

JCCR SUMMARY

At its February 24, 2009 meeting, the Joint Committee on Capital Review considered the following issues:

Universities – Review of University Lottery Bond Projects – Building Renewal – The Committee gave a favorable review of \$103.1 million (Arizona State University \$13.2 million; University of Arizona \$51.4 million; and Northern Arizona University \$38.5 million) for the Universities’ remaining Building Renewal projects. These issuances represent a portion of the \$800 million University Lottery Bonding package as authorized by the FY 2009 Education Budget Reconciliation Bill. The proposed debt service is designed to be funded with 2 separate revenue streams. Approximately \$11.2 million, or 80%, will come from state Lottery proceeds, while \$2.8 million will come from local university funds.

University of Arizona – Review of Residence Halls and Residence Life Building Renewal – The Committee gave a favorable review to the University of Arizona for its proposal to spend \$159.3 million in system revenue bonds to construct two new residence halls and \$37.3 million in system revenue bonds for residence life building renewal projects. For both issuances, the proposed debt service will be paid from dorm rental revenues, for a cost of \$11 million from FY 2010 to FY 2011 and a cost of \$14.7 million starting in FY 2012.

Maricopa County Community College District– Review of General Obligation Bond Issuance – The Committee gave a favorable review to the issuance of \$220

million in general obligation bonds. At the June 22, 2004 meeting the Committee gave a favorable review to the entire \$951.4 million bond proposal, with the provision that the Maricopa County Community College District (MCCCD) return for Committee review prior to each issuance. The voters of Maricopa County subsequently approved the district’s bond program in November 2004. The district has already issued \$430.3 million in bonds.

Arizona State Lottery Commission – Review of FY 2009 Building Renewal Allocation Plan – The Committee gave a favorable review to the Lottery Commission’s FY 2009 Building Renewal Allocation Plan totaling \$68,000 from the State Lottery Fund. The commission plans to use the funds to install a new fire suppression system.

Arizona Department of Administration – Consider Recommending Partial Rent Exemption for the Department of Revenue – The Committee recommended the \$7,900 partial rent exemption for the second half of FY 2009 requested for the Department of Revenue (DOR).