



Photo: Ryan Gottsleben



This guide references rule

**12.0**

## Financial Assurances

### What is financial assurance? When is it needed?

- Financial assurance is a **cash escrow, letter of credit, or performance bond** needed to obtain some permits. NMCWD will tell you when a financial assurance is needed and what amount it needs to be in your Conditional Approval letter (example attached).
- Example of letter communicating financial assurance requirement is attached. The dollar amount for a project is calculated off the NMCWD Board of Managers approved financial assurance schedule.

### How do I complete a financial assurance?

- A. NMCWD provides a template for cash escrow, letter of credit, and performance bond. Each is available for download from <https://www.ninemilecreek.org/permits/>
- B. Pick the type you'll use and download the template.
- C. Fill in the blanks and follow the directions. Send the draft to NMCWD for review before it's signed.
- D. When your document is finalized after NMCWD reviews the draft, mail/drop off the original to:

Nine Mile Creek Watershed District  
12800 Gerard Drive  
Eden Prairie, MN 55436

Your Permit Approval letter will give you items to complete for your financial assurance to be returned. Contact NMCWD for specific directions on your closeout requirements.



Nine Mile Creek Discovery Point  
12800 Gerard Drive  
Eden Prairie, MN 55346  
(952) 835-2078  
ninemilecreek.org

May 17, 2021

Jane Doe  
Doe Architects  
1000 Main St  
Somewheretown, MN 55555

**RE: Conditional Approval of Permit No. 2021-100 for Proposed Redevelopment at 85784 Example Ave, Edina**

Dear Jane Doe,

The Nine Mile Creek Watershed District has reviewed and conditionally approved your permit application for the project referenced in bold above. The NMCWD permit is approved, but not valid and issued, until the project is in compliance with the following conditions:

1. General Provisions, a copy is attached
2. Financial Assurance in the amount of \$9,600
3. Submit a receipt showing recordation of a maintenance declaration for the onsite stormwater management facility. A draft of the declaration must be approved by the District prior to recordation.

Nine Mile Creek Watershed District will hold the permit until conditions 2 and 3 are received.

By accepting the permit, when issued, you agree to the following for release of the financial assurance and closeout of the permit:

- Per Rule 4.5.6, an as-built drawing of the storm water facilities conforming to the design specifications, including a stage volume relationship in tabular form for the UGSWMF, as approved by the District must be submitted.
- Rule 12.4.1b requires demonstration and confirmation that the storm water management facilities have been constructed or installed and are functioning as designed and permitted. Verification, through daily observation logs and photographs, must be provided showing the storm water facilities used for volume retention have drawn down within 48 hours from the completion of two 1-inch (approximate) separate rainfall events.

If you have any questions, please contact me.

Sincerely,

Lauren Foley  
Permit & Water Resources Coordinator  
lfoley@ninemilecreek.org

**Commented [LF1]:** You will receive a similar letter of conditional approval after NMCWD's review of your permit application is finished. If it lists financial assurance, follow the directions on this guidance document.

**Commented [LF2]:** All conditions must be received for the permit to be issued once it's conditionally approved.

**Commented [LF3]:** Needed for financial assurance release/return after the project is complete.