

Fiscal Analysis
State Building Authority Lease
Lake Superior State University



Bill/Sponsor **SCR 50, Sen. Allen**

House Committee Appropriations

Analysis

Summary

To approve a standard State Building Authority (SBA) lease between the SBA, the State and Lake Superior State University for special maintenance projects. The property is also conveyed to the SBA. This project received cost and construction authorizations under a previous Capital Outlay budget act.

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 cost.

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

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 \$49,000 to \$61,000 is provided consistent with PA 183 of 1964.

Project	Total Project Cost	University/ College Funds	State Funds	GF/GP Rental Range on SBA Financing
Lake Superior State University – Special Maintenance. This project entails electrical system repairs.	\$163,100	\$0	\$163,000	\$49,000 to \$61,000

Analyst(s)

Al Valenzio

Mitchell Bean, Director - House Fiscal Agency
 124 N. Capitol Avenue, Lansing, MI 48909
 Phone: (517)373-8080, Fax: (517)373-5874
<http://www.house.mi.gov/hfa>