

# House Research Act Summary

**CHAPTER:** 20

**SESSION:** 2003 First Special Session

**TOPIC:** Omnibus Capital Improvements, State Bonding

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## Overview

This law appropriates a total of \$236,915,000 in state bond proceeds, of which \$47,634,000 is user-financing, for capital improvement projects. Article 1 is primarily appropriating money for projects vetoed in 2002 and article 2 is additional flood relief for the Roseau area.

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#### **Article 1: Capital Improvements**

Article 1 appropriates \$230,890,000 in state bond proceeds, of which \$47,634,000 is user-financing, for capital improvement projects. With a couple of exceptions, the appropriations are for items vetoed in 2002.

- 1 Capital improvement appropriations.** Summarizes the appropriations made in the article by agency and by fund.
- 2 University of Minnesota.** Total appropriation is \$48,708,000. Each of these appropriations was vetoed in 2002, except the Rochester genomics design work, which was not part of the 2002 bill.

**Subd. 2. Twin Cities – Minneapolis.** (a) Jones Hall renovation may use single-phase design build. The single-phase process permits the University to select a design-builder for the renovation based upon the response to the RFP in phase one, which will have information on the bidder's qualifications, past performance, and other criteria included in the phase one RFP.

(b) Translational Research Facility requires a nonstate contribution of \$12,300,000.

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Permits use of two-phase design-build.

(c) Teaching and Technology Center, Institute of Technology. Predesign and design.

**Subd. 3. Twin Cities – St. Paul.** Veterinary diagnostic laboratory.

**Subd. 4. Morris.** Design, renovate, furnish, and equip social science building, construct an addition for offices, and install sprinkler system in student housing. Contingent on nonstate contribution of \$400,000.

**Subd. 5. Research and outreach centers (ROCs).** Acquire land for and design, construct, furnish and equip (1) a research laboratory and office space at the Northwest ROC at Crookston, (2) an addition to the aspen/larch genetics lab at the North Central ROC at Grand Rapids and acquire land for two test planting sites, (3) an addition to the administration building at the Southern ROC in Waseca, and (4) an environmentally friendly swine farrowing demonstration facility at the West Central ROC, subject to the law governing lease or management agreements for state bond-financed property with nonpublic entities.

**Subd. 6. Genomics building – Rochester.** Predesign and design.

**Subd. 7. Debt service.** Requires the University to pay one-third the debt service. Debt service is calculated on one-third the total project cost less the required match amount committed before the bonds are sold.

**Subd. 8. Contingencies.** Directs the commissioner of finance to establish an account under the control of the board of regents that combines the contingency amount for each project into a single account to be allocated by the board as needed. Allows unspent contingency funding to be used for HEAPR projects. Requires a report by February 1 of even-numbered years on how the contingency money has been spent.

**3 Minnesota state colleges and universities (MnSCU).** Total appropriation is \$59,716,000. Each of these appropriations was vetoed in 2002.

**Subd. 2. Bemidji State University.** Design the co-location of emerging technologies and health care programs of Bemidji State University and Northwest Technical College.

**Subd. 3. Dakota Technical College.** Design renovation of west side of main campus facility for information technology center.

**Subd. 4. Fergus Fall Community College.** Design and construct an expansion of the maintenance shop. To design an addition to link the administration and fine arts buildings and make other improvements.

**Subd. 5. Hennepin Technical College.** Renovation of existing space at the Eden Prairie and Brooklyn Park campuses.

**Subd. 6. Inver Hills Community College.** Design renovation and construct an addition for student services and other support facilities.

**Subd. 7. Lake Superior Community and Technical College.** Design student center addition for smart classrooms, student services, and laboratories.

**Subd. 8. Minnesota State University – Mankato.** Renovate Otto Arena and

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adjacent areas.

**Subd. 9. Minnesota West Community and Technical College at Worthington.** Design and construct student services area, science labs, and nursing and allied health space.

**Subd. 10. Northeast higher education district – Virginia.** Renovate and equip science laboratories and classrooms and construct a dock and driveway.

**Subd. 11. Northwest Technical College – Moorhead Campus.** Design renovation of existing facilities and new facilities for allied health and applied technology laboratories.

**Subd. 12. Ridgewater Community and Technical College.** Renovate and equip science laboratories on Willmar campus and convert obsolete laboratories on Hutchinson campus into science labs.

**Subd. 13. South Central Technical College.** Design renovation of teaching labs at North Mankato campus and design asset preservation at Faribault campus.

**Subd. 14. Southeast Technical College.** Design and renovate a student services area and workforce center entrance at Winona, and design and renovate student services area at Red Wing.

**Subd. 15. Southwest State University.** Renovate and equip the library and construct a new entrance.

**Subd. 16. St. Cloud State University.** Design, renovate and equip Centennial Hall conversion to classrooms and design renovation of Riverview Hall. Also authorizes the design of renovation for Brown Hall and Eastman Hall from the appropriation.

**Subd. 17. St. Cloud Technical College.** Design of connecting multi-story building and renovation of a building wing.

**Subd. 18. Land acquisition.** To acquire land near state colleges and universities.

**Subd. 19. Debt service.** Requires MnSCU to pay debt service on one-third of the principal amount of state bonds sold for projects, except where a nonstate match is required. If a nonstate match is required, the debt service is on the principal amount equal to one-third the total project cost less the match committed before the bonds are sold.

**Subd. 20. Contingencies.** Directs the commissioner of finance to establish an account under the control of the board of trustees in which to combine the contingency amount for each project into a single account to be allocated by the board as needed. Allows unspent contingency funding to be used for HEAPR projects. Requires a report by February 1 of even-numbered years on how the contingency money has been spent.

**4 Children, Families, and Learning (Education).** Total appropriation is \$11,500,000. Each of these appropriations was vetoed in 2002.

**Subd. 2. Library access grants.** For grants to remove architectural barriers from library buildings or sites.

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**Subd. 3. Paul and Sheila Wellstone Center for Community Building.** For a grant to St. Paul for the center (known as Neighborhood House/El Rio Vista in 2002). Requires a nonstate match which is expected to come from the federal government.

**Subd. 4. Trollwood Performing Arts School.** For a grant to Moorhead for the Trollwood performing arts school. Requires the facility to be available to regional arts groups. Requires a nonstate match.

**5 Natural resources.** Total appropriation is \$10,755,000. Each of these projects, except the bald eagle center in Wabasha, was appropriated funds that were vetoed in 2002. Some of the amounts below are less than the 2002 appropriation.

**Subd. 2. State park and recreation area acquisition.** For acquisition of in-holdings.

**Subd. 3. Metro regional park acquisition and betterment.** For the Como Park conservatory, phase 2.

**Subd. 4. State trail acquisition and development; Goodhue Pioneer Trail.**

**Subd. 5. Red Rock rural water system.** Requires a nonstate match.

**Subd. 6. Dam improvements.** Grant to Crookston for phases 2 and 3 of the Red Lake River restoration and habitat improvement.

**Subd. 7. Flood hazard mitigation grants.** For Warren and Hay Creek projects. If the Warren project cost exceeds 2 percent of the median household income in the municipality multiplied by the number of households, the appropriation is also for the local share.

**Subd. 8. Stream protection and restoration.**

**Subd. 9. Scientific and natural area acquisition and improvement.** Allows up to \$1,500,000 to be used to acquire and restore the Seminary fen in Carver county.

**Subd. 10. Native prairie bank easements.**

**Subd. 11. National Eagle Center.** For a grant to city of Wabasha. Requires at least \$1,000,000 from nonstate sources. This was given the same amount in general fund money in 1998, which was cancelled early in 2003.

**6 Board of water and soil resources.** Total appropriation is \$6,400,000. Each of these projects was appropriated funds that were vetoed in 2002. Some of the amounts below are less than the 2002 appropriation.

**Subd. 2. RIM conservation easements.**

**Subd. 3. Wetland replacement due to public road projects.**

**Subd. 4. Lazarus Creek.**

**Subd. 5. Stillwater – Brown’s Creek.**

**7 Amateur sports commission.** Total appropriation is \$5,000,000 for the National Sport Event Center in Blaine, contingent on the commissioner of finance’s approval of a plan for the financing and operation of the facility that also describes its relationship to other commission facilities and the National Sports Center Foundation. This amount was vetoed

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in 2002. Prohibits using any of this appropriation for the National Youth Golf Course or its clubhouse.

**8 Arts.** Total appropriation is \$30,000,000, for two projects vetoed in 2002.

**Subd. 2. Minneapolis Children's Theatre.** A grant to Hennepin county. Requires a nonstate match.

**Subd. 3. Minneapolis – Guthrie Theater.** A grant to Minneapolis. Requires a nonstate contribution of at least three times the appropriated amount.

**9 Transportation.** Total appropriation is \$26,500,000. For projects vetoed in 2002.

**Subd. 2. Local road improvement program.** This program was established in 2002 but the funding was vetoed. Under the statute, it may be administered as a loan or a grant program, but this appropriation is only to make loans.

**Subd. 3. Port development assistance.**

**Subd. 4. Freight access improvements – Winona.** Requires a nonstate match (which may include municipal state aid funds).

**Subd. 5. Greater Minnesota transit facilities.** For up to 80 percent of the nonfederal share.

**10 Metropolitan council.** Appropriates \$1,000,000 for design of the Northwest Busway Corridor.

**11 Health.** \$775,000 to design and construct a community dental clinic at Lake Superior community college in Duluth, and design and renovate the Northwest technical college dental hygiene clinic in Moorhead. This appropriation was vetoed in 2002. According to the 2002 request, approximately \$155,000 is for the Duluth clinic and \$620,000 is for the Moorhead clinic.

**12 Trade and economic development.** Total appropriation is \$29,800,000 for projects vetoed in 2002.

**Subd. 2. Redevelopment account.** For a grant to Little Falls to clean up the Hennepin Paper Company property. No match is required.

**Subd. 3. Wastewater infrastructure funding (WIF).** Includes a set-aside for the Larsmont portion of the Knife River-Larsmont sanitary district.

**Subd. 4. Greater Minnesota business development infrastructure grants.**

**Subd. 5. St. Paul – Roy Wilkins Auditorium.** For asset preservation.

**Subd. 6. St. Paul – Phalen Boulevard.** Requires a nonstate match.

**13 Minnesota Historical Society.** Appropriates \$500,000 for two items vetoed in 2002: county and local preservation grants, which require nonstate match, and Fort Belmont (no match).

**14 Bond sale expenses.**

**15 Bond sale schedule.**

**16 Bond sale authorization.**

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- 17 Forest Elementary School.** Permits the Robbinsdale school district to issue and sell up to \$11,315,000 in general obligation bonding to replace the Forest elementary school, contaminated with unsafe microbe infestation, subject to reverse referendum.
- 18 State-owned property.** Amends the 2002 authorization for the state to enter into a ground lease in conjunction with the health, agriculture, and human services offices and parking facilities (the former Capitol Square site). Allows a lease of space in a parking facility for up to 50 years, subject to the state's right to terminate it if the structure is demolished. This is to lease space to the city of St. Paul for fire department use.
- 19 Flood hazard mitigation grants; partial completion of projects.** Permits DNR to allocate flood hazard mitigation funds appropriated in the 2002 bonding bill for partial construction of projects, notwithstanding the statute that prohibits spending an appropriation for a capital project until everything needed to complete the project is available.
- 20 Effective date.** Day after enactment.

**Article 2 Roseau Flood Appropriations**

Article 2 appropriates \$6,025,000 in state bond proceeds, for a variety of capital projects to respond to damage caused by the 2002 flooding in and around Roseau. The Presidential Declaration of Disaster DR-1419 relates to flooding due to storms and heavy rains in June 2002. It covers the following 19 counties: Becker, Beltrami, Clay, Clearwater, Goodhue, Hubbard, Itasca, Kittson, Koochiching, Lake of the Woods, Mahnomen, Marshall, McLeod, Norman, Pennington, Polk, Red Lake, Roseau, Wright.

- 1 Trade and economic development.** Total appropriated is \$1,125,000.
- Subd. 2. Public infrastructure.** To the Public Facilities Authority for storm sewers, wastewater and municipal utility service and drinking water systems. Waives the statutory application and prioritization procedures under the state revolving fund.
- Subd. 3. Capital project grant.** For the city of Roseau to relocate municipal buildings out of the floodway.
- 2 Natural resources.** Appropriates \$3,000,000 for flood hazard mitigation grants. Commissioner to determine priorities. If the cost of projects in Roseau exceeds two percent of the median household income in the municipality multiplied by the number of households, the appropriation is also for the local share. Set aside for property buyouts.
- 3 Transportation.** Total appropriation is \$1,400,000. Commissioner of transportation must review final plans for each project and determine priorities to ensure prudent use of state resources. Set aside for Polk county for a structure (currently a culvert) on a highway north of Climax. The structure is to be rebuilt for erosion control. Waives statutory requirements for procedures related to the state transportation fund.
- 4 Bond sale authorization.**
- 5 Effective date.** Day after enactment