

Policy and Public Opinion Transportation and Other Topics

Metro Area County Commissioners

March 28, 2008

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Ciruli Associates

Mega Trends

1. Economy and state budget down
2. Illegal immigration down
3. County transportation funding
 - State funding
 - Fiscal regionalism
4. Statewide initiatives hard sell
 - Referendum C
 - Severance tax
5. Metro area continues to grow
6. Rise of independent voters
7. Denver-Boulder mega region

Colorado Economy Slows and State Budget Takes Hit

- Colorado \$700 million state revenue shortfall
- Capitol construction is cut – Auraria hole in ground

Market 2007 and Close March 25, 2008

	<u>Close</u> <u>3-25-08</u>	<u>2008</u> <u>YTD</u>	<u>2007</u> <u>YTD</u>
DOW	12532	-5.5%	6.4%
NASDAQ	2341	-11.2	9.8
S&P 500	1352	-7.9	3.5
Russell 2000	705	-7.9	-2.8
DJ World	274	-8.7	11.8
Oil	101	5.4	57.0
Euro	0.64	-5.6	11.0
Gold	934	11.9	31.0
Case-Shiller	--	-11.4	--

*Recession: 2 quarters of
negative GDP (avg. 8 mos.)*

*Bear Market: 20% decline
from peak (Oct. 9) 14164*

Illegal Immigration Down, Economic Concerns Up

The number of suspected illegal immigrants turned over to federal authorities by Colorado law enforcement agencies dropped 40 percent last year, when compared per month with the mandatory reporting law's first year. It's a sign that the number of people in the state illegally is falling because of stepped-up enforcement, employer sanctions and the economic downturn, officials and lawmakers said. Rocky Mountain News, 3-21-08

	Governor and Legislative CO 2007	Pre Presidential Primary CO 2008	Most Important Issues US 2008
Immigration	26%	11%	7%
Health care price/accessibility	15	11	18
Education/funding	11	2	--
Transportation	7	6	--
Economic concerns	6	26	42
Tax burdens	6	5	--
Education reform	6	1	--
Environment/growth	8	7	--
War in Iraq	4	23	21
Water shortage/supply	2	4	--

Ciruli Associates, N504, 2007
Denver Post, Jan. 2008
CNN, Mar. 2008

Question: What is the top issue you want the governor and state legislature to address? [Multiple answers]

Denver Metro Transportation Investments

Extension of Transportation Sales Taxes and Denver Property Tax Increase

	Adams County <u>2006</u>		Douglas County <u>2007</u>		Denver County <u>2007</u>	
	<u>Poll</u>	<u>Results</u>	<u>Poll</u>	<u>Results</u>	<u>Poll</u>	<u>Results</u>
Yes	62%	63%	68%	73%	71%	67%
No	32	37	24	27	26	33
Don't know	5	--	7	--	3	--

Bipartisan Support

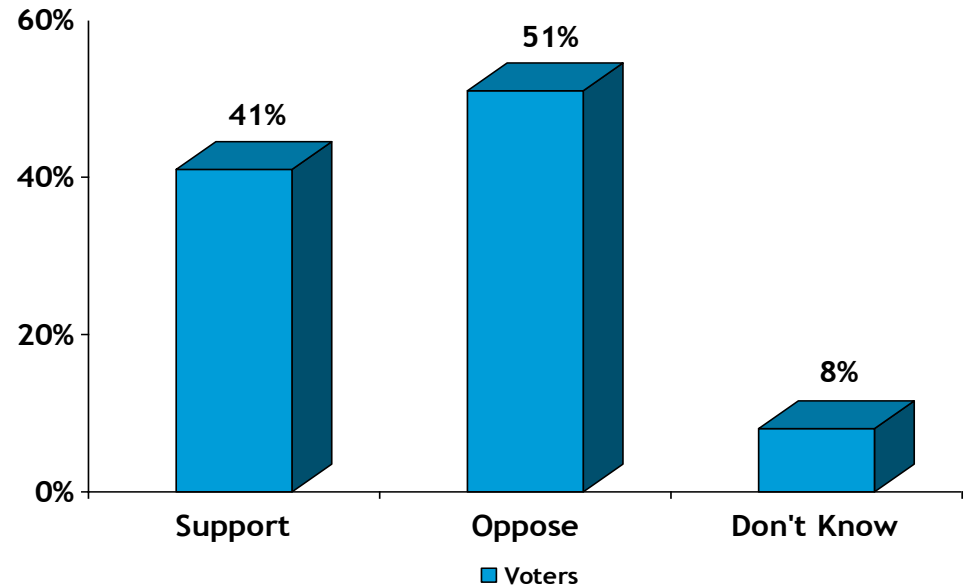
	Adams <u>Yes</u>	Douglas <u>Yes</u>	Denver <u>Yes</u>
Republican	68%	65%	55%
Democrat	76	79	75

Weak Support for Extending TABOR “Time Out”

2005 Referendum C Metro Vote – 52%

	<u>Yes</u>
Adams	41%
Arapahoe	52
Boulder	63
Broomfield	51
Denver	65
Douglas	48
Jefferson	50
Total	54

Support a future “time out”...?



Ciruli Associates, N504, 2007

Question: *In 2005, there was a proposal on the ballot, Referendum C, that provided for a 5-year “time out” for TABOR refunds. It allows the state to keep all the tax dollars it collects for five years. The money was pledged to be used for education, transportation and health care. There may be a future ballot initiative to extend the TABOR “time out” for five more years, or until 2015. As of today, would you support or oppose extending the TABOR “time out” and letting the state keep and spend all the revenue it collects for five more years until 2015?*

Increase in Severance Tax for Local Communities and Higher Education

- Mesa is conservative county: Referendum C – 35% yes; Amendment 37 (Energy) – 41% yes

Mesa County Voters Severance Tax

Support	46%
Oppose	44
Don't know/refused	10

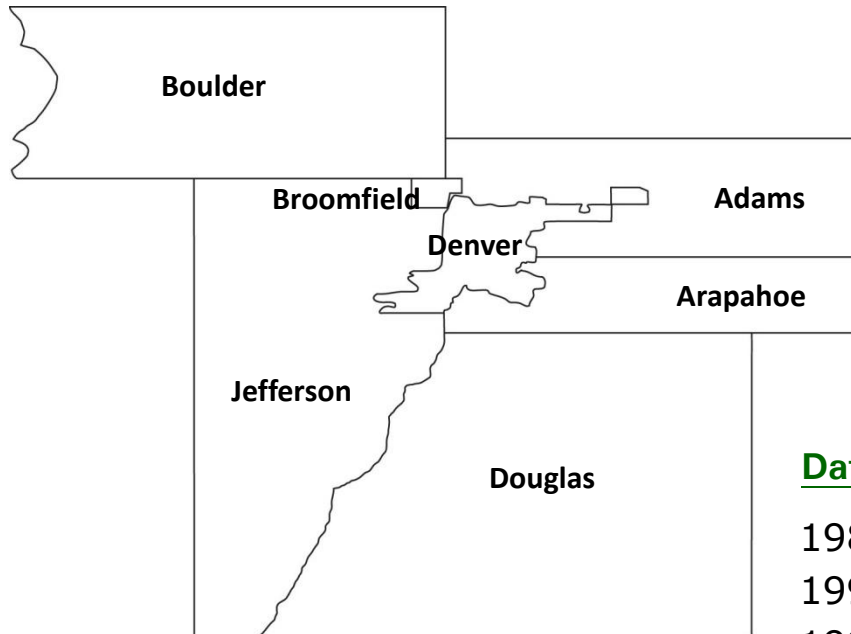
Ciruli Associates, N600, 2008

Question: The Colorado state legislature and other groups are discussing proposals that would be on the November 2008 ballot to increase the severance tax on natural gas and oil production in the state. The funds raised from the tax increase would go to the local communities, counties and cities affected by the production and to Colorado higher education. Supporters argue the severance tax is low compared to other states, that this is a one time opportunity to increase the tax before the gas and oil production drops off, and state and local communities and higher education need the money. Opponents argue severance taxes are high enough, that an increase will reduce production and jobs and hurt the local economy, and that any increases will result in higher prices at the gas pump and winter heating bills. If you had to vote today, would you support or oppose an increase of the severance tax?

Fiscal Regionalism

Minimum Governmental Impact and Maximum Fiscal Impact

Sales Tax Elections: Denver Metro Region



<u>Date</u>	<u>Issue</u>	<u>Percentage</u>	
		<u>Yes</u>	<u>No</u>
1988	SCFD	75	25
1990	Baseball stadium	54	46
1994	SCFD extension	57	43
1997	RTD light rail	42	58
1998	Football stadium	57	43
1999	RTD TABOR override	66	34
2004	RTD light rail	58	42
2004	SCFD extension	66	34

Denver Metro Area Growth Continues

2007 U.S. Census Data

<u>Population County</u>	<u># Growth 2007</u>	<u>% Growth 2006-07</u>	<u>% Growth 2000-07</u>
Adams	422	2.5	16.1
Arapahoe	545	2.0	11.7
Boulder	290	1.4	-0.4
Broomfield	54	4.3	--
Denver	588	2.2	6.1
Douglas	272	4.8	54.8
Jefferson	<u>529</u>	<u>0.8</u>	<u>0.4</u>
Region	2,700	--	--
Region % of state	(56%)	--	--
State	4,861	2.0%	13.0%

Population (000)

U.S. Census, Ciruli Associates, 2008

Seven Metro Counties and Unaffiliated Voters

Statewide: 1,028 Republicans, 994 Unaffiliated, 876 Democrats

Rise of Independent Voters

	<u>%</u>	<u>Comments</u>
Adams	37	Largest group/5,000 ahead of Dems
Arapahoe	33	Second largest/Reps 6,000 ahead
Boulder	40	Largest/4,000 more than Dems
Broomfield	38	Largest/700 ahead of Reps
Denver	36	Second/Dems 30,000 ahead
Douglas	31	Second/Reps 30,000 ahead
Jefferson	33	Second/Reps 9,000 ahead

Ciruli Associates, Secretary of State, 2008

Denver-Boulder 1 of 40 Mega-Regions Worldwide

But there is an even bigger economic factor that bodes well for the region's fortunes. With nearly 4 million people and \$140 billion economic activity, it ranks as one of the top dozen mega-regions in the United States. In fact, it's one of the 40 leading mega-regions that power the entire global economy. Richard Florida, Rocky Mountain News, 3-22-08

Key factors:

- Schools, roads/transportation
- Public safety, job opportunity
- Civic and business leadership
- Diversity, tolerance
- Quality design, beauty of outdoors