

# DeLand Downtown Community Redevelopment Agency

## Annual Report

FY 2013 - 2014

Prepared by

City of DeLand

City Manager's Office and Finance Department

With Assistance from the:



## **Downtown Community Redevelopment Agency**

### **2013 - 14 Downtown Community Redevelopment Agency Report**

#### **Board Membership**

**Robert F. Apgar, DeLand Mayor, Seat 1**

**Charles Paiva, DeLand Commissioner Seat 2**

**Jessica Davis, DeLand Commissioner Seat 3**

**Christopher Cloudman, DeLand Commissioner Seat 4**

**Leigh Matusick, DeLand Commissioner Seat 5**

**Scott Price, Downtown Business Representative**

**Joe Valente, Downtown Business Representative**

## INTRODUCTION

The City of DeLand's Downtown Community Redevelopment Area (CRA) was created in 1984, and the first Community Redevelopment Plan was adopted in 1985. For over twenty-five years, the DeLand Community Redevelopment Agency has played an integral role in the revitalization of the downtown area and the surrounding community. The downtown area has faced many challenges similar to those in other areas of Florida and the nation. The vision of the downtown area was established by residents who attended workshops in the 1980's and 90's and determined a set of goals and priorities that have evolved over the years. The last full update of the redevelopment plan, adopted in 2005, provides a foundation for redevelopment and maintenance operations in the downtown area.

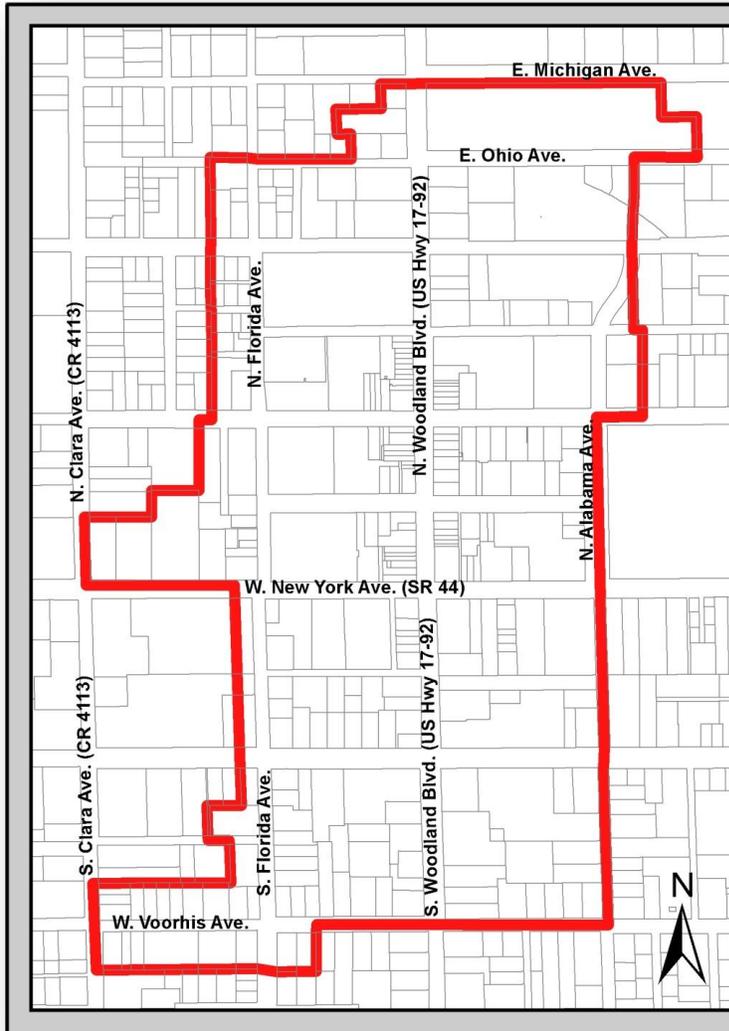
Today, Downtown DeLand is an award winning MainStreet community where we have learned to cherish that which is special about our past while embracing the 21st Century. Residents and businesses love to share the history and small town charm of their City and offer a yearlong schedule of programs and events that bring people together. Beautifully restored buildings hold an eclectic mix of high quality shops, restaurants and art galleries that line the downtown boulevard and intersecting streets. Workers associated with the operation of the County Seat contribute to the lively bustle. A variety of small parks, murals, and flowers on every corner make it a special place to spend an hour or a day.

In Fiscal Year 2012-13 the CRA completed a new streetscape along West New York Avenue to attract travelers along this major east-west corridor; and completed a grant funded refurbishment of a vacant building on Howry Avenue for an arts incubator. These projects were aimed at increasing the area's capacity to accommodate new growth while preserving the historic character of the community. These projects helped to spur new activities—such as a weekly Friday evening Farmer's market and new building projects and businesses in the area known as Artisan Alley. CRA grants awarded in Fiscal Year 2013-14 to Persimmon Hollow Brewing Company assisted in converting an old, privately owned parking garage into West Volusia's first operating microbrewery. These projects will help the City attract sustainable growth and maintain a unique sense of place in a central community of which all residents and downtown workers can be proud.

On a less fortunate note, during the past two fiscal years the Community Redevelopment Agency moved forward to establish a public-private partnership agreement for redevelopment of city owned property as a mixed commercial/residential use project. Unfortunately, the developer of this project was not able to obtain financing and in July, 2014, the City and the developer mutually agreed to terminate the project. The CRA had obligated \$429,000 to meet its responsibilities under the terms of approved agreements for this project. These funds will need to be reprogrammed into one or more of the capital projects outlined under the Redevelopment plan. As the fiscal year drew to a close, the CRA was considering a variety of projects for possible funding and developing a plan for obtaining citizen input on expenditure of funds. DeLand is dynamic and its redevelopment plan calls for many new strategies.

## LOCATION

The Downtown CRA encompasses approximately 92.6 acres of land located in the heart of DeLand. Properties on both sides of Woodland Boulevard are included within the CRA which is roughly bounded on the west by the western block face of Florida Avenue and on the east by Alabama Avenue. Michigan Avenue serves as the northern boundary for the CRA and Voorhis Avenue is the Southern border.



## Downtown CRA

- 92.6 Acres
- 340 Parcels in CRA
- 55 Parcels Owned by City or County
- 68 Historic Buildings

## REVENUES

Historically, the Downtown CRA has had a steady, but low, Tax Increment Revenue each year since the inception of the CRA. However, in FY 2005-06, the CRA Trust Fund increased significantly due to the “real estate bubble” experienced throughout Florida. The subsequent national economic downturn that we have experienced since that time has caused revenues to fluctuate with FY08-09 being the only year to have positive growth since FY06-07.

**Table One: Tax Increment Revenues by Year :**

<b>FY03-04</b>	<b>FY04-05</b>	<b>FY05-06</b>	<b>FY06-07</b>	<b>FY07-08</b>	<b>FY08-09</b>	<b>FY09-10</b>	<b>FY10-11</b>	<b>FY11-12</b>	<b>FY12-13</b>	<b>FY13-14</b>
<b>\$246,231</b>	<b>\$282,407</b>	<b>\$436,436</b>	<b>\$498,600</b>	<b>\$420,780</b>	<b>\$462,716</b>	<b>\$359,294</b>	<b>\$227,474</b>	<b>\$202,964</b>	<b>\$176,909</b>	<b>\$175,395</b>

The Tax Increment Financing (TIF) revenues for the Downtown CRA have been unpredictable. Revenues increased substantially until FY06-07 and then began a decline to FY13-14. The CRA was able to sustain operations and maintenance activities and engage in new projects by utilizing savings from prior years, rent receipts from a building owned by the City of DeLand, and sharing expenses for certain items with the City.

## GRANT APPLICATIONS

In recent years, the garage located at 111 West Georgia Avenue in DeLand was mostly vacant. Since its construction in 1923, the garage served as storage for the city's Studebaker dealership, then a service garage for a downtown automobile parts store and it even housed a rattan furniture store for a short period of time.



For the past decade, however, the structure was vacant and used for the parking of a few cars and storage. With the completion of the New York Avenue Streetscape and the success of the adjoining Artisan Alley development located between New York and Georgia Avenues, this building became ripe for redevelopment.

The building owned by Conrad Realty Company, was leased by Persimmon Hollow Brewing Company, LLC with the intent of converting the parking and storage facility into a tasting room and microbrewery. On January 21, 2014 the CRA approved a \$2,500 Façade Grant to restore the original exterior colors and replace the doors with ones that maintain the original look of the building. A second Underutilized Building Grant was also approved to convert the front half of the 5,000 square foot garage into a tap room with tables, chairs, a bar, a stage and bathrooms. A masonry and glass wall divides the space with the rear half of the building serving as the production brewery, making craft beers to be sold on-site and distributed throughout Central Florida. The Underutilized Building Grant was in the amount of \$17,500. These grants leveraged an additional expenditure of approximately \$192,000 in build out cost, equipment and furnishings.



View of the tap room and bar under construction. The brewing area will be located behind the bar.



Microbrewery equipment is delivered to the rear of the building for installation.

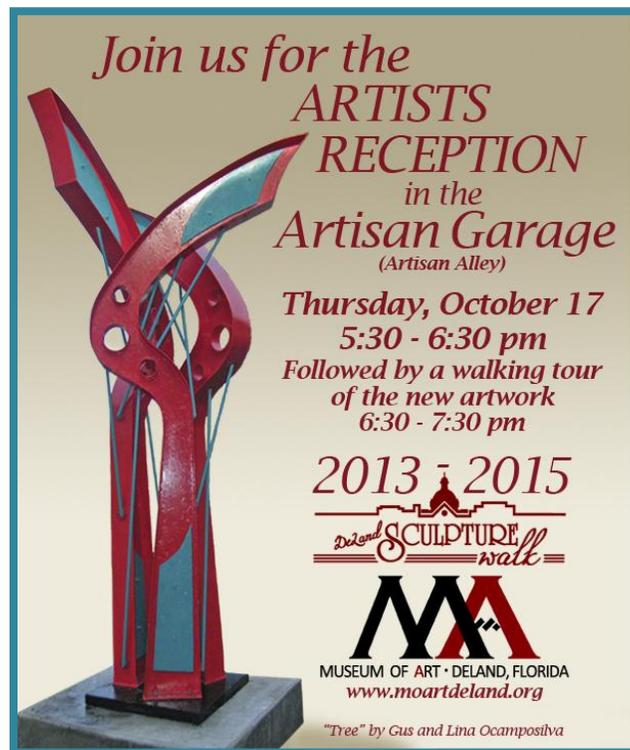


All project work is expected to be completed during fiscal Year 13-14, with a grand opening and ribbon cutting scheduled for October, 2014. Grant funds are awarded on a reimbursement basis, thus expenditure of the grant award will not occur until next fiscal year.

## STREET SCULPTURES

On May 3, 2010, the CRA and the City Commission considered and adopted an amendment to the Downtown Redevelopment Plan to promote visual arts in the downtown CRA and provide for the possibility of expending CRA funds for this purpose. This amendment was made following a request by the Florida Museum of Art and was endorsed by MainStreet DeLand, Inc. At that meeting, several members of the CRA expressed the opinion that a visual arts program that includes street sculpture would serve as an economic, cultural and visual stimulus for the downtown area.

The art work changes biennially, revealing a variety of artistic styles. On October 17, 2013, new artwork went on display and will remain up until October of 2015. When visiting the sculptures, smart phones can be used to scan the QR codes or by calling for an audio presentation. Maps for a walking tour are widely distributed throughout the area. An Art Walk is available on Fourth Fridays that links sculptures to museums and galleries throughout the downtown area.



Join us for the  
**ARTISTS  
RECEPTION**  
in the  
**Artisan Garage**  
(Artisan Alley)

**Thursday, October 17**  
**5:30 - 6:30 pm**  
Followed by a walking tour  
of the new artwork  
**6:30 - 7:30 pm**

**2013 - 2015**  
**DeLand SCULPTURE  
walk**

**MUSEUM OF ART • DELAND, FLORIDA**  
[www.moartdeland.org](http://www.moartdeland.org)

*"Tree" by Gus and Lina Ocamposiva*

## LANDSCAPING AND UPGRADES

The CRA Redevelopment Plan Goal of “Keep it Clean and Safe” recognizes that downtown DeLand has been in the midst of major revitalization efforts for the past twenty-five years. The beautification and street-scaping of Woodland Boulevard, Indiana Avenue and New York Avenue have contributed to the overall charm and appeal of the area for the pedestrian shopper. Interspersed park areas encourage visitors to explore all of downtown. Marketing and special event activities have generated large numbers of visitors to the downtown. With increased activity comes a greater maintenance responsibility to retain marketability. The CRA has replaced plantings, lighting and street furniture throughout the downtown area to maintain a uniform and fresh appearance. The CRA provides for general maintenance of the area and all unique streetscape infrastructure within the CRA. Maintenance of the public parking lots in a safe condition including pedestrian lighting is provided through the CRA, as is the maintenance of the public restrooms and the public parks. Although the CRA purchases the pots, mulch and annual flowers throughout the downtown area, the volunteers of the DeLand Garden Club plant and maintain many of the spectacular displays found throughout the streetscape and park areas.



## **FILLING OF RETAIL SPACE, BUSINESS PROMOTION AND MARKETING**

The City of DeLand works with the MainStreet DeLand Association (a private not for profit 501(C) 3 organization) for a variety of activities. Filling vacant first floor spaces is a top priority for MainStreet DeLand Association, and this fiscal year the quarterly occupancy rate ranged from 93% to 97% throughout the year (95% annual rate) as empty spaces were rapidly refilled.

Keeping active business occupancies is one of the primary goals for promoting and marketing of the downtown area. MainStreet DeLand, the CRA, and the City of DeLand work together to sponsor several downtown events each year, and to assist other organizations in hosting their downtown events. The MainStreet DeLand Association organizes the "Cruise In" events, 4<sup>th</sup> Friday Art Walk, Tropical Nights, Hot Summer Nights, Veteran's Day Parade, DeLand Craft & Quilt Show, the DeLand Bike Rally and several Christmas events.

Additional duties undertaken by MainStreet DeLand include: annually formulating and executing a plan to promote and market the Downtown area; coordination of public participation in CRA meetings; dissemination of CRA information to downtown property owners including schedules for capital improvement and maintenance projects that would affect the downtown business community; certain maintenance activities; as well as advertising, ranking for CRA consideration, and administering the CRA grant programs. Funding in the amount of approximately \$75,000 has been allocated for all MainStreet DeLand activities including promotion. The topic of marketing, promotion and downtown event sponsorship was identified as the top priority for implementation during a MainStreet DeLand Workshop. The need to establish a series of continuous business promotion activities was identified as a way of creating stronger relationships with local residential areas, Stetson University, and regional residents to attract consumers to downtown DeLand. MainStreet DeLand Association is equipped to take the lead in promoting business in the downtown area. MainStreet DeLand not only generates its own activities and promotions, but coordinates with other entities including the City of DeLand, the Chamber of Commerce, West Volusia Historical Society, Discover DeLand, the Athens Theater and others in creating marketing materials, maps and brochures; media promotions; and web site and e-mail advertisements, to name a few examples.

Downtown events were also identified as a very effective way of attracting consumers to the Downtown DeLand marketplace, especially those consumers who are unaware of the merits of the area for shopping and dining. The effects of an event are both long term and short term. The short term effect is that the consumer makes purchases during the event at one of the downtown merchants. This is evidenced by a survey conducted by MainStreet DeLand Association which found that eleven of the busiest days for restaurants in the downtown area coincided with special event days. The long term effect is that the consumer remembers the charm of the area and returns to shop after attending the event. A second long term effect of events is that some event participants may be candidates for opening a new retail or dining establishment within the downtown area. MainStreet DeLand, with the assistance of the City of DeLand's special events coordinator and appropriate support staff, are responsible for or assist in presenting nearly fifty events per year.

At present, over 50 different events are conducted on an annual basis. There are several regular events that occur on a monthly basis:

- “Downtown DeLand Cruisin’ Car Show” hosts antique automobiles and classic cars every third Saturday of the month;
- A farmers market with fresh produce happens every Friday evening at Artisan Alley and Georgia Avenue;
- “Wine, Women and Chocolate” introduces a variety of retail venues to new customers on the second Wednesday evening of each month;
- “Tech DeLand” is a group of technology enthusiasts in the Downtown DeLand area meeting the fourth Thursday of each month to encourage a better understanding of all types of technology including photography, graphic design, web design, web development and more.

A monthly listing of singular events conducted in the downtown area is provided below. Only seven of these receive any type of funding for additional services (such as street sweeping or policing) from the CRA. These are indicated with an asterisk (\*).

**October**

DeLand Women’s  
Organization Wine  
Tasting

- \*Homecoming parade
- DeLand Chili Cook-off
- \*Monsters on MainStreet
- Thin Man Watts Jazz Fest
- Fall Bike Rally



**November**

- Veteran’s Day Celebration
- \*Fall Festival of the Arts
- DeLand Original Music Festival
- Stetson Homecoming

**December**

- \*Christmas parade
- Merchant Open House

**January**

- MLK Parade
- Taste of DeLand



**February**

- Craft Beer Festival
- \*Mardi Gras Dog Parade

**March**

- DeLanda Palooza
- \*Bike Rally
- St. Patrick’s Day celebration
- Wildflower/Garden Festival
- DeLand Outdoor Art Festival

**April**

- Mystic Crew of Maravedi
- Port of Call Crawl
- Relay for Life
- Fireman’s Pub Crawl

**May**

- Hatter Palooza
- Cinco de Mayo
- Merchant Open House

**June**

- Ice cream Walk
- MainStreet DeLand Birthday Party



**July**

- Tropical Nights

**August**

- Hot Summer Nights

**September**

- \*Rivertown Craft (and Quilt) Show
- Ice Cream Walk

## **PREPARE FOR NEW PROJECTS**

For the past several years, the CRA worked with a private redevelopment company to implement a cornerstone project of the Downtown Redevelopment Plan on 1.86 acres of property located the intersection of Woodland Boulevard and Church Street. The Acquisition and Redevelopment Agreement (ARA) approved on December 3, 2012 outlined a mixed-use project including 3,900 square feet of retail first floor use, fourteen loft condominiums, and sixteen townhouse units. In addition to the covered parking provided for the residential units, 90 public parking spaces were to be retained on site. In May of 2014 the CRA and City Commission authorized extension of the time frame in the ARA for 12 months and assignment of the ARA to a new builder upon certain conditions being met. It soon became apparent, and all parties agreed, that they were unable to move this project forward as outlined in the approved ARA. The project and agreements were terminated on July 21, 2014.

The CRA's contribution to this project was \$429,000 in cash which was to be used for payment of various development fees. This money suddenly became available for appropriation to new projects. During a meeting in September of 2014, the CRA began the process of determining what capital projects to fund. Over twenty potential projects in the redevelopment plan were presented to the CRA for consideration. DeLand is dynamic and its redevelopment plan calls for many new strategies including:

- Development of mixed use projects on undeveloped parcels
- Maintaining a wide variety of retail and service uses
- Creation of new streetscapes and public amenities
- Establishment of residential units within the downtown area
- Creation of a hospitality and conference area to complement the restored Athens Theatre

It is expected that the CRA will make a tentative selection of favored projects in late fall of 2014 and then conduct one or more public forums to gain citizen viewpoints on which projects could have the most favorable impact on the economic vitality of downtown.

# Financial Overview

City of DeLand, Florida  
Downtown Community Redevelopment Fund  
Financial Statement  
For The Year Ended September 30, 2014

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	<u>2014</u>
	<u>Actual</u>
REVENUES	
Ad Valorem Taxes:	
Volusia County	\$ 68,465
Volusia County ECHO/Forever	2,760
City of DeLand	78,428
West Volusia Hospital Authority	25,743
Fish Building Receipts	49,224
Federal Grants	0
Grants From Local Units	0
Miscellaneous Revenues	9,340
Total Revenues	<u>233,959</u>
EXPENDITURES	
Operating Expenses	195,805
Capital Outlay	0
Debt Service:	
Principal	0
Interest and Fiscal Agent Charges	0
Grants and Aid	20,000
Contingent Expenditures	0
Total Expenditures	<u>215,805</u>
OTHER FINANCING SOURCES (USES)	
Transfer from Reserves	<u>0</u>
Total Other Financing Sources	
(Uses)	<u>0</u>
	\$
Change in Fund Balance	<u><u>18,154</u></u>