

Agency & Project	Source	2021 Gov Rec \$ in thousands
Administration		
Capital Asset Preservation and Replacement Account (CAPRA)	GO	3,133
The Governor recommends \$3.133 million to fund the Capital Asset Preservation and Replacement Account (CAPRA). This account is for emergency repairs and unanticipated hazardous material abatement needs for state owned facilities.		
Capitol Complex Security Upgrades Phase II	GO	31,000
	GF	12,000
The Governor recommends \$43 million for Phase II design and construction of various physical security upgrades across the Capitol Complex. This funding level matches the recommendations for capital funding in the 2021 Advisory Committee on Capitol Area Security Annual Report.		
Ramp F Shift from User Financing in FY 2022 Payment	GF	1,086
The Governor recommends \$1.086 million to temporarily relieve the state parking fund of a statutory requirement to make a transfer to the debt service account in the state bond fund in FY 2022. Parking contract cancellations and decreased use of state meters during the COVID-19 pandemic resulted a revenue shortfall in the parking fund, which necessitates the suspension of this user financing transfer for one year.		
Corrections		
Asset Preservation	GO	9,730
The Governor recommends \$9.73 million for asset preservation to repair and renew correctional facilities around the state. This includes safety hazard and code compliance issues, perimeter security systems upgrades, tuck pointing, roof replacement, window and door replacement, abatement of hazardous materials, and other similar issues. The Department's total deferred maintenance needs are estimated at \$611.9 million.		
Employment and Economic Development		
Redevelopment Appropriation Bonds	AP	150,000
The Governor recommends authorizing \$150 million in Redevelopment Appropriation Bonds to support rebuilding efforts in the cities of Minneapolis and St. Paul in the areas damaged by civil unrest in May and June of 2020. This investment will create or retain jobs, preserve the tax base, support enterprise development and wealth creation for persons adversely affected by long-standing structural racial discrimination and poverty, and help prevent displacement of small businesses owned by people of color and Indigenous people.		
Historical Society		
Historic Sites Asset Preservation	GO	1,466
The Governor recommends \$1.466 million for the preservation and restoration of historic structures, landscapes, and building systems in the State Historic Sites Network and for monuments located statewide. Projects are prioritized based on long range planning, building analysis, and structural conditions. The Society has an estimated \$80.4 million in deferred maintenance needs.		
Housing Finance		
Housing Infrastructure Bonds	AP	100,000
The Governor recommends authorizing \$100 million in Housing Infrastructure Bonds to preserve and build new housing opportunities across the state. Funds will be awarded through a competitive request for proposal process to private for-profit and non-profit developers for supportive housing, preservation, homeownership development including community land trusts, senior housing, and manufactured home park infrastructure.		

Agency & Project	Source	2021 Gov Rec \$ in thousands
Human Services		
Asset Preservation	GO	4,213
The Governor recommends \$4.213 million for asset preservation needs in the Department's Direct Care and Treatment facilities to ensure they are functional, safe, and in good repair. The Department's total deferred maintenance needs are \$162.1 million.		
Management and Budget		
Bond Sale Expenses	GO	240
The Governor recommends \$240 thousand to cover expenses associated with the bond sales necessary to fund the projects included in the Governor's 2021 capital budget recommendation.		
Minnesota State		
Higher Education Asset Preservation and Replacement (HEAPR)	GO	62,422
The Governor recommends \$62.422 million for Higher Education Asset Preservation and Replacement funding to repair and replace buildings across the Minnesota State system. The funds will go to exterior updates, HVAC, and safety features. Minnesota State's total current deferred maintenance needs are estimated to be \$1.1 billion for state-supported buildings.		
Natural Resources		
Natural Resources Asset Preservation	GO	33,430
The Governor recommends \$33.43 million to maintain the Department's existing buildings, roads, trails, water landings, bridges, recreational facilities, and utilities. The Department's deferred building maintenance alone is \$149.2 million.		
Natural Resources Betterment of Buildings	GO	19,082
The Governor recommends \$19.082 million to upgrade the Department's offices, facilities, and fish hatcheries. The funds will improve and replace buildings and design projects for future capital budget requests.		
Upper Sioux Agency State Park Bond Defeasance	GF	250
The Governor recommends \$250 thousand to provide the funds necessary to repay previous GO bond investments in the Upper Sioux Agency State Park and other associated financing costs.		
Perpich Center for Arts Education		
Asset Preservation	GO	777
The Governor recommends \$777 thousand for asset preservation to address the Perpich Center's deferred maintenance backlog of \$7.1 million. This funding will maintain, repair, and replace various building systems such as boilers, plumbing, chillers, and elevators.		
State Academies		
Asset Preservation	GO	1,224
The Governor recommends \$1.224 million to fund asset preservation on the State Academies' historic campus. This agency has \$23 million in deferred maintenance needs.		
Transportation		
Passenger Rail Program	GO	10,000
The Governor recommends \$10 million for Minnesota's share of design and environmental work for a second daily Amtrack train between the Twin Cities, Milwaukee, and Chicago. The Federal Railroad Administration has awarded a \$31.8 million Consolidated Railroad Infrastructure and Safety Initiative grant and a \$12.6 million Restoration and Enhancement grant for this project.		

Agency & Project	Source	2021 Gov Rec \$ in thousands
University of Minnesota		
Higher Education Asset Preservation and Replacement (HEAPR)	GO	56,916
The Governor recommends \$56.916 million for asset preservation across the University of Minnesota's campuses. Asset preservation would focus on health, safety and accessibility, mechanical systems, utility infrastructure and energy efficiency, and building envelopes. Current total deferred maintenance for state-supported buildings is \$2.15 billion.		
Veterans Affairs		
Asset Preservation	GO	1,867
The Governor recommends \$1.867 million for department-wide asset preservation. MDVA uses asset preservation funding to maintain and repair over one million square feet spread over 58 buildings, some of which are over 100 years old, that house approximately 900 client residents. MDVA has an estimated total of \$79.5 million in deferred maintenance needs.		
Redwood Falls Cemetery	GO	4,500
The Governor recommends \$4.5 million to construct, furnish, and equip a new State Veterans Cemetery in Redwood Falls. This provides funding for the State of Minnesota's fourth State Veterans Cemetery as intended by the 2011 legislature. The U.S. Department of Veterans Affairs' National Cemetery Administration's Veterans Cemetery Grant Program (VCGP) will provide a \$5.99 million federal grant for this project.		
Equity in Bonding		
Equity in Bonding	GF	15,000
The Governor recommends \$15 million to support capital projects from community-based organizations that are led by and serve communities of color and American Indians, as these organizations have not traditionally had access to capital investment from the state.		

Fund Summary

(\$ in thousands)

Total General Obligation Bonds*	GO	240,000
Total Appropriation Bonds	AP	250,000
Total General Fund Cash	GF	28,336
All Funds		518,336

Debt Service and Annual Costs - November 2020 Forecast

(\$ in thousands)

	FY 2022	FY 2023	FY 2024	FY 2025
General Obligation Bonds*	4,411	15,831	18,547	17,093
Appropriation Bonds - Redevelopment	10,364	10,364	10,364	10,364
Appropriation Bonds - Housing Infrastructure	-	-	4,000	8,000
General Fund Cash	28,336	-	-	-
Annual General Fund Impact Above Forecast	38,700	10,364	14,364	18,364
Annual General Fund Cost	43,111	26,195	32,911	35,457

*Included in the Forecast