



MEMORANDUM

TO: Mayor and Commissioners

THROUGH: Jonathan H. Hayes, City Manager
Brandy Waldron, Assistant City Manager

FROM: Michael Fuller, Director of Development Services
Jiwan Haley, Planning and Zoning Manager

COPY: Nevin Zimmerman, City Attorney
Leslie Glaze, City Clerk-Treasurer

DATE: October 19, 2026

SUBJECT: Rezoning Alternatives for 803 Oak Avenue

The owner of the property at 803 Oak Avenue has petitioned the City to rezone the property from Residential-1 (R-1) to Mixed Use-2 (MU-2). City staff and the Planning Board have recommended denial of this request. During the first reading of the ordinance held on October 13, 2026, the City Commission directed staff to come back with alternatives to the rezoning as currently proposed. In particular, staff was asked to examine the now-obsolete Mixed Use-1 (MU-1) zoning district to determine if its application to 803 Oak Avenue is a viable option.

MU-1 was removed from the Unified Land Development Code via Ordinance 2675 on March 12, 2019.¹ Deletion of this zoning district was part of a series of updates made to the code in 2019. From our research, it appears that this deletion was proposed because MU-1 is very similar to R-1 in terms of density and allowable uses.² In fact, the term “mixed-use” is somewhat misleading because the zoning district primarily allows single-family detached uses. Staff recommendation is that the City Commission not bring back the MU-1 zoning district. Please note that applying the MU-1 zoning to 803 Oak Avenue would not bring the property – currently used as a multi-family building – into compliance with city code.

¹ Ordinance No. 2675 can be downloaded at
https://library.municode.com/fl/panama_city/ordinances/code_of_ordinances?nodeId=973683.

² The standards of the R-1 Zoning District can be found at
https://library.municode.com/fl/panama_city/codes/code_of_ordinances?nodeId=SPBUNLADECO_CH104ZODI_ARTIIZODIALUSDEST_S104-26REZODI.

Another alternative is to rezone 803 Oak Avenue from R-1 to Downtown District (DTD). DTD is the predominating zoning district on the south side of 8th Street. This would not constitute “spot zoning” and DTD would allow for use of the property as a multi-family building. The potential drawback is development density and intensity allowed by DTD.³ Although not likely on this parcels, DTD could potentially allow 30 units per acres and a building height of 120 feet.

^{3 3} The standards of the DTD Zoning District can be found at https://library.municode.com/fl/panama_city/codes/code_of_ordinances?nodeId=SPBUNLADECO_CH104ZODI_ARTIIIZODIALUSDEST_S104-33DODIDTZODI.

ORDINANCE NO. 3316.2

AN ORDINANCE ZONING A PARCEL OF LAND LOCATED AT 803 OAK AVENUE, (PARCEL ID: 19998-010-000), PANAMA CITY, FLORIDA, HAVING APPROXIMATELY 0.367 ACRES, MIXED USE-2, MU-2, PROVIDING FOR SEVERABILITY AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the owners of the parcel of property in the City have requested that the parcels as hereinafter described be zoned Mixed Use-2, MU-2; and

WHEREAS, following a public hearing of this ordinance pursuant to the statutes provided and the presentation of competent and substantial evidence and a finding that the requested zoning is consistent with the Comprehensive Plan of the City and serves a public purpose, and that enactment of this ordinance would be proper;

NOW, THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF PANAMA CITY, FLORIDA:

Section 1: The following described parcel of real property within the municipal limits of the City of Panama City, Florida, is zoned Mixed Use-2, MU-2, to-wit:

Lots 11 and 12, Block 43, Gulf Coast Development Company's Second Addition to Panama City, according to the Plat thereof, as recorded in Plat Book 4, Page 9, of the Public Records of Bay County, Florida.

Address: 803 Oak Avenue

Parcel ID #: 19998-010-000

For Map of Property see "Exhibit A"

Section 2: The Official Zoning Map is amended to reflect the zoning of the above referenced property.

Section 3: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 4: This Ordinance shall take effect upon the effective date of the corresponding comprehensive plan map amendment, to reflect the designated zoning adopted in this Ordinance of the above referenced parcel.

PASSED, APPROVED, AND ADOPTED at the regular meeting of the Mayor and City Commission of the City of Panama City, Florida this 27th of October 2026.

See Attached Signature Page

CITY OF PANAMA CITY, FLORIDA
A Municipal Corporation,

Allan Branch, Mayor

ATTEST:

Leslie A. Glaze, City Clerk-Treasurer

APPROVED AS TO FORM AND CORRECTNESS:

Nevin J. Zimmerman, City Attorney



Exhibit A
Zoning Map
City of Panama City

1 INCH = 167 FEET

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