

Panama City tweaks agreement with Bay City Point developer

By Katie Landeck – Panama City News Herald Reporter



PANAMA CITY — With site work started on the new commercial development at the intersection of 23rd Street and State 77, the city is tweaking its agreement with the developer.

During Tuesday’s meeting, the City Commission voted to amend the agreement for development — which is meant to incentivize the developer to build within the city — at the request of R H Ledbetter Property Inc.

The original agreement had said the developer would receive 95 percent of the 1 percent merchant tax collected on the property for the first 15 years, or until they receive \$15 million. The amended agreement says the developer would receive 90 percent of the merchant tax for the first 30 years, or until they receive \$15 million.

The \$15 million includes phase one and phase two of the project. The developer is eligible only for \$9.9 million in merchant tax returns from the first phase.

City Attorney Nevin Zimmerman said an economist hired to look at the numbers predicted it would take 18 years to reach the payout.

The city has actively courted the project because, as Commissioner Billy Rader put it, the new retail space could be a “game changer” for the city. The developer is planning to spend about \$49 million building the new retail area, which will be called Bay City Point.

“We haven’t had anything built in the city major like this in 30 years,” said Mayor Greg Brudnicki. “I’m very thankful.”

Robert Ledbetter, who attended the commission meeting, said he couldn't name which businesses might be coming because of confidentiality issues, but he did take credit for helping to recruit businesses such as Lucky's Market, which will open in July across from Bay City Point, to the area.

"This will help and has already helped attract a couple of retailers," Ledbetter said. "This will have positive consequences."

Commissioner Mike Nichols announced a Cracker Barrel will be a part of the project, although Planning Director Mike Lane said the Cracker Barrel has not filed any paperwork with his office.

As of now, Lane said his office is reviewing the first phase for the Ledbetter project and a submission by Chick-Fil-A.

"We anticipate additional submissions," Lane said.

At least 50 percent of the businesses are required to be new to the city under the agreement. The Ledbetters have hired GAC as contractors on the project.