



DELRAY BEACH COMMUNITY REDEVELOPMENT AGENCY

2017

Annual
Report



Annette Gray
Chair

It is my honor and privilege to serve on the CRA Board of Commissioners for a second time. The second time around includes expanded responsibilities as Chairwoman which I view as an opportunity to bridge communication gaps and bring new voices to the discussion. I truly believe that the Delray Beach CRA is among the best CRA's nationally. The Delray Beach CRA is strongly committed to principles that safeguard its position of thought leader and change agent. Among the CRA's strengths is the dedication to leveraging stakeholder intellectual and emotional bandwidth necessary to encourage the development and maintenance of a city desired by today's citizens; safeguarding a steadfast commitment to the elimination of slum and blight by fostering a diverse and all-encompassing community driven by principles and invigorated by the values that drive the organization; committing to operating ethically, developing safely and in an environmentally-sustainable manner; and leaving a legacy from which our younger citizens can launch innovation. The past year has been fruitful. As a team we have experienced many wins. We are especially proud of the completion of the Arts Warehouse. The 15,000 sq. ft. warehouse conversion to an art incubator is a catalyst for economic development and growth within the Pineapple Grove Arts District and the Community Redevelopment Area as a whole. The Block 8 & 20 Alleyway Improvements which includes better access for residents and businesses, enhanced connectivity throughout the city, and decreased parking in the road rights-of-way. The NW 12th Avenue/ MLK Jr. Drive Beautification Project involved the installation of drainage swales, sidewalks, landscaping, irrigation, and lighting for this two block area connecting Martin Luther King Jr. Drive to West Atlantic Avenue. The SE 2nd Street/Avenue Beautification & Osceola Business Area Revitalization Project included the addition of parking for area businesses which was accommodated through a combination of streetscape improvements, and adding a public parking lot.

The work done by our team was recognized by industry professionals and stakeholders. We were the proud recipient of the FRA Creative Partnership Award for the successful and highly anticipated completion the of Courtyards on 12th workforce housing project. The project comprising of six duplexes (12 units on S.W. 12th Avenue), provides the City of Delray Beach with a variety of permanent housing stock while building the capacity of its non-profit housing partner, the Delray Beach Community Land Trust (DBCLT), through a ground lease/management agreement.

The future of the CRA is bright. However we recognize that there is still a significant amount of work to do. With the renewed focus on Northwest, Southwest and Osceola Park neighborhoods, we are guided by the fundamental principle that citizenship is good business. I hope you will take a moment to review this annual report. It is my desire that it will inspire you to join us in our quest to develop and lead with empathy the variety of cultures and our remarkable future leaders that make up this place we all call home.

Chairman's Message

The Board of Commissioners



Cathy Balestriere
Vice Chair



Dedrick Straghn
First Vice Chair



Daniel Rose
Treasurer



Reginald Cox



Morris Carstarphen



Allen Zeller

The CRA Staff



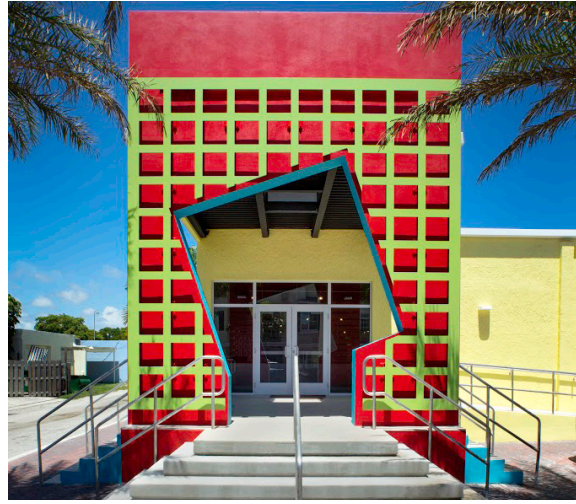
Mission

To foster and directly assist in the redevelopment of the Community Redevelopment Area in order to eliminate blight, create a sustainable downtown, and encourage economic growth, thus improving the attractiveness and quality of life for the benefit of the CRA District and the City of Delray Beach as a whole.

CRA Staff from left to right:

Jeff Costello, Kristyn Cox, Kevin Matthews, Elizabeth Burrows, Joan Goodrich, Renee Jadusingh, DJ Lee, Grace Gdaniec, Anne Fredy, Susan Shaw, Jill Brown, Rob Massi, Renee Roberts, Krista Walker, Lori Hayward (not pictured: Lori Nolan)

Arts Warehouse The Community Redevelopment Agency’s (“CRA”) Arts Warehouse is located within the Pineapple Grove Arts District. The 15,000 sq. ft. warehouse conversion to an arts business incubator is stimulating the area for economic growth. The promotion of the arts and accommodation of cultural activities in the area enhances Delray Beach’s image as an arts and cultural destination which will further contribute to tourism, increase pedestrian activity, and encourage the development of arts professionals. The facility will accommodate uses such as: studios for rent by local and visiting artists; gallery and exhibit space; classroom, and workshop space; and facility rental. The Arts Warehouse is open, has launched exhibits, hosts artist-in-residence, and includes event programming. **Investment totals \$2,350,861.**



Block 8 & 20 Alleyways The purpose of the alleyway renovations include better access for residents, enhanced connectivity throughout the City of Delray Beach (“City”), and decreased parking in the road rights-of-way. The construction of the alleys included alley paving and drainage improvements. **Investment totals \$334,686.**

SE 2nd Street/Avenue Beautification & Osceola Business Area Revitalization The Osceola Park neighborhood is located south of Delray Beach’s central business district. The Osceola Park Redevelopment Plan identified the need for additional parking for area businesses, especially along S.E. 2nd Avenue, between S.E. 2nd Street and S.E. 4th Street, and east of the FEC Railroad. Additional parking has been accommodated through a combination of streetscape improvements with on-street parking along S.E. 2nd Avenue and S.E. 2nd Street, a public parking lot, and alley improvements where necessary. Also, in 2017 the design of improvements for the adjacent Osceola Park Neighborhood began. The proposed improvements include: resurfacing and reconstruction of 3.9 miles of roadway; construction of 1.2 miles of new permeable pavement alleyways; upgrades to the existing potable water, sanitary, and storm sewer/drainage systems; and improvements in landscaping, sidewalks, and street lighting. **Investment totals \$1,904,049.**



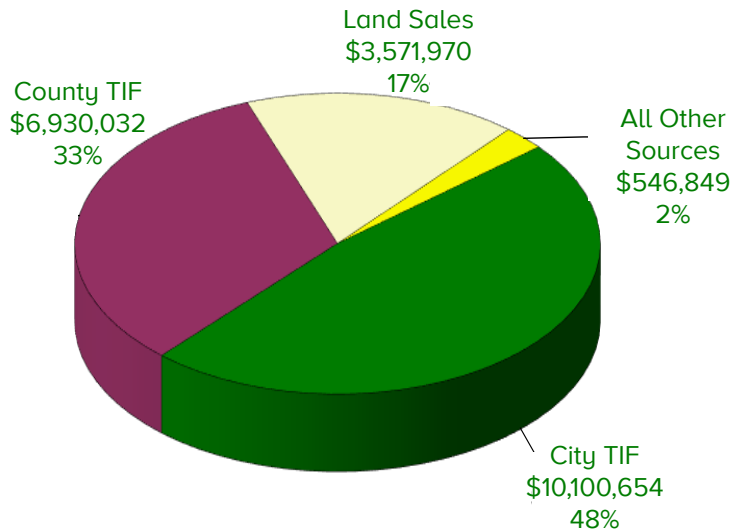
NW 12th Avenue/MLK Jr. Drive NW 12th Avenue is a part of the north and south “secondary circulatory system” that was included in the 2002 Downtown Master Plan. This project included the installment of drainage swales, sidewalks, landscaping, irrigation, and lighting for this two block area connecting Martin Luther King Jr. Drive to West Atlantic Avenue. This section of NW 12th Avenue experiences significant traffic from drivers using MLK Jr. Drive as an alternative to West Atlantic Avenue. The project also included construction of the alleys within the first block in order to relocate front yard back-out parking areas from NW 12th Avenue to the rear of residences when possible to improve safety. **Investment totals \$1,212,842.**



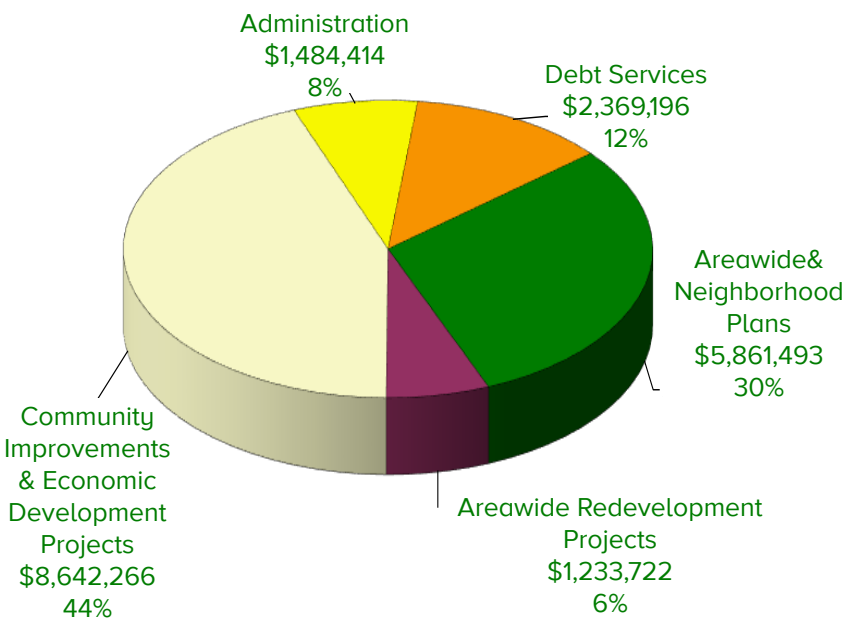
Financial Report (Unaudited)

The CRA funds its programs and projects primarily through Tax Increment Financing (“TIF”). Each fiscal year the CRA reinvests its TIF dollars, along with other revenue from sources such as grants, bond financing, and property sales, back into redevelopment activities within the CRA district. During FY 2016-17, the largest portions of the CRA’s \$21 million budget was allocated to the implementation of various Areawide & Neighborhood Plans (30%) and Community Improvements & Economic Development Projects (44%). The CRA has maintained its commitment to improving Delray Beach by fostering redevelopment and leveraging public funds to attract private investment into the area. Working in partnership with the City, property owners, residents, businesses, and other stakeholders, the CRA has worked to significantly enhance the Central Business District and surrounding neighborhoods. While there are still many projects currently underway and much more work to do, these collective efforts uniquely position Delray Beach to compete for enterprise opportunities and new jobs as the local economy continues to grow.

Revenue..... \$21,149,505



Expanding Tax Value =
Expenses..... \$19,591,091



Expanding Improvements

The CRA is funded through tax increment revenues, and most of those funds are put directly into City infrastructure improvements. Properties located in the CRA District do not pay any additional property taxes. Rather, a portion of the annual City and Palm Beach County (“County”) taxes collected in the redevelopment area are transferred to the CRA for redevelopment activities. Without a CRA in place, the County increment revenues collected from the properties in the district would be retained for use by Palm Beach County. In 2017, County revenues exceeded \$6.9 million. The City’s contribution to the CRA activities in 2017 was nearly \$10.1 million. Other sources of funding for redevelopment activities include grants, the sale or lease of property, and the issuance of taxable and nontaxable bonds.

CRA Balance Sheet (Unaudited)
As of September 30, 2017 (FY 2016-17)

Assets

Current Assets.....	\$13,051,294
Other Assets.....	\$1,182,079
Capital Assets.....	\$29,850,957
Total Assets	\$44,084,330

Liabilities & Equity

Current Liabilities.....	\$4,100,178
Equity.....	\$39,984,152
Total Liabilities & Equity	\$44,084,330



CRA District Map

- SUBAREA 1 69 ACRES
- SUBAREA 2 264 ACRES
- SUBAREA 3 187 ACRES
- SUBAREA 4 250 ACRES
- SUBAREA 5 205 ACRES
- SUBAREA 6 260 ACRES
- SUBAREA 7 170 ACRES
- SUBAREA 8 556 ACRES

TOTAL 1,961 ACRES



The CRA and its District.....

Fast Facts

has approximately 6,339 housing units

has the largest land use as residential

has a population of approximately 13,450

the CRA District is approximately 1,961 acres

was created by the City Commission in 1985

has four public schools serving 1,789 students

is 20% of the total City of Delray Beach area

is governed by a seven member volunteer board appointed by City Commission

activities are guided by the Community Redevelopment Plan, adopted the City Commission

had a taxable value in FY 2016-2017 of \$1.558 billion, an increase of 15% from FY 2015-2016

Economic Development

It Takes a Village to Build Wealth, Prosperity, and Jobs for All. The Delray Beach CRA is highly collaborative in its efforts to attract new business activity, support the creation of jobs, enhance the tax base, and grow and retain local businesses. From investments in the downtown Clean & Safe Program to funding for area arts and culture and marketing organizations seeking to enhance the Delray Beach’s reputation as a premier regional shopping, dining and entertainment destination, the CRA is committed to results through key strategic partnerships. Our partners include: City of Delray Beach, Delray Beach Library, Delray Beach Marketing Cooperative, Downtown Development Authority, Florida Women’s Business Center, Greater Delray Beach Chamber of Commerce, Pineapple Grove Arts District, SCORE, Small Business Development Center @ Palm Beach State College, The KTCHN, The TED Center, and the West Atlantic Redevelopment Coalition.



The Delray Beach CRA and the City of Delray Beach jointly fund the Office of Economic Development (“OED”). OED is evolving its approach to economic development through new capacity-building for small business, entrepreneurial, and workforce development initiatives such as Inc. Pad (an effort of collaboration with the Delray Beach Public Library); the Small Business Development Center; and Career Cottage, where people and jobs get connected with CareerSource Palm Beach County. “Building wealth, prosperity, and jobs for all,” is the new mantra in Delray Beach.

2017 Grant Recipients



Milagro Center

Community Greening



Family Yoga Zen Zone



Upper Cutz Barber Shop



Oceanside Veterinary Clinic

Delray Oasis Business Park



Not pictured:
GDL Enterprise,
KOP Mentoring Network, Living Word Christian Academy, Miller-Morse Law, PLLC

Making an Impact in 2017

27 new and retained jobs

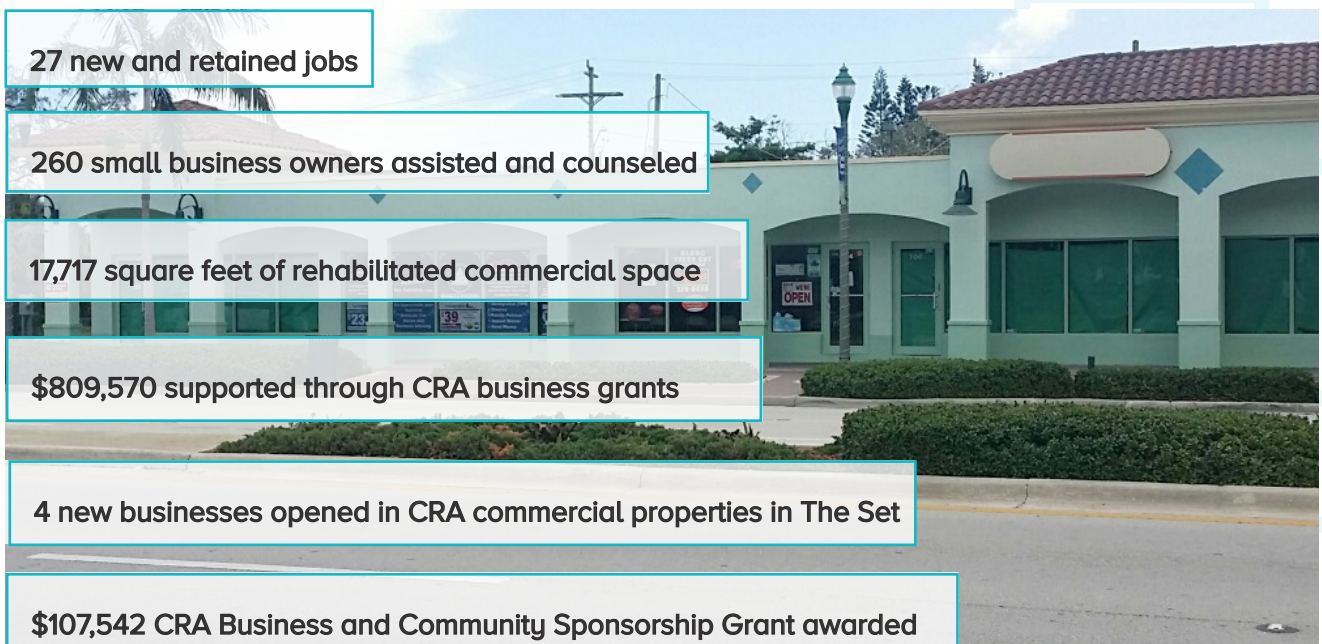
260 small business owners assisted and counseled

17,717 square feet of rehabilitated commercial space

\$809,570 supported through CRA business grants

4 new businesses opened in CRA commercial properties in The Set

\$107,542 CRA Business and Community Sponsorship Grant awarded



Coming Attractions



iPic In 2013, the CRA issued an RFP for the 1.57 acre site including the former public library, its adjacent public parking lot, and the former Greater Delray Beach Chamber of Commerce building. The new mixed-use development will feature an eight-theater luxury movie complex, Class A office space, retail, 90 public parking spaces, and a living wall and rooftop garden deck. Construction began in 2017 and is anticipated to be completed in early 2019.

Carver Square Carver Square is a two block residential subdivision within the Southwest Neighborhood of The Set. Due to its previous uses as a pond and dump site, homes that were built on the property in the 1960's through 1980's experienced severe settlement problems. The CRA acquired the properties, relocated the residents, designated the site as a brownfield, and completed a soil remediation/mitigation program. The CRA also acquired an acre of land to the south, at the northwest corner of SW 7th Avenue and SW 4th Street to provide additional housing. Funding in FY 2016-17 is for housing design and to begin construction of workforce housing. This project also includes procuring services for an entity to administer the processing of income qualified home buyers. **FY 2016-17 investment totals \$800,000.**



Catherine Strong Park Improvements made to Catherine Strong Park in 2004 included basketball courts, open areas, fitness trail, multipurpose field, tennis courts, splash park, playground, and restrooms. The Boys and Girls Club Building was constructed in 2005 and the Park was renovated in 2006. Funding this fiscal year is for the design associated with a new community center building and swimming pool. **FY 2016-17 investment totals \$800,000.**

Sidewalks The completion of sidewalks and pedestrian links within the CRA District for greater pedestrian safety is critical. Priorities will be in line with City Commission's direction to provide connectivity to public facilities, places of worship, schools, parks, and business or employment centers. **FY 2016-17 investment totals \$630,000.**



Alleyways Alleyway improvements within The Set have been prioritized by both the City Commission and the CRA Board to enhance connectivity enhancements throughout the City. Funding in FY 2016-17 was for the design of multiple unimproved alleys located within The Set and included installation of new water main on SW 10th Avenue, between SW 3rd and 4th Streets. Funding in FY 2017-18 is for construction of the alleys and water main improvements. **FY 2016-17 investment totals \$1,700,000.**

Other CRA Projects



The Delray Beach GreenMarket

A 20+ year tradition, the Delray Beach GreenMarket continues to attract tens of thousands of visitors to Downtown Delray Beach to buy from more than 60 vendors every Saturday from 9AM to 2PM during the months of October through May in Old School Square Park. Its innovative philosophy has incubated businesses such as “The French Bakery” and “Grandma’s Bakery” into Delray storefronts. Live music, pet adoptions, a Halloween event featuring the Witches of Delray, an Easter Bonnet Pet Parade, and Budding Artists programs make this ‘best of class’ GreenMarket an integral part of the community in Delray Beach.

In FY 2016/17, the Summer GreenMarket continued throughout the summer months. Located on the eastern half of the Delray Beach Tennis Center parking lot, fronting West Atlantic Avenue, the Summer GreenMarket takes place every Saturday from 9AM to Noon starting in June. The Summer GreenMarket is a slightly scaled-back version of the regular market, with about 35 vendors participating every Saturday morning. The GreenMarket is another successful example of the CRA’s place-making initiatives within The Set.

The Set Transformation Plan

The Set brand launched in September 2016 as the new identity for the West Atlantic, and Northwest/Southwest Neighborhoods as a result of a branding initiative by the governing board of The West Atlantic Redevelopment Coalition, and members of the Northwest Southwest Neighborhood Alliance. The name “The Set” was selected because it was best suited to unify the neighborhood with other areas of the City, while honoring its distinction from the eastern portion of downtown and beach-side neighbors in a positive way.

The Set Transformation Plan builds upon prior redevelopment plans and efforts in The Set with an ultimate goal of aligning The Set with the success of the rest of Delray Beach. This success is not defined just in terms of appearance, but more importantly, equitable access to economic opportunity, wealth creation, and health. The Transformation Plan is a collaborative effort of the West Atlantic Redevelopment Coalition, the CRA, the NW/SW Neighborhood Alliance, and the City.





A-GUIDE For Nonprofit Partnerships

The Delray Beach CRA cannot possibly fund the immense task of redevelopment on its own, and must therefore structure its programs to act as a catalyst for redevelopment efforts. Through assisting individual residents and businesses within the CRA District, we are able to leverage investment by private enterprises. To assure the CRA is receiving the intended results from its projects and programs, it is important that funding decisions are based on expectations of specific and measurable outcomes. The CRA's funding activities must align with the Delray Beach Community Redevelopment Plan. Toward that end, the CRA developed the A-GUIDE: Achieving Goals Using Impact Driven Evaluation, a method for verifying alignment and effectiveness of the programs and activities it supports. The CRA believes that the long-term viability of its District is enhanced significantly through partnerships with cultural and nonprofit organizations that establish Delray Beach as an arts destination, an attraction for visitors, a thriving place for local businesses, and a facilitator for community wealth building. In FY 2016-17, the grant recipients were Old School Square (\$662,500), EPOCH (Spady Museum) (\$111,000), Delray Beach Historical Society (\$125,000), Delray Beach Public Library (\$442,250), Delray Beach Community Land Trust (\$188,075), and Creative City Collaborative (\$275,000).

Clean and Safe Program

The Clean & Safe Program is an important component to the CRA's economic development strategy. Having a safe, clean, and overall attractive CRA District helps to improve its regional reputation as a center of business and social activity. In the continued efforts to eliminate and prevent slum and blight, the Clean and Safe Program assists in the CRA's goals. The CRA has continued its commitment to this program in 2017 by funding police patrols, maintenance personnel, landscape maintenance, lighting, and code enforcement within the CRA District.

FY 2016-17 investment totals \$2,695,905.



FRA Creative Partnership Award

The Courtyards on 12th Project was completed in 2016. This workforce housing project consists of six duplexes (12 units), providing the City with a variety of permanent housing stock while building the capacity of its non-profit housing partner, the Delray Beach Community Land Trust through a ground lease management agreement. The CRA invested a significant amount of capital in the acquisition and renovation of the properties, therefore it was more beneficial to maintain ownership of the units to further stabilize the neighborhood. The partnership implemented the CRA's goals of redevelopment without displacement and prevention of gentrification. In 2017, the CRA was awarded the Roy F. Kenzie Award for Creative Partnership as a part of the 2017 Florida Redevelopment Association Awards Program.





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