

## Request for Board Action Details

**File #:** 2021-206  
**Type:** Policy Item  
**Status:** Tabled  
**In control:** Board of Commissioners  
**On agenda:** 4/27/2021  
**Final action:** 4/27/2021  
**Title:** Metro Transit Presentation and 2021 Annual Operating Grant Agreement with Metropolitan Council  
**Sponsors:** Public Works  
**Indexes:**  
**Code sections:**  
**Attachments:** 1. Master Operations Funding Agreement, 2. 2021 Operating Grant Application, 3. Metro Transit Presentation on 2021 Operating Grant Application to Ramsey County

Date	Ver.	Action By	Action	Result
4/27/2021	1	Board of Commissioners	tabled	Pass

**Sponsor:** Public Works

**Title**

Metro Transit Presentation and 2021 Annual Operating Grant Agreement with Metropolitan Council

**Recommendation**

1. Approve the 2021 Annual Operating Grant Agreement with the Metropolitan Council for METRO Green Line Transitway Service Operating Assistance of \$5,757,357 from Ramsey County for the period January 1, 2021 through December 31, 2021.
2. Authorize the Chair and Chief Clerk to execute the 2021 Annual Operating Grant Agreement.

**Background and Rationale**

In 2008 the Minnesota Legislature, by Minnesota Statutes Section 297A.992, authorized the seven counties in the Metropolitan area to form a joint powers board and to impose a one quarter percent sales and use tax and an excise tax of \$20 per motor vehicle purchased at retail (Sales Tax). Ramsey, Hennepin, Anoka, Dakota and Washington Counties entered into a joint powers agreement (JPA), formed the Counties Transit Improvement Board (CTIB) and imposed the Sales Tax. CTIB entered into various transit grants for the development and funding of transitways.

On May 31, 2017, the five member counties of CTIB voted affirmatively to dissolve CTIB (CTIB Resolution #32 -2017). For the dissolution of CTIB to proceed, all five counties were required to take individual action to pass a resolution dissolving CTIB. The dissolution was also contingent upon the counties' assumption of existing CTIB funding commitments, including the CTIB share of net operating costs of existing transitway services. On June 13, 2017, the Ramsey County Board voted affirmatively to dissolve CTIB. The final action on dissolution of CTIB took place on June 21, 2017 and the dissolution was effective June 30, 2017.

The dissolution also included implementation of a tax under Minnesota Statutes Section 297A.993 to pay for transit and transportation improvements and an agreement with Hennepin County regarding funding of the CTIB share of net operating costs of identified transitway services, including the METRO Green Line. Minnesota Statutes Section 297A.993 authorizes counties to impose a transportation sales and use tax of up to one-half percent on retail sales and uses and an excise tax of \$20 per motor vehicle to support transit and

transportation improvements (Transportation Tax). On June 13, 2017, the Ramsey County Board authorized the implementation of this tax to support transit and transportation improvements upon the termination of CTIB. The tax was imposed effective October 1, 2017.

The Master Operations Funding Agreement for Transitway Services is an agreement among the Metropolitan Council and the Counties of Ramsey, Anoka and Hennepin which sets forth a uniform approach for any grant award from one or more of the counties to the Metropolitan Council for transitway services. It implements the agreements the counties made when CTIB was dissolved. Within the Master Operations Funding Agreement, the parties state the intent to enter into annual operating grant agreements for specific transitway services and the intent that the terms of this Master Operations Funding Agreement shall apply to each annual Operating Grant Agreement, except as otherwise expressly provided in the annual Operating Grant Agreement.

The Metropolitan Council submitted a 2021 Annual Operating Grant Application to Ramsey County and Hennepin County for METRO Green Line Transitway Service Operating Assistance. The METRO Green Line operates between Union Depot in Saint Paul and Target Field in Minneapolis. Under the terms of the CTIB dissolution, the Metropolitan Council is responsible for 50% of the METRO Green Line operating expenses. Of the remaining 50% share of METRO Green Line operating expenses, Ramsey County is responsible for 40% and Hennepin County is responsible for 60%. Ramsey County's share for 2021 is \$5,757,357.

The General Manager and Finance Director from Metro Transit will give a presentation on the details associated with the 2021 Annual Operating Grant Agreement.

**County Goals** (Check those advanced by Action)

☐ Well-being ☐ Prosperity ☐ Opportunity ☒ Accountability

**Racial Equity Impact**

In Ramsey County the poverty percentage is three times higher for people of color than it is for whites. With greater than 40% people of color living in the Green Line corridor, Green Line service is critical to providing an equitable option for transit dependent people to access employment and education opportunities as well as recreation and health care facilities across the greater metropolitan area. With daily ridership in 2019 of 42,500 people, the Green Line serves multiple areas of concentrated poverty in Ramsey County and is vital to providing residents access to their daily needs.

**Community Participation Level and Impact**

This is a funding agreement between agencies and as such, there isn't a true component of community participation. However, the continued strong ridership of the line is a clear measure of support for continuing operation of the line. From a participation perspective, this agreement is meant to inform the community of Ramsey County's continued support.

☒ Inform ☐ Consult ☐ Involve ☐ Collaborate ☐ Empower

**Fiscal Impact**

Funding in the amount of \$5,757,357 for the 2021 METRO Green Line Transitway Service Annual Operating Grant Agreement is included in the Ramsey County Transportation Sales and Use Tax Capital Improvement Plan, to be paid from proceeds of the one-half percent transportation tax.

**County Manager Comments**

County Board approval is needed to enter into intergovernmental agreements. The 2021 METRO Green Line Transitway Service Operating Grant Agreement is fully consistent with the term sheet negotiated by the Counties Transit Improvement Board and participating counties within the CTIB dissolution process. The 2021 Annual Operating Grant Agreement is the fourth of five years covered in the Master Operations Funding Agreement, initially approved and executed in 2018.

**Last Previous Action**

On April 10, 2018, the Ramsey County Board approved the Master Operations Funding Agreement for Transitway Services with the Metropolitan Council and Counties of Ramsey, Anoka and Hennepin (Resolution B2018-106).

On June 13, 2017, the Ramsey County Board approved the dissolution of the Counties Transit Improvement Board (Resolution B2017-142), the Imposition of One-Half Percent Sales Tax for Transportation Improvements (Resolution B2017-143), and the Joint and Cooperative Funding for Certain Transit Projects Agreement with Hennepin County (Resolution B2017-144).

One June 6, 2017, the Ramsey County Board held a public hearing to take public comment regarding the imposition of the taxes as provided under Minnesota Statutes Section 297A.993.

On March 25, 2008, the Ramsey County Board approved the Joint Powers Agreement establishing the Counties Transit Improvement Board (Resolution 2008-121).

### **Attachments**

1. Master Operations Funding Agreement
2. 2021 Operating Grant Application
3. Metro Transit Presentation on 2021 Operating Grant Application to Ramsey County