

DELRAY BEACH Community Redevelopment Agency



*Photo: West Atlantic Beautification Project,
at the intersection of West Atlantic & SW 8th Avenues*

Annual Report
2009



Message from the Chair

2009: A Year of Change, Challenge & Charge

The past year brought many changes to our agency. I began my service as the CRA Chair, replacing Frank Wheat, who had held the position since December 2006. Another long-term CRA Commissioner, Angeleta Gray, left our board to join the City Commission. But we also gained two new board members—Herman Stevens and Cathy Balestriere. Together, we've all been working diligently in our new roles, with the help of the staff, to find the best ways to face the challenges that come before us.

2009 brought another trying budget season, as we faced our second consecutive year of major budget cuts. Our challenge is to move forward with fewer resources, so we've spent the last several months adjusting our redevelopment strategy, prioritizing projects and streamlining our processes.

But despite these challenges, the past year helped us reinforce our charge to the community. Now, more than ever, we remain committed to fostering economic development and strengthening the downtown. Eventually the economy will turn around—the housing, job, and financial markets will improve. And when it does, we'll be positioned to take advantage of every opportunity available.

Sincerely,

Howard Lewis

Delray Beach CRA Chair



2009 CRA Plan Amendment

Originally adopted by the City Commission in 1986, the Community Redevelopment Plan lays the framework for redevelopment projects and activities within the CRA District. The document provides a workable, comprehensive program for the District consistent with the citizens' visions as expressed through the various neighborhood- and area-wide planning initiatives.

In order to remain effective, the plan must be updated regularly to reflect progress made, changes in funding availability, and other variables. The most recent CRA Plan amendment was adopted by the City Commission on December 1, 2009. The amendment included updates to several existing redevelopment projects to reflect the most recent conditions and priorities. Additionally, two new sections were added to the plan. One section outlines several incentives that the agency can use to catalyze economic development and help attract larger businesses to the District. The second addition outlines a strategy for economic development based on the development of new art and culture related uses in the downtown area.

Financial Report

The priorities of the Delray Beach CRA are guided by the agency's mission to eliminate blighted conditions, foster redevelopment, and encourage economic growth. Despite facing the second consecutive year of declining revenues, the agency remains committed to improving conditions in the CRA District, for the benefit of the entire Delray Beach community.

The majority of the CRA's revenues was derived from City and County tax increment financing (TIFs), but a portion came from land sales and other sources, including the Delray GreenMarket and property rentals. During the 2008/2009 fiscal year, the CRA funded a variety of redevelopment and economic development initiatives, including grant programs, neighborhood improvements, affordable housing and transportation projects, accounting for 74% of total expenditures. Only nine percent (9%) of funds were used on administrative expenses, and approximately 16% of funds were applied to debt service.

2008/2009 EXPENSES*

\$13,294,215

Community Improvement

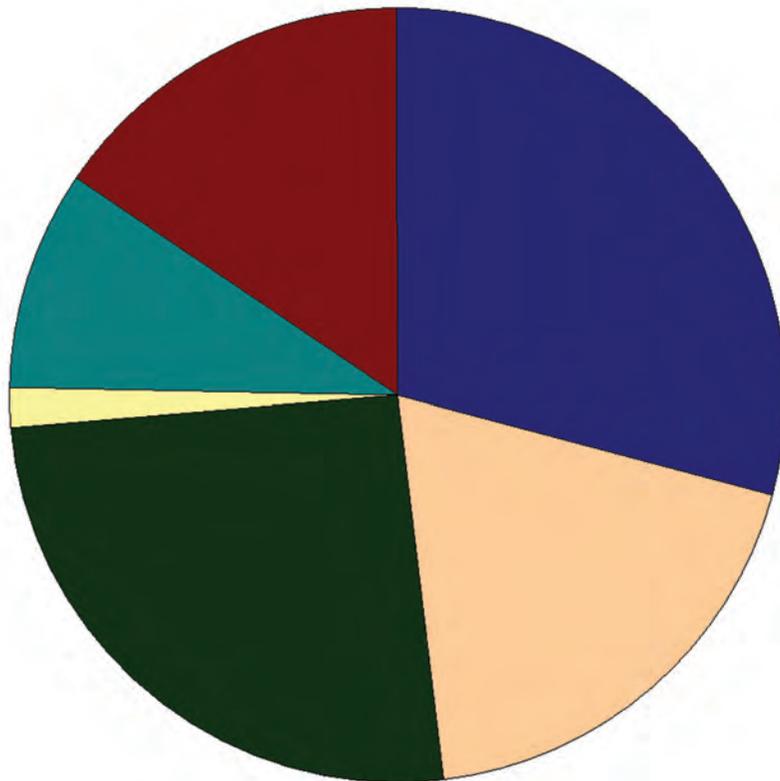
- ♦ Grant Programs
 - ♦ Business Development Assistance Grants
 - ♦ Community Sponsorship Grants
 - ♦ Site Development Assistance Grants
 - ♦ Historic Facade Easement Grants
- ♦ Downtown Marketing & Promotions
- ♦ Delray GreenMarket
- ♦ City Contractual Services
 - ♦ Clean & Safe Program
- ♦ Organizational Support
 - ♦ Old School Square
 - ♦ Delray Public Library
 - ♦ EPOCH (Spady Museum)
 - ♦ Delray Beach Community Land Trust

Areawide & Neighborhood Plans

- ♦ Southwest Area Neighborhood Redevelopment Plan
- ♦ Downtown Master Plan
- ♦ West Atlantic Redevelopment Plan
- ♦ North Federal Highway Redevelopment Plan

Redevelopment Projects

- ♦ NW/SW 5th Avenue
 - ♦ West Settler's Building
- ♦ Affordable & Workforce Housing
 - ♦ La France Apartments
 - ♦ CODA Townhomes
- ♦ Carver Square Neighborhood
- ♦ West Settler's Area



- **Areawide/Neighborhood Plans**
\$3,884,948 (29.2%)
- **Redevelopment Projects**
\$2,505,474 (18.85%)
- **Community Improvement**
\$3,404,803 (25.6%)
- **Other**
\$224,667 (1.7%)
- **Administrative**
\$1,194,031 (9.0%)
- **Debt Service**
\$2,080,292 (15.65%)

*Pre-audit numbers

Redevelopment Projects



City & county officials at the South County Courthouse Expansion ribbon cutting ceremony.



Qualified homebuyers can purchase a townhome from the CRA in the CODA development and receive up to an \$85,000 subsidy.



Clean & Safe officers Rachel VanNess and Daniela Quinn patrol the downtown area on bikes in order to navigate quickly through crowds and traffic.



The W. Atlantic Ave. Beautification project was done in conjunction with a state project, which upgraded traffic signals and curbs.

The last phase of the **Atlantic Avenue Beautification Project** was completed in 2009, spanning the blocks between West 6th and West 12th Avenues. The entire project, which began in the early 1990's included the installation of landscaping, paver brick sidewalks and decorative lighting to provide a seamless streetscape from I-95 to the beach.

The combination of palm and shade trees provides a pleasant walkway for pedestrians and adds to the ambience of the downtown. The CRA contributed approximately \$2.5 million to the beautification. The City has received grant funding to upgrade the landscaping within the medians on West Atlantic Avenue in the coming year, and the CRA will provide additional dollars for irrigation.

Implementation of the Downtown Master Plan and Pineapple Grove Neighborhood Plan continued in 2009 as the CRA began construction of the **Pineapple Grove Public Parking Lot** at 353 NE 3rd Avenue. The CRA acquired the property in 2008 in order to address a deficiency of available parking for existing businesses, and to encourage private investment and spur additional economic activity.

The project will provide 14 new spaces in the light industrial area of the Pineapple Grove Arts District. It utilizes Green construction techniques including pervious pavers, decorative LED lighting and low volume irrigation. A central courtyard area will also be created to display art and house planters, trash receptacles, a bike rack, and additional landscaping. The total project cost is approximately \$155,000.

The completion of the **South County Courthouse Expansion Project** was celebrated with a ribbon cutting ceremony on September 2, 2009. The CRA acquired the property to accommodate the approximately 75,000 sq. ft. expansion, and contributed \$334,000 toward the construction of the parking garage that the courthouse shares with the Delray Beach Public Library. The CRA also invested an additional \$600,000 in street improvements along SW 2nd Avenue to help enhance the visual impact of the project.

Construction of the **West Atlantic Public Plaza** began near the end of 2009. A recommended project of the 2002 Downtown Master Plan, the plaza will be located on the southwest corner of SW 5th and West Atlantic Avenues. The plaza will be an open space available to the public, and will include a covered platform for performances, paver brick walkways, landscaping, and lighting. The design will compliment the existing colored concrete and terrazzo sidewalks along the NW/SW 5th Avenue corridor. Construction will take approximately 90 days to complete, and will cost approximately \$300,000. The CRA has also set aside \$15,000 for a public art component.

The design for the **Martin Luther King, Jr. Drive Beautification Project** was finalized in 2009. The design, which is largely based on the input of a grassroots committee, calls for major landscaping improvements, landscape nodes, lighting, rest areas, and a series of plaques featuring quotes from Dr. Martin Luther King, Jr. embedded in the sidewalk. Additionally, two public plazas will be created along the corridor. The improvements will span the entire length of MLK Jr. Drive, along NW and NE 2nd Street, from I-95 to the Intracoastal Waterway. The CRA has committed \$750,000 to Phase I of the project. The City of Delray Beach, which will oversee construction, has committed \$300,000. Construction is projected to begin in early 2010.

Economic Development

Each year, the CRA allocates funding for the **Site Development Assistance Program**, which offers a partial reimbursement for the cost of exterior improvements made to commercial properties in the CRA District. In 2009 approximately \$70,400 was awarded through the program to the following businesses: Hand's Stationers (325 E. Atlantic Ave.), Johnnie Brown's (301 E. Atlantic Ave.), and MLS Connect (32 & 34 SW 5th Ave.).

The CRA also expanded the eligibility area for the **Business Development Assistance Program**, which subsidizes a portion of the monthly rent for new businesses for up to 12 months. Once available only to businesses in the West Atlantic and Pineapple Grove areas, the program is now available to businesses located within the Downtown Development Authority District. In 2009, a total of \$50,047 was awarded to nine businesses through the program.

The CRA also offers small grants for other local nonprofit organizations that support the CRA's mission through the **Community Sponsorship Program**. Several community groups, including the Achievement Centers for Children & Families, the Milagro Center, and the Delray Beach Youth Council received grants of up to \$1,500 each in 2009.

In 2009 for the first time, the CRA also sponsored a major tournament at the **Delray Beach Tennis Center**. Events such as the ITC Championship attract regional, national and international visitors to the city and introduce millions of dollars into the local economy. The CRA invested \$500,000 for sponsorships.

The **Delray GreenMarket** began its fourteenth season in October 2009. Now located along the street on SE 4th Avenue, just south of Atlantic Avenue downtown, the GreenMarket remains a seasonal tradition for residents and visitors alike. The family friendly open-air market offers the best farm-to-table produce from local growers, fresh juices, organic foods, baked goods, flowers, plants and gourmet specialty items. A project of the Delray Beach CRA, the GreenMarket supports the "buy local" philosophy and has many local merchants as vendors. Free entertainment and special events such as the annual Easter Bonnet Dog Parade and Chili Cook-Off help attract thousands of people to the downtown area each year, generating exposure for many surrounding merchants and businesses.

In March 2009, Francisco Perez-Azua became the Delray Beach **Economic Development Director**, a newly created position funded jointly by the CRA and City. His office is located with the CRA, which funds 75% of the position. His overall focus is to make Delray Beach a better place to do business. That includes encouraging more retail businesses and high-end office space in the downtown area, and recruiting larger companies to bring their offices and employment opportunities to the Congress Avenue corridor.

Perez-Azua is working to make special sections of the downtown—such as the Pineapple Grove Arts District and the West Atlantic Redevelopment Area—more attractive to businesses. He will also help the city tap the potential of the Midtown District along the Federal Highway corridor, the Four Corners intersection at Military Trail and West Atlantic Avenue, the Medical Arts District surrounding the Delray Medical Center, and the Linton Blvd. Retail District.



Johnnie Brown's (301 E. Atlantic Ave.) received a Site Development Assistance grant to assist with the cost of the restaurant's renovation.



Opening day for the Delray GreenMarket at its SE 4th Ave. location, in front of the old library building.



Owners and staff members of the PeterMark Salon (12 NE 4th Ave.), which received a Business Development Assistance Grant.



The Milagro Center offers kid's art and education programs all year.

Housing & Neighborhood Improvements

In 2009, the CRA completed Phase III of a series of neighborhood improvements in the **La Hacienda** subdivision, located along Lake Avenue North and Lake Avenue South. The most recent improvements, recommended by the North Federal Highway Redevelopment Plan, included the installation of landscape materials and a neighborhood sign. Phases I and II included the creation of a neighborhood park known as La Hacienda Gardens as well as the installation of sidewalks and swales. The CRA invested nearly \$23,000 in Phase III of the improvements.

In May 2009, the CRA issued a request for proposals for the renovation of the **SW 9th Avenue Apartments**. The three buildings, located at 31-45 SW 9th Avenue, consist of 25 affordable rental units, which are being renovated in two phases. The project will include extensive interior and exterior renovations, as well as upgrades to exterior lighting and landscaping. The project will cost a total of \$995,000. Construction began in November and will take an estimated 9 months to complete.

In 2009, the CRA established a down payment subsidy program that would be available to help provide up to five additional workforce housing units in the downtown **CODA townhouse development**. Qualified buyers can receive up to \$35,000 in down payment assistance, in the form of a second mortgage. Since the subsidies can be passed on to qualified homebuyers in the future, the subsidy will help maintain the affordability of the units over time. Two additional workforce CODA townhomes are available through the CRA. The agency offers up to \$85,000 in subsidies to qualified buyers on its units, which start at \$240,000.

Renovation of the **West Settler's Building** was completed this year. The building, located at 135 NW 5th Avenue, consists of two commercial bays on the ground floor and four residential condominium units. The condominium units are currently for sale to low- and moderate-income homebuyers, and the CRA plans to lease out the commercial space. In May, the mixed-use building received an award from the City's Historic Preservation Board in the category of Non-Residential Exterior Alterations. The CRA invested approximately \$630,000 in the renovation project.

In late 2009, the CRA began construction of the **Carver Square Pocket Park**, on the northeast corner of SW 7th Avenue and SW 3rd Street. The park will include recreational equipment for children, lighting, benches, a bike rack, sidewalks, fencing, and landscaping. The project is identified in both the Southwest Area Neighborhood Redevelopment Plan and the CRA Plan, and is part of a larger strategy to create orientation points for older neighborhoods while giving residents a greater sense of ownership and civic pride. The CRA is investing more than \$115,000 in the park's design and construction.

The pocket park will eventually complement the redevelopment the 20 adjacent vacant lots in the Carver Square subdivision. The CRA completed a brownfield remediation project for the neighborhood in January 2009, removing organic matter and other trash from the soil. The site has been fully stabilized and will accommodate 20 affordable single-family homes.

Several single-family homes in the Southwest Neighborhood have benefited from the CRA's **Curb Appeal Residential Improvement Program**. The grant program, administered by the City's Community Improvement Department, offers homeowners up to \$10,000 toward the cost of basic cosmetic property improvements such as exterior painting and landscaping. In 2009, a total of eight projects were completed in the designated priority area along SW 12th, 13th, 14th and 15th Avenues. While the priority is still to improve homes in this area, the City began accepting applications for homes throughout the Northwest and Southwest Neighborhoods in 2009. The CRA allocated \$50,000 for the program during the 2008/2009 fiscal year, and again in FY 2009/2010.



One of the two neighborhood signs installed in the La Hacienda subdivision this year.



Before and after shots of a Curb Appeal project on SW 13th Ave.



Downtown Sustainability

The CRA has been a partner in the **Downtown Marketing Cooperative**, which produces special events and advertising opportunities for the downtown area, since its inception. In FY 2009 the CRA contributed \$210,000 toward the DMC's operational expenses. In addition to funding overall downtown marketing and event costs, the budget includes a marketing coordinator position that works exclusively on the Pineapple Grove Arts District and West Atlantic Redevelopment Area. Additional funding from the CRA allowed the DMC to expand entertainment along NW/SW 5th Avenue and Pineapple Grove Way during Art & Jazz on the Avenue events, including the establishment of the 5th Ave Jazz event in 2009.

In 2009 the CRA allocated \$100,000 to fund 75% of a comprehensive **Downtown Parking and Transportation Study**, which is being conducted by the consulting firm of Kimley-Horn. The study, which commenced in late 2009 and will take seven months to complete, will analyze the utilization and operation of various parking facilities in the downtown area, review the city's current parking codes, and help to identify steps to enhance parking usage and operations. An analysis of the city's downtown shuttle service, including ridership rates, routes and cost, will also be incorporated into the study. Public discussions were held in November to gather input from residents, property owners, and downtown merchants. The findings will eventually help the City create more practical parking regulations based on recent development and may offer recommendations for a fee-based parking program.



"Caribbean Nights" on NW 5th Ave., part of the 2009 Summer Nights on the Avenue series

Community Facilities Support

The campus of the Old School Square Cultural Arts Center includes the Crest Theatre, the Cornell Museum of Art & History, the Entertainment Pavilion, and the 1926 Gymnasium.



The CRA supports three major cultural institutions in Delray Beach with annual contributions toward their operational expenses. This year, the CRA board increased funding to all three organizations for the 2009/2010 fiscal year to help defray the impact of reduced grant funding and other budget shortfalls. The CRA allocated \$290,000 to the **Old School Square Cultural Arts Center**, which hosts a variety of cultural and educational programs and events on its downtown campus. By offering discounted rental rates to nonprofit and cultural groups for the use of their facility, Old School Square helps Delray Beach remain a significant venue for the arts and cultural events.

The CRA also allocated \$308,000 to the **Delray Beach Public Library** to support its operations. This amount represents an additional \$38,000 over last year's allocation in order to enable the library to remain open on Sundays during the winter months. **Expanding & Preserving Our Cultural Heritage (EPOCH)**, which operates the Spady Cultural Heritage Museum, received more than \$217,000 from the CRA in 2009. That amount includes approximately \$182,000 towards FY 2009/2010 operations, as well as \$35,000 to help make up budget shortfalls for the previous year. The CRA is also investing an additional \$250,000 toward the restoration of the Munnings Cottage located on the museum's campus.



The Delray Public Library is a vital cultural institution within our community. The organization offers a variety of programs for seniors, adults, teens and children.

The mission of the Delray Beach Community Redevelopment Agency is 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 of the CRA District and the City of Delray Beach as a whole.

CRA BOARD OF COMMISSIONERS

Howard Lewis, Chair

Thomas F. Carney, Jr., Vice Chair

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Herman Stevens

Cathy Balestriere



CRA Staff (from left to right): Diane Colonna, Executive Director; Jeffrey A. Costello, Assistant Director; Jean Moorefield, Administrative Assistant II; Lori Nolan, GreenMarket Manager; Francisco Perez-Azua, Economic Development Director; Lori Hayward, Finance Director; Walt Gerhard, Project Manager; Elizabeth Butler, Marketing & Grants Coordinator; Vincent Wooten, Development Manager.