

**Subject** Omnibus capital investment bill

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### Overview

Article 1 contains the appropriations of general obligation bond proceeds. See the spreadsheet by House Fiscal Analyst, Andy Lee.

Article 2 authorizes the sale and issuance of appropriation bonds for various projects.

Article 3 contains general fund appropriations for a variety of culturally significant projects.

Article 4 contains amendments to prior appropriations of general obligation bond proceeds and other provisions.

## Article 2: Appropriation and Housing Infrastructure Bonds

Contains provisions authorizing appropriation bonds for various purposes.

Section	Description – Article 2: Appropriation and Housing Infrastructure Bonds
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1 - 2	<b>Redevelopment appropriation bonds.</b>
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	Appropriates \$300 million of redevelopment appropriation bonds for grants to the cities of Minneapolis and St. Paul for redevelopment of areas adversely affected by civil unrest in May and June of 2020. The Department of Employment and Economic Development (DEED) will grant \$200 million to the city of Minneapolis and \$100 million to the city of St. Paul for these purposes. Grant requirements include: (1) requiring the city to segregate the grant money in a separate account; (2) paying any proceeds of the sale of a property financed with redevelopment appropriation bonds to the state, except in the case when the property is sold to a qualified heir or successor owner; (3) requiring the cities to enhance economic opportunities for long-term residents, to prioritize businesses owned or operated by a minority person, and to prioritize the retention and rebuilding of impacted businesses; (4) requiring that all buildings receiving grant funds meet the SB2030 performance standards; and (5) requiring an annual report to DEED on the expenditures, beginning in 2022.
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**Section Description – Article 2: Appropriation and Housing Infrastructure Bonds**

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Properties financed with a grant funded with redevelopment appropriation bonds are exempt from certain zoning requirements through June 30, 2025. Finally, an annual report is required from DEED to the legislature to detail the uses of the funds and any measures of success toward the grant requirement goals.

**3 Definitions.**

Defines the term “naturally occurring affordable housing” for purposes of housing infrastructure bonds.

**4 Authorization.**

Adds the financing of low-income multifamily rental housing and naturally occurring affordable housing to the authorized uses of housing infrastructure bonds.

**5 Additional authorization.**

Authorizes \$150 million of housing infrastructure bonds to be issued by the Minnesota Housing and Finance Agency.

**6 Additional appropriation.**

Adds an additional appropriation for the debt service on the \$150 million of authorized housing infrastructure bonds.

**7 Housing infrastructure bonds; shelter facilities.**

Uncodified provision that authorizes the Minnesota Housing Finance Agency to issue \$50 million of housing infrastructure bonds for shelter facilities in fiscal year 2022. \$10 million of the authorization is to be granted to Simpson Housing Services, a nonprofit, for shelter facilities in the city of Minneapolis.

**8 Effective date.**

Makes all sections in article 2 effective the day following final enactment.

## **Article 3: Equity Appropriations**

General fund appropriations for various culturally significant projects. See the spreadsheet by House Fiscal Analyst, Andy Lee, for the appropriation amounts.

**Section Description – Article 3: Equity Appropriations**

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**1 Metropolitan Council.**

For a grant to the city of St. Paul for the Wakan Tipi Center project. This is in addition to prior appropriations for the project.

**Section Description – Article 3: Equity Appropriations**

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**2 Employment and economic development.**

**Subd. 1. Total Appropriation.**

**Subd. 2. African Economic Development Solutions.** For a grant to African Economic Development Solutions to acquire property that supports business incubation, workforce development, and technical assistance to African immigrant entrepreneurs.

**Subd. 3. 30,000 Feet; Black Arts Center.** For a grant to 30,000 Feet for a Black Arts Center to increase the number of African American youth and families served through culturally responsive arts and technology education, social-emotional learning, and African American history and culture.

**Subd. 4. Latino Economic Development Center.** For a grant to the Latino Economic Development Center for capital improvements to a small business incubator building.

**Subd. 5. East Side Freedom Library.** For a grant to the city of St. Paul or asset preservation at the Carnegie Library.

**Subd. 6. Food Relief Organizations.** For four grants to Keystone Community Services, Southern Anoka Community Assistance, 360 Communities, and Community Pathways of Steele County, for capital improvements at various food shelf locations.

**Subd. 7. Funny Asian Women Kollektive Arts Center.** For a grant to Funny Asian Women Kollektive for various capital expenditures for an arts center in the city of St. Paul.

**Subd. 8. Leech Lake Band of Ojibwe Veterans Building.** For a grant to the Tribal council of the Leech Lake Band of Ojibwe for capital expenditures for a new veterans building.

**Subd. 9. Mercado Central.** For a grant to Mercado Central for capital improvements at the marketplace facility in the city of Minneapolis.

**Subd. 10. Native American Community Clinic.** For a grant to the Native American Community Clinic for capital expenditures for the building in which the clinic is located.

**Subd. 11. Minneapolis Regional Apprenticeship Training Center.** For a grant to Northgate Development for capital improvements to a former state workforce center building for a regional apprenticeship training center in the city of

**Section Description – Article 3: Equity Appropriations**

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Minneapolis to provide skills training to students and young adults in emerging energy-related and utility careers.

**Subd. 12. Meat Processing Businesses in a Redevelopment Area.** For a grant to the South St. Paul Economic Development Authority to design USDA-grade food processing facilities in an industrial park to create new, value-added economic opportunities for Minnesotans of Southeast Asian descent.

**Subd. 13. Youth Mental Health and Wellness Community Center.** For a grant to 846s.org for capital expenditures for a youth mental health and wellness community center to address community youth mental health concerns and offer academic, career, and entrepreneurial programming for local youth and their families.

**Subd. 14. New American Center For Health Workforce Development.** For a grant to the New American Center for Health Workforce Development for capital expenditures for a property to provide programming and increase immigrant access to information, services, and resources, and establish, expand, and sustain a public health workforce.

**3 Effective date.**

Makes all sections in article 3 effective the day following final enactment.

## **Article 4: Miscellaneous**

Contains amendments to prior appropriations of general obligation bond proceeds and other provisions.

**Section Description – Article 4: Miscellaneous**

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**1 Budget request.**

Requires Minnesota Management and Budget, in consultation with the Department of Corrections (DOC), to include an evaluation of the need for capital improvements relating to jail facilities, based on the county jails study and report submitted to the legislature by the DOC in 2022, with the capital budget and governor's recommendations, beginning in 2024.

**2 State building energy conservation revolving loan fund.**

Establishes a state building energy conservation revolving loan fund for the purpose of implementing energy conservation improvements in state buildings. The

**Section Description – Article 4: Miscellaneous**

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- commissioner of administration will manage and administer the fund. A state agency must apply for a loan from the fund.
- 3     **Lowest possible cost; energy conservation.**  
Requires the SB2030 guidelines to establish resiliency guidelines to encourage design that allows buildings to adapt to and accommodate projected climate-related changes.
- 4     **Regional exchange district public infrastructure projects.**  
Removes a parking ramp expansion and changes the appropriation amounts to the various projects throughout the statute. Adds district energy utility improvements outside of the district to approved uses of the appropriation. Authorizes any balance of certain projects to be put toward roadway, utility, and site improvements and capacity upgrades to support medical entity west hospital construction, so long as the Duluth City Council submits a written plan to the commissioner of DEED.
- 5     **Veterans cemeteries.**  
Adds “construct and equip” as authorized uses of the appropriation. Also extends the availability of the appropriation until December 31, 2024.
- 6     **Thief River Falls Airport – public infrastructure.**  
Amends the nonstate match requirement to be at least 20 percent of the total cost of the project rather than a fixed amount.
- 7     **Virginia – Highway 53 utilities.**  
Authorizes the balance of the appropriation to be used for a grant to the St. Louis & Lake Counties Regional Railroad for construction of a segment of the Mesabi Trail. Extends the use of the appropriation until December 31, 2022.
- 8     **City of Rice Lake – water main replacement and extension.**  
Allows the balance of the appropriation after completion of the project to be used to predesign, design, construct, furnish, and equip a municipal utility extension in the city of Rice Lake. Also exempts the project from the local match requirement and extends the availability of the appropriation until December 31, 2022.
- 9     **Local road improvement fund grants.**  
Amends an appropriation to be a grant to Swift County for preliminary and final design, engineering, and reconstruction of a segment of County State-Aid Highway 6. The appropriation is available until December 31, 2025.

**Section Description – Article 4: Miscellaneous**

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- 10 **Minneapolis – Pioneers and Soldiers Cemetery and restoration.**  
Removes installation of a new steel fence and pillars from the uses of the appropriation.
- 11 **Local road improvement fund grants.**  
Provides that an appropriation to the city of Inver Grove Heights may be for one or more grants to the city, Dakota County, or both.
- 12 **St. Paul – Nature Sanctuary Visitor Center.**  
Extends the availability of the 2018 appropriation for the Wakan Tipi Project through December 31, 2024.
- 13 **St. Peter Regional Treatment Center Campus – Dietary Building HVAC and electrical replacement.**  
Allows any unspent portion of the appropriation upon substantial completion of the Dietary Building project to be used for asset preservation.
- 14 **Anoka Metro Regional Treatment Center – roof and HVAC replacement.**  
Authorizes the balance of the appropriation upon substantial completion of the project to be used for asset preservation.
- 15 **Aurora; Hoyt Lakes; Biwabik; and White Township – drinking water system.**  
Allows the appropriation to be used for acquisition of a long-term lease. Also amends the water system to be for the city of Aurora and the town of White, designed for the future use of other cities. Extends the availability of the appropriation to December 31, 2024.
- 16 **South St. Paul – Seidl’s Lake.**  
Extends the availability of the appropriation to December 31, 2024.
- 17 **Flood hazard mitigation.**  
Clarifies that the portion of the flood hazard mitigation appropriation for the Toelle Coulee applies in Traverse County.
- 18 **Lake City; Ohuta Beach breakwater.**  
Adds “engineer” to the authorized uses of the appropriation.
- 19 **Construction and renovation of public skate parks.**  
Adds predesign, design, construct, furnish, and equip to the authorized uses of the appropriation. Requires construction to be designed by designers with expertise in the field of skate park design.

**Section Description – Article 4: Miscellaneous**

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- 20     **Anoka County; marked Trunk Highway 65 interchange.**  
Adds environmental analysis of local road intersections and associated improvements along marked Trunk Highway 65 to the authorized uses of the appropriation.
- 21     **Golden Valley; Douglas Drive and Highway 55.**  
Amends the authorized uses of the appropriation to design engineering, environmental analysis, acquisition of easements and right-of-way, reconstruction, and construction engineering of local roads. Also specifies the area where the safety improvements apply.
- 22     **Highway 13 interchange at marked intersections of Dakota and Yosemite Avenues.**  
Removes Scott County as the grantee and adds public utility relocations as an authorized use of the appropriation.
- 23     **Sherburne County; Zimmerman interchange project.**  
Clarifies that local roads portions of the project are part of the final design of the interchange project.
- 24     **Olmsted County; Trunk Highway 14 and County Road 104 interchange construction.**  
Adds Olmsted County as the grantee for the county’s share of general obligation bond eligible portions of the project. Adds environmental analysis to and deletes “construct, furnish, and equip” from the authorized uses of the appropriation. Authorizes the balance of the appropriation after substantial completion of certain work to be applied to the county’s share of right-of-way acquisition, construction, furnishing, and equipping the interchange.
- 25     **Minnesota correctional facility – St. Cloud.**  
Amends the living units to which the appropriation applies.
- 26     **Crookston; Colborn Property development.**  
Adds design to the authorized uses of the appropriation.
- 27     **Fergus Falls; riverfront corridor.**  
Deletes an amphitheater from the project.
- 28     **Hennepin County; Avivo.**  
Clarifies that Phase 1 may, but need not, include demolition and site work subject to section 16A.695.

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- 29     **St. Joseph; Jacob Wetterling Recreation Center.**  
Adds predesign to the authorized uses of the appropriation. Clarifies that the recreation center is adjacent to the city community center. Authorizes the city to enter into a lease or management agreement for operation of recreation programs.
- 30     **Wadena; access road.**  
Changes the grantee from the city of Wadena to Wadena County, Otter Tail County, or both.
- 31     **Willernie; maintenance building.**  
Amends the project from city hall roof replacement and capital improvements related to a county road project to replacement of a maintenance building.
- 32     **Arden Hills; water main.**  
Adds acquisition of easements and engineering to the authorized uses of the appropriation.
- 33     **Austin; wastewater treatment plant.**  
Adds predesign to the authorized uses of the appropriation. Also allows for the balance of funds to be used for construction of the wastewater treatment facility.
- 34     **Mahnomen; water infrastructure.**  
Deletes erroneous cross-references and clarifies that the appropriation is for wastewater infrastructure improvements.
- 35     **Mahnomen; drinking water infrastructure.**  
Deletes erroneous cross-references.
- 36     **Mendota; water infrastructure.**  
Clarifies that the appropriation is for improvements to the water distribution system.
- 37     **Oronoco; regional wastewater system infrastructure grant.**  
Corrects an erroneous cross-reference.
- 38     **South Haven; wells.**  
Adds a well house, water main, and other related drinking water improvements to the project.
- 39     **Spring Park; city utilities.**  
Clarifies that the improvements include improvements to the adjacent roadway. Corrects the name of the road.



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- 40 **Vernon Center; water infrastructure improvements.**  
Removes parts of the project and adds wastewater treatment facilities and sanitary sewer and storm water collection systems to the project.
- 41 **Flood mitigation.**  
Adds environmental analysis, predesign, design, and engineering to the authorized uses of the appropriation.
- 42 **Regional and county jails; study and report.**  
Requires the commissioner of corrections to study and make recommendations on the consolidation or merger of county jails and alternatives to incarceration for persons experiencing mental health disorders. The commissioner must consult with the public and with local government officials and administrators on the study and recommendations. A report is due to the legislature on or before December 1, 2022, with information on a variety of metrics and recommendations relating to county jail facilities.
- 43 **Housing pool bonding authority application deposit refund.**  
Requires MMB to refund application deposit money to issuers that returned all of their bonding authority allocation from the 2020 housing pool, to avoid a double bond fee due to the circumstances of the COVID-19 pandemic.
- 44 **State parking account.**  
Waives the requirement for the state parking account to make a transfer to the state bond fund.
- 45 **Repealer.**  
Repeals the Minnesota Pay-For-Performance Act of 2011.



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