



Hennepin County
Regional Railroad Authority

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May 26, 2016

Dear Hennepin County Delegation Member:

Now that we have a little distance from the tumult of the end of session I would like to offer my perspective on both the end of session and the road ahead. It seems clear to me that it is time to step back and tackle the fundamental transportation problems we face as a state in a special session. We need transportation funding legislation, and we need a bonding bill. Band-Aids are not the answer.

While I appreciate the efforts of the Senate to keep SWLRT alive in the final minutes of the session, simply inserting the increase in authority for railroad authorities from 10 to 20 percent of capital costs of transitways paid for by property taxes is not the answer!

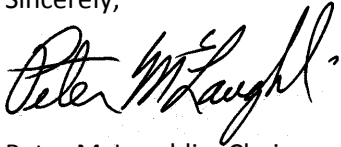
Throughout the session and as late as the last Saturday evening, the Counties Transit Improvement Board (CTIB) and the Hennepin County Regional Railroad Authority advocated for a long-term, sustainable transportation package that included a robust transit component. The transit options centered on a sales tax in the metropolitan area in one form or another that would, if possible, eliminate the state's 10 percent share of transitway capital costs and 50% of the transitway operating costs. **Such an approach would put Minnesota on the same path as most other regions around that country (e.g., Denver, Phoenix, Dallas-Ft. Worth, Seattle and Los Angeles,** to name a few) that rely on metro sales taxes to pay for transit expansion. Greater Minnesota would no longer be asked to fund these projects' construction or operation.

Unfortunately, those comprehensive efforts collapsed by early Sunday morning. A number of alternatives that would keep these transit projects alive and moving forward were then discussed. None of the alternatives was ideal. The increase in authority for rail authority contributions to capital from 10 percent to 20 percent would depend on a significant increase in local property taxes and was, quite frankly, the worst of a bad set of options available in the last day of session. To keep the projects alive, however, we advocated for this increase, which of course became the focus of the end of session chaos. I appreciate the support of Senator Latz and the supporters of the amendment, which I was repeatedly assured was in the final bill. When it became clear that the House had not included the provision in the bonding/transportation bill, Senator Latz moved the amendment and it was adopted. This last ditch, emergency provision is a bad option. It is essential that a special session enact a smarter, fairer more sustainable solution that would work for counties and transitway lines across the region, bus and light rail alike.

We continue to join with the 45 chambers of commerce, the dozen CEOs of large corporations, the more than 200 county officials and dozens and dozens of mayors and city council members from across the state in calling for a comprehensive transportation bill in 2016.

In 2015 the federal government got its act together and passed a fully funded, long-term, comprehensive transportation bill, the FAST Act. We should do no worse here in Minnesota. No great nation or no great state has succeeded economically with an unpredictable, piecemeal policy for investing in its infrastructure. Let's get on with it, Minnesota, and help assure a prosperous, safe and vibrant future. I ask for your support for such action in a special session.

Sincerely,

A handwritten signature in black ink that reads "Peter McLaughlin". The signature is written in a cursive style with a large, stylized initial "P" and "M".

Peter McLaughlin, Chair

Hennepin County Regional Railroad Authority and Counties Transit Improvement Board

Cc: The Hon. Mark Dayton
The Hon. Tom Bakk
The Hon. Kurt Daudt
The Hon. David Hann
The Hon. Paul Thissen
Adam Duininck
Members, Hennepin County Regional Railroad Authority
Members, Counties Transit Improvement Board