



A Summary of the 2012 Session Capital Budget

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This paper summarizes the Capital Budget passed by the 2012 Legislature. Part one provides an overview of the capital budget. Part two provides details of the enacted bills organized according to the jurisdictions of the House of Representatives' fiscal committees.

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Capital Budget Overview

The Legislature approved a total of \$596.8 million in projects in the 2012 Capital Budget Bill (2012 Session, Chapters 293). For the enacted appropriations, new general obligation (GO) bond spending, or bonds supported by the state's general fund, totaled \$496.5 million. The budget also included \$70.3 million in user-financed bonds and \$30 million in Minnesota Housing Finance Agency bonds. In addition, a separate Transportation Policy Omnibus Bill, Chapter 287, authorized \$16.1 million in trunk highway fund bonding authority. Below is a brief look at the capital budget appropriations by finance area.

2012 Capital Budget Appropriations, All Sources <i>(dollars in thousands)</i>	
Finance Area	Enacted
Agriculture and Rural Development	33,706
Education	2,263
Environment, Energy and Natural Resources	74,836
Health and Human Services	7,683
Higher Education	196,186
Jobs and Economic Development (1)	112,000
Public Safety and Judiciary	9,128
State Government	108,596
Transportation (2)	85,500
Bond Sale Expenses	560
Total	630,458

(1) An additional \$2.2 million per year was appropriated from the General Fund beginning in FY 2014 to pay debt service on \$30 million in MN Housing Finance Agency Bonds. For additional information on these appropriations, see the Jobs and Economic Development section.

(2) In addition to the GO Bonding authorized in Chapter 293 for Transportation, a separate Transportation Omnibus Policy bill, Chapter 287, authorized \$16.1 million in Trunk Highway Bonds and \$17.5 million in trunk highway fund cash for specific projects.

The Legislature also enacted Chapter 299, which authorizes the issuance of \$498 million in appropriation bonds to pay the State's and the City of Minneapolis's share of financing for the new Minnesota Vikings Stadium. For more information about the stadium financing, see the separate 2012 Money Matters publication titled "Minnesota Vikings Stadium Funding: A Summary of Actions by the 2012 Legislature."

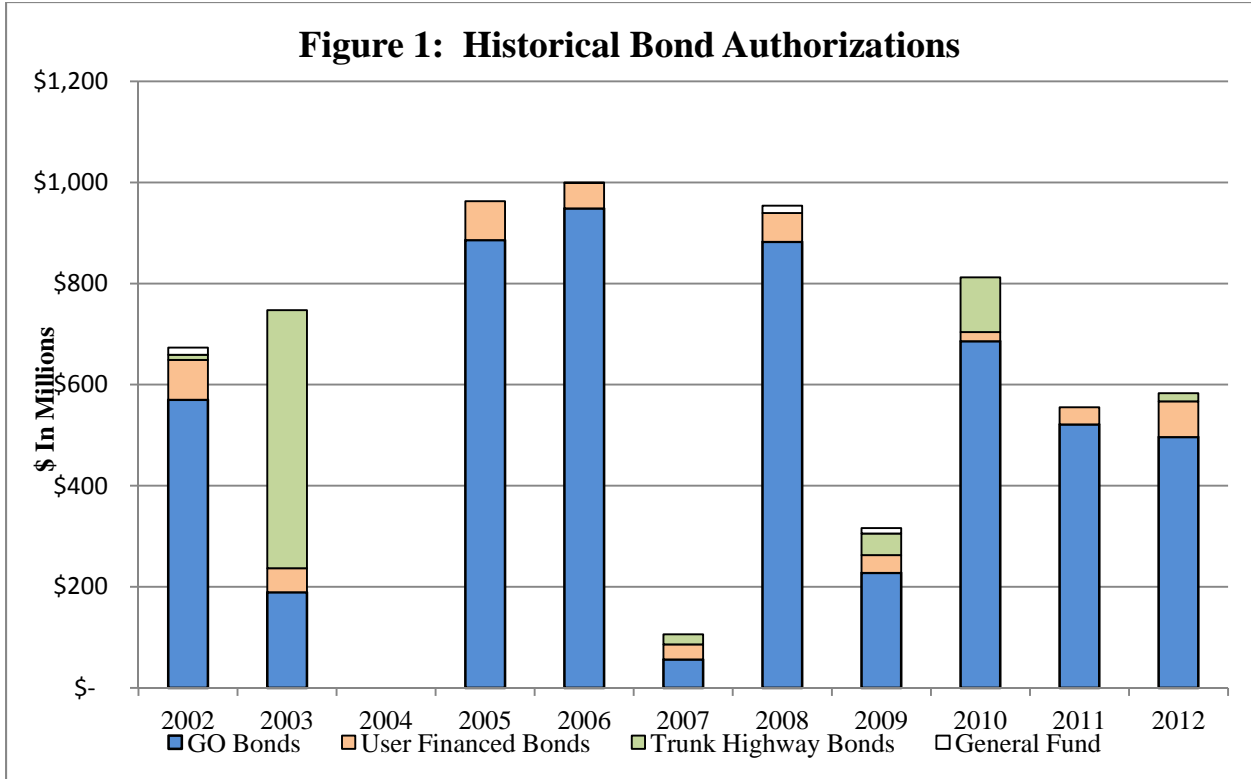
<http://www.house.leg.state.mn.us/fiscal/files/12stadiumsum.pdf>.

Planning estimates included in the February 2012 forecast for the 2012 capital budget set aside sufficient debt service for \$775 million in general obligation bonding. As noted above, \$496.5 million in new GO bonds were authorized. Since total GO bonding was less than the amount included in the February 2012 forecast, general fund spending is expected to be \$1.6 million less in the FY 2012-13 biennium and \$40.3 million in the FY 2014-15 biennium as compared to the February forecast.

As noted above, \$16.1 million in new trunk highway bonds were authorized under Chapter 287, the Transportation Policy Omnibus Bill. In addition to the bonding authority, it authorized \$17.5 million in projects funded by trunk highway fund cash. The debt service impact on the Trunk Highway Fund for the FY 2012-13 biennium is expected to be \$97,000, and the impact in the FY 2014-15 biennium is expected to be \$2.3 million.

Capital budgets have varied greatly in size and composition over the last decade. Table 2 provides an overview of the composition of the FY 2009-10 and FY 2011-12 capital budgets, and Figure 1 provides a 10-year history of total bond authorizations by year.

Finance Area	FY 2009-10	FY 2011-12
Agriculture and Rural Development	3.1%	2.8%
Education	0.4%	0.6%
Environment, Energy & Natural Resources	18.3%	18.0%
Health and Human Services	6.0%	1.8%
Higher Education	23.6%	35.1%
Jobs & Economic Development	6.0%	12.3%
Public Safety and Judiciary	4.2%	2.4%
State Government	9.9%	13.4%
Transportation	28.4%	13.6%



Debt Management

Minnesota Management and Budget adopted new capital investment guidelines on December 22, 2009 with the intent to align the guidelines with the measures used by credit rating agencies and to allow for better comparison with other states. In addition, the new guidelines were meant to include all forms of state-level, tax-supported debt.

Two of the three new measures compare debt to personal income, and the third measure focuses specifically on debt retirement. The new measures are:

- Guideline 1: Total tax-supported principal outstanding shall be 3.25 percent or less of total state personal income.
- Guideline 2: Total amount of principal (both issued and authorized but unissued) for state general obligations, state appropriation bonds, state moral obligations, equipment capital leases, and real estate capital leases are not to exceed 6 percent of state personal income.
- Guideline 3: 40 percent of general obligation debt shall be due within five years and 70 percent within ten years, if consistent with the useful life of the financed assets and/or market conditions.

A couple of points are important to note. First, the new guidelines do not include an affordability measure as the original guidelines included. Second, the new guidelines are point-

in-time calculations versus percentages that are forecasted well into the future. For additional information on the state's previous capital investment guidelines, please see the 2012 Money Matters publication titled: Governor Mark Dayton's 2012 Capital Budget Recommendations (<http://www.house.leg.state.mn.us/fiscal/files/12gbondsum.pdf>).

Debt Capacity

Debt capacity is an estimation of how much the state can borrow based on its current guidelines. The February forecast suggested approximately \$1.96 billion in additional capacity would be available for any additional tax-supported debt based on the first debt management guideline, which is the limiting guideline. As noted above, Guideline 1 states that tax-supported principal outstanding shall be 3.25 percent or less of total state personal income. This guideline focuses on principal currently outstanding and does *not* take into account authorized, but unissued debt. For this reason, *bonds authorized under Chapters 293 will not be incorporated into the debt capacity calculation until the bonds are actually sold, which will likely occur between 2013 and 2016.* As of the February 2012 forecast, the State was within this guideline, with tax-supported principal outstanding equal to 2.44 percent of state personal income.

Guideline 2 takes into account all existing and authorized, but yet unissued, debt. This guideline indicates that total principal for *all* forms of debt (including appropriation bonds, capital leases, etc.) should not exceed 6 percent of state personal income. Based on the February 2012 forecast, the State had approximately \$9.71 billion in total principal outstanding (both issued and authorized but unissued), or 3.99 percent of state personal income. This increases to approximately \$10.21 billion with the passage of Chapters 293 and 287, or 4.19 percent of state personal income.¹ Therefore, based on the February 2012 forecast estimates, Minnesota is in compliance with Guideline 2.

Guideline 3 speaks to the structure and timing of state general obligation debt - 40 percent of principal outstanding should be repaid within five years, and 70 percent within ten years. Due to interactions with the issuance of the Tobacco Settlement Revenue Bonds in November 2011, the state is projected to repay its general obligation bonds at a rate of 35.6 percent in five years and 67.9 percent in ten years, based on debt outstanding as of June 30, 2012.

In addition, the question of affordability often arises when considering debt service on additional bonds. The past guidelines included a measure to assess this - relating general fund spending on debt service to general fund revenues. The guideline suggested that no more than 3.25 percent of the general fund budget should be dedicated to debt service expenses. The debt service payments on the bonds authorized in Chapter 293 as well as anticipated payments on authorized but unissued bonds are expected to be approximately \$1.1 billion for the FY 2012-13 biennium².

¹ As previously noted, the 2012 Legislature also authorized \$498 million in appropriation bonds to fund the State's and the City of Minneapolis's portion of the Vikings Stadium. These bonds will also be counted against Guideline 2, which measures principal outstanding and yet to be issued bonds.

² The \$1.1 million debt service figure for the biennium is artificial, as the end of session 2012 General Fund Balance only shows \$452.7 million in debt service payments due in FY 2012-13. In order to get a true picture of what total debt service costs for the biennium are, it is critical to "add back" the \$640 million of debt service being paid with

This constitutes approximately 3.1 percent of total general fund revenues. So, the percentage falls within that guideline.

Match Requirements

A number of bond authorizations in Chapter 293 require a match in non-state funds in order to receive state bonding money. This is particularly true for dollars directed toward local government projects. Language in the law sets forth the individual non-state match requirements for each project.

Overview of Report

A detailed summary of bond authorizations, organized by House Committee jurisdiction, follows. The “spreadsheet” that summarizes the bill in a compact, easy to read format, begins on page 27. Finally, a summary of “match requirements,” described above, concludes the report on page 31.

For further information on Capital Budget issues contact Melissa Johnson at 651-296-4178 or Melissa.Johnson@house.mn.

the tobacco bond proceeds in the FY 2012-13 biennium. This is the additional amount of debt service that would have been due, in the absence of the Tobacco Securitization Bonds being issued.

Agriculture and Rural Development

The 2012 session appropriations for capital projects in the areas under the jurisdiction of the Agriculture and Rural Development Committee total \$33.706 million.

Agriculture and Rural Development 2012 Capital Budget Appropriations (all dollars in thousands)	
Projects by Agency	Enacted
Department of Agriculture	
Emergency Power Supply for MDA/MDH Labs	\$ 706
Rural Finance Authority	
Rural Finance Authority Grants	\$ 33,000
Total	\$ 33,706

Department of Agriculture

- **Emergency Power Supply for MDA/MDH.** \$706,000 is for installation of an emergency power system to the department lab facilities.

Rural Finance Authority

- **Rural Finance Authority Loans.** \$33 million is for funding of the loan programs of the Rural finance Authority. The loan programs include: Beginning Farmer, Ag Improvement, Loan Restructure and Livestock Expansion activities. These bonds will be user financed.

For further information on Agriculture finance issues contact Jim Reinholdz, House Fiscal Analysis Department at 651.296.4281, Jim.Reinholdz@house.mn.

Education

For the 2012 Legislative session, the Legislature adopted five capital projects in the Education Finance area, totaling \$2.263 million of general obligation bonds. The projects include:

Education Finance Committee 2012 Capital Budget Appropriations (all dollars in thousands)	
Projects by Agency	Enacted
Education	
Library Accessibility and Improvement Grants	\$ 1,000
Minnesota State Academies	
Asset Preservation	\$ 1,000
Perpich Center for Arts Education	
Loading Dock Repair	\$ 64
Road Repair	\$ 99
Storm Drainage	\$ 100
Total	\$ 2,263

Education

\$1 million to the Commissioner of Education for library accessibility and improvement grants to school districts.

Minnesota State Academies for the Deaf and Blind

\$1 million for asset preservation. Projects on the Academies' list for asset preservation generally fall into the code compliance and deferred maintenance categories.

Perpich Center for Arts Education

\$64,000, for repairs to the Center's loading dock.

\$99,000, for roadway repair. A section of the road is regularly patched due to water runoff and subsequent erosion. This funding will allow for replacement of the road and changing the runoff pattern to prevent future problems.

\$100,000, to improve storm drainage on the campus, where excess storm water accumulations are washing out areas around existing buildings.

For further information on education finance issues contact Greg Crowe, House Fiscal Analysis Department at 651.296.7165, Greg.Crowe@house.mn.

Environment, Energy and Natural Resources

The 2012 capital budget funded general obligation bond appropriations of \$74.836 million for projects under the jurisdiction of the Environment, Energy and Natural Resources Committee.

Environment, Energy and Natural Resources	
2012 Capital Investment Appropriations	
(all dollars in thousands)	
Projects by Agency	Enacted
Department of Natural Resources	
Flood Hazard Mitigation	\$ 30,000
Dam Repair / Reconstruction / Removal	\$ 3,000
Roads and Bridges	\$ 2,000
State Forest Land Restoration	\$ 2,500
State Parks and Trails Development	\$ 4,000
Lake Vermillion State Park Development	\$ 2,000
Lake Zumbro Reclamation	\$ 3,000
Agency Total	\$ 46,500
Pollution Control Agency	
Closed Landfill Bonding	\$ 2,000
Agency Total	\$ 2,000
Board of Water and Soil Resources (BWSR)	
RIM Critical Habitat Match	\$ 6,000
Wetland Restoration Due to Public Roads Projects	\$ 6,000
Agency Total	\$ 12,000
Minnesota Zoological Gardens	
Asset Preservation	\$ 4,000
Agency Total	\$ 4,000
Metropolitan Council (parks and wastewater only)	
Metropolitan Regional Parks	\$ 4,586
Wastewater Inflow & Infiltration Abatement Grants	\$ 4,000
Phillips Community Center	\$ 1,750
Agency Total	\$ 10,336
Total	\$ 74,836

The following is a summary by agency of the environment and natural resources capital projects funded in Chapter 293.

Department of Natural Resources

- **Flood hazard mitigation grants.** \$30 million for state cost sharing grants to local units of government to implement measures to reduce or eliminate future flood damages.
- **Dam repair, reconstruction and removal.** \$3 million is for general restoration and upkeep to dams.
- **Roads and bridges.** \$2 million is to repair, replace, and construct bridges and roads within the state forest road system.
- **State Forest Land Restoration.** \$2.5 million for reforestation activities including planting, seeding, site preparation, and timber stand improvement.
- **State park and trail development.** \$4 million is to be used for acquisition projects in the state park and trail system.
- **Lake Vermillion State Park Development.** \$2 million for development activities at Lake Vermillion State Park.
- **Lake Zumbro Reclamation.** \$3 million for a grant to Olmstead County for removal of sedimentation in Lake Zumbro to improve recreational economy, water quality and increased water storage capacity. Non-State matching funds are required.

Pollution Control Agency

- **Closed landfill program.** \$2 million is to design and construct remedial systems at publicly owned mixed municipal solid waste landfills.

Board of Water and Soil Resources

- **RIM critical habitat match.** \$6 million to match private donations to fund the cost of acquiring and improving fish, wildlife and native plant habitats for the Reinvest in Minnesota program.
- **Wetland Restoration Due to Public Roads Project.** \$6 million to acquire land for wetland restoration or preservation to replace wetlands drained or filled as a result of road projects.

Minnesota Zoological Gardens

- **Asset preservation.** \$4 million for asset preservation projects at the Zoo.

Metropolitan Council (parks and wastewater projects)

- **Metropolitan Regional Parks.** \$4.586 million for the council's capital improvements program. Funds are used to acquire and improve the metro regional parks system. The funds will be distributed by the council to the regional park operating agencies.
- **Municipal Wastewater Systems – Inflow and Infiltration Grants.** \$4 million for grants to metropolitan cities for capital improvements in municipal wastewater collection systems to reduce the amount of inflow and infiltration to the Council's sanitary sewer disposal system.
- **Phillips Community Center.** \$1.75 million for a grant to Minneapolis Parks and Recreation Board for design and renovation of Phillips Community Center indoor competitive swimming pool and related spaces. \$350,000 in nonstate funding is required in order to be eligible for the grant.

For further information on Environment, Energy and Natural Resources finance issues contact Jim Reinholdz, House Fiscal Analysis Department at 651.296.4281, Jim.Reinholdz@house.mn

Health & Human Services

The Department of Human Services area of the capital budget received \$7.683 million in general obligation (GO) bonds in Chapter 293. The table below highlights the projects funded and more detailed descriptions of each project follow.

Health & Human Services Finance	
2012 Capital Budget Appropriations, All Sources	
(all dollars in thousands)	
Projects by Agency	Enacted
Human Services	
System-Wide Asset Preservation	\$ 2,000
Maplewood, Harriet Tubman Center	\$ 2,000
Minnesota Security Hospital - St Peter (Phase I)	\$ 3,683
Total	\$ 7,683

Asset Preservation

Chapter 293 included \$2.0 million for Human Services system-wide asset preservation projects.

Harriet Tubman Center - Maplewood

Chapter 293 appropriated \$2.0 million for a grant to the City of Maplewood for design, renovation and equipping of the Harriet Tubman Center East. This facility will be used as a regional safety service center for a domestic violence shelter, legal services, youth programs, mental and chemical health services and community education.

Minnesota Security Hospital – St Peter

The department submitted a request for \$40 million to fund phase I of a long range plan to move all operations of the Minnesota Security Hospital (MSH) in St Peter to the upper campus, separating them fully from the Minnesota Sex Offender Program (MSOP) facilities on the lower campus. Chapter 293 included \$3.683 million, a portion of the request.

For further information on Health and Human Services related topics, contact Doug Berg, House Fiscal Analysis at 651-296-5346 or doug.berg@house.mn

Higher Education

The Legislature approved a total of \$196.186 million in general obligation bonds for 21 projects under the jurisdiction of the Higher Education Committee. Of this amount, \$37.375 million of the bonds are user-financed, meaning the agency (in this case, MN State Colleges and Universities) will be responsible for paying back a portion of the project cost – usually, a third of the total. The following is a summary by agency of the higher education capital projects appropriated in Chapter 293.

Higher Education Finance Committee	
2012 Capital Budget Appropriations, All Sources	
(all dollars in thousands)	
Projects by Agency	Enacted
MNSCU	
Asset Preservation (HEAPR)	\$ 20,000
Anoka-Ramsey Community College	\$ 980
Bemidji State University	\$ 3,303
Century College, White Bear Lake	\$ 5,000
Dakota County Community & Tech College	\$ 7,230
Minnesota State University - Mankato	\$ 2,065
Minneapolis Community & Technical College	\$ 13,389
North Hennepin Community College	\$ 26,292
Northland Community and Technical College	\$ 300
Ridgewater College, Willmar	\$ 13,851
St. Cloud Community and Technical College	\$ 4,000
Saint Paul College	\$ 1,500
MN West Community & Technical College	\$ 4,606
Itasca Community College - NE Higher Ed District	\$ 4,549
Rochester Community and Technical College	\$ 8,746
South Central College, Fairbault	\$ 13,315
Southwest MN State University, Marshall	\$ 500
STEM Classroom and Lab Initiative	\$ 2,500
University of Minnesota	
Asset Preservation (HEAPR)	\$ 50,000
Old Main Utility Building Renovation	\$ 10,000
Itasca Facilities Improvements	\$ 4,060
Total	\$ 196,186

Higher Education

Minnesota State Colleges and Universities

As enacted, Chapter 293 includes a total of \$132.126 million in general obligation bonding for the following 19 projects:

- **Asset Preservation.** \$20 million for system-wide asset preservation which is also referred to as higher education asset preservation and replacement (HEAPR). The money will be spread among all of the agency's campuses for projects such as roof replacement, mechanical repair, plumbing and electric, and life safety and code compliance.
- **Anoka-Ramsey Community College.** \$980,000 for design work on a new addition to the bioscience and Allied Health buildings on the Coon Rapids campus.
- **Bemidji State University.** \$3.303 million for demolition of Maple Hall, and design for renovation of Decker, Hobson and Memorial Halls into multiuse classrooms and study spaces.
- **Century College, White Bear Lake.** \$5 million to complete design of and construction, renovation, furnishing and equipping of classrooms and related spaces.
- **Dakota County Community & Tech College.** \$7.23 million for the renovation of College's Transportation and Emerging Technologies labs.
- **Minnesota State University, Mankato.** \$2.065 million for design of a clinical science building.
- **Minneapolis Community & Technical College.** \$13.389 million for renovations at the school's largest facility – the technical programs building.
- **North Hennepin Community College.** \$26.3 million for a bioscience and health careers center on the Brooklyn Park campus.
- **Northland Community and Technical College.** \$300,000 to design the expansion and renovation of aviation maintenance facilities.
- **Ridgewater College, Willmar.** \$13.851 million to renovate space for Agriculture and Veterinary Technology programs, student administrative services, food service, and community outreach.
- **St. Cloud Technical and Community College.** \$4.0 million for design and construction of space for a medium heavy truck and auto body program.
- **Saint Paul College.** \$1.5 million to remodel the science and allied health facilities on this campus, along with purchasing new nursing lab simulation equipment.

- **MN West Community & Technical College.** \$4.606 million to renovate, furnish and equip existing classroom and lab spaces and add a classroom addition.
- **Northeast Higher Education District - Itasca Community College.** \$4.549 million for design of and renovation, furnishing, and equipping of existing instructional and student services spaces. Funds will also be used to design, construct and furnish an addition with multi-purpose classrooms.
- **Rochester Community and Technical College.** \$8.746 million for an addition to the Heintz Center, which will house the Rochester Area Work Force Center.
- **South Central College, Faribault.** \$13.315 million for renovation of the school's primary building on campus. The change would bring updates to classrooms, and expand capacity in some of the technical programs.
- **Southwest MN State University, Marshall.** \$500,000 to complete design a new science and Math building and classroom spaces, and an addition to the Plant Science Building.
- **STEM Classroom and Lab Initiative.** \$2.5 million for the design and renovation of space at nine campuses to meet workforce training needs in the Science, Technology, Engineering and Math (STEM) fields.

University of Minnesota

- **Asset Preservation.** \$50 million for system-wide asset preservation which is also referred to as higher education asset preservation and replacement (HEAPR). The money will be spread among all of the agency's campuses for projects such as roof replacement, mechanical repair, plumbing and electric, and life safety and code compliance.
- **Combined Heat and Water Plant.** \$10 million for upgrades to a multi-utility power plant that will serve the Minneapolis campus. This appropriation represents a portion of the University's original request of \$54 million.
- **Itasca Facilities Improvements.** \$4.06 million for a new student center, renovation of the Lakeside Laboratory, and demolition of unsound buildings at the Itasca Biological Station.

For further information on Higher Education finance issues contact Emily Adriaens, House Fiscal Analysis Department at 651.296.7171, Emily.Adriaens@house.mn

Jobs and Economic Development Finance

I. STATE AGENCY PROJECTS

Chapter 293, the enacted capital budget in the 2012 Legislative session, includes six projects for the state agencies under the jurisdiction of the Jobs and Economic Development Finance Committee. The total approved capital projects spending is \$95 million, with \$65 million funded with General Obligation (GO) bonds and \$30 million funded with Minnesota Housing Finance Agency bonds paid for with annual General Fund appropriations for 20 years.

Jobs & Economic Development Finance 2012 Legislative Enacted Capital Investment Projects State Agency Projects (all dollars in thousands)	
Projects by Agency	Enacted
Employment & Economic Development (DEED)	
Greater MN Business Development Public Infrastructure	\$ 6,000
Redevelopment Grant Program	\$ 3,000
Transporation Economic Development Program	\$ 3,000
Business Development Through Capital Grants Program	\$ 47,500
Subtotal (DEED):	\$ 59,500
Housing Finance	
Housing Infrastructure Bonds	\$ 30,000
Public Housing Rehabilitation	\$ 5,500
Subtotal (Housing Finance):	\$ 35,500
Total State Agency Projects	\$ 95,000

Department of Employment & Economic Development (DEED)

- Greater Minnesota Business Development Public Infrastructure Grants Program:** The Legislature approved \$6 million in GO bonding for the Greater Minnesota Business Development Public Infrastructure Grants Program. The program is used to pay for public infrastructure improvements in support of private sector economic development or industrial park projects. The program is limited to 50 percent of costs, not to exceed \$1 million per grant.
- Redevelopment Grant Program:** The Legislature enacted \$3 million in GO bonding for the Redevelopment Grant Program. The program issues statewide competitive grants for

redevelopment projects, with available funds divided between Greater Minnesota and the seven county Metropolitan areas.

- **Transportation Economic Development Program:** The Legislature approved \$3 million in GO bonding for the Transportation Economic Development Program. The program is a competitive grant program that provides up to 70 percent of the transportation and other public infrastructure costs associated with economic development projects.
- **Business Development through Capital Grants Program:** The Legislature established new program in DEED to provide competitive matching grants to local governments for capital projects. Eligible local governments under the program include a county, a city, a town, a special district, a public higher education institution, or other political subdivisions or public corporations. The program is funded with \$47.5 million in GO bonding. The program sunsets June 30, 2016.

Housing Finance Agency

- **Housing Infrastructure Bonds:** The Legislature enacted \$30 million Housing Infrastructure Bonds. Specifically, the Legislature enacted a standing general fund appropriation of \$2.2 million per year for 20 years beginning in FY 2014. The appropriation will provide the debt service needed to fund \$30 million in bonds that will be issued by the MHFA. The bonds will allow MHFA to construct or acquire and rehabilitate permanent supportive housing, to acquire and rehabilitate federally subsidized rental housing, and to acquire and rehabilitate foreclosed properties.
- **Public Housing Rehabilitation:** The Legislature approved \$5.5 million in GO bonding for Public Housing Rehabilitation. The funds are used to rehabilitate public housing units.

II. LOCAL GOVERNMENT PROJECTS

The Legislature approved three named local capital investment projects which will be administered through DEED. The projects total \$17 million.

Jobs & Economic Development Finance 2012 Legislative Enacted Capital Investment Projects Local Government Projects (all dollars in thousands)	
Projects by Local Government	Enacted
Austin - Research & Technology Center	\$ 13,500
Bemidji - Lakeland Public Television Media Center	\$ 3,000
South St. Paul - Floodwall Extension	\$ 500
Total:	\$ 17,000

- **Austin - Research & Technology Center: \$13.5 million** to design and construct a new building addition to the Hormel Institute, University of Minnesota-Mayo Clinic. Local Government match: \$15.9 million
- **Bemidji – Lakeland Public Television Media Center: \$3 million** to construct, furnish, and equip a regional public television station.
- **South St. Paul – Floodwall Extension: \$500,000** to design floodwall extension on the west shore of the Mississippi River from the area of Interstate Highway 494 to the southern border of South St. Paul.

If you have any questions on Jobs and Economic Development Finance Committee related issues, please contact Ron Soderberg at 296-4162 or ron.soderberg@house.mn.

Public Safety and Judiciary

For the 2012 Legislative session, the Legislature adopted three capital projects under the jurisdiction of the Public Safety, Crime Prevention and Judiciary Finance Committees. These four projects totaled \$9.128 million in general obligation bond authorizations.

Public Safety, Crime Prevention and Judiciary 2012 Capital Budget Appropriations (all dollars in thousands)	
Projects by Agency	Enacted
Department of Corrections	
Department Wide Asset Preservation	\$ 5,000
MCF Stillwater - New Well & Water Treatment Facility	\$ 3,391
Northeast Regional Correctional Center (NERCC)	\$ 737
Total - Corrections	\$ 9,128

Department of Corrections

\$5 million for asset preservation. This appropriation will fund repairs and deferred maintenance at the State's ten prison facilities.

\$3.391 million to upgrade the well and water treatment at the Stillwater prison. This appropriation will provide funds to cap an old well and install a new well, water tower and facility intake. Funds will also design, construct, furnish and equip a new building for the new water treatment equipment.

\$737,000 for a grant to the Arrowhead Regional Corrections Joint Powers Board for asset preservation improvements and betterments of a capital nature at the Northeast Regional Correctional Center (NERCC).

For further information on Public Safety or Judiciary finance issues contact John Walz, House Fiscal Analysis Department at 651.296.8236, John.Walz@house.mn.

State Government

Chapter 293 authorized \$108.6 million for sixteen bonding projects within the jurisdiction of the State Government Finance committee.

State Government Finance		
2012 Capital Budget Appropriations		
(all dollars in thousands)		
Projects by Agency	Fund	Enacted
Administration		
Asset Preservation	GO	\$ 500
Capitol Restoration	GO	\$ 44,000
Statewide CAPRA	GO	\$ 1,000
Hennepin County, Washburn Center for Children	GO	\$ 5,000
Peace Officers Memorial Restoration (Capitol Grounds)	GO	<u>\$ 55</u>
Total Administration:		\$ 50,555
MN Amateur Sports Commission (MASC)		
Asset preservation request - NSC HVAC replacement	GO	<u>\$ 375</u>
Total MASC:		\$ 375
MN Historical Society		
Historic Sites Asset Preservation	GO	\$ 2,500
County and Local Historic Preservation Grants	GO	<u>\$ 750</u>
Total MN Historical Society		\$ 3,250
Military Affairs		
Asset Preservation	GO	\$ 4,000
Camp Ripley Education Center Addition	GO	<u>\$ 19,500</u>
Total Military Affairs:		\$ 23,500
Public Facilities Authority		
State Matching Funds for USEPA Capitalization Grants	GO	\$ 8,500
Wastewater Infrastructure Fund	GO	<u>\$ 15,000</u>
Total PFA:		\$ 23,500

Veterans Affairs			
Asset Preservation	GO	\$	3,000
Minneapolis Nursing Care Bed Replacement (phase 3)	GO	\$	3,050
Minneapolis Building 13 Centralized Pharmacy	GO	\$	<u>1,366</u>
Total Veterans Affairs:			\$ 7,416
Total			\$ 108,596

Administration

The Legislature approved \$50.56 million for five projects.

- **Asset Preservation:** \$500,000 for asset preservation studies and projects on properties managed by Administration. This appropriation includes funds to design and renovate or replace the House of Representatives TV control room HVAC system in the Capitol building.
- **Capitol restoration project:** \$44 million for predesign and design of the restoration project, stone repairs on the exterior, window replacement and preparation of mechanical space in the attic. The funds will also be used for construction of a pedestrian tunnel under University Avenue to connect the Capitol with parking lot B (next to the Administration Building). The tunnel will run adjacent to an existing utility tunnel. Up to \$5 million of the appropriation may be used to design, build and equip space in other buildings on the Capitol campus, to use as temporary “swing” space for Capitol tenants during the renovation.
- **Statewide CAPRA (Capital Asset Preservation and Replacement Account):** \$1 million was included for the Capital Asset Preservation and Replacement Account (CAPRA). CAPRA is a statewide fund for emergency repairs and unanticipated hazardous material abatement. The fund is administered by the Department of Administration on behalf of other state agencies. Since the program was started in 1990, more than of \$85 million in both GO bonds and General Fund dollars has been appropriated for CAPRA projects.
- **Hennepin County, Washburn Center for Children:** \$5 million for a grant to the county to design and build a center to provide mental health services for children. The grant must be matched by an equal amount of non-state resources.
- **Peace Officers Memorial Restoration, Capitol Grounds:** \$55,000 to renovate this memorial, which is located on the south end of the Capitol grounds.

Minnesota Amateur Sports Commission (MASC)

The Legislature authorized \$375,000 in GO bond financing to replace the heating, ventilation and air conditioning (HVAC) systems at the indoor sports hall at the National Sports Center in Blaine. The systems are over 20 years old.

Minnesota Historical Society

The Legislature authorized \$3.25 million in GO bond financing for two projects requested by the Minnesota Historical Society:

- **Historic Sites Asset preservation:** \$2.5 million is for preservation and restoration of historic structures, landscapes and buildings. Funds would be used for HVAC replacements, energy improvements and masonry preservation projects statewide. Specific projects would also include building renovations at Historic Fort Snelling, and restoration work at the Lindbergh House.
- **County and Local Historic Preservation Grants:** \$750,000 for grants for county and local historic preservation projects. The recipients of grants are chosen through a competitive process, and must fully match the state funds.

Military Affairs

Chapter 293 includes \$23.5 million in GO bond financing for two projects at National Guard facilities. The department manages over 4.6 million square feet of facilities at over 1500 buildings across the state, including Camp Ripley and the 62 armories, officially called Training and Community Centers. The two projects are:

- **Asset preservation:** \$4 million for deferred maintenance projects at armories and training facilities. The request is based on detailed facilities audits, which document a maintenance backlog of over \$40 million. The average age of the state's armory facilities is over 48 years.

Priority projects include the facilities at Cottage Grove, Roseville, Austin, Chisholm and Pipestone. The state funds will be matched 50 percent by federal funds.

- **Camp Ripley Education Center Addition:** \$19.5 million to construct classroom space, lodging and dining facilities in an addition to the existing Education Center. The 2011 capital bill included \$1.83 million for design of this addition.

Operating costs for the facility will be paid for by its users, including state agencies. Federal funds will support most of the maintenance and utility costs, as the predominate use of the facility will be for military training.

Public Facilities Authority (PFA)

The Legislature authorized \$23.5 million for two requests from the Public Facilities Authority:

- **Matching Funds for Capitalization Grants:** \$8.5 million for state matching funds for U.S. Environmental Protection Agency (EPA) Capitalization Grants. The funding will access federal EPA funds for the for the Clean Water Revolving Fund and the Drinking Water Revolving Fund in FY 2012-13.

Funds are awarded to projects based on rankings prepared by the Minnesota Pollution Control Agency (for clean water projects) and the Minnesota Department of Health (for drinking water projects).

- **Wastewater Infrastructure Fund (WIF):** \$15 million for the WIF program, to provide supplemental assistance grants for high cost wastewater projects. The grants are made in conjunction with either USDA rural development funds or PFA clean water revolving fund loans.

Veterans Affairs

The Legislature approved \$7.4 million for three projects at the Department of Veterans Affairs:

- **Asset Preservation:** \$3 million for renovation and upgrades to the 50 buildings under control of the department. Projects are located at the five veterans homes as well as the Veterans Cemetery in Little Falls.
- **Minneapolis Nursing Care Bed Replacement:** \$3 million for predesign and design of demolition work in the south wing of Building 17, and to design the south wing for a new skilled nursing building.
- **Minneapolis Building 13 Centralized Pharmacy:** \$1.4 million to design, remodel and furnish historic building 13 to be used as the veteran's homes central pharmacy. This project may require additional operating funds in the future.

For additional information on State Government finance issues, contact Helen Roberts at 651-296-4117 or helen.roberts@house.mn.

Transportation

Funding for capital projects under the jurisdiction of the Transportation Committee was authorized in two chapters of law: Chapter 287 and Chapter 293. Chapter 287 was the Transportation Policy Omnibus Bill and included authorization to issue \$16.1 million in Trunk Highway Fund Bonds and utilize \$17.5 million in Trunk Highway Fund cash for certain capital projects. Capital projects authorized under Chapter 293, the traditional bonding bill, authorized the issuance of general obligation bonds for local road and bridge improvements and grants related to transit, railroad grade warning device replacement and port authority assistance. The table below summarizes all transportation related capital project authorizations in 2012.

Transportation Finance and Policy Division		
2012 Capital Budget Appropriations		
(all dollars in thousands)		
Projects by Agency	Fund	Enacted
Department of Transportation		
Local Bridge Replacement Program	GO	\$ 30,000
Local Road Improvements	GO	\$ 10,000
Greater Minnesota Transit	GO	\$ 6,400
Railroad Grade Warning Device Replacement	GO	\$ 2,000
Port Development Assistance	GO	\$ 1,000
Rochester Maintenance Facility	TH Bds	\$ 16,100
Willmar District Headquarters	TH Cash	\$ 7,500
Plymouth Truck Station	TH Cash	\$ 5,600
Cambridge Truck Station	TH Cash	\$ 3,300
Design Fees - Crookston, Eden Prairie, Mendota Heights Truck Stations	TH Cash	\$ 1,100
Metropolitan Council		
Hennepin County Minneapolis Interchange Facility	GO	\$ 2,500
Total		\$ 85,500

More detailed information about individual projects is contained on the following pages.

Department of Transportation

- **Local Bridge Replacement Program:** \$30.0 million in GO bonds to replace or rehabilitate approximately 82 bridges owned by local units of government. This will be supplemented with \$50 million in additional federal funds. (Chapter 293)
- **Local Road Improvements:** \$10.0 million in GO bonds for local road improvement projects statewide. (Chapter 293)
- **Greater Minnesota Transit:** \$6.4 million in GO bonds to address transit facilities needs in Mankato, Duluth and St. Cloud. This will be supplemented with local government matching funds. (Chapter 293)
- **Railroad Grade Warning Device Replacement:** \$2.0 million in GO bonds for replacing aging warning devices where railroads cross highways. (Chapter 293)
- **Port Development Assistance:** \$3 million in GO bonds to improve freight handling on Minnesota's commercial waterway systems. Local governments typically provide a 20 percent match on total project costs. (Chapter 293)
- **Rochester Maintenance Facility:** \$16.1 million in trunk highway bonds for construction and renovation of the existing district headquarters/maintenance facility. The building will also house a Driver and Vehicle Service office and the Minnesota State Patrol. (Chapter 287)
- **Willmar District Headquarters:** \$7.5 million in trunk highway fund cash for construction of an addition to the existing headquarters building, including additional vehicle storage, truck wash, improved inventory area, radio shop and new training room. (Chapter 287)
- **Plymouth Truck Station:** \$5.6 million in trunk highway fund cash for a new truck station and vehicle maintenance facility in Plymouth. The new building will include offices, heated vehicle storage, truck wash and employee support areas. (Chapter 287)
- **Cambridge Truck Station:** \$3.3 million in trunk highway fund cash for a new truck station and vehicle maintenance facility on an existing DOT site in Cambridge. The new building will include offices, mechanic's work bays, heated vehicle storage, employee support areas, unheated storage, salt storage building and brine construction and storage. (Chapter 287)
- **Design Fees for the Crookston Headquarters and Eden Prairie and Mendota Truck Stations:** \$1,100,000 in trunk highway fund cash. Of this, \$300,000 is for Crookston headquarters planning, and \$400,000 each is for the Eden Prairie and Mendota Truck Stations planning. (Chapter 287)

Metropolitan Council

Chapter 293 authorized a \$2.5 million grant to Hennepin County, or the Hennepin County Regional Rail Authority, for design, acquisition of real property and site preparations for construction of the Minneapolis Transportation Interchange Facility located at the confluence of the Hiawatha Light Rail and Northstar Commuter Rail line.

Policy Implications and Considerations

For a number of the transportation capital projects contained in Chapter 287, authorization is given to use trunk highway fund cash rather than trunk highway bonds to fund the projects. By the end of the FY 2012-13 biennium, the trunk highway fund is expected to have a balance of \$219 million. By the end of the FY 2014-15 biennium, this balance is expected to grow to \$246 million based on the projected revenues and expenditures; the fund has the capacity to support using cash for the recommended projects.

However, the discussion as to whether to use trunk highway bonds or cash goes beyond fund balances and onto larger policy topics since bonds are financed over 20 years or more and cash is an immediate obligation. Some of these issues include: the amount that should be left in the fund to deal with unanticipated fluctuations (e.g. changes in revenues, unanticipated needs, bond interest rates, etc.), the maximum percent of trunk highway funds that should go towards debt service payments, the amount of additional funding or available bonding capacity that could be used for other activities (e.g. construction of roads and bridges), and the fundamental discussion of pay-as-you go versus bond financing. MnDOT has a debt management policy for the trunk highway fund as well as a fund balance policy.

For further information on Transportation finance issues contact Melissa Johnson, House Fiscal Analysis Department at 651-296-4178 or Melissa.Johnson@house.mn.

2012 Capital Budget - Laws 2012, Chapter 293

(all \$ in thousands)

AGENCY Project Title	Fund	Gov's Recs 3/6/2012	2011 Bonding Act	Chapter 293	Biennial Total ¹
UNIVERSITY OF MINNESOTA					
Higher Education Asset Preservation and Replacement (HEAPR)	GO	\$ 20,000	\$ 25,000	\$ 50,000	\$ 75,000
Combined Heat and Power Plant	GO	\$ 54,000	\$ -	\$ 10,000	\$ 10,000
Itasca Biological Station - Itasca Facilities Improvements	GO	\$ 4,060	\$ -	\$ 4,060	\$ 4,060
Central Corridor Transit Way Laboratory Mitigations	GO	\$ -	\$ 12,500	\$ -	\$ 12,500
Physics and Nanotechnology	GO	\$ -	\$ 51,333	\$ -	\$ 51,333
	Total - GO	\$ 78,060	\$ 88,833	\$ 64,060	\$ 152,893
MN STATE COLLEGES & UNIVERSITIES					
Higher Education Asset Preservation and Replacement (HEAPR)	GO	\$ 20,000	\$ 30,000	\$ 20,000	\$ 50,000
Anoka-Ramsey CC, Coon Rapids - Bioscience and Allied Health Addition	GO/UF	\$ 980	\$ -	\$ 980	\$ 980
Bemidji State University - Business Building Addition / Renovation Design and Demo	GO/UF	\$ -	\$ -	\$ 3,303	\$ 3,303
Century College - Academic Partners Classroom Addition Design and Construction	GO/UF	\$ 5,000	\$ -	\$ 5,000	\$ 5,000
Dakota CTC - Transportation and Emerging Technologies Lab Renovation	GO/UF	\$ 7,230	\$ -	\$ 7,230	\$ 7,230
Minnesota State University Mankato - Clinical Science Center	GO/UF	\$ -	\$ -	\$ 2,065	\$ 2,065
Minneapolis Community and Technical College - Workforce Program Renovation	GO/UF	\$ 13,389	\$ -	\$ 13,389	\$ 13,389
North Hennepin Community College - Bioscience and Health Careers Addition	GO/UF	\$ 26,292	\$ -	\$ 26,292	\$ 26,292
Northland C&TC Design Aviation Expansion	GO/UF	\$ -	\$ -	\$ 300	\$ 300
Ridgewater College, Willmar - Technical Instruction Lab Renovation	GO/UF	\$ 13,851	\$ -	\$ 13,851	\$ 13,851
St. Cloud TCC - Medium Heavy Truck & Auto Body Addition	GO/UF	\$ -	\$ -	\$ 4,000	\$ 4,000
St. Paul College - Health and Science Alliance Center Design	GO/UF	\$ 1,500	\$ -	\$ 1,500	\$ 1,500
Minnesota West Community and Technical College, Worthington - Renovation and Addition	GO/UF	\$ 4,606	\$ -	\$ 4,606	\$ 4,606
NHED Itasca CC - Demolition, Renovation and Addition	GO/UF	\$ -	\$ -	\$ 4,549	\$ 4,549
Rochester CTC - Workforce Center Co-Location	GO/UF	\$ -	\$ -	\$ 8,746	\$ 8,746
South Central College, Faribault Classroom Renovation and Addition	GO/UF	\$ 13,315	\$ -	\$ 13,315	\$ 13,315
Southwest Minnesota State University - Science Lab Renovation Design	GO/UF	\$ 500	\$ -	\$ 500	\$ 500
Science, Technology, Engineering and Math Initiative (9 campuses)	GO/UF	\$ 5,200	\$ -	\$ 2,500	\$ 2,500
Anoka Ramsey CC, Coon Rapids - Fine Arts Building Renovation	GO/UF	\$ -	\$ 5,357	\$ -	\$ 5,357
Hennepin Technical College - Learning Resource and Student Services Renovation	GO/UF	\$ -	\$ 10,566	\$ -	\$ 10,566
Metropolitan State University - Science Education Center (2011 Pre-design)	GO/UF	\$ -	\$ 3,444	\$ -	\$ 3,444
MHED, Mesabi Range CTC Virginia - Iron Range Engineering	GO/UF	\$ -	\$ 3,000	\$ -	\$ 3,000
Minnesota State Moorhead - Livingston Lord Library and IT Renovation	GO/UF	\$ -	\$ 14,901	\$ -	\$ 14,901
Normandale CC - Academic Partnership Center and Student Services	GO/UF	\$ -	\$ 21,984	\$ -	\$ 21,984
SCSU - Intergrated Science and Engineering Lab	GO/UF	\$ -	\$ 42,334	\$ -	\$ 42,334
	Total	\$ 111,863	\$ 131,586	\$ 132,126	\$ 263,712
	GO	\$ 81,244	\$ 97,724	\$ 94,751	\$ 192,475
	UF	\$ 30,619	\$ 33,862	\$ 37,375	\$ 71,237
EDUCATION					
Library Accessibility and Improvement Grants	GO	\$ 1,000	\$ 2,160	\$ 1,000	\$ 3,160
	Total - GO	\$ 1,000	\$ 2,160	\$ 1,000	\$ 3,160
MINNESOTA STATE ACADEMIES					
Asset Preservation	GO	\$ 1,000	\$ 2,160	\$ 1,000	\$ 3,160
MSA Technology Center	GO	\$ 6,150	\$ -	\$ -	\$ -
Frechette Hall and Laundry Building Demolition	GO	\$ 450	\$ -	\$ -	\$ -
	Total - GO	\$ 7,600	\$ 2,160	\$ 1,000	\$ 3,160
PERPICH CENTER FOR THE ARTS EDUCATION					
Loading Dock Repair	GO	\$ 64	\$ -	\$ 64	\$ 64
Road Repair	GO	\$ 99	\$ -	\$ 99	\$ 99
Storm Drainage	GO	\$ 100	\$ -	\$ 100	\$ 100
	Total - GO	\$ 263	\$ -	\$ 263	\$ 263
DEPARTMENT OF NATURAL RESOURCES					
Flood Hazard Mitigation	GO	\$ 20,000	\$ 50,000	\$ 30,000	\$ 80,000
Dam Repair, Reconstruction and Removal	GO	\$ 7,000	\$ -	\$ 3,000	\$ 3,000
Roads and Bridges	GO	\$ 5,000	\$ 4,800	\$ 2,000	\$ 6,800
State Land Reforestation and Stand Improvement	GO	\$ -	\$ -	\$ 2,500	\$ 2,500
Parks and Trails Development	GO	\$ 5,000	\$ -	\$ 4,000	\$ 4,000
Lake Vermillion State Park Development	GO	\$ -	\$ 8,000	\$ 2,000	\$ 10,000
Lake Zumbro Reclamation	GO	\$ -	\$ -	\$ 3,000	\$ 3,000
Asset Preservation	GO	\$ 3,000	\$ 17,000	\$ -	\$ 17,000
RIM Critical Habitat Match	GO	\$ 3,000	\$ -	\$ -	\$ -
Waster Access Renewal/Aquatic Invasive Species Control	GO	\$ 12,000	\$ -	\$ -	\$ -
Groundwater Monitoring, Observation Wells	GO	\$ 500	\$ 600	\$ -	\$ 600
Coon Rapids Dam Renovation	GO	\$ -	\$ 16,000	\$ -	\$ 16,000
Lake Superior Campground Expansion	GO	\$ -	\$ 1,250	\$ -	\$ 1,250
State Trail Acquisition and Development	GO	\$ -	\$ 5,800	\$ -	\$ 5,800
	Total - GO	\$ 55,500	\$ 103,450	\$ 46,500	\$ 149,950

2012 Capital Budget - Laws 2012, Chapter 293

(all \$ in thousands)

AGENCY Project Title	Fund	Gov's Recs 3/6/2012	2011 Bonding Act	Chapter 293	Biennial Total ¹
POLLUTION CONTROL AGENCY					
Closed Landfill Program	GO	\$ 10,000	\$ 7,000	\$ 2,000	\$ 9,000
Stormwater Ponds Grant	GO	\$ 2,788	\$ -	\$ -	\$ -
Capital Assistance Program	GO	\$ 5,600	\$ 550	\$ -	\$ 550
	Total - GO	\$ 8,388	\$ 7,550	\$ 2,000	\$ 9,550
BOARD OF WATER AND SOIL RESOURCES					
Reinvestment in Minnesota (RIM) Program	GO	\$ -	\$ 20,000	\$ 6,000	\$ 26,000
Wetland Restoration Due to Public Road Projects	GO	\$ -	\$ 1,614	\$ 6,000	\$ 7,614
Minnesota River Basin, Area II - Floodwater Retention	GO	\$ -	\$ 1,000	\$ -	\$ 1,000
	Total - GO	\$ -	\$ 22,614	\$ 12,000	\$ 34,614
DEPARTMENT OF AGRICULTURE					
Emergency power supply for MDA/MDH Labs	GO	\$ 706	\$ -	\$ 706	\$ 706
	Total - GO	\$ 706	\$ -	\$ 706	\$ 706
RURAL FINANCE AUTHORITY					
Rural Finance Authority Grants	UF	\$ 33,000	\$ -	\$ 33,000	\$ 33,000
	Total - UF	\$ 33,000	\$ -	\$ 33,000	\$ 33,000
MINNESOTA ZOOLOGICAL GARDENS					
Asset Preservation/Exhibit Renewal	GO	\$ 7,000	\$ 4,000	\$ 4,000	\$ 8,000
	Total - GO	\$ 7,000	\$ 4,000	\$ 4,000	\$ 8,000
ADMINISTRATION					
Asset Preservation	GO	\$ 21,000	\$ 8,150	\$ 500	\$ 8,650
Capitol Restoration	GO	\$ -	\$ -	\$ 44,000	\$ 44,000
Statewide CAPRA	GO	\$ 2,500	\$ 2,830	\$ 1,000	\$ 3,830
Hennepin County, Washburn Center for Children	GO	\$ 5,000	\$ -	\$ 5,000	\$ 5,000
Peace Officer's Memorial Capitol Grounds Restoration	GO	\$ -	\$ -	\$ 55	\$ 55
Agency Relocation	GF	\$ 1,000	\$ -	\$ -	\$ -
Capitol campus parking replacement	UF	\$ 900	\$ -	\$ -	\$ -
University Avenue Tunnel	GO	\$ 6,600	\$ -	\$ -	\$ -
	Total	\$ 37,000	\$ 10,980	\$ 50,555	\$ 61,535
	GO	\$ 35,100	\$ 10,980	\$ 50,555	\$ 61,535
	UF	\$ 900	\$ -	\$ -	\$ -
	GF	\$ 1,000	\$ -	\$ -	\$ -
AMATEUR SPORTS COMMISSION					
National Sports Center - HVAC replacement	GO	\$ 375	\$ -	\$ 375	\$ 375
	Total - GO	\$ 375	\$ -	\$ 375	\$ 375
MILITARY AFFAIRS					
Asset Preservation	GO	\$ 5,500	\$ 3,775	\$ 4,000	\$ 7,775
Camp Ripley Education Center Addition	GO	\$ 19,500	\$ 1,830	\$ 19,500	\$ 21,330
	Total - GO	\$ 25,000	\$ 5,605	\$ 23,500	\$ 29,105
DEPARTMENT of TRANSPORTATION					
Local Bridge Replacement and Rehabilitation	TF	\$ 25,000	\$ 33,000	\$ 30,000	\$ 63,000
Local Road Improvements	TF	\$ -	\$ 10,000	\$ 10,000	\$ 20,000
Greater Minnesota Transit	GO	\$ 10,000	\$ 2,500	\$ 6,400	\$ 8,900
Railroad Warning Devices Replacement	GO	\$ 2,500	\$ 3,000	\$ 2,000	\$ 5,000
Port Development Assistance	GO	\$ 3,000	\$ 3,000	\$ 1,000	\$ 4,000
Rail Service Improvement	GO	\$ -	\$ 700	\$ -	\$ 700
Rochester Maintenance Facility	THB	\$ 16,100	\$ -	\$ -	\$ -
Willmar District Headquarters	THF	\$ 7,500	\$ -	\$ -	\$ -
Plymouth Truck Station	THF	\$ 5,600	\$ -	\$ -	\$ -
Cambridge Truck Station	THF	\$ 3,300	\$ -	\$ -	\$ -
Design Fees-Crookston, Eden Prairie, Mendota Truck Stations	THF	\$ 1,100	\$ -	\$ -	\$ -
Airport Infrastructure Program	GO	\$ -	\$ 3,700	\$ -	\$ 3,700
	Total	\$ 74,100	\$ 55,900	\$ 49,400	\$ 105,300
	GO	\$ 40,500	\$ 55,900	\$ 49,400	\$ 105,300
	THF	\$ 17,500	\$ -	\$ -	\$ -
	THB	\$ 16,100	\$ -	\$ -	\$ -

2012 Capital Budget - Laws 2012, Chapter 293

(all \$ in thousands)

AGENCY Project Title	Fund	Gov's Recs 3/6/2012	2011 Bonding Act	Chapter 293	Biennial Total ¹
METROPOLITAN COUNCIL					
Metropolitan Regional Parks Capital Improvements	GO	\$ 5,000	\$ 5,000	\$ 4,586	\$ 9,586
Metropolitan Cities Wastewater Inflow & Infiltration Abatement Grants	GO	\$ -	\$ -	\$ 4,000	\$ 4,000
Minneapolis Parks and Rec, Phillips Community Center Pool Renovation (H.F. 307)	GO	\$ 2,100	\$ -	\$ 1,750	\$ 1,750
Hennepin County Minneapolis Interchange Facility	GO	\$ -	\$ -	\$ 2,500	\$ 2,500
SW Corridor LRT	GO	\$ 25,000	\$ -	\$ -	\$ -
Transit Capital Improvement Program	GO	\$ -	\$ 20,000	\$ -	\$ 20,000
	Total - GO	\$ 32,100	\$ 25,000	\$ 12,836	\$ 37,836
DEPARTMENT of HUMAN SERVICES					
Systemwide Asset Preservation	GO	\$ 2,500	\$ 4,700	\$ 2,000	\$ 6,700
Maplewood, Harriet Tubman Center East	GO	\$ 3,435	\$ -	\$ 2,000	\$ 2,000
MSH, St. Peter Campus - Design & Construct New Facilities, Phase 1	GO	\$ 40,000	\$ -	\$ 3,683	\$ 3,683
MSOP, St. Peter Campus - Predesign/Design/Remodel/Construct	GO	\$ 1,700	\$ -	\$ -	\$ -
Early Childhood Learning Facilities	GO	\$ 3,100	\$ -	\$ -	\$ -
Early Childhood Learning and Child Protection Facilities	GO	\$ -	\$ 1,900	\$ -	\$ 1,900
MSOP - Shantz Building Renovation, St. Peter	GO	\$ -	\$ 7,000	\$ -	\$ 7,000
Remembering With Dignity	GO	\$ -	\$ 300	\$ -	\$ 300
	Total - GO	\$ 50,735	\$ 13,900	\$ 7,683	\$ 21,583
VETERANS AFFAIRS DEPARTMENT					
Asset Preservation	GO	\$ 3,000	\$ 2,300	\$ 3,000	\$ 5,300
Minneapolis Nursing Care Bed Replacement - Phase 3	GO	\$ 25,420	\$ -	\$ 3,050	\$ 3,050
Minneapolis Building 13 Centralized Pharmacy	GO	\$ 1,366	\$ -	\$ 1,366	\$ 1,366
	Total - GO	\$ 29,786	\$ 2,300	\$ 7,416	\$ 9,716
DEPARTMENT OF CORRECTIONS					
Asset Preservation	GO	\$ 15,000	\$ 19,000	\$ 5,000	\$ 24,000
MCF, Stillwater - Well and Water Treatment Facility	GO	\$ 3,391	\$ -	\$ 3,391	\$ 3,391
Northeast Regional Correctional Center (NERCC) Facility Improvements	GO	\$ 737	\$ -	\$ 737	\$ 737
MCF, Shakopee - Perimeter Security Fence	GO	\$ 5,407	\$ -	\$ -	\$ -
MCF, St. Cloud - New Intake, Health Services & Loading Dock	GO	\$ 29,901	\$ -	\$ -	\$ -
	Total - GO	\$ 54,436	\$ 19,000	\$ 9,128	\$ 28,128
EMPLOYMENT AND ECONOMIC DEVELOPMENT					
Greater MN Business Development Public Infrastructure Grant Program	GO	\$ 5,000	\$ 4,000	\$ 6,000	\$ 10,000
Redevelopment Account	GO	\$ 5,000	\$ -	\$ 3,000	\$ 3,000
Transportation Economic Development Program	GO	\$ 10,000	\$ -	\$ 3,000	\$ 3,000
Business Development Through Capital Project Grant Program	GO	\$ -	\$ -	\$ 47,500	\$ 47,500
Austin, International Center of Research and Technology (Hormel Institute)	GO	\$ 13,500	\$ -	\$ 13,500	\$ 13,500
Bemidji, Lakeland Public Television Media Center (senate has in admin)	GO	\$ 3,000	\$ -	\$ 3,000	\$ 3,000
South St. Paul - Floodwall Extension	GO	\$ -	\$ -	\$ 500	\$ 500
St. Paul, Regional Baseball Park, Site Prep and Design	GO	\$ 27,000	\$ -	\$ -	\$ -
St. Cloud Civic Center	GO	\$ 10,100	\$ -	\$ -	\$ -
Mankato Civic Center	GO	\$ 14,500	\$ -	\$ -	\$ -
Minneapolis, Nicollet Avenue Rebuild	GO	\$ 25,000	\$ -	\$ -	\$ -
Minneapolis, Sculpture Garden Presevation	GO	\$ 8,500	\$ -	\$ -	\$ -
Oakdale, Veterans Memorial	GO	\$ 30	\$ -	\$ -	\$ -
Rochester, Mayo Civic Center Expansion	GO	\$ 35,000	\$ -	\$ -	\$ -
Wadena, Regional Wellness Center	GO	\$ 4,750	\$ -	\$ -	\$ -
Bloomington - Lindau Lane Corridor	GO	\$ -	\$ 15,450	\$ -	\$ 15,450
Hennepin County - African American History Museum	GO	\$ -	\$ 1,000	\$ -	\$ 1,000
Innovative Business Development Infrastructure Grant Program	GO	\$ -	\$ 5,000	\$ -	\$ 5,000
	Total - GO	\$ 161,380	\$ 25,450	\$ 76,500	\$ 101,950
PUBLIC FACILITIES AUTHORITY					
State Match For Federal Grants	GO	\$ 17,077	\$ -	\$ 8,500	\$ 8,500
Wastewater Infrastructure Funding Program	GO	\$ 25,000	\$ 20,000	\$ 15,000	\$ 35,000
Lutsen Lake Superior Water Project	GO	\$ 3,600	\$ -	\$ -	\$ -
	Total - GO	\$ 45,677	\$ 20,000	\$ 23,500	\$ 43,500
MN HOUSING FINANCE AGENCY					
Public Housing Rehabilitation	GO	\$ 7,000	\$ -	\$ 5,500	\$ 5,500
Foreclosure Remediation, Supportive Housing and Preservation	MHFA	\$ 25,000	\$ -	\$ 30,000	\$ 30,000
	Total	\$ 32,000	\$ -	\$ 35,500	\$ 35,500
	GO	\$ 7,000	\$ -	\$ 5,500	\$ 5,500
	MHFA ²	\$ 25,000	\$ -	\$ 30,000	\$ 30,000

2012 Capital Budget - Laws 2012, Chapter 293

(all \$ in thousands)

AGENCY Project Title	Fund	Gov's Recs 3/6/2012	2011 Bonding Act	Chapter 293	Biennial Total ¹
248			\$ -		
249					
250					
251	GO	\$ 3,250	\$ 1,900	\$ 2,500	\$ 4,400
252	GO	\$ -	\$ -	\$ 750	\$ 750
253					
254					
255					
256					
257					
258	GO	\$ 26,000	\$ -	\$ -	\$ -
259	GO	\$ -	\$ 3,000	\$ -	\$ 3,000
260	GO	\$ -	\$ 4,700	\$ -	\$ 4,700
261	GO	\$ -	\$ 1,000	\$ -	\$ 1,000
262					
263					
264					
265					
266					
267	GO	\$ -	\$ 5,659	\$ -	\$ -
268					
269					
270					
271					
272					
273	GO	\$ 831	\$ 553	\$ 560	\$ 1,113
274					
275					
276					
277					
278					
279					
280					
281	GO	\$ 750,931	\$ 521,278	\$ 496,483	\$ 1,017,761
282	UF	\$ 64,519	\$ 33,862	\$ 70,375	\$ 104,237
283	GF	\$ 1,000	\$ -	\$ -	\$ -
284	THF	\$ 17,500	\$ -	\$ -	\$ -
285	THB	\$ 16,100	\$ -	\$ -	\$ -
286	MHFA	\$ 25,000	\$ -	\$ 30,000	\$ 30,000
287	TOTAL	\$ 875,050	\$ 555,140	\$ 596,858	\$ 1,151,998
288					
289	GO	\$ 750,931	\$ 521,278	\$ 496,483	\$ 1,017,761
290	GO	\$ -	\$ (23,700)	\$ -	\$ (23,700)
291					
	Total GO Impact	\$ 750,931	\$ 497,578	\$ 496,483	\$ 994,061

2012 Capital Budget - Laws 2012, Chapter 293
Match Requirements (Amounts NOT shown on spreadsheet)

	Match Req.	% Match
University of Minnesota (1)		
Combined Heat & Power Plant	5,000,000	33%
Itasca Biological Station	2,030,000	33%
Department of Education		
Library Grants	1,000,000	50%
Dept. of Natural Resources		
Flood Hazard Mitigation (2)	30,000,000	50%
Dam Repair, Reconstruction & Removal (3)	3,000,000	50%
Lake Zumbro (Grant to Olmstead Co)	3,000,000	50%
Administration		
Washburn Center for Children (Grant to Hennepin Co)	5,000,000	50%
Transportation (4)		
Port Development Assistance	200,000	20%
Metropolitan Council		
Metro Regional Parks Capital Improvements	3,057,000	40%
Municipal Wastewater Systems - Inflow and Infiltration Grants	4,000,000	50%
Phillips Community Center Pool (Grant to Mpls Parks & Rec)	350,000	20%
Employment & Economic Development		
Greater MN Business Development Public Infrastructure Grant Program	6,000,000	50%
Redevelopment Account	3,000,000	50%
Transportation Economic Development Program	1,290,000	30%
Business Development Through Capital Projects Grant Program	47,500,000	50%
Austin Port Authority - Research and Technology Center	13,500,000	50%
Bemidji Regional Public Television Station	750,000	25%
South St. Paul - Floodwall Extension	500,000	50%
Public Facilities Authority		
Wastewater Infrastructure Funding Program	5,250,000	35%
Minnesota Historical Society		
County and Local Historic Preservation Grants	750,000	50%
Total Match Requirements	135,177,000	

(1) The State bonds for 2/3 of total project costs for U of MN projects. The University bonds for its 1/3 portion on its own, the amount noted here. The State bonds for 100% of MnSCU projects, but bills MnSCU for its 1/3 contribution.

(2) With exceptions. For example, flood hazard mitigation projects in the Red River Valley that meet certain criteria are eligible for 75% funding.

(3) Match requirement only applies to dams not owned by the State.

(4) The Local Bridge program does not specify a match percentage, but requests info about proposed local funding dollars.