



Senate Fiscal Agency  
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BILL ANALYSIS

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Senate Concurrent Resolution 40 (as reported without amendment)  
Sponsor: Senator Jud Gilbert, II  
Committee: Appropriations

### **CONTENT**

The Joint Capital Outlay Subcommittee (JCOS) has approved Senate Concurrent Resolution 40, which would convey property and establish a lease agreement between the State, the State Building Authority (SBA), and St. Clair County Community College for the Campus Renovations project. The project was approved for planning in Public Act (P.A.) 291 of 2000 and construction in P.A. 530 of 2002. Approval of the resolution would allow bonds to be sold to finance the project's construction.

The project has met all the planning approval requirements of the JCOS, and the Management and Budget Act. Approval of the resolution would set up a contractual obligation between the State and the SBA requiring the State to make annual rental payments to the SBA. The SBA would use the rental payments to pay off the bonds sold to finance construction. Once the debt obligations were satisfied, the SBA would transfer title back to the Department. The estimated annual rental amount is provided pursuant to the requirements of the State Building Authority Act.

### **FISCAL IMPACT**

The project represents new bond debt obligations by the SBA of \$4.5 million. Approval of the resolution would require the State to make annual rental payments to the SBA estimated to be between \$309,000 and \$404,000 until the bonds were retired, expected to be in approximately 12 to 15 years. Annual rental (debt service) payments for the current fiscal year are appropriated in Public Act 146 of 2005 at \$272.8 million, and include the cost of this project.

Project	SCR	Total Cost	State Share	College Share	Annual Rental Rate
<b>St. Clair County Community College - Campus Renovation Project:</b> Project includes major renovations to the Clara E. Mackenzie Building for improvements to the math and science programs and a new addition to the College Center Building to provide expanded library services.	40	\$13,000,000	\$4,500,000	\$8,500,000	\$309,000-\$404,000

Date Completed: 3-23-06

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