



ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS

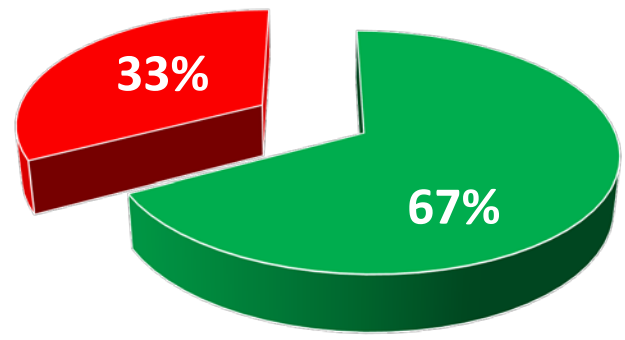
City Commission
January 9, 2019

Oakland General Obligation Bond Referendum

- On Nov. 6, 2018, voters approved Oakland Park's \$40m General Obligation Bond by a margin greater than 2 to 1.
- Approval of the bonds provides dedicated source of funding to address critical facility issues.



Oakland Park G.O. Bond Official Results



■ For Bonds ■ Against Bonds

Oakland Park Question			
Participating Precincts Reporting: 16 / 16		Precinct Details	
Choice		Percent	Votes
For Bonds (NON)	<div style="width: 67.19%; background-color: #f1c232;"></div>	67.19%	9,492
Against Bonds (NON)	<div style="width: 32.81%; background-color: #f1c232;"></div>	32.81%	4,636
			14,128

Implementation Goals

Bond program guided by major principles:



Maintain continuity of City services



Maximize value & utilize resources judiciously



Optimize opportunities



Consistent with strategic vision and image of the City

City Community Engagement Team

- Heidi Burnett, Library and Cultural Services
- Chief Krivjanik, Fire Rescue
- Andrew Thompson, Finance
- Albert Carbon, Public Works
- Jennifer Frastai, ECD
- Christopher Casale, Parks and Recreation
- Robin Butler, Community Liaison



 **Bond Community Meeting**
February 13, 2019
Jaco Pastorius Park
Community Center



1929

2029

BUILDING THE FUTURE
100 YEARS

10 Year Program

2029

2019

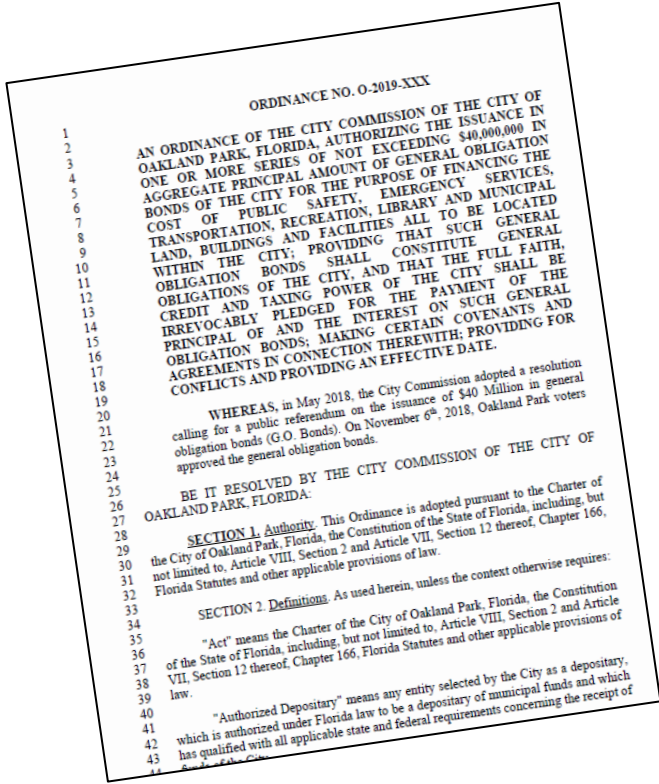
- **Phase 1 (Year 1)**
 - Public Engagement
 - Commission Direction
 - Development Plan

- **Phase 2 (Years 2 - 3)**
 - Implementation Plan & Timeline
 - Prepare Bid Documents
 - Award of Bids by Commission

- **Phase 3 (Years 3 – 10)**
 - Construction

Purpose of the Bond Ordinance

- Establishes the legal and financial framework for issuance of the \$40 million
- Authorizes City to commence proceedings for the validation of bonds
- Does **not** approve the actual issuance of debt
- Future debt issuances to be through separate, supplemental ordinances



Financing Team

- Multiple issues (draws) from \$40m anticipated using most beneficial instruments for specific circumstances
- Major decisions
 - How many draws?
 - What type of instruments?
 - When to issue?
 - How much to issue?
- Issuance process managed by City-selected team of financing professionals
 - City Staff
 - Financial Advisor – Dunlap & Associates
 - Bond Counsel – Mark Raymond, Esq.
 - Disclosure Agent – DAC Bond
 - Underwriter for Bonds – To Be Determined

Instruments - Bonds & Bank Loans

- Two financing instruments: bonds and bank loans

Instrument Type	Cost of Issuance	Interest Rate	Credit Rating	Max Length
Bonds	High	Very low	Yes	30 Years
Bank Loan	Low	Low	No	15 to 20 Years

- City may use combination of different instruments as needed.

Instruments - Bonds & Bank Loans

Bonds



Funding



Funding



Bank Loan



Bank Loan
RFP

Commission
Approval

Financing Options

- Financing team will recommend most advantageous instruments for the general obligation debt.
- Implementation plan integrated with financing plan
 - Resources needed for: planning, design, and construction
- Financing plan affected by:
 - Interest rate environment
 - Construction costs
 - General economy
- Debt millage will be determined by service requirements of debt
 - July – Preliminary Millage Rates Adopted
 - September – Final Millage Rate Adopted

Recommendation

- Approve the proposed ordinance on first reading
- Schedule second reading for January 23



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