

**Corridors of Commerce**  
**Program Guidance & Selection Process**  
**Updated for 2022-2023 Project Selection Process**

**I. Overview**

A healthy transportation network supports a growing economy by helping facilitate commerce throughout the State. Transportation investments directly and indirectly foster economic growth through the provision of construction jobs and a commerce-friendly network of corridors to ship goods and provide mobility to citizens. In 2013, the Minnesota Legislature created the Corridors of Commerce Program with the purpose of achieving two major goals.

- Provide additional highway capacity on segments where there are currently bottlenecks in the system.
- Improve the movement of freight and reduce barriers to commerce.

The Corridors of Commerce program is not intended to serve as an alternative funding mechanism for MnDOT's regular preservation and expansion program. The Minnesota Legislature enacted this program to be separate from MnDOT's regular program and established separate eligibility and scoring criteria for the program that are different than MnDOT's regular program priorities.

**II. Project Eligibility**

The Corridors of Commerce law specifically laid out program eligibility guidelines. In order for a project to be eligible for the program, it must meet the following eligibility requirements.

1. Projects must either be classified as a Capacity Improvement Projects or Freight Improvement Projects. The requirements for each of those classifications are as follows;
  - a. Capacity Improvement Projects must meet one of the following bullets;
    - Currently is not a divided highway, and that highway is an expressway or freeway beyond the project limits.
    - Contains a highway terminus that lacks an intersection or interchange with another trunk highway.
    - Contains fewer lanes of travel compared to that highway beyond the project limits.
    - Contain a location that is proposed as a new interchange or to be reconstructed from an intersection to an interchange.
  - b. Freight Improvement Projects must meet one of the following bullets.
    - Remove or reduce an existing barrier to commerce.

- Preserve existing freight movement.
  - Support an emerging industry.
  - Provide connections between the trunk highway system and other transportation modes for the movement of freight.
2. Projects must be consistent with MnDOT's Statewide Multimodal Transportation Plan.
  3. Projects must be able to begin construction within four years of award of the funding, but the actual construction start may be delayed beyond 4-years to avoid significant impacts to the travelling public by having parallel routes in the same region under construction at the same time.
  4. Projects must be on the Interregional Corridor Network of state highways, including the supplemental freight routes, in Greater Minnesota or any state highway in the eight-county MnDOT Metropolitan District.
  5. The amount of corridors of commerce funding needed to construct the project (including construction cost, right-of-way, & engineering) cannot exceed the amount of funding available.
  6. A project that is listed in MnDOT's State Transportation Improvement Program (STIP) is not eligible for funding, unless the project was listed in the STIP because it previously received Corridors of Commerce funding.

### **III. Project Recommendations**

#### The Process

MnDOT will utilize an on-line project recommendation process. **(New for 2022)** Only an individual serving as an official representative of one of the following organizations may submit a project recommendation for consideration of the program below:

- An area transportation partnership
- Any city, county, or township in Minnesota
- Any tribal government in Minnesota
- Any corridor coalition which is formally organized as a not-for-profit organization.
- Any metropolitan planning organization
- Any regional development organization

Each project submitted needs to be able to provide to MnDOT, upon request, a copy of a resolution or letter authorizing them to submit that project on behalf of the organization. **(New for 2022)** Each

organization is limited to submitting one project recommendation during each project recommendation cycle.

The following information needs to be provided through the on-line system for the project to be considered recommended to MnDOT;

- A. Name of applicant
- B. Email address of applicant
- C. Phone number for applicant
- D. Name of the organization applicant represents
- E. Project location
- F. **(New for 2022)** A detailed project description that corresponds with the cost estimate identified in item "G" below.
- G. **(New for 2022)** A cost estimate (construction only) for the project in FY 2022 dollars that has been reviewed and agreed to by any registered engineer in the State of Minnesota.
- H. **(New for 2022)** Name and contact information for licensed engineer who reviewed cost estimate
- I. Identify source and dollar amount for other funding sources committed to the recommended project.
- J. Name and contact information for those funding source commitments.

#### MnDOT Recommendations

MnDOT will not make any agency project recommendations as a part of this process. MnDOT will rely solely upon the on-line recommendation process to provide the list of projects to be considered for the program.

## **IV. Scoring and Ranking**

### Legislative Criteria

The Corridors of Commerce law includes nine criteria which MnDOT must use to score and rank projects for the program. The law requires that all nine criteria must be used and that MnDOT cannot add any additional criteria. The nine criteria in the law are as follows:

- Return on Investment
- Economic Competitiveness
- Freight Efficiency
- Safety
- Regional Connections
- Policy Objectives

- Community Consensus
- Project Deliverability
- Regional Balance

### Scoring Overview

All projects that have been determined to be eligible for the program will be scored. Up to a 100 Points each will be awarded to projects in eight of the nine criteria. The top point score for a project would be 800 points. The ninth criteria, Regional Balance, has been set-up as a funding division criterion that will be applied after the projects have been scored and ranked using the other seven criteria.

Return on Investment, Economic Competitiveness, Freight Efficiency, and Safety criteria, MnDOT will be scoring using a decile system approach. Under this approach, project outputs that relate to each of the criteria will be compared against each other by sorting them from the best output down to the lowest output. The project outputs will then be divided into ten equal groups or deciles based upon where they compare to all the other projects. Those projects with an output in the top decile (the top 10%) will receive the maximum number of points for that output. Those projects with an output in the bottom decile (bottom 10%) will receive the lowest number of points for that output. Below is an example of how the decile scoring system works;

Top Decile	=	50 points
2 <sup>nd</sup> Decile	=	45 points
3 <sup>rd</sup> Decile	=	40 points
4 <sup>th</sup> Decile	=	35 points
5 <sup>th</sup> Decile	=	30 points
6 <sup>th</sup> Decile	=	25 points
7 <sup>th</sup> Decile	=	20 points
8 <sup>th</sup> Decile	=	15 points
9 <sup>th</sup> Decile	=	10 points
Bottom Decile	=	5 points

There are two project outputs for each criteria, except economic competitiveness (it has just one). Therefore, a project may score 50 points in one output and only 30 points in the other output to get a combined 80 points for that criteria.

The remaining four scoring criteria of Regional Connections, Policy Objectives, Community Consensus, and Project Deliverability have had specific scoring matrixes developed for them. Each of those matrixes will determine the amount of points a project receives from that criteria. Each of the scoring criteria and the methodology being incorporated with them is discussed briefly in the next section.

## Individual Criteria Scoring Methodology

**Return on Investment.** The law states the first criteria is a return on investment (ROI) measure that provides for comparison across eligible projects. MnDOT will incorporate the Project Effectiveness analysis from the FHWA Highway Capacity manual as the basis for determining ROI outputs. There are essentially two outputs as a part of this analysis: Travel Time Savings and 5-year Crash Reduction Savings.

Travel Time Savings are calculated by first determining what the current travel times are along the roadway (MnDOT will be using one of two available travel time data sets which incorporates cell phone and GPS data). Next, future travel times are calculated based upon the recommended project being constructed. There are two factors which can impact future travel times on the corridor, increases in the capacity of the roadway and increases in the posted speed limit resulting from the improvement. Combined, these savings represent the total travel time savings. The total savings is then divided by the cost of the project to the Corridors of Commerce Program to determine a Return on Investment output for travel time.

*Please note the cost used to determine the ROI is the cost to the corridors of commerce program and not the total cost of the project. As an example, if a project's total cost was \$100 M but the submitter was only asking for \$50 M from the program because the other \$50 M is covered from other sources, the travel time savings would be divided by \$50 M and not \$100 M. This is also true for the 5-year Crash Reduction Savings below.*

5-Year Crash Reduction Savings are calculated by first determining the type and severity of crashes at the proposed project locations for the last five years using MnDOT's crash data. Using FHWA's Crash Modification Factors, it is possible to project the amount of reduction in crashes a particular type of improvement can be expected to generate. For example, if there are 100 specific type of crashes in the project area and the modification factor projects the project will result in a 50% savings in those crashes, the project will result in savings of 50 of those particular crashes. The number of crash savings by each type is then multiplied by the individual crash cost to produce a Total Crash Savings from the improvement. The total savings is then divided by the cost of the project to the Corridors of Commerce Program to determine a Return on Investment output for 5-Year Crash Savings.

**Economic Competitiveness.** The law states that the project must produce a measurable impact on commerce and economic competitiveness. MnDOT purchased the Regional Input-Output Modeling System (RIMS-II) data set for each MnDOT district. That data set summarizes a multiplier of the Number of Jobs per Million dollars of investment factor for each of the eight MnDOT Districts. To determine the output for the criteria, the total cost of the project (not the cost to the corridors of commerce program) is multiplied by the respective multiplier factor in Table 1.

Table 1

District	Multiplier
District 1 – Northeast Minnesota	9.9502
District 2 - North Central Minnesota	8.6916
District 3 – Central Minnesota	10.2447
District 4 – Northwest Minnesota	8.4549
District 6 – Southeast Minnesota	9.6264
District 7 – Southern Minnesota	9.6277
District 8 – Southwest Minnesota	9.5527
Metro	11.4459

RIMS-II estimates the total amount of direct and indirect economic benefit from the total investment. It does not estimate increased economic development potential. MnDOT plans to conduct additional research into better methods for calculating the economic competitiveness benefits of a project for future Corridors of Commerce program selections.

**Freight Efficiency.** For this criteria in the law it states, “measures of annual average daily traffic and commercial vehicle miles traveled, which may include data near the project location on the trunk highway or on connecting trunk or local highways; and measures of congestion or travel time reliability, which may be within or near the projects limits, or both.” To cover this criteria effectively, two project outputs will be used to calculate points; Travel Reliability and Heavy Commercial Average Annual Daily Traffic.

Travel Reliability will be calculated using the same travel time data from the Return on Investment Travel Time Savings output, however the data will be looked at differently. Instead of calculating the travel time savings, the reliability of the roadway’s travel time will be evaluated. Both the percentage and degree of travel time un-reliability will be utilized to develop an index that can be compared to all the other projects. For more specific information about the Travel Reliability calculation, please consult the technical scoring system document also located on the Corridors of Commerce website.

Heavy Commercial Average Annual Daily Traffic (HCAADT) will be taken from MnDOT’s traffic count volumes maps and used directly as this output. MnDOT will determine the closest HCAADT to the project or use a weighted HCAADT figure if more than one volume is available along the project area.

**Safety.** This criteria in the law is a measure in traffic safety improvement. Safety is one of the few areas that can impact multiple scoring criteria. As noted in the Return of Investment criteria, 5-year Crash Savings from safety improvement from the project has already been given points. For the Safety Criteria, MnDOT did not want to use the exact same data from the ROI criteria. As a result, MnDOT decided to use two different outputs from its 5-year crash statistics for this criteria which measure the existing crash conditions of the project roadway in comparison to the other project roadways being scored. The two outputs being used are;

- 5-Year Average Number of Fatal and Type A Injury Crashes
- 5-Year Average Number of All Crashes

A decile output score for both the Fatal/Type A Injury Crashes and All Crashes will be calculated for all the projects.

**Regional Connections.** The law defines this criteria as “connections to regional trade centers, local highway systems, and other transportation modes.” To score points for this criteria, MnDOT developed the following point matrix (Table 2) for scoring projects according to this criteria. As a point of clarification, if a recommended project has more than one applicable Project Type, MnDOT will apply the highest scoring Project Type from the table to calculate the points.

**Table 2**

Project Type	Greater Minnesota			Metro District	
	Interstate System/ Connection to Level 1 Trade Center	IRC System	Supplemental IRC System	Principal Arterials	All other THs
Closing a Gap in a Larger Corridor (ex. Lane Gaps)	100	90	50	100	50
Add Lanes to Existing Facility (expands capacity) Does not include filling a gap	90	80	50	90	50
Eliminate Existing Isolated Intersection with an Interchange or Grade Separation; Reconstruct Intersection/Interchange with More Capacity	80	70	20	80	20
Completing a Corridor Conversion (Multiple Interchanges and Access Patterns)	N/A	N/A	N/A	70	20
Creating/Improving Connection to a Multimodal Facility	60	50	30	60	30
Add Passing Lanes to a Facility	N/A	40	10	10	10
Missing interchange ramps/movements	20	10	10	20	10
Project minimally impacts connectivity between trade centers for users	0	0	0	0	0

**Policy Objectives.** The Corridors of Commerce law defines this criteria as “the extent to which the project addresses multiple transportation system policy objectives and principles.” MnDOT chose to use its Statewide Multimodal Policy Plan (SMPP) as the basis for developing a point matrix for this criteria, see Table 3. Unlike the Corridor Connections matrix, the Policy Objectives matrix has two separate scoring areas.

The first is the Open Decision Making section. Projects which have had a corridor study, safety plan, safety audit, or environmental document that covers the proposed project area will receive 50-points. If the project does not have any of those things, it will receive no points from this section. For a corridor or safety plan to receive points, it must have been completed within the last ten years for the eight county metro area or within the last twenty years for the rest of the counties in Minnesota. Although MnDOT does not need to have contributed financially to the study for it to count, MnDOT needs to have been involved and concur with the findings of the study, otherwise it will not receive any points.

The second section on Policy Objectives matrix covers System Stewardship and Healthy Communities policy areas from MnDOT’s policy plan. For each of the bullets a project meets, it receives 10-points for up to a maximum of 50-points for this section. The bullets have been developed based upon stated goals and priorities from MnDOT’s SMPP. Combing Section one and two then represent a project’s score for the Policy Objectives criteria.

**Table 3**

Policy Area	Criteria	Scoring
<b>Open Decision making</b>	There has been a corridor study, safety plan, safety audit, or environmental document that covers the proposed project	50 - Points
<b>System Stewardship and Healthy Communities</b>	<ul style="list-style-type: none"> <li>• Pavement and/or bridges within the project area are due for a major rehabilitation or replacement within the next eight years</li> <li>• Project incorporates ITS technology or traveler information system component</li> <li>• The project addresses a significant flooding risk, snow trap/drifted issue, or other environmental impact that affects the reliability of the roadway</li> <li>• Project reduces VMT or hours of congestion</li> <li>• Project removes an at grade rail crossing</li> <li>• Project includes improvements for bicyclists and pedestrians</li> <li>• Project replaces existing overhead lighting with new L.E.D lighting</li> <li>• Adds or supports transit service (like park and ride facilities, transit only shoulders, and park and pool locations).</li> <li>• Project will improve access to health care or to recreational areas of the State</li> </ul>	10 – Points for each category.  Maximum of 50
<b>Total Points available</b>		100

**Community Consensus.** The Corridors of Commerce definition for this criteria is support and consensus for the project among members of the surrounding community. To best achieve that, MnDOT has developed a matrix which asks for resolutions and letters support from three different groups. Looking at Table 4, notice that the first area requires a resolution of support for the project from each of the municipalities and counties touched by the proposed project. To help ensure that projects meet the spirit of this criteria, MnDOT has made this section an all or nothing points area. In order to receive the 45-points, all the municipalities and counties impacted (touched) by the project need to provide a resolution of support for the project, otherwise the project does not receive any of the 45-points.



The next section of the matrix covers support from the local planning agency for the area. For this section, only letters of support are needed not resolutions. The letters can be from either the Chair of the Planning Agency or its lead staff member. However if a project impacts more than just one regional planning agency, it will need a letter from each planning agency to get the points. Otherwise it will not receive any points.

The last section of the Community Consensus matrix requests a single letter of support from any chamber of commerce. This section was added to help reflect the economic impact nature of the Corridors of Commerce program. There is no requirement that the chamber of commerce letter come from a chamber in the project’s geography, just that a single letter of support be received for the project.

The resolutions and letters of support are not needed for the projects until 60-days after the closing of the on-line recommendation process. MnDOT will contact all the municipalities and counties impacted by a recommended project by letter to request they consider providing a resolution of support for the project. Within that letter, MnDOT will note that if the local government does not provide a support resolution it will impact the projects scoring within the Corridors of Commerce program. MnDOT will likewise notify the regional planning agencies of projects that will need letters of support from them. The project submitter is responsible for contacting a local chamber of commerce and have them send a letter of support. All resolutions and letters should be sent by mail or electronically to Patrick Weidemann at MnDOT (See Section VI for contact information).

**Table 4**

Type of Support	What is Needed	Points
<b>Resolutions of Support from Impacted Jurisdictions</b>	Resolutions supporting the project from each municipality and county that is touched by the project limits.	45 –points (If all jurisdictions provide a resolution, otherwise no points.)
<b>Letter of Support</b>	A letter of support for the project from the metropolitan planning organization, regional development commission, or regional planning agency	45 – points (If more than one planning agency touched by the project, must have all provide letters of support or no points awarded)
<b>Letter of Support</b>	A single letter of support for the project from any chamber of commerce	10-points

**Project Deliverability.** (NEW for 2022) This criteria was added during the 2021 Legislative Session. The criteria is designed to award points for those projects which are further along in the project development process and thus have a higher likelihood to be delivered within the funding timeframe for the program. One of the best lead measures for being able to deliver a project within a reasonable time

frame and budget is to determine where a recommended project is at in the environmental review process. MnDOT has developed the table below to award the Project Deliverability criteria points based upon where the project is at in the environmental review process.

**Table 5**

Description	Points
Projects with environmental review process complete	100
Project with environmental review process started, but not yet complete.	50
Projects that have not started the environmental review process.	0

**Regional Balance.** The criteria Regional Balance does not have any accompanying language with it in the law. MnDOT intends to use the division/awarding of the funding across the state as the way this criteria gets incorporated.

**Project Selection Process**

All recommended projects that meet both the eligibility requirements and project recommendations requirements of the program will be scored. MnDOT will develop project descriptions and cost estimates from the information provided by the submitters to a sufficient enough level, so that they can be scored in each of the eight point scoring criteria. The projects will then be scored and ranked together on a single list from the highest scoring project to the lowest.

MnDOT will award funding to the projects starting with the top scoring project and continuing down the list until all the funding is expended. The Regional Balance Criteria may result in some projects being skipped over in lieu of lower scoring projects from another region or area of the State, in order to ensure the funding is “regionally balanced”. MnDOT intends to work with the Legislature during the 2023 session to help get more direction and/or definition to what they mean by Regional Balance. Should MnDOT not get any additional direction from the Legislature, MnDOT will look at its past usage of a soft 50-50 split and discuss other approaches publicly in the Spring of 2023 before making any final decisions on splits.

**V. Additional Program Guidance**

The following is some additional program guidance and clarifications:

1. MnDOT’s cost participation policy applies to all the selected corridors of commerce projects. For purposes of that policy, all projects selected for award in the program will be treated as “MnDOT Initiated” projects.

2. MnDOT will not award funding to a project that does not meet all the applicable state and federal laws, even if it scores the highest in the program.
3. Use of FHWA federal funding on a Corridors of Commerce project is limited to only those projects which have previously been identified through MnDOT's performance based planning process and have been developed to be eligible for federal funding (i.e. followed the NEPA process).

## **VI. FY 2022-2023 Program Schedule:**

<b>Key Activity</b>	<b>Schedule</b>
<b>Announce 2022 recommendation process and open online submittal process</b>	August 1, 2022
<b>Close online submittal process</b>	November 30 2022
<b>Project review begins by Districts</b>	December 1, 2022
<b>Final project descriptions, cost estimates, and letters of support are due to Central Office</b>	March 1, 2023
<b>Consultant begins evaluation and scoring of projects</b>	March 1, 2023
<b>MnDOT announces project awards</b>	May 1, 2023

## **VII. Program Contacts**

If you have additional questions about the Corridors of Commerce Program, please feel to contact one of the individuals below.

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