

## **LCCC Building Authority**

Establishment: 2005 (began with financing the new Residence Halls)

Membership: Dr. Martin Carroll, Ed Harper, Ed Mosher

Frequency: Twice per year, or as needed to conduct necessary business

### Purpose and Benefits of a Building Authority Structure:

- The LCCC Building Authority is a not for profit public benefit corporation that was established under the federal tax codes to help LCCC finance capital construction projects.
- Building Authorities, under federal tax codes, can issue tax exempt lease revenue bonds to finance capital construction projects for the benefit of the College.
- The Building Authority issues lease revenue bonds and pays the debt service, and LCCC pays the Building Authority through lease agreements.
- This approach provides the College with financial flexibility to finance virtually any proposed capital construction project versus for having the College issue revenue bonds for a project where it would be restricted pursuant to WS 21-18-313.
- Lease revenue bonds issued by a governmental entity's building authority usually receive stronger interest from investors, and lower bond interest rates, compared to other capital facility lease financing options.