



Civic Caucus
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To the Governor, Lieutenant Governor, and members of the Minnesota Legislature:

We in the Civic Caucus believe straight talk on transportation is most needed as the 2005 Legislature approaches. Reliance on facts, not emotion.

Traffic congestion in the Twin Cities is almost certain to be one of the Legislature's most pressing issues. A recent report of the Itasca Project vividly points out the looming crisis and significantly higher expenditure levels that we are facing. More recently the Minnesota Chamber of Commerceissued its report proposing significant user fees.

The Civic Caucus welcomes these important contributions from the two organizations. They both build on the key recommendations contained in a 19 page report issued by the Civic Caucus last year. The Civic Caucus is a non-profit voluntary association of individuals in the Twin Cities metropolitan area. James L. Hetland, Jr., first chair of the Metropolitan Council, and Clarence Shallbetter, who served on the transportation staff of the Council, are members of the Civic Caucus. The Caucus includes some former past presidents and former staffers of the Citizens League. A summary of the Civic Caucus report is attached. Complete copies of the report may be obtained

from Veme C. Johnson, Civic Caucus Chair, at vemecj@yahoo.com.

We concur with many points made by the Itasca Group and the Chamber of Commerce, but our report makes additional important recommendations we feel need to be considered.

The Civic Caucus' report had five critical findings:

- 1. Congestion should be the primary focus of all transportation improvements, because it iscongestion that poses the threat to the economic future of our area.
- 2. Funding must be increased substantially. The present level of funding is totally inadequate toreduce-let alone maintain-current congestion levels.
- 3. User taxes should be the primary source of additional revenue. We recommend an eight-cents-agallon increase in the state gas tax, a four-cents-a-gallon increase in the federal gas tax, an increase in state vehicle license fees, special peak hour user fees for single-occupant vehicles on super lanes, and benefit charges on the increase in land value brought about by transportation improvements. The

Chamber also recommends increases in the gas tax andother sources.

- 4. Reducing congestion for suburb-to-suburb and central city-to-suburb rush hour trips-which account for six times as many rush hour trips as suburb-to-downtown-requires (1) shuttle services between park and ride ramps and large employment concentrations and (2) car andvan pool matching for employees.
- 5. Leadership by employers is essential. They can provide staggered work hours, carpool matching services, and shuttles from park and ride lots, as well as provide employee subsidies to lower transit fares and entice more employees out of single occupancy vehicles. Some employer expense might be offset by tax credits or deductions.

We strongly urge that other major civic organizations understand this vital issue and reach recommendations. Only through broad leadership will the needed resources be assured. Congestion is the most critical transportation issue facing the state, especially in the growing metropolitan area that now includes all or parts of 15 counties. Minnesota can't afford to allocate transportation dollars for activities that will not have a significant impact on reducing congestion. If it can't ease congestion, it shouldn't be funded.

Some interests might seek a new freeway lane, an interchange for land development, a busway, or LRT line. Fine, but all must pass the congestion test. If a transportation improvement is proposed for other reasons, such as influencing the location of future housing and businesses, then let theimprovement be paid as a development expense, not a transportation expense.

The Itasca and Chamber reports seem to assume separate tax sources or appropriations for highways and transit, while others advocate a separate dedicated transit fund. But transit and highways are part of the same system. They aren't mutually exclusive. Transit is riding, not driving, in any type of vehicle on any type of right-of-way, with any type of driver, paid or not paid. It includes carpools, vanpools and shuttles from park and ride lots.

LRT is one of many options. LRT, however, needs to be justified by its ability to entice single-occupant cars off the road, thereby reducing congestion.

In a time of extreme financial difficulty, with exceedingly limited funds for all government functions, this state cannot afford the luxury of separating funding for transit and highways as if they were different public services unrelated to one another. Funding should be based on a project's ability to reduce congestion, not whether the project is deemed to be a highway or transit project.

Our report to the Legislature addresses congestion as the No. 1 priority. We advocate specific user-funded tax increases and the capture of part of the land value benefits resulting from access to highways and transit stations. The Governor should be charged with deciding how to apportion the funds among competing transportation-related proposals, including transit and highways. General sales and income taxes should not be used. Revenue from the general fund, including_sales taxes on motor vehicles, should not be used for transportation except to provide transportation services to those unable to drive.

Veme C. Johnson, Chair, Civic Caucus