



# RAMSEY COUNTY

## **Ramsey County Board Discussion: Transportation Funding**

Board of Commissioners

April 9, 2019

Estimated Start: 9:45 a.m.

220 Courthouse, Large Conference Room

### **Agenda**

- |                 |  |
|-----------------|--|
| 1. Introduction | Commissioner Jim McDonough,<br>Board Chair |
| 2. Discussion   | Board of Commissioners                     |

# Transportation Funding

April 4, 2019

## Highway User Tax Distribution (HUTDF)

### Revenues

- Fuel (Gas) Tax
- License Tab Fees
- Motor Vehicle Sales Tax

### Distribution to Agencies

- 62% to Trunk Highway (TH) Account – MnDOT
- 29% to County State Aid Highway (CSAH) Account – all 87 counties
- 9% to Municipal State Aid Streets (MSAS) Account – cities with a population over 5,000 (148)

### Flexible Highway Account (Turnbacks)

- 50/50 Split between Metro and Greater MN
- 16% of total split between 7 metro counties based on population (minus Mpls and St Paul)

### Ramsey County CSAH Distribution

	2019 Distribution	2023 Base Distribution (no new revenue) <sup>(1)</sup>	2023 Distribution from Governor's Proposal <sup>(1)</sup>	Additional Revenue to Ramsey County
Construction (60%)	\$12,428,133	\$13,899,062	\$18,704,765	\$4,805,703
Maintenance (40%)	\$8,285,422	\$9,266,042	\$12,469,844	\$3,203,802
<b>Total</b>	<b>\$20,713,555</b>	<b>\$23,165,104</b>	<b>\$31,174,609</b>	<b>\$8,009,505</b>

### Ramsey County Flexible Highway Account Distribution

	2019 Distribution	2023 Base Distribution (no new revenue) <sup>(1)</sup>	2023 Distribution from Governor's Proposal <sup>(1)</sup>	Additional Revenue to Ramsey County
Ramsey County	\$970,308	NA	\$1,344,671	\$374,363

#### (1) Governor's Proposal

- \$0.20 gas tax implemented over 4 years. Cost indexing starting in 2023
- Vehicle registration tax rate change from 1.25% to 1.5%; increase base fee from \$10 to \$20; change the depreciation schedule
- Change motor vehicle sales tax rate from 6.5% to 6.875%
- Return sales tax on motor vehicle repair parts to general fund (statutorily dedicated)

## **Motor Vehicle Leased Sales Tax (MVLST)**

House proposal. Governor's proposal did not include Hennepin and Ramsey Counties.

	<b>Percent Distribution</b>	<b>Current Distribution</b>	<b>HF 1555 Proposal</b>	<b>Difference</b>
HUTDF	NA	\$10,963,318	\$0	-\$10,963,318
MN Transportation Fund <sup>(1)</sup>	0%	\$12,956,648	\$0	-\$12,956,648
Metro CSAH <sup>(2)</sup>	75%	\$37,873,279	\$50,749,892	\$12,876,614
Greater MN Transit	10%	\$37,873,279	\$6,766,652	-\$31,106,626
Small Cities Assistance	15%		\$10,149,978	\$10,149,978
	100%	\$99,666,523	\$67,666,523	-\$32,000,000

(1) Funding for the Local Bridge Replacement Program (LBRP)

(2) Funding to five metro counties, excluding Hennepin and Ramsey

<b>County</b>	<b>Population</b>	<b>Population %</b>	<b>Current Distribution</b>	<b>HF 1555 Proposal</b>	<b>Difference</b>
Anoka	352,674	20.49421%	\$10,437,263	\$10,400,790	-\$36,474
Dakota	102,858	5.97717%	\$3,044,046	\$3,033,409	-\$10,638
Carver	422,580	24.55651%	\$12,506,107	\$12,462,403	-\$43,703
Hennepin <sup>(1)</sup>	249,902	14.52203%	\$0	\$7,369,917	\$7,369,917
Ramsey <sup>(2)</sup>	191,211	11.11145%	\$0	\$5,639,047	\$5,639,047
Scott	144,717	8.40964%	\$4,282,849	\$4,267,882	-\$14,967
Washington	256,905	14.92899%	\$7,603,013	\$7,576,444	-\$26,569
	1,720,847	100.00000%	\$37,873,279	\$50,749,892	\$12,876,614

(1) 20% of Hennepin County's population

(2) 35% of Ramsey County's population

## **Metropolitan Area Transit Sales and Use Tax**

Governor's proposal – 0.125% retail sales and use tax (2022-2023 Biennium - \$147M or \$73.5M per year)

- To the Metropolitan Council to maintain and expand the regional bus and transitway system
- For transit purposes within the metropolitan area – studies, design, engineering, environmental, property acquisition, operations
- Be consistent with long-range Transportation Policy Plan (TPP)

House Proposal – 0.5% retail sales and use tax (2022-2023 Biennium - \$590M or \$295M per year)

- 50% to the Metropolitan Council for transit systems and operating capital (\$147.5M per year)
  - For transit purposes
- 50% to the Transportation Advisory Board (TAB) (\$147.5M per year)
  - 30% highways
  - 30% transit
  - 10% non-motorized
  - 30% flexible into one of the three categories above

Transportation Advisory Board (TAB) Federal Funding (for context for House proposal)

- For the 2018 Regional Solicitation:
  - Year 2022-2023 construction
  - \$200M in available federal funding for 2-year period (\$100M each year)
  - 136 projects submitted
  - 55 projects selected

## **County Board Resolution (March 26, 2019) - AMC Transportation Funding Support**

WHEREAS, Minnesota Counties maintain 30,742 miles of County State Aid Highway (CSAH) roads and 14,141 miles of county roads, totaling over 30% of the state's roadways; and

WHEREAS, The total annual need to maintain the current CSAH and county road system is \$1.084 billion over the next 25 years, which does not include funding for expansion; and

WHEREAS, The annual funding gap for counties has resulted in deferring basic maintenance, delaying expansion projects with resulting safety concerns, mounting congestion, and missed economic growth for businesses and commuters; and

WHEREAS, A comprehensive and sustainable transportation solution should include robust funding for roads, bridges, and transit, and address the varying needs in different parts of the State of Minnesota; and

WHEREAS, Increased funding for Minnesota's Highway User Tax Distribution Fund would provide additional, stable funds for the Minnesota Department of Transportation, all 87 counties, all cities with a population of 5,000 or more, and townships across the State; Now, Therefore, Be it

RESOLVED, The Ramsey County Board of Commissioners approves for inclusion in the Ramsey County 2019 State Legislative Platform a resolution of support for a Statewide Transportation Funding package; and Be It Further

RESOLVED, The Ramsey County Board of Commissioners authorizes county representatives to work with members of the legislature and other interested parties to support legislation proposing a statewide funding package to address the needs in roads, bridges and transit.



BOARD OF COMMISSIONERS

RESOLUTION

Presented by: Commissioner Carter Date: March 26, 2019 No. B2019-071
Attention: Board of Commissioners

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Ramsey County Board of Commissioners

Table with 3 columns: YEA, NAY, OTHER. Rows list commissioners: Toni Carter, Blake Huffman, Trista MatasCastillo, Mary Jo McGuire, Rafael Ortega, Victoria Reinhardt, Jim McDonough.

Jim McDonough, Chair

Signature of Janet M. Guthrie
Janet M. Guthrie
Chief Clerk - County Board