



# Brevard County Board of County Commissioners

2725 Judge Fran Jamieson  
Way  
Viera, FL 32940

## Legislation Text

---

**File #:** 5786, **Version:** 1

---

### **Subject:**

Adopt a Resolution and the Execution of the First Amendment to the Interlocal Agreement between Brevard County, Florida, and the Local Government Finance Commission

### **Fiscal Impact:**

Adopting the Resolution and the execution of the First Amendment to the Interlocal Agreement between the County and the Local Government Finance Commission will not have a fiscal impact on the County.

### **Dept/Office:**

Central Services

### **Requested Action:**

It is requested that the Board of County Commissioners adopt a Resolution and authorize the Chair to execute the First Amendment to the Interlocal Agreement between Brevard County, Florida, and the Local Government Finance Commission to enable public agencies to (a) finance or refinance capital projects and other government needs permitted by Florida law at the lowest interest cost possible and (b) benefit from the economies of scale associated with large scale financing which may otherwise be unrealized if separate financing is undertaken.

### **Summary Explanation and Background:**

Due to the lack of short-term financing available to local governments, in 1991, the Florida Association of Counties ("FAC"), together with Brevard County, Collier County, and Sarasota County, created the Florida Local Government Finance Commission (FLGFC) to provide a low-cost financing vehicle for Florida local governments.

Since 1991, the members of the FLGFC have expanded to the current membership of Brevard County, Charlotte County, Collier County, Lee County, Osceola County, and Sarasota County. Since its formation, the FLGFC has provided approximately \$2.6 billion in low loans to more than 50 Florida local governments to finance various capital projects.

Although the focus of the FLGFC's efforts has been short-term financing through its commercial paper program, it has from time to time reviewed other types of financing programs for use by Florida local governments. In particular, FLGFC is in the process of reviewing the need and efficacy of establishing long-term financing programs for (1) general governmental projects, (2) regional projects such as resiliency, and (3) conduit financing.

Some smaller local governments around the State have more difficulty accessing the long-term debt market in a cost-effective manner. This will allow the FLGFC to issue long-term bonds, individually or on a pool basis,

which could assist such local governments and possibly, larger and more traditional local government issuers.

Resiliency projects, such as those needed to address water pollution will be difficult to finance because of the regional nature of such projects. Cities, counties, and governmental authorities may need to combine their resources to acquire and construct such capital improvement successfully. The FLGFC can assist Florida local governments by providing a potential additional financing vehicle.

Although some Florida counties and cities issue conduit private activity bonds, many others, like Brevard County do not. For the last several years there have recently been only two active State-wide issuers of private activity bonds, the Florida Development Finance Corporation and the Capital Trust Agency.

Many professionals that work frequently in the private activity bond area have indicated a need for a more cost-effective and flexible State-wide conduit issuer of private activity bonds. Such an issuer could focus on regional economic development projects and projects of State-wide significance and utilize FLGFC's existing expertise.

Any of the financings undertaken by FLGFC, will not have a financial impact or affect Brevard County's credit rating unless Brevard County is directly financing projects through the FLGFC.

### **Clerk to the Board Instructions:**