

Delray Beach Community Redevelopment Agency



2016 Annual Report

Chairman's Message

Delray Beach continues to flourish through its business, economic development, and neighborhood initiatives. The CRA is focusing its efforts on the activation of the business districts that have not experienced the success of the downtown core, as well as, implementing needed infrastructure improvements in the adjacent neighborhoods such as The Set (formerly Northwest and Southwest neighborhoods) and Osceola Park. In February 2016 we performed an alley prioritization analysis and the City is implementing sidewalk improvements based on the City's newly adopted Level of Services (LOS) and our collaborative efforts. That led to the funding of transitional projects in FY 2016-17 which allows residents to benefit from the improvements while waiting for the scheduled more strategic "Complete Neighborhood" work to begin in FY 2018-19. We are confident that Downtown Delray Beach will continue to thrive through commerce, culture, and the arts.

Through the collaboration with the West Atlantic Redevelopment Coalition (WARC) this past year, a new neighborhood brand was created for the area encompassing the Northwest/Southwest neighborhoods and West Atlantic corridor, known as The Set, which honors the area's heritage, culture, and community pride. As we look back on our other accomplishments, from completing the N.E. 2nd Avenue/Seacrest Boulevard Beautification project, which encourages multimodal transportation into the gateway of the Pineapple Grove Arts District, to the completion of the S.W. 12th

Avenue Duplex Renovation project, which created additional quality affordable housing while building pride within the community, we are proud that Delray Beach's physical environment continues to evolve with our strategic economic initiatives.

Neighborhoods are our greatest assets and the residents who have resided in the CRA district since 1985, mainly our seniors, must not be forgotten nor forced to be displaced. It is time to push forward with updating our legacy development plans and creating long term resilient solutions that invest in community based assets, affordable housing, housing maintenance, elimination of blight, public-private partnerships, and small business development.

I encourage you to review our Annual Report and get to know the CRA, our partnerships, programs, project implementation, grants for businesses and residents, and the community we serve. Stay informed by participating and working together to help Delray Beach continue along the path of success.

As Chairman of the Delray Beach CRA, it is my privilege to say that we are committed to be inclusive, transparent, and engaging to better align the CRA's goals with the City's, our community partners, and residents as we continue to transform our collective vision into reality.



Reginald A. Cox
Chair

The Board of Commissioners



Joseph Bernadel
Vice Chair



Cathy Balestriere
First Vice Chair



Herman Stevens Jr.
Treasurer



Paul Zacks



Daniel Rose



Dedrick D.
Straghn

The CRA Staff



Left to right: Elizabeth Burrows, Krista Walker, Kevin Matthews, Thuy Shutt, Jeff Costello, Susan Shaw, Joan Goodrich, Anne Fredy, Kristyn Cox, D.J. Lee, Renee Roberts
(not pictured: Lori Hayward & Lori Nolan)

Mission

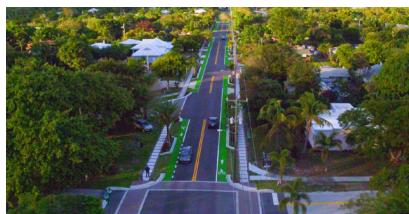
To foster and directly assist in the redevelopment of the Community Redevelopment Area in order to eliminate blight, create a sustainable downtown, and encourage economic growth, thus improving the attractiveness and quality of life for the benefit of the CRA District and the City of Delray Beach as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

About the Cover

The artwork on the cover is one of the latest pieces of "Art in Public Places," strategically located at the Delray Beach Tennis Center, within The Set. The artist, Eduardo Mendieta (Emo), created this piece in collaboration with the surrounding community to represent the history of The Set.

CRA Board & Staff

N.E. 2nd Avenue/Seacrest Boulevard Beautification Project



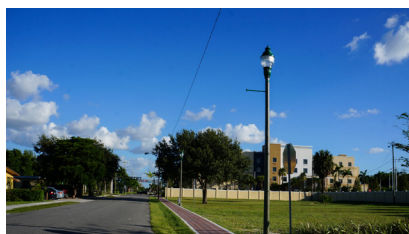
This project serves as one of the gateways into Downtown Delray Beach and the vibrant Pineapple Grove Arts District. This is the first of a four phase project, which extends to the northern city limits at Gulfstream Boulevard. The beautification was possible due to funding from the Metropolitan Planning Organization, the City of Delray Beach totaling \$30,000, and the **CRA funds totaling \$1,419,670.**

FRA Transportation/Transit Enhancement Award



The CRA, and the City of Delray Beach was awarded the Roy F. Kenzie Award for Transportation/Transit Enhancement for the US-1/Federal Highway Beautification Project as part of the 2016 Florida Redevelopment Association Awards Program. The awards showcase and celebrate the most innovative and effective redevelopment programs in the state.

S.W. 9th & 10th Avenue Improvements



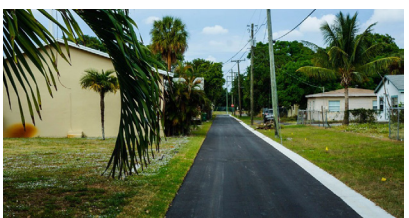
The S.W. 9th & 10th Avenue improvements included paver brick sidewalks and decorative street lighting. These improvements have not only beautified the Southwest neighborhood district, but also increase safety through lighting and environmental design. These improvements provided were part of the adopted redevelopment plans for The Set. **The CRA design and construction totals \$190,000.**

S.W. 12th Avenue Duplex Renovations



This project consisted of interior and exterior renovations of the blighted duplex structure. The general scope of work for the structure included extensive interior and exterior improvements and site upgrades such as landscaping, site lighting, and trellises to match the existing adjacent five duplexes completed by the CRA in 2013. In order to accommodate the demand for high quality affordable rental housing in Delray Beach, the duplexes have been rented to income eligible families and is managed by the Delray Beach Community Land Trust through a Ground Lease/Management Agreement. The project was completed and fully occupied by September 2017. **Total CRA design and construction totals \$180,000.**

Block 32 Alleyway Improvements



The purpose of the alleyway renovations includes better access for residents, enhanced connectivity throughout the city, and decreased parking in the road rights-of-way. The construction of the alley included paving, water, sewer, and drainage improvements. **The CRA design and construction totals \$80,864.**

S.W. 2nd Terrace Reconstruction



In the 1960's-80's, Carver Square suffered settlement problems due to building on a former dump site. After purchasing the homes, adjacent lots, and through extensive soil remediation, the CRA was given clearance in 2014 to build 20 new affordable homes. The S.W. 2nd Terrace project included reconstruction of water, sewer, drainage, and roadway improvements in preparation for the proposed single family homes that will be constructed. **CRA investment totals \$65,000.**

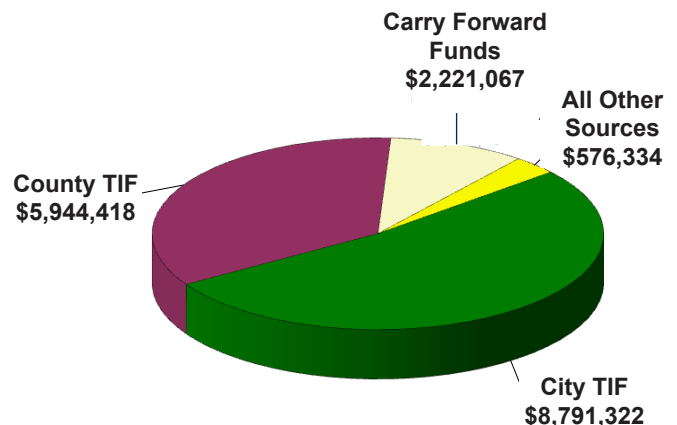
2016 Major Highlights



The CRA funds its programs and projects primarily through Tax Increment Financing (TIFs). 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 2015-2016, the largest portions of the CRA's \$17.5 million budget were allocated to the Implementation of various Area Wide & Neighborhood Plans (44%) and the Community Improvement & Economic Development projects (30%).

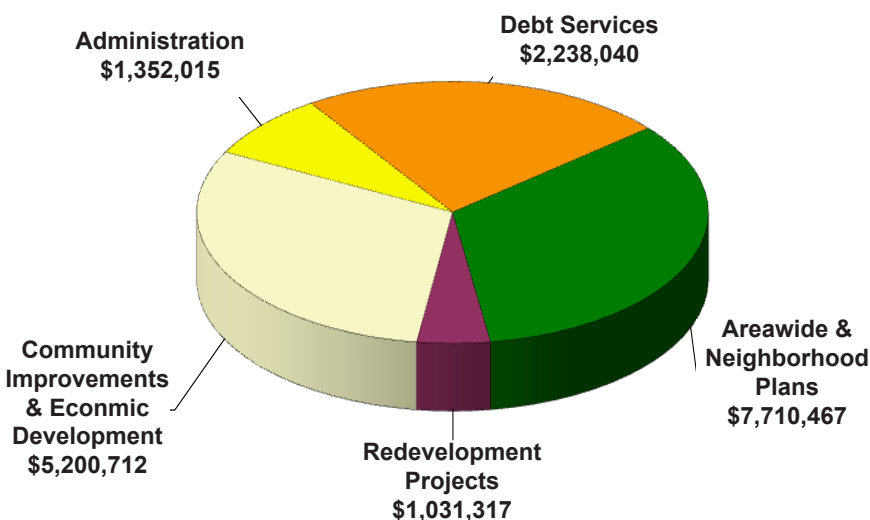
The CRA has maintained its commitment to improving Delray Beach by fostering redevelopment and leveraging public funds to attract private investment into the area. Working in partnership with the City of Delray Beach, property owners, residents, businesses, and other stakeholders, the CRA has worked 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 recover and grow.

Revenue..... \$17,533,141



**Expanding Tax Value =
Expanding Improvements**

Expenses..... \$17,533,141



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 the properties in the district would be retained for use by Palm Beach County. In 2016, County revenues exceeded \$5.9 million. The City's contribution to the CRA activities in 2016 was nearly \$7.7 million. Other sources of funding for redevelopment activities include grants, the sale or lease of property, and the issuance of taxable and nontaxable bonds.

3 Financial Report (Unaudited)

CRA Balance Sheet (Unaudited)

As of September 30, 2016 (FY 2015-2016)

Assets

Current Assets.....	\$ 9,222,396
Other Assets.....	\$31,542,811
Capital Assets.....	\$ 1,025,019
Total Assets.....	\$41,790,226

Liabilities & Equity

Current Liabilities.....	\$ 1,904,367
Equity.....	\$39,885,859
Total Liabilities & Equity	\$41,790,226



"I was like a kid on Christmas morning the first time I drove this section of N.E. 2nd Avenue; very excited!"

-Amy Alvarez, Senior Planner for the City of Delray Beach



- 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



5 CRA District Map

The CRA and its District.....

Fast Facts


-  was created by the City Commission in 1985
-  is governed by a seven member volunteer board appointed by City Commission
-  activities are guided by the Community Redevelopment Plan, adopted by the City Commission
-  is 20% of the total City of Delray Beach area
-  had a Taxable Value in FY 2016-2017 of \$1.558 Billion, an increase of 15% from FY 2015-2016
-  has a population of approximately 13,450
-  has approximately 6,339 housing units
-  has the largest land use as residential
-  has four public schools serving 1,789 students
-  35% of the population is white
-  60% of the population is black
-  5% of the population is other
-  the CRA District is approximately 1,961 acres
-  the Redevelopment Plan is amended every 2-3 years

Photo of NE 2nd Avenue/Seacrest Boulevard courtesy of Wantman Group, Inc.

*Primarily funded by tax increment revenues which is a portion of assessed property taxes collected in the CRA District, 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 The City of Delray Beach versus being redirected to other areas of Palm Beach County.



The CRA undertakes a variety of programs and initiatives that are designed to create new business activity, generate quality jobs and enhance the non-residential tax base. The CRA's investment in the Clean & Safe Program supports the long-term viability of the downtown as a vibrant business and entertainment district, while a partnership with the Delray Beach Marketing Cooperative supports the growth of the tourism and hospitality

industries by marketing Delray Beach as a visitor destination. The Office of Economic Development (OED), a collaborative office between the CRA and City of Delray Beach, manages the CRA's business grant and incentive programs, which leverage CRA dollars with private investment, ultimately resulting in job creation and commercial property improvements throughout the CRA District.

Total Business Grants Awarded in FY 2016: \$46,215.13

Site Development Assistance Program: \$40,404.13

Provides partial reimbursement for certain interior and exterior improvements to commercial properties in the CRA District:

 MacMillan & Stanley

 DB Land, LLC

 Access
Development
Properties, LLC



MacMillan & Stanley

Paint-Up & Signage Program: \$5,811

Provides a partial reimbursement for the cost of exterior painting, pressure cleaning, and signage improvement projects for existing commercial or multi-family properties throughout the CRA District:

 Reed & Reed, Inc.

 DB Land, LLC

 Delray Beach Boxing, Inc.



Delray Beach Boxing, Inc.

OED also leads the G.E.A.R. (Grow Expand and Retain) Program, which assists businesses seeking to startup, grow, and relocate within Delray Beach. In 2016, two new organizations joined the G.E.A.R. Team—the TED Center and South Palm Beach SCORE—bringing the partnership to a total of nine organizations.

Together, the G.E.A.R. Team successfully celebrated the city's second annual "We Heart Small Biz Month" in May 2016. Led by OED, the 2016 celebration included a series of 12 events designed to raise awareness of local small businesses, while helping small business owners connect with local resources and service providers. The month-long celebration kicked off with the "Small Biz MiniCon" a free half-day event featuring the stories of nine successful local small business owners and entrepreneurs, shared through a series of interactive panel discussions and

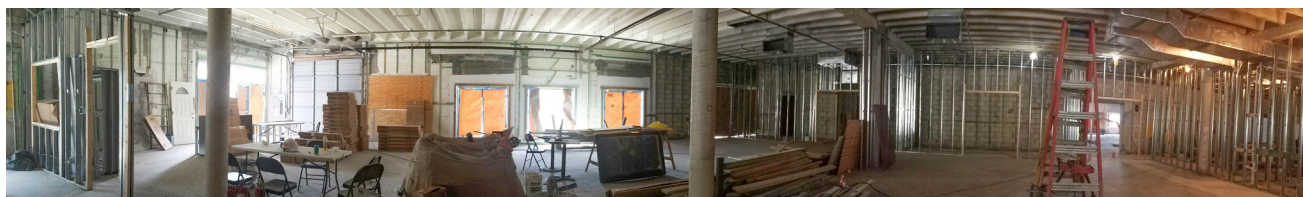
presentations. Business walks were conducted in The Set and in the downtown core, using a team of G.E.A.R. volunteers who went door-to-door to distribute giveaways and administer a brief survey. New events included a Google Street Party, Automotive Industry Round table, and Chamber Biz-Tech Expo.

Additionally in 2016, OED and the CRA introduced "Evolving Economic Development," a new approach to making strategic investments in capacity-building initiatives focused on small business development, entrepreneurial development, and workforce development. The CRA laid the foundation for several such initiatives in 2016 including investing in a new small business center at the Delray Beach Public Library, and making plans for what will become Career Cottage on Historic Fifth Avenue in The Set, which will provide job services.

7 Economic Development

The Arts Warehouse

The Pineapple Grove Arts District continues to transform. The proposed streetscape improvements along NE 3rd Street and NE 3rd Avenue will provide safe, well-lit pedestrian connections to the public parking areas and to area businesses. The CRA purchased a 15,000 sq. ft. warehouse in the Pineapple Grove Arts District for conversion to an 18,000 sq. ft. visual arts incubator and other arts related uses. The purpose of this project is to encourage visitors, businesses, and pedestrian activity in the Pineapple Grove area and to enhance Delray's image as an arts-oriented community. Construction on the Arts Warehouse began in October of 2016 and is expected to be completed in the Summer of 2017. **The CRA investment totals \$2.5 million.**



"As a contractor, it is thrilling to see this dark, dead space open up and become full of light."

-William Hatcher, Hatcher Construction & Development, Inc.

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 is anticipated to commence in FY 2017.**

SE 2nd Street/Avenue Beautification - Osceola Business Area Revitalization

The Osceola Park Redevelopment Plan identifies 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 can be accommodated through a combination of streetscape improvements with on-street parking along SE 2nd Avenue, a public parking lot, and alley improvements, where necessary. **Estimated CRA investment totals \$1.9 million.**

NW 12th Avenue Beautification

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 involves 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. 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 includes 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. **Estimated CRA investment totals \$1.4 million.**

Block 8 and Block 20 Alley Improvements

The West Atlantic Neighborhood Area Redevelopment Plan calls for renovation of the alleyways within the district. The purpose of the alleyway improvement includes better access and visibility in the alleyways, enhanced connectivity throughout the city, and decreased parking in the road rights-of-way. **CRA Investment totals \$305,000.**



The Set

A new brand has emerged for the long-standing residential and business communities surrounding the Atlantic Avenue corridor, from Interstate-95 to Swinton Avenue, and Lake Ida Road to S.W. 10th Street. This area, collectively and historically referred to as the West Atlantic Neighborhood, has a new name that reflects both the rich history of the area and the growth and investment it is currently experiencing: The Set.

Launched in September 2016, the new identity is the result of a branding initiative by the governing board of The West Atlantic Redevelopment Coalition (WARC). Established in 1996 as a nonprofit 501(c)(3), WARC was created to advise the CRA and the City of Delray Beach on redevelopment efforts in the areas surrounding the downtown corridor of West Atlantic Avenue. The WARC Board, its Promotions Committee, and members of the Northwest Southwest Neighborhood Alliance (NWSWNA) selected the name “The Set”, finding it to be 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 is reminiscent of many elements and themes found throughout the area, such as Delray’s original pioneers, the West Settlers, the sun setting in the west, and tennis sets played at the Delray Beach Tennis Center, located on West Atlantic Avenue in the heart of The Set. Across the country, “The Set” also commonly refers to an area on the campuses of Historically Black Colleges and Universities, as well as other universities, where students congregate.

In addition to the new name, the brand platform identifies a target audience and includes a logo and tag-line “Where You Can” that pay homage to the past, present, and future positioning and opportunities for the area. Future phases of the initiative include the implementation of a national marketing strategy that will integrate the unique historical character of The Set’s communities to build support among existing stakeholders while drawing new audiences to the area.



“The Set is not just a destination, it’s not just a brand; it’s a lifestyle, a culture, a tribe.”

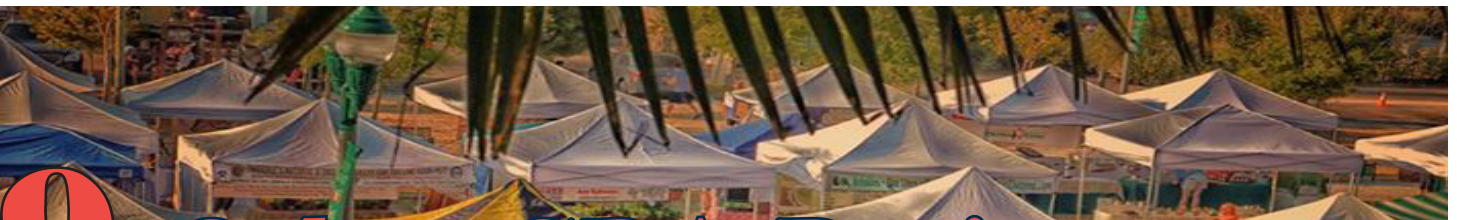
- Chuck Ridley, Chairman of the West Atlantic Redevelopment Coalition (WARC)

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 Loic Autret French Bakery and Grandma’s Bakery into Delray storefronts. The GreenMarket launched the first ever Bike 2 Market program with its partners Human Powered Delray in 2015. 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.

delray GreenMarket in the park

In 2016, the Summer Delray Beach 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 9 AM to Noon from June until August. 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.



9 Other CRA Projects

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 effort by individual residents and businesses within the CRA and 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, 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 as an arts destination, attract visitors, help support local businesses, and provide for affordable housing. In FY 2015-2016, the grant recipients were Old School Square (\$412,500), EPOCH (Spady Museum)(\$67,700), the Delray Beach Historical Society (\$52,000), the Delray Beach Public Library (\$418,000), the Delray Beach Community Land Trust (\$174,487), and the Creative City Collaborative (\$237,866). **CRA grant funding in 2016 totaled \$1,362,553.**



CRA Programs

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 2016, funding police patrols, maintenance personnel, landscape maintenance, lighting, and code enforcement within the CRA District. In FY 2015-2016, the CRA increased funding to the Clean and Safe Program to provide for a Downtown Manager, a Police Sergeant, two Code Enforcement Officers, and a Sanitation Officer. **CRA funds in 2016 totaled \$2,324,280 million.**

Affordable Housing

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 drainage pond and dump site, homes built on the property in the 1960's through the 1980's experienced severe structural damage due to the settling of the land. After acquiring the properties in 2005, relocating residents, successfully obtaining 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 within the Southwest Neighborhood. The CRA will serve as the developer of this property and will be engaging its housing partners for the income qualification and sale component of this project. **The CRA has invested \$2.95 million**

Northwest 5th Avenue is a part of the CRA's goal to create affordable housing within the Northwest Neighborhood Area. The CRA sold three properties to the Delray Beach Community Land Trust (DBCLT) at a reduced cost of \$1,000 per lot in order to develop three new, single-family, workforce homes. The DBCLT is a Delray Beach based nonprofit, with the goal to "foster healthy communities through the creation, stabilization, and preservation of quality long-term affordable housing." Two of the homes have been completed, with the third home expected to be completed in the coming months.





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