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Ballot issue to test appetite for transit taxes

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A David versus Goliath battle is taking shape here as citizens prepare to vote this fall on a controversial tax increase to upgrade public transit.

On one side: the Indianapolis Chamber of Commerce, IndyGo bus officials and hired guns touting the benefits of an all-electric rapid bus line that would eventually link Westfield in Hamilton County to Greenwood in Johnson County via downtown Indianapolis.

On the other: a rag-tag group of citizens who've done their own cost-benefits analysis and are persuaded the project will do more harm than good. They say the plan was designed expressly to leverage federal transit funds without consideration of what would be best for Indianapolis.

It will be the first referendum held under Senate Bill 176, passed in 2014, which authorized six central Indiana counties to place on their ballots "local public questions" for funding a regional mass transit initiative. The counties are Marion, Hamilton, Hancock, Johnson, Delaware and Madison.

Indy voters are being asked to raise their local option income tax by 0.25 percent to fund the Marion County part of the plan. Estimated cost? At least \$400 million for physical structure and equipment and \$108 million a year in operating expenses. The plan calls for extended service hours and shorter wait times and establishes three rapid bus corridors. Most controversial is the Red Line, which will run on a dedicated traffic lane through historic neighborhoods flanked by ticket kiosks and 60-foot loading platforms.

The vote is a critical first test for the entire regional transit plan, which opponents predict will consume far more tax dollars than projected. On June 28, officials in Hamilton County decided to wait and see what Marion County voters do before holding their own \$17 million referendum.

IndyGo officials insist the first phase of the Red Line — 13.6 miles from Broad Ripple to the University of Indianapolis — will move forward regardless of how the referendum turns out. That's due to the availability of \$75 million in federal grant money to cover the bulk of construction costs. Opponents say that position is shortsighted.

"Increased taxes for mass transit won't improve Indy's deplorable transit system and may thwart

real progress on public transit,” notes Lee Lange, a property manager along the route who’s helping spearhead opposition.

Lange cites a study by Randal O’Toole of the Cato Institute, which questioned the economic and environmental assumptions behind the Red Line. O’Toole, an adjunct scholar of the Indiana Policy Review Foundation, said the plan would “turn street space now used by cars, trucks and buses into exclusive bus lanes that will be empty more than 90 percent of the time. The few people who ride the buses would go a little faster while far more people who continue to drive would face more congestion.”

Indy Chamber President Michael J. Huber says the transit plan will make Indianapolis more competitive economically. The expansion of the IndyGo network will triple the number of people and double the number of jobs within a five-minute walk of a key bus route, he said.

Promoters of the referendum have history on their side. Nationally voters have approved 125 out of 172 tax increases for local mass transit over the past four years, a success rate of 73 percent, according to the Center for Transportation Excellence, an advocacy group for mass-transit spending.

Supporters enjoy deep pockets and are prepared to invest in face-to-face marketing and TV ad buys. Indy Connect, a regional transit partnership, has hired college students to talk up the plan at summer fairs and other public events. The students wear blue t-shirts with the words “Ask me about Transit” across the front.

“Stop the Red Line” organizers say they will run a grass-roots campaign to counteract the slick marketing message put out by the promoters. Lange says the group isn’t ready to share its strategy.

Their message, however, will be clear. Lange says the budget numbers put out by IndyGo and Indy Connect don’t add up. Even with an income tax increase, the bus system won’t be able to cover future operating expenses without doubling bus fares, hurting the very people mass transit is supposed to help.

Also, voters in Washington Township Schools, one of nine school districts in Marion County, are being asked in two other referendums to pay higher property taxes for school renovations, construction and staffing. Those voters may be inclined to say: Enough is enough.

That’s what Erin Tuttle, a Red Line critic, is banking on. “My view of both the referendums is that we shouldn’t throw more money at these agencies until they more wisely spend the money they already receive.”

Another factor could skew the vote. A contentious presidential election between Donald Trump and Hillary Clinton is likely to draw high turnout; infrequent or first-time voters may look askance at a tax increase or overlook the ballot question altogether.

