



2026 Capital Budget Proposal

House Capital Investment Committee
March 5, 2026

Sarah Strommen, Commissioner

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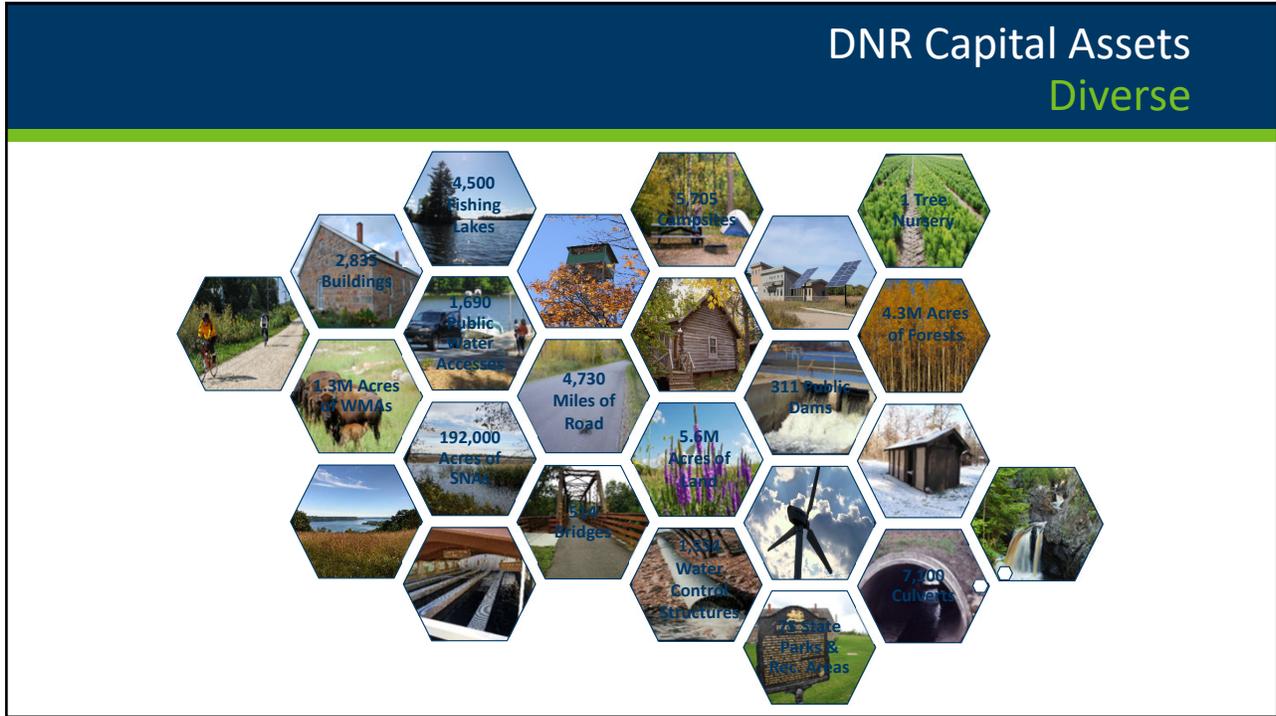
DNR Capital Assets

DNR’s mission 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.

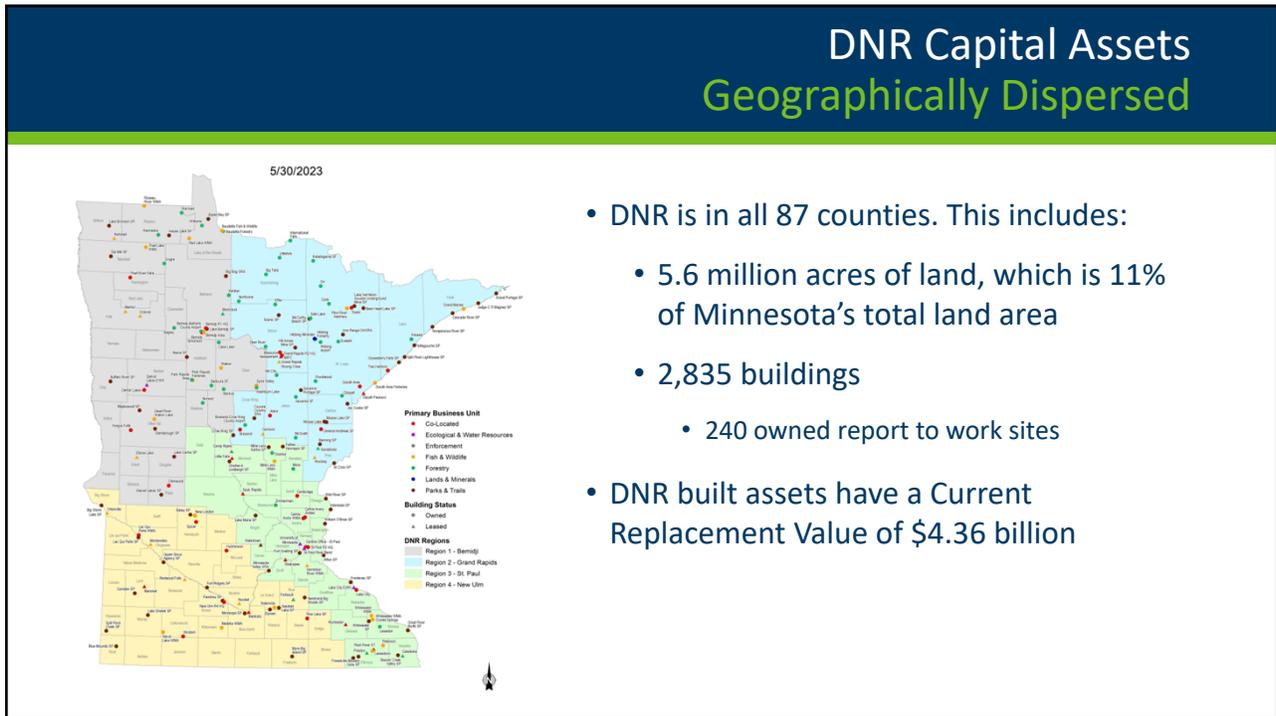
- DNR has responsibility for a vast array of public lands, infrastructure, and facilities.
- These built and natural assets are highly visible indicators of the state’s stewardship of public resources and contribute to Minnesota’s economy and quality of life.



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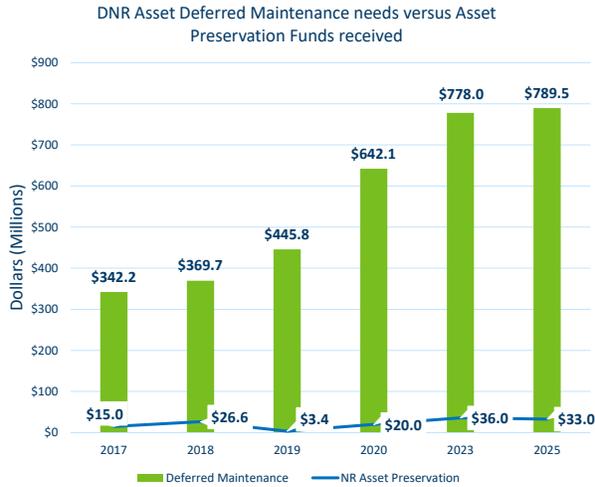


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Deferred Maintenance Challenge



Strategic solutions

- Historic Buildings management planning
- Pursuing lease opportunities as an alternative to fixing or replacing poor-condition office and storage buildings
- Addressing capital maintenance needs in subleases (possible strategy being pursued)
- Divestment

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Annual Progress *2025 NRAP Report*

Natural Resources Asset Preservation (NRAP) Report for 2025: \$9.6M spent on infrastructure projects including buildings, water and wastewater systems, roads, trails, bridges, hatcheries, dams, and monitoring wells.



Tettegouche State Park
High Falls bridge replacement



Whitewater State Park
Visitor Center roof and siding replacement



New London Hatchery
Water supply replacement



Munger Trail
Culvert replacement

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2025 Natural Resources Asset Preservation \$33M Allocation Overview

- Building and Site Infrastructure - \$9.55M
- Roads, Trails and Bridges - \$9.6M
- Water and Wastewater Infrastructure - \$4.5M
- Hatcheries - \$2.4M
- Public Water Accesses - \$2.3M
- Camping Infrastructure - \$2.8M
- Contingency - \$1.35M

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Project Funding Cycle



Project Year	Project Phase	Approx % spent
Year 1 – Appropriation Received	<ul style="list-style-type: none"> • Allocation plan • Site planning, early design • Design-complete projects out for bid 	5-15%
Year 2	Design, permitting and resource review, bidding, some construction	15-30%
Year 3	Design, permitting and resource review, bidding and construction	30-65%
Year 4 (and beyond)	Bidding and construction	65-95%

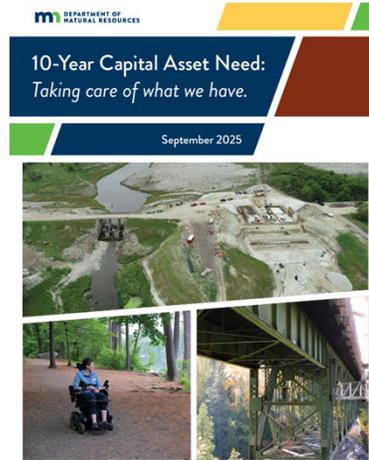
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Determining Our Need

DNR's Asset Management approach:

- Standardized framework based on asset inventories and facility condition assessments
- Archibus and GIS used for tracking
- Data summarized in 2025 10-Year Capital Asset Need report



2026 DNR Capital Budget Proposal Overview: *Comprehensive, Systematic Approach*

2026 Governor's Proposal: \$62 million



System-wide Investments

- Natural Resources Asset Preservation – **\$30 million**
- Betterment of Buildings – **\$3 million**
- Acquisition and Betterment of Public Lands – **\$2 million**



Targeted Investments

- Aviation Infrastructure - **\$5 million**
- Improving Accessibility of DNR-managed Lands and Facilities - **\$2 million**



Community Investments

- Dam Safety – **\$10 million**
- Flood Hazard Mitigation Grants – **\$9 million**
- Parks & Trails Local and Regional Grants - **\$1 million**

Top Priority: Natural Resources Asset Preservation (NRAP)

Taking Care of What We Have

\$30 million to repair, renovate or replace degraded or failing infrastructure

- Buildings and site infrastructure
- Water and wastewater systems
- Roads, trails, and bridges
- Public Water Accesses
- Campsites, group camps, shower buildings, day use areas and vault toilets
- Fish hatcheries
- Water control structures



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Betterment of Buildings

\$3 million to modernize existing facilities and invest in new facilities. Examples include:

- Design a new St. Paul Fish Hatchery;
- Replace or enhance high-priority DNR offices and storage facilities;
- Complete construction of a new seed extractory, packing house and cooler, and office expansion and remodel at the State Forest Nursery facility at Badoura; and
- Construct new or significantly modernized visitor centers, picnic shelters, trail centers, camper cabins and shower buildings.



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Acquisition and Betterment of Public Lands

\$2 million for acquisition and betterment of public lands:

- Acquire high-priority parcels, strategic in-holdings, and forests
- Improve public lands including reforestation, forest stand improvement, and renewal and replacement of campgrounds and day-use areas.



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Public Safety

- **\$5 million** for public safety aviation infrastructure at the Brainerd Regional Airport
 - Supports Enforcement and Wildfire operations
- **\$10 million** for dam safety
- **\$9 million** for flood hazard mitigation grants



Lake Bronson Dam replacement in Kittson County

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Accessibility and Outdoor Recreation

- \$2 million to improve accessibility of DNR-managed lands and facilities
 - Enhanced accessibility improves the outdoor experience for everyone
- \$1 million for parks and trails local and regional grant program



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Summary

- DNR is responsible for extensive capital assets – both built and natural.
- This infrastructure benefits Minnesotans throughout the state.
- Preserving, enhancing and renewing this infrastructure requires significant ongoing investment.
- This proposal focuses on taking care of what we have, while advancing strategic projects to serve current and future generations.



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Thank you!