Hollywood Beach
Community Redevelopment Agency

Annual Report
and Financial Statement

Improvements to the Hollywood Beach Broadwalk

March 31, 2006
Hollywood Beach
Community Redevelopment Agency

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

March 31, 2006

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Beach Executive Director

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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 attached financial statement is submitted in fulfillment of that requirement and to provide information to the public.
Overview

The Community Redevelopment Agency “CRA” of Hollywood was created in 1979. The Downtown District “DCRA” was created at that time followed by the establishment of the Beach District “BCRA” in 1997. The BCRA includes approximately 293 acres from Sherman Street south to the south property line of the Westin Diplomat Resort and Spa, and from the Intracoastal Waterway to the Atlantic Ocean.

The groundwork had been laid during the previous few years to considerably change the blighted image of our Beach and Broadwalk. During the last year the BCRA has made significant strides towards implementation of the redevelopment plan.

Series 2004 Revenue Bond

On May 5, 2004, the City of Hollywood City Commission and the BCRA Board authorized the issuance of the Series 2004 Bonds pursuant to Resolution R-Beach-CRA-2004-05 and R-Beach-CRA-2004-06. The proceeds of the Bond, in an amount of $20,010,000.00, are secured primarily by the pledge of Trust Fund Revenues generated through the tax increment.

The Series 2004 Bond was deposited into an Acquisition and Construction fund to be used for the implementation of redevelopment projects and other redevelopment activities envisioned by the Beach Redevelopment Plan.

The main uses include:

- Broadwalk, Surf Road and street end improvements.
- beach utility underground conversion and replacement of water and sewer lines; and
- Property acquisition within the beach redevelopment area.

Approximately $5,000,000 has been spent on the Broadwalk renovation, water and sewer underground replacement, and the Garfield Street Parking Garage and Charnow park renovations. The remaining Bond funds will likely be depleted by the end of 2006.

Tax Increment

In FY 2005, the total assessed taxable value of property within the BCRA was $1,215,993,870, which generated Tax Increment Funding of $9,099,651. This
represents a 5.18% increase of $1,463,515 in the increment over the FY 2004 total assessed value of $1,156,139,440.

The trust fund revenues generated through tax increment are contributed by several taxing authorities including the City of Hollywood, Children’s Services Council of Broward County, Broward County and South Broward Hospital District.

**Redevelopment Plan**

The BCRA Redevelopment Plan was adopted in April 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 BCRA is investing millions of dollars in public and aesthetic improvements to the Beach, Broadwalk, street ends, and the Hollywood Boulevard bridge. Today, new water and sewer lines are being installed throughout the Beach and Broadwalk area. Broadwalk improvements have begun and include a complete makeover of 1.8 miles of Broadwalk, from Sherman Street to Jefferson Street. The existing asphalt is envisioned to be replaced by colorful pavers, a tabby concrete bike path and a low decorative wall will be added to separate the Broadwalk from the sand. Finishing touches will include historical themed lighting, benches, trash receptacles and pocket parks with public art and water features.

The major redevelopment projects are outlined below:

**Beach Renourishment**

The Hollywood Beach CRA has provided funds for a Beach Renourishment Project that restores eroded beaches and increases the enjoyment of our beautiful beach for residents as well as visitors. In addition to the economic benefits of making the beach more appealing to tourists, the sand replacement protects upland private and public property from damage caused by storm waves. This project began in April 2005 and has been completed.
Broadwalk Improvements

Millions of dollars in public improvements will deliver aesthetic upgrades to the Beach, Broadwalk and Street Ends. Work has begun and includes a complete makeover of the oceanfront Broadwalk, with colorful new pavers, 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.

Hollywood Boulevard Bridge Aesthetic Enhancement

This project includes the enhancement and rehabilitation of the Hollywood Boulevard Bridge. The goal of this project is to strengthen the community's image and identification with its Beach, Intracoastal Waterway and Downtown. Standard bridge maintenance and rehabilitation will be undertaken along with a palate of aesthetic enhancements including: exterior architectural enhancement of the existing control tower including its retrofit to accommodate equipment storage and the design and construction of a new control tower for the bridge. Both towers have been designed to mimic the historic architecture implemented in the City of Hollywood in the early 1900s.

Additional architectural enhancements include pre-cast balustrades, ornamental hand rails, and historically - themed lighting. The Bridge painting scheme will be consistent with the historic theme of the project. The project is slated to begin construction in April 2006.
Underground Utility Conversion

This project removes the Florida Power & Light, Bellsouth and Comcast Overhead lines and replaces them by burying them underground. This will improve the sight lines and the aesthetic appeal of the Beach area.

Water Sewer Upgrades

BCRA funds are being used to replace water and sewer lines along Surf Road and the east-west streets.

This is the first of a multiphase capital improvements project implemented by the City of Hollywood's Design and Construction Management Department.
Garfield Street Parking Garage/Charnow Park

This facility will house a 400 car parking garage on 5 levels plus rooftop. The garage will have 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 will house public restroom facilities at grade level and a small paddleball pro-shop. The second floor of the community center will have a continuous balcony facing east and south. It will have 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 will be utilized on both Connecticut and Garfield Streets as a buffer zone for the garage, and there will be a shaded pedestrian walkway along these streets as well. Finish paving and landscape materials will be congruous with those utilized in the adjacent Charnow Park renovation project.

The paddleball courts will remain in their present location, and receive new fencing and access gates.

Other public improvement projects include:

- Street end improvements
- East/West street improvements
- Beach Crossovers
- Beach Signage Program
- New Benches and trash receptacles on the Beach and broadwalk
Development Projects

Hollywood Beach is attracting quality and experienced developers who are investing millions of dollars in condominium, hotel and mixed-use projects in the BCRA.

Development projects currently underway include:

Property at Johnson Street (Casino Site)

The Community Redevelopment Agency and the City of Hollywood are seeking to revitalize Hollywood’s tourist and beach economy. This will be accomplished by working with a developer to create a dynamic signature resort development located on 6 acres at Johnson Street. In 2005, Ocean Village at Hollywood Beach, LLC was selected as the developer. This project will be a mixed use first class tourist destination development which consists of approximately 323 hotel rooms, at 16-17 stories in height, with approximately 87,000 square feet of Retail/Restaurant/Entertainment uses and will be known as the Marriott Ocean Village and Resort.
**Hollywood Grande**

The Hollywood Grande will be built as a Four Star luxury resort with a European touch. The Hollywood Grande is located at 342 Pierce Street and slated to open in late 2006 – early 2007.

**Hollywood Beach Marriott and Spa**

Opened in the spring of 2005, the $30 million 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 $200 million, 38-story, 240-unit Ocean Palms is slated to open in 2006. The project is located at 3101 South Ocean Drive, just north of the Westin Diplomat Resort and Spa.
Villas of Positano

Slated to rise at the north end of the BCRA district is Phase I of the 62-unit Villas of Positano. The Mediterranean-style low-rise project will feature a nine-story building with 14 townhomes, 40 condominiums and eight penthouses. The ground floor will blend in well with the pedestrian friendly Broadwalk, with 4,235 square feet of restaurant space and 5,161 square feet of retail space. The project is under construction, located at 3500 North Ocean Drive and due to open in 2006.

Wireless Internet (Wi-Fi)

In April 2005, the BCRA brought free wireless internet access to Hollywood Beach. The service, which was operational in the Beach District in April 2005, and is available to users of wireless laptops, personal digital assistants (PDAs) and cell phones with Internet capability. To gain access to the World Wide Web, as well as to obtain more specific information about Hollywood Beach businesses and happenings, wireless users need only sign in. Users can sign up for their own free e-mail address and are able to log on to the network home page in just a few seconds.

Property Improvement Program (PIP)

In addition to promoting beach businesses through various marketing initiatives, the Beach CRA’s Property Improvement Program (PIP) offers grants and interest participation loans to commercial and multifamily property owners in the Beach District. The purpose of the program is to enhance the overall visual quality of the beach area, leading to increased sales and property values.
Marketing/Advertising/Special Events

Marketing

The Beach CRA utilizes a mix of public relations, advertising and special events to achieve its marketing objectives. In view of several Beach CRA construction projects and in response to Hurricane Wilma, key strategies include keeping the flow of business to Hollywood Beach as uninterrupted as possible; to fostering ongoing communication with business and property owners, residents and the media; attracting and stimulating quality private investment projects; and branding Hollywood Beach as a leading coastal destination.

Publicity

The Beach CRA’s public relations efforts are designed to enhance the reputation and desirability of Hollywood Beach through positive editorial coverage via local, regional and national media. After Hurricane Wilma, the Beach CRA expanded its efforts to inform media sources that Hollywood Beach was open for business and that its capital improvement program, including the complete makeover of the Broadwalk, remained on schedule. Communication with media and tourism industry partners is ongoing with the Beach CRA regularly providing Beach redevelopment updates on the progress of public improvement and private development projects.

Advertising

Radio, print and internet advertisements on Beach CRA-sponsored promotions and the Broadwalk makeover air on public radio and other appropriate stations that reach the Beach CRA’s target audiences, while print ads appear in both daily newspapers as well as several local publications.

The Beach CRA also partnered with the Art & Culture Center of Hollywood on Hollywood 360, a new consumer-driven lifestyle/cultural tourism magazine that promotes Hollywood Beach lodging, dining and entertainment offerings, beach redevelopment and other projects. Hollywood Beach also was featured with two pages of editorial coverage in the February/March issue of TRAVELHOST Magazine, which is distributed in hotel rooms throughout Broward County.

Tourism

In January 2006, the Beach CRA conducted it’s first-ever Tourism Summit in an effort to develop a citywide comprehensive tourism strategy, and developed an in-room DVD project to encourage local hotel guests to visit patron Hollywood restaurants, shops, museums and attractions. The Summit was originally scheduled for October but was rescheduled due to Hurricane Wilma.
The Beach CRA also maintains a presence in tourist-oriented publications which helped to reach the 9.4 million visitors who spent more than $7.97 billion in Broward County last year. Beach CRA sponsored tourist publications are distributed through convention materials, visitor centers, hotel rooms and lobbies, or mailed directly to interested vacationers, tour operators and travel industry professionals.

**Special Events**

Signature events and ongoing entertainment offerings help to brand Hollywood Beach as a leading coastal destination. Popular Beach CRA sponsored events which deliver a positive economic impact to Hollywood Beach hotels, restaurants and shops include:

**Orange Bowl Patch Beach Bash**  
(January 2005)

Hollywood Beach is the host city for the official Orange Bowl Patch Beach Bash, an annual event which delivers a significant economic impact to Hollywood Beach hotels, shops and restaurants. The highly publicized event features national half-time Orange Bowl entertainment, football stars, rival team marching bands and cheer squads, and tens of thousands of fans.

**Fat Tuesday on Hollywood Beach**  
(February 2005)

The City of Hollywood’s annual Mardi Gras Fiesta Tropicale celebration culminates on Hollywood Beach with live music, Creole and Cajun specialties served up by beach area restaurants, arts and crafts and a contest for the Best Gumbo on Hollywood Beach.

**Greater Hollywood Philharmonic Spring Concert**  
(March 2005)

Visitors to Hollywood Beach look forward to this outdoor oceanside “full orchestra” outdoor performance at the Hollywood Beach Theater at Johnson Street.

**Red, White & Bluegrass Festival**  
(May 2005)

Folk and acoustic music enthusiasts enjoy a weekend of traditional and contemporary bluegrass music performed live on Hollywood Beach. Festival highlights also include music workshops and educational exhibits on the history
of American music. The Beach CRA partners with the South Florida Bluegrass Association on this festival which draws tens of thousands of people to Hollywood Beach each year.

**4th of July on Hollywood Beach**  
(July 2005)

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.

**Hollywood Beach Clambake**  
(August 2005)

The 2005 Hollywood Beach Clambake took on a special significance as the festival became a Hurricane Katrina Relief Effort. Approximately 40,000 people attended the event and fundraiser which included live concerts on the beach by Toots and the Maytals, Terrence Simien and several other performers.

**Ocean Dance**  
(December 30th & 31st, 2005)

Ocean Dance on Hollywood Beach celebrated its 7th year, continuing with a spectacular dance performance by the critically acclaimed Urban Ballet Theater. The New Year’s Eve performance was capped off with an illuminating fireworks show.
Ongoing Programs and Activities

Broadwalk Friday Fest
Every 2\textsuperscript{nd} and 4\textsuperscript{th} Friday
Free live concerts and cultural entertainment staged every 2\textsuperscript{nd} and 4\textsuperscript{th} Friday of the month on Hollywood Beach.

Hospitality Beach Ranger Program

Serving as goodwill ambassadors, Beach Hospitality Rangers enhance the charm and character of Hollywood Beach. Knowledgeable about Hollywood Beach events, history, redevelopment initiatives, and public safety, Beach Rangers improve communication with our visitors and they promote a clean, safe and fun environment for everyone.

Superior Small Lodging (SSL) & AAA Incentives

To stimulate high-quality lodging offerings, the Beach CRA also created an incentive program that rewards hoteliers for participation in the AAA and Superior Small Lodging programs.
### CITY OF HOLLYWOOD, FL
### BEACH COMMUNITY REDEVELOPMENT AGENCY
### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2005

#### REVENUES:
- **Property Taxes**: $4,345,030
- **Intergovernmental**: 4,638,685
- **Investment Revenue**: 909,245
- **Miscellaneous Revenue**: 65,142
- **Total Revenues**: $9,958,102

#### EXPENDITURES:
- **Current**:
  - **General Government**: 1,754,280
  - **Economic Environment**: 1,548,838
  - **Physical Environment**: 3,872,403
- **Total Current**: 7,175,521

- **Capital Outlay**:
  - **Culture and Recreation**: 137,328
- **Total Capital Outlay**: 137,328

#### DEBT SERVICE:
- **Principal**: 470,000
- **Interest and Fiscal Charges**: 1,063,188
- **Total Debt Service**: 1,533,188

#### Total Expenditures: 8,846,037

#### Change in Fund Balances: 1,112,065

#### Fund Balance - October 1: 29,896,751

#### Fund Balance - September 30: $31,008,816
## CITY OF HOLLYWOOD, FL
### BEACH COMMUNITY REDEVELOPMENT AGENCY
### BALANCE SHEET
### SEPTEMBER 30, 2005

<table>
<thead>
<tr>
<th>ASSETS:</th>
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</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$200</td>
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<tr>
<td>Investments - at fair value</td>
<td>14,319,945</td>
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<tr>
<td>Interest Receivable</td>
<td>3,227</td>
</tr>
<tr>
<td><strong>Restricted Assets:</strong></td>
<td></td>
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<tr>
<td>Investments - at fair value</td>
<td>18,612,857</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>32,936,229</strong></td>
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</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND FUND BALANCES:</th>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>LIABILITIES:</strong></td>
<td></td>
</tr>
<tr>
<td>Vouchers Payable</td>
<td>155,106</td>
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<tr>
<td>Accrued Wages and Leave</td>
<td>5,456</td>
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<tr>
<td>Contracts Payable</td>
<td>333,464</td>
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<tr>
<td>Deferred Revenue</td>
<td>1,433,387</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>1,927,413</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>FUND BALANCES:</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Reserved:</strong></td>
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</tr>
<tr>
<td>Debt Service</td>
<td>2,759,775</td>
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<tr>
<td>Capital Improvement Program</td>
<td>15,853,082</td>
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<tr>
<td>Grants and Special Programs</td>
<td>12,395,959</td>
</tr>
<tr>
<td><strong>Total Fund Balance</strong></td>
<td><strong>31,008,816</strong></td>
</tr>
</tbody>
</table>

**TOTAL LIABILITIES AND FUND BALANCES**

<p>| | |</p>
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<tbody>
<tr>
<td><strong>$</strong></td>
<td><strong>32,936,229</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 Beach Redevelopment Area.

<table>
<thead>
<tr>
<th>TAXING AUTHORITIES</th>
<th>Millage Rate</th>
<th>Increment Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>BROWARD COUNTY</td>
<td>6.4831</td>
<td>$4,127,257.91</td>
</tr>
<tr>
<td>CITY OF HOLLYWOOD</td>
<td>6.9163</td>
<td>$4,403,040.81</td>
</tr>
<tr>
<td>HOSPITAL DISTRICT*</td>
<td>1.5761</td>
<td>$1,003,373.57</td>
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<tr>
<td>CHILDREN'S SERVICES COUNCIL</td>
<td>0.4231</td>
<td>$269,353.06</td>
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<tr>
<td>TOTAL RATE</td>
<td><strong>13.8225</strong></td>
<td><strong>$9,099,651.77</strong></td>
</tr>
</tbody>
</table>

*Hospital District is capped at $300,000.00. Millage (1.5761) and Increment Revenues ($1,003,373.57) are not included in total rate. $300,000 is included in above total.

The Chart below summarizes the Tax Increment Revenue History since the base year of 1997.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>CRA TAXABLE</th>
<th>INCREMENT INCREASE</th>
<th>CRA TIF FUNDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>$545,869,700</td>
<td>Base Year</td>
<td>0</td>
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<tr>
<td>FY98</td>
<td>$545,869,700</td>
<td>Base Tax Lag</td>
<td>0</td>
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<tr>
<td>FY99</td>
<td>$561,678,720</td>
<td>$15,809,020</td>
<td>$223,461</td>
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<tr>
<td>FY00</td>
<td>$579,330,580</td>
<td>$33,460,880</td>
<td>$444,428</td>
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<tr>
<td>FY01</td>
<td>$614,985,300</td>
<td>$69,115,600</td>
<td>$891,066</td>
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<tr>
<td>FY02</td>
<td>$676,325,370</td>
<td>$130,455,670</td>
<td>$1,618,240</td>
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<tr>
<td>FY03</td>
<td>$1,060,525,320</td>
<td>$514,655,620</td>
<td>$6,941,919</td>
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<tr>
<td>FY04</td>
<td>$1,156,139,440</td>
<td>$610,269,740</td>
<td>$8,367,192</td>
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<tr>
<td>FY05</td>
<td>$1,215,993,870</td>
<td>$670,124,170</td>
<td>$9,099,652</td>
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