Publicly Funded Capital Projects

Identify specifically any public funded capital projects to be undertaken within the community redevelopment area.

**Action:** A list of publicly funded projects located within the boundaries of the redevelopment area is contained in the Capital Improvements Program section (Chapter 5) of this Plan.

#### Chapter 163.362(5) (6) Safeguards and Retention of Control

Contain adequate safeguards that the work of redevelopment will be carried out pursuant to the plan. Provide for the retention of controls and establishment of any restrictions or covenants running with land sold or leased for private use.

**Action:** The following safeguards and procedures will help ensure redevelopment efforts in the redevelopment area are carried out pursuant to the redevelopment plan:

The Community Redevelopment Plan is the guiding document for future development and redevelopment in and for the Downtown North Redevelopment Area. In order to assure that redevelopment will take place in conformance with the projects, goals and policies expressed in this Plan, the Panama City Community Redevelopment Agency will utilize the regulatory devices, instruments and systems used by the City to permit development and redevelopment within its jurisdiction. These include but are not limited to the Comprehensive Plan, the Land Development Code, the Zoning Code, adopted design guidelines, performance standards and City-authorized development review, permitting and approval processes. Per Florida Statute, the City of Panama City retains the vested authority and responsibility for:

- The power to grant final approval to Redevelopment Plans and modifications.
- The power to authorize issuance of revenue bonds as set forth in Section 163.385.
- The power to approve the acquisition, demolition, removal or disposal of property as provided in Section 163.370(3), and the power to assume the responsibility to bear loss as provided in Section 163.370(3).

In accordance with Section 163.356(3)(c), by March 31 of each year the Redevelopment Agency shall file an Annual Report with the City detailing the Agency's activities for the preceding fiscal year. The report shall include a complete financial statement describing assets, liabilities, income and operating expenses. At the time of filing, the Agency shall publish in a newspaper of general circulation a notice that the report has been filed with the City and is available for inspection during business hours in the office of the City Clerk and the Community Redevelopment Agency.

The Community Redevelopment Agency shall maintain adequate records to provide for an annual audit, which shall be conducted by an independent auditor and will be included as part of the City of the Panama City Comprehensive Annual Financial Report for the preceding fiscal year. A copy of the Agency audit, as described in the CAFR will be forwarded to each taxing authority.

The Agency shall provide adequate safeguards to ensure that all leases, deeds, contracts, agreements, and declarations of restrictions relative to any real property conveyed shall contain restrictions and/or covenants to run with the land and its uses, or other provisions necessary to carry out the goals and objectives of the redevelopment plan.

The Redevelopment Plan may be modified, changed, or amended at any time by the Community Redevelopment Agency provided that; if modified, changed, or amended after the lease or sale of property by the Agency, the modification must be consented to by the developer or redevelopers of such property or his successors or their successors in interest affected by the proposed modification. Where the proposed modification will substantially change the plan as previously approved by the governing body, the City Commission will similarly approve the modification. This means that if a developer acquired title, lease rights, or other form of development agreement, from the Agency to a piece of property within the redevelopment area with the intention of developing it in conformance with the redevelopment plan, any amendment that which might substantially affect his/her ability to proceed with that development would require his/her consent.

When considering modifications, changes, or amendments in the redevelopment plan, the Agency will take into consideration the recommendations of interested area property owners, residents, and business operators. Proposed minor changes in the Plan will be communicated by the agency responsible to the affected property owner(s).

#### Chapter 163.362(7) Assurance of Replacement Housing for Displaced Persons

Provide assurances that there will be replacement housing for the relocation of persons temporarily or permanently displaced from housing facilities within the community redevelopment area.

**Action:** As previously stated, to minimize the relocation impact, the Agency will provide supportive services and equitable financial treatment to any individuals, families and businesses subject to relocation. When feasible, the relocation impact will be mitigated by assisting relocation within the immediate neighborhood and by seeking opportunities to relocate within new/redeveloped buildings that will contain residential and commercial space.

In the event that any relocation is required as the result of implementing this Redevelopment Plan, the CRA will require adherence to City of Panama City's Relocation Standards or other

compensatory arrangements that meet or exceed County standards. Policy 3.2.4 of the City of Panama City Comprehensive Plan states that "the City will assist in the relocation of households displaced by community development activities as specified in the "Section 8 Tenant Assistance Policy, Chapter XII -Temporary Relocation" or the "Relocation Plan for Community DevelopmentActivities" and Residential Antidisplacement and Relocation Assistance Plan Under Section 104(d) of the Housing and Community Development Act of 1974, As Amended" document.

**Chapter 163.362(8) Element of Residential Use**

Provide an element of residential use in the redevelopment area if such use exists in the area prior to the adoption of the plan or if the plan is intended to remedy a shortage of housing affordable to residents of low to moderate income, including the elderly.

**Action:** There are residential uses of various types and character, including, single-family, multi-family, rental units, owner occupied units, and detached units in existence in the redevelopment area at the time of this writing. The efforts undertaken by the Agency, as described in this Redevelopment Plan, are intended to retain and enhance a high quality of residential use, particularly with regard to developing and maintaining sustainable neighborhoods. Redevelopment program activities will strive to cultivate the positive neighborhood characteristics cited by the community during public workshops and reduce or eliminate any negative characteristics.

The establishment of a revitalized and expanded residential base in Downtown North is essential to achieve a successful economic redevelopment program. Residents living within the redevelopment area will comprise components of the work force and the market, which will generate economic activity.

**Chapter 163.362(9) Statement of Projected Costs**

Contain a detailed statement of the projected costs of development, including the amount to be expended on publicly funded capital projects in the community redevelopment area and any indebtedness of the community redevelopment agency or the municipality proposed to be incurred for such redevelopment if such indebtedness is to be repaid with increment funds.

**Action:** Project costs and funding sources are described in the Capital Improvements Program section (Chapter 3) of the Redevelopment Plan.

**Chapter 163.362(10) Duration of Plan**

Provide a time certain for completing all redevelopment financed by increment revenues.

**Action:** The Redevelopment Plan shall remain in effect and serve as a guide for future redevelopment activities in the redevelopment area through 2020.

**Chapter 163.362(11) Statutory Predisposition**

This section provides relief to some of the subsections of Section 163.360, if the redevelopment plan was adopted before Chapter 84-356, Laws of Florida, became a law.

**Action:** Not Applicable.

## Appendix E Finding of Necessity Study

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## FINDING OF NECESSITY STUDY

FOR THE EXPANSION OF THE BOUNDARIES OF THE  
DOWNTOWN NORTH REDEVELOPMENT AREA

CITY OF PANAMA CITY, FLORIDA

October 2007

# FINDING OF NECESSITY FOR THE EXPANSION OF THE BOUNDARIES OF THE DOWNTOWN NORTH REDEVELOPMENT AREA

Prepared For

CITY OF PANAMA CITY, FL

October 2007

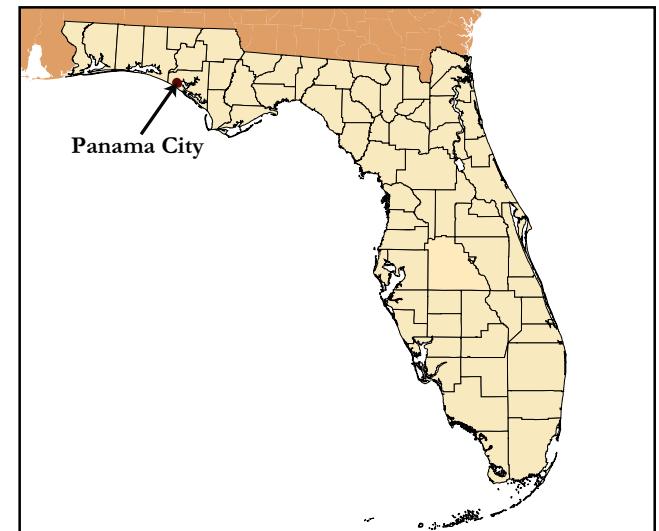


## Table of Contents

Overview	4	List of Maps	
Section I- Community Redevelopment Act of 1969	6	Map 1 City of Panama CRA Boundaries	5
Section II - Study Area Description	8	Map 2 Downtown North CRA Boundaries	9
Project Methodology	12	Map 3 Proposed Extension Areas	10
Section III - Findings		Map 4 Taxable Value	16
Predominance of Defective Or Inadequate Street Layout	13	Map 5 Parcel Size	20
Property Values	15	Map 6 Existing Land Use	22
Faulty Lot Layout	17	Map 7 Age of Structures	25
Unsanitary Or Unsafe Conditions	21	Map 8 Vacant Lands	29
Deterioration Of Site Or Other Improvements	23	Map 9 Panama City Police Department Zone Coverages	30
Age of Structures	24		
Residential And Commercial Vacancy Rates	27		
Incidence Of Crime	30		
Diversity Of Ownership	31		
Conditions leading to economic distress	32		
Household Income	32		
Housing Values	32		
Poverty	33		
Education and Employment	33		
Section IV- Conclusion	34		
Recommendations	36		
Appendix A- Demographic	38		
Appendix B- Photo Inventory	49		
Appendix C- Downtown North Redevelopment Plan (1993)	55		

## Overview

The City of Panama City is located in Bay County within the Florida Panhandle, along the Emerald Coast. Since the 1980s, the City has invested significant resources to address deteriorating conditions in the Downtown and surrounding areas of the City, including Millville, Downtown North, and St. Andrews. The City Commission, in 1984, designated the Panama City Downtown Improvement Board (DIB) as the Community Redevelopment Agency for the areas including the Downtown District, St. Andrews District, and Downtown North District (which includes the Greater Glenwood Area). The original Downtown North Redevelopment Plan was prepared in March 1993. Since that time, tremendous strides have been made towards improving the appearance and economic vitality of the Downtown North area. Now, nearly 15 years later, community leaders have had the foresight to undertake an initiative to address the needs of areas in economic decline outside the boundaries of the original Downtown North Redevelopment Area.



The Proposed Downtown North CRA Expansion Area, located north of the original Downtown North CRA boundaries, has experienced severe decline in aesthetic character and private investment in recent years. The proposed CRA Expansion Area is generally defined by the City limits on the east, Highway 231 on the north, Harrison Avenue on the west, and the northern boundary of the original Downtown North CRA (12th Street) as the southern extent.

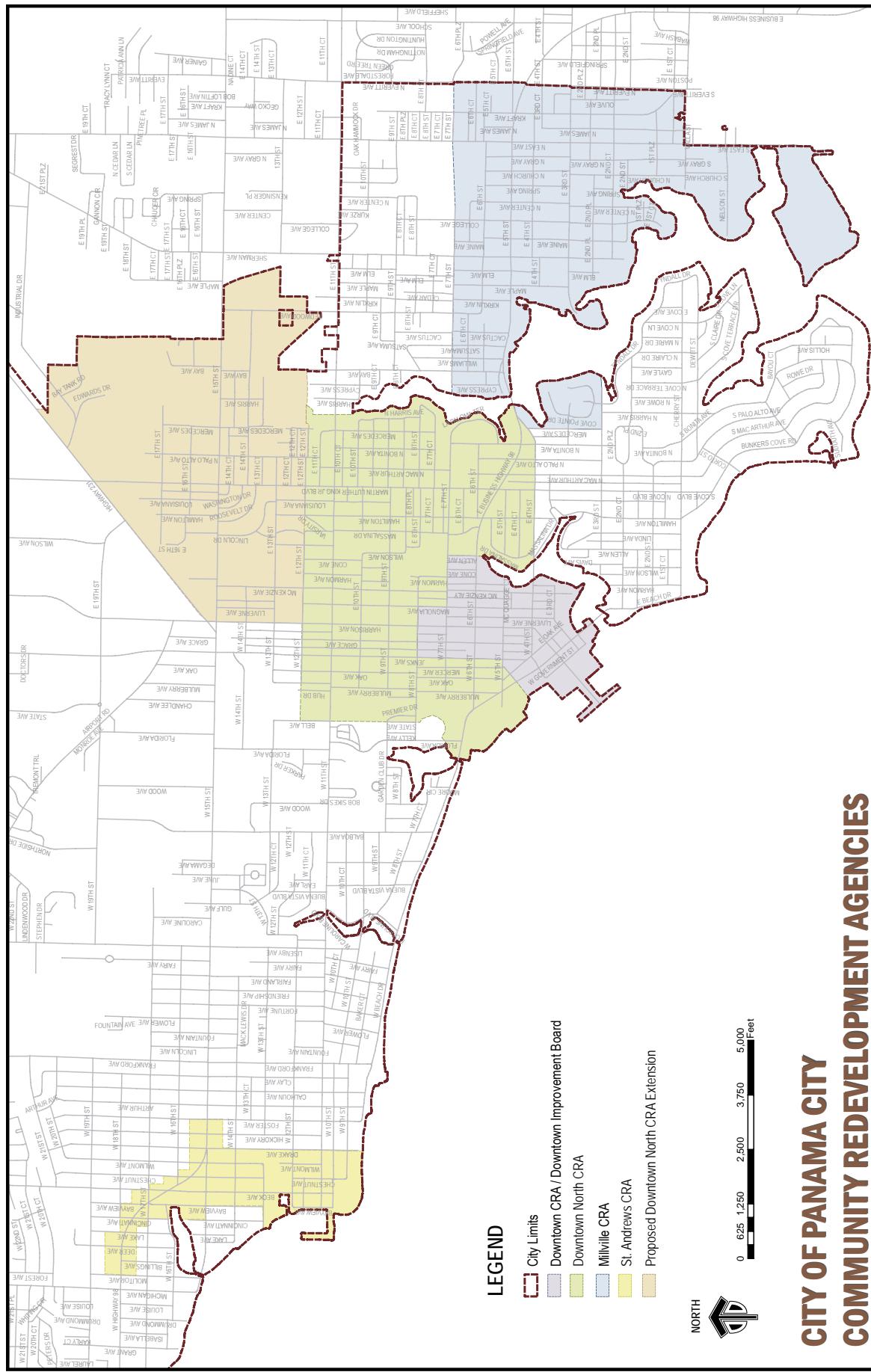
The City Council recognizing the challenges faced by the Downtown North CRA Expansion Area, has completed several initiatives that focus on the physical improvement and economic sustainability of the area including, the Panama City Strategic Plan (2002), the Enterprise Zone Plan, and Design Guidelines and Standards for the Downtown and Downtown North CRA (2005).

Building upon past success within the original CRA boundaries, the City is considering a course of action to similarly transform the condition of surrounding areas using tools provided to local governments through Chapter 163 Part II of the Florida Statutes. The City staff commissioned the IBI Group in July 2007 to conduct a "Finding of Necessity Study" and determine the existence of "slum" or "blight" conditions in the proposed Downtown North CRA Expansion Area of the City of Panama City, as defined by Section 163 of the Florida Statutes.

Determining the existence of "slum" or "blight" conditions within an area is the initial step in evaluating the appropriateness of an area for inclusion in an existing Community Redevelopment Agency. This study describes the physical and economic conditions and the regulatory requirements within the Study Area that are associated with blight, as defined by the Florida Statutes.

The report begins with an overview of the Community Redevelopment Act of 1969, Section 163 of the Florida Statutes that provides a definition for the terms "slum" and "blight". Following the overview, Section II discusses the research methodology adopted and establishes the recommended boundaries for the Downtown North CRA Expansion Area based on the factors that are found to be indicative of slum or blighted conditions in the Study Area. Section III presents a existing conditions of blight and a detailed analysis of the demographic data found in the Study Area. Section IV presents conclusions and recommendations relating to the expansion of the original Downtown North CRA boundaries.

Appendix A contains the demographic data prepared by the University of West Florida Haas Center of Business Research and Economic Development. Appendix B contains a photo inventory of the blighted conditions in the Study Area compiled during the fieldwork conducted by IBI Group in August, 2007. Appendix C contains the original Downtown North Redevelopment Plan, prepared in 1993.



## I. Community Redevelopment Act of 1969

The Community Redevelopment Act of 1969, Chapter 163 Part III, Florida Statutes, authorizes local governments to establish community redevelopment agencies to improve slum and blighted areas within their jurisdiction. The Act sets forth the legal process by which local governments may establish community redevelopment agencies and provides financing and regulatory tools to undertake the complex task of overcoming the conditions that contribute to the causes of slum and blight in declining areas of the City.

Section 163.355 F.S. requires local governments desiring to establish a community redevelopment agency to adopt, by resolution, a finding that one or more "slum" or "blighted" areas exist within its jurisdiction and that the rehabilitation, conservation, or redevelopment of such areas is necessary in the interest of the public health, safety, morals, or welfare of the residents of the area. Upon adoption of a redevelopment plan, the City's redevelopment agency can begin implementing the plan, including creation of a tax increment trust fund for the redevelopment area. The following paragraphs discuss "slum" and "blight" as defined in the Florida State Statute:

**Section 163.335(1), F.S.** ...Slum and blighted areas constitute a serious and growing menace, injurious to the public health, safety, morals, and welfare of the residents of the state; that the existence of such areas contributes substantially and increasingly to the spread of disease and crime, constitutes an economic and social liability imposing onerous burdens which decrease the tax base and reduce tax revenues, substantially impairs or arrests sound growth, retards the provision of housing accommodations, aggravates traffic problems, and substantially hampers the elimination of traffic hazards and the improvement of traffic facilities; and that the prevention and elimination of slums and blight is a matter of state policy and state concern in order that the state and its counties and municipalities shall not continue to be endangered by areas which are focal centers of disease, promote juvenile delinquency, and consume an excessive proportion of its revenues because of the extra services required for police, fire, accident, hospitalization, and other forms of public protection, services, and facilities.

**Section 163.335(2), F.S.** ...certain slum or blighted areas, or portions thereof, may require acquisition, clearance, and disposition subject to use restrictions, as provided in this part, since the prevailing condition of decay may make impracticable the reclamation of the area by conservation or rehabilitation; that other areas or portions thereof may, through the means provided in this part, be susceptible of conservation or rehabilitation in such a manner that the conditions and evils enumerated may be eliminated, remedied, or prevented; and that salvageable slum and blighted areas can be conserved and rehabilitated through appropriate public action as herein authorized and the cooperation and voluntary action of the owners and tenants in such areas.

**Section 163.335(3), F.S.** ... powers conferred by this part are for public uses and purposes for which public money may be expended and police power exercised, and the necessity in the public interest for the provisions herein enacted is declared as a matter of legislative determination.

**Section 163.335(5), F.S.** ...the preservation or enhancement of the tax base from which a taxing authority realizes tax revenues is essential to its existence and financial health; that the preservation and enhancement of such tax base is implicit in the purposes for which a taxing authority is established; that tax increment financing is an effective method of achieving such preservation and enhancement in areas in which such tax base is declining; that community redevelopment in such areas, when complete, will enhance such tax base and provide increased tax revenues to all affected taxing authorities, increasing their ability to accomplish their other respective purposes; and that the preservation and enhancement of the tax base in such areas through tax increment financing and the levying of taxes by such taxing authorities therefore and the appropriation of funds to a redevelopment trust fund bears a substantial relation to the purposes of such taxing authorities and is for their respective purposes and concerns.

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

**Section 163.335(6), F.S.** ...there exists in counties and municipalities of the state a severe shortage of housing affordable to residents of low or moderate income, including the elderly; that the existence of such condition affects the health, safety, and welfare of the residents of such counties and municipalities and retards their growth and economic and social development; and that the elimination or improvement of such conditions is a proper matter of state policy and state concern is for a valid and desirable purpose.

**Section 163.335(7), F.S.** ...prevention or elimination of a slum area or blighted area as defined in this part and the preservation or enhancement of the tax base are not public uses or purposes for which private property may be taken by eminent domain and do not satisfy the public purpose requirement of s. 6(a), Art. X of the State Constitution.

*The Florida State Statute*

The following paragraph provides the definition of "blighted areas" as defined in Section 163.340 (8) of the Florida State Statute:

**Section 163.340(8), "Blighted area"** means an area in which there are a substantial number of deteriorated, or deteriorating structures, in which conditions, as indicated by government-maintained statistics or other studies, are leading to economic distress or endanger life or property, and in which two or more of the following factors are present:

- (a) *Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities;*
- (b) *Aggregate assessed values of real property in the area for ad valorem tax purposes have failed to show any appreciable increase over the 5 years prior to the finding of such conditions;*
- (c) *Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;*
- (d) *Unsanitary or unsafe conditions;*
- (e) *Deterioration of site or other improvements;*
- (f) *Inadequate and outdated building density patterns;*
- (g) *Falling lease rates per square foot of office, commercial, or industrial space compared to the remainder of the county or municipality;*
- (h) *Tax or special assessment delinquency exceeding the fair value of the land;*
- (i) *Residential and commercial vacancy rates higher in the area than in the remainder of the county or municipality;*
- (j) *Incidence of crime in the area higher than in the remainder of the county or municipality;*
- (k) *Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality;*
- (l) *A greater number of violations of the Florida Building Code in the area than the number of violations recorded in the remainder of the county or municipality;*
- (m) *Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area; or*
- (n) *Governmentally owned property with adverse environmental conditions caused by a public or private entity.*

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

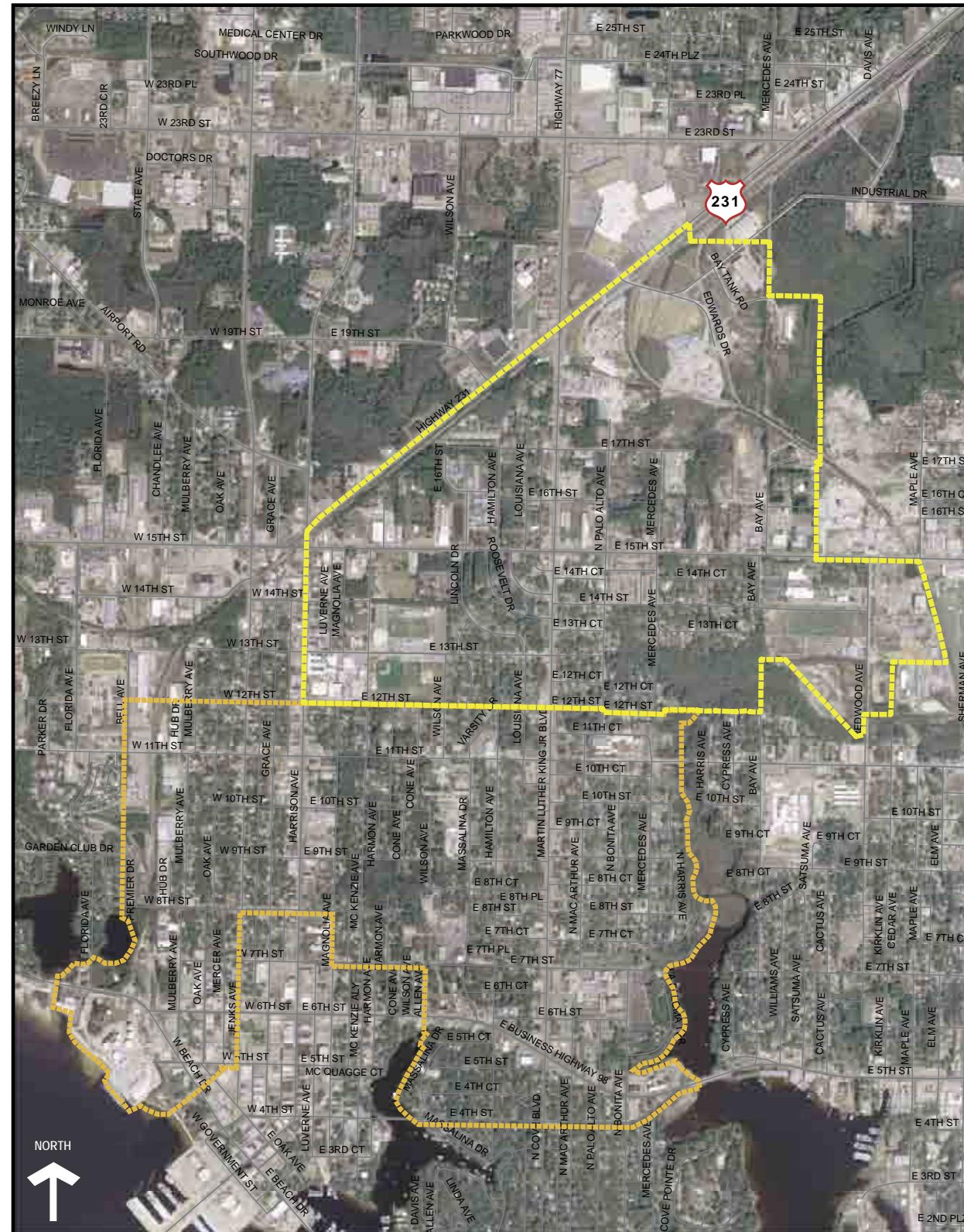
**II. Study Area Description***Current CRA Boundaries*

*The following is legal description of the boundaries of the Downtown North Community Redevelopment Area, as contained in Appendix A of the Downtown North Redevelopment Plan (1993):*

*Commence at the Southeast Corner of the Southeast Quarter (SE1/4) of Section 5, Township 4 South, Range 14 West. Thence West 30 feet, thence North 30 feet to the intersection of the center line of 8th Street; Thence West along the center line of 8th Street 1170 feet more or less to the center line of Jenks Avenue; Thence South along the center line of Jenks Avenue 2080 feet more or less to center line of Mercer Avenue; Thence southwesterly along the extended center line of Mercer Avenue a distance of 960 feet more or less to the intersection with the waterfront of St. Andrew Bay; Thence meandering Easterly and Northerly along the East edge of Johnson Bayou; Thence meandering Easterly and Northerly along the East edge of Johnson Bayou to the intersection of the extension of State Avenue; Thence North 2370 feet more or less to the center line of the extension of 12th Street; Thence East along the center line of 12th Street 7180 feet more or less to the center line of North end of Watson Bayou Tributary; Thence meandering Southerly along said center line and along the center line of Watson Bayou Channel to the intersection with the centerline of Business Highway 98 (State Road 30); Thence West along the center line of Business Highway 98 (State Road 30) 450 feet more or less to the intersection of center line of 4th Street; Thence southwesterly and west 3660 feet more or less along the center line of 4th Street to the intersection of the center of the channel of Massalina Bayou; Thence meandering North along the center of the channel of Massalina Bayou to the intersection of the extension of the center line of Allen Avenue; Thence North along the center line of Allen Avenue 890 feet more or less to the center line of 7th Street; Thence West along the center line of 7th Street 1180 feet more or less to the intersection of the center line of Magnolia Avenue to the point of beginning.*

This area was selected because it conforms to applicable provisions of Section 163.340, Florida Statutes, relating to areas considered for Community Redevelopment Plans. Based on the definitions in the Statute and analysis of "blight" conditions discussed in this Study, the legal description for current and proposed Downtown North CRA boundaries are as follows (Map 2):

## DOWNTOWN NORTH CRA BOUNDARIES



LEGEND

- Current Downtown North CRA Boundary
- Proposed Downtown North CRA Extension Boundary

Downtown North Redevelopment Area Finding of Necessity Study  
Panama City, Florida

MAP 2

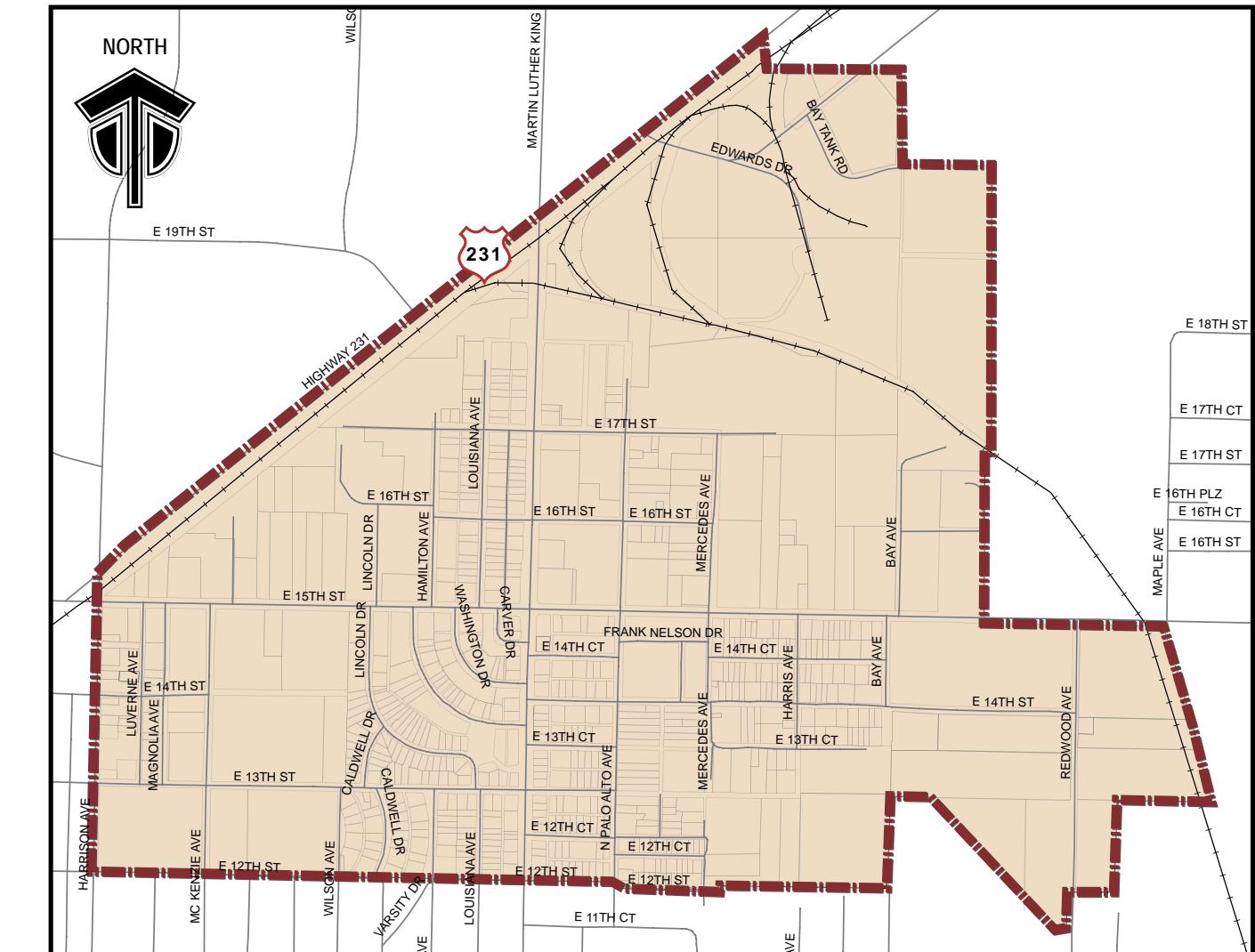
### Proposed Expansion Area

An area north of the existing Downtown North CRA being described as:

Beginning at a point on the existing CRA boundary where Harrison Avenue North intersects 12th Street, proceed north along extended centerline of Harrison Avenue through the paved right-of-way to its intersection with US 231; continue northeast, following the centerline of US 231 as it runs diagonally generally in the northeastern direction to a point where it intersects with the municipal limits of Panama City; then proceeding west a distance of approximately 990 feet along the centerline of the municipal limit line; thence meandering along the centerline of the municipal limits to a point on the municipal limits boundary where it intersects with 12th Street; thence heading east along the north right-of-way along 12th Street to the point of beginning.

## PROPOSED EXPANSION AREA

MAP 3



Downtown North Redevelopment Area Finding of Necessity Study  
City of Panama City, Florida

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

Bay County Property Appraiser records indicate that the proposed Downtown North CRA Expansion Area contains 737 parcels encompassing an area of 640 acres excluding right-of-ways. In comparison, there are 17,119 parcels in the City of Panama City encompassing an unofficial area of 16,800 acres excluding right-of-ways. The proposed Downtown North CRA expansion area represents approximately 4% of the City's total land area and nearly 4% of the total parcel count.

Table 1. Blight Conditions and Indicators, Proposed Downtown North Expansion Area

Condition/ Factor Required by Statute	Indicator
163.340 (8) Conditions leading to economic distress	Unemployment Rate Data (2007 estimates)
	Household Income (2007 estimates)
	Poverty Rate Data (2007 estimates)
163.340 (8)(a) Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities;	Field Observations/ Photo Inventory (IBI Group, 2007)
163.340 (8)(b) Aggregate assessed values of real property in the area for ad valorem tax purposes have failed to show any appreciable increase over the 5 years prior to the finding of such conditions;	Property Values (Bay County Property Appraiser Data)
163.340 (8) (c) Faulty Lot Layout in relation to size, adequacy, accessibility, or usefulness	Parcel Sizes (Bay County Property Appraiser Data)
163.340 (8) (d) Unsanitary or unsafe conditions;	Windshield Survey/ Photo Inventory (IBI Group) Age of structures (Bay County Property Appraiser Data)
163.340 (8) (e) Deterioration of site or other improvements	Age of Structures (Bay County Property Appraiser Data)
	Windshield Survey/ Photo Inventory (IBI Group)
163.340 (8) (i) Residential and commercial vacancy rates higher in the area than in the remainder of the County or municipality	Vacancy Rates (Bay County Property Appraiser Data)
163.340 (8) (j) Incidence of crime in the area higher than in the remainder of the community	City of Panama City Police Department Crime Statistics (2005)
163.340 (8)(m) Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area	Multiple Ownership (Multiple Interest owners, land trusts, life estates) (Bay County Property Appraiser Data)

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

## Project Methodology

Meetings and discussions with the City and CRA staff contributed significantly to the analysis of the Downtown North CRA Expansion Study Area. Additionally, IBI Group conducted a field survey to characterize, at a block and parcel level, the types and extent of physical and economic blight existing within the Study Area.

Following the field survey, each parcel in the Study Area was individually evaluated through GIS based analysis with respect to physical conditions, as appropriate, and conditions noted. The GIS database was provided by the Bay County GIS Department and the Property Appraiser records. Other sources that were instrumental in determining the blight conditions included the socio-economic indicators (2000 Census data and 2007 estimates) provided by the University of West Florida Haas Center of Business Research and Economic Development, and the City of Panama City Police Department Crime Statistics (2005).

The analysis also included an evaluation of the planning documents and reports relating to relevant conditions in the Study Area. Each relevant condition was then mapped separately to illustrate the blighted conditions in the Study Area. A composite map was constructed that showed the Study Area blocks that were affected by one or more condition and any unaffected blocks. The composite map was examined for patterns of areas needing or not needing redevelopment. The emerging patterns were used in formulating a recommendation for the Downtown North CRA Expansion Area boundaries and determining blight conditions according to the Statute.

The inventory of blighting conditions was conducted using an approach consistent with the requirements of the Florida Statute. The findings are presented as a series of site photos, maps, statistical tables and text descriptions of the blight conditions established in the proposed Downtown North CRA Expansion Area.



Existing Conditions: Inadequate or defective street layout; deterioration of roadways



Existing Conditions: Spill-over parking resulting in unsafe conditions for pedestrians



Existing Conditions: Vacant land and dilapidated structures



Existing Conditions: Unsafe or unsanitary conditions



Existing Conditions: Inadequate buffering and faulty lot layout conditions



Existing Conditions: Lack of sidewalks

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

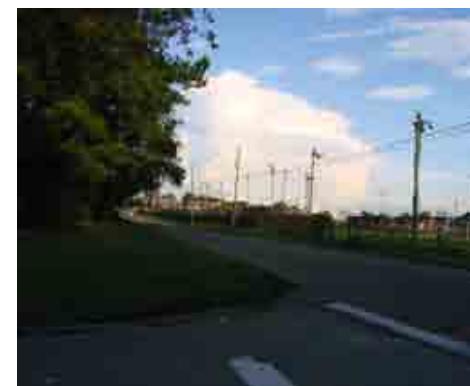
## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

### III. Findings

#### Section 163.340 (8) (a) PREDOMINANCE OF DEFECTIVE OR INADEQUATE STREET LAYOUT, PARKING FACILITIES, ROADWAYS, OR PUBLIC TRANSPORTATION FACILITIES

The major thoroughfares serving the study area- Harrison Avenue, Martin Luther King Boulevard (north-south); 15th Street and Highway 231 (east-west), appear to have adequate capacity to accommodate the existing development in the Study Area. While the existing roadway capacities appear adequate, the physical conditions of the roadways may warrant additional studies to be conducted for any future redevelopment projects with increased densities in the study area.

Unlike the grid street network found in the Downtown area, the study area is characterized by an inadequate street layout that hinders interconnectivity between adjacent neighborhoods and the City as a whole. The Bayline Railroad and Highway 231 bisect the northern half of the study area, resulting in dead ends on several minor local streets and traffic issues that impact both residential and nonresidential uses along the corridor.



Existing Conditions: Missing sidewalks (12th Street)



Existing Conditions: Unsafe pedestrian conditions (Intersection of US 98/ 15th Street and Harrison Avenue)



Existing Conditions: Inadequate sidewalk network (Bay High School)

## FINDING OF NECESSITY STUDY

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

In terms of parking and vehicular circulation, most commercial properties in the study area have setbacks that have typical suburban configuration characterized by parking located in the front of properties with insufficient separation or buffering between rights-of-way and parking areas. Numerous driveways and curb cuts are found at frequent intervals along the primary corridors. These multiple points of entry cause significant vehicular and pedestrian conflicts leading to unsafe conditions. Several commercial and institutional uses are sited on residential sized lots leading to spillover parking and backing into the street resulting in inefficient circulation and safety issues for both pedestrians and motorists.



Residential Areas: Inadequate Street Layout (Missing Sidewalks, Inadequate parking, Deteriorating roadway conditions)



Commercial Areas: Inadequate Street Layout (Missing Sidewalks, Inadequate parking, Deteriorating pavement conditions)



Industrial Areas: Inadequate Street Layout (Missing Sidewalks, Inadequate parking, heavy cut-through traffic in residential areas)

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

**Section 163.340 (8) (b) AGGREGATE ASSESSED VALUES HAVE FAILED TO SHOW ANY APPRECIABLE INCREASE OVER THE FIVE YEARS PRIOR TO THE FINDING OF SUCH CONDITIONS**

Ideally, the value of property should increase over time and show signs of growth somewhat consistent with trends in growth of the overall economy. This is usually an indication of the health of the local real estate market revealing the level of interest in private sector investment. Property values that are relatively static or declining may indicate a weakening market or reflect a change in the investment image of an area for several reasons. As previously stated, it is the intent of the Community Redevelopment Act to preserve the tax base and therefore the revenues for taxing authorities to support public services.

According to data obtained from the Bay County Property Appraiser's Office, the proposed redevelopment area contains 737 parcels of property with a total taxable value of \$42,042,749. According to the Bay County Property Appraiser Records (2006), the study area represents 3.8% of the total number of parcels of property in the City but only 2.3% of the total taxable value.

The table on the following page compares the taxable values over the last four years of the study area to both the City and County values and provides the annual average growth rate. While the Study Area has shown a reasonable annual average growth rate of 9.0%, the growth rate here is significantly lower than the City at 11.3%.

Map 4 on the following page represents the parcels in the study area with taxable values scaled between 0 and \$3,000,000. According to the 2006 taxable value records obtained from the Bay County Property Appraiser's Office, over half the properties in the study area are valued below \$50,000 (375 of the 727 parcels in the study area). Nearly 25% of the properties within the study area have no taxable value indicating vacant properties or tax-exempt properties.

Table 2. Downtown North Expansion Area Taxable Values

Taxable Values (2006)	Total Parcels	%
0	169	22.9%
\$1 - \$ 50,000	375	50.9%
\$50,001 - \$ 125,000	89	12.1%
\$125,001 - \$ 200,000	40	5.4%
\$200,001 - \$ 350,000	23	3.1%
\$350,001 - \$ 1,000,000	34	4.6%
\$1,000,000 and above	7	1.0%
<b>Total Number of Parcels</b>	<b>737</b>	

Source: Bay County Property Appraiser GIS Database (2007)

Table 3. Taxable Value Growth Rate (2001 - 2006)

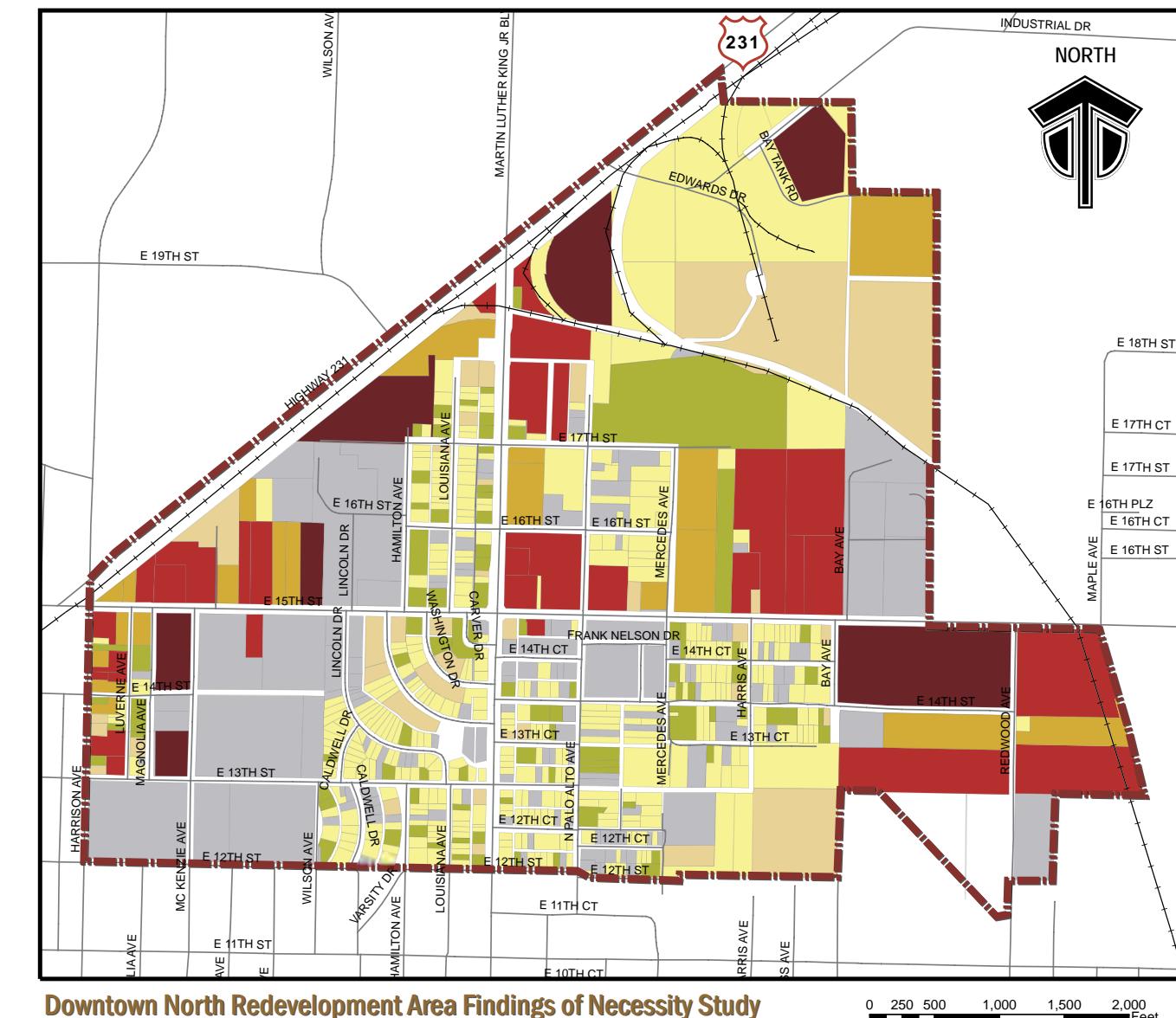
Citywide vs. Downtown North Extension Area Taxable Value Growth Rate (2001 - 2006)						
	2001 - 2002	2002 - 2003	2003 - 2004	2004 - 2005	2005 - 2006	2001 - 2006
Panama City	5.5%	8.6%	6.7%	17.9%	19.3%	11.3%
Downtown North Extension Areas	1.5%	8.8%	5.8%	12.0%	17.7%	9.0%

Source: Bay County Property Appraiser GIS Database (2007)

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

**TAXABLE VALUE****Downtown North Redevelopment Area Findings of Necessity Study  
City of Panama City, Florida****MAP 4**

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

## SECTION 163.340 (8) (c) FAULTY LOT LAYOUT IN RELATION TO SIZE, ADEQUACY, ACCESSIBILITY, OR USEFULNESS;

The size of parcels has a significant impact on the redevelopment potential for any proposed property. Typically, older platted subdivisions and commercial properties are too small for development and exhibit non-conformance with current zoning regulations. Contemporary development trends favor larger sites for redevelopment as they offer the flexibility to provide a variety of uses and a mix of activities. Larger sites also reduce the complexities involved with assembly of smaller parcels to support large scale redevelopment projects.

Map 8 identifies the deficient parcels in relation to lot sizes found in the Study Area. Inconsistencies between lot sizes and lot size requirements can be identified by comparing the minimum lot area requirements contained in the zoning code to the existing lot parcel sizes. As illustrated in Table 2, *thirty percent* (30%) of the properties in the Study Area do not meet the minimum lot area requirements of the City of Panama City Land Development Regulations.

Table 4. Faulty Lot Layout

FAULTY LOT LAYOUT			Proposed Expansion Area Substandard Lot Sizes		
Zoning Districts	Parcel Count	Minimum Lot Size (sq. ft.)	Parcels under 3,000 sq.ft.	Parcels between 3,000 and 3,500 sq.ft.	Total number of sub-standard lots (Less than 7,500 sq.ft.)
MU - 1	211	7,500	3	1	107
MU - 2	213	7,500	4	2	111
MU - 3	4	7,500	0	0	0
MU - 5	16	7,500	1	0	1
GC - 1	226	NA	17	2	NA
LI	26	NA	2	0	NA
HI	23	NA	0	0	NA
P/I	9	NA	0	0	NA
REC	2	NA	0	0	NA
<b>Total</b>	<b>737</b>		<b>27</b>	<b>5</b>	<b>219</b>
<b>Total percent</b>	<b>100%</b>		<b>3.6%</b>		<b>29.7%</b>

Source: Bay County Property Appraiser GIS Database (2007)

## FINDING OF NECESSITY STUDY

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

## CITY OF PANAMA CITY, FLORIDA

According to the existing land development regulations, nearly **fifty-five percent** (55%, 424 parcels) of the total number of properties in the study area are classified under the Mixed-Use (MU-1 and MU-2) land use districts. The mixed-use classifications could potentially yield over 1,000 units on a total of 140 acres with a maximum density of 10 units per acre. The total number of lots and the size of properties are disproportionate to the minimum lot size requirements of the Land Development Regulations. Current development patterns are far from approaching the maximum allowable density. **Two hundred nineteen parcels** (219) parcels within the MU-1 and MU-2 land use classification are less than 7,500 square feet in area and do not meet the minimum lot size requirement, as required by the City's Land Development Regulations.

Approximately twenty (20) of the commercial properties in the Study Area, with lot area less than 3,500 sq.ft., could be considered either uneconomical or deteriorated from an investment and development perspective. The development of commercial uses on substandard lots also has a deleterious impact on neighboring residential uses, due to traffic hazards caused by business parking located in the front of the property, encroachments into residential areas, inadequate buffering, and spill-over parking. These properties are further limited by their size in relation to parking and setback requirements, stormwater treatment standards and landscaping requirements. The lot depths of several properties located in the study area is considered too small for development according to contemporary standards.

Additionally, the proposed Downtown North CRA Expansion Area is characterized by conflicting land uses on adjacent properties. (Map 5, pg. 20) The proximity of industrial uses, located near the railroad, to residential uses has a negative impact on the investment climate of the corridor for both residential and commercial properties. Several of the existing industrial properties within the study area lack adequate area for parking and loading. Often when this occurs, the only recourse is to assemble surrounding property in order to attain a parcel large enough to meet regulated design standards, as well as make the site functional for intended uses. This results in encroachment into vacant parcels in adjacent residential areas leading to further deterioration in the quality of life for area residents due to a related increase in levels of traffic, noise, and pollution produced by the incompatible uses.



Faulty Lot Layout Conditions

CITY OF PANAMA CITY, FLORIDA

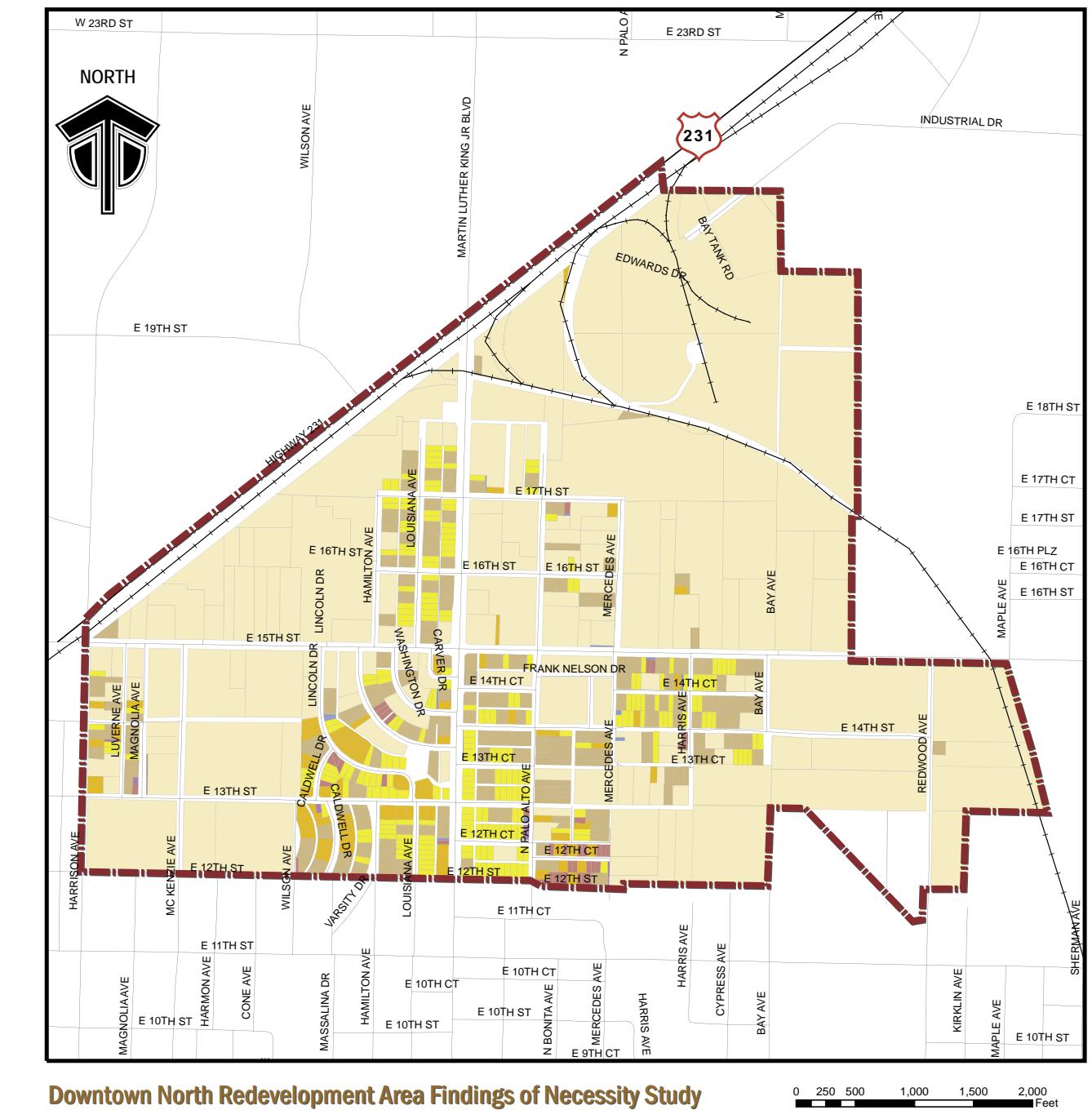
## FINDING OF NECESSITY STUDY

EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

## FAULTY LOT LAYOUT CONDITIONS (PHOTO INVENTORY)



## PARCEL SIZE

Downtown North Redevelopment Area Findings of Necessity Study  
City of Panama City, Florida

MAP 5

## LEGEND

Proposed Downtown North CRA Extension Boundary	3,501 sq. ft. - 5,000 sq. ft.	10,001 sq. ft. - 20,000 sq. ft.
Less than 3,000 sq. ft.	5,001 sq. ft. - 7,500 sq. ft.	20,000 sq. ft. and Greater
3,001 sq. ft. - 3,500 sq. ft.	7,501 sq. ft. - 10,000 sq. ft.	Railroad

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

## SECTION 163.340 (8) (D) UNSANITARY OR UNSAFE CONDITIONS

Unsafe conditions in the expansion area are evident through the following four factors: crime and accident incidents; inadequate pedestrian infrastructure; and deteriorating site attributes. The study area contains many structures that are currently in unsafe or dilapidated condition. These properties include residential and non-residential structures, as illustrated by the photographs shown below. Furthermore, many properties in the area exhibit poor yard/lot conditions which can be characterized by overgrown grass and/or large amounts of trash, outdoor storage, junk and inoperable vehicles that would require considerable effort to remove from the site.

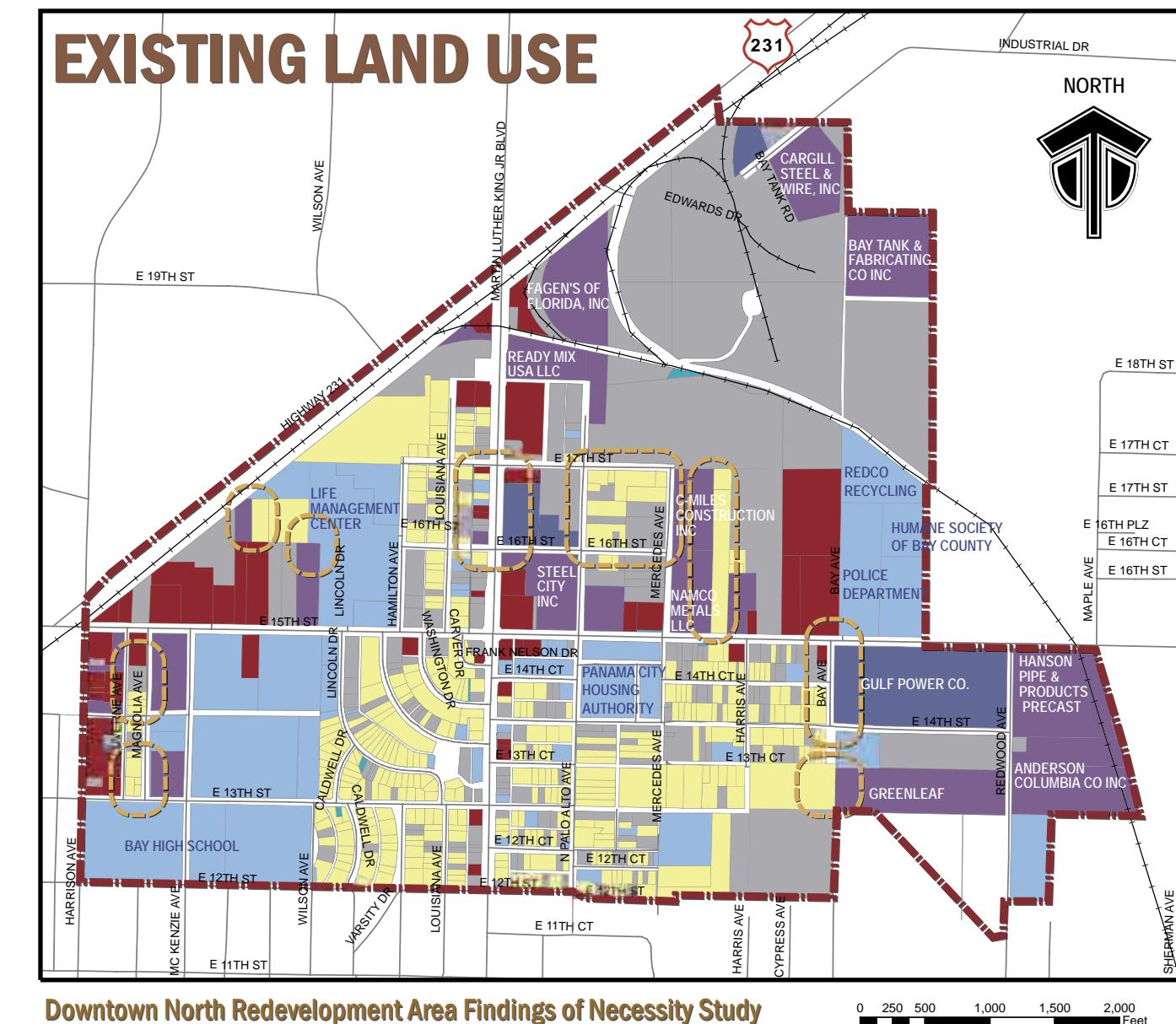
The existing roadway conditions in the study area do not support pedestrian infrastructure fostering an unsafe environment for both pedestrians and motorists. Pedestrian islands and clear crossings are missing along the majority of the area's high traffic roadways. Currently school buses pick up and drop off on 12th Street. Students from adjacent neighborhoods walk to school causing safety risks primarily due to the absence of any sidewalks and pedestrian amenities along the road.



Unsafe or Unsanitary conditions: Residential Areas

Excessive curb cuts in the study area, primarily along the major commercial corridors, also contribute in exacerbating the existing unsafe conditions witnessed in the study area. While curb cuts are necessary features for vehicular access to parcels and are not a safety issue when viewed in isolation, however, a large number of curb cuts within a short distance can produce an unsafe environment for both motorists and pedestrians. Combined these physical conditions demonstrate significant occurrence of unsanitary and unsafe conditions within the study area.

As discussed previously, the entire Study Area is characterized by location of incompatible land uses in close proximity to each other. While the industrial areas are critical in maintaining the economic vitality of the area, the lack of adequate buffering and unsafe conditions associated with industrial uses result in deterioration of the area's overall quality of life. Map 5 identifies the areas where land use conflicts and lack of adequate safeguards have contributed in unsafe and unsanitary conditions for the area residents.

Downtown North Redevelopment Area Findings of Necessity Study  
City of Panama City, Florida

## MAP 6



Unsafe or Unsanitary conditions: Commercial Areas

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

**SECTION 163. 340 (8) (E) DETERIORATION OF SITE OR OTHER IMPROVEMENTS**

The presence of a substantial number of deteriorated or deteriorating structures in an area is an indication of blight as defined by the Florida Statute. These conditions impair economic growth including the lack of private investment to maintain the integrity and value of existing development, depreciation in housing values, high risk factor for new development, and a reduced tax base for the City. Additionally, deteriorated buildings create additional expense for the community in the need for increased code enforcement personnel, fire hazards, community policing, and inspections.

Fieldwork and windshield survey conducted by IBI Group confirmed the existence of deteriorating conditions and sites in the study area. The windshield survey used a visual analysis technique to broadly evaluate building conditions in the areas of exterior walls and structure, doors and windows, and yard/lot conditions. Photographs and physical observations of the expansion area show a variety of housing conditions. While some housing units are well kept and well maintained, others are in varying stages of disrepair. There are two general types of substandard housing found in the Study Area:



23

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

**Age of structures**

The presence of dilapidated, vacant or boarded-up housing units in a neighborhood is a negative influence on surrounding residents. The condition of these units is a deterrent to continuing investment and maintenance of other units. A number of units are presently occupied; however, they have been allowed to slide into disrepair. Deferred maintenance occurs for three primary reasons- first, owner-occupants may not be able to afford needed improvements and regular maintenance; second, owner-occupants may not be inclined to continue investing in maintenance of the unit, anticipating a move or feeling that housing conditions in the area do not warrant continued upkeep; third, owners of rented units may defer maintenance in order to maximize return on the unit. Poorly maintained and overgrown vacant lots and other open spaces such as easements and canal banks are blighting influences on residential neighborhoods. Periodic maintenance of these areas, with costs billed to the landowner, can prevent the accumulation of debris and overgrowth.

Table 5. Structures by Year Built (First Building)

Structures by Year Built	Panama City	%	Proposed Downtown North CRA Expansion Area	%
Total Structures	13,694		472	
Built 1999 to present	806	5.9%	33	7.0%
Built 1995 to 1998	438	3.2%	15	3.2%
Built 1990 to 1994	731	5.3%	13	2.8%
Built 1980 to 1989	2,071	15.1%	42	8.9%
Built 1970 to 1979	1,675	12.2%	53	11.2%
Built 1960 to 1969	1,257	9.2%	65	13.8%
Built 1950 to 1959	2,655	19.4%	83	17.6%
Built 1940 to 1949	2,745	20.0%	143	30.3%
Built 1939 or earlier	1,316	9.6%	25	5.3%

Source: Bay County Property Appraiser GIS Database (2007)



24

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

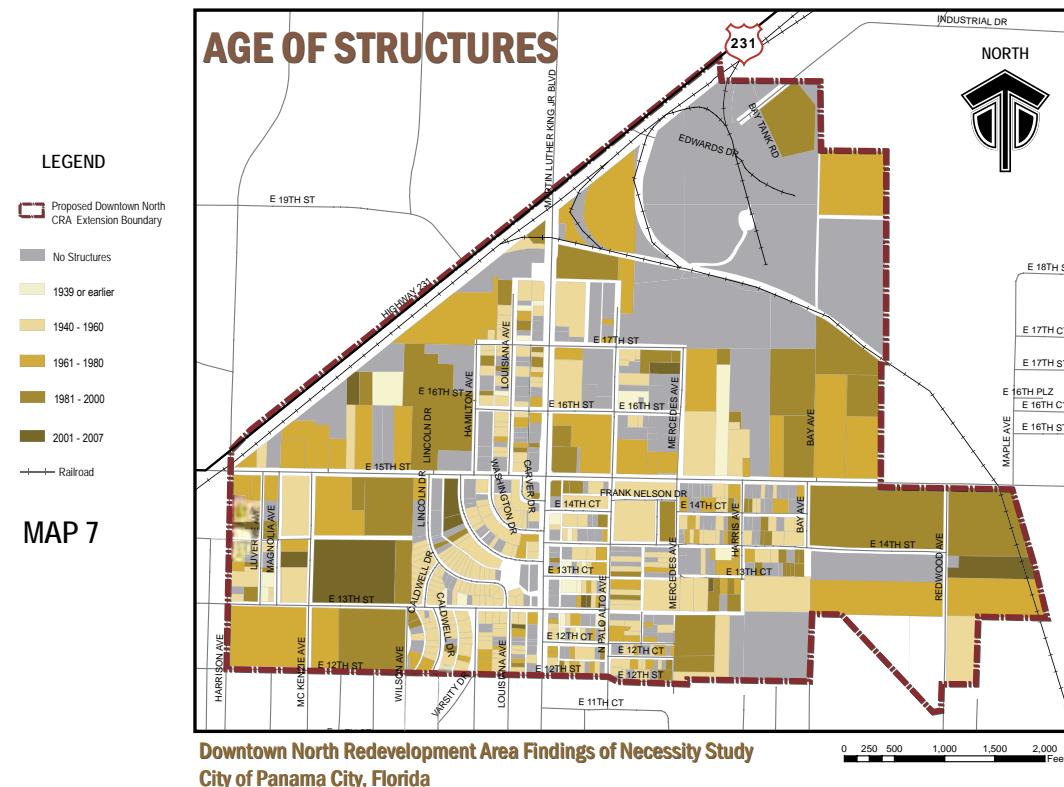
## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

These conditions are evident in the Study Area. The 2007 Area Profile provided by the University of West Florida Haas Center of Business Research and Economic Development, indicates that approximately **sixty-seven percent (66.9%)** of the housing units within the Downtown North CRA Expansion Area are nearly forty years old (built 1969 or earlier). In comparison, **fifty-one percent (51%)** of the City's housing units are over forty years old. The median year built for housing units in the Study Area was estimated as 1959, compared to 1969 for the housing units in the City as a whole. (Refer to Table 4)

Table 6. Housing Units by Year Built

Housing Units by Year Built	Panama City	%	Proposed Downtown North CRA Expansion Area	%
Total Housing Units	16,524		568	
Built 1999 to present	182	1.1%	27	4.8%
Built 1995 to 1998	826	5.0%	16	2.8%
Built 1990 to 1994	1,107	6.7%	12	2.1%
Built 1980 to 1989	2,545	15.4%	25	4.4%
Built 1970 to 1979	3,437	20.8%	108	19.0%
Built 1969 or earlier	8,427	51.0%	380	66.9%

Source: 2007 Area Profile, University of West Florida Haas Center of Business Research and Economic Development



## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

## DETERIORATION OF SITE OR OTHER IMPROVEMENTS (PHOTO INVENTORY)



## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

## Section 163.340 (8) (I) RESIDENTIAL AND COMMERCIAL VACANCY RATES

Vacant structures and abandoned lots lead to a deterioration of the physical environment. Such deterioration is detrimental to the investment image of the community. The vacancy rate is also a significant factor considered by the County Property Appraiser when assessing property values for tax purposes.

High vacancy rates in the housing market indicate a lack of community interest in maintaining the neighborhood's quality of life and integrity resulting in a decline of investment. Vacant properties depress the values of adjacent properties causing devaluation over time negatively affecting the City's ad valorem tax revenues. Vacant housing units are also more likely to become delinquent because the cost of paying taxes on the property may exceed the value of the property. The Bay County Property Appraiser records shows nearly **thirty percent (30.1%)** of all parcels within the Downtown North CRA Expansion Area as vacant compared to **thirteen percent (12.8%)** of all citywide parcels.

More than **twenty-three percent (23.5%)** of the Study Area's total parcel count is vacant residential compared to approximately **nine percent (9.2%)** of vacant residential properties found citywide.

Table 7. Vacancy Rates	Panama City				Proposed Downtown North CRA Expansion Area			
	Parcel Count	% of total parcels	Acreage	% of total acreage	Parcel Count	% of total parcels	Acreage	% of total acreage
Vacant Residential	1,582	9.2%	656.9	3.9%	173	23.5%	104.8	16.4%
Vacant Commercial	594	3.5%	583.3	3.5%	48	6.5%	92.5	14.5%
Vacant Industrial	8	0.0%	29.5	0.2%	1	0.1%	17.1	2.7%
Vacant Institutional	4	0.0%	31.3	0.2%	0	0.0%	0.0	0.0%
Total Vacancy	2,188	12.8%	1,301.0	7.7%	222	30.1%	214.4	33.5%
Total	17,119		16,802.8		737		639.2	

Source: Bay County Property Appraiser GIS Database (2007)



## CITY OF PANAMA CITY, FLORIDA

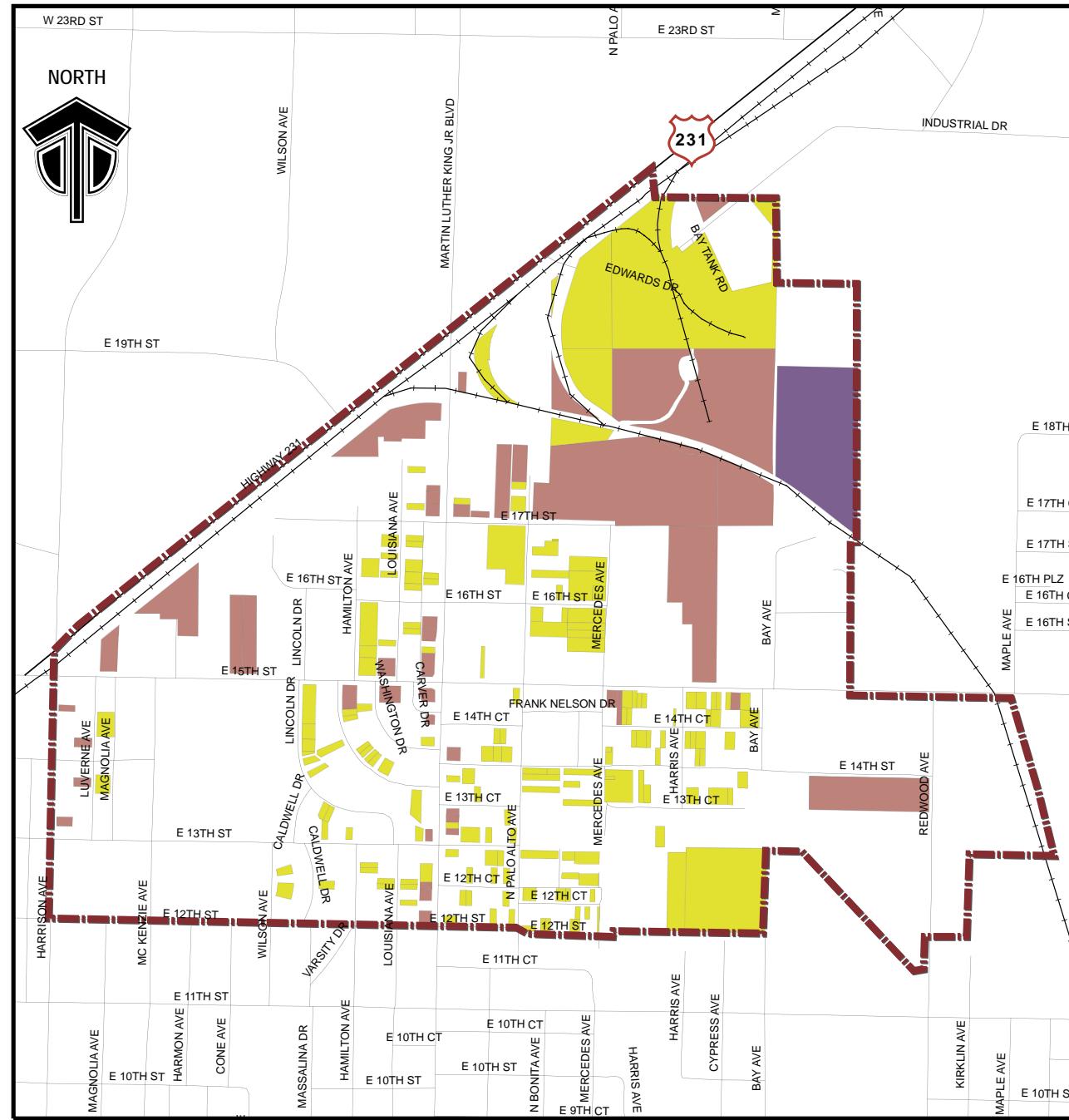
## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

## RESIDENTIAL AND COMMERCIAL VACANCY (PHOTO INVENTORY)



# VACANT LANDS



**Downtown North Redevelopment Area Findings of Necessity Study**  
City of Panama City, Florida

## LEGEND

- Proposed Downtown North CRA Extension Boundary
- Vacant Residential
- Vacant Industrial
- Vacant Commercial
- Railroad

MAP 8

## Section 163.340 (8) (j) INCIDENCE OF CRIME

The incidence of crime in the proposed Downtown North Expansion Area is significantly higher than in the remainder of the City. The proposed Downtown North Expansion Area falls under four zones, delineated by the Panama City Police Department for statistical analysis purposes.

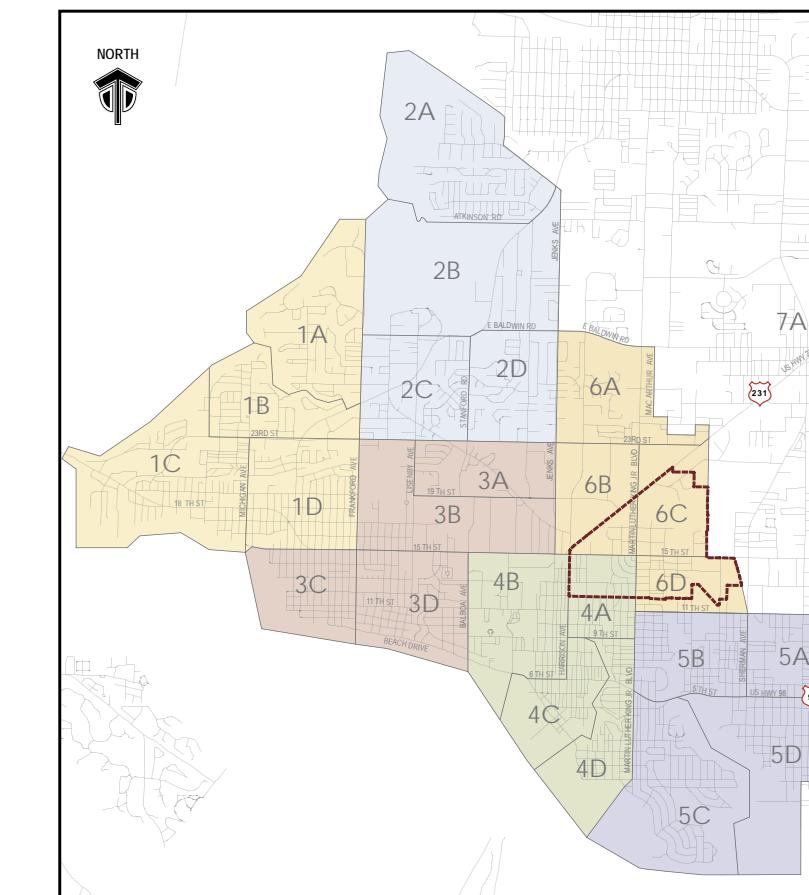
The 2007 crime statistics provided by the City of Panama City Police Department indicates that 6,997 of the total 24,408 calls for services occurred within the proposed Downtown North Expansion Area. This represents nearly **thirty percent (28.7%)** of the total calls for service made in the City. (Table 7)

While the Study Area contains only **three percent (3.2%)** of the City's total population, it is experiencing a disproportionate incidence of crime compared to the total population. The calls of service per capita in the Downtown North Expansion Area at **6,997** calls answered for a population of **\$1,235** residents, is nearly ten times higher than the citywide rate of **63%** (**24,408** calls).

The high incidence of crime deters the private sector from investing in redeveloping the area. Crime is closely related to deteriorating neighborhood conditions such as high unemployment rates, significant vacancy rates, and unsafe conditions. Left unaddressed, the crime rates will most likely continue to escalate within the Study Area burdening the City and residents with additional costs.

## PANAMA CITY POLICE DEPARTMENT ZONE COVERAGES

MAP 9



CITY OF PANAMA CITY POLICE DEPARTMENT

Proposed Downtown North CRA Extension Boundary

**Section 163.340 (8) (m) DIVERSITY OF OWNERSHIP**

The following section discusses the high percentage of parcels under multiple ownership. Diverse ownership patterns act as a potential obstacle to the assemblage of land for redevelopment.

Diversity of ownership or defective or unusual conditions of title, prevent the free alienability of land. This may include factors such as multiple owners of a single property, several properties within a given area, and complex title issues resulting from life estates and heir property. Multiple ownership patterns can be a hindrance to land assembly in support of redevelopment projects. This situation is compounded by the fact that many of the individual properties are insufficient in size. The conditions makes it difficult to accommodate potential redevelopment projects that comply with current land development codes.

There is a high degree of diversity of ownership in the study area where a majority of the lots are owned by different persons or entities. According to property ownership data acquired from the Bay County Property Appraiser's records, there are approximately 500 different owners of the 737 parcels contained in the study area. More than *eighty-five percent (85%)* of the parcels are uniquely owned, demonstrating diverse ownership patterns.

For the purpose of this study, all parcels that have more than one owner listed on a single property in the Bay County Property Appraiser GIS database, are assumed to be examples of multiple ownership. Bay County Property Appraiser records indicate that more than 50 out of the 737 properties in the recommended Downtown North CRA Expansion Area, are owned by more than one owner, accounting for nearly *seven percent (7%)* of the total parcels.

This situation is compounded by the fact that many of the individual properties are insufficient in size and may not be owner occupied. This condition makes it extremely difficult to combine properties to bring about more efficient development patterns, and increase investment. If one landowner is interested in redeveloping his or her property but needs the size of a larger parcel to meet existing codes; and the adjacent owners are not interested in joining forces or selling, then the first owner is powerless to make the necessary property improvements. This situation makes redevelopment by the private sector extremely difficult, if not impossible. Unfortunately, the combination of inadequate parcels of property and insufficient demand in the commercial real estate market has hindered opportunities for investment in this area. Without effective redevelopment strategies or intervention by the City, these conditions will further deteriorate.

**Table 8. Multiple Ownership**

Multiple Ownership	Parcel Count	%
Two owners listed	50	6.8%
Three or more owners listed	1	0.1%
Total Parcels with unusual title	51	6.9%
Total Parcels in the Downtown North Redevelopment Area	737	6.9%

Source: Bay County Property Appraiser GIS Database (2007)

**Conditions leading to economic distress**

According to the U.S. Economic Development Administration, economic distress includes *"conditions that affect the fiscal and economic viability of an area."* The distressed conditions include factors such as low per capita income, high unemployment, high underemployment, high poverty levels, and low education levels. These factors can impact the ability of residents to sustain the physical environment of the Downtown North CRA Expansion Area.

The Downtown North CRA Expansion Area exhibits significantly distressed economic characteristics relative to the City of Panama City as a whole. The 2007 Area Profile provided by the University of West Florida Haas Center of Business Research and Economic Development, estimates that the Downtown North CRA Expansion Area is home to 1,235 residents, accounting for nearly 3% of the City's total population.

**Household Income**

The 2007 estimated per capita income for the City's households is \$22,836, while the estimated per capita income for the Downtown North CRA Expansion Area is \$12,776, representing only 56% of the citywide per capita income. Similarly, median household income (\$20,692) in the Downtown North CRA Expansion Area is 54% of the City of Panama City's median household income (\$38,658). Average household income for the Downtown North CRA Expansion Area is \$30,049, compared to the City's average 2007 estimated household income of \$52,309.

**Housing Values**

Housing values in the study area are also significantly lower than those for the City as a whole. According to the 2007 estimates, the median home value in the Downtown North CRA Expansion Area is \$106,250, compared to \$170,359 for the City, accounting for a difference of nearly \$64,000 between the two markets. (Table 7)

**Table 9. Income Level and Home Values**

2007			
INCOME	Panama City	Proposed Downtown North CRA Expansion Area	% of City
Total Population	38,537	1,235	3.2%
Total Households	15,879	503	3.2%
Average Household Income	\$52,309	\$30,049	57.4%
Median Household Income	\$38,658	\$20,692	53.5%
Per Capita Income	\$22,836	\$12,776	55.9%
Median Home Value	\$170,359	\$106,250	62.4%
2000			
INCOME	Panama City	Proposed Downtown North CRA Expansion Area	% of City
Total Population	36,417	1,250	3.4%
Total Households	14,819	497	3.4%
Average Household Income	\$43,141	\$26,408	61.2%
Median Household Income	\$31,745	\$17,372	54.7%
Per Capita Income	\$17,830	\$11,289	63.3%
Median Home Value	\$75,154	\$47,361	63.0%

Source: 2007 Area Profile, University of West Florida Haas Center of Business Research and Economic Development

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

*Poverty*

The Census Bureau uses income thresholds that vary by family size and composition to detect who is poor. If the total income for a family or group of unrelated individuals falls below the relevant poverty threshold, then the family or unrelated group is classified as being "below the poverty level". For the purposes of analysis, this report assumes a family income base of \$15,000 and less as the poverty threshold for both the City of Panama City and the Downtown North CRA Expansion Area.

There were 72 families below poverty level in the Downtown North CRA Expansion Area out of a total of 301 families, indicating that the rate of poverty is nearly **twenty-four percent** (24%) for the Study Area. In comparison, the 2007 estimated citywide poverty rate is **eleven percent** (11%), with a total of 1,066 families below poverty level. While the Downtown North CRA Expansion Area's land area covers only **four percent** (3.8%) of the City's total area, it accommodates almost **seven percent** (7%) of the families below poverty level found citywide. (Table 8)

Table 10. Poverty Level

2007				
POVERTY LEVEL	Panama City	%	Proposed Expansion Area	%
Total Families	9,503		301	
Income Above Poverty Level	8,437	88.8%	229	76.1%
Income Below Poverty Level	1,066	11.2%	72	23.9%

Source: 2007 Area Profile, University of West Florida Haas Center of Business Research and Economic Development

Table 11. Employment

2000		
	Panama City	Proposed Expansion Area
Total Population 16+ In Labor Force	15,173	56.4%
Civilian Employed	14,696	50.7%
Civilian Unemployed	898	3.1%
In Armed Forces	753	2.6%
Not in Labor Force	12,638	43.6%

2007		
	Panama City	Proposed Expansion Area
Total Population 16+ In Labor Force	16,567	
Civilian Employed	15,904	96.0%
Civilian Unemployed	663	4.0%
In Armed Forces	NA	NA

Source: 2007 Area Profile, University of West Florida Haas Center of Business Research and Economic Development

## FINDING OF NECESSITY STUDY

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

*Education and Employment*

According to the 2007 Area Profile estimates, the unemployment rate for the Downtown North CRA Expansion Area is approximated at 7.9%, significantly higher than the citywide rate of 4.0%. The unemployment rate includes all civilians 16 years old and over that are actively looking for work and does not include the residents who have dropped out of the job search effort. The 2000 Census indicated that nearly **forty-nine percent** (49%) of the study area's total population 16 years old and over was not in the labor force.

Additionally, the 2000 Census reported that nearly twelve percent (12%) of the Proposed Downtown North CRA Expansion Area population 25 years old and over has less than a 9th grade education, compared to only four (4%) for the citywide population. The low education levels combined with the high unemployment rates contribute to the level of economic distress experienced by the Downtown North CRA expansion area.

**IV. Conclusion**

This study has identified and documented conditions in the recommended Downtown North CRA expansion area that are consistent with the definition of blight contained in the Florida Statutes. It is, therefore, reasonable to find that these conditions substantially impair sound growth and have lead to economic distress in the area. The inventory of existing conditions presented in this report provides a basis for the City of Panama City to adopt a resolution acknowledging the existence of blight in the proposed Downtown North CRA Expansion Area and finding that rehabilitation, conservation or redevelopment is necessary in the interest of the public health, safety, morals or welfare of the City's residents. These findings also provide justification for using the tools provided to local governments through Chapter 163 Part III of the Florida Statutes: "The Community Redevelopment Act".

The proposed Downtown North CRA Expansion Area has a substantial number of structures exhibiting some level of deterioration, documented by the field observations conducted by IBI Group staff in August 2007. Government maintained demographic and economic statistics highlight a prevailing level of economic distress.

Low per capita income, high poverty rates, high unemployment rate, low educational attainment levels, lower median home values compared to the City are strong indicators of economic distress in the Downtown North CRA Expansion Area. The distressed economic conditions combined with the deteriorated physical environment experienced in the Downtown North CRA expansion area confirm the existence of blighted conditions in the Downtown North CRA expansion area. The cumulative impact of high vacancy rates in residential and commercial properties, a high percentage of aging structures, substandard lot configurations, high crime rates, and decreasing assessed values over the last five years substantiate the existence of blight in the Study Area.

The existence of blight can have negative impacts on a community including:

- Depressed property values, resulting in lower local tax revenues;
- Strain on city services- police, health, fire, building code;
- Increased fire hazard potential because of poor maintenance, faulty wiring and debris;
- Increased code enforcement demands;
- Concentration of low-income groups and marginal businesses with decreased potential for investment to reverse the blighting conditions;
- Creation of an environment that attracts criminal activity;
- Creation of a poor market environment, where existing businesses relocate to other, more stable areas and new businesses do not replace them;
- Cost to existing home owners- higher insurance premiums, low appraisals for homestead properties.

**Presence of Blight**

The analysis indicates that the Downtown North CRA Expansion Area contains at least seven of the fourteen conditions indicative of a "blighted area" listed in the Florida Statutes. The following is a summary of findings that support a declaration of blight for the proposed Downtown North CRA Expansion Area:

*Conditions leading to economic distress***High unemployment rate**

The Downtown North CRA Expansion Area has an unemployment rate of 7.9% compared to the citywide rate of 4.0%..

**High Poverty rate**

Nearly 31% of total families in the Downtown North CRA Expansion Area have an income below the poverty level threshold compared to 12% for the City.

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

**Low Per Capita Income**

Per capita income for the Downtown North CRA Expansion Area at \$12,776 is over 55% of the citywide per capita income at \$22,836.

**Low household income**

Median household income for the Downtown North CRA Expansion Area (\$20,692) is nearly half of the City's median household income (\$38,658).

**Low housing values**

Median home values in the Study Area is 60% (\$106,250) lower than the citywide median housing values (\$170,359).

**Predominance of defective or inadequate street layout, parking facilities, roadways, or public transportation facilities**

Industrial properties and the Bay Line Railroad bisect the study area, resulting in dead ends on several minor streets.

Inadequate pedestrian infrastructure- missing sidewalks, frequent instances of disrepair along roadways and sidewalks, lack of traffic calming measures in the vicinity of neighborhood centers of activity, such as area schools and churches.

Insufficient buffering between parking and rights-of-way along primary commercial corridors (Martin Luther King Blvd, Harrison Avenue, 15th Street).

Excessive curb-cuts and driveways causing significant vehicular and pedestrian safety risks.

Substandard lot sizes leading to parking along unimproved right-of-way in residential areas.

**Residential and Commercial vacancy rates higher in the area than in the remainder of the municipality**

Annual average growth rate lower than the City's growth rate over the last five years.

***Faulty Lot Layout in relation to size, adequacy, accessibility or usefulness***

Inadequate properties in relation to current land development codes.

Over 30% of the proposed expansion area properties do not meet the minimum lot area requirements of the City of Panama City Land Development Code.

***Diversity of ownership***

Nearly 7% of the total parcels in the Downtown North CRA Expansion Area are owned by more than one owner.

Multiple owners of small lots.

Unusual conditions of title including estate and life estates.

***Unsanitary or unsafe conditions***

High percentage of deteriorating structures, including several in the dilapidated category.

Unsafe conditions created by conflicting land uses between industrial and residential uses.

Heavy truck traffic through residential neighborhoods accessing industrial areas.

***Deterioration of site or other improvements***

High occurrence of dilapidated, vacant and boarded up structures.

Large percentage of older structures compared to the city as a whole.

Frequent occurrence of debris along rights-of way and deteriorated yard conditions.

***Residential and Commercial vacancy rates higher in the area than in the remainder of the municipality***

Over 30% of the properties in the Downtown North CRA Expansion Area are vacant. In comparison, only 13% of the total citywide properties are considered vacant.

34% of the Study Area's total acreage comprises of vacant parcels; while only 8% of the City's total land area is considered vacant.

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

**Recommendations**

**Expand the boundaries of the existing Downtown North CRA**

The data presented in this report provides a factual basis upon which the City of Panama City may make a legislative finding that the proposed Downtown North CRA Expansion Area is at this time a blighted area; and that rehabilitation, conservation, or redevelopment, or a combination thereof is necessary in the interest of the public health, safety, morals or welfare of the residents of the municipality. It is recommended that the Panama City Council pass a resolution designating the recommended boundary as the Downtown North CRA Expansion Area Community Redevelopment Area.

**Update the 1993 Downtown North Redevelopment Plan**

The formulation of a redevelopment plan, using the tools made available in the Statutes, is the most appropriate means of overcoming the obstacles to economic development cited in this study. In light of the changes that have occurred in the area since 1993, the update of the current redevelopment plan can provide focus and oversight for the land development process while improving the appearance and marketability of the area. The Community Redevelopment Agency is responsible for assisting in the preparation of the Redevelopment Plan. Section 163.362 F.S. contains a detailed description of the required contents of this Plan. The Plan is intended to address the needs identified in this study, define community redevelopment goals and objectives, set forth specific Agency policies and actions, and finally, identify capital improvement projects, their costs and funding sources. It can provide a strategy for funding capital improvements and economic incentives that will attract private sector investment and ensure that infrastructure is in place to support future growth and development. The Redevelopment Plan Update developed for the Downtown North CRA should incorporate the proposed expansion area and the recommendations of the recent studies completed in the area.

## APPENDIX A

### Demographics



## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

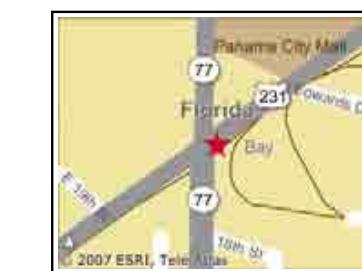
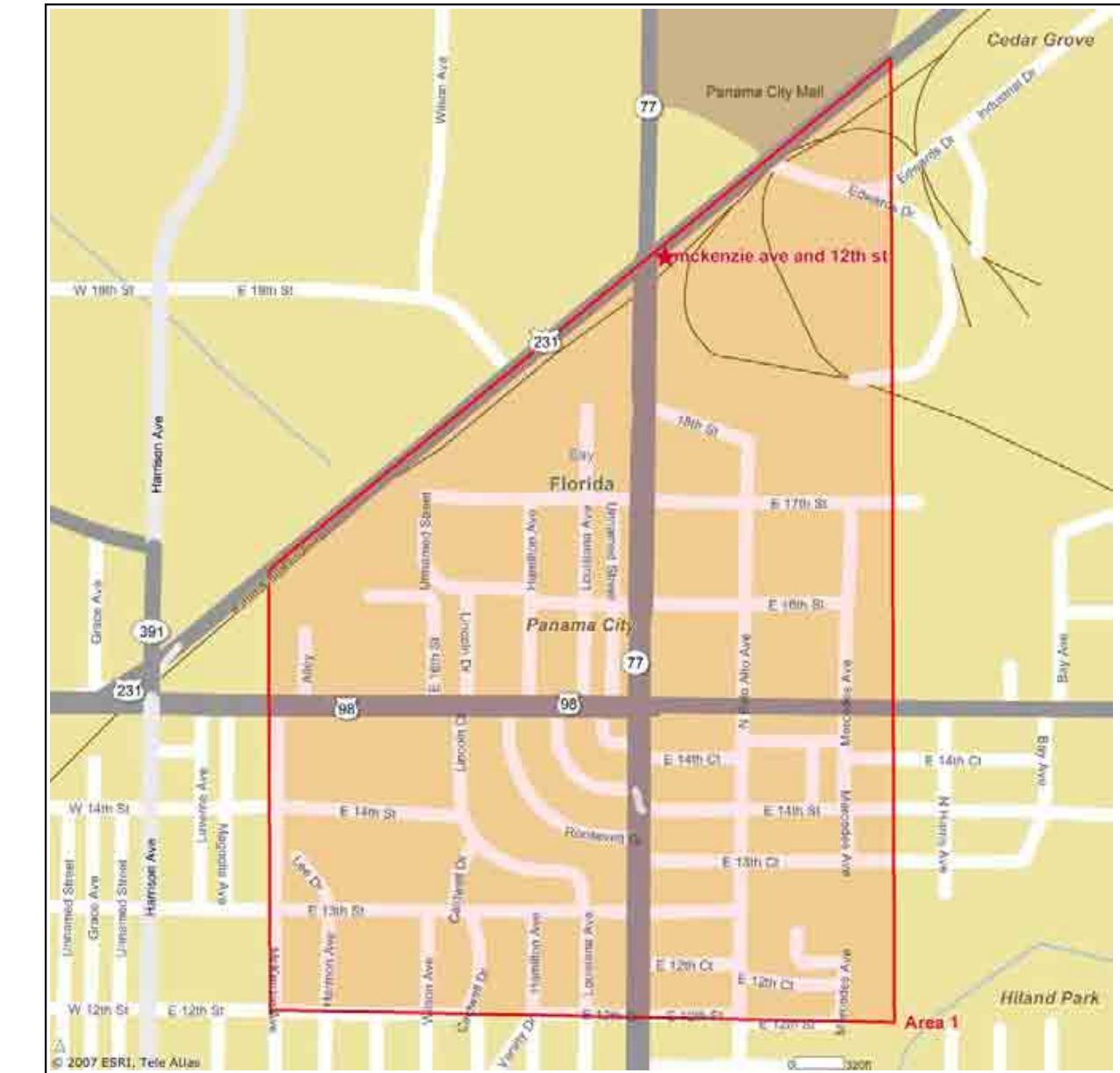
## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

## Site Map

mckenzie ave and 12th st  
panama city, FL

August 28, 2007

Latitude: 30.183  
Longitude: -85.6497



## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES



Latitude: 30.183  
Longitude: -85.6497

2000 Total Population  
2000 Group Quarters  
2007 Total Population  
2012 Total Population  
2007 - 2012 Annual Rate

2000 Households  
2000 Average Household Size  
2007 Households  
2007 Average Household Size  
2012 Households  
2012 Average Household Size  
2007 - 2012 Annual Rate  
2000 Families  
2000 Average Family Size  
2007 Families  
2007 Average Family Size  
2012 Families  
2012 Average Family Size  
2007 - 2012 Annual Rate

**2000 Housing Units**  
Owner Occupied Housing Units  
Renter Occupied Housing Units  
Vacant Housing Units

**2007 Housing Units**  
Owner Occupied Housing Units  
Renter Occupied Housing Units  
Vacant Housing Units

**2012 Housing Units**  
Owner Occupied Housing Units  
Renter Occupied Housing Units  
Vacant Housing Units

**Median Household Income**  
2000  
2007  
2012

**Median Home Value**  
2000  
2007  
2012

**Per Capita Income**  
2000  
2007  
2012

**Median Age**  
2000  
2007  
2012

## Market Profile

mckenzie ave and 12th st  
panama city, FL  
Area: 1

1,250  
51  
1,235  
1,285  
0.8%

497  
2.41  
503  
2.35  
529  
2.33  
1.01%  
307  
3.16  
301  
3.13  
309  
3.13  
0.53%

570  
37.9%  
50.5%  
11.6%

577  
40.2%  
47.0%  
12.8%

607  
41.0%  
46.1%  
12.9%

\$17,372  
\$20,692  
\$22,727

37.9%  
50.5%  
11.6%

40.2%  
47.0%  
12.8%

41.0%  
46.1%  
12.9%

\$47,361  
\$106,250  
\$123,438

\$11,289  
\$12,776  
\$14,690

31.7  
31.4  
31.2

## CITY OF PANAMA CITY, FLORIDA

EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES



Latitude: 30.183  
Longitude: -85.6497

**2000 Households by Income**

Household Income Base  
< \$15,000  
\$15,000 - \$24,999  
\$25,000 - \$34,999  
\$35,000 - \$49,999  
\$50,000 - \$74,999  
\$75,000 - \$99,999  
\$100,000 - \$149,999  
\$150,000 - \$199,999  
\$200,000+

Average Household Income

**2007 Households by Income**

Household Income Base  
< \$15,000  
\$15,000 - \$24,999  
\$25,000 - \$34,999  
\$35,000 - \$49,999  
\$50,000 - \$74,999  
\$75,000 - \$99,999  
\$100,000 - \$149,999  
\$150,000 - \$199,999  
\$200,000+

Average Household Income

**2012 Households by Income**

Household Income Base  
< \$15,000  
\$15,000 - \$24,999  
\$25,000 - \$34,999  
\$35,000 - \$49,999  
\$50,000 - \$74,999  
\$75,000 - \$99,999  
\$100,000 - \$149,999  
\$150,000 - \$199,999  
\$200,000+

Average Household Income

**2000 Owner Occupied HUs by Value**

Total  
<\$50,000  
\$50,000 - 99,999  
\$100,000 - 149,999  
\$150,000 - 199,999  
\$200,000 - \$299,999  
\$300,000 - 499,999  
\$500,000 - 999,999  
\$1,000,000+

Average Home Value

**2000 Specified Renter Occupied HUs by Contract Rent**

Total  
With Cash Rent  
No Cash Rent  
Median Rent  
Average Rent

## FINDING OF NECESSITY STUDY

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES



Latitude: 30.183  
Longitude: -85.6497

## 2000 Population by Age

Total	1,251
0 - 4	10.5%
5 - 9	10.2%
10 - 14	7.8%
15 - 19	7.7%
20 - 24	6.2%
25 - 34	10.6%
35 - 44	13.4%
45 - 54	10.1%
55 - 64	10.3%
65 - 74	6.8%
75 - 84	5.3%
85+	1.1%
18+	66.5%

## 2007 Population by Age

Total	1,236
0 - 4	10.7%
5 - 9	9.1%
10 - 14	10.3%
15 - 19	7.4%
20 - 24	5.2%
25 - 34	11.7%
35 - 44	10.1%
45 - 54	13.2%
55 - 64	7.6%
65 - 74	8.3%
75 - 84	4.9%
85+	1.7%
18+	65.3%

## 2012 Population by Age

Total	1,285
0 - 4	9.7%
5 - 9	10.0%
10 - 14	8.7%
15 - 19	10.0%
20 - 24	5.7%
25 - 34	9.6%
35 - 44	9.1%
45 - 54	13.5%
55 - 64	9.5%
65 - 74	8.2%
75 - 84	3.9%
85+	2.0%
18+	65.4%

## 2000 Population by Sex

Males	42.2%
Females	57.8%

## 2007 Population by Sex

Males	42.4%
Females	57.6%

## 2012 Population by Sex

Males	42.4%
Females	57.6%

## Market Profile

mckenzie ave and 12th st  
panama city, FL  
Area: 1

## CITY OF PANAMA CITY, FLORIDA

EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES



Latitude: 30.183  
Longitude: -85.6497

## 2000 Population by Race/Ethnicity

Total	1,250
White Alone	13.7%
Black Alone	82.9%
American Indian Alone	0.3%
Asian or Pacific Islander Alone	0.9%
Some Other Race Alone	0.5%
Two or More Races	1.8%
Hispanic Origin	1.1%
Diversity Index	31.0

## 2007 Population by Race/Ethnicity

Total	1,235
White Alone	9.6%
Black Alone	87.0%
American Indian Alone	0.3%
Asian or Pacific Islander Alone	1.0%
Some Other Race Alone	0.6%
Two or More Races	1.5%
Hispanic Origin	1.2%
Diversity Index	25.1

## 2012 Population by Race/Ethnicity

Total	1,285
White Alone	7.6%
Black Alone	89.0%
American Indian Alone	0.3%
Asian or Pacific Islander Alone	1.0%
Some Other Race Alone	0.5%
Two or More Races	1.5%
Hispanic Origin	1.2%
Diversity Index	22.0

## 2000 Population 3+ by School Enrollment

Total	1,173
Enrolled in Nursery/Preschool	3.1%
Enrolled in Kindergarten	1.4%
Enrolled in Grade 1-8	15.4%
Enrolled in Grade 9-12	4.4%
Enrolled in College	3.6%
Enrolled in Grad/Prof School	0.0%
Not Enrolled in School	72.1%

## 2000 Population 25+ by Educational Attainment

Total	771
Less than 9th Grade	16.9%
9th - 12th Grade, No Diploma	26.5%
High School Graduate	29.2%
Some College, No Degree	18.0%
Associate Degree	3.2%
Bachelor's Degree	3.4%
Master's/Prof/Doctorate Degree	2.9%

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES



Latitude: 30.183  
Longitude: -85.6497

**2000 Population 15+ by Sex and Marital Status**

	mckenzie ave and 12th st panama city, FL Area: 1
Total	926
Females	59.4%
Never Married	16.1%
Married, not Separated	15.3%
Married, Separated	5.4%
Widowed	7.7%
Divorced	14.9%
Males	40.6%
Never Married	15.1%
Married, not Separated	12.6%
Married, Separated	4.0%
Widowed	3.7%
Divorced	5.2%

**2000 Population 16+ by Employment Status**

	mckenzie ave and 12th st panama city, FL Area: 1
Total	909
In Labor Force	50.6%
Civilian Employed	45.2%
Civilian Unemployed	5.4%
In Armed Forces	0.0%
Not in Labor Force	49.4%

**2007 Civilian Population 16+ in Labor Force**

	mckenzie ave and 12th st panama city, FL Area: 1
Civilian Employed	92.1%
Civilian Unemployed	7.9%

**2012 Civilian Population 16+ in Labor Force**

	mckenzie ave and 12th st panama city, FL Area: 1
Civilian Employed	93.5%
Civilian Unemployed	6.5%

**2000 Females 16+ by Employment Status and Age of Children**

	mckenzie ave and 12th st panama city, FL Area: 1
Total	539
Own Children < 6 Only	9.1%
Employed/in Armed Forces	5.8%
Unemployed	0.9%
Not in Labor Force	2.4%
Own Children < 6 and 6-17 Only	4.8%
Employed/in Armed Forces	4.1%
Unemployed	0.7%
Not in Labor Force	0.0%
Own Children 6-17 Only	13.7%
Employed/in Armed Forces	10.0%
Unemployed	0.6%
Not in Labor Force	3.2%
No Own Children < 18	72.4%
Employed/in Armed Forces	21.9%
Unemployed	5.0%
Not in Labor Force	45.5%

## Market Profile

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY



Latitude: 30.183  
Longitude: -85.6497

mckenzie ave and 12th st  
panama city, FL  
Area: 1

**2007 Employed Population 16+ by Industry**

	mckenzie ave and 12th st panama city, FL Area: 1
Total	385
Agriculture/Mining	0.0%
Construction	10.1%
Manufacturing	4.4%
Wholesale Trade	1.3%
Retail Trade	8.8%
Transportation/Utilities	3.4%
Information	1.3%
Finance/Insurance/Real Estate	2.1%
Services	62.1%
Public Administration	6.5%

**2007 Employed Population 16+ by Occupation**

	mckenzie ave and 12th st panama city, FL Area: 1
Total	388
White Collar	34.5%
Management/Business/Financial	5.7%
Professional	7.2%
Sales	8.2%
Administrative Support	13.4%
Services	47.2%
Blue Collar	18.3%
Farming/Forestry/Fishing	0.5%
Construction/Extraction	7.2%
Installation/Maintenance/Repair	1.8%
Production	1.0%
Transportation/Material Moving	7.7%

**2000 Workers 16+ by Means of Transportation to Work**

	mckenzie ave and 12th st panama city, FL Area: 1
Total	406
Drove Alone - Car, Truck, or Van	70.4%
Carpooled - Car, Truck, or Van	15.3%
Public Transportation	8.9%
Walked	1.5%
Other Means	1.7%
Worked at Home	2.2%

**2000 Workers 16+ by Travel Time to Work**

	mckenzie ave and 12th st panama city, FL Area: 1
Total	406
Did Not Work at Home	97.8%
Less than 5 minutes	0.0%
5 to 9 minutes	11.8%
10 to 19 minutes	50.5%
20 to 24 minutes	11.6%
25 to 34 minutes	20.2%
35 to 44 minutes	0.0%
45 to 59 minutes	2.7%
60 to 89 minutes	0.0%
90 or more minutes	1.0%
Worked at Home	2.2%
Average Travel Time to Work (in min)	19.1

**2000 Households by Vehicles Available**

	mckenzie ave and 12th st panama city, FL Area: 1
Total	498
None	26.9%
1	47.0%
2	15.3%
3	9.2%
4	0.8%
5+	0.8%
Average Number of Vehicles Available	1.1

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES



Latitude: 30.183  
Longitude: -85.6497

## 2000 Households by Type

Total	497
Family Households	61.8%
Married-couple Family	19.9%
With Related Children	7.8%
Other Family (No Spouse)	41.9%
With Related Children	32.2%
Nonfamily Households	38.2%
Householder Living Alone	34.8%
Householder Not Living Alone	3.4%

Households with Related Children	40.0%
Households with Persons 65+	27.8%

## 2000 Households by Size

Total	497
1 Person Household	34.8%
2 Person Household	25.8%
3 Person Household	18.5%
4 Person Household	10.3%
5 Person Household	6.0%
6 Person Household	3.2%
7+ Person Household	1.4%

## 2000 Households by Year Householder Moved In

Total	497
Moved in 1999 to March 2000	34.8%
Moved in 1995 to 1998	24.3%
Moved in 1990 to 1994	6.6%
Moved in 1980 to 1989	4.8%
Moved in 1970 to 1979	6.8%
Moved in 1969 or Earlier	22.5%
Median Year Householder Moved In	1997

## 2000 Housing Units by Units in Structure

Total	559
1, Detached	60.8%
1, Attached	3.9%
2	2.1%
3 or 4	3.2%
5 to 9	26.5%
10 to 19	0.0%
20+	1.4%
Mobile Home	2.0%
Other	0.0%

## 2000 Housing Units by Year Structure Built

Total	568
1999 to March 2000	4.8%
1995 to 1998	2.8%
1990 to 1994	2.1%
1980 to 1989	4.4%
1970 to 1979	19.0%
1969 or Earlier	66.9%
Median Year Structure Built	1959

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

## Market Profile

mckenzie ave and 12th st  
panama city, FL  
Area: 1

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Households with Related Children	40.0%
Households with Persons 65+	27.8%

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Total	497
1 Person Household	34.8%
2 Person Household	25.8%
3 Person Household	18.5%
4 Person Household	10.3%
5 Person Household	6.0%
6 Person Household	3.2%
7+ Person Household	1.4%

## 2000 Households by Year Householder Moved In

Total	497
Moved in 1999 to March 2000	34.8%
Moved in 1995 to 1998	24.3%
Moved in 1990 to 1994	6.6%
Moved in 1980 to 1989	4.8%
Moved in 1970 to 1979	6.8%
Moved in 1969 or Earlier	22.5%
Median Year Householder Moved In	1997

## 2000 Housing Units by Units in Structure

Total	559
1, Detached	60.8%
1, Attached	3.9%
2	2.1%
3 or 4	3.2%
5 to 9	26.5%
10 to 19	0.0%
20+	1.4%
Mobile Home	2.0%
Other	0.0%

## 2000 Housing Units by Year Structure Built

Total	568
1999 to March 2000	4.8%
1995 to 1998	2.8%
1990 to 1994	2.1%
1980 to 1989	4.4%
1970 to 1979	19.0%
1969 or Earlier	66.9%
Median Year Structure Built	1959

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES



Latitude: 30.183  
Longitude: -85.6497

## Top 3 Tapestry Segments

1.	Modest Income Homes
2.	City Commons

 **2007 Consumer Spending** shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue.

Apparel & Services: Total \$	\$551,956
Average Spent	\$1,097.33
Spending Potential Index	40
Computers & Accessories: Total \$	\$48,757
Average Spent	\$96.93
Spending Potential Index	39
Education: Total \$	\$251,360
Average Spent	\$499.72
Spending Potential Index	39
Entertainment/Recreation: Total \$	\$680,207
Average Spent	\$1,352.30
Spending Potential Index	39
Food at Home: Total \$	\$1,142,501
Average Spent	\$2,271.37
Spending Potential Index	45
Food Away from Home: Total \$	\$747,869
Average Spent	\$1,486.82
Spending Potential Index	44
Health Care: Total \$	\$878,507
Average Spent	\$1,746.53
Spending Potential Index	45
HH Furnishings & Equipment: Total \$	\$420,914
Average Spent	\$836.81
Spending Potential Index	37
Investments: Total \$	\$262,505
Average Spent	\$521.88
Spending Potential Index	35
Retail Goods: Total \$	\$5,517,253
Average Spent	\$10,968.69
Spending Potential Index	41
Shelter: Total \$	\$3,059,542
Average Spent	\$6,082.59
Spending Potential Index	40
TV/Video/Sound Equipment: Total \$	\$268,754
Average Spent	\$534.30
Spending Potential Index	46
Travel: Total \$	\$340,323
Average Spent	\$676.59
Spending Potential Index	37
Vehicle Maintenance & Repairs: Total \$	\$219,775
Average Spent	\$436.93
Spending Potential Index	41

## CITY OF PANAMA CITY, FLORIDA

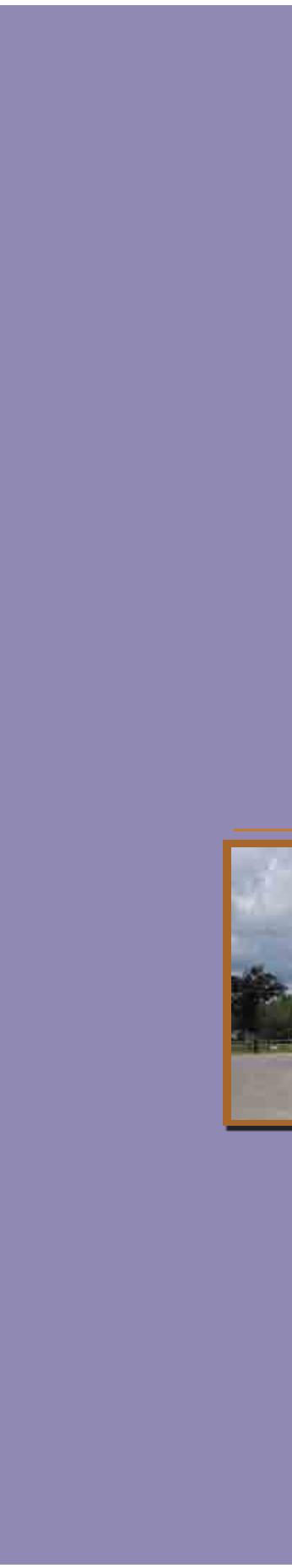
## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES



## Detailed Income Profile

mckenzie ave and 12th st panama city, FL		Site Type: Hand-drawn Shape		Latitude: 30.183	Longitude: -85.6497	Area: 1	
		Census 2000	2007	2012	2007-2012 Change	2007-2012 Annual Rate	
Population		1,250	1,235	1,285	50	0.8%	
Households		497	503	529	26	1.01%	
Average Household Size		2.41	2.35	2.33	-0.02	-0.17%	
Families		307	301	309	8	0.53%	
Average Family Size		3.16	3.13	3.13	0	0%	
Households by Income		Census 2000	2007	2012			
		Number	Percent	Number	Percent	Number	Percent
HH Income Base	534	100.0%		504	100.0%	527	100.0%
< \$10,000	169	31.6%		143	28.4%	139	26.4%
\$10,000 - \$14,999	60	11.2%		52	10.3%	49	9.3%
\$15,000 - \$19,999	70	13.1%		47	9.3%	42	8.0%
\$20,000 - \$24,999	55	10.3%		59	11.7%	56	10.6%
\$25,000 - \$29,999	37	6.9%		41	8.1%	45	8.5%
\$30,000 - \$34,999	39	7.3%		26	5.2%	36	6.8%
\$35,000 - \$39,999	16	3.0%		37	7.3%	29	5.5%
\$40,000 - \$44,999	14	2.6%		13	2.6%	30	5.7%
\$45,000 - \$49,999	8	1.5%		11	2.2%	13	2.5%
\$50,000 - \$59,999	19	3.6%		16	3.2%	16	3.0%
\$60,000 - \$74,999	33	6.2%		22	4.4%	22	4.2%
\$75,000 - \$99,999	9	1.7%		27	5.4%	27	5.1%
\$100,000 - \$124,999	0	0.0%		4	0.8%	15	2.8%
\$125,000 - \$149,999	0	0.0%		0	0.0%	2	0.4%
\$150,000 - \$199,999	0	0.0%		0	0.0%	0	0.0%
\$200,000 - \$249,999	5	0.9%		1	0.2%	1	0.2%
\$250,000 - \$499,999	N/A			4	0.8%	4	0.8%
\$500,000+	N/A			1	0.2%	1	0.2%
Median Household Income	\$17,372			\$20,692			\$22,727
Average Household Income	\$26,408			\$30,049			\$34,472
Per Capita Income	\$11,289			\$12,776			\$14,690
Families by Income		Census 2000	2007	2012			
		Number	Percent	Number	Percent	Number	Percent
Family Income Base	318	100.0%		301	100.0%	308	100.0%
< \$10,000	54	17.0%		43	14.3%	42	13.6%
\$10,000 - \$14,999	31	9.7%		29	9.6%	25	8.1%
\$15,000 - \$19,999	43	13.5%		24	8.0%	22	7.1%
\$20,000 - \$24,999	45	14.2%		37	12.3%	30	9.7%
\$25,000 - \$29,999	37	11.6%		42	14.0%	30	9.7%
\$30,000 - \$34,999	17	5.3%		26	8.6%	40	13.0%
\$35,000 - \$39,999	23	7.2%		15	5.0%	20	6.5%
\$40,000 - \$44,999	20	6.3%		18	6.0%	13	4.2%
\$45,000 - \$49,999	4	1.3%		16	5.3%	15	4.9%
\$50,000 - \$59,999	8	2.5%		13	4.3%	23	7.5%
\$60,000 - \$74,999	22	6.9%		10	3.3%	15	4.9%
\$75,000 - \$99,999	9	2.8%		20	6.6%	15	4.9%
\$100,000 - \$124,999	0	0.0%		4	1.3%	11	3.6%
\$125,000 - \$149,999	0	0.0%		0	0.0%	3	1.0%
\$150,000 - \$199,999	0	0.0%		0	0.0%	0	0.0%
\$200,000 - \$249,999	5	1.6%		0	0.0%	0	0.0%
\$250,000 - \$499,999	N/A			3	1.0%	3	1.0%
\$500,000+	N/A			1	0.3%	1	0.3%
Median Family Income	\$23,168			\$26,805			\$30,514
Average Family Income	\$33,573			\$37,419			\$44,725

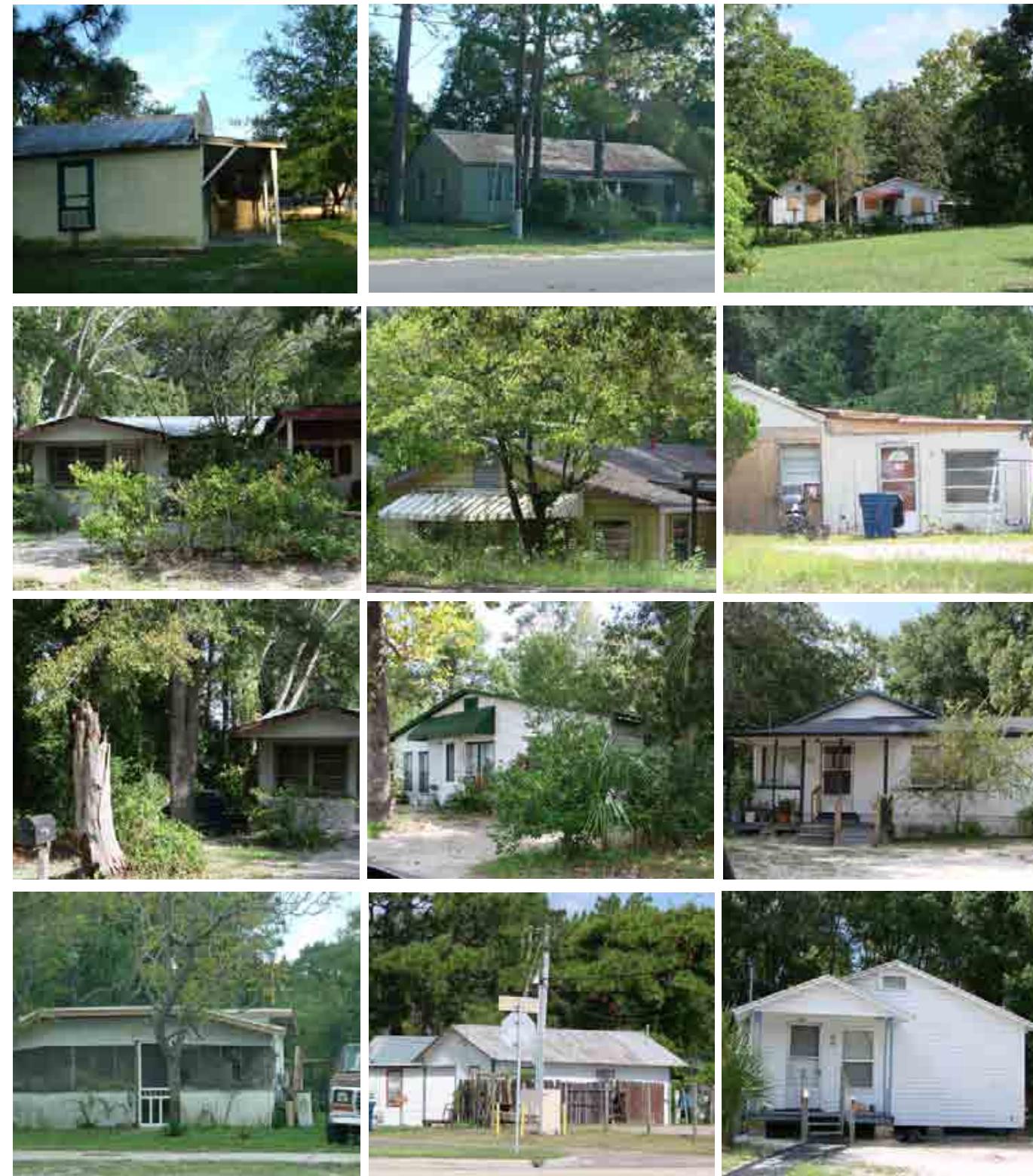


## APPENDIX B

### Photo Inventory



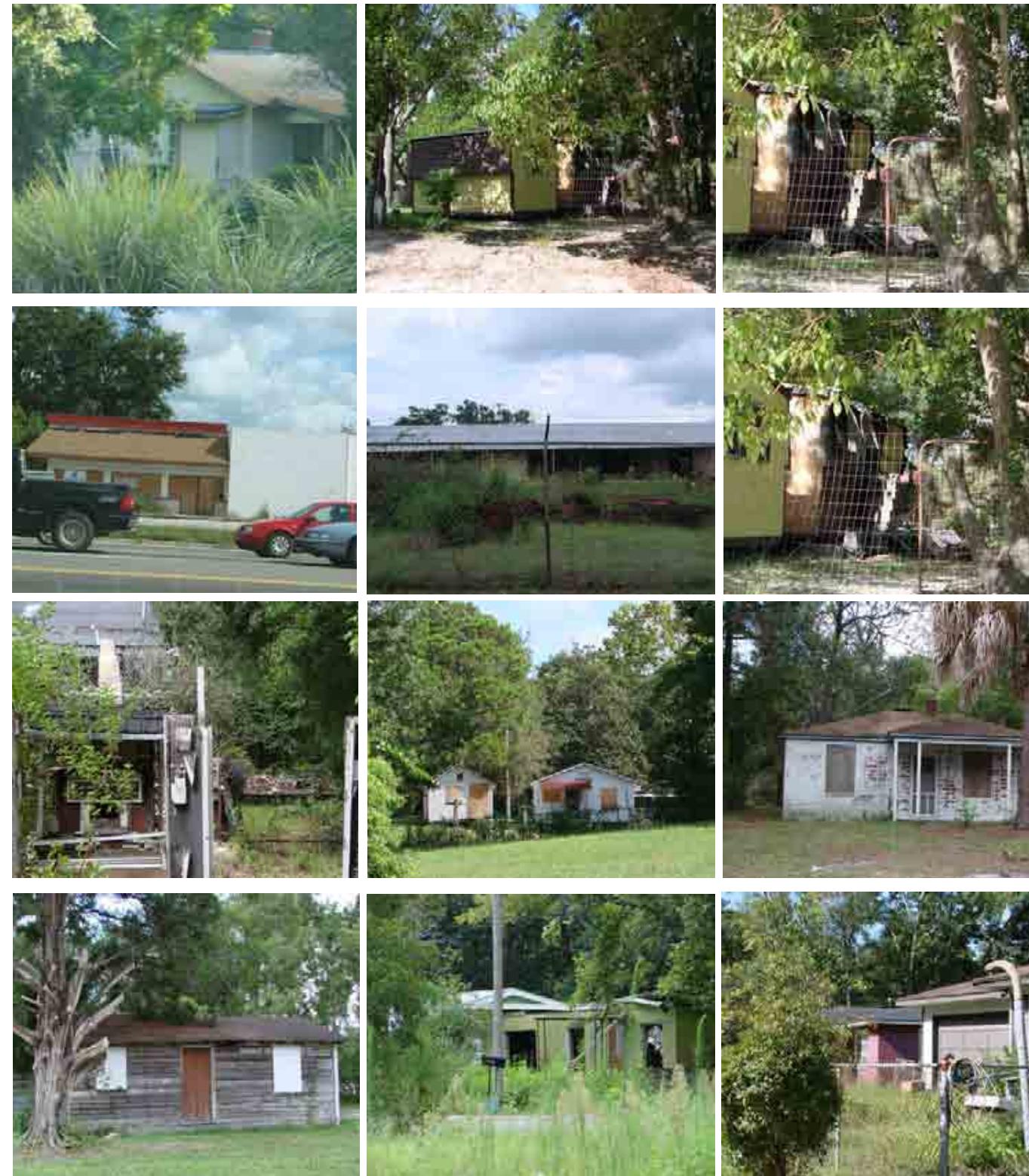
## DETERIORATING STRUCTURAL CONDITIONS



## DETERIORATING SITE CONDITIONS



## VACANT AND BOARDED PROPERTIES



## DEFECTIVE OR INADEQUATE STREET CONDITIONS



## FAULTY LOT LAYOUT AND INCOMPATIBLE LAND USES



## APPENDIX C Downtown North Redevelopment Plan (1993)



## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

## TABLE OF CONTENTS

	<i>Page</i>
The Need for Redevelopment	1
Redevelopment Objectives	4
Land Use Plan	6
Economic Development Opportunities	10
Housing Development Opportunities	14
Neighborhood Impact	16
Identification of Capital Projects and Costs	18
Implementation Safeguards	18
Figure 1 - Redevelopment Area Boundaries	
Appendix A - Legal Description	

**The Need for Redevelopment**

Downtown North is the area immediately surrounding the downtown core of Panama City, and is the location of a diverse mixture of land uses that include Bay Medical Center, miscellaneous light industrial and warehousing facilities, heavy industry in the form of petroleum storage and distribution facilities, a variety of offices and retail activities, governmental buildings, and residential dwellings.

The physical condition of the area varies widely. Although there are many functional, modern buildings in the district, there is also significant deterioration, particularly of residential structures.

A need for redevelopment has been found, based on a combination of conditions. Those conditions include:

- *Building Deterioration.* A substantial number of deteriorating structures were found to exist (51% of buildings within the Downtown North area were found to be deteriorated). Deterioration was widely dispersed (significant building deterioration was found in 102 of the 128 blocks within the Downtown North area).
- *Site Deterioration.* Site deterioration was found in the form of abandoned foundations in nine blocks in the Downtown North area. All nine blocks also had substantial building deterioration.

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

- *Obsolescence.* Obsolete buildings were found near the former railroad right-of-way. These were principally warehouse and other industrial buildings that are now unused.
- *Unsanitary Conditions.* Unsanitary conditions included accumulations of trash, debris, discarded appliances and machinery, and junked vehicles found in yards and open lots. Such conditions were found in forty-eight blocks within the Downtown North area.
- *Prior Evidence of Distress.* Florida Enterprise Zones are designated by the Secretary of the Florida Department of Commerce after having been found to be severely distressed and in need of revitalization. Thirty-three blocks within the Downtown North area are included within a designated enterprise zone.
- *Inadequate Streets.* Inadequate streets were noted by the absence of sidewalks in commercial, mixed use, institutional, and industrial zones. Thirty-two blocks, located in such zones, had deficiencies in sidewalks.

It was found that 105 blocks within the Downtown North area (82%) met the criteria of blight, and that the remainder of the area is necessary to a reasonable project area boundary. Based upon these conditions, the city's governing body made a finding of the necessity for redevelopment of the Downtown North area.

Median income in the Downtown North area is significantly lower than the city-wide median. For instance, Census Tract 16, which comprises a large part of the Downtown North area, had a 1990 median income of \$11,482, which is only half of the Panama City median of \$21,881. The percent of persons below the poverty line was 40% in Census Tract 16 in 1990, which is approximately double the Panama City rate of 20%. The unemployment rate in Census Tract 16 in 1990 was nearly 23%.

Census Tract 16 contains concentrations of substandard housing and is a Community Development Block Grant (CDBG) target area. Housing values are among the lowest in the city.

Crime is a serious problem in portions of the Downtown North area. The most severe crime vicinity is Area 2B (as designated by the Panama City Police Department), which includes Bay Medical Center and the blocks north of it as far as 11th Street. The leading cause of police calls in Area 2B was drug offenses.

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

## Redevelopment Objectives

The Downtown North area is an important part of the City of Panama City for a number of reasons: it is the location of regionally important facilities such as Bay Medical Center, it is the gateway to the downtown area, it is the location of a variety of governmental services and light industries, and it contains a concentration of affordable housing.

Redevelopment objectives proposed for the Downtown North area are intended to make the area a safer, more productive environment for a variety of activities, including health and governmental services for residents of the entire county, and residential and employment opportunities for area residents.

Among the objectives of redevelopment in the Downtown North area are:

- *Economic development.* Downtown North has viable institutions and light industries that can form a basis for needed economic development in Panama City.
- *Employment opportunities.* The population of Downtown North is, on average, affected by lower income and higher unemployment than other city residents. Increased employment opportunities in Downtown North will

4

make jobs available to those who need them most, and reduce the need for income and housing subsidies.

- *Housing improvement.* There is a high percentage of substandard housing in Downtown North. By concentrating affordable housing resources in this area, a visible improvement could be accomplished, and existing institutions such as the medical center would be supported by a safer environment.
- *Reduced incidence of crime.* High crime rates, particularly for drug-related crimes, makes a neighborhood less attractive for both families and employers. Reducing crime encourages both personal investment and economic development.
- *Growth in the tax base.* Growth in the tax base in the Downtown North area will make it possible to generate additional revenues through tax increment financing and other tax revenues that can be used to promote affordable housing, economic development, public safety, and other public improvements.

5

57

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

## Land Use Plan

## Existing Land Use Plan

The City's Land Use Plan (LUP) defines categories of permitted land use. The permitted land use categories in the Downtown North area include Residential Low-Density, Mixed Use, General Commercial, Light Industry, Heavy Industry, and Public/Institutional. These land use categories are permitted within specific areas delineated on the City's Land Use Map.

**Residential Low-Density (RLD)** is intended to provide areas for the preservation or development of low-density neighborhoods consisting of single-family dwelling units on individual lots. This land use category is found in the Cove area south of 5th Street.

**Mixed Use (MU)** is intended to provide areas for medium density residential development and low intensity commercial development such as professional offices and neighborhood services. Emphasis is on mitigating impacts through use of landscaped buffers between differing land uses. This land use category is found in three distinct neighborhoods (Mulberry/-

6

Grace, Magnolia/Louisiana, and Watson Bayou).

**General Commercial (GC)** is intended to provide areas for high intensity commercial development including retail sales and services, wholesale sales, shopping centers, and office complexes. This land use category is found on major road corridors such as Harrison Avenue, Cove Boulevard, 11th Street, and 6th Street.

**Light Industry (LI)** is intended to provide areas for light industrial operations which do not cause excessive noise, smoke, pollutants, storage of chemical or petroleum products, or excessive truck traffic. This land use category is found on the old railroad right-of-way west of Mulberry Avenue.

**Heavy Industry (HI)** is intended to provide areas for heavy industrial operations which require isolation from other land uses. This land use category is found in the waterfront petroleum storage and distribution facilities located south of Beach Drive.

**Public/Institutional (P/I)** is intended to provide areas for public and institutional uses such as hospitals, government facilities, and schools. This

7

58

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

category is found in several locations including Bay Medical Center, the A.D. Harris school, and variety of governmental office and service facilities.

**Land Use Issues**

The presence of petroleum storage and distribution facilities in the area south of Beach Drive raises serious questions regarding physical and environmental hazards, heavy truck traffic, inappropriate appearance, and lack of isolation from other land uses. Spills of petroleum products have been reported, and petroleum facilities have a depressing effect on perceptions of the area as a site for new business investment, and its suitability for residential occupancy.

The continued presence of the Heavy Industry category that allows petroleum storage and distribution facilities in the Downtown North area is an issue that should be reconsidered by the city planning and zoning officials. It is questionable that the Heavy Industry category is appropriate for a location in the heart of the city when such activities are intended for locations that are isolated from other land uses. Heavy Industry activities, such as petroleum storage and distribution, would be more appropriately located at a considerable distance from densely populated areas, instead of being located within blocks of the most intensely developed commercial and residential area in the city.

8

A variety of actions could be taken to encourage relocation of the existing petroleum facilities to a less congested area. Possible actions include encouraging the sale of the property for a new use, assistance with finding a suitable purchaser, assistance in finding an alternative site for the petroleum facilities, rezoning the existing site to another land use category, and using tax increment financing to help provide capital improvements for a new land use on the existing site.

Other than re-examination of the continued compatibility of Heavy Industry in the Downtown North area, no changes to the city's Land Use Plan are proposed at this time.

**Transportation Plans**

The Florida Department of Transportation plans to widen Cove Boulevard to 5 lanes. The widening will require the acquisition of additional right-of-way and the demolition of some structures fronting on Cove Boulevard.

The City's Comprehensive Plan has recommended four-laning 11th Street between Harrison Avenue and Jenks Avenue.

No other changes to the street layout are proposed at this time.

9

59

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

**Economic Development Opportunities**

Downtown North has some important assets that can be the basis for economic opportunity and the improvement of neighborhood conditions. Development of these assets can be a basis for improving employment opportunities for residents, and expanding the tax base for the city as a whole.

One major asset is Bay Medical Center because it is a large and growing employer. Another major asset is the potential for light industry and office operations on land zoned Light Industry within the Downtown North area.

**Bay Medical Center.**

Growth of Bay Medical Center and medically-related services nearby is expected to produce both increased employment and tax revenues. The medical center currently has 1400 paid employees and 200 volunteers, and is expected to grow to 2000 employees within the next 5 years. Employment at the medical center includes many good paying jobs, and the average level of compensation at the medical center compares favorably with average earnings county-wide. The medical center provides employment to residents of the Downtown North area, and benefits from a large nearby

10

labor force seeking employment.

The medical center, which will be assisted by a sales tax approved by voters on November 3, 1992, has a Certificate of Need permitting it to build a patient tower and renovate existing areas. As it grows the medical center will need additional parking, which could be located either north or east of the existing facility. Growth of the medical center will cause a corresponding growth of nearby medical offices and related services.

**Light Industry.**

Land near the railroad right-of-way, zoned Light Industry, is underutilized since the removal of the railroad tracks south of 11th Street. At the same time, redevelopment of this land is especially important because Panama City has a relatively small industrial base, and will need to grow more industry as other economic sectors, such as defense, grow slowly or even decline. In addition to light industry, the Downtown North area is also a good location for governmental and other office operations.

Industries that are considered by the Chamber of Commerce to be good prospects for Bay County include auto parts manufacturing and assembly, back office operations, telecommunications, and computers. Existing auto parts manufacturers present in Bay County include Allied

11

60

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

Signal Bendix (original equipment manufacturing) and Eastern Industries (after-market equipment). Back office operations present in the county include financial services (Sallie Mae, 133,000 square feet) and marketing services (Grolier Tele-Marketing). Opportunities in communications and computers is related to the quality of the switching network and fiber optics in Bay County that result from the county's being a principal location of air defense in the eastern United States).

There are prospects for increased international trade in Bay County. Companies such as Berg Steel (Germany), and ABS Aircraft, a hovercraft manufacturer (Germany and Switzerland) have made or plan to make investments in the county. The North American Free Trade Agreement (NAFTA) may create opportunities for greater trade with Mexico because of Panama City's deep water port and existing Free Trade Zone.

Industries locating in the Downtown North area would likely be related to growing industries such as telecommunications and financial back office operations. The local area has training resources available through Gulf Coast Community College, Tom Haney Vo-Tech School, and the Private Industry Council. The local labor force is well educated, and has a reputation for a strong work ethic. Additionally, the local labor force represents a relatively cosmopolitan mix due to the presence of military

12

people and dependents. The Downtown North area benefits from a central location, an available labor force, and proximity to restaurants and shopping.

Office activities can be accommodated in the Downtown North area, where they are relatively close to existing governmental offices and other services of downtown Panama City. Back office operations, government office space, support services, and corporate headquarters are all possibilities. Office activities would help create a wider range of jobs in the inner-city, where residents can easily reach them. Office operations have the added advantage that they do not create volumes of heavy truck traffic on narrow inner-city streets.

13

61

## CITY OF PANAMA CITY, FLORIDA

## FINDING OF NECESSITY STUDY

## EXPANSION OF THE DOWNTOWN NORTH REDEVELOPMENT AREA BOUNDARIES

**Housing Development Opportunities**

The high number of substandard dwelling units in the Downtown North area contributes to crime and discourages investment in commercial and professional enterprises. A building condition survey of the Downtown North area in 1992 found over 300 structures that exhibited major deterioration or dilapidation, and another 500 that exhibited less severe deterioration. Conditions are particularly serious in the vicinity of Cove Boulevard, where a high number of drug-related arrests occurred.

A combination of code enforcement, rehabilitation, demolition, and new construction will be needed to address the range of substandard housing conditions found in the area. To get the job done, it will be important to involve the City's community development department, which can enforce local housing codes, and direct available housing resources into the area. The City has approximately \$500,000 per year in federal Community Development Block Grant funds available for its housing programs, and about \$60,000 from the State Housing Initiatives Partnership (SHIP) program. SHIP funding will be growing, and is expected to reach \$250,000 per year by 1995. The City has a track record of being able to stimulate the development of about 150 units of affordable housing over a 3-year period. If that performance could be duplicated, and concentrated

14

in the Downtown North area, a major impact would be possible.

The area located north of Bay Medical Center is a logical target area for housing improvement, since it has a great need for improvement, and the potential to generate wider benefits as a consequence of housing improvement. The following table summarizes the potential benefits of improvement of the area north of Bay Medical Center. This area bounded by 7th Street, 11th Street, Cove Boulevard and Watson Bayou is referred to as "Watson Bayou Neighborhood."

**Watson Bayou Neighborhood**

Need	Potential Benefit
Reduce crime, particularly drug-related.	Widening of Cove Blvd. displaces high-crime locations.
Overcome poverty and unemployment.	Jobs at growing Medical Center with good opportunity for career ladder.
Replace dilapidated units, and rehab deteriorated units.	Construct or rehab 150 affordable housing units over 3 year period.
Overcome image as a dangerous, crime-ridden area.	"Watson Bayou" establishes positive neighborhood identity.

15

62

**Neighborhood Impact**

The impact of redevelopment on relocation, traffic circulation, environmental quality, availability of community facilities and services, and effect on school population will be minimized because the redevelopment plan that does not increase the density and type of development already contained in the City's comprehensive plan.

**Relocation**

Relocation needs will be minimized by developing new housing units where vacant buildings and vacant lots are currently located. People living in badly deteriorated houses can then be relocated to the new units, and their houses rehabilitated or replaced.

**Traffic Circulation**

Vehicular circulation will be improved by the widening of Cove Boulevard, being planned by the Department of Transportation, and by improvements to 11th Street, as recommended in the City's Comprehensive Plan. Pedestrian safety will

16

be improved by the installation of new sidewalks, curbs and gutters on Cove Boulevard.

**Environmental Quality**

Environmental quality will be protected by maintaining densities already established in the City's Comprehensive Plan. Environmental quality may be enhanced if the petroleum storage and distribution facilities located south of Beach Drive are relocated.

Long-term environmental quality will be improved if housing is upgraded and permits a larger number of residents to live relatively near to where they work.

**Availability of Community Facilities and Services**

Improvement of the housing stock will add only minimal numbers of new residents, since most of the houses to be rehabilitated already are occupied, and most buildable lots previously had houses built on them. Therefore, impact on schools, water, sewer, and drainage systems will be minimal. Minimal impact is expected on the school population. Any increase in school population will be phased in slowly over a period of time with little or no increase in any given year.

17

63

**Identification of Capital Projects and Costs**

Publicly funded capital projects will include the street improvement projects already programmed by the Department of Transportation and by the City. The City will be encouraged to use available housing funds in the Downtown North area to the maximum extent feasible, consistent with the need for an equitable distribution of such funds. No additional capital projects are planned at this time, as additional revenues from sources such as tax increment financing will take years to accrue.

No immediate capital expenditures will be required of the Community Redevelopment Agency, and increased operating costs due to Downtown North will be minimal. No immediate indebtedness to repay from tax increment revenues will be required. The duration of redevelopment is expected to be up to 30 years.

**Implementation Safeguards****Participation of Private Enterprise**

The Panama City Community Redevelopment Agency (CRA) will carry out

18

the redevelopment plan with the maximum feasible participation of private enterprise. Actions taken by the CRA will be designed to permit, supplement, and encourage private sector initiative.

**Tax Increment Financing**

Following adoption of this plan, the CRA and the City will establish a tax increment trust fund within the Downtown North redevelopment area, pursuant to Chapter 163, Part III, F.S.

**Regulatory Revision**

The City is encouraged to review the appropriateness of the Heavy Industry category of land use within the Downtown North area. No other regulatory revisions are necessary at this time.

**Capital Improvements Program**

No amendments to the City's Capital Improvements Program are required at this time. The City is encouraged to apply available resources for affordable

19

64

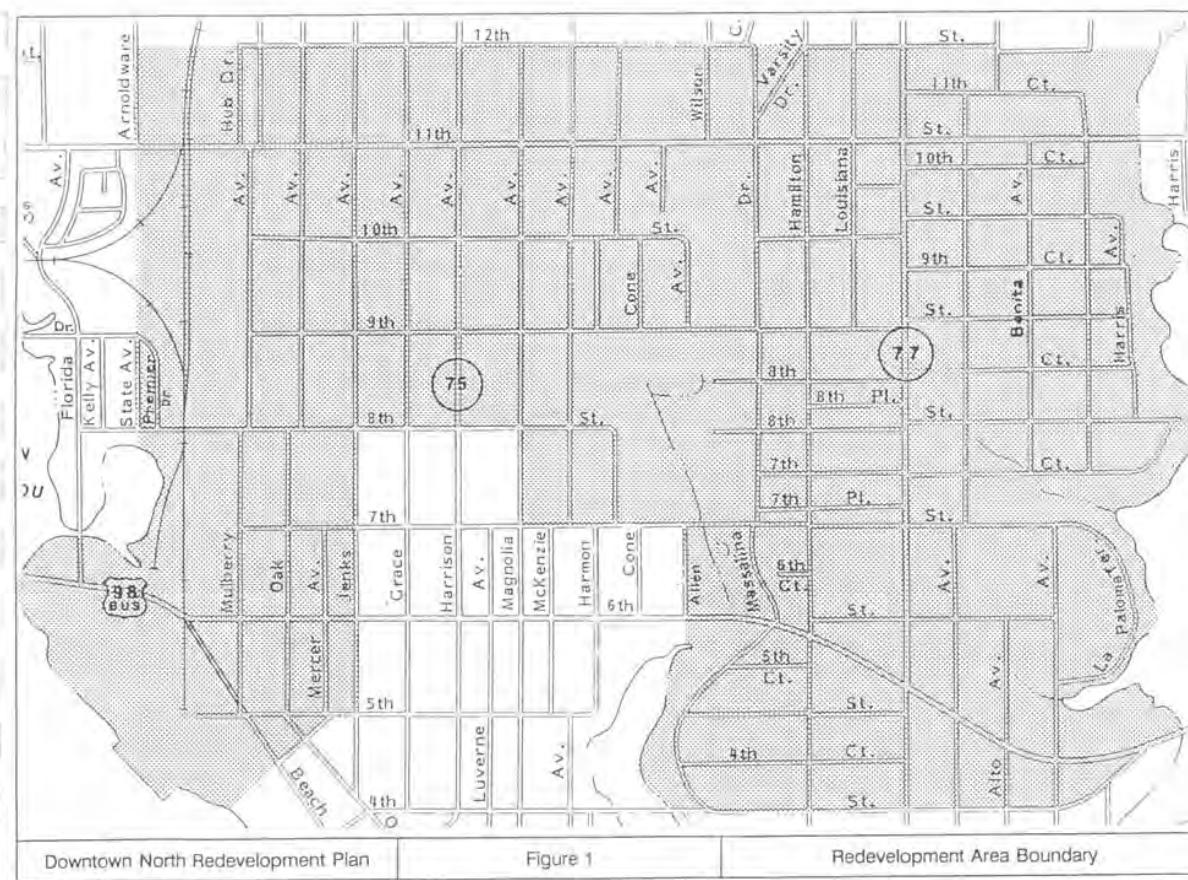
housing from the Community Development Block Grant (CDBG) program and the State Housing Initiatives Partnership (SHIP) program to the Downtown North area.

#### Redevelopment Agency Program

The Community Redevelopment Agency will pursue the following policies:

- Encourage the City to direct resources from the Community Development Block Grant (CDBG) program and the State Housing Initiatives Partnership (SHIP) program to improvement of housing in the Downtown North area, with immediate priority to the area north of Bay Medical Center.
- Encourage the Chamber of Commerce to promote the Downtown North area when marketing Bay County for development and expansion of light industry and office operations. Encourage the Chamber to consider expansion of its business incubator to a location within Downtown North to create viable new businesses of a type that do not already exist in Bay County.
- Encourage Bay Medical Center to take an active role in supporting housing, employment, and safety improvements in the neighborhood near its facility, and in initiating community outreach activities that promote community health and community awareness.

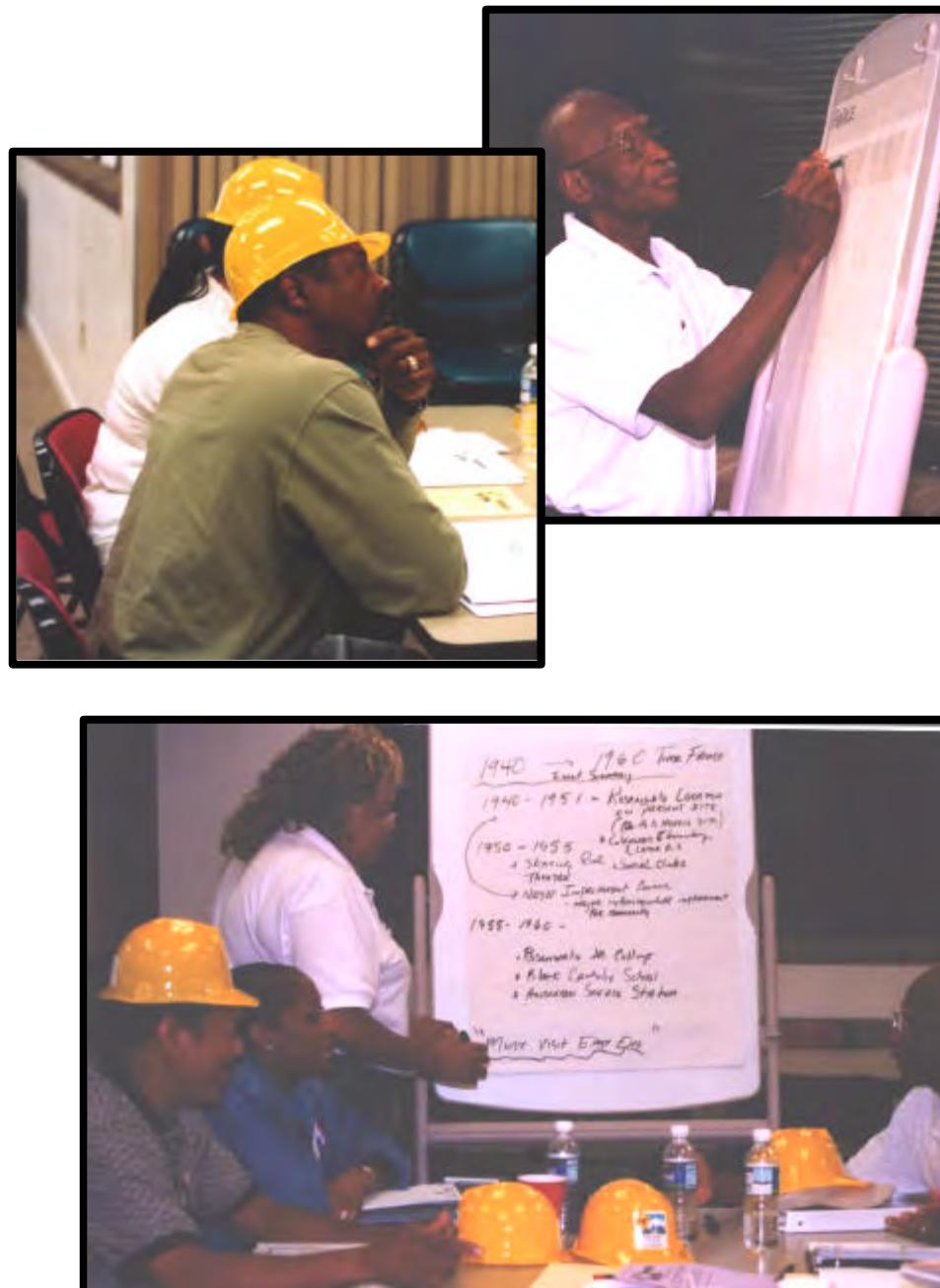
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## Appendix F Previous Planning Studies

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# GREATER GLENWOOD REVITALIZATION A COMMUNITY'S VISION FOR ITS FUTURE



## THE GREATER GLENWOOD REVITALIZATION PLAN A COMMUNITY'S VISION FOR ITS FUTURE

A project of the North Downtown CRA of Panama City, Florida and  
the Greater Glenwood Revitalization Steering Committee:

Residents  
Business Owners  
Property Owners  
Faith-Based Organizations  
Community-Based Organizations

### Steering Committee:

#### Officers

Chair	Toni Shamplain	Chair of Communications & Promotions	Myron Hines
Vice Chair	Rick Dye	Chair of Design & Planning	Luvenia Mc Nair
Secretary	Philomena West	Chair of Economic Restructuring	Shelton Roulhac
Treasurer/Historian	Ivie Burch		

#### Members

Kenneth Brown	Rev. David Glover	Judy Roulhac	
Mary Bruce	Danette Hobbs	George Smith	
Art Chance	Donald R. Lee	Louella Washington	
Rev. Charles Cloy	Leon Miller	Jessie White	
Charles Collins	Barbara Pate	Rev. Rufus Wood, Jr.	
Anderson Edwards	Mamie Reed		

In partnership with and funded by the  
Downtown Improvement Board/ Downtown North CRA.

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Ward Hutchison

PREPARED FOR:  
DOWNTOWN IMPROVEMENT BOARD/  
NORTH DOWNTOWN CRA  
GREATER GLENWOOD STEERING COMMITTEE  
JUNE 2004

Project Facilitator:  
Lucas Communications, Inc.



Glenwood Revitalization Report

Page ii

## PREFACE

A segment of the Downtown North CRA, an area now called Greater Glenwood, started an organized, community-based revitalization effort in April 2003. This report chronicles that effort. Recognizing that the work of redevelopment is in its infancy, the Glenwood Revitalization Steering Committee has adopted guiding principles for implementing the Vision Plan set forth in this document from the following community development strategies of Community Development Partnership Network:

*For those living in weak market locations--many of whom are low and moderate-income households--continuing population decline has a very real impact on their ability to retain and build personal wealth and to access public services and amenities that improve their quality of life. To help individuals and families in poverty or at near poverty levels accumulate wealth and build assets, community development strategies in weak market cities must:*

- **Strengthen the existing markets** to make these areas more competitive as places to live, work, and invest,
- **Stimulate private market forces** to bring people and capital into these areas in order to create mixed-income communities of choice, and
- **Promote equity** by ensuring that residents have the capacity to act as full partners in guiding investment in their neighborhoods

*... we want to ensure that low-income communities are not simply treated as commodities. The rewards of growth must be equitably distributed. As neighborhoods improve, low to moderate-income families cannot simply be pushed into another fragile environment; "mixed-income" cannot simply be a stop on the way to "middle class" but must be a permanent state of healthy diversity. All residents, including low-income residents, must play an active role in determining the future of their communities: without this element of self-determination, neighborhood change is neither equitable nor sustainable.*

Community Development Partnership Network

Situated along the southern border of Bay County, Panama City has experienced similar challenges as large metropolitan cities such as Baltimore, MD; Hartford, CT; Charlotte, NC; and Philadelphia, PA. The Community Development Partnership Network refers to those cities as "weak market cities" in that they are "losing population, marginally growing, and/or have declining cores. The similar challenge for Panama City with those cities is the declining core. Growth has been significant and is predicted to continue increasing for Bay County, but the growth is more rapid outside of the core – Panama City. Thus, Panama City meets criteria of a "weak market city" due to its declining core. Three significant areas within Panama City have been designated as Community Redevelopment Areas due to their decline and blight over time. Two of the three areas have made significant progress toward redevelopment, but the third – Downtown North CRA – is just beginning redevelopment that engages the community.

# GREATER GLENWOOD REVITALIZATION PLAN

## A Community's Vision for its Future

### INTRODUCTION

Over the past two-to-three decades, the community known as Glenwood has gone through a continual decline. Visual reminders of the once vibrant community are captured in the memories of the few remaining pioneers and their descendants. While there have been a few improvements in the community, they are overshadowed by the widening of Martin Luther King Jr. Boulevard that left vacant parcels and retention ponds dotting the roadside between Business Highway 98 and US Highway 231. Unfortunately, the decline of Panama City's African-American community has followed the path of other urban core areas in numerous cities throughout the country. This widespread phenomenon has led to the creation and implementation of alternative approaches toward community revitalization and redevelopment. This Greater Glenwood Community Visioning Project falls under the umbrella of an alternative approach as the need for community engagement in the redevelopment process was recognized.

Successful community redevelopment and revitalization projects in other cities evidence the difference that active involvement of neighborhood residents and community organizations make in the development process. The U. S. Department of Housing and Urban Development (HUD) recognizes that for any revitalization effort to succeed, the entire community—social, business, educational and religious organizations—as well as residents and local governments must be equally involved in the effort as partners. The necessity for partnerships is emphasized in HUD Notice CPD-96-01 enacted during the national welfare reform efforts in the late 1990s.

Panama City history reflects that active involvement by Glenwood residents and stakeholders was a key factor in the development period of Panama City's African American during the 1940s and 1950s. Those efforts were led by a group of community and business leaders working under the auspices of the Negro Improvement Association of Panama City. A newspaper story from June 1944 noted that members of the Negro Improvement Association formally requested the Panama City Commission to "plan a program of improvement for the Negroes of Panama City." The six-point plan asked that the city:

- Restrict Glenwood to colored residents and businesses only
- Collect garbage in the congested Negro districts
- Erect street lights
- Provide city water and sewage disposal
- Pave and repairs roads where necessary
- Provide a Negro policeman in full uniform to work the Negro area as a member of the city police department

Demographic housing data from the 2000 Census shows that the greatest number of homes in Glenwood was built between 1940-1959 when 39 percent of the existing structures were erected. Although there have been futile attempts to stimulate growth, there has not been significant development to occur since the mid 20<sup>th</sup> century.

In 1983, a revitalization effort was initiated by a visit from an advisor to then Governor Bob Graham of Florida. Dr. Richard Williams presented information to the community about the Community Redevelopment Act and how it could be utilized here. A series of meetings were held with goal of creating

*A base plan that will bring community leaders, citizens, churches, fraternities, sororities, civic and social clubs together to develop an organization under one umbrella so that our community can become a recipient of state funds which are available for target areas. (Agenda, March 28, 1983)*

That series of meetings ended with the formation of ACURE, the Advisory Committee for Urban Revitalization Equity, a locally-based civil rights organization. One of its first actions was the successful lawsuit that resulted in the creation of single-member districting for the City of Panama City. That created a geographic ward that is predominately the Greater Glenwood community. Later, in 1988, ACURE was successful in leading the effort to keep three Glenwood schools open and operating as public schools, including the historic Rosenwald Middle School, which had been the black high school during segregation.

The third effort to improve Glenwood differed from the earlier initiatives in that the catalyst came from outside of the community. The Downtown Improvement Board / Downtown North Community Redevelopment Agency initiated the process by contracting with Lucas Communications to mobilize Glenwood residents and engage them in a Visioning effort. Glenwood's representative on the Panama City Commission, Commissioner Jonathan Wilson welcomed the DIB/CRA initiative and solicited the Commission to appoint six members to the Glenwood Revitalization Steering Committee. A conscious effort was made to engage a cross section of the community in the Glenwood Revitalization Project. It resulted in the formation of a 24-member steering committee to lead the year-long effort. Glenwood pioneer Deacon Henry C. Bailey, 96, was secretary of the Negro Improvement Association and had planned to be a part of the 2003 Revitalization Project but passed away in July 2003.

Between May 2003 and May 2004, the Glenwood Revitalization Steering Committee has guided a community-based visioning project designed to engage residents and other Glenwood stakeholders in the revitalization project. The Visioning Plan included in this document was created through a process that included monthly meetings of the steering committee and of the executive, economic restructuring, design/planning and communication/promotions task forces. Modeled after the Main Street program, funded by the Downtown Improvement Board/North Downtown CRA, and facilitated by Lucas Communications, Inc., the Glenwood Revitalization Project involved more than 300

stakeholders in drafting this vision of the future. A more detailed overview of the process utilized in the Glenwood Revitalization Project follows later in this document.

## **GREATER GLENWOOD AREA DESCRIPTION**

Although there are varying opinions today as to where Glenwood—Panama City's heart of its African-American community—begins and ends, the Glenwood Revitalization Steering Committee set boundaries for a “Greater Glenwood” that seeks to encompass the real and the perceived. The Glenwood Revitalization Steering Committee expanded the boundaries to include historical and commercial parcels necessary for the future growth and development of the African American community located in east Panama City.

Glenwood became a subdivision of Panama City in the 1920s. It was originally divided into about 550 lots with many lying along the waterfront of Watson Bayou. Over time, the name Glenwood was applied to a broader geographical area than the original subdivision. When the Glenwood Revitalization Steering Committee began exploring the idea of setting boundaries, they quickly determined that a narrow definition would possibly be contentious and might also leave out necessary parcels for redevelopment.

The committee discussed boundaries in the task force settings for three months and settled on a broad delineation to create commerce opportunities along the main artery -Martin Luther King Boulevard and to capitalize on such assets as Bay Medical Center, the light industrial zoned area near the Panama City Mall and a large land area along Watson Bayou for potential green space development.

Greater Glenwood extends north from East End along 5<sup>th</sup> Street in Downtown Panama City, an early African-American settlement a few blocks east of Downtown Panama City, to the Panama City Mall on US Highway 231. It is located within Magnolia and Redwood Avenues. Many early settlers of Greater Glenwood moved there from East End and Millville. The Greater Glenwood designation is also meant to pay homage to the early African American pioneers in those bordering areas.

## **DEMOGRAPHICS**

As has been noted, Greater Glenwood is home to the heart of Panama City's African American community with 70 percent of the 3,760 residents being African American. Nearly 50 percent of the city's African American residents live in the Greater Glenwood district. It is noted in the City of Panama City's 2000-2005 Consolidated Plan that “all subpopulations have increased in size from 1980 to 1990, with the exception of the black population, which decreased by six percent.” Between 1990 and 2000, the population in Greater Glenwood increased a slight four percent but remains less than the population of the area in 1980.

Over the last three decades the once vibrant new development has fallen into great need for redevelopment and improvement. It has low economic status with higher crime rates than the rest of Panama City. The modest homes are 30- to 40-years-old, and most residents are decidedly low-income. Approximately 75 percent of the homes in Census Tract 16, which includes much of Greater Glenwood, are considered very low income compared to 54 percent of the black households in Panama City.

Based on the 2000 Census, approximately 10 percent of Panama City's 36,417 residents live in Census Tract 16. Approximately 70 percent of households are minority, primarily African-Americans, compared to a 24 percent minority population for all of Panama City. Over half (53 percent) of the population in this area is under age 40. Worth noting, however, is that 26 percent of the children in Greater Glenwood are under age 5, pointing to a need for daycare.

The largest block of residents were those who lived alone – 40 percent—which is higher than the percentage of people who live alone in the city (32 Percent), county (26 percent) and state (27 percent). Approximately 26 percent of the community's families were headed by single females in 2000, and 42 percent of the households headed by single females lived below the poverty level.

Greater Glenwood has primarily low and moderate income households. The median household income (MHI) of the neighborhood was \$27,038 compared to the city's median family income (MFI) of \$43,088. When all households irrespective of family relationship are factored in, the income is even lower -- \$20,152 for the median household income.

Affordable housing is a major problem for the Glenwood community as the income reflects a disparity between what the residents can afford and the cost of housing. According to data from the National Low Income Housing Coalition, the Housing Wage in Florida is \$14.26. This is the amount a full time (40 hour per week) worker must earn per hour in order to afford a two-bedroom unit at the area's fair market rent. This is, 277% of the minimum wage (\$5.15 per hour). Between 2002 and 2003 the two bedroom housing wage increased by 2.05%. The hourly wage based on the median household income in Glenwood is \$10.49.

Half the residents of Greater Glenwood do not own their homes.

According to the City Of Panama City Consolidated Plan, which is based on 1990 Census data, the Greater Glenwood area has one of the city's highest unemployment rates (10-20 percent depending on the tourist season). The City has established that approximately 40 percent of low-income-households are not paying affordable rent (their incomes are so low that rent payments exceed 30 percent of a family's monthly income) The city's Consolidated plan notes that "nine percent of renters and 21 percent of owners experience a debt burden of paying more than 30 percent of their monthly income for rent. The families being debt burdened are greatly the elderly and one and two member households. A look at selected monthly owner cost as a percentage of household income in 1999 shows that 31 percent of the homeowners paid more than 30

percent of their monthly income toward owner costs. Half the renters in Greater Glenwood, per that same data set, pay more than 30 percent of their household income toward gross rent.

The majority of the homes, 54 percent, are valued at less than \$50,000 compared to 51 percent of the homes in Panama City being valued between \$50,000 and \$99,000.

There is a correlation between economic status and educational attainment as 39 percent of the Greater Glenwood population over age 25 has less than a high school education. That's nearly twice the percentage of Panama City residents (21 percent) who have less than a high school diploma or equivalency. Only 28 percent of the Greater Glenwood residents have a high school diploma. Nearly 70 percent of the Greater Glenwood population is not prepared for high-paying jobs given their lack of education.

In addition to the economic problems, a higher number of Glenwood residents have disabilities – 36 percent of the noninstitutionalized population between the ages of 21 and 64 years-old –as compared to the city of Panama City. The same is true for disabled seniors as 64 percent of Glenwood seniors are disabled compared to 51 percent in the city of Panama City. Because of the low income status of the resident population, there exists a sufficient amount of Medicaid dollars spent by this population. Economic impact studies or Medicaid on state and local economies have proven that Medicaid generates jobs and supports income in communities.

"At the state level, every federal Medicaid dollar generated \$2.7 dollars in income and business activity," states The Human Services Coalition of Dade County in its report *Penny Wise and Pound Foolish: Why cuts to Medicaid Hurt Florida's Economy* published in October 2003.

Finally, Census Tract 16 was one of seven tracts identified in the *Bay County Transportation Disadvantaged Service Plan* as having a "HIGH" transit dependent population. Twenty percent of the householders in Glenwood have no vehicle available compared to 9 percent of the residents in Panama City. Immobility has adverse affects on Greater Glenwood residents' ability to get and keep jobs.

## HISTORY

*(In the spirit of "Sankofa," an African term meaning "looking back while moving forward," the Glenwood Revitalization Project began with a series of oral historical gatherings. Steering Committee historian Ivie Burch facilitated the meetings, researched the community's history and wrote an abridged history of Glenwood from which the following is excerpted..)*

The Glenwood Community has been referred to at varying times by sundry groups as "The Quarters," as "East End," as "Shine Town," and some extremely negative designations. It has existed since the twenties; and it has a noble history, with an incredible record of perseverance and bouncy. Like Bay County, it has been populated by people from several areas of the country; however, the turpentine, fish and sawmill industries as well as tourism and stevedoring initiatives impacted the growth of the population. All of the aforementioned represented sources of livelihood for some of the early settlers. There was, apparently, an innate desire by many of these pioneers to become independent and mimic the free enterprise system so common to this country by becoming entrepreneur. Their efforts showed an unusual amount of wisdom in that each business enterprise focused on the needs of a people in a segregated society of unequal financial opportunity.

This writing can, in its broadest sense, be referred to as an abridged history of Glenwood with regard to time frame and scope. The conversations and interviews of several significant community informers and the perusal of a limited number of historical sources have formed the nucleus of this look at Glenwood. The effort has been an attempt to present a microcosmic view of past economic and civic energies, which very well could challenge present day Glenwood residents to commit themselves to a spirit of revitalization.

### POPULATION

The 1930 U. S. Census indicate that Bay County had a population of 12,091, and the population nearly doubled in the following decade to a population of 20,686 according to the 1940 census. The 1935 Panama City, Florida, Directory stated that the population of Panama City was 10,852 at the time of its publication. The motivations to locate in Bay County during the period 1930-1940 were increases in tourism and the Southern Craft Paper Mill, both providing increased job opportunities; hence, to assume that ten percent (10%) of the population in the decade 1930-1940 was non-white is, perhaps, a reliable assumption. The estimate of the black population in Bay County during the calendar year 1930 is 1,209, and the estimate of the black population in Panama City, Florida, during calendar year 1935 very well could be less than 1,000 people. This assumption is based upon the fact that the black population of the Bay County, Florida, census of 1930 included the residents of Bay Harbor, Lynn Haven, Millville, Youngstown, and Red Fish Point.

### ECONOMICS

The economy of the Glenwood neighborhood in its infancy ( 1930-1950), as one would surmise, was influenced by multifaceted sources. All of the industries and many of the homesteads impacted the economic welfare of Glenwood residents in that some residents were domestic servants, other were found in the work places of the industry of the county, while others were self employed. The name "The Quarters" indicated that many in the majority community viewed the residential area as the "quarters of their servants." Of course, there were many black persons who served as people who performed the chores in the homes of the more affluent residents. Other domestics were laundry women, yard men, chauffeurs, and handymen. Many of these persevering workers became the entrepreneurs of the Glenwood neighborhood. Pasco Gainer, Sr. , the head bellhop at the Cove Hotel, became a renown businessman. He had a successful rooming house, taxis, a funeral home, rental units, and a billiard polar (poolroom). His legacy is one which endowed his descendants with economic know-how and wisdom about common things. Malachi Crews, a stevedore, was a restaurateur in collaboration with his wife, Lucille Crews. Forsyth McLaren, a logger (forester), was a restaurateur.

### BLACK BUSINESS:1935 PANAMA CITY DIRECTORY

<u>Business</u>	<u>Type</u>	<u>Owner</u>
Blue Front Café*	Restaurant	James Dennis
Wells Café*	Restaurant	J. W. Wells
Wells Barber Shop*	Barber Shop	J. W. Wells
Sportsman's Inn*	Night Club	Ben Hunter
Davis Grocery*	Grocery	Wm. M. Davis

\*East End

Creature needs and a desire to exercise their unique skills in profitable ways gave rise to an enterprising group of business men and women many of whom preceded the entrepreneurs who came from the work force. While not listed in the 1935 directory, Lucille Crews, the wife of Malachi, operated a beauty salon adjacent to their restaurant which should have come into existence in this time frame. Rose Hunter Jackson operated a restaurant which reached its greatest popularity in the decade of the forties. Concurrently, she was the proprietor of a beauty salon which was adjacent to her restaurant.

### BLACK OPERATED BEAUTY SALONS 1948 PANAMA CITY DIRECTORY

Mamie Burns' Beauty Shop	629 Harmon Ave.
Doralee's Beauty Shop	908 Mercedes Ave.
Lizzie Gautier's Beauty Shop	813 East 9 <sup>th</sup> Court
Modern Beauty Shop	1014 Cove Blvd.
Queen of Beauty Salon	812 East 9 <sup>th</sup> Court

## Willie J. Ward's Beauty Shop

911 Louisiana Ave.

The beauty salon business flourished in the Glenwood area throughout its early decades of development, and, in terms of locale, these business endeavors were operational throughout the neighborhood. Dora Lee Crews, Mildred Cato, Lizzie Gautier, Addie Belle Everett, Lady Ethel Spires and others were competitive operators in their individual salons. Lady Ethel Spires was founder and operator of a vocational school for the teaching of the arts and skills associated with the industry. Several other operators were located throughout the area or as part of an established salon. The industry has survived uniquely in that beauty salons continue to be productive, and one school for the teaching of these arts and skills is located, presently, on Martin Luther King Jr Boulevard.

Peter and Mama Lou Bryant were the owners of a rooming house at Harmon Avenue and Fifth Street prior to Pasco Gainer entering into this phase of his entrepreneurship on the same site, and the Bryant's owned the property on Mercedes Avenue which became the initial site of St. John Baptist Church. Apparently, these people were very benevolent and had a real love for children as pointed out by Dora Lee Moses, a girl at the time that she knew them. In addition to the rooming houses previously discussed, Luevenia Holmes owned rooming houses on Harmon Avenue and Cove Boulevard. Her most recent business venture in this area was the Pamela Denise Motel which was demolished in the Martin Luther King Jr Boulevard construction project. During this time frame, W. C. White, a teacher, owned and operated the Motel Neota which was located on North MacArthur. Joseph E. Lee, a pioneering law enforcement officer with the sheriff's department, continues to operate Lee's Motel on Martin Luther King Boulevard, a motel which lost only a smart part of its structure to the restructuring project.

## BLACK OWNED RESTAURANTS AND ENTERTAINMENT BUSINESSES: 1948 PANAMA CITY DIRECTORY

Hannah Blackshear  
Willie Conner  
Harlem Bar & Café  
Laulas Jackson  
Little Savoy  
Lover's Rest Café  
Lucille's Café  
Old High Hat Café  
Reno Bar & Grill  
Roosevelt's Café  
Wayside Grill  
Suwanee Night Club  
Tavern\*

Tav\*. 600 Harmon Ave.  
Café 573 Harmon Ave.  
Tav.\* ---Cove Blvd.  
Café 531 Harmon Ave.  
Tav.\* 908-10 Cove Blvd.  
Café 1015 N. MacArthur  
Café 828 Cove Blvd.  
Café 929 Cove Blvd.  
Tav.\* --- Harmon Ave.  
Café 725 East 9<sup>th</sup> St.  
Café 912 Cove Blvd.  
Tav\*. 1124 Varsity Dr.

This period of very pronounced lines of demarcation with regard to the races created a demand

for creature needs in the area of adult entertainment and relaxation. Needs in this regard were met by the night spots such as the Sportsman's Inn, the Orange Blossom, the Reno Bar and Grill, the White Horse, the Old High Hat, the Little Savoy, the Harlem Bar & Café, Suwanee Night Club, and several minor night spots. These were not benevolent endeavors, for the proprietors of these businesses lived lucrative life styles. In addition, Pasco Gainer and Edward Benton offered leisure time activities in billiard parlors on Harmon Avenue and Cove Boulevard, respectfully. Quite noticeable among these establishments is that they were, for the most part, located along the main corridors, Harmon Avenue and Cove Boulevard.

BLACK OWNED GROCERY STORES  
1948 PANAMA CITY DIRECTORY

Edward Benton's Grocery	---- Cove Blvd.
Blue Front Grocery	650 Wilson Ave.
J. R. Bowers' Grocery	1146 Cove Blvd.
Isaiah Cady's Gen. Mdse.	1016 MacArthur Ave.
East End Grocery	680 Harmon Ave.
W. R. Gautier's Grocery	1018 Cove Blvd.
Chas. Gaines Lincoln Pk. Super Mkt.	13 <sup>th</sup> & Cove Blvd.
Tobe McCray's Grocery	944 Cove Blvd.
Fred Owen's Grocery	East 9 <sup>th</sup> Street
Emanuel Pope's Grocery	908 East 10 <sup>th</sup>
Wm. Sutton's Grocery	722 Hamilton

The benevolent element of the economic structure was associated with the grocery markets. The preponderant majority of the grocery markets provided some type of credit structure for the many residents who needed help in providing for their families. In addition to those listed above from the 1948 Panama City Directory, these stores included Lincoln Park Super Market, Sorey's Grocery on MacArthur Avenue, and Whit Everett's quasi grocery and variety store on Cove Boulevard. These stores provided easy access to the residents of the Glenwood neighborhood.

The concept of ethical behavior or business ethics was strongly embedded in the business choices of the Glenwood neighborhood. There was, apparently, a strong desire to render services that were worthy of the corresponding cost of such services. Such values gave rise to service oriented businesses---full service gasoline stations, laundromats, and dry cleaners. The decades of the forties and fifties saw a proliferation of such businesses— E. J. Brown's Grocery and Service Station, Ware's Union 76, McNeill's Shell, Robinson's Shell, Lee's Gulf Service, Anderson's Chevron, and Barnes Texaco for automotive services. Concurrently, the cleaning business saw the establishing of Jerry Masslieno's Monarch Cleaners, Tony Barnes Cleaners, Joe Barnes Cleaners, \*Prows' Laundromat, Stephen's Laundromat, and Rhodes Laundromat. The vast majority of these businesses are extinct; however, a laundromat and two dry cleaning establishments are in existence on Martin Luther King Jr Boulevard today, Fresh Scent and Barnes Dry Cleaners.

Though now extinct, the black cab played a major socio-economic role in the development of Glenwood. It provided transportation for black people to remote areas of the community which were not served by public transit vehicles, and it provided the opportunity for black people to avoid being told to go to the back of the bus; however, the "Shinetown" bus did not have the back of the bus stigma. The stigma was on the front of the bus,"Shinetown." The black cab or taxi business existed in the decade of the thirties. The testimony of a lady who arrived in Bay County in 1938 indicated she was picked up at the bus terminal by Bobby Weldon, a cab black driver. There were a minimum of two cab driver at this time, Bobby Weldon and W. R. "President" Gautier. Cab companies or associated groups had traditional names that, many times, defined their home base, i.e., East End Taxi, Royal Taxi, and Central Taxi.

#### CIVIC/SOCIAL

Civic concerns of black people met the legal and illegal obstacles of the majority community and the civil government. This was really evident among black people who indicated that their interests were in enjoying the inalienable rights and the civil rights which were rightfully and legally theirs. Though the vast majority of the recorded information in this regard is oral history, many of those interviewed lived the experiences of this historic period: the 1940s and '50s. The period is historic represents the time in which the patience of many grew cold and the search for avenues to express to the city and county fathers the impatience which resided at the seat of their consciences, due to lack of governmental response, formed the focus of the agenda. In this environment the Negro Improvement Association was born. There were men who knew the powers that be and were strong God fearing men committed to be all that they could be for their community. Included among these men were Pasco Gainer, Sr., Henry C. Bailey, W. J. Johnson, Rufus Wood, Sr., John R. Bowers, A. J. Ransom, R. V. Moore, Isaiah Thomas, C. C. Washington, and others. These men stood the proverbial "ten-feet tall" to persevere for the development of the infra-structure of the black community in toto and Glenwood in particular. It was through the efforts of these men that lights, water and sewerage, and garbage services came to Glenwood. Roads were paved, and city and county law enforcement officers from the Glenwood area were hired and placed in the Glenwood neighborhood. Prior to their skillful application of what they had learned and observed, the city garbage dump remained on Cove Boulevard (MLK Jr Blvd.) between 12<sup>th</sup> Street and 13<sup>th</sup> Court and extended westward to Louisiana Avenue, and law enforcement was a farce with the sheriff's community "King Pin" having most of the clout. Remembered as the first city policemen who were black are James C. Wilson, Clyde McNeill and Howard "Buck" Steele; remembered as the first deputy sheriffs who were black are Joseph E. Lee, Otis Wood and Freddy Clark.

In collaboration with the work of the Negro Improvement Association, a Women's Civic Club, composed of black women, worked diligently to bring about desired results in social-civic initiatives which complemented the efforts of the Negro Improvement Association. These women were under the leadership of Johnny Belle Murray and included Luella Washington, Irma Burford, Isabelle Drayton, Luvenia Holmes, Dora Lee Moses, Maudie M. Ransom and others. In a joint effort the two groups purchased the land on which the Martin Luther King Jr. Recreation Center was built. The

organizations showed determination and self control in following the essential steps to arrive at the present-day structure. Having procured the property, the land was deeded to the City of Panama City while Carl Gray was mayor, and the city built a small building without indoor plumbing, inadequate though a beginning. Through Dr. E. T. Buford's intervention, indoor plumbing was acquired. In 19— a new more adequate building was erected. Seemingly, the episode bears out the old adage; "If you do not care who gets credit for the task you can get the task done." Only the city officials are mentioned among those responsible for the existence of the center.

The Hospital Auxiliary, a task oriented organization, of the '50s is highly revered by those who were members. Although the membership followed the doctrine of separation by race, which was viewed as an insult to the group's purpose, it was responsible for furnishing the segregated waiting area, for desegregating the hospital nursery, and engaged in many of the grounds enhancement projects. Remembering these experiences fondly are Luella Washington, Dora Lee Moses, Hattie Burch, Irma Burford, and others. Vestiges of this group seem to have been erased from the history of Bay Medical Center.

The decades of the 1940s and '50s also gave rise to many bridge and social clubs which generated social and entertainment activities. In addition, these clubs gave the residents of the community the opportunity to define their peers in that club members were considered members of their social peer groups. Clubs adopted unique names for their fellowships, e.g. Egelloc (the reverse spelling of college), Jolly Seventeen, Queen of Hearts, and many others.

#### PIONEERING BLACK CHURCHES

<u>CHURCH</u>	<u>ESTAB.</u>	<u>FIRST PASTOR</u>
New Judson MB* Church	1877	
Macedonia MB Church	1909	Rev. J. P. Glover
Greater Bethel AME Church	1910	Rev. L. D. Williams
St. John MB Church	1923	Rev. H. M. Hutchins
Holy Temple COGIC	1934	Rev. Robert L. McLeod, Sr.
Tabernacle MB Church	1936	Rev. W. R. Walker
Mt. Olive MB Church	1943( sic)	Rev. W. S. Drayton
Gospel Temple FWB Church	1954	Rev. V. V. Barker
Mt. Zion PB* Church	1944	Rev. P. L. Davis

The black church was a source of insight and strength in the development of the core of moral values and hope for the entire black community. Pivotal in these resourceful roles were the pastors of these churches whose guidance and encouragement gave many parishioners the courage to be all that God would have them be in rendering service to God and to their neighbors. Several of these pastors assumed major community leadership roles and were leaders in the organization of ministers known as the Ministerial Alliance.

Through substantiated testimonies, it was learned that the Ministerial Alliance was the most powerful, compelling entity for shaping community consensus and soliciting commitment from residents of Glenwood in a manner that was artful and somewhat subliminal. Its residual impact on the residents was absolutely mind boggling, so say those who were privileged to be participants in the meetings led by this group. This organization was composed of all of the pastors of black parishioners and the pulpits who were not pastors. The primary focus was spiritual with a secondary purpose of teaching residents to become full participant in the abundance of God's creation, which included the rights with which they were endowed by their Creator. Remembered for their leadership roles and outstanding participation are Pastors: Elijah Jones, R. L. McLeod, W. J. Johnson, Harold Long, Jr., Jackson E. Jones, W. R. Walker, Mickey Wills, Timothy Youngblood, P. L. Glover, Sr., and others. These Christian ministers formed an organization that was on one accord and spoke with one voice on the vast majority of issues. In the fourth Sunday community-wide meetings a superlative level of cohesiveness was displayed and communicated to the masses in the message of the speaker at that hour.

### **CEMETERY**

The Glenwood area continues to have one cemetery with a Warranty Deed dated January 19, 1916. Additional land was purchased June 20, 1940 by the trustees of the cemetery at that time. The agreement to purchase was signed by the officers of the board, i.e., Emmit B. Bush, Chairman; Henry Washington, Secretary; and C. H. Holmes, Treasurer.

### **EDUCATION**

Education has always been the great emancipator for black people, and the struggle for unfettered opportunity to learn and be creative was a thirst in the early development of the neighborhood. The 1935 Panama City Directory lists Bella L. Hicks as principal of the Panama City Colored School. Also, Jenny Cooper and James Davis are listed as teachers in the Colored Schools. The Panama City High School which later became Rosenwald High School has a unique history of its own; however, it has been a practice in the field of education to sever or detach parts of schools in a system to meet needs as defined by the system. The high school had its lower grades severed to create a 1-6 elementary school, Glenwood Elementary School. This school was named A. D. Harris Elementary in 1968 by the Bay County School Board. Rosenwald High School was stretched in 1958 to become a junior/community college by adding on two additional grades, freshman and sophomore years of college. Oscar Patterson Elementary School was created by the Bay County School Board in 1954. The impact of the Glenwood community schools is awesome, having produced professional, scholars, and entrepreneurs in more fields than can be enumerated in this accounting.

The schools in Glenwood had excellent leadership throughout their era of existence as black schools. Serving as principals in these schools, after the pioneering efforts of Bella L. Hicks, were: James A. Grady, Richard V. Moore, Calvin C. Washington, Homer S. Jackson, Albert D. Harris, James Washington, Sr., and James Griffin.

## VISION PLAN

Listed in this section are the goals, objectives and strategies that were developed by each Task Force as a result of research, meetings, discussions, and surveys with businesses, media, and the community.

Goals, Objectives and Strategies are recommended assuming the ongoing involvement of the City and CRA North staff working in conjunction with the Greater Glenwood Community Partnership in our mutual interest of making Greater Glenwood a safe and aesthetically pleasing community in which to live, work and shop:

### **GOAL I**

*The development of the Greater Glenwood Historic District as an African American heritage tourism destination, inclusive of commercial, entertainment and residential attractions, that enhances Panama City's appeal to tourists visiting Bay County. The district would include not only the historic East End "quarters" along Business Highway 98 and Massaleno Bayou but also sites and points of interest along the Martin Luther King Boulevard and 11th Street corridors.*

#### **OBJECTIVE 1.1**

Form the Greater Glenwood Community Partnership (GGCP), as a liaison with Downtown North CRA, to monitor implementation of the Revitalization Plan in collaboration with the Downtown Improvement Board/Community Redevelopment Agency and the City of Panama City in order to establish a set of priorities with the sole purpose of focusing on the needs of the Greater Glenwood community.

Strategy:

1. Form an 11-member community partnership to work in conjunction with the Downtown North CRA staff and City Of Panama City toward full implementation of this plan,
2. Serve as both an oversite and a liaison between the Greater Glenwood community, the CRA, and the city.

### **GOAL II**

*Sustained involvement of the Greater Glenwood Community Partnership in the ongoing revitalization of Greater Glenwood in accordance with this Vision Plan in order to achieve community-based development through direct participation and involvement of neighborhood residents and community stakeholders in all facets of the development process.*

#### **OBJECTIVE 2.1**

Set initial benchmark indicators and then report annual results to the Panama City Commission on the revitalization effort in residential neighborhoods.

Strategy:

1. Set up a system that will measure the following demographic and neighborhood indicators below and others as deemed necessary by the GGCP within the Greater Glenwood community:
  - Annual change in property values
  - Annual number of new residential units
  - Annual review of design/planning goals and objectives
  - Annual review of new business statistics

#### **OBJECTIVE 2.2**

Set initial benchmark indicators and then report annual results to the Panama City Commission on the communication/promotion of the revitalization effort and civic engagement in the process.

Strategy:

2. Set up a system that will measure the communications indicators below and others as deemed necessary by the GGCP within the Greater Glenwood community, including but not limited to the following:
  - Annual earned media about Greater Glenwood
  - Annual inventory of community-based organizations
  - Annual review of communication/promotion goals and objectives

**OBJECTIVE 2.3**

Set initial benchmark indicators and then report annual results to the Panama City Commission on the results of the economic development activities on the overall economic performance of the Greater Glenwood community.

Strategy:

3. Set up a system that will measure the following business and economic indicators below and others as deemed necessary by the GGCP within the Greater Glenwood community:

Annual change in property values

Annual number of new residential units

Annual number of new businesses

Annual review of economic restructuring goals and objectives

**DESIGN AND PLANNING****GOAL III**

*Visually depict the revitalized community based on this Vision Plan and inclusive of Greater Glenwood community in the direct participation and involvement of neighborhood residents and community stakeholders in all facets of the development process.*

**OBJECTIVE 3.1**

Develop a master land use plan and design restrictions for Greater Glenwood with a clear delineation between the residential and commercial areas and one that denotes historical sites and buildings.

Strategy:

1. An urban planner would be utilized to employ a holistic community planning approach to create mixed income/mixed-use neighborhoods within Greater Glenwood.
2. Create a 3D visualization Plan depicting the vision for Business 98, MLK Boulevard and 11th Street within Greater Glenwood.
3. Identify, restore and preserve historic buildings as tourist attractions and for historical/cultural uses.

**OBJECTIVE 3.2**

Develop a design code that guides development in Greater Glenwood according to the vision outlined in this plan.

Strategy:

1. Build a demonstration project depicting the design code along a block in Greater Glenwood.
2. Advocate for adoption of a local historical preservation ordinance to provide guidelines and incentives for restoring historic buildings.

## **GOAL IV**

*Renovate the existing and increase the number of new residential housing units in the Greater Glenwood community in order to shape the physical image of Greater Glenwood as a safe, attractive place for families and homeowners to settle.*

### **OBJECTIVE 4.1**

Renovate deteriorating residential units that will upgrade the community's appearance to overcome visual blight within Greater Glenwood.

Strategy:

1. Working with the City Community Development staff, identify and inventory specific residential units within Greater Glenwood who are in violation of the city building codes and/or in need of demolition, repairs and renovations. Plan and organize community resources necessary to remove, repair and restore identified existing residential housing units.
2. Establish a revolving fund to finance the clean up, paint up, demolition, repairs and/or renovation of residential properties and vacant lots where owners refuse to act, lien the property and reimburse revolving fund when the liened property transfers ownership in the future.

## **GOAL V**

*Attract new residents, developers, and community interest through new housing construction in order to increase local population in support of future commercial growth and development with successful housing and neighborhood improvement programs.*

### **OBJECTIVE 5.1**

Create mixed income/mixed-use residential neighborhoods within Greater Glenwood that are safe and attractive.

Strategy:

1. Implement a Single Family Rehabilitation Program.
2. Identify those homes that are deteriorating structures and may be salvageable and pursue efforts to rehabilitate them for resale to interested buyers.

3. Conduct a feasibility study on a block-by-block basis to weigh the costs and benefits of rehabilitation versus demolition.

## **GOAL V**

### **OBJECTIVE 5.2**

Work with Panama City Code Enforcement to remove the dilapidated and destroyed properties that blight Greater Glenwood.

Strategy:

1. Identify potential problem lots and pursue owners to have the structures demolished.

### **OBJECTIVE 5.3**

Increase the number and quality of housing in Greater Glenwood to create more diversified neighborhoods.

Strategy:

1. Utilize an infill approach by filling vacant lots within the neighborhood.
2. Identify available lots, market the neighborhood to potential buyers, and collaborate with local developers to construct new housing in concert with the existing codes.

### **OBJECTIVE 5.4**

Improve landlord/tenant relationships and quality of life in rental housing, which is nearly 60 percent of the occupied housing units according to the 2000 Census.

Strategy:

1. Promote the formation of a Greater Glenwood Landlord/Tenant Association to encourage and supports the landlords in providing the best quality service to the renters.
2. Address concerns regarding absentee landlords who do not provide adequate service to the residents of their property.
3. Work towards finding solutions to tenant problems.

## **GOAL VI**

*Enhance and protect the natural resources within Greater Glenwood by providing open spaces for recreation and family activities in order to cultivate a healthy quality of life that will attract others to work, shop, live and/or play in Greater Glenwood.*

### **OBJECTIVE 6.1**

Provide recreational and family activity areas that are safe, well lighted and attractive.

Strategy:

1. Conduct a feasibility study of Watson Bayou Regional Park Development.
2. Conduct feasibility study for a regional park development in the district.
3. Provide recreational activities for youth that include a swimming pool and other outdoor activities.
4. Conduct a study of the retention ponds along MLK Boulevard to determine health and financial impact to Greater Glenwood residents.
5. Conduct Brownfield Study to determine environmental impact of future development within the Greater Glenwood district.

## **GOAL VII**

*Create attractive, eye-catching entrance ways to Greater Glenwood and increase safety within the district in order to further the district's commercial and residential viability.*

### **OBJECTIVE 7.1**

Provide for welcoming people to the historic Greater Glenwood district with signage in concert with the spirit of Panama City.

Strategy:

1. Erect Greater Glenwood Welcome signs at major entry points to Greater Glenwood, the heart of Panama City's African-American community.
2. Engage the Panama City Police Department and Bay County Sheriff's Department in working with the CRA staff and the GGCP to implement and support Community Policing strategies within Greater Glenwood.

## **COMMUNICATIONS AND PROMOTIONS**

### **GOAL VIII**

*Increase community participation and involvement in the revitalization through the GGCP as the main vehicle for organizing and involving Greater Glenwood residents and other stakeholders in the revitalization effort.*

### **OBJECTIVE 8.1**

Promote programs and resources that improve the educational, financial and career opportunities for residents.

Strategy:

1. Work in partnership with local banks to provide consumer readiness training for homeownership, entrepreneurial and other ventures.
2. Publicize job opportunities and training available to Greater Glenwood residents.
3. Work in partnership with Bay County School District to improve educational opportunities for residents.

## **GOAL IX**

*Promote Greater Glenwood Historic District as an African American heritage tourism destination as part of the commercial redevelopment of the district and to increase employment opportunities for the residents.*

### **OBJECTIVE 9.1**

Conduct a marketing study to identify themes which accurately portray the African American history and culture of Northwest Florida.

Strategy:

1. Create a marketing plan based on those identified themes.
2. Create promotions that encourage developers to cultivate and create a multiplicity of commercial and economic units of positive, financial and self-supporting activities.

**OBJECTIVE 9.1**

3. Work in partnership with the Bay County and Panama City Beaches chambers of commerce and the Bay County Tourist Development Council to develop strategies to market Greater Glenwood.

**OBJECTIVE 9.2**

Promote people and activities of historical and cultural prominence for Greater Glenwood.

Strategy:

1. Create a major event that resurrects a Greater Glenwood community activity of the past (Emancipation Day parade, Thanksgiving Football Bowl, May Day, etc.).
2. Develop an annual calendar of events to attract people to Greater Glenwood to live, work and play.
3. Promote collaborative ventures among Greater Glenwood organizations, community leaders and gatekeepers.
4. Conduct an Oral History study of elders to capture their memories of the Greater Glenwood of yesteryear.
5. Produce an official history of Greater Glenwood that can be published and/or broadcast as part of community events and promotions.
6. Work in partnership with the Bay County and Panama City Beaches chambers of commerce and the Bay County Tourist Development Council and Cultural Arts community to market successful strategies for Greater Glenwood.
7. Encourage residents to become active participants/members of existing marketing and cultural affairs organizations and events such as Mardi Gras, holiday celebrations and major festivals.

**ECONOMIC RESTRUCTURING**

*During the 1940s, '50s, and even the '60s, grocery stores, hotels, motels, taxi stands, restaurants, bars, nightclubs, movie theaters, skating rinks, gas stations, a community swimming pool, and traditional hairdressers and barbershops, churches, even what is now known as a strip mall or shopping center, and a lot of other recreational activities existed in the area known as the Greater Glenwood area.*

Myron Hines

**GOAL X**

*Expand the skills and training of the local employment base to allow residents to access existing jobs and future employment opportunities.*

**OBJECTIVE 10.1**

Shape new development agreements to create many new jobs and opportunities that can be taken by the residents.

Strategy:

1. Enable Greater Glenwood residents access to jobs paying livable wages with benefits commensurate with other areas in Northwest Florida.
2. Form public/private collaborations to offer job training programs with placement as an end product.
3. Contact local firms and establish presence of neighborhood organization and goals of program.
4. Assist these firms in recruiting local residents who are unemployed and underemployed to take advantage of these new employment opportunities.
5. Encourage the establishment of a grocery store, and banking and postal services within the community.

## **GOAL XI**

*Strengthen the existing and increase the number of new industrial, commercial and neighborhood retail/service/medical establishments located in the Greater Glenwood community to enable Glenwood residents access to jobs paying livable wages.*

### **OBJECTIVE 11.1**

Strengthen the existing industry and commercial businesses located in the Greater Glenwood community:

Strategy:

1. Communicate with current industry/business operators within Greater Glenwood in an effort to identify specific needs/barriers to growth that can be resolved by the local educational and training institutions, governmental agencies and other private sector businesses.
2. Implement strategies learned from current industry/business operators to address their specific needs/barriers.

### **OBJECTIVE 11.2**

Increase the number of new industrial, commercial and neighborhood retail/service/medical establishments located in the Greater Glenwood community.

Strategy:

1. Working with an urban planner, identify, purchase, permit, develop and make available for sale/lease suitable land parcels (large scale and small) within Greater Glenwood that will be attractive to new industry, commercial and neighborhood retail/service/medical establishments.
2. Develop a master land use plan and design restrictions for Greater Glenwood with a clear delineation between the residential and commercial areas.
3. Actively encourage and support the continued expansion of the Bay Medical Center campus in Greater Glenwood, including the location of new affiliated medical support service businesses (doctor's offices, laboratories, rehabilitation facilities, outpatient clinics, etc.).
4. Working with the City Community Development/DIB staff, identify, solicit and engage into the development process governmental, public and

private financing providers for the capital needed for land acquisition, construction

### **OBJECTIVE 11.2**

and business loans. Investigate using CDBG and Land Bank funds and the CRA North Tax Increment Funds (TIF) as the primary sources of repayment for funding needed revolving loans/bonds funds used to finance recommended land acquisitions and associated public capital infrastructure projects (sidewalks, bike paths, storm water sewers, street lighting, streetscape, utilities, etc) within Greater Glenwood.

5. Pursue all or parts of Greater Glenwood community being designated a Florida Enterprise Zone and/or other special enterprise districts, whereby special incentives are made available to new and expanding enterprises who are located within the Zone.
6. Working with City Code Enforcement, aggressively address city building, vacant building and vacant lot code violations to the fullest extent of the law along MLK Boulevard and throughout parallel and intersecting streets in Greater Glenwood. Establish a revolving fund to finance the clean up and demolition of properties where owners refuse to act, lien the property and reimburse revolving fund when the liened property transfers ownership in the future. Constant grooming of planted landscaping and the maintenance of all public right of ways and utilities easements along MLK Boulevard must be maintained by the respective city, county, state and private utilities.
7. Investigate the acquisition and commercial development of waterfront properties along the northern shore of Massalina Bayou for a themed entertainment/retail complex targeting African-American tourism.
8. Working with the Florida Department of Transportation, press for more "U" turns on MLK Boulevard at strategic medium cuts, increase the number of medium cuts and slow the flow of traffic down to 35 MPH. Review the FDOT "Livable Communities" policies and its application along MLK Boulevard.
9. Special attention needs to be focused on making the necessary public and private property improvements and streetscapes to the east entrance of the Downtown area along Business Highway 98 and 11<sup>th</sup> Street between MLK Boulevard and Harrison Avenue.
10. Working with City Community Development and CRA North staff, compile and publish a demographic and vacant property information sheet on the Greater Glenwood trade area for distribution to inquiring business prospects, area Commercial Realtors, commercial park developers and Chamber of Commerce organizations. Survey Panama City, Lynn Haven,

Callaway, Cedar Grove, Parker and Springfield consumers as to their perception of shopping on MLK Boulevard.

### **OBJECTIVE 11.3**

Increase the number of new residential housing units in the Greater Glenwood community.

#### Strategy:

1. Working with an urban planner, identify, purchase, permit, develop and make available for sale/lease suitable land parcels (large scale and small) within Greater Glenwood that will be attractive to new home and multi-family construction.
2. Involve local, governmental affordable housing development agencies (Housing Authority, City Community Development Department, SHIP funds, etc.), non-profit organizations (Habitat for Humanity, Bay Equities, CEII, etc) and private developers/builders in the purchase of these suitable vacant land parcels for the purpose of constructing new residential subdivisions, gated neighborhoods, in fill housing, multi-family and single-family living unit(s).
3. Working with the City Community Development Block Grant/CRA North staff, identify, solicit and engage into the development process governmental, public and private financing providers for the capital needed for land acquisition, infrastructure construction and home construction/permanent mortgage loans. Investigate using CDBG funds and the CRA North Tax Increment Funds (TIF) as the primary sources of repayment for funding needed revolving loans/mortgage/bonds funds used to finance recommended land acquisitions and associated public capital infrastructure projects (sidewalks, bike paths, storm water sewers, street lighting, streetscape, utilities, etc) within Greater Glenwood.

## PROJECT METHODOLOGY

### GLENWOOD REVITALIZATION PROCESS

As was noted earlier in this report, this effort to improve Glenwood came from outside of the community as the Downtown Improvement Board/Downtown North Community Redevelopment Agency initiated the process by contracting Lucas Communications to mobilize Glenwood residents and engage them in a Visioning effort. Lucas Communications, Inc., has utilized a holistic approach to community development to achieve the Vision Plan outlined in this document. The company has leveraged community resources by coalescing people with vested interests in Glenwood and by working with a number of existing agencies and programs to review the community's development history, assess its current state and create a revitalization plan. Initially, the project was forecast to cover an 18-month period from Spring 2003 to Winter 2004. The overall process end date was changed from September 30 to June 30, 2004.

During that period, the project

- Engaged 100s of Glenwood stakeholders in a series of monthly meetings that resulted in a vision for the district's future;
- Garnered the equivalent of \$21,065 in earned media as project captured print and broadcast lead story positions on several occasions; and
- Compiled an abridged history of Glenwood through oral history interviews, task force meetings, and research.

The project employed a structured process of formal, consistent meetings to engage the Glenwood stakeholders and forge a foundation for the revitalization initiative. The project objectives were met and accomplishments achieved through an open, professional and action-oriented planning process.

The initial task of the Glenwood Revitalization Project was to engage a diverse group of Glenwood stakeholders in the Glenwood Community-Based Revitalization Project through one-on-one and group presentations. Toward that end, presentations were made to civic and business leaders, organizations and churches within the Glenwood area. Those efforts resulted in a turnout of more 70 citizens at the kickoff Community Workshop on May 29 and the formation of a 29-member Steering Committee. The Steering Committee, which ended the project with 26 members, held an organizational meeting on June 13 hosted by AmSouth Bank and met for a one-day retreat on June 21, 2003.

Officers elected at the retreat were Toni Shamplain, Chair; Rick Dye, Vice Chair; Philomena West, Secretary; and Ivie Burch, Treasurer/Historian. Committee chairs include Myron Hines, chair of Communications and Promotions; Luvenia McNair, chair of Design and Planning; and Shelton Roulhac, chair of Economic Restructuring.

The Steering Committee determined that it would follow the Main Street Program process and formed four task forces to carry out the work of the project:

- Communications/Promotions
- Design/Planning
- Economic Restructuring
- Executive

#### Community Workshop, May 29, 2003, at A. D. Harris High School

- Attended by more than 70 citizens
- Steering Committee formed
- Media Coverage: Lead Story on WJHG-TV 7 10 o'clock news and Front Page story in *The News Herald* on May 30. Additionally, *The County Press* ran story and photos in the May 31 edition.

#### Steering Committee

- Organization meeting, June 13, 2003 at AmSouth Bank
- Planning Retreat, June 21, 2003, at Florida State University-Panama City Campus
- Met monthly between July 2003 and June 2004
- Hosted a special meeting in January 2004 featuring St. Petersburg Deputy Major Goliath Davis

#### Media Coverage

- Drumbeat Radio Interview on 93.5 The Beat
- Drumbeat TV Interview on Comcast Channel 9
- *The News Herald*, Front Page stories on May 21 and May 30
- *The County Press* story
- WJHG-TV 7 on 6 and 10 O'clock newscasts on May 29
- Commissioner Jonathan Wilson proclaimed Community Cleanup Days in Glenwood at the September 11 Glenwood Community-Based Project Steering Committee. Minutes Attached.
- Steering Committee member Rev. Rufus Wood, Jr., wrote a Litany and Prayer for the Revitalization Weekend. Design and Planning Task Force members collected donations for the Clean UP on October 4. The chair, Toni Shamplain, continued to meet with community stakeholders to share the Glenwood Revitalization mission.

## Presentations to Glenwood Revitalization Steering Committee

June 2003	David Jackson	DIB/ Downtown North CRA
	David Jackson	DIB/ Downtown North CRA
July 2003	PCPD Deputy Chief Van Etten	PC Code Enforcement
	Janice C. Boone	AmSouth Bank
August 2003	Tony Mitchell	Panama City CDBG
September 2003	Tammy Henley	Bay Medical Center
October 2003	Dan Childs	City of Panama City Plan Reviewer
		Broadcast Media Roundtable
		<i>The News Herald</i> Media Roundtable
November 2003	Debbie Glick, Downtown Panama City Main Street Manager	
		Glenwood Business Focus Group
December 2003	Banker's Round Table	
January 2004	Goliath Davis, III St. Petersburg, FL, Deputy Mayor	
		SunTrust Bank Community Development
February		Glenwood Vision Plan
March	David Jackson	DIB/ Downtown North CRA
April	Ronald Thomasson	Panama City Planning Director
May	Glenwood Vision Plan	
June	Janice Lucas	Lucas Communications, Inc.

## Methodology

On May 29, 2003 a Community Workshop was held as an informational and organizational backdrop to the future endeavor of the Glenwood Community Revitalization Project. One objective of the Community Workshop was to elect the Steering Committee members, which, laid the foundation for the development of the specialized task force subgroups: Communication/Promotion Task Force: Design and Planning Task Force: Economic Restructuring Task Force and the Executive Committee.

## Design and Planning Task Force

The Design and Planning Task Force conducted the first of five meetings on July 28, 2003, with seven to nine people in attendance at each meeting. At the first meeting both the purpose and objectives of the task force was determined and outlined. They included designing a plan for shaping the physical image of the community as a place enticing and attractive to shoppers, investors, business owners, and visitors: establishing time lines for Clean-up Days including all details for implementation: identify houses that need demolishing as well as historic buildings and sites that need protecting: gather information on legal Glenwood subdivision boundaries and meet with Urban Planners and other municipalities such as Department of Transportation for guidance in the planning stages.

## Communication/Promotions Task Force

The Communication/Promotions Task Force was organized and began their efforts on July 21, 2003 meeting nine times over the following eight months ending in March 2004. Approximately seven to ten people participated in each meeting. Two of the meetings labeled "Broadcast Media Roundtables" were created to establish an open communication forum with Bay County at large. The first included local television and radio stations: Fox TV, WMBB TV, 93.5 The Beat, WMBB TV, and WJHG TV. The second centered on print media with the Communication Task Force meeting with *The News Herald*. One priority of the Communication/Promotion Task Force was to compile a historical account of the Glenwood Community. Two meetings were held to gather both oral and written histories from Glenwood senior citizens. This resulted in a tremendous effort revealing an intriguing historical perspective which further propels the desire to maintain and reestablish Glenwood as a cornerstone to the African American Community. It also validated the need to share its rich cultural heritage with the diverse population of surrounding areas.

## Economic Restructuring

The Economic Restructuring Task Force began meeting on July 23, 2003, with 10 people in attendance. In their first of seven meetings, the Director of Community Development Block Grant (CDBG) presented the Task Force with an overview of community development. The presentation included the projects the CDBG envisioned for Glenwood. Other objectives determined by the Economic Restructuring Task force was to conduct a business survey, create a list of Data gathering needs, meet with Urban Planners, compile a list of Housing Needs and identify the needs for expansion of local business activity. The task force hosted a Business Focus group at Bay Medical Center and a Banker's Round Table at AmSouth Bank. Approximately five to seven people attended each meeting.

**April –May 2003 Initial Contacts and Presentations:**

Commissioner Jonathon Wilson	Veryl McIntyre
Panama City Commission	Homer Jackson Scholarship Fund
Marcus Hall (Alpha Phi Alpha)	Vicki Gainer (FSU-PCC)
Vera Shamplain (Elder)	Deacon H. C. Bailey
Rev. Charles Cloy (Greater Bethel AME)	Ms. Karetta Bowers
Rev. Wilson (Bay County Ministerial Alliance)	Mrs. Louella Washington
Toni Shamplain (Glenwood Community Center)	Ms. Shirley Robinson
Rev. Louis Lamar (Macedonia Missionary	William "Scoop" Waters
Baptist Church)	Bruce Taylor
Carrie Baker, GCCC Work Force Director	Elmerly Taylor
Pastor Williams (St. John Church)	Mary Hearn
Cecile Scoon, attorney	Gay Speights (Phi Delta Kappa)
Myron Hines (Glenwood native)	Anita Dillard (A.D. Harris High School)
Dick Lovejoy (Antique Cottage)	Annie Luvenia Ransom Hendly
Sharon Sheffield (ACURE)	William Ransom
Jeremy Ponds (SCLC)	Charles Ransom
B.J. Richardson (100 Hearts United)	Mattie Gammon
P.C Alumnae Chapter Delta Sigma Theta	 <u>Church Announcements Delivered to:</u>
Nancy Wengle (St. Andrew Partnership)	Macedonia Missionary Baptist Church
Minister Wanda Waters (Glenwood native)	Greater Friendship Missionary Baptist
Walter Ford (elder)	Church
Rev. Charles Clarke	Greater Bethel AME Church
Pastor's Aide Society Presentation	Wynn Chapel
SCLC = 2 Presentations	Tabernacle Baptist
ACURE = 4 Presentations	Neal's Temple
Bay County Choir Union	Holy Temple
Dr. Marjorie Moore, Extension Director	New Judson
Mrs. Wilma Singleton, elder	St. Johns Missionary Baptist
Ronnie Adams and Clinton Mayo, BEIC	Mount Olive Missionary Baptist Church
Steven Dvorak, People's First CRA Director	
Ministerial Alliance	



US BUSINESS 98

# heritage corridor study



final report



June 2006

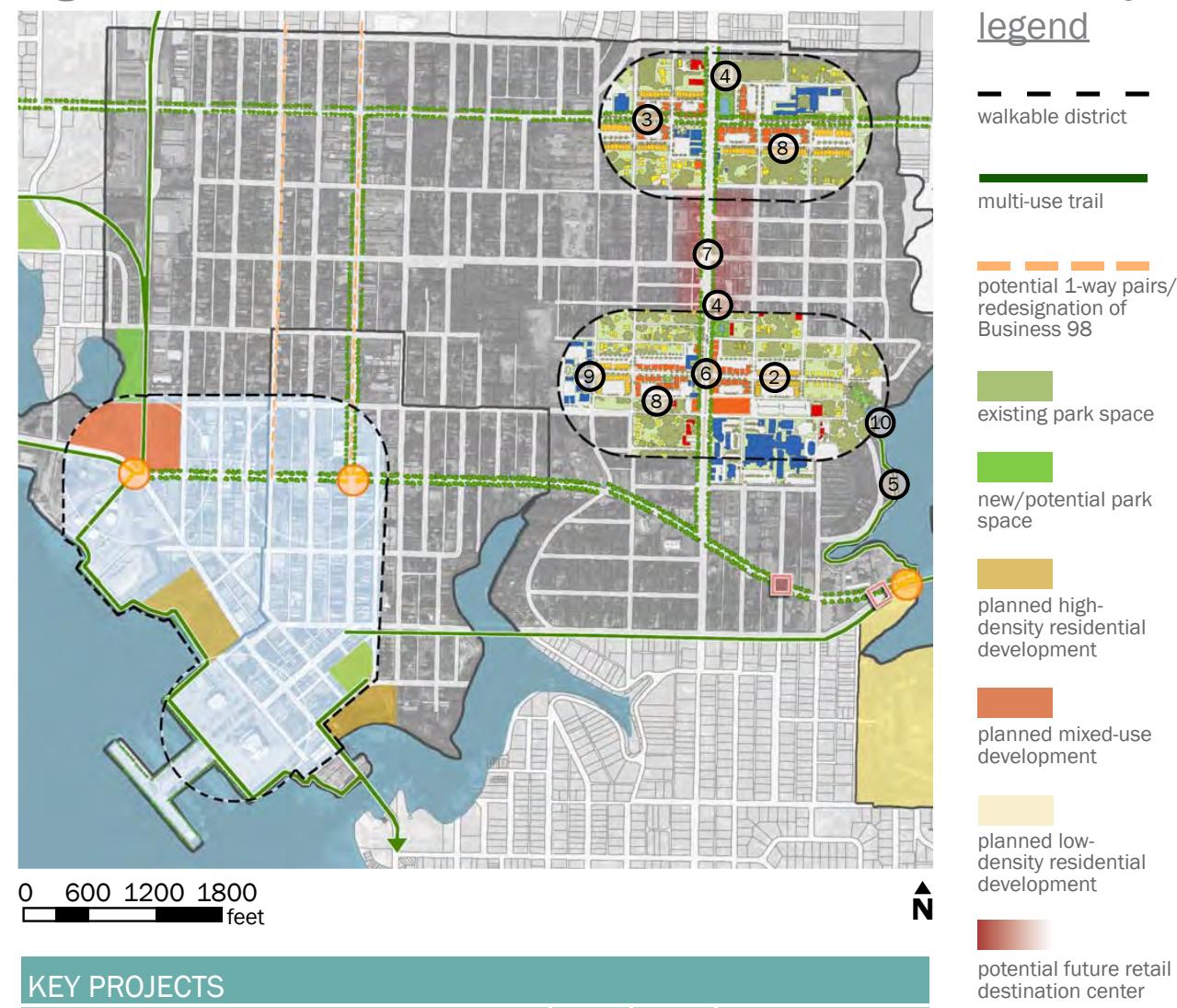


prepared for: Panama City Downtown Improvement Board



prepared by: RENAISSANCE PLANNING GROUP

Figure E-3 - Downtown North Master Plan Summary



## KEY PROJECTS

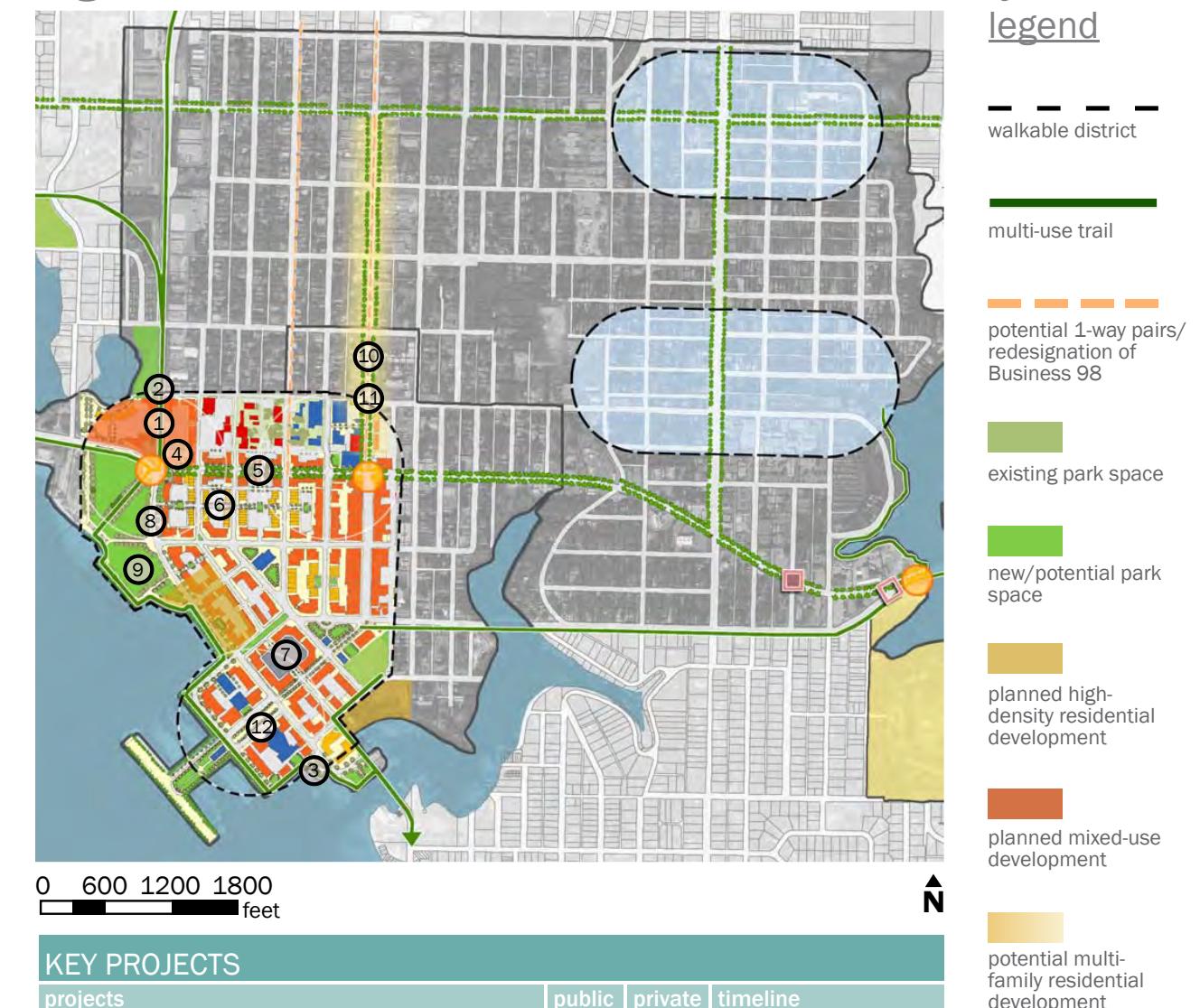
projects	public	private	timeline
① gateway treatments (indicated on legend)	X		phase I (1-3 years)
② streetscape improvements to E 7th Court	X		phase I (1-3 years)
③ streetscape improvements to 11th Street	X		phase I (1-3 years)
④ stormwater retention pond parks	X		phase I (1-3 years)
⑤ boardwalk & trail system	X	X	on-going
⑥ streetscape improvements to MLK Blvd.	X		phase II (3-10 years)
⑦ access management	X		phase II (3-10 years)
⑧ alleyway access to rear parking	X	X	phase II (3-10 years)
⑨ institutional office park	X	X	phase II (3-10 years)
⑩ waterfront park	X		phase III (10+ years)

## legend

- walkable district
- multi-use trail
- potential 1-way pairs/redesignation of Business 98
- existing park space
- new/potential park space
- planned high-density residential development
- planned mixed-use development
- planned low-density residential development
- potential future retail destination center

- streetscape improvements
- gateway treatment
- new signalized intersection
- intersection improvements

Figure E-4 - Downtown Master Plan Summary



## KEY PROJECTS

projects	public	private	timeline
① rails to trails & linear park	X		phase I (1-3 years)
② trolley route connection	X		phase I (1-3 years)
③ boardwalk & trail system	X	X	on-going
④ mixed-use development			N/A
⑤ streetscape improvements to 6th Street	X		phase II (3-10 years)
⑥ alleyway access to rear parking	X	X	phase II (3-10 years)
⑦ potential structured parking deck	X	X	phase II (3-10 years)
⑧ re-align Beach Drive	X		phase II (3-10 years)
⑨ waterfront park	X		phase III (10+ years)
⑩ one-way pairs conversion	X		phase III (10+ years)
⑪ Harrison Ave. linear park			phase III (10+ years)
⑫ civic/mixed-use development	X	X	phase III (10+ years)

## legend

- walkable district
- multi-use trail
- potential 1-way pairs/redesignation of Business 98
- existing park space
- new/potential park space
- planned high-density residential development
- planned mixed-use development
- potential multi-family residential development

## 1 Enhance access to water and parks

**Strategy:** Create a cohesive network of interconnected parks and trails with maximum accessibility from Business 98, by creating waterfront boardwalks/trails supported by mixed-use redevelopment, and preserving existing parks and creating new ones in strategic places, especially in waterfront areas.

**Strategy:** Preserve waterfront views by limiting building height directly adjacent to the waterfront.

### Key Projects

#### Millville

- Transform space at the end of 3rd Street for a pocket park (as a long-term vision for bayou and neighborhood rehabilitation, transform the current waterfront sewage treatment plant into a park)
- Create a linear park adjacent to rails-to-trails along Sherman Avenue

#### Downtown

- Chevron site redevelopment – this is a long-term vision in the event an opportunity arises to relocate the fuel tanks to a more suitable industrial location. With open space/mixed-use redevelopment at Beach Drive and 6th Street - old hotel/lounge on south side).
- Create a linear park along Harrison Avenue as a long-term strategy associated with potential conversion of this roadway into a one-way pair with Jenks Avenue. This would provide an excellent opportunity to draw people in to downtown and the waterfront, with McKenzie Park as a focal point.

#### St. Andrews

- Acquire parcels for a new stormwater park north of 12th Street that serves both drainage and recreation needs
- Create pocket parks along waterfront and bayou, with expanded boardwalk/trail system providing linkages to commercial and residential areas



St. Andrews

captures the essence of the Business 98 Heritage Corridor's history and promise of the future.

## 3 Increase multimodal opportunities

**Strategy:** Improve and increase pedestrian, bicycle, transit and auto mobility by improving and/or creating bicycle and pedestrian facilities along Business 98 and adjoining roads that link to neighborhoods and commercial areas, enhancing access to the Bay Town Trolley system with improved stations and lighting, and increasing connectivity through new roads or shared-use paths.

### Key Projects

#### Area-wide

- Make trolley stops and shelters a focus of the walkable districts and add shelters/benches
- Build an interconnected trail/boardwalk system linking waterways with commercial and residential areas



Millville

### Downtown North and Downtown

- Create a multi-use trail/trolley route through the Depot property to Bay Memorial Park and 11<sup>th</sup> Street. This would link to the 11<sup>th</sup> Street corridor enhancement project.
- Add bicycle lanes and center medians to 11<sup>th</sup> Street
- New boardwalk along waterfront with link to Lake Ware
- Magnolia Avenue bicycle and pedestrian route parallel to Harrison Avenue
- Enhance delineation of pedestrian facilities at the marina through signage/markings

#### St. Andrews

- Fill sidewalk gaps along US Highway 98 east of Beck Avenue
- Boardwalk along waterfront

## 4 Create pedestrian-oriented destinations, walkable districts and streets

**Strategy:** Improve the walkability of existing neighborhoods and business districts by moving buildings closer to the street with redevelopment, relocating parking to the center or rear of blocks so it does not function as a barrier to pedestrians, and by targeting new or infill mixed-use development with on-site amenities.

**Strategy:** Use key gateways to establish anchor points along the corridor, creating a unified sense of place. These will become both signage and amenities in themselves.

**Strategy:** Use landscaping along the edge of the corridor on the stretches of road between the gateways to enhance the existing character of each distinct place in a different way.

### Key Projects

- Streetscape improvements focused on key districts or areas located throughout study area, including: wider sidewalks, adding street trees, bus shelters, benches, trash receptacles, paving treatments, etc.

- Establish / mark gateways at:
  - MLK & 11<sup>th</sup> Street
  - Business 98 and:
    - Everitt Avenue
    - Sherman Avenue
    - 4<sup>th</sup> Street
    - MLK Boulevard
    - Beach Drive
    - Beck Avenue
    - US 98

From a safety standpoint, from 2000 to 2004, there were more than 520 reported crashes, including one fatality. As suspected from the substandard design and variable traffic speeds, the highest number and greatest concentration of traffic crashes is on the four-lane undivided section of US Business 98 in Millville.

The primary goal of transportation is to provide access. Access may be provided in one of two ways: through mobility, which means moving more efficiently or rapidly to get from Point A to Point B; or through proximity, a strategy to put people and their desired destinations closer together. In built-up or redeveloping urban corridors like Business 98, speed is often in direct conflict with accessibility, particularly for pedestrians.

The key transportation objective for the Heritage Corridor is to make it more walkable and improve the connectivity within each CRA and to each other.

There are several key transportation projects recommended as elements of the Heritage Corridor Master Plan:

### Multi-Use Trail System

- Develop an interconnected multi-use trail and boardwalk system throughout the study area. This will enhance access to the water, support quality redevelopment and improve linkages between residential neighborhoods and commercial centers. Key opportunities exist in each of the CRAs through acquisition of abandoned rail corridors, such as along Sherman Avenue in Millville, and downtown through the Depot property, and linking several existing and potential new parks in St. Andrews.

## 5 Create a city-wide network of destinations

**Strategy:** Comprehensively align and link new and existing City amenities (parks, activity centers, shopping, etc., into a connected, corridor-long network by creating improved connections to amenities from existing residential neighborhoods along the corridor, and by creating better/clearer access from Business 98 to new and existing destinations elsewhere in the study area.)

### Key Projects

- Improving pedestrian access to amenities from neighborhoods on either side of MLK Boulevard
- Create more mixed-use development in and around Millville, with linkages into residential areas

### Transportation Elements

Transportation is a major concern among community residents and businesses. Concerns include a perceived safety problem from poor sight visibility and lack of turn lanes, heavy truck traffic along residential streets, and limited bicycle and pedestrian connections along the corridor and its access roads. Traffic congestion is also a concern, but it is not really the issue. The corridor generally suffers from poor visibility and sight distance, traffic signals that are too closely spaced and poorly timed, and an underutilized grid network that could more effectively disperse traffic.

### 11<sup>th</sup> Street

- Re-design 11<sup>th</sup> Street as a multimodal gateway corridor between Beck Avenue and the Glenwood community in the Downtown North CRA. Numerous schools, parks and commercial redevelopment opportunities make this an ideal corridor to enhance connectivity throughout the district. This is an important project to help improve livability and encourage local, community-based redevelopment at the intersection with MLK Jr. Boulevard in the Glenwood neighborhood. In St. Andrews, the street serves as the primary east-west gateway into the community's core commercial area and its historic waterfront.
- Transforming 11<sup>th</sup> Street into a complete street, with bike lanes, continuous sidewalks, medians and landscaping is a cost effective solution. Adequate right-of-way appears to exist for this to be a relatively low cost project to be completed with resurfacing/restriping. It could be included as a Safe Routes to Schools project, with opportunities for state and federal funding.

### Business 98 in Millville

- As a catalyst for improved safety and quality redevelopment, convert Business 98 from a four-lane undivided road between Bay Avenue (just east of the Watson Bayou bridge) and East Avenue to a three-lane section, with center median and turn lanes. This would allow one travel lane in each direction, while adding left turn lanes to reduce crashes and delays. A lack of turn lanes and high speed traffic is creating an unsafe situation, which will be exacerbated as new development occurs both within the corridor and external to Panama City.
- Figures 6 and 7 present two options for this redesign. The first option shows how the restriping of the existing road could occur within the current 55' right-of-way, while the second option is an enhanced version that would add 10' of right-of-way to enable wider sidewalks with a landscaped median. In the former example, the sidewalk may be expanded as a condition of redevelopment to allow for street trees and a better pedestrian environment.
- Given the potential traffic increases along this corridor to nearly 30,000 vehicles per day, there

are several conditions that would need to occur to make this a viable long-term strategy. First, East Avenue should be widened to four lanes between US 231 and the mill to improve freight access and reduce truck traffic along Business 98. Second, regional transportation improvements are needed to reduce non-local traffic using Business 98. Options that should be explored through the Bay Transpor-

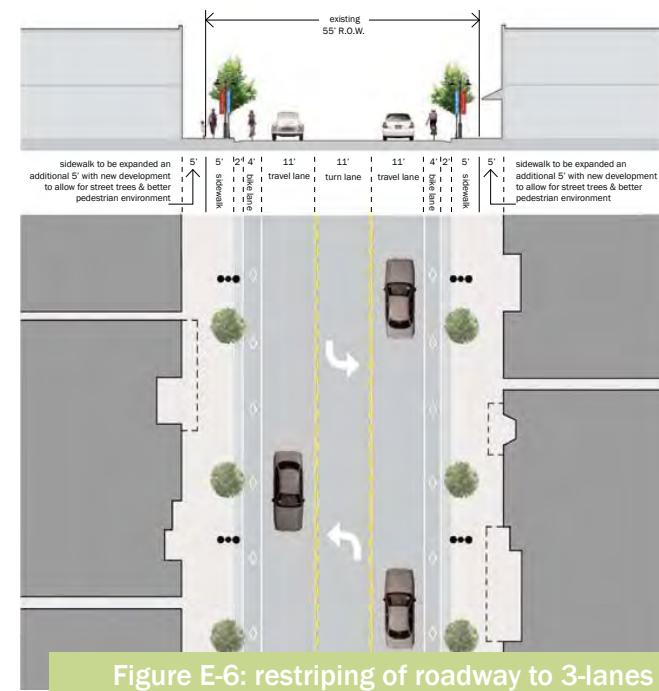


Figure E-6: restripping of roadway to 3-lanes



Figure E-7 : enhanced 3-lane option

tation Planning Organization and the Florida Department of Transportation include widening SR 22 between US 98 and Callaway, and creating a new four-lane corridor linking SR 22 with US 231. The high growth expected in Gulf County and destinations along 23<sup>rd</sup> Street indicate these regional strategies will likely be needed to keep future traffic volumes on Business 98 through Millville at a more manageable 20-22,000 vehicles per day.

- If these or other effective regional strategies are not completed by 2030, traffic volumes in the Business 98 corridor are likely to require widening of the road to add a center turn lane, and possibly additional through travel lanes. This presents a fundamental conflict with the redevelopment goals of the Millville and downtown Panama City community, and may be cost prohibitive given right-of-way needs, limited funds and other regional priorities. It is unlikely that widening this corridor to accomplish safety objectives could happen for another 15-20 years, yet the three-lane restriping option could occur much sooner due to lower costs.

## Harrison and Jenks Avenue

One of the design options the community did not strongly support was the potential conversion of Harrison Avenue (US 231) and Jenks Avenue into a pair of one-way roads. The option was presented as one way to address concerns about traffic congestion levels and future access into downtown Panama City. Creating a one-way pair on these roads would help both the north-south and east-west traffic flow by reducing delays at the traffic signals for conflicting turning movements, and is a low-cost option. The intact grid street network would ensure continued good accessibility to businesses located on both roads. In addition, the conversion would allow the two roads to incorporate livable/multimodal street designs, such as bike lanes, on-street parking, etc., into the existing right-of-way. Harrison Avenue could potentially support a 20' linear park in its existing right-of-way if it became a one-way facility with two travel lanes, which would make it more attractive for residential redevelopment.

However, concerns expressed by the community at the second design workshop in March resulted in this option being withdrawn as a priority recommendation, but

reserved for consideration at some point in the future. The drawback to one-way streets in downtown areas is that they can encourage higher speed traffic unless properly designed, and a loss of direct access is a real problem for some business owners. This should be a long-term option for the community as it monitors future traffic needs.

## Miscellaneous traffic recommendations

There are several other transportation projects that should be pursued as part of this corridor master plan.

- Traffic calming on 3<sup>rd</sup> Street in Millville. The historic center of the Millville community at 3<sup>rd</sup> Street and Sherman Avenue is a gem of intrinsic value that should be preserved. Regional traffic growth and new development in the area threaten this local civic gathering place with increasingly higher volume and speeds of cut-through traffic seeking an alternative route. Traffic calming measures that are acceptable to the residents and businesses on this street will likely be needed. There is a wide range of possible measures that should be explored.
- Access management on US Business 98 east of Watson Bayou. For safety and accessibility, it is recommended that the multiple full access driveways on the north side of the street be converted to right-in/right-out accessways, with a new traffic signal at Cactus Avenue to support left-turning traffic. This would also help improve safe access for the condominium residents on the south side of the road.
- Re-designate/eliminate Business 98 in St. Andrews from Beck Avenue and Beach Drive to use Harrison Avenue and/or Jenks Avenue instead. St. Andrews is a unique destination that does not depend on Business 98 for its economic vitality, and the residential, small town character is not conducive to a US Business route. The tight turns leading to Beach Drive make the corridor difficult for truck traffic.
- Reconnect the city street grid. In most parts of the study area, the historic grid street network that defined towns and cities of the past remains vi-

able and serves as an effective multimodal network that shortens trip distances. However, over the years, development and other factors have closed certain streets. Redevelopment presents opportunities to re-connect and enhance the use of the grid to improve accessibility and mobility. In downtown, this includes 4th Street intersections at Oak Avenue and Beach Drive on the western end of the corridor, as well as the realignment of Beach Drive to Mulberry Avenue at 5th Street. In Millville, 4th Street from Maple Avenue to Sherman Avenue should be aligned with the road segment to the east. Connect Elm Avenue south of Business 98 through to 3rd Street. In addition, as redevelopment occurs along the Business 98 corridor in Millville and along MLK Jr. Boulevard, there is an opportunity to create an alley-way/parking lot cross access to the rear of properties that would support walking, bicycling and automobile access to businesses without affecting residential streets.

## Anticipated Costs

Table E-1 presents the major capital project costs for the Heritage Corridor Master Plan. The summary table

reflects an average per unit cost developed from multiple sources to provide a reasonable estimate of selected projects. An estimate of right-of-way acquisition costs has been included, where appropriate, based on the property appraiser's data. However, several of the projects identified in the master plan are difficult to price because they require cooperation from private land owners and developers, or require relocation of a major user.

## Persistence of vision – making it happen

The Master Plan has been drafted to identify specific capital projects, design treatments and policies that work in concert to achieve an overall vision for the corridor. The intent is for each of the CRAs and partners in the private sector and at the local and state government levels to work cooperatively to implement the provisions in the Heritage Corridor Master Plan. These changes will not come easily or on their own. It requires persistence and a champion at the local level to see through the necessary regulatory changes, apply for grants, and make the case to local and state officials for recommended projects and funding priorities.

**Table E-1 - Transportation Projects Planning-Level Cost Estimates**

CRA	Cost
<b>Millville</b>	
Streetscape Enhancements to Sherman Ave from 3rd St to 6th St	\$ 3,305,800
Modify Bus 98 from east of Watson Bayou to East Ave (Existing ROW 3-lane)	\$ 3,503,100
Reconstruct Bus 98 from east of Watson Bayou to East Ave (Enhanced 3-lane)*	\$ 8,240,600
Reconstruct Bus 98 from east of Watson Bayou to East Ave (5-lane)**	\$ 12,538,000
Rails-to-trails from 6th St to 2nd Ct	\$ 325,200
<b>Downtown</b>	
Streetscape Enhancements to 6th St from Beach Dr to Waston Bayou Bridge	\$ 5,440,680
Construct alley between 6th St and 5th St from Mulberry Ave to Grace Ave	\$ 782,150
<b>Downtown North</b>	
Streetscape Enhancements to MLK Blvd from 12th St to Business 98	\$ 2,468,230
Streetscape Enhancements to 7th Court from Massalina Dr to Mercedes Ave	\$ 3,917,700
Streetscape Enhancements to 11th St from Bell Ave to Mercedes Ave	\$ 3,549,480
Rails-to-trails Beach Dr to 11th St and Memorial Park	\$ 531,600
<b>St. Andrews</b>	
Streetscape Enhancements to 11th St from Drake Ave to Bayview Ave	\$ 736,875
<b>Out of Study Area</b>	
Streetscape Enhancements to 11th St from Bell Ave to Mercedes Ave	\$ 5,604,610

\* Requires additional right-of-way

\*\* Requires additional right-of-way; for comparison only - not recommended

Most of the recommendations in this master plan conflict with the City's current policies and regulations governing land use and development. Special policies are needed to ensure that building orientation, scale, parking location and the mix of land uses occurs in a way to meet the project goals and objectives. The full report includes design guidelines that articulate principles of placemaking through pedestrian-friendly design. The following implementation strategies are recommended:

- Hire a project coordinator or assign specific implementation responsibility to a current staff member with the time available to focus on implementation tasks. There are multiple agencies and community groups involved with implementation, and it requires time and energy to keep things moving through the process so the plan does not sit on a shelf. This should not be a "go-it-alone" effort. The DIB should consider forming an implementation steering committee to guide the advancement of master plan recommendations and strategies.
- Focus initially on selected small projects to build support and momentum for the plan. The gateway treatments, rails-to-trails, enhanced lighting, signage and pavement markings, are all relatively small, lower cost projects that do not depend on market forces or a lengthy adoption process to make them happen. Each CRA should define project priorities from the master plan to advance through its own available funds or to use a portion of CRA funds as a match with other local or state funds.
- Craft an overlay district to apply standards and guidelines for redevelopment, including land use and design, for the Business 98 corridor and sections of MLK Boulevard and Harrison Avenue within the study limits. The guidelines provided in the full report will need to be further developed in sufficient detail to augment or replace the City's Land Development Code, and subsequently adopted by the City Commission.
- Designate the Business 98 corridor and study area as a Multimodal Transportation District through the City's Comprehensive Plan, as allowed by state law. The Multimodal Transportation District is an alternative form of transportation concurrency

that places a priority on pedestrian, bicycle and transit quality of service, and secondary emphasis on automobile mobility, and can provide the incentives needed for desired redevelopment. Under Florida's growth management rules, projects to achieve desired multimodal level of service standards must be in the local Capital Improvement Program with a recurring source of funding to advance those projects. The CRA tax increment financing mechanism provides a sound basis for this program.

- Work cooperatively with the Bay Transportation Planning Organization (TPO) to get the recommended projects included in the TPO's 2030 Long Range Transportation Plan and in its list of annual project priorities. This is a necessary step to receive state and federal funding from grants and/or recurring programs. Through its Congestion Management Process, the TPO also identifies smaller projects for funding priority that can improve traffic operations, enhance mobility and address safety problems. Projects like the 11th Street re-design, waterfront boardwalk and rails-to-trails should be included on the TPO's list of enhancement projects.
- Apply for Safety Funds through the FDOT Safety Office, which administers the Department's safety program. These funds can be used to eliminate hazards and address recurring crash problems, such as rear-end and sideswipe crashes in Millville. There is a new federal Highway Safety Improvement Program that expands available funds to communities through the TPO and FDOT. The Community Traffic Safety Team will be able to help identify priorities for use of safety funds.
- Develop a Safe Routes to School grant request for the 11th Street corridor, or selected sidewalk and bike facility projects from the master plan that link neighborhoods to schools within the study corridor. Several opportunities exist.
- Finally, it is imperative for the Downtown Improvement Board and its partners to work with the FDOT District Three office in Chipley to reach consensus on design strategies for Business 98, particularly the road diet through Millville, consistent with the state's Livable Community Policy. Re-designation

or removal of Business 98 should be considered, perhaps in addition to the section through St. Andrews, to enable the master plan recommendations to go forward.

## Summary and Next Steps

The Heritage Corridor Master Plan provides clear direction on how to transform the corridor into a more vibrant, walkable district that supports local community redevelopment objectives. It is a long-term vision that will need to occur in phases over time. This community-based plan has evolved through close consultation with the people living and working along the corridor and within each CRA. With the growth occurring in Bay County, there is a tremendous opportunity to create a mix of workforce housing, small-scale shops, restaurants and businesses for a distinct and authentic urban environment that contrasts with much of the development occurring elsewhere.

Over the next several months, the following near-term steps should occur:

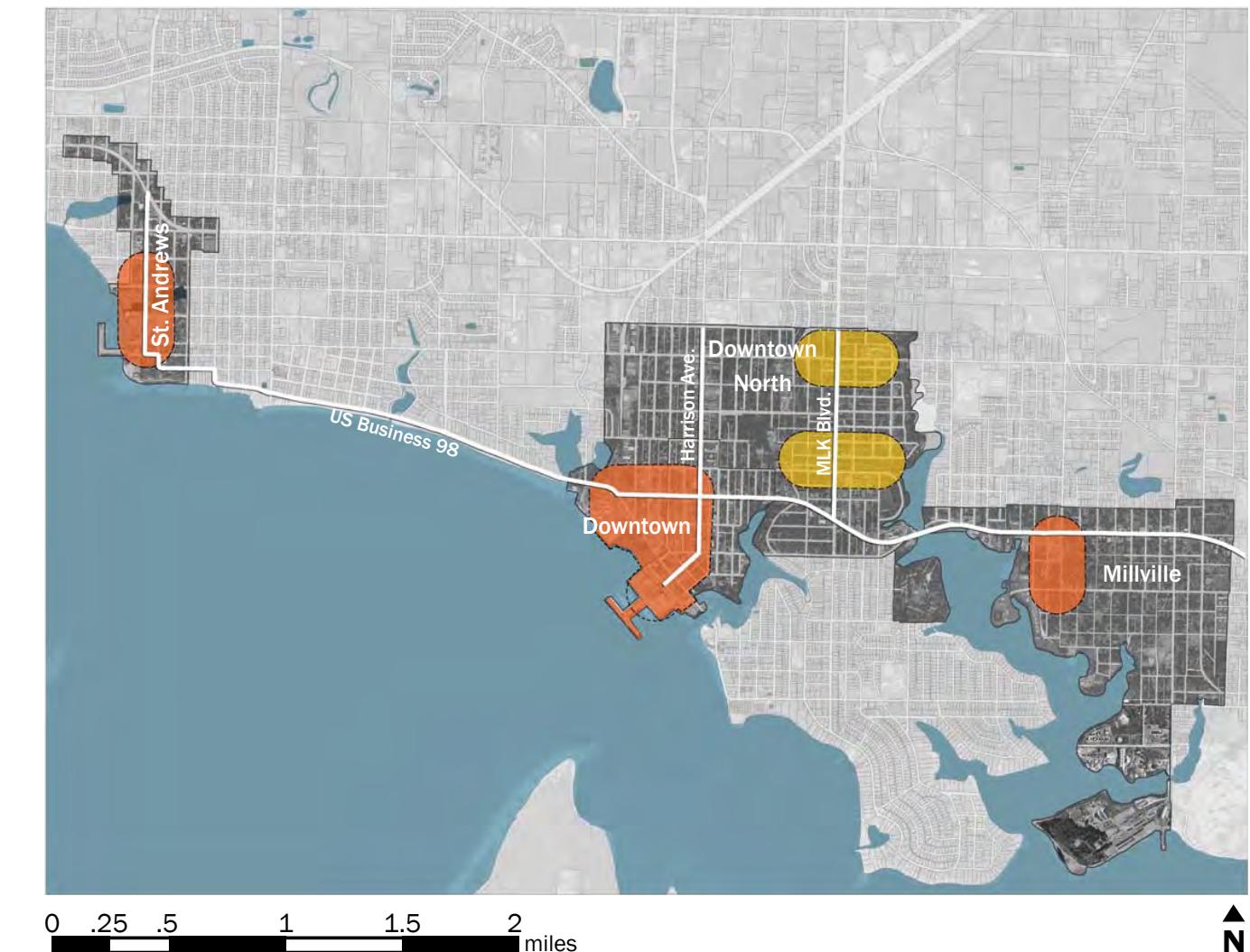
- The Downtown Improvement Board should establish an implementation steering committee to meet regularly (monthly or quarterly) to advance the concepts and strategies in the master plan through a continuing inter-agency, and inter-community, planning process.
- The DIB and its partners should consider initiating a "Name the Corridor" contest to brand the US Business 98 corridor with a unique identity and theme. Branding has been a successful strategy in many communities to present a desirable image for a place or entity that generates energy and enthusiasm.
- The DIB should work with the Panama City planning department to develop an overlay district that will eventually provide alternative design standards and development regulations to create compatible mixed use development with a pedestrian-first orientation.
- Each CRA should define priorities for recommendations within their area for funding to complete selected low-cost, projects within a one or two year time frame. It will be very important to complete a few "low-hanging fruit" projects to build and sus-

tain momentum so the plan does not sit on a shelf and become forgotten.

- The DIB and study partners need to work with the Bay County Transportation Planning Organization (TPO) to advance the transportation recommendations embodied in this Master Plan into the TPO's current update of its Long Range Transportation Plan (LRTP). The planning process is underway, and now is a perfect opportunity to advance these concepts through the proper funding and project prioritization process. If funding is to be sought from state sources, including those projects in the LRTP is imperative.

The Heritage Corridor has a prosperous future with careful planning and attention to detail on design strategies. It is important to not lose sight of the big picture vision for this corridor, and how this "string of pearls" can provide an attractive and vibrant gateway to the distinct historical assets of Downtown, Millville and St. Andrews.

Figure 22 - Downtown North - Context Map



## DOWNTOWN NORTH master plan

### legend

study corridor

within CRA boundary (Community Redevelopment Area)

outside of CRA boundary

core walkable districts throughout study area

core walkable district of focus

## Downtown North

As the Context Map shows in Figure 22, there are two walkable districts recommended for the Downtown North redevelopment area, each serving distinct functions. This area of MLK, Jr. Boulevard (SR 77) was the historic center of commerce for the African American community in Panama City, but in the 1970s and '80s that began to change. With the widening of the corridor by the Department of Transportation, much of that historical legacy was lost to the community. The Master Plan seeks to create new neighborhood-oriented commercial or mixed use gathering places that will again serve the community's needs.

Figures 23 through 25 present the Master Plan recommendations for the Downtown North CRA. Specific projects are identified in terms of their phasing and whether public or private interests would have lead responsibility.

The overall Master Plan for Downtown North seeks to create two community focal points at 11<sup>th</sup> Street and East 7<sup>th</sup> Court. The design of MLK, Jr. Boulevard as a principal arterial roadway intended to move vehicles as part of the regional transportation system does not lend itself to the kind of redevelopment that would create a strong pedestrian orientation. However, both 11<sup>th</sup> Street and East 7<sup>th</sup> Court present opportunities for community-based redevelopment that could be designed to place emphasis on pedestrian comfort and convenience in an environment where road widths can be narrower and traffic speeds slower.

The walkable district at 11<sup>th</sup> Street and MLK Boulevard represents an anchor for the enhancement strategy to 11<sup>th</sup> Street that would run from the Glenwood neighborhood on the east all the way to St. Andrews on the west, providing multimodal connectivity through downtown Panama City. 11<sup>th</sup> Street has good visibility, but traffic tends to travel too fast for its mostly residential character because the road is fairly wide with few physical or visual reasons to slow down. This intersection at MLK is a natural gateway into the downtown core of Panama City, but a lack of lighting or pedestrian amenities makes it less than comfortable to walk.

Bay Medical Hospital is a major employer in the county, and is nearing completion of its own Master Plan that would add medical office space, parking and other facilities. The hospital would reorient its main entrance toward MLK, with a new secondary access likely at Palo Alto Avenue and US Business 98. While the demand for professional office space is strong, hospital employees or visitors lack opportunities for nearby retail or restaurant visits. Creating a mixed-use pedestrian

center at East 7<sup>th</sup> Court would provide a logical connection with the hospital, offering potential public-private joint development, transit service enhancements and improved access to open space.

Between those two walkable centers is the longer-term potential of creating a stronger "town center" retail focus on either or both sides of MLK Boulevard. Though not regional in scale, this community retail center could include automobile-oriented uses dependent on the visibility created from higher traffic volumes along MLK Boulevard. Parcel acquisition and assembly would be required, making this a long term proposition.

Specific design and streetscape strategies are illustrated in the series of graphics on the following pages. Building orientation, scale, massing and setbacks would combine with landscaping, lighting and multimodal capital investments in sidewalks, bike facilities and trolley shelters to create place that would likely serve the immediate neighborhood as well as people from nearby businesses and residential areas.

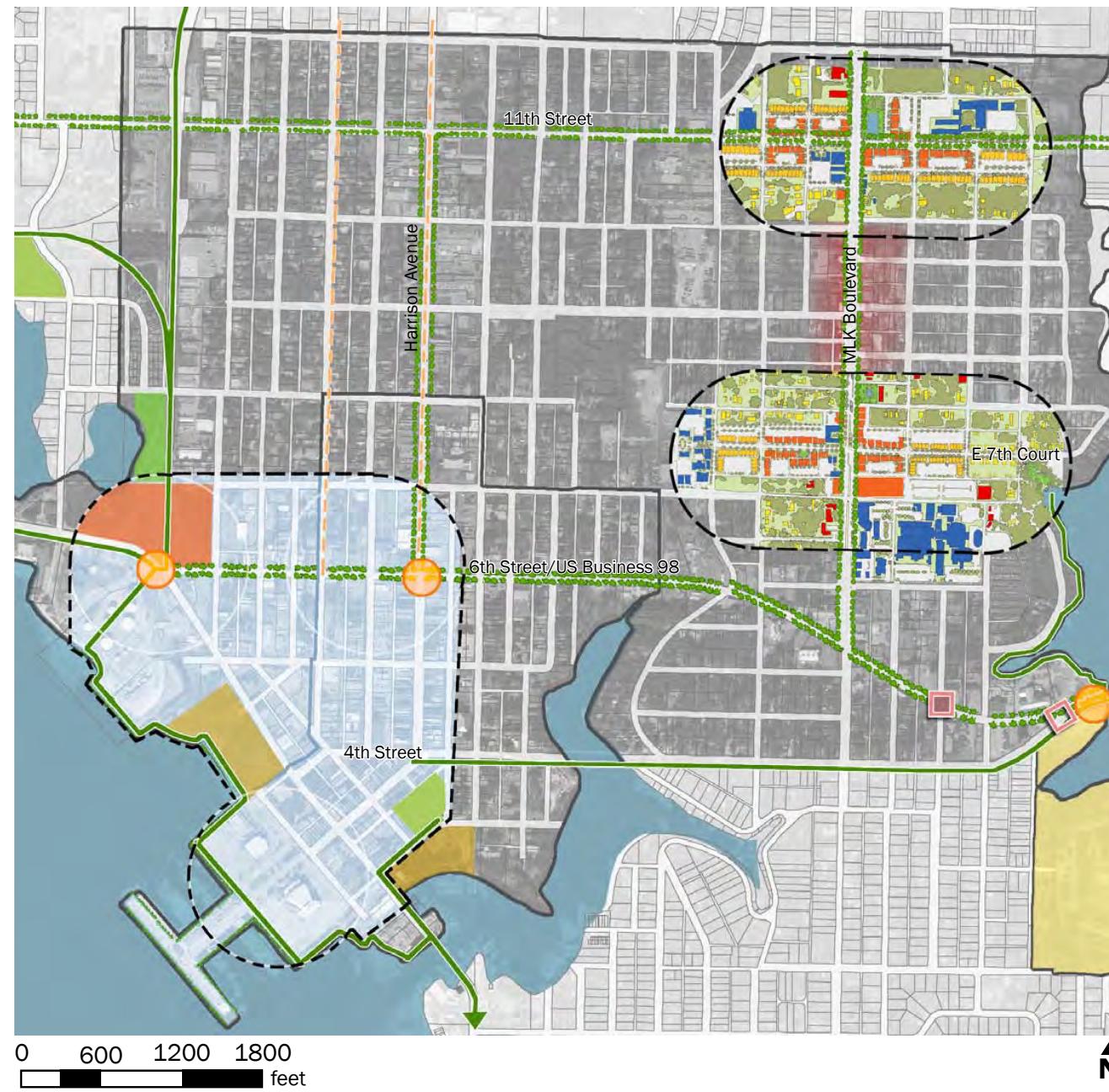
The section of US Business 98 between MLK Boulevard and the Watson Bayou Bridge is an area with a relatively high number of traffic crashes and poor sight visibility. With more than 200 housing units being developed to the south and the planned expansion and modification of the Bay Medical Hospital campus to create an improved access from Business 98, it is recommended that the 4th Street intersection with Business 98 be reconfigured and the feasibility of a traffic signal at Palo Alto Avenue be explored.

The 4th Street intersection with Business 98 is an awkward intersection that does not adequately accommodate northbound left-turning vehicles and presents potential conflicts with those merging and headed eastbound from 4th Street. At the very least, there appears to be sufficient right-of-way to improve intersection operations and provide for a gateway that could include monument signage and landscape enhancements. Bay Medical has expressed interest in making Palo Alto Avenue a secondary access to the hospital from Business 98, with improved signage. If demand warrants in the future, this intersection should be considered for signalization as part of access management strategies along this section of the roadway to improve safety and operational flow.

A bicycle facility should be constructed along 4th Street into downtown Panama City. The facility could be a 4' wide striped bike lane, or a possible shared use path if sufficient right-of-way can be acquired. There appears to be adequate right-of-way for restriping to include a bike lane, with the exception of the bridge

across Massalina Bayou. This bike facility would enhance connectivity into downtown, and with the recommended boardwalk/path system and park space on the western side of Watson Bayou. A planned new federal courthouse will be built in the Downtown North CRA, on the south side of Business 98 west of MLK Boulevard. It is expected to contribute more foot and auto traffic to the immediate area.

Figure 23 - Downtown North Master Plan



## legend

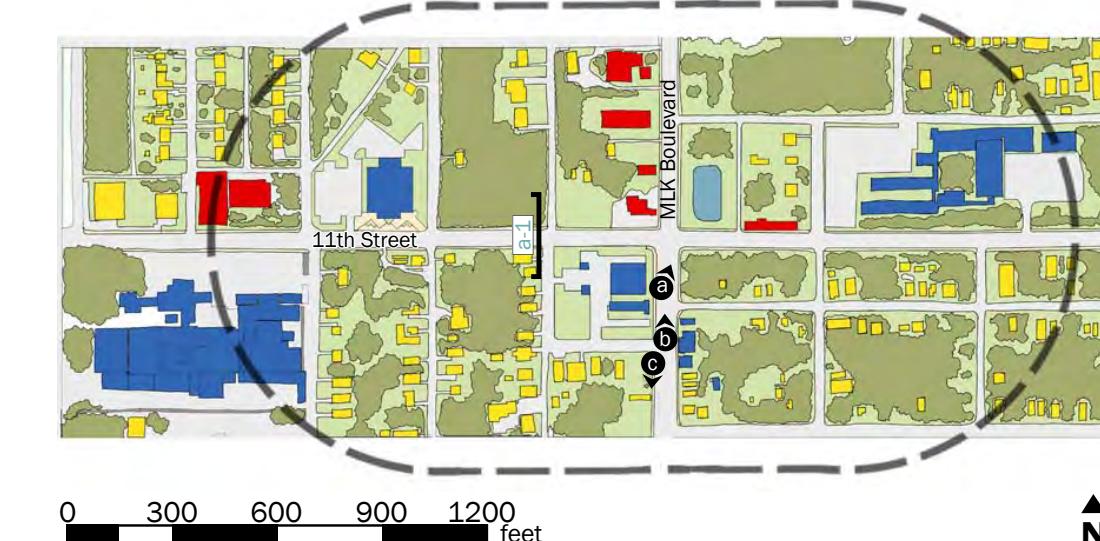
— — — — —	potential 1-way pairs/ redesignation of Business 98	planned high-density residential development	□	new signalized intersection
— — — — —	potential future retail destination center	planned low-density residential development	□	intersection improvements
— — — — —	existing park space	planned mixed-use development	○	gateway treatment
— — — — —	new/potential park space			
● ● ● ● ●	gateways			

Figure 24 - Downtown North - walkable district (MLK &amp; 11TH STREET)

## legend

red	commercial
orange	mixed-use
blue	civic
purple	industrial
yellow	single-family residential
orange	multi-family residential
green	park space
— — — — —	core walkable district

## 11th Street - walkable district existing conditions



## 11th Street - enhanced walkable district



## KEY PROJECTS (for a comprehensive list of Downtown North projects, see executive summary, p.5)

projects	public	private	timeline
① gateway treatments (indicated on Master Plan)	X		phase I (1-3 years)
② streetscape improvements to 11th Street*	X		phase I (1-3 years)
③ stormwater retention pond park	X		phase I (1-3 years)
④ access management	X		phase II (3-10 years)
⑤ alleyway access to rear parking	X	X	phase II (3-10 years)

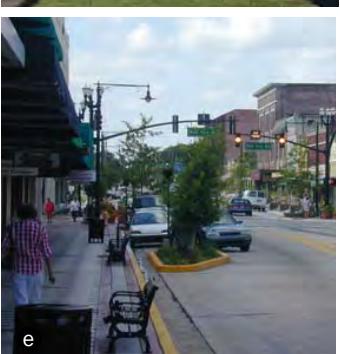
\* for specific streetscape enhancements and recommendations, please see the Streetscape Improvement Plans on next page.

Figure 24 Cont. - Downtown North - streetscape plans (MLK &amp; 11TH STREET)

## existing photos

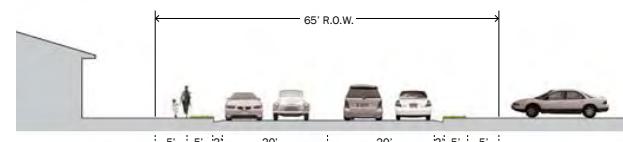


## example photos



Because of corresponding plan & section views, some drawings are not oriented with north up. Please see north arrows.

## a-1 11th Street near MLK existing conditions



- 65' total R.O.W.
- two 20' lanes, including travel and unmarked on-street parking
- no bike lanes
- 5' sidewalks
- 5' planting strip
- no street trees
- buildings set back from street
- street lighting oriented towards automobile traffic
- above ground power lines

## a-2 11th Street near MLK enhanced streetscape plan



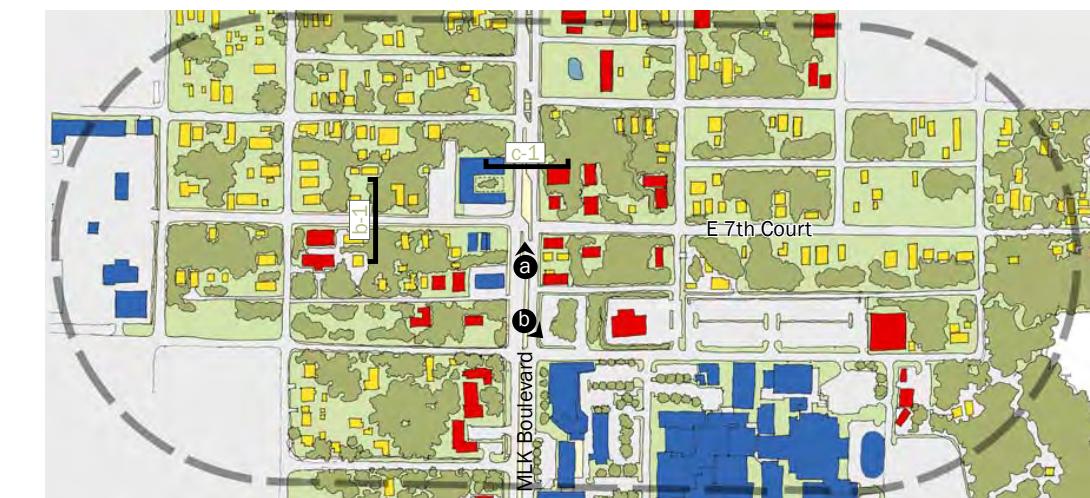
- 65' total R.O.W.
- two 11' travel lanes
- 5' bike lanes
- 8' on-street parking along northern edge of 11th street
- 7' sidewalks
- 3' planting strip with street trees planted 25' on center
- buildings built up to edge of R.O.W.
- rear parking accessed off of back alleyways
- street lighting oriented towards pedestrian & automobile traffic
- underground power lines

Figure 24 Cont. - Downtown North - walkable district (MLK &amp; 7TH COURT)

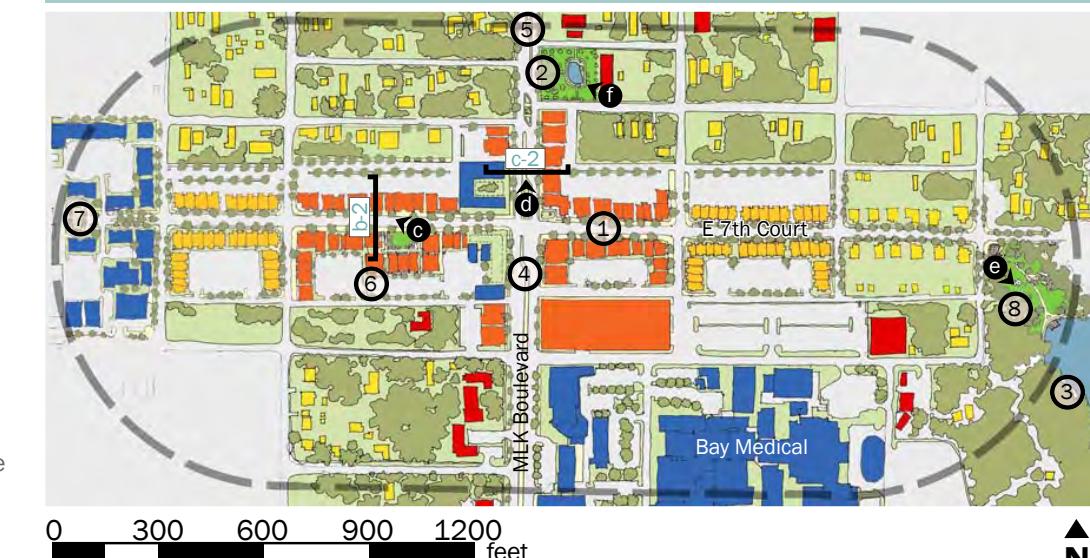
## legend

- commercial (red)
- mixed-use (orange)
- civic (blue)
- industrial (purple)
- single-family residential (yellow)
- multi-family residential (orange)
- park space (green)
- core walkable district (dashed line)

## E 7th Court - walkable district existing conditions



## E 7th Court - enhanced walkable district



## KEY PROJECTS (for a comprehensive list of Downtown North projects, see executive summary, p. 5)

projects	public	private	timeline
① streetscape improvements to E 7th Court*	X		phase I (1-3 years)
② stormwater retention pond park	X		phase I (1-3 years)
③ boardwalk & trail system		X	on-going
④ streetscape improvements to MLK Blvd.*	X		phase II (3-10 years)
⑤ access management	X		phase II (3-10 years)
⑥ alleyway access to rear parking	X	X	phase II (3-10 years)
⑦ institutional office park	X	X	phase II (3-10 years)
⑧ waterfront park	X		phase III (10+ years)

\* for specific streetscape enhancements and recommendations, please see the Streetscape Improvement Plans on next page.

Figure 25 - Downtown North - streetscape plans (MLK &amp; E 7TH COURT)

Because of corresponding plan &amp; section views, some drawings are not oriented with north up. Please see north arrows.

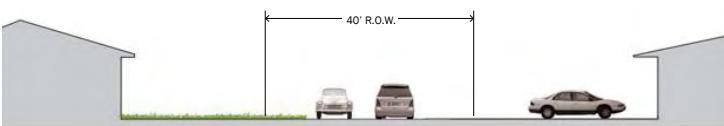
## existing photos



## example photos

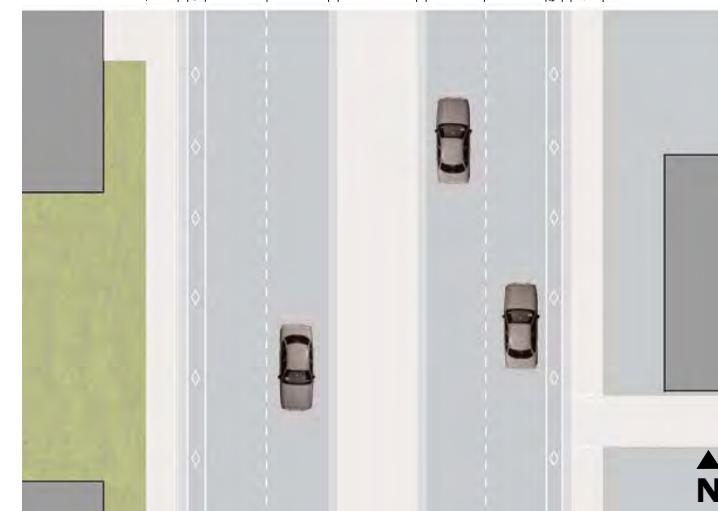
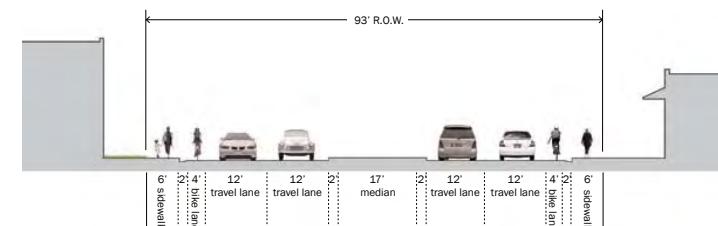


## b-1 E 7th Court existing conditions



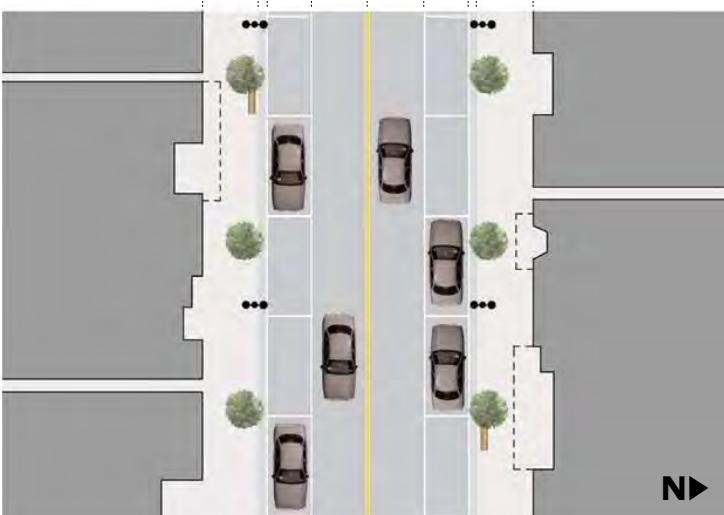
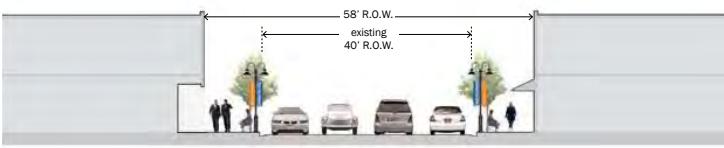
- 40' total R.O.W.
- Two unmarked 10'-6" travel lanes
- no on-street parking
- no sidewalks
- no street lighting
- residences set back from street
- parking in driveways and garages accessed directly from the street
- above ground power lines

## c-1 MLK BLVD near E 7th Court existing conditions



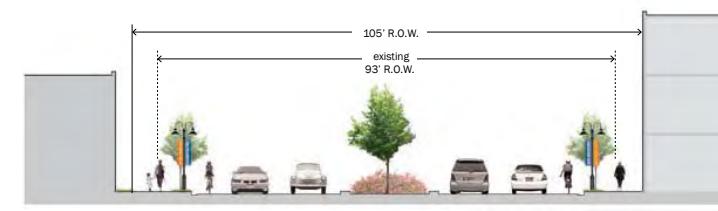
- 93' total R.O.W.
- Four 12' lanes and a 17' median without landscaping (landscaping & street trees occur along most of median but not near E 7th Court)
- 4' bike lanes
- 6' sidewalks
- buildings set back from street
- parking lots adjacent to street & accessed by individual driveways directly from MLK Boulevard
- street lighting oriented towards automobile traffic
- above ground power lines

## b-2 E 7th Court enhanced streetscape plan



- 58' total R.O.W.
- Two 10' travel lanes
- 7' on-street parking along both sides of the street
- 10' sidewalks
- street trees planted in planting pits 25' on center
- buildings built up to edge of R.O.W.
- rear parking accessed off of back alleyways
- street lighting oriented towards pedestrian & automobile traffic
- underground power lines

## c-2 MLK BLVD near E 7th Court enhanced streetscape plan



- 105' total R.O.W.
- Two 12' travel lanes with 17' landscaped median & median trees
- 4' bike lanes
- 4' planting strip with street trees planted 25' on center
- buildings built up to edge of R.O.W.
- rear parking accessed off of back alleyways
- bricked or stamped crosswalks at all crossings
- street lighting oriented towards pedestrian & automobile traffic
- underground power lines

### Table 3 - DOWNTOWN NORTH - Streetscape Design Guidelines

please see preceding design guidelines glossary for specific recommendations on all items

#### street furnishings

lighting	Lighting along all streets in walkable district, spaced 50' on center
benches	Placed near appropriate street corners, transit stops, and in all public parks or plazas
trash receptacles	Placed near street corners, transit stops, and benches
transit stops/ shelters	Recommended for all transit stops in the district
bicycle racks	Placed near transit stops, building entrances, and in all public parks or plazas

#### landscaping

street trees	Street trees with tap roots planted 25' on center are recommended along all streets within the walkable district where possible.
planting strips	Planting strips are recommended only along residential streets outside of the walkable district.
planting pits/tree grates	Use along all pedestrian-oriented streets with mixed-use development.
sidewalks, curb-cuts, crosswalks & paving	
curb cuts	ADA compliant curb-cuts must be used at all crosswalks.
crosswalks & paving	Bricked or stamped crosswalks at every intersection along 11th Street, E 7th Court, and MLK BLVD between US Business 98 and 11th Street.
sidewalks	Sidewalks are recommended along all streets within the walkable district. To accommodate pedestrian traffic, sidewalks should be widened to 7' along 11th Street and 8' along MLK Blvd. near the walkable districts, and along the length of MLK Blvd. if new development fronting the street is built there. New sidewalks along E 7th Court should be built at 10' to allow for street trees & furniture.
multi-use trail	See Downtown North Master Plan for location (p.81) and preceding design guidelines glossary

#### signage

commercial signage	See preceding design guidelines glossary
district identification & gateways	District identification signage is recommended along MLK BLVD from US Business 98 to 11th Street, along E 7th Court, and along 11th Street within the walkable district.

#### building orientation & front setbacks

spatial enclosure/building height	
mixed-use/commercial	1:2 or 1:3 building height to build-to-line ratios. This translates into 2-3 stories for the recommended 58' R.O.W. & setbacks along E 7th Court, as well as for the recommended 65' R.O.W. & setbacks along 11th Street within the walkable district. This translates into 3-5 stories along MLK BLVD for the recommended 105' R.O.W. & setbacks.
high-density residential	1:3 building height to build-to-line ratios. This translates into 2 stories for the recommended 58' R.O.W. & setbacks along E 7th Court, as well as for the recommended 65' R.O.W. & setbacks along 11th Street within the walkable district.
low-density residential	1:4 - 1:6 building height to build-to-line ratios, or 1-2 stories for a typical residential street.
building orientation	buildings oriented towards the street are strongly recommended

#### front setbacks

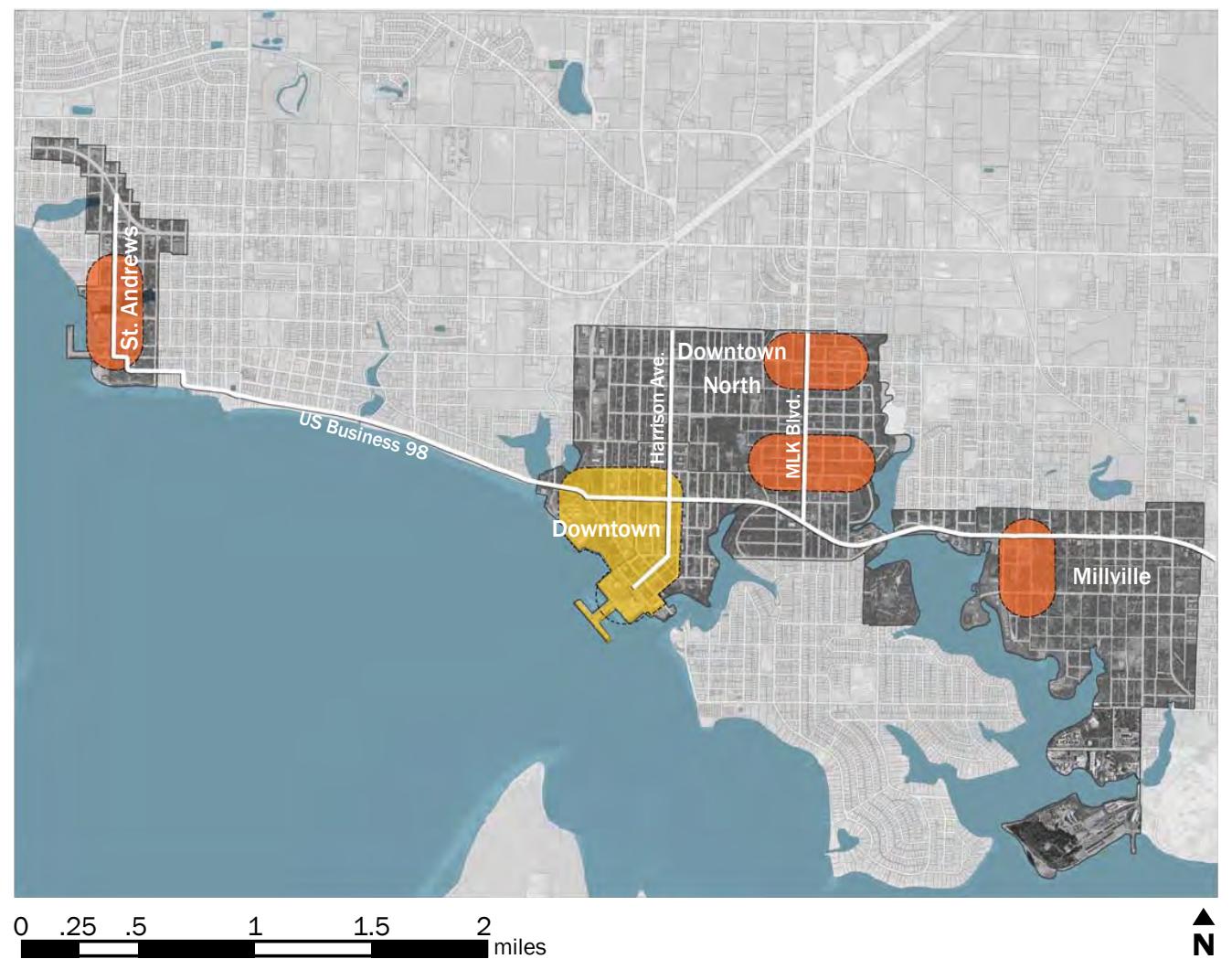
mixed-use/commercial	0' front setbacks are strongly encouraged when a building is fronting a primary street. This can be increased up to 25' where streetside dining, plazas, courtyards or markets are provided.
high-density residential	5' - 15' setbacks
low-density residential	5' - 20' setbacks

#### parking

on-street	On-street parking should remain in place along 11th Street and other streets where it is currently in place or there is enough available R.O.W. On-street parking should be added to E 7th Court.
surface parking lots	All surface parking lots should be interior-block lots.
structured parking	A structured parking deck north of Bay Medical is being planned, which will serve hospital employees, patients, and potentially the walkable district along E 7th Court.
access management	Access management with alleyway access to rear parking is recommended along all roads, with the exception of low-density residential areas, where individual driveways are permitted.

## DOWNTOWN Master Plan

Figure 26 - Downtown - Context Map



## legend

- study corridor
- within CRA boundary (Community Redevelopment Area)
- outside of CRA boundary
- core walkable districts throughout study area
- core walkable district of focus

## DOWNTOWN

Downtown Panama City has enjoyed a dramatic resurgence in the last decade, with new destinations, streetscape improvements, gateway signage, landscaping and façade improvements. It truly is an attractive and inviting place to walk, conduct business and visit for recreation. The Heritage Corridor Master Plan seeks to build upon those successes and provide for improved accessibility to the downtown core from its primary corridors such as US Business 98 (6<sup>th</sup> Street), North Harrison Avenue, Jenks Avenue, 4<sup>th</sup> Street and Beach Drive. For various reasons, there are aspects of these roadway corridors that are uninviting and fail to reflect the successes and appealing character in the heart of downtown at McKenzie Park and along Harrison Avenue to the marina.

Figures 27 through 30 present the Master Plan recommendations for the Downtown CRA. Specific projects are identified in terms of their phasing and whether public or private interests would have lead responsibility. The walkable district is also identified, with key projects noted to sustain and enhance the economic and social vitality of the entire downtown core.

### Design and Streetscape Elements

The overall Master Plan for Downtown Panama City focuses on connectivity with the water, parks and areas for mixed use redevelopment. The Business 98 corridor is tied to the success of downtown as a whole, including the water views, parks and existing businesses. Through the community workshops, a clear theme emerged advocating for an interconnected system of pathways (including boardwalks or multi-use trails) that linked parks and public open spaces in the downtown area. One of the highest rated design elements – conversion of the privately-owned Chevron tank storage facility at Beach Drive into a public waterfront park – is included in this Master Plan as a long-term objective. The plan does not succeed or fail on that one project, but it would be a tremendous catalyst to reclaiming the waterfront for public access and would likely attract additional private investment into adaptive re-use of existing vacant buildings or new development on surface parking or vacant lots.

Another important catalyst is the creation of a mixed-use development project on the former old train depot property at Beach Drive and 6<sup>th</sup> Street. While the sale of the property has been controversial, this is a unique opportunity to attract quality new investment to the downtown core in a highly visible gateway location. Related to this redevelopment is the Master Plan recommendation to create a linear park along the aban-

doned rail bed for a multi-use trail that would connect the downtown marina with Bay Memorial Park (and beyond to 11<sup>th</sup> Street).

Specific design and streetscape strategies for Harrison Avenue from 6<sup>th</sup> Street to 12<sup>th</sup> Street, as well as 6<sup>th</sup> Street through downtown, are illustrated in the series of graphics that follow. The Harrison Avenue section diagrams show existing and enhanced streetscape plans for the roadway that assumes no change in the direction of travel, right-of-way or other geometric concerns. For information only, Figure 30 shows a diagram of what might be possible for Harrison Avenue with a possible one-way conversion (described more fully below).

Although downtown currently has a reasonably intact street network, there are several opportunities to re-connect the city street grid. In some parts of the study area, development and other factors over the years have closed certain streets. Redevelopment presents opportunities to re-connect and enhance the use of the grid to improve accessibility and mobility. In downtown, this includes 4<sup>th</sup> Street intersections at Oak Avenue and Beach Drive on the western end of the corridor, as well as the realignment of Beach Drive to Mulberry Avenue at 5<sup>th</sup> Street.

As part of the Master Plan design recommendations and strengthening the street grid, the intersection of Beach Drive and 6<sup>th</sup> Street should be re-aligned to create a more pedestrian-friendly intersection, better connect Beach Drive to the north and south of 6<sup>th</sup> Street, and enhance the space potentially available for a park at the current Chevron property. This is a long-term strategy as well, but would provide for a much more important gateway intersection that clearly defines the edge of downtown.

### Harrison Avenue and Jenks Avenue One-Way Pairs

One of the design options considered in the planning process was the potential conversion of Harrison Avenue (US 231) and Jenks Avenue into a pair of one-way roads. The option was presented to the public at the second design workshop as a possible way to address concerns about traffic congestion levels and future access into Downtown Panama City. It was not strongly supported, and there was some very loud criticism of this project. As a result, it has been removed from the list of priority recommendations, but may need to be reconsidered in the longer term if traffic congestion in the downtown becomes more of a concern.

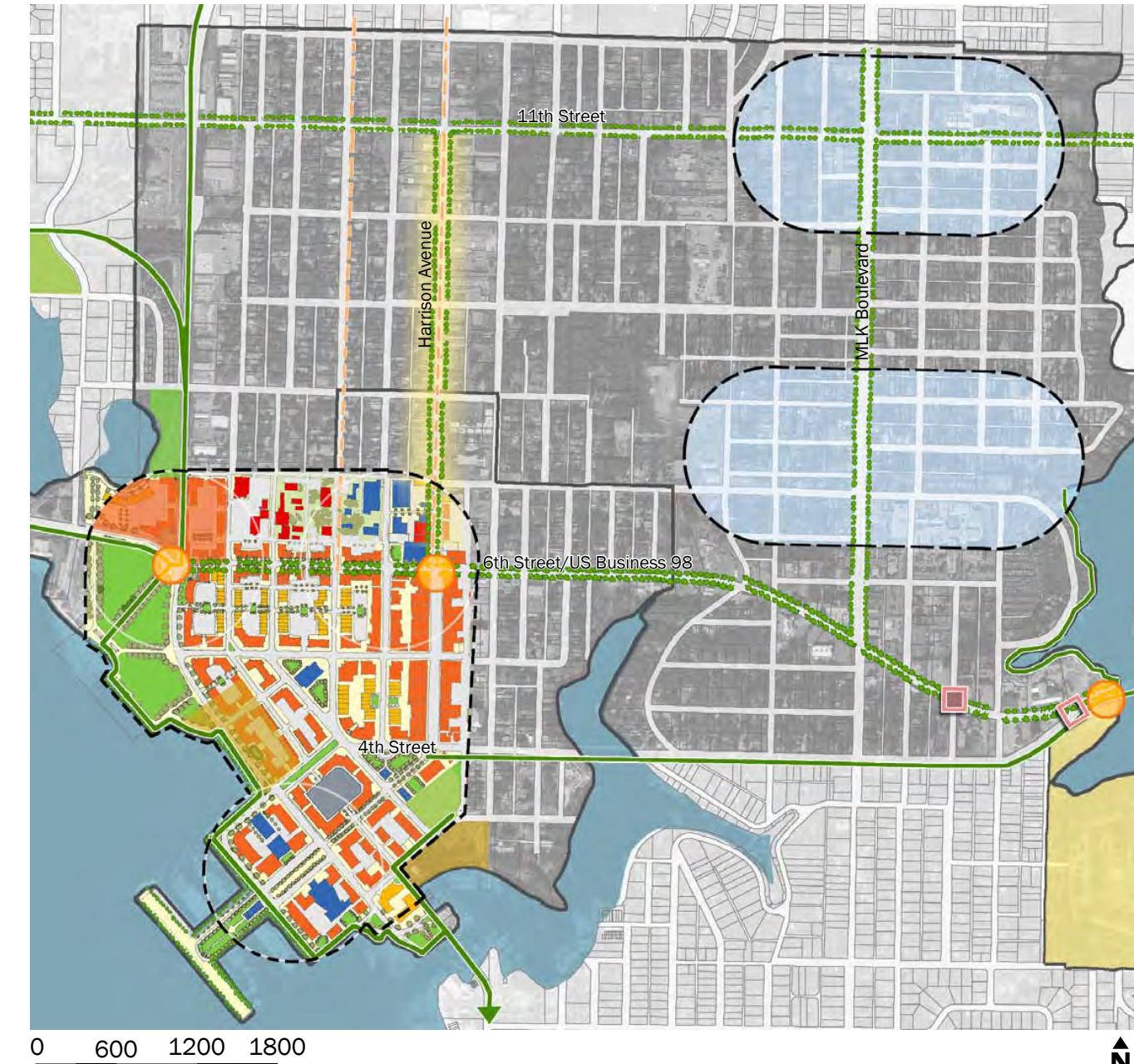
Creating a one-way pair on these roads would help both the north-south and east-west traffic flow by reducing delays at the traffic signals for conflicting turn-

businesses located on both roads. In addition, the conversion would allow the two roads to incorporate livable treatments and multimodal street designs, such as bike lanes, on-street parking, landscaping, etc., into the existing right-of-way. Harrison Avenue could potentially support a 20' linear park in its existing right of-way if it became a one-way facility with two travel lanes, which would make it more attractive for residential redevelopment.

However, the drawback to one-way streets in downtown areas is that they can encourage higher speed traffic unless properly designed, and a loss of direct access is a real problem for some business owners, as expressed at the March 2006 design workshop. This should remain a long-term option for the community as it monitors future traffic needs.

In the near term, consideration should be given to re-timing the existing traffic signals along 6<sup>th</sup> Street through downtown Panama City, and/or possibly removing or modifying the signal at Grace Avenue (between Harrison Avenue and Jenks Avenue) to reduce delays.

Figure 27 - Downtown Master Plan



## legend

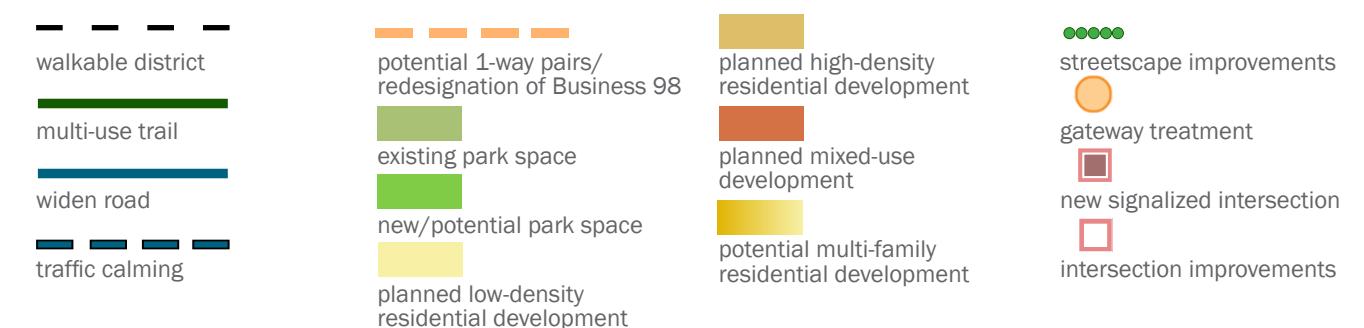


Figure 28 - Downtown walkable district



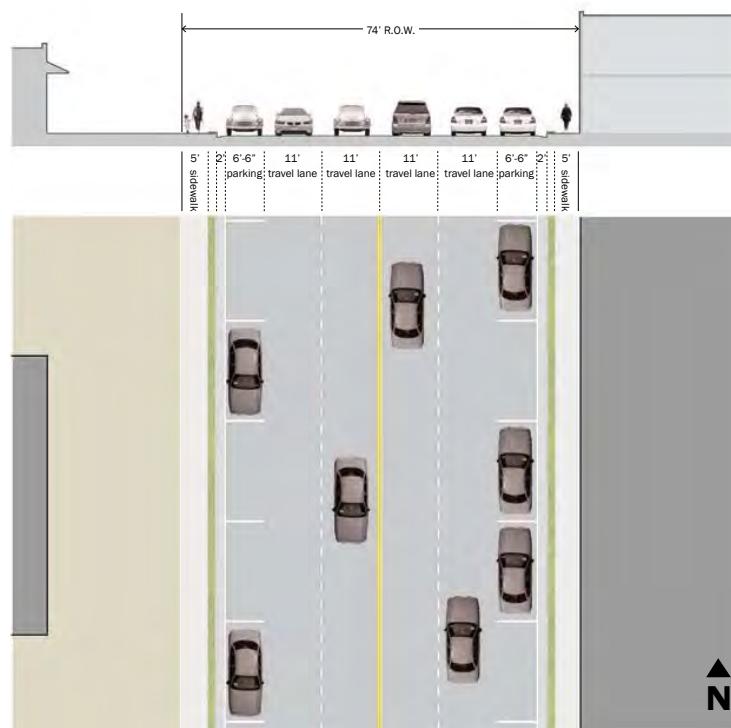
Figure 29 - Downtown - walkable district &amp; streetscape plans

Because of corresponding plan &amp; section views, some drawings are not oriented with north up. Please see north arrows.



Figure 30 - Downtown streetscape plans

b-1 Harrison Avenue (north of 6th Street) existing conditions



- 74' total R.O.W.
- 4 lane undivided road, four 11' lanes
- 5' sidewalks
- no bike lanes
- 6'6" marked on-street parking along both sides of the street
- some buildings set back from street
- parking accessed directly from Harrison Avenue
- no street trees & uneven planting strip
- street lighting oriented towards automobile traffic
- above ground power lines

b-2 Harrison Avenue (north of 6th Street) enhanced streetscape plan



- 79' total R.O.W. along Sherman Avenue
- Four lane undivided road, with two 10' inner travel lanes and two wider 11' outer travel lanes
- 10' sidewalks along the east side of Sherman Avenue
- 6'6" marked on-street parking along both sides of the street
- buildings built up to edge of R.O.W.
- rear parking accessed off of back alleyways
- street trees planted in planting pits along east side of Sherman Avenue at 25' on center
- street lighting oriented towards pedestrian and automobile traffic, spaced at 50' on center
- underground power lines

Figure 30 Cont. - Downtown streetscape plans

b-3 Harrison Avenue (north of 6th Street) long-term one-way pairs option



- 79' total R.O.W.
- One-way with Jenks Avenue
- Two northbound 11' travel lanes
- 8'-6" sidewalks
- 19' landscaped linear park along eastern edge of Harrison Avenue
- buildings built up to edge of R.O.W.
- rear parking accessed off of back alleyways
- 4' planting strip with street trees planted along west side of street at 25' on center
- street lighting oriented towards pedestrian and automobile traffic, spaced at 50' on center
- underground power lines

#### Table 4 - DOWNTOWN - Walkable District Streetscape Design Guidelines

please see preceding design guidelines glossary for specific recommendations on all items

##### street furnishings

lighting	Lighting along all streets in walkable district, spaced 50' on center
benches	Placed near appropriate street corners, transit stops, and in all public parks or plazas
trash receptacles	Placed near street corners, transit stops, and benches
transit stops/ shelters	Recommended for all transit stops in the district
bicycle racks	Placed near transit stops, building entrances, and in all public parks or plazas

##### landscaping

street trees	Street trees with tap roots planted 25' on center are recommended along all streets within the walkable district where possible.
planting strips	Planting strips are recommended only along residential streets outside of the walkable district, and along 11th Street in long-term one-way pairs option.
planting pits/tree grates	Use along all pedestrian-oriented streets with mixed-use development.
sidewalks, curb-cuts, crosswalks & paving	
curb cuts	ADA compliant curb-cuts must be used at all crosswalks.
crosswalks & paving	Bricked or stamped crosswalks at every intersection along Harrison & Business 98, as well as along the new waterfront mixed-use area.
sidewalks	Sidewalks are recommended along all streets within the walkable district. To accommodate street furnishings & landscaping, sidewalks should be widened to 12' along Business 98. It is recommended that new sidewalks in the area be built at a minimum width of 12' to accommodate street trees and pedestrian traffic.
multi-use trail	See Downtown Master Plan for location (p.79) and preceding design guidelines glossary

##### signage

commercial signage	See preceding design guidelines glossary
district identification & gateways	District identification signage is recommended along Business 98 from Harrison Avenue to Beach Drive, along Harrison Avenue from Business 98 south, and along the streets and multi-use trails comprising the new waterfront mixed-use area. Additional gateway signage should be included at the intersection of Business 98 and Beach Drive.

##### building orientation & front setbacks

###### spatial enclosure/building height

mixed-use/commercial	1:2 or 1:1 building height to build-to-line ratios. This can translate into up to 6 stories for the recommended 64' R.O.W. & setbacks along 6th Street, although 2-4 stories are recommended to stay in keeping with the surrounding context.
high-density residential	1:2 or 1:3 building height to build-to-line ratios. This translates into 2-4 stories for the recommended 78' R.O.W. & setbacks along Harrison Avenue north of US Business 98.
low-density residential	1:4 - 1:6 building height to build-to-line ratios, or 1-2 stories for a typical residential street.
building orientation	buildings oriented towards the street are strongly recommended

##### front setbacks

mixed-use/commercial	0' front setbacks are strongly encouraged when a building is fronting a primary street. This can be increased up to 15' where streetside dining, plazas, courtyards or markets are provided.
high-density residential	5' - 15' setbacks
low-density residential	5' - 20' setbacks

##### parking

on-street	On-street parking should remain in place along streets where it is currently in place and be added to streets where there is enough available R.O.W.
surface parking lots	All surface parking lots should be interior-block lots.
structured parking	If it is deemed necessary, an interior-block parking deck is recommended for the block north of the intersection with Harrison Avenue and the re-alignment of Beach Avenue.
access management	Access management with alleyway access to rear parking is recommended along all roads, with the exception of low-density residential development, where individual driveways are permitted.

## Appendix G Best Practices for Effecting the Rehabilitation of Affordable Housing

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**BEST PRACTICES FOR EFFECTING THE REHABILITATION  
OF AFFORDABLE HOUSING**

VOLUME 1: FRAMEWORK AND FINDINGS



**PD&R**

**Strategy Guide—Best Practices for  
Affordable Housing Rehab**

**Strategy Guide—Best Practices**  
**I. A. Property Acquisition**

Strategy	Description	Example	Evaluation/Comments
Receivership	Receivership is a legal process, and potentially powerful rehab tool, in which a receiver is appointed to manage a badly deteriorated or dangerous property to abate a continuing nuisance and bring the property into conformity with applicable code requirements. Once a receivership petition is approved, the receiver takes control of the property from the delinquent owner, collects rent, and uses the proceeds to make the necessary improvements	<p><i>Cleveland, OH:</i> Ohio's receivership law allows a nonprofit housing corporation to be appointed as a receiver on a deteriorated property. Community development corporations wishing to undertake receivership use pro bono legal expertise.</p> <p>The Ohio receivership statute places the receiver's lien in front of all other liens except mortgage and federal liens—a situation that improves the likelihood that a receiver's lien will be paid off at time of disposition.</p> <p><i>Chicago, IL:</i> The Mayor's Home Rehabilitation Program (MHRP) encompasses receives appointed to repair deteriorated, foreclosed properties. MHRP secured responsible contractors, obtained financing, coordinated service agencies, and prepared legal documents.</p>	<p>The language and structure of the receivership statutes vary state by state, thereby leading to differences in applicability and success. (See Resource Guide, section G and Volume II for state by state details.) The process to appoint a receiver typically takes many months and requires extensive legal expertise. If appointed, a receiver is responsible for bringing a building up to code standards and then disposing of it. There may be a need for bridge financing and subsidies for the receiver to complete the repairs. While not a simple to effect mechanism, receivership does offer the potential for controlling problem properties that may discourage rehab and for acquiring sufficient properties so as to effect rehab in larger scale.</p>
Accelerated tax foreclosure	Accelerated tax foreclosure allows state and local governments to expeditiously acquire tax delinquent properties, many of which may be vacant or deteriorated. This strategy can also be used to accelerate acquisition for rehab and bring unsafe properties under reasonable management.	<p><i>Michigan:</i> Michigan's Public Act 123 of 1999 replaced the sale of tax liens to third parties with the direct foreclosure of the tax delinquent property by either the county or the state. The power to directly foreclose on tax liens expedited the foreclosure process.</p> <p>The first time Michigan counties could effect the new procedure was in 2002. Genesee County, Michigan foreclosed on and took approximately 1,300 properties in March 2002. Two-thirds of these properties had assessed values of less than \$10,000.</p> <p><i>Ohio:</i> Ohio's HB 603, passed in 1988, streamlined the foreclosure process, and abated delinquent taxes on properties deposited in a land bank. Once taxes are delinquent for a year, foreclosure proceedings begin. Sheriff sales are held three times a year, and owners have a 15-day redemption period for sold</p>	Although accelerated tax foreclosure can be useful for property acquisition it remains a lengthy procedure.

**Strategy Guide—Best Practices**  
**I. A. Property Acquisition**

Strategy	Description	Example	Evaluation/Comments
		<p>properties. If a property remains unsold after two Sheriff Sales, then the property is deemed forfeited and either deposited in a land bank or sold by the State of Ohio at an Auditor's Sale.</p>	
Proactively favor rehab in the disposition of foreclosed properties	<p>This strategy entails giving rehab priority over demolition in the disposition of foreclosed properties.</p>	<p><i>Troy, NY:</i> The city of Troy developed a system for the sale of tax-foreclosed properties that requires the review of a "purchase proposal." The intended use is considered more important than the proposed purchase price. This process ensures that buyers put the properties to new uses that contribute to neighborhood revitalization.</p> <p>A local ordinance specifies that the City of Troy is required to offer foreclosed properties for sale by the "purchase proposal" method. To promote this process, the city hired Troy Architectural Program (TAP), a private, nonprofit community design center, and assigned city staff to work specifically on promotion. The city and TAP photograph all of the available tax-foreclosed properties and prepare information sheets for each one. Foreclosure signs are displayed prominently on all properties, local news coverage is generated, and applicants are directed to TAP for assistance in completing the proposal application. The city also posts detailed property descriptions on its web site. When property proposals are reviewed, the intended use is considered to be more important than the bid price, and only after a property has failed to sell by the proposal method will it be offered at auction.</p>	<p>Over 100 parcels have been sold for rehab under Troy's "purchase proposal" program. Most buyers have been residents of the Troy area but one purchaser hailed from as far away as San Francisco. Following Troy's near bankruptcy in recent years, the city is experiencing some renewal, which this program has helped to make possible. It has inspired a renewed interest in Troy's rich architectural heritage and has encouraged a preservation ethic in a new generation of city residents.</p>
Eminent domain	<p>Eminent domain is the governmental power to take private property for a public purpose as long as the owner is paid just compensation for the taking.</p>	<p><i>Trenton, NJ:</i> Under New Jersey's Local Redevelopment and Housing Law (LRHL), the public acquirer can take properties in designated "areas in need of redevelopment" through eminent domain condemnation proceedings.</p> <p><i>Massachusetts:</i> This state's 40Q statute has</p>	<p>Eminent domain can be an effective property acquisition strategy for rehab, especially when all other acquisition strategies fail. Purchase values must be realistic, however, and the legal requirements and protections governing condemnation must be followed. Further, there is a backlash against the application of eminent</p>

**Strategy Guide—Best Practices**  
**I. A. Property Acquisition**

Strategy	Description	Example	Evaluation/Comments
		removed the need to prove the area around the condemned real estate is “blighted” and permits municipalities to set aside up to 25 percent of their acreage as “development districts”—in which the expanded powers of eminent domain can be used.	domain when the acquired property is used for private as opposed to public purposes.
Addressing and reducing “lienfields”	“Lienfields” are properties that have accumulated unpaid taxes or liens, over the years. Governments are able to address and reduce “lienfields” through actions that reduce or remove back taxes.	<p><i>Philadelphia, PA:</i> The Donor-Taker Program in Philadelphia allows property owners to deed their vacant or abandoned property to the city, which accepts it as a donation and waives all tax liens. The Redevelopment Authority (RDA) then takes ownership of the property and has the ability to transfer it to individuals, community organizations, or city agencies under the city’s “Gift Property” program.</p> <p>The Donor-Taker and Gift Property Programs are relatively centralized and user friendly. Applications are taken to a central city office that checks to see if there are other applicants and whether there are any existing public plans for the property. The applicant, or Taker, submits a standardized rehab plan. If the application is approved, then the property is deeded to the Taker for no cost.</p> <p><i>Ohio:</i> Ohio’s HB 603, passed in 1988, included a provision that allows for the abatement of delinquent property taxes when a property is deposited into the land bank of any municipality. Before its passage, properties in the land bank carried the tax lien until purchase by a private owner.</p>	<p>The Donor-Taker program in Philadelphia requires that the owner of the vacant or abandoned property also apply to the city. Therefore, the program is essentially ineffective if a property owner cannot be found, or is not willing to donate the property. It is not uncommon for city records to list an abandoned property as the mailing and home address for an owner, when it is clear that the building is unoccupied. Improved ownership records would assist in the identification of owners, enhancing the effectiveness and scale of the Donor-Taker program. Further, since the program is not automated, the effectiveness and operation of the program rests on the staff and organization of the RDA. If participation in the program increased dramatically, investments and improvements at the RDA would be necessary to maintain the timeliness and efficiency of the program.</p> <p>The abatement of tax liens on properties deposited into municipal land banks in Ohio reduces the cost of acquisition and improves the overall cost-effectiveness of rehab projects. This process of lien abatement is contingent on properties being deposited in the land bank, otherwise it is essentially a moot point in addressing and reducing “lienfields”.</p>
Land banks (also property donation)	Land banks consist of properties, typically neglected or underutilized, that are held, or “banked” for a specified future use, which may include rehab. They allow for the acquisition,	<i>Cleveland, Ohio:</i> Ohio municipalities are able to establish land banks through a 1976 enabling statute. Properties are deposited either as a gift in lieu of foreclosure, or after foreclosure and the failure of the property to be sold at Sheriff’s sale.	In Cleveland, the process of acquiring property through the land bank is limited to CDCs. Proposals must be submitted for evaluation by the land bank staff, a neighborhood planner, and a neighborhood advisory council.

**Strategy Guide—Best Practices**  
**I. A. Property Acquisition**

Strategy	Description	Example	Evaluation/Comments
		management, and disposition the acquired properties so that they can be returned to use and tax revenue status.	There are approximately 5,000 to 6,000 properties in the land bank, with 200 to 300 gifted annually. The city maintains property records for the entire land bank.
		Once a property has entered the land bank, title is cleared and private liens are removed. HB 603 allows for the abatement of delinquent property taxes after the property is deposited in the land bank (see above). A LISC (Local Initiatives Support Corporation) report estimates that about 90% of CDC (community development corporation) properties in Cleveland are acquired from the land bank and approximately 500 properties from the land bank are sold to community development corporations annually.	
Enhanced property identification	Use of GIS and other procedures to assemble and integrate property information.	<i>Philadelphia, Pennsylvania:</i> The Neighborhood Information System (NIS), housed at the Cartographic Modeling Lab (CML) at the University of Pennsylvania, houses address-level data for over 560,000 Philadelphia properties. The ParcelBase application of the NIS includes information from many city agencies, including the: Board of Revision and Taxes (owner name, property type, sale date, sale price, assessed value); Department of Licenses and Inspections (demolition, clean and seal, housing code violations, vacancy status); Revenue Department (current tax bill, tax arrearages, lien sale); Water Revenue Department (water shutoff, water bill arrearages); Philadelphia Gas Works (gas shutoff); Office of Housing and Community Development (results of community foot surveys, digital photos); and Office of the Fire Marshall (date of fire, cause, type of investigation). The NIS provides immediate access through the internet to a variety of data that would otherwise require many phone calls and visits to different agencies.	These systems provide much data from a “one-stop” source. A survey revealed that the Philadelphia NIS is providing access to data to people who might not otherwise have the ability to access it (20% of survey respondents answered they would not know who to contact for the information if it was not available through the NIS) and is reducing the burden of city agencies to provide address level data. (Survey respondents answered that without access to the NIS, 67% would call the responsible city agency and 42% would visit the agency in person.) However, GIS-type data assembly can be challenging.

**Strategy Guide—Best Practices**  
**I. A. Property Acquisition**

Strategy	Description	Example	Evaluation/Comments
		<p>Additionally, the data is linked through a Geographic Information System (GIS) to parcel maps, which allows a user to examine the City of Philadelphia's cadastral data. Over 50 city agencies and 175 non-profit organizations had employees who were registered ParcelBase users.</p> <p><i>Genesee County, MI:</i> PropertyInfo, an online search service provided by Genesee County, Michigan, receives property information from local cities, villages and townships in Genesee County. It provides accessibility to data about the taxpayer/owner, assessed and taxable values, delinquent tax information, and legal property descriptions.</p>	
Negotiated bulk purchase	Through negotiated bulk purchase, a rehab entity negotiates to acquire properties in volume from governmental and/or private sources (e.g., lenders).	<p><i>Miami, FL:</i> Greater Miami Neighborhoods (GMN) negotiated with HUD and Miami-Dade County for the right of first refusal of all properties disposed of by HUD and the county in certain zip codes. GMN was further given a discount of up to 50% of the nominal property values. GMN would rehab the given properties or would transfer them to other nonprofits, such as the Little Haiti Housing Association.</p>	<p>Negotiated bulk purchase provides a steady source of properties and the bulk acquisition may realize a discount in property acquisition costs. Yet, bulk acquisition may pose financial, logistical, and other problems related to the higher volumes of acquisition.</p>
Property "hold"	Rehab entity negotiates right of first refusal on properties potentially suitable for renovation.	<p><i>Seattle, WA:</i> Capital Hill Housing Improvement Program, a Seattle nonprofit, has effected this strategy to lay claim to properties in a "hot" real estate market.</p>	<p>This strategy is potentially useful, but ties up scarce "up-front capital" (See "Bridge Loans").</p>
Proactive identification of properties suitable for rehab	Proactive property identification entails the creation of listings and catalogues of buildings and vacant parcels available, or earmarked, for rehab.	<p><i>Rochester, NY:</i> The Landmark Society of Western New York established a creative new approach in 1998 to encourage homeownership in the city by starting a marketing initiative: the Home Room City Living Resource Center. Featuring a web site and local real estate agents. The Home Room programs have been popular: 37,000 hits to the Web site in April 2000, 500 visitors to the Resource Center in a two-year period, and a positive response among realtors for the "Marketing Historic Homes Successfully" course. Local realtors and potential homebuyers are better</p>	<p>Rochester, NY: The Home Room City Living Resource Center has greatly strengthened the relationship between the Landmark Society, the Greater Rochester Association of Realtors, and local real estate agents. The Home Room</p>

**Strategy Guide—Best Practices**  
**I. A. Property Acquisition**

Strategy	Description	Example	Evaluation/Comments
		<p>campaigns, and an annual housing fair. The Home Room also offers a course specifically for realtors called "Marketing Historic Homes Successfully."</p> <p><i>Hartford, CT:</i> The Local Initiatives Support Corporation (LISC), a nonprofit community development intermediary, created a catalogue of buildings available for development in order to inform developers and encourage them to invest in city housing.</p> <p>LISC's Hartford Office sought a means to visually showcase and market to investors and community development corporations properties that were available for redevelopment. To that end, LISC, with the help of a consultant and an intern from a local college, developed a catalogue of 125 vacant buildings available for renovation into homes. The catalogue features pictures of the vacant buildings and provides critical information about each one, including lot size, name and address of the current owner, and tax delinquency status to help the nonprofit developer plan its acquisition and redevelopment.</p>	<p>informed about the rehab potential of historic residential properties, and home sales within the city have increased.</p> <p>Hartford, CT: By marketing the redevelopment potential of these Hartford properties, LISC expects to galvanize nonprofit developers and the funding community to work together to revitalize the structures and eliminate blight in their neighborhoods. In addition, a local funding group has pledged financial support in the form of a \$10,000 incentive fee per housing unit to any nonprofit developer who will renovate buildings listed in the catalogue. Already, nonprofit developers have identified approximately 50 properties from the most recent Hartford catalogue that they intend to acquire and renovate.</p>
Swap properties	Through a property swap entities owning different properties can swap their holdings to better serve their respective needs.	<p><i>Seattle, WA:</i> In one instance, two non-profits swapped properties they respectively owned because the properties they each acquired through the swap better met their organization's mission and capabilities. Another case saw a non-profit joining forces with the Seattle Public Library to acquire a property that would be used to benefit both parties.</p>	<p>A practical and useful strategy—if the multiple entities holding properties can be brought together and their mutual interests satisfied.</p>
Bargain sales	Through "bargain sales," sellers of real estate can make a partial donation of equity to a nonprofit buyer with the seller then claiming a charitable contribution to reduce tax liabilities.	<p><i>Seattle, WA:</i> Capital Hill Housing Improvement Program, a Seattle nonprofit, has negotiated transactions including nearly \$1 million in such donations over the past five years.</p> <p><i>Providence, RI:</i> Stop Wasting Abandoned Properties (SWAP), Inc. began selling houses for a dollar and helping families renovate them for owner-occupancy. In addition to rehabilitating</p>	<p>A useful strategy—if the parties can be brought together and their mutual interests satisfied.</p> <p>Providence, RI: Over the course of its existence, SWAP has facilitated the rehabilitation or construction of 73 units of affordable rental housing and 43 home ownership units. The effect</p>

**Strategy Guide—Best Practices**  
**I. A. Property Acquisition**

Strategy	Description	Example	Evaluation/Comments
		homes and building new ones on vacant lots, SWAP also develops rental and cooperative-living opportunities. Today SWAP provides a variety of housing-related services through its Home Buyer Education Program.	on the community has been dramatic because it has provided the impetus for major investment in both public and private funds.
Bridge loans and other financial supports for property acquisition	Bridge loans provide “up-front” capital to permit timely property acquisition.	<p><i>Seattle, WA:</i> The Seattle Office of Housing provides bridge loans for property acquisition. Loan terms are: 100% Loan-To-Value (LTV), 3 year term, at 3% interest rate. Loan repayment can be deferred.</p> <p><i>New Haven, CT:</i> Connecticut passed the Livable City Initiative (LCI) in 1996. LCI expands government support of rehab in areas designated as “neighborhood revitalization zones.” The program provides acquisition funding for properties located in these designated zones, which then allows Neighborhood Housing Services of New Haven to undertake rehab.</p> <p><i>National:</i> LISC provides bridge loans for property acquisition.</p>	<p>While Seattle funding sources for this purpose are very limited this city’s bridge loans are very useful since up-front expenses are particularly problematic for most rehab entities.</p> <p>There is a risk, however. As noted by the Capital Hill Housing Improvement Program (CHHIP, a non-profit organization based in Seattle, WA): “Buying with a bridge loan may not work. The rehab may not be realized and then you are stuck as the owner, having to make repairs, raising rents and confronting the possibility of a property’s value going down.”</p>

**Strategy Guide—Best Practices**  
**I. B. Cost Estimation**

Strategy	Description	Example	Evaluation/ Comments
Cost estimating software	See strategy.	<p><i>Miami, FL:</i> Little Haiti Housing Association (LHHA) has tested software called “Housing Developer Pro” (HDP).</p>	LHHA has found HDP to be difficult and time consuming for use, especially by less experienced contractors (e.g., HDP has a 6-page “spec” list for plumbing/electrical components alone). Software programs, however, may be useful for larger rehab jobs and for more experienced contractors.
Customized rehab checklist	Rehab entity develops custom checklist, “spec sheet,” and other materials for estimating the rehab costs of the type of buildings being renovated.	<p><i>Miami, FL:</i> LHHA has successfully developed a checklist for cost estimation and for its typically single-family detached housing rehab.</p>	It requires expertise to develop a checklist. Further, these lists are most useful for renovating similar types of properties. Given the similarity in housing units that LHHA rehabs, this organization’s checklist proved to be very successful for them.
Rehab entity acts as general contractor (GC)	Performing as a GC gives rehab entity better expertise to estimate costs and the GC “mark-up” can then be captured internally.	<p><i>Miami, FL:</i> LHHA has used this strategy.</p>	Performing GC functions requires skill, expertise, licensing, and finances that may be beyond the capacity of many rehab entities.
Work with similar group of construction professionals	Tap the expertise of a cadre of subcontractors in estimating costs	<p><i>Miami, FL:</i> LHHA has the same staff (and often subcontractors) involved in its cost estimation and this continuity provides invaluable cost-estimation expertise.</p> <p><i>Trenton, NJ:</i> Isles maintains a relationship with an architect who is also a developer and thereby very good at estimating costs. An experienced contractor is often contacted to assist in the estimate.</p>	Subcontractors can be very knowledgeable; however, it may be difficult to work with the same subcontractors because of bidding (lowest bid gets job), volume (rehab entity does not do enough work to ensure working with similar contractors), and other challenges.
Careful initial cost estimation	Allow resources for careful cost estimation—before rehab project commences.	<p><i>New Haven, CT:</i> Neighborhood Housing Services of New Haven relies on in-house experts, and finds that an upfront investment in time and money for the most thorough inspection and estimation possible is helpful in reducing unexpected costs.</p> <p><i>Trenton, NJ:</i> Isles’ first concern when estimating is design. It believes that if money is invested in upfront design and cost estimation, benefits will be reaped through a reduction in overall costs and the improvement of the project.</p>	Useful, however, there is often insufficient monetary resources and time to effect a careful cost estimation “up front.”

**Strategy Guide—Best Practices**  
**I. B. Cost Estimation**

Strategy	Description	Example	Evaluation/ Comments
Careful initial cost estimation (continued)	See above description.	Isles' second priority is to seek economies of scale whenever possible in order to increase benefits and decrease costs. Finally, it emphasizes value engineering. If contractors and architects work together, they are more likely to come up with the best design and budget.	
Retain experienced cost estimator	See strategy.	<p><i>Miami, FL:</i> Little Haiti Housing Association (LHHA) notes that, "We have two generations of rehab experience." This has allowed the same individuals to make estimates on similar properties project after project for LHHA.</p> <p><i>Seattle, WA:</i> Case study underscored importance of experience of local nonprofits in estimating costs.</p> <p><i>Trenton, NJ:</i> Isles has experienced construction people on its staff, and these personnel have worked numerous years on Isles' rehab jobs. This, coupled with the inherent simplicity in much of the housing stock renovated by Isles, has allowed consistent and accurate cost estimates.</p>	An experienced cost estimator is especially important for larger and more complex jobs.
Avoid generalizations	It is important for cost estimates to be developed on a case-by-case basis.	<p><i>South Greensboro, SC:</i> Cost estimates were used in an evaluation of when, and how much, there would be savings by choosing an alternative treatment or materials; it was common for the restoration or repair of an architectural feature to represent cost savings over its replacement.</p> <p>The process, however, was cumbersome and the cost saving estimates on one house was not easily generalizable. During this demonstration project, it became evident that a general property cost analysis was not useful in setting the design guidelines because there is so much variation between properties.</p> <p>Instead, the team shifted its focus to establishing a four-stage process that was replicable and could be applied to each property but with the ability of</p>	Although general checklists can be useful, they should not be used as an end-all. As the South Carolina example illustrates, each situation must be viewed on an individual basis.

**Strategy Guide—Best Practices**  
**I. B. Cost Estimation**

Strategy	Description	Example	Evaluation/ Comments
Effect extensive as opposed to selective rehab	See strategy.	"accounting" for customization and individual house specifics.  <i>New York, NY:</i> "Instant rehab" demonstration installed factory-built modules to the substantial rehab of deteriorated buildings.	Substantial rehab may be easier to estimate accurately than a more moderate renovation because in the latter there are more judgment calls concerning items that could be retained as is, those that need to be repaired, and finally, systems that must be replaced.
Provide cost guidelines	City or other public institution can disseminate information on actual rehab costs by property type, location, and rehab category.	<i>Seattle, WA:</i> This strategy was proposed by architects working on common configurations of buildings in this city.	With substantial rehab, almost everything is replaced; thus, estimating that type of job is more akin to new construction.  On the other hand, substantial rehab is the most expensive form of renovation intervention.

**Strategy Guide—Best Practices**  
**I. C. Insurance**

Strategy	Description	Example	Evaluation/ Comments
Cultivate services of competent professionals	Obtaining insurance coverage for rehab projects can be problematic, so working with a knowledgeable insurance professional is helpful.	<i>New Haven, CT:</i> Neighborhood Housing Services of New Haven has not encountered any problems in obtaining insurance. It has a “fortunate relationship with a good insurance agency.”	Maintaining a favorable relationship with insurance agents and companies is extremely important for without proper and reasonable insurance coverage, rehab cannot take place.
Reduce insurance risk	Reducing risk factors can lower insurance premium costs.	<i>Seattle, WA:</i> Low Income Housing Institute (LIHI) advised up-front investment in alarms and sprinklers in order to reduce long term insurance costs in renovated buildings.	A useful strategy with any insurance situation.
Allow flexibility	See strategy.	<i>Trenton, NJ:</i> While Isles does not report problems with obtaining insurance for its needs (including hazard, builder's risk, and other coverage), some of the smaller contractors working on Isles projects have not been able to obtain surety bonding.  “Funders have recognized the problem,” however, and have allowed the builders to work without payment for performance protection.	While useful, this strategy has its limitations because larger rehab jobs may necessitate surety and other insurance coverage.
Educate underwriters and insurance companies	Education is necessary because insurance underwriters may view rehab as “having a greater risk factor exposure” relative to new construction. Thus, premiums may be higher.	<i>Miami, FL:</i> It costs a nonprofit, Little Haiti Housing Association, approximately two times as much to obtain general liability and hazard insurance coverage for rehab relative to new construction projects.  Rehab is viewed as inherently more risky because “whether or not it is justified, the rehab situation is perceived as an open invitation for vandals, squatters, and others who can damage a vacant unit. If the unit is occupied and rehab is being done around tenants that triggers yet other risks. New construction has a cleaner exposure.”  In fact, however, the LHHA rehab projects have minimal insurance claims.	Education and developing accurate actuarial record for rehab are useful strategies.

**Strategy Guide—Best Practices**  
**I. D. Financing**

Strategy	Description	Example	Evaluation/ Comments
Address rehab property appraisal issues	Since financing often is secured at a share of value, the appropriate determination of the value of properties being renovated is a prerequisite for obtaining adequate-sized mortgage loans for rehab.	<i>Miami, FL:</i> The appraisal of one property renovated by Little Haiti Housing Association's (LHHA) demonstrates mistakes made by appraisers in a rehab situation. In the LHHA case, the appraiser misapplied all three valuation approaches: <ul style="list-style-type: none"> <li>• <i>Cost approach:</i> the depreciation factor applied by the appraiser was too high as it did not take into account the rehab investment in the subject property.</li> <li>• <i>Sales of comps:</i> superior condition and marketability of the subject property post-rehab was not taken into account.</li> <li>• <i>Income approach:</i> the appraiser did not factor an increase in the rent roll following rehab and also failed to acknowledge that the vacancy factor would be less with the improvements. When the building expense ratio was calculated, grants that could be used by LHHA were ignored—leading to an inflated capitalization (“cap”) rate. Reduced investment risk on a renovated property, also supporting a lower “cap rate,” was similarly ignored.</li> </ul> <i>Chicago, IL:</i> Chicago's Vintage Homes Program helps to lessen the consequences of poor appraisals by subsidizing the difference between rehab costs and the rehab appraised value.	A more accurate appraisal of the LHHA property sets a value of \$430,000—appreciably more than the \$310,000 original appraisal. The valuation errors (described under example) undermined LHHA's renovation. Appraisal sensitive to the rehab context (see example) is thus important.

**Strategy Guide—Best Practices**  
**I. D. Financing**

Strategy	Description	Example	Evaluation/ Comments
Encourage lenders to meet the credit needs of their service areas, including the need for financing for affordable housing rehab	Healthy neighborhoods require access to credit, including financing for rehab.	Heightened lender attention to the credit needs of their service areas and related actions (e.g., ties between lenders and CDCs) has been fostered by the Community Reinvestment Act (CRA). The CRA has encouraged lenders to expand their financing to traditionally underserved populations, areas, and investments, including housing rehab.	The CRA has prompted additional financing for affordable housing rehab and other purposes. However, recent attempts to reduce the applicability of CRA may lessen the effect of this statute.

**Strategy Guide—Best Practices**  
**I. D. Financing**

Strategy	Description	Example	Evaluation/ Comments
Maintain good relationship with lenders	Lenders may perceive rehab as being “more difficult” and “harder to realize its goals” relative to new construction. Thus, lenders may demand more equity in rehab cases.  It therefore is imperative that rehab entities maintain favorable relationships with lenders to assist in their funding.	<i>Miami, FL:</i> Little Haiti Housing Association has a good working relationship with private lenders. LHHA tries to use private rather than public monies for its up-front acquisition and rehab expenses because of the government subsidies’ ancillary requirements and other drawbacks.  LHHA has obtained traditional construction loans from lenders, paying the prime rate plus additional basis points as dictated by the market, and has also availed itself of monies from the Community Reinvestment Group (CRG) whereby Miami-Dade County lenders extend to nonprofits up to 95 percent financing for acquisition-rehab at well below market interest rates.  Lenders applauded LHHA’s construction and development savvy, its ability to garner multiple subsidies, and the nonprofit’s homeownership counseling and other social support services.  <i>New Haven, CT:</i> Neighborhood Housing Services of New Haven has access to revolving lines of credit at three banks, which gives it access to working capital with “maximum flexibility.”	Access to privately funded capital expands the resource base for affordable housing rehab.
Limit liability	Lenders would be more amenable to fund rehab if liability from brownfields and other potentially litigious situations were limited.	<i>Minnesota:</i> In an attempt to help property owners and others interested in urban redevelopment clean up polluted sites without the fear of Superfund liability, Minnesota enacted the Land Recycling Act in 1992. This statute, the first of its kind in the nation, created the VIC program – for Voluntary Investigation and Clean-up – administered by the Minnesota Pollution Control Agency (MPCA). The program accomplishes its overall goal of reclaiming brownfields in several ways: <ul style="list-style-type: none"><li>• It provides assurance against legal liability to people who voluntarily investigate site contamination and clean it up to MPCA’s standards. The law extends this liability</li></ul>	An important strategy to attract private capital for rehab.

**Strategy Guide—Best Practices**  
**I. D. Financing**

Strategy	Description	Example	Evaluation/ Comments
Limit liability (continued)	See above description.	<ul style="list-style-type: none"> <li>• protection to other parties associated with the brownfield as well, such as owners, developers, lenders and their successors.</li> <li>• It allows the MPCA to approve partial clean-up plans when property owners, who are not responsible for the pollution, want to develop just a portion of larger site. Clean-ups under VIC must meet standards similar to those of the Superfund, but the former are often much less expensive because uses planned for the site are known, thereby allowing for “risk-based assessments,” and the process of identifying a clean-up method is streamlined.</li> </ul> <p><i>Other states:</i> Other states have passed laws or created programs to facilitate the redevelopment of polluted sites. Delaware, Illinois, Indiana, Massachusetts, Missouri, New Jersey, Ohio, Oregon, Pennsylvania, Rhode Island, and Virginia are among these states.</p> <p>Delaware’s law authorizes tax breaks and exempts new owners from future liability if they restore any of some 100 brownfields. Pennsylvania’s Land Recycling Program, administered by the state Department of Environmental Protection, limits future liability on sites where clean-ups meet certain standards and provides grants and loans to help finance environmental assessments and site clean-ups.</p> <p>A New Jersey law permits owners of brownfields sites in “environmental opportunity zones” that are adequately cleaned up to qualify for a ten-year property tax exemption.</p>	VIC helps buyers and sellers of possibly Minnesota’s contaminated land resolve legal and financial clouds over brownfields while expediting their clean-up. Potential buyers willing to invest in a site’s reclamation are able to get assurance from an independent third party that if they restore a site to the satisfaction of the authorities, they will not have to worry about future liability.

**Strategy Guide—Best Practices**  
**I. D. Financing**

Strategy	Description	Example	Evaluation/ Comments
Limit liability (continued)	See above description.	Rhode Island, whose urban corridor contains nearly 200 contaminated sites, enacted an Industrial Property Remediation and Reuse Act in 1995. Among other provisions, this law exempts landowners from liability for contamination if they did not contribute to a site's pollution (Beaumont 1996a, 129-131).	
Use layered financing (see also "Creative financing")	Layered financing involves the use of all available and appropriate sources of funding to revitalize existing properties. These sources include government programs, tax increment financing, property tax abatement, and others.	<p><i>New Haven, CT:</i> Drawing on federal Urban Development Action Grants (UDAG), Community Development Block Grants (CDGB), HOME, Connecticut Historic Homes Rehabilitation Tax Credit Program, and assistance from the Connecticut Housing Finance Authority, Neighborhood Housing Services of New Haven (NHS) was able do affordable rehab and new construction in the city.</p> <p><i>Miami, FL:</i> Little Haiti Housing Association utilizes the Affordable Housing Program (AHP) from the Federal Home Loan System and funds from HUD (CDBG, HOME and HOPE) and the Miami-Dade County Housing Trust Fund to decrease the gap between rehab cost, and the housing outlays affordable to LHHA's low-income clientele.</p> <p><i>Seattle, WA:</i> Subsidies have been essential in helping Seattle affordable housing rehab. Among those taken advantage of have been: Low-Income Housing Tax Credits (LIHTC); Historic Rehabilitation Tax Credit (HTC); Affordable Housing Program (AHP) monies from the Federal Home Loan Bank; Local Initiatives Support Corporation (LISC) investment; assistance from the Washington State Housing Trust Fund, the city of Seattle, and HUD; and the Community Reinvestment Act (CRA)—a statute prompting low</p>	<p>Those doing affordable housing rehab often have no choice other than to draw upon multiple subsidies. However, utilizing multiple, layered subsidies proves its own challenge because different programs may have conflicting priorities and requirements.</p>

48

Strategy	Description	Example	Evaluation/ Comments
Use of layered financing (see also "creative financing") (continued)	See strategy.	<p>cost rehab loans from lenders.</p> <p><i>Chicago, IL:</i> Chicago is the only city in the country to have a specific allocation for the LIHTC. Rehab entities have relied on CDBG, HOME, Section 202, the LIHTC, HTC, and various state and city supports.</p> <p>These include the Chicago Abandoned Property Program (CARP), Affordable Rents for Chicago Program (ARC), Chicago Low-Income Housing Trust Fund (a rental subsidy program), Multi-Family Rehab and New Construction Loan Program, Multi-Family Tax Exempt and Taxable Housing-Revenue Bond Program, Predevelopment Loan Program, and Vintage Homes for Chicago Program.</p> <p>It is important to note that these Chicago-cited subsidies are most often combined. For example, the Historic Rehab Tax Credit (HTC) is commonly combined with the LIHTC to create a powerful subsidy for low-income historic rehab.</p> <p><i>Philadelphia, PA:</i> The Brentwood Apartments represents a collaboration between an active neighborhood-based, nonprofit corporation (Parkside Historic Preservation Commission (PHPC) and an experienced affordable housing developer (Partnership of Penrose Properties, Inc.). The partnership effectively combines the assets of each to gain local support, attracts the necessary financing, and obtains and provides the expertise in managing this most challenging development. As a contributing structure in the Parkside National Register Historic District, the historic rehab project was able to utilize the HTC.</p> <p><i>Newark, NJ:</i> St. James Community Development Corporation (CDC), a nonprofit, rehabilitated a</p>	<p>The development of the Brentwood Apartments in Philadelphia eliminated blight and hazardous conditions in a neighborhood struggling to reverse decades of disinvestment and deterioration. This project provided the necessary critical mass of livable space to support a more viable project. The restoration proved successful in reconfiguring the interiors to meet contemporary housing needs while also preserving the historic integrity of the facades.</p> <p>The rehab of the St. James row houses in Newark has been an integral part of the stabilization of a</p>

49

**Strategy Guide—Best Practices**  
**I. D. Financing**

Strategy	Description	Example	Evaluation/ Comments
Use layered financing (see also “creative financing”) (continued)	See strategy.	<p>series of limestone row houses in Newark, New Jersey. The city of Newark provided the funding necessary to attract additional capital to the project. Through its HOME and CDBG programs, Newark leveraged \$1.8 million in loans and \$1.8 million in equity, with the addition of a nominal grant from the Episcopal Church Center. Assistance was also provided through federal historic and low income housing tax credits.</p> <p><i>Warwick and Providence, RI:</i> The Women’s Development Corporation (WDC) is a nonprofit that designs, develops, and manages affordable housing for low-income families—primarily female-headed households with children. Two WDC projects include School House Place in Warwick, an adaptive reuse of a school built in 1896, and the West End projects in Providence, which involved the reuse of 19<sup>th</sup> century buildings. WDC brought to the table the expertise to leverage the necessary funds and experienced staff to see the projects through the construction phase.</p> <p><i>Boston, MA:</i> The Historic HomeWorks, a city-sponsored program, provides grants and technical assistance to help homeowners in making repairs that maintain the architectural integrity of their homes, and contribute to the overall historic character of their neighborhood. Grants of up to \$7,500 are available for historically appropriate exterior repairs and improvements. The amount of rehab can be between \$2,000 and \$35,000. Grantees must guarantee that they will use the house as their primary residence for 10 years.</p> <p><i>Fall River, MA:</i> The Cushing Companies, a private developer/contractor, secured historic tax credits for several properties and made low-income rental</p>	<p>historic neighborhood as well as countering urban blight. It has proven to be a catalyst in attracting private investment to the area, which has resulted in a neighborhood of mixed incomes. Reuse of properties with historic significance, where economically feasible, proved to be an effective strategy to preserve the architectural character of the neighborhood, offering residents a profound sense of positive change, and creating renewed economic interest in other buildings in the neighborhood.</p> <p>In its School House Place project in Rhode Island, WDC converted a landmark public school in Warwick, built in 1886, into seven low-income units. The West End apartments were the first and second phases of a project that reclaimed 20 buildings, transforming them into 47 units of affordable rental housing.</p> <p>The Historic HomeWorks Program has helped many Boston homeowners maintain their housing. In a market with high housing cost, homeowners are not only at risk of declining conditions, but also bank foreclosure since so much of their income goes to maintaining their property. In addition, these at-risk homeowners are often elderly homeowners living on small fixed incomes, so basic maintenance costs are even harder to cover. This program was designed specifically to address these issues, and give much needed assistance to homeowners to make appropriate improvements.</p>

**Strategy Guide—Best Practices**  
**I. D. Financing**

Strategy	Description	Example	Evaluation/ Comments
Use of layered financing (continued)		<p>housing development feasible with funds from the Low Income Housing Tax Credit and HOME programs. The redevelopment project leveraged \$3.8 million in low-interest loans from city and state agencies by attracting almost \$10 million in private equity from tax credits.</p> <p><i>Dubuque, IA:</i> The Henry Stout Senior Apartments were renovated by MetroPlains Development LLC from the former Iowa Inn/YMCA buildings in downtown Dubuque as affordable housing for community seniors. This project made use of tax increment financing, enterprise zone credits, Iowa Housing Corporation loan, city loan, CDBG loan, city grant, sales tax rebate for enterprise zone, and deferred developer fees.</p> <p><i>Two Rivers, WI:</i> The Marquette Manor, the former St. Luke’s Catholic Elementary School (1909) was renovated by MetroPlains Development LLC into a 32-unit apartment complex for senior citizens. The HOME funds, Community Development Block Grant, tax increment financing, and gap financing were sources of funding for this project.</p> <p><i>Clinton, IA:</i> The Van Allen Apartments project is an on-going conversion of a stately, four story department store designed by Louis Sullivan. Community Housing Initiatives, Inc, a nonprofit, has utilized HOME loans, local funds, Federal Home Loan Bank AHP, Save America’s Treasures, and other resources for funding.</p>	
Use creative financing (See also “layered	See strategy.	<i>Seattle, WA:</i> An alternative method of financing for groups in Seattle has been through the sale of development rights, commonly known as transfer of development rights (TDR).	TDR has proven to be a valuable source of financing for Seattle rehab entities. Other creative sources can be employed to finance rehab projects.

**Strategy Guide—Best Practices**  
**I. D. Financing**

Strategy	Description	Example	Evaluation/ Comments
financing")	Use creative financing (continued)	<p>The city of Seattle permits certain developers, including those providing affordable housing or renovating historic properties, to sell their unused development rights.</p> <p><i>Pittsburgh, PA:</i> The Bloomfield-Garfield Corporation uses the Lease-to-Purchase Program to rehab and renovate vacant housing by providing homeownership opportunities for low-income families with difficult credit histories. The potential homeowners, selected by the corporation, deposit \$100 at the time of the lease and agrees to purchase the house by payment of monthly fees that are collected as rent and deposited as mortgage payments until the renter is able to secure the mortgage loan. The rental deposit becomes the down payment on the mortgage and demonstrates the buyer's intent and commitment. Rent is set at a figure approximating the actual mortgage payment, and renters can move into the property and use the next 12 to 24 months to secure a mortgage loan.</p> <p>The corporation is strongly backed by the City of Pittsburgh Urban Redevelopment Authority, which offers financial support to make the houses affordable through its Community Development Block Grant program.</p> <p><i>Providence, RI:</i> The Providence Preservation Society Revolving Fund (PPSRF), Inc., a Providence nonprofit, preserves the city's architectural heritage and stimulates community revitalization through advocacy, low-interest loans, technical assistance, and development. To that end, the PPSRF manages a capital pool that is used for rehab loans to homeowners and to acquire abandoned property for development and resale in targeted low-and moderate-income historic</p>	<p>The Lease-to-Purchase Program in Pittsburgh has demonstrated the potential for people with poor credit histories to become homeowners. The program also conserves the existing building stock and provides high-value housing for low-income residents in older neighborhoods.</p> <p>Over 20 years, the PPSRF in Rhode Island has loaned in excess of \$2.5 million for 146 restoration projects.</p>

**Strategy Guide—Best Practices**  
**I. D. Financing**

Strategy	Description	Example	Evaluation/ Comments
Alter QAPs to favor rehab efforts	<p>Low Income Housing Tax Credits (LIHTCs) are one of the largest sources of federal subsidies for rehab. The IRS requires state agencies responsible for awarding LIHTCs to submit annual Qualified Allocation Plans (QAPs) explaining the basis on which they distribute their LIHTC allocations.</p> <p>Based on their QAP, states establish preferences and set-asides within their tax credit competitions so as to target the credits toward specific projects and/or housing recipients.</p> <p>In order to foster rehab, these QAPs should foster renovation.</p> <p>(See Resource Guide, section A for detail and listing of state QAP criteria for 1990 and 2001, and potential impact on rehab LIHTC projects.)</p>	<p>neighborhoods.</p> <p>Federal expectations for the QAP include: low-income occupancy tests; procedures for monitoring the long-term compliance of the LIHTC project in terms of affordability; a mandate of 10 percent minimum allotment of tax credits to projects involving nonprofits; and other general categories of selection criteria.</p> <p>The competition for grant money, dictated by the QAP, is popularly referred to as a "beauty contest." Properties accumulate points based on the determined criteria. A recent study (see Volume II) determined that ten QAP criteria directly or indirectly affect the ability of rehab projects to secure LIHTCs. Of these ten, it was determined that four encourage rehab while six hinder it.</p> <p>The four favorable criteria are:</p> <ul style="list-style-type: none"> <li>• Award points for rehab</li> <li>• Award points for historic rehab</li> <li>• Award points for small-scale projects</li> <li>• Award points for location in challenging area</li> </ul> <p>The six hindering criteria are:</p> <ul style="list-style-type: none"> <li>• Award points for new construction</li> <li>• Award points for lowest cost per unit</li> <li>• Award points for limited fees and overhead</li> <li>• Award points for large units</li> <li>• Award points for amenities (e.g., energy efficiency)</li> <li>• Award points for "ready to go" projects</li> </ul> <p>Additional set-asides make it even more difficult for rehab projects to obtain tax credits. For example, in New Jersey, one of four LIHTC applicants was able to secure a tax credit while only one in six urban applicants were successful; yet, rehab activity is concentrated in urban areas.</p>	<p>States should remove QAP criteria that discourage rehab and should consider adding QAP criteria that encourage renovation.</p>

**Strategy Guide—Best Practices**  
**I. D. Financing**

Strategy	Description	Example	Evaluation/ Comments
Tax-exempt financing	Tax-exempt financing, if attainable, can secure favorable interest rate loans.	<i>Seattle, WA:</i> Through tax-exempt financing, (due to its unique status as a non-profit development authority), Capital Hill Housing Improvement Program (CHHIP) can offer tax-free interest to its lenders, thus securing below-market interest rates for loans to CHHIP.	The ability to utilize tax-exempt financing was extremely helpful for CHHIP.
Expand use of federal Historic Rehabilitation Tax Credit (HTC)	Effect structural changes to enhance the HTC's availability for housing rehab.	See Resource Guide, section B and Volume II for detailed recommendations.	The proposed structural changes would treat the HTC in the same manners as the LIHTC.
	Expand applicability of federal HTC to owner occupied (and not just income-producing) properties.	The proposed (not enacted) Historic Home Ownership Assistance Act (H.R. 1172, 107 <sup>th</sup> Congress) would have provided a credit of 20 percent for qualified rehab expenditures up to \$40,000 on owner occupied historic properties.	Many states with HTCs (see below and Volume II) already grant these credits to owner-occupied, historic residences.
Provide state version of Historic Rehabilitation Tax Credit (HTC)	See strategy.	See Resource Guide, section D (and Volume II) for a state-by-state breakdown of the individual state programs including specification of:  <u>Tax credit level:</u> The state historic tax credit programs provide different levels of tax credits, ranging from 5-50 percent.  <u>Applicability:</u> Credit programs vary in their inclusiveness. Eligible properties include residential, commercial, income-producing, and others.  <u>Investment requirements / Caps:</u> Some jurisdictions mandate minimum investment requirements to secure the credit while some limit the amount of credit one can receive by imposing a ceiling on statewide or individual project assistance.	States tailor their programs to individual needs and abilities—resulting in varied credit levels, eligible properties, and investment requirements. State HTCs are an important strategy and extend the usefulness of the federal HTC.
Provide state version of Low-Income Housing Tax Credit (LIHTC)	See strategy.	See Resource Guide, section C for state-by-state details.  <i>CT:</i> The Connecticut State Housing Tax Credit Contribution (HTCC) Program allows the use of	A useful funding strategy—and analogous to states adding their own tax credits (over and above the federal) for historic rehab.

**Strategy Guide—Best Practices**  
**I. D. Financing**

Strategy	Description	Example	Evaluation/ Comments
		state tax credit vouchers offering a dollar-for-dollar tax liability reduction to qualified businesses making cash contributions to specific housing programs of non-profit corporations.	
		The Connecticut Housing Finance Authority has increased its allocation for this program to about \$5 million annually (from \$1 million). Nonprofits continue to apply for allocations from this statewide pool through a competitive process in which applications are rated and then ranked to determine funding priority. The maximum allocation for this program is \$400,000 annually per organization.	
Provide other state tax credits for housing	Besides state HTCs and LIHTCs, other state tax credits for affordable housing and other purposes (e.g. employer assisted housing) can expand the availability of credits for affordable housing rehab.	<i>New Jersey:</i> The NJ Neighborhood Revitalization Tax Credit provides a 50 percent state tax credit to businesses, against business-related income, that contribute to participating 501(c)(3) organizations that have registered neighborhood plans with the NJ Department of Community Affairs.	A useful funding strategy for aiding the financing of affordable housing rehab and other desirable activities. It adds to and complements the assistance provided by state HTCs and LIHTCs.
		Credits are provided to business entities that invest in the revitalization of low- and moderate income neighborhoods in eligible cities. Businesses can contribute between \$25,000 and \$1 million per year. A multi-year commitment to a nonprofit organization is encouraged. Contributions to the nonprofit organizations can be used for projects including affordable housing, economic development, workforce development, open space, social services, business assistance, and other activities that promote neighborhood revitalization. There is a requirement that 60 percent of the tax credit funds must be used for housing and economic development activities, which include renovation and construction of affordable housing.	

## Strategy Guide—Best Practices

### I. D. Financing

Strategy	Description	Example	Evaluation/ Comments
Proactively favor rehab in housing subsidies	See strategy and discussion of proactively formulating Qualified Application Plans to favor rehab applications.	<p><i>Vermont:</i> The Vermont Housing and Conservation Board (VHCB), a state agency, created a statewide incentive policy that combines its affordable housing development incentives with a priority on projects that involve the rehab of existing downtown buildings, encourage the development of affordable housing, foster reinvestment in city centers, and protect the countryside.</p> <p>Rehab is encouraged through the following VHCB strategies:</p> <ul style="list-style-type: none"> <li>• Affordable housing developers who receive state or federal funds from VHCB must look first to preservation and rehab when considering development.</li> <li>• Financial resources are focused towards rehab as opposed to demolition and/or new construction.</li> <li>• The <i>Guidelines for New Construction Housing Projects</i> reinforce the housing policies by steering developers towards rehab as opposed to new construction.</li> </ul>	<p>Of the 6,200 units that have received VHCB funding, more than 80 percent have involved the rehab of existing properties. Furthermore, many affordable housing units have been created through the adaptation of historic buildings, including schools, municipal buildings, commercial and industrial buildings, and single-family residential structures.</p>

## Strategy Guide—Best Practices

### I. D. Financing

Strategy	Description	Example	Evaluation/ Comments
Develop ties between lenders and CDCs	Ties between lenders and CDCs can be very useful in securing financing and other resources for rehab.	<p><i>Des Moines, IA:</i> The River Bend Historic neighborhood did not have an active nonprofit organization with real estate development capacity. However, a local community development lending consortium, the Neighborhood Finance Corporation, agreed to spin off a community development corporation (CDC) to target River Bend and similar neighborhoods for rehab and infill housing.</p> <p>The Community Partners Program of the National Trust for Historic Preservation assisted the fundraising efforts of the Neighborhood Finance Corporation for the new local CDC and also became involved in efforts to secure financing through the LIHTC for several properties under development.</p>	<p>In this case, the aggressive activities of the local bank resulted in the establishment of a CDC whose efforts focused on revitalizing the River Bend District. Such action went a long way in promoting rehab in the region.</p>

## Strategy Guide—Best Practices

### I. E. Land Use

Strategy	Description	Example	Evaluation/ Comments
Enact zoning fostering continued use or adaptive reuse of existing buildings	See strategy.	<p><i>Lowell, MA:</i> In the 19<sup>th</sup> century, Lowell was one of the largest planned industrial communities in America, with a thriving textile industry. The decline of that industry left behind many buildings that were vacant and underutilized for years. They are now beginning to be reused for homes, businesses, and cultural activity, in part due to the addition of the Artist Overlay District to Lowell's zoning codes. The new ordinance allows artists to both live and work in the same space, a multiple use not typically allowed under municipal zoning regulations. The city implemented this policy to encourage artists to both live and work in the historic downtown and National Park areas, thereby stimulating the growth of a concentrated arts, cultural, and entertainment district. This policy has been a catalyst for a vibrant, 24-hour downtown life and stimulated new economic opportunities for the district.</p> <p><i>Bangor, ME:</i> The Freese Building was home to the city's leading department store for nearly 70 years. The store closed in 1985, and ownership of the six-story, 140,000-square-foot building passed to a real estate developer who failed to put together a plan to reuse the structure. By 1995, the building was in severe disrepair, the city took possession and began exploring redevelopment options.</p>	<p>Flexible zoning is essential for the continued use and adaptive reuse of many older properties.</p> <p>Fostered by zoning allowing mixed uses, the Freese building's adaptive reuse has injected a renewed vitality in the downtown. The project has creatively addressed the growing demand for elderly housing and offers a unique and positive opportunity for interaction between children and seniors. It has reinforced the tourist component of renovation, attracting 75,000 additional visitors to Bangor's downtown each year. In addition, the Maine Discovery Museum takes advantage of the building's unique mix of uses by recruiting volunteers from the building's residents.</p> <p>This project has encouraged other revitalization efforts as four major redevelopment projects are under way nearby in formerly deteriorated buildings.</p>

**Strategy Guide—Best Practices**  
**I. E. Land Use**

Strategy	Description	Example	Evaluation/ Comments
Require “reasonable” parking requirements (see also context sensitivity)	Parking requirements imposed by local, county, or other governments should reflect the realistic need for off-street parking.	<i>Seattle, WA:</i> City government has reduced on-site parking requirements from 1.5 to 1.3 parking spaces per housing unit.	Excess parking is wasteful from cost and environmental perspectives.
Exempt certain developments from parking requirements	Exempt “high priority” or other “appropriate” housing developments (e.g., historic or affordable) from providing off-street parking.	<i>Seattle, WA:</i> Affordable housing developments located in Seattle’s downtown (the “core”) and historic preservation projects located anywhere in Seattle are exempt from providing off-street parking.	Such parking exemptions foster the continued use and rehab of the affected properties.
Provide context-sensitive parking requirements	The requirement for off-street parking should be sensitive to the contextual factors of project type and location.	<i>Seattle, WA:</i> The city has instituted context-sensitive parking standards whereby parking requirements vary by such conditions as parking already available in the neighborhood and, if a neighborhood has access to mass transit.	Excess parking is wasteful from cost and environmental perspectives.

**Strategy Guide—Best Practices**  
**II. A. Building Code**

**Strategy Guide—Best Practices**  
**II. A. Building Code**

Strategy	Description	Example	Evaluation/ Comments
Adopt smart codes (continued)	See above description.	<i>The adopted New Jersey provisions mandated the establishment of multiple hazard scales. A change of occupancy that involves an increase in hazard on one or more of the scales triggers specific additional requirements to address the added hazard.</i>  <i>Progressively more complex rehab work entails progressively more extensive required life safety improvements. Reasonableness is achieved by establishing proportionality between the voluntary work proposed by the owner and the additional work imposed by the regulatory system.</i>	improved the ease with which they effect rehab, seemingly exempting them from many regulations that would have been required under the old law.
Establish expert committee for smart code adoption	See strategy	<i>Massachusetts:</i> The state replaced the rigid “25-50 percent rule” with a much more flexible standard. Rehab requirements are determined by the extent of the increase in hazard rating involved in the rehab. If there is no increase in the hazard involved in the rehab, then Article 34 mandates few changes. If rehab significantly increases the hazard level, then new-construction standards have to be met but compliance alternatives are permitted.  <i>New Jersey:</i> A thirty-member committee under the coordination of Rutgers University was assembled to help draft the original version of New Jersey’s smart code.	The Massachusetts provision, an early smart code, has encouraged rehab in this state.  “We really had to rethink 100 years worth of building codes, all of which had been written with new buildings in mind,” notes William A. Connolly, director of the division of codes and standards for the state of New Jersey.  It is clear that adopting smart codes is a lengthy and complex process, and New Jersey’s strategy in forming an expert committee should be considered by others.

Strategy	Description	Example	Evaluation/ Comments	
Adopt smart codes	Until the 1990s, rehab work was regulated by reference to the overall building code, which was geared toward new construction. In the 1990s, it became clear that this form of regulation was often arbitrary, unpredictable, and constrained the reuse of older properties. Beginning with the state of New Jersey, state and local jurisdictions began to develop new ways to regulate work in existing structures. “Smart codes” is the term used to describe building and construction codes that encourage the alteration and reuse of existing buildings. (See Resource Guide, section H for examples of national-state model smart codes.)	<i>National:</i> In May 1997, HUD published the Nationally Applicable Recommended Rehabilitation Provisions (NARRP) to serve as a model for the development of rehab codes.  Adopting a building code that establishes different levels of renovation with gradual increases in public requirements based on amounts of voluntary rehab is HUD’s recommendation for solving the problem of burdensome rehab codes.  <i>Forms of smart codes have been adopted by: New Jersey; Maryland; Minnesota; Rhode Island; Wilmington, Delaware; Wichita, Kansas; and elsewhere. Using the New Jersey and NARRP smart codes as a template, the model building codes adopted chapters solely addressing rehab, including the International Building Code (IBC) Chapter 34 2003, International Existing Building Code (IEBC) 2003, and National Fire Protection Association (NFPA) 5000 Chapter 15 2000. (See Volume II for an in-depth breakdown and comparison of these codes.)</i>  <i>New Jersey:</i> In January 1998, the state adopted the New Jersey Uniform Construction Code – Rehabilitation Subcode. It was recognized that the old code, which included the “25-50 percent rule” (i.e., new building standards are mandated when the value of the rehab is equal to 50 percent or more of the value of the building being renovated), was constraining the re-use of older buildings in New Jersey.	Smart codes are based on predictability and thus foster accurate predictions of improvement standards and costs. The smart codes also favor proportionality, the idea that a sliding scale of requirements should be established depending on the level and scale of the rehab activity.  The New Jersey Rehabilitation Subcode is serving its purpose. The state reports that investment in building rehab in cities such as Trenton, Newark, and Elizabeth has increased substantially due to the new code. The subcode has reduced rehab costs by as much as 60 percent, with the average around 10 to 20 percent.  New Jersey rehab entities, such as Isles Inc., have reported that the new code has significantly	

**Strategy Guide—Best Practices**  
**II. A. Building Code**

Strategy	Description	Example	Evaluation/ Comments
Limit local amendments of building code	In many states, local governments are able to make amendments to the state adopted building code. This results in much confusion for rehab entities conducting business in multiple jurisdictions.	<i>New Jersey and Rhode Island:</i> In these two states (and others), no local amendments are permitted to be added to the building code.	This standardization of building codes across the state has set up conditions ideal for rehab entities and has helped to reduce problems caused by confusion over building code regulations.
Apply flexible administration (see also “sensitive treatment of historic buildings”)	A rehab-sensitive building code can still pose a barrier to renovation if it is applied by code officials in an overly strict or otherwise inappropriate fashion. Conversely, the rehab problems that may be posed by any code can be mitigated through flexible and competent administration by code officials.	<i>Building Codes:</i> Many building codes encourage “compliance alternatives” to rigid building codes. These include (see Volume II for details): <ul style="list-style-type: none"> <li>• New Jersey Rehab Subcode: Owners may request a variation when compliance would result in practical difficulties.</li> <li>• NARRP 1997: Equivalent alternatives may be authorized by building official. Other alternatives may be accepted if compliance is feasible.</li> <li>• IBC Ch. 34 2003: Section 3410 provides a safety scoring system for 18 parameters.</li> <li>• IEBC 2003: Equivalent alternatives may be authorized by building official. Ch. 12 reproduces Section 3410 of the IBC.</li> <li>• NFPA 5000 Ch. 15 2000: Equivalent alternatives may be authorized by the building official. Other alternatives may be accepted if compliance is infeasible or would impose undue hardship.</li> <li>• Cost Impacts: NJ, NARRP &amp; NFPA allow for “infeasibility” alternatives.</li> </ul> <i>Massachusetts:</i> Article 34 of the Massachusetts State Building Code applies to rehab of existing buildings. The heart of the code contains sliding scales of standards as well as increased flexibility in	Compliance alternatives represent a viable and realistic approach to building-code-related rehab problems. By flexibly and realistically administering the building codes and allowing for alternatives, building officials can encourage rehab activity.

62

Strategy	Description	Example	Evaluation/ Comments
Apply flexible administration (continued) (see also “sensitive treatment of historic buildings”)	See above description.	meeting requirements. The code states that: “Where compliance with the provisions of the code for new construction, required by this article, is impractical because of structural or construction difficulties or regulatory conflicts, compliance alternatives may be accepted by the building official.”  Compliance alternatives in Massachusetts allow renovated structures to avoid precise compliance with the existing building codes through alternative (yet still substantial) options decided upon by local building officials.  An example in Massachusetts involved a one-hundred-year-old building that was originally designed as a high school. It had previously been used as a community center and was now being converted to forty residential condominium units. This change of use pushed the building to a lesser hazard index, so officials were able to issue variances without a problem.  <i>South Brunswick, NJ:</i> An old farmhouse was being converted to a community center before the adoption of New Jersey’s smart code. On both the “25-50 percent” rule and the change-of-use standard (i.e., a building changing its use must satisfy the new building standard for the new use), the rehab would have to comply with all the standards for new construction for a building of its type and use.  However, what could have been a major problem—the retrofitting of a 150-year-old farmhouse to a modern structure—was avoided in this instance by the compliance alternatives allowed by the township’s code official.	What allowed the New Jersey project to proceed was the local code official’s willingness to grant a series of variances. These variances allowed for the preservation of the ambiance of a 150-year-old farmhouse while at the same time providing for the safe use of the structure.  Demanding full compliance with every requirement of the code for new construction would have made it impossible to adaptively reuse the New Jersey farmhouse structure in a historically appropriate manner.

63

**Strategy Guide—Best Practices**  
**II. A. Building Code**

<b>Strategy</b>	<b>Description</b>	<b>Example</b>	<b>Evaluation/ Comments</b>
Apply flexible administration (see also “sensitive treatment of historic buildings”) (continued)	See above description.	<p>This official allowed many “variances”—that is, exceptions to the nominally prescribed standards—while still protecting public safety. For example, instead of requiring that the stairs have an enclosure with a one-hour fire rating, the code official provided for fire protection by limiting occupancy and having fire-resistant sheetrock installed.</p> <p>The same sensitive approach was followed with respect to the inadequate size of the stairs and doorways. Variations were allowed in exchange for reducing occupancy, providing for fire alarms and smoke detection systems, and providing for more than one means of exit.</p> <p><i>New Haven, CT:</i> Building codes rarely present a problem to Neighborhood Housing Services of New Haven (NHSNH). New Haven’s building inspectors recognize the integrity of this non-profit’s rehab program and are generally flexible with the NHSNH when it comes to complying with the building code.</p> <p><i>Miami, FL:</i> While there exists a “25-50 percent rule” in Florida’s statewide code, this has not been a significant problem for the Little Haiti Housing Association (LHHA) since Miami-Dade County excludes construction work not requiring a building permit from the rehab value calculation. Therefore, LHHA outlays for carpeting, painting, and other maintenance not requiring a permit do not factor into the 50 percent trigger.</p>	<p>In New Haven, maintaining favorable relationships with building inspectors and a good reputation has allowed Neighborhood Housing Services of New Haven to avoid many problems with the building code.</p> <p>Miami-Dade County’s amendment to the “25-50 percent rule” and LHHA practices foster affordable housing rehab.</p>

**Strategy Guide—Best Practices**  
**II. A. Building Code**

<b>Strategy</b>	<b>Description</b>	<b>Example</b>	<b>Evaluation/ Comments</b>
Foster coordination between building regulatory agencies	<p>An inherent source of potential conflict exists because building officials and fire officials often have overlapping authority.</p> <p>This circumstance creates great consternation among rehab entities who often believe themselves to be in full compliance after pre-construction reviews, only to find themselves needing to implement additional or changed requirements imposed by the fire marshal or building code officials at the end of construction.</p>	<p><i>Massachusetts:</i> This state has worked to prevent, identify, and resolve conflicting and duplicative regulations related to building construction and rehab. Amongst other actions, a state regulatory review board was established</p>	Consisting of representatives from state agencies and others, the Massachusetts regulatory review body has worked to resolve regulatory conflicts and duplications during the code implementation process. (See also Massachusetts example of “education of code officials.”)
Allow sensitive treatment of historic buildings (see also “Apply flexible administration”)	<p>Treating historic buildings with special and flexible code consideration will help promote the rehab of historic structures. (See Strategy Guide II, sections C and H for further details.)</p>	<p><i>New Jersey:</i> This state’s Smart Code includes special provisions applicable to structures that meet the standards for historic buildings established by the U.S. Secretary of the Interior. It allows for the use of replica materials, establishes special provisions for historic buildings used as museums, and identifies building elements that may meet relaxed code requirements to preserve the integrity of a historic structure.</p> <p>Section 6.32 of the New Jersey Smart Code permits owners of historical structures to use “an alternative to compliance with specific provisions of this subcode” by submitting requests “for variations in writing.” A variation may be granted “where no feasible alternative to the strict requirements of the subcode exists.”</p> <p>The New Jersey subcode also allows special provisions for historic buildings “undergoing repair, renovation, alteration, restoration or</p>	The New Jersey code encourages the rehab of historic structures by allowing for and encouraging many variances and compliance alternatives for these structures.

**Strategy Guide—Best Practices**  
**II. A. Building Code**

Strategy	Description	Example	Evaluation/ Comments
Allow sensitive treatment of historic buildings (see also “Apply flexible administration”) (continued)	See above description.	<p>reconstruction.” It then lists twelve alternate compliance alternatives for topics ranging from exterior walls to stairways (see NJAC 5.23-6.33 for full text).</p> <p><i>Massachusetts:</i> Rehab of historic buildings is separately governed by Section 635 of the Massachusetts Building Code (MBC). Under this section, exceptions to the state building code are allowed for certain features that contribute to a property’s historic distinctiveness.</p> <p>Section 635 also expanded the definition of historic buildings to include those properties in locally designated historic districts as well as any building not yet on the National Register of Historic Places but individually eligible for inclusion in it.</p> <p><i>Seattle, WA:</i> Section 3403.8 of Seattle’s Building Code allows building officials to modify requirements of structures designated as historical or cultural landmarks. This gives more flexibility when attempting to adhere to the code.</p> <p><i>Other Examples:</i> see Resource Guide, section H for details.</p>	<p>This Massachusetts code provision encourages rehab by exempting more historic buildings from standard requirements.</p> <p>In Seattle, historic preservationists have reported that building officials do in fact modify the nominal requirements of the building code to further the rehab of landmark buildings. The city administration, which has been particularly pro-housing, has encouraged municipal officials to flexibly administer the city’s building code.</p>
Educate code officials	Continued education fosters knowledgeable and flexible code administration.	<i>Massachusetts:</i> State law requires continuing education for building code officials under the auspices of the Massachusetts Board of Building Regulations and Standards (MBBRS). MBBRS offers professional training seminars in different state locations.	The Massachusetts and New Jersey training programs are important for well-informed code enforcement.

**Strategy Guide—Best Practices**  
**II. A. Building Code**

Strategy	Description	Example	Evaluation/ Comments
Educate code officials (continued)	See above description.	<p>In 2000, Massachusetts planned an expanded state-funded program that included training for local building and fire prevention officials; local plumbing, gas, electrical, and health inspectors; builders; and developers.</p> <p>Such a program included training that would minimize the misinterpretation of state codes. Some of the training is designed to encourage the joint participation of local building and fire prevention officials; local plumbing, gas, electric, and health inspectors; state regulators; and representatives from the residential development industry.</p> <p><i>New Jersey:</i> New Jersey code officials receive extensive training and are licensed by the state. Individuals wishing to be certified must complete training in 1 of 5 areas of specialty.</p>	<p>The building industry could do more to support the training cause by lobbying to expand the scope and budget of these training programs.</p>
Preliminary meetings with building code officials	<p>To avoid future problems, developers should meet with building code officials <i>before</i> the rehab begins to resolve any ambiguities.</p>	<p><i>Massachusetts:</i> In this state, it is up to the owner to provide the building department with the information necessary to determine the present condition of the building and the types of changes desired and anticipated as part of the rehab project.</p> <p>The building department may choose to visit the existing building to confirm the conditions noted in the investigation and evaluation report, but a site visit is unusual.</p> <p>The presentation of this investigation and evaluation by the owner is often done as part of a preliminary meeting with the building department. At the preliminary meeting, issues are discussed informally. It is recognized that such meetings are an important first step in the process.</p>	<p>Developers in Massachusetts contend that these preliminary meetings are especially helpful in clearing up many problems related to building code compliance.</p> <p>This seems to be the case especially in many smaller cities and towns, where there often exists a lack of depth and experience within the local building department.</p>

**Strategy Guide—Best Practices**  
**II. B. Minimum Housing Standards (MHS)**

Strategy	Description	Example	Evaluation/ Comments
Provide flexible MHS enforcement	<p>Flexible MHS enforcement can foster selective rehab and can maximize the useful remaining economic life (REL) of existing building components.</p> <p>Keep or repair (as opposed to replacing) a roof, windows, electric and plumbing systems having an REL of at least moderate duration (i.e., five to ten years). Also an original roof or window may be more attractive than its replacement.</p>	<p><i>Miami, FL:</i> Little Haiti Housing Association (LHHA) prefers to keep the existing windows and make only necessary repairs. In a house with jalousie windows, common in Little Haiti, LHHA prefers to replace glazing and window operators as needed. For the 10 to 15 windows in a typical Little Haiti single-family detached home, the above-cited repairs would cost about \$1,000 in total.</p> <p>Replacing windows in South Florida is no simple matter in the wake of Hurricane Andrew, where much window damage was sustained. In the aftermath of that storm, window standards were upgraded. The new requirements mandate that engineers must first do wind-load calculations, taking into account the building's footprint, peak, height of eaves, zones (e.g., windows at the corner of a house are more vulnerable to damage), and other measures. The wind-load calculation determines the type of window to be purchased with respect to its impact resistance, need for hurricane shutters, and other material characteristics. Further, before the windows are installed, a permit has to be pulled and the installation inspected. This gamut of window-replacement activities is quite costly. LHHA estimates that its expenses for the purchase and installation of the 10 to 15 windows in a typical Little Haiti single-family detached home are \$3,000 to \$4,500—as against the \$1,000 for the selective rehab of the existing windows.</p>	<p>Flexible MHS enhancement maximizes the cost efficiency of rehab because it capitalizes on the utility of existing building systems. However, selective repair, as opposed to wholesale replacement, is demanding on construction skills and care must be taken that adequate financial resources are available when future replacement of systems is necessary.</p>

**Strategy Guide—Best Practices**  
**II. C. Historic Preservation**

Strategy	Description	Example	Evaluation
Provide guidance on historically appropriate rehab	<p>See strategy.</p>	<p><i>National – Secretary of Interior Standards (SIS):</i> These standards provide basic principles and guidance.</p> <p>Determine why a historic building is significant and identify its character-defining features. Minimize alterations: retain historic finishes, features, and spaces to the maximum extent possible. Repair existing features rather than replace them. Do not undertake treatments that irreversibly damage, alter, or destroy significant historic fabric. When constructing a new addition, distinguish between old and new. The SIS place a high premium on retaining and reusing significant historic fabric, and on reusing existing materials rather than inserting new features and finishes.</p> <p>What follows is a summary and brief discussion of the major concepts contained in the SIS:</p> <ol style="list-style-type: none"> <li>1. A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.</li> <li>2. The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.</li> <li>3. Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.</li> <li>4. Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.</li> <li>5. Distinctive features, finishes, and construction</li> </ol>	<p>The Secretary of Interior Standards provide a basic and useful guide to historically appropriate rehab.</p>

**Strategy Guide—Best Practices**  
**II. C. Historic Preservation**

Strategy	Description	Example	Evaluation
Provide guidance on historically appropriate rehab (continued)	See strategy.	<p>techniques or examples of craftsmanship that characterize a historic property shall be preserved.</p> <ol style="list-style-type: none"> <li>6. Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.</li> <li>7. Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.</li> <li>8. Significant archaeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.</li> <li>9. New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.</li> <li>10. New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.</li> </ol>	

**Strategy Guide—Best Practices**  
**II. C. Historic Preservation**

Strategy	Description	Example	Evaluation
Provide guidance on historically appropriate rehab (continued)	See strategy.	<p><i>Lewiston, ME:</i> Lewiston created the Lewiston Historic Preservation Design manual, an illustrated guide of preservation codes and ordinances to assist in design deliberations and to provide the information needed for owners of historic properties to retain the historic integrity of their properties. Using a Community Development Block Grant and National Park Service funds to produce the manual, the city hired an experienced consultant who used local examples, and over 200 figures and photographs. The city then widely distributed the publication to members of the Planning Board, City Council, Historic Preservation Review Board, Lewiston Historic Commission, and Maine Historic Preservation Commission, to city staff, owners of historically-designated properties within the city of Lewiston, and participants at a government workshop. Copies were placed in locations around the city such as libraries, schools, the chamber of commerce, and the historic society.</p> <p><i>Pioneer Valley, MA:</i> The Pioneer Valley Planning Commission (PVPC) in Western Massachusetts has published a guide to help property owners understand what it means to own a historic building. PVPC's Community Development Department works to help homeowners adhere to the Secretary of the Interior's Standards (SIS) for Rehabilitation of historic buildings. Because the housing rehab program is most active in rural towns with populations of 10,000 or less, hiring technical staff to work with owners individually was not feasible. Instead, the Commission and the Massachusetts Department of Housing and Community Development funded the preparation of a Guide to Historic Housing Rehabilitation to provide this information to homeowners through local historical commissions, building inspectors, and town selectboards.</p>	<p>The Lewiston Historic Preservation Design Manual has enhanced the city's ability to administer its historic preservation ordinance and has made the process much more user friendly. It helped educate both the public and private citizens in historic preservation principles, and encouraged a preservation ethic.</p> <p>The 14-page PVPC booklet answers 10 of the most important questions owners ask when their houses are designated as historic. From vinyl siding and replacement windows to dealing with interior trim and choosing exterior paint colors, the text explains how the Secretary of the Interior's Standards (SIS) may apply to their homes. Included are illustrations of quality examples as well as unacceptable practices. This successful guide is generating awareness among the region that vernacular housing is equally deserving of preservation and can have as much historic value as the grandest properties in a community. The PVPC guide has triggered new pride for individual homeowners and</p>

**Strategy Guide—Best Practices**  
**II. C. Historic Preservation**

<b>Strategy</b>	<b>Description</b>	<b>Example</b>	<b>Evaluation</b>
Provide guidance on historically appropriate rehab (continued)	See strategy.	<p><i>Seattle, WA:</i> Preservation practitioners in this city recommend that the National Park Service (NPS) and State Historic Preservation Offices (SHPOs) should publish Historic Rehabilitation Tax Credit (HTC) case studies. The case studies should be “in-depth resources for interpretation of standards with an honest discussion of ‘gray areas’, such as windows.”</p> <p>The NPS should issue “interpretations” of HTC standards, much like the Internal Revenue Service issues private letter rulings. An example might be “that if 50 percent of the original windows have been replaced and if all the sash connections are deteriorated, then windows can be replaced rather than repaired.”</p> <p>Currently, the regulatory framework is more ambiguous (e.g., it is preferable to repair rather than to replace historic windows) and the proposed NPS “interpretations” would clarify matters.</p>	enabled interested owners to become advocates for their properties while rehab work occurs.
Allow for flexibility and broader context when rehabilitating historic affordable housing	See strategy.	<p><i>National – ACHP Statement:</i> To better enable affordable-housing construction that abided by the Secretary of the Interior Standards, the Advisory Council on Historic Preservation (ACHP) issued a June 26, 1995 a Policy Statement on Affordable Housing and Historic Preservation (hereinafter the Statement). The Statement underscored the need to better coordinate the objectives and activities of the preservation and housing communities.</p> <p>To further the reconciliation, the Statement underscored that as a matter of policy, the ACHP “seeks to promote a new, flexible approach toward affordable housing and historic preservation.” To that end, the Statement included ten principles (detailed below). State Historic Preservation Officers (SHPOs), federal and state agencies, and local governments involved in the administration of the Section 106 review process</p>	The ACHP statement aims to balance and synthesize preservation and housing affordability.
Allow for flexibility	See strategy.		

**Strategy Guide—Best Practices**  
**II. C. Historic Preservation**

<b>Strategy</b>	<b>Description</b>	<b>Example</b>	<b>Evaluation</b>
and broader context when rehabilitating historic affordable housing (continued)		<p>(triggered when a federal undertaking may affect a resource on, or eligible for, National Register of Historic Places) for affordable-housing projects funded or assisted by federal agencies were encouraged in the Statement to use the principles as a framework for Section 106 consultation and local historic preservation planning.</p> <p>The ten principles included the following:</p> <ol style="list-style-type: none"> <li><i>Emphasize consensus building.</i> Section 106 reviews for affordable housing projects should place principle emphasis on broad-based consensus reflecting the interests, desires, and values of affected communities.</li> <li><i>Elicit local views.</i> Identification of historic properties and evaluation of their eligibility for the National Register for Historic Places should include discussions with the local community and neighborhood residents to ensure that their views concerning architectural and historic significance and traditional and cultural values receive full consideration by the SHPO and others.</li> <li><i>Focus on the broader community.</i> When assessing the effects of affordable-housing projects on historic properties, consultation should focus not just on individual buildings which may contribute to a historic district but on the overall historic preservation potentials of the broader community. Historic preservation issues should be related to social and economic development, housing, safety, and programmatic issues integral to community viability.</li> <li><i>Adhere to the Secretary’s Standards when feasible.</i> Plans and specifications for rehab, new construction, and abatement of hazardous conditions associated with affordable-housing</li> </ol>	

**Strategy Guide—Best Practices**  
**II. C. Historic Preservation**

<b>Strategy</b>	<b>Description</b>	<b>Example</b>	<b>Evaluation</b>
and broader context when rehabilitating historic affordable housing (continued)		<p>projects should adhere to the recommended approaches in the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitation of Historic Buildings, when <i>feasible</i>. Where economic or design constraints preclude application of the Standards, consulting parties may develop alternative design guidelines tailored to the district or neighborhood to preserve historic materials and spaces.</p> <ol style="list-style-type: none"> <li>5. <i>Include adequate background documentation.</i> Proposals for nonemergency demolitions of historic properties should include adequate background documentation.</li> <li>6. <i>Emphasize exterior treatments.</i> The Section 106 review process for affordable-housing rehab projects and abatement of hazardous conditions should emphasize the treatment of <i>exteriors</i> and be limited to significant interior features and spaces that contribute to the property's eligibility for the National Register.</li> <li>7. <i>Coordinate with other reviews.</i> Where appropriate, Section 106 reviews for affordable-housing projects should be conducted in conjunction with the historic rehab tax credit and other state and local administrative reviews to ensure consistency of reviews and to minimize delays.</li> <li>8. <i>Avoid archaeological investigation.</i> Archaeological investigations should not be required for affordable-housing projects, which are limited to rehab and require minimal ground disturbance activities.</li> <li>9. <i>Develop programmatic approaches.</i> Governments are encouraged to develop programmatic agreements that promote creative solutions to implement affordable-housing projects and to</li> </ol>	

**Strategy Guide—Best Practices**  
**II. C. Historic Preservation**

<b>Strategy</b>	<b>Description</b>	<b>Example</b>	<b>Evaluation</b>
Allow for flexibility and broader context when rehabilitating historic affordable housing (continued)	See strategy.	<p>streamline Section 106 reviews through the exemption of categories of routine activities; the adoption of "treatment and design protocols" for rehab and infill new construction; and the delegation of Section 106 reviews to qualified preservation professionals employed by the local community.</p> <p>10. <i>Empower local officials.</i> Certified local governments and/or communities that employ qualified preservation professionals should be allowed to conduct Section 106 reviews on behalf of the Council and/or the SHPO for affordable-housing projects.</p> <p><i>Atlanta, GA:</i> In Atlanta's Martin Luther King (MLK) Jr. National Historic Site and Preservation district, flexible design guidelines encourage preservation of the historic character of buildings while enabling owners to contain the costs of rehab.</p> <p>The MLK Jr. National Historic Site and Preservation District in Atlanta is listed on the National Register of Historic Places and designed as a local historic district. The flexible design guidelines were established specifically for this historically significant African-American neighborhood located immediately east of downtown Atlanta. The Historic District Development Corporation (HDDC) and the Atlanta Urban Design Commission created the local rehab guidelines in response to a policy on Affordable Housing and Historic Preservation adopted in 1995 by the ACHP (see prior description in this section). The local guidelines encouraged the preservation of historic houses by describing rehab approaches that are economical for the affordable housing market, yet do not sacrifice the overall historic character of the district.</p>	The MLK neighborhood-specific guidelines provide clear images and descriptions of preferred preservation practices, detail options for rehab of individual structures, and describe their visual impact on the historic character of the buildings and the streetscape. Included is a clear glossary that helps individuals understand the complex language of historic rehab. There has been a resounding positive impact on the neighborhood as a whole.

**Strategy Guide—Best Practices**  
**II. C. Historic Preservation**

Strategy	Description	Example	Evaluation
Allow for flexibility and broader context when rehabilitation historic affordable housing (continued)	See strategy.		
Effect early and ongoing contact with the multiple agencies regulating the rehab of historic properties	See strategy.	<i>Seattle, WA:</i> Rehab professionals recommend that the rehab team should meet early on with the State Historic Preservation Office (SHPO) and the National Park Service (NPS) to informally discuss the renovations that are contemplated. This meeting should take place as early as possible, and before submission of part 2 of the Historic Tax Credit (HTC) paperwork.	As with building and other regulations affecting rehab, early and ongoing contact with regulators can avoid later problems.
Historic preservation (and housing) commissions should be adequately staffed, given appropriate resources, and should meet in a timely fashion	See strategy.	<i>Vermont:</i> The Vermont Housing and Conservation Board has hired a cadre of preservationists with affordable housing experience.	Too many historic and housing commissions are inadequately staffed and in other ways lack sufficient resources. This impedes appropriate administration (see also “build partnerships” in this section).
Enhance the application of federal historic rehabilitation tax credits (HTC) and provide state HTCs	See strategy.	See Resource Guide, sections B, C, and D and Volume II for details.	See referenced sections.
Provide financial incentives	Financial incentive – not limited to tax credits already addressed in this section – can be specifically targeted to the rehab of older and historic properties for affordable housing.	<i>Des Moines, IA</i> – The Iowa Finance Authority and the Federal Home Loan Bank of Des Moines in partnership with the statewide Main Street program (Main Street Iowa) are providing capital in the form of low-interest loans for the rehab of historic properties in Main Street commercial districts. The upper floors of these small businesses are being converted to residential units for lease—filling a key missing revitalization link to create	The Iowa program has made numerous loans of which more than half were in towns with populations less than 5,000. Fifty percent of the renovated units are serving low- and moderate-income households—while furthering revitalization in rural downtowns.

**Strategy Guide—Best Practices**  
**II. C. Historic Preservation**

Strategy	Description	Example	Evaluation
Provide financial incentives (continued)		living downtowns.  <i>St. Paul, MN</i> —The local preservation group—Historic Saint Paul—and a housing developer—Community Housing Services, a Neighborhood Reinvestment affiliate—are forming a partnership with the help of the National Trust for Historic Preservation’s to combine a loan from the Trust with capital resources from Neighborhood Reinvestment and local CDBG and HOME funds to leverage additional capital from conventional lenders, such as banks. The resulting pool of funds will help low-income homeowners to stabilize and rehab qualified homes in historic districts.	
Provide property tax incentives for historic properties	See strategy.	See Strategy Guide, section III.B and Resource Guide, section E for details.	See referenced sections.
Provide building code flexibility when renovating historic properties	See strategy.	See Strategy Guide, sections II. A and II. H and Resource Guide, section H for details.	See referenced sections.
Build partnerships	Strategic partnerships among CDCs, housing developers, preservation groups, and lenders provide important “cross fertilization” necessary to break down barriers between fields.  <i>Junction City, KS</i> – Homestead Affordable Housing partnered with the Geary County Historical Society to convert the historic Bartell Hotel into a mixture of first floor retail and upper floor housing for low- and moderate-income households.  <i>Macon, GA</i> – The local Habitat for Humanity chapter is partnering with the local preservation group – Historic Macon Foundation – to review the designs of each new Habitat home to be built ensuring that they are historically sensitive.	<i>Junction City, KS</i> – Homestead Affordable Housing partnered with the Geary County Historical Society to convert the historic Bartell Hotel into a mixture of first floor retail and upper floor housing for low- and moderate-income households.  <i>Macon, GA</i> – The local Habitat for Humanity chapter is partnering with the local preservation group – Historic Macon Foundation – to review the designs of each new Habitat home to be built ensuring that they are historically sensitive.	The Junction City project was successfully completed providing a base for this affordable housing developer to do more historic rehabs and the preservation group to be actively involved in affordable housing development.  The Macon partnership has been successful proving that even the simplest designs can be adjusted to be sensitive to the characteristics of historic communities.

**Strategy Guide—Best Practices**  
**II. C. Historic Preservation**

Strategy	Description	Example	Evaluation
Build partnerships (continued)		<i>Gainesville, FL</i> – The redevelopment agency for the city is partnering with the historic commission to rehab and sell homes to mixed-income families in a historic district that is currently very low-income and an unstable neighborhood.  See also “use of layered fundraising” in Strategy Guide, section ID for other examples of cooperation between preservation and affordable housing advocates.	The Gainesville program is just now getting off the ground and outcomes will be forthcoming. It is hoped that with success an adjacent neighborhood will apply for historic certification and undergo a similar transformation.

**Strategy Guide—Best Practices**  
**II. D. Lead-Based Paint**

<b>Strategy</b>	<b>Description</b>	<b>Example</b>	<b>Evaluation/ Comments</b>
Provide lead paint focused programs	Because of the complexity of lead paint regulations and remediation, a focused program on this subject can be useful.	<p><i>St. Paul, MN:</i> The St. Paul Ramsey County (SPRC) Lead Hazard Reduction Program (hereafter LHRP) is managed through the SPRC Health Department and includes staff from the health, housing, and rehab departments.</p> <p>The program is funded with budget allocations from the city/county plus grants from state and federal sources, the largest of which is HUD's Lead Hazard Control Grant Program.</p> <p>LHRP provides lead hazard assessment services to different St. Paul agencies, including CDCs and public housing authorities. Groups conducting housing rehab sign up for risk assessment and clearance services from LHRP.</p> <p>When the LHRP completes a risk assessment on a property that is a good candidate to be enrolled in the program, the property is flagged. If the developer is interested in enrolling the property, LHRP does not charge a fee for the risk assessment, provides free clearance testing at the end of the project, and grants \$2,000 to support lead hazard control work.</p> <p>Many private rehab organizations in St. Paul are referred to the Lead Hazard Reduction Program (LHRP) as a resource for their projects.</p>	<p><i>St. Paul, MN:</i> By participating in a program such as LHRP, rehab entities can save costs by not having to pay private companies for inspection, risk assessment, and clearance services.</p> <p>Owners benefit even when they are not enrolled in the program. They still can get exceptionally qualified risk assessors and clearance technicians at a very competitive rate.</p> <p>A typical rate for lead hazard risk assessment from a private St. Paul company is \$525-\$585, while the LHRP program averages only \$325. Any profits made by the program go into a county fund that can be accessed when low-income property owners cannot afford to pay for even the modest-priced LHRP services.</p> <p>The LHRP is an exemplary example of a specially targeted program to deal with the challenge of lead-paint (see below for specific LHRP activities).</p>
Coordinate regulatory agencies	Housing and rehab groups are not always aware of the health risks that are the basis for lead-based paint rules and regulations. In addition, health department personnel are often unfamiliar with housing procedures	<i>St. Paul, MN:</i> In selecting staff for the new lead program, the St. Paul Health Department included environmental health inspectors from the housing department, public health nurses from the health department, and rehab directors.	Developing a cooperative relationship between health, housing, and rehab groups is not a minor undertaking, especially in communities with large bureaucracies. However, as illustrated in St. Paul, coordination remains an essential component of success.

**Strategy Guide—Best Practices**  
**II. D. Lead-Based Paint**

<b>Strategy</b>	<b>Description</b>	<b>Example</b>	<b>Evaluation/ Comments</b>
	and paperwork. In order to address lead hazards effectively, the different entities need to work together.	<p>By including individuals sensitive to the agendas and cultures of the different agencies, the Lead Hazard Reduction Program created an atmosphere of cooperation rather than contention. When lead-related problems arose in a rehab project, lead program staff could address the issue themselves or quickly identify the correct agency to contact.</p> <p>LHRP staff people are continuously accessible to help with questions and problems related to the new regulations and other lead-paint hazard issues.</p> <p>Of further benefit to reducing regulatory conflict was the state of Minnesota adopting lead abatement laws consistent with those of the federal EPA.</p>	
Provide education	<p>As lead regulations are ever-evolving and in essence very complex, education on the subject is crucial.</p> <p><i>St. Paul, MN:</i> From the beginning, the St. Paul Lead Hazard Reduction Program (LHRP) recognized that the HUD regulations taken as a whole could be overwhelming. LHRP therefore made itself an important vehicle for conveying and communicating the requirements of the new HUD lead paint regulations to private rehab entities.</p> <p>Information was tailored for the different groups involved in the rehab process (developers, contractors, property owners) to help them understand the parts of the new regulations relevant to them.</p> <p><i>EPA:</i> In an effort to help control and combat lead-paint hazards, the federal EPA has developed a training course which provides simple strategies</p>	<p>Making requirements as clear as possible to those participating in the lead abatement rehab process will go a long way in helping ensure that the requirements are met.</p>	

**Strategy Guide—Best Practices**  
**II. D. Lead-Based Paint**

<b>Strategy</b>	<b>Description</b>	<b>Example</b>	<b>Evaluation/ Comments</b>
Provide education (continued)	See above description	<p>to reduce or eliminate the creation of hazards during rehab activities that disturb lead paint.</p> <p>The course is intended to serve as the model training curriculum for any future regulations. The EPA encourages states and other local organizations to adapt the training, if necessary, to meet their specific needs and address local requirements.</p> <p><i>Richmond, CA:</i> Project "Richmond's Efforts to Abate Lead" (REAL) expanded its efforts to provide implementation assistance to its partners. Project REAL sent newsletters to Section 8 property owners to advise them of the new lead paint requirements and to introduce Project REAL and its services. Numerous Section 8 landlords undertook lead hazard reduction work with the assistance of Project REAL.</p> <p>Project REAL facilitated a week long "Lead Awareness Series" to address the implementation of the new regulations. The workshops targeted many segments of the community at various sessions: property owners, realtors/property management companies, parents, and health and day care providers.</p>	

**Strategy Guide—Best Practices**  
**II. D. Lead-Based Paint**

<b>Strategy</b>	<b>Description</b>	<b>Example</b>	<b>Evaluation/ Comments</b>
Increase number of specialized trades people	<p>The new HUD lead paint rule requires developers to use certified contractors and workers for their lead hazard control work.</p> <p><i>St. Paul, MN:</i> The city of St. Paul responded early to this need for specialized trades people by providing free lead abatement contractor training—before the onset of the new regulations. This training was provided by an approved training agency.</p> <p>Encouraging contractors that already are working with a rehab group to become lead paint certified expands the pool of qualified workers in the city, and allows organizations to continue to use contractors that they are comfortable with.</p> <p>Classes in St. Paul were structured to make it easy for workers to attend. What are normally one day courses were offered over two days in St. Paul, from 3-6:30 PM. This allowed most workers to attend without losing any significant wages.</p> <p>This action was extremely important because rehab entities in St. Paul said they typically did not have the means to find the specialized workers that they needed.</p> <p><i>Richmond, CA:</i> Project "Richmond's Effort To Abate Lead," built a solid local contractor/worker base by training thirty-one local contractors (most of whom were already on the bid list of various housing programs), as lead supervisors or monitors. Staff from partner agencies were trained as lead inspector/assessors, project designers, and monitors. In addition, forty-three lead workers were trained in conjunction with the City of Richmond's brownfield's job training program. This youth training program prepares students to conduct construction using environmentally sound</p>		<p>This strategy has proved to be an important step in fostering rehab. In LHRP, nineteen of twenty-three contractors initially enrolled completed the course, providing a solid foundation of qualified lead abatement supervisors for St. Paul.</p>

**Strategy Guide—Best Practices**  
**II. D. Lead-Based Paint**

Strategy	Description	Example	Evaluation/ Comments
Increase number of specialized trades people (continued)		work practices. Not only do they receive comprehensive construction training, but they receive environmental training (e.g., lead and asbestos), as well. Graduates of the training program are granted automatic union membership. Most of these workers are now working on integrated lead and housing rehab projects.	
Assuage liability concerns	Such action may address the problems detailed below:  Lack of insurance may encourage some owners to illegally refuse to rent to families with young children in order to avoid potential lawsuits.	<i>St. Paul, MN:</i> Lead Paint Hazard Reduction Program diminished tenants' inclination to take legal actions and increased the comfort level of rehab entities doing renovation.	Increased understanding of the HUD lead regulations has helped ease St. Paul property owner concerns about liability issues resulting from lead hazard control work during rehab. However, this still does not address the difficulty that many owners have in obtaining insurance if they so wish. To fully address this problem, the ease of which owners can obtain liability coverage must significantly increase.
Provide subsidies and other assistance as needed	See strategy.	<i>New Jersey:</i> The Department of Community Affairs (DCA), Division of Housing and Community Resources administers the Lead-Based Paint Abatement Program (LBPAP) with funds from the U.S. Department of Housing and Urban Development. The funds are designed to create affordable housing units that are free from code violations and safe from lead-based paint. The DCA program also provides education to	Funding is extremely important to meet the lead-based paint requirements.

83

**Strategy Guide—Best Practices**  
**II. D. Lead-Based Paint**

Strategy	Description	Example	Evaluation/ Comments
Provide subsidies and other assistance as needed (continued)	See strategy.	property owners, tenants, and homeowners on how to maintain lead-safe housing.  <i>Trenton, NJ:</i> Costs for lead abatement soared too high for Isles, Inc., a local non-profit. Isles, however, was able to shift funding sources and successfully apply for the Low Income Housing Tax Credits. This additional money allowed Isles to complete the lead treatment and, ultimately, the rehab project.  <i>Portsmouth, NH:</i> Portsmouth's Community Development Block Grant Program funded six grants for lead-based paint abatement.  <i>Richmond, CA:</i> Project "Richmond's Efforts to Abate Lead" (REAL) set up a free "resource bank" for all of its partners and affiliates offering XRF machines, HEPA vacuums, and assistance from trained staff.  <i>Connecticut:</i> A state study recommended that Connecticut should provide financial incentives to encourage property owners to eliminate lead hazards.	The Portsmouth Community Development Block Grant Program provided flexible financing for many individual community needs, including the lead-based paint abatement initiative.

**Strategy Guide—Best Practices**  
**II. E. Asbestos Abatement**

Strategy	Description	Example	Evaluation/ Comments
Coordinate regulatory agencies	When friable asbestos is present, a developer will need to work with the local oversight agency or the EPA regional office, OSHA or its delegated local agency, and a local accredited contractor to remove or encapsulate the asbestos. As such, coordinated regulation is helpful.	<i>New Haven, CT:</i> New Haven Neighborhood Housing Services worked cooperatively with the New Haven health department and other agencies regarding asbestos. This nonprofit would typically encapsulate asbestos where it was found undisturbed, so full asbestos removal was not usually required.	
Provide financial assistance as needed	See strategy.	<i>Los Angeles, CA:</i> Costs for asbestos abatement can vary from \$387 per existing unit (roof and floors only) to \$4,952 per unit (roof, floors, fly sheet, plaster). The higher amount could discourage rehab so rehab entities sought various financial aids to enable the more expensive abatement.	

**Strategy Guide—Best Practices**  
**II. F. Radon Regulations**

<b>Strategy</b>	<b>Description</b>	<b>Example</b>	<b>Evaluation/ Comments</b>
Provide education	See strategy.	<p><i>National:</i> The EPA provides information and technical assistance regarding radon to homebuyers and sellers, as well home inspectors (in conjunction with the American Society of Home Inspectors (ASHI)). The EPA's <i>Home Buyer's and Seller's Guide to Radon</i> (<a href="http://www.epa.gov/radon/pubs/hmbyguidesp.html">www.epa.gov/radon/pubs/hmbyguidesp.html</a>) includes information on the 1998 National Academy of Sciences radon report and other useful data (e.g. indoor air quality information and documents);</p> <p>The American Society of Home Inspectors (ASHI), in cooperation with the EPA developed the <i>Radon Mitigation System Inspection Checklist</i>. The <i>Checklist</i> promotes radon awareness, testing, and mitigation.</p> <p>There are no federal regulations for rehab concerning radon. However, in January 2004, HUD informed Federal Housing Administration (FHA) mortgagees that its home inspection form (HUD 92564-CN) had been revised to include information on radon in indoor air. It reiterates the EPA and U.S. Surgeon General testing recommendations and refers readers to EPA's 1-800-SOS-Radon hotline. HUD did not mandate a radon test for FHA insurance eligibility, however, use of "For Your Protection: Get a Home Inspections" remains mandatory. The home inspection form is also mandatory for all FHA insured mortgages. Homebuyers must sign the form before or at the time a sales contract is executed.</p>	Radon is the second leading cause of lung cancer in the United States today. Given that radon is a serious health hazard that is easily addressable, radon testing and mitigation should be encouraged more in affordable housing rehab projects

**Strategy Guide—Best Practices**  
**II. G. Energy Efficiency**

<b>Strategy</b>	<b>Description</b>	<b>Example</b>	<b>Evaluation/Comments</b>
Provide education and technical assistance	Education will increase the likelihood that energy efficiency is viewed more favorably and effected more readily by rehab entities.	<i>Illinois:</i> The Energy Efficient Affordable Housing Initiative (EEAH) works to educate developers about the significant cost savings that can be achieved through energy efficient improvements. The EEAH also provides technical assistance. For instance, nonprofit development agencies in Illinois had cited resistance on the part of contractors and architects as one of the biggest obstacles to achieving their energy efficiency goals. A EEAH consultant was therefore made available to assist nonprofit developers in generating the energy specifications for their projects and in dealing with architects and contractors skeptical about the viability of energy efficiency measures.	EEAH-provided technical assistance demonstrated that energy efficiency could be practically effected in affordable housing rehab.
Coordinate regulatory agencies.	Problems arise when there is poor communication between different sectors of government concerned with energy efficiency.	<i>Illinois:</i> Builders and developers in Illinois who submit rehab applications without an energy efficient component are urged by state agencies to apply to the Energy Efficient Affordable Housing (EEAH) initiative. EEAH also works to coordinate energy regulatory enforcement. EEAH-type actions can avoid problems found nationally. For instance, many state regulations, as well as some HUD guidance documents, continue to reference HUD's 24 CFR 39 (established formal regulatory standards for cost-effective energy conservation) even though this HUD standard is no longer in existence, having been rescinded in 1995.	Coordinating institutional consistency will aid future operations. By clarifying exactly what the regulations are and are not, developers will have a better idea as to what is expected from them in terms of energy efficiency.

**Strategy Guide—Best Practices**  
**II. F. Radon Regulations**

Provide funding and subsidies as needed	See strategy.	<i>National:</i> The Department of Housing and Urban Development (HUD) has made an effort to support the financing of radon mitigation measures. For instance, the HUD Section 203(k) mortgage program allows homebuyers to finance the purchase and repair or improvement of a home using a single mortgage loan. Reducing radon levels in a home is an improvement that can be financed through a 203(k) mortgage.	
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**Strategy Guide—Best Practices**  
**II. G. Energy Efficiency**

Provide subsidies as needed	See strategy.	<p><i>Illinois:</i> Illinois offers grants to nonprofit housing developers under its Energy Efficient Affordable Housing (EEAH) program. Grants cover costs of energy upgrading measures, such as insulation, air sealing, and high-efficiency heating equipment.</p> <p>EEAH was originally funded from monies obtained from a 1983 settlement with petroleum companies. In 1997, funding of the program was continued through an energy efficiency trust fund established by the state in Public Act 90-561.</p>	The Illinois project was successful in encouraging investment in energy efficiency.
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**Strategy Guide—Best Practices**  
**II. H. Accessibility**

Strategy	Description	Example	Evaluation/ Comments
Consolidate codes and regulations	Bring together in an easy to use form the many regulations affecting accessibility. (See Resource Guide, section F for details.)	<p><i>Chicago, IL:</i> In 1992, Mayor Daley established the Mayor's Office for People with Disabilities (MOPD). MOPD, an advocate for people with disabilities, is charged with enforcing laws that affect many aspects of the work of other public agencies as well as the private sector.</p> <p>An early MOPD problem was inconsistency in accessibility application and interpretation. MOPD thought that a city ordinance incorporating all of the applicable accessibility laws and regulations into the Chicago Building Code would help. This change consolidated all the federal and state requirements that govern accessibility into the Chicago's Building Code.</p> <p>The new code blends the Illinois Accessibility Code (IAC), Fair Housing Accessibility Guidelines, Americans with Disabilities Act Accessibility Guidelines (ADAAG), Uniform Federal Accessibility Standards (UFAS), and the model building codes. Systematic changes by the MOPD helped create a clear, concise, and predictable review process to aid in compliance with legislative directives. The new ordinance is referred to by its Chapter location (11) in the Chicago Building Code, which conforms with the International Building Code.</p> <p><i>California:</i> An effort is underway to clarify language and update the regulations regarding accessibility. The effort is a joint project of the California Department of Housing and Community Development and the Division of the State Architect (DSA). The code overhaul includes reformatting and restructuring, language</p>	<p>Chicago has the typical barriers to accessible rehab: buildings with narrow corridors with little maneuvering room for wheelchairs, three story non-elevator buildings, elevator buildings with small cabs, above grade entrances, and small bathrooms and tight configurations in general.</p> <p>The State of Illinois Accessibility Code (IAC) is more stringent in many cases than the federal regulations. The format of the state code is not consistent with federal guidelines. (IAC is organized by types of buildings, while the federal ADA starts with requirements for types of spaces and then details some specific building types that are not even the same as those discussed in the IAC.)</p> <p>The establishment of the Chicago's new code helped minimize the problems caused by these contradictions. With the consolidated Chicago code, no longer did architects and developers have to sift through four or five documents attempting to compare their requirements to determine what regulations applied to their projects. Compliance with the city code would provide safe harbor for fulfilling the requirements for all federal (and state) accessibility regulations.</p> <p>The formation of the Chicago code benefited from a Mayor's Office of People with Disabilities (MOPD) task force to negotiate and create a workable ordinance. The team comprised all the major organizations that had an overall vested interest in the outcome: private homebuilders, commercial developers, not for profit developers, disability advocates, city agencies, and architects.</p>

**Strategy Guide—Best Practices**  
**II. H. Accessibility**

Strategy	Description	Example	Evaluation/ Comments
Consolidate codes and regulations (continued)		clarification, and revisions as necessary.	About 12-15 people attended meetings regularly for two years. Establishing codes dealing with accessibility that includes input from all interested parties enhances the chances of developing workable regulations and avoiding lawsuits.
Improve regulatory coordination and competence	This reduces costly time delays and ambiguous or contradictory interpretations.	<p><i>Chicago, IL:</i> In its responsibility to increase accessibility of the physical environment in housing rehab, the Chicago Mayor's Office of People with Disabilities (MOPD) interacts with its sister agencies: the Department of Planning and Development, the Department of Housing (DOH), the Chicago Housing Authority (CHA), the Department of Buildings, and the private and not for profit housing developers.</p> <p>MOPD has professionals with strong technical skills and training in the consistent application of accessibility laws. They work with affordable housing and other developers to insure uniform and swift project review and technical assistance.</p> <p><i>Philadelphia, PA:</i> The city of Philadelphia set up an independent Accessibility Advisory Board with ten statutory members that meets once a month and reviews between six and fifteen projects each session.</p>	<p>For any new program to work, all involved entities must be properly coordinated. Chicago's MOPD has shown that an increase in the level of cooperation between agencies can vastly improve the regulatory process.</p> <p>Enhancing professional and technical skills helped foster accessibility compliance in Chicago. Architects and developers can expect competent technical assistance and consistent interpretation of the code.</p> <p>Over the years, the Philadelphia Board has developed expertise and, with a track record of only two disputed outcomes, appears to be making reasoned decisions.</p>
Establish personal, early-on contact	Early-on and personal contact with interested parties is likely to reduce the problems encountered with large bureaucracies.	<i>Chicago, IL:</i> What distinguishes Chicago's accessibility review process from the standard building code process is that staff works "face to face" with developers and architects through the design process. Developers and architects are encouraged to come and have an initial discussion at schematic design or even earlier, and to return as the project design develops.	Veterans of the Chicago process have remarked that the personal and early-on help saves enormous amounts of time and misunderstandings, especially when compared to the usual process of submittals and comments.

**Strategy Guide—Best Practices**  
**II. H. Accessibility**

Strategy	Description	Example	Evaluation/ Comments
Provide education on and outreach concerning accessibility (See Resource Guide, section F for in-depth descriptions of national laws applicable to accessibility)	See strategy.	<p><i>Chicago, IL:</i> MOPD promoted understanding of accessibility as a civil rights issue and included education and relevant training.</p> <p><i>Philadelphia, PA:</i> The Philadelphia Office of Housing and Community Development (OHCD) set up a Housing and Disability Technical Assistance Program (TAP). TAP's goal is to educate, inform, and provide technical assistance about accessible housing and other topics aimed at all interested organizations and individuals.</p> <p><i>California:</i> California maintains an extensive website that offers instant access to statutes, regulations, and policies on accessibility and universal design. A comprehensive checklist for design and plan review covers minimum requirements as well as recommendations for best practices in design solutions.</p>	The MOPD has succeeded in becoming the most predictable and user-friendly part of the permitting process in Chicago.
Provide leadership	Strong leadership can go a long way in ensuring that a program is successful.	<i>Chicago, IL:</i> The mayor and the Commissioner of the MOPD provided strong leadership by setting goals and inviting all interested parties to participate in crafting the legislation. Mayor Daley stated that he wanted Chicago to be the "most accessible city in the world," and then empowered the MOPD to make this happen.	The mayor and the MOPD exhibited strong leadership. They understood that accessibility policy cannot succeed without systemic cooperation and an unwavering, determined message.
Provide subsidies as needed.	Offering funding to help offset the cost of providing accessibility in rehab housing will help overcome financial barriers.	<i>San Diego, CA:</i> The city of San Diego is participating in a program funded by the state of California to promote site accessibility in rental properties. "Exterior Accessibility for Renters" is a pilot grant program available to properties with vacancies or those where a person with a disability is living. A subsidy (that is able to be layered with	Providing resources can foster accessible rehab.

**Strategy Guide—Best Practices**  
**II. H. Accessibility**

Strategy	Description	Example	Evaluation/ Comments
Provide subsidies as needed (continued)	See above description.	other aids) can be used specifically to make public outdoor areas accessible.	
Special treatment of historic properties	<p>San Diego participates in a second program. HOME funds of up to \$15,000 per unit can be layered onto other financing. The grant funds must be used to create accessibility, and they carry fifteen year rent restrictions. The latter provision helps to insure that units will be available to people with disabilities who experience higher rates of poverty than the population as a whole.</p> <p><i>The Americans with Disabilities Act (ADA - 1990)</i> recommends a three-step approach to identify and implement accessibility modifications that will protect the integrity and historic character of historic properties:</p> <ol style="list-style-type: none"> <li>1) <i>Review the historical significance of the property and identify character-defining features:</i> review of the written documentation should always be supplemented with a physical investigation to identify which character-defining features and spaces must be protected whenever any changes are anticipated.</li> <li>2) <i>Assess the property's existing and required level of accessibility:</i> a building survey will provide a thorough evaluation of a property's accessibility. Simple audits can be completed by property owners using readily available checklists in order to assess barriers to accessibility on the property.</li> <li>3) <i>Evaluate accessibility options within a preservation context:</i> solutions should provide the greatest amount of accessibility without threatening or destroying those</li> </ol>	There may be a challenge of preserving the historic fabric while fostering access and the ADA and MOPD responses point to the need to flexible and case-specific solutions.	

**Strategy Guide—Best Practices**  
**II. H. Accessibility**

Strategy	Description	Example	Evaluation/ Comments
Special treatment of historic properties (continued)		<p>materials and features that make a property significant.</p> <p><i>ADA</i> indicates specific methods for making accessible the building site, entrances, doors, movement through the building, building amenities, and the landscape. It also encourages the consideration of a new addition as an accessibility solution.</p> <p>In general, when historic properties are altered, they should be made as accessible as possible. However, if an owner or a project team believes that certain modifications would threaten or destroy the significance of the property, the State Historic Preservation Officer should be consulted to determine whether or not any special accessibility provision may be used.</p> <p><i>Chicago, IL:</i> On historic projects, MOPD now works collaboratively with the Chicago Department of Planning and Development and the Landmarks Commission to determine accessibility provisions.</p>	

**Strategy Guide—Best Practices**  
**II. I. Davis-Bacon Wage Requirements**

Strategy	Description	Example	Evaluation/ Comments
Increase “trigger” threshold	Davis-Bacon requirements will diminish if the threshold at which it is applied is reduced.	CDBG projects of eight units or more are subject to Davis-Bacon; for HOME projects, however, the figure is twelve units or more. The disproportionate burden on smaller CDBG projects could be lifted if more residential projects were exempt by raising the threshold to the HOME level (i.e., twelve units).	Raising the threshold number of units that trigger Davis-Bacon can keep labor costs down.
Engage union workers and contractors	Good union relationships and an atmosphere that supports negotiation are crucial.	<p>Some developers have been successful in negotiating changes in worker rules and the use of apprentices to reduce labor costs.</p> <p>A Chicago not for profit developer has successfully used apprentices and was able to lower its rough carpentry labor costs by 10-20 percent.</p> <p><i>California:</i> California enacted a Prevailing Wage law in January 2004 that affects many projects, including those currently regulated by Davis-Bacon requirements.</p> <p>A series of discussions are resulting in a nascent alliance between affordable housing developers and the building trades. It is hoped that these discussions will result in union participation in multifamily residential work and a system for setting reasonable rates.</p>	The ability to negotiate these terms largely depends on the local construction market, the circumstances of a particular construction project, the union training cycles, and other varying conditions.
Provide current and accurate wage scales	See strategy	<p>Current and accurate data are especially important in rehab situations. Rehab projects tend to be more complex and may need work from specialty trades that have no posted rates. As another example, if union contractors are largely out of the residential market, there is no residential wage rate. As a result, prevailing wage jobs could default to the commercial wage rate and trigger expensive Davis-Bacon requirements.</p>	Accurate information about wage rate and wage setting is essential. If such data are not provided officially, a developer has a right to declare a wage rate after conducting a representative survey.

**Strategy Guide—Best Practices**  
**II. J. Effecting Construction**

Strategy	Description	Examples	Evaluation/Comments
Effect selective rehab (See also Strategy Guide, section II.B)	<p>Successful affordable rehab entails fixing what is fixable, replacing what is broken, and adding only what is necessary for reducing costs for energy, maintenance, and operation. Instead of blindly replacing every component, each building system should be analyzed as to its condition and to maximize useful repairs for a continuing useful life.</p> <p><i>Avoid Work items</i> Each item of the specifications should be reviewed for unnecessary work items. Doing this, Jubilee West Housing Corp. in Oakland, California, found that its rehab consultant had spent \$2,000 in one apartment by specifying new closets that weren't needed.</p> <p><i>Don't change floorplans</i> A housing group in Colorado received a design from its architect calling for extensive demolition and rearrangement of partitions. That rearrangement can often be avoided.</p> <p><i>Protect good components</i> A Detroit group, Church of the Messiah Housing Corp., removed tubs, lavatories, and radiators to a cheap warehouse while awaiting financing of a 36-unit rehab. It cost \$100 an apartment—\$800 less than it would have cost to buy new materials. It also foiled vandals and thieves who would have damaged and stripped the building during construction.</p> <p><i>Pittsburgh, PA:</i> The Allegheny West Civic Council, Inc. (AWCC) faced a conundrum with Denny Row, a collection of imposing three-story row houses that were in poor condition after 15 years of vacancy and vandalism. Despite this neglect, the houses still contained original interior architectural elements such as plaster crown moldings, oak staircases, and wood details. AWCC devised a unique approach, fully restoring only the exteriors of the houses (porches, brickwork, windows, roofs) as well as sidewalks and street trees. After the renovation, the shells had considerable curb appeal and sold for \$30,000 to \$40,000. The homebuyers then</p>	<p><i>Avoid Work items</i> Selective rehab requires expertise in deciding what to retain and skills for effecting repairs.</p> <p>Additionally, doing selective rehab may simply defer the cost of renovation into the future—without the guarantee that requisite funds will be available. Further, deteriorated buildings often require more than selective rehab.</p> <p>Prior to the Pittsburgh Denny Row project, the only sale in 15 years in the 900 block of West North Avenue had been for tax delinquency, and 14 of 19 houses were vacant. Today, there remain only two vacant houses. Homeownership has increased from 2 houses to 11 houses, and sale prices have increased from \$10,000 at tax sale to \$160,000 on the open market. City real estate tax revenue has increased by \$50,000 annually, street traffic is slower, and litter is reduced. In addition, two of the new residents have served on the AWCC board of directors.</p>	

**Strategy Guide—Best Practices**  
**II. J. Effecting Construction**

Strategy	Description	Examples	Evaluation/Comments
Effect selective rehab (continued)	See above description.	rehabilitated the interiors themselves or hired private contractors.	
Adopt "Smart Codes" (See also Strategy Guide, section II.A and Resource Guide, section H)	"Smart Codes" is the term used to describe building and construction codes that encourage the alteration and reuse of existing buildings. "Smart Codes" were developed because the building regulatory system in the U.S., including building codes, may be a significant impediment to investments in the alteration and reuse of existing buildings. This led to a complete rethinking of how existing buildings should be regulated.	"Smart Codes" are being developed with increasing frequency in states and local jurisdictions across the country: New Jersey, Maryland, Minnesota, and Rhode Island; Wilmington, Delaware; Wichita, Kansas and others. The above-cited smart codes can improve the rate of reuse of existing buildings.	A major reform that can realize significant cost savings. "Smart codes" require training of code officials.
Foster innovative rehab technologies	Innovative rehab technologies could secure three benefits: cost (lower capital costs, lower maintenance costs), time (less time to manufacture, assemble, install, and longer service life), and quality (improved appearance, greater durability, higher level of performance).	Examples of innovative materials and products applicable to rehab by building component category include (See also Resource Guide, section I):  <i>Site</i> — Conductive concrete; hill-climber lift. <i>Foundations</i> — Footing forms/drains/radon vents; <i>Building Envelope</i> — Reinforced hollow brick masonry; Miraflex insulation; Housewrap. <i>Electrical</i> — Compact fluorescent lamps; halogen lamps; lighting controls. <i>Plumbing and HVAC</i> — Alternatives to HCFC 22; natural gas refrigeration systems; ductless air conditioners; better controls. <i>Interior Finishes</i> — Flexible gypsum wallboard; floating wood floor.  Several forums for new building technologies have already appeared. Many manufacturers, design professionals, and builders currently refer to the	While it is clearly advantageous to capitalize on innovation, the rehab industry may resist change to new materials and procedures.

**Strategy Guide—Best Practices**  
**II. J. Effecting Construction**

Strategy	Description	Examples	Evaluation/Comments
Foster innovative rehabilitation technologies (continued)	See above description.	<p>following organizations for updates:</p> <p><a href="http://www.toolbase.org">www.toolbase.org</a>—The Home Building Industry's Technical Information Resource includes tips, tools, and technologies.</p> <p><a href="http://www.pathnet.org">www.pathnet.org</a>—Partnership for Advancing Technology in Housing “looks at the issues and barriers related to technology development in the housing industry, and strives for viable cost-effective solutions.”</p> <p><a href="http://www.nahbrc.org">www.nahbrc.org</a>—The National Association of Home Builders Research Center is dedicated to advancing housing technologies and creating liaisons. The NAHBRC provides technical and contractual services.</p> <p><a href="http://www.buildinggreen.com">www.buildinggreen.com</a>—provides articles and a large index of environmentally preferable building products.</p> <p><a href="http://www.buildingtradesdir.com">www.buildingtradesdir.com</a>—provides a list of producers, manufacturers and businesses.</p> <p><a href="http://www.cicacenter.org">www.cicacenter.org</a>—provides solutions for complying with EPA and state environmental laws.</p> <p><a href="http://www.energystar.gov">www.energystar.gov</a>—lists of government-backed energy-efficient products.</p>	
Deconstruction	Effect deconstruction and salvage as opposed to traditional demolition.	The Center for Construction and Environment at the University of Florida examined the cost-effectiveness of deconstruction and salvage when compared to traditional demolition in 6 one- and two-story wood-framed residential houses. It found that	An environmentally (“green”) supportive policy that potentially may offer cost savings

**Strategy Guide—Best Practices**  
**II. J. Effecting Construction**

Strategy	Description	Examples	Evaluation/Comments
		deconstruction offered significant cost advantages relative to demolition.	
Open building strategy	An innovative strategy for the conversion of obsolete office buildings to residential use, including a new way of outfitting residential units by means of fit-out packages. A fit-out package allows the rapid installation of partitions, heating, and air conditioning, kitchen and bath equipment, and finishes with all the piping, wiring, and ductwork related to this equipment. Installation is done per unit according to the floor plan selected for that specific unit.	<i>Detroit, MI:</i> An open building system strategy was applied in an existing historic office building structure in Detroit, the Kales Building, designed in 1924 by the famous architect Albert Kahn as the Kresge Company offices. The building is being converted into 108 residential units.	While not widespread, this strategy offers cost and other advantages. For example, the “fit-out approach” (see description) offers an individualized approach to large residential conversion or new projects. Second, it is also expected to be economically competitive compared to existing strategies of outfitting dwelling units, while offering much needed decision flexibility and quality control. It combines a improved decision flexibility and individuality with more consistent production. Professor Steven Kendall of Ball State University has conducted extensive important research of open building systems.
Utilize in-house work crews when necessary	The use of in-house crews can help keep costs down.	<i>Miami, FL:</i> The Little Haiti Housing Association (LHAA) is not large enough to be able to employ a subcontractor for jobs. Consequently, LHAA has opted for an in-house work crew. Another reason for this approach is perceived quality-control benefits. Explains LHAA’s construction manager: “With new construction, work quality is less open to debate. With rehab, that is not the case. A sub will say, ‘It is the best I can do given that the floors are uneven or the walls are out of plumb.’ With your own crew, you know your workers and can better control quality.”	The downside of an in-house crew is the pressure of maintaining a steady flow of work to keep the crew occupied. Given the ebbs and flows of LHAA’s housing activity, during which delays in property acquisition, closings, and the like can lessen the immediate demand for construction, keeping LHAA’s construction crew efficiently at work is often challenging.
Confronting inexperience	Entities effecting rehab may be builders with little experience and even less capital. For low-income housing, owners themselves may be the contractors—and may rely on volunteer workers or inexpensive labor. It is	The following solutions are viable for various reasons; either they are: inexpensive, easily done by inexperienced workers, commonly available, inexpensive, or environmentally friendly.	See also Resource Guide, section I, Resource Materials -- Construction Practices, and Technologies for Rehab.

**Strategy Guide—Best Practices**  
**II. J. Effecting Construction**

Strategy	Description	Examples	Evaluation/Comments
Confronting inexperience (continued)	necessary to find technologies that are easy to understand and install.	<p><i>Foundation—Repairs:</i> GreenBuilding approved products such as Emaco T415 and T430 which are concrete repair mortars with high fly ash content, known for its low maintenance and durability. Also, quick seals like Aquafin-IC Crystalline Waterproofing and Xypex Concentrate for small cracks are easy to do and come in tubes.</p> <p><i>Envelope—Roofing:</i> A new environmental option is recycled tire/rubber roofs that have the appearance of slate, wood shake, or terra cotta tile. They come in a variety of colors and with a 50-year warranty if done by certified roofers.</p> <p><i>Electrical—Wiring:</i> The least invasive solution is to rewire through surface-mounted channels, baseboard raceways, and in channels under wainscoting or baseboards. There are several types of wiring available (e.g., Romex, BX, EMT conduit). Aluminum conduit, and Galvanized conduit.</p> <p><i>Plumbing—Replacement:</i> Flexible polybutylene piping is the best option; it is easier to fish through walls and comes with slip-on end fittings. There are also short-run flexible copper with fiberglass insulation options for use in places where polybutylene is not allowed.</p> <p><i>Heating/Cooling—Equipment:</i> Based on the size of the space and the level of building insulation, window units and space heaters are easiest to install. Look for Energystar products in order to find brands that are most energy efficient and do not use CFCs.</p> <p><i>Hazardous Materials—Lead:</i> There are several levels of abatement:</p> <ol style="list-style-type: none"> <li>1. Buy a mask and scrape off the lead paint,</li> <li>2. Do a paint-over with an Elastomeric Thermoplastic Co-Polymer, or</li> <li>3. Remove with green technologies: Peel Away 6, Peel Away 7, and Piranah I Paint Stripper.</li> </ol>	

**Strategy Guide—Best Practices**  
**III. B. Property Tax Incentives (Historic Property Examples)**

Strategy	Description	Example	Evaluation/Comments
Tax exemption and/or reduction	Exemption/reduction measures grant full (with an exemption) or partial (with a reduction) property-tax relief to certain owners/types of landmark buildings. (See Resource Guide, section E for further details and examples.)	<i>Alabama:</i> There exists a statewide program for historic commercial properties in which properties, for tax purposes, are assessed at only 10% of their appraised values (vs. 20% for non-historic properties). There is no time limit on this practice.	A most generous program that provides tax relief in the absence of rehab. Further, if a tax exemption or reduction program is in place for historic properties, owners have strong incentive to designate their properties as historic.
Rehab refund	A rehab refund program reduces existing (pre-rehab) property taxes if a landmark property is renovated. (See Resource Guide, section E for further details and examples.)	<i>New Mexico:</i> “Local city, county and school property taxes assessed against the property...shall be reduced by the amount expended for restoration, preservation and maintenance each year.” Expenses incurred in one year may be carried forward for tax purposes for up to ten years.	These programs provide very significant tax relief for renovated historic buildings, thereby encouraging rehab because there is a tax reduction if a property is improved.
Rehab assessment / abatement	With a rehab assessment program, there can be no upward reassessment of renovated landmark properties. In an abatement program, there can only be partial upward reassessment of renovated landmark properties. Many times, these practices are combined to formulate a single program. (See Resource Guide, section E for further details and examples.)	<i>Georgia:</i> If rehab increases a property’s market value by 50% (if owner-occupied residential), 75% (if mixed use), or 100% (if commercial), there is an eight-year freeze on property taxes with a two-year phase-out and property taxes returning to normal in the tenth year.	While not as generous as a rehab refund, these programs encourage rehab by providing tax relief for renovated historic buildings.

102

**Strategy Guide—Best Practices**  
**III. A. Rent Control**

Strategy	Description	Example	Evaluation/Comments
Allow reasonable rent increases to cover rising operating costs and rehab outlays.	If rent control is deemed necessary, it should not discourage rehab. As defined by Gilderblom and Applebaum (1988), “moderate controls” allow for increases in rent with improvements. These stand in contrast to “restrictive controls” which do not permit an increase of rent with improvements.	<i>Oakland and San Jose:</i> In a 1987 study (O’Connor), Oakland and San Jose were declared to have moderate rent control as opposed to restrictive controls in Berkeley, CA. For instance, Berkeley had a lengthy amortization period for capital improvements and was extremely reluctant to grant individual adjustments for hardship expenses.	Few jurisdictions have rent controls in the United States. If such regulation is deemed necessary it should be of a moderate as opposed to restrictive control.

**Strategy Guide—Best Practices**  
**III. B. Property Tax Incentives**  
**(Historic Property Examples)**

Strategy	Description	Example	Evaluation/Comments
Rehab assessment / abatement (continued)	See above description.	<p>The program is statewide for owner-occupied residential properties and mandatory for all taxing districts, including municipalities, school districts, and airport authorities unless they opt out. National Register or locally designated properties qualify. National Park Service standards apply. The program also exists as a local option for commercial properties.</p> <p><i>New York:</i> There exists a local option for real property tax exemption for improvement to historic properties. The program consists of a five-year freeze followed by a five-year phase-in at a rate of 20% a year.</p> <p><i>Virginia:</i> Substantial improvements on buildings at least fifteen years old may be exempted from property tax assessments for up to fifteen years. The program exists as a local option.</p> <p><i>South Carolina:</i> Nationally or locally designated properties qualify for a tax-reduction program triggered by a minimum investment of 50% of a building's appraised value over two years.</p>	
Assessment to reflect encumbrances	A program mandating an assessment to reflect encumbrances ensures that an assessment of landmark properties reflects their landmark status and/or the presence of an historic easement.	<p><i>Connecticut:</i> Owners of lands with easements promoting historic preservation are entitled to revaluation to reflect the existence of such encumbrances. The owner must file a written application to the Board of Assessors of the municipality.</p>	<p>By allowing the assessment to reflect encumbrances, property tax requirements are more realistic and help foster the upkeep of historic properties.</p>

103

**Strategy Guide—Best Practices**  
**III. B. Property Tax Incentives**  
**(Historic Property Examples)**

Strategy	Description	Example	Evaluation/Comments
Assessment to reflect encumbrances (continued)	See above description.	<p><i>Colorado:</i> For properties on the state register of historic properties, no value shall be added “to the valuation for assessment” and the properties shall be assessed “with due regard to the restricted uses to which the property may be devoted.”</p> <p><i>Georgia:</i> Provisions apply to properties with facade or conservation easements located within an officially designated historic district. A tax provision allows the recording of an easement that constitutes “notice to the board of tax assessors...and shall entitle the owner to a revaluation of the encumbered real property.”</p>	
	Assessment at current use	<p><i>Washington:</i> Historic properties may be taxed according to their current, rather than “highest and best” use.</p> <p><i>District of Columbia:</i> For properties designated as historic landmarks, the owner must sign a twenty-year covenant guaranteeing the property's maintenance and preservation. If this is done, then assessment at the current use should be used if that value is lower than fair market value.</p>	<p>By allowing assessment at current use, property tax requirements are more realistic and foster the upkeep of historic properties.</p>
		<p><i>Nevada:</i> For land upon which designated historic sites are located, an owner can obtain an assessment at 35 percent of its full cash value. To do so, an owner must apply to the county assessor. Then, public hearings by local governing bodies are conducted to weigh costs in lost revenue versus historic benefits.</p>	

104

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