



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#22-0002

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: March 15, 2022

TITLE: Resolution Authorizing the Issuance of Stormwater Utility System Special
Assessment Revenue Bonds – **(Commission Districts 1, 2, 3 and 4)**

Recommendation

Staff recommends the City Commission approve a resolution (Master Bond Resolution) authorizing the issuance, from time to time, of Stormwater Utility System Special Assessment Revenue Bonds, in such amounts as the City shall hereafter determine by series resolution, for the purpose of financing and refinancing improvements to the Stormwater Utility System.

Background

Due to its unique geography, varied infrastructure conditions, and the need for an increased level of service due to sea level rise and more extreme storm events, the City has identified significant investment needs in its citywide stormwater infrastructure. The City's Stormwater Utility System (the System) constitutes a single, integrated system that furthers the health, safety and welfare of the inhabitants of the City and benefits all properties within the City.

On June 16, 2020, the City Commission approved Ordinance C-20-18 amending Chapter 28 – Water, Wastewater and Stormwater of the Code of Ordinances of the City of Fort Lauderdale (Code) to, among other things, authorize the imposition of the prior stormwater utility fees (previously collected on the utility bill) as a stormwater non-ad valorem assessment to be collected pursuant to the ad valorem property tax bill. This amendment provided a process for the imposition of assessments to fund the capital costs to construct, reconstruct, repair, improve, and extend the System, as well as to fund costs of operating and maintaining the System. Additionally, it implemented the Hybrid Rate Methodology, which accounts for both the total square footage of a parcel and the number of trips the property generates.

The City has determined that it is in the best interests of the City to issue from time to time its stormwater utility system special assessment revenue bonds and to incur other forms of indebtedness as described and provided for in the Master Bond Resolution, to provide funds, together with other available moneys, to finance or refinance

Improvements to the System that are necessary and desirable for the furtherance of the health, safety and welfare of the inhabitants of the City and for the benefit of all properties within the City.

The Master Bond Resolution for the System as prepared by our Bond Counsel and reviewed by the Finance Director, Financial Advisor and City Attorney, authorizes the issuance, from time to time, in one or more series, of stormwater utility system special assessment revenue bonds and/or notes and authorizes the designated City Officials (Mayor, City Manager, City Attorney, City Clerk and Finance Director) to take all necessary acts to execute and deliver the documents necessary to issue each future series of bonds. Prior to the issuance of any future series of bonds, the City Commission will need to adopt a series resolution that sets forth or provides for the determination of the specific details of such series of bonds and authorizes the related financing documents. All bonds issued pursuant to the Master Bond Resolution and subsequent series resolutions shall be secured and payable from the stormwater assessment revenues received by the City from its imposition of stormwater assessments on all properties within the City.

With this approval of the Master Bond Resolution, the City's Bond Counsel and City Attorney will institute a bond validation proceeding (litigation), which will validate approximately \$500 million for stormwater improvement projects and is estimated to take three to four months to complete.

The first series of bonds expected to be issued under the Master Bond Resolution are the Stormwater Utility System Special Assessment Revenue Bonds, Series 2022, for an estimated amount of \$200 million. It is anticipated that the Stormwater Utility System Special Assessment Revenue Bonds, Series 2022 bond resolution will be brought for City Commission approval at a later date.

Resource Impact

There is no current fiscal impact associated with this item. Future series resolutions will be brought to the City Commission for approval as described above.

Strategic Connections

This item is a *2022 Top Commission Priority*, advancing the Infrastructure and Resilience initiative.

This item supports the *Press Play Fort Lauderdale 2024* Strategic Plan, specifically advancing:

- The Infrastructure Focus Area
- Goal 1: Build a sustainable and resilient community
- Objective: Reduce flooding and adapt to sea level rise

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are Ready.

This item advances the *Advance Fort Lauderdale 2040* Comprehensive Plan specifically

advancing:

- The Infrastructure Focus Area
- The Climate Change Element
- Goal 2: Achieve a climate-resilient community through the protection and adaptation of public infrastructure, services, and natural resources from adverse climate change impacts

This item supports the *Press Play Fort Lauderdale 2024* Strategic Plan, specifically advancing:

- The Internal Support Focus Area
- Goal 8: Build a leading government organization that manages all resources wisely and sustainably
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term planning

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are United.

Attachment

Exhibit 1 – Resolution

Prepared by: Linda Short, Deputy Director, Finance
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Department Director: Susan Grant, Finance