

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

**Date:** June 26, 2019

**File:** BIS 19-225

**File:** TMP-2019-440

**Proposed Legislation:**

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE A TERM SHEET WITH PARK ROAD DEVELOPMENT, LLC, THE HIGHEST RANKED FIRM, FOR THE REDEVELOPMENT OF APPROXIMATELY 30 ACRES OF CITY-OWNED PROPERTY DESIGNATED AS THE PARK ROAD REDEVELOPMENT PROJECT, AND AUTHORIZING THE NEGOTIATION OF A LAND DEVELOPMENT AND DISPOSITION AGREEMENT WITH THE CITY AND PARK ROAD DEVELOPMENT, LLC CONSISTENT WITH THE TERM SHEET AND THE PARK ROAD DEVELOPMENT OPPORTUNITY RFP-4585-18-PB.

**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 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 authorization to execute a term sheet with Park Road Development, LLC ("Developer") for the redevelopment of City-owned property designated as the park road redevelopment project.

The Developer agree to pay the following:

- A base purchase price of \$3.24 million and a closing payment of \$2.2 million once all closing conditions have been satisfied. The Developer also agrees to pay a non-refundable additional escrow deposit totaling \$30,000 for various applications (such as land use and site plans). The additional escrow deposit will be credited against the purchase price at closing.

- Cover all environmental remediation costs (estimated \$5.3 million) and any cost savings below the estimated \$5.3 million will be equally shared between the Developer and the City. The City will work with the Developer to pursue federal, state, county and regional funding opportunities for the Brownfield remediation efforts.
- Per-unit payments of \$1,500 per residential unit are due for each multi-family residential building upon issuance of a final Certificate of Occupancy. However, the Developer will not be obligated to pay for required rent-restricted and/or income restricted units. The estimated revenue for these per-unit payments is \$472,500 (\$1,500 x 315 units). Additionally \$8 per commercial square foot is due upon issuance of a final Certificate of Occupancy for an estimated 71,000 square feet, totaling \$568,000.
- The City and Developer are exploring financing options for the Public Works Facility improvements. In the event that a P3 option is not available or viable, the Developer also agrees to fund up to \$4 million towards City Public Works facilities. If the Developer seeks debt financing for the \$4 million, the interest rate charged to the City will be the same charged to the Developer plus 1 percent.
- The City will repay the Developer for expenditures up to the \$4 million and all additional actual and reasonable expenses incurred by the Developer for the construction of the facility.
- The Developer will fund a minimum of \$750,000 of on-site public amenities.

**PREPARED BY:** Neesha Bajere  
Budget Officer

**APPROVED BY:** Laurette Jean  
Budget Division Director