City of Hollywood
Community Redevelopment Agency

Annual Report
and Financial Statement for Fiscal Year 2011

March 31, 2012
City of Hollywood
Community Redevelopment Agency
Beach and Downtown

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

March 31, 2012

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Executive Director

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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.

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. Throughout 2011, the CRA embarked on a strategic planning and goal setting process establishing a new vision, mission and strategic plan for the Beach and Downtown.

The strategic planning and goal setting process is important to the Executive Director and Staff as well as the CRA Board so that a vision with value based principles could be established 15 years in the future. A plan with strategic goals that focus on outcome based objectives for the next five years was established and a one-year policy agenda was defined. The mission and core beliefs of the strategic planning model will guide the CRA as we continue to pursue the objectives set forth in the redevelopment plans.

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 2011 (October 1, 2010 - September 30, 2011).

This Annual Report will showcase the many redevelopment, public and private, initiatives that are being utilized to rid the negative influences affecting the Hollywood CRA districts. Great strides have been made in FY 2011 and will continue for future years.

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—City of Hollywood, Broward County, Children’s Services Council of Broward County, and the South Broward Hospital District. Through their leadership and support, these Districts have secured a bright future for their constituents.
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).
### Base Year “Frozen Value”

<table>
<thead>
<tr>
<th></th>
<th>FY 2011 Assessed Value of all real property</th>
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<tbody>
<tr>
<td><strong>Beach District</strong></td>
<td>$2,007,421,730 (City &amp; County)</td>
</tr>
<tr>
<td></td>
<td>$2,011,682,580 (Hospital and CSC)</td>
</tr>
<tr>
<td><strong>Downtown District</strong></td>
<td>$539,404,540 (City)</td>
</tr>
<tr>
<td></td>
<td>$536,495,100 (County)</td>
</tr>
<tr>
<td></td>
<td>$540,308,090 (Hospital and CSC)</td>
</tr>
</tbody>
</table>

Property values declined in FY 2011 for the Downtown District but increased in the Beach District due to new construction on the Beach.

<table>
<thead>
<tr>
<th></th>
<th>FY 2010 Tax Increment</th>
<th>FY 2011 Tax Increment</th>
<th>Increase/(Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beach District</strong></td>
<td>$15,267,545</td>
<td>$17,354,595</td>
<td>3.86%</td>
</tr>
<tr>
<td><strong>Downtown District</strong></td>
<td>$6,984,310</td>
<td>$5,604,887</td>
<td>(21.35%)</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 2011, $35,821,396 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. Any remaining funds will be used for the Phase III Underground Utilities and Streetscape Project.

The outstanding principal balance as of fiscal year ending 2011 for both the 2004 and 2007 Revenue Bonds is $49,545,000. The 2004 and 2007 Bonds have an A- Rating by Fitch and A3 rating by Moody’s. On February 11, 2011 Fitch Ratings affirmed the CRA’s bonds at A- and provided a stable outlook.

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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</thead>
<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 2011 for the four notes mentioned above is $21,580,033.
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. New public and private projects are in the planning stages or underway in what the district hopes is resurgence in property investment.

Publicly Funded Projects

Fire Rescue and Beach Safety Complex and Historic Tri-plex

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 is a joint effort between the City and the CRA and will be utilized as a Fire Rescue and Beach Safety complex and Community Redevelopment Agency Offices. The CRA offices will be housed in a restored 1932 historic tri-plex on the site. The historic structure will be renovated to provide for CRA offices and community space.

This jointly funded project utilizes TIF funds for non-construction related costs and City General Obligation Bond (GOB) dollars for the construction of the Public Safety Complex. Construction of the project began in April 2011 and will be complete in June of 2012.
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.

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.
Other 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. A new information center is planned for 2012 at the bottom floor adjacent to the paddleball courts.

Underground Utility Conversion and Streetscape Enhancements

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 2010 from Minnesota to Tyler Streets. Phase II continues through 2011 and will come to a close in the middle of 2012. Phase III will be in design during 2012.

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.

Other public improvement projects completed:

- Water and Sewer upgrades
- 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
Beach District Development Projects

Hollywood Beach has seen its share of quality development for condominium, hotel and mixed-use projects and hopes to continue to champion these endeavors.

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.

Other development projects in the planning stages include Positano II, Liberty Grande and other development projects bordering the CRA district including Apogee condominiums and Beach One condominiums.

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 projects in the Downtown are outlined below:

**Vacant City-owned Fire Facility transformed into Barry University**

The City of Hollywood owned a vacant fire facility located at 421 N. 21st Avenue and the adjacent onsite parking spaces. The property is located within the Downtown District of the CRA. The Health Care Industry is a major industry in the City of Hollywood and the City desires to undertake the University's request to expand its College of Health Sciences and related programs by utilizing the City's vacant facility.

To facilitate the project, in April, 2011, the City and University entered into a Lease Agreement for a ten (10) year term for the use of the facility located at 421 N. 21st Avenue. The City will provide up to $1.2 million in Neighborhood Stabilization Funds and/or CDBG funds toward build-out improvement costs for the renovations/rehabilitation and/or installation of the improvements of the facility.

The facility will be used for classrooms for university degree seeking students and administrative support exclusively for Barry University's College of Health Sciences and related programs. All operating expenses shall be the sole responsibility of the University. The building facility is prominently signed with the Barry University Identity.

Consistent with the provisions of Chapter 163, Part III, Florida Statutes, including specifically Section 163.400, Florida Statutes, the CRA shall contribute fifty percent (50%) toward the build-out improvement costs of the facility over a ten (10) year period, in an amount not to exceed $50,000 per year with the other fifty percent (50%) contribution coming from Barry University.

**Demolition of Blight – Adams Street/Dixie Highway**

The CRA purchased several properties on Adams Street and Dixie Highway in the southwest portion of the CRA District. In 2010, the Theresa Apartments, a 69-unit complex, along with several dilapidated houses with high crime and drug related incidences were demolished. In 2011, the service station located at 810 South Dixie Highway was also demolished by the CRA in a joint effort with the City of Hollywood's Housing Department paving the way for an RFP to be issued to redevelop 7 acres of City and CRA owned land. In 2011, seven developers submitted first stage proposals for these properties. In 2012, the list will be narrowed during the second stage and a potential developer can be chosen.
Eminent Domain – 1843 Harrison Street

In 2005, the CRA filed an eminent domain action against 1843, LLC, the owner of the property located at 1843 Harrison Street and known as the Mach property. As a part of the filing of this action, the CRA submitted a good faith estimate of the value of the Mach property in the amount of $725,000.

On November 18, 2008, the Court entered an Order of Taking which declared that upon deposit of $725,000 into the Registry of the Court, title to the Mach property would vest in the CRA. The CRA deposited $725,000 into the Registry of the Court.

Although title to the Mach property has already vested in the CRA, the determination of the actual value of the Mach property at the time the action was filed in 2005 remained pending before the Court until 2011.

The settlement calls for the CRA to pay an additional $275,000 for the taking of title to the Mach property (bringing the total paid for the property to $1,000,000) and an additional $50,000 as complete payment for attorney’s fees incurred by 1843, LLC to the date of the settlement.

The case is fully resolved, and the CRA expects to convey the Mach property to Block 40, LLC, the owner and developer of the adjacent Great Southern Hotel property, in 2012, upon payment by Block 40, LLC of all of the costs, including the $1,000,000 paid for the property, incurred by the CRA in the eminent domain action.

ArtsPark at Young Circle

One of the most significant public improvements was 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 assist in the maintenance of the ArtsPark.
Anniversary Park Project

Anniversary Park is located in the heart of Downtown Hollywood on the corner of 20th and Hollywood Boulevard. Additional enhancements were made including the planting and maintenance of a ‘butterfly garden’ and minor modifications to the landscape that better accommodate park patrons.

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.

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.
Norma and Mantua Apartments

This 10 unit rental complex, bank owned due to foreclosure, was acquired in 2011 by private owners. The three historic buildings were fully renovated including the interior and exterior, landscaping and the creation of ten private parking spaces.

BEFORE          AFTER

CRA Property Improvement Grants

The CRA’s Property Improvement Grant programs attracted more applicants in 2011 than at any other time since their establishment, facilitating significant private renovations along A1A, the Broadwalk and the side-streets.

Paint Only Program (POP)

The Paint Only Program (POP), established in April 2010, offers a 50% reimbursement up to a maximum grant amount of $10,000 for patching, pressure cleaning and painting the exterior of any residential, multi-family, or commercial property within the CRA district. This grant has proven popular in both the beach and downtown districts, including notable properties such as the Marriott Hollywood Beach and the Hollywood Beach Parking Garage, as well as numerous small residential and commercial properties. This incentive program has leveraged hundreds of thousands of dollars in private property upgrades beyond the scope of the grant. In FY2011, 17 applicants were awarded for a total amount of $78,087.50.
The Property Improvement Program (PIP), established in 2005, offers a 50% reimbursement up to a maximum grant amount of $50,000 for comprehensive renovations to the exterior and interior of a property. The grant can be used by commercial, condominium, and multi-family non-homesteaded properties. The intent of the program is to leverage private investment for comprehensive improvements and encourage property and business owners to restore, renovate or improve their property. This improves physical characteristics throughout the district, enhancing the environment and increasing occupancy and property values. In FY2011, five grants were awarded for a total amount of $273,493.50.

In 2005, the CRA created the Hotel Improvement Program (HIP) which offers a 50% reimbursement up to a maximum grant amount of $250,000 for comprehensive interior and exterior improvements to an existing hotel/motel, inn, or bed and breakfast with less than 50 rooms. Like the PIP, this grant is to be utilized for exterior and interior improvements to

Property Improvement Program (PIP)

Before

After

POP Grant – Toucans - 500 N. Broadwalk

Hotel Improvement Program (HIP)

Before

After

PIP Grant – Billy’s Stone Crab
property. The goal is to leverage and encourage private investment for a comprehensive renovation/restoration that address and integrates the scope of the project with Superior Small Lodging’s (SSL) Key Acceptable Hospitality Standard Elements. As a part of receiving this grant, the hotel must become certified with SSL. In 2011, two HIP grants were awarded for a total amount of $69,096.

Multi-Modal Transportation & Livability Enhancements

In 2011, the CRA made in-roads in multi-modal transportation and livability with some key enhancements and partnerships.

Trolley

The CRA launched a year-round trolley program as the Hollywood Trolley, in April 2010 with a community celebration 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.
Livability Enhancements

Broward B-Cycle

CRA staff worked with Broward B-Cycle, the City of Hollywood, local stakeholders and Broward County to find suitable locations in the CRA districts for a new county-wide bike sharing program and facilitate permitting and approvals.

Water Taxi

CRA staff members worked with the corporate owners of Water Taxis of Fort Lauderdale to debut their new Hollywood water taxi route in December 2010. With input from the CRA and the City, the Water Taxi stops were carefully chosen to coincide with Trolley stops and parking. New stops were added throughout the year as the service grew in popularity.

Hollywood Beach “Mobi-Mat” ADA Access Program

In January 2011, the Department of Environmental Protection – Bureau of Beaches and Coastal Systems (DEP) closed the Seaward of the Coastal Construction Control Line (CCCL) permit which had authorized a 2-year installation of “Mobi-Mat RecPath” ADA access mats on Hollywood Beach, marking the conclusion of a lengthy pilot project designed to allow the agency to gather data on the environmental impact of this new technology. In 2009, the CCCL permit authorized the first State-approved Mobi-Mat installation in Florida at Tyler Street, New York Street, Johnson Street and Connecticut Street, under strict maintenance conditions. Under the conditions of the CCCL permit, the City of Hollywood was again required to provide an assessment of the project at the end of the permit duration. The assessment materials included documentation of maintenance procedures, 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 2011 turtle season, no wildlife interactions were reported by the Broward County Conservation Fund’s licensed sea turtle monitors. As a result of the data documented in the 2-year study, DEP closed the major CCCL permit in January 2011 and issued a less stringent field permit to be renewed each year. As the first field permit holder in the state, Hollywood continued to set the precedent for permitting this technology in Florida and provided information to parks and municipalities across the State, as well as to Broward A1A Scenic Highway Committee and the DEP’s Inspector General and ADA coordinator.

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 included the recommendation to modify public policy on issues such as property / design standards, outdoor murals, parking and zoning and 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 private art-house cinemas, privately run artist colonies and incubators and regional restaurant chains 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 in Downtown Hollywood and Hollywood Beach, crediting lower rents and the desire to be in a centrally located business district.

**Operations**

In FY 2011, 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), 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.

**Maintenance**

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 and addressing the needs of the community such as wayfinding and other signage, bike lane enhanced markings and easy to identify recycle bins.

During previous years the CRA funded a portion of the salaries and benefits of a three (3) member City of Hollywood Public Works crew that was focused citywide. It was decided that a separate crew to focus solely on the downtown core was needed for FY 2012. The CRA piggybacked off an RFP with a local governmental agency and selected Block By Block, Inc dba Valor Security Services (BbB) as a viable option to provide service for the Downtown District. The services of BbB will begin in November 2012.

**Code Enforcement**

Code Enforcement 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 property standards,
weeds/grass and sign infractions. Residents and the business community were issued warnings and violations for properties that were not in compliance. The administrative citation was utilized for violations such as an overflowing dumpster.

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.

The CRA explored the idea and benefit of increasing the Enhanced Code Enforcement staff. After significant consideration, the CRA advertised for one additional Code Enforcement Officer Position slated to begin service in 2012.

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.

Small Capital Improvement Projects - Downtown District

2100 Block of Hollywood Boulevard - CRA staff with the assistance of Public Works and Public Services, continued to meet with property owners in an effort to identify an aesthetic, practical and affordable plan for this street. Construction of approximately 320 linear feet of concrete along with 4,100 square feet of brick pavers is scheduled for March, 2012.

Sidewalk Flag Repouring - Tyler Street sidewalks between Young Circle and 21st Avenue were poured to provide for safety and aesthetic enhancements.

Planter Upgrade - 81 Planters located within the commercial core were assessed by staff that determined it was necessary to upgrade. New materials included river rock and mulch and decorative pavers. Missing trees were also replaced.
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 to:

- 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.

CRA Seminar Series: Social Media

Over 20 people and 11 businesses from the Hollywood CRA districts came out to the Social Media event on April 19th at the Hollywood Beach Culture and Community Center. The instructor informed business owner’s on how to create a twitter account and also a business fan page. More than half of the attendee’s brought their own laptops and created their new twitter accounts and Facebook fan pages simultaneously with the instructor. They learned how to set up a profile, attain followers and friends, and change their username and add their own profile pictures.

CRA Seminar Series: Window Display Workshop - Downtown

Art Institute of Ft. Lauderdale professor Heather Shea, her department chair and 16 students, plus Hollywood business owners representing Melina’s Lingerie; T-Shirt Court; Drama Studio; Hollywood Beach Realty; Elegant Photographs; Comfort Zone Spa; Janeris Studio; Ester’s Boutique; and Romantic Things gathered for a window display workshop.
The instructor offered an overview of basic window display principles and suggested solutions for common merchandising challenges. She emphasized color as consumers’ number one visual cue in buying products, trumping size, texture or style. The instructor offered input on the effective use of light in visual displays and reviewed techniques for lighting open and closed back window displays. She also covered the importance of implementing unique sales ideas and themes, along with the effective placement of sale signs. Finally, the instructor explained point of purchase (POP) products including reasons and functions for a POP display in a store.

After the lecture, students were broken up into groups of two. Two students were assigned to each store owner. The students spent anywhere from 30 minutes to 2 hours with the individual store owner at the store location. Most of the store owners were extremely receptive to the students’ ideas. Some of the store owners made changes immediately, while others were more reticent or indicated that they would consider implementing some changes at another time. Students were tasked with providing their professor a written assessment of their assigned shop’s merchandising issues and offer some potential solutions.

CRA Seminar Series: Storefront Window Display Hollywood Beach

This seminar will focus on the beach stores. The seminar will take place at the Hollywood Beach Culture and Community Center in 2012, allowing more Beach business owners to attend than during the high season. Students will be available to visit the participants’ stores and offer individual recommendations to business owners.

CRA District Events

Signature events strengthen the Hollywood brand and introduce new audiences to the area. Associating Hollywood with these events maximizes publicity value, extends marketing reach via collaborative partnerships and delivers a positive economic impact to the area. 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 events and entertainment was supported. These events include:

Hollywood Beach Candy Cane Parade
(December 2010)
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 2011)
Everyone loves this annual celebration of all things Irish in Downtown Hollywood.

Hollywood Beach Pro Footvolley World Cup
(May 2011)
An internationally televised Pro Footvolley championship was held on Hollywood Beach and broadcast on GolTV.

4th of July on Hollywood Beach
(July 2011)
Hollywood Beach is host to fireworks, live music and entertainment offerings.

**Ongoing Programs and Activities**

**Artwalk**
Monthly
In 2011, 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 2011, free live concerts and cultural entertainment were staged every Friday.

**Saturday Night Bandstand**
Every Saturday
In 2011, 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.

In July 2006, the City Commission authorized the creation of the Hollywood Office of Tourism Marketing Advisory Committee (“HOTMAC”). The mission of the HOTMAC is to provide input and support for the development and implementation of the annual tourism marketing plan. The Hollywood CRA is the official liaison for the Committee to the City Commission. The Committee consists of nineteen members and one ex-officio member appointed by resolution of the City Commission. Members are selected due to the specific expertise they have in the travel, tourism and hospitality industry.

As Hollywood’s official tourism marketing organization, the Hollywood CRA Office of Tourism has a mission to promote travel and drive visitation to and within Hollywood. The key strategic priorities are to:

1. provide leadership for the tourism and hospitality industry;
2. become the trusted source of travel information that informs and inspires travel to and within Hollywood;
3. protect and grow Hollywood’s share of destination travel through integrated sales and marketing programs that drive visitation to and within Hollywood; and
4. leverage the Hollywood CRA’s resources through cooperative marketing programs that create and add value for Hollywood’s tourism industry.

Through the continued hard work of the entire CRA staff, the agency received a Flagler Award from VISIT FLORIDA during the Governor’s Conference on Tourism held at The Westin Diplomat Resort & Spa in September 2011.

After two down economic years the Hollywood CRA’s efforts delivered a significant impact. In the 2011 fiscal year, Hollywood’s tourism industry generated more than $405 million from an estimated 3.3 million visitors staying in Hollywood hotels, in addition to other paid accommodations and day visits. In the fiscal year, the year-over-year tourism tax collection from Hollywood hotels increased by 11 percent accounting for $6.1 million or 16 percent of the total tourism tax collection in the Greater Fort Lauderdale region. 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. The Hollywood CRA continues to monitor the economic factors that affect Hollywood’s tourism industry and looks forward to continue working with the City of Hollywood and the tourism industry to address the ongoing economic prosperity of Hollywood.
2010-2011 Annual Highlights

From a national campaign that reached millions of potential visitors to the highly personalized answering of individual visitor questions at the Hollywood Visitor Information Center, the Hollywood CRA’s efforts over the past year contributed significantly to making Hollywood a premier vacation destination for visitors across the globe. The following “Annual Highlights” section showcases just a few of the ways the Hollywood CRA’s responsiveness and leadership helped grow the Hollywood brand during the past year.

Cruise Line / Port Everglades Program

The highly successful cruise line marketing program developed by the CRA for Royal Caribbean International has expanded to include three ships owned by Holland America Line. The program, which brings thousands of cruise passengers sailing from Port Everglades to Hollywood, has considerably raised the profile of Hollywood as a pre and post cruise destination and is supported by Royal Caribbean International and Holland America Cruise Line with marketing programs that 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 and Holland America websites. Overall the program introduces Hollywood to approximately 25,000 passengers on a weekly basis while bringing cruise passengers from around the world to Hollywood’s beach and downtown district restaurants, shops and points of interest.

The CRA conducts familiarization tours (FAMS) and arranges hotel site visits for tour operators, travel agents and media to introduce new business opportunities to the Hollywood hospitality industry. The CRA successfully negotiated the opportunity for Hollywood to be one of three official destination site FAMS for the Cruise Line Industry Association’s (CLIA) annual conference held at the Broward County Convention Center held in April 2011. This resulted in the opportunity for the CRA to bring the top 75 CLIA sales agents to Hollywood.

Great VISIT FLORIDA Beach Walk in Hollywood

The Great VISIT FLORIDA Beach Walk was the world’s biggest beach rally and photo fest. Held Saturday, November 6, 2010, the event was organized as a celebratory experience to document the great conditions of Florida’s sandy shores and let the world know that Florida’s beaches were clean, clear and open for business after the Deep Water Horizon Oil Spill. The CRA spearheaded Hollywood’s involvement in the event by organizing hundreds of volunteers to snap and upload photos and video of the excellent condition of Hollywood Beach. Volunteers from all over spent the morning walking at least one beach mile and uploading real-time
photos of what they saw. The 5,200+ images show beautiful beaches, glorious sunrises, healthy wildlife, and beach-lovers having a great time.

Marketing

The CRA works to protect and grow Hollywood’s share of destination travel and does so through integrated sales and marketing programs that drive visitation to and within Hollywood. Strategic, integrated and targeted marketing campaigns are the cornerstone of the CRA’s marketing efforts for maximizing market share. In 2011, the CRA launched year two of the proven successful “Florida’s Hometown Beachtown,” advertising program, 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. 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.

Media objectives were to

- reinforce brand awareness of Hollywood
- target niche markets (couples considering destination weddings, cultural arts enthusiasts, ecotourists)
- create preference for Hollywood’s downtown and beaches by targeting individuals (planning a summer vacation in Florida arriving by air; Florida drive market interested in downtown/beach destination within driving distance (Broward, Palm Beach, Naples, Tampa/St. Petersburg, Orlando, Fort Myers, Sarasota – planning an in-town “staycation” or “daycation”; vacationers extending cruise vacation and local Hollywood / tri-county residents
- Drive traffic to Hollywood’s tourism website (increase clicks to site, increase clicks to partner sites, add to email database, increase mail database of vacation planners)

Media strategies were to:

- Use media proven to be effective at reaching specific target audiences
- Run television to reach national travelers as well as local and Florida drive audiences
- Use targeted online sites to reach local and Florida drive audience

Weddings

The CRA launched visithollywoodfl.org/weddings for couples who want to plan all aspects of their perfect beach wedding and honeymoon on one easily searchable site. The highly popular site is optimized and distributed via relevant online and social media channels delivering hundreds of qualified leads each month to Hollywood beach and downtown businesses.
Public Relations/Promotions

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 Hollywood being named the Number 1 Florida Beach Getaway by Florida Travel + Life and being selected as one of four Florida destinations featured in VISIT FLORIDA’S Family Insider Promotion at no cost to the CRA. Throughout 2011, the CRA coordinated destination familiarization tours for over 320 trade and media professionals to report on Hollywood’s destination offerings.
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 Aroun ds to special events hosted in the districts, the CRA works closely with the hospitality industry to support the local economy.

Sales

The CRA actively promotes the beach and downtown districts overseas 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 2011, an estimate of $3.6 million in international hotel and related revenue from overseas travelers was generated in Hollywood as a result of sales missions and outreach representing a 112 percent year-over-year increase with the U.K., Brazil, Europe and Canada leading in volume. Additionally, from these sales efforts, Hollywood received over $5 million in free media value in the 2011 fiscal year.
CITY OF HOLLYWOOD, FL  
COMMUNITY REDEVELOPMENT AGENCY – BEACH DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011  
(Preliminary Unaudited)

<table>
<thead>
<tr>
<th>REVENUES:</th>
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</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>$9,316,591</td>
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<tr>
<td>Intergovernmental</td>
<td>8,247,579</td>
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<tr>
<td>Investment Revenue</td>
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<td>Miscellaneous Revenue</td>
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<td><strong>Total Operating Revenue</strong></td>
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<tr>
<th>EXPENDITURES:</th>
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<tr>
<td><strong>Current:</strong></td>
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<tr>
<td>General Government</td>
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<tr>
<td>Economic Environment</td>
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<td>Culture and Recreation</td>
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<tr>
<td>Physical Environment</td>
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<td><strong>Total Current</strong></td>
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<td><strong>Capital Outlay:</strong></td>
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<td>General Government</td>
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<td>Public Safety</td>
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<td>Physical Environment</td>
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<td><strong>Total Capital Outlay</strong></td>
<td><strong>6,364,009</strong></td>
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</tbody>
</table>

| DEBT SERVICE:                 |                |
| Principal                     | 2,735,000      |
| Interest and Fiscal Charges   | 2,514,355      |
| **Total Debt Service**        | **5,249,355**  |

| Total Expenditures            | 19,794,485     |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (2,091,294) |

| OTHER FINANCING SOURCES (USES): TRANSFERS IN/(OUT) |                |
| Transfer Out to Debt Service Fund                | (144,276)      |
| **Total Other Financing Sources (Uses)**         | **(144,276)**  |

| Changes in Fund Balances | (2,235,570) |
| Fund Balance - October 1 | 36,478,475   |
| Fund Balance - September 30 | $34,242,905  |
CITY OF HOLLYWOOD, FL
COMMUNITY REDEVELOPMENT AGENCY – BEACH DISTRICT
BALANCE SHEET
SEPTEMBER 30, 2011
(Preliminary Unaudited)

<table>
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<tbody>
<tr>
<td>Cash</td>
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<td>** Restricted Assets:</td>
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<td>Investments - at fair value</td>
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<td>Total Assets</td>
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<th>LIABILITIES AND FUND BALANCES:</th>
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<tr>
<td>LIABILITIES:</td>
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<tr>
<td>Vouchers Payable</td>
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<tr>
<td>Accrued Wages and Leave</td>
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<td>Contracts Payable</td>
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<td>Unearned Revenue</td>
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<td>Total Current Liabilities</td>
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<table>
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<tr>
<th>FUND BALANCES:</th>
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<tbody>
<tr>
<td>Restricted:</td>
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<tr>
<td>Debt Service</td>
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<tr>
<td>Capital Projects</td>
</tr>
<tr>
<td>Grants and Special Programs</td>
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<tr>
<td>Total Fund Balance</td>
</tr>
</tbody>
</table>

TOTAL LIABILITIES AND FUND BALANCES $ 35,532,191

* Investments at fair value represent funds on hand, where a significant portion of these funds have been designated for non-bond related capital improvement projects and/or obligations as outlined in the CRA Capital Improvement Plan approved by the CRA Board on June 1, 2011 pursuant to R-2011-27.

** Restricted Assets: Investments at fair value represent funds on hand that have been designated for bond related capital improvement projects pursuant to the Series 2007 Beach CRA Redevelopment Revenue Bonds.
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, 2011
(Preliminary Unaudited)

<table>
<thead>
<tr>
<th>REVENUES:</th>
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<tbody>
<tr>
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<tr>
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<tr>
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<tr>
<th>EXPENDITURES:</th>
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<td>Economic Environment</td>
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<td>Economic Environment</td>
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<td>Principal</td>
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<tr>
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<td><strong>Total Debt Service</strong></td>
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</table>

| Total Expenditures | **7,022,091** |          |          |

| Changes in Fund Balance | **(1,397,818)** |          |          |

| Fund Balance - October 1 | **3,066,197** |          |          |

| Fund Balance - September 30 | **$1,668,379** |          |          |
CITY OF HOLLYWOOD, FL
COMMUNITY REDEVELOPMENT AGENCY – DOWNTOWN DISTRICT
BALANCE SHEET
SEPTEMBER 30, 2011
(Preliminary Unaudited)

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<td>Real Estate held for Resale</td>
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<td><strong>Total Assets</strong></td>
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<tr>
<th>LIABILITIES AND FUND BALANCES:</th>
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<td>LIABILITIES:</td>
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<table>
<thead>
<tr>
<th>FUND BALANCES:</th>
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<tbody>
<tr>
<td>NONSPENDABLE – Real Estate Held for Resale</td>
<td>1,050,000</td>
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<td>NONSPENDABLE – Notes receivable</td>
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<td><strong>Total Fund Balances</strong></td>
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<table>
<thead>
<tr>
<th>TOTAL LIABILITIES AND FUND BALANCES:</th>
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</thead>
<tbody>
<tr>
<td>FUND BALANCES</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$2,679,576</td>
</tr>
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</table>


34
**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>FY11 Millage Rate</th>
<th>Beach Increment Revenues</th>
<th>Downtown Increment Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>BROWARD COUNTY</td>
<td>5.1021</td>
<td>$7,084,080</td>
<td>$2,100,337</td>
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<tr>
<td>CITY OF HOLLYWOOD</td>
<td>6.7100</td>
<td>$9,316,591</td>
<td>$2,780,793</td>
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<tr>
<td>HOSPITAL DISTRICT*</td>
<td>1.2732</td>
<td>$300,000</td>
<td>$528,739</td>
</tr>
<tr>
<td>CHILDREN’S SERVICES COUNCIL</td>
<td>0.4696</td>
<td>$653,923</td>
<td>$195,017</td>
</tr>
<tr>
<td>TOTAL RATE</td>
<td>13.5549</td>
<td>$17,354,595</td>
<td>$5,604,887</td>
</tr>
</tbody>
</table>

* Hospital District is capped at $300,000 for the Beach District. Increment Revenues for the Hospital District ($1,772,945) 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.