



Anoka County  
Dakota County  
Hennepin County

Ramsey County  
Washington County  
Metropolitan Council

477 Selby Avenue | Saint Paul, Minnesota 55102 | p: 651-222-7227 | f: 651-223-5229

January 31, 2018

Senator Scott Newman, Chair  
Transportation Finance and Policy Committee  
3105 Minnesota Senate Building  
Saint Paul, MN 55155

Representative Paul Torkelson, Chair  
Transportation Finance Committee  
381 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
Saint Paul, MN 55155

Representative Linda Runbeck, Chair  
Transportation and Regional Governance Policy  
417 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
Saint Paul, MN 55155

#### **Re: Final Report to the Legislature from the Counties Transit Improvement Board**

The Counties Transit Improvement Board's authorizing legislation, Minn. Stat. Section 297A.992, requires the Board to report annually by February 1 to the House of Representatives and Senate committees having jurisdiction over transportation policy and finance concerning the transit sales tax revenues received and grants awarded by CTIB.

The CTIB joint powers agreement and regional transit tax were both terminated on September 30, 2017. This is the final report to the Legislature from the Counties Transit Improvement Board.

**Sales Tax Receipts:** The Department of Revenue remitted \$113,399,583 in net sales tax proceeds during calendar year 2017. An additional \$2,193,645.15 was retained by the Department for future potential refunds or settlements with filers.

**Grants Awarded:** CTIB entered into 10 grant agreements in 2017 for \$285,964,704, based on grant awards approved by the Board in late 2016. In addition, the Board provided \$35.18 million in payments to three member counties in 2017 as part of the Board's dissolution process: Anoka County (\$4,100,000); Dakota County (\$21,300,000); and Washington County (\$9,780,000).

The 10 grant agreements executed in 2017 include:

- Three capital grant agreements totaling \$254,194,921 were executed in 2017 for the Green Line Extension (Southwest LRT), Blue Line Extension (Bottineau LRT), and the Orange Line BRT projects;
- Two grant agreements totaling \$360,000 were executed for Washington County planning grants for the Gold Line (Gateway BRT) and Red Rock Corridor projects; and
- Five operating grant agreements totaling \$31,769,783 were executed for LRT, Northstar Commuter Rail, Red Line BRT, Cedar Express, and I35W South Express transitway services.

**Termination of CTIB Joint Powers Agreement and Regional Transit Sales Tax:** The termination of the CTIB joint powers agreement and regional transit tax was effective on September 30, 2017. Pursuant to statute, all outstanding bonds and obligations of the Board and its member counties were satisfied prior to termination (Minn. Stat. 297A.992, subd. 10). CTIB's member counties voted to assume the Board's ongoing funding commitments for transitway operations and certain capital projects.

At the time of its termination, CTIB did not have sufficient cash to pay all of the 2017 capital grant agreements. As a result, CTIB agreed to pay up to 75% of the 2017 capital grant agreements. Hennepin and Dakota Counties agreed to pay the remaining unpaid portion of the Southwest LRT, Bottineau LRT and Orange Line BRT capital grant agreements, in proportionate amounts according to the portion of each line located within each county. CTIB provided funding to pay 100% of the 2017 operating grants and the remaining Washington County minimum guaranteed grants.

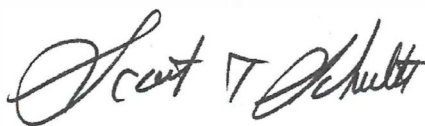
**Transit Financial Activity Reviews by the Office of the Legislative Auditor:** A new law in 2017 requires the Office of the Legislative Auditor to perform quarterly transit financial activity reviews of the Metropolitan Council and CTIB. In the two reports published in 2017, the OLA reviewed CTIB's monthly financial statements, transit-related obligations and agreements, and information about the amount of funds that have been committed for the period of January 1, 2016 through September 30, 2017. In its second, and final, report on CTIB's transit financial activity, the OLA concludes, "CTIB appeared to be in sound financial condition when it ceased its operations on September 30, 2017. Prior to its dissolution, the Board took adequate steps to help ensure that its oversight functions were appropriately transitioned to its member counties."

**Tangible Regional Impacts:** Over the course of its nine-year history, CTIB invested over \$1 billion in transitway projects in all five member counties. The results of these investments are tangible mobility improvements and catalytic economic development for residents, businesses, and visitors. The Green Line (University Avenue and Southwest LRT), Blue Line (Hiawatha and Bottineau LRT), Gold Line (Gateway BRT), Northstar Commuter Rail, Orange Line (I35W South BRT), Red Line (Cedar Avenue BRT), and other projects, will connect our region like never before. These lines work hand-in-hand with Metro Transit's regular route bus, express bus and arterial BRT services. We are proud to report that the Green Line, Blue Line and Northstar Commuter rail all set ridership records in 2017. See the attached factsheet for more details on CTIB's record of accomplishments.

Sincerely,



**Peter McLaughlin**  
Hennepin County Commissioner  
612-348-7884  
[Peter.McLaughlin@hennepin.us](mailto:Peter.McLaughlin@hennepin.us)



**Scott Schulte**  
Anoka County Commissioner  
763-323-5120  
[Scott.Schulte@co.anoka.mn.us](mailto:Scott.Schulte@co.anoka.mn.us)

Attachment – CTIB By The Numbers

CC: Former CTIB members  
Legislative Reference Library

# CTIB By The Numbers

*The Counties Transit Improvement Board, 2008-2017*

The Counties Transit Improvement Board formed in April 2008 when the five metropolitan counties of Anoka, Dakota, Hennepin, Ramsey and Washington approved the imposition of a transit-dedicated quarter-cent sales and use tax and a \$20 motor vehicle excise tax and approved a joint powers agreement establishing the new board to manage the proceeds of the tax.

The CTIB joint powers agreement terminated on September 30, 2017 by voluntary agreement of the five member counties.

Combined with wind-down payments to certain member counties, CTIB provided over \$1 billion in funding for investments in high-quality, frequent and reliable transit service throughout the region.

\$

**1.011 Billion**

*Total Investment*

\$

**789.78 Million**

*Capital*

\$

**209 Million**

*Operating*

\$

**12.9 Million**

*Washington County Guaranteed*

\$

**1.48 Billion**

*Federal Funding Secured*

## Transit Projects Funded by CTIB Grants

\$976.5 million investment in 11 corridors, 5 counties



CTIB provided annual grants for the capital and operating needs of regional light rail, commuter rail and bus rapid transit lines.

**Accelerating, Building and Expanding**

# Transitways Operating Before CTIB

Existing Lines: 1    Miles: 12    Stations: 19



TRANSITWAYS OPERATING BEFORE CTIB

BLUE LINE LRT



## 8 Grand Openings in 9 Years

- 2009** Northstar Commuter Rail
- 2009** Northstar Fridley Station
- 2010** Apple Valley Transit Station
- 2012** Northstar Ramsey Station
- 2013** METRO Red Line
- 2014** METRO Green Line
- 2015** Newport Transit Station
- 2017** METRO Red Line Cedar Grove Station

# Transitways Operating After CTIB

Existing Lines: 4    Miles: 79    Stations: 47



CURRENTLY OPERATING LINES

BLUE LINE LRT

GREEN LINE LRT

RED LINE BRT

NORTHSTAR COMMUTER RAIL



## Riders served in 2016:

# 23.9 million

Green Line	12,701,922
Blue Line	10,261,707
Northstar	711,167
Red Line	266,811

Percent of Metro Transit riders carried by 2 LRT lines: 27%

Percent of Green Line riders that are new transit users: 57%

Property tax relief **\$163 million**

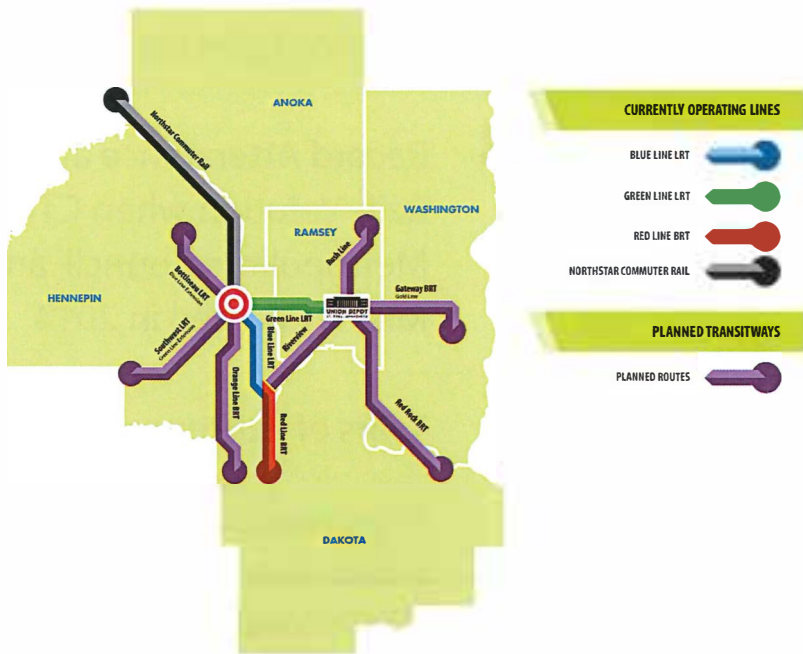


# County Funding for Future Transitways

Existing and Future Lines: 11

Miles: 164.5

Stations: 122



## Economic Development Near Existing and Future Transitways Over \$7 billion\*

**\$5.08 billion** METRO Green Line LRT\*\*

**\$700 million** METRO Blue Line

**\$515 million** Green Line Extension

**\$489 million** Blue Line Extension

**\$273 million** METRO Red Line BRT

\* Met Council numbers, excluding stadiums

\*\* Includes all of downtown Minneapolis development along combined Blue and Green Line trains

### METRO Green Line, Stadium Village Station

August 31, 2017



Photo credit: Metro Transit

### The METRO Red Line



Photo credit: Metro Transit

**Catalyst for Economic Development and Regional Connections**

# A Five County Collaboration

*Working Together to Complete a Regional Vision*

<b>5</b>	County members	<b>230</b>	Finance Team meetings
<b>5</b>	Counties with grant-funded projects	<b>1478</b>	Record Attendance at Rail~Volution when CTIB, Metropolitan Council, and MnDOT hosted in 2014
<b>88</b>	Grant agreements		
<b>36</b>	Commissioners who served on CTIB		
<b>4</b>	Metropolitan Council Chairs	<b>9.5</b>	Years of existence
<b>1</b>	CTIB Chair	<b>25</b>	Years metro counties collaborated through a joint powers board on transitway development (1992 – 2017)
<b>3</b>	Audits by Office of Legislative Auditor		
<b>9</b>	Clean audits by State Auditor		

## METRO Blue Line in downtown Minneapolis

September 1, 2016



Photo credit: Metro Transit

## The Northstar Commuter Rail



Photo credit: Metro Transit