

Committee Report

Transportation Committee



Committee Meeting Date: September 26, 2022

For the Metropolitan Council: October 12, 2022

Business Item: 2022-262

2023 Operating Grant Applications to the Funding Transitway Counties

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to apply for calendar 2023 grants from the counties of Anoka, Hennepin, Dakota and Ramsey.

Operating (Base and Non-Annual Share)

METRO Blue Line LRT Est. \$14.9M

- Hennepin County - Est. \$14.9M

METRO Green Line LRT Est. \$15.6M

- Hennepin County – Est. \$9.3M
- Ramsey County – Est. \$6.3M

Northstar Commuter Rail Est. \$6.1M

- Anoka County – Est. \$4.9M
- Hennepin County – Est. \$1.2M

METRO Orange Line BRT Est. \$2.7M

- Hennepin County – Est. \$2.3M
- Dakota County – Est. \$0.4M

Summary of Transportation Committee Discussion/Questions

Metro Transit Finance Director Ed Petrie presented this item. Sterner asked why the Red Line wasn't included or if that was a different grant. Petrie responded that the Red Line is included within the Metro Transit bus operations.

Motion by Sterner, seconded by Zeran. Motion carried, Consent to Council.

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2023 Operating Grant Applications to the Funding Transitway Counties

District(s), Member(s): All
Policy/Legal Reference: Metropolitan Council 3-2-2
Staff Prepared/Presented: Wes Kooistra, General Manager, 612-349-7510
Edwin D. Petrie, Director Finance, 612-349-7624
Division/Department: Metro Transit

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Background

CTIB was created in 2008 by enabling state legislation and the concurrence of five counties in the region (Anoka, Dakota, Hennepin, Ramsey, and Washington). Its purpose was to provide a dedicated source for capital and operating funds for transitway projects serving the five participating counties. CTIB first awarded grants in 2009.

Under CTIB Resolution #35-2017, the CTIB counties voluntarily dissolved CTIB and terminated the Joint Powers Agreement establishing CTIB so each participating county may impose a transportation sales tax and an excise tax of \$20.00 per motor vehicle for transportation purposes pursuant to Minnesota Statutes section 297A.993.

Subsequent to the CTIB dissolution, the counties of Anoka, Dakota, Hennepin, Ramsey and Washington adopted resolutions to impose up to a one-half percent sales and use tax and a \$20.00 per motor vehicle excise tax for transportation purposes pursuant to Minnesota Statutes section 297A.993.

Council Policy FM 15-1 requires Council approval on income agreements exceeding \$500,000.

Rationale

County grant funds will contribute to the proposed 2023 operating budgets for Light Rail, Commuter Rail and BRT operations. The State appropriation is set at 50% of the net operating cost for rail with the assumption that County funds will be used to pay the remaining up to the 50% of the net operating cost. County funds will also be used to pay 41.95% of the net operating cost of Northstar commuter rail operations. County funds will also be used to pay 50% of the net operating cost of Orange Line BRT operations.

Thrive Lens Analysis

Prosperity

- This business item adds operating funding and reflects strategic investment in regional infrastructure that will promote economic competitiveness and create prosperity for the region.

Funding

The funding and commitment requests listed above total an estimated \$39.3M requested for operating grants for METRO Green Line, METRO Blue Line, METRO Orange Line and Northstar Commuter Rail. The listed grant amounts are estimates and will be finalized prior to the application deadlines.

Small Business Inclusion

These are income subsidy agreements for Light Rail and Commuter Rail Operations.

