

Natural Resources**Projects Summary**

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030		2028	2030
Natural Resources Asset Preservation	1	GO	203,000	203,000	203,000	30,000	30,000	30,000
Natural Resources Betterment of Buildings	2	GO	43,000	43,000	43,000	3,000	3,000	3,000
Natural Resources Acquisition and Betterment of Public Lands	3	GO	29,000	29,000	29,000	2,000	2,000	2,000
Aviation Infrastructure	4	GO	16,000	0	0	5,000	0	0
Improving Accessibility of DNR-Managed Lands and Facilities	5	GO	10,000	10,000	10,000	2,000	0	0
Dam Safety Repair, Reconstruction or Removal	6	GO	10,000	10,000	10,000	10,000	10,000	10,000
Flood Hazard Mitigation Grant Assistance Program	7	GO	45,000	45,000	45,000	9,000	9,000	9,000
Parks and Trails Local and Regional Grant Program	8	GO	3,000	3,000	3,000	1,000	1,000	1,000
Total Project Requests			359,000	343,000	343,000	62,000	55,000	55,000
General Obligation Bonds (GO) Total			359,000	343,000	343,000	62,000	55,000	55,000

AT A GLANCE

Conserve and Manage Natural Resources

- Manage 1.3 million acres of wildlife management areas, 193,000 acres of scientific and natural areas, and 4.3 million acres of state forests
- Manage fisheries in 4,400 fishing lakes and over 18,800 miles of fishable streams and rivers in Minnesota
- Manage over 1,250 groundwater observation wells

Get People Outdoors

- Operate 73 state parks and recreation areas, 43 state forest campgrounds, and nine state waysides
- Manage 2.4 million license sales and 1.4 million boat and vehicle registrations
- Provide more than 29,340 miles of trails for hiking, biking, snowmobiles, off-highway vehicles, horseback riding, and cross-county skiing
- Manage 1,700 public water accesses, 390 fishing piers, and 35 water trails

Build the Economy

- Provide recreation opportunities that support to the state's \$13.5 billion outdoor recreation economy, which contributes 2.8 percent in value to the State GDP (U.S. Bureau of Economic Analysis, 2024), including \$700 million in direct local economic impacts from state park visitors (Minnesota State Park Visitor Survey, 2022)
- Manage 12 million acres of state mineral rights, including those on School Trust Lands, contributing directly to the state's economy
- Contribute to Minnesota's \$24.6 billion (according to 2023 estimate) forest products economy and meet forest certification requirements through forest management on 4.3 million acres of state lands, including 2.5 million acres of School Trust Lands

Serve the Public

- Respond to over 88,000 calls and emails from the public received by the DNR Information Center
- Ensure the health and safety of employees and visitors at nearly 3,000 facilities statewide
- Deliver information via the DNR website, which has 60 million pages viewed by 11.5 million users
- Protect people and property from wildfires and other natural disaster emergencies

PURPOSE

The mission of the Minnesota Department of Natural Resources (DNR) is to work with Minnesotans to conserve and manage natural resources, to provide outdoor recreation opportunities, and to provide for commercial uses of natural resources in a way that creates a sustainable quality of life.

STRATEGIES

To accomplish its mission, the DNR uses the following long-term strategic framework:

1. **Minnesota's waters, natural lands, and diverse fish and wildlife habitats are conserved and enhanced.**

The DNR works closely with partners to achieve this goal by:

- Enhancing management of surface waters and groundwater—through monitoring, permitting, education, and compliance—to ensure sustainability and quality
- Working with farmers, landowners, local officials, and the public to promote conservation and enhancement of forests, prairies, grasslands, and wetlands
- Proactively identifying and preventing the spread of invasive species

- Inventorying and monitoring the status of natural lands, waters, wildlife, and plants
- Implementing climate change mitigation and adaptation strategies through public land management activities and assistance to private landowners

2. **Minnesota's outdoor recreation opportunities meet the needs of new and existing participants so all benefit from nature.** The DNR seeks to engage more Minnesotans in outdoor activities to benefit health, community, and conservation by:

- Managing the state's parks, trails, forests, recreation areas, and other lands to provide quality, accessible visitor experiences and attract new users
- Modernizing our world-class camping, boating access, and other water-based recreation-infrastructure through the recent \$150 million Get Out MORE (Modernize Outdoor Recreation Experiences) investment that focuses on enhancing access and welcoming new users to public lands and outdoor recreation facilities to support outdoor recreation experiences
- Providing affordable outdoor learning experiences to beginners by implementing programs, such as the "I Can!" and "Learn to Hunt" Programs and the online Minnesota Outdoor Skills and Stewardship Series
- Promoting user-friendly, digital recreation information, available through new websites and mobile apps

3. **Minnesota's natural resources contribute to strong and sustainable job markets, economies and communities.** While ensuring strong environmental stewardship, the DNR helps generate billions of dollars a year for the state through outdoor recreation, forest products, and mineral and water resources, by:

- Maintaining diverse, healthy, and productive forests that meet third party certification standards while also providing a sustainable and predictable source of timber for Minnesota's forest products industry
- Continuously improving the foundation of knowledge used to provide science-based guidance for environmental review and permit decisions for mining and reclamation in Minnesota
- Fostering sustainable communities by improving data management systems to provide better access to and analysis of groundwater and surface water data
- Leasing mineral rights and real estate and selling land and timber from the School Trust portfolio
- Managing public lands, fish and wildlife populations, and facilities such as public water accesses and forest roads to support outdoor recreation experiences

4. **The DNR demonstrates operational excellence and continuous improvement in service to Minnesotans.** The DNR strives to continually improve services offered by:

- Ensuring the health and safety of employees and visitors at DNR facilities
- Employing a diverse workforce that reflects the communities we serve
- Improving access to parks, trails, and other DNR facilities for people of all abilities
- Maintaining work standards that reinforce positive and professional conduct, promote diversity and inclusion, and support staff training and development
- Increasing energy efficiency and renewable energy use to reduce costs and reduce the environmental impact of our operations
- Developing continuous improvement projects to improve efficiency of operations and customer satisfaction

Through the DNR's mission, goals, and strategic priorities as well as Governor Walz's One Minnesota strategic priorities, we partner with Minnesotans to ensure that Minnesota's abundant natural resources and outdoor places benefit all Minnesotans. These efforts contribute to broader outcomes for Minnesota. For example, the DNR helps to improve the health and wellbeing of children and families by advancing connections to the

outdoors. We also advance access and inclusion by striving to ensure its facilities, lands, and engagement processes are welcoming and accessible, and its services are equitable across economic and cultural communities.

Finally, the DNR's work is rooted in sound natural resources management. Thriving natural systems are critical for thriving communities. By managing for the sustained health of natural resources, the DNR contributes to community health and economic opportunity. In this work, the agency is committed to mitigating and adapting to climate change and enhancing the climate resiliency of natural systems and communities now and into the future. These outcomes are achieved through the agency's responsible and thoughtful use of public funds for managing Minnesota's natural resources and continual improvements that lead to improved operational efficiency and transparency.

Department of Natural Resources legal authority comes from Minnesota Statutes:

- 84 (<https://www.revisor.mn.gov/statutes/?id=84>)
- 84A-84D (<https://www.revisor.mn.gov/statutes/part/CONSERVATION>)
- 85-87A (<https://www.revisor.mn.gov/statutes/part/RECREATION>)
- 88-91 (<https://www.revisor.mn.gov/statutes/part/FORESTRY>)
- 92-94 (<https://www.revisor.mn.gov/statutes/part/LANDS+AND+MINERALS>)
- 97-102 (<https://www.revisor.mn.gov/statutes/part/GAME+AND+FISH>)
- 103A (<https://www.revisor.mn.gov/statutes/?id=103A>)
- 127A (<https://www.revisor.mn.gov/statutes/?id=127A>)

AT A GLANCE

The mission of the Minnesota Department of Natural Resources (DNR) is to *work with Minnesotans to conserve and manage the state's natural resources, to provide outdoor recreation opportunities, and to provide for commercial uses of natural resources in a way that creates a sustainable quality of life.*

The DNR manages a broad array of lands, buildings, facilities and infrastructure that serve and benefit people across Minnesota and support the advancement of the following mission-focused goals:

- **Goal 1:** Minnesota's waters, natural lands, and diverse fish and wildlife habitats are conserved and enhanced.
- **Goal 2:** Minnesota's outdoor recreation opportunities meet the needs of new and existing participants so all benefit from nature.
- **Goal 3:** Minnesota's natural resources contribute to strong and sustainable job markets, economies, and communities.
- **Goal 4:** DNR demonstrates operational excellence and continuous improvement in service to Minnesotans.

Significant ongoing investment is required to ensure that DNR-managed assets are safe and functional for the public and employees, support the conservation of Minnesota's natural resources and preserve the state's investment in facilities and infrastructure.

Factors Impacting Facilities or Capital Programs

The DNR is responsible for extensive capital assets — both “built” (e.g., buildings, forest roads, campgrounds, fish hatcheries, boat ramps, dams) and “natural” (e.g., public lands). In addition to being diverse in type, these assets are geographically dispersed across all 87 counties and 5.6 million acres of public land in Minnesota. DNR-managed lands, buildings, facilities and infrastructure serve Minnesotans across the state, are part of the fabric of communities and contribute to our quality of life.

DNR assets are also critical to advancing the DNR's mission of working with Minnesotans to conserve and manage natural resources, provide outdoor recreation opportunities, and provide for commercial uses of natural resources in a way that creates a sustainable quality of life. Through a robust capital asset management program, the DNR manages existing assets in alignment with its mission, Conservation Agenda, and Strategic Plan, and identifies and advances capital budget requests that reflect the highest-priority capital investment needs.

Biennially, the DNR publishes a 10-Year Capital Asset Need Report that summarizes asset conditions and identifies the funding needed to restore DNR-managed built assets back to “fair” or better condition within 10 years. The most recent report, completed in September 2025, concludes that meeting this goal would require an investment of \$279 million each year for the next 10 years. The report also summarizes the most pressing challenges and opportunities the DNR is facing in managing facilities and infrastructure to best serve Minnesotans. Challenges include the advanced age of many of the DNR's capital assets and their increased maintenance needs, and continued growth in the deferred maintenance backlog.

The DNR's approach to capital investment and asset preservation is not solely focused on assessing, repairing and replacing facilities and infrastructure in-kind, but also *improving* capital assets to better serve all Minnesotans. These needs include expanding accessibility, increasing energy and water efficiency, and building climate resiliency into facilities and infrastructure across the state. Capital investment also allows the DNR to acquire, restore and improve the public lands that are essential to Minnesotans' health and wellbeing.

Lastly, it is important to note that the DNR recognizes that our capital investment needs significantly exceed what is realistically available in bond funding – particularly given the vast infrastructure demands facing all levels of government in Minnesota. Therefore, we are also pursuing additional strategies to manage our capital investment needs. These include focusing on taking care of existing assets before adding new; making difficult choices about where to prioritize accessibility and other improvements; and divesting assets that no longer serve a public purpose, have reached the end of their useful life, or are simply no longer within our capacity to repair or operate and maintain.

The DNR's 2026 Capital Budget request was formulated to address the most pressing capital investment needs to advance the following four strategic goals of the Conservation Agenda and Strategic Plan:

Goal 1: Minnesota's waters, natural lands, and diverse fish and wildlife habitats are conserved and enhanced.

The DNR works closely with partners to protect and restore Minnesota's landscapes, manage fish and wildlife populations, prevent and curb the spread of harmful invasive species, and implement climate change mitigation and adaptation practices on public lands. The 2026 Capital Budget request includes funding for the strategic acquisition and betterment of public lands, as well as repairs and enhancements to the facilities (e.g., offices, fish hatcheries, shops, and storage) critical to this conservation work.

Goal 2: Minnesota's outdoor recreation opportunities meet the needs of new and existing participants so all benefit from nature. Outdoor recreation is vital to Minnesotan's health and quality of life, community prosperity and robust tourism economy. The 2026 request aims to ensure people have access to high quality, diverse outdoor experiences by providing for the repair, renewal, and improved accessibility and development of parks, trails, forest recreation areas, public water access sites and wildlife management areas.

Goal 3: Minnesota's natural resources contribute to strong and sustainable job markets, economies, and communities. Minnesota's natural resource-based economies – including tourism, forest products, and mineral resources – generate billions of dollars in economic activity. Investing in these economies is critical to the state's long-term economic health. The 2026 request would advance this goal by improving the health and diversity of the state's forest lands, repairing roads and bridges that support forest management and outdoor recreation, mitigating flood risk, enhancing outdoor recreation experiences, supporting wildfire suppression, and providing grant funding to assist Minnesota communities.

Goal 4: DNR demonstrates operational excellence and continuous improvement in service to Minnesotans.

Accomplishing our natural resource goals requires operational excellence. The DNR must continually seek to improve efficiency and effectiveness on behalf of Minnesotans. This includes maintaining, enhancing and replacing DNR-managed assets to ensure they continue to serve the public now and into the future. This includes investing in DNR's facilities and infrastructure to ensure safe and effective delivery of public services.

Through the 2026 Capital Budget request, the DNR seeks to improve its delivery of conservation services, connect more people to the outdoors, better serve diverse communities, ensure the health and safety of Minnesotans, reduce operating costs, reduce greenhouse gas emissions, and preserve the state's cultural and ecological assets.

Self-Assessment of Agency Facilities and Assets

Built Assets (i.e., Buildings and Infrastructure): The following are a few examples of the condition of DNR-managed built assets; more details can be found in the 2025 10-year Capital Asset Need Report:

- **Buildings:** Of the nearly 3,000 buildings for which the DNR has responsibility, including 240 DNR-owned buildings where employees report to work:
 - Nearly 1 in 3 buildings are over 80 years old
 - 1 in 4 buildings are in unacceptable or poor condition
 - Only 1 in 4 buildings meet today's design and building standards

- **Roads:** The DNR manages 4,730 miles of paved and unpaved roads within state forests, state parks and recreation areas and wildlife management areas. Roughly 180 road miles need to be rehabilitated each year to keep them in safe and passable condition.
- **Bridges:** The DNR owns 534 pedestrian and vehicle bridges statewide. These bridges provide safe crossings over rivers, streams, and highways for a variety of purposes including recreation, resource management and emergency response. A number of the bridges are in need of attention to address significant structural issues that have resulted in mandatory closures to traffic or the imposition of weight restrictions.
- **Dams:** The DNR manages 311 dams, many which were built in the 1930s. There is a growing need to rehabilitate or remove these dams, as a majority are beyond their expected useful life.
- **Fish Hatcheries:** Many DNR hatcheries were constructed in the 1950s and are still operating with original equipment. Significant repairs and modernization are needed. Further, in the last decade, fish diseases and aquatic invasive species have become a much greater concern. As a result, hatcheries require more sophisticated equipment and maintenance.
- **Replacement/modernization needs:** In addition to the repair and rehabilitation needs highlighted above, many DNR facilities have reached the end of their useful life or no longer meet their intended purpose, requiring a total replacement, modernization or expansion. These include: DNR offices, shops, hatcheries and storage buildings that cannot be retrofitted to address significant accessibility, health and safety, and mechanical issues or modernization needs.

Natural Assets (e.g., public lands): Capital investment needs and opportunities associated with DNR-managed public lands include: reforestation, acquisition of strategic in-holdings and easements, development of parking areas and trails at wildlife and aquatic management areas, stream restoration, and development and replacement of recreational facilities like campgrounds and shore-fishing areas. These investments advance natural resource conservation goals, support local economies, and help ensure Minnesotans of all incomes and abilities can access and enjoy public lands.

Agency Process for Determining Capital Requests

The 2026 Capital Budget request is designed to advance the agency's mission and goals. The DNR's 2025 10-year Capital Asset Need Report (<https://files.dnr.state.mn.us/aboutdnr/legislativeinfo/10yr-capital-asset-need.pdf>), Conservation Agenda, and Strategic Plan ([mndnr.gov/conservation agenda](http://mndnr.gov/conservation-agenda)) guided the development of this request. The capital budget development process involves an agency-wide interdisciplinary approach. The process starts with the DNR senior management team discussing investment needs and establishing principles to guide proposal development. Program staff and the capital budget team then develop proposals based on the analysis of capital needs and identified principles. Lastly, proposals are discussed and prioritized by senior managers and finalized by the DNR Commissioners.

Major Capital Projects Authorized in 2024 and 2025

- Natural Resources Asset Preservation (\$33 million)
- State Forest Reforestation (\$1 million)
- Improving Accessibility of DNR-managed lands and facilities (\$1 million)
- Flood Hazard Mitigation Grants (\$9 million)

(\$ in thousands)

Natural Resources Asset Preservation

AT A GLANCE**2026 Request Amount:** \$203,000**Priority Ranking:** 1**Project Summary:** \$203 million in GO bonds for repair or renovation of degraded or failing capital assets (including buildings, roads, trails, public water accesses, bridges, recreational facilities and more) to ensure they are safe and functional for the recreating public, support the conservation of Minnesota's natural resources, and preserve the state's investment in its capital assets.**Project Description**

The Minnesota Department of Natural Resources (DNR) requests \$203 million for Natural Resources Asset Preservation (NRAP) under M.S. 84.946 to address the following high-priority needs:

- **Buildings:** \$70 million for repair and deferred maintenance of existing buildings, particularly to bring crisis or poor buildings and building components up to acceptable or better condition. Special focus will be paid to safety, accessibility, and operational efficiency.
- **Water and Wastewater Systems:** \$12 million to address aging, failing and substandard water and wastewater infrastructure statewide, including at our most heavily used state parks such as Itasca and Lake Bemidji state parks.
- **Roads, Trails, and Bridges:** \$42 million to provide critical repair and renewal of poor-condition and failing roads, trails, culverts, and bridges on state public lands. DNR-managed roads provide essential access to state forests, parks, recreation areas, wildlife management areas, and private lands—supporting outdoor recreation, economic activity, and emergency response. State trails, which see about 2 million visitors annually, offer affordable outdoor recreation.
- **Public Water Access Sites (PWAs) and Lake Superior Small Craft Harbors:** \$12 million to continue to rehabilitate Minnesota's public water accesses and harbors to make them accessible to all users, meet the needs of modern vessels (both motorized and paddle sports), improve protection of public waters from stormwater runoff and invasive species, and enhance resilience from more frequent and intense storm events.
- **Water Control Structures:** \$10 million to repair or replace deteriorating water control structures that provide waterfowl habitat and support fisheries on key shallow lakes and wetlands across Minnesota.
- **Campsites, Group Camps, Shower Buildings, Day Use Areas, and Vault Toilets:** \$47 million to address deferred maintenance and meet the changing needs of the public by refurbishing campgrounds, group camps, shower buildings, day use areas, and vault toilets in state parks, recreation areas, and forest campgrounds.

- **Hatcheries:** \$10 million for critical repairs to fish hatchery facilities that support conservation, outdoor recreation, tourism, and rural economies.

Project Rationale

The DNR manages \$4.36 billion in built assets - facilities and infrastructure that span every Minnesota county. DNR-managed lands, buildings, facilities, and infrastructure are part of the fabric of communities. These assets help to connect Minnesotans with the outdoors, support local and statewide economies, conserve natural resources, and enhance quality of life. Stewardship of these assets requires ongoing repair, renovation, and replacement.

Two complementary components of DNR's overall bonding request support this stewardship: NRAP, which funds repair, renovation, and like-for-like replacement of existing capital assets; and "Betterment of Buildings," which funds major improvements, expansion, and new construction to address buildings that no longer meet current needs. Together, these programs target critical preservation, renewal, and modernization needs.

The growing list of deferred maintenance (currently estimated to total \$789 million) poses considerable risk to the safety and usability of DNR-managed assets, and the public benefits they provide. Significant NRAP investment is essential to address this risk. As DNR addresses asset preservation, the agency also upgrades to today's standards and best practices, whether that be accessibility, energy efficiency, or climate resiliency, thereby enabling the DNR to better serve all Minnesotans into the future.

Project Timeline

The project will be completed within the given time frame.

Other Considerations

The DNR's asset preservation needs are further documented in the most recent DNR 10-Year Capital Asset Need report (mndnr.gov/reports).

Impact on Agency Operating Budgets

This request does not require additional operating funds. Addressing agency asset preservation needs in a timely manner prevents more costly repairs in the future. Operating funds may be needed for capital repairs if future bonding appropriations are insufficient.

Description of Previous Appropriations

L2025, 1st Spec. Sess. Ch. 15 – Bond, Asset Preservation \$33,000,000

L2023, Ch. 72 - Bond, Asset Preservation \$36,000,000

L2020, 5th Spec. Sess. Ch. 3 - Bond, Asset Preservation \$20,000,000

L2019 Ch. 2 - Bond, Asset Preservation, \$3,419,000

L2018 Ch. 214 - Bond, Asset Preservation, \$26,581,000

L2017, 1st Spec. Sess. Ch. 8 - Bond, Asset Preservation, \$15,000,000

Project Contact Person

Samantha Minkler
Capital Asset Manager
651-259-5701
Samantha.Minkler@state.mn.us

Governor's Recommendation

The Governor recommends \$30 million in general obligation bonds for this request. Also included are budget estimates of \$30 million for each planning period for 2028 and 2030.

Natural Resources

Project Detail

(\$ in thousands)

Natural Resources Asset Preservation

PROJECT FUNDING SOURCES

Funding Source	Six Prior Years	FY 2026	FY 2028	FY 2030
<i>State Funds Appropriated and Requested</i>				
General Obligation Bonds	\$ 89,000	\$ 203,000	\$ 203,000	\$ 203,000
<i>State Funds Pending</i>				
<i>Non-State Funds Already Committed</i>				
<i>Non-State Funds Pending</i>				
TOTAL	\$ 89,000	\$ 203,000	\$ 203,000	\$ 203,000

TOTAL PROJECT COSTS

Cost Category	Six Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 13,350	\$ 30,450	\$ 30,450	\$ 30,450
Project Management	\$ 8,900	\$ 20,300	\$ 20,300	\$ 20,300
Construction	\$ 66,394	\$ 151,500	\$ 151,500	\$ 151,500
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 356	\$ 750	\$ 750	\$ 750
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 89,000	\$ 203,000	\$ 203,000	\$ 203,000

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2026	FY 2028	FY 2030
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0	0	0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 203,000	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	N/A
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	Yes
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	No
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Natural Resources

Project Narrative

(\$ in thousands)

Natural Resources Betterment of Buildings

AT A GLANCE

2026 Request Amount: \$43,000

Priority Ranking: 2

Project Summary: \$43 million in GO bonds to modernize or replace existing facilities and invest in new facilities to better serve all Minnesotans.

Project Description

The Minnesota Department of Natural Resources (DNR) requests \$43 million to acquire, construct, and improve buildings under M.S. 86A.12. The request will support significant modernization and enhancement efforts including:

- Replacing or significantly enhancing DNR offices and storage facilities to improve accessibility, staff safety, public service, and operational effectiveness;
- Designing a new St. Paul Fish Hatchery to replace the existing facility, which was last updated in the 1980's;
- Completing the construction of a new seed extractory, packing house and cooler, and office expansion and remodel at the State Forest Nursery facility at Badoura; and,
- Constructing new or significantly modernized/enhanced visitor centers, picnic shelters, trail center facilities, camper cabins, and campground shower buildings at state parks and recreation areas.

Project Rationale

The DNR manages built assets valued at \$4.36 billion for the benefit of all Minnesotans. This infrastructure, which spans every Minnesota county and reflects generations of investment, connects Minnesotans with the outdoors, supports community prosperity, conserves our natural heritage, and contributes to our quality of life.

Funding for Betterment of Buildings is a critical complement to funding for Natural Resources Asset Preservation (NRAP). NRAP funding addresses the backlog of deferred maintenance that affects the safety, usability, and effectiveness of DNR-managed facilities and infrastructure. "Betterment" funding allows for substantial improvements or additions to, or replacement of, buildings that fail to meet current needs or have reached the end of their useful life, and construction of new buildings essential to advancing the DNR's mission.

The growing list of renewal and replacement needs poses considerable risk to the public benefits provided by DNR-managed assets, including rearing fish for stocking Minnesota lakes and streams, growing trees for reforestation and forest/woodlot enhancements, serving the public at DNR offices, and providing high-quality outdoor recreation opportunities.

Renewal and replacement of DNR-managed buildings also reduces operating costs and enhances public value by replacing antiquated buildings with ones that require less energy and water to operate, have greater safety features, provide better access to all Minnesotans, and require significantly less maintenance now and into the future.

Project Timeline

The project will be completed within the given time frame.

Other Considerations

When determining building needs, the DNR looks for opportunities to consolidate uses to promote efficient use of space and reduce long-term operating costs (example: co-located offices or storage).

Impact on Agency Operating Budgets

Betterment of Buildings activities have been funded through capital investments before and this proposal is not expected to result in new impacts on operating budgets. Addressing agency capital asset needs in a timely manner prevents more costly repairs in the future. Operating funds may be needed for capital repairs if future bonding appropriations are insufficient.

Description of Previous Appropriations

L2023, Ch. 72 - Bond, Buildings, \$30,000,000

L2018, Ch. 214 - Bond, Buildings, \$6,000,000

Project Contact Person

Samantha Minkler

Capital Asset Manager

651-259-5701

Samantha.Minkler@state.mn.us

Governor's Recommendation

The Governor recommends \$3 million in general obligation bonds for this request. Also included are budget estimates of \$3 million for each planning period for 2028 and 2030.

Natural Resources

Project Detail

(\$ in thousands)

Natural Resources Betterment of Buildings

PROJECT FUNDING SOURCES

Funding Source	Six Prior Years	FY 2026	FY 2028	FY 2030
<i>State Funds Appropriated and Requested</i>				
General Obligation Bonds	\$ 30,000	\$ 43,000	\$ 43,000	\$ 43,000
<i>State Funds Pending</i>				
<i>Non-State Funds Already Committed</i>				
<i>Non-State Funds Pending</i>				
TOTAL	\$ 30,000	\$ 43,000	\$ 43,000	\$ 43,000

TOTAL PROJECT COSTS

Cost Category	Six Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 150	\$ 215	\$ 215	\$ 215
Design Fees	\$ 4,500	\$ 6,450	\$ 6,450	\$ 6,450
Project Management	\$ 3,000	\$ 4,300	\$ 4,300	\$ 4,300
Construction	\$ 21,660	\$ 31,035	\$ 31,035	\$ 31,035
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 690	\$ 1,000	\$ 1,000	\$ 1,000
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 30,000	\$ 43,000	\$ 43,000	\$ 43,000

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2026	FY 2028	FY 2030
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0	0	0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 43,000	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	Yes
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	No
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Natural Resources

Project Narrative

(\$ in thousands)

Natural Resources Acquisition and Betterment of Public Lands

AT A GLANCE

2026 Request Amount: \$29,000

Priority Ranking: 3

Project Summary: \$29 million in GO bonds to acquire and better public lands in order to conserve Minnesota's natural resources, enrich outdoor recreational opportunities, and provide for sustainable commercial uses of natural resources.

Project Description

The Minnesota Department of Natural Resources (DNR) requests \$29 million to acquire and improve DNR-managed public lands under M.S. 86A.12.

Acquisition: \$13 million is requested to acquire, either in fee or through easements:

- High-priority parcels for Wildlife Management Areas (WMAs) and Aquatic Management Areas (AMAs).
- Strategic in-holdings for state parks and recreation areas, and high-priority parcels for state trails, and public water accesses.
- Forested parcels currently in private ownership that might otherwise be converted to non-forest uses.

Betterment of Public Lands: \$16 million is requested to improve public lands, including:

- Reforestation after timber harvests, forest pest outbreaks, and storms/wildfires.
- Forest stand improvement projects to enhance species diversity, resilience, wildlife habitat, water quality benefits, and economic value.
- Renewal and replacement of campgrounds and day-use areas and development of new campgrounds or campground loops to meet the needs of current and future users. This includes adding new tenting and group campsites, adding amenities such as larger campsites and increased capacity for RV camping at existing campgrounds, adding or enhancing campground electrical connections and dump stations for recreational vehicles (RVs), and building trailheads.

Project Rationale

Minnesota's public lands are vital to the health and wellbeing of the state. They provide opportunities for those of all incomes and abilities to connect with and enjoy the benefits of the outdoors, and they contribute to the health of local economies. Continued investment is needed both to maintain the rich outdoor resources Minnesotans currently enjoy and to ensure the state's public lands meet the

needs of a growing and changing population. Investment is also needed to help ensure Minnesota's natural systems are resilient to the effects of climate change and other large-scale landscape impacts.

Project Timeline

The project will be completed within the given time frame.

Other Considerations

DNR evaluates acquisitions using department-wide Strategic Land Asset Management (SLAM) goals, as well as division- and program-specific goals for Forestry, Parks and Trails, Fish and Wildlife and Ecological and Water Resources. DNR's department-wide land acquisition goals are to:

- Increase close-to-home outdoor recreation opportunities
- Protect significant and/or rare natural resources
- Restore and protect water resources
- Mitigate and adapt to climate change
- Expand access to existing land holdings
- Consolidate land ownership, creating larger, contiguous blocks of DNR lands

Impact on Agency Operating Budgets

Land acquisitions can impact operating budgets. Acquiring in-holdings may increase operating efficiency by consolidating ownership and reducing boundary and trespass issues. Some acquisitions may result in development of new facilities in the future, which could increase operating costs. Campground expansions may increase operating costs but also expand revenue collected from camping fees.

Description of Previous Appropriations

L2025, 1st Spec. Sess. Ch. 15 – Bond, Reforestation, \$1,000,000

L2023, Ch. 72 – General Fund, Acquisition and Betterment of Public Lands, \$2,500,000

L2023, Ch. 72 - Bond, Reforestation, \$6,000,000

L2020, 5th Spec. Sess. Ch. 3 - Bond, Forests for the Future (i.e., easement acquisitions), \$1,000,000

L2018, Ch. 214 - Bond, Reforestation, \$3,000,000

L2017, 1st Spec. Sess. Ch. 8 - Bond, Reforestation, \$1,000,000

L2017, 1st Spec. Sess. Ch. 8 - Bond, Parks and Trails, \$14,548,000

L2017, 1st Spec. Sess. Ch. 8 - Bond, St. Paul Invasive Tree Pests, \$1,500,000

Project Contact Person

Samantha Minkler

Capital Asset Manager

651-259-5701

Samantha.Minkler@state.mn.us

Governor's Recommendation

The Governor recommends \$2 million in general obligation bonds for this request. Also included are budget estimates of \$2 million for each planning period for 2028 and 2030.

Natural Resources

Project Detail

(\$ in thousands)

Natural Resources Acquisition and Betterment of Public Lands

PROJECT FUNDING SOURCES

Funding Source	Six Prior Years	FY 2026	FY 2028	FY 2030
<i>State Funds Appropriated and Requested</i>				
General Obligation Bonds	\$ 8,000	\$ 29,000	\$ 29,000	\$ 29,000
General Fund Cash	\$ 2,500	\$ 0	\$ 0	\$ 0
<i>State Funds Pending</i>				
<i>Non-State Funds Already Committed</i>				
<i>Non-State Funds Pending</i>				
TOTAL	\$ 10,500	\$ 29,000	\$ 29,000	\$ 29,000

TOTAL PROJECT COSTS

Cost Category	Six Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$ 1,000	\$ 13,000	\$ 13,000	\$ 13,000
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 1,425	\$ 2,100	\$ 2,100	\$ 2,100
Project Management	\$ 950	\$ 1,600	\$ 1,600	\$ 1,600
Construction	\$ 7,125	\$ 12,300	\$ 12,300	\$ 12,300
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 10,500	\$ 29,000	\$ 29,000	\$ 29,000

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2026	FY 2028	FY 2030
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0	0	0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 29,000	100 %

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	N/A
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	No
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Natural Resources

Project Narrative

(\$ in thousands)

Aviation Infrastructure

AT A GLANCE

2026 Request Amount: \$16,000

Priority Ranking: 4

Project Summary: \$16 million in GO bonds to modernize aviation infrastructure in Brainerd that supports effective response to wildfires, law enforcement response and search and rescue operations, and other safety and natural resource management needs.

Project Description

The Minnesota Department of Natural Resources (DNR) proposes critical infrastructure upgrades to modernize its aviation facilities at the Brainerd Regional Airport. The project includes replacing outdated modular units and sheds with a new wildfire and emergency response operations center, rebuilding deteriorated aircraft parking and airtanker loading area pavement, and consolidating three leased hangars into a single, purpose-built facility that better meets the need for secure storage and work areas. These improvements will enhance efficiency, coordination, and effectiveness in emergency response and natural resource management.

Project Rationale

DNR aviation units, based in the divisions of Forestry and Enforcement, are vital to the state's wildfire and emergency response operations. The aviation unit in Brainerd is strategically located to support wildfire and emergency response needs in Central Minnesota and is the primary base for large airtanker operations in the region.

DNR aviation teams respond to wildfires, floods, windstorms, and winter storm damage on state-administered lands. They provide critical initial attack and surveillance for wildfire suppression, support law enforcement activities, conduct search and rescue, and transport medical and first responder personnel to remote areas inaccessible by road—often saving lives and bolstering public safety in critical moments. Beyond emergency response, DNR's aviation fleet supports a wide range of natural resource management tasks across Minnesota including wildlife surveys, forest health assessments, fish stocking, invasive species control, and supply transport.

Airtanker bases, hangars, and helibase facilities must be secure, safe, energy efficient, and provide the space needed for dispatch and operations personnel, aircraft, pilots, and crews to support effective response to wildfires and other emergency response and public safety needs on state lands. With a long track record of serving Minnesotans and protecting natural resources, the DNR's aviation program now faces constraints from aging and inefficient infrastructure. Investing in aviation facilities is essential to maintaining rapid response capabilities, safeguarding valuable equipment, and ensuring

long-term program sustainability. This project will continue the effort to modernize aviation infrastructure that began with the replacement of the airplane ramp in Hibbing, Minnesota.

Project Timeline

The project will be completed within the given time frame.

Other Considerations

The DNR is working with the Brainerd Lakes Regional Airport Commission on this project and may grant the commission funds to execute construction.

Impact on Agency Operating Budgets

This request does not require additional operating funds. This project is expected to reduce operating expenses by reducing hangar rental fees and improving building weatherization.

Description of Previous Appropriations

L2023, Ch. 72 - Bond, Wildfire Aviation Infrastructure, \$6,360,000

Project Contact Person

Samantha Minkler
Capital Asset Manager
651-259-5701
Samantha.Minkler@state.mn.us

Governor's Recommendation

The Governor recommends \$5 million in general obligation bonds for this request.

Natural Resources

Project Detail

(\$ in thousands)

Aviation Infrastructure

PROJECT FUNDING SOURCES

Funding Source	Six Prior Years	FY 2026	FY 2028	FY 2030
<i>State Funds Appropriated and Requested</i>				
General Obligation Bonds	\$ 6,360	\$ 16,000	\$ 0	\$ 0
<i>State Funds Pending</i>				
<i>Non-State Funds Already Committed</i>				
<i>Non-State Funds Pending</i>				
TOTAL	\$ 6,360	\$ 16,000	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Six Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 32	\$ 80	\$ 0	\$ 0
Design Fees	\$ 954	\$ 2,320	\$ 0	\$ 0
Project Management	\$ 636	\$ 1,600	\$ 0	\$ 0
Construction	\$ 4,713	\$ 12,000	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 25	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 6,360	\$ 16,000	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2026	FY 2028	FY 2030
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0	0	0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 16,000	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	Yes
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	No
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Natural Resources

Project Narrative

(\$ in thousands)

Improving Accessibility of DNR-Managed Lands and Facilities

AT A GLANCE

2026 Request Amount: \$10,000

Priority Ranking: 5

Project Summary: \$10 million in GO bonds to comprehensively improve the accessibility of DNR-managed lands and facilities to Minnesotans of all abilities.

Project Description

The Minnesota Department of Natural Resources (DNR) requests \$10 million to comprehensively improve the accessibility of state-managed lands and facilities to Minnesotans of all abilities. The funding will enable the DNR to create more accessible experiences for visitors to high-use state parks and recreation areas, as well as high-visitation wildlife management areas (WMAs) and aquatic management areas (AMAs). Improving accessibility at DNR-managed facilities and public lands enhances the experience of all users and advances the DNR's strategic priorities of connecting people to the outdoors and expanding diversity, equity, and inclusion.

Project Rationale

Many DNR buildings and facilities are more than 50 years old and were built before the advent of state and federal accessibility standards. While recent renovations and construction projects meet these standards, the project-by-project approach to addressing accessibility needs has resulted in a “patchwork quilt” of accessible and not-yet-accessible features across DNR-managed state parks, recreation areas, WMAs, and AMAs. As a result, visitors with disabilities can enjoy certain components of a site, but not an accessible experience.

The DNR has been partnering with the Minnesota Council on Disability and others to identify opportunities to more comprehensively enhance accessibility at public lands and facilities. This project will build on recent successes, such as the comprehensive accessibility improvements completed at William O’Brien State Park in 2025. It will provide for more accessible experiences across the state so that all Minnesotans can enjoy public lands and facilities in their entirety.

Project Timeline

The project will be completed within the given time frame.

Other Considerations

Enhanced accessibility opens outdoor experiences to people with disabilities and improves access and experience for people of all abilities.

Impact on Agency Operating Budgets

Investments that increase accessibility have been funded through capital investments for many years

and this proposal is not expected to result in new impacts on operating budgets.

Description of Previous Appropriations

L2025, 1st Spec. Sess. Ch. 15 - Bond, \$1,000,000

L2023, Ch. 72 - Bond, \$1,200,000

L2020, 5th Spec. Sess. Ch. 3 - Bond, \$3,000,000

L2018, Ch. 214 - Bond, \$500,000

Project Contact Person

Samantha Minkler

Capital Asset Manager

651-259-5701

Samantha.Minkler@state.mn.us

Governor's Recommendation

The Governor recommends \$2 million in general obligation bonds for this request.

Natural Resources

Project Detail

(\$ in thousands)

Improving Accessibility of DNR-Managed Lands and Facilities

PROJECT FUNDING SOURCES

Funding Source	Six Prior Years	FY 2026	FY 2028	FY 2030
<i>State Funds Appropriated and Requested</i>				
General Obligation Bonds	\$ 5,200	\$ 10,000	\$ 10,000	\$ 10,000
<i>State Funds Pending</i>				
<i>Non-State Funds Already Committed</i>				
<i>Non-State Funds Pending</i>				
TOTAL	\$ 5,200	\$ 10,000	\$ 10,000	\$ 10,000

TOTAL PROJECT COSTS

Cost Category	Six Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 780	\$ 1,500	\$ 1,500	\$ 1,500
Project Management	\$ 520	\$ 1,000	\$ 1,000	\$ 1,000
Construction	\$ 3,900	\$ 7,500	\$ 7,500	\$ 7,500
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 5,200	\$ 10,000	\$ 10,000	\$ 10,000

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2026	FY 2028	FY 2030
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0	0	0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 10,000	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	Yes
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	No
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Natural Resources

Project Narrative

(\$ in thousands)

Dam Safety Repair, Reconstruction or Removal

AT A GLANCE

2026 Request Amount: \$10,000

Priority Ranking: 6

Project Summary: \$10 million in GO bonds for repair, modification, or removal of public dams to 1) prevent public safety hazards, 2) maintain structural integrity, 3) regulate water levels on recreational lakes, and 4) improve fish and wildlife habitat, water quality, water availability and recreational value.

Project Description

This request supports the DNR's Dam Safety Program, which was established under M.S. 103G.511 to manage Minnesota's public dam infrastructure. The program provides design, engineering, and construction assistance to repair, reconstruct, or remove dams, and to respond to dam safety emergencies. Minnesota's public dam infrastructure includes nearly 650 dams owned by the state, counties, cities, and watershed districts. The state owns more than 300 of these public dams.

This request will support the repair or removal of approximately the top five DNR-managed dams and top six locally owned dams identified on the Dam Safety Project Priority List*. About 10 percent of the request will be reserved for emergencies. Prior to the end of the funding window, unspent emergency funds will be used for the next highest priority projects identified on the Dam Safety Project Priority List.

* The DNR prepares the Dam Safety Project Priority List as directed by M.S. 103G.511, subd 12.

Project Rationale

Most public dams are over 50 years old. Capital investment funding is needed to repair, modify, reconstruct, or remove these aging dams to 1) prevent public safety hazards, 2) maintain structural integrity, 3) regulate water levels on recreational lakes, and 4) improve fish and wildlife habitat, water quality, water availability, and recreational value. Emergency repairs also must be made when extreme weather events or emerging structural challenges affect integrity or safety.

Project Timeline

The project will be completed within the given time frame.

Other Considerations

As a part of the Dam Safety Program, every other year the DNR develops and submits to the legislature a Dam Safety Project Priority List. This list, along with the maintenance needs identified in the DNR's 10-Year Capital Asset Need Report, informs each capital request for dam safety repair,

reconstruction, and removal.

Impact on Agency Operating Budgets

The Dam Safety Program has been funded by capital investments for many years and is not expected to result in new impacts on operating budgets.

Description of Previous Appropriations

L2023, Ch. 72 – Bond, \$4,000,000

L2020, 5th Spec. Sess. Ch. 3 - Bond, \$20,000,000

L2017, 1st Spec. Sess. Ch. 8 - Bond, \$9,400,000

Project Contact Person

Samantha Minkler

Capital Asset Manager

651-259-5701

Samantha.Minkler@state.mn.us

Governor's Recommendation

The Governor recommends \$10 million in general obligation bonds for this request. Also included are budget estimates of \$10 million for each planning period for 2028 and 2030.

Natural Resources

Project Detail

(\$ in thousands)

Dam Safety Repair, Reconstruction or Removal

PROJECT FUNDING SOURCES

Funding Source	Six Prior Years	FY 2026	FY 2028	FY 2030
<i>State Funds Appropriated and Requested</i>				
General Obligation Bonds	\$ 24,000	\$ 10,000	\$ 10,000	\$ 10,000
<i>State Funds Pending</i>				
<i>Non-State Funds Already Committed</i>				
<i>Non-State Funds Pending</i>				
TOTAL	\$ 24,000	\$ 10,000	\$ 10,000	\$ 10,000

TOTAL PROJECT COSTS

Cost Category	Six Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 3,840	\$ 1,600	\$ 1,600	\$ 1,600
Project Management	\$ 1,680	\$ 700	\$ 700	\$ 700
Construction	\$ 18,480	\$ 7,700	\$ 7,700	\$ 7,700
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 24,000	\$ 10,000	\$ 10,000	\$ 10,000

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2026	FY 2028	FY 2030
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0	0	0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 10,000	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	N/A
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	N/A
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	No
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	Yes
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Natural Resources

Project Narrative

(\$ in thousands)

Flood Hazard Mitigation Grant Assistance Program

AT A GLANCE

2026 Request Amount: \$45,000

Priority Ranking: 7

Project Summary: \$45 million in GO bonds for cost-share grants to local governments, including cities, counties, and watershed districts, for projects that reduce flood risk. Projects range from purchasing and removing damaged and at-risk residential structures from the floodplain to constructing levees, pumping stations, and multi-purpose flood impoundments.

Project Description

The Minnesota Department of Natural Resources (DNR) requests \$45 million for Flood Hazard Mitigation Grant Assistance Program grants, established in M.S. 103F.161. These funds provide cost-share grants to local governments to support projects that reduce flood risk in communities across the state. Types of projects include the construction of levees, pumping stations, and multi-purpose flood impoundments, and the purchase and removal of flood-damaged and at-risk residential structures. The DNR has approximately \$125 million in project applications from cities, counties, watershed districts, and other public entities awaiting funding. This request will help support the highest priority projects, based on the nine funding considerations detailed in statute.

Project Rationale

Minnesota's investments in flood mitigation have resulted in a more flood-resilient state, and significantly decreased emergency flood response, economic impacts, and recovery costs. However, even with the significant progress that has been made, flood risks remain. Land use changes and increased intensity and frequency of storm events have only expanded the need for continued, robust program funding to enhance the resilience of Minnesota communities.

Flood mitigation is also cost effective. A 2017 study by the National Institute of Building Sciences shows it is estimated that every \$1 spent on flood mitigation avoids \$7 in future damages.

Project Timeline

The projects will be completed within the given time frame.

Other Considerations

Past appropriations for the Flood Hazard Mitigation Grant Assistance Program have leveraged significant federal and local dollars, considerably reducing Minnesota's vulnerability to both the safety and economic impacts of floods.

Impact on Agency Operating Budgets

The Flood Hazard Mitigation Grant Assistance Program has been funded by capital investment for many years and is not expected to result in new impacts on operating budgets.

Description of Previous Appropriations

L2025, 1st Spec. Sess. Ch. 15 – Bond, \$9,000,000
L2023, Ch. 72 – Bond, \$34,300,000
L2023, Ch. 72 – General Fund, \$21,115,000
L2020, 5th Spec. Sess. Ch. 3 - Bond, \$17,000,000
L2018, Ch. 214 - Bond, \$20,000,000
L2017, 1st Spec. Sess. Ch. 8 - Bond, \$11,555,000
L2015, 1st Spec. Sess. Ch. 5 - Bond, \$23,549,000
L2015, 1st Spec. Sess. Ch. 5 - Bond, \$2,515,000 (Disaster)
L2015, 1st Spec. Sess. Ch. 5 - General Fund, \$500,000 (Disaster)

Project Contact Person

Samantha Minkler
Capital Asset Manager
651-259-5701
Samantha.Minkler@state.mn.us

Governor's Recommendation

The Governor recommends \$9 million in general obligation bonds for this request. Also included are budget estimates of \$9 million for each planning period for 2028 and 2030.

Natural Resources

Project Detail

(\$ in thousands)

Flood Hazard Mitigation Grant Assistance Program

PROJECT FUNDING SOURCES

Funding Source	Six Prior Years	FY 2026	FY 2028	FY 2030
<i>State Funds Appropriated and Requested</i>				
General Obligation Bonds	\$ 60,300	\$ 45,000	\$ 45,000	\$ 45,000
General Fund Cash	\$ 21,115	\$ 0	\$ 0	\$ 0
<i>State Funds Pending</i>				
<i>Non-State Funds Already Committed</i>				
<i>Non-State Funds Pending</i>				
TOTAL	\$ 81,415	\$ 45,000	\$ 45,000	\$ 45,000

TOTAL PROJECT COSTS

Cost Category	Six Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$ 16,300	\$ 9,000	\$ 9,000	\$ 9,000
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 12,200	\$ 6,750	\$ 6,750	\$ 6,750
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 52,915	\$ 29,250	\$ 29,250	\$ 29,250
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 81,415	\$ 45,000	\$ 45,000	\$ 45,000

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2026	FY 2028	FY 2030
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0	0	0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 45,000	100 %

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	N/A
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	N/A
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	N/A
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	No
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	Yes
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Natural Resources

Project Narrative

(\$ in thousands)

Parks and Trails Local and Regional Grant Program

AT A GLANCE

2026 Request Amount: \$3,000

Priority Ranking: 8

Project Summary: \$3 million in GO bonds to provide competitive grants to local governments for acquisition and development of local parks and trails across the state.

Project Description

The Minnesota Department of Natural Resources (DNR) requests \$3 million to provide competitive grants to local governments for acquisition and development of regional or local parks, trails, and natural and scenic areas across the state. These funds will support existing park and trail grant programs established in M.S. 85.019:

- Outdoor Recreation Grant Program: \$1.5 million to help local governments acquire, develop and/or redevelop close-to-home outdoor recreation facilities.
- Natural and Scenic Area Grant Program: \$500,000 to help local governments and school districts acquire and protect natural and scenic areas statewide.
- Local Trail Connections Grant Program: \$500,000 to provide grants to local units of government to acquire and develop trail connections to residential areas, schools, workplaces, community centers, recreation areas, trails, and parks.
- Regional Trail Grant Program: \$500,000 to provide grants to local units of government for acquisition and development of regional trails outside of the metropolitan area.

Project Rationale

This project supports Minnesota's communities by helping to ensure public access to a high-quality system of local and regional parks, trails, and natural and scenic areas. Connecting people to the outdoors is a DNR strategic priority that is critical to enhancing community health and wellness. Pass-through funding for local and regional parks and trails projects further fosters connections of children and families to the outdoors.

Project Timeline

The project will be completed within the given time frame.

Other Considerations

While Lottery-in-Lieu, Environment and Natural Resources Trust Fund, and General Fund appropriations have provided pass-through resources for local and regional parks and trails grants in recent years, the demand for funding is significantly greater than the available funds.

Impact on Agency Operating Budgets

The Parks and Trails Local and Regional Grant Program is an existing, pass-through grant program and additional capital investment in the program will not result in new impacts on the DNR's operating budgets.

Description of Previous Appropriations

L2023, Ch. 72 – Bond, \$2,000,000

Project Contact Person

Samantha Minkler
Capital Asset Manager
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Samantha.Minkler@state.mn.us

Governor's Recommendation

The Governor recommends \$1 million in general obligation bonds for this request. Also included are budget estimates of \$1 million for each planning period for 2028 and 2030.

Natural Resources

Project Detail

(\$ in thousands)

Parks and Trails Local and Regional Grant Program

PROJECT FUNDING SOURCES

Funding Source	Six Prior Years	FY 2026	FY 2028	FY 2030
<i>State Funds Appropriated and Requested</i>				
General Obligation Bonds	\$ 2,000	\$ 3,000	\$ 3,000	\$ 3,000
<i>State Funds Pending</i>				
<i>Non-State Funds Already Committed</i>				
<i>Non-State Funds Pending</i>				
TOTAL	\$ 2,000	\$ 3,000	\$ 3,000	\$ 3,000

TOTAL PROJECT COSTS

Cost Category	Six Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$ 500	\$ 800	\$ 800	\$ 800
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 0	\$ 0	\$ 0
Project Management	\$ 120	\$ 200	\$ 200	\$ 200
Construction	\$ 1,380	\$ 2,000	\$ 2,000	\$ 2,000
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 2,000	\$ 3,000	\$ 3,000	\$ 3,000

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2026	FY 2028	FY 2030
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0	0	0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 3,000	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	No
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	No
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A