

BUILDING COMMISSION

| Budget Summary | | | | | FTE Position Summary | |
|----------------|--------------------------|------------------|------------------|--|----------------------|--|
| Fund | 2020-21 Adjusted Base | <u>Governor</u> | | <u>2021-23 Change Over Base Year Doubled</u> | | |
| | | 2021-22 | 2022-23 | Amount | % | |
| GPR | \$31,881,800 | \$43,951,600 | \$55,617,900 | \$35,805,900 | 56.2% | There are no full time positions authorized for the Building Commission. |
| PR | 1,023,200 | 1,684,300 | 2,889,700 | 2,527,600 | 123.5 | |
| SEG | <u>1,024,200</u> | <u>1,024,200</u> | <u>1,024,200</u> | <u>0</u> | 0.0 | |
| TOTAL | \$33,929,200 | \$46,660,100 | \$59,531,800 | \$38,333,500 | 56.5% | |

Budget Change Items

1. DEBT SERVICE REESTIMATE

| | |
|-------|------------------|
| GPR | \$35,805,900 |
| PR | <u>2,527,600</u> |
| Total | \$38,333,500 |

Governor: Increase funding by \$12,069,800 GPR in 2021-22 and \$23,736,100 GPR in 2022-23 to reflect the reestimate of GPR debt service costs on state general obligation bonds and commercial paper debt issued for GPR-supported bonds as shown in the following table. Increase funding by \$661,100 PR in 2021-22 and \$1,866,500 PR in 2022-23 for debt service on PR-supported bonds.

| | <u>2020-21 Base Level Funding</u> | <u>Estimated Debt Service Changes</u> | |
|---|---------------------------------------|---------------------------------------|----------------|
| | | <u>2021-22</u> | <u>2022-23</u> |
| GPR Debt Service Appropriations | | | |
| Amounts Not Initially Allocated to Agencies | \$16,562,200 | \$15,426,300 | \$28,143,500 |
| Other Public Purposes | \$1,178,700 | 366,100 | 888,500 |
| Capitol and Executive Residence | 6,689,900 | -2,631,400 | -4,315,400 |
| AIDS Network | 23,600 | 1,500 | 300 |
| Grand Opera House in Oshkosh | 44,200 | 8,100 | -900 |
| Aldo Leopold Climate Change Classroom & Interactive Lab | 39,300 | -2,400 | -2,800 |
| Bradley Center Sports and Entertainment Corp. | 1,722,900 | -1,036,500 | -1,086,700 |
| AIDS Resource Center of Wisconsin | 62,900 | 3,900 | 700 |
| Madison Children's Museum | 19,700 | 1,200 | 200 |
| Myrick Hixon EcoPark | 42,600 | -5,900 | -300 |
| Lac du Flambeau Indian Tribal Center | 17,800 | -1,800 | -1,800 |
| Family Justice Center | 752,100 | -26,600 | -26,200 |
| HR Academy Youth Center | 126,300 | -4,800 | -27,600 |
| Hmong Cultural Centers | 20,700 | 1,400 | -800 |
| Children's Research Institute | 925,800 | -9,900 | -69,600 |
| Milwaukee Police Athletic League Youth Activity Center | 82,300 | -14,600 | -69,300 |
| Wisconsin Agriculture Education Center | 331,300 | -3,800 | -6,700 |
| Civil War Exhibit at Kenosha Museum | 33,700 | 700 | 200 |

| | 2020-21 Base | <u>Estimated Debt Service Changes</u> | |
|--|----------------------|---------------------------------------|----------------|
| | <u>Level Funding</u> | <u>2021-22</u> | <u>2022-23</u> |
| GPR Debt Service Appropriations (continued) | | | |
| Bond Health Center | \$76,300 | -\$34,100 | -\$19,800 |
| Eau Claire Confluence Arts | 1,010,400 | -10,600 | -19,000 |
| Carroll University | 187,600 | -1,900 | -3,400 |
| Domestic Abuse Intervention Facilities | 39,000 | -2,500 | -2,500 |
| K I Conference Center | 134,900 | -800 | -1,500 |
| Dane County Livestock Facilities | 637,600 | -64,000 | -62,600 |
| Wisconsin Maritime Center of Excellence | 394,100 | -47,800 | -49,500 |
| Norskedalen Nature and Heritage Center | 8,800 | 0 | 47,300 |
| La Crosse Center | 32,200 | 98,100 | 369,100 |
| St. Ann Center for Intergenerational Care, Inc.; Bucyrus | 349,500 | -6,800 | -11,400 |
| Brown County Innovation Center | <u>335,400</u> | <u>68,700</u> | <u>64,100</u> |
| Total GPR | \$31,881,800 | \$12,069,800 | \$23,736,100 |
| PR Debt Service Appropriations | | | |
| Energy Conservation Projects | \$768,700 | \$659,100 | \$1,924,300 |
| Aquaculture Demonstration Facility | <u>254,500</u> | <u>2,000</u> | <u>-57,800</u> |
| Total PR | \$1,023,200 | \$661,100 | \$1,866,500 |

2. GENERAL OBLIGATION REFUNDING AUTHORITY

Governor: Increase the amount of state public debt that may be contracted to refund unpaid indebtedness for tax-supported or self-amortizing facilities by \$2.0 billion, from \$7.51 billion to \$9.51 billion. Under current law, the Building Commission is authorized to contract public debt of up to \$7.51 billion to refund unpaid premium and interest amounts for tax-supported or self-amortizing facilities. Debt incurred under this appropriation is repaid from the appropriations that provide for the retirement of public debt incurred for facilities in proportional amounts to the purposes for which the debt was refinanced. No bonds may be issued unless the true interest costs to the state can be reduced.

[Bill Section: 518]

3. USE OF BOND PROCEEDS AND PREMIUMS FOR COSTS OF ADMINISTERING DEBT

Governor: Authorize the state to use bond proceeds for the costs of administering public debt and to use premium proceeds from the sale of bonds for costs incurred in contracting and administering public debt. Specify that the bonding authorization would not be reduced by the amount of premiums used for these expenses. Bonds are issued at a premium when the coupons on the bond maturities are above the market interest rates at the time of sale. In return for paying these higher coupon rates, the state receives proceeds in excess of the actual amount of principal borrowed, so that after consideration of the premium the state's true interest cost is consistent with market interest rates.

Under current law, premium proceeds are first used for the purposes for which the bonds

were issued, in proportion to the par value of the bond issue. If premiums are so used, the bonding authorization for those purposes is reduced by the amount of premiums used.

[Bill Sections: 193 thru 199]

4. INCOURAGE COMMUNITY FOUNDATION CONSTRUCTION GRANT

Governor: Authorize the Building Commission to provide \$3.0 million of GPR-supported bonding to assist the Incourage Community Foundation, Inc., in the remodeling of the former Daily Tribune building in the City of Wisconsin Rapids into an economic and community hub. Require that the state funding commitment be in the form of a grant to the Incourage Community Foundation, Inc. The grant would be funded from the Commission's existing \$25.0 million authorization for construction projects with a public purpose.

Specify that before approving any state funding commitment for the remodeling of the former Daily Tribune Building, the Building Commission would be required to make a determination that the that the Incourage Community Foundation, Inc., has secured additional funding for the project of at least \$3.0 million from non-state revenue sources. Require that if the Building Commission makes a grant to the Incourage Community Foundation, Inc., for the remodeling of the former Daily Tribune Building into an economic and community hub, the state would retain an ownership interest in the remodeled space equal to the amount of the state's grant if, for any reason, the remodeled space is not used for an economic and community hub.

Specify that the Legislature finds and determines that supporting entrepreneurs and innovators, providing facilities for job training, and promoting dynamic community revitalization and development are of vital importance in creating jobs and contributing to economic development and tourism in this state and are statewide responsibilities of statewide dimension. Further specify that it is in the public interest, and it is the public policy of this state, to assist the Incourage Community Foundation, Inc., in the remodeling of the former Daily Tribune building in the City of Wisconsin Rapids into an economic and community hub.

[Bill Sections: 45 and 46]