



Legislation Details (With Text)

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Title: A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Execution And Delivery Of The 2017 Amendment To Interlocal Agreement Providing For Duration and Dissolution Of The Commission Which Amendment Amends The Interlocal Agreement, As Amended, Which Provides For The Establishment, Powers And Purposes Of The First Florida Governmental Financing Commission Of Which The City Of Hollywood Is A Member; And Providing An Effective Date.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 01 - Resolution FFGFC Dissolution.pdf, 2. 02 - FFGFC Resolution Amendments.pdf, 3. 03 - FFGFC Reso EX A 2017 Rule Amendment.pdf, 4. 04 - FFGFC Reso EX B Dissolution Plan.pdf, 5. 05 - FFGFC Reso EX C Interlocal Agreement Amendment.pdf, 6. terffgfc.pdf, 7. BIS 17-207.pdf

Date	Ver.	Action By	Action	Result
7/3/2017	1	Regular City Commission Meeting	adopt	Pass

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Execution And Delivery Of The 2017 Amendment To Interlocal Agreement Providing For Duration and Dissolution Of The Commission Which Amendment Amends The Interlocal Agreement, As Amended, Which Provides For The Establishment, Powers And Purposes Of The First Florida Governmental Financing Commission Of Which The City Of Hollywood Is A Member; And Providing An Effective Date.

Staff Recommends: Approval of the attached Resolution.

Explanation:

The First Florida Governmental Financing Commission (the "FFGFC"), was created in 1985 by Interlocal Agreement among the Cities of St. Petersburg and Sarasota, Florida, and Manatee County, Florida, pursuant to the Florida Interlocal Cooperation Act of 1969 to serve its Members as a cooperative capital financing program.

The City of Hollywood, Florida and City of St. Petersburg, Florida and Broward County, Florida represent the three remaining Members of the FFGFC.

Due to sustained and fundamental changes in the capital markets, including but not limited to the disappearance of triple-A rated monoline municipal bond insurers, the public finance industry, and the financing needs of its Members, the FFGFC has reviewed and evaluated its mission, purpose, and continued viability for the benefit of its remaining Members.

The FFGFC is required by its Interlocal Agreement to remain in existence as long as any Bonds of the FFGFC or obligations of any participating Governmental Unit issued under the Program of the FFGFC remain outstanding. The FFGFC has chosen to dissolve at the earliest possible date after there are no longer any outstanding FFGFC Bonds or obligations of any participating Governmental Unit which a Member has incurred pursuant to the Program of the Commission.

The Interlocal Agreement is a contract. A contract may be modified or terminated by unanimous agreement of the parties to that agreement unless otherwise provided by law or unless the rights of third parties are adversely affected. Therefore, once there are no outstanding bonds of the Commission or obligation of any participating Government Unit pursuant to the Program, the Members may agree to dissolve the Commission. At this time, the City of Hollywood and Broward County have obligations as to outstanding bonds of the Commission. The authority for the Interlocal Agreement is Section 163.01, Florida Statutes. That governing law does not specify how dissolution may occur; however, the Members exercise their authority by Interlocal Agreement. Dissolution, therefore, would be evidenced by an amendment to the Interlocal Agreement, executed by the existing Member.

In its regular meeting held February 2, 2017, the Commission's member representatives unanimously approved by resolution, the 2017 Amendment to Interlocal Agreement providing for duration and dissolution of the Commission as well as the 2017 Amendment to the Rules of the Commission. The governing structure of the Commission now provides that:

(A) Duration. The Commission shall exist until all Bonds of the Commission and obligations of any participating Governmental Unit issued under the Program of the Commission have been retired, and a majority of the Members have not resolved to terminate it.

(B) Dissolution. Upon the adoption of a resolution of intent to dissolve the Commission, and prior to the time when all Bonds of the Commission and obligations of any participating Governmental Unit issued under the Program of the Commission have been retired, a Plan of Dissolution shall be prepared and unanimously approved by the Representatives of the remaining Members. The Plan of Dissolution shall include, but not be limited to the following provisions: (1) a dissolution time schedule; (2) an allocation of assets and an assignment of

liabilities, if any; (3) the disposition of public records; (4) an assignment of service contracts post-dissolution; and (5) the funding and allocation of dissolution costs.

The Plan of Dissolution was also unanimously approved by the Commission's member representatives at their meeting held on February 2, 2017, and addresses the allocation of assets and assignment of financial liabilities, disposition of Commission public records, provision for assignment of service contracts post-dissolution, and funding and allocation of dissolution costs. The Plan requires that the Commission hold a public meeting prior to the effective date of its dissolution to approve its final financial audit, finalize its dissolution, and approve any post dissolution actions on behalf of its remaining members.

The 2017 Amendment to Interlocal Agreement states that:

Section 2.06. Dissolution of Commission.

(a) Each of the three remaining Members shall use their best efforts to independently redeem or purchase their outstanding loan obligations in the most efficient and economical manner possible.

(b) The Commission shall provide for its orderly and timely dissolution upon the unanimous consents of the three remaining Members.

(c) Prior to the redemption of the outstanding loan obligations of its remaining Members, a Plan of Dissolution shall be prepared and unanimously adopted by the Member Representatives in accordance with the Rules of the Commission. The Plan of Dissolution shall include, but not be limited to the following provisions: (1) a dissolution time schedule; (2) an allocation of assets and an assignment of liabilities, if any; (3) the disposition of public records; (4) an assignment of service contracts post-dissolution; and (5) the funding and allocation of dissolution costs. The Plan of Dissolution shall be consisted with and limited by the Interlocal Agreement, as amended by this 2017 Amendment.

(d) Each Member shall be responsible for federal tax law compliance for its loan obligations with the Commission following the dissolution of the Commission.

(e) Each Member shall be responsible for the retention of the archived records of the Commission in accordance with the Plan of Dissolution and as prescribed by federal and state law following the dissolution of the Commission including responding to inquiries regarding the Commission or its Bonds or Loan Agreements and fulfilling public records responsibilities regarding such records. Archived records of the commission may be turned

over to the Division of Library and Information Services, of the Department of State when no longer in official use whereupon the Members shall no longer be obligated to retain such records.

To become effective, the 2017 Amendment to Interlocal Agreement must be approved by every current Member of the Commission, and will be presented by every Representative to the governing body of their respective Member.

The City desires to amend the Interlocal Agreement in order to provide for the orderly and timely dissolution conditioned upon there being no outstanding bonds of the Commission or obligation of any participating Government Unit pursuant to the Program.

Recommended for inclusion on the agenda by:

Wazir Ishmael, Ph.D., City Manager

George R. Keller, Jr., Assistant City Manager for Finance & Administration / Interim Director of Financial Services Department