

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: May 2, 2017

BIS 17-170

File: TMP-2017-237

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE THE ATTACHED REINSTATEMENT OF AND AMENDMENT TO REAL ESTATE LEASE BETWEEN FDG FLAGLER STATION II, LLC AND THE CITY OF HOLLYWOOD FOR PARKING, BEAUTIFICATION, AND SIGNAGE FOR A TWO (2) YEAR PERIOD IN THE AMOUNT OF \$26,258.02.

Statement of Budget Impact:

1. No Budget Impact associated with this action;
2. Sufficient resources are identified /available;
3. Budgetary resources not identified/unavailable;
4. Potential revenue is possible with this action;
5. Will not increase the cost of Housing;
6. May increase the cost of Housing; (CDAB review required)

Explanation:

This resolution seeks to amend and reinstate a Real Estate Lease between FDG Flagler Station II, LLC (FDG) and the City, to provide public parking, beautification and entry way signage alongside the Florida East Coast railroad tracks commencing on the effective date of January 21, 2017, and covering the two (2) year period from March 19, 2016 and ending on March 18, 2018.

The previous agreement, passed and adopted by the City Commission on March 15, 2006 via R-2006-076, approved a three year Real Estate Lease ("Lease") between the Florida East Coast Railway, LLC (FECR) and the City of Hollywood with the option to renew for additional one (1) year terms, which was subsequently assigned by FECR to

FDG. Subsequent renewals of the lease were approved by the City Commission via Resolution Nos. R-2012-077, R-2013-039, R-2014-044, and R-2015-039.

The lease agreement was not renewed in 2016 due to the implementation of a Brightline rail construction project, and the potential reduction of the Lease area due to the new railroad uses.

The Reinstatement of and Amended Real Estate Lease (“Lease”) restates Rent. Section 3 (a) to reflect the revised rental payments. From March 19, 2016 to January 20, 2017 annual base rental is in the amount of \$11,346.21. From January 20, 2017 to March 18, 2017, annual base rental is in the amount of \$1,930.66, and from March 19, 2017 to March 18, 2018 the annual base rental is in the amount of \$12,981.15. This restatement represents a decrease in Rent from the previous Lease agreement of 1.3% for year one and an 8% decrease for year to account for the reduction of the Lease area.

Funding is available in the Parking Enterprise Fund Administrative Contractual Services Account 46.1150.00000.545.003117.

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