

GO

MIAMI BEACH
GENERAL OBLIGATION BOND

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Nov 2018

2018 G.O. Bond Program

- Above ground costs related to Stormwater and Water/Sewer capital projects
- Critical infrastructure needs in the community
 - Public Safety
 - Traffic & Mobility
 - Parks/Quality of Life
 - Resiliency/Infrastructure



2018 G.O. Bond Program

- Still at historically low interest rates
- Rising rate environment

Interest Rate	Interest Paid	Difference
4.0%	\$367.5M	
4.5%	\$420.9M	\$53.4M
5.0%	\$476.8M	\$109.3M

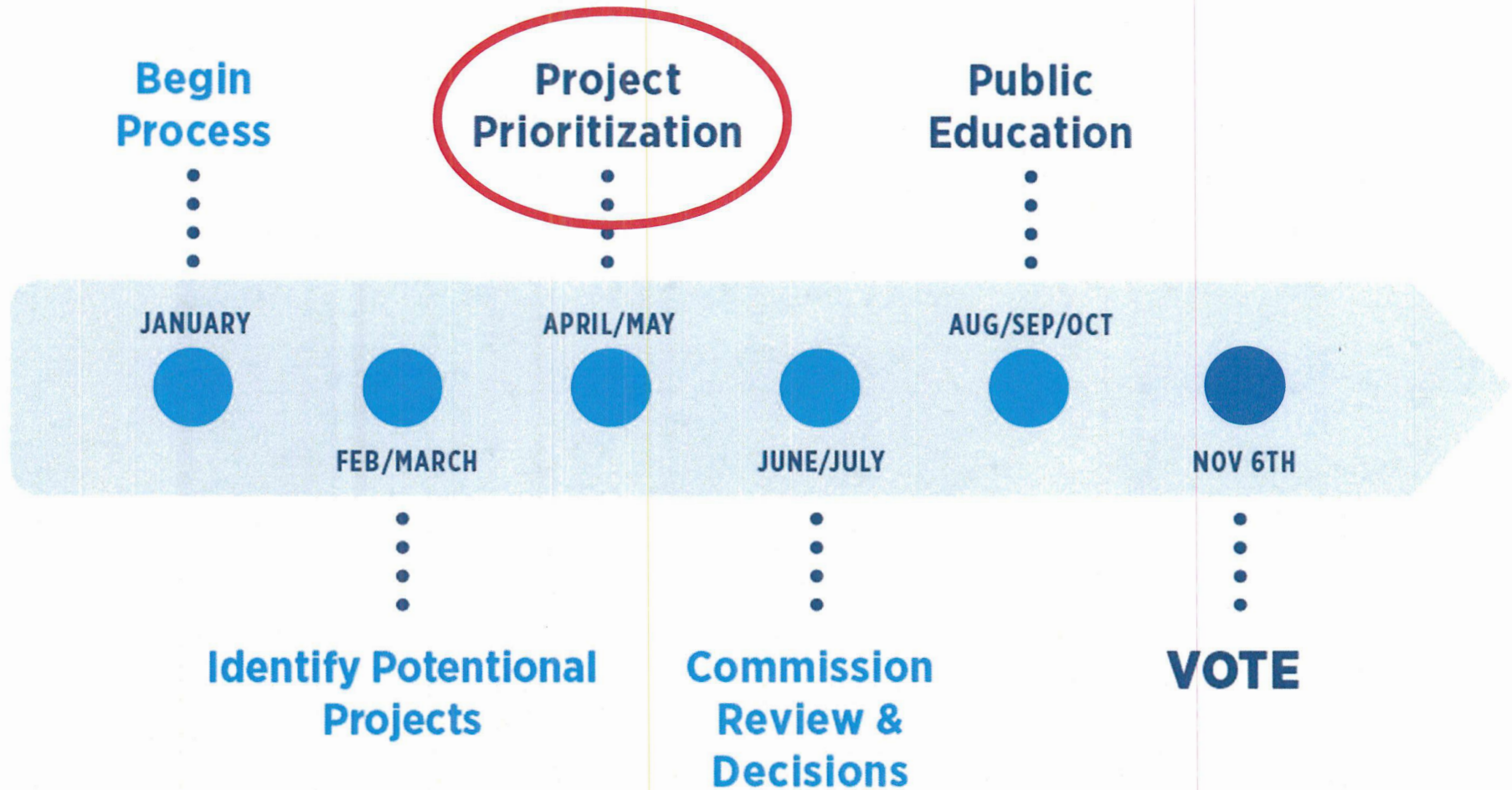
Note: assumes \$500M bond

- Changes in credit rating methodology
 - Moody's report
 - Potential downgrade(s) if climate change effects not addressed
- Current credit rating is AA+
 - If downgraded to AA-, additional interest of \$7 to 8 million

2018 G.O. Bond Program

- **Funding for capital projects very limited**
 - Pay-As-You-Go (PAYGO) is \$2.4M annually
 - Most flexible funding source
 - Resort Tax-Quality of Life (QOL) is \$2.0M annually for North, Mid, and South
 - Restricted to tourist-related revenues
 - Capital Renewal & Replacement (CRR) is \$721,000
 - Earmarked for extending useful life of fixed assets

Projected Timeline



Identify Potential Projects

February/March

- Departments have been submitting projects since December
 - Parks & Recreation
 - Public Works
 - Fire
 - Transportation
 - Planning
 - CIP
 - Police
 - TCED
 - Environmental
 - Miscellaneous
- Project list currently totals \$1.1 billion
- Costs will continue to be refined over time

Prioritize Projects

April/May

- Commission workshop to provide initial direction regarding list of potential projects
- Public engagement to begin in late April
- Community input to help rank/prioritize projects
 - Public Workshops
 - Pop-Up Events
 - On-line Tools
 - Meeting in a Box

Commission Review & Decisions

June/July

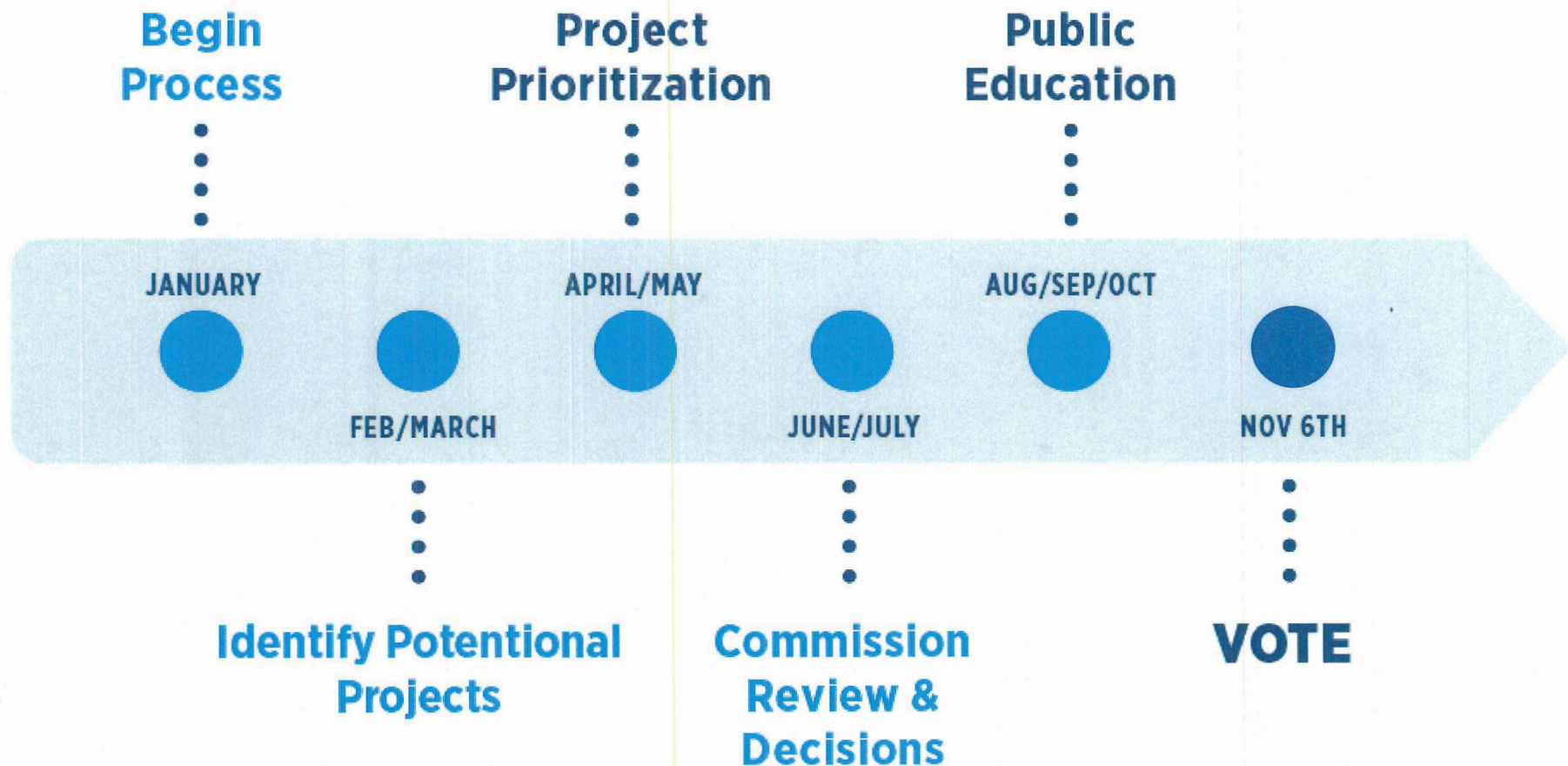
- Incorporate priorities/ranking of projects by the community
- Discuss at Budget Workshops and other meetings
- By July 25th: finalize:
 - **Project list**
 - **Amount of overall bond program**

Public Education

August/September/October

- Robust public engagement during three months prior to vote
 - **Speaker's Bureau for public meetings**
 - **Increase voter awareness**
 - **Educational materials**
- Voter referendum on **November 6th**

Projected Timeline



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