

House Research Act Summary

CHAPTER: 20, as amended by chapter 156, article 2, section 43, and as amended by Laws 2005 1st Special Session chapter 7, sections 4, 5, and 30

SESSION: 2005 Regular Session

TOPIC: Omnibus Capital Investment Act

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Analyst: Deborah A. Dyson
Kathy Novak

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Overview

This is the omnibus capital investment act, effective April 12, 2005. For detailed information on the appropriation amounts and funding sources, see the spreadsheet prepared by John Walz, House Fiscal Analyst, <http://www.house.leg.state.mn.us/fiscal>.

Article 1

Appropriations and Related Language

- 1 **Capital improvement appropriations.** Summarizes the appropriations made in the bill by agency and by fund. Total capital spending is \$944,980,000.
- 2 **University of Minnesota.** Total appropriation of \$108,383,000 to the Board of Regents of the University of Minnesota.

Subd. 2. Higher Education Asset Preservation and Replacement (HEAPR).
\$40.0 million for asset preservation and replacement according to law.

Subd. 3. Duluth campus.

(a) \$10.1 million to design and renovate the life science building for the pharmacy program and other academic programs.

(b) \$8.7 million for recreational sports center addition.

Subd. 4. Morris campus.

(a) \$4 million for district heating, to design and construct a biomass heat generating facility, contingent on the chancellor of the Morris campus and the station head of the West Central Research and Outreach Center having a written operations plan that provides the Research and Outreach Center adequate access to the facility for research.

(b) \$1.8 million to construct a football stadium shared with the Morris school district, contingent on nonstate funding to complete the project and an agreement between the school board and the University regarding the use and operation of the stadium.

Subd. 5. Twin Cities campus.

(a) Kolthoff Hall. \$17.4 million to renovate Kolthoff Hall for the department of chemistry.

(b) Education Sciences. \$14.5 million to renovate the old Minerals Resources Research building for education sciences.

(c) Academic Health Center. \$11.6 million to renovate and equip classrooms in the Academic Health Center and the veterinary medicine teaching center on the St. Paul campus.

Subd. 6. North Central Research and Outreach Center – Grand Rapids. \$283,000 to construct the Grand Rapids shops.

Subd. 7. University share. Requires the Board of Regents to provide nonstate funding for the balance of the costs for the all projects except asset preservation and the Morris football stadium. This is in lieu of the one-third user financing contribution required of the University in the past.

Subd. 8. Unspent appropriations. Authorizes the board to use unspent appropriations for completed or abandoned projects for asset preservation after notice to the commissioner of finance and with a report to the legislature February 1 of the even-numbered years.

3 Minnesota State Colleges and Universities (MnSCU). Total appropriation of \$213,598,000 to the Board of Trustees.

Subd. 2. HEAPR. \$41.5 million for asset preservation and replacement according to law.

Subd. 3. Anoka Ramsey Community College – Cambridge. \$10.483 million to construct an addition to and for renovation of the main campus building for science labs and an academic support center.

Subd. 4. Bemidji State University – Northwest Technical College. \$10.863 million for renovation of Bridgeman Hall and for an addition at Northwest Technical College as phase 2 of the emerging technology project.

Subd. 5. Central Lakes College. \$5.953 million to construct shop space at the Staples West campus, to renovate space at Staples main campus and to construct music classrooms and a rehearsal addition at the Brainerd campus.

Subd. 6. Century Community and Technical College.

(a) \$4.888 million to renovate purchased space into a computer center, offices, and smart classrooms.

(b) \$1 million to design a science center and a learning resources center

Subd. 7. Dakota Technical College. \$7.387 million to renovate an information technology and a telecommunications center, and to expand the library and academic support center. Contingent on at least \$200,000 from nonstate sources.

Subd. 8. Fond du Lac Tribal and Community College. \$635,000 to design a library addition and phase 1 of the Lester Jack Briggs cultural center.

Subd. 9. Inver Hills Community College. \$6.045 million to construct an addition to and to renovate the College Center Building.

Subd. 10. Lake Superior College. \$11.243 million to construct an addition for classrooms, computer labs and other space.

Subd. 11. Minneapolis Community and Technical College. \$900,000 to design, through construction documents, a health sciences center and renovated science labs.

Subd. 12. Minnesota State College – Southeast Technical College. \$3.802 million for campus renovations including a student center, bookstore, classrooms, library, and nursing department.

Subd. 13. Minnesota State Community and Technical College – Fergus Falls. \$7.604 million to construct an addition for fine arts, technology and student services and for classroom improvements.

Subd. 14. Minnesota State Community and Technical College – Moorhead. \$7.061 million to construct an addition and renovated space for allied health and other programs.

Subd. 15. Minnesota State University – Mankato. \$2.56 million to design an addition to and partial renovation of Trafton Science Center.

Subd. 16. Minnesota State University - Moorhead.

(a) \$10.477 million to renovate Hagen Hall for classrooms, labs and related offices.

(b) \$500,000 for design to renovate MacLean Hall.

Subd. 17. Northland Community College. \$2.156 million to construct an addition for the workforce center and to renovate space for nursing programs, and instructional and office space.

Subd. 18. Riverland Community and Technical College. \$5.54 million to renovate space for science labs and classrooms at the Austin and Albert Lea campuses.

Subd. 19. Rochester Community and Technical College. \$12.759 million to renovate buildings for a health science center.

Subd. 20. St. Cloud State University. Total appropriations of \$4,050,000.

(a) \$3.15 million to renovate and convert Centennial Hall to classroom and office use. This amount is in addition to the \$10 million appropriated for this project in 2003.

(b) \$900,000 for design of an addition to and renovation of Brown Hall and Math and Science Hall for science and health instruction.

Subd. 21. St. Cloud Technical College. \$15.056 million to construct an addition to and to renovate classrooms, labs and offices for health programs and co-location of a workforce center.

Subd. 22. St. Paul College. \$10.993 million to design and renovate labs and to construct an entryway with offices, conference rooms and study areas.

Subd. 23. South Central Technical College. \$5.157 million to remodel labs at the North Mankato campus and for asset preservation at the Faribault campus.

Subd. 24. Winona State University. \$11.118 million to renovate Pasteur Hall for classrooms, labs and related offices.

Subd. 25. Systemwide Renovations.

(a) Science lab renovations. \$6,668,000 to renovate science laboratories at named campuses statewide.

(b) Workforce training classrooms. \$3,083,000 to renovate and equip classrooms with learning technology at named campuses statewide.

(c) Technology updated classrooms. \$1,019,000 to renovate and equip learning technology classrooms at named campuses statewide.

(d) Demolition initiative. \$1,625,000 to demolish obsolete buildings on ten campuses.

(e) Program consolidation. \$1,173,000 to renovate and equip space to consolidate programs.

(f) Land acquisition. \$300,000 to acquire property near college and university campuses.

Subd. 26. Debt service. Requires the Board of Trustees to pay debt service on one-third of the principal amount of state bonds sold for projects, except for HEAPR. If a nonstate match is required, debt service is one-third of the amount less the match.

4 **Perpich Center for Arts Education.** Total appropriation of \$1,083,000 to the commissioner of administration.

Subd. 2. Campus asset preservation. \$558,000 for asset preservation according to law.

Subd. 3. Beta building demolition. \$525,000 to demolish the building, dispose of materials and fill the site.

5 **Education.** Total appropriation of \$20,583,000 to the commissioner of education or other named agency.

Subd. 2. Red Lake School District. \$18 million from the maximum effort school loan fund to design, construct and renovate a new middle school and the existing high school. Requires the district and commissioner of education to report to the legislature on the loan by January 10, 2006.

Subd. 3. East Metro Integration District. \$1.083 million for a grant to complete land acquisition of the Crosswinds Arts and Science Middle School site. This appropriation is in addition to previous appropriations of \$3.8 million, \$16 million, and \$1.7 million for the same project.

Subd. 4. Library improvement grants. \$1 million for grants to public libraries to renovate or expand an existing library or construct a new library. See section 34 of this article.

Subd. 5. Early childhood learning and child protection facilities. \$500,000 to the commissioner of human services for grants to rehabilitate facilities, up to a limit of \$75,000 per program and \$200,000 per facility.

6 **Minnesota State Academies.** Total appropriation of \$4,255,000 to the commissioner of administration for asset preservation at campuses of the academies for the Deaf and Blind.

7 **Natural Resources.** Total appropriation of \$72,145,000 to the commissioner of natural resources.

Subd. 2. Flood hazard mitigation grants. \$27 million for the state share of flood hazard mitigation grants under law for listed projects, including:

- \$2 million for projects related to the Austin flood in the area included in the disaster declaration DR-1569.

- \$175,000 is for the state share of a Cannon Falls grant to alleviate flooding from bluff runoff and the Little Cannon and Cannon rivers.

Authorizes the commissioner to allocate unused money from projects unable to use all appropriated funds to projects on the priority list.

Requires the state share of the Roseau River Wildlife Management Area, Palmville, and Malung to be \$3 for every \$1 nonstate contribution. Provides that the appropriation is also for the local share of named projects if the project cost exceeds 2 percent of the municipality's median household income times the number of households.

Exempts the Canisteo Mine project from the local share requirements.

Extends the expiration date to June 30, 2007, for a grant from the Department of Natural Resources to Stillwater for flood hazard mitigation.

Subd. 3. Dam renovation and removal. \$2 million to renovate or remove publicly owned dams, according to priorities determined by the commissioner under law, including: dam removal and restoration of Rush Creek in Chisago County, repair of Rapidan dam in Blue Earth County, repair of Vermilion River dam in St. Louis County, replacement of the Shellrock River dam. Exempts the Rapidan dam project from the local match requirement.

Authorizes the commissioner to transfer unencumbered money in a completed project account for dam renovation or removal projects on the priority list.

Subd. 4. RIM – critical habitat match. \$2 million for the state match for the critical habitat private sector matching account for use according to law.

Subd. 5. RIM – wildlife area land acquisition. \$10 million to acquire land for wildlife management according to law. Some of this amount may be used for the state contribution to a buffer zone around Camp Ripley.

Subd. 6. Fisheries acquisition and improvement. \$1.05 million to acquire and to make public improvements to land for aquatic management areas.

Subd. 7. Water access acquisition, betterment, and fishing piers. \$2 million to acquire and improve public water access on lakes and rivers.

Subd. 8. Canoe and boating routes. \$300,000 to develop the Red River of the North route.

Subd. 9. Stream protection. \$500,000 to restore Trout Brook and Dark River.

Subd. 10. Reforestation. \$2 million for increased reforestation to meet the requirements in law.

Subd. 11. Metro greenways and natural areas. \$500,000 for grants to local government to acquire or improve greenways and natural areas in the metro region, including purchase of conservation easements, according to priorities determined by the commissioner in consultation with local government and others.

Subd. 12. Native prairie bank easements and development. \$1 million to acquire easements and to improve native prairie bank land.

Subd. 13. Scientific and natural area acquisition and development. \$300,000

to acquire land and for development protection and improvements according to law.

Subd. 13. State trail development and acquisition. \$7.91 million for trail acquisition, and development. Set asides:

- \$1.5 million for Blazing Star Trail
- \$435,000 for the Preston-Forestville portion of the Blufflands Trail
- \$200,000 for the Blufflands Trail from Chester Woods County Park to Rochester, primarily for nonmotorized use
- 400,000 for the Douglas Trail
- \$400,000 for the Gateway Trail
- \$725,000 for the Gitchi Gami Trail
- \$500,000 for the Glacial Lakes Trail
- \$200,000 for the Goodhue Pioneer Trail
- \$300,000 for the Heartland Trail
- \$300,000 for the Mill Towns Trail
- \$100,000 for the Minnesota River Trail
- \$2.4 million for the Paul Bunyan Trail for an extension over a road in Baxter to connect with the Oberstar Tunnel, to acquire right-of-way in Bemidji and to rehabilitate the trail.
- \$450,000 for the Shooting Star Trail.

Subd. 15. Trail connections. \$885,000 for matching grants according to law, for the following trail connections:

- \$365,000 to Stearns County to acquire, engineer and construct connections on the Lake Koronis Trail. Allows nonstate money previously spent on the project to serve as match.
- \$220,000 to Stearns County to link the Lake Wobegon Trail to the Central Lakes State Trail
- \$300,000 to the St. Louis and Lake Counties Regional Railroad Authority for the Mesabi Station, contingent on an \$800,000 match.

Subd. 16. County forest land reforestation. \$1 million for matching grants to counties for reforestation on county-administered land to supplement county timber development funding under law. Requires an equal match.

Subd. 17. Fish hatchery improvements. \$1.7 million to renovate state owned and operated fish culture facilities.

Subd. 18. RIM – wildlife management area development. \$600,000 for wildlife management area improvements and protection under law.

Subd. 19. State forest and forest legacy land acquisition. \$1.5 million to acquire private lands from willing sellers for state forest infill and within forest legacy areas.

Subd. 20. Forest road and bridge projects. \$300,000 for improvements, under law, to state forest roads and bridges statewide.

Subd. 21. State park and recreation area acquisition. \$2.5 million to acquire private lands from willing sellers for state park and recreation area infill. Of this, \$500,000 is to buy land inside the Greenleaf Lake State Park in Meeker County

Subd. 22. State park and recreation area building development. \$1.8 million to improve state parks and recreation areas according to the management plan required in law, with \$300,000 for pre-design and design of a visitor's center and shop at Grand Portage.

Subd. 23. Local initiative grants. \$1 million for grants for local parks, natural and scenic areas and regional parks in Greater Minnesota for up to 60 percent of nonfederal share of costs. Also available for urban forest replacement.

Subd. 24. Lake Superior safe harbor. \$2 million to improve public access and small craft harbors on Lake Superior with the Corps of Engineers and for capital purchases from Lake County.

Subd. 25. Statewide asset preservation. \$2 million for asset preservation under law at DNR buildings statewide.

Subd. 26. Field office renovation. \$300,000 for field office construction and improvements.

8 Pollution Control Agency. Total appropriation of \$10,000,000 for the closed landfill program under law.

9 Office of Environmental Assistance. Total appropriation of \$4,000,000 for the solid waste capital assistance grants under law for Red Wing (\$2 million) and Olmsted County (\$2 million).

10 Board of Water and Soil Resources. Total appropriation of \$27,862,000.

Subd. 2. RIM and CREP conservation easements. \$23 million to acquire conservation easements from owners of marginal lands for the protection of soil, water and habitat under law. \$3 million of this is for implementation.

Subd. 3. Wetland replacement due to public road projects. \$4.362 million to acquire or restore wetlands as replacement for wetlands drained or filled by public roads. Property must be purchased at fair market value. The Board may enter into agreements for acquisition of land or wetland banking credits. Land may be acquired

in the name of the political subdivision.

Subd. 4. Area II Minnesota River basin grant-in-aid program. \$500,000 for grants to local governments to assist with floodwater retention systems in Area II of the Minnesota River with a \$1 nonstate match for \$3 state grant.

11 **Agriculture.** Total appropriation of \$3,919,000 to the Board of Regents of the University of Minnesota.

Subd. 2. Agricultural water management research partnership. \$619,000 for projects at research outreach centers at Crookston, Morris, Lamberton, and Waseca in partnership with the Department of Agriculture.

Subd. 3. Joint plant pathology research. \$3.3 million to design, construct, furnish, and equip a level 3 plant pathogen containment research facility at the University of Minnesota, St. Paul campus, contingent on \$1.6 million in nonstate match. Includes \$100,000 to complete the level 2 facility.

12 **Minnesota Zoological Garden.** Total appropriation of \$22,640,000.

Subd. 2. Phase I of master plan. \$20.64 million to construct facilities for the Gateway to the North exhibit, consistent with the current master plan.

Subd. 3. Asset preservation. \$2 million for asset preservation at the zoo under law.

13 **Administration.** Total appropriation of \$7,279,000.

Subd. 2. Capital asset preservation and replacement account (CAPRA). \$3 million for asset preservation according to law.

Subd. 3. Asset preservation. \$2.5 million for asset preservation in properties managed by the Department of Administration according to law.

Subd. 4. Parking. \$1.779 million to renovate and expand parking in the capitol area. Requires the debt to be financed with parking fees.

14 **Capitol Area Architectural and Planning Board.** Total appropriation of \$2,370,000 to the commissioner of administration.

Subd. 2. Capitol interior renovation. \$1.2 million for schematic design of the renovation and restoration of all interior areas of the capitol. Prohibits planning for buildings outside the capitol. Requires the approval of the senate or the house of representatives for projects including space under their control.

Subd. 3. Capitol third floor. \$1.17 million for repair and restoration of the third floor public areas of the Capitol. Requires restoration of the dome through private fund raising.

15 **Military Affairs.** Total appropriation of \$4,000,000 to the Adjutant General for asset preservation at facilities throughout the state.

16 **Veterans Affairs.** Total appropriation of \$670,000 to the commissioner of administration to complete the World War II veterans' memorial on the Capitol mall. This final appropriation is contingent on the deposit of nonstate funds in an account for perpetual maintenance.

17 **Public safety.** Total appropriation of \$642,000 to the commissioner of public safety for a

grant for a fire and police station in Blue Earth contingent on an equal nonstate match.
Transportation. Total appropriation of \$94,000,000.

Subd. 2. Local bridge replacement and rehabilitation. \$40 million from the bond proceeds account in the state transportation fund for grants to political subdivisions to match federal funds for repair or replacement of local, deficient bridges on the state transportation system.

Subd. 3. Local road improvement program. \$10 million from the bond proceeds account in the state transportation fund. \$5 million is for routes of regional significance and \$5 million is for capital projects on county state-aid highways to reduce accidents. (See section 36.)

Subd. 4. Port development assistance. \$2 million for grants for publicly owned improvements according to law.

Subd. 5. Northstar commuter rail. \$37.5 million for final design and project management (limited to \$10 million); acquisition of land for stations, maintenance facilities, and park and ride lots; and final design and project management of an extension of the LRT line to connect with the commuter rail line. Contingent on \$37.5 million local funding and federal approval. Any amount remaining, after a full federal funding agreement is executed, may be used for construction, furnishing and equipping the system. Requires the final design to examine the feasibility of using bio-diesel fuel in the locomotives. If the line is extended from Big Lake to St. Cloud, requires noncontributing members of the corridor development authority to contribute a proportional share of the entire line.

Subd. 6. Rail service improvements. \$2.5 million is transferred to the rail service improvement account, with \$1 million for a grant to New Brighton for a railroad wye.

Subd. 7. Duluth aerial lift bridge. \$1 million for capital restoration of the aerial lift bridge, contingent on an equal match from Duluth.

Subd. 8. St. Paul – Holman field flood protection. \$1 million to the Metropolitan Airports Commission for a permanent flood control perimeter dike at the airport.

Metropolitan Council. Total appropriation of \$30,914,000.

Subd. 2. Cedar Avenue bus rapid transit (BRT). \$10 million for environmental studies, engineering, lane improvements and station construction for BRT on Cedar Avenue between the Mall of America and Lakeville. Prohibits spending within a trunk highway right-of-way.

Subd. 3. Central corridor transit way. \$5.25 million for design, EIS, acquisition of right-of-way, and engineering of the transit way between St. Paul and Minneapolis. Prohibits spending within a trunk highway right-of-way.

Subd. 4. Red Rock corridor transit way. \$500,000 for preliminary engineering and environmental review for the corridor from Hastings through St. Paul to

Minneapolis. Prohibits spending within a trunk highway right-of-way.

Subd. 5. Rush Line corridor bus way. \$500,000 to match federal funds for right-of-way acquisition and engineering in corridor between St. Paul and Hinckley, and for park-and-ride facilities. Prohibits spending within a trunk highway right-of-way.

Subd. 6. Metropolitan regional parks capital improvements. \$14.664 million for capital improvements and acquisition by the council and local governments for regional recreational open-lands, according to the policy plan, with priority for park rehabilitation and acquisition. Columbia Parkway, Ridgeway Parkway and Stinson Boulevard are considered part of the metropolitan regional recreation open space system.

Set asides:

\$100,000 to Ramsey and Washington counties, or either county separately for engineering of a trail adjacent to TH 120, consistent with the Lake Links Trail network master plan.

\$388,000 to St. Paul for park and trail improvements in the Desnoyer Park area.

\$4.676 million to St. Paul for improvements and public park development on Raspberry Island and Upper Landing with \$676,000 as the local match for a federal grant.

\$2.5 million to South St. Paul for closure, capping, and remediation of about 80 acres of the Port Crosby construction and demolition landfill as preparation for development of the area as a park and restoration of land along the Mississippi River as parkland.

20 Human Services. Total appropriation of \$26,073,000.

Subd. 2. State-operated services forensics programs. \$3.259 million to design new facilities at St. Peter Regional Treatment Center for persons committed as sexual psychopathic personalities, sexually dangerous persons, mentally ill, or mentally ill and dangerous.

Subd. 3. Systemwide redevelopment, reuse, or demolition. \$17.6 million to demolish or improve surplus, nonfunctional or deteriorated properties of the department. Set asides:

(a) Up to \$8.6 million for renovation or construction of new space for skilled nursing home capacity for forensic treatment programs at St. Peter Regional Treatment Center (RTC).

(b) \$4 million for site preparation and demolition for redevelopment and reuse of Ah-Gwah-Ching RTC. Permits unspent money to be granted to a local government that acquires the site.

(c) \$1 million to renovate buildings at the Willmar RTC for chemical dependency treatment specializing in methamphetamine addiction and to demolish other buildings

at Willmar RTC. Permits unspent money to be granted to a local government that acquires the site.

(d) Up to \$2.21 million may be used to retire municipal bonds and loans issued and incurred for the waste incinerator and steam heating facility at the Fergus Falls RTC.

(e) Up to \$400,000 for the city of Fergus Falls to demolish the waste-to-energy incineration plant on the RTC grounds.

(f) Waives grant terms and conditions related to the Fergus Falls waste incinerator steam heating facility that come into effect with its closing.

Subd. 4. Willmar regional treatment center retrofit. \$900,000 for work on the Willmar RTC campus to reuse it for health care, mental health care, chemical dependency treatment, housing and other public purposes recommended in the master plan and reuse study for the campus. Permits unspent money to be granted to a local government that acquires the site.

Subd. 5. Systemwide roof renovation and replacement. \$1.014 million at facilities statewide.

Subd. 6. Asset preservation. \$3 million at regional treatment centers. Permits using a portion to acquire a residential property adjacent to the St. Peter RTC.

Subd. 7. Grave markers at regional treatment centers. \$300,000 to purchase and place grave markers with names of individuals at cemeteries located on the sites of current or former regional treatment centers. Prohibits a monument if family of deceased objects.

21 Veterans Home Board. Total appropriation of \$5,437,000 to the commissioner of administration.

Subd. 2. Asset preservation. \$4 million at veterans homes statewide according to law. Up to \$2.2 million of federal money received by the board as reimbursement for capital expenditures at veterans homes is credited to the general fund and appropriated to the commissioner of administration for asset preservation at veterans homes.

Subd. 3. Luverne dementia wander area. \$306,000 for the state's share for an addition.

Subd. 4. Minneapolis veterans home. \$1.031 million for the state's share to remodel Building 4 to provide adult day care services in the surrounding communities.

Subd. 5. Willmar veterans home. \$100,000 for predesign of a nursing home in Willmar.

22 Corrections. Total appropriation of \$98,694,000 to the commissioner of administration.

Subd. 2. Minnesota Correctional Facility – Faribault expansion, Phase I. \$84.844 million to construct a prison expansion and demolition of some existing

facilities.

Subd. 3. Minnesota Correctional Facility – Stillwater, Phase I. \$3.5 million to demolish the former health services building, renovate and equip the discipline and psychology units, and design a new 150-bed segregation unit.

Subd. 4. Minnesota Correctional Facility – Willow River. (a) \$2 million to demolish and replace the activities building. (b) \$350,000 for a building to accommodate up to 100 additional beds. Permits this funding to be used with any other available.

Subd. 5. Asset preservation. \$8 million for capital improvements at correctional facilities throughout the state according to law.

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Employment and Economic Development. Total appropriation of \$167,199,000 to the commissioner of employment and economic development or to the Public Facilities Authority (PFA) as stated.

Subd. 2. State match for federal grants. \$14.38 million to the PFA to match federal grants for the water pollution control revolving fund and the drinking water revolving fund. State money is allocated based on federal appropriations to the programs and must be used for capital projects.

Subd. 3. Wastewater infrastructure funding (WIF). \$29.9 million to the PFA for grants and loans to municipalities through the WIF program. The PFA is directed to fund the 2005 projects in priority order to the extent practical, for applicants that submit plans to the Pollution Control Agency or have a federal funding commitment by December 1, 2006. \$600,000 is to implement the program. Set asides are exceptions to the 2005 priority list and limits in law:

- \$1.5 million for Aurora to reconstruct its wastewater treatment plant damaged by a May 5, 2004, explosion.

- \$1.7 million for the Central Iron Range sanitary sewer district for predesign and design work.

- \$5 million for corrective action on systems built since 2001 with federal USDA Rural Economic and Community Development funds for the cities of Dunnell, Dumont, Henriette, Lewisville, McGrath, and Ostrander.

- \$4.95 million for Duluth for sanitary sewer overflow storage facilities, contingent on an equal match.

- \$1.7 million for Eagle Bend for a wastewater collection and treatment system.

- \$1.5 million for Two Harbors to retire loans incurred for an equalization basin and chlorine contact tank adjacent to the wastewater treatment plan. Requires a nonstate contribution of \$325,000.

- \$1.55 million for Bayport to complete the sewer system from the prison pond in Bayport to the St. Croix River.

- \$2 million for New Brighton to relocate a sanitary sewer interceptor to allow for redevelopment in that area.

Subd. 4. Total maximum daily load grants. \$2 million to the PFA for this new program (see section 39).

Subd. 5. Austin flood relief. \$2 million for public infrastructure repair or replacement with \$800,000 for the Austin area, \$600,000 for the Albert Lea area, \$400,000 for Freeborn County for the Turtle Creek Watershed, and \$200,000 for Blooming Prairie.

Subd. 6. Burnsville. \$3 million to the PFA for Burnsville to build a new water treatment facility to provide additional potable water from the Burnsville quarry. Requires a nonstate match of at least \$6 million split equally between the city and the owner. Allows expenditures made since January 1, 2002, to count towards the nonstate contribution.

Subd. 7. Crookston and Red Lake Falls – riverbank protection. \$2.5 million to the PFA, of which \$1.9 million is for Crookston for emergency riverbank protection and erosion control along the Red Lake River near U.S. 2, and \$600,000 is for Red Lake Falls for the same purposes. Limits and requirements in law are waived for both projects.

Subd. 8. Lewis and Clark Rural Water Systems, Inc. \$2 million to the PFA for grants to counties, rural water systems, or municipalities served by the system, to acquire land, design and construct more facilities to serve southwestern Minnesota. Requires the joint powers board to approve projects funded. Requires \$1 local for every \$1 of state funding. Funding is for the state's share of the first phase.

Subd. 9. Roseau infrastructure repair and municipal complex relocation. \$13.22 million for capital expenditures arising out the 2002 flood. \$4.941 million to the PFA for a grant to Roseau for public infrastructure repair and replacements. \$8.279 million for Roseau for new city facilities located out of the floodway. Allows reimbursement of capital costs paid after the effective date of this act.

Subd. 10. Greater Minnesota business development and infrastructure grant program. \$10 million for the program in law.

Subd. 11. Redevelopment account. \$15 million for the purposes in law, including \$5 million for a grant to Mounds View for public improvements for the Medtronic development; \$1 million for Willmar for airport hangers and precision lighting system; and \$600,000 for the Rushford Institute of Nanotechnology.

Subd. 12. Bioscience development. \$18.5 million for grants to political subdivisions to predesign, design, construct, furnish and equip publicly owned infrastructure to support bioscience development in the state. \$2.5 million is for a grant to Worthington.

Subd. 13. Buffalo Lake – maintenance garage and street repair. \$690,000 for replacement and reconstruction of a facility and city streets damaged by a tornado.

Subd. 14. Detroit Lakes – regional pavilion and band shell. \$283,000 for renovations, contingent on an equal nonstate match.

Subd. 15. Laurentian Energy Authority – wood yard. \$2 million to construct a woodyard for processing and preparing biomass for biomass energy facilities.

Subd. 16. Minneapolis. (a) \$ 22 million to build the new Minnesota planetarium and space discovery center in conjunction with the new library; (b) Permits the unspent balance from a 2000 grant to Minneapolis to be used on the Heritage Park project; (c) \$1 million for predesign, design and related capital costs of Shubert Center atrium.

Subd. 17. Moorhead – Heritage Hjemkomst Center. \$1 million for asset preservation, contingent on an equal nonstate match.

Subd. 18. Orono – Big Island. \$2 million to the city of Orono to acquire the Big Island Veterans camp in Lake Minnetonka. Requires funding from nonstate sources sufficient to complete the purchase and permits purchase to be completed without waiting for other interested governmental agencies to come forward, as required by other law.

Subd. 19. Rochester - University of Minnesota – Mayo Clinic biotechnology research facility. \$21.726 million to the Board of Regents of the University of Minnesota for the purchase of floors in the Mayo Clinic’s Stabile Building in Rochester for collaborative scientific research. The floors are to be owned by the University and operated by the Mayo clinic under a use agreement approved by the commissioner of finance.

Subd. 20. St. Paul – Phalen corridor. \$4 million for land acquisition, complete contamination remediation and to construct Phalen Boulevard.

24 **Housing Finance Agency.** Total appropriation of \$12,350,000.

Subd. 2. Housing the homeless. \$12 million for permanent supportive housing loans and grants under law. Requires equal consideration for single and family projects with priority for property acquisition and rehabilitation projects.

Subd. 3. Supportive housing. \$350,000 for a grant to Hennepin County to design 64 units of affordable supportive housing to be owned by the county and built on property owned by a nonprofit social services provider.

25 **Minnesota Historical Society.** Total appropriation of \$6,000,000.

Subd. 2. Historic sites asset preservation. \$4 million is for asset preservation at state historic sites and buildings, according to law and the priorities determined by the Society based on need.

Subd. 3. County and local preservation grants. \$1 million for allocation to county and local jurisdictions as equal match for historic preservation projects for publicly-owned facilities.

Subd. 4. Fort Snelling Historic Site. \$1 million for the most urgent preservation projects.

- 26 **Bond sale expenses.** Appropriates \$884,000 to the commissioner of finance.
- 27 **Bond sale schedule.** Directs the commissioner of finance to issue bonds so that general fund expenditures for debt service do not exceed the budgeted amount.
- 28 **Bond sale authorization.** Authorizes the sale of state general obligation bonds for the bond proceeds fund, the maximum effort school loan fund and the bond proceeds account in the state transportation fund.
- 29 **Nonstate commitments to capital projects.** Provides that if state capital funding is not sufficient to complete a project, the appropriation is not available until sufficient resources, including any required match amount, have been committed to the project. The commissioner of finance makes that determination.
- 30 **Definitions (state certificates of indebtedness).** Updates the limitation on the amount of certificates of indebtedness the state may sell to meet cash flow requirements by conforming to the current federal arbitrage limitations. That limitation is 5 percent of the actual working capital expenditures from the general fund in the preceding fiscal year.
- 31 **Parks and outdoor recreation areas.** Permits the commissioner of natural resources to make grants to create veterans memorial gardens and parks under the local parks grants program.
- 32 **Applicability (total maximum daily loads).** Adds a cross-reference to new Minnesota Statutes, section 446A.073 (see section 39), which authorizes the Public Facilities Authority to make grants to municipalities or wastewater treatment projects made necessary by wasteload reductions under total maximum daily load plans.
- 33 **Commissioner discretion (Greater Minnesota Redevelopment Account).** Allows the commissioner to make grants for projects in the metropolitan area if the amount in applications for grants from outside the metropolitan area is less than the amount of grant funds available.
- 34 **Library accessibility and improvement grants.** Expands the library access grant program to include improvements and construction of new libraries, in addition to removing architectural barriers to people with disabilities. The maximum amount of a grant to improve accessibility is increased from \$150,000 to \$200,000. The maximum amount of a grant for other renovation or expansion of a library or construction of a new library is set at \$1 million or 50 percent of the approved cost, whichever is less.
- 35 **Disposition of surplus property (MnSCU).** Authorizes the Board of Trustees of the Minnesota State Colleges and Universities to sell lands the Board has declared to be surplus according to the procedure in law and to keep the proceeds of the sale for capital projects at the institution that was responsible for the management of the land.
- 36 **Rural road safety account.** Creates a rural road safety account in the local road improvement fund to make grants to counties to assist in paying the costs of capital improvement projects on county state-aid highways that are intended primarily to reduce traffic crashes, deaths, injuries, and property damage. One-third of the money in the account must be used for projects in the seven-county metro area and the remainder must be used for projects elsewhere.
- 37 **Leases for state-operated, community-based programs.** Permits the commissioner of administration to lease property from a political subdivision to provide state-operated, community-based programs for a term of 20 years or less, with a ten-year or less option to renew. A lease may only be cancelled due to lack of legislative appropriation.
- 38 **Fees (Public Facilities Authority).** Permits the PFA to charge grantees fees (up to one-half of one percent of the grant amount, same as for loans under current law) to cover the agency's costs in making grants.
- 39 **Total maximum daily load grants.** Creates a program of grants made by the Public Facilities Authority to municipalities to cover one-half the cost of wastewater treatment projects made necessary by wasteload reductions under total maximum daily load plans

required by the federal Clean Water Act. The Pollution Control Agency would calculate the eligible project cost as it does for other wastewater treatment grants. Grants would be made in order of approval by the United States Environmental Protection Agency of a total maximum daily load plan and only after the Public Facilities Authority has determined that the additional financing necessary to complete the project has been committed from other sources.

- 40 National sports center.** Amends the 1998 general fund appropriation to the Amateur Sports Commission for athletic fields in Blaine and to develop the children's golf course, to allow the commission to lease up to 20 percent of the land purchased for up to 30 years. Requires the commission to submit proposed leases to the chairs of the State Government Policy and Finance committees. Appropriates the lease payments, up to \$300,000 per year, to the commission for purposes under Minnesota Statutes, chapter 240A (the commission's enabling law). (See Laws 2005, chapter 156, article 2, section 43.)
- 41 Paramount Arts District Regional Arts Center.** Amends the 1998/1999 bond appropriation to allow the St. Cloud HRA to transfer the facility to the city of St. Cloud.
- 42 Harbor of refuge at Two Harbors.** Provides that the 2000 appropriation for the harbor of refuge and marina at Two Harbors does not cancel until June 30, 2006.
- 43 Fergus Falls regional treatment center.** Amends a 2002 bonding appropriation for the treatment center to allow it to be used to facilitate disposition of the campus. Provides that if the property is transferred to a local government, the unspent portion of the appropriation may be granted to the local government for the same purposes.
- 44 Health - MnSCU.** Transfers from the Department of Health to the Board of Trustees of the Minnesota State Colleges and Universities a \$775,000 appropriation made in 2003 to construct a community dental clinic at Lake Superior Community College in Duluth and a dental hygiene clinic in Moorhead.
- 45 Minnesota Zoo Marine Center debt service.** Relieves the Zoo of paying debt service on bonds issued for the Marine Center, beginning in FY 2006.
- 46 Conveyance of surplus state land at regional treatment centers (RTCs).**

Subd. 1. Willmar RTC. Permits the commissioner of administration to convey to a local government for no consideration all or part of the Willmar RTC campus and personal property for public purposes consistent with the mater plan and reuse study. Permits the commissioner to require reimbursement for state funded redevelopment. If a local government sells the property, it must comply with the law governing disposition of state bond financial property except that the local government may keep up to \$568,000 of the sale proceeds to repurchase a portion of the property for public purposes. If the local government later sells the property acquired with that money, the sale proceeds go the commissioner of finance.

Subd. 2. Fergus Falls RTC. Permits the commissioner of administration to convey to one or more local units of government for no consideration all or part of the Fergus Falls RTC campus and personal property for public purposes consistent with the master plan and reuse study. If a local government sells the property it must be for fair market value.

Subd. 3. Ah-Gwah-Ching RTC. Permits the commissioner of administration to transfer the property to Cass County for no consideration, except the land located between the shoreline and the top of the bluff line. The conveyance may include conveyance by a bill of sale of the water treatment facilities in the area not conveyed, and an easement to the facilities. At the state's option, Cass County must, until January 1, 2007, allow the state to lease the space for its programs for the cost of

utilities. Directs the Department of Human Services to sell or transfer up to 150 nursing home bed licenses to a qualified vendor upon the sale or transfer of the Ah-Gwah-Ching campus. Permits the commissioner of administration to transfer the lakeshore parcel to DNR. Requires the commissioner of human services to develop foster care services for 20 individuals in the Walker area.

- 47 **Transfer of MHFA bonding authority to HESO.** Permits the Housing Finance Agency to transfer \$50 million of its tax-exempt bonding authority under the bond allocation statute to the Higher Education Services Office to issue bonds for qualified student loans.
- 48 **Sale of Fuji Ya property; reuse of proceeds.** Permits the Minneapolis Park and Recreation Board to sell a state bond-financed property, known as the Fuji Ya site, originally acquired as part of the Great River Road project, and use the proceeds of the sale for another project on the site and nearby. If the Park Board enters into an agreement with the commissioner of finance, the Park Board may use \$750,000 of the net proceeds of the sale to prepay a 99-year lease for a parking facility with at least 85 parking stalls. It then evenly divides the remaining net proceeds between the state and the Park Board, directing the Park Board to use the money on capital improvements included in the “Above the Falls” master plan. Requires the state to get at least \$544,000. Requires the Park Board to use at least \$25,000 for predesign and design of the East Phillips Cultural and Community Center.
- 49 **University of Minnesota, Duluth parking.** Encourages the University to expand Duluth campus parking by buying property from willing sellers.
- 50 **Maximum effort capital loan forgiven, East Central.** Permits the East Central school district to sell its middle school building. Proceeds of the sale go to the state for deposit in the state bond fund. Forgives the remaining balance of the maximum effort capital loan made in 1982.
- 51 **Effective date.** April 12, 2005.

Article 2 Overview

This article reduces the authorizations in laws from 1983 to 2002 for the issuance of state general obligation bonds to reflect specific changes in law, executive vetoes sustained or not challenged, administrative actions reflecting cancellations or abandonment of all or the unused balance from specific projects, and other actions that result in the adjusted authorizations.

Effective April 12, 2005.