



2014 Report on the

Transportation Economic Development (TED) Program

Project Status Update

February 2015



Prepared by

The Minnesota Department of Transportation
395 John Ireland Boulevard
Saint Paul, Minnesota 55155-1899

Phone: 651-296-3000

Toll-Free: 1-800-657-3774

TTY, Voice or ASCII: 1-800-627-3529

To request this document in an alternative format

Please call 651-366-4718 or 1-800-657-3774 (Greater Minnesota). You may also send an email to ADArequest.dot@state.mn.us.

On the cover: The cover image contains four photographs of Transportation Economic Development (TED) projects in various stages of development. Clockwise from top left: North Windom Industrial Park access from trunk highway 71; Mille Lacs County Road 132 Hawkins Sawmill access; Perham US Highway 10 and County Road 34 interchange; Bloomington I-494 and 34th Avenue diverging diamond interchange.

Contents

Legislative Request.....	5
Summary.....	6
Ranking Process & Criteria	7
Future Program Solicitations & Recommendations	8
2010 Projects	9
Project: U.S. Highway 10 / Otter Tail CSAH 34 Interchange	9
Project: Industrial Site Development – Versa Cold Expansion	11
Project: Trunk Highway 59 Infrastructure Improvements	13
Project: Trunk Highway 68 & Lake Road Turning/Bypass Lanes	15
Project: Aitken County State Aid Highway 5 Reconstruction.....	17
Project: State Highway 15 and 33rd St. Interchange.....	19
Project: Interstate 494 and 34th Ave Interchange.....	21
Project: Interstate 35W Northbound Entrance Ramp from 4 th Street South.....	23
Project: Interstate 90 Business Park Development	25
2012 Projects	27
Project: Eastwood Energy Industrial Park Access Development.....	27
Project: State Highway 10 and County Road 3 Interchange.....	29
Project: Business Park Access Development	31
Project: Interstate 394 Ridgedale Dr. Westbound On-Ramp	33
Project: State Highway 36 and English Street Interchange.....	35
Project: North Industrial Park Infrastructure Improvements	37
Project: Mille Lacs County Road 132/Hawkins Sawmill Road Project.....	39
Project: Multimodal Transportation Warehouse and Distribution Center	41
Project: Extension of Industrial Park Road and Reconstruction of Rice County Road 76	43
Project: Lexington Avenue Congestion Mitigation	45
Project: South Shady Oak Road Improvements.....	47
Project: Highway 7 and Louisiana Avenue Interchange Project	49

2013 Projects	51
Project: Highway 5 Improvements	51
Project: 7th Street Off-Ramp and Repurposed 5th Street Off-Ramp at Interstate 94	53
Project: Olmsted County Road 16 and Trunk Highway 63 Interchange Reconstruction	55
Project: Highway 169 and Pumpkin Hill Road Access and Rest Area Improvements.....	57
Appendix A: TED Application Form Sample.....	59
Appendix B: TED Program Summary.....	67

Legislative Request

This report is issued to comply with Minnesota Statutes 2013, section [174.12](#), subdivision 8. The language of the provision reads as follows:

(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 consistent with the accountability measurement requirements under section [116J.997](#); 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 Department of Transportation and the Department of Employment and Economic Development. 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

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 “increases the size of the funding pie” by leveraging 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 three solicitations, in years 2010, 2012, & 2013, 30 projects were selected for a total TED (DEED and MnDOT) investment of more than \$70 million. Leveraging TED has in turn leveraged more than \$122 million in outside investments in its projects.

Based on estimates provided by project applicants, the program will support the creation and/or retention of approximately 15,000 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 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 three 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 Minnesota Department of Transportation, the 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.

Future Program Solicitations & Recommendations

In 2013, the legislature approved State Road Construction funding for the TED program. MnDOT currently has \$10 million available in the program for FY 2016 and is tentatively planning for another round of solicitations starting in July 2015. The program continues to have strong interest by state officials and local units of government throughout the state.

An important footnote is that no general fund dollars have ever been provided to the TED program. This fact somewhat limits the program's flexibility since the existing MnDOT funding source – trunk highway funds – can only be spent on projects that are state road construction eligible, i.e., they must be projects that provide a direct trunk highway benefit. In the past, the TED program has used general obligation bonding authority provided through the Department of Employment and Economic Development's Business Development Public Infrastructure program to direct project funding to projects on the county, city or township system.

At this time, MnDOT does not recommend any fundamental changes to the program. MnDOT, with the assistance of DEED, will continue to monitor those projects that received funding in the past in order to gauge the long-term success rate of the program in stimulating and maintaining economic development. As more data is collected and analyzed, MnDOT will continually re-examine the program, and offer programmatic recommendations as appropriate.

2010 Projects

Recipient: City of Perham

Project: U.S. Highway 10 / Otter Tail CSAH 34 Interchange

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

In Otter Tail County, State Aid Highway 34 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 new 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 will decrease reliance on the local road system to move these heavy loads.

Economic Development Impacts

Several business will benefit from the TED interchange construction. Those companies are:

- The new Perham Memorial Hospital is a \$34 million investment in rural health care and will be directly served by the interchange. The new interchange provides access for the hospital's existing 440 employees. In the next two years, the hospital may add 25 new hires to its staff.
- Barrel O' Fun Snack Food Company, owned by KLN Companies directly benefits from the interchange for movement of its freight, as well as improved access to their employees. Barrel O' Fun recently built a \$3.5 million office building in 2010. The company is growing and anticipates hiring an additional 120 employees in the next five years. The company currently employs 768 in its Perham operation.
- Tuffy's Pet Foods, also owned by KLN Companies, is constructing a \$15 million expansion. Tuffy's currently employs 182 people and anticipates adding 70 jobs in the next couple of years.
- 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.

With the construction of the new hospital, the area immediately adjacent to the interchange is ripe for economic development. The city owns several lots with infrastructure available for sale near the hospital site. The interchange will promote economic development immediately near the hospital in addition to the vacant property located along CSAH 34.

Recipient: City of Zumbrota

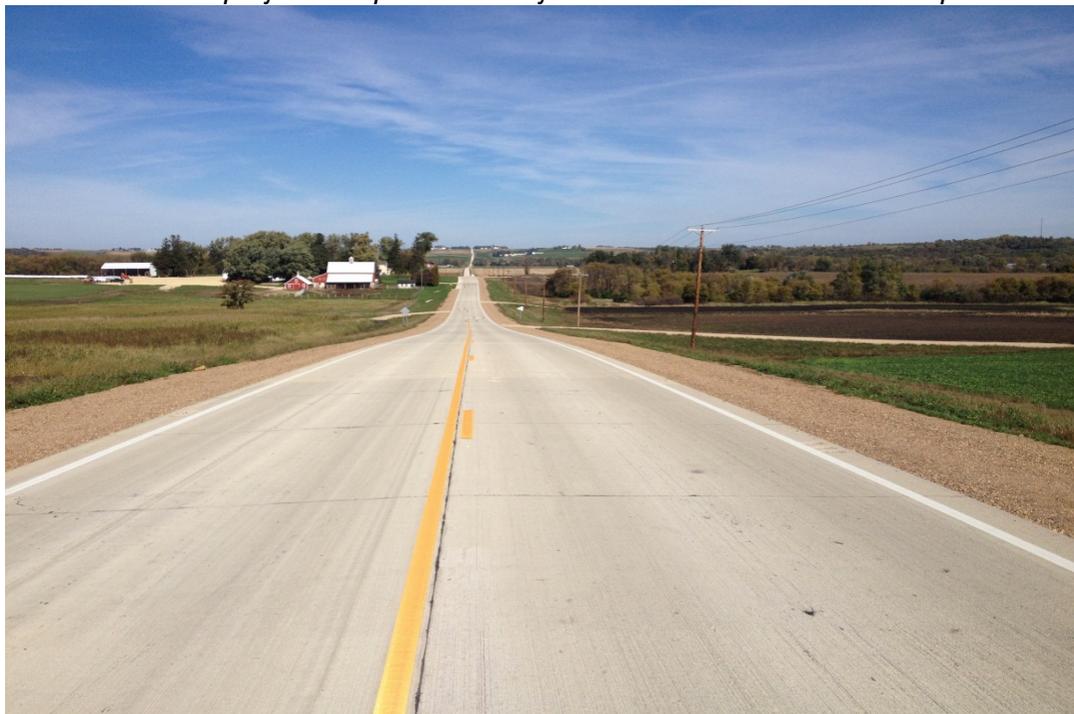
Project: Industrial Site Development – Versa Cold Expansion

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 is 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 Highway 52. The project involves designating two unpaved county roads as an extension of County Road 68 and to upgrade those roadways to 10-ton standard to allow increased industrial traffic.

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



Transportation Impacts

The project closes an at-grade access from County Road 60 onto a very busy segment of Highway 52. This improves 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. 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.

Transportation Impacts

The improvements to Highway 59 reduces 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, County Ditch 12 will be improved as an element of an associated 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 will also improve access to the new 50 acre Worthington Bioscience Park on the east side of Highway 59. The city estimates that 300 new jobs will be added in the next 10 years, and that the increased tax base resulting from the project is \$26 million. Bedford Technology is planning a major expansion in the Industrial/Commercial Park and Worthington expects more business to move in the future due to the city's multimodal transportation network of roads, rail, and air.

Recipient: City of Marshall

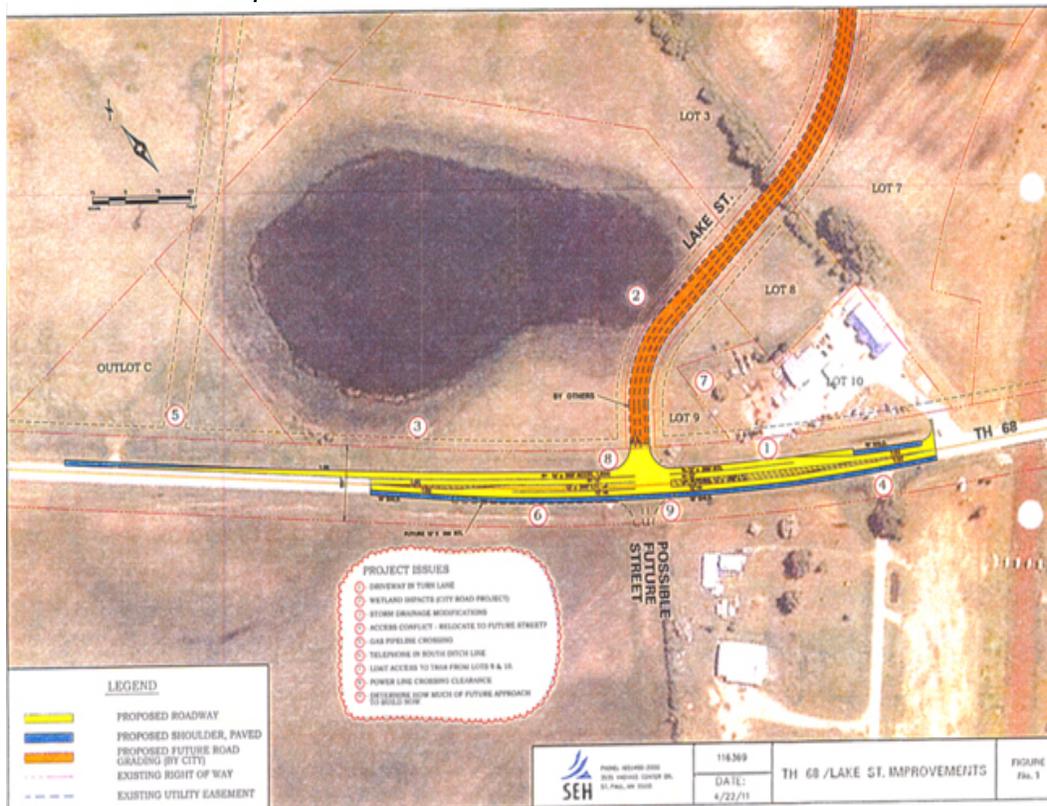
Project: Trunk Highway 68 & Lake Road Turning/Bypass Lanes

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, which will keep them from relocating. It also allows other businesses to continue to grow and thrive, while attracting new businesses to the area.

Recipient: Aitkin County

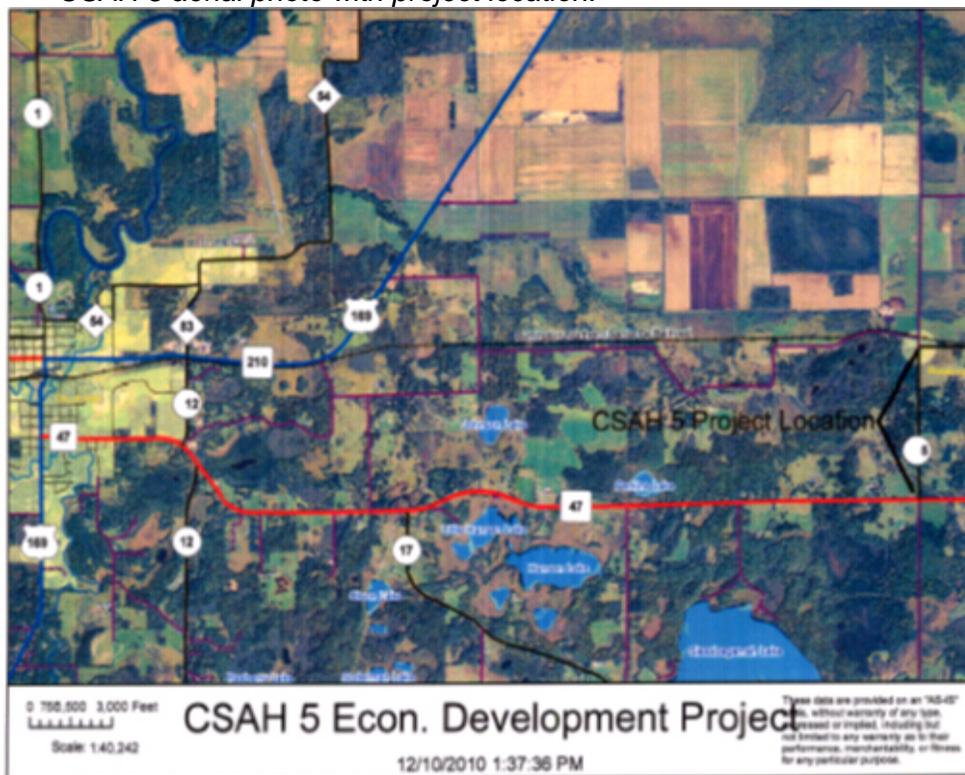
Project: Aitken County State Aid Highway 5 Reconstruction

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 Highway 5, which is a north-south road about three miles east of the city of Aikin 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 involves 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 makes 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, it is projected that 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. The company can maximize its margins by making it cost effective to ship its products. In addition, this project will also increase the industry's capacity to bring in fuel and biomass, which American Peat Technology, LLC uses to manufacture its products and run its equipment.

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

Recipient: City of St. Cloud

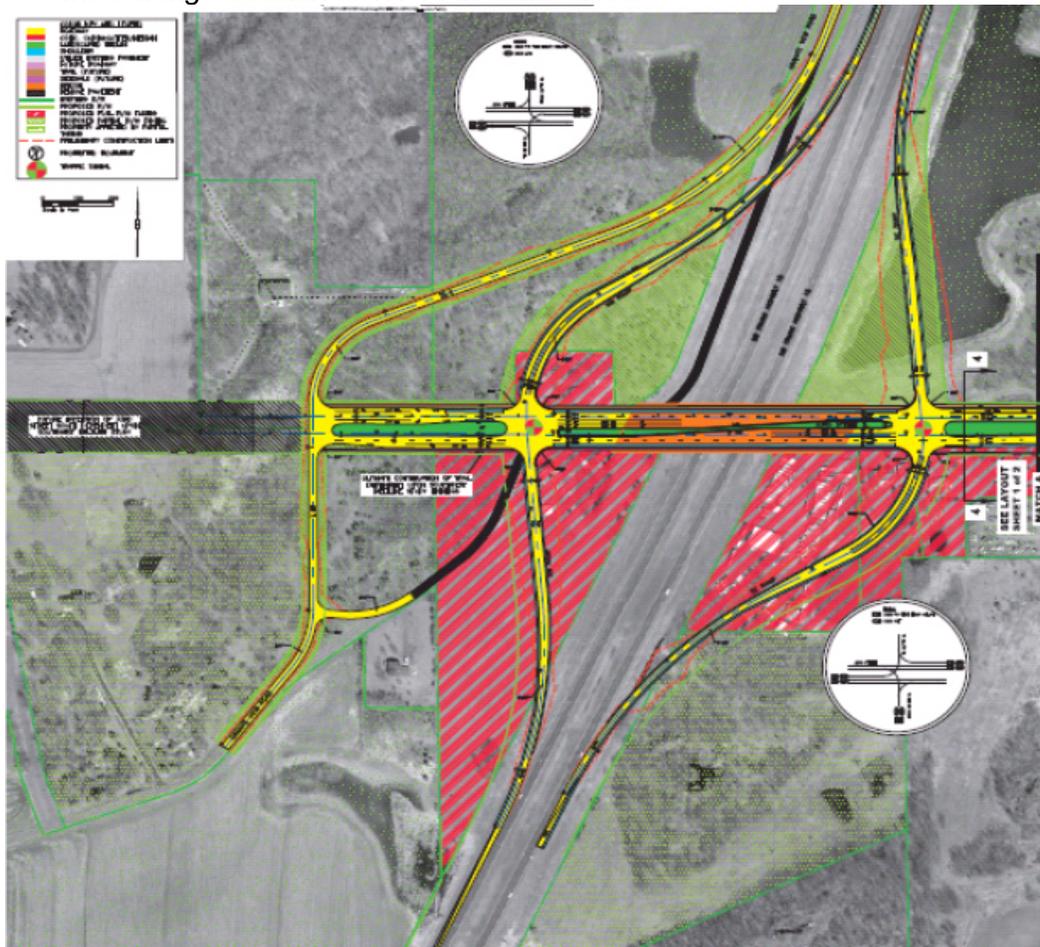
Project: State Highway 15 and 33rd St. Interchange

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 involves 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 will accommodate the 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 I-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 current 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 and plans to add 15 additional employees once its new facility is operational. Crowne Pointe Development, which represents local businesses such as Marcus Theaters, Arby's Restaurant and Cabela's, indicated that the businesses will be able to expand, adding up to 125-150 new employees.

Recipient: City of Bloomington

Project: Interstate 494 and 34th Ave Interchange

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 experienced queuing during the 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 safer.

Economic Development Impacts

Improvements to the interchange are 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.

Recipient: Hennepin County

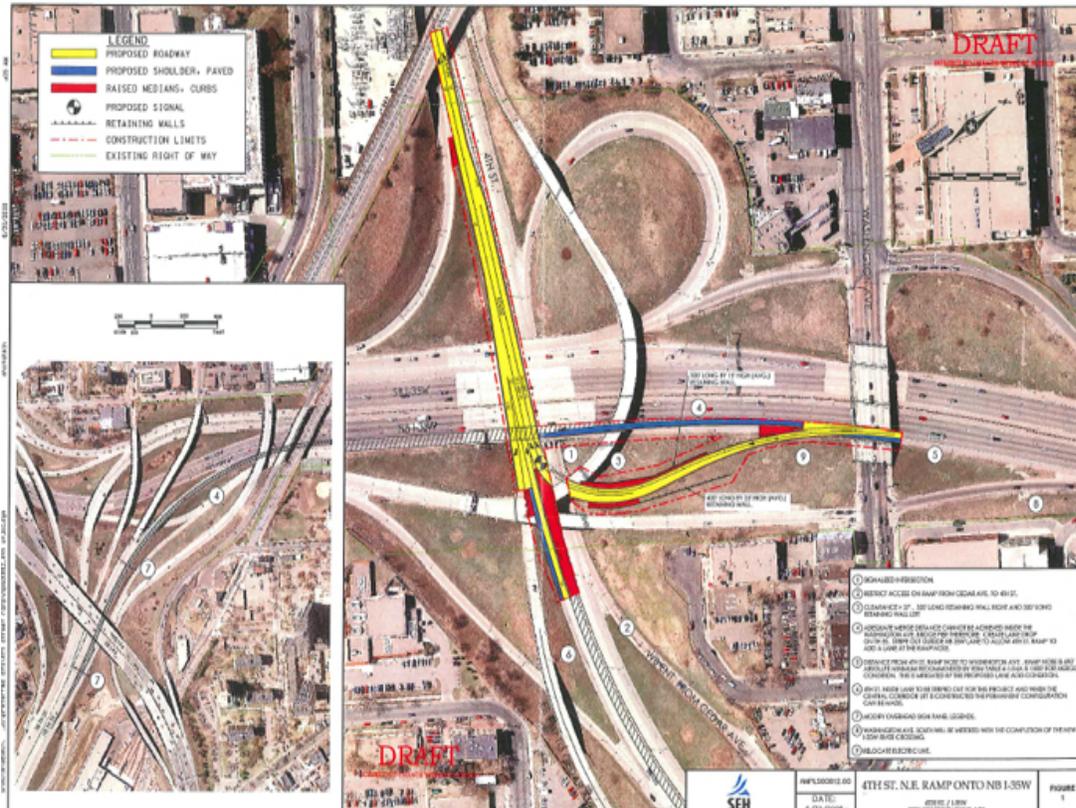
Project: Interstate 35W Northbound Entrance Ramp from 4th Street South

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, and it will provide for 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, the construction of these elements also includes retaining walls, signals, and lighting.

Interstate 35W northbound entrance ramp



Transportation Impacts

This project will help improve 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 will support and encourage private sector investment by providing better access to an area currently gridlocked for hours every day.

Recipient: City of St. Charles

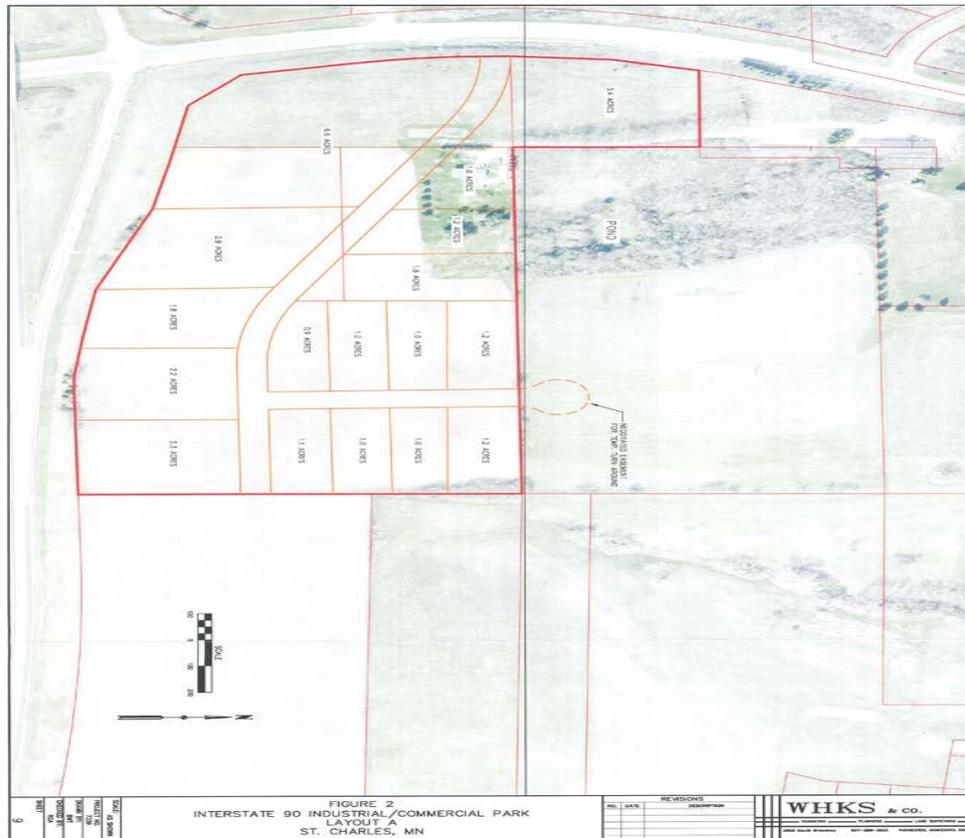
Project: Interstate 90 Business Park Development

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 will provide 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

The project is intended to attract new business to the St. Charles area in order to replace the 250 jobs lost from the loss of North Star Foods. It is anticipated that the proximity of the project to I-90 will attract new business and support existing businesses in the St. Charles area.

2012 Projects

Recipient: City of Mankato

Project: Eastwood Energy Industrial Park Access Development

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	TBD	\$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. 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.

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.

Recipient: Benton County

Project: State Highway 10 and County Road 3 Interchange

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 will convert the entrance ramp to north-westbound Highway 10 to a loop configuration. In addition, the existing two-lane bridge, on County Road 3, will be 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 Highway 10, which provide more than 1,000 jobs. The improvement will promote economic development by enhancing traffic flow around existing businesses and bring new business to the area.

Recipient: City of Delano

Project: Business Park Access Development

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 will create better access to a new industrial park located in Delano. Access to the industrial park will come directly off of Highway 12. In addition, the project will extend 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 will have two key transportation outcomes. First, it will provide access to the newly developed industrial park. Second, it will provide a north-south collector street that will be 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. 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. Randy’s Environmental Services is proposing a construction start date in the fall of 2015.

Recipient: City of Minnetonka

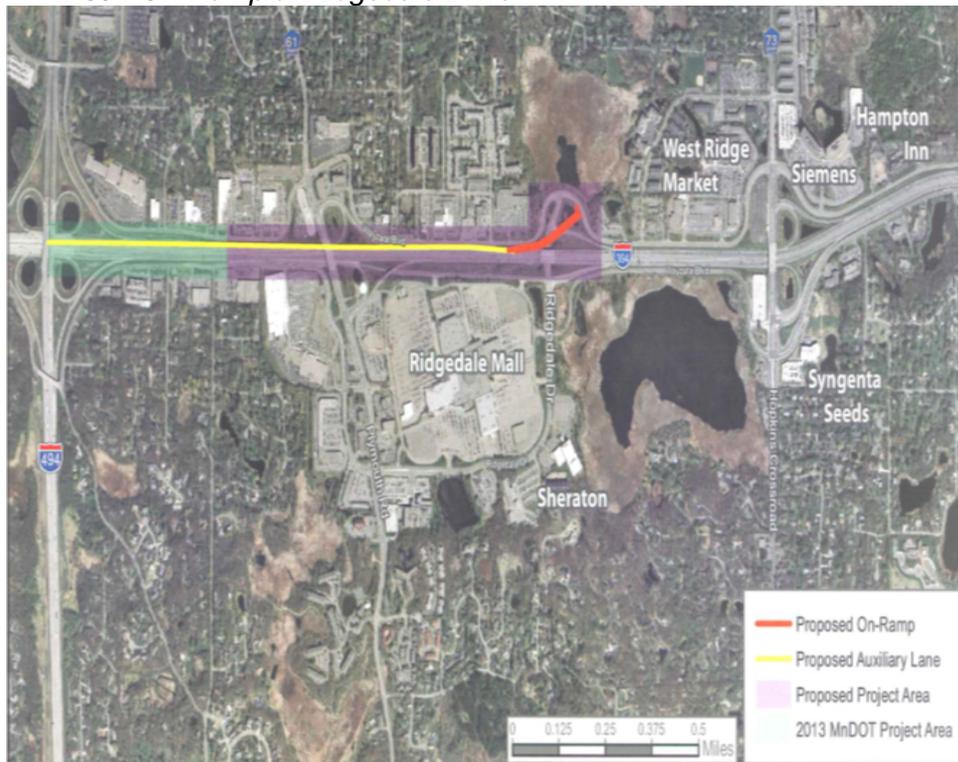
Project: Interstate 394 Ridgedale Dr. Westbound On-Ramp

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

The I-394/Ridgedale Drive westbound on-ramp project constructed a westbound I-394 on-ramp at Ridgedale Drive, improving the interchange to a full access interchange. The existing 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 Drive 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 will improve traffic operations by reducing congestion and providing additional access for westbound motorists. It will also allow motorists to use the MnPASS lane between Plymouth Road and I-494, which will cut down on congestion and reduce accidents, as well as promote 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.

Recipient: City of Maplewood

Project: State Highway 36 and English Street Interchange

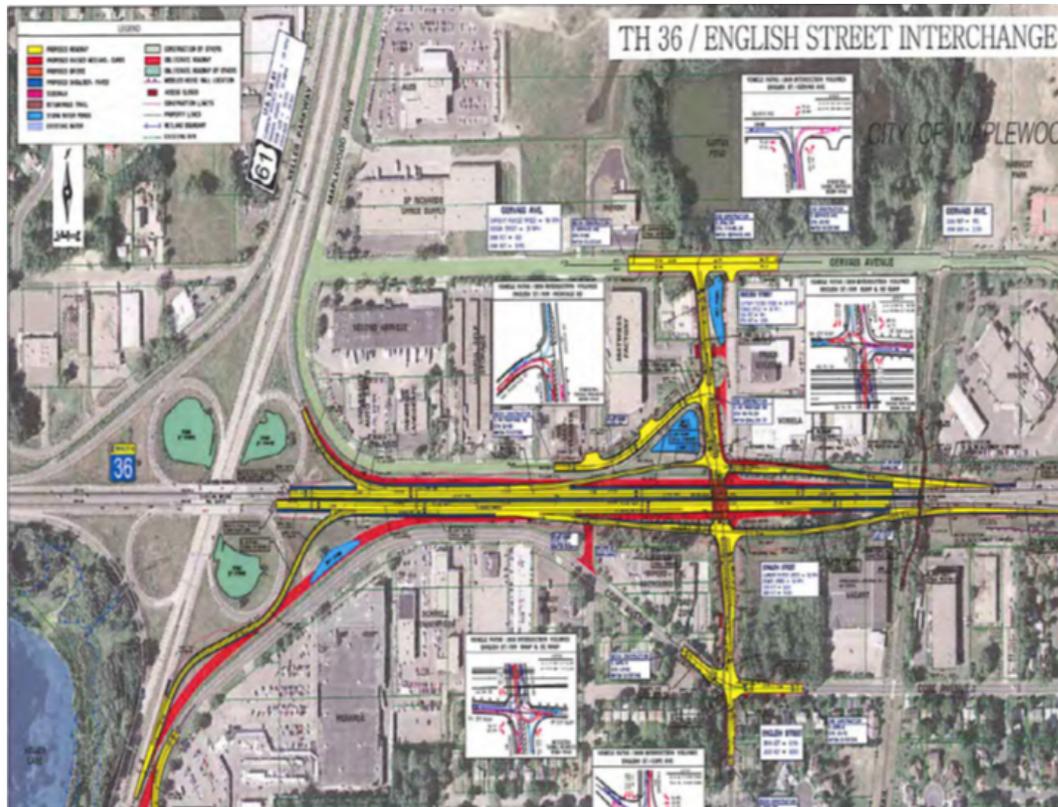
State Project #	DEED BDPI Funds	MnDOT TH Funds	Total TED Award	Construction Completion Year	Non-State Leveraged Funds *	5-Year Job Estimate
6211-90	\$0	\$1,000,000	\$1,000,000	2013	\$21,997,000	230

* 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 has 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, more opportunity for business expansion will occur 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.

Recipient: City of Windom

Project: North Industrial Park Infrastructure Improvements

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 will provide improved access along Highway 71 at the entrance to the North Windom Industrial Park. The access improvements will include 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 provides 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 plans a 60,000-80,000 square foot expansion, which would create 25 new well-paying jobs in the next five years.

Across from Fast Sprayers, a new building is being constructed for a lab facility for Sioux City Grain Inspection. To the east of SCI, there is a lot, which is in the process of being sold to a different business for potential development. More than \$10 million in private investment occurred in Windom as a result of this transportation improvement.

Recipient: Mille Lacs County

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

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.

The local economy also benefitted from the project. A local contractor using local labor and suppliers was employed to perform the earthwork to prepare for paving. A local gravel pit was the source of aggregate for the road base and the bituminous surface.

Recipient: City of International Falls

Project: Multimodal Transportation Warehouse and Distribution Center

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	TBD	\$300,000	50

Project Description

This project involves improving 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 will significantly improve supply chain productivity to the existing manufacturing facility in International Falls. This project will allow 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 will create an expanded multimodal hub to serve the largest rail port of entry in North America, and will reduce 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.

Recipient: Rice County

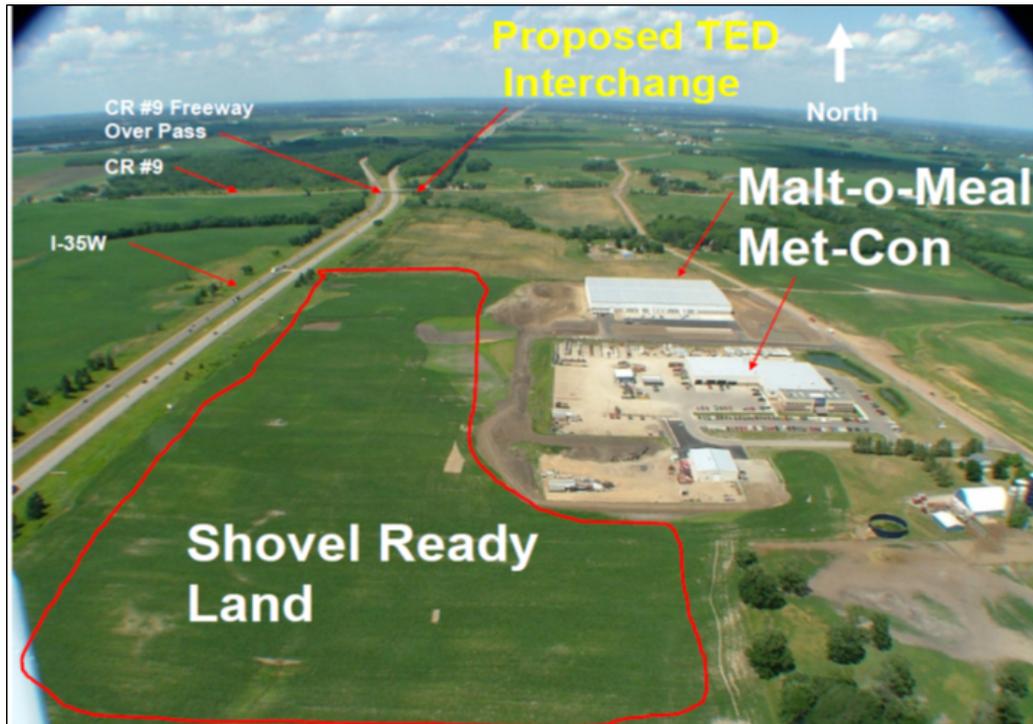
Project: Extension of Industrial Park Road and Reconstruction of Rice County Road 76

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	TBD	\$1,740,000	93

Project Description

This project involves 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 involves upgrading the entire roadway section including widening driving lanes, adding wider and paved shoulders, and incorporating a 10-ton pavement design. This newly designed road will accommodate year round freight movements, provide safety and mobility improvements, and offer further economic growth 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 will foster immediate and long term development opportunities along this entire corridor. The pavement will be designed for a 10-ton axle load to accommodate year round freight movements without spring load restrictions. New turn lanes will be constructed at appropriate intersections and access points to accommodate turning movements.

Economic Development Impacts

The area where this project is was constructed is in a high growth corridor. The improvement will support planned business expansion, including SAGE Electrochromics, a manufacturer of specialized window glass. The project will support business development at the city's northern most industrial park, and it will open up more than 200 acres for available development. Since 2005, several companies moved into this area, such as Aldi's Incorporated, Met-Con Companies and Malt-O-Meal.

Recipient Ramsey County

Project: Lexington Avenue Congestion Mitigation

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	TBD	\$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 I-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 will support 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 grown by approximately 100 new jobs per year. Many other businesses in this fully developed area will benefit from improvements made on Lexington Avenue.

Recipient: City of Eden Prairie

Project: South Shady Oak Road Improvements

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 includes widening and reconstruction of Shady Oak Road from the intersection of Flying Cloud Drive to approximately 800 feet north of Rowland Road. The project will also replace and expand the existing Shady Oak Road bridge over Highway 212. The project adds turn lanes, a median and trails along Shady Oak Road and will provide significant 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 existing interchange, significant delays are often experienced during peak travel periods. The improvements to Shady Oak Road and the Highway 212 / Shady Oak Road interchange will provide improved operations for existing employees in the area and the significant planned growth in area employment.

The project will also help Shady Oak Road serve its function 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. The project will also improve access to the proposed Golden Triangle Area and City West Southwest LRT stations and potential park and ride facilities.

Economic Development Impacts

The Highway 212 / Shady Oak Road has suffered from insufficient capacity to accommodate the growth and economic development that is occurring in the Golden Triangle Area. This project will serve 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 is scheduled to be occupied this summer and it 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.

Recipient: City of St. Louis Park

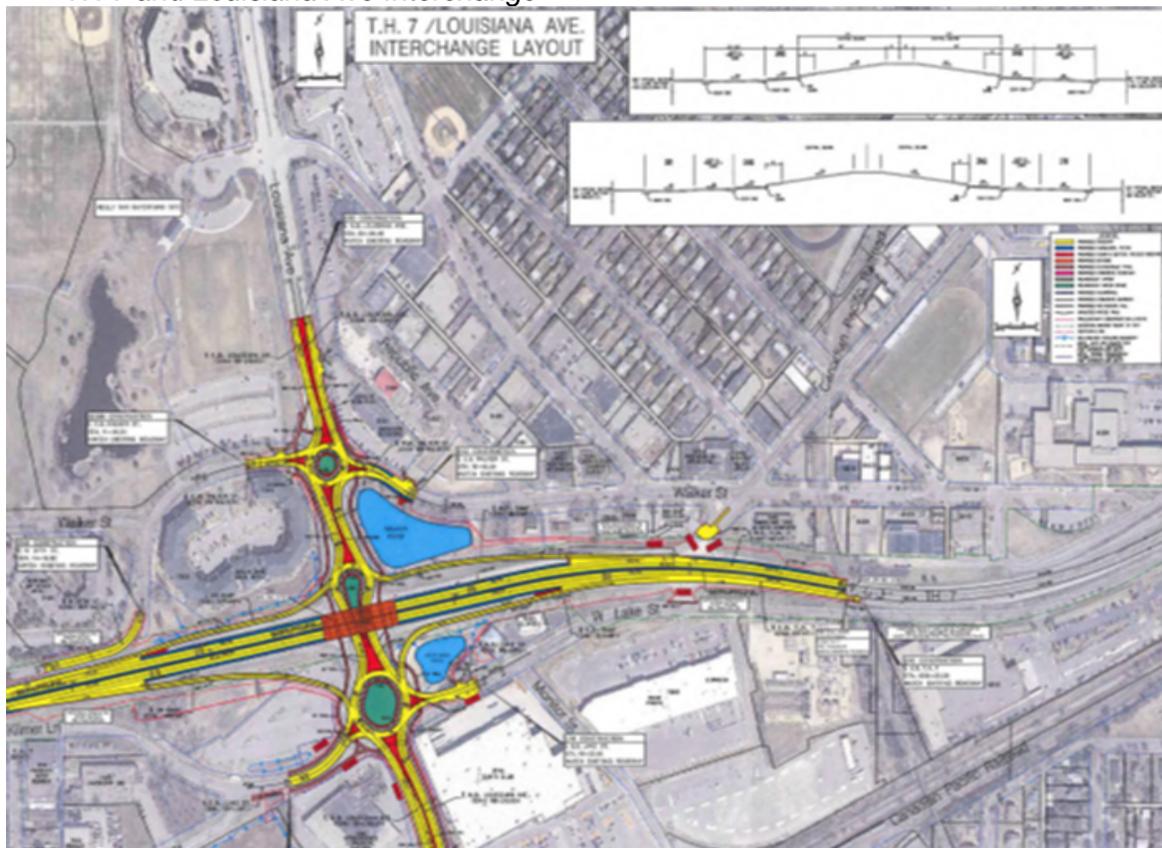
Project: Highway 7 and Louisiana Avenue Interchange Project

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 will provide a grade separated interchange (tight diamond with roundabouts) at Highway 7 and Louisiana Avenue. The project will provide a safe and functional urban interchange that is sensitive to the community needs. The project will also promote job creation and retention, and balance 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 will remove three signal systems along Highway 7 and two right-in/right-out intersections. In its place, a grade separated interchange will be constructed. This project will also enhance the pedestrian/bicycle facilities along this area to facilitate movements throughout the area.

Economic Development Impacts

The construction of the interchange will provide long-term efficiency and reliability for the movement of workers and goods to and from the area. This will ensure the viability of area businesses. The city has completed a master plan for the Southwest LRT Station development. The master plan will accommodate 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 in 2014, the city anticipates there will be redevelopment within the next 5 years. The city has indicated it anticipates the addition of some 450 jobs over the next five years.

Transportation Impacts

This highway is currently a two-lane rural-design highway with many access points. The existing highway design is inadequate for a growing community in terms of mobility, access, safety and function. Annual Average Daily Traffic exceeds 15,000 and is expected to double by 2030. The improvement project will address safety concerns by widening and reducing the number of accesses to and from Highway 5, which has a crash rate four times state average.

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

Pedestrian facilities are also included. This project improves 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 is planning an expansion in 2015 that will add 130 new jobs.

An additional expansion planned in 8-10 years adds another 130 jobs. Good Samaritan is expanding in fall of 2013, adding 30 jobs. 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.

Recipient: City of Minneapolis

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

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	2016-17	\$2,910,000	5,000

Project Description

A new westbound I-94 off ramp will be constructed in the city of Minneapolis that will 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 will be 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 will improve efficiency of downtown Minneapolis' one-way street network. Redirecting traffic will move traffic away from a bottlenecking conflict point with the Hiawatha Light Rail line.

The repurposed ramp would 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 the State of Minnesota, currently the downtown core of Minneapolis employs 133,000 people. It is expected that 144,000 will 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, and Augsburg College. The new Vikings stadium will also be in the area.

Recipient: Olmsted County

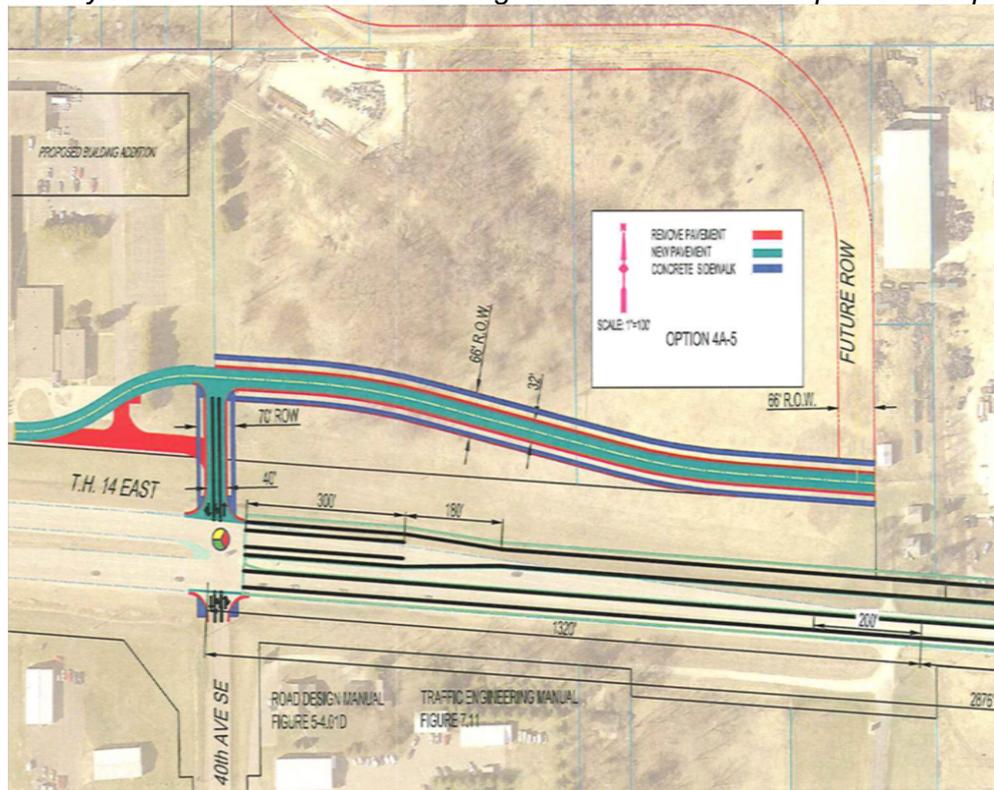
Project: Olmsted County Road 16 and Trunk Highway 63 Interchange Reconstruction

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 will be reconstructed in Olmsted County. The project will improve 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 would reconstruct and realign the interchange at Highway 63 and County State Aid Highway 16 south of Rochester near the Rochester International Airport. The current bridge is 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 a freeway to an expressway. 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 the expanded capacity will benefit.

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.

Recipient: City of Le Sueur

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

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	2016	\$0*	200

**Significant but as of yet, unknown*

Project Description

This project is scheduled to be 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 Ch. 127-- S.F.No. 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 Dobby Lane to Highway 169
- closure of Highway 128 access to Highway 169
- construction of a new local road connecting Dobby Lane with frontage road
- construction of east frontage road connecting with CSAH for existing and future development.

NOTE: Due to its complexity and other factors associated with the rest area swap and the distribution of costs to the benefitting public and private entities, this project experienced some delays. The initial selection of the project was granted provisionally, pending a final solution on the preferred design of the project and agreement by all parties on an acceptable cost share. As a result, a final decision on the amount of TED funding to be provided to this project remains undetermined, and will be resolved soon.

Appendix A: TED Application Form Sample

**Minnesota Transportation Economic Development (TED) Pilot Program
Phase 1 Funding Application – General Project Information**

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



III. PROJECT FUNDING

12. Are you applying for, or have you applied for funds that are pending from another source(s) to complete this project?

Yes No

If “Yes”, please identify the other source(s), the status of the applications, and the potential outcomes in the section below.

13. **TOTAL PUBLIC, TRANSPORTATION-RELATED INFRASTRUCTURE PROJECT COSTS:** (See Note #1)

Subtotal: Transportation Costs:	
Land Right of Way	
Design Engineering	
Environmental Review/Permitting	
Construction	
Construction Engineering	
Other	
Subtotal: Other Transportation-Related Infrastructure Costs:	
Sanitary Sewer	
Water Supply	
Waste Water Treatment	
Engineering	
Public Utilities Extensions	
Other	

Note #1: The TED program will cover up to 70% of the total transportation-related infrastructure costs associated with the improvement of public infrastructure. The table above is intended to allow the applicant to provide estimated costs for ALL eligible project development costs used to derive the 70% maximum grant. Please keep in mind that the amount of the grant could be less than 70% of total project costs based on state law and MnDOT and DEED program policies including constitutional limits and restrictions on bond financing for certain roadway classifications, state/local cost participation policies, and other program requirements governing state cost share limitations.

14. TED AMOUNT REQUESTED % OF TOTAL COSTS (Must be 70% or less):

15. ALL OTHER FUNDING SOURCES – See Note #2):

SOURCE	AMOUNT	STATUS



Note #2: In order to ensure that no currently programmed project is delayed, MnDOT district funds already designated for a project in the Statewide Transportation Improvement Program (STIP) may not be used to finance any construction costs of the proposed project. In addition, no 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 non-TED cost share of the project. Applicants are urged to consult with MnDOT District Offices prior to submitting project applications.

16. CONTACT SIGNATURE:	17. CONTACT TITLE:
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**Minnesota Transportation Economic Development (TED) Pilot Program
Phase 1 Funding Application**

I. Transportation System Criteria

The Transportation Economic Development Pilot Program is intended to provide state assistance to transportation projects that address statewide economic development objectives; however, projects must also enhance the statewide transportation system from the standpoint of safety, mobility, access and modal choice.

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

1. Is the proposed project consistent with relevant local, regional, state, and federal transportation planning guidelines and standards? (In Phase 1, applicants must consult MN/DOT Districts who must approve project proposals that impact the state trunk highway system. Applicants should also consult with Area Transportation Partnerships and applicable Metropolitan Planning Organizations in developing proposals and submit letters of support or concurrence. ATPs and/or MPOs must formally approve any final project proposal in Phase 2.)

Yes No

NOTE: The intent of this program is to support projects that promote new economic growth, therefore most proposed projects will not presently be included in the 2011-2014 Statewide Transportation Improvement Program (STIP) which identifies “fully funded” projects. If a project is being proposed that is currently listed in the 2011-2014 STIP, contact Matt Shands, MnDOT Financial Management at (651) 366-4893 or matt.shands@state.mn.us.

B. Prioritizing Criteria: 35 points (Responses to be scored by Evaluation Committee.)

2. Describe how the proposed project enhances the safety of the statewide transportation system.

3. If the proposed project is expected to reduce the incidence of motor vehicle crashes, identify the historical number of crashes from 2005-2008 broken down by fatal crashes, personal injury crashes, and property damage crashes, and explain how the proposed improvement would reduce future crashes.

4. What is the current and projected average daily traffic (upon project completion) at the site of the proposed project, for both all vehicles and heavy commercial vehicles?

5. 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?

6. Describe the extent to which the project supports modal integration, now or in the future.



II. Economic Development Criteria

The Transportation Economic Development Pilot 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 are required to promote statewide job creation and retention. If you need assistance with any questions in the Economic Development Criteria section contact Jeremy LaCroix at DEED, jeremy.lacroix@state.mn.us, (651) 259-7457.

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

7. Will the proposed project lead to private investment in job creation or job retention?

Yes No

8. 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)?

Yes No

9. Does the project promote job creation in one of the following industries: manufacturing, technology, warehousing and distribution, research and development, agricultural processing, bioscience, medical professional, tourism/recreation, or does it support industrial park development or mixed use-high density multimodal development?

Yes No

B. Prioritizing Criteria: 35 points (Responses to be scored by Evaluation Committee.)

10. On Appendix A, provide responses to the following questions to allow for an economic analysis of the proposed project:

- Name of the business(es) impacted by the improvements and 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
- Building construction cost for businesses committed within 2 years of project completion (including type of building and timing):
- Equipment cost for businesses committed within 2 years of project completion (including type of equipment and timing)

11. Include a more detailed narrative of the anticipated economic benefits that addresses the following issues:

- Explain how this project is essential to attracting new businesses or 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 will promote economic viability of existing businesses within the travelshed:
- What opportunities will be lost if the proposed project is delayed or rejected?

12. Describe the effect of the project and the associated development on the area tax base?

13. What is the current unemployment rate in the home county of the proposed project?

III. Financial Plan Criteria

The Transportation Economic Development Pilot Program is designed to leverage alternative public and private resources from those who also derive a direct benefit from the development of the project. Therefore, the program requires that at least 30% (50% on BDPI funds) of the project's total costs come from non-TED program sources. (NOTE: Responses to the Financial Plan Criteria questions below require reporting on preliminary project financing plans. Approved projects will be required to certify the project financing during the Phase 2 TED application, due around July 1, 2011.)

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

14. Can the project secure full funding commitments from all additional funding partners by July 1, 2011?

Yes No

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

15. Identify all funding sources and amounts available for the project from other non-TED program sources. (If funding sources are not fully committed, explain the steps being undertaken to obtain necessary funding commitments.)



IV: Project Readiness Criteria

State law requires that bond fund proceeds be spent within a 4 year timeframe; therefore, projects selected for funding must be let no later than January 1, 2014. However, the Legislation establishing the funding for this program clearly indicated that the program would benefit most if projects are selected, let, and delivered as quickly as possible.

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

16. Can the project be let by January 1, 2014?

Yes No

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

17. Provide 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 these criteria.]

18. Describe the current status of the planned development to be served by the transportation infrastructure improvements, addressing the status of any required environmental permitting.

19. 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.



**Transportation Economic Development (TED) Program Summary
Three Project Solicitations: 2010, 2012, 2013**

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 Imp	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							
Windom	North Windom Industrial Park imp	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	2016-2017	\$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							
Le Sueur	TH 169 Le Sueur Hill Access and Rest Area Improvements	2015	\$0	\$ 2,072,571	\$ 2,072,571	significant, but as yet unknown	200
Olmsted County	CSAH 16 & TH 63 Interchange Reconstruction and Airport Access Improvement Project	2016	\$0	\$ 2,224,000	\$ 2,224,000	\$ 9,295,000	450
SUBTOTAL			-	4,296,571	4,296,571	9,295,000	650
2013 Totals				\$ 15,586,571	\$ 15,586,571	\$ 18,804,103	6,010
TOTAL ALL 3 Solicitations			\$ 8,975,758	\$ 61,977,076	\$ 70,952,834	\$ 122,467,292	15,961