

THE BOND BUYER

Broward County, Florida, finalizes agreement for \$390 million bond deal

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Broward County, Florida, Mayor Michael Udine held a signing ceremony on Wednesday in Fort Lauderdale to finalize details for a municipal bond deal sold last month for the county's convention center headquarters hotel.

Citigroup sold the \$389.495 million of Series 2022 tax-exempt convention center hotel first-tier revenue bonds on March 30. Proceeds will go toward completion of the hotel on the site.



The site is about two miles from Greater Fort Lauderdale's beaches with the aim to make it easy for tourists, cruise guests and business travelers to come and go. **Bloomberg News**

"This is a landmark day as we build a world-class hotel and expanded convention center," Udine said in a statement. "We'd like to thank the many government, industry and community leaders who have worked diligently to make this entire project a reality. The hotel symbolizes our commitment to provide accommodations that make Greater Fort Lauderdale one of America's top tourist and convention destinations."

The mayor approved the sale of tourist development tax revenue bonds in December to fund the final phase of the convention center project. Construction is expected to be completed in the fall of 2025.

The deal was rated Aa1 by Moody's Investors Service, AAA by S&P Global Ratings and AA-plus by Fitch Ratings. All three agencies assign a stable outlook to the credit.

The bonds were priced to yield from 2.39% with a 5% coupon in 2027 to 3.34% with a 4% coupon in 2042. A 2047 term was priced to yield 3.32% with a 5%

coupon, a split 2051 term was priced to yield 3.80% with a 3.25% coupon and to yield 3.61% with a 4% coupon and a 2055 term was priced to yield 3.35% with a 5.5% coupon.

BofA Securities, Estrada Hinojosa and J.P. Morgan Securities served as co-managers.

"Having a headquarters hotel along with the expanded convention center means we'll be able to bring in very large group meetings and more city-wide events with far more positive economic impact," Stacy Ritter, president and CEO of Visit Lauderdale, said in a statement. "We also expect to host many visitors seeking upscale hotel stays before and after their cruises from Port Everglades with easy access to all the Greater Fort Lauderdale area has to offer."

The hotel is going to be operated by Omni Hotels Management Corp. and will have 900 rooms and 29 stories. An additional 73,000 square feet of meeting space with direct access to the convention center is planned.

The complex is located on 5.4 acres, about two miles from Greater Fort Lauderdale's beaches and between Port Everglades and the Fort Lauderdale-Hollywood International Airport. The aim is to make it easy for tourists, cruise guests and business travelers to come and go.

"After years of planning and unavoidable pandemic delays, we're excited to begin this project, bolstering our economy by more than \$200 million annually and offering more than 1,300 jobs," County Administrator Monica Cepero said.

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