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

Date: September 28, 2018   **File:** BIS 18 – 302

File: R-2018-324

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE THE ATTACHED INTERLOCAL AGREEMENT WITH BROWARD COUNTY AND THE CITY OF HOLLYWOOD COMMUNITY REDEVELOPMENT AGENCY REGARDING FUNDING FOR AFFORDABLE HOUSING.

Statement of Budget Impact:

1. ☐   No Budget Impact associated with this action;

2. ☐   Sufficient budgetary resources identified/available;

3. ☐   Budgetary resources not identified/unavailable;

4. ☒   Potential Revenue is possible with this action;

5. ☒   Will not increase the cost of Housing;

6. ☐   May increase the cost of Housing;   (CDAB review required)

Explanation:

This Resolution seeks authorization for the appropriate City Officials to enter into and execute an Interlocal Agreement among Broward County, The Hollywood Community Redevelopment Agency and the City of Hollywood whereby the County and City wish to support affordable housing and economic development in the City as well as continued redevelopment within the CRA districts (Downtown and Beach). This would be accomplished by allocating a portion of the annual TIF obligations that otherwise would be paid by the County and City to the Beach CRA to support affordable housing programs throughout the City. Additionally, the parties to the ILA have agreed that the Downtown CRA's shall be extended for an additional period of time from October 1, 2025 through September 30, 2041 on a non-TIF basis in order to continue the alleviation of slum and blight within the Downtown CRA district. The scheduled Beach CRA termination date remains no later than June 25, 2027.

Within 30 days of the effective date of the Interlocal Agreement, the County has agreed to pay to the City the amounts refunded by the CRA to the County in 2017 and 2018 of $1,413,728.49 in 2017 and $2,285,018.00 in 2018. In the event that there are additional CRA refunds for these two years over the previously identified amounts, the County will pay to the City up to 17% of the additional refunded TIF obligations.

With respect to the Beach CRA, beginning upon the effective date if the Interlocal agreement through the termination date of the Beach CRA in 2027, the BCRA shall each year notice the County, Children's Services Council and the City of the percentage of the TIF obligation to be refunded pro rate to each of these taxing authorities. The Hospital District has a separate agreement with the Beach CRA and the Hospital District is not eligible for any TIF obligation refund required under the Interlocal agreement.

Each year and for each taxing authority, the "set aside percentage" must be at least 17% with the "set aside amount" to be calculated as the set aside percentage multiplied by the individual taxing authority's TIF obligation to the Beach CRA.

The County has expressed its desire to contribute its share of the set aside amount, not to exceed 25% of the County's TIF obligation for the applicable year, to support the City's low-to-moderate Affordable Housing program. The County has agreed to make 10 individual, annual payments to the City with the first payment due on December 31, 2027 in the amount of $1,750,000. The total payment over the 10 year period will be $17,500,000.

With respect to the Downtown CRA, the County has agreed to make 5 individual, annual payments to the Downtown CRA, with the first payment due on December 31, 2025 in the amount of $3,000,000. The total payment to be received by the Downtown CRA over the 5 year period shall be $15,000,000. These funds from the County may only be utilized by the Downtown CRA for purposes or projects that would be consistent with the permitted uses of funding under Section 163.387(6), Florida Statutes.

PREPARED AND APPROVED BY:

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