



Minnesota Regional Transit
Board: Records.

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REGIONAL TRANSIT BOARD
Mears Park Centre, 230 East 5th Street
St. Paul, Minnesota 55101
612/229-2700

Meeting of the
REGIONAL TRANSIT BOARD
Mears Park Centre Chambers
October 5, 1992
4 p.m.

AGENDA

A. CALL TO ORDER AND ROLL CALL

B. APPROVAL OF AGENDA

C. APPROVAL OF MINUTES

1. Regional Transit Board, July 20, 1992
2. Legislative Committee, August 31, 1992
3. Administration and Finance Committee, September 8, 1992
4. Regional Transit Board, September 8, 1992
5. Regional Transit Board, September 14, 1992

D. GENERAL BUSINESS

1. Presentation on Metro 2015 Vision and Goals,
Mary Anderson, Metropolitan Council Chair
2. Driver of the Month Award to Larry Lund, Yellow Taxi Service Corporation

E. CHAIR'S REPORT

F. MEMBERS' REPORTS

G. EXECUTIVE DIRECTOR'S REPORT

1. Report on State Fair
2. Success by Six Presentation

H. REPORT OF THE POLICY COMMITTEE
(Sandra Hilary, Chair)

I. ADVISORY COMMITTEE REPORTS

J. OTHER BUSINESS

K. PUBLIC COMMENT

Michael J. Ehrlichmann
Chair

mff

6/15/92

REGIONAL TRANSIT BOARD

ROLL CALL AND ATTENDANCE SHEET

DATE: 10/5

Member Name	Present	Vote							
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ISSUE

Mike Ehrlichmann

✓

Maryann Campo

✓

Doris Caranicas

✓

Sharon Feess

✓

Ruth Franklin

✓

Val M. Higgins

✓

Sandra Hilary

etc

Ruby Hunt

✓

Tom Sather

✓

Don Scheel

etc

Tom Workman

✓

Visitors

Staff

Klyon

M. Anderson

R. Ahern

A. Entz

D. Metz

Jay Goh

mff

J. J. Fournier

T. Weaver

gh, kb, jh, jf

m, sh



REGIONAL TRANSIT BOARD
Mears Park Centre
230 East 5th Street
St. Paul, Minnesota 55101
612/292-8789

Minutes of the Meeting of the
Regional Transit Board
Mears Park Centre Chambers
July 20, 1992

MEMBERS PRESENT: Michael J. Ehrlichmann, Chair; Maryann Campo; Doris Caranicas; Sharon Feess; Ruth Franklin; Val M. Higgins; Sandra Hilary; Ruby Hunt; Tom Sather; Don Scheel; Tom Workman

OTHERS PRESENT: Mike Robertson, Legal Counsel; Mary O'Hara Anderson; Lisa Raduenz; Arnie Entzel, Amalgamated Transit Union; Jerry Hayes; Mike Christenson, Tom Johnson, Bev Auld, Bob Thompson, Bruce Nawrocki, Aaron Isaacs, Deb Alexander, Robert Mairs, Metropolitan Transit Commission; Greg Andrews, Howard Blin, Suzanne Hanson, Judy Hollander, Mike Kuehn, Sherry Munyon, Mike Opatz, Randy Rosvold, Len Simich, Dale Ulrich, Kathy Grochowski, Regional Transit Board staff

CALL TO ORDER AND ROLL CALL

Chair Ehrlichmann called the meeting to order at 4:05 p.m. and roll was taken.

APPROVAL OF AGENDA

Caranicas moved and Feess seconded that the agenda be approved. The motion carried unanimously.

APPROVAL OF MINUTES

Caranicas moved and Frankin seconded that the minutes of the Regional Transit Board meeting of July 6, 1992 be approved. The motion carried unanimously.

CHAIR'S REPORT

Certificate of Appreciation

Ehrlichmann presented a Certificate of Appreciation to Sherry Mortenson Brown upon her departure from the Transit Accessibility Advisory Committee (TAAC) and thanked her for her valuable service to TAAC.

Appointment to Regional Transit Board's Marketing Committee

Ehrlichmann announced that John Matthews, National Bus Company was appointed to the Marketing Committee. After some discussion as to whether or not the appointment needed to be voted on Higgins moved and Scheel seconded:

That the Regional Transit Board appoint John Matthews to the Regional Transit Board's Marketing Committee.

The motion was unanimously approved.

Approval of MTC Appointment Process

Ehrlichmann reviewed the staff report of July 20. After some discussion of the process, Mike Robertson clarified the number of votes needed to win by stating, if only a quorum is present, only 4 votes will be needed to win. Sather requested that elections be moved to August 17 so he can attend. Scheel asked that members be polled as to their availability on August 17. After polling members it was agreed that the appointment process would be postponed until August 17. Campo moved and Scheel seconded:

That the Regional Transit Board will make its appointments to the Metropolitan Transit Commission on August 17, 1992 according to the process outlined in the staff report of July 20, 1992.

The motion was unanimously approved.

Ehrlichmann reminded members of the Mall of America Transit Hub grand opening and tour on Thursday.

EXECUTIVE DIRECTOR'S REPORT

Review of Special State Fair Demonstration Service

Hollander reviewed the staff report of July 20, 1992. Higgins requested that the motion be amended to include that this State Fair Express Service is only for the 1992 State Fair. Franklin questioned why the RTB was hearing about the Special State Fair Demonstration Service after the newspapers and that due to fact that the public was already aware of the service, the RTB could not disapprove it. Feess stated that the fare should be more than \$1.00. Chair Ehrlichmann said that he was disturbed as to how this came the board and that he's not sure how the board is getting the money to pay for it. Mike Christenson said that a memo was sent to RTB staff on June 26 regarding this issue. Sather said that if the motion fails he would ask that it be tabled until July 22 to investigate where the funding will come from. Hilary moved and Higgins seconded:

That the Regional Transit Board approve the implementation of the proposed State Fair service from five shopping centers, including the special, promotional fare of \$1.00, on the condition that the project be viewed as a demonstration project for the 1992 Minnesota State Fair only, and the convenience fare items and reduced fares for seniors, youth and disabled be honored. The

board directs its staff to establish evaluation criteria to measure the promotional and operational results of the service and report back to the board in October 1992.

The motion was unanimously approved.

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

Financial Statements - May 1992

Franklin moved and Sather seconded:

That the Regional Transit Board receive the May, 1992 financial statements and direct that they be placed on file.

The motion was unanimously approved.

Review and Approval of Amendment to the Transportation Improvement Program for Federal Funding Application from the City of Minneapolis for Downtown Transportation Improvement Management Program

Franklin moved and Feess seconded:

That the Regional Transit Board approve an amendment to the 1992-1994 Transportation Improvement Program to include an application from the City of Minneapolis for funding from the Joint Federal Transit Administration and Federal Highway Administration Operational Action Program.

Review and Approval of 1993-1995 Transportation Improvement Program, Approval of Transit Elements,

Franklin moved and Feess seconded:

That the Regional Transit Board approve the transit section of the 1993-1995 Transportation Improvement Program submittal to the Metropolitan Council.

The motion was unanimously approved.

Review and Approval of Resolution Levying Preliminary Ad Valorem Property Taxes for 1992, Payable 1993, Resolution No. 92-05

Franklin moved and Feess seconded:

That the Regional Transit Board adopt Resolution No. 92-05, "Resolution Certifying Preliminary Ad Valorem Property Taxes for 1992, Payable 1993."

A roll-call vote was taken. Those voting aye: Maryann Campo, Sharon Feess, Ruth Franklin, Val Higgins, Sandra Hilary, Ruby Hunt, Tom Sather, Don Scheel, Tom Workman, Michael Ehrlichmann, (Doris Caranicas was absent.)

The motion was unanimously approved, (with one absent member.)

Review and Approval of 1993 Proposed Budget. Schedule Public Hearing

Franklin moved and Feess seconded:

That the Regional Transit Board approved the 1993 Proposed Budget for the purpose of holding a public hearing at 5:00 p.m. August 10, 1992 at Mears Park Centre.

The motion was unanimously approved.

MTC APPOINTMENT INTERVIEWS

Three people interviewed for the MTC Commission seats. Jerry Hayes, Bruce Nawrocki, Lisa Raduenz.

There being no other business, Workman moved and Caranicas seconded that the meeting be adjourned. The motion was unanimously approved and the meeting was adjourned at 5:30 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board meeting of July 20, 1992.

Respectfully submitted,

Kathy Grochowski
Acting Secretary

Approved by the Regional Transit Board this day of 1992.



REGIONAL TRANSIT BOARD
Mears Park Centre, 230 East 5th Street
St. Paul, Minnesota 55101
612/229-2700

**Minutes of the Meeting of the
LEGISLATIVE COMMITTEE
August 31, 1992**

MEMBERS PRESENT: Tom Workman, Chair; Maryann Campo; Doris Caranicas; Michael J. Ehrlichmann, Sharon Feess; Ruth Franklin; Val M. Higgins; Ruby Hunt; Tom Sather; Don Scheel

MEMBERS ABSENT: Sandra Hilary

OTHERS PRESENT: Tom Weaver and Robert Mairs, Metropolitan Transit Commission (MTC); Arnie Entzel, Amalgamated Transit Union; Michael Robertson, Larkin, Daly, Hoffman and Lindgren, Ltd.; Gregory L. Andrews, Sherry Munyon, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

The chair called the meeting to order at 4:15 p.m. and roll was taken. Franklin moved and Caranicas seconded approval of the agenda; the motion was unanimously approved.

**DISCUSSION OF PROCESS FOR ESTABLISHING REGIONAL TRANSIT BOARD 1993
LEGISLATIVE PACKAGE**

Munyon distributed a list of the Legislative Task Force members and her memorandum, dated August 25, which shows their draft schedule for adoption of 1993 Legislative Initiatives. Franklin expressed her concerns that material was not mailed to the members with the meeting notice. No action was taken.

UPDATE ON EFFORTS TO SECURE DEDICATED FUNDING FOR OPERATIONS

Munyon reviewed the legislative activity on funding mechanisms. Ehrlichmann said there have been meetings with Minnesota Department of Transportation's Commissioner Denn and Metropolitan Council Chair Mary Anderson. Dedicated transit funding is an important priority of both agencies, but they wish to delay discussion of specific alternatives until after the November election. Work should focus on building a coalition to support transit funding. A decision should be made later on whether it is desirable to approach the Legislature on one particular funding source. The chair asked if the intent is to consider the period after the election and until the session as a period to convince legislators. Ehrlichmann said that question will be before the board and the Metropolitan Council. Franklin said that in that case there should be extensive discussion beforehand. She asked what kinds of information and discussion the local officials have had to date so they can make a recommendation. Munyon said she had a preliminary discussion with them in August. They are in the process of completing a survey and she hopes to have a document with several funding mechanisms that will eventually be

narrowed down to three. Hunt said it would be helpful to have information on the amount that each funding mechanism would generate. She asked if there is any trend developing in the returned surveys. Munyon said less than a dozen have come back and staff will do a follow-up and ask people to return the survey. Hunt asked if county board and city councils will receive it. It may be a good device for instigating discussion of this issue. Munyon said she plans to work through the Local Officials Advisory Committee and the Association of Metropolitan Municipalities. She noted the handout showing the results of the "Issues Survey" conducted by the Association of Metropolitan Municipalities. Caranicas asked if other advisory committees are receiving the same information. Munyon said that she is concentrating on LOAC right now.

Scheel said the Motor Vehicle Excise Tax (MVET) mechanism should be dropped from future polls since it is not a possibility. We should be concentrating on those that might work. In response to Campo's question, he said some people think MVET was dedicated for roads, but that is not true. There is a group of people, including the incoming president of the Association of Metropolitan Counties, that contends these revenues should be dedicated solely for highways. Munyon said if that is upheld it would hurt our case. Last year Senator Carol Flynn proposed that the definition of "highways" be broadened. She intends to pursue it again this year. Ehrlichmann said that is for capital expenditures only. The fact is that MVET revenue is now in the General Fund. Caranicas said the Intermodal Surface Transportation Efficiency Act (ISTEA) provides federal money for many things, but a state match is required. Last year Minnesota lost an opportunity.

The chair asked if RTB will go with the same partners as last year; Munyon said that depends upon what funding bill is on the table. Historically the Minnesota Transportation Alliance has opposed the use of gas taxes for transit. Last year the gas tax was for highways and a portion of MVET would then be dedicated for transit operating revenues. Ehrlichmann said someone will make an effort this year to go after the gas tax. It is not clear yet what our best course is.

Hunt said that sometime ago Representative Lieder indicated that when the DFL caucus gets together to set their agenda, transportation is never high on their priority list. She wonders if RTB should try to get a high priority on the agendas of the IR and DFL caucuses. That could be explored from now until the start of session.

Scheel said another consideration is that most metro county expenditures for highways have been dropping because of other, more important needs. There will be a strong effort to change the formula for distribution of those funds. A gas tax increase will have to have a new formula. Sather suggested that the board establish a small, three-person task force to develop a priority list and give the board time to map out a strategy. If we wait until after the election we run into the holidays. These issues are difficult to tackle and large groups tend not to focus and ask tough questions. Workman suggested that RTB do its homework internally first and then show the legislators realistic funding sources and identify which one is easiest for the two groups to agree upon. Hunt said this requires input from the first task force. If there is no consensus, members must determine the best position for the board to take. She suggested that the members wait until they have a report from the legislative task force. Ehrlichmann asked if Sather is recommending that the revenue sources be identified before going to the Legislature. He agreed that it is important to get transit high on everyone's priority list. Sather said the needs can be identified in ten minutes; the funding source is the problem. If the homework is done the planning group can prioritize. If it seems there will be no support

for a selected alternative, RTB can move on. RTB should develop a formula that works well and sell it to smaller groups. Sometimes people are confused with too many choices. If we can show how the various groups will be affected, it will make more sense.

Franklin agreed that it will be a good idea to bring the subcommittees up-to-date without offending the advisory groups.

Campo said the list is somewhat overwhelming and some of the choices could be eliminated immediately. She would like the county input so RTB is not working against them. This is a busy time for Commissioner Scheel, but she asked him if he would consider being involved in the members' task force. Some of the options are out of the question and totally unrealistic. Tom Weaver and Sherry Munyon can give a good idea of what is happening in the hearing rooms. DFL leadership was clear last year that they do not want a constitutional dedication. The House Minority Leader said transit funding is one of the top three priorities of the House but it cannot work unless Rep. Dee Long agrees to go along. Campo nominated Scheel to serve on the task force. Workman said he would serve and Franklin nominated Sather. Scheel agreed to serve if the meetings do not interfere with his other activities. Hunt moved and Franklin seconded:

That the Regional Transit Board appoint Don Scheel, Tom Workman and Tom Sather to an ad hoc Legislative Task Force and direct them to develop a list of options for transit funding sources to be included in the Regional Transit Board's legislative proposals for the 1993 session.

The motion was unanimously approved.

REVIEW OF FEDERAL AND STATE LEGISLATIVE REPRESENTATION

Munyon reviewed her memorandum dated August 28, 1992. Workman said this issue has been open for a long time and he asked for the members' input. Some people have expressed concern about accountability. He had asked Munyon to include information on state legislative representation. He has no problem with Mr. Robertson's work but wants to determine if RTB can be more effective. He has put his ideas in the format of a resolution. Workman said that initially he was concerned at the state level with the RTB's legal counsel's relationship with the regional railroad authorities.

Hunt asked what the hourly rate is for the Washington representative and how often staff has to call him to find out what is going on. Workman said it is hard to gauge whether an hourly charge or a retainer is more effective without knowing how much time is being spent. Franklin asked how much time will be needed for a person in Washington next year since much of the work contracted for is done. Members received no information except a report for the month of June. Feess asked if the lobbyist is used appropriately.

Caranicas said there will be a very different Congress in January. There may be a lot for someone to do in Washington. Ehrlichmann said it is important to have someone available in Washington. The service could be performed on an hourly rate basis.

Workman said the issues are whether it is needed and whether it is working well for the board in conjunction with state activities. Sather asked what the hourly rate is and if any bills were itemized. Ehrlichmann said he would guess that Dorsey and Whitney keeps

records for their own purposes and RTB could request them. The board should consider an hourly rate contract.

Hunt said this person was engaged to work on LRT funding. The other agencies involved in LRT, such as the Joint Powers Board, should be contacted to decide which agency will take the lead in lobbying and how it will be done. The federal delegation has indicated that the various groups must speak with one voice. She asked if there has been any discussions. Ehrlichmann said a trip to Washington was planned that would be led by Commissioner Denn, but it never occurred. The Joint Powers Board has not proceeded because a local funding source must be identified. In response to Hunt's question, Workman said MTC does not have Washington representation. Hunt said Ramsey County has a representative who deals with the whole range of issues, such as human services, that have an impact on the county.

Franklin said the members do not have enough information. She asked staff to furnish information on the hourly rates hours were used in the last few months. The executive director should poll staff on how many calls they made in the last three or four months and provide a list of reasons for keeping the representation. Staff should check with the Metropolitan Council and see if they have anyone in Washington to do a cooperative effort. She agreed with Workman that staff should research who our law firms represent, only as it relates to the RTB and its positions. Franklin said she would like to know what staff believes would happen and what the pitfalls would be if there were no representation.

Workman asked if any members have questions about the legal contracts; there was no response.

Hunt said legislators carefully scrutinize government agencies' use of outside lobbyists. Franklin said members do not know how much lobbying the Larkin Hoffman does for the board; years ago the chair and an assistant did the lobbying. Munyon said last year from January to May the fee was \$8,000. Sather asked why there are two different firms used. Members need to know the need for legal services, cost, time spent, history, actual billed hours versus retainers, and where there is a potential for conflict of interest in the final hours of the legislative session..

Workman said in his mind there is a conflict of interest, but others would disagree. Ehrlichmann said there was no legal conflict of interest; there may have been a perceived conflict. Anyone who represented Larkin Hoffman at the Legislature did not represent the RTB.

Scheel commented that while lobbyists are necessary, it is frustrating to see 60 people at a legislative hearing and realize you are the only one not paid to be there.

It was agreed that the next meeting of the committee will be October 5, 1992 in the RTB conference room on the seventh floor.

There being no other business, Feess moved and Sather seconded that the meeting be adjourned; the motion was unanimously approved and the meeting adjourned at 5:30 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's Legislative Committee meeting of August 31, 1992.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this fifth day of October 1992.

mff
9/4/92



REGIONAL TRANSIT BOARD
Mears Park Centre, 230 East 5th Street
St. Paul, Minnesota 55101
612/229-2700

**Minutes of the Meeting of the
ADMINISTRATION AND FINANCE COMMITTEE
September 8, 1992**

MEMBERS PRESENT: Ruth Franklin, Chair; Doris Caranicas; Sharon Feess; Tom Sather; Don Scheel

OTHERS PRESENT: Michael Ehrlichmann, Chair, and Regional Transit Board Members Maryann Campo, Ruby Hunt, Val M. Higgins, Sandra Hilary and Tom Workman; Arnie Entzel, Amalgamated Transit Union; Gregory L. Andrews, Judy Hollander, Dale Ulrich, Sherry Munyon, Clete Luberts, Len Simich, Randy Rosvold, Paul Moline, Ed Kouneski, Mary Fitzgerald, Regional Transit Board staff

Committee Chair Franklin called the meeting to order at 5:15 p.m. and roll was taken. Feess moved and Caranicas seconded approval of the agenda. The motion was approved (Sather not present).

FINANCIAL STATEMENT - JULY 1992

Luberts reviewed the financial statements, noting that the ending balance for the Metro Mobility program is expected to be within \$200,000 of the budgeted \$800,000 deficit. Caranicas moved and Scheel seconded:

That the Regional Transit Board receive the July 1992 financial statements and direct that they be placed on file.

The motion was approved (Sather not present).

REVIEW OF MCGLADRY & PULLEN'S 1991 REGIONAL TRANSIT BOARD FINANCIAL REPORT, 199 FEDERAL COMPLIANCE REPORT, AUDITOR'S COMMUNICATION TO THE BOARD OF DIRECTORS, AND THE RTB MEMORANDUM ON BUSINESS MATTERS

Ulrich distributed sets of the financial reports completed by the auditors, McGladrey and Pullen. Jim Johnson had been scheduled to attend this meeting but because of time constraints, his presentation will be postponed until the next board meeting on September 14. Andrews said the reports were reviewed in great detail at the Audit Advisory Committee meeting. After the board action the staff will prepare a memo on how these items will be addressed. Franklin said Johnson appeared at the advisory committee meeting and the members accepted the report and made some comments on areas of improvement on the part of staff since the last audit. Nothing needs to be done at this meeting. Scheel moved and Feess seconded:

That the Regional Transit Board approve the preliminary draft of the 1991 Regional Transit Board Financial Report, 1991 Federal Compliance Report, Auditor's Communication to the Board of Directors, and the RTB Memorandum on Business Matters.

The motion was approved (Sather not present).

1993 PROPOSED BUDGET, ALLOCATION OF REDUCTIONS

(Sather arrived.) Ulrich reviewed the staff report dated August 31, 1992. Franklin said these are reductions that must be carefully thought through in case we do not get extra money from the Legislature. Ulrich said the revenue projections for 1993 are based on one-percent net property tax and two-and-a-half percent decline in the state general fund appropriation, which does not affect the property tax, and a modest change in federal monies from the Intermodal Surface Transportation Efficiency Act (ISTEA). Responding to Ehrlichmann's question, Ulrich said that, based on the Governor's direction, there will be a two-and-a-half-percent reduction in the state general fund appropriation. It does not affect the property tax. Franklin said the committee should consider whether to approve the staff recommendation and decide how to follow up on it.

Campo said the proposed cut of \$2 million at MTC does not specify what area; she asked it if is up to MTC to determine what areas will be affected. Franklin said the board can only pass on the amount of revenue the board expects to give them. Some staff have seen their budget document. She asked Ulrich to comment on how MTC would be affected. Ulrich said that it appears the MTC subsidy would be \$1.3 million less than they expressed as the desired level of support from the RTB in 1993. Their budget does not provide for a fare increase and there are a number of other assumptions that will be discussed in the next few weeks that may generate some disagreement as to their viability. There was discussion of the impact of the labor agreement provisions. A three-percent increase would raise labor costs by approximately \$2 million per year. A fare increase could generate an estimated \$6.5 million in additional revenue.

Feess asked what the impact of a funding reduction would be on the rural/small urban services. Kouneski said staff has reviewed the 1993 budget requests and it is clear that any cuts will be painful for the smaller programs, particularly since they all kept their budgets level for the past two or three years. Any service cuts would have to come back to the board. The board will receive detailed recommendations in October. The small urban and rural providers will not benefit from a fare increase.

Campo asked if MTC was directed to reduce expenditures when the budget was prepared or did they do so without anticipating the cut. Ulrich said there were informal conversations between the agencies. Initially it was assumed there would be the same level of funding as in 1992. When the need to save \$3.5 million became apparent he notified MTC that they should assume the worst. The conversation was noted later in their minutes. The budget proposal came back with a \$66.5 million subsidy, less than earlier, but more than the worst case number. It was based on the desire to avoid a fare increase, but it ignores the lack of a labor contract.

Campo said she would like to be on record as very opposed to assumption and scheduling of fare increases without further consideration of the options. It seems it is a presumption without the board making those decisions on the increase. Not to budget an increase in labor costs during contract negotiations is very negative. It would seem to impede the negotiations. She asked Feess and Hunt if everything was presumed with no direction to look for other options. Hunt said the timing in all of this is unfortunate but RTB cannot change that. Speaking for herself, it is difficult to attend the meetings as a liaison to MTC and understand the complexities of their budget process. Franklin said it is unfair of the board to pass judgment on their budget until MTC's commissioners have taken action on it.

Andrews said this sets targets for RTB's own budgets. Back in July RTB said it could not allow the fund balance to drop further. Last week he received MTC's detailed budget and had their service plan earlier. Staff will go through the budget document and identify areas of concern or place conditions on approval. The board will be asked to approve the budget in November. He updated the board on the status of the MTC labor contract. It is in the process of being submitted to arbitration and an award is unlikely until very late in the year. The budget process will be complete and the settlement will have to be dealt with as an amendment to the budget. There may be a wage increase but work rule changes may offset those costs.

Simich said that if a fare increase is needed in January we will have to start getting public comment now. Tonight the MTC will discuss the budget and will it will be transmitted to RTB on September 11.

Scheel said the board must take into account what it knows and what it expects the fund balance to be at the end of the year. RTB will have to state that there will be some cuts. Franklin agreed that the board will have to plan for the "worst case" scenario. Scheel moved and Feess seconded:

That the Regional Transit Board define its Proposed 1993 Budget by allocating the budget reductions previously identified as "undesignated savings" as follows:

Special Revenue Funds

Regular Route

Metropolitan Transit Commission	\$2,550,000
Other Providers	\$118,000

Rural and Small Urban	\$84,000
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The motion was unanimously approved.

1993 REGULAR ROUTE PREFERRED FARE OPTION

Blin reviewed the September 1 staff report and reminded members that the figures are very fluid. There may be modifications at a later date based on the results of the public hearings. At this point the staff is not proposing an increase in Metro Mobility fares. Simich distributed a chart showing the showing four options and the projected effect on ridership and revenue. The appropriate agencies and advisory committees are aware of the scenarios. MTC has publicly stated its opposition to any increase and there preferred alternative should be viewed with that disclaimer.

Franklin said past history has been that fare hearings are very well attended if anything is proposed on social fares. The board agreed to go to the public hearings with some sort of preferred option. Scheel moved and Sather seconded:

That the Regional Transit Board endorse its staff's preferred 1993 fare increase option as shown in the September 1, 1992 staff memorandum and present it as the preferred option at the upcoming public hearings.

The motion was unanimously approved.

APPROVAL OF FEDERAL TRANSIT ADMINISTRATION GRANT APPLICATION FOR THE TRAVLINK PROJECT

Blin reviewed the September 2 staff report. Sather moved and Scheel seconded:

That the Regional Transit Board approve a resolution requesting Federal Transit Administration funding for the TRAVLINK project and authorize the executive director to:

- Submit to the Metropolitan Council an amendment to the Transportation Improvement Program for the TRAVLINK project;
- Submit a funding application to the Federal Transit Administration;
- Include funding, in an amount not to exceed \$750,000, for TRAVLINK in a future bond sale. The Regional Transit Board contribution of this amount toward the project is contingent upon funding commitments from federal, state and private sources; and
- Enter into any interagency agreements necessary to carry out the project.

The motion was unanimously approved.

REPORT OF THE AUDIT ADVISORY COMMITTEE

Scheel moved and Sather seconded the following recommendations of the Audit Advisory Committee:

MINIMUM FUND BALANCE POLICY

The motion was unanimously approved.

The Audit Advisory Committee further recommends that the Regional Transit Board establish a minimum fund balance policy.

AUDIT OF CARVER COUNTY TRANSPORTATION SERVICE, 1989, 1990

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the Carver County Transportation Service for 1989 and 1990, dated May 11, 1992.

AUDIT OF HASTINGS TRANSPORTATION SERVICE, 1988, 1989, 1990

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the Hastings Transportation Service for 1988, 1990 and County Transportation Service for 1988, 1989 and 1990, dated April 28, 1992.

AUDIT OF PLYMOUTH OPT-OUT, 1986, 1987, 1988, 1989, 1990

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the City of Plymouth Opt-Out Program for 1986, 1987, 1988, 1989 and 1990, dated April 2, 1992.

AUDIT OF METRO MOBILITY PROVIDER REVIEW, 1988, 1989, 1990, 1991

That the Audit Advisory Committee recommend that the Administration and Finance Committee direct:

That the Metro Mobility Administrative Center (MMAC) require providers to specifically certify that dual Medical Assistance payments are not being received;

That vehicle inspection control procedures be expanded;

That certain provider billings be investigated and that provider invoice standards be tightened;

That detailed computer audit functions be formally listed;

That payment for group trips be changed to a group occurrence rate(s);
and

That certain provider billings be investigated and that provider invoice standards be tightened;

AUDIT OF SENIOR TRANSPORTATION PROGRAM, 1991

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the Senior Transportation Program for 1991, dated June 1, 1992.

AUDIT OF WESTONKA RIDES TRANSPORTATION PROGRAM, 1991

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the Westonka Rides Transportation Program for 1991, dated July 7, 1992.

SENIOR COMMUNITY SERVICES TRANSPORTATION PROGRAM, 1991

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the Senior Community Services Transportation Program for 1991, dated July 9, 1992.

AUDIT OF DAKOTA COUNTY VOLUNTEER TRANSPORTATION, 1991

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the Dakota County Volunteer Transportation Program for 1991, dated June 29, 1992.

The motions were unanimously approved.

There being no other business, Sather moved and Scheel seconded that the meeting be adjourned. The motion was approved and the meeting adjourned at 6:20 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's Administration and Finance Committee meeting of September 9, 1992.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this fifth day of October 1992.

mff
9/11/92



REGIONAL TRANSIT BOARD
Mears Park Centre, 230 East 5th Street
St. Paul, Minnesota 55101
612/229-2700

**Minutes of the Meeting of the
REGIONAL TRANSIT BOARD
September 8, 1992**

MEMBERS PRESENT: Michael J. Ehrlichmann, Chair; Maryann Campo; Doris Caranicas; Sharon Feess; Ruth Franklin; Val M. Higgins; Sandra Hilary; Ruby Hunt; Don Scheel; Tom Workman

MEMBERS EXCUSED: Tom Sather

OTHERS PRESENT: Michael Robertson, legal counsel; Emil Brandt, Metropolitan Council; Greg Keller, Human Services, Inc.; Gregory L. Andrews, Judy Hollander, Becky Scudder, Randy Rosvold, Dale Ulrich, Paul Moline, Howard Blin, Len Simich, Stephanie Eiler, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

The chair called the meeting to order at 4:10 p.m. and roll was taken.

APPROVAL OF AGENDA

Workman moved approval of the agenda; Caranicas seconded the motion. The motion was unanimously approved.

APPROVAL OF MINUTES

Caranicas moved and Higgins seconded approval of the following meeting minutes:

Administration and Finance Committee, August 10, 1992
Public Hearing, August 10, 1992
Committee of the Whole Meeting, August 12, 1992
Regional Transit Board Meeting, August 17, 1992
Policy Committee Meeting, August 24, 1992

The motion was unanimously approved.

CHAIR'S REPORT

Driver of the Month Award

Caranicas presented the Driver of the Month Award to Greg Keller, a Metro Mobility driver for Human Services, Inc.

MEMBERS' REPORTS

Higgins said the members should discuss whether it is worthwhile for the RTB to rent and staff its State Fair booth.

Scheel asked what the Transit Leadership Group is; the chair said Sherry Munyon is involved and could provide information.

Feess said MTC Commissioner Allyson Hartle is interested in a joint meeting of the MTC and RTB in the near future. The chair said Andrews will arrange it.

EXECUTIVE DIRECTOR'S REPORT

Andrews introduced Gerri Sutton, who recently joined the Accounting staff.

Authorization for Interagency Agreement with Minnesota Department of Transportation for Funding the Alternatives Analysis and Draft Environmental Impact Statement for the Central Corridor

Eiler reviewed the August 31, 1992 staff report. Workman moved and Hunt seconded:

That the Regional Transit Board authorize the executive director to enter into an agreement with the Minnesota Department of Transportation to provide for the interagency transfer of funds to cover costs for the Central Corridor Alternatives Analysis/Draft Environmental Impact Statement project.

The motion was unanimously approved.

Approval of Central Corridor Alternatives Analysis/Draft Environmental Impact Statement Scoping Comments

Eiler reviewed the August 31, 1992 staff report (Board Update No. 2). Caranicas moved and Hunt seconded:

That the Regional Transit Board authorize the executive director to enter into an agreement with the Minnesota Department of Transportation to provide for the interagency transfer of funds to cover costs for the Central Corridor Alternatives Analysis/Draft Environmental Impact Statement project.

The chair asked about the hybrid alternative. Eiler said that was evaluated and was dropped from consideration because west of Highway 280 it is difficult and expensive to build without double-decking. Otherwise, a great deal of land would have to be taken in a fully developed community. It could be combined with a busway and blend the best features of both. Ehrlichmann asked why another alternative was studied when this board favors light rail transit. Eiler said Mn/DOT is the lead agency and they have asked that all the options be dealt with once and for all. The motion was unanimously approved.

Public Hearings on High Subsidy Routes

Andrews said ten public meetings on high subsidy routes were scheduled by RTB staff during the first and second weeks of October, but it is not necessary for members to attend. Fare increases are controversial, but service cuts have an even greater impact on the public. In the past MTC conducted these meetings. The chair said route terminations elicit strong reactions and he urged members to attend the hearings.

I-35W Corridor Selection

The chair said he and Maryann Campo have been involved in the attempt by many different levels of people to come to consensus on I-35W and, along with staff, will follow it very closely in the future.

REPORT OF THE POLICY COMMITTEE

Scheel reported on the committee's August 24 meeting. Blin said over 500 copies of the plan were mailed to communities and other interested parties throughout the Region. The plan will be presented to the board for its approval in late October. Ehrlichmann moved and Caranicas seconded:

That the Regional Transit Board accept the Regional Transit Service and Capital Plan for purposes of a public hearing to be held on September 28, 1992.

The motion was unanimously approved.

REPORT OF THE LEGISLATIVE COMMITTEE

Workman reported on the action taken at the committee's August 31 meeting. He moved and Campo seconded:

That the Regional Transit Board appoint Don Scheel, Tom Workman and Tom Sather to an ad hoc Legislative Task Force and direct them to develop a list of options for transit funding sources to be included in the Regional Transit Board's legislative proposals for the 1993 session.

The motion was unanimously approved.

REPORT OF THE TRANSPORTATION ACCESSIBILITY ADVISORY COMMITTEE

Higgins reported on the action taken by the committee at its August 17 meeting. Later that day the full board approved motions that were consistent with the committee's advice to the board. (Hilary arrived.)

EXECUTIVE SESSION ON PENDING LITIGATION

The chair read a statement into the record explaining the need to close this portion of the meeting. Scheel moved and Caranicas seconded that the meeting be closed. The motion carried unanimously and the executive session was conducted in Room A. Returning to the Chambers, Hilary moved and Caranicas seconded that the executive session be adjourned. The motion carried unanimously

The chair reconvened the regular meeting and noted, for the record, that in that session the board agreed to direct legal counsel to initiate summary judgment for dismissal in the pending litigation between Sylte v. Handicabs et al and report back to the board on the results.

OTHER BUSINESS

The issue of the RTB's State Fair participation will be on the next meeting agenda of the Administration and Finance Committee.

There being no other business, Higgins moved and Caranicas seconded that the meeting be adjourned. The motion carried unanimously and the meeting adjourned at 5:15 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's meeting of September 8, 1992.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this fifth day of October 1992.

mff
9/17/92



REGIONAL TRANSIT BOARD
Mears Park Centre, 230 East 5th Street
St. Paul, Minnesota 55101
612/229-2700

**Minutes of the Meeting of the
REGIONAL TRANSIT BOARD
September 14, 1992**

MEMBERS PRESENT: Michael J. Ehrlichmann, Chair; Maryann Campo; Sharon Feess; Val M. Higgins; Ruby Hunt; Tom Sather; Don Scheel; Tom Workman

MEMBERS EXCUSED: Doris Caranicas, Ruth Franklin and Sandra Hilary

OTHERS PRESENT: Jim Johnson, McGladrey & Pullen; Gregory L. Andrews, Judy Hollander, Mike Opatz, Sherry Munyon, Dale Ulrich, Len Simich, Suzanne Hanson, Howard Blin, Mary Fitzgerald, RTB staff

CALL TO ORDER AND ROLL CALL

The chair called the meeting to order at 4:10 p.m. and roll was taken.

APPROVAL OF AGENDA

Workman moved and Sather seconded that the agenda be approved. The motion carried unanimously approved.

CHAIR'S REPORT

The chair reminded members that the fare hearings will begin next week.

Approval of the light rail transit (LRT) grant application is expected at any moment.

MEMBERS' REPORTS

Referring to discussions at the meetings of the Legislative Committee, Hunt said the Senate Majority Leader has indicated that transit will be a top priority of the next session.

Higgins said that he attended the Highway Users Federation Seminar on Transit on September 10. It is a healthy indication that this kind of group would take an interest in transit.

EXECUTIVE DIRECTOR'S REPORT

Andrews said RTB received a letter from the primary Metro Mobility provider in Dakota County, Handicapped Transport Systems (HTS), indicating that they will withdraw from the program. Since then he has received a phone call from HTS notifying him that HTS rescinded that step and wishes to continue until the program is restructured. Written confirmation was requested.

There have been a number of editorial comments regarding the Metropolitan Council's 2015 document. A presentation on that document will be made to the board at its meeting of October 5. The Transportation chapter is consistent with RTB and MTC's plans. The council will probably extend the time period between the draft and final version.

Ehrlichmann said the RTB and Metro Council should be holding joint, quarterly meetings. Joint meetings should also be held on a quarterly basis with MTC.

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

In Committee Chair Franklin's absence, Scheel reported on the actions taken by the committee at its meeting of September 8, 1992.

Financial Statement - July 1992

Scheel moved and Feess seconded:

That the Regional Transit Board receive the July 1992 financial statements and direct that they be placed on file.

The motion was unanimously approved.

1993 Proposed Budget, Allocation of Reductions

Scheel moved and Feess seconded:

That the Regional Transit Board further define its Proposed 1993 Budget by allocating the budget reductions previously identified as "undesignated savings" as follows:

Special Revenue Funds

Regular Route

Metropolitan Transit Commission	\$2,550,000
Other Providers	\$118,000

Rural and Small Urban	\$84,000
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1993 Regular Route Preferred Fare Option

Blin reviewed the procedure for conducting the fare hearings. Staff has requested that responses be limited to those of a factual nature. Caranicas moved and Sather seconded:

That the Regional Transit Board endorse its staff's preferred 1993 fare increase option as listed in the September 1, 1992 staff memorandum and present it as the preferred option at the upcoming public hearings.

The motion was approved (Campo not present). Hunt asked that members be contracted to determine the number of members at each hearing.

Approval of Federal Transit Administration Grant Application for the Travlink Project, Resolution No. 92-06

Scheel moved and Caranicas seconded:

That the Regional Transit Board approve a resolution requesting Federal Transit Administration funding for the TRAVLINK project and authorize the executive director to:

- Submit to the Metropolitan Council an amendment to the Transportation Improvement Program for the TRAVLINK project;
- Submit a funding application to the Federal Transit Administration;
- Include funding, in an amount not to exceed \$750,000, for TRAVLINK in a future bond sale. The Regional Transit Board contribution of this amount toward the project is contingent upon funding commitments from federal, state and private sources; and
- Enter into any interagency agreements necessary to carry out the project.

On a roll call vote, the motion and resolution were approved (Campo not present).

Report of the Audit Advisory Committee

Review of McGladrey & Pullen's 1991 Regional Transit Board Financial Report, 1991 Federal Compliance Report, Auditor's Communication to the Board of Directors, and the RTB Memorandum on Business Matters

Jim Johnson of McGladrey & Pullen presented a brief review of the four auditors' reports. In response to Workman's question (page 18 of the financial report), Johnson said the unfunded pension benefit figure of \$253,000,000 refers to the state-wide plan. Andrews added that all classified employees are under the plan, which is actually quite stable. The chair said staff has been directed to prepare a response to the recommendations made in the Memorandum on Business Matters. There was discussion of keeping verbatim minutes of the meetings. Fitzgerald said the legal requirement is that motions and votes be recorded. Additional staff would have to be added to prepare verbatim minutes. (Campo returned.) Hunt asked about unfunded health care benefits. Andrews said the RTB does not pay the same benefits as MTC and has not yet had any employees retire. MTC's debt obligation is not carried on RTB's books. Their auditors will probably comment on this item. Scheel moved and Workman seconded:

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the preliminary draft of the 1991 Regional Transit Board Financial Report, 1991 Federal Compliance Report, Auditor's Communication to the Board of Directors, and the RTB Memorandum on Business Matters.

The motion was unanimously approved.

Minimum Fund Balance Policy

Scheel moved and Workman seconded:

The Audit Advisory Committee further recommends that the Regional Transit Board establish a minimum fund balance policy.

The motion was unanimously approved.

Noting that the audit program is nearly up-to-date, Scheel moved approval of the following audits; Workman seconded the motion:

Audit of Carver County Transportation Service, 1989, 1990

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the Carver County Transportation Service for 1989 and 1990, dated May 11, 1992.

AUDIT OF HASTINGS TRANSPORTATION SERVICE, 1988, 1989, 1990

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the Hastings Transportation Service for 1988, 1990 and County Transportation Service for 1988, 1989 and 1990, dated April 28, 1992.

AUDIT OF PLYMOUTH OPT-OUT, 1986, 1987, 1988, 1989, 1990

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the City of Plymouth Opt-Out Program for 1986, 1987, 1988, 1989 and 1990, dated April 2, 1992.

AUDIT OF METRO MOBILITY PROVIDER REVIEW, 1988, 1989, 1990, 1991

That the Audit Advisory Committee recommend that the Administration and Finance Committee direct:

That the Metro Mobility Administrative Center (MMAC) require providers to specifically certify that dual Medical Assistance payments are not being received;

That vehicle inspection control procedures be expanded;

That certain provider billings be investigated and that provider invoice standards be tightened;

That detailed computer audit functions be formally listed;

That payment for group trips be changed to a group occurrence rate(s);
and

That certain provider billings be investigated and that provider invoice standards be tightened;

AUDIT OF SENIOR TRANSPORTATION PROGRAM, 1991

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the Senior Transportation Program for 1991, dated June 1, 1992.

AUDIT OF WESTONKA RIDES TRANSPORTATION PROGRAM, 1991

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the Westonka Rides Transportation Program for 1991, dated July 7, 1992.

SENIOR COMMUNITY SERVICES TRANSPORTATION PROGRAM, 1991

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the Senior Community Services Transportation Program for 1991, dated July 9, 1992.

AUDIT OF DAKOTA COUNTY VOLUNTEER TRANSPORTATION, 1991

That the Audit Advisory Committee recommend that the Administration and Finance Committee approve the final audit report of the Dakota County Volunteer Transportation Program for 1991, dated June 29, 1992.

The chair said that when he became chair in 1989 there were dozens of incomplete audits going back to the 1970s. At this point they are essentially up-to-date.

OTHER BUSINESS

There being no other business, Workman moved and Feess seconded that the meeting be adjourned. The motion was unanimously approved and the meeting was adjourned at 4:40 p.m.

I hereby certify that the foregoing constitutes a true and accurate record of the Regional Transit Board's meeting of September 14, 1992.

Respectfully submitted,

Mary Fitzgerald
Secretary

Approved by the Regional Transit Board on this fifth day of October 1992.

mff
9/18/92

Errata, pg. 13: Statements in this section about Minnesota student performance on national tests are based on a 1988 report from the Office of the Legislative Auditor, which looked at 20-year trends in test scores. Minnesota scores on both the Scholastic Aptitude Test and Preliminary Scholastic Aptitude Test have improved steadily since 1987-88, and in 1991-92 were the highest in more than 10 years. However, Minnesota's American College Test scores continued to drop through 1989-90 and recovered slightly in 1990-91. All the Minnesota scores are well above the national averages.

Metro 2015

Vision and Goals



Metropolitan Council
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Introduction

This document is part of an effort by the Metropolitan Council to develop a "vision" or picture of what the Twin Cities Region should be in the year 2015.

Why a Vision?

- In its first 25 years, the Council has looked ahead to plan solutions for important problems facing the region. Now it is looking ahead to the next 25 years. What does this region want to be, to look like and to offer its citizens in 2015? The Council is responsible for making long-range plans today to help ensure the region's health and vitality in the 21st century. Setting goals for the region is a first step.
- As the Council begins to update its keystone regional plan, the *Metropolitan Development and Investment Framework*, it needs to examine the problems and opportunities the region will face over the next two decades. The policies in the framework will help guide our growth and development, but we need to know where we want to be in 2015--we need a vision.
- The Council is specifically charged by statute to prepare goals and plans for the orderly and economic development of the region. In addition, the Council is being challenged and encouraged to provide leadership in long-range planning for the region. Creating a vision can help in that effort.

Cornerstone Ideas

At the beginning of this effort, the Council set a basic assumption in establishing a vision:

To achieve the highest quality living in a community setting with the flexibility to accommodate the changing population and compete in a world economy. To pursue the region's future with a sensitivity and respect for our environment in our development and redevelopment practices.

The Council decided, after hearing from several nationally recognized strategic thinkers, that there are really a handful of forces or factors driving the decisions needed to make this region successful in the 21st century. Six major factors or categories emerged:

- Economics
- Governance
- Transportation
- Telecommunications
- Education
- Quality of life

Goals as a Starting Point

The goals developed in the six categories describe where we want to be, rather than ways to get there. At a later stage, it will be necessary to identify strategies to accomplish the goals and the appropriate actors to implement them. Before that, however, the Council wants to share this vision with the regional community to see if the goals are on target--whether these are the right

goals the region should be pursuing. The goals are intended to spark a wide-ranging community discussion about where this region is going in the next quarter century.

Some kind of measures are needed to determine whether the region is meeting its goals. This document includes examples of possible measures for each of the six categories of goals. Like the goals, they are only a starting point for discussion.

The Process

The goals were drafted by small discussion groups made up of Council members, staff and members of the Council's Minority Issues Advisory Committee. The groups benefitted from ideas of national and local experts who spoke to them, including educators, economists, academicians, planners, representatives of the telecommunications industry and others.

Over the next two months, the Council will be asking for ideas and comments on these goals. Many organizations and individuals will be participating. The Council is making a special effort to discuss the goals with some of the young people who will be adults when the year 2015 arrives.

The Council will then revise the goals based on what it heard in the public dialogue. After a set of goals is adopted by the Council, the Council will move forward to develop strategies to accomplish the vision.

A Vision

It's now the year 2015. The Twin Cities Metropolitan Area has achieved the goals proposed by the Metro Council a quarter century ago. What kind of a region do we live in?

Key Themes

We've become more adaptive and proactive in shaping change. We have found that in the school of change, the lesson is never over. We have developed our economy, our educational system and our governmental functions to meet changing demands and expectations.

We've sought technological advances that are crucial to the region's economy and quality of life. We used technology as a tool to achieve our goals--for example, in transportation, telecommunications, education and business.

We've opened the doors wider to opportunities and resources. All residents have better access to jobs, governmental decision-making, education, recreational opportunities, health care, housing and information resources.

We've gained spin-off benefits from the decisions we've made. For example, our telecommunication system has bolstered the economy while giving telecommuters an alternative to traffic congestion and enriching learning opportunities. Our education system has equipped students with basic academic, social and personal skills to earn a living and function well as citizens, workers and parents. And it has helped young people shape their hopes and potential.

We have successfully resolved important but competing priorities. For example, we have grown economically, but we have preserved and improved our natural environment. We have a larger population that is more diverse, but we have strengthened our sense of community. Government has finally learned to do more with less.

A Closer Look

Looking more closely, we see a region that is a strong, well-established player in the global marketplace. We realized many years ago that metropolitan areas, not nations, would be the key economic competitors in the international playing field.

We realized we had to be more organized in the way we bolstered the region's economy. Our young people are achieving their full potential in school; our regional quality of life has attracted talented people and dollar investments; and we've adequately invested in our essential infrastructure to support economic activity and the basic needs of our urban society. The result has been an improved regional standard of living, supported by substantial job growth and a diverse economy. Greater Minnesota has prospered from spin-off companies and jobs located in the region.

Communities in the region have willingly cooperated in seeking business, jobs and revenues based on regional interests rather than the interests of individual communities. This cooperation enables the region to compete as one economic unit in national and international markets.

We've made the region a leader in the use of technological advances in transportation and telecommunications, which support both our economy and quality of life. Our telecommunications system uses leading-edge technology to link our voices, video images and data with destinations within the region, and around the state, nation and the globe. Telecommunications is now considered as essential an infrastructure as transportation, sewers and education.

The region leads in using technological advances in transportation like "intelligent" vehicle and highway systems. At the same time, we've made better use of the facilities we have by managing travel demand and charging users a variety of transportation "prices," like congestion fees and parking surcharges. Our transit system, now very consumer-oriented, has more passengers each year. Our major airport is an international hub, with direct flights to cities around the country and the world.

Government at all levels has become more innovative and cost-efficient in delivering services and solving problems. Government roles are clearly defined so that services are delivered at the most effective and efficient level. People have responded with renewed interest in governmental affairs and higher voting rates show it. People feel a stronger sense of belonging to their communities within the region, and they participate and feel comfortable in their community. At the same time, people feel that they belong to one metropolitan region. They think about and work for the Metro Area.

We still have a strong environmental awareness. But we think less now about mitigating negative effects on the environment, and more about designing urban development and its support facilities with nature and people in mind. Our air and water are cleaner; our waste is less toxic and we're producing less of it per capita. We can swim and fish in our three major rivers and in our lakes that have the greatest potential for recreation or water supply.

The region has an abundance of accessible recreation, cultural and information opportunities. Health care is accessible to everyone who needs it, but most people take responsibility for pursuing a healthful lifestyle. Families of all types get the support they need to care for their family members, including children and elderly. The percentage of all residents living in poverty has declined.

Housing is affordable for more of the region's residents, and it is designed to suit people at various stages of their lives and people with special needs. More employment opportunities are located near affordable housing and more affordable housing near new jobs. Our aging neighborhoods have been rehabilitated and a sense of community strengthened there. Our streets are safer and crime rates lower.

We've planned the region's growth into a pattern that has reduced traffic congestion, the cost of public services, energy consumption, air pollution, and more of the negative effects on the environment. Urban design concepts have helped create a sense of place, with open spaces, natural features, public buildings and transportation facilities.

We have come a long way in 25 years. We're already looking ahead to the next quarter century.

Goals

The Regional Economy

For many years the region has been a good place to live, work and establish businesses. Its economy has experienced steady employment growth of 2.7 percent annually and relatively low unemployment rates (4.5 percent in 1991)--well below Minnesota and U.S. rates of 5.1 percent and 6.7 percent, respectively. Manufacturing industries gained some jobs, while service industries gained the most. The region is home to 15 firms on the Fortune 500 list of industrial firms. Its poverty rate (8.1 percent) is well below the national average (13.1 percent). In per capita personal income, the region ranked sixth among the 25 largest metro areas in 1989 (8 percent higher than the average of the 25 metro areas and 15 percent higher than the U.S. average).

This success has largely been credited to the region's skilled labor force and to our diverse economy. But in recent years a number of clouds have appeared on the economic horizon. There are questions about how well we are educating our labor force; the computer industry in the region is in decline; some major businesses are no longer under family or local control; the Minnesota business climate has been soundly criticized by the private sector; global competition is increasing and world markets are changing. In addition, there are concerns about the problem of low income burdening a significant number of people, inadequate productivity growth, our ability to maintain competitive advantages in computers and medical equipment, and the demand for government services versus the willingness to pay for those services.

Looking to the year 2015 raises a major question: Is the region prepared to compete and thrive in this changing environment? For example, no longer is the region's business competition the other cities in the U.S.; it is other cities around the world. Can we afford to sit back and let "the market" respond to these and other changes, or are there some roles government can or should play to keep this region competitive in the emerging world markets? What roles should the business community play? Are there opportunities for public/private cooperation? Before these questions can be answered, it is important to have a vision of what we want the regional economy to look like. Below are goals that can help shape that vision for the 2015 economy.

Goals

1. The region is recognized as a major player in the global economy, based on the following:

The region has a highly educated workforce with skills important to the regional economy, and with the ability to learn new skills as the economy changes in response to the national and international economies. These would include a wide range of skills--for example, in design and manufacturing as well as in management and finance.

The region has a quality of life that attracts and keeps both businesses and a highly skilled and adaptable workforce.

Infrastructure developed by regional and local governments and by the private sector supports regional economic activity and encourages job growth that meets the needs of the population.

Infrastructure financing--using cooperative arrangements, where possible--reflects the full costs of facilities through their life cycle--including costs of capital, operation, maintenance and replacement.

2. The region's economy experiences steady growth in the gross regional product per capita (increasing the regional standard of living), based on the following:

Job growth provides employment at liveable wages for all residents, raising low and middle per capita income levels.

The region's economy is diverse and flexible in terms of using regional strengths and resources (labor market, investment capital, infrastructure, natural resources, etc.) to adapt to changing regional and world markets and to attract and retain industries serving those markets.

3. Communities in the region are more willing to cooperate in seeking business, jobs and revenues based on regional interests rather than on the interests of individual communities. Such cooperation--assisted by a more equitable tax structure, a more equitable provision of needed services and more appropriate use of public investments in private undertakings--helps enable the region to compete as one economic unit in national and international markets.
4. The region has more corporate headquarters of large public and private firms.

Banks, insurance companies, venture capital companies and other sources of investment capital in the region provide adequate funds to invest in start-up and expansion of local firms and to nurture entrepreneurial efforts.
5. The tax burden of the region's residents and businesses ranks lower than in 1992 as compared to other metropolitan areas.

Examples of Possible Measures

Unemployment rate compared to other urban areas

Per capita personal income in region compared to other urban areas (per capita gross regional product compared to other urban areas)

Percent of population below the poverty level compared to other urban areas (percent of population above 150 percent of poverty rate)

Employment growth rate compared with previous years and comparable regions (employment growth rate in specific industries)

Mix of industries in region compared to mix in the nation (diversity)

Composite measures of tax burden on individuals (rankings) and on businesses (rankings)

Governance

Government in the early 1990s has fallen on hard times. Regional and local government has experienced declining federal support; political leadership has been criticized or challenged; and many citizens feel a strong disaffection from government, becoming active mainly when their self-interest is threatened.

The challenge to government is to bring new people into the process both as participants and in leadership positions, particularly minorities and women whose participation in the past had been limited; to develop a renewed sense of confidence in government's ability to solve problems by allowing decision-making at the neighborhood or community levels where innovation and flexibility can be encouraged; to act decisively and in the broader regional interest at the regional level for those problems that need a central focus. A renewed emphasis on governance--acting collectively to solve problems--is essential.

People and governmental units need to think of themselves as being part of one region. The region cannot be a collection of cities all competing against one another. The region now competes with the world.

In governance, there is often a need to balance competing priorities--for example, the desire for government to be "close to the people," on one hand, and, on the other, expectations for government services to be efficient and economical, often requiring centralization. The Metro Council also has a vision for its own role in governance. It includes strong leadership on regional issues, bolstered by additional authority to decide how state funds are spent in the Metropolitan Area for public infrastructure and to determine where and when public subsidies will be used for facilities of region-wide importance.

Goals

1. All segments of the public have opportunities to participate in decisions that affect their lives and the future of their communities. Citizen decision-making takes place at the neighborhood and community level, whenever possible. Citizen decision-making is also fostered in our larger governmental units.
2. People have confidence in their elected and appointed government officials. The region has a high level of political participation (such as voting and the number of persons running for office). Participants and leaders are more representative of the diversity of the region.
3. Government roles and responsibilities are appropriately and clearly defined, including roles involving education, so that regional and local policymaking and service delivery occur at the most effective and efficient level, and gaps in services are closed.
4. Governmental units achieve the results people want by redesigning the service delivery system and using other innovative approaches, public or private, to deliver public services.
5. The Metropolitan Council is the region's leader for policy planning, which provides direction, integration and coordination of regional services. The Council decides how federal and state funds allocated to the Metropolitan Area for public infrastructure will be spent. It decides on major direct and indirect public investments that support facilities of region-wide importance located within the Metropolitan Area.

Examples of Possible Measures

Opinion poll measures on people's confidence in local government

Voter participation rates

Number of service redesign projects completed

Level of Metro Council participation in public decisions regarding facilities of region-wide importance sited in the region

Transportation

The transportation problems the region faces today and in the future stem from our need and desire for personal mobility. Our life style involves pursuing many activities in many locations. And to meet those needs, the automobile--specifically the automobile with a sole occupant--has been the mode of choice for the vast majority of people.

However, using our cars as vehicles to carry just one person has been a major factor in causing our transportation problems. For example, it is primarily responsible for the growing problem of congestion during peak travel periods. Between 1972 and 1984, the number of severely congested freeway miles rose from 24 to 72 miles. That total could increase to 200 miles by the year 2010, according to estimates of the Metropolitan Council and the Minnesota Department of Transportation.

With many cars having only a solo driver, our extensive highway system has not been used efficiently. For example, during peak periods, average auto occupancy dropped nine percent between 1980 and 1990. At the same time, people have been traveling more. On an average weekday, the number of trips taken per person rose by a third between 1970 and 1990.

Heavy use of the single-occupant auto is also a major factor in causing the negative environmental effects caused by the building and operation of our transportation system. It is an expensive way to move people. And it has promoted a spread-out land use pattern that makes it difficult to serve many parts of our region with economical transit service.

Ridesharing and transit use, on the other hand, can increase the efficiency of the transportation system. But bus ridership declined 24 percent from 1980 to 1990. The challenge facing the region is to make these modes more attractive while making use of single-occupant vehicles less attractive and convenient.

Airport capacity is another major issue. The region risks forgoing substantial economic gains if adequate airport capacity is not available as needed in a timely fashion over the next 25 years.

Goals

1. The transportation system moves people and goods within the region and to the state, nation and world efficiently and cost-effectively. The transportation system is developed in ways that preserve the integrity of the environment, allow for economic growth and development, and support other regional goals. The system also reflects the region's leadership in the use of advanced transportation technology (for example, "intelligent" vehicle and highway systems, high-speed rail, hover craft) that maximizes the system's capacity and efficiency.
2. The regional transportation system balances demand and capacity so that resources are used most efficiently and the environment is least affected. This is achieved by managing how existing facilities are used--for example by reducing use of single-occupant vehicles, changing the time that people make trips, reducing the frequency of trips and changing trip destinations. The system also balances local, state and national mobility needs.
3. Transit is the preferred choice over the single-occupant automobile for many more people. An adequately funded and improved transit system makes regular-route transit, paratransit and ridesharing more attractive for all users. With improved safety, comfort and convenience

of riders and drivers, the transit system increases the people-carrying capacity of the transportation system as much as possible, serves the needs of transit-dependent people, supplements the metropolitan highway system, maintains and enhances the economic vitality of the central cities and allows for intensified development in other economic centers.

Land development and redevelopment create an environment that promotes and encourages increased use of all forms of transit.

4. The efficiency of the transportation system is improved, and use of the system reflects the environmental, social and financial costs to society. For example, the region is a national leader in using a variety of transportation pricing, including "congestion pricing," "peak-period pricing," parking surcharges and single-occupant vehicle taxes.
5. The region has an air transportation system with the capability to meet the demand from businesses and people in Minnesota and the Upper Midwest for air connections to the nation and the world.

The region's major airport enjoys the presence of "home base" commercial airline facilities, international hubbing and a competitive airline market, with a the sizable presence of several national commercial airlines. Direct passenger and air freight services are available to the world's major cities.

The region's major airport, and its satellite airports, provide convenient and safe air travel, and cause the least amount of disruption to the environment.

Examples of Possible Measures (comparison over time)

Miles of congested freeways

Vehicle occupancy

Transit ridership

Air quality measures

Application of "intelligent" vehicle technology in transit service

Airline takeoffs and landings

Number of international airline flights from Twin Cities Area

Number of nonstop airline flights

Telecommunications

Telecommunications--and access to it--will become increasingly vital to the fundamental economic health of the Twin Cities Region in the years ahead. That's a lesson history can teach us.

This region grew to national economic prominence because the railroads, then the highways, then today's jet airplanes gave the region's businesses good connections to the national market. These facilities gave the region a way to overcome its remote inland location to sell and ship its ideas and products to the nation, and more recently, to the world. Now, telecommunications is increasingly being viewed as the next key infrastructure, as important to the region as the railroads and highways were in the region's economic history. The region's businesses need the same access--or better--to advanced telecommunications as businesses in other regions enjoy in order to compete in a world marketplace.

In addition, the region needs modern, high-capacity telecommunications services because people need access to information and because telecommunications offers seemingly boundless opportunities for people to learn, earn a living and enjoy a higher quality of life. Unequal opportunities, experts argue, will lead to a society of "information rich" and "information poor."

Telecommunications could help solve other problems. It could aid in solving central city problems, where, for example, the presence of advanced telecommunications facilities could help offset the disadvantage of high redevelopment costs. Telecommuting could also reduce peak-period travel or travel in congested corridors.

However, private providers of advanced telecommunications capabilities have not upgraded their equipment here as rapidly as they have in other regions. High-capacity fiber optic transmission lines are not available throughout the region. If the transmission of voice, data and video experiences a boom as some predict, the existing infrastructure may not be adequate to do the job.

By and large, governmental units in the region have their own networks to move data or communicate with their police and fire departments. Telecommunications--and facility-sharing--may give them a way to provide more effective services more efficiently. But there is no coordinated approach, or public sector planning, in telecommunications. Each unit of government has made its own arrangements with telecommunications vendors to get its needs met.

Goals

1. The region has "leading-edge" telecommunications services readily available to all businesses and homes.

High-capacity telecommunication transmission facilities and networks move information within the region and state, and to national and worldwide destinations.

The region's telecommunications infrastructure gives businesses a competitive advantage in producing and selling products and services to the nation and the world.

2. Telecommunications infrastructure is considered as fundamental to the effective functioning of the region as are roads and sewers.

The region uses telecommunications technology to its fullest extent to provide cost-efficient access to information and services for all its residents. The region uses telecommunications as a tool to implement regional policies.

Government agencies throughout the region use telecommunications technology to improve the quality, effectiveness and coordination of their services.

Examples of Possible Measures (comparison with previous years)

Miles of fiber optic cable in place

Region's telecommunications ranking nationally and internationally

Public-access points to data and information

Use of telecommunications in development and redevelopment activities

Percent of population that is "computer literate"

Percent of population with access to a personal computer

Errata, pg. 13: Statements in this section about Minnesota student performance on national tests are based on a 1988 report from the Office of the Legislative Auditor, which looked at 20-year trends in test scores. Minnesota scores on both the Scholastic Aptitude Test and Preliminary Scholastic Aptitude Test have improved steadily since 1987-88, and in 1991-92 were the highest in more than 10 years. However, Minnesota's American College Test scores continued to drop through 1989-90 and recovered slightly in 1990-91. All the Minnesota scores are well above the national averages.

Education

Observers of the K-through-12 education system--from education, business and government--have said that our schools are a little better than the rest of the nation's--but not good enough for our future. They offer some criticisms:

- Schools aren't focused on helping students learn; they are organized and run for adults, not students.
- Expectations are low and there are not many incentives for students or teachers to do well.
- Athletic achievement and "having things" are valued, but academic achievement is not.
- The region's high school graduation rate is high (at 91 percent), it may be because the standards are low. For example, Minnesota is one of only eight states that require less than 175 instructional days per year; 90 percent of Minnesota high school students are allowed to spend as little as five hours in class; and only 13 percent attend districts that have established formal homework policies.
- The education system has a dismal record of meeting the educational needs of our growing racial and ethnic minority populations. For example, 30 percent of the 6,000-plus students in the seven-county region who dropped out of school in 1991 were from racial or ethnic minority groups. By contrast, minorities make up only 16 percent of the total student population in the region.
- School boards have been criticized for focusing on financial and administrative matters at the expense of students. School boards have also been called monopoly systems with exclusive franchises that are reluctant to allow others to create schools.

In addition, businesses find an increasing number of high school graduates ill-equipped to perform work that requires even basic language and math skills. But, at most, one-third of Minnesota's high school districts have established minimum standards for graduates' reading and mathematics skills. Approximately 555,000 Minnesotans between the ages of 18 and 64 are unable to read, write, compute, problem-solve or cope with changing conditions sufficiently well to meet the requirements of adult life in our society. If this region is to compete with the world, high school students must be better trained.

On average, Minnesota spends more for education than most states (17 percent more per capita), and has increased its financial commitment steadily over the past 20 years. In 1992-93 Minnesota will spend 30 percent of its \$15.4 billion budget on elementary and secondary school education. But recognized measures show that performance has in fact declined. While Minnesota still ranks high in American College Test scores, the results have been dropping more than the national average. Scholastic Aptitude Test and Advance Placement scores have continued to steadily decline. The Preliminary Scholastic Aptitude Test Scores have actually dipped below the national average. The question arises: What kind of education are our young people getting for the money we spend?

Goals

1. Education is valued and supported. The regional community places a high value on educating its children and youth. It is a top priority to provide financial and other resources so that students can develop the capabilities they need to reach their full potential.
2. Education is focused on students, and helping them learn is the highest priority of education. Students are interested in learning and know how to learn--they can use information, solve problems and work in teams. Being "educated" means being equipped with the academic, social and personal skills to earn a living and function well as a citizen, worker and parent in a rapidly changing society.

The community sets high expectations for students. It stresses students' efforts and honors their academic achievements. Students understand the community's expectations and know they have to demonstrate mastery of specific skills in order to graduate.

3. The community encourages innovation and excellence in teaching that improves the way students learn. It supports and rewards these efforts. Schools and teachers are rewarded based primarily on results.

The teaching profession is sought after by people who have a passion for teaching and learning. People with diverse backgrounds obtain certification using their education, practical and professional experiences. The profession attracts and retains the best educators.

4. The governance of public education is broadly based, involving parents, students, educators and many others in the community.
5. A restructured school system that provides learning opportunities from early childhood on has replaced the conventional K-12 public school structure of the 20th century. Parents and students choose among a broad range of school organizations, settings and schedules. Students progress based on demonstrated competency of the material. Often, they are grouped across ages to learn from each other. Much of their learning takes place in the community at business, government and other sites. Learning is enhanced by extensive use of technology.
6. The entire community--in a cooperative, coordinated effort--joins teachers in working to nurture, support and applaud students in their educational efforts. It provides a safe, healthy environment that promotes learning. Parents are actively involved in their children's education and create a home environment that encourages learning. Schools are "community centers" where citizens interact with students to help them learn. Businesses, civic organizations, social-service agencies, and secular and religious organizations provide learning opportunities and recognize academic achievement.
7. Cultural differences are celebrated and shared. Students learn about and respect the practices, beliefs and historical contributions of different cultures. In order to share more fully in the global society, students can speak languages of the world in addition to English.

8. Higher education in the region is available to all students based on ability to learn and choice, rather than on ability to pay.

The region's higher education institutions foster research and development as part of their mission to educate students and generate discoveries of new knowledge.

9. People assume that they will continue to learn throughout their lives. The community provides affordable educational opportunities that are flexible enough to meet the people's needs for job training, citizenship and other learning in a rapidly changing world.
10. The region's educational system produces a highly-skilled and motivated work force that fuels our businesses' efforts to grow and compete in the global economy.

Examples of Possible Measures

School readiness--an indicator that the student has the health, nutrition, developmental skills and family support necessary for success in school, compared over time

Average state score on school achievement tests as a ratio to the national average, or, as an alternative, the proposed competency-based graduation requirement of the Minnesota State Board of Education (1992)

Schools with drop-out rates over 10 percent ("drop-out" is defined as a student absent from school for a 12 month period, a definition used nationally)

Percentage of high-school graduates who are pursuing advanced education or training one year after high-school, compared over time

Percentage of recent high-school graduates rated average or better in work skills by their employers, compared over time

Quality of Life

Quality of life is made up of all the things we expect, that we value, and are committed to maintain through payments of time, energy or money. Quality of life is all the reasons people like to live in the Twin Cities Area--personal well-being, living conditions, opportunities to be part of a community, work life, physical surroundings and leisure time activities. Quality of life is all the things that we would miss if they were gone, the things that make this region special and "better" than many other areas.

Many people believe that the region has a high quality of life, that there are many unique and good things here. All citizens do not necessarily share those feelings, especially those who believe that they do not have equal access to opportunities in the community.

There is danger in assuming that everyone participates in a high quality of life. And we risk complacency if we do not recognize and preserve the quality of life that we have, even as we seek ways to improve it. We need to be aware that focusing on the long-term quality of life may also mean forgoing some short-term gains, or even sacrifices, for some long-term efforts.

The dimensions of our quality of life are diverse and growing more so, and will change over time. We need to be flexible to respond to changes desired by future generations.

A. INDIVIDUAL WELL-BEING, THE FAMILY AND COMMUNITY

A decent, affordable place to live and the safety and security of person and property are basic needs that must be met before many other quality-of-life aspects can be considered. As important as they are, however, our region has a ways to go toward meeting those needs. The crime rate, for example, has continued to go up. Between 1980 and 1989, incidents of reported violent crime went up 42 percent in Minneapolis and 22 percent in St. Paul. The lack of affordable housing continues to plague the region despite decades of efforts to deal with the problem. In 1990, for example, 40 percent of all renter households in the region (113,000 people) paid more than 30 percent of their income for rent, a standard measure of housing affordability. And nearly one-fourth of renter households had annual incomes below \$10,000.

Another essential ingredient of individual well-being is access to a basic level of goods and services, especially health care. Access to health care, however, remains a problem. In 1988, six percent of the population was not covered by health insurance for all or part of the year. Moreover, the infant mortality rate--often linked to a lack of prenatal care--has increased for people of ethnic and racial minorities. In 1985, for example, the infant mortality rate for African Americans was 16.38 per 1,000 live births; in 1988 it jumped to 20.46. For Asian Americans, the rate rose from 5.65 in 1985 to 8.54 in 1988.

Parents should be able to expect that they can raise their children in the best possible environment and that they and their family will not be trapped in poverty or hindered by discrimination. But in 1990, 11 percent of all children in the region lived in poverty; and 36 percent of families headed by women had incomes below the poverty level, an increase from 30 percent in 1980. For people of racial and ethnic minorities, the percent living in poverty was much higher: 37 percent of African Americans, 41 percent of American Indians, 32 percent of Asian Americans, 19 percent of persons of Hispanic origin and 24 percent of other races. We must provide opportunities to people for education and work that enable them to earn a living and provide for their basic needs.

As these and other issues are addressed, the region needs to foster a sense in its people that they have a personal stake in their local communities and in other communities in the region. The weaknesses of some communities can affect the future of others. People who have the means should be willing to give of their time and money to make the region a better place to live--viable, progressive and constantly striving for improvement. This spirit of contributing and caring has been strong here and is an essential ingredient for building a better area in the future.

Goals

1. The region has a comprehensive, cost-effective system to deliver high-quality health care and related services with choices in treatment alternatives for physical and mental illnesses. All the region's residents have access to health care services. The region has a highly rated emergency response system.

The region's health care system emphasizes preventing health problems and promoting health and wellness. The region has improved the health status of its residents based on a wide range of indicators--for example, reduced deaths and injuries of children from family abuse and neglect, a reduced death rate from cardiovascular disease, increased levels of physical activity of the population, and increased immunization for infectious diseases.

2. All residents of the region feel safe and secure in their homes, neighborhoods streets, sidewalks, schools and parks. They have confidence that public safety personnel will respond quickly and appropriately, regardless of where they live or their minority or economic status.

The region's ranking compared to the rates of violent and property crimes in other metropolitan areas, both in the central cities and suburbs, are lower than the region's rank in population size. Sales and use of illegal drugs have substantially decreased.

3. All types of family structures are supported so parents can carry out their responsibilities and their children can develop into adults who take responsibility for themselves and their community. Elderly and disabled people have every opportunity to live independently as much and as long as possible. Extended families have more support to care for their members and do not need to rely on institutions.
4. The basic needs of all of the area's population for shelter, food, water, clothing and energy are met. The percentage of the region's population living in poverty has decreased.

Everyone has equal opportunities for education, employment, housing, leisure or social activities regardless of their race, color, creed, religion, national origin, gender, disability, age, status with regard to public assistance or sexual orientation.

Cultural values and religious beliefs are recognized and celebrated.

5. Residents of the region have a sense of pride in and belonging to their community, and a concern for its long-range future. The region continues to be an example to other metropolitan areas for its recognition of and participation in volunteerism, corporate leadership and contributions to nonprofit charitable and cultural organizations.

6. Housing is affordable and available for all income groups throughout the urban area of the region. An increased percentage of households in the region own their homes.

Appropriate housing is available for persons at all stages of their lives as well as for persons with special housing needs--people with disabilities, children, elderly and others.

Examples of Possible Measures (comparison over time)

Percent of population, especially children, living below the poverty line
Number of reported cases of child abuse or neglect
Number of teen pregnancies
Infant mortality rate
Drug and alcohol-related death rate
Number of homeless people
Percent of households below the median income spending more than 30 percent of income on housing
Ranking of region among other metro areas in health care
Rates of violent crime and domestic violence
DWI arrest and conviction rates
Rates of sexually transmitted diseases, including AIDS
Percent of pretax revenue contributed by major businesses to social programs, the arts and other activities

B. EMPLOYMENT

The region's quality of life depends upon its economic base. Its future success is dependent upon increasing the pool of highly skilled jobs filled by highly skilled labor, both professional and technical. An individual's quality of life also depends on the economic base, and the ability to qualify for, find and hold a job that can support a family. Trends in the 1980s raise serious questions about whether it is possible to greatly expand the number of "sustainable" jobs. For example, the biggest increase in employment during the decade was in the service and retail sectors (65 percent of new jobs), which pay the lowest average weekly wages.

Employment is expected to continue moving away from the central cities and into the suburbs over the next 25 years. The Metro Council forecasts that the cities of Minneapolis and St. Paul will see little or no growth in employment between 1990 and 2020. On the other hand, suburban job growth continues. For example, between 1980 and 1989, 67 percent of all net new jobs were created in the region's developing suburbs. And suburban job growth will increase substantially in the future, particularly in the southern and southwestern suburbs. The increases, if they occur, will mean that people will be travelling to the job-rich suburbs in far greater numbers for service and retail work. But their incomes may not permit them to live in the higher-priced suburban housing near available jobs.

Goals

1. An increased proportion of jobs pay a wage that can support a family. Employment opportunities, rates and wages of Metropolitan Area women and minorities are equal to those of white males.

2. Employment opportunities are maintained and increased in areas with existing, affordable housing. More affordable housing opportunities are available in areas with growing employment.

Residents have a wide range of employment opportunities within a 30-minute commute by public transit within the urban area.

3. Everyone has opportunities for retraining and reemployment.

Each student graduating from high school, technical or vocational colleges has the knowledge and skills necessary to obtain an entry level job, and over the long run, to compete and survive in the employment market.

4. Large businesses in the region have on-site child care available. Smaller employers have cooperative child care arrangements.

Examples of Possible Measures (comparison over time)

Per capita income for women and racial and ethnic minorities
Ratio of workers in manufacturing to service and retail sectors
Number of persons unemployed more than 26 weeks
Percent real growth in average wages per worker
Ratio of the region's average wages per worker to the national average
Number of businesses with child care available to employees

C. PHYSICAL ENVIRONMENT

The physical environment encompasses both the natural resources of the area--water, air, soils, minerals, vegetation and animal life--and the developed landscape that consists of the facilities and services required by a large urban population. If the Metropolitan Area of 2015 is to be a better place to live in than it is today, there will have to be a closer relationship between the natural and the human-built environment. Past abuses of the natural environment will need to be corrected, and urban development will be fully integrated into the environment. New development will put greater emphasis on good urban design and functional efficiency. The end result will be a metropolitan area that is an attractive, well-functioning and exciting place to live for all of its residents.

The region faces major challenges in pursuing these goals:

- We need to continue improving water quality through better wastewater treatment as our population increases, effluent standards become more strict, and costs go up.
- The amount of pollution from "nonpoint" sources (for example, from farms and paved parking lots) must substantially decrease. It will require changes in the personal, household and business practices of people in the region, as well as those upstream of the region.
- We need to maintain the region's competitive advantage in water resources by managing them wisely.
- We need to reduce the amount of waste we generate and find productive reuses for it rather than burying it in landfills.
- We need to make better choices in the way we develop our land, to minimize the impacts on the environment and consider the full range of physical, economic and social consequences.

- The region needs to develop in a manner that allows us to economically and efficiently provide the full range of urban facilities and services.
- We need to retain the historic, central role of the downtowns of Minneapolis and St. Paul, even as the region continues to developed outward.
- We need to increase the concentration of development in the major suburban business centers so they can become additional hubs of activity.
- We need to arrest the physical deterioration of houses and businesses, and bring deteriorated areas into productive use.
- We need to develop and retain a sense of place and a local sense of distinctiveness within the urbanized area.

Goals

1. All large tracts of land with high-quality or unique natural resource and scenic values will be available for public use. All public waters have public access. All natural watercourses, including wetlands, channels, floodplains and shorelands are sufficiently protected to allow them to function naturally. The region continues to be "water rich," and with careful management of this valuable resource, meets the multiple demands on groundwater and surface water. The region's soil and mineral resources are carefully managed.
2. There is swimmable and fishable water quality in the region's three major rivers and some 100 lakes with major potential for recreation or for domestic water supply. Levels of nonpoint-source pollution generated locally are as low as possible under existing technology and within economic constraints. Levels of such pollution generated outside the region are substantially below those of 1992. Regional sanitary sewer service is of high quality, affordable, and available when and where needed within the urban service area. All residual materials from wastewater treatment plants are put to beneficial uses.

The region has reduced the per capita amounts and toxicity of waste generated compared with 1992 conditions. Reuse and recycling are at the highest level that is technologically achievable and economically feasible. There is little landfilling of wastes. There are no more major pollution sites to be cleaned up, and all previously contaminated sites have been put back into beneficial uses.

The region attains or exceeds all federal and state ambient air quality standards.

3. The physical development pattern of the region is directed toward reducing traffic congestion, energy consumption, air pollution and negative effects on the natural environment.

All decisions about physical development consider all the direct and indirect impacts of development or siting of facilities, such as noise, visual impacts, land use conflicts, traffic and congestion, environmental disruption and consequences for the social fabric of neighborhoods. At the same time, essential facilities for the region are accommodated.

4. The region has an urban service area with a compact, contiguous development pattern and densities high enough to make delivering services efficient, yet balanced with open space and the natural environment. In the rural area, productive farm lands and open spaces are preserved and development limited to be consistent with a rural level of public services.

The two downtowns continue to be viable commercial centers, with increased emphasis on large-scale, unique facilities and events. Major retail and office concentrations, such as those around regional shopping centers, are secondary focal points and hubs of activity. These areas are more densely developed than in 1992, offer a wider variety of goods and services, contain a mix of commercial and residential uses, and are highly accessible via the transportation system. Community and neighborhood centers continue to provide essential goods and services for nearby residents.

The freestanding growth centers are maintained as distinct and separate concentrations of development.

5. Aging areas have been rehabilitated so they can continue to be viable neighborhoods. Priority is given to maintaining the existing housing stock and making it useful for the future, instead of demolishing and replacing it. Supporting infrastructure has been updated or renewed as needed. Maintenance and rehabilitation have focused equally on residential as well as commercial and industrial components so these areas can continue to provide both housing and jobs.
6. Regional and local governments make substantial use of a variety of urban design concepts in developing and redeveloping the urban area. Open spaces and natural features, as well as the "built" features like transportation facilities and public buildings are used to enhance the environment. A "sense of place" has been created within the urban fabric through the use of aesthetics and good design. Historic areas and structures are preserved when new development and redevelopment occurs. All urban design recognizes that the region is a "winter city" that functions and is attractive in all four seasons. A healthy "urban forest" is being maintained and expanded.

Examples of Possible Measures (comparison over time)

Land area in natural resource-related public ownership at all levels
Water quality reports of the Metropolitan Waste Control Commission
Number of violations of pollution discharge permits
River miles that do not meet standards of being "fishable and swimmable"
Amount of wetland acres filled
Quantity of water used
Percentage of water supply systems meeting state drinking water standards
Quantity of solid waste not recycled
Quantity of hazardous wastes generated
Toxic chemicals release or transferred (millions of pounds per year)
Number of days per year that air quality standards are violated
Tons of soil lost (per acre of cropland)
Number of "Super Fund" sites identified and the number cleaned up
Number of petroleum release sites and the number cleaned up
Amount of prime agricultural land lost to development
Acres of land enrolled in Metropolitan Agricultural Preserves Program
Acres of land added to the metropolitan urban service area, defined by the Metropolitan Council
Number of jobs by location, downtowns and suburban activity concentrations
Retail sales and sales tax data
Annual issuance of building permits
Demolition permits

Trip generation/traffic data for highways and transit users
Transit ridership and level of transit service
Average annual energy use (average BTUs per person)
Percentage of urban tree cover

D. LEISURE AND ENTERTAINMENT

The leisure and entertainment opportunities available in the region are good indicators of our high quality of life. Though not necessities--like shelter, a job, security or transportation, for example--leisure and entertainment opportunities are nonetheless important. They challenge us, stimulate us, excite us and enrich our lives. Our participatory and spectator sports, outdoor activities, cultural institutions and community events increase the pleasure of living in the region. They help attract businesses and skilled workers to our area.

Some of the major challenges in achieving these goals:

- We need to maintain the high level of cultural and recreational opportunities available in the region today, in light of competing demands for public and private resources.
- We currently do not have the financial resources to implement the regional parks system currently envisioned. The current estimate is that \$300 million will be needed to complete the development and redevelopment of the system.
- As communities develop, they will be challenged to keep up with the changing recreational needs of their population, and to establish local park systems early in their development.
- Concerns about access to activities and information will continue to grow as technology increases and if dispersed growth patterns continue.

Goals

1. The region offers a rich range of cultural opportunities in music, art and theater. Citizens have more opportunities to take part as active participants as well as to view, watch and listen.
2. Everyone has access to key information sources, including the information and entertainment media, such as newspapers, magazines, radio, television or any new media that may develop. Libraries are more accessible and use the latest technology. All private, public, governmental agency, school and university libraries are linked electronically.
3. A park system composed of local, regional and state parks provides a wide range of activities. The regional park system envisioned in 1992 is now completed. Local parks are located within walking distance of urban residents' homes. A trail system for walking, hiking and biking is in place throughout the region, within walking distance from urban residents' homes. Park facilities respond to users needs: they provide recreational opportunities for all residents irrespective of age, income or mobility status.

The region has sufficient athletic fields, golf courses, hockey rinks or other recreational facilities (indoor and outdoor) to meet the standards of the National Recreation and Park Association. Facilities provide for year-round activities. The number of available activities and facilities is increasing at least as fast as the population growth rate.

The region is home to major professional sports, and there are sufficient facilities to accommodate the teams and the fans.

Opportunities are available for game fishing in lakes and rivers within the region. Habitat is maintained so that there is access to hunting opportunities within a day's trip from the region.

4. All major leisure and entertainment facilities in the urban area are accessible by public transit.

Examples of Possible Measures (comparison over time)

Attendance at arts performances

Number of amateur sports participants

Number of participants attending professional sporting events

Percent of homes with telephone service

Percent of homes with access to cable television

Miles of public recreational trails

Library circulation data

Acres of remaining regional parks to be acquired

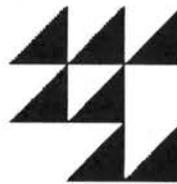
Number of public access facilities on lakes and rivers

Park user counts

Attainment of National Recreation and Park Association standards

Metro 2015

Two Scenarios of the Twin Cities Area in 2015



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Introduction

These scenarios are pictures of what the Twin Cities Metropolitan Area could be like in the year 2015. They were sketched by two members of the Metropolitan Council's planning staff, Michael Munson and Hal Freshley, as part of the Council's "Metro 2015" project.

The Council embarked on Metro 2015 to shape a consensus in the metropolitan community on 25-year goals in six areas considered crucial to the region's future success--the economy, governance, transportation, telecommunications, education and quality of life. Later this year, the Council will begin working on strategies to carry out the goals.

The scenarios grow out of the planners' personal views and informed speculation about the future. They do not necessarily reflect the Council's vision of the region in the years ahead; that is described in the Council's discussion paper *Metro 2015: Vision and Goals*. The scenarios are nonetheless useful; they can offer insights that are sometimes the most compelling because they

come from a personal perspective. Munson's scenario draws on the categories the Council has identified as being major factors in shaping the region's future. Freshley uses somewhat more general categories: the regional economy, work life, community life and personal life. Munson writes his scenario as if looking ahead from the present (for example, "...most of the already developed region will not look a whole lot different"). Freshley writes his as if the year 2015 has already arrived (for example, "Of the region's historically strong businesses, food processing and biomedical technology have continued into this century.>").

Scenarios can be useful in talking about the future, not because planners can predict it, but because such pictures can help a community decide what kind of a future it wants. Spinning a scenario suggests to people that the future just doesn't happen, that people have power to shape it. The Metro Council hopes the scenarios will help stimulating thinking about the region's future.

Big Changes, Small Changes

by Michael Munson

If I were deciding where to go for a vacation, I might want a fairly detailed and graphic description of the alternatives. Or I might prefer to be surprised. If I really hate the place, I can always leave and go someplace else.

If we thought about the future in the same way, we would probably want to reduce the element of surprise--given all the bad things that can happen to people or the societies they form. Although we can't predict the future very well, we can at least set forth goals about what we would like to see happen and work toward achieving them. One way to do this in a more tangible or compelling way is with scenarios--creating a more graphic vision of the possible future.

My scenario is not intended to be either positive or negative--but thought-provoking, or perhaps just plain provoking. It does not try to give a comprehensive picture, but just a few specific glimpses of one person's speculation about the future in each of the Council's six goal areas. To make them more tangible and compelling, they are written with more "wills" than "coulds"--as if the author had little doubt about them coming to pass. But considering I've been making demographic forecasts for nearly three decades, there is only one thing I am certain of about the future--that is we cannot predict it.

The purpose of providing a scenario is to help people devise plans that will enable them to reach the goals embedded in their vision of the future. The question facing the people of the Twin Cities Area is: Can we agree on what we want the future to be, and then figure out how to make it occur? It's a question worth considering, because, unlike a vacation destination, we cannot pack up and leave a future we don't like.

The Look of the Region

The most basic element of a vision for the region is what it will look like in the future. Assuming we can't afford to abandon or replace most of what's already been built, most of the already developed region will not look a whole lot different. There may be some very visible and important exceptions, but if placed on a map, these would occupy a very small share of the region's area.

Where the look of the region will change most is in areas converted from vacant or low-intensity uses to urban (mostly residential) uses. These new areas will, however, look a lot like the adjacent developed areas--varying mostly with regional prosperity. If the region becomes poorer, brick facades will be replaced by aluminum siding on smaller and fewer new homes that are built. The proportion of new housing that is apartment buildings will also increase. If the region prospers, new homes will be bigger and there will be more of them (and they'll still have brick facades).

The most important fact is that, unless we become another Dallas or Phoenix or Atlanta--the earth tilts on its axis and we become part of the Sun Belt, there is going to be less development change in the next 25 years than there was in the previous 25. That is because the large "baby-boom" generation has already entered the housing market, and now the housing market must depend on the much smaller baby-bust generation for its growth.

In addition, we have presently overbuilt retail and commercial development to such an extent that some of the next 25 years will be spent just using what's on the ground. This will initially limit the ability of the

region's few new freeways to attract major new commercial developments within this time frame.

Although numbers do not create a very tangible vision in most people's minds, they are often the quickest and most unambiguous way to describe a situation. This is the case with respect to regional growth. In 1965, the region had just under 500,000 housing units (homes and apartment units). The next 25 years saw an enormous increase, about 425,000 new units added. From 1990 until 2015, the Council's recent and fairly optimistic forecasts anticipate about 290,000 new housing units being constructed. That number is a sizeable gain but substantially less than in the previous 25 years. Furthermore, this growth is being added to a region that is almost twice as large as it was in 1965. This lesser growth amount will thus be mostly distributed in a much larger ring surrounding the current developed area.

These new homes and the related commercial and industrial development will fit comfortably within the existing developing suburbs--established suburbs such as Brooklyn Park, Eden Prairie, Eagan, and Woodbury, and emerging suburbs such as Andover, Chanhassen and Lakeville.

The Regional Economy

The fate of the region's economy is critical to virtually every aspect of a future scenario, and it is one of the most difficult to forecast. Nevertheless, the Twin Cities economy has remained relatively stable in its relationship to the U.S. economy for decades. If there are no major economic shifts nationally, there is no good reason to expect the region's economic health to change much.

Our geographic isolation is diminishing as telecommunications supplants transportation as the critical access factor in the emerging Information Age. Despite long-standing concerns about the business climate, the

Twin Cities' diverse economy should help us maintain our economic strength. But the Twin Cities Area will need to maintain both a real and perceived high quality of life in order to offset our climatic liabilities. Equally important will be the region's ability to function effectively in a global economy. I believe the region will be able to achieve these goals. Building strong economic ties with Japan will be one of the ways we will enhance our global competitiveness.

Significant changes economically, either up or down, would so alter the course of events that the Metro Council would need to start over in its "visioning" process. Prosperity might cause us to just sit back and enjoy the "surprises" brought by the future, or it could give us the ability to solve problems we've only been able to give futile lip-service to in the past. The prospects of economic collapse raise such horrifying visions of social turmoil and rampant demagoguery that I don't want to think about it.

The lackluster economic trends of the past two decades will continue through 2015 with the usual ups and downs, but the middle class (still the majority of the population) will have adjusted to it. In fact, many will stop fretting over their failure to continuously increase their very comfortable standard of living, and work to find ways of equitably sharing the economic wealth of the nation with an underclass everyone agrees has grown much too large.

The result will be a stronger economy, improvements in everybody's economic status and a significant diminution of the current social problems--crime, drugs, family disintegration, etc. The Twin Cities Area and the state will lead the nation, by example, in bringing this change about.

Another future economic outcome to look for is the impact of the continuing changes in the production and marketing of consumer goods--that is, retailing. What will people want, who'll be making it and how will it be

sold? Advances in telecommunications, narrower marketing, just-in-time inventorying and increasing desires for convenience will result in a return to a smaller scale of retailing at a neighborhood scale. Clothing can be ordered through an electronic catalog that contains a customer's three-dimensional image. The computer will select styles that will fit and flatter the customer--although you can, at your peril, override the computer. These changes will seriously challenge the major regional centers, which will have to find more ways than just shopping to attract customers. Their success will depend on tapping people's needs to come together.

Governance

Governance is an area that will not see much change in terms of the jurisdictional map of the Twin Cities Area. Because of our relatively high tolerance of government, its relatively high level of performance and lack of genuine crises, there is not sufficient impetus to erase the crazy quilt of 19th century political boundaries.

However, by 2015 the number of cooperative efforts among jurisdictions and among different levels of government will have become so numerous and effective that the need for restructuring government in a formal way is not viewed as necessary--and that's when it will start to occur.

Transportation

The real impetus for transportation improvements in the Twin Cities Area won't come from trumped up fears of gridlock--most of us have heard newcomers and visitors laugh at our complaints about congestion. Transportation improvements will stem from our coming to grips with the fact that the Twin Cities Area is climatically challenged.

We will continue to shift from a mentality that responds only reactively to crisis (real or

contrived) toward approaches that analyze things with the simple intent of making them better. This will result in the implementation of a range of transportation design and management improvements--some of which are already being used and others are yet to be conceived.

The most dramatic changes will occur with transit. The region's first light rail transit line will directly link a number of major regional activity centers. This will include downtown Minneapolis and St. Paul, the University of Minnesota, the airport (with contingency plans to extend it to a new airport), the Megamall, and a regional park or two.

It will also extend into several suburbs that were selected because they had the best proposal for high-density, mixed-use development and redevelopment with indoor connections to the new transit line. Redevelopment is strongly supported along the entire line. It focuses on the need to provide fully climate-protected linkages from high-density housing through retail-service arcades to the transit stops.

Although the vast majority of people still live in the suburbs and depend on the auto, the new climate-proof transit system generates new growth and redevelopment at a rapid rate. It is especially popular with aging baby boomers, and also with the newcomers to the region from places with much higher development densities (and less rigorous climates). More lines are planned based on demonstrable evidence that transit, done right, can shape development and, in doing so, increase its share of ridership.

Telecommunications

The Council (and probably similar bodies in every other major metro area) has come to realize that telecommunications will increasingly be as critical as transportation systems were in the past in determining a metro area's place in the hierarchy of U.S.

and world metro areas. Telecommunications will also play an increasing role in shaping future urban development.

The most important telecommunications advance will be the proliferation of the portable, flat-screened, multipurpose communication and computing device. By 2015 it will have begun to radically change the workplace, educational institutions and homes. This device will serve as a computer, videophone, television, library, book, FAX, optical scanner and probably a few functions that don't yet exist. This will be possible because of the continued advances in miniaturization and the development of a superb-quality video display.

Conventional means of communications will begin to change. Voice commands will largely replace key strokes. Books, reports, letters, etc., will be composed of combinations of conventional written text, spoken words or music and video. Key-word search capabilities will give people quick and effective access to incredible amounts of information. Books will become treasured collector's items; the paperless society will be well under way. The impact on the workplace and schools are not hard to visualize, but there is potential for fundamental change in social interaction and interpersonal communication.

Education

By 2015, the routinized and regimented structures imposed on people's lives as a result of the Industrial Revolution will have been significantly eroded. One major area of change will be in the educational system. The highly structured system of grade levels and daily class schedules will be replaced with ones more suited to the brightest and most creative creature on the planet.

We should also see significant inroads of this softening of structures in the workplace, as huge numbers of independent, middle-aged baby boomers demand greater autonomy.

Many people, especially those in positions of power, will resist these forces, feeling that society will collapse without the structures of the past. But future generations will come to realize that focusing on important outcomes--knowledge, wisdom, self-support, social responsibility and joy--do not require such rigid structuring.

The distinctions between learning, work and play will become increasingly blurred. With portable flat-screen technology, education can and will take place more at home and on the job. Education and work will become more integrated, beginning at an earlier age, with more of it occurring in the home.

These education, workplace and telecommunications changes will tend to separate people. Strong countermeasures will be enacted, by an overwhelming consensus, to ensure that people do not become isolated and detached from society.

Quality of Life

Quality of life can be defined to cover practically any aspect of human life. One current concern is the decline of married-couple families. An immediate outcome of this trend is the negative impact on the economic status of growing numbers of children. The long-term effects are also coming to be viewed with increasing alarm, as the disadvantages of being raised in poverty, with only one parent, are seen as reducing a person's chances for future economic and social success.

However, as with many trends that have been going on for some time, we finally realize what's happening and start to act when the trends have peaked and either level off or reverse. We seldom anticipate these reversals coming, but only project their continuation to disastrous outcomes. I would not dare to predict that we are at such a point now or in any way want to encourage complacency. But I would not be surprised if this turns out to be the case well before

2015, and well before society unravels completely.

How quality of life relates to income, and more specifically income disparities, is fairly obvious. Another, less direct relationship is between quality of life and cultural diversity. Income disparities also affect this relationship. The conflict between those that want to be exposed to cultural diversity and those that don't has become an issue of growing concern. The issue might be cast in terms of socioeconomic status, age or race.

It is hardly a new phenomenon. In fact, it is an issue primarily because growing numbers of people reject separation. And many of those who make decisions that keep them separate (primarily through residential location) do so without being very open and direct about the motives behind their choices.

There is also considerable focus today on the growing gap between the haves and the have-nots. The issues of cultural diversity and economic disparity come together because certain cultural groups in the U.S., particularly racial and ethnic minorities, have not shared equally in the wealth of our society.

This will be important in the Twin Cities Area's future because the region is going to be much more culturally diverse in the future, particularly in terms of race. The minority populations in the region are much younger and have higher fertility rates. This is especially true of Southeast Asians, whose numbers are likely to continue to grow very rapidly due to natural increase (births over deaths). We should not be surprised if the region is home to 200,000 or more Asian-Americans by 2015.

Natural increase will also be high in the African-American population. More significant, however, is the potential for massive immigration. There are currently about 90,000 African-Americans in the region. There are about one and a half

million in Chicago and about that same number in Milwaukee, Detroit and St. Louis combined. There has been significant immigration in the past decade, about a 23,000 net gain. This is half the White net migration gain. This is a remarkably high proportion, considering that African-Americans make up less than five percent of the population.

Most of these people have come here for social and economic opportunity. If they are able to realize these opportunities, it is likely that the connections they have in the areas they came from, where conditions are worse, will result in increasing migration to the Twin Cities Area. We should not be surprised if the region is home to 350,000 to 400,000 African-Americans in 2015. Perhaps some of these migrants will be refugees from Third World countries, as the Twin Cities African-American community opens its arms to people in need, not unlike the region's acceptance of Southeast Asian refugees in the 1970s and 1980s.

One issue this increased minority growth raises is: Will there be large enough numbers of Whites who want to live in racially mixed city neighborhoods to maintain racial balance in the central cities? The equally important flip side of this issue is how many African-Americans and Asians themselves want to live in racially mixed areas? Are they as interested in satisfying regional cultural diversity goals as in reaching economic parity?

Another issue related to minority growth is the impact on regional perceptions of quality of life. The continued infusion of new people, who on the average have significantly lower incomes, will bring down the region's average income. This could "hurt" us in national rankings, one of our favorite obsessions. But if many people who come here for opportunity find it, while the rest of the region's residents are just as well off or better off than before, how important is this overall regional average?

After the "Deep Recession"

by Hal Freshley

The Regional Economy

The Twin Cities regional economy has emerged relatively strong--at least compared to the rest of the U.S.--from the difficult economic restructuring that followed the Deep Recession of 1998. Elsewhere in the U.S., local economies are heavily dependent on multinational, foreign-owned companies. However, in the Twin Cities Area most employers are, in fact, local businesses.

Locally owned businesses and industries have been relatively successful in finding unique "economic niches" in the global marketplace. The Twin Cities Area has emerged as a "business incubator" for a great number of new small businesses in three expanding areas of international trade: recycling technologies (plastics, chemicals, radioactive materials, hospital and industrial wastes); small machinery that meets stringent new international air and noise pollution control standards; and cold weather technologies.

Of the region's historically strong businesses, food processing and biomedical technology have continued into this century. In addition, recent reports show that Twin Cities-based businesses now lead the world in developing and refining cold-climate applications, specifically for agriculture, construction engineering, energy and transportation. The primary markets for these new "cryo-technologies" are in the slowly developing United Republics (former the USSR) and in western Canada.

The local economy includes all the support industries for these growth areas: postsecondary education, technical research and development firms, international marketing and advertising experts, and the new Center for International Law at the University of Minnesota. Other major growth industries include repair and

maintenance services (vehicles, houses, furniture, appliances and business machines), and the human equivalent of repair/maintenance (cosmetology, medicine, physical activity/recreation and long-term care).

Compared to the years of the Deep Recession (1998-2005), we now have low unemployment--and a surge in the volume of immigration to the region. The Twin Cities Area is drawing new residents primarily from the Great Plains states, from the older Rust Belt cities of the eastern U.S., and increasingly from California--since the series of earthquakes in 2002-3.

Work Life

If one were only looking at demographics, one might have predicted that this would be an era of *retirement*. By the end of this decade (2010-2020) the number of people in the Twin Cities who reach age 60 will have increased by 150,000 persons: the "baby-boom" generation will be reaching retirement age. But a combination of events--the Deep Recession, which wiped out many private pensions, the lack of personal savings, decrease in housing values (loss of equity) and smaller numbers of "replacement" younger people in the work force--all have created a climate for continued employment of older persons.

The region's industrial/service mix has also provided relatively higher-paying jobs than is true in the rest of the country. Coupled with the lowest unemployment rate in nearly two decades (4.1 percent now, compared to a high of 13.7 percent during the worst of the Deep Recession), Twin Citians generally have the feeling that they know what the future will bring for themselves and their children. Job discrimination is increasingly tied to genetic tests: legal suits abound over

this practice. Risk of developing certain chronic diseases, as well as behavior characteristics such as "attention deficit," are now tied to specific human genes.

Many middle-aged people are thankful that they have jobs at all, despite the disappointment of losing out on the retirement years that their parents had. Private pensions are increasingly tied to medical problems and disability. Able bodied, healthy people are not eligible for benefits. Consequently, more and more people continue to seek and hold on to at least part-time employment well into their 60s and 70s. Almost everyone of working age has had several jobs--and many experienced some period of unemployment in the past. For the majority of Twin Citians (78 percent) time-limited jobs have become the norm. Few employers have so-called "permanent" employees beyond the top administration, comptrollers and legal staff. Other employees are hired on an "as needed" basis, as orders come in or contracts are won. But with a healthy economy, jobs are plentiful.

The vast majority of Twin Citians feel very positive about the improving economy. However, there were some who were able to insulate themselves from the worst of the Recession. Many of the region's wealthiest persons (about eight percent of the population) had either no change or increases in their adjusted annual incomes during the Deep Recession. Some hardly knew it happened.

Community Life

For 30 years local communities have tried to solve their social problems through regulation, restrictions and redevelopment--pushing "undesirable" people on to the next community. During the Deep Recession--with high unemployment, intergroup violence and property destruction--this approach accelerated.

As a result of these policies and mutual "self-sorting," the Metropolitan Area has become a hodge-podge of small urban neighborhoods, more and more homogeneous along cultural, educational and income lines. Each neighborhood has developed its own distinct "personality," which is reflected in the composition of its neighborhood-community council. In almost every neighborhood, there are a few very active citizens who attend most of the meetings and most vocal and influential in local decisions. In some communities the language on the street is not English but Dakotah, Spanish or Hmong.

Public services are organized to include combinations of these smaller neighborhood/community units. For example, elementary schools are located in each neighborhood, but high schools serve combinations of eight to 10 neighborhoods; local police protection is provided in each neighborhood, but investigation and incarceration services are provided for 20 to 25 neighborhoods.

These small communities are linked by a network of public transit vehicles (some on fixed guideways, some via highways), and each community has at least one transit-transfer hub--for traveling on to other communities. Because the places where people live and the jobs that people have are almost completely unrelated to each other, the average amount of time each person spends commuting (including transfers) is 1.33 hours daily. The private automobile is still the preferred way of getting around; however, nearly half of the work force uses public or private transit regularly.

The Supreme Court has recently ruled that individuals do not have in an inalienable right to operate cars that fail to meet air pollution standards. Alternative-fuel cars (solar and electric) are beyond the means of the majority of Twin Citians--so transit and carpooling options have expanded. For those people who operate their own cars,

transportation represents 32 percent of the family budget.

In the lower-income neighborhoods, people have adapted to the economic times by developing a kind of barter economy. Money doesn't change hands as much as goods and services are traded. Child care, household carpentry and plumbing, car repair and gardening are among the skills that are in high demand among family members and neighbors. Mutual identification and mutual support have provided a great deal of social cohesion among these groups. Bypassing the medium of "money" greatly reduced sales tax revenues in these communities. Region-wide there is a debate over whether or how the state can tax these in-kind transactions.

Upper-income neighborhoods are identifiable by the necessary security precautions, guards and electronic surveillance. Most of our region's wealthiest residents live in the Twin Cities Area at least part of every year, in "secure communities" (i.e., privately guarded) in the western and northeastern suburbs.

One of the most controversial issues now facing federal and state lawmakers is sorting out which jurisdiction gets tax revenues from multistate and multinational enterprises. Telecommunications and commercial transport systems have made it increasingly difficult to determine where money is made and where the economic transactions actually take place. Declaring primary residence in one state or another has become quite complicated.

Lower- and middle-income neighborhoods have become increasingly "stable"--with less yearly residency turnover. The decline in the regional housing market greatly reduced housing costs--especially in the older neighborhoods--and increasing numbers of lower-income people have been able to buy the cheaper housing.

In contrast, wealthier neighborhoods are characterized by significant seasonal

turnover; incentives for multiple residency, coupled with more and more business and pleasure destinations combine to increase the use of time-share condominium arrangements and lavish rental units in wealthy neighborhoods.

About 63 percent of the total voting-age population voted in the last election, but the political process is dominated by the older middle-age population. Political decisions increasingly favor older people. A large share of public expenditures go to police and fire protection. Toll highways link the region's manufacturers to the national roadway system. Manufacturing and industry are largely protected by private security forces that control access to the plants and maintain order on the premises.

Personal life

Everywhere the influence of "age identification" is apparent. In work life, a major issue for management is *seniority*. Younger workers (the majority of whom do not identify with a White-European value system) are increasingly in conflict with the increasingly staid middle-aged population (most of whom are White). Despite the weakness of the union movement in the past few years, there has been a recent resurgence of union activity, frequently with two rival unions within the same industry--one representing the views of younger workers, and one representing older workers.

The median household income (in constant 1990 dollars) fell from \$36,678 in 1990 to \$27,750 today. Two (or more) adult incomes are necessary for households to maintain a comfortable standard of living. As a result, there has been a big increase in "co-housing"--where several families live in one building and share some common space--especially among people who are nearing retirement age and very young families.

Nonetheless, the life-style of the average Twin Citian bears very little resemblance to

the perceived ideal of the last century. The average work-week is 38 hours (little changed over the years), but more of everyone's time is spent on "family matters." With the maturing of the work force, the age of most workers' parents is in the 80s and 90s. The relatively high cost of chronic care (due to the shortage of younger workers) has forced many middle-aged baby boomers to bring their older parents in to live with them. For older people who maintain separate homes, the bulk of caring and personal support is provided by family and neighbors.

It is beginning to be popular among younger people to be married; but the majority of middle-aged households with children are not wife/husband parents, but single persons and multigeneration households in cohousing and cohousing arrangements.

The school year parallels the work year--12 months long, but with two-week vacations, approximately midsummer (around July 4th is popular), and midwinter (Christmas/New Year's). The public school has become a kind of one-stop shopping for child development. In order to help working parents, the public schools offer everything from infant day care to vocational training and retraining.

The curriculum for grades 1 through 12 focuses on language skills (English and at least one other language), computation and science, and physical education/health. The outcomes that are required for graduation from each grade also include age-graded standards for self-discipline and social skills (self-motivation, study habits, taking responsibility, etc.) We are still trying to figure out how to instill tolerance for "cultural pluralism" in the next generation.

Secondary education provides three optional

concentrations: 1) vocational and business skills, 2) science and math, and 3) arts and humanities. Upper-division students in all three areas are required to have a working knowledge of English, Spanish and one other language.

Crime statistics show that the major increases are occurring in white-collar crime: billing/computer fraud, electronic transfer hackers, and blackmail extortion via illegal access to private (personal) files. Since people often shop and pay bills by FAX, computer vandalism (e.g., "jamming wires") is a threat to reliable commercial activity.

There's fun here, too. Videovision (VV) is the diversion of choice, and "media junkies" have video games as well as "Leave It to Beaver" reruns at their fingertips. Spectator sports are especially popular--people have a fascination with the struggle between the good guys vs. the bad guys. Outdoor and indoor recreation attracts middle-aged people striving to keep fit. Most middle-class households have their own version of the "total-body exerciser." These machines are programmable for any age or fitness level.

Video-photography is a rapidly growing art form. Arts events reflect the new ethno-identity craze that has been sweeping the country. Hispanic fiestas, German polkafests and Swedish chorales now vie with Cambodian dancers, African-American gospel choirs and American Indian drum/singers for attention. The new wave of arts is nontraditional, a hodge-podge of cultural references--unlike high-brow arts of old, which appealed only to a small corps of intelligentsia. Spiritual and religious affiliation is also increasing gradually, with growing interest in meditation and self-improvement sects.

10/5 Bd
Hamlet

COMMENTS STATE FAIR 1992

Free bus passes to students, like a Scholarship award
Free passes for parents on a open house/teacher nights

Brooklyn Park bus goes on 252 & doesn't make stops
where I can transfer Shingle Creek Pkwy or Brookdale to
this I have to go all the way downtown & come back.

Diane Nevens
908 82nd Avenue No.
Brooklyn Prk, 55444

Would like to see a direct line from St. Louis Prk
to the Mega Mall.

Barb Nelson
St. Louis Park

Need improved early morning bus services
from W. Bloomington to Mega Mall St. Paul & back,
Bloomington is 3rd largest city & have poor door to
door connection to & from St. Paul.

Ray Walton
Bloomington

Night buses 12am-6am curb drunk driving. More
frequent buses to Mtka, maybe this would increase
ridership.

Seth Orman
Mtka

To MTC; Please install something next to the windows on
your older buses to stop the ferocious rattling & please install
a barrier to keep people from sitting on the ledges & putting
their feet on the benches at the 6th & Hennepin shelter if the
benches are filthy from snow & mud deposited from shoes, no one
can sit there.

Brad Widseth, Mpls

This new routing of buses is very inconvenient much extra
walking confusing to especially older people hurts business
along old routes.

Lois Mayo
St. Paul, MN 55104

Randolph J.H. Grand Avenue Connections-20 Min wait

The stop at 5th & Wabasha St. Paul, please change, very
dangerous stop.

D. Geraghty
Woodbury, MN

Please have drivers wait at transfer points for people to
make the connection if the buses are in sight.

Marion Booch
1659 Hartford,
St. Paul 55116

Express Bus-better service in White Br. Lk . Need a later
morning bus that would leave at 7:30 a.m. we used to have
one and it was cut.

Jan Halver
206 Juniper
Mahtomedi

*Very bad for visually impaired. Need big letters at door
and at front for visually impaired. Need electronic transmitters
to indicate someone needs help.

Kathy Niebeling
Coon Rapids

I want to take the bus from Coon Rapids Blvd/Egret
7:00 & 4:00 to Hamline/St. Charles St. In St. Paul
& I can't do it .

Kathy Niebeling
Coon Rapids

Please stop opposing widening I35W

Provide more service in & from Burnsville
Apple Valley area.

Extend MTC bus service to Wisc. Border (MN Hwy #95
for Morn/Even commute to work Monday -Friday

Carolyn Roelofs
Lakeland, MN

Can never get thru to bus information always busy!

More Bus shelters-I liked the old Nicollet mall shelters
MTC customer service: irregular friendliness: should be
consistent

Concern for passenger safety, as well as drivers
Do not raise prices

Deborah Tomber,
Mpls.

Bus route to accommodate usually impaired to US West Comm.
in Crystal 4700 Walcome avenue No.

C. Erickson
Crystal &
Coon Rapids

More buses for inner city people-Rt-7 Sundays!
Offer some kind of buddy system to those waiting for bus
Walking to buses too many muggings occurring to
single women on way to & from buses. It happened to
me at 7:45am!

Eunice Eckerly
2015 Riverside Ave
Mpls, 55454

Send info on route 20 Hi subsidy hearing

Elizabeth Zaiser
580 Grand Ave.
St. Paul, MN

There needs to be a better way of dealing with "problem"
people on the bus -certain routes are terrible to ride on
because of harassment-the #18 in particular! Why can't
these people be thrown off.

Carol Nagan
Mpls, MN

Survey # of riders and use smaller buses at the same
intervals of time during low peak hours.

Mary Adams
Mpls

How do you get to talk to a commissioner
Harriet Ave

Bill Seifert, 2103
Harriet Avenue
Mpls, 55404

Redesign East/West routes in So. Mpls
Get rid of the drunken & abusive people on
the 18 & 21. Terrible evening connection
between Westbound 16 & Southbound 18

Dennis Nagan, Mpls

More courteous drivers. One's who know other
routes than their own.

Willie Woods, Mpls (Dwtwn)

Much happier now with Mega open before
service to Bloomington was not good
Richfield

Marilyn Hammer,

Great service to Mega Mall

When are you going to get parking like you have for 394 for 94 people who carpool?

An Express from St. Paul to Mall of America

Keep up the good work

Bee Line Schedule

We get good service

Why doesn't the Mall of America bus from Nicollet Mall return to Nicollet Mall. It returns on 2nd Avenue which is far to walk for some people

I wish you people would do more to work with neighborhood community newspapers. You do a very poor job with this

Please restore RT. 21 to 4th St. St. Paul is a 1st class city and needs 1st class service, at least to City Hall! Also Some service on St. Peter & Wabasha

Close the right hand lane-no parking on incoming lanes-mark them for bus and emergency vehicle use only - Encourage people to ride the bus if they can get into the fair more easily.

Serve refreshments on buses-especially express buses. Concentrate on protein in the afternoon to improve dispositions and aid family happiness. If required, add more buses. They don't cost much with today's low interest rates and temporary, part time drivers can keep commuting costs down.

NO! higher rates! I'll drop my bus card. Get cellular phones on routes 16,21 & 5 for drivers in hazard zones.

A few drivers start and stop too fast pull over to the curb.

Please tell all bus drivers to stop next to the curb. It's hard for 4' & 5' persons to get on and off when the bus is away from the curb

Increase Sunday #4 St. Paul Route only 8:00-6:00 pm
What about the rest of us.

Doris Lehman, St. Paul

John Smithe, Coon Rapids

Wayne Gilbertson, Maplewood,

Mary Jo Wise

Terry Bailey
5206 Overlook Drive
Bloomington, MN 55437

B. Prusak
St. Paul, MN 55117

Jane McCue, Res, Neighborhood Press Assn.
646-3473

Corbin S. Kidder
442 Summit Ave. #2 St. Paul
55102

Jonathan Mulhkin, Mpls

John W. Miller
1716 Farrington
Roseville, MN 55113

Candace Barrick, Mpls

Frequent Rider

Peter Trier

The service to the Fair from the Dales (I came from Southdale) has been fantastic!! Everyone is so courteous and helpful and the price is more than reasonable. I hope you are able to continue next year.

Dee Schmalz, Edina

Wife & I took the express Bus from Ridgedale. The best, quickest, safest & most enjoyable ride! Do this every year.

C. Grandlund, St. Louis Prk.

Easier exit South out of Downtown to 35W. Too slow in Downtown area.

Scott Leiferman, Mpls

Bus service to Mall of America on Saturdays! and later in the day.

Why doesn't Dayton's support (participate) in bus pass program for employees? I talk to my employer (Daytons) and they said the RTB makes it too difficult & has cut funding

Do something about strollers on the bus

Barb Silvis, St. Louis Prk

Does St. Thomas participate in a lower rate bus pass program?

More buses different routes need to go to Megamall Also buses need to run past 12:00 am on different routes the #7 goes to the airport and should go to Megamall later .

Sally Lindsley, Mpls

Bus security is my main concern. I'm afraid to ride the bus after six o'clock at night

John Anderson
Mpls, MN

Roseville Circulator Rt. 105 -1:50 pm trip from Mama D's and 2 consecutive Saturdays the bus did not run route Hendon to Cleveland to Student Center to Rosedale. However, bus used the Rt., leaving Rosedale at 2:20 pm. Saturday in question is 8-29-92 & 9-5-92.

Mary J. Mayne
1479 Hythe Street
St. Paul 55108

1700 W. 82nd Street. Route 88 change bus schedule to come after 4:15 it now comes out at 4:09 and people who work their get out at 4:15.

A bus shelter at Snelling & Carroll (both sides) would be a big plus for riders transferring from 94 to 4

Bob Graves, St. Paul

I'm living in West Bloomington with 2 bus runs one at 7am and one at 7:30am that go straight downtown. It would be nice to have it stop at Southdale so to access a transfer point. I'd ride if I could - even with multi-transfers.

Alisa Heintzeman,
West Bloomington

You run special buses for the fair, you should publish where people who live close to the Fair can catch these buses. So we don't have to drive.

J. Sessions, St. Paul

411 Info gives out the computerized route # - if you don't know your bus # you can't figure out how to get where you need to go.

When are buses on 6th street going to start using stop on 3rd Avneue?

A friend and I rode bus 4D on the afternoon of 9-4-92. We got on at Rosedale and the driver was extremely rude. He was rude to many other riders also.

Tammy

I would ride the bus to work. I work at 24th and Park in Mpls. but I don't want to be hassled while catching it to go home at 39th and Shendon Street

Donna Mayotte, Mpls

Attitude of bus driver, bus 4#D bus drivers was rude and non cooperative trying to get any information was like pulling teeth...He was very unfriendly, I would say this is the worst experience I've ever had.

Erika Thelande

How about letting van pools use the diamond lanes

12 Bus - Como area-more buses-newer buses-newer buses-locked windows -or can't open

Jane Kramlinger, St. Paul

Global Language Institute-Galtier Plaza Need transit infor cards (about 200)

Whats happening on 73 and 394, Cobble Stone ripped up- paints dying who's moneys?

Jeri Forster
5921 Fairfield Rd.Mound,Mn
472-7504

Stop at Larpenteur and Kennard or at California & White Bear Avenue.

J. Hovey, St. Paul

Why doesn't Hennepin County who sponsors bebop Days offer employees bus passes at a reduced rate.

Robin Katz, Mpls

Who on the board represents my area

Joyce J. Howe
3721 37th Ave. So. Mpls 55406

The route 14H from downtown north M-F must have padded seats the 100 series bus needs help and you're considering raising the rates?

Nancy Stein

Need longer bus service to the Mall of America on the 98A & B Routes.

Cherie Reynolds,
Bloomington

Lower the fare to increase ridership use mini buses on some routes. Use Hubble buses for congested areas free or nickel buses for short distances.

Joanne Lessart, St. Paul

I live in Burnsville, I would ride the bus to work, but can't get home. Sometimes I need to leave downtown after 6 p.m.

Fran Presiott, Burnsville

Why are there no sales of bus cards outside of Town Square, St. Paul.

Robert Schmidt, W. St. Paul

We need a light rail system

Naomi Maitler, St. Paul

Interlink Airport, Rail Station, Bus Lines, Downtown's Mpls & St. Paul Support Electric cars .

Barbara Baco, Mpls

Light Rail Plan

Steve Calvin
3216 Edmund Blvd. Mpls

Light Rail on Selby Avenue!, Fix the Bridge!

C.R. Hertel, St. Paul

Put light rail from St. Paul to Mpls down Selby Avenue. If you are serious about trying to revitalize Selby, what better way?

Rachel Hertel

LRT won't work because:

- 1-It will cost billions to tax payers
- 2- will not give up their cars to ride LRT
- 3- Our meeting area is too spread out
- 4- Double Decker buses could do the job and is less expense to the over burdened tax payer

Marcy Westergren
2291 E. Marlen Lake
Stacy, MN 55079

Mass transit (LRT) is a expensive ineffective way to move people. Dangerous, limited on off Station, additional ground transport to get to the station and one's destination. Limited tract locations very costly ridership lacking, several cities have had LRT died from lack of other people ridership

George Westergren
22914 E. Martin Lake Dr. NE
Stacy, MN 55079

Support Light Rail, buses weekends & holidays to Excelsior & evenings. reinstate Shuttle to link Excelsior with Rt. 51 (which has better service)

Linn Cowles, Excelsior

Make new rail systems cheap by using commuter Light trains on existing rail corridors

D. Malmar, St. Paul

Dear Commissioner of Transportation,
Please use the 35-W money for Lightrail system instead of a freeway expansion.

Anne Chenette, Mpls

I love the idea of LRT, but, I am not willing to give up my home, my beautiful neighborhood an old neighborhood full of beautiful old houses which are begging for re-vitalization so the suburbanites can commute easier in their one person per vehicle cars. If LRT can be added w/o losing neighborhoods, I'm all for it!

Mary Else Switras
1831 Clinton Ave. S.#303
Mpls, MN 55404

Consider automated LRT, like Vancouver, other cities, do not require drivers. Higher capital cost but lower operating cost per new rider, better investment / easier to justify.

Light Rail , First from St. Paul to Minneapolis

Stu Jones, St. Paul, MN

Light Rail YES! YES! YES!

Judith James, Bloomington

Light Rail is the only answer for the long term we must think ahead 30 years.

Jim Stom, Excelsior

Forget Light Rail
Use Hubs-outside metro area than downtown

Gene Brennan, Brooklyn Ctr

Light Rail Transit is expensive. More flexibility may be found in existing means of transportation

T. Grishold, Maple Grove

Light Rail Transit , Let's do it!

Quinn O'Leary

Build A Train System

Mike Erickson, St. Louis Pk,

Make buses run all night
Light Rail
Bike Racks on buses

Nathan Hanson, St. Paul

Send Legislators to a town like Boston, Philly, etc where they have transit and don't let them rent a car-take them on public transit- Then make them give up their cars and get around the T.C. Metro for a week on Pub. transit!

Jane Strauss, Mpls

Get Light Rail

Charles Holmes, Plymouth

I feel it will impact on all of us whether we have light rail or not. Do not add to 35W.

Jeanne Madson

Mail copy of 5 year transit plan , also put on bicycle advisory committee mailing list

Eugene Allred
4006 Edmund Blvd
Minneapolis, MN 55406

I'd like to get a copy of the Messenger also put me on mailing list

Timothy Mady, Mpls, MN

REGIONAL TRANSIT BOARD

Mears Park Centre
230 East Fifth Street, St. Paul, Minnesota 55101
292-8789

DATE: October 5, 1992
TO: Regional Transit Board
FROM: Suzanne Hanson, public information manager *SH*
SUBJECT: Minnesota State Fair

SUMMARY

The memorandum presents the Minnesota State Fair recap for 1992. It is for information purposes only.

DISCUSSION

1992 marked the third year the Regional Transit Board had an information booth at the Minnesota State Fair.

During the Fair this year, we distributed:

- the Vision for Transit, (1,600 + distributed)
- direct mail pieces supporting full funding for transit, (4,500 + distributed)
- transit information cards, (5,000 + distributed)
- chances to win a 10-ride bus card (6,000 signed up) and
- light rail transit buttons (10,000 + distributed).

During the 12-day event, staff and board members probably talked to nearly 10,000 people about transit. We distributed 72 - 10-ride bus cards valued at \$1.10 each. Drawings were held every two hours of the Fair. The RTB has already received thank you notes for the bus passes.

The purpose of the RTB's booth out at the Fair is to educate people about the regional network of transit services. Our purpose is not to give specific route information, but to act as a transit advocate and give general information about regional transit services.

The RTB has been in the Education Building for the past two years. We were able to get into that building after being on a waiting list for a year. The first year we were at the State Fair, we had a booth in the Grandstand. The Education Building is a much more appropriate place for a booth such as ours.

The MTC has a booth in the Grandstand where they give schedule information only. The Minnesota Department of Transportation's Office of Transit has a small display area as part of the larger Mn/DOT exhibit. It is located right between the Dairy Building and the

area where people were bungee jumping. Mn/DOT displayed vehicles this year. Mn/DOT also distributed the direct mail piece to legislators that the RTB developed.

The costs for the RTB's stay at the State Fair are summarized below.

• Space rental	\$310
• Booth furniture rental	\$225
• Fair admittance for board/staff	\$225
• Fair shirts	\$900
• Update display	\$1,200
• Postcards to legislators	\$4,200
• Information cards	\$1,100
Total	\$8,160

Travel

\$300~~500~~

RECOMMENDATION

No action is requested. This memo is for information purposes only.

REGIONAL TRANSIT SERVICE AND CAPITAL PLAN

1993-1997

Making the Vision a Reality

DRAFT--August 19, 1992



REGIONAL TRANSIT BOARD

Mears Park Centre
230 East 5th Street
St. Paul, Minnesota 55101
612/292-8789

FINANCIAL PLAN

Chapter 7

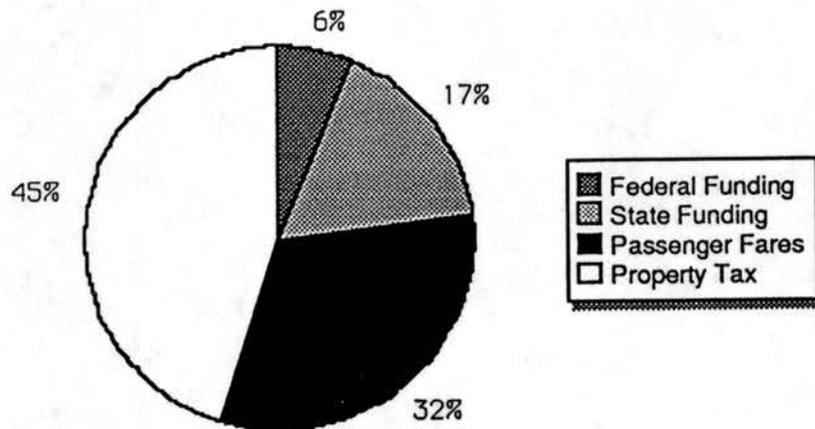
This chapter presents projected operating costs and funding requirements for regional transit services. Included are cost estimates for existing services and for new services programmed for implementation during the period 1993-1997.

Operating Costs and Funding Requirements

The region faces a critical period in transit funding. An additional financial commitment will be needed to maintain existing service levels. Added to this is the increased funding needed to carry out the service improvements called for in the Vision for Transit.

Funding for the regional transit system comes from four sources: passenger fares, the regional transit property tax, federal operating grants, and state transit assistance. Current funding shares from these sources are shown below:

Figure 7.1
Transit Funding Sources



Given recent trends in funding for transit operations, the RTB's ability to implement the Vision for Transit may be in jeopardy. Although transit operating costs have been held at or below the rate of inflation, little or no increases have been seen in state or federal transit funding. Federal funding has decreased in recent years while state transit assistance has increased only eight percent since 1988.

Without increased state or federal financial support, the region has relied more heavily on fares and property taxes to maintain service levels. Recent fare increases for regular route and Metro Mobility service have generated additional revenues, but have also resulted in ridership losses. The current economic downturn has also eliminated nearly all increases in the RTB's property tax levy. While market value growth pushed the total tax levies up by 5 to 7 percent a year in the mid-1980s, the current annual rate of increase is less than 2 percent.

These factors have combined to call into question whether funds will be available to keep existing transit services on the street. Any new services will depend upon actions to significantly increase investment in regional transit service.

Policies

Policy 7-1: The RTB will pursue a long-range financing structure that will promote stability and revenue certainty.

In order to maintain stable levels of service delivery and plan and implement new service initiatives, the RTB will seek a dedicated source of state funding.

Policy 7-2: Property tax levies within communities will be adjusted to reflect the level of regular route transit service provided.

The 1983 Legislative Study Commission recommended a system of tax feathering to adjust levy rates to service levels. This recommendation has since been implemented.

Policy 7-3: The RTB will attempt to maximize federal funding for regional transit needs.

This will include providing RTB funding to providers and communities to match federal transit grants.

Financial Resources

The programs administered by the RTB receive funding from three sources: federal grants, state appropriations, and local property tax revenues. Operators of transit services also collect fare box revenues. The following describes these funding sources.

Fares

Fares or donations are collected by all providers of the regional transit system. The RTB has the responsibility for establishing fare policies and approving fare levels. In 1987, the RTB developed fare policies to allow for a simplified fare structure and for more consistently spaced, incremental increases to occur over time. In this way, fare box recovery standards can be met without large fare increases, which most negatively affect ridership. For regular route service, a fare policy objective is to link fares to the cost of providing service. To achieve equity in the fare structure, higher fares are charged for higher-cost peak-period and express service.

Policy 7-4: Fares for overall regular route service will, at a minimum, generate revenues to provide 35 percent fare box recovery ratio. Fares for each RTB-funded circulation service and general purpose paratransit service will, at a minimum, generate revenues to provide a 15 percent fare box recovery ratio. Fares for Metro Mobility will, at a minimum, generate revenues to provide an overall 15 percent fare box recovery ratio.

To ensure that fare revenue is sufficient to maintain service levels, these policies for cost recovery from fares have been established. These fare recovery ratios have been used by the RTB as benchmarks in evaluating the need for fare increases.

The complete set of RTB fare policies is listed in Appendix C.

Property Tax Levy

The RTB is authorized by Minnesota Statute to levy property taxes for payment of the expenses of operating transit and a debt service levy to provide for payment of debt service on transit bonds issued by the Metropolitan Council.

For purposes of taxation for transit services, the metropolitan area is divided into two taxing districts, the Metropolitan Transit Taxing District and the Exurban Area. Figure 7-2 shows the boundaries of the taxing district, which includes those communities receiving regular route transit service. Prior to the 1988 tax levy, the RTB was authorized to levy each year an amount up to two mills times the assessed value of all property within the Metropolitan Transit Taxing District.

Effective in 1989, the levy limit is now subject to annual growth adjustments based on year-to-year market value growth in the taxing district.

The RTB also levies a tax in the Exurban Area that is equal to 10 percent of the tax levy assessed in the taxing district. The proceeds of this tax are used to fund transit programs serving residents of the exurban area. These include rideshare programs and rural community-based programs.

Taxes levied by the RTB in 1991 (payable 1992) to fund transit operations are as follows:

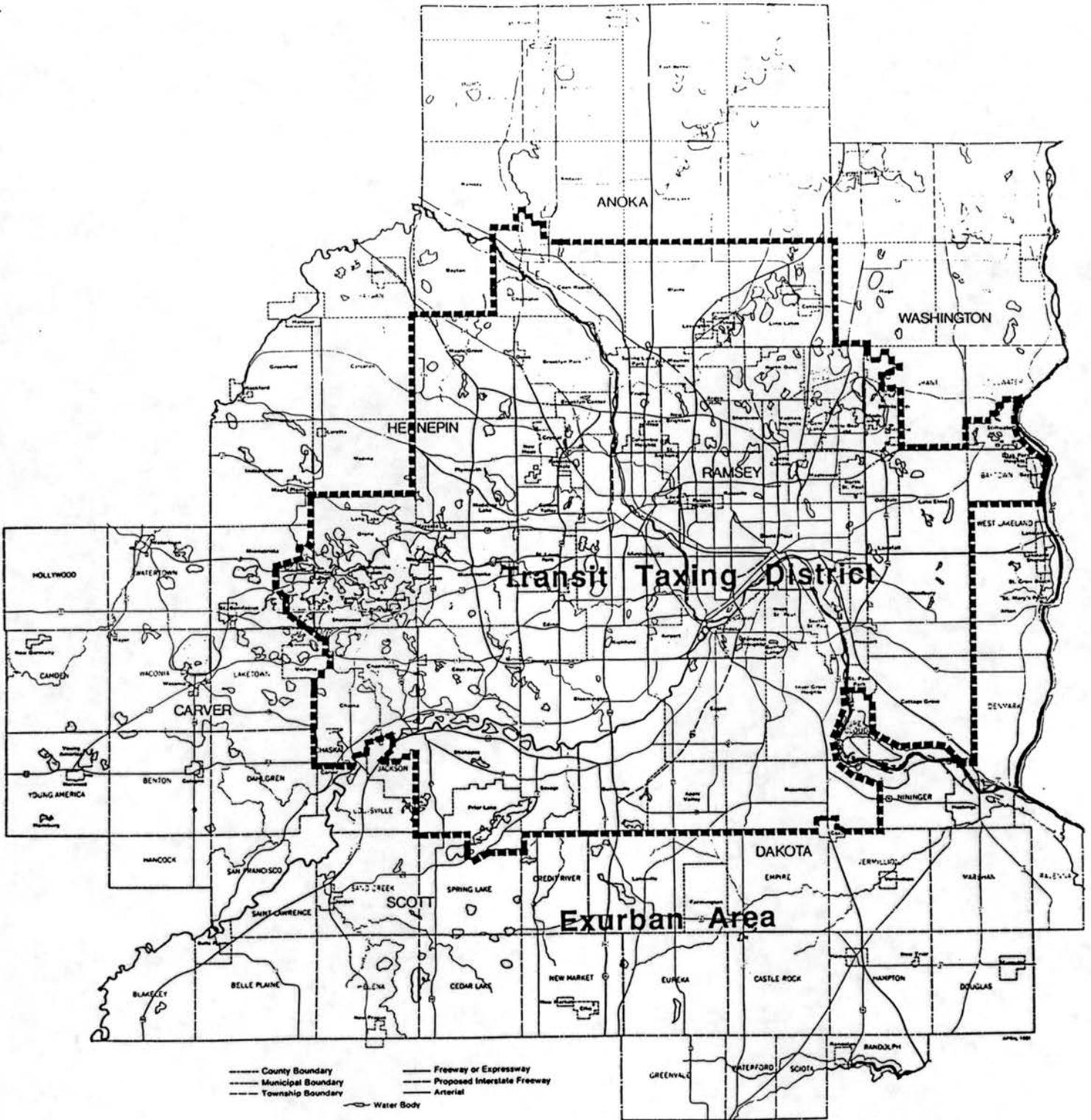
Transit Taxing District	-	\$63,760,604
Exurban Area	-	\$525,794

The transit tax levied within the transit taxing district for operations is reduced (tax feathering) in some communities based on levels of service provided. The RTB receives reimbursement from the General Fund of the State Treasury for the amounts of the levy reduction. Table 7-3 and Figure 7-4 indicate the communities affected by tax feathering.

State Transit Assistance

The RTB receives a biennial state appropriation to fund transit services. State assistance is provided from the General Fund. State funding may be used by the RTB for:

- Transit operating costs.
- Transit planning and service design.
- RTB administration.



■■■■ Metropolitan Transit Taxing District



Metropolitan Transit Taxing District

Regional Transit Board Five-Year Transit Plan

Figure 7.2

**Table 7.3
1992 Property Tax Levy Feathering**

The tax rate for communities within the transit taxing district is based on the level of regular-route transit service provided to the community as follows:

Level of Service	Tax Rate Reduction
Full peak and off-peak service	-0-
Full peak and limited off-peak service	.510 Tax Capacity (or .25 mills) Rate Reduction
Peak-period service only	.765 Tax Capacity (or .5 mills) Rate Reduction

**Communities Receiving Partial Tax Feathering
(.510 Tax Capacity Rate Reduction or .25 mills)**

Anoka County
Anoka
Circle Pines
Coon Rapids
Lexington
Lino Lakes

Dakota County
Apple Valley
Burnsville
Eagan
Mendota Heights
Rosemount

Ramsey County
North Oaks
Spring Lake Park (part)
Vadnais Heights
White Bear Lake

Hennepin County
Deephaven
Excelsior
Greenwood
Long Lake
Minnetonka Beach
Shorewood
Spring Park

Washington County
Baytown
Cottage Grove
Dellwood
Lake Elmo
Mahtomedi
Newport
St. Paul Park
Willernie
Woodbury

**Communities Receiving Full Tax Feathering
(.765 Tax Capacity Rate Reduction or .50 mills)**

Anoka County
Centerville

Scott County
Prior Lake
Savage
Shakopee

Dakota County
Apple Valley
Burnsville
Eagan
Lilydale

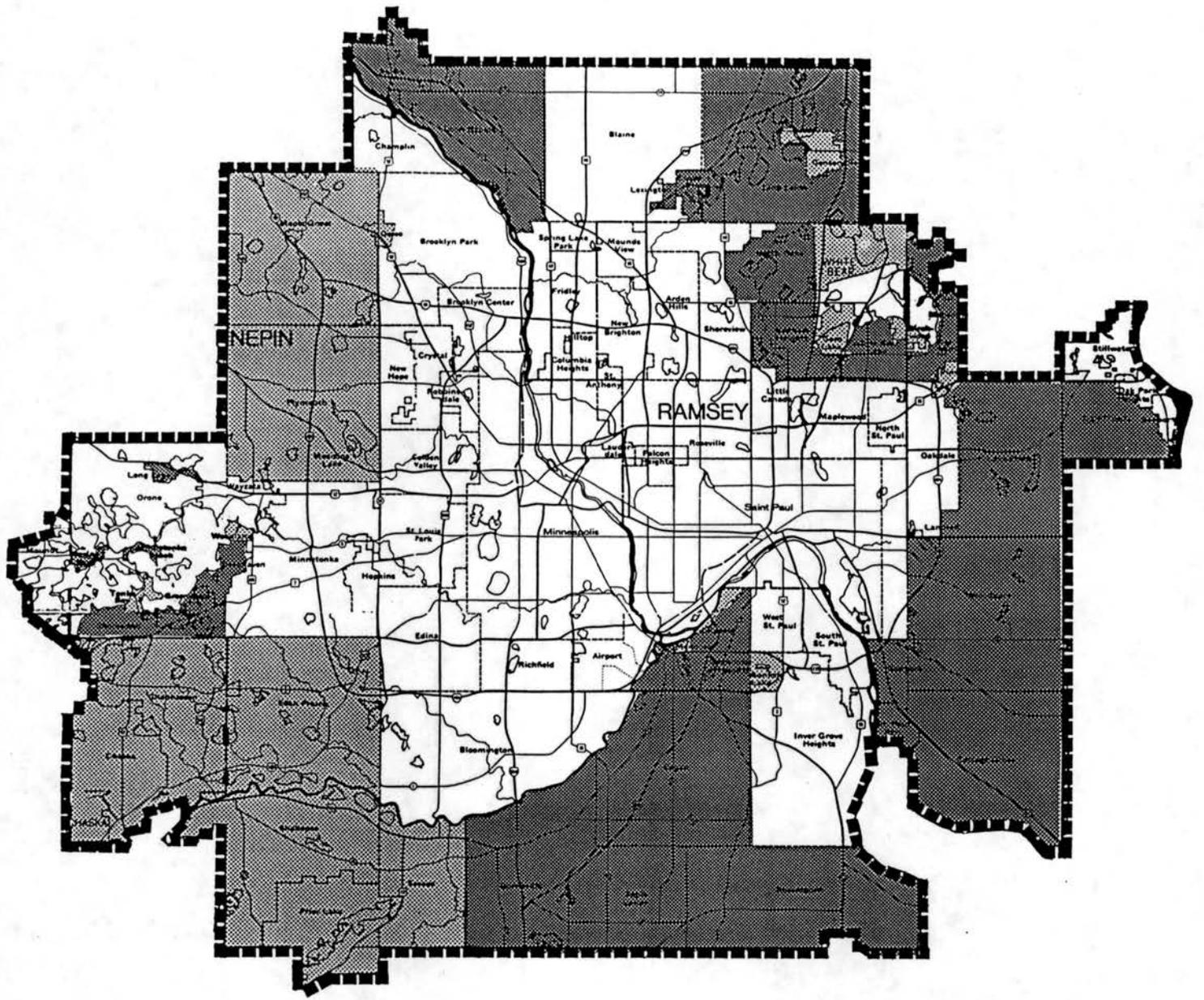
Carver County
Chanhassen (part)
Chaska

Ramsey County
Arden Hills
Gem Lake
White Bear Township

Mendota
Rosemount
Sunfish lake

Hennepin County
Chanhassen (part)
Eden Prairie
Maple Grove
Medicine Lake
Osseo
Plymouth
Tonka Bay
Woodland

Washington County
Birchwood
Pine Springs



-  Full Tax Feathering
-  Half Tax Feathering
-  Metropolitan Transit Taxing District



Tax Feathering

Regional Transit Board Five-Year Plan

Figure

1.4

Federal Funding

Federal Transit Administration (FTA) grant programs provide operating funds and are the principal source of federal capital funding. The newly enacted federal Intermodal Surface Transportation and Efficiency Act (ISTEA) will provide funding primarily for transit capital projects.

FTA Section 8

Granted to state and local public bodies for the planning, engineering, designing and evaluation of public transportation projects and for other technical studies. Activities assisted under Section 8 may include: 1) studies relating to management, operating, capital requirements and economic feasibility; 2) preparation of engineering and architectural surveys, plans and specifications; 3) evaluation of previously funded projects; and 4) other similar or related activities preliminary. The Metropolitan Council is the designated recipient of Section 8 funds. The RTB and Metropolitan Council use Section 8 funds to support their planning efforts.

FTA Section 9

This program provides direct appropriations to urbanized areas (over 50,000 population) for operating assistance and routine capital needs. Section 9 funds are allocated each year in an amount determined by formula. The MTC is the designated recipient of Section 9 funds for the metropolitan area.

FTA Section 18

These funds are administered through Mn/DOT and are allocated to rural and small urban providers. Three RTB providers, Hastings TRAC, Carver County and Scott County, receive Section 18 funds.

ISTEA

Funding for travel demand management and rideshare programs are available through ISTEA programs. Decisions on allocation of ISTEA funds are expected to be made through the metropolitan transportation planning process.

Fiscal Trends

In 1983, the Legislature created the Legislative Study Commission on Metropolitan Transit. The Study Commission made the following recommendations regarding transit funding:

- The RTB should develop a long-range financing structure that will promote stability and revenue certainty.
- The fare structure should be simplified and should be consistent across the metropolitan area. Fares, other than social fares, should be established to ensure that operating revenues are proportionate to the cost of providing service.
- In time, funding sources for regular route transit should become approximately 35 percent fares, 35 percent property taxes, 20 percent state aid, and 10 percent federal aid.
- The property tax structure should be adjusted between communities to reflect the level of transit service provided in them.
- Funds should be made available to all providers to the extent that they qualify under federal and state guidelines.

While progress has been made on some of these recommendations, such as fare simplification and property tax feathering, the long-term stability of transit funding remains a concern.

As described earlier, declining shares of state and federal funding has required a larger portion of operating funds to come from property taxes. The percentage of fare revenues has also decreased in recent years. In 1993, fare revenues are expected to provide only slightly more than 30 percent of the cost of all transit services.

Financial Forecast

This section highlights funding needs for regional transit services during the period 1993-1997 and describes assumptions used in projecting funding levels.

Regular Route Fares

After remaining essentially unchanged over the preceding nine years, the RTB enacted a major regular route fare increase in March 1991. By that time, the fare recovery ratio had fallen to 31 percent. To raise fare revenues and avoid significant service cuts, the RTB approved the biggest regular route fare increase in the history of the Twin Cities transit system.

In an attempt to minimize ridership losses, a "deep discounting" fare strategy was used. This approach raised the base cash fare by 35 cents while increasing pre-paid convenience fares (ten-ride cards, monthly passes, and

tokens) by only five cents per ride. The objective was to promote use of convenience fares. Studies indicated that once customers pre-purchase fares, they tend to ride more often, thereby lessening the negative ridership impact of the fare increase. This led to the following fare schedule:

	<u>Cash</u>	<u>Discounted Convenience Fares (per ride)</u>
Off Peak		
Local	\$.85	\$.55
Local Zone 2	\$1.10	\$.80
Express	\$1.10	\$.80
Express Zone 2	\$1.35	\$1.05
Peak		
Local	\$1.10	\$.80
Local Zone 2	\$1.35	\$1.05
Express	\$1.35	\$1.05
Express Zone 2	\$1.60	\$1.30

The results of this fare increase were disappointing. Fare revenue was increased by slightly more than \$5 million, a 30 percent increase. Ridership for the 12 months following the fare change, however, was down by 6 percent. The resulting fare structure was also a step backward in the area of fare simplification. The number of prices was multiplied and cash fares were no longer set in easy to understand \$.25 increments.

Projections show fare recovery again dropping below the 35 percent policy threshold in 1993. The RTB has begun consideration of fare increase options to take effect in January 1993. The objectives of this next increase will be to raise revenue, minimize ridership losses, create a more simplified fare structure, and mitigate the effects of the increase on transit dependent people.

Metro Mobility Fares

Metro Mobility fares were raised in 1991. This was in response to funding constraints placed on Metro Mobility service. This increase raised off-peak fares from \$1.00 to \$1.70 and increased peak-period fares to \$2.70. The increase was capped at this level by the State Department of Human Rights, which ruled that special transportation fares could not be set higher than twice the level of corresponding regular route fares.

Given the large numbers of Metro Mobility riders with low incomes, the magnitude of the fare increase has a significant impact on ridership. Metro Mobility ridership fell approximately 20 percent in the year following the increase.

In response to the Department of Human Rights ruling, future Metro Mobility fare increases will be considered when regular route fares are raised. The RTB is tentatively considering the next Metro Mobility fare increase for January 1993.

Federal Funding

Federal operating assistance is expected to remain at or near current levels through 1997. With rising operating costs, federal funding will represent a decreasing share of total transit funding, declining from 6 percent in 1992 to approximately 3 percent by 1997. Projections for individual programs are as follows:

- FTA Section 9. Same level funding of approximately \$7 million per year.
- FTA Section 18. Same level funding of approximately \$200,000 per year.
- ISTEA. Continued funding for TDM and rideshare programs of approximately \$700,000 per year.

Property Tax

Growth in the RTB property tax, at levy limits, is expected to be limited to 2 percent to 4 percent per year. This would increase total tax revenues from \$64 million in 1993 to \$73 million by 1997.

State Funding

With property taxes at levy limits, additional fare increases already proposed, and little hope of increased federal operating funding, increased state transit assistance is a requirement for maintaining service levels over the next several years. This state funding must be further supplemented if any service expansion is to occur.

Current state appropriations for transit operations in the current biennium are at \$26 million per year. This must increase by approximately \$2 million annually to fund existing services. An additional \$5 million to \$6 million would be needed in each of the next five years to allow additional service implementation.

Table 7.5
State Funding Requirement
(\$ millions)

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Funding Necessary to Maintain Existing Service Level	\$26.2	\$30.6	\$33.8	\$37.3	\$40.9
Funding Necessary to Implement Service Improvements	6.3	11.2	15.4	18.0	21.8
Total	\$32.5	\$41.8	\$49.2	\$55.3	\$62.7

Table 7.6
Projected Regular Route Costs
and Funding Sources
(\$ millions)

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Base Service (30 million service miles)					
Fare Revenue	43.6	45.9	48.2	50.6	53.1
Property Tax	63.8	65.1	67.1	69.7	72.5
Federal Funding	7.0	7.0	7.0	7.0	7.0
<u>State Funding</u>	<u>10.5</u>	<u>13.1</u>	<u>15.3</u>	<u>17.2</u>	<u>19.1</u>
Subtotal	124.9	131.1	137.6	144.5	151.7
Vision for Transit Improvements					
Fare Revenue	1.5	2.8	3.9	4.5	5.5
<u>State Funding</u>	<u>5.0</u>	<u>9.0</u>	<u>12.3</u>	<u>14.5</u>	<u>17.9</u>
Subtotal	6.5	11.8	16.2	19.0	23.4
Total Cost	131.4	142.9	153.8	163.5	175.1

Table 7.7
Projected Community-Based Transit Costs
and Funding Sources
(\$ millions)

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Base Service					
Fare Revenue	0.4	0.4	0.4	0.5	0.5
Federal	0.2	0.2	0.2	0.2	0.2
Local Share	1.4	1.4	1.4	1.4	1.4
<u>RTB/State</u>	<u>2.0</u>	<u>2.2</u>	<u>2.4</u>	<u>2.5</u>	<u>2.8</u>
Subtotal	4.0	4.2	4.4	4.6	4.9
Vision for Transit Improvements					
Fare Revenue	0.3	0.4	0.5	0.6	0.6
<u>State Funding</u>	<u>1.3</u>	<u>2.2</u>	<u>3.1</u>	<u>3.5</u>	<u>3.9</u>
Subtotal	1.6	2.6	3.6	4.1	4.5
Total Cost	5.6	6.8	8.0	8.7	9.4

Table 7.8
Projected Metro Mobility Costs
and Funding Sources
(\$ millions)

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Fare Revenue	2.7	2.9	3.0	3.1	3.3
State	13.7	14.9	16.1	17.6	19.0
Total	16.4	17.8	19.1	20.7	22.3

Table 7.9
Projected TDM/Rideshare Costs
and Funding Sources
(\$ millions)

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Federal	.7	.8	.8	.9	.9
Fare Revenue	.1	.1	.1	.1	.1
Local	.2	.2	.2	.3	.3
Total	1.0	1.1	1.1	1.3	1.3

Table 7.10
Total RTB Program Costs
and Funding Sources
(\$ millions)

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Fare Revenue	47.8	51.6	55.1	58.5	63.1
Property Tax	63.8	65.1	67.1	69.7	72.5
State Funding	30.6	38.9	46.1	51.3	58.0
Local Share	1.6	1.6	1.6	1.6	1.6
Federal Funding	7.2	7.2	7.2	7.2	7.2
Total	151.0	164.4	177.1	188.3	202.4