Transportation — Projects Summary

($ in thousands)

Project Title	Priority Ranking	Funding Source	Project Requests for State Funds 2026	2028	2030
Local Bridge Replacement Program	1	GO	$ 160,000	$ 160,000	$ 160,000
Local Road Improvement Fund Grants	2	GO	$ 150,000	$ 150,000	$ 150,000
		GF	$ 4,500	$ 0	$ 0
High-Priority Pavement Projects	3	THB	$ 200,000	$ 200,000	$ 200,000
Port Development Assistance Program	4	GO	$ 45,000	$ 45,000	$ 45,000
Drainage Asset Management Program	5	GO	$ 2,000	$ 2,000	$ 2,000
		GF	$ 6,000	$ 6,000	$ 6,000
Greater Minnesota Transit	6	GO	$ 10,000	$ 10,000	$ 10,000
Highway Railroad Grade Crossing-Warning Devices Installation & Replacement	7	GO	$ 10,000	$ 10,000	$ 10,000
Weigh Station Improvements	8	THB	$ 20,000	$ 0	$ 0
Minnesota Rail Service Improvement Program	9	GO	$ 20,000	$ 0	$ 0
Minnesota Rural Airport Program	10	GO	$ 10,000	$ 0	$ 0
Revolving Hangar Loan Program	11	GF	$ 10,000	$ 0	$ 0
Livable Communities Pilot Program	12	GO	$ 5,000	$ 0	$ 0
Facilities Capital Improvement Program	13	THB	$ 30,000	$ 0	$ 0
		THC	$ 5,000	$ 0	$ 0
ARMER Radio Communication Tower and Building Replacement	14	GO	$ 11,500	$ 0	$ 0
Safe Routes to School Infrastructure Program (SRTS)	15	GO	$ 10,500	$ 0	$ 0
		GF	$ 2,500	$ 0	$ 0
Active Transportation	16	GO	$ 780	$ 0	$ 0
		GF	$ 220	$ 0	$ 0
Transportation Building Consolidation and Remodel	17	GO	$ 5,000	$ 0	$ 0
		THC	$ 15,000	$ 0	$ 0
Electric Vehicle Infrastructure Program	18	GF	$ 5,000	$ 0	$ 0
Total Project Requests			$ 738,000	$ 583,000	$ 583,000
General Obligation Bonds (GO) Total			$ 439,780	$ 377,000	$ 377,000
General Fund Cash (GF) Total			$ 28,220	$ 6,000	$ 6,000
Trunk Highway Bonds (THB) Total			$ 250,000	$ 200,000	$ 200,000
Trunk Highway Cash (THC) Total			$ 20,000	$ 0	$ 0

($ in thousands)

Local Bridge Replacement Program

AT A GLANCE

2026 Request Amount:	$160,000
Priority Ranking:	1
Project Summary:	$160 million in general obligation (GO) bonds for the rehabilitation and replacement of local bridges across the state, as well as professional services, rehabilitation, stabilization, or relocation of salvageable components of historic bridges.

Project Description

This capital budget request will provide funding to replace or rehabilitate deficient bridges owned by local governments throughout the state. There are 16,374 bridges on the local system. Of these bridges, 1,062 meet the eligibility criteria to be replaced.

Local bridge replacement program funds are used in three ways:

1. To leverage or supplement other types of bridge funding, including federal-aid, state-aid, and town bridge funds.
2. For engineering and construction of local bridges in cities with a population less than 5,000 and county and city bridges with limited other transportation funding sources.
3. For engineering and construction costs to rehabilitate, stabilize, and relocate some historic bridges.

Most of these bridges require local governments to assume costs for design and construction engineering, right of way acquisition, bridge removal, and items not directly attributable to the bridge, such as roadway approach grading on either side of the bridge and roadway surfacing costs.

Project Rationale

Preserving the structural integrity of Minnesota's bridges is a priority for MnDOT, counties, cities, and townships. Bridges are a critical link in the transportation system and benefit the economy by providing connections for people and markets throughout the state, regionally, and around the world. State financial assistance to local units of government is necessary because of the significant number of bridges and the associated relatively high cost for replacement of these important highway assets.

A small percentage of local bridges are eligible for federal aid through the Area Transportation Partnership (ATP) process if they are on the federal aid system or selected by qualifications if they are off the federal aid system. Project sponsors can also apply for discretionary grants or seek congressionally directed spending for bridge projects. These federal projects require a match of local funds that may range from 20% or more of the total project cost. The state bridge funds are considered a priority for the local match on federal bridge projects in the State Transportation

Improvement Plan (STIP). Over the next four years, 63 local, federally funded projects have been identified, with $157 million in federal funds requiring an estimated local match from state bridge funds of $25 million in funding.

Of the 1,010 bridges prioritized by the counties and cities, 195 of these are large bridges with an estimated replacement cost of more than $1 million. Funding these larger bridge replacements can be especially challenging for the local agencies because of the size and cost of the projects and the local agency's limited transportation resources.

In 2024, local agencies received funding to replace or rehabilitate 183 bridges statewide, totaling approximately $283 million in construction costs, with approximately $118 million from state bridge funds. Counties and cities have adopted county board and city council resolutions that have prioritized an additional 1,010 bridges for replacement over the next five years with an estimated total replacement cost of $875 million, including anticipated requests of $272 million in state bridge funds. With inflation, it is anticipated that the state bridge fund need will be closer to $325 million, which represents an approximate 20% increase.

Project Timeline

The bridge program has projects designed, approved, and waiting for funding. Typically, the timeline for awarding bridge projects is winter/spring to have a full construction season to build the bridges. Counties and cities anticipate funding in the bridge program and currently have projects in various stages of project development.

Other Considerations

MnDOT manages several capital programs that widely impact traveler safety, critical connections, and asset management across the state. The Local Bridge Replacement Program keeps up with the replacement of deficient bridges on local road systems that cannot be funded locally. Critical freight, commerce, agriculture, or regular vehicular connections often include bridges as part of that transportation connection. Replacement of deficient bridges strengthens the connections alleviating detours and creating continuity.

Impact on Agency Operating Budgets

Administration of this program is through MnDOT's Office of State Aid for Local Transportation and will be completed using the existing organization and budget.

Description of Previous Appropriations

2020: $30 million GO bonds; $52 million GO bond earmark

2021: $14 million general funds

2022: $0

2023: $67 million GO bonds; $18.013 million general funds; $28.5 million GO bond earmarks (2 projects); $10.75 million general fund earmarks (4 projects)

2024: $0

2025: $31 million GO bonds

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

Local Road Improvement Fund Grants

AT A GLANCE

2026 Request Amount:	$154,500
Priority Ranking:	2
Project Summary:	$150 million of general obligation (GO) bonds for rural road safety projects, routes of regional significance projects, and the local components associated with trunk highway improvement projects. An additional $4.5 million of general funds for grants to federally recognized Indian Tribes, since tribes are not eligible to receive general obligation bond funds.

Project Description

The Local Road Improvement Program provides funding assistance to local agencies for construction, reconstruction, or reconditioning projects. This includes:

- Assistance for counties with rural road safety projects to reduce traffic crashes resulting in deaths, injuries, and property damage.
- Assistance for counties, cities, townships, and tribes with local and tribal road projects that have statewide or regional significance and reduce traffic crashes, deaths, injuries, and property damage. Projects with complete streets elements receive additional consideration. Projects may support economic development, provide capacity or congestion relief, provide connections to interregional corridors, other major highways, and eliminate hazards.
- Assistance for local agencies and tribes to pay for costs of non-trunk highway components associated with trunk highway projects.

$4.5 million of general funds from this request will be guaranteed for use by Tribes who apply to the Local Road Improvement Program. Any additional general funds not pursued by Tribes will be made available to all applicants of the program.

Project Rationale

Local roads, meant to include roads at the county, city, township, and tribal levels, provide critical connections to the state's interregional corridors and other trunk highways from towns, shipping points, industries, farms, recreational areas, and other markets. A well-developed local system is vital to the communities and solutions for reducing congestion on trunk highways.

State assistance is needed to supplement local and tribal efforts and the Highway User Tax Distribution Fund (HUTDF) in financing capital improvements to preserve and develop a balanced transportation system throughout the state. In 2002, the legislature created the Local Road Improvement Program (Minnesota Statute 174.52) to help local communities finance transportation improvements on county, city, and township roads that meet the eligibility criteria of being regionally significant. Tribes were added as eligible grant recipients in 2023.

The most recent solicitation was completed in April of 2024 for $102.967 million of funding appropriated by the legislature in Minnesota Laws 2023, Chapter 68, Article 1, Section 2, Subd. 4(c)(2) and Minnesota Laws Chapter 72, Article 1, Section 16, Subd. 2. This resulted in the submittal of 378 applications for the program funding. The requested need for those applications was over $417 million with a total project cost of $921 million. The $102.967 million awarded in 2024 has funded 86 local road projects throughout the state.

The current capital budget request for $154.5 million, combined with local and tribal contributions, will be used to fully fund additional local road projects which would be selected from a future competitive solicitation.

Project Timeline

Projects are selected through an open, competitive solicitation that is administered by MnDOT's Office of State Aid for Local Transportation in partnership with MnDOT's Office of Tribal Affairs after an appropriation has been signed into law. The solicitation is typically released 2-3 months following enactment of the appropriation, with three months for applications and 3-4 months to review and develop draft recommended grant awards. After the LRIP advisory committee recommends projects for awards consistent with Minnesota Statute 174.52, grant awards are announced.

Grantees then develop plans, specifications, and cost estimates for State Aid or Tribal Affairs review. Following plan approval, projects are advertised, construction contracts are executed, and the improvements are constructed. The design and construction process typically takes between one and two years to complete, depending on the size and complexity of the project. This results in projects funded with LRIP funds typically being constructed 2-3 years following enactment of an appropriation.

Other Considerations

MnDOT manages several capital programs that widely impact traveler safety, critical connections, and asset management across the state. There is an existing demand to improve the safety and mobility for rural roads, routes of regional significance, and fund local components associated with trunk highway improvements.

Impact on Agency Operating Budgets

Administration of this program is through MnDOT's Office of State Aid for Local Transportation in partnership with MnDOT's Office of Tribal Affairs and will be completed using the existing organization and budget.

Description of Previous Appropriations

2020 $75 million (GO bonds, competitive solicitation)
$109.9 million (GO bonds for earmarks to 23 projects)

2021 $5.5 million (general funds, competitive solicitation)
$30.9 million (general funds for earmarks to 10 projects)

2022 $0

2023 $84.954 million (GO bonds, competitive solicitation, with minimum $6 million for townships)

$18.013 million (general funds, competitive solicitation)
$38.76 million (GO bond earmarks to 8 projects)
$204.153 million (general fund earmarks to 32 projects)

2024 $1 million (general fund earmark to 1 project)

2025 $47 million (GO bonds, competitive solicitation, $5 million for township roads)

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

High-Priority Pavement Projects

AT A GLANCE

2026 Request Amount:	$200,000
Priority Ranking:	3
Project Summary:	$200 million in trunk highway bonds for high-priority pavement projects across the state.

Project Description

MnDOT's trunk highway system, approximately 12,000 centerline miles, consists of bituminous, concrete, and composite pavement with a wide range of conditions, ages, and performance. Despite significant investment, pavement conditions are projected to worsen over the next ten years and exceed most state system targets. Pavement projects are high-visibility and have a direct impact on commerce, tourism, and daily travel. MnDOT's State Transportation Improvement Program (STIP) and Capital Highway Investment Plan (CHIP) include forecasted pavement condition and identify priority for statewide pavement projects. This capital request will fund construction and engineering activities for high-priority pavement projects.

Project Rationale

Strategic bonding aligns funds with critical needs identified in the STIP and CHIP. Addressing high-priority pavement projects reduces the long-term need for pavement investments and curbs the decline of pavement conditions statewide. Capital funding enables the agency to invest in the state highway system to achieve both performance targets and key system goals. With this capital funding, MnDOT will improve asset management by preserving and improving pavement condition ratings statewide. Funding these projects through the use of bonds would free up MnDOT's annual state road construction funds to address other road and bridge projects across the state.

MnDOT tracks the performance of the Trunk Highway system with measures which are published on the Performance Measure Dashboard (https://www.dot.state.mn.us/measures/).

MnDOT tracks the annual percentage of total interstate, other National Highway System (NHS), and non-NHS state highways rated as having good or poor ride quality. Roadways with good ride quality have even surfaces and pavement that provides safe driving experiences. Roadways with poor ride quality range from uneven surfaces to cracks in the road surface that can make driving quality poor. Pavement rated poor can still be driven on, but the ride is sufficiently rough that most people would find it uncomfortable and may reduce their speed. Rough pavement can also negatively impact freight movement by increasing the risk of damaging cargo.

The target for the percent of miles in poor ride quality condition on NHS interstate routes is less than 2 percent. The target for NHS non-interstate routes is less than 4 percent. Poor ride quality is projected to increase to the target for NHS Interstate miles in 2034. Non-Interstate miles are

projected to increase to above the target after 2028.

Project Timeline

MnDOT scores and selects pavement sections that need work five to ten years before construction. Construction timelines will be unique to individual pavement projects.

Other Considerations

Investments in the pavement program will be delivered with existing MnDOT staff and resources.

Impact on Agency Operating Budgets

The administration of this program is funded with existing budgets within MnDOT.

Description of Previous Appropriations

2020: $242 million TH bonds (state highway construction, rail grade separations, project development, and flood mitigation projects)

2021: $413 million TH bonds (state highway construction and Corridors of Commerce Program)

2022: $0

2023: $511 million TH bonds (state highway construction, Corridors of Commerce Program, and named projects).

2024: $30 million TH bonds (state highway construction and Corridors of Commerce Program)

2025: $0

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Port Development Assistance Program

AT A GLANCE

2026 Request Amount:	$45,000
Priority Ranking:	4
Project Summary:	$45 million in general obligation (GO) bonds for the Minnesota Port Development Assistance Program which supports the infrastructure needs of Minnesota's public ports on the Great Lakes and Inland River Navigation Systems.

Project Description

The Port Development Assistance Program:

- Expedites the movement of commodities and passengers on the commercial navigation system.
- Enhances the commercial vessel construction and repair industry in Minnesota.
- Promotes economic development in and around ports and harbors in the state.

Eligible projects are funded by program grants that provide up to 80 percent state funds and a minimum 20 percent local share. Past projects include replacement of a warehouse roof, rehabilitation of a barge terminal dock wall, a newly constructed municipal dock, and rehabilitation of a dock area for truck parking.

Project Rationale

The Port Development Assistance Program helps to improve access to waterway transportation that benefits Minnesota industries and the public by upgrading facilities and infrastructure, as well as rehabilitating and expanding port capacity. Ports across the state provide multimodal connection options and access for freight. Ports also reduce truck demand on the highway and rail systems. When designed, maintained, and operated adequately, connector routes facilitate the best use of the marine system, and improve the overall efficiency of the road and rail system.

Available funding for the federal Maritime Administration's Port Infrastructure Development Program is expected to be at least $450 million for FY 2026. Port Development Assistance Program funds can provide the non-federal match ports need to succeed in these upcoming rounds of federal funding. An example of this is the rehabilitation of Port Terminal Drive in Duluth. Federal and city funds were used with Port Development Assistance funds to complete a total road project that would not have been possible without this partnership.

The four public ports have provided a list of future project needs for 2026 and beyond, totaling $52 million. This $45 million request, along with their local share, will be used to carry out the projects on this list which will be prioritized based on need, employment generated, and overall economic benefit.

Project Timeline

Example project timeline:

July 2026 - State Register Notice of Funds Availability/Request for project proposal applications

September 2026 - deadline for submission of application

March 2027 - execution of grant agreements and encumbrance

April 2027 - project construction begins

April 2028 - mid-point of project construction

March 2029 - project construction complete

Other Considerations

The four public ports in the state are a critical link in shipping routes. Modernization and improvements are needed to maintain these links and be competitive.

Impact on Agency Operating Budgets

The funding of this program will have no impact on department operating budgets or state operating subsidies.

Description of Previous Appropriations

2020: $14.0 million GO bonds

2021: $0

2022: $0

2023: $18.1 million GO bonds

2024: $0

2025: $0

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Drainage Asset Management Program

AT A GLANCE

2026 Request Amount:	$8,000
Priority Ranking:	5
Project Summary:	$6 million in general funds and $2 million in general obligation bonds to improve drainage asset resiliency by finding vulnerabilities, repairing assets, and tracking condition ratings.

Project Description

This capital request will provide $8 million to help MnDOT inventory, assess, and repair vulnerable hydraulic assets across the state. The program will prioritize rehabilitation of culverts and storm sewer systems, reduce flooding risk, and provide long-term tracking of hydraulic infrastructure condition and performance.

General funds will be used for inventory and assessment as well as for resources like training, inspection and monitoring equipment, remote water surface elevation monitoring and stream gaging, and other tools that improve road and bridge construction project development during planning and scoping phases. General Obligation bonds will be used for repairs to damaged assets.

Project Rationale

MnDOT is the fourth largest public road system in the nation and the largest owner of hydraulic infrastructure in state. The agency currently owns and maintains 2,700 bridges over water, 70,000 culverts, 75,000 storm sewers, and 1,700 stormwater treatment basins.

Maintaining this hydraulic infrastructure inventory is an ongoing, but challenging, effort. Many assets are difficult to access (e.g., in confined spaces, filled with sediment, or underwater) and require the need for specialty equipment (e.g., robotic inspection vehicles, divers) to record and document condition. By building up asset inventories, MnDOT will be better able to identify vulnerable assets and communicate agency needs to help maximize federal formula and discretionary funds. Monitoring hydraulic infrastructure will help the agency better forecast, respond to, and mitigate the effects of extreme weather events across the state, including natural disasters, droughts, and floods.

Hydraulic infrastructure is especially vulnerable to changes in climate. Most existing infrastructure was designed using historical rainfall or flood data. The increased frequency of extreme precipitation events is degrading asset conditions, leading to costly emergency repairs and road closures. This request will allow MnDOT to repair or replace vulnerable assets to improve the resiliency of Minnesota's transportation network.

This request supports goals identified in the 2020 State Water Plan. Potential projects and resources provided by this program would aide MnDOT's efforts towards the goal of managing built environments and infrastructure for great resiliency. This request also supports MnDOT's Strategic Plan and MnDOT's Resiliency Improvement Plan as well as advances goals identified in the

Transportation Asset Management Plan and by the Infrastructure Resilience Advisory Task Force.

Project Timeline

Summer/Fall 2026 – Solicitation request sent to MnDOT districts to update needs list

Fall/Winter 2026 – Requests reviewed and approved, and money distributed

Winter/Spring 2027 – Initiate contracting and purchase requests

Summer 2027 – Fund additional requests, like maintenance fixes, as allowable

Fall/Winter 2027 – Projects and purchases completed

Summer 2027 – Contracts concluded

Other Considerations

Drainage asset management projects support the goals of many partnering organizations working towards building resilient infrastructure to protect water quality, reduce the risk of flooding, and minimize road failure. Funding for these projects allows MnDOT districts to better utilize maintenance funding by repairing vulnerable assets before they reach a point of critical failure.

Impact on Agency Operating Budgets

Administration of the program and delivery of infrastructure projects is absorbed by MnDOT.

Description of Previous Appropriations

None

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Greater Minnesota Transit

AT A GLANCE

2026 Request Amount:	$10,000
Priority Ranking:	6
Project Summary:	$10 million in general obligation (GO) bonds to support public transit service throughout Greater Minnesota. Funding will be used to preserve current and develop new public transit facilities.

Project Description

This capital request will fund Greater Minnesota transit systems for facility repair and improvements specifically designed to meet vehicle storage, maintenance, operations, and administrative activities. In the absence of appropriate space, these functions are often separated and poorly housed. Suitable facilities add useful life to transit vehicles, provide safe storage, improve overall vehicle and service performance, and make pre and post-trip inspections more thorough.

With support from MnDOT, Minnesota's rural transit agencies (those serving rural areas and cities of less than 50,000 in population) have completed individual five-year transit investment plans. Minnesota's small urban systems (serving cities with a population of 50,000 to 200,000) maintain transit development plans. Both the five-year system plans and the transit development plans include facility needs throughout the projected duration of each plan.

MnDOT has developed a four-year program to solicit, schedule, and manage candidate facility projects. In August/September of 2024, a solicitation was conducted for capital facility projects that would be incorporated into calendar years 2026-2029. MnDOT received eight applications for major rehabilitation/expansion of existing facilities or construction of new facilities. The total needs identified by this solicitation were $29.2 million. Three facility projects have been scheduled for 2026/2027 with an estimated cost of $7.4 million. All were prioritized with a criteria-based assessment of need, local support, and construction readiness or ability to become construction ready.

In August 2025 MnDOT will solicit applications for projects in 2027-2030. The following projects may be eligible for bonding and may include predesign, design, constructing, and equipping transit facilities:

- Hubbard County – Cost: ~$3.8 million - A new facility including offices, bus storage, and bus wash.
- Watonwan County – Cost: over $2 million – A new facility including offices and bus storage.

Available federal, state, and local funding for facility development and other capital investments over this period is anticipated to fall far short of the identified need.

Project Rationale

Obsolescence: Existing facilities have reached the end of their useful life. Facilities have become structurally deficient or functionally obsolete to the point that replacement or major renovation is the

best alternative for maintaining efficiency.

Growth: The transit system has outgrown its current facilities.

Regionalization: Over the past decade several smaller rural transit agencies have merged. Although overall operational efficiency is gained, the purpose and location of facilities may no longer match the current service design.

Project Timeline

Summer 2025 - Solicitation opens and applications available

Fall 2025 - Project selections made and incorporated into program years (2027-2030)

Winter 2025-2026 - MnDOT contracting begins for 2026 scheduled projects

Fall/Winter 2028 - Project construction completed

Other Considerations

The Public Transit Participation Program provides grants for capital assistance to Greater Minnesota transit agencies on an annual basis. Bond projects will be incorporated into MnDOT's four-year program in an appropriate calendar year.

Critical connections are a key factor in enhancing commerce, tourism, and industry. Funding these facilities projects will ensure vehicles are available and increase access for persons and businesses to ensure economic well-being and quality of life.

Impact on Agency Operating Budgets

Under M.S. 16A.695 subd 5, a grantee's operating budget for new facility and property financed by a capital bonding grant will be reviewed by MnDOT and must be determined adequate for operating and funding the intended program.

Description of Previous Appropriations

Bond funds were appropriated in the following years and amounts for other Greater Minnesota transit projects:

2020: $2.0 million GO bonds

2021: $0

2022: $0

2023: $3.0 million GO bonds

2024: $0

2025: $0

In addition, MnDOT receives annual funding for the Greater Minnesota transit program through a statutory dedication of revenues, primarily the motor vehicle sales tax.

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director

612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Highway Railroad Grade Crossing-Warning Devices Installation & Replacement

AT A GLANCE

2026 Request Amount:	$10,000
Priority Ranking:	7
Project Summary:	$10 million in general obligation (GO) bonds for the replacement of aging or installation of new highway/rail grade crossing safety gates and signal warning systems, along with closure and consolidation of highway/rail crossings.

Project Description

This capital request will provide funding to repair or replace a portion of the aging grade crossing warning devices in the state and to install new warning systems at high-risk locations. The oldest highway/rail grade crossing signal systems on local roads in the state will be replaced with flashing light signals and gates, which cost approximately $400,000 per location. New systems will be installed at the highest risk locations at approximately $400,000 per location. The cost of closures and consolidations varies dependent on the roadwork necessary to eliminate the crossing, but Minnesota has seen a steady increase in project costs over the last five years.

Aging signal systems are prioritized and submitted as candidate projects by each operating railroad. MnDOT then selects projects based on multiple factors, including roadway traffic volumes, train counts, cost participation, and safety concerns. Existing crossings that will be closed or consolidated are the highest investment priority for the grade crossing safety program. MnDOT also uses federal funds for the installation of new and antiquated systems at hazardous locations on both local and state roads.

A federal set-aside program, which provides $6 million in federal funds annually, addresses an estimated 20 projects of all types per year. This is a small percentage of the grade crossing safety needs throughout the state.

Project Rationale

The reliability of grade crossing warning devices is of utmost importance to the traveling public. Rapid advancements in technology have made older grade crossing warning devices obsolete and, at times, difficult to repair due to lack of parts. When a crossing signal malfunctions, the lights flash in the same manner as if a train were approaching the crossing. Flashing lights continue until the problem is corrected, which could take several hours. Drivers can confuse a signal with a long warning time with one that is malfunctioning. A driver may assume that a signal has malfunctioned and attempt to cross the tracks despite the flashing signal or lowered gates. Altering driver expectations in this manner can have dangerous consequences.

There are approximately 1,600 railroad highway/rail grade crossings signals in the state of Minnesota. The normal life cycle for highway/rail grade crossing signals is 20 years. These signal systems need to be replaced as they get to the end of their useful life. Based on inventory data prepared by MnDOT, there are over 750 signal systems that should be replaced. MnDOT has developed a statewide lifecycle planning process to manage system replacement.

Since older signal systems malfunction more than newer equipment, signal modernization is an integral component of MnDOT's efforts to maintain safety at highway/rail grade crossings. MnDOT estimates it will cost approximately $30 million per year (75 crossings per year x $400,000) to fully address the state's highway/rail grade crossing signal modernization needs.

MnDOT has developed a risk ranking system to select passive crossings for new warning devices. This system uses grade crossing characteristics to rank the risk at each crossing in the state. This includes deficient approaching and clearing sight distances as well as geometric factors such as skew and vertical alignments. This request will address a significant portion of upgrades at high-risk crossings.

Project Timeline

Project selection including solicitation, technical review, estimate: 12 months

Agreement development and execution: 4 months

Project construction: up to 18 months

Project closeout, including final inspection and audit: 6 months

Other Considerations

Traveler safety is of the utmost importance to MnDOT. To advance this priority MnDOT monitors the safety performance of approximately 1,600 railroad highway/rail grade crossings signals throughout the state and looks to invest in reliable devices that limit accidents and ensure travelers' safety.

A portion of appropriated funds may be used for consultant project management assistance. A portion of federal funds may be included to ensure pre-emption of state and railroad tort liability.

Impact on Agency Operating Budgets

The funding of this program will require resources to develop and administer the agreements with the railroads. Since most crossings are not on the Trunk Highway system and not eligible for Trunk Highway funds, MnDOT will attempt to identify internal resources and possibly seek a funding increase if necessary.

Description of Previous Appropriations

2020: $0

2021: $0

2022: $0

2023: $3.6 million in GO bonds

2024: $0

2025: $1 million in GO bonds

In addition to this funding, the program receives $2 million annually from the Minnesota Grade Crossing Safety Account in the special revenue fund (Minnesota Statutes 219.1651). This account is used for smaller safety improvements at crossings such as circuitry upgrades.

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Weigh Station Improvements

AT A GLANCE

2026 Request Amount:	$20,000
Priority Ranking:	8
Project Summary:	$20 million in trunk highway bonds to acquire land, predesign, design, construct, furnish, and equip a new Class A Weigh Station near St. Cloud for the Department of Transportation and Department of Public Safety.

Project Description

This capital request will include the construction of a full weigh station, including scale and building. The scale will be designed to allow legal size/weight vehicles to bypass within or near the site. This site will be staffed by the Department of Public Safety (DPS) and open approximately 60-80 hours/week. The weigh station will feature a permanent building (approx. 5,000 sq.ft.) and will be enhanced with additional technology (weigh-in-motion, over-height detection, vehicle detection). Scales will be on multiple platforms to allow most trucks to be weighed in one stage.

Project Rationale

Weigh stations are an important part of Minnesota's truck size and weight enforcement efforts. They play a key role in protecting the state's roadway infrastructure and protecting motorists from unsafe vehicles and unqualified drivers. According to the draft Weight Enforcement Investment Plan, this Interstate location qualifies for a Class A facility. Analysis of I-94 westbound showed that only 5 percent of trucks at St. Croix would be screened on I-94 west of Minneapolis, which is far below desired screening levels. Therefore, it is recommended that a Class A facility on I-94 be considered at this location.

Project Timeline

FY 2026/2027 - Location scoping and property acquisition

FY 2028 - Predesign and engineering

FY 2029 - Engineering and design

FY 2030 - Construction

FY 2031 - Staffing and operation

Other Considerations

A portion of appropriated funds for this activity may be used for consultant project management assistance and/or preliminary design.

Impact on Agency Operating Budgets

Since the proposed facility is located on or adjacent to state trunk highways, these requests are

eligible for trunk highway funds. Internal staff will continue to manage the proposed projects under existing timelines.

Description of Previous Appropriations

The Weigh Station program receives $2.5 million annually in State Road Construction funds. This does not include the cost of routine maintenance activities, such as mowing, snow removal, and janitorial services, which are done by MnDOT districts.

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Minnesota Rail Service Improvement Program

AT A GLANCE

2026 Request Amount:	$20,000
Priority Ranking:	9
Project Summary:	$20 million in general obligation (GO) bonds for the Minnesota Rail Service Improvement (MRSI) Program to acquire land, predesign, design, and construct projects that improve freight rail service in Minnesota.

Project Description

This capital request will provide grants or loans to railroads, shippers, local governments, and other qualified applicants for eligible publicly or privately owned freight rail projects that demonstrate a clear tie to economic development. This includes projects that improve rail facilities and increase rail shipping.

Regional and statewide freight studies, as well as the State Rail Plan, identify needs that may be addressed by the MRSI Program. This request seeks the flexibility to use these funds for loans, if needed, as grant applications have consistently exceeded the available grant funds. The loan program enables eligible capital improvement applicants to use program funds if they demonstrate the ability to pay back the loans even when there is not a current grant solicitation (i.e. they are ready to start a project more immediately) or they are not selected for grant funds in a solicitation.

The requested funds will also be leveraged at the local level. Funds appropriated to the MRSI Program for grants or loans frequently include matching funds recipients contribute to the projects. For competively-awarded grants, the scoring process prioritizes projects that include matching funds. Selected grantees in 2024 committed to contribute over 50% of the $9.6 million appropriated to the program. For loans, recipients typically contribute more than 10% of their own funds to the projects and all loan funds are repaid to the program.

Project Rationale

Minnesota's short line and regional railroads provide a critical function in the rail network. Short line and regional railroads are lighter-density railroad lines that have typically been spun off larger railroads and operate independently. Short line and regional railroads provide important freight connections between communities and between national and international markets served by the Class 1 railroads. Many of the smaller railroads in Minnesota need capital improvements and rehabilitation to operate safely and reliably. In addition, businesses that wish to ship or receive goods by rail must have adequate rail infrastructure such as rail spurs, sidings, and loading equipment. The MRSI Program assists with these needs.

In 2023, the MRSI program was appropriated $9.6 million. In the grant solicitation held that year, MnDOT received 19 grant applications totaling over $22 million and was able to award funds to 11 projects. The program did not receive additional funding in 2024 and has received multiple incoming loan requests. Without new funds, MnDOT was not able to hold an additional solicitation in 2024 and

expects to receive additional incoming loan requests.

The most recent Minnesota State Rail Plan (2015) identified $250 million in long-term rail funding needs in Minnesota. In addition, according to the recently released The Scope Report: Ninth Annual Summary of Investment Capital Needs (Forecast 2025-2030), created by consultants Busch & Partners Inc., the 5-year Minnesota freight rail repair, improvement, and economic development need is now $274.4 million. Due to these needs, the Minnesota Regional Rail Authority (MRRA) has supported a $20 million bonding request for rail service improvements in 2025.

The MRSI Program assists with both significant rail infrastructure rehabilitation that often becomes more costly if postponed as well as statewide economic development (rail grant and loan applicants must show how they will support Minnesota economic development in their applications).

Project Timeline

Timelines for projects funded under this program will be project-specific, but will generally follow the following timeline:

Fall 2027 – grant applications open

Winter 2028 – deadline for grant applications

Spring 2028 – grants awarded

Spring/Summer 2028 – construction on projects begins

Loan applications are currently accepted on a quarterly basis, dependent on available funds.

Other Considerations

The Minnesota Rail Service Improvement Program was established in 1976 to preserve and improve essential rail service within the State of Minnesota and to assist with the development of complex and costly railroad projects that might not occur without public financial assistance.

The Minnesota Legislature established the grant program for freight rail service improvement projects that support economic development in 2017 after a need to provide financial assistance for rail improvements beyond what was traditionally provided through loan programs. The grant program allows for funding of projects supporting economic development that may not otherwise qualify for public or private financing. The grant program also furthers the goals of the Minnesota State Rail Plan.

The loan program continues to provide needed funding for applicants that seek to complete a project when there is not a grant solicitation or if they are not selected in the competive grant solicitation. Because recent appropriations have specifically funded only the grant program, the availability of funds for loans has diminished enough to threaten sustainability of the loan program.

Impact on Agency Operating Budgets

This would fund an ongoing program with is delivered with existing resources.

Description of Previous Appropriations

2020: $4.0 million in GO bonds

2021: $13.0 million in general funds

2022: $0

2023: $9.6 million in GO bonds

2024: $0

2025: $1.0 million in GO bonds

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Minnesota Rural Airport Program

AT A GLANCE

2026 Request Amount:	$10,000
Priority Ranking:	10
Project Summary:	$10 million in general obligation (GO) bonds to establish the new Minnesota Rural Airport Program (MRAP) to provide grants for capital development projects to local governments that own airports in communities which do not have access to federal funding.

Project Description

MnDOT, in collaboration with stakeholders from smaller/rural non-federally funded airports throughout the state, seeks to establish the Minnesota Rural Airport Program (MRAP) to provide funding for airport capital improvements in less populous Minnesota communities that will benefit the state's airport system and economy.

Funds appropriated for the MRAP will be used for capital improvements at airports that do not have access to federal funding support. These are publicly-owned and publicly-used airports that are not part of the Federal Aviation Administration (FAA) National Plan of Integrated Airport Systems (NPIAS). In Minnesota, there are 132 public-use airports, 96 of which are included in the FAA NPIAS and therefore eligible for federal funding. The remaining 36 public-use airports, referred to as Non-NPIAS airports, rely on revenue generated, local funding, and state funding.

Capital improvement projects may include but are not limited to: clear zone land acquisition, eligible airport buildings, navigational aids, fuel system, lighting, and both runway and non-runway pavements.

Project Rationale

This funding will support improvement projects at airports that are vitally important to the state but that are not eligible for federal support due to FAA criteria for entry to NPIAS. These airports did not benefit from the millions of dollars in federal pandemic relief directed to Minnesota's federally eligible airports. They are also not eligible for the $300 million in Infrastructure Investment and Jobs Act (IIJA) funding directed to Minnesota. These non-NPIAS airports also did not benefit from the $36 million in federal matching funds provided by the Legislature during the 2023 session.

In the Statewide Capital Improvement Program (CIP) for airport capital development, total funding (from local, state, and federal) is greater than $1.2 billion across Minnesota's 132 public-use airports. For non-NPIAS airports, the total is around $100 million. Most of that $100 million ($83 million) has been identified as coming from state funding sources. For comparison, for the 96 NPIAS airports that receive federal funding, only $132 million has been identified as state funding sources. That means that the average NPIAS airport in our system requests $1.38 million in state funding for capital development projects and the average non-NPIAS airport requests $2.3 million in state funding (66% higher), demonstrating a larger need for non-NPIAS airports.

Project Timeline

Capital improvement project timelines will be unique for each airport. Funding would be used throughout state fiscal years 2027 and 2028.

Other Considerations

None

Impact on Agency Operating Budgets

Grants would be administered by existing MnDOT staff. MnDOT does not anticipate new or additional local government operating needs for those projects.

Some projects may expand the system by building a new facility. MnDOT provides operational funding to airports based on a formula that considers infrastructure. A local match to these funds is required. This formula is periodically updated, therefore additional state and local operating dollars may be needed for those projects.

Description of Previous Appropriations

MnDOT receives an annual appropriation exceeding $20 million from the state airports fund to acquire, construct, improve, maintain, and operate airports and other air navigation facilities.

No funds have previously been appropriated for MRAP. An additional $15 million in onetime funding from the state airports fund was provided during the 2023 session for the 2024-25 biennium.

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Revolving Hangar Loan Program

AT A GLANCE

2026 Request Amount:	$10,000
Priority Ranking:	11
Project Summary:	$10 million in general fund cash for the Revolving Hangar Loan Program, which funds airport hangar construction, improvements, rehabilitation, and maintenance.

Project Description

This capital budget request will provide funding for airport hangar construction loans in areas with high aircraft storage demand. Funding may be used for site design and engineering, site preparations, hangar construction, hangar rehabilitation and maintenance, hangar upgrades (e.g., lighting, heating), and door replacements.

Currently, the Aeronautics Revolving Hangar Loan Program has $4.4 million. There are six outstanding hangar loans to the airports in Alexandria, Bemidji, Chisholm-Hibbing, Granite Falls, Worthington, and Tracy. Loan payments from the revolving fund annually generate about $200,000. Depending on local contributions or other funding sources, it takes four to five years of loan payments to generate enough money in the revolving fund to issue another hangar loan.

Project Rationale

Hangars are critical infrastructure at Minnesota airports. In addition to protecting aircraft, they generate revenue and support long-term airport financial sustainability. Of Minnesota's 132 publicly owned, public-use airports, 96 receive Federal Aviation Administration (FAA) funding. However, the FAA does not fund hangar construction. With typical hangar costs ranging from $1 to $2 million, many airports struggle to fund new development. Currently, there are 11 airports on MnDOT's hangar loan waitlist with requests totaling $11.8 million.

The Minnesota State Aviation System Plan (MnSASP) identified hangar availability as one of the top systemwide challenges. Statewide, 95.7% of hangars are occupied, rising to 97.3% at key general aviation airports. Projects supported by this request will be prioritized based on storage demand and aligned with the MnSASP prioritization model to advance statewide aviation goals.

Airports maintain capital investment programs (CIPs) that prioritize future capital development projects. The CIPs are used to make funding requests to both the FAA and MnDOT for capital development grants. In the statewide CIP for all Minnesota public-use airports (132), there are 193 hangar projects totaling $130.5 million in capital investment. $22.9 million of that total was noted for state funding and contributions.

Project Timeline

If funded in State Fiscal Year 2026, the additional $10 million investment is expected to support the immediate construction of five to 10 hangars. Loan repayments, estimated at approximately

$840,000 per year, may help replenish the fund over time and support future projects. This investment will allow the program to shift from funding a new hangar every four to five years to potentially funding one hangar each year.

Other Considerations

Once built, these hangars will ease aircraft storage demand at key airports statewide, supporting the strength and sustainability of Minnesota's airport system. Because the loan program recycles funds as loans are repaid, the $10 million increase will help generate more hangar projects in the future, creating a lasting impact.

Impact on Agency Operating Budgets

Administration of the Revolving Hangar Loan Program will be managed by existing MnDOT staff, resulting in no additional operating costs or need for increased state operating subsidies.

Description of Previous Appropriations

The Revolving Hangar Loan Program was established by the Minnesota Legislature in 1957. In 1994, statutory language was added that directed $4.1 million into the revolving account. In 2002, the amount was increased to $4.4 million. Hangar loans have been issued at 0% interest rates and therefore the fund balance remains at $4.4 million.

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Livable Communities Pilot Program

AT A GLANCE

2026 Request Amount:	$5,000
Priority Ranking:	12
Project Summary:	$5 million of general fund cash for a Livable Communities Pilot Program for transportation infrastructure projects focused on improving connectivity across state highways in Minnesota.

Project Description

This capital request will leverage local partnerships to improve livability by providing up to $5 million in grants to local partners such as cities, counties, towns, and federally recognized tribes, nonprofits and community-based partners. Grants will be used for infrastructure projects in MnDOT rights of way to improve connectivity, safety, and sense of place. By improving transportation environments, people living near highways may better connect to workplaces, business districts, schools, neighborhoods, recreation areas, and other community activity centers. These investments will lead to higher quality of life, better health, increased mobility, and improved access to opportunities.

Projects may include but are not limited to improved under-bridge environments, new public spaces adjacent to rural main streets, widened bridges, small bridge caps/stiches, lighting, placemaking, and bike and pedestrian facilities. Livability projects may be included in new MnDOT construction projects, be part of retrofitting existing facilities or mitigating existing transportation facilities. Eligible costs may include site preparation, demolition, construction, rehabilitation, reconstruction, and equipping the eligible sites for improvements.

Project Rationale

Communities living adjacent to highway infrastructure disproportionately experience infrastructure development impacts, including reduced connectivity and livability, health disparities, and community fragmentation. Livable communities projects will have numerous benefits in creating better environments for walking and biking, enhancing safety, improving access to jobs and key destinations, supporting economic competitiveness, and improving quality of life for underserved, disadvantaged, or overburdened communities across the state of Minnesota.

Since 2018, MnDOT has expanded a focus on increasing livability and public-private partnerships that improve transportation rights of way to support quality of life, economic vitality, health, climate resilience, sense of place, connectivity, and safety. MnDOT's Livability Framework has articulated a need for investment in transportation projects that reflect and support community goals while enhancing transportation choices, reducing emissions, and supporting the human scale.

The 2022 Statewide Multimodal Transportation plan is the highest policy plan at MnDOT that prioritizes transportation that supports public health and emission reduction. The 2023-2042 Minnesota State Highway Investment Plan included a priority to create a Livable Communities Pilot Program to improve connectivity across highways for disadvantaged communities.

The Livable Communities Pilot Program directly supports the goals of the One Minnesota plan by creating safer spaces for children and families around transportation infrastructure, providing better connectivity to jobs, housing, and community activity centers, as well as promoting healthy and active transportation options for underserved communities that will improve mobility and reduce emissions.

The projects supported by the Livable Communities Pilot Program would directly address climate resiliency goals for green infrastructure and low-carbon transportation options within the 2022 Climate Action Framework. This pilot program may support transportation investments in green infrastructure that improve quality of life, reduces urban heat islands, increase water filtration, and improve the resiliency of highway rights of way.

Project Timeline

Summer/Fall 2026 – Application materials developed

Fall/Winter 2026 – Solicitation opens and applications available

Winter/Spring 2027 – Project selections made and announced

Summer 2027 – Contracting begins

Summer 2028 – Projects completed

Other Considerations

Livability enhancements will be on transportation facilities that are in MnDOT rights of way.

Impact on Agency Operating Budgets

Administration of this program is through existing resources in MnDOT's Office of Sustainability and Public Health.

Description of Previous Appropriations

None

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Facilities Capital Improvement Program

AT A GLANCE

2026 Request Amount:	$35,000
Priority Ranking:	13
Project Summary:	$30 million in trunk highway bonds and $5 million in trunk Highway cash for MnDOT's Facilities Capital Improvement Program to extend the useful life of existing facilities through renovation, expansion, and new construction to meet current operational needs, reduce long-term operating costs, and improve energy efficiency.

Project Description

This capital funding request will provide support for MnDOT's building infrastructure needs. Agency facilities are strategically located across the entire state so that customer needs, especially snow and ice operations and system emergencies, are addressed promptly. These facilities provide building space for staff, equipment, and material, including snowplows and salt. MnDOT has custodial control of 905 individual buildings at 279 sites. The types of buildings include truck stations, regional headquarters, maintenance sites, research facilities, training facilities, salt/sand storage, brine facilities, unheated storage, safety rest areas, weigh scales and truck inspection buildings.

Project Rationale

The Facilities Capital Improvement Program provides a systematic approach to the maintenance, renovation, and replacement of MnDOT buildings. Continued maintenance and improvement to facilities are essential to supporting MnDOT's core mission to "plan, build, operate and maintain a safe, accessible, efficient and reliable multimodal transportation system that connects people to destinations and markets throughout the state, regionally and around the world."

Facility plans are based on data captured in the Enterprise Real Property Facilities Condition Assessment completed on facilities managed and maintained by the facility managers and craftspeople in MnDOT's eight districts and four special service sites. This assessment indicates that overall, 198 buildings are rated excellent, 329 are rated good, 307 are rated fair, 60 are rated poor, and 11 are rated crisis/emergency condition. Facility project proposals are prioritized based on need, condition and operational deficiencies of the existing facilities, and overall economic benefit.

The current replacement value of all MnDOT buildings is approximately $1.53 billion and deferred maintenance is approximately $215 million. Both numbers are generated using the Department of Administration's standardized FCA program. Deferred maintenance is the total of essential, but unfunded, facilities maintenance work necessary to bring facilities and collateral equipment to the required facilities maintenance standards including unfunded maintenance requirements, repairs, and replacement of obsolete items. This is the total work that should be accomplished to maintain the facilities but that cannot be achieved within available resources. It does not include new construction, additions, or modifications.

Project Timeline

Timelines are specific to each building project.

Other Considerations

Impact on Agency Operating Budgets

None

Description of Previous Appropriations

2020: $58 million TH bonds

- Eden Prairie TS addition ($15.2 million)
- Mendota Heights TS addition ($15.8 million)
- Clearwater TS construction ($10.5 million)
- Jordan TS construction ($14.1 million)
- Virginia HQ Design ($2.4 million)

2021: $0

2022: $0

2023: $87.44 million TH bonds

- Virginia HQ construction ($78.42 million)
- Virginia HQ design – additional funds ($5.44 million)
- 2020 bonded inflationary project cost increases: $3.58 million

2024: $20.1 million TH cash for St. Cloud mechanics addition

2025: $2 million TH cash for truck station modernization

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

ARMER Radio Communication Tower and Building Replacement

AT A GLANCE

2026 Request Amount:	$11,500
Priority Ranking:	14
Project Summary:	$11.5 million in general obligation (GO) bonds for the replacement of Allied Radio Matrix for Emergency Response (ARMER) system radio communication towers and equipment buildings.

Project Description

This capital request will provide funding to replace ten aging ARMER radio towers, seven equipment buildings owned by the state, as well as two radio communication towers and two equipment buildings owned by Cook County that are used for the ARMER system. These towers were originally constructed in the late 1950s and 1960s and do not meet current structural radio communication tower standards. The nine buildings requiring replacement are undersized for their current use, have structural deficiencies, and need updates to the electrical and HVAC systems.

Project Rationale

The ARMER system is critical for all public safety communications in Minnesota. ARMER is Minnesota's shared public safety radio communication system that provides around-the-clock interoperable radio communication service to multiple federal, tribal, state, and local agencies. ARMER serves the emergency and day-to-day two-way radio communication needs of MnDOT, the Department of Public Safety (DPS) and other state agencies, as well as most local and regional law enforcement agencies. This includes fire, emergency medical, and public works services. This system needs to be operational and available during all public safety day to day operations, emergency, or disaster events.

The original ARMER system construction made use of existing state and county-owned radio communication towers and buildings that were built in the 1950s and 1960s. These facilities met the initial ARMER implementation needs without replacement. Original project plans included replacing these older facilities with ARMER project funds. Several towers and buildings have been replaced but there were insufficient funds available to replace all the radio communication towers and buildings that have structural deficiencies.

Project Timeline

Ten of the radio tower replacements are planned to be a one-for-one replacement and will not require new environmental consultation. These sites would be ready for the 2027 construction season.

Two of the radio communication tower replacements increase the height of the tower and will require environmental consultation. These sites would be ready for the 2028 construction season.

Other Considerations

None

Impact on Agency Operating Budgets

Administration of this program through MnDOT Statewide Radio Communications will be completed using the existing organization and budget.

Description of Previous Appropriations

In the past, MnDOT has received funding for radio communication towers and equipment buildings, including GO and revenue bonds. In 2007, MnDOT received $186 million from the 911 Account for construction buildout of ARMER tower sites statewide.

2023: $2 million general funds

2025: $14 million 911 funds

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Safe Routes to School Infrastructure Program (SRTS)

AT A GLANCE

2026 Request Amount:	$13,000
Priority Ranking:	15
Project Summary:	$10.5 million of general obligation (GO) bonds and $2.5 million of general fund cash for transportation infrastructure projects focused on improving safety for youth and encouraging more walking and biking to and from school in communities throughout Minnesota.

Project Description

This capital request will provide $13 million for the Safe Routes to School (SRTS) program to assist cities, counties, and federally recognized tribes with funding for infrastructure projects for students walking and bicycling to and from school. Projects may include, but are not limited to, new sidewalks and bike paths, traffic calming, roadway reconfigurations, and pedestrian-level lighting.

SRTS projects have numerous benefits including enhancing safety for youth and families, reducing congestion and carbon emissions around schools, reducing school transportation costs, and providing an opportunity for physical activity which improves health, reduces behavioral issues, and supports academic achievement.

Project Rationale

SRTS Program was created in 2006 as a federal program and funded under federal authorization. Since that time, federal authorization bills have not identified specific funding for the SRTS Program. In 2012, a state SRTS Program was established to assist in capital investments for safe and easy active transportation to and from schools. The Minnesota program follows many of the guidelines established for the federal SRTS legislation. The law identifies specific program administration requirements and evaluation criteria. In 2020, MnDOT updated the Minnesota SRTS strategic plan that confirms program goals and objectives and identifies needs and priorities for many agencies, organizations, and individuals working to improve walking and biking to school across Minnesota.

Since its creation, the SRTS program has funded Safe Routes to School plans in over 500 schools in Minnesota that engage community members, identify community-specific barriers, and develop priorities for making it safer and easier to walk and bike to school. Community-based SRTS plans are often the first step in evaluating and developing potential strategies that lead to the implementation of local infrastructure projects.

MnDOT has goals to decarbonize transportation, and supporting improvements around schools to support more youth to walk, bike, or roll to school can help reduce the 10% of morning traffic congestion attributed to school transportation.

The requested funding amount of $13 million was estimated to support 50 percent of the 58 SRTS Plans that have been funded and developed with MnDOT support over the last four years. It provides

for an estimated need of $450,000 per plan (based on 2024 average infrastructure project selection) to improve the built environment for youth to get to and from school safely. Robust funding will support numerous smaller scale projects to benefit the 355 school districts across the state each solicitation cycle.

The 2024 SRTS infrastructure solicitation resulted in $10.285 million in project selections and received $18 million in grant requests for infrastructure funds.

$2.5 million of general funds from this request will be guaranteed for use by Tribes who apply to the SRTS Program since they are not eligible to receive general obligation bond funds. Any additional general funds not pursued by Tribes will be made available to all applicants of the program.

Safe Routes to School Program project selection summaries and rankings can be viewed here:

- https://www.dot.state.mn.us/saferoutes/grants-solicitation-results.html
- https://www.dot.state.mn.us/saferoutes/infrastructure-grants.html

Project Timeline

Summer/Fall 2026 – Application materials developed

Fall/Winter 2026 – Solicitation opens and applications available

Winter/Spring 2027 – Project selections made and announced

Spring 2027 – Planning assistance (non-infrastructure projects) begins

Summer 2027 – Construction (infrastructure projects) begins; planning assistance concludes

Summer 2030 – Infrastructure projects completed

Other Considerations

SRTS supports the goals of many partnering organizations working towards the safety, health, and educational excellence of students. Funding provides opportunities for local agencies and schools to invest in providing Minnesota students improved opportunities to walk or bike to school, which supports thriving communities for families.

Impact on Agency Operating Budgets

Administration of this program is through MnDOT's Office of State Aid for Local Transportation and will be completed using the existing organization and budget.

Description of Previous Appropriations

2020: $3.0 million GO bonds

2022: $6.0 million general funds

2023: $25.797 million in general funds and $2.4 million GO bonds

2024: $0

2025: $0

This program also receives an annual $1.5 million general fund appropriation through the operating budget.

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Active Transportation

AT A GLANCE

2026 Request Amount:	$1,000
Priority Ranking:	16
Project Summary:	$780 thousand of general obligation (GO) bonds and $220 thousand of general fund cash for active transportation infrastructure projects focused on improving safety and encouraging more walking and biking throughout Minnesota.

Project Description

This capital request would provide $1 million to assist cities, counties, towns, and federally recognized tribes with funding for infrastructure projects for walking and bicycling. Projects may include, but are not limited to, new sidewalks and bicycle trails, ADA improvements, and traffic diversion controls. Active Transportation (AT) projects have numerous benefits including enhancing safety, stimulating economic activity, reducing congestion, and providing an opportunity for physical activity which decreases obesity, improves health, and supports academic achievement.

Project Rationale

Pedestrian and bicycle paths provide critical access to goods and services. Creating accessible routes for non-motorized transportation will enhance safety, reduce congestion, and provide opportunities for physical activity. The estimated cost of pedestrian crashes over the next 20 years is $4 billion. Implementing proven safety countermeasures can reduce crash risk at a fraction of the cost of crashes.

The Active Transportation Program was created in 2017 as an unfunded state program. The law required the commissioner must establish a project evaluation and selection process that is competitive, criteria-based, and objective.

MnDOT's Active Transportation Program has funded 31 non-infrastructure initiatives to assist communities with corridors, parks and trails, and community-wide planning. The program has also assisted communities with various types of implementation technical assistance, including design and installation of 10 quick-build/demonstration projects (with an additional seven planned for 2025). MnDOT is engaged in strategic planning for the AT Program and will identify further methods for supporting and preparing communities of all sizes for active transportation infrastructure deployment and maintenance.

The 2024 AT infrastructure solicitation resulted in $11.93 million in project selections of received requests for $24.6 million in AT infrastructure funds.

$220 thousand of general funds from this request will be guaranteed for use by Tribes who apply to the AT Program since they are not eligible to receive general obligation bond funds. Any additional general funds not pursued by Tribes will be made available to all applicants of the program.

Project Timeline

Summer/Fall 2026 – Application materials developed

Fall/Winter 2026 – Solicitation opens and applications available

Winter/Spring 2027 – Project selections made and announced

Spring 2027 – Planning assistance (non-infrastructure projects) begins

Summer 2027 – Contracting (infrastructure projects) begins; planning assistance concludes

Summer 2030 – Infrastructure projects completed

Other Considerations

AT supports the goals of many partnering organizations working towards safety and health. Funding for the program provides opportunities for local agencies to invest in providing improved opportunities to walk or bike.

Impact on Agency Operating Budgets

For the administration of the program and delivery of infrastructure projects, the commissioner is prohibited from expending more than one percent of available funds in a fiscal year under this section on program administration.

Description of Previous Appropriations

2021: $5 million in general funds

2023: $38.615 million in general funds for 24-25

2024: $1.2 million in GO bonds and $3.75 million in general funds for a named project

2025: $5.439 million in general funds for 26-27

This program receives an annual general fund appropriation through the operating budget.

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Transportation Building Consolidation and Remodel

AT A GLANCE

2026 Request Amount:	$20,000
Priority Ranking:	17
Project Summary:	$15 million in trunk highway cash and $5 million in general fund cash to remodel the Transportation Building.

Project Description

This capital funding request will enable MnDOT to renovate existing workspaces in the Transportation Building located on the Capitol Complex. Changes to the building will be designed to meet enterprise standards, maximize energy savings, improve security measures, and reduce overall lease costs. A modernization effort will create relevant work environments for MnDOT and MNIT employees and open space for other state agencies to leverage as needed.

Funds will be used to improve energy efficiency by changing the configuration of offices and cubicles. This will make building HVAC systems more effective. Modernizations to the cabling structure will allow the Transportation Building to leverage new and future technological advancements. Updated working environments will create a functional and comfortable building for employees and visitors alike by emphasizing collaboration spaces and maximizing natural light.

Project Rationale

The Transportation Building is the permanent work location for over 1,300 State of Minnesota employees. The building was constructed in the 1950s and was last remodeled in the 1990s. While the building has been well-cared for during its life, it is overdue for upgrades in technology, energy efficiency, security measures, accessibility, and employee collaboration space.

The shift to in-person work requirements for the enterprise has changed MnDOT's space-use plans. Renovations to the Transportation Building will maximize shared space to align with the enterprise goal of increased collaboration through in-person work. Renovations will also ensure building space is used efficiently, allowing MnDOT to vacate some floors of the building.

Each floor of the Transportation Building that MnDOT vacates will save an estimated $500,000 annually for the agency. MnDOT aims to vacate 2 floors, or 25% of its footprint, within the Transportation Building through this project. MnDOT would recoup approximately $1 million each year from lease savings. Other agencies may move into the vacant spaces within the Transportation Building, increasing the enterprise return on investment.

Project Timeline

Pre-design: May – July 2025

Design: May 2025 – December 2025

Procurement: January 2026 – June 2026

Phased construction: July 2026 – December 2027

Move in: December 2027

Other Considerations

MnDOT will not be able to vacate space in the transportation building for use by other agencies without this funding.

Impact on Agency Operating Budgets

MnDOT's ongoing lease costs would be decreased by $1 million annually as a result of this remodel.

Description of Previous Appropriations

None

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us

($ in thousands)

Electric Vehicle Infrastructure Program

AT A GLANCE

2026 Request Amount:	$5,000
Priority Ranking:	18
Project Summary:	$5 million in general fund cash for transportation infrastructure projects to develop Electric Vehicle (EV) charging infrastructure.

Project Description

This capital request provides $5 million for grants to eligible entities (private or public) to design, install, operate and maintain EV charging infrastructure in locations that will facilitate long-distance travel in Minnesota. These funds will focus on fast charging using the EV Infrastructure Needs Assessment (EVINA) report (June 2025) completed by MnDOT. MnDOT estimates the requested $5 million could fund charging infrastructure at 10-15 locations.

Project Rationale

Transportation is the largest contributor to greenhouse gas (GHG) emissions in Minnesota. One practice to reduce GHGs from transportation is to transition away from internal combustion engine (ICE) vehicles to electric vehicles (EVs). EV adoption provides additional benefits including improved air quality and health, cost savings, and workforce development. Charging availability has a major influence on EV adoption especially in rural parts of the state. ICE vehicles are refueled at gas stations largely located along commercial corridors and interstate exits. Direct current fast-charging stations are needed in strategic locations around the state along highway corridors to support EV drivers taking trips that exceed the range of their vehicles and encourage EV adoption.

The EVINA project highlighted that Minnesota is not on track to meet our EV adoption goal. National surveys and research indicate that concerns about long-distance travel ("range anxiety") are a major deterrent EV adoption. Public infrastructure to support long-distance travel in rural parts of the state and areas that experience high volumes of tourism travel is necessary to increase EV ownership.

Project Timeline

Summer 2026 – Develop application process and materials using EVINA (June 2025) list of 83 clusters around the state to provide for geographic distribution.

Fall/Winter 2026 – Open funding round

Spring 2027 - Score applications and award funds

Summer 2027 - Contracts with awardees

Fall 2027 - Contracts begin

Other Considerations

Both the 2022 Statewide Multimodal Transportation Plan and 2022 Statewide Climate Action Framework have the goal of 20% of vehicles on the road to be EVs by 2030. MnDOT's EVINA report finding is that the state is not on track to meet those goals and one of the barriers to EV adoption is "range anxiety" caused by lack of public charging infrastructure.

Other states, such as Colorado, Oregon, California, and New York, have state-funded programs to build out their charging network.

Impact on Agency Operating Budgets

Administration of this program would be through MnDOT's Office of Sustainability and Public Health that is already administering a grant program with a mix of federal and state funds, including from the 2023 Minnesota Legislative session.

Description of Previous Appropriations

2023: $13,790,000 in FY 2024 and $190,000 in FY 2025 and ongoing from the general fund for matching federal aid, related state investments, and staff costs for the electric vehicle infrastructure program

Project Contact Person

Taylor Besser Fredrick
Assistant Budget Director
612-523-2198
taylor.besserfredrick@state.mn.us