



**Request for City Council Committee Action
From the Finance & Property Services Department**

Date: May 7, 2012
To: Ways and Means/Budget Committee
Referral to: Board of Estimate and Taxation

**Subject: Issuance of General Obligation Note for Flood Area 5 37th Ave N
Greenway Project**

Recommendation

Passage of a resolution requesting the Board of Estimate and Taxation to issue a General Obligation Note to the Minnesota Public Facilities Authority (PFA) in the amount of \$589,864.

Previous Directives

- June 17, 2011 Adopting resolutions 2011R-322 appropriating \$1,083,788 for the Clean Water TMDL Grant program, 2011R-323 appropriating \$481,963 for the Clean Water Green Project Reserve Principal Forgiveness program and 2011R-324 declared official IRS intent to reimburse project costs with tax exempt debt.
- July 31, 2009 Authorize proper city officers to submit an application for Clean Water Revolving Loan and Total Maximum Daily Load (TMDL) Grant Funds administered by the Minnesota PFA in cooperation with the Minnesota Pollution Control Agency.
- March 31, 2009 Authorize proper city officers to submit an application for Clean Water Revolving Loan and Green Project Reserve (GPR) Principal Forgiveness Funds administered by the Minnesota PFA in cooperation with the Minnesota Pollution Control Agency.

Prepared or Submitted by Michael Abeln, Director, Capital & Debt Mgmt, 673-3496

Approved by: Kevin Carpenter, Chief Financial Officer _____

Jayne Khalifa, Interim City Coordinator _____

Presenters in Committee: Michael Abeln, Director, Capital & Debt Mgmt, 673-3496

Financial Impact (Check those that apply)

- Other financial impact (Explain): Authorizes issuance of tax-exempt note to reimburse Storm Sewer expenditures incurred for Flood Area 5 37th Ave N Greenway Project
- Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information

The Flood Area 5 37th Ave N Greenway Project was a cooperative project funded by several loan and grant programs administered by the Minnesota PFA including the Clean Water Revolving Loan program, Clean Water Green Project Reserve Principal Forgiveness program and Total Maximum Daily Load (TMDL) Grant program. The project also used City Stormwater revenues as provided by the Alternative Stormwater Management capital program and a \$250,000 grant from the Shingle Creek Watershed Management Commission.

In addition to managing storm water flows, this project was performed to reduce pollutants and improve water quality going into Crystal Lake in Robbinsdale, increase flood protection, improve community livability and sustainability and to create a sense of place in North Minneapolis. The project is substantially complete at this time and the financial implications to be funded by grants and loans administered through the Minnesota PFA have now been quantified.

As part of the funding for this project, the City will receive \$196,620 in Green Principal Forgiveness from the Clean Water Green Project Reserve Principal Forgiveness program, \$726,586 of grant funds from the TMDL Grant program and a \$589,864 low interest tax-exempt loan from the Clean Water Revolving Fund Principal Forgiveness-Green Project program.

Attached is the resolution to be passed by the City Council requesting the Board of Estimate and Taxation to issue a \$589,864 general obligation tax-exempt note to the Minnesota PFA.