



Legislation Text

File #: 80649, **Version:** 1

Fiscal Note

This is an initial resolution to issue 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.

The general obligation bonds referenced in this initial resolution are for purposes that do not require a referendum under state law. Bonds issued for purposes that do not require a referendum must include an initial resolution. Once the initial resolution is adopted, electors have 30 days to petition for a referendum. A petition must include the names of electors numbering at least 10 percent of the votes cast for governor in the city in the last general election

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.

These bonds will be issued through a companion debt parameters resolution (Legistar 80650).

Title

Authorizing Not to Exceed \$28,605,000 Bonds by City of Madison for Reconstruction of the State Street Campus Garage (District 2)

Body

Please see **Initial Resolution** document in Attachments