



CENTRALINA
REGIONAL COUNCIL

CONNECT Beyond Advancing the Plan Committee

September 22, 2023



Call to Order & Welcome Remarks

Committee Members

September 2023

Name	Organization*
Mayor Darrell Hinnant, Co-Chair	City of Kannapolis , Centralina Board
Mayor Vi Lyles, Co-Chair	City of Charlotte , MTC
Mayor Karen Alexander	City of Salisbury , CRMPO Board, Centralina Board
Commissioner Leigh Altman	Mecklenburg County , MTC
Mayor Melinda Bales	Town of Huntersville, MTC
Dena Diorio	Mecklenburg County
Mike Downs	Cabarrus County
Kim Eagle	Gaston County
Commissioner Brian Helms	Union County , Centralina Board
Commissioner Bob Hovis	Gaston County , Centralina Board
Mayor Rusty Knox	Town of Davidson, MTC
Janet LaBar	Charlotte Regional Business Alliance (CRBA)
Tony Lathrop	NC Board of Transportation
Andy Lucas	Stanly County
Pat Mumford	Gaston Business Association
Mayor Scott Neisler	Kings Mountain , GCLMPO Chair
Mayor Ron Pappas	Town of Waxhaw, CRTPO Chair
Lloyd Payne	City of Concord , MTC Ex-Officio
David Rhew	North Carolina Public Transportation Association
Commissioner Lynn Shue	Cabarrus County , Centralina Board
Councilmember Jennifer Stepp	City of Gastonia, GCLMPO Board , Centralina Board
Commissioner Jarvis Woodburn	Anson County , Centralina Board
Geraldine Gardner	Centralina Regional Council
Marcus Jones	City of Charlotte

* Primary organization is highlighted in bold



Review Agenda and Meeting Objectives

Meeting Objectives

- **Confirm** preference for regionally coordinated model and **explore** options for remaining building blocks of model
- **Evaluate** pathways for implementing preferred regionally coordinated model
- **Learn** about project updates including legislative activities, grant requests and transit coordination activities

Meeting Agenda

- **Review Agenda and Meeting Objectives**
- **Regular Business Items:**
 - July Meeting Minutes Approval (Action Item)
- **Committee Work Session:**
 - Building Blocks for a “Jellyfish Model”
 - Funding Strategies for a “Jellyfish Model”
 - Pathways to a “Jellyfish Model”
 - Ideas in Action:
 - CONNECT Beyond Project Updates
- **Closing**

Regular Business Item 1: Pages 5-7

Approval of Committee Meeting Minutes

Item 1: Approval of July 28, 2023 Committee Meeting Minutes

Background

Approval of July 28, 2023,
Advancing the Plan Committee
meeting minutes.

The minutes from the July 28,
2023 meeting have been
distributed to all Committee
members – see pages 5-7 in the
agenda package.

Requested Action

*Motion to approve the July 28,
2023 Advancing the Plan
Committee meeting minutes.*





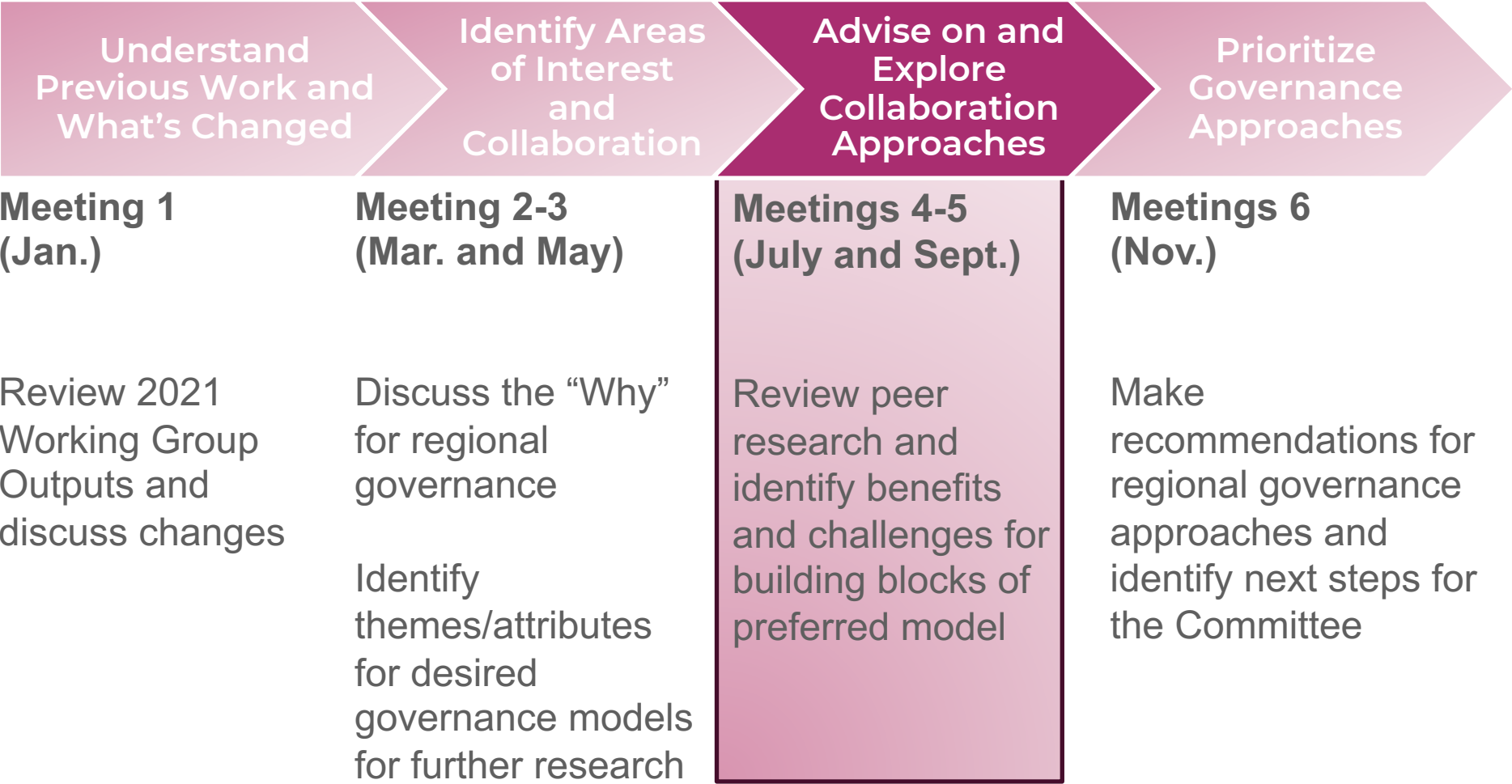
Committee Work Session Item 2

Building Blocks for a “Jellyfish Model”

Review: First Year Committee Goals

1. **(a) Advise** on short-term opportunities for regional collaboration and **(b) determine feasible** options for a regional governance approach
2. **Endorse** a regional communications framework for CONNECT Beyond and support its implementation
3. **Collaborate** to educate state lawmakers on CONNECT Beyond and **advocate** for local funding initiatives in the region

Committee Progress on Goal 1(b)



Proposed Plan for Fall Meetings



September 22

- Define specifics of transit functions of “Jellyfish Model”
- Explore funding strategies and formation options

October 20

- Evaluate and prioritize funding strategies and formation/governance options for “Jellyfish Model”

November 17

- Formulate recommendations for building blocks of model
- Identify next steps for Committee

December 8

- Confirm recommendations and endorse advancement to Centralina Board
- Solidify Committee activities for 2024

Peer Regions Roundtable Recap

Highlights from Session:

- This process takes **patience** – important to take the time to build trust and relationships
- Break into “bite-sized” steps and **achieve milestone successes** (even if small)
- Make sure right **stakeholders** are involved



**METROPOLITAN
TRANSPORTATION
COMMISSION**

ATL Key Functions & Activities



Coordinate
Regional
Partners



Deliver
Innovative and
Best Practice
Technology



Strengthen
Regional Transit
Planning and
Performance



Advance
Strategic
Transit
Investments



Enhance
Customer
Experience

Committee Guiding Principles

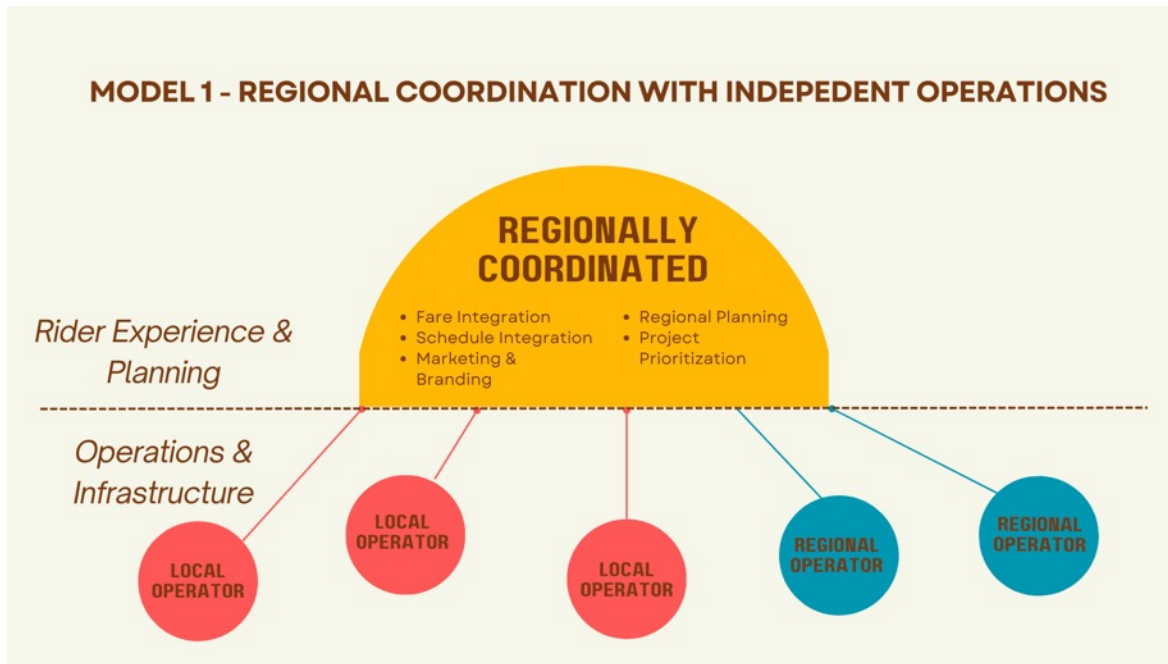
Our purpose for regional collaboration is to:

- Strengthen **Economic Competitiveness** of Our Region
- Increase **Investment**
- Increase **Local Input**
- Improve **Regional Service and Connections**
- Improve **Access** and **System Efficiencies** for the traveler

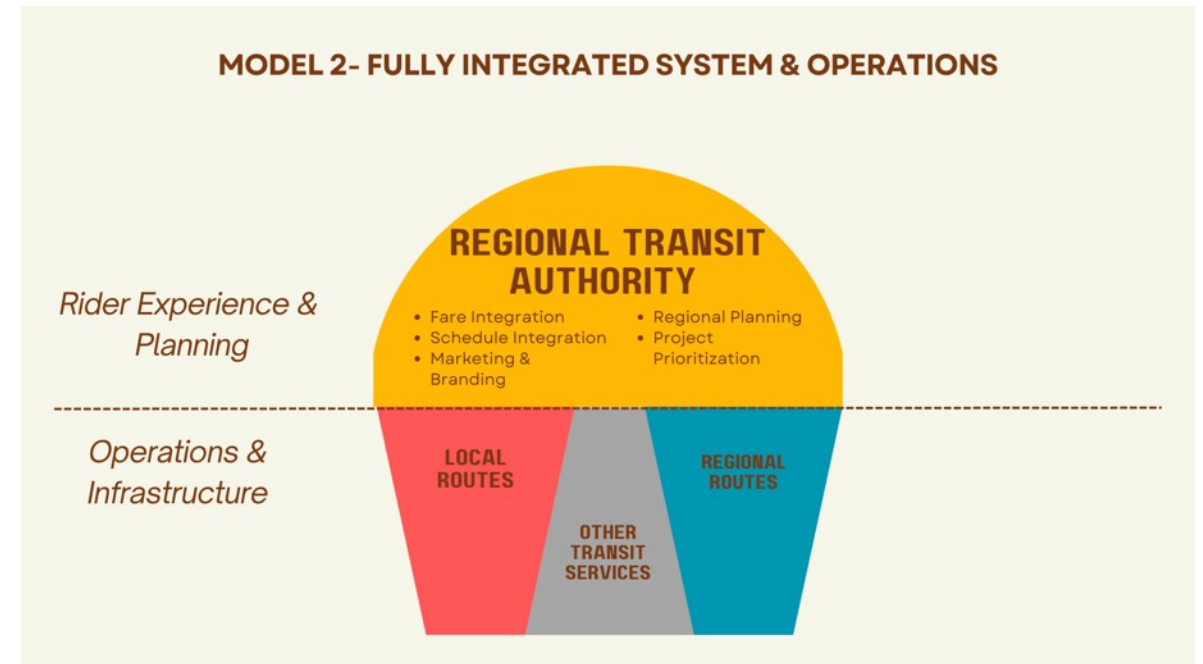
Our preferred governance model should align/reflect these principles

Review: Peer Region Models

Generally, the peer regions fall into two categories of models:



Model 1 focuses on regional collaboration of **rider experience and planning** transit functions. *Includes Atlanta, Tampa and Nashville (partially).*



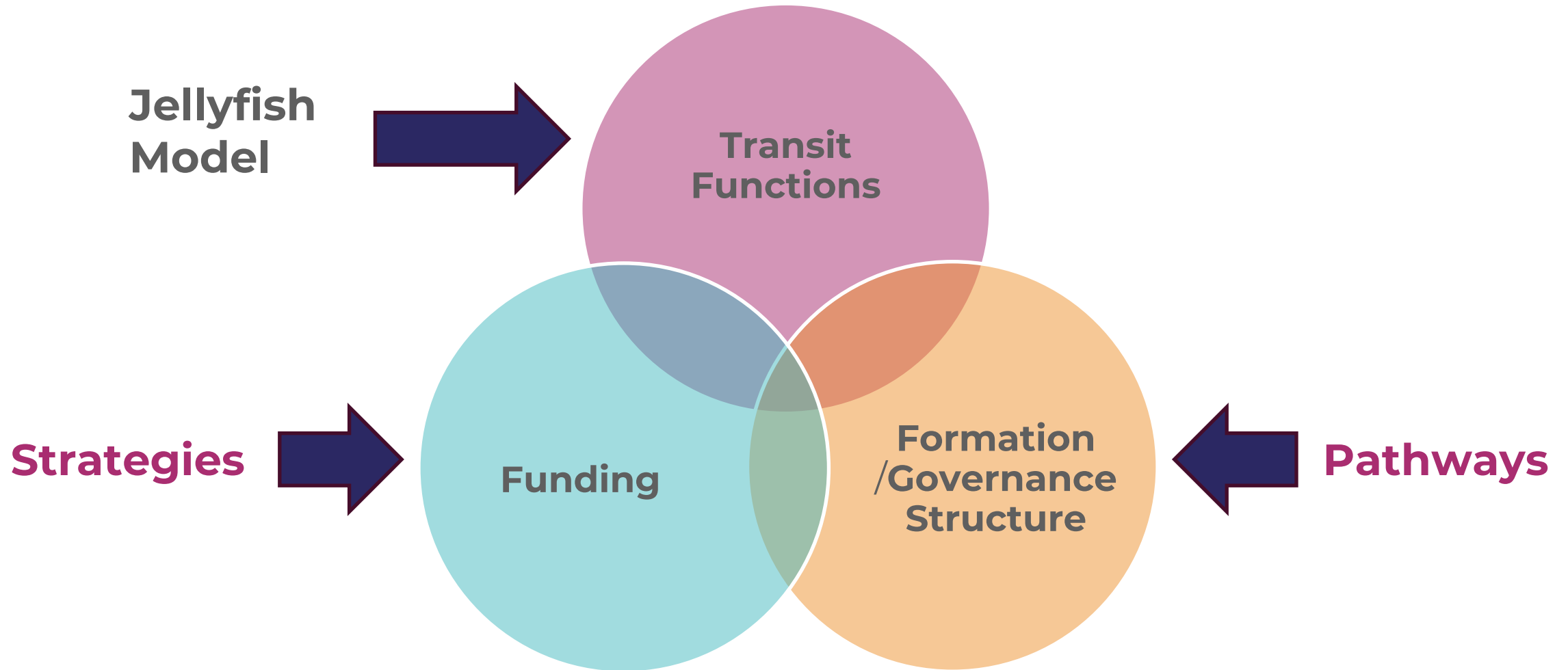
Model 2 represents a more **fully integrated model** with the regional entity delivering infrastructure and operations. *Includes Minneapolis, Phoenix and Seattle.*

Summary: From July 28th Meeting

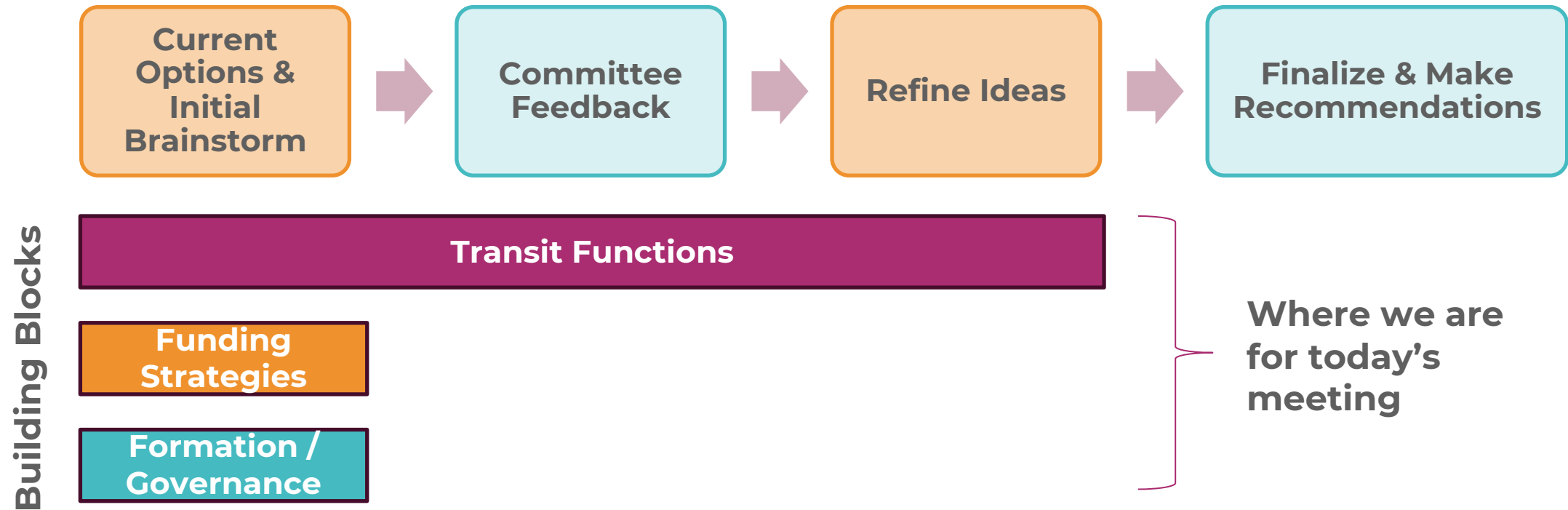
Transit Function	Shorter Term 0-5 Years	Longer Term 5+ Years	Unsure of Timing
Marketing/Communication Campaigns			
Shared Branding			
Fare Integration			
Scheduling Coordination			
Planning for Regional* Projects			
Regional* Project Prioritization			

* Regional refers to projects that cross county lines

Regional Model Building Blocks

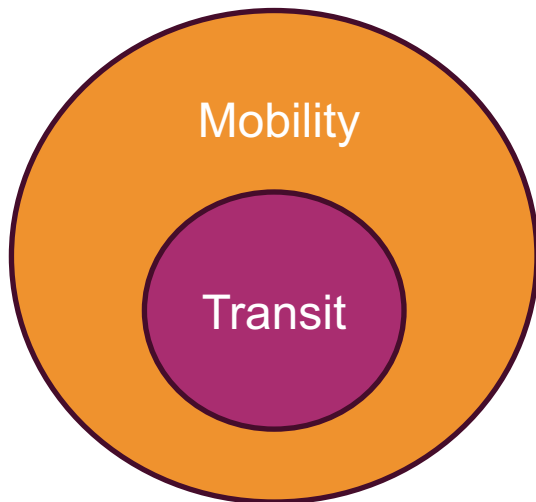


Building Block Refinement Process



What Are the Specific Functions of the Jellyfish Model?

Regional Coordination for Mobility

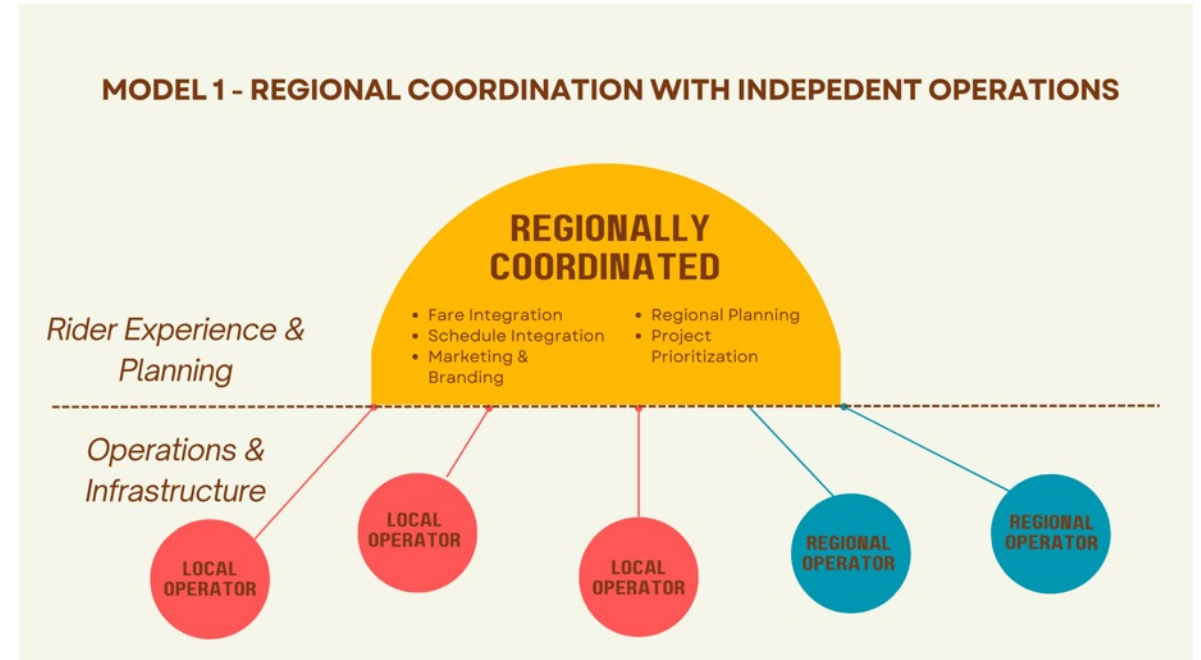


- Marketing and Branding for participating transit agencies
- Transportation Demand Management (TDM) Program
- Emerging Technology - e.g. autonomous vehicle readiness, zero-emission transition
- Transit Coordination – e.g. regional app, fare and scheduling integration, route planning
- Maximizing Funding - coordination for federal/state grants and cost share/match
- Regional Planning-land use readiness for transit, regional trail planning, mobility hubs design, project prioritization

Engagement: Large Group

Neighbor Activity: What does the “Jellyfish Model” mean for your community: (5-7 minutes)

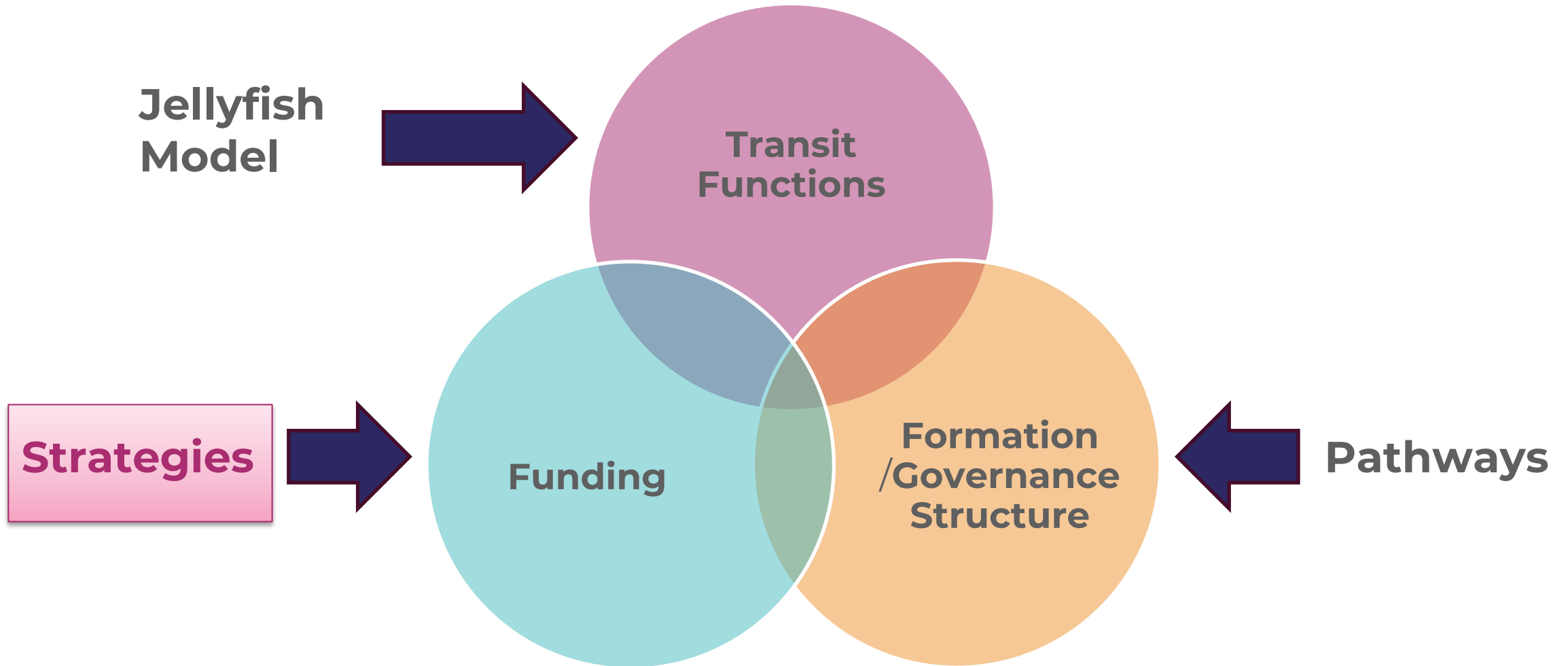
- What are the benefits of this model for your community?



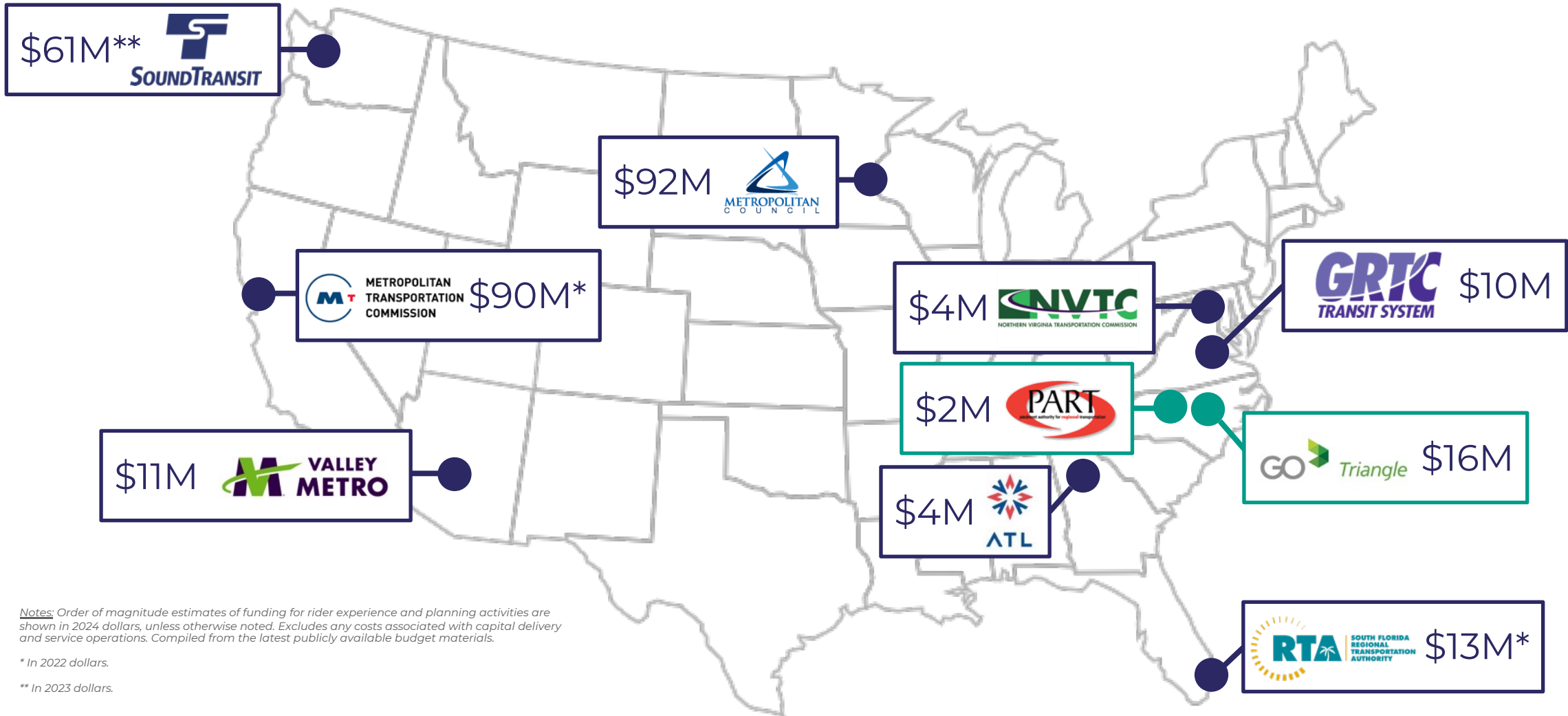
Committee Work Session Item 3

Funding Strategies for a “Jellyfish Model”

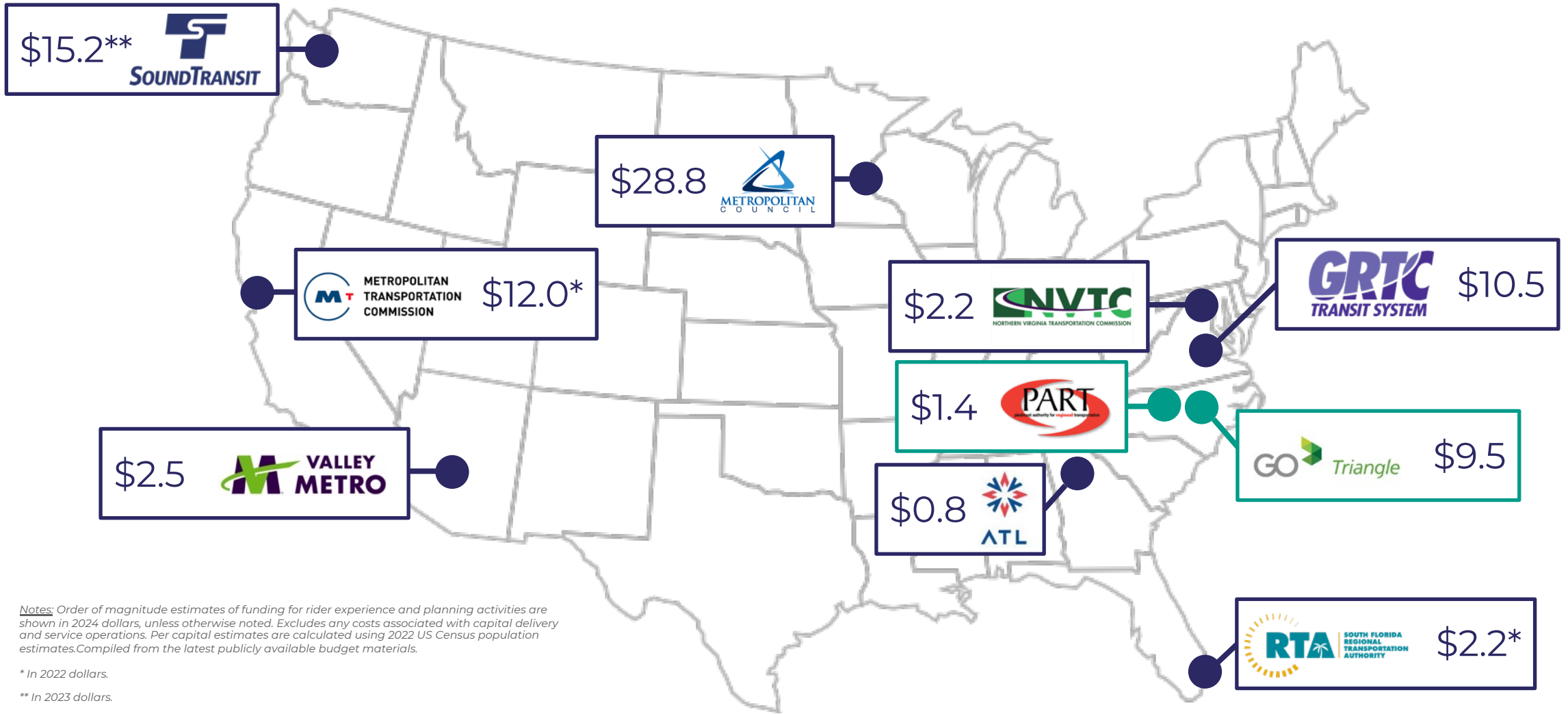
Regional Model Building Blocks



Peer Rider Experience & Planning Funding Levels (2024 \$M)



Peer Rider Experience & Planning Funding Levels (\$ Per Capita)



Existing Local Funding Options

Local Government Funds *Varies*

- Any available local government funds or revenue sources:
 - Up to \$7 County Vehicle Registration Tax
 - Municipal Vehicle Tax
 - Municipal Taxi Tax
 - Property Tax Revenue
- Could fund interlocal agreement or joint powers agency

Vehicle Registration Tax *Article 51*

- Up to \$8 annual license tax on motor vehicles with a tax situs within the Authority's jurisdiction
- Available to public transportation authorities under Articles 25, 26, or 27

Vehicle Rental Tax *Article 50*

- Up to 5% privilege tax on short-term leases or rentals made by a retailer whose place of business or inventory is located within the Authority's jurisdiction
- Available to public transportation authorities under Articles 26 or 27 only

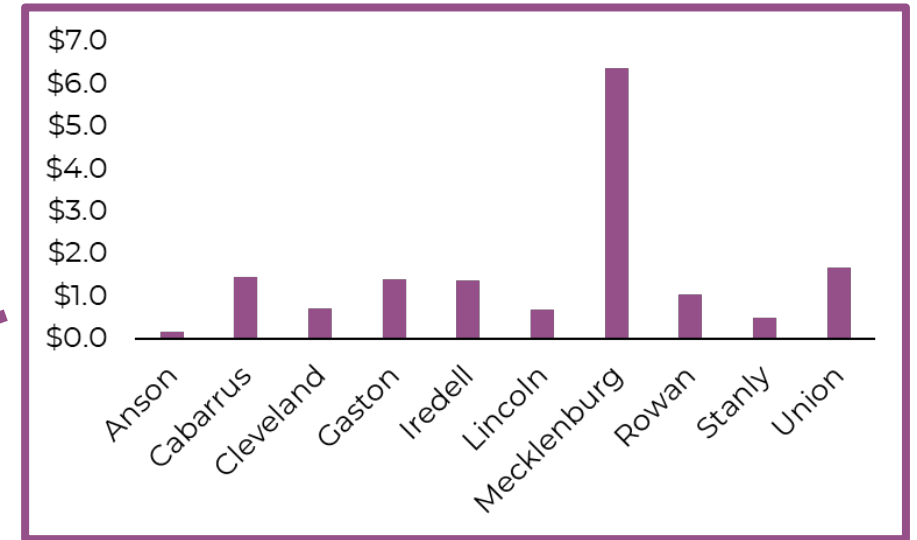
Sales Tax *Article 43*

- Up to 0.25 percent local sales and use tax in individual counties*
- Available to public transportation authorities under Articles 25, 26 or 27

* In addition to current Article 46 authorization for 0.25% county sales and use tax for general purposes.

Vehicle Registration Tax (Article 51)

Regional Vehicle Registration Tax Revenue Estimates
(in millions of 2023 dollars)



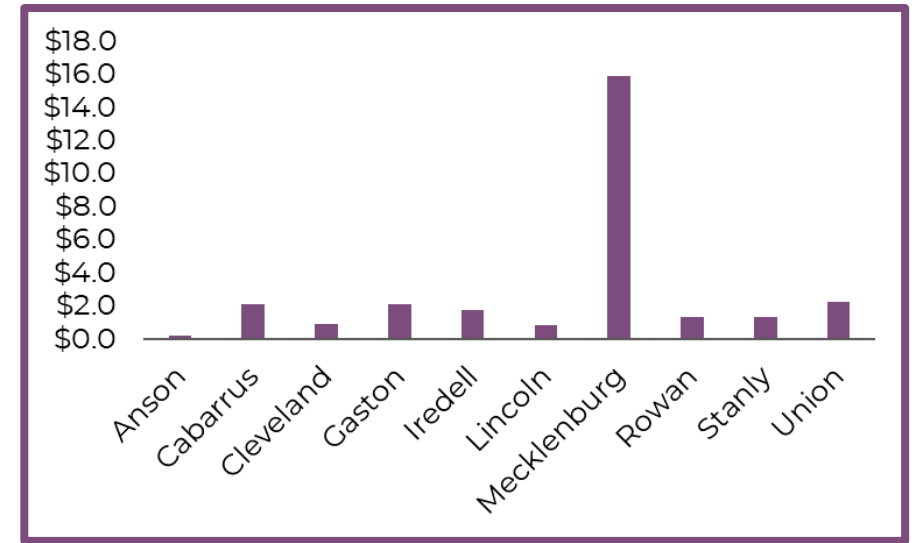
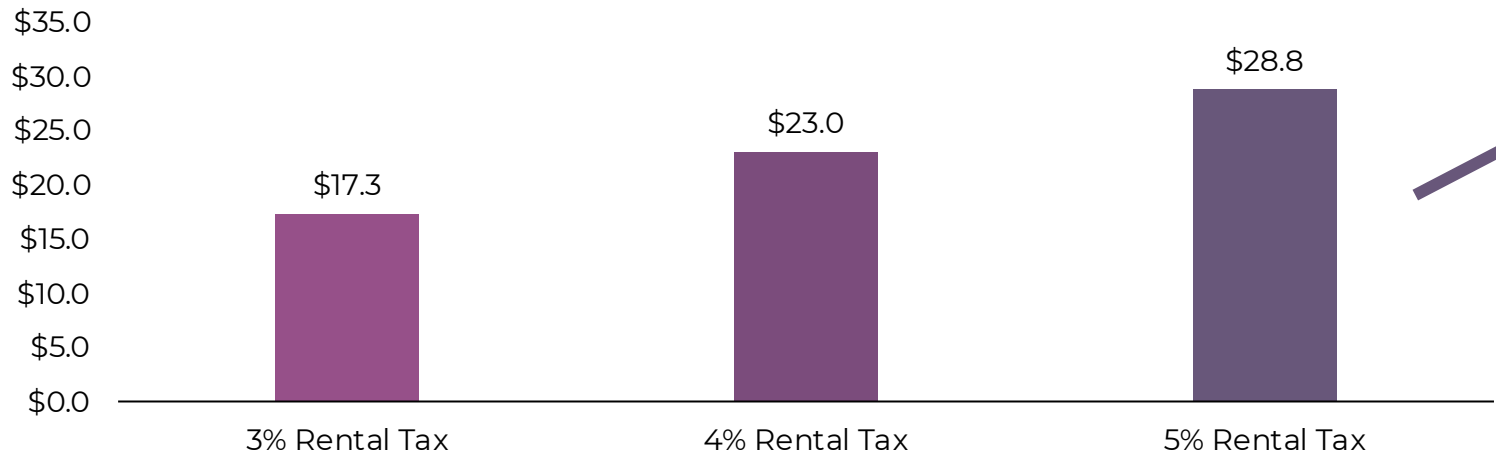
Source: Preliminary \$3, \$5, and \$8 revenue estimates based on NCDOT May 2023 vehicle registration totals for 10 county region. <https://www.ncdot.gov/initiatives/policies/environmental/climate-change/Pages/zcv-registration-data.aspx>. See disclaimer.

Considerations

- Does not require legislative action
- Current effective vehicle registration tax is \$38.75/year
- Could provide funds needed for near-term rider experience and planning activities
- Lowest revenue potential alternative
- Does not keep pace with inflation
- Paid solely by local vehicle owners
- Requires resolution from all counties within Authority

Vehicle Rental Tax (Article 50)

Regional Vehicle Rental Car Revenue Estimates
(in millions of 2023 dollars)



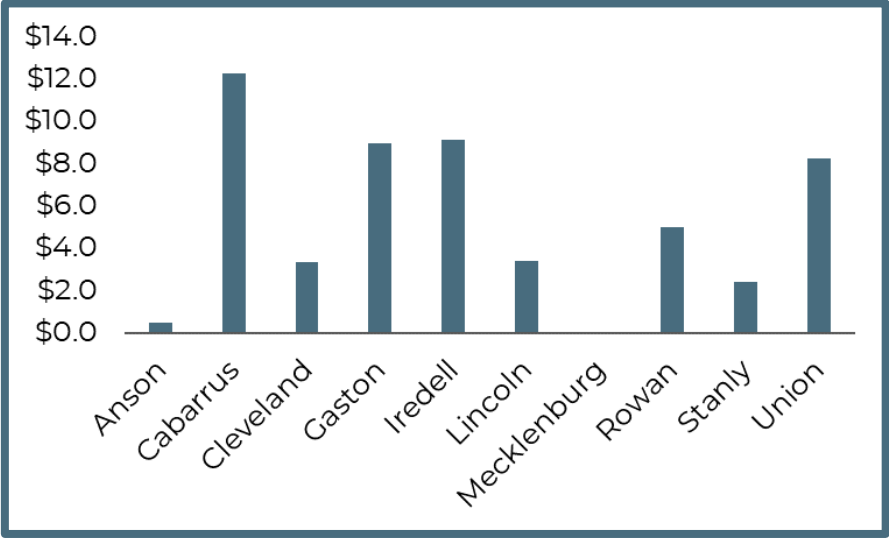
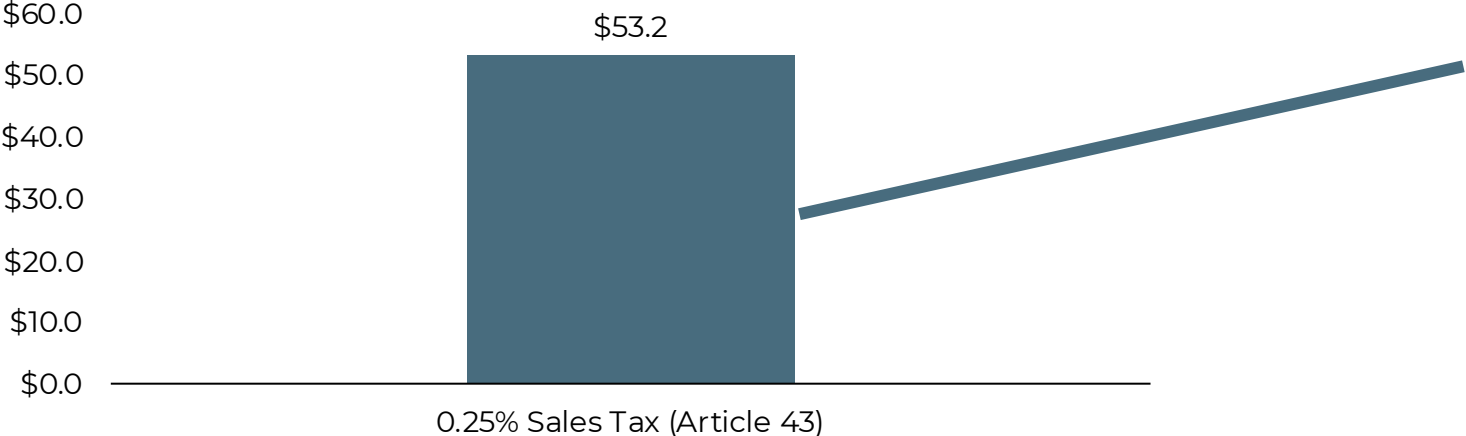
Source: Preliminary 5% revenue estimate based on Mecklenburg County's existing vehicle rental car tax, county populations, and an assumed application of 65% of per capita revenues for all counties outside of Mecklenburg County (assumes 35% of existing Mecklenburg revenues are attributed to the airport). <https://www.charlottenc.gov/files/sharedassets/city/v2/city-government/departments/documents/budget/fy2024/fy24-adopted-budget-final.pdf>. See disclaimer.

Considerations

- Does not require legislative action
- Could provide more robust level of funding for rider experience and planning activities
- Partially paid by visitors (leisure/business travel)
- Does not apply to Article 25
- Current effective vehicle rental tax rates are 11 - 16%
- Requires resolution from all counties within Authority

Sales Tax (Article 43)

Regional 0.25% County Sales Tax Revenue Estimates
(in millions of 2023 dollars)



Source: Preliminary 0.25% revenue estimates for 9 counties (excluding Mecklenburg) that have existing legislative authority. Assumes 10% of taxable sales and purchases (state sales taxes only) are exempt from county sales tax. 10% assumed based on share of FY2023 Mecklenburg County state sales taxes compared to FY2023 Article 43 0.5% sales tax revenue. <https://www.ncdor.gov/news/reports-and-statistics/monthly-sales-and-use-tax-statistics>. See disclaimer.

Considerations

- Current state authorization exists
- Current effective sales tax rates are 6.75% - 7.25%
- Highest revenue potential alternative
- Partially paid by visitors (leisure/business/commuters)
- Requires public referendum
- May require additional legislative action to increase maximum allowed sales tax increases above current levels

Preliminary County and Regional Revenue Estimates (2023 \$M)

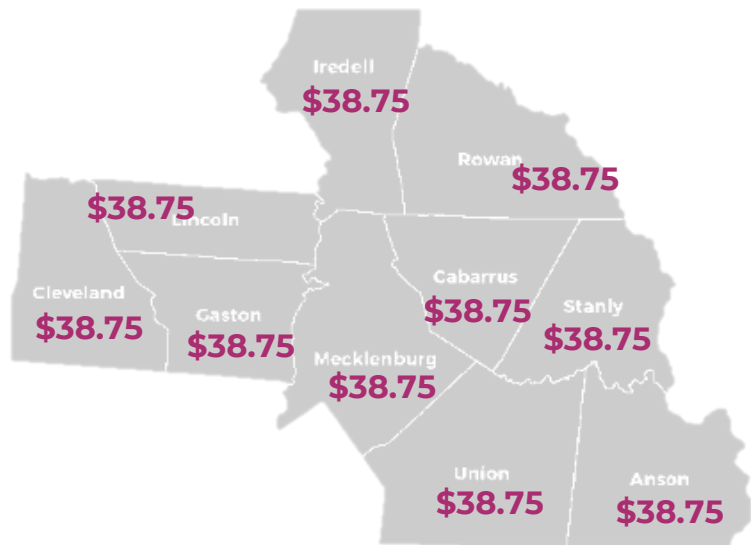
	Vehicle Registration Tax			Vehicle Rental Tax			Sales Tax
	\$3	\$5	\$8	3%	4%	5%	0.25% (existing authority only)
Anson	\$0.1	\$0.1	\$0.2	\$0.1	\$0.2	\$0.2	\$0.5
Cabarrus	\$0.5	\$0.9	\$1.4	\$1.3	\$1.7	\$2.1	\$12.2
Cleveland	\$0.3	\$0.4	\$0.7	\$0.5	\$0.7	\$0.9	\$3.3
Gaston	\$0.5	\$0.9	\$1.4	\$1.3	\$1.7	\$2.1	\$9.0
Iredell	\$0.5	\$0.8	\$1.4	\$0.5	\$0.7	\$0.8	\$9.1
Lincoln	\$0.3	\$0.4	\$0.7	\$1.1	\$1.4	\$1.8	\$3.4
Mecklenburg	\$2.4	\$4.0	\$6.4	\$9.5	\$12.7	\$15.9	-
Rowan	\$0.4	\$0.6	\$1.0	\$0.8	\$1.1	\$1.3	\$5.0
Stanly	\$0.2	\$0.3	\$0.5	\$0.8	\$1.1	\$1.3	\$2.4
Union	\$0.6	\$1.0	\$1.7	\$1.3	\$1.8	\$2.2	\$8.2
Regional Total	\$5.7	\$9.5	\$15.3	\$17.3	\$23.0	\$28.8	\$53.2

Notes: Totals may not sum due to rounding. Preliminary revenue estimates are order-of-magnitude and based on third-party data, placeholder assumptions, and recently prevailing conditions. See disclaimer. Sources for each revenue estimate are provided in the prior slides.

Current Effective Local Tax Rates

Vehicle Registration Tax

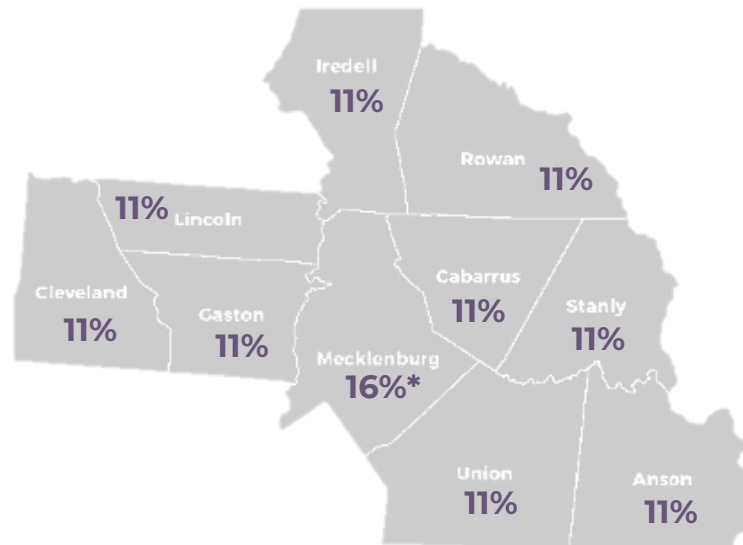
State Private Passenger Vehicle Registration Fees + Local Taxes



Source: NCDMV private passenger vehicle registration fees, no regional taxes in region today. <https://www.ncdot.gov/dmv/title-registration/vehicle/Pages/fees.aspx>

Vehicle Rental Tax

State Highway Use Tax + Local Taxes

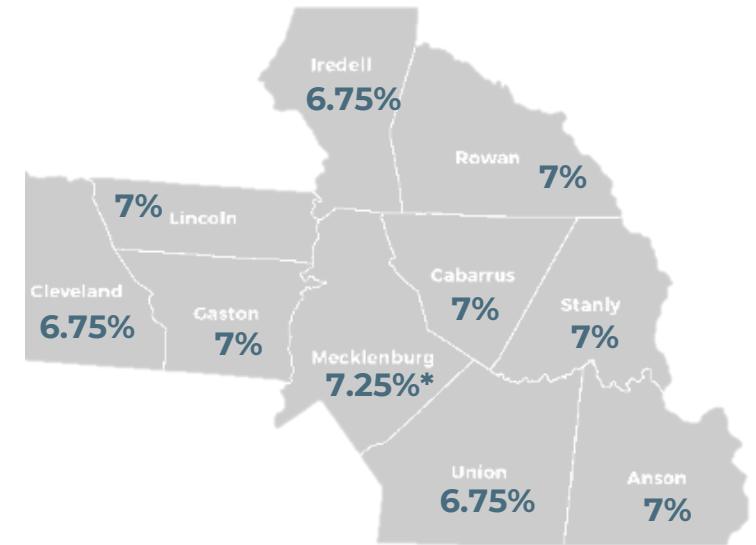


Source: NCDOR Motor Vehicle Lease and Subscription Tax, <https://www.ncdor.gov/taxes-forms/other-taxes-and-fees/motor-vehicle-lease-and-subscription-tax>

* Includes 1.5% City of Charlotte, 1.5% County, 5% U-Drive-It, and 8% NC Highway Use Tax.

Sales Tax

State Sales and Use Tax + Local Taxes

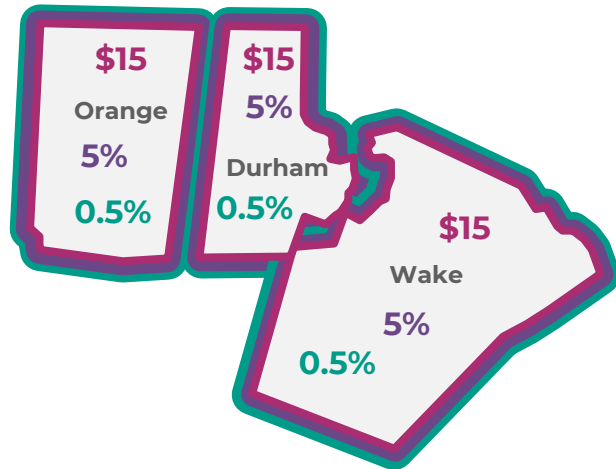


Source: NCDOR Sales and Use Tax Rates Effective October 1, 2022. State rate of 4.75% plus local rates. <https://www.ncdor.gov/taxes-forms/sales-and-use-tax/sales-and-use-tax-rates-other-information/sales-and-use-tax-rates-effective-october-1-2022-0>

* Includes the 0.50% transit county sales and use tax.

GoTriangle, Durham, Orange, Wake

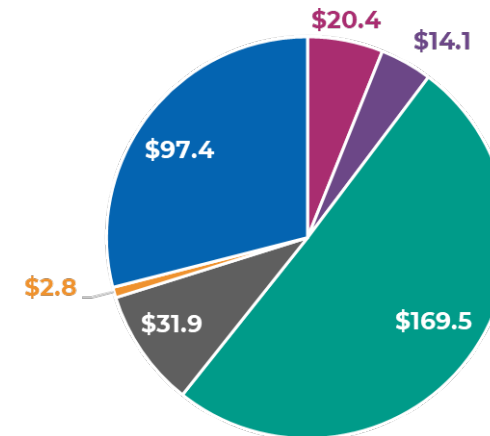
GoTriangle, Durham, Orange, and Wake – Incremental Local Transit Taxes



GoTriangle, Durham, Orange, and Wake – Local Taxes, At Large

Current effective vehicle registration tax = \$53.75
 Current effective vehicle rental tax = 16%
 Current effective sales tax = 7.25% (Wake) - 7.5% (Orange & Durham)

FY 2024 Proposed Capital and Operating Budgets, GoTriangle, Durham, Orange, and Wake Counties (\$M)



LEGEND

- Vehicle Registration Tax
- Vehicle Rental Tax
- Sales Tax
- Other Local
- State
- Federal

Sources: NCDMV regional fees & taxes. <https://www.ncdot.gov/dmv/title-registration/vehicle/Pages/fees.aspx>, NCDOR Motor Vehicle Lease and Subscription Tax, <https://www.ncdor.gov/taxes-forms/other-taxes-and-fees/motor-vehicle-lease-and-subscription-tax>, NCDOR Sales and Use Tax Rates Effective October 1, 2022. State rate of 4.75% plus local rates. <https://www.ncdor.gov/taxes-forms/sales-and-use-tax/sales-and-use-tax-rates-other-information/sales-and-use-tax-rates-effective-october-1-2022-0>, https://gotriangle.org/sites/default/files/publications/final_fy24_budget_workshop_presentation.pdf

Engagement: Funding Strategies

- Group Activity: Pulse Check (15 minutes)
 - Review the wall poster with strategies and key considerations – Place dots next to the most important considerations for each strategy
 - Dot Color: Green dot = “Strength” and Orange dot = “Weakness”
 - Second poster (Optional): Please add comments using post-it notes



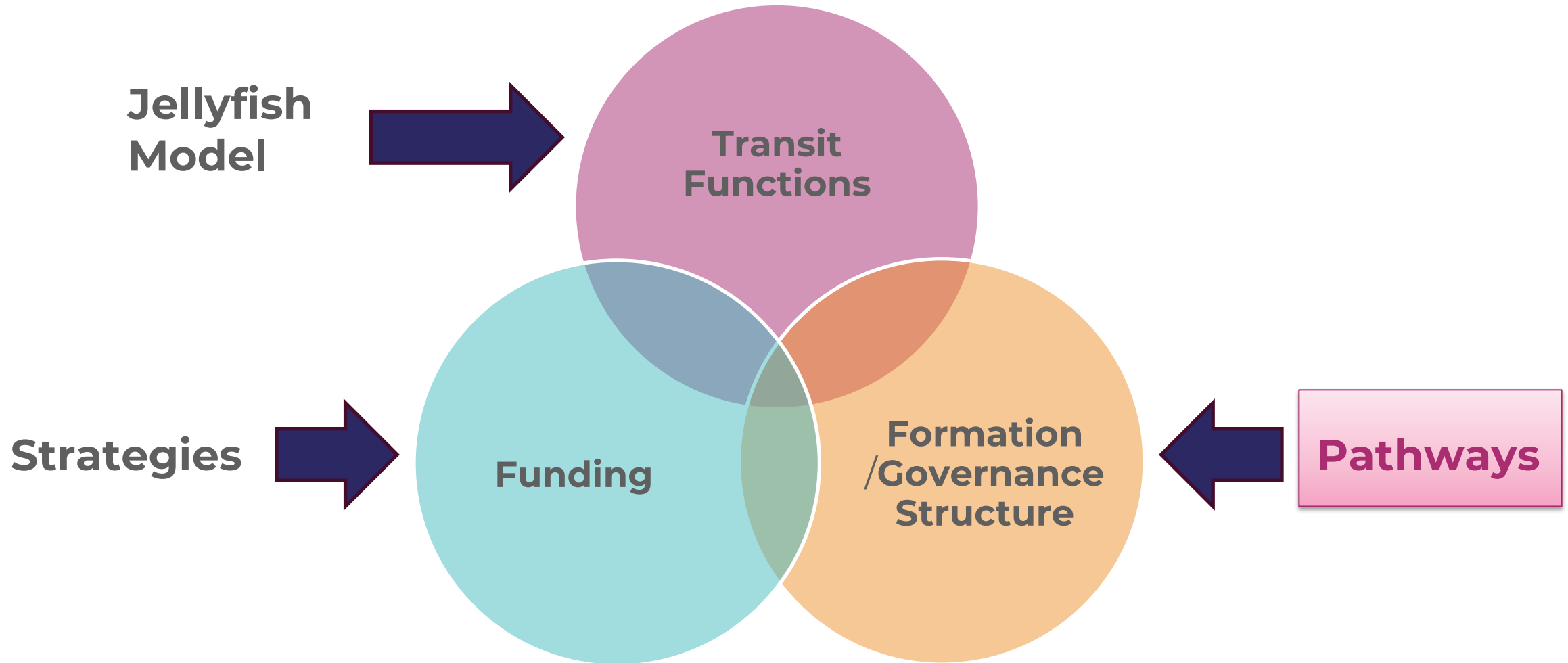
Engagement: Jellyfish Funding Strategies

Considerations:	Vehicle Registration Tax	Vehicle Rental Tax	Existing Sales Tax (1/4 cent)
Potential For County Authorization			
Revenue Potential for Jellyfish Model			
Tax Burden on Residents			
Tax Burden on Visitors	N/A		
Revenue Source Stability Over Time			

Committee Work Session Item 4 : Pages 9-14

Pathways to a “Jellyfish Model”

Regional Model Building Blocks



What we've heard

Any regional mobility partnership should be:

- Opt-in required, no mandatory membership
- Flexibility for members to join over time
- Emphasis on enhancing rider experiences and planning



Potential Voting Members

- Counties
- Cities
- Any publicly owned Transit Providers/Agencies not part of a City or County government
- MPO/RPOs
- **But this may vary by implementation path**

Pathways to Regional Coordination

- 1 Interlocal Agreements
- 2 Joint Powers Authority
- 3 Existing NCGA Statutes
- 4 New Legislation
- 5 Amend Existing Legislation

Path 1: Interlocal Agreements

Two or more local governments sign an agreement to pursue an undertaking



Steps to Organize

Signatories initiate and complete an interlocal agreement



Who's at the Table

Signatories decide who sits at the table, how much funds to pledge



Entity

This approach **DOES NOT FORM AN ENTITY.**



Jurisdiction

Signatories decide

Path 2: Joint Powers Agency

Two or more local governments create a Joint Agency to pursue an undertaking



Steps to Organize

Signatories initiate and complete the creation of a joint agency



Who's at the Table

Signatories decide who sits at the table, how much funds to pledge



Entity

This approach **DOES FORM AN ENTITY.**



Jurisdiction

Signatories decide

Existing NC Statutes

North Carolina General Statutes Chapter 160A

Article 25

Allows one (1) municipality to create a public transportation authority.

Article 26 – created GoTriangle

Allows three (3) counties to create a regional public transportation authority.

At least 1 county contains part of a County Research and Production Service District

The other 2 counties each:

- Contain at least 1 local government that receives FTA funds
- Are adjacent to at least 1 county with a County Research and Production Service District

Article 27 – created Piedmont Authority for Regional Transportation (PART)

Allows 4 largest City Councils within an area to create a public transportation authority.

The Authority has these attributes:

- Encompasses at least five (5) counties to form
- Requires 2 adjacent counties with populations of 250,000+
- The other 3 counties must have a population of 100,000+

Path 3A: Existing NC Statutes

Chapter 160A, Article 27



Steps to Organize

Four major municipalities pass resolutions after public hearings (Charlotte, Concord, Gastonia, Huntersville)



Who's at the Table

Mayors of major cities, 2-3 NCDOT Board members, MPO Chairs or designees, County Commissioners' Chairs or designees



Entity

Forms a Regional Public Transportation Authority



Jurisdiction

Initially MPO boundaries, with county consent to expand beyond MPO areas within a county

Path 3B: Existing NC Statutes

Chapter 160A, Article 26



Steps to Organize

Board of Commissioners of three counties pass resolutions after a public hearing



Who's at the Table

Representatives of County Commissions and largest City/Town Councils, 2 to 3 NCDOT Board Members



Entity

Forms a Regional Public Transportation Authority



Jurisdiction

Identical to the boundaries of the 3 counties

Path 4 & 5: New & Amended Legislation

New legislation can be shaped by all participants in the process



Steps to Organize

Regional officials engage North Carolina General Assembly on new legislation or amending existing legislation to decide:



Who's at the Table



Entity



Jurisdiction

Summary of Pathways

Summary	Path 1: Interlocal Agreements	Path 2: Joint Powers Authority	Path 3A & B: Existing NCGA Statutes	Path 4: New NCGA Statutes	Path 5: Amended NCGA Statutes
Steps to Organize	Interlocal Agreement	Joint Agency	3A: Cities Pass Resolutions 3B: Counties Pass Resolutions	Engage State Legislators	Engage State Legislators
Forms an Entity	No	Yes	Yes	Yes	Yes
Who's at the Table	Signatories	Signatories	3A: Cities, MPOs, Counties 3B: Counties, Cities NCDOT	Regional Partners	Regional Partners
Jurisdiction	Signatories Decide	Signatories Decide	3A: MPO(s) 3B: Counties	Partners Decide	Partners Decide
Funding Strategies Available	Local Funds* Only	Local Funds* Only	Local Funds*, Registration and Rental Tax	TBD	TBD

* Local Funds includes both Local Government Funds and Local Sales Tax Increase

Engagement: Pathways

Large Group Discussion (10 minutes)

- Reactions to 5 Pathways presented?
- What questions do you have about the pathways?
- What additional information do you need?



Forecast for Upcoming Meetings

- Follow-up materials: Talking Points document
- Schedule Additional Meetings in October and December:
 - Proposed Dates:
 - Friday, October 20th, 8:30am-10:30am
 - Friday, December 8th, 8:30am-10:30am
 - October Meeting: Discuss pathways and funding strategies in more detail based on today's discussion
- **Next Scheduled Meeting Date**: Friday, November 17th, 8:30-10:30am



Committee Work Session Item 5

Ideas in Action Project Updates

Implementation: Project Update

Regional Transportation Demand Management (TDM) Program

- Established TDM Steering Committee, meeting bi-monthly through FY24
- Finalizing input from interviews with peer regions to **identify best practices**
- Performing data analysis to **identify TDM “hot spots”** in region
- Stakeholder engagement and outreach expected throughout fall including TPO Staff meeting on September 27, 2023



Implementation: Project Update

Seamless CONNECTIONs

- Identified **pilot projects** for regional transit coordination that CATS incorporated into a **ConCPT grant** submitted to NCDOT for funding
- Coordinating training sessions for **regional transit operators and Remix** to discuss opportunities for using transit planning tool – CATS has regional Remix license, so no cost to providers in region



Implementation: Project Update

Improving Transportation for Older Adults

- Governor Cooper recently signed an [executive order](#) to highlight commitment to build an age-friendly state, including transportation options for older adults
- Centralina Area Agency on Aging (AAA) has developed a *Transportation Guide for Older Adults and People with Disabilities* in English and Spanish
- Both guides (and other resources) are available on the Centralina AAA website: <https://centralinaaging.org/what-we-do-services/transportation/>

Transportation Guide

FOR OLDER ADULTS AND PEOPLE WITH DISABILITIES

North Carolina:

Anson, Cabarrus, Cleveland, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Stanly and Union Counties

South Carolina:

Lancaster and York Counties



CENTRALINA
Area Agency on Aging

www.CentralinaAging.org

Implementation: Project Update

Grants:

USDOT Build America Bureau: Regional Infrastructure Accelerator Grant (Submitted)

- Funding for “accelerator” to **build regional capacity** and ready projects for federal funding
- Three main **service lines**:
 - Infrastructure Finance Innovation
 - Pipeline Project Facilitation
 - Transit-Oriented Develop (TOD) Innovation

EPA’s Climate and Pollution Reduction Grant (Awarded)

- Implementation funding will be made available **starting 1Q 2024**
- Steering Committee will include region’s MPOs/RPO
- **Grant deliverables** include:
 - Priority Climate Action Plan – March 1, 2024
 - Comprehensive Climate Action Plan – Summer 2025



Closing Comments

Closing Comments

Thank you for attending today – we appreciate your time and participation

InfraStrategies LLC Disclaimer

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