



## City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	File No.:	Item Type:		1 <sup>st</sup> Reading	2 <sup>nd</sup> Reading
<b>6/18/2025</b>	<b>25-166</b>	<input checked="" type="checkbox"/> <b>Resolution</b> <input type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Other</b>	Ordinance Reading	<b>N/A</b>	<b>N/A</b>
			Public Hearing	<input type="checkbox"/>	<input type="checkbox"/>
			Advertising Required	<input type="checkbox"/>	<input type="checkbox"/>
			Quasi-Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
Fiscal Impact (\$):	Account Balance (\$):	Funding Source:	Project Number:		
<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>		
Contract/P.O. Required		RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<b>N/A</b>	<b>Geovanne Neste, Finance Director</b>	<b>Finance</b>	
Strategic Plan Focus Areas:					
<input checked="" type="checkbox"/> <b>Fiscal Stability</b>		<input checked="" type="checkbox"/> <b>Resident Services</b>	<input checked="" type="checkbox"/> <b>Public Safety</b>	<input checked="" type="checkbox"/> <b>Infrastructure &amp; Mobility</b>	<input type="checkbox"/> <b>Economic Development &amp; Affordable Housing</b>
Implementation Timeline:					
Estimated Start Date: 6/18/2025			Estimated End Date: N/A		

### SHORT TITLE:

**A RESOLUTION OF THE CITY OF HALLANDALE BEACH AUTHORIZING ISSUANCE OF THE CITY OF HALLANDALE BEACH, FLORIDA SPECIAL ASSESSMENT REVENUE NOTE, SERIES 2025 (THREE ISLANDS IMPROVEMENTS) IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$3,700,000 FOR THE PURPOSE OF FINANCING, REFINANCING AND/OR REIMBURSING THE COST OF IMPROVEMENTS TO SERVE THE REAL PROPERTY COMPRISING THE THREE ISLANDS ASSESSMENT AREA; PROVIDING THAT SUCH NOTE SHALL BE A LIMITED OBLIGATION OF THE CITY PAYABLE SOLELY FROM CERTAIN ASSESSMENTS AS DESCRIBED HEREIN; PROVIDING FOR THE RIGHTS, SECURITIES AND REMEDIES FOR THE OWNER OF SUCH NOTE; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AUTHORIZING A VALIDATION PROCEEDING; ESTABLISHING INTENT TO REIMBURSE SUCH IMPROVEMENTS INCURRED WITH PROCEEDS OF SUCH NOTE; AND PROVIDING FOR AN EFFECTIVE DATE.**

## STAFF SUMMARY:

### **Summary:**

This item seeks City Commission approval of a proactive resolution authorizing the potential issuance of special assessment revenue bonds or notes to finance the Three Islands Guardhouses & Traffic-Calming Project. This resolution sets a not-to-exceed borrowing limit, authorizes legal validation proceedings to confirm borrowing authority, and establishes the City's intent to reimburse itself from bond or note proceeds for prior expenditures related to the Project, in accordance with federal tax law.

### **Background:**

The Three Islands Guardhouses & Traffic-Calming Project is being funded in part through a special assessment on benefitting properties, approved through the process initiated under the Assessment Procedure Ordinance adopted by the City Commission. On May 21, 2025, the Initial Assessment Resolution was adopted to establish the methodology and maximum per-parcel cap. This was followed by first reading of the Final Assessment Ordinance on June 4, 2025, which set the legal structure for billing. These items formed the foundation for recovering project costs from benefitting properties in a fair and transparent manner.

The Project's total estimated cost is \$4.6 million with a \$1.1 million contribution from the Three Islands Safe Neighborhood District for a net project cost of approximately \$3.5 million. Although the City currently intends to fund the Project through an internal advance from the General Fund, future financial conditions, emergency needs, or unexpected capital demands may warrant alternative funding through an external bank loan evidenced by a bond or note. To preserve flexibility and ensure readiness, this resolution proactively authorizes a bond or note issuance should the City choose to proceed with external financing at a later date.

### **Current Situation:**

This resolution:

- Authorizes the issuance of special assessment revenue bonds or notes in a principal amount not to exceed \$3.7 million.
- Directs staff and bond counsel to initiate judicial validation proceedings in accordance with Florida law, to validate and confirm the City's authority to borrow funds and to pledge the special assessments for the repayment and security of the bond or note.
- Declares the City's intent to reimburse prior eligible expenditures from proceeds of a future financing, preserving federal tax compliance.
- Does not obligate the City to issue debt, nor does it initiate borrowing at this time. In the event the City Commission determines to issue debt in the future, a

supplemental resolution will be required to approve the principal amount, interest rate and other key terms of the loan.

By validating the borrowing authority in advance and approving the necessary reimbursement language, the City ensures it can act quickly and legally if the need to issue debt arises. This maintains operational and fiscal resilience while pursuing project implementation. The resolution complements other key items being considered at this meeting, including the Final Assessment Ordinance and the Project Budget Amendment, providing a comprehensive and flexible financial strategy to support the implementation of the Three Islands project.

**Why Action is Necessary:**

Adoption of this resolution ensures the City is prepared with pre-approved borrowing authority and federal compliance should financing be required. The validation process can take several months, and completing it now avoids delays in case debt issuance is later determined to be in the City's best interest.

**Cost Benefit:**

Adopting this resolution positions the City to proactively manage future financial needs while protecting the integrity of its funding strategy.

- Protects the General Fund by enabling reimbursement for project expenditures.
- Preserves the City's ability to access future debt markets without delay.
- Meets federal tax requirements for reimbursement of prior capital expenditures.
- Supports fiscal resilience in the event of changing economic or operational conditions.

**PROPOSED ACTION:**

The City Commission considers the attached Resolution.

**ATTACHMENT(S):**

Exhibit 1 – Resolution

Prepared By: Geovanne Neste  
Geovanne Neste  
Finance Director

Reviewed By: Noemy Sandoval  
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Assistant City Manager