

Project Title	2012 Agency Priority Ranking	Agency Project Request for State Funds (\$ by Session)				Governor's Recommendations	Governor's Planning Estimate	
		2012	2014	2016	Total		2012	2014
MSH - St. Peter Campus - Design & Construct New Facilities - Phase 1	1	\$70,000	\$0	\$0	\$70,000	\$0	\$0	\$0
MSOP - St. Peter Campus - Predesign/Design/Remodel/Construct	2	1,700	17,000	5,000	23,700	0	0	0
Brainerd - Campus Demolition for Redevelopment	3	5,000	0	0	5,000	0	0	0
System-Wide Asset Preservation	4	5,000	6,500	7,000	18,500	0	0	0
Early Childhood Facilities	5	3,100	5,000	5,000	13,100	0	0	0
Anoka - Upgrade Residential Facilities		0	600	6,000	6,600	0	0	0
MSH - St. Peter Campus - Construct New Facilities Phase 2		0	50,000	0	50,000	0	0	0
MSOP - Moose Lake Expansion - Phase III		0	2,026	47,303	49,329	0	0	0
MSOP/MSH - St. Peter Campus - Remodel/Upgrade Shared Dietary		0	400	4,000	4,400	0	0	0
Total Project Requests		\$84,800	\$81,526	\$74,303	\$240,629	\$0	\$0	\$0

MSH - St. Peter Campus - Design & Construct New Facilities - Phase 1

2012 STATE APPROPRIATION REQUEST: \$70,000,000

AGENCY PROJECT PRIORITY: 1 of 5

PROJECT LOCATION:

Project At A Glance

- Design, construct, furnish and equip new residential/program/activity space on the upper campus of the St. Peter Regional Treatment Center for individuals committed to the Minnesota Security Hospital.
- This space will be used to provide patient living, treatment and work/activity programming for patients served by the Minnesota Security Hospital and/or the facility's transition program.
- Vacated Buildings on the lower campus will be separately redeveloped for use by the Minnesota Sex Offender Program (MSOP).

Project Description

This request is for funds to design, construct, furnish and equip new residential, program, activity and related ancillary facilities on the upper campus of the DHS St. Peter Regional Treatment Center (RTC) for the Minnesota Security Hospital (MSH) programs currently located on the lower level of the St. Peter campus.

This request represents a new long-range strategic plan for the St. Peter campus which will, over a yet to be determined time period, relocate all of the MSH program activities from the lower campus to the upper campus. This will free up buildings currently utilized by MSH on the lower campus for future redevelopment/reuse by the Minnesota Sex Offender Program.

This project will be phased over a period of years. The time line will be better defined in the pre-design that will be completed by the end of 2011. In addition, cost estimates for work related to this long-range proposal are very preliminary and will also be better defined in the pre-design for this proposal that is being conducted over the summer and fall of 2011.

The Department anticipates that the final cost estimate for this project will be lower than the figure being used as a “placeholder” in this preliminary budget submittal.

The final request for this project will also include funds for the development of construction documents for Phase 2 of this multi-phased project identified in the Department's project summary for the 2014 capital request.

Background Information

The intent of this new proposal is to provide a logical long-range plan to address several very significant issues that both MSH and MSOP face as they operate two very distinctly different programs on the St. Peter campus.

First, there is a real need to separate the two programs on the St. Peter campus. Currently both programs have individuals that reach the point in their treatment where they have campus liberty (the ability to move about campus with limited control). While MSH patients are considered vulnerable adults, MSOP clients are not. Allowing individuals from both programs to intermingle on the lower campus is not good policy, and there needs to be a concerted effort to separate the two populations. Moving MSH programs to new facilities on the upper campus will address this issue and eliminate the intermingling of these very different populations in the future.

Second, MSOP will need additional bed capacity on the St. Peter campus as its program continues to grow. Currently all MSOP's St. Peter programs operate on the lower campus. Accordingly, it makes sense to plan/direct any future MSOP expansion at St. Peter to the lower campus. Moving MSH programs to new facilities on the upper campus will free up a number of buildings on the lower campus that can be renovated to meet MSOP's residential and programming needs and focus MSOP's growth on the lower campus.

Third, the type of space that MSOP needs at St. Peter (the location which MSOP uses for individuals that are in the later stages of treatment), is much different than the space that it uses for the early stages of treatment at Moose Lake. Smaller living units promote a much more therapeutic environment for those individuals that are working hard to reach the reintegration phase of their treatment program. The buildings that MSH

MSH - St. Peter Campus - Design & Construct New Facilities - Phase 1

would vacate on the lower campus once new facilities are constructed on upper campus for MSH programs, would, after basic renovation and/or infrastructure upgrades, readily meet MSOP later stage treatment program requirements.

Last, but not least, constructing new facilities on the upper campus for MSH would facilitate development of modern residential treatment facilities specifically designed to meet the long-term needs of the distinctly different populations which MSH is required to serve through the commitment process for the mentally ill.

As stated in the project description, the proposal to develop new facilities for MSH on the upper level of the St. Peter campus and to redevelop the vacated space on lower campus for MSOP is a new plan. Accordingly, the scope of work, timelines and cost estimates of this preliminary request and some of the related project requests for the St. Peter campus must also be considered "preliminary". An incredible amount of planning will need to be accomplished over the summer of 2011 to finalize the details for this preliminary proposal.

It is the Department's intention to work very hard over the summer/fall to refine this proposal, and to update related budget requests with hard numbers, defined scopes of work, and accurate costs for the various components of this Master Plan for future development at the St. Peter campus.

Impact on Agency Operating Budgets (Facilities Notes)

The projects associated with this request will increase the overall operating cost of the agency's operating budget.

Previous Appropriations for this Project

None, this is the first time funds have been requested for this project.

Other Considerations

Needed facilities for MSOP's later stages of treatment could be constructed, and renovation of existing buildings could be completed for MSH. However, this concept would appear to be equal in construction/development costs over the long-term, and would not address the programmatic need to separate the two programs on the St. Peter campus.

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Governor's Recommendations (To be completed by MMB at a later date)

MSOP - St. Peter Campus - Predesign/Design/Remodel/Construct

2012 STATE APPROPRIATION REQUEST: \$1,700,000

AGENCY PROJECT PRIORITY: 2 of 5

PROJECT LOCATION:

Project At A Glance

- Predesign and Design funding is requested for the lower campus of St. Peter. Potential renovation and remodeling of buildings (such as Bartlett Hall and Sunrise) will provide bed space to individuals committed to the DHS Minnesota Sex Offender Program (MSOP) as Sexual Psychopathic Personalities or Sexually Dangerous Persons.
- Creates critical bed space: Current projections indicate that by the summer of 2014, MSOP will again be in need of bed space. Considering options within existing buildings on the lower campus is being proposed.

Project Description

This request is for funding of \$1.7 million to conduct pre-design and design projects for future renovating/remodeling of existing buildings on the St. Peter Campus for MSOP residential and program operations. For instance, Bartlett Hall and Sunrise have the potential to provide approximately 200 additional beds for MSOP on the St. Peter campus. Other buildings such as the old laundry and Tomlinson will also be reviewed for potential reuse by MSOP.

The renovation will involve the replacement and/or upgrading of the HVAC systems, plumbing and electrical, security and life safety (fire sprinklers and new detection/alarm systems) systems. In addition, the building envelopes will be upgraded, including tuck pointing and window and door replacement. Some interior reconfiguration will also be involved; however, the extent of interior reconfiguration will be finalized in the predesign phase of the design process for this project.

This request represents a multi-phased project. Funds for predesign and design are being requested in 2012. Funds for construction/renovation and furnishings, fixtures and equipment (FF&E) will be requested in both 2014 and 2016.

This project is part of the Department of Human Services new strategic plan for the St. Peter campus to construct new facilities for the Minnesota Security Hospital on the upper level of the campus, and to remodel the buildings being vacated by MSH on the lower level of the campus for use by MSOP.

Background

In the early 1990s, the state experienced growth in the number of individuals committed as sexual psychopathic personalities/sexually dangerous persons (SPP/SDP). Based on projected referrals to the program, the 1993 Legislature authorized the construction of a 100-bed secure facility in Moose Lake and a 50-bed expansion of the Minnesota Security Hospital in St. Peter.

Continued growth in the MSOP population resulted in the expansion of 50 additional beds to the existing Moose Lake facility in 2000. In 2003, following a tragic high-profile murder case, the population growth again was impacted significantly. In response, the Pexton Building in St. Peter was renovated in 2005 to accommodate this population and plans were proposed for a 400 bed secure facility to be constructed in Moose Lake. That construction of Complex I was completed and opened in 2009.

Between 2000 and 2009, the population had nearly quadrupled. Econometric modeling continues to project 50 new clients committed to MSOP each year. (The appropriation in the 2011 bonding bill to renovate Shantz Hall will meet the program's short-term space needs by providing MSOP with 55 additional beds by the summer of 2013.) However, by summer of 2014, it is projected the program will again be in need of bed space.

Completion of the new facilities for MSH on the upper campus will allow MSH to relocate patients from Bartlett Hall. MSOP will then occupy part of Bartlett Hall and begin to remodel the unoccupied space in the building. Upon completion of the first phase of the Bartlett Hall renovation, MSOP clients will be relocated into the new space and the balance of the building will be under renovation.

MSOP - St. Peter Campus - Predesign/Design/Remodel/Construct

Impact on Agency Operating Budgets (Facilities Notes)

The increasing MSOP population will add future costs to the agency's operating budget.

Previous Appropriations for this Project

No previous funds have been appropriated for design or remodeling Bartlett or Sunrise Buildings for the MSOP program.

Other Considerations

The six year plan outlines the Department of Human Services' proposal to request funds for renovation and construction that provides additional residential/program space at both the St. Peter and Moose Lake campuses. The remodeling proposed for the St. Peter campus is directly related to the Department of Human Services' new strategic plan for the St. Peter campus (to construct new facilities for the Minnesota Security Hospital on the upper level of the campus, and to remodel the buildings being vacated by MSH on the lower level of the campus for use by MSOP).

MSOP currently occupies all of Pexton Hall and the second floor of Shantz Hall. After the completion of the Shantz renovation project (funded in 2011), MSOP will occupy the entire building. Pexton and Shantz Buildings, along with a recently constructed activities building, are located within one secure perimeter.

The Department's proposal for the St. Peter campus addresses several significant factors:

- Expanding at St. Peter for MSOP enables the Department to establish two separate and distinct campuses for the two very different populations that are provided treatment at MSOP and MSH.
- By specifically renovating Shantz, Bartlett, and Sunrise Buildings, MSOP can offer treatment within smaller living units which promotes a more therapeutic environment.
- This plan allows for the gradual progression of treatment and increased privileges to occur from Moose Lake to the St. Peter campus.

In addition, the Pre-design and Design Projects the buildings such as Bartlett Hall and Sunrise have the future potential of providing approximately 200 additional beds on the St. Peter campus for MSOP.

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Governor's Recommendations (To be completed by MMB at a later date)

Brainerd - Campus Demolition for Redevelopment**2012 STATE APPROPRIATION REQUEST:** \$5,000,000**AGENCY PROJECT PRIORITY:** 3 of 5**PROJECT LOCATION:****Project At A Glance**

- Demolish old, non-functional buildings and infrastructure considered non-functional or too expensive for redevelopment/reuse for an alternate reuse
- Address other issues associated with redevelopment and disposition of the surplus property on the Brainerd RTC campus.

Project Description

This capital budget request is for funds necessary for the continuation of the disposition (sale/transfer of ownership) of the Department of Human Services' (DHS) surplus Regional Treatment Center (RTC) campuses. This request will focus on the Brainerd Regional Human Services, which is the remaining campus of the four surplus campuses associated with this long term objective. This request focuses on several key objectives:

- To repair, replace and/or improve key building components and basic infrastructure necessary to support initiatives to redevelop/reuse surplus RTC properties.
- To demolish buildings and campus infrastructures which are considered non-functional for current or future use by state or non-state programs.
- To address other issues that may surface as the disposition of the last surplus campus proceeds.

Funds will be used for: professional design and engineering services; implementation of improvements of basic utility systems (water supply, sewage lines, electrical distribution, life safety systems, etc.); and, other physical plant issues that are further defined as the disposition plans for this surplus RTC campus are finalized.

Funds will also be used for professional design and project management services and completion of hazardous materials abatement, demolition of buildings, and disposal of materials in accordance with federal law, Minnesota statutes, and local governmental rules and regulations. In addition, funds will be utilized for site restoration, the demolition/capping/sealing of utility tunnels and building services leading to buildings/structures to be demolished, and other infrastructural issues associated with the disposition of buildings on the Brainerd campus, including demolition of sidewalks, roads, and parking lots.

Background Information

The 2003 Legislature authorized DHS to collaborate with local government entities to complete a comprehensive redevelopment plan (master plan) for the future use of the RTC campuses (grounds and vacant buildings) vacated as a result of further expansion of community-based care (Laws 2003, 1st Special Session, Chapter 14, Section 64, Subd. 2). The Department, in collaboration with the Department of Administration and local units of government, completed this process for Ah-Gwah-Ching, Fergus Falls, and Willmar in 2004.

The master plan process, done in collaboration with local units of government, was intended to generate viable reuse/redevelopment strategies for the old campus properties and buildings. To implement these master plans the department requested funds for infrastructure modification, building modifications, and demolition of structures that were determined to be non-functional for future utilization.

In January 2006 the transfer/sale of the Willmar campus was worked out between the state, Kandiyohi County, and MNWest, a private company from the Willmar area. On June 30, 2007 the city of Fergus Falls purchased the Fergus Falls regional treatment center, and on June 3, 2008 title to the Ah-Gwah-Ching Center was transferred to Cass County.

Brainerd - Campus Demolition for Redevelopment

The Brainerd campus master planning project, coordinated by Crow Wing County, was completed during the spring of 2007. Both the county and the city of Brainerd informed the state that they had no interest in taking over ownership of the Brainerd campus and managing the campus's redevelopment.

At this point in time an appropriate alternate reuse of the vacant campus buildings has been not found. Accordingly, to eliminate the continued expenditure of limited state operating funds to maintain these non-utilized, non-functional buildings into the future, the Departments of Administration and Human Services have initiated projects to: 1) abate the hazardous materials in these vacant buildings and the campus tunnel system; and 2) demolish as many vacant buildings as possible with the funds remaining from the 2008 appropriation for system-wide campus redevelopment, reuse, or demolition.

Impact on Agency Operating Budgets (Facilities Notes)

The impact on the agency's operating budget will be contingent on the level of services provided in the future, and the location and the type of facilities developed to provide these services. However, just reducing the costs associated with heating and maintaining the unused/oversized spaces in the numerous vacant buildings on the Brainerd campus will provide significant savings to state Operated Services (SOS) facilities overhead costs. The 2009 Legislature prospectively reduced SOS' operating budget accordingly.

Previous Appropriations for this Project

The 2005 legislature appropriated \$8,910,000 for this request: \$4 million for the Ah-Gwah-Ching campus; \$1.9 million for the Willmar campus; and approximately \$3 million for the Fergus Falls campus.

In addition, the 2005 legislature re-authorized \$3 million appropriated in the 2002 Bonding Bill for the Fergus Falls RTC so it could be used for this purpose.

The 2006 Legislature appropriated \$5,000,000 for this system-wide request *"to demolish surplus, nonfunctional, or deteriorated facilities and infrastructure or to renovate surplus, nonfunctional facilities and infrastructure*

at Department of Human Services campus that the commissioner of administration is authorized to convey to a local unit of government under Laws of 2005, chapter 20, article 1, section 46, or other law."

The 2008 Legislature appropriated \$3.4 million for this system-wide request *"To demolish surplus, nonfunctional, or deteriorated facilities and infrastructure or to renovate surplus, nonfunctional, or deteriorated facilities and infrastructure at Department of Human Services' campuses. These projects must facilitate the redevelopment or reuse of these campuses consistent with the redevelopment plan concepts developed and approved under Laws 2003, First Special Session chapter 14, article 6, section 64, subdivision 2. If a surplus campus is sold or transferred to a local unit of government, unspent portions of this appropriation may be granted to the local unit of government for the purposes stated in this subdivision.*

Up to \$400,000 is for preparation and site development, including demolition of buildings and infrastructure, to implement the redevelopment of the Ah-Gwah-Ching Regional Treatment Center. If the campus is sold or transferred to a local unit of government, unspent portions of this appropriation may be granted to that local unit of government for the purposes stated in this subdivision."

Laws of 2011 First Special Session, Chapter 12, Section 32 amended the 2008 language for the \$400,000 for Ah-Gwah-Ching in accordance with the following:

Up to ~~\$400,000~~ \$125,000 is for preparation and site development, including demolition of buildings and infrastructure, to implement the redevelopment of the Ah-Gwah-Ching Regional Treatment Center. This amount may be granted to Cass County for purposes stated in this subdivision. If the campus is sold or transferred to by Cass County to ~~a local unit of government~~ the city of Walker, unspent portions of this appropriation may be granted to ~~that local unit of government~~ the city of Walker for the purposes stated in this subdivision."

Brainerd - Campus Demolition for Redevelopment

Other Considerations

The extensive surplus space on the Brainerd RTC campus, the age of the facilities, and the cost for ongoing maintenance of the physical plant created significant financial pressures on the SOS system that could not be ignored.

Funds from the above referenced appropriations were used to install independent heating/cooling and electrical supply systems to the three buildings (Buildings 20, 21 & 22) on the campus that are fully utilized. This project allowed the Department to de-commission the high-pressure steam plant in the summer of 2011, to reduce the high overhead cost associated with operating this plant, and to mothball the non-utilized buildings, begin abating hazardous materials, and prepare these non-functional buildings for demolition. Funding of this proposal will enable DHS to complete the hazardous materials abatement and demolish the campus buildings that are deemed non-functional for future utilization. Demolition will create bare ground that will enhance opportunities for economic development on the strategically located property and facilitate the disposition of the surplus property on the Brainerd campus.

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Governor's Recommendations (To be completed by MMB at a later date)

System-Wide Asset Preservation

2012 STATE APPROPRIATION REQUEST: \$5,000,000

AGENCY PROJECT PRIORITY: 4 of 5

PROJECT LOCATION:

Project At A Glance

- Maintain and preserve capital investments in state assets
- Provide repairs and replacements to basic facility infrastructure and key mechanical, electrical, utility, and HVAC systems
- Address known security and safety hazards, health risks and code deficiencies
- Repair and replace leaking or deteriorated roofing systems
- Maintain the basic building envelope systems of the state's buildings

Project Description

This project request involves the repair, replacement, and renewal needs specific to the operations of the Department of Human Services' (DHS) State Operated Services (SOS) facilities and Minnesota Sex Offender Program (MSOP) facilities. These needs developed over time, and represent a system-wide assessment of the facilities' deficiencies, including, but not limited to the following:

- Security and safety hazards and code compliance issues
- Life/fire safety deficiencies (fire sprinkling, detection/alarm systems)
- ADA requirements/reasonable accommodations
- Emergency power/egress lighting upgrades
- Roof repair and replacement
- Mechanical and structural deficiencies
- Tuck pointing and other building envelope work (window and door replacement, fascia and soffit work, re-grading around foundations, etc.)
- Elevator repairs/upgrades
- Road and parking lot maintenance

- Major mechanical and electrical utility system repairs, replacements, upgrades and/or improvements, including the replacement of boilers and upgrade of steam systems
- Abatement of hazardous materials (e.g., asbestos containing pipe insulation, floor and ceiling tile, lead paint, etc.) and
- Demolition of deteriorated/unsafe/non-functional buildings and structures

Background Information

Funding of this request will enable DHS, and its facilities, to continue to address/reduce the problem of deferred maintenance and deferred renewal at the RTCs. Failure to fund this request will only intensify the problem. Additional deterioration will result and the state's physical plant assets will continue to decline. Future costs may actually compound, as complete replacement may become the most cost effective and efficient alternative for addressing related deficiencies.

The key objective of asset preservation is to help reduce the amount of deferred maintenance and deferred renewal referred to as the "capital iceberg." Although most projects associated with this request are considered nonrecurring in scope, all facility components require scheduled maintenance and repair, and eventually many require replacement. The average life cycle of most projects associated with this request range between 25 and 30 years; however, some have longer life cycles (i.e. tuck pointing, window replacement), and a few may have shorter life cycles (i.e. road and parking lot seal coating and overlays, exterior painting, and UPS (uninterruptable power systems)). These projects involve significant levels of repair and replacement and, because of the system-wide magnitude, cannot be addressed with the current level of repair and replacement funding in the agency's operating budget.

Each of DHS's facilities is responsible for maintaining a list of projects required to preserve their fixed assets. These perpetual and ever changing lists are comprised of projects directly related to asset preservation or deferred maintenance and renewal. The facilities' asset preservation plans must support the future need and projected use of the facility. Building components are not evaluated on an individual deficiency basis, but rather on an overall building evaluation or assessment basis to determine that its life cycle characteristics and program suitability are in balance.

System-Wide Asset Preservation

Impact on Agency Operating Budgets (Facilities Notes)

Lack of funding of this request will require the use of a large percentage of limited repair and replacement operating funds to address critical and expensive asset preservation projects. This action would limit the agency's ability to address routine preventative, predictive and corrective facility maintenance and would actually compound the existing deferred maintenance problem and result in a substantial increase in the long-range deferred maintenance/renewal at the agencies facilities. Funding of this request will not require the agency's operating budget to increase or decrease.

Previous Appropriations for this Project

2011 Legislature appropriated \$4.7 million
2010 Legislature appropriated \$2 million
2009 Legislature appropriated \$2 million
2008 Legislature appropriated \$3 million
2006 Legislature appropriated \$3 million
2005 Legislature appropriated \$3 million
2002 Legislature appropriated \$4 million

Other Considerations

Continued funding at the requested level for several biennia will DHS to make a significant impact on the system's deferred maintenance problem.

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

In some cases repair and improvement may be a very prudent measure, while in other cases total replacement may be the most viable alternative. However, in light of the department's current excess building capacity, demolition of some buildings may be determined to be the most economical and prudent choice of action. In addition, downsizing of facilities and/or deactivation of individual buildings must also be considered when determining which buildings asset preservation funds should be requested for, or committed to.

Minnesota Statutes 2010, sec. 16A.11, subd. 6. Building maintenance and capital betterment. *The detailed operating budget and capital budget must include amounts necessary to maintain and better state buildings. The commissioner of management and budget, in consultation with the commissioner of administration, the Board of Trustees of the Minnesota State Colleges and Universities, and the regents of the University of Minnesota, shall establish budget guidelines for building maintenance and betterment appropriations. Unless otherwise provided by the commissioner of management and budget, the combined amount to be budgeted each year for building maintenance and betterment in the operating budget and capital budget is one percent of the replacement cost of the building, adjusted up or down depending on the age and condition of the building.*

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Governor's Recommendations (To be completed by MMB at a later date)

Early Childhood Facilities

2012 STATE APPROPRIATION REQUEST: \$3,100,000

AGENCY PROJECT PRIORITY: 5 of 5

PROJECT LOCATION:

Project At A Glance

\$3.1 million is requested for Early Childhood Facilities grants to political subdivisions:

- Early Childhood grants help local entities renovate and renew substandard older, or construct new, early childhood facilities
- Grants must be matched 50% with non-state funds
- This statewide grant program supports children's school readiness

Project Description

Minnesota Statutes 256E.37 [**Early Childhood Learning and Child Protection Facilities**] funds construction or rehabilitation of facilities for early childhood programs, crisis nurseries, or parenting time centers. The facilities must be owned by the state or a political subdivision, but may be leased to organizations that operate the programs. Programs include Head Start, School Readiness, Early Childhood Family Education, licensed child care, and other early childhood intervention programs.

This grant program is administered by the Department of Human Services. Per statute, a grant for an individual facility must not exceed \$500,000 for each program that is housed in the facility, up to a maximum of \$2,000,000 for a facility that houses three programs or more. State appropriations must be matched on a 50 percent basis with non-state funds. Priority will be given to projects that demonstrate how the grant can enhance or support provision of early childhood services that improve children's school readiness by meeting research-based program quality standards.

Head Start and other early childhood programs need funding to renovate facilities that have become substandard or not appropriately configured for

early childhood programs. When the \$3.1 million funding requested for 2012 is added to the funding provided in the 2011 bonding bill, eight to ten projects could be ready to begin construction/rehabilitation in spring 2013 with an average cost of \$500,000 per project. Quality preschool and early childhood facilities promote better outcomes for children. Investing in early childhood through facility improvement helps create jobs and meet the growing demand for high quality early learning experiences.

Priority may be given to projects that collaborate with child care providers, including all-day and school-age child care programs, special needs care, sick child care, nontraditional hour care, programs that include services to refugee and immigrant families, programs that will increase their child care workers' wages as a result of the grant, and projects that will improve the quality of early childhood programs.

Impact on Agency Operating Budgets (Facilities Notes)

None.

Previous Appropriations for this Project

The Legislature first provided bond funds in 1992 to construct or rehabilitate facilities for early childhood learning programs. \$500,000 was appropriated in 2005 (Laws 2005, chapter 20, article 1, section 5, subd. 5) and again in 2006 (Laws 2006, chapter 258, section 4, subd. 5). Five projects were funded with these appropriations; four are complete and one project remains in process.

The 2011 1st Special Session bonding bill provided \$1.9 million for this grant program.

Other Considerations

The need for early childhood facilities is driven by requirements that space be safe and accessible. Early childhood programs must comply with DHS child care licensing rules. In many parts of the state, it is difficult to find existing space that is safe and age appropriate; therefore, this funding in collaboration with cities, counties and school districts can improve early childhood facilities and promote better outcomes for children.

To have lasting impact, funding for this grant program should be regularized and sustained. Consequently this request also includes planned requests of \$5 million in the 2014 and 2016 bonding cycles.

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Governor's Recommendations (To be completed by MMB at a later date)