

Community College District of Monroe County Technology Center Project

House Concurrent Resolution 64 - As Introduced

Sponsor: Representative Dale Zorn

Analysis Completed: September 27, 2012

SUMMARY:

House Concurrent Resolution 64 would approve the conveyance of property and a standard State Building Authority (SBA) lease between the state, the SBA, and the Community College District of Monroe County for the Technology Center Project previously approved by the Legislature. The project was authorized for planning in Public Act 278 of 2008 and was authorized for construction in Public Act 329 of 2010.

Approval of this resolution is the final remaining legal requirement to enable the SBA to issue bonds to finance the state's share of the project's construction costs. The project has met all of the approval requirements of the Joint Capital Outlay Subcommittee and the Management and Budget Act, 1984 PA 431. Approval would create a contractual obligation between the state and the SBA, requiring the state to make annual rent payments to the SBA. The SBA will use the rent payments to pay off the bonds which are sold to finance the construction. Once the debt obligations are satisfied, the SBA will transfer title back to the Community College District of Monroe County.

The project consists of constructing a new 60,350 sq. ft., one-story career technology center facility. The new building will allow for updates and expansion in the areas of nuclear engineering, welding, construction, computer-aided drafting and manufacturing, electronics, quality assurance, and automotive engineering. Facilities and equipment will be enhanced for areas in hybrid and battery technology, advanced manufacturing, alternative energies, and sustainable and green technologies.

The building will include classrooms, faculty spaces, and laboratory space for automobile, computer-aided design, electronics, material sciences, mechanical engineering, and nuclear technologies. Exterior construction elements will include a combination of brick masonry, precast concrete panels, and prefinished metal siding with glazed areas that provide natural light in atriums and other public areas. The combined elements of the exterior are designed to be in context with the existing architecture of adjacent campus buildings.

FISCAL IMPACT:

The total cost of the project is \$17.0 million, with the state share being \$8.5 million and the college share being \$8.5 million. Annual rent payments to the SBA are estimated to be between \$583,000 and \$762,000 until the bonds are retired (approximately 15 to 17 years). The actual true market rent amount, within or below the respective range, will be determined when the project is completed and has been independently appraised. Annual rent payments to the SBA are appropriated in the General Government appropriations bill and total \$256.9 million for FY 2012-13.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.