

# Fiscal Analysis

## State Building Authority Lease



**Bill/Sponsor** SCR 40, Sen. J. Gilbert

**House Committee** Appropriations

### Analysis

#### Summary

To approve a standard State Building Authority (SBA) lease among the SBA, the state, and St. Clair County Community College for its Campus Renovation 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 both short and long-term debt to finance the state's share of the project's construction cost.

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

#### 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 \$309,000 to \$404,000 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	College Funds	State Funds	GF/GP Rental Range on SBA Financing
<b>St. Clair County Community College – Campus Renovation Project.</b> This project entails renovations to the Mackenzie Building to support math and science programs; and an addition to the College Center to expand library services.	\$13,000,000	\$8,500,000	\$4,500,000	\$309,000 to \$404,000

### Analyst(s)

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