

# TRAVEL DEMAND MANAGEMENT INVESTMENT PLAN



A prosperous, equitable, and resilient region with abundant opportunities for all to live, work, play, and thrive." The statement builds off of the regional values and goals set by the Met Council to guide our policy work.

## Regional core values

Equity | Leadership | Accountability | Stewardship

## Regional goals

### **Our region is equitable and inclusive**

Racial inequities and injustices experienced by historically marginalized communities have been eliminated; and all residents and newcomers feel welcome, included, and empowered.

### **Our communities are healthy and safe**

All our region's residents live healthy, productive, and rewarding lives with a sense of dignity and wellbeing.

### **Our region is dynamic and resilient**

Our region meets the opportunities and challenges faced by our communities and economy including issues of choice, access, and affordability.

### **We lead on addressing climate change**

We have mitigated greenhouse gas emissions and have adapted to ensure our communities and systems are resilient to climate impacts.

### **We protect and restore natural systems**

We protect, integrate, and restore natural systems to protect habitat and ensure a high quality of life for the people of our region.



## Table of Contents

Introduction.....	4
Travel Demand Management provides regional value.....	5
Travel Demand Management relationship to plan goals.....	6
Travel Demand Management and community context.....	9
Travel Demand Management Existing Conditions.....	10
Roles.....	10
Travel demand management activities.....	14
Existing funding sources.....	17
Travel Demand Management Investment Plan.....	19
Establish a structure for the regional travel demand management program.....	19
Administer employer-based trip mode shift incentives.....	20
Administer land development-based mode shift initiatives.....	21
Administer travel pricing and incentive strategies to make sustainable transportation options affordable and cost competitive.....	22
Implement strategies that improve the customer experience while using sustainable transportation options and enhancing traveler’s sense of place.....	24
Utilize travel demand management strategies to reduce capital highway expansion needs.....	25
Travel demand management expansion funding opportunities and approach.....	26



## Introduction

The ways people and goods travel are based on three primary factors, the supply of transportation infrastructure and services, the location of origins and destinations based on land use, and travel demand. These are influenced by personal factors like costs, travel time and reliability, comfort and safety, awareness, and the goods, people, or other cargo that are traveling, and also by the culture that drives values in a region. The other 2050 Transportation Policy Plan investment chapters focus on the supply of transportation infrastructure and services, with investment plans for things like highway lanes, transit routes, bicycle paths, and freight routes. The Imagine 2050 includes land use policies and actions that focus on the location and intensity of development patterns, including their relationship to regional systems like transportation. The remaining factor, travel demand, is the focus of this chapter.

Figure 1. Placeholder figure showing the three factors and their influence over how people and goods travel (to be updated).

## What Influences Travel Decisions?

### Travel Supply

- The *available* infrastructure that supports travel and the capacity of that infrastructure:
  - Roads (number of lanes)
  - Transit (routes/frequency)
  - Bike and pedestrian infrastructure (lanes, trails, sidewalks)
  - Parking (including park and ride lots)
  - Vehicle availability (personal or shared vehicles)

### Land Use

- How far apart are destinations?
  - Where people live
  - Where people work/attend school
  - Where people socialize
  - Where people shop

### Travel Demand

- The *considerations* that impact how travelers might choose to use the infrastructure available:
  - Financial costs (gas, parking)
  - Travel time costs (real or perceived)
  - Time of day
  - Comfort/ease of use
  - Knowledge and information about supply (awareness about options)
  - Passenger and cargo needs



Travel demand reflects all the circumstantial factors that influence how and when travel occurs, such as financial cost, travel time cost, comfort, knowledge of options, and passenger and cargo needs that influence how and when travel occurs. While these factors can be influenced by investment in transportation infrastructure or services, they can also be heavily influenced by travel demand management investments. A foundational principle of travel demand management is that people driving alone in personal vehicles is the most inefficient transportation option for achieving the region's goals and objectives, and travel options that are more efficient should be encouraged.

**Travel demand management is a set of strategies that support the most sustainable and efficient use of the transportation system by making personal travel options more flexible, clear, or convenient.**

- Sustainable and efficient: in terms of costs, time, effort, and energy
- Flexible: there are multiple options so that travelers can choose what they need for that type of trip at that specific time
- Clear: information about how to use options is easy to understand
- Convenient: options are easy to access.
- Safe: options are comfortable, welcoming, and safe for all.

What makes travel demand management unique in the 2050 Transportation Policy Plan is that travel demand management investments can rise above all modes of travel and are not infrastructure investments, but rather operations or planning investments that support the efficient use of infrastructure. Table 1 includes example strategies linked to which travel demand factor they can influence. There may be cases where personal preference is also a deciding factor in travel demand, including cultural influences. Travel demand management strategies will have a more difficult time influencing these personal preference behaviors, but cultural influences can shift over time.

**Table 1. Examples of how travel demand management strategies can influence travel demand factor**

<b>Factor</b>	<b>Elements</b>	<b>Strategy examples</b>
<b>Financial cost</b>	Gas, parking, transit pass	<ul style="list-style-type: none"> <li>• Reduced fare transit passes</li> <li>• Parking cash-out programs</li> <li>• Financial incentives</li> </ul>
<b>Travel time cost</b>	Actual travel time, perceived delays, or uncertainty	<ul style="list-style-type: none"> <li>• Travel time information and real-time updates</li> <li>• Trip planning tools</li> <li>• Congestion data and maps</li> <li>• Construction impacts and detours</li> </ul>
<b>Comfort</b>	Safety, ease of understanding, welcoming	<ul style="list-style-type: none"> <li>• Travel option guides, how-to brochures</li> <li>• Travel and safety training</li> <li>• Wayfinding</li> <li>• Sense of place</li> </ul>
<b>Knowledge of options</b>	Awareness of travel options, knowledge of how to find options and plan trips	<ul style="list-style-type: none"> <li>• Targeted employer outreach</li> <li>• Unified brand and supporting communications materials, website</li> </ul>
<b>Passenger and cargo needs</b>	Traveling with people and kids, need to transport goods	<ul style="list-style-type: none"> <li>• Home delivery services</li> <li>• Carpool incentives</li> </ul>

**Travel Demand Management provides regional value**

Travel demand management is an important contributor to achieving regional goals and objectives. Providing people with affordable, attractive, comfortable, and safe travel options is what keeps the region dynamic and resilient and is a major piece of creating equity and reducing our contributions to climate change. The COVID-19 pandemic and the unanticipated widespread implementation of remote work by employers illustrated how travel demand management can reduce travel demand and impact the performance of the transportation system. A MnDOT research project<sup>1</sup> demonstrated that because highway congestion only occurs for short periods of the day on most of the system, a small reduction in travel demand can nearly eliminate highway congestion in the region. Figure 2 shows that a five percent reduction in regional vehicle miles traveled during the afternoon peak is associated with an estimated 40% reduction in regional congestion. Similarly, a 15% reduction in regional vehicle miles traveled is associated with an estimated 84% reduction in regional congestion. Reducing an overcrowded transportation system can be done by shifting the demand of a congested period to another time (either moving earlier or later), shifting the travel to a higher capacity or non-driving mode

<sup>1</sup> [The Tipping Point: What COVID Travel Reductions Tell Us About Effective Congestion Relief, April 2022](#)

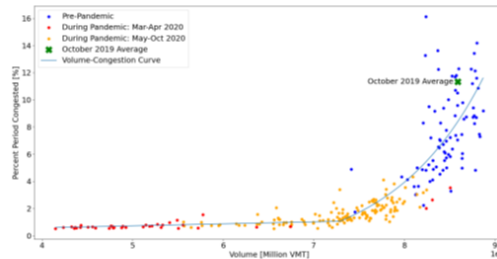
(for example, carpooling, transit, biking, or walking), or eliminating the trip altogether (for example, telework).

Figure 2. Placeholder figure on Tipping Point research (to be updated)

## Findings: Research and Studies

*The Tipping Point: What COVID-19 Travel Reduction Tells Us About Effective Congestion Relief*

- MnDOT-sponsored research
- Compared to the pre-pandemic levels:
  - 5% VMT reduction: 40% congestion reduction.
  - 10% VMT reduction: 66% congestion reduction.
  - 20% VMT reduction: effectively eliminating congestion.



For many people, teleworking was an involuntary travel demand management strategy for vehicle miles traveled reduction during the pandemic, demonstrating that the potential of travel demand management to affect the regional system is substantial, but it has to proactively support people’s needs rather than be imposed on people. The reduction in vehicle travel has many potential benefits beyond congestion reduction including:

- Reduced system maintenance from vehicle wear,
- Reduced pollution from exhaust and vehicle parts that impacts public health,
- Potential for decreased serious injuries and deaths resulting from auto crashes,
- Reduced emissions that contribute to global change climate, and
- Reduced societal transportation costs by reducing the need for auto ownership.

The outcomes of travel demand management are also related to the reduced need to expand infrastructure to meet demand that only exceeds capacity for short periods of the day. This reduced need for infrastructure saves public money, saves environmental resources, and reduces impacts on neighborhoods that might be affected by construction projects.

### Travel Demand Management relationship to plan goals

Travel, the movement of people and goods throughout the region, is an essential part of the region’s economy and quality of life. However, too much travel demand for the same space at the same time can create pressure on the transportation system that reduces its effectiveness and performance. Travel demand that encourages driving can also create externalities that the region does not want, like pollution, noise, greenhouse gas emissions, and injuries and deaths. This plan has policies and actions to expand transportation system choices and lessen those harmful impacts to allow for growing travel demand, but those policies and actions alone will not achieve the region’s goals and objectives. Travel demand management is another set of policies, actions, and investments that help the region move to achieve its goals and objectives by shifting how and when people travel while still helping them meet all of their daily needs.

The Metropolitan Council led a Regional Travel Demand Management Study in 2022-2023 that identified four goals and 15 objectives for travel demand management that can guide how the program contributes to regional goals and objectives, shown in Table 2.

Table 2. Regional Travel Demand Management Study goals and objectives (2023)

Regional TDM Study Goals	Regional TDM Study Objectives
<p><b>Goal 1:</b> Vehicle miles traveled and single-occupant vehicle trips are reduced because travelers view alternatives to single-occupant vehicle travel as attractive, reliable, safe, and easy to use.</p>	<ul style="list-style-type: none"> <li>• Alternatives to single-occupant vehicle travel feel inviting and safe for all users.</li> <li>• Trip planning information (including ridesharing/microtransit/paratransit, transfers) is highly visible, easy to access and understand.</li> <li>• Alternatives to single-occupant vehicle travel are coordinated, connected, and easy to navigate.</li> <li>• Alternatives to single-occupant vehicle travel are cost competitive.</li> </ul>
<p><b>Goal 2:</b> Regional and local transportation and land use policies and programs encourage demand for alternatives to single-occupant vehicle travel.</p>	<ul style="list-style-type: none"> <li>• Travel demand management is effectively integrated in transportation and land development planning processes at the early stages.</li> <li>• Government plans, policies, and investments prioritize development that is connected to high-quality bicycle, pedestrian, transit networks.</li> <li>• The private sector (employers and developers) is incentivized and equipped to improve the availability, attractiveness, and quality of alternatives to single-occupant vehicle travel.</li> <li>• Partners, including law enforcement agencies, are involved in campaigns to help travelers feel safe and comfortable using alternatives to single-occupant vehicle travel.</li> </ul>
<p><b>Goal 3:</b> Travel demand management programs, policies, and incentives are equitably focused and delivered.</p>	<ul style="list-style-type: none"> <li>• Travel demand management programs and policies address needs of historically under-represented populations and vulnerable populations in an equitable manner.</li> <li>• Travel demand management programs include outreach to underserved communities to understand and address needs.</li> <li>• In addition to addressing the traditional peak-hour commute trip, Travel demand management programs and policies are broadened to include off-peak and non-commute trips (essential trips).</li> </ul>
<p><b>Goal 4:</b> Travel demand management programs and services are coordinated and delivered consistently throughout the region and by all travel demand management service providers and partners.</p>	<ul style="list-style-type: none"> <li>• Travel demand management service providers and partners create consistent communications and expectations for travel demand management service users.</li> <li>• Travel demand management services are streamlined and consistently delivered regionally, but customized locally for different contexts (e.g., rural, suburban, and urban).</li> <li>• Travel demand management programs and service performance are evaluated for effectiveness in meeting travel demand management goals and regularly monitored during implementation.</li> <li>• Travel demand management program funding is effectively leveraged to reduce the need for investments in additional roadway capacity.</li> </ul>

The relationship between the travel demand management goals and objectives and the 2050 Transportation Policy Plan goals and objectives is shown in figure 3.

Figure 3 – Placeholder figure showing how the travel demand management goals and objectives relate to the 2050 TPP goals and objectives

- Our region is equitable and inclusive – TDM Goal 3
- Our communities are healthy and safe – TDM Goal 1, 2
- Our regional is dynamic and resilient – TDM Goal 1, 2, and 4
- We lead on addressing climate change – TDM Goal 1 and 2
- We protect and restore natural systems – TDM Goal 1 and 2

The following is a brief description of how planning for travel demand management supports the region's five goals.

**Goal: Our region is equitable and inclusive**

Travel demand management can be used as a tool to make travel options more affordable and accessible, and those efforts can be focused on certain populations. The Regional Travel Demand Management Study has a goal specific to equity to acknowledge this important opportunity to use travel demand management to balance out or at least not perpetuate inequities in transportation access and affordability. Equity must be centered in the frameworks that guide decision making for travel demand management policies and investments.

**Goal: Our communities are healthy and safe**

Safety and comfort are key factors in travel demand management because it is essential to travel but also an important barrier, both real and perceived, to some travel options that travel demand management is trying to encourage. Travel demand management can be an approach to addressing safety concerns through programs like traveler training, which hopes to build the confidence of travelers to use new means of travel. Travel demand management is also fundamental to changing physical and mental health outcomes by reducing travel that contributes negatively and increasing travel that contributes positively.

**Goal: Our region is dynamic and resilient**

Travel demand management is an investment focused on travel options and travel options are fundamental to the region's ability to respond dynamically to changing trends and needs. The region cannot remain a sustainable region without supporting different options that address varied consumer preferences. Providing travel options is also part of being resilient, both to a changing climate and to the challenges of maintaining the transportation system.

**Goal: We lead on addressing climate change**

One of the purposes for travel demand management is reducing vehicle miles traveled, which is a direct way to mitigate changes to the climate created by greenhouse gas emissions. Travel demand management can also be a means to encourage behavior change when impacts from climate change make the transportation system function worse during floods or heavy snow. Travel demand management can also reduce the need for roadway expansion to address peak period traffic congestion, which further induces inefficient land use patterns that lead to additional vehicle miles traveled growth. In 2023, the state passed new legislation identifying travel demand management as a greenhouse gas mitigation tool for highway projects that would increase vehicle miles traveled.

**Goal: We protect and restore natural systems**

A benefit of travel demand management is lessening the need to expand the transportation system, particularly expanded roadways. This can positively impact natural systems because transportation infrastructure is often a contributor to negative impacts on natural systems. Decreasing pavement can reduce run-off and water pollution, lessen disruptions of natural landscapes and habitats, and decrease the consumption of natural resources.



### **Travel Demand Management and community context**

Travel demand management is not a one-size-fits-all approach. A perfect example is the current structure of the region's individual transportation management organizations. Of the four transportation management organizations, one is county-based, one is city-based, one is center-based, and one is corridor based. Travel demand management can be more effective in places where the land use and development patterns are conducive to travel options and there are more travel options to support. For example, in Urban and Urban Edge communities, travel demand management investments may focus more heavily on transit, biking, walking, and rolling options because their density of places and infrastructure better support those options. Suburban and Suburban Edge communities may emphasize other options like telework, carpooling, and vanpooling that are less dependent on dense development patterns. These communities may also focus their efforts on their densest centers rather than doing a community-wide approach. Examples might include shopping centers, transitway stations, or major new or redevelopment areas.

Comprehensive plans and local ordinances are effective ways to identify these focus areas. Local communities can identify focus areas that regional travel demand management implementers can then use to focus their efforts in a coordinated manner, rather than a top-down approach. As the region puts more travel demand management programs and frameworks into action, as described in this investment direction, there will be opportunities to better identify how actions relate to the underlying variety of community types, land uses, and built form. The Land Use Policy Plan also discusses approaches to guide land use and development in a way that supports travel demand management coordinated with the strategies in this investment plan.

## **Travel Demand Management Existing Conditions**

The Metropolitan Council partners with transit providers, counties, cities, the Minnesota Department of Transportation, and transportation management organizations to work on travel demand management. Transit currently plays an important role in travel demand management, particularly by providing more transportation system capacity in congested areas of the region or to destinations with difficult access.

The transportation management organizations and transit providers provide services that encourage the use of a variety of public transit service types, biking, walking, and rolling options, and other travel options like carpooling and telework. In addition, every two years the Regional Solicitation provides a funding opportunity for innovative travel demand management projects. Travel demand management funding helped Metro Transit develop a mobile app for fare payment, and transit information and transit providers are making progress in developing relationships with other complementary mobility services, like car share. Travel demand management funding has also supported pilot projects like transportation management staff at various agencies, outreach and engagement and technology solutions for encouraging shifting away from single-occupant vehicles, and educational campaigns about travel choices. The travel demand management funding in the Regional Solicitation is unique in that it has typically supported a variety of non-profits' efforts in addition to government agencies.

### **Roles**

Descriptions of the various roles of implementing partners are described in the following sections. The region's implementing partners will need to coordinate with each other to advance the Travel Demand Management Investment Plan. There are additional roles that may not be described here that also play a role in travel demand management implementation, including roles for new partners as the program expands.

### **Metropolitan Council – Metropolitan Transportation Services**

Metropolitan Transportation Services is the division of the Metropolitan Council that leads regional long-range transportation planning, including the development of the Transportation Policy Plan, administration of the congestion management process, and leading system studies on policy and investment. Travel demand management will be a consideration in all these activities.

The division prepares the list of projects selected for federal funding through the Regional Solicitation and a four-year Transportation Improvement Program, working in collaboration with the Transportation Advisory Board. The division is responsible for creating the travel demand management policy for the region, awarding grant funds, and appraising the success of travel demand management initiatives. The division has also led the last two regional travel demand management studies to inform strategic direction for travel demand management activities.

The transportation division coordinates a regional vanpool program, Metro Vanpool, and other contracted transit services that are discussed in more detail in the Transit Investment Plan [future link].

### **Metropolitan Council – Metro Transit**

Metro Transit serves several important roles in the region's current travel demand management efforts. Related activities and responsibilities include Commuter Programs, the revenue and fare operations program, and the shared mobility program. Metro Transit's Commuter Programs serve employers, institutions, developers, and commuters with outreach and engagement, guaranteed ride home administration, and technical assistance. Commuter Programs currently functions as the administrator of the region's travel demand management program, promoting all transportation options that reduce single-occupant vehicle travel to areas not served by a transportation management organization, and they also manage the travel demand management customer relationship management system.

Commuter Programs has also been managing subrecipient grants with transportation management organizations and other Regional Solicitation travel demand management funding recipients for the past few decades.

Metro Transit's revenue and fare operations program has developed several different transit pass programs, including reduced fares for seniors, youth, Medicare card holders, and residents experiencing low incomes, as well as pass programs for employers and their employees and students. Metro Transit's shared mobility program team coordinates with the growing industry of shared mobility providers and other emerging trends in transportation. Most recently, Metro Transit began a residential pass program that provides discounted or free transit passes to residents of multi-tenant properties when the property manager joins the program.

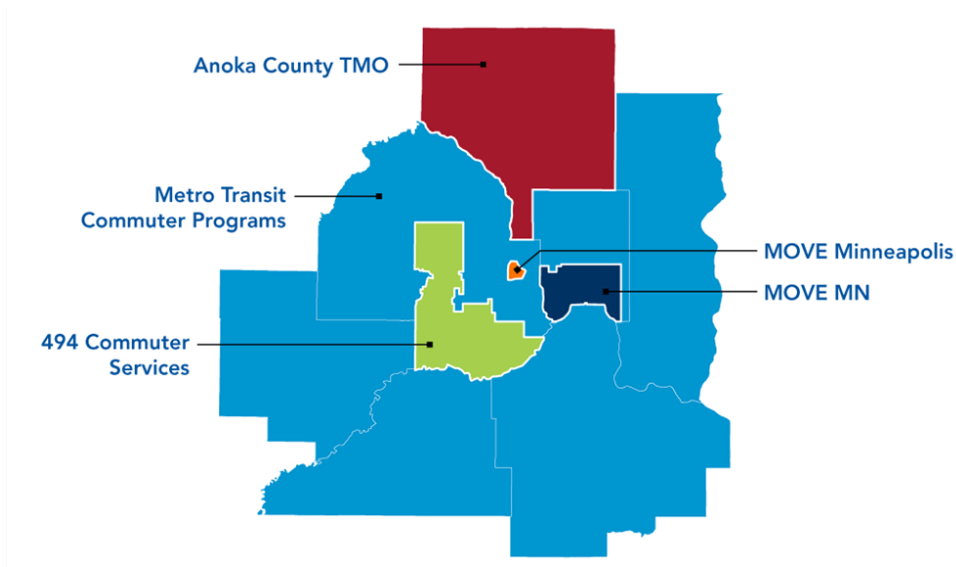
### Transportation Management Organizations

Transportation management organizations are nonprofit management organizations formed to optimize the movements of people within a specific area. Transportation management organization partners are often local governments but can also include employers, developers, and property managers. They work together to promote transportation and commuting solutions within a defined area. Many transportation management organizations are based in areas that have unique transportation demands or challenges, such as central business districts, congested corridors, or large employment hubs.

There are four existing transportation management organizations that currently receive Regional Solicitation ongoing funding for travel demand management activities:

- **Move Minneapolis** primarily serves downtown Minneapolis by promoting travel options for commuters and residents working or living downtown.
- **Commuter Services** serves the I-494 corridor by promoting travel options to the destinations along the corridor.
- **Move Minnesota** serves the City of Saint Paul by promoting travel options to workers, residents, and policymakers in the city.
- **Commuter Solutions** serves Anoka County by promoting travel options for residents in the county and commuters working in the county.

Figure 4. Map of transportation management organization service areas



The transportation management organizations provide and promote travel demand management services in their areas in similar ways to Metro Transit, but also implement unique programs that are specific to their customer needs. The transportation management organizations also regularly collaborate on regional initiatives such as Car Free MSP and outreach efforts and their staff meet together as a group to discuss coordination. Transportation management organizations often apply for specific projects through the Regional Solicitation travel demand management innovation funding category.

### **Minnesota Department of Transportation**

MnDOT provides transportation policy and planning support for all modes of transportation in Minnesota and is responsible for maintaining the state's trunk highway system, which includes state highways, U.S. highways, and interstates. MnDOT is subdivided into eight geographic regional district areas and topical sub-offices to address the specialized fields within the regional transportation system. MnDOT's primary travel demand management efforts include management of the trunk highway system, the managed lane system, and a large amount of programming and funding of priorities that provide opportunities for smaller agencies to implement travel demand management strategies and policies.

Currently MnDOT indirectly supports travel demand management efforts throughout the state with multimodal investments, including projects in rural Minnesota, where congestion is rare and transit service is generally limited. MnDOT's travel demand management programming includes performance measures related to emissions and reducing vehicle miles traveled, rather than congestion, mode shift, or reducing delay that is typical of urban travel demand management programs. MnDOT currently supports travel demand management by including parallel pedestrian and bicycle infrastructure along trunk highway projects, Safe Routes to School programming, the managed lane system, partnerships with regional transit agencies (in other words, park-and-rides along MnDOT right-of-way, and center-running transit lanes/stations along trunk highways).

### **Counties**

Counties have not historically played a strong role in travel demand management implementation but have been major funders of infrastructure including highways, transit, bicycle, and pedestrian infrastructure. Counties in the seven-county metropolitan area have funding that can be used for travel demand management purposes under the regional transportation sales and use tax and transportation advancement account revenues. Under state law, travel demand management would be eligible as a use for active transportation and for mitigating greenhouse gas emissions. Because counties play a lead role in planning and investing in major transportation projects, there is a potential role for counties to both fund travel demand management activities and incorporate travel demand management activities into their long-range and project planning processes.

### **Suburban transit providers**

Suburban transit provider services are the primary alternatives to single occupant vehicle commuting for trips to or from the downtown cores of the Twin Cities. As such, the fixed-route transit service offered by the suburban transit providers is largely oriented toward express service into downtown Minneapolis and the University of Minnesota. The demand is growing for reverse commute and suburb-to-suburb commuter service, and the providers are expanding the use of microtransit service to replace or supplement fixed-route service. Like Metro Transit, suburban transit providers conduct community outreach and engagement to promote their services.

There are currently four suburban transit providers in the region.



- **Minnesota Valley Transit Authority (MVTA)** serves seven communities south of the Minnesota River including Eagan, Apple Valley, Burnsville, Prior Lake, Shakopee, Rosemount, and Savage.
- **SouthWest Transit** serves Chaska, Eden Prairie, and Chanhassen.
- **Maple Grove Transit** is operated by the City of Maple Grove.
- **Plymouth MetroLink** is a service of the City of Plymouth.

More detail on these transit providers and their services is available in the Transit Investment Plan [future link].

### Cities

Cities play an important role in the implementation of travel demand management strategies, though the prevalence of travel demand management strategies in cities varies widely across the region. Examples of travel demand management strategies for cities include requirements for developments to address travel demand through specific actions, complete streets policies, parking maximums or elimination of parking minimums, traffic impact analysis requirements for developments, promotional marketing campaigns, parking pricing, and traffic management. Cities with dedicated transit service and first-ring suburbs tend to have more travel demand management strategies in place, whereas suburbs farther from the urban core and rural areas have fewer travel demand management strategies in place. Similar, travel demand management strategies in the urban core and urban communities are more multimodal in nature while farther out communities have more traffic management strategies.

### Property developers and managers

Residential and business property developers and managers can influence travel demand management in a variety of ways:

- Parking supply and cost either encourages or discourages driving, which impacts the effectiveness of travel demand management programs. Providing secure bicycle parking and end of trip facilities, such as showers and lockers, can also encourage biking.
- Site plan and design and orientation of buildings to transportation impacts how easily people can access a site from different forms of transportation. Developers can also provide infrastructure connections to public systems like sidewalks, bike paths, and transit stops.
- Shared-use travel options can be provided directly by some property managers, and the availability of third-party options can be facilitated by property managers.
- Property managers can provide incentives to tenants that are direct travel demand management activities, including preferential carpool parking and opt-in programs like Metro Transit's Residential Pass Program.
- Property managers can facilitate data collection from tenants for use by other T travel demand management DM programs, including the use of surveys, and share travel demand management program information materials.
- Shared workspaces in multifamily residential properties can support teleworking for residents.

Many of these can be regulated through city codes with ordinances or permit review processes. Other activities could be incentivized with access to regional travel demand management program benefits or development funding (e.g., Livable Communities Act funding).

### Employers

Employers also play an important role in travel demand management implementation by being a connection between workers and the travel demand management programs. Employers can influence the travel behavior of their employees through internal policies and benefits and by setting a company

culture that supports travel demand management. Employers can manage access to travel demand management programs for their employees as well as providing their own incentives in addition to those provided by travel demand management programs. Employers are also able to collect information about their employees more readily through surveys or other tools that can be distributed to employees through trusted engagement outlets. Many travel demand management programs work best when presented as an employer-provided benefit like health care or retirement funding. Like property managers, employers can also provide site amenities, manage parking supply, and provide facilities like locker and bike storage and shower rooms.

Employers can also support remote working and hybrid work by having policies and procedures for telework agreements and providing the necessary technical capabilities to their employees.

### **University of Minnesota**

The University of Minnesota-Twin Cities implements, maintains, and promotes transportation options and benefits for its students, staff, and faculty; and promotes travel options for campus visitors. This work is carried out in partnership with internal and external stakeholders and partner agencies, like Metro Transit, transportation management organizations, and other transportation-focused organizations.

Notable programs include:

- Universal transit passes for eligible students and employees
- League of American Bicyclists Platinum Level Bike/Business program that prioritizes campus and campus connections and offers a radio frequency identification-tracking incentive program for bicyclists
- Dedicated fixed route transit and paratransit programs

### **Travel demand management activities**

This section describes the existing travel demand management activities being conducted by regional travel demand management partners. This includes transit fare programs, carpool, vanpool, and shared mobility options, outreach and promotion, pricing and incentives, local travel demand management ordinances, and the congestion management process.

### **Transit fare programs**

There are a variety of special transit fare programs in the region that impact travel demand:

- The Transit Assistance Program provides reduced transit fare passes to people with lower incomes.
- Metropass provides discounted monthly passes to employees through companies and organizations that can be further discounted through pre-tax benefits or through employer subsidies. These passes are most effective for employees that regularly work in-person and commute.
- Student Pass provides free transit passes to Minneapolis and St. Paul Public School students through a partnership with the school districts.
- College Pass and Universal Transit Pass provide discounted transit passes provided to post-secondary students through their colleges and universities.
- Residential Pass Program provides discounted transit fare passes for multifamily developments of 10 units or more when property managers sign up for the program.

The region also has a Guaranteed Ride Home program that provides up to four trips or \$100 in value per year for transportation on a taxi or on-demand service for eligible emergency trips on a day a person commuted by carpool, vanpool, biked, walked, or took transit.

### **Carpool and vanpool**

Carpools and vanpools are supported through a variety of strategies. Metropolitan Council and Metro Transit provide support for forming carpools and vanpools by offering ride matching databases, direct employer assistance, and administration, funding support, and providing vehicles (in the case of vanpools).

MnDOT also provides support for carpooling and vanpooling by providing infrastructure that gives preference to carpools such as managed lanes, ramp meter bypass lanes, and special freeway ramps. MnDOT also partners with Move Minneapolis to provide deeply discounted parking rates for carpools at their ABC Ramps in downtown Minneapolis. Many employers also offer preferential parking for carpools.

### **Shared mobility services**

Shared mobility refers to transportation services that are shared across users and can include technology platforms or different modes like bikeshare. Shared mobility services reduce single-occupant vehicle trips, allow for more flexible travel, and reduce the need for vehicles in a household. Shared mobility is a critical piece of an integrated, intermodal transportation network in the Twin Cities region. By layering these services with traditional transit, users have more freedom to travel in ways that meet their needs, and it increases the resiliency of our transportation networks. Shared mobility can also fill gaps within our networks where demand isn't sufficient for traditional transit services (e.g., microtransit).

Shared mobility services can contribute to travel demand management by providing expanded travel options. The region has seen a variety of shared mobility services operate in the region including car share, bike share, scooter share, and shared ride services. Most of these services have been provided by private companies or non-profits, but some public agencies have incorporated shared mobility into their purview, such as travel agencies providing shared bikes for their riders. Some of the non-profit services like Hourcar and/or Evie carsharing and Nice Ride bike share previously received federal funding to support the expansion of their services to new geographies. There is risk with investing federal dollars in new shared mobility options that may not prove sustainable, such as what happened with Nice Ride folding after private investment pulled out.

Because many shared mobility services are privately operated, there can be issues with equitable access if some travelers cannot afford the services. This has been an area where the public sector can intervene to support more equitable access to services.

### **Outreach and promotion**

A significant focus of the region's travel demand management program is on outreach and promotion of many of the other activities described here. Outreach has historically been focused on reaching the commuter, particularly by providing employers with travel demand management assistance. The COVID-19 pandemic shifted travel patterns enough that this focus must be broadened to non-commute travelers, but this can be a more difficult form of outreach because there isn't always an easy single contact. Recent experience has found success in working through property managers and neighborhood associations when promoting programs like the residential pass program. Beyond working with employers, outreach can include one-on-one travel advice, tabling events, fairs, and pop-up events, and promotional materials included with mail or other marketing mediums. There are also regional travel demand management events like commuter challenges, Bike to Work Week, Try Transit,

Twin Cities Telework, and Car Free Day. Most travel demand management partners have a social media presence and maintain a newsletter or email distribution lists.

### **Pricing and incentives**

Currently, the Minnesota E-ZPass program is the only example in operation that includes pricing strategies on roadways in the region. The E-ZPass program provides access to congestion-free travel lanes Monday-Friday, 6:00 a.m. to 10:00 a.m. and 3:00 p.m. to 7:00 p.m., depending on the route and direction of travel. MnDOT manages the Minnesota E-ZPass program; carpoolers and transit vehicles are allowed to travel for free in the express lanes, incentivizing travelers to choose these higher occupancy modes. MnDOT has also designed and implemented bus-only shoulders on the interstates, to further support reduced travel times for transit riders. MnDOT also offers discounted parking rates for carpoolers at the ABC ramps they own and operate in downtown Minneapolis.

Metro Transit and transportation management organizations provide technical support for setting up pre-tax deductions as a fringe benefit for employers to provide to encourage the use of transit passes. There are similar pass programs for non-employers described in the Transit Fare Programs section.

### **Local travel demand management ordinances**

Local governments often have ordinances that require additional reviews, commitments, reporting, or other travel demand management considerations for developments seeking approvals. Local travel demand management ordinances can be implemented with a variety of tools including tiers based on development size, application to residential and/or non-residential development, reporting requirements, and enforcement mechanisms. Five communities have travel demand management ordinances related to new development review, as shown in Table 3.

Local travel demand management ordinances can also be flexible in the types of strategies they consider during development review and approval. Some examples include:

- Transit fare provision or subsidy to tenants
- Reduced or zero vehicle parking
- Pedestrian and bicycle amenities
- Shared vehicle provision
- Unbundling of parking from rent pricing
- Preferential parking for carpool and vanpool
- Teleworking strategies

**Table 3. List of cities with travel demand management ordinances and the associated details**



City	Typology	Implementation	Impacted	Reporting	Enforcement
<b>Minneapolis</b>	Urban Core	Tiered, points-based plan	Residential and non-residential development	Self-reported audits every two years	Permit approval
<b>St. Paul</b>	Urban Core	Points-based plan	Residential and non-residential development	Annual status reports for two years of via appointed travel demand management coordinator	Permit approval, two years program budget held in escrow
<b>Bloomington</b>	Suburban	Tiered implementation, points-based plan	Non-residential development	Annual status reports for two years	Permit approval, two years of travel demand management program operating funds held in escrow
<b>Eden Prairie</b>	Suburban	Discretionary	New office and light industrial development in certain districts	Annual status report for two years	Permit approval, two years program budget held in escrow
<b>Minnetonka</b>	Suburban	Tentative	Emerging based on 2040 plan	None	None

### Congestion management process

The congestion management process provides guidance to MnDOT, municipalities, and counties about how to identify, screen, and select treatments for areas that experience recurring congestion within the congestion management process roadway network. The Congestion Management Process Policies and Procedures Handbook prioritizes travel demand management strategies over adding roadway capacity and provides guidance on how to consider travel demand management in corridor decision making. More information on the congestion management process can be found in the Congestion Management Process Appendix.

### Existing funding sources

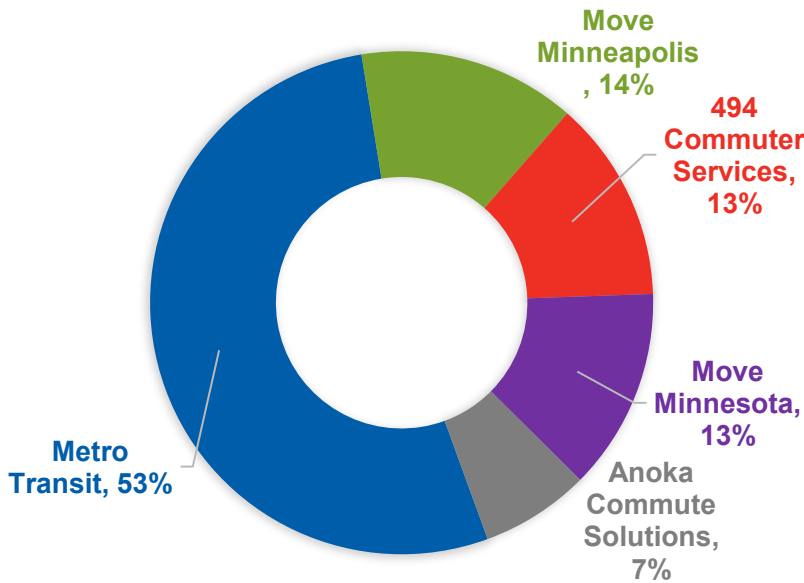
The ongoing regional travel demand management activities are funded with federal Congestion Mitigation and Air Quality funds from the Regional Solicitation and local match, mostly from Metro Transit and cities and counties that are served by transportation management organizations. An additional funding pot is set aside to fund innovative travel demand management projects selected through the Regional Solicitation.

### Ongoing travel demand management program

The regional travel demand management program is supported by a Congestion Management and Air Quality grant through the Regional Solicitation that provides funding for Metro Transit and the four transportation management organizations. The funding is set aside in the Regional Solicitation as a \$7 million award every two years with approximately \$5.8 million supporting ongoing programs and \$1.2 million for travel demand management innovation projects. As of 2023, the \$5.8 million is split up to the travel demand management partners as follows:

- 53% to Metro Transit outreach plus regional programs
- 14% to Move Minneapolis
- 13% to 494 Commuter Services
- 13% to Move Minnesota
- 7% to Anoka County Commute Solutions

Figure 5. Chart of existing TDM funding share among partners



This distribution is set up as a legacy structure that is anticipated to continue to receive funding as a base amount even as the program changes. As the five travel demand management implementors expand programs or identify new initiatives, they either need to reprogram existing budgets or find additional funding from other sources. In 2023, the State of Minnesota Legislature did provide one-time general funds to specific agencies to support travel demand management activities, but this has historically been quite rare. These funds also do not support ongoing administration, which is only eligible for Congestion Management and Air Quality funding for up to five years for new or expanded travel demand management programs.

Some travel demand management initiatives are supported through other funding categories, such as transit funding allows for discounted fare passes and managed lanes are funded through toll payments and MnDOT operations. There is not a detailed accounting for travel demand management investments like this because the costs are only partially attributable to travel demand management, which is often why it is difficult to quantify the cost-benefits of travel demand management. Even within a single agency like Metro Transit, there can be a grey area between the costs of travel demand management programs and other related programs like fare administration, marketing, and general outreach and engagement. Many of the costs, savings, or other benefits are not in public budgets or only indirectly related to travel demand management activities.

### **Travel demand management innovation application category in the Regional Solicitation**

The regional travel demand management Regional Solicitation award has included \$1.2 million every two years for an application category for travel demand management innovative projects since 2016. This application category funds small projects with a maximum award of \$500,000. The travel demand management application category is unique in that nonprofits and other smaller organizations can apply for Regional Solicitation funds. Between 2014 and 2022, the Metropolitan Council received 30 applications to the travel demand management category and awarded 21 travel demand management applicants a cumulative \$6.2 million in grant awards.

## Travel Demand Management Investment Plan

The region has a well-established travel demand management program that has been providing services for over 30 years. The program has grown and changed over time as service options and travel needs have evolved with society. The conditions in the early 2020s, including the COVID-19 pandemic, created significant disruptions in people's lives that are having lasting effects on travel patterns. These disruptions also created an opportunity as many people were experiencing a drastic form of travel demand management with remote work requirements and social distancing. The region used this opportunity to conduct a Regional Travel Demand Management Study that documents opportunities and an action plan for expansion of regional travel demand management programs. The Regional Travel Demand Management Study Action Plan will serve as a guide for travel demand management expansion consistent with the Transportation Policy Plan and using regional funds, but still allow for local innovation and program delivery.

The [Regional Travel Demand Management Study Action Plan](#) laid out six categories of travel demand management strategies with a series of actions to implement them. The six categories are:

- Establish a structure for the regional travel demand management program.
- Administer employer-based trip mode shift incentives.
- Administer land development-based mode shift initiatives.
- Administer travel pricing and incentive strategies to make sustainable transportation options affordable and cost competitive.
- Implement strategies that improve the customer experience while using sustainable transportation options and enhance traveler's sense of place.
- Utilize travel demand management strategies to reduce capital highway expansion needs.

General descriptions of these categories and their related actions are discussed in the subsequent sections. Some of the categories relate to investments in other sections of the Transportation Policy Plan and those references are included in each section. The timeframe for implementation will be determined as part of a regular travel demand management work plan development process with regional implementing partners and dependent on factors such as technical capacity, funding, needed legal authority, and stakeholder input.

### **Establish a structure for the regional travel demand management program**

The region can establish a regional travel demand management program structure that leverages existing programs and partnerships to deliver travel demand management services consistently and equitably across the region, which can also be customized for local contexts. A regional travel demand management program structure will ensure a cohesive approach to delivering travel demand management services, offering a one-stop-shop service for travelers and a streamlined structure for interested stakeholders. A central structure will maximize resource efficiency and help increase awareness of the program through a single, customer-facing brand.

### **Investment opportunities**

Establishing a structure requires several key steps to be effective in guiding the regional travel demand management program's expansion and ongoing management.

- Develop a framework for how travel demand management can work in different community contexts and to guide evaluation of the travel demand management program's performance, including how social equity is considered and evaluated. This may also include an application of

the Met Council's [Maximum Mode Shift Study](#) or similar data analyses to identify priority areas for travel demand management investment.

- Create a travel demand management program advisory group to guide the Met Council's work as travel demand management program manager.
- Use a multi-year work plan to guide travel demand management investment, highlighted areas of focus and funding need over a two- to four-year period, with ongoing updates.
- Develop a travel demand management brand and traveler information hub to serve as an interface for travel demand management stakeholders, including travelers, employers, and businesses.

These tasks are foundational to creating a regional travel demand management program that will be impactful but sensitive to context and local needs.

### **Administer employer-based trip mode shift incentives**

The regional travel demand management program should encourage workplace mode shift strategies that reduce single-occupant commute and work-related trips through equitable financial incentives and recognition campaigns. Employers need technical support and encouragement to support choices for workforce transportation solutions and need assistance with making the business case for implementation. Employer-based initiatives are often effective because of the historical regularity of workplace trips and the convenience of implementation through employer-sponsored outreach to their employees.

Incentives and recognition can include:

- Grants to set-up mobility option programs at an employer, including employee travel incentive programs (in other words, reward point systems)
- Awards for successful programs branded to help promote an employer as a good workplace
- Technical support for building an employer options program, such as commute and trip planning analysis, or parking reduction studies

These programs can also be customized for specific timeframes, with the right implementation tools, such as during poor air quality days or during days with multiple regional events like concerts, sports games, and the Minnesota State Fair. Using a broad regional travel demand management framework previously discussed, the programs can also be customized by area, especially where local governments partner with implementation tools (for example, ordinances) and funding.

### **Investment opportunities**

Creating employer-based incentives requires a variety of administrative tasks to create, track, manage, and evaluate the programs over time so they can be tailored to changing needs and right-sized for effectiveness. This requires collaboration between regional travel demand management implementation staff from the Met Council, Metro Transit, transportation management organizations, and other agencies that conduct travel demand management employer outreach. This category of investment can be scalable depending on budget and expectations, but there are some fundamental steps up front prior to promoting and recruiting participants.

- Establish frameworks for employer recognition and financial incentives, including a campaign name and promotional tools. Determine where they might be most effective in the region, including any context-sensitive approaches. Frameworks should also establish program requirements, benefits for participants, and tracking and reporting.
- Recruit participant employers and administer the recognition and financial incentives program.



- Evaluate the program annually and adjust to improve effectiveness.

Employer relationships are important for this investment category and should build on existing relationships that exist between travel demand management program implementers and employers, but with a focus on expansion and recruitment through added incentives. The region should also place greater emphasis on non-white collar job types and schedules to ensure that everyone has the opportunity to share in travel demand management benefits. The region should also continue to work with recruitment partners like Greater MSP to create tools and outreach materials that promote travel demand management for people relocating to the region from elsewhere.

### **Administer land development-based mode shift initiatives**

As the region grows and redevelops, the regional travel demand management program should support local governments in their development review and permitting process to administer development-based mode shift initiatives. Land development-based initiatives are an opportunity for both the public and private sectors to engage in travel demand management practices that can encourage demand for non-single-occupant vehicle travel and lead to a more efficient use of resources. This approach ties in closely with the region's policies around transit-oriented development that require more dense development around transitway stations and high-frequency transit routes. There are several communities that have local travel demand management ordinances in place, as previously described. A travel demand management ordinance is an effective way to engage the private sector in thinking about travel demand as they progress through the development process.

There is no regional permitting authority for developments and no regional entity has ordinance authority to require developments to meet certain standards. However, the regional travel demand management program can provide technical assistance and funding support to help communities plan for more efficient developments that reduce single-occupant vehicle reliance. It is important to consider that local travel demand management initiatives will likely look different depending on the local context. The Met Council's community designations are a useful tool for looking at different contexts for similar community types, but other factors like the presence of transit, neighborhood nodes, business parks, and active transportation options will also be important.

This category of travel demand management strategies is also essential in addressing other categories because land use planning and implementation is a major factor in the success of travel demand management. They can also be a mitigation strategy for induced travel demand that occurs as the result of other transportation investments like highway expansion.

### **Investment opportunities**

The focus of this category of travel demand management strategies is to support local governments in doing land use planning that advancing regional goals and objectives. This is best rooted in local government input to understand what tools and support are most desirable to help local governments in this role. The regional travel demand management program can do so by providing models of best practices for local governments and by providing tools or funding support to use in local government practices. The regional travel demand management program can provide resources for local governments that guide the following:

- Modifying policies and ordinances, including parking policies, policies that impact people with disabilities, zoning, and subdivisions, and establishing travel demand management-specific ordinances or mandates.
- Establishing travel demand management districts where specific travel demand management requirements apply to an entire area, especially those experiencing development demand.

Examples include transit-oriented development districts, pedestrian overlay districts, and growth centers or areas of change.

- Reflecting travel demand management approaches in comprehensive plans.
- Incorporating active travel infrastructure into roadway improvement or construction plans.
- Parking management (for example, shared or district parking, unbundling, public parking).
- Strategies for mitigating the impact of development on transportation networks (for example, agencies reviewing developments that impact their system, such as MnDOT reviewing developments from local cities that impact the trunk highway network).
- Development regulations that integrate travel demand management strategies and travel demand management-supportive site designs with regional travel demand management goals and objectives and local context.
- Providing training and technical assistance to local jurisdictions on a variety of development-related topics, such as sustainability, equity, and performance monitoring.

In some instances, these resources can be helpful regionwide. There is also a need to develop resources for different contexts around the region, starting with Community Designations, and implementing pilot projects to explore travel demand management potential in these markets. This should be accompanied by an evaluation plan as well.

The regional travel demand management program can also provide support to developers, property owners and managers, and business associations. The development process in the region can be complex with so many cities each with their own code of ordinances and travel demand management ordinances might feel overwhelming and burdensome at first, until they become more established and standardized practices. Local governments will remain the primary interface with developers and property owners and managers, but the regional travel demand management program can produce helpful guide or facilitate learning opportunities that raise the level of understanding of travel demand management in land development practices.

### **Administer travel pricing and incentive strategies to make sustainable transportation options affordable and cost competitive**

It is often difficult to travel in the region by means other than driving alone. However, these options beyond driving alone have many benefits to individuals and society including affordability, environmental friendliness, health and wellness, and safety. The region should encourage transportation options beyond driving alone by using pricing and incentives to reflect the true societal cost-benefit of these modes. This would help bring transportation options beyond driving alone into more parity with driving, since the region's development has prioritized driving through its transportation investments and land development patterns. A combination of pricing and incentive strategies can help increase the attractiveness of options beyond driving alone, improve affordability and equity of travel and support the 2050 Transportation Policy Plan goals and objectives.

The region is investing heavily in infrastructure that provides travel options like light rail, bus rapid transit, bikeways, and managed lanes. This infrastructure benefits from not just promotion, but from creating incentives to use the infrastructure. There is also an opportunity to incentivize travel on existing infrastructure, including using expansion as a means to promote new incentives. The COVID-19 pandemic illustrated the potential of remote work to influence the impact of travel<sup>2</sup>. There was also anecdotal evidence of the impacts on the health and wellness of people through increased active

---

<sup>2</sup> Remote work can influence land use and housing preferences that could contribute to more travel that is counter to the purpose of TDM. Remote work strategies need to consider coordinated land use policies and the regional and local level. See Land Use Policy Plan [future link] for more details.

transportation (walking, biking, and rolling) during the pandemic. Using incentives to promote activities like walking and biking can have many benefits beyond improved transportation system performance. For example, people that walk and bike are happier and healthier than those that drive or take transit<sup>3</sup>. Research also shows that shifting to active transportation modes may help prevent and reduce depression symptoms in working adults<sup>4</sup>. They also travel through their community at a human-scale speed, potentially experiencing and interacting with it on a more personal level.

There is a need to identify an agency or set of agencies that can administer this set of actions, with the right authorities and agreements to secure funding.

### **Investment opportunities**

The regional travel demand management program should administer a range of pricing and incentive strategies that improve the affordability of travel options and make travel options more cost-competitive with driving alone. The regional travel demand management program should develop a universal pricing and incentives framework. The framework should outline incentives that enhance equity of access to opportunity, increase use of travel options, decrease driving alone, reduce climate impacts, and be universally designed to incentivize a range of populations.

The framework should:

- Include pricing and incentives for all modes and be designed to motivate all populations and income levels.
- Outline all the transportation options available in the Twin Cities, by mode, and identify financial incentives or subsidies that could persuade different populations to use those modal options, including the provision of financial incentives, subsidies, simplified fare structures, simplified fare payment processes, or other financial aspects of sustainable transportation.
- Develop criteria for prioritizing investments, such as characteristics for priority areas and populations. Priority areas could include highly localized areas, such as redevelopment districts or neighborhoods with high/low access to transportation services. Populations could include equity groups such as low-income households, households with large shares of transportation costs, those who drive alone, and rural populations or populations with lower access to opportunity.
- Develop outcome-based measures for each priority area to evaluate the effectiveness of the framework.
- Develop a strategy for messaging, outreach, and promotion of new incentive tools.

The region should use customer relationship management tools to track this information, whether this is expansion of existing tools or development of new tools. To the extent possible, pricing and incentives should be integrated with existing pricing programs such as transit fare passes, E-ZPass, parking ramps, and shared mobility options. As new programs are identified, such as mobility-as-a-service or mileage-based user fees for drivers, this framework should be a helpful tool in shaping the structure of those new programs. In 2023, the State of Minnesota authorized a \$4 million electric-assisted bicycle rebate of up to \$1,500 per individual through June 2026. These types of incentives should be evaluated and expanded upon if successful, whether through statewide initiatives or regional initiatives.

---

<sup>3</sup> Zhu J., Fang Y (2017). Daily Travel Behavior and Emotional Well-Being: A comprehensive assessment of travel-related emotions and the associated trip and personal factors. <https://conservancy.umn.edu/handle/11299/185433>

<sup>4</sup> <https://pubmed.ncbi.nlm.nih.gov/29604327/>

Much like the employer-based incentives described earlier, traveler incentives are scalable, and the regional travel demand management program should identify targets for incentives that tie out to regional goals and objectives and seek funding to meet those targets. In some instances, pilot programs may be a first step to broader incentive programs and this step-by-step approach to expansion should be identified in the regional travel demand management program work plan.

The administrator of any direct incentive programs to travelers will need to be identified, and other travel demand management implementing partners will need to support the regional travel demand management program initiatives through promotion, partnership, and data sharing. Incentive programs that utilize reward gifts like products or gift cards should emphasize local businesses, underutilized businesses, and products to build support for regional partnerships. Incentive programs should also consider the equity of the benefits being provided across race, ethnicity, and other demographic factors.

### **Implement strategies that improve the customer experience while using sustainable transportation options and enhancing traveler's sense of place**

Attractiveness, convenience, safety, comfort, and security are key factors in mode choice. Enhancing these factors by providing guidance and funding opportunities will enable local governments and transit agencies to implement projects that encourage travelers to choose sustainable transportation options over driving alone. Transportation funding, particularly regional transportation funding, has typically avoided investments that are more sense of place oriented in favor of expansion, reconstruction, or modernization of transportation facilities. For transportation modes other than driving, the travel experience is influenced more personally by the place in which or through which you are traveling. For example:

- Transit riders spend most of their travel time in spaces that drastically affect their experience, whether waiting at a public stop or station or riding in a communal vehicle with other passengers.
- Bicyclists travel in a variety of environments ranging from shared space with cars to separated bikeways to off-road trails, and these have impacts on the level of stress that a biker experiencing while traveling. Bicyclists must manage their personal safety and security as well as deal with varying weather conditions. Bicyclists also need to be able to secure their bikes and personal belongings during their travel. Less stressful bicycle facilities can greatly influence the willingness of travelers to consider biking.
- Pedestrians have similar experiences to bicyclists but also experience spaces at a slower pace, meaning that details can have a more profound impact on their experience. Details such as cleanliness, landscaping, lighting, protection from the elements, accessibility and places to rest, sights, sounds, and smells are all heightened as part of the experience. Most travelers, including drivers, are also pedestrians for some portion of their trips.
- Carpoolers and shared-ride users also share spaces when traveling, and the quality of their travel can depend on the ease of finding carpools, parking, and their destinations from where they park.

For all these travelers, the sense of place when traveling is most often a public space or at least a shared space. The quality of these spaces, and not just the physical quality but the comfort and convenience quality including features like places to sit or use a bathroom, greatly contributes to a traveler's willingness to use the different travel options.

There are many partners that contribute to these spaces including transit providers, cities, counties, MnDOT, parks agencies, and even private sector partners like business owners, property owners, and property managers. It will be difficult for the regional travel demand management program to create an

agreed upon approach for all public spaces, but there are elements that consistently contribute to travel experiences that can be identified and prioritized for all these partners to consider, especially when seeking funds from shared resources.

### **Investment opportunities**

The regional travel demand management program can start by identifying and dedicating funding within to implement projects that improve the customer experience while using sustainable transportation options and/or enhancing the physical environments related to sustainable transportation modes. This could be through broad programs like the Regional Solicitation or Livable Communities Act or through smaller pilot programs funded exclusively through the regional travel demand management program. Either way, the most important step is to develop a customer experience and placemaking framework. This framework will create a shared understanding of what travelers need to feel comfortable walking, rolling, biking, taking transit, or using other sustainable transportation modes. This framework should build off recent or upcoming work already being done like the Regional Pedestrian Safety Action Plan, Regional Safety Action Plan, Metro Transit Safety and Security Action Plan, Safe Routes to Transit, and Mobility Hub Planning and Implementation Guidebook.

The framework should identify priority areas or facilities for enhanced placemaking improvements and determine how these priorities can be emphasized in funding programs. To the extent that placemaking or design guides exist, the framework can refer to good work that is already out there. Additional guidance may be required, however, particularly related to Complete Streets typologies and transportation investments in activity centers where multimodal travel demand is highest. There is an opportunity to improve school access as well, both with infrastructure and with training and education. For example, in 2023 the state passed a new Active Transportation Safety Training requirement for public schools that will provide an opportunity for coordination with school districts.

The regional travel demand management program and this framework can also aid in developing selection criteria for projects in various funding programs, including the Regional Solicitation and Livable Communities Act previously mentioned. There may also be a role in other programs such as active transportation (walking, biking, and rolling), transit-oriented development, and federal competitive grants. Selection criteria may also include measures of effectiveness for follow-up and evaluation.

### **Utilize travel demand management strategies to reduce capital highway expansion needs**

The region's highway mobility hierarchy identifies exploring travel demand management as the first priority in addressing congestion management, prior to investments like system management, spot mobility, and capacity expansion. This process is spelled out in more detail in the Highway Investment Direction and Congestion Management Process Handbook. A more integrated approach that links travel demand management strategies to highway and road planning processes can ensure a more efficient use of resources. However, this requires a different approach that involves land use planning authorities, transit agencies, and travel demand management implementers in the highway planning and project development processes. This is essential to achieving the region's goals and objectives. Regional highway projects have tremendous influence on travel demand, for better or worse, and a thoughtful approach to highway planning coordinated with travel options and land use planning is the only way to assure that the region does not build infrastructure that continues to perpetuate the status quo of driving as the only viable travel options in most parts of the region.

In addition, the State of Minnesota has new rules on highway expansion restrictions in the face of the climate change impacts related to greenhouse gas emissions from transportation. Travel demand management is an eligible and likely mitigation activity for these requirements, but it is unclear how this activity would integrate with highway planning processes. Further, highway project budgets are typically



not scoped with travel demand management activities in mind, particularly if the activities are ongoing beyond the construction phase of the project. This is not usually on purpose; travel demand management is a lesser understood tool for highway planners and engineers to include in their processes.

### **Investment opportunities**

Highway planning and development processes are complex with the different roadway authorities each managing their own processes. The first opportunity for investment is a Transportation Policy Plan Work Program item to study how travel demand management can be integrated into highway project processes. It is essential to identify and understand all the phases of the planning and development of highway mobility and improvement projects to ensure that travel demand management strategies are considered, prioritized, and integrated into the final highway project. A follow-up study could help identify the phases of all highway funding programs and/or project types to provide guidance on how travel demand management strategies can be integrated into all phases of project development. This study would identify and examine individual funding programs and/or project types and develop strategies to ensure travel demand management is integrated into the project selection, planning, scoping, and environmental review processes to determine where partners should coordinate with decision makers on potential travel demand management solutions. For example, there may be opportunities within the Corridors of Commerce process, led by state legislators, such as requiring travel demand management plans for projects seeking Corridors of Commerce funding or adding it to the evaluation metrics. Other examples include identifying ways to leverage technical expertise, business engagement, and outreach capabilities, by identifying travel demand management practitioners, organizations, or districts that can assist (for example, transportation management organizations, cities, large property owners). The Met Council and/or MnDOT are the likely leads for this work, in collaboration with counties and cities. This will also provide an opportunity to share the travel demand management investment opportunities with new partners. This Work Program item will ultimately result in updates to other documents and processes, including the Congestion Management Process Strategy Matrix, MnDOT's Complete Streets Handbook, and the Regional Solicitation.

The state and region invest billions of dollars in the regional highway system and travel demand management only receives a small portion of that funding through programs like the Regional Solicitation and managed lane promotion and operations. State highway funding is a substantial source of revenue that could support travel demand management initiatives that could achieve many of the same results that highway projects are trying to achieve, particularly providing reliable travel, and minimizing the impacts of travel on the region's people, businesses, and environment. travel demand management can also play a role in construction-impacts mitigation, particularly working with MnDOT through state aid and state road construction.

### **Travel demand management expansion funding opportunities and approach**

The previously described expansion opportunities will require additional funding for the regional travel demand management program. Some of the activities are scalable, so the exact funding amount needs to be assessed during the work plan development and may grow or shrink as activities become more established. The following sources of funding could be used to support the travel demand management expansion opportunities.

Table 4. Travel demand management funding opportunities, by source

Source	Decision-making body	Details
<b>Regional Solicitation (Congestion Management and Air Quality)</b>	Met Council and the Transportation Advisory Board	Expanded award could be used for most activities, including up to five years of program administration for expansion purposes.
<b>Carbon Reduction Program</b>	Met Council and the Transportation Advisory Board	New formula funding source where TDM is an eligible expense.
<b>Discretionary federal funding</b>	U.S. Department of Transportation	There are a variety of discretionary programs that could support travel demand management activities including Climate Pollution Reduction, Congestion Relief, Thriving Communities, and Safe Streets and Roads for All.
<b>MnDOT formula funds and general fund transfers</b>	State of Minnesota and MnDOT	Activities would need to be identified in MnDOT's plans and funding would be subject to eligibility, depending on the source.
<b>Regional Transportation Sales and Use Tax (transit)</b>	Met Council and Suburban Transit Providers	Use of funds for transit purposes is limited by enabling legislation for transit but can include most transit-related travel demand management activities.
<b>Regional Transportation Sales and Use Tax (active transportation)</b>	Transportation Advisory Board	Active transportation includes travel demand management and the sales and use tax has more flexibility for non-infrastructure travel demand management activities that support active transportation.
<b>County revenues (sales tax, Transportation Advancement Account, and general funds)</b>	County Boards	County funds have flexibility to fund both infrastructure and operations activities. There are required allocations for some state authorized revenues established in law for active transportation, transit, and climate mitigation activities.
<b>City revenues (general funds, fees, other sources)</b>	City Councils	Cities have fairly broad authority to support travel demand management programs if there is a clear public purpose. Some cities already provide funding support for transportation management organizations, while others may support travel demand management activities through code implementation and development review.

## Regionally allocated revenues

### *Regional Solicitation*

The Met Council, through the Regional Solicitation process, makes specific categories of federal transportation funds available to transportation partners on a competitive basis. The Regional Solicitation is the largest current source of funding for the regional travel demand management

program, with approximately \$7 million set aside for travel demand management activities every two years. The Regional Solicitation evaluation work program item will provide an updated structure for project categories and evaluation metrics for the 2026 Regional Solicitation. Given the importance of the Regional Solicitation in supporting the regional travel demand management program, the region should consider maintaining and expanding a dedicated travel demand management funding category that includes a mix of ongoing regional travel demand management program support and a competitive application category that can support the travel demand management Investment Plan and other local innovative projects.

An expansion in funding for travel demand management should be discussed based on the Travel Demand Management Investment Plan and detailed recommendations in the Travel Demand Management Action Plan. The Regional Solicitation structure and its relationship to travel demand management is shown in Figure 6.

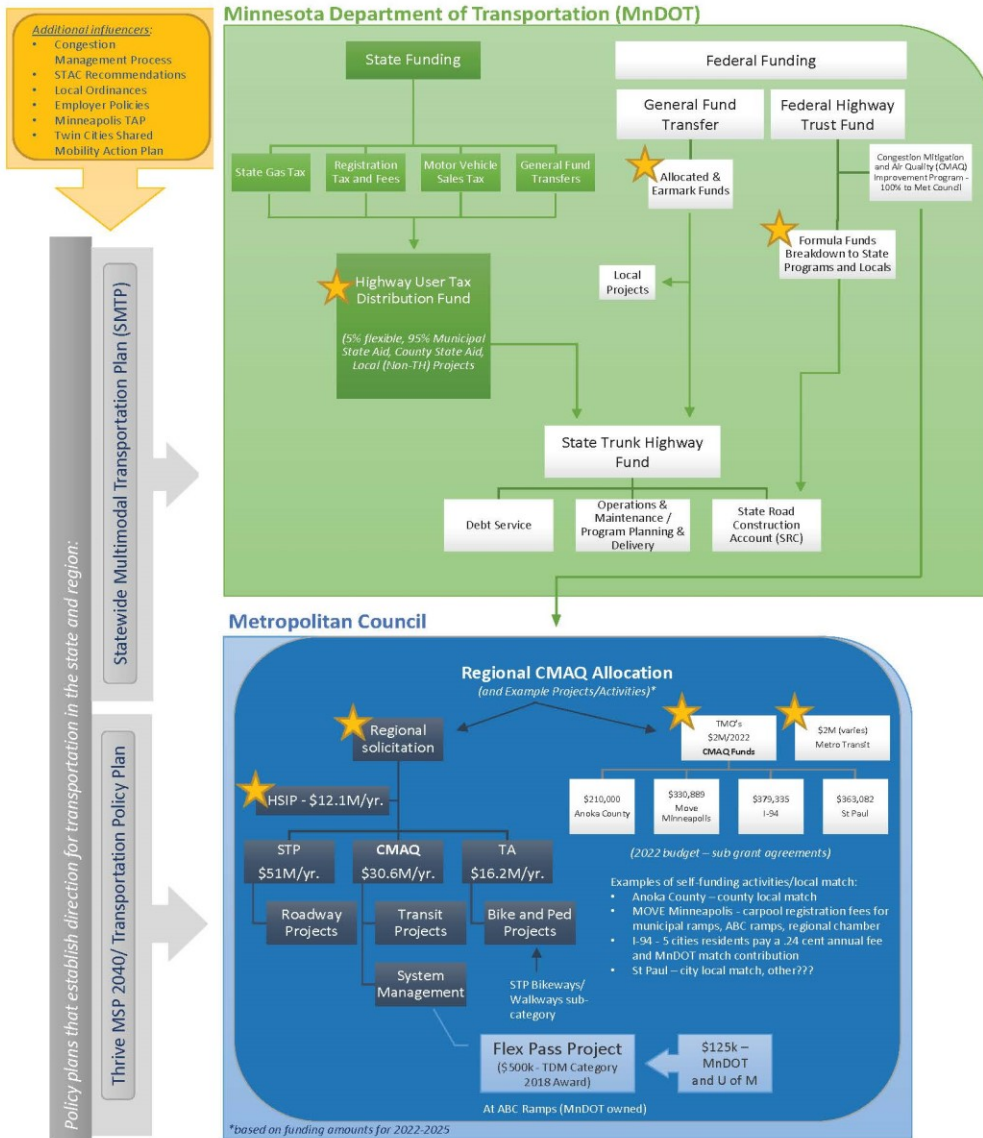
### *Carbon Reduction Program*

One federal funding program that is included in the \$250 million per two-year cycle of the Regional Solicitation is the Carbon Reduction Program, which can be applied to TDM projects. Specific funding categories and criteria for this program will be determined through the Regional Solicitation Evaluation work program item to inform the 2026 Regional Solicitation. Current federal law makes about \$14 million available to the region through the Carbon Reduction Program every two-year cycle.

Federal law requires each State to develop a State Carbon Reduction Strategy to support efforts to reduce carbon dioxide emissions from on-road highway sources in consultation with metropolitan planning organizations in the state. MnDOT published a report documenting the state's strategies and goals in November 2023.

Figure 6. Placeholder figure for funding distribution models from the Regional Travel Demand Management Study

**Regional Transportation Investments** ★ Opportunities for TDM Funding



**State funding**

State funding can support travel demand management activities for investments consistent with the Statewide Multimodal Transportation Plan. The funding could be directed by the Minnesota State Highway Investment Plan in support of reducing demand on the state highway system. MnDOT administers these funds as well as federal funds that are provided to the state and not suballocated to regions. Figure 6 demonstrates the mechanisms for how state and federal funding flow through MnDOT and where opportunities exist to identify travel demand management funding for projects.

The state general fund can provide more flexibility for its use on travel demand management and has been allocated directly to travel demand management implementers as recently as 2023. General fund appropriations for travel demand management should support activities consistent with state and regional plans, though they may be addressing more specific project needs.

### **County and city funding**

Local governments can play a unique role in funding travel demand management, particularly cities. Cities can fund travel demand management activities that are related to their authority to develop land use plans and review development permits. Cities also play a role in shared mobility, mobility hubs, parking, and local travel tools like wayfinding. These are all opportunities for cities to do more of something they are already doing or do it differently in support of travel demand management. In addition, cities and counties can participate in travel demand management by establishing funding relationships with travel demand management implementers, like the existing transportation management organizations in the region.

Counties have similar opportunities to support travel demand management but usually through their public works departments. The county role is like MnDOT in identifying how travel demand management fits with the county's transportation investment philosophy and creating partnerships to implement actions as a funding partner. With expanded funding in 2023, counties can assess how travel demand management fits into their funding plans based on the direction of the regional travel demand management program.

Both counties and cities identify their funding priorities through their capital and operating budget processes and are encouraged to consider funding travel demand management activities that align with regional needs.



## Policy Plan Contacts

### **Cole Hiniker**

Senior Manager, Multimodal Planning



---

390 Robert Street North  
Saint Paul, MN 55101-1805

651-602-1000  
TTY 651-291-0904  
[public.info@metc.state.mn.us](mailto:public.info@metc.state.mn.us)  
[metro council.org/imagine2050](http://metro council.org/imagine2050)

**IMAGINE  
2050**