

Grants to Political Subdivisions

Project Funding Summary

(\$ in Thousands)

Project Title	Agency Priority	Strategic Score	Funding Source	Agency Request			Governor's Rec	Governor's Planning Estimates	
				2004	2006	2008	2004	2006	2008
Bird Island Sewer Separation	BRD-1		GO	\$1,500	\$0	\$0	\$0	\$0	\$0
Blue Earth Fire Hall and Police Station	BLU-1		GO	642	0	0	0	0	0
Buffalo Lake Maintenance Garage & Street Repair	BUF-1		GO	635	0	0	635	0	0
Dakota County Transportation & Capital Requests	DAK-1		GO	57,000	6,400	31,600	0	0	0
Senior Assisted Living Development - Eagan	D-1		GO	3,100	0	0	0	0	0
DECC Arena - Duluth	DEC-1		GO	3,331	24,173	0	0	0	0
Duluth Sanitary Sewer Overflow Storage	DUL-1		GO	4,950	0	0	0	0	0
Duluth Arial Lift Bridge Rehabilitation	DUL-2		GO	1,950	0	0	0	0	0
Lake Superior Zoo Master Plan Development	DUL-3		GO	400	750	900	0	0	0
Bayfront Visitors Center Pre/Design - Duluth	DUL-4		GO	180	11,000	0	0	0	0
Gaylord Library and Multicultural Center	GAY-1		GO	750	0	0	0	0	0
Lowry Avenue Corridor, Phases 1 & 2 - Minneapolis	HEN-1		GO	5,000	0	0	0	0	0
HCMC Crisis Intervention Center Expansion	HEN-2		GO	1,400	0	0	0	0	0
Colin Powell Youth Leadership Center	HEN-3		GO	6,350	0	0	4,230	0	0
Lewis and Clark Rural Water System	LUV-1		GF	4,301	0	0	0	0	0
			GO	0	0	0	2,000	0	0
Heritage Hjemkomst Interpretive Center Repair	MOR-1		GO	1,000	0	0	0	0	0
Minnesota Planetarium & Space Discovery Center	MPL-1		GO	24,000	0	0	0	0	0
Minneapolis Empowerment Zone - Heritage Park Redevelopment	MPL-2		GO	9,625	0	0	0	0	0
South East Mineapolis (SEMI) Redevelopment Project - Infrastructure	MPL-3		GO	9,000	0	0	0	0	0
Minnesota Shubert Performing Arts and Education Center	MPL-4		GO	10,000	0	0	0	0	0
Ramsey County Transportation Requests	RAM-1		GO	18,750	101,000	10,000	0	0	0
Rochester Regional Public Safety Training Center	ROC-1		GO	627	2,630	0	0	0	0
National Volleyball Center, Phase II - Rochester	ROC-2		GO	3,200	0	0	0	0	0
Roseau Infrastructure Repair & Improvements	ROS-1		GO	13,572	0	0	10,000	0	0
Local Parks, Trails and Interpretive Centers - Statewide	S-1		GO	33,092	2,397	1,148	0	0	0
St. Cloud Regional Airport Property Acquisition	STC-1		GO	2,800	0	0	0	0	0
St. Louis County Capital Requests	SLC-1		GO	4,261	0	0	0	0	0
St. Paul Bioscience Corridor	STP-1		GO	20,000	0	0	0	0	0
Health Care Learning Center - St. Paul	STP-2		GO	15,000	0	0	0	0	0
Minnesota Institute for Regenerative Medicine - St. Paul	STP-3		GO	15,000	0	0	0	0	0
St. Paul Phalen Boulevard	STP-4		GO	4,000	0	0	0	0	0

Funding Sources:	GF = General Fund	THF = Trunk Highway Fund	OTH = Other Funding Sources
	GO = General Obligation Bonds	THB = Trunk Highway Fund Bonding	UF = User Financed Bonding

Grants to Political Subdivisions

Project Funding Summary (\$ in Thousands)

Saint Paul Downtown Airport/Holman Field Flood Protection	STP-5	GO	6,000	0	0	0	0	0
Ordway Performing Arts Center Renovation - St. Paul	STP-6	GO	10,000	0	0	0	0	0
Virginia District Steam Heating System	VIR-1	GO	5,000	0	0	0	0	0
Winona Riverfront Revitalization Plan	WIN-1	GO	250	0	0	0	0	0
WMEP Southwest Voluntary Integration Magnet School	WES-1	GO	25,799	0	0	0	0	0

Project Total	\$322,465	\$148,350	\$43,648	\$16,865	\$0	\$0
General Obligation Bonding (GO)	\$318,164	\$148,350	\$43,648	\$16,865	\$0	\$0
General Fund Projects (GF)	\$4,301	\$0	\$0	\$0	\$0	\$0

Funding Sources:	GF = General Fund	THF = Trunk Highway Fund	OTH = Other Funding Sources
	GO = General Obligation Bonds	THB = Trunk Highway Fund Bonding	UF = User Financed Bonding

The Department of Finance has received local project requests from a variety of political subdivisions and associated local organizations throughout the state, as provided in the following pages. These requests have been collectively grouped into this section of the capital budget, "Grants to Political Subdivisions." These are local requests that cannot be processed through existing statewide grant programs as currently offered or proposed by state agencies.

Department Of Finance Analysis

In the following request forms, Department of Finance review comments as required by M.S. 16A.86 are provided for these local projects.

Recognizing the interest of state decision-makers to occasionally form funding partnerships and provide state financing for various local projects, many of which involve significant state funding, the department wishes to outline a series of recommendations regarding state funding for these local projects.

Recognizing that local project requests are quickly becoming more prevalent in the state capital budget process, a number of public policy issues arise. First, the department is concerned that state funding for local projects has the effect of displacing resources otherwise intended for state agencies. Second, the department is concerned that state funding for local projects has produced a situation in which local governments now have a strong incentive to avoid prioritizing and financing requests at the local level and avoid reordering local budgets accordingly. Third, the process of providing state funds to local governments for predesign activities which in turn produce additional requests for state construction funds seems to be a curious incentive for the state to offer, given that requests typically outpace funding capacity by as much as a three-to-one ratio.

In recent bonding bills, many local projects have received state funding based on various non-state matching requirements. These ratios have been inconsistent. The rationale for local matching requirements are obvious -- match requirements recognize the local benefit of such projects, allow limited state funds to extend to additional projects to the extent supplemented by local funds, require local governments to have a greater stake in the success of the project, and enable local projects to be funded at a higher level due to infusion of state resources.

Building on these concepts, the Department of Finance offers the following recommendations for state funding of local capital projects:

- ⇒ Political subdivisions should fund local projects to the fullest extent possible before requesting state assistance for capital costs.
- ⇒ Whenever possible, local units of government should be asked to prepare and finance predesign documents to sufficiently explain the project purpose, scope, cost, and schedule *prior to* submitting capital budget requests. After predesign completion, requests should be submitted through the official capital budget process. This will improve the integrity of project cost estimates.
- ⇒ In the interest of forming true state-local partnerships, local governments should be willing to provide substantial non-state funds as a condition of receiving state bond appropriations. M.S. 16A.86 prescribes local matching requirements of at least 50% non-state funding for local projects. Local projects that fail to demonstrate any significant regional or statewide significance should have even higher non-state contributions, or perhaps be entirely financed with local dollars.
- ⇒ To avoid overly-optimistic expectations among local governments, the state should not provide partial appropriations for design funds in any given year unless the state is fully prepared to provide subsequent construction funds. Design funding should not be appropriated for the exclusive purpose of buying time, mollifying project proponents or pushing project construction tails into future legislative sessions.
- ⇒ Political subdivisions should develop a detailed operating plan that ensures local funding of project operating expenses, without state financial assistance.

Other Requests That Were Received

The following local requests were received by the Department of Finance, but were forwarded to other state agencies for their consideration when preparing their agency request packages:

- ⇒ Business development infrastructure grants (\$25 million) and redevelopment grants (\$10 million) – this is a statewide request that was submitted by the city of Alexandria. This request was forwarded to the Department of Employment and Economic Development for review.

- ⇒ South Saint Paul BridgePoint Business Park (\$3 million) – this request was forwarded to the Department of Employment and Economic Development for review.
- ⇒ Grant Community School Collaborative (\$900,000) – this request is to reinstate funds that were canceled during the 2003 legislative session. This request was forwarded to the Minnesota Department of Education.
- ⇒ Eagle Bend wastewater treatment facilities improvements (\$1,705,490) – this request is to supplement state funding from the Public Facilities Authority (PFA). As such, it was referred back to PFA for further review and consideration.
- ⇒ Garrison KWMLL wastewater collection system (\$997,000) – this request is to supplement state funding from the Public Facilities Authority and federal government. As such, it was referred back to PFA for further review and discussion.
- ⇒ Buffalo-Red River Watershed Project (\$5.1 million) – this request was forwarded to DNR for consideration as part of their flood hazard mitigation grant program.
- ⇒ City of Osseo Central Avenue/Jefferson Highway Reconstruction Project (\$1 million) – this request was forwarded to Minnesota Department of Transportation (Mn/DOT) for their consideration and discussion regarding the Local Road Improvement Grant Program.
- ⇒ Minnesota Rural Road Safety Program (\$25 million in 2004 and \$25 million in 2006) – this request came from the Minnesota County Engineer's Association and was forwarded to Mn/DOT for their review and consideration as a potential agency request.

The Department of Finance also became aware of other local projects after the application deadline, or had insufficient information available to process the request, or the request was ineligible for state general obligation (G.O.) bonding:

- ⇒ City of Buffalo, Emission Control Equipment (\$1.9 million) – for a private company; a non-bondable expense.
- ⇒ Agricultural and Food Sciences Academy/Charter High School (\$14 million) - letter of interest from legislators only; no application received.
- ⇒ Minneapolis American Indian Center (\$2.5 million) – request received from the non-profit organization (MAIC); request must come from a public entity/owner.

- ⇒ Children's Discovery Museum and Judy Garland Museum (\$300,000) – request was received from the non-profit operator. Request must come from a public entity and ownership of the facility must be public. In this case, the nonprofit operator does not want to relinquish control to a public owner (wants general fund cash instead of state bonding).
- ⇒ Rice County Jail (\$10.5 million) – letter of interest was received after the application deadline. The project is being reviewed by the Department of Corrections.

Statutory Review Criteria For Local Projects

The commissioner of Finance must evaluate all requests from political subdivisions for state capital assistance based on criteria contained in M.S. 16A.86. This evaluation is provided with each project's request forms. The evaluation criteria is as follows:

- ◆ the political subdivision has provided for local, private, and user financing for the project to the maximum extent possible;
- ◆ the project helps fulfill an important state mission;
- ◆ the project is of regional or statewide significance;
- ◆ the project will not require new or any additional state operating subsidies;
- ◆ the project will not expand the state's role in a new policy area;
- ◆ state funding for the project will not create significant inequities among local jurisdictions;
- ◆ the project will not compete with other facilities in such a manner that they lose a significant number of users to the new project;
- ◆ the governing bodies of those political subdivisions primarily benefiting from the project have passed resolutions in support of the project and have prioritized their requests when submitting multiple requests;
- ◆ the project has submitted a project predesign to the commissioner of Administration; and
- ◆ the state's share of project costs must be no more than 50% of total capital costs (except for local school projects or disaster recovery projects).

Bird Island Sewer Separation

2004 STATE APPROPRIATION REQUEST: \$1,500,000

AGENCY PROJECT PRIORITY: 1 of 1 (City of Bird Island)

PROJECT LOCATION: Bird Island, Renville County (Pop: 1,195)

Project At A Glance

\$1.5 million in state funds is requested to separate sanitary and storm sewers in Bird Island. The total project cost is \$10,971,430.

Project Description

This request is for \$1.5 million as a state grant to help pay for engineering, administration and construction costs related to a citywide sewer separation project. The project also includes the construction of two new lift stations and forcemains. In addition, control structures at the existing stabilization ponds are in deteriorated condition and are planned for replacement.

The existing combined storm water and sanitary sewer pipe system within the community will remain in place and serve solely as the city's storm sewer system. Water mains over 50 years old and under streets that will be tore up will also be replaced at this time. A copy of the facility plan and preliminary project design has been submitted to the Minnesota Public Facilities Authority.

It is our understanding that Bird Island remains one of the last (or the last) cities in Minnesota to operate a combined sanitary/storm sewer system. Our stabilization ponds do not currently meet hydraulic loading criteria for pond treatment due to the influx of storm water. This situation causes the city to discharge water outside of its Minnesota Pollution Control Agency (MPCA) NPDES permit limits, allowing, at times, polluted water to enter County Ditch 66, which eventually ends up in the Minnesota River. In addition, even with moderate rainfalls, many residents experience sewer back up in their basements.

This public health issue needs to be addressed. Because of this situation, the MPCA is not allowing any new sewer extensions in Bird Island, placing a moratorium on new development. As a small town in rural Minnesota with a declining population (currently 1,195), we cannot afford to turn down new development.

The city of Bird Island has shown their commitment to this project by significantly raising water/sewer rates (currently at \$4.26 per 1,000 gallon plus \$17.50 base rate for each utility, per month), passing relevant support resolutions, and attending and hosting numerous meetings with U.S. Department of Agriculture (USDA) Rural Development, the MPCA, Minnesota Department of Transportation (Mn/DOT), Senator Dean E. Johnson, Senator Gary Kubly and Representative Lyle Koenen.

In conclusion, we believe this project to be worthy of funding due to several factors: 1) public health issues for the residents of Bird Island; 2) the cost of the project far-exceeds what the citizens of Bird Island can afford; 3) in order for Bird Island to sustain or grow, new development must be allowed; and 4) statewide environmental issues regarding the Minnesota River.

Impact on Agency Operating Budgets (Facilities Notes)

The city of Bird Island will own and operate the facility. No state operating funds are requested.

Previous Appropriations for this Project

None.

Bird Island Sewer Separation

Sources of Funding	\$
Sanitary Sewer Separation	
Requested amount from state	\$1,500,000
MNPUBLIC Facilities Authority-Loan	3,100,000
USDA-Rural Development Grant	1,600,000
USDA-Rural Development Loan	524,920
MnDOT Coop. Agreement Funds	500,000
Private Property Owners	538,010
Subtotal	7,762,930
Water System Reconstruction	
USDA-Rural Development Loan	2,860,800
Subtotal	2,860,800
Storm Sewer System Repairs	
City Tax Levy/General Fund	347,700
Subtotal	347,700
Total estimated project costs	\$10,971,430

Project Contact Person

Deb Lingl, City Administrator
660 Birch Avenue
PO Box 130
Bird Island, Minnesota 55310
Phone: (320) 365-3371
Fax: (320) 365-4611
E-mail: birdislandcity@willmar.com

Governor's Recommendations

The Governor does not recommend capital funds for this project.

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	2,298	0	0	2,298
4. Project Management	0	0	0	0	0
5. Construction Costs	0	8,673	0	0	8,673
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	10,971	0	0	10,971

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	1,500	0	0	1,500
State Funds Subtotal	0	1,500	0	0	1,500
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	5,486	0	0	5,486
Local Government Funds	0	347	0	0	347
Private Funds	0	538	0	0	538
Other	0	3,100	0	0	3,100
TOTAL	0	10,971	0	0	10,971

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	1,500	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Bird Island Sewer Separation

Evaluation of Local Projects	
1.	Non-state matching funds contributed? A variety of state, federal, local and private funds are included with this project.
2.	Project fulfills an important state mission? To the extent that the existing combined sewer system may pollute the watershed area, remedying this environmental problem is an important goal.
3.	Has a state role been expanded in a new policy area? The answer to this question depends on whether the state's funding responsibilities will be expanded beyond the state's normal role when funding local projects through PFA loans and grants. It is unclear whether this request will expand the traditional PFA funding role. PFA should comment on this request.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? See response to Question #3.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? A resolution of support for this project dated 7/22/02 was received from the Bird Island City Council.
9.	Pre-design completed? A pre-design is likely not required for a utility infrastructure project of this type.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of Bird Island is 505 of 854 cities in Minnesota (1 is high).

Blue Earth Fire Hall and Police Station

2004 STATE APPROPRIATION REQUEST: \$642,000

AGENCY PROJECT PRIORITY: 1 of 1 (City of Blue Earth)

PROJECT LOCATION: Blue Earth (Pop: 3,573)

Project At A Glance

The city of Blue Earth requests \$642,242 in state funding to match an equal amount of city funding to acquire land, predesign, design, construct, furnish, and equip a new fire and police station to provide facilities at 729 East 7th Street in Blue Earth.

Project Description

The city has identified that existing police and fire facilities are inadequate for existing operations. Furthermore, the facilities are impeding the potential for joint-services with surrounding communities for expanded police, fire, and rescue service in the greater Blue Earth area. Finally, there is demonstrated local support but the local community needs requires state participation in the financing to make it economically feasible.

The existing fire station was built in the 1950s and over the years fire and rescue trucks have grown in size and fire services has expanded into providing rescue and hazardous material response to a point where they have outgrown the existing facility. The city ordered a new truck in 2003 that will require one of the primary backup trucks to be stored off site. The necessity to store a backup truck off-site is inefficient and could result in significantly slower response time in certain emergencies. The current meeting/training room is restricted from use as friable asbestos has been identified in the basement, which is a potential hazard to the firemen.

The Blue Earth Fire Department currently contracts with five surrounding townships for fire and rescue services. The fire department has a potential opportunity to expand to contract with a larger service area, particularly with

financial resources continuing to decline in surrounding communities. The current facility would limit the opportunity to pursue such expanded joint-operating agreements. The proposed new fire station would expand the potential for a larger regional fire and rescue protection service area of the Blue Earth fire department.

The existing police station is also significantly undersized for current operations. There is one small office room for five full-time officers and the Police Chief. The evidence room is overflowing and the bathroom is small and does not meet handicap accessibility requirements. Privacy is an issue as the part-time secretary is often excused from the building and must wait outside when the public is meeting with officers regarding sensitive or private exchanges. Safety and privacy is an issue as well as the offices and files are co-mingled with public areas. The garage space for vehicles and other equipment is also inadequate.

The city has been pursuing regional police services with neighboring communities via a joint-powers agreement or direct contracting. There has been positive response from many of the communities. However, the existing facilities would not accommodate such an expansion of service. The opportunity for more efficient and regional policy coverage could become a reality if this project moves forward.

The city police department has an established collaborative working relationship with area communities through a joint powers agreement for a school liaison officer at the Blue Earth Area High School. The city of Blue Earth, Winnebago, Elmore, Frost, and Delavan currently fund the position along with additional federal COPS grant assistance. The officer is a member of the Blue Earth Police Department.

The city has determined that the most cost-effective solution is to construct a new police and fire station at a new site. This would accommodate the existing operations and expand regional police, fire, and rescue services. State participation in 50% of the capital costs will make this a reality.

Impact on Agency Operating Budgets (Facilities Notes)

The Blue Earth Economic Development Authority will own and lease the building to the city of Blue Earth for the full amount of the annual principal

Blue Earth Fire Hall and Police Station

and interest bond amount. The city of Blue Earth will be responsible for operating the facility and will be responsible for all related operating expenses.

No additional state operating dollars are requested.

Previous Appropriations for this Project

None.

Other Considerations

The total project cost is \$1,284,484 and the city will pay one-half of the capital cost.

Project Contact Person

Ben Martig, Interim Clerk/Administrator
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PO Box 38
Blue Earth, Minnesota 56013
Phone: (507) 526-7336
Fax: (507) 526-7352
E-mail: ben@be.blue-earth.mn.us

Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Blue Earth Fire Hall and Police Station

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	0	1,285	0	0	1,285
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	1,285	0	0	1,285

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	642	0	0	642
State Funds Subtotal	0	642	0	0	642
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	643	0	0	643
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	1,285	0	0	1,285

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	642	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Blue Earth Fire Hall and Police Station

Evaluation of Local Projects	
1.	Non-state matching funds contributed? 50% city funds will be provided with this project.
2.	Project fulfills an important state mission? Police and fire services are typically considered to be primarily local, rather than state responsibilities.
3.	Has a state role been expanded in a new policy area? State funding for a project of this type would represent an expansion of its traditional state funding role.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit, with potential for regional significance if multi-jurisdiction partnerships can be formed with neighboring jurisdictions to provide consolidated police and fire services.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? Other local jurisdictions would likely desire similar funding.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? A resolution of support for this project dated 7/21/03 was received from the Blue Earth City Council.
9.	Predesign completed? A predesign may not be required for a local project of this size (with construction costs less than \$1.5 million).
10.	Project is disaster related? No
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of Blue Earth is 442 of 854 cities in Minnesota (1 is high).

Buffalo Lake Maintenance Garage & Street Repair

2004 STATE APPROPRIATION REQUEST: \$635,000

AGENCY PROJECT PRIORITY: 1 of 1 (City of Buffalo Lake)

PROJECT LOCATION: Buffalo Lake (Pop: 768)

Project At A Glance

State funds of \$635,000 are requested for tornado damage to replace or repair:

- ◆ city maintenance garage (\$325,000)
- ◆ city streets (\$310,000)

Project Description

The city of Buffalo Lake is requesting \$635,000 in state funding to replace a maintenance garage and city streets damaged in a tornado. The city maintenance garage is damaged beyond repair (5,000 sq ft x \$65/SF = \$325,000). The city completed a street project in FY 2002 and the streets are less than a year old. These streets were in the heart of the tornado and need to be resurfaced or the life of these streets will be less than half. These streets are gouged, scratched, and has structural stress due to all the large equipment needed to clean the streets and city. The normal life of these streets should be 20 years. The city engineer, KBM, Inc., estimates this cost at \$310,000. The city would like to complete this project in 2004.

Impact on Agency Operating Budgets (Facilities Notes)

No state operating funds are requested with this project.

Previous Appropriations for this Project

None.

Project Contact Person

Connie Kottke, Clerk
PO Box 396
Buffalo Lake, Minnesota 55314
Phone: (320) 833-2272
Fax: (320) 833-2094

Governor's Recommendations

The Governor recommends general obligation bonding of \$635,000 for this project.

Grants to Political Subdivisions

Project Detail

Buffalo Lake Maintenance Garage & Street Repair

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	0	635	0	0	635
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	635	0	0	635

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	635	0	0	635
State Funds Subtotal	0	635	0	0	635
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	635	0	0	635

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	635	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Buffalo Lake Maintenance Garage & Street Repair

Evaluation of Local Projects	
1.	Non-state matching funds contributed? No non-state funds are being contributed with this request.
2.	Project fulfills an important state mission? State funding has been provided for emergency and disaster related expenditures in the past for other communities.
3.	Has a state role been expanded in a new policy area? See response to question #2.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? It is difficult to compare state funding levels for projects in other communities that have experienced tornado or other disaster related damage, as each situation is uniquely different.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? A resolution of support for this project dated 7/31/03 was received from the Buffalo Lake City Council.
9.	Predesign completed? Predesign is not required for a local project of this type (with construction costs of less than \$1.5 million).
10.	Project is disaster related? The project is in a disaster area. The community received damage from a recent tornado.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of Buffalo Lake is 455 of 854 cities in Minnesota (1 is high).

Dakota County Transportation & Capital Requests

2004 STATE APPROPRIATION REQUEST: \$57,000,000

AGENCY PROJECT PRIORITY: 1 of 1 (Dakota County)

PROJECT LOCATION: Various Dakota County Locations

Project At A Glance

The following requests were received from the Dakota County Board of Commissioners (in priority order):

- ⇒ Cedar Avenue Busway (\$20 million)
- ⇒ CSAH 42 Segment 8 implementation (\$7 million)
- ⇒ TH 52 and CSAH 42 interchange (\$15 million)
- ⇒ I35 and CSAH 70 interchange (\$5 million)
- ⇒ Statewide Farmland Protection Program (\$10 million)

Project Description

⇒ Cedar Avenue Busway

(\$20 million in state funds requested in 2004; \$3.4 million to be requested in 2006; \$31.6 million to be requested in 2008; total project cost = \$196 million)

(Federal funds = \$23.6 million for final design and \$126.4 million for construction = \$140 million)

Cedar Avenue, from I-494 south to Apple Valley, experiences severe congestion. Northbound traffic across the Cedar Avenue Bridge is at Service Level F most workdays, and often backs up into Apple Valley.

Few alternatives exist to Cedar Avenue, as the Minnesota River is a significant barrier. 1-35W, the Mendota Bridge, and 1-494 are the only viable alternatives to the Cedar Avenue Bridge. They also are experiencing severe congestion.

The Twin Cities *Transportation Policy Plan* does not forecast any major expansion or improvements to this highway between now and 2025. At

the same time, population forecasts project that the population in the area directly around Cedar Avenue will grow over 50% over the next 20 years.

Because of this, a study was conducted to look at the feasibility of substantially improved transit service within a 10-mile corridor running from the Mall of America Transit Station to the Apple Valley Transit Station along Cedar Avenue.

After substantial analysis, bus rapid transit (BRT) was selected as the transitway mode of choice for further study. It was found that this was the most cost-effective alternative when cost, ridership, operational efficiency, and effectiveness were balanced out.

After completion of this feasibility study, the Minnesota Legislature and the Metropolitan Council granted funds to conduct a Phase Two study of the corridor. Dakota County has been leading an interagency team to study the various options. The partnership members include Hennepin County; the cities of Eagan, Bloomington, Apple Valley, and Burnsville; the Minnesota Valley Transit Authority, Minnesota Department of Transportation (Mn/DOT); and the Metropolitan Council.

This request is for funds for environmental studies and preliminary engineering associated with BRT and, following the completion of the Phase Two study, short term, low-cost transit improvements (including shoulder widening and strengthening, park and ride improvements, and construction of a transit station).

The project supports the state's strategic mission to provide an efficient, effective transportation system.

Traffic on Cedar Avenue south of the Minnesota River is at Service Level F (i.e., beyond the roadway's capacity, the worst rating possible). Current daily traffic is 98,000 to 100,000 vehicles per day. The 2020 forecast is 110,000 vehicles per day, or about a 12% increase. The limited amount of growth is because the road is already beyond capacity and simply cannot take substantially more traffic.

Dakota County Transportation & Capital Requests

One of the core missions of the state of Minnesota is to provide a safe, efficient, transportation system. This busway will reduce traffic in the Cedar Avenue (Trunk Highway 77) Corridor. It is projected that a BRT transitway will generate 4,400 new riders. With peak hour occupancy averaging about 1.1 persons per automobile, 4,000 cars per day would be taken off the roads.

The facility will be owned and operated by either the Minnesota Valley Transit Authority or Metro Transit of the Metropolitan Council.

⇒ **County Highway 42 Segment 8 Implementation Plan**

(\$7 million in state funds requested in 2004; \$300,000 to be requested in 2006, total project = \$19million)

Segment 8 of CSAH 42 has significant safety, mobility, and circulation problems, due in part to heavy development, numerous accesses and high traffic volumes. CSAH 42 plays a critical role in serving transportation needs in the southern part of the metropolitan area. The highway is a principal arterial. It is the only continuous east-west roadway serving travel across central Dakota and northern Scott counties. CSAH 42 provides direct connections to all of the major north-south freeways in the area, provides direct connections to a number of regional retail centers, and is the primary route to work for thousands of area employees. Traffic congestion is increasing, while speeds and level of service are decreasing.

Dakota County, Scott County, and the cities of Burnsville and Savage have adopted the Segment 8 Implementation Plan. So far, Dakota County and Burnsville have contributed \$6 million to the project.

The next steps in the Implementation Plan include:

- ◆ Construction of limited access intersections
- ◆ Construction of six lanes on CSAH 42
- ◆ Extension and interconnection of the supporting roadway system
- ◆ Closing identified private accesses directly to CSAH 42

The project is located between County State Aid Highway 5 in Burnsville (Dakota County) and Glendale Road in Savage (Scott County).

Dakota County will contribute \$6.4 million in 2002 to 2007; the city of Burnsville will contribute \$5.3 million in 2002 to 2007. Application made for \$5.5 million from TEA-21 funds for year 2008.

⇒ **Interchange at State Trunk Highway 52 and CSAH 42**

(\$15 million in state funds requested in 2004; \$2.1 million to be requested in 2006; total project cost = \$19 million)

The existing interchange bridge has significant safety deficiencies. In addition, it will not operate efficiently with the current industrial and employment growth in the immediate area, intensifying the need for this interchange improvement. The interchange is identified as a needed improvement in the Highway 52 Corridor Plan prepared by the Highway 52 Freeway Partnership, consisting of MnDOT, Dakota County, Goodhue County, and Olmstead County.

Dakota County will contribute \$1.9 million in 2007-08.

The interchange is located in Rosemount, approximately two miles south of the TH52/TH 55 split.

⇒ **I-35/County State Aid Highway 70 Interchange in Lakeville**

(\$5 million in state funds requested in 2004; \$600,000 to be requested in 2006; total project cost = \$15.6 million)

The existing interchange bridge is deficient and will not operate efficiently with the current and future population and employment growth in the immediate area that is intensifying the need for this interchange improvement.

Close-by developments served by the interchange include: the Air Lake Industrial Park, the second largest industrial park in the Metropolitan Area with capacity to double in size; Lakeville Public High School; and developing retail areas. The interchange is identified as a needed improvement in the Dakota County Transportation Plan.

Plans for the interchange have been developed. The new interchange will provide a bridge and ramps that meet current standards, including High Occupancy Vehicle (HOV) bypass ramps. Interchange

Dakota County Transportation & Capital Requests

enhancements include an enlarged park and pool lot and bike paths to provide access across I-35 for the residents of residential neighborhoods to reach the developing commercial area and theaters to the west.

Preliminary design, funded by Dakota County and the City of Lakeville is underway. MnDOT approval of the design and study report is expected in late 2003. Next steps in the project are to complete preliminary design and environmental documentation.

The I-35/County State Aid Highway 70 interchange is located in Lakeville, approximately six miles south of the I-35W/I-35E split.

Federal funds: \$5.5 million applied for TEA-21 fund in 2008. Dakota County will contribute \$5 million. City of Lakeville will contribute \$5 million.

⇒ Statewide Farmland Protection Program

(\$10 million in state funds is requested in 2004; total project cost = \$30 million)

The project is proposed for statewide application. Nationally, the Farm Bill contains nearly \$1 billion for the protection of farmland, but the Federal Farmland and Ranchland Protection Program (FRPP) requires a 50% non-federal match. Many states have statewide farmland protection programs that provide a source of funding to attract federal funds, but Minnesota does not. The proposed appropriation would create a source of revenue to attract federal funds.

In November 2002, the citizens of Dakota County passes a \$20 million open space referendum to protect priority farmland and natural areas using conservation easements and fee title acquisition. The referendum passed 57% to 43% and the County Board sold bonds to finance the land protection in February of 2003. This appropriation provides a source of matching funds for projects in Dakota County, where approximately 5,000 acres of farmland could be protected. Easements would be purchased to protect farmland, consist with Federal Farmland and Ranchland Protection Program requirements.

Easements will be held jointly by Dakota County, the Natural Resources Conservation Service (United States Department of Agriculture) and the state of Minnesota.

The project proposed for statewide application. In Dakota County, approximately 5,000 acres of farmland could be protected.

Non-state funds available or to be contributed to the project: \$10 million from the FFRP and \$10 million from Dakota County body referendum funds.

Project Contact Person

Greg Konat, Director
Dakota County Physical Development Division
14955 Galaxie Avenue
Apple Valley, Minnesota 55124
Phone: (952) 891-7034 (office)

Governor's Recommendations

The Governor recommends general obligation bonding of \$10 million for the Cedar Avenue Busway, to be appropriated to the Metropolitan Council (see duplicate request under the Metropolitan Council section for further information).

Grants to Political Subdivisions

Project Detail

Dakota County Transportation & Capital Requests

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	0	238,700	6,400	44,500	289,600
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	238,700	6,400	44,500	289,600

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	57,000	6,400	31,600	95,000
State Funds Subtotal	0	57,000	6,400	31,600	95,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	150,000	0	11,000	161,000
Local Government Funds	0	31,700	0	1,900	33,600
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	238,700	6,400	44,500	289,600

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	57,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Dakota County Transportation & Capital Requests

Evaluation of Local Projects	
1.	Non-state matching funds contributed? This county request was received after the Governor's proposed submission deadline of 9/30/03. As such, insufficient time was available to conduct a comprehensive review all elements of the request. The Metropolitan Council has been asked to review the Cedar Avenue Busway proposal (see duplicate request under the Metropolitan Council section). See DOF scoring of this project as contained within the Metropolitan Council request.
2.	Project fulfills an important state mission?
3.	Has a state role been expanded in a new policy area?
4.	Project is of local, regional, or statewide significance?
5.	State operation subsidies required?
6.	Inequities created among local jurisdictions?
7.	Does it compete with other facilities?
8.	Resolutions from local governing bodies provided? A resolution of support for the 5 Dakota County requests dated 10/14/03 was received from the Dakota County Board of Commissioners.
9.	Pre-design completed?
10.	Project is disaster related?
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of Dakota County is 18 of 87 counties in Minnesota (1 is high).

Senior Assisted Living Development - Eagan

2004 STATE APPROPRIATION REQUEST: \$3,100,000

AGENCY PROJECT PRIORITY: 1 of 1 (Dakota County Community Dev. Agency)

PROJECT LOCATION: Eagan (Pop: 64,700)

Project At A Glance

\$3.1 million in state funding is requested to match an equal amount of local funding to construct a public-owned and operated senior assisted living development in the city of Eagan.

Project Description

The request is to predesign, design, construct, furnish, and equip a new affordable senior assisted living development to assist low and moderate income elderly residents who need supportive housing services in addition to affordable housing.

The development proposed is being planned in the city of Eagan, on the Community Development Agency (CDA's) current campus that includes the CDA's central offices and two affordable independent senior living developments. The total project cost at this time is estimated to be \$6.2 million. The CDA is requesting \$3.1 million, the maximum amount allowable under M.S. 16A.86.

The Dakota County CDA will rely on a variety of flexible and varied funding sources in order to construct the facility and develop a service package consistent with the private market. To date, land for the development has already been secured. The CDA acquired it along with the land that is now the existing independent senior living campus and central offices for the CDA. Proposed funding sources for the construction of the building will include state bonding dollars, federal HOME funds, and potentially Dakota County CDA levy proceeds. On the services side, the CDA will combine

local funding resources with federal resources such as those available from U.S. Department of Housing and Urban Development and state resources from the Department of Health and Human Services. To date, the CDA has directly invested approximately \$85,000 in to site improvements.

The current size and expected future growth of the senior population is of critical importance to the increasing demand for an affordable senior assisted living development. Based on data from the 2000 census, Dakota County has just over 18,000 residents age 70 and older. Predictions show that the number of seniors will grow modestly between now and 2010 then will burgeon between 2010 and 2030 as baby boomers reach age 65. It is predicted that by 2030 Dakota County's 70 and over population will be over 59,000. As the senior population continues to grow both locally and throughout the state, assisted living may offer a more desirable environment as well as potential cost savings to government.

Over the past decade, a private market in assisted living has emerged to address the intermediary stage between independent living and skilled nursing facilities. While assisted living has become an increasingly popular option with upper and middle-income seniors, the high costs associated with developing such projects put it out of reach for low to moderate income seniors.

The Dakota County CDA is proposing to build a 40-50 unit affordable assisted living development in Eagan. The overall square footage of the building will be between 36,000 and 45,000 square feet, with unit sizes approximately 900 square feet. Typical assisted living units include a small efficiency or one bedroom apartment, with common spaces such as dining areas, commercial kitchen, recreation and meeting spaces. Typical services provided at assisted living facilities generally include meals, hospitality services, housekeeping, transportation, medication management, security and assistance with activities of daily living such as bathing, dressing, and eating.

The combination of housing and personal care services associated with assisted living developments is unavoidably costly and operationally demanding. Not only is the CDA designing a new model for the construction of the actual development but also for the services portion of the facility. If funded, the CDA expects that it will take approximately six to eight months

Senior Assisted Living Development - Eagan

for design and city approval process and approximately 12 months for the construction of the facility. The length of time will depend on the ease at which additional funding sources are available.

Impact on Agency Operating Budgets (Facilities Notes)

No state operating funds are requested with this project.

Previous Appropriations for this Project

None.

Other Considerations

The Dakota County CDA will own the building and operate the property management side of the development. The CDA will contract with a private firm to provide 24-hour services typically associated with assisted living facilities to the residents.

Project Contact Person

Mark Ulfers, Executive Director
Dakota County Community Development Agency
1228 Town Centre Drive
Eagan, Minnesota 55123
Phone: (651) 675-4400
Fax: (651) 675-4444
E-mail: mulfers@dakotacda.state.mn.us

Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Senior Assisted Living Development - Eagan

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	85	21	0	0	106
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	160	0	0	160
4. Project Management	0	565	0	0	565
5. Construction Costs	0	5,368	0	0	5,368
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	100	0	0	100
9. Inflation	0	0	0	0	0
TOTAL	85	6,214	0	0	6,299

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	3,100	0	0	3,100
State Funds Subtotal	0	3,100	0	0	3,100
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	85	3,114	0	0	3,199
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	85	6,214	0	0	6,299

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	3,100	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Senior Assisted Living Development - Eagan

Evaluation of Local Projects	
1.	Non-state matching funds contributed? Local funds will provide 50% of total project costs.
2.	Project fulfills an important state mission? Housing is an important state mission.
3.	Has a state role been expanded in a new policy area? Housing affordability is an emerging issue in Minnesota. The state has provided resources for housing in the past. The state's role (or MHFA's role) in funding senior assisted living projects is unclear. MHFA should comment further on this request.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? Other jurisdictions will inevitably desire similar state funding.
7.	Does it compete with other facilities? Integration and competition of publicly-subsidized developments with privately-financed developments in the marketplace is unclear. Some overlap must undoubtedly occur.
8.	Resolutions from local governing bodies provided? No yet received.
9.	Predesign completed? Predesign funding is required.
10.	Project is disaster related? No
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Eagan is 57 or 854 cities in Minnesota (1 is high). The per capita tax capacity rank of Dakota County is 18 or 87 counties in Minnesota (1 is high).

DECC Arena - Duluth

2004 STATE APPROPRIATION REQUEST: \$3,331,000

AGENCY PROJECT PRIORITY: 1 of 1 (Duluth Entertainment & Convention Center)

PROJECT LOCATION: 350 Harbor Drive, Duluth (Pop: 86,044)

Project At A Glance

The Duluth Entertainment and Convention Center Authority (DECC) is requesting \$3,331,000 in state funding for schematic design, design and construction documents for the planned new Duluth Arena. Additional state funds of \$24,173,455 will be requested in 2006 for construction.

Project Description

The authority board which consists of four governor and seven mayoral appointments oversees Duluth's auditorium, Duluth OMNIMAX® Theatre, city side and harbor side convention centers and the retired ore carrier the S.S. William A. Irvin.

The authority also manages the existing Duluth arena which will be 40 years old in 2006, the year construction is scheduled to begin on a replacement facility.

The new arena which would seat 6,500 guests for hockey and approximately 9,000 for concerts would be located on the existing DECC footprint located on Duluth's waterfront.

The new arena would provide northern Minnesota with a state of the art entertainment facility, with increased seating capacity, accessibility and modern arena amenities.

The arena would host a variety of events ranging from concerts to tradeshows.

The primary focus would be to address the needs of both the women's and men's University of Minnesota Duluth (UMD) hockey teams.

The primary reasons the DECC Board of Directors is planning for a new arena include:

- ⇒ Providing a competitive facility for UMD hockey by including a larger ice sheet (90 x 200), adding seating capacity and training facilities.
- ⇒ Increasing event seating capacity attracting larger events to northern Minnesota.
- ⇒ The addition of 20,000 square feet of exhibit floor space allowing the DECC to host larger conventions and tradeshows.

The existing arena would be used as a high school facility for Duluth's three boys and girls hockey teams and for smaller events. The additional ice sheet would also alleviate the severe shortage of available ice time in the area.

Impact on Agency Operating Budgets (Facilities Notes)

No state operating funds are requested for this project.

Previous Appropriations for this Project

None.

Other Considerations

The DECC Authority will own and operate the facility. State funding is requested for design costs – no local matching funds are pledged for design costs related to the 2004 request.

Additional funds will be requested in 2006. Non-state funds to be contributed toward construction costs beginning in FY 2006 include:

- ◆ Local state food and beverage/hotel-motel tax receipts (city)
- ◆ naming rights (private)
- ◆ skybox sales (private)
- ◆ seat licenses (private)

DECC Arena - Duluth

- ◆ signage (private)
- ◆ distribution of amounts to be determined later

Project Contact Person

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350 Harbor Drive
Duluth, Minnesota 55802-2698
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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

DECC Arena - Duluth

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	70	0	0	0	70
3. Design Fees	0	3,331	0	0	3,331
4. Project Management	0	0	392	0	392
5. Construction Costs	0	0	39,187	0	39,187
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	8,768	0	8,768
9. Inflation	0	0	0	0	0
TOTAL	70	3,331	48,347	0	51,748

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	3,331	24,173	0	27,504
State Funds Subtotal	0	3,331	24,173	0	27,504
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	70	0	24,174	0	24,244
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	70	3,331	48,347	0	51,748

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	3,331	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

DECC Arena - Duluth

Evaluation of Local Projects	
1.	Non-state matching funds contributed? No local matching funds are provided for initial design costs in 2004. Local funds will be provided for a subsequent construction request in 2006.
2.	Project fulfills an important state mission? The state mission in funding collegiate hockey and entertainment facilities is unclear.
3.	Has a state role been expanded in a new policy area? Funding for similar projects around the state has varied significantly - witness the variable funding arrangements for the University of Minnesota men's and women's hockey facilities, the national sport event center at St. Cloud State University, and the arena used in Mankato by Minnesota State University - Mankato.
4.	Project is of local, regional, or statewide significance? The project is viewed as having potential for regional significance.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? Other jurisdictions and colleges will likely desire similar funding.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? A resolution of support for this project dated 6/13/03 was received from the Board of Directors of the Duluth Entertainment and Convention Center Authority.
9.	Predesign completed? The request did not specify whether predesign has been completed for this project. If so, project sponsors are advised to forward the predesign to the Minnesota Department of Administration for their review.
10.	Project is disaster related? No. The project is not located in a disaster area.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Duluth is 321 of 854 cities in Minnesota (1 is high).

Duluth Sanitary Sewer Overflow Storage

2004 STATE APPROPRIATION REQUEST: \$4,950,000

AGENCY PROJECT PRIORITY: 1 of 4 (Duluth)

PROJECT LOCATION: City of Duluth (Pop: 86,044)

Project At A Glance

This request is for \$4.95 million in state funding to match an equal amount of local funding to proceed with construction of Sanitary Sewer Overflow (SSO) storage facilities at selected locations in the city of Duluth. Additional funds may be requested in future years.

Project Description

These facilities would serve as sites for the temporary storage of sanitary sewer system flows that increase significantly in volume during precipitation runoff or other similar events – thereby reducing the incidents of sanitary sewer system overflows that historically occur during these events, as well as related public safety and health concerns.

The city's sanitary sewer system consists of approximately 400 miles of mains, and serves approximately 27,000 connections. Over 55% of the city's sanitary sewer system was installed prior to 1950, with 35% of the system over 80 years old. In recent years, the city – in cooperation with the Western Lake Superior Sanitary District (WLSSD) and under guidance and direction of the Minnesota Pollution Control Agency (MPCA) – has committed significant resources toward assuring that the city's system meets current performance standards and requirements – especially relative to the amount of inflow and infiltration (I&I) of surface and/or groundwater entering the system. These efforts have included over \$8 million in system rehabilitation and \$7 million in grants for a footing/foundation drain disconnection program. In great part due to these expenditure levels, sanitary sewer rates within the city have risen more than 60% over the last eight years, resulting in sewer service charges of approximately \$38.00 per month for an average residential property.

In addition to the efforts undertaken to date, the city is constantly looking to new programs and technologies to further reduce system I&I – including possible modifications/improvements to the drain disconnection program and implementation of a sewer lateral rehabilitation program. However, and despite these efforts, the inflow and infiltration of surface and/or groundwater – especially during precipitation/runoff events – continues to add significant volumes of relatively clear water to the city's sanitary sewer system. Given the finite capacity of the system, these increased I&I volumes result in sanitary sewer overflows (SSO's) at selected locations during these peak flow periods. As a result, there is now a need for the city to incorporate SSO storage facilities into the system at select locations. These facilities would become a permanent component of the city's sanitary sewer system.

Furthermore, in August 2002, the MPCA issued a new National Pollutant Discharge Elimination System (NPDES)/State Disposal System (SDS) permit jointly to the WLSSD and the city of Duluth for their sanitary sewer systems. As part of this permit, WLSSD and the city are required to “develop and implement a bypass/overflow elimination and control program to comply with (the) permit's terms and conditions.” SSO storage facilities have been identified by both WLSSD and the city as a key and critical component of this program.

This project has local, regional, and statewide significance in that: 1) it will directly reduce the incidents of sanitary sewer overflows within the city of Duluth; 2) it will assist in ongoing efforts to improve the overall water quality in the region's natural watersheds – most notably the St. Louis River and Lake Superior; and 3) it will allow for the continued operation and expansion of public infrastructure system necessary to meet the economic vitality and growth of this area of the state of Minnesota – an area with historical state-wide, national, and global economic significance.

Impact on Agency Operating Budgets (Facilities Notes)

No new or additional state operating dollars would be requested for this project.

Duluth Sanitary Sewer Overflow Storage

Previous Appropriations for this Project

None.

Other Considerations

The SSO storage facilities would be owned and operated by the city of Duluth.

The SSO storage facilities project design and development (to be funded by the city of Duluth) will begin in the second half of 2003. Construction of SSO storage facilities is expected to begin in August 2004, and to be completed by October 2005.

The SSO storage facilities will be designed through a cooperative effort with the WLSSD, with the overall cost of the storage facilities – including design and construction – to be borne by the city of Duluth through agreement with WLSSD. The 2004 capital budget request is for SSO storage facility construction costs. The total anticipated expense associated with this project is \$12.4 million. Of this amount, \$2.5 million would be for project design & development and land acquisition, and would be funded by the city of Duluth. The remaining \$9.9 million would be for direct facility construction, with 50% or \$4.95 million requested of the state of Minnesota, and 50% provided by the city of Duluth.

The total estimated construction cost for the city's current comprehensive SSO storage facility project is approximately \$30-35 million, with this 2004 Capital Budget Request representing the first phase of this comprehensive project. The results and outcomes of this first phase will be used to determine if future phases would proceed as currently proposed. If the project does proceed in future phases, the city would anticipate submitting similar Capital Budget Requests in 2006 and 2008.

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Duluth Sanitary Sewer Overflow Storage

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	300	0	0	0	300
2. Predesign Fees	300	0	0	0	300
3. Design Fees	1,900	0	0	0	1,900
4. Project Management	0	0	0	0	0
5. Construction Costs	0	9,900	0	0	9,900
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	2,500	9,900	0	0	12,400

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	4,950	0	0	4,950
State Funds Subtotal	0	4,950	0	0	4,950
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	2,500	4,950	0	0	7,450
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	2,500	9,900	0	0	12,400

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	4,950	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Duluth Sanitary Sewer Overflow Storage

Evaluation of Local Projects	
1.	Non-state matching funds contributed? City funds will cover 50% of project costs.
2.	Project fulfills an important state mission? Environmental protection is an important state mission.
3.	Has a state role been expanded in a new policy area? The Minnesota Public Facilities Authority should comment on whether state funding for this type of wastewater project will or will not expand the state's role in funding wastewater grants or loans.
4.	Project is of local, regional, or statewide significance? State project funding is viewed as having a primarily local benefit, in the sense of reducing local financial responsibilities for correcting these known pollution problems. However, if improvements to the wastewater system can be successfully quantified as providing a meaningful reduction to pollution overflows into the St. Louis River and Lake Superior, the benefits of the project might rise to the level of having regional significance.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? Other jurisdictions will likely desire similar state funding.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? Not yet received.
9.	Pre-design completed? Pre-design is not required for a utility infrastructure project of this type.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Duluth is 321 of 854 cities in Minnesota (1 is high).

Duluth Aerial Lift Bridge Rehabilitation

2004 STATE APPROPRIATION REQUEST: \$1,950,000

AGENCY PROJECT PRIORITY: 2 of 4 (Duluth)

PROJECT LOCATION: Canal Park, Duluth (Pop: 86,044)

Project At A Glance

This request is for \$1.95 million in state funding to match an equal amount of local funding to assist in completing the rehabilitation and restoration of the aerial lift bridge located in the Canal Park area of the city of Duluth.

Project Description

The Aerial Lift Bridge is a unique Minnesota landmark, readily recognized by Minnesotans, and is one of the top tourist attractions in Minnesota. It is listed in the National Register of Historic Places, and was recently recognized by the American Society of Civil Engineers as a classic example of a lift bridge structure. Continue safe operation of the Aerial Lift Bridge is essential because it spans the primary access to the Port of Duluth, and serves as the only link connecting the Park Point community to the rest of the city.

The project involves the surface rehabilitation and restoration of the Duluth Aerial Lift Bridge in order to maintain and preserve its structural integrity. During the winter of 1999-2000, the Aerial Lift Bridge underwent the initial phase of a major rehabilitation project. This project phase included: counterweight wire rope and sheave replacement, electrical upgrades to motors and controls, structural improvements, and the resurfacing of the lower eight feet of the bridge towers and lift span. To complete the restoration project, resurfacing of the remainder of the Aerial Lift Bridge structure, along with replacement of deteriorated or failed structural steel rivets, must be completed. Due to high levels of lead in the existing coating system and the structure's proximity over Lake Superior waters, complete encapsulation of the areas to be resurfaced will be required during the coating removal and replacement process. Sandblasting will be performed to

remove the deteriorated lead coating as well as all rust and contaminants from the existing structural steel members, and will be followed by the application of a three-layer coating system. Debris from the sandblasting operations will be collected and disposed of in accordance with procedures for handling and disposing of hazardous wastes. Because of seasonal shipping requirements, it is expected that this work would be completed in the non-shipping season.

Due to deficiencies in the existing coating system, the bridge's structural steel is already experiencing loss in strength due to rusting and steel deterioration. Without removal and replacement of the existing coating system, the structural steel deterioration will continue at an accelerated, and far more costly rate. It should be noted that this cost would be expected to increase significantly if the final phase of the rehabilitation is delayed, as the further rusting and deterioration of the structural steel would result in far more costly rehabilitation efforts - including the probable need for replacement of structural steel members. This project will also complete the full rehabilitation and restoration of a structure that, as previously noted, is listed in The National Register of Historical Places.

Because of the international ship traffic, Canal Park – where the Aerial Lift Bridge is located – is one of the most frequented tourist attractions in the entire Midwest. With Canal Park's tourism draw, the city and the state are able to capture sales tax on out-of-state tourism dollars that are drawn to the area. Additionally, Canal Park and the Aerial Lift Bridge assist in keeping Minnesota resident tourism dollars in the state.

While national and international shipping laws govern the use – and therefore operational requirements – of the Aerial Lift Bridge, the city of Duluth is responsible for the operation and full maintenance of the structure. In addition, the Aerial Lift Bridge and Ship Canal serve as a shipping portal for trade and commerce between Minnesota to the rest of the world. Because of this, the state of Minnesota enjoys significant tax revenues from commerce conducted within and through the Port of Duluth. Consequently, the Aerial Lift Bridge has statewide, national and international significance, and using state funds to assist with this rehabilitation and restoration project are justifiable.

Duluth Aerial Lift Bridge Rehabilitation

The total cost to completely rehabilitate and restore the Aerial Lift Bridge is \$10.4 million. Of this amount, \$6.5 million was previously expended by the city of Duluth to complete the first phase of the rehabilitation. The cost to complete the second and final phase of the rehabilitation is \$3.9 million.

The city of Duluth will match the state funds requested (\$1.95 million) on a dollar-for-dollar basis. In addition and as previously noted, the city of Duluth has previously provided funding for the first phase of the rehabilitation and restoration.

Impact on Agency Operating Budgets (Facilities Notes)

No state operating funds are requested with this project.

Previous Appropriations for this Project

None.

Other Considerations

The Aerial Lift Bridge is owned and operated by the city of Duluth.

The final phase of the rehabilitation and restoration of the Aerial Lift Bridge is expected to begin in October 2004 and be completed by April 2005, as the majority of the work required would expectedly be completed during the non-shipping season.

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Duluth Arial Lift Bridge Rehabilitation

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	6,500	3,900	0	0	10,400
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	6,500	3,900	0	0	10,400

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	1,950	0	0	1,950
State Funds Subtotal	0	1,950	0	0	1,950
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	6,500	1,950	0	0	8,450
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	6,500	3,900	0	0	10,400

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	1,950	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Duluth Arial Lift Bridge Rehabilitation

Evaluation of Local Projects	
1.	Non-state matching funds contributed? The city would provide 50% of remaining project costs.
2.	Project fulfills an important state mission? Shipping through the Great Lakes and resulting trade and economic development is an important regional and state mission. However, the direct relationship between these economic activities and the bridge itself needs to be clarified.
3.	Has a state role been expanded in a new policy area? The state's funding role in this type of project is unclear. The project might more appropriately be considered for funding through the Mn/DOT port development grant program, if this grant program could be expanded statutorily to cover such costs. Using this approach, Mn/DOT would be responsible for considering statewide port-related requests and prioritizing projects accordingly. In addition, project sponsors are advised to contact the Department of Finance to discuss the project in more depth to determine whether all project costs are bond eligible (e.g., minor repairs and repainting).
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit, with potential for regional significance, depending on the project's direct relationship to shipping in the Great Lakes.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? This is a unique facility, without significant or direct comparisons to similar projects in other communities.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? Not yet received.
9.	Predesign completed? Predesign is not required for an infrastructure project of this type.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Duluth is 321 of 854 cities in Minnesota (1 is high).

Lake Superior Zoo Master Plan Development

2004 STATE APPROPRIATION REQUEST: \$400,000

AGENCY PROJECT PRIORITY: 3 of 4 (Duluth)

PROJECT LOCATION: 7210 Fremont Street, Duluth (Pop: 86,044)

Project At A Glance

This request is for \$400,000 in state funding to match an equal amount of non-state funding to design and develop restrooms, two new animal exhibits and an interpretive trail as Phase 1 of the revised Master Plan for the Lake Superior Zoo in Duluth. Additional funds would be requested of \$750,000 in 2006 and \$900,000 in 2008.

Project Description

This project will include the planning and development of a naturalistic meerkat exhibit by the existing lion exhibit, and a naturalistic red panda exhibit in a wooded area between our present Australian Outback exhibit and the waterfall area of Kingsbury Creek. A much needed restroom facility will be installed in this area, providing the only restroom on this side of the zoo. The outside of this rustic building will also be used for graphics explaining various interpretive facts about animals. An overlook will be included in this area, giving visitors an excellent view of the 70-foot high, cascading waterfalls on the Kingsbury Creek. A rustic trail will cross a 1930s Federal Works Progress Administration (WPA) stone bridge and lead into a natural pine forest. This path will form a loop that will allow visitors a return route from the current dead end path to the Australian Outback. Graphics will interpret the plants, animals, geography, and history along the train. Utilities will be laid to provide service to the new exhibits and will be stubbed in to allow for future development of Phase 2 and 3 of this plan.

Phase 2 will include exhibits for yak, Preswalskis horse, caribou, bald eagles, and smaller animals. Phase 3 will complete the project and will include

wolves, musk ox, wolverines, bison, black bear, and smaller animals from the Minnesota north.

The Lake Superior Zoo is one of three zoos in Minnesota that is fully accredited by the American Association of Zoos and Aquariums and is the only one located outside of the Twin Cities. More than 125,000 people visit the zoo annually from not only northern Minnesota, but from throughout the state. A large percentage of the zoo's visitors come from the Twin Cities area. We also host visitors from every state of the United States as well as from many foreign countries. Our Zoo Education programs reach more than 15,000 people each year, the majority of them children. The Lake Superior Zoo is also involved in several national and international conservation projects, including more than a dozen endangered species.

The Lake Superior Zoo has demonstrated itself to be of local, regional, statewide, and national significance.

The Lake Superior Zoo Master Plan Development will be developed through a partnership of the state of Minnesota, the city of Duluth and the Lake Superior Zoological Society. The 2004 capital budget request is for pre-design, design, and construction costs. The total anticipated expense associated with this portion of the project is \$800,000. Of this amount, 50% or \$400,000 is requested of the state of Minnesota. Fifty percent would be provided by the city the Duluth and the Lake Superior Zoological Society.

Impact on Agency Operating Budgets (Facilities Notes)

No additional state operating dollars will be needed for this project

Previous Appropriations for this Project

Additional state funds to be requested for subsequent project costs/phases:

Funds for the design and development of the Zoo Master Plan would be requested for the 2006 and 2008 legislative sessions. Preliminary estimates for these requests are roughly \$750,000 in 2006 and \$900,000 in 2008. This represents 50% of the total costs for the projects.

Lake Superior Zoo Master Plan Development

The facility would be owned by the city of Duluth and operated by a partnership of the city of Duluth and the Lake Superior Zoological Society.

Other Considerations

None.

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Lake Superior Zoo Master Plan Development

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	3	0	0	3
3. Design Fees	0	10	0	0	10
4. Project Management	0	0	0	0	0
5. Construction Costs	0	787	1,500	1,800	4,087
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	800	1,500	1,800	4,100

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	400	750	900	2,050
State Funds Subtotal	0	400	750	900	2,050
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	200	750	900	1,850
Private Funds	0	200	0	0	200
Other	0	0	0	0	0
TOTAL	0	800	1,500	1,800	4,100

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	400	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
Yes	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Lake Superior Zoo Master Plan Development

Evaluation of Local Projects	
1.	Non-state matching funds contributed? 50% in non-state funds will be provided.
2.	Project fulfills an important state mission? The state's mission in funding local or regional zoos is unclear.
3.	Has a state role been expanded in a new policy area? The state has funded portions of this facility in the past.
4.	Project is of local, regional, or statewide significance? The project is viewed as having primarily local benefit, with potential for regional significance.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? To the extent that this project might draw visitors from the Twin Cities, it could be viewed as being in competition somewhat with Saint Paul's Como Park Zoo and the Minnesota Zoo in Apple Valley, each of which has received state capital funds in the past. The Minnesota Zoo currently has a 2004 capital request pending, and receives state operating funds on an on-going basis.
7.	Does it compete with other facilities? See comment to Question #6.
8.	Resolutions from local governing bodies provided? Not yet received.
9.	Predesign completed? Predesign may not be required for a local project of this type (with a construction cost less than \$1.5 million).
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Duluth is 321 of 854 cities in Minnesota (1 is high).

Bayfront Visitors Center Pre/Design - Duluth

2004 STATE APPROPRIATION REQUEST: \$180,000

AGENCY PROJECT PRIORITY: 4 of 4 (Duluth)

PROJECT LOCATION: Duluth waterfront, adjacent to the DECC, (Pop: 86,044)

Project At A Glance

This request is for \$180,000 in state funding to match an equal amount of local funding to proceed with predesign and design work for a Bayfront Visitors Center to be located between Interstate 35 and St. Louis Bay at Exit 255 in downtown Duluth. Additional state funds will be requested for construction in a future legislative session.

Project Description

This project has local, regional, and statewide significance in that it will serve to direct travelers to the heart of Duluth's commercial/tourism district. By providing the visitors center amenities at this location, the downtown Duluth district and its various tourist facilities will capture an increasing number of visitors, generating additional revenue for local businesses and additional tax revenue for both the city of Duluth and the state of Minnesota.

The Bayfront Visitors Center will be developed through a partnership of the state of Minnesota and the city of Duluth. The 2004 capital budget request is limited to predesign and design costs only. The total anticipated expense associated with this portion of the project is \$360,000. Of this amount, 50% or \$180,000 is requested of the state of Minnesota. 50% would be provided by the city of Duluth.

It is anticipated that the total project cost will amount to \$22 million. Again, the state of Minnesota would be asked to contribute 50% of the costs to construct, furnish, and equip the Bayfront Visitors Center.

Funds to construct, furnish and equip the Bayfront Visitors Center would be requested no sooner than the 2006 legislative session. As noted above, the request would be for the state to contribute 50% of construction costs. Preliminary estimates of the cost to construct, furnish, and equip the facility are \$22 million (including furniture, fixtures, and equipment). These numbers will be refined in the coming weeks and months and the specific request level will be provided in the final Capital Budget Request which will be presented to the Department of Finance this fall.

City officials will be exploring the possibility of having the state sell the current Thompson Hill Visitors Center and having the proceeds of that sale directed toward the development of the Bayfront Visitors Center. If such a transaction is possible, it would serve to reduce both the state and city's share of project costs.

Impact on Agency Operating Budgets (Facilities Notes)

The only source of state operating dollars would be a continuation of state funds currently associated with operating the Thompson Hill Visitors Center.

Previous Appropriations for this Project

None.

Other Considerations

The predesign and design phase of the project would begin in August 2004 and would be completed by May 2005. A capital budget request for construction, equipment, and furnishings for the new facility would be prepared and presented to the Department of Finance in the summer and fall of 2005 for legislative consideration during the 2006 legislative session. The construction phase of the project would begin in August 2006 to be completed by May 2007.

The facility would be owned by the city of Duluth and operated by a partnership of the city of Duluth, Duluth Convention, and Visitors Bureau, and the Minnesota Office of Tourism. (The participation of the Office of Tourism is based on continuing an active role by that agency in light of its current

Bayfront Visitors Center Pre/Design - Duluth

involvement in operating the Thompson Hill Visitors Center – which would be replaced by the Bayfront facility.)

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Bayfront Visitors Center Pre/Design - Duluth

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	120	0	0	120
3. Design Fees	0	240	0	0	240
4. Project Management	0	0	0	0	0
5. Construction Costs	0	0	22,000	0	22,000
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	360	22,000	0	22,360

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	180	11,000	0	11,180
State Funds Subtotal	0	180	11,000	0	11,180
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	180	11,000	0	11,180
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	360	22,000	0	22,360

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	180	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
Yes	MS 16B.335 (5): Information Technology Review (by Office of Technology)
No	MS 16A.695: Public Ownership Required
Yes	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Bayfront Visitors Center Pre/Design - Duluth

Evaluation of Local Projects	
1.	Non-state matching funds contributed? 50% of local funds are provided for this request.
2.	Project fulfills an important state mission? Tourism and economic development is an important state mission.
3.	Has a state role been expanded in a new policy area? Funding for local tourism info centers should be reviewed by the Department of Employment and Economic Development (DEED), Office of Tourism. DEED should comment on this funding request and describe the relationship of this request to the existing state-funded tourism center (Thompson Hill information center), that is operated in partnership with MnDOT and the U.S. Forest Service. Project proponents should clarify why the existing center is no longer deemed desirable and whether a new center might result in additional state operating costs.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit.
5.	State operation subsidies required? DEED should comment on possible state funding relationships and staffing for this tourism center.
6.	Inequities created among local jurisdictions? Other cities will likely desire similar funding.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? Not yet received.
9.	Predesign completed? Predesign funding is requested.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Duluth is 321 of 854 cities in Minnesota (1 is high).

Gaylord Library and Multicultural Center

2004 STATE APPROPRIATION REQUEST: \$750,000

AGENCY PROJECT PRIORITY: 1 of 1 (City of Gaylord)

PROJECT LOCATION: City of Gaylord, Sibley County (Pop: 2,287)

Project At A Glance

State funding of \$750,000 is requested to match an equal amount of local funds to predesign, design, construct, furnish, and equip the Gaylord Public Library and Multicultural and Lifelong Learning Center.

Project Description

The project will cost \$1.5 million, of which the city is requesting state funds of \$750,000. The city of Gaylord, which will own the project, has donated land valued at \$63,900, and initially committed \$30,000 towards construction costs. The city of Gaylord and the Library Board will obtain additional funding through grants from foundations, as well as monies from major employers, businesses and individuals throughout the region.

The project will be located at the junction of state Highway 5 and state Highway 22, in the central business district and within walking distance of both public and parochial schools.

Library Background – Currently the Gaylord Public Library is housed in a building that was constructed in 1920. It is part of the Sibley County Library System, which also has libraries in Gibbon, Winthrop, Arlington, and Henderson. The Gaylord Library is located in the county seat of Sibley County. The Sibley County Library System is part of the Traverse des Sioux Regional Library System, which serves much of southern Minnesota. Due to the expanding area population, especially Hispanic, the library has seen a dramatic increase in usage during the last decade (240%) and has outgrown the current facility. In the past 10 years the collection size has increased by 280%. This has caused highly congested conditions, which prevents the library from meeting the demands of the growing community and region.

Proposed Plan – To significantly improve the services, which will be provided to the area residents through the construction of a new Library/Multicultural/Lifelong Learning Center. The current facility is a 3,000 sq.ft. building with the proposed building being 6,000 sq.ft. The following services will be expanded: 1) easier access and classrooms for individuals taking English as Lifelong Learners (ELL) and Graduate Equivalency Degree (GED) classes; 2) improved space and availability for library collection, work and research area; 3) improved parking and handicapped access to the facility; 4) the community will be encouraged to use the facility as a gathering place; and 5) economic development will be promoted in Gaylord and the surrounding area. Additionally, a relationship has been formed with Sibley East Public Schools and will continue to provide cooperative literacy programs such as the Mother Read/Father Read program, preschool story hour and others.

Impact on Agency Operating Budgets (Facilities Notes)

The city of Gaylord and Sibley County will cooperatively operate the facility, as they do the current facility. There are currently no plans to request new or additional operating dollars from the state of Minnesota.

Previous Appropriations for this Project

None.

Other Considerations

Regional Benefits – The regional benefits of the Gaylord Library are tangible, measurable and transferable. The city of Gaylord is the county seat of Sibley County. As a result of job enhancement and quality of life fulfillment activities such as represented by the Gaylord Library, Sibley is one of the 12 Turn-Around Counties identified by the state of Minnesota Demographer's Office. The city of Gaylord has embraced the concept of library-based enhanced adult learning as a catalyst for improved jobs and corresponding available income. The citizens have come to know the facility as a place of applied learning not just acquired knowledge. This facility is a microcosm of job and quality of life improvement programs in rural Minnesota; its success may be replicated in other out-state counties.

Gaylord Library and Multicultural Center

Benefits to the Regional Hispanic Population – Sibley County has experienced a dramatic increase in its Hispanic population in the last decade. According to the Minnesota State Census, in 1990, the Hispanic population made up less than 1% of the total population of the county. Current Minnesota population statistics indicate a six-fold increase in this sector of the population. The Sibley East School District is experiencing significant growth in the Hispanic population as evidenced by lower elementary grades having up to 60% Hispanic students. The majority of individuals in this increase have located in Gaylord, the county seat of Sibley. The proposed Library/Multicultural/Lifelong Learning Center will devote a significant portion of its facilities and programs to assist the Hispanic population by providing educational, cultural and social activities. Specific educational programs will include expanded ELL and GED classes.

Benefits to the Region's aging population – The Minnesota State Demographer's Office projects the state's 50-64 year old population to increase significantly. Because of this growth, the proposed new facility will expand the offerings, which will provide inter-generational benefits to the area's aging community, such as technology classes, book clubs, internet/e-mail services and others.

Regional Support – Local commitment to this project is widespread; the city of Gaylord has agreed to provide the property (valued at \$63,900) for the project. Additionally, the Gaylord City Council has voiced its strong support along with the Gaylord Planning and Zoning Commission. To indicate the financial support needed for a project of this magnitude the Gaylord Library Board, along with the "Friends of the Gaylord Library" have committed to fund approximately 50% of the costs of the project through grant writing, endowments, fundraising, and charitable donations.

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Gaylord Library and Multicultural Center

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	64	0	0	64
2. Predesign Fees	0	10	0	0	10
3. Design Fees	0	25	0	0	25
4. Project Management	0	0	0	0	0
5. Construction Costs	0	1,272	0	0	1,272
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	5	0	0	5
8. Occupancy	0	124	0	0	124
9. Inflation	0	0	0	0	0
TOTAL	0	1,500	0	0	1,500

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	750	0	0	750
State Funds Subtotal	0	750	0	0	750
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	750	0	0	750
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	1,500	0	0	1,500

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	750	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Gaylord Library and Multicultural Center

Evaluation of Local Projects	
1.	Non-state matching funds contributed? Non-state funds would provide 50% of total project costs.
2.	Project fulfills an important state mission? State funding of library construction has not been a widespread practice, to date.
3.	Has a state role been expanded in a new policy area? See above.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? Other jurisdictions will inevitably seek similar state funding, if this appropriation is awarded.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? A resolution of support for this project dated 10/1/03 was received from the Gaylord City Council.
9.	Pre-design completed? Funding for pre-design is part of this request.
10.	Project is disaster related? This project is not located in a disaster area.
11.	Per-capita tax capacity of the local jurisdiction? The per-capita tax capacity rank of the city of Gaylord is 531 of 854 cities in Minnesota (1 is high).

Lowry Avenue Corridor, Phases 1 & 2 - Minneapolis

2004 STATE APPROPRIATION REQUEST: \$5,000,000

AGENCY PROJECT PRIORITY: 1 of 3 (Hennepin County)

PROJECT LOCATION: (between I-94 North and Theodore Wirth Parkway), Lowry Avenue Corridor - Minneapolis

Project At A Glance

Hennepin County is requesting \$5 million in state funds to match \$17 million in non-state funds to assist in the reconstruction of Lowry Avenue (CSAH 153) as a central element of the Lowry Corridor Project.

Project Description

The Lowry Avenue Corridor Project is an initiative of Hennepin County, the 10 Lowry Avenue neighborhoods and the city of Minneapolis to improve the livability of this community corridor and to serve as a catalyst for regional revitalization.

Lowry Avenue is a five-mile thoroughfare that transects north Minneapolis connecting the northwestern suburb of Robbinsdale with northeastern suburb of St. Anthony Village. Lowry Avenue bridges the Mississippi River and Interstate Highway 94, but does not have access to the freeway. Areas of the corridor are plagued by some of the region's highest crime rates and obsolete and abandoned commercial and residential buildings.

With a grant from the Federal Highway Administration, the Lowry Corridor Project planning process began in November 2000. The Minneapolis City Council approved the Lowry Avenue Corridor Plan in July 2002.

The Lowry Avenue Corridor Plan

The Lowry Avenue Corridor Plan identifies transit centered redevelopment nodes and calls for the redesign of Lowry Avenue with wider sidewalks, on-

street bicycle lanes, landscaped boulevards, and intersection improvements. These community identified roadway enhancements require additional right-of-way on south side of Lowry Avenue between Lyndale Avenue and Girard Avenues North and at the Penn Avenue intersection.

Four key Lowry Avenue intersections, Penn Avenue, Emerson-Fremont, Lyndale Avenue and Central Avenue, will serve as transit/commercial nodes. Infrastructure improvements within the transit/commercial nodes will assist in creating a sense of place within the community and support private investments needed to develop surrounding higher-quality neighborhoods.

Project Partners

Hennepin County has and continues to work closely with the following Lowry Avenue Corridor Project Partners as the project progresses to implementation:

City of Minneapolis
 Minneapolis Community Development Agency
 Minneapolis Park Board
 Minneapolis School Board
 Metropolitan Council/Metro Transit
 Minneapolis Public Housing Authority
 Cleveland Neighborhood Association
 Folwell Neighborhood Association
 Jordan Area Community Council
 Hawthorne Area Community Council
 Concerned Citizens of Marshall Terrace
 McKinley Community
 Bottineau Neighborhood Association
 Audubon Neighborhood Association
 Windom Park Citizens in Action
 Holland Neighborhood Improvement Association

Impact on Agency Operating Budgets (Facilities Notes)

Project will be owned by Hennepin County and maintained by Hennepin County and the city of Minneapolis.

Lowry Avenue Corridor, Phases 1 & 2 - Minneapolis

Previous Appropriations for this Project

None.

Other Considerations

Non-state funds to County Contribution: \$15 million

Also provided: Special Assessments to benefiting properties, \$1 million
 City of Minneapolis capital request, \$1 million

Project Schedule:

Phase One

Design	2004
Land acquisition	2004-05
Construction	2005-07

Phase Two

Design	2006
Land acquisition	2005-06
Construction	2007-09

Project Contact Person

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Governor's Recommendations

The Governor does not recommend a specific line-item appropriation for this project, or other local redevelopment requests. However, the Governor is recommending significant funding for the statewide redevelopment grant program administered by the Minnesota Department of Employment and Economic Development (DEED).

Project proponents should contact DEED to determine if any of their project costs may be eligible for funding from that program, and if so, submit applications and compete for funding with other redevelopment requests. Funding priorities of that program should be determined by DEED.

Grants to Political Subdivisions

Project Detail

Lowry Avenue Corridor, Phases 1 & 2 - Minneapolis

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	4,300	0	0	4,300
2. Predesign Fees	0	500	0	0	500
3. Design Fees	0	2,200	0	0	2,200
4. Project Management	0	0	0	0	0
5. Construction Costs	0	11,000	0	0	11,000
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	4,000	0	0	4,000
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	22,000	0	0	22,000

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	5,000	0	0	5,000
State Funds Subtotal	0	5,000	0	0	5,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	16,000	0	0	16,000
Private Funds	0	0	0	0	0
Other	0	1,000	0	0	1,000
TOTAL	0	22,000	0	0	22,000

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	5,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Lowry Avenue Corridor, Phases 1 & 2 - Minneapolis

Evaluation of Local Projects	
1.	Non-state matching funds contributed? \$16-17 million in non-state funds will match state funding of \$5 million.
2.	Project fulfills an important state mission? Transportation is an important state mission. However, the extent that this corridor has statewide significance as opposed to being a local thoroughfare, is not clear.
3.	Has a state role been expanded in a new policy area? See above. On a few occasions, the state has provided capital funding for local road improvements of this type (e.g., the Humboldt Avenue project in Minneapolis and the Phalen Boulevard project in St. Paul).
4.	Project is of local, regional, or statewide significance? The project is viewed as having primarily local benefit.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? If this project was awarded a state appropriation, other jurisdictions would inevitably seek similar state funding.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? A resolution of support for this project dated 6/24/03 was received from the Hennepin County Board of Commissioners. This project has been prioritized by the Hennepin County Board as being #1 of three project requests.
9.	Pre-design completed? A pre-design is not required for a transportation type project of this kind.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of Hennepin County is 10 of 87 counties in Minnesota (1 is high).

HCMC Crisis Intervention Center Expansion

2004 STATE APPROPRIATION REQUEST: \$1,400,000

AGENCY PROJECT PRIORITY: 2 of 3 (Hennepin County)

PROJECT LOCATION: 701 Park Avenue South, Minneapolis

Project At A Glance

This request is for \$1.4 million in state funding to match an equal amount of county funds to predesign, design, construct and furnish a renovated and expanded Crisis Intervention Center (CIC) at Hennepin County Medical Center (HCMC).

Project Description

The proposed project is to ensure that the CIC can continue to adequately and appropriately address the increasing demand for emergent/urgent behavioral/mental health treatment and services.

HCMC's CIC, by any measurement, qualifies as a community and regional mental health resource and is available to Minnesota's residents 24 hours a day, seven days a week. The center is the region's primary site for acute psychiatric intervention, not only voluntary treatment, but court-committed patients, and for patients arriving by emergency ambulance service, or through law enforcement agencies. The scope of the service includes face-to-face intervention, assessment, counseling, and medication management, as well as responding to more than 70,000 calls annually for crisis intervention or suicide prevention.

Demand for access to mental health services throughout Minnesota has escalated to a crisis point. Many factors contribute to the increasing demand for acute and emergency psychiatric services, including: the general increase in the numbers of individuals and families with behavioral or mental health needs; the stresses of our society, including crime, poverty and homeland security issues; substance abuse; and the downsizing of our state hospital system and/or resources. With reimbursement rate increases not

keeping pace with health/mental health cost inflation, other points on the mental health continuum of care are not being developed at a rate that parallels demand, thus resulting in more patients seeking assistance at the CIC as a last resort. Many insured individuals also find securing reimbursement from their third party payers for mental health services problematic, and therefore delay their access to the system until their condition is approaching catastrophic proportion. Demand/volume at the CIC has increased by 15% per year, and it is anticipated that this rate of increase will continue for the foreseeable future. These factors all contribute heavily to the imperative that the HCMC CIC expand and renovate as soon as possible.

The proposed CIC expansion project includes an increase in the number of assessment/treatment spaces from nine to 16 rooms. In addition to these spaces, there is a need for medication management rooms and support spaces, including waiting room, clerical, conference room, circulation, and other support space. The project cost estimate totals \$2.8 million – of which Hennepin County seeks \$1.4 million from 2004 state of Minnesota bond proceeds.

HCMC's CIC has become the region's foremost site for acute psychiatric intervention, and this project is necessary to meet HCMC's safety-net responsibility to ensure, to the best of our ability and resources, that all who present with a mental health dilemma receive necessary/appropriate care.

Impact on Agency Operating Budgets (Facilities Notes)

No state operating funds are being requested to this project.

Previous Appropriations for this Project

None.

Other Considerations

Project will be owned by Hennepin County and operated by Hennepin County Medical Center.

HCMC Crisis Intervention Center Expansion

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

HCMC Crisis Intervention Center Expansion

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	133	0	0	133
4. Project Management	0	0	0	0	0
5. Construction Costs	0	1,105	0	0	1,105
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	1,400	0	0	1,400
8. Occupancy	0	162	0	0	162
9. Inflation	0	0	0	0	0
TOTAL	0	2,800	0	0	2,800

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	1,400	0	0	1,400
State Funds Subtotal	0	1,400	0	0	1,400
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	1,400	0	0	1,400
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	2,800	0	0	2,800

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	1,400	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

HCMC Crisis Intervention Center Expansion

Evaluation of Local Projects	
1.	Non-state matching funds contributed? Yes. HCMC will contribute \$1.4M of matching funds to cover relocation expenses.
2.	Project fulfills an important state mission? The Crisis Intervention Center is a safety-net activity for Minnesota residents who cannot afford care. With the many reductions in the Department of Human Services budget, there could be an increased need for these types of services.
3.	Has a state role been expanded in a new policy area? The state has been concerned with providing a safety-net for a number of years. It has provided direct funding for community clinics (often in urban areas) and capital funding for rural hospitals to ensure access to service. It has not, however, provided this type of capital assistance for hospitals in an urban area due to gaps in the safety net.
4.	Project is of local, regional, or statewide significance? The project has regional significance and it is the only program of it's kind in the state. The center is available to all Minnesota residents for acute psychiatric intervention, but in most cases, individuals will seek inpatient services at their local hospital not HCMC. These other facilities provide some level of service to patients with acute psychiatric problems however they don't provide inpatient care using a clinical process.
5.	State operation subsidies required? No direct state operational subsidy for this project because HCMC will operate the facility and Hennepin County will own the facility. However, HCMC is the recipient of a state intergovernmental transfer for operational costs and MERC funding to off-set the cost of training medical personnel.
6.	Inequities created among local jurisdictions? There will be no inequities created because there are no similar programs in Minnesota. As mentioned above, other facilities provide some service but it is not an inpatient program.
7.	Does it compete with other facilities? No, there are no other programs within Minnesota that offer these services.
8.	Resolutions from local governing bodies provided? A resolution of support for this project dated 6/24/03 was received from the Hennepin County Board of Commissioners. This project has been prioritized by the Hennepin County Board as being #2 of three requests.

9.	<p>Pre-design completed? Pre-design work has not been completed. At this point they are still trying to make sure that program needs are met and are also looking at future needs for the program.</p> <p>Currently, this service is integrated with other emergency services at HCMC and will continue in that fashion. The Crisis Center is not a free-standing unit with independent exterior access.</p>
10.	<p>Project is disaster related? No.</p>
11.	<p>Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of Hennepin County is 10 of 87 counties in Minnesota (1 is high).</p>

Colin Powell Youth Leadership Center

2004 STATE APPROPRIATION REQUEST: \$6,350,000

AGENCY PROJECT PRIORITY: 3 of 3 (Hennepin County)

PROJECT LOCATION: 4th Ave. near Midtown Greenway in Minneapolis

Project At A Glance

This request for \$6.35 million in state funding to match \$6.35 million in non-state funds to construct, furnish, and equip a 76,700 square foot building in Minneapolis.

Project Description

The Colin Powell Youth Leadership Center is a “container of collaboratives” with a group of youth-serving organizations coming together to leverage their impact by working together towards a common goal. The overarching goal of the Center is to see each youth involved in the programs graduate from high school and go on to some form of post-secondary education. The Colin Powell Center will house a computer lab, a multi-purpose performing arts facility, a nutrition education and culinary skills work-preparation area, four new basketball courts, office, classroom and recruiting space for the Minnesota Air National Guard and a Leadership Training Institute for youth and current youth workers.

The nonprofit program provider for the Colin Powell Center is Urban Ventures Leadership Foundation a 501(c)(3) nonprofit community development organization founded in 1993, whose mission is to build successful communities by developing youth leadership, strengthening families and creating meaningful work opportunities. The foundation directly impacts over 12,000 Minnesota lives a year. In addition, it has retained or attracted 11 businesses creating 286 new jobs in the Phillips and Central neighborhoods.

Urban Ventures designed the Colin Powell Center for youth because they need a safe place to gather for education, marketable vocational skills,

mentoring, a healthy start, structured sports activities, community building and a chance to give through community service. The most important aspect of the Colin Powell Center is the collaborative approach, which draws together a group of organizations currently functioning in other parts of the Twin Cities. This approach reduces the risk of duplication and leverages the impact of each program by co-locating in one space.

Historically, Lake Street was the commercial strip of Minneapolis with heavy industry lining Hiawatha and the Sears building serving as the first Mall of America. Asset-rich businesses, individuals and institutions began reallocating in the 1950s, community buying power and community infrastructure disappeared with them, leaving a poverty-stricken hole in the city. Through this evolution Minnesota lost two generations of inner-city youth to gang violence, crack-cocaine, fatherlessness, and lack of skills and hope. In recent years, the state and federal government have recognized the importance of this area for the stability of the metropolitan area and therefore the state. The Minnesota Department of Transportation provided T21 funding for the Midtown Greenway project and the state followed with special authority for Tax Increment for the Sears site. Prior bonding for the Harriet Tubman Transitional Housing facility and the Amateur Sports Center at South High School has helped two critical neighborhood institutions. Abbott Northwestern Hospital and the Wells Fargo Home Mortgage Regional Processing Center are now investing heavily in the area. Hennepin County, the city of Minneapolis, and a broad coalition of businesses and community leaders have formed the Midtown Coalition to foster reinvestment in the area.

A key issue for the area to continue its revitalization is a focus on youth in the area. New investment will be unsuccessful without working with the area's human resources. Over two-thirds of the neighborhood residents are under the age of 18 and they need to be engaged to become contributing members of this state and its economy. The Colin Powell Center is a unique approach that can be a statewide model and can be replicated in other cities throughout the state and country.

Project Funding Source:

State Funds	\$6.35 million
Federal Funds (Air National Guard)	\$1.5 million
Other (Private)	\$4.85 million

Colin Powell Youth Leadership Center

Impact on Agency Operating Budgets (Facilities Notes)

Urban Ventures will transfer this site to Hennepin County and Hennepin County will own and lease the facility to be operated by the Urban Ventures Leadership Foundation.

Previous Appropriations for this Project

None.

Other Considerations

The center will house six organizations that will run eight programs. The following are examples of the types of program offerings that will be contained in the Center:

- ◆ *Air National Guard*- a program for youth which will offer four-year college scholarship to participants and a part-time job with benefits and exposure to 106 career fields;
- ◆ *Perspective's Kids Cafe*- a nutrition education program and culinary skills training program that will also feed each enrolled student;
- ◆ *Youth Frontiers*- a program that currently serves 75,000 public schools youth with character building retreats. Each 4th, 8th and 11th grader in the Minneapolis and St. Paul public schools experiences an energetic, daylong retreat focused on one of three character values;
- ◆ *INROADS*- a national program that identifies talented minority youth and prepares them for corporate and community leadership by providing internships in local Twin Cities companies for the duration of their college career;
- ◆ *Learning Lab*- a program of Urban Ventures, the Learning Lab will work with 500 youth to help them achieve their age-level in reading and math through technology;
- ◆ *Urban Stars*- this athletic club of Urban Ventures will serve 1,500 youth with organized basketball, soccer and net games; and
- ◆ *Leadership Training Institute*- In conjunction with local community and business leaders and the INROADS program, this will be a place for high-performing youth to receive preparation for the corporate world and will also be a training ground for current youth leaders.

Statewide and regional collaborators of the Colin Powell Center include:

- ◆ Minneapolis Public Schools
- ◆ Minnesota Timberwolves and Lynx
- ◆ America's Promise
- ◆ Search Institute
- ◆ Wilder Foundation – Brian Barry
- ◆ Leadership Foundations of America
- ◆ Minneapolis Park and Recreation Board
- ◆ Black Data Processing Associates
- ◆ Minneapolis Community and Technical College
- ◆ Central Neighborhood Improvement Association
- ◆ West Phillips Neighborhood Association
- ◆ Second Harvest Heartland
- ◆ PPL

Project Contact Person

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Governor's Recommendations

The Governor recommends general obligation bonding of \$4.23 million for this request (1/3 of total project costs of \$12.7 million) contingent on non-state funding of \$8.46 million (2/3 of total project costs).

Grants to Political Subdivisions

Colin Powell Youth Leadership Center

Project Detail

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	1,300	0	0	0	1,300
2. Predesign Fees	0	80	0	0	80
3. Design Fees	0	200	0	0	200
4. Project Management	0	0	0	0	0
5. Construction Costs	0	10,150	0	0	10,150
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	970	0	0	970
9. Inflation	0	0	0	0	0
TOTAL	1,300	11,400	0	0	12,700

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	6,350	0	0	6,350
State Funds Subtotal	0	6,350	0	0	6,350
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	1,500	0	0	1,500
Local Government Funds	0	0	0	0	0
Private Funds	1,300	3,550	0	0	4,850
Other	0	0	0	0	0
TOTAL	1,300	11,400	0	0	12,700

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	6,350	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
Yes	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Colin Powell Youth Leadership Center

Evaluation of Local Projects	
1.	Non-state matching funds contributed? Non-state funds will provide 50% of total project costs.
2.	Project fulfills an important state mission? The state mission in funding youth-serving facilities of this type is not clear. This request is being presented as a unique approach to solving inner-city urban issues.
3.	Has a state role been expanded in a new policy area? See above.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit to that specific Minneapolis neighborhood.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? If funded, other communities would likely seek similar state funding. Project proponents believe that this approach could serve as a statewide model for other cities in Minnesota, and nationally.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? A resolution of support for this project dated 10/14/03 was received from the Hennepin County Board. This is Hennepin County's priority #3 of three requests.
9.	Pre-design completed? Pre-design funds are requested as part of the project requests.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of Hennepin County is 10 of 87 counties in Minnesota (1 is high).

Lewis and Clark Rural Water System

2004 STATE APPROPRIATION REQUEST: \$4,301,000

AGENCY PROJECT PRIORITY: 1 of 1 (City of Luverne)

PROJECT LOCATION: Cities of Luverne and Worthington, Counties of Lincoln, Pipestone and Rock

Project At A Glance

This request is for \$4.3 million in state funding (10% of total project costs) to match 80% federal funding and 10% local funding to cover the anticipated expenses to acquire land, predesign, design, construct, furnish, and equip a rural water system to serve southwestern Minnesota and to pay additional project development costs that are approved for federal cost share payment by the United States Bureau of Reclamation.

Project Description

This request is for \$4.301 million in state general fund dollars to acquire land, pre-design, design, construct and equip a rural water system in Southwestern Minnesota. The goal of the Lewis and Clark Rural Water System is to develop an alternative and supplemental water supply for the benefit of communities in Minnesota, Iowa, and South Dakota. Communities and rural water systems became project members because of their shared need for an additional source of water of suitable quality for use as a public water supply.

The need for an additional source of water is due to numerous factors including the region's geology, hydrological characteristics, deteriorating water quality, more stringent regulations and increased demands on local water resources. The four southwest Minnesota water systems which are participating in the Lewis and Clark Rural Water System face problems with both water quantity and quality. Communities in the project area routinely find it necessary to impose water use restrictions due to limited availability of water. The project area relies on shallow surface aquifers that are easily

influenced by drought and are vulnerable to contamination from agricultural practices.

The Lewis and Clark system will draw water from a well system near the Missouri River Southwest of Vermillion, South Dakota to provide the region with a more safe and reliable water supply. This system will deliver water to the Missouri River Basin area of Minnesota. The Lewis and Clark system will provide treated water for four systems in southwest Minnesota – the city of Luverne, the city of Worthington, Rock County Rural Water System and Lincoln-Pipestone Rural Water System. The four Minnesota entities have spent significant resources exploring alternative water supplies. Their exploration efforts have been documented and shared with the Minnesota Department of Natural Resources (DNR). While there must be continuing exploration for local water resources, no reliable alternative has been found other than the Lewis and Clark Rural Water System. All four of the systems have also been held to a high standard with respect to their efforts to conserve water.

The raw water will be diverted, treated and distributed through a network of pipelines, pump stations, interconnections, and storage reservoirs to serve connections with each of the 16 municipalities and seven rural water systems which are currently members of the Lewis & Clark system. The four Minnesota systems participating in the Lewis & Clark Rural Water System project have instituted practices and educated their water consumers regarding the importance of conserving the resource. The Minnesota Lewis & Clark Joint Powers Board has worked with DNR officials with respect to conservation efforts.

The total cost of the project is an estimated \$359,331,200. A significant majority of the funds needed to construct the Lewis & Clark System – 80% - is to be committed by the federal government. The capital budget for the project is prorated among the participating systems on the basis of the delivery capacity reserved by each of the local systems.

The Minnesota participants have reserved approximately 13% of the total system delivery capacity. The cost for new or existing members who increased their reserved delivery capacity after 1999 is calculated assuming no federal or state grant appropriation. In 2000, congress authorized the project and provided the first federal appropriation. A Cooperative

Lewis and Clark Rural Water System

Agreement between the Department of the Interior, Bureau of Reclamation and the Lewis & Clark Rural Water System, Inc. has been executed for planning and construction.

An 80-10-10 federal, state, and local matching fund formula is included in the Cooperative Agreement. The federal funding commitment (80%) for this project totals \$270,145,461. The local funding commitment of the four Minnesota systems totals approximately \$4.301 million. The requested state portion matches the local portion for a sum of \$4.301 million.

The United States shall pay its share of the eligible costs of the water supply system in accordance with the provisions of the Cooperative Agreement. The base line for the total federal cost share amount (year 1993 dollars) as established in the Act was \$213,887,700. The Bureau of Reclamation shall also provide such sums as are necessary to pay the federal share of increases in eligible costs reflected in appropriate engineering costs indices after 9/1/93 in accordance with Articles III.A.28 and III.A.29 of the Agreement.

Impact on Agency Operating Budgets (Facilities Notes)

No additional state operating dollars will be needed for operation of the Lewis and Clark Rural Water System. Each member entity will pay for operation, maintenance, and repair with local funding.

Previous Appropriations for this Project

The 2000 legislature indicated its support for this project by appropriating \$610,000 general obligation bond proceeds as part of the 2000 bonding bill. Constitutional constraints prevent the use of bond proceeds to finance the project due to the organizational structure and multi-state character of the project. In light of this, legislation was introduced seeking to convert the allocation of bond proceeds to a general fund appropriation. This request was referred to the Capital Investment Committee in both the house and senate in 2002 and 2003.

The 2001 Omnibus Environment & Natural Resources Finance Bill included an appropriation of \$54,000 for the Lewis & Clark Rural Water System.

Each dollar of this appropriation, when matched with \$8.00 of federal money and \$1.00 of local money was used to begin design of the Lewis & Clark Rural Water System. The \$54,000 appropriation provided the 10% state matching share for the first two years of project development. The 2002 Capital Investment Bill included a general fund appropriation of \$180,000 for the Lewis & Clark Rural Water System. This appropriation was one of many line-item vetoes by Governor Jesse Ventura.

The 2003 Omnibus Environment, Natural Resources, Agriculture, Economic Development & Housing Appropriations Bill includes a \$108,000 general fund appropriation for the project. The Rider language makes this money available when matched by \$8.00 of federal money and \$1.00 of local money, but it also expands the use of funds to cover costs that are approved for federal cost share payment by the United States Bureau of Reclamation (2003 Regular Session, Chapter 128, Senate File 905, Article 1, Section 5, subdivision 3.)

Additionally, the Minnesota Legislature passed legislation clarifying the corporate status for federal tax law purposes for the Lewis & Clark Rural Water System (2003 Regular Session, Chapter 127, Senate File 1505, Article 12, Section 27.)

A ceremonial groundbreaking was held Saturday, 8-23-03 at the Clay County Park near Vermillion, South Dakota. Project completion is dependent upon the federal fee schedule and the amount of federal funds dedicated to this project (between \$25 and \$30 million per year over the next 10 years).

Lewis & Clark has requested \$30 million in federal funding for continuing construction activities in 2004. The three states continue to show strong support through their funding contributions. The South Dakota Legislature has approved \$2.5 million for 2004 through the Governor's Omnibus Water Bill. The state of Iowa has also committed state funding for completion of this project.

Lewis and Clark Rural Water System

Project Contact Person

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Rock County Rural Water System
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Governor's Recommendations

The Governor recommends general obligation bonding of \$2 million for this project, contingent on Federal and local matching funds. Project sponsors are encouraged to amend the multi-state operating agreement to allow state funding to be used for bond-eligible expenses.

Grants to Political Subdivisions

Project Detail

Lewis and Clark Rural Water System

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	8,714	0	0	8,714
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	34,344	0	0	34,344
4. Project Management	0	2,526	0	0	2,526
5. Construction Costs	772	312,975	0	0	313,747
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	772	358,559	0	0	359,331

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	610	0	0	0	610
General Fund Projects	162	4,301	0	0	4,463
State Funds Subtotal	772	4,301	0	0	5,073
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	287,397	0	0	287,397
Local Government Funds	0	7,447	0	0	7,447
Private Funds	0	0	0	0	0
Other	0	59,414	0	0	59,414
TOTAL	772	358,559	0	0	359,331

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	0	0%
User Financing	0	0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
Yes	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Lewis and Clark Rural Water System

Evaluation of Local Projects	
1.	Non-state matching funds contributed? 80% federal funds and 10% local funds will match 10% in state funding.
2.	Project fulfills an important state mission? The state role in providing funding for local water-distribution systems is unclear. Lack of adequate drinking water has a detrimental effect on the quality of life in that area, as well as diminishing the potential for economic development.
3.	Has a state role been expanded in a new policy area? See above.
4.	Project is of local, regional, or statewide significance? The project is viewed as having multi-county regional significance.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? If funded, other jurisdictions would inevitably seek similar state funding for local water-system improvements.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? A resolution of support for the project dated 12/3/03 was received from the Lewis and Clark Joint Powers Board (representing the City of Luverne, Worthington Public Utilities, Rock County Rural Water System, and Lincoln-Pipestone Rural Water System).
9.	Pre-design completed? A pre-design may not be required for an infrastructure project of this type. Applicants should verify this requirement with the Minnesota Department of Administration.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank for participating counties is as follows: Lincoln County (33 of 87 counties in Minnesota), Pipestone County (53 of 87 counties in Minnesota), and Rock County (25 of 87 counties in Minnesota - 1 is high).

Heritage Hjemkomst Interpretive Center Repair

2004 STATE APPROPRIATION REQUEST: \$1,000,000

AGENCY PROJECT PRIORITY: 1 of 1 (City of Moorhead)

PROJECT LOCATION: Moorhead (Pop: 32,572)

Project At A Glance

This request is for \$1 million in state funding to match an equal amount of non-state funding to undertake essential asset preservation activities at Moorhead's Hjemkomst Center which include design and construction of the following:

- ◆ Replacement of the facilities' fabric roof
- ◆ Replacement of structural support system for the hull of the Viking Ship Hjemkomst
- ◆ Installation of security measures at the replica Stave Kirke

Project Description

The Hjemkomst Center, including the adjacent Stave Church is a regional interpretive center. It is a significant visitor destination in northern part of the state that regularly draws visitors from Minnesota, North Dakota, South Dakota and Manitoba. It has a local importance as well, being an integral part of the community economic development efforts.

In addition to housing the replica Viking Ship and Stave Church, the facility is home to the Heritage Hjemkomst Interpretive Society, Clay County Historical Society, Fargo-Moorhead Area Chamber of Commerce and the city of Moorhead Senior Center.

\$1 million in non-state funds will be contributed by city of Moorhead and/or private sources.

The project consists of three elements:

- ⇒ Roof Replacement at Hjemkomst Center: Construction start May 2005; Construction complete September 2005.
- ⇒ Hjemkomst Viking Ship: Construction start July 2004; Construction complete December 2004.
- ⇒ Stave Kirke: Construction start July 2004; Construction complete October 2004

Impact on Agency Operating Budgets (Facilities Notes)

There will be no new or additional state operating dollars requested for this project. Operating costs will be the responsibility of the city of Moorhead.

Previous Appropriations for this Project

Note from the Department of Finance: The project sponsors did not complete this section of the request form. However, a published report in an Associated Press article dated 6/26/03 indicates that the project initially received \$1.7 million in state funds, along with \$430,000 in city land and \$400,000 in tax increment financing.

Other Considerations

The Hjemkomst Center is owned and operated by the city of Moorhead.

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Heritage Hjemkomst Interpretive Center Repair

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	40	0	0	40
3. Design Fees	0	160	0	0	160
4. Project Management	0	0	0	0	0
5. Construction Costs	0	1,800	0	0	1,800
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	2,000	0	0	2,000

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	1,000	0	0	1,000
State Funds Subtotal	0	1,000	0	0	1,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	500	0	0	500
Private Funds	0	500	0	0	500
Other	0	0	0	0	0
TOTAL	0	2,000	0	0	2,000

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	1000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Heritage Hjemkomst Interpretive Center Repair

Evaluation of Local Projects	
1.	Non-state matching funds contributed? The published report in an Associated Press article dated 6/26/03 indicates that the project initially received \$1.7 million in state funds, along with \$430,000 in city land and \$400,000 in local tax increment financing. The city is requesting 50% state funding for this project/phase.
2.	Project fulfills an important state mission? The state mission in funding local interpretive centers is unclear.
3.	Has a state role been expanded in a new policy area? See above.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit.
5.	State operation subsidies required? State operating subsidies are not being requested with this project. On-going operating costs (losses) are likely to continue at this facility and if so, will need to be funded by the municipality.
6.	Inequities created among local jurisdictions? If funded, other jurisdictions would likely seek similar state funding for interpretive facilities in their communities.
7.	Does it compete with other facilities?
8.	Resolutions from local governing bodies provided? A resolution of support has not yet been received from the City.
9.	Pre-design completed? Pre-design funds are requested as part of total project costs.
10.	Project is disaster related? The project request is not disaster-related.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Moorhead is 411 of 854 cities in Minnesota (1 is high).

Minnesota Planetarium & Space Discovery Center

2004 STATE APPROPRIATION REQUEST: \$24,000,000

AGENCY PROJECT PRIORITY: 1 of 4 (City of Minneapolis)

PROJECT LOCATION: Downtown Minneapolis

Project At A Glance

The Minneapolis Library Board and city of Minneapolis jointly request \$24 million in state bonding to match approximately \$4 million in non-state funds to design, construct, furnish, and equip a new Minnesota Planetarium and Space Discovery Center to serve as a local, regional, and statewide educational destination where students and the general public can learn about Earth and its relationship to the Universe.

Project Description

Key features will include:

- ◆ a 70 foot diameter, 250 seat planetarium theater for 3D, full-dome immersion "star shows";
- ◆ the North Star Observatory, which will allow students and the general public to explore the universe through interactive workstations connected to remote telescopes and orbiting satellites;
- ◆ the Space Exposition Hall for traveling exhibits on the most recent developments in space exploration and astronomical discovery; and
- ◆ Virtual Immersive Environments that will allow students and the general public to experience simulated space environments, such as the surface of Mars.

The Minnesota Planetarium and Space Discovery Center will be developed as part of the new Minneapolis Central Library Project that includes the new Central Library, ancillary retail, and parking. In November 2000, the voters of Minneapolis approved a referendum for \$110 million for the Central Library Project. The state has previously appropriated \$1.0 million for predesign and design activities for the Planetarium. The city and Library Board are

requesting the state to fund an additional \$24 million for the Minnesota Planetarium and Space Discovery Center and will seek the remainder in private-sector contributions and sponsorship of exhibits and equipment to fund the balance of the project costs.

The Library Board will provide the land and the city and board have agreed to provide \$1.8 million in funding to provide the additional structural capacity to allow the planetarium to be located on top of the new Central Library. The city has also issued \$11.2 million in bonds to construct two levels of underground parking.

As a local, regional and statewide facility the Minnesota Planetarium and Space Discovery Center will:

- ⇒ Serve as a state-of-the-art educational resource for Minnesota students. The primary mission of the Minnesota Planetarium and Space Discovery Center will be to immerse children in an atmosphere that inspires awe and curiosity about science. Children will emerge from the Planetarium with a desire to learn more about the universe and their place in it. In addition, the facility will highlight the earth sciences that are central to most school districts' core curriculums.

The state of Minnesota has demonstrated its interest in creating and expanding educational attractions by providing capital support to the Science Museum of Minnesota, Minnesota Children's Museum and the Minnesota Zoo. Like the future Minnesota Planetarium and Space Discovery Center, these facilities are attractions for residents and visitors from throughout the state, but most importantly promote discovery and learning.

- ⇒ Be more accessible to schools and students from greater Minnesota. Today, about 80% of visitors to the Minneapolis Planetarium do not reside in Minneapolis. The new Minnesota Planetarium and Space Discovery Center will continue that tradition but greatly expand the appeal and accessibility for students, teachers and families from greater Minnesota

- ◆ **Dwell-time.** - The existing Minneapolis Planetarium offered a one-hour experience for visitors, which was a deterrent for groups from

Minnesota Planetarium & Space Discovery Center

beyond the metro-area. The proposed facility would offer visitors a three-hour experience, which can be extended even further through joint programming with the Library.

- ◆ **Resource Center.** The Minnesota Planetarium and Space Discovery Center's space resource center will assist Minnesota teachers in the development of science modules for classroom use.
- ◆ **Outreach.** The portable "star lab" will equip staff educators to visit schools, parks, and community centers in greater Minnesota.

⇒ Complement other metro area attractions.

The Twin Cities area is renowned for its cultural attractions. However, the only resource that was focused on space was the Minneapolis Planetarium. The Minnesota Science Museum, which is the most similar in content and spirit, has explicitly chosen not to include astronomy among its featured themes. The Minnesota Planetarium and Space Discovery Center will fill a clear void and effectively complement other attractions.

The only other public planetarium in Minnesota is a 40' theater in Hibbing, which lacks the 3D-immersion technology and supplemental, interactive exhibits of the proposed Minnesota Planetarium and Space Discovery Center.

⇒ Be a compelling destination for tourists.

The Rose Center in New York and Adler Planetarium in Chicago have demonstrated that a well-designed, iconic planetarium can be a major draw for regional, national, and even international tourists. Preliminary research anticipates a sustainable attendance of 250,000 annually at the Minnesota Planetarium and Space Discovery Center. It will be one of the elite planetaria in the U.S. and the premier planetarium in the upper Midwest.

⇒ Serve as a showcase for Minnesota's technology leaders.

Minnesota has a rich legacy of technological innovation and discovery. The new Minnesota Planetarium and Space Discovery Center will be a cutting edge resource for Minnesota's business and technology leaders.

Impact on Agency Operating Budgets (Facilities Notes)

No state operating funds are requested with this project.

Previous Appropriations for this Project

\$1 million was appropriated in the 2000 bonding bid for predesign and design.

Other Considerations

The Minneapolis Library Board will own the Planetarium. The Minnesota Planetarium Society will operate the Planetarium.

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Minnesota Planetarium & Space Discovery Center

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	1,000	150	0	0	1,150
3. Design Fees	0	2,000	0	0	2,000
4. Project Management	0	500	0	0	500
5. Construction Costs	0	13,700	0	0	13,700
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	11,800	0	0	11,800
9. Inflation	0	0	0	0	0
TOTAL	1,000	28,150	0	0	29,150

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	1000	24,000	0	0	25,000
State Funds Subtotal	1000	24,000	0	0	25,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	4,150	0	0	4,150
Other	0	0	0	0	0
TOTAL	1000	28,150	0	0	29,150

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	24,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
Yes	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Minnesota Planetarium & Space Discovery Center

Evaluation of Local Projects	
1.	Non-state matching funds contributed? Approximately \$4 million in non-state funds are proposed to match \$24 million in state funding.
2.	Project fulfills an important state mission? The state mission in funding planetarium projects is unclear.
3.	Has a state role been expanded in a new policy area? See above. Predesign and design funding has previously been provided for this project.
4.	Project is of local, regional, or statewide significance? The project is viewed as having potential for statewide significance, if attendance projections are fully achieved.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? This is a unique facility so, it is difficult to determine whether other jurisdictions would judge its funding as being inequitable.
7.	Does it compete with other facilities? There are very few planetariums to compete against of this type of project.
8.	Resolutions from local governing bodies provided? The Minneapolis City Council has prioritized this project as priority #1 of four requests.
9.	Predesign completed? The Department of Administration should comment on the status of this project predesign.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Minneapolis is 168 of 854 cities in Minneapolis (1 is high).

Minneapolis Empowerment Zone - Heritage Park Redevelopment

2004 STATE APPROPRIATION REQUEST: \$9,625,000

AGENCY PROJECT PRIORITY: 2 of 4 (City of Minneapolis)

PROJECT LOCATION: North Minneapolis

Project At A Glance

This request is for \$9.625 million in state funding to construct public infrastructure improvements to support the new, mixed-income Heritage Park community in north Minneapolis.

Project Description

Floyd B. Olson Memorial Highway will be reconfigured in the Heritage Park site to provide safe conditions, ready the median alignment for future busway or light rail, and slow traffic to posted speeds while maintaining year 2020 traffic capacity.

The four-phase Heritage Park project is transforming four former isolated public housing projects into an economically sustainable, mixed-income community. The new Van White Memorial Boulevard will improve access to jobs, schools, services, and recreation for this traditionally low-income, amenity poor neighborhood, and will address safety issues, overcome barriers, support walking and biking, calm traffic, and improve aesthetics. The boulevard will be transit-ready and will include a bike path connecting to the Cedar Lake commuter trail and the future Bassett Creek Trail.

Residential street and sewer work will replace and reconfigure infrastructure to better support well-connected, walkable, traditionally-scaled residential housing areas.

Heritage Park is a 143-acre project located in the heart of Minneapolis -- one mile from downtown -- and close to major regional transportation routes -- that is forming a new tax base by redeveloping the former site of 100% public housing into a mixed-income, high amenity community, pursuant to the 1995 Hollman Consent Decree. The Consent Decree was the result of a 1992

class action segregation lawsuit entitled *Hollman vs. Cisneros*. Defendants were the city of Minneapolis, Minneapolis Community Development Agency (MCDA), Minneapolis Public Housing Authority (MPHA), U.S. Department of Housing and Urban Development (HUD), and Metropolitan Council. To achieve successful and sustainable deconcentration of poverty, a mixed-income community must be created, and amenities and connections are key to making the area, traditionally isolated and amenity-poor, attractive to a full range of homebuyers and renters.

Isolation of the public housing residents, despite proximity to downtown and major transportation routes, was a key issue that impelled the 1992 lawsuit. Reconnection of essential infrastructure, along with reintroduction of amenities wiped out for early immigrant housing, are needed to transform the area, overcome the stigma, and return connectedness, amenities and walkability available throughout the rest of the city. Safety needs to be heightened for pedestrians and transit users, and access to jobs, education and services for residents of north Minneapolis neighborhoods needs to be improved. The available labor force of north Minneapolis will be much better connected to downtown jobs and to the service jobs now situated in south Minneapolis.

Heritage Park will achieve many statewide goals and will have a positive impact on the state and the region. Both brownfield clean-up, and the innovative storm water management system with wetland infiltration areas and ponds on areas poorly suited to new housing, advance the environmental goals of the state. The water features will be the focal point of new and upgraded parks surrounded by new housing. The new streets and enhanced street system will reconnect the community and improve access to housing, jobs, and services.

Moreover, the project fulfills an important state mission by deconcentrating poverty and reducing the disparity between minority and other populations. Heritage Park is a key demonstration project in Minneapolis' Empowerment Zone. The city's Empowerment Zone designation stems from a disparity of incomes between minority and other populations that are among the most severe in the nation. The Heritage Park project itself is the consequence of a lawsuit brought to end concentration of poverty. Not only does Heritage Park stand as a national model for developing mixed-income communities, but it is also the economic catalyst for other surrounding marginal areas.

Minneapolis Empowerment Zone - Heritage Park Redevelopment

The project is clearly of local, regional and statewide significance. Located one mile from downtown Minneapolis – the state’s most significant economic subregion – the near northside is ideally situated to help fire the most significant economic engine in the state. Connections with respect to housing, employment and transportation are ideal, considering the availability and proximity of service-related and other entry-level jobs found in this urban center coupled with available (and close) public transit connections.

But for support from state programs, and other programs of regional and federal scope, the city can neither construct nor refurbish basic infrastructure, nor achieve the amenities that are needed to transform the area following decades of degradation.

With the strong desire at the local, regional, state, and federal level to create more affordable housing, Heritage Park is a model example of how to add 400 units of affordable housing without negative effects on property values of middle- and upper-income housing. In addition, the creation of affordable housing units in close proximity to industrial, retail, and commercial centers is a hallmark of sustainable economic development practices. With its multi-modal and mixed-income/mixed-density innovations, the project is a model of Smart Growth and essential to strengthening the urban core, vital for the health of the region and the state.

This project would not create statewide inequities between local jurisdictions. Any Minnesota community facing the problems of the near north neighborhood needs state help. The sheer size of the social and economic problems in near north creates a need that is only matched by the Iron Range, and its plant closings.

Impact on Agency Operating Budgets (Facilities Notes)

No state operating funds will be requested.

The city of Minneapolis will own, operate and maintain Van White Memorial Boulevard, the residential street system and other city right-of-way improvements. Floyd B. Olson Memorial Highway, TH55, is owned and operated by the Minnesota Department of Transportation (Mn/DOT). Within Minneapolis, this section of TH55 is maintained by the city of Minneapolis under agreement with Mn/DOT.

Previous Appropriations for this Project

Because of the magnitude of this project, the city is pursuing multi-year non-state and state funding from a variety of sources. \$2.9 million state bonding funds granted previously amount to approximately 1% of the entire project.

If an additional \$9.625 million is awarded in 2004, for a new total to-date of \$12.525 million, state bonding funds will amount to approximately 5% of the entire project. State bond funding for basic infrastructure will help to leverage numerous commitments of foundation, private and other public resources that are contingent upon public investment in infrastructure.

Other Considerations

2004 Capital Budget Request	
<i>Component 1: Reconfiguration of Floyd B. Olson Memorial Highway</i>	
Land Assembly (none)	0
Predesign (complete)	0
Finalization of schematic design, Design development, and Preparation of bid documents	\$532,000
Construction costs	5,068,000
<i>Total</i>	\$5,600,000
<i>Component 2: Van White Memorial Boulevard –final neighborhood connections</i>	
Land Assembly (fully funded)	0
Predesign (complete)	0
Finalization of schematic design, Design development, and Preparation of bid documents Schematic design	234,000
Construction costs	1,891,000
<i>Total</i>	\$2,125,000

Minneapolis Empowerment Zone - Heritage Park Redevelopment

Component 3: Final phase of residential street and sewer work		
Land Assembly (none)	0	
Pre-design (complete)	0	
Finalization of schematic design, Design development, and Preparation of bid documents Schematic design	152,000	
Construction costs	1,748,000	
<i>Total</i>		\$1,900,000

TOTALS for all three 2004 state bond request components:

Finalization of schematic design, Design development, and Preparation of bid documents Schematic design	918,000	
Construction costs	8,707,000	
<i>Total amount of request</i>		\$9,625,000

This project has been deemed to be exempt from state pre-design activities.

Timeline

Demolition of the four former public housing developments began in 1997 and was completed in 2000.

Phase 1: Public infrastructure construction is nearly complete and was assisted by \$2.9 million in year 2000 state bond funding. The first Phase 1 housing units were occupied in November 2002, and Phase 1 Rental housing will be complete in fall 2003. Phase 1 For-Sale housing is getting underway in fall 2003.

Phases 2, 3 and 4: In July 2004, crews will start the public infrastructure construction components for which the year 2004 state bond funds are sought to finalize critical neighborhood connections and provide essential infrastructure for new housing. Construction has already started on Phase 2 Rental homes, with occupancy targeted in fall 2004. In early 2004, construction will commence for the Phase 2 For-Sale homes, the Phase 3 Rental homes, and an additional 100 units of senior public housing. All four phases are planned to be complete in approximately 2007.

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Governor's Recommendations

The Governor does not recommend a specific line-item appropriation for this project, or other local redevelopment requests. However, the Governor is recommending significant funding for the statewide redevelopment grant program administered by the Minnesota Department of Employment and Economic Development (DEED). Project proponents should contact DEED to determine if any of their project costs may be eligible for funding from that program, and if so, submit applications and compete for funding with other redevelopment requests. Funding priorities of that program should be determined by DEED.

Grants to Political Subdivisions

Project Detail

Minneapolis Empowerment Zone - Heritage Park Redevelopment

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	0	230,296	0	0	230,296
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	230,296	0	0	230,296

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	9,625	0	0	9,625
State Funds Subtotal	0	9,625	0	0	9,625
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	220,671	0	0	220,671
TOTAL	0	230,296	0	0	230,296

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	9,625	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Minneapolis Empowerment Zone - Heritage Park Redevelopment

Evaluation of Local Projects	
1.	Non-state matching funds contributed? Project sponsors have stated that state funding of 5% of total project costs would match 95% of non-state funding. Project sponsors are encouraged to conduct further analysis whether state general obligation bonds can be used for all anticipated project improvements to Olson Memorial Highway (on the state trunk highway system).
2.	Project fulfills an important state mission? Economic development is an important state mission. However, the state role in funding large-scale redevelopment efforts of this type is unclear. Projects of this type, or portions thereof, have previously received some funding from the DTED redevelopment account (now managed by DEED) as well as occasional bonding bill appropriations.
3.	Has a state role been expanded in a new policy area? See above. Previous state appropriations of \$2.9 million were awarded in the 2000 bonding bill.
4.	Project is of local, regional, or statewide significance? This project is viewed as having a primarily local benefit.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? Major redevelopment of low-income or moderate-income areas would undoubtedly be desired by other jurisdictions around the state, if such funding was to be made available for this project.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? The Minneapolis City Council has prioritized this project as priority #2 of four requests.
9.	Predesign completed? Project sponsors are advised to contact the Minnesota Department of Administration to determine whether predesign is needed for an infrastructure project of this type.
10.	Project is disaster related? The project is not located in a disaster area.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Minneapolis is 168 of 854 cities in Minneapolis (1 is high).

South East Mineapolis (SEMI) Redevelopment Project - Infrastructure

2004 STATE APPROPRIATION REQUEST: \$9,000,000

AGENCY PROJECT PRIORITY: 3 of 4 (City of Minneapolis)

PROJECT LOCATION: Southeast Minneapolis by UofM east bank campus

Project At A Glance

This request is for \$9 million in state funding to match a significant amount of non-state funding for land acquisition, design and construction of roadways in Southeast Minneapolis (SEMI). The projects include both completion of the already partially built Kasota Parkway on the north side of SEMI and construction of roads on the south side of SEMI to provide access to planned redevelopment sites.

Project Description

Kasota Parkway has been designated as a Municipal State Aid (MSA) road and its initial construction was made possible in part with MSA funds. Its completion is necessary in order to meet the requirements of its MSA designation. In addition, Kasota Parkway was designed as a means to provide access to industrial properties adjacent to it and to minimize the impact of industrial traffic on the neighboring Como Neighborhood.

Finally, approximately 450,000 square feet of industrial construction was done in anticipation of access via Kasota Parkway. Absent completion of Kasota Parkway access to these buildings is restricted. West Grainary Parkway is designed to provide access to the southern portion of SEMI that currently has no public roadway access. Its construction will provide the access needed for redevelopment of properties that lie north of the University's Transitway. Specifically, they will serve the SEMI 7 area planned as the first phase of a University related research park.

The roadways will complete the initial infrastructure needs of SEMI that include construction of a stormwater management pond and storm lines that

serve the northern portion of SEMI as well as redevelopment that is anticipated for the SEMI 7 project.

The initial phases of the Research Park will consist of approximately 300,000 square feet in three buildings. These will include a headquarters building for one company and two buildings that will be leased to local and national firms wanting to have research facilities near the University.

The project is of local, regional and statewide significance. It will lead to redevelopment of a 700-acre brownfield area in both Minneapolis and St. Paul. It will alleviate traffic problems in the area. The attendant Research Park will strengthen the University by enhancing its ability to attract and retain quality professors and students. It will also strengthen the state's economy by encouraging establishment and retention of technology based businesses. In light of the planned redevelopment of this area of SEMI it is anticipated that the research park will be included as a sub-zone of the newly legislated Bioscience Job Opportunity Business Zone.

Impact on Agency Operating Budgets (Facilities Notes)

No state operating funds will be requested. The city of Minneapolis will own, operate and maintain the street system, right-of-way improvements, regional stormwater ponds and public space surrounding the ponds.

Previous Appropriations for this Project

None. This total funding request is made because we did not receive requested bonds in 2002 or 2003 and if fully funded, will not request additional funding in 2005 and 2006.

South East Minneapolis (SEMI) Redevelopment Project - Infrastructure

Other Considerations

Sources

Private debt/equity	\$63,000,000
Land sale proceeds	1,300,000
DTED Redevelopment Grant	689,000
Empowerment Zone	1,000,000
State Bonds	11,940,000
DEED and MC remediation grants	3,000,000
MSA	3,829,000
TEA-21	5,500,000
Tax Increment	6,400,000
Special Assessments	2,325,000
Middle Mississippi watershed	<u>6,000,000</u>
Total	\$104,983,000

Uses

Kasota Parkway and West Grainary Parkway (including acquisition)	\$14,643,000
Stormwater Pond	3,000,000
25 th Ave South East	370,000
Pollution remediation	2,000,000
Sanitary Sewer	1,220,000
Contamination	1,000,000
Water Supply	1,000,000
Acquisition	1,700,000
Building Construction	<u>80,050,000</u>
Total	\$104,983,000

2004 Capital Budget Request

Land Assembly	\$2,000,000
Predesign	50,000
Schematic design	0
Design development	300,000
Preparation and bid documents	0
Construction costs	<u>6,650,000</u>
Total	\$9,000,000

Construction crews are expected to start work in the spring of 2004. Construction will include pollution remediation, pond construction. Construction and pollution remediation will occur concurrently. Building construction of the initial 300,000 square feet will be completed in the fall of 2005. Construction of the next 400,000 square feet will begin in 2006.

Project Contact Person

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Governor's Recommendations

The Governor is not recommending a specific line-item appropriation for this or other biotechnology requests from local units of government. Instead, the Governor is recommending a lump-sum appropriation for the redevelopment grant program of the Minnesota Department of Employment and Economic Development (DEED) that will include significant funding for statewide biotechnology grants. If this grant program receives funding from the 2004 Legislature, local units of government would be expected to make their grant applications directly to DEED, who will be responsible for prioritizing grant requests.

Grants to Political Subdivisions

Project Detail

South East Minneapolis (SEMI) Redevelopment Project - Infrastructure

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	0	104,983	0	0	104,983
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	104,983	0	0	104,983

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	9,000	0	0	9,000
State Funds Subtotal	0	9,000	0	0	9,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	95,983	0	0	95,983
TOTAL	0	104,983	0	0	104,983

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	9,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

South East Minneapolis (SEMI) Redevelopment Project - Infrastructure

Evaluation of Local Projects	
1.	Non-state matching funds contributed? At least \$62 million in private investment is proposed as part of this project.
2.	Project fulfills an important state mission? Economic development is an important state mission. However, the state role in funding large-scale redevelopment efforts of this type is unclear. Projects of this type, or portions thereof, have previously received some funding from the DTED redevelopment account (now managed by DEED) and occasional bonding bill appropriations.
3.	Has a state role been expanded in a new policy area? See comments above. State funding has previously been provided for empowerment zones in other locations in the City of Minneapolis (the North side zone and the Sears/Lake Street zone).
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit with potential for regional or statewide significance if the bioscience piece of this project was fully achieved.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? If funded, other jurisdictions would likely seek similar state funding.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? The Minneapolis City Council has prioritized this project as priority #3 of four requests.
9.	Predesign completed? Not applicable for a project of this type.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Minneapolis is 168 of 854 cities in Minneapolis (1 is high).

Minnesota Shubert Performing Arts and Education Center

2004 STATE APPROPRIATION REQUEST: \$10,000,000

AGENCY PROJECT PRIORITY: 4 of 4 (City of Minneapolis)

PROJECT LOCATION: 516-528 Hennepin Avenue in Minneapolis

Project At A Glance

\$10 million in state funds are requested to match \$24 million in non-state funds to rehabilitate the existing Shubert Theater and Hennepin Center for the Arts, and to construct, furnish, and equip additional theater space and an associated atrium.

Project Description

This project will create a regional arts and education center with statewide significance that will serve students and artists throughout Minnesota with high-quality performances, interactive long-distance learning, artist exchanges, and other programs.

The Minnesota Shubert Center will provide a performing home to more than 20 Minnesota arts groups. It will enable them to create their best work, increase their earned revenue, and provide a first-rate, easily accessible location for their audiences.

A key component of the Minnesota Shubert Center will be arts education. This arts complex will be a true center for arts education activity for all Minnesota residents. It will host a variety of arts education experiences for young people and adults, including classes, workshops, lecture/demonstrations, and family performances. It will also be a hub of statewide arts education activity through the use of distance learning technology and web casting. The Minnesota Shubert Center will truly be Minnesota's cultural center.

The Minnesota Shubert Center will consist of three linked buildings:

- ⇒ **The Shubert Theater**, a beautiful, intimate 1,000-seat theater built in 1910; it is listed on the National Register of Historic Places.
- ⇒ **Hennepin Center for the Arts (HCA)**, a downtown Minneapolis landmark, built in 1888 as a Masonic temple, that now provides rehearsal and administration space to 17 arts organizations. It also houses a 250-seat theater (home of Illusion Theater). It, too, is on the National Register of Historic Places.
- ⇒ **A new three-story Atrium**, designed by award-winning Minnesota architect Joan Soranno of HGA Architects, that will link the other two buildings and serve them both. It will contain a community gathering space, the box office, and a third-floor Event Center with a seating capacity of 300.

The Shubert Theater is the oldest surviving theater in Minneapolis (circa 1910) and is designated as a national treasure with its placement on the National Register of Historic Places. The city of Minneapolis also determined the theater's worth, providing \$4.7 million to save it, by moving it off of Block E, to its current site in 1999. The placement of the theater next to the HCA will create and ensure a long future for both the theater and its many users.

The Minnesota Shubert Center will serve as a destination spot and will also be a pivotal point between the retail/financial district to the south and the arts/entertainment district to the north. Our project will answer the need for so many; the Minnesota Shubert Center will be home to more than 20 local arts groups, the majority of which are dance, as well as the Minneapolis home for the Saint Paul Chamber Orchestra. In times of dwindling state resources dedicated to the arts and decreased philanthropy from corporations, foundations, and individuals, the need for affordable space is imperative.

This increased activity will have a positive impact on the city and state. According to the U.S. Department of Commerce Regional Input Multiplier System 2 (RIMS II) input/output tables using a 2.67 multiplier for this service industry, we anticipate the indirect economic impact to be \$10 million to area taxpaying businesses in the first year alone.

The city of Minneapolis has had a long working history with Artspace Projects, which it created in 1979 to act as an advocacy group on behalf of artist placement. In 1986 Artspace Projects altered that mission to

Minnesota Shubert Performing Arts and Education Center

encompass the development and ownership of such facilities; our role as developer of the Shubert Center brings our mission full-circle, as an affordable space for artists to conduct business.

With the completion of the Minnesota Shubert Center, we will create a vibrant block between Block E and the library, two very significant improvements to the city's downtown core. As more pedestrian traffic comes to downtown because of the Light Trail Transit (LRT) terminal stop on 5th and Hennepin Avenue, a safer and more esthetically pleasing block will greet them. They will see a theater that is no longer dark, a spectacular new atrium space joining it to the historic HCA and numerous streetscape improvements such as lighting, benches, new sidewalks, and greenery.

The use of the center will be shared by many non-profit organizations, not just one, and it will have many more performances each year than nearby commercial theaters that rely on touring shows and are frequently dark.

Currently over 100,000 youth and adults come to the HCA for rehearsals, performances, and education programs. When the Minnesota Shubert Center is fully realized, we will more than double that number through a variety of programs and concerts at the center, as well as reaching across the state, by means of: 1) interactive video-conference technology that will put artists and teachers at the Minnesota Shubert Center in direct contact with students in schools throughout the state; 2) school class trips to the Minnesota Shubert Center for educational programs on site; 3) partnerships with area schools to bring artists into classrooms to work with students and teachers; and 4) professional development programs for teachers and adult education programs.

Impact on Agency Operating Budgets (Facilities Notes)

Artspace Projects will own and operate the facility.

Artspace as developer and eventual owner of the Minnesota Shubert Center fully understands the relationship that will be created with the city of Minneapolis under the state bonding guidelines as set forth by the Minnesota State Legislature, the Minnesota Constitution and the state Department of Finance.

Previous Appropriations for this Project

None.

Other Considerations

Individuals, foundations and corporations have supported the project on the private funding side and the federal government is now vested in the project. Our capital campaign has as its goal, \$34 million, of which \$12 million has been raised. We have built this number to encompass a 2 to 1 private/public financial model. We have built an operating plan covering the first five years of operation, which requires no more ongoing city financial support.

Funding Sources:

Private	\$18,500,000
City	4,200,000
Federal	1,300,000
State	<u>10,000,000</u>
Total	\$34,000,000

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Minnesota Shubert Performing Arts and Education Center

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	6,200	0	0	6,200
2. Predesign Fees	0	250	0	0	250
3. Design Fees	0	2,500	0	0	2,500
4. Project Management	0	3,800	0	0	3,800
5. Construction Costs	0	18,904	0	0	18,904
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	2,495	0	0	2,495
9. Inflation	0	0	0	0	0
TOTAL	0	34,149	0	0	34,149

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	10,000	0	0	10,000
State Funds Subtotal	0	10,000	0	0	10,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	1,300	0	0	1,300
Local Government Funds	0	4,200	0	0	4,200
Private Funds	0	18,649	0	0	18,649
Other	0	0	0	0	0
TOTAL	0	34,149	0	0	34,149

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	10,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
Yes	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Minnesota Shubert Performing Arts and Education Center

Evaluation of Local Projects	
1.	Non-state matching funds contributed? \$10 million in state funds are proposed to match \$24 million in non-state funds.
2.	Project fulfills an important state mission? The state mission in funding entertainment and theater facilities is unclear. However, significant funding was awarded in the 2003 bonding bill for other theater projects including the Guthrie Theater and the Minnesota Children's Theater.
3.	Has a state role been expanded in a new policy area? See above.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit, with potential for regional or statewide significance if attendance projections are fully achieved.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? If funded, other communities and theater groups would inevitably seek similar state funding.
7.	Does it compete with other facilities? The effect of this theater on similar facilities in Minneapolis, particularly in the Minneapolis theater district, is unclear. At some point, there would have to be some sort of finite capacity of entertainment revenues generated by theater patrons.
8.	Resolutions from local governing bodies provided? The Minneapolis City Council has prioritized this project as priority #4 of four requests.
9.	Pre-design completed? Pre-design funding is requested as part of this request.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Minneapolis is 168 of 854 cities in Minneapolis (1 is high).

Ramsey County Transportation Requests

2004 STATE APPROPRIATION REQUEST: \$18,750,000

AGENCY PROJECT PRIORITY: 1 of 1 (Ramsey County Regional RR Authority)

PROJECT LOCATION: Various locations in Ramsey County and beyond

Project At A Glance

The Ramsey County Regional Railroad Authority requests funding for the following projects (in priority order):

- ◆ Central Corridor Transitway preliminary engineering (\$5.25 million)
- ◆ Rush Line Corridor, Phase I (\$1 million)
- ◆ Union Depot preliminary engineering (\$2.5 million)
- ◆ Midwest Regional High-Speed Rail (\$10 million)

Project Description

- ⇒ Central Corridor Transitway preliminary engineering (\$5.25 million in state funds are requested to match \$5.5 million in federal funds)

This request is for \$5.25 million in state funding to match federal funds to perform preliminary engineering for a busway or light rail transit line. The Central Corridor is the transportation corridor serving the St. Paul and Minneapolis downtowns as well as the University of Minnesota and the Midway area. Convenient, reliable transportation on this corridor has been and will continue to be critical to the well-being of the cities, the region, and the state.

Federal New Starts Funding provides 50% of total capital costs (full federal funding is not committed at this stage of a project.) \$5.5 million in federal funding is currently available for preliminary engineering.

Total project costs = \$241 million for bus rapid transit (\$101.25 million in state funds needed), or \$840 million for light rail transit (\$341.25 million in state funds needed).

- ⇒ Rush Line Corridor, Phase I (\$1 million in state funds is requested in FY 2004; \$5 million will be requested in FY 2006; \$10 million will be requested in FY 2008).

This bonding request is for \$1 million in state funding to acquire land, design, and construct park-and-pool or park-and-ride lots located along the Rush Line Corridor along I-35E/I-35 and Highway 61 from downtown St. Paul to Hinckley. This corridor is an 80 mile corridor that covers the four counties of Ramsey, Washington, Chisago, and Pine. Reconstruction of the I-694/I-35E commons area, recently accelerated to FY 2005, will exacerbate congestion in this rapidly growing corridor during the construction period. Traffic is expected to double in 20 years on I-35. This project has both local and regional significance as the lots are seen as a mean to provide commuters with a transportation choice besides driving along, and would serve as congestion mitigation during the reconstruction of I-694/I-35E project.

Phase I: Each respective county or agency will own the park-and-pool/park-and-ride facility in their county or jurisdiction, and will provide for maintenance for that facility. Phase II: The Metropolitan Council will own and operate the busway.

- ⇒ Union Depot preliminary engineering (\$2.5 million) No information was received prior to the application deadline regarding this project.
- ⇒ Midwest Regional High-Speed Rail (\$10 million) No information was received prior to the application deadline regarding this project.

Ramsey County Transportation Requests**Project Contact Person**

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Ramsey County Transportation Requests

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	0	25,250	101,000	10,000	136,250
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	25,250	101,000	10,000	136,250

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	18,750	101,000	10,000	129,750
State Funds Subtotal	0	18,750	101,000	10,000	129,750
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	6,500	0	0	6,500
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	25,250	101,000	10,000	136,250

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	18,750	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Ramsey County Transportation Requests

Evaluation of Local Projects	
1.	Non-state matching funds contributed? This request was received after the Governor's proposed submission deadline of 9/30/03. As such, insufficient time was available to conduct a comprehensive review of this request.
2.	Project fulfills an important state mission?
3.	Has a state role been expanded in a new policy area?
4.	Project is of local, regional, or statewide significance?
5.	State operation subsidies required?
6.	Inequities created among local jurisdictions?
7.	Does it compete with other facilities?
8.	Resolutions from local governing bodies provided? A resolution of support for these projects was received from the Ramsey County Regional Railroad Authority Board of Commissioners.
9.	Pre-design completed?
10.	Project is disaster related?
11.	Per-capita tax capacity of the local jurisdiction? The per-capita tax capacity rank of Ramsey County is 45 of 87 counties in Minnesota (1 is high).

Rochester Regional Public Safety Training Center

2004 STATE APPROPRIATION REQUEST: \$627,000

AGENCY PROJECT PRIORITY: 1 of 2 (City of Rochester)

PROJECT LOCATION: (Pop: 91,264), Adjacent to Rochester Army National Guard facility

Project At A Glance

\$627,000 is requested is to develop a live burn training simulator adjacent to the existing National Guard Facility in Rochester. Additional state funds of \$1.315 million will be requested in 2006 to refurbish an indoor firearms range and emergency driving course. Funding needs for 2008 have not yet been determined.

Project Description

The Regional Public Safety Training Center (RPSTC) is a collaborative effort between Rochester Community and Technical College, Minnesota Army National Guard, Olmsted County and the city of Rochester.

This multi-phase project proposal calls for construction of a Live Burn Training Simulator (Phase 1 - 2004), the refurbishment of existing Army National Guard indoor firearms range and construction of an emergency vehicle driving range (Phase 2 - 2006) and construction of an outdoor firearms range and Hogan's Alley (Phase 3 - 2008). Note: Each phase should be considered on its own merits. Although together these phases create a master facilities plan, they are not interdependent and could be implemented separately.

Phase 1 of the project will focus on constructing a Live Burn Training Simulator and small staging building adjacent to the existing Minnesota Army National Guard facilities in Rochester. Fire fighters number over 200 in communities in Olmsted County and over 1,500 in the 60-mile radius. Each fire department is responsible to coordinate its own training program. Some

of this training is provided by members of the department and some by outside vendors. The operational training programs for area fire departments and law enforcement agencies will be supported by this facility. The Riverland Community College Firefighter training program in Austin, Minnesota represents another operational program which will be supported by the RPSTC.

Unfortunately, none of the fire departments within the region have access to a live burn facility. This situation forces fire department officers to train their members in makeshift venues and in less than totally safe circumstances. The low availability of abandoned houses or commercial buildings for live burn training is inadequate. Environmental regulations require these structures be tested for potential hazardous materials such as asbestos, lead, or mercury. These testing expenses are the responsibility of the property owner and have proven cost prohibitive for individuals to the point they stop the process and agencies are not allowed to train in the structure. The live burn facility will enable experienced fire fighter trainers, for example from Riverland Community College, to provide a safe, controlled and consistently available environment for area fire fighters. The live burn facility will be constructed to simulate a four-story high-rise building, a two-story commercial building and a single story residential structure using building materials designed to withstand the repeated high temperatures associated with training fires. Firefighters will gain valuable experience as they mitigate the unique challenges of fire within each structure.

This live burn training simulator will also provide essential tactical skill training such as forcible entry and rappelling for law enforcement officers and National Guard troops. Total cost associated with Phase 1 is \$1.254 million. Support for this project at the local government level has been included.

Phase 2 of the project would include refurbishment of the existing Army National Guard indoor firearms range and construction of an emergency vehicle driving course. There are over 200 law enforcement officers in Olmsted County and approximately 600 licensed peace officers working within a 60 miles radius of Rochester. These operational programs provide each officer/deputy with several hours of training annually. The indoor firing range is needed for teaching fundamental shooting skills and remedial work for the National Guard and area law enforcement agencies. The range at the Rochester National Guard facility has been closed due to air handling/lead

Rochester Regional Public Safety Training Center

management issues. We feel the investment necessary to restore the facility to operation would be much more economical than building a new indoor range from scratch and is the most economical way to provide this essential training to the region.

Tactical skills training such as weapons qualifications, hand-to-hand combat, forcible entry, hostage negotiation are conducted today in less than adequate facilities. If this collaborative project proceeds, the existing Armory gymnasium is proposed to be used by the police and sheriff departments in the region for use-of-force training. The existing classrooms and interactive video facilities are proposed to be used by departments for a variety of instruction applications as well.

The Rochester Community and Technical College is the home for a Minnesota Peace Officer Standards and Training Board approved law enforcement program with an annual enrollment of approximately 100 students. This operational program will also be supported by the RPSTC.

In spite of Rochester and Olmsted County's population, growth and central locality for the southeastern corner of Minnesota, the fire fighter and law enforcement agencies of the region are woefully underserved in training facilities. The services of a live burn facility or indoor firearms range are not available in the region. The city of Rochester owns and operates an outdoor firearms range, however it appears inevitable the outdoor range will be closed within the very near future. The existing facility is surrounded by business development thus there is no room for expansion, the facility is small so the number of training participants needs to be few, the small facility size does not allow for scenario-based training and the facilities are not rated for the increased fire power of the latest weapons used by officers. Olmsted County Sheriff's office, Rochester Community and Technical College and regional security agencies also utilize the existing facility. Traveling great distances to other firearms facilities in Minnesota is cost prohibitive for the law enforcement agencies in this region.

The emergency vehicle driving course is designed to accommodate precision maneuvering of law enforcement vehicles, fire apparatus, and ambulances. Facility elements such as a maneuvering course, skid pad, and roads will provide a wide variety of training opportunities for the emergency service and public safety personnel in the region.

Total cost for Phase 2 is \$2,630,000 however there is no commitment from local government agencies of matching funds at this time for Phase 2 of the project.

Phase 3 of the project is proposed to include construction of an outdoor shooting range and a "Hogan's Alley" type of facility. Hogan's Alley is a mock-up of an actual street with storefronts, multi-story facades and actual streetscape elements. Law enforcement officers and National Guard troops could use this facility for a variety of tactical skill training opportunities

The Army National Guard company assigned to Rochester is an air assault infantry unit. This requires training, which focuses on the tasks of the light infantry soldier and the interface with helicopter functions. The Rochester unit is centrally located for the entire 2nd Battalion, 135th Infantry that also has companies in West St. Paul, Albert Lea, Mankato, and Winona. In exchange for our use of the National Guard facilities, the National Guard would be allowed to utilize the Fire Training Tower facilities for repelling, urban terrain fighting skills (MOUT) and civil disturbance training. The parking lot and grassland areas near the Fire Training Tower could be used by the National Guard for helicopter landing procedures and dismounted formation drills. The proposed purchase of the 80-acre site adjacent to the National Guard property for the Burn Tower and related activities will permit this diverse site to be available to the Guard. The wooded areas are proposed to be used for tactical maneuver training including river crossing, bivouac and wilderness survival training. The Guard would also have access to the outdoor firearms range and Hogan's Alley for training events, if these facilities are feasible to construct in the future.

Because of the neighborhood surrounding the Armory site, we anticipate these facility elements to be located elsewhere, perhaps near the Rochester airport. Total cost for Phase 3 is yet to be determined and there is no commitment from local government agencies at this time for this phase of the project.

Rochester Regional Public Safety Training Center

P H A S E	Project Element	Cost
	1	Land acquisition (match)
Predesign, schematic design, design development, preparation of bid documents and construction management		9,000
Non-state staff Project Management (includes fees, testing etc.)		57,000
Construction costs of Live Burn Training Tower (includes site development)		597,000
Furniture and equipment (includes security equipment)		20,000
Relocation costs		0
Inflation Costs		29,000
Phase 1 Total		\$1,254,000
2	Predesign, schematic design, design development and preparation of bid documents	\$ 161,000
	Construction costs of Emergency Vehicle Driving Course and Refurbish Indoor Firearms Range (includes site development)	2,016,000
	Furniture and equipment	200,000
	Relocation costs	0
	Phase 2 Total	\$2,630,000
3	Predesign, schematic design, design development and preparation of bid documents	To Be Determined
	Construction costs of (includes site development)	
	Furniture and equipment	
	Relocation costs	
	Phase 3 Total	

Impact on Agency Operating Budgets (Facilities Notes)

No state operating funds are requested with this project.

Previous Appropriations for this Project

None.

Other Considerations

The live burn facility, emergency vehicle driving course, outdoor firearms range and hogan's alley would be owned by the city of Rochester. The Minnesota National Guard would retain ownership of existing facilities such as the indoor firearms range, classrooms, kitchen, and gymnasium. Representatives from departments and organizations who use the facility will assist in operating the facility.

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Rochester Regional Public Safety Training Center

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	543	0	0	543
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	9	161	0	170
4. Project Management	0	57	53	0	110
5. Construction Costs	0	625	2,016	0	2,641
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	20	400	0	420
9. Inflation	0	0	0	0	0
TOTAL	0	1,254	2,630	0	3,884

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	627	2,630	0	3,257
State Funds Subtotal	0	627	2,630	0	3,257
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	627	0	0	627
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	1,254	2,630	0	3,884

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	627	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Rochester Regional Public Safety Training Center

Evaluation of Local Projects	
1.	Non-state matching funds contributed? 50% of phase 1 project costs are proposed from local government funds.
2.	Project fulfills an important state mission? Public safety is an important state mission. However, the state role in funding local training facilities is unclear.
3.	Has a state role been expanded in a new policy area? Funding for local training facilities is not common in state bonding bills. As an exception, the state did provide \$2 million for Regional Public Safety Facility Construction Grants in the 2000 bonding bill. In that bill, the \$2 million appropriation was made to the Department of Public Safety for grants to local units of government on the condition that local recipients paid 75% of construction costs and 100% of operating costs.
4.	Project is of local, regional, or statewide significance? The project is viewed as having regional significance because it would provide a training center for a variety of local agencies in southeastern Minnesota.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? If funded, other jurisdictions would inevitably seek similar state funding.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? A resolution of support for this project dated 6/13/03 has been received from the Rochester City Council. This is their #1 priority of two requests.
9.	Predesign completed? Predesign is not required for local government projects with construction costs less than \$1.5 million.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per-capita tax capacity rank of the City of Rochester is 111 of 854 cities in Minnesota (1 is high).

National Volleyball Center, Phase II - Rochester

2004 STATE APPROPRIATION REQUEST: \$3,200,000

AGENCY PROJECT PRIORITY: 2 of 2 (City of Rochester)

PROJECT LOCATION: 2601 Viola Road NE, Rochester (Pop: 91,264)

Project At A Glance

The city of Rochester requests \$3.2 million in state funding for the Phase II expansion of the National Volleyball Center. No local matching funds are proposed with this project phase.

Project Description

This request is from the city of Rochester to have the Phase II expansion of the National Volleyball Center – Rochester included in the 2004 legislative bonding bill. The National Volleyball center was constructed in 1998 as a cooperative project between the Minnesota Amateur Sports Commission, the city of Rochester and Rochester School District #535. The original cost of Phase I of the project was \$4.6 million. The local governmental units contributed \$2.3 million and the state of Minnesota contributed \$2.3 million. The National Volleyball Center is one of seven facilities that have been constructed by the state of Minnesota to offer world-class training facilities in Olympic Sports. The city of Rochester is very proud to be part of this impressive athletic system.

The expansion project will involve adding an additional 22,000 square feet of space to the existing facility. The existing facility covers 51,000 square feet including eight Olympic quality volleyball courts, spectator viewing area, concession stand, first aid room, office, men's and women's restrooms (three fixtures each), and a small storage area.

The Phase II addition will add two additional courts featuring a high intensity training center with bio-cushioned wood floors, direct and indirect lighting, multiple video recording cameras, public address system, speed detection and monitoring system, jump training stations, data and communication

systems for monitoring and recording training sessions. The addition of this high intensity training center will allow volleyball players and teams from the United States and many other nations the opportunity to train in the finest volleyball training facility in the world. In addition to the high intensity training center, the Phase II addition will include; expanded public restrooms and locker rooms, conference room, media center, medical training facility, weight training center, and an increase in facility parking to accommodate the additional tournament crowds expected.

The Phase II addition will allow the National Volleyball Center-Rochester to attract more and bigger tournaments, increasing the overall economic impact of this already successful facility. Volleyball is a rapidly growing sport and Rochester is poised to become a world leader in the development of teams and players. Phase II expansion of the National Volleyball Center will complete the 1987 stated goals of Governor Rudy Perpich and the Minnesota State Legislature and of having Minnesota be a national leader in providing training facilities for Olympic Sports.

In 1998 the city of Rochester and Rochester School District #535 contributed \$2.3 million in costs for Phase I construction of the National Volleyball Center. This is the only Minnesota Amateur Sports Commission facility that required local matching funds. The city anticipates \$0 local dollars will be available or provided for Phase II of the project.

Impact on Agency Operating Budgets (Facilities Notes)

The National Volleyball Center-Rochester is owned by the city of Rochester and operated by the Parks and Recreation Department. No state operating funds are requested for this project or will be required to operate the facility in the future.

Previous Appropriations for this Project

\$2.3 million in previous state appropriations.

National Volleyball Center, Phase II - Rochester**Other Considerations**

If funding were secured during the 2004 legislative session, we would hope to be ready to bid the project in January of 2005 and have the facility ready for occupancy in the winter of 2006.

The Minnesota Amateur Sports Commission has identified this project as their top priority project for 2004.

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

National Volleyball Center, Phase II - Rochester

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	225	0	0	225
4. Project Management	0	0	0	0	0
5. Construction Costs	4,600	2,875	0	0	7,475
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	100	0	0	100
9. Inflation	0	0	0	0	0
TOTAL	4,600	3,200	0	0	7,800

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	2,300	3,200	0	0	5,500
State Funds Subtotal	2,300	3,200	0	0	5,500
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	2,300	0	0	0	2,300
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	4,600	3,200	0	0	7,800

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	3,200	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

National Volleyball Center, Phase II - Rochester

Evaluation of Local Projects	
1.	Non-state matching funds contributed? No local funds are proposed with this project phase. Previous phases provided 50% non-state funding.
2.	Project fulfills an important state mission? The state mission in funding local amateur sports facilities has varied. At times, the state has been actively involved in funding amateur sports facilities and associated grants. For example, numerous projects have been funded at the MASC in Blaine. Other grants such as Mighty Duck grants have been distributed statewide, but with significant local matching requirements. The Rochester Volleyball Center was one of the few stand-alone projects that received state funding that required a local match.
3.	Has a state role been expanded in a new policy area? See above.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit, but with potential for regional or statewide significance if attendance projections can be achieved.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? If funded, other jurisdictions would likely seek similar state funding for this or other types of amateur sports facilities.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? A resolution of support for this project dated 6/11/03 has been received from the Rochester City Council. This is their second priority of two requests. In addition, a resolution of support for this project dated 6/23/03 has been received from the Minnesota Amateur Sports Commission.
9.	Pre-design completed? The city has indicated that a preliminary design concept has been completed and financed by the City of Rochester. Approval of an official pre-design document by the Minnesota Department of Administration is unclear.
10.	Project is disaster related? The project is not disaster-related.
11.	Per-capita tax capacity of the local jurisdiction? The per-capita tax capacity rank of the city of Rochester is 111 of 854 cities in Minnesota (1 is high).

Roseau Infrastructure Repair & Improvements

2004 STATE APPROPRIATION REQUEST: \$13,572,000

AGENCY PROJECT PRIORITY: 1 of 1 (City of Roseau)

PROJECT LOCATION: Roseau (Pop: 2,746)

Project At A Glance

This request is for three projects in Roseau that seek \$13.572 million in state funds to match \$8.928 million in non-state funding. These three projects are presented in priority order:

- ◆ Flood damage - infrastructure repair (\$6.322 million)
- ◆ Flood damage - municipal complex relocation (\$6.5 million)
- ◆ Industrial park infrastructure (\$750,000)

Project Description

⇒ Flood Damage Infrastructure Repair (\$6.322 million)

This request is for \$6.322 million in state funding for predesign, design construction, and inspection for the replacement of water main sewer main, street, sidewalk, curb, and gutter damaged as a result of the 2002 flood throughout the city of Roseau. All of the project areas were identified by Federal Emergency Management Agency (FEMA) as flood related damages. The state funding will be used to replace infrastructure that was not covered by FEMA but is necessary to provide a complete reconstruction of old and damaged infrastructure. This project is related to the ongoing flood recovery from the Presidentially Declared Disaster 1419. Roseau is a regional center for northwest Minnesota and home to a major Minnesota manufacturer and employer Polaris Industries. This reconstruction project is necessary for the recovery and stability of the community and region. Total project costs = \$13,485,818.

⇒ Flood Damage Municipal Complex Relocation (\$6.5 million)

This request is for \$6.5 million in state funding for construction, inspection furniture/fixtures/equipment to replace and relocate five municipal functions displaced as a result of a 2002 flood in the city of Roseau. All of the project functions/buildings were identified by FEMA as flood related damages. Furthermore, the existing facilities are along the Roseau River and continue to be in danger of future flooding and in the way of future flood mitigation projects. The state funding will be used to augment FEMA repair funding for the permanent relocation of the city's city hall, auditorium police department, library and museum. This project is related to the ongoing flood recovery from the Presidentially Declared Disaster 1419. Roseau is a regional center for northwest Minnesota and home to a major Minnesota manufacturer and employer, Polaris Industries. This relocation project is necessary for the recovery and stability of the community and region. The city of Roseau will own and operate all replacement buildings in this project. Total project cost = \$7 million.

⇒ Industrial Park Infrastructure (\$750,000)

This request is for \$750,000 in state funding for predesign, design, construction, and inspection to install water, sewer, and street to the Roseau Industrial Park. The purpose of the project is to develop and industrial park for relocation of some flood damaged industries as well as provide for the location of industry related to Polaris Industries. The park will be submitted for inclusion in the JOBZ initiative for attraction of non-Minnesota businesses for the development of northwest Minnesota. Roseau is a regional center for northwest Minnesota and home to a major Minnesota manufacturer and employer, Polaris Industries. This project provides for the long-term stability and sustainability of the community and northwest region of Minnesota. The city of Roseau will own and operate all replacement buildings in this project. Total project cost = \$1,485,000.

Impact on Agency Operating Budgets (Facilities Notes)

No state operating funds are requested with these projects.

Roseau Infrastructure Repair & Improvements**Previous Appropriations for this Project**

Previous flood-related funds were provided to the city of Roseau.

Project Contact Person

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Governor's Recommendations

The Governor recommends general obligation bonding of \$10 million for this project, contingent on local matching funds necessary to complete the project.

Grants to Political Subdivisions

Project Detail

Roseau Infrastructure Repair & Improvements

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	2,223	0	0	2,223
4. Project Management	0	0	0	0	0
5. Construction Costs	0	19,777	0	0	19,777
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	500	0	0	500
9. Inflation	0	0	0	0	0
TOTAL	0	22,500	0	0	22,500

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	13,572	0	0	13,572
State Funds Subtotal	0	13,572	0	0	13,572
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	500	0	0	500
Local Government Funds	0	8,428	0	0	8,428
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	22,500	0	0	22,500

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	13,572	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Roseau Infrastructure Repair & Improvements

Evaluation of Local Projects	
1.	Non-state matching funds contributed? Approximately \$9 million in non-state funds are proposed to match \$13.6 million in state funds.
2.	Project fulfills an important state mission? The state's mission and interest in funding disaster-related costs beyond normal FEMA levels is unclear. In the past, the state has provided emergency funding for some disaster-related costs on an occasional basis.
3.	Has a state role been expanded in a new policy area? See above.
4.	Project is of local, regional, or statewide significance? The project, particularly the Municipal Complex Project, is viewed as having a primarily local benefit.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? If this project were funded, other jurisdictions that experience flooding (or other natural disasters) would inevitably seek similar state funding (particularly the City Hall complex and the Industrial Park infrastructure).
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? Not yet received.
9.	Pre-design completed? Not yet received.
10.	Project is disaster related? The project is located in a previous flood area. It would be helpful for project sponsors to articulate the exact nature of that flood damage and identify which specific elements of the capital request are the direct result of that flood.
11.	Per-capita tax capacity of the local jurisdiction? The per-capita tax capacity rank of the city of Roseau is 315 of 854 cities in Minnesota (1 is high).

Local Parks, Trails and Interpretive Centers - Statewide

2004 STATE APPROPRIATION REQUEST: \$33,092,000

AGENCY PROJECT PRIORITY: 1 of 1 (Statewide Requests)

PROJECT LOCATION: Statewide Locations

Project At A Glance

This item includes requests for local park and trail projects from multiple local units of government including:

- ◆ Blazing Star trail in Freeborn and Mower counties (\$1.43 million)
- ◆ Central Minnesota regional parks and trails (\$5.551 million)
- ◆ South Saint Paul/Port Crosby landfill remediation and park (\$5 million)
- ◆ Hastings River Flats interpretive center (\$1 million)
- ◆ Minneapolis Park and Recreation Board (\$14.25 million)
- ◆ Maplewood – Bruentrup Heritage Farm (\$150,000)
- ◆ Mille Lacs County – Soo Line Trail Bridge (\$274,400)
- ◆ St. Paul – Desnoyer Park (\$388,000)
- ◆ City of Eyota – Chester Woods Trail (\$1.014 million)
- ◆ Scott County – Doyle-Kennefick Regional Park (\$3.6 million)
- ◆ Canby – Prairie Farm Center (\$935,000)

Project Description

A. Blazing Star Trail (\$1.43 million request in 2004, \$2.147 million in 2006, \$1.148 million in 2008)

The cities of Albert Lea, Hayward, Austin and counties of Freeborn and Mower request \$1.43 million in bond funds from the state 2004 bonding bill. This funding will allow our joint powers board established by the cities of Albert Lea and Austin, along with the counties of Freeborn and Mower, to plan, design, construct, and acquire the tract right-of-way for the approximate 19 mile segment from Myre Big Island State Park to the west Austin city limits.

This trail between Albert Lea and Austin known as the Blazing Star Trail was designated by the legislature as one of several state trails, M.S. 85.015, Subd. 19.

It is the intent of the now established Albert Lea-Austin Joint Powers Board to acquire the necessary trail right-of-way, design, bid, and construct this trail with the requested \$4,725,300 of state funds over the next three bonding cycles. When completed, we expect to transfer title to the Department of Natural Resources (DNR) for their ownership and operation as one of the legislatively authorized state trails.

Previous state funding in the amount of \$850,000 was appropriated for the trail segment from Albert Lea to Myre Big Island State Park. This appropriation was made to the DNR.

We believe that this trail system will enhance the recreation and tourism possibilities for our southern Minnesota residents and visitors to our counties. We look forward to the connection of the Blazing Star Trail to the Austin city trail system, which will connect the Blazing Star to the Shooting Star Trail in eastern Mower County. Eventually we expect these two trails to be connected to the existing trails in the Lanesboro area.

The owner and operator of the trail will be the DNR, once the trail is completed. Typical maintenance costs for DNR trails = \$1,500/year/linear mile.

- ⇒ Phase I - 2005 - 2006 Construction of a bridge across Albert Lea Lake and trail development (three miles) from Helmer Myre State Park to Hayward (\$1.43 million state request in 2004).
- ⇒ Phase II - 2007 - 2008 Construction of bridge/tunnel across interstate 90 and trail development (16 miles) between Hayward and the Village of Moscow (\$2.147 million state request in 2006).
- ⇒ Phase III – 2009 – 2010 Development of the trail between the Village of Moscow and Austin (\$1.148 million state request in 2008).

Local Parks, Trails and Interpretive Centers - Statewide

Project Contact Person

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B. Central Minnesota Regional Parks and Trails (\$5.551 million request in 2004; total project cost = \$12.293 million)

The Central Minnesota Regional Parks and Trails Coordination Board is hereby submitting an application for state bonding funds for multiple park and trail projects. Total project costs = \$12.293 million of which \$5.551 million is being requested through state capital bonding. State funds will be matched with local funds as provided by authorized sales tax revenue and local capital bonding.

1. Watab (Baker) Lake land acquisition – Sartell
 Project cost = \$600,000; state funding request = \$300,000.

This request is for \$300,000 in state funding to acquire 60 acres of low and upland for a nature park bordering Watab (Baker) Lake to match \$300,000 from the city of Sartell.

From this parkland would be a trail system connecting to the current trail system in place in the city of Sartell. This trail system will also connect to the city of Sauk Rapids and the city of St. Cloud.

2. Honer site acquisition – Stearns County
 Project cost = \$2 million; state funding request = \$1 million.

This request is for \$1 million in state funding to assist with the acquisition of 312 acres of land for a regional park. This beautiful forested property is adjacent to Kraemer Lake just west of the rapidly developing St. Cloud area. The site includes 270 acres that were listed as unique by the DNR County Biological Survey.

The site would be appropriate for a swimming beach, fishing pier, picnic shelter, boat landing, and hiking and cross-country ski trails. There are no state or federal parks in this area and there are no county parks in the nearby area.

3. Xcel Trail – Sherburne County
 Project cost = \$756,000; state funding request = \$378,000.

This request is for \$378,000 in state funding in 2004 to match an equal amount from combined efforts of Sherburne County and city of Becker to assist with the design and construction of 6.3 miles of trail and two parking areas within Xcel property in Becker. The land has been offered by Xcel for use as a public trail and would be leased by the city of Becker. The trail would follow along the Mississippi River, where it is designated as Wild and Scenic, and extend through an "Oak Woodland" forest designated as a natural plant community by the DNR's Biological Survey Map.

4. Lake Wobegon Regional Trail – Stearns County
 Project cost = \$468,000; state funding request = \$156,000.

This request is for \$156,000 in state funding to assist with the design, engineering and construction of 3.6 miles of the Lake Wobegon Regional Trail from Holdingford to the Stearns/Morrison County line. This section of regional trail is on a scenic abandoned railroad corridor in the heart of Lake Wobegon Country.

This 3.6 miles of pedestrian/snowmobile/bicycle/in-line skating trail will connect the existing 46.4 miles of the Lake Wobegon Regional Trail to the Morrison County Trail system. At this time Morrison County has a commitment of T-21 funds to build 3.9 miles of pedestrian/snowmobile/bicycle/in line skating trail from the northern end of the stearns County Lake Wobegon Trail to Bowlus in Morrison County. Morrison County's Trail plan includes continuing the trail north to connect to the Paul Bunyan Trail.

5. Baldwin Railroad Corridor – Sherburne County
 Project cost = \$1.269 million; state funding request = \$117,000.

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This request is for \$117,000 in state funding to assist with the design and construction of 2.5 miles of hard surface trail along the abandoned Burlington Northern railroad bed in Baldwin Township. This section of regional trail would complete the link from Princeton to County Road 9, where a bridge with pedestrian pathway was constructed over Highway 169 connecting to an existing trail linking to the railroad. Future segments between County Road 9 to Zimmerman, and Zimmerman to Elk River would be additional phases considered at a later time.

6. Cyclone Regional Trail – Sauk Rapids
Project cost = \$200,000; state funding request = \$100,000.

This request of \$100,000 in state funding would be used to construct bike trail or road lanes from Golden Spike Road to Osauka Road North East. The city has recently annexed property to the east of Highway 10 and a new high school has been constructed on Osauka Road. The city has purchased 155 acres that meets the school property and construction of the active recreation fields is complete. Plans for construction of passive trails through the nature preserve area of the park are complete and construction of these trails should begin this fall. Mayhew Lake Road is a busy, high-speed two lane county road with no shoulders. Several developments are underway around the school and at the present time there is no safe way for pedestrian traffic to access the school and park. The school is scheduled for opening in September 2003 and the fields will be used beginning in the spring of 2004. It is crucial for the safety of our citizens to integrate both an on and off road trail system early in the development of this area so we can accomplish some goals identified for smart growth within our community.

7. GravesFarm Park Development – Benton County
Project cost = \$250,000; state funding request = \$125,000.

Funding is needed to provide the initial development of the Graves Farm property, to include planning, design, and construction of trails and scenic overlooks along the Mississippi River, restoration of the former farmland to natural vegetation, and design for a visitor center and other park facilities.

8. Watab Area Regional Park - Sartell
Project cost = \$500,000; state funding request = \$250,000.

This request is for \$250,000 in state funding to match \$250,000 in city funding to make improvements to a newly acquired regional park located within the central portion of the city.

Improvements will include bituminous and aggregate trails along with pedestrian bridges over the Watab River. Park shelter with fireplace and roof and enclosure for portable toilet. Other park amenities would include informational kiosks, direction/interpretive signs, park monument sign, stone story ring/fire pit, picnic nodes w/table grill and concrete slab, benches, picnic tables for shelter, bike rack, litter receptacles drinking fountain and jug filler. Landscaping of park area to include native grass/forb restoration along with trees and shrubs. There is also the need to run utilities to the site.

9. Northside Park Shelter Improvements – Sartell
Project cost = \$250,000; state funding request = \$125,000.

This request is for \$125,000 in state funding to match \$125,000 in city funding to make improvements to picnic shelter located in Northside Park.

Northside Park is 36 acres in size and plays host to the local high school baseball team, the Sartell Muskies (city team), tennis, basketball and volleyball courts, a soccer field, softball field and a newly constructed 12-hole disc golf course. A shelter is also located in park and serves as a shelter to picnic tables only.

Improvements would consist of constructing a new shelter that will house restrooms, kitchen facilities, and new shelter. Utilities were brought to the park a few years ago. Northside Park is becoming a favorite destination for many families in Sartell as well as visitors from the surrounding area. They travel to the park by means of car, bike or walking. There is a major bike/pedestrian trail that leads to this park.

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10. Eastman Regional Park Municipal Pool Replacement – St. Cloud
Project cost = \$5 million; state funding request = \$2.5 million.

This request is for \$2.5 million in state funding to help renovate the park and pool building. Our intent is to build a family Aquatic Facility to replace the existing and aging city swimming pool in Eastman Regional Park with the city of St. Cloud. This park has local and regional significance. It services the population, of not only the residents of St. Cloud, but also the cities and rural residents of the tri-county area of stearns, Benton, and Sherburne Counties.

We need to replace this facility due to its age (over 50 years old) which is increasing our maintenance and operation cost significantly. In addition, code violations relating to structural and equipment deterioration and to the facilities original designs place the health and safety of the patrons and staff at risk. Pool design standards and codes relating to safety, accessibility, etc. 50 years ago have changed significantly. We need to replace this facility. The city closed the pool facility at the end of 2002 season. Its loss has caused a significant impact on the recreational opportunities for the resident in the tri-county area.

The proposed Aquatic Facility to replacement pool would be sized to fit the existing park area, making use of the existing parking and utilities.

11. Sauk Rapids Community Center
Project cost = \$1 million; state funding request = \$500,000.

This project is to construct, furnish and equip a community center. With voter approval on the local one-half cent tax this rated very high as an approved project. A committee has been formed to pinpoint the location, types of activities and scopes of services to be offered. Land acquisition is not necessary as the city owns several nice locations to choose from for construction.

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C. South St. Paul, Port Crosby Landfill Remediation and Park Space (\$5 million request in 2004; total project cost = \$14.66 million)

This request is for \$5 million in state funding to pay for the closure, capping and remediation of approximately 80 acres of the Port Crosby in South St. Paul. Closure is the fourth component of a five-step process for converting this construction/demolition debris landfill into a highly desirable regional recreational amenity. The full process includes:

- ◆ site acquisition,
- ◆ vehicular bridge construction,
- ◆ regional trail and bridge construction,
- ◆ site closure/grading, drainage ditch closure, and shoreline stabilization, and
- ◆ park construction/planning.

The city of South St. Paul is working to reclaim the southern 80 acres of the Port Crosby property. These 80 acres afford South St. Paul the unique opportunity of developing an extensive riverfront park because this property has over 5,000 feet of riverfront on its east side. As a first ring suburb, South St. Paul is a fully developed community and this site is the only land of significant size within South St. Paul that has yet to be developed.

The project also offers an outstanding opportunity to restore 80 acres of riverfront land, which is currently unusable for any significant purpose. The Port Crosby property was used for many years as a construction/demolition debris landfill and, thus, exhibits many of the traits of a brownfield. While the property poses no immediate threat to the health of the Mississippi River, it nevertheless does present physical

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hazards for anyone who goes out on the property. Because the site was never properly closed, exposed construction material on the surface and voids beneath the surface pose real dangers to anyone walking on the property. The remediation of these conditions can help produce an area of tremendous recreational and aesthetic potential. The development of this area as recreational space clearly aligns with the city's comprehensive plan and the stated goals of the Mississippi River critical area study.

During the summer of 2000, the city of South St. Paul acquired 90 acres of land on the northern border of the community for future development as park space through a state grant from the Legislative Commission on Minnesota Resources (LCMR). The acquisition funding for Port Crosby was shared equally between the city and the LCMR. Since acquisition, the city has begun the process of providing access to the site and planning for the eventual development of park space.

Access is one of the primary challenges in developing this property. Railroad tracks isolated Port Crosby from Concord Street (TH 156) and from convenient connection to the community. The city attacked this barrier by constructing a two-land vehicle bridge that now connects the property to Concord, at Bryant Avenue. The bridge is being completed during the summer of 2003, using the city's municipal state aid funding resources. This bridge provides direct access to the site and will enable remediation of the current conditions and development of recreational amenities.

The city has also spearheaded trail access to and through the site, providing pedestrian and bike access that responds to the multi-modal transportation needs of the community and region. Through leadership and advanced funding, South St. Paul has helped construct the South St. Paul/Dakota County Regional Trail that now extends for miles along the Mississippi river banks. A portion of this North Urban Regional Trail is located along the west side of the Port Crosby property. The trail includes a separate bridge that connects the site to the continuation of the trail on the east side of Concord Street.

The key challenge now before the city is the closure of this property. This property is a former construction/demolition debris landfill. For that

reason, a substantial amount of fill must be moved onto the site and properly graded in order to close it. Dakota County is in the process of completing a final closure plan for the property. This plan will provide a very close estimate of the number of yards of fill required for closure. Preliminary cost estimates are in the \$4.5 to \$5 million range. This cost can vary greatly, depending on the amount of fill available during a given construction season. This estimate includes the price of transporting the appropriate fill and grading of the site for development. In addition, shoreline stabilization will be undertaken in conjunction with fill and grading.

A related challenge to reclaiming the Port Crosby site is the need for closure of a large drainage ditch, running west to east, that bisects the property. This drainage ditch carries the water, which drains from Robert Street in West St. Paul, through Kaposia Park in South St. Paul and down Simon's Ravine. This water has been contained in underground pipe all the way to Port Crosby. In order to develop this property, this piping project will need to continue all the way to the river. The estimated cost to construct a pipe to replace the open Port Crosby drainage ditch is \$650,000.

With remediation of the site, Port Crosby will be ready for development as park space for South St. Paul, Northern Dakota County, and all other residents and fans of the Upper Mississippi River Corridor. The precise elements of a park plan remain to be developed through community input and partnerships with other governmental and interested parties.

The city of South St. Paul will continue to aggressively pursue funding alternatives for the development of this park space. The city hopes to find additional funding through continued partnerships with Dakota County, the Metropolitan Council, the city of St. Paul, state and federal agencies, and non-profit entities. However, there currently are no specific alternative sources of funds to help close the site and address the storm water drainage ditch. The city will continue to provide in-kind services whenever it is deemed possible and appropriate.

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D. Hastings River Flats Interpretive Facility (\$1 million request in 2004; total project cost = \$4.3 million)

The city of Hastings requests \$1 million in state funding to construct, furnish, and equip a Mississippi River interpretive facility to be used for environmental, historical, and archeological research and education, as well as outdoor community gatherings in Hastings.

The project sits within a 200-acre site along the Mississippi riverfront between Lock and Dam #2 and historic downtown Hastings. Flint Hills Resources, who continues to monitor and mitigate environmental contamination on a small portion of the site, donated much of the River Flats property to the city in 2001. The remainder of the site has been in public ownership for many years. Over the last three years, the city of Hastings has involved the community in preparing restoration and re-use vision for the Hastings River Flats, which transforms this former industrial site into a regional destination with state and international links.

The first phase of the project implementation, completed in 2002, consists of roadway realignment and reconstruction, utility extension, limited habitat restoration, and streetscape enhancements. These improvements will provide the access and services necessary for the future interpretative center, band shell/outdoor classroom, ecological structure garden, and festival grounds.

The vision for the Hastings River Flats is built around intermingling of three important themes of community culture: interpretative recreation/outreach, environmental restoration, and public art. These themes will be expressed in various ways, both on the landscape and in

the interpretative center. Unlike many interpretative centers that focus only on the history and environment of their locations, the Hastings River Flats is envisioned as an interpretative experience, as well as a working laboratory, where the conditions of this particular place on the Mississippi River can be compared and contrasted by visitors with several other locales around the world via real-time web links and interactive games. The idea is to build a place (landscape and building) that exemplifies our latest understanding about sustainability and community-building and use it as an interpretative baseline for reaching out to others. The hope is that this will be fun, educational and ever evolving.

The Mississippi River National River and Recreation Area Comprehensive Plan identifies the Hastings River Flats as one of four proposed interpretative center locations in the Twin Cities region. The Mississippi Riverfront Initiative recently completed by a consortium of commercial, governmental and non-profit entities identifies the Hastings River Flats project as one of the eight highest priority river related projects in the Twin Cities region.

The facility will be owned by the city of Hastings. The city of Hastings and the National Park Service will operate the facility cooperatively. No new or additional state operating funds will be requested with this project.

The following non-state funds have been earmarked or will be contributed to the remaining project:

\$250,000	McKnight Foundation Grant
250,000	Supplemental Environmental Projects (SEP) Grant
40,000	National Parks Services Grant
<u>1,210,000</u>	City of Hastings
\$1,750,000	Total non-state funds contributed toward the remaining project

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E. Minneapolis Park and Recreation Board requests (\$14.25 million request in 2004)

The Minneapolis Park and Recreation Board (MPRB) requests \$14.25 million in state funding for five park and recreation projects, as prioritized below:

1. Restoration of Lake of the Isles Regional Park
 Project cost = \$10.22 million; state funding request = \$5 million

This request is for \$5 million in state funds to restore an area adjacent to Lake of the Isles that has settled and eroded significantly. Lake of the Isles Park is part of the Chain of Lakes Regional Park, which averages 5.5 million visitors per year. People of all ages visit the park from adjoining neighborhoods, the metropolitan region, across the state and around the world to enjoy Isles' picturesque beauty. The entire 2.86 miles of shoreline are publicly owned and are accessible to all park enthusiasts. The heavy use, however, compounded by the urban (developed) setting, has had significant impact on Lake of the Isles because of its fragile ecology.

Lake of the Isles is an engineered lake, created in the early part of the 20th Century. The Park Board dredged what was originally a shallow lake and marsh complex and used the dredged material to create parkland and ultimately, a stately and picturesque park. Unfortunately, the dredged materials – generally peat and silt, which have a talent for settling and erosion – set the stage for the inevitable deterioration and reduced water quality that has characterized the Lake of the Isles environs in recent decades. Severe weather events

in the late 1990s seriously accelerated the deterioration of the park to the point where significant sections were unusable.

In developing the Lake of the Isles Park renovation plan, the challenge has been to create a sustainable as well as usable park space. Shoreline, stabilization, wetland enhancement and restoration, path reconstruction, upland plant restoration, and the raising of passive recreation areas are strategies being implemented to achieve the renovation goals, namely to balance aesthetics and the park's historical integrity with the recreational needs of park users and the sustainability of a fragile environment.

The west bay and north arm of the lake are the sites of the most significant settling. To restore the park's historic aesthetic, necessitated by the park's listing on the National Register of Historic Places, these sections have to be filled in. The cost of removing the original peat, however unsuitable as fill, and replacing it with a more desirable alternative is prohibitive. To minimize future settling in these areas, a layer of heavier material will compress the fill. When the compression has been maximized, the excess material will be removed, and the paths can be constructed, and landscaping completed. Finally, when all other project components have been completed, Lake of the Isles Parkway will be repaved.

2. Upper Riverfront Park – Minneapolis Marina
 Project cost= \$7.5 million; state funding request = \$3 million

State funds will match \$4.5 million in federal and private matching funds.

This request is for \$3 million in 2004 state funding toward the estimated total cost of \$7.5 million to design, engineer, construct, and equip a 150 to 200-slip full-service marina on the Upper River in Minneapolis, adjacent to parkland, along with related open space, trail, related recreational facilities, shoreline preservation and restoration, and river channel maintenance. Design and engineering is proposed to begin in the year 2004, with construction to begin in 2005.

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The Mississippi River is a distinctive natural symbol of this nation, one of the country's most historic transportation routes and a corridor rich in nationally-and regionally-significant economic, environmental, and cultural resources. Recognizing this significance, Congress established the Mississippi National River and Recreation Area (MNRRA) in 1988 as an addition to the National Park Service to protect, preserve, and enhance these resources along a 72-mile corridor throughout the Twin Cities metropolitan area.

Minneapolis, which lies at the center of the MNRRA corridor, has a long tradition of recognizing the significance of the river, extending back to the creation of its first riverfront parks well over a century ago. Throughout the ensuing decades, the city has increasingly recognized the incalculable value of providing public access and protection to the river that flows through its core. The MPRB has worked to implement this vision through systematic acquisition and development of a continuous public riverfront green space corridor. The central and downstream segments of this corridor have, for several decades, been included in the Regional Park system as designated by the Metropolitan Council.

The most recent step toward this vision has been the development of *Above the Falls: A Master Plan for the Upper River in Minneapolis*, (ATF) completed in 2000. ATF addresses the 4.5-mile Minneapolis river reach upstream of St. Anthony Falls with an extension of the riverfront system of greenways and trails that would, in turn, connect to open space in communities to the north. Recognizing the regional and statewide importance of this river reach, the MPRB applied for and received designation of the ATF corridor as a Regional Park in 2001. The project site also falls within the nationally designated American Heritage River Initiative and Mississippi River National Millennium Trail corridors.

3. East Phillips Community Center
Project Cost = \$3.5 million; state funding request = \$3.5 million

This request is for \$3.5 million in funding to create a new multi-purpose community center to serve the East Phillips Neighborhood that has traditionally lacked a sufficient number of recreational and

social activities for the residents living there. The importance of community-based environments and organizations in contributing to the positive development of young people is supported by both research and experience.

Minneapolis has experienced dramatic population changes in the last two decades. Nearly 28% of the city's total population migrated to Minneapolis since 1985. Around one-half of this influx moved from a state other than Minnesota, while nearly 30% moved to Minneapolis from a Twin Cities suburb. The racial and ethnic distribution of the population moving to Minneapolis resembles closely the racial composition of the city's population as a whole; however, the age distribution of the recent migrant population is significantly younger than the general population.

As Minneapolis becomes more culturally and economically diverse, its neighborhoods reflect both the positive and negative changes experienced by other major metropolitan areas over the last decade. Since 1992, slightly more than one-half of all Minneapolis children were receiving some form of economic assistance. These recent economic and social trends have had a significant impact on families and children. An increase in poverty, single parent households, alcohol and other drug abuse, teenage sexual experimentation and pregnancy, gang activity and crime, and school dropout rates indicate a significant need to provide prevention programs.

These trends have also created an increased demand for more diverse community-based programs that respond to the unmet needs of the neighborhood families. As a result, many current park facilities within Minneapolis have proven insufficient to meet these changing community needs.

4. JD Rivers' Urban Agricultural Awareness Center
Project cost = \$2.5 million; state funding request = \$2.5 million

The MPRB is requesting \$2.5 million in state funding to design, construct, furnish, and equip a new 5,000 square foot Urban Agriculture Center in Theodore Wirth Regional Park. Our goal is to cultivate in children and adults, the knowledge, skills and values

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necessary to understand and engage in healthy, life-long agricultural activities. As part of the learning process, participants will develop an understanding of ecological systems and the cause and effect relationships between human attitudes, behavior, and the environment. This will result in a constituency able to make informed decisions that impact Minnesota's natural (and agricultural) systems at a local and regional scale.

The Urban Agriculture Center's indoor spaces will focus on educational exhibits and hands-on learning – including a teaching kitchen, plant propagation areas, investigation lab, and more. The adjoining outdoor education area will include hands-on learning spaces, teaching gardens, culturally specific gardens, and easy access to Wirth Park's natural resources.

The Center will provide participants with opportunities to investigate their connections to agriculture – from recent family history, to origination points of agricultural products (like family farms and corporate entities) and final destination (farmer's markets and supermarkets). In addition, Center visitors will learn about the impacts their food choices have on the environment.

Participants would also be able to explore and learn about Minnesota's recent immigrant and ethnic groups and their specific ties to agriculture. Center visitors would be able to discover the plant species, foods and animals, cultivation and growing techniques important to specific ethnic groups. Experiential learning would focus on at home use of fresh agricultural products. The Center would provide a forum for the exchange of hands-on agricultural information and provide excellent opportunities for people to learn about other's "agri-culture."

5. Grand Rounds Missing Link, Design and Engineering Study
Project cost = \$250,000; state funding request = \$250,000

The project will be complete the final (missing link) for pedestrians, cyclists, skaters and motor vehicles of the Grand Rounds System, from the Mississippi River to Stinson Boulevard and Ridgeway Parkway.

The Grand Rounds Parkway System is an integral component of the Minnesota Park System and has a strong and far reaching impact on the quality of life for all Minneapolis residents. Historically, it has set the Minneapolis Park System apart from other park systems.

Project Contact Person

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**F. City of Maplewood – Bruentrup Heritage Farm
(\$150,000 state request; total project cost = \$300,000)**

The Bruentrup Heritage Farm is located at 2170 County Road D in Maplewood. The farm occupies 3.5 acres of a 32-acre open space site owned and managed by the city of Maplewood.

The Bruentrup Heritage Farm consists of the original farmhouse constructed in 1890, 1905 gambrel-style barn, granary, metal shed/blacksmith repair shop, machine shed, and the bricks and front door from a smokehouse which will ultimately be rebuilt.

In May 1999, the Maplewood Area Historical Society and the city of Maplewood succeeded in obtaining a \$100,000 special grant from the Minnesota Legislature to help in the relocation of the house and farm buildings. This money was matched by a private donation of \$150,000 as well as \$50,000 from the city of Maplewood capital improvement funds. The relocation of the farmhouse and related ancillary buildings has been completed and the programming of the Bruentrup Heritage Farm has begun.

The purpose of the Bruentrup Heritage Farm is to interpret the history of agriculture in New Canada Township/Maplewood. Information is presented relating to trends and changes in our culture in Minnesota and

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the rest of the United States. Heritage Farm proposes to utilize exhibits, demonstrations and involvement of visitors, and typical farming activities in the period from 1890-2000.

The historic Bruentrup Heritage Farm has been limited to expanding programs due to related city code issues for health, safety and welfare. The proposed state appropriation of \$150,000 matched by \$150,000 by the city of Maplewood is to bring the facility up to code to provide for increased access on a regional and state-wide basis.

The project will not require any new or additional state operating subsidies and all operating or maintenance subsidies will be the responsibility of the city of Maplewood and the Maplewood Area Historical Society.

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**G. Mille Lacs County – Soo Line Bike Trail Bridge
 (\$274,400 state request; total project cost = \$1,656,400)**

Mille Lacs County is requesting funding to construct a multi-use trail bridge over TH 169 at the crossing of the Soo Line Trail in Onamia. The Soo Line Trail has been paved between Father Hennepin State Park in Isle and the city of Onamia with plans to extend the trail through Onamia to Kathio State Park on Mille Lacs Lake.

This request is for \$274,400 in state general obligation bond funds to match federal funding for construction of the project and assist in paying for construction engineering, designs, and permitting to support the construction for a \$1,656,400 recreational trail bridge over TH 169. The use of this trail, connecting two state parks along the south shore of Mille Lacs Lake, has statewide significance. This project is included in the 2004-2006 STIP as an illustrative project and Congressmen James

Oberstar and Martin Sabo have indicated their support of the project at the federal level.

State funds of \$274,400 will be matched by \$1,079,600 in federal funds, \$250,000 from DNR, \$137,200 from Mn/DOT, and \$171,600 of in-kind services from Mille Lacs County.

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**H. City of St. Paul – Desnoyer Park
 (#7 of 7 requests from the City of St. Paul)
 (\$388,000 state request; total project cost = \$428,000)**

The first lock and dam built on the Mississippi, the Meeker Island Lock was abandoned in 1912 but remains on the riverbank today. It is on the National Register of Historic Places, and is the most significant historic site in the river gorge. It is part of the MNRRA administered by the National Park Service.

Although it is in the geographic center of the Twin Cities Metropolitan Area, the Meeker Island site is rich in natural resources. Bald eagles, wild turkey, beaver, fox, and a wide variety of songbirds and waterfowl frequent the area; the native forest and plant life includes rare spring ephemerals.

Neglected for almost a century, the wooded bluff above the lock is overgrown, steep, and secluded. Difficult to police, it has become a magnet attracting drug trafficking and other illegal activities in to the Desnoyer Park residential neighborhood. Random footpaths through he undergrowth trample native vegetation and cause erosion. As a result,

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area residents have avoided the area and it has become a barrier between people and the river.

This appropriation would be used to create a riverbank picnic area by the historic Meeker Island Lock site, and provide controlled access via the Old Wagon Road. The tree-shaded picnic area on the scenic riverbank will attract increased use by the public, displacing illegal activities, and reducing damage to the river gorge ecosystem. The eroded Old Wagon Road, which serviced the Meeker Island Lock 100 years ago, will be restored as a safe, user-friendly footpath, reconnecting the public to MNRRA and its river heritage and the city to its history.

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**I. City of Eyota – Chester Woods Regional Trail, Phase I
(\$1.014 million state request; total project cost = \$1.014 million)**

The Dover Eyota Chester Woods Rochester Bike Trail Committee was established in 1995 as a project of the city of Eyota Economic Development Authority, in cooperation with the cities of Dover, Chatfield, and Elgin. The Chester Woods Trail System became part of the state trail system authorized by Minnesota statutes in 1996.

A trail from Chester Woods to Olmsted County Road 11 is the first phase in the connection of existing recreational facilities to the major population centers in southeastern Minnesota. The initial link between Chester Woods Regional Park and Olmsted County Road 11 on the outskirts of the city of Rochester would provide a safe, off-road alternative transportation route for the residents in this area to a multi-use park operated by Olmsted County. The trail would be a ten-foot wide bituminous surface designed to meet Americans with Disabilities Act (ADA) and the American Association of State Highway and Transportation Officials (AASHTO) guidelines. The local trail committee has been contacting landowners to secure property acquisition options

and has been involved with the Mn/DOT regarding the re-route of U.S. Highway 14. Additional funding will be sought from the Minnesota Legislature and other sources to complete the trail from Chester Woods Regional Park to Eyota and Dover in the near future.

The trail system would link the Rochester trail system with Chester Woods County Park on to the city of Eyota and connecting to the Great River Ridge Trail System and south to the Root River Trail system; on to the city of Dover and St. Charles where it connect to Whitewater State Park. The original cost of the Chester Woods Regional Trail segment of this system was estimated at \$3.4 million. The Chester Woods Trail System would be the central link to several surrounding trail systems, eventually linking the trail systems to the north, south, east, and west all together into one large system.

The Chester Woods Regional Trail System has been endorsed by the participating cities of Eyota, Dover, Chatfield, and Elgin; as well as the Rochester City Park's Commission and the Olmsted County Board.

The trail is part of the legislatively authorized state trail system. The trail will be developed, maintained, and operated by the DNR– Trails and Waterway as a State Trail. The Trails and Waterways Area Supervisor and existing staff are responsible for trail operations and maintenance and rely on other DNR personnel for enforcement and resource management assistance.

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**J. Scott County – Doyle-Kennefick Regional Park land acquisition
(\$3.6 million state request with \$2.4 million in Met Council bonds)**

This request is for \$3.6 million in state funding to acquire land for a new regional park within Scott County. The property is located within an area

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of southern Scott County that is experiencing development pressure and will benefit from a regional park. The proposed park area exhibits regionally significant high quality natural resources in addition to the ability to provide active and passive recreation activities. This area is within the Metro Wildlife Corridors Focus Area and is depicted on the Minnesota County Biological Survey and is a Regionally Significant Ecological Area.

Scott County is requesting state funds to finance 60% of the Doyle parcels acquisition under the premise that the site is likely to be designated a regional park by the Metropolitan Council based on Council staff analysis of the parcel (see attachment of Metropolitan Council staff analysis). M.S. 473.147 requires the Metropolitan Council to hold a public hearing on the regional park designation, which is tentatively scheduled for early February 2004, with a decision to be made in March 2004.

When the site is designated as a regional park, the Metropolitan Council would grant up to \$2.4 million of its general obligation bonds as a 40% match to the state funds appropriated.

Consequently, Scott County requests that state funds finance 60% of the costs to acquire the Doyle parcels, with the remaining 40% financed with bonds issued by the Metropolitan Council – a funding ration that has been used since 1994 on Metropolitan Regional Park System capital improvements. That ratio has been used as it fairly allocates the cost of the acquisition to those who will benefit from it based on matching tax payment origin data with park visitor origin data.

Scott County has had a Joint Powers Agreement with Three Rivers Park District since 1973. Three Rivers Park District will own the facility under the Joint Powers Agreement with Scott County.

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K. City of Canby – Prairie Farm Preservation, Education and Exhibit Center (\$935,000 state request; \$1.87 million total project cost)

This request is for \$935,000 in state funding to fund design, construct, furnish, and equip and operate an education/exhibit center for landowners and an educational opportunity for students in the area information to enhance fish, wildlife, and native grass habitat.

Agriculture has been and continues to be the economic base of Canby, Yellow Medicine County, southwest Minnesota and the entire state of Minnesota. Landowners engaged in farming have long been sensitive to the environment. Unfortunately, many of the past environmental approaches have disappeared. The Center is needed to provide demonstration of agricultural practice that protects the sustainability of water resources, wildlife, and native plant habitat. The need to protect and sustain water resources, wildlife, and native plant habitat is accomplished by the Center providing education on agricultural methods, demonstration of actual practices and a preserve of native plants and grasses to identify native plants.

There is a need for the preservation of the machinery for future generations to learn how the agriculture equipment was made and used to provide for production of agricultural produce in earlier generations. In learning of previous agricultural production, people can appreciate the work of our forefathers. The equipment that will be on display would have been used in previous generations for the production of the food and grains that made America a great nation. Some of the equipment had great features that are no longer used in modern machinery, but maybe of great value for future development of machinery.

The Center will also have a website that provides educational materials, streaming video, to achieve and disseminate information critical to the protection and sustainability of water, wildlife, and native plant habitat.

There will also be a camping expansion. The camping expansion is of great need because the campgrounds are filled to capacity during the camping season. There is a waiting list for both seasonal and weekend camping. The campground facilities cannot be advertised because there are no available campsites. The full service sites are all rented for the

Local Parks, Trails and Interpretive Centers - Statewide

entire season, leaving nothing available for the weekend or occasional camper. Tourism is a big part of Minnesota's economy, but without the facilities to accommodate the housing (camping) tourists will not be able to enjoy our great state.

The city of Canby will own and operate this facility.

Project Contact Person

Barbara M. Hoyhtya
City Administrator
City of Canby
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Canby, Minnesota 56220
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Governor's Recommendations

The Governor does not recommend capital funds for these projects. Instead, the Governor has recommended significant funding for parks, trails and other recreation and environmental projects to the DNR and the Metropolitan Council.

Grants to Political Subdivisions

Project Detail

Local Parks, Trails and Interpretive Centers - Statewide

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	800	67,921	2,397	1,148	72,266
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	800	67,921	2,397	1,148	72,266

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	800	33,092	2,397	1,148	37,437
State Funds Subtotal	800	33,092	2,397	1,148	37,437
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	1,098	0	0	1,098
Local Government Funds	0	7,064	0	0	7,064
Private Funds	0	0	0	0	0
Other	0	26,667	0	0	26,667
TOTAL	800	67,921	2,397	1,148	72,266

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	33,092	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Local Parks, Trails and Interpretive Centers - Statewide

Evaluation of Local Projects	
1.	Non-state matching funds contributed? The ratio of state to non-state funding varies significantly for these projects. Some project requests are consistent with M.S. 16A.86, that suggests at least 50% in non-state funds should be contributed. Other requests have a much higher, or exclusive state funding role.
2.	Project fulfills an important state mission? Providing recreational opportunities is an important state mission in Minnesota. However, the degree to which local projects should be funded, as contrasted with state parks/trails/interpretive centers, is unclear.
3.	Has a state role been expanded in a new policy area? See above.
4.	Project is of local, regional, or statewide significance? The projects are viewed as having local or regional significance.
5.	State operation subsidies required? Trails that are to be owned and maintained by DNR will increase operating costs in the DNR budget.
6.	Inequities created among local jurisdictions? The sheer magnitude of these local requests (in terms of number of applicants and size of project costs) clearly demonstrates the competitive nature of the funding process and suggests that additional request will likely be forthcoming from local units of government if the state provides funding for these projects.
7.	Does it compete with other facilities? No.

8.	Resolutions from local governing bodies provided? A letter of support for the Central Minnesota parks and trails request dated 8/14/03 has been received from the St. Cloud Area Joint Planning District and participating local governments. A resolution of support for the Hastings River Flats Interpretive Facility dated 9/2/03 was received from the Hastings City Council. A resolution of support for the Port Crosby project dated 9/2/03 was received from the South Saint Paul City Council. A resolution of support for the Minneapolis park projects dated 9/3/03 was received from the Minneapolis Park and Recreation Board. Resolutions of support for the Bruentrup Heritage Farm project have been received from the Maplewood City Council and the NorthSt.Paul/Maplewood/Oakdale School Board. A resolution of support for the Soo Line Trail dated 1/7/03 was received from the Mille Lacs County Board. Support for the Desnoyer Park project has been pledged by the City of Saint Paul. A resolution of support for the Chester Woods Trail Project dated 02/13/97 was received from the Eyota City Council and a resolution of support for the project dated 08/31/99 was received from the Olmsted County Board. A resolution of support for the Doyle-Kennefick Regional Park dated 10/28/03 was received from the Scott County Board of Commissioners.
9.	Predesign completed? Predesigns are required for interpretive centers with construction costs greater than \$1.5 million. Parks and trails are exempt from statutory predesign requirements.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? Per-capita tax capacity varies significantly by jurisdiction.

St. Cloud Regional Airport Property Acquisition

2004 STATE APPROPRIATION REQUEST: \$2,800,000

AGENCY PROJECT PRIORITY: 1 of 1 (City of Saint Cloud)

PROJECT LOCATION: 1550 45th Avenue SE, St. Cloud (Pop: 61,248)

Project At A Glance

This request is for \$2.8 million in state funding to match an equal amount of non-state funding purchase approximately 800 acres of land adjacent to the St. Cloud Regional Airport.

Project Description

As the airport expands, there is a need to control land within the runway safety zones to allow for the safe operation of aircraft in and out of the airport. The *Airport Master Plan* for the St. Cloud Regional Airport calls for an 8,000-foot runway, which would be an additional 1,000-foot extension to the current 7,000-feet to be constructed in the near future. This land acquisition will allow for this extension and an expansion of the runway safety zones, as well as create additional safety areas where other airport development can take place.

At the airport's current size, there is already incompatible development encroaching the airport's property boundary, which will either limit the ability to expand the airport or greatly increase the cost of expansion in the future. More and more residential growth is occurring in close proximity to the airport which will greatly diminish the ability of the airport to expand to the size needed for future growth of this region. The growth of the St. Cloud Regional Airport is vital to the economic growth of St. Cloud and the central Minnesota region.

The purchase of this land will enable the airport to control the development of adjacent property and ensure a compatible land use as it pertains to airport operations, and will be more in line with what is forecast in the Airport Master

Plan. This land is greatly needed for the future safe operation and development of the St. Cloud Regional Airport.

Impact on Agency Operating Budgets (Facilities Notes)

No additional operating dollars are being requested. The city of St. Cloud will provide for the operation and maintenance of the property.

Previous Appropriations for this Project

None.

Other Considerations

The city of St. Cloud will own and operate the facility. The airport currently consists of 1,400 acres and the request is for 800 additional acres.

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project. The city of St. Cloud and the St. Cloud Regional Airport are encouraged to explore possible funding opportunities through Mn/DOT's State Airports Fund.

Grants to Political Subdivisions

Project Detail

St. Cloud Regional Airport Property Acquisition

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	5,600	0	0	5,600
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	0	0	0	0	0
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	5,600	0	0	5,600

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	2,800	0	0	2,800
State Funds Subtotal	0	2,800	0	0	2,800
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	2,800	0	0	2,800
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	5,600	0	0	5,600

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	2,800	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

St. Cloud Regional Airport Property Acquisition

Evaluation of Local Projects	
1.	Non-state matching funds contributed? State funds will be matched on a 1-to-1 ratio. However, the source of some or all of the local matching funds may include funding from the State Airports Fund.
2.	Project fulfills an important state mission? Air transportation is an important state mission.
3.	Has a state role been expanded in a new policy area? The state currently funds similar projects through grants from the State Airports Fund. Providing bonding money would extend the state's funding role by expanding the pool of available funding sources (ie. bonding funds would supplement the State Airports Fund).
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily regional significance in the central Minnesota area. If the St. Cloud Airport ever expanded in size, capacity or usage to serve as a true reliever airport to MSP International Airport, then statewide significance would be achieved.
5.	State operation subsidies required? No state operating subsidies are requested.
6.	Inequities created among local jurisdictions? If funded as a G.O. bonding request, other jurisdictions would inevitably seek similar state funding outside of the financing mechanism already in place through the state Airport Fund.
7.	Does it compete with other facilities? Probably not in competition. It may actually benefit other airports (MSP) if the enlarged airport was to be used as a reliever airport for corporate and commercial use, or for additional scheduled service, or for cargo transport.
8.	Resolutions from local governing bodies provided? A resolution of support has not yet been received for this project.
9.	Pre-design completed? A pre-design is likely not required for land acquisition. The applicant is advised to contact the Minnesota Department of Administration for further clarification.
10.	Project is disaster related? The project is not located in a disaster area.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Saint Cloud is 212 of 854 cities in Minnesota (1 is high). The per capita tax capacity rank of Stearns County is 63 of 87 counties in Minnesota (1 is high).

St. Louis County Capital Requests

2004 STATE APPROPRIATION REQUEST: \$4,261,000

AGENCY PROJECT PRIORITY: 1 of 1 (St. Louis County)

PROJECT LOCATION: Various locations in St. Louis County

Project At A Glance

St. Louis County requests funding for the following items (in priority order):

- ◆ Duluth Courthouse HVAC upgrade (\$2.278 million)
- ◆ Old Jail deconstruction/demolition (\$260,000)
- ◆ Chris Jensen Nursing Home repair (\$200,000)
- ◆ Nopeming Building hazardous material abatement (\$83,000)
- ◆ Hibbing Annex remodeling (\$1.44 million)

Project Description

⇒ **Duluth Courthouse HVAC upgrade (\$2.278 million state funds requested; total project cost = \$5.425 million)**

This request is to pay the state's pro rata share of installation costs and engineering fees for a new HVAC System in the St. Louis County Courthouse located in Duluth. The current system is 94 years old and is worn, inefficient, out of code compliance, and requires heavy maintenance. In the past three years alone, the county at its sole expense has installed the necessary new backbone equipment, ductwork, electrical feeds, plumbing, and fire suppression main tanks. This proposed next phase, then, will involve the replacement of the mechanical system from the newly installed main backbone into all the occupied areas and spaces in the courthouse (including all space occupied by the Court System.)

Approximately 15 years ago, the state of Minnesota made a monumental change in state policy concerning our District Court System: beginning

with the 8th Judicial District, the operating costs of our District Court system would no longer be funded by county property tax payers, but instead the state would rightfully pay for this legitimate state function. Of course, counties had to sacrifice a dollar of state paid property tax relief (Homestead and Agricultural Credit (HACA)) for every dollar that the state was now taking over.

Ever so slowly, over the course of the past decade and one-half, various Judicial Districts were one-by-one taken over by the state. The very last Judicial District to be taken over (beginning in 2005) will be the 6th Judicial District. One glaring oversight in these takeovers has been that no provision has ever been made to get the state to also takeover the overhead operating costs for the courts such as heat, electricity, water, sewage, etc.

In the absence of any such requirement for the state to pay these utility costs (i.e. in essence the state is getting free utility payments paid for by the counties), it only makes common sense that in a true partnership, the state should at least share in the cost of any capital improvements that deliver these free utilities to them.

In summation, because the state of Minnesota has already adopted a policy that the functions of the District Court System in this state should now be paid with state dollars, this project is therefore of both regional and statewide significance and does indeed help fulfill an important state mission.

The project will not require any additional state operating subsidies but instead will still allow a county subsidy to state government for all of the utility costs incurred by the District Court System of this state.

The project will not expand the state's role in a new policy area because the state has already established the policy that they will be taking over the District Court System. State funding for the project will not create significant inequities among local jurisdictions because, other counties should also be given the same Partnership/Cost Sharing opportunity for improvements to the infrastructure which feeds their courthouses and thus benefits the state's Judicial Offices and function located in their respective courthouses.

St. Louis County Capital Requests

Finally, since the 6th Judicial District is the very last Judicial District to be taken over, and has had to wait and watch all these intervening years as other areas of the state received this beneficial change, it only stands to reason that "the last should now be first" in line for this new District Court/County-State Capital Improvement Partnership arrangement.

⇒ **Old Jail Deconstruction/Demolition**
(\$260,000 state funding request; total project cost = \$520,000)

This request is for the deconstruction and historic preservation of parts of the Old St. Louis County Jail located in Duluth.

"The great privilege is given to all to develop strength of character, to lead clean and honest lives, to render diligent and worthy service, to help others and to be loyal citizens of the republic and obedient to its laws."

The front side of our Old Jail features the above granite engraved inscription. It runs across the entire 114-foot frieze near the top of the building. Above the frieze, also running across the entire top front of the Jail, sits an intricate, ornate, terra cotta cornice. The entire entablature of the front of the building, in fact, is the primary reason that the Historical Society has placed this building on the National Historical Preservation list.

Unfortunately, despite the curb appeal of the Old Jail, it was constructed in 1923 and served as the County Jail until 1996. Its continued viability as a freestanding building for any alternative usage, at best, is dubious. Since 1994, five separate building reuse studies have been performed and all of them have concluded that the renovations and the alternative uses are all cost prohibitive.

This project request is for the salvage/demolition of the old jail building and conversions of the site into a parking area. A historical survey/archive must be completed before the demolition can begin. As a means towards the furtherance of the historical preservation, we are proposing to deconstruct the entire entablature along the front of the building and place these precious pieces into public gardens, parks and other venues where their history, beauty and all-important message can still be appreciated for generations to come. Preservation of a type of

architecture which is no longer used in modern day construction in Minnesota, will hopefully inspire other communities to model our deconstruction effort in any planned building demolitions of their own. By so doing, they too will be able to appreciate and enjoy a similar reuse of threatened historical architecture in their own cities, towns and counties.

⇒ **Chris Jensen Nursing Home Repair**
(\$200,000 state funds requested; total project cost = \$400,000)

This request is for \$200,000 for a wide variety of capital Improvements on the exterior of the Chris Jensen Nursing Home in Duluth and its parking lot facilities. 2003 Laws of Minnesota, Chapter 9, requires county owned nursing homes to submit payments to the state in an amount that equals \$2,230 more per licensed bed. These payments then go toward the state's Medicaid match with the feds and the state then realizes an overnight windfall off counties of \$1.529 million.

This Federal Intergovernmental Aid funding is a federal funding program which has been around for decades and the intent of the funding was to go toward county nursing homes because of their more difficult to care for patients, etc. Some states like Minnesota, however, have used this funding differently by spreading the revenue out to all nursing homes in the state.

Regardless of how states are spending the money, the bottom line is that without county nursing homes, the extra federal money would not be coming into the state. In recognition of counties contribution toward bringing in this extra federal money to the state (including the Medicaid Match scheme embodied in Chapter 9), the state should help fund some of the capital Improvement costs which county nursing homes are currently having to fund out off increased property taxes.

The funds requested for this project will be used exclusively for the deferred maintenance and building and grounds infrastructure. This project has statewide significance because of the importance of bringing in tens of millions of extra federal dollars that county nursing homes have meant for our state's economy through the history of the Federal Intergovernmental Transfer Program.

St. Louis County Capital Requests

**⇒ Nopeming Building hazardous material abatement
(\$83,000 state funds requested; total project cost = \$165,000)**

This request is to abate asbestos and other hazardous materials at the site of the recently closed county-owned nursing home called Nopeming. Several abandoned structures at the site are safety hazards and require demolition, including an old sewage treatment facility and old heat plant. Both of these structures previously served this site that was a tuberculosis sanatorium. This facility was of regional significance because it treated all serious cases of Tuberculosis throughout the region, during the first half of the 20th century.

**⇒ Hibbing Annex remodeling
(\$1.44 million state funds requested; total project cost = \$1.88 million)**

This request is to remodel an old clinic building which the county now owns for the purpose of consolidating west range county services on a one-campus setting. County staff from the Health, Purchasing, Social Services and Veterans Services Departments will all occupy this new space. These departments are now leasing space in scattered offices across the region and this co-location will now allow the customers of the county to enjoy a "one stop shopping" concept for a variety of important government services.

Less than a decade ago, the state joined with St. Louis County in a similar effort to consolidate services in our Joint Public Works Facility, also located in Hibbing. Unlike most states, Minnesota does not provide the direct service of most human services programs, but instead mandates counties to provide them. In recognition of counties incurring the operating costs of providing these direct human services on behalf of the state, it is only reasonable to expect the state to help counties pay for some of the capital costs of housing these programs and services. Social Services will occupy over 50% of the 14,000 square feet available in the Hibbing Annex, thus, we are asking the state to fund half of the remodel costs of this project.

Finally, this building project will utilize "green building" technology and all of the latest energy conservation techniques complete with window

replacements and re-insulation will result in significant energy and operating cost savings. By utilizing photo voltaic electricity and solar water heating as supplemental and alternative energy sources, we estimate that the energy savings will amount to an approximate 50% savings over a more traditional and comparable sized building located in this same region.

Project Contact Person

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St. Louis County Courthouse
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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

St. Louis County Capital Requests

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	0	8,390	0	0	8,390
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	8,390	0	0	8,390

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	4,261	0	0	4,261
State Funds Subtotal	0	4,261	0	0	4,261
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	4,129	0	0	4,129
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	8,390	0	0	8,390

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	4,261	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

St. Louis County Capital Requests

Evaluation of Local Projects	
1.	Non-state matching funds contributed? This request was received after the Governor's proposed submission deadline of 9/30/03. As such, insufficient time was available to conduct a comprehensive review of this request.
2.	Project fulfills an important state mission?
3.	Has a state role been expanded in a new policy area?
4.	Project is of local, regional, or statewide significance?
5.	State operation subsidies required?
6.	Inequities created among local jurisdictions?
7.	Does it compete with other facilities?
8.	Resolutions from local governing bodies provided? A resolution of support for these projects dated 10/7/03 was received from the St. Louis County Board of Commissioners.
9.	Pre-design completed? A pre-design for the Duluth Courthouse HVAC upgrade and Hibbing Annex remodeling project was submitted to the Department of Administration (Admin). In correspondence dated 11/6/03, Admin notified the County that the information submitted was insufficient.
10.	Project is disaster related?
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of St. Louis County is 79 of 87 counties in Minnesota (1 is high).

St. Paul Bioscience Corridor

2004 STATE APPROPRIATION REQUEST: \$20,000,000

AGENCY PROJECT PRIORITY: 1 of 6 (City of Saint Paul)

PROJECT LOCATION: St. Paul (Pop: 288,000)

Project At A Glance

This request is for \$20 million in state funding to predesign, design, construct, and equip various transportation, development, and redevelopment infrastructure required to support bioscience development in the St. Paul Bioscience Corridor. No local matching funds have been identified in the project request information.

Project Description

The infrastructure will include improvements and expansion of the University of Minnesota dedicated transitway, new and expanded roadways, sidewalks, and lighting, and surface and structured parking. All such infrastructure will be designed and implemented to increase the density of bioscience development in the corridor, which maximizes the job and tax base growth generated by bioscience companies locating in the corridor. The availability of this public infrastructure also provides additional incentives to promote recruitment and expansion of bioscience companies in the corridor. This infrastructure also allows vacant and underutilized land in the corridor to be more rapidly redeveloped to house bioscience and related cluster companies.

Impact on Agency Operating Budgets (Facilities Notes)

All public infrastructure and improvements would be owned by the city of St. Paul.

Previous Appropriations for this Project

None.

Other Considerations

Any ongoing costs to maintain or operate the infrastructure would be borne by the city. The city of St. Paul will require that as a condition of implementing new infrastructure or infrastructure improvements, bioscience companies locating in the corridor commit to participating in available transit ridership programs so as to minimize the need for surface or structured parking. To that end, expansion and improvements to the University of Minnesota dedicated transitway leverage this existing infrastructure to improve access from the corridor to the University's East and West campuses.

Project Contact Person

Martha Fuller, Director
Department of Planning and Economic Development
City of St. Paul
1400 City Hall Annex
25 West Fourth Street
St. Paul, Minnesota 55102

Governor's Recommendations

The Governor is not recommending a specific line-item appropriation for this or other biotechnology requests from local units of government. Instead, the Governor is recommending a lump-sum appropriation for the redevelopment grant program of the Minnesota Department of Employment and Economic Development (DEED) that will include significant funding for statewide biotechnology grants. If this grant program receives funding from the 2004 Legislature, local units of government would be expected to make their grant applications directly to DEED, who will be responsible for prioritizing grant requests.

Grants to Political Subdivisions

Project Detail

St. Paul Bioscience Corridor

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	0	20,000	0	0	20,000
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	20,000	0	0	20,000

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	20,000	0	0	20,000
State Funds Subtotal	0	20,000	0	0	20,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	20,000	0	0	20,000

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	20,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

St. Paul Bioscience Corridor

Evaluation of Local Projects	
1.	Non-state matching funds contributed? Some amount of non-state matching funds are assumed to be included with this project, but are not specified in this request information.
2.	Project fulfills an important state mission? The state funding role in bioscience initiatives seems to be an emerging issue.
3.	Has a state role been expanded in a new policy area? \$1 million in state funding was appropriated to DEED in 2003 for an initial level of bioscience initiatives.
4.	Project is of local, regional, or statewide significance? The project is viewed as having an initial local benefit, with potential for regional or statewide significance if a sufficient number of bioscience organizations ultimately locate here and become fully developed.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? If funded, other jurisdictions will inevitably seek similar state funding.
7.	Does it compete with other facilities? See above. To date, Minneapolis and Rochester have also expressed interest in receiving similar funding. Other jurisdictions might likely also come forward.
8.	Resolutions from local governing bodies provided? Yes. Priority #1 of 7 requests from the City of Saint Paul.
9.	Predesign completed? A predesign is not required for an infrastructure project of this type.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per-capita tax capacity rank of the city of Saint Paul is 240 of 854 cities in Minnesota (1 is high).

Health Care Learning Center - St. Paul

2004 STATE APPROPRIATION REQUEST: \$15,000,000

AGENCY PROJECT PRIORITY: 2 of 6 (City of Saint Paul)

PROJECT LOCATION: Downtown St. Paul

Project At A Glance

This request is for \$15 million in state funds to match \$8 million in nonstate funds to acquire a site, demolish an existing building, predesign, design, construct and equip an approximately 100,000 square foot Health Care Learning Center in downtown St. Paul, which will be owned and operated by the Collaboration for Health Care Learning.

Project Description

The Collaboration for Health Care Learning, a new non-profit organization, will have the following mission: Collaboratively, to provide state-of-the-art facilities and programs that will grow and develop the health care talent pool and knowledge base, and as a result, lower costs and improve health care delivery in Minnesota.

This mission highlights that the collaboration will have a physical component – the facility, and a non-physical component – the program. Program content will include a focus on the diverse populations of the region and the state, both in terms of providing opportunities for advancement on the health care career ladder, as well as addressing the diverse health care needs of these groups. The St. Paul-based collaboration has the ability to expand its scope far beyond its urban and suburban reaches. With the use of video conferencing and web casting, program offerings can be targeted to out-state populations.

The Collaboration for Health Care Learning will develop, build, own and manage a centrally-located, technically-equipped Health Care Learning

Center to house educational and training facilities, and possibly other health care organizations and health care worker services.

Additionally, the collaborative program will focus on enhancing the learning opportunities available to health care workers in St. Paul and those throughout the state through a focus on distance learning opportunities, bringing cost savings to the education and training process through better utilization of existing training resources, supporting research focused on the delivery of health care services, and developing additional collaboration opportunities for the region's major health care institutions. While it is anticipated that a good portion of the facilities and services will be provided by the collaboration, the goal will be to utilize existing services, programs, and facilities currently offered by other organizations if the same objectives can be met and duplication avoided.

The Health Care Learning Center will house:

- ⇒ Gateway to Health Care Careers (Information Center) – This storefront space would act as a gateway, accessible to the public, providing information, and counseling on health care careers, education and training, and career laddering opportunities.
- ⇒ Health Care Simulation Center – Human-patient simulation provides an opportunity to enhance training as well as compensate for limited clinical site availability. The Collaboration will explore the feasibility of expanding and enhancing the capabilities that currently exist at the HealthPartners Simulation Center for Patient Safety located on Metropolitan State campus, and/or possibly relocating the existing facility to the Health Care Learning Center. Additional simulator equipment can be acquired, program content developed, and broader utilization of this valuable equipment can be achieved.
- ⇒ Learning Spaces – The majority of space in the center would be devoted to learning spaces – including a meeting facility for larger groups (250 + person auditorium), state of the art classrooms, and specialized labs, all equipped with technology to facilitate and enhance distance learning. These facilities would be used by local colleges and universities and other education/training providers, as well as utilized by the collaboration for its own collaborative training. Through the distance learning capabilities of the center, both college-credit education and other

Health Care Learning Center - St. Paul

learning experiences (continuing education, training, etc.) will be made available to health care workers throughout the state.

- ⇒ Research Institute and Information Resources – The collaboration will encourage community wide research projects, act as a forum for the broad dissemination of research findings, and the collaboration will explore opportunities to consolidate existing, independent medical libraries to create a collaborative library.

Impact on Agency Operating Budgets (Facilities Notes)

Facility operating and maintenance, as well as program costs for the collaboration will be funded through revenue generated from space rental, program fees, and sponsor support.

Previous Appropriations for this Project

None.

Other Considerations

The Collaboration for Health Care Learning, a to-be-formed non-profit organization will be a collaborative organization, which will benefit from input and participation from its key stakeholder groups, which will be represented on its board and will provide a number of resources (funding, staff, program content). The collaboration will be managed by an independent director. Key stakeholders coming together in this collaboration will include the region's hospitals and their parent company health systems, area colleges and universities offering health care education, government organizations, including the city of St. Paul, Ramsey County and the state, the business community, and local foundations.

Project Contact Person

Howard Orenstein, Senior Policy Advisor to the Mayor
City of St. Paul
390 City Hall
15 West Kellogg Boulevard
Saint Paul, Minnesota 55102

Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Health Care Learning Center - St. Paul

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	1,500	0	0	1,500
2. Predesign Fees	0	500	0	0	500
3. Design Fees	0	500	0	0	500
4. Project Management	0	0	0	0	0
5. Construction Costs	0	18,500	0	0	18,500
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	2,000	0	0	2,000
9. Inflation	0	0	0	0	0
TOTAL	0	23,000	0	0	23,000

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	15,000	0	0	15,000
State Funds Subtotal	0	15,000	0	0	15,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	8,000	0	0	8,000
TOTAL	0	23,000	0	0	23,000

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	15,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
Yes	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Health Care Learning Center - St. Paul

Evaluation of Local Projects	
1.	Non-state matching funds contributed? \$8 million in non-state funds are proposed to match \$15 million in state funds.
2.	Project fulfills an important state mission? There has been an interest to increase the size of the health care employment pool.
3.	Has a state role been expanded in a new policy area? It is unclear if there is precedence for the state to fund similar projects.
4.	Project is of local, regional, or statewide significance? This project may have statewide significance but there may be other mechanisms to achieve the goals identified in this proposal. In the short-term it appears the project would be more significant on the local or regional level.
5.	State operation subsidies required? Operating funds will come from space rental, program fees, and sponsor support.
6.	Inequities created among local jurisdictions? This facility is located in St. Paul but is intended to be a collaboration including hospitals, colleges and universities, government, the business community and foundations.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? Yes. This request is priority #2 of 7 requests from the city of Saint Paul.
9.	Pre-design completed? Pre-design funding is sought as part of this funding request. In contrast to the city's funding request that seeks state pre-design, design and construction funds all at once, the city may wish to fund pre-design exclusively from city resources and then return at a later date to request state funding when the project scope and costs are better defined.
10.	Project is disaster related? No
11.	Per-capita tax capacity of the local jurisdiction? The per-capita tax capacity rank of the city of Saint Paul is 240 of 854 cities in Minnesota (1 is high).

Minnesota Institute for Regenerative Medicine - St. Paul

2004 STATE APPROPRIATION REQUEST: \$15,000,000

AGENCY PROJECT PRIORITY: 3 of 6 (City of Saint Paul)

PROJECT LOCATION: Saint Paul Midway area near UofM transit way

Project At A Glance

This request is for \$15 million in state funding to acquire land, predesign, design, construct, and equip an approximately 50,000 square foot research facility to house public and privately funded research in the area of regenerative medicine, and to act as a catalyst to support and develop collaborative research between the Mayo Institute and the University of Minnesota, as well as private companies in the bioscience sector. No local matching funds have been identified in the project request information.

Project Description

This multi-user facility will house a staff of approximately 65, including 13 faculty investigators from the University of Minnesota and potentially investigators from the Mayo Institute, undertaking collaborative research projects. It is anticipated that the majority of the research taking place at the Minnesota Institute for Regenerative Medicine will be funded by the National Institute of Health (NIH) as incremental funding beyond current NIH funding for existing research initiatives led by the University of Minnesota, the Mayo Institute, and other regional institutions. Additionally, private companies will be invited to locate their research facilities in adjacent, connected space that will allow real time collaboration between the public and private sector.

The Research Institute facility will include office, wet laboratory, wet laboratory support, conference and seminar spaces, along with instrumentation areas, procedural suites, animal holding areas, and other facility support areas.

The identification of cells that have the potential to develop into any kind of cell in the body has opened the possibility that human tissues might be produced in the laboratory. These laboratory-produced tissues might then be

used to replace normal body tissues damaged by accident or disease. The University of Minnesota is a leader in stem cell research, with a focus on stem cells found in the bone marrow of healthy adults. Dr. Catherine Verfaillie at the University of Minnesota has identified these multipotent adult stem cells (MAPCs) and shown that they appear to have a potential similar to embryonic stem cells to produce most, if not all, body tissues. Adult stem cells do not have the ethical or scarcity issues of embryonic stem cells.

In addition to the exciting basic research on multipotent adult stem cells, the University has the capability to carry the development of these stem cells through to therapeutic use in patients. These steps in development include translational research, animal studies, biomedical engineering design of production systems, initial and later phase clinical trials in patients, and interactions with industry to shift production of novel cellular products into widespread patient care.

Impact on Agency Operating Budgets (Facilities Notes)

Facility operating and maintenance costs will be funded through rents paid by tenants.

Previous Appropriations for this Project

None.

Other Considerations

The facility will be owned by a non-profit collaborative organization, representing the tenants of the building (expected to be the University of Minnesota, Mayo Clinic and private companies), along with the city of St. Paul, the state of Minnesota and other stakeholder groups.

Project Contact Person

Howard Orenstein, Senior Policy Advisor to the Mayor
City of St. Paul
390 City Hall
15 West Kellogg Blvd.
Saint Paul, Minnesota 55102

Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Minnesota Institute for Regenerative Medicine - St. Paul

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	1,500	0	0	1,500
2. Predesign Fees	0	300	0	0	300
3. Design Fees	0	400	0	0	400
4. Project Management	0	0	0	0	0
5. Construction Costs	0	10,300	0	0	10,300
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	2,500	0	0	2,500
9. Inflation	0	0	0	0	0
TOTAL	0	15,000	0	0	15,000

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	15,000	0	0	15,000
State Funds Subtotal	0	15,000	0	0	15,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	15,000	0	0	15,000

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	15,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
Yes	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Minnesota Institute for Regenerative Medicine - St. Paul

Evaluation of Local Projects	
1.	Non-state matching funds contributed? No local funding has been identified in the project request information.
2.	Project fulfills an important state mission? No.
3.	Has a state role been expanded in a new policy area? It is unclear if there is precedence for the state to fund similar projects.
4.	Project is of local, regional, or statewide significance? This project would have a local and regional significance in the short-term and possible statewide or national significance in the long-term.
5.	State operation subsidies required? No. Operating funds will be funded through rent paid by the tenants.
6.	Inequities created among local jurisdictions? No. This facility is located in St. Paul but is meant to be a collaboration between the U of M, Mayo Clinic and private companies.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? Yes. This is priority #3 of 7 Saint Paul requests.
9.	Pre-design completed? Pre-design funding is sought as part of this request. In contrast to the city's funding request that seek state pre-design, design and construction funds all at once, the city may wish to fund pre-design exclusively from city resources and then return at a later date to request state funding when the project scope and costs are better defined.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per-capita tax capacity rank of the city of Saint Paul is 240 of 854 cities in Minnesota (1 is high).

St. Paul Phalen Boulevard

2004 STATE APPROPRIATION REQUEST: \$4,000,000

AGENCY PROJECT PRIORITY: 4 of 6 (City of Saint Paul)

PROJECT LOCATION: St. Paul's East Side from I-35E to Johnson Parkway

Project At A Glance

This request is for \$4 million in state funds to match \$11.95 million in nonstate funds for predesign, design and construction of Phalen Boulevard between I-35E and Johnson Parkway.

Project Description

Phalen Boulevard is the backbone of the Phalen Corridor Initiative, a community-initiated, urban development project on the East Side of St. Paul. This comprehensive project combines multi-modal transportation infrastructure improvements, economic development, brownfield remediation, industrial redevelopment, job creation, workforce development, housing, and wetland restoration.

Building Phalen Boulevard will provide access to about 100 acres of underutilized industrial (brownfield) redevelopment sites, creating up to 2,000 livable wage jobs and helping retain over 4,000 jobs in the corridor area. Building Phalen Boulevard will allow jobs to be added and retained in the core city where necessary support services, such as transit, sidewalks, and affordable housing already exist. There are also plans to construct 1,000 new mixed income housing units in the corridor.

The project will also extend and connect two major state bike trails. Phalen Boulevard also creates a direct link to I-35E, substantially increasing the marketability of new industrial sites, greatly improves regional access to both area businesses and residents and reduces congestion on surrounding streets (such as Maryland Avenue, Johnson Parkway, and White Bear

Avenue) by eight-20%. Over 60 businesses, community groups and governmental agencies are successfully collaborating on this model project.

Construction of Phalen Boulevard also allows the Minnesota Department of Transportation (Mn/DOT) to reconstruct I-35E between University and Maryland Avenues on an alignment that will reduce bridge length (reducing maintenance cost), improve safety and reduce accidents and reduce the reconstruction timeline by about two years. Phalen Boulevard also provides the new East Metro Transit Facility access during the reconstruction of I-35E. Therefore, the Phalen Boulevard project adds and enhances other state and regional projects rather than competing with them.

The Phalen Corridor Initiative is one of the most comprehensive community reinvestment efforts in the country and tests a new method of planning and development that is fluid, allowing new parties to join the process as it progresses. This has kept interest high and resulted in the covering of a wide range of recognized urban, social, and development needs. Phalen Boulevard was authorized to receive \$38.4 million of TEA-21 High Priority Project (HPP) Funds and has received appropriations of \$15 million of federal transportation funds to date.

Impact on Agency Operating Budgets (Facilities Notes)

The city of Saint Paul will own, operate, and maintain Phalen Boulevard.

Previous Appropriations for this Project

\$12.58 million in previous state funding has been provided to this project through bonding, general fund cash, and Trunk Highway Fund appropriations.

Other Considerations

- ◆ I-35E to Payne Avenue - 2003
- ◆ Payne Avenue to Arcade Street – 2004
- ◆ Arcade Street to Johnson Parkway – 2004 to 2005 (dependent on funding)
- ◆ Cayuga Street – 2009 (part of MnDOT I-35E reconstruction)

St. Paul Phalen Boulevard

Project Contact Person

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St. Paul, Minnesota 55102
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Governor's Recommendations

The Governor does not recommend a specific line-item appropriation for this project, or other local redevelopment requests. However, the Governor is recommending significant funding for the statewide redevelopment grant program administered by the Minnesota Department of Employment and Economic Development (DEED). Project proponents should contact DEED to determine if any of their project costs may be eligible for funding from that program, and if so, submit applications and compete for funding with other redevelopment requests. Funding priorities of that program should be determined by DEED.

Grants to Political Subdivisions

Project Detail

St. Paul Phalen Boulevard

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	39,094	14,950	3,000	0	57,044
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	39,094	14,950	3,000	0	57,044

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	4,000	4,000	0	0	8,000
General Fund Projects	7,150	0	0	0	7,150
Trunk Highway Fund	1,430	0	0	0	1,430
State Funds Subtotal	12,580	4,000	0	0	16,580
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	10,230	10,950	0	0	21,180
Local Government Funds	16,284	0	3,000	0	19,284
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	39,094	14,950	3,000	0	57,044

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	4,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

St. Paul Phalen Boulevard

Evaluation of Local Projects	
1.	Non-state matching funds contributed? \$4 million in state funds are proposed to match \$11.95 million in non-state funds.
2.	Project fulfills an important state mission? Transportation and economic development are important state missions. However, the extent that local transportation corridors are a state versus local funding responsibility is unclear.
3.	Has a state role been expanded in a new policy area? Previous state funding has been awarded for previous phases of this project.
4.	Project is of local, regional, or statewide significance? The project viewed as having a primarily local benefit.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? If funded, other jurisdictions would inevitably seek similar state funding.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? Yes. This is priority #4 of 7 Saint Paul requests.
9.	Predesign completed? Predesign is not required for an infrastructure project of this type.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per-capita tax capacity rank of the city of Saint Paul is 240 of 854 cities in Minnesota (1 is high).

Saint Paul Downtown Airport/Holman Field Flood Protection

2004 STATE APPROPRIATION REQUEST: \$6,000,000

AGENCY PROJECT PRIORITY: 5 of 6 (City of Saint Paul)

PROJECT LOCATION: SE of downtown St. Paul

Project At A Glance

This request is for \$6 million in state funds to match \$19 million in nonstate funds to construct a permanent flood control perimeter dike along the east and south edges of the St. Paul Downtown Airport/Holman Field, thereby protecting the airport and its operations from flooding, up to 100-year floods.

Project Description

The dike will be 9,800 feet long and constructed of a combination of earth berms and sheet piling and would vary in height from four to eight feet above ground level. The gaps in the dike at the end of each runway would be closed with temporary levies during appropriate flooding events. The area on the river-side of the dike will be graded and excavated to provide compensatory flood storage capacity and three ground water pumping stations will be installed to remove surface water runoff and ground water intrusion from the airfield and discharge the water to the river.

Flooding of the Mississippi River results in frequent closures of Holman Field. In recent years flooding has closed the airport every four years.

In 2001, the airport closed due to flooding on April 10 and did not reopen until June 27. The estimated costs associated with the 2001 closing include \$5 million in damages and lost revenue for airport tenants; \$350,000 in clean-up costs and lost revenue to Metropolitan Airports Commission (MAC); and \$75,000 for a temporary tower.

Holman Field is classified as the region's only intermediate airport and serves as the primary reliever to the Minneapolis-St. Paul International Airport (MSP). Flooding of Holman Field reduces regional capacity thereby placing additional strain on MSP and raising safety issues at MSP. Flooding

also imposes a significant financial burden on airport users and tenants, including key corporate citizens such as 3M, US Bank, Coca-Cola and Hubbard Broadcasting that rely heavily on this reliever airport, which contributes an estimated \$88 million annually to the economy.

Flooding of Holman Field also impacts the Minnesota Army National Guard's emergency response mission. For all of these reasons, sub-optimal functioning of Holman Field caused by flooding has a regional and statewide impact as will the proposed diking project designed to mitigate the flooding.

A number of organizations have participated in laying the groundwork necessary for this project to proceed. These include the Metropolitan Airports Commission, Metropolitan Council, Minnesota Department of Natural Resources, U.S. Army Corp of Engineers, Federal Emergency Management Agency (FEMA), the St. Paul Planning Commission and the St. Paul City Council.

Likewise, the Holman Field Flood Protection Project has engendered support from a wide range of individuals including: Senator Norm Coleman, Congresswoman Betty McCollum, Congressman James Oberstar, St. Paul Mayor Randy Kelly, the Capital City Partnership, the Saint Paul Area Chamber of Commerce, and all the tenants at Holman Field.

Impact on Agency Operating Budgets (Facilities Notes)

The MAC will own and operate the facility.

Previous Appropriations for this Project

None.

Other Considerations

Non-state funds available:

- ◆ \$16.0 million Water Resources Development Act (WRDA - Federal)
- ◆ \$ 1.0 million City of St. Paul Long Range Capital Improvement Budget (CIB)
- ◆ \$ 2.0 million Metropolitan Airports Commission

Saint Paul Downtown Airport/Holman Field Flood Protection

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project. However, the city of St. Paul is encouraged to explore funding opportunities for these airport improvements through the Metropolitan Airports Commission (MAC) or through the State Airports Fund as administered by the Minnesota Department of Transportation.

Grants to Political Subdivisions

Project Detail

Saint Paul Downtown Airport/Holman Field Flood Protection

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	500	0	0	500
3. Design Fees	0	500	0	0	500
4. Project Management	0	0	0	0	0
5. Construction Costs	0	24,000	0	0	24,000
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	25,000	0	0	25,000

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	6,000	0	0	6,000
State Funds Subtotal	0	6,000	0	0	6,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	16,000	0	0	16,000
Local Government Funds	0	1,000	0	0	1,000
Private Funds	0	0	0	0	0
Other	0	2,000	0	0	2,000
TOTAL	0	25,000	0	0	25,000

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	6,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Saint Paul Downtown Airport/Holman Field Flood Protection

Evaluation of Local Projects	
1.	Non-state matching funds contributed? \$6 million in state funding is proposed to match \$19 million in non-state funds.
2.	Project fulfills an important state mission? Air transportation is an important state mission.
3.	Has a state role been expanded in a new policy area? Traditionally, funding for this type of improvement to a metro airport might either come from the MAC or through grants from the State Airports Fund. Providing bonding money would extend the state's funding role by expanding the pool of available funding sources (i.e. bonding funds would supplement MAC funds or the State Airports Fund).
4.	Project is of local, regional, or statewide significance? The project viewed as having a primarily regional significance in the twin cities metropolitan area.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? If funded as a G.O. bonding request, other jurisdictions would inevitably seek similar state funding outside of the financing mechanism already in place through the state Airport Fund.
7.	Does it compete with other facilities? Probably not. It may actually benefit other airports (MSP) by serving as a reliever airport for corporate and commercial use.
8.	Resolutions from local governing bodies provided? Yes. This is priority #5 of 7 Saint Paul requests.
9.	Pre-design completed? Pre-design is not required for a flood protection project of this type.
10.	Project is disaster related? The project area has been flooded repeatedly.
11.	Per-capita tax capacity of the local jurisdiction? The per-capita tax capacity rank of the city of Saint Paul is 240 of 854 cities in Minnesota (1 is high).

Ordway Performing Arts Center Renovation - St. Paul

2004 STATE APPROPRIATION REQUEST: \$10,000,000

AGENCY PROJECT PRIORITY: 6 of 6 (City of Saint Paul)

PROJECT LOCATION: Downtown St. Paul

Project At A Glance

This request is for \$10 million to predesign, design, construct, furnish and equip a renovation of the Ordway Center for the Performing Arts in St. Paul. No local matching funds have been identified in the project request information.

Project Description

This project is a prudent strategy for renovating Minnesota's premiere performing arts center in a time of financial constraints. The renovation will include: fulfilling Homeland Security Department standards, improving access to the facility, connecting Ordway Center to St. Paul's skyway system, reconfiguring seats in both theaters to ensure each seat has an optimal sight line, and upgrading acoustics.

The mission of the Ordway is to host, present, and create performing arts that engage artists and entertain and educate diverse audiences. The Ordway Center's world-class facility includes two theaters: the 1,900-seat Main Hall and the 306-seat McKnight Theatre. By its very nature, performing arts center are an efficient venue since they provide a home to a variety of arts organizations.

The Ordway Center is the St. Paul home to four other arts institutions: the Minnesota Orchestra, the Minnesota Opera, the St. Paul Chamber Orchestra and the Schubert Club. The Ordway Center presents and produces its own Theatrical Season and serves a multicultural audience with its PlanetOrdway programming and the Flint Hills International Children's Festival. The Ordway draws attendance from all four corners of the state.

In addition, over 600,000 students have participated in Ordway Center education programs over the last 12 years. The Ordway education program is unique among arts organizations in that it focuses specifically on cultural diversity. The Ordway provides educational programs for teachers and students. Among the programs offered are the following:

- ⇒ Living study guides: Arts Workshops for Teachers—provide hands-on workshops that explore the art form presented on stage, followed by a discussion on the connection of performances to curriculum.
- ⇒ Ordway/Compas Residences—offer a two-week in-depth exploration of an Ordway Center production and its art form in conjunction with a trip to Ordway Center.
- ⇒ PlanetOrdway Target Season—a vital program of multicultural performing art highlighting artistic and social diversity.
- ⇒ Flint Hills International Children's Festival—30,000 children and parents attend a weeklong event that includes local and international artists in performances designed to appeal to the creative spirit while addressing subjects of universal importance to children.
- ⇒ Study Guides—Sent to all teachers two months prior to their class attending an Ordway Center production. These guides have sections relating to history, vocabulary, geography, and activities to engage students in the performance.

Impact on Agency Operating Budgets (Facilities Notes)

The city of St. Paul will own the facility or will enter into a long-term lease arrangement with Ordway Center, and Ordway Center for the Performing Arts will manage the facility.

Previous Appropriations for this Project

None.

Other Considerations

Access to Ordway Center for All

When the city of St. Paul completed their skyway and tunnel system, it ended roughly 60 feet from Ordway Center's entrance. It is important that the public can easily access parking garages and downtown St. Paul restaurants from

Ordway Performing Arts Center Renovation - St. Paul

Ordway Center. The addition of an enclosed walkway from Xcel Center to Ordway Center will enhance the public's interaction with Ordway Center. Also to fulfill the standards set forth by the Homeland Security Department since 9/11, the stage door and the loading dock need to be redesigned. This new design of the stage door will also allow artists with disabilities to easily enter Ordway Center.

Acoustical Upgrade for Resident Arts Organizations

Ordway Center is multi-use facility. It has been the St. Paul home for almost 20 years to four resident arts organizations that produce world class beautiful music (The Minnesota Opera, the St. Paul Chamber Orchestra, the Schubert Club and the St. Paul Series of the Minnesota Orchestra). Over these 20 years, Ordway Center has learned that the acoustics in the Main Hall need to be fine-tuned for classical music users. By installing new acoustical panels and reconfiguring how sounds travels in the hall, the sounds created at performances by these esteemed Minnesota treasures will be clearer and enhance the experience for both the audience members and the artists.

Quality Performance Spaces for the Quality Productions

Ordway Center has two active performance spaces (Main Hall and the McKnight Theater). With a very competitive theatrical industry, both theaters require new equipment including lighting, dimmer boards, and soundboards as well as new stage floors.

Theater Renovation for Audience's Comfort

Ordway Center for the Performing Arts opened its doors on 1/1/85, and more than eight million adults and children have visited Ordway Center's two theaters since then. This amount of use has been hard on the carpet, the seats, and the public restrooms, especially from the over 63,000 Minnesota public school children who participate in Ordway Center's education programs every year. The renovation of the Main Hall and the McKnight Theater will include replacing worn carpet, refurbishing seats, and retrofitting plumbing.

Finally, an additional 1,800 square feet will be added to the existing 250,000 square feet as part of the remodeling and renovation project.

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Ordway Performing Arts Center Renovation - St. Paul

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	250	0	0	250
3. Design Fees	0	650	0	0	650
4. Project Management	0	0	0	0	0
5. Construction Costs	0	4,970	0	0	4,970
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	4,130	0	0	4,130
9. Inflation	0	0	0	0	0
TOTAL	0	10,000	0	0	10,000

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	10,000	0	0	10,000
State Funds Subtotal	0	10,000	0	0	10,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	10,000	0	0	10,000

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	10,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
Yes	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Ordway Performing Arts Center Renovation - St. Paul

Evaluation of Local Projects	
1.	Non-state matching funds contributed? No local or private funds are identified in this project request information.
2.	Project fulfills an important state mission? The state mission in funding entertainment and theater facilities is unclear. However, significant funding was awarded in the 2003 bonding bill for other theater projects including the Guthrie Theater and the Minnesota Children's Theater.
3.	Has a state role been expanded in a new policy area? See above.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit, with potential for regional or statewide significance if attendance projections are fully achieved.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? If funded, other communities and theater groups would inevitably seek similar state funding.
7.	Does it compete with other facilities? The effect of this theater on similar facilities in the Twin Cities area is unclear. This request does not appear to significantly increase seating capacity. However, at least one other theater request (in Minneapolis) is seeking capital funds in the 2004 session that would add seating for approximately 1000 patrons. At some point, there would have to be some sort of finite capacity of entertainment revenues generated by theater patrons.
8.	Resolutions from local governing bodies provided? Yes. This is priority #6 of 7 Saint Paul requests.
9.	Pre-design completed? Pre-design funding is sought as part of this project.
10.	Project is disaster related? No.
11.	Per-capita tax capacity of the local jurisdiction? The per-capita tax capacity rank of the city of Saint Paul is 240 of 854 cities in Minnesota (1 is high).

Virginia District Steam Heating System

2004 STATE APPROPRIATION REQUEST: \$5,000,000

AGENCY PROJECT PRIORITY: 1 of 1 (City of Virginia)

PROJECT LOCATION: City of Virginia, St. Louis County (Pop: 9,108)

Project At A Glance

This request is for \$5 million in state funding to match \$28 million in non-state funding to renovate the infrastructure of the city of Virginia's District Steam Heating System.

Project Description

The city of Virginia, Department of Public Utilities, owns and operates a cogeneration power plant that is dependent on a district steam heating system that serves over 2,400 residential and commercial steam customers. Much of the steam distribution system was installed in the early to mid 1920s and therefore is well beyond its 50-year life expectancy. The state funding will be used in conjunction with federal and city funding to replace, repair, and upgrade the steam distribution system, allowing the city of Virginia to continue to serve its district steam heating customers and operate the cogeneration power plant

The steam distribution system is comprised of approximately 22 miles of steam mains and 21 miles of steam services. 80% of the system is over 50 years old and is in constant need of repair. Utilizing existing manpower and department resources it is estimated that the current repair backlog would take three years to complete, and the backlog continues to grow. Many of the repairs that are made are critical in that there is potential for property damage or there are public safety concerns.

When a leak occurs, steam ranging in temperature between 250 degrees and 350 degrees F can follow the steam tunnels into homes or through manhole cover vents creating burn hazards for pedestrians and traffic hazards due to reduced visibility. The steam system is also taking its toll on

Virginia's streets and alleys. Streets and alleys in the areas of steam lines are failing prematurely due to the excessive heat loss from the steam lines.

In addition to the maintenance problems, the deteriorating condition of the steam system has resulted in steam losses averaging around 50% on an annual basis, that is, 50% of the steam that is sent out to the steam distribution system is lost.

The continued viability of the city of Virginia's cogeneration power plant and steam distribution system will require a major renovation program with costs that have been estimated in excess of \$28 million. The city of Virginia and the Department of Public Utilities, not having the resources to fund such a project, had to consider alternatives which included down-sizing the steam system or eliminating the steam system entirely and converting the steam customers in the abandoned areas to natural gas or some other form of energy.

These alternatives presented their own problems in that the costs of converting customers to natural gas ranged from \$8,000 to \$15,000 for residential customers to hundreds of thousands of dollars for some of the larger steam customers such as schools, government buildings, and businesses. The cost of these conversions would have a significant impact on low-income customers and on businesses that are already struggling due to a weakened local economy.

Because of this, there is strong public sentiment to retain as much of the steam system as possible. This along with new federal and state energy initiatives, which include cogeneration, conservation, renewable energy and competition, has encouraged the city of Virginia to begin new initiatives to try to save as much of the steam system as possible. Some of those initiatives are listed below:

- ⇒ Steam rates have been increased to help pay for some of the necessary improvements.
- ⇒ Certain areas of the steam system which have been identified as being the least efficient areas to serve with steam, and which also have been high maintenance areas have been scheduled for abandonment in an effort to downsize the system to where it will manageable.

Virginia District Steam Heating System

- ⇒ Natural gas lines have been installed in those areas where steam is being abandoned. The gas infrastructure that has been installed to date has cost the city of Virginia, Department of Public Utilities in excess of \$1 million with none of the cost being passed on to the customers.
- ⇒ The city has obtained bonding to provide \$1.5 million for improvements to the district heating system infrastructure.

In addition to state and local funding, the city is seeking \$23 million in federal funding for this program. All of this funding will be used to renovate the existing district steam heating system infrastructure.

The local impact of this project is quite apparent in that it will allow the city to continue to serve steam customers with a safe, reliable, and efficient source of energy to heat their homes and businesses and will help to relieve a burden that has inhibited the city's efforts to attract new business and in fact could revitalize those efforts. This project is also in line with current state and federal energy initiatives.

- ⇒ The city is investigating alternate renewable fuel sources for the cogeneration power plant, which include corn, alfalfa, and genetically engineered aspen. The use of biomass fuels and other renewable energy sources are a part of the state and national energy plans.
- ⇒ Virginia's power plant has the capacity to serve the electrical needs of the city and more, which in conjunction with the interconnect with Minnesota Power, provides for very reliable service to electrical customers.
- ⇒ The National Energy Policy presented by President Bush recognizes central heating and cogeneration as being vital to our nations energy plan. The policy states that "Cogeneration of electricity and heat and combined heat and power allow for the productive use of much of the waste heat from electricity production, which accounts for about two-thirds of the energy used to produce electricity."

Keeping the steam distribution system viable is vital to keeping the cogeneration power plant viable and to supporting these state and federal energy initiatives.

The reinsulation of the primary steam mains to Northside and Finntown consists of utilizing an insulating technology that allows for the reinsulation of the steam lines with high temperature foam making the steam lines more thermally efficient and at the same time protecting the steam line from water intrusion and damage.

The renovation of the business core will rebuild the steam system in the areas where the highest load density exists, primarily the downtown business district including public buildings and schools. This area is the heart of the district heating system.

The final phase of the project would be to rebuild the remaining portions of the steam system that are in primarily residential areas.

Impact on Agency Operating Budgets (Facilities Notes)

The city of Virginia, Department of Public Utilities, will continue to own and operate the new facilities; no new or additional state operating dollars will be required.

Previous Appropriations for this Project

None.

Other Considerations

<u>Year</u>	<u>Project Description</u>	<u>Projected Cost</u>
2004	Re-insulate primary steam mains to Northside and Finntown (Funded by Utility Reserves)	\$1,355,000
2004-2005	Renovation of Business District Core Steam (Funded by MN State Bonding Request)	\$5,000,000
2006-2012	Renovation of Remaining Steam System (Federal Funding)	\$23,000,000
	Total	\$29,000,000

Virginia District Steam Heating System**Project Contact Person**

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Virginia District Steam Heating System

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	0	29,000	0	0	29,000
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	29,000	0	0	29,000

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	5,000	0	0	5,000
State Funds Subtotal	0	5,000	0	0	5,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	23,000	0	0	23,000
Local Government Funds	0	1,000	0	0	1,000
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	29,000	0	0	29,000

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	5,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Virginia District Steam Heating System

Evaluation of Local Projects	
1.	Non-state matching funds contributed? \$5 million in state funding is proposed to match \$24 million in federal and local funds.
2.	Project fulfills an important state mission? The state mission in funding local infrastructure projects of this type is unclear. There does not appear to be any sort of current state loan or grant program to assist this project.
3.	Has a state role been expanded in a new policy area? See above.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? The equity issue is hard to quantify. Few jurisdictions in Minnesota have similar district heating systems that require improvements to this degree, so comparable situations are not readily apparent.
7.	Does it compete with other facilities? No
8.	Resolutions from local governing bodies provided? A resolution of support for the project dated 10/1/2001 was received from the Virginia City Council. A resolution of support for the project dated 1/22/2001 was received from the Virginia Public Utilities Commission.
9.	Pre-design completed? Project sponsors should contact the Minnesota Department of Administration to inquire whether a pre-design is needed for an infrastructure project of this nature.
10.	Project is disaster related? The project is not located in a disaster area.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Virginia is 289 of 343 cities in Minnesota (1 is high). The per capita tax capacity rank of St. Louis County is 79 of 87 counties in Minnesota (1 is high).

Winona Riverfront Revitalization Plan

2004 STATE APPROPRIATION REQUEST: \$250,000

AGENCY PROJECT PRIORITY: 1 of 1 (City of Winona)

PROJECT LOCATION: Downtown Winona/Winona Levee

Project At A Glance

The city of Winona requests state funding of \$250,000 to match an equal amount of local funding to identify specific components of the riverfront area that could be developed and redeveloped to enhance the local, regional, and state economy. Additional state funding may be requested in future years for subsequent projects and phases.

Project Description

Components of the feasibility study would include an in-depth look and preliminary design for the potential of an environmental center in Levee Park which would include offices for the U.S. Fish and Wildlife, U.S. Corps of Engineers, state of Minnesota Department of Natural Resources (DNR), Winona State University teaching programs, and other agency uses deemed compatible; a hotel and conference center adjacent to the Levee area, a showboat with a theatre moored at the levee, and the continued redevelopment of the adjacent downtown to assist the growth of the Shakespeare Festival of Minnesota, which begins performances in Winona in 2004.

The study would compliment the downtown section of the Winona Intermodel Transportation Study. This study recommends the relocation of the Levee Park area rail storage yard to allow for the connection between downtown and the Mississippi River. The city and Port Authority of Winona are working with the manufacturing community, especially Bay State Milling Corporation, to relocate the rail storage yards to the east of the Levee Park which would allow for the removal of the Levee Park yard. Bay State Milling Company in Winona estimates that it currently wastes \$500,000 annually because of the logistical problems associated with the current storage area. This activity is

important to the continued revitalization of Downtown Winona and will be necessary for the proposed new uses in and adjacent to Levee Park. This activity is underway with land use issues being discussed with the railroads, manufacturing businesses that use the rail and surrounding property owners. The Port Authority and private businesses could begin land acquisitions for the storage yard relocation site in 2003.

The feasibility study has major implications to the economic vitality of southeast Minnesota and the state of Minnesota. Several aspects of our regional economy will be carefully examined especially tourism which will include facilitation of the growth of the Shakespeare Festival, Mississippi River enhanced experiences, and related conference center capacity building. Hence, a key component of the study will be a market and demographic analysis of the potential for attracting tourists from Chicago to the Twin Cities who would spend their tourist dollars in the Winona area. The downtown retail market will be examined to access the current retail market and the potential for new retailers utilizing historic buildings in the downtown area.

It is the view of the Winona community that southeast Minnesota offers a large growth potential for state tourism and the state of Minnesota share of increased tourism dollars that could be generated by some or all of the components to be looked at through the proposed feasibility study. The findings of the proposed study are also intended to attract major private sector and federal investment dollars to the Winona community.

Impact on Agency Operating Budgets (Facilities Notes)

No state operating funds are requested with this project.

Previous Appropriations for this Project

None.

Other Considerations

The study process will identify those possibilities to include future proposals to the state of Minnesota for capital bonding requests. It is likely the Environmental Center will be publicly owned and the other components will be privately owned.

The feasibility study will be completed by 6/1/05.

Winona Riverfront Revitalization Plan**Project Contact Person**

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

Winona Riverfront Revitalization Plan

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	500	0	0	500
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	0	0	0	0	0
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	500	0	0	500

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	250	0	0	250
State Funds Subtotal	0	250	0	0	250
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	250	0	0	250
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	500	0	0	500

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	250	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

Winona Riverfront Revitalization Plan

Evaluation of Local Projects	
1.	Non-state matching funds contributed? Half of feasibility costs are proposed to be locally funded.
2.	Project fulfills an important state mission? The state mission in a project of this type is unclear.
3.	Has a state role been expanded in a new policy area? See above.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit.
5.	State operation subsidies required? No.
6.	Inequities created among local jurisdictions? If funded, other jurisdictions would inevitably seek similar state funding.
7.	Does it compete with other facilities? No.
8.	Resolutions from local governing bodies provided? A resolution of support for the project dated 6/12/03 has been received from the Winona City Council.
9.	Pre-design completed? Pre-design funding is requested. Rather than seeking state funding for pre-design, the city may wish to fund pre-design exclusively from local resources, and then return for next-phase state funding at a later date when project scope and costs are better defined.
10.	Project is disaster related? The project is not located in a disaster area.
11.	Per-capita tax capacity of the local jurisdiction? The per capita tax capacity rank of the City of Winona is 236 of 854 cities in Minnesota (1 is high).

WMEP Southwest Voluntary Integration Magnet School

2004 STATE APPROPRIATION REQUEST: \$25,799,000

AGENCY PROJECT PRIORITY: 1 of 1 (West Metro Education Program (WMEP))

PROJECT LOCATION: St. Louis Park (Pop: 44,744)

Project At A Glance

To predesign, design, construct, furnish, and equip the third west metro voluntary integration magnet school. No local matching funds have been identified in the project request information.

Project Description

This request is for \$25.799 million in state funding to acquire land, predesign, design, construct, furnish and equip the third West Metro Education Program (WMEP) voluntary integration Southwest Magnet School for the purpose of addressing the issues of integration, student success and acceptance of diversity in the western metropolitan communities.

The WMEP Joint Powers Board is submitting this request. The WMEP is a consortium of 10 urban and suburban school districts that formed in 1989 to cooperatively address integration issues in the west metropolitan area. Member districts share a mutual commitment to promoting a racially integrated metropolitan area, equal educational opportunities for all children, and enhancement of opportunities through interdistrict educational options in integrated settings. The School District membership in WMEP includes:

- ◆ Brooklyn Center
- ◆ Columbia Heights
- ◆ Edina
- ◆ Hopkins
- ◆ Minneapolis
- ◆ Richfield
- ◆ Robbinsdale

- ◆ St. Anthony-New Brighton
- ◆ St. Louis Park
- ◆ Wayzata

WMEP is a voluntary interdistrict integration initiative committed to advancing both student achievement and professional development.

This capital project is a voluntary integration magnet school building project for kindergarten through eighth grade students. This school will have a student population of 500 and a building with approximately 90,000 feet square. The theme of the school would be: *World Cultures and World Languages*.

The educational programming will be constructed as: A community learning center delivery system and programmatic learning centered around; world cultures, and world languages.

The need for interdistrict magnet schools has been established through research, study, discussion, and surveys. Through a series of meetings that started with the Planning Committee in March of 1998, and continued with combined Planning and Feedback Committees, the Cuningham Group directed the Design-Down process to create the framework of educational specifications that have guided the development of the educational program and facilities for the southwest WMEP school. Community meetings and focus groups with residents in St. Louis Park began in June 2001 have further supported this need for this Southwest Voluntary Integration Magnet School Project.

Simply stated, the goals for the project are to improve the educational opportunities and academic achievement of learners, promote an integrated education for students and increase mutual understanding. WMEP Commitment to voluntary metropolitan school integration is most visibly demonstrated in its successful implementation of two interdistrict magnet schools, the Interdistrict Downtown School (IDDS) in Minneapolis, the Northwest Fine Arts Resource School (FAIR) in Robbinsdale and finally this proposal to secure funding for the third Southwest Magnet School in St. Louis Park. Plans for these magnet schools have been developed by design teams composed of parents, teachers and administrators from member districts.

WMEP Southwest Voluntary Integration Magnet School

Impact on Agency Operating Budgets (Facilities Notes)

There will be a need for \$500,000 additional dollars for operation of the project. These funds would need to be allocated at \$250,000 in FY 2006 and FY 2007.

Previous Appropriations for this Project

Although successful in initially securing \$1 million in funding during the 2002 legislative bonding session, the \$1 million in planning money for the project was vetoed along with \$300 million in other bonding projects by then Governor Jesse Ventura.

Other Considerations

Communities across the country are addressing these issues of integrating public schools. In many cases, lawsuits have been filed, judges have dictated what actions should be taken or state legislatures have issued mandates. Many communities have struggled with the issues of integration, yet it has been difficult to make any real progress. Locally, the Minneapolis school district and nine neighboring suburban school districts have established a voluntary effort to address the issues of integration. The WMEP was formed in 1989 to cooperatively address the integration issues in the west metropolitan area. WMEP completed its comprehensive four-year desegregation plan in December 2000. The plan was submitted to and approved by the Minnesota Department of Children Families and Learning. The goals include the creation of integrated learning settings where all students can attain high academic achievement, enhance community involvement, and prepare communities for increased interracial interaction and to design magnet schools to be regional resources.

This project is intended to partner with the "Children First" Initiative in St. Louis Park and the Search Institute of Minneapolis to design a school around the 40 developmental assets. Search Institute, a nationally recognized research group, developed the 40 developmental assets model which is the research base for the "Children First" initiative. St. Louis Park was the first community in the nation to transform the assets into community action. More than 600 communities across the United States have started similar initiatives.

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Grants to Political Subdivisions

Project Detail

WMEP Southwest Voluntary Integration Magnet School

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
1. Property Acquisition	0	4,000	0	0	4,000
2. Predesign Fees	0	45	0	0	45
3. Design Fees	0	1,025	0	0	1,025
4. Project Management	0	320	0	0	320
5. Construction Costs	0	15,400	0	0	15,400
6. One Percent for Art	0	200	0	0	200
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	4,809	0	0	4,809
9. Inflation	0	0	0	0	0
TOTAL	0	25,799	0	0	25,799

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	25,799	0	0	25,799
State Funds Subtotal	0	25,799	0	0	25,799
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	25,799	0	0	25,799

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	25,799	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2009

WMEP Southwest Voluntary Integration Magnet School

Evaluation of Local Projects	
1.	Non-state matching funds contributed? No local funds are committed as matching funds. This request seeks 100% state funding.
2.	Project fulfills an important state mission? Education is an important state mission. However, the method that education is provided and how it is financed is a complex issue. Other integration magnet schools have occasionally received state funding in previous bonding bills.
3.	Has a state role been expanded in a new policy area? See comments above.
4.	Project is of local, regional, or statewide significance? The project is viewed as having a primarily local benefit to participating school districts.
5.	State operation subsidies required? Project sponsors should provide additional information regarding how on-going operating costs will be funded (i.e., who will fund these costs).
6.	Inequities created among local jurisdictions? At 100% state funding, other jurisdictions will inevitably seek similar state capital appropriations for similar purposes.
7.	Does it compete with other facilities?
8.	Resolutions from local governing bodies provided? A letter of support for this project dated 8/25/03 was received from the chair of the St. Louis Park School Board. A letter of support dated 8/26/03 was received from the Executive Director and Chair of the West Metro Education Program (WMEP).
9.	Pre-design completed? Pre-design work is requested as part of this funding request.
10.	Project is disaster related? The project is not located in a disaster area.
11.	Per-capita tax capacity of the local jurisdiction? The per-capita tax capacity rank of the city of St. Louis Park is 67 of 854 cities in Minnesota (1 is high).