

JCCR MEETING

At its April 24, 2019 meeting, the Joint Committee on Capital Review considered the following issues:

Regular Agenda

Joint Committee on Capital Review – Adoption of Committee Rules and Regulations – The Committee adopted rules and regulations. The rules are unchanged from the prior session.

Arizona State University – Consider Approval of Durham Language and Literature Building Renovation Financing Project – The Committee approved a \$65,000,000 bond issuance for the renovation of the Durham Language and Literature Building on Arizona State University's Tempe Campus, which will encompass the entire interior and exterior structure of the building. The debt service will be paid 50% with tuition and 50% with Capital Infrastructure Fund (\$1 billion bonding) appropriations. The favorable review included standard university financing provisions.

Arizona State University – Review of Student Housing Indirect Financing Project – The Committee gave a favorable review of a 2-acre ground lease with a private vendor for the development of a \$31,000,000 student housing facility on Arizona State University's Polytechnic (East) Campus. The private vendor will construct and maintain the facility and provide ground payments and staffing costs to the university. The favorable review included a standard university financing provision.

Department of Public Safety – Review of Remote Housing Replacement – The Committee gave a favorable review of \$2,000,000 (\$1,200,000 from the General Fund and \$800,000 from the State Highway Fund) to purchase and install 4 modular homes and purchase 2 existing residential homes for highway patrol troopers. The expenditure plan includes demolition of an existing home and a contingency allocation. The favorable review included provisions with reporting requirements.

Arizona Department of Administration – Review of FY 2019 Capitol Mall Consolidation Fund Expenditures and Capitol Mall Renovation Plan – The Committee gave a favorable review of \$9,000,000 from the Capitol Mall Consolidation Fund, which includes major renovations to the 1400 W. Washington building in Phoenix. The favorable review also included review of the agency's plans to turn two vacant Capitol Mall buildings into parking lots and a provision that the Committee's review is contingent upon making the agency's appropriation

from the Capitol Mall Consolidation Fund non-lapsing through FY 2021.

Rio Nuevo District – Presentation of Projects – The Committee gave a favorable review of the Rio Nuevo District's presentation of 3 projects, which included a mixed-use retail and residential development, a new hotel, and Tucson Convention Center ice improvements. The District's board has agreed to spend up to \$12.4 million on these projects. The favorable review included a provision stating the statutory requirement for presentation has only been met for projects with executed development agreements currently in place.

Consent Agenda

Arizona Exposition and State Fair Board – Review of FY 2019 Capital Improvement Expenditures – The Committee gave a favorable review of \$590,000 from the agency's fund for 5 projects, which include drywall repairs and purchasing forklifts, security cameras, walk-through metal detectors, and folding tables. These monies were appropriated to the agency in FY 2019 for capital projects. The favorable review included provisions that repeated conditions from a prior review and reporting requirements.

Arizona State Parks Board – Review of new FY 2019 Capital Improvement Projects and Reallocation of Prior Year Capital Funding – The Committee gave a favorable review of \$300,000 to fund the master planning process for the Buckskin State Park and Oracle State Park and \$1,383,300 for 5 new capital projects, which include cabin installation, HVAC and backup generator replacement, installation of fire alarm and fire suppression systems, installation of fencing and guard railing, and other health and safety projects. These projects will be funded from monies appropriated from the State Parks Revenue Fund and Lake Improvement Fund and Federal Funds. The favorable review included provisions with reporting requirements.

Arizona Department of Transportation – Review of Spreader Rack Bay Replacements and Repairs – The Committee gave a favorable review of \$1,720,000 from the State Highway Fund to replace inadequate spreader racks and repair functional racks on snowplows for de-icing operations. These monies were appropriated to the agency in FY 2019 for capital projects.