

# Fiscal Analysis

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**Bill/Sponsor**                    **HOUSE CONCURRENT RESOLUTION 18 (as introduced)**, Rep. Scott Shackleton

**House Committee**            Appropriations

**Analysis**                         **Summary**  
 Approves a standard State Building Authority (SBA) lease between the SBA, the State and Jackson Community College relative to its Lenawee Extension Center project. The property is also conveyed to the SBA. This project received planning, cost, and construction authorizations under previous Capital Outlay budget acts.

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 project is currently under construction.

**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 \$110,000 to \$150,000 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.

Project	Total Project Cost	University/ College Funds	State Funds	GF/GP Rental Range on SBA Financing
<b>HCR 18</b> <b>Jackson Community College – Lenawee Extension Center.</b> This project entails building a new 2-story, 26,900 sq. ft. instructional facility in Adrian. Included are 9 general classrooms, a	\$4,400,000	\$2,900,000	\$1,500,000	\$110,000 to \$150,000

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general science lab, a chemistry lab, and 2 computer labs. Construction authorization was contained under PA 480 of 1996.				
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**LOCAL FISCAL IMPACT**

Community colleges are normally responsible to, at least, equally match the state financed portion of their respective projects. They will typically finance their share through a bond issue of their own, secured by a property tax assessment approved by the district's voters.

**Analyst(s)**

Al Valenzio

FLOOR ANALYSIS - 6/24/03

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