

Summary of meeting with Phil Cohen

Civic Caucus, 8301 Creekside Circle, Bloomington, MN 55437

Friday, April 4, 2008

Guest speaker: Phil Cohen, former mayor of Brooklyn Center, with some 40 years' experience with transportation planning in the Twin Cities metropolitan area

Present: Verne Johnson, chair; Chuck Clay, Paul Gilje, Jim Hetland, Jim Olson (by phone), Wayne Popham (by phone), and John Rollwagen (by phone)

A. Context of the meeting--This is one of several meetings the Civic Caucus is conducting to gain information on how planning is conducted and priorities are set among highway and transit projects in Minnesota.

B. Welcome and introduction--Verne and Paul introduced Phil Cohen, who has served in many local, metropolitan, state, and national roles in a public career extending back to the early 1960s. Cohen, who recently, was honored with a public celebration of his 80th birthday, has served as mayor, city council member, and school board member in Brooklyn Center. For 25 years he headed the Metro HRA Advisory Committee of the Metropolitan Council. He was president of the League of Minnesota Cities. He served on the staff of Senator David Durenberger, the staff of the Metropolitan Council under John Boland, and the staff of the League of Minnesota Cities.

C. Comments and discussion--In Cohen's comments and in discussion with the Civic Caucus the following points were raised:

1. Federal requirements for regional planning and earmarking--The federal government shares in the cost of highway and transit projects and requires regional planning organizations in metropolitan areas. Such organizations' plans must be consistent with their respective states' plans.

Cohen described the planning process using Highway 100 North as an example. This project had five signalized intersections between Golden Valley Road in Golden Valley to 50th Avenue North in Brooklyn Center.

The first question in getting priority attention is whether the project is in the statewide transportation improvement program. The second question is the status of the project with regional planning organizations. Regional planning organizations, such as the Metropolitan Council in the Twin Cities area, must each adopt a Transportation Improvement Plan. Projects that receive federal funding must be included in that plan. The third question is whether the project is included in the metropolitan transportation policy plan.

In the case of the Hwy. 100-36th Avenue interchange, the answer to all three questions was no. There was an urgency to reconstruct that highly congested interchange and lack of state funding to advance the project. Consequently, promoters

of this interchange pursued other options. They successfully obtained a federal "earmark", by which members of Congress earmark specific projects in legislation. In effect, the earmarking superseded the priority established by the Minnesota Department of Transportation (MnDOT) and the Metropolitan Council.

Cohen recalled a case where the federal government had earmarked funds to be used towards the completion of Hwy. 610 in the Brooklyn Park-Maple Grove area.

At a meeting two years ago with MnDOT concerning the status of completing the last five miles of Hwy. 610, the then MnDOT commissioner told those in attendance that MnDOT didn't appreciate the 610 group going after federal funding. Gaining access to those federal funds, the commissioner said, 1) requires MnDOT to rearrange its priorities and 2) requires that MnDOT must reallocate 20% of its funds from other projects.

For the Metropolitan Council's transportation policy plan, go to:
<http://www.metrocouncil.org/planning/transportation/tpp/2004/summary.htm>.

For the MnDOT transportation plan, go to
<http://www.oim.dot.state.mn.us/Final%202003%20STP%20PDF%27s/2003%20MN%20STP.pdf>.

2. Availability of funding is the key--Notwithstanding the requirements for planning, the factor in whether something gets built is the availability of funding, Cohen said. The recently-enacted \$6.8 billion legislative act increasing transit and highway funding satisfies some needs but much is left untouched, he said. Within the metropolitan alone, the transit and highway needs total about \$40 billion to the year 2030, Cohen said.

The future for further funding increases is very uncertain, given strong sentiment against higher taxes, plus other factors such as the growth in the retired population relative to the working population, and uncertainty in the growth of salaries, Cohen said.

3. Key role of the federal government--A member of the Civic Caucus observed that Cohen's description indicates the intimate role that the federal government plays on setting priorities on transportation, because of the large amount of federal dollars involved and because of the influence that individual members of Congress have in designating specific projects where the dollars will be spent.

A Civic Caucus member noted that the emphasis on funding specific projects tends to subordinate overall goals--such as alleviating congestion.

4. Importance of the role played by MnDOT--One shouldn't assume that the priority-setting process is run only by the regional planning agencies and members of Congress with their earmarked funds, Cohen said. A long-sought improvement of Hwy. 169 in the vicinity of Hwy. 81 and 85th Avenue North in Brooklyn Park, known as "the

devil's triangle" has been delayed because funds were shifted by MnDOT to complete the I35-W-Hwy 62 Crosstown project on the Minneapolis-Richfield border.

5. Separate planning for transit and highways--It was clarified during discussion that MnDOT and the Metro Council include both transit and highways in their plans. However, the two modes are always treated in separate chapters. Never does it appear, for example, that priorities for transit and highway projects are established together. Thus proposed highways and transit projects would never be evaluated side-by-side as to their relative ability to meet a given transportation need. Priorities are set within each mode, not between them. It was noted that such priority-setting probably is inevitable because of different funding streams.

6. City and county control over their guaranteed funds--Cohen said that cities and counties largely control the highway user funds that they receive under the constitution (62 percent for state highways, 29 percent for counties, and 9 percent for cities). However, he said such control is not absolute. He recalled that MnDOT overruled Brooklyn Center in the 1960s when the city wanted to use its highway user funds for sidewalks along municipal state aid routes. The City then thru its State Representative and Senator sought special legislation that authorized MnDOT to release municipal state aid funds for that purpose.

7. No overall plan that all modes use?--It was noted that a new joint powers board of the metropolitan counties appears to be emerging as the main decision-making organization for transit ways, including light rail, commuter rail, and exclusive bus ways. The Metro Council is responsible for bus transit, other than bus ways, and MnDOT, with a planning role for the Metro Council, is responsible for highways. A question was raised whether planning and priority-setting for buses, rail, and highways ever comes together in one place. For example, it was asked, does--or should--the Governor be responsible for putting all the parts together in one proposal?

Cohen replied that the Legislature decides how to provide state funding for transit and roads and determines the decision-making structure.

Highway and transit advocates have always had different agendas, Cohen said. There is a basic reality that forces them to work together to get any legislative funding. There are those members of the Legislature who have their own strong goals for funding transportation needs as they see them. That forces differing transportation advocates to work together if they are going to get any funding legislation enacted.

8. Magnitude of a federal transportation funding problem--A shortage of funds is present at the federal level, Cohen said. He distributed an article from *U.S. News & World Report*, April 14, 2008, that pointed the federal transportation trust fund, paid for largely through an 18.4-cents-a-gallon gas tax, is anticipated to have a \$3.9 billion deficit by 2009.

9. Local government acquiescence in use of sales tax for transportation--A Civic Caucus member commented that it is somewhat surprising that local government is accepting the use of the sales tax for transportation. Traditionally, the sales tax has been a source of general revenue, which has supported local government aid, among other services. Using the sales tax for transportation could make it more difficult to produce sufficient general revenue. Furthermore, unlike many services dependent upon general revenue, transportation has other potential revenue sources available, such as new types of user fees.

Another Civic Caucus member commented on the question of the level of the sales tax, with the upcoming vote on a constitutional amendment for outdoors that would add 3/8 of a penny, plus the recent addition of the 1/4 penny sales tax for transportation, plus a few municipal sales taxes, all on top of the statewide 6.5 percent rate.

10. Importance of metropolitan review--Cohen stressed the importance of Metropolitan Council involvement in transportation projects because of the connection to housing policy. In one case housing data indicated that bus routes weren't serving lower income neighborhoods, he said. So the Council made a decision to change the routes so that they would go through such neighborhoods.

11. Summarizing Cohen's comments--A Civic Caucus member summarized Cohen's comments as follows:

- a. Federal and state support is essential for transportation projects
- b. There's no lack of planning.
- c. The big issue is money.

12. MnDOT must respond to growth in demand; it can't determine the amount of demand--Cohen noted that MnDOT has no zoning authority. Thus it can't stop the growth of traffic-generating development near intersections and interchanges, even when such development has the effect of requiring major improvements in traffic capacity.

A Civic Caucus member noted that the owners of land in the vicinity of major interchanges get to reap the benefits of traffic improvements, with higher land values, without having to share in the expense of making those improvements.

Cohen said that environmental regulations don't allow MnDOT to buy excess land in advance in the vicinity of interchanges.

13. How Minnesota compares with other states--Minnesota is way behind many other states in taking action on transportation improvements, Cohen noted that Illinois, for example, makes much more use of tolls in financing its major roads.

Cohen said there's a fear in Minnesota that moving to toll roads could produce a desire to find money by selling off toll roads to private, foreign buyers, as in the case of Indiana.

14. Need for statewide leadership--While acknowledging the existence of different jurisdictions, responsible for different modes of transportation and utilizing different revenue sources, the question of overall leadership still remains, a Civic Caucus member said.

Sometimes, Cohen replied, you need someone outside government making a proposal. The situation is not unlike that which prevailed in the 1960s, prior to the establishment of the Metropolitan Council, he said. At that time, Cohen said, it took the Citizens League, a private, non-profit association to take the lead and make the recommendation for the Metropolitan Council. We need an outside voice now that points up the need for statewide leadership, he said.

Cohen recalled the time from 1965 to 1977 when great strides were made in the state, often accompanied by other proposals from the Citizens League, such as property tax relief, the beginning of the state sales tax, school aid reform, and fiscal disparities. In addition, he said, legislators on both sides of the aisle worked together. Moreover, a stronger partnership between state and federal government was present.

Cohen said he personally continues to work in public affairs because he would like to leave the world a little better than the way he found it. Cohen said another problem today is a lack of good civics education. City leaders are astonished at citizens' lack of knowledge about state and local government, he said.

15. Thanks--On behalf of the Civic Caucus, Verne thanked Cohen for meeting with us today.