

Vote 'yes' on North Port's charter referendum

PHIL STOKES

Vice Mayor, North Port

A yes vote on the North Port Charter Amendment would allow the City Commission to borrow money for emergencies, eminent infrastructure failure, and certain safety-related infrastructure projects, which include bridges, water structures, utilities, and roads, with a borrowing cap of \$15 million. Currently North Port is the only municipality out of the 411 Florida cities and towns that cannot borrow any money without a public referendum. This restriction has prevented North Port from obtaining low or no-interest state and federal loans, and certain grants, to address its growing infrastructure needs. It has forced the city to pay as you go for aging bridge and water structure repairs and replacements, preventing its ability to hedge against inflation, generating higher taxpayer costs for projects, and causing undue delays.

If this referendum passes, property taxes cannot be used to repay debt under this charter amendment. State law requires any debt to be repaid by property taxes must go to a public referendum of the voters. That would not change. So, this charter amendment would not allow borrowing for a new police headquarters or any large infrastructure project over \$15 million. Under this charter amendment any borrowings would be paid for primarily through the use of annually budgeted enterprise and district funds from utilities, public works and fire rescue. Enterprise and district budgets annually allocate funds for capital projects which could be leveraged to allow for projects to be scheduled and completed in a more timely manner, locking down lower costs, and spreading the repayment over 20-30 years.

This also provides a huge dividend by sharing the repayment costs with those future residential and commercial taxpayers who will move to North Port and will benefit from the new and improved infrastructure. Presently, with North Port's pay-as-you-go system, the cost of infrastructure projects falls solely on the backs of current taxpayers. In order to provide strong fiscal responsibility and accountability in connection with any borrowings under this charter amendment, the city will adopt and institute, prior to the November election, a comprehensive debt management policy. This policy will include guidelines and guardrails that will identify the financial ratios to be adhered to, types of borrowing to be utilized, and administration and approval processes to assure that all debt incurred is done responsibly, affordably, and transparently.

All borrowings will be reviewed by financial experts, both on staff and by independent consultants, as well as outside bond counsel. In addition, a to-be-formed debt management advisory board, comprised of members of the public with strong financial credentials, will review and advise on all proposed city debt before any borrowing request is submitted to the City Commission for review. Commission approval will require two properly noticed public hearings which will provide for citizen input and transparent commission debate.

North Port has deferred its critical infrastructure challenges for too long. These challenges, coupled with the financial exposure of natural emergencies like Hurricane Ian, provide strong reasons to authorize this valuable tool for city leadership. It is hoped that North Port's voting citizens will support the city's desire to finally address its infrastructure needs and to do so in the most fiscally responsible manner. Please vote yes on North Port's referendum for this charter amendment.

Phil Stokes is vice mayor of North Port.