



Infrastructure Investment & Jobs Act (IIJA) Impacts to Minnesota One Year In

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IIJA – The First Year

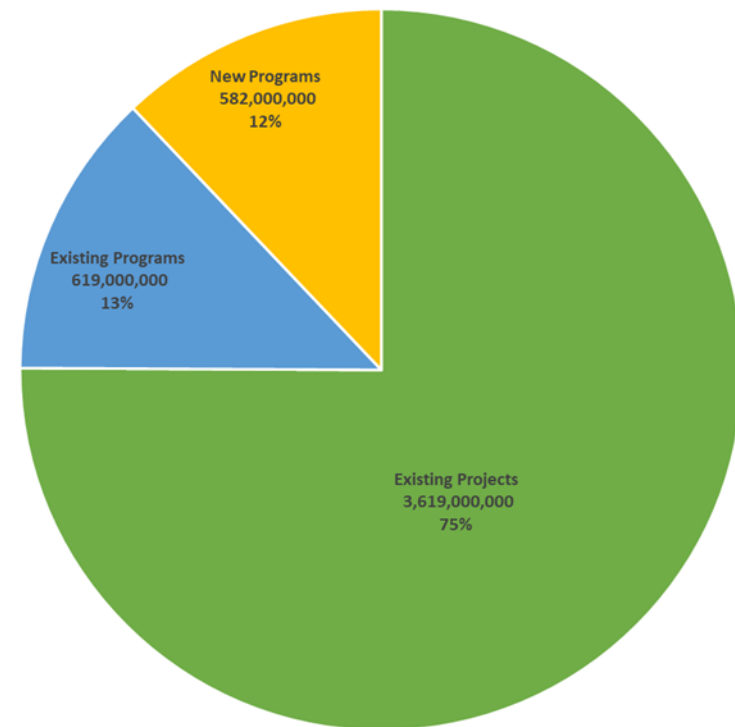
- November 2021 – IIJA signed
- March 2022 – Funding to Minnesota
- March to August 2022 – Programming Update Workgroup (PUW) works through existing programs
- March to Present – Climate Resiliency Workgroup (CRW) working through new programs
- June 2022 – Legislative fails to provide spending authority
- July/August 2022 – Authorize \$212M of projects to avoid turning back federal funds.
- August 2022 – Approve STIP despite lack of additional spending authority.
- October 2022 – Respond to FY23 budget shortfall
- November 2022 – Developed FY24-27 STIP Targets without matching funds.

IIJA Formula Funds

- Existing Projects
 - \$725M / year
- Increase to Existing Programs
 - \$125M / year
- New Programs
 - \$115M / year

Increased focus towards local agencies

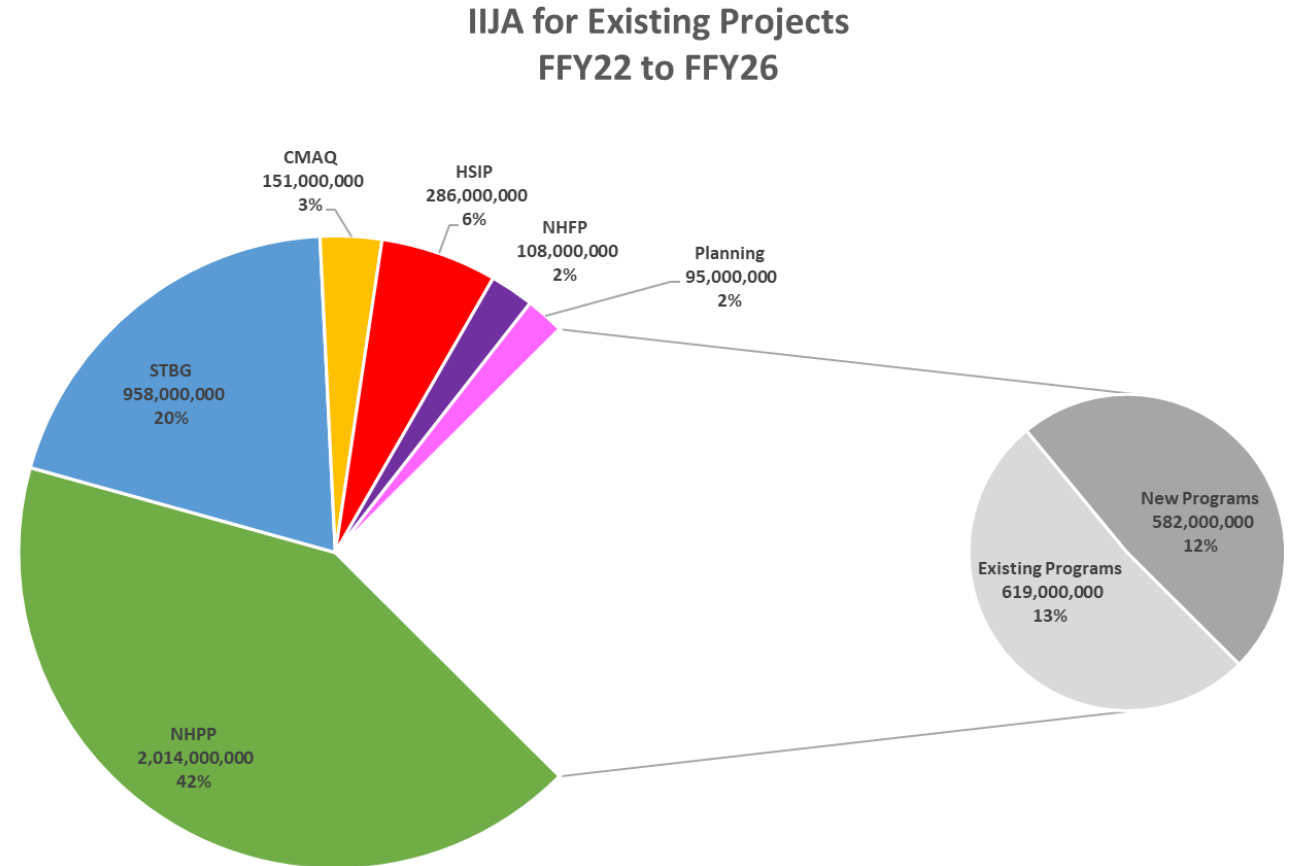
Estimated IIJA Formula Funds to Minnesota
FFY22 to FFY26



IJA Formula Funds – Existing Projects

- Average \$725M / year
- Split among partners
 - 70% for MnDOT projects
 - 30% for local agencies
- Bulk of National Highway System (NHS)

No real changes to existing projects

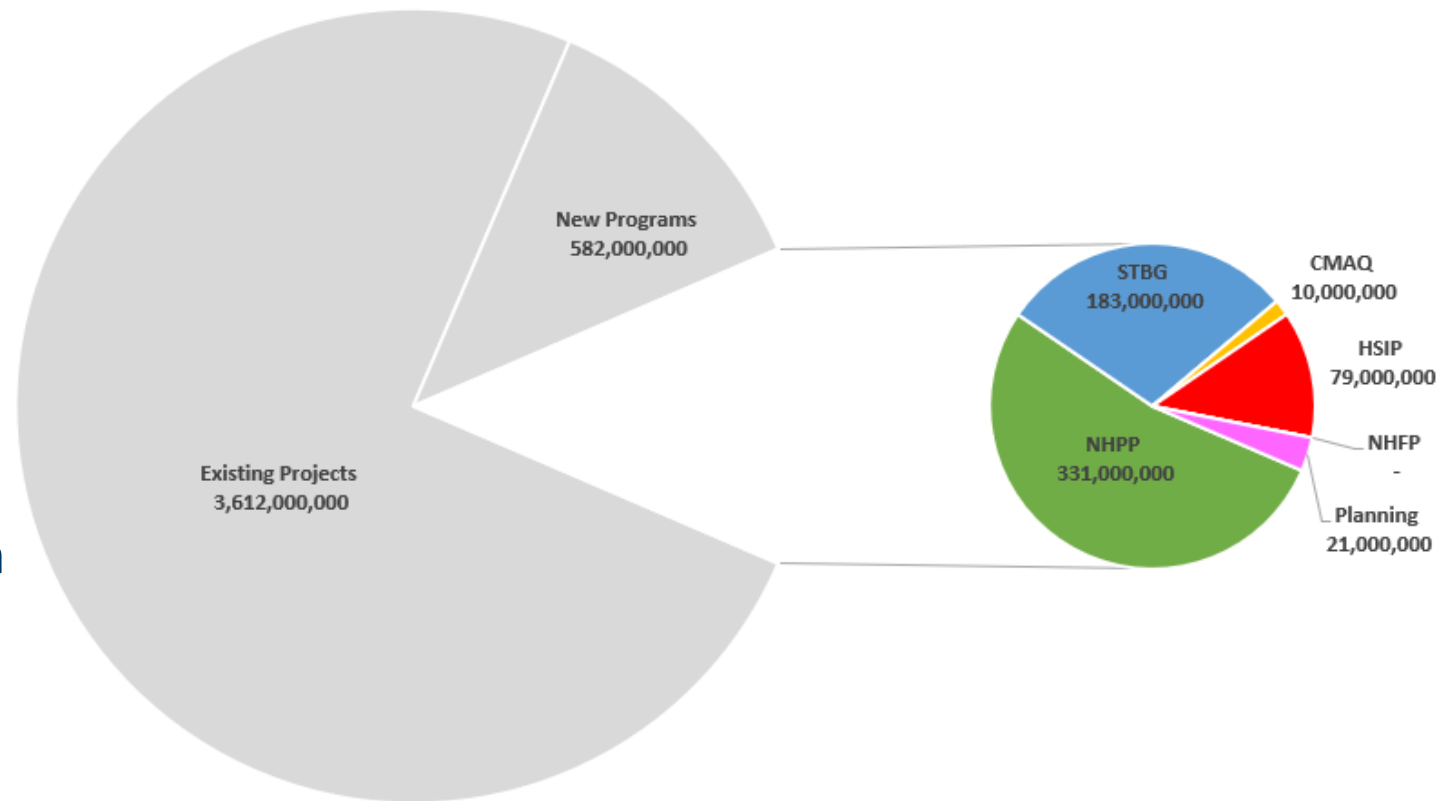


IIJA Formula Funds – Increase to Existing Program

- **Average \$125M / year**
- Split among partners
 - 70% for MnDOT projects
 - 30% for local agencies
- MnDOT advanced projects in FY22/FY23
- Local agencies balanced in FY24-FY26
- Big increases to Safety and Transportation Alternatives

Inflation Impacts and Funding Gaps

IIJA for Additional Funds for Existing Programs
FFY22 to FFY26



IJA Formula Funds – Increase to Existing Program

- Used to Advance Projects
 - FY22 IJA increases used by MnDOT to advance projects
- Used to address inflation and funding gaps on projects
- Used to offset match funds for the Bridge Formula Program
- Local agencies saw increases in Safety and Transportation Alternatives

Distributed across Districts and Area Transportation Partnerships (ATPs)

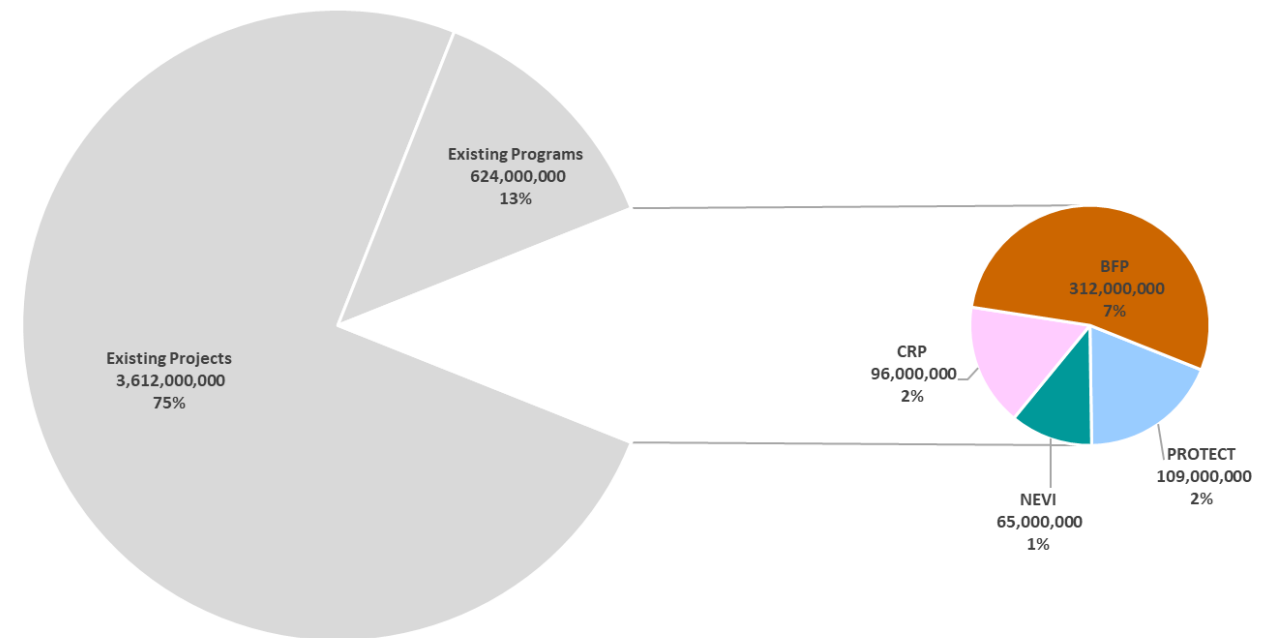
- **FY2022/2023**
 - MnDOT + \$212M
 - Local + \$67M
- **FY2024**
 - MnDOT + \$51M
 - Local + \$78M
- **FY2025**
 - MnDOT + \$52M
 - Local + \$81M
- **FY2026**
 - MnDOT + \$62M
 - Local + \$86M

IJA Formula Funds – New Programs

- **Average \$115M / year**
- Bridge Investments – \$65M
 - 15% for Off-System Bridges
- Charging Stations (NEVI) – \$13M
 - NEVI Plan completed
- Carbon Reduction / Resiliency – \$37M
 - Approach to investments being developed

Bulk of new programs will be delivered after 2023

IJA for New Programs
FFY22 to FFY26



IIJA Formula Funds – Bridge Investment

- Bridge Formula Program (BFP)
 - General Funds*
 - 85% MnDOT / 15% Off-System
- FAST Act Off-System (BROS)
 - FAST Act level = \$6M
- Off-System Conversion
 - Shift from (BROS) to Local On-System

*Substantial increases for life of IIJA**

- **FY2024**
 - MnDOT (BFP) + \$56M
 - Local Off-System + \$12M
 - Local On-System + \$8M
- **FY2025**
 - MnDOT (BFP) + \$108M
 - Local Off-System + \$12M
 - Local On-System + \$8M
- **FY2026**
 - MnDOT (BFP) + \$152M
 - Local Off-System + \$6M
 - Local On-System + \$8M

IJA Formula Funds – Other New Programs

- Charging Stations (NEVI)
 - General Funds
 - Initial focus on specific corridors
- Carbon Reduction (CRP)
 - 65% to local agencies
 - Suballocations to small MPOs
- PROTECT
 - For resiliency betterments

Projects have not been identified yet

- **FY2024**

- Charging Stations (NEVI) \$19M
- Carbon Reduction (CRP) \$30M
- Resiliency (PROTECT) \$30M

- **FY2025**

- Charging Stations (NEVI) \$19M
- Carbon Reduction (CRP) \$25M
- Resiliency (PROTECT) \$30M

- **FY2026**

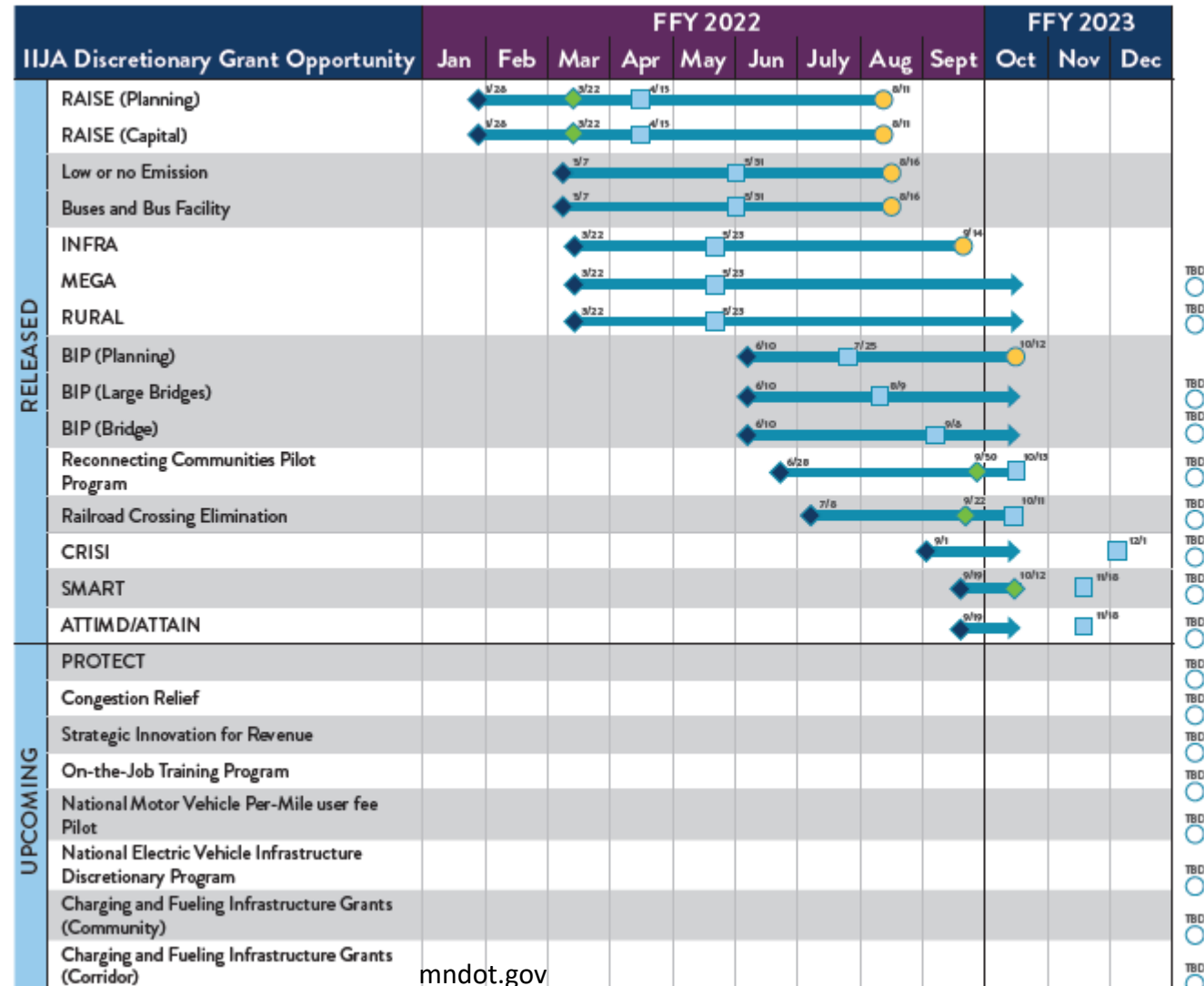
- Charging Stations (NEVI) \$19M
- Carbon Reduction (CRP) \$25M
- Resiliency (PROTECT) \$26M

Workforce Development

- IJIA changes (23 USC 504)
 - Greater flexibility
 - Up to 100% federal
 - Requires Secretary's approval
- State Legislative Language
 - *“The commissioner may expend up to **one-half of one percent of the federal appropriations** under this paragraph as grants to opportunity industrialization centers and other nonprofit job training centers for job training programs related to highway construction.”*
- MnDOT is looking at how to incorporate the changes

Discretionary Grants

- IJA provide several new discretionary grant opportunities
- MnDOT has hired a consultant to assist in prioritizing, tracking, and applying.
- Options for additional support for local agencies are being looked at.



LEGEND

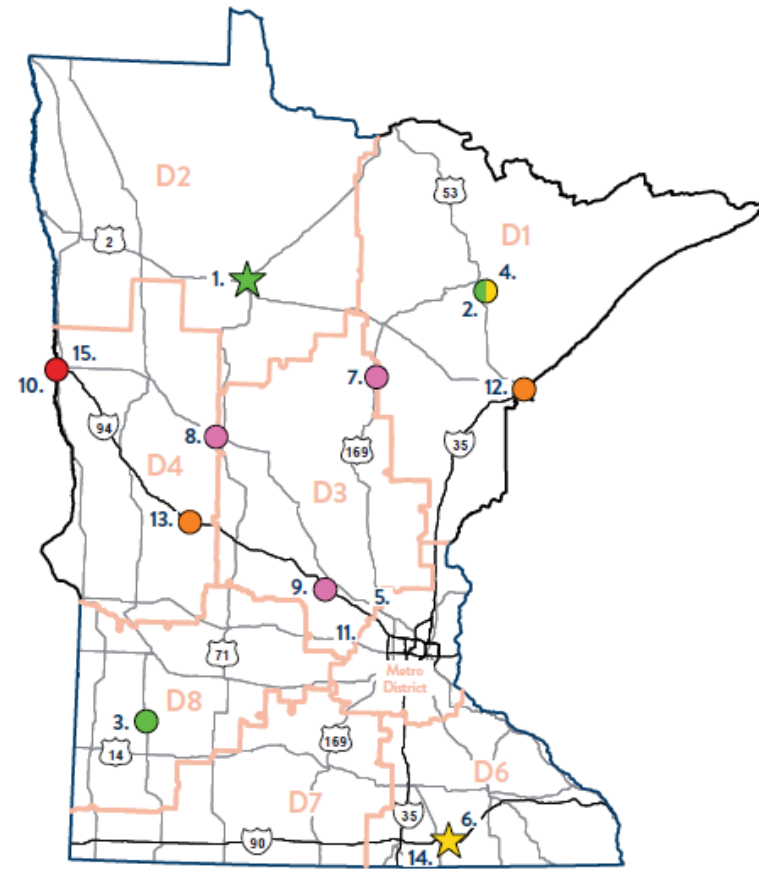
- ◆ NOFO Released
- ◆ NOFO Amendment
- Submitted Application Due
- Award Date 11

Discretionary Grants

- MnDOT and local agencies are applying
- MnDOT and local agencies have been successful

Matching funds continue to be an issue

MnDOT FFY 2022 IIJA Submitted and Awarded Projects



1. TH 197/ Paul Bunyan Drive in Bemidji
AR: \$18 million | AA: \$18 million
2. / 4. TH 53 Improvements at Rock Ridge Public Schools
AR: \$25 million (RAISE) | \$24 million (INFRA)
3. TH 19 in Marshall
AR: \$13 million
5. / 11. I-94 General Purpose Lane
AR: \$60 million (MEGA and INFRA)
6. / 14. I-90 Bridges Improvement & Mobility in Austin
AR: \$25 million (INFRA and BIP) | AA: \$25 million (INFRA)
7. TH 169 Reconstruct from the Mississippi River to Hill City
AR: \$19 million
8. TH 10 Reconstruction in Wadena
AR: \$11.81 million
9. TH 24 in Clearwater
AR: \$19 million
10. / 15. TH 10/75 in Moorhead
AR: \$33.5 million | City of Moorhead applied for FFY 2022 RAISE, INFRA, RURAL & MEGA grants.
12. Blatnik Bridge in Duluth/Superior
AR: \$895 million
13. I-94 Bridge Bundle in Alexandria
AR: \$5.7 million

Legend				
★/● RAISE (1-3)	★/● RURAL (7-9)	★/● BIP (12-14)	AR Amount Requested	MnDOT District Boundaries
★/● INFRA (4-6)	★/● MEGA (10-11)	★/● RCE (15)	AA Amount Awarded	

- Increases helping to offset inflation and funding gaps
- MnDOT advanced projects into 2022 and 2023, Local agencies will focus on 2024-2026
- Large investments in bridges during the life of IJA
- State and Local match funds needed
- Additional projects for new programs (CRP, NEVI, PROTECT) will be added starting in 2024
- MnDOT is developing an approach to Discretionary Grants

Thank you again!

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