



City of Coral Gables
CITY COMMISSION MEETING
April 10, 2018

ITEM TITLE:

A Resolution of the City of Coral Gables, Florida, authorizing the negotiation of two loans, one in a not to exceed amount of \$50,000,000 for the construction of a new public safety building, and one in a not to exceed amount of \$36,000,000 to refinance the Series 2012 Refunding Revenue Bonds, in an aggregate principal amount not to exceed \$86,000,000 from the Sunshine State Governmental Financing Commission; to finance and refinance certain capital improvements within the City of Coral Gables; approving the execution and delivery of one or more loan agreements; approving the form of the Preliminary Official Statement; providing certain other matters in connection with the making of such loans.

DEPARTMENT HEAD RECOMMENDATION:

Approval.

BRIEF HISTORY:

The City is in the process of financing the costs of constructing a new public safety building with attached parking garage which will house the City's Police Department, Fire Department, Information Technology Department, Human Resources Department, Labor Relations, CGTV, emergency operations center, emergency communications center, public safety training facilities, gun range and memorial site.

In November 2016, the City Commission approved a parking rate increase in anticipation of debt service costs related to the new Public Safety Building and a new public parking garage, Garage 7. This debt will be structured as 30-year debt and will have debt service payments that ramp up over the first 5 years and remain level for years 6 through 30 at approximately \$2.8 million. The design of the public safety building has stated construction costs of \$48.5 million. This resolution authorizes bonds to be issued in an amount not to exceed \$50.0 million. Based on current market conditions, the expected all in true interest cost will be approximately 4.00%.

Additionally, the City would like to refund the Series 2012 Refunding Revenue Bond in order to reduce the annual debt service payments, eliminate onerous covenants and avoid risk associated with a lender put option in June 2022. The City will keep the existing maturities on that debt (no extension of maturity). Based on current market conditions, the annual debt service will be reduced by approximately \$50,000 as a result of the refunding.

The debt service on both series of bonds will be payable from legally available non-ad valorem revenues.

Due to favorable market conditions, the City has the opportunity to finance/refinance the above-described projects through the Sunshine State Governmental Financing Commission ("SSGFC"). This Resolution provides for the negotiation of the loans with SSGFC.

On March 26, 2018, the Sunshine State Governmental Financing Commission approved a Resolution authorizing the City to move forward with the issuance of not to exceed \$86,000,000 of revenue bonds to undertake the above described capital improvements. Pending approval by the City Commission, the bonds would be issued in May 2018.

ATTACHMENT(S):

1. Resolution
2. Draft Loan Agreements
3. Preliminary Official Statement (Draft)