

ATTACHMENT A

For Local Governments Requesting a 2008 Capital Appropriation, Please Provide Answers to all of the Following Questions (for each request) in a Letter or Memorandum to the Minnesota Department of Finance

- 1) Name of the local government or political subdivision that is submitting the request: *City of Minneapolis*
- 2) Project title: *Southeast Minneapolis Industrial (SEMI) University Research Park*
- 3) Project priority number (if the applicant is submitting multiple requests):
- 4) Project location (please list county or counties, and town(s) or city(ies): *The SEMI University Research Park area is located just east of the University of Minnesota Minneapolis campus and is bounded by University Avenue SE, 15th Avenue SE, Elm Street SE and the Minneapolis-St. Paul border. The project is located within the city of Minneapolis.*
- 5) Is this a subsequent phase of a project that received state funding in previous years? If yes, please explain: *The project received state funding in prior years but the funding was transferred in the 2005 bonding bill to the Heritage Park project.*
- 6) Total project cost for all funding sources – all years – for all capital costs (in thousands of dollars): *\$74,989,000*

Total Project Costs (all funding sources)			
For Prior Years	For 2008	For 2010	For 2012

- 7) Amount of state funds requested (in thousands of dollars):

	For Subsequent Project Phases:	
State funds requested for 2008	State funds to be requested in 2010	State funds to be requested in 2012
\$6,850,000	\$8,000,000	\$5,400,000

- 8) Non-state funds available or to be contributed to the project (list the dollar amount and sources – federal, city, private, or other – for all years): *Local funds for Granary Road: \$6,850,000; Local funds for other project elements: \$6,539,000.*
- 9) Project description and rationale (limit to one page maximum).

This request is for \$6,850,000 in state funding to acquire land, pre-design, design and construct storm water and roadway infrastructure for Granary Road between Oak St and the City of Minneapolis limits in the SEMI University Research Park area.

The area is a priority in the City of Minneapolis' efforts to increase its high-technology industrial workforce. The SEMI University Research Park area offers more than 500 acres of land prime for redevelopment – the largest open tract of land in the recent history of the City. It offers unique development opportunities due to its close proximity to the University of Minnesota and multiple Central Corridor LRT stations. The SEMI University Research Park is a Minnesota Biosciences Sub-Zone and federal Empowerment Zone.

Although the SEMI University Research Park offers a prime location, it has been beset by all of the traditional barriers to redevelopment. The area was once the transportation center for the commodities exchange that made Minneapolis the milling capital of the world. That industry left in its wake contaminated lands, train yards and grain elevators. Remediation of polluted sites, demolition of the obsolete and abandoned buildings and the need for significant roadway and stormwater infrastructure improvements constitute costly roadblocks to redevelopment that the private sector will not bear.

The SEMI University Research Park area has the capacity to create 1,700 to 6,200 jobs and 680 to 1,000 new housing units. Included within this vision is the addition of 50 acres of parkland and open space, stormwater ponds and rain gardens to improve the function of the stormwater system and to add aesthetic amenities, pedestrian and bicycle trails that connect to the existing Grand Round system and roadway infrastructure that helps traverse the area to alleviate truck traffic from University Avenue SE. The City of Minneapolis is actively partnering with the City of St. Paul to find ways in which future Granary Road could connect with that city's street system.

The project is of local, regional and statewide significance. It will alleviate traffic problems in the area and will provide a detour for University Avenue SE during the construction period for the proposed Central Corridor LRT line. The attendant SEMI University Research Park, which is within the Minneapolis portion of the State designated Bioscience Zone, will strengthen the University of Minnesota by enhancing its ability to attract and retain quality professionals and students. It will also strengthen the State's economy by encouraging establishment and retention of technology based business. The resulting increase in property values will enhance revenues for the state and all taxing jurisdictions.

10) Identify who will own the facility. Identify who will operate the facility. *The state funded facilities will be owned and operated by the city of Minneapolis.*

11) Identify total project costs (in thousands of dollars) for each of the following categories: land acquisition, predesign, design, construction, furniture/fixtures/equipment, and relocation costs.

	2008	2010	2012
Land acquisition			
Predesign			
Design (including construction administration)			
Project Management			
Construction			
Furniture/Fixtures/Equipment			
Relocation			

- 12) For new construction projects, identify the new square footage planned: *n/a*
- 13) For remodeling, renovation or expansion projects, identify the total square footage of current facilities and new square footage planned: *n/a*
- 14) Project schedule. Identify the date (month/year) when construction crews are expected to first arrive on site, and the date (month/year) when construction will be completed with a certificate of occupancy.

2007-2008	<i>Malcom Ave Extension, Stormwater Phase I</i>
2008-2009	<i>25th Ave Extension, Granary Road, Oak St extension</i>
2010	<i>Stormwater Phase 2</i>
2011-2012	<i>Kasota Ave Extension</i>
2012	<i>West Bridge</i>
2013-2014	<i>Granary Road Extension to 35W</i>
2014	<i>29th Ave SE Extension</i>
2015	<i>30th Ave SE Extension, 27th Ave SE Extension</i>

(Please note: for facilities projects, this information will also be used to calculate an inflation cost, using the Building Projects Inflation Schedule that is posted on the Department of Finance website. Please indicate if instead you have already included an escalation factor in your cost information under Item 6.)

- 15) For projects with a total construction cost of at least \$1.5 million, has a project predesign been submitted to the Commissioner of Administration?¹ *The project has not but may not need to be reviewed by the Commissioner of Administration.*
- 16) Identify any new or additional state operating dollars that will be requested for this project. (Specify the amount and year, if applicable). *No new operating funds will be requested from the state.*
- 17) Discuss how the project meets or exceeds the sustainable building guidelines established under Minnesota Statutes, section 16B.35 *(Included in Attachment B)*. *NA*
- 18) Explain the extent to which the project will use sustainable building designs, if applicable. *n/a*
- 19) Attach a resolution of support from the governing body of the applicant (with the project priority number if submitting multiple requests).
- 20) Project contact person, title, and contact information:

<i>Jim Forsyth, Project Coordinator Community Planning & Economic Dev. Room 600 Crown Roller Mill 105 5th Ave S Minneapolis, MN 55401 (612) 673-5179</i>	<i>Kelly Moriarity, Engineer Minneapolis Public Works Room 300 City of Lakes Bldg. 309 2nd Ave S Minneapolis, MN 55401 (612) 673-3617</i>
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¹ For a copy of the Predesign Manual, please visit the State Architect's Office web site (www.sao.admin.state.mn.us/) and follow the link in the top menu bar for *Designer Procedures Manual*)

ATTACHMENT B: Relevant Statutory Provisions

**1. Project Evaluation Criteria
(Excerpted from Minnesota Statutes 16A.86, subdivisions 3 and 4)**

The commissioner shall evaluate all requests from political subdivisions for state assistance based on the following criteria:

- 1) The political subdivision has provided for local, private, and user financing for the project to the maximum extent possible;*
- 2) The project helps fulfill an important state mission;*
- 3) The project is of regional or statewide significance;*
- 4) The project will not require new or any additional state operating subsidies;*
- 5) The project will not expand the state's role in a new policy area;*
- 6) State funding for the project will not create significant inequities among local jurisdictions;*
- 7) The project will not compete with other facilities in such a manner that they lose a significant number of users to the new project;*
- 8) The governing bodies of those political subdivisions primarily benefiting from the project have passed resolutions in support of the project and have established priorities for all projects within their jurisdictions for which bonding appropriations are requested when submitting multiple requests; and*
- 9) If a [required] predesign ... has been completed and is available at the time the project request is submitted to the commissioner of finance, the applicant has submitted the project predesign to the commissioner of administration.*

The state share of a project ... must be no more than half the total cost of the project, including predesign, design, construction, furnishings, and equipment ... (except for local school projects or disaster recovery projects, or if the project is located in a political subdivision with a very low average net tax capacity).

**2. Sustainable Building Guidelines
(Excerpted from Minnesota Statutes 16B.325)**

The primary objectives of these guidelines are to ensure that all new state buildings initially exceed existing energy code, as established in Minnesota Rules, chapter 7676, by at least 30 percent.

The guidelines must focus on achieving the lowest possible lifetime cost for new buildings and allow for changes in the guidelines that encourage continual energy conservation improvements in new buildings.

The design guidelines must establish sustainability guidelines that:

include air quality and lighting standards and that create and maintain a healthy environment and facilitate productivity improvements;

specify ways to reduce material costs; and

must consider the long-term operating costs of the building, including the use of renewable energy sources and distributed electric energy generation that uses a renewable source or natural gas or a fuel that is as clean or cleaner than natural gas.