



Legislation Text

File #: 80650, **Version:** 1

Fiscal Note

This resolution authorizes the issuance of up to \$28.6 million of 20 year tax-exempt bonds to finance the State Street Campus Garage reconstruction project. The total estimated cost of this project is \$52 million based on construction bids and associated design, contingency, and other project costs. Estimated annual debt service is expected to average \$2.1 million (\$2.8 million in year 1) over the 20 year life of the bonds. Total interest costs are estimated to be \$14 million.

Funding for the project includes the following:

TID 50 supported general obligation borrowing -- \$19.8 million (\$5 million was borrowed in September 2023)
Parking Utility supported general obligation borrowing -- \$12.0 million
General Fund supported general obligation borrowing -- \$1.7 million (Intercity bus terminal project)
Air Rights Payment/Parking Utility reserves -- \$18.5 million (reflects provisions in approved development agreement)

Funding of \$49.7 million for this project was initially approved in the 2023 adopted capital budget. The 2024 executive capital budget added \$12.5 million of TID 50 supported general obligation borrowing based on final construction cost estimates (to a total of \$62.2 million). The Common Council will consider an amendment to the 2024 executive capital budget that will reduce the project budget by \$10.2 million to reflect the construction bid.

The debt will be issued based on market conditions, with the approval of the Finance Director that the parameters included in the resolution are met. The parameters include a maximum interest rate of 5% and cost of issuance of no more than \$105,000. The debt must be issued before October 1, 2024.

Title

Authorizing the Issuance and Establishing the Parameters for the Sale of Not to Exceed \$28,605,000 General Obligation Corporate Purpose Bonds of the City of Madison, Wisconsin, and Directing the Final Approval of the Terms Thereof.

Body

Please see **Parameters** document in Attachments