CAMBRIDGE CHAMBER OF COMMERCE

MEDIA RELEASE

For Immediate Release June 19, 2009

THE CHAMBER REJECTS REGIONS RAPID TRANSIT PROPOSAL, AS TOO COSTLY FOR TAXPAYERS.

Cambridge – The Cambridge Chamber of Commerce Board of Directors at its recent Board Meeting opposes the regions rapid transit proposal, sighting the operational cost estimates. The chamber suggests that the region's population mass is too small to afford such a system. "This is a plain and simple fact that there are not enough taxpayers to spread the operational costs over, and it will lead to dramatic regional property tax increases", says Greg Durocher, President and CEO of the Chamber.

The Cambridge Chamber of Commerce supported the regions efforts to study the concept and to do the preliminary work necessary to analyze the costs and benefits, however its conclusions after investigating all the reports is that the region may be years away from this project being affordable. Helen Jowett, Chair of the Chamber said, "We want to be supportive of public transportation, and in fact business is, however not at all costs". The Chamber said that the more recent public report speaks to the capital project itself with lots of exciting looking mockups, however the committee report mentions the anticipated operational costs, which really make the case for "someday but not right now". The Chamber also sights 5 rail projects in North America since 2007 (Edmonton, Norfolk Virginia, Vancouver to Richmond, Pittsburg, Denver), that have had significant budget overruns. The Chamber says that should this project encounter similar overruns, local taxpayers would be responsible for those costs, adding even further to the budgeting woes for 2014.

The Chamber sights the committee report of May 12th where the operating and maintenance costs for year one (2014) would be 18.1 million, in option "B" of table 2. The Chamber is concerned that today this would have an impact of over 5% on the regional tax levy. The region projects revenue from ridership of 7.7 million to offset that cost, however the Chamber finds that very optimistic. The regional portion of the tax bill currently represents approximately one-half of the property tax bill. The Chamber suggests that taxpayers should be concerned about this. "If such an increase in 2014 is required just for public transportation, we can expect a significantly greater hike in the regions portion of the tax bill, when all other regional responsibilities funding needs are addressed" Says Durocher, "these numbers speak directly to the evidence that our regional population is just too small to afford this. If we had the density to support it, we would not see such a drastic affect on taxes."

Jowett said, "We are very concerned that the report does not identify any capital or added operating costs that may be necessary for the GRT to support driving more riders to the main LRT line." Jowett has also confirmed that Greg Durocher, President and CEO of the Chamber has been directed by the Board to present the Chamber's position at Regional Council on June 24th. "I will be asking council to take a much harder and leaner look at the proposal," says Durocher, "it's a matter of what makes sense for all of us now, the last thing our Chamber can advocate for is government spending tax dollars on projects that don't make sense." The Chamber also said its understanding was from some experts in the field, that the region will barely meet the minimum targets for ridership of a rail system in 2031 let alone today. The Chamber will also be encouraging the Federal and Provincial governments, who will be funding the capital request, to put the regions project to the merit tests and ensure that Canadian, Ontario and Waterloo Region taxpayers are getting the most out of their tax dollars.

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