

Michigan's Capital Outlay Process

Prepared by

Al Valenzio
Associate Director



Mitchell E. Bean, Director

March 2007

**HOUSE FISCAL AGENCY
GOVERNING COMMITTEE**

George Cushingberry, Jr.

Andy Dillon

Steve Tobocman

Daniel Acciavatti

Craig DeRoche

Chris Ward

**MICHIGAN HOUSE OF REPRESENTATIVES
APPROPRIATIONS COMMITTEE**

George Cushingberry, Jr., Chair

Matthew Gillard, Vice Chair

Joan Bauer

Doug Bennett

Pam Byrnes

Marsha Cheeks

John Espinoza

Lee Gonzales

Richard Hammel

Morris Hood III

Shanelle Jackson

Michael Lahti

Richard LeBlanc

Gary McDowell

Michael Sak

Alma Wheeler Smith

Dudley Spade

Aldo Vagnozzi

Daniel Acciavatti, Minority Vice Chair

David Agema

Fran Amos

Darwin Booher

Jack Brandenburg

Bruce Caswell

Bill Caul

Goeff Hansen

Chuck Moss

Mike Nofs

John Proos

Rick Shaffer

STATE OF MICHIGAN
HOUSE OF REPRESENTATIVES



HOUSE FISCAL AGENCY

MITCHELL E. BEAN, DIRECTOR

P.O. Box 30014 ■ LANSING, MICHIGAN 48909-7514
PHONE: (517) 373-8080 ■ FAX: (517) 373-5874
www.house.mi.gov/hfa

GOVERNING COMMITTEE

GEORGE CUSHINGBERRY, JR., CHAIR
ANDY DILLON
STEVE TOBOCMAN

DANIEL ACCIAVATTI, VC
CRAIG DEROCHE
CHRIS WARD

March 2007

TO: Members of the House of Representatives

Michigan's public universities and community colleges requesting state financial support for a building project must follow exacting procedures and standards. These procedures and standards are referred to as the Capital Outlay Process—the subject of this publication. The procedures and standards that must be followed for a successful project are explained in this report, as is the process used by the State Building Authority to finance capital outlay projects.

The Appendix to this report provides a detailed listing of all major (over \$1 million) projects authorized and appropriated for by the Legislature since FY 1992-93. Very little state building activity was accomplished prior to FY 1992-93 due to severe budgetary constraints. Hence, FY 1992-93 is considered the beginning of the state's building boom.

Al Valenzio, Associate Director, is the author of this report. Please do not hesitate to call if you have questions or comments.

A handwritten signature in black ink that reads "Mitchell E. Bean".

Mitchell E. Bean
Director

TABLE OF CONTENTS

INTRODUCTION	1
PROCESS	3
JCOS	7
PROJECT FINANCING	9
CONCLUSION	13
Appendix	
Department of Corrections Projects.....	17
Other State Agency Projects	18
State University Projects	19
Community College Projects.....	22

FIGURES

Figure 1	Michigan Capital Outlay Process	4
Figure 2	SBA Financing Process	10
Figure 3	SBA Rent.....	11
Figure 4	SBA Bond Cap Ceiling	11

INTRODUCTION

The purpose of this document is to define and summarize the Michigan capital outlay process, describe the responsibilities and functions of the (legislative) Joint Capital Outlay Subcommittee (JCOS), and explain how the State Building Authority (SBA) finances state building projects.

The Michigan capital outlay process may be defined as:

The budgetary and administrative functions devoted to planning and financing for the acquisition, construction/renovation, and maintenance of facilities used by a state agency, public university, or community college.

The capital outlay process does not include highway and bridge construction projects; these are covered by other administrative and legislative procedures.

General operational practices and procedures for capital outlay are stipulated in the following:

- ◆ Management and Budget Act (1984 PA 431).
- ◆ State Building Authority Act (1964 PA 183).
- ◆ Annual Capital Outlay appropriations acts.
- ◆ Formal policies of the JCOS.

The Management and Budget Act establishes the administrative framework for all state government functions, including the capital outlay process, and establishes the specific oversight roles of the Department of Management and Budget (DMB) and JCOS.

The capital outlay process has been in a continual state of refinement over the past 40 years—both administratively and statutorily. The most significant process changes since 1984 were implemented in early 1999 with adoption of 1999 PA 8, which amended the Management and Budget Act. These changes were intended to make the capital outlay process less cumbersome, less centralized, and more responsive without diminishing the general oversight roles of both the Legislature and DMB. The act also requires more comprehensive planning for building projects, which now must occur before final costs are set.

Beginning with enactment of 1993 PA 19—with the notable exception of the years 2002 to 2004—the state has embarked on its most ambitious capital spending campaign in the history of the SBA. Since 1993, there have been 178 SBA-financed projects authorized by law: 66 for

community colleges, 64 for universities, and 48 for state agencies. Total cost authorizations have exceeded \$4.1 billion with the SBA share exceeding \$3.2 billion (See Appendix for details).

The following terms and abbreviations are used throughout this publication:

- ◆ **DMB** — Department of Management and Budget.
- ◆ **JCOS** — Joint Capital Outlay Subcommittee.
- ◆ **SBA** — State Building Authority.
- ◆ **Planning Authorization** — Allows an agency/institution to develop initial project planning documents to determine project scope/costs. Also referred to as a “place holder,” it is accomplished by a \$100 General Fund/General Purpose (GF/GP) appropriation in a budget bill.
- ◆ **Cost and Construction Authorizations** — Final legislative action to allow a project to move to final design and construction. The project’s total authorized cost and sources of financing are also established in this action.

PROCESS

Practical application of the capital outlay process tends to be complex, highly technical, and somewhat cumbersome. However, the various reviews and approvals which are part of the process serve as effective screens for state policy makers, enabling them to better understand all aspects of a project (e.g., need, purpose, scope, and cost) before authorization is finalized.

The capital outlay process was designed to protect the state budget in economic downturns or from other factors influencing state priorities, thus helping to ensure that public monies are being well spent on functional, necessary facilities. Figure 1 shows the steps, described below, that a successful capital outlay project must complete.

Master Plans

State agencies, universities, and community colleges are required by 1999 PA 8 to annually submit rolling five-year capital outlay master plans to DMB and JCOS for review. Each plan must include prioritized state-funded project requests and special maintenance needs, and an inventory of current facilities with a professional assessment of their respective conditions.

Review for Planning Authorization

From the priority requests in the five-year plans, the Governor will determine whether any of the requested projects have sufficient merit to warrant planning authorization in the Executive Budget Recommendation. The JCOS and the entire Legislature will then review the Executive Budget and make any changes deemed necessary.

An agency/institution granted a project planning authorization in a budget act has up to three years to develop a program statement and schematic planning documents for review and approval.

Planning Costs

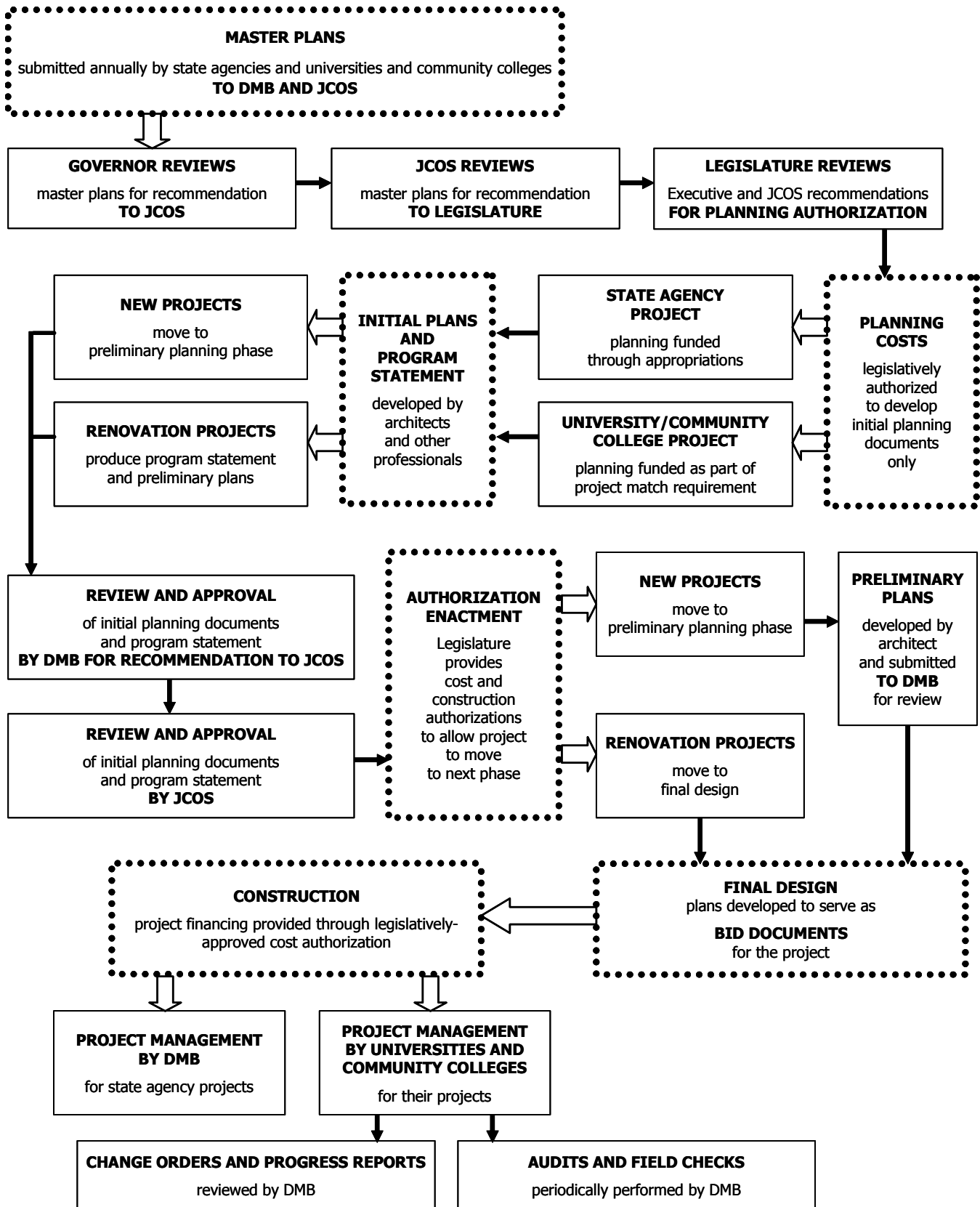
Planning cost funds are used to hire architects and other professionals to develop the initial planning documents, which provide details of the purpose, scope, and size of the project with reliable cost estimates.

Planning costs for successful state agency projects are provided through appropriations; higher educational institutions fund these costs as part of their project match requirement. The standard match rate for an SBA-financed project is 50% from community college funds and 25% from university funds.

It is important to note that a planning authorization does not guarantee that a project will be completed. After review of the initial planning documents, the project can be terminated if the Legislature deems the project too costly or without merit.

Figure 1

MICHIGAN CAPITAL OUTLAY PROCESS



Review of Submitted Planning Documents

When planning authorization documents are completed, they are submitted to DMB for review and analysis by in-house architects and other professionals. Adjustments (which may include scope reductions to bring project costs down or to fit administration priorities) recommended by DMB staff may occur at this point.

After planning authorization documents are acceptable to DMB, they are submitted to JCOS for review and approval. If JCOS concurs that the project has merit, the documents will be approved and cost and construction authorizations will be included in a capital outlay budget act.

Authorization Enactments

Enactment of cost and construction authorizations allows the project to move to the next phase—new projects move to the preliminary planning phase and renovation projects move to final design.

Final Design/Bids

Architect-developed preliminary plans—which are more detailed than the schematic plans—are submitted to DMB for review and approval. If DMB determines that the project still complies with the legislatively-authorized purpose, scope, size, and cost, the project moves to final design. Final design plans, often referred to as bid documents, are used by construction contractors to submit bids on the project.

Construction bids are managed by universities and community colleges for their respective projects, and by DMB for state agency projects. In all cases, bid results are submitted to both DMB and JCOS.

Project Management

Since 1999, universities and community colleges have been solely responsible for managing their projects; DMB continues to handle this function for state agency projects. If a university or community college does not have the internal capability to manage its own construction project, it may contract with a private vendor or with DMB.

The Management and Budget Act requires that all contract change orders and monthly progress reports be submitted to DMB on any project not managed directly by the Department; DMB is also empowered to conduct periodic field checks and audits on these types of projects.

Up to the start of construction, all planning costs have been funded either through the planning appropriation or by the university or college managing the project. Once construction begins, project financing is provided through the legislatively-approved cost authorization.

Direct, ongoing legislative process participation and oversight are provided through the Joint Capital Outlay Subcommittee (JCOS) of the House and Senate Appropriations Committees. JCOS is the only subcommittee that has specific duties and responsibilities defined by statute (1984 PA 431)—some of which have already been mentioned. Traditionally, sixteen members (eight from the Senate and eight from the House of Representatives), appointed by the chairperson of each respective appropriations committee, constitute the Joint Capital Outlay Subcommittee.

JCOS is chaired by each house on a two-year rotational basis; the House of Representatives will provide the JCOS chairperson for the 2007-2008 legislative session. Although it is designated as a subcommittee, JCOS functions more like a regular standing committee due to the size of the committee and the nature of its business.

A JCOS quorum consists of nine members; each house must be represented by at least four members. Approval of an agenda item requires an affirmative vote of a majority of the members serving (nine affirmative votes). A formal policy of the 2005-2006 subcommittee requires a ten-day notice of an agenda item from DMB to the subcommittee, the House Fiscal Agency, and the Senate Fiscal Agency. This rule can, however, be waived by the JCOS chairperson.

JCOS has the following special duties and responsibilities:

- ◆ Adopt formal subcommittee policies and procedures.
- ◆ Prioritize future state agency, university, and community college building projects.
- ◆ Provide planning authorization for a project through an appropriations act.
- ◆ Approve/disapprove project program statements and schematic planning documents.
- ◆ Establish project total authorized cost and financing sources through an appropriations act.
- ◆ Approve/disapprove state agency leases of non-state-owned spaces that exceed certain minimums (i.e., at least 25,000 gross square feet and/or cost of over \$500,000 per year).
- ◆ Approve/disapprove self-funded projects (called Use and Finance Statements) above certain minimums at higher educational institutions.
- ◆ Approve/disapprove funding transfers between capital outlay budget accounts.

- ◆ Initiate concurrent resolutions to convey property to the SBA and approve leases for bonded facilities among the SBA, the state, and user agencies.
- ◆ Ensure that annual rent payments are appropriated to the SBA, which then uses the funds to retire its debt obligations.

JCOS discusses and acts on numerous policy issues regarding the capital outlay process and capital outlay projects. Some of these issues are the sole discretion of JCOS (e.g., subcommittee policies, program statement approvals); others are recommendations to the full appropriations committees and to the Legislature (e.g., budget bills, concurrent resolutions).

Other major issues handled by JCOS include: definition of a capital outlay project, limits on use of operational funds for capital expenditures, criteria used for project prioritization, SBA bond cap level, Use and Finance Statement approvals, and establishing standard project match rates.

PROJECT FINANCING

Michigan funds capital construction projects in three ways: pay-as-you-go, lease-purchase, and bonding.

Pay-As-You-Go

Under the pay-as-you-go method, appropriations are made to either meet project costs as they come due or finance the entire project with a lump sum. The lump sum method of funding occurs for a number of smaller, restricted fund projects (e.g., special maintenance, Michigan Department of Transportation facilities, most Department of Natural Resources projects). Nearly all (major) state-owned facility renovations and new construction projects, however, are financed by the SBA from bond proceeds.

Lease-Purchase

The state leases a vast number of facilities across the state; most of the leases for larger office buildings contain an option to purchase; this method was used by the state to acquire the Lottery Building, the Grand Tower, and Constitution Hall—all in Lansing.

In another form of lease-purchase, the state enters into a long-term contractual arrangement with a developer and then receives the building at lease end for a nominal fee. This method is commonly referred to as the certificate of participation (COPS) program; the House Office Building is an example of this type of lease-purchase.

Bonding

The SBA, created by 1964 PA 183, is governed by a five-member Board of Trustees who are appointed by the Governor with the advice and consent of the Senate. By statute, the SBA's purpose is to construct, acquire, improve, enlarge, and lease facilities for use by the state, a university, or a community college. Unrelated acquisitions of furnishings and equipment for state agencies may also be financed by the SBA. Local school districts and Intermediate School Districts are specifically exempted from the use of SBA monies.

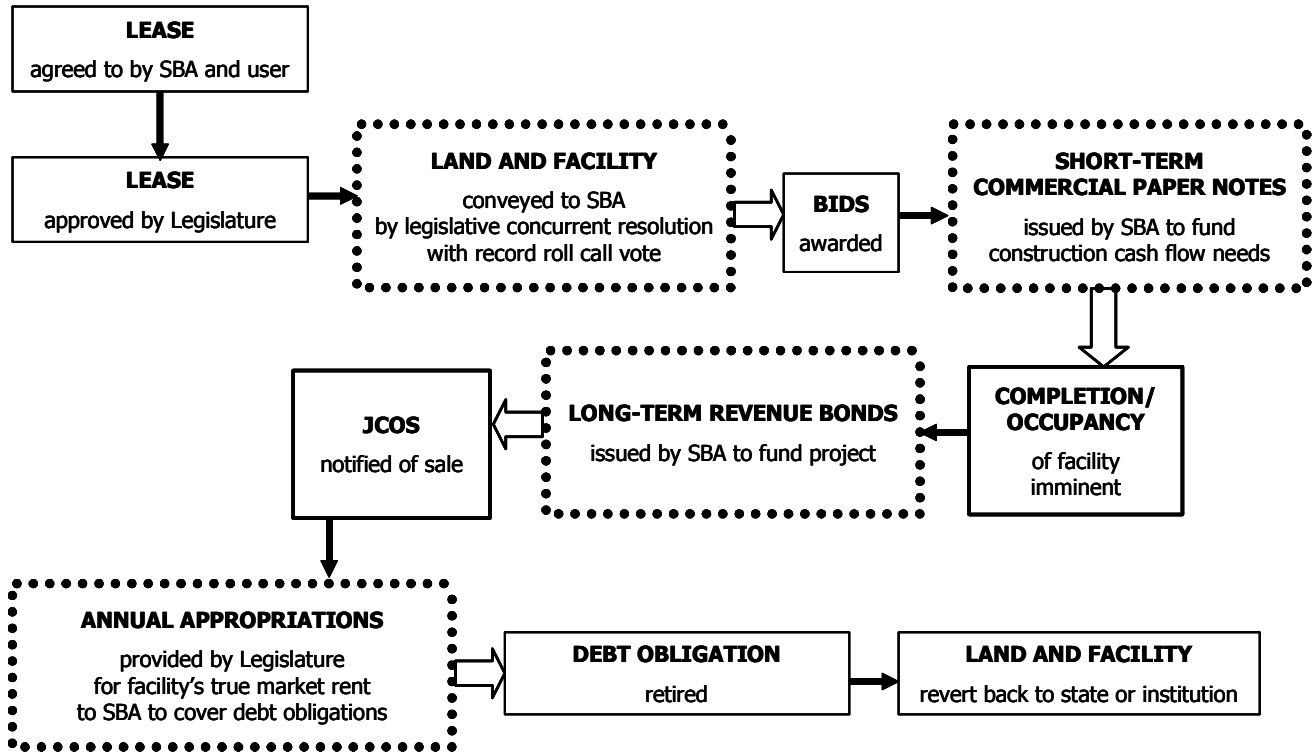
The SBA can issue short- and long-term debt to finance a project once the Legislature has enacted a project cost authorization, a concurrent resolution to convey the subject property to the SBA, and approval of the lease among the SBA, state, and institution. Conveyance of the property is an important aspect of the ability of the SBA to finance a project. If the SBA cannot secure clear title to the property, it will be unable to sell bonds to finance construction; this would compel the Legislature and the user agency to secure another source of financing—if possible. Although rare, this has occurred.

During the construction phase, short-term debt is issued to cover construction cash-flow requirements. Once the facility is complete, a long-term, tax-exempt revenue bond will be

issued. Several projects are usually bundled together into one single bond issue—which usually involves several hundred million dollars. Figure 2 depicts the financing process.

Figure 2

SBA FINANCING PROCESS



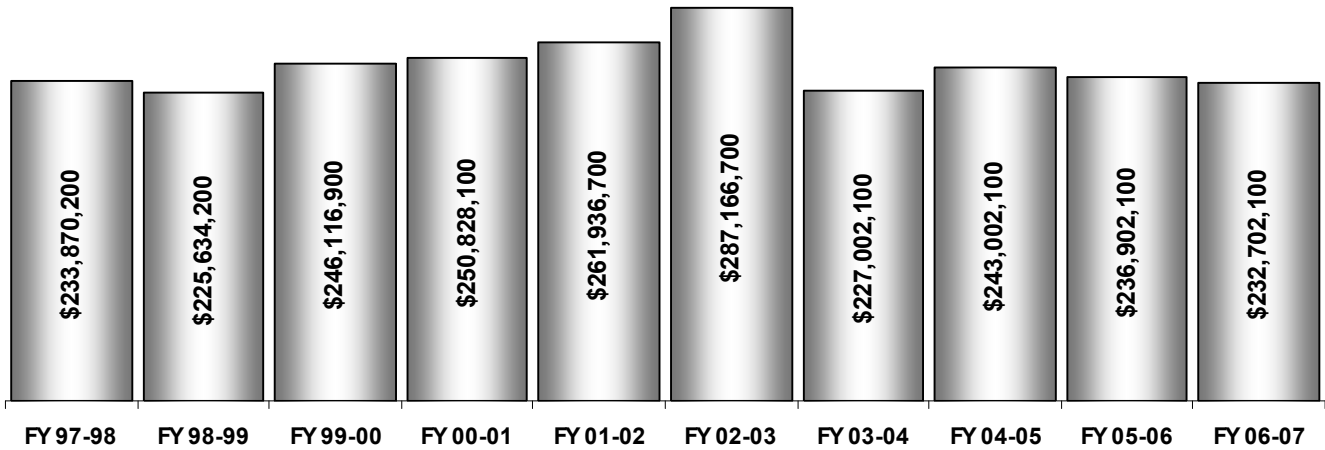
All SBA debt obligations are limited obligations of the SBA itself and are not considered general obligations of the state. In fact, the SBA has its own bond rating, which usually mirrors the state’s general obligation rating. Moody’s, Fitch, and Standard and Poors all currently rate SBA bonds one step below the state’s general obligation rating. These ratings are respectively, Aa3, AA-, and AA-.

SBA debt obligations are not backed by the “full faith and credit of the state,” but by a specific revenue source—the annual SBA rent payment in a budget bill. When the Legislature adopts a concurrent resolution approving the SBA lease, it is contractually committing to pay the annual rent until SBA debt obligations are satisfied.

Statute requires a rent amount be a ‘true market’ rate—established when construction is complete and the facility has been independently appraised. Depending on the appraisal and other market conditions, the lease will be in effect for approximately 15 to 17 years. The amount of the annual rent payment to the SBA is based on the value of the facility—not on debt service costs. Debt service costs determine the length of the lease.

Once an obligation for a specific project is retired, the property is conveyed back to the state or institution, and rent payments terminate.

Figure 3
SBA Rent
GF/GP Appropriations

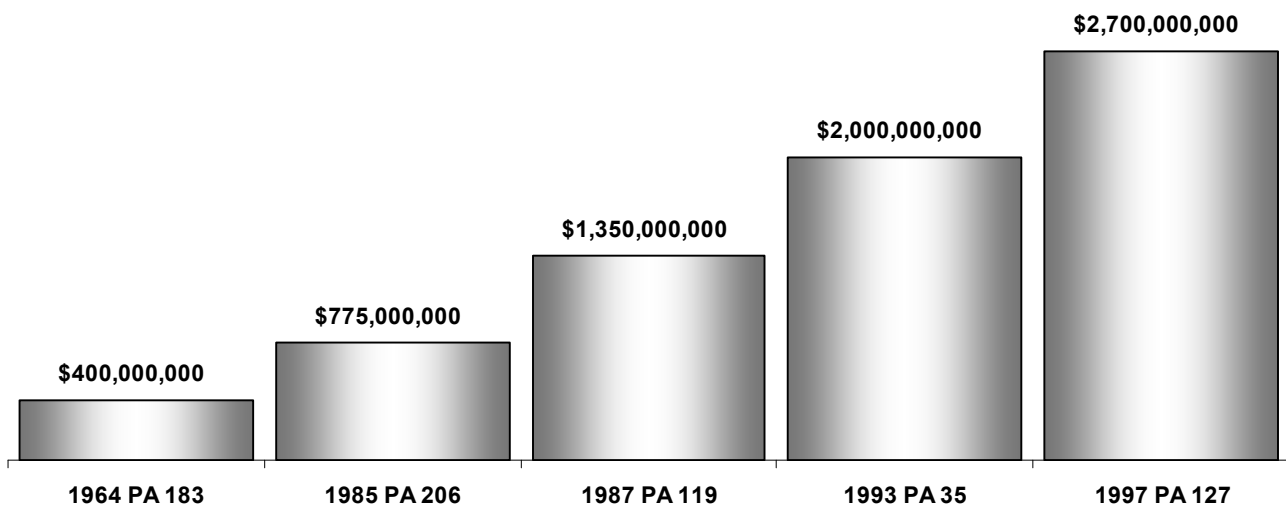


Rent appropriations are anticipated to trend upward over the next several years before leveling off again. The actual trend will depend on how many new projects are authorized, whether the current bond cap remains the same, and conditions of the general construction and bond markets. Significant savings have been achieved since FY 2002-03 due to restructuring debt under more favorable interest rates. A history of GF/GP appropriations for SBA rent payments is shown in Figure 3.

The SBA Act limits the maximum allowable amount of SBA debt obligations that can be outstanding at any point in time. This statutory limit is currently set at \$2.7 billion—excluding issuing costs and refunding bonds.

A history of statutory SBA bond cap ceilings since the SBA was created (see Figure 4) shows that the debt obligation limit almost doubled from 1993 to 1997—after just two adjustments since 1964. This increase is the result of the unprecedented number of SBA-financed projects authorized (178) from FY 1992-93 onward.

Figure 4
SBA Bond Cap Ceiling



The available bonding capacity is a constantly fluctuating number—and an important one. Planning, construction, and financing schedules of each individual project affect the bond cap projection; timing of principal payments on SBA debt is also crucial.

Policy makers must have reliable information on how debt obligations compare to the bond cap. Without this information, there is the potential for untimely, costly delays in completing projects.

Debt obligation calculation cannot be considered an exact science because estimates must be made two to three years in advance of the time when an authorized project will come on line. At this time, the House Fiscal Agency estimates that about \$550 million remains in bond cap authorization after all currently-authorized projects are factored in through FY 2008-09.

CONCLUSION

From both management and finance perspectives, Michigan's capital outlay process has continually responded to the needs of state agencies, public universities, and community colleges for their building projects. However, the annual requests for new buildings, major renovations to existing facilities, and special maintenance have greatly exceeded the state's ability to finance and manage the projects over a short (one to two years) period of time.

In addition to prioritizing individual project requests, policy makers must weigh proposed projects against the SBA bond cap and the state's ability to appropriate general fund dollars for rent payments to the SBA in future years. Another influencing factor in the decision-making process is balancing the need for financing new projects against the need for funding regular and special maintenance for existing facilities.

Current state general fund revenue projections for the current and coming fiscal years cannot be considered robust. As of this writing, there are 40 SBA-financed projects that are incomplete or not yet otherwise bonded; these SBA obligations exceed \$430 million. Between the current year and FY 2008-09, when all of the projects come on line, debt service on the projects will add to an already-strained general fund budget. This will be somewhat mitigated by prior bond issues being either refunded or defeased. By FY 2008-09, the estimated net increase for SBA debt service will be about \$20 million.

All of the factors listed above will make policy makers' decisions on future Capital Outlay budgets even more difficult in the upcoming legislative session.

APPENDIX



STATE BUILDING AUTHORITY-FINANCED CAPITAL OUTLAY PROJECTS — 1993 TO 2007
(Dollars In Thousands)

	<u>Statutory Authorization</u>	<u>Authorized Project Cost</u>	<u>SBA Share</u>	<u>State Share</u>	<u>Other Funds</u>	<u>Project Status</u>
Department of Corrections						
Newberry Hospital Conversion	1995 PA 16	\$10,181.1	\$10,096.1	\$85.0	\$0.0	Completed
Add Housing Unit - Alger Prison	1995 PA 16	4,390.0	4,349.0	41.0	0.0	Completed
Add Housing Units - Baraga Prison	1995 PA 16	8,479.0	8,397.9	81.1	0.0	Completed
Add Housing Unit - IMAX (Riverside)	1995 PA 16	2,286.0	2,263.2	22.8	0.0	Completed
Add Pole-Type Unit - Lakeland Prison	1995 PA 16	7,530.0	7,429.0	101.0	0.0	Completed
Add Housing Units - Oaks Prison	1995 PA 16	8,113.3	8,032.2	81.1	0.0	Completed
Add Pole-Type Unit - Parole Camp	1995 PA 16	9,263.4	9,140.0	123.4	0.0	Completed
Add Housing Unit - Standish Prison	1995 PA 16	4,401.1	4,359.9	41.2	0.0	Completed
SPSM Reorganization (Consent Decree)	1993 PA 19	116,160.0	112,160.0	4,000.0	0.0	Completed
New Maximum Security Facility, St. Louis	1996 PA 321	75,000.0	74,250.0	750.0	0.0	Completed
New Multi-level Security Facility, Ionia	1998 PA 273	80,500.0	58,579.9	0.1	21,920.0	Completed
New Level I Security Facility, St. Louis	1998 PA 273	25,000.0	24,700.0	300.0	0.0	Completed
Minimum Security Housing Unit, Baraga Prison	1998 PA 273	3,500.0	3,460.0	40.0	0.0	Completed
Minimum Security Housing Units, Cooper Street	1998 PA 273	8,200.0	5,000.0	120.0	3,080.0	Completed
Minimum Security Housing Unit 3, Cooper Street	2002 PA 530	3,700.0	3,700.0	0.0	0.0	Completed
Minimum Security Housing Unit, Crane Women's	2002 PA 530	4,565.0	4,525.0	40.0	0.0	Completed
Minimum Security Housing Units, Camp Ojibway	1998 PA 273	19,900.0	19,744.0	156.0	0.0	Completed
Minimum Security Housing Units, Camp Pugsley	2002 PA 530	20,600.0	20,320.0	280.0	0.0	Completed
Maximum Security Housing Unit, Macomb Prison	1998 PA 273	9,550.0	9,477.0	73.0	0.0	Completed
Maximum Security Housing Unit, Saginaw Prison	1998 PA 273	9,300.0	9,227.0	73.0	0.0	Completed
Maximum Security Housing Unit, Thumb Prison	2002 PA 530	8,050.0	7,972.0	78.0	0.0	Completed
Parnall Housing Unit	1999 PA 265	4,960.0	4,960.0	0.0	0.0	Completed
Riverside Power Plant Automation	2005 PA 297	4,500.0	4,499.9	0.1	0.0	Construction
New Power Plant, Kinross	2003 PA 193	6,000.0	5,999.9	0.1	0.0	Construction
Fire Safety Improvements, Egeler Correctional Facility	2006 PA 345	8,300.0	8,299.9	0.1	0.0	Construction
Huron Valley Complex, Food Service Addition, etc.	2004 PA 309	3,675.1	3,675.0	0.1	0.0	Final Design
Subtotal Department of Corrections		\$466,104.0	\$434,616.9	\$6,487.1	\$25,000.0	

STATE BUILDING AUTHORITY-FINANCED CAPITAL OUTLAY PROJECTS — 1993 TO 2007
(Dollars In Thousands)

	<u>Statutory Authorization</u>	<u>Authorized Project Cost</u>	<u>SBA Share</u>	<u>State Share</u>	<u>Other Funds</u>	<u>Project Status</u>
Other State Agencies - Project						
Agriculture - Geagley Laboratory	1996 PA 480	\$12,000.0	\$11,900.0	\$100.0	\$0.0	Completed
Agriculture - Animal Health Diagnostic Laboratory	2000 PA 291	58,000.0	57,999.9	0.1	0.0	Completed
DCH - Ypsilanti Forensic Center	1999 PA 265	95,100.0	95,099.9	0.1	0.0	Completed
DOE - School for the Deaf and Blind, Housing Facilities	1996 PA 480	1,500.0	1,485.0	15.0	0.0	Completed
FIA - Camp Nokomis renovation	1992 PA 149	3,900.0	3,500.0	400.0	0.0	Completed
FIA - U.P. Detention Center	1992 PA 149	4,000.0	3,600.0	400.0	0.0	Completed
FIA - Maxey Training Center renovation	1995 PA 128	37,607.0	37,231.0	376.0	0.0	Completed
DIT - Public Safety Communications System, Critical Platform Upgrades	2005 PA 10	13,780.0	13,779.9	0.1	0.0	Construction
Judiciary - Hall of Justice/Underground Parking Ramp	1998 PA 538	87,800.0	87,799.9	0.1	0.0	Completed
DMB - Allegan Street Parking Ramp	1993 PA 19	21,000.0	20,790.0	210.0	0.0	Completed
DMB - Purchase of Grand Tower Building (Lansing)	2001 PA 45	42,988.0	42,988.0	0.0	0.0	Completed
DMB - Roosevelt Parking Facility	2001 PA 45	6,600.0	6,599.9	0.1	0.0	Completed
DMB - Secondary Complex Warehouse	1999 PA 265	45,000.0	44,999.9	0.1	0.0	Completed
DMB - Capitol Complex Renovations	2003 PA 237	27,563.3	27,563.2	0.1	0.0	Construction
DMB - Purchase of Constitution Hall (Lansing)	2004 PA 360	122,363.2	122,363.2	0.0	0.0	Completed
DMB - State Facility Preservation Projects, Phase I	2005 PA 10	56,220.0	56,219.9	0.1	0.0	Construction
DMB - State Facility Preservation Projects, Phase II	2005 PA 297	70,000.0	69,999.9	0.1	0.0	Construction
DNR - State Fish Hatcheries Renovations	1998 PA 273	23,300.0	20,000.0	3,300.0	0.0	Completed
State Police - Forensic Sciences Laboratory	1996 PA 480	23,500.0	23,325.0	175.0	0.0	Completed
State Police/Military Affairs - Headquarters Building	1997 PA 116	950.0	0.0	950.0	0.0	Plan Expired
State Police - Metro North/South Posts	1993 PA 19	4,320.0	4,293.0	27.0	0.0	Completed
State Police - Public Safety Communications System	1995 PA 128	234,157.2	212,726.0	21,431.2	0.0	Completed
Subtotal Other State Agencies		\$991,648.7	\$964,263.6	\$27,385.1	\$0.0	
Grand Total All State Agencies		\$1,457,752.7	\$1,398,880.5	\$33,872.2	\$25,000.0	

STATE BUILDING AUTHORITY-FINANCED CAPITAL OUTLAY PROJECTS — 1993 TO 2007
(Dollars In Thousands)

	<u>Statutory Authorization</u>	<u>Authorized Project Cost</u>	<u>SBA Share</u>	<u>State Share</u>	<u>Other Funds</u>	<u>Project Status</u>
State University – Project						
Central Michigan University – Music Building	1993 PA 19	\$20,995.0	\$20,785.0	\$210.0	\$0.0	Completed
Central Michigan University – Park Library Addition/Remodeling	1996 PA 480	50,000.0	37,499.9	0.1	12,500.0	Completed
Central Michigan University – Health Professions Building	2000 PA 291	50,000.0	37,499.8	0.2	12,500.0	Completed
Central Michigan University – Education Building	2006 PA 345	50,000.0	37,499.8	1.2	12,499.0	Construction
Eastern Michigan University – Library Replacement/Renovation, Office Relocation	1993 PA 19	57,668.0	54,151.3	516.7	3,000.0	Completed
Eastern Michigan University – Health & Human Services Building	1996 PA 480	20,417.0	15,312.6	0.1	5,104.3	Completed
Ferris State University – Arts and Sciences	1993 PA 19	31,225.0	30,690.0	310.0	225.0	Completed
Ferris State University – Elastomer Institute	1996 PA 321	6,650.0	4,649.9	0.1	2,000.0	Completed
Ferris State University – Library Addition and Remodeling	1996 PA 480	50,000.0	37,499.9	0.1	12,500.0	Completed
Ferris State University – Engineering & Technical Center	2000 PA 506	18,000.0	13,499.8	0.2	4,500.0	Completed
Ferris State University – Instructional Resource Center	2005 PA 297	8,500.0	5,624.8	0.2	2,875.0	Construction
Grand Valley State University – Life Sciences Building	1993 PA 19	40,790.4	39,501.0	399.0	890.4	Completed
Grand Valley State University – School of Business & Graduate Library	1996 PA 480	52,650.0	37,524.9	0.1	15,125.0	Completed
Grand Valley State University – Health Professions Building	2000 PA 291	53,000.0	37,099.8	0.2	15,900.0	Completed
Grand Valley State University – Padnos College of Engineering	2005 PA 297	16,000.0	11,999.8	0.2	4,000.0	Construction
Lake Superior State University – Library Addition	1993 PA 19	10,900.0	10,810.0	90.0	0.0	Completed
Lake Superior State University – Crawford Hall Addition/Remodeling	1996 PA 480	23,000.0	17,249.9	0.1	5,750.0	Completed
Lake Superior State University – Arts Classroom Building	2000 PA 291	15,300.0	11,474.8	0.2	3,825.0	Completed
Lake Superior State University – Special Maintenance	2005 PA 10	163.1	163.0	0.1	0.0	Completed
Michigan State University – Animal & Agricultural Facilities	1993 PA 19	69,651.0	66,650.9	0.1	3,000.0	Completed
Michigan State University – Crop and Soil Sciences Building	1993 PA 19	3,100.0	3,069.0	31.0	0.0	Completed
Michigan State University – Science Building	1996 PA 480	93,000.0	69,749.9	0.1	23,250.0	Completed
Michigan State University – Chemistry Building/Cooling Towers	2005 PA 297	28,344.5	19,999.8	0.2	8,344.5	Construction
Michigan Technological University – Environmental Sciences/Engineering Center	1993 PA 19	43,781.0	29,999.9	0.1	13,781.0	Completed
Michigan Technological University – Center for Ecosystem Science	1996 PA 480	10,000.0	7,499.9	0.1	2,500.0	Completed
Michigan Technological University – Performing Arts & Education Center	1996 PA 480	20,000.0	4,999.9	0.1	15,000.0	Completed
Michigan Technological University – Integrated Learning/Information Tech Center	2002 PA 560	33,838.7	24,999.8	0.2	8,838.7	Completed

STATE BUILDING AUTHORITY-FINANCED CAPITAL OUTLAY PROJECTS — 1993 TO 2007

(Dollars In Thousands)

	<u>Statutory Authorization</u>	<u>Authorized Project Cost</u>	<u>SBA Share</u>	<u>State Share</u>	<u>Other Funds</u>	<u>Project Status</u>
Michigan Technological University – General Campus Renovations	2005 PA 297	10,000.0	7,499.8	0.2	2,500.0	Construction
Northern Michigan University – Power Plant Addition	1993 PA 19	19,530.0	19,334.7	195.3	0.0	Completed
Northern Michigan University – West Science Building Remodeling	1996 PA 480	46,935.0	35,201.1	0.1	11,733.8	Completed
Northern Michigan University – Fine & Practical Arts Project	2002 PA 161	21,230.0	15,922.3	0.2	5,307.5	Completed
Northern Michigan University – Student Services Building	2002 PA 161	15,750.0	11,812.3	0.2	3,937.5	Completed
Oakland University – Science and Technology Building	1993 PA 19	39,012.0	38,621.8	390.2	0.0	Completed
Oakland University – Classroom/Business School Building	1996 PA 480	17,500.0	13,124.9	0.1	4,375.0	Completed
Oakland University – School of Education Building	2000 PA 506	31,500.0	23,624.8	0.2	7,875.0	Completed
Saginaw Valley State University – Business Professional Development Center	1992 PA 149	33,500.0	33,499.0	1.0	0.0	Completed
Saginaw Valley State University – Classroom Facility	1996 PA 480	28,500.0	18,749.9	0.1	9,750.0	Completed
Saginaw Valley State University – Instructional Facility #4/Library Renovations	2001 PA 45	40,000.0	29,999.8	0.2	10,000.0	Completed
Saginaw Valley State University – Pioneer Hall Renovations & Addition	2005 PA 297	16,000.0	11,999.8	0.2	4,000.0	Construction
University of Michigan Ann Arbor – Central Campus Renovations I	1993 PA 19	32,500.0	32,175.0	325.0	0.0	Completed
University of Michigan Ann Arbor – Integrated Technology Center	1993 PA 19	58,350.0	56,430.0	570.0	1,350.0	Completed
University of Michigan Ann Arbor – Central Campus Renovations, Phase II -	1996 PA 480	88,000.0	59,249.9	0.1	28,750.0	Completed
Mason & Haven Halls, \$35,000,000						Completed
Perry Building, \$12,000,000						Completed
West Hall, \$15,000,000						Completed
Literature, Sciences & Arts Building \$26,000,000						Completed
University of Michigan-Ann Arbor – School of Natural Resources & Environment Building Renovations	1998 PA 538	17,700.0	11,249.9	0.1	6,450.0	Completed
University of Michigan-Ann Arbor – Observatory Lodge Renovations, Part 1 of 3	2005 PA 297	11,500.0	7,819.8	0.2	3,680.0	Construction
University of Michigan-Ann Arbor – Student Activities Building, Part 2 of 3	2006 PA 153	8,500.0	5,751.6	0.1	2,748.3	Construction
University of Michigan-Ann Arbor – Phoenix Laboratory, Part 3 of 3	2006 PA 345	9,500.0	6,428.6	0.1	3,071.3	Construction
University of Michigan-Dearborn – Campus Renovations Phase II	1993 PA 19	16,200.0	13,860.0	140.0	2,200.0	Completed
University of Michigan-Dearborn – Hubbard Drive Building Acquisition	2002 PA 530	32,800.0	24,599.8	0.2	8,200.0	Completed
University of Michigan-Dearborn – Science Building Renovations	2002 PA 530	9,600.0	7,200.0	0.0	2,400.0	Completed
University of Michigan-Dearborn – Engineering Building Renovations	2002 PA 530	12,600.0	9,450.0	0.0	3,150.0	Completed

STATE BUILDING AUTHORITY-FINANCED CAPITAL OUTLAY PROJECTS — 1993 TO 2007

(Dollars In Thousands)

	<u>Statutory Authorization</u>	<u>Authorized Project Cost</u>	<u>SBA Share</u>	<u>State Share</u>	<u>Other Funds</u>	<u>Project Status</u>
University of Michigan-Dearborn – Campus Renovations Phase III -	1996 PA 480	46,900.0	35,174.9	0.1	11,725.0	Completed
CASL Facility, \$29,800,000						Completed
Environmental Facility, \$4,062,000						Completed
University Mall, \$10,938,000						Completed
University of Michigan-Flint – Professional Studies & Classroom Building	1996 PA 480	35,623.0	25,942.1	110.1	9,570.8	Completed
University of Michigan-Flint – French Hall Renovations	2006 PA 345	9,350.0	6,999.8	0.2	2,350.0	Construction
Wayne State University – Old Main Renovation	1993 PA 19	45,845.0	42,426.6	418.4	3,000.0	Completed
Wayne State University – Undergraduate Library	1993 PA 19	32,000.0	25,999.9	0.1	6,000.0	Completed
Wayne State University – Pharmacy Building Replacement	1996 PA 480	66,600.0	48,224.9	0.1	18,375.0	Completed
Wayne State University – Welcome Center	2000 PA 291	18,500.0	13,874.8	0.2	4,625.0	Completed
Wayne State University – Engineering Development Center	2006 PA 345	27,350.0	14,999.8	0.2	12,350.0	Final Design
Western Michigan University – Power Plant	1992 PA 149	25,282.0	22,667.0	1.0	2,614.0	Completed
Western Michigan University – Science Facility	1993 PA 19	42,400.0	37,620.0	380.0	4,400.0	Completed
Western Michigan University – College of Engineering & Applied Science Building	1996 PA 480	72,500.0	37,499.9	0.1	35,000.0	Completed
Western Michigan University – Health & Human Services Building	2001 PA 45	48,170.8	36,127.9	0.2	12,042.7	Construction
Western Michigan University/Lake Michigan College – Southwest Regional Center	2001 PA 45	8,486.0	6,364.3	0.2	2,121.5	Completed
Western Michigan University – Brown Hall Renovations & Addition	2005 PA 297	14,800.0	9,499.8	0.2	5,300.0	Construction
Subtotal State Universities		\$1,987,487.5	\$1,544,531.8	\$4,095.6	\$438,860.1	

STATE BUILDING AUTHORITY-FINANCED CAPITAL OUTLAY PROJECTS — 1993 TO 2007
(Dollars In Thousands)

	<u>Statutory Authorization</u>	<u>Authorized Project Cost</u>	<u>SBA Share</u>	<u>State Share</u>	<u>Other Funds</u>	<u>Project Status</u>
<i>Community College - Project</i>						
Alpena Community College - Student Community Business Center	1992 PA 149	\$8,200.0	\$4,099.0	\$1.0	\$4,100.0	Completed
Alpena Community College - Concrete Technology Center	1996 PA 321	7,127.7	3,359.9	407.8	3,360.0	Completed
Alpena Community College - Instructional Addition & Renovations	2005 PA 297	4,105.5	1,667.3	0.2	2,438.0	Construction
Bay de Noc Community College - Business/Advanced Tech. Center	1993 PA 19	6,390.0	2,499.9	0.1	3,890.0	Completed
Bay de Noc Community College - General Campus Renovations	1997 PA 116	3,715.0	1,857.4	0.1	1,857.5	Completed
Bay de Noc Community College - New West Campus Facility	2005 PA 297	12,048.0	5,874.1	0.2	6,173.7	Construction
C.S. Mott Community College - Campus Renovations	1992 PA 149	9,185.6	4,049.0	1.0	5,135.6	Completed
C.S. Mott Community College - Regional Technology Center Building	1999 PA 265	33,439.0	16,719.4	0.1	16,719.5	Completed
Delta College - Science and Learning Tech Facility	1993 PA 19	26,000.0	12,499.9	0.1	13,500.0	Completed
Delta College - Campus Renovations II	2001 PA 81	18,000.0	17,819.8	0.2	180.0	Completed
Glen Oaks Community College - Main Building Remodeling	1992 PA 149	4,603.0	2,300.5	1.0	2,301.5	Completed
Glen Oaks Community College - Science Building Addition/Allied Health	2005 PA 11	3,200.0	1,599.8	0.2	1,600.0	Construction
Gogebic Community College - General Campus Renovations	2000 PA 291	1,400.0	699.8	700.2	0.0	Completed
Gogebic Community College - Special Maintenance Projects	2005 PA 10	1,000.0	999.9	0.1	0.0	Construction
Grand Rapids Community College - Science Facility	1993 PA 19	30,080.8	15,040.3	0.1	15,040.4	Completed
Grand Rapids Community College - Main Building Renovations	2000 PA 506	6,000.0	2,999.8	0.2	3,000.0	Completed
Henry Ford Community College - Learning Resources Center, Health Careers Education Center	1993 PA 19	25,144.8	10,448.3	0.1	14,696.4	Completed
Henry Ford Community College - Patterson Tech Center	1992 PA 149	15,985.0	6,149.0	1.0	9,835.0	Completed
Henry Ford Community College - Instructional/Classroom Renovations	1999 PA 265	9,856.0	4,927.8	0.2	4,928.0	Completed
Jackson Community College - Lenawee Extension Center	1996 PA 480	4,400.0	1,499.9	0.1	2,900.0	Completed
Jackson Community College - Health Program Expansion	2005 PA 297	17,300.0	7,499.8	0.2	9,800.0	Construction
Kalamazoo Valley Community College - Tech Center/Downtown Center	1992 PA 149	14,350.0	6,499.0	1.0	7,850.0	Completed
Kalamazoo Valley Community College - Arcadia Campus, Phase II	1996 PA 480	22,400.0	11,199.9	0.1	11,200.0	Completed
Kellogg Community College - Computer Tech and Academic Center	1996 PA 321	16,517.0	5,999.9	0.1	10,517.0	Completed
Kellogg Community College - Career Development Center/Science Building	2002 PA 530	3,750.0	1,874.8	0.2	1,875.0	Completed
Kellogg Community College - Roll Building Renovations	2003 PA 237	5,000.0	1,624.8	0.2	3,375.0	Completed

STATE BUILDING AUTHORITY-FINANCED CAPITAL OUTLAY PROJECTS — 1993 TO 2007
(Dollars In Thousands)

	<u>Statutory Authorization</u>	<u>Authorized Project Cost</u>	<u>SBA Share</u>	<u>State Share</u>	<u>Other Funds</u>	<u>Project Status</u>
Kirtland Community College - Academic Building, Art/Maintenance, Administration	1995 PA 128	7,234.0	3,616.9	0.1	3,617.0	Completed
Lake Michigan College - S. Campus Facility/Student Services Center	1993 PA 19	4,761.2	2,380.5	0.1	2,380.6	Completed
Lake Michigan College - Student Services Center	1997 PA 116	4,000.0	1,999.9	0.1	2,000.0	Completed
Lake Michigan College - Van Buren Center	2002 PA 560	7,800.0	3,899.8	0.2	3,900.0	Completed
Lansing Community College - Academic Service Facility	1993 PA 19	25,570.0	12,784.9	0.1	12,785.0	Completed
Lansing Community College - University Center	2005 PA 297	11,000.0	4,999.8	0.2	6,000.0	Construction
Macomb Community College - General Classroom Building	1993 PA 19	8,900.0	4,449.9	0.1	4,450.0	Completed
Macomb Community College - University Center at Central Campus	1996 PA 480	13,000.0	6,499.9	0.1	6,500.0	Completed
Macomb Community College - Emergency Services Training Facility	2001 PA 45	8,683.0	3,272.3	0.2	5,410.5	Construction
Macomb Community College - Health Science/Technology Building	2005 PA 297	12,000.0	5,999.8	0.2	6,000.0	Construction
Mid-Michigan Community College - Mount Pleasant Campus	1993 PA 165	3,350.0	1,674.5	0.5	1,675.0	Completed
Mid-Michigan Community College - Student Community Center	1993 PA 165	3,500.0	1,749.5	0.5	1,750.0	Completed
Mid-Michigan Community College - Student Assessment Center	2001 PA 81	3,165.0	1,582.3	0.2	1,582.5	Completed
Mid-Michigan Community College - Science & Technology Center	2005 PA 297	16,475.0	8,237.3	0.2	8,237.5	Construction
Monroe County Community College - Health Education Building	1993 PA 19	6,900.0	3,449.9	0.1	3,450.0	Completed
Monroe County Community College - Business/Tech Center, Library, Welding/ Fastening Project	1998 PA 538	2,500.0	1,249.9	0.1	1,250.0	Completed
Monroe County Community College - Instructional Center for Business & Performing Arts	2002 PA 530	12,000.0	5,999.8	0.2	6,000.0	Completed
Montcalm Community College - Vocational Technology Facility	1995 PA 128	11,400.0	5,699.9	0.1	5,700.0	Completed
Montcalm Community College - Life Science Training Facility	2005 PA 297	7,500.0	2,999.8	0.2	4,500.0	Construction
Muskegon Community College (Consortium) - Higher Education Center	1992 PA 149	11,033.0	9,653.0	1.0	1,379.0	Completed
North Central Michigan College - Multipurpose Educational Facility, etc.	1996 PA 321	11,474.5	3,967.4	0.1	7,507.0	Completed
Northwestern Michigan College - University Center	1993 PA 19	5,900.0	2,399.9	0.1	3,500.0	Completed
Northwestern Michigan College - Integrated Science & Technical Learning Center	1997 PA 116	14,100.0	7,049.9	0.1	7,050.0	Completed
Northwestern Michigan College - West Bay Campus Reconstruction	2001 PA 81	16,250.0	8,124.8	0.2	8,125.0	Completed
Northwestern Michigan College - Oleson Center Renovations	2005 PA 297	1,300.0	649.8	0.2	650.0	Construction
Oakland Community College - Renovation of Building F	1993 PA 19	10,500.0	5,249.9	0.1	5,250.0	Completed

STATE BUILDING AUTHORITY-FINANCED CAPITAL OUTLAY PROJECTS — 1993 TO 2007
(Dollars In Thousands)

	<u>Statutory Authorization</u>	<u>Authorized Project Cost</u>	<u>SBA Share</u>	<u>State Share</u>	<u>Other Funds</u>	<u>Project Status</u>
St. Clair County Community College - General Campus Renovations	2002 PA 530	13,000.0	4,499.8	0.2	8,500.0	Construction
Schoolcraft College - Student Services Facility	1992 PA 149	7,846.0	3,922.0	1.0	3,923.0	Completed
Schoolcraft College - Waterman Campus, etc.	2000 PA 506	27,916.5	13,368.8	0.2	14,547.5	Completed
Schoolcraft College - Technical Services Facility	2006 PA 153	12,700.0	5,019.7	0.2	7,680.1	Final design
Southwestern Michigan College - Business Development & Student Support Center	1993 PA 19	5,000.0	2,499.9	0.1	2,500.0	Completed
Southwestern Michigan College - South County Extension Center	1996 PA 480	3,100.0	1,369.9	0.1	1,730.0	Completed
Southwestern Michigan College - Instructional Resources Center	2002 PA 161	2,500.0	1,249.8	0.2	1,250.0	Completed
Southwestern Michigan College - Information Technology Center Renovations	2005 PA 297	5,047.7	2,249.8	0.2	2,797.7	Construction
Washtenaw Community College - Business Education Center	1993 PA 19	6,000.0	2,999.9	0.1	3,000.0	Completed
Washtenaw Community College - Technology and Education Building	1996 PA 480	21,121.6	10,499.9	0.1	10,621.6	Completed
Washtenaw Community College - Plumbers/Pipe Fitters Facility	2002 PA 530	4,741.0	1,999.8	0.2	2,741.0	Completed
Washtenaw Community College - Technical Industrial Building Renovations	2005 PA 297	10,685.0	2,999.8	0.2	7,685.0	Construction
West Shore Community College - Industrial Skills Center	1992 PA 149	3,986.0	1,067.0	1.0	2,918.0	Completed
West Shore Community College - New Student Learning Center	2006 PA 153	7,899.4	3,949.5	0.2	3,949.7	Construction
Subtotal Community Colleges		\$681,036.3	\$329,145.9	\$1,125.1	\$350,765.3	
GRAND TOTALS		\$4,126,276.5	\$3,272,558.2	\$39,092.9	\$814,625.4	



Mitchell E. Bean, Director
Bill Fairgrieve, Deputy Director
517-373-8080

- Agriculture.....William E. Hamilton, Senior Analyst
- Capital Outlay Al Valenzio, Associate Director
- Community CollegesViola Bay Wild, Fiscal Analyst
- Community Health
 - Medicaid Steve Stauff, Senior Analyst
 - Mental Health/Substance Abuse..... Margaret Alston, Senior Analyst
 - Public Health/Aging Susan Frey, Senior Analyst
- Corrections Marilyn Peterson, Senior Analyst
- Education (Department)Mary Ann Cleary, Associate Director; Bethany Wicksall, Senior Analyst
- Environmental Quality Kirk Lindquist, Senior Analyst
- General Government
 - Attorney General/Civil Rights/Civil Service/Executive/Information Technology/
Legislature/Lottery/Auditor General/Management & Budget/State.....Robin Risko, Senior Analyst
 - Treasury Mark Wolf, Fiscal Analyst; Robin Risko, Senior Analyst
- Higher Education Kyle I. Jen, Senior Analyst
- Human Services (Department) Bob Schneider, Senior Analyst; Bill Fairgrieve, Deputy Director
- History, Arts, and Libraries Al Valenzio, Associate Director
- JudiciaryViola Bay Wild, Fiscal Analyst
- Labor & Economic Growth..... Richard Child, Senior Analyst
- Michigan Strategic Fund Richard Child, Senior Analyst
- Military & Veterans Affairs Jan Wisniewski, Senior Analyst
- Natural Resources..... Kirk Lindquist, Senior Analyst
- State Police Jan Wisniewski, Senior Analyst
- School Aid.....Mary Ann Cleary, Associate Director; Bethany Wicksall, Senior Analyst
- Transportation.....William E. Hamilton, Senior Analyst

- Economic/Revenue Forecast; Tax Analysis; Revenue SharingRebecca Ross, Senior Economist
Jim Stansell, Economist

- Legislative Analysis..... Chris Couch, Associate Director
Edith Best, Joan Hunault, Shannan Kane, Sue Stutzky, Legislative Analysts

- Legislative Transfers Margaret Alston, Senior Analyst
- Oversight & Investigations.....William E. Hamilton, Senior Analyst
- Retirement Al Valenzio, Associate Director
- Supplementals..... Al Valenzio, Associate Director; Kyle I. Jen, Senior Analyst

- Office ManagerSharon Risko, Administrative Assistant
- Publications/Data.....Jeanne Dee, Administrative Assistant
- Facilities Coordinator..... Ericah Caughey, Receptionist
- Unit Support
- Agriculture/Community Colleges/Education/Higher Education/School Aid/
Transportation/Transfers/HFA Internet/Bill Analysis..... Barbara Graves, Budget Assistant

- Capital Outlay/Environmental Quality/General Government/History, Arts, & Libraries/
Labor & Economic Growth/Military & Veterans Affairs/Natural Resources/
Retirement/State Police/Supplementals..... Kim O’Berry, Budget Assistant
- Community Health/Corrections/Human Services/Judiciary/HFA Library Tumai Burris, Budget Assistant



P.O. Box 30014 ■ Lansing, MI 48909-7514
(517) 373-8080 ■ FAX (517) 373-5874
www.house.mi.gov/hfa