Quaint sidewalk cafes, brick-lined walks and blocks of unique boutiques, shops, art galleries and dozens of excellent restaurants in Downtown Hollywood

March 31, 2006
Downtown Hollywood
Community Redevelopment Agency

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

March 31, 2006

T. Neil Fritz
Executive Director

Lisa Liotta
Deputy Director

Bryan E. Cahen
Director of Financial Services
330 N. Federal Hwy.
Hollywood, FL 33020
954-921-3016

www.downtownhollywood.com
Overview

The Community Redevelopment Agency (CRA) of Hollywood was created in 1979. Its first district was also created that year and encompasses Hollywood’s central business district (CBD) and nearby residential neighborhoods. The district boundaries include approximately 580 acres, including a 9-acre public park. The boundaries are Washington Street along the south, 22nd Avenue along the west and Johnson Street along the north. The eastern boundary runs south from Johnson Street along 17th Avenue, then east along Polk Street, then south along 16th Avenue, then west along Van Buren Street and then south along 17th Avenue to Washington Street.

The district is served by US-1 (Federal Highway), Hollywood Boulevard (SR 820) and the Dixie Highway/FEC Railroad corridor. Buildings are of both residential and commercial uses, the oldest of which was constructed in the 1920’s. The historic and commercial business district of Hollywood is concentrated along Hollywood Boulevard and Harrison Streets. Here, retail and restaurant uses dominate and are located in a traditional “Main Street” formation.
Activities/Accomplishments in 2005

2005 brought a wave of changes to the Downtown CRA. New leadership, important public improvement projects, the first major mixed-use residential development, special events and many more exciting activities that make Hollywood “Like Nowhere Else.”

Tax Increment

In FY 2005 the total assessed taxable value of property within the Downtown CRA was $356,987,820 which generated Tax Increment Funding of $3,713,055. This represents a 6.19% increase of $20,821,250 in the increment over the FY 2004 total assessed value of $336,166,570.

The Trust Fund Revenues generated through the 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.

Public Improvements

Young Circle ArtsPark

One of the most significant public improvements in the redevelopment of Downtown Hollywood, the renovation of Young Circle Park, was 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 County funding, matched with $10 million of local funding. Of this amount, $2.5 million is provided by the CRA.

Young Circle Park will be transformed into a high-quality public space and a center for performing and visual arts. This amenity has created great value around Young Circle, leading to major new private investment in housing and commercial development.
Reconstruction of Young Circle (US-1)

As part of the ArtsPark project, the Downtown CRA has committed to rebuild Young Circle (US-1/Federal Highway). This $4 million improvement will relocate the current park perimeter parking to the outside of the circle. This will better serve the businesses along Young Circle and provide safe pedestrian crossings of US-1. It will also eliminate cars backing into oncoming traffic on Young Circle.
Improvements to Young Circle (US-1)

The Florida Department of Transportation supports the project. Federal funds are also being sought. Construction began in 2005.

Added Maintenance Downtown

During FY 2005, the Downtown CRA funded two positions within the Department of Public Works to provide a higher level of maintenance within the district. Employees work seven days a week. Equipment has been purchased to keep the downtown district well maintained.

Property Improvement Program (PIP)

The Property Improvement Program (PIP) was established in 2005 which, offers grants and interest participation loans to commercial and multifamily property owners in Downtown Hollywood. The PIP provides for the use of tax increment funds to leverage private investment for general exterior / interior and on-site improvements to properties and/or to eliminate slum and blighting influences within the Downtown CRA. The intent of the program is to encourage property and business owners to restore, renovate or improve their building and/or property, thereby improving the area’s physical characteristics and enhancing the environment, leading to increased occupancy and higher property values.
Current Development

*Radius*

The Radius project is the first major mixed-use project in Downtown Hollywood. In mid-2004, the project sales center was built and sales began. Within 24 hours, all units were sold and a waiting list was created. Sales averaged $275 to $280 per square foot of saleable area.

*Radius* will provide 311 market-rate owner occupied units above approximately 40,000 SF of commercial space. The project is located at North US-1 (Federal Hwy.) and Young Circle and will overlook the ArtsPark. A second phase is being planned to create 109 additional units.

The Downtown CRA and the City of Hollywood contributed to this project through construction of a parking garage, installation of utilities and streetscape improvements and the payment of permit and impact fees. The total public investment will be $15 million. *Radius* began construction in late 2004 and will be completed in early-2007.
**Hollywood Station**

*Hollywood Station* will provide approximately 600 residential units with 20,250 SF of commercial space. Phase I will contain 214 condominium units and Phase II approximately 136 residential units. A third phase with 250 residential units is contemplated.

The project replaces blighted and vacant property and sets a standard for further redevelopment along the Dixie Highway/FEC corridor. Hollywood Station began sales in 2004.

**The Mediterranean at Young Circle**

This project began more than three years ago. The CRA assisted in acquiring additional blighted property, allowing the developer to expand the project. The 24-unit project began construction in 2004.
**Young Circle Commons**

A Development Agreement was executed in July of 2004. The project will create approximately 208 residential units, ground floor retail and 408 parking spaces.

The CRA will assist this project by providing $500,000 for demolition, environmental abatement and preparation of the site. Land assembly assistance is being given as well. Once the project is complete, the Downtown CRA will provide funds to offset some of the costs associated with preserving the Great Southern Hotel.

**Hollywood Art (HART) District**

Unique in its concept, the first phase of the project created a charter school specializing in the arts. The school occupies the first four floors of the Home Tower Building. The second phase will provide a mixed-use residential and commercial project. The developer proposes to contribute to the reconstruction and enhancement of a nearby performance space owned by the Broward County School Board and operated by the City of Hollywood. The developer of HART District completed land acquisition during 2005.

**Dixie Highway at Adams Street Redevelopment Project**

Early in 2005, the City of Hollywood’s Department of Housing & Community Redevelopment issued a Request for Proposals (RFP) for the redevelopment of properties the City now owns along Adams Street. Two proposals were received for the project which will build affordable and market-rate residential units.

In late 2005, specific proposals were sought by the CRA for two possible development scenarios for the CRA property to the east of the City project. The City and CRA projects are in no way directly related.

Future design review will strive to maximize the compatibility of the two projects in order to create significant redevelopment momentum in the area.
The single largest parcel is 2122 Adams Street, a 69-unit former rental apartment building. The CRA also owns 6 parcels on Adams Street (2110-2130) and one parcel at 810 Dixie Highway.

It is anticipated that the CRA will work with a developer in 2006 to bring forward the development of the property.

**SOHO Lofts**

One block south of the ArtsPark on South Federal Highway (US-1) comprised of 7,000 SF of commercial space and 92 residential lofts.

**Golfview Condominium**

During 2004, a Development Agreement was approved for a project at US-1 (Federal Highway), between Polk and Taylor streets. Golfview will build approximately 326 residential units and up to 75,000 SF of office/retail space. The project will replace outdated motels and apartments.
**Taylor Street Condominium**

The project, by the same developer as Golfview, will occupy property along the north side of Taylor Street immediately west of US-1 and will build approximately 90 residential units and replace older motel and rental properties.

**UTF/Post Office Site (Block 43)**

The Downtown CRA, City of Hollywood and United Trust Fund entered into a Development Agreement Term Sheet in 2003 to redevelop this site. The project will maintain and enhance the post office facility and add up to 500 residential units and commercial space.

**Holocaust Documentation & Education Center**

In late 2003, a property at 2031 Harrison Street was purchased by the Downtown CRA. The Downtown CRA subsequently sold the property in 2004 to the Holocaust Documentation and Education Center (HDEC), currently located in Miami-Dade County. During 2004, HDEC began work converting the building to a permanent home to display its collections, house programs and create educational exhibits. The Downtown CRA assisted by financing the purchase and costs of rehabilitation.
**Tyler Haus Development**

Construction is nearing completion of this total renovation of a 1940’s era two-story commercial building at Tyler Street and 20th Avenue. The Downtown CRA provided a subsidy for rehabilitation.

**Past Development**

**Regent Park Condominium Conversion (formerly Jefferson at Young Circle)**

This residential development project was completed in early 2003 and converted to condominium uses in late 2004. The project includes 253 market-rate residential units with on-site amenities. Also constructed as a part of this project was the Van Buren public parking garage containing approximately 650 spaces.

**Harrison Street Office Building**

Downtown Hollywood’s first truly “Class A” office space was built during 2003 and completed in early 2004. The Harrison Street Office Building, at 1930 Harrison Street, contains 45,000 SF of office space in the upper five floors. The first floor contains 8,000 SF of retail space. The building is attached via skywalk over the rear alley to the Van Buren parking garage.

It is the first new downtown office space in more than two decades. The availability of quality office space is drawing quality employers to the downtown, adding the diversity of the district.
Planning for New Development

Urban Design & Preservation

During 2003, the Downtown CRA contracted with Zyscovich, Inc. and charged the firm with evaluating the existing conditions downtown and proposed private development projects, producing a guide to properly regulate new development. Through a series of public forums recommendations were developed. The resulting product guides the Downtown CRA and City in revising zoning and other regulatory measures to assure that new development respects the existing scale and historic resources of Downtown Hollywood the best possible urban buildings that compliment the ArtsPark and historic Downtown Hollywood.

Young Circle District

The blocks facing onto Young Circle now have specific setback recommendations to assure an active pedestrian environment and a successful mixed-use development pattern. The proposed development scales down to nearby existing residential properties. Buildings facing Young Circle will have curvilinear facades to reflect the curvature of the road and park – extending the circular form vertically to reinforce the character of this unique urban place.
Hollywood Boulevard

Recommendations for Downtown Hollywood’s historic district seek to assure that the historic, pedestrian scale of this street is maintained.

Tyler Street Overlay District

According to the Zyscovich recommendations, the Tyler Street Overlay District is where new office development could occur and bring new jobs to Downtown Hollywood.
Special Events/Advertising/Sponsorships

Web Site

The CRA’s web site, www.downtownhollywood.com, continues to expand. Visitors can view live images of the downtown via two live web cams. Another new feature provides streaming video describing the area’s amenities and business climate and summarizes the major development coming to Downtown Hollywood.

Special Events

In 2005, the special events program continued and was enhanced.

*Antique and Collectible Outdoor Market*

This is a monthly event providing a street market of antiques, collectibles and related items for sale. Admission is free. Visitors are exposed to the shops and restaurants downtown.
ArtWalk

Downtown Hollywood hosts a free monthly ArtWalk on the third Saturday of each month, showcasing unique local galleries, shops, and restaurants. The event showcases existing galleries and allows other businesses to transform into art galleries. Participating businesses are encouraged to have a special opening on this night, and presenting artists are present to meet attendees. All artwork is for sale. All participating businesses offer beverages and finger foods to patrons as part of their participation. Musicians stroll through the downtown adding spirit and excitement to this event. Over 25 businesses formally participate. The event typically draws 500 attendees.

Downtown Hollywood Dream Car Classic

Vintage car enthusiasts are in their glory when the Downtown Hollywood Dream Car Classic show takes place the first Sunday of each month, November – May. Dozens of pre-1974 cars line the street as part of an all-day festival featuring music, jugglers, clowns, face-painting, and arts-and-crafts. Trophies are given out to more than 30 cars per show for distinctions such as best paint, oldest car, and best engine. The show’s debut in March 2005 exceeded expectations with 4,000 attendees.

Advertising

In 2005, advertising media was expanded to include transit buses. Radio was also included in the media schedule with underwriting on National Public Radio. The budget for advertising has stabilized and has shifted from branding to event driven ads. Future plans will shift from its consumer focus to attracting quality retailers to occupy retail space Downtown.

Sponsorships

The CRA sponsored in part or whole many other events and activities in 2005, including Mardi Gras Fiesta Tropicale, Miss Florida USA, New Times BeerFest, South Broward Ballet, Ocean Dance, Hispanicfest, Hollywood Philharmonic, Chicago Blues on Harrison Street, Historic Home Tour and other significant events and programs.
CITY OF HOLLYWOOD, FL
DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2005

REVENUES:
Property Taxes $1,667,723
Intergovernmental 2,045,339
Investment Revenue 280,177
Miscellaneous Revenue 207,458
Total Revenues 4,200,697

EXPENDITURES:
General Government 1,396,135
Economic Environment 4,704,045
Physical Environment 7,747,110
Other -
Total Expenditures 13,847,290

DEBT SERVICE:
Principal 531,580
Interest and Fiscal Charges 945,150
Total Debt Service 1,476,730

Total Expenditures 15,324,020

Excess of Revenues Over Expenditures (11,123,323)

OTHER FINANCING SOURCES:
Issuance of Debt 16,000,000

Transfers In:
Parking Enterprise Fund (5,100,000)
Housing Loan Trust -

Transfers (out):
General Fund -

Total Other Financing Sources 10,900,000

Change in Fund Balances (223,323)

Fund Balance - October 1 10,121,708

Fund Balance - September 30 $9,898,385
CITY OF HOLLYWOOD, FL  
DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY  
BALANCE SHEET  
SEPTEMBER 30, 2004

<table>
<thead>
<tr>
<th>ASSETS:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$ 200</td>
<td></td>
</tr>
<tr>
<td>Cash with Fiscal Agent</td>
<td>$ 500,000</td>
<td></td>
</tr>
<tr>
<td>Investments - at fair value</td>
<td>$ 329,868</td>
<td></td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>12,500</td>
<td></td>
</tr>
<tr>
<td>Notes Receivable</td>
<td>6,804,598</td>
<td></td>
</tr>
<tr>
<td>Restricted Assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments - at fair value</td>
<td>$ 2,714,865</td>
<td></td>
</tr>
</tbody>
</table>

|                  |          |          |
| Total Assets     |          | 10,362,031|

| LIABILITIES AND FUND BALANCES:          |          |          |
| LIABILITIES:                           |          |          |
| Vouchers Payable                       | 266,973  |          |
| Accrued Wages and Leave                | 2,162    |          |
| Contracts Payable                      | 194,511  |          |
| Total Liabilities                      |          | 463,646  |

| FUND BALANCES:                         |          |          |
| Reserved:                              |          |          |
| Debt Service                           | 100,000  |          |
| Grants and Special Programs            | 9,798,385|          |
| Total Fund Balance                     |          | 9,898,385|

| TOTAL LIABILITIES AND FUND BALANCES    |          |          |
| FUND BALANCES                         |          |          |
|                                       |          | $ 10,362,031|

18
**Tax Increment**

The Chart below summarizes the Operating Millage Rates and Increment Revenues for the taxing authorities in the Downtown Hollywood Redevelopment Area.

<table>
<thead>
<tr>
<th>TAXING AUTHORITIES</th>
<th>FY 05 Millage Rate</th>
<th>FY05 Increment Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>BROWARD COUNTY</td>
<td>6.4831</td>
<td>$1,563,266</td>
</tr>
<tr>
<td>CITY OF HOLLYWOOD</td>
<td>6.9163</td>
<td>$1,667,723</td>
</tr>
<tr>
<td>HOSPITAL DISTRICT</td>
<td>1.5761</td>
<td>$380,044</td>
</tr>
<tr>
<td>CHILDREN’S SERVICES COUNCIL</td>
<td>0.4231</td>
<td>$102,022</td>
</tr>
<tr>
<td>TOTAL RATE</td>
<td>15.3986</td>
<td>$3,713,055</td>
</tr>
</tbody>
</table>

The Chart below summarizes the Tax Increment Revenue History since 1998.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>CRA TAXABLE</th>
<th>INCREMENT INCREASE</th>
<th>CRA TIF FUNDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY98</td>
<td>$172,326,370</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY99</td>
<td>$184,248,490</td>
<td>$11,922,120</td>
<td>$1,231,207</td>
</tr>
<tr>
<td>FY00</td>
<td>$197,778,740</td>
<td>$13,530,250</td>
<td>$1,433,957</td>
</tr>
<tr>
<td>FY01</td>
<td>$215,718,870</td>
<td>$17,940,130</td>
<td>$1,691,407</td>
</tr>
<tr>
<td>FY02</td>
<td>$237,574,030</td>
<td>$21,855,160</td>
<td>$2,058,290</td>
</tr>
<tr>
<td>FY03</td>
<td>$273,404,690</td>
<td>$35,830,660</td>
<td>$2,643,644</td>
</tr>
<tr>
<td>FY04</td>
<td>$336,166,570</td>
<td>$62,761,880</td>
<td>$3,464,115</td>
</tr>
<tr>
<td>FY05</td>
<td>$356,987,820</td>
<td>$20,821,250</td>
<td>$3,713,055</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.*