



2014 | ANNUAL REPORT



CHAIRMAN'S MESSAGE



It's no secret that we are experiencing a remarkable evolution within Delray Beach. While 2014 proved to be yet another exceptional year of growth in our great city, there is always more we can do to make it even better. As Chairman of the CRA Board of Commissioners, it gives me great pride to know we have perhaps the strongest, most forward-thinking team of professionals working on behalf of the residents and business owners of Delray Beach, to ensure growth remains strategic, and true to our mission.

Throughout the past 15 years, the CRA has witnessed progress, change and enviable success. Our esteemed Executive Director, Diane Colonna, who moved on to new endeavors, spearheaded that success. Diane's vision and skillful leadership was the quiet force behind our city's great progression. On behalf of the

Commission and staff, I'd like to express our gratitude to Diane for her perseverance, wisdom, and relentless dedication to the residents and businesses of the CRA District.

As we move forward in 2015 with renewed energy and enthusiasm, I encourage all Delray Beach citizens to get involved in what's going on in this great community we share. Get to know the Community Redevelopment Agency and the many ways we help residents, neighborhoods and businesses flourish and thrive. Let's work together to ensure we continue to improve and enhance the great city of Delray Beach for many generations to come.

Herman Stevens, Jr.

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.

EXPANDING TAX VALUE = EXPANDING IMPROVEMENTS

The CRA is primarily 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 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 properties in the district would be retained for use by Palm Beach County. In 2014, County revenues exceeded \$4.6 million. The City's contribution to CRA activities in 2014 was nearly \$7 million. Other sources of funding for redevelopment activities include grants, the sale or lease of property, and the issuance of taxable and nontaxable bonds.

2014 MAJOR HIGHLIGHTS

EAGLE NEST CONSTRUCTION ACADEMY AT ATLANTIC COMMUNITY HIGH SCHOOL



The Delray Beach CRA, City of Delray Beach, Palm Beach County School District, and local businesses celebrated two major, collaborative milestones in 2014: winning the 2014 Florida Redevelopment Association Award for Management Programs & Creative Partnerships, and breaking ground on Eagle Nest III at 108-110 NW 12th Avenue.

The program trains students in construction trades by providing actual building experience as part of their high school education. Students design the homes in drafting class then work on them under the supervision of construction professionals. The energy-efficient homes are sold to income-qualified families at an affordable price. **CRA Investment: \$45,000**

FAIRFIELD INN & SUITES – 910 W. ATLANTIC AVE.



In 2014, Prime Hospitality Group and the CRA celebrated the groundbreaking of this modern 4-story, 95-room Fairfield Inn hotel. The \$11.5 million project, now open, utilized CRA incentive programs, such as the Land Value Investment Program to lease the CRA-owned land (1.67 acres), the Development Infrastructure Assistance Program, and included a project specific construction loan. Prime Hospitality

Group voluntarily initiated a Local Hiring Program for the project, which resulted in the hiring of nine local sub-contractors and several hotel staff positions.

EQUITY ENTERPRISES USA

The CRA entered into a Purchase & Sale Agreement with Equity Enterprises USA Inc. in 2014 to construct a \$35 million mixed-use project, along West Atlantic Avenue, with 49,795 s.f. retail; 47,600 s.f. Class A office; and up to 132 apartments, between SW 6th and 9th Avenues. The agreement included a relocation plan for businesses that have been operating on the property for years. The development team also worked with the community and the West Atlantic Redevelopment Coalition (WARC) to formalize Delray Beach's first-ever Community Benefits Agreement pledging to include a grocery store and to encourage local hiring.

REVEREND J.W.H. THOMAS, JR. PARK



This project enabled the construction of a pocket park at the northwest corner of SW 9th Avenue and SW 1st Street, named in honor of the late Reverend J.W.H. Thomas, Jr., a pastor at the St. Paul Missionary Baptist Church for 46 years.

The park features exercise equipment for adults and playground equipment for children, safety surface for play areas, perimeter fencing, and landscaping. Adjacent to the park, a 40-space parking lot was constructed, serving the CRA-owned Palm Manor Apartments and the surrounding community. **CRA Investment: \$641,092**

SW 2ND STREET BEAUTIFICATION



This joint City/CRA project – featuring landscaping, roundabouts and sidewalks - continues the development of a “secondary circulation system” as called for in the 2002 Downtown Master and SW Area Neighborhood Redevelopment Plans. **CRA Investment: \$838,000**

NE 1ST AVENUE BEAUTIFICATION

This streetscape improvement project was completed along NE 1st Avenue between NE 1st & 2nd Streets featuring on-street parking, paver brick walkways, decorative street lighting and landscape nodes. **CRA Investment: \$520,000**

DOWNTOWN TREE GRATE REPLACEMENT

This project involved replacing existing tree grates with a flexible, permeable paving material along with associated site preparation and relocation of electric outlets providing for a smooth walkable surface around existing trees along Atlantic Avenue and Pineapple Grove Way. **CRA Investment: \$125,000**



FINANCIAL REPORT: BY THE NUMBERS

The CRA funds its programs and projects primarily through Tax Increment Financing (TIFs), which uses the increased property tax revenues collected by the City of Delray Beach and Palm Beach County within the CRA district. 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.

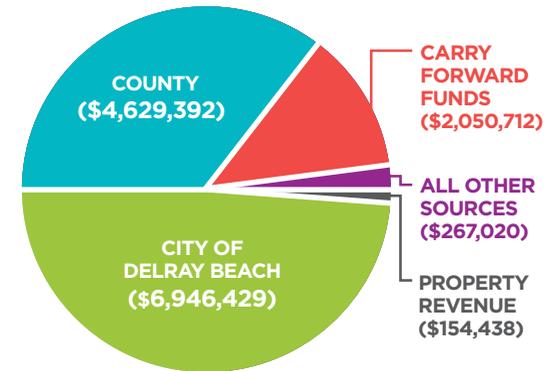
During FY 2013/14, the largest portions of the CRA's \$14 million budget were allocated to the Implementation of various Areawide & Neighborhood Plans (40%), and the Community Improvement & Economic Development projects (29%).

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 of Delray Beach,

property owners, residents and other stakeholders, the CRA has worked to significantly enhance the Central Business District and the 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 recover and grow.

REVENUE: \$14,047,991
(UNAUDITED)



HIGHLIGHTED FY 2014 EXPENSES

AREAWIDE & NEIGHBORHOOD PLANS (PROJECT IMPLEMENTATION)

- West Atlantic Redevelopment Plan
- Fairfield Inn Hotel Construction Loan
- Southwest Area Neighborhood Plan
- Village Square Grant
- SW 9th Avenue Parking and Pocket Park
- North Federal Highway Redevelopment
- Central Business District Land Development Regulations Update
- NE 1st Avenue Streetscape Improvements
- Arts Warehouse and Incubator
- Downtown Trolleys

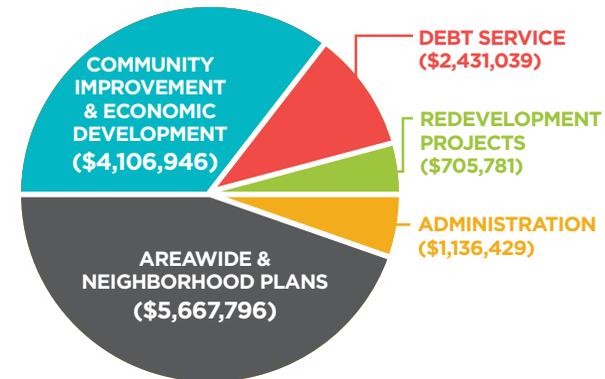
COMMUNITY IMPROVEMENT & ECONOMIC DEVELOPMENT

- Clean & Safe Program
- Business Grants & Incentive Programs
- Delray GreenMarket
- City Contractual Services
- Delray Beach Marketing Cooperative
- Delray Beach Open Tennis Tournament Sponsorship

REDEVELOPMENT PROJECTS

- NW/SW 5th Avenue Beautification
- Maintenance of CRA-Owned Redevelopment Sites
- Affordable and Workhouse Housing Program
- Eagle Nest
- Delray Beach Community Land Trust
- Federal Highway Improvement Project

EXPENSES: \$14,047,991
(UNAUDITED)



CRA BALANCE SHEET (UNAUDITED)

AS OF SEPTEMBER 30, 2014 (FY 2013-2014)

ASSETS

Current Assets	\$10,895,622
Other Assets	\$17,343,779
Capital Assets	\$29,197,004
Total Assets	\$57,436,405

LIABILITIES & EQUITY

Noncurrent Liabilities	\$16,441,702
Other Liabilities	\$1,563,917
Equity	\$39,430,786
Total Liabilities & Equity	\$57,436,405

NE 1ST AVENUE BEAUTIFICATION



VILLAGE SQUARE MULTI-FAMILY APARTMENT COMPLEX



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**



IN THE WORKS: COMING ATTRACTIONS

ARTIST'S ALLEY BEAUTIFICATION - NE 3RD AVENUE AND NE 3RD STREET



The Pineapple Grove Arts District continues to transform. The proposed streetscape improvements along NE 3rd Street, NE 3rd Avenue and the alleyway will provide safe, well-lit pedestrian connections to the public parking areas and to area businesses.

Estimated CRA Investment in 2015: **\$700,000**

ARTS WAREHOUSE - 313 NE 3RD STREET



The CRA purchased a 15,000 sq. ft. warehouse in the Pineapple Grove Arts District for conversion to an arts related use such as an arts incubator. The purpose of this project is to encourage visitors and pedestrian activity in the Pineapple Grove area and to enhance Delray's image as an arts oriented community. In 2014 the CRA Board selected an architect for design services. The next step is preparation of construction drawings and the beginning elements of the construction project.

Estimated CRA Investment in 2015: **\$750,000**

FEDERAL HIGHWAY IMPROVEMENTS - SE 10TH STREET TO GEORGE BUSH BOULEVARD



This traffic calming and beautification project along NE/SE 5th and 6th Avenues, include removal of one lane of traffic in each direction and installation of landscape nodes and bicycle lanes along the entire corridor. Wider sidewalks to be installed from NE 1st to SE 1st St. and paver brick sidewalks from SE 2nd to NE 2nd St. Funding is a combination of Federal, State, City and CRA funds. Total project cost is approximately \$12.5

million. The CRA is providing funds to repay a portion of that financing, up to a maximum of \$3,614,188.07 plus interest. Project is currently under construction and completion is anticipated in 2015.

Estimated CRA Financing Payment in 2015: **\$420,149**

SE 2ND STREET BEAUTIFICATION - OSCEOLA BUSINESS AREA REVITALIZATION



The Osceola Park Redevelopment Plan identifies the need for additional parking for area businesses, especially along SE 2nd Avenue, between SE 2nd Street and SE 4th Street, and east of the FEC Railroad. Additional parking will be accommodated through a combination of streetscape improvements with on-street parking along SE 2nd Avenue, a 14-space permeable paver parking lot on CRA-owned property, and alley improvements. Construction drawings

have been completed and funding in FY 14/15 is for construction.

Estimated CRA Investment in 2015: **\$800,000**



ECONOMIC DEVELOPMENT: TAKING CARE OF BUSINESS

The CRA's economic development initiatives are designed to promote a climate for business activity to further enhance economic vitality and revitalization efforts. The CRA's business grants help the area's new and existing small businesses to grow and thrive while its incentives help to create jobs and attract private investment. Support for the Clean & Safe Program, Delray Beach Marketing Cooperative, and other collaborative initiatives helps to create a sustainable, vibrant downtown and provide a complete range of assets for the community.

TOTAL BUSINESS GRANTS AND INCENTIVES AWARDED IN 2014 - \$166,975

BUSINESS DEVELOPMENT ASSISTANCE PROGRAM - \$25,856

Provides rent assistance for new businesses opening in the Delray Beach CRA District

- AR Gallery
- Chappy's Attic
- FirstLight HomeCare of Southern Palm Beach County
- Hair 2 Day Shop 4 Tomorrow
- Talin's Tropic

SITE DEVELOPMENT ASSISTANCE PROGRAM - \$91,071

Provides partial funding assistance for exterior improvements to commercial and multi-family properties in the CRA District

- 411 Mastermind, LLC
- Avalon Gallery
- Coastal Commercial Group
- Delray Beach Property, Inc.
- Delray Corner Realty, LLC
- Delray Decorator Service
- Hudson at Waterway East
- Le Garage
- Original Popcorn House
- Periwinkle Online, Inc.

OTHER INITIATIVES DRIVING ECONOMIC ACTIVITY

The CRA is also a partner, with the City and Greater Delray Beach Chamber of Commerce, in the Delray Beach Marketing Cooperative which focuses on destination marketing for the City and organizes popular downtown events such as First Night, 100-Foot Christmas Tree, July Fourth, and the "On the Avenue" series attracting tens of thousands of visitors. Additionally, the CRA co-sponsors the nationally and internationally televised ATP Champions and World Tour Events (Delray Beach Open) with the City of Delray Beach in February, generating tangible economic benefits estimated to be nearly \$8.7 million annually.

PAINT-UP & SIGNAGE PROGRAM - \$50,048

Provides partial funding assistance for existing commercial or multi-family properties with exterior painting, pressure cleaning and new signage throughout the CRA District

- Art-Sea Living
- Atlantic Promenade
- Avalon Gallery
- Beachcomber Art
- Boys & Girls Club
- C&L Realty, LLC
- Cyclevolution
- Fourth Avenue Associates, LLC
- G Squared Ventures
- Glavidia Hair Studios, LLC
- Grove Gas, LLC
- Hudson at Waterway East
- Le Garage
- Original Popcorn House
- Periwinkle Online, Inc.
- RQ Building Products
- Verdandi III
- Vintage Tap

CLEAN & SAFE PROGRAM - \$1,426,380

The Clean & Safe Program is an important component to the CRA's economic development strategy. Having a safe, clean and overall attractive downtown helps improve its regional reputation as a center of business and social activity. During FY 2014, the CRA continued its commitment to the program by contributing more than \$1.8 million to provide enhanced police patrols, landscape maintenance, lighting and code enforcement within the defined Clean & Safe area.



FAST FACTS ABOUT THE CRA AND ITS DISTRICT

DID YOU KNOW . . .

Created by the City Commission in **1985**

Governed by a **7-member volunteer board** appointed by the City Commission

The CRA District is about **1,961 acres**

Taxable Value in 2014 - **\$1.266 Billion**- an increase of **7%** from 2012/13

Activities are guided by the **Community Redevelopment Plan** Adopted by the City Commission

Single largest land use is **residential**

4 public schools within the CRA District serving **2,149 students**

(2012/2013 data from Palm Beach County School Board)

2010 Census: **6,339 housing units** with a population approximately of **13,450**; 35.2% white, 59.5% black and 5.3% other

8 geographic sub-areas

20% of the total City area

Redevelopment Plan is **amended every 2-3 years**

Estimated public cost for City, CRA & County Funded Capital Projects and Major Programs in CRA District - 2014 through 2019 = **\$90,539,000**

Primarily funded by tax increment revenues which is a portion of assessed property taxes collected in the CRA District by the City and the County and transferred to the CRA for redevelopment activities. Tax increment revenues have been a great asset to Delray Beach keeping millions of County dollars in our City versus being redirected to other areas of the County.

HOUSING

VILLAGE SQUARE

In 2010, the Delray Beach Housing Authority (DBHA) selected Roundstone Development as its partner for the redevelopment of the 18-acre property that was formerly the Carver Estates public housing project. The new development includes a 144-unit low-income housing tax credit rental apartment complex (Phase I substantially completed in 2014), an 84-unit low income senior apartment complex (Phase II), and approximately 40 for-sale homes (Phase III).

The CRA provided a \$100,000 grant for the recently completed multi-family apartment complex and is providing gap financing (\$2.7 million construction loan) for the elderly housing component currently under construction.

CARVER SQUARE

Carver Square is a two-block residential subdivision south of West Atlantic Avenue, between SW 7th and 8th Avenues. Due to its previous uses as a pond and dump site, homes built on the property in the 1960's through the 1980's experienced severe damage due to the settling of the land. After acquiring properties, relocating residents, successfully obtaining a brownfield designation and conducting an extensive soil remediation/mitigation program, the CRA received clearance in 2014 to move forward with a plan to build 20 new affordable homes for our neighbors.



The GreenMarket is open on Saturdays from 9 am until 2 pm from mid-October through Mother's Day Weekend in May each year. It's located at Old School Square Park on NE 2nd Avenue, 1/2 block north of Atlantic Avenue in downtown Delray Beach.



A 19-year tradition, the Delray GreenMarket continues to attract tens of thousands of visitors to Downtown Delray Beach to buy from its more than 60 vendors every Saturday during the months of October through May. It's innovative philosophy has "spun-out" vendors like Loic Autret Artisan French Bakery into Delray Beach storefronts and launched the first-ever Bike 2 Market program with its partners at Human Powered Delray. Live music, pet adoptions, an Easter Bonnet Pet Parade, Cook-Offs and Budding Artists programs round out the fun-filled activities at this 'best of class' GreenMarket.



A-GUIDE FOR NONPROFIT PARTNERSHIPS

The CRA believes that the long-term viability of its District is enhanced significantly through partnerships with cultural and nonprofit organizations that enhance Delray Beach as an arts destination, attract visitors, help support local businesses and provide for affordable housing. In 2014, six organizations were awarded an A-GUIDE (Achieving Goals Using Impact Driven Evaluation) Program grant, totaling more than \$970,000, to assist the entities with their initiatives. The 2014 A-GUIDE grant recipients were Creative City Collaborative (Arts Garage), Delray Beach Center for the Arts, Delray Beach Community Land Trust, Delray Beach Public Library, Spady Cultural Heritage Museum (EPOCH) and Puppetry Arts Center of the Palm Beaches.



Creative City Collaborative



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CRA STAFF



Left to Right: Anne Fredy, Elizabeth Burrows, Susan Shaw, Earl Prizlee, Jeff Costello, Kristyn Cox, Liz Goldberg, Henry Harden, Lori Hayward, Lori Nolan, Joan K. Goodrich



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