

# Transportation Economic Development Infrastructure (TEDI) Program

# Program Concept and Application Instructions

# Application

Minnesota Statute 116J.436

*Revised 6/6/23*

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# Program Concept and Application Instructions

**AUTHORIZING LEGISLATION**

Minnesota Statute 116J.436

**BACKGROUND/PURPOSE**

The Transportation Economic Development Infrastructure (TEDI) program is created to foster interagency coordination between the Departments of Transportation and Employment and Economic Development to finance infrastructure to create economic development opportunities, jobs, and improve all types of transportation systems statewide.

**ELIGIBLE PROJECTS**

Funds appropriated for the program must be used to fund predesign, design, acquisition of land, construction, reconstruction, and infrastructure improvements that will promote economic development, increase employment, and improve transportation systems to accommodate private investment and job creation.

Money in the program shall not be used on trunk highway improvements, but can be used for needed infrastructure improvements and nontrunk highway improvements in coordination with trunk highway improvement projects undertaken by the Department of Transportation.

Eligible Applicants

Eligible Applicants for the Transportation Economic Development Infrastructure (TEDI) Program are local units of government.

**TYPES OF FUNDING AVAILABLE**

DEED provides funds as a grant.

**APPLICATION DEADLINE**

September 22, 2023

**FUNDS AVAILABLE**

TEDI - $1,962,400

DEED has other public infrastructure grant programs such as the Greater Minnesota Business Development Public Infrastructure (BDPI) program available through a separate application.

The Department of Transportation has additional funds available for trunk highway costs. Those funds and funding are coordinated with the TEDI program. The MnDOT Transportation Economic Development program (TED) funds are awarded through a separate application.

**MAXIMUM AWARD**

There are no funding limits for proposals requesting funds from the TEDI Program. However, how program funding must find appropriate geographical balance between the metropolitan area and greater Minnesota.

**MATCH REQUIREMENT**

There is no match requirement, however major components of scoring in the competitive process are the level of private investment and the leverage of nonstate funds. Applications with little or no leverage will likely be uncompetitive.

A local governmental unit’s resolution certifying that the match being pledged in the application is in place is required. A sample resolution is attached.

**SELECTION CRITERIA**

The TEDI Program applications will be evaluated on the following criteria:

1. job creation (25 points)
2. increase in local tax base (20 points)
3. level of private investment (15 points)
4. leverage of nonstate funds (15 points)
5. improvement to the transportation system to serve the project area (25 points)
6. appropriate geographical balance between the metropolitan area and greater Minnesota (lower scoring applications can bump high scoring applications if DEED deems it necessary for geographic balance)

Please note, an application must receive a minimum of 50 points in order to be eligible for funding.

The most competitive applications are those that can demonstrate within their request the following:

* A strong, well-documented need and an effective solution. This would include documented financial costs, reasonable budgets, secured leverage resources;
* How the proposal addresses the goal of the application;
* Committed business(es), number of full-time jobs created or being created and their salaries;
* Project Readiness – will the project be started soon after DEED approval;
* Evidence that the Eligible Applicant is able to perform and complete the tasks stated within the application.

**DEED DISBURSEMENT REQUIREMENTS**

When requesting payments, grantees can only request up to the percentage of funds that matches the percentage of TEDI funding in the project. Supporting documentation (including invoices and canceled checks) for all incurred costs (including the required match) must be included with each pay request in order for DEED to process payment. DEED will only reimburse for completed work that has been paid for by the grantee.

**TIMETABLE FOR COMPLETION OF AWARDS**

Projects should be completed within three (3) years of execution of the funding agreement, unless an extension is requested by the awarded community in writing and approved by DEED. If the project has not proceeded in a timely manner (i.e. within six (6) months of scheduled construction start date), DEED has the authority to cancel the award.

**APPLICATION REQUIREMENTS/TIMETABLE**

Please submit an electronic application to DEED, the approving authority.

The tentative schedule for selecting projects will be as follows:

# June 15, 2023: Solicitation announcement distributed

* June 15- Sept. 22, 2023 Applications prepared (DEED and MnDOT offer guidance)
* July 10, 2023: TED/TEDI informational session (see information below)
* September 22, 2023: Applications due to DEED for TEDI and MnDOT for TED
* December, 2023: Projects selected and approved

**PROGRAM/APPLICATION INFORMATIONAL SESSION**

An informational session will be held via Microsoft Teams

|  |  |  |
| --- | --- | --- |
| **Date** | **Link to Meeting** | **Time** |
| July 10 | [Click here to join the meeting](https://teams.microsoft.com/l/meetup-join/19%3Ameeting_MWY2OGNjNzktZTlkMC00NTJlLWIxZTYtOWYxMGQyZDNlYTYy%40thread.v2/0?context=%7b%22Tid%22%3a%22eb14b046-24c4-4519-8f26-b89c2159828c%22%2c%22Oid%22%3a%224d48c30d-cb71-4a75-9265-4506aa69f7f5%22%7d#_blank) Meeting link also available on the DEED website | 10:00 AM – 11:30 AM |

If you cannot make this session, it will be recorded and available on the DEED and MnDOT websites.

**REPORTING REQUIREMENTS**

DEED will provide each grantee with the necessary annual reporting documents. Reports must be provided to DEED upon request.

**APPLICATION SUBMITTAL**

Eligible applicants must email their application to Jeremy.lacroix@state.mn.us . Application format should meet the following requirements:

* One PDF file for application and attachments
* All pages in application should be 8.5” x 11”
* Maximum file size of under 5MB

Applications must be received by DEED by 4:00 pm on September 22, 2023. You will receive an email confirmation that you application was received. If you do not receive a confirmation, you should assume the application was not received.

**CONTACTS**

Jeremy LaCroix Patrick Armon

651-259-7457 651-259-7457

Jeremy.lacroix@state.mn.us Patrick.armon@state.mn.us

**APPLICATION INSTRUCTIONS**

Eligible Applicants may apply for assistance from the TEDI Grant Program using the TEDI Application if they have an Eligible Project.

DEED Community Finance staff, with the assistance of MnDOT staff, shall analyze all applications and base their funding decision on the information provided within each application. There may be instances when staff will require additional information prior to making a funding decision. The DEED Commissioner will provide final approval.

Please do not submit Program Concept and Application Instructions with your application.

Please answer all questions. Failure to do so will affect application scoring.

If the proposal submitted is not eligible for DEED’s funding, DEED may recommend alternative funding resources.

**PUBLIC DATA**

 Per Minn. Stat. § [13.599](https://www.revisor.mn.gov/statutes/?id=13.599):

* Names and addresses of grant applicants, and amount requested will be public data once proposal responses are opened.
* All remaining data in proposal responses (except trade secret data as defined and classified in §[13.37](https://www.revisor.mn.gov/statutes/?id=13.37)) will be public data after the evaluation process is completed (for the purposes of this grant, when all grant agreements have been fully executed).
* All data created or maintained by the Department as part of the evaluation process (except trade secret data as defined and classified in §13.37) will be public data after the evaluation process is completed (for the purposes of this grant, when all grant agreements have been fully executed).

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**Transportation Economic Development Infrastructure (TEDI) Program**

**Application Cover Sheet**

**The Cover Sheet must be completed by all applicants requesting financial assistance.**

**Project Name:**

**Project Address**

**Or Location:**

|  |  |  |  |
| --- | --- | --- | --- |
| DEED TEDI Request |  | MN House District |  |
| Total Project Costs (not trunk highway) |  | MN Congressional District |  |

|  |
| --- |
| Applicant:  |
| Project Contact Person: |
| Title: | Email address: |
| Address: | Phone: |
| City: | MN, Zip Code: |
| Minnesota Tax Identification Number: |
| Federal Tax Identification Number: |

Are trunk highway funds being requested for a correlated trunk highway project through the Minnesota Department of Transportation (MnDOT) Transportation Economic Development (TED) Program?

If so please complete the table below

|  |  |
| --- | --- |
| MnDOT TED Request |  |
| Total Project Costs (trunk highway) |  |

**Transportation Economic Development Infrastructure (TEDI) Program**

**Application**

**Project Summary**

Provide a brief Project Summary that, at a minimum, includes the following:

* Briefly describe the proposed project and justification for the need for funding. Please indicate how your project meets program purpose and eligibility requirements.

**Job Creation**

* Will the proposed project lead to private investment in job creation and/or job retention? Please explain.
* Does the proposed project result in new jobs to the state as a whole as opposed to relocating from one region of the state to another? If relocating within the state, please explain.
* Provide a narrative and complete the table below detailing what companies will be creating jobs, how many full-time equivalent jobs, types of positions, wages of the new jobs, and timing of job creation. Additionally, provide information on building and equipment investments.
* Provide information on any current operations the business(es) has in Minnesota. Include a brief history of the business(es).

**TABLE A**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Company** | **# of Jobs (FTEs) in 2021** | **# of Jobs (FTEs) in by 2026** | **# of Jobs (FTEs) long-term** | **Types of Positions added** | **Avg. Wages** | **Building & Equipment Cost** | **Building & Equipment Completion Timing** |
| *Minnesota Manufacturing Inc.* | *100* | *200* | *300* | *Engineers* | *$85,000 per year* | *$5,000,000* | *12/31/14* |
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| **TOTALS** |  |  |  |  |  |  |  |

* Explain how this infrastructure project correlates and 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.
* Provide support letters for businesses creating jobs that detail plans for growth.
* What opportunities will be lost if the proposed infrastructure project is delayed or rejected?

**Improvement to the Transportation System to Serve the Project Area**

* Describe how the proposed infrastructure project enhances the safety of the transportation system.
* Describe how the infrastructure project improves the movement of people and goods.
* What is the current and projected average daily traffic at the site of the proposed project for all vehicles?
* What is the current and projected average daily traffic at the site of the proposed project for heavy commercial vehicles?
* Describe how this project directly correlates to described job creation and increase in tax base.
* Is the proposed project consistent with relevant local, regional, state, and federal transportation planning guidelines and standards? (Applicants are encouraged to consult with MnDOT regional staff, Area Transportation Partnerships and/or Metropolitan Planning Organizations in developing proposals.)
* How ready is the project to proceed? Explain status of engineering, permitting, right of way acquisition, and other required necessary preconstruction tasks.

**Increase in Local Tax Base**

* Describe how the project will increase the community’s tax base. Please include a total projected tax base increase and how long it will take to accomplish that growth. 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.

*Tax base increase is the difference between the previous property taxes collected prior to (re)development and the increased amount of taxes collected after (re)development. Please do not use the increased value of the property in the original base amount. Multiply that increased value by tax rate and subtract the previous property taxes collected. Do not subtract taxes abated or used for TIF from this calculation.*

**Private Investment**

* What amount of private investment is being made by the businesses locating or expanding (not including investment in public infrastructure project)? These figures should match those from TABLE A.
* What level of private investment is being made in the actual transportation/public infrastructure project? Please provide what form that private investment is being made (Examples include cash, land donation). Please provide status of the private investment that includes commitment letters and other documentation.
* What percentage of the project is being funded by private sources?

**Leverage of Nonstate Funds**

* What nonstate funds are being invested in the transportation/public infrastructure project (outside of the trunk highway)? Are those funds committed? If not please explain the process and timing of that commitment.
* What percentage of the infrastructure project is being funded by nonstate funds?
* Is there a funding gap? If, so provide an explanation of how that funding gap will be filled and the level of confidence in that plan.

**Project Budget**

Please fill out TABLE B and include all costs for the non-trunk public infrastructure costs. Please include the source of each expenditure and if the source is committed. Provide an additional narrative of the commitment level and timing of commitments. Provide documentation of funding commitments. If this project is part of a larger project that includes trunk highway work, please keep that budget separate. If needed, complete TABLE C if there is an aligned project in the trunk highway.

**TABLE B – Non-trunk Highway Project Budget**

|  |  |  |  |
| --- | --- | --- | --- |
| **Improvement Cost** | **Amount** | **Source** | **Committed**  |
| Right of Way |  |  |  |
| Design Engineering |  |  |  |
| Environmental Review/Permitting |  |  |  |
| Construction Engineering |  |  |  |
| Streets |  |  |  |
| Sewer |  |  |  |
| Water Supply Systems |  |  |  |
| Wastewater Treatment |  |  |  |
| Utility Extensions |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **SUB TOTAL** |  |  |  |

**TABLE C – Trunk Highway Project Budget**

|  |  |  |  |
| --- | --- | --- | --- |
| **Improvement Cost** | **Amount** | **Source** | **Committed** |
| Right of Way |  |  |  |
| Design Engineering |  |  |  |
| Environmental Review/Permitting |  |  |  |
| Construction Engineering |  |  |  |
| Construction |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **SUB TOTAL** |  |  |  |

Please provide the following:

* A resolution from the local unit of government authorizing the application and pledging necessary leverage. If possible, be specific of what account the funds will come from:
* Provide maps showing city boundaries, the location of the proposed development, the location of the proposed public infrastructure improvements, including types of improvements, etc.;
* Provide evidence that all permit approvals and/or status from necessary agencies (i.e. MN Pollution Control, Department of Health, Department of Natural Resources, etc.,) have been obtained;
* Provide status of engineering documents;
* Construction start and end dates of the project;
* If site is not owned at time of application, provide date of acquisition or annexation. Provide letters of commitments to acquire and/or annex the site;
* Letters of commitment from the new or expanding business;
* Contact information for the business and/or businesses: (name, title, address and phone/fax number, etc.). If there is a parent company, provide evidence that they support the expansion.

**Provide Evidence of Community Support/Permitting**

* This would include, but is not limited to, neighborhood meetings, planning commission approval, city council approval, and MnDOT support.
* Provide documentation (including zoning map) indicating the project is consistent with all applicable comprehensive plans, zoning ordinances, etc.

**Project Timetable**

Please provide a projected timetable to complete the road and infrastructure project in a format similar to TABLE D.

**TABLE D – Project Timetable**

|  |  |  |
| --- | --- | --- |
| Activity | Start mm/yy | Finish mm/yy |
| Initial Engineering | 3/22 | 6/22 |
| Easements Acquired | 3/22 | 6/22 |
| Resolution Approved | 3/22 | 3/22 |
| Declaration for Public Property | 3/22 | 3/22 |
| Permits Acquired | 7/22 | 7/22 |
| Project Specifications | 5/22 | 8/22 |
| Out for Bid | 8/22 | 12/22 |
| Bid Close | 12/22 | 12/22 |
| Award Contract/Notice to Proceed | 12/22 | 12/22 |
| Project Construction | 4/23 | 9/23 |

**Additional Required Program Information**

* **Resolutions:** A resolution indicating city’s approval and the commitment of local matching funds from the governing body of the municipality in which the site is located. (A blank resolution has been attached for your convenience). You may choose to re-format this resolution but make sure to include all of the statements that appear in the resolution. If possible, be specific of what account the funds are coming from.

**NOTE**: Statutory Cities must authorize the mayor and clerk to execute all contracts on the resolution. (Attachment 1).

* **Conflict of Interest Disclosure Form:** Please have the Mayor or County Board Chair sign this form disclosing any actual or potential conflict of interest.
* **State Prevailing Wages:** As per Minnesota Statute 116J.871, Subdivision 4, “**Notification**: A state agency shall notify any person applying for financial assistance from the state agency of the requirements under subdivision 2 and of the penalties under subdivision 3.”

Subdivision 2 reads, “**Prevailing wage required**. A state agency may provide financial assistance to a person only if the person receiving or benefiting from the financial assistance certifies to the commissioner of labor and industry that laborers and mechanics at the project site during construction, installation, remodeling, and repairs for which the financial assistance was provided will be paid the prevailing wage rate as defined in section 177.42, subdivision 6.”

Subdivision 3 reads, “**Prevailing wage; penalty**. It is a misdemeanor for a person who has certified that prevailing wages will be paid to laborers and mechanics under subdivision 2 to subsequently fail to pay the prevailing wage. Each day a violation of this subdivision continues is a separate offense.”

Sample Resolution

and

Conflict of Interest Disclosure Form

## LOCAL GOVERNMENT RESOLUTION

## TRANSPORTATION ECONOMIC DEVELOPMENT

## INFRASTRUCTURE (TEDI) PROGRAM APPLICATION

Applicants must adopt and submit the following resolution. This resolution must be adopted prior to submission of the forms package.

BE IT RESOLVED that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Applicant) act as the legal sponsor for project(s) contained in the Transportation Economic Development Infrastructure (TEDI) Program Application to be submitted on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Title of First Authorized Official) and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Title of Second Authorized Official) are hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Applicant).

BE IT FURTHER RESOLVED that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Applicant) has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure matching funds, adequate construction, operation, maintenance and replacement of the proposed project for its design life.

BE IT FURTHER RESOLVED that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Applicant) has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the state, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, (Applicant) may enter into an agreement with the State of Minnesota for the above‑referenced project(s), and that it will comply with all applicable laws and regulations as stated in all contract agreements.

BE IT FURTHER RESOLVED that, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, (Applicant) has committed $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ towards the local match requirement.

BE IT FURTHER RESOLVED that the sources of the Applicant’s matching funds shall be the \_\_\_\_\_\_\_\_\_\_\_\_ fund which has adequate funding to cover the commitment.

BE IT FURTHER RESOLVED that, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Applicant) confirms that all funding necessary for the project is secured and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ will provide funds to complete the project.

BE IT FURTHER RESOLVED that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Applicant) will the repay the grant if milestones are not realized by the completion date identified in the Application.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Applicant) certifies that it will comply with all applicable laws, regulations, and rules of the Application.

BE IT FURTHER RESOLVED that the sources and uses, private investors, equity, and other financing commitments represented in the attached document are accurate.

NOW, THEREFORE BE IT RESOLVED that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Title of First Authorized Official) and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Second Authorized Official), or their successors in office, are hereby authorized to execute such agreements, and amendments thereto, as are necessary to implement the project(s) on behalf of the applicant.

I CERTIFY THAT the above resolution was adopted by the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(City Council) of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Applicant) on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Date).

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| SIGNED: |  |  | WITNESSED: |  |
| (Authorized Official) |  | (Signature) |
| (Title) (Date) |  | (Title) (Date) |

# Conflict of Interest Disclosure Form

This form gives applicants and grantees an opportunity to disclose any actual or potential conflicts of interest that may exist when receiving a grant. It is the applicant/grantee’s obligation to be familiar with the Office of Grants Management (OGM) [Policy\_08-01,](https://mn.gov/admin/assets/OGM%20Policy%2008-01%20Conflict%20of%20Interest%20in%20State%20Grant-Making%2001.01.2022_tcm36-515734.docx) Conflict of Interest Policy for State Grant-Making and to disclose any conflicts of interest accordingly.

All grant applicants must complete and sign a conflict of interest disclosure form.

* I or my grant organization do NOT have an ACTUAL or POTENTIAL conflict of interest.

If at any time after submission of this form, I or my grant organization discover any conflict of interest(s), I or my grant organization will disclose that conflict immediately to the appropriate agency or grant program personnel.

* I or my grant organization have an ACTUAL or POTENTIAL conflict of interest. (*Please describe below*):

If at any time after submission of this form, I or my grant organization discover any additional conflict of interest(s), I or my grant organization will disclose that conflict immediately to the appropriate agency or grant program personnel.

Printed Name of Mayor or County Board Chair:

Signature:

Name of City/County:

Date:

E