



North Port

FLORIDA



Charter Amendment Discussion

Authority to issue bonds under
City Charter Section 1.02(b)

City Commission Special Meeting

Staff Presentation

June 26, 2024

Debt Management Policy Motions

Motion from June 11, 2024 Commission Meeting:

- To direct the City Manager to bring back draft debt management policy prior to first reading of the charter referendum ordinance.
- To direct the City Manager bring back input from PFM and bond counsel in regards to recommendation of borrowing cap to be included in the referendum at first reading (as amended).





Debt Management Policy Objectives:

- Ensure Fiscal Sustainability
- Evaluate Debt Affordability
- Promote Transparency, Accountability and Reporting Compliance
- Structure Debt Efficiently
- Utilize Appropriate Debt Instruments
- Preserve and Enhance Creditworthiness and Investor Confidence
- Support Capital Improvement Projects
- Ensure Legal and Regulatory Compliance

Proposed Charter Amendment Language

Motions from June 11, 2024 Commission Meeting:

- To direct the City Manager to bring back ordinance and charter amendment language for review at first reading (as amended).
- To direct the City Manager to remove the reference to a borrowing limit within the referendum wording.



Language Regarding Emergency Response

Proposed wording for the charter amendment
(*ballot language is separate*)

During the existence of a declared local, state, or federal emergency or disaster, to remove debris from and to repair or reconstruct any public infrastructure or capital facilities damaged as a direct result of the emergency or disaster;



Safety or Public Health

- Regulatory agency requirements
- Imminent infrastructure or system failure, including but not limited to roads; bridges; water control structures; or sanitation, water, or sewer facilities; and
- Capital improvement facilities for emergency and essential services, including but not limited to facilities for the Police Department, North Port Fire Rescue District, North Port Road and Drainage District, North Port Solid Waste District or Utilities Department.





Draft Proposed Ballot Language

- **Must be 75 words or less**
- **Must state current conditions and proposed changes**
- **Charter amendment language is separate**

In Florida, local governments can issue certain debt for various governmental purposes; however, the City Charter requires voter approval before issuing any debt. Do you approve amending the Charter to allow the City Commission to issue debt without prior voter approval: (i) to respond to a declared emergency or disaster, such as a hurricane; and (ii) for safety and public health projects, such as for emergency and essential services, roads, bridges, and sanitation?

Alternative Charter Amendment Language

(ballot language is separate)

Limitation on debt. The City's authority to address safety or public health in this subsection is limited as follows:

Prior to October 1, 2025, the principal indebtedness or obligation incurred by the City to address safety or public health shall be in a principal amount no greater than Twenty-Eight Million Dollars (\$28,000,000.00) per project. Any instrument of indebtedness in a principal amount exceeding a project's indebtedness or obligation limitation must be approved by majority vote of the voters of the City of North Port voting to incur the debt in a primary, general, or special election. The City shall not avoid the requirements in this section by separating a single, simultaneous, or concurrent project into parts to avoid the limitation set forth herein.





Alternative Charter Amendment Language, cont.

Beginning October 1, 2025 and each October 1 thereafter, the maximum principal amount of indebtedness or obligation the City may incur to address safety or public health shall be adjusted to reflect the percentage change in the Engineering News and Record (ENR) Construction Cost Index by using the most recent available information for the prior 12-month period

Draft Proposed Ballot Language With Cap

- **Must be 75 words or less**
- **Must state current conditions and proposed changes**
- **Charter amendment language is separate**

In Florida, local governments can issue certain debt for various governmental purposes; however, the City Charter requires voter approval before issuing any debt. Do you approve amending the Charter to allow the City Commission to issue debt without prior voter approval: (i) to respond to a declared emergency or disaster; and (ii) for safety or public health projects up to a maximum principal amount of twenty-eight million dollars, increasing annually based on a cost index?





Questions?