



# Summary of Meeting with Rep. Jim Oberstar

Civic Caucus, 8301 Creekside Circle, Bloomington, MN 55437

*Sunday, April 6, 2008*

Radisson University Hotel, Minneapolis

**Guest Speaker: U. S. Rep. Jim Oberstar** , chair, House Transportation and Infrastructure Committee

**Present :** Verne Johnson, chair; Charles Clay, Phil Cohen, Paul Gilje, Jim Hetland, Melissa Jabas, and Martin Sabo

**A. Context of the meeting** —The Civic Caucus has been exploring the question of leadership on regional and statewide transportation policy in Minnesota. Today we're meeting with who might be the most influential member of Congress on transportation.

**B. Welcome and introduction** —Verne and Paul welcomed and introduced U. S. Rep. Jim Oberstar, chair, House Transportation and Infrastructure Committee. Oberstar, representing the 8th Congressional District in Minnesota, has served longer in the U. S. House than any other Minnesotan. He now is in his 17th term, having been elected first in 1974.

Oberstar is a native of Chisholm, MN, and a 1954 graduate of the College of St. Thomas. He has a master's degree from the College of Europe, in Belgium, in 1957. He taught English from 1959 to 1963 to Haitian military personnel in Haiti. He served as chief staff assistant to his predecessor, Congressman John Blatnik, from 1963 to 1974.

**C. Comments and discussion** —During Oberstar's comments and in discussion with the Civic Caucus the following points were raised:

**1. Major milestones in transportation history**— Oberstar outlined four past milestones in transportation history in the U.S.A., and said the nation will shortly experience its fifth milestone.

The previous four:

1894—When petitions from 150,000 bicyclists and others resulted in the first appropriation, \$10,000, for the Office of Road Inquiry within the Department of Agriculture.

1916—When "to get the farmers out of the mud" Congress passed the Federal- Aid Road Act of 1916. It created the Federal-Aid Highway Program under which funds were made available on a continuous basis to state highway agencies to assist in road improvements.

1956—Creation of the interstate highway system.

1991—Passage of the Inter-modal Transportation Sufficiency Act, giving transit access to transportation funds that previously were available to highways only. Today 18 percent of federal transportation trust funds are available to transit.

The 1991 act was enacted to develop a national inter-modal surface transportation system. Funds were authorized for the construction of highways, and for highway safety and mass transit programs. The purpose of the National Inter-modal Transportation System is to connect all forms of transportation to reduce energy consumption and air pollution, while promoting economic development and supporting international commerce.

**2. The emerging milestone** —The fifth, emerging milestone, Oberstar said, will occur in 2009, with new legislation that is necessary to reauthorize existing highway law. He believes the new milestone will restore what has been lost in inter-modalism since 1991 and to engage the energy of people in determining the future of transportation. All existing programs are up for review in the new environment, he said.

The criteria for eligibility for rail transit will be rewritten, he said. The inclusiveness of projects and their broader impact on the community will be considered.

**3. Transit has been undermined by the current Administration** —Oberstar said the current Administration in Washington, D. C., has done its best to undermine transit. For example, he said, the Federal Transit Administration (FTA) relies on a too-limited approach in approving transit projects. The FTA uses what is known as a "cost effectiveness index" that looks only at some limited criteria, such as how many cars will be taken off the road by a proposed transit improvement.

To illustrate the importance of development impact for transit, Oberstar cited a light rail transit line (DART) extending west from downtown Dallas, TX, with 20 stations that has generated some \$1 billion of venture capital. Some 48 percent of jobs in downtown Dallas depend upon DART, he said. DART has about 66 million riders a year.

**4. Importance of local zoning** —Comparing the Dallas experience with that of the Hiawatha line in Minneapolis, a participant noted that the Minneapolis City Council has not been all that willing to allow higher density development in the vicinity of transit stations. The kind of development that Dallas has requires comparable zoning. It was noted that the city of Dallas has an ownership in the DART line, while Minneapolis itself isn't the owner of the Hiawatha line.

**5. Outlook for growth in federal transportation trust fund** —The federal gasoline tax, the main source of dollars for the trust fund, has not been increased since 1993. Since then increases in construction costs have eroded about 47 percent of the construction dollar. Thus, today, a penny-a-gallon increase in the gasoline tax will buy one-half the construction it would have bought in 1993.

Oberstar favors an increase in the federal gasoline tax on the order of 25 cents a gallon, and with that amount indexed to the future. A penny-a-gallon increase nationally will raise about \$1.8 billion a year, he said.

Federal transportation trust fund dollars pay 80 percent of the cost of approved highway projects. The percentage paid for transit projects varies, he said. The federal share of the Hiawatha line construction was 50 percent, the same as proposed for the Central Corridor along University Avenue between the downtowns of Minneapolis and St. Paul.

**6. Ability to use the gasoline tax for transit** —A Civic Caucus member noted that the state gasoline tax in Minnesota is dedicated to highways. A constitutional amendment would be necessary for any of those funds to be used for transit. Oberstar observed that at the federal level, too, road interests have contended that the gasoline tax is "our" revenue.

**7. Potential for other revenue sources** —In response to a question about whether the federal government is looking at other sources besides the gasoline tax for the transportation trust fund, Oberstar said he is looking closely at a one-year-old experiment in Oregon, now under way, to develop a tax based on vehicle miles traveled. The state has had some difficulty in implementing such a tax, including concerns over privacy, but he thinks that the idea makes some sense. He'd also be interested in having the tax relate to weight of vehicles, too, because heavier vehicles impose more damage on roads.

**8. Difficulty in sorting out roles of transportation jurisdictions** —Martin Sabo, former member of Congress, said he never could understand how the various jurisdictions responsible for transportation in the metro area related to one another. Oberstar replied that better planning is necessary between the state departments of transportation and the federal transportation agencies, and in the process the people affected locally must be involved.

**9. Capturing increase in land values** —In a follow-up to earlier discussion about use of transit to guide development, Oberstar was asked whether increases in land values that landowners enjoy when highway interchanges and transit stations are built nearby should be used to help pay for the highway and transit improvements. Oberstar replied that in the past federal policy has been mainly concerned with protecting landowners who are dislocated when their land is taken for freeways or rail lines.

**10. Opposition to congestion pricing**— Oberstar said he is doing all he can to kill the idea of using tolls or other pricing mechanisms to reduce congestion. He is critical of the idea because it doesn't increase capacity and places cost on people least able to afford it. He's also concerned that once you start with toll roads you might follow the precedent in Indiana, which has leased its toll road to a private foreign company for 99 years.

Continuing the pricing discussion, Oberstar was asked whether the vehicle miles traveled concept being tried in Oregon might be modified to allow different prices depending upon the time of day and the location of the vehicle miles traveled. He replied that he understands that Oregon is having major problems in computerizing the system.

**11. "Earmarking" by members of Congress defended** —Oberstar said that his committee submits a 17-point questionnaire to each member of the House, concerning transportation projects in their districts that they are requesting to be specifically authorized in federal law, that is, "earmarked". A project needs to be on track to be completed within six years; the non-federal match must be available; necessary environmental, engineering and right-of-way work must be completed, and the project must be part of a state plan, approved by a local government agency, and supported by local interests.

The "bridge to nowhere" controversy, in which the Governor of Alaska requested a bridge from Anchorage to a sparsely-populated island, has given earmarking a bad name, Oberstar said.

Oberstar recalled an experience he had in Chisago City, MN, where people were complaining that Hwy. 8 wasn't upgraded and, the complainers alleged, MnDOT wasn't providing help. He stepped in and arranged for all the parties at interest to come together, and the project got programmed.

**12. Proposed rail transit projects will be approved** —Oberstar said that Congress in 2009 will redesign the formula for approval of rail transit projects so that the various rail projects proposed for Minnesota will be built.

A Civic Caucus member noted that some critics of the Central Corridor LRT between the downtowns are contending that the LRT line would only be marginally faster than the existing bus line on that route.

**13. Change in decision-making process** —Oberstar said he agrees that decision-making on transportation needs change and revitalization at the state level. He urged that the Civic Caucus talk with Elwyn Tinklenberg, former state commissioner of transportation, who made some creative proposals to then-Governor Ventura, who chose not to adopt them.

One needs leadership at all levels within the state, Oberstar said. Fragmentation within metropolitan areas exists nationally, he said, and varies among metropolitan areas. He said MnDOT has not been providing adequate leadership; it has lost hundreds of engineers from its staff over the last four years.

Phil Cohen said that within the metropolitan area the Metropolitan Council's flexibility is limited. Recommendations on transportation priorities come to the Council from its Transportation Advisory Board (TAB), which is made up of officials of various units of local government. The Council may approve or reject recommendations from the TAB, but it may not modify the recommendations, Cohen said. The reason is that the Metropolitan Council is not a council of governments.

**14. Over-emphasis on service to the downtowns?** —A Civic Caucus member asked why so much attention is given to rail service to the downtowns, when only 15 percent of the work trips are destined for the downtowns. Moreover, more congestion is present for people who are going to non-downtown destinations. Oberstar replied that each jurisdiction must do its own planning. Metro areas don't just make applications because of the availability of federal funds, he said. He cited an example of a 38-mile light rail line planned for Honolulu, Hawaii, costing \$3.4 billion. The new line will serve some 58 percent of the jobs and accommodate 70 percent of new growth, he said.

**15. Setting transit and highway priorities together?** —A member inquired whether the federal government should restore its requirements for coordinated planning that were in existence in the 1960s. It's theoretically possible that the same jurisdiction could evaluate transit and highway projects and assign priorities based on which projects will do the most to meet agreed-upon objectives, Oberstar said. He feels that Denver, Portland, and Los Angeles are three metropolitan areas that seem to do the best in a unified approach, rather than treating transit and highways as separate, competing, entities.

**16. Thanks—** On behalf of the Civic Caucus, Verne thanked Oberstar for meeting with us tonight.