

Exhibit B

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (this “Agreement”) made and entered into this _____ day of _____, 2015, by and between the CITY OF HOLLYWOOD, FLORIDA, a municipal corporation organized and existing under the laws of the State of Florida (hereinafter referred to as “City”), and the CITY OF HOLLYWOOD, FLORIDA COMMUNITY REDEVELOPMENT AGENCY, a public body corporate and politic organized and existing under the laws of the State of Florida (hereinafter referred to as the “Agency”);

W I T N E S S E T H:

WHEREAS, the City created the Agency pursuant to Chapter 163, Part III, Florida Statutes, as amended, and Ordinance No. O-79-46 adopted by the City on September 5, 1979 as amended by Ordinance No. O-86-02 adopted by the City on January 22, 1986, and as further amended by Ordinance No. O-91-12 adopted by the City on March 6, 1991; and

WHEREAS, the Agency is charged with, among other things, implementing the Hollywood Beach Community Redevelopment Plan dated June 25, 1997 and adopted by the City pursuant to Ordinance No. O-97-26 on July 23, 1997 (as the same has been or may be amended or supplemented from time to time, the “Community Redevelopment Plan”); and

WHEREAS, on May 5, 2004, pursuant to Resolution No. CRA-2004-05 (the “Original Resolution”), duly adopted by the Board of Commissioners of the Agency (the “Board”), the Board authorized the issuance of the Agency’s Redevelopment Revenue Bonds (Beach CRA), Series 2004, (the “Series 2004 Bonds”) in an amount not to exceed \$23,000,000 for the purposes set forth therein, and such Original Resolution also provided for the issuance of additional bonds on a parity therewith; and

WHEREAS, on May 25, 2004, the Agency issued the Series 2004 Bonds in the aggregate principal amount of \$20,010,000; and

WHEREAS, on August 23, 2007, under and pursuant to the term of the Original Resolution and Resolution No. R-Beach-CRA-2007-10, the Agency issued its Redevelopment Revenue Bonds (Beach CRA), Series 2007 (the “Series 2007 Bonds”), in the principal amount of \$40,000,000 for the purpose of financing the costs of certain public improvements; and

WHEREAS, on August 23, 2007, the Agency issued the Series 2007 Bonds in the aggregate principal amount of \$40,000,000; and

WHEREAS, the Agency, in order to further carry out the Community Redevelopment Plan, has determined that it is desirable to issue as a Series of additional parity Bonds, within the meaning of the Original Resolution, the Agency’s Redevelopment Revenue and Revenue Refunding Bonds (Beach CRA), Series 2015 (the “Series 2015 Bonds”), in a principal amount not to exceed \$55,000,000, under and pursuant to the terms of the Original Resolution and Resolution No. R-Beach-CRA-2015-__ (the “Series 2015 Resolution”) adopted by the Board on _____, 2015, to: (1) finance all or a portion of the cost of the (a) acquisition, construction, equipping and improvement of all or a portion of certain public improvements within the Beach Redevelopment Area in accordance with the Community Redevelopment Plan, which improvements are identified and described in Exhibit A attached hereto, (b) refunding, on a current basis, of all or a portion of the Agency’s outstanding Series 2004 Bonds, and (c) refunding, on an advance basis, of all or a portion of the Agency’s outstanding Series 2007 Bonds (clause (c) together with clause (b) are referred to collectively as, the “Refunding”); (2) make a deposit to the Series 2015 Debt Service Reserve Subaccount to be established pursuant to the Series 2015 Resolution or, in lieu thereof, pay the costs of a Reserve Account Insurance Policy; (3) pay certain costs of the issuance of the Series 2015 Bonds; and (4) pay the costs of a Credit Facility respecting the Series 2015 Bonds; and

WHEREAS, the Agency has requested that the City enter into this Agreement pursuant to which the City will covenant (i) to pledge certain designated non-ad valorem revenues of the City to the payment of the principal of and interest on the Series 2015 Bonds under the circumstances, to the extent and subject to the limitations set forth in this Agreement, and (ii) to

the extent permitted by and in accordance with applicable law and budgetary processes, to prepare, approve and appropriate in its Annual Budget (as defined below) for each Fiscal Year (as defined in the Original Resolution), by amendment if necessary, and to deposit to the credit of the Series 2015 Interest Subaccount and the Series 2015 Principal Subaccount of the Sinking Fund established under the Original Resolution Non-Ad Valorem Revenues (as defined below) in an amount equal to the Debt Service Funding Deficiency (as defined below), if any, for such Fiscal Year;

NOW, THEREFORE, the City and the Agency hereby agree as follows:

Section 1. **Defined Terms.** Capitalized terms used in this Agreement that are defined in the recitals to this Agreement shall have the meanings ascribed to them in the recitals to this Agreement. Capitalized terms used in this Agreement that are not defined otherwise in this Agreement shall have the meanings ascribed to them in the Original Resolution and the Series 2015 Resolution. In addition, the following words and terms used in this Agreement shall have the following meanings, unless some other meaning is plainly intended:

“Action, Omission or Approval” shall have the meaning ascribed to it in Section 2.1 of this Agreement.

“Annual Budget” means the budget or budgets, as amended and supplemented from time to time, prepared by the City for each Fiscal Year in accordance with the laws of the State.

“CBA Resolution” shall have the meaning ascribed to it in Section 3 of this Agreement.

“Debt Service Funding Deficiency” means an insufficiency, whether projected or actual, in the amount of the Pledged Funds to be received or actually received in a given Fiscal Year to pay the portion of the Annual Debt Service Requirement in respect of the Series 2015 Bonds due and payable on an Interest Payment Date in such Fiscal Year.

“Designated Revenues” means any one or more of the following revenue sources that may be pledged pursuant to the requirements of Section 2 of this Agreement from time to time in a Designated Revenues Resolution as additional security for the payment of the principal of and interest on the Series 2015 Bonds: (a) the Simplified Communications Tax Revenues, (b) the

Utility Service Tax Revenues, (c) the Guaranteed Entitlement Revenues, (d) the Local Business Tax Revenues, (e) the Franchise Fee Revenues, (f) the Half-Cent Sales Tax Revenues, and (g) such additional revenue sources as may be pledged from time to time in a resolution duly adopted by the City Commission of the City (the “City Commission”) as additional security for the payment of the principal of and interest on the Series 2015 Bonds. Any fees, commissions, charges or taxes established pursuant to the laws of the State or ordinances of the City which replace any of the aforementioned revenue sources, shall be deemed to be included as part of such revenue sources, unless expressly prohibited by law.

“Designated Revenues Resolution” shall have the meaning ascribed to it in Section 2.1 of this Agreement.

“Franchise Fee Revenues” means the revenues received by the City from the levy of franchise taxes negotiated between the City and service providers of electric, gas and refuse collection services within the City authorized and imposed by Ordinance No. O-2003-19 enacted by the City Commission on July 16, 2003, as amended, Ordinance No. O-2011-11 enacted by the City Commission on April 6, 2011, as amended, Section 50.05 of the City of Hollywood Code of Ordinances, or any successor provisions to any of the foregoing.

“Guaranteed Entitlement Revenues” means an amount equal to the guaranteed entitlement portion of State revenue sharing revenues received by the City pursuant to Chapter 218, Part II, Florida Statutes, as amended, or any successor provisions thereto; provided, however, that for purposes of securing and/or paying debt service on the Series 2015 Bonds, no portion of such guaranteed entitlement amount shall be derived from the tax on motor fuel imposed under the provisions of Section 206.605, Florida Statutes, as amended.

“Half-Cent Sales Tax Revenues” means the revenues received by the City from the levy of the half-cent sales tax authorized under Chapter 218, Part VI, Florida Statutes, as amended, or any successor provisions thereto.

“Local Business Tax Revenues” means the revenues received by the City from the levy of the business tax authorized under Chapter 205, Florida Statutes, as amended, and imposed by Ordinance No. O-95-44 enacted by the City Commission on July 26, 1995, as amended.

“Non-Ad Valorem Revenues” means all revenues of the City derived from any source whatsoever, other than ad valorem taxation on real or personal property, which are legally available to be budgeted, appropriated and deposited by the City into the Series 2015 Interest Subaccount and the Series 2015 Principal Subaccount of the Sinking Fund as required by a CBA Resolution and Section 3 of this Agreement to pay the principal of and interests on the Series 2015 Bonds; provided, however, that Designated Revenues shall not be considered Non-Ad Valorem Revenues for purposes of this definition and the provisions of Section 3 of this Agreement.

“Ratings Confirmation” means written acknowledgments of Moody’s Investors Service, Inc. and Fitch Ratings, that, in connection with an Action, Omission or Approval, each has confirmed that its rating on the Series 2015 Bonds shall be not less than the higher of its rating on the Series 2015 Bonds on their date of original issuance and delivery and its rating on the Series 2015 Bonds immediately prior to such Action, Omission or Approval.

“Simplified Communications Tax Revenues” means the revenues received by the City from the levy of the simplified communications tax authorized under Chapter 202, Florida Statutes, as amended, and Section 105.20(A) of the City of Hollywood Code of Ordinances or any successor provisions thereto.

“Utility Service Tax Revenues” means the revenues received by the City from the levy of its utility service tax on the purchase of electricity, metered or bottled gas (natural, liquefied petroleum gas or manufactured), water service, and telegraph service within the City authorized under Section 166.231, Florida Statutes, as amended, and Section 105.20(B) of the City of Hollywood Code of Ordinances or any successor provisions thereto.

Section 2. Covenant to Pledge Designated Revenues.

2.1. In the event that the City or the Agency shall take, approve taking, omit or approve the omission of any action, the taking or omission of which would otherwise cause the Agency or the City (were it to be considered the Agency for such purpose) to violate Section 304(J) of the Original Resolution, as amended (an “Action, Omission or Approval”), the City Commission shall also adopt a resolution (a “Designated Revenues Resolution”) irrevocably and unconditionally pledging specific Designated Revenues to the payment, and for the additional security of, the Series 2015 Bonds in such a manner as shall (i) satisfy the requirements of Section 304(E) of the Original Resolution, as amended by the Series 2015 Resolution, and (ii) enable the City to obtain a Ratings Confirmation with respect to the Series 2015 Bonds. Such Action, Omission or Approval shall not be considered a violation of Section 304(J) of the Original Resolution, as amended, if, prior to such Action, Omission or Approval, the City Commission complies with the foregoing sentence. The delivery of such a Ratings Confirmation before any such Action, Omission or Approval shall be considered a necessary condition of compliance with this Section. An Action, Omission or Approval within the meaning of this Section shall include, without limitation, a reduction of the percentage of ad valorem taxes from which Trust Fund Revenues derive below the percentage in effect on the date of this Agreement, the dissolution of the Agency, the elimination of the Beach Redevelopment Area of the Agency or the reduction in size of the Beach Redevelopment Area of the Agency, but, in each case, only if such reduction, dissolution or elimination would cause the Agency or the City (were it considered the Agency for such purpose) to violate Section 304(J) of the Original Resolution, as amended.

2.2. Upon the adoption of a Designated Revenues Resolution, when advised by the Agency to remit moneys to the Designated Revenues Account established pursuant to Section 304(E) of the Original Resolution, as amended by the Series 2015 Resolution, the City shall do so in the amounts required by Section 304(E) of the Original Resolution, as amended by the Series 2015 Resolution, as soon as is practicable, but only to the extent that Designated Revenues are in the possession or under the control of the City, and subject to any prior pledge

of Designated Revenues to existing debt obligations. The City agrees that it will cooperate with the Agency in order to facilitate compliance by the Agency with its obligations under the Original Resolution, as amended with respect to the Designated Revenues.

2.3. So long as any of the Series 2015 Bonds remain outstanding and unpaid, the City covenants that: (i) it will not take any action which will impair or adversely affect the Designated Revenues or impair or adversely affect in any manner the pledge of the Designated Revenues made pursuant to a Designated Revenues Resolution or the rights of the holders of the Series 2015 Bonds thereunder or under this Agreement; (ii) it will take all lawful action necessary or required to continue to entitle the City to receive the Designated Revenues in amounts, at rates and at times as now provided by law sufficient to pay, as the same shall become due in each year, the Debt Service Deficiency and all other indebtedness presently or hereafter secured by a pledge of the Designated Revenues and to make the other payments provided for herein; and (iii) it shall always be irrevocably and unconditionally obligated to take such action as may be lawfully required under applicable law governing Designated Revenues, to entitle it to receive the Designated Revenues in the maximum amount provided by law.

Section 3. Covenant to Budget and Appropriate.

3.1. In the event that the adoption by the City Commission of a Designated Revenues Resolution is insufficient to obtain a Ratings Confirmation as required under Section 2 of this Agreement in order to avert a violation by the Agency or the City (were it to be considered the Agency for such purpose) of Section 304(J) of the Original Resolution, as amended, prior to an Action, Omission or Approval, the City shall adopt a resolution (a “CBA Resolution”) in which the City covenants and agrees, to the extent permitted by and in accordance with applicable law and budgetary processes, to prepare, approve and appropriate in its Annual Budget for each Fiscal Year, by amendment if necessary, and to deposit to the credit of the Series 2015 Interest Subaccount and Series 2015 Principal Subaccount of the Sinking Fund Non-Ad Valorem Revenues an amount which is equal to the Debt Service Funding Deficiency, if any, for the applicable Fiscal Year. The Action, Omission or Approval that gives

rise to the adoption by the City Commission of a CBA Resolution shall not be considered a violation of Section 304(J) of the Original Resolution, as amended, so long as it enables the City to obtain a Ratings Confirmation with respect to the Series 2015 Bonds. The CBA Resolution shall provide that such covenant and agreement on the part of the City to budget and appropriate sufficient amounts of Non-Ad Valorem Revenues shall be cumulative, and shall continue until such Non-Ad Valorem Revenues in amounts sufficient to make all required payments hereunder as and when due, including any delinquent deposits, shall have been budgeted, appropriated and actually paid into the Series 2015 Interest Subaccount and Series 2015 Principal Subaccount of the Sinking Fund; provided, however, that the CBA Resolution also shall state that such covenant shall not constitute a lien, either legal or equitable, on any of the Non-Ad Valorem Revenues or other revenues, nor shall it preclude the City from pledging in the future any of its Non-Ad Valorem Revenues or other revenues to other obligations, nor shall it give the Bondholders a prior claim on the Non-Ad Valorem Revenues. Anything herein or in a CBA Resolution to the contrary notwithstanding, all obligations of the City under a CBA Resolution to cure a Debt Service Funding Deficiency from Non-Ad Valorem Revenues shall only extend to Non-Ad Valorem Revenues actually budgeted and appropriated and deposited into the Series 2015 Interest Subaccount and the Series 2015 Principal Subaccount of the Sinking Fund, as provided for in this Agreement and in the Series 2015 Resolution. A CBA Resolution shall not require the City to expend moneys not appropriated or in excess of its then current budgeted revenues. The obligation of the City to budget, appropriate and make payments in respect of the covenant contained in a CBA Resolution from its Non-Ad Valorem Revenues is subject to the availability of Non-Ad Valorem Revenues after satisfying funding requirements for obligations having an express lien on or pledge of such revenues and after satisfying funding requirements for essential governmental services of the City.

3.2. A CBA Resolution also shall require that, if during the preparation of the Annual Budget for a given Fiscal Year, it is projected that a Debt Service Funding Deficiency will exist during the Fiscal Year in question, then as part of the preparation and approval of the

Annual Budget for such Fiscal Year the City shall budget and appropriate, pursuant and subject to the provisions of Section 3.1 of this Agreement and such CBA Resolution, an amount of Non-Ad Valorem Revenues sufficient to cure such Debt Service Funding Deficiency. A CBA Resolution also shall require that the Non-Ad Valorem Revenues so budgeted and appropriated shall be deposited in the Series 2015 Interest Subaccount and Series 2015 Principal Subaccount of the Sinking Fund not later than five (5) Business Days before each Interest Payment Date in such Fiscal Year.

3.3. A CBA Resolution also shall require that not later than sixty (60) days prior to each Interest Payment Date, the City shall review the amount of Pledged Funds and Designated Revenues received to date and the amount of Pledged Funds and Designated Revenues projected to be received prior to the next succeeding Interest Payment Date. If, based on such review, the City determines that a Debt Service Funding Deficiency is expected to exist in connection with such next succeeding Interest Payment Date, the City shall immediately amend its Annual Budget for such Fiscal Year and shall budget and appropriate pursuant to the provisions of such CBA Resolution and this Section 3, an amount of Non-Ad Valorem Revenues sufficient to cure such Debt Service Funding Deficiency.

3.4. A CBA Resolution also shall provide that, notwithstanding anything to the contrary contained in this Agreement or a CBA Resolution, if the Pledged Funds and Designated Revenues in each of three consecutive Fiscal Years following approval of a CBA Resolution equal or exceed two hundred percent (200%) of the Maximum Annual Debt Service Requirement on all Bonds Outstanding, then, as of the last day of such third Fiscal Year, the City's covenant to budget and appropriate from Non-Ad Valorem Revenues as set forth in such CBA Resolution and this Section 3 shall terminate and be null and void, the City shall no longer be obligated to budget and appropriate Non-Ad Valorem Revenues and deposit the same into the Series 2015 Interest Subaccount or the Series 2015 Principal Subaccount of the Sinking Fund, and the Series 2015 Bonds Outstanding shall only be secured by and payable from the Pledged Funds and the Designated Revenues; provided, however, that such obligation shall be renewed in

the event that the City or the Agency shall take or approve a further Action, Omission or Approval which otherwise would cause the Agency or the City (were it to be considered the Agency for such purpose) to violate Section 304(J) of the Original Resolution, as amended.

Section 4. No General Obligation or Pledge of Full Faith and Credit.

The Series 2015 Bonds shall not constitute a general obligation of the City or the Agency within the meaning of any constitutional or statutory provision or limitation or a pledge of the City's or the Agency's full faith and credit, but shall be payable as to principal, premium, if any, and interest solely from the Pledged Funds and, following adoption of a Designated Revenues Resolution or a CBA Resolution, from the Designated Revenues and the Non-Ad Valorem Revenues, respectively, in the manner described in this Agreement.

Section 5. Agency Covenant.

The Agency shall not incur debt without the approval of the City throughout the duration of this Interlocal Agreement.

Section 6. Duration of this Agreement.

This Agreement shall remain in full force and effect for so long as all or a portion of the Series 2015 Bonds remain Outstanding or until such time as the Series 2015 Bonds are legally defeased.

IN WITNESS WHEREOF the parties have set their hands and seals as first above written.

[SEAL]

CITY OF HOLLYWOOD, a municipal
corporation of the State of Florida:

ATTEST:

PETER BOBER, MAYOR

By: _____
PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM AND LEGALITY
for the use and reliance of the City of
Hollywood, Florida:

JEFFREY P. SHEFFEL
CITY ATTORNEY

[SEAL]

CITY OF HOLLYWOOD, FLORIDA
COMMUNITY REDEVELOPMENT
AGENCY

ATTEST:

By: _____
PHYLLIS LEWIS
BOARD SECRETARY

PETER BOBER, CHAIR

APPROVED AS TO FORM AND LEGALITY
for the use and reliance of the City of
Hollywood, Florida Community Redevelopment
Agency only

JEFFREY P. SHEFFEL,
GENERAL COUNSEL

STATE OF FLORIDA

COUNTY OF BROWARD

The foregoing instrument was executed before me this ____ day of _____, 2015,
by Peter Bober and Patricia A. Cerny, MMC, Mayor and City Clerk, respectively, of the CITY
OF HOLLYWOOD, FLORIDA on behalf of said CITY.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the
day and year in this certificate first above written.

NOTARY PUBLIC, STATE OF FLORIDA

(Name of Notary Public, Print, Stamp or Type as
Commissioned)

- ☐ Personally known to me, or
☐ Produced identification:

(Type of Identification Produced)

STATE OF FLORIDA

COUNTY OF BROWARD

The foregoing instrument was executed before me this ____ day of _____, 2015, by Peter Bober and Phyllis Lewis, Chair and Board Secretary, respectively, of the CITY OF HOLLYWOOD, FLORIDA COMMUNITY REDEVELOPMENT AGENCY on behalf of said Agency.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

NOTARY PUBLIC, STATE OF FLORIDA

(Name of Notary Public, Print, Stamp or Type as Commissioned)

- ☐ Personally known to me, or
☐ Produced identification:

(Type of Identification Produced)

STATE OF FLORIDA

COUNTY OF BROWARD

The foregoing instrument was executed before me this ____ day of _____, 2015, by Jeffrey P. Sheffel, City Attorney for the CITY OF HOLLYWOOD, FLORIDA and General Counsel for the CITY OF HOLLYWOOD, FLORIDA COMMUNITY REDEVELOPMENT AGENCY, on behalf of said City and Agency.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

NOTARY PUBLIC, STATE OF FLORIDA

(Name of Notary Public, Print, Stamp or Type as Commissioned)

- ☐ Personally known to me, or
☐ Produced identification:

(Type of Identification Produced)