

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2024	2026	2028	2024	2026	2028
Local Government Roads Wetlands Replacement Program	1	GO	10,000	10,000	10,000	2,500	2,500	2,500
		GF	16,500	16,500	16,500	2,000	2,000	2,000
Reinvest in Minnesota (RIM) Reserve Program	2	GO	40,000	0	0	10,000	0	0
<b>Total Project Requests</b>			66,500	26,500	26,500	14,500	4,500	4,500
<b>General Obligation Bonds (GO) Total</b>			50,000	10,000	10,000	12,500	2,500	2,500
<b>General Fund Cash (GF) Total</b>			16,500	16,500	16,500	2,000	2,000	2,000

<https://www.bwsr.state.mn.us/>

### AT A GLANCE

- Small agency of conservation professionals
- Local conservation delivery system
- Governing board of local officials, citizens, and agency partners
- Focus on conservation of private lands (78 percent of Minnesota)
- Transition to comprehensive watershed plans by 2025 (61 plans in total). Since 2014:
  - 27 approved *One Watershed, One Plan* plans
  - 23 *One Watershed, One Plan* plans in progress
- Collaborative model for results including, since 1987:
  - 66,421 conservation practices installed
  - 8,522 easements funded
  - 21,353 wetland credits deposited into the state's wetland bank
- 238 local government accountability assessments completed annually

### PURPOSE

The Board of Water and Soil Resources' (BWSR's) mission is to improve and protect Minnesota's water and soil resources by working in partnership with local organizations and private landowners. The agency has a unique business model that is designed to:

- Operate as an efficient state-level source of technical and financial assistance to the local government delivery system.
- Target implementation of conservation practices and projects that support local goals and meet state objectives.
- Focus on Minnesota's private lands.

### STRATEGIES

BWSR's mission is implemented through the following core functions:

- Serve as the statewide soil conservation agency
- Direct private land soil and water conservation programs through the actions of soil and water conservation districts, counties, cities, townships, watershed districts, and other water management organizations
- Link water resource planning with comprehensive land use planning
- Provide resolution of water policy conflicts and issues
- Oversee comprehensive local water management
- Provide a forum (through the board) for local issues, priorities, and opportunities to be incorporated into state public policy
- Coordinate state and federal resources to realize local priorities
- Administer implementation of the Wetland Conservation Act and Riparian Protection laws

BWSR accomplishes its mission through these key strategies:

- Developing programs that address priority state and local resource concerns (such as keeping water on the land, maintaining healthy soils, reducing pollutants in ground and surface water, assuring biological diversity, and reducing flood potential)

- Prioritizing on-the-ground conservation projects in the best locations to achieve multiple benefits and measurable improvements to water and habitat resources
- Ensuring compliance with environmental laws, rules, and regulations
- Implementing agency operations through board and administrative leadership, internal business systems, planning and effectiveness evaluation, and operational support, including the board and board management, financial and accounting services, legislative and public relations, communications, and human resources

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The legal authority for the Board of Water and Soil Resources comes from the following Minnesota Statutes:

M.S. 103A <https://www.revisor.mn.gov/statutes/?id=103A>

M.S. 103B <https://www.revisor.mn.gov/statutes/?id=103B>

M.S. 103C <https://www.revisor.mn.gov/statutes/?id=103C>

M.S. 103D <https://www.revisor.mn.gov/statutes/?id=103D>

M.S. 103E <https://www.revisor.mn.gov/statutes/?id=103E>

M.S. 103F <https://www.revisor.mn.gov/statutes/?id=103F>

M.S. 103G <https://www.revisor.mn.gov/statutes/?id=103G>

**AT A GLANCE**

- Mission: Improve and protect Minnesota’s water and soil resources by working in partnership with local organizations and private landowners.
- Agency Strategic Plan issues:
  1. Broaden and enhance local delivery system and strengthen partnerships to accomplish the agency’s mission;
  2. Redeveloping and delivering conservation programs to maximize their impact on land and water resources;
  3. Making needs and accomplishments well-known and understood.

Agency goals and objectives achieved through capital projects include:

- Restoring, enhancing, and protecting marginal and environmentally sensitive lands;
- Targeting conservation projects to the highest priority sites and to local governments with a track record of delivering results;
- Restoring natural retention systems to cost-effectively improve surface water quality, enhance groundwater recharge, and prevent flood damage;
- Achieving the state’s policy of no net loss of wetlands while minimizing federal regulatory and administrative burdens on local public road authorities;
- Protecting the public benefits of water quality and habitat on state-held easements by repairing and replacing water control structures that are beyond their designed lifespan;
- Leveraging federal and local financial resources that enhance the State’s investment.

**Factors Impacting Facilities or Capital Programs**

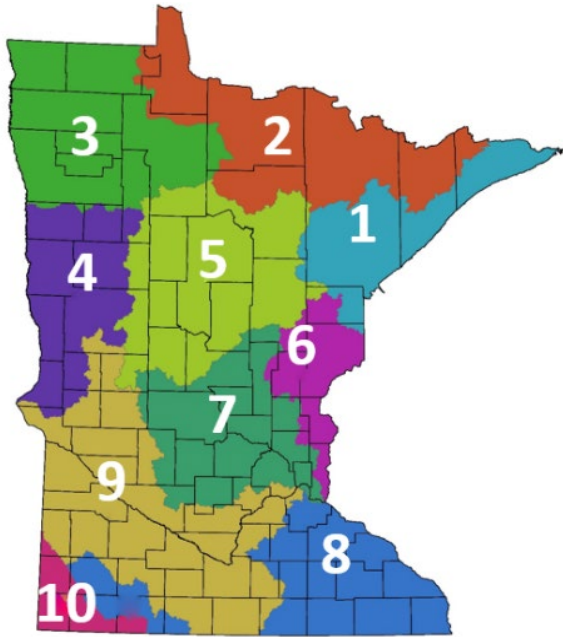
- **Science-based targeting.** Minnesota has completed many systematic assessments and plans on nutrient and sediment issues, grasslands, wetlands, and other topics that have helped focus prioritization of restoration and protection areas to the critical places where they are most needed and most cost effective.
- **Federal Conservation Reserve (CRP) lands are decreasing.** There was once over 1.8 million acres of land enrolled in this short-term federal set-aside program. As these contracts expire, there is financial pressure for landowners to return these lands—many of them marginal farmland—to production. Nearly 230,000 acres of CRP will expire in Minnesota by the end of 2023. The decline of conservation land will adversely affect habitat, biodiversity, water quality, groundwater recharge, carbon sequestration and water storage, and flood protection.
- **Agricultural land values continue to rise.** Rental rates and land values continue to rise as demand for food, livestock, and biofuel increase. High commodity prices, continued pandemic assistance, and the opportunity for profit continue driving increases in farmland values. This pressure results in marginal or highly erodible lands converted to and maintained in row crop production.
- **Funding for multi-benefit conservation and clean water projects.** Minnesota’s Conservation Reserve Enhancement Program (MN CREP), a federal-state partnership agreement established in 2017, successfully leverages significant USDA funding. This partnership brings federal dollars to Minnesota and directly addresses resource problems with strategic, long-term solutions.
- **Increased landowner willingness to take action.** Minnesotans are aware of environmental concerns, particularly with water quality. Interest in the state’s Reinvest in Minnesota Reserve (RIM) program, which establishes permanent conservation easements, greatly exceeds available funding. Residents are more aware of the need to protect marginal lands, especially those close to critical water resources. The

agricultural community has increased acceptance of the need to remove marginal agricultural lands from production to improve production efficiency and water quality.

- **Local program delivery readiness:** USDA, local Soil and Water Conservation Districts and Watershed Districts, state agencies, and non-governmental organizations have a strong field-based presence. Local government officials and staff have advantages that the state does not—they have knowledge of local resources and attitudes, community relationships, an awareness of local needs and priorities, and authority over local land use decisions. Local government capabilities in resource management have grown significantly over time. They are now at a point, however, where they need a wider variety of training and assistance in technical, leadership, and management issues.
- **Climate Subcabinet:** Minnesota is experiencing larger and more frequent and intense rainfall events, resulting in negative impacts to agriculture and infrastructure, significant erosion along riverbanks and declining water quality. Among the recommendations of the Governor’s Climate Subcabinet is water storage and management projects to control water volume and rate to mitigate climate impacts.

### Self-Assessment of Agency Facilities and Assets

**Local Wetland Road Replacement Program.** Current wetland replacement credits by bank service area (BSA) and statewide projection are shown in the following two figures:



BANK SERVICE AREA	AVAILABLE CREDITS (as of 1/2023)
1	30.5
2	21.8
3	60.7
4	0.3
5	72.2
6	0
7	33.8
8	14.9
9	17.0
10	0.1

Bank Service Area Map

**Statewide** - 215.79 Credits Available (as of 1/2023); 171 Credit Average Annual Demand

**Local Wetland Road Replacement Program.** Current projected surplus/deficit wetland replacement credits estimate by bank service area:

Bank Service Area	Avg Annual Demand	Current Balance
1 - Great Lakes	7.0	30.5
2 - Rainy River	7.0	21.8
3 - Red River North	28.0	60.7
4 - Red River South	10.0	0.3
5 - Upper Mississippi North	22.0	72.2
6 - St. Croix River	13.0	0
7 - Upper Mississippi South	50.0	33.8
8 - Lower Mississippi	5.0	14.9
9 - Minnesota River	27.0	17.0
10 - Missouri River	2.0	0.1

When the balance in a BSA is insufficient to meet the average annual demand, credits are taken from the closest BSA with a positive balance. It typically takes at least 7 years from when funds become available until all credits are deposited. Additionally, local credit needs fluctuate substantially. The minimum balance of credits in each BSA should be at least five times the average annual demand.

**Reinvest in Minnesota (RIM) Reserve Conservation Easement Program.** Since 2001, capital investment appropriations have included these funding levels:

RIM Reserve bond fund history (in \$,000)		
Legislative Session Year	Regular	Disaster Relief
2000	\$21,000	-
2001	\$51,500	-
2003	\$1,000	-
2005	\$23,000	-
2007	-	\$1,000
2008	\$25,000	-
2009	\$500	\$500
2010	-	\$10,000
2011	\$21,600	-
2012	\$6,000	\$1,500
2013	-	-
2014	\$6,000	-
2015	-	\$4,700
2016	-	-
2017	\$10,000	-
2018	\$10,000	-
2019	-	-
2020	\$1,000	-
2021	-	-
2022	-	-
2023	\$10,700	-

## **Agency Process for Determining Capital Requests**

The MN CREP is an important, bi-partisan initiative focusing on the highest priority areas for reducing nitrogen, phosphorus, and sediment; protecting vulnerable drinking water; and enhancing grassland and wetland habitats. The state's commitment is to unlock the federal leverage of at least 1:1. The requested capital investment dollars will complement the state's funding strategy that also included Legacy and LCCMR funds.

The amount of the Local Government Roads Wetlands Replacement request is based on current shortfalls and estimated average annual demand. Maintaining a multi-year credit balance is essential to achieving replacement of wetlands prior to the loss and preventing increased costs and project delays.

## **Major Capital Projects Authorized in 2022 and 2023**

In 2023, BWSR was appropriated \$10.7 million for RIM Reserve as part of the state's contribution to the MN CREP agreement and \$12 million in general obligation bonds for the Local Government Roads Wetland Replacement Program.

**Local Government Roads Wetlands Replacement Program**

**AT A GLANCE**

<b>2024 Request Amount:</b>	\$26,500
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	\$10M in GO Bonds and \$16.5M in GF is requested in 2024 to meet M.S. §103G.222 which requires BWSR to replace wetlands and wetland areas of public waters drained or filled by public transportation projects on existing roads. These funds will restore and permanently protect approximately 800-1400 acres of wetlands and generate up to 755 wetland replacement (mitigation) credits for the Local Government Roads Wetland Replacement Program (LGRWRP) to meet requirements.

**Project Description**

Local public road improvement projects often include unavoidable impacts to wetlands, and the state has a statutory obligation to provide the required mitigation for the wetlands lost to these local road projects. Since its inception in 1996, the LGRWRP has provided approximately 5,600 compensatory wetland mitigation credits to offset 3,900 acres of wetlands impacted by eligible public road projects.

The program is implemented on a regional basis consisting of ten “bank service areas,” which are based on watersheds. In early 2020, the LGRWRP was on the verge of default statewide. The state contributed \$12 million in 2023, which was half of the program's need. Due to insufficient funding, the program currently has less than one year's worth of credits in five of the state's ten bank service areas, with two of those areas having a zero balance. In addition, the program has a debt of approximately \$560,000 in wetland credits to the Minnesota Department of Transportation (MnDOT) resulting from credits previously loaned to the program to temporarily offset credit shortages. Finally, when allowable under Federal law, credits can be taken from certain other bank service areas with a penalty, which results in spending credits at an even faster rate when sufficient credits were not available in a given bank service area.

The current funding request accounts for the expected credits that will result from past funding, the debt to MnDOT, and the projected credit needs from approximately 75 to 100 local government road projects annually. In the absence of sufficient funding, local governments would be unable to obtain permits unless and until alternative mitigation is obtained, causing significant delays and cost increases for many road projects. This current funding request is part of the agency’s long-term plan to bring the program into statewide solvency and meet the State’s statutory obligations.

The current request of \$26.5 million in 2024 and anticipated \$10 million in 2026 will provide for the planning, design, construction, restoration, permanent protection, and stewardship of 800 to 1400



acres of wetlands to generate approximately 755 wetland replacement credits over seven to nine years for compliance with State and Federal permitting requirements for public road improvement projects. The wetland restoration projects are completed in accordance with State and Federal rules and credits are typically allocated two to seven years after initiation of the project, necessitating a long-term approach to program planning and funding.

### **Project Rationale**

While local road improvement projects are necessary for public safety and transportation, both State and Federal law require any associated wetland impacts to be “replaced” with other wetland resources (e.g. a previously drained wetland that has been restored). Lacking these replacement wetlands, local road authorities cannot obtain the necessary permits to complete construction of planned road improvement projects. As noted above, statute requires the State to provide required wetland mitigation for qualifying local road improvement projects.

Public benefits generated by the program include the following:

- On-time and on-budget completion of local public transportation projects.
- Improved permitting efficiency due to agreements and coordination with the U.S. Army Corps of Engineers (responsible for issuing permits under Section 404 of the Federal Clean Water Act).
- Mitigation is provided at a lower public cost due to program efficiencies and economies of scale.
- Higher quality, more sustainable and environmentally beneficial replacement wetlands.

### **Project Timeline**

Wetland restoration projects that generate wetland replacement credits (otherwise known as wetland banks under the WCA and Federal Clean Water Act Section 404 programs) have a typical development timeline of 7-10 years:

- After a project is identified and selected, it takes 1-3 years to develop the restoration plan and gain regulatory approval of the wetland bank plan.
- Construction and implementation of the wetland bank plan typically takes 1-2 years, and is affected by the limited construction season in Minnesota as well as the seasonality of the native vegetation restoration.
- After construction and initial vegetation establishment activities have been completed, the wetland bank enters the mandatory 5-year monitoring and credit release period, where wetland credits are released as the site meets required performance standards over this period.

This monitoring and credit release period can also be extended if the site encounters difficulties in its development and is not meeting the performance standards.

Bonding dollars are encumbered in accordance with state timeline requirements and used over the life of the project.

### **Other Considerations**

Without a full State funding commitment to this program, planned and funded local road improvement projects will either not be completed, or will be delayed and incur substantial increased

costs.

Specifically, a lack of full State funding will result in the following negative consequences:

- Increased costs of mitigation that will be transferred to local governments.
- Increased permitting costs and timelines due to elimination of the streamlined process that currently exists with the U.S. Army Corps of Engineers.
- Increased program implementation costs for local, state, and federal agency staff due to the elimination of program efficiencies.
- Decreased wetland mitigation quality, resulting in a loss of public value.
- Reversal of the stakeholder consensus that resulted in wetland regulatory reforms (Laws 1996, Chap. 462 and Laws 2000, Chap. 382).

Also, a lack of credits in certain bank service areas due to inadequate funding necessitates use of credits from other bank service areas, resulting in the State incurring a penalty in the form of a higher replacement ratio (additional credits are required for the same impact). These penalties use credits at a faster rate and increase the cost to taxpayers.

### **Impact on Agency Operating Budgets**

All of the requested bond funds will be allocated for construction, wetland establishment activities, and acquisition of necessary property rights (i.e. perpetual conservation easements).

The General Funds will be utilized as follows:

- Up to \$10 million for the purchase of private wetland bank credits to meet short-term needs.
- Up to \$2.5 million for easement stewardship; and
- Remaining funds will be used for planning, design, permitting, easement acquisition, construction oversight, replacement wetland establishment activities, credit allocation, and program administration.

### **Description of Previous Appropriations**

2016: \$0

2017: \$5 million GO bonds, \$5 million GF cash

2018: \$6.7 million GO bonds

2019: \$0

2020: \$15 million GO bonds, \$8 million GF cash

2023: \$12 million GO bonds

**Project Contact Person**

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**Governor's Recommendation**

The Governor recommends \$2.5 million in general obligation bonds and \$2 million in general fund cash for this request. Also included are budget estimates of \$4.5 million for each planning period for 2026 and 2028.

**Water and Soil Resources Board**

**Project Detail**

(\$ in thousands)

**Local Government Roads Wetlands Replacement Program**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2024	FY 2026	FY 2028
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$ 33,700	\$ 10,000	\$ 10,000	\$ 10,000
General Fund Cash	\$ 8,000	\$ 16,500	\$ 16,500	\$ 16,500
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$ 41,700</b>	<b>\$ 26,500</b>	<b>\$ 26,500</b>	<b>\$ 26,500</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2024	FY 2026	FY 2028
Property Acquisition	\$ 8,000	\$ 16,500	\$ 22,610	\$ 22,610
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 1,600	\$ 438	\$ 438
Project Management	\$ 0	\$ 2,600	\$ 712	\$ 712
Construction	\$ 33,700	\$ 5,800	\$ 2,740	\$ 2,740
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
<b>TOTAL</b>	<b>\$ 41,700</b>	<b>\$ 26,500</b>	<b>\$ 26,500</b>	<b>\$ 26,500</b>

**IMPACT ON STATE OPERATING COSTS**

Cost Category	FY 2024	FY 2026	FY 2028
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

**SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS**

	Amount	Percent of Total
General Fund	\$ 10,000	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.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
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
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>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)?</b>	N/A
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	N/A
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	N/A
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2028?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

**Reinvest in Minnesota (RIM) Reserve Program**

**AT A GLANCE**

**2024 Request Amount:** \$40,000

**Priority Ranking:** 2

**Project Summary:** \$40M is requested to acquire conservation easements from landowners to preserve, restore, create, and enhance wetlands and associated uplands of prairie and grasslands, and restore and enhance rivers and streams, riparian lands, and associated uplands to protect soil and water quality, support fish and wildlife habitat, reduce flood damage, increase climate resiliency, and provide other public benefits. An agreement remains allowing an opportunity for a federal match.

**Project Description**

The Reinvest in Minnesota (RIM) Reserve program is a critical component of the state’s efforts to improve water quality by reducing soil erosion, and phosphorus and nitrogen loading, and improving wildlife habitat and flood attenuation on private lands. The RIM Reserve program compensates landowners for granting conservation easements and establishing native vegetation habitat on economically marginal, flood-prone, environmentally sensitive or highly erodible lands. The program protects the state’s water and soil resources by permanently restoring wetlands, adjacent native grassland wildlife habitat complexes and permanent riparian buffers, and protecting existing high-quality cover. BWSR acquires, on behalf of the state, conservation easements to permanently protect, restore, and manage critical natural resources without owning the land outright. The land remains in private ownership. BWSR provides statewide program coordination and administration and implementation at the local level is done by county Soil & Water Conservation Districts (SWCDs). This project would secure additional easements throughout Minnesota.

**Project Rationale**

The state has invested heavily in assessing water quality and wildlife habitat throughout the state. There are numerous reports that document water quality impairments throughout the state. This project will improve water quality, protect sources of drinking water, protect and restore watercourses, and provide wildlife habitat through permanent protection of sensitive landscapes, and restoration and protection of buffers, wetland restorations and wellhead areas. Minnesota participates in a project called the Conservation Reserve Enhancement Program (MN CREP). This project is a federal, state, and local partnership and will voluntarily retire environmentally sensitive land using the nationally-recognized Reinvest In Minnesota (RIM) Reserve program.

Approximately 20,000 acres remain under CREP agreement, with an estimated \$8,000 per acre cost on average. Of the \$160M total cost, the federal government would cover approximately half, leaving

the state to cover \$80M - of which the first half (\$40M) is being requested for fiscal year 2024.

### **Project Timeline**

Easements will be recorded within 18 months of receiving applications. Restoration, where necessary, will occur within 3 years of the easement recording.

### **Other Considerations**

Landowner interest continues to be strong in the RIM program, whether to enroll into easements on marginal land with restoration necessary or to protect existing high quality sensitive natural areas.

### **Impact on Agency Operating Budgets**

BWSR will utilize these funds for landowner payments and program support. Up to \$3.7 million is necessary for engineering and easement acquisition functions and for establishment of conservation practices on easement lands.

### **Description of Previous Appropriations**

Since 2014, capital investment funds have provided a total of \$37.7M towards the RIM program (including CREP but not disaster relief).

Previous bonding requests were for federal match for CREP. This year's request also includes traditional RIM-only easements that are separate from the existing federal partnership. Bonding has been a historically normal source of RIM funding.

### **Project Contact Person**

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### **Governor's Recommendation**

The Governor recommends \$10 million in general obligation bonds for this request.

**Water and Soil Resources Board**

**Project Detail**

(\$ in thousands)

**Reinvest in Minnesota (RIM) Reserve Program**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2024	FY 2026	FY 2028
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$ 0	\$ 40,000	\$ 0	\$ 0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 40,000</b>	<b>\$ 0</b>	<b>\$ 0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2024	FY 2026	FY 2028
Property Acquisition	\$ 0	\$ 28,920	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 800	\$ 0	\$ 0
Project Management	\$ 0	\$ 600	\$ 0	\$ 0
Construction	\$ 0	\$ 9,600	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 80	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 40,000</b>	<b>\$ 0</b>	<b>\$ 0</b>

**IMPACT ON STATE OPERATING COSTS**

Cost Category	FY 2024	FY 2026	FY 2028
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

**SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS**

	Amount	Percent of Total
General Fund	\$ 40,000	100 %
User Financing	\$ 0	0 %



**STATUTORY REQUIREMENTS**

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

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
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
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>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)?</b>	N/A
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	N/A
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	N/A
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2028?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A