

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec 2022	Gov's Planning Estimates	
			2022	2024	2026		2024	2026
Capitol Complex Parking Fund Debt Relief	1	GF	13,000	0	0	13,000	0	0
Ford Building Demolition Phase I	2	GO	3,626	0	0	3,626	0	0
Capital Asset Preservation and Replacement Account (CAPRA)	3	GO	10,000	10,000	10,000	7,500	7,500	7,500
State Building Energy Conservation Revolving Loan Fund	4	GF	10,000	0	0	10,000	0	0
State Building Renewable Energy Production Account	5	GF	15,000	5,000	5,000	5,000	5,000	5,000
State Fleet Electric Vehicle Charging Infrastructure	6	GF	5,000	0	0	5,000	0	0
Centennial Office Building Replacement, Rent Loss, and Relocation	7	GO	204,000	0	0	0	0	0
		GF	6,000	0	0	0	0	0
Capitol Complex Security Upgrades Phase II	8	GO	33,400	0	0	33,400	0	0
		GF	13,000	0	0	13,000	0	0
ADA Building Accommodation Fund	9	GF	2,000	2,000	2,000	1,000	1,000	1,000
Bureau of Criminal Apprehension - Maryland Facility Parking Ramp	10	GO	15,735	0	0	0	0	0
<b>Total Project Requests</b>			<b>330,761</b>	<b>17,000</b>	<b>17,000</b>	<b>91,526</b>	<b>13,500</b>	<b>13,500</b>
<b>General Fund Cash (GF) Total</b>			<b>64,000</b>	<b>7,000</b>	<b>7,000</b>	<b>47,000</b>	<b>6,000</b>	<b>6,000</b>
<b>General Obligation Bonds (GO) Total</b>			<b>266,761</b>	<b>10,000</b>	<b>10,000</b>	<b>44,526</b>	<b>7,500</b>	<b>7,500</b>

<https://mn.gov/admin/>

### AT A GLANCE

- Oversee nearly \$3.1 billion in state procurement annually, including negotiating more than \$26 million in contract savings and increasing purchasing from diverse businesses
- Reduced Capitol complex energy consumption by 17.4% since 2008 and increased reliance on renewable energy sources to nearly one-third of annual usage
- Manage more than 280 construction projects and 850 property leases
- Monitor facility conditions and asset preservation needs of over 6,000 state-owned buildings
- Oversee a fleet of more than 2,000 vehicles, increasing use of electric and fuel-efficient vehicles
- Provide data practices and open meeting law technical assistance and in-person or webinar training to over 4,200 partners each year
- Provided direct training and informational resources – including mobile phone applications – to over 14,000 individuals with developmental disabilities, family members, students, and professionals in FY 2020

### PURPOSE

The Department of Administration is a core central service agency serving the Governor, legislature, state agencies, local governments, and the public. Its mission is to lead through exceptional service and creative solutions to help its partners succeed. That mission is achieved by focusing on partner satisfaction; technology optimization; diversity, equity, and inclusion; and agency culture.

The purpose and benefit of effective centralized core administrative services is to achieve better value for state agencies by leveraging economies of scale, ensuring open and fair competition, reducing risk, and promoting success through standardized processes. Centralizing and standardizing core services, such as procurement, contract terms, leasing, risk management, and many other centralized administrative functions, makes it easier for policy-makers and the public to be aware of what is expected to occur and what does occur in government and to evaluate both.

Specifically, the Department provides enterprise leadership for a broad range of professional services and business functions essential to the efficient operation of government, including:

- Overseeing real property and sustainable state operations
- Helping agencies comply with state procurement and contracting laws while also achieving the best value in purchasing goods, services, and vehicle fleets
- Overseeing state facilities' construction and leasing
- Providing property, liability, and workers' compensation insurance coverage for state operations
- Establishing best practices for state grants administration and training agency staff across the enterprise
- Leading state 2020 Census efforts and providing government and non-governmental agencies, businesses, and the public with population data and demographic services
- Providing financial management and human resource support to a growing number of small state agencies, boards, and commissions
- Operating the Capitol Complex and other buildings efficiently and keeping the Capitol grounds beautiful
- Providing technical assistance to small businesses seeking federal or state contracts
- Overseeing state and federal historic preservation laws and administering the state and federal historic preservation tax credits

In addition, the Department provides key services directly to the public. It helps individuals and organizations understand and access their rights to government data. It provides opportunities for those with developmental disabilities and their families to advocate for their rights to education, work, and community participation. And it provides assistive technology so those with physical disabilities can lead more independent and productive lives.

## STRATEGIES

The Department of Administration utilizes multiple strategies and service delivery models to support the priorities of fiscal accountability and measurable results; equity and inclusion; children and families; thriving communities; and Minnesota’s environment. These strategies provide efficient and accountable government services and ensure the best value in government administrative services. They include:

- Sustainable services that leverage enterprise expertise in fleet, leasing, construction, facilities, and purchasing services, and the expertise of partner agencies to advance environmentally sustainable operations, avoid costs, and reduce the state’s carbon footprint.
- Real property services that provide a single, enterprise-wide inventory of facility conditions necessary to strategically plan for asset preservation, workforce, and citizen service investments.
- Procurement services that leverage bulk purchasing opportunities to achieve best value by developing contracts for use by multiple government units; standardizing and consolidating purchases; and aggressively negotiating contract terms and pricing.
- Facilities management services such as maintenance, engineering, and energy retrofits that provide well-maintained facilities necessary for the daily operations of the state’s executive, legislative, and judicial branches.
- Construction and space leasing services such as serving as the state’s leasing agent and owner’s representative on construction projects. The Department provides efficient and effective oversight of capital construction projects, ensures facility solutions that meet the space needs of state agencies and their customers, and facilitates effective management and optimal use of state real property assets.
- Government-to-Government shared services that provide financial and human resource services to small agencies, boards and commissions, continuous improvement (Lean) training, workers’ compensation, archeological services, and vehicle fleet services.
- Government management consultation to help agencies achieve energy reduction goals, comply with open government requirements, reduce workers’ compensation costs, and reduce the state’s reliance on fossil fuels.
- Public services that include assistive technology, demographic services, and resources for people with developmental disabilities. The Department also facilitates the public’s access to state government by educating citizens on their rights to government data, granting permits to stage public rallies, and administering public spaces in the State Capitol building.

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The Department of Administration’s legal authority comes from:

M.S. 13 (<https://www.revisor.mn.gov/statutes/?id=13>)

M.S. 16B (<https://www.revisor.mn.gov/statutes/?id=16B>)

M.S. 16C (<https://www.revisor.mn.gov/statutes/?id=16C>)

M.S. 4A.02 (<https://www.revisor.mn.gov/statutes/?id=4a.02>)

M.S. 176.541 (<https://www.revisor.mn.gov/statutes/?id=176.541>)

M.S. 138.31-138.42 (<https://www.revisor.mn.gov/statutes/?id=138.31>)

M.S. 307.08 (<https://www.revisor.mn.gov/statutes/?id=307.08>)

**AT A GLANCE**

- Operate and maintain 23 buildings, 25 memorials, 1 tribute, and 27 parking facilities.
- Provide enterprise real estate and construction services for state agencies and technical assistance on capital investment project development and prioritization (M.S. 16A.056 and 16A.632).
- Maintain a strategic plan for state agency space needs and locating state agencies.
- Administer an Enterprise Real Property Program that provides enterprise-wide, real-time condition assessments on state facilities to assist with prioritizing limited asset preservation funds (M.S. 16A.633).
- Coordinate sustainability efforts across state government and help agencies make choices that will reduce greenhouse gas emissions and improve sustainability outcomes by implementing best practices and strategic improvements to reduce energy usage.
- Provide consultative services on optimal office design to most efficiently and effectively maximize space and reduce real estate costs.
- Leverage opportunities for efficient acquisition and disposition of property.

**Factors Impacting Facilities or Capital Programs**

The Department of Administration (Admin) provides enterprise leadership for state agencies' real estate needs, building operations, and maintenance. The department contracts for the construction, repair, and leasing of facilities on behalf of state agencies, manages construction and repair projects, and plays a key role in advancing energy conservation and clean energy. Additionally, Admin manages and maintains numerous buildings, monuments, and parking facilities.

Admin facilitates key enterprise programs and provides tools that allow for a coordinated, data-driven strategy to the state-owned property portfolio. Admin advises agencies through the coordination and assessment of regular conditions assessments of existing facilities through an enterprise real estate forecasting system (Enterprise Real Property Program or ERPP). The ERPP catalogs facility conditions for more than 33 million square feet of real estate across 4,888 state buildings.

Through the utilization of this real-world, objective, fact-based assessment of building conditions, Admin assists 19 state agencies in determining capital improvement priorities. Leveraging this data allows the Department, in collaboration with state agencies, to determine high-value asset preservation projects that extend the life of state-owned facilities and ensure a high return on investment for taxpayers.

Admin also oversees the Office of Enterprise Sustainability (OES). Established in 2017, this office implements nationally and internationally recognized best practices based on successes in the private and public sectors, and is responsible for helping all state agencies achieve their sustainability goals in accordance with Executive Order 19-27. Focus areas include reducing greenhouse gas emissions, creating energy efficiency, utilizing renewable energy sources, promoting sustainable procurement, reducing water consumption, reducing waste, and modernizing the fleet.

Admin's capital budget requests have an enterprise focus impacting multiple agencies, including facilities under the department's custodial control. In determining agency priorities, the following factors are considered:

- Deteriorating or failing infrastructure
- Life and safety considerations and code compliance
- Public access to the Capitol Complex

- Sustainability and energy efficiency
- Space and program requirements including downsizing due to increased use of teleworking
- Emergency repair and hazardous materials abatement
- Capitol Complex land availability and optimum use

## Self-Assessment of Agency Facilities and Assets

Admin operates and maintains 23 buildings, 25 memorials, 1 tribute and 27 parking facilities located primarily in Saint Paul. Deferred maintenance at these facilities, based on the current data available in the ERPP, is estimated to be in excess of \$162 million.

Of particular concern for the department are:

- **Strategic Investments**
  - New parking facilities are user financed with parking fees and paid for out of the parking fund. Significant parking contract cancellations and decreased use of state meters as a result of the pandemic, has caused a revenue shortfall in the fund. Providing **Parking Fund Debt Relief** by paying for the facilities with general fund would ensure that the parking fund has enough resources to maintain parking facilities without raising parking rates unsustainably.
  - Admin also recommends completing the **BCA Parking Ramp** at its facility on Maryland Avenue to allow for adequate parking space for the building tenants and visitors. BCA employees are currently parking well beyond the building parking lot and into the surrounding residential neighborhood.
- **Ability to Respond to Emergencies**
  - The **Capital Asset Preservation and Replacement Account (CAPRA)** funds emergency repairs and abatement needs for state agencies. In recent years, Admin has seen an increase in requests for funding from the CAPRA account due to the increasing age of state facilities and the lack of ongoing funding for facility maintenance and non-emergency asset preservation. This program helps ensure that state facilities stay open following unanticipated emergencies and that construction projects are completed without compromising scope when hazardous materials are discovered during a renovation. It is important to keep an adequate balance in the fund to ensure the state can accommodate repairs to state facilities when emergencies occur.
- **Rehabilitation of Buildings and Systems**
  - On the Capitol Complex, the State Office Building, Ford Building, and Centennial Office Building are in need of significant repairs or replacement. Facility Condition Assessments support this conclusion. The needs of these buildings are urgent and ignoring them could result in more expensive and emergency repairs in the future.
    - The **Ford Building** has languished unoccupied since 2004 when it was vacated due to failing systems that were too expensive to repair. This building sits on a valuable piece of property within the limited footprint of the Capitol Complex. The site should be re-used with an energy efficient building that will maximize its size and location and best facilitate service delivery to Minnesotans. This project received funds in 2020 to predesign the demolition of the existing building as the first step in redeveloping this property.
    - The **Centennial Office Building** has multiple building systems that need to be significantly overhauled, including electrical, heating and cooling, hot water, and lighting. Additionally, the roof and windows need to be replaced and the layout should be updated to accommodate a modern workforce and to comply with Americans with Disabilities Act standards.
    - In 2013, the Advisory Committee for Capitol Area Security commissioned a physical security study that identified significant vulnerabilities in and around facilities on the Capitol Complex. Initial funding to begin security upgrades on portions of the Capitol Complex was appropriated in 2018. The **Capitol Complex Security Upgrades Phase II** project will continue with the installation of physical security improvements necessary to mitigate those vulnerabilities and lessen the risk of damage to state

facilities and potential harm to those who work on and visit the Capitol Complex. These funds will also be used to mitigate vulnerabilities found in an updated risk assessment undertaken in 2021.

- To assist state agencies with making building accessibility improvements for employees and visitors with disabilities, Admin sees the need to establish an **Americans with Disabilities Act Accommodation Fund**. This fund would utilize general fund dollars to make moderate changes in state facilities to ensure that all people are able to freely access and move throughout the buildings.
- **Sustainability**
  - Since its inception, the Office of Enterprise Sustainability has engaged state agencies to determine baseline data, develop goals, and document best practices for the sustainable operation of facilities. As state assets continue to age, agencies are often forced to choose between building maintenance and energy efficiency efforts. Maintenance is almost always the higher priority. To help improve energy efficiency in state owned facilities, and to help agencies meet their sustainability goals while reducing long-term operating costs, Admin proposes additional funding for the **State Building Energy Conservation Improvement Revolving Loan Fund**. This fund was established in 2021 and allows agencies to make improvements and pay back the fund with savings derived from those improvements. The repayment of the fund replenishes the account and continues to fund projects each year. However, additional capital would allow the state to fund more projects at the same time. This type of tool will be essential if the state is to meet its own sustainability goals.
  - Admin requests an appropriation for a **State Building Renewable Energy Production Account** to fund renewable energy investments to help reduce the long-term operating costs of state facilities and improve their resiliency in a changing climate. Possible projects at state-owned facilities include solar, wind, battery storage, and biomass energy systems.
  - To help modernize the state fleet, Admin requests funding to expand the State's **Electric Vehicle Charging infrastructure**. This request would build on the investments authorized in the 2020 Bonding Bill and improve the range of state electric and hybrid vehicles.

## Agency Process for Determining Capital Requests

Admin is a central service agency providing state agencies with the expertise, resources, and services they need to meet their mission of serving Minnesotans. Admin's approach to fulfilling that critical role is outlined in our Vision to deliver excellent government services every time, and our Mission to provide leadership, innovation, solutions, and support to help our partners succeed. Admin team members listen and learn from their colleagues across state government to understand their needs and obstacles in delivering services. That feedback is used to continually reevaluate the department's services and the recommendations provided to partners in areas such as sustainability, best use of existing resources, and thoughtful approaches to new leasing and new facilities.

Admin's 2022 Capital Budget Requests reflect our discussions internally with our Facilities Management, Real Estate and Construction Services, Office of Enterprise Sustainability, and Enterprise Real Property divisions, as well as our external discussions with our agency partners. Those discussions informed decision-making and elevated these important factors as a means of evaluating projects:

- Guaranteeing the wise use and maintenance of existing structures to address the most critical needs
- Ensuring the safety of our employees and visitors and identifying major liabilities
- Ensuring we can respond to emergencies
- Supporting sustainable investment in new facilities to maintain and extend the life of state-owned assets
- Leveraging technology to improve planning, management, and decision-making
- Providing expert service to our partners to help them achieve their missions
- Giving our team members the opportunity to thrive by supporting equity and inclusion
- Providing agencies with the tools to meet aggressive sustainability goals
- Thinking ahead to anticipate needs and preparing for the future workforce

Admin's statutory responsibilities extend beyond the properties it directly manages. Admin provides other agencies with expert services with respect to design, contracting, and construction while assisting agencies in evaluating the quality and sustainability of their facilities.

### **Major Capital Projects Authorized in 2020 and 2021**

#### **2020**

Statewide CAPRA - \$4,500,000

State Fleet Electric Vehicle Charging Infrastructure - \$2,000,000

Ford Building Demolition Predesign - \$170,000

State Office Building Tunnel ADA Compliance Predesign - \$100,000

Public Television Equipment Grants - \$15,000,000

## Capitol Complex Parking Fund Debt Relief

**AT A GLANCE****2022 Request Amount:** \$13,000**Priority Ranking:** 1**Project Summary:** A permanent waiver of user financing for the repayment of debt service for Ramp F is requested to provide financial relief to the Department of Administration's Parking account. The impact of this request is \$1,085,227 annually to the general fund in FY 2023 through FY 2034, or about \$13 million over 12 years.**Project Description**

The Department of Administration (Admin) recommends permanently relieving the state parking account of a statutory requirement to make a transfer to the general fund. Amending Minnesota Laws 2013, Chapter 136, Section 3, Subdivision 5, to permanently suspend the user financing requirement for Ramp F will reduce transfers into the general fund by \$1,085,227 each year beginning in Fiscal Year (FY) 2023.

**Project Rationale**

The debt associated with Ramp F is currently being paid by the Admin parking account. Costs are recovered by setting and charging parking fees for state employees and the public who park on the Capitol Complex. After construction on Ramp F was completed, parking rates were significantly increased and the debt continues to be a strain on the parking account.

The shortfall in the parking account has been exacerbated by significant parking contract cancellations and decreased use of state meters as a result of the pandemic. Revenue reductions began during the state's work-from-home period. Additionally, since there are less visits to the Capitol Complex by the public, the meter revenue has been significantly reduced. State parking facilities and state employee transit pass programs are user-financed, and parking rates are set to cover expenses. This includes debt service expenses when required by legislation. Without relief, parking rates on the Capitol Complex are expected to increase significantly to cover the shortfall. These increases cause concerns about the long-term stability of parking rates on the Capitol Complex.

Ramp F is a 530-stall parking ramp west of the Transportation Building that opened in 2015. The ramp was constructed for \$13.6 million. In FY 2016, Admin made the first of 19 debt service payments of \$1,085,227. If Ramp F is no longer user-financed starting in FY 2023, the general fund would be responsible for the last 12 payments totaling \$13 million.

Admin also began an annual payment of \$1 million for the Minnesota Senate Garage debt service in

FY 2016. The addition of these debt service payments resulted in significant annual parking rate increases over three years beginning in FY 2015 with 25%, 15%, and 10% increases each year respectively.

In response to the steep decline in revenue and to avoid unsustainable parking rate increases on the Capitol Complex, Admin recommends waiving the requirement for the Parking account to pay debt service for Ramp F.

**Project Timeline**

N/A

**Other Considerations**

Admin continues to pursue other solutions to address declining parking contract and meter revenue. It is anticipated that many employees will utilize a hybrid telework schedule, so there will be reduced demand for a typical five day per week parking contract. This will further exacerbate the problems caused by the drop in parking contracts since March 2020. In order to effectively respond to the changing parking demands on the Complex, significant investments in parking access controls are needed in order to implement more flexible parking and transit options. These options will better accommodate a hybrid office and telework structure.

**Impact on Agency Operating Budgets**

Implementation of this request would result in reduced expenses in the parking account of \$1,085,227 each year beginning in Fiscal Year 2023.

**Description of Previous Appropriations**

Laws of 2013, Chapter 136, Section 3, Subd 5. authorizes Admin to make transfers from the parking fund to the general fund to cover the debt service for Ramp F.

**Project Contact Person**

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**Capitol Area Architectural and Planning Board Review**

The CAAPB is supportive of this request.

**Governor's Recommendation**

The Governor recommends a permanent waiver of user financing for the repayment of debt service for Ramp F.

**Administration**

**Project Detail**

(\$ in thousands)

**Capitol Complex Parking Fund Debt Relief**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
<b>State Funds Requested</b>				
General Fund Cash	\$ 0	\$ 13,000	\$ 0	\$ 0
<b>Funds Already Committed</b>				
<b>Pending Contributions</b>				
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 13,000</b>	<b>\$ 0</b>	<b>\$ 0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 13,000	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 0	\$ 0	\$ 0
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 0	\$ 0	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 13,000</b>	<b>\$ 0</b>	<b>\$ 0</b>

**IMPACT ON STATE OPERATING COSTS**

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

**SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS**

	Amount	Percent of Total
General Fund	\$ 0	
User Financing	\$ 0	

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	N/A
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?</b>	No
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

**Ford Building Demolition Phase I****AT A GLANCE**

<b>2022 Request Amount:</b>	\$3,626
<b>Priority Ranking:</b>	2
<b>Project Summary:</b>	\$3.626 million from general obligation bonds for demolition of the Ford Building and site work necessary for future development.

**Project Description**

This request will fund the demolition of the Ford Building and prepare the site for future development. This will eliminate the annual operating costs on a deteriorating structure that is undersized for the valuable plot of real estate in the heart of the Minnesota State Capitol Complex. In 2020, \$170,000 was appropriated to complete the design for demolition of the building. Removing the current Ford Building structure, constructing access to the tunnel, and preparing the site for future construction will cost \$3.626 million in general obligations bonds.

**Project Rationale**

The Ford Building, located at 117 University Avenue St. Paul, is under the custodial management of the Department of Administration (Admin). The Ford Motor Company constructed the building in 1913-1914 as a retail, service, and sub-assembly facility. The building was converted to office space for the federal government around 1951 and the state acquired the Ford Building in the late 1960s. The building has been vacant since 2004 due to deterioration, need for major repair and systems replacement, and the prohibitively high lease rates.

The building's historical significance has been assessed and the National Park Service rejected the building's inclusion on the National Register of Historic Places. The vacant structure is not viable for tenants and is not suitable for the needs of state agencies. A facility assessment report notes that water intrusion through the roof system and windows will likely damage the concrete structure unless a building envelope repair project is completed. The repairs are estimated to cost about \$300,000. Admin pays approximately \$25,000 each year to minimally maintain the vacant building.

The Complex surrounding the Minnesota State Capitol hosts the state's three branches of government. The last decade has seen its transformation with the restoration of the State Capitol, construction of the Minnesota Senate Building, and the operation of the Green Line light rail. Such improvements position the state to better prepare for future public access and workforce needs, but the limited space on the complex curtails opportunities for strategic placement of the state workforce. Demolition of the Ford Building and preparing the land for future redevelopment is the safest, most cost effective use of the property.

## **Project Timeline**

The project would begin in the fall of 2022 and be completed by the spring of 2023.

## **Other Considerations**

The vacant structure is connected to the Capitol Complex tunnel system and access to the tunnel will be maintained. It is also located adjacent to the Green Line light rail.

The vacant building poses a security risk for break-ins and vandalism. For example, a fire was started in the exterior stairwell last winter by people who were staying on the property. Others loitering on the property have harassed state employees.

## **Impact on Agency Operating Budgets**

Building operating costs are paid by tenant lease payments, but the Ford building has been vacant since 2004. Despite being vacant, Admin projects annual operating costs of \$25,000. Funding for this project will eliminate future annual operating costs.

## **Description of Previous Appropriations**

2020 - \$170,000 to complete design for demolition

1998 - \$49,000 to repair exterior stucco (Asset Preservation appropriation)

1990 - \$150,000 to repair ventilation system

1984 - \$95,000 to connect to District Energy Heating

## **Project Contact Person**

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## **Capitol Area Architectural and Planning Board Review**

The 2040 Comprehensive Plan for the Minnesota State Capitol Area identifies steps to occur prior to any demolition of the Ford building, specifically: Chapter 7A of the 2040 Comprehensive Plan, the Capitol Rice Development Framework: "D-3. Northeast corner block at University and Rice (includes State Lot C and Ford Building) ...development of this block will improve the vitality of the district. The state has a role in community development at the doorstep of the Capitol. D-3.3 Design and Development Steps (State-led, CAAPB with the Administration Department).

The Department of Administration's Ford building demolition request does not identify any plans to pursue these steps prior to demolition. Under such circumstances, if the CAAPB wished to issue approval for a demolition permit without the steps being taken, then it would need to amend its Comprehensive Plan regarding the pre-demolition steps.

## **Governor's Recommendation**

The Governor recommends \$3.626 million in general obligation bonds for this request.

**Administration**

**Project Detail**

(\$ in thousands)

**Ford Building Demolition Phase I**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
<b>State Funds Requested</b>				
General Obligation Bonds	\$ 170	\$ 3,626	\$ 0	\$ 0
<b>Funds Already Committed</b>				
<b>Pending Contributions</b>				
<b>TOTAL</b>	<b>\$ 170</b>	<b>\$ 3,626</b>	<b>\$ 0</b>	<b>\$ 0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 170	\$ 0	\$ 0	\$ 0
Project Management	\$ 0	\$ 378	\$ 0	\$ 0
Construction	\$ 0	\$ 2,954	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 15	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 279	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 170</b>	<b>\$ 3,626</b>	<b>\$ 0</b>	<b>\$ 0</b>

**IMPACT ON STATE OPERATING COSTS**

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

**SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS**

	Amount	Percent of Total
General Fund	\$ 3,626	100 %
User Financing	\$ 0	0 %

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	N/A
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A

## Capital Asset Preservation and Replacement Account (CAPRA)

**AT A GLANCE**

<b>2022 Request Amount:</b>	\$10,000
<b>Priority Ranking:</b>	3
<b>Project Summary:</b>	\$10 million from general obligation bonds for the Capital Asset Preservation and Replacement Account (CAPRA) to support emergency repairs and unanticipated hazardous material abatement needs for state-owned facilities throughout Minnesota.

**Project Description**

CAPRA, established under M.S. 16A.632, is a statewide fund centrally managed by the Department of Administration (Admin) for use by all state agencies. CAPRA funds support critical emergency repairs and unanticipated hazardous material abatement at agency facilities.

\$4.5 million in CAPRA funds were appropriated in the 2020 bonding bill. Continued appropriations are imperative to ensure that state facilities remain operational to support the delivery of programs and services by state agencies as expected by the people of Minnesota.

State agencies served by the CAPRA program in the past include Corrections, Employment and Economic Development, Human Services, Military Affairs, Minnesota Historical Society, Minnesota State Academies, Minnesota Zoological Gardens, Natural Resources, Minnesota Amateur Sports Commission, and Admin.

**Project Rationale**

CAPRA has served agencies well. As an emergency funding source, CAPRA provides rapid financial assistance to state agencies to help in disasters and to address urgent and unanticipated facility needs. It provides assistance for the unexpected failure of key components of systems, as well as unforeseen deficiencies discovered in state-owned buildings.

Examples of its past uses include:

- asbestos and lead abatement
- emergency roof, pipe and structural repairs
- fire and water damage repairs
- replacement of failed air conditioning
- boiler and water heater units
- life-safety system repairs (fire sprinkler protection, fire alarm and detection systems, emergency generators).

Prior to 2003, CAPRA funding was requested and typically approved for any agency asset preservation need. However, asset preservation funding across the enterprise has become a significant need and its inadequate funding increases the need for emergency requests for CAPRA funding. Since 2003, as a policy, Admin has designated CAPRA as an emergency funding source only. Agencies are required to assess their facility needs and meet those needs through their Capital Budget Asset Preservation requests, leaving CAPRA dollars for enterprise emergencies.

### **Project Timeline**

Agencies request funds after an incident occurs impacting state facilities or infrastructure.

### **Other Considerations**

Underfunding of Asset Preservation is an ongoing concern and exacerbates the demand for CAPRA funds. Adequately maintaining state facilities is imperative to support the efficient and effective delivery of services and to protect taxpayer investments in state facilities. To the degree that agency Asset Preservation requests are underfunded, there will be increased emergency requests for CAPRA funding.

### **Impact on Agency Operating Budgets**

The program helps to minimize the impact on the delivery of services and programs due to unanticipated emergencies. Agencies often have insufficient operating funds to do replacements or repairs; expending CAPRA funds prevents or reduces additional damages to state facilities during emergencies.

### **Description of Previous Appropriations**

2020: \$4.5 million

2018: \$5 million

2017: \$5 million

2014: \$1 million

2012: \$1 million

2011: \$2.83 million

2010: \$2 million

2008: \$3.4 million

2006: \$4 million

These appropriations have been used to fund unanticipated emergency repairs and replacements such as:

- Repair of broken water main piping at the Minneapolis Veterans Home.
- Chiller and window replacement (including mold abatement around windows) at the Iron Range Rehabilitation & Resources offices in Chisholm.
- Repair exterior walls at the Perpich Center for the Arts.

- Centennial Ramp repairs.
- Bring interior walls up to code at the Silver Bay Veterans Home.
- Add safety valves to the boiler at Minnesota Correctional Facility in Moose Lake.

**Project Contact Person**

Erin Campbell  
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**Capitol Area Architectural and Planning Board Review**

The CAAPB is fully supportive of this request, as necessary maintenance of State assets.

**Governor's Recommendation**

The Governor recommends \$7.5 million in general obligation bonds for this request. Also included are budget estimates of \$7.5 million for each planning period for 2024 and 2026.

# Administration

# Project Detail

(\$ in thousands)

## Capital Asset Preservation and Replacement Account (CAPRA)

### PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
<b>State Funds Requested</b>				
General Obligation Bonds	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
<b>Funds Already Committed</b>				
<b>Pending Contributions</b>				
<b>TOTAL</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>

### TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 1,000	\$ 1,000	\$ 1,000
Project Management	\$ 0	\$ 100	\$ 100	\$ 100
Construction	\$ 10,000	\$ 8,900	\$ 8,900	\$ 8,900
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>

### IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

### SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 10,000	100 %
User Financing	\$ 0	0 %

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	N/A
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?</b>	No
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A

## State Building Energy Conservation Revolving Loan Fund

**AT A GLANCE**

<b>2022 Request Amount:</b>	\$10,000
<b>Priority Ranking:</b>	4
<b>Project Summary:</b>	\$10 million from the general fund to expand a revolving loan fund to finance energy efficiency and water conservation improvements in state facilities.

**Project Description**

This proposal provides a \$10 million general fund appropriation to enhance the State Building Energy Conservation Revolving Loan Fund which is administered by the Office of Enterprise Sustainability (OES) at the Department of Administration (Admin). The revolving loan fund allows for improvements that lead to energy and water savings in state-owned buildings. All state agencies, including the Metropolitan Council, will be eligible to apply for funds and requests will be reviewed by OES and recommended to the Commissioners of Admin, Management and Budget, and Commerce. Loan recipient agencies will enter into an interagency loan agreement with OES. Agencies will be responsible for contracting to complete the projects and repay the loan from the project savings in a maximum of 7 years as required by statute. Repayments would begin no later than one year after the project is complete.

Loan applications must include the following information:

- Description of the proposed project, including existing equipment, structural elements, operating characteristics, and other conditions affecting energy use,
- Total estimated project costs,
- Loan estimate sought,
- Detailed project budget,
- Projections of the proposed project's expected energy and monetary savings,
- Information demonstrating the agency's ability to repay the loan, and
- Any additional information requested by OES and Admin.

Possible energy and water investments include:

- Interior or exterior LED lighting conversions
- Digital controls for heating and cooling
- Variable-frequency speed fans and motors
- Ground and air source heat pumps

- Retro-commissioning
- Low flow fixtures and toilets
- Faucet aerators and washing equipment sprayer heads
- Water heater replacements
- Water softener controls
- Water irrigation sensors and controls

### **Project Rationale**

This investment provides an opportunity for a dual set of benefits. Water and energy costs driven by the operation of state government will be avoided while helping meet the goals of reducing water and energy consumption.

These investments also further the Governor’s commitment to eliminate Minnesota’s carbon emissions for electricity by 2050. According to the State Climatology Office, Minnesota’s climate is increasingly more volatile with extreme precipitation and temperatures swings. Climate change will continue to impact Minnesota’s environment, economy, and the quality of life for everyone. The state has an opportunity to reduce its energy use, operating costs, and carbon footprint.

The revolving loan fund is modeled after similar efforts in 31 other states and represents a broad consensus that small-scale energy and water investments in government buildings are a sensible approach to avoid costs and reduce consumption.

Agencies often lack the upfront capital needed to make energy and water efficiency improvements to state-owned buildings. Limited operating funds are prioritized for an agency’s core mission over building efficiency or sustainability initiatives.

### **Project Timeline**

PROJECTS REVIEWED July – September 2022

CONSTRUCTION October 2022 – June 2024

### **Other Considerations**

M.S. 16B.86, establishes the State Building Energy Conservation Revolving Loan. M.S. 16B.87 establishes a loan committee and repayment guidelines.

M.S. 16B.325 directs Admin and the Department of Commerce to develop sustainable building guidelines that achieve the lowest possible lifetime cost for new building and major renovations and “must consider the long-term operating costs of the building, including the use of renewable energy sources.”

M.S. 216B.241, subd. 9 establishes cost-effective building performance standards, Sustainable Building 2030, for energy use and associated carbon dioxide emissions per square foot in buildings

compared to the average energy usage of similar buildings in 2003. Every five years, the total carbon emissions target from buildings is reduced with an 80% reduction in 2020, 90% reduction in 2025 and 100% reduction (net zero carbon) is achieved in 2030.

Executive Order 19-27 directs state government to conserve energy and water and reduce waste to save money. It also reaffirms the establishment of OES to assist agencies in their sustainability efforts and outlines the office's duties.

**Impact on Agency Operating Budgets**

As more energy efficiency improvements and renewable energies are implemented, the state's long-term energy consumption, energy costs, and greenhouse gas emissions will decrease and allow state agencies to focus on their core missions, thereby improving their quality of service for all Minnesotans.

**Description of Previous Appropriations**

2021: \$5 million from the Renewable Development Account to capitalize the State Building Energy Conservation Revolving Loan Fund

**Project Contact Person**

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**Capitol Area Architectural and Planning Board Review**

The CAAPB is fully supportive of investments to reduce the long-term operating cost of state facilities, while reducing their environmental impact.

**Governor's Recommendation**

The Governor recommends \$10 million in general fund cash for this request.

# Administration

# Project Detail

(\$ in thousands)

## State Building Energy Conservation Revolving Loan Fund

### PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
<b>State Funds Requested</b>				
General Fund Cash	\$ 0	\$ 10,000	\$ 0	\$ 0
<b>Funds Already Committed</b>				
<b>Pending Contributions</b>				
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 10,000</b>	<b>\$ 0</b>	<b>\$ 0</b>

### TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 0	\$ 0	\$ 0
Project Management	\$ 0	\$ 200	\$ 0	\$ 0
Construction	\$ 0	\$ 9,800	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 10,000</b>	<b>\$ 0</b>	<b>\$ 0</b>

### IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

### SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 0	
User Financing	\$ 0	

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	N/A
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A

## State Building Renewable Energy Production Account

**AT A GLANCE**

<b>2022 Request Amount:</b>	\$15,000
<b>Priority Ranking:</b>	5
<b>Project Summary:</b>	\$15 million from general fund cash for renewable energy production projects on or near state facilities.

**Project Description**

\$15 million in general fund cash will fund renewable energy investments to help reduce the long-term operating costs of state facilities. Possible projects at state-owned facilities include solar, wind, biomass energy systems, and other renewable energy projects defined in M.S. 216.2422. The projects would: a) be incorporated into the building or as permanent fixtures; b) have a useful life of more than twenty years; and, c) be designed to result in a demand-side net reduction in energy use by the state building's electrical, heating, ventilating, air-conditioning, or hot water systems, which extends the life or enhances the value of the state building.

OES will work with state agencies to identify site-specific opportunities for reducing energy and advancing renewable energy usage in state-owned buildings. OES will also develop criteria for evaluating projects and will establish master contracts for renewable energy production.

All state agencies, including the Metropolitan Council, will be eligible to apply for funding. Funding requests will be reviewed by OES and recommended for approval to the cabinet members represented on the Sustainability Steering Team, outlined in Executive Order 19-27. With assistance from OES, Admin's Division of Real Estate Management and Construction Services or other appropriate state agencies will manage the renewable energy projects.

**Project Rationale**

Minnesota has abundant cost-effective renewable energy resources including wind, solar, and biomass. Due to technology advances, solar and wind energy costs are decreasing rapidly.

The appropriation is needed to realize this renewable energy opportunity for all state buildings. The longer timeline to recoup the cost of these investments make a revolving fund a poor fit under current statute. The significant upfront costs deter agencies from prioritizing these projects with existing funding.

**Project Timeline**

PROJECTS REVIEWED July – September 2022

CONSTRUCTION October 2022 – June 2024

## **Other Considerations**

M.S. 16B.325 directs Admin and the Department of Commerce to develop sustainable building guidelines that achieve the lowest possible lifetime cost for new building and major renovations and “must consider the long-term operating costs of the building, including the use of renewable energy sources.”

M.S. 216B.241 subd. 9 establishes cost-effective building performance standards, Sustainable Building 2030, for energy use and associated carbon dioxide emissions per square foot in buildings compared to the average energy usage of similar buildings in 2003. Every five years, the total carbon emissions target from buildings is reduced with an 80% reduction in 2020, 90% reduction in 2025 and 100% reduction (net zero carbon) is achieved in 2030.

Executive Order 19-27 reaffirms the establishment of OES to assist agencies in their sustainability efforts and outlines the office’s duties.

## **Impact on Agency Operating Budgets**

As more energy efficiency improvements and renewable energies are implemented, the state's long-term energy consumption, energy costs, and greenhouse gas emissions will decrease and allow state agencies to focus on their core missions, thereby improving their quality of service for all Minnesotans.

## **Description of Previous Appropriations**

### **Project Contact Person**

Erin Campbell  
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## **Capitol Area Architectural and Planning Board Review**

The CAAPB is fully supportive of this investment to improve the efficiency and long-term cost effectiveness of energy utilities.

## **Governor's Recommendation**

The Governor recommends \$5 million in general fund cash for this request. Also included are budget estimates of \$5 million for each planning period for 2024 and 2026.

**Administration**

**Project Detail**

(\$ in thousands)

**State Building Renewable Energy Production Account**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
<b>State Funds Requested</b>				
General Fund Cash	\$ 0	\$ 15,000	\$ 5,000	\$ 5,000
<b>Funds Already Committed</b>				
<b>Pending Contributions</b>				
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 15,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 1,500	\$ 500	\$ 500
Project Management	\$ 0	\$ 150	\$ 50	\$ 50
Construction	\$ 0	\$ 13,350	\$ 4,450	\$ 4,450
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 15,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>

**IMPACT ON STATE OPERATING COSTS**

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

**SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS**

	Amount	Percent of Total
General Fund	\$ 0	
User Financing	\$ 0	

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	N/A
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

## State Fleet Electric Vehicle Charging Infrastructure

**AT A GLANCE**

<b>2022 Request Amount:</b>	\$5,000
<b>Priority Ranking:</b>	6
<b>Project Summary:</b>	\$5 million of general fund cash to further build out the state's electric vehicle charging infrastructure.

**Project Description**

\$5 million of general fund cash will be used to install approximately 25 Fast Direct Current (DC) and 120 dual port Level Two charging stations and the associated electrical infrastructure and upgrades at state-owned locations throughout Minnesota.

The Office of Enterprise Sustainability has identified locations for the Fast DC chargers based on the distance range for electric vehicles to travel on a full charge, site suitability, and state employee concentration around the state. The locations are in state owned facilities, most of which are open and accessible to the public. If a state fleet vehicle is not using the station, the public could also use the charging station for a small fee. In addition, more stations will be installed in areas of the Capitol Complex for fleet vehicles that are also open and available to contract parkers. Locations for the Level Two chargers will be determined based on the anticipated demand.

A considerable share of the cost, between 60 and 70%, is to complete electrical infrastructure and associated physical upgrades. Often, transformers, distribution panels, and switchgears need to be upgraded to accommodate the increased electrical load. The cost of the charging stations accounts for the remainder of the project.

**Project Rationale**

In an effort to lower the greenhouse gas emissions of state fleet vehicles, the state plans to acquire more electric vehicles and hybrid electric vehicles. To accommodate the charging needs of these new vehicles around the state, new charging stations and electrical infrastructure will need to be installed at public facilities. Building out the statewide charging infrastructure will also encourage the public to purchase low or zero emission electric vehicles because more charging stations will enable these vehicles to travel longer distances.

Fast DC and Level Two chargers will be installed to allow more cars to utilize the stall per day. Fast DC chargers only take 30 minutes and Level Two chargers take 4 hours, as opposed to other slower chargers that typically need 8 hours to reach a full charge. This budget request advances the creation of a statewide electrical vehicle charging infrastructure, which should help to make the choice of owning an electric vehicle a more realistic option for residents living throughout the state, and make Minnesota a more desirable destination for tourists who are traveling in an electric vehicle.

## **Project Timeline**

PROJECTS REVIEWED July – September 2022

CONSTRUCTION October 2022 – June 2024

## **Other Considerations**

M.S. 16B.54 directs Admin to manage an Enterprise Fleet for state agencies and M.S. 16B.58 gives Admin the authority to operate and supervise state parking facilities.

Executive Order 19-27 directs state government to reduce state fleet consumption of fossil fuels. It also reaffirms the establishment of OES to assist agencies in their sustainability efforts and outlines the office's duties.

## **Impact on Agency Operating Budgets**

With the increased use of electric and hybrid electric vehicles, state agencies will see a decrease in the amount that they spend on gasoline. There will likely also be an increase in the amount they spend on electricity.

## **Description of Previous Appropriations**

2020: \$2 million of appropriation bonds for electric vehicle charging stations and infrastructure

## **Project Contact Person**

Erin Campbell

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## **Capitol Area Architectural and Planning Board Review**

The CAAPB fully supports this request and the effort to move the State Fleet to more climate friendly fueling sources.

## **Governor's Recommendation**

The Governor recommends \$5 million in general fund cash for this request.

# Administration

# Project Detail

(\$ in thousands)

## State Fleet Electric Vehicle Charging Infrastructure

### PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
<b>State Funds Requested</b>				
General Fund Cash	\$ 0	\$ 5,000	\$ 0	\$ 0
<b>Funds Already Committed</b>				
<b>Pending Contributions</b>				
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 5,000</b>	<b>\$ 0</b>	<b>\$ 0</b>

### TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 500	\$ 0	\$ 0
Project Management	\$ 0	\$ 100	\$ 0	\$ 0
Construction	\$ 0	\$ 4,400	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 5,000</b>	<b>\$ 0</b>	<b>\$ 0</b>

### IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

### SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 0	
User Financing	\$ 0	

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	N/A
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

## Centennial Office Building Replacement, Rent Loss, and Relocation

**AT A GLANCE**

<b>2022 Request Amount:</b>	\$210,000
<b>Priority Ranking:</b>	7
<b>Project Summary:</b>	\$204 million from general obligation bonds and \$6 million from the general fund for the design, construction, and temporary relocation of tenants for the replacement of the Centennial Office Building located on the Capitol Complex in Saint Paul.

**Project Description**

This request funds the design and construction to replace the Centennial Office Building with a new 280,000 gross-square foot facility. The new facility would replace the current inefficient structure with one that is financially and sustainably designed to better meet future public service requirements. The project will also accommodate the data center hub room which is currently located in the Centennial Office Building.

**Project Rationale**

The Centennial Office Building is now 64 years old. It has served the state well since it opened in 1958, but the building is now in poor condition and beyond its useful life. Maintenance and repair requirements are steadily increasing, its energy and carbon footprints are significantly larger than a modern replacement, and its functionality for today's workforce is sub-optimal.

Inaction on this project carries a significant risk for the building's tenants and should be considered a critical continuity of government operational need. As the building's already poorly performing systems continue to age, the risk mounts of a major failure that would leave the building unsafe to occupy. This would disrupt agency work and force the emergency relocation of IT infrastructure for 1,000 people without funds available to cover the cost of relocation.

Specific concerns include:

- The main electrical gear is not in compliance with code requirements and is a safety concern
- The main electrical distribution system is outdated and inaccessible as a result of subsequent infrastructure installations that have occurred throughout the building
- The emergency power generator is not adequate for the current building load
- The return air capacity in the building is undersized and creates air flow deficiencies
- The supply air distribution system is not sized or configured properly to meet current needs and must be replaced
- The domestic hot water and building heating systems need replacement due to age and corrosion

- The windows are approaching their life expectancy
- The roof shows signs of deterioration and will need replacement
- Interior temperatures are extremely difficult to control
- Lighting is outdated and inefficient
- The layout needs to be updated to accommodate the workforce of the future
- The building needs to be updated to fully comply with federal and state Americans with Disabilities Act requirements

This project will further enable Admin to fulfill its mission of providing functional, efficient, safe, attractive, and sustainable office space for building occupants on the Capitol Complex by replacing the existing building with a new one that meets today’s safety requirements and can help limit carbon emissions from government operations. The new building will in turn ensure greater operational reliability and up-time while providing modern energy conservation and sustainability attributes to the Capitol Complex building portfolio. The new building will provide the workplace standards of today and into tomorrow by providing a more collaborative work environment and more efficient use of floor space. Technology and space layout improvements will also make the workspaces more flexible. This new facility is also expected to significantly improve occupant efficiency and productivity.

**Project Timeline**

PREDESIGN: July 2022 – December 2022

DESIGN: December 2022 – December 2023

CONSTRUCTION: April 2024 – March 2026 (midpoint of construction: March 2025)

COMMISSIONING: April 2026 – July 2026

OCCUPANCY: July 2026

**Other Considerations**

\$5.7 million of the project cost is allocated for the build out of the MNIT Services Hub Room that is currently located in the Centennial Office Building.

\$30.9 million of the project cost will cover the cost of building a parking ramp.

\$4.6 million from the general fund will be necessary to temporarily relocate people currently housed in the Centennial Office Building during construction, and to move tenants into the new building once it is complete.

The completion of Admin’s Real Estate Strategic Plan will inform the pre-design and design of the renovation of the Centennial Office Building.

**Impact on Agency Operating Budgets**

The cost of the Centennial Office Building replacement would be collected through the established

rent process with interest recovered over 20 years and depreciation over 75 years. Admin estimates a lease rate of \$32.78 per square foot for bond interest and building depreciation plus operating costs.

**Description of Previous Appropriations**

None

**Project Contact Person**

Erin Campbell  
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**Capitol Area Architectural and Planning Board Review**

The CAAPB fully supports this request. Should this request require re-development of a new site within the Capitol Area, the CAAPB must, by law, be involved in site-planning and execution of a CAAPB-led Design Competition (at a cost of \$25,000-\$35,000 to the CAAPB).

**Governor's Recommendation**

The Governor does not recommend capital funding for this request.

**Administration**

**Project Detail**

(\$ in thousands)

**Centennial Office Building Replacement, Rent Loss, and Relocation**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
<b>State Funds Requested</b>				
General Obligation Bonds	\$ 0	\$ 204,000	\$ 0	\$ 0
General Fund Cash	\$ 0	\$ 6,000	\$ 0	\$ 0
<b>Funds Already Committed</b>				
<b>Pending Contributions</b>				
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 210,000</b>	<b>\$ 0</b>	<b>\$ 0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 25,000	\$ 0	\$ 0
Project Management	\$ 0	\$ 1,000	\$ 0	\$ 0
Construction	\$ 0	\$ 157,000	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 7,000	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 20,000	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 210,000</b>	<b>\$ 0</b>	<b>\$ 0</b>

**IMPACT ON STATE OPERATING COSTS**

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

**SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS**

	Amount	Percent of Total
General Fund	\$ 204,000	100 %
User Financing	\$ 0	0 %

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	Yes
Has the predesign been approved by the Department of Administration?	Yes
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	N/A
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

## Capitol Complex Security Upgrades Phase II

**AT A GLANCE**

<b>2022 Request Amount:</b>	\$46,400
<b>Priority Ranking:</b>	8
<b>Project Summary:</b>	\$33.4 million from general obligation bonds and \$13 million from the general fund for Phase II design and construction of various physical security upgrades across the Capitol Complex.

**Project Description**

The recommended improvements are the continuation of security upgrades currently underway across the Capitol Complex and other Department of Administration (Admin)-managed facilities. The needed upgrades are the result of a physical security study, commissioned by the Advisory Committee for Capitol Area Security in 2013. The study identified significant vulnerabilities in and around facilities on the Capitol Complex. This project will provide the continuation of physical security improvements necessary to mitigate those vulnerabilities and begin to fund additional enhancements recommended in an updated Admin-funded threat assessment. The update is expected to be completed in late 2021. Additional enhancements are expected to focus on better protection of the public and to reduce the threat of vandalism in exterior spaces adjacent to the Capitol Complex buildings.

Resources will be used to fund:

- Installation of bollards
- Projectile resistant glass
- Additional keycard readers
- Security kiosks
- Crowd control features and devices
- Vandalism protection
- Utility protection devices
- Security arms/gates in parking facilities
- Additional emergency call stations
- Air Intake security protection
- Window well protective devices
- Additional security cameras
- Metal detection and screening stations
- Driveway intrusion protection

In 2018, the Legislature provided \$10 million to begin installing the security enhancements and work is underway. However, even with the funds provided in 2018, there remains a \$36 million deficit in the funding necessary to satisfy the needs of the study and predesign. The funding allocation did not include a general fund appropriation and covered just 41% of the bondable recommendation at the time. Consequently, without this appropriation, over half of the Capitol Complex population, and building square footage, will not receive the security upgrades necessary to improve the safety and security on the Capitol Complex.

### **Project Rationale**

The Advisory Committee on Capitol Area Security was statutorily created in 2012. Its purpose is to assess and advise the legislature on security issues and recommend security improvements as necessary. The Committee is chaired by the Lieutenant Governor. Membership is composed of the Chief Justice of the Minnesota Supreme Court and members from both houses of the legislature. It also consists of advisors from the legislative, judicial, and executive branches of state government, as well as corporate and educational experts.

The committee hired a consultant to conduct a Physical Security Study to assess the threats and vulnerabilities of the Capitol Complex. The study was focused on the physical vulnerabilities of the facilities on the Capitol Complex and was performed by architects, engineers, and security professionals. It examined the structural, landform, and architectural elements of structures. It assigned security risk levels and priorities and it provided the recommended physical security improvements for the complex. The study was completed in June of 2014 and a predesign was completed in 2017. The updated assessment will focus on identification of additional threats and vulnerabilities and those protective measures will be incorporated into this project.

If the vulnerabilities identified in the original and updated study are not removed, there could be loss of life, assets, and an impact to government operations. To reduce the vulnerabilities, the measures above should be implemented.

### **Project Timeline**

PREDESIGN (original): Completed November 2017

PREDESIGN UPDATE: Completed December 2021

DESIGN: July 2022 – December 2023

CONSTRUCTION: April 2024 – December 2026 (midpoint of construction: August 2025)

### **Other Considerations**

None

### **Impact on Agency Operating Budgets**

The cost of these improvements would be recovered through lease rates to building tenants through the established rent process with interest recovered over 20 years and depreciation over 30 years.

## **Description of Previous Appropriations**

2018: \$10 million

## **Project Contact Person**

Erin Campbell  
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## **Capitol Area Architectural and Planning Board Review**

The CAAPB supports continued funding for safety and security upgrades for the Capitol campus and buildings. CAAPB advisors and staff will continue to participate in the design review of security features.

## **Governor's Recommendation**

The Governor recommends \$33.4 million in general obligation bonds and \$13 million in general fund cash for this request.

(\$ in thousands)

## Capitol Complex Security Upgrades Phase II

## PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
<b>State Funds Requested</b>				
General Obligation Bonds	\$ 10,000	\$ 33,400	\$ 0	\$ 0
General Fund Cash	\$ 0	\$ 13,000	\$ 0	\$ 0
<b>Funds Already Committed</b>				
<b>Pending Contributions</b>				
<b>TOTAL</b>	<b>\$ 10,000</b>	<b>\$ 46,400</b>	<b>\$ 0</b>	<b>\$ 0</b>

## TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 1,095	\$ 9,500	\$ 0	\$ 0
Project Management	\$ 5	\$ 5	\$ 0	\$ 0
Construction	\$ 8,900	\$ 17,995	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 18,900	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 10,000</b>	<b>\$ 46,400</b>	<b>\$ 0</b>	<b>\$ 0</b>

## IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

## SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 33,400	100 %
User Financing	\$ 0	0 %

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	Yes
Has the predesign been approved by the Department of Administration?	Yes
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	N/A
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

## ADA Building Accommodation Fund

**AT A GLANCE**

<b>2022 Request Amount:</b>	\$2,000
<b>Priority Ranking:</b>	9
<b>Project Summary:</b>	\$2 million from the general fund to implement a centralized funding source for use by state agencies, boards, and commissions, the legislative and judicial branches of government, and constitutional offices to correct physical barriers in state-owned and state-leased buildings in order to improve the public's physical access to state services and employment opportunities.

**Project Description**

This \$2 million general fund appropriation will be used for the design and construction of building infrastructure and building equipment to remove physical barriers and improve the public's access to state services and employment opportunities.

Example projects include:

- Install automatic door operators
- Additional or improved signage
- Reduce changes in elevation
- Modify fixtures in breakrooms, restrooms, and shower facilities
- Install drop-off zones, curb ramps, and ramps exterior to buildings
- Install handrails
- Add or modify public seating with bariatric benches
- Modify conference room and auditorium seating
- Lighting changes to accommodate state and federal Americans with Disabilities Act (ADA) requirements
- Install auditory and sight assistance equipment
- Modify work areas

The Minnesota Council on Disability (MCD) will review each request and recommend approval or denial. Department of Administration's (Admin) Real Estate and Construction Services Division will manage the fund and deliver the construction improvements.

**Project Rationale**

This program will provide financial assistance to state agencies so they can better address the facility needs of their employees and public visitors. By improving the physical access to state government

facilities, this program will also improve the independence and productivity of Minnesotans with disabilities.

**Project Timeline**

As agencies identify needs, projects will be reviewed and executed.

**Other Considerations**

Admin will initially request \$2 million to establish the fund. Demand will be monitored and subsequent requests will be adjusted based upon need.

**Impact on Agency Operating Budgets**

The appropriation will provide financial assistance to state agencies to help address ADA Building Accommodations. The program will help minimize the impact to agencies.

Up to 15 percent of this fund may be used for administration by Admin and MCD.

**Description of Previous Appropriations**

None

**Project Contact Person**

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**Capitol Area Architectural and Planning Board Review**

The CAAPB supports this funding. CAAPB advisors and staff will continue to participate in the design review of accessibility features within projects located in the Capitol Area, as consistent with CAAPB’s statutory role in such projects.

**Governor's Recommendation**

The Governor recommends \$1 million in general fund cash for this request. Also included are budget estimates of \$1 million for each planning period for 2024 and 2026.

**Administration**

**Project Detail**

(\$ in thousands)

**ADA Building Accommodation Fund**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
<b>State Funds Requested</b>				
General Fund Cash	\$ 0	\$ 2,000	\$ 2,000	\$ 2,000
<b>Funds Already Committed</b>				
<b>Pending Contributions</b>				
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 200	\$ 200	\$ 200
Project Management	\$ 0	\$ 40	\$ 40	\$ 40
Construction	\$ 0	\$ 1,760	\$ 1,760	\$ 1,760
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>

**IMPACT ON STATE OPERATING COSTS**

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

**SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS**

	Amount	Percent of Total
General Fund	\$ 0	
User Financing	\$ 0	

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	N/A
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	N/A
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	N/A
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

## Bureau of Criminal Apprehension - Maryland Facility Parking Ramp

**AT A GLANCE**

<b>2022 Request Amount:</b>	\$15,735
<b>Priority Ranking:</b>	10
<b>Project Summary:</b>	\$15.735 million in state general obligation bonds is requested to design and construct a parking ramp with approximately 415 spaces adjacent to the Bureau of Criminal Apprehension (BCA) Maryland facility to accommodate staff, students, and visitors.

**Project Description**

This request funds the design and construction for a new multi-level parking ramp to be located adjacent to the BCA building at 1430 Maryland Avenue in Saint Paul. There are currently 365 parking stalls on this site: 328 in a surface lot and 37 in a parking garage. Upon construction of this ramp, there would be 576 stalls: 123 in a surface lot, 416 in a ramp, and 37 in the parking garage. This project will result in 211 additional stalls.

**Project Rationale**

There are currently 400 employees housed at BCA Maryland. Classes are offered for up to 82 students at a time and there is an auditorium that holds 140. The 365 current stalls cannot accommodate the parking needs of the employees, students, visitors, business vehicles, and evidence vehicles on this site.

Due to the inadequate parking, state employees are using the limited street parking which is problematic and results in complaints from local businesses, their customers, and residential neighbors.

**Project Timeline**

PREDESIGN: Completed May 2021

DESIGN: August 2022 – March 2023

CONSTRUCTION: June 2023 – May 2024

**Other Considerations**

There are 7,592 square feet of unimproved space in the BCA Maryland building. This space is planned for future development that would house an additional 50-80 employees. This parking ramp will meet the needs for this future expansion.

Although many parking projects have been user-financed in the past, Admin does not recommend user-financing for this project because it would place additional burdens on an account that is already facing significant financial challenges as a result of other debt service burdens and the

pandemic. Contract holders pay parking rates based on the type of facility where they park. Current monthly rates are: \$47 for lots, \$82 for ramps, and \$165 for garages.

**Impact on Agency Operating Budgets**

N/A

**Description of Previous Appropriations**

None

**Project Contact Person**

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**Governor's Recommendation**

The Governor does not recommend capital funding for this request.

**Administration**

**Project Detail**

(\$ in thousands)

**Bureau of Criminal Apprehension - Maryland Facility Parking Ramp**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
<b>State Funds Requested</b>				
General Obligation Bonds	\$ 0	\$ 15,735	\$ 0	\$ 0
<b>Funds Already Committed</b>				
<b>Pending Contributions</b>				
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 15,735</b>	<b>\$ 0</b>	<b>\$ 0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 1,200	\$ 0	\$ 0
Project Management	\$ 0	\$ 360	\$ 0	\$ 0
Construction	\$ 0	\$ 12,000	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 120	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 2,055	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 15,735</b>	<b>\$ 0</b>	<b>\$ 0</b>

**IMPACT ON STATE OPERATING COSTS**

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

**SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS**

	Amount	Percent of Total
General Fund	\$ 15,735	100 %
User Financing	\$ 0	0 %

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	N/A
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A