

Value Pricing and Public Outreach

Minnesota's Lessons Learned

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The feasibility and worth of value pricing transportation projects are well documented, but gaining approval for projects has been thwarted by an inability to sell the public and key stakeholders on the concept. Value pricing advocates in Minnesota struggled with this challenge for more than a decade. After several Minnesota value pricing projects failed because of a lack of public support, Minnesota supporters implemented a revised public outreach strategy in 2001. With the use of that strategy, they met with success in 2003 in the approval of the I-394 MnPass project, which will be implemented in spring 2005. The communications-related lessons learned in Minnesota during the decade-long case study may be instructive for others struggling to gain approval for their own projects.

Increasingly, transportation officials are looking to value pricing as a tool for managing traffic congestion. Although the concept has proven technically feasible, public acceptance has never come easily. Minnesota's struggles with this issue provide an interesting case study for those considering using this tool.

Value pricing, also known as congestion pricing and peak period pricing, is the policy of charging drivers on a congested roadway a fee that varies with the level of usage. The purpose of the policy is to allocate scarce roadway space in an economically efficient manner. Value pricing has been a matter of policy debate for almost half a century. Following the enactment of the Federal Highway Revenue Act of 1956, some looked to the concept to meet financing and urban congestion management needs. With the initiation of value pricing projects in southern California, Texas, Florida, and New York in the 1990s, the technical feasibility, value, and public support for value pricing projects have now been established (1, 2).

Still, value pricing projects have not been implemented as aggressively as supporters had hoped. In 1994, a national Committee for Study on Urban Transportation Congestion Pricing described the crux of the problem. "The reasons for rejection of congestion pricing in the past have not changed. Any shift from the current system of financing and using the transportation system toward more market-like mechanisms can be expected to engender public and political resistance" (3, p. 24).

Numerous studies have shown that the failure to attend to the information needs and concerns of stakeholders too often and too predictably leads to poor performance, outright failure, or even disaster (4). One such study is Paul Nutt's *Why Decisions Fail*, which

analyzed 400 strategic decisions and found that half had failed in large part because decision makers failed to attend to the interests of and information held by key stakeholders (5). Aaron Wildavsky, in his classic work on policy analysis, argued that one of the keys to effective policy change is "creating problems that could be solved." To be really useful, policy analysis requires linking technical rationality with political rationality in order "to mobilize support for substance" (6).

VALUE PRICING IN MINNESOTA

Minnesota has experienced a great deal of the kind of "public and political resistance" referred to in the 1994 national study on congestion pricing. Using funding from FHWA's Congestion Pricing and Value Pricing Pilot Programs and the Minnesota Department of Transportation (MnDOT), the University of Minnesota's Humphrey Institute of Public Affairs has conducted research and worked with Minnesota transportation and community leaders since 1994 to educate stakeholders and the general public about the concept. The Humphrey Institute's State and Local Policy Program conducted a Citizens' Jury with MnDOT and the Metropolitan Council in 1995 and has conducted research, education, and outreach activities related to political and institutional issues of congestion pricing since that time at both the state and national levels (7).

Despite these efforts, public opposition to value pricing projects has been a major sticking point in Minnesota. For example, in 1996 a proposed public-private partnership to build a toll road on Minnesota Highway 212 was blocked by a city council veto of one of the suburbs in the corridor because of local opposition to the project. A year later a proposal by MnDOT to convert the I-394 high-occupancy vehicle (HOV) lane to a high-occupancy toll (HOT) lane was withdrawn after public concerns were raised in various forums and a local political leader placed full-page ads in newspapers characterizing the HOT lane as primarily benefiting wealthy people. Then-MnDOT Commissioner James Denn ultimately withdrew the proposal, noting, "I do not believe the proposed I-394 demonstration project enjoys the level of public understanding that is necessary for it to receive the objective analysis and fair consideration we seek." At the same time, a MnDOT spokesperson said that the top two public criticisms were the perceived impact of value pricing on (a) HOV use and (b) economic fairness (8).

In the wake of this political setback, MnDOT and the Humphrey Institute's State and Local Policy Program (SLPP), with a grant from FHWA's Value Pricing Pilot Program, modified their public outreach strategy when they raised the idea again in 2001. MnDOT staff involved in the previous efforts had concluded that public education and political leadership were key conditions for any future success of value pricing in Minnesota (9). This time, a communications consul-

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tant with experience in the political arena was hired to help coordinate and execute public outreach efforts. An engineering firm with knowledge of value pricing and area highway corridors was also hired to help answer the public's detailed questions and support the education and outreach effort. Finally, the Humphrey Institute convened a diverse Value Pricing Advisory Task Force of key community stakeholders, led by former state senator Carol Flynn, who had chaired the Minnesota Legislature's Senate Transportation Committee.

The Task Force members initially were skeptical about value pricing. However, after an intensive yearlong education process and lengthy committee discussions, the body ultimately decided to recommend three options for piloting the concept in Minnesota (10). Among the Task Force's January 2002 recommendations was, once again, the I-394 HOV lane project that had been rejected because of what local newspapers at the time described as "widespread public opposition." Clearly, the future of the proposal depended on improving communications with key stakeholders and the general public.

MINNESOTA'S PUBLIC OUTREACH INITIATIVE

Extensive research has found that public relations initiatives can help organizations (or in this case, a coalition) build constructive long-term relationships with the most strategically relevant stakeholders (11). Starting in 2002, the Humphrey Institute began a new effort to build such strong stakeholder relationships with an organized and disciplined public outreach initiative.

The Humphrey Institute and its communications consultant coordinated a public education effort that included dozens of small group visits with legislators, interest group leaders, state government leaders, municipal officials, and transportation and transit advocates. The effort also included large group dialogues with civic groups, marketing research to learn more about consumers' concerns, newspaper editorial board exchanges, news reporter discussions, use of guest commentaries to explain the concept in greater detail, convening of several public policy roundtable discussions between issue experts and the public, and facilitation of numerous news stories to broaden knowledge about the idea.

Ultimately, in 2003, the Minnesota Legislature adopted legislation allowing the I-394 value pricing project to proceed. The legislation passed with strong bipartisan support and surprisingly little controversy. Following the passage of the legislation, newly appointed Commissioner of Transportation Carol Molnau announced her intention to implement the I-394 project, and newly elected Governor Tim Pawlenty publicly announced his support for the project as well. The project is scheduled to open in spring 2005.

LESSONS LEARNED

What happened in Minnesota from the time the I-394 proposal was withdrawn under fire in 1997 and the project's legislative endorsement in 2003? Certainly, external developments during this period supported the case for value pricing, including worsening traffic congestion, record-setting state government budget deficits, a public pledge made by many legislators to not vote for tax increases, and a highly visible analysis documenting the excess capacity in the I-394 HOV lane.

But the multidisciplinary public education initiative coordinated by the Humphrey Institute also played a supportive role in paving the way for the I-394 project. The lessons learned from this case study are the subject of this paper.

Top-Level Champions are Helpful

Prior to 2003, value pricing in Minnesota had enjoyed the support of some midlevel state government officials, but not the active support of top legislative leaders or the governor. During this time, value pricing advocates learned that it is very difficult to maximize public outreach efforts without the support of higher-level officials. These advocates were a small group of academics, transportation leaders, local officials, and community leaders who strongly believed that value pricing is an important tool for managing congestion and finance transportation improvements and that this tool should be tested in Minnesota. Although many factors influenced the governor's decision to become a value pricing champion, he and his staff did have discussions with several individuals involved in this public outreach initiative and eventually became convinced that this was a "bold, innovative way to reduce congestion for Minnesota drivers" (12).

When the governor decided to back the I-394 project, it quickly became apparent that gubernatorial support is a very powerful asset that can energize a public outreach initiative. Gubernatorial support paid off in Minnesota in at least two ways. First, the support of the governor helped marshal the active support of his transportation department and entire administration, as well as the governor's allies in the public, private, and nonprofit sectors. Second, the governor's support was an invaluable asset because governors possess a highly visible communications platform from which to persuasively advocate a public policy agenda. In Minnesota, the governor was able to use this platform to thoroughly explain the issue to skeptical stakeholders and citizens. Efforts to communicate value pricing to the public through midlevel officials were successful prior to the endorsement of the governor and his administration, but they became more successful after the endorsement.

"Grasstops" Coalition Is a Prerequisite

Because Minnesota's value pricing proponents saw the need for high-level gubernatorial and legislative support, their public outreach effort was directed particularly at those influential with such officials. Governors, top legislative leaders, and their staff members all have a cadre of interest groups, state and local officials, and citizens with whom they consult. In contrast to a "grassroots" coalition made up of large groups of citizens, this much smaller group of community leaders can be collectively thought of as a "grasstops" coalition. In Minnesota, building a broad grasstops coalition of respected, thoughtful leaders proved to be a valuable tool in helping secure the support of higher-level elected leaders. Building this coalition entailed briefing such leaders, individually and in groups. If leaders expressed support for the concept, they often would be asked to help participate in grasstops contacts within their sphere of influence. Through this process of peer-to-peer discussion, the grasstops coalition gradually grew over time.

Task Force Is an Efficient Education Tool

The Value Pricing Advisory Task Force was an effective and efficient tool for building a grasstops coalition of community leaders. In four half-day meetings scheduled over the period of a year, the task force brought together 30 state and local elected officials, businesspeople, environmentalists, and advocates of highways, transit, and carpools to learn about the complex issue of value pricing. Members of the task force praised the chair for conducting meetings in an open,

inclusive, and fair manner. In addition to effectively serving as a sort of “Value Pricing 101” class about the concept and how it has worked elsewhere, the forum also helped open dialogues and build trust within a diverse group.

Task Force Identifies and Mobilizes Champions

Over the years, Minnesota’s value pricing supporters had long identified the need for a group of credible messengers to champion their cause for them, but they had had difficulty enlisting such champions. The Advisory Task Force served as a useful tool for identifying, educating, and empowering credible local champions. At the last meeting of the task force, the chair asked if any members would like to help champion the idea to their peers and constituents, and a diverse group of members volunteered. The communications consultant and the Humphrey Institute’s public outreach team, a loosely knit group of about a dozen engineers, politicians, transportation planners, and public policy experts from various groups who had a particular interest or expertise in public outreach, helped pair the right champion with the right outreach task. This was one of the most valuable outcomes of the task force process.

Coalition Requires Constant Maintenance

“Politics makes strange bedfellows,” the political adage goes. Perhaps nowhere is this more true than on the issue of value pricing. Minnesota value pricing proponents learned that value pricing appeals to a diverse group of stakeholders who have often been at odds with one another—businesspeople and environmentalists, solo drivers and HOV users, urban interests and suburban interests, Republicans, Democrats, and Independents. Although this kind of diversity is a source of tremendous strength for any public policy coalition, Minnesota advocates also learned that maintaining cohesion, trust, and cooperation within the coalition is challenging. Maintaining a coalition of such “strange bedfellows” required constant monitoring and tending by individuals with experience in managing diverse public policy-oriented coalitions.

Preparation Must Precede Promotion

Typically, public education initiatives begin with an effort to seek news media coverage. However, Minnesota value pricing advocates have learned from past experience that seeking news coverage prematurely can be problematic. Most Minnesota stakeholders, citizens, and reporters had not yet been adequately informed about the complex concept and the latest findings from value pricing projects in other states. Therefore, news media coverage was not proactively sought by Minnesota’s value pricing proponents until the following communications tools were available: diverse and credible messengers, visual tools to explain the concept, and detailed answers to all potential questions from the public.

In addition to public outreach preparation, Minnesota advocates also did substantial amounts of technical preparation. In the past, Minnesota value pricing supporters had seen that stakeholders and citizens have many extremely detailed questions about how value pricing works. Furthermore, advocates learned that every time they answered a question “we don’t know yet,” public skepticism about the feasibility of the proposal grew. Therefore, in 2001, the coalition retained an

engineering firm to identify preliminary answers to technical issues associated with the I-394 project. For example, the engineering firm conducted preliminary investigations about the type of technology that could be employed. It also developed rough project costs. The ability to provide detailed answers to technical questions helped convince the community that the concept of value pricing was a proven traffic management tool, not a risky, speculative experiment.

After advocates completed their preparation work, news media coverage was sought. By that point, supporters were well prepared to answer all questions.

No Question Goes Unanswered

In past value price discussions, Minnesota advocates saw how quickly public confidence in value pricing can wane. They learned that an accusation unanswered can quickly become an accusation believed. For that reason, a public outreach team was formed to rapidly answer any and all questions posed by stakeholders, citizens, or news reporters. The team met weekly to discuss proactive tactics to preempt criticism and reactive tactics for addressing pending questions. The most frequently raised public concerns had to do with technical feasibility, equity, impact on HOV use, and public acceptance. Armed with solid answers to all of these questions, the team immediately addressed them before misunderstandings could fuel the kind of public opposition that had led to the rejection of value pricing projects in the past.

Seize the Day

Minnesota’s value pricing advocates had a communications plan, but they frequently deviated from the original plan to seize unforeseen messaging opportunities. For example, when a local survey showed a surprising amount of local public support for the concept of value pricing, advocates quickly shared the information with Minnesota news reporters, most of whom had years earlier concluded that the idea was infeasible because of a lack of public support. When a MnDOT study documented the excess capacity in the I-394 HOV lane, value pricing supporters quickly seized this as an educable moment to make the case that value pricing was a proven way of using the excess capacity without compromising HOV preference. When a 2002 California survey showed that southern California citizens of all income levels used and supported HOT lanes, that information was widely shared with stakeholders and reporters who had earlier characterized HOT lanes as “Lexus Lanes” that were only for the wealthy. These were all unforeseen developments, but Minnesota advocates learned that once they had a communications infrastructure in place, they could seize the opportunities that new developments presented.

Customize Messages

Over the years, Minnesota value pricing advocates had searched for a universal set of key messages that would effectively communicate the merits of the concept to the general public. However, starting in 2002, Minnesota advocates abandoned the notion of using a one-size-fits-all message strategy. Instead, they customized messages for each individual audience. Different messages were emphasized for conservatives, liberals, business people, environmentalists, transit advocates, carpool advocates, and single-occupant vehicle (SOV)

users. For example, the messages to conservatives focused on market-based, nontax approaches to providing additional road capacity. The messages to liberals, transit advocates, and environmentalists focused on equity, environmental benefits, choice, and the potential for improving transit. The messages for businesses focused on reducing the cost of congestion and increasing reliability. The carpool advocates were assured that they would maintain their priority on the HOT lane, that the level of service would not be impaired, and that they would have additional choices if they did not carpool on some days. The SOV users were shown the electronic tolling technology, assured that there were no toll booths, and presented the HOT lane as a new choice that was not previously available.

Although some common themes were used for all groups, the messages were tailored to appeal to each individual group's unique values, needs, and motivations. Instead of using one set of materials, individualized materials were developed for each major group. This more tailored communications approach helped ensure that each group was getting information relevant to them and ultimately helped build a broad, diverse coalition of supporters.

Accentuate the Positive

In the past, value pricing advocates may have inadvertently over-emphasized the costs associated with the concept when communicating with the public. More recently, they have attempted to focus their communications more on the benefits of value pricing, and less on the costs. For instance, terms like "value pricing," "congestion pricing," "peak period pricing," and "high occupancy toll lanes" all prominently highlight the cost for consumers (note the repetition of the word "price" and the use of the word "toll"). Minnesota advocates more recently have used the term "express lanes" and "MnPass," because this language focuses more directly on the consumer benefit. Similarly, Minnesota advocates intervened to alter a survey that was going to ask consumers if they would support paying tolls. Instead, they convinced survey sponsors to rephrase the question to present both the costs and the benefits of the I-394 project, as follows: "Would you support or oppose having an option of paying a fee to use an uncongested freeway lane when in a hurry?" Phrased in a way that described both costs and benefits, the survey found much more local support than had past surveys.

Choice Sells

One of the three pilot projects recommended by the Minnesota task force would have charged peak period tolls in a highly congested construction zone, the I-35W/Highway 62 Crosstown Commons reconstruction project. In this proposed pilot project, the toll would have been used as a way to encourage drivers to travel at off-peak times whenever possible. Notably, this project received much less support in the community than the I-394 HOT lane proposal, for one primary reason: On the Crosstown project, tolling would have been charged on all lanes, whereas the I-394 proposal gave drivers a choice of whether to use a tolled or untolled lane. Minnesota advocates quickly learned that it is easier to build public support for projects that offer drivers a choice. For that reason, the choice component of the I-394 project was always emphasized when the project was described. For instance, standard language introducing the project emphasized choice: "With Express Lanes, solo drivers have the option of paying a fee to use the uncongested HOV lane when they are in a hurry."

Nongovernmental Facilitator Is Valuable

The fact that the University of Minnesota's Humphrey Institute took the lead in facilitating public outreach activities instead of a governmental body may have been advantageous. To some stakeholders, an educational and outreach initiative led by an academic institution may have seemed more acceptable than an initiative led by governmental agencies. For that reason, the Institute may have been able to convene the diverse group of stakeholders and build consensus among them without encountering as much distrust as a governmental entity may have.

Show, Don't Just Tell

Minnesota value pricing supporters found in their market research that even people who are well briefed on the concept of value pricing have a difficult time fully understanding it. It is particularly difficult for them to understand how variable pricing can keep the tolled lanes from becoming congested. For many, value pricing literally has to be seen to be believed. For this reason, and because visuals have been shown to be more compelling and memorable than words, Minnesota advocates used visuals to explain the concept. For example, videotape of underutilized local HOV lanes and successful HOT lanes in other parts of the country was provided to TV news reporters and stakeholders to help viewers visualize the problem and the proposed solution. With some audiences a 13-min videotape produced by the Humphrey Institute was used to show how "real" people respond to congestion-relief toll projects in California (13). In meetings, actual transponders were often passed out to help people see and feel how electronic tolling would work. In speeches given to civic groups, videotape and photo-intensive PowerPoint presentations were used to paint a vivid picture of what value pricing looks like. These pictures were much more meaningful to most audiences than were verbal explanations of value pricing abstractions.

Managing Success Provides New Challenges

For more than a decade, Minnesota's value pricing advocates toiled in relative obscurity. When widespread political support finally did surface, it came relatively quickly. As a result, Minnesota's advocates are learning yet another lesson: attempting to guide and shape stakeholder enthusiasm for value pricing is proving just as challenging as generating the enthusiasm in the first place. The need to ensure that value pricing is used appropriately is providing a whole new set of communications challenges for Minnesota's value pricing supporters.

CONCLUSION

The lessons learned in Minnesota's struggles to build public support for value pricing are not universal lessons that will apply in all cases. Each individual locality is unique, and each public outreach initiative has to be tailored to fit local circumstances. But some of Minnesota's lessons may be instructive as the concept and application of value pricing are debated across the nation.

The Minnesota experience supports the need for an effective communications strategy combined with the involvement of key stakeholders in education and outreach. This case study also demonstrates how technical rationality and political rationality can be linked to mobilize support for substantive policy change.

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