State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH SESSION

HOUSE FILE NO. 490

February 2, 2009
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The bill was read for the first time and referred to the Committee on Finance

A bill for an act

relating to capital investment; authorizing the sale of state bonds; appropriating money for flood hazard mitigation in the city of Saint Vincent; amending Laws 2005, chapter 20, article 1, section 7, subdivision 2; Laws 2008, chapter 179, section 7, subdivision 3.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Laws 2005, chapter 20, article 1, section 7, subdivision 2, is amended to read:

Subd. 2. **Flood Hazard Mitigation Grants** 27,000,000

For the state share of flood hazard mitigation grants for publicly owned capital improvements to prevent or alleviate flood damage under Minnesota Statutes, section 103F.161.

The commissioner shall determine project priorities as appropriate based on need.

This appropriation includes money for the following projects: Ada, Austin, Breckenridge, Canisteo Mine, Cannon Falls, Crookston, Dawson, East Grand Forks, Grand Marais Creek, Granite Falls, Green Meadow Dam, Inver Grove Heights, Little McDonald Lake, Malung, Manston Slough, Minneapolis, Montevideo, Oakport, Palmville, Roseau River, St.

Louis Park, Saint Vincent, Two River Ross Impoundment, Warren, and Whiskey Creek.

$2,000,000 is for Austin for identified capital improvement projects, and any other authorized federal or state flood mitigation projects in the area designated under Presidential Declaration of Major Disaster, DR-1569, whether included in the original declaration or added later by federal government action. The area currently included in DR-1569 includes territory within the counties of Dodge, Faribault, Freeborn, Martin, Mower, Olmsted, and Steele.

$175,000 is for the state share of a grant to the city of Cannon Falls for predesign and design of capital improvements to alleviate flooding caused by runoff from the bluffs and the flooding of the Little Cannon River and the Cannon River.

For any project listed in this subdivision that is not ready to proceed or does not expend all the money allocated to it, the commissioner may allocate that project's money to a project on the commissioner's priority list.

To the extent that the cost of a project in Ada, Austin, Breckenridge, Dawson, East Grand Forks, Granite Falls, Montevideo, Oakport Township, Roseau, Saint Vincent, or Warren exceeds two percent of the median household income in the municipality multiplied by the number of households in the municipality, this appropriation is also for the local share of the project.

There is no local share required for the Canisteo Mine project.

For grants for Roseau River wildlife management area, Palmville, and Malung, the state share must be $3 for each $1 of nonstate contribution.

Notwithstanding the grant expiration date of June 30, 2002, the commissioner of natural resources shall extend until June 30, 2007, the expiration date of a grant made to the city of Stillwater under Minnesota Statutes, section 103F.161, used to match certain federal appropriations for flood hazard mitigation.

Sec. 2. Laws 2008, chapter 179, section 7, subdivision 3, is amended to read:

Subd. 3. **Flood Hazard Mitigation Grants** 33,900,000

For the state share of flood hazard mitigation grants for publicly owned capital improvements to prevent or alleviate flood damage under Minnesota Statutes, section 103F.161.

The commissioner shall determine project priorities as appropriate, based on need.

This appropriation includes money for the following projects:

(a) Ada

(b) Agassiz Valley

(c) Area II of the Minnesota River Basin

(d) Austin

(e) Bois de Sioux Watershed District, North Ottawa project

(f) Breckenridge

(g) Brandt-Angus

(h) Browns Valley

$3,900,000 is from the general fund for the Browns Valley project.

(i) Crookston

(j) Canisteo Mine

$3,500,000 is for a grant to the Western Mesabi Mine Planning Board to construct a conveyance system, and other betterments to accommodate water level and outflow control of the water level in the Canisteo mine pit in Itasca County. This appropriation does not require a local match. The commissioner of natural resources shall be responsible to maintain the betterments after completion of the project.

(k) Dawson

(l) Granite Falls

(m) Hay Creek-Norland

(n) Inver Grove Heights

(o) Malung

(p) Montevideo

(q) Moorhead

(r) Oakport Township

(s) Roseau

(t) Saint Vincent

The Roseau project includes the state share of land acquisition, engineering and design, and bridge construction costs for the U.S. Army Corps of Engineers East Diversion Flood Control Project, which will protect the city of Roseau from recurring flooding.

(t) Southeast Minnesota

(u) Stillwater

(v) Sweded Grove Lake

(w) Wild Rice River Watershed District, Becker Dam project

For any project listed in this subdivision that the commissioner determines is not ready to proceed or does not expend all the money allocated to it, the commissioner may allocate that project's money to a project on the commissioner's priority list.

To the extent that the cost of a project in Ada, Breckenridge, Browns Valley, Crookston, Dawson, Granite Falls, Montevideo, Oakport Township, <u>Saint Vincent,</u> or Roseau exceeds two percent of the median household income in the municipality multiplied by the number of households in the municipality, this appropriation is also for the local share of the project.

Sec. 3. <u>**FLOOD HAZARD MITIGATION, SAINT VINCENT.**</u>

<u>Subdivision 1.</u> <u>**Appropriation.**</u> <u>$2,500,000 is appropriated from the bond proceeds fund to the commissioner of natural resources for a flood hazard mitigation grant under Minnesota Statutes, section 103F.161, to the city of Saint Vincent for phases three and four of its levee project. To the extent that the cost of the project exceeds two percent of the median household income in the municipality multiplied by the number of households in the municipality, this appropriation is also for the local share of the project.</u>

<u>Subd. 2.</u> <u>**Bond sale.**</u> <u>To provide the money appropriated in subdivision 1 from the bond proceeds fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to $2,500,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.</u>

<u>**EFFECTIVE DATE.**</u> <u>This section is effective the day following final enactment.</u>