

**REPORT TO THE LEGISLATURE  
ON THE  
MINNESOTA DEPARTMENT OF TRANSPORTATION  
  
REST AREA PROGRAM**

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Laws 2003, 1st Special Session, Chapter 19, Article 2, Section 67



Prepared by  
Minnesota Department of Transportation

**January 30, 2004**



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The cost of preparing this report is \$35,000. It includes staff time and overhead costs.

# CHAPTER 1 - INTRODUCTION

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## CONTEXT LEADING TO REPORT

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Early in 2003, the Minnesota Department of Transportation (Mn/DOT) proposed changes in rest area operations that would have resulted in closing some rest areas. The proposal generated significant public reaction. In response, Lt. Gov./Transportation Commissioner Carol Molnau, on May 13, 2003, presented an alternative plan to the state legislature that would keep all of Minnesota's roadside rest areas open through June 2004.

Under the proposal, Mn/DOT would take one year to explore more efficient ways to operate the state's rest areas. In addition, the department would propose closure of individual rest areas where sensible.

The legislature, in response to the proposal, directed the Commissioner of Transportation to prepare and present a report, related to the Mn/DOT Rest Area Program to the 2004 Legislature. The report was due January 30, 2004.

## REPORTING REQUIREMENTS

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This report is submitted by the Commissioner of Transportation in response to the requirements specified in Minnesota Session Laws of 2003, 1st Special Session, Chapter 19, Article 2, Section 67.

### ARTICLE 2 OTHER CHANGES RELATED TO TRANSPORTATION AND PUBLIC SAFETY

#### Sec. 67. [REST AREA PROGRAM; REPORT.]

The commissioner of transportation shall report to the chairs of the legislative committees with jurisdiction over transportation policy and finance by January 30, 2004, on the status of the department's highway rest area program. The report must include:

- (1) adequacy of funding for the program;
- (2) all rest area closings and hours of service reductions implemented and planned for the 2004-05 biennium;
- (3) steps that the commissioner has taken or plans to make to allow leasing of rest areas to private entities or operation of rest areas by private entities, including provisions that the commissioner has made or intends to make to promote the employment of needy elderly persons at rest areas and preserve contracts under Minnesota Statutes, section 248.07.

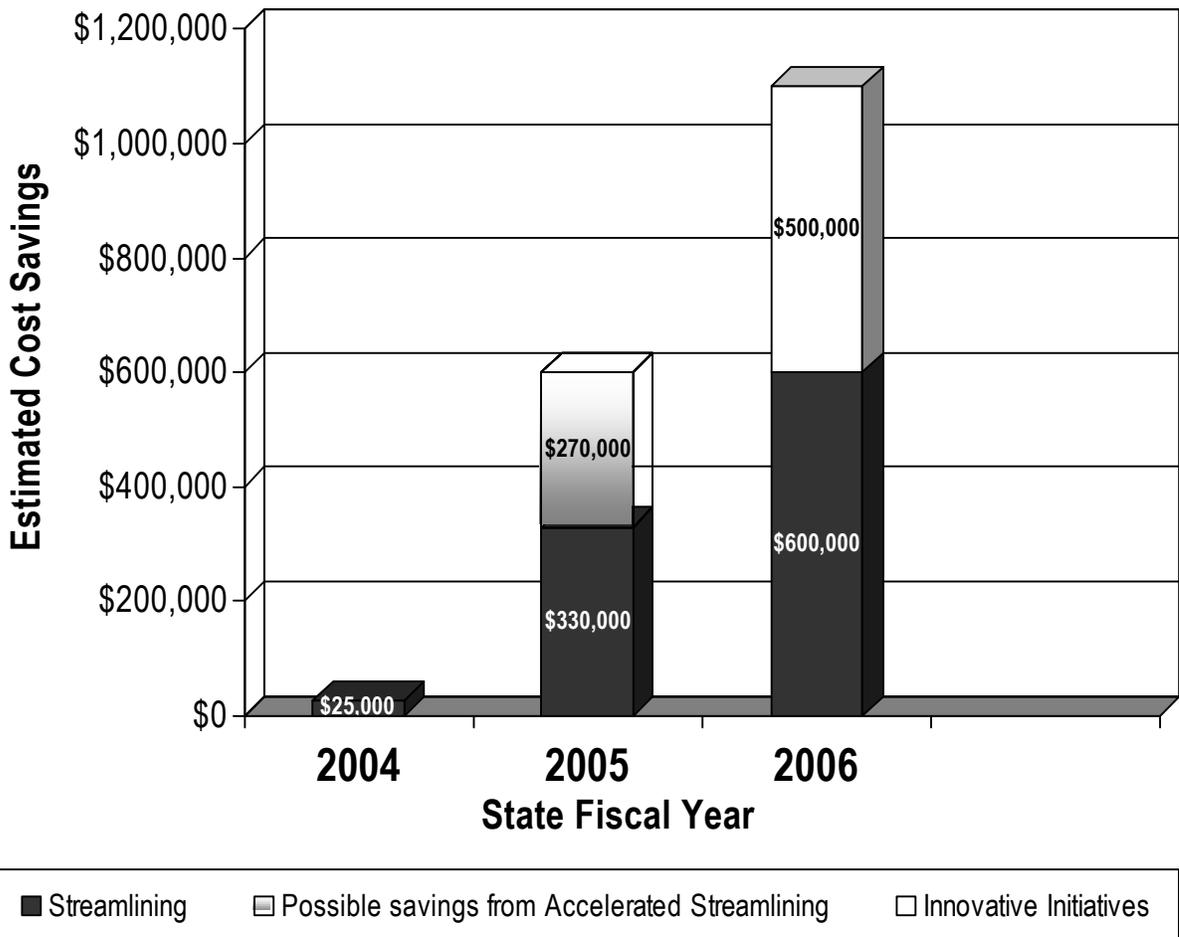
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## CHAPTER 2 - RESPONSE TO THE LEGISLATURE

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Mn/DOT reassessed the statewide Safety Rest Area Program between July and December 2003. The department used a comprehensive process to analyze 281 existing facilities listed in a rest area database maintained by Mn/DOT. The objective of this process was to document the need for each facility and where appropriate streamline the Safety Rest Area System. The process took into account the safety value of rest areas. The department does not expect proposed streamlining to impact motorist safety. Results of the process identified 80 rest areas that serve a motorist safety function along our highways. A facility was identified as a rest area if it met at least one of the criteria below:

- ◆ Eliminates an unsafe highway shoulder stop
- ◆ Occurs at a critical location for commercial trucks
- ◆ Occurs at a strategic location for promoting the state and state tourism
- ◆ Provides another safety function
- ◆ Is situated at the desired spacing on the Rest Area Service Network to address safety issues



The process recommended that the department remove from the Safety Rest Area Program, sites not meeting this criteria and identified a rational strategy for their proper disposition. The department will make reasonable efforts to minimize impacts to users and will attempt seamless transfers of ownership to public and private entities where possible. Mn/DOT prepared a timetable that will allow for the disposition of sites, however; the department understands that a variety of issues could delay some disposition efforts. Therefore, proposed disposition dates are simply targets for Mn/DOT to achieve streamlining.

**ADEQUACY OF FUNDING**

Mn/DOT spent approximately \$5.8 million for routine rest area maintenance and operations in State Fiscal Year (SFY) 2003. Of this amount 67 percent covered outsourced custodial services, 31 percent covered district operations costs, and 2 percent covered costs associated with the Facilities Maintenance Program (FMP).

Mn/DOT is committed to fully funding the operations and maintenance of facilities that serve a safety rest area purpose. The department plans to redirect operations and maintenance funds away from facilities that do not serve this purpose.

In addition, Mn/DOT is exploring new initiatives to supplement rest area funding. These include a Safety Rest Area Sponsorship Program, expanded vending services and contract advertising at rest areas. The initiatives are expected to generate revenue for the Safety Rest Area Program.

Mn/DOT will continue to develop partnerships and will attempt the leasing of rest areas to private and not-for-profit entities to offset costs to the state. The department expects to recognize revenue and cost offsets beginning in SFY 2006.

The graph on the previous page shows expected cost savings through streamlining and shows estimated revenue and cost savings from innovative initiatives.

**REST AREA CLOSINGS AND HOURS OF SERVICE REDUCTIONS FOR 2004-05 BIENNIUM**

The reassessment process identified facilities to remove or streamline from the Safety Rest Area Program. Based on this determination, the department has set target dates to stop funding maintenance and operations at these sites. Refer to the inset at right for additional date and cost saving projections. Mn/DOT plans to immediately begin processes necessary to streamline.

**SFY 2004 Streamlining  
\$ 25,000 Cost Reduction**

Savings from not reopening seasonal sites in Spring 04

Seek disposition and stop funding by April 2004 for the following number of sites found not to serve a rest area purpose

- 41 Class IV sites
- 1 Seasonal Class I site
- 4 Seasonal Class II sites
- 3 Seasonal Class III sites

No partner impacts expected

**SFY 2005 Streamlining  
\$ 330K - \$ 600K\* Cost Reduction**

Includes \$25K recurring savings from actions implemented SFY 04

Seek disposition and stop funding by

July 2004

- 1 Interstate Class I site with partner impacts

October 2004

- 1 Seasonal Class I site with partner impacts
- 6 Seasonal Class II sites with partner impacts
- 1 Seasonal Class III site with no partner impacts

June 2005

- 1 TIC with partner impacts
- 1 Class I site with partner impacts
- 1 Seasonal Class II site with partner impacts
- 6 Class IV sites with partner impacts

\* Depends on agency devoting resources to accelerate transfers, partner interest, and agency desire for seamless transfer.

The department will seek operations partners or attempt appropriate disposition of 67 sites that do not serve a safety rest area purpose. Mn/DOT expects to accomplish this phase of streamlining by the close of SFY 2005. By the end of SFY 2010, the department plans the disposition of an additional 134 sites that do not serve a safety rest area purpose. Mn/DOT proposes no closing or hours of service reductions at any facility serving a safety rest area purpose.

## **LEASING OF REST AREAS**

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Mn/DOT will propose legislation to permit long-term leasing at rest areas to private entities. The proposed legislation will also permit the operation of rest areas by private entities. As required by federal policy, the department will request approval from the Federal Highway Administration (FHWA) on lease agreements, on a case-by-case basis, for projects located on the Interstate System and for projects that include federal funds.

Currently, Mn/DOT is proceeding with work on two pilot partnership projects. The department intends to enter into joint development lease agreements with project partners. Mn/DOT will seek necessary FHWA approvals. The partnership projects include:

- ◆ Cass Lake Rest Area Partnership
- ◆ MN371 Rest Area Partnership

## **PROVISIONS PROMOTING EMPLOYMENT UNDER MINNESOTA STATUTES, § 248.07**

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The department plans to continue outsourcing custodial maintenance services at rest areas. Mn/DOT expects to maintain contract terms related to promoting and encouraging the employment of needy, elderly persons at rest areas remaining in the Safety Rest Area System.

Mn/DOT currently outsources custodial services at 16 of the 67 sites the department expects to remove from the system by July 2005. Eleven of the 16 sites are smaller Class II and Class III rest areas. The department estimates that the proposed streamlining will reduce the total statewide custodial contract by just under nine percent.

The department will negotiate any future rest area partnership leases so that project partners continue to meet the objectives of this statute. Mn/DOT will require project partners to:

- ◆ Seriously consider employing needy, elderly persons, or
- ◆ Procure services from the Mn/DOT vendor(s) retained under Minnesota Statutes, § 248.07.

## **ADDITIONAL REPORT CONTENT**

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### **Program Background**

The next chapter, Chapter 3, provides a condensed background on the Safety Rest Area Program, including statement of program mission, components of the program, the purpose of rest areas, history of Minnesota's Safety Rest Area Program and laws and regulations governing rest areas.

### **Streamlining the System**

Chapter 4 discusses the statewide reassessment process used by Mn/DOT in more detail. It also elaborates on recommendations for the proper disposition of sites the department plans to remove from the Safety Rest Area Program.

**Innovative Plans**

Chapter 5 discusses the various innovative initiatives that Mn/DOT is exploring to supplement rest area funding. The department expects that beginning in SFY 2006, revenue and cost offsets from some of these new initiatives will supplement funding for rest area operations.

## CHAPTER 3 - PROGRAM BACKGROUND

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### OVERVIEW

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Each year over 20 million individuals use Mn/DOT safety rest areas. It is well documented that the main purpose of rest areas is safety, primarily through reductions in the number of shoulder stop and fatigue-related driver accidents. Rest areas also provide motorists refuge during adverse driving conditions, provide information to improve trip planning and provide services for commercial truck, business and recreational motorists. The convenience of these services eliminates excess travel and shortens travel time. Lastly, rest areas, with their prominent location on state highways, can effectively promote the state and its tourism industry to residents and visitors.

Since the 1930s, Minnesota has recognized the value of rest areas. During the Interstate construction era from the 1960s through the early 1980s the state developed a rest area system on both Interstate and non-Interstate highways. Where possible rest area development was integrated with roadway construction. Mn/DOT used an analysis process to document the need for each facility.

As the rest area system matured, the focus of the program shifted from rest area development to providing ongoing system maintenance, delivering enhanced motorist services and controlling costs. Over the past 24 years, in order to maintain efficiency, Mn/DOT has periodically removed rest areas from the system when they no longer served a safety rest area purpose. The department has worked hard to control rest area expenditures in an era of increasing costs and competing budgets. For example, Mn/DOT has outsourced custodial services at rest areas since 1969. More recently, in the late 1990s, the department participated in the Governor's Challenge Pool. This participation further reduced costs associated with rest areas. Similarly, the department has a long history of partnering with local, state and federal units of government for sharing facilities or developing cooperative programs. These partnerships promote efficiencies and innovation in providing governmental services.

### PROGRAM MISSION STATEMENT

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The Mn/DOT Safety Rest Area Program is to provide motorists in Minnesota with a coordinated system of rest areas and waysides. The system will cost effectively meet the needs of the motoring public by promoting a safe, pleasurable and informative travel experience in order to help motorists travel safer, smarter and more efficiently.

Safety Rest Area Program objectives are included in Appendix A.

### PROGRAM COMPONENTS

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The Safety Rest Area Program is composed of the Rest Area Service Network and the Safety Rest Area System.

#### **Rest Area Service Network**

The service network is a collection of high volume highways, along which Mn/DOT develops rest areas to meet the motoring public's safety, comfort, travel and tourism needs. The Rest Area Service Network was first defined in the 1979 "*Non-Interstate Rest Area Development Program*" report. It identified a specific

#### **2003 Mn/DOT Rest Area System**

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42 Class I Rest Areas  
11 Travel Information Centers  
24 Class II Rest Areas  
13 Class III Rest Areas  
180+ Class IV Waysides

service network of highways throughout the state and recommended rest area facility needs based on a desirable 50-mile facility spacing along these routes. Criteria used to select routes in the service network was modified in 1994 when the National Highway System was adopted.

### **Safety Rest Area System**

The system is the aggregate of the individual rest areas and waysides managed by Mn/DOT. The System consists of four classes of Safety Rest Areas each designed specifically for the expected motorist type and traffic volume.

- ◆ **Class I Safety Rest Areas** - Rest area buildings are clean, modern and open 24 hours per day. They offer a drinking fountain, display case maps, travel displays, vending machines and public phones. Typically, these rest areas are located on sites of 15 to 30 acres. They feature picnic facilities; lighted walkways; and lighted car, recreational vehicle and commercial truck parking lots. Class I facilities frequently include a children's playlot, pet exercise areas, artwork, regional and cultural interpretative information and scenic views. Twenty-nine of the Mn/DOT operated Class I rest areas are located on the Interstate System and 13 are on non-Interstate highways.
- ◆ **Travel Information Centers (TIC)** - TICs are Class I rest areas that offer expanded customer services and feature a staffed travel information counter. Mn/DOT, in partnership with the Minnesota Office of Tourism, operates six travel information centers on Interstate highways and five on non-Interstate highways.
- ◆ **Class II Safety Rest Areas** - These smaller rest areas are usually on sites of five to 15 acres. They feature vault toilet facilities with separate facilities for men and women, a water well, picnic facilities, paved parking lots and other site amenities. They are seasonally operated. Mn/DOT operates 24 Class II rest areas on non-Interstate highways.
- ◆ **Class III Safety Rest Areas** - Most of these rest areas are on sites ranging from one to five acres in size. They feature unisex vault or pit toilet facilities, picnic facilities, walkways and other site amenities. Some have paved parking lots, water wells and historic or interpretive displays. They are seasonally operated. Mn/DOT operates 13 Class III rest areas on non-Interstate highways.
- ◆ **Class IV Waysides** - These are the most simple, yet most diverse facilities. They are often on sites of one to five acres. They do not have toilet facilities, but typically offer scenic views, historical markers, interpretive information or other points of interest. They are seasonally operated. Mn/DOT operates more than 180 wayside rests on non-Interstate highways.

### **PURPOSE OF SAFETY REST AREAS**

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Safety rest areas are an integral, necessary element of the nation's highway systems. The primary purpose for safety rest area development is improved highway safety. Improved highway safety is measured as a direct reduction in the number of shoulder stop and driver fatigue accidents. Secondary, but important benefits of rest areas include enhanced comfort and convenience for motorists and a reduction in excess travel and time related to searching for services. Since the 1940s federal transportation legislation has consistently recognized rest areas for their motorists safety and service value.

### **National Research Council Report**

The safety value of rest areas is documented in a report by the Transportation Research Board's National Research Council. The report entitled, "*National Cooperative Highway Research Program (NCHRP)*

Report #324 -- Evaluation of Safety Roadside Rest Areas” quantified the safety value of rest areas in order to assess their cost benefit. The report offers the following statistics.

#### **Shoulder Stop Accident Reduction**

- ◆ 3 percent of all highway accidents involved vehicles parked on highway shoulders
- ◆ 23 percent of all shoulder stops were for the purpose of “checking vehicle load” or “minor mechanical trouble”
- ◆ On rural Interstate highways the absence of rest areas are projected to result in approximately 52 percent increase in shoulder accidents
- ◆ In 1989 it was estimated that nationwide, rest areas prevented 200 fatal and 7,900 shoulder accidents annually

#### **Rest areas are:**

An integral and necessary element of the rural interstate and primary highway system in the United States.

A legitimate publicly financed function

Estimated to benefit society in the range of 1 to 2 billion dollars per year (1989 costs), as a result of improved user safety, comfort and convenience

Determined to have a benefit / cost ratio that ranges from 3:1 to 7:1 for the nationwide system of rest areas.

*NCHRP Report #324 Findings*

#### **Fatigued Driver Accident Reduction**

- ◆ More than 50 percent of all shoulder accidents involved dozing drivers
- ◆ Fatigued drivers who enter the rest area represent 4.5 percent of the entire traffic stream
- ◆ Reduced driver fatigue due to rest areas is estimated to decrease highway accident rates by 3.7 percent.

#### **Taylor and Sung Study**

A study conducted by Taylor and Sung (1998) investigated fatigue-related truck accidents on Interstate highways and how they related to the availability of rest areas. The key finding was that the probability of a nighttime, single-vehicle truck accident increases exponentially when the distance between rest areas increases beyond 30 miles. Further findings indicated that the distance between rest areas should not exceed 55 miles due to the increased likelihood of accidents.

#### **Research in Minnesota**

Mn/DOT conducts periodic rest area market research. In a 1997 statewide phone survey conducted by the department, research concluded the following:

- ◆ Seventy-nine percent of survey respondents from the Twin Cities metro area have stopped at a rest area while traveling on state highways and Interstates.
- ◆ Over half of the respondents from Greater Minnesota have stopped at a highway rest area while traveling on state highways and Interstates.
- ◆ Respondents who were asked to name the type of facility they prefer to stop at while traveling listed highway rest areas second (24.2 percent) only to gas stations (28.4 percent). Fewer than 18 percent mention either sit-down restaurants or fast food restaurants as the places they prefer to stop.

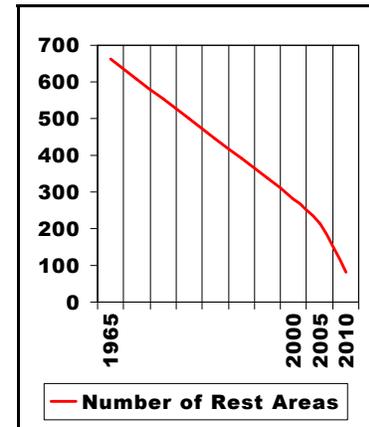
#### **Additional Benefits**

The state also recognizes rest areas and travel information centers may effectively promote the state. Travel information provided at rest areas can increase attendance at tourist attractions and commercial establishments and increase state tourism revenues.

## PROGRAM HISTORY

In 1965, the Minnesota Highway Department (MHD) surveyed its roadside facilities and documented approximately 385 wayside rests on trunk highways. In addition, the MHD maintained 45 lake, river, and stream access areas; 138 historical, geological and state line markers; and 94 scenic overlooks. In 1965, the MHD maintained a total of 662 roadside facilities.

Minnesota, in conjunction with Interstate construction, began developing full service rest areas in 1965. Full service rest areas included modern rest room facilities that featured pressurized water and flush toilets. Development on Interstate and non-Interstate highways was made possible by the availability of state and Interstate highway construction funds. Federal Highway Beautification funds (100 percent federal participation) were used toward several projects on the non-Interstate highways.



On the Interstate system, Mn/DOT initially spaced rest areas at a 30-mile interval as recommended by the FHWA. Before 1970, the FHWA revised the recommended spacing interval to 50 miles.

In 1994 Mn/DOT revised the Rest Area Service Network. This was in response to the adoption of the National Highway System by Congress. The revision resulted in a substantial reduction in the number of routes and total miles included in the network. As a result, the statewide rest area service network was reduced from 5,330 to 4,006 miles. The 1,324 miles reduction amounted to a 25 percent reduction in the system.

The 1994 Rest Area Service Network included routes primarily on the National Highway System, Market Artery Routes and Summer Travel Routes. It also included a few connector highways. To meet motorists safety break needs the plan recommended the development of Class I full service rest areas and Class II limited service rest areas at a 50-mile interval on routes included in the network. The 50-mile interval conformed to current federal guidance regarding safety rest area spacing. Mn/DOT avoided development of rest areas that duplicated comparable local services.

From 2000 to 2003 Mn/DOT has continued to reevaluate the Rest Area Service Network in reaction to Mn/DOT's designation of Interregional Corridors. The network was modified to include routes primarily on the National Highway System, Interregional Corridors and Summer Travel Routes. The network continues to include a few connector highways.

For the past 24 years, Mn/DOT's objectives have remained fairly constant. Those objectives include:

- ◆ Developing new rest areas and reinvesting in existing rest areas that meet current safety and motorist service needs
- ◆ Removing rest areas from the system that no longer serve a safety rest area purpose

Mn/DOT has consistently pursued these objectives and as a result, the system has become a smaller, more efficient Safety Rest Area System. In fact, over the past 24 years, more than 385 Mn/DOT maintained facilities found not to serve a safety rest area purpose were removed from the system. At the same time, Mn/DOT has continued its commitment to develop and reinvest in rest areas that meet program objectives.

## **GOVERNANCE**

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State and federal laws and regulations generally describe what activities may occur at rest areas, how motorists may access the rest area and how facilities may operate. Significant laws and regulations affecting rest area services and operations are described below. Applicable state and federal laws are cited in Appendix B.

### **Vending**

Federal law and regulations (23 CFR 752 and 20 USC 107a) permit the placement of vending machines in existing or new safety rest areas located on the rights-of-way of the Interstate system. Machines may dispense food, drink or other articles as determined appropriate and desirable by the state. However, vending machines must not dispense petroleum products or motor vehicle replacement parts. Further, permission is granted to the state to operate vending machines directly or to contract with a vendor for the installation, operation and maintenance of the vending machines. The State must give priority to vending machines operated through the State agency for the blind as designated pursuant to the Randolph-Sheppard Act.

State law (MN Statutes § 160.08 and 160.28) allows Mn/DOT to contract for or authorize the placement of vending machines dispensing food, nonalcoholic beverages or milk in rest areas, tourist information centers and weigh stations on marked Interstate and primary trunk highways. Mn/DOT must operate vending machines under United States Code, title 20, sections 107 to 107e and as provided in section MN Statutes § 248.07.

### **Advertising**

23 CFR 752 permits the state to provide specific information to the motorist, free of charge, about places of interest within the state and other information deemed desirable by the state.

MN Statutes § 160.08 and 160.276 - 160.278 permit Mn/DOT to lease space within travel information centers and safety rest areas for the purpose of providing information to travelers through travel-related commercial and public service advertising.

### **Commercial Activities**

23 CFR 752 and 23 CFR 1.23 forbid commercial activities by stating that no charge to the public for goods and services may occur at safety rest areas or privately operated information centers except for telephone and articles dispensed by vending machines.

MN Statutes § 160.08 prohibits the construction of commercial establishments for serving motor vehicle users within the rights-of-way or on publicly owned or publicly leased land acquired or used in connection with a controlled access highway.

### **Leasing**

23 CFR 710 allows the state to lease property acquired with Title 23 funds by an agreement with a lessee. Lease agreements require approval from the FHWA.

MN Statutes § 16B.24 permits the Commissioner of Administration to rent out state property, not needed for public use, for up to five years at a time or up to 25 years with Executive Council approval.

### **Partnerships**

MN Statutes §174.02, subdivision 6, authorizes the Commissioner of Transportation to enter into agreements with other governmental or non-governmental entities for sharing facilities or other means of providing transportation related services, or for other cooperative programs that promote efficiencies in

providing government services or that further develop innovation in transportation for the benefit of the citizens of Minnesota.

MN Statutes §161.20, subdivision 2, authorizes the Commissioner of Transportation to make arrangements and cooperate with any governmental authority for the purpose of constructing, maintaining and improving the trunk highway system.

MN Statutes §471.59 authorizes two or more governmental units to agree to jointly or cooperatively exercise any common power or for one governmental unit to exercise its powers on behalf of the other. Minnesota Statutes §471.15 authorizes cities to operate a program of public recreational facilities.

### **Maintenance Contracts**

MN Statutes § 160.282 allows for the negotiation of contracts with or without requiring the submission of bids for providing of maintenance services for Interstate and non-Interstate rest areas and travel information centers. The terms and conditions must promote and encourage the employment of needy, elderly persons.

### **Rest Areas within Other Jurisdictions**

MN Statutes § 86A.08 permits Mn/DOT to locate rest areas in state parks, state forests, state historic sites, as well as state wild, scenic and recreational river sites. Similarly, other agencies may locate historic sites, trails, and wild, scenic, and recreational river sites and water access sites within Mn/DOT rest areas. The managing agency shall administer units to which they are assigned by section 86A.05 even when located wholly or partially within another unit administered by a different managing agency, unless otherwise specifically provided by law or by agreement between the agencies involved.

## CHAPTER 4 - STREAMLINING

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### ANALYSIS PROCESS

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Mn/DOT undertook an extensive analysis process as a means to apply consistent statewide recommendations for 281 sites inventoried in the rest area database. The department used the process to evaluate individual sites and determine if the sites serve a safety rest area purpose. Where Mn/DOT found facilities did not serve a safety rest area purpose, the process was used to identify considerations and recommendations for their proper disposition.

#### **Defining a Safety Rest Area**

As stated earlier, the process determined that a Mn/DOT Safety Rest Area is a site that meets at least one of the criteria listed below:

- ◆ Site eliminates an unsafe highway shoulder stop
- ◆ Site occurs at a critical location for commercial trucks
- ◆ Site occurs at a strategic location for promoting the state and state tourism
- ◆ Site provides another safety function
- ◆ Site is situated at the desired spacing on the Rest Area Service Network to address safety issues. Desired spacing is typically 50 miles, except for along Minnesota State Highway 61 where desired spacing is 25 miles. This exception addresses the unusual nature of MN61 along the North Shore, specifically the highways' heavy summer travel use.

Using the criteria above, Mn/DOT determined which sites should remain in the Safety Rest Area System. The department will retain ownership of these sites and will operate them as safety rest areas. Mn/DOT will consider entering into limited use permits to reduce Mn/DOT operations costs at these rest areas.

In some situations rest areas are redundant because a public non-Mn/DOT facility, located near a Mn/DOT Safety Rest Area, offers equivalent or near equivalent services. The department plans to stop funding the nearby rest area if the non-Mn/DOT facility is appropriately spaced with respect to the Safety Rest Area System as a whole and if the facility operates to Mn/DOT standards. The department will use the analysis process to determine the proper disposition of the redundant Mn/DOT rest area.

#### **General Disposition Recommendations**

The analysis process identified steps to follow for the proper disposition of properties that do not serve a safety rest area purpose. Considerations and recommendations depend on the nature of each site and fall into the five categories listed below.

- ◆ **Site of National or State Significance**  
If the site is of state or national significance, Mn/DOT will make reasonable efforts to assure it is retained in state or federal government ownership. If the site primarily serves another state or federal government unit, the department will attempt to transfer, sell, exchange or bank (e.g., for future mitigation purposes) the facility with that government unit. If this is not possible, Mn/DOT will attempt entering into or maintaining an existing limited use permit with another party to operate the site. If no parties are interested in entering into a limited use permit, Mn/DOT will retain ownership of the site. It is not necessary to operate the site as a Safety Rest Area.

- ◆ **Site of Regional or Local Significance**

When a site is of local or regional significance, Mn/DOT will attempt to retain the site in government ownership. If a site primarily serves another government unit, the department will attempt to transfer, sell, exchange or bank the facility with that government unit to operate the site. If this is not possible, Mn/DOT will attempt entering into or maintaining an existing limited use permit with another party to operate the site. It is not necessary for parties to operate the site as a Safety Rest Area. If no party is willing to operate the facility Mn/DOT will follow recommendations for the proper disposition of the site, under the next two designations, as applicable.

- ◆ **Site located on State Scenic Byway**

When a site is located on a state scenic byway and potentially of local or regional significance, Mn/DOT will work with the associated byway group to determine if the site adds value to the byway. If it does, the department will encourage the byway group to work with a government unit to acquire the property. If the byway group or a government unit is not interested in acquiring the site, Mn/DOT will follow disposition recommendations under the following designation.

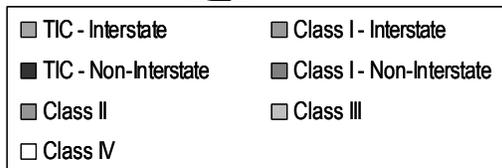
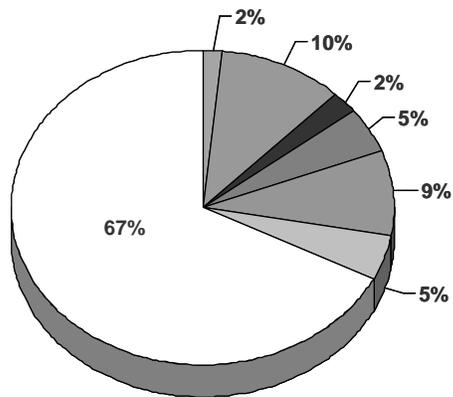
- ◆ **Site to treat as Surplus Right-of-Way**

When a site is identified as having no significance to another government unit, Mn/DOT may treat the site as surplus right-of-way and dispose of it as permitted by law in the manner most advantageous to Mn/DOT.

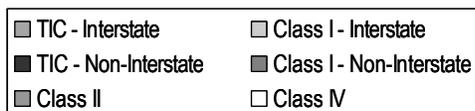
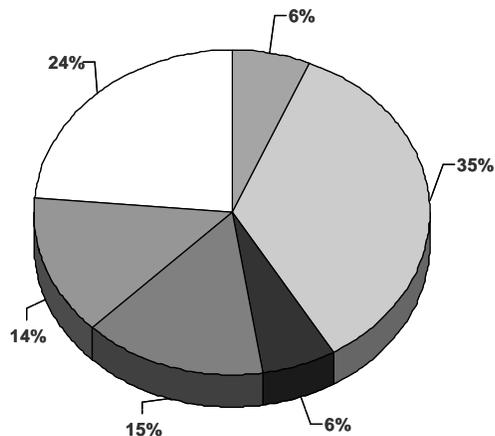
- ◆ **Site to retain for foreseeable Transportation Need**

When the right-of-way of a site may serve a foreseeable transportation need, for instance to accommodate future road widening or bridge replacement, Mn/DOT will retain ownership of the site. The department, however, may enter into limited use permits to reduce department operations costs. It is not necessary for Mn/DOT to operate the site as a Safety Rest Areas.

**Before Streamlining**



**Post Streamlining**



## SITES IMPACTED BY STREAMLINING

As stated earlier, Mn/DOT expects to streamline or remove some sites from the Safety Rest Area System. These sites do not serve a safety rest area purpose. The department will work with interested parties to seek seamless disposition of these facilities to appropriate parties where possible. Mn/DOT will attempt to minimize or avoid disruption of services to customers.

Mn/DOT has prioritized dispositions. The department based prioritization on the expected:

- ◆ Cost savings to Mn/DOT
- ◆ Complexity of disposition

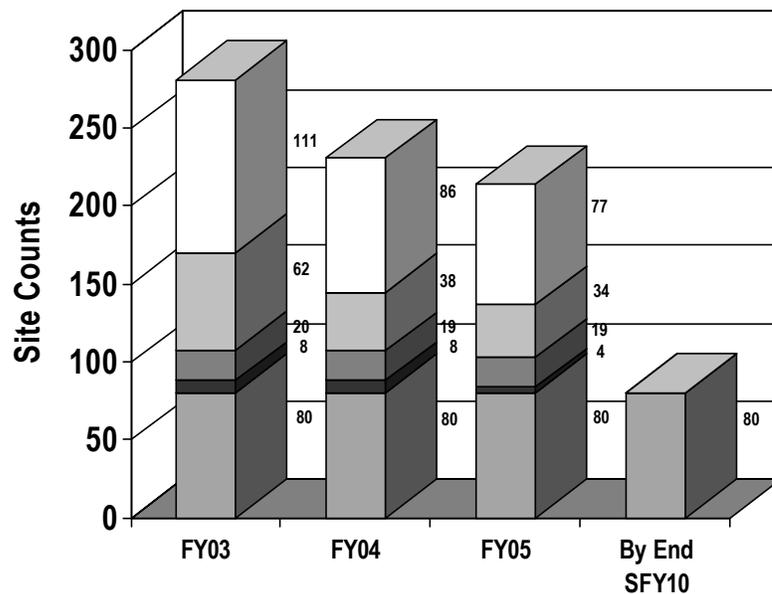
By the end of SFY 2005, the department will attempt to streamline 67 sites at which Mn/DOT currently incurs costs. By the end of SFY 2010, Mn/DOT expects to remove an additional 134 sites from the system. Since Mn/DOT does not currently incur any costs on these 134 sites, there is little incentive to expedite their disposition. The department has set priority of disposition for them at a lower level. None of the sites identified serve a safety rest area purpose as defined by the analysis process.

Regardless of the priority, Mn/DOT will pursue disposition if and when conditions are suitable. In all cases, Mn/DOT desires disposition to occur in such a manner as to minimize user impacts and allow for a seamless transfer of site ownership where possible.

The map and lists on the following pages show the 67 sites identified for streamlining and target dates at which time Mn/DOT expects to halt funding for them.

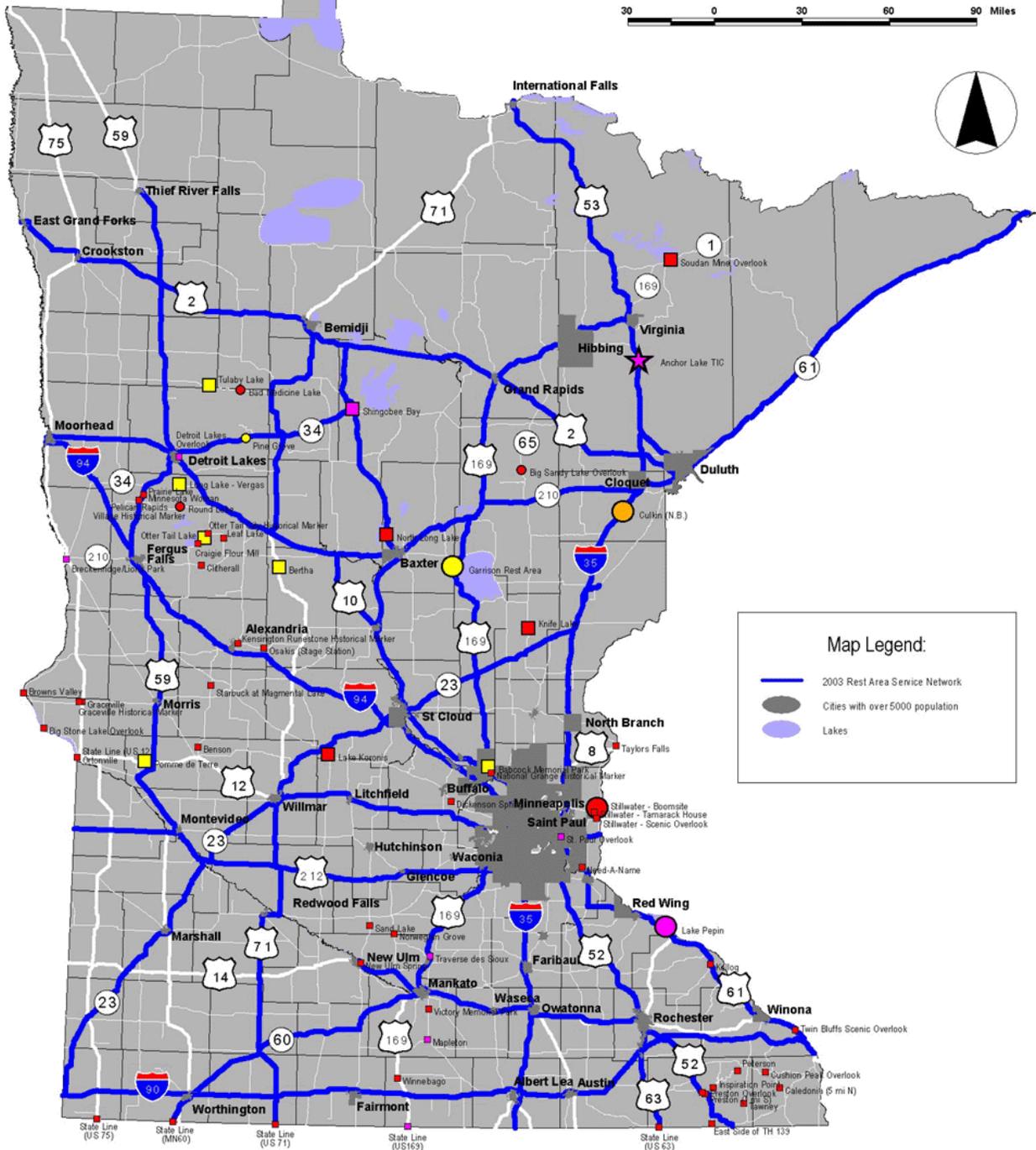
### Summary of Analysis

80	Sites to Remain in System
67	Sites Removed from System by end of SFY 2005
134	Sites Removed from System by end of SFY 2010
281	Total Site Analyzed



□	NON-REST AREA - Attempt retention by governmental unit, through transfer, sale, exchange or banking. Where retention not possible treat as surplus right-of-way.
▒	NON-REST AREA - Seek operations partner but retain in State or Federal ownership, through retention, transfer, sale, exchange or banking.
■	NON-REST AREA - Seek operations partner but retain in Mn/DOT ownership for future transportation need.
■	REDUNDANT REST AREAS - Seek transfer or disposition
■	REST AREAS - Comprising Rest Area System

# 67 Sites Impacted by Streamlining By End of SFY 05



**Map Legend:**

- 2003 Rest Area Service Network
- Cities with over 5000 population
- Lakes

## TARGET DATES Mn/DOT PLANS TO STOP FUNDING

April 2004

- ★ TIC
- Class I
- Class II (vault toilet)
- Class III (pit toilet)
- Class IV (no toilet)

July 2004

- ★ TIC
- Class I
- Class II (vault toilet)
- Class III (pit toilet)
- Class IV (no toilet)

October 2004

- ★ TIC
- Class I
- Class II (vault toilet)
- Class III (pit toilet)
- Class IV (no toilet)

June 2005

- ★ TIC
- Class I
- Class II (vault toilet)
- Class III (pit toilet)
- Class IV (no toilet)

**Sites Impacted by End of Fiscal Year 2005**  
Prepared by Rest Area Program Manager

Water Access Site Register Eligible or Listed 4F Concern Under Evaluation	Route	RefPost	PARTNERSHIPS				FY 04 MAINTENANCE OPERATIONS COSTS				Running Total
			Office of Tourism	State Patrol	DNR	Other Partner	SSB-Contractor	SSB-Blind Vendor	Greenview (Custodial)	District	

**FY 2004**

Implement Decision Tree Outcome Immediately. Cease expenditures by: **APRIL 2004**

CLASS I	CLASS II	CLASS III	CLASS IV
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Stillwater - Boomsite			
Number of Site 1 \$55,215			
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Soudan Mine Overlook	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> North Long Lake		
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Lake Koronis	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Knife Lake		
Number of Site 4 \$20,162			
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Round Lake	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Bad Medicine Lake	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Big Sandy Lake Overlook	
Number of Site 3 \$14,332			
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Leaf Lake	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Starbuck at Magmental Lake	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> East Side of TH 139	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Sand Lake
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Inspiration Point (Lanesboro)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Peterson	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Cushion Peak Overlook	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Clitherrall
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Victory Memorial Park	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Norwegian Grove	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Kensington Runestone Historical Marker	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Osakis (Stage Station)
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Browns Valley	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Graceville Historical Marker	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Benson	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Tawney
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Dickenson Spring	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> State Line (MN60)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Big Stone Lake Overlook	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Caledonia (5 mi N)
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Craigie Flour Mill	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Otter Tail City Historical Marker	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Stillwater - Tamarack House	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Stillwater - Scenic Overlook
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> National Grange Historical Marker	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> State Line (US 12) - Ortonville	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> New Ulm Spring	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Winnebago
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Preston (1 mi S)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Preston Overlook	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Pelican Rapids Village Historical Marker	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Prairie Lake
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Minnesota Woman	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Twin Bluffs Scenic Overlook	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Kellog	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Need-A-Name
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> State Line (US 63)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> State Line (US 71)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> State Line (US 75)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Graceville
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Taylors Falls			
Number of Site 41 \$56,235			

**FY 2005**

Close site permanently by: **JULY 2004**

CLASS I			
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Culklin (N.B.)			
Number of Site 1 \$116,573			

Water Access Site  
 Register Eligible or Listed  
 4F Concern  
 Under Evaluation

Route RefPost

**PARTNERSHIPS**  
 Office of Tourism  
 State Patrol  
 DNR  
 Other Partner  
 SSB-Blind Vendor  
 SSB-Contractor

**FY 04 MAINTENANCE OPERATIONS COSTS**

Greenview (Custodial) District Lighting Total Running Total

**FY 2005**

Implement Decision Tree Outcome Immediately. Cease expenditures by: **OCTOBER 2004**

<b>CLASS I</b>																	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Garrison Rest Area	3A	CLASS I	US169	233.2	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	\$29,220	\$7,929	\$0	\$37,149	\$299,666
												Number of Site	1	\$37,149			
<b>CLASS II</b>																	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Tulaby Lake	4A	CLASS II	MN113	31.1	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$7,080	\$600	\$0	\$7,680	\$307,346
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Long Lake - Vergas	4A	CLASS II	MN228	0.7	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$900	\$0	\$900	\$308,246
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Otter Tail Lake	4A	CLASS II	MN78	34.2	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$10,114	\$1,000	\$0	\$11,114	\$319,360
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Babcock Memorial Park	3B	CLASS II	US10	214.3	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$5,057	\$24,000	\$0	\$29,057	\$348,417
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Pomme de Terre	4B	CLASS II	US12	23.9	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$4,389	\$1,500	\$0	\$5,889	\$354,306
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Bertha	3A	CLASS II	US71	212.0	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$9,840	\$0	\$9,840	\$364,146
												Number of Site	6	\$64,480			
<b>CLASS III</b>																	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Pine Grove	4A	CLASS III	MN34	62.0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$4,046	\$400	\$0	\$4,446	\$368,592
												Number of Site	1	\$4,446			

**FY 2005**

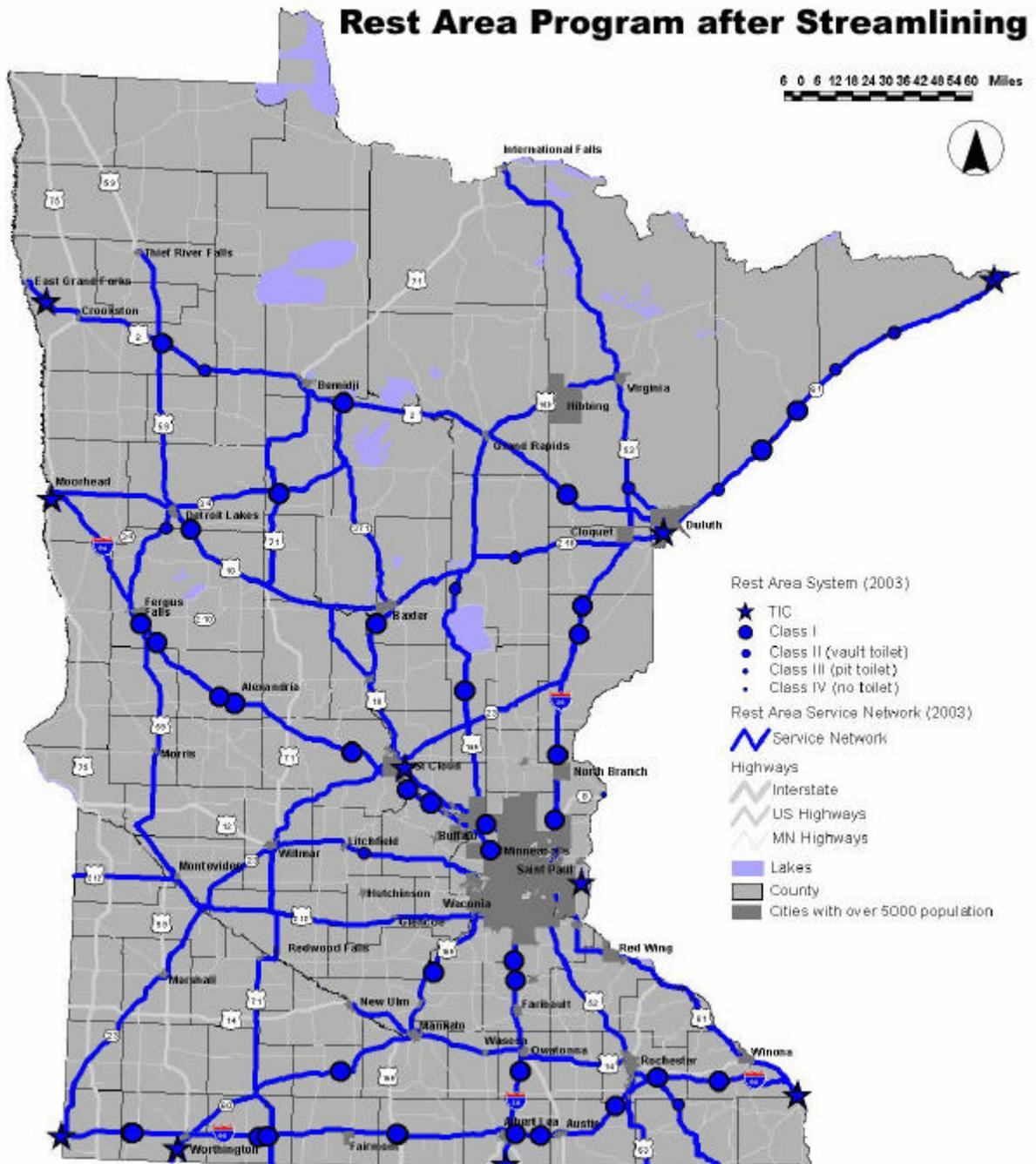
Implement Decision Tree Outcome Immediately. Cease expenditures by: **JUNE 2005**

<b>TIC</b>																	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Anchor Lake TIC	1B	TIC	US53	49.6	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$71,455	\$23,000	\$1,420	\$95,875	\$464,467
												Number of Site	1	\$95,875			
<b>CLASS I</b>																	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lake Pepin	6B	CLASS I	US61	77.9	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	\$71,455	\$39,916	\$1,115	\$112,486	\$576,953
												Number of Site	1	\$112,486			
<b>CLASS II</b>																	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Shingobee Bay	2A	CLASS II	MN371	88.1	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$4,551	\$4,885	\$0	\$9,436	\$586,389
												Number of Site	1	\$9,436			
<b>CLASS IV</b>																	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Mapleton	7A	CLASS IV	MN22	35.8	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$600	\$0	\$600	\$586,989
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Detroit Lakes Overlook	4A	CLASS IV	US10	46.9	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$500	\$0	\$500	\$587,489
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	State Line (US169)	7A	CLASS IV	US169	0.0	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$500	\$0	\$500	\$587,989
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Traverse des Sioux	7A	CLASS IV	US169	67.3	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$3,345	\$3,345	\$591,334
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	St. Paul Overlook	ME	CLASS IV	US61	134.9	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$7,200	\$0	\$7,200	\$598,534
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Breckenridge/Lions Park	4B	CLASS IV	US75	206.1	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$900	\$0	\$900	\$599,434
												Number of Site	6	\$13,045			

## SAFETY REST AREA PROGRAM AFTER STREAMLINING

The map below shows sites serving a safety rest area purpose as validated in the analysis process. These sites will remain in the Safety Rest Area System. The dark bold highways comprise the current Rest Area Service Network.

Details of the sites remaining in the Safety Rest Area System are listed on the following pages.





	Route	RefPost	Visitors Per Year Adjusted	PARTNERSHIPS				FY 04 MAINTENANCE OPERATIONS COSTS				Running Total			
				Office of Tourism	State Patrol	DNR	Other Partner	SSB-Blind Vendor	SSB-Contractor	Greenview (Custodial)	District		Lighting	Total	
<b>CLASS IV</b> Wayside rest with no toilet															
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Lake City Concourse	6A	CLASS IV	US61	75.5	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,326,842
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Ray Berglund Memorial Wayside	1A	CLASS IV	MN61	86.6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,326,842
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Flute Reed River	1A	CLASS IV	MN61	128.8	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,326,842
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> State Entry Sign (old) US 8	ME	CLASS IV	US8	21.7	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,326,842
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> State Entry Sign (new) US 8	ME	CLASS IV	US8	21.5	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$1,000	\$0	\$1,000	\$5,327,842
<input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> Cascade	1A	CLASS IV	MN61	100.0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,327,842
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Grand Portage (2 mi N)	1A	CLASS IV	MN61	147.0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,327,842
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Howland (7.4 mi E)	1A	CLASS IV	MN61	137.2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,327,842
<input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> Split Rock Lighthouse Overlook	1A	CLASS IV	MN61	45.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,327,842
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Good Harbor Bay Overlook	1A	CLASS IV	MN61	104.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,327,842
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Chippewa Turnout	6A	CLASS IV	US61	64.2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$515	\$0	\$515	\$5,328,357
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Split Rock Trail Head	1A	CLASS IV	MN61	43.3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,328,357
<input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> Birch Coulee Historical Marker	8	CLASS IV	US71	84.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,328,357
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Morton Pioneer Monuments	8	CLASS IV	US71	85.5	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,328,357
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Lowers Lake	7B	CLASS IV	US71	21.9	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,328,357
<input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> Reads Landing Overlook	6A	CLASS IV	US61	64.7	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$515	\$0	\$515	\$5,328,872
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Wabasha Overlook	6A	CLASS IV	MN60	217.0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$103	\$0	\$103	\$5,328,975
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Reads Landing (2 mi N)	6A	CLASS IV	US61	65.7	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$515	\$0	\$515	\$5,329,490
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Wayswauging Bay Overlook	1A	CLASS IV	MN61	148.3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$5,329,490
<b>Number of Site</b>											<b>19</b>	<b>\$2,648</b>			

Water Access Site  
 Register Eligible or Listed  
 4F Concern  
 Under Evaluation

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## CHAPTER 5 - INNOVATIVE INITIATIVES

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This report presents a snapshot of the Safety Rest Area Program and Mn/DOT plans.

Increased rest area construction and operating costs paired with limited funding requires Mn/DOT to think smarter, seek efficiencies and explore alternative funding and revenue streams. This report documents opportunities Mn/DOT is exploring to offset the State's costs associated with rest areas and travel information centers. These opportunities may provide financial benefits to the state and improve the delivery of services to motorists.

Mn/DOT is exploring these opportunities to address:

- ◆ Escalating cost of constructing, operating and maintaining rest area facilities
- ◆ Increasing demands for federal and state funds
- ◆ Competing priorities of how best to spend transportation funds
- ◆ Customer expectations for improved and expanded motorist services.

Mn/DOT is not alone in exploring innovative initiative for constructing, operating and maintaining rest areas. Other states also are exploring creative solutions to manage and fund their rest area programs. The federal government, through the FHWA, is working with state transportation departments to permit some of these innovations. The states are required by federal policy to involve the FHWA with projects involving federal funds or with projects located on the Interstate highways.

Improving efficiency in rest area operations and a renewed interest in the use of public/private partnerships and other innovative approaches are a few of the ways Mn/DOT expects to supplement funding of rest areas. The approaches under consideration focuses on reducing Mn/DOT and state costs related to rest area operations and maintenance and on generating revenue to offset these costs.

### **SAFETY REST AREA SPONSORSHIP PROGRAM**

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In August 2003, Mn/DOT retained a market research firm to study the viability of a Safety Rest Area Sponsorship Program. The firm will complete the study by February 2004. A summary of research findings to date is included in Appendix C.

In this proposed program, a contributor would sponsor a Safety Rest Area and in exchange Mn/DOT would acknowledge the sponsor in and around the rest area. The department will apply the sponsor's contribution toward rest area maintenance and operations. The study included three public focus groups composed of rest area users, several one-on-one interviews with business owners and a quantitative survey of 148 businesses.

The market research firm's initial findings indicate the program is viable. It will, however, require a very targeted business plan and may initially take some time to market the program.

### **ADVERTISING**

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In the 1980s and 1990s Mn/DOT outsourced an advertising program at Class I rest areas and travel information centers. Around the year 2000, Mn/DOT terminated the vendor contract for this program based on vendor nonperformance. Mn/DOT believes such a program is still viable. The department expects to reintroduce an advertising program with the intention of generating revenue to supplement rest areas and travel information center funding. The department is currently collaborating with the

Minnesota Office of Tourism to redevelop this program. To improve the likelihood of a successful program the department will propose legislative changes that will give Mn/DOT more flexibility to implement and administer this program.

## **VENDING**

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Mn/DOT will propose legislative changes related to vending at rest areas. The intention is to increase revenue for the state from the vending program. The proposed legislation will permit a broader, more profitable assortment of items dispensed from rest area vending machines.

Vending at rest areas is operated by the State Services for the Blind (SSB). Mn/DOT expects SSB to receive the greatest revenue increase from changes to the vending statutes. Mn/DOT may also benefit by increased profitability through the receipt of a small commission on SSB subcontractor sales.

## **LEASING OF REST AREAS**

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Safety Rest Areas provide useful services to travelers who need a break from driving and allows the state the opportunity to make a positive impression on the user and foster tourism and commerce. Mn/DOT will consider leasing rest areas to tourism departments, chambers of commerce and other leasing candidates. The lessees will pay to operate and maintain the facility. Mn/DOT will base lease rates on comparable market lease rates currently available in the vicinity of the rest area.

Mn/DOT is evaluating the economic viability of leasing of rest area buildings and sites. Pilot partnership projects that may include leasing include:

- ◆ Cass Lake Rest Area Partnership
- ◆ MN371 Rest Area Partnership

## **SAFETY REST AREA COMMERCIALIZATION**

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The environment and context in which rest areas are developed and operated are changing. In response, many levels of government are reevaluating their missions and how they accomplish them. This change is reflected by Congress's consideration of a comprehensive transportation reauthorization bill. Current versions of the bill confirm there is growing enthusiasm in Congress to reform certain transportation-related policies related to rest areas. One such reform involves removing an existing prohibition against commercial development in Interstate rest areas.

Several federal and state statutes and regulations restrict the type and extent of commercial activities that may occur at rest areas. The US Department of Transportation Surface Transportation Reauthorization may include in the Safe, Accountable, Flexible and Efficient Transportation Act of 2003 (SAFETEA)

## **SEC. 1306 COMMERCIALIZED REST AREA PILOT PROJECTS.**

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This section would allow States to conduct pilot projects on Interstate Highways that would permit commercial operations at existing or new rest areas. Such commercial operations include providing goods, services, and information that are of interest to the traveling public, State promotional or tourism-oriented items, and commercial advertising and displays (visible only in the rest areas). The State could permit private operators to run the projects.

To participate in a pilot project, States would have one year from the date of enactment to submit proposals to the Secretary. Proposals would describe the types of goods, services, and information to be provided at the rest area and include a plan for evaluating the results of the pilot projects. In addition, States would have to demonstrate that the proposed projects help implement the strategies developed in the "Study of Adequacy of Parking Facilities" prepared pursuant to section 4027 of TEA-21, and proposals would have to contain a review and update of the State's action plan for addressing commercial truck parking shortages. The Secretary would have to determine that the proposed projects conform to safety standards for passenger and commercial vehicles including lighting, security, and safe access to the Interstate roadway.

The States would be required to use the net income derived from the commercial operations for projects eligible under title 23. If vending machines are a part of the rest area, the provisions of the Randolph-Sheppard Act would apply.

*Proposed Federal SAFETEA 1306*

provisions to waive restrictions for state sponsored pilot projects that involve commercialization of rest areas. Refer to inset on previous page.

Many state transportation agencies support commercialization of rest areas as a means to deal with the increasing costs associated with rest area construction, operation and maintenance in an era of competing demands for funding. Commercialization is also supported by the National Transportation Safety Board, American Association of State Highway and Transportation Officials (AASHTO).

Despite support, several organizations are on the record as opposing rest area commercialization. These organizations include the National Association of Truck Stop Operators (NATSO), Society of Independent Gasoline Marketers of America (SIGMA) and the National Association of Convenience Stores (NACS). Mn/DOT will consider the concerns expressed by this opposition as the department considers commercialization.

### **ADOPT-A-REST AREA PROGRAM**

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Mn/DOT plans to better market the existing Adopt-A-Rest Area Program to increase program participation. Additionally, the department is exploring options to expand the services volunteers may provide at adopted sites beyond the customary liter pickup. These additional services may include landscape maintenance and other minor repairs and maintenance. Mn/DOT expects increased participation in the program and expanded volunteer services to reduce routine maintenance at Class IV rest areas. As with the Adopt-A-Highway program, adopting groups are acknowledged with the blue and white “Adopt-A” sign on the mainline.

### **PARTNERSHIPS**

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Mn/DOT has a significant history of developing and improving rest areas through partnerships with public and private partners. Each partnership has varied significantly based on the objectives of the partners. Mn/DOT has sought and will continue to seek partnerships that effectively reduce overall costs to Mn/DOT or partnerships that cost effectively improve the delivery, quality, and extent of motorist services offered at rest areas.

The way Mn/DOT participates in partnerships varies depending on the scope of the partnership and on what the other partners contribute. For instance, in some cases, Mn/DOT has restricted participation to a one-time capital improvement contribution toward the partnership project. In other cases, the department participation involves ongoing financial contributions. Some examples of past and current Mn/DOT partnership are listed in the inset at right.

Mn/DOT has identified key attributes that partnership facilities must possess in addition to meeting the Safety Rest Area Program mission and objectives. The agency’s interest in participating in partnerships is therefore generally limited to partnerships that involve facilities with the following attributes:

- ◆ Safe, visible and convenient access from and back to the mainline
- ◆ Adequate parking and circulation for cars, commercial trucks and recreational vehicles accessible 24 hours per day
- ◆ ADA compliant facilities

#### **Past Mn/DOT Rest Area Partnerships**

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Orr Travel Information Center  
Sinclair Lewis Interpretive Center  
Floodwood Rest Area  
Darwin Winter Park  
Gooseberry Falls  
Baptism River

#### **Current Mn/DOT Partnerships**

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Cass Lake Rest Area  
MN371 Rest Area  
Park Rapids Rest Area

*Examples of Mn/DOT Partnership Projects*

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- ◆ Restrooms, water and vending, where present, open 6am to midnight or longer, seven days a week, except at seasonal facilities
- ◆ Adequate utilities including potable water
- ◆ Safe site and building facilities

### **Public Partnerships**

In the past, Mn/DOT has often participated in partnerships known as public/public partnerships. These are partnerships between federal, state or local units of governments. MN Statutes § 174.02, 161.20, and 471.59 give the department this authority. Mn/DOT expects to continue further development, expansion and modification of new and existing rest area public/public partnership projects. Through these partnerships Mn/DOT will effectively reduce the overall costs to the state and will fairly assign costs to each public entity.

## **OUTSOURCING**

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### **Rest Area Custodial Services Outsourcing**

For over thirty years Mn/DOT has outsourced custodial services performed at rest areas. Minnesota Statute § 160.282 grants Mn/DOT this authority.

### **Rest Area Facility Maintenance Outsourcing**

The Louisiana Department of Transportation recently completed a report entitled, “Assessing Outsourcing Potential in a State DOT”, prepared by Chester G. Wilmot, Donald R. Deis and Rong Xu. Their report was presented at the TRB 2003 Annual Meeting. The report documents a pilot project which involved the development of a software model to assist public sector managers in decision making about outsourcing agency functions and activities. When the pilot test was conducted using Louisiana DOT data the results showed that both qualitative and cost assessment of the rest area maintenance activity favor outsourcing.

### **Minnesota Statute § 160.282**

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Mn/DOT may negotiate contracts, with or without requiring the submission of bids therefor, for the providing of maintenance services for Interstate and trunk highway rest stop and tourist information centers. The terms and conditions must promote and encourage the employment of needy, elderly persons.”

Mn/DOT will investigate the availability of using this new software model to assist the department with determining whether outsourcing the maintenance of rest area buildings and sites is reasonable for Mn/DOT.

## **CONCLUDING STATEMENT**

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In closing, Mn/DOT plans to streamline and to implement new initiatives related to safety rest areas operated by the department.

### **Streamlining**

Between spring 2004 and the end of SFY 2005, Mn/DOT plans to stop funding operations at 67 facilities not serving a safety rest area purpose. Some of these facilities may serve a recreational value and may contribute to the quality of life and economic vitality of a region or its tourism industry. Mn/DOT, will involve stakeholders in the disposition of these properties, thus allowing an opportunity for these facilities to continue to serve the public. Specifically, Mn/DOT will work with federal, state and local stakeholders to develop strategies for disposition, as appropriate, and will attempt to achieve a smooth transition in operations and/or ownership of these facilities where possible. The department may adjust the target dates where stakeholders are actively working with Mn/DOT in the disposition of the facilities or in the development of partnerships or similar arrangements.

### **Long-term Streamlining**

Mn/DOT plans to continue ongoing streamlining efforts through SFY 2010. The department expects to remove an additional 134 sites that do not serve a safety rest area purpose. Disposition of these sites is a lower department priority since Mn/DOT expects these sites will not require Mn/DOT operations funds. As with earlier disposition, Mn/DOT will work with federal, state and local stakeholders to develop strategies for disposition, as appropriate, and will attempt to achieve a smooth transition in operations and/or ownership of these facilities where possible.

### **Commitment to Safety Rest Areas**

Mn/DOT is committed to maintaining the state's investment in safety rest area facilities that improve highway safety. It is well documented that motorists appreciate the high quality of Minnesota's rest areas. Mn/DOT, by removing facilities that do not serve a safety rest area purpose, will allow the department to focus available resources at facilities that directly contribute to highway safety.

### **Proposed Legislation**

The department intends to propose legislation that will allow Mn/DOT to:

- ◆ Implement new initiatives to generate revenue or to offset costs. These include among other things, a Safety Rest Area Sponsorship Program, broader options for leasing of space within rest areas and options to permit commercial use of rest areas.
- ◆ Better manage existing programs and services including expanding the types of items dispensed through vending machines at rest areas and more flexibility in management of contract advertising space in rest areas.

### **New Initiatives**

Mn/DOT has identified a range of new initiatives they believe will generate new revenue to supplement the cost of rest area maintenance and operations. This will allow the department to dedicate more funds elsewhere in the transportation system without sacrificing the quality standards of Mn/DOT rest areas. The department is committed to maintain or improve service levels at their rest areas.

### **Benefits of Streamlining and New Initiatives**

Mn/DOT recognizes that funding for transportation is limited and that costs to operate and maintain facilities at the levels the public expects are increasing. Streamlining and new initiatives are ways the department can direct funding toward the delivery of core services to the public. This focus assures safer travel and transportation related facilities that meet public expectations.

Lastly, the department believes that the streamlining and new initiatives Mn/DOT expects to implement will improve the Safety Rest Area Program. It will allow Mn/DOT to focus resources on a leaner, more efficient system of high quality rest areas.

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# APPENDIX A - SAFETY REST AREA PROGRAM OBJECTIVES

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## PROGRAM OBJECTIVES

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### Planning Objectives

- Identify rest area requirements and give priority to development and maintenance of sites on the high volume highways of the Rest Area Service Network.
- Space facilities at reasonable intervals to disseminate information, reduce shoulder stops and driver fatigue accidents, improve motorist safety and provide travelers with opportunities for rest and comfort.
- Size facilities based on the type of road system served, projected traffic, traffic composition and projected usage.
- Avoid duplication of public services; identify and recommend the appropriate disposition of facilities that no longer meet the Program Mission and Objectives.
- Consider the needs of commercial truck traffic on all highways.

### Administration & Operation Objectives

- Make our customers the center of every decision and every service provided.
- Focus on what is important and do it well.
- Improve services and become more accountable.
- Develop methodologies and use the outcomes to guide consistent decisions and direct work.
- Explore innovative solutions that minimize costs or generate revenue to offset costs to government.
- Prepare plans for new programs as necessary.
- Explore alternate funding opportunities.
- Encourage increased use of technology and e-government services to improve work.

### System & Rest Area Development Objectives

- Develop rest area and wayside facilities in proximity to Interstate or non-Interstate highways, safely removed from the highway, with facilities and parking for motorist rest, relaxation, comfort and information needs.
- Locate waysides and scenic overlooks to provide the motorist with safe opportunities to stop and enjoy a unique view or amenity.
- Establish rest areas and waysides near or associated with areas of natural, scientific, cultural or historical interest when reasonable.
- Include rest area features like: parking areas, resting areas, restroom facilities, picnic facilities, orientation & travel information and other facilities for the convenience of the traveling public.
- Provide interpretive exhibits or other facilities, where appropriate, to promote understanding and enjoyment of features and regions where a rest area is located.
- Design cost-effective, high quality facilities, based on lifetime costs, that support a positive image of Mn/DOT and the state of Minnesota.
- Follow State and Federal policy direction.
- Incorporate context sensitive design in all work.

### System & Rest Area Maintenance Objectives

- Cost-effectively operate, maintain and preserve Minnesota's investment in the rest area system.
- Maintain system in a sound and safe condition.

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## APPENDIX B - EXISTING STATE AND FEDERAL STATUTES & REGULATIONS

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There are several State and Federal Statutes and Regulations applicable to rest areas and travel information centers. The most pertinent sections of which are reprinted on the following pages for reference.

### Federal Laws

- ◆ Leasing  
[23 CFR 710.407]
- ◆ Regulatory Restrictions for Interstate Safety Rest Areas  
[23 CFR 752.1, 752.2, 752.3, 752.5, 752.7, 752.8 and 752.11]
- ◆ Use of Airspace Leases & Access Allowed from the Interstate  
[23 USC 111]
- ◆ Randolph-Sheppard Act  
[20 USC 107a (a) 5]

### State Laws

- ◆ Composition of Outdoor Recreation System  
[MN Statute § 86A]
- ◆ Commercial Activity in Right-of-way  
[MN Statute § 160.08, Subd 7]
- ◆ Travel Information Franchise Program  
[MN Statute § 160.276, 160.277 and 160.278]
- ◆ Vending at Rest Areas  
[MN Statute § 160.28]
- ◆ Maintenance Contracts to Needy and Elderly Persons  
[MN Statute § 160.282]
- ◆ Cooperative Arrangements with Other Governmental Units  
[MN Statute § 161.20]
- ◆ Agreements with other Governmental and Non-Governmental entities  
[MN Statute § 174.02]
- ◆ Use of Joint Powers  
[MN Statute § 471.59]

**CITE: 23 CFR 710.407**

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Sec. 710.407 Leasing.

(a) Leasing of real property acquired with title 23 of the United States Code, funds shall be covered by an agreement between the STD and lessee which contains provisions to insure the safety and integrity of the federally funded facility. It shall also include provisions governing lease revocation, removal of improvements at no cost to the FHWA, adequate insurance to hold the State and the FHWA harmless, nondiscrimination, access by the STD and the FHWA for inspection, maintenance, and reconstruction of the facility.

(b) Where a proposed use requires changes in the existing transportation facility, such changes shall be provided without cost to Federal funds unless otherwise specifically agreed to by the STD and the FHWA.

(c) Proposed uses of real property shall conform to the current design standards and safety criteria of the Federal Highway Administration for the functional classification of the highway facility in which the property is located.

**CITE: 23 CFR 752.1**

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Sec. 752.1 Purpose.

The purpose of this part is to furnish guidelines and prescribe policies regarding landscaping and scenic enhancement programs, safety rest areas, and scenic overlooks under 23 U.S.C. 319; information centers and systems under 23 U.S.C. 131(i); and vending machines in safety rest areas under 23 U.S.C. 111. [48 FR 38610, Aug. 25, 1983]

**CITE: 23 CFR 752.2**

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Sec. 752.2 Policy.

(a) Highway esthetics is a most important consideration in the Federal-aid highway program. Highways must not only blend with our natural social, and cultural environment, but also provide pleasure and satisfaction in their use.

(b) The FHWA will cooperate with State and local agencies and organizations to provide opportunities for

the display of original works of art within the highway rights-of-way.

(c) The development of the roadside to include landscape development, safety rest areas, and the preservation of valuable adjacent scenic lands is a necessary component of highway development. Planning and development of the roadside should be concurrent with or closely follow that of the highway. Further, the development of travel information centers and systems is encouraged as an effective method of providing necessary information to the traveling public.

**CITE: 23 CFR 752.3**

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Sec. 752.3 Definitions.

(a) Safety rest area. A roadside facility safely removed from the traveled way with parking and such facilities for the motorist deemed necessary for his rest, relaxation, comfort and information needs. The term is synonymous with "rest and recreation areas."

(b) Scenic overlook. A roadside improvement for parking and other facilities to provide the motorist with a safe opportunity to stop and enjoy a view.

(c) Information centers. Facilities located at safety rest areas which provide information of interest to the traveling public.

(d) Information systems. Facilities located within the right-of-way which provide information of interest to the traveling public. An information system is not a sign, display or device otherwise permitted under 23 U.S.C. 131 or prohibited by any local, State or Federal law or regulation.

(e) Landscape project. Any action taken as part of a highway construction project or as a separate action to enhance the esthetics of a highway through the placement of plant materials consistent with a landscape design plan. Seeding undertaken for erosion control and planting vegetation for screening purposes shall not constitute a landscaping project.

[43 FR 19390, May 5, 1978, as amended at 52 FR 34638, Sept. 14, 1987]

**CITE: 23 CFR 752.5**

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Sec. 752.5 Safety rest areas.

(a) Safety rest areas should provide facilities reasonably necessary for the comfort, convenience, relaxation, and information needs of the motorist. Caretakers' quarters

may be provided in conjunction with a safety rest area at such locations where accommodations are deemed necessary. All facilities within the rest area are to provide full consideration and accommodation for the handicapped.

(b) The State may permit the placement of vending machines in existing or new safety rest areas located on the rights-of-way of the Interstate system for the purpose of dispensing such food, drink, or other articles as the State determines are appropriate and desirable, except that the dispensing by any means, of petroleum products or motor

vehicle replacement parts shall not be allowed. Such vending machines shall be operated by the State.

(c) The State may operate the vending machines directly or may contract with a vendor for the installation, operation, and maintenance of the vending machines. In permitting the placement of vending machines the State shall give priority to vending machines which are operated through the State licensing agency designated pursuant to section 2(a)(5) of the Randolph - Sheppard Act, U.S.C. 107(a)(5).

(d) Access from the safety rest areas to adjacent publicly owned conservation and recreation areas may be permitted if access to these areas is only available through the rest area and if these areas or their usage does not adversely affect the facilities of the safety rest area.

(e) The scenic quality of the site, its accessibility and adaptability, and the availability of utilities are the prime considerations in the selection of rest area sites. A state-wide safety rest area system plan should be maintained. This plan should include development priorities to ensure safety rest areas will be constructed first at locations most needed by the motorist. Proposals for safety rest areas or similar facilities on Federal-aid highways in suburban or urban areas shall be special case and must be fully justified before being authorized by the FHWA Regional Administrator.

(f) Facilities within newly constructed safety rest areas should meet the forecast needs of the design year. Expansion and modernization of older existing rest areas that do not provide adequate service should be considered.

(g) No charge to the public may be made for goods and services at safety rest areas except for telephone and articles dispensed by vending machines.

[43 FR 19390, May 5, 1978, as amended at 48 FR 38611, Aug. 25, 1983]

**CITE: 23 CFR 752.7**

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Sec. 752.7 Information centers and systems.

(a) The State may establish at existing or new safety rest areas information centers for the purpose of providing specific information to the motorist as to services, as to places of interest within the State and such other information as the State may consider desirable.

(b) The State may construct and operate the facilities, may construct and lease the operation of information facilities, or may lease the construction and operation of information facilities.

(c) Where the information center or system includes an enclosed building, the identification of the operator and all advertising must be restricted to the interior of the building. Where a facility is in the nature of a bulletin board or partial enclosure, none of the advertising, including the trade name, logo, or symbol of the operator shall be legible from the main traveled way.

(d) Subject to FHWA approval, States may establish or permit information systems within the right-of-way of federally funded highways which provide information of specific interest to the traveling public which do not visually intrude upon the main-traveled way of the highway in a manner violating 23 U.S.C. 131 and other applicable local, State, and Federal laws, rules, and regulations.

**CITE: 23 CFR 752.8**

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Sec. 752.8 Privately operated information centers and systems.

(a) Subject to the FHWA Regional Administrator's approval of the lease or agreement, the State may permit privately operated information centers and systems which conform with the standards of this directive.

(b) There shall be no violation of control of access, and no adverse effect on traffic in the main traveled way.

(c) The agreement between the State and the private operator shall provide that:

(1) The State shall have title to the information center or system upon completion of construction or termination of the lease.

(2) Advertising must be limited to matters relating to and of interest to the traveling public.

(3) Equal access must be provided at reasonable rates to all advertisers considered qualified by the State.

(4) Forty percent or more of all display areas and audible communications shall be devoted free of charge to providing information to the traveling public and public service announcements.

(5) No charge to the public may be made for goods or services except telephone and articles dispensed by vending machines.

(6) Nondiscrimination provisions must be included in accordance with the State assurance with regard to 42 U.S.C. 2000d--2000d-5 (Civil Rights Act of 1964). The private operator may not permit advertising from advertisers who do not provide their services without regard to race, color, or national origin.

(7) The center or system shall be adequately maintained and kept clean and sanitary.

(8) The State may promulgate reasonable rules and regulations on the conduct of the information center or system in the interests of the public.

(9) The State may terminate the lease or agreement for violation of its terms or for other cause.

[43 FR 19390, May 5, 1978, as amended at 48 FR 38611, Aug. 25, 1983]

**CITE: 23 CFR 752.11**

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Sec. 752.11 Federal participation.

(a) Federal-aid highway funds, but generally excluding Interstate construction funds, are available for landscape development; for the acquisition and development of safety rest areas, scenic overlooks, and scenic lands; for the development of information centers and systems; and for the removal of abandoned motor vehicles.

(b) Federal-aid highway funds may participate in any landscaping project undertaken pursuant to paragraph (a) of this section provided that at least one-quarter of one percent of funds expended for such landscaping project is used to plant native wildflower seeds or seedlings or both. The Administrator may, upon the request of a State highway agency, grant a waiver to this requirement provided the State certifies that:

(1) Native wildflowers or seedlings cannot be grown satisfactorily; or

(2) There is a scarcity of available planting areas; or

(3) The available planting areas will be used for agricultural purposes.

(c) Subject to the requirement of paragraph (b) of this section, Federal-aid highway funds may participate in plant establishment periods in or associated with landscape development.

(d) Notwithstanding the provisions of paragraph (b) of this section, Federal-aid highway funds may participate in the planting of flowering materials, including native wildflowers, donated by garden clubs and other organizations or individuals.

(e) The value of donated plant materials shall not count toward the one-quarter of one percent minimum expenditure required by paragraph (b) of this section.

(f) Federal-aid funds may not be used for assemblage, printing, or distribution of information materials; for temporary or portable information facilities; or for installation, operation, or maintenance of vending machines.

[52 FR 34638, Sept. 14, 1987]

**CITE: 23 USC 111**

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Sec. 111. Agreements relating to use of and access to rights-of-way - Interstate System

(a) In General. - All agreements between the Secretary and the State transportation department for the construction of projects on the Interstate System shall contain a clause providing that the State will not add any points of access to, or exit from, the project in addition to those approved by the Secretary in the plans for such project, without the prior approval of the Secretary. Such agreements shall also contain a clause providing that the State will not permit automotive service stations or other commercial establishments for serving motor vehicle users to be constructed or located on the rights-of-way of the Interstate System. Such agreements may, however, authorize a State or political subdivision thereof to use or permit the use of the airspace above and below the established grade line of the highway pavement for such purposes as will not impair the full use and safety of the highway, as will not require or permit vehicular access to such space directly from such established grade line of the highway, or otherwise interfere in any way with the free flow of traffic on the Interstate System. Nothing in this section, or in any agreement entered into under this section, shall require the discontinuance, obstruction, or removal of any establishment for serving motor vehicle users on any highway which has been, or is hereafter, designated as a highway or route on the Interstate System (1) if such establishment (A) was in existence before January 1, 1960, (B) is owned by a State, and (C) is operated through concessionaries or otherwise, and (2) if all access to, and exits from, such establishment conform to the standards established for such a highway under this title.

(b) Vending Machines. - Notwithstanding subsection (a), any State may permit the placement of vending machines in rest and recreation areas, and in safety rest areas, constructed or located on rights-of-way of the Interstate System in such State. Such vending machines may only dispense such food, drink, and other articles as the State transportation department determines are appropriate and desirable. Such vending machines may

only be operated by the State. In permitting the placement of vending machines, the State shall give priority to vending machines which are operated through the State licensing agency designated pursuant to section 2(a)(5) of the Act of June 20, 1936, commonly known as the "Randolph-Sheppard Act" (20 U.S.C. 107a(a)(5)). The costs of installation, operation, and maintenance of vending machines shall not be eligible for Federal assistance under this title.

**CITE: 20 USC 107a(a)5**

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(5) Designate as provided in section 107b of this title the State agency for the blind in each State, or, in any State in which there is no such agency, some other public agency to issue licenses to blind persons who are citizens of the United States for the operating of vending facilities on Federal and other property in such State for the vending of newspapers, periodicals, confections, tobacco products, foods, beverages, and other articles or services dispensed automatically or manually and prepared on or off the premises in accordance with all applicable health laws, as determined by the State licensing agency, and including the vending or exchange of chances for any lottery authorized by State law and conducted by an agency of a State; and

**CITE: MN Statute § 86A.04**

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86A.04 Composition of system.

The outdoor recreation system shall consist of all state parks; state recreation areas; state trails established pursuant to sections 84.029, subdivision 2, 85.015, 85.0155, and 85.0156; state scientific and natural areas; state wilderness areas; state forests; state wildlife management areas; state water access sites, which include all lands and facilities established by the commissioner of natural resources or the commissioner of transportation to provide public access to water; state wild, scenic, and recreational rivers; state historic sites; state rest areas, which include all facilities established by the commissioner of transportation for the safety, rest, comfort and use of the highway traveler, and shall include all existing facilities designated as rest areas and waysides by the commissioner of transportation; and any other units not listed in this section that are classified under section 86A.05. Each individual state park, state recreation area, and so forth is called a "unit."

HIST: 1975 c 353 s 4; 1976 c 166 s 7; 1993 c 172 s 38; 2000 c 495 s 6; 1Sp2003 c 13 s 4

**CITE: MN Statute § 86A.05**

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86A.05 Classification and purposes.

Subd. 12. State rest area; purpose; resource and site qualifications; administration. (a) A state rest area shall be established to promote a safe, pleasurable, and informative travel experience along Minnesota highways by providing areas and facilities at reasonable intervals for information, emergencies, or the rest and comfort of travelers.

(b) No unit shall be authorized as a state rest area unless its proposed location substantially satisfies the following criteria:

(1) Is adjacent to or in near proximity to a trunk or interstate highway;

(2) Is developed at appropriate intervals based on the type of road system, traffic and traffic projections and known or projected usage of the proposed development;

(3) May be near or associated with a place or area of natural, scientific, cultural, or historic interest.

(c) Rest areas shall be administered by the commissioner of transportation in cooperation with other agencies as appropriate in a manner which is consistent with the purposes of this subdivision. State rest areas may be managed to provide parking, resting, restroom, picnicking, orientation, travel information, and other facilities for the convenience of the traveling public. Where located in conjunction with features of interest, state rest areas shall provide interpretive exhibits or other facilities if appropriate to promote understanding and enjoyment of the features.

**CITE: MN Statute § 86A.04**

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86A.08 Authorization of secondary units.

Subdivision 1. Secondary authorization; when permitted. A unit of the outdoor recreation system may be authorized wholly or partially within the boundaries of another unit only when the authorization is consistent with the purposes and objectives of the respective units and only in the instances permitted below:

(a) The following units may be authorized wholly or partially within a state park: historic site, scientific and natural area, wilderness area, wild, scenic, and recreational river, trail, rest area, and water access site.

(b) The following units may be authorized wholly or partially within a state recreation area: historic site, scientific and natural area, wild, scenic, and recreational river, trail, rest area, and water access site.

(c) The following units may be authorized wholly or partially within a state forest: state park, state recreation area, historic site, wildlife management area, scientific and natural area, wilderness area, wild, scenic, and recreational river, trail, rest area, and water access site.

(d) The following units may be authorized wholly or partially within a state historic site: wild, scenic, and recreational river, trail, rest area, and water access site.

(e) The following units may be authorized wholly or partially within a state wildlife management area: state water access site.

(f) The following units may be authorized wholly or partially within a state wild, scenic, or recreational river: state park, historic site, scientific and natural area, wilderness area, trail, rest area, and water access site.

(g) The following units may be authorized wholly or partially within a state rest area: historic site, trail, wild, scenic, and recreational river, and water access site.

Subd. 2. Administration of secondary units. A unit shall be administered by the managing agency to which it is assigned by section 86A.05 even when located wholly or partially within another unit administered by a different managing agency, unless otherwise specifically provided by law or by agreement between the agencies involved.

HIST: 1975 c 353 s 8; 1993 c 172 s 41

**CITE: MN Statute § 160.08, Subd 7**

Subd. 7. No commercial establishment within right-of-way. No commercial establishment, including but not limited to automotive service stations, for serving motor vehicle users shall be constructed or located within the right-of-way of, or on publicly owned or publicly leased land acquired or used for or in connection with, a controlled access highway; except that (1) structures may be built within safety rest and tourist information center areas; (2) space within state-owned buildings in those areas may be leased for the purpose of providing information to travelers through commercial and public service advertising under franchise agreements as provided in sections 160.276 to 160.278; (3) advertising signs may be erected within the right-of-way of interstate or controlled-access trunk highways by franchise agreements under section 160.80; and (4) vending machines may be placed in rest areas, tourist information centers, or weigh stations constructed or located within trunk highway rights-of-way.

HIST: 1959 c 500 art 1 s 8; 1973 c 123 art 5 s 7; 1980 c 494 s 5; 1984 c 417 s 1

**CITE: MN Statute § 160.276**

160.276 Travel information franchise program.

Subdivision 1. Established. The commissioner of transportation shall establish a franchise program to lease space within tourist information centers and safety rest areas for the purpose of providing information to travelers through travel-related commercial and public service advertising.

Subd. 2. Initial phase. The program may, in its initial phase, utilize space within existing publicly owned buildings and shelters in safety rest areas and tourist information centers. This phase shall be operational by May 1, 1981. Franchises for this phase shall be ready to let by January 1, 1981.

Subd. 3. Facilities. The program may also include franchises for the construction, operation and maintenance of additional information structures by and at the expense of the franchisee on state-owned lands within safety rest or tourist information center areas. All structures constructed by the franchisee shall meet or exceed specifications prescribed by the commissioner of transportation and shall satisfy the requirements of the State Building Code for accessibility by the physically handicapped. All structures shall be designed to enhance their site and shall be aesthetically compatible with the natural environment.

Subd. 4. Sites; advertising. The commissioner shall determine the sites to be included in this program and shall also determine if the advertising display at each site is to be inside or outside of any buildings or shelters.

Subd. 5. Office of Tourism. The commissioner shall provide space free of charge to the Office of Tourism for travel information centers. The commissioner shall not charge the Office of Tourism for any regular expenses associated with the operation of the travel information centers. The commissioner shall provide highway maps free of charge for use and distribution through the travel information centers.

HIST: 1980 c 494 s 2; 1986 c 444; 1991 c 345 art 1 s 78

**CITE: MN Statute § 160.277**

160.277 Commissioner to grant franchises.

Subdivision 1. Procedure; agreement. The commissioner of transportation, by public negotiation or bid, shall grant franchises for the purposes of section 160.276. Each franchise agreement shall include the safety rest areas and tourist information centers in a geographical area comprising approximately one-quarter of the land area of the state. The franchise agreement shall insure that the franchisee provide services throughout the area in as many tourist information centers and safety rest areas as are reasonably necessary for the convenience of travelers.

Subd. 2. Insurance. The commissioner of transportation shall require the franchisee to obtain liability insurance in an amount prescribed by the commissioner jointly insuring the state and the franchisee against any and all liability for claims for damage occurring wholly or partly because of the existence of the franchise.

Subd. 3. Revenue. The franchise agreement may provide that a percentage of the gross revenues derived from advertising shall be paid to the state for deposit in the trunk highway fund.

HIST: 1980 c 494 s 3

**CITE: MN Statute § 160.278**

160.278 Additional franchise provisions.

Subdivision 1. Agreement requirements. Each franchise agreement shall contain the following provisions: (a) The franchisee shall comply with Code of Federal Regulations, title 23, section 252 and subsequent revisions pertaining to privately operated information systems; (b) At least 40 percent of the commercial advertising space shall be offered initially for a reasonable period of time to local advertisers who provide services for travelers within a 60-mile radius of the safety rest area or tourist information center; (c) The franchisees shall make appropriate marketing efforts in an attempt to lease at least 40 percent of the commercial advertising space to local advertisers; and (d) Reasonable performance standards, and maintenance standards for structures constructed by the franchisee.

Subd. 2. Advertising space limitations. The franchise agreement shall impose limitations on advertising space within state-owned buildings or on state-owned property in safety rest areas and tourist information centers.

Subd. 3. Reasonable terms and conditions. The commissioner of transportation may require additional reasonable terms and conditions to be included in the franchise agreement, including but not limited to, provisions governing the renewal and termination of the agreement, and in the event of termination, the rights of the state and the franchisee in advertising contracts and in buildings constructed by the franchisee.

HIST: 1980 c 494 s 4

**CITE: MN Statute § 160.28**

160.28 Plans for public travel facilities.

Subdivision 1. Rest areas; tourist information centers; weigh stations. Any other law to the contrary notwithstanding, the commissioner of transportation is hereby authorized to cause to be prepared plans and specifications and detailed designs for the construction of buildings and facilities for rest areas, tourist information centers in combination with rest areas, and weigh stations when the commissioner deems these buildings and facilities to be necessary in the interest of safety and convenient public travel on highways.

Subd. 2. Vending machines. Any other law to the contrary notwithstanding, the commissioner may contract for or authorize the placement of vending machines dispensing food, nonalcoholic beverages, or milk in rest areas, tourist information centers, and weigh stations on marked interstate highways and primary trunk highways. The commissioner shall only place vending machines operated under United States Code, title 20, sections 107 to 107e and as provided in section 248.07.

HIST: 1967 c 167 s 1; 1976 c 166 s 7; 1984 c 417 s 4; 1988 c 570 s 1

**CITE: MN Statute § 160.282**

160.282 Public travel facilities. Notwithstanding any other statute to the contrary, the commissioner of transportation may negotiate contracts, with or without

requiring the submission of bids therefor, for the providing of maintenance services for interstate and trunk highway rest stop and tourist information centers. The terms and conditions of such contracts shall be as agreed upon and shall be such as to promote and encourage the employment of needy, elderly persons.

HIST: 1969 c 157 s 1; 1976 c 166 s 7

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**CITE: MN Statute § 161.20**

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161.20 General powers of commissioner.

Subd. 2. Acquisition of property; buildings; relocation of corners; agreements with railroads; contracts. The commissioner is authorized:

(1) to acquire by purchase, gift, or by eminent domain proceedings as provided by law, in fee or such lesser estate as the commissioner deems necessary, all lands and properties necessary in preserving future trunk highway corridors or in laying out, constructing, maintaining, and improving the trunk highway system including recreational vehicle lanes; to locate, construct, reconstruct, improve, and maintain the trunk highway system; to purchase all road material, machinery, tools, and supplies necessary for the construction, maintenance, and improvement thereof; to construct necessary buildings, or rent or acquire by purchase, gift, or condemnation, grounds, and buildings necessary for the storing and housing of such material, machinery, tools, and supplies or necessary for office space for employees or for providing for driver's license examinations; to maintain, repair, or remodel such buildings as may be necessary;

(2) to acquire by purchase, gift, or condemnation, replacement sites for historically significant buildings or structures and to relocate these buildings or structures onto those sites, reconstructing and maintaining them until disposed of through public sale to the highest responsible bidder;

(3) to make agreements with any county for the relocation or reestablishment, by the county, of section, quarter section, or meander corners originally established by the United States, when such relocation or reestablishment is necessary in order to write land acquisition descriptions or by reason of the construction, reconstruction, improvement, or maintenance of a trunk highway;

(4) to contract on an equitable basis with railroad companies for the installation and reinstallation of safety devices at trunk highway-railroad grade crossings, and for the construction, reconstruction, and maintenance of bridges and approaches existing or necessary for the

separation of grades at railroad and trunk highway intersections; and

(5) in carrying out duties, to let all necessary contracts in the manner prescribed by law.

The commissioner may make agreements with and cooperate with any governmental authority for the purpose of effectuating the provisions of this chapter.

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**CITE: MN Statute § 174.02**

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174.02 Commissioner's powers and duties.

Subd. 6. Agreements, receipts, appropriation. To facilitate the implementation of intergovernmental efficiencies, effectiveness, and cooperation, and to promote and encourage economic and technological development in transportation matters within and between governmental and nongovernmental entities:

(a) The commissioner may enter into agreements with other governmental or nongovernmental entities for research and experimentation; for sharing facilities, equipment, staff, data, or other means of providing transportation-related services; or for other cooperative programs that promote efficiencies in providing governmental services or that further development of innovation in transportation for the benefit of the citizens of Minnesota.

(b) In addition to funds otherwise appropriated by the legislature, the commissioner may accept and spend funds received under any agreement authorized in paragraph (a) for the purposes set forth in that paragraph, subject to a report of receipts to the commissioner of finance at the end of each fiscal year and, if receipts from the agreements exceed \$100,000 in a fiscal year, the commissioner shall also notify the governor and the Committee on Finance of the senate and the Committee on Ways and Means of the house of representatives.

(c) Funds received under this subdivision must be deposited in the special revenue fund and are appropriated to the commissioner for the purposes set forth in this subdivision.

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**CITE: MN Statute § 471.59**

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471.59 Joint exercise of powers.

Subdivision 1. Agreement. Two or more governmental units, by agreement entered into through action of their governing bodies, may jointly or cooperatively exercise any power common to the contracting parties or

any similar powers, including those which are the same except for the territorial limits within which they may be exercised. The agreement may provide for the exercise of such powers by one or more of the participating governmental units on behalf of the other participating units. The term "governmental unit" as used in this section includes every city, county, town, school district, other political subdivision of this or another state, another state, the University of Minnesota, nonprofit hospitals licensed under sections 144.50 to 144.56, and any agency of the state of Minnesota or the United States, and includes any instrumentality of a governmental unit. For the purpose of this section, an instrumentality of a governmental unit means an instrumentality having independent policy making and appropriating authority.

Subd. 2. Agreement to state purpose. Such agreement shall state the purpose of the agreement or the power to be exercised and it shall provide for the method by which the purpose sought shall be accomplished or the manner in which the power shall be exercised. When the agreement provides for use of a joint board, the board shall be representative of the parties to the agreement. A joint board that is formed for educational purposes may conduct public meetings via interactive television if the board complies with chapter 13D in each location where board members are present. Irrespective of the number, composition, terms, or qualifications of its members, such board is deemed to comply with statutory or charter provisions for a board for the exercise by any one of the parties of the power which is the subject of the agreement.

Subd. 3. Disbursement of funds. The parties to such agreement may provide for disbursements from public funds to carry out the purposes of the agreement. Funds may be paid to and disbursed by such agency as may be agreed upon, but the method of disbursement shall agree as far as practicable with the method provided by law for the disbursement of funds by the parties to the agreement. Contracts let and purchases made under the agreement shall conform to the requirements applicable to contracts and purchases of any one of the parties, as specified in the agreement. Strict accountability of all funds and report of all receipts and disbursements shall be provided for.

Subd. 4. Termination of agreement. Such agreement may be continued for a definite term or until rescinded or terminated in accordance with its terms.

Subd. 5. Shall provide for distribution of property. Such agreement shall provide for the disposition of any property acquired as the result of such joint or cooperative exercise of powers, and the return of any surplus moneys in proportion to contributions of the several contracting parties after the purpose of the agreement has been completed.

Subd. 6. Residence requirement. Residence requirements for holding office in any governmental unit shall not apply to any officer appointed to carry out any such agreement.

Subd. 7. Not to affect other acts. This section does not dispense with procedural requirements of any other act providing for the joint or cooperative exercise of any governmental power.

Subd. 8. Services performed by county, commonality of powers. Notwithstanding the provisions of subdivision 1 requiring commonality of powers between parties to any agreement the board of county commissioners of any county may by resolution enter into agreements with any other governmental unit as defined in subdivision 1 to perform on behalf of that unit any service or function which that unit would be authorized to provide for itself.

Subd. 9. Exercise of power. For the purposes of the development, coordination, presentation and evaluation of training programs for local government officials, governmental units may exercise their powers under this section in conjunction with organizations representing governmental units and local government officials.

Subd. 10. Services performed by governmental units; commonality of powers. Notwithstanding the provisions of subdivision 1 requiring commonality of powers between parties to any agreement, the governing body of any governmental unit as defined in subdivision 1 may enter into agreements with any other governmental unit to perform on behalf of that unit any service or function which the governmental unit providing the service or function is authorized to provide for itself.

Subd. 11. Joint powers board. (a) Two or more governmental units, through action of their governing bodies, by adoption of a joint powers agreement that complies with the provisions of subdivisions 1 to 5, may establish a joint board to issue bonds or obligations under any law by which any of the governmental units establishing the joint board may independently issue bonds or obligations and may use the proceeds of the bonds or obligations to carry out the purposes of the law under which the bonds or obligations are issued. A joint board established under this section may issue obligations and other forms of indebtedness only in accordance with express authority granted by the action of the governing bodies of the governmental units that established the joint board. Except as provided in paragraphs (b) and (c), the joint board established under this subdivision must be composed solely of members of the governing bodies of the governmental unit that established the joint board. A joint board established under this subdivision may not pledge the full faith and credit or taxing power of any of the governmental units that established the joint board. The obligations or other forms of indebtedness must be obligations of the joint

board issued on behalf of the governmental units creating the joint board. The obligations or other forms of indebtedness must be issued in the same manner and subject to the same conditions and limitations that would apply if the obligations were issued or indebtedness incurred by one of the governmental units that established the joint board, provided that any reference to a governmental unit in the statute, law, or charter provision authorizing the issuance of the bonds or the incurring of the indebtedness is considered a reference to the joint board.

(b) Notwithstanding paragraph (a), one school district, one county, and one public health entity, through action of their governing bodies, may establish a joint board to establish and govern a family services collaborative under section 124D.23. The school district, county, and public health entity may include other governmental entities at their discretion. The membership of a board established under this paragraph, in addition to members of the governing bodies of the participating governmental units, must include the representation required by section 124D.23, subdivision 1, paragraph (a), selected in accordance with section 124D.23, subdivision 1, paragraph (c).

(c) Notwithstanding paragraph (a), counties, school districts, and mental health entities, through action of their governing bodies, may establish a joint board to establish and govern a children's mental health collaborative under sections 245.491 to 245.495, or a collaborative established by the merger of a children's mental health collaborative and a family services collaborative under section 124D.23. The county, school district, and mental health entities may include other entities at their discretion. The membership of a board established under this paragraph, in addition to members of the governing bodies of the participating governmental units, must include the representation provided by section 245.493, subdivision 1.

Subd. 12. Joint exercise of police power. In the event that an agreement authorizes the exercise of peace officer or police powers by an officer appointed by one of the governmental units within the jurisdiction of the other governmental unit, an officer acting pursuant to that agreement has the full and complete authority of a peace officer as though appointed by both governmental units and licensed by the state of Minnesota, provided that:

(1) the peace officer has successfully completed professionally recognized peace officer preemployment education which the Minnesota Board of Peace Officer Standards and Training has found comparable to Minnesota peace officer preemployment education; and

(2) the officer is duly licensed or certified by the peace officer licensing or certification authority of the state in which the officer's appointing authority is located.

Subd. 13. Joint powers board for housing. (a) For purposes of implementing a federal court order or decree, two or more housing and redevelopment authorities, or public entities exercising the public housing powers of housing and redevelopment authorities, may by adoption of a joint powers agreement that complies with the provisions of subdivisions 1 to 5, establish a joint board for the purpose of acquiring an interest in, rehabilitating, constructing, owning, or managing low-rent public housing located in the metropolitan area, as defined in section 473.121, subdivision 2, and financed, in whole or in part, with federal financial assistance under Section 5 of the United States Housing Act of 1937. The joint board established pursuant to this subdivision shall:

(1) be composed of members designated by the governing bodies of the governmental units which established such joint board and possess such representative and voting power provided by the joint powers agreement;

(2) constitute a public body, corporate, and politic; and

(3) notwithstanding the provisions of subdivision 1, requiring commonality of powers between parties to a joint powers agreement, and solely for the purpose of acquiring an interest in, rehabilitating, constructing, owning, or managing federally financed low-rent public housing, shall possess all of the powers and duties contained in sections 469.001 to 469.047 and, if at least one participant is an economic development authority, sections 469.090 to 469.1081, except (i) as may be otherwise limited by the terms of the joint powers agreement; and (ii) a joint board shall not have the power to tax pursuant to section 469.033, subdivision 6, or 469.107, nor shall it exercise the power of eminent domain. Every joint powers agreement establishing a joint board shall specifically provide which and under what circumstances the powers granted herein may be exercised by that joint board.

(b) If a housing and redevelopment authority exists in a city which intends to participate in the creation of a joint board pursuant to paragraph (a), such housing and redevelopment authority shall be the governmental unit which enters into the joint powers agreement unless it determines not to do so, in which event the governmental entity which enters into the joint powers agreement may be any public entity of that city which exercises the low-rent public housing powers of a housing and redevelopment authority.

(c) A joint board shall not make any contract with the federal government for low-rent public housing, unless the governing body or bodies creating the participating authority in whose jurisdiction the housing is located has, by resolution, approved the provision of that low-rent public housing.

(d) This subdivision does not apply to any housing and redevelopment authority, or public entity exercising the powers of a housing and redevelopment authority, within the jurisdiction of a county housing and redevelopment authority which is actively carrying out a public housing program under Section 5 of the United States Housing Act of 1937. For purposes of this paragraph, a county housing and redevelopment authority is considered to be actively carrying out a public housing program under Section 5 of the United States Housing Act of 1937, if it (1) owns 200 or more public housing units constructed under Section 5 of the United States Housing Act of 1937, and (2) has applied for public housing development funds under Section 5 of the United States Housing Act of 1937, during the three years immediately preceding January 1, 1996.

(e) For purposes of sections 469.001 to 469.047, "city" means the city in which the housing units with respect to which the joint board was created are located and "governing body" or "governing body creating the authority" means the council of such city.

HIST: 1943 c 557; 1949 c 448 s 1-3; 1961 c 662 s 1,2; 1965 c 744 s 1-3; 1973 c 123 art 5 s 7; 1973 c 541 s 1; 1975 c 134 s 1,2; 1980 c 532 s 2; 1982 c 507 s 27; 1983 c 342 art 8 s 15; 1984 c 495 s 1; 1986 c 465 art 2 s 15; 1990 c 572 s 14; 1991 c 44 s 3; 1996 c 412 art 3 s 35; 1996 c 464 art 1 s 1; 1996 c 471 art 3 s 39; 1997 c 203 art 5 s 24; 1998 c 397 art 11 s 3; 1999 c 214 art 2 s 17; 2001 c 7 s 78; 1Sp2003 c 14 art 7 s 83; art 11 s 11



## **APPENDIX C - SPONSORSHIP PROGRAM STUDY SUMMARY**

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## **MarketLine Research, Inc.**

*research to help you make better decisions*

### **Research Highlights – Mn/DOT Rest Area Sponsorship Study**

Mn/DOT is exploring the possibility of a corporate sponsorship program to help offset the cost of maintenance and operations of its rest areas. In this program, a company would receive some degree of visibility in exchange for financial support. A research program was designed to provide insights into the marketability of business sponsorships. This program included qualitative interviews with business executives and focus groups with Minnesota residents who are heavy users of rest areas. Information learned from these interviews provided input for a quantitative telephone survey conducted in December, 2003 with 148 corporate executives with marketing responsibilities from a cross section of Minnesota business groups with varying levels of annual revenue.

Even though there wasn't an overly strong interest in the program with any of the business groups, a rest area sponsorship program appears to have merit among selected businesses, particularly transportation related businesses. The results of the study provide a great deal of information to refine the concept for possible implementation.

Minnesota companies, regardless of size, are approached frequently to sponsor events or programs, two thirds at least monthly. Because of budget and time restraints, they're very selective in their sponsorship. Transportation related companies participated in an average of 12 events in the past year, twice the average for all companies.

Companies often make subjective judgments about deciding whether to participate as a sponsor. Only half have established criteria to help them evaluate sponsorship activities. They take into account who benefits; the financial commitment required, who'll attend and whether it affects their marketing area. They are most interested in name visibility with current/potential customers and the opportunity to demonstrate that they are good corporate citizens. Even though companies have a fairly good understanding of what they want, very few have established ways to measure the return on their investment. Like decisions to participate, measures of success are also subjective.

The marketing executives reacted to the concept three times. When first introduced to the sponsorship idea, just over half had a positive reaction to it. Of the transportation related companies, more than two thirds were positive. One in five companies in the whole group was negative. Companies in favor of the idea think that it's a good way to gain exposure and/or a creative way for the state to generate additional revenue without increasing taxes. A strong majority think it's appropriate for state government to enter into such a business partnership with the private sector.

After hearing a brief description of rest area visitorship numbers, highway traffic counts and opportunities for exposure, one in five expressed interest in investigating the program for a Full Service rest area; whereas, only one in ten were interested in the Limited Service program. Reasons for disinterest were because a company is business-to-business oriented, feelings that rest area users don't fit the company's customer profile, or potential cost.

When the marketing executives reacted to the idea a third time, one option was described as a partnership with other companies. This time five in ten companies expressed interest in either a partnership or individual program.

## **Planning Considerations**

Although companies - regardless of annual revenue – expressed limited interest in the program, it appears that a corporate rest area sponsorship program is a viable program for selected businesses. Businesses and consumers alike have a very positive perception of the statewide system of rest areas. This adds to the viability of such a program, and Mn/DOT should consider the following information to refine the program and define its niche market:

- ♦ Cost of a sponsorship is critical to the program’s interest and pricing needs to fit the perceived value for the exposure received. Since this is a new concept, most companies don’t have a point of reference to relate potential benefits to cost. Mn/DOT should continue to evaluate its cost structure for the rest area program in order to set an optimal acceptable price based on setting an objective to maximize revenue.
- ♦ Engage a marketing consultant to help identify potential sponsors and marketing support when approaching companies and/or agencies. This will also provide Mn/DOT negotiating flexibility. A consultant can:
  1. develop marketing communication materials that clearly identify and detail the benefits of sponsorship
  2. determine the potential advertising value of proposed signage and other potential elements of the program
  3. determine potential pricing of the program relative to other marketing opportunities
- ♦ Consider the possibility of having public discussions about a rest area sponsorship program. This would provide an opportunity to gauge public support for such a program and measure businesses’ interest in participating. This may present the opportunity to gain input on pricing of such a program.
- ♦ It is advised that different price levels for a sponsorship be tested.
- ♦ The level of proposed signage and exposure for a sponsor is perceived to be appropriate. Consider adding to the elements that were tested (brochures, maps, Web site, display cases, etc.) as a means of adding value and providing flexibility to the program. These types of recognition opportunities also help a buyer rationalize the purchase.
- ♦ For added flexibility, consider both an individual sponsorship program and a partnership program.
- ♦ There are potential program issues that Mn/DOT should prepare to address. The research identified that some people are concerned about commercializing rest areas. Any sponsorship program needs to consider communications that would address these concerns.

