City of Hollywood
Community Redevelopment Agency

Annual Report
and Financial Statement for Fiscal Year 2010

March 31, 2011
City of Hollywood
Community Redevelopment Agency
Beach and Downtown

Annual Report
and Financial Statements
(Per Chapter 163.356 – 3 (c) F.S.)

March 31, 2011

Jorge A. Camejo
Executive Director

Bryan E. Cahen
CRA Finance Manager

www.hollywoodcra.org
www.visithollywoodfl.org
Overview

The Community Redevelopment Agency “CRA” of Hollywood was created in 1979 with the establishment of the Downtown District. In 1997, the Beach District was established. Although one Agency, the two districts have historically been managed separately to best meet the objectives of fighting slum and blight confronting each area. Although the management and staffing of the districts were joined late in 2009, each district maintains its own trust fund and financial reporting is done separately.

Fiscal Year 2010 saw many organizational changes as well as continued improvements throughout both districts. In October 2009, the City Commission/CRA Board called for a consolidated CRA agency that met the redevelopment intent for the two areas and the spirit of prior studies while providing added organizational efficiencies. In addition, the City Commission/CRA Board required that the CRA Executive Director report to the CRA Board through the City Manager, Cameron D. Benson. In December 2010, the City Commission/CRA Board hired a new Executive Director, Jorge A. Camejo who began in January 2011, reporting directly to the CRA Board.

This Annual Report and Financial Statements are prepared pursuant to Chapter 163 of the Florida Statutes that requires each CRA to provide an annual report by March 31 of each year to the Governing Body (City Commission). This report and financial statements are submitted in fulfillment of that requirement and to provide information to the public for Fiscal Year 2010 (October 1, 2009 – September 30, 2010).

This Annual report will showcase the many redevelopment, public and private, initiatives that are being utilized to rid the influences affecting the Hollywood CRA districts. The Financial Statements will highlight the revenues, expenditures, and will showcase the Districts’ financial position. This Annual Report and Financial Statements will also be forwarded to our increment partners—Broward County, Children’s Services Council of Broward County, and the South Broward Hospital District. Through their leadership and support, the Districts’ futures will remain bright.
Beach District - The Beach District includes approximately 293 acres from Sherman Street south to the southern property line of the Westin Diplomat Resort and Spa, and from the Intracoastal Waterway east to the Atlantic Ocean.

Throughout this past year, the Beach District has continued to make significant progress in the implementation of the redevelopment plan. Pursuant to the Hollywood Beach Community Redevelopment Plan, community leaders recognized that economic and physical revitalization must be balanced with the protection of natural resources and open space if Hollywood Beach is to provide for a viable business community and high quality of life for its residents and visitors.

The Redevelopment Agency’s focus centered on three objectives in the Beach District: the development of critical public improvements, the elimination of slum and blight, and the strengthening of tourism as a source of vital economic development.

The overall Redevelopment Objectives are as follows:

- To promote redevelopment and eliminate the causes of physical and economic blight;
- To ensure sanitary and safe conditions through infrastructure improvements;
- To increase public parking;
- To enrich the visual and functional quality of the streetscape for all user groups;
- To promote redevelopment;
- To provide for a viable business community and a high quality of life for Hollywood Beach residents and visitors;
- To re-establish tourism as a vital industry in Hollywood Beach;
- To enhance Hollywood Beach as a tropical destination;
- To upgrade existing public recreation facilities; and
- To expand recreation opportunities.
**Downtown District** - Created in 1979 and encompassing Downtown Hollywood’s central business district and nearby residential neighborhoods, the District boundaries include approximately 580 acres, including the 10-acre ArtsPark at Young Circle. The boundaries are Washington Street to the south, 22nd Avenue to the west and Johnson Street to the north. The eastern boundaries are 14th Avenue from Johnson Street south to Polk Street, 16th Avenue from Polk Street to Van Buren Street, and 17th Avenue from Van Buren Street to Washington Street.

The district is served by Federal Highway/US-1, Hollywood Boulevard (SR 820) and the Dixie Highway/FEC Railroad corridor. Buildings comprise a mixture of residential and commercial uses, the oldest of which were constructed in the 1920’s when the City was founded.

The historic and commercial business district of Hollywood is concentrated along Hollywood Boulevard and Harrison Street. Here, retail and restaurant uses dominate and are located in a traditional “Main Street” formation.

Some of the Redevelopment Objectives for the Downtown District include:

- To correct and improve operational problems such as traffic and parking;
- To stimulate appropriate new private development;
- To protect the neighborhoods bordering Downtown and provide suitable buffers between the Downtown Core and the neighborhoods;
- To provide public funds to stimulate private development; and
- To protect and reinforce a traditional commercial district in the Downtown core.
**What is a Community Redevelopment Area or District?**

Under Florida law (Chapter 163, Part III), local governments are able to designate areas as Community Redevelopment Areas when certain conditions exist. Since all the monies used in financing CRA activities are locally generated, CRA's are not overseen by the State, but redevelopment plans must be consistent with local government comprehensive plans.

To document that the required conditions exist, the local government must survey the proposed redevelopment area and prepare a Finding of Necessity. If the Finding of Necessity determines that the required conditions (slum and blight) exist, the local government may create a Community Redevelopment Agency to provide the tools needed to foster and support positive redevelopment of the targeted area. There are currently more than 150 Community Redevelopment Areas throughout the State of Florida.

**What is Tax Increment Financing?**

Tax increment financing is a unique tool available to cities and counties for redevelopment activities. It is used to leverage public funds to promote private sector activity in the targeted area. The dollar value of all real property in the Community Redevelopment Area is determined as of a fixed date “base year”, also known as the “frozen value.” The base year of the Beach District is 1997 and the Downtown District is 1979. Taxing authorities, who contribute to the tax increment, continue to receive property tax revenues based on the frozen value.

These frozen value revenues go to their general funds and are available for general government purposes. However, any tax revenues from increases in real property value, referred to as “increment,” are deposited into the Community Redevelopment Agency Trust Fund and dedicated to the redevelopment area.

The trust fund revenues generated through tax increment are contributed by four taxing authorities including the City of Hollywood (City), Broward County (County) Children's Services Council of Broward County (CSC), and South Broward Hospital District (Hospital).
<table>
<thead>
<tr>
<th></th>
<th><strong>Base Year “Frozen Value”</strong></th>
<th></th>
<th><strong>FY 2010 Assessed Value of all real property</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beach District</strong></td>
<td>$545,881,010</td>
<td>$1,932,779,950 (City &amp; County)</td>
<td>$1,937,028,120 (Hospital and CSC)</td>
<td></td>
</tr>
<tr>
<td><strong>Downtown District</strong></td>
<td>$103,167,427</td>
<td>$685,838,130 (City)</td>
<td>$683,738,310 (County)</td>
<td>$686,942,540 (Hospital and CSC)</td>
</tr>
</tbody>
</table>

Property values declined in the City of Hollywood in FY 2010, as evident with the Beach and Downtown District’s significant decreases in increment revenue.

<table>
<thead>
<tr>
<th></th>
<th>FY 2009 Tax Increment</th>
<th>FY 2010 Tax Increment</th>
<th>Increase/(Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beach District</strong></td>
<td>$18,907,968</td>
<td>$15,267,545</td>
<td>(19.25%)</td>
</tr>
<tr>
<td><strong>Downtown District</strong></td>
<td>$7,748,911</td>
<td>$6,984,310</td>
<td>(9.87%)</td>
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**CRA Issued Debt**

**Downtown District Series 1995 Bond:** The 1995 Bond matured in Fiscal Year 2010. The $2,000,000 Series 1995 Bond represented the first public bond offering by the Agency and financed street improvements. The Series 1995 Bond was secured by Trust Fund Revenues derived from tax increment revenues generated within the Downtown District with a secondary pledge of the City’s Public service tax revenues. The annual interest rate was fixed at 5.013%.

**Beach District Series 2004 Revenue Bond:** The $20,010,000 Series 2004 Bonds represented the second public bond offering by the Agency and financed public improvement projects included in the Beach CRA Redevelopment Plan. The Series 2004 Bonds are secured by the pledge of Trust Fund Revenues generated through the tax increment revenues generated within the Beach District.

The proceeds of the Series 2004 Bonds have been completely expended on the Broadwalk renovation, water and sewer underground replacement, and the Garfield Street parking garage and community center along with Charnow Park renovations.
Beach District Series 2007 Revenue Bond: The $40,000,000 Series 2007 Bonds represented the third public bond offering by the Agency and financed new and on-going improvement projects included in the Beach CRA Redevelopment Plan. The Series 2007 Bonds are secured by Trust Fund Revenues derived from tax increment revenues generated within the Beach District.

As of fiscal year ending 2010, $27,791,354 of the Series 2007 Bond proceeds have been expended on the completion of the water and sewer underground replacement, the Garfield Street parking garage and community center along with Charnow Park renovations, the Underground Utilities and Streetscape Pilot Project, and Phase II of the Underground Utilities and Streetscape Project. The remaining proceeds are expected to be fully expended on the completion of the Underground Utilities and Streetscape Pilot Project and on Phase II of the Underground Utilities and Streetscape Project.

The outstanding principal balance as of fiscal year ending 2010 for both the 2004 and 2007 Revenue Bonds is $52,280,000. The 2004 and 2007 Bonds have an A- Rating by Fitch and A3 rating by Moody's.

Downtown District Agency Loans

The Downtown District secured $31,500,000 in loans since 2002 to fund redevelopment projects, redevelopment incentives and public improvements throughout the Downtown. The main uses included:

- ArtsPark, Young Circle Roadway Improvements
- Dixie Highway at Adams Street apartment and home acquisitions
- Radius Public Parking Garage, development incentives and streetscape improvements

The Downtown District has pledged its tax increment revenues for repayment of these loans. The note denominations are as follows:

<table>
<thead>
<tr>
<th>Promissory Note</th>
<th>Principal Amount</th>
<th>Interest Rate</th>
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<tbody>
<tr>
<td>2002 Note</td>
<td>$4,000,000</td>
<td>5.61%</td>
</tr>
<tr>
<td>2003 Note</td>
<td>$2,500,000</td>
<td>5.44%</td>
</tr>
<tr>
<td>2004A Note</td>
<td>$4,500,000</td>
<td>Variable</td>
</tr>
<tr>
<td>2006A Note</td>
<td>$20,500,000</td>
<td>7.075%</td>
</tr>
</tbody>
</table>

The outstanding balance as of fiscal year ending 2010 for the four notes mentioned above is $23,737,188.
**Beach District Redevelopment Plan**

The Beach District Redevelopment Plan was adopted in June of 1997 and provides the strategy for investing in public improvements and programs that will act as a catalyst for private investment and redevelopment in Hollywood Beach. The Plan provides redevelopment objectives, describes the concept for redevelopment of Hollywood Beach, and provides a plan of action to implement the Plan’s objectives.

The Beach District has invested millions of dollars in public and aesthetic improvements to the Beach, Broadwalk and other improvements in the area and will continue to enhance the public infrastructure. Today, new water and sewer lines have been installed throughout the Beach and Broadwalk area. Broadwalk improvements were complete in 2007 and included a complete makeover of 1.8 miles of Broadwalk, from Sherman Street to Jefferson Street.

The major public redevelopment projects that have been completed are outlined below:

**Garfield Street Parking Garage/Charnow Park**

This facility houses a 400-car parking garage on 5 levels plus rooftop. The garage has an observation deck for paddleball game viewing facing eastward and a smaller observation deck on the roof level facing westward to enjoy sunset views. The two story community center adjacent to the garage houses public restroom facilities at grade level and a small paddleball pro-shop. The second floor of the community center has a continuous balcony facing east and south. It features a 1,735 S.F. multipurpose community center room/banquet hall with support services such as a kitchen, office and restrooms.

The architectural style of this project is Nautical Deco. Extensive landscaping has been installed on both Connecticut and Garfield Streets as a buffer zone for the garage, and there is a shaded pedestrian walkway along these streets.

The historic paddleball courts have remained in their present location, and received new fencing and access gates. Charnow Park has tiered shade seating, an entertainment pavilion, picnic pavilions and an interactive water fountain.
Underground Utility Conversion and Streetscape Enhancements (Pilot Project)

The pilot project has proven to be successful in transforming the pedestrian and vehicular streetscape by undergrounding the utilities and enhancing the streetscapes. This project has many benefits including the improvement to the district aesthetic and the provision of more reliable power, cable and telephone services which reduces the frequency of outages and improves public safety.

The multi-million dollar pilot project stretched a total of six streets from Cleveland Street to Grant Street for the relocation of the overhead utilities to underground conduits within the rights-of-way, including the service connection to private property, and completing the streetscape including the street ends within the Beach District.

Phase II of the Underground Utility Conversion and Streetscape Enhancements began in the 4th Quarter of FY 10 from Minnesota to Tyler Streets. Future phases include:

- Phase III: Oklahoma to New Mexico
- Phase IV: Harrison to Jefferson
- Phase V: Azalea to Magnolia

Broadwalk Improvements

Millions of dollars in public improvements has delivered aesthetic upgrades to the Beach and Broadwalk making it a remarkable South Florida landmark and a stimulus for private sector investment. The oceanfront Broadwalk now has colorful new pavers replacing asphalt, a tabby concrete bike path and a low decorative wall separating the Broadwalk from the sand, as well as historical-themed lighting, benches, trash receptacles and pocket parks with public art and water features.

Water Sewer Upgrades

CRA - Beach District funds were used to replace water and sewer lines along Surf Road and the east-west streets.
Other public improvement projects completed:

- Hollywood Boulevard Bridge Aesthetic Enhancement
- North Surf Road lighting and underground utility conversion
- New benches and trash receptacles on the Beach and Broadwalk
- Beach crossovers and Beach signage program

Property Acquisition

In 2006, the CRA Board approved the acquisition of property located on State Road A1A between Madison and Monroe Streets. This four parcel property purchase will be utilized as a Public Safety complex. A 1932 historic tri-plex on the site will be restored and used as office and public space. Design drawings, construction bidding, and public approvals advanced in 2010, with construction slated for 2011.

Temporary “Welcome Park” opens on future Margaritaville site

In early 2010, the addition of seaside playgrounds, paved walking paths, a ping pong table and a new bathroom transformed the long-blighted Johnson Street site into a recreational oasis until permanent redevelopment plans for the entire property unfold. This new “Welcome Park,” so dubbed because of its location adjacent to the Hollywood Beach Welcome Center, includes new lighting, landscaping and a modular public restroom. Two playgrounds, with a variety of exercise stations, offer a safe, fun activity zone for kids of all ages. The adjacent Maurice J. Connell parking garage benefited from cosmetic improvements, structural renovations and the refurbishment of its elevators. The street-level parking lot was reconfigured for easier navigation and to incorporate a Trolley hub and new lighting. These improvements have greatly enhanced this site during the ongoing Johnson Street redevelopment process. The new equipment is all portable and will be relocated to other public areas once redevelopment of the site is set to begin.

Beach District Development Projects

To support the implementation efforts of many of the CRA’s capital improvement projects identified in the 1997 Plan, a consultant was engaged to create the vision by providing master planning services to the Beach District. This included strategies for preserving and enhancing the Beach’s character, opportunities for transit connections, and a policy for land aggregation. Further analysis of potential development along State Road A1A, the Broadwalk, and Surf Road were also taken into consideration. The master plan project will support the CRA’s implementation efforts for the capital projects identified in the Redevelopment Plan.
Hollywood Beach has seen its share of quality development for condominium, hotel and mixed-use projects and hopes to continue to champion these endeavors.

**Johnson Street Property**

**Issuance of a two-stage Redevelopment RFP**

Done in conjunction with the City of Hollywood, on July 15, 2009, the City Commission unanimously approved a draft Request for Proposal document to solicit proposals for the redevelopment of the Johnson Street site on State Road A1A. A series of community meetings were held to gather input from citizens regarding the redevelopment of the six-acre site that spans from the Hollywood Broadwalk to the Intracoastal between Michigan and Johnson Streets.

The RFP was structured as a two-stage process with the first phase focused on Proposer qualifications, financial strength, and development concept. The second stage, open only to those Proposers that were judged “qualified” in the first stage, required full elevations showing what the building(s) would look like along with detailed traffic studies, market studies, proposed lease terms and other materials. Two development teams submitted proposals: Margaritaville at Hollywood Beach and Ocean Resort and Village by Planet Hollywood.

On March 4, 2010, the Stage II Johnson Street Evaluation Committee convened to hear developer presentations and listen to the findings of three expert consultants brought in by the City to analyze both proposals.

The evaluation committee's recommendation, consultant reports and community feedback were presented at the April 7, 2010 Special Joint City Commission/CRA meeting. During that meeting, the City Commission discussed the proposals and took additional public comment. At the conclusion of the meeting, the City Commission/CRA voted 7-0 to authorize staff to commence preliminary negotiations with the highest ranked firm (Margaritaville) for a 90 day period.

**Memorandum of Understanding Approved**

On Wednesday, July 7, 2010, the Hollywood City Commission (acting also in its capacity as the Hollywood CRA Board) unanimously approved the execution of a Memorandum of Understanding between the City of Hollywood, the Hollywood Community Redevelopment Agency and Margaritaville Resort at Hollywood Beach, LLC. The Memorandum of Understanding outlined business terms for a contemplated 99 year lease agreement between the City and Margaritaville. Margaritaville was selected.
through a competitive RFP process. As noted in the Memorandum of Understanding, the privately developed and managed Margaritaville Resort will include 360 guest rooms, 35,000 square feet of convention space, 30,000 square feet of restaurant/bar, 6,500 square feet of retail and 1,056 parking spaces on a five-acre City-owned site, between Johnson Street and Michigan Street, along A1A and the award-winning Hollywood Beach Broadwalk. A boat launch is also envisioned along the Intracoastal immediately west of the project along A1A, as is a large public plaza on Johnson Street.

Proposed 99 Year Development Agreement and Ground Lease between Margaritaville Hollywood beach Resort LLC and the City of Hollywood

The Agreement was approved in February, 2011. The CRA will make a significant contribution to this project in the following ways:

- CRA Loan - Construction loan made by CRA to Developer. The Loan is a $10 million loan at 5% due in 10 years with monies to be used for Furniture, Fixtures and Equipment.
- CRA Funding Agreement - $5 million for Johnson and Michigan streetscape and street-end improvements including new sidewalks, a pedestrian friendly promenade, bathrooms, a trolley stop, a visitor information booth, a great lawn and renovations to the existing bandshell. Margaritaville will also have to maintain these improvements (above the CRA baseline) and do programming through a license agreement.

Trump Hollywood

The latest major development to set its sights on Hollywood Beach is the prestigious Trump Hollywood project. Trump Hollywood features 200 oceanfront luxury condominiums, including two penthouses on the 40th floor with more than 7,000 square feet each. Trump Hollywood sits on 5 acres of land at 2711 South Ocean Drive. This project was completed in 2009

Hollywood Beach Marriott and Spa

Opened in the spring of 2005, the boutique-style upgrade to the Hollywood Beach Marriott and Spa is located directly on the ocean on a site that stretches from the Intracoastal Waterway to the beachfront Broadwalk.
**Ocean Palms**

The first luxury condominium project to be built on the Atlantic Ocean in 25 years, the 38-story, 240-unit Ocean Palms was completed at the end of 2006. The project is located at 3101 South Ocean Drive, just north of the Westin Diplomat Resort and Spa.

**Villas of Positano**

Completed at the north end of the Beach district is Phase I of the 62-unit Villas of Positano. The Mediterranean-style low-rise project features a nine-story building with 14 townhomes, 40 condominiums and eight penthouses. The ground floor blends in well with the pedestrian friendly Broadwalk. The project, located at 3500 North Ocean Drive, opened in 2007.

**Downtown District Redevelopment Plan**

The Downtown District Redevelopment Plan was adopted in 1979 and was amended in 1985, 1991, 1993 and 1995 to augment the existing redevelopment plan and provide additional detail on many elements. The strategy for implementing improvements and programs that will act as a catalyst for private investment and redevelopment in Downtown Hollywood remain the same.

The Downtown District is investing in the community in a variety of ways through public and private redevelopment and planning for the future.

The major public redevelopment projects in the Downtown are outlined below:

**ArtsPark at Young Circle**

One of the most significant public improvements in the redevelopment of Downtown Hollywood, the renovation of Young Circle Park, was initially funded in 2002 and 2003. In April 2002, Broward County chose Hollywood’s proposal to build the area’s first “ArtsPark”. With this designation came $5 million in Broward County funding, matched with approximately $10 million of local funding. Of this amount, $2.5 million was provided by the CRA. The CRA contributes the funding necessary to maintain the ArtsPark including landscape maintenance, janitorial and litter cleanup.
Young Circle Park has been transformed into a world-class public open space and a center for performing and visual arts. This amenity has created great value around Young Circle, leading to major new private investment in mixed-use, residential and commercial development.

**Alley Upgrades / Improvements**

In 2009, Downtown District funds were used for the asphalt resurfacing and the adjustment of above ground street structures such as manholes, gate valves and catch basins in the alleys south of Hollywood Boulevard and north of Harrison Street between 19th and 21st Avenues.

**Anniversary Park Project**

Anniversary Park is located in the heart of Downtown Hollywood on the corner of 20th and Hollywood Boulevard. The new design concept includes a new fence and entrance, a shade garden with oak trees, new game tables, benches, new playground equipment and colored concrete pathways. Additional enhancements were made during FY 2009 including the planting and maintenance of a ‘butterfly garden’ and minor modifications to the landscape that better accommodate park patrons.

**Street Light Program – Residential Neighborhoods**

The Downtown Hollywood neighborhoods between the Federal and Dixie Highway corridors - Parkside to the south and Royal Poinciana to the north – have been plagued by disinvestment for many years. The Monroe Street light project was approved by the CRA Board to undertake a “pilot” project for the Neighborhood Capital Improvement Program.

The second street targeted for this project was Washington Street. This street uses Light Emitting Diode (LED) fixtures with .75 foot candle (fc) illumination. LED present many advantages over traditional light sources including lower energy consumption, longer lifetime, and improved robustness.

The Monroe and Washington Street projects were completed ahead of schedule and under budget. Survey results show that the LED lights on Washington street used approximately 50 percent less kilowatt hours (kWh) than that of the metal halide, which
saves on electric service charges and energy usage. Future phases are under discussion.

Traffic Study – Restoration of Two-Way Traffic

The Downtown District contracted with GBF Engineering, Inc. to conduct a traffic study to evaluate the feasibility of restoring two-way traffic on Van Buren Street, Polk Street, and Tyler Street from Federal Highway/US-1 to 26th Avenue.

Holocaust Documentation & Education Center

In late 2003, a property at 2031 Harrison Street was purchased by the CRA Downtown District. The CRA subsequently sold the property in 2004 to the Holocaust Documentation and Education Center (HDEC). The CRA - Downtown District assisted by financing the purchase and costs of rehabilitation. The Center has opened their offices at this location.

In 2007, the CRA worked with the Center to restructure the loan and mortgage so they could enter the construction phase for the museum. In 2008, an architect and design firm was selected. In 2010, The Holocaust Documentation & Education Center Reference & Research library opened and provides access to Holocaust related materials (books, journals, videos, etc) to teachers, students, researchers, historians and the general public.

Downtown District Development Projects - Completed

Radius

The Radius project was the first major mixed-use, residential project in Downtown Hollywood. Radius provided 311 owner occupied units above 33,000 SF of commercial space. The project is located at North US-1 (Federal Hwy.) and Young Circle and overlooks the ArtsPark. The CRA - Downtown District and the City of Hollywood contributed to this project through construction of a public parking garage, installation of utilities and streetscape improvements and the payment of permit and impact fees. The project came onto the tax roll in FY 2008.

In 2009 The CRA Board reached Agreement to modify the existing Developer Agreement with the developer of Radius to provide the basis for the development of Radius Phase II - Icon Office Building which shall consist of an up to 8-story,
approximate 70,000 square foot building located on Block 42 at 1895 Tyler Street in Downtown Hollywood.

**Hollywood Station**

Hollywood Station has constructed approximately 600 residential units in several phases. Phase IA and IB were completed in late 2007 and consists of 214 condominium units, 43 townhomes and 93 lofts with approximately 20,000 square feet of commercial space. The project replaces blighted and vacant property and sets a standard for future redevelopment along the Dixie Highway/FEC railway corridor.

**The Mediterranean at Young Circle**

The CRA assisted in acquiring additional blighted property, allowing the developer to expand the project. The 24-unit project began construction in 2004 and has since been completed.

**Downtown District Development Projects - Approved**

**Young Circle Commons**

A Development Agreement was executed in July of 2004. The project will create approximately 208 residential units, ground floor retail and 408 parking spaces. The CRA will assist this project by providing incentives for demolition, environmental abatement and preparation of the site. Land assembly assistance is being given after the project is complete.

In the interim, the Developer of this project has performed work to the existing Great Southern Hotel by removing all exposed wires, repairing the roof, replacing the rain gutters and missing windows, painting the entire building and xeriscaping the perimeter.

**CRA Property Improvement Grants**

The CRA’s Property Improvement Grant programs attracted increased applicants in 2010, due in part to the establishment of the new Paint Only Program (POP) and the prioritizing of comprehensive private renovations along A1A, the Broadwalk and the side-streets covered in the CRA’s public side-street improvement projects.

**Paint Only Program (POP)**

The Paint Only Program (POP) was established in April 2010 and launched in June. The program, which offers a 50% reimbursement up to a maximum grant amount of $10,000 for patching, pressure cleaning and painting the exterior of any commercial property in the CRA, has attracted numerous applicants in the Beach and Downtown.
Districts to date and has also leveraged private property upgrades beyond the scope of the grant. In FY2010, four applicants were awarded a total of $31,274.83.

**Property Improvement Program (PIP)**

The Property Improvement Program (PIP), established in 2005, offers grants and interest participation loans to property and business owners in the Beach and Downtown Districts. The PIP provides for the use of tax increment funds to leverage private investment for general exterior/interior, on-site improvements to properties to eliminate slum and blighting influences within the Districts. The intent of the program is to encourage property and business owners to restore, renovate or improve their building and/or property, thereby improving the area's physical characteristics and enhancing the environment, leading to increased occupancy and higher property values. In 2010, three grants were awarded in the amount of $113,721.

**Hotel Improvement Program (HIP)**

The Hotel Improvement Program (HIP) provides for the use of tax increment funds to induce private investment that results in quality improvements and enhancements to small lodging business-use properties located in the Beach District. Like the PIP, this grant is to be utilized for exterior and interior improvements to property. This program aims to foster comprehensive renovation, restoration or improvement of properties that address and integrate the scope of the project with Superior Small Lodging's (SSL) Key Acceptable Hospitality Standard Elements which include presentation of the physical environment, impact of guest contact potential and delivery of service/product. Eligible applicants will be reimbursed one dollar for every two dollars spent and can receive a one-time grant of up to $325,000. In 2010, two HIP grants were awarded in the amount of $509,600.

**Development and Design Workshop**

The CRA contracted with the University of Miami, School of Architecture Graduate Programs in Real Estate Development & Urbanism and Urban Design to formulate development and design recommendations for the Beach and Downtown Districts. Recommendations were presented at a public workshop in June 2010.

**Multi-Modal Transportation & Livability Enhancements**

In 2010, the CRA made in-roads in multi-modal transportation and livability with some key enhancements and partnerships as well as the reintroduction of the Hollywood Trolley.
Trolley

The CRA launched a year-round trolley program as the Hollywood Trolley, in April 2010 with a community celebration event which included a trolley dedication ceremony, live entertainment, and a Trolley Treasure Hunt event.

The Hollywood Trolley program offers circulator transportation service throughout Hollywood Beach and to the Downtown. The program was developed to improve mobility, enhance the visitor experience and ease parking demand and traffic congestion. The service is funded through a Public Transport Service Development Grant from the Florida Department of Transportation with matching funds from the Hollywood Community Redevelopment Agency.

To facilitate strong ridership, the service provides short headways, interconnectivity between the trolley and public parking garages, low rider cost, and connectivity to major activity centers.

Hollywood Trolley Service, Schedule & Routes:

• Transportation service for Residents and Visitors
• Operates every Wednesday through Sunday, 10am – 10pm
• Departs approximately every 30 minutes from over a dozen stops on Hollywood beach and downtown
• $1 per ride/per person - riders will pay on-board the trolley
• Children age 5 and under ride FREE

A comprehensive marketing and media campaign was developed to position the program for both initial and long term success. This included:

* Media preview opportunities
* Merchant promotion kit with point-of-purchase collateral, brochure stands, maps, buttons, etc.
* Impactful trolley stop signage
* Banners
* Brochures with maps
* E-campaign materials, online promotion
* Advertisements
* Promotional video
**Bike Racks**

New bike racks were installed in both districts to help expand green transportation options. State-of-the-art “Pi” bike racks were placed at key sites in Downtown Hollywood and on the Broadwalk south and north of the ongoing street-end renovation locations, which are also slated to include bike racks. Additional “loop” racks were installed at Charnow Park.

**Water Taxi**

CRA staff members were instrumental in attracting the corporate owners of Water Taxi of Fort Lauderdale to Hollywood and facilitating the path to its December 2010 opening. With input from the CRA and the City, the Water Taxi stops were carefully chosen to coincide with Trolley stops and parking. Operators were invited to appear before the Marine Advisory Board, which enthusiastically praised their plans to bring Water Taxi service to Hollywood.

**Hollywood Beach “Mobi-Mat” ADA Access Program**

On February 17, 2010, the Department of Environmental Protection – Bureau of Beaches and Coastal Systems (DEP) extended a permit authorizing the first State-approved installation of “Mobi-Mat RecPath” ADA access mats in Florida for a pilot project to allow the agency the opportunity to gather data on the environmental impact of this new technology.

Four (4) mats were permitted to be located at Tyler Street, New York Street, Johnson Street and Connecticut Street, under strict maintenance conditions. Under the conditions of the extended permit, the City of Hollywood was again required to provide an assessment of the project at the end of the permit duration, with the understanding that options for closing the CCCL permit may be considered at that time. The assessment materials included documentation of installation, storms, or other significant events; documentation of interactions or effects on nesting sea turtles or hatchlings; and documentation of the mats’ effectiveness as an ADA access tool. During the 2010 turtle season, no wildlife interactions were reported by the Broward County Conservation Fund’s licensed sea turtle monitors. As the first permit holder in the state, Hollywood continued to set the precedent for municipalities in Florida.
CRA Operations

Retail/Business Recruitment

CRA staff continued to update and maintain an internal database of properties for lease or for sale as well as a database of all businesses located within the Beach and Downtown Districts. The database allows staff to identify, sort and present properties to prospective tenants/owners. In addition, staff continued to work with property owners, brokers and other real estate professionals in an effort to retain and recruit businesses in the Districts.

A recruitment strategy that would increase daytime populations of the Districts included a special focus on executive office suite tenants, traditional larger office tenants, educational centers and cultural facilities. Discussions with prospective tenants such as Barry University, private art-house cinemas and private high schools commenced during this period of time. The additional strategy for the relocation and expansion of tenants from similar districts in South Florida continued. With these efforts, additional new businesses opened their doors in Downtown Hollywood and Hollywood Beach, crediting lower rents and the desire to be in a centrally located business district. New businesses examples include: The Greek Joint, For Art Sake, Southern Brand and Le Petite Prince.

Operations

In FY 2010, funding continued for several prior initiatives due to their positive results. These initiatives included the funding and supervision of a five (5) member afternoon Beach Maintenance crew (beyond the City’s morning crew of 17) and a two (2) member Code Enforcement team. The CRA also continued to fund enhanced police services for the Downtown (one Sergeant and four officers) and the Beach (one Sergeant and eight officers), a three (3) member Public Works crew in the Downtown core and the City’s Engineering and Construction Services Department to manage and design the CRA’s public improvement projects. These teams provide an enhanced level of service, coupled with City efforts, to our residents, businesses and tourists.

Public Works

The CRA Beach Maintenance Staff works an enhanced shift from 1:30pm to 10:00pm to supplement the maintenance activities provided during the daytime. Responsibilities range from emptying garbage cans and delittering the Beach and Broadwalk to ambassadorial duties for our beach-going public. The Beach Maintenance staff is also the point of contact for Sea Turtle protection agencies and played a pivotal role in identifying the needs of the community such as restroom and other signage, bike lane enhanced markings and easy to identify recycle bins. The Downtown crew is responsible for maintaining the downtown core and has similar job responsibilities of
the beach crew, both with an eye for making Hollywood a clean destination to eat, shop and visit.

**Code Compliance**

Code Compliance staff are engaged in face to face interaction when possible with property owners and property managers to educate on varying code violations and suggestions on achieving compliance. Most common violations written were for various garbage violations, property standards, weeds/grass and sign infractions. Residents and the business community were starting to significantly feel the effects of the global economic down turn. Fewer resources were being allocated to property upkeep and improvement.

Explaining cost/benefit analysis of compliance to property owners/managers is extremely important. General compliance from most cases is achieved by building professional relationships with property owners/managers and educating violators that the potential costs of non-compliance do not outweigh the benefits of non-compliance.

**Community Policing**

City of Hollywood Police personnel play a vital role in making the beach and downtown safe for residents, visitors and business owners. These officers provide an enhanced level of service over the baseline level that the patrol officers provide.

**Engineering and Construction Services**

Tasked with managing and designing the CRA’s public improvement projects, this team of engineers, architects and designers help to improve and make the beach and downtown capital improvement projects a success.

**Business Development**

The Beach District’s business development initiatives support the redevelopment objectives identified in the Hollywood Beach Community Redevelopment Plan. With a mission to drive economic growth and in accordance with the redevelopment objectives, key marketing and business development goals for the Beach District include to:

- Establish and maintain an electronic networked inventory of beach properties available for redevelopment and investment.
- Develop and promote CRA programs and opportunities to stimulate private investment and improvement projects.
- Foster ongoing communication with Hollywood Beach residents, business owners, property owners, civic and community groups, condominium associations and media.
- Strengthen awareness and identity of Hollywood Beach and the CRA to investor, visitor, resident and commercial business audiences.
The Downtown District’s business development initiatives support the redevelopment objectives identified in the Downtown District Redevelopment Plan. These objectives include:

- Maintain an electronic networked inventory of downtown properties
- Recruit new retail businesses to Downtown Hollywood.
- Encourage new office development, targeting areas north of Hollywood Boulevard.
- Integrate ArtsPark at Young Circle into all Downtown District activities.
- Celebrate the existing historic business district along Hollywood Boulevard.
- Create and inventory of retail/commercial storefronts, including existing businesses and vacancies.
- Work with the Downtown Hollywood Business Association Property Owners Committee to strategize for retail recruitment.

**Hollywood Prospector Commercial Property Search**

Hollywood Prospector is a website (www.hollywoodflproperties.com) that allows users to identify available commercial property. The website also provides data including workforce demographics, business information, and interactive maps. The data is created and displayed using a Geographic Information System (GIS) that combines layers of information in order to better understand comprehensive details about a specific location and is powered by GIS Planning’s ZoomProspector software.

Any commercial broker, property owner, developer, or similar real estate entity can list available commercial or industrial property. There is no cost to participate. This is a free, dynamic, comprehensive listing system for brokers and interested companies. With their informed list of leads, website visitors can contact the respective brokers directly about specific properties.

**CRA District Events**

Signature events serve to strengthen the Hollywood brand and introduce new audiences to the area. Associating Hollywood with these events maximizes publicity value, extends marketing reach via collaborative marketing partnerships and delivers a positive economic impact to the Beach and Downtown Districts.

To meet the objectives identified in the Hollywood CRA Redevelopment Plan, specifically to provide for a viable business community and high quality of life for Hollywood residents and visitors; to enhance Hollywood as a tropical destination; and to expand recreation opportunities, a program of year-round festivals, events and entertainment was supported. These events include:
Hollywood Beach Candy Cane Parade  
(December 2009)
The annual Hollywood Beach Candy Cane Parade has been a Hollywood Beach tradition since 1955 and continues to draw large and enthusiastic crowds.

St. Patrick’s Day Parade  
(March 2010)
Everyone loves this annual celebration of all things Irish in Downtown Hollywood.

Hollywood Beach Pro Footvolley World Cup  
(May 2010)
An internationally televised Pro Footvolley championship was held on Hollywood Beach and broadcast on GolTV.

4th of July on Hollywood Beach  
(July 2010)
Each year, Hollywood Beach is host to an impressive array of fireworks, live music and entertainment offerings. Beach area restaurants, shops and hotels report record-breaking business each year.

Ongoing Programs and Activities

Artwalk  
Monthly
In 2010, the CRA continued to support the monthly Artwalk event in Downtown Hollywood and help coordinate the participation of local merchants.

Broadwalk Friday Fest  
Every Friday
In 2010, free live concerts and cultural entertainment were staged every Friday. Acts feature the wide range of folkloric and contemporary music available in South Florida.

Saturday Night Bandstand  
Every Saturday
In 2010, a weekly Saturday night concert series offered live music all year round. The free entertainment continued to attract audiences to Hollywood Beach.
Tourism

Hollywood founder Joseph W. Young understood the importance of a thriving tourism industry for Hollywood. With its pristine beaches, magnificent sunshine and natural beauty, Young set out to create an environment with good amenities, great neighborhoods, strong economy and a thriving downtown. In doing so, he created a quality of life that attracted people who first came to visit, then later, made Hollywood their home. Today, the Hollywood CRA Board continues Young’s vision with the clearly identified objectives in the Hollywood Redevelopment Plan which include re-establishing tourism as a vital industry and enhancing Hollywood Beach as a tropical destination.

Throughout 2010, The Hollywood CRA was focused on maximizing the impact of its marketing resources to attract visitors to the downtown and beach districts. From the launch of the city’s first-ever national television campaign that reached millions of potential visitors to the introduction of a year-round shore excursion program that brings cruise passengers to Hollywood, the CRA’s efforts over the past year contributed significantly to making Hollywood a premier vacation destination for visitors across the globe.

As the down economy began to show signs of recovery, the CRA remained focused on protecting and growing Hollywood’s share of destination travel via integrated sales and marketing programs that drive visitation to and within Hollywood. Throughout the fiscal year, the CRA worked closely with City Commission appointed Hollywood Office of Tourism Marketing Advisory Committee (HOTMAC) members to carry out a mission which was established with the inception of the HOTMAC in 2006. The mission is to provide industry leadership in the marketing of Hollywood as a premier year-round destination for all visitors by serving as the marketing engine driving economic growth for the hospitality industry in Hollywood.

Hollywood City Pass Shore Excursion Program

The debut of a new marketing partnership with Royal Caribbean International was unveiled to bring cruise passengers sailing from Port Everglades to Hollywood. Initially launched as a pilot project in the summer of 2010 for the world’s largest cruise ship, Royal Caribbean’s Oasis of the Seas, the program is now available to all cruise passengers sailing from Port Everglades on Royal Caribbean and Celebrity cruise ships.

The program has considerably raised the profile of Hollywood as a pre and post cruise destination and is supported by Royal Caribbean International with marketing programs which include: featuring the Hollywood excursion in passenger cabins on closed circuit TV; distributing Hollywood brochures onboard the ships; promoting Hollywood during
shore excursion presentations and at the shore excursion desk; and featuring Hollywood on the Royal Caribbean website. Overall the program introduces Hollywood to approximately 20,000 passengers on a weekly basis while bringing cruise passengers from around the world to Hollywood’s restaurants, shops and points of interest.

Marketing

Strategic, integrated and targeted marketing campaigns are the cornerstone of the CRA’s marketing efforts. In 2010, the CRA launched “Florida's Hometown Beachtown,” a national campaign to position Hollywood as a place where the local culture is as warm and inviting as it is natural and evolving. The multi-media campaign introduced Hollywood’s beach, downtown and nature areas reaching a national audience with a focus on key feeder markets for Florida - an important step in protecting and growing Hollywood’s share of market; overcoming perceptions related to the Gulf Oil Spill; and re-engaging travelers across the nation as the down economy began to show signs of recovery. The campaign also focused on local and Florida drive markets targeting consumers planning a day, weekend or staycation. The integrated media strategy also included online, web and print promotions.

Public Relations

Travel trade and media provide consumers with an unbiased review of Hollywood’s tourism offerings. The CRA serves media outlets in the following ways: delivering timely and newsworthy information on hospitality offerings in the beach and downtown districts; inviting travel writers from top publications to experience the city for themselves; and partnering with media and trade to offer consumer promotions that attract potential visitors and generate awareness of all there is to see and do in Hollywood. The extraordinary coverage Hollywood receives from these efforts includes recognition by Travel + Leisure Magazine in May 2010 as one of “America’s Best Beach Boardwalks.” Throughout 2010, the CRA coordinated destination familiarization tours for over 280 trade and media professionals to report on Hollywood’s destination offerings.
Sales

The CRA actively promotes the beach and downtown districts overseas and in Canada to grow travel from key feeder markets and promote Hollywood’s number one export, tourism. The CRA increased awareness of Hollywood’s tourism product through strong presence and one-to-one meetings with tourism product buyers and media at important domestic and international trade events. In 2010, an estimate of $2,507,808.75 in international hotel and related revenue from overseas travelers was generated in Hollywood as a result of sales missions and outreach representing a 134 percent increase over the $1,063,668.75 estimated revenue generated in 2009. In 2010, the revenue generated was 62 times greater than the $40,287.91 expended on sales missions. Additionally, from these sales efforts, Hollywood received over $6 million in free media value in the 2010 fiscal year.

Visitor Services

Highly personalized answering of individual visitor questions at the Hollywood Beach Welcome Center, Cruise Guest Concierge Lounge, Hollywood Beach Culture and Community Center and at the CRA Office, have earned Hollywood an enviable reputation as being a warm and welcoming destination. The CRA's provision of visitor service locations throughout the two districts have contributed significantly to making Hollywood a premier visitor destination.

Meetings & Conventions

The CRA works with meeting professionals, convention staff and hotel sales directors to encourage groups to patronize businesses in the downtown and beach districts. From customized Dine Arous to special events hosted in the districts, the CRA works closely with the hospitality industry to support the local economy.

Tourism Impact

In the 2010 fiscal year, Hollywood’s tourism economy generated $388 million from an estimated 2.6 million visitors staying in Hollywood hotels, in addition to other paid accommodations and day visits. Of the 31 municipalities in Broward County, Hollywood continued its position as number 2, second only to the City of Fort Lauderdale, in the collection of tourist tax dollars. In the fiscal year, Hollywood hotels accounted for $5.7 million or 16.1 percent of the total tourism tax collection in the Greater Fort Lauderdale region. As the official tourism marketing organization for Hollywood, the CRA works constantly to improve the way it showcases Hollywood’s tourism product offerings with an intention to establish Hollywood as Florida’s premier destination.
## Statement of Revenues, Expenditures and Changes in Fund Balances

**For the Fiscal Year Ended September 30, 2010**

*(Preliminary Unaudited)*

<table>
<thead>
<tr>
<th>Revenues:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>$7,965,404</td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>7,375,881</td>
<td></td>
</tr>
<tr>
<td>Investment Revenue</td>
<td>156,717</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>42,633</td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>15,540,635</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Government</td>
<td>5,456,004</td>
<td></td>
</tr>
<tr>
<td>Economic Environment</td>
<td>404,165</td>
<td></td>
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<tr>
<td>Culture and Recreation</td>
<td>212,951</td>
<td></td>
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<tr>
<td>Physical Environment</td>
<td>3,499,791</td>
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<tr>
<td><strong>Total Current Expenditures</strong></td>
<td><strong>9,572,911</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Capital Outlay:</th>
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<tbody>
<tr>
<td>General Government</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Public Safety</td>
<td>0</td>
<td></td>
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<tr>
<td>Physical Environment</td>
<td>1,932,778</td>
<td></td>
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<tr>
<td><strong>Total Capital Outlay</strong></td>
<td><strong>1,932,778</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Debt Service:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>2,625,000</td>
<td></td>
</tr>
<tr>
<td>Interest and Fiscal Charges</td>
<td>2,625,067</td>
<td></td>
</tr>
<tr>
<td><strong>Total Debt Service</strong></td>
<td><strong>5,250,067</strong></td>
<td></td>
</tr>
</tbody>
</table>

| Total Expenditures      | 16,755,756 |
|                        |            |

| Excess (Deficiency) of Revenues Over (Under) Expenditures | (1,215,121) |
|                                                          |            |

| Fund Balance - October 1 | 37,693,596 |
|                         |            |

| Fund Balance - September 30 | $36,478,475 |
|                             |            |
### CITY OF HOLLYWOOD, FL
COMMUNITY REDEVELOPMENT AGENCY – BEACH DISTRICT
BALANCE SHEET
SEPTEMBER 30, 2010
(Preliminary Unaudited)

#### ASSETS:
- **Cash**: $200
- **Investments - at fair value**: 21,140,164
- **Accounts Receivable – Net**: 0
- **Due from Other Governments**: 120,456
- **Restricted Assets: Investments - at fair value**: 16,194,932

**Total Assets**: 37,455,752

#### LIABILITIES AND FUND BALANCES:

**LIABILITIES:**
- **Vouchers Payable**: 619,600
- **Accrued Wages and Leave**: 35,254
- **Deferred Revenue**: 46,716
- **Contracts Payable**: 275,707

**Total Current Liabilities**: 977,277

**FUND BALANCES:**
- **Reserved:**
  - Debt Service: 3,145,464
  - Capital Improvement Program: 13,049,468
  - Grants and Special Programs: 20,283,543

**Total Fund Balance**: 36,478,475

**TOTAL LIABILITIES AND FUND BALANCES**: $37,455,752
CITY OF HOLLYWOOD, FL
COMMUNITY REDEVELOPMENT AGENCY – DOWNTOWN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010
(Preliminary Unaudited)

REVENUES:
<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>$3,346,464</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>3,637,846</td>
</tr>
<tr>
<td>Investment Revenue</td>
<td>11,397</td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>155,833</td>
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<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>7,151,540</strong></td>
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EXPENDITURES:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government</td>
<td>1,980,657</td>
</tr>
<tr>
<td>Economic Environment</td>
<td>1,259,549</td>
</tr>
<tr>
<td>Physical Environment</td>
<td>1,924</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>3,242,130</strong></td>
</tr>
</tbody>
</table>

CAPITAL OUTLAY:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation</td>
<td>298,121</td>
</tr>
<tr>
<td><strong>Total Capital Outlay</strong></td>
<td><strong>298,121</strong></td>
</tr>
</tbody>
</table>

DEBT SERVICE:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>2,149,678</td>
</tr>
<tr>
<td>Interest and Fiscal Charges</td>
<td>1,538,256</td>
</tr>
<tr>
<td><strong>Total Debt Service</strong></td>
<td><strong>3,687,934</strong></td>
</tr>
</tbody>
</table>

Total Expenditures: **3,228,185**

Excess (Deficiency) of Revenues Over (Under) Expenditures: **(76,645)**

OTHER FINANCING SOURCES:

TRANSFERS IN/(OUT)
<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Transfers In: Parking Enterprise Fund</td>
<td>105,750</td>
</tr>
</tbody>
</table>

Excess (Deficiency) of Revenues Over (Under) Expenditures: **29,105**

Fund Balance - October 1: **3,037,092**

Fund Balance - September 30: **$3,066,197**
CITY OF HOLLYWOOD, FL  
COMMUNITY REDEVELOPMENT AGENCY – DOWNTOWN DISTRICT  
BALANCE SHEET  
SEPTEMBER 30, 2010  
(Preliminary Unaudited)

<table>
<thead>
<tr>
<th>ASSETS:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$ 200</td>
</tr>
<tr>
<td>Investments - at fair value</td>
<td>1,059,698</td>
</tr>
<tr>
<td>Notes Receivable - Net of Allowances</td>
<td>1,963,242</td>
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<tr>
<td>Accounts Receivable - Net of Allowances</td>
<td>7,500</td>
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<tr>
<td>Real Estate held for Resale</td>
<td>900,000</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>3,930,640</strong></td>
</tr>
</tbody>
</table>

| LIABILITIES AND FUND BALANCES: |
|-----------------------------|-------|
| LIABILITIES:                |       |
| Vouchers Payable            | 189,666 |
| Accrued Wages and Leave     | 5,199  |
| Deposits Payable            | 3,577  |
| Due to Other Funds          | 330,000 |
| Construction Contracts      | 19,438 |
| Deferred Revenue            | 316,563 |
| **Total Liabilities**       | **864,443** |

<table>
<thead>
<tr>
<th>FUND BALANCES:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserved:</td>
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</tr>
<tr>
<td>Debt Service</td>
<td>0</td>
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<tr>
<td>Prepaid Items</td>
<td>725,000</td>
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<tr>
<td>Grants and Special Programs</td>
<td>2,341,197</td>
</tr>
<tr>
<td><strong>Total Fund Balances</strong></td>
<td><strong>3,066,197</strong></td>
</tr>
</tbody>
</table>

<p>| TOTAL LIABILITIES AND       |       |</p>
<table>
<thead>
<tr>
<th>FUND BALANCES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td><strong>3,930,640</strong></td>
</tr>
</tbody>
</table>
**Tax Increment**

The Chart below summarizes the Operating Millage Rates and Increment Revenues for the Taxing Authorities in the Hollywood CRA.

<table>
<thead>
<tr>
<th>TAXING AUTHORITIES</th>
<th>Millage Rate</th>
<th>Beach Increment Revenues</th>
<th>Downtown Increment Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>BROWARD COUNTY</td>
<td>4.8889</td>
<td>$6,441,390</td>
<td>$2,696,435</td>
</tr>
<tr>
<td>CITY OF HOLLYWOOD</td>
<td>6.0456</td>
<td>$7,965,404</td>
<td>$3,346,464</td>
</tr>
<tr>
<td>HOSPITAL DISTRICT*</td>
<td>1.2732</td>
<td>$300,000</td>
<td>$706,099</td>
</tr>
<tr>
<td>CHILDREN'S SERVICES COUNCIL</td>
<td>0.4243</td>
<td>$560,751</td>
<td>$235,311</td>
</tr>
<tr>
<td>TOTAL RATE</td>
<td>12.6320</td>
<td>$15,267,545</td>
<td>$6,984,309</td>
</tr>
</tbody>
</table>

* Hospital District is capped at $300,000 for the Beach District. Increment Revenues for the Hospital District ($1,682,648) are not included in total rate. $300,000 is included in above total.

The Chart below summarizes the CRA Taxable Value history since 1997.
Chapter 163 of the Florida Statutes requires each CRA to provide an annual report by March 31 of each year to the Governing Body (City Commission). This report and financial statement is submitted in fulfillment of that requirement and to provide information to the public.