

Capitol renovation tab: \$241 million

by Charley Shaw

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But old inter-chamber tensions may derail any comprehensive fix

For students of the state Capitol and its deteriorating condition, the long-awaited plan to restore the 106-year-old statehouse contained little in the way of new information about the building's problems.

The mechanical systems don't distribute air very well, and the building is inefficient to heat during the winter. The plumbing is getting old. There are areas that lack sprinklers for fire protection. And, of course, the building was covered in scaffolding for much of 2011 because chunks of the Georgia marble exterior were beginning to fall, at considerable peril to passersby below.

But lawmakers already knew all of that. The significance of the plan unveiled last Wednesday lies in its kitchen-sink approach to spelling out the Capitol's many maintenance and restoration needs and attaching a price tag: \$241 million.

The main question now is how to come up with the money.

Gov. Mark Dayton said he finalized his bonding recommendations before the Capitol plan was revealed. But he added that he would like to charge ahead on the project rather than taking incremental steps to fix the Capitol's structural and mechanical woes.

"Three years [of separate bonding appropriations] is too much," Dayton said.

The artisanal expertise that's needed to preserve the building's fine architectural qualities during construction makes the project more expensive than your average fixer-upper — a fact driven home by the project's estimated cost of \$625 per square foot.

How to leverage the dollars required for a full restoration project will likely be the subject of intense politicking in this year's legislative session. The plan now in front of



The expertise required to preserve the Capitol's fine architecture makes the project more expensive than your average fixer-upper. (Staff photo: Peter Bartz-Gallagher)

the Legislature includes three funding scenarios. The first is a straight-up bond sale for the full amount. The second would divide the funding into two bonding bills: \$146 million this year and \$95 million in 2014. The last option, which Dayton opposes, would involve bonding packages in each of the coming three years: \$40 million in 2012, \$106 million in 2013 and \$95 million in 2014.

Political, logistical problems loom

The constraints are clear. On Tuesday Gov. Mark Dayton will announce a \$775 million bonding proposal. Senate Majority Leader Dave Senjem, R-Rochester, has said that he doesn't want to go higher than roughly \$400 million. In either case, the price tag for the Capitol could crowd out many of the countless other proposals competing for bonding dollars. State agencies alone broke through the \$2 billion level in their preliminary requests last summer.

While the fiscal reality augurs for a multiple-year bonding approach, there are disadvantages to chopping up the appropriations process. The momentum that Dayton and select legislators have generated to do a large Capitol project could stall in subsequent years, leaving the latter stages of the plan uncompleted.

Another potential roadblock is the possibility that lawmakers will continue to clash over the details of how the interior spaces get rearranged. Perhaps with that in mind, the plan moves on the mechanical and electrical systems first. The second part of the plan, known as sequence B, would restore the eastern wing, including the Supreme Court chambers.

Next, from 2014 to 2016, the western and northern sections of the building, where the House and Senate chambers are located, would be closed and restored. Architect David Hart, who prepared the plan, said a temporary home for floor action and Senate committees would need to be found.

"I think it's probably going to overlap two sessions," Hart said.

The plan budgets \$20 million for costs of relocating the Legislature in state-owned and leased space during under construction.

The last sequence of the project would address public spaces like the gathering spaces under the rotunda.

Senate vs. House dynamics

The latter parts of the project that involve the use of office space will likely cause contentious haggling over the extent to which the two legislative chambers get to utilize the building. When the Capitol was completed in 1905, it housed the entire administrative and legislative spaces needed for state government. Today, the entirety of the administrative branch of state government, except for the governor's office, is located elsewhere. Both the House and Senate chambers are in the Capitol. But only the Senate majority has offices in the Capitol, while the Senate minority and all House offices and committee rooms are across Rev. Dr. Martin Luther King Jr. Boulevard in the State Office Building.

The arrangement has created a situation in which Capitol restoration plans tend to be

pushed by the party in control of the Senate and to get bogged down in the House. In fact, wrangling between the two chambers over a previous six-year restoration plan resulted in a long series of meetings that ultimately yielded no progress.

Despite that legacy, lawmakers in 2011 decided to take another crack at building support to pass a fix for the Capitol. They created a Capitol Preservation Commission in legislation that appropriated Legacy funds earmarked for outdoor and cultural projects. The commission was given \$150,000 and hired Hart, who has worked on previous Capitol projects in other states, including Utah. Fueling the optimism this time around is the fact that Dayton has added his stature to the process as the commission's chair and has personally presided over all the meetings.

But the long-standing inter-cameral tensions have nonetheless remained a factor, and they were evident at Wednesday's meeting in Room 15 of the Capitol, where the new plan was unveiled.

Rep. Alice Hausman, DFL-St. Paul, who has been a thorn in the side of advocates for full Capitol restoration efforts, cautioned that the large expense of remodeling the Capitol needs to be weighed against other bonding issues like waste-water treatment facilities and public university campuses. She said she strongly supports the three-year approach.

Sen. Ann Rest, DFL-New Hope, who has been a restoration champion for as long as Hausman has been a critic, said she's concerned about the three-year plan because it calls for \$160 million in 2013, which isn't supposed to be a bonding year.

"I would be concerned that we would not do that," Rest said.

The Capitol, however, has some important backers in the House. Majority Leader Matt Dean, R-Dellwood, who is an architect, said that a comprehensive project is justified.

"Buildings like this tend to get taken on in total," he said. "The architectural integrity of the building is the most important thing. We all agree on that. If you agree, then what's the next thing down?"

"The wrong thing to do," Dean added, "is to patch, putty and paint and kick the can down the road."

After a recent history of multibillion-dollar state budget deficits, lawmakers will come back to St. Paul for the 2012 session on January 24 with a budget surplus. But that \$876 million (a figure that is subject to revision upward or downward in the February economic forecast) will be used to replenish the depleted budget reserves.

One wild card in the search for alternatives to bonding is the sales tax funding that's generated from the Legacy amendment. Since the Legacy was passed by Minnesota voters in 2008, arts and cultural advocacy groups have opposed proposals to use the money for building projects. Rep. Dean Urdahl, R-Grove City, a commission member who also chairs the House Legacy Funding Division, left the door open for the Legacy as a future funding source.

"I think the traditional sources of funding here would not be Legacy," Urdahl said. "But you know, anything is possible."

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