

Department of Planning and Budget 2005 Fiscal Impact Statement

1. Bill Number HB2717

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Morgan

3. Committee Appropriations

4. Title Virginia Public Building Authority; authorizing capital project.

5. Summary/Purpose:

Authorizes the Virginia Public Building Authority to issue bonds in a principal amount not to exceed \$16 million for the demolition of the "8th Street Office Building" in Richmond, and for the construction of a parking facility in its place.

6. Fiscal Impact Estimates are: Preliminary. See item 8, below.

7. Budget amendment necessary: See item 8, below.

8. Fiscal implications:

It is not known at this time precisely the pace at which any bonds would be issued. Based on currently available information, it is likely that the project will be initiated in the Summer of 2005 and the bonds will be issued to provide funding for the project as it proceeds.

If issuance of the bonds authorized in this bill in the Fall of 2005 is assumed, using interest rates consistent with those utilized in the introduced budget bill, the annual debt service would be approximately \$283,200 FY 2006 and approximately \$1.28 million annually thru FY 2026.

If bonds are to be issued in the Fall of 2005, a budget amendment will be needed to accommodate the additional debt service appropriation of \$283,200 for FY 2006.

9. Specific agency or political subdivisions affected: Department of the Treasury, Virginia Public Building Authority, Treasury Board, and the Department of General Services.

10. Technical amendment necessary: No.

11. Other comments: This project received \$2.50 million of authorization for its demolition phase in Chapter 4, Virginia Acts of Assembly. The authorization provided for in this bill is presumably in addition to the prior authorization. If so, the debt service impact would be higher.

Date: 01/19/05/tmw

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cc: Secretary of Finance