



**For Immediate Release**

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## **PRESS RELEASE**

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### ***City Issues \$2.5 Million Bond for Street Repairs***

The City of Genoa has issued a \$2.5 million bond for much needed street repairs!

In taking advantage of economies of scale, this bond will allow for up to 16 streets – which is up to 18,170 linear feet- to be resurfaced or reconstructed. This is the equivalent of approximately 29% of streets in the older part of town being repaired- making it the largest street improvement program in the history of the City of Genoa.

While the City has issued a large bond for the City's size, the City underwent several lean years during the great recession that made it difficult to invest in street improvement projects and has since left the City playing catch up with street maintenance.

In 2017, the City had a Pavement Management Report conducted, which rated the City's streets, ranging from "excellent" to "failed". Unfortunately, many streets were identified as "very poor" and "failed". With the street improvement funds received by the City, it would take several years for the City to save up for each project.

By issuing a bond, the City will be able to complete improvements to many of these streets next summer and make payments over time. Each year thereafter, the City plans to complete smaller, more fiscally manageable projects with funds remaining after the bond payment and additional grant funding that may become available.

With this \$2.5 million bond issue, the City was able to lock in a 1.54% interest rate, due both in part to time in the market with today's low interest rates, as well as the City's investment grade credit rating.

This initiative is largely due to grant funds, the retirement of old bonds, and recent bond rating upgrades by both Moody's and Standard & Poor's. This could not have been achieved without sound fiscal management and also demonstrates the efforts of elected and appointed officials in prudently managing the City's finances.

The bid for these improvements will be let in January/February of 2021 with work beginning in Spring 2021.

Mayor

Mark Vicary