

Attachment A

Minnesota Department of Transportation Passenger Rail Office 2016 Legislative Proposals

Legislation

1. Proposed Bonding Legislation

This \$21 million G.O. bonds request is to provide non-federal matching funds for implementation of passenger rail service along several corridors in the state and connecting Minnesota to the upper Midwest. Capital improvements include preliminary engineering, design, engineering, environmental analysis and mitigation, acquisition of land and right-of-way, construction and to pay for costs of agency staff directly attributable to capital projects. These corridors include the Northern Lights Express service to Duluth, a second daily Amtrak train between Chicago and the Twin Cities, and development of other corridors identified in the 2014 State Rail plan including the Rochester Zip Rail.

The bonding request will provide a state match to local and/or federal funding that may be available for continued project development. Potentially two projects could be ready for construction and implementation within the next 3-4 years.

2. State Rail Fund

Implementation of projects in the State Rail Plan is progressing to the point where a sustainable, dedicated fund for passenger rail is needed. The proposal is to transfer property taxes paid by railroads to a dedicated passenger and freight rail fund. The total amount is estimated for FY'16 is approximately \$14.2 million. To lessen the immediate impact on the general fund, a gradual reallocation is recommended (an additional 10% every year for 10 years). This fund could be structured for both passenger and freight rail. For example, the fund could be but not limited to, a source for matching funds, staff expenses, consultant work, project oversight and administration of the freight and passenger rail program. Funding for freight improvements can also have a direct benefit to development of passenger rail services.

This proposed legislation is a recommendation from the Statewide Freight and Passenger Rail Plan – funding and Governance Study completed in 2011. These resources would improve access to transportation, and would increase safety for both freight and passenger rail.



Minnesota High Speed Rail Commission Resolution 2016-01

Resolution supporting the 2016 Minnesota Passenger Rail Legislative Initiatives

WHEREAS, the Minnesota High Speed Rail Commission (Commission) is a political subdivision and local government unit of Minnesota; and

WHEREAS, the Commission is established by Joint Powers Agreement by and between Dakota County Regional Railroad Authority, Goodhue County Regional Railroad Authority, Ramsey County Regional Railroad Authority, Wabasha County Regional Railroad Authority, Winona County Regional Railroad Authority, City of Saint Paul, City of Saint Paul Park, City of Cottage Grove, City of Hastings, City of Red Wing, City of Lake City, City of Wabasha, City of Goodview, City of Winona, City of St. Charles, City of Utica; and

WHEREAS, the Commission is working to establish high speed intercity passenger rail service between the Union Depot Multi-Modal Transit Hub in St. Paul and Chicago along the current Amtrak Empire Builder route in Minnesota which parallels the Mississippi River; and

WHEREAS, MnDOT's Passenger Rail Office has leveraged over \$40 million in federal funds with \$26 million in bonding previously provided by the Minnesota legislature; and

WHEREAS, non-federal funding is needed to complete engineering, design, environmental analysis and mitigation, acquisition of right-of-way, construction and other costs directly attributable to the Northern Lights Express service to Duluth, a second daily Amtrak train between Chicago and Saint Paul, and development of other passenger rail corridors identified in the 2014 State Rail plan; and

WHEREAS, it is recognized that there is a shared benefit with freight rail by addressing changing infrastructure needs, safety, and capacity constraints

NOW, THEREFORE BE IT RESOLVED, that the Minnesota High Speed Rail Commission recommends to the Commissioner of Transportation, and the Dayton Administration that the following legislative policy and funding requests identified in Attachment A, (Passenger Rail Office – 2016 State Legislative Proposals) be included the Department's legislative initiatives for the 2016 State Legislative session: the \$21 million general obligation bonding request for passenger rail service, and the gradual reallocation of railroad property tax to a state railroad fund, and passenger rail project's design review requirement exemption.

BE IT FURTHER RESOLVED that the Minnesota High Speed Rail Commission supports the inclusion of funding for MnDOT's Office of Passenger Rail within MnDOT's budget for the delivery of passenger rail projects and implementation of the State Rail Plan.

Approved:

Chairperson

I hereby certify that the foregoing resolution is true and correct copy of the resolution presented to and adopted by the Minnesota High Speed Rail Commission at a duly authorized meeting thereof held on 7th day of January, 2016.

Party	Member	Yes	No	Abstain	Absent
Ramsey Co.	Chair Rettman				
Dakota Co.	M. Slavik				
Goodhue Co.	T. Seifert				
Wabasha Co.	B. Goihl				
Winona Co.	J. Pomeroy				
Cottage Grove	J. Peterson				
Goodview	Mike Alexander				
Hastings	M. Vaughn				
Lake City	A. Peters				
Red Wing	D. Bender				
St. Charles	W. Getz				
St. Paul	R. Stark				
St. Paul Park	K. Franke				
Utica	G. Sanders				
Wabasha	R. Hall				
Winona	Michelle Alexander				