



AGENDA ITEM SUMMARY FORM

File ID: #14487

Date: 08/18/2023

Requesting Department: Office of Management and Budget

Commission Meeting Date: 09/14/2023

Sponsored By: Francis Suarez

District Impacted: All

Type: Resolution

Subject: Intent to Reimburse - Miami Forever Bond - Flood Mitigation Projects

Purpose of Item:

A resolution of the Miami city commission, with attachment(s), declaring the official intent of the city of Miami ("city") to issue tax-exempt general obligation bonds payable from ad valorem taxes provided that the capital projects debt millage not exceed the rate of 0.5935 mills in accordance with the November 7, 2017 bond referendum approved by the voters, initially in an expected not to exceed total maximum principal amount of ninety-one million one hundred seventy-nine thousand dollars (\$91,179,000.00) in order to, among other things, reimburse the city for funds advanced by the city for certain expenses incurred with respect to capital projects to be undertaken by the city to reduce flooding risks, all as indicated in the attached project list in exhibit "a," attached and incorporated (collectively, as "group 3 flood mitigation projects"); establishing certain related definitions of terms; authorizing certain further and incidental actions by the city manager in consultation with the city attorney, bond counsel, disclosure counsel, financial advisor, chief financial officer, finance director, budget director, and such other appropriate officers, employees, and agents of the city as the city manager deems necessary, all as required for purposes of sections 103 and 141-150 of the U.S. internal revenue code of 1986, as amended, and for compliance therewith; further authorizing related amendments to the city's multi-year capital plan as necessary.

Background of Item:

On November 7, 2017, the voters of the City of Miami approved a bond referendum in the amount of \$400 million generally called the Miami Forever Bond. The Administration is proposing a list of flood mitigation projects, known collectively as "Group 3 Flood Mitigation Projects" totaling \$91.179M as developed with City Commissioners and other forms of input as indicated in Exhibit A.

Budget Impact Analysis

Item is an Expenditure
Item is funded by Bonds
Item is NOT Related to Revenue

Total Fiscal Impact:

Total Fiscal Impact: \$ 91,179,000.00
CIP Project No: Please See Exhibit A attached.

Reviewed By

Office of Management and Budget	Lai-wan McGinnis	Department Head Review	Completed	08/25/2023 2:04 PM
Office of Management and Budget	Marie Gouin	Department Head Review	Completed	08/25/2023 4:32 PM
Office of Management and Budget	Carolina Aguila	Budget Analyst Review	Skipped	08/22/2023 12:35 PM
City Manager's Office	Larry M. Spring	Assistant City Manager Review	Completed	08/31/2023 5:52 PM
City Manager's Office	Arthur Noriega V	City Manager Review	Completed	08/31/2023 8:28 PM
Legislative Division	Valentin J Alvarez	Legislative Division Review	Completed	09/01/2023 7:55 AM
Office of the City Attorney	Xavier Alban	ACA Review	Completed	09/05/2023 10:48 AM
Office of the City Attorney	Victoria Méndez	Approved Form and Correctness	Completed	09/05/2023 1:13 PM
City Commission	Todd B. Hannon	Meeting	Pending	09/14/2023 9:00 AM



City of Miami
Legislation
Resolution

City Hall
3500 Pan American Drive
Miami, FL 33133
www.miamigov.com

File Number: 14487

Final Action Date:

A RESOLUTION OF THE MIAMI CITY COMMISSION, WITH ATTACHMENT(S), DECLARING THE OFFICIAL INTENT OF THE CITY OF MIAMI ("CITY") TO ISSUE BOTH TAXABLE AND TAX-EXEMPT GENERAL OBLIGATION BONDS PAYABLE FROM AD VALOREM TAXES PROVIDED THAT THE CAPITAL PROJECTS DEBT MILLAGE NOT EXCEED THE RATE OF 0.5935 MILLS IN ACCORDANCE WITH THE NOVEMBER 7, 2017 BOND REFERENDUM APPROVED BY THE VOTERS, INITIALLY IN AN EXPECTED NOT TO EXCEED TOTAL MAXIMUM PRINCIPAL AMOUNT OF NINETY-ONE MILLION, ONE HUNDRED SEVENTY-NINE THOUSAND AND 00/100 DOLLARS (\$91,179,000.00) (COLLECTIVELY, "LIMITED AD VALOREM BONDS") IN ORDER TO, AMONG OTHER THINGS, REIMBURSE THE CITY FOR FUNDS ADVANCED BY THE CITY FOR CERTAIN EXPENSES INCURRED WITH RESPECT TO CAPITAL PROJECTS TO BE UNDERTAKEN BY THE CITY TO, AMONG OTHER THINGS, REDUCE FLOODING RISKS, ALL AS INDICATED IN THE ATTACHED PROJECT LIST IN EXHIBIT "A," ATTACHED AND INCORPORATED (COLLECTIVELY, "GROUP 3 FLOOD MITIGATION PROJECTS"); ESTABLISHING CERTAIN RELATED DEFINITIONS OF TERMS; AUTHORIZING CERTAIN FURTHER AND INCIDENTAL ACTIONS BY THE CITY MANAGER IN CONSULTATION WITH THE CITY ATTORNEY, BOND COUNSEL, DISCLOSURE COUNSEL, FINANCIAL ADVISOR, CHIEF FINANCIAL OFFICER, FINANCE DIRECTOR, BUDGET DIRECTOR, AND SUCH OTHER APPROPRIATE OFFICERS, EMPLOYEES, AND AGENTS OF THE CITY AS THE CITY MANAGER DEEMS NECESSARY, ALL AS REQUIRED FOR PURPOSES OF SECTIONS 103 AND 141-150 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND FOR COMPLIANCE THEREWITH; FURTHER AUTHORIZING RELATED AMENDMENTS TO THE CITY'S MULTI-YEAR CAPITAL PLAN AS NECESSARY.

WHEREAS, United States Treasury Regulations §1.150-2 ("Reimbursement Regulations") prescribe conditions under which proceeds of tax-exempt bonds, notes, or other obligations ("Bonds") used to reimburse advances made for capital and certain other expenditures ("Original Expenditures") paid before the issuance of such Bonds will be deemed to be expended (or properly allocated to expenditures) for purposes of Sections 103 and 141-150 of the United States Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, as amended (collectively, "IRS Code"), upon such reimbursement so that the proceeds so used will no longer be subject to requirements or restrictions under those sections of the IRS Code; and

WHEREAS, certain provisions of the Reimbursement Regulations require that there be a declaration of official intent not later than sixty (60) days following payment of the Original Expenditures expected to be reimbursed from proceeds of Bonds and that the reimbursement occur within certain prescribed time periods after the Original Expenditures are paid or after the property, resulting from that Original Expenditure, is placed in service; and

WHEREAS, the City Commission expects to provide for the issuance by the City of Miami ("City") of its taxable and tax-exempt limited ad valorem bonds, in one or more series,

payable from ad valorem taxes provided that the capital projects debt millage not exceed the rate of 0.5935 mills in accordance with the November 7, 2017 bond referendum approved by the voters, in an expected not to exceed total maximum principal amount of Ninety One Million, One Hundred Seventy Nine Thousand and 00/100 Dollars (\$91,179,000.00) in order to, among other things, reimburse the City for funds advanced by the City for certain expenses incurred with respect to capital projects to be undertaken by the City to minimize flooding frequency, severity, duration, and impacts; protect critical infrastructure and high-use areas; and reduce financial and economic vulnerability within the City's limits, all as indicated in the attached project list in Exhibit "A," attached and incorporated (collectively, "Limited Ad Valorem Bonds"); and

WHEREAS, in connection with the Projects, the City expects to make Original Expenditures that will be reimbursed from proceeds of the Limited Ad Valorem Bonds as will be set forth in the City Manager's subsequent Memorandum for Reimbursable Funds Advanced ("City's Manager's Memorandum");

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF MIAMI, FLORIDA:

Section 1. Recitals and Findings. The recitals and findings contained in the Preamble to this Resolution are adopted by reference and incorporated as fully set forth in this Section.

Section 2. Definitions. The following definitions apply to the terms used herein:

"Reimbursement" or "Reimburse" means the restoration to the City of money temporarily advanced from its own funds and spent for Original Expenditures before the issuance of the Limited Ad Valorem Bonds evidenced in writing by an allocation on the books and records of the City that show the use of the proceeds of the Limited Ad Valorem Bonds to restore the money advanced for the Original Expenditures. "Reimbursement" or "Reimburse" generally does not include the refunding or retiring of Bonds previously issued and sold to, or borrowings from, unrelated entities.

Section 3. Declaration of Official Intent. The City Commission hereby declares the City's official intent to issue both taxable and tax-exempt Limited Ad Valorem Bonds, in one or more series, in the expected not to exceed total maximum principal amount of Ninety One Million, One Hundred Seventy Nine Thousand and 00/100 Dollars (\$91,179,000.00) and, to the extent permissible under the IRS Code regarding the tax-exempt Limited Ad Valorem Bonds, use a portion of the tax-exempt Limited Ad Valorem Bonds to reimburse the City for funds advanced by it for Original Expenditures incurred and to be incurred with respect to the Projects. This Resolution is intended as a declaration of official intent under United States Treasury Regulation § 1.150-2 for the Projects as set forth in Exhibit "A," attached and incorporated, or future projects as approved by the City Commission in future public meetings and in the subsequent City Manager's Memorandum.

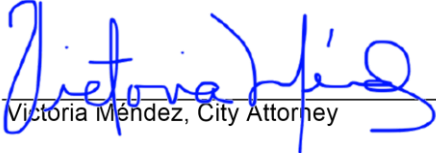
Section 4. Incidental Actions. The City Manager in consultation with the City Attorney, Bond Counsel, Disclosure Counsel, Financial Advisor, Chief Financial Officer, Finance Director, Budget Director, and such other appropriate officers, employees, and agents of the City as the City Manager deems necessary are hereby authorized¹ to take such actions as may be necessary to carry out the purposes of this Resolution and the IRS Code and for compliance therewith.

¹ The herein authorization is further subject to compliance with all legal requirements that may be imposed, including but not limited to, those prescribed by applicable City Charter and City Code provisions.

Section 5. Related Amendment of the City's Multi-Year Capital Plan. The City Manager, designated City Officials, and Departments are hereby authorized¹ to amend the Multi-Year Capital Plan (i) to include the Projects listed in Exhibit "A," attached and incorporated, and for the associated financing(s) for the City's contributions to Projects' funding through the Limited Ad Valorem Bonds as referenced in this Resolution with new project numbers to be determined by the City Manager, (ii) to comply with State Laws, the Charter of the City of Miami, Florida, as amended ("City Charter"), and the Code of the City of Miami, Florida, as amended ("City Code"), and (iii) to require that future reallocations of funding sources be presented to City Commission from time to time in connection with said financings for the Projects pursuant to the future required bond resolution(s) authorizing each particular series of Limited Ad Valorem Bonds.

Section 6. Effective Date. This Resolution shall take effect immediately upon its adoption and signature of the Mayor.²

APPROVED AS TO FORM AND CORRECTNESS:


Victoria Méndez, City Attorney 9/5/2023

² If the Mayor does not sign this Resolution, it shall become effective at the end of ten (10) calendar days from the date it was passed and adopted. If the Mayor vetoes this Resolution, it shall become effective immediately upon override of the veto by the City Commission.