

State Road A1A, the main north-south artery within earshot of the Atlantic Ocean, is littered with empty buildings and vacant storefronts like the former Majesty's Court motel/apts at the corner of University Boulevard and A!A in Daytona Beach. [News-Journal/Jim Tiller]

# Pockmarked Paradise: Vacant properties litter A1A

There are at least 213 vacant lots, buildings and storefronts on the beachside between Granada Boulevard and Dunlawton Boulevard. The bulk of them — 142 — are scattered up and down State Road A1A.

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## DAYTONA BEACH NEWS-JOURNAL ONLINE VACANT PROPERTIES LITTER A1A SUCCESS STORIES

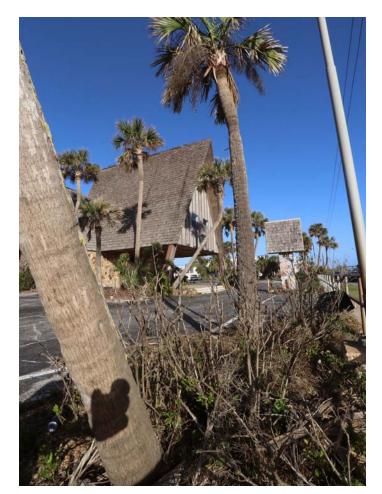
grass are dismal reminders of failed businesses along State Road A1A.

Empty buildings bleed out rust and rotting wood. Vacant storefront windows are haphazardly covered with crumpled brown paper, plywood and faded bed sheets with tacky prints.

The eyesores pockmark A1A from Ormond Beach down to Daytona Beach Shores. Their decay detracts from the well-kept condos, hotels and other businesses along the main north-south traffic artery within earshot of Atlantic Ocean waves crashing onto the "World's Most Famous Beach."

Four News-Journal reporters recently walked the 10.5-mile stretch of A1A from Granada Boulevard to Dunlawton Boulevard. The survey also included the three main roads between the ocean and the mainland that cut through the core beachside neighborhood of Daytona Beach.

The team found 213 vacant lots, buildings and storefront addresses. The bulk of them — 142 — are scattered up and down A1A, the oceanfront corridor that in so many other coastal towns is jammed with high-dollar hotels, top-tier retailers and restaurants, and tony homes. Another 71 vacant properties were found along East International Speedway Boulevard, Main Street and Seabreeze Boulevard between the Halifax River and the beach.



Julian's Restaurant sits empty in Ormond Beach. The city counts 22 vacant/empty properties along S.R. A1A. [News-Journal/Jim Tiller]

It's been a rapid descent for a once-thriving area.

"The beachside was still the higher-end side of Daytona in the 1970s," said Mike Denis, who moved into a home a few blocks from the ocean as a 10-year-old in 1957. "It was better than the mainland, and then it flipped in the 1990s."

New beachside homes were built throughout the 1960s, and until 1983 kids went to a school on the property where the Daytona Lagoon water park now stands. There were solid businesses like the ice cream parlor Denis still raves about. Crime was lower and disheveled vagrants weren't melded into the beachside landscape like they are now.

"The homeless didn't even exist," said the 71-year-old Denis, who lives in the Lenox
Avenue house he grew up in. "There were families. It's kind of sad to see the well-to-do neighborhood become the slum of the town.
All of the emphasis is on the west side now.
It's kind of discouraging."

Locals with beachside memories dating back to the 1940s remember the streets between the Halifax and Atlantic being dominated for decades by middle- and upper-class homes, schools, popular motels and a plethora of businesses.

When 79-year-old Angie Forest looks at empty beachside buildings that have stood

#### VACANT PROPERTIES LITTER A1A MAP



Florida Hospital Oceanside in Ormond Beach on S.R. A1A has been closed since September when Hurricane Irma roared through the area. The structure suffered damage from the storm and the facility's fate remains unclear. [News-Journal/Jim Tiller]

Locals who have watched the rise and fall of A1A and other parts of the beachside see even more reasons the area has struggled.

Some are easy to see, but hard to fix, like lack of parking. Charles Lichtigman, chairman of Charles Wayne Properties, cited another factor most people probably don't think about: government regulations.

Lichtigman has been immersed in the local real estate market for 40 years, and he's seen how city and county codes, and grandfathering rights, can impact a property owner who wants to redevelop a building or vacant site. If an owner wants to change the use of a piece of land, or tear down a significant portion of a building, they can lose their vested rights, he said. Or, if a building has been sitting empty too long, usually for a year or more, it can lose its legally established use. It can be like having to start over, and it can be costly, cumbersome and in some cases impossible.

"It's created an inability on the part of the landowner to beautify or tear down," Lichtigman said. "You have more development options with a standing structure. You want to encourage the latest standards for things like drainage and setbacks, but when you make the cost for a tear down so great, then you're defeating your purpose."

From the 1940s to the 1960s, many

#### MAP



A man walks his dogs in the desolate parking lot of The Other Place in Ormond Beach recently. [News-Journal/Jim Tiller]

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#### MAP

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Another barrier to overhauling the oceanfront is high asking prices for land or buildings, said John Albright, president and CEO of Consolidated-Tomoka Land Co.

"We've offered to buy many vacant properties in the past in order to help on the rejuvenation of the beachside," Albright said. "We've been surprised that many of these real estate agents are very fixated on getting a certain price, which is counterintuitive to anyone who has their money tied up."

If stricter code enforcement made it too expensive and bothersome to maintain old buildings, maybe more owners would be inspired to sell, he said. Tearing down buildings could also get properties in the hands of new developers, he said.

"A lot of these old commercial buildings have bad bones, and no one will invest in them," Albright said.

Ormond Beach Deputy Mayor Troy Kent, who has lived all of his 42 years blocks from the ocean in his city, believes beach access has also played a role in A1A's health. When the River Beach, Seminole and Rockefeller beach approaches south of Granada Boulevard re-open in Ormond Beach this spring, it will be the first time since 1986 that all six of the city's approaches have been usable, Kent said.



A pair of women wait for the bus outside an empty business along south S.R. A1A in Daytona Beach recently. [News-Journal/Jim Tiller]

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## DAYTONA BEACH NEWS-JOURNAL ONLINE VACANT PROPERTIES LITTER A1A SUCCESS STORIES

To the south in Daytona Beach, vacant buildings and lots have become part of the rhythm of East International Speedway Boulevard for close to 20 years. Ironically, the planned \$25 million overhaul intended to revive the struggling corridor has created more uncertainly and left properties in even more limbo.

Plans to widen the road and add a roundabout at A1A will mean property buyouts. But landowners don't know which lots will be targeted for purchase, how much property on the narrow street will be devoured and when work will get underway with a lengthy eminent domain process ahead for any owners who don't like the government's purchase offer. There's also worry about what a torn up road will do to businesses trying to operate.

David Devanna is taking a chance on East ISB despite the uncertainty, and in a building with a target on its back. He's renting a small structure on the northwest corner of A1A and East ISB that will likely get bought out for the roundabout. Devanna has opened a Segway and bicycle rental business there. He figures he'll have at least a year or two of great visibility while the road project gets solidified.

Despite the probable road widening and vacancies that surround him, Randall Phillips still has big dreams for the Tir Na



29-story Peck Plaza on S.R. A1A in Daytona Beach Shores remains boarded up, a victim of Hurricane Matthew in 2016. [News-Journal/Jim Tiller]

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Lichtigman believes new oceanfront businesses such as the Hard Rock Hotel, LandShark Bar & Grill and Cocina 214 are "harbingers of things to come."

"In our brokerage business we're noting a significant increase by national investors and lenders the last couple of years," Lichtigman said. "Prior to this we were a backwater and tertiary place."

He's confident that several top-tier hotels, condos and restaurants opening on the east side of A1A will spur new development to pop up on the west side of the road.

"Over the next several years we'll see the west side fill up again," Lichtigman predicted.

Volusia County Property Appraiser Larry Bartlett also sees hope for the west side of A1A.

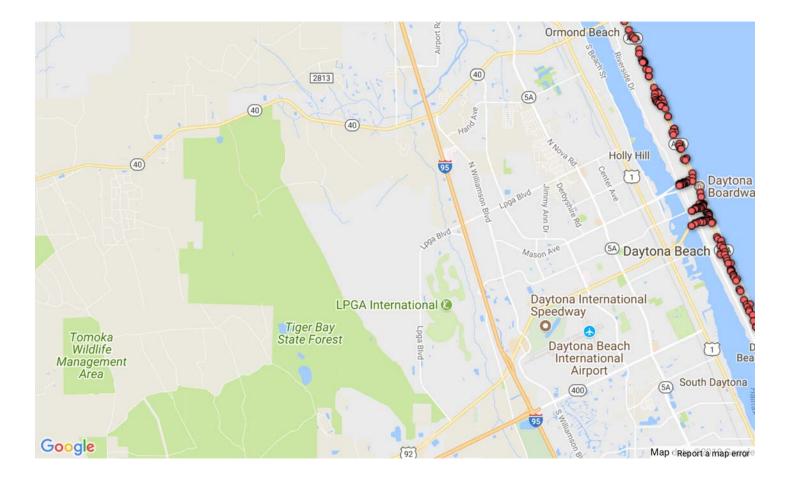
"We've had sales on A1A, even the west side, and East ISB," Bartlett said. "They're sales we think are basically speculative, not end users. But speculators are indicators someone believes something will happen on the beachside. Good times are ahead."

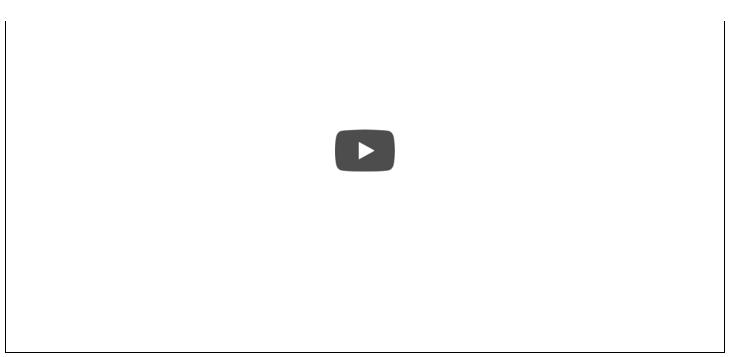
Bartlett added that "values are going up because they're willing to pay a lot." Over the past three years, values have risen 5 percent per year on the beachside, which is in line with the rest of the county, he said.

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A cyclist pedals past the former Treasure Island hotel recently in Daytona Beach Shores. The hotel has been closed since the hurricanes of 2004 damaged the structure. [News-Journal/Jim Tiller]





Daytona Beach News-Journal reporter Eileen Zaffiro-Kean talks to editor Pat Rice about the story, and what they discovered.



Landshark Bar & Grill, the Jimmy Buffett-branded eatery, opened in January to great fanfare along State Road A1A. We're ecstatic at being here," said David Crabtree, president and CEO of Orlando-based IMCMV, licensee of the restaurant chain. "It has exceeded all our expectations." [News-Journal/Nigel Cook]

# Road to recovery? Amid vacancies, A1A successes sprout

New businesses, including Hard Rock, Landshark, hope to spark growth along A1A

BY JIM ABBOTT | JIM.ABBOTT@NEWS-JRNL.COM

side of State Road A1A.

But that was the drink of choice in late
January as area leaders toasted the opening
of the Jimmy Buffett-branded LandShark
Bar & Grill and adjoining, separately-owned
Cocina 214 Tex-Mex eatery on a 6-acre
beachfront lot just north of SunSplash Park.

"It has been a really fast year in making this happen," said John Albright, president and CEO of Consolidated-Tomoka Land Co., landowner and developer of the \$6 million dual-restaurant project at 451 S. Atlantic Ave.

"Our whole mission here is basically to get this property activated and get the beachside activated," Albright told customers, employees, Parrotheads and local dignitaries assembled in the parking lot. "To me, this is the potential of Daytona Beach, and this is a start, and there's a lot more to come."

New development on A1A has long been overshadowed by the overwhelming number of vacant lots and empty storefronts that blemish the iconic roadway that runs north and south along the World's Most Famous Beach.

The new restaurants are touted as a potential catalyst that can ignite other beachside development. A little more than a month after opening, both eateries are reporting healthy business, poised to

VACANT PROPERTIES LITTER A1A MAP



"We just had the Daytona 500 and we did really well with that," said Lambrine Macejewski, co-founder of Cocina 214, the restaurant next door to Landshark Bar & Grill on S.R. A1A in Daytona Beach.

#### VACANT PROPERTIES LITTER A1A MAP

#### tne street?

The side-by-side restaurants aren't the only noticeable improvements on A1A.

The landmark stretch of asphalt also was recently enhanced by the renovation and 2017 re-opening of the historic Streamline Hotel, located a half a mile north and across the street from the new restaurants.

Farther north and on the beachside of A1A, the luxury Hard Rock Hotel opened last week. The hotel is a result of a multi-million dollar renovation of what was once the infamous Desert Inn, an eyesore once touted by TripAdvisor as among the dirtiest hotels in the nation.

Several other major hotel projects are in development along A1A, including a new Marriott Renaissance Hotel planned to open in two years on an oceanfront site about a half-mile north of the Ocean Center, and a 10-story Courtyard by Marriott hotel on the beach just south of Main Street.

Construction already is underway on Protogroup's towering Daytona Beach Convention Hotel and Condominium complex at the east end of Oakridge Boulevard.

Occasionally, an independently owned small business also envisions success on the stretch, such as Tipsy Taco, an eatery currently arising out of a converted



"Because we're not a chain, we can basically do whatever we want," said owner Mike Lucas, who invested \$100,000 to launch Tipsy Taco, located at 746 S. Atlantic Ave., in Ormond Beach. "We plan to offer a relaxed surf-themed coastal cuisine, if you will, to pair up fusion tacos with local craft beer that goes well with that food." [News-Journal/Jim Tiller]

Macejewski has added bicycle racks to her property because so many customers pedaled to the restaurant from nearby neighborhoods. She wishes that A1A was even more bicycle- and pedestrian-friendly. She also would like to find a way to install brighter lights in the parking lot shared by the two restaurants for the safety of employees and customers.

At the same time, she understands that such changes can take time. In Winter Park, the original Cocina 214 spent two years in conversation with the city before a similar outdoor lighting issue was resolved, she said.

"Everyone has been super helpful,"
Macejewski said of Daytona Beach. "It's
their town; they take pride in it, as they
should. These things take time. These (older)
buildings have been here a long time. It takes
patience, but we're here for the long haul."

New additions on A1A, combined with a flurry of construction activity in the area around LPGA Boulevard and I-95, will spur more projects in Daytona Beach, including on A1A, Crabtree said.

"There's a lot of vacant land in the area, so if we continue to see success like we're seeing, we'll see more development in the area," Crabtree said. "I see it as a thriving market that should continue to do better in the future. With the continued support of local municipalities, it will attract other

#### VACANT PROPERTIES LITTER A1A MAP



The historic Streamline Hotel, on A1A in Daytona Beach, reopened in June 2017, after a \$6 million makeover that began in 2014 and carried with it hope that the project might uplift the surrounding neighborhood. [News-Journal/Jim Tiller]

#### VACANT PROPERTIES LITTER A1A MAP

But judging from the view at other points on A1A, it seems that things change at a glacial pace. Statistics support that notion.

In recent weeks, a team of News-Journal staffers walked the length of A1A, from Granada to Dunlawton boulevards, to count vacant lots and empty buildings on the main thoroughfare and adjoining main business corridors that connect to A1A in Daytona Beach's core beachside neighborhood. The new numbers were compared with the results of a similar count the newspaper conducted in 2012.

It revealed that not much has changed, reflected in a count of more than 200 vacant properties in 2018, including 142 on A1A. In 2012, the newspaper also counted more than 200 vacant properties, including 148 on A1A.

For the area's recent high-profile success stories to flourish, the holes in A1A must be plugged with a mix of small businesses that offer unique tourist-friendly diversions, said Bob Davis, president and CEO of the Lodging & Hospitality Association of Volusia County. That organization represents about 100 area hotels encompassing some 10,000 rooms, as well as 150 allied members in other tourism-related fields.

As luxury hotels such as the Hard Rock open, they will attract a clientele with more disposable income and higher expectations



"We need small boutique shops on the west side of the street," said Bob Davis, president and CEO of the Lodging & Hospitality Association of Volusia County, of A1A. "I'm not talking shopping malls, but places to buy unique items they might find in other upscale areas." [News-Journal/Jim Tiller]

VACANT PROPERTIES LITTER A1A

DAYTONA BEACH NEWS-JOURNAL ONLINE SUCCESS STORIES

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For a good example, Davis recommends looking at the tourist areas of Delray Beach, a coastal destination in South Florida. There, leisure options range from the Pineapple Grove Arts District, a walkable neighborhood featuring independent galleries and public art, to the Wakodahatchee Wetlands, a park with a boardwalk for viewing birds, turtles and alligators.

The three cities A1A runs through — Ormond Beach, Daytona Beach and Daytona Beach Shores — and Volusia County government should collaborate to offer incentives that would encourage small-business owners to invest along A1A to create similar homegrown attractions, Davis said.

"We've got to give them (small business owners) tax abatements, so small restaurants and boutique shops can move in," Davis said. "Give them one year of free rent. Give them a bucket of paint. We don't need new buildings. We have been talking about it for 20 years and do nothing,"

A broader potential solution, meanwhile, has gained traction among members of the Beachside Redevelopment Committee, a board appointed by the County Council that's tasked with coming up with ideas to make the area east of the Halifax River —



Landshark and Cocina 214 restaurants along A1A in Daytona beach, Friday, Feb. 22, 2018. [News-Journal/Nigel Cook]



Click here to read our last report on the beachside area, "Tarnished Jewel."

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