

NEW ISSUE - Book-Entry Only

See “RATINGS” herein

In the opinion of Greenberg Traurig, P.A., Bond Counsel, assuming the accuracy of certain representations and certifications and continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and court decisions, interest on the Series 2022 Bonds (as hereinafter defined) is excludable from gross income for federal income tax purposes and, further, interest on the Series 2022 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. See “TAX MATTERS” for a description of certain federal tax consequences of ownership of the Series 2022 Bonds. Bond Counsel is further of the opinion that the Series 2022 Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220. See “TAX MATTERS” herein.

\$[_____] *
CITY OF HOLLYWOOD, FLORIDA
General Obligation Bonds
Series 2022

Dated: Date of Delivery

Due: July 1, as shown on inside cover page

The City of Hollywood, Florida General Obligation Bonds, Series 2022 (the “Series 2022 Bonds”) will be issued by the City of Hollywood, Florida (the “City”), as fully registered bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof. When issued, the Series 2022 Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Series 2022 Bonds. Purchasers will not receive certificates representing their ownership interests in the Series 2022 Bonds purchased. See “DESCRIPTION OF THE SERIES 2022 BONDS - Book-Entry Only System” herein. Interest on the Series 2022 Bonds will accrue from their date of delivery and will be payable commencing on January 1, 2023, and semiannually on each January 1 and July 1 thereafter. U.S. Bank Trust Company, National Association, Orlando, Florida, will serve as the initial paying agent (the “Paying Agent”) for the Series 2022 Bonds. While the Series 2022 Bonds are registered through the DTC book-entry only system, principal of and interest on the Series 2022 Bonds will be payable by the Paying Agent to DTC.

The Series 2022 Bonds are being issued pursuant to and under the authority of the Constitution and laws of the State of Florida (the “State”), including, without limitation, Article VII, Section 12 of the Florida Constitution, Chapter 166, Part II, Florida Statutes, as amended, the City of Hollywood Charter and other applicable provisions of law, and pursuant and subject to the terms and conditions of the Resolutions (as described herein). The issuance of the Series 2022 Bonds was approved by a majority of the qualified electors of the City voting in bond referendum elections held on March 12, 2019.

The Series 2022 Bonds are being issued for the purpose of providing funds to (i) finance a portion of the costs of the City’s (a) Public Safety Projects, (b) Neighborhoods, Infrastructure and Resiliency Projects, and (c) Parks, Open Space, Golf, Recreational and Cultural Arts Facilities Projects (each as described herein), including to the extent permissible under the Code, reimbursement to the City of any moneys previously advanced by the City to pay any portion of the cost of such projects; and (ii) pay certain costs of issuing the Series 2022 Bonds. See “PURPOSE OF THE ISSUE” herein.

In each Fiscal Year in which any of the Series 2022 Bonds are Outstanding (as such terms are defined herein), there shall be assessed, levied and collected a tax, without limitation as to rate or

*Preliminary, subject to change.

amount, in addition to all other taxes, on all taxable property within the corporate limits of the City (excluding exemptions as provided by applicable law), sufficient in amount to pay the principal of and interest on the Series 2022 Bonds as the same shall become due and payable. The tax assessed, levied and collected for the security and payment of the Series 2022 Bonds shall be assessed, levied and collected in the same manner and at the same time as other taxes are assessed, levied and collected.

THE FULL FAITH, CREDIT AND TAXING POWER OF THE CITY HAVE BEEN IRREVOCABLY PLEDGED TO THE PUNCTUAL PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE SERIES 2022 BONDS.

The Series 2022 Bonds are subject to optional redemption prior to maturity as described herein. In accordance with the Official Notice of Bond Sale, the successful bidder of the Series 2022 Bonds may designate certain maturities of the Series 2022 Bonds as term bonds and any such term bonds will be subject to mandatory sinking fund redemption. See “DESCRIPTION OF THE SERIES 2022 BONDS - Redemption Provisions” herein.

ELECTRONIC BIDS ONLY FOR THE SERIES 2022 BONDS PURSUANT TO THE PROVISIONS OF THE OFFICIAL NOTICE OF BOND SALE WILL BE RECEIVED BY THE CITY PURSUANT TO THE BIDCOMP/PARITY® COMPETITIVE BIDDING SYSTEM IN THE MANNER AND AT THE TIME AND ON THE DATE DESCRIBED IN SUCH OFFICIAL NOTICE OF BOND SALE.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement, including the Appendices, to obtain information essential to the making of an informed investment decision.

The Series 2022 Bonds are offered when, as and if issued by the City, subject to the opinion on certain legal matters relating to their issuance of Greenberg Traurig, P.A., Miami, Florida, Bond Counsel. Certain legal matters will be passed upon for the City by Douglas R. Gonzales, Esquire, City Attorney, and certain legal matters relating to disclosure will be passed upon for the City by Greenberg Traurig, P.A., Miami, Florida, Disclosure Counsel. Hilltop Securities Inc., Orlando, Florida, is serving as Financial Advisor to the City in connection with the issuance of the Series 2022 Bonds. It is expected that settlement on the Series 2022 Bonds will occur through the facilities of DTC in New York, New York on or about _____, 2022.

Dated: _____, 2022

DAC Bond®

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,
PRICES, YIELDS AND INITIAL CUSIP NUMBERS**

\$[_____] Series 2022 Serial Bonds

<u>Due (July 1)</u>	<u>Principal Amount⁽¹⁾</u>	<u>Interest Rate</u>	<u>Price</u>	<u>Yield</u>	<u>Initial CUSIP Number⁽²⁾</u>
2023	\$	%		%	436146 ____
2024					436146 ____
2025					436146 ____
2026					436146 ____
2027					436146 ____
2028					436146 ____
2029					436146 ____
2030					436146 ____
2031					436146 ____
2032 ⁽³⁾					436146 ____
2033 ⁽³⁾					436146 ____
2034 ⁽³⁾					436146 ____
2035 ⁽³⁾					436146 ____
2036 ⁽³⁾					436146 ____
2037 ⁽³⁾					436146 ____
2038 ⁽³⁾					436146 ____
2039 ⁽³⁾					436146 ____
2040 ⁽³⁾					436146 ____
2041 ⁽³⁾					436146 ____
2042 ⁽³⁾					436146 ____
2043 ⁽³⁾					436146 ____
2044 ⁽³⁾					436146 ____

\$_____ Series 2022 Term Bonds

\$_____ % Series 2022 Term Bond Due July 1, 20____ – Price: _____/ Yield: _____%
Initial CUSIP Number: 436146 _____

**BIDS FOR THE SERIES 2022 BONDS WILL BE RECEIVED
AS PROVIDED IN THE OFFICIAL NOTICE OF BOND SALE**

-
- (1) Preliminary subject to change. See “BOND DETAILS – Adjustment of Principal Amounts” in the Official Notice of Bond Sale.
- (2) CUSIP is a registered trademark of American Bankers Association. CUSIP data herein is provided by S&P Global Market Intelligence, a division of S&P Global Inc. CUSIP data herein is provided for convenience of reference only. The City and the Financial Advisor and their agents take no responsibility for the accuracy of such data.
- (3) Principal amounts coming due in two or more consecutive years after 20[32] may be combined into one or more Term Bonds as described in the Official Notice of Bond Sale under “BOND DETAILS - Term Bond Option.

CITY OF HOLLYWOOD, FLORIDA

CITY COMMISSIONERS

Josh Levy, Mayor

Caryl S. Shuham, Vice Mayor, District 1

Linda Hill Anderson, Commissioner, District 2

Traci L. Callari, Commissioner, District 3

Adam Gruber, Commissioner, District 4

Kevin D. Biederman, Commissioner, District 5

Linda Sherwood, Commissioner, District 6

CITY MANAGER

Dr. Wazir Ishmael

ASSISTANT CITY MANAGER FOR FINANCE AND ADMINISTRATION

Adam Reichbach

FINANCIAL SERVICES DIRECTOR

David E. Keller

CITY ATTORNEY

Douglas R. Gonzales, Esq.

BOND COUNSEL AND DISCLOSURE COUNSEL

Greenberg Traurig, P.A.

Miami, Florida

FINANCIAL ADVISOR

Hilltop Securities Inc.,

Orlando, Florida

No dealer, broker, salesman or other person has been authorized by the City to make any representations, other than those contained in this Official Statement, in connection with the offering contained herein, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2022 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information contained in this Official Statement has been obtained from public documents, records and other sources considered to be reliable and, while not guaranteed as to completeness or accuracy, is believed to be correct. Any statement in this Official Statement involving estimates, assumptions and opinions, whether or not so expressly stated, are intended as such and are not to be construed as representations of fact, and the City expressly makes no representation that such estimates, assumptions and opinions will be realized or fulfilled. Any information, estimates, assumptions and matters of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement, nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections in this Official Statement. The offering of the Series 2022 Bonds is made only by means of this entire Official Statement.

References to website addresses presented in this Official Statement are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements generally are identifiable by the terminology used, such as "plan," "expect," "estimate," "project," "forecast," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The City does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

THE SERIES 2022 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, NOR HAS THE BOND RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE EXEMPTION OF THE SERIES 2022 BONDS FROM REGISTRATION OR QUALIFICATION IN CERTAIN STATES CANNOT BE REGARDED AS A

RECOMMENDATION THEREOF. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE CITY AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR GOVERNMENTAL ENTITY OR AGENCY WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED OR RECOMMENDED THE SERIES 2022 BONDS FOR SALE. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THIS OFFICIAL STATEMENT SHALL NOT CONSTITUTE A CONTRACT BETWEEN THE CITY AND ANY ONE OR MORE HOLDERS OF THE SERIES 2022 BONDS.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM (“ORIGINAL BOUND FORMAT”) OR IN ELECTRONIC FORMAT ON THE WEBSITE: WWW.MUNIOS.COM. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR IF IT IS PRINTED IN FULL DIRECTLY FROM SUCH WEBSITE.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN THE FORM DEEMED “FINAL” BY THE CITY FOR PURPOSES OF RULE 15c2-12 PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15c2-12(b)(1).

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OFFICIAL STATEMENT
relating to

\$[_____]*
CITY OF HOLLYWOOD, FLORIDA
General Obligation Bonds
Series 2022

INTRODUCTION

The purpose of this Official Statement, which includes the cover page, the inside cover page and the Appendices, is to furnish information with respect to the issuance and sale by the City of Hollywood, Florida (the “City”) of its \$[_____]* aggregate principal amount of General Obligation Bonds, Series 2022 (the “Series 2022 Bonds”), including the use of proceeds and sources of funds pledged or available for the payment thereof. The Series 2022 Bonds are being issued pursuant to and under the authority of the Constitution and laws of the State of Florida (the “State”), including, without limitation, Article VII, Section 12 of the Florida Constitution, Chapter 166, Part II, Florida Statutes, as amended, the City of Hollywood Charter (the “Charter”) and other applicable provisions of law, and pursuant and subject to the terms and conditions of the Resolutions (as defined herein). For a more detailed description of the terms and conditions of the Series 2022 Bonds see “APPENDIX C - The Bond Resolution.”

The City Commission of the City (the “Commission”) adopted on December 5, 2018, (i) Resolution No. R-2018-386 calling for a special election on March 12, 2019, to submit to the electorate of the City a bond referendum to decide whether the City should be authorized to issue not exceeding \$23,000,000 in principal amount of general obligation bonds to improve the City’s neighborhoods, infrastructure and resiliency, including Citywide traffic calming, neighborhood signage, rights-of-way landscaping, decorative sound walls, tidal flooding mitigation, and the undergrounding of north beach utility lines (all as described more particularly in Resolution No. R-2018-386, the “Neighborhoods, Infrastructure and Resiliency Projects”); (ii) Resolution No. R-2018-387, as amended by Resolution No. R-2019-187 adopted by the Commission on June 19, 2019, calling for a special election on March 12, 2019 to submit to the electorate of the City a bond referendum to decide whether the City should be authorized to issue not exceeding \$78,000,000 in principal amount of general obligation bonds to improve the City’s police and fire public safety facilities, technology and equipment, including construction of a new police headquarters and parking garage and the purchase of fire apparatus for suppression and rescue (all as described more particularly in Resolution No. R-2018-387, as amended by Resolution No. R-2019-187, the “Public Safety Projects”); and (iii) Resolution No. R-2018-388, as amended by Resolution No. R-2019-011, adopted by the Commission on January 16, 2019, calling for a special election on March 12, 2019 to submit to the electorate of the City a bond referendum to decide whether the City should be authorized to issue not exceeding \$64,000,000 in principal amount of general obligation bonds to improve the City’s parks, recreational facilities, cultural facilities and golf courses and to purchase land for open space (all as described more particularly in Resolution No. R-2018-388, as amended by Resolution No. 2019-011, the “Parks, Open Space, Golf, Recreational and Cultural

*Preliminary, subject to change.

Arts Facilities Projects” and, together with the Neighborhoods, Infrastructure and Resiliency Projects and the Public Safety Projects, the “Project”) (such resolutions being referred to in this Official Statement collectively, as the “Referendum Resolutions”). The Referendum Resolutions, together with Resolution No. R-2022-[____] adopted by the Commission on [____], 2022 (the “Bond Resolution”), are referred to collectively in this Official Statement as the “Resolutions”. A copy of the Bond Resolution is set forth in “APPENDIX C - The Bond Resolution.”

At such special elections on March 12, 2019, the issuance of the general obligation bonds authorized under the Referendum Resolutions (collectively, the “General Obligation Bonds”) was approved by the electorate of the City in accordance with the applicable laws of the State. On March 20, 2019, the Commission adopted Resolution No. R-2019-042 adopting the certification by the Supervisor of Elections of Broward County, Florida (the “County”), of the results of the special elections approving the issuance of the General Obligation Bonds. On September 26, 2019, the City previously issued its General Obligation Bonds, Series 2019, in the aggregate principal amount of \$60,045,000 (the “Series 2019 Bonds”), pursuant to the authority of the Referendum Resolutions and a series resolution relating to the Series 2019 Bonds to finance a portion of the costs of the Project. The Series 2022 Bonds are the second and final series of new money General Obligation Bonds to be issued pursuant to the authority of the Referendum Resolutions. After taking into account the Series 2019 Bonds and the Series 2022 Bonds, and related gross premium, there is no unissued authorization remaining under the Referendum Resolutions. See “PRIOR INDEBTEDNESS” herein.

The Series 2022 Bonds will be issued in book-entry only form and purchasers of the Series 2022 Bonds will not receive certificates representing their interest in the Series 2022 Bonds purchased. The Series 2022 Bonds will contain such other terms and provisions, including provisions regarding redemption, as described in “DESCRIPTION OF THE SERIES 2022 BONDS” herein.

The Series 2022 Bonds will be payable from ad valorem taxes assessed, levied and collected, without limitation as to rate or amount, on all taxable property within the corporate limits of the City (excluding exemptions as provided by applicable law). Such taxes shall be in addition to all other taxes collected and shall be in an amount sufficient to pay the principal of and interest on the Series 2022 Bonds as the same shall become due and payable. **The full faith, credit and taxing power of the City have been irrevocably pledged to the punctual payment of the principal of and interest on the Series 2022 Bonds.** See “SECURITY AND SOURCES OF PAYMENT” herein.

This introduction is intended to serve as a brief description of this Official Statement and is expressly qualified by reference to this Official Statement as a whole. A full review should be made of this entire Official Statement, as well as the documents and reports summarized or described herein. The description of the Series 2022 Bonds, the documents authorizing and securing the same, including, without limitation, the Bond Resolution, and the information from various reports contained herein are not comprehensive or definitive. All references herein to such documents and reports are qualified by the entire, actual content of such documents and reports. Copies of such documents (other than the Bond Resolution, a copy of which is attached as Appendix C to this Official Statement) and reports may be obtained from the City by contacting the City’s Director, Department of Financial Services, 2600 Hollywood Boulevard, Hollywood,

Florida 33020, Telephone number: (954) 921-3234, Facsimile number: (954) 921-3064, Email address: dkeller@hollywoodfl.org.

Capitalized terms used but not defined in this Official Statement shall have the meanings ascribed to such terms in the Bond Resolution. See “APPENDIX C - The Bond Resolution.”

PURPOSE OF THE ISSUE

General

The Series 2022 Bonds are being issued for the purpose of providing funds to (i) finance a portion of the cost of the Project, including to the extent permissible under the Code, reimbursement to the City of any moneys previously advanced by the City to pay any portion of the cost of the Project, as more particularly described below in “ - The Project” and (ii) pay costs related to the issuance of the Series 2022 Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS” herein.

The Project

The enhancements and upgrades authorized to be included in the Project consist of the acquisition, construction or installation of projects to (i) improve the City’s neighborhoods, infrastructure and resiliency, including citywide traffic calming, neighborhood signage, rights-of-way landscaping, decorative sound walls, tidal flooding mitigation, and the undergrounding of north beach utility lines, all as described more particularly in Resolution No. R-2018-386 (collectively, the “Neighborhoods, Infrastructure and Resiliency Projects”); (ii) improve the City’s police and fire public safety facilities, technology and equipment, including construction of a new police headquarters and parking garage and the purchase of fire apparatus for suppression and rescue, all as described more particularly in Resolution No. R-2018-387, as amended by Resolution No. R-2019-187 (collectively the “Public Safety Projects”); and (iii) to improve the City’s parks, recreational facilities, cultural facilities and golf courses and to purchase land for open space, all as described more particularly in Resolution No. R-2018-388, as amended by Resolution No. 2019-011 (collectively, the “Parks, Open Space, Golf, Recreational and Cultural Arts Facilities Projects” and, together with the Neighborhoods, Infrastructure and Resiliency Projects and the Public Safety Projects, collectively, the “Project”).

The Bond Resolution authorizes the Series 2022 Bonds to be issued in an aggregate principal amount not to exceed \$94,255,000, with (i) not to exceed \$7,435,000 in principal amount to be issued to pay the costs of a portion of the Neighborhoods, Infrastructure and Resiliency Projects and related costs of issuance of the Series 2022 Bonds, (ii) not to exceed \$65,010,000 in principal amount to be issued to pay the costs of a portion of the Public Safety Projects and related costs of issuance of the Series 2022 Bonds, and (iii) not to exceed \$21,810,000 in principal amount to be issued to pay the costs of a portion of the Parks, Open Space, Golf, Recreational and Cultural Arts Projects and related costs of issuance of the Series 2022 Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS” herein for the amount of the proceeds of the Series 2022 Bonds expected to be allocated for each of the purposes for which the Series 2022 Bonds shall be issued.

A portion of the proceeds of the Series 2022 Bonds shall be deposited in (i) the City of Hollywood Series 2022 Neighborhoods, Infrastructure and Resiliency Projects General Obligation Bond Construction Account established under the Bond Resolution (the “Neighborhoods, Infrastructure and Resiliency Projects Construction Account”) and disbursed to pay costs of the Neighborhoods, Infrastructure and Resiliency Projects; (ii) the City of Hollywood Series 2022 Public Safety Projects General Obligation Bond Construction Account established under the Bond Resolution (the “Public Safety Projects Construction Account”) and disbursed to pay costs of the Public Safety Projects; and (iii) the City of Hollywood Series 2022 Parks, Open Space, Golf, Recreational and Cultural Arts Facilities Projects General Obligation Bond Construction Account established under the Bond Resolution (the “Parks, Open Space, Golf, Recreational and Cultural Arts Facilities Projects Construction Account”) and disbursed to pay costs of the Parks, Open Space, Golf, Recreational and Cultural Arts Facilities Projects. The payment of the costs described in this paragraph shall include reimbursement to the City of funds advanced for such costs which may be reimbursed pursuant to the Code.

Any balance remaining in the Neighborhoods, Infrastructure and Resiliency Projects Construction Account after payment or provision for payment of the costs of Neighborhoods, Infrastructure and Resiliency Projects described above, in the Public Safety Projects Construction Account after payment or provision for payment of the costs of Public Safety Projects described above, or in the Parks, Open Space, Golf, Recreational and Cultural Arts Facilities Projects Construction Account after payment or provision for payment of the costs of Parks, Open Space, Golf, Recreational and Cultural Arts Facilities Projects described above shall be transferred to the Paying Agent for deposit in the City of Hollywood Series 2022 General Obligation Bond Debt Service Fund established under the Bond Resolution (the “Debt Service Fund”) and used solely to pay principal of and interest on the Series 2022 Bonds.

A portion of the Project was financed with a portion of the proceeds of the Series 2019 Bonds. See “PRIOR INDEBTEDNESS” herein.

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ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds in connection with the issuance of the Series 2022 Bonds:

Sources of Funds

Par Amount of Series 2022 Bonds	\$
Original Issue [Net][Premium][Discount]	_____
Total Estimated Sources of Funds	_____

Uses of Funds

Deposit to Neighborhoods, Infrastructure and Resiliency Projects Construction Account ⁽¹⁾	\$
Deposit to Public Safety Projects Construction Account ⁽¹⁾	
Deposit to Parks, Open Space, Golf, Recreational and Cultural Arts Facilities Projects Construction Account ⁽¹⁾	
Cost of Issuance ⁽²⁾	
Underwriters' Discount	_____
Total Estimated Uses of Funds	\$ _____

(1) See "PURPOSE OF THE ISSUE - The Project" herein.

(2) To pay certain costs of issuance of the Series 2022 Bonds, including, without limitation, printing costs, fees of bond counsel, disclosure counsel, the financial advisor and the rating agencies, and miscellaneous costs of issuance.

DESCRIPTION OF THE SERIES 2022 BONDS

General

The Series 2022 Bonds will be dated their date of original issuance and delivery. The Series 2022 Bonds will bear interest at the rates and will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. Interest on the Series 2022 Bonds is payable semiannually commencing on January 1, 2023, and on each January 1 and July 1 thereafter. Such interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. The City has appointed [U.S. Bank Trust Company, National Association, Orlando, Florida], to serve as the paying agent for the Series 2022 Bonds (the "Paying Agent") and as the bond registrar for the Series 2022 Bonds (the "Bond Registrar").

If the date for payment of the principal of or interest on the Series 2022 Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the designated corporate trust office of the Paying Agent is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to

close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

The Series 2022 Bonds will be issued as fully registered bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof, and when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York (“DTC”). Purchases of beneficial interests in the Series 2022 Bonds will be made in book-entry-only form, without certificates. Unless a securities depository other than DTC is selected by the City, so long as the Series 2022 Bonds shall be in book-entry-only form, the principal of and interest on the Series 2022 Bonds will be payable to Cede & Co. (or such other nominee selected by DTC), as registered owner thereof, and will be distributed by DTC and the DTC Participants to the Beneficial Owners (as such terms are hereinafter defined). See “DESCRIPTION OF THE SERIES 2022 BONDS - Book-Entry Only System” herein.

Redemption Provisions

Optional Redemption

The Series 2022 Bonds maturing on or before July 1, 20[32] are not subject to redemption prior to maturity. The Series 2022 Bonds maturing on or after July 1, 20[33] shall be subject to redemption prior to their maturity, at the option of the City, on or after July 1, 20[32], as a whole or in part at any time, and if in part as selected by the City among maturities and by lot within a maturity, at a redemption price of one hundred percent (100%) of the principal amount thereof plus accrued interest from the most recent interest payment date to the redemption date.

Mandatory Sinking Fund Redemption

The 2022 Bonds scheduled to mature on and after July 1 20[33] are subject to a special option which permits the successful bidder to specify that all of the principal amount of such Series 2022 Bonds in any two or more consecutive years will, in lieu of maturing in each of such years, be considered to comprise a single maturity of Series 2022 Bonds (a “Term Bond”) scheduled to mature in the latest of such years and be subject to mandatory redemption in the principal amounts set forth on the inside front cover. The successful bidder may exercise the above option one or more times. The final Official Statement will reflect which Series 2022 Bonds, if any, will be Term Bonds, subject to mandatory redemption by completion of the following paragraph and amortization table for each Term Bond:

The Series 2022 Bonds maturing July 1, 20[___] are subject to mandatory redemption prior to maturity, in part and selected by lot, at a redemption price of one hundred percent (100%) of the principal amount thereof on July 1, 20[___] and on each July 1 thereafter set forth below in the following principal amounts:

Due
(July 1)

Amortization
Requirement

* Final maturity.

Notice of Redemption

Mailing of Notice of Redemption. Notice of redemption shall be given by the Bond Registrar by deposit in the U.S. mails of a copy of a redemption notice, postage prepaid, at least thirty (30) and not more than sixty (60) days before the redemption date to all registered owners of the Series 2022 Bonds or portions of the Series 2022 Bonds to be redeemed at their addresses as they appear on the registration books to be maintained in accordance with the provisions of the Bond Resolution. Failure to mail any such notice to a registered owner of a Series 2022 Bond, or any defect therein, shall not affect the validity of the proceedings for redemption of any Series 2022 Bond or portion thereof with respect to which no failure or defect occurred.

Such notice of redemption shall set forth the date fixed for redemption, the rate of interest borne by each Series 2022 Bond being redeemed, the name and address of the Paying Agent and the Bond Registrar, the redemption price to be paid and, if less than all of the Series 2022 Bonds then Outstanding shall be called for redemption, the distinctive numbers and letters, including CUSIP numbers, if any, of such Series 2022 Bonds to be redeemed and, in the case of Series 2022 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Series 2022 Bond is to be redeemed in part only, the notice of redemption which relates to such Series 2022 Bond shall also state that on or after the redemption date, upon surrender of such Series 2022 Bond, a new Series 2022 Bond or Series 2022 Bonds in a principal amount equal to the unredeemed portion of such Series 2022 Bond will be issued. If the optional redemption of any of the Series 2022 Bonds is conditioned upon the receipt of sufficient moneys, the notice of redemption which relates to such Series 2022 Bonds shall also state that the redemption is so conditioned.

Any notice mailed as described above shall be conclusively presumed to have been duly given, whether or not the owner of such Series 2022 Bond receives such notice. The Bond Registrar shall not be required to transfer or exchange any Series 2022 Bond after the mailing of a notice of redemption nor during the period of fifteen (15) days next preceding mailing of a notice of redemption.

Effect of Calling for Redemption. Notice having been given in the manner and under the conditions provided above, the Series 2022 Bonds or portions of Series 2022 Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Series 2022 Bonds or portions of Series 2022 Bonds on such date; provided, however, that Series 2022 Bonds or portions of Series 2022 Bonds called for optional redemption and which redemption is conditioned upon the receipt of sufficient moneys, shall not become due and payable on the redemption date if sufficient moneys to pay the redemption price of such Series 2022 Bonds or portions of such Series 2022 Bonds have not been received by the Paying Agent on or prior to the redemption date.

On the date so designated for redemption, moneys for payment of the redemption price being held in separate accounts by the Paying Agent or other Authorized Depository in trust for the registered owners of the Series 2022 Bonds or portions thereof to be redeemed, all as provided in the Bond Resolution, interest on the Series 2022 Bonds or portions of Series 2022 Bonds so called for redemption shall cease to accrue, such Series 2022 Bonds and portions of Series 2022 Bonds shall cease to be entitled to any lien, benefit or security under the Bond Resolution and shall

be deemed paid thereunder, and the registered owners of such Series 2022 Bonds or portions of Series 2022 Bonds shall have no right in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in the next paragraph, to receive Series 2022 Bonds for any unredeemed portions of the Series 2022 Bonds.

In case part but not all of an Outstanding fully registered Series 2022 Bond shall be selected for redemption, the registered owners thereof shall present and surrender such Series 2022 Bond to the Paying Agent for payment of the principal amount thereof so called for redemption, and the City shall execute and deliver to or upon the order of such registered owner, without charge therefor, for the unredeemed balance of the principal amount of the Series 2022 Bonds so surrendered, a Series 2022 Bond or Series 2022 Bonds fully registered as to principal and interest.

Book-Entry Only System

The following description of the procedures and record keeping with respect to beneficial ownership interests in the Series 2022 Bonds, payment of the principal of and interest on the Series 2022 Bonds to DTC Participants or Beneficial Owners (as such terms are hereinafter defined) of the Series 2022 Bonds, confirmation and transfer of beneficial ownership interest in the Series 2022 Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners of the Series 2022 Bonds is based solely on information furnished by DTC on its website for inclusion in this Official Statement. Accordingly, neither the City nor the Underwriters can make any representation concerning these matters or take any responsibility for the accuracy or completeness of such information.

DTC will act as securities depository for the Series 2022 Bonds. The Series 2022 Bonds will be issued as fully-registered securities registered in the name of Cede & Co., as DTC's partnership nominee, or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2022 Bond certificate will be issued for each maturity of the Series 2022 Bonds, each in the aggregate principal amount of such maturity, as set forth on the inside cover page of this Official Statement, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over one hundred (100) countries that its participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its

regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants” and, together with Direct Participants, “DTC Participants”). DTC has a S&P Global Ratings, a division of Standard & Poor’s Financial Services LLC, rating of AA+. The DTC rules applicable to the DTC Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2022 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2022 Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2022 Bond (“Beneficial Owner”) is in turn to be recorded on the DTC Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the DTC Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2022 Bonds are to be accomplished by entries made on the books of DTC Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2022 Bonds, except in the event that use of the book-entry system for the Series 2022 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2022 Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2022 Bonds with DTC and their registration in the name of Cede & Co., or such other DTC nominee, will not effect any change in beneficial ownership of the Series 2022 Bonds. DTC has no knowledge of the actual Beneficial Owners of the Series 2022 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2022 Bonds are credited, which may or may not be the Beneficial Owners. The DTC Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by DTC Participants to Beneficial Owners, will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2022 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2022 Bonds, such as redemptions, defaults and proposed amendments to the documents securing the Series 2022 Bonds. For example, Beneficial Owners of the Series 2022 Bonds may wish to ascertain that the nominee holding the Series 2022 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of notices are provided directly to them.

Redemption notices shall be sent by the Bond Registrar to DTC. If less than all of the Series 2022 Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2022 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2022 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2022 Bonds will be made to Cede & Co., or to such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by DTC Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, nor its nominee, the Paying Agent or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of DTC Participants.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the City only to DTC.

NONE OF THE CITY, THE BOND REGISTRAR, AND THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT OR INDIRECT PARTICIPANT OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2022 BONDS IN RESPECT OF THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT, THE PAYMENT BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2022 BONDS, ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDHOLDERS UNDER THE BOND RESOLUTION, THE SELECTION BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT OR ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2022 BONDS, OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER. SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2022 BONDS, AS NOMINEE OF DTC, REFERENCES IN THIS OFFICIAL STATEMENT TO THE BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2022 BONDS SHALL MEAN CEDE & CO., AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2022 BONDS.

Discontinuance of Book-Entry Only System

In the event the City determines that it is in the best interest of the Beneficial Owners to obtain Series 2022 Bond certificates, the City may notify DTC and the Bond Registrar, whereupon DTC will notify the DTC Participants, of the availability through DTC of Series 2022 Bond certificates. In such event, the City shall prepare and execute, and the Bond Registrar shall authenticate, transfer and exchange, Series 2022 Bond certificates as requested by DTC in appropriate amounts and within the guidelines set forth in the Bond Resolution. DTC may also determine to discontinue providing its services with respect to the Series 2022 Bonds at any time by giving written notice to the City and the Bond Registrar and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the City and the Bond Registrar shall be obligated to deliver Series 2022 Bond certificates as described herein.

In the event Series 2022 Bond certificates are issued, the provisions of the Bond Resolution shall apply to, among other things, the transfer and exchange of such certificate and the method of payment of principal of and interest on such certificates. Whenever DTC requests the City and the Bond Registrar to do so, the City will direct the Bond Registrar to cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Series 2022 Bonds to any DTC Participant having Series 2022 Bonds credited to its DTC account; or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Series 2022 Bonds.

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SECURITY AND SOURCES OF PAYMENT

The Series 2022 Bonds constitute general obligations of the City. In each Fiscal Year while any of the Series 2022 Bonds are Outstanding, there shall be assessed, levied and collected a tax, without limitation as to rate or amount, on all taxable property within the corporate limits of the City (excluding exemptions as provided by applicable law), in addition to all other taxes, sufficient in amount to pay the principal of and interest on the Series 2022 Bonds as the same shall become due and payable.

The tax assessed, levied and collected for the security and payment of the Series 2022 Bonds shall be assessed, levied and collected, in the same manner and at the same time as other ad valorem taxes are assessed, levied and collected, and the proceeds of said tax shall be applied solely to the payment of the principal of and interest on the Series 2022 Bonds. On or before each interest or principal payment date for the Series 2022 Bonds, the City shall transfer to the Paying Agent for deposit in the Debt Service Fund an amount sufficient to pay the principal of and interest on the Series 2022 Bonds then due and payable.

The full faith, credit and taxing power of the City are irrevocably pledged to the punctual payment of the principal of and interest on the Series 2022 Bonds. See “AD VALOREM TAXATION” herein.

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DEBT SERVICE SCHEDULE

Set forth below are the debt service requirements of the Series 2022 Bonds, all other General Obligation Bonds Outstanding upon issuance of the Series 2022 Bonds and the total combined debt service on all Outstanding General Obligation Bonds of the City, including the Series 2022 Bonds, immediately following issuance of the Series 2022 Bonds. At March 31, 2022, The City's total outstanding General Obligation Bonds totaled \$94.0 million (net of premiums). This amount is comprised of 1), Series 2015 - \$28.5 million and 2), Series 2019 - \$56.8 million plus \$8.7 of premiums.

Fiscal Year Ending September 30	Series 2022 Bonds			Outstanding General Obligation Bonds	Total Series 2022 Bonds and Outstanding General Obligation Bonds
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>		
2023	\$	\$	\$	\$7,539,505	\$
2024				7,540,309	
2025				7,544,880	
2026				7,537,720	
2027				7,544,182	
2028				7,544,369	
2029				7,543,254	
2030				7,545,556	
2031				3,893,850	
2032				3,898,600	
2033				3,892,600	
2034				3,895,400	
2035				3,899,200	
2036				3,898,800	
2037				3,894,200	
2038				3,895,400	
2039				3,897,000	
2040				3,898,800	
2041				3,895,600	
2042				3,892,400	
2043				3,894,000	
2044				3,900,000	
Total	\$	\$	\$	\$122,429,520	\$

* Totals may not add due to rounding.

THE CITY

General

The City, incorporated in 1925, is a full-service municipality located in Broward County on the southeastern coast of the State of Florida. The City comprises 30 square miles including 7 linear miles of Atlantic Ocean beaches. The 2021 population of the City is estimated to be 153,854 by the Florida Bureau of Economic Business Research. The City has an average annual high temperature of 83 degrees and low temperature of 68 degrees.

The City is home to more than 60 city parks, seven golf courses, seven miles of pristine beaches, and the Hollywood Beach Broadwalk, a promenade that stretches nearly 2.5 miles along the Atlantic Ocean. Named one of America's Best Beach Boardwalks by Travel + Leisure magazine, this brick-paved thoroughfare hosts pedestrians, joggers, bicyclists, rollerbladers, and millions of others every year. Dozens of eateries and inns line the Broadwalk and the promenade also features the Hollywood Beach Theatre, a children's water playground at Charnow Park, and many other attractions. Hollywood Beach also offers dozens of luxury hotels and condominiums such as the Diplomat Resort & Spa Hollywood, Margaritaville Hollywood Beach Resort, Hollywood Beach Marriott, Trump Hollywood and Hyde Resort & Residences, in addition to many independently owned and operated boutique inns and vacation properties.

The public school system in the City is operated by the Broward County School District. Hollywood students are served by 36 public elementary, middle and high schools (including 11 charter schools). South Broward High School includes the highly sought after Cambridge Program and a Marine Science magnet. Hollywood Hills High School is home to Broward County's first public military academy. Hollywood also has more than 35 private schools serving pre-k through 12th grade students.

There are 5 four-year colleges and universities with campuses in Broward County: Broward College, Florida Atlantic University and Florida International University, which are public, and Nova Southeastern University and Barry University, which are private. Broward College is part of the Florida College System. Florida Atlantic University and Florida International University are two of the twelve universities in the State of Florida University System. Nova Southeastern University is the largest independent university in Florida and Barry University is a private Catholic non-profit institution. Nationally renowned higher learning institutions such as Barry University, Nova Southeastern University, and City College have research and educational facilities in Hollywood. There are several other colleges and technical schools in Broward County offering a variety of education options with associate and/or bachelor degrees or certificate programs providing vocational and technical education.

The City has steadily grown into a dynamic business hub with more than ten thousand companies in the City. Approximately eighty percent of Port Everglades, the world's second-busiest cruise port, is located in the City and the port is home to Royal Caribbean's Wonder of the Seas, Allure of the Seas and Oasis of the Seas, the largest cruise liners in the world. Hollywood also provides easy

access to Fort Lauderdale/Hollywood International Airport and Miami International Airport, a major gateway to Latin America. The City also is home to the Memorial Healthcare System, one of the nation's largest public healthcare systems, its flagship hospital, Memorial Regional Hospital, and the Joe DiMaggio Children's Hospital, the largest free-standing children's healthcare facility in Broward County.

Historic Downtown Hollywood is a lively commercial, entertainment and cultural arts district. Highlighted by the Artspark at Young Circle and dozens of bars and restaurants, Downtown Hollywood hosts hundreds of concerts, music festivals, dance exhibitions, shows, art exhibits, and much more.

See "APPENDIX A -- General Information and Economic Data Regarding the City of Hollywood, Florida and Broward County, Florida" for additional information concerning the City.

Governance

The City is governed by the provisions of its Charter. Under the Charter, the City functions as a home rule government under the Florida Constitution and general laws of the State.

The seven-member Commission is the legislative body of the City government. The Commission is chaired by the Mayor or, in his/her absence, the Vice Mayor who serves as a presiding officer. The Mayor is elected at-large to a four-year term and the other commissioners are elected by districts to four-year terms. Each candidate must be a duly qualified elector and legal resident of the City.

<u>Name</u>	<u>Title</u>	<u>End of Current Term</u>
Josh Levy	Mayor	November, 2024
Caryl S. Shuham	Vice Mayor -District 1	November, 2022
Linda Hill Anderson	Commissioner-District 2	November, 2024
Traci L. Callari	Commissioner-District 3	November, 2022
Adam Gruber	Commissioner-District 4	November, 2024
Kevin D. Biederman	Commissioner- District 5	November, 2022
Linda Sherwood	Commissioner - District 6	November, 2024

City Management

The City Manager, appointed by the Commission, is the chief administrative officer of the City government. The City Manager directs the functions of the City government through nine major departments: Police; Fire Rescue and Beach Safety; Development Services; Public Works; Financial Services; Parks, Recreation and Cultural Arts; Public Utilities; Information Technology; and Design and Construction Management; and various divisions within each department.

City Manager. Dr. Wazir Ishmael was appointed City Manager on December 3, 2014 by the Commission. He joined the City of Hollywood as Assistant City Manager for Sustainable Development in August 2014. Dr. Ishmael oversees a city government comprised of more than 1,400 full-time and part-time employees with a combined budget of over \$600 million. He is one of three employees

appointed directly by the Commission (the others being the City Attorney and the Community Redevelopment Agency Executive Director).

Dr. Ishmael seeks to guide a city-wide vision that promotes responsible industrial, commercial and office development, and redevelopment while enhancing residential quality of life, the preservation of open space, and the emergence of a quality, city-wide community aesthetic based on sustainability.

Dr. Ishmael has over thirty years of experience as a local government administrator, planner, educator and international business executive. He has worked with cities, counties and agencies such as the City of Miramar; Broward County Planning Council; Clark County, Washington; Wigan County Council, Lancashire, United Kingdom; and PlanLogical Corporation. During his sixteen-year tenure with Miramar, he progressively held the positions of Planning Manager, Community Development Director, Assistant City Manager for Development Services, Deputy City Manager and Interim City Manager.

Dr. Ishmael received his Bachelor's degree with Honors in Development Studies (focusing on Economics and Natural Resources) from the University of East Anglia, Norwich, England; his Masters of Urban Regional Planning from the University of Miami, Florida; and his Doctorate in Urban Studies from Portland State University, Oregon.

Deputy City Manager. Mr. George Keller, Jr., CPPT, joined the City of Hollywood in April of 2015 as the Assistant City Manager for Finance and Administration and also served as the Assistant City Manager for Public Safety, prior to assuming his present role as Deputy City Manager. As Deputy City Manager, his responsibilities include the development, management, and implementation of the City's approximately \$600 million annual operating budget and accompanying capital improvement program. Additional areas of responsibility include Public Safety, Labor Relations/CBA Negotiations, Financial Services, Human Resources and Pension Fund Trustee service.

Previously Mr. Keller worked as the Senior Vice-President for Calvin, Giordano and Associates for ten years where his responsibilities included managing a variety of public agency contracts and promoting governmental relations and business development. He also spent time at Severn Trent Services handling the administration of special government districts throughout the State of Florida. Prior to transitioning to the private sector, Mr. Keller served as the Deputy Director of the Safety and Emergency Services Department for Broward County where he oversaw building code services, zoning, code and Fire Rescue. In this position he had extensive labor relations experience representing the agency in arbitration, mediation, negotiations, grievances and litigation. He also served as one of Broward County's Legislative Coordinators and was a member of the County's E-Government Task Force. Earlier in his career in public service, Mr. Keller worked for the City of Hollywood serving as the Interim City Manager, Assistant City Manager and Director of Development Administration.

Mr. Keller holds a Master of Arts degree in Urban Geography/Urban and Regional Planning and a Bachelor's of Science in Urban Geography from the University of Florida.

Assistant City Manager for Sustainable Development. Mr. Gus Zambrano joined the City of Hollywood as the Assistant City Manager for Sustainable Development in March, 2015. In his role, he provides oversight and guidance for the City's development and operational services department, the

Design and Construction Management department and the Communications, Marketing and Economic Development department.

Prior to joining the City of Hollywood, Mr. Zambrano served as the Director of Community and Economic Development in the City of Miramar where he played a key role in the areas of economic development, redevelopment, planning & development, housing and marketing. Mr. Zambrano oversaw that city's economic development incentive program that created 7,200 high-valued jobs and brought in \$254 million in capital investment during his tenure. He was the lead in securing \$3 million in grant funding as part of the Broward Redevelopment Program for two historic area projects for the City of Miramar. He also assisted in securing a public/private partnership award of \$5 million for the development of 50 condominium units for the mixed-use Miramar Town Center development. Finally, Mr. Zambrano was instrumental in creating the City of Miramar's Office of Marketing Communications. Early in his career, Mr. Zambrano was a real estate, planning & development consultant in the private sector in Toronto, Canada and Miami, Florida.

Mr. Zambrano holds a Bachelor of Arts degree with Honors in Urban-Economic Geography and a Master's degree in Urban Planning from McGill University in Canada. He is a member of the American Institute of Certified Planners (AICP) and is professionally certified in Community Economic Development.

Assistant City Manager for Finance and Administration. Mr. Adam Reichbach joined the City in May of 2018 as the Assistant City Manager for Finance and Administration. In his role, he provides oversight and guidance to the Department of Financial Services; Office of Budget and Performance Management; Department of Information Technology; Office of Procurement Services; and Office of the City Clerk.

Prior to joining the City of Hollywood, Mr. Reichbach served as the Assistant City Manager for the City of Margate. In his position, Mr. Reichbach oversaw that city's public information and marketing strategy, launched its performance measurement system, coordinated the development and execution of its strategic plan, and played a key role in the development of the annual city-wide operating and capital budgets. Mr. Reichbach also served as the Assistant Executive Director of the Margate Community Redevelopment Agency. Prior to the City of Margate, Mr. Reichbach served as a Budget and Management Analyst for Broward County and a Special Projects Coordinator for the City of Casselberry.

Mr. Reichbach holds a Bachelor of Arts degree in Political Science from the University of Florida and a Master of Public Administration degree from the University of Central Florida. Mr. Reichbach also achieved a Certificate in Florida City/County Management from Florida State University. He is a member of the Florida City and County Management Association and the International City/County Management Association.

Office of the City Attorney

Legal services are provided to the City by the Office of the City Attorney. The City Attorney is appointed by the Commission. The City Attorney, supported by a staff of a Deputy City Attorney, Assistant City Attorneys, administrative personnel, and specialized outside counsel, as necessary,

represents the Commission and all other departments, divisions, boards and offices in all legal matters affecting the City.

City Attorney. Douglas R. Gonzales, Esq. hails from a Hollywood, Florida pioneer family. Doug's grandfather served as Mayor of the City in the 1930s. Mr. Gonzales attended the University of Florida, where he achieved his undergraduate degree, with Honors (Bachelor of Science in Business Administration) in 1985, followed by his Juris Doctorate degree in 1989. He was admitted to the Florida Bar in 1990, and is A rated by the Florida Bar.

Mr. Gonzales is on his second call of duty in the City, where he served as Municipal Prosecutor and Assistant City Attorney from 1996 through 1998, returning as City Attorney in November 2017. He has also served as an Assistant City Attorney in the City of Plantation, City Attorney for the City of Miramar, and City Attorney in the City of Margate.

Financial and Budgetary Support Systems

The City's Director of Financial Services is responsible for the fiscal affairs, financial management and related systems for the City. The Director of Financial Services is supported by staff of the Treasury, Procurement and General Accounting Divisions. The City maintains sophisticated systems for the effective management of its debt, investments, pensions, risk management, and related reporting thereon.

The Office of Budget and Performance Management formulates fiscal policies and procedures via ongoing analyses of City functions to ensure public funds are appropriated, monitored, and modified to successfully facilitate the overall mission of the City. The Office is also responsible for the development of the City's annual budget. This process includes revenue forecasting, expenditure analysis, and salary forecasting. In addition to preparing the budget, the Office prepares and presents periodic financial reports to the Commission; initiates management studies within the City for improved efficiency and effectiveness; assists in the development and implementation of administrative policies; coordinates Citywide performance and strategic management activities; and monitors the City's budget condition throughout the year.

Director of Financial Services. David E. Keller was appointed Director of Financial Services in February 2022, after previously serving as Interim Director of Financial Services and as Fiscal Affairs Special Projects Manager for the City. In his capacity as Director of Financial Services, Mr. Keller is responsible for coordinating the financial activities of the City including, debt and treasury management, billing for City services, collection of City revenues, accounting and financial statement preparation, and procurement services. He also represents the City as a Trustee on the General Employee Pension Board.

Mr. Keller has a 44-year long career serving in senior management, budget and finance related positions working for a number of local governments. He was the Assistant City Manager and CFO for the City of Weston for eleven years. Before his time with the City of Weston, he was the Assistant City Manager for the City responsible for the Office of Management and Budget and the Departments of Financial Services, Information Technology, Public Utilities and Design and Construction Management, following his position as Budget Director for the City.

Prior to that, Mr. Keller was the Finance Director for the City of Dania Beach, and earlier in his career served as the Internal Audit Supervisor and then the Budget Controller for the City of Pittsburgh.

Mr. Keller has served on two Standing Committees for the Government Finance Officers Association of the United States and Canada (“GFOA”): the Committee for Governmental Budgeting and Fiscal Policy, and Committee on Governmental Debt Management. He has also chaired numerous committees, including the Legislative Committee, for the Florida Government Finance Officers Association.

Mr. Keller earned a Master’s degree in Public Management from the H.J. Heinz the III School of Public Policy and Management at Carnegie Mellon University and a Bachelor of Science degree from the Pennsylvania State University.

INVESTMENT POLICY

The City adopted a detailed written investment policy on July 6, 2005, as amended in September, 2020, and again in March, 2022, that applies to all funds (cash, cash equivalents and investments) held by or for the benefit of the City except for proceeds of refunded bond issues which are deposited in escrow, debt service funds or reserve funds governed by their bond ordinances and the assets of the City’s three employee retirement systems.

The objectives of the investment program are: (a) safety of principal; (b) maintenance of liquidity; and (c) return on investment.

Subject to certain restrictions in the City’s investment policy concerning maximum allowable percentages, the City may invest in the following types of securities: (a) the Florida Local Government Surplus Funds Trust Fund (the “SBA”), (b) U.S. Government Securities, (c) U.S. Government Agency Obligations, guaranteed by the U.S. Government, (d) U.S. Government Instrumentalities, issued or guaranteed by the issuing agency and not by the U.S. Government, (e) Interest Bearing Certificates of Deposit, Savings Accounts, NOW Checking Accounts or Money Market Accounts, (f) Repurchase Agreements, (g) Commercial Paper, (h) Mutual Funds consisting of U.S. Government Obligations, (i) Money Market Mutual Funds, and (j) Intergovernmental Investment Pools. All other investments not specifically stated by the investment policy as “Authorized Investments” are unauthorized. Investments in any derivative products or the use of reverse repurchase agreements are prohibited under the investment policy.

The City utilizes portfolio diversification as a way to control risk. Investment managers are expected to act with prudence in the selection of securities as a way to minimize default risk. To control risk of illiquidity, a minimum of \$20 million, or the equivalent of two months of projected payroll and operating expenditures, is required to be invested with the SBA, or in short-term investment vehicles.

The City’s investment policy may be modified from time to time by the Commission.

AD VALOREM TAXATION

General

Under Florida law, the assessment of all properties and the collection of all county, school board, special taxing district, and municipal property taxes are consolidated in the offices of the county property appraiser and county tax collector. The Florida Constitution limits the aggregate rate of ad valorem taxes that may be levied on real and personal property. The limitation, except as noted below, is ten (10) mills each for all county and municipal purposes. A mill is equal to one-tenth of one cent of one dollar or \$1.00 for every \$1,000 of assessed value. Notwithstanding the foregoing, no limitation exists as to the rate or amount of ad valorem taxes that may be levied for the payment of indebtedness approved by referendum. Consequently, limitations otherwise applicable to the amount of ad valorem taxes that can be levied for operational purposes do not apply to taxes required to be levied to pay debt service on the City's general obligation bonds, including the Series 2022 Bonds.

The millage rate of each taxing authority, except as limited by law, is established on the basis of estimates of revenue needs and total taxable property valuations within each taxing authority's jurisdiction. Ad valorem taxes are not levied in excess of actual budget requirements. In setting millage rates, the applicable governmental unit is required by State law to assume a ninety-five percent (95%) tax collection rate.

In 1973, the State enacted legislation to encourage public awareness of spending and taxing decisions made by local elected officials. That legislation was amended in 1980 by the Truth in Millage or "TRIM BILL," now codified as Section 200.065, Florida Statutes. The legislation provides that, if the tax rate established by the governing board exceeds the rolled-back tax rate, the taxing authority shall publish notice of the proposed tax increase prior to the public hearing required to be held for the adoption of the final budget and millage rate. Under Section 200.065, a "rolled back tax rate" is defined as the millage rate that would produce the same amount of ad valorem taxes in each current year as were levied in the prior year, exclusive of any increase in assessments resulting from new construction and geographic boundary changes.

Property Assessment Procedures

Real and personal property valuations in the County are determined each year as of January 1 by the County Property Appraiser's Office. The assessment roll is prepared between each January 1 and July 1, with each taxpayer given notice of the proposed assessed value of their property in August.

The property owner has the right to file an appeal with the County's Value Adjustment Board, which considers petitions relating to assessments and exemptions. The County's Value Adjustment Board consists of members of the Board of County Commissioners of the County, the School Board of Broward County and citizen representatives. The Value Adjustment Board certifies the assessment roll upon completion of the hearing of all property assessment appeals. Millage rates are then computed by the various taxing authorities and certified to the County Property Appraiser, who applies the millage rates to the final assessment roll. This procedure creates the tax roll that is then annually delivered to the County Tax Collector on or about the first Monday in October of each year.

Levy and Collection of Ad Valorem Taxes

In October of each year, a notice is mailed to each property owner on the tax roll for the taxes levied by counties, school boards, municipalities and other taxing authorities. Taxes may be paid upon receipt of such notice, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February.

All taxes are due and payable on November 1 of each year or as soon thereafter as the certified tax roll is received by the county tax collector. Taxes become delinquent on April 1 following the year in which they are assessed or sixty (60) days after mailing of the original tax notice, whichever is later. If the delinquency date for ad valorem taxes is later than April 1 of the year following the year in which taxes are assessed, all dates or time periods specified in the Florida Statutes relative to the collection of, or administrative procedures regarding, delinquent taxes shall be extended a like number of days.

Except as noted below under the subheading “Recent Property Tax Reform,” exemptions from the ad valorem tax include (i) the first \$25,000 of assessed value for a permanent residence (the “homestead property”); (ii) property owned by certain permanently and totally disabled persons; (iii) renewable energy source improvements; (iv) inventory; (v) property used by hospitals, nursing homes, homes for special services, and property used by nonprofit homes for the aged; (vi) educational property; (vii) property owned by certain charitable, literary, religious, governmental or scientific organizations; (viii) property owned by not-for-profit sewer and water companies; and (ix) the first \$500 of property of every widow, widower, blind person or totally and permanently disabled person. An additional homestead exemption of up to \$50,000 of assessed value may be granted by a city or county for persons 65 or older, subject to certain income limitations.

Recent Property Tax Reform

Amendments have been adopted to the provisions of the Florida Constitution and the Florida Legislature has enacted legislation from time to time, each affecting the assessment of property or the collection of ad valorem tax revenues. Several of such amendments and legislative enactments are summarized below.

Save Our Homes Constitutional Amendment

By voter referendum held on November 3, 1992, Article VII, Section 4 of the Florida Constitution was amended to add a subsection which, in effect, limits the increases in assessed just value of homestead property to the lesser of (a) three percent (3%) of the assessment for the prior year or (b) the percentage change in the Consumer Price Index, as further defined therein. The Amendment is commonly referred to as the “Save Our Homes Amendment.” Further, the Save Our Homes Amendment provides that (i) no assessment shall exceed just value; (ii) after any change of ownership of homestead property or upon termination of homestead status, such property shall be reassessed at just value as of January 1 of the year following the year of sale or change of status; (iii) new homestead property shall be assessed at just value as of January 1 of the year following the establishment of the homestead; and (iv) changes, additions, reductions or improvements to homestead property shall initially be assessed as provided for by general law, and thereafter as provided in the amendment.

2006 Constitutional Amendments

In the November 7, 2006 general election, Florida voters approved an amendment to the State Constitution to provide an increase in the homestead exemption, from \$25,000 to \$50,000, for certain low-income seniors, effective January 1, 2007. An amendment to the State Constitution was also approved in the November 7, 2006 election to provide a discount for certain permanently disabled veterans from the amount of ad valorem taxes collected from such veterans. The disabled veterans amendment became effective on December 7, 2006.

Rollback Law

In June 2007, the Florida legislature enacted Chapter 2007-321, Laws of Florida (2007) (the “Rollback Law”). The Rollback Law took effect immediately and affected governmental budgets prepared for fiscal year 2007-2008 and subsequent fiscal years. The Rollback Law required all counties, cities and special districts to “roll back” their fiscal year 2008 tax rates so that such governmental entities collected the same revenue in fiscal year 2008 that they collected in fiscal year 2007, plus a further zero percent (0%) to nine percent (9%) tax cut from fiscal year 2007 figures, depending on tax increases adopted by the individual county, city or special district since fiscal year 2002. Using the formula set forth in the Rollback Law, the City reduced its ad valorem tax rate for the collection of general fund operating revenues in Fiscal Year 2008 by 15.6% from its Fiscal Year 2007 collections. The Rollback Law further provides that, after fiscal year 2009, property tax rate growth in cities, counties and special districts cannot exceed the growth of new construction and per capita personal income. The City can exceed the new statutory cap on property tax rate growth (i) by up to ten percent (10%) following a two-thirds (2/3) majority vote of the Commission or (ii) by an unlimited amount following a three-fourths (3/4) majority vote of the Commission or approval by the electors of the City via referendum.

January 2008 Constitutional Amendments

In the January 29, 2008 special election, Florida voters approved amendments to the State Constitution to exempt certain portions of a property’s assessed value from taxation, and in certain cases limit increases in assessed value of non-homestead property. Certain provisions from such amendments are summarized below. Generally, the amendments approved January 29, 2008:

1. Provide for an additional \$25,000 exemption for the assessed value of homestead property to increase the homestead exemption, for property owners using the standard homestead exemption, to \$50,000 (thus doubling the existing homestead exemption for property with an assessed value equal to \$50,000 or greater and increasing the homestead exemption to \$75,000 for property owners eligible to use one of the special homestead exemptions and having property with an assessed value equal to or greater than \$75,000). The additional \$25,000 exemption, however, does not apply to school district taxes.

2. Permit owners of homestead property to transfer their “Save Our Homes” benefit (up to \$500,000) to a new homestead property purchased within two (2) years of the sale of their previous homestead property to which such benefit applied if the just value of the new homestead is greater than or is equal to the just value of the prior homestead property. If the just value of the new homestead

property is less than the just value of the prior homestead property, then owners of homestead property may transfer a proportional amount of their “Save Our Homes” benefit, such proportional amount being equal to the just value of the new homestead property divided by the just value of the prior homestead property, multiplied by the assessed value of the prior homestead property.

3. Exempt from ad valorem taxation \$25,000 of the assessed value of property subject to tangible personal property tax.

4. Limit increases in the assessed value of non-homestead property to ten percent (10%) per year, subject to certain adjustments. The cap on annual increases is effective for a ten (10) year period, subject to extension by an affirmative vote of the Florida electorate. The limitation on increases in assessed value of non-homestead property, however, does not apply to school district taxes.

The amendments approved in January 2008 became effective for the 2008 tax year (2008-2009 fiscal year for local governments).

November 2008 Constitutional Amendments

In the November 4, 2008 general election, Florida voters approved amendments to the State Constitution to provide the Florida legislature with the authority to create exemptions or protections from special assessment for certain types of property subject to ad valorem taxation, including (i) exemptions for conservation lands and residential wind damage resistance and renewable energy source improvements and (ii) restrictions on the assessment of working waterfront properties. Thereafter, legislation was enacted which creates an exemption for land used exclusively for conservation purposes. Such exemption applies to property tax assessments made on or after January 1, 2011.

November 2010 Constitutional Amendment

In the November 2, 2010 general election, Florida voters approved an amendment to Article VII, Section 4 of the State Constitution to provide an additional homestead exemption to members of the military deployed on active duty outside the United States during the preceding year. The exemption equals the percentage portion of the year that the member of the military was deployed outside the United States. The deployed military amendment became effective on January 1, 2011.

2012 Legislative Amendments

In 2012, the Florida Legislature enacted Chapter 2012-193, Laws of Florida (HB 7097). Section 17 of HB 7097 provides that the base \$25,000 homestead exemption and the additional \$25,000 non-school levy homestead exemption apply before all other homestead exemptions, which are then to be applied in a manner that results in the lowest taxable value. Section 25 of HB 7097 provides that land, buildings and other improvements to real property used exclusively for educational purposes shall be deemed owned by an educational institution for the purpose of an ad valorem exemption if the entity owning one hundred percent (100%) of the land is (i) a nonprofit entity and the land is used, under a ground lease or other contractual arrangement, by an educational institution that owns the buildings and other improvements to the real property; (ii) a nonprofit entity under Section 501(c)(3) of the Internal Revenue Code; and (iii) provides education limited to students in pre-kindergarten through

eighth grade. Section 26 of HB 7097 grants an exemption to all property of municipalities if used as an essential ancillary function of a facility constructed with financing obtained in part by pledging proceeds from the convention development tax, which facility is upon exempt or immune federal, state, or county property.

November 2012 Constitutional Amendment

In the November 6, 2012 general election, three (3) legislatively-referred Constitutional amendments were approved by the requisite percentage of Florida voters. The amendments were the Florida Veterans Property Tax, Amendment 2 (2012), the Florida Property Tax Exemption for Surviving Spouses, Amendment 9 (2012) and the Florida Senior Homestead Tax Exemption, Amendment 11 (2012).

The Florida Veterans Property Tax, Amendment 2 (2012), allows for property tax discounts for disabled veterans that were honorably discharged and explicitly extends the rights to ad valorem tax discounts made available in 2012 to all veterans who were residents of Florida prior to their service, and to all combat-disabled veterans currently living in Florida, regardless of whether the veterans were residents of Florida prior to their service. A disabled veteran who qualifies for this homestead property tax discount receives a discount equal to the veteran's percentage of disability, as determined by the United States Department of Veterans Affairs.

The Florida Property Tax Exemption for Surviving Spouses, Amendment 9 (2012), authorizes the Florida Legislature to totally or partially exempt surviving spouses of military veterans or first responders who died in the line of duty from paying property taxes.

The Florida Senior Homestead Tax Exemption, Amendment 11 (2012), enables the Florida Legislature to authorize counties and municipalities to offer additional tax exemptions on the homes of low-income seniors. In 2017, the City enacted an ordinance (O-2017-19) creating a second additional homestead exemption for low-income seniors aged 65 and older, residing for at least 25 years in properties with an assessed property value of less than \$250,000, and with an annual household income of \$20,000 or less.

2013 Legislative Amendments

Senate Bill 1830. In 2013, the Florida Legislature enacted Senate Bill 1830 ("SB 1830"), which creates a list of changes to laws affecting ad valorem taxation. Such changes became effective as of July 1, 2013. Some of the changes clarified drafting errors to make laws previously enacted consistent with the intent when enacted. Changes created by SB 1830 were, among others, the following:

1. Long-term lessees were provided the ability to retain the homestead exemption on the property leased, and related assessment limitations and exemptions, in certain instances.
2. The time for property owners to appeal value adjustment board decisions on transfers of assessment limitations was extended to conform with general court filing time frames.

3. An automatic renewal for assessment reductions related to certain additions to homestead properties used as living quarters for a parent or grandparent was created, with an alignment of related appeal and penalty provisions to those for other homestead exemptions.

4. A statutory requirement that the owner of Florida real property permanently reside upon such property in order to qualify for a homestead exemption was deleted. This change conformed the statute at issue with the Florida Constitution by allowing non-resident owners of property to claim a homestead exemption if a person legally or naturally dependent upon the owner permanently resides on the homestead property.

5. A residency requirement that a senior disabled veteran must have been a Florida resident at the time such veteran entered the service to qualify for certain property tax exemptions was removed.

6. The ability was repealed for a limited liability partnership with a general partner that is a charitable 501(c)(3) organization to qualify for the affordable housing property tax exemption.

7. An exemption from property taxes was created for property used exclusively for educational purposes when the entities that own the property and the educational facility are owned by the same natural persons.

House Bill 277. In 2013, the Florida Legislature enacted House Bill 277 (“HB 277”), which provides that certain renewable energy devices are exempt from being considered when calculating the assessed value of residential property. HB 277 only applies to devices installed on or after January 1, 2013. The exemption created by HB 277 took effect on July 1, 2013.

House Bill 1193. In 2013, the Florida Legislature enacted House Bill 1193 (“HB 1193”), which eliminated three (3) ways in which the property appraiser had authority to reclassify agricultural land as non-agricultural land. Additionally, HB 1193 relieved the value adjustment board of the authority to review applications for exemptions on its own motion. The changes in HB 1193 were retroactive to January 1, 2013.

Senate Bill 342. In 2013, the Florida Legislature enacted Senate Bill 342 (“SB 342”), which provides for the rental of homestead property for up to thirty (30) days per calendar year without the property being considered abandoned as a homestead. If the homestead property is rented for more than thirty (30) days for two (2) consecutive years, it is considered abandoned as a homestead, and homestead-related ad valorem tax benefits will be lost. SB 342 became effective on July 1, 2013.

2015 Legislative Amendment

In 2015, the Florida Legislature enacted HB 361 (“HB 361”), granting certain leasehold interests and improvements to land owned by the United States or an agency thereof, a branch of the U.S. Armed Forces, or a quasi-governmental agency, an exemption from ad valorem taxation. HB 361 exempts such leasehold interests and improvements without the need to apply for the exemption or for the property appraiser to approve the exemption. HB 361 was signed into law on May 21, 2015 and applies retroactively to January 1, 2007.

November 2016 Constitutional Amendments

In the November 8, 2016 general election, Florida voters approved an amendment to the State Constitution to specify the calculation method a county or municipality may use in determining just value for purposes of the homestead exemption for persons sixty-five (65) years old or older whose household income falls within statutory limitations. The amendment allows a low-income, long-time resident age sixty-five (65) or older to continue receiving an additional \$25,000 exemption if the value of the homestead property rises above \$250,000, either due to changes in the market or because of additions or improvements to the property. In addition, individuals who were granted the exemption in prior years but became ineligible because their homestead property value rose above \$250,000, may regain the exemption if they otherwise still qualify. The amendment operates retroactively to January 1, 2013 for any person that received an exemption prior to January 1, 2017.

Also in the November 8, 2016 general election, Florida voters approved an amendment to the State Constitution to authorize a first responder who is totally and permanently disabled as a result of an injury sustained in the line of duty to receive relief from ad valorem taxes assessed on homestead property. The amendment took effect on January 1, 2017.

November 2018 Constitutional Amendments

In the November 6, 2018 general election, Florida voters approved an amendment to the State Constitution to limit increases in the assessed value of non-homestead property to ten percent (10%) per year, subject to certain adjustments. The cap on annual increases was originally approved for a ten (10) year period as part of the January 2008 Constitutional amendments. The approval on November 6, 2018 made the ten percent (10%) limitation permanent. The limitation on annual increases in the assessed value of non-homestead property became effective on January 1, 2019.

November 2020 Constitutional Amendments

In the November 3, 2020 general election, Florida voters approved an amendment to the State Constitution to extend the discount on ad valorem taxes provided to certain honorably discharged veterans to their spouses (the “Surviving Spouse Exemption Expansion Amendment”). See “AD VALOREM TAXATION – Recent Property Tax Reform – November 2012 Constitutional Amendment” above. Specifically, the Surviving Spouse Exemption Expansion Amendment allows the same ad valorem tax discount on homestead property for combat-disabled veterans age 65 or older to transfer to the surviving spouse of a veteran receiving the discount if the surviving spouse holds the legal or beneficial title to the homestead, permanently resides thereon, and does not remarry. The Surviving Spouse Exemption Expansion Amendment became effective on January 1, 2021.

Also in the November 3, 2020 general election, Florida voters approved an amendment to the State Constitution to extend the period for a homestead property owner to transfer the Homestead Assessment Differential to a new homestead from two years to three years (the “Portability

Amendment”). Specifically, the Portability Amendment allows a homeowner who establishes a new homestead as of January 1 to have the new homestead assessed at less than just value if the homeowner received a prior homestead exemption as of January 1 of any of the immediately preceding three years. The Portability Amendment took effect on January 1, 2021.

The amendments to the Florida Constitution and Florida Statutes described above affect the assessed value of real property subject to ad valorem taxation and the rates that may be used to tax such assessed value. However, such amendments and laws do not affect the City’s ability to levy ad valorem taxes (without limitation as to rate or amount) to make all required payments of debt service on its general obligation bonds, including the Series 2022 Bonds.

Proposed Amendments Relating to Ad Valorem Taxation

There have been numerous amendments to the Constitution of the State affecting ad valorem property taxes in Florida. See “AD VALOREM TAXATION – Recent Property Tax Reform” herein. Additional proposals to amend the Constitution of the State to effectively provide discounts for the payment of ad valorem taxes or exemptions from assessed property valuations for certain Florida residents or inhabitants were discussed in the recent sessions of the Florida Legislature. To become effective, each of the current proposals would have to be passed by the Florida Legislature, signed into law by the Governor and approved by at least sixty percent (60%) of the voters of the State in a general election.

November 2022 Constitutional Amendments

During the 2022 State legislative session, the State House and Senate passed joint resolution HJR 1377, proposing an amendment to the Florida Constitution to authorize the State legislature to prohibit an increase in the assessed value of residential property because of any change or improvement made to improve the property's resistance to flood damage, provided the square footage of the property does not exceed 1,500 square feet or 110% of the square footage prior to elevation of the property and, further, when the property changes ownership, it will be assessed at just value, meaning the assessment limitation only applies to the property owner at the time of elevation. If the amendment is approved by at least sixty percent (60%) of the electors in the November 2022 election, it will take effect on January 1, 2023.

Also during the 2022 legislative session, the State House and Senate passed joint resolution CS/CS/HJR 1, proposing an amendment to the Florida Constitution to authorize the Legislature to provide, through general law, for all levies other than school district levies, an additional homestead exemption of \$50,000 on the assessed value greater than \$100,000 and up to \$150,000 for a classroom teacher, law enforcement officer, correctional officer, firefighter, emergency medical technician, paramedic, child welfare services professional, active duty member of the United States Armed Forces, or a member of the Florida National Guard. Property maintained as a homestead by the owner for a person legally or naturally dependent upon the owner is eligible for the exemption. If the amendment is approved by at least sixty percent (60%) of the electors in the November 2022 election, it will take effect on January 1, 2023

There is no way to predict, with any reasonable degree of certainty, if any of the proposed amendments to the Florida Constitution affecting ad valorem will be approved by sixty percent (60%) of the voters of the State when presented in the next general election. There is also no way to predict, with any reasonable degree of certainty, the actual impact on ad valorem tax revenues, if any of the amendments to the Florida Constitution is approved by sixty percent (60%) of the voters of Florida. At this time, the City is not able to predict whether of any of the amendments to the Florida Constitution, if approved, would have a material adverse impact on its collection of ad valorem tax revenues. Passage of any proposed amendment would not legally prohibit the City from levying ad valorem taxes (without limitation as to amount) to make all required payments of debt service on its general obligation bonds, including the Series 2022 Bonds.

The future impact of some of the more recently adopted amendments and laws described above on the City's finances cannot be ascertained with any amount of certainty. During recent years, various other legislative proposals and proposed constitutional amendments relating to ad valorem taxation and restrictions on local government revenues and expenditures have been introduced in the State. Many of these proposals have sought to limit local government revenues and expenditures, provide for new or increased exemptions to ad valorem taxation, and limit the amount of revenues that local governments could generate from ad valorem taxation or otherwise restrict the ability of local governments in the State to levy ad valorem taxes at recent historical levels. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would or might apply to, or have a material adverse effect upon, the City or its finances.

Voter Approved Debt

The City has the authority to increase its millage levy for debt supported by unlimited ad valorem taxes, which includes the Series 2022 Bonds. Any limitations, exemptions or adjustments pertaining to millage rates otherwise provided in State law do not affect the ability of the City to levy and collect ad valorem taxes in amounts sufficient to pay principal of, and interest on, the Series 2022 Bonds.

The following table reflects the total assessed value and total taxable value for operating millage of the City's taxable property in each of the past ten (10) years. [Update based on City 2021 AFR]

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS ⁽¹⁾
(\$ in thousands)**

<u>Fiscal Year</u>	<u>Real Property</u>			<u>Personal Property</u>	<u>Less: Tax Exempt Property</u>	<u>Total Taxable Assessed Value (2)</u>	<u>Total Direct Tax Rate (mills)</u>	<u>Estimated Actual Taxable Value ⁽¹⁾</u>	<u>Assessed Value as a Percentage of Actual Value</u>
	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Other Property</u>						
2021	\$17,363,909	\$7,28,998	\$9,265	\$1,610,129	\$7,750,225	\$18,502,076	7.8966	\$26,252,301	70.48%
2020	16,191,008	6,868,114	6,374	1,473,059	7,723,651	17,412,904	7.9226	25,136,556	69.27
2019	16,187,585	6,431,406	4,764	1,547,857	7,702,624	16,472,988	7.6992	24,175,612	68.14
2018	15,187,241	6,052,243	4,623	1,512,574	7,519,034	15,237,647	7.6992	22,756,682	66.96
2017	13,978,049	5,650,080	4,469	627,053	7,075,271	13,184,380	7.7363	20,259,651	65.08
2016	12,764,725	5,163,513	4,117	604,697	6,453,560	12,083,492	7.7677	18,537,052	65.19
2015	11,607,318	4,829,226	4,137	595,229	5,880,337	11,155,573	7.8007	17,035,909	65.48
2014	9,710,175	4,826,893	3,551	587,328	4,669,012	10,458,935	7.8436	15,127,947	69.14
2013	9,039,943	4,754,324	3,139	656,880	4,361,073	10,093,213	7.7519	14,454,286	69.83
2012	9,074,429	4,815,235	3,320	647,910	4,433,935	10,106,959	7.8928	14,540,895	69.51

Source: Broward County Property Appraiser's Office.

(1) Includes tax exempt property.

(2) [Represents final revised 2021 taxable value reported by Broward County Property Appraiser as of [October 22, 2020].

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Millage Rates

The County assesses and collects all ad valorem taxes within the County. While only one (1) tax bill per property owner emanates from the County, the bill represents ad valorem taxes levied by the County and other taxing authorities within or coterminous with the County, which includes the City. The following table shows the tax millage rates for the Fiscal Years 2012 - 2021 within the City. [Update based on City 2021 AFR]

PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN FISCAL YEARS

Fiscal Year	Overlapping Rates ⁽¹⁾												Total Direct Overlapping Rate	
	City of Hollywood			Broward County			Broward County School District				South Broward Hospital District	North Broward Hospital District	⁽²⁾	⁽³⁾
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	Special Districts				
2021	7.4665	0.4301	7.8966	5.4999	0.1691	5.6690	6.4140	0.0912	6.5052	0.7877	0.1199	1.1469	20.9784	22.0054
2020	7.4665	0.4561	7.9226	5.4878	0.1812	5.6690	6.6350	0.1043	6.7393	0.7997	0.1260	1.0324	21.2566	22.1630
2019	7.4665	0.2327	7.6992	5.4792	0.1898	5.6690	6.2750	0.1279	6.4029	0.8138	0.1414	1.0855	20.7263	21.6704
2018	7.4479	0.2513	7.6992	5.4623	0.2067	5.6690	6.4740	0.0654	6.5394	0.8302	0.1496	1.2483	20.8874	21.9861
2017	7.4479	0.2884	7.7363	5.4474	0.2216	5.6690	6.8360	0.0703	6.9063	0.8509	0.1615	1.3462	21.3240	22.5087
2016	7.4479	0.3198	7.7677	5.4741	0.2489	5.7230	7.2030	0.0710	7.2740	0.8753	0.1737	1.4425	21.8137	23.0825
2015	7.4479	0.3528	7.8007	5.4584	0.2646	5.7230	7.4380	0.0000	7.4380	0.9069	0.1863	1.5939	22.0549	23.4625
2014	7.4479	0.3957	7.8436	5.4400	0.2830	5.7230	7.4800	0.0000	7.4800	0.9337	0.4000	1.7554	22.3803	23.7357
2013	7.4479	0.3040	7.7519	5.2576	0.2954	5.5530	7.4560	0.0000	7.4560	0.9536	0.6000	1.8564	22.3145	23.5709
2012	7.4479	0.4449	7.8928	5.1860	0.3670	5.5530	7.4180	0.0000	7.4180	0.9497	0.7500	1.8750	22.5635	23.6885

Property Tax Rates: Expressed as mills per \$1,000 of taxable value.

Source: Broward County Property Appraiser.

- (1) Overlapping rates are those of local and county governments that apply to property owners within the City of Hollywood. Not all overlapping rates apply to all City of Hollywood property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).
- (2) Hollywood tax district code 0543 and 0553 - excluding North Broward Hospital District.
- (3) Hollywood tax district code 0534 - excluding South Broward Hospital District.

Tax Collection and Distribution by County Tax Collector

Except as otherwise described under “AD VALOREM TAXATION - Levy of Ad Valorem Taxes” herein, all ad valorem taxes become due and payable on November 1 and become delinquent on the following April 1. Once delinquent, ad valorem tax payments bear interest at not more than eighteen percent (18%) per annum until a tax certificate is sold, with respect to real property taxes, or until paid, with respect to personal property taxes. All taxes collected are distributed by the County Tax Collector to the applicable taxing units. Such distribution is made four times during the first two months after the tax roll comes into its possession and once per month thereafter.

It is the County Tax Collector’s duty on or before June 1 of each year to advertise and sell tax certificates on real property tax delinquencies extending from the previous April 1. Delinquent taxes may be paid by property owners prior to the sale of tax certificates upon payment of all costs, delinquent taxes and interest at the rate of not more than eighteen percent (18%) per annum. A tax certificate must be for an amount not less than the taxes due on the applicable property, plus interest from the date of delinquency to the date of sale of the certificate, together with the cost of advertising and expense of the sale. Each tax certificate is awarded to the bidder paying the above amounts and who accepts the lowest interest to be borne by the tax certificate after its sale. If there are no bidders, the County must hold, but not pay for, such tax certificates. Thereafter, the County may sell such tax certificates to the public at any time at the principal amount thereof plus interest at not more than eighteen percent (18%) per annum and a fee.

With respect to personal property tax delinquencies, such delinquent taxes must be advertised within forty-five (45) days after delinquency. After May 1, personal property for which taxes are delinquent is subject to warrant, levy, seizure and sale.

Tax certificates held by persons other than the County may be redeemed and cancelled by any person prior to the time a tax deed is issued upon payment of the face amount of the tax certificate, plus interest, costs and other charges. Holders of tax certificates, other than the County, which have not been redeemed may, at any time after two (2) years but prior to seven (7) years from the date of issue, file an application for a tax deed with the County Tax Collector upon payment of all other outstanding tax certificates on such property, plus interest, any omitted taxes plus interest, and delinquent taxes plus interest covering the real property. Thereafter, the property is advertised for public sale at auction to the highest bidder, subject to certain minimum bids. If there are no other bidders, the holder of the tax certificate receives title to the property. If the tax certificate is held by the County and the County has not succeeded in selling it within two (2) years, the County may apply for a tax deed upon payment of all applicable costs and fees but not any amount to redeem the tax certificate. Such property is then also advertised for public sale to the highest bidder, subject to certain minimum bids. If there are no other bidders, the County may purchase the property for the minimum bid. In the case of unsold properties, after seven (7) years the County will take title to such properties.

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The following table summarizes the City's tax levies and collections for the past ten (10) years. [Update based on City 2021 AFR]

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(\$ in thousands)**

Property Tax Levies and Collections
Last Ten Fiscal Years (\$ in Thousands)

Fiscal Year	Gross Levy (B)	Discount/ Adjustments (B)	Net Levy (B)	Collected within Levy FY	Percent of Levy Collected within the Fiscal Year	Collections in Subsequent Collections	Total Collections to Date	Percent of Levy Collected
03.31.22	149,327.00	(5,811.00)	143,516.00	137,145.00	95.56%	-	137,145.00	95.56%
09.30.21	146,397.00	(6,859.00)	139,538.00	138,828.00	99.49%	283.00	139,111.00	99.69%
09.30.20	138,200.00	(5,731.00)	132,469.00	132,026.00	99.67%	443.00	132,469.00	100.00%
09.30.19	127,069.00	(5,416.00)	121,653.00	121,561.00	99.92%	80.00	121,641.00	99.99%
09.30.18	117,487.00	(4,866.00)	112,621.00	112,407.00	99.81%	215.00	112,622.00	100.00%
09.30.17	102,824.00	(4,188.00)	98,636.00	98,539.00	99.90%	98.00 A	98,637.00	100.00%
09.30.16	94,628.00	(3,831.00)	90,797.00	90,711.00	99.91%	85.00 A	90,796.00	100.00%
09.30.15	87,810.00	(3,629.00)	84,181.00	84,045.00	99.84%	98.00 A	84,143.00	99.95%
09.30.14	82,195.00	(3,361.00)	78,834.00	78,739.00	99.88%	95.00 A	78,834.00	100.00%
09.30.13	78,399.00	(2,983.00)	75,416.00	75,342.00	99.90%	75.00 A	75,417.00	100.00%
09.30.12	79,938.00	(3,555.00)	76,383.00	76,271.00	99.85%	112.00 A	76,383.00	100.00%
09.30.11	74,563.00	(4,020.00)	70,543.00	70,048.00	99.30%	41.00 A	70,089.00	99.36%

A - Amounts of subsequent receipts are estimated based on prior year files or assuming fully paid if GL activity was negative.

B - Source: City of Hollywood, Florida Comprehensive Annual Financial Report Fiscal Year ended September 30, 2021. Broward County Revenue Collector.

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The following table sets forth the computation of direct and overlapping debt of the City for the Fiscal Year ended September 30, 2021. [Update based on City 2021 AFR]

CITY OF HOLLYWOOD, FLORIDA

**COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
GENERAL OBLIGATION BONDS
SEPTEMBER 30, 2021**

Governmental Unit	Bonded Debt Outstanding	Applicable to City of Hollywood	
		Percent (1)	Amount
DIRECT DEBT:			
City of Hollywood:			
General Obligation (2)	\$ 98,627,727	100.00 %	\$ 98,627,727
Non-Self-Supporting Revenue Debt (2)	<u>72,049,701</u>	100.00	<u>72,049,701</u>
Total Direct Debt	<u>170,677,428</u>	100.00	<u>170,677,428</u>
OVERLAPPING DEBT:			
Broward County	102,733,000	8.00	8,218,640
Broward School District	<u>2,192,624,000</u>	8.00	<u>175,409,920</u>
Total Overlapping Debt	<u>2,295,357,000</u>		<u>183,628,560</u>
Total Direct and Overlapping Debt	<u>\$ 2,466,034,428</u>		<u>\$ 354,305,988</u>

Source: Taxing authority indicated.

(1) Percent of taxable value of property in Hollywood to taxable value of property in overlapping unit.

(2) Net of related premiums and/or discounts.

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The City has a diversified tax base ranging from a large utility to tourism to commercial investments. The following table summarizes the ten (10) largest taxpayers in the City, the type of property owned by such taxpayers and the assessed value of such property for the Fiscal Year ended September 30, 2021. [Update based on City 2021 AFR]

CITY OF HOLLYWOOD, FLORIDA

PRINCIPAL TAXPAYERS CURRENT YEAR AND NINE YEARS AGO (\$ in thousands)

Taxpayer	Fiscal Year 2021	
	Taxable Assessed Value (1)	Percentage of Total City Taxable Assessed Value
Florida Power & Light Company	\$ 1,149,392	6.21 %
Diplomat Properties LTD Partnership	516,557	2.79
MVHF LLC (BLDG) City of Hollywood	154,915	0.84
Oakwood Plaza LP	153,714	0.83
HC Real Property LLC	126,409	0.68
Equity One Sheridan Plaza LLC	91,765	0.50
Parc Station Acquisition LLC	78,587	0.42
MHI Hospitality	71,627	0.39
Hollywood Beach LLC	61,096	0.33
Windsor Hollywood LLC	58,334	0.32
Total Taxpayer	<u>\$ 2,462,396</u>	<u>13.32 %</u>
Total Taxable Assessed Value	<u>\$ 18,502,076</u>	

Taxpayer	Fiscal Year 2012	
	Taxable Assessed Value (2)	Percentage of Total City Taxable Assessed Value
Diplomat Properties LTD Partnership	\$ 221,000	2.19 %
Florida Power & Light Company	217,000	2.15
Orange Bowl Eastern III, LLC	135,000	1.34
Michael Swerdlow Properties	89,939	0.89
Equity One LLC	79,655	0.79
Distribution Funding, Inc.	45,825	0.45
WRI/Hollywood Hills LLC	41,978	0.42
BellSouth Telecommunications, Inc.	37,898	0.37
CDR Presidential LLC	33,923	0.34
HBC Associates	33,050	0.33
Total Taxpayer	<u>\$ 935,268</u>	<u>9.25 %</u>
Total Taxable Assessed Value	<u>\$ 10,106,959</u>	

Source: Broward County Revenue Collector.

(1) Value of nonexempt real and personal property subject to taxation at January 1, 2017.

(2) Value of nonexempt real and personal property subject to taxation at January 1, 2008.

PRIOR INDEBTEDNESS

The City previously issued its Series 2019 Bonds, currently outstanding in the aggregate principal amount of \$56,805,000 plus premiums of \$8,734,461 at March 31, 2022 to pay a portion of the costs related to the Neighborhoods, Infrastructure and Resiliency Projects, the Public Safety Projects and the Parks, Open Space, Golf, Recreational and Cultural Arts Facilities Projects, which Series 2019 Bonds constitute the first series of General Obligation Bonds authorized by the Referendum Resolutions and issued for such purpose. The Series 2022 Bonds are being issued to fund additional portions of the Neighborhoods, Infrastructure and Resiliency Projects, the Public Safety Projects and the Parks, Open Space, Golf, Recreational and Cultural Arts Facilities Projects. All of the General Obligation Bonds, including the Series 2022 Bonds, are secured by the City's irrevocable pledge of its full faith, credit and taxing power to the punctual payment of the principal of and interest on such bonds. Upon issuance of the Series 2022 Bonds, no further authority to issue new money General Obligation Bonds will remain under the Referendum Resolutions.

PENSION PLANS

Employees, Fire and Police Retirement Plans

The City has three defined-benefit pension plans: (1) the General Employees Retirement Fund, (2) the Police Officer's Retirement System and (3) the Firefighter's Pension Plan. A board of trustees administers each plan. The boards are composed of members elected by active employees, appointees of the Mayor and Commissioners. The boards have responsibility for investment of the pension assets and determination of benefits as employees retire or seek other benefits under the plans. City contributions are determined by actuarial valuations adopted by the respective Board of Trustees for those retirement benefits provided by the City's Code of Ordinances. Each retirement plan provides retirement, disability and death benefits and certain cost of living adjustments to plan members and beneficiaries. At September 30, 2021, the plans had total combined assets of \$[_____] million.

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The following actuarial methods and assumptions were used to determine contribution rates reported for the Fiscal Year ended September 30, 2021:

	General Employees Retirement System	Fire Pension Fund	Police Officers' Retirement System
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percent Closed	Level Percent Closed	Level Percent Closed
Remaining Amortization Period	30 Years	30 Years	20 Years
Asset Valuation Method	5 Year Smoothed Market	5 Year Smoothed Market	5 Year Smoothed Market
Actuarial Assumptions:			
Investment Rate of Return	7.50%	7.50%	8.00%
Assumed Annual Salary Increase	3.00% to 8.00%	Service Based	5.03% to 10.67%
Inflation	2.50%	2.50%	2.50%
Cost-of-Living Adjustment (COLA)	N/A	(a)	2.00% (b)
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition	N/A	Experience-based table of rates that are specific to the type of eligibility condition
Mortality Rates	RP-2000 Combined Health Participant Mortality Table	Female PubG.H-2010 Scale MP-2018	Female PubG.H-2010 Scale MP-2018
			Male PubG.H-2010 Scale MP-2018
Mortality Rate - Disabled	RP-2000 Combined Health Participant Mortality Table	RP-2000 Combined Disability Table	Pub-2010 Disability Table
Valuation Date	10/01/19	10/01/19	10/01/19

Source: City of Hollywood, Florida Annual Financial Report Fiscal Year ended September 30, 2019 through September 30, 2021.

- a) Benefit amount for benefits accrued prior to October 1, 2011 (frozen piece): Retirees receive a 2.0% per year cost-of-living adjustment (COLA) commencing three years after retiree's benefit payments have begun. Members hired after July 16, 2009 will not receive a COLA on the "prior service" piece. Benefit amount for benefits accrued on and after October 1, 2011 will receive no COLA.
- b) All benefits accrued after October 1, 2011 will not be subject to any cost of living adjustments.

The tables below show the annual pension costs for each retirement fund for the Fiscal Years ended September 30, 2019, 2020 and 2021.

Employees Retirement Fund

<u>Fiscal Year Ended</u>	<u>Pension Expense</u>	<u>Net Pension Liability</u>
September 30, 2021	\$33,660,699	\$218,573,719
September 30, 2020	88,194,032	165,527,189
September 30, 2019	33,495,435	186,066,001

Fire Retirement Fund

<u>Fiscal Year Ended</u>	<u>Pension Expense</u>	<u>Net Pension Liability</u>
September 30, 2021	\$22,875,002	\$185,966,998
September 30, 2020	44,909,263	179,086,535
September 30, 2019	18,996,279	141,344,362

Police Retirement Fund

<u>Fiscal Year Ended</u>	<u>Pension Expense</u>	<u>Net Pension Liability</u>
September 30, 2021	\$36,700,385	\$240,864,372
September 30, 2020	93,184,691	230,859,036
September 30, 2019	20,086,777	176,714,224

Source: City of Hollywood, Florida Comprehensive Annual Financial Reports Fiscal Years ended September 30, 2019 through and including September 30, 2021.

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The tables below show the unfunded actuarial liability as of October 1, 2020, 2019 and 2018 for the Employees Retirement Fund, the Fire Retirement Fund and the Police Retirement Fund. [\[Update tables below\]](#)

Employees Retirement Fund

Actuarial Valuation Date October 1	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
2020	\$369,068,328	\$583,426,971	\$214,358,643	63.3%	\$40,789,456	525.5%
2019	341,286,411	565,621,420	224,335,009	60.3	40,869,983	548.9
2018	334,799,360	517,688,507	182,889,147	64.7	41,243,666	443.4

Source: City of Hollywood General Employee's Retirement System Actuarial Valuation Report as of October 1, 2020.

Fire Retirement Fund

Actuarial Valuation Date October 1	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
2020	\$270,730,670	\$466,858,669	\$196,127,999	58.0%	\$23,731,474	826.4%
2019	253,159,552	448,394,869	195,235,317	56.5	20,902,962	934.0
2018	240,814,251	400,883,290	160,069,039	60.1	20,634,810	775.7

Source: City of Hollywood, Florida Firefighters' Pension Fund Actuarial Valuation Report as of October 1, 2020.

Police Retirement Fund

Actuarial Valuation Date October 1	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
2020	\$227,644,851	\$465,979,519	\$238,33,668	48.9%	\$22,966,730	1,037.7%
2019	215,609,662	452,065,09	236,455,447	47.7	22,824,881	1,036.0
2018	212,836,327	457,443,930	244,607,603	46.5	21,786,392	1,122.8

Source: City of Hollywood, Florida Police Officers Retirement System Actuarial Valuation Report as of October 1, 2020.

Defined Contribution Plans

The City has a contract with the ICMA-RC for a defined contribution pension plan covering certain employees with an employment agreement with the City. In addition, there is a second defined contribution pension plan between the Hollywood Community Redevelopment Agency and ICMA-RC covering the executive director and employees of the agency. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment return. The plans do not require nor permit employee contributions. During Fiscal Year 2021, the City and the CRA contributed approximately \$580,997 to these defined contribution plans.

Because the City has no control over these assets, they are not reflected in the City’s financial statements.

Deferred Compensation Plans

The City offers certain employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, managed by independent plan administrators, permit employees to defer a portion of their salary until future years. At the employee’s election, such amounts may be invested in mutual funds which represent varying levels of risk and return. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under plans, all property and rights purchased with those amounts, and all income attributable to those amounts, are held in trust for the exclusive benefit of the plans’ participants and their beneficiaries. Because the City has no control over these assets, they are not reflected in the City’s financial statements.

OTHER POST EMPLOYMENT BENEFITS

The City provides certain health care benefits for its retired employees through the Postemployment Health Care Benefits Plan. The Postemployment Health Care Benefits Plan is a single-employer defined benefit plan administered by the City. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees and eligible dependents who retire from the City may continue to participate in the City’s self-funded health and hospitalization plan for medical, prescription and drug coverage. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible.

Certain Other Post-Employment Benefits (“OPEB”) are available to all employees retiring from the City under the provisions of disability, early or normal retirement. The OPEB benefits include lifetime access to coverage for the retiree and dependents under the medical and prescription plans as well as participation in dental, vision and group life insurance plans sponsored by the City for employees.

Eligible retirees may choose the same medical plan available to active employees of the City. Dependents of retirees may be covered at the retiree’s option the same as dependents of active employees. Prescription drug coverage is automatically extended to retirees and their dependents who continue coverage under the Medical Plan. Covered retirees and their dependents are subject to all the same medical and prescription benefits and rules for coverage as are active employees. Retirees and their dependents age 65 and over are required to enroll in Medicare Part B in order to remain covered under the program. The plan pays as secondary for claims otherwise covered under Medicare. Deferred retirement is not allowed to elect coverage at the time of retirement.

At September 30, 2021, a total of 2,527 participants were covered by the benefit terms:

Active employees or beneficiaries currently receiving benefit payments	1,297
Employees entitled to but not yet receiving benefit payments	41
Inactive employees	<u>1,189</u>
	<u>2,527</u>

The City’s total OPEB liability of \$564,350,282 was determined by an actuarial valuation as at September 30, 2021. The total OPEB liability in the September 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs which were applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5 percent
Salary Increases	3.00 percent, average, including inflation
Discount Rate	2.19 percent
Healthcare Cost Trend Rates	Developed using SOA model long term medical trend model
Retirees’ Share of Benefit Related Costs	25 percent of projected health insurance premium for retirees

INVESTMENT CONSIDERATIONS

Infectious Disease Outbreak

In December, 2019, a respiratory disease caused by a novel strain of coronavirus was first detected in China. The disease has since spread to other countries, including the United States of America (“U.S.”), producing sickness and deaths in the places where it has spread. The disease was declared a Public Health Emergency of International Concern on January 30, 2020 and named “COVID-19” on February 11, 2020, each by the World Health Organization. The number of people reported to have been infected by COVID-19 and the number of reported deaths from COVID-19 infections are substantially higher in the U.S. than in any other country.

Currently, no proven cure exists for COVID-19. Several vaccines have been developed that significantly decrease the likelihood of infection and the severity of impact if a vaccinated person becomes infected. Three of such vaccines were approved by the United States Food and Drug Administration for emergency use in the U.S. in December 2020 and February 2021, with one of those vaccines being fully approved in August 2021 for individuals 16 years of age and older. Testing and vaccine administration locations are available in the City and throughout the County. For additional information regarding the availability of testing and vaccines in the City, see the City’s website at <https://www.hollywoodfl.org/CivicAlerts.aspx?AID=1054>. The efficacy of the vaccines could be impacted by the spread of new variants of COVID-19, which may be more highly transmissible. It is possible that the U.S. will continue to experience increased COVID-19 cases and/or hospitalizations as a result of current or future variants which could, in turn, impact State and local government finances, including those of the City.

To address the health concerns presented by COVID-19, state and local governments implemented unprecedented, formal restrictions to limit human contact. During the month of March, 2020, emergency declarations were issued by the federal government, the State, the County and the City. Pursuant to such declarations, far-reaching social distancing measures were adopted, which generally required the closure of all public areas and facilities, public and private schools, and private businesses that were not considered to be critical or essential. Additionally, individuals throughout the State were strongly urged to remain in their homes, other than to engage in essential activities. Commercial establishments, government buildings and public areas and were opened in phases in 2020. State and local government restrictions were lifted throughout the State, including within the City, in 2021. Certain federal restrictions remain in effect, however,

including a mask mandate on all public transit, and some businesses continue to maintain certain restrictions.

The City's finances were initially projected to be adversely impacted by the COVID-19 pandemic; however, revenue losses have not been as severe or extended as initially estimated. In response to the COVID-19 pandemic, which began impacting the City during the second quarter of the Fiscal Year ended September 30, 2020, the City immediately implemented spending controls to mitigate the financial impact to the City. These controls included travel cancellations, hiring freezes, monitoring discretionary spending, delay or re-prioritization of capital projects. With mandated statewide stay-at-home orders and non-essential business closures, major revenue sources were lower than anticipated. Revenue from State sales and fuel taxes came in significantly lower than the City's budgetary estimates as well, with the State temporarily withholding payment of State Shared Revenues during the first year of the pandemic. In addition, revenue from recreational programs, special activities, and facility rentals suffered shortfalls. However, due to immediate actions taken by the City's administration to reduce operating costs, along with a number overperforming revenue streams, including interest income on investments, building permits, engineering plan reviews, and emergency transport, the City ended Fiscal Year 2020 in a positive position, and did not require the use of any fund balance to offset the revenue losses attributed to the pandemic. A reimbursement from the County in the amount of \$8.2 million under the Coronavirus Aid Relief, and Economic Security Act (CARES Act) further helped to offset COVID-19-related expenses, including the unplanned purchases of personal protective equipment and COVID-19 related employee leave expenses.

The economic impacts of the pandemic continued into Fiscal Year 2021. However, to hedge against year-end budget shortfalls, during the Fiscal Year 2021 budget process, budget estimates were revised downward from Fiscal Year 2020 adopted budget levels to reflect the lower revenue expectations. As the pandemic continued into Fiscal Year 2021, staff continuously monitored revenue and expenditures in case the City had to take action to mitigate future impacts. The City ended Fiscal Year 2021 in a positive position with a general fund surplus of over \$4,817,859 which increased the unrestricted fund balance to \$5,643,733. During the second half of Fiscal Year 2021, most major revenue streams began to rebound as the City began to see higher month-over-month collections for revenues such as state shared sales tax, communication service tax, local option gas tax, and electricity utility tax – an indication of increased economic activity. In addition, development-related revenue outperformed budget estimates but the City continued its approach of controlling discretionary spending. The City received a CARES Act reimbursement from the County during Fiscal Year 2021 in the amount of \$6.6 million, which offset increased pandemic-related costs. Additionally, the City received approximately \$17.3 million in federal pandemic stimulus funds, approximately \$14.7 million of which includes funds from the American Rescue Plan Act, Housing of \$2.5 million, and HHS of \$110 thousand. Because of the City's growth and conservative projections, the COVID-19 pandemic has had little financial impact on the City. Revenue prospects are viewed as solid given expectations for ongoing population growth.

In connection with potential future surges in infections of COVID-19, if any, or the outbreak and spread of other highly contagious or epidemic or pandemic diseases, there may be intermediate and long-term negative impacts on local, state, national and global economies, the severity of which is unknown at this time. This includes potential adverse impacts on the financial condition, performance and credit ratings of the City. In particular, such impacts may include

possible reductions in the collection of certain non-ad valorem revenues of the City, and the taxable values of commercial, retail and office space, which could adversely impact ad valorem tax collections in the City's future budgets. However, notwithstanding any negative impacts as a result of COVID-19, or another highly contagious or epidemic or pandemic disease, the City is required to levy sufficient ad valorem taxes in each year, without limitation, to pay debt service on the Series 2019 Bonds and the Series 2022 Bonds.

Climate Change

The State is naturally susceptible to the effects of extreme weather events and natural disasters, including floods, droughts and hurricanes. The occurrence of such events and natural disasters can produce significant negative ecological, environmental and economic impacts. Such impacts can be exacerbated by a longer-term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures and rising sea levels.

Numerous scientific studies on global climate change conclude that, among other effects on global ecosystems, extreme and abnormal temperature fluctuations have occurred globally and, without the implementation of measures to address the phenomenon, will continue to occur. Such occurrences have been determined by scientific studies to be the primary reason for current and projected increases in sea levels and for extreme weather events to occur in higher frequency and intensity. Projected changes in weather and tidal patterns place coastal areas like the City at risk of substantial wind or flood damage over time, affecting private development and public infrastructure, including roads, utilities, emergency services, schools, and parks. As a result, global climate change increases the potential for considerable financial loss to the City, including, without limitation, substantial losses in tax revenues and increased expenses to combat the effects of climate change. In addition, many residents, businesses and governmental operations could be severely disabled for significant periods of time or displaced, and the City could be required to mitigate these effects at a potentially material cost.

The City is keenly aware of the risks from hurricanes and sea level rise, as are officials at the County and the State. Consequently, advanced emergency management procedures and more stringent construction codes were implemented by the County and the State to reduce risks from hurricanes and flooding.

For several years, the City has taken steps to mitigate greenhouse gas emissions, conserve water, and adapt to climate change through singular efforts and collaborations with regional partners. In 2017, the City broadened and formalized these efforts when it created and enacted a Sustainability Action Plan that facilitates coordination across multiple departments to address climate change and its impacts city-wide.

Greenhouse Gas Mitigation. Solar panels have been generating renewable energy since 2012 at four City facilities: the Hollywood Beach Culture and Community Center, City Hall, and Fire Stations #74 and #105. Annually, the City has offset over 7,300 tons of CO₂ and saved almost \$30,000. To remove barriers to the adoption of rooftop photovoltaic ("PV") solar and other alternative energy systems more broadly, the City updated its Code of Ordinances in 2014 to establish clear regulations for rooftop PV solar on buildings and structures within municipal limits.

As the City implements the GOB program, any new buildings will need to meet Chapter 151.010 Green Building Construction, which requires all new construction of, and major renovation to City-owned buildings shall be certified to meet the silver standards of the U.S. Green Building Council Leadership in Energy and Environmental Design rating system, the Green Building Initiative's Green Globes rating system, the Florida Green Building Coalition standards, or any other nationally recognized high-performance green building rating system.

The City has the largest municipal LED retrofit accomplished by Florida Power and Light since the approval of the FPL LT-1 Tariff by the Florida Public Service Commission in April 2017. LEDs replaced high pressure sodium vapor fixtures in 5,788 streetlights, leading to an annual reduction in energy use of 1,250 MWh, 892 metric tons of CO2 emissions offset, and an anticipated annual financial savings of \$13,000.

Additionally, the Department of Public Works has engaged Noresco, LLC to move forward on an evaluation of all the City's operations to put together ways the City can save money through energy efficiency and improved sustainability options. The following are just a sample of the areas they will be looking into:

1. Energy Saving
 - a. Street lighting – conversion to solar or other appropriate energy-saving alternatives
 - b. Air conditioning
 - c. Roofing
 - d. Automated electrical services
2. Sustainability
 - a. EV chargers
 - b. Self-generation of electricity using solar power, etc.
 - c. Camera systems throughout the City of Hollywood

The company will take about three to four months of research and evaluation, in conjunction with City staff, to identify all possible methods to improve operations. The company also looks to find appropriate funding solutions that may range from bonds, loans or possible P3 programs.

The City was certified in 2012 at the bronze level and recertified in 2019 at the silver level as a Green Local Government by the Florida Green Building Coalition. In addition, the City's Complete Streets projects will improve walkability, bike safety, and reduce vehicle congestion, thus, improving air quality and reducing energy use from transportation.

Water Conservation. The City has achieved a reduction of over 30 gallons of water per person per day in the last 15 years. The Environmental Protection Agency notes: “[D]rinking water and wastewater plants typically are the largest energy consumers, often accounting for 30 to 40 percent of total energy consumed. Overall, drinking water and wastewater systems account for approximately 2 percent of energy use in the United States, adding over 45 million tons of greenhouse gases annually.”¹

¹ Source: <https://www.epa.gov/sustainable-water-infrastructure/energy-efficiency-water-utilities>

Thus, reduction of potable water use translates directly to a reduction of energy use as well. The City's landscape irrigation best practices follow the South Florida Water Management District's Landscape Rules to save water. The City's irrigation systems are inspected by NatureScape Broward's Irrigation Services. Reclaimed water is used to irrigate some municipal properties. Furthermore, the City was selected as the 2019 Partner in Water Conservation by the County for its water conservation achievements, including advancing the County's regional water conservation programs.

Adaptation - Sea Level Rise. The City adopted the Southeast Florida Regional Climate Change Compact (the "Compact") Sea Level Rise Work Group's Unified Sea Level Rise Projection for Southeast Florida and uses it when planning, designing and constructing capital projects. The City has worked with the Federal Emergency Management Agency ("FEMA") to find a balance between complying with non-habitable space requirements below the flood line and maintaining the desired character of an area, particularly for historic districts. The finished floor elevation for all new developments or substantial improvements, within the designated FEMA flood hazard zones per the Flood Insurance Rate Maps in effect, must be a minimum of one foot above the FEMA Base Flood Elevation. For new structures and existing structures undergoing substantial renovations that are not located within a designated FEMA flood hazard zone, the minimum finished floor elevation must be at least 18 inches above the highest adjacent crown of road elevation. To alleviate flooding in the Lakes area within the City, the City partnered with the County and the United States Army Corps of Engineers to determine new standards for seawall heights as adopted into the City Code of Ordinance O-2022-01 on January 20, 2022.

The City's Department of Public Utilities has:

- inspected, cleaned and repaired all drainage outfalls at both North Lake and South Lake and performed a perimeter analysis;
- installed new control structures with check valves on almost all outfalls to reduce tidal flows into the drainage system;
- purchased additional auxiliary pumps of varying pumping capacities to work in conjunction with the check valves, which are deployed when needed;
- coordinated with the Florida Department of Transportation ("FDOT") to install a check valve on their 84" drainage outfall pipe at North Lake and on A1A;
- completed Phase I of the stormwater master plan, anticipating it will be completed in Spring of 2023;
- obtained Commission approval to increase stormwater fees for three years (fiscal years 2022-2024) for a total increase or more than 70%.

The City applies smart growth principles to its zoning code to concentrate higher intensity building in low-risk areas and encourage compact building design. In areas at higher risk for flooding, zoning requires a minimum of 40 percent open space as well as the use of pervious materials. Furthermore, the City is evaluating the potential to increase the allowable height of buildings on the barrier island to offset current and future finished floor elevation requirements.

The City expects to undertake future actions, including, but not limited to, installation of seawalls where none exist to prevent breaches along the shoreline and restoration of dunes to accumulate sand and protect properties by absorbing energy from storm surges, but such projects remain in the planning stages and have not been approved or funded at this time. Seawall heights

will follow the policies of the Broward County Land Use Plan to incorporate resiliency standards for tidal flood protection. The Department of Public Utilities will continue coordinating with other departments and within its own capital improvement program to include drainage improvements in all projects impacting the City's public right-of-way.

In February 2022, the City was awarded over \$16.2 million in matching grant funding for three environmental resilience projects to help address the impacts of sea level rise, tidal flooding and storm surge. As part of the \$404 million Resilient Florida Grant Program, Hollywood will combine the award with existing funding from the City and leverage GOB funding to enhance and harden its public infrastructure in an effort to protect inland and coastal neighborhoods.

Grant funding of \$16,263,650 will be directed to three high-priority projects:

- tidal flooding mitigation and sea walls
- A1A pump station project
- Swale restoration pilot project

Vulnerability Assessment and Regional Collaboration. In 2020, the City engaged a consultant to complete a vulnerability assessment in order to:

- determine future climate change impacts;
- identify affected systems;
- conduct a vulnerability and prioritization assessment workshop;
- develop an adaptation strategies catalog;
- create a preliminary adaptation plan; and
- provide materials for the City to engage in public outreach.

In April 2022, the State announced the award of nearly \$20 million for 98 projects through the Resilient Florida Grant Program. Hollywood is one of the awardees and will receive \$800 thousand to update its current vulnerability assessment and examine the highest ranked assets in detail. This will position the City well for hardening its most vulnerable critical assets.

As noted earlier, the City completed an assessment of vulnerability to tidal flooding, storm surge, extreme precipitation, and heat threats in May 2020. However, the assessment does not fully comply with F.S. 380.093 requirements. The City will update the vulnerability assessment and incorporate a new Stormwater Master Plan. Then, the City will examine the individual critical assets in detail to determine how to address their vulnerability to future climate related hazards.

Outcomes of the grant:

1. Updated vulnerability assessment for inclusion to the Statewide Vulnerability Assessment and Resilience Plan.
2. Ranked vulnerable critical assets list, including roads, stormwater infrastructure, and natural infrastructure.
3. List of nature-based solutions for flood impact reduction.
4. Detailed adaptation strategy for each asset in the ranked vulnerable critical assets list.
5. Project implementation schedule based on cost, ease of implementation, and resilience benefits.

6. Assets requiring physical adaptation – ready for design, permitting and construction

The City is a member of the Steering Committee for the Compact and works regionally to collaborate on climate change issues, including sea level rise. In addition, the City's Planning Division is involved with the Economic Resilience Committee of the Greater Fort Lauderdale Chamber of Commerce, which focuses on environmental issues that affect the economy of the area, including but not limited to flooding, sea level rise, beach renourishment, sustainability, and water infrastructure.

Projections of the effects of global climate change on the City are complex and depend on many factors that are outside the City's control. The various scientific studies that forecast climate change and its adverse effects, including severe storms, sea level rise and flooding risks, are based on assumptions contained in such studies. Actual events, however, may vary materially from such forecasts. In addition, the scientific understanding of climate change and its effects continue to evolve. Accordingly, the City is unable to forecast when sea level rise or other adverse effects of climate change (e.g., the occurrence and frequency of 100-year storm events, hurricanes, and other tropical weather systems) will occur or their magnitude. In particular, the City cannot predict the timing or precise magnitude of adverse economic effects, including, without limitation, material adverse effects on the business operations or financial condition of the City and the local economy during the term of the Series 2022 Bonds. While the effects of climate change may be mitigated by the City's past and future investment in adaptation strategies, the City can give no assurance about the net effects of those strategies and whether the City will be required to take additional adaptive mitigation steps. If necessary, such additional measures could require significant capital resources in excess of the resources already contemplated by the City to be spent on adaptation strategies.

Cybersecurity

Computer networks and systems used for information transmission and collection are vital to the efficient operations of the City. City systems provide support to departmental operations and constituent services by collecting and storing sensitive information, including intellectual property, security information, proprietary business process information, information regarding suppliers and business partners, and personally identifiable information of customers, constituents and employees (collectively, "Computer Information"). The secure processing, maintenance and transmission of Computer Information is critical to effective departmental operations and the appropriate provision of citizen services. Increasingly, governmental entities are being targeted by cyber-attacks seeking to obtain Computer Information or disrupt critical services. A rapidly changing cyber risk landscape may introduce new vulnerabilities that attackers and hackers can exploit in their efforts to effect breaches or service disruptions. Employee error and/or malfeasance may also contribute to a loss of Computer Information or other system disruptions.

Protocols. A successful cybersecurity approach has multiple layers of protection spread across the computers, networks, programs, and Computer Information that is to be protected. The City endeavors to integrate its employees, computer processes, and technology to create an effective defense against cyber-attacks. For its core infrastructure, the City relies on, among other protections, a combination of industry leading, enterprise grade firewalls, web filtering, and endpoint protections. The City provides yearly security training for all City staff. The City reviews its cybersecurity protocols on an ongoing basis to stay abreast of emerging and effective procedures and measures.

Threat Response. The City can respond to cybersecurity threats in many ways, depending on the severity and mode of attack. The City monitors computer and network logs for cybersecurity issues.

The City regularly refines and seeks to improve its cybersecurity risk management policies and procedures and trains employees to comply with cybersecurity regulatory requirements. It maintains cyber risk insurance to help mitigate its exposure to security attacks that are known to cripple an organization's technology system and/or fraudulently confiscate funds. The City maintains cyber risk insurance policy coverage.

While City cybersecurity and operational safeguards are periodically tested, no assurances can be given that such measures will ensure against all cybersecurity threats or attacks. Cybersecurity breaches could damage or compromise the City's computer network and the confidentiality, integrity, or availability of the City's computer system or the Computer Information. The potential disruption, access, modification, disclosure or destruction of Computer Information could result in the interruption of City commerce, the initiation of legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, and the loss of confidence in City functions, which could adversely affect City revenues or cause a material disruption in the City's operations or the appropriate provision of City services. The costs of remedying any such damage or protecting against future attacks could be substantial and in excess of the maximum amount of the City's cyber risk insurance policy. Further, the litigation to which the City could be exposed following a cybersecurity breach could be significant, which could cause the City to incur material costs related to such legal claims or proceedings.

TAX MATTERS

General

The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements which the City must continue to meet after the issuance of the Series 2022 Bonds in order that the interest on the Series 2022 Bonds be and remain excludable from gross income for federal income tax purposes. The City's failure to meet these requirements may cause the interest on the Series 2022 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2022 Bonds. The City has covenanted to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2022 Bonds.

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and court decisions and assuming the accuracy of certain representations and certifications of the City and continuing compliance with the covenants described in the preceding paragraph, interest on the Series 2022 Bonds is excludable from gross income of the owners thereof for federal income tax purposes, and, furthermore, interest on the Series 2022 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Bond Counsel is also of the opinion that the Series 2022 Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in Chapter 220, Florida Statutes. Bond Counsel will express no opinion as to any other tax consequences regarding the Series 2022 Bonds. Prospective purchasers of the Series 2022 Bonds

should consult their own tax advisors as to the status of interest on the Series 2022 Bonds under the tax laws of any state other than the State of Florida.

The above opinion on federal tax matters with respect to the Series 2022 Bonds will be based on and will assume the accuracy of certain representations and certifications of the City and compliance with certain covenants of the City to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2022 Bonds will be and will remain obligations, the interest on which is excludable from gross income of the owners thereof for federal income tax purposes. Bond Counsel will not independently verify the accuracy of those representations and certifications. Bond Counsel will express no opinion as to any other consequences regarding the Series 2022 Bonds.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or the courts. Rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

Except as described above under this heading "TAX MATTERS," Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest on the Series 2022 Bonds, or the ownership or disposition of the Series 2022 Bonds. Prospective purchasers of Series 2022 Bonds should be aware that the ownership of Series 2022 Bonds may result in other collateral federal tax consequences, including (a) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2022 Bonds, (b) the reduction of the loss reserve deduction for property and casualty insurance companies by the applicable statutory percentage of certain items, including the interest on the Series 2022 Bonds, (c) the inclusion of the interest on the Series 2022 Bonds in the earnings of certain foreign corporations doing business in the United States of America for purposes of a branch profits tax, (d) the inclusion of the interest on the Series 2022 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, and (e) the inclusion of interest on the Series 2022 Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Series 2022 Bonds. Prospective purchasers of the Series 2022 Bonds should consult their own tax advisors as to the impact of these other tax consequences.

Original Issue Discount and Premium

Certain of the Series 2022 Bonds (collectively, the "Discount Bonds") were offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond determined under Code Section 1273 or 1274 (i.e., for obligations issued for money in a public offering, the initial offering price to the public (other than to bond houses and brokers) at which a substantial amount of the obligation of the same maturity is sold pursuant to that offering). For federal

income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excludable from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2022 Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Bond.

Certain of the Series 2022 Bonds (collectively, the “Premium Bonds”) were offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity (or earlier for certain Premium Bonds callable prior to maturity). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond.

Owners of Discount Bonds and Premium Bonds should consult their own tax advisors as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable in any period with respect to the Discount Bonds or Premium Bonds and as to other federal tax consequences, and the treatment of DID and bond premium for purposes of state and local taxes on, or based on, income.

Information Reporting and Backup Withholding

Interest paid on tax-exempt obligations such as the Series 2022 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2022 Bonds from gross income for federal income tax purposes. However, in connection with that information reporting requirement, the Code subjects certain noncorporate owners of Series 2022 Bonds, under certain circumstances, to “backup withholding” at the rates set forth in the Code, with respect to payments on the Series 2022 Bonds and proceeds from the sale of Series 2022 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2022 Bonds. This withholding generally applies if the owner of Series 2022 Bonds (a) fails to furnish the payor such owner's social security number or other taxpayer identification number, (b) furnishes the payor an incorrect taxpayer identification number, (c) fails to properly report interest, dividends or other “reportable payments” as defined in the Code or, (d) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the taxpayer identification number provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2022 Bonds may also wish to consult with their

tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading “TAX MATTERS” or adversely affect the market value of the Series 2022 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2022 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2022 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2022 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2022 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

PROSPECTIVE PURCHASERS OF THE SERIES 2022 BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2022 BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2022 BONDS.

FINANCIAL STATEMENTS

The Comprehensive Annual Financial Report of the City of Hollywood, Florida for the Fiscal Year ended September 30, 2021 and the report of Marcum LLP, independent certified public accountants, in connection therewith, dated [REDACTED], 2022, is included in APPENDIX B to this Official Statement as part of the public records of the City. Such financial statements and report contain information relating to the City and its financial position.

The consent of Marcum LLP was not requested for the reproduction of its audit report in this Official Statement. The auditor has performed no services in connection with the preparation of this Official Statement and is not associated with the offering of the Series 2022 Bonds.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with paragraph (b)(5) of Rule 15c2-12 of the Securities and Exchange Commission promulgated pursuant to the Securities Exchange Act of 1934, as in effect on the date hereof (the “Rule”), simultaneously with the issuance of the Series 2022 Bonds, the City will enter into a Disclosure Dissemination Agent Agreement with Digital Assurance Certification, LLC, as the City’s initial dissemination agent (“DAC”), for the benefit of the holders of the Series 2022 Bonds (the “Disclosure Agreement”), substantially in the form attached hereto as “APPENDIX F - FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT.” The City, as an “obligated person” under the Rule, will undertake in the

Disclosure Agreement to provide: (a) certain financial information and operating data relating to the City and the Series 2022 Bonds in each year (the “Annual Report”) and (b) notice of the occurrence of certain enumerated events (each a “Listed Event Notice”). The Annual Report and each Listed Event Notice, if applicable, will be filed by DAC, on behalf of the City, on the Electronic Municipal Market Access System website, a service of the Municipal Securities Rulemaking Board. The specific nature and timing of filing the Annual Report and each Listed Event Notice, and other details of the City’s undertakings are more fully described in “APPENDIX F - FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT” attached hereto.

The following disclosure is being provided by the City for the sole purpose of assisting the Underwriters in complying with the Rule. The City previously entered into continuing disclosure undertakings as an “obligated person” under the Rule (the “Undertakings”). In the previous five-year period beginning on [FIVE YEARS PRIOR TO POS POSTING DATE], 2017 and ending on [POS POSTING DATE], 2022 (the “Compliance Period”), the City may have, on several instances during the Compliance Period, failed to comply with certain provisions of the Undertakings, including: (a) failing to file or timely file certain annual financial information and/or operating data, including, without limitation, filing its audited financial statements after the annual filing date set forth in its Undertakings (specifically, for fiscal years ended September 30, 2017, 2018, 2019, 2020 and 2021, the City filed its unaudited financial statements on a timely basis, but filed the corresponding annual audited financial statements after the annual filing date); (b) failing to provide certain required financial information and/or operating data in its annual filings; and (c) failing to file or timely file certain notices, including, without limitation, failure to timely file a notice of defeasance of the Hollywood Beach Community Development District I Taxable Revenue Bonds (Public Parking Facilities Project), Series 2014, for which the City provided credit support, which notice of defeasance was eventually filed by the Hollywood Beach Community Development District I, as the issuer of the defeased bonds, five business days late.

LITIGATION

There is no litigation pending or, to the knowledge of the City, threatened, which seeks to restrain or enjoin the issuance or delivery of the Series 2022 Bonds or questions or affects the validity of the Series 2022 Bonds or the proceedings and authority under which they are to be issued, or the authority of the City to annually levy ad valorem taxes to pay debt service on the Series 2022 Bonds in accordance with the Bond Resolution. Neither the creation, organization or existence, nor the title of the present members of the Commission or other officers of the City to their respective offices is being contested. There is no litigation pending or, to the knowledge of the City, threatened, which, if it were decided against the City, would have a material adverse impact on the levy and collection of the ad valorem taxes pledged to pay the principal of and interest on the Series 2022 Bonds.

LEGAL MATTERS

Certain legal matters incident to the issuance of the Series 2022 Bonds and with regard to the tax-exempt status of the interest on the Series 2022 Bonds (see “TAX MATTERS” herein) are subject to the legal opinion of Greenberg Traurig, P.A., Miami, Florida, Bond Counsel to the City. The signed legal opinion of Bond Counsel, substantially in the form attached hereto as APPENDIX D, dated and premised on law in effect as of the date of issuance of the Series 2022 Bonds, will be delivered on the date of issuance of the Series 2022 Bonds. The actual legal opinion to be delivered may vary from the form attached hereto to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date of issuance.

Certain legal matters incident to the issuance of the Series 2022 Bonds relating to disclosure will be passed on for the City by Greenberg Traurig, P.A., Miami, Florida, whose legal services as Disclosure Counsel have been retained by the City. The signed legal opinion, dated and premised on law in effect as of the date of original delivery of the Series 2022 Bonds, will be delivered to the City by Disclosure Counsel at the time of original delivery of the Series 2022 Bonds.

The proposed text of the form of the legal opinion of Disclosure Counsel to the City is set forth as APPENDIX E to this Official Statement. The actual legal opinion to be delivered may vary from that text if necessary to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or otherwise shall create no implication that Disclosure Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date of issuance.

Certain legal matters will be passed on for the City by Douglas Gonzales, Esquire, Hollywood, Florida, City Attorney.

The legal opinions and other letters of counsel to be delivered concurrently with the delivery of the Series 2022 Bonds express the professional judgment of the attorneys rendering the opinions or advice regarding the legal issues and other matters expressly addressed therein. By rendering a legal opinion or advice, the giver of such opinion or advice does not become an insurer or guarantor of the result indicated by that opinion, or the transaction on which the opinion or advice is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2022 Bonds upon the occurrence of a default under the Bond Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, such remedies may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2022 Bonds (including Bond Counsel's approving opinion) will be qualified, as to the enforceability of the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery and to general principles of equity (whether sought in a court of law or equity).

RATINGS

[Moody's Investors Service, Inc. ("Moody's")] has assigned to the Series 2022 Bonds a rating of "[____]," with a "[____]" outlook." [Fitch Ratings ("Fitch")] has assigned a rating of "[____]," with a "[____]" outlook." [S&P Global Ratings ("S&P")] has assigned a rating of "[____]," to the Series 2022 Bonds, with a "[____]" outlook." Such ratings and outlooks reflect the respective views of each of such organizations. An explanation of the significance of such rating and outlook assigned by Moody's may be obtained from Moody's at 7 World Trade Center, 250 Greenwich Street, 23rd Floor, New York, New York 10007, (212) 553-0300. An explanation of the rating and outlook assigned by Fitch may be obtained from Fitch at 33 Whitehall Street, New York New York 10004, (212) 908-0500. An explanation of the rating assigned by S&P may be obtained from S&P at 55 Water Street, 38th Floor, New York, New York 10041, (212) 438-2000.

Generally, a rating agency bases its rating and outlook, if assigned, on the information and materials furnished to it and on investigations, studies and assumptions of its own. A securities rating and outlook is not a recommendation to buy, sell or hold securities. There is no assurance that the rating and outlook provided by [Moody's, Fitch and S&P], respectively, will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agencies if, in their judgment, circumstances so warrant. Any downward revision or withdrawal of such ratings or outlooks may have an adverse effect on the market price of the Series 2022 Bonds.

UNDERWRITING

The Series 2022 Bonds are being purchased by _____ (the "Underwriters"), at a purchase price of \$_____, which represents the \$_____ principal amount of the Series 2022 Bonds, [plus][less][net] original issue [premium][discount] of \$_____, minus an Underwriter's discount of \$_____. The Series 2022 Bonds are offered for sale to the public at the prices and yields set forth on the inside cover page of this Official Statement. The Series 2022 Bonds may be offered and sold to certain dealers at prices lower than or yields higher than such offering prices and yields. After the initial public offering, such public offering prices and yields may be changed from time to time by the Underwriters.

Bond Counsel and Disclosure Counsel may, from time-to-time, serve as counsel to [one or more of] the Underwriters on matters unrelated to the issuance of the Series 2022 Bonds.

FINANCIAL ADVISOR

Hilltop Securities Inc., Orlando, Florida, is serving as Financial Advisor to the City and has acted in such capacity with respect to the sale and issuance of the Series 2022 Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information in this Official Statement. Hilltop Securities Inc. did not engage in any underwriting activities with regard to the issuance and sale of the Series 2022 Bonds.

CONTINGENT FEES

The City has retained Bond Counsel, Disclosure Counsel and the Financial Advisor with respect to the authorization, sale, execution and delivery of the Series 2022 Bonds. Payment of the fees of such professionals and an underwriting discount to the Underwriters (including the fees of Underwriters' Counsel) are each contingent upon the issuance of the Series 2022 Bonds.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, as amended, and Rule 3E400.003, Florida Administrative Code, requires the City to disclose each and every default as to payment of principal and interest after December 31, 1975 with respect to obligations issued or guaranteed by the City. Rule 3E400.003 further provides, however, that if the City in good faith believes that such disclosure would not be considered material by reasonable investors, such disclosure may be omitted. The City has not defaulted on the payment of principal or interest with respect to obligations issued or guaranteed by the City after December 31, 1975 that would be considered material by a reasonable investor.

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AUTHORIZATION CONCERNING OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been duly authorized by the Commission. At the time of the delivery of the Series 2022 Bonds, the Mayor, the City Manager and the Director of Financial Services of the City will furnish a certificate to the effect that (except for information in this Official Statement relating to DTC, its operations and the book-entry only system, as to which no opinion will be expressed) nothing has come to their attention which would lead them to believe that this Official Statement, as of its date and as of the date of delivery of the Series 2022 Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purpose for which this Official Statement is intended to be used, or which is necessary to make the statements contained herein, in the light of the circumstances under which they were made, not misleading.

A limited number of copies of the final Official Statement will be provided, at the City's expense, on a timely basis.

This Official Statement has been duly executed and delivered by the Mayor, the City Manager and the Director of Financial Services of the City.

CITY OF HOLLYWOOD, FLORIDA

By: _____
Mayor

By: _____
City Manager

By: _____
Director of Financial Services

APPENDIX A

**GENERAL INFORMATION AND ECONOMIC DATA
REGARDING THE CITY OF HOLLYWOOD, FLORIDA
AND BROWARD COUNTY, FLORIDA**

APPENDIX A-1

GENERAL INFORMATION AND ECONOMIC DATA REGARDING THE CITY OF HOLLYWOOD, FLORIDA AND BROWARD COUNTY, FLORIDA

The following information pertaining to the City of Hollywood, Florida (the “City”) and Broward County, Florida (the “County”) is set forth for purposes of providing background information only. The Series 2022 Bonds are limited obligations payable solely from and secured by ad valorem taxes assessed in an amount sufficient to pay the principal of and interest on the Series 2022 Bonds as they become due, as described in the forepart of the Official Statement. The full faith, credit, and taxing power of the City has been irrevocably pledged to the payment of the principal of and interest on the Series 2022 Bonds.

INTRODUCTION

The City

The City is a municipal corporation incorporated in 1925. The City is located on the southeast coast of Florida in southeastern Broward County and has a land area of approximately 30 square miles.

The permanent population of the City is estimated at 153,854 as of September 30, 2021, with the seasonal peak approaching 200,000. According to the University of Florida, Bureau of Economic and Business Research, the population of the City has grown approximately 8.7% since 2010. Florida is the third most populous state in the nation (after California and Texas). Except for managed growth added through annexation of unincorporated land areas that are contiguous to the City’s northern limits, the City is substantially built-out. While the City expects continued population growth through 2045, such growth is projected to be at a slower rate than the State of Florida as a whole.

The estimated median family income in 2021 was \$54,251 (up 4.5% from 2018)] and the median age was 41.6 years in 2021. According to the U.S. Department of Labor, Bureau of Labor Statistics, the unemployment rate in the City for calendar year 2020 was 4.2%, in comparison to the County’s unemployment rate for such period of 4.2%, the State’s unemployment rate for such period of 7.7% and the unemployment rate of the United States for such period of 8.1%. According to the U.S. Census Bureau, an estimated 27.9% of the City’s population has a bachelor’s degree or higher and the poverty rate was 12.6% in 2019. From 2020 to 2021, employment in the City grew at a rate of 7.2%.

While the City is primarily a residential community, it also contains light industry, varied shopping and office complexes and six linear miles of beach front on the Atlantic Ocean which attracts tourists from around the world.

The County

The County was created in October 1915 by the Florida Legislature. The County is located on the southeast coast of Florida and has an area of approximately 1,225 square miles. The County is bordered on the south by Miami-Dade County and on the north by Palm Beach County. Thirty-one municipalities are located within the County. With a population of approximately 1.94 million persons based on the 2020 census, the County is the second largest in Florida and 17th in the United States. Approximately 50% of the County's population lives in its seven largest cities: Fort Lauderdale, Pembroke Pines, Hollywood, Miramar, Coral Springs, Pompano Beach and Davie. Four airports, including the Fort Lauderdale-Hollywood International Airport, are located in the County. Port Everglades, Florida's deepest harbor and a leading international cruise port, is located partially within the City, less than two miles from Fort Lauderdale-Hollywood International Airport.

POPULATION

The City

Set forth below are general population statistics for the City and age data relating to the City's population growth.

CITY OF HOLLYWOOD, FLORIDA Population Growth, Unemployment Rates and School Enrollment Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>Unemployment Rate</u>	<u>School Enrollment</u>
2021	153,854	4.6%	20,410
2020	151,818	3.2	19,263
2019	150,878	3.5	19,251
2018	149,028	3.5	19,441
2017	147,212	4.3	19,360
2016	146,155	4.6	19,623
2015	144,926	5.3	20,238
2014	144,310	5.5	20,368
2013	143,935	6.3	20,172
2012	142,374	8.4	19,822

Source: City of Hollywood, Florida, Comprehensive Annual Financial Report Fiscal Year Ended September 30, 2021.

CITY OF HOLLYWOOD, FLORIDA
Population Breakdown by Age - 2000-2021

Age Group	2000	2010	2019	2020	2021
Under 18	23.3%	14.4%	19.5%	21.4%	19.2%
18 and over	78.7	79.9	80.5	78.6	80.8
65 and over	17.3	15.0	16.7	15.6	15.9
Median Age:	39.2	41.1	41.6	41.4	40.6

Source: U.S. Department of Commerce, Bureau of Census.

N/A: Not available at time of publication.

The County

Set forth below are general population statistics for the County.

BROWARD COUNTY, FLORIDA
Population Growth
1960-2020

Year	Broward County		State of Florida		United States	
	Population	Change ⁽¹⁾	Population	Change ⁽¹⁾	Population	Change ⁽¹⁾
1960	333,946	—	4,952,000	—	179,323,000	—
1970	620,100	85.7%	6,791,418	37.1%	203,302,031	13.3%
1980	1,018,257	64.2	9,746,324	43.6	226,545,805	11.5
1990	1,255,531	23.3	12,938,071	33.4	248,845,816	10.2
2000	1,623,018	29.3	15,982,378	22.9	281,421,906	12.7
2010	1,748,066	7.7	18,801,310	17.6	308,745,538	9.7
2020	1,944,375	11.2	21,538,187	14.6	331,449,281	7.4

Source: U.S. Department of Commerce, Bureau of Census.

⁽¹⁾ Average annual percentage increase over the preceding period.

BROWARD COUNTY, FLORIDA
Labor Force and Unemployment Rates

Year Ended December 31	Broward County Civilian Labor Force	Unemployment Rates		
		Broward County	Florida	United States
2012	963,563	8.0%	8.5%	8.1%
2013	974,428	6.8	7.2	7.4
2014	986,355	5.9	6.3	6.2
2015	986,758	5.1	5.5	5.3
2016	1,003,202	4.5	4.8	4.9
2017	1,025,093	4.0	4.2	4.4
2018	1,036,212	3.4	3.6	3.9
2019	1,040,519	3.0	3.1	3.7
2020	989,486	4.2	7.7	8.1
2021	1,055,251	3.6	4.6	5.3

Source: Florida Research and Economic Information Database Application and Broward County, Florida Comprehensive Annual Financial Report Fiscal Year Ended September 30, 2021.

SCOPE OF CITY SERVICES

The City provides a full range of municipal services, including police and fire protection, recreational activities, parks, cultural events, sanitation services, water, sewer and storm water services, neighborhood and community services, and the construction and maintenance of streets and infrastructure.

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ECONOMIC AND DEMOGRAPHIC DATA

Income

Personal income, per capita income, median age for the City are set forth in the table below.

CITY OF HOLLYWOOD, FLORIDA Personal Income, Per Capita Income and Median Age

<u>Fiscal Year</u>	<u>Personal Income (\$ in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>
2021	\$4,889,637	\$31,781	40.6
2020	4,657,017	30,675	42.7
2019	4,661,828	30,898	41.4
2018	4,479,782	30,060	41.7
2017	4,148,729	28,182	42.1
2016	3,995,001	27,334	42.6
2015	3,819,815	26,357	41.9
2014	3,769,089	26,118	41.7
2013	3,752,242	26,069	41.7
2012	3,779,460	26,546	41.4

Source: U.S. Department of Commerce, Bureau of Census and City of Hollywood, Florida Comprehensive Annual Financial Report Fiscal Year Ended September 30, 2021. [Update based on City AFR 2021]

BROWARD COUNTY, STATE OF FLORIDA, UNITED STATES Per Capita Personal Income⁽¹⁾

Year	Broward County			Florida		U.S.
	Dollars	% of Florida	% of U.S.	Dollars	% of U.S.	Dollars
2010	\$40,767	106.0%	100.55	\$38,475	94.9%	\$40,545
2011	41,503	103.4	97.1	40,131	93.9	42,727
2012	40,983	102.1	94.2	41,115	92.2	44,582
2013	40,921	100.6	91.3	40,696	90.8	44,826
2014	43,927	100.4	92.1	43,140	91.7	47,025
2015	46,097	101.7	94.2	45,321	92.6	48,940
2016	46,394	101.5	93.1	45,721	91.8	49,831
2017	47,977	100.1	92.9	47,899	92.8	51,640
2018	50,269	100.1	102.9	50,199	102.7	48,856
2019	53,851	100.1	96.1	53,790	78.1	56,063

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

(1) Stated in current dollars (not adjusted for inflation). [Update based on County AFR 2021]

EMPLOYMENT

The following table provides information relating to the City's labor force for calendar years 2017 through 2021.

CITY OF HOLLYWOOD, FLORIDA Employment 2017 - 2021*

Labor Force	2017	2018	2019	2020	2021
Labor Force Employed	77,315	79,016	79,512	72,259	77,860
Labor Force Unemployed	2,901	2,569	2,419	8,336	3,736
Total Labor Force	80,216	81,585	81,931	80,595	81,596
Unemployment Rate	3.6%	3.1%	3.0%	10.3%	4.6%

Source: U.S. Department of Labor, Bureau of Labor Statistics.

*Data provided for December of each year. [Update based on City AFR 2021]

Employment Sectors

Set forth below is a table showing the portion of City residents who are employed in various sectors of the economy:

<u>Sector</u>	Employment Sectors Percent of Residents Employed
Retail Trade	13.2%
Health Care & Social Assistance	12.6
Accommodation and Food Services	8.9
Professional, Scientific & Technical Services	6.6
Construction	8.3
Other Service (except Public Administration)	6.3
Administration & Support of Waste Management Services	6.8
Transportation Warehousing	6.0
Finance and Insurance	3.8
Arts	3.1
Manufacturing	3.6
Public Administration	3.9
Wholesale Trade	3.6
Information	1.4

Source: DataUSA

[Update based on City AFR 2021]

CITY OF HOLLYWOOD, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

SEPTEMBER 30, 2021

Employer	Employees	Product/ Business	Percentage of Employment
Memorial Regional Hospital	4,004	Hospital	3.1% %
Chewy	2,000	Pet Food Distributor	1.6%
Joe DiMaggio Children's Hospital	1,499	Hospital	1.2%
City of Hollywood	1,463	Government	1.1%
Publix Supermarkets	1,127	Supermarket Chain	0.9%
Diplomat Resort & Spa	960	Hotel	0.8%
Memorial Regional Hospital South	795	Hospital	0.6%
BrandsMart U.S.A.	400	Retail Consumer Electronics	0.3%
Toyota of Hollywood	318	Vehicle Sales	0.2%
HEICO Corporation	230	Aircraft Parts	0.2%

SEPTEMBER 30, 2012

Employer	Employees	Product/ Business	Percentage of Employment
Memorial Healthcare System	10,000	Hospital	13.0 %
City of Hollywood	1,165	Government	1.5
Westin Diplomat Resort & Spa	1,100	Hotel	1.4
Publix Supermarkets	900	Supermarket Chain	1.2
Memorial Regional Hospital South	550	Hospital	0.7
Brandsmart U.S.A.	400	Retail Consumer Electronics	0.5
The Continental Group	320	Property Management	0.4
HEICO Corporation	250	Aircraft Parts	0.4
Great Health Works, Inc.	299	Health Care Products	0.4
Sheridan Technical Center	256	Educational Facility	3.0

Source: City of Hollywood

Source: City of Hollywood, Florida Comprehensive Annual Financial Report Fiscal Year Ended September 30, 2021. [Update based on City AFR 2021]

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LOCAL ECONOMY

The City has steadily grown into a dynamic business hub with more than ten thousand companies in the City. Approximately eighty (80%) percent of Port Everglades, the world's second-busiest cruise port, is located in Hollywood and the port is home to Royal Caribbean's Wonder of the Seas, Allure of the Seas and Oasis of the Seas, the largest cruise liners in the world. Hollywood also provides easy access to Fort Lauderdale/Hollywood International Airport and Miami International Airport, a major gateway to Latin America. The City also is home to the Memorial Healthcare System, the nation's third largest public healthcare network, its flagship hospital, Memorial Regional, and the Joe DiMaggio Children's Hospital, the largest free-standing children's healthcare facility in Broward County.

Historic Downtown Hollywood is a lively commercial, entertainment and cultural arts district. Highlighted by the Artspark at Young Circle and dozens of bars and restaurants, Downtown Hollywood hosts hundreds of concerts, music festivals, dance exhibitions, shows, art exhibits, and much more.

The City's Comprehensive Plan helps to guide the development future of the City based on (1) quality of life, (2) relationship to existing plans and regulations, (3) feasibility to prioritize policy and design alternatives, and (4) geographic proximity to Port Everglades, Fort Lauderdale-Hollywood International Airport (located only two miles from the City limits), and major transportation corridors (I-95, Florida's Turnpike, US 441/SR7, etc.). While few vacant parcels exist in the City, many parcels can be characterized as "under-developed." The City has completed zoning changes in key areas including the Regional Activity Center which encompasses all of Downtown Hollywood and the Transit-Oriented Corridor along State Road 7 that are now generating redevelopment proposals.

Significant redevelopment activity in recent years includes the following projects:

- Hollywood East – This 247 unit luxury rental community located at 2165 Van Buren Street in the Downtown Regional Activity Center was completed in 2021 and sold to GMF Capital in December for a reported \$102.5 million.
- Hudson Village – This 108 unit attainable rental community on S. Federal Highway in the Regional Activity Center was built by Housing Trust Group and recently completed in May 2022
- Sintavia – This Tier One metal additive manufacturer has opened a new 55,000 square foot advanced manufacturing facility in Hollywood within the Port 95 Commerce Park in 2018 and is now making plans to construct a second larger facility to the north of its current headquarters. The facility offers large-scale AM production coupled with a robust aerospace quality management system. Their processes are critical for industries including Aerospace & Defense, Oil & Natural Gas, Automotive, and Ground Power Generation. Sintavia employs more than 100 skilled employees and will be adding 150 positions within 5 years of the completion of the new facility.
- 1818 Park – This \$80 million mixed-use development located at the southwest corner of Hollywood Boulevard and Young Circle was just completed in April of 2022. This

development includes 269 studio, one and two bedroom upscale residential units, with 30,000 square feet of retail space on the first floor including a replication of the façade of the historic Great Southern Hotel.

- The Preserve at Emerald Hills – This development on the former site of Lake Eden is a master planned community consisting of 40 luxury coach homes and 77 luxury single family estate homes. The private community features open recreational space for residents. Phase I of this \$60 million project developed by MG3 is completed and Phase II is underway with all of the coach homes sold out.
- Parkview at Hillcrest – An approximately 243 acre residential development by Pulte Homes, Inc., Parkview at Hillcrest consisting of 645 single family homes and townhomes. All three phases of this development were completed in late 2021.
- Hyde Beach House – This project consists of 265 resort-condo units and 77 luxury condos. This \$300 million project was developed by the Related Group and completed in 2019.
- Nevada Street Garage – This 304-space public garage on Hollywood Beach is situated between Nebraska and Nevada Streets along A1A and North Surf Road. The eight level garage features Real-Time Parking Space Availability, ParkMobile and Pay-By-Plate options, eight handicap accessible spots and four electric vehicle charging stations.
- ROC 441 – The estimated \$48 million mixed-use project is located at the northeast corner of US 441 and Griffin Road in close proximity to the Seminole Hard Rock Hotel and Casino. The plan calls for an 8-story apartment building with 180 units, a Wawa with 16 fueling stations, a Wendy's restaurant, and a self-storage facility. This development will add to continued growth of new development along the US441/State Road 7 corridor in Hollywood.
- Pinnacle at Peacefield – Through a Public/Private Partnership, Pinnacle at Peacefield is an affordable senior-living project by Pinnacle Development completed in 2020. This \$15 million project consists of 120 total affordable units for seniors in the Hollywood area. The site is located in the Downtown Regional Activity Center with easy access to transportation infrastructure.
- Joe DiMaggio Childrens Hospital expansion – Memorial Healthcare System's Joe DiMaggio Childrens Hospital underwent an approximately \$200.9 million expansion to add over 156,000 square feet to its existing facilities vertically by adding four floors. The expansion project consolidated pediatric healthcare services (i.e. ICU, Operating Rooms, and Cardiac Surgery) on the same floor and expanded private and semi-private rooms.

Several major initiatives are underway in the City which include infrastructure improvements and development of condominium, luxury rental, senior affordable housing and resort projects. Major initiatives include the following projects:

- State Road 7 Improvement Project – This project, completed in 2018, widened US-441/State Road 7 in Hollywood to feature six traffic lanes, landscaped safety medians, new lighting and sidewalks, bicycle lanes and bus bays. Additionally, there was the installation of sewer lines to service the corridor and allow for future development. The City worked with FDOT to develop required dry retention areas along the corridor into linear parks to make State Road 7 visually appealing and safer for pedestrians, residents, businesses and motorists.
- Undergrounding of utilities on A1A and East/West Street Ends – Design work is underway on a project to underground the utility lines along A1A from Hollywood Boulevard to the south City limits and on the street ends and Surf Road from Harrison Street to Magnolia Terrace. There is coordination with FDOT to time the undergrounding project with the FDOT 2025

RRR project. Additionally, FDOT is proposing the design and installation of two pump stations south of Hollywood Boulevard to address tidal flooding with the City of Hollywood's Community Redevelopment Agency funding participation of 80% of the proposed implementation cost.

- Downtown Hollywood Boulevard Project – The City's Community Redevelopment Agency will spearhead a renovation of the Hollywood Boulevard streetscape. Currently the construction documents are being finalized and then permitting will begin to widen the sidewalk dining areas, redo the pavers, and install new lighting, cameras and landscaping.
- Hollywood Boulevard Complete Streets Project – Phase II of this project is scheduled to begin this summer which includes the installation of new landscaping and irrigation. The first phase included the complete demolition and reconstruction of the roadway with new elevations, underground drainage system, street lights, pavement, decorative sidewalks, parking mid-block crossings, street light mast arms and new center medians.
- Wyndham Dolce Kosher House Hotel – Across from the Seminole Hard Rock Resort and Casino, this 100 key hotel will cater to Jewish guests who want to have a kosher option near the resort. Located at 5350 State Road 7, the hotel is currently under construction and is expected to open in the 4th quarter of 2022.
- Pinnacle 441 Phase I and Phase II – Located at Johnson Street and State Road 7 along the transit-oriented corridor, this attainable housing development will provide 213 residential rental units in two phases, along with ground floor retail in phase I. Construction on the first phase is underway, while Phase II continues through approvals and permitting. -
- The Bread Building – BTI Partners has started construction on a mixed-use development located on the southeast corner of Hollywood Boulevard and Young Circle, at the site of the former Hollywood Bread Building. The development includes 361 multifamily units and 17,000 square feet of retail space.
- University Station – Housing Trust Group (HTG) is planning a 216 unit attainable housing community with 20,000 SF of ground floor retail which will house Barry University's College of Health Sciences. This is public private partnership between the City and HTG. Additionally, HTG will build a shared parking garage with approximately 340 spaces to be managed by the city's parking division.
- The Tropic – A 244 unit rental community featuring both workforce and market rate units along with 650 square feet of ground floor commercial space. Located in the Regional Activity Center at the corner of Van Buren Street and S. Federal Highway.
- Nine Hollywood – Located at 901 S. Federal Highway in the Regional Activity Center. Nine Hollywood is a 100 unit residential development with structured parking.
- Block 57 – Young Circle Properties LLC – The planned redevelopment of the commercial parcel on the east side of Hollywood's ArtsPark at Young Circle includes the reconfiguration of Hollywood Boulevard to connect directly with Young Circle dividing the site into two development parcels. The proposed redevelopment includes north and south towers featuring 802 residential units and approximately 180,000 square feet of commercial/office space.
- Alta Hollywood – Located at 401 N. Federal Highway in the Regional Activity Center this planned luxury residential rental community will bring 452 new units to the north side of Young Circle in the Downtown Regional Activity center along with 9,000 square feet of commercial space.
- Monroe Residences – A 40 unit luxury condominium is currently under construction at 1840-1850 Monroe Street in the Regional Activity Center. The development will have four three-bedroom units, 16 two-bedroom units and 20 one-bedroom units. Amenities will include

rooftop green space, access-controlled parking with 44 spaces, a pool, a gym and a barbecue and picnic area.

- Soleste – Located at 2001 Hollywood Boulevard in the heart of Downtown Hollywood, Soleste is a 347 unit mixed use development featuring approximately 347 luxury rental units along with approximately 30,000 square feet of retail and 475 parking spaces. It's located within Regional Activity Center partially in the historic Hollywood Business District.
- 2000 and 2001 Van Buren – Soleste Village North and Soleste Village South are planned multi-family rental communities in the Downtown Regional Activity Center. Soleste Village North is a 12-story building with structured parking and 300 proposed units. Soleste Village South is an 8-story building with structured parking and 203 proposed units.
- Eterna Hollywood Beach – A 36 unit luxury mid-rise condominium development on Hollywood Beach. Construction is slated to begin summer 2022.

The City remains committed to providing stellar services, continuing infrastructure improvements, maintaining regulatory controls, spurring economic development, increasing business recruitment and stimulating the marketplace citywide.

RECREATION AND CULTURE

The City is home to more than 60 City parks, seven golf courses, seven miles of pristine beaches, and the one-of-a-kind Hollywood Beach Broadwalk, a promenade that stretches nearly 2.5 miles along the Atlantic Ocean. The City's Broadwalk was designated a Top 10 Great Public Space for 2013 by the American Planning Association and one of America's Best Beach Boardwalks by Travel + Leisure magazine. This brick-paved thoroughfare hosts pedestrians, joggers, bicyclists, rollerbladers, and millions of others every year. Dozens of eateries and inns line the Broadwalk and the promenade also features the Hollywood Beach Theatre, a children's water playground at Charnow Park, and many other attractions. Hollywood Beach also offers dozens of luxury hotels and condominiums such as the Diplomat Resort & Spa Hollywood, Trump Hollywood, and Margaritaville Hollywood Beach Resort with more planned for the area.

TOURISM

Tourism is an important economic factor in the City. The combination of favorable climate, together with diverse recreational opportunities located within the City and surrounding communities, including parks, public beaches, yacht basins, fishing, golf, tennis, restaurants, thoroughbred racing, jai alai, casinos and water recreational facilities, have made the City a tourist center. Tourists now visit the City year-round instead of merely during winter months, and the tourism industry is currently drawing from an international market, particularly Canada.

CONSTRUCTION

From 2012 to 2021, building permits issued for construction ranged from a high of 16,175 in 2018 to a low of 10,123 in 2012. Average building permit activity over the last 10 years has been approximately 12,731 permits. For Fiscal Year 2021, 12,731 building permits were issued.

The following is a calculation of the total value of the Building Permits issued by the City during the past ten (10) years.

CITY OF HOLLYWOOD, FLORIDA
Value of Building Permits Issued
Fiscal Years 2012 – 2021

Fiscal Year Ended September 30,	Number of Permits	Total Value
2012	10,123	\$ 5,234,678.26
2013	10,912	6,174,695.19
2014	10,997	6,977,008.43
2015	13,205	10,046,528.45
2016	12,858	12,878,353.30
2017	13,130	11,196,007.40
2018	16,175	14,918,951.07
2019	14,228	10,806,610.00
2020	12,951	14,960,908.43
2021	12,731	12,428,381.79

Source: City of Hollywood Building Department.

EDUCATION

The public school system in the City is operated by the Broward County School District. Hollywood students are served by 36 public elementary, middle and high schools (including 11 charter schools). South Broward High School includes the highly sought after Cambridge Program and a Marine Science magnet. Hollywood Hills High School is home to Broward County's first public military academy. Hollywood also has more than 35 private schools. Nationally renowned higher learning institutions such as Barry University, Nova Southeastern University, and City College have research and educational facilities in Hollywood.

There are 4 large four-year colleges and universities in Broward County: Broward College, Florida Atlantic University and Florida International University, which are public, and Nova Southeastern University, which is private. Broward College is part of the Florida College System. Florida Atlantic University and Florida International University are two of the twelve universities in the State University System of Florida. Nova Southeastern University is the second largest independent university in Florida. There are several other colleges in Broward County offering a variety of education options with associate and/or bachelor degrees or certificate programs providing vocational and technical education.

TRANSPORTATION

Surface Transportation

The City is served by the Broward County Transit System with thirteen bus routes going into or through the City. The City is also served by Amtrak and major freight carriers.

The road system within the City totals approximately 426 miles. The County-operated bus system has a total operating fleet of 428 fixed-route buses, and 96 community shuttles operated in partnership with 19 municipalities.

Tri-Rail, a commuter rail system, provides service along a 70.9-mile corridor from Palm Beach County to Miami-Dade County and has 18 stations along the Southeast Florida coast. Tri-Rail connects directly to Amtrak at numerous stations, and at the Miami Airport station.

Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC) (“Brightline”) is developing a privately owned and operated express intercity passenger rail service that is expected to run 235 miles between Miami and Orlando, with possible future expansion to Tampa. The service currently operates between Miami and West Palm Beach, with an intermediate stop in Fort Lauderdale.

Port Everglades

Port Everglades, the State’s deepest harbor and one of the top three cruise ports in the world, is located primarily within the City’s municipal boundaries. The County is responsible for administering Port Everglades. However, the City has concurrent jurisdiction over that portion of Port Everglades that lies within the City’s municipal boundaries. Port Everglades is served by major motor freight carriers and two railroads. Approximately \$8.6 billion in wages and salaries were generated by Port Everglades’ cargo and cruise activity in fiscal year 2021. In that same year, a total of approximately 116,946 cruise ship passengers on 369 sailings went through Port Everglades, a marked decrease from the previous two years in passenger traffic attributable to the ongoing COVID-19 pandemic. Total tonnage of cargo at the Port increased by 8.9% from the prior year with 24.3 million tons of containerized bulk and neo-bulk cargo including 811,533 tons of railed ethanol. In addition, approximately 113 million barrels of petroleum and 6.5 million tons of containerized cargo were handled during fiscal year 2021.

In November 2020, the Port received three Super Post-Panamax container gantry cranes which were the largest of their kind worldwide, and entered service in March 2021. The new cranes are part of the Port’s \$3 billion 20-Year Master/Vision Plan Update which will add new cargo berths, expand cruise and energy capacity, and improve navigation channels to handle larger ships.

During fiscal year 2021, construction for several key projects included in the Port Everglades 20-Year Master/Vision Plan were on-going with capital development projects progressing while the Port is in a recovery stage from the effects of COVID-19 pandemic on its operations. These projects include the STNE/Crane Rail Infrastructure Improvements, Super Post-Panamax Cranes, U.S. Army Corps of Engineers Deepening and Widening Project, Cruise Terminals 2 and 4 Parking Garage, as well as Northport and Southport Improvements.

Fort Lauderdale-Hollywood International Airport

The area's primary international airport, the Fort Lauderdale-Hollywood International Airport ("FLL"), is used by most major national commercial airlines and several foreign commercial airlines. FLL is one of the fastest-recovering U.S. airports, with passenger traffic approaching 2019 pre-pandemic levels. Before the COVID-19 pandemic, the airport generated \$37.5 billion in economic activity annually and nearly 18,000 direct, local jobs. In the past year, the airport has added several new carriers: Flair Airlines began service to Canada in October 2021, Avelo Airlines began new domestic service in November 2021, and Frontier Airlines resumed FLL service in February 2022. In June 2022, Norse Atlantic Airways is scheduled to commence service from Oslo, Norway and service to London is planned for later in the year. Despite the ongoing impact of COVID-19 in 2021, the airport served nearly 28.1 million passengers up from 16.5 million in 2020. In 2020, FLL ranked 6th in total passenger traffic recovery and 4th in international traffic recovery amongst U.S. airports. For fiscal year 2021, approximately 111,164 tons of cargo was handled at FLL.

EMPLOYEE RELATIONS

As of September 30, 2021, the City is the fourth largest employer located in the City of Hollywood, with 1,463 full and part time employees. There are five organized collective bargaining agreements: American Federation of State, County and Municipal Employees ("AFSCME") General, AFSCME Professional, AFSCME Supervisory, International Association of Firefighters (IAFF) and Broward County Police Benevolent Association ("PBA"). As of April 15, 2022, the Public Employees Relations Commission ("PERC") issued a final order certifying the Florida State Lodge, Fraternal Order of Police ("FOP") as the exclusive bargaining representatives for all City of Hollywood sworn police officers in the classifications of Officer, Sergeant and Lieutenant.

RISK MANAGEMENT²

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City's Insurance Fund (an internal service fund) accounts for and finances its uninsured risks of loss. Under this program, the Insurance Fund provides coverage for up to a maximum of \$600,000 for each workers' compensation claim, \$400,000 for each general liability claim and \$750,000 for each health insurance claim. The Master Property Program (excluding Water and Sewer Utility properties) has \$30 million for property coverage with a deductible of \$25,000 for each property damage claim, except wind/hail which has a deductible of 5%, but not less than \$250,000 for direct damage. Named windstorm has a cap of \$20 million. The Water and Sewer Utilities program has \$100 million of property coverage with a deductible of \$50,000 for each property damage claim, except for wind/hail which has a deductible of 5%, but not less than \$500,000 for direct damage. Named windstorm has a cap of \$40 million. The City purchases commercial insurance for workers' compensation, general liability, public officials, property damage and health claims in excess of coverage provided by the Fund.

All funds of the City participate in the program and make payments to the Insurance Fund based on actuarial estimates of the amounts to pay prior and current-year claims. The claims liability of \$15,034,672 reported in the Insurance Fund at September 30, 2021, is based on GASB

² Source: City of Hollywood, Florida, Annual Comprehensive Financial Report Fiscal Year Ended September 30, 2021.

Statement No. 10, “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues” which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The claims payable liability is based on actuarial evaluations performed by independent actuaries as of September 30, 2021. This liability consists of claims reported and payable, as well as an estimate for claims incurred and not reported as of that date. At September 30, 2021, claims payable for auto and general liability totaled \$8,139,727 and \$4,025,534 for workers’ compensation claims. These amounts reflect a discounted rate factor of 2%. The remaining balance of claims payable consists of amounts for health and dental claims which are not discounted.

Fiscal Year	Claims Payable October 1	Claims and Changes in Estimates	Adjustment Expenses Paid	Claims Payable September 30
2020	14,403,825	33,912,649	(34,033,886)	14,282,588
2021	14,282,588	46,286,791	(45,534,707)	15,034,672

Source: City of Hollywood, Florida, Annual Financial Report Fiscal Year Ended September 30, 2021.

APPENDIX B

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE CITY OF HOLLYWOOD, FLORIDA
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

APPENDIX C

THE BOND RESOLUTION

APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL

APPENDIX E

PROPOSED FORM OF OPINION OF DISCLOSURE COUNSEL

APPENDIX F

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

