



Legislation Details (With Text)

File #:	R-2019-188	Version:	1	Name:	March 12, 2019 GOB Resolution Bond Sale
Type:	Resolution	Status:	Passed		
File created:	5/29/2019	In control:	Department of Financial Services		
On agenda:	6/19/2019	Final action:	6/19/2019		
Title:	A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Issuance By Public Sale Of Not To Exceed \$70,000,000.00 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.				

Sponsors:**Indexes:****Code sections:**

Attachments: 1. 42567263_v 7_Bond Resolution_City of Hollywood 2019 GOB.pdf, 2. 43068558_v 4_Exhibit A Official Notice of Sale Hollywood GO Bonds 2019.pdf, 3. 43090971_v 4_Exhibit B Summary Notice of Sale 2019 G.O..pdf, 4. gob2019 Exhibit C bond form.pdf, 5. BIS 19-199R.pdf

Date	Ver.	Action By	Action	Result
6/19/2019	1	Regular City Commission Meeting	adopt	Pass

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Issuance By Public Sale Of Not To Exceed \$70,000,000.00 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.

Staff Recommends: Approval Of Attached Resolution

Explanation:

On March 12, 2019, the City of Hollywood held a Special Election where a majority of voters elected to fund a variety of city-wide public improvement projects funded with a General Obligation Bond (GO Bond) of \$165 million. The GO Bond will cover city-wide improvements in three broad categories:

- Public Safety Facilities, Technology and Equipment - \$78 million
- Parks, Open Space, Recreational and Cultural Facilities - \$64 million
- Neighborhood Improvements, Infrastructure and Resiliency - \$23 million

The City will issue the GO bond in two tranches. The amount of the first tranche will be \$70 million, to be broken out as follows:

- Public Safety Facilities, Technology and Equipment - \$12,853,297
- Parks, Open Space, Recreational and Cultural Facilities - \$41,747,798
- Neighborhood Improvements, Infrastructure and Resiliency - \$15,398,905

The final tranche in the amount of \$95 million will be issued in 2-3 years. As such, the necessary millage rate increases will be gradually phased in to cover the debt service costs associated with the bond issuances.

The Bonds will be repaid through the assessment, levy, and collection of ad valorem tax on all taxable property within the City. The full faith, credit, and taxing power of the City will be pledged to the payment of the principal and interest of the bonds. Issuance costs and expenses will be paid from the Bond proceeds. A portion of the proceeds will also be used to reimburse the City for funds advanced to cover associated project expenses incurred and to be incurred prior to the issuance of the bond. The form of the Official Notice of Sale, Summary Notice of Sale, and Form of Bond are attached.

It is recommended that the Commission delegate, as provided in the attached Resolution, the determination of various terms of the Bonds, the final award of the Bonds, including execution of a Bond Purchase Agreement, and whether to obtain bond insurance with respect to the Bonds, subject to the limitations contained within the Resolution. It is expected that the Bond issuance will be closed by the end of September 2019.

Recommended for inclusion on the agenda by:

Adam Reichbach, Assistant City Manager, Finance and Administration

Cintya Ramos, Director Of Financial Services