



Minnesota Department of Military Affairs Policy Request

Major General Shawn Manke, The Adjutant General
Mr. Donald Kerr, Executive Director

Department of Military Affairs

Increase to MSABC Bonding Authority

Increase to Minnesota State Armory Building Commission (MSABC) Bonding Authority

- The Governor recommends increasing the bonding authority of the MSABC from \$15M to \$45M. The aim of the increased authority is to allow the agency to better compete for and match federal funding for armory projects.
- New armory projects generally require a 25% state investment. New armories are expected to cost \$40-60M. MSABC's current bonding authority does not allow more than one project every twenty years.



Current MSABC Debt Capacity

- The only current debt owed by MSABC is for the funding of the Luverne Armory
- Available debt capacity for MSABC today is \$9.9M, more than 2/3 of the current authorized total debt capacity
- That amount is expected to be insufficient to support the state funding requirement for our next Federal Military Construction Project in Anoka

Cost Escalations

Project	Year	SF	Cost	SF Cost
Arden Hills Army Training Site (AHATS) - Ben Franklin*	2013	64000	\$ 17,100,000.00	\$ 267.19
Stillwater*	2016	80650	\$ 21,375,000.00	\$ 265.03
AHATS - Div HQ*	2019	145000	\$ 43,528,000.00	\$ 300.19
Luverne	2023	46502	\$ 19,765,000.00	\$ 425.04
New Ulm*	2024	54250	\$ 23,808,000.00	\$ 438.86
Anoka (Inflation Est @ 3%)	2032	63000	\$ 58,400,000.00	\$ 926.98

* Indicates ~100% Federal Funding

Thank you

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