Photo: the newly renovated Palm Manor Apartments

Delray Beach
COMMUNITY REDEVELOPMENT AGENCY
Redevelopment is not a simple task. It involves the efforts of the entire community—elected officials, city staff, land developers, businesses, property owners, residents, and qualified experts. Successful redevelopment also requires the investment of significant resources, including public dollars, private dollars, and commitment to a vision.

As the city continues to move forward and plan for the future, we are reminded of how critical the redevelopment of the West Atlantic Avenue corridor is to our overall success. Visitors who are new to Delray often experience their initial impressions as they exit off of I-95 onto West Atlantic Avenue, making this the City’s first opportunity to exhibit the vibrancy, diversity and beauty that our downtown area offers. As such, new development in the West Atlantic area has the potential to make a profound impact on the long-term viability of our local economy and community. In 2010, the CRA took significant steps to bring us closer to realizing our community’s goal of creating a seamless downtown from I-95 to A-1-A.

The CRA has continued to acquire properties in the West Atlantic area, assembling smaller separately-owned parcels of land into cohesive development sites. In 2010 the agency acquired a site nearly one-acre in size, increasing the agency’s assemblage to approximately eight acres of land having continuous frontage along West Atlantic Avenue. In December the CRA issued a Request for Proposals (RFP) for mixed-use development projects that include retail, restaurant, office and hotel uses. Earlier last year, the CRA also implemented six development incentive programs, that can be utilized for upcoming projects along the West Atlantic corridor, and elsewhere in the CRA District.

Before issuing the RFP, the CRA and City agreed to fund an update to the West Atlantic section of the Downtown Cluster Study, originally produced in 2005 to help determine future uses and development patterns for the downtown area. In a series of meetings and interviews held in November, local residents, property owners, business owners and stakeholders gave their input regarding the development of Clusters 1 and 2 (between Swinton Avenue and I-95). The information obtained revealed that the collective vision for the area is to attract businesses that serve a wider market than the immediate neighborhood, and that bring new jobs and activity to the area.

As the CRA prepares to receive new development proposals for the West Atlantic corridor, progress is also being made to implement the Gateway Feature. The City plans to issue a Request for Bids in early 2011 so that construction may proceed. The result will be a prominent feature just east of the I-95 exit ramp to honor the historical and cultural heritage of the area and to announce to visitors that they have indeed arrived at a very special place.
In 2010, the Delray Beach CRA faced its third consecutive year of a shrinking budget due to a decline in property values within the CRA District. It is during these types of economic conditions that the CRA’s mission to eliminate blight, foster redevelopment, and encourage economic growth becomes of greater importance. Despite these challenges, the CRA worked to find creative and efficient ways to fund projects, promote business growth, and improve the quality of life within Delray Beach.

While a majority of CRA revenues were attributed to City and County tax increment financing—called TIFs—a portion also came from land sales and other sources, including the Delray GreenMarket, property rentals, and grants. During the 2009/2010 fiscal year, the CRA funded a number of redevelopment and economic development initiatives, including business grant programs, neighborhood improvements, affordable housing and transportation projects, which accounted for 79% of total expenditures. Administrative costs comprised only 7% of the total budget, and approximately 14% of funds were applied to debt service.

**2009/2010 EXPENSES**

COMMUNITY IMPROVEMENT
- Grant Programs
  - Business Development Assistance Program
  - Community Sponsorship Program
  - Site Development Assistance Program
  - Curb Appeal Grants
- Economic Development Initiatives
- Downtown Marketing & Promotions
- Delray GreenMarket
- City Contractual Services
  - Clean & Safe Program
  - Tennis Sponsorship
- Organizational Support
  - Old School Square
  - Delray Public Library
  - EPOCH (Spady Museum)
  - Downtown Marketing Cooperative
  - Creative City Collaborative

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
  - Munnings Cottage
  - Parking & Alleys
- Affordable & Workforce Housing
  - Palm Manor Apartments
  - Community Land Trust
  - Rental Property Management
- West Settler’s Historic District

*Pre-audit numbers
ECONOMIC DEVELOPMENT

The CRA has continued its efforts to encourage economic development and growth in Delray Beach despite the lingering recession. The agency expanded two grant programs in 2010, presenting more businesses with the opportunity to qualify for funding assistance. The Paint-Up Program, which reimburses commercial property owners 50% of the cost of exterior painting and pressure cleaning, is now available throughout the West Atlantic area, along portions of the FEC railway corridor in the downtown core (zoned CBD-RC), and along the Federal Highway corridor north of George Bush Blvd. (Sub-Area #5 of the CRA District).

The Site Development Assistance Program, which offers a partial reimbursement for the cost of exterior façade and site improvements to commercial properties, was also expanded to offer a higher reimbursement rate in the same areas. The program guidelines were also modified, making improvement projects to existing restaurant uses within the downtown core eligible for assistance. In 2010, the CRA granted $74,500 under the program, with award amounts ranging from $1,500 to $25,000. Several businesses, including O'Connor’s Pub in the Pineapple Grove Arts District, and Putt’N Around Delray, a new downtown miniature golf course, benefitted from the program. The CRA also awarded more than $28,000 through the Business Development Assistance Program, offering monthly rent assistance to six new businesses located throughout the Downtown Development Authority District.

This year the CRA also rolled out a series of new economic development incentive programs. Each program is designed to address a particular need within the business community, such as relocation expenses, personnel costs or major infrastructure improvements. Many of the new incentives aim to attract businesses within various targeted industries: communications and information technology; emerging technologies; business and financial services; clean energy; aviation and aerospace; and corporate headquarters.

An Overview of CRA Economic Development Incentives

• **Loan Interest Bonus Program** - The CRA may pay the first five years of interest on a loan that a business uses to expand or improve operations. Businesses must be located in the CRA District and new jobs must be created.

• **Job Creation Bonus Program** - New or existing non-retail businesses that create at least 5 new qualifying jobs can receive an incentive equal to a portion of their certifiable annual wages, paid out over five years.

• **Relocation & Development Incentive Program** - Existing companies that relocate to the CRA District, bringing at least 25 qualifying jobs, may be reimbursed for up to 20% of their relocation expenses.

• **Land Value Investment Program** - Developers that agree to build a mixed-use multi-story building including retail and Class A office space or a hotel may lease CRA-owned land for up to 60 years at significantly discounted rates during the first 15 years.

• **Real Estate Development Partnership Program** - The CRA may make an equity contribution equal to approximately 10% of a project cost to developers and businesses intending to construct Class A office space within the CRA District. The incentive is repaid after the project becomes profitable.

• **Development Infrastructure Assistance Program** - The CRA may reimburse private for-profit organizations up to 50% of the cost of eligible site improvements for a construction or renovation project that includes office and/or retail space, not to exceed 50% of the projected TIFs generated by the project over a 10-year period.
ARTS-BASED INITIATIVES

In 2010, the CRA implemented several new arts-based economic development initiatives. The agency, in partnership with the City, began working with the Creative City Collaborative (the Collaborative, or the CCC) a 501(c)(3) nonprofit organization established to implement the City’s cultural plan, originally adopted by the City Commission in 2006. The Collaborative is working to build upon Delray’s cultural infrastructure and enhance its character as a creative, authentic, and intimate City.

In February, the CRA purchased a 15,000 square-foot warehouse located at 313 NE 3rd Street in the Pineapple Grove Arts District, with the intent of turning it into a new arts facility. It is envisioned to be an all-inclusive arts incubator for visual arts, theater, dance, and film. The Warehouse may include a variety of uses, including galleries, studio space, a multi-discipline performing venue, instructional programming, and more. At the request of the CRA, the Collaborative is helping to identify programs that will maximize the economic impact of the facility on the Pineapple Grove Arts District and the overall Delray Beach community. In December, the CRA issued a Request for Qualifications to find an arts consultant to conduct a feasibility study and develop a facility plan to guide the development of the Warehouse. The CCC will help evaluate responses to the RFQ and also manage the Warehouse once the build out is complete.

In June 2010, the CRA hired Alyona Ushe as Director of the Collaborative to manage and develop its programs, and to raise funds for CRA arts-based initiatives. Calisha Oglesby was also brought on to handle the Collaborative’s marketing and development tasks.

The CRA also partnered with the Collaborative to develop art programming for the 5,600 square-feet of retail space on the ground floor of the Old School Square parking garage. The Arts Garage, as it is called, will soon become a venue for visual artists, musicians, performers, film presenters and arts educators, cultivating local talent by attracting first-rate artists to the area while serving as a testing ground for future programming at the Warehouse. The nonprofit Puppetry Arts Center, which subleases an additional 4,600 square-feet of garage retail space from the CRA, is currently constructing a theatre where they will host performances for children and adults. The collective programming at the Arts Garage will help attract residents and visitors to the area, increase pedestrian traffic, boost nighttime activity, and ultimately promote economic development within the Pineapple Grove Arts District.

The CRA is augmenting these arts-based initiatives, with the creation of more public parking for the Pineapple Grove Arts District. Construction was completed on a 14-space lot at 353 NE 3rd Avenue, made with environmentally friendly techniques, including pervious paver bricks, low-volume irrigation, and LED lighting. It includes landscaping, benches, a bike rack, and several spots to display future art features. The CRA also acquired and completed an improvement design for an existing parking lot located at 362 NE 3rd Avenue. Once renovations are complete, it will provide 43 spaces to support the nearby Warehouse.
The construction of the West Atlantic Avenue Public Plaza, located on the southwest corner of West Atlantic and SW Fifth Avenues, was completed in June 2010 and commemorated with a grand opening celebration, held in conjunction with Art & Jazz on the Avenue. With a covered stage, lighting, benches, and landscaping, the plaza is designed to accommodate a variety of special events and performances for the community. The CRA invested approximately $360,000 to design and construct the plaza, and then later transferred it to the City of Delray Beach, which oversees its maintenance and operations.

The CRA has also allocated an additional $25,000 for a public art feature that will be installed at the plaza in the near future. In November, the agency issued a call to artists to solicit proposals from qualified artists. A six-member selection panel—made up of representatives from the city’s Public Art Advisory Board, the West Atlantic Redevelopment Coalition, and the Northwest/Southwest Neighborhoods—will participate in the selection process by reviewing proposals and making a recommendation to the CRA board.

Construction of the Martin Luther King, Jr. Drive Beautification Project began in late 2010, and is scheduled to be completed this year. The project stretches the entire length of MLK Drive, along NW/NE 2nd Street from the Interstate-95 sound wall to the Intracoastal Waterway. Planned improvements include landscape nodes, irrigation, paver brick crosswalks at major intersections, lighting, and a public art feature designed to signify the area’s history and culture. The project also calls for the construction of a pair of small public plazas at the intersections of MLK Drive and NW 5th and NW 2nd Avenues. A series of Dr. King’s famous quotes will be incorporated into the sidewalk to commemorate his memory. The CRA has allocated $750,000 for the project, while the City and Palm Beach County are contributing additional funding ($300,000 and $96,000, respectively).

As MLK Drive becomes a more popular alternative to Atlantic Avenue, NW 12th Avenue will also continue to serve as an important travel corridor. Last year, the CRA invested $200,000 in the design of a beautification project for the two-block stretch of road. The project, which calls for upgrades to sidewalks, landscaping, irrigation, and drainage, is scheduled to be completed in late 2011.
REDEVELOPMENT PROJECTS

Redevelopment activity has also continued along the Historic Fifth Avenue corridor and on the Spady Cultural Heritage Museum campus. In 2010, the City completed plans to pave the **alleys in Blocks 19 and 20**, which will provide access to the rear of the Spady Museum and the site of the Delray Beach Housing Authority’s future office building on NW 5th Avenue. Construction of the alleys, which is being funded by the CRA, is scheduled for 2011.

Last year, the CRA also completed plans for several new public parking lots along NW/SW 5th Avenue. The construction of a new parking lot located at **95 SW 5th Avenue** began in late 2010, while plans for a new lot at **57 SW 5th Avenue** and the expansion of the **Spady Museum parking lot** have been finalized.

In addition to the two lots on SW 5th Avenue, the CRA completed plans to renovate a **35-space parking lot on NW 5th Avenue**, adjacent to Bright Park. The CRA obtained a perpetual easement on the lot, which is owned by Mt. Olive Missionary Baptist Church, making it available for public use. Once the project is complete, the lot will provide parking for events at the new West Atlantic Public Plaza, as well as the Delray Beach Housing Authority office building. Ultimately, all of these lots will help encourage private investment and assist area businesses by reducing the cost of providing additional parking in the future.

In March, the CRA entered into an agreement to relocate the historic **Harvel House** from 36 SE 1st Avenue to a vacant CRA-owned lot, making the original property available for redevelopment. In December, the 1937 structure was relocated from the Old School Square Historic Arts District to 186 NW 5th Avenue, just north of the Spady Museum campus, where it has become a contributing building in the West Settler’s Historic District. Although still in the planning stages, the CRA intends to convert the structure to commercial use to provide either office or retail space.

On the campus of the Spady Museum, the renovation of the historic Munnings Cottage also began in 2010. The CRA is contributing a total of $250,000 to the renovation project, which is being administered by the City.
SOUTHWEST AREA NEIGHBORHOOD

The implementation of the Southwest Area Neighborhood Redevelopment Plan remained a major priority for the CRA in 2010. The agency made progress in several areas, including infrastructure, affordable housing, neighborhood parks, and street beautification.

The City completed its plans for the improvements to **SW 12th Avenue** between West Atlantic Avenue and SW 3rd Street and construction of paved alleys along the three blocks got underway. The CRA invested a total of approximately $995,141 in improvements to this corridor, which will include the removal of back-out parking, and installation of landscape nodes, sidewalks and drainage.

The rehabilitation of the 25-unit **Palm Manor apartment complex** was completed in late 2010. The project consisted of complete interior renovations to the three buildings, facade improvements, lighting, landscaping, parking, and the installation of an on-site laundry facility. The CRA invested $1 million in the design and construction of the project, ultimately eliminating a huge source of blight in the first block of SW 9th Avenue and creating more quality affordable rental units for the community. Property management services are currently provided by the nonprofit Delray Beach Community Land Trust. The CRA is also planning the construction of additional parking spaces across the street at 46 SW 9th Avenue, to serve future Palm Manor residents.

The CRA invested more than $99,000 to create the **Carver Square Pocket Park**, located on the northeast corner of SW 3rd Street and SW 7th Avenue. The park was completed in April 2010. The project consisted of installing playground equipment and athletic surfacing, sidewalks, seating, landscaping and irrigation, decorative lighting and fencing. It is designed to serve nearby residents.

The Downtown Master Plan identifies **SW 2nd Street** as part of a secondary circulation system through the Southwest Neighborhood and called for improvements to the corridor. Last year, an improvement design was completed for the portion of the road from SW 15th Avenue to Swinton Avenue. The beautification project, which will include the installation of sidewalks and landscaping, is scheduled for 2011. The CRA contributed approximately $110,000 to the design last year and will provide additional funding for construction, as well.
AFFORDABLE HOUSING

Atlantic Park Square is located in the 100 Block of SW 14th Avenue, just east of I-95. Flat-roofed bunker-style duplexes, many of them severely blighted, dominated the block for decades. The CRA purchased seventeen properties in the block, demolished the blighted structures, and in 2008 agreed to transfer the lots to the Delray Beach Community Land Trust (DBCLT) for redevelopment. The DBCLT proposed the construction of a new single family home subdivision, including with front porches, picket fences and rear-facing garages. In 2010, the CRA paved alleys, constructed new sidewalks and planted trees along the street to complement the new housing. To date the DBCLT has constructed 11 new homes with sales exceeding $1.5 million, and a twelfth home is currently under construction.

The Neighborhood Stabilization Program (NSP) was created pursuant to the Housing and Economic Recovery Act enacted by Congress in 2008. Delray Beach qualified for $1.9 million in funding through this program, which is being administered by the City’s Community Improvement Department. In 2009 the CRA contributed an additional $400,000 to assist in the acquisition and rehabilitation of homes going through the foreclosure process. Foreclosed homes purchased and renovated through the NSP are resold or leased at affordable prices to income-eligible buyers. The NSP alleviates some of the oversupply of unoccupied, neglected homes, which can have a negative impact on a neighborhood. To date the City has obligated over $14 million of the available funding. In 2010, 15 homes were acquired; five homes were successfully rehabilitated, and three more are currently being renovated.

This year the CRA also approved grants totaling $74,681.90 for residential improvement projects through the Curb Appeal Grant Program. The cost of minor exterior repairs, including landscaping and irrigation, painting, and driveway repair, was funded for eight single-family homes in the Northwest and Southwest neighborhoods of the CRA District. In July 2010, the CRA also held the first Curb Appeal Awards ceremony to recognize projects that have resulted in dramatic improvements as well as those that have been best maintained by homeowners.

The CRA provides additional affordable housing opportunities through three rental complexes. In 2010, the CRA contracted with local nonprofit organizations to oversee the sites, managing each property, processing applications, and working with tenants. The Delray Housing Group, an arm of the Delray Beach Housing Authority, manages the La France Apartments (140 NW 4th Avenue) and Carolyn Quince Court (133 NW 5th Avenue). The Delray Beach Community Land Trust manages Palm Manor Apartments on SW 9th Avenue.

A unique public-private partnership is saving a historic home in the West Settler’s Historic District, allowing a family of limited means to afford a newly renovated home. Located on NW 4th Avenue, the 1924 Franklin House was facing demolition due to its dilapidated condition and the estimated cost of repairs. At the urging of preservation advocates, the CRA offered the home at no charge to anyone willing to restore it and resell it at an affordable price. Two proposals were received, and Stuart and Shelby Construction was selected for the job. The house will be expanded and renovated, then sold to an income-eligible family through the Delray Beach Community Land Trust. The Franklin House restoration is being funded by several sources, including a zero interest loan from longtime Delray residents Pryce and Carolyn Patton, members of the Delray Beach Preservation Trust. The CRA is also providing both a grant and a loan to help with construction costs. Architect and City Commissioner Gary Eliopoulos donated architectural services, and Stuart and Shelby Construction is doing the work for no profit, as are many of their subcontractors. Construction is expected to be completed this spring.
NONPROFIT SUPPORT

Since 1992 the CRA has worked in partnership with the City, the Downtown Development Authority and the Greater Delray Beach Chamber of Commerce to market and promote downtown Delray. Known as the Downtown Marketing Cooperative (DMC), the partnership pools resources to hire staff, put on events and develop marketing strategies to attract visitors and raise Delray’s destination profile. In 2010, the partnership reorganized and incorporated as a nonprofit entity. DMC staff has worked to revamp and re-energize its signature events, including Art & Jazz on the Avenue, the 4th of July festivities, and the First Night New Year’s Eve celebration. This year the annual lighting of the 100-ft. Christmas tree featured Santa arriving by helicopter and an appearance by Latin pop singer Jon Secada. The DMC is already busy planning more exciting events for 2011.

In addition to the DMC, the CRA also continued its support of three other nonprofits—the Old School Square Cultural Arts Center; the Delray Public Library; and Expanding & Preserving Our Cultural Heritage (EPOCH). These three institutions act as economic anchors by producing numerous community programs and special events, promoting heritage and historic preservation, and attracting visitors to the downtown. During the 2009/2010 fiscal year, the CRA contributed more than $1 million to these three organizations for programming, facilities and operations support.

The CRA supports many other local nonprofits through the Community Sponsorship Program. Last year, the CRA funded nine organizations totaling $13,188.20 for programs that complement the CRA’s mission within the District. In September 2010, the agency also sponsored “Adding Structure to Your Nonprofit,” a free workshop that taught a variety of success strategies for developing effective operating procedures, successful fundraising techniques, and satisfying legal requirements. Thirty-eight representatives from a number of Delray-based nonprofits attended.
DELRAY GREENMARKET

Now in its fifteenth season, the GreenMarket is an established community tradition for the entire family. Open every Saturday morning from 8am-1pm from late October through mid-May, the market has a little something for everyone—a wide selection of quality products, free live entertainment, and signature annual events including the Chili Cook-Off and the Easter Bonnet Pet Parade.

This season, the market has expanded to more than 40 regular vendors, offering shoppers more variety than ever. In addition to the farm-to-table produce, herbs, plants and flowers, fresh baked goods, and farm fresh eggs, the Delray GreenMarket now offers fresh raw milk, grass-fed beef, gourmet spices, apple cider doughnuts, raw honey and kettle corn.

The market also completed its second cookbook, Tastes of the Season, a collection of more than 180 recipes contributed by GreenMarket staff, vendors and friends. The book is on sale every weekend at the market and year-round at the CRA office.

NEW CRA STAFF

Liz Goldberg (left) joined the CRA staff in February 2010 as an Administrative Assistant II, providing support to the Finance & Operations Director. A long-time Florida resident, she previously worked in the construction industry for 15 years. Liz handles the CRA’s personnel records, accounts payable, account receivable, payroll, and anything else that comes across her desk.

Alyona Ushe (center) was hired in June 2010 as Director of the Creative City Collaborative. She came to Delray Beach from New Orleans, where she was the executive director of the New Orleans Opera Association. Before then, she founded and served as executive director of Classikia Theatre in Arlington, Va. for 11 years. Born in the former Soviet Union, she studied political science and Russian literature in college and business in graduate school.

Calisha Oglesby (right) joined the CRA staff most recently, hired in November 2010 to handle marketing and development for the CCC. She is an experienced marketing and communications professional, having worked as a manager for CBS Radio in New York, and as the Director of Strategy & Development for The Guest List—a hospitality-industry magazine based in Orlando. She is currently completing her Master's in Advertising from the University of Florida.
The mission of the Delray Beach CRA 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.

Top Row (left to right): Jeff Costello, Asst. Director; Calisha Oglesby, CCC Marketing & Development; Diane Colonna, Executive Director; Jean Moorefield, Admin. Asst. II; Francisco Perez-Azua, Economic Development Director. Bottom Row (left to right): Lori Hayward, Finance & Operations Director; Elizabeth Butler, Marketing & Grants Coordinator; Vincent Wooten, Development Manager; Lori Nolan, GreenMarket Manager; Liz Goldberg, Admin. Asst. II. Not shown: Alyona Ushe, Director of CCC.