City of Hollywood
Community Redevelopment Agency
Beach District

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

March 31, 2008

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www.hollywoodbeachcra.org
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.

Throughout this last year the BCRA has made significant strides towards 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.

Some of the Redevelopment Objectives include:

- 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 expand recreation opportunities; and
- To upgrade existing public recreation facilities and expand recreation opportunities.
What is a Community Redevelopment Agency?

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, CRAs 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 exist, the local government may create a Community Redevelopment Agency to provide the tools needed to foster and support redevelopment of the targeted area.

There are currently over 140 Community Redevelopment Areas in 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 frozen value was $545,881,010, which generated more than $2,975,000 in general fund revenues in 2007. Taxing authorities, who contribute to the tax increment, continue to receive property tax revenues based on the frozen value. These frozen value revenues 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.

In FY 2007, the total assessed taxable value of property within the BCRA was $2,044,191,010, which generated Tax Increment Funding of $18,598,733. This represents a 70% increase of $7,683,775 in the increment over the FY 2006 total assessed value of $1,365,436,080. The large increase in value was mainly due to a Broward County Property Appraiser’s Office audit of the properties within the CRA using their GIS database. This audit noted that there were several properties, mainly condos that had been converted from apartments which were not included in the preliminary numbers.

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.
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 main uses include:

- Broadwalk renovation and improvements
- Water and Sewer underground replacement
- Garfield Street municipal parking garage and community center along with Charnow Park renovations

The proceeds have been completely expended for the Broadwalk renovation, water and sewer underground replacement, and the Garfield Street parking garage and Charnow Park renovations.

Series 2007 Revenue Bond

The $40 million Series 2007 Bonds represented the second 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 CRA.

We faced a number of hurdles in order to complete the bond financing in a timely manner to adhere to the construction schedule. We overcame rating agency and insurer concerns with regards to the hurricane risk associated with a beach community and the lack of diversification of trust fund revenues, with 15% of the revenues coming from its largest tax payer. Not only did Moody’s and Fitch rate the Series 2007 Bonds in the investment grade category, the Beach CRA also earned ratings upgrades from both agencies, from ‘Baa2’ to ‘Baa1’ for Moody’s and from ‘BBB’ to ‘BBB+’ from Fitch. In addition, the Beach CRA secured bond insurance from XL Capital Assurance. This is the first time the Beach CRA’s bonds have been insured and the first time XL Capital Assurance insured a CRA credit within Florida.
The CRA secured rating upgrades and obtained bond insurance in the face of enactment by the Florida Legislature of various property tax reforms that could potentially adversely impact ad valorem tax collections from local governments that contribute tax increment to the Beach CRA. Numerous discussions, extensive analyses, and educational sessions with rating agencies, insurers, and potential investors were necessary in order to provide comfort that, even in the worst case scenario, the Beach CRA would have adequate funds to satisfy debt service coverage requirements. The Series 2007 Bonds’ Preliminary Official Statement was one of the first in Florida to include disclosure language regarding the property tax reforms. We diligently worked to address this issue and reached out to potential investors to survey any concerns regarding the property tax reform and interest in the Series 2007 Bonds.

After the transaction closing on August 23rd, we had another obstacle to tackle. On September 6, 2007, the Florida Supreme Court issued a unanimous opinion in Dr. Gregory L. Strand v. Escambia County, Florida, etc., et al. (No. SC06-1894), reversing a circuit court’s judgment validating tax-increment-financed bonds and calling into question the validity of, among others, the Series 2007 Bonds. The City and the Agency joined in a motion by the Florida League of Cities, the Florida Redevelopment Association and other concerned local governments to seek rehearing on and clarification of the Court’s decision. On September 28, 2007, the Supreme Court issued a revised opinion, removing any question as to the validity of the Series 2007 Bonds.

Final Opinion by the Florida Supreme Court is expected in 2008.
Redevelopment Plan

The BCRA 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 BCRA is investing millions of dollars in public and aesthetic improvements to the Beach, Broadwalk and other improvements in the area. Today, new water and sewer lines are being installed throughout the Beach and Broadwalk area. Broadwalk improvements were complete in 2007 and include a complete makeover of 1.8 miles of Broadwalk, from Sherman Street to Jefferson Street.

The major public redevelopment projects are outlined below:

Broadwalk Improvements

Millions of dollars in public improvements has delivered aesthetic upgrades to the Beach and Broadwalk. Work is complete and includes a complete makeover of the oceanfront Broadwalk, with 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

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

This project is part of the multiphase capital improvements being implemented by the City’s Design & Construction Management Department on behalf of the CRA.

Hollywood Boulevard Bridge Aesthetic Enhancement

This project included the enhancement and rehabilitation of the Hollywood Boulevard Bridge. The goal of this project was to strengthen the community’s image and identification with its Beach, Intracoastal Waterway and Downtown. Standard bridge maintenance and rehabilitation were 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 is consistent with the historic theme of the project. The project began construction in 2006 and was complete by the end of 2007.
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.

The paddleball courts will remain in their present location, and receive new fencing and access gates. Charnow Park will have tiered shade seating, entertainment pavilion, picnic pavilions and an interactive water fountain.
Other public improvement projects completed or in design stage include:

- Underground Utility “pilot project” and street enhancements
- North Surf Road lighting
- New Benches and trash receptacles on the Beach and Broadwalk
- Beach Crossovers and Beach Signage Program
- The design of new lifeguard stands

Property acquisition:

In 2006 the CRA Board approved the acquisition of property located on A-1-A between Madison and Monroe Streets. This four parcel property purchase is envisioned to be utilized as a Public Safety complex.

CRA Operations:

In FY 2007, several initiatives previously implemented within the Beach District of the CRA continued to be a positive influence. These initiatives included the creation of a five (5) member Beach Maintenance crew and a two (2) member Code Enforcement team. These two teams provide an enhanced level of service, coupled with City efforts, to our residents, businesses and tourists.

Another quality and award winning program offered by the CRA is the Science, Education and Adventure (SEA) Camp which is held during summer, spring and winter. This classroom without walls focuses on marine life and natural science. Campers explore our beach areas, marshes and other natural areas of interest, learning about fascinating creatures, natural habitats, ecosystems and environmental issues.
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 sought to revitalize Hollywood’s tourist and beach economy 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 is anticipated to be a mixed use first class tourist destination development which consists of approximately 349 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.

During 2006, an agreement was reached between the City of Hollywood, the Community Redevelopment Agency and Ocean Village at Hollywood Beach, LLC. Throughout 2007, negotiation of a final agreement and design work took place with a 2008 anticipated ground breaking.
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 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 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 opened in 2007.
Trump Hollywood

The latest major development to set its sights on Hollywood Beach is the prestigious Trump Hollywood project.

Trump Hollywood will feature 200 oceanfront luxury condominiums, including two penthouses on the 40th floor with more than 7,000 square feet each. A joint venture between The Related Group of Florida Inc., Ocean Land Investments and New York real estate mogul Donald Trump, Trump Hollywood will sit on 5 acres of land at 2711 South Ocean Drive. Pre-construction prices start at $1.7 million.

Marketing/Business Development

The Beach District of the CRA’s marketing and business development initiatives support the redevelopment objectives identified in the Hollywood Beach Community Redevelopment Plan which include:

- Promote redevelopment.
- Provide for a viable business community and a high quality of life for Hollywood Beach residents and visitors.
- Re-establish tourism as a vital industry in Hollywood Beach.
- Enhance Hollywood Beach as a tropical destination.
- Expand recreation opportunities.

With a mission to drive economic growth and in accordance with the redevelopment objectives as stated above, the key marketing and business development goals for the Beach District of the CRA are to:

- Establish and maintain an inventory of beach properties.
- 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.
• Enhance and improve the flow of business to Hollywood Beach to mitigate the impact of construction related to public improvement projects.
• Foster the offering of quality events, recreation and entertainment

**Wireless Internet (Wi-Fi)**

In April 2005, the BCRA brought free wireless internet access to Hollywood Beach. The service, became 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.

**ACCOMPLISHMENTS**

**Inventory of Properties**

As part of the Beach District of the CRA’s ongoing market analysis, a property inventory, with a specific focus on hotels, motels and inns, was conducted to provide a foundation for restructuring the economy of the lodging sector in the beach district area.

A “fact-finding” research team was organized to interview and survey all property and business owners in the Beach District area. The team members were objective, knowledgeable about redevelopment efforts, and able to conduct candid interviews with the property and business owners. The interviews provided insight about the lodging, restaurant and retail market and helped to identify the needs and wants of the business and property owners. We continue to analyze the market and are constantly updating the property inventory.

**Hotel Improvement Program (HIP)**

On the heels of our successful amendment of the Property Improvement Program (PIP) in June of 2006 facilitating the redevelopment of the
Intracoastal Waterway and to accommodate the dual frontage issues of business and property owners along the waterway, the CRA created the Hotel Improvement Program (HIP).

This program 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.

This new program applies to commercial lodging properties and non-homesteaded properties with 50 rooms or less. Eligible applicants will be reimbursed one dollar for every two dollars spent and can receive a one-time grant of up to $325,000.

Zyscovich Planning Study and Process

Concerned about the future effects of investment coming into Hollywood Beach, the Beach District of the CRA commissioned urban planning firm Zyscovich Inc. to draft design, zoning and land use guidelines for the distinct commercial and residential areas of Hollywood. Zyscovich, Inc. reviewed the existing code in comparison to the realities of the development climate and the limitations of parcel size and flood zone requirements. This included strategies for preserving and enhancing the Beach’s character, opportunities for transit connections, and policy for land aggregation. This analysis has been completed for each neighborhood in the Beach CRA. The final plan was approved in 2007.

Tourism

Tourism is an integral part of Hollywood’s economy. In 2006, Hollywood’s destination-wide tourism marketing strategy contributed to increases in hotel occupancy and room rate figures with 73.5% hotel occupancy outpacing the state-wide average of 65.8%. As the area’s Average Daily Rate (ADR) of $114.26 increased by 13.6% over 2005, overall tourism expenditures in Broward County rose to $8.87 billion, an increase of 1.3% over the
prior year. With the municipality of Hollywood contributing $6.4 million or 15.97% of the total tourism tax collection for the Greater Fort Lauderdale region, out of the 31 municipalities in Broward County, Hollywood was number two, second only to Fort Lauderdale, in the contribution of tourist tax dollars (bed tax) to the county. Further, in 2006, an estimated 2 million people visited Hollywood infusing several billion dollars to the hospitality industry where thousands of people are directly employed in the tourism industry.

As a destination, Hollywood's distinctive natural and cultural assets as well as its convenient location, offers something for every lifestyle and budget. But that alone will not deliver visitors to Hollywood. The destination must be marketed via a program that delivers the right message to the right audience at the right time in the right way. Significant rises in advertising costs as well as increasing competitor marketing make it absolutely essential that Hollywood continues funding its structured marketing program to ensure tourism strengthens its foundation as a lead economic generator for Hollywood. This involves an integrated approach to creative paid search and online marketing campaigns, sales efforts and media placements that have made this year's marketing efforts successful.

The importance of Hollywood Beach's future role in the citywide tourism effort was apparent as early as April 1994, three years before the Beach District of the CRA was established, with the City Commission's adoption of the Economic Development Strategic Plan. The plan targeted Hollywood Beach as a primary redevelopment area and included this crucial goal: to maintain Hollywood's existing tourism and hospitality industry and enhance the community's competitive position as a tourist destination.

The subsequently adopted Hollywood Beach Redevelopment Plan also identifies tourism as a main element and calls for a number of specific objectives to be implemented, including enhancing Hollywood Beach as a tropical destination and re-establishing tourism as a vital industry.

Given these objectives and Hollywood Beach's role as the economic engine for tourism for the entire city, the CRA Beach District serves as the managing agency for the Hollywood Office of Tourism.

The information below summarizes the Hollywood Office of Tourism's activities during the past year, and outlines its strategies for the year ahead to market and promote tourism to the City of Hollywood.
Hollywood Office of Tourism Marketing Advisory Committee (HoTMAC)

In October 2006, following a recommendation of the City of Hollywood Tourism Summit to integrate the public and private sector in shaping Hollywood’s destination marketing strategies, the Hollywood City Commission appointed 15 members to a newly established Hollywood Office of Tourism Marketing Advisory Committee (HoTMAC). With sophisticated, forward-thinking, HoTMAC members provided input and support for the development and implementation of the first-ever city-wide tourism marketing plan. Presented to the City Commission in January 2007, the marketing plan set the stage for Hollywood to emerge from the shadow of its destination competitive set and establish itself as a popular choice for families, business travelers and vacationers from all over the world. The HoTMAC board accomplished many initiatives in the first year including establishing the vision and mission of the Hollywood Office of Tourism.

**Vision:** to be recognized as the citywide tourism marketing organization shaping the transformation of the City of Hollywood into a vibrant destination known for its distinctive natural and cultural assets.

**Mission:** to provide industry leadership in the marketing of Hollywood as a premier year-round destination for all visitors. To serve as the marketing engine driving economic growth for the hospitality industry in Hollywood.
Circulator Shuttle Program “HOTExpress”

In January 2007, the HoTExpress shuttle program pilot project was launched to attract visitors from Hollywood hotels to the beach and downtown areas. The program goals were to enhance and improve the visitor experience and deliver visitors who were otherwise being diverted to Aventura, South Beach and Fort Lauderdale to Hollywood beach and downtown businesses. During the pilot project period (January – April 2007), thousands of visitors and residents enjoyed convenient roundtrip shuttle service between Hollywood Beach and Downtown. At the completion of the pilot project period, the HoTMAC formed a subcommittee to evaluate the program and identify ways to expand and improve the program. The HoTExpress ran every 30 minutes from January through April on Thursday and Friday evenings and all day Saturday making roundtrips between Hollywood Beach and the downtown for $1.

Florida Superior Small Lodging “SSL” and AAA Programs

In May 2007, Hollywood increased the number of Superior Small Lodgings (SSL) from 17 to 21 with the addition of four new SSLs to Hollywood’s hotel inventory. With a goal to encourage small lodging owners to improve and elevate the standard of their properties, the Beach District of the CRA and Office of Tourism provide programs and marketing benefits to businesses in the district that are committed to delivering a quality experience and doing so with a product that is adherent to certifiable standards via the AAA and SSL programs. In preparation of the May inspections, the Hollywood CRA and Office of Tourism provide year-round support and sponsorship in the following ways:

- Pre-property review Assessment & Consultation Sponsorship
- Inspection Fee Sponsorship
- First Year SSL or AAA Membership Fee Sponsorship
- Inclusion in Online & Traditional Marketing Campaigns & Programs once properties receive the SSL or AAA certification

The Florida SSL program was created in Greater Fort Lauderdale and has grown into a national collection of properties with 50 rooms or less that are
distinguished by their friendly ambience and personalized service. This year, 70 Greater Fort Lauderdale hotels are part of the Florida SSL program.

**Market Research Program**

In June 2007, to provide the foundation and sharpen Hollywood’s marketing focus for the development of a strong tourism marketing plan for 2008, the Hollywood Office of Tourism engaged in a number of market research projects to gather information specific to Hollywood. This included the following initiatives:

- **Market Analysis and Room Demand Study**: to identify historical and forecasted data for three specific lodging segments in the South Florida market area competitive set.
- **Perceptual Mapping Study**: to determine what Hollywood’s competitive set is for different parts of the country, different income groups and different attitudinal/demographic segments.
- **SWOT Analysis - Strengths, Weaknesses, Opportunities and Threats**: to assess Hollywood’s advantages, and its distinct challenges, as a visitor destination in relation to the perspectives of our tourism community.
- **Hotel Inventory Study**: to help identify prospects for the Superior Small Lodging program and Hotel Improvement Grant Program.
- **In-house Performance Tracking Systems**: to track performance, and goal conversions of marketing/advertising programs by tactic and property.
- **Leads Tracking**: to maximize all leads generated via marketing and sales programs in an effort to continue educating consumers, media and trade about Hollywood as a destination.

**Online Marketing Approach – New Website & Advertising Highlights**

In an era of increased competition, cluttered inboxes and evolving vacation planning practices, the Office of Tourism is challenged with ensuring its messages bring audiences to action. With focused research and a sophisticated paid search and online marketing approach, the Office of Tourism delivered on-target tourism marketing initiatives that generated positive economic results for the hospitality industry in Hollywood.

www.visithollywoodfl.org
Recognizing that summertime is a need period for hotels and lodgings in Hollywood, the Office of Tourism implemented a Seaside Summer Getaway promotion. The paid search and online advertising campaign was launched in sync with a complete redesign of the visithollywoodfl.org website. While targeting Hollywood’s top summer feeder markets and demographics, the campaign delivered an unprecedented amount of visitors to the tourism website and exceeded the anticipated conversions or “click-thrus” to hotels in Hollywood that participated in the promotion. The highly successful campaign was followed with Fall Getaway and Orange Bowl Game Promotions delivering increasingly more impressive goal conversions.

In 2006, the Office of Tourism also developed a single-branded image for Hollywood as a destination with a family of publications targeting specific market segments. The materials developed include:

- Hollywood Vacation Planner
- Hollywood Attractions/Visitor Brochure
- Hollywood Press Kit
- New Hollywood Website

Tourism Sales

To further reach the important domestic and global markets and establish and strengthen Hollywood’s visibility as a destination, the Office of Tourism sales program established new and important relationships with the leading tourism media and buyers. From debuting the Office of Tourism’s new exhibit booth display in the Fall of 2007 to participating in major tourism sales events and missions throughout the year such as LaCumbre and ITB Berlin, these important events provide one-to-one relationship building opportunities with the top sellers of travel to Florida to educate and inform consumers, trade and media about Hollywood as a destination.
Events

Signature events such as the Hollywood Beach Clambake, Fat Tuesday, Red White & Bluegrass and Ocean Dance serve to strengthen the Hollywood Beach brand and introduce new audiences to the area. Associating Hollywood Beach with these events maximizes publicity value, extends marketing reach via collaborative marketing partnerships and delivers a positive economic impact to the Beach District area.

To meet the objectives identified in the Hollywood Beach Redevelopment Plan, specifically to provide for a viable business community and high quality of life for Hollywood Beach residents and visitors; to enhance Hollywood Beach as a tropical destination; and to expand recreation opportunities, a program of year-round festivals, events and entertainment was implemented. These events include:

Hollywood Beach Candy Cane Parade
(December 2006)
The annual Hollywood Beach Clambake Candy Cane Parade has been a Hollywood Beach tradition since 1955 and continues to draw large and enthusiastic crowds.

Greater Hollywood Philharmonic Holiday Concert
(December 2006)
Visitors to Hollywood Beach look forward to this oceanside “full orchestra” seasonal performance at the Hollywood Beach Theater.

Ocean Dance
(December 30th & 31st, 2006)
Ocean Dance on Hollywood Beach celebrated its 8th year, continuing with a spectacular dance performance by the critically acclaimed Philadanco. The New Year’s Eve performance was capped off with an illuminating fireworks show.

Canada Fest
(January 2007)
This annual celebration of Canadian culture brings tens of thousands of visitors to Hollywood Beach. Live music on multiple stages, cultural events and great food make this a popular event along the Broadwalk.
Fat Tuesday on Hollywood Beach  
(February 2007)  
The City of Hollywood’s annual Mardi Gras Fiesta Tropicale celebration culminated on Hollywood Beach with a live concert by New Orleans musical legends The Dirty Dozen Brass Band and Allen Toussaint. Other festival elements included Creole and Cajun specialties served up by beach area restaurants, arts and crafts and a Best Gumbo contest on Hollywood Beach.

Seaside Crafts Fair  
(April 2007)  
The debut of this open-air craft festival took over the Broadwalk and proved a huge success. Quality vendors and artisans displayed handmade crafts including jewelry, ceramics, wall art, personalized gifts, wall hangings, paintings, photography and more. The festival will return in April 2008.

Red, White & Bluegrass Festival  
(May 2007)  
Folk and acoustic music enthusiasts enjoy a weekend of traditional and contemporary bluegrass performed live on Hollywood Beach. Highlights include 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 visitors each year.

4th of July on Hollywood Beach  
(July 2007)  
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. In July 2007, the Greater Hollywood Philharmonic performed prior to the commencement of the fireworks.

Hollywood Beach Latin Festival  
(September 2007)  
Latin Fest is a showcase of traditional and contemporary Latin music on two stages, taking place right on the beach. Food, music, art and family-friendly other activities offer insight into South Florida’s unique melting pot of Latin cultures. This event consistently attracts more than 30,000 attendees.

US Footvolley National Championships  
(September 2007)  
The well-attended US Footvolley National Championships were held on Hollywood Beach for the first time, leading to Hollywood Beach’s hosting of the internationally televised World Footvolley Championships in March 2008. Organizers intend to turn this into an annual event.
Hollywood Beach Clambake  
(September 2007)  
The 2007 Hollywood Beach Clambake featured a concert by Grammy winners Soul Asylum, The Romantics and a host of outstanding local and regional acts on multiple stages. The annual seafood feast along the Broadwalk attracted large crowds. Approximately 40,000 people attended the event. A volunteer beach cleanup involving numerous community groups and organizations was also held.

Ongoing Programs and Activities

Broadwalk Friday Fest  
Every 2nd and 4th Friday  
Free live concerts and cultural entertainment staged every 2nd and 4th Friday of the month on Hollywood Beach. Acts feature the wide range of folkloric and contemporary music available in South Florida, including reggae, Caribbean, Latin, jazz, blues, folk, rock ‘n’ roll, R&B, country music and much more.

Classic Cruise Night  
Every 4th Friday  
Popular classic car show on the Broadwalk draws crowds to the southern end of the Central Beach business district and provides a nostalgic family-friendly event in conjunction with Broadwalk Friday Fest.

Full Moon Jazz Night  
Every Full Moon (pending availability of the Beach Theater)  
Astronomy club volunteers provide telescopes and free moon views in conjunction with top-notch jazz performances at the Hollywood Beach Theater. The combination makes full moons a special occasion on Hollywood Beach.
CITY OF HOLLYWOOD, FL
BEACH COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2007

REVENUES:

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EXPENDITURES:

**Current:**

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**Capital Outlay:**

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DEBT SERVICE:

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<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>660,000</td>
</tr>
<tr>
<td>Interest and Fiscal Charges</td>
<td>2,334,718</td>
</tr>
<tr>
<td><strong>Total Debt Service</strong></td>
<td><strong>2,994,718</strong></td>
</tr>
</tbody>
</table>

**Total Expenditures**

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>38,542,416</td>
</tr>
</tbody>
</table>

Excess of Revenues over Expenditures

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>(18,259,322)</td>
</tr>
</tbody>
</table>

OTHER FINANCING SOURCES (USES):

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance of Debt</td>
<td>40,543,114</td>
</tr>
<tr>
<td><strong>Total Other Financing Sources (Uses)</strong></td>
<td><strong>40,543,114</strong></td>
</tr>
</tbody>
</table>

Change in Fund Balances

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>22,283,792</td>
</tr>
</tbody>
</table>

Fund Balance - October 1

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>26,799,252</td>
</tr>
</tbody>
</table>

Fund Balance - September 30

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$49,083,044</td>
</tr>
</tbody>
</table>
**CITY OF HOLLYWOOD, FL**  
**BEACH COMMUNITY REDEVELOPMENT AGENCY**  
**BALANCE SHEET**  
**SEPTEMBER 30, 2007**  

**ASSETS:**  
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$200</td>
</tr>
<tr>
<td>Investments - at fair value</td>
<td>$21,648,363</td>
</tr>
<tr>
<td>Accounts Receivable - Net</td>
<td>$10,391</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$55,453,942</strong></td>
</tr>
</tbody>
</table>

**Restricted Assets:**  
- Investments - at fair value: $33,794,988

**LIABILITIES AND FUND BALANCES:**  
**LIABILITIES:**  
- Vouchers Payable: $1,187,293
- Accrued Wages and Leave: $19,264
- Contracts Payable: $3,730,954
- Unearned Revenue: $1,433,387
- **Total Liabilities**: $6,370,898

**FUND BALANCES:**  
- Reserved:  
  - Debt Service: $3,035,959
  - Capital Improvement Program: $30,759,029
  - Grants and Special Programs: $15,288,056
- **Total Fund Balance**: $49,083,044

**TOTAL LIABILITIES AND FUND BALANCES**  
<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$55,453,942</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>5.6433</td>
<td>$8,032,702.82</td>
</tr>
<tr>
<td>CITY OF HOLLYWOOD</td>
<td>6.8051</td>
<td>$9,686,415.03</td>
</tr>
<tr>
<td>HOSPITAL DISTRICT*</td>
<td>1.3300</td>
<td>$300,000.00</td>
</tr>
<tr>
<td>CHILDREN'S SERVICES COUNCIL</td>
<td>0.4073</td>
<td>$579,752.96</td>
</tr>
<tr>
<td>TOTAL RATE</td>
<td>12.8557</td>
<td>$18,598,870.80</td>
</tr>
</tbody>
</table>

*Hospital District is capped at $300,000.00. Millage (1.3300) and Increment Revenues ($1,893,128) 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>
</tr>
<tr>
<td>FY98</td>
<td>$545,869,700</td>
<td>Base Tax Lag</td>
<td>0</td>
</tr>
<tr>
<td>FY99</td>
<td>$561,678,720</td>
<td>$15,809,020</td>
<td>$223,461</td>
</tr>
<tr>
<td>FY00</td>
<td>$579,330,580</td>
<td>$33,460,880</td>
<td>$444,428</td>
</tr>
<tr>
<td>FY01</td>
<td>$614,985,300</td>
<td>$69,115,600</td>
<td>$891,066</td>
</tr>
<tr>
<td>FY02</td>
<td>$676,325,370</td>
<td>$130,455,670</td>
<td>$1,618,240</td>
</tr>
<tr>
<td>FY03</td>
<td>$1,060,525,320</td>
<td>$514,655,620</td>
<td>$6,941,919</td>
</tr>
<tr>
<td>FY04</td>
<td>$1,156,139,440</td>
<td>$610,269,740</td>
<td>$8,367,192</td>
</tr>
<tr>
<td>FY05</td>
<td>$1,215,993,870</td>
<td>$670,124,170</td>
<td>$9,099,652</td>
</tr>
<tr>
<td>FY06</td>
<td>$1,365,436,080</td>
<td>$819,566,380</td>
<td>$10,914,958</td>
</tr>
<tr>
<td>FY07</td>
<td>$2,044,191,010</td>
<td>$1,498,321,310</td>
<td>$18,598,871</td>
</tr>
</tbody>
</table>

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.