

Memorandum



Date: July 17, 2008

To: Honorable Chairman, Bruno A. Barreiro
and Members, Board of County Commissioners

Agenda Item No. 4(A)

From: George M. Burgess
County Manager

A handwritten signature in black ink, appearing to read "Burgess", written over the printed name of George M. Burgess.

Subject: Ordinance Authorizing Issuance of Subordinate Special Obligation Bonds

Recommendation

It is recommended that the Board enact the attached Ordinance (Series 2008 Ordinance) authorizing the issuance, in one or more series, of Subordinate Special Obligation Bonds (Convention Development Tax), in an aggregate principal amount not to exceed \$75,000,000 (Series 2008 Bonds).

This Series 2008 Ordinance provides for the authorization of bond proceeds to be utilized for the development, construction and related infrastructure of a new publicly owned professional baseball stadium (Baseball Stadium).

Scope

The Baseball Stadium will be located in Commission District 5, however, the impact of this project is countywide.

This Series 2008 Ordinance provides for the authorization of bond proceeds to be utilized for the design, development and construction of a publicly owned baseball stadium (Baseball Stadium) to be used by the Florida Marlins.

Fiscal Impact/Funding Source

The Series 2008 Bonds will be issued as Additional Bonds under the provisions of Section 208 of the 1997 Ordinance for the purpose of paying the Costs of the Baseball Stadium (\$60 million) with the balance of the proceeds (\$15 million) to be used for the funding of a cash debt service reserve and paying related costs of issuance with respect to the Series 2008 Bonds. The funding to make the necessary debt service payments from Convention Development Tax revenues will be authorized in the FY 2008-09 Proposed Budget.

Designated CDT Revenues are the net CDT Revenues after meeting obligations under the Senior Lien Ordinance (defined below). Those obligations are: (i) the debt service on the outstanding Series 1996 Bonds (or refunding bonds issued under the Senior Lien Ordinance); (ii) payments to Miami Beach, pursuant to the June 6, 1996 Interlocal Agreement, as amended; (iii) Prior Payments, which included the AA Arena Subsidies, Cultural Affairs grants and PAC Operating Subsidies; and (iv) Hedge Payments on the Series 1996 Bonds. The Designated CDT Revenues are pledged equally for the Subordinate Special Obligation Bonds, which consist of the Series 1997 Bonds, the Series 2005 Bonds, and the proposed Series 2008 Bonds.

Background

On October 4, 1983, the Board enacted Ordinance No. 83-91, as supplemented and amended, without limitation, by Ordinance No. 84-83, enacted by the Board on June 5, 1984 (CDT Ordinance). Pursuant to the CDT Ordinance, the Board levied and imposed the Convention Development Tax at a rate of three

percent on the privilege of leasing or letting transient rental accommodations (CDT or Convention Development Tax) located in within Miami-Dade County.

The Board enacted Ordinance No. 96-85 (Senior Lien Ordinance) on June 4, 1996 which authorized the issuance of Special Obligation and Refunding Bonds. Due to certain priority uses for the CDT receipts established in Resolution No. R-121-97, adopted by the Board on October 21, 1997, a new ordinance authorizing bonds secured by CDT receipts on a subordinate basis to the Series 1996 Bonds was necessary. As a result, the Board enacted Ordinance No. 97-210 (1997 Ordinance) on November 18, 1997 which authorized the issuance, from time to time, of special obligation bonds secured by CDT receipts and other funds which are subordinate to the Series 1996 Bonds.

Pursuant to the 1997 Ordinance, as amended, the County has issued (in original principal amount)

- \$86,570,856.20 in Subordinate Special Obligation Refunding Bonds, Series 1997A;
- \$170,008,377.10 in Subordinate Special Obligation Bonds, Series 1997B;
- \$41,961,440.05 in Subordinate Special Obligation Bonds, Series 1997C;
- \$138,608,939.55 in Subordinate Special Obligation Bonds, Series 2005A; and
- \$45,703,308.00 in Subordinate Special Obligation Bonds, Series 2005B.

The County has agreed to fund a portion of the cost of construction of the Baseball Stadium pursuant to the Baseball Stadium Agreement. In order for the County to meet its funding obligation toward the cost of construction of the Baseball Stadium, it is necessary for the County to issue bonds secured by the revenues from the Professional Sports Facilities Tax, the Convention Development Tax, the Tourist Development Tax, and the Building Better Communities General Obligation Bond Program. On this same agenda are separate items that will authorize the issuances from these other revenue sources.

The Series 2008 Ordinance provides for the submission of supplemental resolution(s) to the Board which will provide the terms, maturities, interest rates, exhibit of the project, and other details for the Series 2008 Bonds to be issued.


Senior Advisor to the County Manager



MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

DATE: July 17, 2008

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 4(A)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 4(A)
7-17-08

ORDINANCE NO. _____

ORDINANCE AUTHORIZING ISSUANCE OF NOT TO EXCEED \$75,000,000 AGGREGATE ORIGINAL PRINCIPAL AMOUNT OF MIAMI-DADE COUNTY, FLORIDA SUBORDINATE SPECIAL OBLIGATION BONDS, IN ONE OR MORE SERIES, PURSUANT TO SECTION 208 OF ORDINANCE NO. 97-210, ENACTED ON NOVEMBER 18, 1997, AS AMENDED, FOR PURPOSE OF PAYING COSTS OF BASEBALL STADIUM; PROVIDING THAT DETAILS, TERMS AND OTHER MATTERS RELATING TO SERIES 2008 BONDS BE DETERMINED IN SUBSEQUENT RESOLUTION(S); AND PROVIDING FOR SEVERABILITY AND EFFECTIVE DATE

WHEREAS, Miami-Dade County, Florida (the "County"), pursuant to Ordinance No. 97-210 enacted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on November 18, 1997, as amended by Ordinance No. 05-99 enacted by the Board on May 17, 2005 (collectively, the "1997 Ordinance"), has previously issued (i) \$86,570,856.20 original principal amount of Miami-Dade County, Florida Subordinate Special Obligation Refunding Bonds, Series 1997A, \$152,047,125.85 Compounded Amount as of April 1, 2008 are currently Outstanding (as such terms are defined in the 1997 Ordinance), (ii) \$170,008,377.10 original principal amount of Miami-Dade County, Florida Subordinate Special Obligation Bonds, Series 1997B, \$211,136,460.90 principal amount (Compounded Amount as of April 1, 2008 with respect to the Capital Appreciation Bonds) are currently Outstanding, (iii) \$41,961,440.05 original principal amount of Miami-Dade County, Florida Subordinate Special Obligation Bonds, Series 1997C, \$32,821,449.79 Compounded Amount as of April 1, 2008 are currently Outstanding, (iv) \$138,608,939.55 original principal amount of Miami-Dade County, Florida Subordinate Special Obligation Bonds, Series 2005A, \$155,419,369.50 Compounded Amount as of April 1, 2008 are currently Outstanding, and (v) \$45,703,308.00 original principal

amount of Miami-Dade County, Florida Subordinate Special Obligation Bonds, Series 2005B, \$50,469,725.25 Compounded Amount as of April 1, 2008 are currently Outstanding (collectively, the “Outstanding Bonds”); and

WHEREAS, all terms used in capitalized form and not defined in this Ordinance (the “Series 2008 Ordinance”) have the meanings assigned to such terms in the 1997 Ordinance, unless the context otherwise clearly requires a different meaning; and

WHEREAS, Section 208 of the 1997 Ordinance authorizes the County to issue Additional Bonds payable from the Pledged Funds on a parity with the Outstanding Bonds; and

WHEREAS, the Board has determined at this time that it is in the best interests of the County and its citizens to authorize the issuance of Additional Bonds in an aggregate original principal amount not to exceed \$75,000,000 under the provisions of Section 208 of the 1997 Ordinance for the purpose of paying Costs of the Project with respect to the development and construction of a new professional baseball stadium to be owned by the County and used by the Florida Marlins and the related infrastructure (the “Baseball Stadium”); and

WHEREAS, the Baseball Stadium is a project permitted to be funded under the Convention Development Tax Act and the expenditure of funds by the County in connection with the Baseball Stadium constitutes a “countywide program” for purposes of Section 218.64, Florida Statutes; and

WHEREAS, the Board desires to accomplish the purposes outlined in the accompanying memorandum (the “County Manager’s Memorandum”), a copy of which is incorporated in this Series 2008 Ordinance by reference,

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. Incorporation of Recitals. The matters set forth in the foregoing recitals to this Series 2008 Ordinance are incorporated as part of this Series 2008 Ordinance.

Section 2. Authorization to Issue Series 2008 New Money Bonds. The Board authorizes the issuance of not to exceed \$75,000,000 aggregate original principal amount of Miami-Dade County, Florida Subordinate Special Obligation Bonds, in one or more Series (collectively, the "Series 2008 New Money Bonds"), pursuant to Section 208 of the 1997 Ordinance and the authority of the Act, for the purpose of paying Costs of the Project with respect to the Baseball Stadium, funding the Reserve Fund and paying the costs of issuance of the Series 2008 New Money Bonds, including the costs of a Bond Insurance Policy and a Reserve Fund Facility, if any.

The Series 2008 New Money Bonds shall be special and limited obligations of the County, payable from and secured by a lien solely upon and a pledge of the Pledged Funds, as more specifically provided in the 1997 Ordinance, including Section 501 of the 1997 Ordinance. The Series 2008 New Money Bonds shall not be or constitute general obligations or indebtedness of the County within the meaning of the Constitution of the State of Florida, but shall be payable from and secured by a lien solely upon and a pledge of the Pledged Funds. No Bondholder shall ever have the right to compel the exercise of the ad valorem taxing power of the County or taxation in any form on any property to pay the principal of, any redemption premium, if any, and interest on the Series 2008 New Money Bonds, nor shall any such Bondholder be entitled to payment of such principal, redemption premium, if any, or interest from any other funds of the County except the Pledged Funds.

Section 3. Details, Terms and Other Matters Relating to Series 2008 New Money Bonds. In accordance with Section 203 of the 1997 Ordinance, all details, terms and other matters relating to the Series 2008 New Money Bonds shall be determined in the manner specified in one or more subsequent resolutions of the Board.

To the extent that the Series 2008 New Money Bonds are issued in a calendar year other than calendar year 2008, all references to "2008" contained in any defined term in this Series 2008 Ordinance and any subsequent resolutions of the Board relating to the Series 2008 New Money Bonds shall, without further action of the Board, be replaced with the calendar year in which the Series 2008 New Money Bonds are issued.

Section 4. Covenants of 1997 Ordinance. All of the material covenants of the 1997 Ordinance will be applicable to the Series 2008 New Money Bonds, and no default shall have occurred and be continuing in the performance of any of the covenants and obligations and all payments required to have been made into the accounts and funds under the terms of the 1997 Ordinance shall have been made to the full extent required before the Series 2008 New Money Bonds may be issued.

Section 5. Further Acts. The officers and agents of the County are authorized and directed to take all actions and do all things required of them by the 1997 Ordinance and this Series 2008 Ordinance for the full, punctual and complete performance of all of the terms, covenants, provisions and agreements contained in the 1997 Ordinance and this Series 2008 Ordinance.

Section 6. Headings Not Part of Ordinance. Any headings preceding the Sections of this Series 2008 Ordinance shall be solely for convenience of reference and shall not constitute a part of this Series 2008 Ordinance, nor shall they affect its meaning, construction or effect.

Section 7. Severability. In case any one or more of the provisions of this Series 2008 Ordinance shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect the legality or enforceability of any other provision of this Series 2008 Ordinance.

Section 8. Effective Date. This Series 2008 Ordinance shall take effect ten (10) days after its enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED:

Approved by County Attorney as
to form and legal sufficiency:



Prepared by:



Gerald T. Heffernan