

Fiscal Analysis

STATE BUILDING AUTHORITY LEASE



Bill/Sponsor HOUSE CONCURRENT RESOLUTION 58 (as introduced)/ Rep. D. Booher
House Committee Appropriations

Analysis Summary

Approves a standard State Building Authority (SBA) lease between the SBA, the State and West Shore Community College relative to its New Student Learning Center project. The property is also conveyed to the SBA. This project received planning, cost, and construction authorizations under previous Capital Outlay budget acts and is currently under construction.

Legislative approval of the resolution, a statutory requirement, enables the SBA to issue debt instruments to finance the state's share of the project's construction cost.

The **Joint Capital Outlay Subcommittee** (JCOS) approved the resolution, with recommendation. The Department of Management and Budget also recommends approval.

Fiscal Impact

Legislative adoption of the 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 \$263,000 to \$344,000 is provided consistent with PA 183 of 1964. The actual true market rental amount, within or below the respective range, will be determined when the project is completed and has been independently appraised.

	Total Authorized Project Cost	College Funds	State Funds	GF/GP Rental Range on SBA Financing
West Community College – New Student Learning Center Project. This project entails constructing a 2-story, 38,000 sq. ft. facility to house a library, bookstore, and student advising, testing, and tutoring centers. Cost and construction authorizations were provided under PA 153 of 2006.	\$7,899,400	\$3,949,700	\$3,949,700	\$263,000 to \$344,000

LOCAL FISCAL IMPACT

West Shore Community College will finance one-half of the project's cost.

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Analysis 12/05/07

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