DELRAY BEACH

Economic Development Positioning & Targeting Plan

Prepared for the City of Delray Beach, Florida

BusinessFlare® | September 2026

September 2026 final record and recommended next actions. Part I is the Commission Playbook; Part II is the Evidence Stories; Part III is the Technical Appendices and Source Notes.

Project Team. This Economic Development Positioning & Targeting Plan was prepared by BusinessFlare® with contributions from an integrated project team. The work combines economic-development strategy, business and market intelligence, property analysis, field verification, competitive positioning, target-sector development, implementation planning, and specialized land-use and regulatory analysis. Buchanan Advisors contributed specialized economic development and industry sector analysis, and MW Land Planning contributed specialized land-use, regulatory, and Land Development Regulation analysis supporting the Congress Avenue commercial-capacity and adaptive-reuse recommendations.

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PART I

THE COMMISSION PLAYBOOK

The Commission Playbook

Decisions, Direction, and Program of Work

Summary

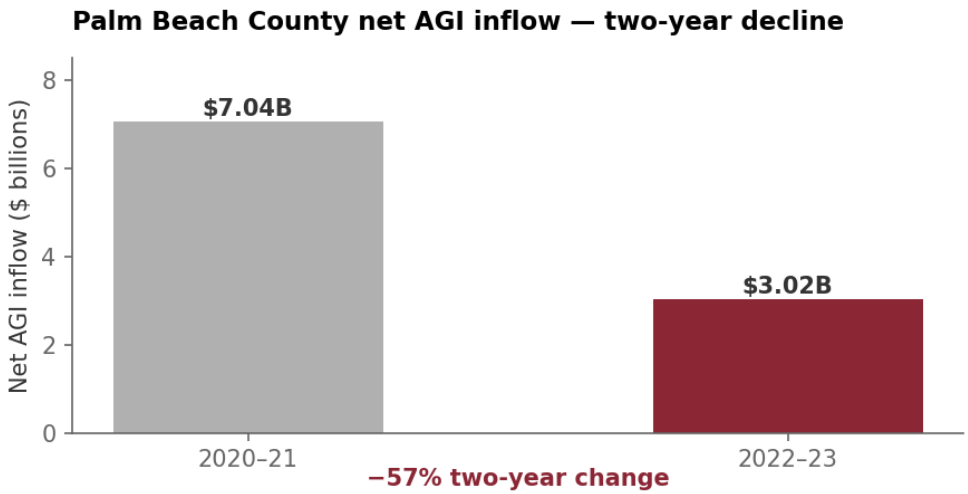
The Commission has requested a more aggressive economic development effort in tech, wealth management, and AI. The property inventory the effort will run on has been commissioned. The regulatory framework governing where the effort can succeed is under active pressure. This plan is the September 2026 record of findings, analysis, and recommended next actions for City consideration.

Delray Beach's competitive lane is boutique, walkable, high-touch, founder-led, and real. The Phase 2 visibility audit found no Palm Beach County peer city currently marketing to the five-to-fifty-employee, founder-led, high-touch lane in a sustained way. The city has the visitor economy, the downtown, the professional-services base, and the corporate-relocation proof points to occupy that lane. The project team's July 2026 land-use and regulatory analysis provides the mechanism-by-mechanism response to preserve the Congress Avenue commercial capacity the target firms need.

This Playbook recommends actions for City consideration: endorse the operating framework, direct the City Manager on specific next steps, and adopt a quarterly reporting cadence beginning at the first regular meeting following adoption. It does not recommend Commission authorization of partner organizations; the coordinating structure with the Chamber, the Community Redevelopment Agency (CRA), the Downtown Development Authority (DDA), and the County Business Development Board (BDB) is formalized by the City Manager on each partner's own governance terms following City endorsement.

Strategic Thesis

Delray Beach is a wealth-receiving, visitor-spending boutique city whose growth model has been passive: affluent households and their capital arrived largely on their own, and the visitor economy carried the cost of public life. That model faces measurable pressure, evidenced by the county-level net adjusted gross income (AGI) decline from $7.04 billion to $3.02 billion in two years, the first net household loss on Palm Beach County record in 2022 to 2023, and negative natural growth. The plan shifts the city from receiving wealth to building it, by protecting Congress Avenue's adaptable commercial and industrial land base, claiming the boutique, founder-led lane no peer city is marketing to in a sustained way, and growing the next economy from the firms and residents already here.



Economic Position and Target-Firm Profile

The target-firm hierarchy governs the plan. It appears here in the definitive form used throughout the document.

Layer	Category	Definition
Core position	Boutique, founder-led, high-touch firms	5-50 employees typical; principals drive the value; larger opportunities pursued where fit is present
Primary Lane 1	Boutique professional services and founder-led firms	Consulting, advisory, boutique law and accounting, marketing and creative, founder-led operators
Primary Lane 2	Wealth management and family-office services	Boutique wealth, family offices, RIAs, allocators
Primary Lane 3	AI-enabled firms	AI-tooled operator firms; typical footprint 3-15 desks; formalized at the February 9 workshop
Vertical applications	Creator economy, hospitality management, digital health, fintech / wealthtech	Prospect archetypes and vertical applications of the three primary lanes, not competing target lists
Retention constituency	Founder-residence firms, BTR-identified operators, commercial anchors, expansion candidates	Voluntary, discreet outreach; recognition-and-service posture; retention is half the strategy

Technology is a cross-cutting capability that shows up in all three lanes; AI-enabled firms are the exception, called out as a discrete lane because the configuration matches the Delray footprint precisely and the Commission named the category at its February 9 workshop.

Congress Avenue Commercial-Capacity Imperative

The 2023 Congress Avenue Strategies Plan and the June 2026 field verification indicate the Congress corridor carries the largest identifiable inventory of industrial, flex, and adaptable

commercial land in the city, and that this inventory is being reduced. The cumulative effect of the SAD rezoning path (Alexan Delray, Parks at Delray, and Delray Central are the documented cases), the Mixed Residential, Office and Commercial (MROC)/Congress Avenue Mixed Use (CMU) nonconformity discontinuance provisions (LDR §1.3.4(B)(2)(a): 180 days for a use in a structure, 30 days for a use on land only; subject to City confirmation of current text), Live Local (Alton Delray as an active corridor case; state authority subject to City confirmation), and Palm Beach County density bonuses appears to favor residential redevelopment over economic-use retention on the corridor. Confirming this pattern with the City's pipeline records will quantify the rate.

The project team's July 2026 land-use and regulatory analysis provides the response. Story 6 carries the detail. The consolidated moves are:

- Recalibrate MROC (LDR §4.4.29) with subarea-specific standards distinguishing the Tri-Rail station area, the transitional spine, and the northern industrial anchor.
- Adopt a subdistrict, overlay, or MROC text amendment protecting existing light-industrial clusters, so preserving a legal use does not require a FLUM amendment and rezoning that runs about $11,550.
- Restructure the LDR §1.3.4(B)(2)(a) discontinuance clock as it applies in MROC, so a routine tenant transition does not convert a legal-nonconforming property to residential-only redevelopment.
- Adopt a graduated MROC workforce housing bonus schedule with density up to the CMU incentive maximum of 50 du/acre, additional height, reduced parking, dimensional flexibility, expedited review, and fee reductions, replacing the reason developers rezone MROC to SAD for workforce projects.
- Allow predominantly or 100 percent residential in defined MROC subareas where the land base does not have to be preserved; keep the mixed-use requirement in the employment subareas where it does.
- Establish the Commission practice, subject to case-by-case discretion and applicable law, of considering economic-use retention findings on SAD applications for Congress corridor parcels.
- Amend LDR §4.4.13 and related Central Business District (CBD) sections to add food halls, creator and content studios, maker spaces, incubators, outdoor coworking, night and farmers markets, container-village components, and the hybrid uses that combine them, with corresponding use-specific parking standards.
- Adopt a new Residential-Scale Commercial Conversion adaptive-reuse LDR provision creating an administrative-approval path for low-impact office, studio, professional, maker, artisan, and limited live-work uses in existing residential-scale buildings on commercial or industrial zoning; higher-impact uses remain on conventional review.
- Map Live Local Act authority and remaining local conditioning powers, subject to state law and City confirmation.

Recommended First 90 Days from Adoption

Corridor protection. The City Manager evaluates the project team's July 2026 land-use and regulatory analysis and returns to the Commission with draft LDR amendments and workshop options within 90 days. The Commission establishes the SAD economic-use retention practice concurrently. Where workforce housing and economic-use capacity compete on Congress, the plan gives priority to protecting economic-use capacity, and the graduated bonus should be calibrated to deliver

workforce housing without triggering the rezonings that erode the corridor, pending legal review of Live Local exposure within the one-mile radius.

Property inventory. The City Manager's office completes the property-inventory subscription output and cross-references it against the Story 5 corridor and cluster inventory. A preliminary property-inventory summary is reported at the next available regular meeting, with the full reconciled inventory delivered by Month 2 following adoption.

Founder and existing-firm retention. The retention outreach begins on a voluntary basis. The founder-residence directory is populated. The 708-firm outreach schedule is drafted.

Concierge permitting. The concierge service model is designed with Development Services cooperation and defined service-level standards. A named concierge is assigned by Month 2. Baseline time-to-open metrics are captured.

Vertical Bridge case study. Interview outreach begins. Written case study delivered by Month 3, subject to participant agreement.

Positioning and visibility. The city is positioned in the boutique, founder-led lane per the target-firm hierarchy. First Barron's placement contracted for the wealth-management lane. LinkedIn B2B channel opened. Site-selector outreach begins.

Coordinating structure. The City Manager formalizes City participation and reporting cadence with each partner organization.

Recommended 12-Month Roadmap from Adoption

Window from adoption	Focus
Months 1-3	Corridor protection package to Planning Board; property-inventory subscription output; founder-residence and existing-firm retention launched; concierge permitting stood up; Vertical Bridge case study delivered; positioning and visibility work initiated; partner coordinating structure formalized
Months 4-6	Target-firm outreach to the three primary lanes; broker engagement on downtown and Sundy Village availability; CRA coordination on the West Atlantic corridor per Story 5; conference and trade-show presence for prospect hunting per the February 9 workshop discussion
Months 7-9	Customized deal-structuring playbook (not cash incentives) for qualifying prospects; concierge function operating against baseline SLAs; second wave of trade-press placements including Site Selection Magazine, Business Facilities, and Refresh Miami; MROC/CBD/SFH LDR amendments returning to the Commission
Months 10-12	Quarterly performance-dashboard review; connection to the FY 2026-2027 budget cycle for ongoing resources; year-two work plan drafted from Year 1 results

Governance, Ownership, and Resourcing

City Manager. Overall implementation authority; coordinates City participation with partner organizations; convenes quarterly reporting.

Economic Development Manager. Coordinates concierge permitting, retention outreach, prospect intake, and target-lane outreach; primary point of contact for the coordinating team.

Planning Department. Owns LDR amendment drafting and Planning Board coordination on the project team's regulatory recommendations.

City Attorney. Owns legal review of the project team's regulatory recommendations, Live Local Act authority mapping, and any conditions applied to SAD approvals on Congress.

Finance Department. Owns the Economic Development Fund and legacy Urban Development Action Grant (UDAG) balance report; owns budget-cycle connection. These departmental assignments are coordinated through the City Manager.

Chamber of Commerce. Coordinating-team convener alongside the City; owns member outreach and business retention support.

CRA. Collaborates with the City and partners on West Atlantic corridor coordination.

DDA. Owns downtown activation, retail attraction, and visitor-economy programming that feed the discovery pipeline.

Palm Beach County Business Development Board. Owns county-level trade-press reach, site-selector relationships, and Enterprise Florida connection.

External marketing partner. Owns go-to-market execution against the target-firm hierarchy.

The Economic Development Fund is subject to Finance Department confirmation of balance and permissible uses. Any allocation is reserved for the FY 2026-2027 budget process or a specific future agenda item. The plan proceeds on the delivery posture above without a budget or procurement action attached to this endorsement.

Performance Dashboard

The dashboard is balanced across land use, firm activity, capital, jobs, service delivery, prospect funnel, partner operations, and visibility. Jobs are retained as a lagging indicator; occupied space and deployed capital are current-period indicators the Commission can watch quarterly.

Category	Measure
Commercial land use	Commercial, flex, and industrial square feet retained on Congress; square feet occupied by target-lane firms; square feet added, converted, and lost (all measured against corridor inventory baseline)
Firm activity	Firms retained, expanded, attracted, and assisted (defined per firm as a discrete transaction with a named entity)
Capital and taxable value	Capital investment deployed on Congress and downtown by target-lane firms; taxable-value change on target parcels
Direct jobs	Jobs retained and created by target-lane firms; wage quality against Lightcast earnings-per-worker benchmarks for the applicable NAICS

Concierge and permitting	Time-to-open for target-lane firms against baseline; concierge cases opened, resolved, and average cycle time; Development Services cooperation reported qualitatively
Prospect funnel	Qualified prospect conversations opened; site tours conducted; term sheets or LOIs exchanged; deals closed; deals lost with reason
Partner operations	Coordinating-team meeting cadence; joint work-plan publication; quarterly reporting delivered on schedule
Visibility	Earned media placements (target publications named); paid placements delivered; qualified web traffic; direct inquiries; prospect-list conversion rate

Qualified prospect conversation, defined. A qualified prospect conversation requires (i) a named company or decision-maker; (ii) fit with a primary lane or a target vertical application; (iii) a stated location, expansion, or relocation need or a credible timing window; and (iv) a next action documented in the CRM or prospect log. Anything not meeting all four is an outreach touch, not a qualified conversation.

Recommended Next Actions for City Consideration

The following actions are recommended for the Commission to consider at the next appropriate meeting or workshop.

Action	Character
Direct the City Manager to implement the 90-day action plan and 12-month roadmap, formalize the coordinating structure with the Chamber, CRA, DDA, and County BDB, and report progress to the Commission quarterly	Direction to City Manager and coordination authority
Direct the City Manager to evaluate the regulatory package recommendations and return to the Commission with draft LDR amendments and workshop options within 90 days, addressing the mechanisms listed in the Congress Avenue Commercial-Capacity Imperative section above	Direction to City Manager
Direct the City Manager to complete the property-inventory subscription output and report a preliminary summary at the next available regular meeting	Direction to City Manager
Establish the practice, subject to case-by-case discretion and applicable law, of considering economic-use retention findings on Congress corridor SAD applications	Commission practice
Receive a Finance Department follow-up on the Economic Development Fund balance, permissible uses, and any remaining legacy UDAG balance; reserve budget and procurement actions for the appropriate budget or agenda process	Fiscal reservation
Adopt a quarterly reporting cadence beginning at the first regular meeting following adoption of this Plan	Governance

The Commission does not authorize partner organizations. The coordinating structure is endorsed as a framework; the City Manager's Office formalizes City participation with each partner on their own governance terms.

Sources and Status

This Playbook synthesizes the decisions and program of work from the evidence stories that follow. Direct references to the February 9, 2026 Commission workshop reflect the meeting record of that session. The regulatory citations in the project team's July 2026 land-use and LDR analysis, (LDR sections, timelines, and cost figures) reflect the project team's July 2026 land-use and LDR analysis. All LDR citations remain subject to City confirmation of current text and current interpretation. Live Local Act authority and preemption scope are subject to City confirmation of applicable state law and case interpretation.

Where the Playbook makes an interpretive claim, the wording distinguishes verified fact from analytical inference and from recommendation. Where a claim is not yet supported, it is noted as an open item.

PART II

THE STORIES

Introduction and Strategic Thesis

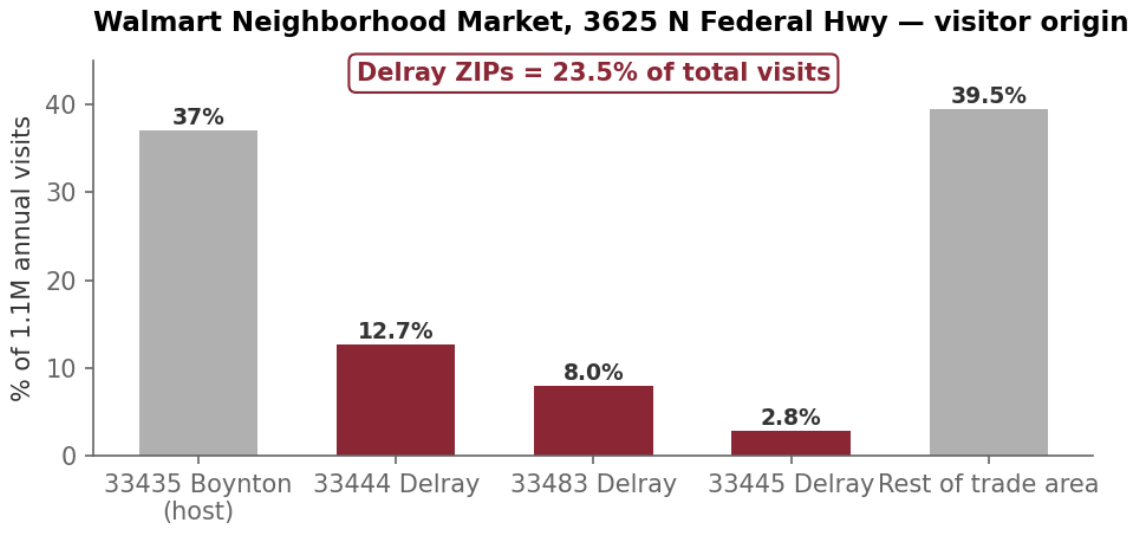
ECONOMIC DEVELOPMENT POSITIONING & TARGETING PLAN

The Assignment

In late 2025, the Delray Beach City Commission directed staff to organize a more aggressive economic development effort. What kind of economy is Delray Beach becoming, and what should, or can, the City do about it?

BusinessFlare® was engaged to answer that question. The work was carried out through 2026 by an integrated project team, with the February 9, 2026 Commission workshop as the anchoring point of Commission direction on record. At that workshop, the Commission reaffirmed tech and wealth management as primary target categories, added AI as a third target category and directed staff on the property-inventory subscription, the coordinating structure with the Chamber, CRA, DDA, and County BDB, and the return of implementation next steps. This plan is the record of that work and the recommended next actions for City consideration.

The plan is the product of a four-phase investigation: an asset inventory and capacity assessment, competitive intelligence and market positioning analysis, target industry profiling and prospect development, and a go-to-market program of work. It is organized as a Commission Playbook, a set of Evidence Stories, and Technical Appendices, each self-contained but building on the others. It incorporates field verification of the Congress Avenue corridor completed in June 2026, the project team's land-use and regulatory analysis, and the Placer.ai property analysis of the Walmart at 3625 Federal Highway in Boynton Beach completed in August 2026. Every figure that carries a geographic anchor is stated with its geography: five-ZIP Delray Beach trade area (33444, 33445, 33446, 33483, 33484), City of Delray Beach municipal boundary, or Palm Beach County. Broader figures, where they appear, are called out at the point of use.



The Thesis in One Paragraph

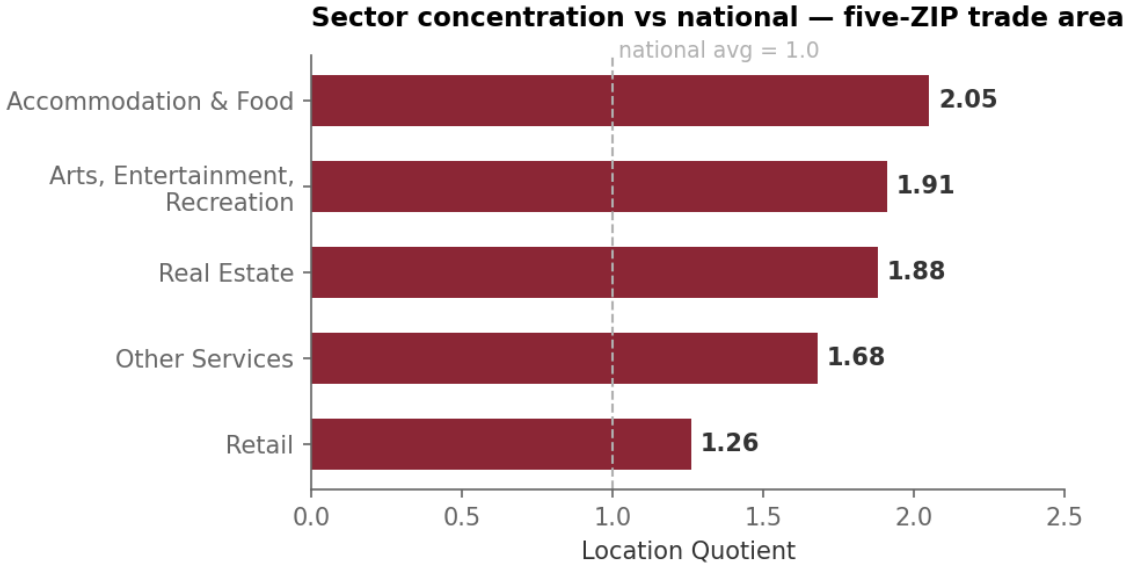
Delray Beach is a wealth-receiving, visitor-spending boutique city that has succeeded for two decades on a passive growth model. People discovered the walkable downtown, the cultural energy, and the lifestyle, and they moved here. That model has a measurable expiration date: Palm Beach County's net AGI inflow has fallen from $7.04 billion to $3.02 billion in two years, the county recorded its first net household loss on record in 2022 to 2023, the city's population growth is projected to decelerate materially over the next five years, and natural growth in the five-ZIP trade area is negative. The strategy must shift from receiving wealth to building it, from attracting retirees to retaining founders, and from marketing a lifestyle to creating the conditions where the next generation of economically productive residents chooses Delray Beach and builds from it.

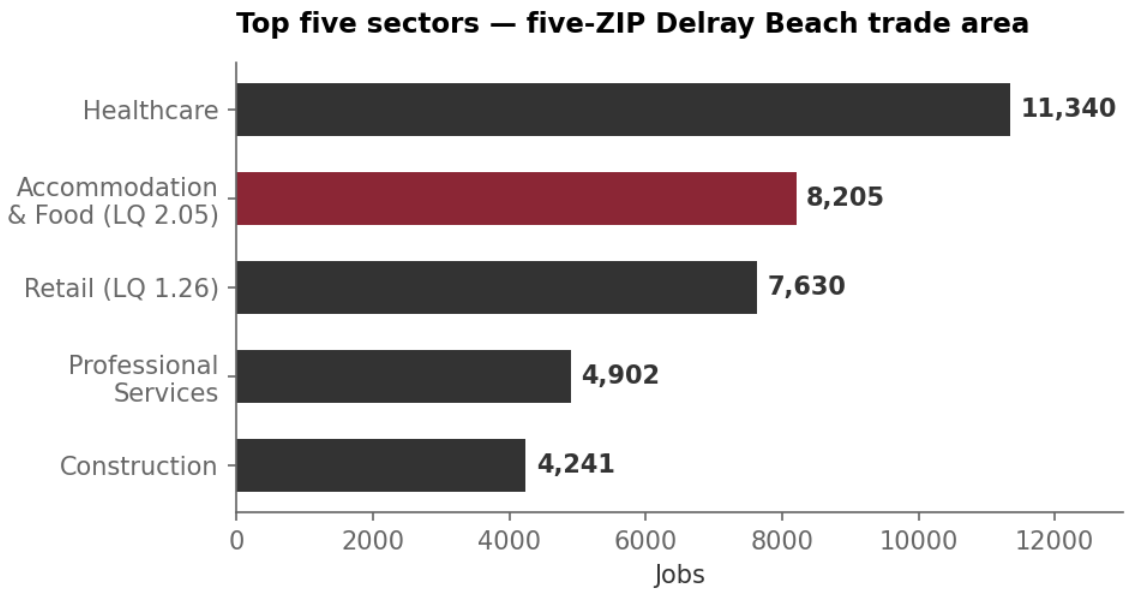
The binding constraint is not the supply of workforce housing. The market is delivering workforce-priced housing along the Congress Avenue corridor, through Live Local, the Palm Beach County density program, and the City's Special Activities District process. The binding constraint is the corridor's inventory of adaptable commercial, industrial, flex, and maker space, which the evidence suggests is being reduced as residential redevelopment accumulates. The unit worth retaining is not the user but the use, and the space that houses it. The strategy must recognize, organize, and protect the Congress corridor as the working spine of the next economy.

What We Found

The Economy Delray Already Has

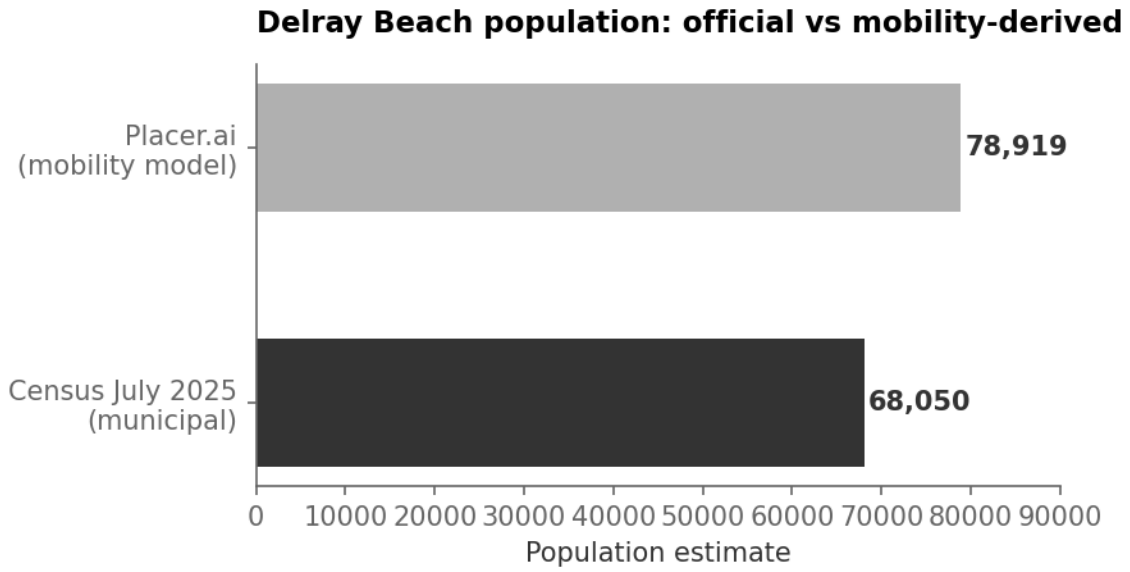
The five-ZIP Delray Beach trade area has 65,846 jobs, anchored by Healthcare (11,340), Accommodation and Food Services (8,205, LQ 2.05), Retail (7,630), Professional Services (4,902), and Construction (4,241). Professional services alone comprises 708 firms with 3,948 employees. The CoStar (commercial real-estate data) citywide tenant analysis identifies 1,421 commercial tenants, including 112 anchor firms with more than twenty employees. The economy the Commission has been looking for already exists. It has never been counted, organized, or marketed at scale. A meaningful share of it, the industrial, flex, and commerce uses, sits on Congress corridor land where the analysis indicates residential redevelopment pressure is reducing adaptable capacity.





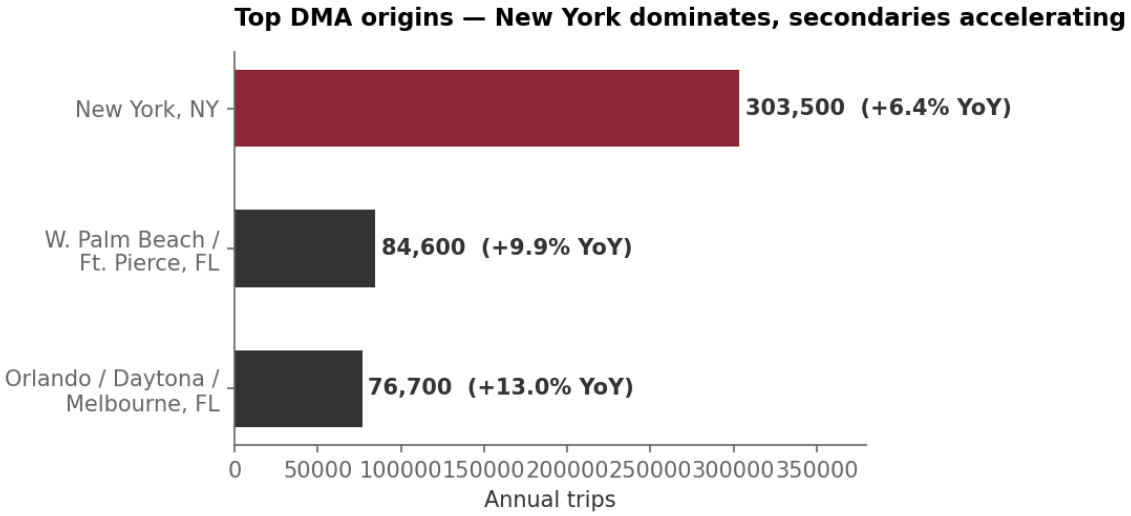
The Migration Picture

The Census Bureau July 2025 V2024 estimate for the City of Delray Beach is 68,050. Placer.ai's mobility-derived model estimates 78,919, reflecting the model's capture of intermittent and seasonal residents. Domestic migration is led by Boca Raton and New York, and inbound migrants are roughly eleven percent wealthier than the existing population. The county-level wealth pipeline has decelerated from $7.04 billion to $3.02 billion in net AGI in two years, and 2022 to 2023 is the first year on Palm Beach County record more households left than arrived. Working-age households earning roughly $99,000 in AGI are leaving for St. Lucie, Martin, and Broward counties. In a metropolitan region the workforce distributes across county lines, and the operative question is whether Delray employers can reach the talent they need. The five-ZIP labor-market data in Story 2 indicates that reachability is generally supported, with sector-specific exceptions noted there.



The Visitor Economy

1.2 million domestic trips, $208.1 million in annual visitor spend, 75 percent overnight, and 303,500 trips per year from the New York DMA alone, four times the resident population from a single origin market. The downtown Atlantic Avenue geofence captures 6.5 million annualized visits with a 97-minute average dwell time. This visitor economy is not a tourism statistic. It is the economic infrastructure that funds the lifestyle assets, sustains the hospitality ecosystem, and creates the discovery pipeline through which future residents and businesses first encounter the city.



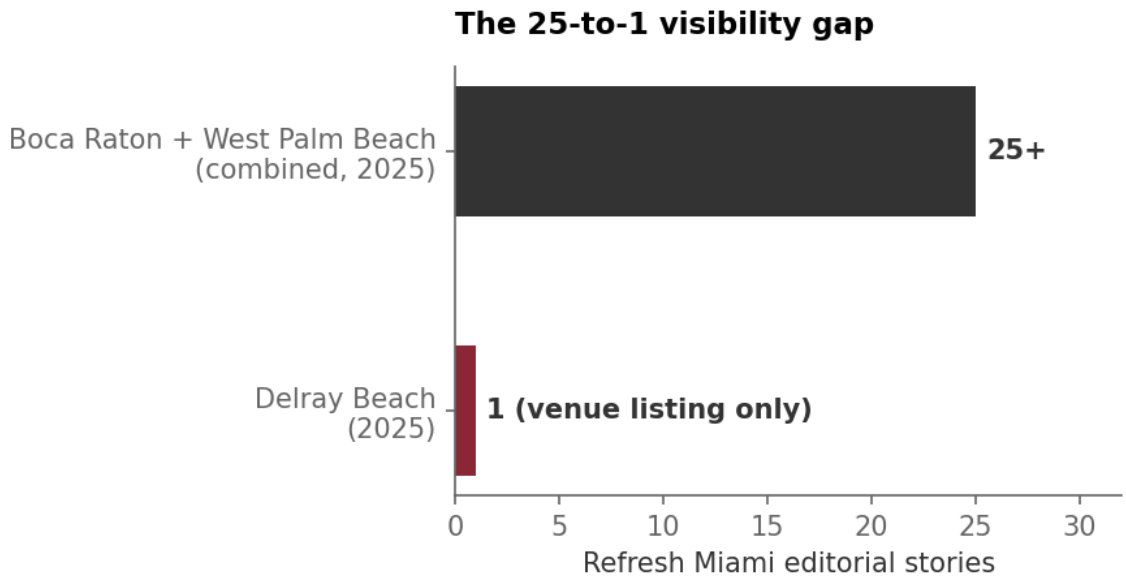
Delray Beach visitor economy — trailing 12 months

1.2M	$208.1M	2.2M	83.4K
Trips (millions)	Visitor spend ($ millions)	Visit nights (millions)	Monthly visitors (avg)

The Competitive Position

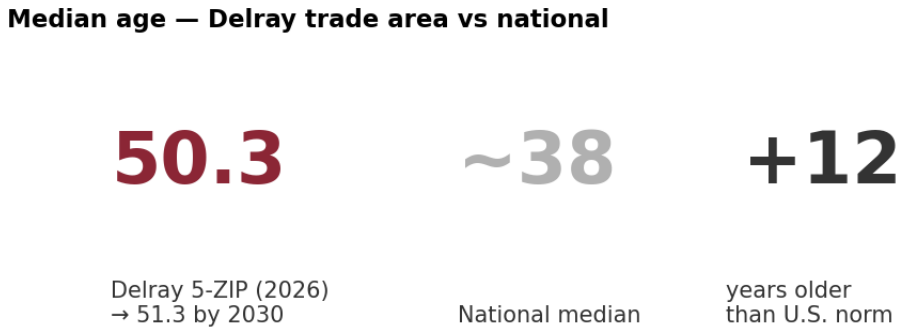
Boca Raton has roughly twelve times the office inventory Delray does, plus Florida Atlantic University (FAU) and the Boca Raton Innovation Campus (BRIC) and national trade-press recognition, though its incentive policy excludes retail, restaurants, and firms below defined thresholds and its downtown referendum did not pass. The City of Boca Raton considered a public-private partnership to lease city-owned downtown campus land, scaled down from about 31 acres to roughly 7.8, on a 99-year lease next to the Brightline station, for a transit-oriented mixed-use district: around 765 apartments, a 180-room hotel, about 120,000 square feet of office, retail and a grocer, plus a new city hall and community center. A public vote was held and the project was rejected. This reinforces Delray Beach's unique position as the only city with a real, authentic, active downtown as a key lifestyle, business, and economic development asset, a market position the city can retain for likely a

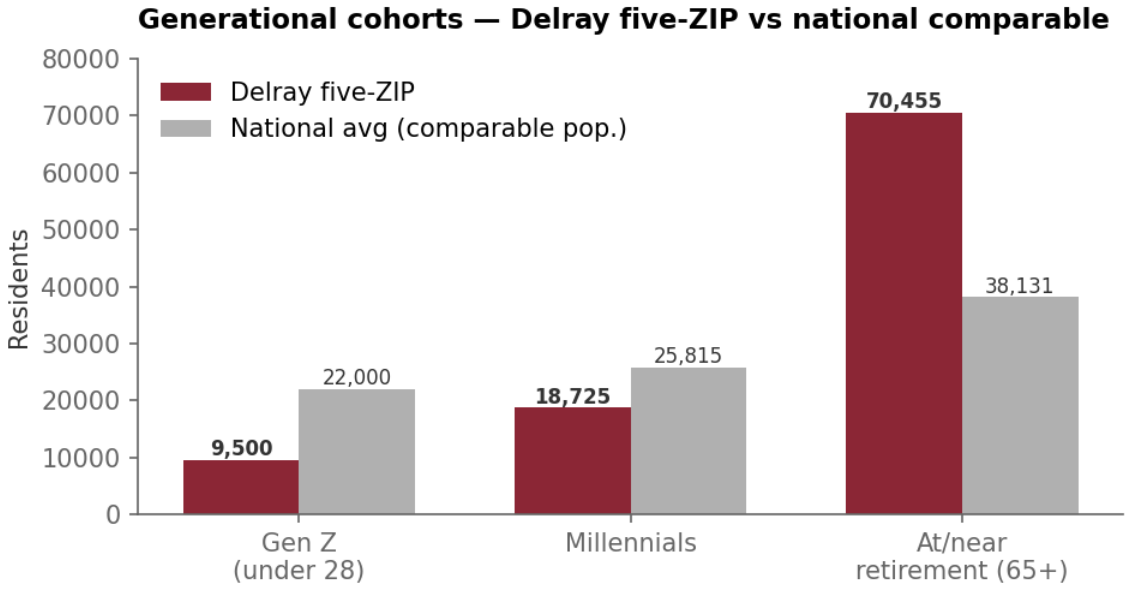
significant horizon. West Palm Beach landed ServiceNow and is building a Wall Street South finance cluster at a scale and price point Delray is not competing for. In 2025 Boca and West Palm collectively earned more than twenty-five editorial stories in Refresh Miami; Delray earned one venue listing. The Phase 2 visibility audit found no Palm Beach County peer city marketing to the five-to-fifty-employee, founder-led, high-touch lane in a sustained way. The proof of concept is on the ground: DigitalBridge and its subsidiary Vertical Bridge relocated together from Boca Raton to Sundy Village downtown (DigitalBridge at 79,141 square feet, Vertical Bridge at 38,474 square feet), and HOERBIGER Corporation of America established a North American operation just west of the city in unincorporated Palm Beach County (function, footprint, and headquarters characterization for the city to confirm).



The Generational Imperative

The five-ZIP trade area has 18,725 millennials against a national average near 25,815 for a population this size, roughly 9,500 Gen Z residents against a national average near 22,000, and 70,455 residents at or approaching retirement against a national average of 38,131. The trade-area median age of 50.3, well above the national median of roughly 38, is projected to climb to 51.3 by 2030 (ESRI, demographic data). Natural growth is negative. The demographic clock does not stop. The strategy must shift from attracting affluent retirees to retaining and cultivating the founders, creators, and young professionals who will generate the next wave of economic value from Delray Beach rather than importing it.





The Opportunities, and the Threat to Them

Delray Beach is not built out. The property inventory identifies 155 move-in-ready commercial properties with active listings, 182 vacant commercial and industrial parcels (source and provenance for the city to confirm), and 93 single-family homes on commercially zoned land that could convert to office, incubator, and creator uses (for the city to confirm). The Congress Avenue corridor, 72 economic-development-relevant parcels across 172 acres, carries the largest identifiable inventory of industrial, flex, and adaptable commercial land in the city. The capacity exists. The record of MROC-to-SAD rezonings (Alexan Delray, Parks at Delray, Delray Central) and the applicable MROC/CMU nonconformity provisions in LDR §1.3.4(B)(2)(a) indicate a pattern that appears to favor residential redevelopment over economic-use retention on portions of the corridor. The central opportunity and the central land-stewardship question are the same corridor.

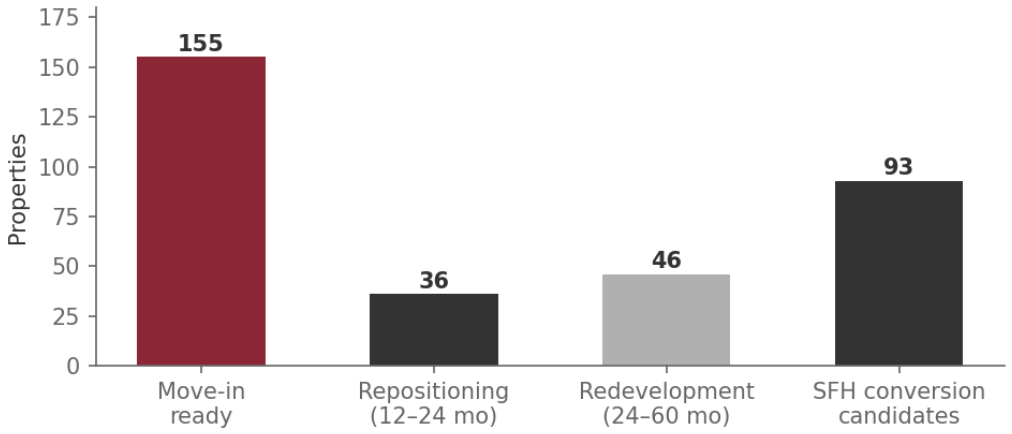
Congress Avenue corridor — economic-development scope

72 Economic-development-relevant parcels

172 Acres

~30 Multifamily / mixed-use properties in pipeline (CoStar)

Delray Beach property inventory — near-term to long-term supply



The Strategy

The Positioning

Boutique. Walkable. Authentic.

Delray Beach is the destination of choice for the founder, executive, or boutique firm that has earned the right to choose where to work and refuses to settle for a generic corporate campus.

The Two Questions

Quality jobs for young people. Not any jobs, and not just any people. The 708 professional services firms, the founder-residence economy, the creator infrastructure, and the boutique consulting, fintech, and digital health sectors are the specific pathways to economic value created by the next generation of Delray residents. The question is whether Delray employers across these sectors can reach the talent they need, and where that talent sleeps matters less than whether it is reachable.

Where the work is going to happen. The second question was once where the workforce would live, and the market is increasingly answering that along Congress. The question that governs the next twenty years is whether the corridor retains the adaptable commercial, industrial, flex, and maker space the target economy occupies. The Congress corridor carries the largest identifiable inventory of that space in the city, and the analysis indicates residential redevelopment pressure is reducing that inventory. Protecting the corridor's economic capacity is not a regulatory sidebar. It is the precondition for the rest of the plan.

The Target-Firm Hierarchy

The definitive hierarchy that governs the plan:

- Core position. Boutique, founder-led, high-touch firms - typically 5 to 50 employees, where the principals drive the value of the business. Larger opportunities are pursued where fit is present.
- Primary Lane 1. Boutique professional services and founder-led firms.
- Primary Lane 2. Wealth management and family-office services.
- Primary Lane 3. AI-enabled firms.
- Vertical applications. Creator economy, hospitality management, digital health, fintech / wealthtech - treated as vertical expressions of the three primary lanes, not as competing target lists.
- Retention constituency. Founder-residence firms, Business Tax Receipt-identified operators, commercial anchors, and expansion candidates already located in the city.

Technology is a cross-cutting capability that shows up in all three lanes. AI-enabled firms are called out as a discrete primary lane because the operator configuration fits Delray's physical footprint and because the Commission identified AI as a distinct priority category at the February 9, 2026 workshop.

How This Document Is Organized

The plan is organized as a series of eight connected stories. Each one is self-contained and can be read independently. Together they build the complete picture from diagnosis through strategy through implementation.

- Story 1, The Migration Picture. Who is coming, who is leaving, and why the constraint is labor reachability and land, not housing supply.
- Story 2, The Economy Delray Already Has. The 708 firms, the 1,421 tenants, the hidden clusters, and the economy nobody has counted, much of it on the land now under pressure.
- Story 3, The Visitor Economy as Economic Infrastructure. $208 million in imported demand, the New York pipeline, and the service workforce the model depends on.
- Story 4, The Competitive Landscape. Twenty-five stories to one, the unclaimed lane, and the relocations nobody pushed.
- Story 5, Where the Opportunities Are. The five corridors, the Congress land base, and the residential wave that is consuming it. Includes the Placer-verified Walmart analysis that reframes Federal Highway.
- Story 6, What's in the Way. The zoning mechanics now documented, the parking and permitting questions still open, and the Congress corridor at the center.
- Story 7, The Generational Imperative. The demographic clock, the creator economy, and the talent question that defines the next twenty years.
- The Playbook (Part I). The operational framework for execution, including the Congress regulatory-corridor decision.

The Recommendation in Brief

The plan recommends two things. First, buy the story. Delray Beach is a boutique coastal city with a documented set of assets, a track record of winning corporate relocations it never marketed, a visitor economy that functions as economic infrastructure, and a demographic profile that requires a generational talent strategy. If the City accepts that framing, what follows is implementation: the corridors, the code evaluations, the concierge permitting, the trade press campaign, with placements in Site Selection Magazine, Business Facilities, and Refresh Miami, the trade publications corporate site selectors and relocation decision-makers read, the partner coordination, the staffing, the budget cycle.

Second, act on the land-stewardship question that cannot wait for the rest. The evidence suggests Congress Avenue is losing adaptable commercial capacity through the cumulative effect of documented rezoning patterns, applicable nonconformity provisions, state housing law, and market conditions. Confirming the rate and parcel-level effect through City pipeline records is the first quantification step; directing the City Manager to evaluate the regulatory pathways developed by the project team is the first action step. The Playbook lays out the specific recommended next actions.

The data supports the strategic argument and the corporate relocations that occurred without an organized effort validate the boutique-firm lane. The question is whether the City is prepared to say so publicly and to preserve the land its economy will need.

Methodology Notes

Geography note. Lightcast (labor-market data) Economy Overview figures use the five-ZIP Delray Beach trade area (33444, 33445, 33446, 33483, 33484), not the municipal boundary. Census-bounded figures (population 68,050 per the July 2025 V2024 estimate, used as the official municipal population; Property Appraiser parcel counts; the business tax receipt roll) use the City of Delray Beach geography. Placer.ai's mobility-derived estimate of 78,919 is used only where the specific claim depends on the mobility model's capture of intermittent and seasonal residents.

Regulatory note. All Land Development Regulation citations, current code text, and legal interpretations in this document remain subject to City confirmation and applicable state law. Live Local Act authority, preemption scope, and remaining local conditioning powers are subject to City confirmation of state law and case interpretation.

Project team note. This plan was prepared by BusinessFlare® with contributions from an integrated project team.

Housing and vacancy note. CoStar reports current Q2 2026 multifamily vacancy for the Delray Beach submarket at 5.90 percent, with asking rent near $2.48 per square foot. Field verification along the Congress Avenue corridor in June 2026 confirms an active delivery wave of new multifamily, much of it workforce-priced and delivered through Live Local, the Palm Beach County density program, and the Special Activities District process. The corridor is producing housing rather than withholding it, which is the operative signal for this plan.

Story 1: The Migration Picture

Who Is Coming, Who Is Leaving, and What It Means

Three Sources, One Story

Understanding who is moving to and from Delray Beach requires three different lenses. Each source measures something the others cannot. Together, they reveal a migration dynamic that is simultaneously the city's greatest asset and its most urgent challenge.

- IRS Statistics of Income tracks adjusted gross income on tax returns filed from different addresses in consecutive years. It tells us how much money is coming and going. Geography: Palm Beach County. Period: tax years 2020 to 2023.
- Placer.ai Migration Trends uses device-level mobility data to track residential relocation at the city level. It tells us who specifically is moving to and from Delray Beach, where they are coming from, and whether they are wealthier than the existing population. Geography: City of Delray Beach. Period: March 2021 to March 2026.
- Lightcast Economy Overview tracks labor force migration using employment and commuter data. It tells us where workers are coming from and going to, and what the functional labor market looks like. Geography: Palm Beach County and the five-ZIP Delray Beach trade area (33444, 33445, 33446, 33483, 33484). Period: Q2 2026 dataset.

The People: Who Is Moving to Delray Beach

Placer.ai's device-based migration data provides the city-level picture that neither IRS nor Lightcast can offer. Placer's mobility model estimates the city-level population at approximately 78,919 in 2026, up 14.04 percent over the five years from March 2021 to March 2026. The U.S. Census Bureau July 2025 V2024 estimate for the City of Delray Beach is 68,050. The two figures use different methodologies; Placer captures intermittent and seasonal residents that the Census does not.

The composition of that growth tells the story:

Growth Component	Net Change	% of Pop	What It Tells Us
International Migration	+6,718	+9.71%	Largest contributor
Domestic Migration	+4,245	+6.13%	Net of 40,136 in / 35,891 out
Natural Growth (births minus deaths)	-250	-0.36%	Deaths exceed births
Total Population Change	+10,713	+14.04%	

Three findings matter for economic development.

First, natural growth is negative. More people are dying in Delray Beach than being born. The median age of 50.3 and the share of population over 65 near twenty-eight percent produce a community that cannot sustain itself through organic population replacement. Every net new resident must be imported. This is not a crisis today, but it is a structural condition that makes active talent attraction a requirement rather than a choice.

Second, the dominant domestic flow is from Boca Raton. Boca is the single largest net source of domestic migration at plus 3,414 residents over five years, roughly eighty percent of total net domestic migration. These are affluent households moving north for walkability and lifestyle, not households moving from cheaper markets seeking affordability. The Boca-to-Delray pipeline is a lifestyle-upgrade move within Palm Beach County, and it should be positioned as such.

Third, inbound migrants are wealthier than the existing population. The Placer household income index ratio of 1.11 means inbound migrants carry approximately eleven percent higher household income than the current Delray Beach population. The city is income-stratifying upward with every migration cycle.

The Forecast

Placer projects Delray Beach's population growth at plus 1.55 percent over the next five years. Compared to the plus 14.04 percent of the past five years, this is a sharp deceleration, and it indicates that the lifestyle and affordability ceiling is being reached. The COVID-era migration surge that brought thousands of new residents from Boca Raton and the Northeast is normalizing. The households that were going to move have largely already moved. Future growth must be actively cultivated rather than passively received.

The Money: What Migration Is Doing to the Tax Base

IRS Statistics of Income data tracks adjusted gross income on federal tax returns, providing the fiscal dimension that Placer and Lightcast cannot. The data is available at the Palm Beach County level and covers tax years 2020 through 2023.

Tax Year	Net AGI	Net Returns	Avg AGI In	Avg AGI Out	Ratio	Signal
2020-2021	+$7.04B	+5,697	$242,219	$96,318	2.52x	Peak
2021-2022	+$4.95B	+3,660	$260,093	$158,439	1.64x	Decline
2022-2023	+$3.02B	-1,358	$177,212	$98,618	1.80x	Inflection

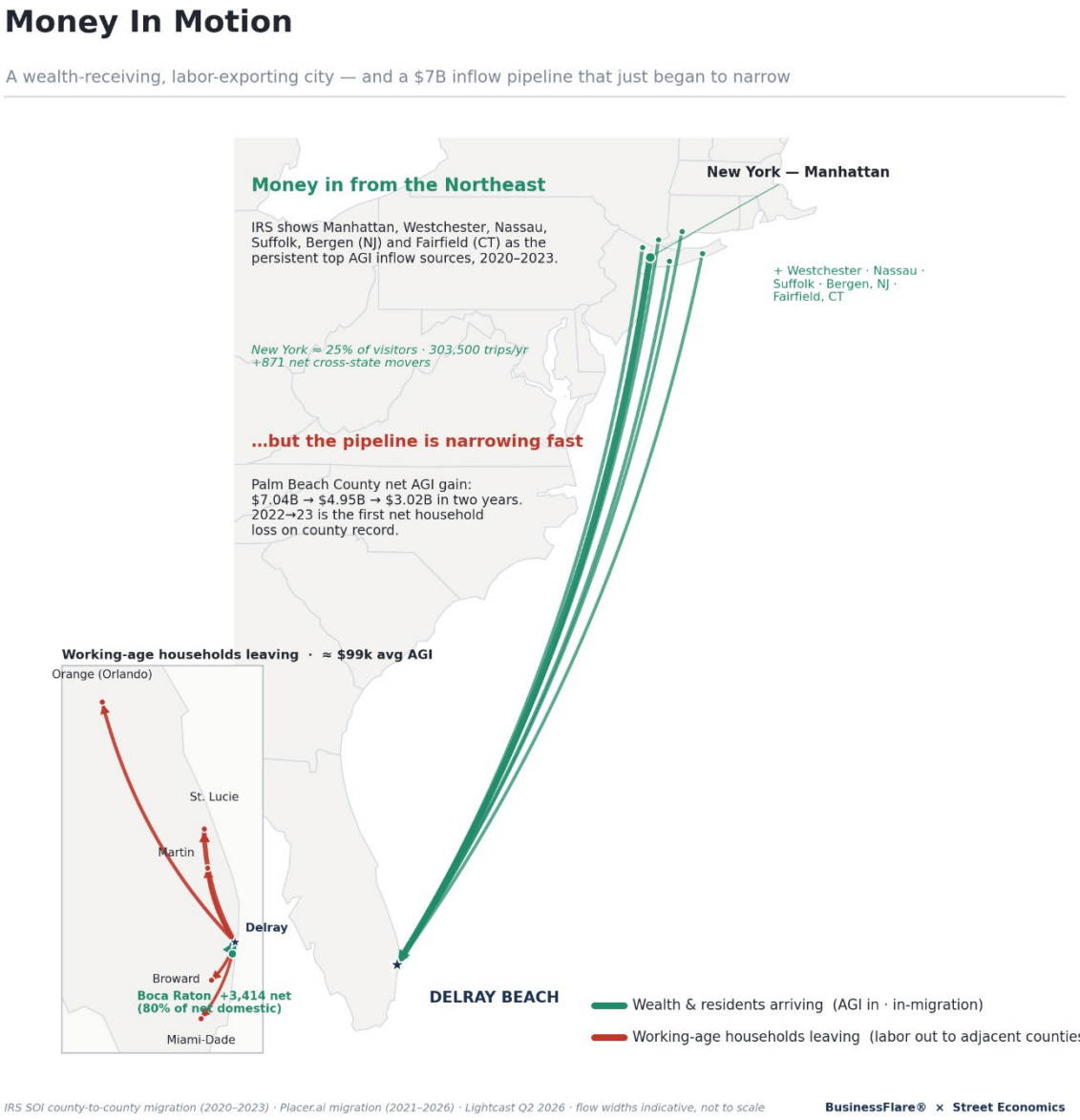
Net AGI gain has fallen by more than half in two years, from $7.04 billion to $3.02 billion. The 2022 to 2023 tax year is the inflection point: for the first time on record, more households left Palm Beach County than arrived, producing a net loss of 1,358 returns. The county is still gaining wealth because the remaining inbound migrants carry significantly higher incomes, about $177,000 against $99,000 for departures, but the volume of those arrivals is declining.

Where the Money Comes From

The persistent top sources of inflow AGI across all three years are New York County (Manhattan), Westchester County, Nassau County, Suffolk County, Bergen County in New Jersey, and Fairfield County in Connecticut. Broward County and Miami-Dade County are the top in-state sources. The geographic pattern has not changed. What has changed is the volume.

Where the Money Goes

The persistent outflow destinations are Broward County, St. Lucie County, Martin County, and Miami-Dade County. The average outflow AGI of $98,618 in 2022 to 2023 represents working-age, middle-income households earning professional salaries. These are the workers who staff the restaurants, fill the medical offices, teach the schools, and run the small businesses.



This outflow reads less as a housing-affordability crisis than as the normal distribution of a metropolitan labor force across county lines. The operative economic development question is not whether every worker sleeps inside the municipal boundary. It is whether the city's businesses can still reach the talent they need. The Martin County experience is instructive. Martin will never have enough housing for its workforce, and it does not want that volume of housing, yet its businesses generally attract the talent they require because that workforce lives across the line in St. Lucie County. The Delray question is the same. The outflow matters to economic development to the precise degree that it constrains the ability of Delray employers to hire, and that is an empirical question this plan tests against the labor data.

The Labor Force: Who Works Where

Lightcast Economy Overview data adds the employment and commuter dimension to the migration picture. At the county level, Palm Beach County recorded plus 6,537 net migration in 2022, with the strongest inbound flows from Broward County (plus 3,285 net) and the New York metro area, with Nassau, Suffolk, New York, Queens, and Kings counties all appearing in the top ten inbound sources.

The outbound picture confirms the IRS finding. St. Lucie County is the single largest outbound destination, absorbing working-age households moving out of Palm Beach County. Martin County, Broward County, which is both an inbound and an outbound market depending on the household, and Orange County round out the top outbound destinations.

At the trade area level, Lightcast data for the five Delray Beach ZIP codes shows 65,846 total jobs, outpacing the national job growth rate. But the occupational profile reveals the workforce mismatch. The top occupation by employment is Food Preparation and Serving at 6,821 workers (LQ 1.86), while Computer and Mathematical occupations carry a location quotient of just 0.69, meaning Delray has roughly thirty-one percent fewer tech workers than the national average.

Taken together, the migration and income data suggest a city and county dynamic in which higher-income arrivals add spending power while some working-age households relocate to adjacent counties. This does not mean incoming residents do not participate in the labor market, or that out-migration automatically produces a local labor shortage. It means Delray's economic-development strategy cannot assume that population growth alone will replenish the workforce needed by local employers. The available postings and labor-market evidence indicate that regional labor access is generally functioning, although healthcare, hospitality, and skilled-trades employers show more persistent recruitment pressure. Story 2 develops the postings-data picture.

The Visitor Pipeline: New York as Economic Infrastructure

The Placer.ai Travel and Tourism module adds the final dimension, the visitor economy that connects migration to spending. In the twelve months from May 2025 to April 2026, Delray Beach recorded 1.2 million domestic trips from visitors traveling fifty or more miles, generating $208.1 million in visitor spend.

- New York DMA: 303,500 trips per year, about 25 percent of all visitor volume from a single metro area. That is nearly four times the city's resident population arriving from one origin market annually.
- 75 percent overnight, 25 percent day trips. Delray Beach is a destination, not a pass-through. Average overnight stay of 2.4 nights with 2.2 million total visit nights.
- The $208.1 million in annual spend translates to approximately $2,640 per Delray resident in imported demand, using the Placer city-level population denominator of 78,919. This spending supports the hospitality, restaurant, retail, and services economy that employs much of the resident workforce.

The visitor economy is the connective tissue between migration and the local economy. New York households discover Delray Beach as visitors. Some become part-time residents. Some become full-time residents, following the pattern the Placer migration data captures. The Miami Beach experience demonstrated this pipeline at scale, where visitors became residents, entrepreneurs, hoteliers, and workforce. The same dynamic is available to Delray Beach.

The Complete Picture

The three data sources converge on a single narrative. Delray Beach is a wealth-receiving, talent-importing-and-exporting, visitor-spending boutique city running on a migration model with a measurable expiration date. In the shortest form, the city imports wealth and exports working-age labor.

The model works like this. New York visitors discover Delray Beach, $208 million in annual spend across 303,000 trips. Some of them relocate, with New York the top cross-state migration origin at plus 871 net. Boca Raton residents migrate north for lifestyle, plus 3,414 net, the dominant domestic flow. These arrivals bring higher household incomes, a household income ratio of 1.11, and generate demand for services, real estate, and professional businesses. At the county level, this pipeline delivered $7 billion in net adjusted gross income in a single year.

But the pipeline is narrowing. County-level net AGI gain has fallen from $7.04 billion to $3.02 billion in two years. The 2022 to 2023 tax year produced the first net household loss on record. Delray's own population growth is projected to decelerate from plus fourteen percent to plus 1.55 percent. Natural growth is negative. Every net new resident must be imported, and the import pipeline is getting smaller.

Simultaneously, the city is exporting working-age households earning roughly $99,000 in average AGI to St. Lucie, Martin, and Broward counties. This outflow is not evidence of a housing-supply crisis. The Congress Avenue corridor is absorbing a wave of new multifamily, much of it carrying workforce-priced units delivered through Live Local, the Palm Beach County density program, and the City's own Special Activities District process, and those projects are penciling and getting built. The housing market on Congress is not frozen. It is producing. What the migration data points to is not an absence of housing but a labor-distribution dynamic playing out across a metropolitan region, layered on a land-use dynamic in which the residential wave is consuming the corridor the city's economy depends on. Story 5 takes up that land question directly.

What This Means for Economic Development

The conventional economic development response to these dynamics would be to recruit more companies and hope that jobs follow. The migration data says the binding constraint is not the number of jobs. But neither, on closer inspection, is it the supply of housing, which the market is increasingly addressing on its own along Congress. The constraints that actually govern the next twenty years are two, and only one of them is about people.

The first is quality jobs for young people. Not any jobs, and not just any people. The professional services base, the founder-residence economy, the creator infrastructure, and the boutique consulting, fintech, and digital health firms identified in the targeting work are the specific pathways to economic value created by the next generation of Delray residents. These are the jobs that make a twenty-six-year-old want to build a career here rather than just visit, and the question is whether Delray employers across these sectors can reach the talent they need. Where that talent sleeps matters less than whether it is reachable, and the labor data in Story 2 is where that question gets answered.

The second is the land itself. The same migration pressure that is filling the Congress Avenue corridor with residential is reducing the corridor that carries the largest identifiable inventory of adaptable industrial, commerce, maker, and boutique-firm space in the city. The evidence indicates the corridor is losing that inventory through a documented pattern of MROC-to-SAD rezonings and applicable state and local mechanisms. The binding constraint is no longer where the workforce

lives. It is whether the corridor retains the adaptable capacity the economy needs. Story 5 takes up the corridor in detail, and the Playbook frames the recommended next actions.

Sources and Methodology

IRS Statistics of Income, County-to-County Migration Data, tax years 2020 to 2023. Palm Beach County, FL (FIPS 12099). Migration measured by consecutive-year tax return address changes. AGI reported on the inbound or outbound return. County-level geography. Tax year 2023 to 2024 data not yet available as of June 2026.

Placer.ai Labs Migration Trends, City of Delray Beach, March 2021 to March 2026. Device-based mobility data measuring residential relocation. Household income ratio derived from origin-market income indices. Population and forecast estimates from the Placer.ai population model.

Placer.ai Labs Travel and Tourism, City of Delray Beach, May 2025 to April 2026. Domestic trips from fifty or more miles. Visitor spend estimated from device-attributed spending patterns. DMA origin classification per Nielsen definitions.

Lightcast Economy Overview, Q2 2026 dataset. Combined geography: ZIP codes 33444, 33445, 33446, 33483, 33484. Employment, occupation, industry, and migration data derived from QCEW, non-QCEW, and self-employed estimates. County-level migration from ACS county-to-county flow tables.

U.S. Census Bureau, Vintage 2024 Population Estimates, City of Delray Beach (July 2025 estimate: 68,050).

Geography note. Lightcast Economy Overview figures use the five-ZIP Delray Beach trade area (33444, 33445, 33446, 33483, 33484), not the municipal boundary. Census-bounded figures (population 68,050 per the July 2025 V2024 estimate; Property Appraiser parcel counts; the business tax receipt roll) use the City of Delray Beach geography. Placer.ai's mobility-derived population estimate of 78,919 for the city geofence reflects the model's capture of intermittent and seasonal residents and is reported as published.

Housing and vacancy note. CoStar reports a current-period stabilized multifamily vacancy near two and a half percent, while HUD's 2024 Comprehensive Housing Market Analysis for the West Palm Beach to Boca Raton market reports an overall multifamily vacancy of 8.8 percent with new-construction vacancy of 16.3 percent during a delivery surge. The two figures measure different things. Field verification along the Congress Avenue corridor in June 2026 confirms an active delivery wave of new multifamily, much of it workforce-priced and delivered through Live Local, the Palm Beach County density program, and the Special Activities District process. The corridor is producing housing rather than withholding it, which is the operative signal for this plan. The property-level inventory is documented in the companion Congress multifamily workbook.

Story 2: The Economy Delray Already Has

708 Professional Firms, 4,224 Businesses, and the Hidden Clusters Nobody Counted

The Most Meaningful Discovery Is Usually Something Already There

Before this engagement, no one had counted Delray Beach's economy at the level of detail required to make strategic decisions. The City knew it had restaurants, healthcare, and professional offices. It had a general sense that small businesses mattered. But it had never identified who those businesses were, where they were located, how concentrated they were relative to the national average, or whether the patterns suggested a strategic position the City could organize around.

This story presents what five layers of data reveal when you actually look. Statistical employment from Lightcast at the 4-digit subsector level. Physical tenant occupancy from CoStar at the individual-firm level. Business formation characteristics from ESRI. Property-level data from the Property Appraiser. And the City's own Business Tax Receipt roll, the authoritative record of who is licensed to operate here. Together they reveal an economy more sophisticated, more concentrated in high-value subsectors, more spatially distributed, and more strategically distinctive than anyone understood. And much of it, the industrial, flex, and commerce uses, physically occupies the Congress Avenue corridor that Story 5 shows is now converting to residential, which makes counting this economy the first step in protecting it.

The Headline Numbers

Metric	Value	Source
Total Jobs	65,846	Lightcast 5-ZIP
5-Year Job Growth (2020 to 2025)	+9.0% (+5,444 jobs)	Lightcast 5-ZIP
Total Businesses	8,358	Lightcast / ESRI
Active Business Tax Receipts (2026)	4,224	City BTR roll
Businesses with 1 to 9 Employees	70.9% (5,922 firms)	Lightcast 5-ZIP
Businesses with 250+ Employees	12	Lightcast 5-ZIP
Commercial Tenants Identified	1,421	CoStar Suite
Anchor Tenants (20+ employees)	112	CoStar Suite
Average Earnings Per Job	$82,884	Lightcast 5-ZIP
Gross Regional Product	$10.6 Billion	Lightcast 5-ZIP

The business size distribution is the structural signature of Delray's economy. Seventy-one percent of businesses have fewer than ten employees, and only twelve in the entire trade area have 250 or more. This is not a weakness. It is the defining characteristic. Delray is a small and micro-business economy, and the strategy must be built for how the economy actually works rather than how a conventional plan wishes it worked.

The Hidden Clusters

The 4-digit NAICS data reveals subsector concentrations that do not appear in the 2-digit summary the City has previously used. A location quotient above 1.0 means a higher concentration than the national average. Above 1.5 means at least fifty percent higher. These are real economic clusters anchored by real firms.

Heavy Overconcentration (LQ above 1.5)

Subsector	NAICS	Jobs	LQ	5-Yr Growth	Anchor Tenants
Specialized Design	5414	301	2.66	N/A	Fractl, CNS Media
Management Consulting	5416	1,564	1.86	+40%	Mullings Group, Protis Global, Altus GTS
RE Agents / Brokers	5312	389	1.86	+40%	GoldOller, Pugliese
Offices of Physicians	6211	2,065	1.80	+37%	PB Health District, Keww, Evolve
Other Financial Investment	5239	455	1.72	+29%	Savior Wealth, Candlewood
Hotels / Accommodation	7211	1,214	1.72	+19%	Atlantic Ave properties
Restaurants	7225	6,169	1.47	N/A	Schulson Collective, BrickTop's

Specialized Design at an LQ of 2.66 means Delray has nearly three times the national concentration. Management Consulting at 1.86 with 1,564 jobs growing forty percent over five years is the single strongest knowledge-economy cluster in the city. Other Financial Investment Activities at 1.72 confirms the wealth management thesis at the subsector level. These are not aspirational targets. They are existing concentrations the City has not fully identified, organized around, or marketed.

The Honest Gaps

Subsector	NAICS	LQ	5-Yr Growth	What It Means
Computer Systems Design	5415	0.66	+30%	Below average but growing fast
Advertising / PR	5418	0.63	N/A	Creator economy growth potential
Mgmt of Companies (HQs)	5511	0.33	+50%	Do not chase institutional HQs
Accounting / Tax Prep	5412	0.79	N/A	Below average for a wealth market

Architecture / Engineering	5413	0.79	N/A	Kimley-Horn and Pennoni are outliers
Insurance	5242	0.91	N/A	Near parity; First Family growing

Management of Companies at an LQ of 0.33 is the most strategically important gap. Delray has one-third the national average of headquarters employment, and that is a fact to accept rather than a problem to solve. A strategy that chases institutional headquarters is chasing a market the data says does not want to exist here. Computer Systems Design at 0.66 but growing thirty percent is the most interesting gap, because the CoStar tenant data identified seventy technology firms physically in Delray and the Business Tax Receipt analysis surfaced more. The tech economy here is founder-led and small-footprint, not institutional, which is why it underreports in NAICS codes and why the strategy targets AI-enabled micro firms and founder-residence companies rather than corporate tech campuses.

The Tenants: Names Behind the Numbers

Statistical employment tells you what sectors are present. Tenant data tells you who they are. The CoStar citywide analysis identified 1,421 commercial tenants.

Industry Bucket	Tenants	Key Names
Healthcare	403	Palm Beach Health District, Coronis Health, Cyrano Therapeutics, TheKey
Professional Services	369	Kimley-Horn, Craven Thompson, Fractl, Mullings Group, Protis Global
Hospitality / Food Service	248	BrickTop's, Bourbon Steak, Schulson Collective
Finance / Insurance	180	Pinnacle Financial, InspereX, Merrill, Savior Wealth
Real Estate	157	GoldOller RE Investments, Pugliese Creative Ventures
Information / Tech	64	Vertical Bridge, Interface Technologies, Crown Point Productions

The anchor tenants with twenty or more employees are the retention targets the City's economic development function should know by name, visit regularly, and ask what they need to stay and grow. Before this analysis, no comprehensive inventory of these firms existed.

Two downtown anchors deserve specific mention because they validate the boutique-relocation thesis. DigitalBridge and its subsidiary Vertical Bridge relocated together from Boca Raton to Sundy Village downtown, with DigitalBridge's headquarters lease at 79,141 square feet and Vertical Bridge at 38,474 square feet, a combined corporate footprint anchoring the digital-infrastructure cluster within walking distance of Atlantic Avenue. Neither arrived because of a City incentive or marketing campaign. They arrived because the place works. Any additional non-Sundy footprint should be confirmed before it is cited.

Hagerty Garage and Social anchors 58,000 square feet at 777 S Congress as a classic-car members club operated by the publicly traded collector-insurance company, with monthly events that draw

collectors from across South Florida. It is the lifestyle infrastructure of the high-net-worth collector economy made physical, the kind of cool-factor asset that signals which kind of resident Delray attracts. Fractl, a content-marketing and creative agency, occupies 7,600 square feet on Congress, the creator-economy thesis made physical, a professional services firm that happens to operate in the creator economy. That distinction matters, because it means the creator economy is not a separate exotic sector but a subsector of professional services, Delray's strongest existing base.

The Business Size Story

Size Category	Businesses	% of Total	Cumulative %
1 to 4 employees	3,283	39.3%	39.3%
5 to 9 employees	2,639	31.6%	70.9%
10 to 19 employees	1,509	18.1%	89.0%
20 to 49 employees	686	8.2%	97.2%
50 to 99 employees	162	1.9%	99.1%
100 to 249 employees	67	0.8%	99.9%
250+ employees	12	0.1%	100%

Eighty-nine percent of Delray's businesses have fewer than twenty employees, and ninety-seven percent have fewer than fifty. This is the structural identity of the economy. A strategy designed for 500-employee anchors is designed for twelve businesses. A strategy designed for five-to-fifty-employee firms is designed for 4,834.

The traditional jobs-attracted metric is too narrow for Delray's economy. Jobs and wages remain essential outcomes, but they do not fully capture whether the City is preserving and expanding the capacity for productive economic activity. The City should measure jobs, wages, capital investment, firm activity, and commercial capacity together. A 30-person manufacturer leaving Congress is a job loss; a 30,000-square-foot flex building converted permanently to apartments is also a loss of future commercial capacity. Both matter, and the performance dashboard should make both visible.

Preserving non-residential capacity, commercial property value, business equipment investment, and leased Class A inventory alongside residential growth remains an important input to the City's long-term fiscal capacity, and preserving the Congress land base is the corollary land-stewardship question.

The Workforce Picture

The occupation data shows who works in Delray and where the gaps are. The largest occupation is Food Preparation and Serving at roughly 8,000 workers, the workforce that powers the visitor economy. Office and Administrative Support is second. Management occupations total nearly 5,000 workers growing thirty-nine percent over five years, and Healthcare Practitioners total roughly 4,700 growing twenty-two percent. The target-sector occupations are smaller but present and growing: Computer and Mathematical near 1,200 workers at an LQ of 0.57, Arts and Design near 1,200 at an LQ of 1.02 and up twelve percent, Business and Financial Operations near 3,800, and Legal near 660 at an LQ of 1.18 and up sixteen percent.

Access to the Regional Workforce Is an Asset

The migration data in Story 1 shows working-age households leaving the county for adjacent markets, and that movement is an asset to Delray employers rather than a workforce crisis. Delray Beach sits inside one of the deepest regional labor markets in Florida, and its businesses already

draw from it. In any metropolitan economy the workforce distributes across municipal and county lines, and a firm locating in Delray reaches not only the city's residents but the labor pools of Boca Raton, Boynton Beach, West Palm Beach, the western communities, and increasingly the northern counties the migration data shows growing. The relevant test for economic development is whether employers can staff their operations, and the evidence is that they can.

The job-postings data confirms it. Delray Beach generated 14,090 unique job postings in the trailing twelve months, third in Palm Beach County behind West Palm Beach and Boca Raton. Delray Medical Center alone posted 772 unique positions at a six-to-one posting intensity, one of the hardest-to-fill employers in the county. The hardest roles to fill are in healthcare, hospitality, and the skilled trades, the categories tied to the visitor economy and the medical district, not the knowledge-economy roles the target sectors depend on. The firms this plan recruits are not the firms struggling to staff.

And for the workers who do want to live close to where they work, and close to the Delray lifestyle that draws them in the first place, the market is delivering the housing product directly. The Congress Avenue corridor is absorbing a wave of new multifamily, much of it workforce-priced, placed within a short distance of the corridor's employment and minutes from Atlantic Avenue. This close-in product is newly arriving, and it strengthens the city's hand. Delray now offers a target firm both ends of what it cares about: access to a deep regional labor pool for the roles that commute, and a growing supply of close-in housing for the workers and founders who want proximity. That combination is a competitive asset, provided the corridor's economic-use capacity is protected first. Story 5 documents the corridor that is delivering it, and the reason it has to be protected even as it does.

Why the Tech Workforce Is Bifurcating, and Why That Helps

The faster-growing skill mentions tell a different story than they did three years ago. Power BI, Python, AWS, and data-dashboard tools are all up double digits across the county. In 2021 that would have meant a data-analytics workforce was forming. In 2026 it means something else. Generative AI and AI coding tools have compressed the team sizes those skills used to require. The junior-plus-two-mid-level configuration has become a senior-plus-AI-tooling configuration, posting growth has decoupled from headcount growth, and entry-level engineering roles are down sharply nationally even as senior and AI-leveraged operator roles grow. The tech workforce is not forming. It is bifurcating. That bifurcation favors Delray's strategy. The target sectors, AI-enabled micro firms, founder-residence operators, boutique consulting, are exactly the labor configurations AI tooling makes viable, and those operators choose where to live first and where to work second. Delray's tech LQ of 0.57 is not a deficit to close by recruiting headcount-scale employers. It is the structural condition of a labor market that has shifted under every city.

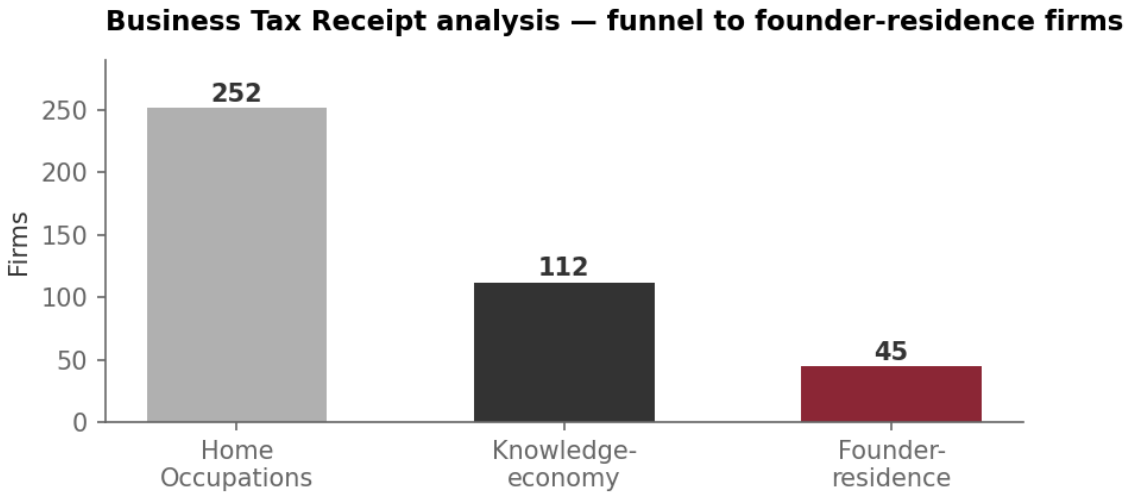
What the Business Tax Receipt Database Revealed

CoStar captures tenants in tracked commercial properties. It does not capture home-based businesses, sole proprietors without commercial leases, or firms in properties too small to track. The City's Business Tax Receipt roll is the authoritative record of who is licensed to operate. The 2026 active roll lists 4,224 businesses, and 810 sit in four catch-all classifications that obscure most of the entrepreneur, innovator, and creator economy. Those 810 were classified individually using deterministic name analysis and roughly four hundred live web-research passes, with sector accuracy confirmed on fifteen of sixteen sampled firms. Four findings reshape the story.

First, the technology base is roughly three times larger than the license codes suggest. Inside the catch-all buckets the analysis surfaced more than twenty additional technology, software, and AI firms. Corellium, the Arm-based virtualization platform, was classified under Office Administrative Services and was acquired by Cellebrite in 2025 for an enterprise value of $170 million. That

acquisition is a genuine proof point, but it should be read for what it actually demonstrates. The deal closed in late 2025 with layoffs and a restructuring, and the company's chief technology officer moved into the acquirer's leadership at its headquarters outside Florida. An acquisition that absorbs the talent and relocates the leadership is how a startup city loses the win it produced. What Corellium proves is Delray's capacity to grow a company worth acquiring, and the asset going forward is the formation environment and the next cohort of founders, the Ability Commerces, Construct CRMs, and Vemarks still operating from downtown, not Corellium as a standing local anchor.

Second, the founder-residence economy is real, measurable, and visible only through the Business Tax Receipt roll. The Home Occupation classification identifies 252 home-based licenses, of which 112 fall in knowledge-economy sectors and 45 are the genuine founder-residence economy, consultants, software founders, creators, and advisory operators running high-value businesses from residential addresses. They are invisible to every commercial real estate dataset, yet they are licensed, real, and on the tax base.



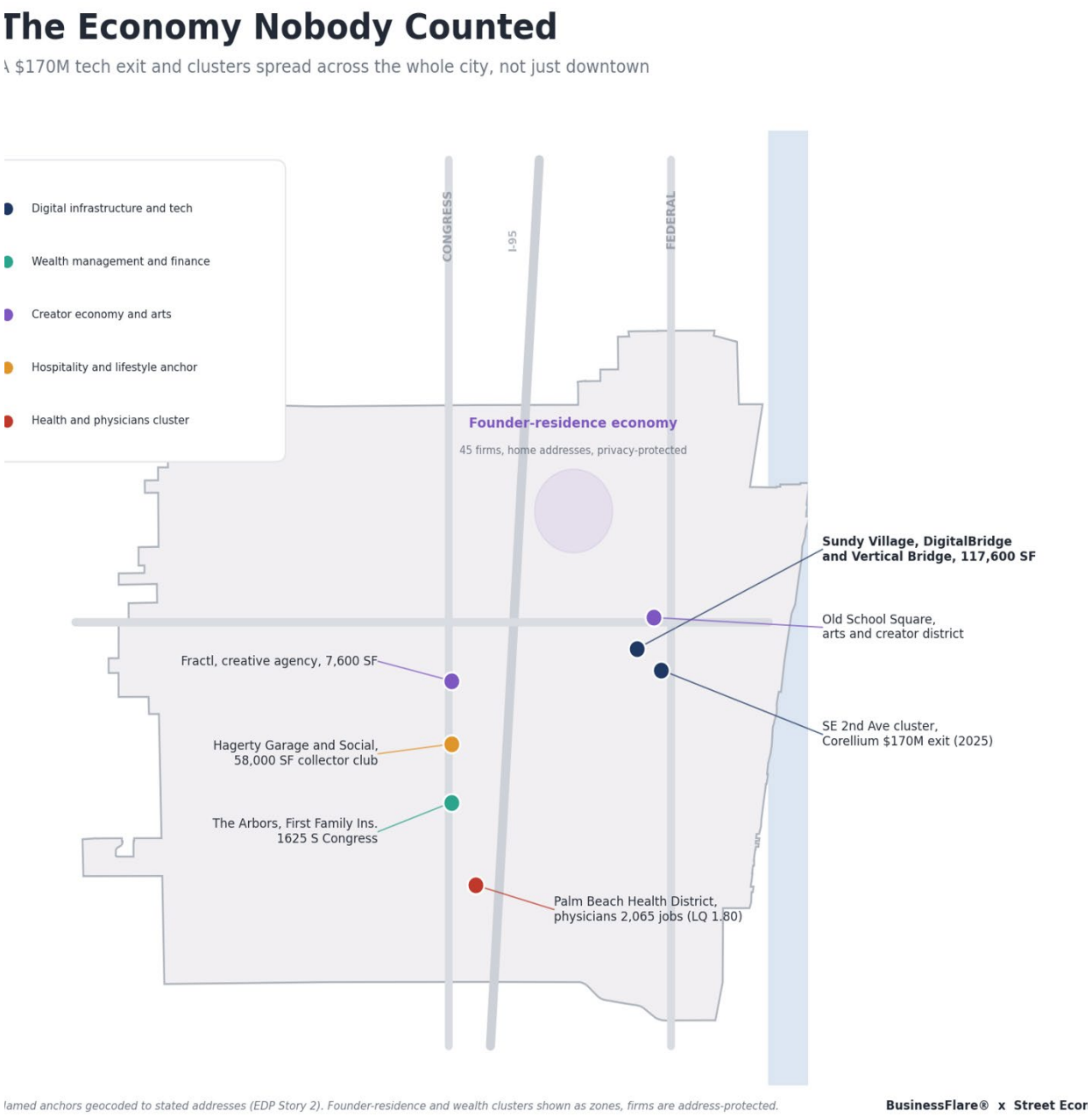
Third, 161 of the 810 firms match a target archetype already, distributed across boutique consulting, founder-residence, creator economy, AI micro firms, wealth management, digital health, fintech, and hospitality management. This is a pre-existing pipeline of retention and expansion targets already licensed in the city, inside just four of the roll's many classifications. The targeting thesis is not aspirational. It describes firms that already chose Delray.

Fourth, CoStar sees only about ten percent of these firms. Of the 810, the CoStar overlay captures 85. That is not a flaw in the roll. It is the structural blind spot of commercial real estate data, which only sees tenants in tracked leased space. The roll defines the universe of licensed businesses, and the commercial overlay explains where a subset of them sits in physical space.

The Map: The Economy Nobody Counted

Once the firms were classified, 42 representative firms across eight tiers were geocoded and plotted against the City boundary, the CRA district, the proposed I-95 area, and the rail corridor. The full-resolution map is included in the plan and in the companion geocoded shapefile. The pattern matters as much as the points. The headline tech firms cluster downtown along SE 2nd Avenue and Atlantic, the founder-residence economy scatters through residential neighborhoods in every direction, the Congress corridor tech cluster appears mid-city, the wealth managers concentrate in the NE blocks and on South Congress, and the creator economy lines Atlantic Avenue. A traditional strategy looks at the downtown core and the Congress corridor and stops. This map argues that the

economic development surface area is the entire city. A $170 million tech acquisition happened in Delray Beach, and almost nobody would know it from driving through town.



Recognize, Organize, Amplify, Protect

The instinct in this finding is to publish names, hold press conferences, and announce that Delray is a startup city. That instinct is wrong on two counts. Many of the founders chose Delray for the privacy of operating outside a noisy ecosystem, and the wealth managers serving ultra-high-net-worth clients do not want their addresses in marketing brochures. The strategic answer is to recognize this economy internally, organize it operationally, amplify it where firms opt in, and protect it where they do not. The retention program should be relationship-led, high-touch, and low-volume. The founder-residence economy should be named as a constituency and served through optional directory programs and opt-in coworking partnerships rather than press releases. The public narrative can be

told with firms that already operate in the open, Vertical Bridge, DigitalBridge, Fractl, while the hidden founders are referenced as patterns rather than named.

Protect carries a second meaning here. The firms this story counts do not float free of the ground. The industrial, flex, and commerce uses among them physically occupy the Congress corridor, and the analysis indicates residential redevelopment pressure is reducing adaptable commercial capacity on portions of that corridor. Protecting this economy is no longer only about the anonymity of the people building in it. It is also about the survival of the land they build on. Story 5 takes up that land question, and the Playbook frames the decision.

The Conclusion

Delray Beach is already a startup city. Not a Silicon Valley startup city, but a Delray Beach startup city, a place where founders choose to live, creators choose to build, and high-value companies quietly grow without ever appearing in traditional economic development reports. The 4-digit NAICS data reveals genuine clusters. The CoStar tenant data puts names and addresses on anchors the City has never systematically engaged. The Business Tax Receipt analysis reveals technology firms hiding inside license codes, founder-residence firms invisible to every commercial dataset, and archetype-matching firms already pre-qualified as targets. The business size distribution confirms that the five-to-fifty-employee high-touch firm is not an aspirational target but a description of the economy that already exists. The most meaningful thing a city can do for economic development is usually to discover something that was already there, count it, and build a strategy around it. That is what this section did. Delray Beach does not need to recruit a new economy. It needs to recognize, organize, amplify, and protect the one it already has, and it needs to protect the land that economy stands on before the chance is gone.

Story 3 turns from the economy Delray already has to the visitor engine that powers the environment these firms chose.

Sources

Lightcast Economy Overview and 4-digit NAICS Industry Table, Q2 2026. Combined geography: ZIP codes 33444, 33445, 33446, 33483, 33484. Employment, LQ, growth, and earnings at 2-digit and 4-digit NAICS levels. Job-postings analytics at the Palm Beach County level with a Delray Beach filter. Business size distribution via DatabaseUSA and Lightcast.

CoStar Suite citywide tenant analysis: 1,421 tenants across six industry buckets, with building-level tenant rosters for priority buildings.

ESRI Business Summary; Palm Beach County Property Appraiser parcel-level data.

City of Delray Beach 2026 Business Tax Receipt roll, filtered to active and license year 2026 (4,224 firms). Classified inventory of 810 firms across Office Administrative Services, All Other Professional Scientific and Technical Services, explicit tech codes, and Home Occupation. Methodology: deterministic keyword classification, roughly 400 live web-research passes, archetype matching, and CoStar cross-reference, with sector accuracy confirmed on fifteen of sixteen sampled firms. Full named-firm inventory in the companion workbook.

Corellium and Cellebrite figures verified against public reporting (acquisition announced June 2025, closed December 2025, enterprise value $170 million).

Hidden Economy geocoded shapefile: 42 representative firms, tiered by category, BusinessFlare, June 2026.

Story 3: The Visitor Economy as Economic Infrastructure

$208 Million in Annual Imported Demand

The Visitor Economy Is Infrastructure

In a conventional economic development plan, the visitor economy is the tourism chapter. It gets a paragraph about hotel nights, a table of bed-tax revenue, and a recommendation to leverage hospitality assets. In Delray Beach, that framing is wrong. The visitor economy is not a separate sector but the foundation on which the entire approach rests. It is the mechanism that imports demand, funds the lifestyle assets, generates the foot traffic that sustains Atlantic Avenue, and creates the discovery pipeline through which future residents, businesses, and investors first encounter the city. The visitor economy sustains the amenities and foot traffic that make the walkable downtown viable at its current scale, which the analysis indicates is a material competitive differentiator. This section treats the visitor economy as economic infrastructure.

The Numbers

Placer.ai's Travel and Tourism module tracks domestic visitors traveling fifty or more miles to Delray Beach. Over the twelve months from May 2025 to April 2026:

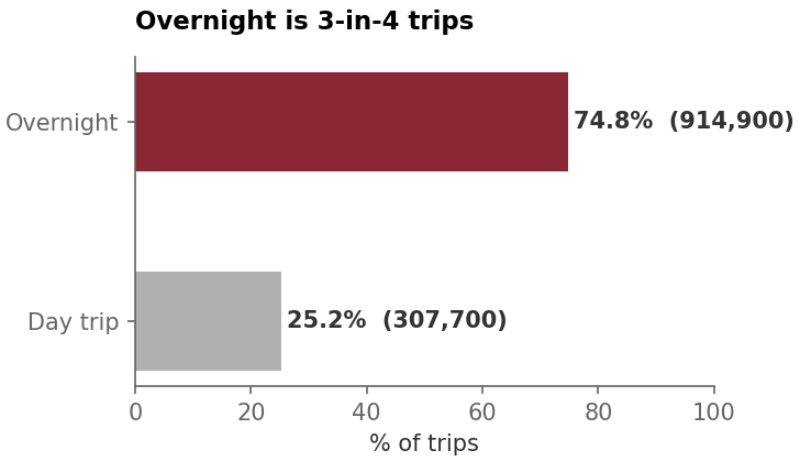
Metric	Last 12 Mo	Prior Year	YoY Change
Total Trips	1.2 Million	1.2 Million	+6.3%
Avg Monthly Visitors	83,400	76,800	+8.6%
Visit Nights	2.2 Million	2.1 Million	+5.7%
Total Visitor Spend	$208.1 Million	$194.9 Million	+6.8%

Using the Placer city-level population estimate of 78,919, the $208.1 million in annual visitor spend translates to approximately $2,640 per resident per year in imported demand, flowing directly into the restaurants, hotels, retail shops, wellness businesses, and service providers that constitute Atlantic Avenue and the broader hospitality ecosystem.

A Destination, Not a Pass-Through

Trip Type	Trips	% of Total
Overnight Trips	914,900	74.8%
Day Trips	307,700	25.2%

Three out of four visitors stay overnight, with an average overnight trip producing roughly 2.4 visit nights. This is a destination market. People plan to come to Delray Beach, book accommodations, and spend multiple days, which is fundamentally different from a pass-through or a day-trip market. Overnight dominance matters because overnight visitors spend more per trip, engage more deeply with local businesses, and are more likely to form the emotional connection that drives future relocation decisions. The visitor economy creates a plausible discovery pipeline through which visitors may become part-time residents, full-time residents, investors, entrepreneurs, or business-location prospects, with overnight visits the entry point.



The New York Pipeline

The single most important finding in the visitor data is the dominance of the New York DMA:

Origin DMA	Annual Trips	YoY Change	Share
New York, NY	303,500	+6.4%	~25%
West Palm Beach / Ft. Pierce, FL	84,600	+9.9%	~7%
Orlando / Daytona / Melbourne, FL	76,700	+13.0%	~6%

New York accounts for 303,500 trips per year, nearly four times the city's resident population from a single metropolitan area, and one in four visitors. This concentration is simultaneously Delray's greatest economic asset and its most significant structural vulnerability. As an asset, the New York pipeline is the mechanism through which Delray imports demand, talent, and future residents, with New York the top cross-state source of both inbound AGI and residential migration in Story 1. As a vulnerability, any market deriving 25 percent of its visitor volume from one origin is exposed to a downturn, an airline-route shift, or a competing destination in that origin. The implication is not to reduce dependence on New York but to diversify the origin base while the New York pipeline is still strong. The Orlando DMA at plus 13 percent year over year and West Palm Beach and Fort Pierce at plus 9.9 percent are the accelerating secondary markets to cultivate.

The Downtown Engine

The Placer Custom POI for downtown Atlantic Avenue provides the ground-level view of how the visitor economy translates into street-level activity. The geofence captures 6.5 million annualized visits, roughly 539,000 a month, from 1.44 million unique visitors, meaning the average visitor returns about 4.5 times a year. Average dwell time is 97 minutes, over an hour and a half per visit, which is engagement rather than a drive-by. The trade area extends from Pompano Beach to West Palm Beach, confirming that Atlantic Avenue functions as a regional destination rather than a neighborhood amenity. Against the Placer city-level population of 78,919, downtown generates roughly 82 visits per resident per year, which confirms that the majority of Atlantic Avenue's economic activity is driven by non-resident demand. The downtown is an import engine.

What the Downtown Generates

The visitor economy's impact is visible in the employment data. Lightcast identifies Accommodation and Food Services as Delray's largest employment sector at 8,205 jobs in the five-ZIP trade area with a location quotient of 2.05, more than double the national concentration of hospitality workers. This is not a weakness to diversify away from. It is the employment expression of a $208 million annual spending engine. The downstream effects extend well beyond hospitality:

- Retail: 7,630 jobs, LQ 1.26. Atlantic Avenue's boutique retail exists because of visitor foot traffic.
- Arts, Entertainment, and Recreation: 2,308 jobs, LQ 1.91, up 25 percent over five years. Old School Square, Arts Garage, the Crest Theatre, and the cultural calendar are visitor-economy assets that also serve residents.
- Other Services: 5,498 jobs, LQ 1.68. Wellness, personal care, and lifestyle services for both visitors and the resident population the lifestyle attracts.
- Real Estate: 2,161 jobs, LQ 1.88, up 25 percent. The visitor economy drives residential demand, which drives real estate activity and construction.

A meaningful share of the trade area's 65,846 jobs is supported directly or indirectly by the visitor economy and the lifestyle assets it sustains, spanning hospitality, retail, arts and recreation, other services, and real estate. This is an economy built on the infrastructure that tourism created rather than a tourism economy in the conventional sense. (An earlier planning estimate placed the supported-jobs range at 25,000 to 30,000; the underlying calculation is preserved in the working files and should be treated as a planning estimate rather than a measured figure.)

The Connection to Economic Development Strategy

Visitors Become Residents

The migration data in Story 1 documents this pipeline empirically. New York sends 303,500 trips per year and is the top cross-state residential origin at plus 871 net. The conversion rate from visitor to resident is low in percentage terms but massive in absolute impact, and even a fraction of a percent produces hundreds of new residents a year from New York alone. The implication is that visitor-economy marketing can function as a talent- and business-attraction asset when it sustains the amenities that make Delray discoverable and livable for prospective founders, executives, and employees. The founder who considers Delray next year may first encounter it as a visitor this year.

Visitors Fund the Lifestyle That Attracts Businesses

The DigitalBridge and Vertical Bridge relocation to Sundy Village was explicitly driven by lifestyle and employee amenity rather than tax incentives. DigitalBridge cited the downtown's nearby retail and dining as central to the decision. Those experiences exist in significant part because of 6.5 million annual downtown visits generating the demand that sustains the restaurants, boutiques, galleries, and venues. The DigitalBridge and Vertical Bridge case suggests that downtown retail, dining, and amenity access can materially strengthen Delray's appeal to office users. The visitor economy is upstream infrastructure that supports business attraction.

The Hospitality Workforce, and the Housing It Needs

The hospitality workers who deliver the visitor experience are not separate from the economic development strategy. They are the people who make the experience that attracts the visitors that fund the lifestyle that attracts the businesses. Their housing is therefore a real economic development concern, and it is the one place in this plan where the workforce-housing question genuinely matters, because it bears directly on whether the visitor economy can staff itself. That concern is

increasingly being met. The regional labor market supplies the hospitality workforce across county lines, as it does for every metropolitan service economy, and the Congress Avenue corridor is delivering close-in workforce-priced housing through Live Local, the county density program, and the City's own process, giving the workers who want proximity to work and to the Delray lifestyle a place to live near it. Hospitality-workforce housing is a condition the region and the market are increasingly handling, which the City should support and protect rather than treat as an emergency to solve from scratch.

The Strategic Questions

How do we move up the value chain. Delray has 8,205 hospitality jobs at an average near $41,000 per worker, the lowest earnings of any major sector. The opportunity is not more restaurants. It is capturing the management, concept development, and corporate offices of the hospitality businesses that already operate here. A restaurant group running six Atlantic Avenue locations with its fifteen-person management office in Boca should have that office in Delray. This is the hospitality-management vertical application of the Playbook target-firm hierarchy.

How do we diversify the origin base. New York at 25 percent is a concentration risk. Orlando at plus 13 percent and West Palm Beach and Fort Pierce at plus 9.9 percent are the accelerating secondary markets, with Boston, Chicago, and Washington as tertiary targets, and the marketing strategy should build these pipelines while maintaining the New York flow.

How do we convert visitors into economic participants, not just consumers. A visitor who spends $2,640 and goes home is a customer. A visitor who discovers that Delray has a coworking space, a walkable downtown, and gigabit internet, and starts exploring what it would take to run a firm from here, is a prospect. The gap between those outcomes is visibility, discovery infrastructure, and a concierge function that does not yet exist, which is the Phase 4 playbook.

Bottom Line

Delray Beach's visitor economy is not a sector of the local economy. It is the economic infrastructure on which the entire competitive position depends. The $208 million in annual imported demand, the 6.5 million downtown visits, and the New York pipeline that converts visitors into residents and businesses are not tourism statistics. They are the foundation of the strategy. Protect this infrastructure, move up the value chain within it, support the workforce and the close-in housing now arriving for it, and use it as the discovery mechanism for the talent and firms the city wants to attract.

Story 4 sets that engine against the neighbors and shows both the visibility gap and the boutique lane no competitor has claimed.

Sources and Methodology

Placer.ai Labs Travel and Tourism, City of Delray Beach, May 2025 to April 2026. Domestic trips from fifty or more miles. Visitor spend estimated from device-attributed spending patterns. DMA origin classification per Nielsen definitions.

Placer.ai Custom POI, Downtown Delray Beach (Atlantic Avenue geofence), May 2025 to April 2026. Visit counts, unique visitors, dwell time, and trade area derived from device-level mobility data with sample-based extrapolation.

Lightcast Economy Overview, Q2 2026. Combined geography: ZIP codes 33444, 33445, 33446, 33483, 33484. Employment by 2-digit NAICS with location quotient, growth, and earnings per worker.

DigitalBridge and Vertical Bridge relocation and the CEO statement verified against public reporting (September 2025 and prior). Both relocated together from Boca Raton to Sundy Village as parent and subsidiary.

Story 4: The Competitive Landscape

25 Stories to 1, the Unclaimed Lane, and the Relocations Nobody Pushed

The Headline Finding

In 2025, Boca Raton and West Palm Beach collectively earned more than twenty-five editorial stories in Refresh Miami, the publication of record for South Florida's innovation and startup ecosystem. Those stories covered D-Wave's quantum HQ relocation to Boca, Dazos raising $25 million, ServiceNow's impact announcement in West Palm, PlanHub raising $41 million, the Gold Coast Tech Accelerator, and Vanderbilt's graduate campus. In the same period, Delray Beach earned one Refresh Miami mention, a venue listing for a hotel as an event location. Twenty-five stories to one, and the one was not about a company, a founder, a deal, or an innovation.

This is not a reflection of Delray's economic substance. Delray Beach has 708 professional services firms, 70 identified technology tenants, a $170 million software exit, two corporate-family headquarters relocations, $208 million in annual visitor spend, and the most walkable downtown in Palm Beach County. The substance is there but the right story is not being told. The visibility gap between what Delray Beach actually is and how it appears where business-location decisions are influenced is the single largest unaddressed strategic problem this engagement has identified.

The Three Competitors

Boca Raton: The Institutional Heavyweight

Boca Raton plays a different game at a different scale. It has roughly twelve times the office inventory Delray does, 17.6 percent office vacancy against Delray's approximately ten percent, FAU and the Boca Raton Innovation Campus, a materially higher median household income, deeper bachelor's attainment, the Business Facilities 2025 Impact Award, and a Site Selection Magazine top ranking. Boca's incentive policy excludes retail, restaurants, and firms below defined thresholds. The boutique firm, the twelve-person consulting shop, the founder who wants walkability over a corporate campus, the creator who needs a production studio with a restaurant downstairs, sit outside Boca's stated targets by policy. Boca's downtown referendum did not pass, which the analysis suggests constrains Boca's downtown model for the near-to-medium term. On the downtown-walkability dimension, Delray currently offers what Boca does not.

West Palm Beach: Wall Street South

West Palm Beach is operating at a scale and price point Delray is not competing for. ServiceNow's announced expansion brought 850 jobs at approximately $170,000 average wages against a reported $17 million combined incentive package. CBD office inventory runs roughly four times the size of Delray's and materially more expensive at the top end. Related Companies is advancing the CityPlace redevelopment with a $772 million construction loan, and a finance cluster including Goldman Sachs, Citadel, Point72, and Elliott Management is forming. The strategic implication for Delray is not to compete with West Palm. It is to position Delray as the lifestyle alternative for talent West Palm's employers are hiring. The analysis suggests a portion of high-wage West Palm employees would prefer to live in a walkable downtown, and Delray offers that.

Boynton Beach and the County BDB

Boynton Beach is not competing for the same deals as Delray. Its CRA has been more aggressive on land assemblage and multifamily TIF, and it competes for the price-sensitive household migration Delray prices out. Its relevance is as a benchmark for CRA activity and as the northern boundary of Delray's regional labor market. The Palm Beach County Business Development Board is a primary channel for county-level trade press, site-selector relationships, and state incentive coordination that individual municipalities do not typically reach alone. Delray should operate a dual track: direct relationships with media and state-level influencers, and packaging Delray's boutique-firm wins as feeder deals into the BDB ecosystem that demonstrate the county's depth beyond Boca's campuses and West Palm's finance anchors.

The Visibility Gap

The visibility audit tested how Delray Beach appears across five categories of discovery channels, and the findings are consistent and severe. In search, Delray does not appear in the top ten results for any of the five most relevant economic development queries, and because the major AI search platforms draw from the same indexed corpus, Delray's absence from Google's top results means it is usually absent from AI search as well. In trade press, Delray does not appear in Site Selection Magazine, Area Development, Business Facilities, or fDi Intelligence in any flagship editorial context, while Boca and West Palm both received national recognition. In media, the South Florida Business Journal covers Delray mainly through real estate transactions and the Palm Beach Post skews to lifestyle and dining, with the twenty-five-to-one Refresh Miami gap the starkest measure. In social media, Delray content is essentially all lifestyle and tourism, with zero business or innovation content in the top results.

The Delray Paradox

Delray Beach is not losing prospects because the product is weak. The product is strong. DigitalBridge and Vertical Bridge chose Delray over alternatives, and HOERBIGER chose the immediate area, and the migration data shows people discovering and choosing Delray at rates that produced double-digit population growth over five years. The most important observation is that Delray is winning despite being invisible. The question is how much faster it could win if it were visible, and the risk is what happens when the organic discovery pipeline slows, as the IRS data shows it already is, with no institutional visibility to replace it.

The Unclaimed Lane

The Phase 2 competitive and visibility audit found no Palm Beach County peer jurisdiction explicitly marketing to the five-to-fifty-employee, founder-led, high-touch firm segment in a sustained way. Boca is organized around corporate headquarters and excludes small firms by policy. West Palm is organized around anchor tenants and finance clusters. Boynton competes on price. Within the scope of the audit, no peer city is running sustained outreach to the founder who wants to run a twelve-person firm from a walkable downtown, or to the boutique wealth-management firm, the creative agency, the digital health startup, the hospitality management company, or the AI-enabled operator whose entire firm fits in three desks with gigabit internet and a restaurant within walking distance. The February 9, 2026 Commission workshop added AI to the record as a distinct target category, which sharpens the lane: not "tech" in the abstract, but the AI-enabled operator whose configuration fits Delray's physical footprint. The evidence indicates this is Delray's lane to own. It is not a consolation prize for being unable to compete with Boca or West Palm; it is a market position supported by the firms already operating in Delray and worth testing against sustained outreach.

The field work surfaced a second dimension: the boutique founder-led lane is not being pursued by peer cities per the audit, but the corridor inventory that houses the lane inside Delray is under

pressure. Congress Avenue carries the largest identifiable inventory of adaptable commercial, industrial, flex, and maker space in the city, and the analysis indicates the cumulative pattern of documented MROC-to-SAD rezonings (Alexan Delray, Parks at Delray, Delray Central), applicable nonconformity provisions in LDR §1.3.4(B)(2)(a), state housing law, and county density incentives is reducing that inventory. The competitive question therefore has two parts: outpositioning peer jurisdictions on the boutique lane, and preserving the corridor inventory the lane occupies. Story 5 documents the corridor and the Playbook frames the recommended next actions.

The Proof of Concept: The Relocations Nobody Pushed

The strongest evidence that Delray's competitive position works is that it has already produced results without an organized strategy. Two corporate relocations and one local exit make the point, and it is worth being precise about what each one is.

DigitalBridge and Vertical Bridge

DigitalBridge relocated its corporate headquarters from Boca Raton to Sundy Village downtown, anchoring 79,141 square feet, and its subsidiary Vertical Bridge relocated with it into 38,474 square feet, a combined 117,615 square foot footprint at Sundy Village. Because the two are parent and subsidiary that moved together, this is one corporate-family relocation rather than two independent deals, and it should be counted that way. DigitalBridge cited the downtown's nearby retail and dining as central to the decision, and Ron Bizick, Vertical Bridge CEO, framed it around investing in people and talent. This was a Boca-to-Delray migration driven by lifestyle and talent, not incentives, and it was developer-driven, with Pebb Capital building Sundy Village to attract this class of tenant.

HOERBIGER

HOERBIGER Corporation of America established a North American operation in unincorporated Palm Beach County west of the city, near State Road 7. Exact function, footprint, and headquarters characterization are for the city to confirm. As currently characterized in public reporting, a Swiss industrial parent selecting the Delray market for a continental operation is a proof point for the lifestyle-driven relocation pathway, even though the site sits just outside the city limits; final characterization is for the city to confirm.

Corellium

Corellium, the Delray-headquartered Arm-virtualization platform, was acquired by Cellebrite for an enterprise value of $170 million in 2025. It is not a relocation but a local exit, and it proves something different, that Delray can grow a company worth acquiring. The honest caveat, developed in Story 2, is that the acquisition closed with layoffs and relocated the leadership to the acquirer outside Florida, so Corellium's value to the competitive story is as evidence of formation capacity and the next cohort of founders, not as a durable local anchor.

What These Wins Have in Common

They chose Delray for talent, lifestyle, and convenience, not for tax incentives. The relocations are mid-to-large footprint operations that fit Delray's office sweet spot, and both the corporate family and HOERBIGER are knowledge-economy or engineering-services firms whose employees value the environment the area provides. Both chose the Delray area over alternatives that included Boca Raton. And neither has been pushed into the publications site selectors read. The DigitalBridge and Vertical Bridge story appeared in real estate and trade outlets as a transaction, not in Site Selection Magazine, Business Facilities, or Refresh Miami as an economic development success. These are the publications where the next prospect learns about Delray, and Delray is not in them.

What This Means for the Strategy

Stop competing where you cannot win. Delray should not chase corporate headquarters at Boca's scale. Every dollar spent pursuing a 500-employee anchor that will choose Boca or West Palm is a dollar not spent converting the next DigitalBridge.

Own the lane the audit identifies as unpursued, and preserve the land it needs. Per the Phase 2 visibility audit, no Palm Beach County peer city is running sustained outreach to the boutique founder-led lane. The firms that fit it are, per national industry sources, the fastest-growing segment of professional services. Owning the lane also means preserving the Congress corridor inventory the lane depends on.

Tell the story with discipline. The DigitalBridge and Vertical Bridge relocation and the nearby HOERBIGER investment are the working case studies, and a targeted twelve-month trade-press program pushing these wins into Site Selection Magazine, Business Facilities, Area Development, and Refresh Miami should close a meaningful portion of the editorial gap identified in the Phase 2 audit. Public comment at the February 9, 2026 Commission workshop pointed to Barron's as an appropriate outlet for the wealth-management lane; the plan adopts that as one placement channel. A sustained LinkedIn B2B channel would be an economic-development content presence in a segment the visibility audit found unaddressed by peer cities.

Leverage proximity instead of competing with it. Boca's FAU is fifteen minutes south, West Palm's finance workforce needs a place to live, and the BDB's national reach can carry Delray's story into channels the city cannot access alone. The relationship with each competitor is symbiotic as long as Delray is clear about what it is and is not competing for.

Bottom Line

Delray Beach has a competitive position that is defensible on the record and supported by actual corporate relocation decisions. What the Phase 2 audit indicates it lacks is visibility, and what the field work indicates it is losing is the corridor inventory the position depends on. The 25-to-1 editorial gap, the absence from search and site-selection publications, the underplayed story of the relocations, and the corridor inventory dynamic on Congress together represent the most concentrated opportunity and the most concentrated risk this plan identifies. Fixing the visibility gap is faster, cheaper, and higher-leverage than most marketing interventions. Preserving the corridor is the structural work that accompanies it.

Story 5 turns that lane into a land decision, mapping the Congress corridor the boutique economy depends on and the residential wave now consuming it.

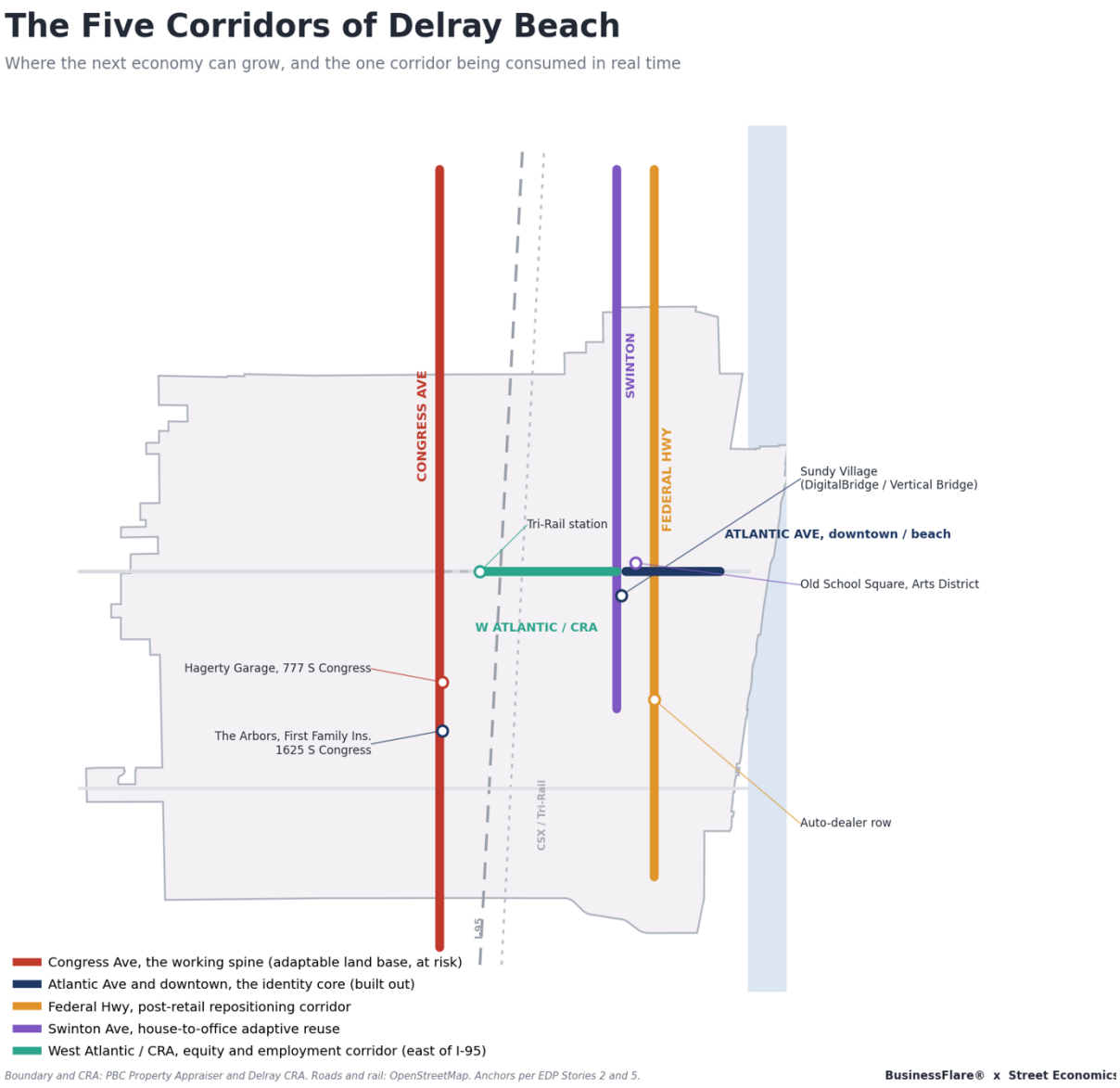
Sources

Phase 2 Competitive Intelligence: Boca Raton (myboca.us, BDB, BRIC), West Palm Beach (DDA, Related Companies, Commercial Observer), Boynton Beach (CRA), Palm Beach County BDB. Visibility Audit across Google Search, Refresh Miami, SFBJ, Palm Beach Post, Commercial Observer, Business Facilities, Site Selection Magazine, Area Development, fDi Intelligence, and social platforms. Cushman & Wakefield Q4 2025 Palm Beach County Office Report. Census QuickFacts 2024.

DigitalBridge, Vertical Bridge, and Corellium facts verified against public reporting (2024 to 2025). DigitalBridge and Vertical Bridge relocated together from Boca Raton to Sundy Village as parent and subsidiary; Corellium acquired by Cellebrite for $170 million, closed December 2025. HOERBIGER figures for the city to confirm.

Story 5: Where the Opportunities Are

The Five Corridors, the Congress Land Base, and the Wave That Is Consuming It



The Inventory Nobody Has Seen

One of the most common assumptions about Delray Beach is that it is built out with nowhere for new businesses to go. The property data tells a different story. Across the city's 78,578 parcels and $49.9 billion in total market value, the economic development inventory is significant and largely unorganized.

Category	Properties	CoStar Status	Timeframe
Move-In Ready	155	Active listings	Now
Repositioning Pipeline	36	No active listings	12 to 24 months
Redevelopment / Vacant	46	Vacant or for sale	24 to 60 months

One hundred fifty-five properties have active for-lease listings right now. A prospect could sign a lease and move in. That number matters most for the immediate strategy because it represents the supply that can absorb demand without waiting for construction, rezoning, or redevelopment. But the inventory is not static, and on the corridor that matters most it is shrinking. The field work that produced this draft established that the Congress Avenue corridor, the place this plan counts on to house the next economy, is being converted to residential faster than it is being preserved for economic use. The inventory above is the supply the strategy can still reach. The Congress section below is the reason that supply cannot be taken for granted.

Congress Avenue: The Working Spine of the Next Economy, and the Wave Consuming It

Congress Avenue is the most important corridor in this plan. It is the one stretch of the city with the land, the depth, and the warehouse, flex, and aging office stock to house the boutique firms, makers, and creative agencies the targeting work identified. It is also being transformed, and not in the direction the economy needs. Field verification in June 2026, beginning with aerial reconnaissance and confirmed against a property-level CoStar inventory, established that Congress is being converted to residential, parcel by parcel, faster than the City is protecting the economic capacity the corridor holds.

The Wave, Documented

The CoStar multifamily inventory identifies roughly thirty multifamily and mixed-use properties along the corridor, a mix of existing, under construction, and recently approved. The scale is significant. Alton Delray carries 154 units identified as affordable in the CoStar record. Alexan Delray, a 267-unit project, includes approximately 54 workforce-priced units under a Palm Beach County density-bonus condition written into its Special Activities District approval; CoStar tracks these as market rate, so the workforce component is not visible without the underlying approval record. Additional projects include a five-story building with a structured parking deck near the south end of the corridor, a development near the historic train station, and a Live Local project that recently broke ground. Individual project unit counts remain for the city to confirm and are aggregated in the companion Congress multifamily workbook.

What makes this wave consequential for economic development is not the housing itself. It is that the housing is feasible where the data said it should not be. These projects are delivering at three to five stories within the corridor's height limits, and they are penciling, which in a punishing multifamily market means the economics, the regulations, and the public subsidy programs have aligned to make residential the highest and best use of this land. Three programs are doing that work: Live Local, the 2023 state law that grants a tax exemption in exchange for a forty-percent workforce set-aside; the Palm Beach County workforce housing program, which grants density bonuses for a ten-percent set-aside on projects of ten or more units; and the City's own Special Activities District process.

The Pattern: MROC-to-SAD Rezonings

The record identifies a pattern of MROC-to-SAD rezonings associated with projects including Alexan Delray, Parks at Delray, and Delray Central. The Special Activities District functions as a planned-development equivalent: a rezoning paired with a site plan, in which the developer proposes setbacks, parking ratios, and height, subject to technical review, the Planning and Zoning Board, and a City Commission vote. The economic-development question is not the use of SAD itself; SAD is a legitimate discretionary tool. The question is whether the cumulative pattern of MROC-to-SAD rezonings is reducing the corridor's inventory of adaptable commercial, industrial, flex, maker, and employment-supporting space.

The corridor's underlying MROC and CMU designations compound the pressure. Standalone industrial and commercial uses that predate these designations exist as legal nonconformities. Under LDR §1.3.4(B)(2)(a) - subject to City confirmation of current text - a nonconforming use in a structure that is discontinued for 180 days loses its status, and a nonconforming use on land only loses status after 30 days. The analysis indicates this converts a routine tenant transition into a permanent loss of the ability to re-tenant with the same use, and it leaves residential redevelopment as the more predictable path. The regulation intended to diversify the corridor may be favoring conversion to a single use.

Every LDR citation, current code text, and legal interpretation in this section is subject to City confirmation.

Why This Is the Decision That Governs the Plan

Congress carries the largest identifiable inventory of adaptable commercial, industrial, flex, maker, and employment-supporting space in the city, per the Story 5 property inventory. Atlantic is essentially built out. Federal, the Placer analysis below indicates, has been assigned by the market to a different role. Downtown is the identity core and does not have equivalent adaptable inventory at scale. If the corridor's adaptable inventory continues to convert to residential without an equivalent replacement path, the corridor's capacity to house the target economy diminishes accordingly. The land is the physical basis for most of the target sectors the plan identifies.

The conventional answer to losing an industrial tenant is business retention, keeping the specific manufacturer with its thirty jobs from leaving. That framing is too small for what Congress requires. The unit worth retaining is not the user but the use, and the space that houses it. When a manufacturing or commerce bay on Congress goes dark, the economic development objective is to keep that bay in productive economic use even if re-tenanting takes a year or more, rather than watch it convert to residential the moment it qualifies. This shifts retention from an account-management function aimed at individual firms to a land-stewardship function aimed at preserving the corridor's economic capacity. It also keeps the argument inside the economic development conversation, where it belongs, rather than the land-use regulatory conversation, where it stalls.

Live Local deserves specific attention. Subject to City confirmation of state authority, a 40 percent workforce set-aside for a defined term pairs with a tax exemption that makes the project's residential program financially viable at the required density. The analysis suggests Live Local projects on the corridor are optimized around that exemption and land use. Preserving the corridor's adaptable economic capacity will require the City to map exactly where Live Local preempts local control, what conditions the City can still attach to a qualifying project, and on which corridor sites the City wishes to consider such conditioning.

A Forward Question, Not a Recommendation

One question the team is carrying without a conclusion is whether the residential already arriving on Congress creates the conditions for a genuine mixed-use activity center at one or two nodes rather than a continuous residential strip. The intersection of Atlantic and Congress, with its large institutional parcels and the unusual depth between the roadway and the rail corridor, and the area near the historic train station, are the candidate locations. The idea is to investigate whether placemaking could turn a portion of the corridor into a real neighborhood that pairs housing with the job-supporting uses the plan needs, rather than letting residential consume the corridor wholesale. This is an investigation, not a recommendation, and it does not change the protection imperative above.

What Already Works on Congress

The corridor's existing economic tenants remain the proof that Congress works as an economic address. Hagerty Garage and Social anchors 58,000 square feet at 777 S Congress as a classic-car members club operated by the publicly traded collector-insurance company. Kimley-Horn, Pinnacle Financial Services, and the creative agency Fractl operate along the corridor. The Arbors building at 1625 S Congress is more than ninety-six percent leased, with First Family Insurance holding an entire floor through 2034. The warehouse and flex stock, roughly thirty-two parcels across seventy-eight acres built between 1979 and 2002, is the raw material for the flex-to-office and warehouse-to-creative conversions the target economy needs, if that material is still standing when the strategy is ready to use it.

The Intervention and the Regulatory Package

The intervention on Congress is protection first, marketing second. The City should evaluate whether to modernize the regulatory framework so that economic uses can be sustained and expanded on the corridor, how the SAD approval process should treat proposed conversions of adaptable commercial and industrial capacity, and how the City can operate within Live Local Act authority.

The project team's July 2026 land-use and regulatory analysis developed seven mechanism-by-mechanism recommendations, carried in detail in Story 6 and summarized here: recalibrate MROC (LDR §4.4.29) with subarea-specific standards for the Tri-Rail station area, transitional spine, and northern industrial anchor; fold the SAD flexibilities that Alexan, Delray Central, and Alton each required into the MROC base so a workable project does not need a rezoning; protect existing light-industrial via a subdistrict, overlay, or MROC text amendment so preserving a legal use does not require a FLUM amendment and rezoning that runs about $11,550 per owner; establish the Commission practice, subject to case-by-case discretion and applicable law, of considering economic-use retention findings on Congress corridor SAD applications; evaluate restructuring the 180-day discontinuance clock in LDR §1.3.4(B)(2)(a) as it applies in MROC; adopt a graduated MROC workforce housing bonus schedule so developers can compute the workforce benefit at pre-acquisition without needing an SAD rezoning; and allow predominantly or 100 percent residential in defined MROC subareas where the land base does not have to be preserved, keeping the mixed-use requirement in the employment subareas where it does. Every citation is subject to City confirmation. A prior Commission rezoning hearing produced direction that the corridor's condition warrants staff attention, and the 2023 Congress Avenue Strategies Plan produced recommendations that remain in various stages of implementation.

The regulatory analysis is defensible and specific. Story 6 is the primary technical home. Story 5's role is to identify where the corridor's opportunity sits; Story 6's role is to specify the pathways the City can evaluate. The stock exists, the tenants demonstrate the market, and the code text will need to be evaluated for adjustment. Restructuring the discontinuance clock and adopting the graduated MROC workforce bonus schedule are the first two moves and require primarily drafting and evaluation time.

Atlantic Avenue and Downtown: The Identity Core

Atlantic Avenue carries 211 economic-development-relevant parcels, only fourteen acres of vacant land, and $1.16 billion in market value. It is essentially built out, and economic development here is about upgrading what exists rather than adding inventory. There are roughly forty-seven active listings, most of them small spaces. The largest single Class A availability downtown is the Sundy Village office building. Its current occupancy and any sublease availability should be confirmed directly with the broker, since the corporate relocation that anchored it has now completed and the availability picture has shifted from the original lease. Atlantic Crossing, the nine-acre mixed-use project at Federal Highway and East Atlantic, adds to that picture. Together with Sundy Village it brings new Class A office to a downtown that has long lacked large contiguous floorplates, roughly

83,000 square feet on 20,000-square-foot floors, alongside retail, restaurants, and residential, with space available now. The two deliveries are proof the downtown core is still producing the kind of space the target economy occupies, which is why downtown remains the identity anchor of this plan even as the primary growth opportunity sits on Congress. The 600 block of West Atlantic shows almost no marketed inventory, and the stretch is now out for RFP, which will set the trajectory of that corridor for the next decade. The intervention is better matching of existing space to target tenants, a concierge function for upper-floor vacancies, and strategic decisions on the CRA-controlled West Atlantic parcels.

Federal Highway: The Post-Retail Repositioning Corridor

Federal Highway carries 110 economic-development-relevant parcels, 216 acres, and $580 million in market value, with nineteen auto dealerships consuming roughly 176 acres of frontage and twenty-nine active non-auto listings. The stock is aging, median year built 1978. The corridor is what a suburban Florida highway becomes after four decades of car-oriented, drive-by retail development. That is not a criticism. That is the diagnosis that determines what the corridor can and cannot do next.

The auto dealerships are the long play. Schumacher Auto Group alone sits on nearly fourteen acres. Garber Delray, built in 1966 with improvement value approaching land value, and 3000 S Federal, built in 1986 with improvement value near half of land value, are aging sites where redevelopment will eventually pencil, but not in the next two years. Over a decade, they become the sites that determine whether Federal Highway remains an auto corridor or transitions into something else. The transition is not to more retail. The transition is what the Placer.ai analysis of the Walmart at 3625 Federal Highway in Boynton Beach makes empirically clear.

The Walmart Data: The Retail Question Is Settled, and Delray Has Already Lost It

The Walmart Neighborhood Market at 3625 Federal Highway in Boynton Beach, just north of the Delray city line, captures 251,300 annual visits from Delray residents. That is 23.5 percent of the store's total traffic, coming from Delray ZIP codes 33444, 33483, and 33445. Combined with the host Boynton ZIP 33435, the top four visitor ZIP codes generate more than sixty percent of the store's 1.1 million annual visits. The trade area is neighborhood-scale, with approximately half of visits within two miles and three-quarters within five. The customer base is 90.6 percent loyal, with an average of 5.52 visits per visitor per year. This is habitual shopping, not marginal traffic, and it is not coming back to Federal Highway in Delray under any plausible retail attraction program.

The cross-shop pattern with Federal Highway in Delray is exclusively deep-discount, fast food, and medical office. The Delray Federal properties that appear in the Walmart's Prior and Post cross-shop list are North Delray Commons at 555 NE 5th Avenue, Goodwill on North Federal, Dollar Tree on North Federal, American Care Medical Center on North Federal, and Dunkin' on North Federal. Zero boutique retail. Zero destination dining. Zero specialty. The corridor's revealed retail pattern is value-oriented, price-sensitive, and interchangeable with any comparable stretch of suburban highway. Adding more retail on Federal Highway competes with the Dollar Tree and the Goodwill for the same customer, and expanding the same low-margin, low-wage retail category the corridor already has too much of is not economic development. It is retail infill of the wrong kind.

The Reframe: Federal Is Not a Retail Corridor

The intervention on Federal Highway is not to attract retail. It is to reframe the corridor around three connected moves: professional services in the vacant commercial stock, higher-value residential targeted at professional services talent attraction, and selective independent dining that can work outside the downtown core. Each move is grounded in what the Placer data actually shows the corridor's traffic already does.

Move one: professional services in the aging office and flex stock. The Walmart cross-shop shows one Delray Federal property that is neither discount retail nor fast food, American Care Medical Center on North Federal. Medical office works on this corridor because it does not require walkability, does not require destination appeal, and does not require premium retail context. The same is true of boutique wealth management back-office operations, insurance agencies, boutique law and accounting firms, and five-to-fifty employee professional services firms of every stripe. These uses can occupy the 1970s-vintage commercial stock that will not convert successfully to retail. They bring the exact firm-size profile Delray's competitive position is built around. They generate quality jobs the generational strategy depends on. And they do not compete with Atlantic Avenue's downtown identity because they are not trying to.

Move two: residential targeted at professional services talent attraction. This is not the higher-density multifamily wave Congress is already absorbing. Federal's residential opportunity is higher-value, higher-income for-sale and for-rent product aimed at the professional services workforce Delray needs to attract, and at the higher-income workforce that already works in West Palm Beach and Boca Raton but wants to live in a real place with real amenities and the walkable, cultural, boutique-coastal lifestyle Delray delivers and its neighbors do not. Boca offers corporate campuses and gated communities. West Palm offers institutional Wall Street density. Neither offers the mix of scale, character, and downtown vitality Delray does. Federal is the corridor where the residential product that captures that regional talent flow can be built, near the professional services workforce move one attracts, close enough to Atlantic Avenue and the beach to deliver on the lifestyle promise, and priced to sustain the tax base and the amenity ecosystem the strategy depends on.

Move three: selective independent dining. The Placer cross-shop shows the corridor's current dining pattern is entirely quick-service restaurant (QSR), McDonald's, Taco Bell, Dunkin'. That is transient traffic dining, not destination dining. The opportunity is not to add more QSR. The opportunity is that Federal Highway in Delray currently has zero destination dining infrastructure, no independent restaurants, no chef-driven concepts, no neighborhood third-place venues, despite sitting in a market with proven visitor economy demand of $208 million annually. Two to four independent operators, sited to serve the residential mass emerging from housing infill and the professional services workforce brought by move one, can work on this corridor in a way that a general dining district cannot. This is a permission slip for specific operators, not a corridor-wide dining strategy.

What the Corridor Is Not, and How to Be Ready When Retail Shows Up Anyway

The corridor is not a retail attraction target, a downtown extension, or a mixed-use main street. The City should stop positioning Federal in that language and stop putting recruitment effort behind retail attraction on this corridor. That said, entrepreneurial retail will occasionally see Federal as a place it can succeed. Those entrepreneurs are not the kind a business recruitment program can find or attract. They will show up on their own, an independent operator, a founder with a specific concept, a chef who sees the corridor as an opening. The City's job is to be ready when they do, with high-touch, customer-service permitting and concierge support that treats those inquiries with the same seriousness the boutique-firm relocations get. The corridor's proactive economic development effort should be organized around the three moves above. The reactive posture should be a readiness to move quickly when the right entrepreneurial retail shows up on its own.

The Decision the City Needs to Make

The City needs to decide whether to explicitly reframe Federal Highway in the City's economic development messaging, incentive framework, and CRA activity around the three-move strategy above, and to stop marketing the corridor as a retail attraction target. This is a policy choice, not just a marketing choice. It affects what the City's Office of Economic Development (OED) represents to prospects, and what regulatory adjustments make sense, for example permitting adjustments that make it easier to convert aging retail to office or live-work, rather than continuing to entitle sites for retail the market will not absorb at the economic development quality level.

Swinton Avenue: The Adaptive Reuse Story

Swinton carries thirty-four relevant parcels, eight acres, and $51 million in market value, with a median year built of 1937. It is the oldest commercial stock in the city and already functions as the proof of concept for house-to-office adaptive reuse, with seven single-family homes on commercial zoning clustered along North Swinton, all in the CRA and all pre-1950, alongside a dozen small office buildings. None of these properties are currently listed. This is a character-based, relationship-based strategy rather than a market opportunity: identify the owners, share the vision, remove the code barriers to live-work and office conversion, and support owners who want to convert with concierge permitting and CRA facade grants.

West Atlantic Corridor (CRA): The Equity, Employment, and Entrepreneurship Corridor

The West Atlantic corridor as the CRA defines it runs from Swinton Avenue west toward I-95. The CRA district boundary ends before I-95, and the Community Redevelopment Agency does not operate west of the interstate. The confusion between West Atlantic and west of I-95 is worth naming. They are not the same thing. West Atlantic is the corridor within the CRA district, defined by district boundary, not by the highway. The CRA corridor includes the walkable, downtown-adjacent 600-through-1100 blocks east of I-95; the industrial and commercial land west of I-95 out to Congress lies outside the CRA and is a City concern.

East of I-95, the corridor is where the City and CRA have the most direct tools. The 600 block of West Atlantic is out for RFP, so the use mix there is an open question the procurement will resolve rather than a decision already made. A grocer concept that would address an amenity gap residents have raised for years has moved to the 800 block. The plan does not presume the 600-block outcome, which the RFP will weigh between community-serving retail and higher-value economic development uses such as maker space, creator hub, workforce-priced mixed-use development, or professional services conversion.

West of I-95, the strongest nearby signal is HOERBIGER's new 200,000 SF North American manufacturing campus at 9888 West Atlantic Avenue, which is being built just west of the city in unincorporated Palm Beach County. The campus adds approximately 400 jobs in traded-sector industrial and engineering work, and it represents the kind of use the West Atlantic area west of I-95 can plausibly attract at scale: land-consumptive, employment-generating, commercial and light-industrial firms that need footprint the downtown corridors cannot provide. Because this geography sits outside the Community Redevelopment Agency's boundary, the strategy there is for the City to protect the sites that can accommodate mid-size industrial and commercial employers so the next HOERBIGER-scale deal has somewhere to land.

In the West Atlantic area, on the residential fabric south of Atlantic, the SW 8th, 11th, and 12th Avenue clusters (14 single-family homes on commercial zoning, mostly 1950s vintage, mostly under $250,000 in market value) represent the West Atlantic equity and entrepreneurship geography the CRA is already investing in. These are micro-opportunities for incubator, creator, workshop, and live-work conversions that serve the equity mission and the economic development mission

simultaneously. A larger assembled site west of I-95 could be a transformative candidate, subject to a willing owner.

The intervention: The 600 block is out for RFP, and its outcome will shape the corridor's identity for the next ten years. West of I-95, the HOERBIGER commitment establishes a template that the City's OED should be actively working to replicate, identifying the next two to three sites that can accommodate 100,000-to-300,000 SF traded-sector users, engaging property owners now, and pre-negotiating the entitlement pathways so those deals do not have to be improvised when a prospect calls. The single-family home (SFH) clusters in the CRA residential fabric are the equity-and-entrepreneurship layer that runs in parallel, small footprint, high touch, relationship-based, and CRA-supported through facade grants and tenant improvement (TI) assistance.

The 600 block of West Atlantic is out for RFP, so no use decision has been made there yet; the procurement will determine the outcome. What remains for the City is whether to fund its targeting work west of I-95 to replicate the HOERBIGER pattern proactively rather than reactively. The plan does not presume the 600-block outcome and asks the Commission to weigh the west-of-I-95 question in the open.

West of I-95: Wallace Drive, Linton, and Military Trail

This includes the shopping centers along West Linton Boulevard and South Congress and the mixed commercial and flex space along Military Trail.

The strategic frame for this geography is well established. The City has historically concentrated east of I-95, with Congress the main exception, and the aging retail corridors there are candidates for office and service uses as retail contracts. The disciplined read is to act on what exists now rather than speculate on future conversion. Wallace Drive is actionable now, and Military Trail together with the Linton and South Congress centers are the watch list the City should define with real inventory rather than assume.

Five single-family homes on industrial zoning along Wallace Drive are the most actionable near-term opportunity in this geography. These parcels could become workshop, maker, or small production spaces at low cost, the exact adaptive reuse pattern that Wynwood, LA's Arts District, and similar creative-economy geographies were built on. Small footprint, low entry cost, relationship-based conversions.

The larger sites west of I-95 are two underperforming shopping centers, one on West Linton and one on South Congress, the kind of properties where a coworking anchor, a maker hub, or a creator studio could theoretically catalyze a repositioning. Shopping center redevelopment is slower, more expensive, and more complex than planners hope. We should identify these candidates without overselling the timeline. The realistic version is a 5-to-10 year horizon during which one or two of these sites become the local anchor for their surrounding neighborhood, and the rest continue to operate as marginal retail.

The intervention: Wallace Drive is a candidate for immediate City outreach to the five property owners. The shopping centers are a longer-horizon watch list. The OED should know who owns each property, what the current tenant mix looks like, and what would have to change in the market for a repositioning to become financially feasible. The Military Trail commercial and flex space is where the aging inventory typical of 1970s and 1980s suburban development is most concentrated. This is the geography where the professional services conversion play from Federal Highway can potentially extend, smaller-scale, lower-visibility, but real.

The Single-Family Conversion Play, Kept Quiet

Ninety-three single-family homes sit on commercially or industrially zoned land across Delray Beach, covering 22.6 acres with $64.5 million in market value, in clusters along North Swinton, SE 1st Avenue, NE 1st and 3rd Avenues, Wallace Drive, and the SW 8th, 11th, and 12th Avenue corridors, plus a single larger parcel. None are currently listed. These are not market opportunities and they are not a headline. They are a quiet, owner-led, relationship-based play, and they should be handled that way. The operative code question, whether these homes can convert to office, live-work, incubator, or creator use by right or whether each requires a quasi-judicial hearing, is addressed by the project team's July 2026 land-use analysis. The recommended pathway is a new LDR provision, a "Residential-Scale Commercial Conversion / Adaptive Reuse of Existing Dwelling" section creating an administrative-approval path for low-impact office, studio, professional, maker, artisan, and limited live-work uses, with no additional parking requirement where the building is not enlarged and customer activity is limited. Higher-impact uses (restaurants, medical, assembly, automotive) remain on conventional site-plan and conditional use permit (CUP) review. Story 6 carries the full recommendation. Adoption is subject to City review. The pathway would enable the 93-SFH pool without a hearing per property, but converting houses to offices reads to residents as commercial encroachment, so the play stays low-volume and owner-initiated, not promoted from a podium. The underlying future land use designation is for the city to confirm.

The Building Stock Reality

The commercial building stock in Delray Beach has a median year built of 1975. Seventy-two percent of commercial buildings are pre-1990, and only eight percent have been built since 2010. This aging stock is simultaneously a constraint and an opportunity. Older buildings often do not meet current code, lack modern systems, and require significant capital before a contemporary office, creative, or tech use can occupy them. But older buildings are also cheaper than new construction, and a 1980 flex building at the low end of the corridor's rent range is accessible to a startup founder in a way that new Class A is not. The adaptive reuse of aging commercial stock is how Wynwood, the Arts District in Los Angeles, and the Meatpacking District in New York created the creative and tech economies that now define them. Delray's aging Congress stock is the raw material for the same evolution, but only if the regulatory framework lets it survive long enough to be reused rather than converting it to residential first.

Bottom Line

Delray Beach is not built out. It has 155 move-in-ready properties, 36 repositioning candidates, 46 redevelopment sites, and 93 single-family homes on commercial zoning that could become the next generation of boutique offices, creator studios, and incubator spaces. The capacity exists. But the most important corridor in the plan is being consumed in real time. The Congress Avenue land base, the only stretch of the city with room for the industrial, commerce, maker, and boutique-firm economy the plan is built to grow, is converting to residential through the Special Activities District process faster than the City is protecting it, and the corridor's own future land use is accelerating the loss by stranding the economic uses it was meant to diversify. Federal Highway is a separate story. The market has already assigned that corridor a role that is not retail expansion, and the plan should stop pretending otherwise. West Atlantic east of I-95 is a conversation for the City and CRA together; the geography west of I-95 is a City conversation whose decisions this year will shape the next decade. The question is no longer whether the inventory exists to house the target economy. It is whether the City will protect the one corridor that can, before the land is gone. Story 6 documents the regulatory specifics, and the Playbook frames the decision.

Sources and Methodology

Palm Beach County Property Appraiser, parcel-level data filtered to the City of Delray Beach (78,578 parcels). Property use classifications, acreage, assessed and market values, year built, owner information, and CRA designation.

CoStar Suite, property-level data for Delray Beach. Office, retail, industrial and flex, multifamily, and land properties with availability, asking rents, vacancy, tenant information, and transaction history.

CoStar Congress multifamily inventory, June 2026. Property-level pull of existing, under-construction, and proposed multifamily and mixed-use along the Congress Avenue corridor, documented in the companion workbook DelrayCongressMultifamily_Inventory.xlsx, with verification status flagged per property. Named-project unit counts and the 2300 S Congress development are pending City of Delray Beach project-pipeline confirmation.

Placer.ai Property Report, Walmart Supercenter #5911, 3625 Federal Highway, Boynton Beach FL 33435. Trailing twelve months August 2025 to July 2026. Reports referenced: Overview, Trade Area (Home Location origin by ZIP, Trade Area Coverage by Distance, Trade Area Overlap), Loyalty (Loyal vs Casual, Visit Frequency), Visitor Journey (Prior/Post Compare). Companion memo DelrayNFederalWalmart_Analysis.docx documents the full property analysis.

Corridor field verification, June 2026. Aerial reconnaissance and ground review of the Congress Avenue corridor establishing the multifamily delivery pattern and the conversion dynamic described above.

Cushman & Wakefield, Q4 2025 Palm Beach County Office Market Report. Market-level office statistics for Delray Beach, Boca Raton, and the West Palm Beach CBD.

Story 6: What's in the Way - The Regulatory Package

The Regulatory Barriers Now Documented, and the Path Through Them

How to Read This Story

The first five stories established what Delray Beach has: the economy it already runs, the migration shaping it, the visitor economy that funds it, the competitive lane it can own, and the corridors where the next economy can grow. This story is about what stands in the way of acting on any of it, and about the specific regulatory moves the City has to make so it can.

Two of these investigations were settled by the June 2026 field verification. Six more, including the lead corridor-protection question, are addressed by the project team's July 2026 land-use and regulatory analysis. The remaining open items are procedural, not analytic, and are named honestly at the end. The Land Development Regulation citations, timeline windows, and cost figures in this story all trace to the project team's line-by-line reading of the current LDRs against the target uses this plan proposes.

Investigation Topic	Status	Headline
Zoning and Land Use	Documented	SAD conversion, the CMU/MROC nonconformity clock, and the 180-day discontinuance rule are consuming the Congress economic land base
Housing / Workforce Pipeline	Documented	The market is producing workforce-priced housing on Congress; the open question is protecting commerce land from it
Corridor Protection Toolkit	Analyzed	Seven mechanism-by-mechanism recommendations, with LDR citations and Commission-ready framing
CBD Target-Use Entitlement	Analyzed	LDR §4.4.13 amendments needed to permit food halls, maker spaces, studios, incubators, hybrid uses
SFH Adaptive Reuse	Analyzed	A new "Residential-Scale Commercial Conversion" LDR provision unlocks the 93 SFH play
Parking	Analyzed	Binding constraint on both target sites; specific relief mechanisms defined
Historic Preservation	Analyzed	No target properties overlap HPB jurisdiction; not a barrier for this plan
Workforce Housing / MROC	Analyzed	Graduated MROC workforce bonus schedule replaces SAD-as-bypass; addresses Live Local pressure

Permitting and Concierge	Open	Can the City deliver on a concierge promise over departments it does not control?
West Atlantic and the CRA	Open	Will the CRA act on the parcels two corridors depend on?
Institutional Capacity	Open	Can the proposed function deliver the program at the staffing on the table?
Sundy Village / Downtown	Open	What is the true current availability downtown after the relocations completed?
Ground Truth	Ongoing	Continued field verification of what the data cannot see

The Zoning Barrier

The single most important barrier in this plan is not a permitting delay or a parking ratio. It is that the regulatory framework on the Congress Avenue corridor is actively converting the city's economic land base to residential, and doing it through a process designed to be easy. Three findings, established in the field work and now informed by the project team's LDR-level review, define the barrier.

The documented MROC-to-SAD rezoning pattern. The record identifies a pattern of MROC-to-SAD rezonings on Congress corridor parcels: Alexan Delray rezoned from MROC to SAD to reach 267 units with approximately 54 workforce units (~20 percent). Parks at Delray followed the same MROC-to-SAD pathway. Delray Central used MROC with multiple site-plan waivers. SAD is a legitimate planned-development-equivalent tool involving a rezoning paired with a site plan and a Commission vote. The economic-development question is not the use of SAD itself; it is whether the cumulative pattern is reducing the corridor's inventory of adaptable commercial, industrial, flex, maker, and employment-supporting space. Contributing factors identified in the analysis include MROC's prohibition on 100 percent residential and its Master Development Plan requirement above three acres, which the analysis indicates make SAD the more predictable path for workable projects.

The MROC/CMU nonconformity clock strands the economic uses. Under LDR §1.3.4(B)(2)(a) - subject to City confirmation of current text - a nonconforming use in a structure that is discontinued for 180 days loses its status; a nonconforming use on land only loses status after 30 days. On Congress, standalone industrial, service, and maker uses that predate the MROC and CMU designations are legal nonconformities, and this clock converts a routine tenant vacancy into a permanent loss of the ability to re-tenant the property with the same use. There is a repair-and-vacancy protection under the same section (renovation completed within 18 months plus reestablishment of the use within 1 month), but the operative default pushes owners toward residential redevelopment.

Live Local Act. The 2023 Live Local Act, subject to City confirmation of current provisions and case interpretation, may preempt certain local density, height, and use limits for qualifying workforce housing projects. Alton Delray is the corridor's active reference case: a 386-unit Live Local project with approximately 1,784 SF of industrial space and a 40 percent affordable / 30-year covenant. Mapping exactly where Live Local authority reaches and what conditions the City can still attach is a task for the City.

The cumulative pattern appears to favor residential redevelopment on portions of the corridor. The analysis indicates the mechanisms above operate in the same direction. Addressing the pattern requires action on the mechanisms the City controls (SAD conditions of approval, MROC/CMU rules) and precise mapping of the mechanisms it does not (Live Local authority), subject to City confirmation.

Housing Is Not the Barrier

Workforce housing is not the barrier it is often assumed to be. The market is already producing workforce-priced housing along Congress, through Live Local, the Palm Beach County density program, and the SAD process, and the projects are penciling and getting built. Housing supply is not the binding constraint.

That does not remove housing from the plan. It relocates it. The workforce-housing question that genuinely survives is narrow and specific to the visitor economy, addressed in Story 3. The broader question is not how the City produces workforce housing. It is how the City keeps the residential wave from consuming the commerce and industrial land the economy needs.

The Corridor-Protection Toolkit

The project team's mechanism-by-mechanism LDR analysis developed seven concrete recommendations for the Congress corridor. Each is tied to specific code sections and each is scoped so the Commission can direct it as a discrete action rather than adopting an abstract "protect the corridor" resolution.

1. Recalibrate the MROC (LDR §4.4.29) with subarea-specific standards. Congress does not perform as a single district. The Tri-Rail station area is appropriate for residential intensification; the northern end (adjoining the Municipal Industrial Center and Palm Beach County Mixed Industrial Commercial (MIC)/PCC) is appropriate for industrial preservation; the central spine is transitional. MROC should carry subarea standards that reflect this, not a single averaged rule.

2. Fold repeated SAD flexibilities into the MROC base. Alexan, Delray Central, and Alton each required either an SAD rezoning or multiple site-plan waivers to work. If the same flexibilities keep appearing, the base MROC is too rigid; write them in.

3. Protect existing light-industrial via subdistrict, overlay, or MROC text amendment. Rather than force every owner into a FLUM amendment and rezoning that runs about $11,550 to preserve a legal use, adopt a protective mechanism keyed to location, building type, and operational standards. This is faster, cheaper, and does not depend on owner initiative.

4. Attach an economic-use retention finding to SAD approvals on Congress. SAD ends in a discretionary Commission vote. The Commission can condition approval on retention of economic capacity as a matter of practice, without amending the LDRs, and it should.

5. Extend or restructure the 180-day discontinuance clock in MROC. Under LDR §1.3.4(B)(2)(a) as written, a routine tenant transition can flip a property to residential-only redevelopment. Extending the window, allowing structured re-tenanting periods, or writing an economic-use continuation right into MROC removes the default that pushes owners out of the commerce lane.

6. Adopt a graduated MROC workforce housing bonus schedule. MROC currently lacks a clear workforce housing equation, which is why developers rezone to SAD to get the benefit project-by-project. A predictable schedule (density up to the CMU incentive maximum of 50 du/acre, additional height, reduced parking, dimensional flexibility, expedited review, fee reductions) removes the need for the SAD end-run. The recent in-lieu figure is $160,000 per required workforce

unit. City policy in 2022 deleted the general density-bonus tables in §4.7.11; this rebuilds that framework inside MROC.

7. Allow predominantly or 100 percent residential in defined MROC subareas. The current prohibition on 100 percent residential is the second reason developers rezone to SAD. Allow it in the transit-oriented and transitional subareas where it makes sense; keep the mixed-use requirement in the employment subareas where the land base has to be preserved.

The direction on Live Local is unchanged: state preemption is real, and the work is mapping where City authority ends and what conditions still attach to qualifying projects. Alton is the reference case.

CBD Target-Use Entitlement

The target uses the plan proposes (food halls, creator and content studios, maker spaces, incubators, outdoor coworking, night and farmers markets, container-village components, and the hybrid uses that combine them) do not fit cleanly into the current CBD use table. The project team recommends:

- Amend LDR §4.4.13 Table 4.4.13(A) to explicitly add these use categories.
- Update §4.4.13(C)(4) supplemental use standards for hybrid uses.
- Update §4.4.13(I) CBD Parking Standards to assign use-specific parking for the new categories.
- Update §2.4.6(E) Temporary Use Permits, §4.3.2 Determining Use, §2.4.6(D) Similarity of Use, and §4.6.6 Commercial/Industrial Within a Building for hybrid interpretations.
- Consider a clear temporary and recurring activation permit pathway for outdoor programming.

Two specific constraints are worth flagging now. **Flea markets and bazaars are conditional only in the South Pairs Subdistrict and prohibited in the Central Core, Railroad Corridor, Beach, and West Atlantic Subdistricts.** A night market or farmers market concept in West Atlantic downtown requires either a temporary use permit path or an LDR amendment. **Coffee roasteries** (food processing) are conditional in the Railroad Corridor only and prohibited elsewhere in CBD; concept placement matters.

An LDR amendment costs $5,775 after Commission sponsorship (one sponsor at workshop, three supporting, 90-day filing window), with a 3-to-6-month timeline. A director identical-use determination is $550 (1-3 weeks); a P&Z similarity determination is $1,100 (4 weeks to 2 months). Pursue the fastest route each use allows.

SFH Adaptive Reuse

The 93 single-family homes on commercially or industrially zoned land in Story 5 are gated by a code interpretation question: whether these homes can convert to office, live-work, incubator, or creator use by right, or whether each requires a quasi-judicial hearing. the recommended pathway is a new LDR provision, a **"Residential-Scale Commercial Conversion / Adaptive Reuse of Existing Dwelling"** section, with the following core features:

- No additional parking requirement where the building is not enlarged and the use has limited customer activity (models: West Palm Beach and Tallahassee).
- Administrative approval for low-impact office, studio, professional, maker, artisan, and limited live-work uses.
- Recognition of lawful existing site conditions without triggering full-site redevelopment.

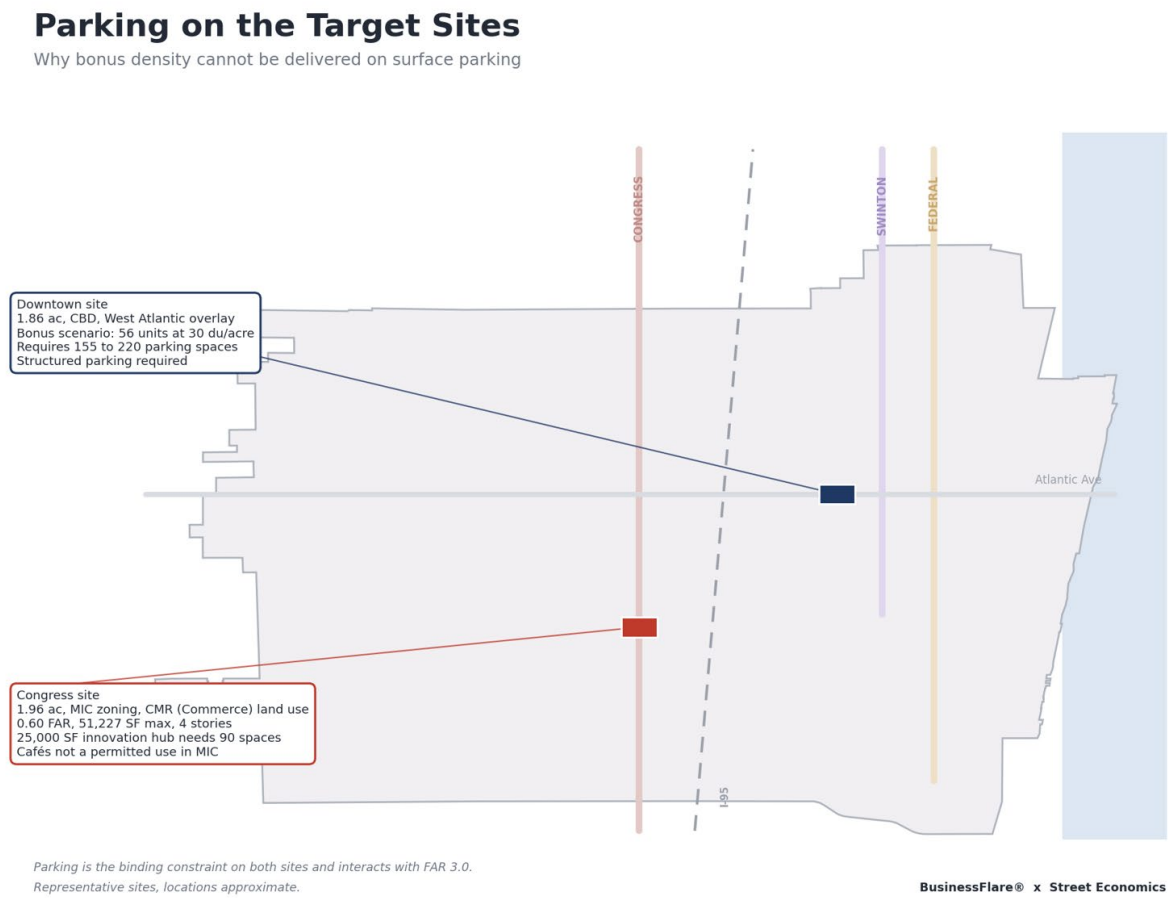
- Parking based on employees, operating characteristics, and business area rather than the citywide use ratio; credit driveway, on-street, shared, and off-site parking.
- Early coordinated zoning/building/fire/engineering/accessibility feasibility meeting before full application.
- Standard conversion checklist and financial or technical assistance for accessibility, façade, and life-safety improvements.

Higher-impact uses (restaurants, medical, assembly, automotive) remain under conventional site-plan and CUP review. Florida Building Code (Existing Building) still governs change of occupancy for life-safety, occupant load, exiting, restrooms, and ADA path of travel.

This is the unlock. It converts the 93-SFH play from a case-by-case hearing burden into a defined by-right pathway for the low-impact uses that make it work, while keeping the high-impact conversions on the normal process where they belong.

Parking on the Target Sites

The project team's parking review tested two representative sites against the concepts the plan proposes.



Downtown site (1.86 acres, CBD, West Atlantic overlay with retail-frontage requirement on the southern half). In the mixed-use scenario, base density is 22 units and the workforce bonus scenario reaches 56 units at 30 du/acre. A food hall at 3 spaces per 500 SF demands 60 spaces for a 10,000-SF hall or 90 for a 15,000-SF hall. Retail runs 1 per 500 SF. Bonus-density scenarios require 155 to

220 total spaces and cannot be delivered on surface parking; structured parking is required in every bonus case. In the container-village scenario, an amphitheater at 100 seats needs 30 spaces, 200 seats 60, 250 seats 90; the site supports 100 to 200 seats comfortably, with 250 at the upper limit. Residential parking is not eligible for in-lieu fees, and mixed-use projects must reserve at least one space per residential unit.

Congress site (1.96 acres, MIC zoning, CMR future land use, 0.60 floor area ratio (FAR) = 51,227 SF max, 4-story/48-foot height, 25 percent open space). Cafés and restaurants are not permitted uses in MIC. An Innovation Hub concept must either strip the café or add a use interpretation. Retail is limited to 25 percent of building floor area, secondary to the principal use. A smaller innovation hub (25,000 SF, 90 spaces, roughly 69 percent site coverage) is feasible. A balanced program (35,000 SF, 125 spaces, 87 percent) is tight. A showcase or office-oriented program at or near maximum FAR is infeasible surface-parked.

Parking is the binding constraint on both sites, and it interacts with FAR. Structured parking counts toward FAR 3.0 per the Comp Plan, meaning the parking itself eats into the developable building program. the recommended pathway is to clarify that fully-integrated concealed structured parking may be excluded from FAR calculation in limited cases; permit shared, off-site, in-lieu, valet, and event-based parking arrangements; and allow accessory food and beverage in employment districts. Without these fixes, the target programs on the exact sites the plan points to do not pencil.

Historic Preservation

The project team's Historic Preservation Board (HPB) review is short and definitive: no target properties overlap with Historic Preservation Board jurisdiction. Preservation matters elsewhere in the city, but not on the corridors, the SFH clusters, or the target sites this plan is built around.

The Open Investigations

Four investigations remain honestly open. None is analytic. All are procedural or coordination questions that the first two quarters of the work plan address directly.

Permitting Culture and the Concierge Function

The plan proposes a concierge permitting function as an early retention and attraction tool, and this was named at the February 9, 2026 Commission workshop as the highest-leverage move the City can make. The City already assembles many of these pieces informally, so the first move is to bring them into a single named program and expand it where possible. Permitting runs through Development Services, so delivery depends on its cooperation and on telling the City's story accurately in the right rooms, strengthening the back end as the brand goes public. Brand first, process second.

West Atlantic: Coordination with the CRA

Two of the five corridors, West Atlantic and the single-family conversion clusters, advance in coordination with the CRA, whose work plan and priorities the CRA sets with the Commission. Progress on these corridors depends on that shared prioritization of the parcels involved and on the timeline the CRA and Commission set together. The next step is to coordinate directly with the CRA on its priorities and its work on West Atlantic, including the 600 block now out for RFP.

Institutional Capacity

The plan proposes a program larger than the staffing currently contemplated can deliver. The open question is honest and uncomfortable: can the proposed economic development function actually execute this program at the staffing on the table, or does the year-one scope have to be cut to match

the capacity. This is arithmetic, not willingness, and the Playbook addresses it directly through the partner-team structure confirmed February 9.

Sundy Village and the Downtown Availability Picture

The downtown availability picture shifted when the DigitalBridge and Vertical Bridge relocations completed. Sundy Village availability figures need to be confirmed against the current situation. The investigation is a direct broker conversation.

Ground Truth

The most important methodological lesson of this engagement is that the modeled data did not see the Congress wave, and the drone did. Modeled mobility data, employment projections, and commercial real estate records are powerful and blind. The ongoing method is to keep verifying the data against the ground, corridor by corridor.

Bottom Line

The analysis indicates the regulatory framework on Congress is contributing to a pattern of residential conversion at a rate that may be reducing the corridor's adaptable commercial capacity. The project team's July 2026 land-use and LDR analysis translates that finding into a specific set of pathways for City evaluation: seven MROC/CMU moves the City can make, a CBD target-use amendment set, a new SFH conversion provision, a parking relief package, and a confirmation that HPB is not in the way. The Live Local mechanism remains preempted and requires the mapping work already scoped. The workforce-housing question is solved by the graduated MROC bonus schedule, which removes the reason developers rezone to SAD in the first place. Housing is not the barrier; the land competition the residential wave creates is, and the recommendations developed by the project team are what hold that ground.

The four remaining open items are procedural. None decides whether the plan succeeds. The Playbook turns recommendations into the specific Commission direction the plan asks for.

Sources and Status

Congress Avenue field verification, June 2026 (aerial reconnaissance and ground review) and the CoStar Congress multifamily inventory. Regulatory analysis and recommendations: the project team, with comprising the following July 2026 analyses: CMU Nonconformity Assessment, Target Use Entitlement Analysis, Parking Constraint Review, SFH Conversion Regulatory Review, Workforce Housing Regulatory Analysis, Historic Preservation Board Review, and consolidated Regulatory Recommendations. All LDR citations, cost figures, and timeline windows in this story trace to the project team's line-by-line reading of the current City of Delray Beach Land Development Regulations.

Open investigations reflect current work in progress. Permitting culture, West Atlantic CRA coordination, institutional capacity, and Sundy Village availability are identified procedural questions with defined next steps. The Congress pipeline quantification depends on records requested from the City. Ground-truth verification is ongoing across all corridors.

Story 7: The Generational Imperative

The Demographic Clock, the Creator Economy, and the Talent Question That Defines the Next Twenty Years

The Clock Nobody Is Watching

Every economic development conversation in Delray Beach happens against a demographic backdrop that almost no one names out loud. The city is older than it looks, aging faster than it admits, and structurally unable to replace its own population without importing people. The lifestyle that made Delray a destination for affluent retirees and second-home buyers is the same lifestyle that, left unmanaged, slowly converts the city into a place where the median resident is past the age of building anything new. This is not a problem for some distant future. It is the quiet condition under which every other strategy in this plan has to operate.

The five-ZIP trade area carries a generational profile sharply skewed away from the people who start companies, take creative risks, and build careers.

Generation	Delray (5-ZIP)	National Avg	Gap
Gen Z (under 28)	~9,500	~22,000	57% below
Millennials	18,725	25,815	27% below
Approaching or at retirement (65+)	70,455	38,131	85% above

The median age is 50.3 and is climbing toward 51.3 by 2030, against a national median closer to 38. Gen Z is more than fifty percent below the national concentration for a place this size, the millennial cohort is a quarter thin, and the population at or approaching retirement is nearly double the national norm. Layered on top of this, natural growth is negative, with deaths exceeding births, which Story 1 documents. Delray cannot grow its own next generation in sufficient numbers. It has to attract one.

Why This Is an Economic Development Problem

A city can be wealthy and aging and still feel prosperous for a long time, because retirement wealth spends well and supports a thriving hospitality and services economy. That is exactly what Delray looks like today. The trap is that this prosperity is consumptive rather than generative. It spends down accumulated wealth rather than producing new economic value, and it depends on a migration pipeline of affluent newcomers that Story 1 shows is already narrowing. The county-level wealth inflow has fallen from $7 billion to $3 billion in net adjusted gross income in two years, and the first net household loss on record has arrived. The engine that has carried Delray for two decades is decelerating at the same moment the resident base is aging out of its productive years.

An economy run by and for people in their sixties and seventies is a fundamentally different economy from one that includes the founders, creators, and young professionals who generate the next wave of value. The first optimizes for amenity, leisure, and services. The second produces firms, jobs, intellectual property, and the kind of compounding growth that builds a tax base rather than drawing it down. The generational imperative is the recognition that Delray has to deliberately attract and retain the second group, because it can no longer count on growing them at home and can no longer count on the affluent-retiree pipeline to carry the city indefinitely.

Gen Z and the Creator Economy

The instinct when a city realizes it is short on young people is to imagine it must recruit them as employees for some large employer it does not yet have. That instinct misreads how the next generation actually creates economic value. Gen Z and younger millennials are the most entrepreneurial and most self-employed generation in modern history, and they build value through the creator economy, through founder-led micro firms, and through portable professional practices rather than through traditional payroll jobs at a single large employer. They are economic actors who arrive as their own businesses.

This is good news for Delray, because the creator economy is not an exotic sector the city has to build from scratch. It is a subsector of professional services, which Story 2 identifies as Delray's single strongest existing base. The content agency, the design studio, the independent media operation, the consultant with a personal brand and a national client list, the founder running an AI-leveraged firm from a laptop and three contractors, these are professional services firms that happen to operate in the creator economy. Fractl, the content and creative agency on Congress, is exactly this. Delray does not need to invent a creator economy. It needs to be the place the next cohort of these operators chooses to live and build, the way an earlier cohort chose Austin and a later one chose Miami.

The strategic move is to position Delray as a creator and founder city for people who have outgrown the noise and cost of larger ecosystems and want a walkable coastal place with the lifestyle, the connectivity, and the proximity to capital and clients that the work requires. That is a positioning the Phase 2 visibility audit indicates no Palm Beach County peer city is pursuing in a sustained way, and it maps directly onto the boutique-firm lane Story 4 identifies as unpursued.

Why the City Cannot Target Tech the Old Way

A conventional generational strategy would chase a technology employer, on the theory that a tech anchor brings young workers. That play does not fit the economy Delray actually has, and it does not fit where the technology workforce is going. The tech workforce is bifurcating. Generative AI and AI coding tools have collapsed the team sizes that knowledge work used to require, posting growth has decoupled from headcount growth, and entry-level engineering roles are contracting nationally even as senior and AI-leveraged operator roles grow. The unit of the new tech economy is increasingly the founder with tooling, not the floor of junior engineers.

That shift favors Delray precisely because Delray cannot win a headcount-scale tech campus and should not try. The target is the AI-enabled micro firm and the founder-in-residence operator, the configurations the tooling makes viable, and those operators choose where to live first and where to work second. The February 9, 2026 Commission workshop put AI on the record as its own target category alongside tech and wealth, which formalizes what this section has been arguing: the AI-enabled operator is a first-class target, not a subset of "tech," and Delray's boutique footprint is exactly the configuration it needs. They are the same people as the creator-economy founders above and the boutique-firm principals in Story 4. The city does not recruit a tech employer and hope young people follow. It cultivates the conditions that make young founders choose to live and build here, and the firms are the founders.

The Miami Spinoff

There is a specific and time-sensitive opportunity in Delray's relationship to Miami. Miami spent the last several years absorbing a wave of finance, tech, and creator migration, and in doing so it became expensive, saturated, and intense in ways that are now pushing the next cohort to look for an alternative. The founders and creators who would have moved to Miami five years ago are increasingly priced out of it or burned out on it, and they are looking north for a place that keeps the

coastal lifestyle and the entrepreneurial energy without the cost and the churn. Delray is the natural beneficiary of that spillover. It is close enough to Miami to stay connected to its capital, clients, and culture, and different enough to offer the walkable, human-scale, boutique alternative that the saturation of Miami is now sending people to find.

Positioning Delray as the Miami spinoff, the place the next wave goes when Miami gets to be too much, is a sharper and more current frame than positioning it only against Boca Raton or West Palm Beach. It captures a migration that is already happening and gives the creator-and-founder thesis a concrete origin story and a concrete pipeline. The visitor data in Story 3 shows the discovery mechanism is already in place. The work is to convert discovery into relocation for the young founders and creators specifically, while the Miami spillover is at its peak.

Where the Talent Works, and Where It Lives

The first generational question is quality jobs for young people, and the answer runs through the creator economy, the founder-residence economy, and the boutique-firm lane rather than through a recruited anchor employer. The question this plan keeps in front of itself is whether Delray employers and the founders Delray attracts can reach the talent they need, and Story 2 establishes that they can, because the city sits inside one of the deepest regional labor markets in Florida and the roles hardest to fill are in healthcare, hospitality, and the trades rather than in the target sectors.

The second generational question is whether there is room for the economy those young people would build, and whether they can live near it. Both answers are increasingly favorable. The Congress Avenue corridor is delivering close-in housing, much of it workforce-priced, for the workers and founders who want proximity to where they work and to the Delray lifestyle, which gives a young founder a place to live near the firm. And the same corridor is the physical home of the maker, commerce, and boutique-firm space the next economy needs to occupy. The generational opportunity and the land question meet on Congress, which is why protecting that corridor, the subject of Story 5 and the decision in the Playbook, is also a generational decision. A young economy needs somewhere to happen, and in Delray that somewhere is finite.

Retention Is Half the Strategy

Attraction gets the attention, but retention is half of the generational strategy and the cheaper half. Story 2 documents a founder-residence economy that is already here, 45 genuine founder-residence firms inside a single set of license classifications, consultants and software founders and creators and advisors running high-value businesses from residential addresses, invisible to every commercial dataset and licensed on the city's own tax roll. These are young and mid-career economic actors who have already chosen Delray. Losing them is as damaging as failing to attract their replacements, and keeping them is a matter of recognition and relationship rather than recruitment and incentive.

The retention program for this constituency is light-touch and opt-in: name them as a constituency, offer optional directory and coworking connections, keep them informed, and make the city visibly a place that knows they exist and wants them to stay and grow. The same instinct that protects the privacy of founders who chose Delray for its quiet, described in Story 2, governs here. The city does not market these people. It serves them, and in doing so it holds the generational base it already has while it works to attract the next one.

Bottom Line

The demographic clock is the one variable in this plan that moves whether or not anyone acts. Delray is old, getting older, and structurally unable to replace its population without importing it, and the affluent-retiree pipeline that has carried the city is narrowing. The response is not to recruit a young workforce for an employer the city does not have. It is to become the place the next generation of

founders and creators chooses to live and build, to claim the creator-and-founder lane the Phase 2 visibility audit indicates no peer city in Palm Beach County is pursuing in a sustained way, to capture the Miami spillover while it is at its peak, and to protect the Congress land base so the young economy has somewhere to happen. The generational imperative is not a social aspiration layered on top of the economic strategy. It is the economic strategy, viewed across a twenty-year horizon. The Playbook turns it into the recommended next actions for City consideration.

Sources and Methodology

ESRI Business Analyst and U.S. Census age-cohort data for the five-ZIP Delray Beach trade area (33444, 33445, 33446, 33483, 33484). Generation counts and national comparison benchmarks reflect ESRI's age-band tabulations against national averages for a population of comparable size.

Lightcast Economy Overview, Q2 2026, for the workforce and tech-occupation context. Phase 3 target-sector profiling for the creator-economy, founder-residence, and AI-enabled micro-firm archetypes. Migration and wealth-pipeline figures per the IRS, Placer.ai, and Lightcast sources detailed in Story 1.

PART III

TECHNICAL APPENDICES AND SOURCE NOTES

Technical Appendices and Source Notes

Consolidated source, methodology, and open-items material referenced across the Playbook and the Evidence Stories.

Appendix A - Data Sources

Property and land. Palm Beach County Property Appraiser (78,578 parcels, $49.9 billion total market value); CoStar Suite property-level data and multifamily inventory (June 2026); Congress Avenue field verification (aerial reconnaissance and ground review, June 2026); Placer.ai property analysis of the Walmart at 3625 Federal Highway in Boynton Beach (trailing 12 months to July 2026).

Demographics and migration. U.S. Census Bureau (population estimate 68,050 for Delray Beach, July 2025 V2024); ESRI Business Analyst age-cohort tabulations for the five-ZIP Delray Beach trade area (33444, 33445, 33446, 33483, 33484); IRS Statistics of Income county-level migration and AGI flow data (Palm Beach County); Placer.ai mobility-derived city-level estimate of 78,919 (used only for mobility-model claims, not as the official municipal population).

Economy and labor. Lightcast Economy Overview, Q2 2026, five-ZIP Delray Beach trade area; Delray Beach Business Tax Receipt roll (founder-residence and Business Tax Receipt (BTR)-identified operator analysis).

Visitor economy. Placer.ai Travel and Tourism, May 2025 to April 2026; Placer.ai Custom POI, Downtown Delray Beach Atlantic Avenue geofence, May 2025 to April 2026.

Competitive intelligence. Phase 2 audit against Google Search, Refresh Miami, South Florida Business Journal, Palm Beach Post, Commercial Observer, Business Facilities, Site Selection Magazine, Area Development, fDi Intelligence, and social platforms; Cushman & Wakefield Q4 2025 Palm Beach County Office Report.

Regulatory. The project team's July 2026 land-use and LDR analysis comprising the following July 2026 analyses: Cover Letter; CMU Nonconformity Assessment; Target Use Entitlement Analysis; Parking Constraint Review; SFH Conversion Regulatory Review; Workforce Housing Regulatory Analysis; Historic Preservation Board Review; consolidated Regulatory Recommendations. All LDR citations reflect the project team's line-by-line reading of the current City of Delray Beach Land Development Regulations; text and current interpretation remain subject to City confirmation.

Meeting record. Delray Beach City Commission workshop, February 9, 2026 (meeting record).

Appendix B - Geographic Scope Table

Every metric in this plan is anchored to one of the geographies below. Where a figure crosses geographies, both are stated.

Geography	Definition	Typical use
City of Delray Beach (municipal)	Corporate limits per Palm Beach County Property Appraiser and Census	Parcel counts, BTR roll, municipal-population figures
Five-ZIP trade area	33444, 33445, 33446, 33483, 33484	Lightcast Economy Overview, ESRI demographics, workforce and firm counts
Palm Beach County	Countywide	IRS migration, county wealth pipeline, county density-bonus program

Corridor	Congress Avenue, Federal Highway, West Atlantic, Swinton, Linton	Field verification and CoStar corridor inventories
Placer geofence	Downtown Atlantic Avenue Custom POI; citywide mobility model	Visitor economy, downtown foot traffic, mobility-derived population estimate
MSA	Miami-Fort Lauderdale-West Palm Beach MSA	Only where Palm Beach County-only equivalent is unavailable; explicit callout at point of use

Appendix C - Standing Definitions

Boutique firm. A firm typically in the 5-to-50 employee range where the principals drive the value of the business. Larger firms are pursued where fit and opportunity are present; the boutique definition governs positioning, not exclusion.

Founder-led firm. A firm where an active founder or founding team owns and operates the business, distinct from a professionally managed subsidiary or headquarters function.

Founder-residence firm. A firm identified through the Business Tax Receipt roll operating from a residential address, typically without commercial premises.

Target-lane fit. A firm's alignment with Primary Lane 1 (boutique professional services and founder-led firms), Primary Lane 2 (wealth management and family-office services), or Primary Lane 3 (AI-enabled firms), or a defined vertical application (creator economy, hospitality management, digital health, fintech / wealthtech).

Qualified prospect conversation. Requires (i) a named company or decision-maker, (ii) fit with a target lane or vertical application, (iii) a stated location, expansion, or relocation need or a credible timing window, and (iv) a next action documented in the CRM or prospect log.

Retention constituency. Firms already located in Delray Beach: founder-residence firms identified in the BTR analysis, the 708 professional-services firms in the trade area, and named commercial anchors.

Concierge permitting. A coordinating and escalation service model provided by the Economic Development Manager for target-lane prospects. Development Services runs permits on their normal timelines; concierge is a service layer, not a bypass of process.

Coordinating structure. The recurring joint working relationship among the City, the Delray Beach Chamber of Commerce, the CRA, the DDA, and the Palm Beach County Business Development Board, endorsed by the Commission and formalized by the City Manager with each partner on the partner's governance terms.

Economic-use retention finding. A Commission finding, subject to case-by-case discretion and applicable law, that a proposed SAD rezoning on the Congress corridor should retain identified economic use capacity as a condition of approval.

Live Local Act. The 2023 Florida statute permitting workforce-housing projects that meet defined thresholds to override certain local density, height, and use limits, subject to affordability covenants. Scope, preemption limits, and remaining local conditioning powers are subject to City confirmation.

Appendix D - Methodology Notes

Field verification and ground truth. The Congress Avenue conversion pattern was surfaced by aerial reconnaissance and confirmed against property-level CoStar records. Modeled datasets did not surface the pattern independently. As a matter of method, this plan treats visual reconnaissance and field verification as primary evidence wherever they contradict the modeled datasets.

Population figures. The Census Bureau July 2025 V2024 estimate (68,050) is the official municipal population used throughout. The Placer.ai mobility-derived estimate (78,919) is used only where the specific claim depends on the mobility model's capture of intermittent and seasonal residents; both are shown when relevant.

Multifamily vacancy. CoStar reports current Q2 2026 multifamily vacancy for the Delray Beach submarket at approximately 5.90 percent, with asking rent near $2.48 per square foot.

Ranking of tiers and sectors. The target-firm hierarchy in the Playbook (Deliverable 4) supersedes the tier-and-fit-score language used in earlier drafts of Stories 0, 4, 7, and 8. Where any story still contains the earlier tier-and-fit-score language, the Playbook hierarchy governs.

Appendix E - Voice and Editorial Standards

Two-level voice rule. The Commission Playbook, formal recommendations, regulatory language, and performance tables are written in precise, restrained, administratively usable language. The Evidence Stories retain the BusinessFlare voice - direct, evidence-led, willing to name urgency and pattern where the record supports it. This is intentional. The Playbook is the document elected officials and senior staff can act from. The Stories are the document that carries the argument.

Claim discipline. Verified facts use "Data show," "The inventory identifies," "The record indicates." Interpretive analysis uses "The analysis indicates," "The evidence suggests," "This may create a risk." Recommendations use "The City should," "Staff should evaluate," "The Commission should direct." Legal or regulatory uncertainty uses "Subject to City confirmation," "Pending verification of current LDR language."

Geography discipline. No figure appears without its geography. Trade-area figures are stated as trade-area figures. Municipal figures are stated as municipal figures. County figures are stated as county figures. MSA or Broward-anchored figures, where they appear, are called out at the point of use.

Predictive discipline. The plan does not predict election outcomes, project approvals, or Commission votes. It states what has occurred, what has been directed, what is proposed, and what remains open.