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THE 2015 TRANSPORTATION ALLIANCE

Ensuring Mobility for a Strong Economy

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Dear Utah resident,

Utah's transportation crisis worsens by the week. With Utah growing by 88,000 people a year and vehicle miles traveled mushrooming at double the rate of population growth, we are on course for a slow-motion transportation meltdown, a point at which our economy and quality of life are seriously threatened.

Utah's business community, working in partnership with elected leaders at all levels, is determined to take action to avert overwhelming congestion and gridlock before it spirals out of control. As you know, transportation projects take years of planning and construction, and costs are escalating rapidly. Our challenge grows larger and more costly each passing month. This problem will never solve itself. It will take forthright leadership and action by Utah political and business leaders.

That's why we are proposing a bold initiative that we hope you will support. Thanks in part to excellent work already accomplished by the Legislature and local government leaders, we believe a vision, a foundation, and momentum are in place to launch a major transportation initiative. We are confident Utah citizens are ready to support this effort.

Studies over the last few years by the Legislature, local governments, UDOT, Utah Transit Authority, and multi-county planning agencies have identified projects that must be completed and financing options available. On the business side, transportation funding has risen to become the No. 1 priority of the Salt Lake Chamber and other business organizations and chambers of commerce across the state. The seriousness of the crisis before us has been laid out in stark terms of unfunded needs.

We believe the time has now come to go beyond planning and studying. It is time to take action. We believe this initiative must be broad-based, regional and even statewide in nature, and must be balanced between highway needs and mass transit.

Following are steps we have taken:

- We have created The 2015 Transportation Alliance, a broad coalition of business leaders, associations and other groups convened by the Salt Lake Chamber, dedicated to the goal of completing selected major infrastructure projects by 2015, nine years from now, rather than by 2030 as outlined in the long-range plans of public agencies. In every state or metropolitan area where a major transportation initiative has been successfully executed, a large business coalition has supported elected leaders to make it happen.
- The Alliance commissioned an in-depth study conducted by nationally-recognized transportation consultants to identify the projects that must be completed by 2015 and to suggest financing options. This study (included in this mailing) provided an independent validation of the work done by UDOT, UTA and the planning agencies, with an eye toward accelerating completion of key projects.
- We are now ready to publicly release the consultant study, announce the formation of The 2015 Transportation Alliance and, most importantly, make specific recommendations on projects and a financing plan for the mass transit side of the initiative (with some help for highways). Broader recommendations on the highway side will follow, well before the 2007 legislative session where they will be addressed.

The reason our initial recommendations deal mainly with mass transit is that in Utah mass transit funding has traditionally been taken to citizens for a vote. To stay on schedule and accomplish our objectives, that vote must be taken this year, which means we are on an extremely tight deadline. A comprehensive project and funding package for highways will be recommended later. If a transit proposal is not placed on the ballot this year, the next likely chance is 2008, putting us two years behind schedule, meaning higher costs and more congestion.

Our game plan going forward is as follows:

- On Tuesday, June 20, 10 a.m., we will hold a press conference at the Intermodal Hub, 500 West 300 South, in Salt Lake City. At the press conference, the following will occur:
 1. The formation of the 2015 Transportation Alliance will be announced, with Scott Anderson and Kem Gardner as co-chairs.
 2. The Consultant Study will be released (a copy is included with this mailing) and the consultants will be on hand to discuss its findings.
 3. Chamber President and CEO Lane Beattie, along with Scott Anderson and Kem Gardner, will outline the Chamber and 2015 Alliance recommendations as follows:
 - We recommend that voters be asked to approve a total 1 cent transportation sales tax, imposed uniformly across the major Wasatch Front counties and, at local discretion, in more rural counties. In major transit counties, 7/8 cent could be dedicated to mass transit and 1/8 cent reserved to be used at county discretion for infrastructure projects. Some flexibility could be possible with regard to highway funding, depending on local priorities, with bonding capacity from this significant revenue stream. Because Salt Lake, Davis and Weber counties are already at 1/2 cent sales tax for transit, this would mean a 1/2 cent increase in those counties. Because most of Utah County is at 1/4 cent, it would mean a 3/4 cent increase in Utah County.
 - We call for the governor and Legislature to convene a Special Session as soon as is practically possible to authorize placement of this sales tax proposal on the 2006 general election ballot, at the discretion of individual county commissions/councils. Legislative authorization is required for a sales tax ballot initiative for mass transit. This means a three-step process is required before any tax increase

becomes effective: Legislative authorization, placement on the ballot by county leaders, and an affirmative vote of the people.

○ We recommend that the Special Session be held in mid-July to provide enough time for county commission/councils to discuss this matter and vote to place it on the ballot.

If approved by voters, this proposal would provide enough funding for the following Wasatch Front transit projects (described in more detail in the consultant study):

1. FrontRunner commuter rail from Salt Lake City to Provo
2. Mid-Jordan TRAX light rail line
3. West Valley TRAX light rail line
4. Draper TRAX light rail extension
5. Airport TRAX light rail line
6. Weber County transit enhancements
7. South Davis corridor enhancements
8. Utah County transit enhancements

We are aware of other transit project requests, such as the Sugarhouse TRAX line, that are not included in this list of projects, but that could be built in another phase of projects on an accelerated basis if this proposal is approved.

We recognize that this Chamber/2015 Alliance transit proposal is significantly more comprehensive than the proposal that has received widespread publicity to construct just the four Salt Lake County TRAX extensions using a property tax GO bond.

We believe it is crucial to include commuter rail south into Utah County so it can help alleviate what is expected to be horrendous congestion when I-15 is rebuilt in Utah County in the next several years.

We also have concerns that voters may reject a large property tax increase. Even if it passed, it would be difficult to come back to voters in just a few years asking for another tax increase for commuter rail south and other needed projects. Seven-eighths cent for transit is still less than is assessed by Utah's major regional economic competitors, including Denver and Phoenix, which dedicate a full cent to transit. The level of funding we recommend would enable UTA to dramatically accelerate and expand rail transit capacity quickly on a regional basis, with sufficient funding for operations.

This proposal provides Utah County leaders and voters an opportunity to take a dramatic leap forward and catch up with the rest of the Wasatch Front with regard to rail transit. It might be necessary for Utah County leaders (with authorization from the Legislature, if needed) to place a proposal on the ballot to bring the entire county into the transit district. We recognize that this proposal constitutes a major tax increase, but it would put the major Wasatch Front counties on par in funding and service, creating a unified regional transit network to reduce congestion and provide an alternative to automobile travel.

The enabling legislation could also be written so county commissions in more rural areas could place the 1 cent sales tax on the ballot and the proceeds used for highways and other infrastructure.

We recognize the size, boldness and unprecedented nature of this proposal. We recognize that we are asking for some difficult choices. We undertake this initiative because we believe we must. While the price is high, the cost of inaction is much greater. We are not asking the Legislature to increase taxes, only to give county leaders and voters the opportunity to decide if they want to take a major step forward in transportation infrastructure for the good of our economy and for the future of our children and grandchildren.


We will not simply make this request and go away. We pledge our full support for a robust communications and campaign effort to take this proposal to the people.

Please take some time to review the consultant report. We encourage your participation and support. We hope you will contact us with questions and ideas.


Sincerely,



Lane Beattie



Scott Anderson



Kem Gardner