

HOUSE RESEARCH

Bill Summary

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Overview

This is the omnibus capital investment bill. For detailed information on the appropriation amounts and funding sources, see the spreadsheet prepared by Koryn Zewers, House Fiscal Analyst.
<http://www.house.leg.state.mn.us/fiscal/tracking.htm>

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- 14** **Corrections.**
- 15** **Employment and Economic Development.**
- 16** **Housing Finance Agency.** Permits the MHFA to use the disaster relief contingency fund to assist with the rehabilitation or replacement of housing damaged by the March 2007 flood in Browns Valley, even though the city is not included in a presidential declaration of major disaster.
- 17** **Bond sale expenses.**
- 18** **Bond sale schedule.** Directs the commissioner of finance to issue bonds so that general fund expenditures for debt service do not exceed the budgeted amount.
- 19** **Bond sale authorizations.** Authorizes the sale of state general obligation bonds for appropriations from the bond proceeds fund and from the bond proceeds account in the state transportation fund, and trunk highway bonds for appropriations from the bond proceeds account in the trunk highway fund.
- 20** **Bond sale authorization reductions.** Corresponds to the change in funding from bonding to general fund for the Lewis and Clark rural water system, and for the repeal of the 2006 appropriation for Starbase Minnesota.
- 21** **Greenleaf Lake state recreation area.** Changes the designation as a state park to a state recreation area.
- 22-36** **NWA, Duluth facility.** Makes changes to the 1991 law that authorized financial assistance for Northwest Airlines (NWA). Part of that assistance was financing for an aircraft heavy maintenance facility at the Duluth airport. In August 2005, NWA declared bankruptcy and NWA mechanics went on strike. The Duluth facility has not been used since then. The changes in this bill, proposed by the Department of Finance and the Attorney General's office, will facilitate reuse of the Duluth facility. The revisor instruction and repealer also relate to the changes needed to facilitate reuse of the Duluth airport.
- 37, 46** **Flood hazard mitigation grants.** Adds Browns Valley and Roseau to the list of communities eligible for the grants under the 2005 and 2006 appropriations.
- 38** **Greenleaf Lake state recreation area.** Amends the 2005 appropriation to reflect the change from state park to state recreation area.
- 39** **Public safety.** Changes the grantee for the 2005 appropriation for the Blue Earth fire and police station from the city to the EDA.
- 40** **Ah-Gwah-Ching.** Amends the 2005 appropriation for site preparation for reuse of Ah-Gwah-Ching to extend the period of time for use of the 2005 appropriation to June 30, 2010.
- 41** **Asset preservation (Minnesota Veterans Homes Board).** Amends the 2005 rider language to allow the board to use federal funds for repairs and betterments at the homes without the limitations in the CAPRA statute.
- 42, 52** **Lewis and Clark Rural Water system.** Changes funding source for the 2005 and 2006 appropriations from bonds to general fund.
- 43** **Minnesota Planetarium.** Amends the 2005 appropriation so it is a grant to Hennepin County in place of Minneapolis, effective on the same date as the merger of the Hennepin County and Minneapolis library systems, if the enabling legislation for the merger is enacted in 2007.
- 44** **Ford building.** Extends by one year (to June 30, 2008) the prohibition against demolishing the Ford Building.
- 45** **MacPhail Music Center.** Amends the 2006 appropriation to authorize as nonstate match the use of cash, prepaid qualified expenses, and private multiyear pledges that have been

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converted into cash through bond financing and a letter of credit secured by a mortgage lien on the state bond financed property. Requires the \$5 million grant to be disbursed without a release of the mortgage lien.

Requires the commissioners of education and finance to agree to a provision in the ground lease that allows Minneapolis to purchase for fair market value the interest of the operating lease lessee in the event of nonrenewal of the operating lease without requiring Minneapolis to escrow funds before that.

Effective June 2, 2006.

- 47 Lake Superior safe harbors (Two Harbors).** Amends the 2006 appropriation language to allow the commissioner of natural resources to provide up to \$625,000 to complete the design specifications and environmental work underway.
- 48 Water control structures.** Amends the 2006 appropriation to DNR for water control structures to allow the appropriation also to be used for public water reserves, which are shallow lakes that are important for waterfowl but are not included in wildlife management areas.
- 49 Regional trails.** Amends the 2006 appropriation for the Agassiz Recreational ATV trail to allow snowmobile trail grant funds and ATV trail grant funds to be used as the county's nonstate match.
- 50 Northstar Commuter Rail.** Adds to the 2006 appropriation that the money is available if the Federal Transit Administration issues a letter of no prejudice for a specific component of the project or pre-award authority.
- 51 Redevelopment account.** Amends the 2006 appropriation for cleanup of the former Campbell Soup factory site in Worthington to exempt it from the match requirement. The appropriation was for the entire project cost.
- 53 Historic Fort Snelling Museum and Visitor Center.** Amends the 2006 appropriation so it is for design of the museum and visitor center and other site improvements to revitalize historic Fort Snelling instead of restoration and renovation of the 1904 cavalry barracks building for the museum.
- 54 Report on East Phillips Cultural and Community Center.** Requires the Metropolitan Council to report by January 1, 2008, to the legislative committees with jurisdiction over capital investment on the terms of the grant agreement with the Minneapolis Park and Recreation Board for, and on the progress on design and construction of, the East Phillips Cultural and Community Center. The 2005 Legislature appropriated \$3.5 million for the project.
- 55 Public Facilities Authority funding.** Carries over to the 2008 intended use plan, 2007 intended use plan projects. Gives projects eligible for funding from the 2006 bonding act that could not be certified by the PCA by the applicable deadline, until the later of May 1, 2008, or six months after the state supreme court decides the matter of Maple Lake and Annandale, to get the required certification from the PCA.
- 56 Greenleaf Lake State Recreation Area.** Establishes the state recreation area. Directs the commissioner of natural resources, in consultation with local elected officials and citizens of Meeker County and others, to develop a comprehensive management plan.
- 57 Revisor instruction.** Technical. Relates to the provisions to allow for reuse of the Duluth aircraft maintenance facility.
- 58 Repealer.** Repeals provisions relating to the changes to the 1991 law for Northwest Airlines

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and the Duluth maintenance facility in order to facilitate reuse of the Duluth facility.

- 116R.02, subd. 3, relating to data practices and procedures for the commissioner of finance to follow in reviewing NWA financial information before issuing any bonds or entering into any financing agreements;
- 116R.02, subd. 6, relating to the Hibbing-Chisholm engine repair facility that was never pursued;
- 116R.02, subd. 7, requiring the commissioner of finance to determine that NWA agreed to noise abatement requirements before issuing bonds;
- 116R.02, subd. 9, requiring the commissioner of employment and economic development to report to the governor and the legislature on total public costs, and other information, related to the projects before the commissioner of finance issued the bonds;
- 116R.16, requiring an enforceable pledge that the corporate headquarters remain in Minnesota for the duration of the agreement.

Repeals the designation of Greenleaf Lake State Park, which is converted to a state recreation area in this bill.

Repeals the 2006 appropriation for Starbase Minnesota.

59 **Effective** the day after enactment, unless otherwise specified.