

LRB – FISCAL REVIEW SECTION ANALYSIS

MARCH 31, 2004 AGENDA

ITEM 10, FILE 031676

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File #031676 is a resolution authorizing the issuance and sale of short-term general obligation promissory notes under sec. 67.12(12), Stats. for funding the City's matching share of a Wisconsin Department of Transportation streetscape enhancement grant for Kinnickinnic Ave. between Becher St. and Morgan in the amount not to exceed \$103,330. (Comptroller)

Background and Discussion

1. The resolution reauthorizes issuance of short-term general obligation notes to fund the City's remaining share of a Wisconsin Department of Transportation streetscape enhancement grant. The Wisconsin Department of Transportation streetscape enhancement grants provide funds for the landscaping and beautification of streets that are considered to be part of the State of Wisconsin's highway system. This grant is for harp lights, lanterns and landscaping on Kinnickinnic Ave. between Becher St. and Morgan Ave.
2. The total amount of the grant is \$1,231,650. The State of Wisconsin will provide 80% (\$985,320) of the grant's funding and the City of Milwaukee will provide 20% (\$246,330). On February 29, 2000, the Common Council adopted Resolution #991676 that authorized the issuance of short-term obligation notes (\$246,330) to fund the City's share of the grant. \$143,000 of the \$246,330 in borrowing authorized by Resolution #991676 was issued.
3. The borrowing authority authorized by Resolution #991676 has expired. This resolution reauthorizes the remaining \$103,330 in borrowing authority for the City's share of the project.

Fiscal Impact

Based on an issuance of \$103,330 in 10-year notes at 4% interest, the Comptroller's Office estimates the annual debt service for the borrowing authorized by this resolution to be \$12,300 for 10 years. (The actual debt service impact cannot be determined until the sale of the notes takes place.)

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LRB Fiscal Review
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