



2016 Report on the

Transportation Economic Development Program

February 2017



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On the cover: The cover image contains two photographs of Transportation Economic Development projects in various stages of development. From top: North Windom Industrial Park access from trunk highway 71; Bloomington I-494 and 34th Avenue diverging diamond interchange.

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Legislative Request

This report is issued to comply with [Minnesota Statutes 2016, section 174.12, subdivision 8](#). The language of the provision reads as follows:

174.12 TRANSPORTATION ECONOMIC DEVELOPMENT PROGRAM.

Subd. 8. Legislative report.

(a) By February 1 of each odd-numbered year, the commissioner of transportation, with assistance from the commissioner of employment and economic development, shall submit a report on the transportation economic development program to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance and economic development policy and finance.

(b) At a minimum, the report must:

(1) summarize the requirements and implementation of the transportation economic development program established in this section;

(2) review the criteria and economic impact performance measures used for evaluation, prioritization, and selection of projects;

(3) provide a brief overview of each project that received financial assistance under the program, which must at a minimum identify:

(i) basic project characteristics, such as funding recipient, geographic location, and type of transportation modes served;

(ii) sources and respective amounts of project funding; and

(iii) the degree of economic benefit anticipated or observed, following the economic impact performance measures established under subdivision 4;

(4) identify the allocation of funds, including but not limited to a breakdown of total project funds by transportation mode, the amount expended for administrative costs, and the amount transferred to the transportation economic development assistance account;

(5) evaluate the overall economic impact of the program; and

(6) provide recommendations for any legislative changes related to the program.

The cost of preparing this report is under \$7,000.

Summary

The Transportation Economic Development Program was established in 2010 and is a joint effort of the Minnesota Department of Transportation and the Minnesota Department of Employment and Economic Development and is governed by two statutes. Under [Minn. Stat. 116J.436](#), the program's purpose is to fund construction, reconstruction and improvement of state and local transportation infrastructure in order to:

- create and preserve jobs
- improve the state's economic competitiveness
- increase the tax base
- accelerate transportation improvements to enhance safety and mobility
- promote partnerships with the private sector

Under [Minn. Stat. 174.12M](#), the criteria under which projects should be prioritized and selected include:

- the extent to which a project provides measurable economic benefit
- consistency with relevant state and local transportation plans
- the availability and commitment of funding or in-kind assistance from non-public sources
- the need for a project as part of an overall transportation system
- the extent to which completion of an improvement will improve the movement of people and freight
- geographic balance

The program provides state matching funds to close financing gaps for transportation infrastructure improvement construction costs on state and local transportation networks. These improvements enhance the statewide transportation system while promoting economic growth through the preservation or expansion of an existing business--or development of a new business.

There are many good, solid projects in communities across the state that – once completed – will foster economic growth. Often, there simply are not enough state or local transportation resources to fund these worthy projects. This program leverages additional resources from public and private partners who benefit most from the improvement.

TED is designed to attract and leverage other public and private funding. In the first four solicitations, in years 2010, 2012, 2013 and 2015, 36 projects were selected for a total TED (DEED and MnDOT) investment of \$103 million. TED has in turn leveraged more than \$226 million in non-state and private outside investments in its projects.

Based on estimates provided by project applicants, the program supports the creation and/or retention of approximately 22,255 permanent, well-paying jobs. Program administrators will continue to monitor job creation outcomes as more projects are completed and as new development occurs.

Projects ultimately selected for TED grants are generally developed by cities, counties, MnDOT district offices and economic development authorities. They are projects that local communities want and need for their economic vitality, but cannot afford to do alone.

Ranking Process & Criteria

For all four TED program years, a statewide solicitation process was used. Applicants were required to provide key project data and impact information, which was then used to score the project. A selection committee composed of staff from the Minnesota Department of Transportation, the Minnesota Department of Employment and Economic Development and representatives of economic development authorities in Greater Minnesota reviewed the applications, scored them and ultimately recommended the selected projects for award. All submitted applicants were evaluated in the following four criteria areas:

- Transportation System
- Economic Development
- Financial Plan
- Project Readiness

For each criteria category there were project qualifying questions and point scoring/evaluation questions. A blank copy of the most recent TED application, which includes a breakdown of the individual qualifying questions and point breakdown, is provided in Appendix A.

Recommendations

The Transportation Economic Development Program is governed by two statutes: [116J.436](#) and [174.12](#). While similar, the two statutes have differences that create some ambiguity for program staff.

Originally adopted in 2012, 116J.436 only applies to the Department of Employment and Economic Development and to non-trunk highway construction projects. Adopted in 2013 and amended in 2014 and 2015, 174.12 applies to both DEED and MnDOT and covers both trunk highway and non-trunk highway construction projects.

One example of how the two statutes differ is the required local match. 116J.436 makes no mention of a required match for TED funds, but does include “leverage of non-state funds” as a required scoring criteria. On the other hand, 174.12 requires at least a 30% local match to the TED funds, but does not include leverage of non-state funds in the list of required scoring criteria.

Another example of the difference between the two statutes is geographic balance. Both statutes require consideration of geographic balance when selecting projects for funding. 116J.436 requires balance between the metropolitan area and Greater Minnesota. However, 174.12 requires the agencies balance both the number of projects and the total amount of financial assistance going “to a particular location or region in the state.”

As authority for DEED funding comes from 116J.436 and authority for MnDOT funding from 174.12, staff from both departments have designed separate but coordinated programs that are designed to be used together on projects. This structure allows collaboration and consistency with both statutes. The Legislature could review both statutes and consider changes to increase the consistency between the two statutes.

2010 Projects

Project: U.S. Highway 10 / Otter Tail County State Aid Highway 34 Interchange

Recipient: City of Perham

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds*	5-Year Job Estimate
5607-42	\$500,000	\$3,497,480	\$3,997,480	2012	\$2,356,600	280

* This project was supported in part by a \$270,000 contribution from the private sector.

Project Description

CSAH 34 in Otter Tail county crosses over the four lanes of U.S. Highway 10 on the west side of the City of Perham. Before this TED project was constructed, there were no on/off ramps from CSAH 34 to U.S. Highway 10. This TED project added four legs, or on/off ramps, to the intersection to create a diamond shaped interchange. The project also included constructing additional turn lanes, widening lanes, improving shoulders, curb/gutter installation, putting in signal lights and other improvements to CSAH 34.

Exit ramp from TH 10 to CSAH 34



Transportation Impacts

US Highway 10 is a major traffic artery with 4,600 cars per day. Construction is complete on the Perham Memorial Hospital located near the interchange. The hospital generates more than 6,000 employee and patient trips per week and serves a population of more than 30,000 in the peak summer months. Ambulance traffic and emergency access to the hospital will benefit from the improvement by significantly reducing access time from the highway to the hospital.

Perham is home to a number of large manufacturers that rely on the transportation network to move freight. More than 1,200 semis travel to Perham weekly, many are routed down Main Street and residential streets. The interchange decreases reliance on the local road system to move these heavy loads.

Economic Development Impacts

With the construction of the hospital, the area immediately adjacent to the interchange has become ripe for economic development. The city owns several lots with infrastructure available for sale near the hospital site. The interchange also promotes economic development near the vacant property located along CSAH 34.

Outcomes

Several businesses directly benefit from the TED interchange construction. Those companies are:

- The Perham Memorial Hospital is a \$34 million investment in rural health care and is directly served by the interchange. The new interchange provided access for the hospital's 440 employees. Since completion of the interchange 50 additional employees have been hired.
- Shearer's, which now owns Barrel O' Fun Snack Food Company, directly benefits from the interchange for movement of its freight, as well as improved access for their employees. Barrel O' Fun built a \$3.5 million office building in 2010 and employs 762 in its Perham operation.
- Tuffy's Pet Foods, owned by KLN Companies, has completed a \$70 million expansion. Tuffy's currently employs 583 people and anticipates expanding production capacity in the near future.
- Kenny's Candy, also owned by KLN Companies, currently employs 112 workers with the anticipation of adding 50 new jobs and \$5 million worth of capital outlays within the next five years.

Project: Industrial Site Development – Versa Cold Expansion

Recipient: City of Zumbrota

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
2506-69	\$750,000	\$398,225	\$1,148,225	2013	\$1,148,225	25

Project Description

This TED project was a collaborative effort between MnDOT District 6, Goodhue County and the City of Zumbrota to accommodate further industrial development and improve safety by closing an existing at-grade interchange at 445th Street and US Highway 52. The project involved designating two unpaved county roads as an extension of County Road 68 and to upgrade those roadways to a 10-ton standard to allow increased industrial traffic.

2010 TH 52 project completed in conjunction with the Versa Cold expansion



Transportation Impacts

The project closed an at-grade access from County Road 60 onto a very busy segment of Highway 52. This improved safety and promotes sustainability by providing a safe access to the industrial park from the existing interchange at Highway 60. The interchange also promotes the development of the entire Highway 52 corridor by closing at-grade accesses in favor of interchanges.

Economic Development Impacts

The project provides safe and efficient, grade separated access to Highway 52 for future industrial expansion of more than 440 developable acres zoned for industrial development. In the immediate term, the project accommodates the expansion of an existing business, VersaCold Logistics, a cold storage warehouse distribution facility.

Outcomes

VersaCold currently employs 35 people at the Zumbrota facility and 125 people statewide. The improvement supports an expansion of the existing facility by 75,000 square feet, adding an estimated \$4.8 million in taxable market value and adding an additional 25 well-paying jobs.

Project: Trunk Highway 59 Infrastructure Improvements

Recipient: City of Worthington

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
5304-37	\$500,000	\$2,800,000	\$3,300,000	2013	\$1,420,000	450

Project Description

Project provided for an initial extension of BioScience Drive westerly to ultimately serve 750 acres of industrial and commercial property. The project included development of full turn lanes on Trunk Highway 59 at BioScience Drive to complete the intersection east of TH 59 and allows for extension of BioScience Drive west of TH 59. The project included the Industrial Park Development elements of sanitary sewer and water main extensions west through County Ditch 12 (CD 12), placement of culverts for a BioScience Drive crossing of CD 12 and storm water retention for the drainage area immediately west of CD 12. The project also allowed for a street extension through CD 12 to accommodate 14 to 16 acres of development and additional infrastructure extensions as needed to accommodate additional sites. Improvements for TH 59 were completed in 2010.

Trunk Highway 59 Infrastructure Improvements



Transportation Impacts

The improvements to Highway 59 reduced conflicts and crashes by implementing improved safety measures, which includes extending the four-lane divided roadway to the south so that it goes through the intersection with Bioscience Drive, as well as installing right turning lanes at the Bioscience Drive intersection. In addition, plans call for County Ditch 12 improvement for flood mitigation plan.

Economic Development Impacts

This TED project has opened up access to 114 acres of developable land, which is the first phase of a new 750 acre industrial/commercial park located in Worthington. An additional 15 new commercial and industrial zoned lots are available for future development. The project improved access to the new 50 acre Worthington Bioscience Park on the east side of Highway 59.

The city estimated that 300 new jobs will be added in the next 10 years, and that the estimated increased tax base resulting from the project will be \$26 million. Bedford Technology is planning a major expansion in the industrial/commercial park and Worthington expects more business to move in the near future due to the city's multimodal transportation network of roads, rail and air.

Outcomes

Improvements to TH 59 and the Bioscience Drive intersection have begun to generate important economic activity in the vicinity of the project. It is reported that three new businesses related to the agriculture and health industries have been established since completion of the project creating 175 jobs. These business are also forecasting continued growth. Additionally, approximately six new jobs have been created in the hospitality industry with a hotel and conference center located nearby.

Project: Trunk Highway 68 & Lake Road Turning/Bypass Lanes

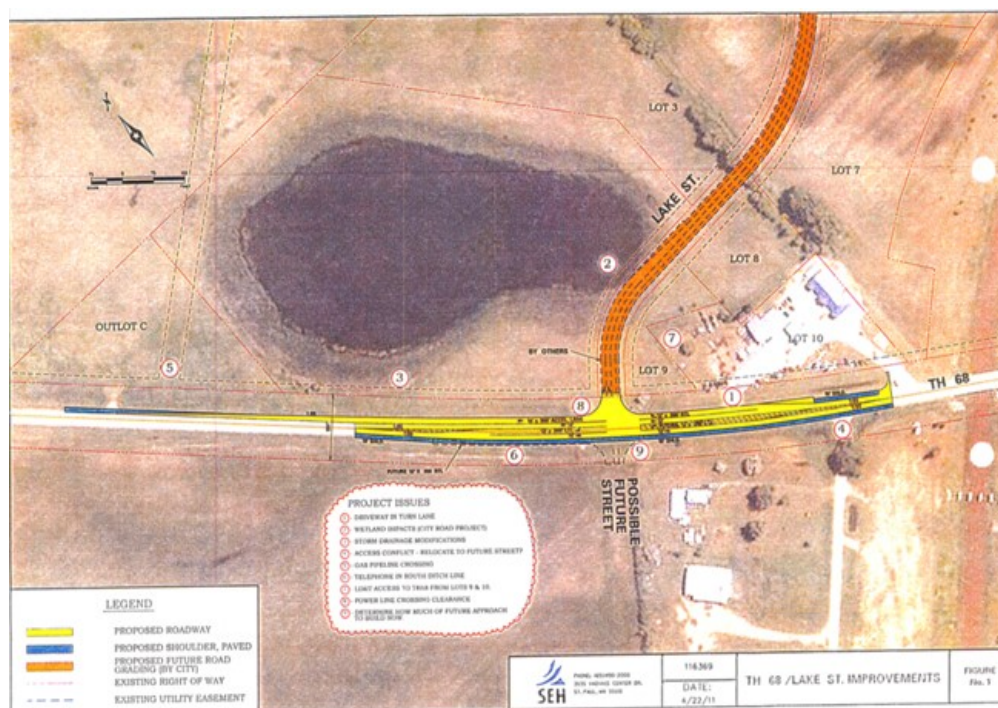
Recipient: City of Marshall

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
4210-52	\$500,000	\$575,000	\$1,075,000	2012	\$247,500	75

Project Description

This TED project included the installation of a turning lane and bypass lane at the intersection of Highway 68. The project also included the installation of the Lake Road approach and truck acceleration lane on Highway 68. The improvement included excavation and embankment, drainage, gravel base, asphalt surfacing and traffic control elements to improve the safety for all vehicles at the intersection and increase the mobility and efficiency for the intersection's freight users.

Intersection improvement to Lake Road and TH 68



Transportation Impacts

The Highway 68 improvements provide better access for cars and trucks into and out of the developing industrial park in the northwest Marshall area. The project significantly enhances safety at the intersection of Highway 68 and Lake Road because the bypass lane allows free movement of traffic while cars or trucks turn into the industrial park. The acceleration lane enables heavy trucks and cars to safely merge into the westbound traffic.

Economic Development Impacts

The city of Marshall has worked closely with two existing firms: RALCO Nutrition Inc., a livestock nutrition and health producer that provides products to 19 countries; and Runnings, a major retailer of farm, home and ranch supplies. Prior to this project, both companies were considering relocating, due to inadequate access to the industrial park. This project expands access and provides safe and efficient roadways so these businesses can operate efficiently. It also allows other businesses to continue to grow and thrive, while attracting new businesses to the area.

Outcomes

All of the commercial lots in the 160 acre Sonstegard Industrial Park have now been filled and more than \$16 million of investment have been made by the occupants. The park's four employers now occupy 230,000 sq. ft. of building space with significant expansions being considered by several businesses. More than 270 jobs have been retained and nearly 60 new jobs have been added since the TED investments were completed.

Project: Aitken County State Aid Highway 5 Reconstruction

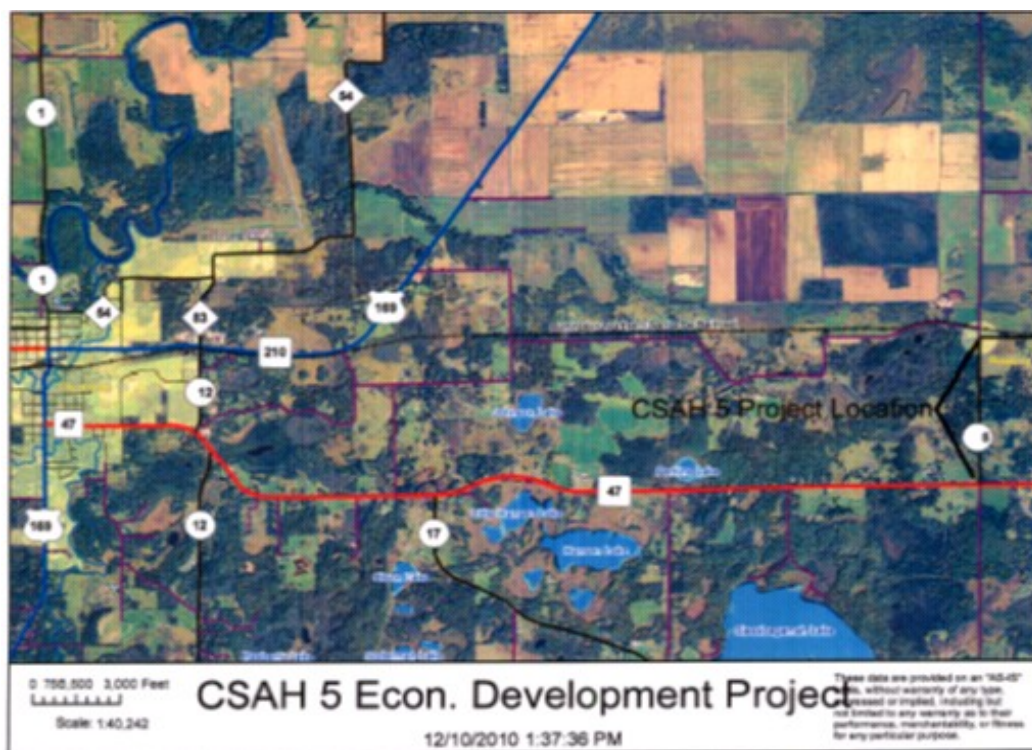
Recipient: Aitkin County

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
N/A	\$250,000	\$0	\$250,000	2012	\$416,250	4

Project Description

This TED project involved the reconstruction of a one-mile segment of Aitkin County State Aid Highway 5, which is a north-south road about three miles east of the city of Aitkin and extends between County Road 47 and the rail tracks a mile north. This segment was originally a gravel-surfaced road that was restricted to five tons per axle during the spring road restriction period. This project involved reconstruction of the roadway to meet current state-aid standards with a non-restricted load capacity of 10 tons per axle during the spring road restriction period.

CSAH 5 aerial photo with project location.



Transportation Impacts

Before the project on Highway 5 in Aitkin County, this one-mile segment was deficient in structural strength, design speed, lane and shoulder width, and slopes within the roadway recovery area. This project made the segment compliant with state-aid safety standards and constructs a right turn lane to allow safe right turning movements from Highway 47 to County Highway 5.

Before this project, the annual average daily traffic on this segment was 235 vehicles. When completed the annual average daily traffic will increase to 350 vehicles and heavy commercial traffic is expected to increase to approximately 45 vehicles.

Economic Development Impacts

The American Peat Technology, LLC is an expanding industry located adjacent to the segment being reconstructed. American Peat Technology started in 2004 and has steadily increased its payroll every year since. The company ships peat products throughout the country, and relies on access to a roadway which can accommodate a 10-ton load.

This TED project will not only allow the company to cut its shipping costs and become more competitive in the market, also helps attract other industries to Aitkin that require access to a 10-ton route.

Outcomes

The company can maximize its margins by making it cost effective to ship its products. In addition, this project increases the industry's capacity to bring in fuel and biomass, which American Peat Technology, LLC uses to manufacture its products and run its equipment.

Project: State Highway 15 and 33rd Street Interchange

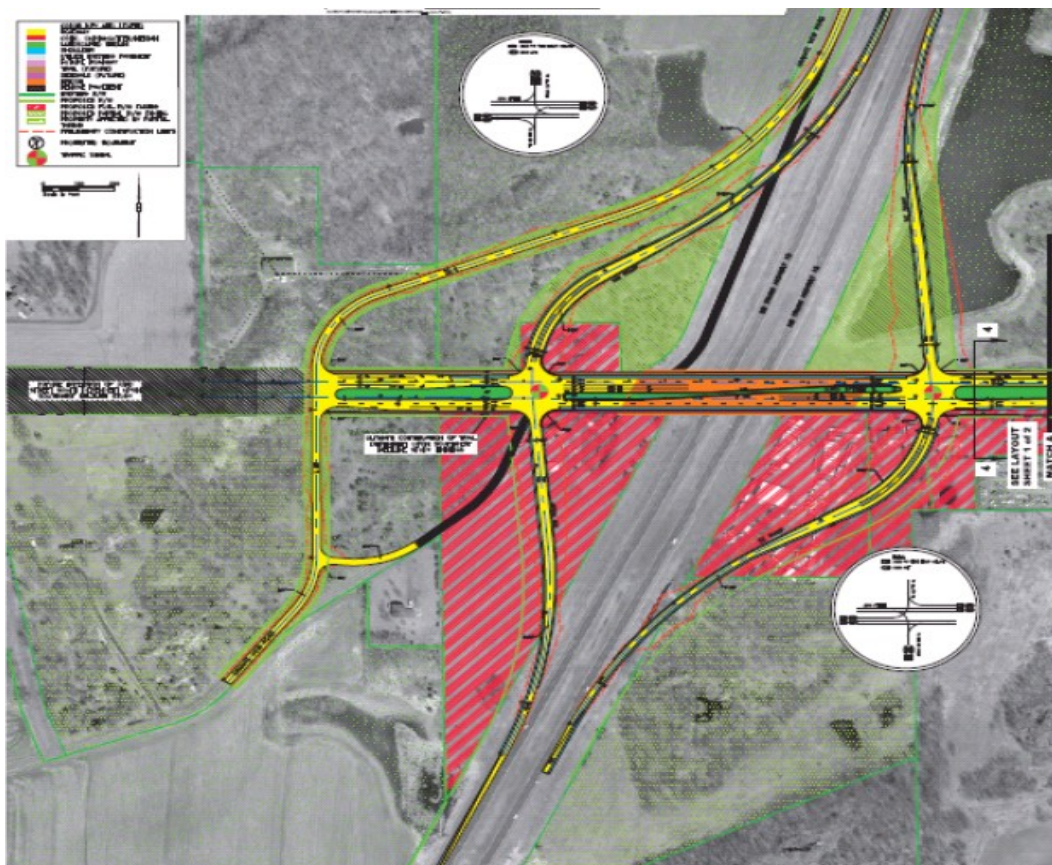
Recipient: City of St. Cloud

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
7303-48	\$500,000	\$8,400,000	\$8,900,000	2012	\$4,000,000	165

Project Description

This project involved construction of a new interchange at Trunk Highway 15 and 33rd Street South located in the southwest portion of the St. Cloud metropolitan area. This area is experiencing a significant increase in land development, traffic and population.

Interchange addition to TH 15 in Saint Cloud



Transportation Impacts

The TED project in St. Cloud provides a fully functional east-west roadway which accommodates current and projected traffic needs in the area. The project greatly improves access to the state trunk highway system at TH 15 and to the interstate system at Interstate 94.

Prior to completion of this project, the system provided limited access from the trunk highway network, forcing travelers to choose between two indirect routes in order to reach the prime business sites near the highway. The first route required an additional six mile winding route north beyond the project area along TH 33 to the 2nd Street intersection and then to double back along County Road 74. The other required a similar detour from the I-94/CSAH 75 intersection and then reversing direction for three miles westerly to the project area. These routes create congestion on the city street network and contribute to safety concerns.

Economic Development Impacts

The city's Joint District Plan identifies land adjacent to the project area as the primary growth area in the region due to the availability of existing wastewater infrastructure. Many local businesses expressed support for the project and anticipate future job growth as a direct result. Lumber One, a developer and home-builder in central Minnesota invested \$3.5 million in land near the project site. Crowne Pointe Development, which represents local businesses such as Marcus Theaters, Arby's Restaurant and Cabela's, indicated that these businesses would be able to expand with development of the new interchange.

Outcomes

Anticipated economic development associated with this project has not materialized as rapidly as projected, although recent developments suggest that the area is poised for positive economic development soon. That development may include a new high school and a health care products and service campus among other growth opportunities. It is also reported that the sale of commercial property has recently accelerated in the area served by the new interchange. Over \$1 million in sewer and water improvements have been made.

Project: Interstate 494 and 34th Avenue Interchange

Recipient: City of Bloomington

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds*	5-Year Job Estimate
2785-388	\$0	\$4,673,000	\$4,673,000	2013	\$1,800,000	3,264

* This project was supported in part by a \$900,000 contribution from the private sector.

Project Description

The I-494 and 34th Avenue South interchange is located at the border of the Minneapolis-Saint Paul International Airport and the City of Bloomington, between Airport Lane and American Boulevard East. The improvement converted the existing diamond interchange to a diverging diamond interchange, increasing capacity and decreasing queue lengths and conflict points.

Bird's eye view of the I-494 34th Ave Interchange



Transportation Impacts

The former interchange type caused extensive queuing during peak hours that extended approximately two-thirds of the length of the eastbound exit ramp, and the interchange was unable to safely and efficiently accommodate the growing vehicular and transit demand. With the improvements resulting from this TED project, the I-494 and 34th Ave. interchange significantly reduced queues, making the interchange much more efficient and much safer.

Economic Development Impacts

Improvements to the interchange have been a critical component of both the Minneapolis-Saint Paul International Airport's and the city of Bloomington's long range plans. Capacity enhancements at Humphrey's Terminal 2 and growth within the city of Bloomington depend on increased carrying capacity at the interchange, which serves as a primary gateway to each of these regional centers.

Outcomes

The city of Bloomington reports that movements through the diverging diamond at the interchange are much smoother and safer than under the old design. With the growth of airline traffic at Terminal 2, added safety directly benefits travelers and commuters in the corridor.

Project: Interstate 35W Northbound Entrance Ramp from 4th Street South

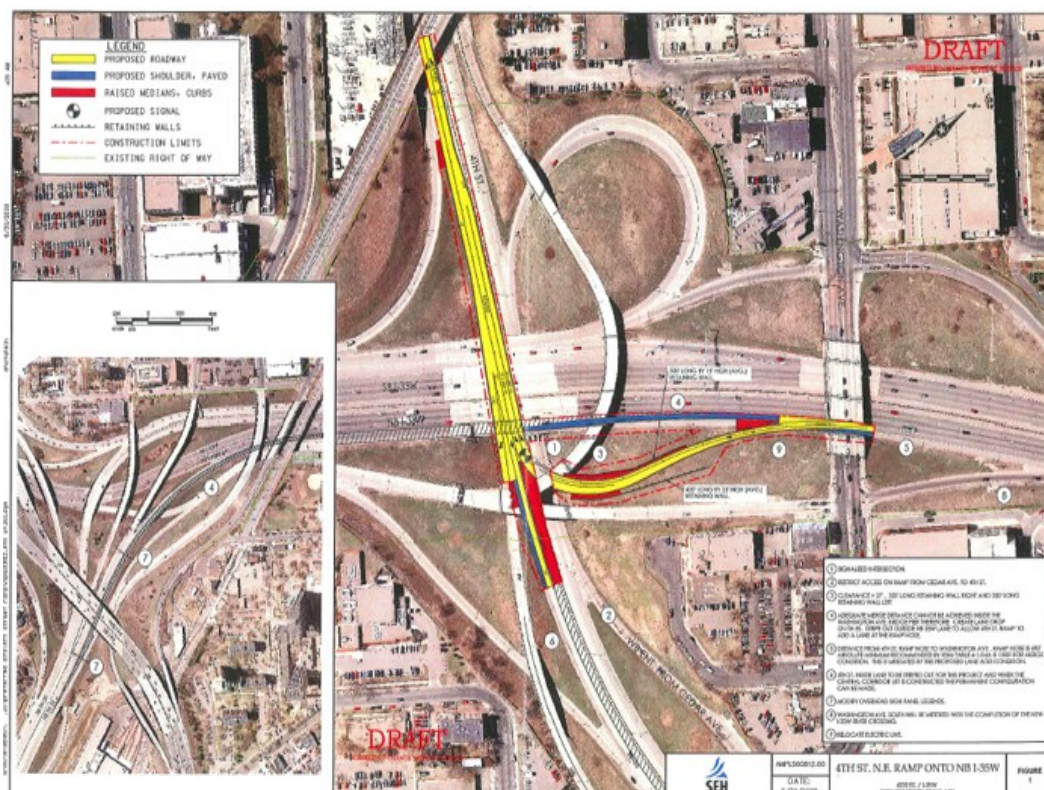
Recipient: Hennepin County

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
2783-136	\$0	\$9,358,375	\$9,358,375	2015	\$4,046,400	170

Project Description

This TED project is located to the east of downtown Minneapolis in the Cedar/Riverside neighborhood at I-35W and 4th Street South. It provides a new entrance ramp to I-35W northbound from 4th St S as well as an auxiliary lane on northbound I-35W from University Ave SE to the Stinson Blvd NE exit. In addition to the construction of these elements, the project also included retaining walls, signals and lighting.

Interstate 35W northbound entrance ramp



Transportation Impacts

This project improves traffic flow on the roadway network serving trips from downtown Minneapolis to the northern Twin Cities Metropolitan Area. Before the TED project, the demand to use the Washington Avenue South interchange exceeded its capacity, as did the access northbound to I-35W from downtown Minneapolis. As a result, congestion routinely backed up for several blocks and there was a deteriorating level of service for all trips through and across Washington Avenue South and from downtown Minneapolis to I-35W. This project was implemented to create safer and more efficient driving conditions for motorists in the downtown Minneapolis area.

Economic Development Impacts

The project supports a mixed use high density multimodal area, a hotbed of growth industries that employs well more than 27,000 people in predominantly well-paying jobs. Furthermore, it has a number of high quality developable sites, including one that was being created to be the new home of the American Academy of Neurology (120 new jobs). This project supports and encourages private sector investment by providing better access to an area currently gridlocked for hours every day.

Project: Interstate 90 Business Park Development

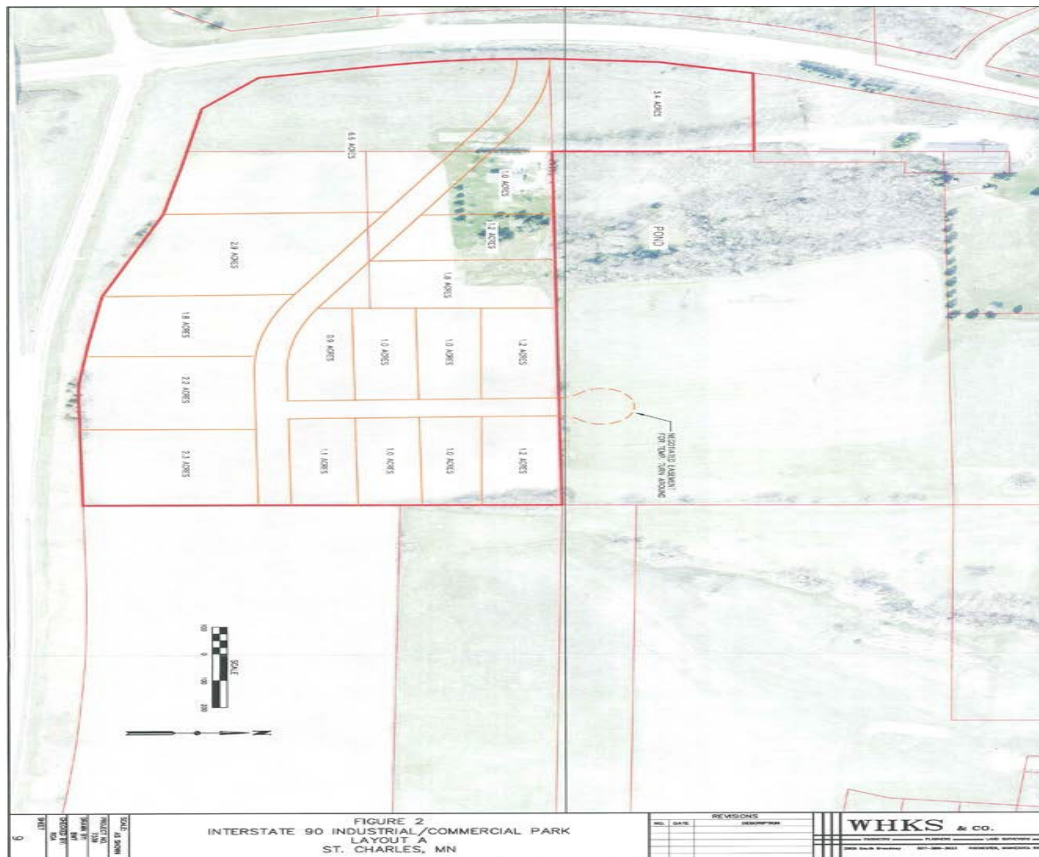
Recipient: City of St. Charles

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
N/A	\$500,000	\$0	\$500,000	2012	\$2,030,000	45

Project Description

This TED project provides direct access to a new industrial park in St. Charles from I-90. This 37-acre industrial park will attract new businesses to replace North Star Foods, which was lost in a fire in 2009.

Interstate 90 Business Park access road



Transportation Impacts

This TED project consisted of new turn lanes to Highway 74 in order to provide easier and safer access to the new industrial park. The project is located immediately adjacent to I-90. The city has envisioned the industrial park area as an untapped opportunity for growth due to the proximity to this major transportation corridor.

Economic Development Impacts

Since its completion, this project has supported existing business expansion and new business development in the area. Active Tool and Die has relocated their manufacturing operation to the St. Charles industrial park, expanding to a 12,000 sq. ft. plant and shop and adding 10 new jobs. Planning is also underway for plant expansion that could add 20 new employees. Ground breaking has also occurred for a new manufacturer, Envirolastech, a manufacturer of construction grade materials made from recycled plastics and glass. It is estimated that this operation will add 14 new jobs in year one and 26-30 new jobs by year two.

2012 Projects

Project: Eastwood Energy Industrial Park Access Development

Recipient: City of Mankato

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
N/A	\$969,218	\$0	\$969,218	2013	\$415,380	405

Project Description

This project involves construction of Energy Drive, which provides direct access to Eastwood Energy Industrial Park. The industrial park is poised to add 70 acres of industrial development. This project is necessary because significant traffic will be generated by the adjacent Wal-Mart distribution center at the intersection of Victory Drive and Energy Drive. The new roadway also creates an additional access point to the Trail Creek neighborhood on the north side of Eastwood Energy Industrial Park.

Eastwood Industrial Energy Park access road



Transportation Impacts

Construction of this project will create safe access to the industrial park. The new access will alleviate congestion on the high volume Victory Drive, and reduce the threat of crashes. It will also provide a more direct route for emergency vehicles.

Economic Development Impacts

The addition of 70 acres of prime industrial land will enhance the city's ability to meet the development and transportation needs of both new and existing businesses. There are local projects that are currently planned or under development, which include a Wal-Mart distribution center, and a new data center. Both of these developments are likely to spur additional supporting businesses.

The city anticipates the project will support 162 new jobs within two years and 405 new jobs within five years.

Project: State Highway 10 and County Road 3 Interchange

Recipient: Benton County

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds*	5-Year Job Estimate
0502-107	\$0	\$2,934,000	\$2,934,000	2014	\$1,956,000	50

* This project was supported in part by a \$688,000 contribution from the private sector.

Project Description

This TED project improves an interchange at Highway 10 and County Road 3 in the City of Sauk Rapids. The existing diamond interchange is reconfigured to a partial clover, which converted the entrance ramp to north-westbound Highway 10 to a loop configuration. In addition, the existing two-lane bridge, on County Road 3, was extended to three lanes with roundabout intersections on both ends.

State Highway 10 and County Rd 3 Interchange



Transportation Impacts

This project addresses roadway capacity, traffic operations and safety concerns for truckers and other motorists by eliminating closely spaced intersections and reducing long queues that form to get on and off Highway 10.

Economic Development Impacts

This corridor serves two industrial parks located on either side of Highway 10, which provide more than 1,000 jobs. The improvement promotes economic development by enhancing traffic flow around existing businesses and by bringing new business to the area.

Project: Business Park Access Development

Recipient: City of Delano

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
8602-51	\$1,000,000	\$605,500	\$1,605,500	2014	\$3,313,000	100

Project Description

This TED project creates better access to a new industrial park located in Delano. Access to the industrial park is directly off of Highway 12. In addition, the project extended a local collector, Davidson Avenue, from County Road 30 through the existing Delano Northwest Business Park.

Delano Business Park access road



Transportation Impacts

This TED project had two key transportation outcomes. First, it provided access to the newly developed industrial park. Second, it provided a north-south collector street that is critical in supporting additional economic development as the city continues to grow.

Economic Development Impacts

The project resulted in the development of 60 acres of land in Delano, providing industrial development opportunities for Delano area manufacturers to continue to grow and new businesses ample space to incubate. It also provided utilities to an area master-planned for further utility extension and growth as needed. Prior to this project, all available land in Delano for industrial expansion was consumed by business growth and expansions in 2011.

The city is currently working with an expansion of a business – Randy’s Environmental Services – that would occupy up to 20 acres of the West Metro Business Park and provide more than \$40,000,000 investment in this site. If developed, the project would result in a minimum of 15 industrial jobs at the outset, with the possibility to expand to additional jobs onsite in the future.

Project: Interstate 394 Ridgedale Drive Westbound On-Ramp

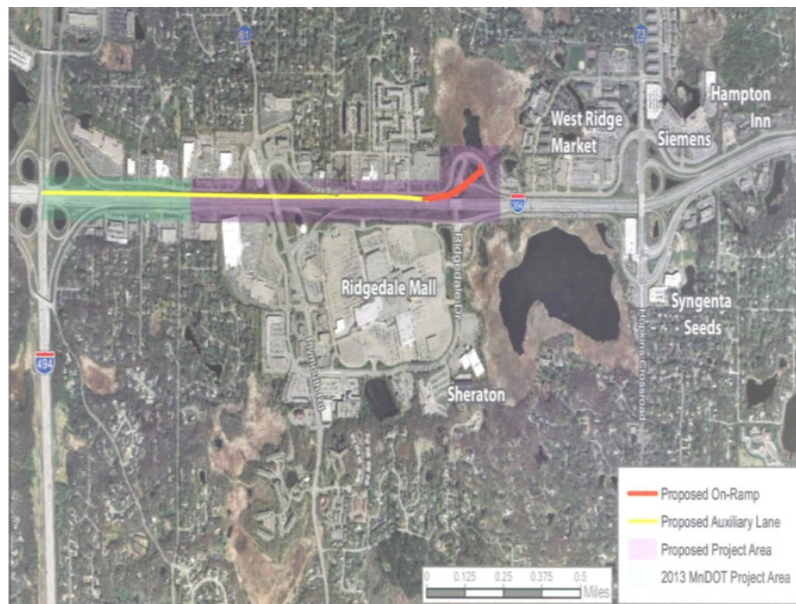
Recipient: City of Minnetonka

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
2789-141	\$0	\$1,603,965	\$1,603,905	2014	\$6,396,035	450

Project Description

This project constructed a westbound I-394 on-ramp at Ridgedale Dr., improving the interchange to a full access interchange. The interchange was previously sub-standard, allowing only three of four movements (eastbound off-ramp, eastbound on-ramp and westbound off-ramp). In addition, the project added a westbound I-394 auxiliary lane from the on-ramp to just west of Plymouth Road. From this point, the auxiliary lane was extended to I-494 as part of a MnDOT project that split the existing I-394 westbound single exit to the I-494/Carlson Parkway Collector Distributor Road into two exits. The coordination and combination of the projects resulted in an auxiliary lane from Ridgedale Dr. to I-494.

I-394 On-Ramp at Ridgedale Drive



Transportation Impacts

The project provides full access to the I-394/Ridgedale Drive intersection. This improves traffic operations by reducing congestion and providing additional access for westbound motorists. It also allows motorists to use the MnPASS lane between Plymouth Road and I-494, which reduces congestion and accidents as well as promoting carpooling and transit use along the I-394 corridor.

Economic Development Impacts

The project generated increased development and job growth. Construction of the I-394/Ridgedale Drive on-ramp increased the opportunities for businesses to locate in this highly vibrant area. Since the awarding of the grant, Ridgedale Mall expanded, adding another major tenant, Nordstrom, and additional mall space expansion equaling nearly 300,000 square feet of new retail space and more than \$80 million of property value. The city is experiencing other redevelopment investments in surrounding properties including a more than \$30 million dollar mixed use development with 115 residential apartment units and an additional 16,000 square feet of retail space.

Project: State Highway 36 and English Street Interchange

Recipient: City of Maplewood

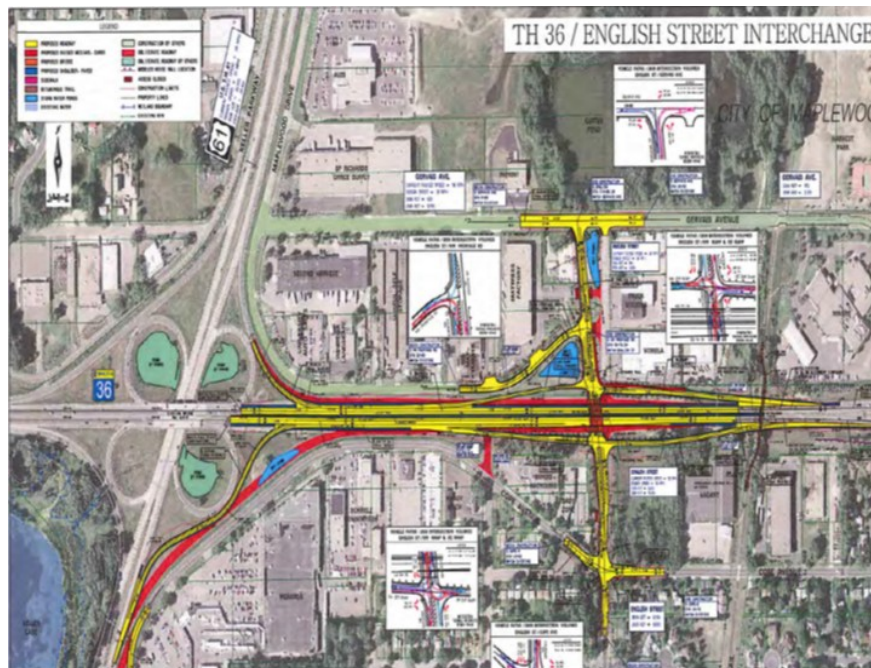
State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds*	5-Year Job Estimate
6211-90	\$0	\$1,000,000	\$1,000,000	2013	\$21,997,000	230

* This project was supported in part by a \$1 million contribution from the private sector.

Project Description

This project included construction of a tight diamond interchange that replaced the existing at-grade signalized intersection. English Street is now grade-separated with a bridge over Highway 36, which includes entrance/exit ramps to the highway. Additional improvements include the elimination of right-in/right-out access points along Highway 36 at Atlantic Street and Hazelwood Streets, as well as other minor improvements to Highway 36 and other local roadways.

State TH 36 and English Street Interchange



Transportation Impacts

Highway 36 is a principal arterial roadway that connects a number of employment centers and commercial nodes within the cities of Maplewood, Roseville, Stillwater and other communities. The project preserves roadway capacity and improves traffic operations and safety along this busy corridor. This intersection consistently ranked high on MnDOT's Top 200 Highest Crash-Cost Intersections, and traffic volumes are projected to grow along this corridor.

Economic Development Impacts

Maplewood's economic competitiveness is highly dependent on opportunities for existing businesses to expand or development of new businesses along the Highway 36 corridor. With the construction of this new interchange, there is more opportunity for business expansion in this area by providing long-term efficiency and reliability, and by improving movement of goods and services in the area. This corridor is also becoming more critical as a connector between western Wisconsin, the east metropolitan area and jobs in the Twin Cities metropolitan core.

Project: North Industrial Park Infrastructure Improvements

Recipient: City of Windom

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
1706-26	\$549,540	\$544,960	\$1,094,500	2013	\$805,500	35

Project Description

This project improved access along Highway 71 at the entrance to the North Windom Industrial Park. The access improvements included a right turn lane, a northbound acceleration lane, a southbound bypass lane, and a new road leading into the 80-acre industrial park.

Fast Sprayers manufacturing facility along North Industrial Park access road



Transportation Impacts

This project provided safety improvements to Highway 71 allowing shippers and motorists to safely access the industrial park while maintaining mobility on the highway. The primary access needs which were addressed by this project include a right turn, a northbound acceleration lane and a southbound bypass lane on Highway 71.

Economic Development Impacts

This project promotes additional economic development in the city of Windom, which is the economic engine for Cottonwood County, constituting more than 75 percent of the county's total sales. The project provides existing businesses with opportunities for growth and attracts new business to the development. Toro currently operates out of Windom, and with the new industrial park, Toro completed a 60,000-80,000 square foot expansion, although no net new jobs were created. Fast Global Solutions employs 160 people and anticipates expanding to 300 employees by 2020. In all, more than \$10 million in private investment has occurred in Windom as a result of this transportation improvement.

Project: Mille Lacs County Road 132/Hawkins Sawmill Road Project

Recipient: Mille Lacs County

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds*	5-Year Job Estimate
N/A	\$300,000	\$0	\$300,000	2013	\$950,000	10

* This project was supported in part by a \$175,000 contribution from the private sector.

Project Description

This project involved reconstruction of a two-mile stretch of County Road 132 in Mille Lacs County. The project replaced the former five-ton gravel road and replaced it with a nine-ton bituminous surface route that will support heavier vehicles transporting lumber from the area sawmill.

Construction of the nine-ton road surface on County Road 132



Transportation Impacts

Before this project, this roadway segment limited structural capacity that would on occasion create partial obstruction in the roadway. Since the road was gravel, there were issues with dust. These problems were eliminated with this project. The final product was a paved roadway allowing for safe two-way traffic year round.

Economic Development Impacts

Hawkins Sawmill is a regional mill that buys and processes hardwood for the homebuilding industry. Trucks travel this road all year to service Hawkins Sawmill. Before this project, the five-ton gravel road limited Hawkins Sawmill shipping ability by forcing them to ship out smaller partial loads and then reassemble them at an off-site location to make full loads. Improvements to CR 132 consisted of grading and paving a gravel road that was susceptible to spring load restrictions. The road had a history of becoming impassable during a severe spring; however, with the completion of this project, Hawkins Sawmill is able to have full loads shipped in and out throughout the year, which ensures this mill continues to be a viable contributor to the local economy.

Not only did Hawkins benefit from improvements to the roadway, the adjoining property owners benefitted by a reduction of dust and noise. The reduction in dust and noise from the roadway was enough incentive for the adjoining property owners to donate temporary easements allowing for construction.

Project: Multimodal Transportation Warehouse and Distribution Center

Recipient: City of International Falls

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
N/A	\$657,000	\$0	\$657,000	2014	\$300,000	50

Project Description

This project improves multimodal transportation and other infrastructure including rail spurs, sewer, water and other utilities in order to support the development of a 77.1 acre multimodal transportation hub. International Falls is partnering with Nexus Distribution, a leading third party logistics provider, to provide flexible and integrated warehousing and transportation solutions that will promote regional economic development.

Site of the planned intermodal warehousing/distribution center



Transportation Impacts

The project improves supply chain productivity to the existing manufacturing facility in International Falls. This project allows better management of vendor supply and product distribution along the existing supply chain, which is valued at more than \$100 million per year. In addition, the project creates an expanded multimodal hub to serve the largest rail port of entry in North America, and reduces shipping regulations that currently require products to be shipped to Chicago.

Economic Development Impacts

The development of a modern warehouse/distribution center will promote consolidation of distribution operations of a major manufacturer and regional employer that currently uses facilities in Chicago, Calgary and Toronto. The new facility expansion is valued at \$5 to \$8 million and is expected to add 100,000 square feet of warehousing and distribution space. As vendor repackaging and manufacturing vendor needs expand, the facility will support significant job creation and economic development. The Koochiching County Economic Development Authority recently approved a developer's agreement with an agricultural producer on 1.5 acres with a right of first refusal on an additional 1.5 acres. This development alone is expected to add six new jobs.

Project: Extension of Industrial Park Road and Reconstruction of Rice County Road 76

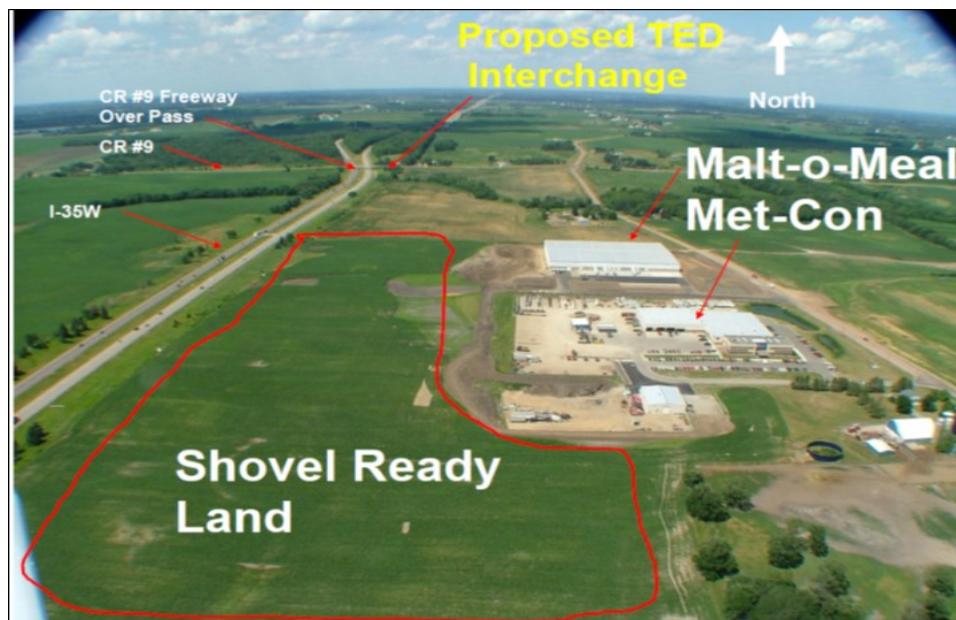
Recipient: Rice County

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
N/A	\$1,000,000	\$0	\$1,000,000	2015	\$1,740,000	93

Project Description

This project involved reconstruction of 2.1 miles of County Road 76/Acorn Trail to improve access to the existing city of Faribault Northern Industrial Park and to provide better access to developable properties north of the current city limits along the I-35W corridor. The project includes upgrading the entire roadway section along with widening driving lanes, adding wider and paved shoulders, and incorporating a 10-ton pavement design. This newly designed road accommodates year round freight movements, provides safety and mobility improvements, and offer further economic growth potential by creating improved access in and out of the industrial park.

Extension of Industrial Park Road and reconstruction of Acorn Trail



Transportation Impacts

The reconstruction of this segment of County Road 76 fosters immediate and long term development opportunities along this entire corridor. The pavement is designed for a 10-ton axle load to accommodate year round freight movements without spring load restrictions. New turn lanes have been constructed at appropriate intersections and access points to accommodate turning movements.

Economic Development Impacts

The area where this project was constructed is in a high growth corridor. One business has located to the business park, B & B Manufacturing & Assembly, LLC. The company moved to the Park mid-year 2015 and made a \$1,665,000.00 investment. At the end of 2015, B & B Manufacturing and Assembly reported that the company was providing 22 jobs, up from 16 jobs in 2012.

The improvement supports planned business expansion, including SAGE Electrochromics, a manufacturer of specialized window glass. The project also supports business development at the city's northern most industrial park, and several companies moved into this area, such as Aldi's Incorporated, Met-Con Companies and Malt-O-Meal.

Project: Lexington Avenue Congestion Mitigation

Recipient: Ramsey County

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds*	5-Year Job Estimate
N/A	\$1,000,000	\$0	\$1,000,000	2016	\$1,617,298	100

* This project was supported in part by donation of right-of-way by the private sector.

Project Description

This project is located just north of Interstate 694 on Lexington Avenue and alleviates traffic congestion by providing additional turn lanes at the I-694 ramps and at the intersection with County Road F, which is located approximately one third mile north of I-694. The project supports economic growth in the surrounding area because Lexington Avenue provides access to the primary employment centers in the cities of Arden Hills and Shoreview.

Lexington Ave and County Road F intersection improvement



Transportation Impacts

The project improves mobility by reducing congestion, and improves safety by providing dedicated turn lanes at the I-694 interchange ramp to the Lexington Avenue/County Road F intersection.

Economic Development Impacts

This project benefits several businesses in close proximity of the project area, most notably Boston Scientific Corporation and Land O'Lakes, Inc. Boston Scientific occupies approximately 95 acres north of County Road F and employs about 3,000 employees. Improvements on Lexington Avenue are important to Boston Scientific not only to maintain its current levels of service but also to expand operations, which would create close to 1,500 jobs in the next two to five years. Land O'Lakes, which is headquartered west of Lexington Avenue and employs 2,000 people in the Arden Hills facility, has begun a 155,000 sq. ft. expansion and anticipates adding 850-1,000 new jobs at this location. Many other businesses in this fully developed area will benefit from improvements made on Lexington Avenue.

Project: South Shady Oak Road Improvements

Recipient: City of Eden Prairie

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds*	5-Year Job Estimate
2763-49	\$0	\$7,000,000	\$7,000,000	2015-2016	\$24,700,000	3,500

* This project was supported in part by an \$8.5 million contribution from the private sector.

Project Description

Shady Oak Road (County Road 61) serves as a primary access point to Eden Prairie's Golden Triangle Area and City West business parks. This project included widening and reconstruction of Shady Oak Road from the intersection of Flying Cloud Drive to approximately 800 feet north of Rowland Road. The project also replaced and expanded the existing Shady Oak Road bridge over Highway 212. With added turn lanes, a median and trails along Shady Oak Road, the project also significantly enhances operational and safety benefits along the corridor.

South Shady Oak Road interchange improvements at TH 212



Transportation Impacts

Shady Oak Road and the Highway 212 / Shady Oak Road interchange is one of only four access points for the 20,000 plus employees that work in the Golden Triangle Area (area bounded by Highway 212, Highway 169 and I-494) and City West business parks. Due to this heavy daily commuter demand and the insufficient capacity of the interchange, significant delays were often experienced during peak travel periods. The improvements to Shady Oak Road and the Highway 212 / Shady Oak Road interchange provides improved access for existing and future employees in the area.

Another benefit of the project is that it serves as an alternative route for the congested I-494 and Highway 169 corridors. The project provides a multimodal function, including multi-use trails on both sides of the Shady Oak Road corridor. With this project, access to the proposed Golden Triangle Area and City West Southwest LRT stations and potential park and ride facilities has been improved.

Economic Development Impacts

This project serves two large business parks in the immediate vicinity: the Golden Triangle Area and City West Business Park.

The Golden Triangle Area is widely recognized as one of Minnesota's largest and most diverse business parks, and when combined with the City West area supports more than 20,000 jobs, and nearly 600 businesses. It encompasses 900 acres of land area and 10 million square feet of office, industrial and commercial uses. It is headquarters to some of the largest and most recognized companies in Minnesota including: Supervalu, Minnesota Vikings, Shop NBC, Starkey, Dell, Lifetouch, and CIGNA. With its strategic location within the I-494 ring and good proximity to the international airport, demand for investment and redevelopment of the area remains high. The city anticipates significant growth in jobs in the area through expansion of existing businesses as well as through new development and redevelopment.

One project alone - United Health Group's recently approved plan to add 1.5 million square feet of office space and 6,700 jobs in the City West area - will generate enough traffic demand to justify the complete reconstruction of the interchange. Phase 1 of the development project is complete and includes two eight-story office buildings totaling more than 500,000 square feet, a 2,500 parking space ramp and around 2,300 employees. Phase 2 includes a 15-story office building with more than 500,000 square feet, another 2,500 parking space ramp and another 2,300-2,500 employees.

In addition, the Margaret A Cargill Philanthropies expanded its existing site at 6889 Rowland Rd acquiring land to the east with plans to more than double its current building footprint.

Project: Highway 7 and Louisiana Avenue Interchange Project

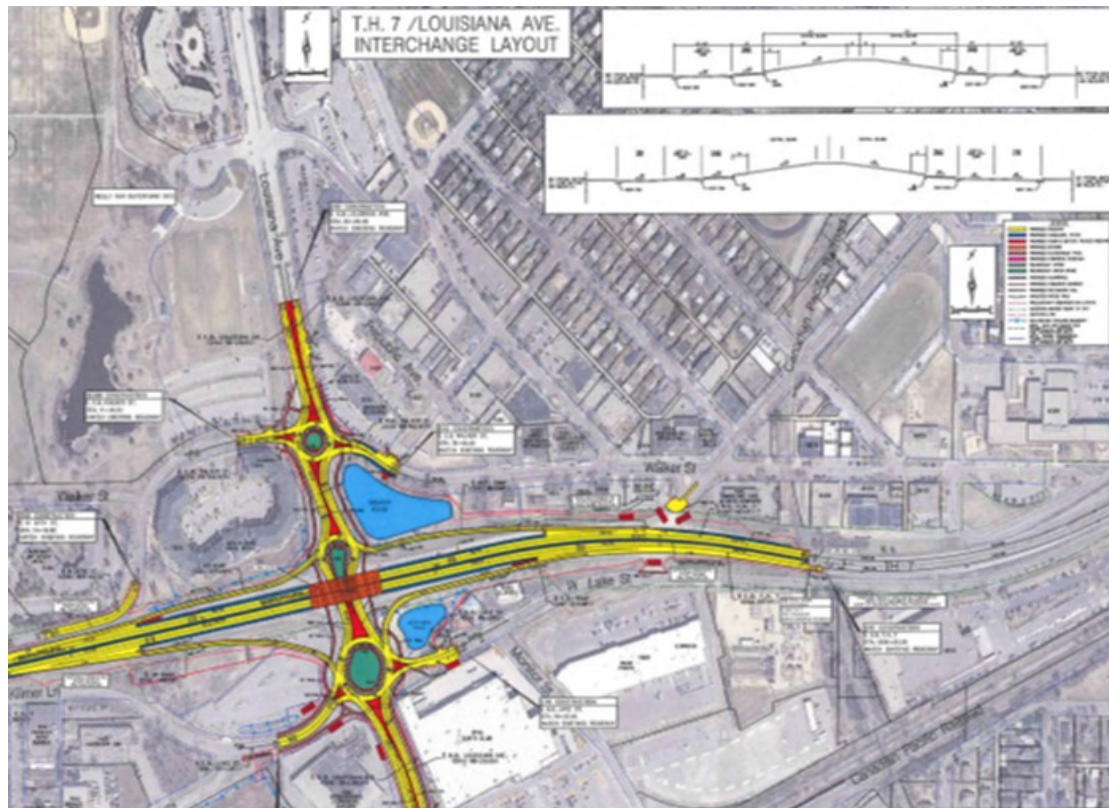
Recipient: City of St. Louis Park

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
2706-226	\$0	\$3,000,000	\$3,000,000	2013	\$22,008,000	450

Project Description

This project provided a grade separated interchange (tight diamond with roundabouts) at Highway 7 and Louisiana Avenue, promotes job creation and retention, and balances the mobility needs of the regional transportation system.

TH 7 and Louisiana Ave Interchange



Transportation Impacts

In recent years as the community has grown, Highway 7 has experienced safety problems, travel delays and capacity concerns. To remedy these issues, this project removed three signal systems along Highway 7 and two right-in/right-out intersections. In its place, a grade separated interchange was constructed. This project also enhanced the pedestrian/bicycle facilities along this area to facilitate movements throughout the area.

Economic Development Impacts

The construction of the interchange provides long-term efficiency and reliability for the movement of workers and goods to and from the area and helped ensure the viability of area businesses. The city has completed a master plan for the Southwest LRT Station development. The master plan accommodates a mix of uses including higher-density residential on the upper floors of the space and commercial office uses on the street level. With the completion of the interchange project, the city anticipates there will be redevelopment within the next 5 years and anticipates the addition of some 450 jobs.

Transportation Impacts

Prior to construction this highway was a two-lane rural-design highway with many access points and was inadequate for a growing community in mobility, access, safety and function. Annual Average Daily Traffic exceeds 15,000 and is expected to double by 2030. The improvements addressed safety concerns by widening and reducing the number of accesses to and from Highway 5, which had a crash rate four times the state average.

The project included a new signal for Ridgeview Medical Center and closure of 10th Street access along with the creation of a partial frontage road system. The wider road has improved emergency vehicle response times to the hospital.

Pedestrian facilities have also been included. This project improved pedestrian modes and supports heavy commercial traffic, which is 6 percent of all traffic through this corridor.

Economic Development Impacts

The project supports job creation for many employers in the area. For example:

- Ridgeview Medical (two-year jobs estimate: 130; five-year jobs estimate: 260)
- Good Samaritan Society (two-year jobs estimate: 30; five-year jobs estimate: 30)
- Waconia Ford (two-year jobs estimate:1; five-year jobs estimate:2)
- Waconia Mill IV (two-year jobs estimate: 25; five-year jobs estimate:40)
- Auburn Homes and Services (five-year jobs estimate: 30).

The salaries for these jobs range from \$40,000-\$62,000. Waconia is a rapidly growing community with a population of approximately 11,000 today, and it is expected to grow to 20,000 in 2020.

Ridgeview Medical expanded in 2015 to add 130 new jobs.

Additional expansions planned in 8-10 years add another 130 jobs, and several other retail, restaurants, and housing development are expected in the area. New property tax collections from these developments are projected to generate an estimated \$395,000 per year.

Project: 7th Street Off-Ramp and Repurposed 5th Street Off-Ramp at Interstate 94

Recipient: City of Minneapolis

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
2781-462	\$0	\$6,790,000	\$6,790,000	2016	\$2,910,000	5,000

Project Description

A new westbound I-94 off ramp was constructed in the city of Minneapolis to re-orient traffic entering downtown Minneapolis via westbound I-94 from the current 5th St. entrance to 7th St. The existing I-94 5th St. off ramp is being repurposed to provide a multimodal connection between the Cedar Riverside neighborhood and the downtown core.

New 7th Street off-ramp and re-purposed 5th street off ramp at I-94



Transportation Impacts

Re-orienting the off-ramp improves efficiency of downtown Minneapolis' one-way street network. Redirecting traffic moves traffic away from a bottlenecking conflict point with the Blue Line Light Rail.

The repurposed ramp will improve connections between Cedar Riverside and the downtown area for pedestrians and bikers. Congestion in this area creates back-ups on local streets in all directions, moves traffic onto parallel routes, and generally shuts down the functionality of the street network for hours every weekday.

Economic Development Impacts

Although the direct tax and job benefits from the project could not be determined because the project serves the highest density developed area in Minnesota, currently the downtown core of Minneapolis employs 162,500 people. It is expected that 183,000 could be employed in the area by 2030. A large share of more than \$1 billion in projects the city of Minneapolis approved in 2012 is slated to take place in downtown. The area's largest employers are the Hennepin County Medical Center, the University of Minnesota, Fairview Hospital, the new Vikings stadium and Augsburg College.

Project: Olmsted County Road 16 and Trunk Highway 63 Interchange Reconstruction

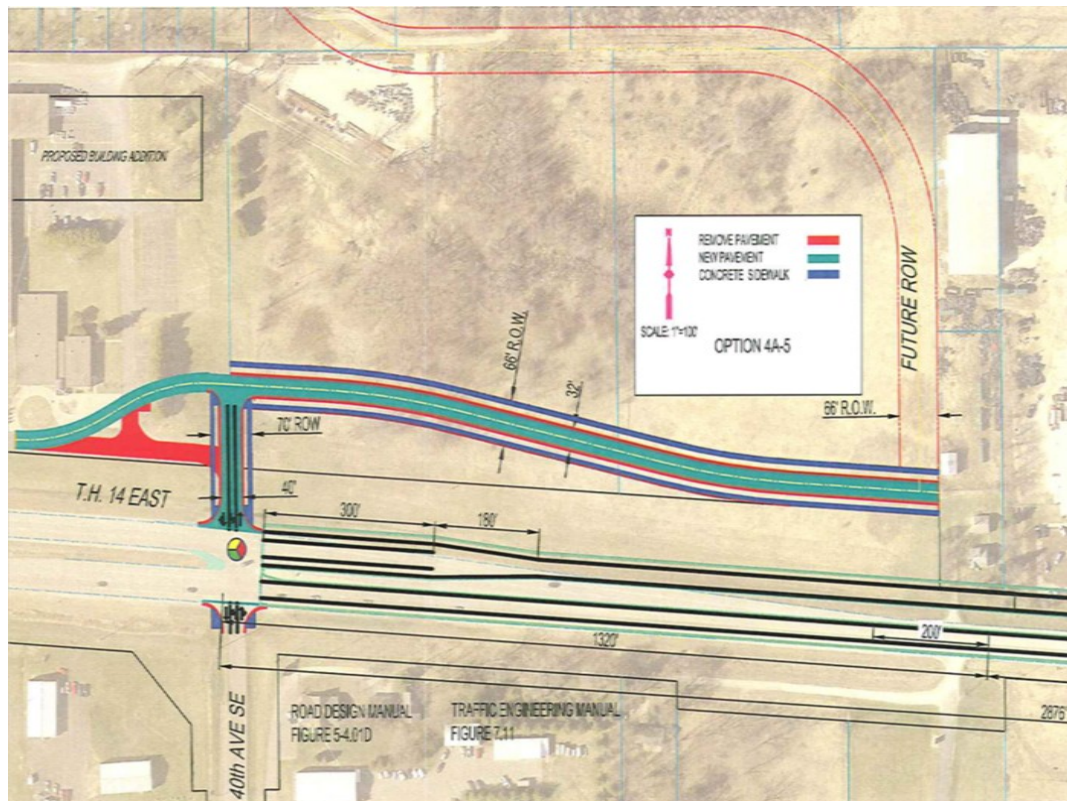
Recipient: Olmsted County

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
5509-80	\$0	\$2,224,000	\$2,224,000	2016	\$9,295,000	450

Project Description

An interchange at Highway 63 and County Highway 16 was reconstructed in Olmsted County. The project improves access to the Rochester International Airport and surrounding industrial parks.

County Road 16 and TH 63 Interchange reconstruction and airport access project



Transportation Impacts

The project reconstructs and realigns the interchange at Highway 63 and County State Aid Highway 16 south of Rochester near the Rochester International Airport. The existing bridge had been in poor condition, has poor sight lines, no turning lanes and limited accommodations for non-motorized travel. CSAH16 is a National Highway System Intermodal Connector, one of only 11 roads in Minnesota that provide access between a major multimodal facility and the National Highway System. The interchange is three miles north of the Highway 63/I-90 interchange.

This project is consistent with the long range plan for the area, which involves converting Highway 63 from an expressway to a freeway. A second phase of the project involves construction of a frontage road system and reduction of the number of accesses to Highway 63. Traffic counts along the corridor are high: north of interchange sees 30,500 Annual Average Daily Traffic and 1,600 Heavy Commercial Annual Average Daily Traffic; south of interchange AADT is 21,900 and 1,150 for Heavy Commercial AADT. By 2040, AADT is expected to grow to 36,400 (north) and 32,800 (south).

Economic Development Impacts

The Rochester International Airport employs more than 270 people and serves more than 320,000 commercial airline passengers per year. The airport generates \$161.5 million in economic impact in the region. The airport is expecting a 27percent increase in passengers by 2025.

According to the county, some 875,000 people come to Rochester per year for activities related to the Mayo Clinic. It is estimated that 25 percent of those arrive via air. Mayo is planning a major expansion that will double the number of patients and add 20,000 employees. The Rochester airport is planning the construction of a new terminal. In addition to the essential transportation service the airport provides to the Mayo and other area businesses, there are a number of industrial parks near the project area that will benefit from the expanded capacity.

In 2012, FedEx shipped 18 million metric tons of air cargo through Rochester. They currently operate an 80,000 square foot facility at the airport and are opening another 60,000 square foot facility three miles south in Stewartville. Other businesses in the area include Tri-State Cold Storage, Mallard Seed Co., AgStar Financial, and AmericInn. There is also room for new businesses with vacant industrial lots available.

Project: Highway 169 and Pumpkin Hill Road Access and Rest Area Improvements

Recipient: City of Le Sueur

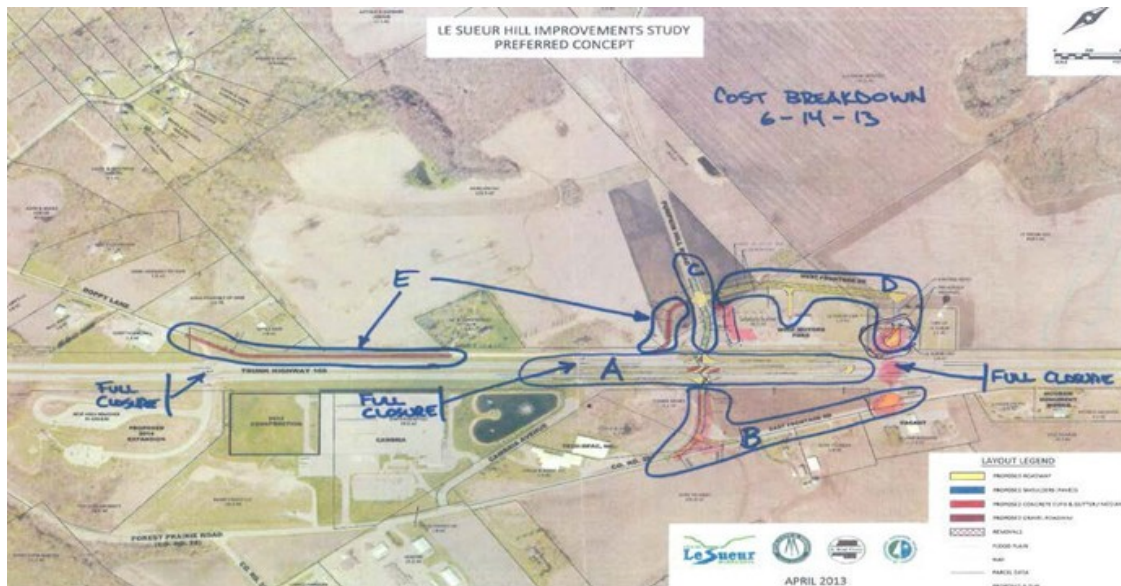
State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
4013-54	\$0	\$2,072,571	\$2,072,571	2017	\$0*	200

Project Description

This project was let in May 2015. This TED proposal is unique, in that it would include the conveyance of land with an existing rest area to a private company and construction of new replacement rest area. (This legislative authority was sought and approved during the 2013 legislative session - see 2013 Minnesota Session Laws Chapter 127—Senate File Number 1270, Sec. 63).

The transportation elements of the project include:

- construction of a [Reduced Conflict Intersection](#) at Highway 169 and County Road 28
- realignment of Pumpkin Hill Road
- constructing left turning lanes and deceleration lanes
- closure of Doppy Lane to Highway 169
- closure of Highway 128 access to Highway 169
- construction of a new local road connecting Doppy Lane with frontage road
- construction of east frontage road connecting with CSAH for existing and future development.



Note: This project scored well in the economic development criteria as a result of the proposed expansion of the Cambria Manufacturing facility, but due to the unique nature of the “rest area swap”, a detailed analysis was required to arrive at a fair and reasonable cost share distribution that complies with MnDOT’s cost participation policy. In addition, because this recommended funding award does not cover the entire request, a formal agreement will be required to ensure any state funds committed to the project are only provided once it is assured the proposed development will actually occur.

Transportation Impacts

Highway 169 is a principal arterial roadway that provides critical connections between southwestern Minnesota and the Twin Cities. It carries commuter traffic, and serves as a conduit for commercial, agricultural and manufacturing products. The highway is well travelled, with Annual Average Daily Traffic at 38,000, including 1,200 to 3,700 heavy commercial vehicles.

There are existing problems and safety concerns for truck traffic entering and/or exiting Highway 169. The median does not offer protection to large trucks trying to exit the Cambria manufacturing facility to head southbound, or for those trying to enter the facility from the north, where they are required to cut across oncoming traffic.

The recent removal of a controlled intersection along Highway 169 in Belle Plaine has exacerbated these “spacing” problems in Le Sueur. Cambria currently generates 2,000 truck trips per month. That will increase to 8,000 under the current expansion and is expected to increase as the company continues to grow.

Economic Development Impacts

Cambria currently employs 537 full-time employees in Minnesota, including 250 in Le Sueur. Cambria is completing an expansion in Le Sueur that will add 277,000 square feet and 220 full-time positions. The current expansion will increase truck traffic by 150 percent.

2015 Projects

Project: East Bush Lake Road Interstate 494 Westbound Entrance Ramp

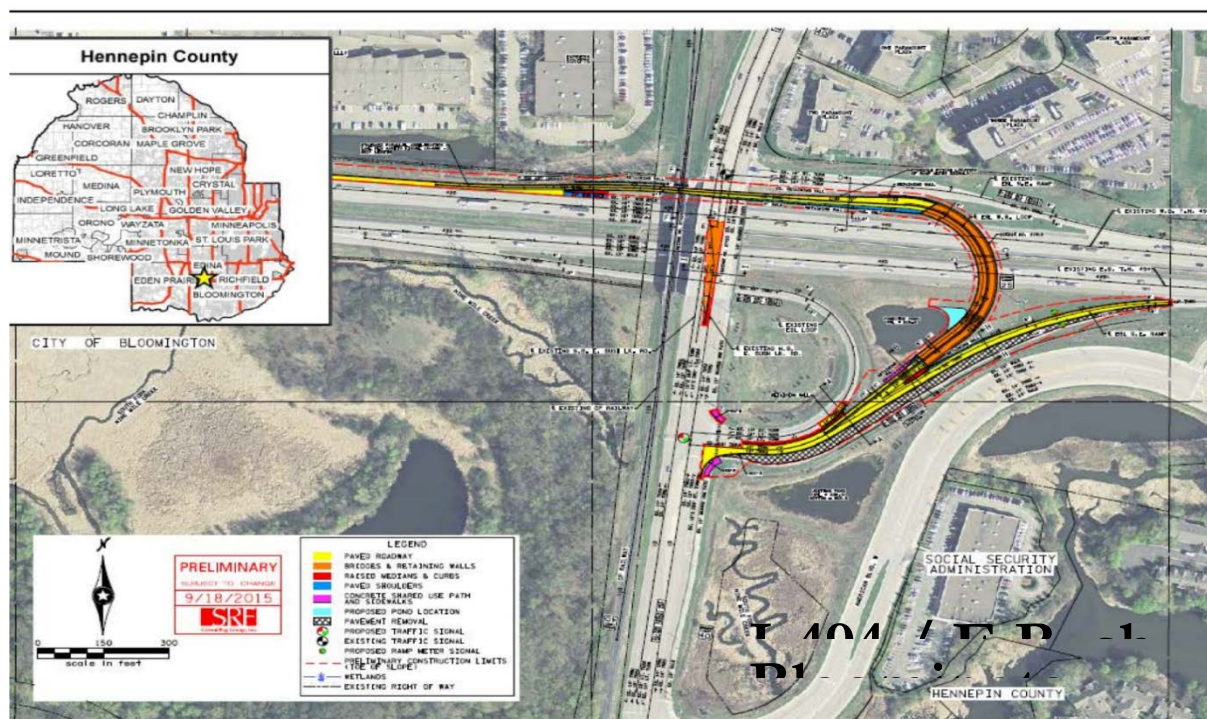
Recipient: City of Bloomington

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
2785-400	\$0	\$8,000,000	\$8,000,000	2018	\$0	2600

Project Description

This project will provide an inverted loop ramp onto westbound I-494 from East Bush Lake Road. The total estimated cost of this project is \$23,780,000.

Preliminary layout of proposed East Bush Lake Road I-494 Westbound Entrance Ramp



Transportation Impacts

The project will alleviate traffic on the I-494/TH 100 interchange, serve the Metro Transit and provide freeway access from American Blvd.

Economic Development Impacts

There are now 21,000 jobs within a one-mile radius of the project and the project sits in the middle of multiple development districts in the cities of Bloomington and Edina zoned for industrial, office, residential and commercial land uses. Multiple large scale projects are in various stages of redevelopment including 255,000 sq. ft. of office space. The location also contains 80 acres of undeveloped land. Employment growth in the area in two years is expected to exceed 2600 medium to high paying jobs.

Project: Trunk Highway 41 Expansion

Recipient: Carver County

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
1008-85	\$0	\$3,500,000	\$3,500,000	2019	\$1,250,000	300

Project Description

This project will provide a one mile expansion of Minnesota State TH 41 in the city of Chaska between TH 212 and County State Aid Highway 14. The total estimated cost of this project is \$16,760,000.

Preliminary layout of proposed TH 41 Expansion in Chaska, Carver County



Transportation Impacts

This improvement is needed because traffic volumes have increased and will continue to grow as land uses intensify and existing businesses add new employment. Chaska has increased from 8,350 people to 23,700 people since TH 41 was constructed in 1977, and the city continues to see strong growth in population and jobs. TH 41 improvements will include expansion of the roadway from 2 lanes to 4 lanes, construction of a center island, dual turn lanes at CSAH 14, lengthening a northbound turn lane at Hundermark Road and construction of a bike-pedestrian underpass at CSAH 14.

Economic Development Impacts

Six businesses are expected to expand which will add 300 new jobs. A large portion of these are high paying jobs in bioscience, technology and manufacturing. A private sector contribution to the project is valued at \$1,250,000.

Project: Trunk Highway 52/County State Aid Highway 42 Interchange Reconstruction

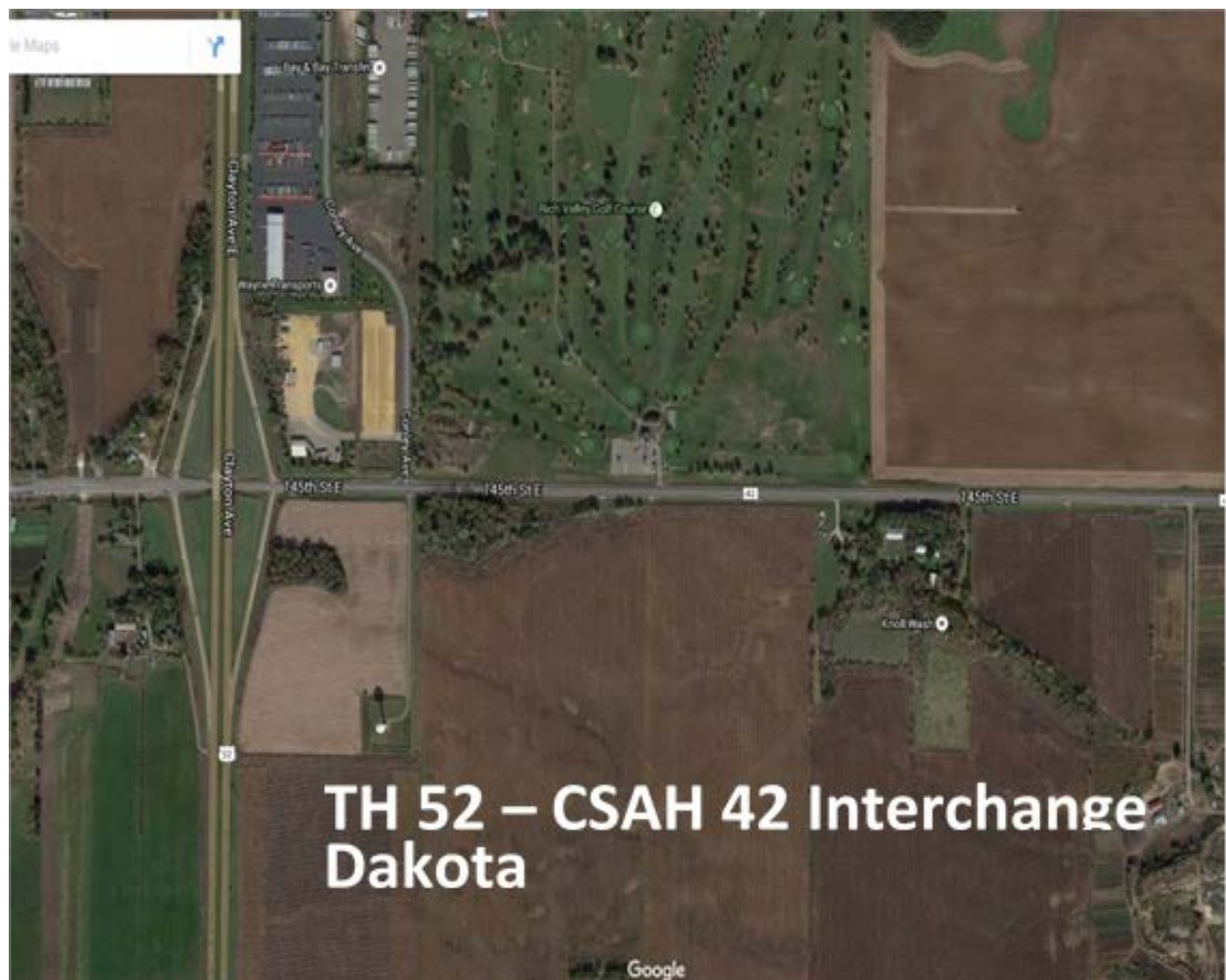
Recipient: Dakota County

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
1906-68	\$0	\$3,100,000	\$3,100,000	2017	\$0	322

Project Description

This project will reconstruct the TH 52 and CSAH 42 interchange and widen CSAH 42 to four lanes through the interchange. The total estimated cost of this project is \$22,291,168.

Aerial View of TH 52-CSAH 42 Interchange Reconstruction, Dakota County



Transportation Impacts

The project will introduce protected left turn lanes on CSAH 42 at all intersections with ramps and designated local roads, as well as at intersections with major driveways. In addition, this project will extend the 4-lane section of CSAH 42 past the interchange to remove the lane drops and transitions at the interchange. The replacement of the bridge will also remove existing sight line obstructions, such as the piers, and allow for better sight distance for traffic accessing CSAH 42 from TH 52. These improvements will reduce conflict points and allow for safer turning movements at the interchange. The project will improve travel time and safety for the existing trucking firms and a proposed distribution facility in area.

Economic Development Impacts

This project was proposed and accepted with the understanding that a major distribution center would locate near this interchange. It was anticipated that the new facility would provide 153 full time and 281 part time jobs within 2 years and 172 full time and 322 part time jobs in 5 years. Since the project was awarded, however, the likelihood of that operation locating at that site has diminished. Dakota County has elected to proceed with the improved bridge, access, and site geometrics, in anticipation of the desirability of the adjacent land too soon be developed.

Project: US Highway 169-Trunk Highway 41-County State Aid Highway 78 Interchange

Recipient: Scott County

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
7005-121	\$0	\$10,000,000	\$10,000,000	2020	\$1,154,760	528

Project Description

This project will construct an interchange at the intersection of US Highway 169 and MN TH 41/CSAH 78. The total estimated cost of this project is \$38,075,533.

Preliminary layout of proposed TH 41-U.S. 169 Interchange in Scott County



Transportation Impacts

Project components include bridge and ramp construction, retaining wall, signal systems, frontage roads and access modifications. The US 169/TH 41/CSAH 78 intersection experiences the most crashes of all intersections in Scott County and is in the top 200 in Minnesota for crash-cost in 2011-2013. This project will continue efforts to remove signalized intersections from the US 169 Corridor to improve safety and mobility. The frontage road system will eliminate exposure of slow moving industrial/mining vehicles on the US 169 mainline. Increased efficiency in commercial truck traffic flow will enhance freight mobility along the US 169 Corridor.

Economic Development Impacts

This interchange will benefit the regional construction economy by improving mobility for trucking to and from the adjacent mining, construction materials and landfill sites. An additional 353 jobs are expected within two years of the project. Within five years, 528 additional jobs are expected. A private sector contribution to the project is valued at \$1,154,760.

Project: Highway 36 and County State Aid Highway 35/Hadley Avenue Interchange Project

Recipient: Washington County

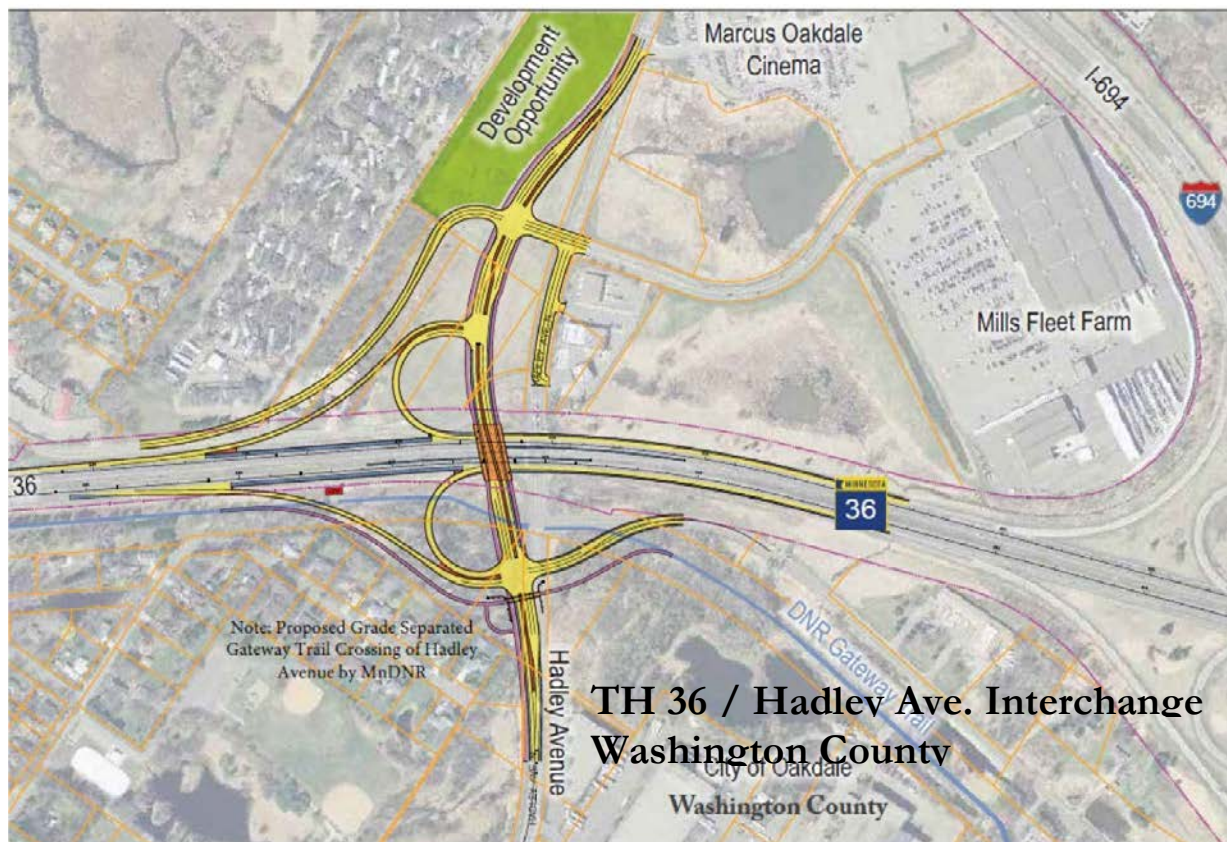
State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
8204-72	\$0	\$4,000,000	\$4,000,000	2019	\$2,570,000	275

Project Description

This project provides for the construction of a new interchange to replace the existing at-grade intersection of TH 36 and CSAH 35 (Hadley Avenue) in Oakdale. A private sector contribution to the project is valued at \$2,570,000. The total estimated cost of this project is \$18,857,000.

Preliminary layout of proposed TH 36 – Hadley Avenue Interchange in Washington County

TH 36 @



Transportation Impacts

Within the project area, TH 36 is a four-lane divided expressway section. Traffic volumes have increased at the existing intersection to the point that the traffic demand is exceeding the capacity which in turn results in extended periods of heavy congestion and an unacceptable level of service during peak hours.

Economic Development Impacts

Major economic development benefits from this project come from making the TH 36 corridor more efficient for commercial traffic with more than 40,000 vehicles currently traveling through this corridor daily. Large undeveloped areas near the interchange are zoned commercial and industrial. The project may create as many as 275 jobs in five years.

Project: State Highway 101/Highway 19/71-Union Drive Intersection (Municipal State Aid Street 112) Traffic Signal

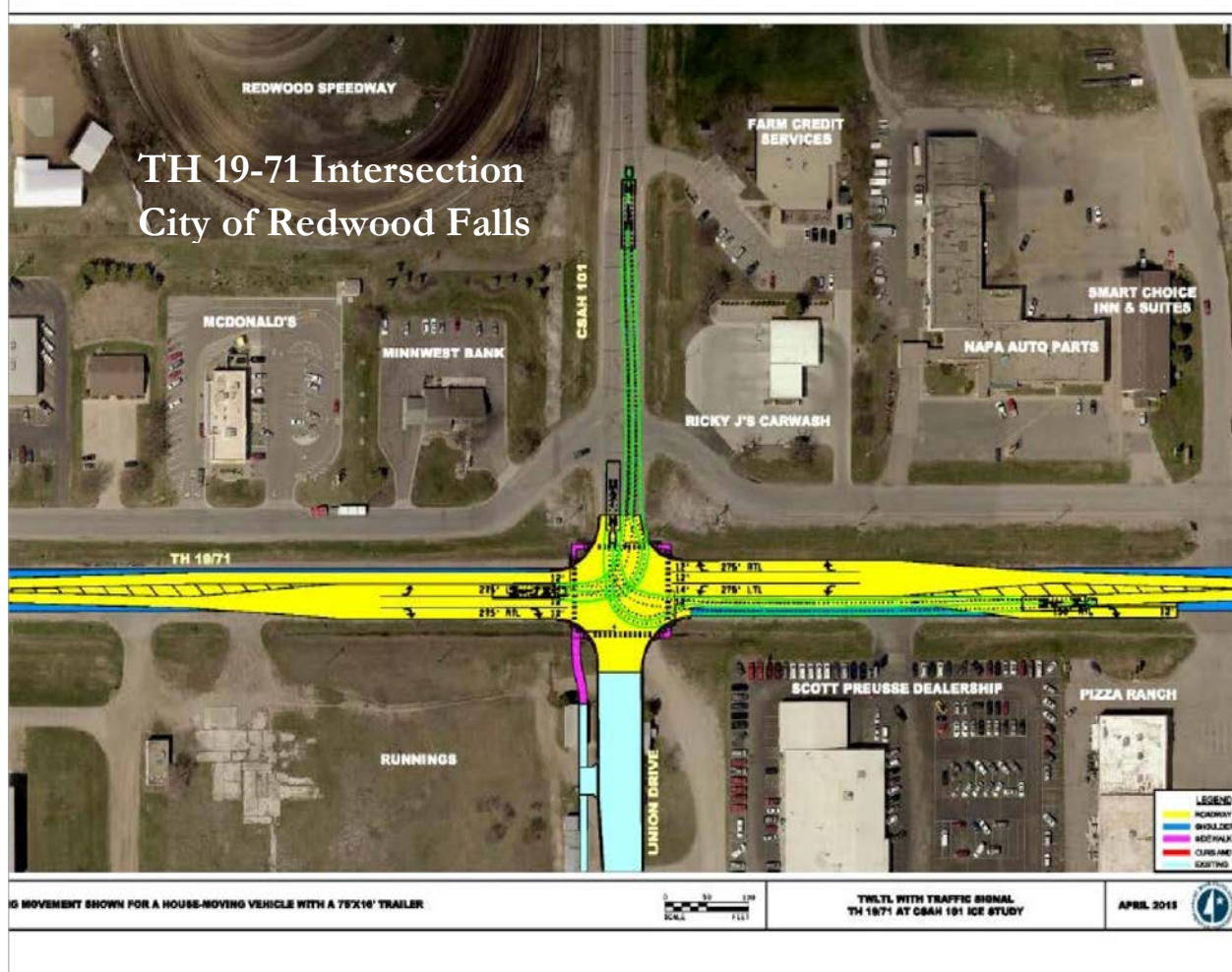
Recipient: City of Redwood Falls

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
6404-94	\$0	\$280,000	\$280,000	2018	\$0	770

Project Description

This project will signalize the intersection of County State Aid Highway 101/Trunk Highway 19/71-Union Drive (MSAS 112) and will develop a two-way-left turn lane on TH 19 significantly enhancing safety on the roadway. The total estimated cost of this project is \$480,000.

Preliminary layout of proposed CSAH 101/TH 19-71 Union Drive Intersection (MSAS 112) Traffic Signal



Transportation Impacts

The signal with the left turn lanes is necessary due to movements of large truck/super loads in and out of the industrial park.

Economic Development Impacts

Shult Homes is a manufactured housing business which uses the intersection to move modular homes. The business currently has 212 employees and is planning on a 10% increase in two years and projects an additional 47 employees by 2020. Other jobs located in the industrial park served by the intersection include manufacturing, rendering and electronics. Jobs are projected to increase in two years to about 700 and in five years to 770 as a result of plant expansions.

Project: Wells Business Park Access

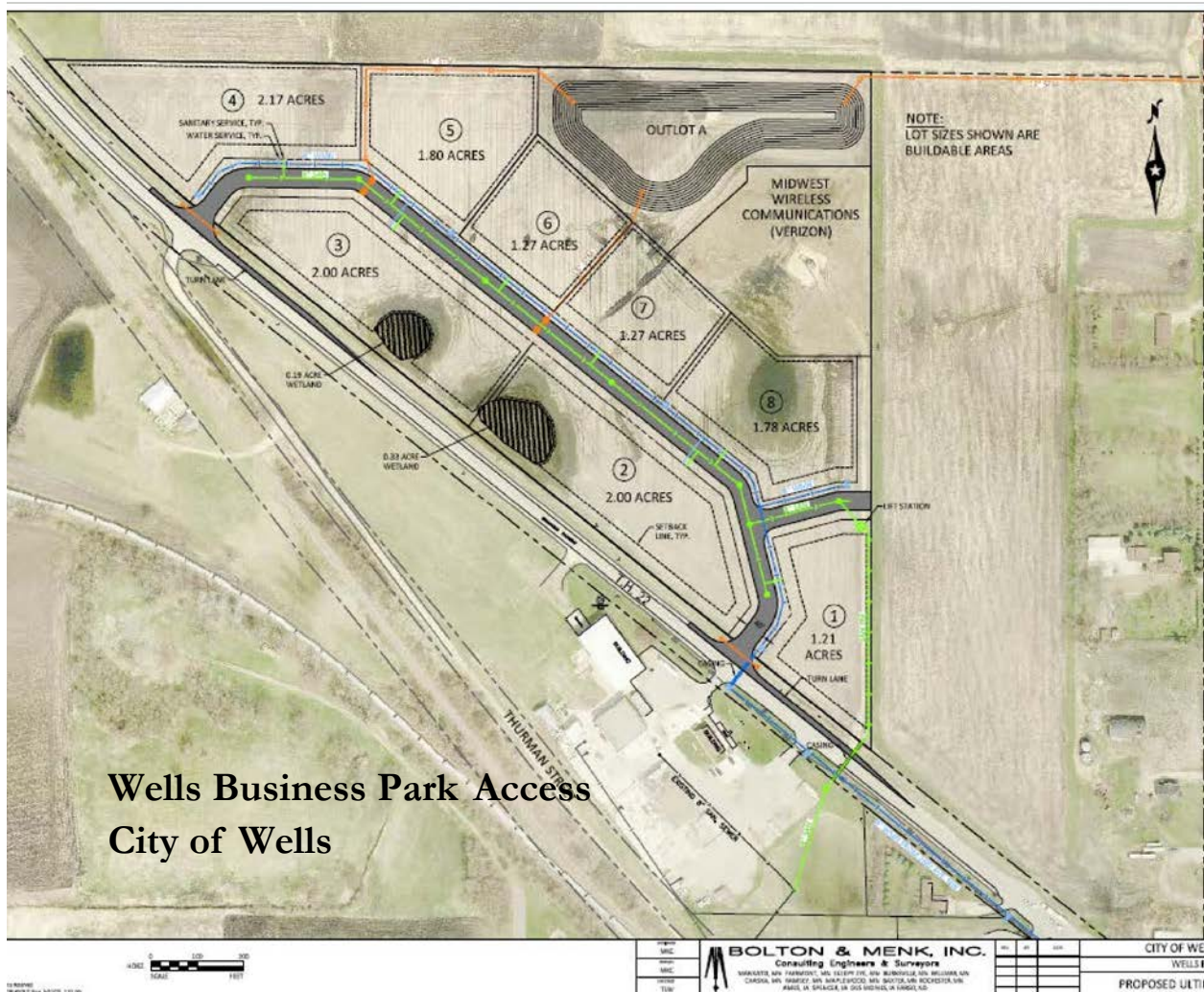
Recipient: City of Wells

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
2205-11	\$407,000	\$147,800	\$554,800	2017	\$0	140

Project Description

This project will provide two turn lanes off of Trunk Highway 22 and will develop an internal road and infrastructure for a new business park. The total estimated cost of this project is \$4,164,600.

Preliminary Layout Wells Business Park Access, City of Wells



Transportation Impacts

The project consists of two 300' right turn lanes on TH 22 and constructing the internal road system for the business park consisting of a 40' wide paved urban 10 ton roadway.

Economic Development Impacts

The city of Wells has filled existing business park areas available for development and local business desiring to expand are unable to do so at their current location. Based on an assumption of 10 employees per acre, the City estimates a total of 190 jobs upon full build out of the area. The project will add 30 total new jobs in 2 years and 140 in 5 years with 5 of the 8 parcels developed.

Project: Adams Street Extension

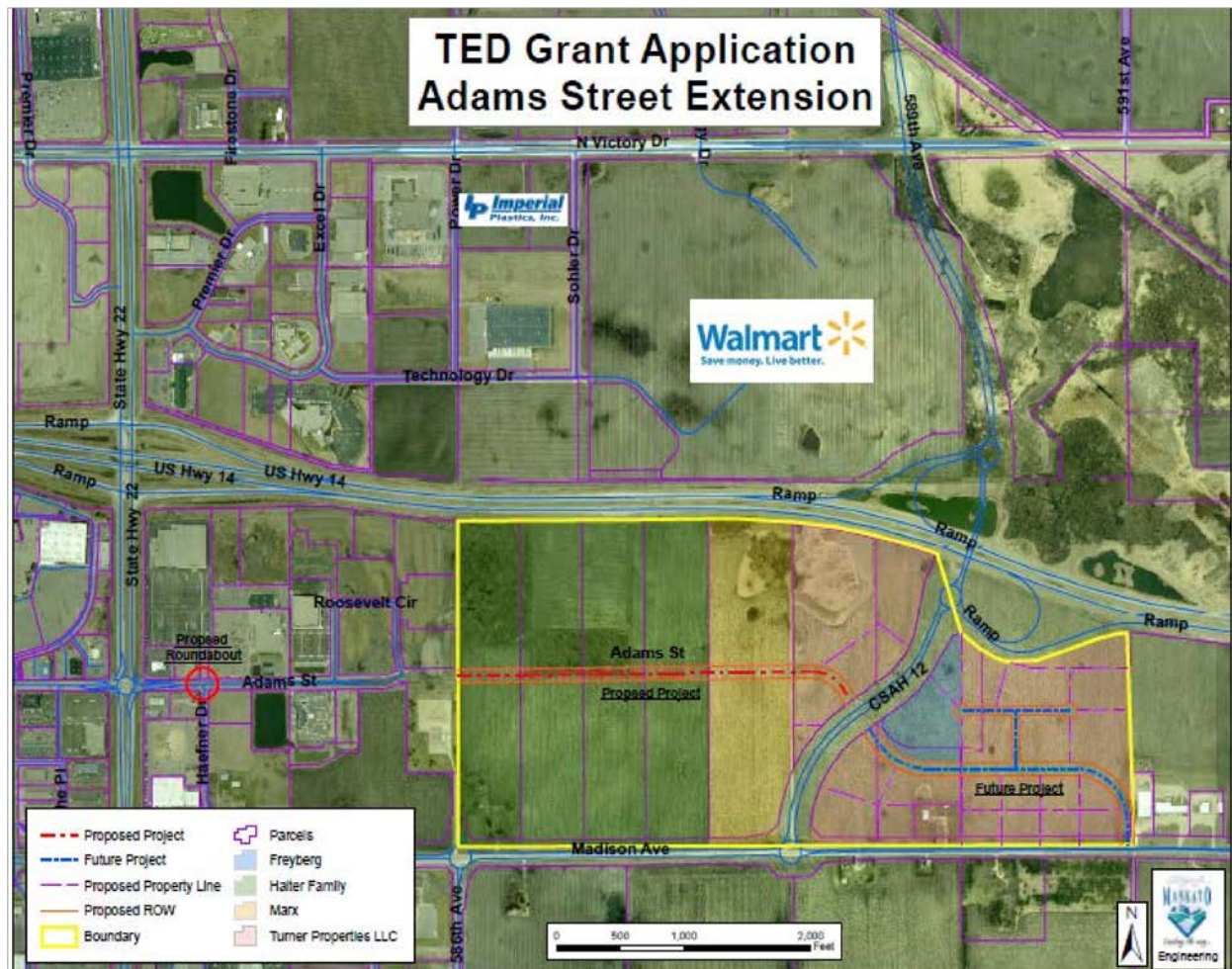
Recipient: City of Mankato

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
-	\$813,233	\$0	\$813,233	2017	\$0	367

Project Description

This project will extend Adams Street from Roosevelt Circle to County State Aid Highway 12 and will provide access to 170 acres of industrial land adjacent to US Highway 14 and secondary access to a main commercial/retail center. The total estimated cost of this project is \$5,730,302.

Preliminary Layout Adams Street Extension, Mankato



Transportation Impacts

The project consists of 3400 ft. of new roadway and a new roundabout at an existing intersection. The new roundabout and the secondary access to TH 22 would greatly improve capacity and safety in the area and the Adams Street connection will connect with the new CSAH 12 and the new CSAH 22 and US Hwy 14 interchange.

Economic Development Impacts

Recent industrial park development in the area has been absorbed quickly and it is expected that these new parcels would be developed soon creating as many as 367 new jobs in 5 years.

Project: Trunk Highway 68-Michigan Road Turning/Bypass Lanes

Recipient: City of Marshall

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
10044-10	\$0	\$666,000	\$666,000	2017	\$0	40

Project Description

This project includes the installation of turning lanes, a bypass lane and a truck acceleration lane among other improvements on TH 68 to provide improved access to a newly developed industrial park in Marshall. Total project cost is \$3,487,300.

Preliminary Layout Commerce Park, TH 68-Michigan Road, Marshall



Transportation Impacts

The project is intended to provide access to and from the new industrial park and will improve safety at the intersection with Michigan Road in anticipation of the traffic growth from new occupants of the industrial park. The project will include installation of left-hand turn lanes on TH 68 into the industrial park.

Economic Development Impacts

This project is necessary because the existing industrial park in Marshall is nearly full and prospective occupants have expressed interest in the new industrial park. These businesses are expected to create 20 jobs in two years and 40 jobs in five years.

Project: City of Princeton Trunk Highway 95 Roundabout and Business Park Access

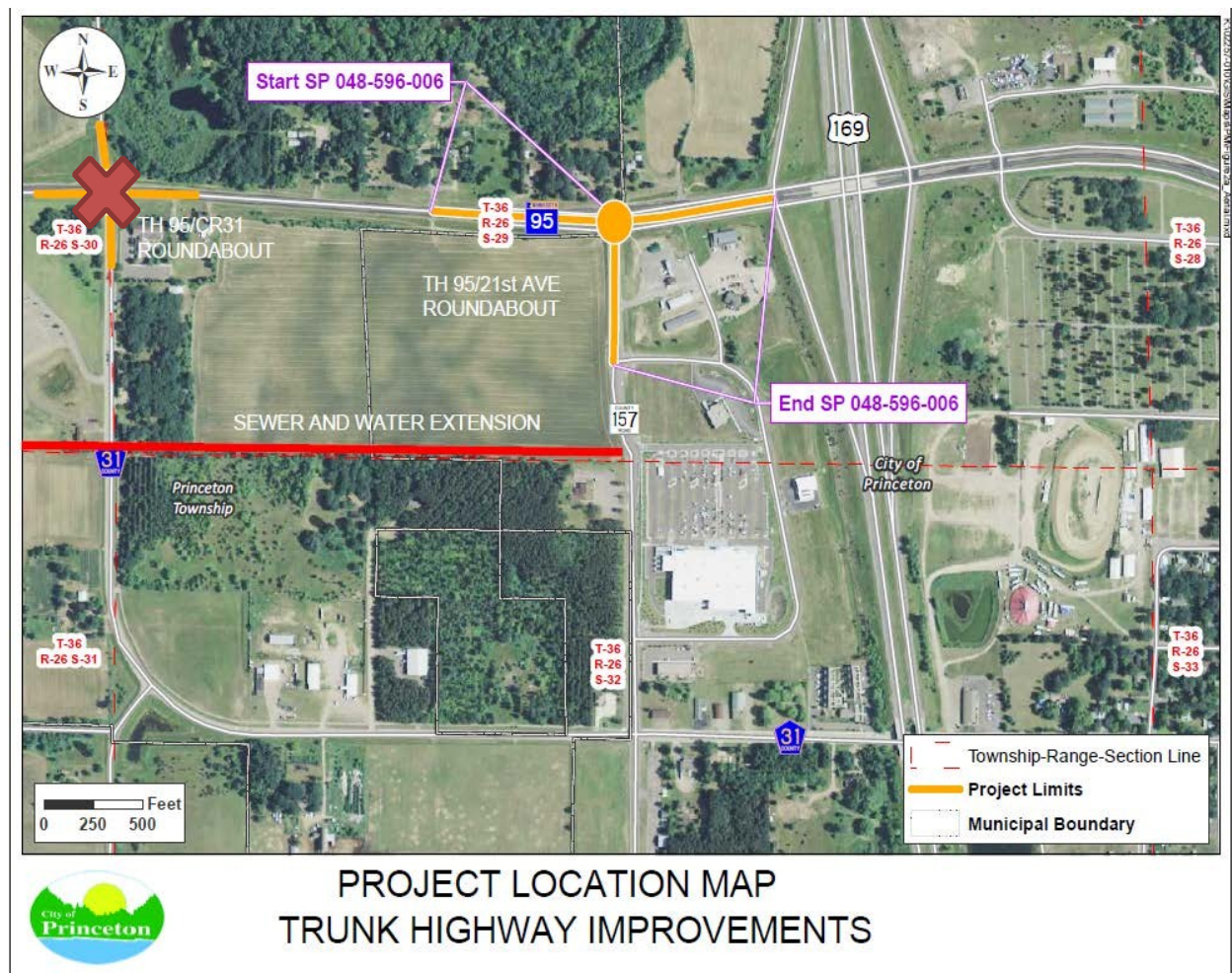
Recipient: Mille Lacs County

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
4809-29		\$110,187	\$110,187	2017	\$488,760	400

Project Description

This project includes the installation of a roundabout on TH 95 and County Road 157 (21st Avenue) in Princeton. Total project cost is \$1,629,000.

Preliminary layout of proposed TH 95 Roundabout and Business Park Access



Transportation Impacts

This roundabout will reduce the number of high-speed crashes and increase highway capacity on TH 95. The 21st Avenue corridor serves as direct access to the Aero Business Park and the Princeton Public Safety Building.

Economic Development Impacts

Nine businesses have been identified for location and expansion in the Princeton Business Center and the Aero Business Park with employment growing from 200 jobs two years after completion to 400 jobs after five years. A portion of the original project was canceled due to sale of the land to a buyer who does not want immediate development or sewer and water extensions.

Project: First Avenue West Upgrade

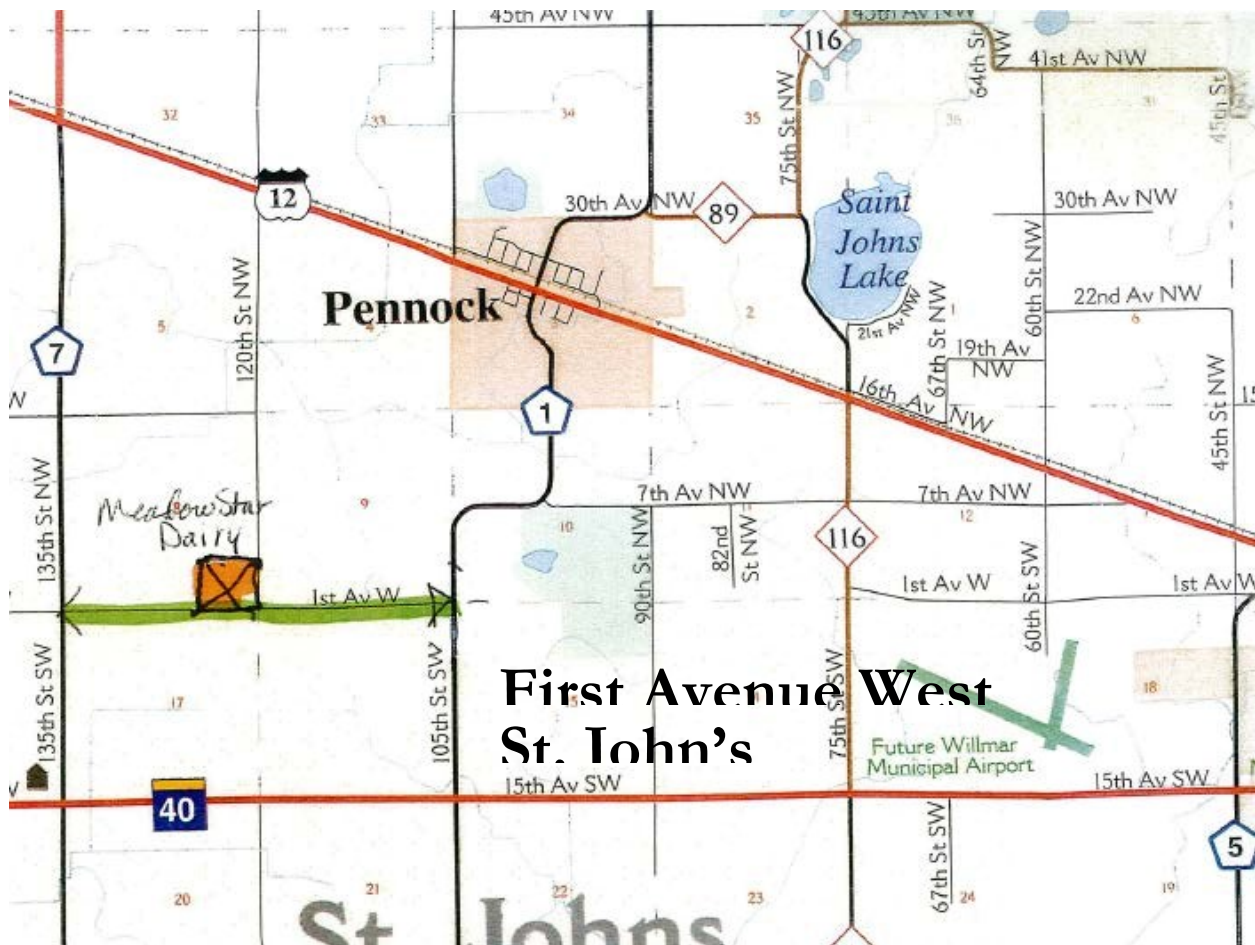
Recipient: St. John's Township

State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds	5-Year Job Estimate
-	\$409,579	\$0	\$409,579	2016	\$399,963	52

Project Description

This project upgraded 2 miles of First Avenue West, which had been a minimum maintenance road, and provides access to Meadow Star Dairy, a large dairy operation with more than 8,000 cows. A private sector contribution to the project is valued at \$399,963. Total project cost is \$839,963.

Plan View of 1st Avenue West Reconstruction, Meadow Star Dairy, St. John's Township



Transportation Impacts

The road was previously a 20' wide road rated for a 5 ton capacity. Improvements to the road included an upgrade to a 10 ton capacity "all weather" road that is 28' wide. Other enhancements include improved site lines that were a safety issue for converging traffic.

Economic Development Impacts

The dairy will produce 7 semi-truck loads of milk a day and will be serviced by a high volume of large trucks and employee vehicles operating 24 hours a day. Meadow Start will create 52 jobs in the first two years.

Appendix A: TED Application Form Sample 2015



REVISED September 10, 2015
2015 Transportation Economic Development Program
Solicitation Notice

Introduction

Contained in this document are the requirements and guidance for applying for funding through the 2015 Transportation Economic Development (TED) Program. The TED program is a joint effort of the Minnesota Departments of Transportation (MnDOT) and Employment and Economic Development (DEED). The program's purpose is to fund construction, reconstruction, and improvement of state and local transportation infrastructure that creates and preserves jobs, improves the state's economic competitiveness, increases the tax base, accelerates transportation improvements to enhance safety and mobility, and promotes public private partnerships. The program provides state funding to close financing gaps for transportation infrastructure improvement construction costs that will enhance the statewide transportation network, while promoting economic growth through the preservation or expansion of an existing business or development of a new business.

A total of approximately \$30 million is available through the 2015 TED program solicitation. This includes approximately \$28 million in MnDOT trunk highway funds and approximately \$2 million of DEED general obligation bond funding. The two funding sources have different restrictions and allowable uses. The MnDOT funds can only be used to fund improvements to the trunk highway network. However, the DEED bonds cannot be used for improvements to the trunk highway. DEED funds can be used for improvements to public infrastructure (including streets) that is not part of the trunk highway network. MnDOT and DEED reserve the right to not award all available funding during this solicitation.

Greater Minnesota project proposals will compete for funding only with other proposed Greater Minnesota projects. Project proposals from the seven county metropolitan area will be separately evaluated and ranked.

The maximum award provided to any one project in this solicitation will be \$10 million. Applicants are required to identify other public and/or private funding sources that will be leveraged to contribute to the transportation construction cost of the project proposed. The TED program will provide funding for up to 70% of the total transportation infrastructure cost of the project or the state's maximum allowable share as determined by MnDOT's cost participation policy¹ or DEED policy, whichever is less. **Applicants are strongly encouraged to consult**

¹ [MnDOT Policy FM011](#)

with their MnDOT district office in deriving appropriate cost share estimates.

(Note: Project selection and distribution of funding through the Transportation Economic Development Program will fully comply with all relevant state laws and policies, including those relating to project cost share distribution, eligible improvements, geographical distribution of funds, and maximum awards.)

The tentative schedule for selecting projects will be as follows:

- July 27, 2015: Solicitation announcement distributed
- July 28–September 25, 2015: Applications prepared (MnDOT and DEED offer guidance)
- August 11-20, 2015 TED program informational sessions (see schedule below)
- September 25, 2015: Applications due to MnDOT
- December 2015: Projects selected and approved
- January – December 2016: Project status monitored by MnDOT and DEED to develop final cost-share agreements, ensure progress and program compliance

Eligible Applicants and Projects

Eligible applicants must be governmental entities as defined by state law. Although private entities are not currently eligible for direct Transportation Economic Development program financing, they may enter into agreements with eligible applicants to request funding for eligible public transportation projects. **Project applicants are advised that local port authorities, economic development authorities, housing and redevelopment authorities and other agencies who specialize in economic development will also be receiving this solicitation notice and are likely to be well-positioned to identify and propose projects with a higher likelihood of generating measurable economic benefits.** Applicants are strongly encouraged to contact those agencies and work together to identify potential eligible projects.

The program specifically targets transportation improvements that will lead to economic growth in industries that supply high wage jobs. For a project to be eligible, it must support one or more of the following industries: manufacturing, technology, warehousing and distribution, research and development, agricultural processing, bioscience, or tourism/recreation. Projects that support industrial park development or mixed-use or commercial development are also eligible for the program. Housing and retail development cannot be the primary beneficiary of projects.

Application Process

The 2015 TED program application requires completion of a form (enclosed) that incorporates both eligibility criteria and prioritizing criteria. The information requested is intended to provide program evaluators with sufficient information to determine project eligibility and its appropriate funding source; to effectively rank projects; to assess a project's appropriate cost share percentages, and to determine the TED program funding amount to be awarded.

The TED program is responsive to the legislature's stated objective that the economic development resulting from these transportation infrastructure improvements should occur as soon as possible. Therefore, projects that can be delivered earlier will score better than projects with a longer delivery schedule, all else being equal.

After projects are selected for funding, program staff at MnDOT and DEED will continue to work closely with project sponsors to ensure that project pre-development activities such as

project financing, right-of-way acquisition and environmental permitting proceed on schedule. In addition, final cost sharing agreements will be completed based on an analysis of project elements and the MnDOT cost participation policy. This analysis could change the amount of the TED grant awarded to selected projects. Selected project sponsors will be expected to provide regular progress reports to MnDOT and DEED staff. If an applicant fails to demonstrate adequate progress during the project's pre-development phase, or if the ultimate award allowable does not "close the funding gap" on the proposed project, funding may be withdrawn and allocated to another project.

The Minnesota Department of Transportation and/or Department of Employment and Economic Development may require grantees to report annually on the economic benefits of the proposed project. The reporting may include requests for jobs created and retained, increases in tax base, and property development. This and other reporting may be required until the State of MN determines full economic benefit of the project has been reached. Information sessions on the program and the application process will be held at eight locations throughout the state. Session location dates and times are listed below.

Date	City	Location	Time
August 11	Detroit Lakes	MnDOT District 4 Office 1000 Highway 10 West Detroit Lakes, MN 56501	10:00 AM-Noon
August 12	Mankato	MnDOT District 7 Office 2151 Bassett Drive Mankato, MN 56001	10:00 AM- Noon
August 13	Brainerd/Baxter	MnDOT District 3 Office 7694 Industrial Park Rd. Baxter, MN 56425	10:00 AM- Noon
August 13	Bemidji	MnDOT District 2 Office 3920 Highway 2 West Bemidji, MN 56601	2:00 PM – 4:00 PM
August 14	Duluth	MnDOT District 1 Office 1123 Mesaba Ave. Duluth, MN 55811	10:00 AM-Noon
August 17	Rochester	MnDOT District 6 Office 2900 48th Street NW Rochester, MN 55901	10:00 AM-Noon
August 19	Roseville	MnDOT Waters Edge Building 1500 W. County Road B-2 Roseville, MN 55113	1:00 PM- 3:00 PM
August 20	Willmar	Kandiyohi County Health and Human Services Building, 220 23 rd Street NE, Willmar, MN 56201	10:00 AM- Noon

Questions regarding this solicitation may be directed to Ken Buckeye at MnDOT's Office of Finance, kenneth.buckeye@state.mn.us, 651-366-3737, Philip Schaffner at MnDOT's Office of Transportation System Management, philip.schaffner@state.mn.us, 651-366-3743, or Jeremy LaCroix at DEED, jeremy.lacroix@state.mn.us, 651-259-7457.

Application Submission Instructions:

Applications must be submitted electronically to Ken Buckeye at kenneth.buckeye@state.mn.us. Applicants will receive confirmation of their submission.

Applications must be received by 5:00 p.m. on Friday, September 25, 2015.

**2015 Minnesota Transportation Economic Development (TED) Program
Funding Application – General Project Information**

I. APPLICANT CONTACT INFORMATION		
1. APPLICANT:		
2. JURISDICTIONAL AGENCY (PROJECT JURISDICTION, IF DIFFERENT)		
3. MAILING ADDRESS: STREET ADDRESS:		
4. CITY:	5. ZIP:	6. COUNTY:
7. PRIMARY CONTACT NAME:		8. TITLE:
9. PHONE:	10. CONTACT E-MAIL:	
II. PROJECT INFORMATION		
11. PROJECT NAME:		
12. BRIEF PROJECT DESCRIPTION: (Include road name(s), type of improvement, and attach map of project location.) TRANSPORTATION SYSTEM COMPONENT: ECONOMIC DEVELOPMENT COMPONENT:		

III. TOTAL PROJECT FUNDING

13. PROJECT COST INFORMATION

NOTES

- A key objective of the 2015 Transportation Economic Development Program is to deliver critical transportation infrastructure that supports Minnesota jobs and economic development by leveraging additional public and private resources from those who also derive a direct benefit from the improvement. To promote participation of public and private partners, the TED award does not exceed 70% of total transportation infrastructure costs (these costs items are identified on the table on the following page), and may be less based on MnDOT's cost participation policy (MnDOT Policy FM011) or other MnDOT and DEED program restrictions.
- Project evaluators will consider the level of local and private sector contributions and commitments to project financing. Project sponsors should indicate in the following table "Total Project Costs" including both "transportation infrastructure related costs" and "other development costs". This information, along with the information provided in the "Financial Plan Criteria" on page 11, will provide useful information for project evaluators on the share of local and private effort committed to the project, and the appropriate funding source for various project elements.
- Project applicants may propose projects already included in the 2015-2018 State Transportation Improvement Program (STIP). However, applicants must include an explanation of why the project is included in the STIP and yet is not fully funded. (This issue is addressed in "Section IV: Project Readiness Criteria")
- No MnDOT District safety set-aside, pavement set-aside, or bridge and road construction set-aside may be used to finance any construction costs of a proposed project. Only uncommitted set-asides or municipal agreement set-asides can be used to contribute to the project.
- TED trunk highway funds are considered a MnDOT contribution when MnDOT reviews projects for cost participation policy compliance. Applicants are strongly urged to consult with their MnDOT District Office² prior to submitting project applications.

² [Find your MnDOT District Office](#)

TOTAL PROJECT COSTS

Total Project Costs include both Transportation Infrastructure related costs and Other Development costs.

Please identify and estimate “Transportation Infrastructure Costs” by jurisdictional system in the space provided below. This table is designed to assist MnDOT, DEED, and the project applicant to better anticipate project cost share estimates so that the requested TED amount complies with constitutional requirements and cost share policies of MnDOT and DEED.

**Transportation Infrastructure Costs
highway)****Trunk Highway****Local (non-trunk**

Right of Way Acquisition

Design Engineering

Environmental Review/Permitting

Construction

Construction Engineering

SUBTOTAL

TOTAL TRANSPORTATION INFRASTRUCUTRE COSTS:

Please identify and estimate “Other Development Costs”. This information helps MnDOT and DEED to assess the level of investment committed for the non-transportation infrastructure also required for the project.

**Other Development Costs
highway)****Trunk Highway****Local (non-trunk**

(NOTE: These costs are NOT Eligible for MnDOT Trunk Highway Funds.)

ROW Acqu. (non-transportation)

Envir. Rev./Permitting (non-transp.)

Sewer

Water Supply Systems

Wastewater Treatment

Utility Extensions

Engineering

SUBTOTAL**TOTAL PROJECT COST**

14. TED AMOUNT REQUESTED

MnDOT Trunk Highway Funds:

DEED Bond Funds:

[NOTE: Maximum amount awarded may be limited by MnDOT cost participation policy or DEED program restrictions after a complete analysis of project costs.]

15. ALL OTHER SECURED/PENDING FUNDING SOURCES:

[NOTE: The TED program is intended to provide funds that close funding gaps (i.e. provide the “last dollars needed” so that projects can proceed to letting and construction with no additional financing delays.]

FUNDING SOURCE	AMOUNT	STATUS
16. CONTACT SIGNATURE: _____	17. CONTACT TITLE: _____	

<i>I. Transportation System Criteria</i>
The 2015 Transportation Economic Development Program is intended to provide state assistance to transportation projects that address statewide economic objectives; however, the extent to which projects enhance the statewide transportation system from the standpoint of safety, mobility, access and modal choice will also be considered.
A. Eligibility Criteria (Answer must be “yes” for further consideration.)
<p>1. Is the proposed project consistent with relevant local, regional, state, and federal transportation planning guidelines and standards? (Applicants are encouraged to consult with Area Transportation Partnerships and/or Metropolitan Planning Organizations in developing proposals. ATP and/or MPO approval will be required for final project approval.)</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
B. Prioritizing Criteria: 35 points (Responses to be scored by Evaluation Committee.)
<p>2. Describe how the proposed project enhances the safety of the transportation system.</p> <p>Additionally, please complete Appendix A – Crash Count Table</p>
<p>3. How does the proposed project improve access to existing eligible business facilities? Does the project offer new or better access to existing facilities currently vacant and ready for new occupancy? If the proposed project is for greenfield business development, how will project improve access and safety.</p> <p>Additionally, please complete Appendix B – Traffic Forecast Table</p>
<p>4. Describe the extent to which the project supports complete streets and/or intermodal connections, now or in the future.</p>

II. Economic Development Criteria
The Transportation Economic Development Program was established in recognition of the direct relationship between the quality of the state's transportation infrastructure and its economic viability. The program aims to support transportation projects that will support statewide job creation and retention.
A. Eligibility Criteria: (Answer must be "yes" for further consideration.)
5. Will the proposed project lead to private investment in job creation or job retention? <input type="checkbox"/> Yes <input type="checkbox"/> No
6. Does the projected economic impact result in a net gain in new jobs to the state as a whole as opposed to simply relocation of jobs from one region of the state to another? <input type="checkbox"/> Yes <input type="checkbox"/> No
7. Does the project promote job creation in one of the following industries: manufacturing, technology, warehousing and distribution, research and development, agricultural processing, bioscience, tourism/recreation, or does it support industrial park development or mixed use-high density multimodal development? <input type="checkbox"/> Yes <input type="checkbox"/> No
B. Prioritizing Criteria: 35 points (Responses to be scored by Evaluation Committee.)
8. Provide responses to the following questions to allow for an economic analysis of the proposed project: <ul style="list-style-type: none"> • Name of the business(es) impacted by the improvement: • Industry of the impacted business(es), as identified by North American Industry Classification System (NAICS) codes: • Anticipated change in total employment for 2 years and 5 years after project completion: • Average compensation (wages plus benefits) for newly created jobs: <p>Additionally, please complete Appendix C - Economic Analysis Data Table</p>
9. Include a more detailed narrative of the anticipated economic benefits that addresses the following issues: <ul style="list-style-type: none"> • Explain how this project is essential to attracting new businesses or expanding/preserving jobs of existing businesses. • Assess and describe the level of confidence that the jobs projected to be created or retained will actually occur and on what timeframe. • Explain how the project promotes economic viability of existing businesses within the travelshed. • What opportunities will be lost if the proposed project is delayed or rejected?
10. Describe how the project will increase the community's tax base. Provide evidence (letters from city/county assessor) and amounts and comparison from previous tax year. Tax base increase should be calculated with projected businesses in place and not with bare lots.
11. What is the current unemployment rate in the home county of the proposed project?

III. Financial Plan Criteria
The 2015 Transportation Economic Development Program is designed to use state resources to leverage alternative public and private resources from those who also derive a direct benefit

from the transportation infrastructure improvement. Project selection will favor projects that demonstrate significant local effort, through public or private partnerships. While the TED grant cannot exceed 70% of eligible transportation infrastructure costs, projects that demonstrate a higher level of financial commitment from public and private partners will receive higher scores for the financial plan criteria.

A. Eligibility Criteria: (Answer must be “yes” for further consideration.)

12. If the project is selected, would the amount requested close the remaining funding gap and provide all necessary funding to complete the project? ☐ Yes ☐ No (If “No”, at what date and under what circumstances will the remaining funding be secured?)

B. Prioritizing Criteria: 20 Points (Responses to be scored by Evaluation Committee.)

13. In the table below or on another sheet, identify all funding sources for each of the elements of the project. (This information will also assist program administrators to determine the appropriate funding sources – e.g. state Trunk Highway funds or general obligation bonds – to apply for each selected project.) In addition to the TED program funds requested, the funding sources could include any of the following: (Not a comprehensive list):

<ul style="list-style-type: none"> • Private sector contributions • Local State Aid funds • Local general funds • Federal funds • Undesignated MnDOT funds • Local bonds 	<ul style="list-style-type: none"> • Other state funding sources (specify) • Local Land sale proceeds • Other local resources (i.e. TIF, local sales tax, etc.) • Other “alternative financing” mechanisms (specify)
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If funding sources are not fully committed, explain the steps being undertaken to obtain necessary funding commitments.

[NOTE: **Special emphasis will be focused on the level of financial support provided by private sector partners.** Private sector support can come in a variety of forms, including direct financial contribution, “pass through” financing via a local public entity (i.e. trip generation fees or “value capture” financing strategies), donation of right-of-way, etc...]

[NOTE: Any MnDOT district funds contributed to the project must not come from dedicated set-asides such as pavement or safety set-asides. Only uncommitted district funds can be dedicated to the project. A letter from the District Engineer certifying that any district contribution meets this requirement is required.]

FUNDING SOURCES

Transportation Infrastructure Costs:

Trunk Highway	Local System	Funding Sources

Right of Way			
Engineering			
Environmental Review/Permitting			
Construction Engineering			
TOTAL			
Other Development Costs: (NOTE: These costs are generally NOT eligible for Trunk Highway Funds, however some TED projects have activities outside of the trunk highway system using DEED and other funds. Identification of funding sources for these project components provides information on existing financial support and commitments.)			
	Trunk Highway	Local/Other	Funding Sources
Sewer			
Water Supply Systems			
Wastewater Treatment			
Utility Extensions			
Engineering			
SUBTOTAL			
TOTAL PROJECT COST			

IV: Project Readiness Criteria

A fundamental purpose of the 2015 TED program is to realize resulting economic benefits as quickly as possible. Projects that are able to be delivered sooner will be favored over longer term projects, all else being equal. ~~(No “Eligibility Criteria” is required in this evaluation category.)~~ *This statement has been eliminated because it was a contradiction.*

A. Eligibility Criteria: (Answer must be “yes” for further consideration.)

14. **Have you provided a schedule** identifying projected key project development dates? (e.g. ROW acquisition, environmental permitting, final design, letting, construction, etc...) [NOTE: The earlier a project can be let and delivered, the better it will score under this criterion.] ☐ Yes ☐ No
15. Is the proposed project included in the current 2015 – 2018 Statewide Transportation Improvement Plan Program (STIP)? [Note: Project applicants may propose projects included in the 2015-2018 STIP. However, applicants must include an explanation of why the project is included in the STIP and yet is not fully funded.]
☐ Yes ☐ No (If “Yes”, include explanation as to why the project is not fully funded.)

B. Prioritizing Criteria: 10 points (Responses to be scored by Evaluation Committee.)

16. Describe the current status of the planned development to be served by the improvement (i.e. business established, business district planned –AUAR developed, plan is speculative, etc). Please provide information such as permits received to date, zoning commission approval, city council approval, building permits secured, etc.
17. Assess and describe the level of “community support” for the project. Provide a list (along with local resolutions and letters of support, if possible) from public and private project partners. Also, please identify any known opposition to the project.

APPENDIX A – Crash Count Table

For this chart, estimates are requested for a base year and a forecast year for both build and no build scenarios. The base year should be the first year of full operations after completion of construction. The recommended forecast year is 20 years after the completion of construction, but any forecast year at least 10 years after construction will be accepted (note: analysis will be based on a 20 year forecast. MnDOT staff will extrapolate to 20 years for any forecast less than 20 years). Please specify the base and forecast years.

Please estimate the effect the project will have on the annual number crashes. For the crash statistics assumed in the no build base year, please use a five or ten year historical average if available.

	Base Year:		Forecast Year:	
	No Build	Build	No Build	Build
(K) Fatality				
(A) Serious Injury				
(B) Moderate Injury				
(C) Minor Injury				
(O) Property Damage Only				

Methodology used for the no build base year estimate:

☐ 5 year average ☐ 10 year average ☐ Other, please specify:

If you need assistance with this appendix, please consult your city engineer or local MnDOT staff.

APPENDIX B – Traffic Forecast Table

For this chart, estimates are requested for a base year and a forecast year for both build and no build scenarios. The base year should be the first year of full operations after completion of construction. The recommended forecast year is 20 years after the completion of construction, but any forecast year at least 10 years after construction will be accepted (note: analysis will be based on a 20 year forecast. MnDOT staff will extrapolate to 20 years for any forecast less than 20 years). Please specify the base and forecast years.

		Base Year:		Forecast Year:	
		No Build	Build	No Build	Build
Annual Average Daily Traffic (vehicles per day)					
Vehicle Miles Traveled for the Affected Network (miles per day)					
	Automobile				
	Commercial Truck				
Vehicle Hours Traveled for the Affected Network (hours per day)					
	Automobile				
	Commercial Truck				

Methodology notes:

If you need assistance with this appendix, please consult your city engineer or local MnDOT staff.

Appendix C

Minnesota Transportation Economic Development (TED) Program

Economic Analysis Data Table

Company	NAICS CODE	# of Jobs (2 Years)	# of Jobs (5 Years)	Avg. Wages	Building Cost	Building Type	Building Completion Timing	Equipment Cost	Equipment Type	Equipment Purchase Timing
Minnesota Manufacturing Inc.	123467	30	100	\$45,000 per year	\$5,000,000	Industrial	12/31/14	\$1,000,000	Communications Equipment	3/1/15

Economic Analysis Data Table Narrative: If necessary, briefly provide any additional information necessary for analyzing economic impact.

Appendix B: Transportation Economic Development Program Summary

Four Project Solicitations: 2010, 2012, 2013 and 2015

2010							
Greater Minnesota	Project Name	Completion Date	DEED Funds	MnDOT Funds	Total TED Funds	Leveraged Funds	5 Year Jobs Estimate
St. Charles	I-90 Business Park / TH 74	2012	\$500,000	\$0	\$500,000	\$2,030,000	45
Zumbrota	Northwest Industrial Development	2013	\$750,000	\$398,225	\$1,148,225	\$1,148,225	25
Worthington	US Highway 59 / Bioscience Dr.	2013	\$500,000	\$2,800,000	\$3,300,000	\$1,420,000	450
Marshall	TH 68 Lake Rd Turning Lanes	2012	\$500,000	\$575,000	\$1,075,000	\$247,500	75
Aitkin County	CSAH 5 Reconstruction	2012	\$250,000	\$0	\$250,000	\$416,250	4
Perham (I)	US 10 / CSAH 34 Interchange	2012	\$500,000	\$3,497,480	\$3,997,480	\$2,356,601	280
St. Cloud (I)	TH 15 and 33rd St.	2012	\$500,000	\$8,400,000	\$8,900,000	\$4,000,000	165
SUBTOTAL			\$3,500,000	\$15,670,705	\$19,170,705	\$11,618,576	1,044
Metro							
Hennepin Co - 4th St (I)	4th St and 35W interchange	2015	\$0	\$9,358,375	\$9,358,375	\$4,046,400	170
Bloomington MAC (I)	494 and 34th Ave interchange	2013	\$0	\$4,673,000	\$4,673,000	\$1,800,000	3,264
SUBTOTAL			\$0	\$14,031,375	\$14,031,375	\$5,846,400	3,434
2010 Totals			\$3,500,000	\$29,702,080	\$33,202,080	\$17,464,976	4,478

2012							
Metro	Project Name	Completion Date	DEED Funds	MnDOT Funds	Total TED Funds	Leveraged Funds	5 year Jobs Estimate
Eden Prairie (I)	S. Shady Oak Rd Improvements	2015-16	\$0	\$7,000,000	\$7,000,000	\$24,700,000	3,500
Maplewood (I)	TH 36 / English St Interchange	2013	\$0	\$1,000,000	\$1,000,000	\$21,997,000	230
St. Louis Park (I)	TH 7 / Louisiana Interchange	2013	\$0	\$3,000,000	\$3,000,000	\$22,008,000	450
Ramsey County	Lexington Ave - Congestion Mitigation	2014	\$1,000,000	\$0	\$1,000,000	\$1,617,298	100
Minnetonka (I)	I-394 Ridgedale Dr. westbound on ramp	2014	\$0	\$1,603,965	\$1,603,965	\$6,396,035	450
SUBTOTAL			\$1,000,000	\$12,603,965	\$13,603,965	\$76,718,333	4,730
Greater Minnesota							
Widom	North Widom Industrial Park improvements	2014	\$549,540	\$544,960	\$1,094,500	\$805,500	35
Benton Co (I)	US 10 / CSAH 3 Interchange	2014	\$0	\$2,934,000	\$2,934,000	\$1,956,000	50
Mille Lacs Co.	Cr 132 - Hawkins Sawmill Rd - 9-ton	2013	\$300,000	\$0	\$300,000	\$950,000	10
International Falls	Multimodal Distribution Center	2014	\$657,000	\$0	\$657,000	\$300,000	50
Rice Co.	Extension of Industrial Park Rd & CR 76	2014	\$1,000,000	\$0	\$1,000,000	\$1,740,000	93
Mankato	Eastwood Energy Industrial Park	2014	\$969,218	\$0	\$969,218	\$415,380	405
Delano	Delano NW Business Park	2014	\$1,000,000	\$605,500	\$1,605,500	\$3,313,000	100
SUBTOTAL			\$4,475,758	\$4,084,460	\$8,560,218	\$9,479,880	743
2012 Totals			\$5,475,758	\$16,688,425	\$22,164,183	\$86,198,213	5,473

2013							
Metro	Project Name	Completion Date	DEED Funds	MnDOT Funds	Total TED Funds	Leveraged Funds	5 year Jobs Estimate
Minneapolis	I-94 7th Street Off Ramp and Repurposed 5th Street Off Ramp	2016-17	\$0	\$6,790,000	\$6,790,000	\$2,910,000	5,000
Waconia	TH 5 Improvements	2015	\$0	\$4,500,000	\$4,500,000	\$6,599,103	360
SUBTOTAL			\$0	\$11,290,000	\$11,290,000	\$9,509,103	5,360
Greater Minnesota							
LeSueur	TH 169 Le Sueur Hill Access and Rest Area Improvements	2017	\$0	\$2,072,571	\$2,072,571	Significant but still unknown	200
Olmstead Co.	CSAH 16 & TH 63 Interchange Reconstruction and Airport Access Improvement Project	2016	\$0	\$2,224,000	\$2,224,000	\$9,295,000	450
SUBTOTAL			\$0	\$4,296,571	\$4,296,571	\$9,295,000	650
2013 Totals			\$0	\$15,586,571	\$15,586,571	\$18,804,103	6,010

2015							
Metro	Project Name	Completion Date	DEED Funds	MnDOT Funds	Total TED Funds	Leveraged Funds	5 year Jobs Estimate
Bloomington	East Bush Lake Road I-494 Westbound Entrance Ramp	2018	\$0	\$8,000,000	\$8,000,000	\$15,780,000	2,600
Carver County	TH 41 Expansion in Chaska	2019	\$0	\$3,500,000	\$3,500,000	\$13,260,000	300
Dakota County	TH 52/CSAH 42 Interchange Reconstruct	2017	\$0	\$3,100,000	\$3,100,000	\$19,191,168	322
Scott County	US 169 – TH 41 – CSAH 78 Interchange	2020	\$0	\$10,000,000	\$10,000,000	\$28,075,533	528
Washington County	TH 36 - CSAH 35 – Hadley Ave Interchange	2019	\$0	\$4,000,000	\$4,000,000	\$14,857,000	275
SUBTOTAL			\$0	\$28,600,000	\$28,600,000	\$91,163,701	4,025

Greater Minnesota							
Redwood Falls	CSAH 101/TH 19-71 Union Drive Intersection (MSAS 112) Traffic Signal	2018	\$0	\$280,000	\$280,000	\$200,000	770
Wells	Wells Business Park Access	2017	\$407,000	\$147,800	\$554,800	\$3,609,800	140
Mankato	Adams Street Extension	2017	\$813,233	\$0	\$813,233	\$3,730,302	367
Marshall	TH 68 – Michigan Road Turning/Bypass	2017	\$0	\$666,000	\$666,000	\$2,757,300	40
Mille Lacs County	City of Princeton TH 95 Roundabout and Business Park Access	2017	\$0	\$110,187	\$799,687	\$1,794,284	900
St. John's Township	First Avenue West Upgrade	2017	\$409,579	\$0	\$409,579	\$430,384	52
SUBTOTAL			\$1,629,812	\$1,203,987	\$3,523,299	\$12,522,070	2,269
2015 Totals			\$1,629,812	\$29,803,987	\$32,123,299	\$103,685,771	6,294

Total for all Solicitations			\$10,605,570	\$91,781,063	\$103,076,133	\$226,153,063	22,255
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