

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE  
Bond Bill

House Bill 1407 (Delegate Harkins)

Appropriations

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**Creation of a State Debt - Harford County - City of Havre de Grace**

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This bill provides \$500,000 in State bond proceeds as a grant to the Mayor and City Council of the City of Havre de Grace for the purchase of the former Post Office building and the conversion of the building into a police station, including the planning, design, repair, renovation, reconstruction, construction, and capital equipping of the building located on North Union Avenue in Havre de Grace.

The City of Havre de Grace must provide \$250,000 in matching funds by June 1, 2000.

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**Fiscal Summary**

**State Effect:** This \$500,000 grant would be part of the total \$430 million general obligation debt authorization for FY 1999 as recommended by the Capital Debt Affordability Committee. State debt service costs on the \$430 million would be a maximum of \$44.2 million annually based on the 4.34% interest rate realized at the February 18, 1998 bond sale.

**Local Effect:** City of Havre de Grace grant revenue would increase by \$500,000 and expenditures would increase by \$750,000.

**Small Business Effect:** Minimal.

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**Information Source(s):** Department of Legislative Services

**Fiscal Note History:** First Reader - March 19, 1998

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