

**Capital Project Requirements & Information Request: Sample Language**  
In Rank Order of Compiled Member Responses  
8/5/22

**FUNDING REQUIREMENTS**

**1. Match**

A political subdivision or nongovernmental entity receiving money appropriated from the trust fund for a capital project must provide a non-state match of at least XX% of the total cost of the project or project phase.

**2. Resolution**

**3. Full Funding/Match**

If an appropriation from the trust fund for a capital project or project phase is not sufficient, by itself, to complete the project or project phase, and thus requires a commitment from sources other than the trust fund:

(1) the commitment must be in an amount that, when added to the appropriation, is sufficient to complete the project or project phase; and

(2) the appropriation is not available until the commission has determined that the commitment is sufficient.

**4. Competitive Bid**

**5. Targeted Group Purchasing**

**6. Responsible Contractor**

**7. Energy Conservation Standards**

A capital project partially or wholly funded with an appropriation from the trust fund must ensure that the project complies with the energy conservation standards and goals contained in law, including Minnesota Statutes, sections 16B.32, 216C.19, and 216C.20, and rules adopted under those sections. The funding recipient may use the energy planning, advocacy, and State Energy Office units of the Department of Commerce to obtain information and technical assistance on energy conservation and alternative-energy development relating to planning and constructing the capital project.

**8. Grant Agreement**

**9. Sustainable Building Guidelines**

A capital project partially or wholly funded with an appropriation from the trust fund must comply with the sustainable building guidelines developed under Minnesota Statutes, sections 16B.325 and 16B.241, subd. 9.

**10. Geothermal and Solar Heating and Cooling System**

A capital project partially or wholly funded with money from the trust fund must, when practicable, include consideration of geothermal and solar thermal heating and cooling systems when designing, planning, or letting bids for necessary replacement or initial installation of cooling or heating systems in new or existing buildings that are constructed.

**11. Energy Use**

A capital project for a new building or for a renovation of 50 percent or more of an existing building or renovation of its energy systems that will be partially or wholly funded with money from the trust fund must include designs that use active and passive solar energy systems, earth sheltered construction, and other alternative energy sources where feasible.

**12. Recycling and Construction of Demolition Waste**

All capital projects partially or wholly funded with money from trust fund must comply with all the requirements related to recycling and construction of demolition waste applicable to a bonding project under Minnesota Statute 16B.327.

**13. Prevailing Wage**

**14. Construction Assurances**

A recipient of an appropriation from the trust fund for a capital project must provide appropriate

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assurances that construction will be completed consistent with the approved work plan and design.

### 15. Predesign

A capital project partially or wholly funded with money from the trust fund must ensure compliance with applicable predesign review requirements under Minnesota Statutes 16B.335, subd. 3.

### 16. Accommodation for Hard-of-Hearing

A capital project partially or wholly funded with money from the trust fund must ensure compliance with applicable requirements to accommodate the hard-of-hearing in public gathering spaces under Minnesota Statutes 16C.054.

### 17. Sale and Recording Property Restrictions

(a) Capital improvements to real property made with money appropriated from the trust fund must be used and maintained for the purpose for which the appropriation was made for 25 years from the completion of the capital improvement.

(b) A recipient of funding who makes a capital improvement to real property using an appropriation from the trust fund may not alter the intended use of or convey any interest in the improved real property for 25 years from the completion of the capital improvement without the prior review and approval of the commission or its successor. The commission shall notify the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the trust fund at least 15 business days before approval under this paragraph. The commission shall establish procedures to review requests from recipients to alter the use of or convey an interest in real property. These procedures shall allow for an alteration of use or sale of the property for a use other than the purpose for which the appropriation was made meeting the following criteria:

(1) any sale must be made for at least fair market value; and

(2) the trust fund must be repaid a proportion of the fair market value equal to the percentage of the project's total funding provided by the fund.

(c) A recipient of funding who makes a capital improvement to real property under paragraph (a) must record a notice of funding restrictions in the appropriate local government office. The notice of funding restriction must contain:

(1) a legal description of the interest in real property covered by the funding agreement;

(2) a reference to the underlying funding agreement;

(3) a reference to this section; and

(4) the following statement:

"This interest in real property shall be administered in accordance with the terms, conditions, and purposes of the grant agreement controlling the improvements to the property. The interest in real property, or any portion of the interest in real property, shall not be sold, transferred, pledged, or otherwise disposed of or further encumbered without obtaining the prior written approval of the Legislative-Citizen Commission on Minnesota Resources or its successor."

(d) By December 1 each year, a recipient of funding who makes a capital improvement to real property using an appropriation from the trust fund must submit an annual report on the status of the real property to the Legislative-Citizen Commission on Minnesota Resources or its successor in a form determined by the commission. The responsibility for reporting under this section may be transferred by the recipient of the appropriation to another person who holds the interest in the real property. To complete the transfer of reporting responsibility, the recipient of the appropriation must:

(1) inform the person to whom the responsibility is transferred of that person's reporting responsibility;

(2) inform the person to whom the responsibility is transferred of the property restrictions under section 116P.XX; and

(3) provide written notice to the commission of the transfer of reporting responsibility, including contact information for the person to whom the responsibility is transferred.

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After the transfer, the person who holds the interest in the real property is responsible for reporting requirements under this section.

**18. Operational Funding**

A recipient of an appropriation from the trust fund for a capital project must demonstrate that the recipient has the ability and a plan to fund the program intended for the facility.

**19. Recording Property Restrictions**

See 17.

**20. Public Access**

Capital improvements to real property made with money appropriated from the trust fund must be open to the public at free or reasonable cost during reasonable hours unless this access would be incompatible with its intended use.

**21. Confirmation of Satisfactory Completion**

Final payment for a capital project that has been partially or wholly funded with money from the trust fund is subject to satisfactory evidence that all work requiring inspection by municipal or other governmental authorities having jurisdiction has been duly inspected and approved by such authorities and that all requisite certificates of occupancy or similar approvals have been issued.

**22. Historic and Archaeological**

A capital project partially or wholly funded with money from the trust fund must ensure compliance with applicable requirements for historic and archaeological review under Minnesota Statutes 138.40, 138.655, and 138.666.

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**INFORMATION REQUIREMENTS**

**1. Match**

See 3. Full Funding.

**2. Resolution**

A proposal requesting money from the trust fund for a capital project must indicate whether the entity requesting the project and, if applicable, its fiscal agent, have passed a resolution in support of the project.

**3. Full Funding**

A proposal requesting money from the trust fund for a capital project must include information on the extent to which the entity has or expects to provide local, private, user financing, or other funding to fully fund the project and whether the project will require new or additional state funding, including additional appropriations from the trust fund, to complete.

**4. Competitive Bidding**

**5. Targeted Group Purchasing**

**6. Responsible Contractor**

**7. Energy Conservation Standards**

A proposal requesting money from the trust fund for a capital project must include information on how energy conservation standards will be incorporated into the project design and construction.

**8. Grant Agreement**

**9. Sustainable Building Guidelines**

A proposal requesting money from the trust fund for a capital project must indicate whether the entity requesting the project has consulted with the Center for Sustainable Building Research at the University of Minnesota regarding compliance with sustainable building guidelines.

**10. Geothermal and Solar Heating and Cooling System**

A proposal requesting money from the trust fund for a capital project must provide information on whether they intend to use geothermal and solar thermal heating and cooling systems and, if not, the reason for not using them.

**11. Energy Use**

A proposal requesting money from the trust fund for a capital project to construct or renovate a building must provide information on whether and how they intend to incorporate renewable energy sources and energy efficiency improvements into the design.

**12. Recycling and Construction of Demolition Waste**

A proposal requesting money from the trust fund for a capital project to construct or renovate a building must provide information on the percentage of nonhazardous construction and demolition waste that will be diverted from landfills.

**13. Prevailing Wage**

**14. Construction Assurances**

A proposal requesting money from the trust fund for a capital project must provide information on what financial assurances will be in place with contractors to ensure the project is completed, including but not limited to, fixed price contracts or performance bonds.

**15. Predesign**

If the project requires a predesign under section 16B.335, a proposal requesting money from the trust fund for a capital project must provide information on whether the predesign has been completed and submitted to the commissioner of administration for review and approval.

**16. Accommodation for Hard-of-Hearing**

A proposal requesting money from the trust fund for a capital project must provide information on

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whether the project will contain a public gathering space intended to be used by gatherings of 15 or more people and if accommodations for the hard-of-hearing have been or will be incorporated into the design.

### **17. Sale and Recording Property Restrictions**

N/A

### **18. Operational Funding**

A proposal requesting money from the trust fund for a capital project must provide information on how it intends to fund ongoing operations of the facility once completed.

### **19. Public Access**

A proposal requesting money from the trust fund for a capital project must provide information on whether the project upon completion will be open to the public and any expected restrictions or costs associated with access.

### **20. Confirmation of Satisfactory Completion**

A recipient of an appropriation from the trust fund for a capital project must provide information on any inspections or approvals conducted by municipal or other governmental authorities having jurisdiction that were needed prior to use.

### **21. Historic and Archaeological**

A proposal requesting money from the trust fund for a capital project must provide information on whether it has completed a historic or archaeological review through the State Historic Preservation Office.