

FY 2023-24: CAPITAL OUTLAY
Summary: Joint Subcommittee Chair's Recommendation
House Bill 4282 (H-1)



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Budget Area	Gross	GF/GP
Capital Outlay – Planning Authorizations	\$1,200	\$1,200
TOTAL	\$1,200	\$1,200

Overview

House Bill 4282 (H-1) contains \$1,200 GF/GP for 12 university and community college planning authorizations. Traditionally, universities finance 25% of a project's costs and the state finances 75%; community colleges finance 50% of a project's costs and the state finances 50%. State agency projects are covered 100% from state resources. In recent years, the state share has been capped at \$30.0 million.

The total cost of the planning authorizations contained within House Bill 4282 is \$372.5 million, with a state share of \$195.0 million and an institution share of \$177.4 million. The current available capacity below the statutory bond cap is approximately \$812.5 million. Annual rental rates are typically between 7% and 9% of the total state share per year. With the total state share being \$195.0 million, the annual debt service payments for these projects is estimated to be \$14.6 million GF/GP over 15 to 17 years. To proceed with state financing, the projects would need to receive construction authorization in a subsequent appropriation act. Institutions have two years following the fiscal year in which the project received planning authorization to receive construction authorization.

<u>FY 2023-24 Supplemental Appropriation Items</u>	<u>Appropriation Change</u>
CAPITAL OUTLAY – PLANNING AUTHORIZATIONS	
<p>1. Eastern Michigan University – Engineering and Technology Complex – Phase II – Roosevelt Hall Total project cost is \$42.5 million. University share is \$12.5 million; state share is \$30.0 million. The project would involve the renovation of a 75,639 sq. ft. structure constructed in 1924 and expand the structure by approximately 10,000 sq. ft. The renovation would address electrical systems, roof replacement, installation of fire suppression systems, improve ADA accessibility and energy efficiencies and provide new classroom and laboratory layouts.</p>	<p>Gross \$100 GF/GP \$100</p>
<p>2. Northern Michigan University – Northern Enterprise Center (College of Business) Total project cost is \$19.1 million. University share is \$5.7 million; state share is \$13.4 million. The project would consist of the construction of a 30,600 sq. ft. facility for the College of Business. The facility would provide new high-tech classrooms, maker spaces for entrepreneurship, enhanced study areas, high-tech laboratories and new administrative and faculty office space.</p>	<p>Gross \$100 GF/GP \$100</p>
<p>3. Oakland University – Science Complex Renovation Project Total project cost is \$40.0 million. University share is \$10.0 million; state share is \$30.0 million. The project would consist of the renovation of 175,000 sq. ft. of the Science Complex. The renovation would allow the university to upgrade and address infrastructure, laboratories and classroom spaces for the Engineering, Chemistry, Physics and Biology departments. The project would replace HVAC systems, electrical, lighting, network communications wiring, plumbing, along with adding a centralized fume hood ventilation system and improve ADA accessibility.</p>	<p>Gross \$100 GF/GP \$100</p>
<p>4. Saginaw Valley State University – Lake Huron Environmental Sciences Research Station Total project cost is \$10.0 million. University share is \$2.5 million; state share is \$7.5 million. The project would consist of the construction of 10,000 sq. ft. research facility near Lake Huron. The facility would allow for increased freshwater research of Lake Huron and add state-of-the-art classroom facilities and laboratories for the Environmental Science program and the Environmental Studies and Sustainability program.</p>	<p>Gross \$100 GF/GP \$100</p>

**Appropriation
Change**

FY 2023-24 Supplemental Appropriation Items

<p>5. University of Michigan – Flint – Innovation and Technology Complex Total project cost is \$40.0 million. University share is \$10.0 million; state share is \$30.0 million. The project would consist of the construction of 50,000 sq. ft. to expand the College of Innovation and Technology offerings. The new facility would feature classroom spaces; instructional laboratories and research spaces, including new labs focused on bioprinting; AI and machine learning; additive manufacturing; emerging mobility; clean energy; immersive experience; data visualization; biotechnology; smart learning; and a controlled environment room.</p>	<p>Gross \$100 GF/GP \$100</p>
<p>6. Wayne State University – Wayne Law Classroom Building Total project cost is \$40.0 million. University share is \$10.0 million; state share is \$30.0 million. The project would replace the existing 17,689 sq. ft. structure constructed in 1966 with a new 80,000 sq. ft building, which would house the law school. The new facility would provide classrooms; lecture and student and faculty support spaces, along with a mock trial classroom; and student workspace. In addition, the new facility would provide increased accommodation for a new minor, bachelor and master programs in law, along with increased growth in the juris doctor program.</p>	<p>Gross \$100 GF/GP \$100</p>
<p>7. Delta College – Information Technology and Computer Science (K Wing) Renovation Total project cost is \$5.7 million. Community college share is \$3.3 million; state share is \$2.4 million. The project would renovate 16,458 sq. ft. of the Information Technology and Computer Science wing, constructed in 1961. The renovation would replace mechanical and electrical systems, HVAC and fire suppression systems, and add new classroom and lab spaces featuring moveable walls.</p>	<p>Gross \$100 GF/GP \$100</p>
<p>8. Henry Ford College – Energy Learning Center Total project cost is \$11.6 million. Community college share is \$6.4 million; state share is \$5.2 million. The project would renovate and add an additional 9,000 sq. ft. to the Technology Building. The project would allow the college's energy use and supply to be accessible and controllable from the new center and include a flexible mixture of heating supply components, including combined heat and power generation, high-efficiency boilers and thermal storage. In addition, new solar photovoltaic generation would be installed on rooftops and an on-ground array field.</p>	<p>Gross \$100 GF/GP \$100</p>
<p>9. C.S. Mott Community College – Prah! College Center Renovation Total project cost is \$30.5 million. Community college share is \$18.0 million; state share is \$12.5 million. The project would include the renovation of a 78,466 sq. ft. facility to provide increased student services and success programs at the Prah! College Center. The renovation would replace all electrical, HVAC, plumbing, fire suppression and life safety systems. The building would be reconfigured to better provide various student support services and improve navigation, entrances and office spaces.</p>	<p>Gross \$100 GF/GP \$100</p>
<p>10. Northwestern Michigan College – Integrated Student Services Hub – Renovation Project Total project cost is \$6.5 million. Community college share is \$3.3 million; state share is \$3.3 million. The project would include the renovation of approximately 26,000 sq. ft. of the Osterlin building, constructed in 1961. The renovation would replace HVAC systems; building lighting, windows and doors; and new insulation and building exterior that would improve energy efficiency. Student support services and offices would be consolidated into the renovated space, allowing students to find support offices at one centralized location.</p>	<p>Gross \$100 GF/GP \$100</p>
<p>11. Oakland Community College – Skilled Trades and Industrial Technology Building Total project cost is \$115.0 million. Community college share is \$90.0 million; state share is \$25.0 million. The project would include the renovation of 85,000 sq. ft. and the addition of 95,000 sq. ft. of new space to the Skilled Trades and Industrial Technology building on the Auburn Hills campus. The project would allow for various advanced specialty programs in robotics, electric vehicles, construction, cyber-physical systems, additive manufacturing, simulation and mechatronics. Fire suppression and life safety systems, ADA accommodations, new bathrooms and lab safety systems would be improved.</p>	<p>Gross \$100 GF/GP \$100</p>
<p>12. Wayne County Community College – Center for Virtual Learning and Digital Careers Total project cost is \$11.6 million. Community college share is \$5.8 million; state share is \$5.8 million. The project would include the renovation of 8,535 sq. ft. and the addition of 18,903 sq. ft. of new space to allow for the addition of digital based career education programs and enhance virtual learning services. New laboratories, studios and classrooms would be added.</p>	<p>Gross \$100 GF/GP \$100</p>

FY 2023-24 Supplemental Boilerplate Items

GENERAL SECTIONS

1. Total State Spending

Specifies total state spending of \$1,200 and state spending from state resources to be paid to local units of government of \$600.

2. Appropriations Subject to PA 431

Subjects appropriations to the Management and Budget Act, 1984 PA 431.

