

THIS RESOLUTION IS OFFERED TO COMPLY WITH MCL § 18.1246 AND MCL § 830.417 AND REQUIRES A RECORD ROLL CALL VOTE.

Rep. Dean offered the following concurrent resolution:

House Concurrent Resolution No. 90.

A concurrent resolution approving a decrease and subsequent increase in Total Project Cost and approving a lease between the State of Michigan and the State Building Authority relative to the Department of Management and Budget State Facility Preservation Projects, Phase I and Phase II, Group E, Special Maintenance Projects.

Whereas, House Concurrent Resolution 35 of 2007, adopted on November 29, 2007, by the Michigan Legislature, approved a Total Facility Cost of \$47,296,000 for the Department of Management and Budget State Facility Preservation Projects, Phase I and Phase II, Group E, Special Maintenance Projects (the "Facility"), with the State Building Authority (the "Authority") share of \$47,296,000 and the State General Fund/General Purpose share of \$0; and

Whereas, Since the adoption of House Concurrent Resolution 35 of 2007, \$9,233,000 of the Facility allocable to the VanWagoner Building was removed from the Facility's list of projects and assigned to the Department of Management and Budget Facility Preservation Projects, Phase I and Phase II, Group F, VanWagoner Building (the "Group F Project"); and

Whereas, Such assignment of costs resulted in the Facility's Total Project Cost to decrease by \$9,233,000 to \$38,063,000, which decreased the Authority's share by \$9,233,000 to a share of \$38,063,000, and the General Fund/General Purpose share remained at \$0; and

Whereas, It is now estimated that the total cost to complete the project has increased by \$900,000, thereby increasing the Authority's share by \$900,000, from \$38,063,000 to \$38,963,000, and the General Fund/General Purpose share remains at \$0; and

Whereas, Section 246 of 1984 PA 431, as amended, being MCL § 18.1246, provides that the authorized costs of projects shall only be established or revised by specific reference in a budget act, by concurrent resolution adopted by both houses of the legislature, or inferred by the total amount of any appropriations made to complete plans, acquisition, and installation; and

Whereas, Section 7 of 1964 PA 183, as amended, being MCL § 830.417, requires that before a lease between the State of Michigan (the "State") and the State Building Authority that is only for capital maintenance improvements is executed, the general form of the lease shall be approved by a concurrent resolution concurred in by a majority of the members elected to and serving in each house of the Michigan Legislature, with the votes and names of the members voting thereon entered in the journal. The description of the property to be leased and the rental to be paid by the State shall be approved by the State Administrative Board; and

Whereas, Providing capital maintenance improvements to be used by the State pursuant to the lease for the Facility is a recognized public purpose; and

Whereas, A lease between the Authority and the State has been prepared providing for the leasing of the Facility by the Authority to the State (the "Lease"); and

Whereas, The Executive Director of the Authority has furnished the Joint Capital Outlay Subcommittee of the Legislature with information and documents relative to the Lease; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Total Facility Cost for the Department of Management and Budget State Facility Preservation Projects, Phase I and Phase II, Group E, Special Maintenance Projects shall not exceed \$38,963,000 (the Authority share shall not exceed \$38,963,000 and the State General Fund/General Purpose share shall not exceed \$0), plus interest charges on monies advanced by the State to meet the construction cash flow requirements of the Facility, if any, of which not more than \$38,963,000, plus interest charges on monies advanced by the State to meet the construction cash flow requirements of the Facility, if any,

shall be financed from bonds issued by the Authority, exclusive of amounts necessary for reserves, interest, or other nonconstruction costs; and be it further

Resolved, That the Legislature hereby approves the Authority acquiring the Facility and leasing it to the State and hereby determines that the leasing of the Facility from the Authority is for a public purpose as authorized by 1964 PA 183, as amended; and be it further

Resolved, That the annual amounts of "True Rental" for the Facility shall be within or below the range of \$3,083,000 and \$3,905,000, as shall reflect variations that may occur in the components upon which the appraisal of True Rental was based, which amounts shall be certified by the appraiser and thereafter approved by the State Administrative Board and the Authority as authorized by 1964 PA 183, as amended; and be it further

Resolved, That the Lease is hereby approved by this concurrent resolution, and the Governor and the Secretary of State are authorized and directed to execute the Lease for and on behalf of the State; and be it further

Resolved, That, by hereby approving the Lease between the State and the Authority, the Legislature agrees to appropriate annually sufficient amounts to pay the rent as obligated pursuant to the Lease; and be it further

Resolved, That a copy of this concurrent resolution be transmitted to the Governor, the Secretary of State, the Authority, and the State Budget Director.