



Legislation Text

File #: 22-1263, Version: 1

TO: Mayor and Commissioners
FROM: Hugh B. Dunkley, Finance Director
THROUGH: Terrence R. Moore, ICMA-CM
DATE: September 19, 2022

RESOLUTION NO. 154-22: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA TO AUTHORIZE, SUBJECT TO REFERENDUM APPROVAL, THE ISSUANCE BY THE CITY OF DELRAY BEACH OF ITS GENERAL OBLIGATION BONDS, TO BE ISSUED IN ONE OR MORE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$20,000,000 FOR THE PURPOSE OF FINANCING ALL OR A PORTION OF THE COSTS OF IMPROVING THE ATLANTIC DUNES PARK, THE CATHERINE STRONG PARK, AND THE MILLER PARK CALLING FOR A BOND REFERENDUM OF THE QUALIFIED ELECTORS OF THE CITY OF DELRAY BEACH, FLORIDA TO BE HELD ON MARCH 14, 2023 AS TO WHETHER GENERAL OBLIGATION BONDS FOR SUCH PURPOSE SHOULD BE ISSUED; AND PROVIDING AN EFFECTIVE DATE.

Recommended Action:

Motion to approve Resolution 154-22 authorizing, subject to referendum approval, the issuance of General Obligation Bonds in one or more series in an aggregate principal amount of not to exceed \$20,000,000 for parks and recreational improvements.

Background:

City staff has held several workshops in connection with its capital improvement plan. To this end, staff has identified several facilities which are in need of repair or replacement. Staff is recommending funding these capital improvements from the proceeds of general obligation bonds to be financed over the expected useful lives of the new facilities, not to exceed 30 years. The estimated cost of these facilities are as follows: Public safety (Police and Fire facilities) - \$100 million; Parks and Recreational Improvements - \$20 million. The millage rate impact for the public safety and parks and recreational improvements will be approximately 0.43 mills and 0.09 mills, respectively.

Staff is hereby recommending the issuance of the aforementioned bonds, which will be backed by the full faith and credit of the City's ad valorem tax revenues. Since General Obligation Bonds require voter approval, the attached resolution represents the City Commission's consent to place these items (Public Safety and Parks & Recreational Improvements) on the ballot for the March 2023 municipal election.

The City currently has two (2) issues of general obligation bonds outstanding. The proceeds of these bonds (Series 2005 and 2013) were used for the acquisition of land, equipping of new parks, construction of new recreation centers, construction of a parking garage and a library. These bonds were also used to refund the Series 2004 bonds. The Series 2005 and 2013 bonds will mature fully in Fiscal Year 2024. The annual debt service on these outstanding bonds amount to \$2.1 million,

which equates to 0.1554 mills.

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

N/A

Time Sensitive:

Approval of resolution is required, so as to meet deadline for the March 2023 municipal election.