[Bond Case Briefs]

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BOND VALIDATION - FLORIDA

[Matt v. State]

Supreme Court of Florida - July 9, 2026 - So.3d - 2026 WL 1981003

Independent recreation district filed complaint for bond validation.

The Circuit Court entered final judgment validating the bond issue. Objecting taxpayer appealed.

The Supreme Court held that:

- District had authority to hold referendum to authorize bond issue;
- Purported language in prior bond issue's supplemental indenture that indicated that there would be no further bond issues did not preclude the bond issue in question;
- Property burdened by special assessment to service bond issue derived a special benefit from the service provided by the assessment;
- Objecting taxpayer's procedural due process rights were not violated;
- Objecting taxpayer's motion to disqualify trial judge was legally insufficient; and
- Objecting taxpayer had 20 days following validation hearing to file motion to disqualify trial judge.

Independent recreation district had authority under statute and county ordinance to issue bonds; the very purpose of such districts was to essentially be statutorily authorized financing vehicles.

Independent recreation district had authority to hold referendum to authorize bond issue; by statute, referendum was condition precedent to determining district's authority to issue bonds through validation process, and despite argument that language in prior bond issue's supplemental indenture indicated that there would be no further bond issues, the bond validation statutes provided that the issue of authority came first, and that necessarily required a referendum, without which there would be no authorized bond issue necessitating the bond validation process.

Purported language in prior bond issue's supplemental indenture that indicated that there would be no further bond issues did not preclude subsequent bond issue by independent recreation district; resolution by district just prior to referendum on subsequent bond issue made clear that the purported language was never adopted and authorized a second supplemental indenture to amend and cure the language, second supplemental indenture was executed before bond validation hearing, and master indenture contemplated further bond issues.

When a bond issuance is to be funded by special assessments, court conducting bond validation proceeding applies a two-pronged test to evaluate whether those special assessments meet the requirements of the law; that test requires that (1) the property burdened by the assessment must derive a special benefit from the service provided by the assessment, and (2) the assessment for the services must be properly apportioned among the properties receiving the benefit.

Property burdened by special assessment to service bond issue of independent recreation district derived a special benefit from the service provided by the assessment, as required for bond validation; properties within district clearly specially benefited from recreational services provided in the neighborhood, which included golf course and which were for the health, safety, and welfare of the owners and residents, and well-maintained golf course communities tended to have higher property values.

Objecting taxpayer’s procedural due process rights were not violated in proceeding concerning validation of independent recreation district’s bond; taxpayer was given sufficient constructive notice of the bond validation complaint, he timely intervened by filing an answer, and he was also permitted an opportunity to be heard at the bond validation hearing and allowed to present evidence and make argument.