



| SPECIAL OBLIGATION REVENUE BONDS & CAPITAL PLANNING OF GOVERNMENTAL PROJECTS

Ordinance 27-26 and Resolution 106-26

1. Authorizes issuance of a not-to-exceed \$65 million in Special Obligation Revenue Bonds
2. Proceeds will be used to finance capital improvements, repay commercial paper, and pay issuance costs
3. Introduced on 5/6/2026
4. Public hearing held 5/20/2026

Ordinance 27-26 and Resolution 106-26

5. Included the funding of the following projects:
 - A. Jaycee Park Improvements
 - B. Coral Oaks Golf Course Irrigation Improvements
 - C. North 1 West Transportation Improvements
 - D. Yacht Club Seawall Improvements

6. Continued to June 3, 2026 to consider future debt supported capital improvements and the use of General Fund Undesignated Fund Balance

General Governmental Debt

City of Cape Coral, Florida - Summary of General Governmental Debt						
Obligation	Purpose	Issue Size	Coupons	Final Maturity	Call Date	Amount Outstanding 10/1/2025
General Obligation						
Series 2019	New Money	\$ 10,200,000	2.74%	3/1/2034	MWC	\$ 6,630,000
Series 2021	New Money	24,800,000	3.00% - 5.00%	3/1/2035	3/1/2031	19,670,000
Series 2024	New Money	17,565,000	5.00%	3/1/2039	3/1/2034	16,880,000
		52,565,000				43,180,000
Plus Premium		7,435,000				6,196,451
Total General Obligation		\$ 60,000,000				\$ 49,376,451
Special Obligation (CB&A Non-Ad Valorem Revenues)						
Series 2015	Multi-Purpose	\$ 51,790,000	3.00% - 5.00%	10/1/2036	10/1/2025	\$ 31,130,000
Series 2017	Refunding	62,595,000	3.00% - 5.00%	10/1/2040	10/1/2027	42,455,000
Series 2020	New Money	30,760,000	1.99%	10/1/2030	MWC	20,385,000
Series 2020A	Multi-Purpose	15,128,990	1.51%	7/1/2030	MWC	6,352,278
Series 2022	New Money	3,520,000	2.63%	7/1/2027	MWC	1,280,000
Series 2023	New Money	8,000,000	3.99%	2/1/2043	Anytime	7,490,000
CP Notes	New Money	60,000,000	Variable	Variable	Anytime	60,000,000
		231,793,990				169,092,278
Plus Premium		12,301,867				7,823,646
Total Special Obligation		244,095,857				176,915,924
Total		\$ 304,095,857				\$ 226,292,375

General Governmental Debt

- In January, staff discussed planned projects and the following tables of proposed timing of bond projects

<u>Proposed 2026 Bond Projects</u>	<u>Amount (\$M)</u>
Fire Station 10	\$ 17.0
Golf Course Irrigation	3.0
Jaycee Park	18.0
Lake Kennedy Parking Lot	4.5
N1W Transportation Improvements	14.0
Yacht Club Design	9.0
Yacht Club Seawall	23.0
Total Proposed 2026 Bond Projects	\$ 88.5

<u>Proposed 2027 Bond Projects</u>	<u>Amount (\$M)</u>
Charter School Athletic Facility	\$ 15.0
EOC Expansion	17.0
Fire Station 5	10.0
Fleet Facility	42.0
Land Acquisition - Bimini East	25.0
Property Management Building	30.0
Santa Barbara Building Remodel, Parking	14.0
Yacht Club Construction	165.0
Total Proposed 2027 Bond Projects	\$ 318.0
Total 2026 and 2027 Projects	\$ 406.5

Note: The above was part of the discussion regarding the City's debt capacity



Updated Proposed Bond Projects

Proposed 2026 Bond Projects	Amount (\$M)
Fire Station 10	\$ 17.0
Golf Course Irrigation	3.0
Jaycee Park	18.0
Lake Kennedy Parking Lot	4.5
N1W Transportation Improvements	14.0
Yacht Club Design	9.0
Yacht Club Seawall	23.0
Total Proposed 2026 Bond Projects	\$ 88.5

Proposed 2027 Bond Projects	Amount (\$M)
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Yacht Club Construction	165.0
Total Proposed 2027 Bond Projects	\$ 318.0

Total 2026 and 2027 Projects **\$ 406.5**

Proposed 2026 Bond Projects	Amount (\$M)
Jaycee Park	\$ 18.7
Golf Course Irrigation	2.5
N1W Transportation	14.0
Yacht Club Seawall	23.0
Total Proposed 2026 Bond Projects	\$ 58.2

Proposed 2027 Bond Projects	Amount (\$M)
Fire Station 10 (1)	\$ 17.0
Charter School Athletic Facility (4)	\$ 15.7
Lake Kennedy Parking Lot	4.5
Yacht Club Design	9.0
EOC Expansion	17.0
Fleet Facility (2),(3)	54.0
Yacht Club Construction - Ph1 (3)	3.0
Yacht Club Construction - Ph2 (3)	35.0
Land Acquisition - Bimini East	25.0
Total Proposed 2027 Bond Projects	\$ 180.2

Potential Future Bond Projects	Amount (\$M)
Property Management Building (2),(3)	\$ 30.0
Yacht Club Construction - Ph3-10	126.0
Fire Station 5, 14, 15, and 16 (1)	40.0
Total Proposed Future Bond Projects	\$ 196.0
Total Proposed Bond Projects	\$ 434.4



Projects by Funding Source

	Amount (\$M)	General Fund	Golf Course Revenue	Fire Services Assessment	Six Cent Gas Tax	Charter School	CRA	Other Funds
Proposed 2026 Bond Projects								
Jaycee Park	\$ 18.7	18.7						
Golf Course Irrigation	2.5		2.5					
N1W Transportation	14.0				14.0			
Yacht Club Seawall	23.0	23.0						
Total Proposed 2026 Bond Projects	\$ 58.2							
Proposed 2027 Bond Projects								
Fire Station 10 (1)	\$ 17.0	3.2		13.8				
Charter School Athletic Facility (4)	\$ 15.7					15.7		
Lake Kennedy Parking Lot	4.5	4.5						
Yacht Club Design	9.0	9.0						
EOC Expansion	17.0	17.0						
Fleet Facility (2),(3)	54.0	21.4		0.8				31.8
Yacht Club Construction - Ph1 (3)	3.0	3.0						
Yacht Club Construction - Ph2 (3)	35.0	35.0						
Land Acquisition - Bimini East	25.0						25.0	
Total Proposed 2027 Bond Projects	\$ 180.2							
Potential Future Bond Projects								
Property Management Building (2),(3)	\$ 30.0	18.6		5.1				6.3
Yacht Club Construction - Ph3-10	126.0	126.0						
Fire Station 5, 14, 15, and 16 (1)	40.0	7.6		32.4				
Total Proposed Future Bond Projects	\$ 196.0							
Total Proposed Bond Projects	\$ 434.4	\$ 287.0	\$ 2.5	\$ 52.1	\$ 14.0	\$ 15.7	\$ 25.0	\$ 38.1

(1) 81/19 split between Fire Services Assessment and General Fund

(2) Cost split between General Fund and other funds being serviced

(3) Recommendation to Cash Fund completely or partially

(4) Potential cash funding in the future



General Fund Projects

	Amount (\$M)	General Fund
Proposed 2026 Bond Projects		
Jaycee Park	\$ 18.7	18.7
Yacht Club Seawall	23.0	23.0
Total Proposed 2026 Bond Projects	\$ 41.7	
Proposed 2027 Bond Projects		
Fire Station 10 (1)	\$ 17.0	3.2
Lake Kennedy Parking Lot	4.5	4.5
Yacht Club Design	9.0	9.0
EOC Expansion	17.0	17.0
Fleet Facility (2),(3)	54.0	21.4
Yacht Club Construction - Ph1 (3)	3.0	3.0
Yacht Club Construction - Ph2 (3)	35.0	35.0
Total Proposed 2027 Bond Projects	\$ 139.5	
Potential Future Bond Projects		
Property Management Building (2),(3)	\$ 30.0	18.6
Yacht Club Construction - Ph3-10	126.0	126.0
Fire Station 5, 14, 15, and 16 (1)	40.0	7.6
Total Proposed Future Bond Projects	\$ 196.0	
Total Proposed Bond Projects	\$ 377.2	\$ 287.0

Undesignated fund balance available to fund General Fund projects:

Undesignated Fund Balance as of 9/30/2025	\$ 29,935,656
Seven Island Proceeds	\$ 10,563,772
	<u>\$ 40,499,428</u>



(1) 81/19 split between Fire Services Assessment and General Fund

(2) Cost split between General Fund and other funds being serviced

(3) Recommendation to Cash Fund completely or partially

Sources of Funding

1. Covenant to Budget and Appropriate legally available non-ad valorem revenues. This means that all revenues that are legally available to pay debt service, other than property tax revenue.
2. Public Service Tax:
 - A. City currently charges a 7% Public Service Tax
 - B. Can increase to 10%, which creates an additional annual revenue of \$2,072,157 per 1% or \$6,216,471 for 3%
3. Amend Financial Policy #2. from 95% to 98%, as follows:
 - A. The following revenue sources could be budgeted at ~~95%~~ 98% of the estimates either prepared by outside sources or the Financial Services Department:
 - i. State shared revenues
 - ii. Franchise fees
 - iii. Public Service Tax
 - iv. 5 cent and 6 cent Gas Tax
 - B. This change would provide an additional \$1,932,362 in recurring revenue.

Fleet Facility Financing Options

1. Funding Options:

A. Cash -

- i. General Fund cash funds it's portion of the project
- ii. Debt would be taken out for the remaining cost and paid by other funds

B. Debt -

- i. Issue debt for the entire project
- ii. Each fund would be responsible for annual debt service
- iii. Amend Financial Management Policy #2 (95% to 98%) to support General Fund debt service

Fund	Percentage	Estimated Fund Contribution based on Maximum Annual Debt Service	Estimated Fund Cost of Total Principal Cost of Project
6 Cent Gas Tax	0.1029%	\$ 3,478	\$ 55,566
All Hazards/EMR	0.0372%	\$ 1,257	\$ 20,088
Building Code	1.2739%	\$ 43,061	\$ 687,906
CIP Internal Service	0.2278%	\$ 7,700	\$ 123,012
CRA	0.0952%	\$ 3,218	\$ 51,408
Economic Development	0.0001%	\$ 3	\$ 54
Fire Operations	23.5223%	\$ 795,113	\$ 12,702,042
Fleet	6.6455%	\$ 426,774	\$ 3,588,570
General Fund	39.5431%	\$ 1,336,656	\$ 21,353,274
Lot Mowing	0.3007%	\$ 10,164	\$ 162,378
Property Management	1.5349%	\$ 51,883	\$ 828,846
Rental Registration	0.1047%	\$ 3,539	\$ 56,538
Risk Management	0.0227%	\$ 767	\$ 12,258
Solid Waste	0.2814%	\$ 9,512	\$ 151,956
Stormwater	10.2494%	\$ 346,455	\$ 5,534,676
Water & Sewer	16.0582%	\$ 542,807	\$ 8,671,428
	100.0000%	\$ 3,582,389	\$ 54,000,000

Yacht Club Construction Financing Options

1. Funding Options:

A. Cash -

- i. General Fund cash funds a portion of the project
- ii. Debt would be taken out for the remaining cost

B. Debt -

- i. Issue debt for the entire project
- ii. Covenant to budget and appropriate legally available non-ad valorem revenue

Recommendation:

- | | |
|--|-------|
| 1. Fuel System and Tanks/Enclosure | \$ 3M |
| 2. Civil Site Work/Utilities/Beach Amenities | \$35M |

} Complete Items 1 and 2 = \$38M

Recommended Use of Undesignated Fund Balance

Undesignated fund balance available to fund General Fund projects:

Undesignated Fund Balance as of 9/30/2025	\$ 29,935,656
Seven Island Proceeds	\$ 10,563,772
	<u>\$ 40,499,428</u>
Fleet Facility - General Fund's portion	\$ (21,353,274)
Yacht Club Construction - Ph1	\$ (3,000,000)
Yacht Club Construction - Ph2	\$ (35,000,000)
	<u>\$ (59,353,274)</u>
Net Amount to be Financed	<u>\$ (18,853,846)</u>

1. Funding source for annual debt service will utilize resources from Amendment to Financial Management Policy #2 (95% to 98%)
2. This change would provide an additional \$1,932,362 in recurring revenue

Summary

1. Staff's recommendation is still to authorize Ordinance 27-26 and Resolution 106-26 as originally presented
2. Consider recommended use of reserves

Questions?

Thank you

