

**LRB – RESEARCH AND ANALYSIS SECTION ANALYSIS**

**MARCH 20, 2009 AGENDA**

**ITEM 9, FILE 081506**

**FINANCE & PERSONNEL COMMITTEE**

**JAMES CARROLL**

File  
#08150  
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resolution authorizing the issuance of general obligation notes to pay a general and current municipal expense associated with grant programs.

**Background**

1. The 2009 Budget provides \$130 million in contingent borrowing authority.
2. Funding provided by the federal government to the City for economic stimulus projects will be provided through grant funding.

**Discussion**

1. Adoption of this resolution, along with Public Debt Commission action regarding approving the sale of the notes, provides up to \$50 million in funding authority which allows the City to begin working on economic stimulus funded projects prior to receiving the grant funding.
2. Unless there is a City matching grant component, it is anticipated that the notes will not be sold.

**Fiscal Impact**

The resolution authorizes the use of up to \$50 million in contingent borrowing for purpose of funding the federal economic stimulus grant programs. Because it is anticipated that the borrowing authorized in this resolution will not take place, it is expected that this resolution will have no fiscal impact., However, if a City match is required or in the event that grant funding is not received or, a portion of the notes may be issued.

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