

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED FEBRUARY __, 2022

NEW ISSUE - Book-Entry Only

NOT RATED

In the opinion of Greenberg Traurig, P.A., Bond Counsel, under existing statutes, regulations, rulings and court decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Series 2022 Bonds (as hereinafter defined) is excludable from gross income for federal income tax purposes. Further, interest on the Series 2022 Bonds is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals. Bond Counsel is also of the opinion that the Series 2022 Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in Chapter 220, Florida Statutes. For a more complete description of such opinions of Bond Counsel, see "TAX MATTERS" herein.



\$ _____ *

CITY OF FORT LAUDERDALE, FLORIDA
Special Assessment Bonds, Series 2022
(Las Olas Isles Undergrounding Project)

Dated: Date of Delivery

Due: July 1, as shown on inside cover page

The \$ _____ * Special Assessment Bonds, Series 2022 (Las Olas Isles Undergrounding Project) (the "Series 2022 Bonds") are being issued by the City of Fort Lauderdale, Florida (the "City") under the authority of the Act, the applicable Assessment Resolutions (each as defined herein), and Resolution No. 22-____ adopted by the City Commission of the City on February 1, 2022 (the "Bond Resolution"). The Series 2022 Bonds will be issued by the City as fully registered bonds, without coupons, in denominations of \$100,000 and integral multiples of \$5,000 in excess thereof and when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2022 Bonds. Purchasers will not receive certificates representing their ownership interests in the Series 2022 Bonds purchased. See "DESCRIPTION OF THE SERIES 2022 BONDS - Book-Entry Only System" herein. Interest on the Series 2022 Bonds will accrue from their date of delivery and will be payable on July 1, 2022 and semiannually on each January 1 and July 1 thereafter. The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, will serve as the initial Bond Registrar and Paying Agent (the "Paying Agent") for the Series 2022 Bonds. While the Series 2022 Bonds are registered through the DTC book-entry only system, principal of and interest on the Series 2022 Bonds will be payable by the Paying Agent to DTC.

The Series 2022 Bonds are being issued for the purpose of providing funds, together with other legally available moneys of the City, to (i) pay the cost of undergrounding all overhead utilities and related improvements constituting the Project (as defined herein) in the existing residential community known as the "Las Olas Isles Neighborhood" within the City, including to the extent permissible under the Code (as defined herein), reimbursement to the City of any moneys previously advanced by the City to pay any portion of the cost of the Project, (ii) make a deposit to the Reserve Fund in the amount of the Reserve Fund Requirement for the Series 2022 Bonds (as such terms are hereinafter defined), and (iii) pay the costs of issuance of the Series 2022 Bonds. See "PURPOSE OF THE ISSUE" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Series 2022 Bonds are payable solely from and secured by a lien on and pledge of (i) the Special Assessments, (ii) moneys on deposit in the Funds and Accounts established under the Bond Resolution (except any rebate fund or account), and (iii) all Investment Earnings on such Funds and Accounts (each capitalized term as defined herein) (collectively, the “Pledged Revenues”), on a parity with any Refunding Bonds (as hereinafter defined) hereafter issued. Notwithstanding the foregoing, if an Account is established in the Reserve Fund for a particular Series of Bonds, amounts on deposit in or to the credit of such Account shall constitute Pledged Revenues for, and secure only, the particular Series of Bonds for which such Account is established (as such terms are defined herein). See “SECURITY AND SOURCES OF PAYMENT - Reserve Fund” herein.

The Series 2022 Bonds are subject to optional, mandatory sinking fund and extraordinary optional redemption prior to maturity as described herein. See “DESCRIPTION OF THE SERIES 2022 BONDS - Redemption” herein.

THE SERIES 2022 BONDS ARE SECURED BY AND PAYABLE SOLELY FROM THE PLEDGED REVENUES, AS PROVIDED IN THE BOND RESOLUTION. THE SERIES 2022 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, OR THE CITY. NEITHER THE FAITH AND CREDIT OF THE STATE OR ANY POLITICAL SUBDIVISION, MUNICIPALITY OR AGENCY THEREOF NOR THE FAITH AND CREDIT OF THE CITY ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2022 BONDS, AND THE ISSUANCE OF THE SERIES 2022 BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR ANY POLITICAL SUBDIVISION, MUNICIPALITY OR AGENCY THEREOF, OR THE CITY TO LEVY ANY TAXES WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT, EXCEPT FROM THE PLEDGED REVENUES TO THE EXTENT PROVIDED FOR UNDER THE BOND RESOLUTION.

THE SERIES 2022 BONDS INVOLVE A DEGREE OF RISK (SEE “BONDOWNERS' RISKS” HEREIN) AND ARE NOT SUITABLE FOR ALL INVESTORS (SEE “SUITABILITY FOR INVESTMENT” HEREIN). THE BOND RESOLUTION REQUIRES THE UNDERWRITER TO LIMIT THE INITIAL OFFERING OF THE SERIES 2022 BONDS TO “ACCREDITED INVESTORS” WITHIN THE MEANING OF REGULATION D PROMULGATED PURSUANT TO THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR “QUALIFIED INSTITUTIONAL BUYERS,” AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT. EACH INITIAL PURCHASER OF THE SERIES 2022 BONDS (FOR THIS PURPOSE EXCLUDING THE UNDERWRITER, BUT INCLUDING ALL PERSONS PURCHASING SERIES 2022 BONDS IN THE INITIAL OFFERING THROUGH THE UNDERWRITER) SHALL EXECUTE AND DELIVER AN INVESTOR LETTER, SUBSTANTIALLY IN THE FORM SET FORTH AS AN EXHIBIT TO THE BOND PURCHASE AGREEMENT (AS DEFINED IN THE BOND RESOLUTION). HOWEVER, SUCH LIMITATION OF THE INITIAL OFFERING OF THE SERIES 2022 BONDS DOES NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY MARKET FOR THE SERIES 2022 BONDS. ALSO, SEE “NO RATING OR CREDIT ENHANCEMENT” HEREIN.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Limited Offering Memorandum, including the Appendices, to obtain information essential to the making of an informed investment decision.

The Series 2022 Bonds are offered, when, as and if issued by the City, subject to the approval of their legality by Greenberg Traurig, P.A., Miami, Florida, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the City by Alain E. Boileau, Esquire, Fort Lauderdale, Florida, City Attorney. Certain legal matters relating to disclosure will be passed upon for the City by the

Law Offices of Steve E. Bullock, P.A., Miramar, Florida, Disclosure Counsel. Bryant Miller Olive P.A., Miami, Florida, is serving as counsel to the Underwriter and PFM Financial Advisors LLC, Coral Gables, Florida, is serving as Financial Advisor to the City. It is expected that settlement on the Series 2022 Bonds will occur through the facilities of DTC in New York, New York on or about March ___, 2022.

J.P. MORGAN



Dated: February ___, 2022

* Preliminary, subject to change.

Red herring: This Preliminary Limited Offering Memorandum and the information contained herein are subject to amendment and completion without notice. The Series 2022 Bonds may not be sold and offers to buy may not be accepted prior to the time the Limited Offering Memorandum is delivered in final form. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2022 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,
PRICES, YIELDS AND INITIAL CUSIP NUMBERS*†**

\$ _____ Series 2022 Serial Bonds

<u>Due (July 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>Yield</u>	<u>Initial CUSIP Number</u>
2022	\$	%		%	
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
2046					
2047					
2048					

\$ _____ Series 2022 Term Bonds

\$ _____ % Series 2022 Term Bonds Due July 1, 20 ____ – Price: ____ / Yield: ____ %
Initial CUSIP Number: _____

* Preliminary, subject to change.

† Neither the City nor the Underwriter is responsible for the use of CUSIP Numbers, nor is a representation made as to their correctness. The CUSIP Numbers are included solely for the convenience of the readers of this Limited Offering Memorandum.

CITY OF FORT LAUDERDALE, FLORIDA

OFFICIALS

Dean J. Trantalis, Mayor
Heather Moraitis, Vice Mayor, Commissioner, District I
Steven Glassman, Commissioner, District II
Robert L. McKinzie, Commissioner, District III
Ben Sorensen, Commissioner, District IV

ADMINISTRATION

Christopher J. Lagerbloom, ICMA-CM, City Manager
Alain E. Boileau, Esquire, City Attorney
John C. Herbst, CPA, CGFO, CGMA, City Auditor
David R. Soloman, City Clerk
Susan Grant, CPA, Director of Finance
Linda A. Short, CGFO, CPM, Deputy Director of Finance
Pamela Winston, CGFO, Treasurer
Laura L. Garcia, CGFO, Controller

BOND COUNSEL

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Miami, Florida

DISCLOSURE COUNSEL

Law Offices of Steve E. Bullock, P.A.
Miramar, Florida

FINANCIAL ADVISOR

PFM Financial Advisors LLC
Coral Gables, Florida

ENGINEERING AND FINANCIAL CONSULTANT

Stantec Consulting Services Inc.
Tampa, Florida

INDEPENDENT AUDITOR

Crowe LLP
Fort Lauderdale, Florida

No dealer, broker, salesman or other person has been authorized by the City or the Underwriter to make any representations, other than those contained in this Limited Offering Memorandum, in connection with the offering contained herein, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Limited Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2022 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information contained in this Limited Offering Memorandum has been obtained from public documents, records and other sources considered to be reliable and, while not guaranteed as to completeness or accuracy, is believed to be correct. Any statement in this Limited Offering Memorandum involving estimates, assumptions and opinions, whether or not so expressly stated, are intended as such and are not to be construed as representations of fact, and the Underwriter and the City expressly make no representation that such estimates, assumptions and opinions will be realized or fulfilled. Any information, estimates, assumptions and matters of opinion contained in this Limited Offering Memorandum are subject to change without notice, and neither the delivery of this Limited Offering Memorandum, nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

The Underwriter has provided the following sentence for inclusion in this Limited Offering Memorandum. *The Underwriter has reviewed the information in this Limited Offering Memorandum in accordance with, and as part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.*

The order and placement of materials in this Limited Offering Memorandum, including the Appendices, are not to be deemed a determination of relevance, materiality or importance, and this Limited Offering Memorandum, including the Appendices, must be considered in its entirety. The captions and headings in this Limited Offering Memorandum are for convenience only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections in this Limited Offering Memorandum. The offering of the Series 2022 Bonds is made only by means of this entire Limited Offering Memorandum.

References to website addresses presented in this Limited Offering Memorandum are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Limited Offering Memorandum for any purpose.

Certain statements included or incorporated by reference in this Limited Offering Memorandum constitute "forward-looking statements." Such statements generally are identifiable by the terminology used, such as "plan," "expect," "estimate," "project," "forecast," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The City does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

THE SERIES 2022 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, OR ANY STATE SECURITIES LAW, NOR HAS THE BOND RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE EXEMPTION OF THE SERIES 2022 BONDS

FROM REGISTRATION OR QUALIFICATION IN CERTAIN STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE CITY AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR GOVERNMENTAL ENTITY OR AGENCY WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS LIMITED OFFERING MEMORANDUM OR APPROVED OR RECOMMENDED THE SERIES 2022 BONDS FOR SALE. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THIS LIMITED OFFERING MEMORANDUM IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM (“ORIGINAL BOUND FORMAT”) OR IN ELECTRONIC FORMAT ON THE WEBSITE: WWW.MUNIOS.COM. THIS LIMITED OFFERING MEMORANDUM MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR IF IT IS PRINTED IN FULL DIRECTLY FROM SUCH WEBSITE.

THIS LIMITED OFFERING MEMORANDUM SHALL NOT CONSTITUTE A CONTRACT BETWEEN THE CITY OR THE UNDERWRITER AND ANY ONE OR MORE HOLDERS OF THE SERIES 2022 BONDS.

THIS PRELIMINARY LIMITED OFFERING MEMORANDUM IS IN A FORM DEEMED FINAL BY THE CITY FOR PURPOSES OF RULE 15C2-12 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN FINANCIAL INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15C2-12(B)(1).

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LIMITED OFFERING MEMORANDUM
relating to

§ _____ *

CITY OF FORT LAUDERDALE, FLORIDA
Special Assessment Bonds, Series 2022
(Las Olas Isles Undergrounding Project)

INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page and all appendices, is to furnish certain information relating to the City of Fort Lauderdale, Florida (the “City”), the sale by the City of its § _____ * in aggregate principal amount of Special Assessment Bonds, Series 2022 (Las Olas Isles Undergrounding Project) (the “Series 2022 Bonds”) and the Pledged Revenues (as hereinafter defined) which shall serve as the security and source of payment for the Series 2022 Bonds. The Series 2022 Bonds are being issued pursuant to the Constitution and laws of the State of Florida (the “State”), including particularly Article VIII, Section 2 of the Constitution of the State, Chapter 166, Parts I and II, Florida Statutes, as amended, the Charter of the City, the Code of Ordinances of the City, including particularly Ordinance No. C-10-12 enacted by the City Commission of the City (the “City Commission”) on May 18, 2010, as amended by Ordinance No. C-12-37 enacted by the City Commission on October 2, 2012 (collectively, the “Ordinance”), codified in Chapter 25, Article IV, Division 2 of the City’s Code of Ordinances, and other applicable provisions of law (collectively, the “Act”), Resolution No. 21-198 adopted by the City Commission on September 13, 2021 (the “Amended and Restated Declaration Resolution”), amending and restating in its entirety Resolution No. 19-123 adopted by the City Commission on July 9, 2019 (the “Initial Declaration Resolution”), Resolution No. 21-273 (the “Final Assessment Resolution”) adopted by the City Commission on October 21, 2021, and any other resolutions adopted by the City Commission pursuant to the Ordinance for the purpose of undertaking the Project and the levy and collection of the Special Assessments to pay the Project Cost (as such terms are hereinafter defined), including, without limitation, any amendments to such resolutions (collectively, the “Assessment Resolutions”), and Resolution No. 22-____ adopted by the City Commission on February 1, 2022 (the “Bond Resolution”). For a description of certain terms and conditions of the Series 2022 Bonds and the complete provisions of the Bond Resolution, see “APPENDIX E - The Bond Resolution.” For a description of certain terms and conditions relating to collection of the Special Assessments (as hereinafter defined) and the complete provisions of certain Assessment Resolutions as of the date of this Limited Offering Memorandum, see “APPENDIX B - The Ordinance, Amended and Restated Declaration Resolution and Final Assessment Resolution.”

The Series 2022 Bonds and any Refunding Bonds that may be issued under the provisions of the Bond Resolution are hereinafter referred to collectively as the “Bonds.” See “SECURITY AND SOURCES OF PAYMENT - Refunding Bonds” herein. Certain other capitalized terms used but not defined in this Limited Offering Memorandum shall have the meanings ascribed to such terms in the Bond Resolution, the Ordinance or the Amended and Restated Declaration Resolution.

The Series 2022 Bonds will be issued in book-entry only form and purchasers of the Series 2022 Bonds will not receive certificates representing their interest in the Series 2022 Bonds purchased. The Series 2022 Bonds will contain such other terms and provisions, including provisions regarding redemption, as described in “DESCRIPTION OF THE SERIES 2022 BONDS” herein. The City has covenanted to

* Preliminary, subject to change.

provide certain continuing disclosure information pursuant to Rule 15c2-12 of the Securities and Exchange Commission relating to the Series 2022 Bonds. See “CONTINUING DISCLOSURE” herein.

The Series 2022 Bonds are payable solely from and secured by a lien on and pledge of (i) the Special Assessments, (ii) moneys on deposit in the Funds and Accounts established under the Bond Resolution (except any rebate fund or account), and (iii) all Investment Earnings on such Funds and Accounts (collectively, the “Pledged Revenues”), on a parity with any Refunding Bonds hereafter issued. Notwithstanding the foregoing, if an Account is established in the Reserve Fund for a particular Series of Bonds, amounts on deposit in or to the credit of such Account shall constitute Pledged Revenues for, and secure only, the particular Series of Bonds for which such Account is established. See “SECURITY AND SOURCES OF PAYMENT” herein.

The Series 2022 Bonds are secured by and payable solely from the Pledged Revenues, as provided in the Bond Resolution. The Series 2022 Bonds shall not be deemed to constitute a pledge of the faith and credit of the State or of any political subdivision thereof, or the City. Neither the faith and credit of the State or any political subdivision, municipality or agency thereof nor the faith and credit of the City are pledged to the payment of the principal of or interest on the Series 2022 Bonds, and the issuance of the Series 2022 Bonds shall not directly or indirectly or contingently obligate the State or any political subdivision, municipality or agency thereof, or the City to levy any taxes whatever therefor or to make any appropriation for their payment, except from the Pledged Revenues to the extent provided for under the Bond Resolution. See “SECURITY AND SOURCES OF PAYMENT” herein.

This introduction is intended to serve as a brief description of this Limited Offering Memorandum and is expressly qualified by reference to this Limited Offering Memorandum as a whole. A full review should be made of this entire Limited Offering Memorandum, including the cover page and all appendices, as well as the documents and reports summarized or described herein. The description of the Series 2022 Bonds, the documents authorizing and securing the same, including, without limitation, the Act, the Bond Resolution, the Ordinance and the Assessment Resolutions, and the information from various reports contained herein are not comprehensive or definitive. All references herein to such documents and reports are qualified by the entire, actual content of such documents and reports. Copies of such documents and reports may be obtained from the City by contacting the City’s Director of Finance at 100 North Andrews Avenue, Fort Lauderdale, Florida 33301, Telephone number: (954) 828-5167, Facsimile number: (954) 828-5168, Email address: finance@fortlauderdale.gov.

SUITABILITY FOR INVESTMENT

Investment in the Series 2022 Bonds poses certain economic risks. While the Series 2022 Bonds are not subject to registration under the Securities Act of 1933, as amended (the “Securities Act”), the Bond Resolution requires the Underwriter to limit the initial offering of the Series 2022 Bonds to “accredited investors” within the meaning of Regulation D promulgated pursuant to the Securities Act or “qualified institutional buyers,” as defined in Rule 144A promulgated under the Securities Act. Each initial purchaser of the Series 2022 Bonds (for this purpose excluding the Underwriter, but including all persons purchasing Series 2022 Bonds in the initial offering through the Underwriter) shall execute and deliver an investor letter, substantially in the form set forth in “APPENDIX I - Form of Investor Letter” attached to this Limited Offering Memorandum. However, the limitation of the initial offering to “accredited investors” or “qualified institutional buyers” does not denote restrictions on transfers in any secondary market for the Series 2022 Bonds.

The Underwriter has determined that the Series 2022 Bonds will be sold to no more than thirty-five (35) initial purchasers. **Prospective investors in the Series 2022 Bonds should have such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of**

an investment in the Series 2022 Bonds and should have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment. Also, see “NO RATING OR CREDIT ENHANCEMENT” herein.

PURPOSE OF THE ISSUE

General

The Series 2022 Bonds are being issued for the purpose of providing funds, together with other legally available moneys of the City, to (i) pay the costs of relocating overhead utility lines, appurtenant equipment and related improvements constituting the Project in the existing residential community known as the Las Olas Isles Neighborhood (“Las Olas Isles”) within the City (collectively, the “Project”), as more particularly described in this Limited Offering Memorandum under the subsection “The Project” below, including to the extent permissible under the Code, reimbursement to the City of any moneys previously advanced by the City to pay any portion of the Project Cost, (ii) make a deposit to the Reserve Fund in the amount of the Reserve Fund Requirement for the Series 2022 Bonds, as more particularly described in this Limited Offering Memorandum under “SECURITY AND SOURCES OF PAYMENT - Reserve Fund” herein, and (iii) pay the costs of issuance of the Series 2022 Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS” herein.

The terms “Las Olas Isles” and “Special Assessment Area” are synonymous with the terms “Underground Special Assessment Area” and “USAA” used in the Ordinance and the Assessment Resolutions and the terms “Las Olas Isles Neighborhood” and “Las Olas Isles Underground Special Assessment Area” used in the Assessment Resolutions. The term “Project” is synonymous with the terms “Underground Utility Line Facilities” and “UULF” used in the Ordinance and the Assessment Resolutions and the term “Las Olas Isles Underground Utility Line Facilities Project” used in the Assessment Resolutions. The term “Project Cost” is synonymous with the terms “Underground Utility Line Assessed Cost” and “UULAC” used in the Ordinance and the Assessment Resolutions.

The Project

The enhancements and upgrades authorized to be included in the Project consist of the acquisition, construction and installation of improvements to provide for the undergrounding of all overhead utilities (owned and/or maintained by private utility companies, including Florida Power & Light Company (“FP&L”), AT&T Inc. (“AT&T”) and Comcast Corporation (“Comcast”) pursuant to franchise agreements, as applicable), including, without limitation, electrical, telephone and cable television, the replacement of street lighting, roadway resurfacing and restoration of all infrastructure affected by such undergrounding project within Las Olas Isles. Las Olas Isles consists of all property generally located within the City south of East Las Olas Boulevard and adjacent to Mola Avenue, Isle of Capri Drive, Bontana Avenue, Coconut Isle Drive, Lido Drive, San Marco Drive, Coral Way, Royal Plaza Drive and Isle of Palms Drive. Las Olas Isles currently contains 309 single-family parcels, is substantially built-out and no other land uses are present. For a map of Las Olas Isles and the schematics of the right-of-way impact of the Project by street, see “APPENDIX C - City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021, supplementing the Town of Jupiter Inlet Colony Utility Undergrounding Assessment Methodology dated June 24, 2010,” and, in particular, Figure 2-1 and Appendix A, respectively, in the Supplemental Engineering and Assessment Methodology Final Report contained in such appendix.

Construction of the Project is expected to commence with the installation of the necessary underground conduits, pull boxes, vaults and junction boxes. These installations are composed of empty polyvinyl chloride (PVC) conduits of varying sizes, as required to accommodate the proposed underground

systems for FP&L, AT&T and Comcast (collectively, the “Utility Companies”). Since the Las Olas Isles Neighborhood is essentially fully developed, most of the linear conduit installation work is planned to be accomplished using “trenchless” technologies, such as horizontal directional drilling, which allows the conduit to be installed with minimal disturbance to aboveground features like pavement, driveways and landscaping. However, some of the conduit installation will require trenching and backfill. The City is expected to hire contractors to perform the required installation work, including installation of the service lines to each individual single-family home.

Once the underground conduit systems have been installed and verified to be correctly configured and located (horizontally and vertically), the Utility Companies will then use their crews and contractors to install their new wiring, transformers, switchgear and other equipment inside the underground system of conduits installed by the City’s contractors. Some of the new equipment will be situated aboveground, typically on concrete pads, as unobtrusively as possible, and often shielded by landscaping. When the utility companies have finished their work, and all systems have been verified to be working correctly, they will convert services to individual homes from the existing overhead services to the newly installed underground services. Thereafter, the City’s contractors will remove the old poles, wires and other overhead equipment and dispose of such materials. The City will then conduct required restoration to affected roadway corridors, such as paving, sidewalk repairs, sodding and landscape replacement.

Construction of the Project is currently planned to commence by approximately March 1, 2022. Once construction commences, the Project is expected to be completed in approximately twelve (12) months.

The following tables set forth the currently estimated cost of acquiring, constructing and installing the Project and the sources of funding of such cost.

**City of Fort Lauderdale, Florida
Las Olas Isles Undergrounding Project
Estimated Project Cost⁽¹⁾**

<u>Activity</u>	<u>Estimated Project Cost</u>
Engineering Design, Supervision, Contingency	\$ 350,000
Construction Services, including service drops and restoration	4,733,400
Communication Utility Costs (Comcast and AT&T)	1,224,700
Electrical Utility Costs (FP&L)	1,313,073
Series 2022 Bonds Costs of Issuance and Contingency ⁽²⁾	<u>1,378,827</u>
Total	<u>\$9,000,000</u>

Source: City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021. See “APPENDIX C - City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021, supplementing the Town of Jupiter Inlet Colony Utility Undergrounding Assessment Methodology dated June 24, 2010.”

Footnotes for the immediately preceding table are provided on the next page.

- (1) Includes soft costs, such as financing costs and costs related to engineering design and construction supervision and management, and hard costs, such as existing infrastructure removal and installation of new materials and resources.
- (2) For costs of issuance relating to the Series 2022 Bonds, see “ESTIMATED SOURCES AND USES OF FUNDS” herein.

**City of Fort Lauderdale, Florida
Las Olas Isles Undergrounding Project
Estimated Sources of Funding of Project Cost**

<u>Source of Funding</u>	<u>Estimated Amount</u> *
Special Assessments Collected in Fiscal Years 2020 through 2022 ⁽¹⁾	\$ 832,848.00
Proceeds of Series 2022 Bonds ⁽²⁾	<u>8,167,152.00</u>
Total	<u><u>\$9,000,000.00</u></u>

Source: City of Fort Lauderdale, Florida Finance Department.

- (1) Includes \$159,852.00 of Special Assessments from Fiscal Year 2020, \$319,449.00 of Special Assessments from Fiscal Year 2021 and \$353,547.00* of Special Assessments collected from Fiscal Year 2022, each collected pursuant to the Initial Assessment Proceedings.
- (2) See “ESTIMATED SOURCES AND USES OF FUNDS” herein.

The portion of the proceeds of the Series 2022 Bonds to be used to provide for payment of the Capital Cost relating to implementation of the Project shall be deposited into the City of Fort Lauderdale, Florida Special Assessment Bonds (Las Olas Isles Undergrounding Project) Construction Fund (the “Construction Fund”) established under the Bond Resolution. Pending application to pay Capital Cost, such proceeds shall be held in the Construction Fund in trust and subject to a lien and charge in favor of the Holders of the Series 2022 Bonds. On and after the Completion Date, the balance in the Construction Fund not reserved by the City for the payment of any remaining part of the Project Cost or expenses related to the issuance of the Series 2022 Bonds shall be transferred by the Finance Director, in the discretion of the City, to the credit of the Principal and Interest Account for the payment of principal of or Amortization Requirements on the Series 2022 Bonds. Also see, “DESCRIPTION OF THE SERIES 2022 BONDS - Redemption - Extraordinary Optional Redemption” herein.

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* Preliminary, subject to change.

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds from the proceeds of the Series 2022 Bonds:

Sources of Funds

Par Amount of Series 2022 Bonds	\$
Net Original Issue Discount / Premium	_____
Total Estimated Sources of Funds	\$ <u> </u>

Uses of Funds

Deposit to Construction Fund ⁽¹⁾	\$
Deposit to the Reserve Fund ⁽²⁾	
Deposit to Expense Account ⁽³⁾	
Underwriter’s Discount	_____
Total Estimated Uses of Funds	\$ <u> </u>

-
- (1) See “PURPOSE OF THE ISSUE” herein.
 - (2) See “SECURITY AND SOURCES OF PAYMENT - Reserve Fund” herein.
 - (3) To pay certain costs of issuance of the Series 2022 Bonds, including, without limitation, printing costs, fees of Bond Counsel, Disclosure Counsel, the Financial Advisor, the Engineering and Financial Consultant and miscellaneous costs of issuance.

DESCRIPTION OF THE SERIES 2022 BONDS

General

The Series 2022 Bonds shall be dated the date of their delivery and shall bear interest at the rates and mature on the dates and in the amounts set forth on the inside cover page of this Limited Offering Memorandum. Interest on the Series 2022 Bonds is payable semiannually on January 1 and July 1 of each year, commencing July 1, 2022. Interest on the Series 2022 Bonds shall be calculated on the basis of a 360 day year consisting of twelve 30-day months. The Bank of New York Mellon Trust Company, N.A., Dallas, Texas will serve as the initial Paying Agent (the “Paying Agent”) and Bond Registrar (the “Bond Registrar”) for the Series 2022 Bonds.

The Series 2022 Bonds will be issued as fully registered bonds in denominations of \$100,000 and integral multiples of \$5,000 in excess thereof, and when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York (“DTC”). Purchases of beneficial interests in the Series 2022 Bonds will be made in book-entry only form, without certificates. Unless a securities depository other than DTC is selected by the City, so long as the Series 2022 Bonds shall be in book-entry only form, the principal of and interest on the Series 2022 Bonds will be payable to Cede & Co., as registered owner thereof, and will be distributed by DTC and the DTC Participants to the Beneficial Owners (as such terms are defined herein). See “DESCRIPTION OF THE SERIES 2022 BONDS - Book-Entry Only System” herein.

Redemption

Optional Redemption

The Series 2022 Bonds maturing on or before July 1, 20____ are not subject to redemption prior to maturity. The Series 2022 Bonds maturing on or after July 1, 20____ are subject to redemption at the option of the City prior to their respective dates of maturity on or after July 1, 20____, in whole or in part at any time, and if in part, in accordance with the procedures described in this section below under “Partial Redemption,” at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2022 Bonds or portion of the Series 2022 Bonds to be redeemed, together with accrued interest from the most recent Interest Payment Date as of which interest has been paid to the date fixed for redemption.

Mandatory Sinking Fund Redemption

The Series 2022 Bonds maturing on July 1, 20____ are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on July 1 of each year in the following amounts and years specified:

<u>Due</u>	<u>Amortization Requirement</u>
*	\$

* Final Maturity.	

Extraordinary Optional Redemption

The Series 2022 Bonds are subject to extraordinary redemption prior to maturity at the option of the City, in part, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2022 Bonds to be redeemed, plus accrued interest to the redemption date, to the extent of moneys remaining in the Construction Fund on September 1, 2024 (or such other date specified in the Bond Purchase Agreement and in the Details Certificate of the City Manager) (the “Determination Date”) as a result of the City’s inability to obtain the necessary easements required to undertake and complete the improvements on or for the benefit of properties abutting Mola Avenue in the Las Olas Isles Neighborhood (the “Extraordinary Optional Redemption Event”). Upon the City’s election to exercise the extraordinary optional redemption described in this paragraph, it shall provide the Bond Registrar and the Paying Agent notice of such election not later than fifteen (15) days after the Determination Date and the Bond Registrar shall provide notice of redemption as required by the Bond Resolution so that the Series 2022 Bonds to be redeemed shall be redeemed not later than sixty (60) days following the Determination Date.

If Series 2022 Bonds are to be redeemed as described in the immediately preceding paragraph, the Bond Registrar shall select the Series 2022 Bonds to be redeemed by lot, in such manner so as to exhaust as nearly as possible the moneys in the Construction Fund that gave rise to the Extraordinary Optional Redemption Event, while adhering to the Authorized Denominations applicable to the Series 2022 Bonds.

Selection of Bonds to be Redeemed

The Series 2022 Bonds shall be redeemed only in Authorized Denominations except that if, following any redemption in part of a Series 2022 Bond, the remaining principal amount Outstanding would not be an Authorized Denomination, the Series 2022 Bond shall be redeemed in full. In selecting Series 2022 Bonds for redemption, the City and the Bond Registrar shall treat each Series 2022 Bond as representing the number of Series 2022 Bonds that is obtained by dividing the principal amount of such Series 2022 Bond by the minimum Authorized Denomination. Except as otherwise provided in Bond Resolution, if less than all of the Series 2022 Bonds shall be called for redemption, the particular maturity or maturities of Series 2022 Bonds or portions of Series 2022 Bonds to be redeemed shall be selected by the City and the particular Series 2022 Bonds of like maturity to be redeemed shall be selected by the Bond Registrar by such method as the Bond Registrar in its sole discretion deems fair and appropriate.

Partial Redemption

If a portion of an Outstanding Series 2022 Bond shall be selected for redemption, the Holder of such Series 2022 Bond, or such Holder's attorney or legal representative, shall present and surrender such Series 2022 Bond to the Bond Registrar for payment of the principal amount thereof so called for redemption. Upon such presentation and surrender, the City shall execute and the Bond Registrar shall authenticate and deliver to or upon the order of such Holder or such Holder's legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Series 2022 Bond so surrendered, a new Series 2022 Bond of the same maturity and bearing interest at the same rate.

Notice of Redemption

At least thirty (30) days before the redemption date of any Series 2022 Bonds, whether such redemption be in whole or in part, the City shall cause a notice of such redemption, signed by the Finance Director to be mailed, first class postage prepaid, to all Holders owning Series 2022 Bonds to be redeemed in whole or in part and to any Fiduciaries, at their addresses as they appear on the registration books maintained by the Bond Registrar but any defect in such notice or failure to mail such notice to any Holder of any Series 2022 Bonds shall not affect the validity of the proceedings for the redemption of any other Series 2022 Bonds. Each such notice shall set forth the name of the Series 2022 Bonds or portions thereof to be redeemed, the date fixed for redemption, the redemption price to be paid, the Series, and if less than all the Series 2022 Bonds shall be called for redemption, the maturities of the Series 2022 Bonds to be redeemed, the CUSIP numbers, the name and address (including contact person and phone number) of the Fiduciary to which Series 2022 Bonds called for redemption are to be delivered and, if less than all of the Series 2022 Bonds of any one maturity then Outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such Series 2022 Bonds to be redeemed and, in the case of Series 2022 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Series 2022 Bond is to be redeemed in part only, the notice of redemption shall also state that on or after the redemption date, upon surrender of such Series 2022 Bond, a new Series 2022 Bond in principal amount equal to the unredeemed portion of such Series 2022 Bond, and of the same Series and maturity and bearing the same interest rate, will be issued. Any notice as provided herein shall be conclusively presumed to have been duly given, whether or not the owner of the Series 2022 Bond receives such notice.

In the case of any type of optional redemption, the redemption may be conditioned upon the occurrence or non-occurrence of a particular event, including, without limitation, the deposit with a Fiduciary of moneys sufficient to redeem all the Bonds called for redemption. In the case of any such conditional optional redemption (a "Conditional Redemption"), the corresponding notice of redemption shall state that (i) it is conditioned upon the occurrence or non-occurrence of a particular event, briefly

describing such event, or, if applicable, that it is conditioned on the deposit of moneys with a Fiduciary in an amount equal to the amount necessary to effect the redemption no later than the redemption date, and (ii) the City retains the right to rescind such notice on or prior to the scheduled redemption date, and such notice and Conditional Redemption shall be of no effect if the event described in clause (i) does not occur/occurs, as the case may be, or such moneys are not so deposited, as applicable, and the notice is rescinded as described in this paragraph. Any such notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption."

Any Conditional Redemption may be rescinded at any time prior to the redemption date if the Finance Director delivers a written direction to the Bond Registrar directing the Bond Registrar to rescind the redemption notice. The Bond Registrar shall give prompt notice of such rescission to the affected Bondholders. Any Series 2022 Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the City to make such funds available shall constitute an event of default under the Bond Resolution. The Bond Registrar shall give immediate notice to the securities information repositories and the affected Bondholders that the redemption did not occur and that the Series 2022 Bonds called for redemption and not so paid remain Outstanding.

Effect of Redemption.

On the date fixed for redemption, notice having been mailed in the manner and under the conditions described above, provided that such notice of redemption has not been rescinded as described above, the Series 2022 Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such redemption date. If on the date fixed for redemption money or Defeasance Obligations, or a combination of both, sufficient to pay the redemption price of the Series 2022 Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption, are held by a Depository in trust for the Holders of Series 2022 Bonds to be redeemed, interest on the Series 2022 Bonds called for redemption shall cease to accrue after the date fixed for redemption. Such Series 2022 Bonds shall cease to be entitled to any benefits or security under the Bond Resolution or to be deemed Outstanding and the Holders of such Series 2022 Bonds shall have no rights in respect thereof except to receive (i) payment of the redemption price thereof, plus accrued interest to the date of redemption and (ii) a new Series 2022 Bond for any unredeemed portion thereof, provided the notice of redemption for such Series 2022 Bonds has not been rescinded, as described above.

As long as a Book-Entry System for the Series 2022 Bonds is in effect, notices of redemption will be sent to DTC. DTC will be responsible for notifying the DTC Participants, which will in turn be responsible for notifying the Beneficial Owners. Any failure of DTC to notify any DTC Participant, or of any DTC Participant to notify the Beneficial Owner of any such notice, will not affect the validity of the redemption of the Series 2022 Bonds.

Book-Entry Only System

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE CITY BELIEVES TO BE RELIABLE, BUT THE CITY AND THE UNDERWRITER TAKE NO RESPONSIBILITY FOR THE ACCURACY OF SUCH INFORMATION.

DTC will act as securities depository for the Series 2022 Bonds. The Series 2022 Bonds will be issued as fully-registered securities registered in the name of Cede & Co., as DTC's partnership nominee, or such other name as may be requested by an authorized representative of DTC. One fully-registered

Series 2022 Bond certificate will be issued for each maturity of the Series 2022 Bonds, each in the aggregate principal amount of such maturity, as set forth on the inside cover page of this Limited Offering Memorandum, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over one hundred (100) countries that its participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants" and, together with Direct Participants, "DTC Participants"). DTC has a S&P Global Ratings, a division of Standard & Poor's Financial Services LLC, rating of AA+. The DTC rules applicable to the DTC Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2022 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2022 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2022 Bond ("Beneficial Owner") is in turn to be recorded on the DTC Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the DTC Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2022 Bonds are to be accomplished by entries made on the books of DTC Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2022 Bonds, except in the event that use of the book-entry system for the Series 2022 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2022 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2022 Bonds with DTC and their registration in the name of Cede & Co., or such other DTC nominee, will not effect any change in beneficial ownership of the Series 2022 Bonds. DTC has no knowledge of the actual Beneficial Owners of the Series 2022 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2022 Bonds are credited, which may or may not be the Beneficial Owners. The DTC Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by DTC Participants to Beneficial Owners, will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from

time to time. Beneficial Owners of Series 2022 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2022 Bonds, such as redemptions, defaults and proposed amendments to the documents securing the Series 2022 Bonds. For example, Beneficial Owners of the Series 2022 Bonds may wish to ascertain that the nominee holding the Series 2022 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of notices are provided directly to them.

Redemption notices shall be sent by the Bond Registrar to DTC. If less than all of the Series 2022 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2022 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2022 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2022 Bonds will be made to Cede & Co., or to such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by DTC Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, nor its nominee, the Paying Agent or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of DTC Participants.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the City only to DTC.

DTC may discontinue providing its services as securities depository with respect to the Series 2022 Bonds. Under such circumstances, in the event that a successor securities depository is not obtained, bond certificates representing the Series 2022 Bonds are required to be printed and delivered. The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates representing the Series 2022 Bonds will be printed and delivered. See "DESCRIPTION OF THE SERIES 2022 BONDS - Discontinuance of Securities Depository" herein.

SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE SOLE REGISTERED OWNER OF THE SERIES 2022 BONDS, THE CITY AND THE PAYING AGENT SHALL TREAT CEDE & CO. AS THE ONLY OWNER OF THE SERIES 2022 BONDS FOR ALL PURPOSES UNDER THE BOND RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF AND INTEREST ON THE SERIES 2022 BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE CITY

AND THE PAYING AGENT TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THE BOND RESOLUTION. THE CITY AND THE PAYING AGENT HAVE NO RESPONSIBILITY OR OBLIGATION TO THE DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (B) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE SERIES 2022 BONDS; (C) THE DELIVERY OR TIMELINESS OF DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE BOND RESOLUTION TO BE GIVEN TO BONDHOLDERS; OR (D) OTHER ACTION TAKEN BY DTC OR CEDE & CO., AS THE REGISTERED OWNER OF THE SERIES 2022 BONDS.

Discontinuance of Securities Depository

General

DTC may determine to discontinue its services as securities depository for the Series 2022 Bonds at any time by giving written notice to the City and the Bond Registrar and discharging its responsibilities with respect thereto under applicable law. In addition, the City, in its sole discretion and without the consent of any other person, may terminate the services of DTC or any successor securities depository for the Series 2022 Bonds if the City determines that the continuation of the system of book-entry-only transfers through such securities depository is not in the best interests of the Beneficial Owners of the Series 2022 Bonds or is burdensome to the City. Also, the City shall terminate the services of DTC or any successor securities depository for the Series 2022 Bonds upon receipt by the City and the Bond Registrar of written notice from the securities depository to the effect that (i) the depository is unable to discharge its responsibilities with respect to the Series 2022 Bonds; or (ii) a continuation of the requirement that the Series 2022 Bonds be registered in the registration books kept by the Bond Registrar in the name of the securities depository's nominee is not in the best interest of the Beneficial Owners of the Series 2022 Bonds.

In the event that the book-entry only system of registration for the Series 2022 Bonds is discontinued, the following provisions will apply:

Principal and Interest Payments

The principal of the Series 2022 Bonds shall be payable at the designated corporate trust office of the Bond Registrar upon the presentation and surrender of such Series 2022 Bonds as the same shall become due and payable. Interest on the Series 2022 Bonds is payable on any Interest Payment Date by check or draft mailed to the person in whose name such Series 2022 Bonds (or one or more Predecessor Bonds) is registered at the close of business on the Record Date for such Interest Payment Date; provided, however, that the Holder of Series 2022 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Holder to the bank account number on file with the Paying Agent, upon written request to the Paying Agent received prior to the Record Date preceding any Interest Payment Date. Such written request shall specify the bank (which shall be a bank within the continental United States) and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed by written notice to the Paying Agent received prior to the Record Date preceding any Interest Payment Date.

Registration, Transfer and Exchange

The Bond Registrar shall keep books for the registration, exchange and registration of transfer of Series 2022 Bonds as provided in the Bond Resolution. The Bond Registrar shall evidence acceptance of the duties, obligations and responsibilities of Bond Registrar by execution of the certificate of authentication on the Series 2022 Bonds. The transfer of any Series 2022 Bond may be registered only upon the books kept for the registration of transfer of Series 2022 Bonds upon surrender of such Series 2022 Bond to the Bond Registrar, together with an assignment duly executed by the Holder or such Holder's attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. The City shall execute and the Bond Registrar shall authenticate and deliver in exchange for such Series 2022 Bond a new registered Series 2022 Bond or Series 2022 Bonds, registered in the name of the transferee, of any denomination or denominations authorized by the Bond Resolution, in the aggregate principal amount equal to the principal amount of such Series 2022 Bond surrendered, of the same maturity and bearing interest at the same rate.

All Series 2022 Bonds surrendered in any such exchange or registration of transfer shall forthwith be cancelled by the Bond Registrar. No service charge shall be made for any registration of transfer or exchange of Series 2022 Bonds, but the City and the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Series 2022 Bonds. The Bond Registrar shall not be required (i) to register the transfer of or to exchange Series 2022 Bonds during a period beginning at the opening of business fifteen (15) days before the day of mailing of a notice of redemption of Series 2022 Bonds and ending at the close of business on the day of such mailing or (ii) to register the transfer of or to exchange any Series 2022 Bond so selected for redemption in whole or in part.

The City, the Paying Agent, the Bond Registrar and any other agent of the City may treat the person in whose name any Series 2022 Bond is registered on the books of the City kept by the Bond Registrar as the Holder of such Series 2022 Bond for the purpose of receiving payment of principal of and interest on such Series 2022 Bond, and for all other purposes whatsoever, whether such Series 2022 Bond be overdue and, to the extent permitted by law, neither the City, the Paying Agent, the Bond Registrar nor any such agent shall be affected by any notice to the contrary.

Mutilated, Destroyed, Stolen or Lost Bonds

In case any Series 2022 Bond shall become mutilated or be destroyed, stolen or lost, the City shall cause to be executed, and the Bond Registrar shall authenticate and deliver, a new Series 2022 Bond of like date and tenor in exchange and substitution for such mutilated Series 2022 Bond, or in lieu of and in substitution for such Series 2022 Bond destroyed, stolen or lost. The Holder shall pay the reasonable expenses and charges of the City and the Bond Registrar in connection therewith. In the case of a Series 2022 Bond destroyed, stolen or lost, the Holder shall file with the Bond Registrar evidence satisfactory to it and to the City that such Series 2022 Bond was (i) destroyed, stolen or lost and (ii) owned by such Holder, and shall furnish the City and the Bond Registrar indemnity satisfactory to them.

Every Series 2022 Bond issued pursuant to the provisions of the immediately preceding paragraph in exchange or substitution for any Series 2022 Bond that is mutilated, destroyed, stolen or lost shall constitute an additional contractual obligation of the City, whether the destroyed, stolen or lost Series 2022 Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits hereof equally and proportionately with any and all other Series 2022 Bonds duly issued under the Bond Resolution. All Series 2022 Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, stolen or lost

Series 2022 Bonds, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

SECURITY AND SOURCES OF PAYMENT

Pledged Revenues

Payment of the principal of and interest on the Series 2022 Bonds is payable solely from and secured by a lien on and pledge of the Pledged Revenues. Pledged Revenues consist of (i) the Special Assessments, (ii) moneys on deposit in the Funds and Accounts established under the Bond Resolution (except any rebate fund or account), and (iii) all Investment Earnings on such Funds and Accounts, on a parity with any Refunding Bonds hereafter issued. Notwithstanding the foregoing, if an Account is established in the Reserve Fund for a particular Series of Bonds, amounts on deposit in or to the credit of such Account shall constitute Pledged Revenues for, and secure only, the particular Series of Bonds for which such Account is established. See “SECURITY AND SOURCES OF PAYMENT - Reserve Fund” herein.

“Special Assessments” are defined in the Bond Resolution as the net proceeds (after payment of the costs of levy and collection) derived from the non-ad valorem assessments levied and collected against the lands and real estate within the Special Assessment Area, including interest and penalties on such assessments and any moneys received upon the foreclosure of the liens of such assessments or sales, if any, of tax deeds or tax certificates with respect to such assessments. The term “Special Assessments” is synonymous with the term “Underground Utility Line Assessments” or “UULA” used in the Ordinance and the Assessment Resolutions. See “SPECIAL ASSESSMENTS” herein.

“Special Assessment Area” is defined in the Bond Resolution as the land and real estate within Las Olas Isles which, pursuant to the Assessment Resolutions and the Assessment Methodology Report, the City has determined to be specially benefitted by the Project. See “APPENDIX C - City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021, supplementing the Town of Jupiter Inlet Colony Utility Undergrounding Assessment Methodology dated June 24, 2010.” The term “Special Assessment Area” is synonymous with the term “Underground Special Assessment Area” or “USAA” used in the Ordinance and the Assessment Resolutions and the terms “Las Olas Isles Neighborhood” and “Las Olas Isles Underground Special Assessment Area” used in the Assessment Resolutions.

Flow of Funds

Creation of Funds and Accounts

The Bond Resolution establishes (i) the “City of Fort Lauderdale Special Assessment Bonds (Las Olas Isles Undergrounding Project) Debt Service Fund” (the “Debt Service Fund”) and two accounts therein designated the “Principal and Interest Account” and the “Expense Account,” (ii) the “City of Fort Lauderdale Special Assessment Bonds (Las Olas Isles Undergrounding Project) Reserve Fund” (the “Reserve Fund”), and (iii) the “City of Fort Lauderdale Special Assessment Bonds (Las Olas Isles Undergrounding Project) Bond Redemption Fund” (the “Bond Redemption Fund”). The Debt Service Fund, the Reserve Fund and the Bond Redemption Fund shall be held in trust by the City for the benefit of the Holders of the Bonds, and any Credit Bank and/or Insurer providing a Credit Agreement or Insurance Policy, as applicable, for any Series of Bonds, all as provided in the Bond Resolution and the applicable Series Resolution.

The Bond Resolution also creates (i) the “City of Fort Lauderdale Special Assessment Bonds (Las Olas Isles Undergrounding Project) Revenue Fund” (the “Revenue Fund”), into which all revenues received, collected and derived from the Special Assessments in each Fiscal Year (after payment of the costs of levy and collection of such Special Assessments) will be immediately deposited or credited, and (ii) the “City of Fort Lauderdale Special Assessment Bonds (Las Olas Isles Undergrounding Project) Construction Fund” (the “Construction Fund”) and therein a Capitalized Interest Account, which Fund shall be for the purpose of paying all or any part of the Project Cost, including reimbursement to the City of funds advanced for Project Cost which may be reimbursed from proceeds of the Series 2022 Bonds pursuant to the Reimbursement Resolution, in the amount determined by the City in connection with the issuance of the Series 2022 Bonds. In addition, the City may create such other Funds and Accounts as may be necessary or advisable in connection with the issuance of the Series 2022 Bonds or as may be provided in a Series Resolution as it determines to be necessary or advisable in connection with the issuance of any Series of Bonds.

All moneys held in the Funds and Accounts, or any subfund or subaccount established by any Series Resolution, shall be held and applied only as provided in the Bond Resolution and, pending such application (except any rebate fund or account), such moneys shall be subject to a lien and charge in favor of the Holders of the Bonds, and any Credit Bank and/or Insurer providing a Credit Agreement or Insurance Policy, as applicable, for any Series of Bonds, all as provided in the Bond Resolution and the applicable Series Resolution.

Required Deposits to Funds and Accounts

The City shall transfer Pledged Revenues from the Revenue Fund to the Principal and Interest Account, the Reserve Fund and the Expense Account and apply the same to the payment of required interest on and the principal of the Bonds, the required deposits, if any, to the Reserve Fund and the fees and expenses payable from the Expense Account, all in accordance with the provisions of the Bond Resolution or as otherwise provided in the related Series Resolution; provided that the insufficiency of the Pledged Revenues to cure any deficiency in the Reserve Fund shall not constitute an Event of Default so long as the Special Assessments are being levied by the City at the maximum rate authorized by the Assessment Resolutions. Pursuant to the Assessment Resolutions, the City will levy and collect Special Assessments for the payment of Principal and Interest Requirements on the Series 2022 Bonds commencing in Fiscal Year 2023. Any Principal and Interest Requirements due on the Series 2022 Bonds during Fiscal Year 2022 will be paid from Special Assessments collected prior to Fiscal Year 2023 pursuant to the Initial Assessment Proceedings.

On or before the twenty-fifth (25th) day of each month, commencing with the month in which the Series 2022 Bonds are issued (or if the Series 2022 Bonds are issued after the twenty-fifth (25th) day of the month, then commencing with the month immediately following the month in which the Series 2022 Bonds are issued), the Finance Director shall withdraw from the Revenue Fund an amount equal to the amount then held for the credit of the Revenue Fund or such lesser amount as shall be required to fund the deposit requirements set forth in clauses (a), (b), (c) and (d) below, and apply the moneys so withdrawn to make the following payments and deposits in the following order:

- (a) Deposit to the credit of the Principal and Interest Account an amount equal to the interest becoming due on the Bonds on the next two (2) semiannual Interest Payment Dates; provided, however, that the amount so deposited on account of interest in each month after the delivery of the Bonds of any Series up to and including the month immediately preceding the first Interest Payment Date thereafter of the Bonds of such Series shall be that amount that when multiplied by the number of such deposits will be equal to the amount of interest payable on such

Bonds on their first Interest Payment Date less the amount of any accrued interest paid on such Bonds and deposited to the credit of the Principal and Interest Account.

(b) Deposit to the credit of the Principal and Interest Account an amount equal to the sum of (i) the principal of Serial Bonds that will mature and become due on the next annual maturity date that is within one calendar year of the deposit date and (ii) the Amortization Requirements that will become due and payable on the next mandatory sinking fund redemption date that is within one calendar year of the deposit date, such deposits to commence in such month or to be adjusted in such amounts as will ensure that on the dates such principal or Amortization Requirements are due and payable, sufficient moneys will be on deposit in the Principal and Interest Account.

Notwithstanding the foregoing, moneys shall not be required to be deposited to the credit of the Principal and Interest Account (1) pursuant to clause (a) above (i) to the extent of any amounts available in the Capitalized Interest Account to pay interest on the Bonds or (ii) if the amount then to the credit of the Principal and Interest Account is equal to the interest becoming due and payable on the Bonds on the next two (2) Interest Payment Dates (without taking into account any moneys deposited into the Principal and Interest Account for the payment of principal of Serial Bonds or Amortization Requirements of Term Bonds.), and (2) pursuant to clause (b) above if the amount then to the credit of the Principal and Interest Account is equal to the sum of (i) the principal of Serial Bonds maturing on the next maturity date and (ii) the Amortization Requirement on the next mandatory sinking fund redemption date on account of the Term Bonds Outstanding (without taking into account any moneys deposited into the Principal and Interest Account for the payment of interest on Bonds Outstanding).

(c) To the extent that Pledged Revenues remain in the Revenue Fund after making the deposits required by clauses (a) and (b) above, deposit to the credit of the Reserve Fund such sums as shall be necessary to make the amount on deposit in the Reserve Fund or any Account therein (including any Reserve Fund Insurance Policy or Reserve Fund Letter of Credit) equal to the Reserve Fund Requirement for the Bonds; provided however, that no payments shall be required to be made into the Reserve Fund or any Account therein whenever and as long as the amount deposited therein (including any Reserve Fund Insurance Policy or Reserve Fund Letter of Credit) shall be equal to the Reserve Fund Requirement for all Series of Bonds for which a Reserve Fund Requirement has been established.

Notwithstanding the foregoing provisions, in lieu of or in substitution for the required deposits, if any (including existing deposits), into the Reserve Fund, the City may cause to be deposited into the Reserve Fund or any Account therein for any Series of Bonds, a Reserve Fund Insurance Policy or a Reserve Fund Letter of Credit for the benefit of the holders of the Bonds in an amount equal to the difference between the Reserve Fund Requirement and the sums to remain on deposit in the Reserve Fund or any Account therein for any Series of Bonds, after the deposit of such Reserve Fund Insurance Policy or Reserve Fund Letter of Credit, if any, which Reserve Fund Insurance Policy or Reserve Fund Letter of Credit shall be payable or available to be drawn upon, as the case may be (upon the giving of notice as required thereunder), on any Interest Payment Date on which a deficiency exists with respect to the Bonds which cannot be cured by moneys in the Funds or Accounts, including the Reserve Fund or any Account therein for any Series of Bonds, and available for such purpose. If a disbursement is made under a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit, the City shall be obligated to either reinstate the maximum limits of such Reserve Fund Insurance Policy or Reserve Fund Letter of Credit within twelve (12) months following such disbursement or to deposit into the Reserve

Fund, or Account therein where such Reserve Fund Insurance Policy or Reserve Fund Letter of Credit is held, as provided in the next paragraph, funds in the amount of the disbursements made under such Reserve Fund Insurance Policy or Reserve Fund Letter of Credit, or a combination of such alternatives; provided, however, that the City shall be so obligated only to the extent that it has available Pledged Revenues to comply with the foregoing provision.

In the event that any moneys shall be withdrawn from the Reserve Fund or any Account therein for any Series of Bonds for payments into the Principal and Interest Account, such withdrawals shall be subsequently restored in the manner described in the first paragraph of this clause (c) from the Pledged Revenues available after all required payments have been made into the Principal and Interest Account, including any deficiencies for prior payments, unless restored by the reinstatement of the maximum limits of a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit.

In the event that a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit shall be drawn upon, the principal portion of the related payment obligations to the issuer of such Reserve Fund Insurance Policy or Reserve Fund Letter of Credit shall be paid after all required payments have been made to the Principal and Interest Account, including any deficiencies for prior payments, in accordance with the terms of any agreement between the City and such issuer, but prior to making any cash deposit to the Reserve Fund, or any Account therein for any Series of Bonds, to which the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit relates, provided that such Reserve Fund Insurance Policy or Reserve Fund Letter of Credit is reinstated in the amount of such payment concurrently with the receipt of such payment by the issuer thereof.

(d) Any balance remaining after satisfying the requirements of clauses (a), (b) and (c) above shall be deposited to the credit of the Expense Account in an amount sufficient to pay (i) the fees, interest and other amounts owing any issuer of a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit, (ii) any fees and expenses of Fiduciaries or other administrative fees and expenses coming due in such month with respect to any Series of Bonds, and (iii) any costs of issuance of a Series of Bonds that remain to be paid.

Subject to the following sentence, the balance, if any, remaining to the credit of the Revenue Fund after making the withdrawals and fully satisfying all the deposit requirements mentioned in clauses (a), (b), (c) and (d) above for any Fiscal Year shall be retained therein and applied to the next Fiscal Year's funding requirements. At its option, the City may withdraw any such balance remaining in the Revenue Fund which is not otherwise required to be deposited pursuant to clauses (a) through (d) above and deposit such moneys to the credit of the Bond Redemption Fund for the redemption of all or a portion of the Bonds.

Reserve Fund

The Bond Resolution provides that the Reserve Fund shall be funded in an amount equal to the Reserve Fund Requirement. "Reserve Fund Requirement" is defined in the Bond Resolution as, for each Series of Bonds, unless a different requirement shall be specified in the Series Resolution for such Series of Bonds, an amount equal to the least of (i) the maximum annual Principal and Interest Requirements for the Outstanding Bonds of such Series, (ii) 125% of the average annual Principal and Interest Requirements for the Outstanding Bonds of such Series, (iii) 10% of the original proceeds (within the meaning of the Code) of the Outstanding Bonds of such Series or (iv) such lesser amount, which amount may be \$0.00, as shall be determined by the City, as set forth in the Bond Purchase Agreement or the Details Certificate of the City Manager for such Series of Bonds. The Reserve Fund Requirement for the Series 2022 Bonds is \$ _____, which represents [the maximum annual Principal and Interest Requirements for

the Series 2022 Bonds, occurring in Fiscal Year 20____.] The Reserve Fund Requirement for the Series 2022 Bonds will be funded with proceeds of the Series 2022 Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS” herein.

Upon the issuance of any Refunding Bonds, the City shall determine whether to fund the Reserve Fund or any Account therein to secure such Refunding Bonds and if it determines to so fund the Reserve Fund or any Account therein, the City shall also determine the Reserve Fund Requirement amount. In lieu of or in substitution for the deposit of Refunding Bond proceeds into the Reserve Fund, the City may cause to be deposited into the Reserve Fund or any Account therein for any Refunding Bonds, a Reserve Fund Insurance Policy or a Reserve Fund Letter of Credit for the benefit of the holders of such Refunding Bonds. The City may also substitute a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit for any cash on deposit in the Reserve Fund at any time in accordance with the terms of the Bond Resolution. See “APPENDIX E - The Bond Resolution” for more information regarding Reserve Fund Insurance Policies and Reserve Fund Letters of Credit.

Unless otherwise provided in the Series Resolution for a Series of Bonds for which a Reserve Fund Requirement has been established, not later than the Business Day immediately preceding each Interest Payment Date for any Series of Bonds then Outstanding for which a Reserve Fund Requirement has been established, the City shall (i) transfer from the Reserve Fund or the applicable Account therein to the Principal and Interest Account, or (ii) draw upon any corresponding Reserve Fund Insurance Policy or Reserve Fund Letter of Credit in accordance with their terms,

(a) if such Interest Payment Date is not a principal payment date, the amount, if any, required to increase the amount then held to the credit of the Principal and Interest Account for the payment of interest on such Bonds to an amount equal to the amount of interest scheduled to become due on such date with respect to such Bonds; and

(b) if such Interest Payment Date is also a principal payment date, the amount under (a) above plus the amount, if any, required to increase the amount then held for the credit of the Principal and Interest Account for the payment of principal of or Amortization Requirements on the Bonds to an amount equal to the sum of (i) the aggregate principal amount of the Serial Bonds that will become due and payable on such date, and (ii) the amount of the Amortization Requirement for the Term Bonds of such Series of Bonds that will become due and payable on such date.

If the amount transferred from the Reserve Fund or the applicable Account therein to the Principal and Interest Account pursuant to the foregoing subsections (a) and (b) shall be less than the amount required to be transferred under such provisions, any amount thereafter deposited to the credit of the Reserve Fund or any Account therein, as applicable, shall be immediately transferred to the Principal and Interest Account, as and to the extent required, to make up any such deficiency.

Moneys in the Reserve Fund and Reserve Fund Insurance Policies and Reserve Fund Letters of Credit are available to be drawn upon pursuant to the provisions of the Bond Resolution and are pledged as security only. If an Account has been established in the Reserve Fund for a particular Series of Bonds, moneys in such Account of the Reserve Fund shall be available to be drawn upon pursuant to the provisions of the Bond Resolution and are solely pledged as security for, and shall be used only for the purpose of making payments of principal of and interest on the Series of Bonds to which such Account relates and only when all moneys in the Funds or Accounts held pursuant to the Bond Resolution and available for such purpose are insufficient therefor. Moneys in the Reserve Fund or any Account therein shall also be used to make payments to the issuers of Reserve Fund Insurance Policies and Reserve Fund

Letters of Credit on deposit in such Fund or Account in connection with a draw on such Reserve Fund Insurance Policy or Reserve Fund Letter of Credit (excluding, however, any interest obligation that may accrue relating to such draw). All cash on deposit in the Reserve Fund or any Account therein shall be utilized prior to drawing under a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit on deposit therein.

After valuation pursuant to the provisions of the Bond Resolution, any moneys in the Reserve Fund or any Account therein in excess of the Reserve Fund Requirement for the Bonds secured by the Reserve Fund or separate Account therein, as applicable, shall be transferred to and deposited in the Principal and Interest Account; provided, however, that any moneys in the Reserve Fund or separate Account therein in excess of the Reserve Fund Requirement for the Bonds secured by the Reserve Fund or separate Account therein, as applicable, as a result of the substitution of a Reserve Fund Insurance Policy or a Reserve Fund Letter of Credit for money on deposit in such Fund or Account may, at the discretion of the City, be deposited into the Bond Redemption Fund and used by the City to redeem Bonds secured by the Reserve Fund or separate Account therein, as applicable.

See “APPENDIX E - The Bond Resolution” for a detailed description of the requirements relating to the Reserve Fund, including the deposit into the Reserve Fund or a separate Account therein of a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit in connection with the issuance of a Series of Bonds. The Series 2022 Bonds are the first Series of Bonds issued under the Bond Resolution.

No Additional Bonds

Except for the issuance of Refunding Bonds, the Bond Resolution does not authorize the issuance of any additional Bonds.

Refunding Bonds

One or more Series of Refunding Bonds of the City may be issued under and secured by the Bond Resolution, on a parity as to the pledge of the Pledged Revenues with the Bonds theretofore issued under and secured by the Bond Resolution and then Outstanding, including the Series 2022 Bonds. Refunding Bonds shall be issued for the purpose of providing funds for refunding all or any Bonds of any one or more Series of Bonds then Outstanding, including the payment of any redemption premium thereon and interest that will accrue on such Bonds to the redemption date or stated maturity date or dates, funding any funds and accounts under the Bond Resolution and paying any expenses in connection with such refunding and for any related lawful purpose.

Before any Refunding Bonds shall be issued under the provisions of the Bond Resolution, the City Commission shall adopt a Series Resolution authorizing the issuance of such Refunding Bonds and Assessment Resolutions, as needed, relating to the Special Assessments to be collected as part of the Pledged Revenues for such Refunding Bonds. In addition, before such Refunding Bonds shall be delivered, there shall be filed with the City Manager, among other things, the following:

- (a) an opinion of Bond Counsel to the effect that (i) the Bond Resolution and the Series Resolution authorizing the issuance of the Refunding Bonds have been duly adopted by the City Commission and are in full force and effect and enforceable in accordance with their terms, (ii) the issuance of the Refunding Bonds has been duly and validly authorized, (iii) the Pledged Revenues have been lawfully pledged, to the extent described in the Bond Resolution, for the payment of the Refunding Bonds, (iv) the Refunding Bonds constitute special obligations of the City payable in accordance with the provisions of the Bond Resolution and (v) to the extent that

the Refunding Bonds are being issued as tax-exempt Bonds, the interest on such Refunding Bonds is excluded from gross income for federal income tax purposes; provided, however, that such opinion may take exception for limitations imposed by or resulting from bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights and judicial discretion;

(b) an opinion of the City Attorney to the effect that (i) the Ordinance has been duly enacted by the City Commission, (ii) the Assessment Resolutions, the Bond Resolution and the Series Resolution for the Refunding Bonds have been duly adopted by the City Commission, and (iii) all conditions precedent to the delivery of the Refunding Bonds have been fulfilled;

(c) a certificate of the Finance Director to the effect that: (i) the annual Principal and Interest Requirements for the Refunding Bonds each year while such Refunding Bonds are to be Outstanding, together with all costs of levying and collecting Special Assessments in each such year, do not exceed the maximum Special Assessments that the City is authorized to levy and collect pursuant to the Assessment Resolutions or any other assessment proceeding then in effect for the Refunding Bonds, (ii) the aggregate Principal and Interest Requirements for the Refunding Bonds is less than the aggregate Principal and Interest Requirement for the Bonds being refunded, and (iii) no Event of Default, and no event which with the passage of time, the giving of notice or both would become an Event of Default, has occurred within the twelve (12) consecutive calendar months prior to the date of such certificate and is continuing or, if an Event of Default has occurred and is continuing, that such event would be cured as a result of the issuance of such Refunding Bonds; and

(d) if the Bonds to be refunded do not mature or are not being redeemed on the date of delivery of the Refunding Bonds, a written verification of a Verification Agent that the proceeds (excluding accrued interest) of such Refunding Bonds, together with any other available money, deposited with a Depositary, acting as escrow agent solely for the Holders of such Bonds to be refunded, and the interest that shall accrue upon any Defeasance Obligations acquired in connection with such refunding, shall be not less than an amount sufficient to pay the principal of and the redemption premium, if any, on the Bonds to be refunded and the interest that will accrue thereon to the respective redemption and/or maturity dates, as applicable.

Investments

Moneys held for credit of the Funds and Accounts under the Bond Resolution, other than the Reserve Fund, as nearly as may be practicable, shall be invested and reinvested in Investment Obligations that shall mature, or that shall be subject to redemption at the option of the holder thereof, at the times required and not in any event later than the date, estimated by the Finance Director, when the moneys therein will be required from time to time for the purposes intended. Moneys held for the credit of the Reserve Fund shall be invested and reinvested in Investment Obligations having an average weighted term to maturity of not greater than five (5) years.

Investment Obligations acquired with moneys and credited to any Fund or Account held by or under the control of the City, while so held, shall be deemed at all times to be part of such Fund or Account in which such moneys were originally held, and the interest accruing thereon and any profit or loss realized upon the disposition or maturity of such investment shall be credited to or charged against such Fund or Account. The Finance Director or the Paying Agent, upon direction of the Finance Director, shall sell or cause to be sold at the best price obtainable or reduce to cash a sufficient amount of such Investment Obligations whenever it shall be necessary to do so in order to provide moneys to make any payment or transfer of moneys from any Fund or Account.

Investment Earnings shall be retained in the Fund or Account in which such Investment Earnings are earned; provided, however, that prior to the Completion Date of the Project, if the amount in the Reserve Fund is at least equal to the Reserve Fund Requirement for the Outstanding Bonds and the amounts on deposit in the Principal and Interest Account is sufficient to make the next debt service payment on the Bonds, Investment Earnings in the Reserve Fund shall be transferred to the Construction Fund to the extent needed to pay Project Cost as set forth in the Bond Resolution. Otherwise, any such Investment Earnings shall be transferred to the Revenue Fund.

“Investment Obligations” are defined in the Bond Resolution as, to the extent permitted by law, those investments authorized by the City’s investment policy adopted by the City Commission on September 6, 2000, as amended by the City Commission on July 9, 2019, and as the same may be further amended from time to time.

The objectives of the City’s current investment policy, listed in order of importance, are:

1. Safety of principal,
2. Maintenance of liquidity, and
3. Return on investment.

The investment policy limits the types of investments eligible for inclusion in the City’s portfolio. The investment policy also establishes criteria for suitable financial institutions and broker-dealers with which the City will conduct business. Internal investment controls and procedures are provided in the policy as are bidding requirements.

To enhance safety, the investment policy requires the diversification of the portfolio to reduce the risk of loss resulting from over-concentration of assets in a specific class of security. The investment policy provides guidelines for diversification, setting forth suggested percentages for the various allowable investments. The policy also provides maturity and liquidity requirements for investments. The responsibility for providing oversight and direction in regard to the management of the City’s investment program resides with the Finance Director. The management responsibility for all City funds in the investment program and investment transactions is delegated to the City’s Treasurer.

The City’s investment policy may be modified by the City Commission from time to time. For more detailed information relating to the City’s investment policy, see “INVESTMENT POLICY” herein.

Limited Liability

The Series 2022 Bonds are secured by and payable solely from the Pledged Revenues, as provided in the Bond Resolution. The Series 2022 Bonds shall not be deemed to constitute a pledge of the faith and credit of the State or of any political subdivision thereof, or the City. Neither the faith and credit of the State or any political subdivision, municipality or agency thereof nor the faith and credit of the City are pledged to the payment of the principal of or interest on the Series 2022 Bonds, and the issuance of the Series 2022 Bonds shall not directly or indirectly or contingently obligate the State or any political subdivision, municipality or agency thereof, or the City to levy any taxes whatever therefor or to make any appropriation for their payment, except from the Pledged Revenues to the extent provided for under the Bond Resolution. See “APPENDIX E - The Bond Resolution.”

Amendments to Bond Resolution

Certain amendments may be made to the Bond Resolution without the consent of Holders of the Bonds. Such amendments include, but are not limited to, amendments that: cure ambiguities, confer additional rights upon the Holders of Bonds, add to the conditions, limitations or restrictions to be observed by the City, and otherwise do not materially adversely affect the security for the Bonds. The City may make certain other amendments to the Bond Resolution with the consent of not less than a majority in aggregate principal amount of Bonds then Outstanding. If a Credit Facility or Insurance Policy secures any Bonds and the Credit Bank or Insurer, as the case may be, is not in default under such instrument, the Credit Bank or Insurer will be treated as the Holder of such Bonds for purposes of consenting to amendments that require Bondholder consent. See “APPENDIX E - The Bond Resolution.”

Other Covenants

The City has made certain other covenants and agreements in the Bond Resolution for the benefit of Bondholders concerning several matters, including but not limited to, covenants relating to levying and collecting the Special Assessments, including enforcement to collect delinquent Special Assessments, maintaining adequate books and records and providing continuing disclosure. See “APPENDIX E - The Bond Resolution,” including particularly Article VI thereof, for these and other provisions affecting the City, the Bonds and the rights of the Bondholders.

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DEBT SERVICE SCHEDULE

Set forth below are the Principal and Interest Requirements for the Series 2022 Bonds.

<u>Fiscal Year Ending</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$	\$	\$
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____

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SPECIAL ASSESSMENTS

Capitalized terms used but not defined in this section that are not defined terms from the Bond Resolution, shall have the meaning ascribed to such terms in the Ordinance or the Amended and Restated Declaration Resolution.

General

On May 18, 2010, the City Commission enacted Ordinance No. C-10-12 (the “Original Ordinance”) to establish procedures for the imposition, levying and collection of special assessments to finance Underground Utility Line Facilities and services to local areas within the City. The Original Ordinance provides for a rate of assessment based on the special benefit accruing to each Assessed Property in the benefitted local area from the provision of Underground Utility Line Facilities. On October 2, 2012, the City Commission enacted Ordinance No. C-12-37 (the “Amending Ordinance” and, together with the Original Ordinance, the “Ordinance”). The Ordinance has been codified in Chapter 25, Article IV, Division 2 of the City’s Code of Ordinances.

Pursuant to the provisions of the Original Ordinance, on May 12, 2011, the Las Olas Isles Home Owners Association initiated the process for instituting Underground Utility Line Assessments for Las Olas Isles, in compliance with Section 25-129.4 of the City’s Code of Ordinances, by filing an application with the City to request undergrounding. Following such application, the City Clerk mailed ballots to the property owners listed on the tax roll within the proposed Underground Utility Assessment Area on May 24, 2019 and confirmed that 89.86% of the ballots received by June 24, 2019 voted in favor of the proposed Underground Utility Line Assessment. Thereafter, the City began the process of planning for the implementation of undergrounding throughout Las Olas Isles and providing for the cost of such undergrounding to be financed by an Underground Utility Line Assessment on each Parcel in Las Olas Isles.

Prior to the imposition of Underground Utility Line Assessments, the Ordinance requires that certain processes be completed, including, without limitation, adoption of a Declaration Resolution that, among other things, (a) describes the proposed Underground Utility Line Facilities, (b) identifies the boundaries of the Underground Special Assessment Area, including the street or streets where the existing utility lines are located and the location for the proposed Underground Utility Line Facilities, (c) determines (i) the total estimated Underground Utility Line Assessed Cost and the portion of such cost to be paid with an Underground Utility Line Assessment, (ii) the method of apportioning the Underground Utility Line Assessed Cost, (iii) the computation of the Underground Utility Line Assessment for each Parcel, (iv) the manner in which the Underground Utility Line Assessment shall be made, and (v) when the Underground Utility Line Assessment shall be paid, (d) directs the preparation of an Assessment Roll, (e) authorizes a public hearing, and (f) directs the provision of a published and mailed notice of the public hearing.

On July 9, 2019, the City Commission adopted Resolution No. 19-123 (the “Initial Declaration Resolution”), in accordance with the requirements of the Ordinance, declaring the City’s intent to install Underground Utility Line Facilities in Las Olas Isles, describing the Underground Utility Line Facilities proposed to be provided and stating the intent to impose the Underground Utility Line Assessment on Parcels specially benefitted, among other things. The Initial Declaration Resolution, among other things, provided the estimated Underground Utility Line Assessed Cost for the Project, described the method of apportionment of Project Cost, and authorized the date, time and place of a public hearing to consider the adoption of the Final Assessment Resolution, all in accordance with the provisions of the Ordinance. On September 12, 2019, the City Commission held a public hearing at which it heard or received written objections of interested persons to the imposition of the Underground Utility Line Assessments in Las Olas

Isles and related matters addressed in the Initial Declaration Resolution. After such public hearing, the City Commission adopted Resolution No. 19-165, which constituted the Final Assessment Resolution required by the Ordinance, based on the Initial Declaration Resolution (the “Original Final Assessment Resolution”).

The Original Final Assessment Resolution included approval of the Initial Assessment Roll, established in the Initial Declaration Resolution, as the Assessment Roll. The City Commission also determined under the Original Final Assessment Resolution that the Underground Utility Line Assessment to be imposed in accordance with such resolution provided an equitable method of funding the Project Cost of the Las Olas Isles Underground Utility Line Facilities Project by fairly and reasonably allocating the cost based on the special benefit derived by Assessed Properties, in the manner described in the Original Final Assessment Resolution. Pursuant to the Initial Declaration Resolution and the Original Final Assessment Resolution (collectively, the “Initial Assessment Proceedings”), the City has imposed and collected Underground Utility Line Assessments on the Assessed Properties for Fiscal Years 2020 and 2021. Further, pursuant to the Initial Assessment Proceedings, the City has collected, and will continue to collect, Underground Utility Line Assessments on the Assessed Properties for Fiscal Year 2022. The City expects to apply the Underground Utility Line Assessments imposed and collected pursuant to the Initial Assessment Proceedings in Fiscal Years 2020 through 2022, prior to the sale of the Series 2022 Bonds, to reduce the portion of the Project Cost of the Las Olas Isles Underground Utility Line Facilities Project that is to be financed with proceeds of the Series 2022 Bonds. See “PURPOSE OF THE ISSUE - The Project” herein.

As a result of the passage of time since adoption of the Initial Declaration Resolution, and based on the current assessment of specific bids received by the City for the construction of the Las Olas Isles Underground Utility Line Facilities Project, the City determined that the final estimated cost of the Las Olas Isles Underground Utility Line Facilities Project should be increased from the initial estimated cost estimate of \$7.7 million (excluding financing costs) stated in the Initial Declaration Resolution to approximately \$9 million (including financing costs). In addition, the City determined that certain requirements contained in the Ordinance for the imposition of Underground Utility Line Assessments, including, without limitation, the method of apportioning the Underground Utility Line Assessed Cost and the computation of the Underground Utility Line Assessment for each Parcel, should be further analyzed and reaffirmed for the Special Assessments that will constitute a portion of the Pledged Revenues.

To adequately provide for the new estimated Project Cost and approve the assessment methodology for the Underground Utility Line Assessments to be imposed for the Las Olas Isles Underground Utility Line Facilities Project to be financed with proceeds of the Series 2022 Bonds, and in order to implement the assessment methodology and apportion the Project Cost among the Assessed Properties, in accordance with an updated analysis of such costs, methodology and apportionment, the City determined that it was necessary to amend and restate the Initial Declaration Resolution in its entirety through the adoption on September 13, 2021 of the Amended and Restated Declaration Resolution. See “APPENDIX B - The Ordinance, Amended and Restated Declaration Resolution and Final Assessment Resolution (without Appendices and Exhibits).”

Based on the Assessment Methodology Report attached to the Amended and Restated Declaration Resolution as Appendix B, the City Commission determined, among other things to (a) amend the Underground Utility Line Assessed Cost for the Las Olas Isles Underground Utility Line Facilities Project to approximately \$9 million, (b) authorize the Underground Utility Line Assessments already imposed and collected pursuant to the Initial Assessment Proceedings in Fiscal Years 2020 and 2021, and to be collected in Fiscal Year 2022, and on deposit with the City, to be applied to reduce the portion of the Project Cost to be financed with proceeds of the Series 2022 Bonds, (c) affirm that Underground Utility Line Assessments shall (i) be imposed against all Tax Parcels within the Las Olas Isles Underground Special

Assessment Area for each Fiscal Year in which the Series 2022 Bonds remain outstanding, (ii) be computed and apportioned for each Fiscal Year as described in the Assessment Methodology Report, (iii) constitute a lien upon each Tax Parcels pursuant to the Ordinance, and (iv) be collected on the ad valorem tax bill in the manner authorized by the Uniform Assessment Collection Act. For a description of the assessment methodology for the Special Assessments, as approved in the Amended and Restated Declaration Resolution, see “APPENDIX C - City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021, supplementing the Town of Jupiter Inlet Colony Utility Undergrounding Assessment Methodology dated June 24, 2010.”

The Amended and Restated Declaration Resolution also directs the City Manager to prepare, or cause to be prepared, an Assessment Roll for each subsequent Fiscal Year in the manner provided in the Ordinance. The Assessment Roll for each Fiscal Year shall include all Tax Parcels within the Las Olas Isles Underground Special Assessment Area and the City Manager is directed to apportion the estimated Project Cost to be recovered through Underground Utility Line Assessments in the manner set forth in the Final Assessment Resolution.

In addition to providing, among other things, the estimated Underground Utility Line Assessed Cost for the Project and the description of the method of apportionment of Project Cost, the Amended and Restated Declaration Resolution (i) ascertained, determined, and declared that the method of determining the Underground Utility Line Assessment for the Las Olas Isles Underground Utility Line Facilities Project, as set forth in the Amended and Restated Declaration Resolution, is a fair and reasonable method of apportioning the Project Cost among parcels of Assessed Property located within the Las Olas Isles Underground Special Assessment Area, and (ii) authorized the date, time and place of a public hearing to consider the adoption of the Final Assessment Resolution related thereto, all in accordance with the provisions of the Ordinance.

On October 21, 2021, the City Commission held a public hearing at which it heard or received written objections of interested persons to the imposition of the Underground Utility Line Assessments in Las Olas Isles and related matters addressed in the Amended and Restated Declaration Resolution. After such public hearing, the City Commission adopted Resolution No. 21-237, which constituted the Final Assessment Resolution required by the Ordinance, based on the Amended and Restated Declaration Resolution (the “Final Assessment Resolution”). The Final Assessment Resolution approves the Assessment Roll for the Amended and Restated Declaration Resolution and finds that the parcels of Assessed Property described in the Amended and Restated Declaration Resolution receive a special benefit from the provision of the Underground Utility Line Facilities described in the Amended and Restated Declaration Resolution, in the amount at least equal to of the Underground Utility Line Assessment set forth in the Assessment Roll. Adoption of the Final Assessment Resolution constituted a legislative determination that all Parcels assessed in Las Olas Isles derive a special benefit in a manner consistent with the legislative declarations, determinations and findings set forth in the Ordinance and the Amended and Restated Declaration Resolution from the Underground Utility Line Facilities to be provided. The Final Assessment Resolution also establishes a legislative determination that the Underground Utility Line Assessments are fairly and reasonably apportioned among the properties that receive the special benefit, as set forth in the Amended and Restated Declaration Resolution.

The Final Assessment Resolution governs the levy and collection of Special Assessments, beginning on October 1, 2022, and for a period of not to exceed twenty-seven (27) years, in the amount not to exceed \$2,020 per Equivalent Benefit Unit. See “SPECIAL ASSESSMENTS - Assessment Methodology Report - Special Benefit” herein. The Final Assessment Resolution also provides that during the City’s budget adoption process and prior to September 15th of each year, the City Commission may adopt assessment resolutions for each Fiscal Year in which Underground Utility Line Assessments will be imposed to set the rate of assessment and approve the Assessment Roll for such Fiscal Year.

Assessment Methodology Report

General

In connection with the adoption of the Initial Declaration Resolution, the City decided that the methodology to determine the special benefit created by implementation of the Las Olas Isles Underground Utility Line Facilities Project and the apportionment of such benefit to Parcels in Las Olas Isles should be the same as the methodology used in the report prepared for the Town of Jupiter Inlet Colony for its utility undergrounding program (the “Initial Methodology Report”). Such decision was based on the similarities of the Las Olas Isles Underground Special Assessment Area to the Town of Jupiter Inlet Colony underground special assessment area. The similarities include, without limitation, the fact that the undergrounding project for each municipality was in a neighborhood consisting primarily or entirely of single-family residential properties with similar characteristics and aesthetics. As a result, the Initial Methodology Report, prepared for the Town of Jupiter Inlet Colony utility undergrounding program, was attached as Appendix B to the Initial Declaration Resolution to describe the assessment methodology that would be used to determine and apportion the special benefit ascertained in the Initial Declaration Resolution to be received by each Parcel from the Las Olas Isles Underground Utility Line Facilities Project.

In connection with the approval of the Special Assessments that shall constitute a portion of the Pledged Revenues, the City retained Stantec Consulting Services Inc. (the “Engineering and Financial Consultant”) to analyze the assessment methodology adopted by the City in the Initial Declaration Resolution. The City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021, prepared by the Engineering and Financial Consultant supplements the Initial Methodology Report (collectively, the “Assessment Methodology Report”) by affirming the general methodology for determining and apportioning the benefit conferred by the Las Olas Isles Underground Utility Line Facilities Project, expanding upon the description of the methodology and applying various components of the methodology to the specific characteristics of Las Olas Isles.

The Assessment Methodology Report determines that the annual costs to be recovered in the Special Assessment applicable to implementation of the Las Olas Isles Underground Utility Line Facilities Project are comprised of three (3) distinct components. Such components are summarized as follows:

- (a) “Annual Debt Service Amount,” which represents the annual amount associated with principal and interest repayment on the initial construction and purchase cost of the infrastructure;
- (b) “Annual Administration Amount and Collection Amount,” which represents the administration and collection of the Special Assessments for Las Olas Isles, including reasonable contingencies; and
- (c) “Annual Statutory Discount,” which represents five percent (5.0%) of the annual Special Assessment amount. Such percentage accounts for the anticipated collection rate and is in the amount of the maximum discount for early tax payment.

The sum of the three (3) cost components represents the total amount of revenue required to be collected annually as the Special Assessment. Pursuant to the terms of the Assessment Resolutions, the amount of the Special Assessment is to be recalculated on an annual basis. Once established, the total annual revenue requirement becomes the amount that will be proportioned to the benefitting properties, using the methodology set forth in the Assessment Methodology Report, based on the benefits received by each Parcel in the Las Olas Isles Underground Special Assessment Area.

Special Benefit

The Assessment Methodology Report determines that implementation of the Las Olas Isles Underground Utility Line Facilities Project will benefit each Parcel in Las Olas Isles through three (3) primary means, improvements in reliability, safety and aesthetics. Such improvements are generally described as follows:

**Benefits Conferred By Las Olas Isles
Underground Utility Lines Facilities Project**

<u>Benefit Type</u>	<u>General Benefit</u>	<u>Benefit Conferred to Each Parcel</u>
Reliability	– Less frequent outages and lower duration outages	(1)
	– Protecting the utility facilities in Las Olas Isles from damage due to vehicular impact	(2)
	– Providing an environment that has a better chance of maintaining utility services during and after extreme weather conditions	(3)
	– Providing greater reliability under normal conditions	(3)
	– Facilitating fewer wind outages with lower costs to utility providers for restoration outages due to wind, translating into lower costs for utility customers	(3)
Safety	– Greatly reducing chance of personal injury or death from utility lines and poles hazards	(1)
	– Improving visibility along public rights-of-way	(4)
	– Reducing obstructions in the path of vehicles driving off of a right-of-way	(3)
Aesthetics	– Improving the aesthetics of an area by removing above-ground utility poles, lines and above-ground appurtenances from view	(3)
	– Decreasing obstructions in right-of-way, providing improved pedestrian access	(3)

Source: City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021. See “APPENDIX C - City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021, supplementing the Town of Jupiter Inlet Colony Utility Undergrounding Assessment Methodology dated June 24, 2010.”

Footnotes for the immediately preceding table are continued on the next page.

(1) Future Cost Avoidance.

- (2) Future Service Interruption Avoidance.
- (3) Increased Parcel Value.
- (4) Future Injury Avoidance.

The Assessment Methodology Report determined that the special benefits to be provided to the property owners within Las Olas Isles as a result of the Las Olas Isles Underground Utility Line Facilities Project exceed the Special Assessments imposed on the Parcels receiving such benefits. Among the benefits to be received, future cost avoidance that will result from the completion of the Project is expected to produce a current increase in property values in Las Olas Isles, although the precise amount is unknowable as it involves calculating the probability of future events that would impact reliability or safety. The aesthetic improvements that result from undergrounding are also expected to result in the benefit of increasing property values in Las Olas Isles. The Assessment Methodology Report notes that published literature provides that a property value appreciation of 2.5% can reasonably be attributed to the undergrounding of utility lines.

The Parcels in Las Olas Isles are some of the highest valued residential parcels in the City. Recent sales data provide a range in property values in the Las Olas Isles Neighborhood from \$1 million to in excess of \$17 million, with an average property value of approximately \$3 million. Applying a 2.5% benefit to the current average market value of the Parcels in Las Olas Isles demonstrates that the cost of the Project would need to exceed \$24 million to be greater than the monetary collective benefit expected to be conferred solely from the projected increase in property values. Current Project Costs are estimated to total approximately \$9 million. Such analysis helps to demonstrate that the benefits of the improvements from the Las Olas Isles Underground Utility Line Facilities Project are greater than the cost of the improvements. The conclusion that the benefits to be derived from the Las Olas Isles Underground Utility Line Facilities Project exceed the cost of the improvements is significantly bolstered by the fact that the Parcel owners in Las Olas Isles overwhelmingly voted in favor of being assessed for the cost of the improvements. See “SPECIAL ASSESSMENTS - General” herein.

The proportional cost of the Las Olas Isles Underground Utility Line Facilities Project to the benefits conferred to Parcel owners has been allocated in equal one-third portions, providing the Project Costs to the three (3) benefit types in an equal amount as follows:

**City of Fort Lauderdale, Florida
Las Olas Isles Undergrounding Project
Project Cost Allocated to Benefit Type**

<u>Benefit Type</u>	<u>Allocation</u>	<u>Total Estimated Project Cost</u>
Reliability	1/3	\$3,000,000
Safety	1/3	3,000,000
Aesthetics	1/3	<u>3,000,000</u>
Total		<u>\$9,000,000</u>

Source: City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021. See “APPENDIX C - City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021, supplementing the Town of Jupiter Inlet Colony Utility Undergrounding Assessment Methodology dated June 24, 2010.”

To allocate total estimated Project Cost to Parcels, it is necessary to determine (i) if any differences in Parcel use characteristics warrant broad customer class distinctions and (ii) the manner in which benefit is assigned to individual Parcels. With regards to customer class distinctions, the Las Olas Isles Neighborhood is homogenous, since it only includes single-family homes and no other land uses are present or expected in the future. For this reason, all Parcels in Las Olas Isles can be assessed as a singular customer class, with each Parcel benefitting from Project improvements in a similar manner.

With regards to the way benefits have been assigned to Parcels for cost apportionment, an equivalent benefit unit (“EBU”) mechanism was employed in the Assessment Methodology Report. The EBU mechanism allows for the benefits allocated to each Parcel to be weighed based on the unique development characteristics of the Parcel in relation to the benefits provided by the improvements. Given the fact that each Parcel in Las Olas Isles is expected to receive the defined benefits of reliability, safety and aesthetics in a similar manner, the Assessment Methodology Report assigned each Parcel a defined benefit allocation reflecting each of the three (3) identified benefit types. For each single-family home Parcel, a one-third EBU for each type of benefit was assigned. In total, each single-family home Parcel will receive one (1) EBU of benefit as follows:

**City of Fort Lauderdale, Florida
Las Olas Isles Undergrounding Project
Single-Family Parcel Benefit Allocation**

<u>Benefit Type</u>	<u>Single-Family Parcel EBU Allocation</u>
Reliability	1/3
Safety	1/3
Aesthetics	<u>1/3</u>
Total	<u><u>1</u></u>

Source: City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021. See “APPENDIX C - City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021, supplementing the Town of Jupiter Inlet Colony Utility Undergrounding Assessment Methodology dated June 24, 2010.”

To determine the gross Special Assessment per Parcel, the EBUs per single-family home Parcel are multiplied by the number of Parcels to be assessed in Las Olas Isles to generate the total number of EBUs assessed per year. Dividing the gross amount of Special Assessments required to be levied in a year by the number of EBUs will generate the gross Special Assessment per EBU.

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**City of Fort Lauderdale, Florida
Las Olas Isles Undergrounding Project
Calculation of Total Assessable EBUs**

<u>Assessable EBUs</u>	<u>Value of EBUs</u>
EBUs Per Single-Family Home Parcel	1
Total Assessed Single-Family Home Parcels in Las Olas Isles	<u>309</u>
Total EBUs in Las Olas Isles	<u><u>309</u></u>

Source: City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021. See “APPENDIX C - City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021, supplementing the Town of Jupiter Inlet Colony Utility Undergrounding Assessment Methodology dated June 24, 2010.”

The EBU allocation mechanism is commonly utilized to substantiate the appropriateness of electric line undergrounding special assessments. The Las Olas Isles Neighborhood is uniformly comprised of single-family homes. As such, no Parcel currently assessed has greater than one (1) EBU assigned for accrued benefit. Should any Parcels that are substantially different from a single-family home be developed in Las Olas Isles over time, the EBU framework allows flexibility for the assignment of benefit units to conform to the unique developmental characteristics of Parcels, in that assigning more benefit units can be accommodated for Parcels that demonstrably derive more benefits. For example, if a multifamily Parcel were to develop, it would probably warrant a greater allocation of benefit and the benefit units assigned to such Parcel could be increased to recognize the greater benefit such Parcel receives from the improvements that result from the Project. Additionally, in the future Parcels may combine or split during redevelopment. After such occurrence, EBUs per Parcel and in total can be adjusted accordingly to insure the proper apportionment of benefit to Parcels in Las Olas Isles.

The use of an EBU-based assessment methodology is consistent with industry best practices, and is the methodology currently in use for comparable communities with similar improvements. Specifically, the use of reliability, aesthetics and safety as the measured benefits conferred to Parcels from the improvements in Las Olas Isles made by the Project creates a significant logical nexus in the method of determining benefit and the subsequent allocation of Project Cost to Parcels.

Non-Ad Valorem Assessment Authorization

The City’s general power to impose special assessments is set forth in the general laws of the State, including specifically, Chapters 166 and 170, Florida Statutes, as amended. Special assessments are distinguished from taxes in that the parcels assessed must have a special benefit conferred to them from the service or capital infrastructure funded with the special assessment. Chapter 170, Florida Statutes, as amended, provides a supplemental and alternative method of making local municipal improvements. It authorizes municipalities to impose special assessments for numerous projects, such as the construction, reconstruction, repair and paving of streets, and the construction, reconstruction and repair of sewers. Of particular significance, section 170.01(1)(d), Florida Statutes, as amended, provides that a municipality may “pay for the relocation of utilities, including the placement underground of electrical, telephone, and cable television services, pursuant to voluntary agreement with the utility, but nothing contained in this paragraph shall affect a utility’s right to locate or relocate its facilities on its own initiative at its own expense.”

The Supreme Court of the State has determined that “the validity of a special assessment turns on the benefits received by the recipients of the services and the appropriate apportionment of the cost thereof.” Based on the requirements of applicable law, a two-pronged test has been developed for determining the validity of special assessments: (i) whether the services or capital investments for which property will be assessed provide a special benefit to the assessed property and (ii) whether the assessment for the services or capital investments are fairly and reasonably apportioned among the benefitted properties. These are questions of fact to be determined by a legislative body rather than the judiciary or an agency of the executive branch. Thus, the City Commission is the appropriate entity to make the determination of whether a proposed special assessment will satisfy the test for a valid special assessment established by applicable State law. Such determination was made by the City Commission when the Ordinance was enacted and the Assessment Resolutions were adopted. See “SPECIAL ASSESSMENTS - General” herein.

In addition to applicable laws of the State establishing the authority for the placement of underground electrical, telephone and cable services as a proper purpose for municipalities to impose special assessments, pursuant to its home rule power, the City enacted the Ordinance to provide a legal framework for the undergrounding of utilities and the levy of special assessments on benefitted properties to pay the costs of such improvements. Concerning the first of the two pronged test set forth above, the geographic scope of the Special Assessment is limited to the real property contained in Las Olas Isles, as the special assessment project area receiving the utility line undergrounding upgrades. Limiting the geographic scope of the Special Assessment to those parcels that receive benefit ensures that there is a logical nexus between the benefits a Parcel receives, and the cost apportioned to that Parcel. To meet the needs of the second prong of the test, the assessment methodology was developed to apportion cost to Parcels within Las Olas Isles, recognizing the benefits that Parcels receive from the infrastructure improvements and apportioning cost in alignment with those benefits.

The Assessment Methodology Report determined, among other things, that the methodology for establishing the Special Assessments is in alignment with accepted industry best practices and comports with the legal requirements established in the State. Many of the findings and determinations made with respect to the Special Assessments are based upon the assumptions, analyses and conclusions set forth in the Assessment Methodology Report. In the opinion of the Engineering and Financial Consultant, such analyses and conclusions, and the assumptions upon which they are based, are reasonable.

THE ASSESSMENT METHODOLOGY REPORT IS AN INTEGRAL COMPONENT OF THIS LIMITED OFFERING MEMORANDUM. **PROSPECTIVE INVESTORS SHOULD CLOSELY REVIEW, IN ITS ENTIRETY, THE ASSESSMENT METHODOLOGY REPORT PRIOR TO MAKING AN INVESTMENT DECISION WITH RESPECT TO THE SERIES 2022 BONDS.** See “APPENDIX C - City of Fort Lauderdale, Florida Supplemental Engineering and Assessment Methodology Final Report dated September 2, 2021, supplementing the Town of Jupiter Inlet Colony Utility Undergrounding Assessment Methodology dated June 24, 2010.”

Collection of Special Assessments

General

Pursuant to the Ordinance, the City may elect to collect the Special Assessments pursuant to the procedures set forth in Sections 197.3632 and 197.3635, Florida Statutes, as amended (the “Uniform Assessment Collection Act”) or by any other method which is authorized by law, including specifically, the alternative collection method provided by the Ordinance. To collect the Special Assessments, the City

has determined to utilize the method of collection set forth in the Uniform Assessment Collection Act (the “Uniform Method of Collection”).

The primary sources of payment of the Principal and Interest Requirements for the Series 2022 Bonds are the Special Assessments imposed on each Parcel within the Special Assessment Area pursuant to the Ordinance and Assessment Resolutions. To the extent that Assessed Property Owners fail to pay Special Assessments or delay payments, the prompt and successful pursuit of available collection procedures will be essential to continued payment of the Principal and Interest Requirements for the Series 2022 Bonds. See “INVESTMENT CONSIDERATIONS” and “BONDHOLDER RISKS” for information regarding various considerations and risks that may impact the collection of Special Assessments or the ability of the City to satisfy the Principal and Interest Requirements for the Series 2022 Bonds.

Uniform Method of Collection

The Underground Utility Line Assessments collected pursuant to the Initial Assessment Proceedings have been and are being collected using the Uniform Method of Collection. In addition, the Amended and Restated Declaration Resolution provides that the Special Assessments shall constitute non-ad valorem assessments within the meaning and intent of the Uniform Assessment Collection Act and shall be collected each Fiscal Year using the Uniform Method of Collection. Under the Uniform Method of Collection, the Special Assessments will be added to the annual bill for property taxes sent by the Broward County Tax Collector (the “Tax Collector”) to each Parcel owner in Las Olas Isles. Pursuant to the Charter of Broward County, Florida (the “County”), the Department of Finance and Administrative Services of the County (the “Department”) serves in lieu of the Tax Collector. The Department has delegated the responsibilities of the Tax Collector to the County’s Division of Revenue Collection (the “Division”). All references to the Tax Collector shall be deemed to refer to the Division. The collection of Special Assessments by the Tax Collector pursuant to the Amended and Restated Declaration Resolution and the Final Assessment Resolution will commence beginning October 1, 2022.

The following is a summary of certain statutory provisions relating to the collection and enforcement of the Special Assessments under the Uniform Assessment Collection Act. Upon receipt of the Assessment Roll from the City, the Tax Collector is required to include the Special Assessments in the tax notice mailed to each Owner of an Assessed Property setting forth the ad valorem taxes and all non-ad valorem assessments, including, without limitation, the Special Assessments, levied upon and due in respect of such property. Each taxpayer is required to pay all taxes and non-ad valorem assessments shown in the tax notice without preference in payment of any particular increment of the tax bill, such as any increment owing for the Special Assessments. The taxes of all governmental units, including the City, are billed together. Under current administrative rules, the Division cannot accept partial payment of a tax bill. For additional information regarding property taxes, levies and collections of such taxes in the City and the County, see “APPENDIX A - General Information Regarding the City of Fort Lauderdale, Florida and Broward County, Florida” and, in particular under the section “GENERAL INFORMATION - Property Tax Levies and Collections” in such appendix.

Upon receipt of the taxes and non-ad valorem assessments, the Tax Collector is required to forward the portion of such payment attributable to the Special Assessments, less the portion of such payment that constitutes administrative fees and costs of the Tax Collector and the Broward County Property Appraiser (the “Property Appraiser”), to the City. To the extent that an Owner of an Assessed Property fails to pay such taxes and non-ad valorem assessments, including the Special Assessments, the successful implementation of tax collection procedures available to the Tax Collector (described below) is essential to the continued deposit into the Funds and Accounts under the Bond Resolution of amounts needed to secure the payment of debt service on the Series 2022 Bonds.

The collection of delinquent taxes and non-ad valorem assessments, including, without limitation, the Special Assessments, upon real property is based upon the sale by the Tax Collector of “tax certificates” and remittance of the proceeds of such sale to the various governmental entities levying taxes and non-ad valorem assessments for the payment of the taxes and non-ad valorem assessments due. The demand for such tax certificates is dependent upon various factors, which include the interest that can be earned by ownership of such tax certificates and the value of the land that is the subject of such tax certificates and which may be subject to sale at the demand of the certificate holder. Therefore, the underlying market value of the Assessed Property may affect the demand for the tax certificate to be sold in response to a delinquent payment, which, in turn, impacts the successful collection of the Special Assessments due.

The Owner of an Assessed Property cannot be sued personally for failure to pay Special Assessments, but such Special Assessments are a lien on the property against which they are assessed from January 1 of the year of the Special Assessment (the “Tax Year”) until paid or barred by operation of law. The lien of the Special Assessments is of equal dignity with the liens for State taxes, County taxes and other taxes which are of equal dignity upon land. As a result, the lien of the Special Assessments is superior to all other liens, including mortgages, but subject to federal tax liens. The law relating to the enforcement of County taxes (and thus the Special Assessments) provides that such taxes become due and payable on November 1 of the year in which assessed or as soon thereafter as the tax roll is received by the Tax Collector. If the amounts on the tax notice (including the annual installments of Special Assessments) are paid during the November following the billing or during the succeeding three (3) months, the taxpayer is granted a discount equal to four percent (4.0%) in November and decreasing one percent (1.0%) per month to one percent (1.0%) in February. All taxes become delinquent on April 1 following the Tax Year in which they are assessed or immediately after sixty (60) days have expired from the mailing of the original tax notice, whichever is later. The Tax Collector is required to collect taxes prior to the date of delinquency and to institute statutory procedures upon delinquency to collect assessed taxes. Delay in the mailing of tax notices to taxpayers results in a delay throughout the tax collection process.

In the event of a delinquency in the payment of taxes on real property (including payment of the Special Assessments), the Tax Collector is required to offer for sale tax certificates on such property to the person who pays the delinquent taxes and interest and certain costs and charges relating thereto, and who accepts the lowest interest rate per annum to be borne by the certificates (which shall in no event be more than 18% per annum). Delinquent taxes may be paid by a taxpayer prior to the date of sale of a tax certificate by the payment of such taxes, together with interest and all costs and charges relating thereto. Tax certificates are sold by public bid, and in case there are no bidders, the certificate is issued to the county in which the assessed lands are located, and the county, in such event, does not pay any consideration for such tax certificate. Proceeds from the sale of tax certificates are required to be used to pay taxes and non-ad valorem assessments (including the Special Assessments), interest, costs and charges on the land described in the certificate.

County-held tax certificates may be purchased, and any tax certificate may be redeemed, in whole or in part, by any person at any time before a tax deed is issued or the property is placed on the list of lands available for sale, at a price equal to the face amount of the certificate or portion thereof, together with all interest, costs and charges due. The proceeds of such a redemption are paid to the Tax Collector, who transmits to the holder of the certificate such proceeds, less a service charge. The certificate is then canceled. Subject to the two (2) year abeyance period described below, any holder, other than a county, of a tax certificate which has not been redeemed has seven (7) years from the date of issuance of the tax certificate to act against the land that is the subject of the tax certificate.

After an initial period ending two years from April 1 of the year of issuance of a tax certificate, the holder of a certificate may apply for a tax deed to the subject land. The applicant is required to pay to the Tax Collector all amounts required to redeem or purchase all outstanding tax certificates not held by the applicant covering the land, any omitted or delinquent taxes and non-ad valorem assessments, current taxes and non-ad valorem assessments, and interest, if due, covering the land. If the County holds a tax certificate and has not succeeded in selling it, the County must apply for a tax deed on all tax certificates on properties valued at \$5,000 or more two (2) years after April 1 of the year of issuance. The County may apply for tax deeds on County-held tax certificates on property valued at less than \$5,000, but is not required to do so. The County pays costs and fees to the Tax Collector but not any amount to redeem any other outstanding tax certificates covering the land. Thereafter, the property is advertised for public sale. Any outstanding tax certificates will be satisfied from the proceeds received at such public sale.

In any such public sale, the private holder of the tax certificate who is seeking a tax deed is deemed to submit a minimum bid established by law. If there are no higher bidders, the holder receives title to the land and the amounts paid for the tax certificate and in applying for a tax deed are credited towards the purchase price. If there are higher bidders, the holder may enter the bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate (and all other amounts paid by such holder in applying for a tax deed), plus interest, are forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholder of record, mortgagees of record, vendees of recorded contracts of deeds, other lienholders and any other person to whom the land was assessed on the tax roll for the year in which the land was assessed, all as their interests may appear.

If there are no bidders at the public sale, the County may, at any time within ninety (90) days from the date of offering for public sale, purchase the land for a statutorily prescribed minimum bid. After ninety (90) days have passed, any person or governmental unit may purchase the land by paying the amount of the minimum bid. Three (3) years from the date of offering for public sale, unsold lands escheat to the County and all tax certificates and liens, including the lien of the Special Assessments, against the property are canceled.

No Prepayment of Special Assessments

The Amended and Restated Declaration Resolution provides that no prepayment or acceleration of the Underground Utility Line Assessments will be allowed due to the recalculation of the Annual Assessment based upon new development or redevelopment. See the description of the Amended and Restated Declaration Resolution and the Final Assessment Resolution under “SPECIAL ASSESSMENTS - General” herein. Also, see “APPENDIX B - The Ordinance, Amended and Restated Declaration Resolution and Final Assessment Resolution (without Appendices and Exhibits).”

THE CITY

The City, located in the heart of a robust, diversified growth region on the southeast coast of Florida, contains approximately thirty-six (36) square miles and had an estimated population of approximately 189,321, as of September 30, 2020. The City was incorporated in 1911 and operates under a City Charter, which provides for a Commission-Manager form of government. The government consists of a five (5) member City Commission elected by district, including a mayor elected at large. All elections are on a nonpartisan basis. The City Commission appoints a city manager. The current City Manager is Christopher J. Lagerbloom, who became the City Manager on January 1, 2019.

The City provides a full range of municipal services, including public safety (police and fire protection), planning and zoning, parks and recreation, water, sewer, sanitation and economic development services. Marine commerce and tourism are the City's top two (2) major economic industries, with manufacturing, industrial and commercial business and corporate and regional offices serving to diversify the City's economic base. For more information about the City, the services it provides, its budget and fiscal policies and the area economy, see "APPENDIX A - General Information regarding the City of Fort Lauderdale, Florida and Broward County, Florida."

INVESTMENT CONSIDERATIONS

Infectious Disease Outbreak

In December, 2019 a respiratory disease caused by a novel strain of coronavirus was first reported in China. The disease has spread to other countries, including the United States of America, producing sickness and deaths in the places where it has spread. The disease was declared a Public Health Emergency of International Concern on January 30, 2020, named "COVID-19" on February 11, 2020, and declared a pandemic on March 10, 2020, each by the World Health Organization. The number of people reported to have been infected by COVID-19 and the number of reported deaths from COVID-19 infections are substantially higher in the United States than in any other country.

Currently, no proven cure exists for COVID-19. Several vaccines have been developed that significantly decrease the likelihood of infection and the severity of impact if a vaccinated person becomes infected. Three (3) of such vaccines were approved by the United States Food and Drug Administration (the "FDA") for emergency use in the United States in December 2020 and February 2021, with one of those vaccines being fully approved in August 2021 for individuals 16 years of age and older. Locations to test for the virus and places where the vaccinations can be received are available in the City and throughout the County. For additional information and updates on the continuing impact of COVID-19 in the City, see the City's website at: <https://www.fortlauderdale.gov/Home/Components/News/News/4118/>.

To address the health concerns presented by COVID-19, state and local governments implemented unprecedented, formal restrictions to limit human contact. During the month of March, 2020, emergency declarations were issued by the federal government, the State, the County and municipalities within the County, including the City. Pursuant to such declarations, far-reaching social distancing measures were adopted, which, among other things, generally required the closure of all public areas and facilities, public and private schools, and businesses that were not considered to be critical or essential. Commercial establishments, government buildings and public areas and facilities were opened in phases in 2020, with restrictions placed on the manner in which access would be allowed. State and local government-imposed restrictions were lifted throughout the State, including within the City, in 2021. Certain federal restrictions remain in effect, however, including a mask mandate on all public transit, and some businesses continue to maintain certain restrictions.

The outbreak of COVID-19 has affected travel, commerce and financial markets globally. The continued spread of the disease, containment, and efforts designed to mitigate its effects have had, and may further have, a negative impact on the financial and operating condition of the City. During Fiscal Year 2021, the City identified an estimated \$19.2 million revenue shortfall in its General Fund for Fiscal Year 2020 and, in response, undertook certain reduction strategies to its General Fund to offset projected revenue shortfalls. For example, the City (i) implemented a hiring slowdown for non-public safety vacancies that was designed to result in an estimated \$1.8 million in savings to the General Fund; (ii) decreased operating expenditures associated with having non-essential City operations closed during the COVID-19 crisis, which saved approximately \$5.8 million during Fiscal Year 2020; and (iii) reduced or deferred Community

Investment Plan projects that could be delayed or cancelled due to changes that have occurred since funding was originally appropriated, which was designed to save approximately \$11.5 million. Such cost reduction strategies for the General Fund were also applied to other funds of the City to lessen the impact of COVID-19 during Fiscal Year 2020 and Fiscal Year 2021.

While the cost reduction strategies described above helped the City address certain anticipated negative impacts of COVID-19 on the financial and operating condition of the City, the total or long-term negative impact on the City of COVID-19 cannot be predicted with any reasonable degree of certainty at this time. The continued spread of the disease, containment, and efforts designed to mitigate its effects could have a significant negative affect on revenues of the City generally, its financial position or its operations, including the assessed value of property within the City and the revenue such property is able to generate. While the foregoing describes certain effects related to the current outbreak of COVID-19, similar effects could result from an outbreak of some other contagious disease, epidemic or pandemic. No assurance can be given that the changes produced by the outbreak of COVID-19, if the spread of the disease were to continue in significant numbers and health consequences, would not materially adversely impact real estate values in the City, including the Assessed Properties, or the ability of the City to collect Special Assessments as currently contemplated, or that an outbreak of some other contagious disease, epidemic or pandemic would not have a similar or even greater negative impact. See “SPECIAL ASSESSMENTS - Collection of Special Assessments” herein.

Climate Change

The State is naturally susceptible to the effects of extreme weather events and natural disasters, including floods, droughts and hurricanes. The occurrence of such events and natural disasters can produce significant negative ecological, environmental and economic impacts on coastal communities like the City. Such impacts can be exacerbated by a longer-term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures and rising sea levels.

Numerous scientific studies on global climate change conclude that, among other effects on the global ecosystem, extreme and abnormal temperature fluctuations have occurred globally and, without the implementation of measures to address the phenomenon, will continue to occur. Such occurrences have been determined by scientific studies to be the primary reason for current and projected increases in sea levels and for extreme weather events to occur in higher frequency and intensity. Projected changes in weather and tidal patterns place coastal areas like the City at risk of substantial wind or flood damage over time, affecting private development and public infrastructure, including roads, utilities, emergency services, schools, and parks. As a result, global climate change increases the potential of considerable financial loss to the City, including, without limitation, substantial losses in tax revenues. In addition, many residents, businesses and governmental operations could be severely disabled for significant periods of time or displaced, and the City could be required to mitigate these effects at a potentially material cost.

The City is keenly aware of the risks from hurricanes and sea level rise, as are officials at the County and throughout South Florida. In an effort to address the repercussions of climate change in Southeast Florida communities, the first Southeast Florida Climate Leadership Summit was held in the City in 2009. Local elected officials from throughout the region came together at the Summit to discuss challenges and strategies for responding to the impacts of climate change. The Summit resulted in the formation of the Southeast Florida Regional Climate Compact (the “Compact”). The Compact was executed by Broward, Miami-Dade, Monroe and Palm Beach Counties in January 2010 to coordinate climate change mitigation and adaptation activities across county lines. Among other benefits of its participation in the Compact, the City was instrumental in the development of the climate change strategies described in the Compact’s Regional Climate Action Plan (the “RCAP”). The RCAP was the result of a

two (2) year collaborative process involving nearly one hundred (100) subject matter experts representing public and private sectors, universities and not-for-profit organizations.

In November 2012 the City was the first municipality to adopt the Mayors' Climate Action Pledge in support of the RCAP. Following the City, thirty-four (34) municipalities in Broward, Miami-Dade, Monroe and Palm Beach Counties have officially adopted the Mayors' Climate Action Pledge to document their commitment to implement measures and develop objectives designed to reduce global warming and the negative impacts of climate change, in support of the goals, objectives, strategies and actions described in the RCAP. The RCAP, adopted for Broward County in October 2012, may be viewed on the Compact's website at: <http://southeastfloridaclimatecompact.org/>.

The City uses a series of documents to develop, among other things, local policy making, ordinances, building code provisions and infrastructure improvement in support of the initiatives described in the RCAP. Efforts are made to factor climate change impacts, and specifically sea level rise, into all of the City's functional plans and operations. The City endeavors to implement programs and projects to respond to those anticipated impacts and to update its infrastructure accordingly. Innovations such as tidal control valves, stormwater preserves, and pervious paving bioswales are examples of sustainable public works and projects currently being planned or implemented by the City.

In April 2013, the City Commission unanimously approved *Fast Forward Fort Lauderdale 2035*, providing a multi-year vision for the City. Such multi-year vision may be viewed on the City's website at: <https://www.fortlauderdale.gov/home/showdocument?id=4202>. The first set of goals and objectives to facilitate implementation of the vision are contained in the City's five-year strategic plan, *Press Play Fort Lauderdale 2018*. The City's five-year strategic plan may be viewed on the City's website at: <https://www.fortlauderdale.gov/home/showdocument?id=10999>. Included as an integral component of the City's five-year strategic plan is a Sustainability Action Plan. The City's Sustainability Action Plan focuses on system-wide goals to promote resiliency, with accompanying scorecards that track the implementation of individual adaptation and mitigation strategies. A more detailed description of the Sustainability Action Plan is available on the City's website at:

<https://gyr.fortlauderdale.gov/greener-government/sustainability-action-plan>.

Projections of the effects of global climate change on the City are complex and depend on many factors that are outside the control of the City. The various scientific studies that forecast climate change and its adverse effects, including severe storms, sea level rise and flooding risks, are based on assumptions contained in such studies. Actual events, however, may vary materially from such forecasts. In addition, the scientific understanding of climate change and its effects continues to evolve. Accordingly, the City is not able to forecast when sea level rise or other adverse effects of climate change (e.g., the occurrence and frequency of 100-year storm events, hurricanes, and king tides) will occur. In particular, the City is not able to predict the timing or precise magnitude of adverse economic effects, including, without limitation, material adverse effects on the business operations or financial condition of the City and the local economy during the term of the Series 2022 Bonds. While the negative effects of climate change may be avoided or lessened by the City's past and future investment in adaptation and mitigation strategies, the City cannot provide any assurance about the net effects of those strategies and whether the City will be required to take additional adaptation or mitigation measures. If necessary, such additional measures could require significant capital resources in excess of the resources already contemplated to be spent on combating the negative impacts of climate change.

Utility Infrastructure

Since December 2019, the City has experienced a series of sewer line breaks in several neighborhoods, resulting in approximately 200 million gallons of wastewater discharge being spilled into City streets and waterways and creating a need for the City to undertake sewer line repairs and environmental remediation. The City managed and responded to these incidents with an “all hands on deck” effort, which involved multiple City agencies implementing the National Incident Management System approach to emergency events. The breaks in the sewer lines have been fixed by utilizing various emergency repairs, while long-term corrections and sewer line replacements are being implemented. The Florida Department of Environmental Protection has announced that it is fining the City approximately \$1.8 million for the series of sewer line breaks the City has experienced since December 2019.

The City is proactively addressing the sewer system infrastructure needs through the construction of a new, redundant sewer main and force main replacements at an approximate cost of \$60 million. Funding for these projects will be provided from proceeds of the City’s Water and Sewer Revenue Bonds issued in 2018 in the amount of \$196 million (the “2018 Water and Sewer Revenue Bonds”). Approximately \$81.3 million of the proceeds of the 2018 Water and Sewer Revenue Bonds had originally been allocated for sewer system general repairs. A portion of such allocation has been reassigned to address the City’s emergent sewer needs. The 2018 Water and Sewer Revenue Bonds were part of the City’s implementation of its Comprehensive Utility Strategic Master Plan (CUSMP) completed in 2017, which originally estimated that \$1.2 billion would be needed over the ensuing twenty (20) years to update and maintain the City’s water and sewer system.

In addition to its sewer system needs, the City has a detailed plan to improve its water transmission, treatment and distribution facilities as well.

The City is also taking action to address its stormwater needs, which have become more pressing as a result of the consequences of climate change. As part of its stormwater master plan, the City is planning to commence work in eight (8) neighborhoods determined to be most prone to flooding. The City estimates that this work will cost approximately \$200 million over the next five (5) years. The City has developed a new rate-setting methodology that is expected to provide the revenues needed to support its planned long-term borrowings for the required stormwater system improvements. While its long-term financing plans are readied, the City has obtained a \$70.5 million line of credit to provide interim financing for its stormwater needs and has drawn \$130,000.00 thus far under such line of credit.

The City estimates that more than \$600 million will be required within approximately the next five (5) years to address its water, sewer and stormwater infrastructure needs. The funding for these projects is expected to be derived from the City’s water and sewer enterprise fund and its stormwater enterprise fund, respectively, or from borrowings currently contemplated to address water, sewer and stormwater infrastructure needs.

Cybersecurity

General

Computer networks and systems used for information transmission and collection are essential to the efficient operations of the City. Protecting the assets of City systems and storing information of customers, constituents and employees is considered of vital importance to the City. Cybersecurity is rapidly evolving and the City regularly investigates new software and hardware designed to protect the

integrity of system assets and information. Policies and procedures have been implemented and training is provided to employees to increase the level of security within the City's infrastructure.

Protocols

The City currently utilizes a federal government approved information security framework to guide the development and growth of its cybersecurity protections. In addition, the City uses Gartner Research, one of the world leaders in providing business and technology systems research and advisory services, for implementing best practices. For its core infrastructure, the City relies on, among other protections, a combination of industry leading, enterprise grade firewalls, network access controls, intrusion detection and protection systems, vulnerability management, email and web filtering, endpoint protections, and encryption. Proactive assessment of internal and external systems is conducted regularly, with real time monitoring solutions and the use of computer security best practices. The City provides yearly mandated security training for all City staff, ongoing instruction and certifications for technical staff, and participation in industry acknowledged educational conferences and training. The City reviews its cybersecurity protocols frequently to stay abreast of emerging and effective procedures and measures.

Threat Response

The City can respond to cybersecurity threats in many ways, depending on the severity and mode of attack. The City has internal internet technology staff that it can use to respond to a cybersecurity threat, including, without limitation, network administrators, database administrators, system administrators and analysts and field technicians. Additionally, the City has internet security vendors as managed service providers and on retainer via cyber insurance to provide industry expertise that can be quickly accessed to respond to and remedy a cybersecurity incident. Budgetary funds are also available to secure the services of other professional consultants to respond to a cybersecurity incident, if needed. The City's Information Security team monitors computer and network logs for cybersecurity issues, constantly scanning infrastructure for vulnerabilities. In addition, the City has other systems to monitor inbound and outbound traffic and to respond automatically with counter measures when cybersecurity abnormalities occur.

The City regularly refines and seeks to improve its cybersecurity risk management policies and procedures and regularly trains employees to comply with cybersecurity regulatory requirements. It also maintains cyber risk insurance to help mitigate its exposure to security attacks that are known to cripple an organization's technology system and/or fraudulently confiscate funds. Cybersecurity safeguards are tested annually by an outside service provider along with weekly internal testing and monitoring of the network. The City has not experienced any cybersecurity incidents that affected the City's systems. The City regularly encounters phishing scams and similar attempts to improperly access the City's systems. Such attempts are addressed on a case by case basis.

While City cybersecurity and operational safeguards are periodically tested, no assurances can be given that such measures will ensure against all cybersecurity threats or attacks. Cybersecurity breaches could damage or compromise the City's computer network and the confidentiality, integrity, or availability of the City's computer system or information. The potential disruption, access, modification, disclosure or destruction of information could result in the interruption of City commerce, the initiation of legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, and the loss of confidence in City functions, which could adversely affect City revenues or cause a material disruption in the City's operations or the appropriate provision of City services. The costs of remedying any such damage or protecting against future attacks could be substantial and in excess of the maximum amount of the City's cyber risk insurance policy. Further, the litigation to which the City could be exposed

following a cybersecurity breach could be significant, which could cause the City to incur material costs related to such legal claims or proceedings.

BONDHOLDER RISKS

General

The City's ability to receive Pledged Revenues in amounts sufficient to satisfy the Principal and Interest Requirements for the Series 2022 Bonds depends upon many factors, a substantial number of which are not within the control of the City. The following discussion provides information relating to certain risk factors that could affect future payments of the principal of and interest on the Series 2022 Bonds. The order in which the following information is presented is not intended to reflect the relative importance of the risk factors discussed. The following information is not, and is not intended to be, an exhaustive list of the risk factors that may impact the payment of or security for the Series 2022 Bonds. The following information should be read in conjunction with, in particular, SPECIAL ASSESSMENTS - Collection of Special Assessments" and "INVESTMENT CONSIDERATIONS" herein, and all of the other sections of this Limited Offering Memorandum, including its appendices. Prospective purchasers of the Series 2022 Bonds should carefully analyze the information contained in this Limited Offering Memorandum, including its appendices (and including the additional information contained in the form of the complete documents referenced or summarized herein), for a more complete description of the investment considerations and risk factors relevant to purchasing the Series 2022 Bonds. Copies of any documents referenced or summarized in this Limited Offering Memorandum are available from the City. See "INTRODUCTION" herein.

Non-Recourse Nature of Special Assessments

The primary security for payment of the principal of and interest on the Series 2022 Bonds is the timely collection of the Special Assessments. The Special Assessments do not constitute a personal indebtedness of any Owner of any of the Assessed Properties but are secured by a lien on the respective Assessed Properties. There is no assurance that the current Owners of the Assessed Properties or any subsequent Owners thereof will be able to pay the Special Assessments or that they will each pay the Special Assessments even though financially able to do so. Neither the current Owners of the Assessed Properties nor any subsequent Owner of any Assessed Property is or will be a guarantor of payment of any Special Assessment and the recourse for the failure of any current Owner of an Assessed Property or any subsequent Owner thereof to pay the Special Assessments is limited to the collection proceedings against the Assessed Property. See "SPECIAL ASSESSMENTS - Collection of Special Assessments" herein. The City has not granted, and may not grant under State law, a mortgage or security interest in the Project. Furthermore, the City has not pledged the revenues, if any, from the operation of the Project as security for, or a source of payment of, the Series 2022 Bonds. The Series 2022 Bonds are payable solely from, and secured solely by, the Pledged Revenues, including the Special Assessments.

The failure of the current Owners of the Assessed Properties or any subsequent Owner of any Assessed Property to pay any of the Special Assessments in the amount levied for any Fiscal Year will not result in an increase in the amount of the Special Assessment other Owners are required to pay for such Fiscal Year. In addition, if proceedings against an Assessed Property, including the statutory tax collection procedures described in the section entitled "SPECIAL ASSESSMENTS - Collection of Special Assessments," do not result in the collection of funds sufficient to pay delinquent Special Assessments, the Owner is not compelled to pay the deficiency. The likelihood of collection of the Special Assessments may ultimately depend on the market value of the Assessed Properties. There can be no assurance that the Owner's interest in the Assessed Property will have a value that provides for the collection of Special

Assessments that become delinquent in a time period and amount required to avoid a material adverse impact on the interest of the Holders of the Series 2022 Bonds. Such impact could include an adverse affect on the City's ability to make full or punctual payment of debt service on the Series 2022 Bonds.

Limited Obligations

None of the State, the County, the City or any governmental entity thereof will be obligated to pay the Series 2022 Bonds or any interest thereon, except from the Pledged Revenues in the manner provided in the Bond Resolution, and neither the faith and credit nor the taxing power of the State, the County, the City or any governmental entity thereof is pledged to the payment of the principal of or interest on the Series 2022 Bonds. The City's obligation with respect to the Series 2022 Bonds is not a general obligation of the City but rather is a special, limited obligation of the City payable solely from and secured solely by the Pledged Revenues, which primarily consist of revenues of the City derived and to be derived from the payment Special Assessments. See "SECURITY AND SOURCES OF PAYMENT - Limited Liability" herein.

Uniform Method of Collections

Tax Collection Procedures

All City, County, school district and special district ad valorem taxes and non-ad valorem assessments collected through the Tax Collector (including the Special Assessments levied by the City and collected pursuant to the Uniform Method of Collection) are payable at one time. Except as otherwise provided in Chapter 197, Florida Statutes, as amended, a taxpayer may not make an incomplete payment and, if a partial payment is allowed by the Tax Collector, the total amount of the tax bill is required to be paid prior to the delinquency date for all tax bills. Therefore, generally, any failure of a taxpayer to pay all taxes and assessments billed by the Tax Collector (whether it be the Special Assessments or any other tax or assessment) would cause the Special Assessments to not be collected, which could have a material adverse impact on the City's ability to pay the principal of and interest on the Series 2022 Bonds.

Sale of Tax Certificates

Under the Uniform Assessment Collection Act, the Special Assessments become due and payable on November 1 of the year in which they are levied (or thereafter upon satisfaction of certain statutory requirements by the Tax Collector) and become delinquent on the following April 1 or sixty (60) days after the mailing of the original tax notice, whichever is later. The collection of delinquent taxes and assessments is based to a large degree on the sale of tax certificates. Tax certificates are sold at public auction to the purchaser who pays the delinquent taxes, interest and certain costs and charges relating thereto, and who bids the lowest interest rate, which shall not exceed eighteen percent (18%) per annum. Proceeds from the sale of tax certificates are required to be used to pay delinquent taxes and assessments, interest, costs and other charges. Under Florida law, tax certificates may not be sold until at least ninety (90) days after the taxes and assessments become delinquent.

The ability of the County to sell tax certificates in regard to delinquent Special Assessments will be dependent upon various factors, including the interest rate which can be earned by ownership of such certificates and the value of the Assessed Property that is the subject of such certificates. No assurance can be given that there will be any purchasers of tax certificates if any are required to be sold due to delinquencies in the payment of the Special Assessments or other taxes or assessments imposed on the Assessed Properties. See "SPECIAL ASSESSMENTS - Collection of Special Assessments" herein. An inability to sell tax certificates following delinquencies in the payment of Special Assessments could have

a material adverse impact on the City's ability to make full or punctual payment of debt service on the Series 2022 Bonds.

County-Held Tax Certificates

In the event there are no bidders, the tax certificates relating to delinquent tax payments are issued to the County at the maximum rate of interest allowed (presently 18%). The Tax Collector does not collect any money from the County if the tax certificates are issued to the County. County-held tax certificates, which are not previously purchased or redeemed, must be held by the County for a period ending two (2) years from April 1 of the year of issuance. After the expiration of the two (2) year period, the property will be offered for sale, as described under "SPECIAL ASSESSMENTS - Collection of Special Assessments" herein. There are many procedures that must be followed by the Tax Collector before a property for which the payment of taxes is delinquent can be offered for sale. Such procedures include proper notices, collection of certain fees and charges, and establishing an opening bid for the property. Failure to comply with any of the procedures or the statutory opening bid process could result in delays or the complete inability of the Tax Collector to collect the delinquent taxes and assessments. If the property for which the payment of taxes is delinquent is not sold within three (3) years from the date it was first offered for public sale, the land escheats to the County and all tax certificates and liens against the property will be cancelled. If a sufficient amount of the real property subject to the Special Assessments were to escheat to the County, the City may be unable to pay the principal of and interest on the Series 2022 Bonds.

Limitations on Enforceability

The payments of the Special Assessments and the ability of the Tax Collector to foreclose the lien of unpaid taxes may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State relating to court foreclosure. Bankruptcy proceedings may cause the Special Assessment liens to be extinguished. Legal proceedings under federal bankruptcy law brought by or against an Owner of Assessed Property who has not paid his or her property taxes or assessments would likely result in a delay in the sale of tax certificates relating to such property. In the event of the institution of bankruptcy or similar proceedings with respect to any Owner of an Assessed Property, such bankruptcy or similar proceeding could negatively impact the ability of (i) the Owner of the Assessed Property to pay the Special Assessments or (ii) the Tax Collector to sell tax certificates in relation to such Assessed Property. Any of such impacts could materially adversely affect the collection of Special Assessments in the amount needed to make full or punctual payment of debt service on the Series 2022 Bonds.

The remedies available to the Holders of the Series 2022 Bonds upon an event of default under the Bond Resolution are in many respects dependent upon judicial actions, which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by federal, state and local law and in the Bond Resolution, including without limitation, enforcement of the obligation to pay the Special Assessments, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2022 Bonds (including the approving opinion of Bond Counsel) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available with respect to the Special Assessments could have a material adverse impact on the interest of the Holders of the Series 2022 Bonds, including a significant adverse affect on the City's ability to make full or punctual payment of debt service on the Series 2022 Bonds.

Additional Taxes and Assessments

The willingness or ability of an Owner of an Assessed Property to make his or her Special Assessment payments could be affected by the existence of other taxes and assessments imposed on the Assessed Property, which public entities may impose without the consent of the Owner. The lien of the Special Assessments is, however, of equal dignity with the liens for State, County and City taxes upon land, and thus is superior to all other liens, including mortgages, except for prior federal tax liens. County, municipal, school, special district taxes and assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, including the Special Assessments collected pursuant to the Uniform Method of Collection, are payable at one time. Taxpayers may establish a partial payment schedule, as provided in Sections 197.374 and 197.222, Florida Statutes, as amended, and other applicable provisions of Chapter 197. However, partial payments made pursuant to Chapter 197, Florida Statutes, as amended, are distributed in equal proportion to all taxing districts and levying authorities applicable to that taxpayer's account. If a taxpayer does not make complete payment, such taxpayer cannot designate specific line items on the tax bill as deemed paid in full. Therefore, any failure by an Owner to pay any one line item, whether or not it is the Special Assessments, would result in such Owner's Special Assessments to not be fully collected, which could have a material adverse impact on the interest of the Holders of the Series 2022 Bonds, including a significant adverse affect on the City's ability to make full or punctual payment of debt service on the Series 2022 Bonds.

Statutory Compliance

The City is required to comply with statutory procedures in levying and collecting the Special Assessments. Failure of the City to follow these procedures could result in the Special Assessments not being levied or collected as currently contemplated, which could have a material adverse impact on the interest of the Holders of the Series 2022 Bonds, including a significant adverse affect on the City's ability to make full or punctual payment of debt service on the Series 2022 Bonds. See "SPECIAL ASSESSMENTS" herein.

New Legislation

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2022 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2022 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2022 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2022 Bonds.

In addition, in recent years legislation has been enacted to facilitate a reform of laws relating to the treatment of real estate by local governmental entities in the State, including laws affecting ad valorem taxation and the collection of special assessments. The State legislature, the courts or an administrative agency with jurisdiction in the matter could enact new laws or regulations or interpret, amend, alter, change or modify the laws or regulations governing the collection, distribution, definition or accumulation of ad valorem tax revenues generally, or special assessment payments specifically, in a fashion that could materially adversely affect the ability of the City to levy and collect the Special Assessments or to make full or punctual payment of debt service on the Series 2022 Bonds.

No Acceleration

Neither the Ordinance, the Assessment Resolutions nor the Bond Resolution provide for the acceleration of future installments of the Special Assessments in the event that any currently due installment is not timely paid or the acceleration of Principal and Interest Requirements for any failure to pay debt service on the Series 2022 Bonds. In the event of any delinquency in the payment of Special Assessments, the default procedures described herein will have to be pursued separately for each delinquent installment. See “SPECIAL ASSESSMENTS - Collection of the Special Assessments” herein. Such consequence could have a material adverse impact on the interest of the Holders of the Series 2022 Bonds, including a significant adverse affect on the City’s ability to make full or punctual payment of debt service on the Series 2022 Bonds.

Inadequacy of Reserve Fund

Some of the risk factors described herein, if materialized, could result in a delay in the collection of the Special Assessments or a failure to collect the Special Assessments, but may not affect the timely payment of debt service on the Series 2022 Bonds because of the Reserve Fund established for the Series 2022 Bonds. However, the ability of the City to fund deficiencies caused by delinquent or delayed Special Assessment payments is dependent upon the amount, duration and frequency of such delinquencies or delays. If Special Assessments are not paid as and when due, the Reserve Fund could be rapidly depleted and the ability of the City to pay debt service on the Series 2022 Bonds could be materially adversely affected. In addition, moneys on deposit in the Reserve Fund may be invested in certain obligations permitted under the Bond Resolution. Fluctuations in interest rates and other market factors could affect the amount of moneys available in the Reserve Fund to make up deficiencies or delays in the collection of Special Assessments. See “SECURITY AND SOURCES OF PAYMENT - Reserve Fund” herein.

Holders should note that although the Bond Resolution provides for the Reserve Fund to be maintained in the amount of the Reserve Fund Requirement, with a corresponding obligation on the part of the City to replenish the Reserve Fund to the Reserve Fund Requirement following a draw to pay debt service on the Series 2022 Bonds, the City does not have a designated revenue source for replenishing the Reserve Fund and would need to collect Special Assessments in an amount sufficient to accomplish such replenishment. See “SPECIAL ASSESSMENTS - General,” which describes the provisions of the Amended and Restated Declaration Resolution and the Final Assessment Resolution, including the authority of the City Commission to adopt a subsequent assessment resolution for each Fiscal Year to set the rate of the Special Assessments required to be collected for such Fiscal Year. No assurance can be provided, however, that such authority will be exercised to prevent a shortfall in the Reserve Fund or to fully replenish the Reserve Fund in the event a shortfall occurs. **The insufficiency of the Pledged Revenues to cure any deficiency in the Reserve Fund shall not constitute an Event of Default so long as the Special Assessments are being levied by the City at the maximum rate authorized by the Assessment Resolutions.**

Damage from Natural Disasters

The value of the Assessed Properties could be adversely affected by flooding or wind damage caused by hurricanes, tropical storms, or other catastrophic events, to all of which Las Olas Isles may be susceptible. See “INVESTMENT CONSIDERATIONS - Climate Change” herein. The occurrence of any such event could negatively impact the collection of Special Assessments as currently contemplated, which could materially adversely affect the ability of the City to make full or punctual payment of debt service on the Series 2022 Bonds.

Higher Interest Rates

The interest rates borne by the Series 2022 Bonds are, in general, higher than interest rates borne by other bonds of political subdivisions that do not involve the same degree of risk as investment in the Series 2022 Bonds. Although the higher interest rates are intended to compensate investors for purchasing bonds with an inherent higher degree of risk, the higher interest rates, in and of themselves, increase the amount of Special Assessments the City must levy to provide for the payment of debt service on the Series 2022 Bonds. The additional amount of Special Assessments needed to accommodate the higher interest rates also increase the burden of the Owners of the Assessed Properties, thereby possibly increasing the likelihood of non-payment or delinquency in the payment of Special Assessments.

The Bond Resolution does not contain an adjustment of the interest rates on the Series 2022 Bonds in the event of a determination of taxability of the interest thereon. Such a change could occur as a result of the City's failure to comply with tax covenants contained in the Bond Resolution or the Arbitrage Certificate executed by the City upon issuance of the Series 2022 Bonds, or due to a change in the United States income tax laws. See "TAX MATTERS" herein. Should interest on the Series 2022 Bonds become includable in gross income for federal income tax purposes, Holders of the Series 2022 Bonds will be required to pay income taxes on the interest received on such Series 2022 Bonds and any related penalties. Because the interest rates on the Series 2022 Bonds will not be adequate to compensate the Holders of the Series 2022 Bonds for the income taxes that will be due on such interest once it is determined to be taxable, the value of the Series 2022 Bonds may decline. Prospective purchasers of the Series 2022 Bonds should evaluate whether they can own the Series 2022 Bonds in the event that the interest on the Series 2022 Bonds becomes taxable.

Limited Secondary Market

The Series 2022 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2022 Bonds in the event a Holder determines to solicit purchasers of the Series 2022 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2022 Bonds may be sold. Such price may be lower than the price paid by the then Holder of the Series 2022 Bonds, depending on Special Assessment collections, existing market conditions and other factors.

LITIGATION

There is no litigation or administrative proceeding, other than as is disclosed in this Limited Offering Memorandum, of any nature, now pending or, to the best knowledge of the City, threatened against the City which, in the opinion of the City Attorney, will have a material adverse effect on any of the Pledged Revenues. At the time of the delivery of the Series 2022 Bonds, the City will deliver a certificate to the effect that no litigation or other proceedings are pending or, to the best knowledge of the City, threatened against the City in any way (1) restraining or enjoining the issuance, sale or delivery of the Series 2022 Bonds or (ii) questioning or affecting the validity of the Series 2022 Bonds or any proceedings of the City taken with respect to the authorization, sale, execution or issuance of the Series 2022 Bonds or of the pledge of any moneys or other security provided for the Series 2022 Bonds.

The City experiences routine litigation and claims incidental to the conduct of its municipal affairs. In the opinion of the City, there are no lawsuits presently pending or, to the best of the City's knowledge, threatened, the adverse outcome of which would impair the City's ability to perform its obligations to the Holders of the Series 2022 Bonds.

LEGAL MATTERS

Certain legal matters incident to the issuance of the Series 2022 Bonds, including their legality and enforceability and whether interest on the Series 2022 Bonds is excludable from gross income for federal income tax purposes, are subject to the legal opinion of Greenberg Traurig, P.A., Miami, Florida, Bond Counsel, whose legal services as Bond Counsel have been retained by the City. The signed legal opinion of Bond Counsel, substantially in the form attached hereto as APPENDIX F, dated and premised on law in effect as of the original delivery of the Series 2022 Bonds, will be delivered to the City and the Underwriter on the date of issuance of the Series 2022 Bonds.

The actual legal opinion to be delivered may vary from the form attached hereto to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of the opinion by recirculation of this Limited Offering Memorandum or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date of issuance.

Certain legal matters incident to the issuance of the Series 2022 Bonds relating to disclosure will be passed on for the City by the Law Offices of Steve E. Bullock, P.A., Miramar, Florida, whose legal services as Disclosure Counsel have been retained by the City. The signed legal opinion, dated and premised on law in effect as of the date of original delivery of the Series 2022 Bonds, will be delivered to the City and the Underwriter on the date of issuance of the Series 2022 Bonds.

The proposed text of the legal opinion of Disclosure Counsel is set forth as APPENDIX G to this Limited Offering Memorandum. The actual legal opinion to be delivered may vary from the text attached hereto if necessary to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Limited Offering Memorandum or otherwise shall create no implication that Disclosure Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date of issuance.

Certain legal matters will be passed on for the City by Alain E. Boileau, Esquire, Fort Lauderdale, Florida, City Attorney and for the Underwriter by its counsel, Bryant Miller Olive P.A., Miami, Florida.

The legal opinions and other letters of counsel to be delivered concurrently with the delivery of the Series 2022 Bonds express the professional judgment of the attorneys rendering the opinions or advice regarding the legal issues and other matters expressly addressed therein. By rendering a legal opinion or advice, the giver of such opinion or advice does not become an insurer or guarantor of the result indicated by that opinion, or the transaction on which the opinion or advice is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2022 Bonds upon an event of default under the Bond Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by the Bond Resolution and the Series 2022 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2022 Bonds will be qualified, as to the enforceability of the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery and to general principles of equity (whether sought in a court of law or equity).

TAX MATTERS

General

The Internal Revenue Code of 1986, as amended (the “Code”), includes requirements which the City must continue to meet after the issuance of the Series 2022 Bonds in order that the interest on the Series 2022 Bonds be and remain excludable from gross income for federal income tax purposes. The City’s failure to meet these requirements may cause the interest on the Series 2022 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2022 Bonds. The City has covenanted to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2022 Bonds.

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and court decisions and assuming the accuracy of certain representations and certifications of the City and continuing compliance with the covenants described in the preceding paragraph, interest on the Series 2022 Bonds is excludable from gross income of the owners thereof for federal income tax purposes. Interest on the Series 2022 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Bond Counsel is also of the opinion that the Series 2022 Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in Chapter 220, Florida Statutes. Bond Counsel will express no opinion as to any other tax consequences regarding the Series 2022 Bonds. Prospective purchasers of the Series 2022 Bonds should consult their own tax advisors as to the status of interest on the Series 2022 Bonds under the tax laws of any state other than the State of Florida.

The above opinion on federal tax matters with respect to the Series 2022 Bonds will be based on and will assume the accuracy of certain representations and certifications of the City and compliance with certain covenants of the City to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2022 Bonds will be and will remain obligations, the interest on which is excludable from gross income of the owners thereof for federal income tax purposes. Bond Counsel will not independently verify the accuracy of those representations and certifications. Bond Counsel will express no opinion as to any other consequences regarding the Series 2022 Bonds.

Bond Counsel’s opinions are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel’s attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel’s opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or the courts. Rather, such opinions represent Bond Counsel’s professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

Except as described above under this heading “TAX MATTERS,” Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest on the Series 2022 Bonds, or the ownership or disposition of the Series 2022 Bonds. Prospective purchasers of Series 2022 Bonds should be aware that the ownership of Series 2022 Bonds may result in other collateral federal tax consequences, including (a) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2022 Bonds, (b) the reduction of the loss reserve deduction for property and casualty insurance companies by the applicable statutory percentage of

certain items, including the interest on the Series 2022 Bonds, (c) the inclusion of the interest on the Series 2022 Bonds in the earnings of certain foreign corporations doing business in the United States of America for purposes of a branch profits tax, (d) the inclusion of the interest on the Series 2022 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, and (e) the inclusion of interest on the Series 2022 Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Series 2022 Bonds. Prospective purchasers of the Series 2022 Bonds should consult their own tax advisors as to the impact of these other tax consequences.

Original Issue Discount and Premium

The Series 2022 Bonds maturing on July 1 in the years 20____ to and including 20____ (collectively, the “Discount Bonds”) were offered and sold to the public at an original issue discount (“OID”). OID is the excess of the stated redemption price at maturity (the principal amount) over the “issue price” of a Discount Bond determined under Code Section 1273 or 1274 (i.e., for obligations issued for money in a public offering, the initial offering price to the public (other than to bond houses and brokers) at which a substantial amount of the obligation of the same maturity is sold pursuant to that offering). For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excludable from the owner’s gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2022 Bonds, and (ii) is added to the owner’s tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Bond.

The Series 2022 Bonds maturing on July 1 in the years 20____ to and including 20____ (collectively, the “Premium Bonds”) were offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity (or earlier for certain Premium Bonds callable prior to maturity). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner’s gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner’s tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond.

Owners of Discount Bonds and Premium Bonds should consult their own tax advisors as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable in any period with respect to the Discount Bonds or Premium Bonds and as to other federal tax consequences, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

Information Reporting and Backup Withholding

Interest paid on tax-exempt obligations such as the Series 2022 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2022 Bonds from gross income for federal income tax purposes. However, in connection with that information reporting requirement, the Code subjects certain noncorporate owners of Series 2022 Bonds, under certain circumstances, to “backup withholding” at the rates set forth in the Code, with respect to payments on the Series 2022 Bonds and proceeds from the sale of Series 2022 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2022 Bonds. This withholding generally applies if the owner of Series 2022 Bonds (a) fails to furnish the payor such owner’s social security number or other taxpayer identification number, (b) furnishes the payor an incorrect taxpayer identification number, (c) fails to properly report interest, dividends or other “reportable payments” as defined in the Code or, (d) under certain circumstances, fails to provide the payor or such owner’s securities broker with a certified statement, signed under penalty of perjury, that the taxpayer identification number provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2022 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading “TAX MATTERS” or adversely affect the market value of the Series 2022 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2022 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2022 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2022 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2022 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

PROSPECTIVE PURCHASERS OF THE SERIES 2022 BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2022 BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2022 BONDS.

CONTINUING DISCLOSURE

For the benefit of the holders and beneficial owners from time to time of the Series 2022 Bonds, the City will covenant, in accordance with and as the only obligated person with respect to the Series 2022 Bonds under Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), to provide or cause to be provided certain financial information and operating data relating to the City not later than 243 days following the end of each Fiscal Year (the “Annual Report”), and notices of material events, in such manner as may be required for purposes of paragraph (b)(5) of the Rule. The Annual Report and notices of material events will be electronically filed by the City with the Municipal Securities Rulemaking Board

at <http://emma.msrb.org/>. The specific nature of the information to be contained in the Annual Report and the notices of material events are contained in “APPENDIX H - Form of Continuing Disclosure Commitment.” The covenants of the Continuing Disclosure Commitment have been made in order to assist the Underwriter in complying with clause (b)(5) of the Rule.

Within the last five (5) years the City has complied in all material respects with its previous undertakings made with respect to the Rule and is currently in compliance in all material respects with such undertakings. Any failure to comply with the provisions of the Continuing Disclosure Commitment shall not constitute a default under the Bond Resolution and any failure of the City to comply with its previous continuing disclosure undertakings are not defaults under the authorizing resolutions or continuing disclosure commitments pursuant to which prior continuing disclosure undertakings were created.

In order to provide certain continuing disclosure with respect to the Series 2022 Bonds in accordance with the Rule, the City will retain the services of Digital Assurance Certification, L.L.C. (“DAC”) to serve as Dissemination Agent pursuant to the City’s Continuing Disclosure Commitment. The obligation of DAC to deliver information at the times and with the contents described in the Continuing Disclosure Commitment is limited by, and in all respects subject to, the receipt by DAC of such information from the City in the time periods required for its delivery. The specific obligations and responsibilities of DAC with respect to the continuing disclosure requirements of the Rule and its duties and limitations of liability as Dissemination Agent under the Continuing Disclosure Commitment are described in “APPENDIX H - Form of Continuing Disclosure Commitment.”

FINANCIAL STATEMENTS

Excerpts from the Annual Comprehensive Financial Report of the City for the Fiscal Year ended September 30, 2020 (the “ACFR”) and the report of Crowe LLP, independent certified public accountants, in connection therewith, dated April 27, 2021, are included in APPENDIX D to this Limited Offering Memorandum as part of the public records of the City. The entire ACFR may be viewed on the City’s website at: <https://www.fortlauderdale.gov/home/showpublisheddocument/63766/637727551616230000>.

The consent of Crowe LLP was not requested for the reproduction of its audit report in this Limited Offering Memorandum. The auditor has performed no services in connection with the preparation of this Limited Offering Memorandum and is not associated with the offering of the Series 2022 Bonds.

INVESTMENT POLICY

The City adopted a detailed written investment policy on September 6, 2000, which has been amended several times. The City’s current investment policy was approved on July 9, 2019 (the “Investment Policy”). The Investment Policy was adopted and exists in compliance with Section 218.415, Florida Statutes, as amended.

The Investment Policy applies to all cash and investments held or controlled by the City and shall be identified as “general operating funds” of the City, with the exception of funds needed to meet current expenses, the City’s pension funds, including those funds received pursuant to Chapters 175 and 185, Florida Statutes, as amended, other post employment benefit funds, deferred compensation and Section 401(a) Plans, Cemetery System Trust Funds, and funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds. Additionally, any future revenues, which have statutory investment requirements conflicting with the Investment Policy and funds held by State agencies (e.g., the Florida Department of Revenue), are not subject to the provisions of the Investment Policy. The

general operating funds, which are characterized as: funds in excess of those needed for the purpose of meeting operational and reserve expenses, are governed by the Investment Policy.

The objectives of the Investment Policy are: (i) safety of principal, (ii) maintenance of liquidity and (iii) return on investment, with safety of principal being the expressly stated foremost objective and return on investment the least important of the three (3) objectives. The City may engage up to four (4) investment managers to assist in managing the City's investment portfolio. The City may also engage an investment advisor to oversee the activities of the City's investment managers. Such investment managers and investment advisor must be registered under the Investment Advisors Act of 1940.

The Investment Policy provides a list of the types of securities in which the general operating funds may be invested, with limitations provided for certain categories of investment and for each type of security listed, including limitations as to maximum allowable percentages, minimum rating requirements and maximum maturities. The Investment Policy also provides a list of investments which are not permitted, unless specifically authorized by statute and with the prior approval of the City Commission. After the Treasurer of the City or the City's investment managers have determined the approximate maturity date, based on cash flow needs and market conditions, and has analyzed and selected one or more optimal types of investments, in accordance with the authorizations and limitations set forth in the Investment Policy, all investment transactions shall be subject to competitive bid, either electronically or manually, and a minimum of three (3) qualified banks and/or approved broker/dealers must be contacted and asked to provide bids/offers on the securities in question. Bids will be held in confidence until the bid deemed to best meet the investment objectives is determined and selected.

The Investment Policy may be modified from time to time by the City Commission. The Investment Policy is available on the City's website at:

<https://www.fortlauderdale.gov/home/showdocument?id=29499>.

NO RATING OR CREDIT ENHANCEMENT

The Series 2022 Bonds have not been rated by any rating agency and will not be secured by any credit enhancement. No application for a rating or credit enhancement for the Series 2022 Bonds has been made, nor is there any reason to believe the City would have been successful in obtaining either for the Series 2022 Bonds had application been made.

FINANCIAL ADVISOR

The City has retained PFM Financial Advisors LLC, Coral Gables, Florida, as financial advisor with respect to the authorization and issuance of the Series 2022 Bonds (the "Financial Advisor"). The Financial Advisor has assisted in the preparation of this Limited Offering Memorandum and in other matters relating to the planning, structuring and issuance of the Series 2022 Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification of, or to assume responsibility for, the accuracy, completeness or fairness of the information contained in this Limited Offering Memorandum.

The Financial Advisor is an independent, registered municipal advisory firm. The Financial Advisor is not engaged in the business of underwriting, marketing or trading of municipal securities. Investors should not base any investment decision on the fact that the Financial Advisor has advised the City on matters relating to the issuance of the Series 2022 Bonds.

EXPERTS

The references in this Limited Offering Memorandum to Stantec Consulting Services Inc., as the Engineering and Financial Consultant in connection with the issuance of the Series 2022 Bonds, have been approved by such firm. The Assessment Methodology Report prepared by the Engineering and Financial Consultant has been included as Appendix C to this Limited Offering Memorandum and referred to herein in reliance upon such report and upon the Engineering and Financial Consultant as an expert in engineering, planning and financial analysis. References in this Limited Offering Memorandum to, and excerpts from, the Assessment Methodology Report do not purport to be adequate summaries of such report or complete in all respects. References to the Assessment Methodology Report in this Limited Offering Memorandum are an integral part of this Limited Offering Memorandum. The Assessment Methodology Report should be read in its entirety for complete information with respect to the matters discussed therein.

UNDERWRITING

The Series 2022 Bonds are being purchased by J.P. Morgan Securities LLC (the “Underwriter”), subject to certain terms and conditions set forth in the bond purchase agreement between the City and the Underwriter, including the delivery of opinions on certain legal matters relating to the issuance of the Series 2022 Bonds and the existence of no material adverse change in the condition of the City from that set forth in the Limited Offering Memorandum. The Underwriter will purchase all of the Series 2022 Bonds if any are purchased.

The net aggregate purchase price payable by the Underwriter for the Series 2022 Bonds is \$_____ (equal to the principal amount of the Series 2022 Bonds, [plus/minus a net original issue premium/discount] of \$_____, minus an Underwriter’s discount of \$_____). The Series 2022 Bonds are offered for sale at the prices or yields set forth on the inside cover page of this Limited Offering Memorandum. The Series 2022 Bonds may be offered and sold to certain dealers at prices lower than or yields higher than such offering prices or yields, and such offering prices and yields may be changed, from time to time, by the Underwriter.

The Underwriter has entered into negotiated dealer agreements (each, a “Dealer Agreement”) with each of Charles Schwab & Co., Inc. (“CS&Co.”) and LPL Financial LLC (“LPL”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase Series 2022 Bonds from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Series 2022 Bonds that such firm sells.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriter and its affiliates have, from time to time, performed, and may in the future perform, various banking services for the City, for which they received or will receive customary fees and expenses.

In the ordinary course of its various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the City. The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold,

or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

Bond Counsel and Disclosure Counsel may, from time-to-time, serve as counsel to the Underwriter on matters unrelated to the issuance of the Series 2022 Bonds.

CONTINGENT FEES

The City has retained Bond Counsel, Disclosure Counsel and the Financial Advisor with respect to the authorization, sale, execution and delivery of the Series 2022 Bonds. Payment of the fees of such professionals and an underwriting discount to the Underwriter (including the fees of Underwriter's Counsel) are each contingent upon the issuance of the Series 2022 Bonds.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and Rule 69W-400.003, Florida Administrative Code, requires the City to disclose each and every default as to payment of principal and interest after December 31, 1975 with respect to obligations issued or guaranteed by the City. Rule 69W-400.003 further provides, however, that if the City in good faith believes that such disclosure would not be considered material by reasonable investors, such disclosure may be omitted. Certain obligations issued by the City in which the City has acted merely as a conduit for payment do not constitute an actual debt, liability or obligation of the City, but are instead secured by payments to be made from certain users of bond financed property. Because such other obligations are not dependent upon the City for repayment, they do not affect or reflect the strength of the City. Accordingly, any prior default with respect to such obligations issued by the City would not in the City's judgment be considered material by reasonable investors in the Series 2022 Bonds. Accordingly, the City has not taken affirmative steps to contact the various trustees of conduit bond issues of the City to determine the existence of prior defaults.

Although no affirmative steps have been taken to determine if any defaults occurred with conduit issues of the City, the City has been provided notice of the occurrence of a default with respect to one of its prior conduit issues. The City's \$3,675,000 Industrial Development Revenue Bonds, Series 1982 (Days Inn of America, Inc. Project) (the "Days Inn Bonds") went into default as to the payment of principal and interest on September 15, 1991. On November 3, 1997, First Union National Bank, as Indenture Trustee for the Days Inn Bonds, issued a "Notice of Final Distribution" as to the Days Inn Bonds. The Days Inn Bonds were special, limited obligations of the City payable solely from the revenues and other amounts derived by the City from the loan agreement with the borrower of the proceeds of the Days Inn Bonds or otherwise from the project in respect of which the Days Inn Bonds were issued. Neither the faith and credit nor the taxing power of the City was pledged to the payment of the Days Inn Bonds. There was no lien upon any property owned by or situated within the jurisdictional limits of the City, except the project in respect of which the Days Inn Bonds were issued. For the foregoing reasons, the City has concluded that all disclosures required by the aforementioned Rule pertaining to the Days Inn Bonds are not deemed material to a reasonable investor.

Except as described in the preceding paragraph, to the best knowledge of the Director of Finance of the City, the City has not received actual notice of a default in the payment of principal or interest after December 31, 1975 with respect to any obligations issued or guaranteed by the City.

AUTHORIZATION OF LIMITED OFFERING MEMORANDUM

The delivery of this Limited Offering Memorandum has been duly authorized by the City Commission. At the time of the delivery of the Series 2022 Bonds, the Mayor and City Manager of the City will furnish a certificate to the effect that (except for information in this Limited Offering Memorandum relating to DTC, its operations and the book-entry only system, as to which no opinion will be expressed) nothing has come to their attention which would lead them to believe that this Limited Offering Memorandum, as of its date and as of the date of delivery of the Series 2022 Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purpose for which this Limited Offering Memorandum is intended to be used, or which is necessary to make the statements contained herein, in the light of the circumstances under which they were made, not misleading.

A limited number of copies of the final Limited Offering Memorandum will be provided, at the City's expense, on a timely basis.

CONCLUDING STATEMENT

All information included herein has been provided by the City, except where attributed to other sources. The summaries of and references to all documents, statutes, reports, and other instruments referred to herein do not purport to be complete, comprehensive or definitive, and each such reference or summary is qualified in its entirety by reference to each such document, statute, report or other instrument. The information herein has been compiled from official and other sources and, while not guaranteed by the City, is believed to be correct. To the extent that any statements made in this Limited Offering Memorandum and the appendices attached hereto involve matters of opinion or of estimates, whether or not expressly stated, they are set forth as such and not as statements of fact, and no representation is made that any of the estimates will be realized.

This Limited Offering Memorandum has been duly executed and delivered by the Mayor, the City Manager and the Director of Finance of the City of Fort Lauderdale, Florida.

CITY OF FORT LAUDERDALE, FLORIDA

Mayor

City Manager

Director of Finance

APPENDIX A

**General Information regarding the City of
Fort Lauderdale, Florida and Broward County, Florida**

GENERAL INFORMATION

Introduction

Founded in 1911, the City of Fort Lauderdale (the “City”) is located in the heart of a robust, diversified growth region on the southeast coast of Florida midway between Miami and West Palm Beach. The City encompasses approximately 36 square miles with a population of approximately 189,321, as of September 30, 2020. Fort Lauderdale ranks as the eighth largest city in Florida and the largest municipality in Broward County, a metropolitan area that includes 31 cities and more than 1.9 million people.

Embraced by the Atlantic Ocean, New River and a myriad of scenic inland waterways, the City truly lives up to its designation as the *Venice of America*. With an average temperature of 77 degrees, nearly seven miles of beautiful beaches and 3,000 hours of sunshine per year, the City attracts millions of visitors each year for business, recreation and relaxation.

The City offers an array of cultural, recreational and entertainment amenities, combined with an exceptional economic climate and an outstanding quality of life. The City features a thriving uptown and downtown business district; a revitalized beachfront; picturesque Riverwalk; vibrant arts, science and historic district; and an array of upscale shopping, dining and entertainment venues.

All of these assets combine to make the City a year round, world-class family resort and business center.

Vision

The City is committed to improving productivity, streamlining expenses and developing a stronger, more effective organization. The City has embraced a vision that is based on fiscal responsibility, accountability, high ethical standards and quality delivery of services. It is a vision that rewards excellence, not mediocrity, and, above all, places the people of the City first.

As the City moves forward, it will continue to work in partnership with its most important asset - its citizens - to develop the strategies necessary to ensure a safe and secure community, provide quality programs and services, enhance quality of life, protect the environment, promote smart growth, and maintain fiscal responsibility.

By remaining focused on its mission, the City is confident that it can address the challenges that lie ahead, and work to preserve and enhance the unique characteristics that make Fort Lauderdale such a special city.

Administration

The City has been operating under a Commission-Manager form of government since 1925. The City Commission is comprised of the Mayor, who is elected at-large, and four Commissioners, who are elected in non-partisan district races. Pursuant to a Charter amendment approved by the voters of the City on March 12, 2019, elections take place every four years, in conjunction with the general election. Each elected official is eligible to serve three consecutive four-year terms. The next election will take place on November 5, 2024. As the City’s legislative body, the City Commission sets policy, enacts ordinances, adopts resolutions and makes appointments to advisory boards and committees.

The City Manager is appointed by and reports directly to the City Commission. As Chief Executive Officer, the City Manager is responsible for directing the City's day-to-day operations and carrying out the policies set forth by the City Commission. Christopher J. Lagerbloom, Fort Lauderdale's current City Manager, began his service as City Manager on January 1, 2019.

The City's departmental structure is comprised of the offices of the City Commission, City Manager, City Attorney, City Auditor and City Clerk, along with the following ten departments that are responsible for the provision and delivery of municipal services: Finance, Office of Management and Budget, Fire-Rescue, Human Resources, Information Technology Services, Parks and Recreation, Police, Public Works, Development Services, and Transportation and Mobility.

As of September 30, 2021, the City employed a full-time work force of approximately 2,735 full-time employees, more than 2,387 of which are represented by four bargaining agents: Fraternal Order of Police, Lodge 31 ("FOP"), International Brotherhood of Teamsters Local 769 ("Teamsters"), Federation of Public Employees ("Federation") and International Association of Fire Fighters ("IAFF"). In 2019 the City ratified a new collective bargaining agreement with Federation and with Teamsters. Such agreements govern through September 30, 2022.

The City has entered into two (2) collective bargaining agreements with FOP on behalf of (i) Police Officers and Sergeants and (ii) Police Lieutenants and Captains. The current agreements have an effective date of October 1, 2020 and expire on September 30, 2022. In addition, the City has entered into two (2) collective bargaining agreements with IAFF on behalf of (i) Firefighters and (ii) Battalion Chiefs. The current agreements with IAFF expired on September 30, 2021. The parties, however, are currently negotiating the terms of successor agreements and have agreed to operate under the provisions of the expired agreements until such terms are finalized and new agreements are executed.

The City's Fiscal Year 2022 adopted operating budget is \$897,744,024, including balances and transfers, through which the City provides a full range of municipal programs and services. The Fiscal Year 2022 operating budget is approximately \$49.9 million more than the adopted budget for Fiscal Year 2021 of \$847,858,597, including balances and transfers, or an approximately 5.9% increase. The Fiscal Year 2022 budget is premised upon the following:

- Providing superior public safety including intelligence-led policing to reduce crime;
- Providing community service programs that meet a variety of interests and needs;
- Creating public-private partnerships with mutual economic and service benefit;
- Replacing assets and rehabilitating city-owned buildings based on comparative cost of required maintenance for safety and performance efficiency;
- Improving the public image and physical appearance of the City with proper maintenance of buildings, public rights-of-way, and code enforcement of private properties; and
- Enhancing employee skills and opportunities to attract and maintain the best qualified staff ensuring the highest level of public service possible.

Resumes

Mayor Dean J. Trantalis was elected Mayor of the City on March 13, 2018 and reelected on November 3, 2020. Prior to his election as Mayor of the City, Mayor Trantalis served on the City Commission from 2003 to 2006 and from 2013 until his ascension to the mayor's office. While on the City Commission, he served as vice mayor on two occasions, from 2005 to 2006 and from 2016 to 2017, and was selected by his colleagues to represent the City on the board of directors of the Broward League of Cities, the Broward County Homeless Continuum of Care Task Force and the Broward County-Palm Beach County Joint C-51 Reservoir Work Group. Born and raised in Norwich, Connecticut, Mayor Trantalis attended high school at Norwich Free Academy before moving on to Boston University, where he majored in political science and graduated cum laude and with distinction. He received a Juris Doctorate in 1979 from Stetson University School of Law, while completing international law courses in Eastern Europe, Russia and London. Mayor Trantalis was admitted to the Connecticut and Florida Bar Associations in 1980 and has practiced law in Broward County since 1982. He currently maintains a successful general law practice in Broward County with some emphasis in the areas of real estate, probate, estate planning, bankruptcy, and corporate matters. Mayor Trantalis is a member of the Federal Bar and the National Association of Bankruptcy Attorneys.

Mayor Trantalis has been extremely active in the community, serving on numerous boards and committees, including Americans for Equality, where he served as co-chair, the Fort Lauderdale Citizen Police Review Board, Broward House, the Dolphin Democrats, the Riviera Towers Co-Operative Board, the Broward County Planning Council, and the John Graves Foundation Board of Trustees. Mayor Trantalis has received multiple awards and honors for his work, including the Small Business Award from the Greater Fort Lauderdale Chamber of Commerce, an inaugural honoree of the Diversity Honors awards presented by the Harvey Milk Foundation, a Community Champion honoree by the Broward County Commission and the Broward County Human Rights Board, and a lifetime achievement award by the Harvey Milk Foundation and the Pride Center at Equality Park.

Vice Mayor Heather Moraitis was elected to the City Commission on January 16, 2018 and reelected on November 3, 2020. Vice Mayor Moraitis was born in Fort Lauderdale and graduated from the University of Florida with a Master's degree in Education. She was an education consultant for Jack and Jill Children's Center, helping relocate the center from Sistrunk Boulevard to its current location on Broward Boulevard. Vice Mayor Moraitis also taught elementary school at Westminster Academy before serving as its Director of Development, and worked for the U.S. Navy in Italy overseeing two child development centers.

Vice Mayor Moraitis has been active in the community for many years. She was the President of the Junior League of Greater Fort Lauderdale where she worked with a group to launch the Fort Lauderdale Independence Training & Education (FLITE) Center for youth aging out of foster care. During her time in the Junior League, she led a team to write a nutrition program for second grade students which was implemented in Broward County Public Schools. Among her other affiliations, Vice Mayor Moraitis participated in Leadership Broward, Lifeworks Leadership, Women in Leadership, and the Greater Fort Lauderdale Chamber of Commerce Leadership Fort Lauderdale. Vice Mayor Moraitis is a member of the Greater Fort Lauderdale Chamber of Commerce, Navy League Fort Lauderdale Council and prior member of the City of Fort Lauderdale Marine Advisory Board. She also currently serves on the Board of Directors of the Coral Ridge Isles Homeowner's Association. Among her recognitions and awards, she has received the Governor's Points of Light Award and the Florida Department of Education Commissioner's Business Recognition Award.

Commissioner Steven Glassman was elected to the City Commission on March 13, 2018 and reelected on November 3, 2020. Commissioner Glassman was born in New York City and raised on Long Island. After receiving a Bachelor's and Master's Degree, he settled in Buffalo, New York where he was an educator for eighteen years. He moved to the Fort Lauderdale area with his spouse of forty-five years in 1994. He served as an administrator for the Broward County Cultural Division for eleven years, where he worked closely with elected officials and business leaders to further the quality of life in Broward County's major cities through the arts and culture. This work included serving on Advisory Boards in the cities of Hollywood, Miramar and Pembroke Pines. In addition, Commissioner Glassman has served on the City's Beach Redevelopment Advisory Board for three years and on the City's Planning and Zoning Board for six years. He has spent many years in various civic leadership positions, including serving as President of the Broward Trust for Historic Preservation and as President of the Central Beach Alliance for seven years. Commissioner Glassman has also served as President of several beach condominium associations, including his current six-year tenure at the Sapphire Condominium.

Commissioner Robert L. McKinzie was appointed by the City Commission on November 4, 2014 to replace Commissioner Bobby B. Dubose. He was elected to the City Commission on February 10, 2015 and reelected on January 16, 2018 and on November 3, 2020. Commissioner McKinzie received his Bachelor of Science in Business Administration from Bethune-Cookman University. A native of Fort Lauderdale, Commissioner McKinzie has devoted his time to serve many civic and community organizations. He has served on the Board of Directors for the Central Broward Kiwanis, as Vice Chair of the Board of Trustees, First Baptist Church Piney Grove, as a member of the Associate Board of Trustees, Bethune-Cookman University, as a member of the Broward County Alumni Association of Bethune-Cookman University, and as a member of the Leadership Broward Class XI. In the past he has also served as a member of the Board of Directors of the Broward County Minority Builders, as a member of the Broward County Housing Finance Authority (immediate Past Chair), and as a member of the Broward County School Board Consultants Review Committee. He also serves as a volunteer for the Boys and Girls Club and is a youth mentor. He is also a member, and in the past served as president, of Omega Psi Phi Fraternity, Inc. Commissioner McKinzie owns and operates Harper and Sons Construction, Inc., a general contracting firm specializing in affordable housing and construction management.

Commissioner Benjamin "Ben" Sorensen was elected to the City Commission on March 13, 2018 and reelected on November 3, 2020. A third generation Presbyterian minister, Commissioner Sorensen is a former volunteer Chaplain for the City's Police Department and a current volunteer Chaplain for the City of Hollywood, Florida Police Department. He serves on the Board of Directors of the Leadership Broward Foundation and on the Advisory Board of the Salvation Army of Broward County. He is also a founding member of Mission United, a program of the United Way of Broward County that focuses on reducing veteran homelessness in Fort Lauderdale and helping veterans and their families, a former member of the Broward County Human Rights Board, a former Guardian Ad Litem First Responder and a former member of the Board of Directors of the Greater Fort Lauderdale Chamber of Commerce and the Downtown Council Board of Governors.

In 2007, Commissioner Sorensen co-founded and currently serves as Vice President of Optimum Associates, LLC, which provides leadership, sales and management training to large corporations, small businesses and non-profit organizations. Commissioner Sorensen has earned six degrees: a Master of Science of Strategic Intelligence from the National Intelligence University, a Doctor of Ministry from Amridge University, a Master of Divinity from Amridge University, a Juris Doctor from Georgetown University Law Center, a Master of Arts of Leadership and Liberal Studies from Duquesne University, and a Bachelor of Arts from Emory University. While at Georgetown University, Commissioner Sorensen studied International Trade Law under current United States Supreme Court Chief Justice John Roberts.

Commissioner Sorensen is the third generation in his family to serve in the United States Armed Forces. He currently serves in the Navy Reserve as a Lieutenant Commander specializing in intelligence. Commissioner Sorensen has earned multiple awards for his military service, including the Navy and Marine Corps Achievement Medal. He has also received multiple awards and honors for his service in the community, including being named a Paul Harris Fellow by the Rotary Foundation of Rotary International in 2019 and being a 2019 Leadership Broward Fun Lunch Honoree.

Christopher J. Lagerbloom, ICMA-CM - City Manager for the City of Fort Lauderdale (January 2019 - Present), Mr. Lagerbloom began his career with the City in February 2016 as Assistant City Manager, where he was responsible for overseeing the day-to-day operations of the City's Parks and Recreation, Public Works, Sustainable Development, and Transportation and Mobility departments. During his tenure as Assistant City Manager, Mr. Lagerbloom spearheaded several major projects, including improving operations and enhancing service delivery in the Department of Sustainable Development, advancing the massive "Go Big, Go Fast!" water and sewer infrastructure improvement project, working closely with Parks and Recreation on a facilities improvement bond, and leading discussions with Broward County for a possible shared City/County downtown governmental complex.

Mr. Lagerbloom previously served as City Manager of Milton, Georgia, a municipality incorporated in 2006. He was named City Manager of Milton in 2009 and successfully built a progressive and dynamic city government, focusing on cutting edge service delivery, innovative problem solving, and results-driven operational strategies. Under his leadership, Milton captured numerous national accolades, including being named the city with the "Best Quality of Life" in Georgia, one of America's 100 Safest Cities, a Certified Green Community, and a Certified City of Ethics. Mr. Lagerbloom also developed an innovative service delivery model focusing on hybrid public-private partnerships that enabled Milton to increase services and generate millions of dollars in savings. Prior to being named City Manager of Milton, Mr. Lagerbloom served as Interim City Manager from 2007 - 2008. He also helped to establish the inaugural City of Milton Public Safety Department, serving as the city's first Police and Fire Chief. He earlier served in the Police Department of the City of Alpharetta, Georgia, where he worked his way up the ranks from Police Officer to Police Captain.

Mr. Lagerbloom's professional and civic affiliations include earning the ICMA Credentialed Manager (ICMA-CM) designation in 2014 from the International City/County Management Association, graduating from the University of Virginia Senior Executive Institute in 2013, and being recognized as both a Paul Harris Fellow and member of the Paul Harris Society of Rotary International. Mr. Lagerbloom holds a Bachelor of Science degree in criminal justice from Georgia State University and a Master of Public Administration degree from Columbus State University.

Alain E. Boileau, Esquire - City Attorney for the City of Fort Lauderdale (August 2018 - Present), is an AV-rated litigation and appellate attorney with over 21 years of experience representing and counseling governmental entities and private parties in diverse areas of the law, including governmental general liability and legislative issues, police professional liability, land use, civil rights, contracts, code enforcement, employment disputes, personal injury, insurance defense and construction litigation. Mr. Boileau has represented the City and its employees since 2001, previously as special counsel and, most recently, as an Assistant City Attorney since February 2014, and as the Interim City Attorney since March 2018. Mr. Boileau is admitted to practice in all state courts in Florida, the United States District Court for the Southern District of Florida, the Eleventh Circuit Court of Appeals, and in the United States Supreme Court.

Prior to joining the City Attorney's Office, Mr. Boileau was a partner and shareholder in the Fort Lauderdale law firm of McIntosh Schwartz PL and prior to that position, a partner in the Fort Lauderdale

office of Adorno & Yoss, LLP. Among his professional affiliations, Mr. Boileau is a member of the Labor and Employment Law Section of the American Bar Association, the Labor and Employment Section of the Florida Bar, and the Greater Fort Lauderdale Chamber of Commerce. Mr. Boileau received his Bachelor of Arts degree from Florida International University in 1993 and his Juris Doctor degree from Nova Southeastern University in 1998.

John C. Herbst, CPA, CGFO, CGMA - City Auditor for the City of Fort Lauderdale (August 2006 - Present), is the first individual to hold the position of independent City Auditor created through a charter revision in 2004. Mr. Herbst has over 35 years of diversified audit, accounting and finance experience in both the public and private sectors. Prior to coming to the City of Fort Lauderdale, he held several positions with the City of Jacksonville, Florida, including Chief Financial Officer for the Jacksonville Housing Commission, Director of Finance for the Jacksonville Children's Commission and Principal Budget Analyst for the City of Jacksonville. Mr. Herbst holds a Bachelor of Business Administration in Accounting from Bernard M. Baruch College - City University of New York and a Master of Business Administration from the University of North Florida. In addition to being a Florida licensed Certified Public Accountant, he also holds the designation of Certified Government Finance Officer from the Florida Government Finance Officers Association.

David R. Soloman - City Clerk for the City of Fort Lauderdale (January 2022 - Present), has over 13 years of experience with the City of Fort Lauderdale. Prior to becoming City Clerk, Mr. Soloman served as Deputy City Clerk for over 6 years. He has also served the City as a Neighbor Support Coordinator within the City Manager's Office - Neighbor Support Division. He holds a Bachelor of Arts from the University of Central Florida and Master of Public Administration from Florida Atlantic University.

Susan Grant, CPA - Director of Finance for the City of Fort Lauderdale (December 2019 - Present), has over 27 years of experience in public management, 24 of which were spent on the senior management team of the City of Coral Springs, Florida. In Coral Springs, Ms. Grant served as deputy city manager, director of financial services, director of human resources and city controller. During her tenure in senior management in Coral Springs, Ms. Grant helped guide the city in the successful pursuit of many prestigious awards, including the 2007 Malcolm Baldrige Award and Florida Governor's Sterling Awards in 2003 and 1997. The City of Coral Springs was the first organization to win the Sterling Award twice. Ms. Grant also served as an examiner for both awards and currently serves as a judge for the Florida Governor's Sterling Award.

As deputy city manager for Coral Springs, Ms. Grant oversaw the city's financial services, budget, human resources, information technology, marketing and communications departments and the Office of the City Clerk. As director of financial services for Coral Springs, Ms. Grant managed all divisions, including accounting, water billing, accounts payable, payroll, risk management, treasury, and purchasing. Her responsibilities as human resources director for Coral Springs included recruitment and selection, policy formation and interpretation, training and development, classification and compensation, rewards and recognition, employee relations (including labor negotiations), and pension and benefits administration (including management of self-insured health plans). Before entering public service, Ms. Grant worked as a chief financial officer, senior financial analyst and senior accountant in the private sector. She holds a Bachelor of Science in Accounting from the University of Florida.

Linda A. Short, CGFO, CPM - Deputy Director of Finance for the City of Fort Lauderdale (February 2014 - Present), has over 25 years of accounting and finance experience with both the public and private sectors. Ms. Short joined the City as its Controller in May 2012 until accepting the position as the City's Deputy Director of Finance in February 2014. Prior to joining the City, Ms. Short was the Assistant

Finance Director for the City of Palm Bay, Florida. Ms. Short holds a Bachelor of Science in Accounting from Saint Leo University. Furthermore, she holds the designations of Certified Government Finance Officer (“CGFO”) from the Florida Government Finance Officers Association (“FGFOA”) and Certified Public Manager from the Florida Center for Public Management at Florida State University. She has served as Vice President and President of the South Chapter of the FGFOA and is currently serving on the CGFO Certification Committee for the FGFOA. Additionally, she currently serves on the Certificate of Achievement for Excellence in Financial Reporting Program Special Review Committee for the Government Finance Officers Association.

Pamela Winston, CGFO - Treasurer for the City of Fort Lauderdale (September 2018 - Present), has over 17 years of accounting and finance experience in the public sector. Ms. Winston joined the City as a Staff Auditor in the City Auditor’s office in June 2007. She also served in the Housing and Community Development Division as an Accountant II before transitioning to the Finance Department as a Senior Accountant in 2012. In her role as Senior Accountant, she worked in the Treasury Division as the debt and investment manager and thereafter in Central Accounting, assisting with accounting and financial reporting, until assuming her current position. She has served as a reviewer for the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting Award. Ms. Winston holds a Bachelor of Business Administration in Accounting from Georgia Southwestern University. She also holds a Master of Business Administration in Human Resources from Walden University. Additionally, she holds the designation of Certified Government Finance Officer from the Florida Government Finance Officers Association.

Laura L. Garcia, CGFO - Controller for the City of Fort Lauderdale (February 2014 - Present), has over 30 years of banking, accounting and finance experience with both the public and private sectors. Ms. Garcia joined the City as a Senior Accountant in January 2013 and was promoted to Controller in February 2014. Prior to joining the City, Ms. Garcia was the Budget Administrator for the City of Palm Bay, Florida. Ms. Garcia holds a Bachelor of Business Administration from Universidad Metropolitana (UMET). She currently serves as a reviewer for the Government Finance Officers Association (GFOA) Award for Outstanding Achievement - Popular Annual Financial Reporting Program. She also holds the designation of Certified Government Finance Officer from the Florida Government Finance Officers Association.

Economy and Business

An advantageous economic climate coupled with an exceptional quality of life is helping the City establish itself as a world-class center for international commerce and one of the most desirable locations for new, expanding or relocating businesses. Once known strictly as a tourism-based economy, the City now supports a diverse range of industries, including marine, manufacturing, finance, healthcare, insurance, real estate, high technology, avionics/aerospace, film and television production.

Marine Industry. The marine industry is the largest industry in the Greater Fort Lauderdale area, accounting for more than 136,000 jobs, an estimated economic impact of approximately \$8.9 million in Broward County and approximately \$12.0 billion of total economic impact in South Florida. The City hosts the Fort Lauderdale International Boat Show which has an estimated regional economic impact of \$857.3 million. With more than 300 miles of waterways, marinas and marine manufacturing and repair facilities, Greater Fort Lauderdale is a world-renowned port of call for the yachting industry.

Tourism. Tourism is the second largest industry for the Greater Fort Lauderdale area, employing more than 180,000 individuals in the area annually. New hotels and related venues are consistently being constructed and renovated in South Florida to accommodate the area’s extensive tourism industry. The

Greater Fort Lauderdale Convention and Visitors Bureau reports that the area hosts more than 13.0 million visitors annually and such visitors spend over \$8.0 billion per year. Based on hotel bed tax revenues prior to the impact of the COVID-19 pandemic, tourism generated \$86.9 million in tax revenues in 2018, an increase of approximately 33.5% from 2017 and the highest amount ever collected of such revenues. With world-class restaurants that specialize in Florida regional seafood, more than 560 regional lodging establishments, and numerous new and luxury hotels currently under construction or recently opened, significant revenue from tourism is expected to continue as tourism travel returns to pre-pandemic levels.

Trade and Business Development. Fort Lauderdale has emerged as one of the fastest growing markets for global trade, with more than forty percent (40%) of local businesses engaged in or supporting international commerce. The City also remains at the forefront of South Florida's emerging *InternetCoast*, a region that is home to more than 6,000 high technology firms. In addition, a growing list of nationally-recognized corporations have established business operations in Fort Lauderdale with corporate or Latin American headquarters, including: AT&T, AutoNation, BankAtlantic, Citicorp, Citrix Systems, Galaxy Latin America, Hewlett-Packard, Microsoft Latin American, Motorola Latin America, Republic Industries, South African Airways, Spherion Corporation, SportsLine.com, and Voicestream Wireless.

National publications have noted Fort Lauderdale's economic vitality and fertile environment for trade and business development. The Wall Street Journal recently profiled the City in a report that highlighted the array of upscale hotels, resorts and residential properties recently developed along the City's beachfront. Such developments have strengthened the City's national reputation as a premiere destination to live, work or visit. In addition to the Wall Street Journal, over 63 media sources and industry publications have included the City among others receiving complimentary national designations. For example, Fort Lauderdale has been named: All-America City by the National Civic League, Top 10 Best Downtowns by Livability.com, Top 10 Most Exciting Places in Florida and Top 10 Most Exciting Mid-Sized Cities in America by Movoto National Real Estate, Top 10 American Dream Cities by Xavier University and The Burghard Group, Top 10 Best U.S. Cities for Small Businesses by Biz2Credit.com, Top 10 Best Cities for Millennial Job Seekers in Florida by NerdWallet.com, Most Diverse City in Florida and Best City to Find a Job in Florida by WalletHub.com, one of the Best Places for Business and Careers and one of the Happiest Cities for Young Professionals by *Forbes Magazine* and Top 10 Best Places to Retire by *Money Magazine*.

Growth and Development

During the last several years, Fort Lauderdale experienced growth and development at a pace that rivaled any other period in its history. Such growth slowed during the economic downturn but has increased from the slower period experienced in 2009 through 2011. Projections for population growth in the City were recently revised to reflect slightly slower growth than was projected previously. Prior to the COVID-19 pandemic, economic growth and development in the City was expected to continue at a relatively high rate. As a result of COVID-19, economic growth and development is not expected to continue at previous levels, if at all, for at least the next year. Currently, there is no way to predict with any reasonable degree of certainty what long-term effects COVID-19 will have on economic growth and development within the City.

In the coming years, to meet the challenge of maintaining consistent growth and development in the face of change and continued competition, the City plans to concentrate on strengthening the assets that diversify the City's economy, while focusing on public health, safety and quality of life issues. The City expects to improve its infrastructure and neighborhoods and to expand transit, cultural and recreational opportunities. The success of such concentration and focus will play an integral role in helping the City continue the successful growth and development it has experienced historically. Many of these efforts are

identified by existing studies and plans that have been implemented or are expected to be implemented in the near future. The results of the implementation of certain of these efforts are visible through various public and private investments in public spaces, parks, streets, waterways, transit and other urban amenities and infrastructure improvements that have occurred throughout the City in recent years. As required to address concerns created by COVID-19, studies and plans previously developed to continue successful growth and development in the City will be modified.

Fiscal Health. Following the recovery period that began after the economic downturn, the City's economy has continued on a positive trajectory over the last five (5) years, with noteworthy increases in the taxable property tax base within the City. As a result, the City has maintained its very low operating millage rate of 4.1193 mills for fifteen (15) consecutive years. The Broward County Property Appraiser's 2021 estimate of the City's taxable property value increased by 6.98% from \$40.9 billion for Fiscal Year 2020 to \$43.7 billion for Fiscal Year 2021. This increase is expected to yield approximately \$9.9 million in additional property tax revenue for the City for Fiscal Year 2022. Such increase is larger than the last year's increase of 6.32% primarily due to over \$1.1 billion of new construction being added to the tax roll.

Consistent with the City's historic practice of conducting a fire assessment allocation study and moving to full cost recovery every three years, the City's fire assessment fee was adjusted in Fiscal Year 2020 to the fee from \$55 per year per single-family residence to \$311 for full cost recovery. The adjustment was made to generate approximately \$8.8 million in additional revenue annually and will be analyzed during the budget process for Fiscal Year 2023 to determine if additional adjustment is needed. The City's budget for Fiscal Year 2022 continues to be structurally balanced, to support sound financial and operational policies, and to provide safeguards for maintaining a healthy fiscal outlook.

The adopted budget for Fiscal Year 2022 is a strategic budget that aligns financial and human resources with the City's 2035 Vision - "*Fast Forward Fort Lauderdale*," the City's Five-Year Strategic Plan - "*Press Play Fort Lauderdale*," the City Commission's Annual Action Plan, and various priorities identified by the residents of the City. The Fiscal Year 2022 budget provides for investments in public safety, mobility, infrastructure maintenance, high performance management and continuous quality improvement. The City's Five-Year Community Investment Plan is the fiscal blueprint for both major and minor infrastructure improvements, new construction and capital maintenance projects designed to protect and preserve the City's exceptional quality of life, standards and objectives.

The City's outlook for the future is favorable, with continued improvement in economic conditions (and resulting growth in revenues and optimism) anticipated. Healthy growth in real estate values is expected to continue. Current trends suggest that the City is well prepared to manage its fiscal challenges, meet its commitments and take advantage of opportunities for growth and further positive development as they arise. The City plans to stay on its current course and is committed to making intelligent decisions about where and how its resources are invested. Hard-earned tax dollars are being spent responsibly by experienced and industrious City officials and staff to advance the City's most positive goals and objectives. The City expects to continue to be a leader in effective municipal governance, while maintaining a high quality of life for its residents.

Downtown. Development has continued to occur in downtown Fort Lauderdale, as growth in the area has increased. Numerous commercial, residential and mixed-use projects have been completed or are in various stages of development. These projects have increased and are expected to continue to increase the tax base of the downtown area of the City and will help to create a vibrant urban lifestyle for residents and visitors in South Florida.

Beach Area. Several significant residential/hotel projects are either under construction or have been approved for construction on the barrier island. Additionally, a very large scale development project at the existing 38.6 acre (16 acres of dry land) Bahia Mar site has been approved by the City. Plans for the Bahia Mar development consist of seven high-rise buildings with 651 rental apartments, one high-rise hotel with 256 rooms, one five-story grocery-parking-office building, an above-ground parking garage, a yachting amenities complex, a small building that serves as a parking garage entrance, a two-story restaurant, a strip of one- and two-story buildings that serve as a marina village with kiosks and outdoor eating and a 1,900-space underground, two-level parking garage. A public promenade is planned to wrap around the peninsular property. The extensive, multi-phased development is expected to take ten years to complete. The site plan and long-term lease agreement for the project have already been approved.

Fort Lauderdale Community Redevelopment Agency (“CRA”). Historically, the CRA has consisted of three redevelopment areas, the Central Beach Community Redevelopment Area, the Central City Community Redevelopment Area and the Northwest-Progresso-Flagler Heights Community Redevelopment Area. The central beach area of the City has experienced a revitalization resulting from the investment by the CRA in improvements to inspire commercial and residential development in that area. The Central Beach Community Redevelopment Area of the CRA expired in Fiscal Year 2020.

Investments by the CRA in the Central City Community Redevelopment Area and in the Northwest-Progresso-Flagler Heights Community Redevelopment Area have also inspired commercial and residential development in those areas. In addition, several large improvement projects are currently planned or underway in the Northwest-Progresso-Flagler Heights Community Redevelopment Area. Additional projects for development in the Central City Community Redevelopment Area are also being planned. Within the two remaining redevelopment areas of the CRA, an estimated \$126 million worth of projects are currently planned or have commenced. The Northwest-Progresso-Flagler Heights Community Redevelopment Area of the CRA is currently scheduled to expire in Fiscal Year 2026 and the Central City Community Redevelopment Area of the CRA is currently scheduled to expire in Fiscal Year 2042.

WaterWorks 2011. *WaterWorks 2011*, the City’s comprehensive, originally estimated \$500 million (in Fiscal Year 2001 dollars) water and sewer infrastructure modernization project, completed design and/or construction work for 330 water system projects, valued at \$178.8 million, and 367 sewer system projects, valued at \$321.3 million, by the end of Fiscal Year 2010. Improvements to the City’s water and sewer system under *WaterWorks 2011* have resulted in (i) a significant upgrade of the City’s Peele-Dixie Water Treatment Plant, which upgrade was designed to improve the quality and reliability of drinking water for all of the City’s water customers, and (ii) the extension of the sanitary sewer system to the vast majority of the areas of the City that did not receive sanitary sewer system service prior to the implementation of *WaterWorks 2011*.

Transportation

The City offers an extensive transportation network that includes Fort Lauderdale/Hollywood International Airport, Port Everglades, Fort Lauderdale Executive Airport, a Water Taxi system, two major railways and an extensive highway and mass transit system.

Surface Transportation. The City is served by three bus lines, two railroads (Florida East Coast Railway and CSX) and major freight carriers. The road system in Broward County totals approximately 4,800 miles and includes more than 140 miles of interstate and other expressways (I-95, I-75, I-595, Florida Turnpike and Sawgrass Expressway) and approximately 375 miles of divided highways. The County operated bus system includes an active fleet of 275 transit vehicles that serve approximately 40 million passengers annually.

Tri-Rail, a commuter rail system, provides service along a 72-mile corridor from Miami-Dade County to Palm Beach County. Tri-Rail recently completed the expansion of its system to double tracks along the entire corridor, enabling an expanded schedule and increased ridership. Connecting buses are available at all stations, with designated shuttles at Fort Lauderdale/Hollywood Airport and other regional airports. The Amtrak Silver Service links Fort Lauderdale to the rest of the nation, including daily trips to New York.

Brightline is an express intercity rail system that was developed and operated by “All Aboard Florida,” a subsidiary of Florida East Coast Industries. In November 2018 Brightline was renamed Virgin Trains USA (“Virgin Trains”) following a strategic partnership with the United Kingdom’s major transportation entity, the Virgin Group. Virgin Trains is the United States’ only privately owned and operated intercity passenger railroad. Virgin Trains is expected ultimately to connect Miami to Orlando, with intermediate stations in Fort Lauderdale and West Palm Beach. As currently contemplated, Virgin Trains will provide Floridians and visitors a viable, high quality transportation alternative to congested highways and airport terminals.

The rail service now known as Virgin Trains began service from Fort Lauderdale to West Palm Beach in January 2018, which was extended to Miami in May 2018. Service to Orlando is currently projected to begin during calendar year 2022.

Virgin Trains’ downtown Fort Lauderdale station provides a new gateway into the City and Broward County. The station and train service advances Fort Lauderdale’s position as a fully connected “City of Tomorrow.” The 60,000 square foot station and platform includes a modern, multi-story lobby, an elevated passenger lounge area for travelers, and parking facilities. The Fort Lauderdale station for Virgin Trains: (i) connects to the Sun Trolley, Broward County Transit system, and the planned Tri-Rail station; (ii) stimulates a currently underutilized area, driving new visitors into downtown Fort Lauderdale and the surrounding art, entertainment, cultural and shopping destinations; and (iii) produces millions of dollars in economic impact for the City and Broward County through the generation of additional tax revenue and the creation of hundreds of new jobs.

Fort Lauderdale/Hollywood International Airport. The Fort Lauderdale/Hollywood International Airport is one of the fastest growing passenger and cargo hubs in the United States. It has also been determined by the airline industry to be one of the nation’s airports that is recovering fastest from decreased enplanements resulting from the COVID-19 pandemic. Despite the impacts of COVID-19 on the aviation industry in 2020, the Fort Lauderdale-Hollywood International Airport ranked sixth (6th) in total passenger traffic recovery and fourth (4th) in international traffic recovery amongst airports in the United States. In 2019, Fort Lauderdale/Hollywood International Airport ranked 19th in the United States for total passenger traffic, offering more than 350 daily departures, including nonstop service to 84 cities within the country and global connectivity to 66 international destinations in 33 countries. In total, Fort Lauderdale/Hollywood International Airport served a record 36.7 million passengers for the year and had a total economic impact estimated at \$37.5 billion.

Fort Lauderdale/Hollywood International Airport serves as a major economic force for greater Fort Lauderdale, generating more than 12,500 jobs at the airport and an additional 135,000 jobs through ancillary services. The airport is located three miles from downtown Fort Lauderdale, with easy access to I-95, I-595 and Port Everglades.

Fort Lauderdale Executive Airport. Owned and operated by the City, Fort Lauderdale Executive Airport ranks as one of the nation’s 10 busiest general aviation airports. Fort Lauderdale Executive Airport

generates approximately \$7.0 million in annual revenue and \$2.1 million in annual tax revenues from airport leases. Fort Lauderdale Executive Airport generates a total of approximately 12,708 jobs, with a payroll at approximately \$578 million, and an overall economic impact estimated at approximately \$2.1 billion. The facility operates a 200 acre Industrial Airpark, with approximately 2.0 million square feet of office and warehouse space. Fort Lauderdale Executive Airport is home to more than 1,000 aircrafts and handles approximately 150,000 takeoffs and landings per year.

Fort Lauderdale Executive Airport has a modern, high-tech control tower that enables the airport to safely and efficiently monitor more than 600 flights per day. At a cost of \$16.4 million, the high-tech control tower is 117 feet tall and is equipped with the latest radar, communications and weather technology. Complete views of the entire airfield are provided from the tower's 525 square foot top floor.

Fort Lauderdale Executive Airport also serves as the hub site for the City's Foreign-Trade Zone #241. The Foreign-Trade Zone, which includes five sites and encompasses nearly 915 acres, offers businesses significant cost savings and economic incentives, while promoting job retention and growth for the City and surrounding communities.

Downtown Heli-stop. The Downtown Fort Lauderdale John Fuhrer Heli-stop, owned and operated by the City, is designed to service the community's general aviation and helicopter needs. Situated above the Riverwalk Center parking garage in the heart of the City's downtown area, the John Fuhrer Heli-stop operates twenty-four (24) hours a day, seven (7) days a week, with a maximum takeoff weight of 11,900 pounds and a 46-foot rotor diameter. The Heli-stop features a landing area and one helicopter parking position on a 14,500 square-foot elevated platform. A fully furnished lobby provides travelers with a comfortable area to converse and conduct business, along with access to plentiful parking and convenient ground transportation.

Port Everglades. Port Everglades, owned and operated by Broward County, is among the top three cruise ports in the world, hosting nearly four million passengers annually prior to the federal government's "no sail" order issued in response to the COVID-19 pandemic. Port Everglades has more homeported cruise ships than any other port. On December 1, 2019, with 55,964 cruise passengers, Port Everglades set a world record for the number of cruise guests traveling through a homeport in a single day. On June 26, 2021, Port Everglades became the first port in the United States to resume cruise service after the cruise industry was paused due to the COVID-19 pandemic. Port Everglades passenger cruise service was closer to pre-pandemic levels on November 6, 2021, when six (6) of the port's eight (8) cruise terminals were in use, with ships containing passengers sailing for cruises. Passenger cruises are expected to increase in the coming months, as more ships are cleared as safe for passenger cruises and more people return to entertainment outlets and leisure travel.

The port annually provides approximately 13,000 jobs locally and over 200,000 jobs statewide. Almost fifteen percent (15%) of all U.S. Latin American trade passes through Port Everglades, and the port services over 150 locations in 70 countries. During normal operations, the port handles nearly 4.0 million cruise ship passengers annually and more than 22.0 million tons of cargo, generating annual revenue of approximately \$1.0 billion and an estimated \$30 billion of business activity.

Port Everglades is home to Florida's first Foreign-Trade Zone (FTZ), where foreign components can be assembled, packaged and shipped without usual customs duties. The FTZ now includes five sites within and outside the boundaries of Port Everglades and encompasses a total of 250 acres. Port Everglades has launched an aggressive 20-year, \$1.6 billion expansion project. Major capital projects recently completed or currently underway have created 7,000 jobs directly and 135,000 indirect jobs.

Water Taxi. Fort Lauderdale features a unique Water Taxi system, which transports passengers to and from the downtown area via the City's New River and network of inland waterways.

Education

The Broward County Public School system is an operating and taxing entity that is separate from the City and the County. The Broward County School District (the "District") has a student enrollment that is the second largest in the State and the sixth largest in the United States. By virtue of its accreditation by Cognia (formerly AdvancEd, which was formerly the Southern Association of Colleges and Schools), the District is the second largest fully accredited school system in the nation and is Florida's first fully accredited school system since 1962. The District serves approximately 256,000 students in pre-kindergarten through grade 12 and 175,000 adult students in 241 schools and education centers (comprised of 135 elementary schools, 35 middle schools, 32 high schools, 39 adult/vocational schools and other centers) and 93 charter schools. The District is Broward County's largest single employer. As of September 30, 2021, the District had approximately 26,631 permanent employees, including over 14,326 classroom instructors. The District's General Fund, its primary operating fund, has an annual operating budget of \$2.68 billion for its fiscal year ending June 30, 2022.

There are three four-year colleges and universities in Broward County: Florida Atlantic University and Florida International University, which are public, and Nova Southeastern University, which is private. Florida Atlantic University and Florida International University are two of the nine universities in the State of Florida University system. The campuses of Florida Atlantic University and Florida International University are located in downtown Fort Lauderdale, as is the campus of Broward College (formerly Broward Community College). Broward College, Prospect Hall College, City College, Fort Lauderdale College, the Art Institute of Fort Lauderdale, and Keiser Institute of Technology are each two-year colleges located in Broward County. There are also seven educational institutions in the County with degree or certificate programs providing vocational and technical education.

Quality of Life

Fort Lauderdale offers an outstanding quality of life, highlighted by a semi-tropical climate, rich natural beauty and an array of cultural, entertainment and educational amenities. World famous Fort Lauderdale Beach offers premier opportunities for recreation, relaxation and enjoyment. The picturesque Riverwalk serves as the cornerstone of the City's arts, science, cultural and historic district which features the Broward Center for the Performing Arts, Museum of Discovery and Science, Museum of Art and Old Fort Lauderdale Village and Museum. Las Olas Boulevard has gained international acclaim as Fort Lauderdale's centerpiece of fashion, fine dining and entertainment. In addition, the City's downtown area is home to Broward College, Florida Atlantic University, Florida International University, the award-winning Broward County Main Library, and to federal, county and Broward County School District offices.

Through the cooperative efforts of residents, businesses and local government, Fort Lauderdale has evolved into a City that offers the best of both worlds - an attractive business environment and an outstanding quality of life. With an average daily temperature of 77 degrees during the winter months and 89 degrees in the summer, outdoor activities are endless, with golf courses, parks, playgrounds and miles of coral reefs available to residents and visitors of Fort Lauderdale. Activities enjoyed in the area include boating, scuba diving, snorkeling, fishing and a multitude of other outdoor and indoor recreational pursuits. The Fort Lauderdale area provides to residents and visitors professional sports teams in football, baseball, basketball, hockey and soccer and world-class swimming and diving events hosted at the International Swimming Hall of Fame/ Fort Lauderdale Aquatic Complex.

For more information about the City of Fort Lauderdale, please visit the City’s website at www.fortlauderdale.gov.

Population

From its origination in 1911 with a population of 300 people, Fort Lauderdale has grown to an estimated 189,321 people, as of September 30, 2020, and is currently ranked eighth among cities within the State of Florida.

City of Fort Lauderdale, Florida Population, Personal Income and Unemployment⁽¹⁾

Fiscal Year Ended <u>September 30</u>	Fort Lauderdale <u>Population</u>	Broward County <u>Population</u>	Broward County Personal <u>Income⁽²⁾</u>	County Per Capita Personal <u>Income</u>	Unemploy- ment <u>Rate</u>
2010	180,400	1,742,900	\$73,590,969	\$42,223	12.1%
2012	166,200	1,753,162	76,133,577	43,426	8.5
2013	170,065	1,815,137	78,687,882	43,351	5.2
2014	171,544	1,838,844	80,525,783	43,792	5.2
2015	175,123	1,827,367	80,905,552	44,274	4.9
2016	176,747	1,854,513	85,167,498	45,924	4.6
2017	179,063	1,873,970	89,572,271	47,798	3.3
2018	182,827	1,897,976	94,239,376	49,653	2.8
2019	186,220	1,919,644	98,087,689	51,097	2.8
2020	189,321	1,932,212	102,145,579	52,865	8.2

Source: City of Fort Lauderdale, Florida Annual Comprehensive Financial Report for Fiscal Year Ended September 30, 2020.

- (1) Fort Lauderdale population obtained from the Bureau of Economic and Business Research, University of Florida. Broward County population and personal income obtained from the Bureau of Economic Analysis, United States Department of Commerce. Unemployment rates obtained from the Bureau of Labor Statistics, United States Department of Labor.
- (2) Personal income in thousands of dollars.

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City of Fort Lauderdale, Florida
General Revenues by Source⁽¹⁾

<u>Fiscal Year Ended Sept. 30</u>	<u>Property Taxes ⁽²⁾</u>	<u>Utility Taxes</u>	<u>Franchise Taxes</u>	<u>Insurance Premium Taxes</u>	<u>Licenses and Permits</u>	<u>Fines and Forfeitures</u>	<u>Inter-Governmental⁽³⁾</u>	<u>Charges for Services</u>	<u>Other</u>	<u>Total ⁽⁴⁾</u>
2011	\$101,788	\$34,726	\$16,439	\$4,736	\$13,734	\$ 3,769	\$50,171	\$19,639	\$51,915	\$296,916
2012	96,618	35,386	15,872	5,321	14,913	3,537	51,666	20,401	67,503	311,216
2013	99,537	35,882	15,380	6,353	17,375	5,019	42,816	20,651	76,084	319,098
2014	102,486	37,005	22,022	5,326	17,292	5,406	47,636	21,612	90,254	349,039
2015	108,208	37,623	22,909	6,646	23,167	5,186	45,648	23,591	104,707	377,684
2016	117,778	37,517	22,390	5,563	21,232	5,564	45,973	23,827	96,855	376,699
2017	128,121	37,996	22,561	5,913	24,574	4,007	44,537	23,473	109,311	400,493
2018	135,673	39,537	22,978	6,377	26,792	4,766	46,202	23,721	109,860	415,905
2019	146,000	40,179	24,214	6,743	26,144	5,385	49,801	24,296	116,376	439,137
2020	162,734	39,010	24,016	6,610	20,658	4,407	77,418	21,915	100,017	456,785

Source: City of Fort Lauderdale, Florida Annual Comprehensive Financial Report, September 30, 2020.

- (1) Includes all governmental fund types. Amounts reflected are in thousands of dollars.
- (2) Includes the amount of ad valorem tax revenues generated by the City for operations and general obligation debt obligations, which excludes the amount levied but not collected as a result of discounts available pursuant to applicable law. Certain general obligation indebtedness of the City was retired during calendar year 2017, which provided for a higher percentage of total ad valorem tax revenue collections to be attributed to operations for Fiscal Year 2018.
- (3) Significant increase for Fiscal Year 2020 is the result of the payment received by the City from the Federal Emergency Management Agency in the amount of \$29 million for reimbursable costs related to damage caused by Hurricane Irma.
- (4) Totals may not add due to rounding.

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Property Tax Levies and Collections

Set forth below is a table that shows the assessed value of all taxable property in the City for Fiscal Years 2011 to 2020.

City of Fort Lauderdale, Florida Assessed Value of Taxable Property⁽¹⁾

		Exemptions – By Type						Total Taxable Assessed Value
<u>Fiscal Year</u>	<u>Tax Roll Year</u>	<u>Total Assessed Value⁽²⁾</u>	<u>Homestead</u>	<u>Governmental</u>	<u>Institutional</u>	<u>Save Our Homes</u>	<u>Other⁽³⁾</u>	<u>Total Taxable Assessed Value</u>
2011	2010	\$32,846,694,540	\$1,092,050,541	\$2,726,130,832	\$1,053,661,814	\$2,226,829,360	\$1,157,436,098	\$24,590,585,895
2012	2011	31,739,624,582	1,065,298,485	2,713,895,113	1,052,217,075	2,160,422,730	1,257,149,858	23,490,641,321
2013	2012	31,747,478,428	1,044,673,967	2,587,668,731	1,082,003,307	2,010,753,780	1,313,145,125	23,709,233,518
2014	2013	33,363,017,669	1,031,920,885	2,687,774,382	1,001,905,571	2,526,022,580	1,469,887,791	24,645,506,460
2015	2014	36,365,031,053	1,027,493,956	2,856,137,278	1,040,756,651	3,360,045,740	1,886,094,484	26,194,502,944
2016	2015	40,327,522,718	1,026,490,672	2,951,981,251	1,090,265,520	4,383,793,570	2,368,058,340	28,506,933,365
2017	2016	44,289,522,996	1,035,451,915	2,995,401,036	1,120,360,846	5,138,314,250	2,904,637,527	31,095,357,422
2018	2017	47,598,308,363	1,042,084,957	3,307,032,857	1,087,528,517	5,508,191,760	2,839,388,235	33,814,082,037
2019	2018	50,115,459,803	1,058,153,475	3,400,653,797	1,098,715,149	5,886,367,310	2,565,724,444	36,105,845,628
2020	2019	53,079,014,889	1,846,057,900	3,469,587,119	1,109,413,479	6,130,867,860	1,760,459,957	38,762,628,574

Source: City of Fort Lauderdale, Florida Annual Comprehensive Financial Report for Fiscal Year Ended September 30, 2020.

- (1) State law requires that assessed values be established at one hundred percent (100%) of estimated actual value.
- (2) Assessed values are as of January 1 of the tax roll year.
- (3) Includes exemptions provided by State law for certain agricultural lands and for certain individuals who qualify as widows, disabled persons or senior citizens.

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The tables below set forth historical data pertaining to the levy and collection of ad valorem real property taxes on a County-wide and City-wide basis for Fiscal Years 2011 to 2020.

**Broward County, Florida
Tax Levies and Collections***

Fiscal Year Ended Sept. 30	Taxes Levied for the Fiscal Year		Total			Collected within the Fiscal Year of the Levy		Total Collections to Date		Percentage of Adjusted Levy
	Original Levy	Adjustments	Adjusted Levy	Property Tax Discount	Net Tax Levy	Amount	Percentage of Original Levy	Collections in Subsequent Years	Amount	
2011	\$ 720,555	\$(8,720)	\$711,835	\$24,170	\$687,665	\$681,850	99.15%	\$5,763	\$687,613	99.99%
2012	700,353	(4,549)	695,804	23,902	671,902	669,929	99.71	1,610	671,539	99.95
2013	705,846	(3,308)	702,538	24,265	678,273	677,308	99.86	947	678,255	99.99
2014	718,911	(3,963)	714,948	24,863	690,085	689,257	99.88	780	690,037	99.99
2015	769,048	(6,988)	762,060	26,712	735,348	734,493	99.88	508	735,001	99.95
2016	825,776	(4,721)	821,055	28,886	792,169	791,238	99.88	602	791,840	99.96
2017	888,491	(3,996)	884,495	31,275	853,220	852,450	99.91	368	852,818	99.95
2018	968,747	(6,919)	961,828	34,262	927,566	926,598	99.90	810	927,408	99.98
2019	1,037,932	(7,593)	1,030,339	36,699	993,640	993,057	99.94	338	993,395	99.98
2020	1,101,460	(7,866)	1,093,594	38,961	1,054,633	1,052,624	99.81	—	1,052,624	99.81

Source: Broward County Records, Taxes and Treasury Division.

* Dollars in Thousands.

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**City of Fort Lauderdale, Florida
Tax Levies and Tax Collections***

Fiscal Year Ended Sept. 30	Taxes Levied for the Fiscal Year Original Levy	Collected within the Fiscal Year of the Levy			Total Collections to Date	
		Amount	Percentage of Original Levy	Collections in Subsequent Years	Amount	Percentage of Adjusted Levy
2011	\$101,599,029	\$ 99,247,375	97.7%	\$238,522	\$ 99,485,897	97.9%
2012	96,977,540	95,869,356	98.9	89,395	95,958,751	98.9
2013	97,857,108	97,219,562	99.3	—	97,219,562	99.3
2014	101,135,579	101,118,905	100.0	—	101,118,905	100.0
2015	108,085,092	107,040,848	99.0	25,165	107,066,013	99.1
2016	117,615,644	116,905,478	99.4	55,174	116,960,652	99.4
2017	128,271,963	127,624,652	99.5	64,589	127,689,241	99.5
2018	139,485,072	138,157,082	99.0	86,422	138,243,504	99.1
2019	150,293,201	148,853,162	99.0	29,545	148,882,707	99.1
2020	161,331,855	159,634,118	98.9	—	159,634,118	98.9

Source: Broward County Revenue Collector.

* Includes as collections the amount of ad valorem tax revenues to be generated by the City for operations only, based on the City's ad valorem tax levy and the percentage of such levy collected, without reduction for discounts available pursuant to applicable law. Certain general obligation indebtedness of the City was retired during calendar year 2017, which provided for a higher percentage of total ad valorem tax revenue collections to be attributed to operations for Fiscal Year 2018.

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**City of Fort Lauderdale, Florida
Property Tax Millage Rate⁽¹⁾
Direct and Overlapping Governments**

		OVERLAPPING RATES ⁽²⁾												
		FORT LAUDERDALE			OTHER TAXING DISTRICTS						SPECIAL DISTRICTS ⁽³⁾			
		DOWNTOWN DEVELOPMENT AUTHORITY												
FISCAL YEAR ENDED SEPTEMBER 30	TAX ROLL YEAR	OPERATING	DEBT SERVICE	TOTAL CITY	BROWARD COUNTY	BROWARD COUNTY SCHOOLS	SO. FLORIDA WATER MANAGEMENT DISTRICT	FLORIDA INLAND NAVIGATION DISTRICT	BROWARD CHILDREN'S SERVICES COUNCIL	TOTAL CITY-WIDE	OPERATING	DEBT SERVICE	NORTH BROWARD HOSPITAL DISTRICT	HILLSBORO INLET
2011	2010	4.1193	0.2173	4.3366	5.5530	7.6310	0.6240	0.0345	0.4696	18.6487	0.4970	0.4313	1.8750	0.0860
2012	2011	4.1193	0.1695	4.2888	5.5530	7.4180	0.4363	0.0345	0.4789	18.2095	0.5171	0.4489	1.8750	0.0860
2013	2012	4.1193	0.2149	4.3342	5.5530	7.4560	0.4289	0.0345	0.4902	18.2968	0.5020	0.5302	1.8564	0.0860
2014	2013	4.1193	0.2070	4.3263	5.7230	7.4800	0.4110	0.0345	0.4882	18.4630	0.5080	0.5366	1.7554	0.0860
2015	2014	4.1193	0.1958	4.3151	5.7230	7.4380	0.3842	0.0345	0.4882	18.3830	0.5882	0.5366	1.5939	0.0860
2016	2015	4.1193	0.1759	4.2952	5.7230	7.2740	0.3551	0.0320	0.4882	18.1675	0.5173	0.5232	1.4425	0.0860
2017	2016	4.1193	0.1610	4.2803	5.6690	6.9063	0.3307	0.0320	0.4882	17.7065	0.5525	0.4749	1.3462	0.0860
2018	2017	4.1193	0.0691	4.1884	5.6690	6.5394	0.3100	0.0320	0.4882	17.2270	0.5272	0.4099	1.2483	0.0860
2019	2018	4.1193	0.0640	4.1833	5.6690	6.4029	0.2936	0.0320	0.4882	17.0690	0.5357	0.3978	1.0855	0.0860
2020	2019	4.1193	0.2250	4.3443	5.6690	6.7393	0.2795	0.0320	0.4882	17.5523	0.5710	0.3704	1.0324	0.0985

Source: Broward County Property Appraiser.

- (1) State law requires all counties to assess at 100% valuation and limits millage for operating purposes to ten mills.
- (2) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners (e.g., the rates for special districts apply only to the proportion of the City's property owners whose property is located within the geographic boundaries of the special district).
- (3) Special Districts are taxing entities that levy taxes on limited areas within the City of Fort Lauderdale city limits.

**City of Fort Lauderdale, Florida
Building Permit Activity**

<u>Fiscal Year Ended</u>	<u>Building Permits Issued</u>	<u>Estimated Building Permit Value</u>
9/30/12	22,404	\$ 589,997,269
9/30/13	23,095	676,757,795
9/30/14	23,581	808,189,242
9/30/15	26,342	820,600,925
9/30/16*	25,529	1,071,225,706
9/30/17*	26,047	1,285,338,122
9/30/18*	27,066	1,286,035,551
9/30/19*	28,872	1,230,227,621
9/30/20*	27,600	1,678,432,462
9/30/21*	31,229	1,987,108,650

Source: City of Fort Lauderdale, Florida, Development Services Department, Building Services Division.

* More significant increase than in prior years is the result of changes in the City's building code that generated an increase in applications to obtain building permits for large developments prior to the effective date of the new building code provisions. The number of building permits issued in recent years has continued to increase following an increase in economic activity in the City.

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APPENDIX B

The Ordinance,

Amended and Restated Declaration Resolution

and Final Assessment Resolution

(without Appendices or Exhibits)

APPENDIX C

City of Fort Lauderdale, Florida

Supplemental Engineering and Assessment Methodology

Final Report dated September 2, 2021, supplementing

the Town of Jupiter Inlet Colony Utility Undergrounding

Assessment Methodology dated June 24, 2010

APPENDIX D

Excerpts from Annual Comprehensive Financial Report

of the City of Fort Lauderdale, Florida

for the Fiscal Year Ended September 30, 2020

APPENDIX E

The Bond Resolution

APPENDIX F

Proposed Form of Opinion of Bond Counsel

APPENDIX G

Proposed Form of Opinion of Disclosure Counsel

Date of Delivery

City Commission of the
City of Fort Lauderdale, Florida
100 North Andrews Avenue
Fort Lauderdale, Florida 33301

§ _____
CITY OF FORT LAUDERDALE, FLORIDA
Special Assessment Bonds, Series 2022
(Las Olas Isles Undergrounding Project)

Ladies and Gentlemen:

We have served as Disclosure Counsel in connection with the issuance by the City of Fort Lauderdale, Florida (the “City”) of its \$ _____ in aggregate principal amount of Special Assessment Bonds, Series 2022 (Las Olas Isles Undergrounding Project) (the “Series 2022 Bonds”). The Series 2022 Bonds are being issued with the terms, for the purposes and subject to the conditions set forth in, among other authorizations, Resolution No. 22-____ adopted by the City Commission of the City on February 1, 2022 (the “Bond Resolution”), as described in the Limited Offering Memorandum dated February __, 2022 relating to the Series 2022 Bonds (the “Limited Offering Memorandum”). All capitalized terms used in this opinion that are not defined herein and not normally capitalized shall have the meanings ascribed to such terms in the Limited Offering Memorandum.

In connection with the issuance and delivery of this opinion, we have considered such matters of law and fact and have relied upon such certificates and other information furnished to us as we have deemed appropriate. We are not expressing any opinion or views herein on the authorization, issuance, delivery or validity of the Series 2022 Bonds. To the extent the opinion expressed herein relates to or is dependent upon the determination that the proceedings and actions related to the authorization, issuance and sale of the Series 2022 Bonds are lawful and valid under the laws of the State of Florida, or that the Series 2022 Bonds are valid and binding obligations of the City enforceable in accordance with their terms, or that interest on the Series 2022 Bonds is excluded from the gross income of the owners thereof for federal income tax purposes or is exempt from taxation under the laws of the State of Florida, we understand that you are relying upon the opinions delivered on the date hereof of Greenberg Traurig, P.A. and no opinion is expressed herein as to such matters.

The scope of our engagement with respect to the issuance of the Series 2022 Bonds was not to establish factual matters and, because of the wholly or partially non-legal character of many of the determinations involved in the preparation of the Limited Offering Memorandum, we are not passing on and do not assume any responsibility for, except as set forth in the last sentence of this paragraph, the accuracy or completeness of the contents of the Limited Offering Memorandum (including, without limitation, its appendices) and we make no representation that we have independently verified the accuracy, completeness or fairness of such contents. As your counsel, we have participated in the preparation of the Limited Offering Memorandum and in discussions and conferences with officers of the City, Bond Counsel

for the City, the Financial Advisor for the City, the Underwriter for the issuance of the Series 2022 Bonds and Bryant Miller Olive P.A., Counsel to the Underwriter, in which the contents of the Limited Offering Memorandum and related matters were discussed. Solely on the basis of our participation in the preparation of the Limited Offering Memorandum, our examination of certificates, documents, instruments and records relating to the City and the issuance of the Series 2022 Bonds and the above-mentioned discussions, nothing has come to our attention which would lead us to believe that the Limited Offering Memorandum (except for the financial, statistical and demographic data and information in the Limited Offering Memorandum, including, without limitation, the appendices thereto, and the information relating to DTC, its operations and the book-entry only system, as to which no opinion is expressed) contains an untrue statement of a material fact or omits to state a material fact that is necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

In reaching the conclusions expressed herein we have, with your concurrence, assumed and relied on, without independent verification, the genuineness and authenticity of all signatures not witnessed by us, the authenticity of all documents, records, instruments and letters submitted to us as originals, the conformity to originals of all items submitted to us as certified or photostatic copies, the legal capacity and authority of the persons who executed such items, the accuracy of all warranties, representations and statements of fact contained in the documents and instruments submitted to us, and the continuing accuracy on this date of any certificates or other items supplied to us regarding the matters addressed herein. As to questions of fact material to our opinion, we have relied upon and assumed the correctness of the public records and certificates by, and representations of, public officials and other officers, and representatives of the parties to this transaction. We have no actual knowledge of any factual information that would lead us to form a legal opinion that the public records or certificates which we have relied upon contain any untrue statement of a material fact.

The opinion expressed herein is based upon existing law as of the date hereof and we express no opinion herein as of any subsequent date or with respect to any pending legislation. We assume no obligation to supplement this opinion if any applicable laws change after the date hereof or if we become aware of any facts that might change the opinion expressed herein after the date hereof. The opinion expressed herein represents our professional judgment, is not a guarantee of result, and is limited to the laws of the State of Florida and the United States of America.

The opinion expressed herein is furnished by us as Disclosure Counsel to our client, the City, and solely for the use of the addressee named above. Such opinion shall not extend to, and may not be relied upon by, any other persons, firms, or corporations without our express prior written consent. The opinion expressed herein is limited to the matters set forth herein, and to the documents referred to herein, and does not extend to any other agreements, documents or instruments executed by the City. No other opinion should be inferred beyond the matters expressly stated herein.

Respectfully submitted,

LAW OFFICES OF STEVE E. BULLOCK, P.A.

APPENDIX H

Form of Continuing Disclosure Commitment

CONTINUING DISCLOSURE COMMITMENT

This CONTINUING DISCLOSURE COMMITMENT, dated as of March ____, 2022, is executed and delivered by the CITY OF FORT LAUDERDALE, FLORIDA (the “City”), a municipal corporation and public body corporate and politic, duly organized and existing under the Constitution and laws of the State of Florida (the “City”), in connection with the issuance of \$_____ in aggregate principal amount of City of Fort Lauderdale, Florida Special Assessment Bonds, Series 2022 (Las Olas Isles Undergrounding Project) (the “Series 2022 Bonds”). The Series 2022 Bonds are being issued pursuant to, among other authorizations, Resolution No. 22-____ adopted by the City Commission of the City on February 1, 2022 (the “Bond Resolution”). The City covenants and agrees as follows:

SECTION 1. Purpose of Disclosure Commitment. This Disclosure Commitment is being executed and delivered by the City in order to assist the Participating Underwriter in complying with Rule 15c2-12(b)(5) of the United States Securities and Exchange Commission (the “SEC”). This Disclosure Commitment, together with Section 613 of the Bond Resolution (collectively, the “Disclosure Agreement”) shall constitute the continuing disclosure agreement of the City in accordance with the requirements of the Rule for the benefit of the Beneficial Owners.

SECTION 2. Definitions. In addition to the definitions set forth in the Bond Resolution, which apply to any capitalized term used in this Disclosure Commitment, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Commitment.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2022 Bonds (including persons holding Series 2022 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2022 Bonds for federal income tax purposes.

“Business Day” shall mean any day other than a Saturday, Sunday or a day when banks in the City of New York, New York, or in the City of Fort Lauderdale, Florida, or in the city in which the principal offices of the Bond Registrar are required or authorized by law to be closed or on which the New York Stock Exchange is closed.

“Dissemination Agent” shall mean Digital Assurance Certification, L.L.C., or any successor or alternate Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

“Financial Obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final Official Statement or similar offering document has been provided to the MSRB consistent with the Rule.

“Force Majeure Event” means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or

technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Dissemination Agent from the performance of its obligations under the Disclosure Agreement.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Commitment.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Participating Underwriter” shall mean any of the original underwriter of the Series 2022 Bonds required to comply with the Rule in connection with the offering of the Series 2022 Bonds.

“Repository” shall mean any municipal securities information repository approved from time to time by the SEC, or otherwise established by law or regulation, where information is required to be filed in accordance with the Rule and initially shall constitute the entity set forth on Exhibit A of this Disclosure Commitment.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the 243rd day following the end of each Fiscal Year, commencing with the Fiscal Year ended September 30, 2021, provide to each Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Commitment. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Commitment; provided, however, that the audited financial statements of the City may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if the audited financial statements are not available by that date. If the City’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) Not later than three (3) Business Days prior to the date the Annual Report is to be filed with each Repository, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If the City is unable to provide to the Repository an Annual Report by the date required in subsection (a) of this Section, or if the City shall fail to provide the Annual Report to the Dissemination Agent in time for the Dissemination Agent to deliver the Annual Report to the Repository by the date required in subsection (a) of this Section, the City or the Dissemination Agent, as applicable, shall send a notice to each Repository in substantially the form attached as Exhibit B to this Disclosure Commitment.

(c) If the audited financial statements of the City are prepared but not available prior to the date the Annual Report is required to be filed, the City may provide an electronic copy of its unaudited financial statements to the Dissemination Agent and shall, when the audited financial statements of the City are available, provide in a timely manner an electronic copy of such audited financial statements to the Dissemination Agent, accompanied by any required documentation, in each case, for filing with the MSRB. Compliance with the provisions of this Section 3(c) shall

constitute the City's filing of the Annual Report until the audited financial statements of the City are filed.

(d) In addition to filing the notice required by subsection (b) of this Section, as applicable, the Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each Repository and verify the filing specifications of such Repository; and

(ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to the Disclosure Agreement, stating the date it was provided and listing each Repository to which it was provided.

SECTION 4. Content of Annual Reports. The City's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the City for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board, which may be a part of the City's Annual Comprehensive Financial Report. If the City's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report may contain unaudited financial statements in a format similar to the financial statements contained in the final Limited Offering Memorandum for the Series 2022 Bonds, if available, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) To the extent such information is not otherwise included as part of the Annual Report, updated information from that set forth in the Limited Offering Memorandum for the Series 2022 Bonds in the tables under the caption "SPECIAL ASSESSMENTS."

Any or all of the items listed above may be included by specific reference to other documents, including Official Statements or similar offering documents of debt issues of the City or related public entities, which have been submitted to each Repository or to the SEC. If the document included by reference is a final Official Statement or similar offering document, such final Official Statement or similar offering document must be available in electronic format from the MSRB. The City shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Series 2022 Bonds in a timely manner not in excess of ten (10) Business Days of the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;

3. Unscheduled draws on the debt service reserves reflecting financial difficulties;
4. Unscheduled draws on the credit enhancements reflecting financial difficulties.
5. Substitution of the credit or liquidity providers or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2022 Bonds, or other material events affecting the tax status of the Series 2022 Bonds;
7. Modifications to rights of Bondholders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Series 2022 Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the City;

Note: for the purposes of the event identified in this subsection 5(a)(12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

13. The consummation of a merger, consolidation or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional Bond Registrar, Paying Agent or trustee or the change of name of a Bond Registrar, Paying Agent or trustee, if material;

15. Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) Notice to the Dissemination Agent of any Listed Event shall be in writing. Such notice shall (i) identify the Listed Event that has occurred; (ii) include the text of the disclosure that the City desires to make; (iii) contain the written authorization of the City for the Dissemination Agent to disseminate such information, and (iv) identify the date the City desires the Dissemination Agent to disseminate the information (provided that such date is not later than the tenth (10th) Business Day after the occurrence of the Listed Event).

(c) The Dissemination Agent is not obligated to notify the City of an event that may constitute a Listed Event. In the event the Dissemination Agent so notifies the City, the City shall, within two (2) Business Days of receipt of such notice (but in any event not later than the tenth (10th) Business Day after the occurrence of the Listed Event, if the City determines that a Listed Event has occurred), instruct the Dissemination Agent that a Listed Event either (i) has not occurred and no filing is to be made or (ii) has occurred and the Dissemination Agent shall be provided notice thereof in the manner provided in Section 5(b).

SECTION 6. Termination of Reporting Obligation. The obligations of the City under the Disclosure Agreement shall remain in effect only for such period that the Series 2022 Bonds are outstanding in accordance with their terms and the terms of the Bond Resolution and the City remains an obligated person with respect to the Series 2022 Bonds within the meaning of the Rule. The obligation of the City to provide the Annual Report and notices of Listed Events shall terminate if and when the City no longer remains such an obligated person. The Disclosure Agreement also shall terminate upon the termination of the continuing disclosure requirements of the Rule by legislative, judicial or administrative action.

SECTION 7. Amendment; Waiver. Notwithstanding any other provision of the Disclosure Agreement, the City may amend the Disclosure Agreement, and non-compliance with any provision of the Disclosure Agreement may be waived, provided the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a) hereof (unless the amendment or waiver is necessary or appropriate for the City to achieve compliance with any applicable federal law or rule, or to cure any ambiguity, inconsistency, formal defect or omission in the provisions of the Disclosure Agreement), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Series 2022 Bonds, or the type of business conducted;

(b) The Disclosure Agreement, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2022 Bonds, after taking into account any applicable amendments to or official interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Series 2022 Bonds in the same manner as provided in the Bond Resolution for amendments to the Bond Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Beneficial Owners.

In the event of any amendment or waiver of a provision of the Disclosure Agreement, the City shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 8. Additional Information. Nothing in the Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Commitment or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by the Disclosure Agreement. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by the Disclosure Agreement, the City shall have no obligation under the Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 9. Remedy for Breach. The Disclosure Agreement shall be solely for the benefit of the Beneficial Owners from time to time of the Series 2022 Bonds. The exclusive remedy for any breach of the Disclosure Agreement by the City shall be limited, to the extent permitted by law, to a right of Beneficial Owners to institute and maintain, or to cause to be instituted and maintained, such proceedings as may be authorized at law or in equity to obtain the specific performance by the City of its obligations under the Disclosure Agreement. Any holder or beneficial owner may exercise individually any such right to require the City to specifically perform its obligation to provide or cause to be provided a pertinent filing if such a filing is due and has not been made. Notwithstanding any other provisions of the Bond Resolution or the Disclosure Agreement, any failure by the City to comply with any provision of the Disclosure Agreement shall not constitute a default under the Series 2022 Bonds or under the Bond Resolution.

SECTION 10. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The services provided by the Dissemination Agent under or pursuant to the Disclosure Agreement shall solely relate to the execution of instructions received by the Dissemination Agent from the City and do not constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”). The Dissemination Agent shall not provide any advice or recommendation to the City or anyone on the City’s behalf regarding the “issuance of municipal securities” or any “municipal financial product,” as such terms are defined in Dodd-Frank, and nothing in the Disclosure Agreement shall be interpreted to the contrary.

(b) For purposes of satisfying the reporting requirements of the Disclosure Agreement, the City has delegated to the Dissemination Agent the duties, functions and responsibilities of

disclosing information undertaken by the City in the Disclosure Agreement. The City may, from time to time, appoint or engage an alternate or substitute Dissemination Agent to assist it in carrying out its obligations under the Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor, alternate or substitute Dissemination Agent. The Dissemination Agent (other than the City) shall not be responsible in any manner for the content of any notice or report prepared by the City pursuant to the Disclosure Agreement.

(c) Any information received by the Dissemination Agent before 6:00 p.m. Eastern time on any Business Day that it is required to file with the MSRB pursuant to the terms of the Disclosure Agreement will be filed by the Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same Business Day; provided, however, the Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event, provided that the Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

(d) The Dissemination Agent shall have only such duties as are specifically set forth in the Disclosure Agreement, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2022 Bonds.

SECTION 11. Extent of Covenants; No Personal Liability. All covenants, stipulations, obligations and agreements of the City contained in the Disclosure Agreement are and shall be deemed to be covenants, stipulations, obligations and agreements of the City to the full extent authorized by law. No covenant, stipulation, obligation or agreement of the City contained in the Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future officer, agent or employee of the City in other than that person's official capacity.

SECTION 12. Obligated Persons. If any person, other than the City, becomes an "obligated person" with respect to the Series 2022 Bonds within the meaning of the Rule, the City shall use its best efforts to require such "obligated person" to comply with all provisions of the Rule applicable to such "obligated person."

SECTION 13. Electronic Filing. Any filing under the Disclosure Agreement with a Repository shall be made in compliance with the formal rules, notices or releases for such filings, as established by the SEC or the MSRB and, until established otherwise by such rules, notices or releases, any filing under the Disclosure Agreement shall be made electronically at <http://emma.msrb.org/> in accordance with the procedures of the MSRB for such filings.

SECTION 14. Beneficiaries. The Disclosure Agreement shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the Beneficial Owners, and shall create no rights in any other person or entity.

SECTION 15. Severability. In case any section or provision of the Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other

covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 16. Headings. The headings preceding the text of the sections of this Disclosure Commitment are solely for convenience of reference and shall not affect the meaning, construction or effect of any of the provisions of the Disclosure Agreement.

IN WITNESS WHEREOF, the City has caused this Disclosure Commitment to be executed by its duly authorized officer and delivered to the Participating Underwriter in connection with the original issuance and delivery of the Series 2022 Bonds, all as of the date set forth above, and the Beneficial Owners from time to time shall be deemed to have accepted the Disclosure Agreement, as contained in Section 613 of the Bond Resolution and further described and specified herein, in accordance with the Rule.

CITY OF FORT LAUDERDALE, FLORIDA

By: _____
SUSAN GRANT, Director of Finance

EXHIBIT A

Municipal Securities Information Repositories approved by the United States Securities and Exchange Commission:

Municipal Securities Rulemaking Board:

<http://emma.msrb.org/>

A list of names and addresses of all designated Municipal Securities Information Repositories as of any point in time is available by visiting the SEC's website at <http://www.sec.gov/info/municipal.shtml>.

EXHIBIT B

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Fort Lauderdale, Florida
Name of Bond Issue: Special Assessment Bonds, Series 2022 (Las Olas Isles Undergrounding Project)
(the "Series 2022 Bonds")
Date of Issuance: March __, 2022

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report with respect to the Series 2022 Bonds, as required by Section 613 of Resolution No. 22-__ adopted by the City Commission of the City on February 1, 2022 and Section 3 of the Continuing Disclosure Commitment of the City dated as of March __, 2022, each in connection with the issuance of the Series 2022 Bonds. The City anticipates that the Annual Report will be filed by _____.

Dated: _____

[Dissemination Agent]

By: _____
Name:
Title:

APPENDIX I

Form of Investor Letter