

LRB – FISCAL REVIEW SECTION ANALYSIS

**MARCH 25, 2003 AGENDA
ECONOMIC DEVELOPMENT COMMITTEE**

**ITEM 5, FILE 021545
Emma J. Stamps**

File 021545 is a resolution relative to the issuance of City of Milwaukee Industrial Development Revenue Bonds (Phoenix Products Co., Inc. and Florine Investments, LLC Project). (DCD).

Background and Discussion

This project is expected to add livable wage jobs to a current Phoenix workforce. Important facts of this project include:

Business: Manufacturing

Location: Current, 6161 N 76th Street
Planned, 8711 W. Port Avenue

Product: Specialty lighting products, loading dock lighting, and welding rod ovens

Employees: Currently 78, with plans to add 7 in the first year

Wages: \$15 hr. average for electrical assemblers

Funding: \$3,440,000, project cost; \$440,000, borrower sources; \$3,000,000, bond issue

Uses: In addition to acquiring the facility (estimated site acquisition, \$2,000,000), the company proposes to use the proceeds of the revenue bonds to renovate and re-equip the building. These expenditures include electrical distribution, compressed air systems, HVAC upgrades, engineering facilities, manufacturing equipment and related systems.

Fiscal Impact

The City will not expend any public funds for this Project nor will the project in any way effect the general City bond rating. The bond issue could generate approximately \$15,000 in revenue for the City. This estimate is factored on earning .05% of a \$3,000,000 aggregate total bond issue.

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