

March 3, 2025

Committee Chair Representative Jon Koznick

Transportation Finance and Policy Committee Minnesota House of Representatives Saint Paul, MN

RE: The fiscal note for bills governing cost participation on Minnesota trunk highway projects

Dear Chair Koznick and members of the Minnesota House of Representatives Transportation Finance and Policy Committee,

I am writing to express the City of Brooklyn Center's support for House File (HF) 192. This bill that would remove local cost participation requirements for projects in the Minnesota Department of Transportation's right-of-way. I understand that HF 192 may become the companion bill for Senate File (SF) 285, a very similar bill that received a hearing at the Minnesota Senate Transportation Committee on February 5th, 2025. The fiscal note attached to SF 285 states that removing local cost share requirements from trunk highway projects will cost approximately \$75 million per year. The City of Brooklyn Center has the following questions regarding the assumptions used to calculate the financial impact of these bills:

- Why is the Minnesota Department of Transportation (MnDOT) assuming locally won federal funds would not be applied for by cities and put toward MnDOT projects?
 - Nothing in the bill's present language would bar cities from working with MnDOT to apply for grants through Regional Solicitation, MnDOT's freight program, etc.
 - o Having clarity on this assumption could remove \$25 million worth of projected impact.
- Why does MnDOT need two permanent FTEs for a task that should be front-loaded in the early years of implementation?
 - Instead, MnDOT will likely see staff time savings as project managers will no longer spend time negotiating complex local cost share agreements.

Additionally, if the local cost share is removed, we are concerned MnDOT may default back to considering safety elements for pedestrians, bicyclists, and transit riders as "nice to haves" versus needs, as has been the agency's stance in the past. Adding specific language in the bill to direct MnDOT to continue to invest in these areas could alleviate this concern.

Respectfully yours,

Mayor April Graves
City of Brooklyn Center

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