

March 29, 2023

Chair Frank Hornstein House Transportation Finance & Policy Committee Minnesota House of Representatives 563 State Office Building St. Paul, MN 55155

Dear Chair Hornstein,

On behalf of the Minneapolis Regional Chamber, thank you for including funding for the construction of the Northern Lights Express (NLX) inter-city passenger rail project between Duluth/Superior and Minneapolis/St. Paul as part of your omnibus Transportation Finance bill (H.F. 2887).

NLX is a critical piece of infrastructure that will serve as a vital, efficient, sustainable connector between the Twin Cities metro area and northeastern Minnesota. It represents a golden opportunity to revitalize Minnesota's rail service, create thousands of good-paying jobs, and connect businesses and consumers throughout the state.

The economic benefits of the Northern Lights Express present a promising return on investment, with an estimated \$15 million in state and local sales tax revenue expected in the first year of operation, and an estimated \$150 million increase to property values along the line. With supply chain lines under stress over the last year, adding freight rail service would help aid in efficient logistic capabilities, improved speed, and reliability of shipping lines. Job creation in a tight labor market would be a promising benefit to communities along the line who are currently struggling to find and retain talent. Over 3,000 jobs would be added to help improve and build upon rail lines and stations in Minneapolis, Coon Rapids, Cambridge, Hinkley, Superior, and Duluth. Employers along the rail line would also be able to attract new workers to their business who otherwise would not have the options to travel to these jobs.

Further, with significant federal investment available to the State of Minnesota, the timing for this project could not be better. We can build NLX and the federal government will pay for 80% of the project.

With many deserving projects seeking funding we sincerely appreciate your inclusion of this significant and shovel ready project in your bill.

Sincerely,

Jonathan Weinhagen President & CEO

Minneapolis Regional Chamber