



Office of Economic Development Monthly Report June 2019



OED Economic Development Announcements



Hatcher Construction & Development

Expansion

At the June regular board meeting, the CRA Board approved a ground lease agreement for Hatcher Construction & Development, Inc., as the company works to develop a new 6,000 sq.ft. office building on two CRA-owned parcels on NW 6th Avenue. The company will use 2,000 sq.ft. of the new building for its headquarters operations and make the additional 4,000 sq.ft. available to other small businesses.



The Monogram Closet

Retention

The Monogram Closet is a Delray Beach-based small business located in a CRA-owned historic Muse House at 182 NW 5th Avenue. The business relocated to the West Settler's District in 2015, after being in the Pineapple Grove Arts District for more than a decade. On June 11, 2019, the CRA Board approved a one-year extension to the existing lease term, allowing the business to continue to add vibrancy and retail activity to Historic 5th Avenue.

General Business Development *(New Business Start-Ups – Attraction – Expansion - Retention Prospects + Clients)*

New Leads – Partner Referrals:	13 Partner Referrals (City - 5, DDA - 1, SBDC - 3, GreenMarket - 1, Thrive - 1)
New Prospect Files Opened:	17
G.E.A.R. Visits:	1 (GoGig)
CoStar Reports Issued:	8
Funding Assistance Pipeline:	44
Business Navigator Clients:	31
Total Active Prospects:	66 prospects-developers seeking locations in the CRA District and City with a potential impact of 419 new jobs, the retention of 355 jobs, the absorption/creation of 443,895 sq. ft. of commercial/office/industrial space with more than \$22.3 million in capital investment.

OED Transition

The Office of Economic Development is beginning to transition to the City of Delray Beach. At the regular meeting held on June 11, 2019, the CRA Board approved a new interlocal agreement for FY 2019/20 that would make the Economic Development Director and Economic Development Manager positions City employees, with the CRA contributing 50% of operating costs. The new interlocal agreement will be considered by the City Commission in July 2019, with the transition scheduled to begin by October 1, 2019. In the meantime, the two-person OED team

is temporarily down to one person after the departure of former Economic Development Director Joan K. Goodrich, who left to pursue a professional opportunity in Martin County.

Workforce Talent and Development

OED continued its support of the launch of the **Girls Go Build Club**, attending the launch event on June 5, 2019 and the first weekly session. The initiative will continue its 8-week pilot program throughout the summer, working with middle school age girls at the Milagro Center. The curriculum has been designed to reinforce math skills while exposing the girls to career opportunities in the construction industry while providing hands-on experiences in architecture, interior design, carpentry, painting, plumbing, electrical, and more. OED staff is in the process of adding the program information to the **Go Build Delray Beach** webpage.



OED is also collaborating with CareerSource Palm Beach County and Manpower on a series of job readiness workshops for the local community. Each partner will conduct a two-hour monthly workshop at the CRA's Pop Up Pop In Center (708 W. Atlantic Avenue) from July through October, for a total of 8 workshops. The workshops are designed to better local job seekers prepare for upcoming job opportunities by enhancing their interpersonal skills, resumes, and interview technique.

Entrepreneur & Small Business Support

OED is working on plans to transform the CRA's Pop Up Pop In Center at 708 W. Atlantic Avenue into a coworking space. During the 2019 We heart Small Biz Month, OED hosted two pop-up coworking days at the facility that were well received by local entrepreneurs and digital nomads. The new coworking space will be an interim use until the property is redeveloped to make room for the mixed-use development project by BH3, which will transform the 600-800 blocks along West Atlantic Avenue. The interim coworking facility will also help the CRA pilot strategies to effectively identify, engage and meet the needs of local entrepreneurs in preparation of the permanent coworking facility that will be established on the second floor of the CRA-owned building at 98 NW 5th Avenue.

Community and Partnership Activities

OED attended and participated in the following meetings and events in June 2019: Team Delray Beach; The Ray Hotel Groundbreaking Ceremony; Frog Alley Caribbean Festival Committee; City Commission Regular and Workshop Meetings, CRA Board Workshop, Regular and Special Meetings; DDA Board meeting; Girls Go Build Club launch and Session #1; Delray Beach Tourism Roundtable; and YPAD Planning Session.

Did You Know: A total of 84,300 square feet of new office space has been constructed and delivered to market in 2019. The vacancy rate for office space citywide is currently 19.1%.

Source: CoStar Report, June 28, 2019