

Fiscal Analysis
State Building Authority Leases



Bill/Sponsor **SCR's 8 through 11, Senator S. Johnson**

House Committee Appropriations

Analysis

Summary

To approve standard State Building Authority (SBA) leases between the SBA, the State and several universities as shown in the table below. These properties are also conveyed to the SBA. All of these now completed projects received planning, cost, and construction authorizations under previous Capital Outlay budget acts.

Approval of these resolutions enables the SBA to issue long-term debt instruments to cover the short-term debt it secured to finance the State's share of each project's construction costs.

The Joint Capital Outlay Subcommittee (JCOS) approved these resolutions, with recommendation.

State Fiscal Impact

Legislative adoption of this resolution commits the State to annually pay rent to the SBA until its debt obligations are fully satisfied. The annual GF/GP high/low rental range of \$10,790,000 to \$13,500,000 is provided consistent with PA 183 of 1964.

Project	Total Project Cost	State Building Authority Funds	GF/GP Rental Range on SBA Financing
SCR 8. Michigan State University/Department of Agriculture – Animal Health Diagnostic Lab. This new 150,000 sq. ft. facility on MSU property includes limited space for the departments of Agriculture and Natural Resources for bovine TB and CWD testing and research.	\$58,000,000	\$57,999,900	\$4,895,000 to \$6,120,000
SCR 9. Central Michigan University – Health Professions Building. This new 172,000 sq. ft. facility houses numerous health related academic disciplines.	\$50,000,000	\$37,499,800	\$3,165,000 to \$3,960,000
SCR 10. University of Michigan, Ann Arbor – Central Campus Renovations II, Mason and Haven Halls. Project entails complete renovations of these administrative and classroom buildings and a 67,000 sq. ft. addition for Haven Hall.	\$35,000,000	\$26,250,000	\$2,215,000 to \$2,770,000

SCR 11. Department of Management and Budget – Roosevelt Parking Garage. This new 430 space parking facility is located just north of the Capitol Building.	\$6,600,000	\$6,599,900	\$515,000 to \$650,000
Totals	\$149,600,000	\$128,349,600	\$10,790,000 to \$13,500,000

Local Fiscal Impact

None.

Analyst(s)

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