

PANAMA CITY BEACH

# INVESTING IN PROGRESS



## ▶ Beach agency 'still on full blast' despite economy

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**PANAMA CITY BEACH** — Assistant City Manager Mario Gisbert was in Washington, D.C., recently with other Florida transportation experts trying to wring a few extra federal transportation dollars from lawmakers.

He also was trying to convince federal officials about the importance of road funding for local economic development, attempting to put his finger in a dike where the flow of federal funds is swiftly draining back to Washington.

Design and engineering work by Panama City Beach's Community Development Agency has been moving forward, and the next Front Beach Road improvement segment could begin in six months if state

and federal grants come through.

"We are very aggressively going after federal and state funding," Gisbert said. "But you have to understand that funds are slim to none right now."

Lawmakers sometimes need to be reminded that cutting funding for infrastructure also is pulling the plug on needed economic development projects, he said. Cutting deficits is important, but spending "stimulates the economy and puts people to work."

By moving taxes into road improvements in Panama City Beach, and because beaches all along Bay County are the county's main economic engine, "we are investing in our production area," Gisbert said recently from his office, his smile apologizing for the

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### Tax Increment Funds

The Panama City Beach Community Redevelopment Agency receives its yearly revenue through Tax Increment Funds. The yearly TIF funds vary based on the increase in property values from the 2002 base year. The following chart shows the amount received each year since 2003.



2003 – \$923,154	2007 – \$9,234,244
2004 – \$1,848,987	2008 – \$8,522,456
2005 – \$2,494,974	2009 – \$10,019,940
2006 – \$6,940,002	2010 – \$8,426,840
<b>Total (since CRA inception) – \$48,230,597</b>	
<b>2011 (estimated) – \$7,200,000</b>	

Source: Panama City Beach Community Redevelopment Agency annual report for 2011

KEN MAINES | Florida Freedom Newspapers

At top, traffic moves along Front Beach Road in Panama City Beach. Design and engineering work by the city's Community Development Agency has been moving forward, and the next Front Beach Road improvement segment could begin in six months if state and federal grants come through.

Photo by **ANDREW WARDLOW** | The News Herald

commotion going on around him.

The CRA operation is moving into the old library building near City Hall, and with work still ongoing to refurbish the building, Gisbert and CRA engineer John Alghemand sometimes must raise their voices over the sawing and hammering.

## The plan

Gisbert and Alghemand recently gave a report to the Panama City Beach City Council on past and current CRA progress and future CRA expectations.

Formed in 2001, the city's CRA deals with transportation blight and congestion by funneling taxes from increased property values into certain areas for revitalization purposes. By 2032, the plan is to turn dirt on as much as \$400 million in improvements for the CRA's 2,400 acres on and around Front Beach Road and connecting roads within the Panama City Beach city limits.

The fruits of CRA labor can be seen on the completed Richard Jackson Boulevard and Churchwell Drive north-south connector roads, and with work taking place near the South Thomas Drive and Front Beach Road intersection.

But a \$54.8 million bond from 2006 will take current projects only through 2012, Gisbert said. The bond has an annual debt service of almost \$3.8 million, and Gisbert and Alghemand estimate the CRA will collect about \$7.2 million in 2011, down from a high of \$10 million in 2009.

At current prices, each mile of roadway costs about \$10 million. The 2006 bond was undertaken so the work could begin more quickly, but like a construction loan to build a new wing to your house, the city will be paying it off long after the construction is completed.

The public might see the progress along city streets when shovels are busy, dirt is flying and orange cones are

posted, but even when the road show slows down, the push of pencils continues.

"When we had the money, we were focusing our attention on building things," said Gisbert, trained as an architect. "But we are still doing the developing — the designing and engineering. We are still on full blast."

As property values have halted their steep increase during the past few years, grants have become more important to the CRA.

"Our type of projects are very popular now for federal dollars," said Alghemand, who has years of experience working on transportation projects for Bay County and the Florida Department of Transportation, including chasing down grant opportunities.

Over the years, Alghemand has become one of the many indispensable but unsung experts in local government, a public employee who often remains behind the scenes but whose judgment is often sought and heeded by public officials.

## New CRA

As property values have increased from a property tax baseline in 2002, the CRA has collected \$48,230,597 through 2010, or 75 percent of the increase, with the rest going to the county.

But the county is not being deprived of the money, Alghemand said. Much of the roadway in the city's CRA was once Bay County's maintenance responsibility and on the county's master



Photos by ANDREW WARDLOW | The News Herald

A scooter cruises through a construction area heading west along Front Beach Road in Panama City Beach. Design and engineering work by the city's Community Development Agency has been moving forward, and the next Front Beach Road improvement segment could begin in six months if state and federal grants come through.

list for improvements. The money collected by the CRA for its use each year must be allocated yearly or it is turned back to the county, Gisbert said. The money is committed to projects or set aside for debt reduction.

In the 2010-2011 budget, 72 percent of the \$8,246,840 in CRA revenue was targeted to road projects, 21 percent to bond debt, 5 percent to consultants and 2 percent to staff.

The current \$11.4 million, 1.25-mile project, known as Front Beach Road Segment 1, stretches west along South Thomas Drive from its intersection with North Thomas Drive, and then north along

Front Beach Road until its intersection with Middle Beach Road near the Wal-Mart Supercenter.

The construction will widen the thoroughways, adding walkways, bike paths and eye-pleasing vegetation. The work also will feature two pedestrian parks with ponds and fountains when completed, which is estimated for February 2012.

In addition to widening the roadways with 8-foot-wide sidewalks and bike and bus lanes, utilities are being taken underground, including phone and electrical lines, and sewer and water pipes are being replaced.

Engineering and design

is completed for Front Beach Road Segment 2, which would continue the Segment 1 improvements west along Front Beach Road for about a mile, ending at Richard Jackson Boulevard. That \$14 million project could begin in as early as six months if federal and state grants and loans can be found, Alghemand said.

Design work is continuing on Front Beach Road Segment 3, which would go from State 79 east to Lullwater Drive, and on the State 79 project, which would take improvements from the intersection of Front Beach Road and State 79 north to Back Beach Road.



Traffic moves along Front Beach Road in Panama City Beach.