

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

Date: June 6, 2019

BIS 19 – 199

FILE: TMP-2019-369

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE ISSUANCE BY PUBLIC SALE OF NOT TO EXCEED \$70,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF HOLLYWOOD, FLORIDA GENERAL OBLIGATION BONDS, SERIES 2019, TO PAY COSTS OF A PORTION OF THE PROJECT DESCRIBED HEREIN, AND PAY COSTS OF ISSUANCE; PROVIDING THAT SUCH GENERAL OBLIGATION BONDS SHALL CONSTITUTE GENERAL OBLIGATIONS OF THE CITY AND THAT THE FULL FAITH, CREDIT AND TAXING POWER OF THE CITY SHALL BE IRREVOCABLY PLEDGED FOR THE PAYMENT OF THE PRINCIPAL OF AND THE INTEREST ON SUCH GENERAL OBLIGATION BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING CERTAIN DETAILS OF SUCH BONDS AND FOR A PUBLIC SALE OF SUCH BONDS; DELEGATING TO DIRECTOR OF FINANCIAL SERVICES AUTHORITY TO DETERMINE FINAL DETAILS OF SUCH BONDS AND PUBLIC SALE SUBJECT TO LIMITATIONS, TO ACCEPT BID OR BIDS RESULTING IN LOWEST TRUE INTEREST COST DETERMINED IN ACCORDANCE WITH OFFICIAL NOTICE OF SALE, TO AWARD BONDS TO LOWEST RESPONSIVE BIDDER OR BIDDERS, TO QUALIFY SUCH BONDS FOR MUNICIPAL BOND INSURANCE; SELECTING A PAYING AGENT AND REGISTRAR; APPROVING FORM, DISTRIBUTION AND USE OF OFFICIAL NOTICE OF SALE; APPROVING FORM, EXECUTION AND DELIVERY OF SUCH BONDS, ESTABLISHING FUNDS AND ACCOUNTS FOR SUCH BONDS; AGREEING TO COMPLY WITH CERTAIN REQUIREMENTS UNDER INTERNAL REVENUE CODE OF 1986, AS AMENDED; COVENANTING TO PROVIDE CONTINUING DISCLOSURE IN CONNECTION WITH SUCH BONDS IN ACCORDANCE WITH SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 AND APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A DISCLOSURE DISSEMINATION AGENT AGREEMENT AND APPOINTING A DISCLOSURE DISSEMINATION AGENT; AUTHORIZING A BOOK-ENTRY REGISTRATION SYSTEM FOR SUCH BONDS; AUTHORIZING CERTAIN OFFICIALS AND EMPLOYEES TO TAKE ALL ACTION NECESSARY IN CONNECTION WITH ISSUANCE AND SALE OF SUCH BONDS; AND PROVIDING FOR SEVERABILITY.

Statement of Budget Impact:

1. ☐ No Budget Impact associated with this action;
2. ☐ Sufficient budgetary resources identified/available;
3. ☐ Budgetary resources not identified/unavailable;
4. ☒ Potential Revenue is possible with this action;
5. ☒ Will not increase the cost of Housing;
6. ☐ May increase the cost of Housing; (CDAB review required)

Explanation:

This resolution seeks authorization to issue the first tranche, by public sale, of the General Obligation Bonds, Series 2019 not to exceed \$70 million. The resolution also seeks delegation from City Commission to the Director of Financial Services to finalize details related to the issuance of the bonds.

On June 5th, 2019, the City Commission approved amendments to the Fiscal Year 2019 Adopted Budget via Resolution R-2019-147 which recognized the \$70 million General Obligation Bond (GO Bond) proceeds and amendments to the Capital Improvement Plan which allocated the funds to GO Bond project-related expenses (including cost of issuance, personnel and operating costs).

The City will fund associated project expenses in advance of the bond issuance in order to move forward on the projects. Once the bond issuance is finalized, a portion of the bond proceeds will be used to reimburse the City.

A companion agenda item will be presented on July 3rd, 2019 to set the “not-to-exceed” millage for the first tranche of the General Obligation Bonds, Series 2019. The final tranche of \$95 million will be issued in subsequent years.

PREPARED AND APPROVED BY:

Laurette Jean
Budget Division Director