



Legislation Text

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TO: CRA Board of Commissioners
FROM: Joan K. Goodrich, Economic Development Director
THROUGH: Jeff Costello, CRA Executive Director
DATE: December 11, 2018

DISCUSSION - ECONOMIC DEVELOPMENT - INITIATIVES, PROGRAMS AND NEXT STEPS

Background:

Delray Beach's economic development efforts have evolved since 2003 when the City, Community Redevelopment Agency (CRA) and Chamber of Commerce first funded a Director of Business Recruitment position at the Chamber of Commerce to proactively recruit businesses to the community. The Chamber of Commerce led Delray Beach's economic development strategy through 2007.

In 2009 and during the economic recession, the economic development was transferred to the CRA who entered into an Interlocal Agreement (ILA) with the City of Delray Beach to fund an Economic Development Director position and "further the economic development within the City in a more cohesive, collaborative and streamlined manner." The ILA is reviewed annually by the City-CRA and in 2013, a second full-time position was added for an Economic Development Manager position. As such, the CRA has led and managed the Economic Development function for the City of Delray Beach with a primary focus east of I-95 except for OED's Congress Avenue Initiative which was created in 2014 resulting in the publishing and acceptance of the "Congress Avenue: Delray Beach's Next Great Street" report by the City Commission in 2016.

Mission and Services:

The mission of the Delray Beach Office of Economic Development is to "inspire and drive the growth of a diverse, vibrant entrepreneurial economy for all." Together with its partners, the Office of Economic Development (OED) offers economic development project management assistance, site selection assistance, market data, community connections, business funding assistance, financial incentives, small business and entrepreneurial assistance and workforce development liaison services to businesses and companies seeking to relocate, expand, stay and start-up in Delray Beach.

Projects, Initiatives and Campaigns:

OED has launched and manages several key projects, initiatives and campaigns including:

1. G.E.A.R. (Grow, Expand and Retain) - Business Retention and Expansion Program (City, CRA)
 - Our systematic approach to keeping "our back door closed" so when we start-up, grow and retain businesses our local economy will grow. More than 20 partners involved in this highly collaborative effort.

2. We ♥ Small Biz Campaign (City, CRA)
 - Telling the story and showing our appreciation for small businesses (defined as firms employing < 30 employees) since 93% of our businesses are small business in Delray Beach. Month-long celebration in May and Small Business Saturday celebrated in November.
3. Evolving Economic Development - "Growing Our Own" Strategy (City, CRA)
 - Seeking to build a stronger infrastructure and ecosystem for starting, growing, scaling and accelerating small business and entrepreneurial ventures along with providing new in-area workforce development - career services. Advocated for the establishment of a new Small Business Center ("Inc. Pad") in the Delray Beach Public Library (CRA-Library -SBDC @ FAU partnership) and launched "Career Cottage" powered by CareerSource Palm Beach County and Manpower at 186 NW 5th Avenue.
4. Business Navigator (City)
 - To improve promotion of and access to municipal services used by businesses seeking to open, grow, expand, stay, develop and invest in Delray Beach which will result in a stronger reputation for business.
5. Focus on 5th (CRA)
 - OED, CRA and community initiative to fill vacant and underutilized properties along the historic 3-block corridor with activities and local enterprises-services designed to build vibrancy and pedestrian traffic.
6. Go Build Delray Beach (City, CRA)
 - Launched in FY 2018-2019, a new economic development initiative designed to grow the construction, real estate and development industries in Delray Beach for Delray Beach.

Results Matter:

To ensure economic development strategies and initiatives stay focused on desired community outcomes of supporting the creation/retention of local jobs, growing the number of businesses and increasing the City's non-residential tax base, the OED publishes its results annually. To date from October 1, 2014 (when results were first monitored and reported), the Office of Economic Development has been engaged in these strategies and initiatives, which have achieved the following results:

- 76 Economic Development Projects Announced and Assisted
- 1,679 jobs created/retained
- 765,063 square feet of commercial/industrial space filled, improved or constructed
- \$17.79 million in private capital investment
- \$671,280.17 in business grants-incentives awarded
- FY 2018 Return on investment: \$1 : \$68.81 (*Capital investment / ED General Administrative + Marketing + Grants + Incentives Expenses*)

Next Steps:

There is new economic development work to be done around industry clusters, business competitiveness, equitable development, economic inclusion and workforce development now that the City's Strategic Business Plan is in place and the new Economic Prosperity Element of the Comprehensive Plan has been framed. As such, OED has updated its strategies in these areas and will be focused on delivering activities and results as a part of its FY 2018-2019 Business Plan which feature:

1. Improve the telling of the Delray Beach business story through new communications approaches and vehicles including the new "Faces of the Economy" campaign
2. Increasing the utilization and baselining successful local job placements at Career Cottage
3. Launching the City's new Business Navigator program
4. Advocating for the successful reactivation of the Congress Avenue Group
5. Completing the City-wide Competitive Assessment and Cluster Strategies Study
6. Launching JumpStart, a new grants-sponsorship program for entrepreneur programs and events in Delray Beach
7. Growing the "Keep It Local" program to result in more local hiring and local business participation in public and private (re)development projects
8. Announcing 10 economic development projects which will generate the creation/retention of 350 jobs, the absorption/creation of 100,000 square feet of commercial/office/industrial/flex space and \$5 million of private capital investment.

Attachment(s): Exhibit A - OED Overview - Key Projects; Exhibit B - G.E.A.R. Program Overview; Exhibit C - Toolbox