

STATEMENT OF BUDGET IMPACT
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: June 1, 2017

File: BIS CRA-17-09

Proposed Legislation:

A RESOLUTION OF THE CITY OF HOLLYWOOD, FLORIDA, COMMUNITY REDEVELOPMENT AGENCY AUTHORIZING THE PAYMENT OF FEES TO GRAYROBINSON, P.A., FOR LEGAL SERVICES IN THE ICON OFFICE BUILDING PROPERTY MATTER, IN ADDITIONAL AMOUNTS NOT TO EXCEED \$60,000.00 FOR FY 2016 AND \$100,000.00 FOR FY 2017; AND FURTHER AUTHORIZING THE TRANSFER OF FUNDS IN THE AMOUNT OF \$200,000.00 FROM ACCOUNT NUMBER 66.0100.09309.552.006301 (CONSTRUCTION IMPROVEMENT – STREET LIGHT REPLACEMENT) TO ACCOUNT NUMBER 66.0186.00000.552.003122 (LEGAL SERVICES).

Statement of Budget Impact:

1. No Budget Impact associated with this action;
2. Sufficient budgetary resources identified/available;
3. Budgetary resources not identified/unavailable;
4. Potential increase in Revenue is possible with this action;

Explanation:

GrayRobinson, P.A. (“the Law Firm”) is defending the City of Hollywood, Community Redevelopment Agency against the claims arising out of environmental contamination that allegedly exists on the proposed ICON Office Building property. These claims are now the subject of litigation known as Berman Development Group, LLC, et al. v. City of Hollywood et al.

The CRA Board previously approved the payment of fees to the Law Firm for FY 2016 and for FY 2017 for legal services in the ICON matter. The amount of fees previously authorized for FY 2016 is \$300,000, but the amount of fees actually incurred for FY 2016 is approximately \$360,000. In view of the above, the General Counsel recommends that the CRA Board authorize additional fees in an amount not to exceed \$60,000 for FY 2016, which would bring the total authorized amount to \$360,000 for FY 2016. The amount of fees previously authorized for FY 2017 is \$150,000, the amount of fees incurred to date for FY 2017 is approximately \$175,000, and the amount estimated to be incurred for all of FY 2017 is \$250,000. In view of the above, the General Counsel recommends that the CRA Board authorize additional fees in an amount not to exceed \$100,000 for FY 2017, which would bring the total authorized amount for FY 2017 to \$250,000.

The City of Hollywood is named as a co-defendant in the ICON matter and shares equally in the fees and costs paid to the Law Firm. Funding for this expense is currently available in account number 66.0100.09309.552.006301 (Construction Improvement – Street Light Replacement) and will be transferred to account number 66.0186.00000.552.003122 (Legal Services) for this purpose.

APPROVED BY: Yvette Scott-Phillip
Budget Manager
Hollywood Community Redevelopment Agency