

Department of Planning and Budget
2009 Fiscal Impact Statement
REVISED

1. Bill Number: SB852

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Colgan

3. Committee: Finance

4. Title: **Parking Facilities Bond Act of 2009; created.**

5. Summary: Authorizes the Treasury Board to issue bonds pursuant to Article X, Section 9 (c) of the Constitution of Virginia in an amount up to \$16,000,000 plus financing costs to build a new parking deck in the City of Richmond at 7th and Franklin.

The bonds are backed by the full faith and credit of the Commonwealth and therefore, constitute tax-supported debt. The bill also states that an emergency exists and that the bill is in force from its passage.

6. Fiscal Impact. \$16,000,000. It is expected that the parking fund will generate sufficient nongeneral fund revenues to pay operating expenses and debt service.

7. Budget Amendment Necessary: No. Funding is included in Item C-5.05

8. Fiscal Implications: The Department of General Services will need nongeneral fund appropriations for debt service once the project is complete. The debt service will be repaid from parking revenues collected by participants of the entire State Employee Parking Program and from proposed long-term lease revenues collected from private individuals leasing parking spaces in the parking facility. The anticipated revenues from the Employee Parking Program and private individuals will be sufficient to repay principal and interest on the debt. The department will need to increase the parking rate charged to all employees who use state parking facilities to cover the cost. Subject to review, the cost could increase to \$48 per month in FY 2011 and \$54 per month in FY 2015. The current average private parking facility rate in the Richmond area is approximately \$100.00 per month, twice as much as what is currently paid by parkers in DGS owned and operated facilities. Over time, the private parking rate will likely increase from the current \$100 average keeping it well above the DGS rate.

9. Specific Agency or Political Subdivisions Affected: The Department of General Services and all employees who use state parking facilities; Treasury.

10. Technical Amendment Necessary: No

11. Other Comments: SB852 is identical to HB1604

Date: 1/16/2009 amk

Document: G:\EFIS 2009\SB852R1.Doc

cc: Secretary of Administration