

Table of Contents

Metropolitan Council - Transportation

<i>Agency Profile</i>	1
Agency Expenditure Overview	5
Agency Financing by Fund	6
Agency Change Summary	7
<u>Change Item(s)</u>	8
<i>Regional Transit Sales Tax</i>	8
<i>I/JA Match/Bus Electrification</i>	12
<i>Increase Regional Transit Bonding Authority</i>	15
<u>Program</u>	16
Transit System Operations	16
<i>Program Narrative</i>	16
Program Expenditure Overview	30
Program Financing by Fund	31
<u>Program</u>	32
Metro Mobility	32
<i>Program Narrative</i>	32
Program Expenditure Overview	35
Program Financing by Fund	36

<https://metro council.org/>

AT A GLANCE

- 3,186,349 residents in the seven-county area in 2021 (Met Council April 2021 estimate based on 2020 Census)
- 35.9 million transit rides provided by the Council in 2021
- 1.8 million rides on Metro Mobility in 2021
- 250 million gallons of wastewater treated daily
- 110 communities provided with wastewater treatment service in 2021
- Nine treatment plants and 600 miles of regional sewers
- 64.9 million regional park visits in 2021
- 119 regional parks/trails, park reserves, and special recreation features; totaling 55,000 acres, plus 400 miles of interconnected trails
- 7,200 low-income households provided affordable housing by the Council's Metro HRA in 2021
- From 2020 to 2040 the Council forecasts the region will grow by:
 - 485,000 more people
 - 210,000 more households
 - 213,000 more jobs

PURPOSE

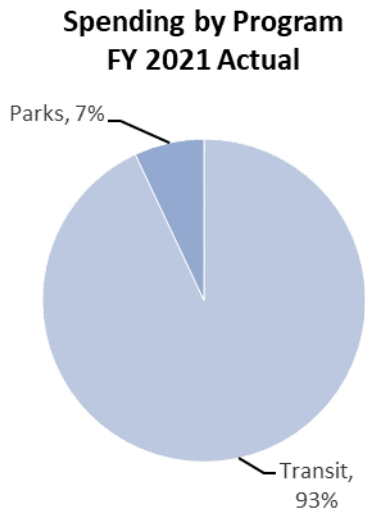
The Metropolitan Council is the regional policy-making body, planning agency, and provider of essential services for the Twin Cities metropolitan region. The Council's mission is to foster efficient and economic growth for a prosperous region in partnership with more than 180 communities and seven counties. We provide cost-effective transit and wastewater services, assist households with low and moderate incomes to find affordable housing, and support communities as they plan for anticipated growth.

As our region grows and its demographics change, the Council is working in partnership with communities to ensure we are prepared to support the continued growth of our region. As the economic engine of the state, the metro region's health and vitality has a statewide impact. Through our planning activities and the provision of regional services, we contribute to the following statewide outcomes:

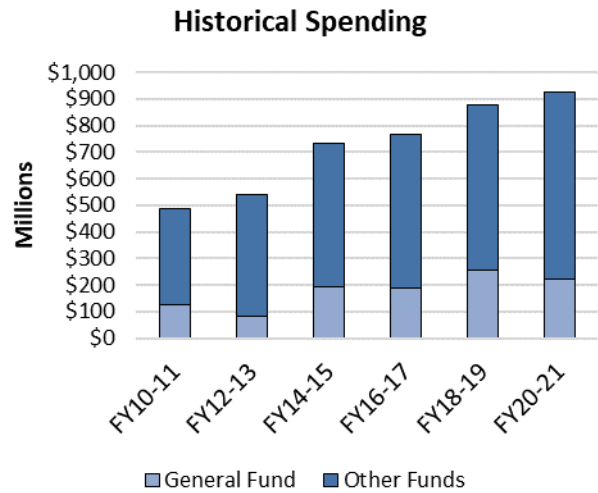
- A thriving economy that encourages business growth and employment opportunities
- A clean, healthy environment with sustainable uses of natural resources
- Sustainable options to safely move people, goods, services, and information
- A livable and attractive place for people of all races, ethnicities, incomes, and abilities to call home and prosper.

The charts on the next page show appropriations to the Metropolitan Council recorded in the state's financial system. The Council's unified operating budget for calendar year 2022 is \$1.235 billion. State appropriations for transit and parks operations and water supply planning provided approximately 40% of agency funding in CY22. The majority of our operating funding comes from charges for services (wastewater fees and passenger fares), federal funds, property taxes and local funds.

BUDGET



Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement

STRATEGIES

Our governing body – the 17-member Metropolitan Council – plays a key convening role, bringing together communities to develop policies and a shared vision for the region. To achieve our mission, we carry out planning initiatives and provide essential services to the region.

Planning Initiatives

- Our Thrive MSP 2040 initiative engaged residents to create a framework for a shared vision for a prosperous, equitable, and livable region.
- Our regional planning initiatives encompass transportation, parks, water resources, community planning, and housing.

Transportation

- Our Metro Transit bus and rail systems provide more than 35 million rides every year, getting people to work, school and services, and managing road congestion so businesses can move their goods efficiently.
- Our Metro Mobility and Transit Link services transport people who are unable to use regular-route transit service.
- Our Transportation planners play a key role in collaborating with thriving communities to create our vision for roads, airports, and transit, to ensure effective and cost-efficient investments.

Parks

- We partner with 10 park implementing agencies to plan, acquire land, and develop facilities for regional parks and trails, preserving natural resources and providing recreational opportunities throughout the region.

Clean water and wastewater treatment

- We foster a safe and healthy environment through our award-winning and cost-effective wastewater treatment services, water supply planning and water quality monitoring initiatives.

Planning and development

- Our Livable Communities grants help fund affordable housing; clean polluted land for redevelopment; and create new models for livable, walkable, connected neighborhoods and transit-oriented developments, stimulating and leveraging private investment and increasing communities' tax base.
- We coordinate local communities' local comprehensive plans, providing technical assistance and resources to ensure coordinated, orderly and efficient development in the region.

Housing

- Our Housing Policy Plan identifies regional housing needs and priorities, connects housing to other Council system plans, and provides guidance for local housing planning.
- Our Metro Housing and Redevelopment Authority provides housing stability through rent assistance for more than 7,200 low-income residents in nearly 100 communities

The Metropolitan Council supports the following priorities by:

Children and families

- Assists families with Housing Choice Vouchers to find housing in areas of opportunity, while providing them with supportive services to help achieve self-sufficiency and success in their new neighborhoods.
- Through Metro Transit's bus pass program, provides students with a convenient and affordable way to get to jobs, internships, classes, and education events before or after school hours.

Equity and inclusion

- Designates a portion of its regional parks bonds that support regional park implementing agencies to carry out capital projects that strengthen equitable use of regional parks and trails by all our region's residents – across age, race, ethnicity, income, national origin, and ability.
- Provides about 1.8 million rides annually to people with disabilities through the Metropolitan Council's Metro Mobility service.
- Through its urban scholars program, provides summer internships that enable students from diverse backgrounds to gain critical real-world experience through mentorship, guided projects, and leadership-development workshops.

Thriving communities

- Provides cities with grants, totaling \$400 million over the life of the program, that support innovative development and redevelopment that links housing, jobs, and services and demonstrate efficient and cost-effective use of land and infrastructure.
- Provides more than 35 million rides annually through its Metro Transit operations on a combined network of regular-route buses, light rail and commuter rail, thereby supporting the travel needs of the region's residents and local economies.
- Awards funding and develops an overall plan for the metropolitan area's 55,000-acre system of 63 regional parks, park reserves, and special recreation features as well as 400 miles of interconnected trails – all of which attract nearly 65 million visits annually.

Fiscal accountability and measurable results

- Receives the highest possible ratings from Moody's and Standard and Poor's credit ratings agencies.
- Has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for 38 consecutive years.

Minnesota's environment

- Treats and cleans an average of 250 million gallons of wastewater from 2.7 million residents daily at rates 35% lower than peer regions across the country, while earning state and national awards for environmental achievements.
- Is developing a climate action plan for our operations to reduce the Council's contributions to the region's greenhouse gas emissions, adapt our facilities and infrastructure to existing and foreseeable climate impacts, and ensure the sustainability of the region's investments over the long term.
- Continues to advance solar energy through the Council's subscriptions to community solar gardens on and off Council land, with solar capacity under contract equivalent to the energy needed by 3,000 homes for a year.

The Metropolitan Council supports achievement of the following goals by:

Housing stability for all Minnesotans

- Provides affordable housing opportunities to about 7,200 households in the Twin Cities region through its Metropolitan Housing and Redevelopment Authority.

Creating an inclusive workplace

- Has completed a self-evaluation of Council facilities to identify barriers to its programs and services for people with disabilities.

Hiring and workforce development

- Conducts the Metro Transit Mechanic-Technician Program, in coordination with Twin Cities Rise! which provides a customized degree program at Hennepin Technical College for participants, who continue to work full-time as mechanic-technician interns at Metro Transit.
- Provides summer internships under the Council's urban scholars program, which enable students from diverse backgrounds to gain critical real-world experience through mentorship, guided projects, and leadership-development workshops
- Partners with the Painter's Union, the American Federation of State, County, and Municipal Employees, and St. Paul Technical College to hire and train Environment Services industrial painters and interceptor workers from BIPOC and underrepresented communities.

Advancing equitable public contracting

- Conducts a sheltered-market program under the Council's underutilized-business program and establishes internal purchasing goals for the Council organization.
- Engages an expanding pool of eligible firms through certification under the Council's underutilized business program and increases access to capacity-building resources for firms owned by women, people who are African American, Hispanic, Native American, Asian-Pacific, subcontinent Asian Americans, veterans, and people with disabilities.
- Increases the participation of women and minority owned businesses in the award of federally assisted contracts through the disadvantaged business enterprise program.

Minnesota Statutes, Chapter 473 (<https://www.revisor.mn.gov/statutes/?id=473>) provides the legal authority for Metropolitan Council.

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<u>Expenditures by Fund</u>								
1000 - General	113,190	102,820	147,070	88,630	88,630	88,630	117,830	88,630
1050 - Transit Assistance	291,630	353,449	355,077	369,367	364,374	369,356	364,374	369,356
3010 - Coronavirus Relief	361							
Total	405,181	456,269	502,147	457,997	453,004	457,986	482,204	457,986
Biennial Change				98,694		(49,154)		(19,954)
Biennial % Change				11		(5)		(2)
Governor's Change from Base								29,200
Governor's % Change from Base								3

Expenditures by Program

Transit System Operations	324,845	386,103	445,731	402,021	397,028	402,010	426,228	402,010
Metro Mobility	80,336	70,166	56,416	55,976	55,976	55,976	55,976	55,976
Total	405,181	456,269	502,147	457,997	453,004	457,986	482,204	457,986

Expenditures by Category

Grants, Aids and Subsidies	405,181	456,269	502,147	457,997	453,004	457,986	482,204	457,986
Total	405,181	456,269	502,147	457,997	453,004	457,986	482,204	457,986

Metropolitan Council - Transportation

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
1000 - General								
Direct Appropriation	113,190	102,820	147,070	88,630	88,630	88,630	117,830	88,630
Expenditures	113,190	102,820	147,070	88,630	88,630	88,630	117,830	88,630
Biennial Change in Expenditures				19,690		(58,440)		(29,240)
Biennial % Change in Expenditures				9		(25)		(12)
Governor's Change from Base								29,200
Governor's % Change from Base								16

1050 - Transit Assistance

Balance Forward In	23	32	101					
Receipts	291,607	353,426	354,976	369,367	364,374	369,356	364,374	369,356
Balance Forward Out		9						
Expenditures	291,630	353,449	355,077	369,367	364,374	369,356	364,374	369,356
Biennial Change in Expenditures				79,365		9,286		9,286
Biennial % Change in Expenditures				12		1		1
Governor's Change from Base								0
Governor's % Change from Base								0

3010 - Coronavirus Relief

Direct Appropriation	361							
Expenditures	361							
Biennial Change in Expenditures				(361)		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Direct				
Fund: 1000 - General				
FY2023 Appropriations	88,630	88,630	88,630	177,260
Forecast Base	88,630	88,630	88,630	177,260
Change Items				
IIJA Match/Bus Electrification		29,200		29,200
Total Governor's Recommendations	88,630	117,830	88,630	206,460
Dedicated				
Fund: 1050 - Transit Assistance				
Planned Spending	369,367	364,374	369,356	733,730
Forecast Base	369,367	364,374	369,356	733,730
Total Governor's Recommendations	369,367	364,374	369,356	733,730
Revenue Change Summary				
Dedicated				
Fund: 1050 - Transit Assistance				
Forecast Revenues	369,367	364,374	369,356	733,730
Total Governor's Recommendations	369,367	364,374	369,356	733,730

Metropolitan Council

FY 2024-25 Biennial Budget Change Item

Change Item Title: Regional Transit Sales Tax

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Special Revenue Fund (DOR)				
Expenditures	454	704	728	752
Revenues	454	704	728	752
Other Funds (Met Council)				
Expenditures	60,046	93,196	96,272	99,448
Revenues	60,046	93,196	96,272	99,448
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends enactment of a 1/8th cent sales tax in the seven-county metropolitan area, beginning in October of 2023, to expand investment in the regional transit system. The funds will be used with other federal, state and local resources to assist in addressing the operating and capital needs of the Metropolitan Council’s transit programs.

The Minnesota Department of Revenue will administer this tax for the Metropolitan Council, including working with retailers in the jurisdiction, updating tax collection systems, and compliance. The department will recover administrative costs from the revenue raised by the tax in its local sales tax administration account in the state special revenue fund.

Proposal:

The Metropolitan Council’s Transportation Division has long operated in a structural deficit with a significant fiscal cliff delayed through one-time state appropriations and one-time federal COVID relief funding. Most recently, federal COVID relief funds have allowed the Council to project sufficient funding for SFY 2024-2025 biennium services, pushing out the significant funding cliff to the SFY 2026-2027 biennium.

This proposal will provide on-going funding that will reduce the transit operating structural deficit estimated at \$260M for the SFY 2026-2027 biennium, and this includes current base general funds appropriations assistance with funding the state operating subsidies for the METRO lines. The METRO Lines include Arterial Bus Rapid Transit Lines (ABRT), Highway Bus Rapid Transit Lines (BRT), and light rail transit (LRT) and commuter rail lines. Current bus METRO lines include the A, C, and D ABRT Lines and Red and Orange BRT Lines. By and large, these lines that provide fast, frequent, all-day service with transit advantages have proven to be the highest performing ridership routes both prior to and after the beginning of the pandemic.

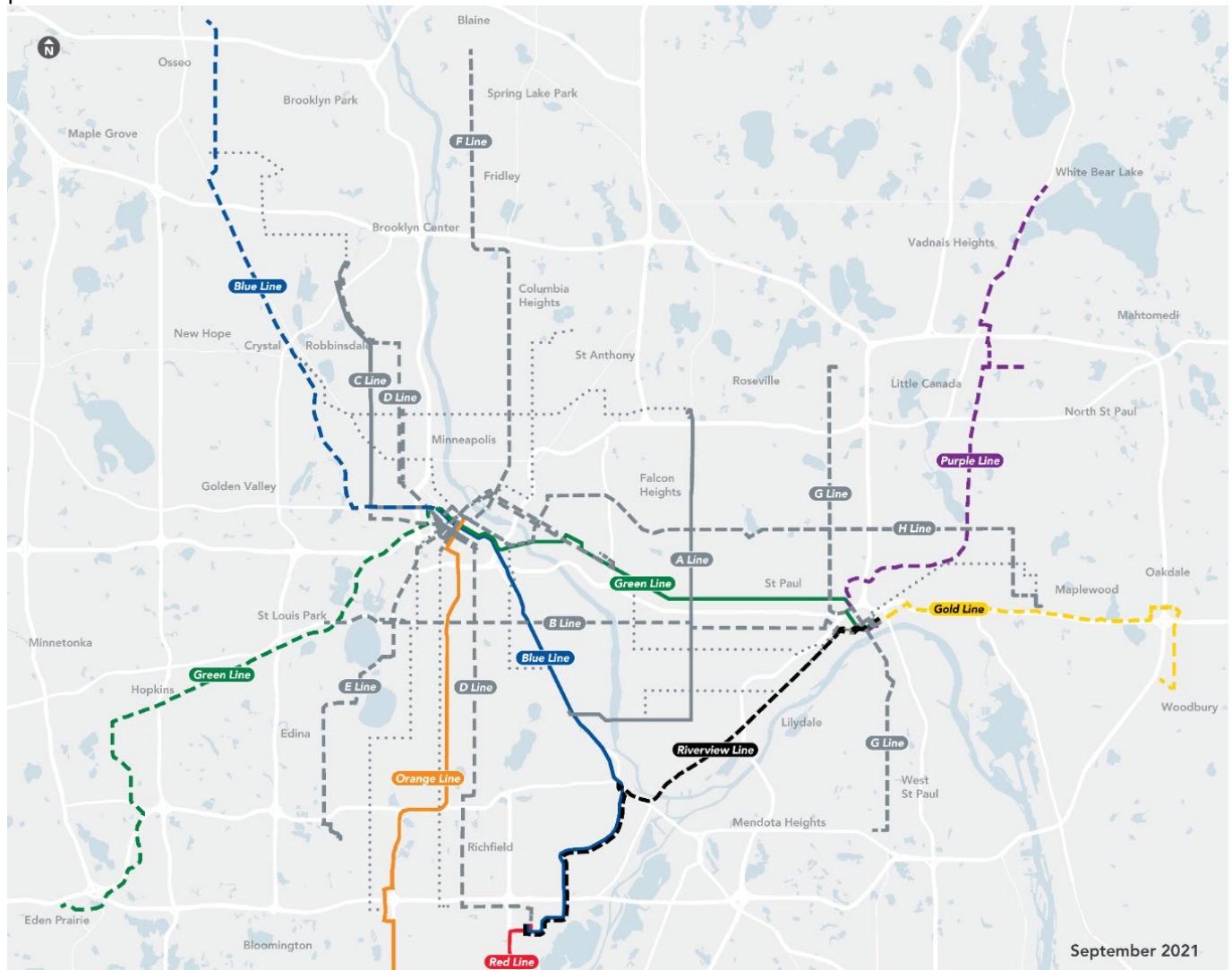
Current base general fund appropriations provide \$32.654M per year for rail operations. This current level of state general fund appropriations has not been increased since SFY 2018, and both the light rail and commuter rail systems are experiencing unusually high increases to service and maintenance costs due to the significant increases in general inflation, parts, fuel, and other expenses.

Subsidies for the operations of current rail lines are covered in part by state appropriations and funding from the counties through a Master Operations Funding Agreement. In addition, one-time federal COVID relief funds have been added to address the remaining rail funding gap. As noted, one-time federal funding is forecast to run out at the end of the SFY2024-2025 biennium.

Current transit development plans call for the significant expansion of the METRO Line system. B Line ABRT and Gold Line BRT are fully funded capital projects expected to start service in SFY 2025. E Line ABRT is fully funded capital project that with projected service start in SFY 2026. F Line ABRT is a partially funded capital project projected to begin service in SFY 2027. Green Line Extension also has a projected service start date in SFY 2027.

Other planned METRO Lines with service start dates outside the current four-year state planning horizon (SFY 2024-2027) are in various stages of construction and planning, including G, H, and J ABRT Lines, Purple BRT Line, and Blue Line extension.

The following is a map showing the planned build out of the METRO Line system, including both current and planned lines.



Impact on Children and Families:

As the population of the Twin Cities metropolitan region grows, prospers, and becomes more diverse, the demand for transit will also grow. In July 2021, the Metropolitan Council released regional forecasts for population and employment through 2050. By 2050 the region is expected to grow by over 800,000 people and add over 600,000 new jobs. That population will be, on average, older and include more people of color. The region has experienced significant growth since 2010, with an increase of more than 325,000 people. This growth and change are expected to increase the demand and need for transit.

Ongoing investments in highway infrastructure have allowed the region to keep congestion relatively stable in recent years. The reduction in vehicle travel due to the COVID-19 pandemic also contributed to that stability. However, congestion and vehicle travel are once again growing and the ability to expand the regional roadway system is limited for financial, environmental, and livability reasons.

Transit provides a sustainable, efficient, and effective option to provide mobility for those who can't or choose not to drive, address increasing roadway congestion, improve air quality, and reduce green-house gas emissions. Transit connects people to jobs, school, food, services, recreation, shopping and more. Transit also plays a critical role in economic prosperity and livability. Businesses cite transit as one of the most important assets when looking to attract and retain employees. More and more, people are prioritizing access to transit as one of the factors they consider when choosing where to live and work. During the COVID-19 pandemic the proportion using transit for all trip purposes increased while the proportion of transit riders for work trips decreased, emphasizing the importance of transit for travel beyond the peak-direction commute.

Equity and Inclusion:

Providing transit contributes to regional equity with the regional bus and rail service that is configured in our region. Transportation connects all residents to opportunity and creates viable housing, transportation and recreation options for all races, ethnicities, incomes, and abilities.

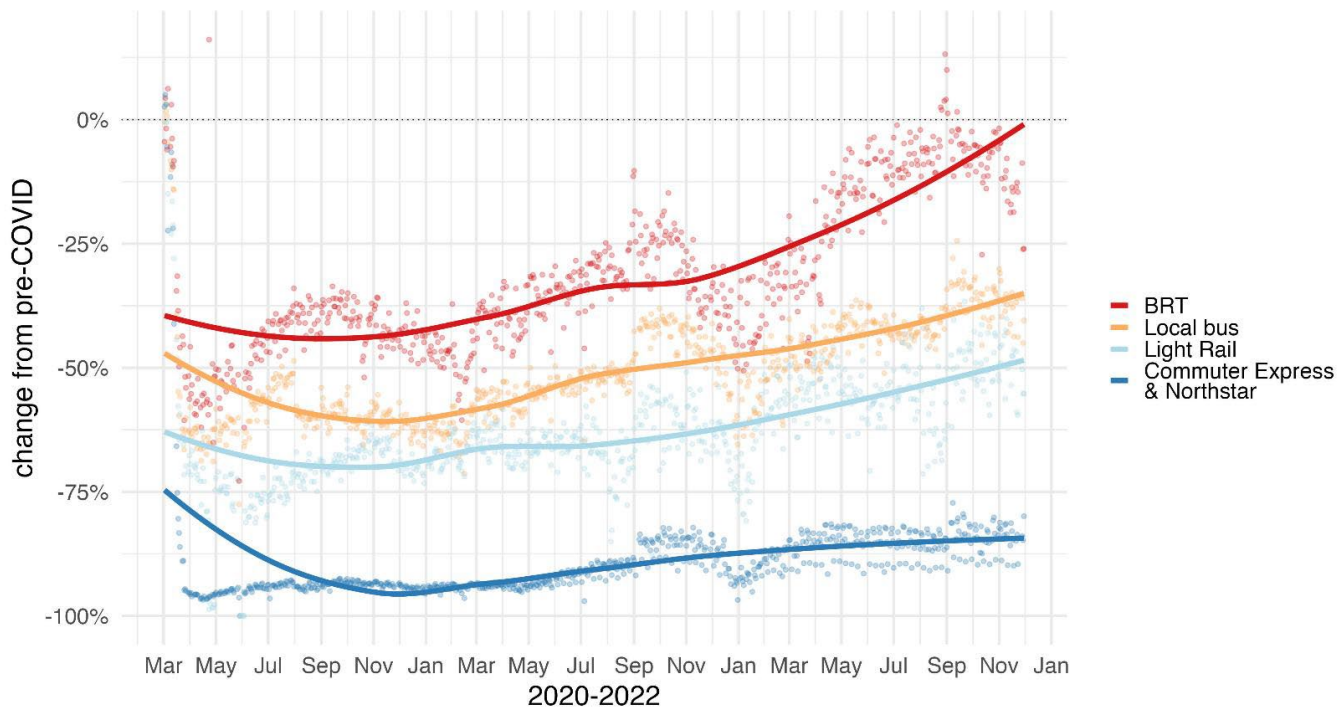
Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Results:

The following charts show that transit ridership is rebounding from ridership loss during the pandemic. Overall, ridership has nearly doubled since hitting a low point early in the pandemic and continues to grow at a steady pace. Metro Transit bus operations ridership was also positively impacted by ridership results on the region’s highest performing corridors including METRO A, C, and D ABRT lines and METRO Orange Line BRT. METRO Orange Line BRT began service in December 2021 and METRO D Line ABRT began service in December 2022.



Statutory Change(s):

Not applicable.

Metropolitan Council

FY 2024-25 Biennial Budget Change Item

Change Item Title: IJJA Match/Bus Electrification

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	29,200	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	29,200	0	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends a one-time appropriation of \$29.2 million from the General Fund for the purchase of up to 30 forty-foot public transit battery electric buses and charging infrastructure in lieu of purchasing replacement diesel buses. This supplemental budget request would accelerate the zero-emissions fleet transition by two years and will allow the Council to exceed their goal of having at least 20% of the bus replacements be zero emission buses by 2027. The amount requested is the amount of funding needed above what has been allocated for diesel buses.

The proposal will also support \$5.2 million for required matching funds for federal low/no emission project applications for regional providers (MTS and Suburban Providers). MTS ZEB fleet planning is underway and near-term focus will emphasize providers with publicly owned garages (2024-2025), or eligible demonstration projects in contracted facilities. Vehicles and equipment vary by provider but typically correspond to \$7-9M total project cost (~80% federal) for buses, charging equipment, utility improvements, engineering, training and workforce development, and project delivery costs.

Rationale/Background:

Pursuant to Minnesota Statute 473.3927, Metro Transit filed a Zero Emission Bus Transition Plan (ZEBTP) with the Minnesota State Legislature by February 15, 2022. The first phase plan filed in February 2022 will be followed by a second phase covering MTS fleet, completing a Councilwide plan.

The Metropolitan Council’s proposed 6-year Capital Program Plan (CIP) funds 83 electric buses in years 2023 to 2029. In addition, the Capital Program Plan includes the addition of 5 Electric Buses for the METRO Gold Line and 17 Electric Buses for the METRO Purple Line which are included in those project budgets.

Southwest Transit was awarded an \$8.0M federal grants for electric buses in 2022 with a planned expenditure date of 2024. The \$5.2M of SFY24 funds will provide matching funds for this announced federal grant and planned match to additional anticipated federal grants in years 2025, 2026 and 2027. These grants will fund electric buses, charging equipment, utility improvements, engineering, training, workforce development and project delivery costs. Identifying secured matching funds in the federal application will significantly improve the Council’s chances to be selected for competitive federal funding.

Transportation is the leading cause of greenhouse gas emissions in the State of Minnesota. Metro Transit is the largest consumer of diesel fuel in fleets in the state. Zero emission buses will help reduce greenhouse gas emissions for the transportation sector.

Proposal:

For Metro Transit this proposal will fund the extra cost compared to typical diesel bus purchases to procure up to 30 electric forty-foot public transit buses, chargers and electric infrastructure needed for the buses. The funding is a capital investment for equipment. Metro Transit has sufficient funding to cover the cost of the diesel bus, and the addition of this funding will allow Metro Transit to purchase electric buses.

Metro Transit does have electric buses in its proposed capital improvement program. This request would accelerate the transition by two years.

Electric buses will go into service 12 to 18 months after they are ordered. The proposal assumes up to 30 electric buses would be ordered in 2024 for entry into service in 2026. Providing funding in 2024 allows for the acceleration of electric bus purchases in accordance with the Zero Emissions Bus Transition Plan that the Metropolitan Council submitted to the State Legislature in February 2022.

For Metropolitan Transportation Services, the request is for required matching funds for federal low/no emission project applications for regional providers (MTS and Suburban Providers). MTS ZEB fleet planning is underway but near-term focus likely on providers with publicly owned garages (2024-2025), or eligible demonstration projects in contracted facilities. Vehicles and equipment vary by provider but typically correspond to \$7-9M total project cost (~80% federal) for buses, charging equipment, utility improvements, engineering, training and workforce development, and project delivery costs.

Impact on Children and Families:

As the population of the Twin Cities metropolitan region grows, prospers, and becomes more diverse, the demand for transit will also grow. In July 2021, the Metropolitan Council released regional forecasts for population and employment through 2050. By 2050 the region is expected to grow by over 800,000 people and add over 600,000 new jobs. That population will be, on average, older and include more people of color. The region has experienced significant growth since 2010, with an increase in population over 325,000 people. This growth and change are expected to increase the demand and need for transit.

Ongoing investments in highway infrastructure have allowed the region to keep congestion relatively stable in recent years. The reduction in vehicle travel due to the COVID-19 pandemic also contributed to that stability. However, congestion and vehicle travel are once again growing and the ability to expand the regional roadway system is limited for financial, environmental, and livability reasons.

Transit provides a sustainable, efficient, and effective option to provide mobility for those who can't or choose not to drive, address increasing roadway congestion, improve air quality, and reduce green-house gas emissions. Transit connects people to jobs, school, food, services, recreation, shopping and more. Transit also plays a critical role in economic prosperity and livability. Businesses cite transit as one of the most important assets when looking to attract and retain employees. More and more, people are prioritizing access to transit as one of the factors they consider when choosing where to live and work. During the COVID-19 pandemic the proportion using transit for all trip purposes increased while the proportion of transit riders for work trips decreased, emphasizing the importance of transit for travel beyond the peak-direction commute.

Equity and Inclusion:

The Zero Emissions Bus Transition Plan will include an equity analysis that will inform key requirements for ensuring that the electric buses reflect an equitable deployment of the zero emission vehicles. The plan and its equity conclusions will be completed and will guide the zero-emission plan and this investment.

Providing transit contributes to regional equity with the regional bus and rail service that is configured in our region. Transportation connects all residents to opportunity and creates viable housing, transportation and recreation options for all races, ethnicities, incomes, and abilities.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

IT Costs

Not applicable

Results:

- **Quantity:** Up to 30 electric buses and chargers purchased and placed into service.
- Winning competitive 80% federal funding grants to implement electric buses and infrastructure
- Every zero-emission bus is able to eliminate 1,690 tons of CO2 over its 12-year lifespan. This is equivalent to taking 27 cars off the road. These buses also eliminate 10 tons of nitrogen oxides and 350 pounds of diesel particulate matter, improving air quality in the communities that they serve. (Source: <https://www.transportation.gov/sites/dot.gov/files/docs/1603-R2ZE-Zero-sm%20FINAL.pdf>)
- The Zero Emissions Bus Transition Plan will establish results and measures that will be used to track the results of this proposal.

Statutory Change(s):

Not applicable

Metropolitan Council

FY 2024-25 Biennial Budget Change Item

Change Item Title: Increase Regional Transit Bonding Authority

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	50	610	830
Revenues	0	(20)	(220)	(310)
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	70	830	1,140
FTEs	0	0	0	0

Recommendation:

The Governor recommends the Metropolitan Council’s authority to issue bonds under M.S. 473.39 be increased to \$51.5 million in FY24 and \$53.045 million in FY25 to implement the Council’s transit capital improvement program.

Rationale/Background:

The Metropolitan Council is given authority to issue general obligation bonds to implement the Council's transit capital improvement program in M.S. 473.39. Council bonding authority is used primarily for bus and paratransit vehicle replacement as a local match for Federal Appropriations. The current authority is \$98.4 million over two years. This one-time authority is subject to the volume limitations in this section and when exhausted, the Council requests additional authority. The Council is requesting the limit be raised to \$104.545 million in the FY24-25 biennium.

Proposal:

In addition to the authority previously granted in M.S. 473.446, the proposal allows the Council to issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding \$104,545,000 for capital expenditures as prescribed in the council’s transit capital improvement program and for related costs, including the costs of issuance and sale of the obligations. Of this authorization, after July 1, 2023, the council may issue certificates of indebtedness, bonds, or other obligations in an amount not exceeding \$51,500,000 and after July 1, 2024, the Council may issue certificates of indebtedness, bonds, or other obligations in an additional amount not exceeding \$53,045,000.

Council transit bonds are repaid through a property tax authorized in M.S. 473.446. Higher levies will increase property taxes on all property. They result in higher homeowner property tax refunds, increasing costs to the state general fund. Higher levies also increase income tax deductions, reducing revenues to the state general fund. The net impact on the general fund is \$70,000 in FY 2025, and \$1.97 million in FY 2026-27. The fiscal impact is represented in the Tax Aids, Credits and Refunds budget pages.

Results:

The Council will implement its transit capital improvement program.

Statutory Change(s):

Minnesota Statutes 473.39 and 473.446

Program: Transit System Operations

Activity: Bus Operations

<https://metro council.org/Transportation/Services/Metro-Transit.aspx>

AT A GLANCE

In calendar year 2021

- 38.1 million total regional transit rides
- 35.9 million total Council transit rides
- 23.2 million total Council bus operations transit rides

PURPOSE AND CONTEXT

Transportation is the engine of our regional – and state – prosperity. A reliable, affordable, and efficient transportation system promotes a competitive economy, safety and security, a healthy environment, and a livable region.

As our region continues to grow and adds more vehicles to our transportation system, transit is an ever-more critical component to our transportation system. Transit provides a sustainable, efficient, and effective option to address increasing roadway congestion and improve air quality. It is one of the most important assets to businesses looking to attract and retain employees. Our transportation planners continually look for new and innovative ways to provide more efficient service that meets customer needs and to leverage the opportunities of emerging technologies to enhance the customer experience and improve service performance.

Transit functions are funded by Motor Vehicle Sales Tax (MVST) revenues, state appropriations, passenger fares, local (county) sales taxes, federal revenue, federal relief funds, advertising revenues, and other local sources.

The Council adopted equity as one of the outcomes of Thrive MSP 2040, its regional growth and development plan, and we use our influence and investments to build a more equitable region. We work to create real choices for where we live, how we travel, and where we recreate for all residents – across race, ethnicity, economic means, and ability.

Our transportation budget supports Thrive MSP 2040 through investments and programs, including the Arterial Bus Rapid Transit (BRT) Program, Better Bus Stops, Better Bus Routes/Speed and Reliability, Transit Assistance Program (TAP), Metro Transit Police Department Homeless Action Team (HAT) and increasing transit personnel presence on vehicles and at stations.

With the pandemic, we have faced the sudden loss of between 60% to 70% of our ridership while initiating an extensive maintenance cleaning program for all vehicles, customer facilities, and support facilities. Ridership on most of our services is forecasted to remain lower in 2023 but is forecasted to continue to improve with Metro Mobility ridership forecasted at pre-pandemic levels, light rail ridership forecasted at 60% pre-pandemic levels, the bus system forecasted at 65%, and Northstar commuter rail forecasted at 20% pre-pandemic levels. The Metropolitan Council continues to monitor and evaluate ridership impacts from the pandemic on a daily and weekly basis to evaluate services and the need for service adjustments.

SERVICES PROVIDED

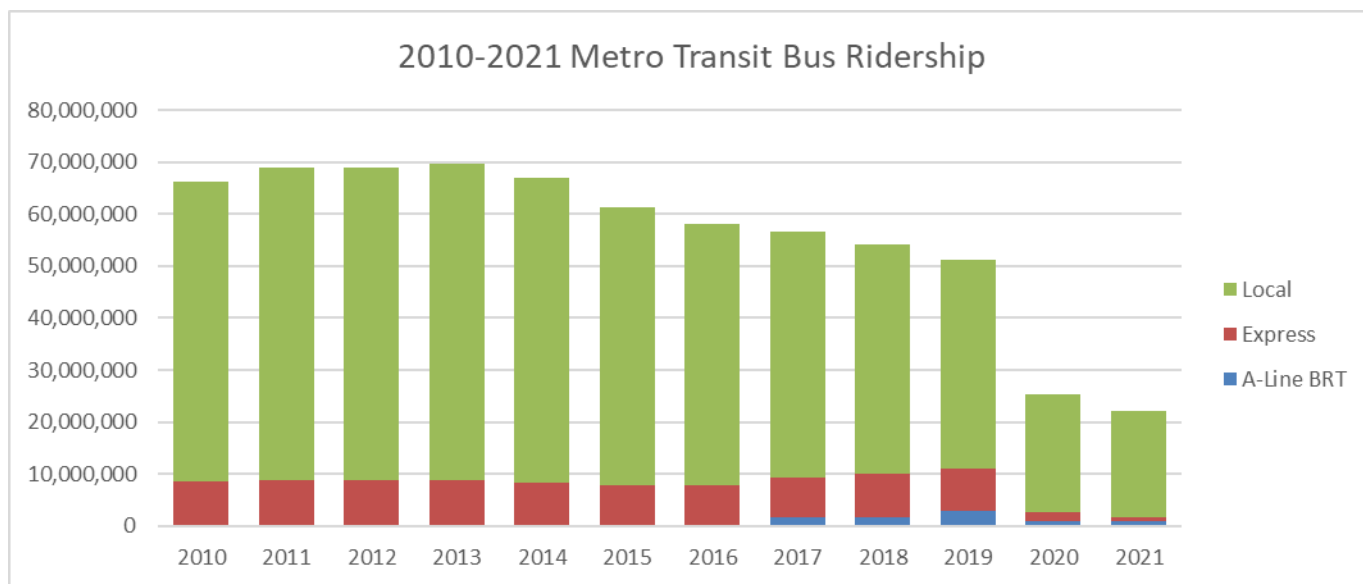
The Metropolitan Council is responsible for the state’s largest public transit system, which provided nearly 36 million rides on bus and rail in the region in 2021. Metro Transit, which operates METRO light rail, bus services, and Northstar Commuter Rail, provides the bulk of those regional rides. Metro Transit has been at the forefront of improvements in our regional transit system, creating communities that are more equitable, economically competitive, and sustainable. The American Public Transportation Association named Metro Transit the 2016 System of the Year, recognizing the service for its safety, vehicle and facilities maintenance, and operations, and record pre-pandemic ridership.

Metro Transit is the largest operator of regular-route bus service in the Twin Cities region and is a key part of the Council’s commitment to operating quality transit service in an inclusive, customer-focused and efficient manner. Metro Transit is one of the country’s largest transit systems, providing over 84% of the regular-route public bus transportation rides in the Minneapolis St. Paul metro area. Metro Transit directly operates a network of regular routes served by a fleet of 865 buses on a network of 130 fixed routes. In 2021, the Metro Transit bus system carried 22.1 million rides, an average of 68,706 rides per weekday. All Metro Transit buses are equipped with wheelchair lifts or ramps, and racks for bicycles.

RESULTS

Transit Ridership

This chart shows transit ridership provided by Metropolitan Council Transit Bus Operations.



With the pandemic, Metro Transit bus ridership lost over 70% of its pre-pandemic ridership. Ridership trends have continued to improve with 2023 forecasted at 65% of pre-pandemic levels.

The Metro Transit bus operations ridership in 2021 had 22.1 million rides, with an average of 68,706 rides per weekday. Metro Transit bus operations ridership was also positively impacted by ridership results on the region’s first ABRT (Arterial Bus Rapid Transit) lines, including A Line ABRT Corridor, C Line ABRT Corridor and METRO Orange Line opened in late 2021. Weekday ridership on the Orange Line has steadily increased each month in operation through April of 2022 to more than 1,000 riders per weekday.

First Arterial Rapid Bus Line

Metro Transit opened the region’s first arterial rapid bus line in June 2016. The A Line operates along Snelling Avenue, Ford Parkway and 46th Street, connecting the METRO Blue and Green lines and several other

destinations. Rapid bus is a package of transit enhancements that adds up to a faster trip and an improved experience. A Line's ridership success has been driven by strong connections to the light rail system, shopping destinations, and colleges and universities on the corridor. The A Line is the first of several planned arterial rapid bus lines that will bring faster, more frequent service to the region's busiest transit corridors.

Highlights include:

- Corridor ridership for the A Line and Route 84 grew 32% in the first year of A Line operations, compared to the year prior to June 11, 2016, when A Line service was launched.
- The A Line provided nearly 1.7 million rides in 2019, a growth of 3.6% over prior year levels.
- The A Line averages 20-25% faster travel times than the previous Route 84 bus route.
- The A Line provided pandemic ridership over 1.0 million rides in 2020 and 2021.

In 2017, Metropolitan Council broke ground on the C Line, which substantially replaced Route 19, running primarily on Penn Avenue and Olson Memorial Highway. The C Line opened for revenue service in June 2019, and provided nearly 2.2 million rides in 2019, a growth of 20.9% over prior year levels. Ridership continued strong during the pandemic years of 2020 and 2021 at 1.3 million rides per year.

The Metropolitan Council is currently planning for the D Line to open in late 2022, which will replace Route 5, the region's single busiest bus route. During rush hour, Route 5 buses make up less than 2% of vehicle traffic but carry more than 20% of people traveling through the Route 5 corridor by automobile or bus.

The legal authority for Bus Operations comes from:

M.S. 473.385 (<https://www.revisor.mn.gov/statutes/cite/473.385>)

M.S. 473.3925 (<https://www.revisor.mn.gov/statutes/cite/473.3925>)

M.S. 473.371 (<https://www.revisor.mn.gov/statutes/cite/473.371>)

Program: Transit System Operations

Activity: Contracted Services

<https://metrocouncil.org/Transportation/Services.aspx>

AT A GLANCE

- The Contracted Services unit provides service through contracts with private and governmental organizations.
- In calendar year 2021:
 - 38.1 million total regional transit rides
 - 35.9 million total Council transit rides
 - 1.3 million contracted rides

PURPOSE AND CONTEXT

Transportation is the engine of our regional – and state – prosperity. A reliable, affordable, and efficient transportation system promotes a competitive economy, safety and security, a healthy environment, and a livable region.

As our region continues to grow and adds more vehicles to our transportation system, transit is an ever-more critical component to our transportation system. Transit provides a sustainable, efficient, and effective option to address increasing roadway congestion and improve air quality. It is one of the most important assets to businesses looking to attract and retain employees. Our transportation planners continually look for new and innovative ways to provide more efficient service that meets customer needs and to leverage the opportunities of emerging technologies to enhance the customer experience and improve service performance.

Transit functions are funded by Motor Vehicle Sales Tax (MVST) revenues, state appropriations, passenger fares, local (county) sales taxes, federal revenue, federal relief funds, advertising revenues, and other local sources.

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SERVICES PROVIDED

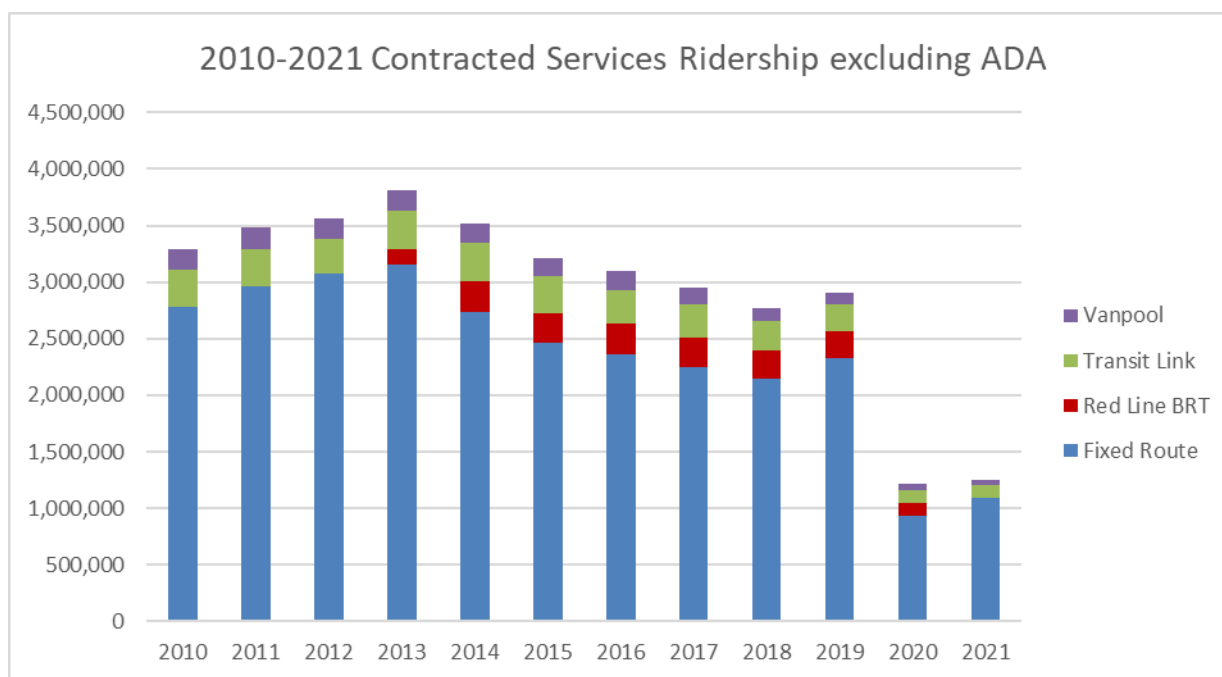
Contracted Services include Contracted Regular-Route, Transit Link, and Metro Vanpool. These services are provided through contracts with private and governmental organizations.

- Contracted Regular-Route service provides regular route service and includes downtown Minneapolis (via METRO Blue Line connection at the Mall of America).
- Transit Link provides dial-a-ride transit service, primarily to customers in the region where regular-route service is not available.
- Metro Vanpool provides coordination of vanpools which are typically formed either in areas without regular route service or serve people who work shifts that are outside of normal commuting times.

RESULTS

Transit Ridership

Ridership measures transit system accessibility, quality, and system growth. Growth in ridership is an indication that more people are able to meet their mobility needs using transit. In the second quarter of 2022, ridership increased 9% compared to the same period in 2021, adding 7,587 riders in that quarter.



The legal authority for Contracted Services comes from:

M.S. 473.371 (<https://www.revisor.mn.gov/statutes/cite/473.371>)

M.S. 473.388 (<https://www.revisor.mn.gov/statutes/cite/473.388>)

Program: Transit System Operations

Activity: Light Rail

<https://metro council.org/Transportation/Services/Metro-Transit.aspx>

AT A GLANCE

- In calendar year 2021
 - 38.1 million total regional transit rides
 - 35.9 million total Council transit rides
 - 10.7 million total Council METRO light rail transit rides

PURPOSE AND CONTEXT

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SERVICES PROVIDED

The Metropolitan Council is responsible for the state’s largest public transit system, which provides nearly 36 million rides on bus and rail in the region. Metro Transit, which operates METRO light rail, bus services, and Northstar Commuter Rail, provides the bulk of those regional rides. Metro Transit has been at the forefront of improvements in our regional transit system, creating communities that are more equitable, economically

competitive and sustainable. The American Public Transportation Association named Metro Transit the 2016 System of the Year, recognizing the service for its safety, vehicle and facilities maintenance and operations, and record pre-pandemic ridership.

The METRO Blue Line is a 12-mile light rail transit line linking downtown Minneapolis and the Mall of America via the Minneapolis-Saint Paul International Airport and was completed in 2004. It was extended in 2009 to provide service to Target Field and the Northstar Commuter Rail line. The corridor travels through Minneapolis and Bloomington with 19 stations, including five stations shared with METRO Green Line in downtown Minneapolis.

The METRO Blue Line opened for service in 2004 and operates service every 10 minutes during rush hours and midday, every 15 minutes in the early morning and evening hours, and less frequent service overnight. There are park-and-ride facilities at the Fort Snelling and 28th Avenue stations, and there is connecting bus service available at most other stations. In 2021, the METRO Blue Line provided almost 4.6 million rides. The METRO Blue Line also provides special event service.

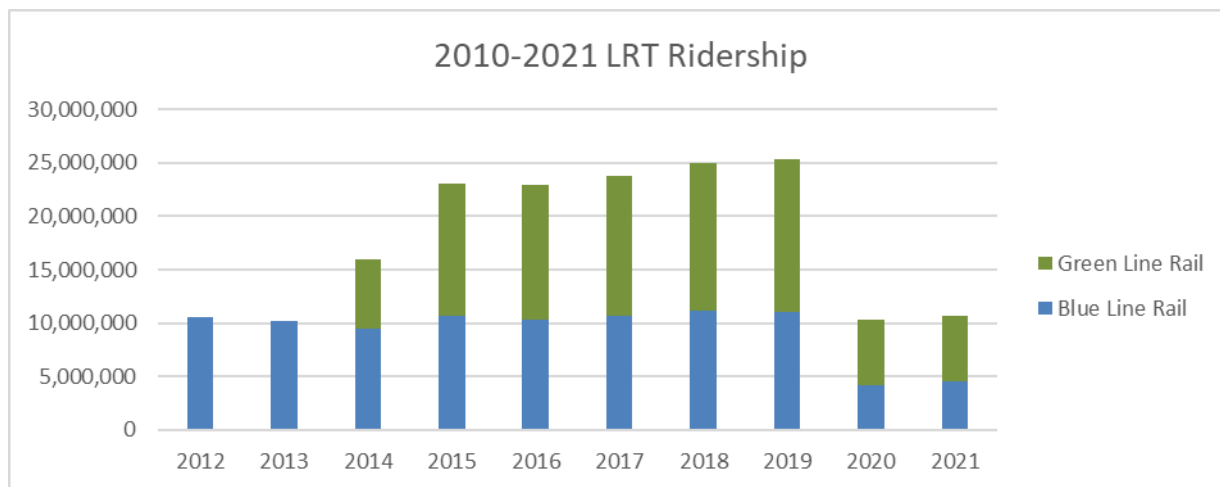
The METRO Green Line, completed in June 2014, is 11 miles long and connects downtown Saint Paul and downtown Minneapolis via University Avenue and the University of Minnesota. The corridor also travels through the State Capitol complex and the Midway area. The line has 18 stations and shares five stations with the METRO Blue Line in downtown Minneapolis. The Line makes three stops in downtown St. Paul, connects directly to the U.S. Bank Stadium Station and Target Field, and connects to the Northstar Commuter Rail line at Target Field.

The METRO Green Line operates service every 10 minutes during rush hours and midday, every 15 minutes in the early morning and evening hours, and less frequent service overnight. In 2021, the METRO Green Line provided 6.1 million rides.

RESULTS

Transit Ridership

This chart shows transit ridership provided by METRO Light Rail (Blue and Green lines).



In 2019, the METRO Green Line LRT achieved of 14.3 million annual rides, with average weekday rides of 44,004. This level of service exceeded the 2030 federal funding goal of 40,940. In 2019, the METRO Blue Line LRT had its second highest ridership at 11 million annual rides, with average weekday rides of 32,973. This level of service exceeded the 2020 federal funding goal of 24,600.

With the pandemic, METRO light rail ridership lost nearly 70% of its pre-pandemic ridership. Ridership trends have continued to improve with 2023 forecasted at 60% of pre-pandemic levels.

The legal authority for Light Rail comes from:

M.S. 473.3993 (<https://www.revisor.mn.gov/statutes/cite/473.3993>)

M.S. 473.3997 (<https://www.revisor.mn.gov/statutes/cite/473.3997>)

M.S. 473.3999 (<https://www.revisor.mn.gov/statutes/cite/473.3999>)

M.S. 473.4051 (<https://www.revisor.mn.gov/statutes/cite/473.4051>)

Program: Transit System Operations

Activity: Commuter Rail

<https://metro council.org/Transportation/Services/Metro-Transit.aspx>

AT A GLANCE

In calendar year 2021

- 38.1 million total regional transit rides
- 35.9 million total Council transit rides
- 50,433 total Council Commuter Rail Rides

PURPOSE AND CONTEXT

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As our region continues to grow and adds more vehicles to our transportation system, transit is an ever-more critical component to our transportation system. Transit provides a sustainable, efficient, and effective option to address increasing roadway congestion and improve air quality. It is one of the most important assets to businesses looking to attract and retain employees. Our transportation planners continually look for new and innovative ways to provide more efficient service that meets customer needs and to leverage the opportunities of emerging technologies to enhance the customer experience and improve service performance.

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SERVICES PROVIDED

The Metropolitan Council is responsible for the state’s largest public transit system, which provides nearly 36 million rides on bus and rail in the region. Metro Transit, which operates METRO light rail, bus services, and Northstar Commuter Rail, provides the bulk of those regional rides. Metro Transit has been at the forefront of

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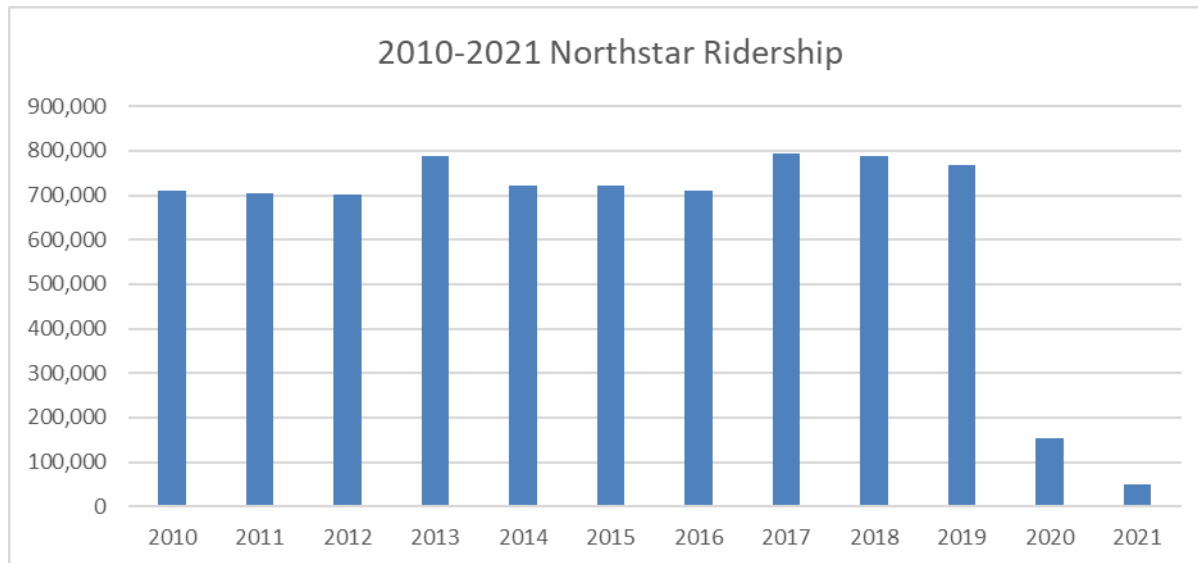
The American Public Transportation Association (APTA) named Metro Transit the 2016 System of the Year, recognizing the service for its safety, vehicle and facilities maintenance and operations, and record pre-pandemic ridership.

The Northstar Commuter Rail line, completed in 2009, travels 40 miles from Big Lake in Sherburne County to downtown Minneapolis, where it connects with the METRO Blue Line and the METRO Green Line at the Target Field Station. The project included an extension of the METRO Blue Line from the Warehouse District Station to Target Field Station, where it connects with the Northstar. The Northstar line provides 12 weekday trips. This breaks down to six inbound and six outbound trips, and one reverse-commute peak trip each morning and afternoon. The line serves six suburban park-and-ride stations on its way to downtown Minneapolis at Big Lake, Elk River, Ramsey, Anoka, Coon Rapids, and Fridley. Three round trips are offered on weekends. With the pandemic, service on the Northstar line in 2021 was reduced to four weekday trips and carried 50,433 rides in 2021. The 2023 forecast is to return to eight weekday trips and provide event rides to Target Field Station for Twins and Vikings games and other special events.

RESULTS

Transit Ridership

The next chart shows transit ridership provided by Northstar Commuter Rail. The Northstar Commuter Rail line in 2021 carried 50,433 rides with plans to increase service levels in 2023 and provide event rides to Target Field Station for Twins and Viking games and other special events.



The legal authority for Commuter Rail comes from:
M.S. 473.4057 (<https://www.revisor.mn.gov/statutes/cite/473.4057>)

Program: Transit System Operations

Activity: Planning

[https://metrocouncil.org/Transportation/Planning-2/Transportation-Planning-Process/Metropolitan-Planning-Organization-\(MPO\).aspx](https://metrocouncil.org/Transportation/Planning-2/Transportation-Planning-Process/Metropolitan-Planning-Organization-(MPO).aspx)

AT A GLANCE

- The Metropolitan Council serves as the federally designated Metropolitan Planning Organization (MPO) for the Twin Cities metro area.
- Prepares a long-range (20-year) Transportation Policy Plan for the region every four years.
- Selects projects for federal funding and prepares a four-year Transportation Improvement Program (TIP), through the Transportation Advisory Board (TAB), made up of local elected officials, and TAB's Technical Advisory Committee.

PURPOSE AND CONTEXT

Transportation is the engine of our regional – and state – prosperity. A reliable, affordable, and efficient transportation system promotes a competitive economy, safety and security, a healthy environment, and a livable region.

The Metropolitan Council serves as the federally designated Metropolitan Planning Organization (MPO) for the Twin Cities metro area. Federal funding for transportation projects and programs is channeled through the MPO planning process. Congress created MPOs to ensure that existing and future expenditures of governmental funds for transportation projects and programs are based on a "continuing, cooperative, and comprehensive (3-C)" planning process.

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Our planning supports Thrive MSP 2040 through leading the investment of funds in the regional solicitation process. The regional solicitation process allocates federal transportation funds to locally initiated projects to meet regional transportation needs. As the region's federally designated MPO, the Council works with the Transportation Advisory Board to review and allocate these funds, using an objective, data-driven, and transparent process.

SERVICES PROVIDED

The Metropolitan Council is responsible for regional transportation planning, including aviation, highway, and transit systems and operations. As the federally designated MPO for the seven-county metropolitan area, the Council must provide a continuing, coordinated, comprehensive transportation planning process in order to obtain federal transportation funds.

The Council must prepare a long-range (20-year) Transportation Policy Plan for the region every four years. We select projects for federal funding and prepare a four-year Transportation Improvement Program (TIP), through the Transportation Advisory Board (TAB), which is made up of local elected officials, and the TAB's Technical Advisory Committee. The TIP includes all federally funded transportation projects and is developed with significant input from citizens and interested groups.

The region’s Transportation Policy Plan comes together by collaborating with counties, cities, and townships to create a vision for a shared transportation system. The Metropolitan Council builds these partnerships to help make a stronger system possible that serves people and connects places across the region. Our responsibility is to listen to our partners and the people who live in the region to hear what they need in a transportation system. We then translate a shared vision for our region’s transportation system into investment plans and decisions that help build and maintain that system.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Dates</i>
Quantity	Transportation Policy Plan Update	2015, 2018, 2020
Quantity	Allocate Federal Funds through Regional Solicitation Process	2016, 2018, 2020, 2021

We maintain and use future-year travel forecast models to support planning for new transportation facilities. We periodically conduct a Travel Behavior Inventory to validate the models used to forecast regional demands.

The Council and the TAB select projects to receive federal transportation funding through the regional solicitation process. The two-year selection process involves soliciting projects from MnDOT, cities, counties, and transit providers. TAB and its Technical Advisory Committee then evaluate and rank the projects and select the final approved projects.

Legal authority for Planning comes from:

M.S 473.371 (<https://www.revisor.mn.gov/statutes/cite/473.371>)

M.S 473.1466 (<https://www.revisor.mn.gov/statutes/cite/473.1466>)

Program: Transit System Operations

Activity: Regional Administration

<https://metro council.org/About-Us/What-We-Do/Departments/Regional-Administration.aspx>

AT A GLANCE

- The calendar year 2022 adopted budget for Regional Administration was \$86.8 million and 364 FTEs
- In 2020 the total expenditures in Procurement were \$734 million

PURPOSE AND CONTEXT

Regional Administration includes Council leadership and centralized administrative services that support the operating divisions.

SERVICES PROVIDED

The Metropolitan Council’s administrative services consist of Information Services, Human Resources, General Counsel, Government Affairs, Communications, Risk Management, Program Evaluation and Audit, Procurement, Office of Equity and Equal Opportunity, Community Relations, Enterprise Content Management, Real Estate, and Finance and Budget.

RESULTS

Each year, the State Auditor audits the Council’s financial statement. The Council also submits the financial statement to the Government Finance Officers Association of the U.S. and Canada, which awards Certificates of Achievement for Excellence in Financial Reporting. The Council’s annual comprehensive financial report (ACFR, or Annual Report) has achieved this prestigious award for 38 consecutive years. In order to be awarded a Certificate of Achievement, a governmental unit must publish a ACFR that is easily readable and efficiently organized. The Council’s Annual Report satisfied both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

In 2020, the Council made procurement policy changes pursuant to Minnesota Statutes 471.345 to increase the micro purchase threshold for targeted suppliers of locally funded projects valued up to \$25,000. The Council also implemented a prevailing wage policy for locally funded construction projects that are expected to exceed \$175,000. In 2020, the Council’s changes to its procurement process included implementing electronic signatures and utilization of electronic submissions for bids and proposals.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	MCUB Utilization- Professional Goods and Services	4.0%	3.5%	2020, 2021 Q3
Quantity	MCUB Utilization- Construction	17%	21.2%	2020, 2021 Q3
Quantity	MCUB Utilization- Businesses owned by people of color	26%	38%	2020, 2021 Q3

A major goal of the Metropolitan Council Underutilized Business Program (MCUB) is to increase the utilization of small business firms owned by people of color, women, veterans, and people with disabilities through Council procurements using local and state funds. In 2020, the Council increased MCUB goals from 12% to 14% for Council expenditures on construction and from 8% to 10% for Council expenditures on professional and technical goods and services.

The legal authority for Regional Administration comes from:

M.S. 473.13 (<https://www.revisor.mn.gov/statutes/cite/473.13>)

M.S. 473.125 (<https://www.revisor.mn.gov/statutes/cite/473.125>)

M.S. 473.142 (<https://www.revisor.mn.gov/statutes/cite/473.142>)

M.S. 473.143 (<https://www.revisor.mn.gov/statutes/cite/473.143>)

M.S. 473.123 (<https://www.revisor.mn.gov/statutes/cite/473.123>)

M.S. 473.132 (<https://www.revisor.mn.gov/statutes/cite/473.132>)

Transit System Operations

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<u>Expenditures by Fund</u>								
1000 - General	32,854	32,654	90,654	32,654	32,654	32,654	61,854	32,654
1050 - Transit Assistance	291,630	353,449	355,077	369,367	364,374	369,356	364,374	369,356
3010 - Coronavirus Relief	361							
Total	324,845	386,103	445,731	402,021	397,028	402,010	426,228	402,010
Biennial Change				136,804		(48,714)		(19,514)
Biennial % Change				19		(6)		(2)
Governor's Change from Base								29,200
Governor's % Change from Base								4

Expenditures by Activity

Transit System Operations	324,845	386,103	445,731	402,021	397,028	402,010	426,228	402,010
Total	324,845	386,103	445,731	402,021	397,028	402,010	426,228	402,010

Expenditures by Category

Grants, Aids and Subsidies	324,845	386,103	445,731	402,021	397,028	402,010	426,228	402,010
Total	324,845	386,103	445,731	402,021	397,028	402,010	426,228	402,010

Transit System Operations

Program Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
1000 - General								
Direct Appropriation	32,854	32,654	90,654	32,654	32,654	32,654	61,854	32,654
Expenditures	32,854	32,654	90,654	32,654	32,654	32,654	61,854	32,654
Biennial Change in Expenditures				57,800		(58,000)		(28,800)
Biennial % Change in Expenditures				88		(47)		(23)
Governor's Change from Base								29,200
Governor's % Change from Base								45

1050 - Transit Assistance

Balance Forward In	23	32	101					
Receipts	291,607	353,426	354,976	369,367	364,374	369,356	364,374	369,356
Balance Forward Out		9						
Expenditures	291,630	353,449	355,077	369,367	364,374	369,356	364,374	369,356
Biennial Change in Expenditures				79,365		9,286		9,286
Biennial % Change in Expenditures				12		1		1
Governor's Change from Base								0
Governor's % Change from Base								0

3010 - Coronavirus Relief

Direct Appropriation	361							
Expenditures	361							
Biennial Change in Expenditures				(361)		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

Program: Metro Mobility

<https://metrocouncil.org/Transportation/Services.aspx>

AT A GLANCE

- Metro Mobility is a shared-ride public transportation service for certified riders who are unable to use regular fixed-route buses due to a disability or health condition.
- In calendar year 2021
 - 38.1 million total regional transit rides
 - 35.9 million total Council transit rides
 - 1.8 million Metro Mobility rides

PURPOSE AND CONTEXT

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Transit functions are funded by Motor Vehicle Sales Tax (MVST) revenues, state appropriations, passenger fares, local (county) sales taxes, federal revenue, federal relief funds, advertising revenues, and other local sources.

The Council adopted equity as one of the outcomes of Thrive MSP 2040, its regional growth and development plan, and we use our influence and investments to build a more equitable region. We work to create real choices for where we live, how we travel, and where we recreate for all residents – across race, ethnicity, economic means, and ability.

Our transportation budget supports Thrive MSP 2040 through investments and programs, including the Arterial Bus Rapid Transit (BRT) Program, Better Bus Stops, Better Bus Routes/Speed and Reliability, Transit Assistance Program (TAP), Metro Transit Police Department Homeless Action Team (HAT) and increasing transit personnel presence on vehicles and at stations.

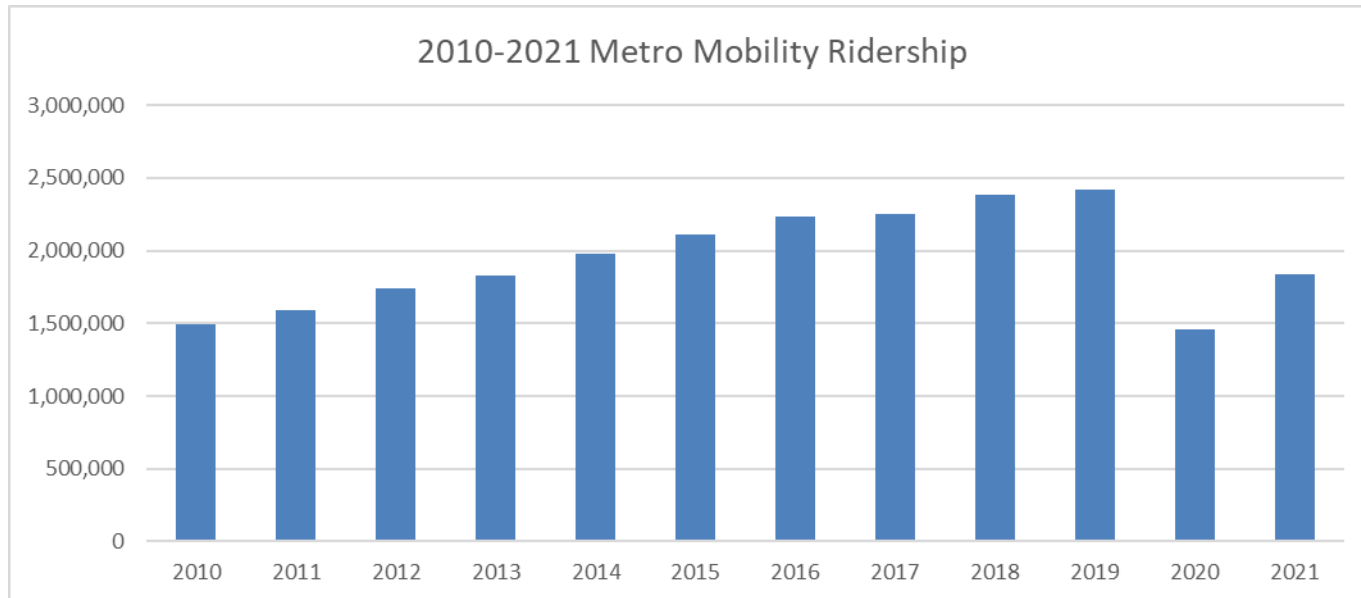
With the pandemic, we have faced the sudden loss of between 60% to 70% of our ridership while initiating an extensive maintenance cleaning program for all vehicles, customer facilities, and support facilities. Ridership on most of our services is forecasted to remain lower in 2023 but is forecasted to continue to improve with Metro Mobility ridership forecasted at pre-pandemic levels, light rail ridership forecasted at 60% pre-pandemic levels, the bus system forecasted at 65%, and Northstar commuter rail forecasted at 20% pre-pandemic levels. The Metropolitan Council continues to monitor and evaluate ridership impacts from the pandemic on a daily and weekly basis to evaluate services and the need for service adjustments.

SERVICES PROVIDED

Metro Mobility provides on-demand transit service for certified riders whose disabilities prevent them from using the regular-route transit system. Metro Mobility provides service in the region to complement regular-route service, as required by the Americans with Disabilities Act.

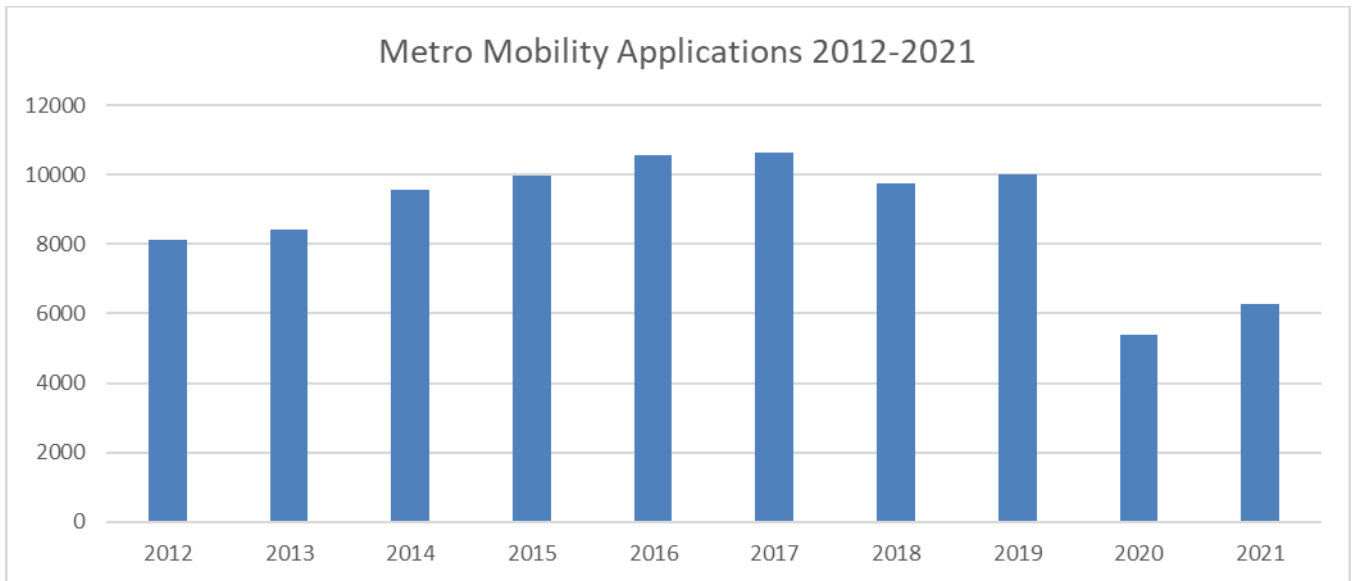
RESULTS

Transit Ridership



While the demand for Metro Mobility service has increased dramatically over the past decade, with ridership increasing over 80% between 2006 and 2019, regular Metro Mobility ridership was significantly impacted by Covid-19 in 2020. In 2019, system ridership exceeded 2.3 million rides, an increase of 6% over 2017. Beginning in March 2020, Metro Mobility ridership initially fell 80%, with a slow return to approximately 40% of the regular service by year’s end. Regular Metro Mobility weekly ridership slowly increased in 2021 to over 70% of pre-pandemic levels. Total system ridership in 2021 was 1.8 million rides.

Metro Mobility also has an increasing number of active customers using the service. Active customers are defined as customers who used Metro Mobility within the past year. Prior to the pandemic, the number of applications for new certifications grew – in 2019, 63% of applications were new, compared to 48% in 2014. Applications dropped significantly in 2020 during the pandemic and began slowly recovering in 2021.



Active Metro Mobility Riders by Year

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Active Riders	15,321	17,138	18,973	19,983	20,794	20,626	21,475	21,982	19,009	17,500

The legal authority for Metro Mobility comes from:

M.S. 473.386 (<https://www.revisor.mn.gov/statutes/cite/473/full#stat.473.386>)

Americans with Disabilities Act (<https://www.ada.gov/>)

Metro Mobility

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<u>Expenditures by Fund</u>								
1000 - General	80,336	70,166	56,416	55,976	55,976	55,976	55,976	55,976
Total	80,336	70,166	56,416	55,976	55,976	55,976	55,976	55,976
Biennial Change				(38,110)		(440)		(440)
Biennial % Change				(25)		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Activity

Metro Mobility	80,336	70,166	56,416	55,976	55,976	55,976	55,976	55,976
Total	80,336	70,166	56,416	55,976	55,976	55,976	55,976	55,976

Expenditures by Category

Grants, Aids and Subsidies	80,336	70,166	56,416	55,976	55,976	55,976	55,976	55,976
Total	80,336	70,166	56,416	55,976	55,976	55,976	55,976	55,976

Metro Mobility

Program Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
1000 - General								
Direct Appropriation	80,336	70,166	56,416	55,976	55,976	55,976	55,976	55,976
Expenditures	80,336	70,166	56,416	55,976	55,976	55,976	55,976	55,976
Biennial Change in Expenditures				(38,110)		(440)		(440)
Biennial % Change in Expenditures				(25)		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0