



**Approved Minutes**  
**Citizens League Transit Study Committee**  
Thursday September 29<sup>th</sup> 7:30am-10:30am  
St. Mary's Greek Orthodox Church  
3450 Irving Ave S, Minneapolis, MN 55408

**Committee Members Present:** Chair Peter Bell, Vice-chair Ms. Ann Lenczewski, Mr. Abou Amara, Mr. Michael Beard, Mr. Bill Blazar, Mr. Patrick Born, Mr. James Erkel, Mr. Ethan Fawley, Ms. Mary Giuliani Stephens, Ms. Elizabeth Glidden, Mr. Jason Grev, Ms. Mary Liz Holberg, Mr. Scott McBride, Mr. Jim McDonough, Mr. Peter McLaughlin, Ms. Kenya McKnight Ahad, Mr. Andrew Richter, Mr. William Schreiber, Ms. Nancy Tyra-Lukens, and Ms. Patty Thorsen

**Members not present:** Mr. Vayong Moua

**Staff & staff support present:** Pahoua Hoffman, Sean Kershaw, Consultant Katie Hatt, Policy Fellow Matt Byrne, Intern Caroline da Silva Barbosa.

**Citizens League members and special guests:** Bill Dooley, Bob Carney, Peter Wagenius, Matt Burress, and Andy Lee.

**Proposed outcomes for this meeting**

- State study committee charge and proposed goals.
- Introduce members, presenters, staff, and other participants.
- Approve minutes from previous meeting.
- Receive Citizens League principles and process.
- Hear from presenters on Aging & Workforce and the Met Council Transit Policy Plan.
- Agree on next steps.

**Minutes**

Chair Peter Bell called the meeting to order at 7:33 a.m.

**Welcome**

Chair Bell mentioned the previous productive meeting with Matt Bures from Minnesota House of Representatives House Research Department (House Research), who presented a high-level view of transit funding. He explained that the group would continue building their base of knowledge by learning about the Met Council's Transportation Policy Plan (TPP) at today's meeting. David Van Hattum from Transit for Livable Communities will present the TPP. He indicated that the staff did try to get someone from the Met Council to present it, but it was not possible to do so. Chair Bell commented that the member from Eden Prairie was out of town at the last meeting but has joined the meeting today. He asked her to introduce herself and offer feedback on the project goals as others had done at the last meeting.

The member said that she went through the minutes from the last meeting and it was interesting because she did not think members would be nameless. She introduced herself as having been mayor and on the city council and having worked with SouthWest Transit as well as various committees for Southwest Light Rail. She stated that it is very important to businesses and communities. She commented that she is delighted to serve on this committee. She stated that the governance issue is challenging. She reported she has no specific questions, and that she hopes to stay on task as opposed to getting lost in tangents.

Chair Bell announced that he would begin every meeting by reviewing goals to ensure the group remained on task. Chair Bell highlighted the three main objectives for the overall project:

1. Understand current transit capital and operating funding system.

Chair Bell indicated that the group would be doing this for the next couple weeks. Matt Burrell from House Research was the first effort to that end. Mr. Van Hattum's presentation on the TPP will be second, and next week, the group will hear from Mary Richardson from Counties Transit Improvement Board (CTIB) who will be presenting on the funding that comes through CTIB.

2. Review and consider different funding and governance models, including current models.

Although the current transit funding system is complicated and strained, Chair Bell reminded members that he does not want to recommend changes for change sake. Instead, he wants to help the group think about the current model as well as think through other possible scenarios. To that end, the group will use a scenario based modeling and members may be asked to come up with one or two scenarios in addition to staff. The group will discuss these scenarios - what are the pluses and minuses of those scenarios.

3. Make recommendations based on that scenario work.

Chair Bell hoped to finish this work by the end of the year and then make presentations to interested bodies including the Legislature on the Citizen League Transit Study Committee's recommendations. He reiterated that this was his understanding of our charge and the process the group would move forward unless others had issues.

*Approval of Minutes*

Chair Bell referenced the minutes that were sent in advance. Chair Bell informed the group that he and Vice-chair Ann Lenczewski reviewed them. He asked if there were any questions or feedback on the minutes. A member offered an amendment to the ninth paragraph on page 6. Instead of 35% it was suggested to use a range: "35-40%, trending towards 35%." (This paragraph referred to road funding.) With this change, Chair Bell entertained a motion to approve. Member Pat Born moved the motion and it was seconded by member Elizabeth Glidden. A unanimous verbal aye vote passed the motion to approve the minutes with the suggested change on page 6.

**Citizens League Principles and Process**

Chair Bell commented that since the committee did not get hear the Citizens League presentation on principles and processes that was planned for the first meeting, Kershaw would be starting the meeting with this information.

Citizens League executive director Sean Kershaw commented that it was, in fact, better to do this presentation having gone through one meeting. He stated that he would like members to trust the process, although at times it will seem ambiguous. That said, he wanted members to be comfortable with the process and raise concerns and questions, if there are any. He referenced the back of the agenda which includes the Citizens League governing document that lists the League's principles and standards. He mentioned the organization's mission is to champion the role of all Minnesotans to govern for the common good and to promote democracy; its mission is about involving citizens in its policy work. He commented that the organization defines citizen as a member of the community and that everyone has a governing role and an obligation to contribute to the community. He stated that it is more than a legal definition. After establishing the role everyone has in making policy, he mentioned that the operating guidelines sets the League's work apart from others. Throughout the project, he will make reference to them so they are not just for show. The first guideline is to bring broad perspectives together, which he indicated had been done with the 21 member study committee. He stressed the importance of having those most affected to be part of defining the problem and coming up with the solution. For example high school students are often left out of discussions about high school education reform. For those who are familiar with old work, this may be a departure. For example, previously, the Citizens League would not bring in county commissioners, onto a committee like this. There has been some tension about this change, but Kershaw stressed that if the committee cannot get buy-in from those around the table, it is likely there would not be buy-in outside of the committee. This is why it is important to involve key stakeholders to come up with politically plausible recommendations.

A committee member provided a counterpoint that he thought stakeholders have become too involved and that not the customer has been left out of the process. The same member asked whether customers were considered stakeholders. The response was that customers absolutely are stakeholders.

A committee member noted that they consider customers THE stakeholder. According to the member, customers are often not included in these discussions. Stakeholders have more often than not included just professional advocates – people who earn a living off of what they are advocating for. The member indicated a personal preference to put the customer ahead of everybody else.

Kershaw said that the Citizens League has expanded the definition of stakeholder to include customers because he agreed that they are essential.

Kershaw explained the second operating guideline: advancing public policy solutions with a broad base of support. He explained that the key standard is transparency and good governance. He elaborated that if people do not trust the process, it is likely they will not trust the outcome. Kershaw stated that the third guideline is to make sure that data is being used to reframe the conversation. Can the work be backed up by data? Finally, he talked about how to balance policy idealism with political pragmatism. He explained the Citizens League has done its best work when it focuses on what would be best long term *and* what can be accomplished in the near term.

Then, Kershaw referred members to tab four of the committee binder--the study committee handbook. He mentioned that the study committee handbook outlines a member's role along with the role of chairs and staff. Then he referenced the three main categories the group will go through: findings, conclusions, and recommendations. Since many of the Citizens League founders were lawyers, they created a process where the findings include questioning what the relevant facts are. As the committee moves forward, it will need to figure out what the most important facts are, come to some consensus on these and then overlay value judgments based on collective input. Finally, the group will advance a set of recommendations.

While the group will try to get as much buy-in as possible, the process does not demand consensus. If there are people who wish to advance a minority report, it is included with the final set of recommendations. Kershaw explained that in the last study, the individual who advanced a minority report said that the process worked, they trusted it, but they just did not think the recommendations adopted by the committee went far enough. There was trust that the committee was not hiding a different set of recommendations or that their voices were not heard. Ideally, it would be great to get the full committee to agree on a set of recommendations, but if it is not possible and people feel strongly about a different set, those will be included in the final report that goes to the Citizens League board.

Kershaw added that the final set of outcomes depends on what happens in each of the meetings. Later, when members look back, they will see that the final outcome worked because the individual meetings worked. Staff works hard on detailed minutes and the Citizens League sees these as a way to document the process. A comment was made earlier about how the Citizens League does not assign names in the minutes. Kershaw explained that by design, names are left out to encourage full participation and that the Citizens League believes the points made by members stands regardless of the person who said it; it should not matter who said something but that it was shared.

In addition, Kershaw stressed the importance of the meeting outcomes and the end-of-meeting evaluations. The worst case scenario is if people evaluate the meeting afterwards on the phone or in the car. This prevents staff from improving the meetings. Some of the best moments in previous committees were when people said the committee was off course and let the staff and chairs know. Kershaw covered some additional points: no tweeting during the meeting and the committee's ability to reframe the charge.

Staff explained that meetings are semi-formal; they are not as formal as legislative meetings are, but it is necessary that people raise their hands for questions.

Lastly, Kershaw mentioned that the Citizens League is not bound to previously held positions on transit. In its history--it has taken a variety of positions. This group is free to make recommendations based on the current situation and the information it has access to. Kershaw thanked the members for serving.

A committee member commented that he appreciated not having names in the meeting minutes. He said it stifled discussions in other meetings he was a part of.

### **Aging and Workforce Overview**

Chair Bell asked Kershaw to begin his presentation on aging and workforce. Kershaw mentioned that Minnesota is in the midst of demographic changes that are unprecedented and significant. He opined that it was impossible to have a conversation about the future of transit without a sense of what is changing because what is coming is so different from what the State has experienced in its past. He explained that he would walk the committee through a presentation by State Demographer Susan Brower. It was originally given in July to the Board on Aging, but it has been shortened. Kershaw explained that Brower deputized him to give this presentations because they have done similar presentations together so many times.

Kershaw began his presentation [*see Attachment A*] by asking members to guess the net increase of adults age 65+ for the current period and by 2020. A committee member guessed that the number would double from the current 91,000. Kershaw revealed that the number would actually triple to 285,000 in 2010s and then grow to 335,000 by the 2020s. He reminded members that these figures were the net increases. This has never happened before in Minnesota, nor in the United States.

Chair Bell requested that Kershaw make connections to transit as he shares demographic information. Kershaw provided an example of how the growth in aging will affect Metro Mobility services. As he walked members through slides 4, 5, and 6, Kershaw mentioned that as the State gets older, there are implications for transit ridership as well as for funding. He added that when people stop working, this will affect the State's income. At around age 85, many people are likely to have a disability. These are important things to be aware of to understand the impact on the public sector and the state's budget.

Slide 8 showed that for the first time in Minnesota's history, there will be more people age 65+ than school-aged children by 2020. This has never happened before. Kershaw mentioned that at exactly the point when the first wave of baby boomers start to turn 80, Minnesota hits the lowest labor force growth in a generation. The number of people in the workforce is going to decline on current trends between 2019 and 2028. So as one thinks about the implications of an aging society on public sector budgets, realize that that's going to be happening at a time when fewer people working in order to pay for that. The data shows that Minnesotans will live longer. On average, a 65-year-old Minnesotan will live an additional 20 years and 15 of those years will be disability-free on average. How does this matter? The surplus of free time, population and housing shifts, volunteering, and changes in labor force growth all impact transit trips.

A different committee member requested clarification on the definition of transportation time. Kershaw responded that as people leave the workforce, trips at peak hours may change.

Kershaw referred to slide 15, which illustrates state general fund expenditures. Kershaw explained that as the need for health and human services expands, it will put pressure on everything else including K-12 education and other areas.

A committee member asked about a previous slide and wondered why tax expenditures were not including as a component of spending. Kershaw responded that he loves tax expenditures and that this could be figured in, but this is just looking at cash. The point here Kershaw stated is that the cost of long-term care will have a huge impact on the state budget.

Slide 17 showed that Minnesota's older adults are remaining in the labor force longer than before. Chair Bell asked whether there was a distinction between income and wealth. Someone could have a declining income but still have wealth.

Kershaw commented that the statistics on baby boomer wealth is equally depressing. He stated that over half of baby boomers have no more than \$500 in net wealth; some have much more, but over half of the baby boomers have no assets to speak of.

A committee member requested a racial context. Kershaw presented slides 20-21 that illustrated the diversity among the states older adults and the large, growing younger population of color. Kershaw presented slide 22 showing older adults with income below 200 percent of the Federal Poverty Level that also compared different racial groups. A committee member clarified that what she meant was a racial context in regard to median income. Kershaw stated that one can infer this from the information but he could try to get those numbers.

A committee member had a few observations about the slides in the presentation since the information covered touched only on general fund but that most of transit funding comes from dedicated funding streams. The member also noted differences between metro and rest of state on aging. One can easily see rest of state is older than the metro.

A committee member asked if the data reflected an influx of 800,000 people in the metro. Kershaw replied that the demographer makes assumptions on both metro growth and immigration and that these are built in to the model.

A committee member asked whether that would make the population younger. Kershaw replied yes, that the population would be younger.

A committee member agreed with previous point. They said that aging and racial diversity of population of the seven-county area is growing quickly percentage and numbers-wise. The committee member requested that information be brought back to the committee. They noted that the numbers they recalled was that the percentage of people over 65 will double over 30 years in the metro area. They said that this aging trend is expected to occur in the metro area as well, and also that the percentage of people of color will double in the next 30 years. The member requested that information be brought back because they are important markers about who the customers are.

A committee member commented that in regard to a previous point, natural increase versus migration models show that the population increase is from roughly 2/3 natural and 1/3 migration and that most of that migration is not from other places in the U.S, but is from international migration. This information is available at the Met Council.

A committee member dovetailed on the point that migration is overwhelmingly foreign-born and that has implication for the transit system because the background and expectations of those moving here may be different. They also pointed out that transit is also the principal source of travel for younger people. The committee member continued that in regard to the reference to the general fund, although the general fund is not primarily funding transportation currently, there is nothing to say that it could not be in the future. The member thought it was interesting to consider how a good transportation system might contribute to better health outcomes than the dollars spent on the health and human services.

A committee member made a pitch for more place-based mapping - something the Met Council has done. She was also curious if there has been any demonstration of the aging trend regarding where older adults will live and how that overlays with the future of the transit in the metro. She explained that it goes to questions of funding and who the system will be serving.

Kershaw continued his presentation showing that statewide, Minnesota would shrink if it were dependent upon just natural growth and migration from other states. Immigration is what allows labor force to grow at

all. In addition, he mentioned that Hennepin County has done modeling on aging on a community-to-community basis and that staff can try to get that information to the committee.

A committee member asked that as the committee thinks about the aging population to remember that people of color, according to the state demographer, are aging and retiring with disability at high rates. She added that this is true in the African-Americans and that it is concerning. She commented that she did not know about barriers to Metro Mobility and wondered if there might be a connection.

Kershaw responded that it would be great to find that data, and that he is sure there's a connection. He argued that the disability factor will be as much of a change as aging. Kershaw said that there will be a mix of "Tom Swains" who are still driving at age 90, as well as people who are 65+ who need assistance.

A committee member asked a question regarding slides where people over 65 shot up and wondered what the average age of the transit rider is and does that number go up in the projection? Another committee member responded that the committee could get that information from rider surveys but that they did not remember that specific information.

A committee member stated that in terms of disability, that while it may be possible to project statistics regarding aging and race in a given year, disability needs to be a variable that may require flexibility and adjustment. While some individuals are born with pre-existing conditions, many other individuals develop disabilities or pre-existing conditions which accelerate during a lifetime. Disabilities may change or happen to anyone in a minute without warning. That said, they are more likely to happen to those with pre-existing conditions where that condition would require them to use mass transit versus Metro Mobility.

Chair Bell commented that he was going to switch to a transportation presentation. He commented on questions asked and that staff have taken notes on the various requests for additional information. One example is who the riders are demographically and where are they coming from and where are they going. A committee member asked if Chair Bell was referring to Metro Transit riders or metropolitan transit riders. Chair Bell replied metropolitan transit riders.

### **Met Council Transportation Policy Plan**

Chair Bell introduced and welcomed David Van Hattum, Advocacy Director, Transit for Livable Communities (TLC). Chair Bell mentioned that he has worked with Van Hattum and his organization, Transit for Livable Communities (TLC). TLC is a known advocacy group on transit. Chair Bell noted that staff was unable to get someone from Met Council, but that Dave agreed to provide information on the Transit Policy Plan (TPP).

A committee member asked why the Met Council was not present. The Met Council has a lot of people who would be ideal to provide answers to the committee's questions. They asked if the Met Council was refusing to participate. They didn't understand why the committee would be getting this message from an advocacy group as opposed to the entity that the committee is interested in hearing from.

Chair Bell replied that the Met Council is, in fact, refusing to participate.

Mr. Van Hattum began his presentation [*see Attachment B*], explaining that the slides in blue are direct from Met Council. When speaking to the blue slide, he would not editorialize as an advocate. He recognized many around the table, and wanted to confirm that he has been an advocate for TLC, Transportation Forward, the business community, CTIB, and many others.

Mr. Van Hattum described the policy plan as an attempt at planning on orderly growth. He explained that transportation is one of four Met Council system plans (water, parks, open space, and transit).

Mr. Van Hattum's slide 5 mentioned the *ThriveMSP 2040* TPP. The 30-year plan looks at all modes. The plan is inclusive of all Metro transit, CTIB, and suburban transit providers. Mr. Van Hattum noted that with suburban transit providers and CTIB, everything they do has to be a part of the TPP. Mr. Van Hattum outlined the desired outcomes: stewardship, prosperity, equity, feasibility, and sustainability. Mr. Van

Hattum pointed out that this TPP is the first time equity and climate change are called out, which will have ramifications on how we think about transportation. As part of the TPP, Mr. Van Hattum mentioned performance measures which he thought were worth noting as they related to the different *ThriveMSP* outcomes.

Mr. Van Hattum continued that another piece that is important to the TPP is the direction about how to collaborate with local government. The TPP says that transit will drive and shape future regional development, which implies local government collaboration.

A committee member asked whether or how Uber and other ride sharing is included in this list of modes.

Mr. Van Hattum replied that it was a good question and that while these are mentioned in the TPP, they are a new innovations that the Council is not providing publicly, so they are not listed among the modes. Mr. Van Hattum commented that he knows the TPP makes some reference to these and makes some attempt to look at context of the changing environment. He added that the TPP is always looking at new things. For example, the Council has a study underway to look at “the last mile” which, for those who use transit, sometimes that last mile is the hardest and critical. Uber and other ride sharing could help fill this need. [NOTE: “Last mile” does not necessarily mean an actual mile, but rather the distance one has to travel from their location to the nearest transit stop.]

Mr. Van Hattum’s slide 7 showed existing transitways. He noted the difference in defining transitways. The CTIB definition does not include arterial bus rapid transit, but the TPP plan does include arterial bus rapid transit as a transitway. Mr. Van Hattum explained that the region has a designed system, and that there has been a lot of activity for a number of years including the studying of transit routes. He mentioned that when Chair Duininck speaks to the map on slide 8, he mentions 17 new transitways, three of which are light rail: the green line extension, the blue line extension, and a third.

Mr. Van Hattum noted that with increased revenue, the plan will look at significant expansion to the bus system in ten years. The plan put together by Metro Transit is called the Service Improvement Plan. The plan identified 122 projects that are either high or medium score. The plan mentions increasing coverage, going places that buses do not go to today. It will also look at frequency of service. The plan also outlines where bus expansions would happen: 50 routes in the urban core, 33 commuter express routes, 27 suburban local routes, and 14 urban support routes. This area of the plan has not been prioritized to the degree that the transitways have been.

A committee member commented that he was not familiar with the last category of urban support.

Mr. Van Hattum replied that he was not familiar with that category. He recommended bringing in someone at Metro Transit who does the transit planning 101 presentation.

A committee member commented that they did not understand if what was being presented was growth percentage or existing percentage.

Mr. Van Hattum responded that this is a plan to grow by 30 percent, noting that everything in blue was existing bus service and everything in green would be an expansion [slide 9]. The big takeaway, according to Van Hattum, was that unless revenue is increased none of the significant planned expansions will happen, which is what we have seen in the last decade. The quarter cent tax that CTIB created has gone to transitways and light rail, but not the core bus system expansion. It has not happened in the past ten years, and it likely will not happen without increased revenue.

A committee member asked a follow-up for a demographic breakdown of the growth percentage.

Mr. Van Hattum asked whether the member wanted to know who these routes would serve. The committee member replied yes. Mr. Van Hattum said he didn’t know.

A committee member commented that it looked as if the plan is using the term suburban transit provider as a substitute for opt-outs in the dark grey area [slide 9]. The member did not think the lines drawn on this map would support the term “suburban” as most people would think of it. She added that all of the white area in the suburbs is also a Metro Transit service area. Only that dark grey area is the opt-out area. The committee member commented that we should be careful about using suburbs when talking about opt-out areas. Mr. Van Hattum replied that this was a really good point. He explained that the grey area on the map is Minnesota Valley Transit, Plymouth, SouthWest Transit, and Maple Grove. These are sometimes called the opt-outs.

Understanding that Mr. Van Hattum is presenting the plan instead of someone at the Met Council, they wanted to clarification on the 30 percent growth. What is the 30 percent referring to?

Mr. Van Hattum replied that in this example the 30 percent increase refers to service, but he was not sure exactly how they define service. However, it is not ridership.

A committee member commented on the term “suburban transit provider”, and that Mr. Van Hattum is correct that it is the 13 opt-out cities. When Metro Transit did this they wanted to make sure that nobody thought that Metro Transit was doing any local route planning work in those 13 cities, so it wanted to show on this map that it is up to those 13 cities to decide what their service improvement plan ought to be. They were respecting those cities’ right to determine those plans.

Chair Bell asked about questions he receives often. When the system is fully built out? What is the projected impact on congestion?

Mr. Van Hattum replied that he does not believe the TPP talks about impact on congestion. It mentioned as an important variable but he didn’t believe it spoke to the specific impact on congestion. He mentioned a project by the Itasca group. It looked at the impact of transitways, not the whole plan, but the transitways portion, and found three dollars of direct economic benefit for every dollar invested. The key piece there is to look at what those three dollars are, and what you find is that the majority of the three dollars is reduced delay on drivers. Because the state mostly has drivers in the region, when we reduce delay on the system, the biggest beneficiaries are the drivers. Mr. Van Hattum mentioned that this report by the Itasca Project group was viewed as credible because it was peer reviewed, done by the business community not the advocacy community.

A committee member commented that the Itasca Project is civic group. It is not a business group. Mr. Van Hattum replied that the point was fair, but that the main point is that the Itasca Project hired an independent consultant to conduct the report.

Chair Bell asked whether the plan speaks to the percentage of assumed transit use in population and will this plan increase it.

Mr. Van Hattum responded yes. He said they expect aggregate ridership to go up. He believes the percentage will go up as well, but not as dramatically as one would see it go up in aggregate ridership. Mr. Van Hattum will try to find how much the share of trips in the region by transit goes up.

A committee member commented that the congestion impact is complicated. When space is created on the roads, drivers fill it. The committee member suggested another measure which would be helpful: connectivity to jobs. The University of Minnesota has looked at what the transit improvements would do to people’s access to jobs in the metropolitan area. It’s very impressive, and it’s another measure of how we want this system to work.

Mr. Van Hattum continued by zeroing in on the arterial bus rapid transit system routes on slide 10. He noted that it was important to recognize that in this part of the investment plan how the lines overlap with poverty concentrated areas. Mr. Van Hattum touched on projected ridership. He reported that there were 100 million rides last year reflecting a 30 percent increase in the last 10 years. He added that 27 percent



of that ridership is on the two light rail transit lines. The TPP transit build out, assuming the increased revenue, will have 500,000 more people within a 30 minute transit commute from work and nearly doubling ride projected in 2040. He clarified that the number is based on land use, demographics, and a number of factors, but that there was a pretty good sense of the impact on ridership.

Mr. Van Hattum explained that current revenue scenario. He reminded the committee that the plan is a 30-year scenario. Many lines on a previous map are not on this projection. It is difficult to look to future under any financial scenario when there are a number of variables including how many counties will be in CTIB, since Dakota County is exiting. Other variables include the state's share and federal dollars. The plan assumes business as usual with current revenue. For this reason, there is little growth in service.

A committee member commented regarding congestion impacts. They mentioned the concept of a latent demand. People change behavior due to congestion. People may drive on other roads to avoid congestion, but if a line is added, a temporary reduction may be experienced, but it will eventually get filled. In Minnesota, we are more or less done building lanes, certainly within the urban core. There are some MNPass projects if there is new revenue, and possibly some transit building, but he did not see building additional lanes because there is no money and because they do not ultimately help the system. MnDOT sees a robust transit system a part of their plan.

A committee member commented that if one were to think of traffic congestion as a network design problem, the best example he thought was the Southwest Light Rail line in Denver. It runs along highway I-25, a major corridor in Denver. If you have both you can reach an equilibrium. To the extent that there is a time advantage for light rail, you may see people use light rail more. Even if you do not see a reduction in congestion on that highway, you are moving twice as many people. Once you start costing out what it is going to take to replace that light rail capacity with new lanes on roads, you begin to see that it is more economical to invest in light rail.

A committee member mentioned that while the TPP may not talk about the impact of transit on congestion, it is clear just from the short discussion that there is one. It is important to have some discussion on that, as well as the previous comment on connectivity to jobs.

A committee member commented that the Southwest Light Rail funding model was not the optimal solution and it will put pressure on Met Council operations. CTIB can handle its 30 percent share but it does not do arterial bus transit per the legislation. He thought the revenue prediction on the slide was a little misleading.

Mr. Van Hattum responded that it is important to remember it is a 30-year scenario, so the understanding is that the quarter cent over 30 years allows for some growth, but if there is not a match from the state, it radically changes the bottom line.

Chair Bell commented that as he understands it, the situation that allowed Southwest Light Rail to move forward was taken from transit operations. So now, the question is how transit operations will be handled legislatively moving forward. This reflects one of the main questions that this group should be asking and wrestling with. First, is that what happened? And what are the implications?

A committee member replied that Chair Bell was exactly right. If we do not get the 10 percent of the state's share, which was the assumption all along, to get a meager 6.5 percent will come out of the operations will be a \$45 million.

Vice-chair Lenczewski commented that where she lives has one of the busiest transit station the system: the Mall of America. Her community is experiencing what others have mentioned. The idea that congestion is measurable and that we can and should build these things to see a reduction in congestion was a false paradigm according to her. Her community wants all these things built, but they do not expect a decrease in congestion. The better measure is what the congestion would be without transit. She hesitated to consider transit a failure if congestion does not go down.

A committee member commented that it was not really accurate the only funding gap was with Southwest Light Rail. How do you fund everything? Bus service, light rail lines, how do you move everything forward?

Mr. Van Hattum continued to slide 13 to share the Governor's funding plan – the ½ cent sales tax in metro. He then mentioned the Senate proposal, which was passed in 2015, that calls for a ¾ cent increase in metro sales tax but it had provisions that could eat up some of the revenue. He mentioned the 1/10 cent to bikes and pedestrian and the 1/8 cent to be used at the county discretion on transportation.

Mr. Van Hattum continued to his challenges and opportunities slide [slide 19]. He mentioned that when looking at a 30-year plan for the seven-county region, there will be tensions in competing priorities. For example, the plan he said explicitly says it will look at regional balance when considering projects. It also says that equity will be increasingly considered—both income and racial equity—as a part of criteria for prioritizing funding. In addition, land use is an area with challenges. The plan speaks to bikes and pedestrian but it is vague on how the plan will fund them. In the Governor's ½ cent proposal in 2015, it mentioned \$7.5 million of the half cent would go to bike paths which is something to watch. Street cars are referenced briefly in the plan because there was interest in the Saint Paul and Minneapolis for feasibility studies. Minneapolis has raised \$60 million and hope to leverage other funding for street cars. It's not clear where the operating dollars would come from.

Mr. Van Hattum finished by commenting that only about 15 percent of jobs have convenient transit access. He mentioned that his organization did a study five years ago that looked at this.

Mr. Van Hattum concluded by saying that it is important to think about the global economy going forward. Millennials are looking to live in transit-heavy places. Consistently, around the world there are highly developed rail systems. He thanked the committee. [*See Addendum A and B for follow-up material by Mr. Van Hattum.*]

Chair Bell thanked Mr. Van Hattum for his presentation.

A committee member thanked Mr. Van Hattum for stepping in and commented that it was unfortunate that the Met Council decided not to participate because they could have been a great stakeholder. Reflecting on the committee's charge to look at current funding, there is a validity to challenge the assumption that the TPP makes in regard to funding. Southwest Light Rail didn't get the 10 percent state share. Further, Dakota County is deciding to leave CTIB. So there are major challenges to current funding and one could say these assumptions are out of date.

A committee member commented on a previous slide showing current revenue scenarios and mentioned that some of the information is mislabeled. Could this mislabeling be a problem statement to look at? Given the challenges that may affect the current list of projects that may or may not get done, what might be the problems associated with that and how does the group help to address it. While the committee may not agree on everything that is listed, it might be able to come to agreement that expanding the transit system to meet the population needs and the travel behavior is necessary.

A committee member commented that they take issue with the Met Council not being present. It puts us at a disadvantage because their questions can only be answered by the Council. The committee member wanted more context about why the Council is choosing not to participate. She felt they are a government body and in their opinion it should not be an option for them to not participate. She did not feel today's presentation on the TPP was an appropriate substitute, though the committee member appreciated the presentation by Mr. Van Hattum.

Chair Bell replied that he did not feel comfortable speculating why the Met Council is choosing not to get involved, but that he and staff would continue to reach out to them.

A committee member mentioned that equity is coming up a lot. He hoped that equity discussion would also consider the taxpayer's point of view as well. The member mentioned sales tax is a regressive tax and that the middle class will be hit by it. He hoped the group would like at equity not just from a rider perspective but also from a funding source as well. In regard to the biking and pedestrian issues, the committee member lives in the Three Rivers Park district with many trails. Most seem to be for recreation. He asked about what the right balance for recreation and biking for work and school is.

A committee member responded that everyone is a taxpayer– even those who fall within the equity spectrum and that we should keep that in mind because we all pay taxes in one way or another.

Another committee member mentioned that both the opt-outs as well as the Met Council or Metro Transit have criteria as it relates to ridership to justify routes, and that they analyze these routes on a regular basis. As things change, their recommendations can change. It might be helpful if we had a little understanding how that evaluation occurs. They do make data-driven decisions. The member added that if we are going to be a viable and strong region, we have to be attractive for others in the country to want to come into this region. If we are going to have international presence, it is critically important to keep in mind what it is going to take to be competitive region in an international economy. Doing nothing does not get us there.

Chair Bell thanked Mr. Van Hattum again for the presentation. He mentioned that Mary Richardson would be at the next meeting to present on CTIB. Her presentation would meet the first objective to understand the current system for capital and operating funding. He hoped to move into some scenario planning.

Vice-chair Lenczewski reminded those present that meetings are evaluated on a scale of 1-5, 1 being not productive at all, 5 being met or exceeded objectives. Members evaluated the meeting as follows: 4, 4.5, 2, 3, 4, 4.5, 4, 3, 4, 3, 4.5, 3.5, 4, 3.5, 4, 3, 4, 4, and 4 for an average of 3.7.

Chair Bell adjourned the meeting at 9:37 a.m.