



News Release

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Business Leaders Call for Special Session to Address Transportation Needs

Let voters decide whether to expand TRAX/transit with a sales tax increase

The 2015 Transportation Alliance – a broad-based group of business and community leaders and an affiliate of the Salt Lake Chamber – today called upon the governor to convene a Special Session of the Utah Legislature so that county officials and voters can decide whether they support a sales tax increase to pay for the expansion of TRAX light rail, commuter rail, and other transit and transportation opportunities.

The request for a Special Session is based on the results of an independent study by national transportation experts that showed that failure to invest in additional highway and transit projects will mean a near *tripling* of congestion in Utah by 2030. If new capacity is not added, commute trip times will lengthen significantly. For example, commute times between Salt Lake City and Provo are projected to increase from 60 minutes to 90 minutes and from Salt Lake City to South Jordan from 40 minutes to 60 minutes without new revenue.

These significant increases in congestion occur because of an estimated \$21.3 billion discrepancy between expected revenues and anticipated needs. This scenario is unacceptable to Utah's business community.

"We face an economic imperative to invest in transportation now, or accept an underperforming, less competitive economy in the future," said Lane Beattie, President and CEO of the Salt Lake Chamber. "Nothing will stall an economy faster than gridlock. Business costs will rise and our life quality will decline. For these reasons we are asking the governor to convene a Special Session of the Utah Legislature to authorize a ballot vote this November on this important economic issue."

The independent transportation study, commissioned by the 2015 Transportation Alliance, verified the need for aggressive transportation investment in order to serve Utah's rapidly growing population and even faster growth in travel demand. Within 25 years another one-and-a-half million people will live in Utah. Even more startling, growth in travel demand is doubling the pace of population growth, putting Utah on a course for a transportation meltdown.

"It is time to go beyond planning and studying. It is time to act," said Scott Anderson, CEO and President of Zions Bank and Co-Chair of the 2015 Transportation Alliance. "While the price is high, the cost of inaction is much greater. We need a balanced, comprehensive, statewide strategy to address Utah's transportation crisis."

The Alliance supports letting voters decide, on a county-by-county basis, whether a uniform one-cent sales tax for transit and other transportation improvements is desirable. Both Phoenix and Denver already have a one-cent sales tax for transit in place. By matching this rate uniformly across Utah's most populous counties, the region could complete all of the following projects by 2015, 15 years ahead of schedule:

- FrontRunner commuter rail from Salt Lake City to Provo
- Mid-Jordan TRAX light rail
- West Valley TRAX light rail
- Draper TRAX light rail
- Airport TRAX light rail
- Weber County fixed guideway
- Utah County bus rapid transit
- Davis County fixed guideway
- Other infrastructure projects (including local roads)

Davis, Salt Lake and Weber County already have a ½-cent sales tax for transit, so this proposal would add an additional ½ cent, with voter approval. Most of Utah County is at ¼ cent for transit and so a ¾-cent increase would need to be approved by voters in Utah County.

Under this proposal, a three-step process would have to occur before there was any tax increase to Utah residents. First, the legislature would need to grant county leaders the authority to place the sales tax option on the ballot. Second, county leaders would need to authorize that the choice be placed on the ballot. And, third, the people would have to support the measure with an affirmative vote in the November election.

Business leaders recognize the size, boldness and unprecedented nature of this proposal. They take this step knowing that action today will save hundreds of millions of dollars from the final price tag. For example, the average increase in cost for capital projects nationally due to inflation was around 4 percent for many years. In 2005, largely as a consequence of hurricane Katrina and global market forces, costs increased by 15 percent. The costs of rights-of-way and planning and environmental work are also on the rise. The needs are not going to go away and the costs rise each year that we wait.

The initial recommendations of the 2015 Transportation Alliance are focused on transit because of the narrow window required for a ballot initiative. Transit expansions have typically been approved by residents through a vote, and Alliance members do not want to fall behind another year. The Alliance will propose a highway funding package to be considered by the Utah Legislature in the 2007 General Session of the Utah Legislature.

About the 2015 Transportation Alliance

The 2015 Transportation Alliance is a broad-based, business-led effort to accelerate transportation investment in Utah. The Alliance seeks to help fund a balance of highway and transit projects identified in the 2030 transportation plans in half the time. The Alliance is led by two co-chairs: Scott Anderson (Zions Bank) and Kem Gardner (Gardner Development Company) and includes a 12-member board and 40-member policy committee. For more information on the Alliance's membership visit their Web site at www.2015Utah.com.