

Neighborhood
Renaissance

Diverse Communities – Strong Economies

2014
ANNUAL REPORT

HOMES |

*For Working
Families*

Housing prices far exceed average wages in Palm Beach County, which is a challenge for sustaining the area's economy. Unlike its stereotype of being an enclave for "snowbirds" and second home owners, Palm Beach County is home to many hard working low and moderate-income families struggling to make it through each day. The following are a few facts that might help to understand the county's diversity:

- Palm Beach County is Florida's largest county with 2,386 sq. miles and ranks 3rd in population in the state with 1,372,171 residents and is the 28th most populous county in the US.
- Average household income is \$82,00 while half of the population earns less than \$63,000.
- Deprivation is on the rise, with 14.5% of residents living in poverty in 2013, compared with 14% in 2012 & 13.3% in 2011. Minorities were the most affected with 27.7% of Black and 22% of Hispanics living in poverty in 2013. (American Community Survey)
- South Florida is among the top 5 least affordable housing markets in the US with a 32% jump in home prices and wage growth of only 4.4% over the last 2 years. (RealtyTrac)
- Only 19% of rental units and 49% of homeowner units are affordable to households living within Palm Beach County's jurisdiction that earn at or below Area Median Income (AMI). (Palm Beach County's 2015 -2020 Consolidated Plan)

Many low and moderate-income workers are housing cost burdened (pay more than 30% of income for housing and utilities), live in substandard conditions and are forced to reside in unsafe neighborhoods. They cannot afford to put an adequate meal on the table, pay for health costs, cover transportation expenses, never mind save for college or retirement.

Why should we be concerned about the mismatch between increasing home prices and worker wages? Because home prices that are within the financial reach of the essential workforce, (service workers, nurses, teachers, first responders, etc.) are needed to

sustain a healthy economy. Businesses make relocation and expansion decisions based upon whether their employees can obtain affordable homes that are located in good neighborhoods.

To help address the growing need for homes that match the wages of low and moderate-income workers, Neighborhood Renaissance adopted a strategic plan in November 2014 to develop 150 – 200 affordable homes by 2018. To successfully implement our ambitious plan, we need to forge new collaborations. We appreciate the support of our current partners and look forward to building stronger ties with local government, the business community and the resident workers we serve.



Carl A. Flick | Chair



Terri Murray | Executive Director

“ Established in 1992, Neighborhood Renaissance, Inc. is a nonprofit community based organization dedicated to building and supporting strong economies and diverse communities in Palm Beach County by providing affordable homes for working families. ”

Neighborhood Building Initiatives



TOP LEFT: Left to right: Vice Mayor Casello, Mayor Taylor, NR Chair Carl Flick, NR Ex. Dir. Terri Murray, Comr. Fitzpatrick, Wells Fargo Pres. Oliver Ariztoy, PBC District 7 Comr. Taylor, Comr. McCray, and Comr. Merker at Urban Lift Grant Award Presentation Ceremony.



TOP RIGHT: Lisa Lee, Poinciana Elementary School principal and students at the Model Block ground-breaking event.



MIDDLE: New entryway sign and landscaping improvements along Seacrest Blvd.



Poinciana Gardens Model Block - Transforming Neighborhoods One Block at a Time

Phase I of the Poinciana Gardens Model Block was fully funded and improvements to beautify the street, walkways and landscaping were completed along Boynton Beach's MLK Boulevard and on NW 11th Avenue, which is located between Sara Sims Park and the Poinciana Elementary School in the Heart of Boynton Beach, Florida. Neighborhood Renaissance was awarded a \$229,000 grant from the Wells Fargo UrbanLIFT program and \$60,800 from the City of Boynton Beach Community Development Block Grant program. This is part of a \$ 3 million comprehensive plan to breathe new life into the neighborhood.

Neighborhood improvements were targeted to enhance the exterior appearance of key existing properties at the entrance of the Model Block neighborhood, which is helping to improve the neighborhood's image and create community pride. The newly installed landscaping, street trees, sidewalks, neighborhood entryway signs and a bus shelter are highly visible from the street and are crucial to our partnership's ability to create homeownership opportunities for the next phase of the Poinciana Gardens Model Block, which includes the construction of up to thirteen (13) homes to be sold to first-time home buyers who will occupy the homes.

The Boynton Beach Community Redevelopment Agency is also donating 2 vacant lots to Neighborhood Renaissance and the City donated an additional 4 lots to the Boynton Beach Faith Based CDC to build single-family homes that will be sold to low and moderate-income working families. Our mission is to keep these homes affordable for working families.

Neighborhood Building Initiatives



TOP LEFT: Left to right new home owners Jamar Samante & Amy Posik with Keyes Realtor Steve Streichler.

TOP RIGHT: Energy efficient old Florida style bungalow built on a previously vacant lot at 608 54th St. as part of a sustained effort to breathe new life into Northwood and Pleasant City.

MIDDLE LEFT: Stefania Russell gives an overview of upcoming affordable home ownership opportunities to first-time homebuyers attending a Saturday Homebuyer Education Class.

MIDDLE RIGHT: Teens demonstrate their "money smarts" during a Financial Literacy Workshop sponsored by Third Federal Savings & Loan.

BOTTOM: Gabby Diaz pays \$515 per month for her renovated and energy efficient 2BR apartment - a comparable market apartment rents for \$900 per month.



Northwood/Pleasant City – A Comprehensive Approach

JP Morgan Chase Foundation continued their support for our sustained efforts to breathe new life into the Northwood and Pleasant City neighborhoods through the Northwood Community Land Trust (CLT), home buyer assistance, financial literacy training, credit and budget counseling and acquisition/rehab programs. Over the years, our Model Block initiative resulted in the new construction or rehabilitation of over 35 single-family homes, commercial redevelopment and comprehensive neighborhood improvements for an investment of over \$8 million in Northwood. Our CLT helped ten (10) low-income families to purchase homes in Northwood and ensures that the homes remain affordable for generations to come.

With assistance from Palm Beach County's Dept. of Economic Sustainability we sold one of our quality built homes located at 608 54th Street in Northwood last year to veterans Jomar Samonte and Amy Posik who both honorably served in Iraq. The energy efficient Florida bungalow style house has 3 bedrooms/2 baths and approx. 1,560 sq. ft. Fed up with high rents and facing another rent increase for their 2 BR apartment, Jomar and Amy could not see paying \$1,500 a month for rent when they could own a single-family home of their own for less money.

Helping Working Families to Improve their Quality of Life

By reducing the housing cost burden for low-income families, we help them to achieve economic self-sufficiency. We also provide resident support services such as home maintenance training, budget counseling, financial literacy training for youths and homebuyer education.

Acquisition & Rehabilitation Program

Stabilizing Neighborhoods through First-Time Homebuyers

Neighborhood Renaissance acquires, renovates and resales troubled properties to low and moderate-income working families. This helps to preserve affordable homes and to strengthen neighborhoods through pride of ownership and new investment. We source properties through the National Community Stabilization Trust, MLS, and bank donations. As of the end of the fiscal year the following eleven (11) properties were sold or under construction:

Property Location	Description	Sale Date	Price
Completed and Sold Properties FYE 9/30/14:			
1332 SW 12 Terrace	Single Fam. 3/2 2187 sq ft	5/7/14	\$425,000
5030 Starblaze	Single Fam. 3/2 1510 sq ft	3/20/14	\$185,000
1129 Lake Victoria	Condo 2/1 708 sq ft	7/3/14	\$45,000
719 Boulevard Chatelaine	Single Fam. 3/2 1258 sq ft	8/12/14	\$162,000
Property Location	Description	Cost to Acquire	Anticipated Sale Price
Properties in Development FYE 9/30/14			
508 Glenwood Dr.	Condo 3/2 950 sq ft	Chase Donation	\$64,000
502 Teak Dr.	Single Fam. 3/2 2047 sq ft	\$80,000	\$202,000
2515 NE 2nd Ct.	Condo 2/2 1163 sq ft	Chase Donation	\$40,000
6149 Country Fair	Single Fam. 2/2 1378 sq ft	\$98,000	\$150,000
4093 Maurice Dr.	Single Fam. 2/2 1866 sq ft	\$102,093	\$280,000
2719 New York St.	Single Fam. 2/2 1142 sq ft	\$61,348	\$155,000
6080 Forest Hill	Condo 2/1 728 sq ft	Chase Donation	\$44,000



4093 Maurice Dr. before & after interior renovation.



About Us

Established in 1992, Neighborhood Renaissance, Inc. is a proven nonprofit community based organization dedicated to building and supporting strong economies and diverse communities in Palm Beach County. Our approach to rebuilding neighborhoods is inclusive and received national recognition. We have a long history of working in partnership with residents, local government, businesses and lending institutions to reclaim troubled properties and improve neighborhoods while helping families to become economically self-sufficient through individualized housing counseling, case management and increased financial literacy. Our efforts have helped over 100 low and moderate-income families to become first-time homeowners. We are experienced rental and for sale real estate developers of single and multi-family properties and have built or substantially rehabilitated over 140 homes. In the past 4 years our programs targeted nearly \$18 million of reinvestment into low-income communities.

Working Your Way Home



Before



After

Before and after the renovation of Caroline Drive Apartments and 1044 Westchester Dr. Our low-income restricted apartments feature 2 & 3 bedrooms, 1-2 baths, central air, ceramic tile flooring, energy efficient appliances including washer and dryer. Moderate-income homes have 3 & 4 bedrooms, 2 baths and average 1,500 sq. ft.

Before



After



Creating Affordable Rental Homes Within the Financial Reach of Low-income Working Families

The Community Foundation for Palm Beach and Martin Counties awarded a predevelopment grant in the amount of \$119,100 to assist Neighborhood Renaissance to obtain site control of development sites for the creation of 50 affordable rental homes. The grant period for this project began on July 1, 2014 and ends July 31, 2017. This project addresses the dearth of affordably priced homes for low-income families who are at risk of becoming homeless because their wages cannot keep pace with rising rents. Given the hot rental market in Palm Beach County, it is no easy task to acquire development sites for affordable housing. After attempting to secure over ten (10) sites during the fiscal year, we entered into a purchase contract for land at 1601 Florida Mango, located in the County's Urban Redevelopment Area. We hope to obtain entitlements to build 30 – 40 homes by December 2016. We are grateful to the Community Foundation for their continuing support and commitment to affordable housing.

Preserving Affordable Rental Homes for Working Families

Through Palm Beach County Dept. of Economic Sustainability's Residential Redevelopment Program funded by a \$12.5 million NSP2 & NSP3 grant, Neighborhood Renaissance owns and manages a scattered-site rental portfolio of seventy-six (76) single and multi-family homes. Half of the homes are affordable to renter's earning below 50% of AMI and the balance of the homes are affordable to moderate-income family's earning below 120% AMI. All of the homes were previously distressed and were fully renovated.

The average tenant rent share for typical homes in our Working Your Way Home Program is:

- \$432 as compared to market rents of \$1,212 for very low-income residents earning below 50% AMI (which is \$32,800 for a family of 4).
- \$1,200 as compared to market rate of \$1,500 for moderate-income residents earning less than 120% AMI (which is \$78,720 for a family of 4).

Board of Directors OFFICERS

CARL A. FLICK | AICP, Chair
Flick Photographic



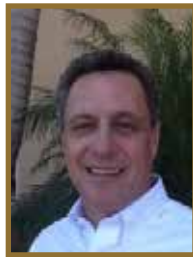
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LOVETTA HARMON
Assistant Vice President JP Morgan Chase Bank



Esq. LYNN SOLOMON
Lynn Solomon, P.A.



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STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED SEPTEMBER 30, 2014

ASSETS	
Cash in bank - operating	\$ 722,173
Cash in bank -security deposits	84,642
Cash in bank - NSP2 repair reserves	315,713
Accounts receivable	13,755
Prepaid expenses	126,877
Property and equipment– net	12,589,265
Property under development	577,858
CLT Land	736,863
Deposits	7,696
TOTAL ASSETS	\$ 15,174,842

LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable	\$ 78,936
Deferred grant revenue	55,000
Security deposits payable	84,642
Accrued and other liabilities	8,650
Third party loans payable	421,752
Notes and mortgages payable	1,450,952
TOTAL LIABILITIES	2,099,932
NET ASSETS	
Unrestricted	13,074,910
TOTAL LIABILITIES AND NET ASSETS	\$ 15,174,842

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2014

REVENUE AND OTHER SUPPORT	
Public Support	
Grants	\$ 432,617
Contributions	102,074
Revenues	
Rental income-commercial	59,165
Rental income – residential	845,379
Commission Income	17,100
Interest income	467
Forgiveness of debt	102,000
Program services and other revenues	244,290
Total Public Support and Revenues	1,803,092
EXPENSES	
Program services	
General administrative & fundraising expenses	161,516
Economic development programs	310,579
Housing and community development	1,087,022
Subtotal	1,559,117
Loss on impairment of market value	90,000
Loss on sales of property underdevelopment	1,325
Total Expenses	1,650,442
Increase in Net Assets	152,650
Net Assets - October 1, 2013	12,922,260
Net Assets - September 30, 2014	\$ 13,074,910

OUR SUPPORTERS



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