

LEGISLATIVE FACT SHEET

DATE: 06/21/23

BT or RC No: _____
(Administration & City Council Bills)

SPONSOR: Finance and Administration/Treasury
(Department/Division/Agency/Council Member)

Contact for all inquiries and presentation: Paul Barrett

Provide Name: Paul Barrett

Contact Number: 904-255-5352

Email Address: pbarrett@coj.net

PURPOSE: White Paper (Explain Why this legislation is necessary? Provide: Who, What, When, Where, How and the Impact.) Council Research will complete this form for Council introduced legislation and the Administration is responsible for all other legislation.

(Minimum of 350 words - Maximum of 1 page.)

The purpose of this legislation is to authorize the issuance of Special Revenue Bonds to finance and refinance the acquisition and construction of certain capital equipment and improvements. In addition, the Bond issuance may provide an amount necessary to refund a portion of the City's outstanding debt. The issuance will also provide not in excess of \$180,000,000 of net project funds to finance and refinance the actual expenditures associated with projects that were previously authorized by the Jacksonville City Council to be funded with debt. Any spending under this authorization not completed before issuance of the Bonds may be funded using the City's commercial paper program. A list of the projects for which spending is being reimbursed is shown in Exhibit 1 of the ordinance.

This ordinance is a Supplemental Ordinance to Ordinance 2006-888-E (as amended and supplemented), which provides for the issuance of Special Revenue Bonds to be paid from Covenant Revenues. This ordinance also waives Section 104.211 of the Ordinance Code, which relates to the Procedure for Sale of Bonds. This waiver allows the City to award the sale of the bonds on a limited competitive basis, on a negotiated basis, or as a private placement to institutional investors rather than on a solely competitive basis. The waiver is necessary because of the need for flexibility in timing the issuance and sale of the bonds and to receive the benefit of an enhanced marketing of the bonds by engaging one or more investment banking firms to act in consultation with the Chief Financial Officer, staff, and the City's Financial Advisor in the sale of the bonds. The City preliminarily expects to use a negotiated sale to fund the projects under this authorization.

As a result of this transaction, the City will have reimbursed itself for spending on previously-authorized projects, fixed-out certain short-term debt, and potentially refunded certain bonds for savings.

APPROPRIATION: Total Amount Appropriated _____ as follows:

List the source **name** and provide Object and Subobject Numbers for each category listed below:

(Name of Fund as it will appear in title of legislation)

Name of Federal Funding Source(s)	From: _____	Amount: _____
	To: _____	Amount: _____
Name of State Funding Source(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name of City of Jacksonville Funding Source(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name of In-Kind Contribution(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name & Number of Bond Account(s):	From: _____	Amount: _____
	To: _____	Amount: _____

PLAIN LANGUAGE OF APPROPRIATION / FINANCIAL IMPACT / OTHER:

Explain: Where are the funds coming from, going to, how will the funds be used? Does the funding require a match? Is the funding for a specific time frame? Will there be an ongoing maintenance? ... and staffing obligation? Per Chapters 122 & 106 regarding funding of anticipated post-construction operation costs.

(Minimum of 350 words - Maximum of 1 page.)

The bond issuance will result in an amount not to exceed \$180,000,000 of net project funds, which will be allocated to cover actual expenditures associated with the previously authorized projects shown in Exhibit 1 of the ordinance, some of which have already been funded with commercial paper and are simply being fixed out with long-term debt. It is estimated the additional combined annual debt service associated with the issuance of Bonds and commercial paper (net of the amount fixing out short term debt) would initially be less than \$15,000,000 per year, which is within budget projections and affordability models. It is important to note that the City also pays down debt each year, which has the impact of lowering annual debt service. This bond issuance will be amortized in a way to ensure, in accordance with the City's Debt Management Policy, that the average useful life of the debt does not exceed the useful lives of the various projects being financed. The final maturity for the bond issuance is estimated to be October 1, 2054.

The Bonds will be supported by the Special Revenue pledge, which is a basket of all City revenue sources with the exception of ad valorem revenue.

To be clear, this action will not result in any new project authorizations and will not add to the City's CIP.

ACTION ITEMS: Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.

ACTION ITEMS:

	Yes	No
Emergency?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Justification of Emergency: If yes, explanation must include detailed nature of emergency.

	Yes	No
Federal or State Mandate?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Explanation: If yes, explanation must include detailed nature of mandate including Statute or Provision.

Fiscal Year Carryover?

Note: If yes, note must include explanation of all-year subfund carryover language.

CIP Amendment?

Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.

Contract / Agreement Approval?

Attachment & Explanation: If yes, attach the Contract / Agreement and name of Department (and contact name) that will provide oversight. Indicate if negotiations are on-going and with whom. Has OGC reviewed / drafted?

Related RC/BT?

Attachment: If yes, attach appropriate RC/BT form(s).

Waiver of Code?

Code Reference: If yes, identify code section(s) in box below and provide detailed explanation (including impacts) within white paper.

Code of Ordinances Section 104.211 (Procedure for Sale of Bonds)

Code Exception?

Code Reference: If yes, identify code in box below and provide detailed explanation (including impacts) within white paper.

Related Enacted Ordinances?

Code Reference: If yes, identify related code section(s) and ordinance reference number in the box below and provide detailed explanation and any changes necessary within white paper.

2006-888-E (as amended and supplemented)

ACTION ITEMS CONTINUED: Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.

ACTION ITEMS:

	Yes	No
Continuation of Grant?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Explanation: How will the funds be used? Does the funding require a match? Is the funding for a specific time frame and/or multi-year? If multi-year, note year of grant? Are there long-term implications for the General Fund?

Surplus Property Certification?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reporting Requirements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Attachment: If yes, attach appropriate form(s).

Explanation: List agencies (including City Council / Auditor) to receive reports and frequency of reports, including when reports are due. Provide Department (include contact name and telephone number) responsible for

Division Chief: *Tom Bennett*
 (signature)

Date: 6/21/23

Prepared By: *[Signature]*
 (signature)

Date: 6/21/2023

ADMINISTRATIVE TRANSMITTAL

To: MBRC, c/o Jessi Xia, Budget Office, St. James Suite 325

Thru: Patrick "Joey" Greive, CFO, Finance & Administration

(Name, Job Title, Department)

Phone: 904-255-5354

E-mail: pgreive@coj.net

From: Roger Phillips, Sr. Debt Manager, Finance & Administration

Initiating Department Representative (Name, Job Title, Department)

Phone: 904-255-5351

E-mail: phillipsr@coj.net

Primary Contact: Paul Barrett, Treasurer, Finance & Administration

(Name, Job Title, Department)

Phone: 904-255-5352

E-mail: pbarrett@coj.net

CC: Rachel Zimmer, Director of Intergovernmental Affairs, Office of the Mayor

904-255-5006 E-mail: rachelz@coj.net

COUNCIL MEMBER / INDEPENDENT AGENCY / CONSTITUTIONAL OFFICER TRANSMITTAL

To: Joelle Dillard, Office of General Counsel, St. James Suite 480

Phone: 904-255-5044

E-mail: jdillard@coj.net

From:

Initiating Council Member / Independent Agency / Constitutional Officer

Phone: _____

E-mail: _____

Primary Contact: Paul Barrett, Treasurer, Finance & Administration

(Name, Job Title, Department)

Phone: 904-255-5352

E-mail: pbarrett@coj.net

CC: Rachel Zimmer, Director of Intergovernmental Affairs, Office of the Mayor

904-255-5006 E-mail: rachelz@coj.net

Legislation from Independent Agencies requires a resolution from the Independent Agency Board approving the legislation.

Independent Agency Action Item:

Yes

No

Boards Action / Resolution?

Attachment: If yes, attach appropriate documentation. If no, when is board action scheduled?

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED