

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE A FUNDING COMMITMENT AMONG THE CITY OF HOLLYWOOD, FLORIDA, THE CITY OF HOLLYWOOD, FLORIDA COMMUNITY REDEVELOPMENT AGENCY, VAN JACKSON LLC AND TROPIC HOLLYWOOD, INC., AFFILIATES OF AFFILIATED DEVELOPMENT, LLC RELATING TO THE TROPIC, A WORKFORCE HOUSING PROJECT TO BE LOCATED AT 1744 AND 1753 FEDERAL HIGHWAY WITHIN THE DOWNTOWN DISTRICT OF THE CRA.

WHEREAS, Van Jackson LLC and Tropic Hollywood, Inc. (“Developer”) intends to develop a mixed-income workforce housing development on the property generally located at 1744 and 1753 Federal Highway (“Subject Property”) within the Downtown District of the CRA within a low-to-moderate income census tract (“LMI”); and

WHEREAS, the Developer proposes to build and manage a residential project consisting of approximately 210 units, a parking garage, and associated Class A amenities in accordance with a conceptual site plan (“Project”); and

WHEREAS, the Project, once developed, will reduce blight in the CRA, will improve an LMI area, will enhance the City, and will, in turn, bring significant economic redevelopment to the area; and

WHEREAS, in recognition of the need for workforce housing, as well as development costs and market risks associated with the development of the Subject Property, gap funding and a development incentive are required to make the Project financially viable; and

WHEREAS, the CRA and the City are desirous of making a Funding Commitment (“Commitment”) and negotiating a Development Agreement (“Agreement”) with the Developer for the development of the Subject Property and the provision of workforce housing for those earning less than 120% of the area median income such as teachers, firefighters, police officers, healthcare workers, and other working professionals; and

WHEREAS, Tax Increment Financing (“TIF”) is a public financing method that is used as a subsidy for redevelopment, infrastructure, and other community-improvement projects in many cities with the intent to stimulate private investment in a blighted area that has been designated to be in need of economic revitalization; and

WHEREAS, portions of the new TIF generated by the completed Project can serve as a project incentive in the form of an annual reimbursement; and

WHEREAS, the cumulative TIF reimbursements will be capped at a total of \$2,400,000.00, and the annual reimbursements will not extend beyond September 30, 2030, as permitted by law; and

WHEREAS, the City, CRA and Broward County entered into an Interlocal Agreement ("ILA") in 2018 regarding funding for affordable housing and the ILA allows for affordable/workforce LMI area housing programs and other affordable housing programs as approved in writing by the Broward County Administrator; and

WHEREAS, in accordance with the ILA, the City has invoiced Broward County for the outstanding County Contribution from the set aside amount for FY 2018 and 2019 and has requested payment of \$2,484,855 from FY 2018 and \$1,036,781 from FY 2019; and

WHEREAS, the City is willing to provide \$3,500,000.00 of the outstanding County Contribution from FY 2018 and FY2019 to the Developer in the form of a forgivable loan per the terms of the Commitment provided that the County releases the funds and the County Administrator approves the use of the funding for the construction of new workforce housing units in the LMI area; and

WHEREAS, the City will provide an offset of up to \$2,000,000.00 to the Developer for documented City government fees related to the Project to be assessed to the Developer; and

WHEREAS, the CRA will provide \$3,000,000.00 in a forgivable loan to be paid per the terms of the Commitment with \$1,000,000.00 payable in FY 2022, \$1,000,000.00 payable in FY 2023, and \$1,000,000.00 payable in FY 2024; and

WHEREAS, once the Project is completed and has a temporary certificate of occupancy the CRA will provide a \$1,000,000.00 payment to the Developer to reimburse project costs and public infrastructure improvements related to the Project, as permitted by law; and

WHEREAS, this Commitment is entered into pursuant to Section 163, Florida Statutes, and Section 166, Florida Statutes, and sets forth the general understanding between the City, CRA and Developer regarding the proposed Project, and the City Commission authorizes the City Manager and CRA Executive Director to execute a comprehensive Agreement incorporating the terms of this Commitment.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

Section 2: That it approves and authorizes the execution, by the appropriate City officials, of the attached Commitment between the CRA, City, and Developer, together with such non-material changes as may be subsequently agreed to by the City Manager and approved as to form and legal sufficiency by the City Attorney.

Section 3: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this _____ day of _____, 2021.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY for the use and reliance
of the City of Hollywood, Florida, only.

DOUGLAS R. GONZALES
CITY ATTORNEY