

## Agenda Memorandum

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**To:** Honorable Mayor and City Council Members  
**Prepared By:** Bryan Cobb, City Manager  
**From:** Bryan Cobb, City Manager  
**Date:** July 17, 2023  
**Subject:** **Ordinance No. 1735**, Public Safety General Obligation Bond Referendum.

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**Procedure:** Call Up Item  
Presiding Officer Asks Attorney to Read Ordinance by Title Only  
City Manager Background  
Public Hearing  
Council Motion & Discussion  
Council Action

**Introduction:** There is a request for City Council to authorize a referendum election to be held on November 7, 2023, for the purposes of recommending to the City's electorate the financing of all or a portion of the Public Safety Building Project through the issuance of general obligation bonds in an amount not to exceed \$35,500,000, payable from the levy of ad valorem taxes, to provide for the construction of a modern Public Safety Building and related infrastructure.

**Discussion:** At its June 19, 2023 meeting, City Council conducted first reading of Ordinance No. 1735. At the meeting, Staff reviewed two (2) alternatives and informed Council that representatives from ZHA reviewed the cost estimates for the development alternatives and recommended that the City increase the cost per square foot for new construction from \$420/square foot to \$550/square foot. A copy of Ordinance No. 1735 presented at the June 19, 2023 City Council Meeting is provided in Attachment 1.

After the June 19, 2023 meeting, Staff met with representatives from Ovation Construction, Inc. (Ovation) who provided the cost estimates for renovating the Public Safety Building. The Ovation representatives informed the Staff that cost estimate to completely renovate the Public Safety Building needed to be increased to \$12,800,000 if the Public Safety Building were to be used as a City Hall Annex with general offices, and \$13,800,000 if the Public Safety Building were to be used as a Police Station. A police station requires special windows, doors, and security systems that are not required in a general office building.

City Council conducted a work session on June 28, 2023 to review the revised cost estimates, review recommended revisions to the ballot question, and provide direction on whether or not to revise Ordinance No. 1735. Staff presented three (3) alternatives with revised cost estimates based on the ZHA recommended new construction cost of \$550/square foot and the revised Public Safety Building renovation costs recommended by Ovation. After reviewing and discussing the presented alternatives, City Council directed that Ordinance No. 1735 be revised to

incorporate the following alternative and associated costs for consideration by the voters in a referendum election to be held on November 7, 2023.

Construct a 47,000 square foot police station behind City Hall. The new police station will include 42,000 square feet of office space and 5,000 square feet for rolling asset storage. Funds are included for the demolition of the existing public safety building if a future use is not determined. The estimated cost is:

Total Construction Cost	\$46,900,000
Minus 2016 Approved Referendum	<u>\$11,400,000</u>
Additional Funds Needed to Construct	\$35,500,000

A graphic depicting the proposed improvement and breakdown of the estimated costs is provided in Attachment 2. This alternative provides slightly more square footage than the 41,383 square feet recommended in the 2017 Space Needs Analysis and provides a higher quality storage space for rolling assets. The Police Department can continue to use the public safety building while the new police station is being constructed.

Ballot Question Revision. Staff also presented recommended revisions to the ballot question. At the June 19, 2023 City Council meeting, Mayor Sladek expressed concern about the ballot question language not referencing the \$11,400,000 referendum approved by the voters in 2016. The ballot language included in Ordinance No. 1735 presented to City Council at its June 19, 2023, meeting is the following:

**Oviedo - Construct and Renovate Modern Public Safety Buildings Project; General Obligation Bonds.**

Constructing a modern Public Safety Annex and renovating the Public Safety Building, requires funding. Shall the City issue bonds not exceeding \$22,500,000 bearing interest not exceeding maximum legal rates pledging the City's full faith and credit for up to thirty years from date of issuance, payable from ad valorem taxes on all City taxable property, without limitation as to rate or amount, as provided in Ordinance No. 1735?

In an effort to better explain to the voters that the City is requesting additional funds over the funds approved in 2016 and address the Mayor's concerns, Staff and the City Attorney recommended that the following ballot question replace the above ballot question in Ordinance No. 1735:

**Oviedo Public Safety Buildings Project; General Obligation Bonds.**

The Oviedo Public Safety Building project requires an estimated \$46,900,000 to construct. Voters approved \$11,400,000 for the project in 2016. Shall the City issue additional bonds not exceeding \$35,500,000 bearing interest not exceeding maximum legal rates pledging the City's full faith and credit for up to thirty years from date of issuance, payable from ad valorem taxes on all City taxable property, without limitation as to rate or amount, as provided in Ordinance No. 1735?

The revised ballot question complies with the maximum 75 words requirement of Section 101.161, Florida Statutes. It also complies with Section 100.431, Florida Statutes. City Council directed that the ballot question be revised as recommended. Staff revised Ordinance No. 1735 in accordance with City Council's Direction.

Ordinance No. 1735 accomplishes the following:

1. Schedules a referendum election to be held on November 7, 2023 for the purpose of proposing to the City's electorate the issuance of general obligation bonds in an amount not to exceed \$35,500,000 to fund the Oviedo Public Safety Building Project;
2. Establishes the ballot language for the referendum election;
3. Expresses City Council's intent to issue Bonds in the amount of \$46,900,000 consisting of the \$11,400,000 bond issuance approved by the City's electorate in a referendum election held on November 8, 2016, and the \$35,500,000 additional bond issuance needed for construction;
4. Requests that the Supervisor of Elections coordinate all matters relating to the referendum election;
5. Delegates authority to the City Clerk and City Attorney to revise the ballot question should the Supervisor of Elections discern any issue with the ballot question;
6. Establishes the duties of the City Clerk, City Attorney, and City Manager; and
7. Expresses the City Council's intention that the City be reimbursed from the proceeds of the Bonds for costs relating to the acquisition and improvement of the project.

Provided below is a timeline for the referendum election called for in Ordinance No. 1735.

Date	Action
June 19, 2023	First Reading of Ordinance No. 1735
June 28, 2023	City Council Work Session
July 3, 2023	2 <sup>nd</sup> First Reading of Ordinance No. 1735
July 17, 2023	Public Hearing for Ordinance No. 1735
July 24, 2023	Send Referendum Language to Translator
August 12, 2023	Ballot Language Sent to SOE Office
September 28, 2023	Send Referendum Ad to Newspaper
October 5, 2023	Ad Published (5 <sup>th</sup> week)
October 19, 2023	Ad Published (3 <sup>rd</sup> week)
November 4, 2023	Early Voting 10:00 a.m. to 6:00 p.m.
November 7, 2023	Election Day

**Budget Impact:** The General Obligation Bond Referendum debt, if approved, will be paid annually based on the millage rate calculated each fiscal year as per the debt service coverage requirements. The applicable millage rate will be effective beginning in FY 2024-25. Consideration of the FY 2023-24 General Fund Budget, including Ad Valorem Taxes, is not a factor in approving the Ordinance. The citizens of the City of Oviedo will decide if the annual millage rate funding for a new police station and infrastructure is endorsed or opposed. The general obligation bond will be secured by the City's full faith and credit for 30 years, will be reflected as an independent millage rate, and will be submitted to the Seminole County Property Appraiser as a DR-420 Debt schedule annually.

**Strategic Impact:** Be one of the safest communities in the region. Ensure a high level of readiness to manage and recover from disasters. Maintain up to date equipment and appropriate facilities. Construction of a new police headquarters facility. Development of a new EOC. Use and update new technology.

**Recommendation:** It is recommended that City Council read Ordinance No. 1735 by title only and conduct a public hearing, and adopt Ordinance No. 1735.

Attachment(s):

1. Ordinance No 1735 Presented at June 19, 2023 City Council Meeting
2. City Council Direction at June 28, 2023 Work Session