

Policy Advancement: Transportation

The Citizens League is advancing transportation policy based on the 2005 report *Driving Blind*. We call for more choices and more transparent funding mechanisms in order to create a transportation system that is fiscally sustainable and responds to the choices of users and beneficiaries. Once we begin paying more directly for the costs we impose and the benefits we receive from the transportation system, the choices we make will inform future transportation investments.

More Transparent Funding for More Choices

Users and beneficiaries of Minnesota's transportation system should pay more directly through several more transparent funding options.

- **Free-flow pricing:** Wherever there is significant enough congestion to price solo driving, a single lane where a solo driver can buy free flow should be an available choice.
- **Value capture:** When a transportation improvement increases the value of land, the amount of property tax revenue from that increase should be captured to help pay for the improvement.
- **Vehicle fees based on road impact:** A study of the impact of all vehicles on the cost of maintaining and constructing our roadways and bridges must be undertaken in 2008 to implement a new fee structure in 2009.
- **Benefit receipt tax:** At the point of sale of land that benefits from a transportation improvement, the state should tax a portion of that gain to pay for the transportation improvement on the basis of the increase in value.
- **Fees on large parking lots:** Develop a fee structure on parking lots with more than 100 spaces and use the revenue to support transit and employer incentives.

Provide Transportation Choices on a System-Wide Basis

All Minnesotans who pay the costs for congested roadways should have these choices and more:

- Significant transit improvements with guaranteed free flow
- Choice for solo drivers to pay for free flow during congested times, or to continue to drive in the congested roadway for "free"
- Incentives for a greater number of employers to support flex-time and telecommuting options

Fund and Implement the Urban Partnership Agreement (UPA)

Minnesota has a rare opportunity to model how transparent funding and transportation choices can be integrated through free-flow pricing, increased transit options and employer incentives. The federal government has offered \$133 million, mainly to build facilities for bus rapid transit (BRT) on I-35W from downtown Minneapolis to Burnsville as Minnesota implements free-flow pricing on that segment of freeway. The state must come up with \$55 million in matching funds by May 12, 2008 to receive this federal money.

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CITIZENS LEAGUE POLICY OPEN HOUSE – THURSDAY, FEBRUARY 28, 2008