Urban Redevelopment and the Cultural Landscape of Panama City Beach, Florida

Stephen Waldrop, Department of Geography and Environmental Sustainability
University of Oklahoma

The Condominium Explosion

Sun, Sand, and Concrete

Some of my favorite memories as a child are from my family vacations to Panama City Beach, FL. I will never forget the excitement of our car rolling down Highway 98, and as we crossed over the Phillips Inlet Bridge I could see the snow white sands and the towering structures of Pinnacle Port Condominiums in the distance. This symbol signified to me that we were there—we were at the beach. I remember sitting in the backseat of the car staring out the window seeing the sign saying “Welcome to the World’s Most Beautiful Beaches.” I looked for every open view to see the water and the big waves that I could ride on my inflatable raft. Yet, as we progressed down Front Beach Road, the views became more and more scarce as the line of condominiums and hotels became thicker. This only heightened my anticipation of reaching my family’s condominium.

When we finally reached our destination, the fifth floor of Continental Condominiums, my first instinct was not to rush the pool and jump off the diving board. It wasn’t to go to the beach to feel the powdery grains of sand between my toes. Instead, I just wanted to stand on the balcony and look off in all directions at the horizon and breathe in that salt-water air.

Although times have changed, today, 35 years later, I feel many of the same emotions. Pinnacle Port Condominiums will always be a symbol of my arriving in Panama City Beach and I still anticipate large waves for my body board. The view from the fifth floor of Continental Condominiums, however, will never be the same. I can still look off into the horizon and see the emerald green waters of the Gulf of Mexico, but the view down the coast is now a collection of modern luxury high-rises and towering obstructions. The image in Figure 1 shows the clear view I once had down the beach and the open skyline. Today that view is no longer there. The progression of time and the evolution of a city can be seen from the fifth floor of Continental Condominiums, shown in Figure 2. The once clear view is now of the 22 stories of the Aqua Panama City Beach Condominiums. For some it is a symbol of progress and development. For others, these are monstrosities that block the view to the “World’s Most Beautiful Beaches.” But who is building all these exquisite resorts, and where are the buyers coming from that are purchasing these new condominiums? This is not the Redneck Riviera I grew up with.
Figure 1: View from the fifth floor of Continental Condominiums in Panama City Beach, FL. (Circa, 1985)

Source: Author

Figure 2: View from the fifth floor of Continental Condominiums in Panama City Beach, FL (2008)

Source: Author
Waldrop

An Economic Boom

Over the years, Continental Condominiums has become a second home to me. It was the center of my world in Panama City Beach. Yet little did I know I did not even know where Panama City Beach really is. Through casual correspondence with tourists, as well as family, I know now almost everyone assumes as I do, that Panama City Beach runs between the Phillips Inlet Bridge on the west and the Hathaway Bridge on the east. It isn’t true. The actual city limits are shown on the map in Figure 3. Condominiums stretch the entire 18 miles between the bridges, but the amenities that many tourists come to experience are located in the Panama City Beach city limits. Therefore, when I decided to find out more on the condominiums, I examined every condo between the two bridges.

As long as I can remember, the gulf coast from Alabama to Florida has had the derogatory title of “Redneck Riviera.” In high school we even referred to the Florida gulf coast as “L.A.,” for Lower Alabama. The origins of the term “Redneck Riviera” is unclear. Hollis states that it is based on the belief that the majority of visitors to the gulf coast are southern, while the more affluent, northern population visits “classier” beaches of Florida (Hollis, 2004). I assume this is in reference to places such as Clearwater and Miami. Another author suggests the term was coined by former Alabama and Oakland Raiders quarterback, Kenny “the Snake” Stabler (Covington, 2004). Nonetheless, the term Redneck Riviera has become commonplace. Is the label still viable after all these years? Are all the condominium owners from the south? To explore this, I talked to Mr. Robert Snaidman, the information systems manager at the Bay County Property Appraiser. Mr. Snaidman was able to provide me with condominium owner

<table>
<thead>
<tr>
<th>Year</th>
<th>Total number of Condominiums</th>
<th>Numbers owned in Canada</th>
<th>Condominiums owned by banks and developers*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>9900</td>
<td>102</td>
<td>448</td>
</tr>
<tr>
<td>2000</td>
<td>10170</td>
<td>107</td>
<td>523</td>
</tr>
<tr>
<td>2001</td>
<td>10723</td>
<td>97</td>
<td>806</td>
</tr>
<tr>
<td>2002</td>
<td>10877</td>
<td>82</td>
<td>844</td>
</tr>
<tr>
<td>2003</td>
<td>10905</td>
<td>75</td>
<td>742</td>
</tr>
<tr>
<td>2004</td>
<td>11594</td>
<td>60</td>
<td>622</td>
</tr>
<tr>
<td>2005</td>
<td>12792</td>
<td>58</td>
<td>1355</td>
</tr>
<tr>
<td>2006</td>
<td>13275</td>
<td>61</td>
<td>667</td>
</tr>
<tr>
<td>2007</td>
<td>16659</td>
<td>64</td>
<td>2115</td>
</tr>
<tr>
<td>2008</td>
<td>19945</td>
<td>76</td>
<td>3280</td>
</tr>
<tr>
<td>2009</td>
<td>19118</td>
<td>82</td>
<td>2632</td>
</tr>
<tr>
<td>2010</td>
<td>19184</td>
<td>94</td>
<td>2609</td>
</tr>
</tbody>
</table>

* These are approximations and are not 100% accurate
Source: The Bay County Tax Appraiser
Figure 3: The City of Panama City Beach

Source: Bay County http://www.co.bay.fl.us/gis.php
Graph 1: Graph showing the change in condominiums in Panama City Beach, FL from 1999 - 2010

Data Source: The Bay County Tax Appraiser

Graph 2: Graph showing the change in owned by banks and developers in Panama City Beach, FL from 1999 - 2010

Data Source: The Bay County Tax Appraiser
data from 1999 to 2010 (these were all the years they had digitized). The results proved to be

telling. Table 1 shows the number of occupant-ready condominiums available in Panama City

Beach from 1999 to 2010. Of those condos, I tried to identify and exclude those that were bank

owned or developer owned. In other words, I wanted to see how many were owned by unique

individuals. The bank owned properties were easily identified, but with developer owned

properties I had to use a little judgment. I filtered only those with an abundance (approximately
twenty or more) of condominiums unsold. Table 1 shows a steady progression of condominiums

every year until 2006, and then the explosion occurs. The images in graphs 1 and 2 visually

show the significance of these changes.

From 1999 to 2006 the increase in condominiums was only 3,375, but from 2006 to 2007 the

increase was 3,384 with another 3,286 by 2008. The nation’s economic downturn can also be

pinpointed in 2007, and by 2008 many new condominiums went unsold. Although the numbers
do show steady improvement into 2010, many units are still unsold (there was a steady increase

in international owners from 17 to 36 during this time period)

The map in Figure 4 shows a large concentration of owners in Florida, Alabama, and Georgia.
The line of owners to the north follows the I-65 corridor which runs from Mobile, AL, through
Birmingham, AL, Nashville, TN, Louisville, KY, and Indianapolis, IN before ending at Gary,
IN, less than 30 miles southeast of Chicago, IL. In addition the map also shows pockets of
owners in the New York City metropolitan area, as well as Minneapolis, MN and parts of
California. By 2010 (figure 5), every state in the union had at least one condominium owner in
Panama City Beach. Only three states had over a thousand owners over this period: Florida,
Georgia, and Alabama. The states with a hundred or more owners showed a bigger change.
Table 2 shows the comparison of states with a hundred or more owners for 1999 and 2010 (this
table is the unfiltered data which includes bank owned and developer owned properties, whereas
the data in table 3 has been adjusted accordingly). Explaining the changes requires a bit of
detective work.

<table>
<thead>
<tr>
<th>Table 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>States With 100+ condominium owners</td>
</tr>
<tr>
<td>Panama City Beach, FL</td>
</tr>
<tr>
<td>1999 (# of Owners)</td>
</tr>
<tr>
<td>FL (3244)</td>
</tr>
<tr>
<td>GA (2688)</td>
</tr>
<tr>
<td>AL (1583)</td>
</tr>
<tr>
<td>TN (594)</td>
</tr>
<tr>
<td>KY (215)</td>
</tr>
<tr>
<td>IN (167)</td>
</tr>
<tr>
<td>OH (157)</td>
</tr>
<tr>
<td>IL (151)</td>
</tr>
<tr>
<td>MI (150)</td>
</tr>
<tr>
<td>2010 (# of Owners)</td>
</tr>
<tr>
<td>FL (6168)</td>
</tr>
<tr>
<td>GA (5054)</td>
</tr>
<tr>
<td>AL (2572)</td>
</tr>
<tr>
<td>TN (991)</td>
</tr>
<tr>
<td>KY (846)</td>
</tr>
<tr>
<td>IN (400)</td>
</tr>
<tr>
<td>OH (273)</td>
</tr>
<tr>
<td>IL (268)</td>
</tr>
<tr>
<td>MI (264)</td>
</tr>
<tr>
<td>Data Source: the Bay County Tax Appraiser</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>States With 100+ condominium owners.</td>
</tr>
<tr>
<td>Filtered: Bank and developer owned properties. Panama City Beach, FL</td>
</tr>
<tr>
<td>1999 (# of Owners)</td>
</tr>
<tr>
<td>FL (2886)</td>
</tr>
<tr>
<td>GA (2601)</td>
</tr>
<tr>
<td>AL (1581)</td>
</tr>
<tr>
<td>TN (594)</td>
</tr>
<tr>
<td>KY (215)</td>
</tr>
<tr>
<td>IN (167)</td>
</tr>
<tr>
<td>OH (157)</td>
</tr>
<tr>
<td>IL (151)</td>
</tr>
<tr>
<td>MI (150)</td>
</tr>
<tr>
<td>2010 (# of Owners)</td>
</tr>
<tr>
<td>FL (5267)</td>
</tr>
<tr>
<td>GA (4608)</td>
</tr>
<tr>
<td>AL (2381)</td>
</tr>
<tr>
<td>TN (845)</td>
</tr>
<tr>
<td>KY (371)</td>
</tr>
<tr>
<td>IN (291)</td>
</tr>
<tr>
<td>OH (267)</td>
</tr>
<tr>
<td>IL (242)</td>
</tr>
<tr>
<td>MI (236)</td>
</tr>
<tr>
<td>Data Source: the Bay County Tax Appraiser</td>
</tr>
</tbody>
</table>
Figure 4: Location of condominium owners in 1999 for Panama City Beach, FL based on tax records. Each dot represents one condo owned, with a total of 9,900 condominiums.

Source: Bay County Tax Appraiser
Figure 5: Location of condominium owners in 2010 for Panama City Beach, FL based on tax records. Each dot represents one condo owned, with a total of 19,184 condominiums.

Source: Bay County Tax Appraiser
Players of the Game

The Panama City Beach skyline has been forever transformed into a land of high-rises and shadows. While driving down Front Beach Road, a person will be lucky to maintain a GPS or satellite radio signal. I wanted to know who was building these monsters. It turns that many of the names remain well hidden in a web of Limited Liability Companies (LLC).

One of the new developments is called Laketown Wharf, shown in Figure 6. A 765-unit structure, this resort more resembles a casino in Las Vegas than a vacation condominium resort.

Figure 6: Driving southwest down Front Beach Road in Panama City Beach, FL. The Laketown Wharf condominium can be seen in the distance. The image also

Source: Author

It is located on the corner of Front Beach Road and Thomas Drive, across the street from the gulf. The resort boasts a nightly fountain show, as well as an island pool on the lake. The man responsible for this massive project is Jerry Wallace, a developer and businessman out of Florida. Known as “the dealmaker” and “America’s Greatest Realtor,” Mr. Wallace is responsible for not only the Laketown Wharf, but also the Majestic Beach Towers and Shores of Panama.

Mr. Wallace was broke when he moved to Destin from Atlanta in 1992. He began working as a real estate agent for Abbott Realty (Schaefer. 2006) and by 1994 he was the most successful condo pre-construction agent in the city (hotelresortinsider.com). The Laketown Wharf, however, turned out to be more doom and gloom than sunshine and roses. Near completion, Wallace had sold only 65 condos. In September of 2008, he had signed over ownership of to the Chicago based holding company Corus Bankshares Inc., the lender who had funded the project. A year later, in September 2009, Corus Bank was closed with temporary control given to the Federal Deposit Insurance Corporation (FDIC) (Karp, 2008). The Corus Bank deposits were then purchased by MB Financial Bank in Chicago. This explains the massive increase in condominium ownership in Illinois in a short time (Williams-Dickerson, 2009).
The late James C. Lee Jr. and H.J. Royall are the two individuals associated with the Emerald Beach Resort shown in Figure 7. In the state of Alabama, the Buffalo Rock Company is almost as iconic as the screaming of “War Eagle” or “Roll Tide.” Based out of Birmingham, Buffalo Rock is an independent Pepsi bottling company and for several generations the Lee family has built an empire on sugar and fizz. They also had a big influence on the Gulf Coast. The Lee family has run the Buffalo Rock Company since its founding in the late 1800’s by Sidney W. Lee. He passed the company to his son James C. Lee Sr., and when Sr. passed away in 1951, Lee Jr. continued running the company. James C. Lee Jr. passed away in 2009 and today it is run by James C. Lee III (buffalorock.com). Although Mr. Royall’s background is not quite as exciting and well known as Mr. Lee, he is a prominent developer and owner of Worthwhile Development out of central Florida (floridahousing.org).

While not quite as extravagant as Laketown Wharf, the Emerald Beach Resort was planned to contain 547 condos. The plans never came to fruition. Of the four-phase project, only towers one and three were completed, with a total of 260 units (Sunrise Beach next door is not too shabby at 213 units) (panamacitybeachguide.net).

Although Lee and Royall had high aspirations for the Emerald Beach Resort, when the economic bubble burst so did their plans. Banks changed their loan programs, raising down payments and eliminating 30 year fixed-rate mortgages. Instead, they offered 25 percent down and three-and-five-year adjustable-rate mortgages. Emerald Beach Resort, Shores of Panama, and Tidewater were all identified as projects the banks would no longer finance. The places were classified as condo-tels (blog.panamabeachrealty.com). The main culprit for Emerald Beach Resort’s
reclassification was the purchase of tower III by Wyndham Vacation Ownership whose parent company is Wyndham Worldwide (Bastian, 2007). The property became a time-share resort where no individual has ownership of an actual unit; instead, they own vacation time at any Wyndham Resort locations around the country. The classification as condo-tel is not limited to time-shares. For example, if your condo has a front desk or registration service, a central telephone system, or daily cleaning service, it can be classified as a condo-tel. If it advertises rental rates, has a central key system, short term rentals, or almost no full time residents, it can again be called a condo-tel (Portman, 2009). Almost all of the condos in Panama City Beach are, by these measures, condo-tels. Thus, with the current state of the economy, construction of new condominiums has stalled.

As previously stated, Continental Condominium was the center of my world in Panama City Beach. It also happens to be located across the street from one of the most iconic places in the city, Gulf World Marine Park. With daily dolphin shows, tropical birds, and other wildlife not native to the state, Gulf World is the closest thing to Sea World in the panhandle of Florida, and Wes Burnham, the man behind Gulf World, has been impacting the Panama City Beach landscape for over 40 years (Hollis, 2004). Burnham opened Gulf World in 1969 and it continues to expand and thrive today. His biggest local endeavor is Edgewater. With his partners, J. Wallace Nall and J. David Harris, he has developed one of the central hubs for Panama City Beach. Started in 1983, some of the key developments of the Edgewater Construction Company have been the Shops at Edgewater, Edgewater Towers, and more recently the Long Beach Resort and the En Soleil Resort (beachcontractors.com). The Long Beach Resort has over 400 units which sell from $200,000 to $500,000. The En Soleil Resort is even more exclusive with only 88 units, starting at $500,000 and rising to $1.5 million. This is definitely a change from the $46,000 my parents spent on our condo in 1976.

Figure 8: Fiesta Motel in Panama City Beach, FL (Circa, 2002)

Source: Author
The Fiesta Motel, shown in Figure 8, first opened in 1969. As a child in the 80’s I thought this place was one of the most spectacular sights on the beach. Driving down Front Beach, the Fiesta Motel was the first building after a stretch of empty beach, and at night when the lights of that sign glowed, I thought I was on the strip in Las Vegas. At one time this was one of the hottest places on the beach.

A 2009 article in the Panama City Beach Daily (PCBdaily) describes the memories people had of Room 121. A Canadian couple described it as their winter home, and another couple was married on the back porch of the motel (Campbell, 2009). Yet as times change so does the utility of a place. As Panama City Beach evolved into a haven for college kids, the Fiesta Motel became one of the hot spots for spring break tourists. Even I, at one time, spent a few nights there with multiple adult beverages. In retrospect it seems only appropriate that this motel was built by a man who made his living on beer. Mr. Frank Schilleci, the developer, is also owner of Bama Budweiser in Montgomery. Today the Fiesta Motel is now a leveled, fenced-in area of beach, and the future of the land is in doubt.

During the condominium boom there were many people with very ambitious projects, many of which have yet to see the light of day. One of those people is Pradip C. Patel. As his website states, Mr. Patel is the “embodiment of the American Dream.” A native of Zambia, Patel obtained a Bachelor’s degree in Commerce from India’s Gujarat University. He then earned an MBA from Eastern Michigan University. In 2002 he founded Naidip Capital; a real estate investment company based in Tampa, FL that has completed projects valued in excess of $1 billion (www.ativas.net). Three years later Naidip Capital purchased the Fiesta Motel. The initial plan was to create the Solimar Resort and Spa. Described as a mixed-use development and “international luxury travel and living destination,” the Solimar Resort was to be a giant, 800-room development on sixteen acres (://www.vscconsulting.com). The open beach adjacent to the old Fiesta Motel is protected so the sixteen acres entails the motel property and the land across the street, which used to be the Fun City Arcade and go-kart track (also owned and built by Frank Schilleci). The Solimar however, has yet to come to fruition. The economic downturn forced Naidip Capital to sit on the property. The city of Panama City Beach was even forced to take the initiative of tearing down the Fiesta Motel and placing a lien on the property for the expenses. The current state of the resort is unclear. The director of planning and building, Mr. Mel Léonard has been quoted as saying “It wouldn’t surprise me if this property remained in an inactive state for ten years of more,” (Kelly, 2009).

My scavenger hunt of finding recent developers in Panama City Beach led me to one company that seemed to have an especially major presence. The Sterling Companies, through Sterling Development, have built two condominiums in Panama City Beach; Sterling Breeze and Sterling Reef (they have four others built in Destin). The company sells property through Sterling Realty. Sterling Resorts, the management side of The Sterling Companies, acts as the rental service not just for Sterling developments, but for over 40 locations along the Gulf Coast, including nineteen in Panama City Beach. Yet as with any large company, there always seems to be one larger. In 2008, Sterling Realty and Sterling Resorts was acquired by Dallas based Encore Enterprises through its Encore Hospitality subsidiary. The acquisition added to Encore’s previous acquisition of Pineapple Management, a hotel management company with brands including Marriott and Holiday Inn (www.nwfdailynews.com). The little “Redneck Riviera” of Panama City Beach now has a major player.
In time, the economy will improve and the condo market will thrive again. In just the last 30 years I have watched Panama City Beach evolve in ways I never dreamed possible. I will never forget walking out on the breezeway of our condo at night and looking across the street, seeing the eyes of the giant skull light up in the darkness on the first hole at the Funship Arcade and Golf. During the day I plugged countless dimes into the old wooden ski-ball machines, saving my tickets all summer to get toys that could be purchased cheaper from a five-and-dime store. Unfortunately due to the regular visits, my family never thought to take pictures, and none can be found. As a kid you never think the little arcade and mini-golf you grew up in will become a diner and adult novelty store (Figure 9). Indeed, times have changed; and they are about to change again.

**Figure 9: This picture shows Gulf World, the American Diner, and Heat Wave/Purple Haze stores in Panama City Beach, FL. The diner and stores is the former site of the Funship Arcade and Golf (2011)**

![Image of Gulf World, American Diner, and Heat Wave/Purple Haze stores](image)

*Source: Author*

**Current [Re]Actions**

Looking at the skyline I realize that this glorious development will impact not only the view of the Gulf of Mexico but the entire nature of the city as well. Panama City Beach, however, is ill prepared for the traffic problem that is coming. Then again, what city could add over 10,000 available living spaces in a little over a decade and not expect a problem? Many of the roads, especially Front Beach Road, with only two lanes, cannot handle the increase in automobile traffic. Although many tourists, especially the high school and college spring break crowds, enjoy the slow crawl and excitement of “cruising the strip,” these conditions are viewed by local officials as unsustainable for the long-term plans of the city. Fortunately, the city has prepared for some of these contingencies, and both Panama City Beach Parkway and Hutchinson Boulevard have been expanded to four lanes. In addition the city has now begun construction on its long-term Community Redevelopment Area (CRA) and has prepared its new Form Based
The completion of the CRA will impact the entire transportation network of Panama City Beach. Combined with the FBC, Panama City Beach is on the verge of reinventing itself as an icon for the New Urbanism.

The New Urbanism and Seaside

The New Urbanism is a theoretical style of development rooted in practice (Duany in Talen, 2006). Based on design, the New Urbanism has become very popular since the mid-1980’s and has reintroduced traditional American development patterns (Steuteville and Langdon, 2006). The New Urbanism has brought with it new ways of perceiving urban form and development (Grant, 2006). In addition, the New Urbanism is a reaction to urban sprawl and an attempt by architects and planners to create smaller, human-scale walkable communities (Steuteville and Langdon, 2006).

Located approximately ten miles west of Panama City Beach, Seaside has been called an icon of the New Urbanism (Gindroz, 2009). Small enough to be walkable, Seaside has been viewed as a paradise. At only 80 acres with 489 individual homes and 100 guest homes, Seaside is the modern day Garden City. In addition, there are 76 merchants that range from a neighborhood market to an independent record-and-bookstore. Seaside has become a vacation resort town, yet about ten percent of its residents there permanently. There are generally about 10,000 short-term residents (www.seasideinstitute.org).

The land where Seaside stands was initially purchased in 1946 as a summer camp for the employees of Joseph Smolian. Those dreams never came to fruition and the land was inherited in the late 1970’s by Smolian’s grandson, Robert Davis. Still believing in his grandfather’s dream that the land would one day be worth something, Davis and his wife Daryl journeyed from the back roads of Florida to the small towns of France and Italy (Kleindienst, 2009). The muse came from what Daryl describes as “Leave it to Beaver” type roads. They decided upon creating a small town where one could walk out the front door and straight to the neighborhood market. According to Davis “We weren’t really selling houses. We were selling an idea for living in a neighborhood.” (Davis quoted in Kleindienst, 2009, p. 6)

When Seaside was developed, the intention was to create a mixed-use, mixed-income, livable community. Instead what it has become is a resort and investment property for the wealthy. This is evident in the images in Figures 10 to 13. The walkable central business district (CBD) can be seen, along with an example of the types of amenities such as a spa and paint-it-yourself pottery shop. Moreover, the local grocery store shows the economic class of the clientele being catered to by stocking high-end spices and juices. Many of the name-brand items you find at most groceries were considerably outnumbered by the higher-end products. Yet, in front on the spa there is a large collection of bicycles, showing that the people in the community are taking advantage of the alternative forms of transit available.
Figure 10: Seaside, FL

Source: [http://www.eslarp.uiuc.edu/la/LA338-S01/groups/c/](http://www.eslarp.uiuc.edu/la/LA338-S01/groups/c/)

Figure 11: The CBD of Seaside, FL. The field is part of the central amphitheater. (2010)

Source: Author
Figure 12: Shops in Seaside, FL on the west side of the CBD (2010)

Source: Author

Figure 13: A sample of products available at the grocery store in Seaside, FL (2010)

Source: Author
Flaws of the New Urbanism

The success of Seaside was an indication that the New Urbanism had arrived, and by 1993, it was no longer just a theoretical idea but a full blown movement. Although the New Urbanism now has a strong following, just as with any planning movement, it has its critics as well. Krieger (2002) has identified several problems related to New Urbanism and to Seaside specifically. One is the idea that New Urbanism involves the creation of subdivisions, not towns. In the case of Seaside I can see the validity of this argument. Seaside functions more as a subdivision than as a town. It feeds off tourism from Panama City Beach and nearby Destin and without that income might not be sustainable. This leads into another of Krieger’s arguments, which is that low population limits mixed-use development. In Seaside this may be true, but in the case of Celebration located near Walt Disney World, the New Urbanism is alive and functioning as an independent town. Finally, Krieger points out that Seaside does not have elected officials but private community management. It can be argued that since Seaside was a planned community on such a small scale, elected officials were unnecessary. It can be run and controlled similar to the homeowners’ associations of a subdivision or condominium. Moreover, with only ten percent permanent occupancy, attempts to maintain a quorum to vote for elected officials may be difficult. Thus, the current management style is probably the most effective under the circumstances.

I mention Seaside because it can be seen as an extension of Panama City Beach. The flaws Krieger finds in Seaside are not an issue for Panama City Beach, which is bigger and already has elected officials. Celebration may seem like a better comparison. Celebration is located near a city of heavy tourism, while Seaside is a tourist city. Seaside, in other words, hints at what Panama City Beach may become. More importantly, Panama City Beach may become what Seaside wanted to be.

The Roots of the CRA

In order for Panama City Beach to prepare for its future, in 2007 the city commissioned a consulting firm from California to propose a long-term plan. This plan compared Panama City Beach to cities such as Ocean City, Maryland, and St. Augustine and Orlando, Florida. Each has their own transit system. The consultant’s Panama City Beach proposal was an amalgamation of elements from these cities.

Ocean City, Maryland is a small beach community that thrives on its tourism. For public transit, the city maintains a tram system that follows a three-mile stretch along the beach. The city has a population of about 7,500 people, while Panama City Beach has a population of about 15,000 people. In other words, Ocean City can be viewed as a smaller version of Panama City Beach.

St. Augustine is a popular tourist destination because it is the oldest city in the United States, as well as the capital of the old territory of East Florida. In addition, the city is the home to the famous Castillo de San Marcos and the legendary fountain of youth. To punctuate the old look of the city, St. Augustine uses a themed red train for downtown tours. The train resembles a steam train and makes various stops throughout the day. At night the red trains are replaced by black trains for ghost tours. The proposal suggests that Panama City develop a similarly themed tourist ride.
Orlando, Florida uses a bus rapid transit (BRT). This system has dedicated lanes that use sensors for traffic light priority. It is also a no-fare service that is primarily used by the local community. The consultants suggest that Panama City Beach adopt a similar setup. Although not as complex as Orlando, the system should have similar traffic light functionality and possibly a no-fare service (Panama City Beach Transit Operation Plan, 2007).

**The New Transit**

Shopping in Panama City Beach has always been an activity that requires either driving up and down Front Beach Road to the various shops – the majority of which sold discount T-shirts and novelty items – or driving to the mall in Panama City. The opening of Pier Park in 2008 changed all that. Pier Park, a Simon Properties development is located just east of highway 79. It is a large outdoor mall owned by the biggest mall developer in the country. A two-lane north/south road passes through Pier Park, for the access from both Front Beach Road and Panama City Beach Parkway, as well from two east/west roads connecting the major parking lots of the anchor stores, Dillard’s, J.C. Penney, and Target. The mall marks the first time that large retail chains have had a presence in Panama City Beach. According to local resident Jerry Bush, Pier Park was dubbed by Mayor Gale Oberst as downtown Panama City Beach. According to Mr. Rick Senner, the mall also hurt local restaurants more than the condominiums had a generation earlier. Thanks to the additions of places such as The Olive Garden and Longhorn Steakhouse, people began going to these major chains instead of the locally owned establishments.

The final CRA – or Community Redevelopment Area – calls for a complete overhaul of the transportation network. Figure 15 shows the boundaries for the CRA, along with planned construction areas. The plans call for all the highlighted roads between Front Beach Road and Panama City Beach Parkway to be expanded to four lanes. Several have already been completed. I asked Mayor Oberst why this was being done first, and she stated that due to the high volume of traffic, the first priority was to relieve congestion on Front Beach Road. The first road completed was Churchwell Road which leads up to the Long Beach Resort. According to the mayor, the Department of Transportation (DOT) owned the bridge there and planned to replace it. The DOT gave the city two or three million dollars (the mayor couldn’t remember the exact number) to use as they saw fit. Therefore, this cut the cost to expand Churchwell Road which is now four lanes. In addition to the side streets, the mayor also stated that plans were in place to expand Panama City Beach Parkway and Hutchinson Boulevard to six lanes. Construction has also begun on Thomas Drive (Figure 14) to lay the foundations for implementing its new transit system.

Front Beach Road is a problem, because the city has a limited amount of space on which to expand it. Moreover, Mayor Oberst stated that under Florida state law, once a road reaches concurrency (maximum traffic allowed) the city must accommodate and increase capacity (expand the roads). Therefore, the CRA proposes to create dedicated lanes with east/west routes for a public tram system. The system will stretch almost the entire Panama City Beach city limits from Thomas Drive to the city limits past Pier Park. The east route will use the roundabout in Pier Park and will circle around a section of Thomas Drive near the Wal-Mart. The west route will use the road on the perimeter of Pier Park that connects to Panama City Beach Parkway, then return to Front Beach Road and end at the western edge of the city limits. Not only will these lanes be dedicated for the tram system, they can also be used by those who
Figure 14: Construction beginning for the new public tram system near Pinapple Willy’s (right) and the Laketown Wharf (left) on Thomas Drive in Panama City Beach (2010)


Figure 15: CRA projects for Panama City Beach, FL

Source: [Panama City Beach Transit Operation Plan, 2007](#)
prefer to travel by bicycle. In addition, the city is exploring the possibility of integrating a themed tourist ride, similar to that in St. Augustine.

Coding Mistakes

The execution of a new public transit system is just the beginning of what Mayor Oberst describes as a “wonderful exciting time” for Panama City Beach. Yet as you look at the mammoth structures along Front Beach Road, even she admits there were mistakes. She recalls two. First was parking. The condominiums grew so large that developers built parking garages across the street from the condominiums. The city was well aware of this and suggested using the first floor as retail space to create an inviting and walkable community. A few developers did this. The Mayor stated that the city thought all would.

The second mistake was access to these parking garages. The city requires a covered walkway for access across Front Beach Road, but it doesn’t specify width or use other than a walkway. The Wyndham Resort was a little creative. Its walkway doubles as a bar with seating for 300 people along a ten foot walkway.

Mayor Oberst describes these mistakes as learning experiences, and with the massive amount of development that occurred quickly it is understandable why they happened. These mistakes should be corrected with the implementation of the new Form Based Code

The Form Based Code (FBC) amounts to a recipe for the New Urbanism. The city contracted with Planning Works, based in Kansas, to develop a form-based recommendation as “a land development regulation that is based principally on design, rather use, impact, or other aspects of land development” (Planning Works, 2009).

The area that would fall under the provisions of the FBC is designated as the Coastal Overlay District. It is described under Article IX, Section 4, in Appendix A of the municipal code as:

> “a sub-district of the tourist districts and is comprised of those properties zoned for tourist use that are for all practical purposes located adjacent to the sandy beach of the Gulf of Mexico and which lie seaward of the seaward most dedicated public right-of-way”

(http://library.municode.com/index.aspx?clientId=14445&stateId=9&stateName=Florida)

Although Mayor Oberst said the city intends to incorporate the FBC into its codes to ensure that everyone north of Front Beach Road can receive the same benefits for building under the provisions of the FBC as those in the Coastal Overlay District.

Planning Works identified three unique themes for Panama City Beach: Coastal Casual, Beach Village, and Resort Paradise. Coastal Casual is identified as lower intensity developments with buildings not exceeding three stories in height. Beach Village and Resort Paradise are more alike than Coastal Casual. They both exhibit mixed development with highrise condos. Artist’s renderings of all three can be viewed in Figure 16 to 18. What is interesting is how my childhood perceptions of the dividing lines coincide with the maps representing these different styles (Figures 19 and 20) (although Pier Park changed things a little, the Fontainebleau Terrace and Thomas Drive are identified).
Figure 16: An artist’s rendering of the Coastal Casual theme in the FBC for Panama City Beach

Source: (Planning Works, 2009, p. 1)

Figure 17: An artist’s rendering of the Beach Village theme in the FBC for Panama City Beach

Source: (Planning Works, 2009, p. 1)
Figure 18: An artist’s rendering of the Beach Village theme in the FBC for Panama City Beach

Source: (Planning Works, 2009, p. 1)

Fig 19: Map of beach themes in the FBC for Panama City Beach, west of the Fontainebleau Ter.

Source: (Planning Works, 2009, p. 1)

Fig 20: Map of beach themes in the FBC for Panama City Beach, west of the Fontainebleau Ter.

Source: (Planning Works, 2009, p. 1)
Planning Works provided a plethora of recommendations to improve Panama City Beach, and I want to highlight a couple of these. One is having buildings of similar height adjacent to each other. This will prevent smaller buildings being confined to the shadows. Another recommendation is having parking located behind the businesses. This provides a community that is safer for walkers and cyclist by eliminating unnecessary turning into front facing parking lots.

**We The People**

The renderings in the images show not only how aesthetically pleasing the future Panama City Beach may be but also how the incorporation of both the FBC and CRA will combine to create a city unique in the region. What these renderings also show is how people like me already view this city as a paradise that will only be more magnificent in the future. But what is the word of one person? Therefore, it is time to go beyond the development of Panama City Beach, and go to the heart of what makes a city thrive, its people. I went out to interview various people in the public and private sectors to find out if the residents have the same opinions as tourists. Although some people wished to remain anonymous, I was able to find some interesting perspectives.

**Perceptions**

To begin this exploration into perceptions of Panama City Beach I went straight to the head of the city, Mayor Gayle Oberst. Mayor Oberst was able to provide me with a great deal of information, as well as her perception of the city. She has been a permanent resident of Panama City Beach since 1991, although she vacationed there from childhood. She stated that she grew up in south Alabama and the panhandle was the only place her family could afford (her story brings us back to the “Redneck Riviera.”) She described the era of condominium redevelopment as a time of major change for the area. Mom and pop hotels that could at one time be purchased for a half million to a million dollars skyrocketed to twenty million dollars. Then there was the completion of Pier Park. According to Mayor Oberst, there was a public/private partnership between the city and the St. Joe Company. It involved the Wayside Park, site of the old Wayside Waterslide my brother and I played as kids. The St. Joe Company is the largest land owner in northwest Florida, but the Mayor said they weren’t great builders and didn’t know what to do with that land, so they sold it to Simon Properties, and Pier Park was born.

I then raised the controversial subjects of spring break and the Thunder Beach biker rally. In the last decade Panama City Beach had become known as a spring break capitol, thanks in part to MTV hosting a party from the local dance halls Club La Vela and the Spinnaker. The Mayor stated by the late 90’s the crowd were almost out of control with about 600,000 visitors over a six-week period. The city worked to tone it down in recent years, and the 2009 crowd was around 400,000, up from the three previous years. Mayor Oberst is also a member of the Tourist Development Council (TDC), and she said that the city understands there will always be spring break. It used to be referred to as AEA and GEA (Alabama/Georgia Education Association conference week). The goal now is to maintain a calmer group, and the new condominiums help ensure this, since they will not rent to those under 25. So unless someone’s family owns a condominium, their rental options are limited. In addition, the Tourist Development Council puts no money in marketing spring break. It is all done through collaboration between clubs and
hotels. One city official believes that “the few businesses that cater to the newer crowd [spring breakers] had given the beach a black eye that we may never recover from.”

Regarding the biker rally, the mayor stated that bikers today are well educated, well-to-do professionals. I received the same appraisal from Vice Mayor Nelson, Mr. Jerry Bush, and Mr. Lewis Cummings, an Alabama resident who owns multiple condominiums in Panama City Beach. The general consensus is that the biker rally is noisy, but that the bikers are good people who boost the economy. Not everyone, however, agrees. One public official told me that although the rally is good for the economy it projects a bad image for the city. Another individual who wished to remain anonymous stated he could not stand the bikers and that they were nothing but older spring breakers. He also said they were not well-to-do professionals and that he regularly saw “women that weigh more than the motorcycles.” Lewis Cummings told me:

I am in hope that the Spring Break Crowd will find somewhere other place to go. Although they bring money, they also tear up property, tax law enforcement, drive recklessly and this discourages families from coming to the beach during this time.

Panama City Beach is one of three cities in the state of Florida that does not have a property tax. Income is produced by a one percent sales tax on all retail sales in the city and a franchise fee on electricity and telephones. In 2009 the city budget was $170 million, of which approximately $70 million was earmarked for the CRA. The city also provides all water and sewer services for both unincorporated and incorporated areas of the island. When all is said and done, there is about 25 to 30 million dollars in the general fund to run the city. Therefore, with a permanent resident base of around 14,000, the city depends on tourism and events such as spring break and Thunder Beach as a crucial source of income. As Vice Mayor Nelson points out, spring break and Thunder Beach have helped turn Panama City Beach into a 365-day-a-year resort, instead of a 100-day one.

While I have mentioned his name previously, it’s time I formally introduce Mr. Jerry Bush. Mr. Bush is a real-estate investor and entrepreneur from Birmingham who has been a full-time resident in Panama City Beach since 1998. He told me that he would never forget the first time he came at the age of five. His family had gone on vacation in his father’s grocery van. His dad backed up to the beach and opened the doors on the whitest sand and largest body of water Jerry had ever seen. At that point, he said, he was determined to one day live at the beach. Now he does, two blocks back. He believes the combination of the CRA and FBC will attract people who would not otherwise have come to Panama City Beach. He said he believes the St. Andrews area is a sleeping giant which is why he already owns five properties and is looking to buy more. The optimism he displayed in describing Panama City Beach could make almost anyone pack up and move to this city graced, by breezes off the Gulf of Mexico. But is the future as bright as Mr. Bush sees it? Let the speculation begin.

The Future Panama City Beach

Panama City Beach can be described as a southern, blue collar town. Yet as the development in the city continues, this could very well change. As many of the old condominiums have been
replaced by new luxury highrises, the economic class of the people investing in and visiting Panama City Beach will also change. The city will then need to evolve to accommodate these people through its CRA and FBC. Although I don’t believe Panama City Beach will become an elite community like Seaside, it will have some New Urbanist characteristics with it. It will also have a very diverse group of economic and cultural characteristics. I also believe that as more people use alternative forms of transportation, those who may at first resist may be inspired to try it. New public transit options will also attract new groups of people such as the creative class (Florida, 2002). This group of young, educated individuals embraces this style of living, and will be drawn to a coastal community with limited need for the use of automobiles. The entire landscape will have been altered physically and culturally.

The greatest concern in regards to attracting younger residents is simply the availability of jobs. This however may also change in the near future. Recently, the nation’s first post-9/11 airport opened just north of Panama City Beach. The Northwest Florida Beaches International Airport could have a major impact on the entire outlook of the city. Mr. Bush even went as far as saying the airport is the bastion for the entire redevelopment of Panama City Beach. Councilwoman Josie Strange also seems very optimistic about the impacts of the new airport. She envisions a Panama City Beach that is not entirely dependent on tourism. Vice Mayor Nelson also says that the airport will bring more people to the beach, but he believes Panama City Beach is primarily a drive-to destination and always will be. Nonetheless, the addition of the airport may be as important to the city as Pier Park, and could also attract major corporations to the area. According to Mayor Oberst, the St. Joe Company plans to relocate their home office from Jacksonville to the Panama City Beach area. This move could create a chain reaction that brings more companies to the area. Mr. Rick Senner told me of rumors that Fed-Ex might have plans to open a new hub in the area, thanks to the airport. In addition, an article in The Wall Street Journal alludes to the potential of the entire panhandle of Florida. On March 1, 2011, the St. Joe Company was acquired by Fairholme Funds Inc., a mutual-fund manager based out of Miami. Fairholme founder Mr. Bruce Berkowitz believes the area is prime for commercial development and is quoted as saying:

I want it to be a metropolis. I’m not just talking about a vacation community. When industry comes, which it will, to the area, because that area is an aerospace corridor, it’s going to be one of the best places to live and work in Florida. (Berkowitz quoted in Whelan, 2011)

This shows how the city is becoming more than the “Redneck Riviera” and is growing into a major economic center for the state of Florida. With the opening of the new international airport, the city could become a popular destination for northerners and even foreign nationals. The CRA and FBC are the beginning of major changes in the city. Although these changes may be only a way to accommodate the growing number of tourists, I believe Panama City Beach has the potential be the next Ft. Lauderdale or even Miami. The city is in a unique situation and the future appears to be a bright one. What better way to conclude than with the words of people from Panama City Beach.

You’re going to find an eclectic group of people, great interesting people with every economic group of people. This is the place to be in the next 20 years. A great place to start a family, a great place to live. (Jerry Bush)
That term [Redneck Riviera] no longer describes the Northwest area of Florida. Panama City Beach has prettier beaches than any other part of Florida. It is the place to be. Even though prices have increased, it is still a bargain when compared to South Beach, Ft. Lauderdale, etc. It is newer, up to date, prettier, and just as accessible if not more so to a broader market. The beaches at Panama City Beach are as pretty and white as anywhere in the world. The people that live and work in the Panama City Beach area are friendly, helpful, and very mannerly. (Lewis Cummings)

PCB still has its hometown southern charm. Strangers still nod their heads and say hello when passing. That is something that is lost in larger locations. The culture is slower here. No one gets in a hurry. The only place that can out slow us is Key West. (Vice Mayor Ken Nelson)

Following the Gulf oil spill of 2010, Mayor Oberst had the opportunity to visit with First Lady Michelle Obama, and as they walked out onto the beaches, Mrs. Obama was quoted as saying, “Oh my God, this is beautiful. This is one of our treasures. This is a national treasure.” This is Panama City Beach.

**Figure 21: Panama City Beach sunset (2010)**

*Source: Author*
Waldrop

References


Planning Works. *Panama City Beach: Analysis of Opportunities for Form-Based Regulations*. 2009


Rural Transit Consultants. *Panama City Beach Transit Operation Plan*, Dec. 2007


Womack, M., and J. Mashburn. 2001. *The rich heritage of Panama City Beach and communities of Bay County*. Montgomery, AL: Community Heritage Publications


Interviews

Interviews were conducted with the following people:

Mayor Gayle Oberst  Mr. Rick Senner
Vice Mayor Ken Nelson  Mr. Jerry Bush
Councilwoman Josie Strange  Mr. Lewis Cummings

Several others were also interviewed yet wished to remain anonymous.