

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2024	2026	2028	2024	2026	2028
Asset Preservation	1	GO	30,000	30,000	30,000	12,266	12,266	12,266
Miller Building Rebuild	2	GO	60,000	0	0	0	0	0
Early Childhood Facilities	3	GO	20,000	20,000	20,000	3,000	3,000	3,000
		GF	20,631	20,631	20,631	2,000	2,000	2,000
St. Peter Water & Sewer Construction	4	GO	13,000	0	0	13,000	0	0
Site-Based Transitional Housing Program Facility Grants	5	GF	25,631	25,631	25,631	0	0	0
DCT Energy Upgrades	6	GF	18,000	0	0	0	0	0
Anoka Dietary Building Remodel	7	GO	14,000	0	0	0	0	0
St. Peter Office, Storage & Shop	8	GO	7,000	0	0	0	0	0
Johnson Hall Demolition	9	GF	662	0	0	0	0	0
DCT Security Systems	10	GF	7,000	0	0	0	0	0
Cambridge Demolition	11	GF	3,000	0	0	0	0	0
Total Project Requests			218,924	96,262	96,262	30,266	17,266	17,266
General Obligation Bonds (GO) Total			144,000	50,000	50,000	28,266	15,266	15,266
General Fund Cash (GF) Total			74,924	46,262	46,262	2,000	2,000	2,000

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

AT A GLANCE

- Health Care: In 2021, each month an average of 1,188,285 people received healthcare coverage through Medical Assistance and 92,912 through MinnesotaCare
- Food: Over 445,000 people received assistance through the Supplemental Nutrition Assistance Program (SNAP) each month in 2021
- Economic Support: About 26,000 families received assistance through the Minnesota Family Investment Program (MFIP) and Diversionary Work Program (DWP) each month in 2021
- Child Support: More than 314,000 custodial and noncustodial parents and their 220,000 children received child support services in 2021
- Child Care: An average of 29,000 families received child care assistance per month in 2021
- Housing: About 21,319 people received Housing Support services each month in 2021
- Substance Use Disorder Treatment: There were 58,563 admissions for substance use disorder treatment in 2021.
- DHS Direct Care and Treatment: Provided services to more than 12,000 people in 2021
- In FY21 DHS all funds spending was \$20.3 billion¹

PURPOSE

The Minnesota Department of Human Services (DHS), working in partnership with many others, helps people meet their basic needs so they can live in dignity and achieve their highest potential.

Our work is guided by the following values:

- We focus on people, not programs.
- We provide ladders up and safety nets for the people we serve.
- We work in partnership with others; we cannot do it alone.
- We are accountable for results, first to the people we serve and, ultimately, to all Minnesotans.

Minnesota has a strong tradition of providing human services for people in need so they can live as independently as possible, and of working to ensure that Minnesotans with disabilities are able to live, work and enjoy life in the most integrated setting desired.

DHS provides oversight and direction for most health and human services programs, making sure providers meet service expectations. Most services are delivered directly to people by counties, tribes, health care providers or other community partners. Some DHS employees provide direct care and treatment to people with mental illness, chemical dependency and developmental disabilities as well as to individuals civilly committed for sex offender treatment.

Examples of our work include:

- Health care programs which purchase medical care and related home- and community-based services for children, seniors, people with disabilities and people with low incomes.
- Economic assistance programs which provide assistance to low-income Minnesotans to help them move toward greater independence.
- Services to children who have suffered abuse or neglect, to assure their safety and well-being, and early intervention services to children at-risk of abuse or neglect.

- Grant programs to support local delivery of human services for populations in need, including recent refugee immigrant populations, adults and children needing behavioral health services, people who are deaf or hard of hearing, people with disabilities, and older adults.
- Direct care provided through a statewide array of institutional and community-based services. Services are targeted to people experiencing mental illness, chemical dependency, developmental disabilities and/or an acquired brain injury, some of whom are civilly committed by the court because they may pose a risk to themselves or others.
- Residential services and treatment to people who are committed by the court as a sexual psychopathic personality or a sexually dangerous person.

STRATEGIES

The 2020-2022 DHS Strategic Plan (<https://mn.gov/dhs/general-public/about-dhs/strategic-plan/>) includes three key initiatives, nine goals, and 31 specific strategies striving to improve programs and services for the people DHS serves and to create a brighter future for Minnesota. The next strategic plan is under development and will build upon these initiatives.

Key Initiative: Our Stand

Better health, fuller life and lower cost for Minnesotans working to achieve their highest potential.

Goals:

1. Extend the reach and impact of our programs across all communities.
2. Reduce disparities and make access to services easy.
3. Increase partnership, engagement and public confidence in our services.

Key Initiative: Culture of Equity

Commitment to a culture of equity that advances equitable outcomes for communities across Minnesota.

Goals:

1. Institutionalize equity practices across the agency.
2. Provide employees with the tools and skills to establish equity in the workplace.

Key Initiative: Operational Excellence

National ranking as a well-run state agency.

Goals:

1. Rebuild trust with our partners, with the people we serve and with all Minnesotans.
2. Improve workplace culture and employee experience.
3. Improve the delivery of technology across the human services system.
4. Reduce DHS's carbon footprint.

The Department of Human Services' overall legal authority comes from Minnesota Statutes chapters 245 (<https://www.revisor.mn.gov/statutes?id=245>) and 256. (<https://www.revisor.mn.gov/statutes/?id=256>) We list additional program-specific legal authority at the end of each budget activity narrative.

ⁱ Excludes Fiduciary and Technical Activities

AT A GLANCE

- The Minnesota Department of Human Services (DHS) Direct Care and Treatment (DCT) 2022-2024 Strategic Plan goals are:
 - **Quality:** Continuously improve the clinical quality, safety and outcomes of care as we identify and address risk and health disparities.
 - **Service:** Ensure comprehensive, individualized treatment and support with safety, respect and dignity as we work with community partners for continuity of care.
 - **People:** Recruit, retain and develop a diverse and culturally responsive workforce, improve workplace culture and support equitable leadership development and succession planning.
 - **Financial:** Maintain financial viability and stewardship to operate as in integrated health system.
 - **Technology:** Prepare, maintain and enhance technology platforms and applications to address continuum of care needs, improve service access, ensure staff, patient and public safety, create a fully functioning electronic medical record, and an integrated electronic health record.
- The Minnesota Department of Human Services (DHS) Children and Family Services Administration (CFS) Strategic Plan goals are to:
 - Reduce disparities and improve access to services through a review and revision of policies to eliminate inequities and barriers while building respect, trust and accountability.
- Increase partnerships through creating and advancing relationships with community partners and program participants.

Factors Impacting Facilities or Capital Programs

DCT is a complex behavioral health care system. It operates psychiatric hospitals and other inpatient mental health treatment facilities; inpatient substance abuse treatment facilities, dental clinics, residential group homes and vocational programming for people with disability; and the nation's largest secure treatment program for civilly committed sex offenders.

DCT provides healthcare services for individuals who display complex behavioral challenges, who do not seek treatment voluntarily and are civilly committed. The patients DCT serve have more complex needs and the demand for our services outpaces our capacity. A majority of the people served are a danger to themselves and others and present a serious risk to the public. Annually, DCT provides services to over 12,400 patients and clients at 200+ sites around the state in 2.6 million square feet of state-owned space and 600,000 square feet of leased space. All DCT occupied space is regulated by federal, state and local laws and license control standards.

DCT core services impacting facilities include:

- **Forensic Mental Health Program (FMHP)** - Provides evaluation and treatment to individuals civilly committed to the commissioner as Mentally Ill and Dangerous (MI&D), and to persons with mental illness whom the criminal court has ordered for evaluation and treatment before the start of a criminal trial. Forensic Services are located on the St. Peter campus.
- **Minnesota Sex Offender Program (MSOP)** - Provides treatment and programming to clients who are committed as a sexually dangerous person and/or as a sexual psychopathic personality. The minimum treatment program services are outlined in Minn. Rules, part 9515.3040 and include sexual offender-specific treatment, psychiatric, medical, dental, and social services, educational programming, and vocational rehabilitation. MSOP treatment is provided in five levels, with Community Preparation Services (CPS) being the last level. MSOP services are located on the St. Peter and Moose Lake campuses.

- **Mental Health and Substance Abuse Treatment Services (MHSATS)** – Provides specialized inpatient, residential, and related treatment supports for people with mental illness and substance abuse. Anoka-Metro Regional Treatment Center (AMRTC) is a 110-bed psychiatric hospital that serves people who have mental illness in a campus-based setting. Specialized services include treatment for patients who have multiple and complex conditions, mental illness, and who face a criminal trial and high levels of behavioral issues.
- **Community Based Services (CBS)** – Provides treatment and residential care to individuals with behavioral health issues and developmental disabilities. All CBS programs are 245D licensed and specialized in the treatment of vulnerable people with complex needs for whom no other providers are available. The majority of CBS program operate as an Enterprise. Enterprise services operate on the revenues generated from services provided to clients. Revenues are collected from third-party payment sources such as Medical Assistance, private insurance, and the clients themselves.

Children and Family Services staff work with others in government and the private sector to keep children safe, support adults in need and provide families with supports to care for their children.

- **Early Childhood Facilities** — Each site serves approximately 360 children a year through programs like Head Start, Early Childhood Family Education, child care, school based Pre-K, and school readiness programs, in accordance with Minnesota Statute [256E.37](#). Pandemics and future shifts, reveal the need to increase square footage for such facilities.
- **Emergency Shelter Facilities** — Unsheltered homelessness is an indicator informing this work, the presence of unsheltered homelessness indicates the shortage of emergency shelter for the homeless. Grant funds for emergency shelter facilities allows local service providers to improve and expand overnight emergency shelter options throughout the state, in accordance with Minnesota Statute [256E.36](#).

Self-Assessment of Agency Facilities and Assets

Asset Preservation

Over the past year, DCT updated the Facility Condition Assessments (FCA) of all owned facilities within its system. This assessment includes each of the individual components that comprise existing buildings, as well as each building as a complete structure. Data collected includes a breakdown of costs, replacement value, condition, and deferred maintenance. The data compiled in this assessment allows DCT to accurately and efficiently prioritize asset preservation requests. Additionally, this completed assessment will ensure that preservation projects included in each six-year capital plan are consistent with the documented current and anticipated future needs of the evolving state-operated Direct Care and Treatment system.

Insufficient funding for asset preservation in the past has caused some areas of particular concern: safety hazards, code compliance issues and mechanical and structural deficiencies; major mechanical and electrical utility system repairs, replacements, improvements; abatement of asbestos-containing materials; roof work and tuck-pointing; other building envelope projects; and road/parking lot renovations. The Department needs consistent and adequate funding to allow it to systematically address the repair, replacement, and renewal needs of the state-owned facilities it operates. ***This \$30 million request is the agency's #1 priority.***

St. Peter Campus

The St. Peter Campus currently houses FMHP and MSOP. The campus is approximately 475 acres with a physical separation of change in elevation creating an Upper and Lower Campus.

The majority of the water, storm and sanitary sewer systems on the St. Peter Campus, especially on the lower campus, were constructed in the early 1950's and have far exceeded their useful life. It is imperative to replace this critical infrastructure to ensure the campus can continue to operate and serve the needs of patients, clients

and employees. This investment will directly affect the health and safety of over 1,100 people, consisting of patients, clients and staff on-site 24/7/365. During the 2023 session, bonding was appropriated for the design of this project. DCT is requesting bonding for construction of this project during this session. ***This \$13 million project is the agency's #4 priority.***

The St. Peter Campus, along with DCT's two other large sites at Moose Lake and Anoka, uses over \$2 million annually in electricity. By addressing building and equipment upgrades and installing renewable energy systems at each site, future operating costs and deferred maintenance will be reduced. ***This project is the agency's #6 priority.***

The Grounds Office, shop and storage facilities on the St. Peter Campus all had a recent Facility Condition Assessment (FCA) which rated them in crisis. Replacement of these buildings into one new facility would not increase the square footage on campus. ***This \$7 million project is the agency's #8 priority.***

Early Childhood Facilities

Unlike state owned facilities, the Children and Families Services requests funds for local projects that are awarded via a competitive request for proposal (RFP) process.

DHS has funded seventy-five Early Childhood Facilities grant projects since 1992, with a biannual RFP; consistent funding is needed to better the learning environments of young children across the state. Added classrooms, family rooms, lighting, restrooms, teacher prep areas, and fine motor skills spaces are components of a successful project. ***This project is the agency's #3 priority.***

Site Based Transitional Housing Program Facility Grants

Established in 1984, the Transitional Housing Program (THP) provides rental assistance and support services to households who are experiencing homelessness. The current funding level of THP is \$12,638,000, which is allocated based on a competitive RFP process to local units of government, non-profit organizations, and Tribal governments to implement programs. Typically, there are two models of transitional housing, scattered-site transitional housing and site-based transitional housing. This funding request is designated for site-based transitional housing, which is where a household lives independently in a dwelling that is operated by a local unit of government/non-profit organization/Tribal Nation and support services are available on-site to assist households in their goals and to maintain housing.

In August 2021, a Transitional Program Evaluation Report was completed by the Office of Economic Opportunity (MN DHS), which included feedback from THP Grantees, CoC Coordinators, and REN (Regional Expert Network) with the MN Coalition for the Homeless. The site-based transitional housing feedback highlighted that frequent unit damages by tenants and guests, deferred maintenance and repairs, and deterioration of the properties and buildings due to age are unmet needs because capital funding for transitional housing programs has never been funded. An investment in site-based transitional housing capital needs would allow properties to become safe, clean, and comforting to support households to heal, recover, and then move-on to permanent stable housing.

\$25 million in general funds for Site-Based Transitional Housing Facilities grants statewide would enable local units of government, non-profit organizations, and Tribal governments to acquire, construct, or renovate site-based transitional housing facilities. ***This request is the agency's #5 priority.***

Anoka Metro Regional Treatment Center (AMRTC)

AMRTC is licensed as an inpatient psychiatric hospital that serves adults with mental illness, many of whom have complex medical histories. Clients served at AMRTC often have more acute mental health issues than was the case in the past, and more patients are being admitted from jails. Placements at the AMRTC have been significantly impacted by the 48-hour rule, which requires that anyone in a jail who meets the criteria for civil

commitment must be transferred to a psychiatric facility within 48 hours. Many of the persons placed under the 48-hour rule have challenging levels of acuity and behavior.

The Miller Building on the AMRTC Campus is currently underutilized. The space is inefficient and has not been updated since it was built in 1951. To accommodate the changing client populations, the Miller Building needs to be rebuilt. This rebuilding will allow this vacant space to be used to serve patients with mental health and/or substance use disorders. This project allows for safety and client service improvements without disrupting operations. This project will increase bed capacity. ***This \$60 million project is the agency's #2 priority.***

The Old Dietary/Warehouse Building on the AMRTC Campus is also underutilized and has a high deferred maintenance. This project will renovate space for a permanent DCT Central Warehouse, relocate training space and additional offices. This project will also allow future expansion within the main AMRTC building. ***This \$14 million project is the agency's #7 priority.***

Agency Process for Determining Capital Requests

DCT uses long-range strategic operational programs for each of the services provided to manage change to the systems. These strategic operational programs are reviewed on an annual basis and updated as needed. The annual DCT strategic reviews are used to initiate long-range capital planning. The capital planning process includes: a facilities analysis and planning program; identification of viable alternatives for meeting future physical plant needs; identification of surveys or studies (predesign) that may be required to assess viable alternatives; and implementation and review of existing/new campus master planning projects.

After this work is completed, long-range (six-year) physical plant project budgets are reviewed/revise/d/updated. These six-year plans outline all capital projects proposed for each facility and identify all known physical plant deficiencies, scheduled maintenance, and proposed/required improvements. Staff evaluate each project and place in a recommended budget category. This information is used to:

- establish potential costs of improving specific buildings or groups of buildings
- assess alternatives for meeting an individual facility's operational program and
- develop recommendations for senior staff to include in the agency's six-year capital budget plan.

The six-year plan outlines an incremental approach to improving and upgrading the physical plant resources required to support programs at the state-owned facilities. The DHS executive team reviews, selects, and prioritizes projects. Budget and business staff prepare final proposals in line with the department's strategic plan.

With respect to the Children and Families Services programs:

Early Childhood Facilities: school districts and private providers across the state are surveyed regularly for space needs. One survey year revealed \$264 million in renovation and construction project cost needs.

Major Capital Projects Authorized in 2023

Laws of Minnesota 2023, Regular Session, Chapter 71, Article 1, Section 18

Name of Capital Project	\$ in thousands
Asset Preservation	\$2,000
St. Peter Regional Treatment Center Campus; Phase 2	\$21,568
Early Childhood Learning and Child Protection Facilities	\$1,125
Grant Administration	\$760
Harriet Tubman Center East Renovation	\$3,388

Laws of Minnesota 2023, Regular Session, Chapter 72, Article 1, Section 18

Name of Capital Project	\$ in thousands
Asset Preservation	\$7,200
St. Peter Water and Sewer Upgrades	\$1,050
Early Childhood Learning and Child Protection Facilities	\$900
Regional Behavioral Health Crisis Facilities	10,000

Laws of Minnesota 2023, Regular Session, Chapter 70, Article 20, Section 2, Subd 24f

Name of Capital Project	\$ in thousands
Emergency Shelter Facilities	\$98,456

Asset Preservation

AT A GLANCE**2024 Request Amount:** \$30,000**Priority Ranking:** 1**Project Summary:** \$30 million to maintain, repair, and replace the Department of Human Services' (DHS) capital assets throughout Minnesota. This will ensure that the state-owned DHS facilities used for Direct Care and Treatment services are functional, safe, and in good repair.**Project Description**

Asset Preservation funds are used throughout Department of Human Services' (DHS) state-owned facilities system and are allocated for projects on a prioritized basis based on need and level of deficiency, i.e.,

1. Critical projects that require immediate action to return a facility to normal operation, stop accelerated deterioration, or to correct a cited safety hazard;
2. Projects that will become critical within a short period of time;
3. Projects that require reasonably prompt attention to preclude predictable deterioration or potential downtime and the associated damage or increased costs if deferred further.

Each of the DHS facilities (including campus-based facilities and state-owned community-based facilities) is responsible for maintaining a dynamic Facility Condition Assessment (FCA) program, which identifies projects required to preserve the physical plant and facility assets. The FCAs are constantly monitored and updated based on evaluation and immediate need. These plans are comprised of projects directly related to maintaining existing assets, as well as projects to ensure the continued safe, effective, and efficient use of the facilities.

Accordingly, this proposal relates to the repair, replacement, and renewal needs specific to DHS' state-owned Direct Care and Treatment facilities. As noted above, these needs have developed over time and are under constant evaluation. They represent a system-wide assessment of known facility deficiencies, including, but not limited to:

- Security, safety and code compliance issues
- Life/fire safety deficiencies (fire sprinkling, detection/alarm systems)
- Emergency power/egress lighting upgrades
- Major mechanical and electrical utility system repairs, replacements, upgrades, and/or improvements, including the replacement of boilers and upgrade of heating and cooling systems
- Sewer and water infrastructure repairs/replacements
- Abatement of hazardous materials (asbestos, lead paint, etc.)

- Elevator repairs/upgrade
- ADA requirements/reasonable accommodation
- Roof repair/replacement and structural deficiencies
- Tuck pointing and other building envelope work (window and door replacement, fascia and soffit work, re-grading around building foundations, etc.
- Road, walk, and parking lot repair/replacement/maintenance.

Project Rationale

Asset preservation funding is essential to support the operations of the Department of Human Services (DHS) residential treatment facilities and community-based program operations. Because of the system-wide magnitude of projects related to deferred maintenance or renewal at the department’s facilities, these projects cannot be addressed with the current level of repair and replacement funding appropriated in the agency’s operating budgets.

Failure to adequately fund this request will only intensify the problem. Deteriorating conditions will worsen and the state’s physical plant assets will continue to decline. Some facility components that are critical to the well-being of the facility’s patients and staff may fail, posing significant health/safety risks to the individuals under DHS’s care. Future costs will likely compound, as complete replacement may become the most cost effective and efficient alternative for addressing related deficiencies.

Funding of this request will enable DHS and its facilities to continue efforts to address deferred maintenance and renewal/replacement needs at DHS’s state-owned facilities used for Direct Care and Treatment services.

Project Timeline

Other Considerations

Without the requested asset preservation funding, the Department of Human Services (DHS) utilizes a large percentage of limited repair/replacement operating funds to address critical and expensive asset preservation projects. This action would limit DHS’s ability to address routine preventative, predictive and corrective facility maintenance. Ultimately, this would compound the existing deferred maintenance problem resulting in a substantial increase in the long-range deferred maintenance and renewal/replacement projects at DHS’s facilities.

Adequate funding levels for maintaining state physical plant assets could be appropriated to each agency’s operating budget to maintain new or upgraded facilities. For example, when a new building is authorized, an appropriate amount of maintenance funding could also be appropriated to the agency’s base budget to maintain the new facility into the future. These funds could be placed into a special agency revolving account for facility maintenance/repair/replacement so they would be available to be utilized and/or managed over a period of years to address major repairs, and replacement/renewal of major building/facility components, without agencies having to compete for such funding in future bonding bills.

Impact on Agency Operating Budgets

Asset preservation funding will not impact operational budgets.

Description of Previous Appropriations

2023 Legislature appropriated \$7.2 million in bond funds, \$2 million in cash
2020 Legislature appropriated \$8 million
2018 Legislature appropriated \$10 million
2014 Legislature appropriated \$3 million
2012 Legislature appropriated \$2 million
2011 Legislature appropriated \$4.7 million
2010 Legislature appropriated \$2 million
2009 Legislature appropriated \$2 million
2008 Legislature appropriated \$3 million
2006 Legislature appropriated \$3 million
2005 Legislature appropriated \$3 million
2002 Legislature appropriated \$4 million

Project Contact Person

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Governor's Recommendation

The Governor recommends \$12.266 million in general obligation bonds for this request. Also included are budget estimates of \$12.266 million for each planning period for 2026 and 2028.

Human Services

Project Detail

(\$ in thousands)

Asset Preservation

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2024	FY 2026	FY 2028
State Funds Appropriated and Requested				
General Obligation Bonds	\$ 25,200	\$ 30,000	\$ 30,000	\$ 30,000
General Fund Cash	\$ 2,000	\$ 0	\$ 0	\$ 0
State Funds Pending				
Non-State Funds Already Committed				
Non-State Funds Pending				
TOTAL	\$ 27,200	\$ 30,000	\$ 30,000	\$ 30,000

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2024	FY 2026	FY 2028
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 2,466	\$ 2,466	\$ 2,466
Project Management	\$ 0	\$ 185	\$ 185	\$ 185
Construction	\$ 27,200	\$ 27,211	\$ 27,211	\$ 27,211
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 138	\$ 138	\$ 138
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 27,200	\$ 30,000	\$ 30,000	\$ 30,000

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2024	FY 2026	FY 2028
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	\$ 30,000	100 %

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
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
Predesign Review (M.S. 16B.335 subd. 3):	
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
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
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)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2028?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Miller Building Rebuild

AT A GLANCE

2024 Request Amount:	\$60,000
Priority Ranking:	2
Project Summary:	\$60 million is requested to demolish the Miller Building and design, build, furnish, and equip a new building at the Anoka Metro Regional Treatment Center (AMRTC) for residential treatment facilities for Direct Care and Treatment (DCT).

Project Description

Demand for inpatient behavioral health treatment beds across Minnesota is at unprecedented levels. The Miller Building on the Anoka-Metro Regional Treatment Center campus provides a unique opportunity to add flexible-use treatment beds in a secure setting.

This project will consist of the demolition of the Miller Building and construction of a new building to provide residential treatment facilities maximizing the number of patient bedrooms and support space. Site improvements will include new parking, sidewalks, secure courtyards, and landscaping as required.

Project Rationale

AMRTC is a state-operated inpatient psychiatric hospital that serves the State of Minnesota. The campus has three main structures – the hospital with six residential treatment units, the Miller Building, and the Old Dietary/Warehouse.

The Miller Building was built in 1951 to provide additional bed capacity and updated facilities for mentally ill patients. It is connected to the main AMRTC building via an above ground secure indoor walkway. It currently houses a chemical dependency residential treatment program, the state-wide behavioral health program admissions team, and other support functions necessary for operating the campus programs.

Pre-design began in the spring of 2023 for the renovation of the entire Miller Building to provide residential treatment facilities to maximize patient bedrooms and support space within the existing footprint. Upon completion of pre-design and beginning into schematic design, updated project costs escalated to \$76 million dollars. Several factors contributed to these escalated costs: B3 guidelines, MDH adopting FGI Guidelines for Healthcare facilities, etc. It was determined that an assessment of the viability of demolishing the Miller Building and constructing a new residential treatment facility in its place should take place.

A new building will provide a better therapeutic environment for the patients as the design would not be constrained by the existing Miller Building footprint. This new space will be used to provide enhanced living, treatment, work/activity, and program support space for patients served by DCT and to address safety and security issues that currently present unsafe living and working environments for both patients and staff. A more efficient design of patient and staffing areas including larger total bed capacity, ease of adherence of hospital level of care requirements, higher ceiling elevations, 8' corridor widths, overall sight lines and blind spot avoidance. By constructing a new patient housing unit on the AMRTC campus DCT will continue to contribute to the development of a modern residential treatment facility that serves all the people of our State.

Project Timeline

Currently in predesign, complete design and construction documents by 01/01/2025.

Bid and award construction contract 02/01/2025.

Construction 05/2025 thru 05/2026.

Other Considerations

Upon project completion, the new building will be ready for full utilization as treatment, recreation, and support space for patients and staff. This project will help alleviate the current shortage of beds needed to provide treatment for the mentally ill population of the State of Minnesota.

Impact on Agency Operating Budgets

Design and construction of a new residential treatment facility building to replace the Miller Building will increase the overall cost of the future operating budget. Costs are directly associated with the addition of residential units that will require new staff and support costs.

Approximately \$35 million in additional operating costs would be required starting in FY27 for 270 staff and support. 10-50% of total operating costs are expected to be billed to nonstate sources.

Description of Previous Appropriations

Previous appropriations for the Miller Building have been appropriated from the asset preservation program, but no state funds have been specifically appropriated for this project.

2018 Legislature appropriated \$6.550 million for roof and HVAC replacement at AMRTC. Approximately 50% of this appropriation is planned for the HVAC replacement for the Miller Building. 2021 Legislature approved remaining previously appropriated funds could be used for asset preservation.

2017 legislature appropriated \$2.25 million for safety and security upgrades at AMRTC. Approximately 25% of this appropriation was planned for safety and security for the Miller Building.

Project Contact Person

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Governor's Recommendation

The Governor does not recommend capital funding for this request.

Human Services

Project Detail

(\$ in thousands)

Miller Building Rebuild

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2024	FY 2026	FY 2028
State Funds Appropriated and Requested				
General Obligation Bonds	\$ 0	\$ 60,000	\$ 0	\$ 0
State Funds Pending				
Non-State Funds Already Committed				
Non-State Funds Pending				
TOTAL	\$ 0	\$ 60,000	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2024	FY 2026	FY 2028
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 4,535	\$ 0	\$ 0
Project Management	\$ 0	\$ 360	\$ 0	\$ 0
Construction	\$ 0	\$ 46,499	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 2,230	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 6,376	\$ 0	\$ 0
TOTAL	\$ 0	\$ 60,000	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2024	FY 2026	FY 2028
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 35,000	\$ 70,000
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 60,000	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?	No
Predesign Review (M.S. 16B.335 subd. 3):	
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
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
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)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	Yes
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	No
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2028?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Early Childhood Facilities

AT A GLANCE

2024 Request Amount: \$40,631

Priority Ranking: 3

Project Summary: \$20 million in general obligation bonds and \$20 million in general fund dollars are requested for statewide, Early Childhood Facilities grants. Grants help local entities, schools, and community-based organizations to acquire, construct, or renovate early childhood facilities. Grants will be implemented through a competitive RFP process. \$631 thousand in general fund cash is also requested from the general fund for program administration. DHS also recommends a statutory change.

Project Description

Programs include program collaboration among Head Start, childcare and school-based early childhood programs. Projects must comply with DHS childcare licensing or certified exempt regulations, which assures that space is safe and accessible. Projects create classroom space with restroom access, cubby storage, parent rooms, prep spaces, secure entry, and indoor /outdoor large motor skills areas.

Funds are awarded through a competitive grant process. Bond funding is available to the state or political subdivisions. Space may be leased to nonprofit service providers. General funds will be made directly to Head Start, childcare, tribal and other non-profit programs.

A grant for an individual facility must not exceed \$1M for each program that is housed in the facility, up to a maximum of \$3M for a facility that houses three or more programs.

Policy change: Current statute requires a 50% non-state match for eligible projects, this proposal lowers the match to 25% to reduce financial burden on grantees.

Project Rationale

There is a large demand for new and improved early childhood facilities to meet the needs of children and families across the state. This project will enhance communities' ability to prepare children for kindergarten.

In 2016, DHS canvassed superintendents and principals throughout the state for early childhood facility project needs and received over 77 inquiries totaling \$275 million. In 2020, a survey of statewide Head Start programs identified nearly \$34 million in project needs. Additionally, COVID-19 revealed the need to increase square footage for facilities.

Additional dynamics point to the need for new facilities. There is movement at the federal level toward offering free preschool for 3 and 4 year-olds; this would increase space needs. Space is already at a premium due to the onset of all-day Kindergarten, which displaced former early

childhood spaces. Families with low incomes that now have access to high quality programs also creates more demand.

These newly constructed or renovated facilities promote developmental outcomes for children who are at the highest risk of being unprepared for kindergarten.

Project Timeline

An RFP will be initiated upon the appropriation of funding for the program; projects are awarded using the full amount of the appropriation and are distributed throughout the state—with a priority to fund projects in non-Metro regions of the state; projects are completed within the four-to-five-year state bonding window.

Other Considerations

Funding has been sporadic or absent over the years and consistent funding would help to stabilize the program and better serve the needs of young children across the state.

Impact on Agency Operating Budgets

Local projects are required to have sufficient, ongoing operating funds to be eligible. DHS will not operate the facilities. DHS is requesting 1 temporary FTE to manage the grants awarded through this request. \$631,000 in general fund dollars is needed for program administration, available through the bonding bills cancellation date.

Description of Previous Appropriations

In 2023, the Governor recommended \$30 million for early childhood projects. The final bonding bills in the 2023 session appropriated \$900 thousand in GO bonds and \$1.125 million in general fund dollars.

Prior to 2023, the last appropriation was granted in 2014: \$6 million in general obligation bond proceeds went to 8 Early Childhood projects throughout the state; \$3 million was available for an RFP, and the other \$3 million went to an earmarked project. DHS received over \$7 million in requests; considering the earmarked project, this left the RFP \$4 million over subscribed.

To date (since 1992) the Early Childhood Facilities program has funded 76 projects with \$23 million of state grants; however, funding has been sporadic or absent over the years. Nearly 80 percent of the projects were in greater Minnesota.

Project Contact Person

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Governor's Recommendation

The Governor recommends \$3 million in general obligation bonds and \$2 million in general fund cash

for this request. Included in the general fund appropriation is \$341 thousand for program administration. Also included are budget estimates of \$5 million for each planning period for 2026 and 2028. The Governor recommends lowering the program's non-state match from 50% to 25%.

Human Services

Project Detail

(\$ in thousands)

Early Childhood Facilities

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2024	FY 2026	FY 2028
State Funds Appropriated and Requested				
General Obligation Bonds	\$ 900	\$ 20,000	\$ 20,000	\$ 20,000
General Fund Cash	\$ 1,125	\$ 20,631	\$ 20,631	\$ 20,631
State Funds Pending				
Non-State Funds Already Committed				
Non-State Funds Pending				
TOTAL	\$ 2,025	\$ 40,631	\$ 40,631	\$ 40,631

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2024	FY 2026	FY 2028
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 0	\$ 0	\$ 0
Project Management	\$ 0	\$ 631	\$ 631	\$ 631
Construction	\$ 2,025	\$ 40,000	\$ 40,000	\$ 40,000
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
TOTAL	\$ 2,025	\$ 40,631	\$ 40,631	\$ 40,631

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2024	FY 2026	FY 2028
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 158	\$ 315	\$ 158
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 20,000	100 %

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
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?	N/A
Predesign Review (M.S. 16B.335 subd. 3):	
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
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
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)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	N/A
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2028?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

St. Peter Water & Sewer Construction

AT A GLANCE

2024 Request Amount:	\$13,000
Priority Ranking:	4
Project Summary:	\$13 million to upgrade and replace the water, sanitary and storm sewer infrastructure at the St. Peter campus. This will ensure that the state-owned DHS facilities used for Direct Care and Treatment services are functional, safe, and in good repair.

Project Description

History of Utilities included in this project:

Water System: The original system consisted of wells for water supply needs along with associate piping to the various buildings constructed at the time. As the campus expanded, a more reliable watermain system was constructed. Currently, potable water is supplied by the City of St. Peter. The present water system in the lower campus was constructed in the early 1950's and consists of 6-inch to 12-inch diameter cast iron pipe. The hydrants that service the lower campus date back to as early as 1948. The valving and service lines to buildings vary in age, although majority of the valves date back to the 1950's.

The investigation and rating of the water system analysis was based on age, type of pipe material, watermain breaks, sizing of pipe, looping of dead-end mains and testimony from system operators.

Sanitary Sewer System: The existing system in the lower campus has been modified and extended numerous times since it was originally installed. Much of the original sewer system was constructed to discharge into tunnels, which in turn discharged to the Minnesota River. In 1960, an 18-inch diameter sewer was constructed to divert the sanitary sewer flow to the City of St. Peter's sanitary sewer collection system. The present sanitary sewer collection system consists of 6-inch to 27-inch diameter pipes made from clay, concrete, PVC, and composite lining. The system has a series of manholes at pipe junctions that provide access to the pipe network.

The investigation and rating of the sanitary sewer system was completed by televising the pipes, which is completed by pulling a camera through the sewers and noting conditions encountered. The scoring of each segment results in a rating which correlates to the life expectancy of the sewer. All manholes were also inspected and evaluated during the investigation.

Storm Sewer System: The storm sewer systems were built and expanded as buildings, streets, and parking lots developed. The network of piping ranges from 6-inches to 27-inches in diameter and is primarily concrete pipe. Manhole and catch basin structures were placed in strategic locations to collect runoff. These structures are constructed with concrete block or precast concrete. The discharge of storm drainage is generally to the wetlands located southeasterly from the campus. The wetlands ultimately discharge into the Minnesota River.

The investigation and rating of the storm sewer system was completed by televising the pipes, similar

to the sanitary sewer system above. The scoring of each segment results in a rating which correlates to the life expectancy of the sewer. All manholes were also inspected and evaluated during the investigation.

Project Rationale

In 2018, DCT contracted with Bolton & Menk Engineers to conduct a water and sewer system analysis. The resulting report provided an evaluation of the existing systems and associated recommendations for replacement of the water main, sanitary sewer, and storm sewer infrastructure located throughout the entire campus. Majority of the systems, especially on the lower campus, were constructed in the early 1950's and have far exceeded their useful life. It is imperative to replace this critical infrastructure to ensure the campus can continue to operate and serve the needs of patients, clients, and employees. This investment will directly affect the health and safety of over 1,100 people, consisting of patients, clients and staff on-site 24/7/365.

Based on all the data collected, the lower campus has a number of infrastructure deficiencies and should be improved. Without improvement, the probability of infrastructure failing in the near future is very high and increases with each passing year. A project of this scope and magnitude presents challenges for security, traffic control, parking, temporary water supply, sewer bypass pumping, work phasing, temporary shutdowns, coordination and more.

Various options for constructing the necessary infrastructure improvements were discussed with local construction industry experts. A recommendation of developing a comprehensive project to address all deficiencies noted in the report. This request would be administered as one contract and be constructed over a 2-year period to achieve efficiencies in scheduling, coordination, phasing, and project management.

Project Timeline

Currently in design, complete construction documents by 06/01/2024.

Bid and award construction contract 09/01/2024.

Construction 9/2024 thru 09/2027.

Other Considerations

Water and sewer infrastructure do not represent all of the underground assets on campus. Other underground components vital to the operation include steam lines for heat supply, communication/data supply lines, and electric supply lines. These buried utilities must be considered as part of any construction project and will at the very least need to be included in the process of scheduling, potential shutdowns and/or temporary facilities to maintain operation of the campus. The age and condition of these other assets should be considered for potential replacement as well, either prior to or concurrent with these improvements. This request does not include funding for these other assets. If and when replacement is warranted, funding will come from appropriated asset preservation.

Impact on Agency Operating Budgets

Funding this project will not impact operational budgets.

Description of Previous Appropriations

2023 Legislature appropriated \$1.050 million for design

Project Contact Person

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Governor's Recommendation

The Governor recommends \$13 million in general obligation bonds for this request.

Human Services

Project Detail

(\$ in thousands)

St. Peter Water & Sewer Construction

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2024	FY 2026	FY 2028
State Funds Appropriated and Requested				
General Obligation Bonds	\$ 1,050	\$ 13,000	\$ 0	\$ 0
State Funds Pending				
Non-State Funds Already Committed				
Non-State Funds Pending				
TOTAL	\$ 1,050	\$ 13,000	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2024	FY 2026	FY 2028
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 1,050	\$ 1,080	\$ 0	\$ 0
Project Management	\$ 0	\$ 188	\$ 0	\$ 0
Construction	\$ 0	\$ 10,089	\$ 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	\$ 1,643	\$ 0	\$ 0
TOTAL	\$ 1,050	\$ 13,000	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2024	FY 2026	FY 2028
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	\$ 13,000	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?	No
Predesign Review (M.S. 16B.335 subd. 3):	
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
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
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)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2028?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Site-Based Transitional Housing Program Facility Grants

AT A GLANCE

2024 Request Amount:	\$25,631
Priority Ranking:	5
Project Summary:	\$25 million from the GF to site-based transitional housing programs (THP) awarded statewide through a competitive process to Tribal governments and non-profit organizations. Funding will add/sustain THP units for singles and families through site acquisition, and improve the safety, sanitation, accessibility, and habitability of existing THP properties through renovation. \$631,000 in GF dollars is also requested for program administration, available through the bonding bills cancellation date.

Project Description

THP is a housing option within the homeless response system. It is temporary/time-limited (up to 36 months) housing which includes rental assistance (households pay on average 30% of income towards rent) and support services such as case management, employment training, education support, and etc. Households who are eligible for THP must meet Minnesota's definition of homelessness, "any individual, unaccompanied youth or family, that is without a permanent place to live that is fit for human habitation. Doubling-up is considered homeless if that arrangement has persisted less than 1 year."

Capital funding for the Transitional Housing Program (THP) will improve or expand the THP options by:

- Adding additional housing units by renovating existing facilities not currently operating as THP;
- Adding additional THP units by renovating existing THP sites, including major projects that address an accumulation of deferred maintenance or repair or replacement of mechanical, electrical, and safety systems and components in danger of failure;
- Improving the health, safety, sanitation, accessibility, and habitability of existing THP facilities, including major projects that address an accumulation of deferred maintenance or repair or replacement of mechanical, electrical, and safety systems and components in danger of failure; and
- Improving access to THP options that provide culturally appropriate and gender-inclusive housing/services.

All projects funded with a grant under this section must meet all applicable state and local building codes at the time of project completion.

Project Rationale

THP is a valued choice of housing for families and individuals who are experiencing homelessness.

While enrolled in THP, participants learn skills to eventually obtain and maintain permanent housing. Often THP providers can work with private property owners in the community; however, this model of THP, called scattered-site, can be difficult to access due to intensive background checks and several financial requirements (high rent, double/triple damage deposit). For this reason, and others, Site-Based THP is an intervention that can more easily support families/individuals in achieving housing stability.

Site-Based THP allows for providers, who are often non-profits or Tribal Nations, to decrease housing access barriers with a less restrictive background check s, affordable rent/damage deposit, and support services available on-site. These properties are extremely important in Greater MN because grantees have a difficult time working with property owners in their community, which limits their ability to house program participants.

The properties that offer Site-Based Transitional Housing have had no capital investment by the state legislature. Due to the lack of investment, properties have become debilitated and unsafe. Some capital funding has been provided by the State of Minnesota only to site-based housing programs owned and maintained by local housing authorities.

Site-Based Transitional Housing Capital would allow THP providers the opportunity to renovate and improve properties or obtain new properties that would support the health, well-being, and success of families and individuals enrolled, in a dignified, safe, and respectable manner.

Project Timeline

Capital funds awarded during the SFY2024 legislative session will be administered according to the following timeline:

- Funds awarded by legislature: May 2024
- Request for Proposal published: June/July 2024
- Applications due: October/November 2024
- Contracts in place: January 2025
- Funds fully spent/projects complete: June 30, 2030

Other Considerations

We currently fund 45 grantees through the Transitional Housing Program and 14 of those providers offer Site-Based THP (31%). The 14 providers have a total capacity of serving 200 households daily; all of the providers serve families. These funds would support single adult and family units.

Also, entities that would be eligible to apply for these funds includes non-profit organizations and Tribal Nations.

Impact on Agency Operating Budgets

Capital funds will improve the safety, sanitation, accessibility, and habitability of transitional housing programs, including major projects that address an accumulation of deferred maintenance or repair;

replacement of mechanical, electrical, and safety systems and components in danger of failure. With these improvements, there is a potential operating costs could be lowered (i.e., energy efficiency measures). Local projects are required to have sufficient, ongoing operating funds to be eligible. DHS will not operate the facilities. DHS is requesting 1 temporary FTE to manage the grants awarded through this request. \$631,000 in general fund dollars is needed for program administration, available through the bonding bills cancellation date.

Description of Previous Appropriations

Project Contact Person

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Governor's Recommendation

The Governor does not recommend capital funding for this request.

Human Services

Project Detail

(\$ in thousands)

Site-Based Transitional Housing Program Facility Grants

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2024	FY 2026	FY 2028
State Funds Appropriated and Requested				
General Fund Cash	\$ 0	\$ 25,631	\$ 25,631	\$ 25,631
State Funds Pending				
Non-State Funds Already Committed				
Non-State Funds Pending				
TOTAL	\$ 0	\$ 25,631	\$ 25,631	\$ 25,631

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2024	FY 2026	FY 2028
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 0	\$ 0	\$ 0
Project Management	\$ 0	\$ 631	\$ 631	\$ 631
Construction	\$ 0	\$ 25,000	\$ 25,000	\$ 25,000
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
TOTAL	\$ 0	\$ 25,631	\$ 25,631	\$ 25,631

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2024	FY 2026	FY 2028
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 158	\$ 315	\$ 158
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
Predesign Review (M.S. 16B.335 subd. 3):	
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
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	N/A
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)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	N/A
Will a use agreement be required (M.S. 16A.695 subd. 2)?	Yes
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	No
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2028?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A

DCT Energy Upgrades

AT A GLANCE

2024 Request Amount:	\$18,000
Priority Ranking:	6
Project Summary:	\$18 million is requested to install renewable energy systems and energy upgrades for buildings on the St. Peter campus, the Moose Lake campus, and the Anoka Metro Regional Treatment Center (AMRTC) campus. Annual electricity costs at all three sites was \$2.4 million from April 2022 to March of 2023.

Project Description

This \$18 Million request is the Department's #6 priority for the 2024 Capital Budget. Annual electricity costs are as follows:

- St. Peter campus = \$890,850
- Moose Lake campus = \$911,577
- AMRTC = \$595,310

The St. Peter campus consists of 54 buildings, totaling 1,477,038 square feet and a replacement value of \$429,065,939.

The Moose Lake campus consists of 6 buildings, totaling 658,766 square feet and a replacement value of \$216,461,235.

AMRTC consists of 11 buildings, totaling 386,621 square feet and a replacement value of \$114,169,540.

The three campuses have already completed many energy upgrades including LED lighting, HVAC replacements, and building envelop upgrades, but many more upgrades will be required to bring these sites to net zero energy use. This project will address and prioritize upgrades and replacements at all three sites. The renewable energy systems will be right-sized to accommodate more energy efficient campuses.

DCT is currently conducting commercial grade energy audits that will assist in identifying the optimal renewable energy system and upgrades required base on analysis of historical energy use data from 2011-2023.

Project Rationale

The St. Peter campus houses individuals committed to the Minnesota Security Hospital (MSH) and the Minnesota Sex Offender Program (MSOP). The campus is occupied by more than 1,100 people, consisting of patients, clients, and staff.

The Moose Lake campus houses individual committed to the Minnesota Sex Offender Program (MSOP). The campus is occupied by more than 800 people, consisting of clients and staff.

AMRTC houses individual committed to the mental Health and Substance Abuse Treatment (MHSATS) program. The campus is occupied by more than 400 people, consisting of patients and staff.

All three locations operate 24 hours a day, 7 days a week and 52 weeks a year. There is no "down time" - nor can there be based on the patients and clients served at these DCT facilities. Each location has highly sophisticated security systems that are powered by electricity.

Electricity consumption at these three sites total 24,514,630 kWh of electricity used, \$2,397,737.47 expended which includes peak demand charges due to our 24/7 operations, and 11,150.35 total metric tons of CO2e emitted. Natural Gas consumption at the three sites is 1,723,378 therms of energy, \$1,702,483.38 expended, and 9,153.69 total metric tons of CO2e emitted. The installation of renewable energy systems (solar, wind, geothermal, etc.) and other energy upgrades would significantly lower those numbers.

In the effort to meet the Governor's strategic priorities for climate change, this request supports maximizing renewable energy while reducing our carbon footprint and utility costs.

Project Timeline

Retro-Commissioning - current to March 2024

Design - April 2024 to February 2025

Bid - February 2025

Construction - April 2025 - April 2027

Other Considerations

Impact on Agency Operating Budgets

The installation of renewable energy systems and other energy upgrades in the request is anticipated to reduce the overall cost of the future operating budget for the campuses, while also eliminating the "peak demand" premium charges that are typical of all 24-hour secure facilities. Cost reductions will be directly associated with renewable energy systems and energy efficient equipment and upgrades.

Description of Previous Appropriations

Project Contact Person

Nancy Freeman

DCT Chief Administrative Officer

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Governor's Recommendation

The Governor does not recommend capital funding for this request.

Human Services

Project Detail

(\$ in thousands)

DCT Energy Upgrades

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2024	FY 2026	FY 2028
State Funds Appropriated and Requested				
General Fund Cash	\$ 0	\$ 18,000	\$ 0	\$ 0
State Funds Pending				
Non-State Funds Already Committed				
Non-State Funds Pending				
TOTAL	\$ 0	\$ 18,000	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2024	FY 2026	FY 2028
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 1,950	\$ 0	\$ 0
Project Management	\$ 0	\$ 370	\$ 0	\$ 0
Construction	\$ 0	\$ 15,680	\$ 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
TOTAL	\$ 0	\$ 18,000	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2024	FY 2026	FY 2028
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?	No
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
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)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2028?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Anoka Dietary Building Remodel

AT A GLANCE

2024 Request Amount:	\$14,000
Priority Ranking:	7
Project Summary:	\$14 million is requested to design, renovate, furnish, and equip the Old Dietary/Warehouse Building at the Anoka Metro Regional Treatment Center (AMRTC).

Project Description

This project will consist of the renovation of space for a permanent DCT Central Warehouse, offices, and training spaces.

The DCT Central Warehouse will require replacement and/or renovation of HVAC components, plumbing, electrical, security, and life safety systems including fire protection and other building code deficiencies; reconfigure and remodel space; remove and/or demolish nonfunctioning building components necessary to support the programmed use.

This project will also require abatement of hazardous materials.

Project Rationale

The Anoka Metro Regional Treatment Center (AMRTC) is a state-operated inpatient psychiatric hospital that serves Minnesota. The campus has three main structures – the hospital with six residential treatment units, the Miller Building and the Old Dietary/Warehouse Building.

The Old Dietary/Warehouse Building was built in 1959 to provide kitchen and dining services for the old regional treatment center for mentally ill patients. In the mid 1990’s, the hospital building was built which also encompassed kitchen and dining services. The Old Dietary/Warehouse building was used as support space for the campus, mainly as heated storage. It currently houses a large cache of surplus furniture for use at all DCT sites, a workshop for Community Based Services, and other support functions necessary for operating the campus programs.

Many of AMRTC’s facilities need maintenance or system upgrades to prevent building deterioration and to maximize their use for the future, most of which can be addressed with operating funds and/or the use of asset preservation. However, the scope and total cost of the work proposed for the Old Dietary/Warehouse exceeds the Department of Human Services’ (DHS) ability to use either operating funds or asset preservation appropriation funding. Therefore, this project requires capital funding dedicated specifically to addressing the improvements outlined herein.

The Old Dietary/Warehouse is in very good structural condition; however, there is deferred maintenance estimated at \$6.8 million. During the 2018 legislative session, the Department of Human Services (DHS) was appropriated \$10 million in asset preservation. One of the projects completed on the asset preservation list was for envelope upgrades on the Old Dietary/Warehouse including cleaning and tuckpointing of the entire brick facade, window, and door replacement, rebuilding of the existing loading dock, and restoration of the metal cladding.

With the onset of the COVID pandemic, DCT centralized the purchasing and dispersing of personal protective equipment (PPE) and cleaning supplies. A small warehouse space in the Miller Building was used for storage and packaging/receiving of PPE and supplies. This was very successful in acquiring adequate PPE and cleaning supplies for all 200+ DCT sites during the early onset of the pandemic. Economic success was also realized in purchasing bulk orders versus multiple, smaller orders.

Project Timeline

Design - current to April 2024

Bid - July/August 2024

Construction - September 2024 to September 2026

Other Considerations

Impact on Agency Operating Budgets

This project will not impact operational budgets.

Description of Previous Appropriations

In 2017 the Legislature appropriated \$2.250 million for safety and security upgrades across the AMRTC campus.

Project Contact Person

Nancy Freeman

DCT Chief Administrative Officer

651-431-6410

Nancy.A.Freeman@state.mn.us

Governor's Recommendation

The Governor does not recommend capital funding for this request.

Human Services

Project Detail

(\$ in thousands)

Anoka Dietary Building Remodel

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2024	FY 2026	FY 2028
State Funds Appropriated and Requested				
General Obligation Bonds	\$ 0	\$ 14,000	\$ 0	\$ 0
State Funds Pending				
Non-State Funds Already Committed				
Non-State Funds Pending				
TOTAL	\$ 0	\$ 14,000	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2024	FY 2026	FY 2028
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 1,145	\$ 0	\$ 0
Project Management	\$ 0	\$ 105	\$ 0	\$ 0
Construction	\$ 0	\$ 10,552	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 760	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 1,438	\$ 0	\$ 0
TOTAL	\$ 0	\$ 14,000	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2024	FY 2026	FY 2028
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	\$ 14,000	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?	No
Predesign Review (M.S. 16B.335 subd. 3):	
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
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
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)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	Yes
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2028?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

St. Peter Office, Storage & Shop

AT A GLANCE

2024 Request Amount:	\$7,000
Priority Ranking:	8
Project Summary:	\$7 million is requested to predesign, design, construct, furnish and equip a new Office, Storage and Shop Building at the St. Peter Campus. This request also includes the demolition of existing buildings to be replaced.

Project Description

This project will consist of predesign, design and construction of a new Office/Shop/Storage building to replace the following nine buildings on campus:

The new building will be approximately 17,000 square feet consisting of 2,000 square feet of office space, 5,000 square feet of heated shop space and 10,000 square feet of cold storage. The project will also include the demolition of nine buildings and may include the need for hazardous abatement.

Project Rationale

The St. Peter campus has been in existence for over 150 years. Throughout its history, buildings have been erected and demolished as needed and funded. Currently, there are 51 buildings on campus totaling over 1.1 million square feet of space. The buildings consist of hospital, residential, treatment, office, and storage space.

The current Grounds Crew office was built in 1935 as a garage. In the late 1960’s, the garage space was converted into office space. The latest Facility Condition Assessment (FCA) rated the building in crisis. Eight additional garage and/or storage buildings were built between 1920 and 1968. These eight buildings had a poor or crisis FCA rating in 2021. The nine buildings are 17,525 square feet of space.

Project Timeline

Predesign and Design - December 2024 to December 2025

Bid - January 2026

Construction - April 2026 to April 2027

Other Considerations

This project will not increase the square footage on the St. Peter campus.

Impact on Agency Operating Budgets

The construction of a new Office/Shop/Storage Building is anticipated to reduce the overall cost of the future operating budget for the campus. Cost reductions will be directly associated with new

construction and energy efficient components.

Description of Previous Appropriations

Project Contact Person

Nancy Freeman
DCT Chief Administrative Officer
651-431-6410
Nancy.A.Freeman@state.mn.us

Governor's Recommendation

The Governor does not recommend capital funding for this request.

Human Services

Project Detail

(\$ in thousands)

St. Peter Office, Storage & Shop

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2024	FY 2026	FY 2028
State Funds Appropriated and Requested				
General Obligation Bonds	\$ 0	\$ 7,000	\$ 0	\$ 0
State Funds Pending				
Non-State Funds Already Committed				
Non-State Funds Pending				
TOTAL	\$ 0	\$ 7,000	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2024	FY 2026	FY 2028
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 80	\$ 0	\$ 0
Design Fees	\$ 0	\$ 450	\$ 0	\$ 0
Project Management	\$ 0	\$ 100	\$ 0	\$ 0
Construction	\$ 0	\$ 5,349	\$ 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	\$ 1,021	\$ 0	\$ 0
TOTAL	\$ 0	\$ 7,000	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2024	FY 2026	FY 2028
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	\$ 7,000	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?	No
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
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)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	No
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2028?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Johnson Hall Demolition

AT A GLANCE

2024 Request Amount:	\$662
Priority Ranking:	9
Project Summary:	\$662,000 is requested in general fund dollars to demolish Johnson Hall on the St. Peter campus. This request includes demolition, hazardous abatement, utilities capping and disconnect, and site restoration.

Project Description

Johnson Hall is located on the lower campus of the St. Peter Regional Treatment Center. It was built in 1961 and first occupied in 1962. The building was originally designed and constructed as a dormitory for nurses that worked at the campus. Upon discontinuation of the nursing program, the building was utilized for a Chemical Dependency Program, followed by the Minnesota Security Hospital Transition Program. The building has been vacant since Spring 2017.

The building suffers from a multitude of design shortcomings in general and specific to potential uses by the campus. The result is relatively poor overall functional utility, with the following addressing functional issues:

- The design of the building is both multi-level and split-level. The result is a total of six different floor elevations with relatively small floor plates. Increased operational costs result from the necessary staffing of multiple floors. This contrasts with modern building design that is one level with centralized staff stations.
- Drawbacks of building design also include heightened safety and security concerns. Sightlines are not optimum in terms of monitoring and observing activity. Multiple narrow stairways generated security concerns and are also challenging to those with physical impairments.
- The design as a dormitory and the corresponding floor plan are not a good match to current space needs and best operational practices. Altering the floor plan is neither practical nor financially feasible.

In 2018, DCT declared Johnson Hall surplus to operational needs. In early 2019, an appraisal was conducted. Johnson Hall was appraised with a negative (-) \$200,000 value. The most recent Facility Condition Assessment (FCA) rated the building as “Poor” and a deferred maintenance of over \$5 million.

Project Rationale

The demolition of Johnson Hall would include hazardous surveying and abatement, capping and disconnect of utilities, above and below ground demolition of the building, tunnel removal and capping, sidewalk and paving removal, rubble grinding and disposal, fill material, landscape grading, topsoil and seeding.

Project Timeline

Bid - August 2024

Demolition - September 2024

Ground Restoration - October 2024

Other Considerations**Impact on Agency Operating Budgets**

Funding this project will not impact operational budgets.

Description of Previous Appropriations**Project Contact Person**

Nancy Freeman

DCT Chief Administrative Officer

651-431-6410

Nancy.A.Freeman@state.mn.us

Governor's Recommendation

The Governor does not recommend capital funding for this request.

Human Services

Project Detail

(\$ in thousands)

Johnson Hall Demolition

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2024	FY 2026	FY 2028
State Funds Appropriated and Requested				
General Fund Cash	\$ 0	\$ 662	\$ 0	\$ 0
State Funds Pending				
Non-State Funds Already Committed				
Non-State Funds Pending				
TOTAL	\$ 0	\$ 662	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2024	FY 2026	FY 2028
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 0	\$ 0	\$ 0
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 0	\$ 623	\$ 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	\$ 39	\$ 0	\$ 0
TOTAL	\$ 0	\$ 662	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2024	FY 2026	FY 2028
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
Predesign Review (M.S. 16B.335 subd. 3):	
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
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	N/A
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)?	N/A
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	N/A
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	N/A
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	No
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2028?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

DCT Security Systems

AT A GLANCE

2024 Request Amount: \$7,000

Priority Ranking: 10

Project Summary: \$7 million is requested to improve patient and staff safety at Direct Care and Treatment (DCT) facilities. This project will include the installation of new and upgraded essential security systems and electronic monitoring tools, and physical modifications to enhance the safety and security of our staff and patients.

Project Description

This request includes funding to support the following activities:

1. Add new and upgrade/replace current security systems, communications and security monitoring systems at DCT facilities.
2. Design and construction for physical modifications to enhance security (i.e. eliminate dead end corridors, enclose nurses stations, etc.) and modifications for existing building components to work with upgraded systems and tools (i.e. door frames with magnetic locks).

Project Rationale

Direct Care and Treatment (DCT) provides an array of about 200 geographically dispersed specialized inpatient, residential and treatment programs and services for people with mental illness, intellectual disabilities, chemical dependency, brain injury and civilly-committed sex offenders that providers do not serve. This request will support security improvements and replacements at the facilities which will create a safe and secure environment.

DCT security systems and electronic monitoring tools are critical to safely operating a secure health care system, 24/7, 365 days per year. The needs of the population served within DCT require a variety of electronic systems and equipment to ensure the safety and security of the facilities, the clients/patients, the staff and the public.

These electronic systems and equipment include both software operating systems and the equipment those systems operate on. Many of the systems also require hardware operating equipment to function appropriately; and many of our facilities existing security system have failed and continue to fail because of outdated systems or systems that are no longer supported.

In addition, several DCT sites and facilities need to be modified and fitted with modern security measures. This will require design, construction and installation coordination of the upgraded security systems and electronic monitoring tools.

Project Timeline

Design - August 2024 to January 2025

Bid - February/March 2025

Construction - April 2025 to April 2027

Other Considerations

There is no current budgetary appropriation to add new and upgrade/replace current security systems, communications and security monitoring systems at DCT facilities unless it is part of a larger bondable project.

Impact on Agency Operating Budgets

This project will have no impact on the operating costs for the program.

Description of Previous Appropriations**Project Contact Person**

Nancy Freeman

DCT Chief Administrative Officer

651-431-6410

Nancy.A.Freeman@state.mn.us

Governor's Recommendation

The Governor does not recommend capital funding for this request.

Human Services

Project Detail

(\$ in thousands)

DCT Security Systems

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2024	FY 2026	FY 2028
State Funds Appropriated and Requested				
General Fund Cash	\$ 0	\$ 7,000	\$ 0	\$ 0
State Funds Pending				
Non-State Funds Already Committed				
Non-State Funds Pending				
TOTAL	\$ 0	\$ 7,000	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2024	FY 2026	FY 2028
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 190	\$ 0	\$ 0
Project Management	\$ 0	\$ 122	\$ 0	\$ 0
Construction	\$ 0	\$ 2,680	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 4,008	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 7,000	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2024	FY 2026	FY 2028
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?	N/A
Predesign Review (M.S. 16B.335 subd. 3):	
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
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	N/A
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)?	N/A
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	No
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	No
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2028?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Cambridge Demolition

AT A GLANCE

2024 Request Amount:	\$3,000
Priority Ranking:	11
Project Summary:	\$3 million is requested to demolish the surplus buildings for the Department of Human Services (DHS) Cambridge campus in order to proceed with the sale of site.

Project Description

The Cambridge campus is a 63 acre site within Cambridge, Minnesota, with eight residential cottages and several support buildings. Currently, there are no inpatient programs operating on the site.

Each of the eight residential cottages is 39,956 square feet and is made up of six bedrooms, a kitchen, living, dining and restroom spaces. The cottages were built between 1998 and 1999 and have not been used since August 2014.

In addition, the Cambridge campus has several support buildings: the recreation building (a 29,542 square foot building that was built in 1919), the vocational building (a 24,872 square foot building that was built in 1961), and the administration building (a 52,228 square foot building built in 1955). All of the support buildings are currently vacant.

Project Rationale

The Department of Human Services’ Cambridge campus is an underutilized asset with a complex history.

The Cambridge campus was originally established in 1923 as a colony for epileptics. In 1949, the facility’s name changed from the Minnesota Colony for Epileptics to the Cambridge State School and Hospital – representing the common practice at the time to build more institutions for the care of patients with mental illness and developmental disabilities. In 1961, the site reached its peak population of 2,008 patients.

During the mid-1970’s, the Cambridge State Hospital became more program-oriented, instead of medically oriented, with the attempt to involve every resident of campus in six hours of programming per day, five days per week. Population at this time was 658 residents. During the 1980s and 1990s, the Hospital, now known as the Cambridge Regional Treatment Center, continued downsizing and increased placement of patients into community-based programs. In June of 1999, the last patient was placed in the community and the hospital facility is officially closed.

The 1995 Legislature directed the Department of Human Services (DHS) to “develop a specialized

model at the Cambridge campus to serve citizens of Minnesota who have a developmental disability and exhibit severe behaviors which present a risk to public safety. This service will have the capacity to serve between 40 and 100 individuals.” In 1997, the Minnesota Extended Treatment Options (METO) was established on the Cambridge campus to provide specialized services for persons with developmental disabilities who presented a public safety risk. By 2000, the Cambridge campus provided space for 48 clients.

The Department of Human Services (DHS) officially closed the Minnesota Extended Treatment Options (METO) program June 30, 2011 as part of the Jensen Settlement Agreement. The Jensen Settlement Agreement is the result of a lawsuit filed against the DHS in 2009 alleging that residents of the Minnesota Extended Treatment Options (METO) program were unlawfully and unconstitutionally secluded and restrained. The Jensen Settlement Agreement allowed DHS and the plaintiffs to resolve the claims in a mutually agreeable manner. The Comprehensive Plan of Action outlines the path that the department will take to come into compliance with the terms of the agreement.

The Minnesota Specialty Health System (MSHS)-Cambridge replaced the METO program and began operation on July 1, 2011. Additionally, as part of the settlement, DHS agreed to close MSHS-Cambridge.

On Aug. 29, 2014, the last individual transitioned out of the Minnesota-Specialty Health System-Cambridge and DHS closed the facility as part of the terms of the Jensen Settlement Agreement.

The lone remaining occupant of the campus (dental office) has been closed and moved to another location as of July 2023. MNIT has removed their equipment and the campus is now vacant with all systems shut down (HVAC, elevator, electrical, etc.). Lawn maintenance and snow removal in critical areas will have to continue to keep the site presentable.

Project Timeline

Hazardous Abatement - July 2024 to September 2024

Demolition - October 2024 to April 2025

Site Remediation - May 2025 to June 2025

Other Considerations

Even though the site is vacated, funding is still required to maintain the site to keep it presentable (lawn cutting in the summer) and safety access (snow plowing in the winter). The Department of Administration has recommended this demolition in order to make a future sale viable.

Impact on Agency Operating Budgets

This project would reduce the overall cost of operations for DCT and allow the sale of the site to occur.

Description of Previous Appropriations

Project Contact Person

Nancy Freeman
DCT Chief Administrative Officer

651-431-6410

Nancy.A.Freeman@state.mn.us

Governor's Recommendation

The Governor does not recommend capital funding for this request.

Human Services

Project Detail

(\$ in thousands)

Cambridge Demolition

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2024	FY 2026	FY 2028
State Funds Appropriated and Requested				
General Fund Cash	\$ 0	\$ 3,000	\$ 0	\$ 0
State Funds Pending				
Non-State Funds Already Committed				
Non-State Funds Pending				
TOTAL	\$ 0	\$ 3,000	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2024	FY 2026	FY 2028
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 0	\$ 0	\$ 0
Project Management	\$ 0	\$ 55	\$ 0	\$ 0
Construction	\$ 0	\$ 2,701	\$ 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	\$ 244	\$ 0	\$ 0
TOTAL	\$ 0	\$ 3,000	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2024	FY 2026	FY 2028
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
Predesign Review (M.S. 16B.335 subd. 3):	
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
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	N/A
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)?	N/A
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	No
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	N/A
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	No
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2028?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A