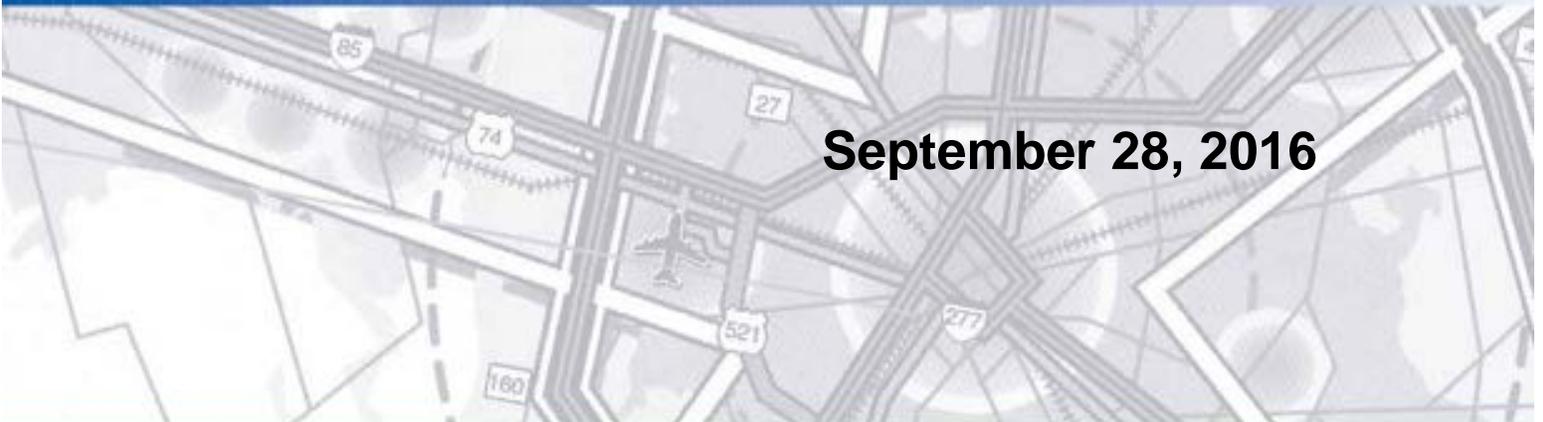


Metropolitan Transit Commission



September 28, 2016

METROPOLITAN TRANSIT COMMISSION

Wednesday, September 28, 2016

5:30pm

Charlotte Mecklenburg Government Center

Room 267

AGENDA

- I. Call to OrderCommissioner Trevor Fuller
- II. Approval of the August 24, 2016 SummaryCommissioner Trevor Fuller
- III. Report from the Chair of the Transit Service Advisory Committee (TSAC)... Michael Warner
- IV. Report from the Chair of the Citizens Transit Advisory Group (CTAG).....N/A
- V. Public Comments
- VI. Action Items
 - Sponsorship Policy..... Olaf Kinard
- VII. Information Items
 - 2017-2018 Federal & State Legislative Agendas Dana Fenton
 - CATS Financial Policies Proposed Amendments.....Dee Pereria
 - Silver Line UpdateJason Lawrence
- VIII. Chief Executive Officer’s Report John Lewis Jr
- IX. Other BusinessCommissioner Trevor Fuller
- X. Adjourn

METROPOLITAN TRANSIT COMMISSION

MEETING SUMMARY

August 24, 2016

Presiding: Trevor Fuller (Chairman, Mecklenburg County Commission)

Present:

Mayor Jennifer Roberts (Charlotte)

Mayor John Woods (Davidson)

Debra Campbell (Charlotte Assistant City Manager)

Bill Coxe (Huntersville Town Planner)

Michael Warner (TSAC Chair)

Mayor Jim Taylor (Matthews)

Mayor Chuck Travis (Cornelius)

Bill Thunberg (Mooresville Representative)

Chief Executive Officer: John Lewis, Jr

I. Call to Order

The regular meeting of the Metropolitan Transit Commission was called to order at 5:39 p.m. by MTC's Co-Chairman, Mayor John Woods.

II. Review of Meeting Summary

The meeting summary of June 22, 2016 was approved as written.

III. Transit Services Advisory Committee (TSAC) Chair's Report

No report

IV. Citizens Transit Advisory Group (CTAG) Chair's Report

No report

V. Public Comments

None

VI. Action Items

None

VII. Information Items

a. Refresh of 2030 System Plan

John Muth

Mr. Muth, CATS Deputy Director, reminded MTC members that an original systems plan was adopted in 2002 and updated in 2006. In 2010, MTC refreshed the system's financial plan due to a drastic reduction in sales tax receipts during the recession. There are many signs that point to a need for an updated system plan, including:

- Current financial environment
- Public's desire for continued investment in transit infrastructure
- Mecklenburg Livable Community Plan
- Project Connect (considering economic development, land preservation, transportation choices, cost of commute, etc.)

- Mecklenburg County has greatly exceeded 1990's population projections (in 1998 it was projected that by 2025 Mecklenburg County would reach one million in population. That milestone was achieved in 2014)
- Charlotte is the second fastest-growing city in the nation

Mecklenburg County is also the major employment destination in the region. Over 150,000 people commute to work each day to Mecklenburg County; 20 percent of people in the region who live outside Mecklenburg County work within Mecklenburg County. Areas such as SouthPark, Ballantyne and the Airport have become large employment centers.

Comprehensive Operations Analysis – CATS proposes to conduct a Comprehensive Operations Analysis to review route structure, route frequencies, etc. There is a definite expansion of crosstown routes and neighborhood feeders when reviewing the route structure from 1998 to present. However, there are still gaps and areas that are not being serviced as well as some would like. Additionally, bus revenue service hours have expanded from 400,000 hours in 1998, before sales tax implementation, to 950,000 hours in 2006-2007. As the recession hit, bus service hours trended down and have remained flat since the recession. Currently, CATS projects minimum increases in service, with some exceptions for grants and partnerships such as with UNC Charlotte and the Airport.

The Comprehensive Operations Analysis will:

- Be realistic – examine how best to deploy budgeted hours of revenue service given current financial realities (financially constrained)
- Be aspirational – based on citizen input, develop service scenarios that address desires for more routes, more frequency, shorter/more direct trips (not financially constrained)
- Take a fresh look at our bus route structure and route frequency
- Leverage existing bus service planning efforts:
 - LYNX Silver Line Corridor
 - LYNX Blue Line Extension (BLE) Bus-Rail Integration
 - North Corridor Mobility Study
- Leverage existing capital assets:
 - LYNX Blue Line and BLE
 - CityLYNX Gold Line

As the above work evolves, it will allow CATS to understand what citizens would like and will help give structure to CATS' capital program, which will include:

- Fleet Planning
- Location of future Neighborhood and Community Transit Centers and Park and Ride Lots
- Future needs at Charlotte Transportation Center
- Complementary needs at Charlotte Gateway Station (CGS)

2030 Transit System Plan Status – The status of the 2030 Plan is:

- **Operating**
 - LYNX Blue Line Rail Service
 - Sprinter Airport Enhanced Bus Service
 - CityLYNX Gold Line Phase 1
- **Under Construction**
 - LYNX Blue Line Extension

- **Under Design**
 - CityLYNX Gold Line Phase 2 (currently in bid process)
 - CGS Track and Bridge (currently in conjunction with NCDOT with design work on the track and bridge element to bring the multimodal Amtrak Station downtown)
- **Under Study**
 - LYNX Silver Line Rail Technology/Alignment
 - CGS Phases 2 and 3 (currently in conjunction with NCDOT planning efforts)
- **Unfunded – Design & Construction**
 - LYNX Red Line
 - LYNX Silver Line
 - CityLYNX Gold Line Extensions
 - Beatties Ford Road
 - Central Avenue
 - Airport (including the decision of whether the transit mode should be Streetcar or light rail)

LYNX Red Line – At this time, there is no definitive funding or implementation schedule due to:

- No local, state or federal funding sources
- Norfolk Southern Railroad’s Policy that provides no passenger access to the rail corridor.
The next steps are:
 - Mobility Study – working on enhanced bus operations plan leveraging the I-77 HOV/HOT Lane Project
 - Maintain LYNX Red Line as a key component of longer term Corridor System Plan
 - Ongoing discussions with Norfolk Southern, North Carolina Railroad and NCDOT
 - Ongoing funding discussions in the context of the need for additional funding

LYNX Silver Line Study Goals:

- Define a rail fixed guideway alignment and confirm the technology for the Southeast Corridor
- Provide an interim bus transit strategy for utilizing lanes on the Independence Corridor
- Develop strategies to protect and preserve the rail alignment

LYNX Silver Line Update with a new Locally Preferred Alternative:

- Future conversation concerning the technology and alignment with a potential recommendation to MTC on September 28, 2016
- Future action item for MTC approval on October 28, 2016 to update the LYNX Silver Line element of the 2030 System Plan
- CATS will submit the LYNX Silver Line update to CRTPO for inclusion in the Adopted Plan.
The next steps are:
 - Evaluate how to integrate through Center City and connect the Airport Corridor with the LYNX Silver Line
 - Community Investment Plan (CIP) Request for Preliminary Engineering/Environmental Study
 - Corridor Protection Strategy

Uptown Segment Consideration – A key element for the LYNX Silver Line is a comprehensive plan for its entrance into and through Center City and integration with the West Corridor to the Airport.

Airport – West Corridor:

- In the 2002 Plan, Bus Rapid Transit was recommended
- Light Rail was not cost effective under FTA’s formulas and was therefore not likely to receive FTA funding for construction
- In the 2006 Plan, Streetcar extension (post 2030) was recommended. The LYNX Blue Line had not opened then, and its ridership success was not certain. There was also discussion of taking a couple of lanes on Wilkinson Boulevard to provide light rail to the Airport. NCDOT had concerns about that option, as Wilkinson Boulevard is viewed as a key detour route for I-85.
- In 2009 Sprinter Enhanced Bus service was implemented to the Airport for the interim
- Undertake a study within the next year or so similar to the LYNX Silver Line Study to determine a potential alignment. Part of the study would define how to connect with the Southeast Corridor
- Next Steps would include:
 - Evaluate West Corridor for light rail
 - Coordinate with the Airport’s Master Plan
 - Consider proposed River District and service to Gaston County
 - Evaluate how to integrate service through Center City and connect with LYNX Silver Line Light Rail

CityLYNX Gold Line – Identify funding to prepare final design/bid documents for remainder of proposed alignment (construct Phase 2) for:

- West to Rosa Parks Place Transit Center (Beatties Ford Road)
- East to former Eastland Mall site (Central Avenue)

Charlotte Gateway Station – Planning for CGS is proceeding in close partnership with NCDOT. The project has received some funding through a Transportation Investment Generating Economic Recovery (TIGER) Grant. MTC members are aware of existing issues. Work has started to discuss the long term vision for the district and how the CGS can be a catalyst for that area’s growth.

- Phase One – Funding is secured for this phase and includes a TIGER grant and gap funding for the phase’s \$70 million cost. Some work has started on the track, structures and signals piece of the project.
- Phase Two – Includes the platform, canopy and interim station if the project is not able to enter Phase Three quickly. This phase cost is approximately \$20-25 million. No funding or financing has been identified at this time.
- Phase Three – Finding a potential partner, developing and incorporating a multimodal station into the overall development. The cost is unknown at this time. CATS may be able to identify some Federal funding for some of the bus elements, but the magnitude of this project has not been determined.

Immediate Challenges/Opportunities:

- Expansion of the existing bus system is critical to the region

- Now is the time to conduct necessary Planning and Design to get projects shovel-ready, so when funding is available, we will be ready to move
- The need to study and update the Airport Corridor
- Identify FY18 funding for technology/ alignment update of Airport/ Center City System Integration
- Significant funding is needed to advance the remaining corridors to Preliminary Engineering/ Final Design/ Construction
- Need to build on the work of the Transit Funding Working Group (TFWG)

Near Term – Next Steps:

- Undertake and carry out the Comprehensive Operations Analysis
- Continue work on CGS
- Conduct North Corridor Mobility Study – Develop Operating and Capital program on how to improve services in the North
- MTC & CRTPO approval of Silver Line Alignment and Technology

FY18/FY19 Budget Process:

- Propose a CIP Request to study the West Corridor and develop a Center City System Plan for integration of the LYNX Silver Line and the West Corridor
- Develop CIP Request for MTC consideration of Preliminary Engineering/Environmental Study
- MTC CIP Budget development will include identification of funding needs for advancing the Refreshed System Plan

Discussion: Commissioner Fuller asked how the cost of CGS Phase 3 would be determined. Mr. Muth responded that the vision work happening with CGS Phases 1 and 2 will help identify the elements that need to be considered in a good estimate of the project's total cost. Mr. Lewis added that CSG Phase 3 has been envisioned as a Public/Private Partnership. After Phase 2, there will be Amtrak service Uptown, a temporary station and an idea of the cost of a permanent station. The goal is to determine how to incorporate the transportation needs into an overall plan for the private development, and find out how much of the cost of Phase 3 can be borne by the private sector. Commissioner Fuller commented that as the 2030 Plan is refreshed, we need to identify the costs associated with such an undertaking. If we need to find different funding sources, as Denver did, we need to know the funding goal we are trying to reach. Additionally, MTC needs to be open to creative possibilities to create new funding sources. Mr. Lewis shared that CATS envisions 1) a short term immediate redesign of the bus system, which will occur over the next year; then 2) in the mid-term, over the next two years, a refresh of the 2030 Plan and identifying the funds to get to that point. The current 2030 Plan is a Mecklenburg County Plan. Meetings with the Centralina Council of Governments (CCOG) revealed a need to expand the 2030 Plan to meet the transportation needs of our regional partners and create a truly regional plan that takes our transportation efforts to the next level.

Mayor Roberts commented that there was a discussion with the Mayors Institute on City Designs in which Charlotte was asked to participate in a seminar in Charleston. The Mayor's Institute asked on which project Charlotte would like their input. There are 6-7 world renowned architects, urban planners and designers who will gather to come up with a plan/design for CGS that may result in possible station designs, which may give an idea of

the amount of funding needed. This will also be something that can be shared with developers to help them envision the components that can go in to the CGS development and how the development can transform that area of downtown. Also, Mayor Roberts said she had visited Statesville and shared there that CGS will be the terminus for the LYNX Red Line, bus service and Streetcar. We asked Statesville to be a part of this vision. Managed lanes, Express Bus and community input were also discussed in Statesville during a very positive meeting. Mayor Roberts said that the Mayor Pro-Tem of Huntersville said that positive conversations are happening in Iredell County relating to this initiative. At the October MTC meeting, Mayor Roberts said she can give a report on feedback from the Mayors Institute of City of Design and share their ideas for CGS. As we continue to enlighten communities, their feedback will be very helpful. Once communities see some kind of format, people begin to get excited about things that can happen and it gets easier to provide estimates. However, what if the development is a result of a Public-Private Partnership? Our estimate would not apply if the private sector wants to build its vision.

Mayor Roberts also shared that as discussions continue about redeveloping the site of the former Eastland Mall, there is talk about enhanced bus service to connect with Streetcar Phase 2 after completion. Even a fixed line like Sprinter is attractive so people can see what that will look like down the road. A South American architect who reviewed the former Eastland Mall site made some suggestions on transportation mode, such as double buses, Sprinter and hybrids, to stimulate interest in the use of the line and influence preference toward more of a transit corridor. This may help with the development that we hope is coming as we continue to look at Eastland.

Mayor Roberts asked the usage level for Sprinter service. Mr. Lawrence said the ridership total is around 28,000 to 30,000 monthly. Since the Sprinter Service's implementation in 2009, the route's ridership has increased 30 percent.

Mayor Woods commented that the short term and medium term plans are good. He would like to have dates applied so there are deliverables in place with completion dates. To this point, the 2030 Plan is only a Mecklenburg County plan. That is a valid issue on which we must continue to work. The meeting in Iredell County was extremely positive but the crux is when will that county be ready to help build the system in their county, and what connectors will be needed to support the operations of the entire system. We need to pursue that idea in the surrounding counties also. In the "Dream BIG" category, we need to find a method to better connect these parallel LYNX Red and Blue Lines, then the Streetcar. Mayor Woods said that he did not believe Streetcar was the best long term connector for a first class system. Denver shows us how to "Think BIG" and we must follow suit for the future. Mayor Roberts suggested that we partner with CCOG and use their established relationship with the regional surrounding counties to help facilitate our regional transit plan and efforts.

Mayor Travis stated that he appreciated hearing about the meeting in Statesville and the support from a regional basis for transportation improvements. It is going down the line of "Thinking BIG." He reminded MTC members of the need to have emphasis, especially on how to connect with the Airport. We need to have a true connection from the heart of our commerce to the Airport. The Sprinter service currently in place has been watered down to a local route and does not provide the attention to the Airport that is necessary. Mayor

Travis also stated he is excited about the Mobility Study of the North Corridor and the opportunities there. Although we do not control the fate of the LYNX Red Line, we can take full advantage of managed lanes now that we are hearing positive feedback from the northern part of Mecklenburg and Iredell counties.

Bill Thunberg, Mooresville Representative, said that he heard in these comments a ringing endorsement for undertaking these efforts and bringing all the members of MTC, as well as partners such as SCDOT and others, back to the table to make this a priority and develop a truly regional transit plan.

VIII. Chief Executive Officer's Report

John Lewis

Under the CEO's report, Mr. Lewis discussed the following:

- a. **New Fare Boxes:** New fare boxes will be installed in the rest of the fleet this weekend, August 27-28, 2016. The fare boxes have been in testing for the last month and all results have been positive, including feedback from both bus operators and passengers.

IX. Other Business

None

X. Adjourn

The meeting was adjourned at 6:28 p.m. by Commissioner Fuller.

NEXT MTC MEETING: WEDNESDAY, SEPTEMBER 28, 2016, 5:30 P.M.

**METROPOLITAN TRANSIT COMMISSION
ACTION ITEM
STAFF SUMMARY**

**SUBJECT: Amendment of MTC Advertising
Policy – MTC-07**

DATE: September 28, 2016

- 1.0 PURPOSE/SCOPE:** This policy is brought forward for revision to allow sponsorships of CATS assets and services, subject to the terms of the Sponsorship policy of the City of Charlotte.
- 2.0 BACKGROUND:** CATS staff believes that it may be possible for CATS to generate additional revenue through sponsorships and the sale of naming rights. The City of Charlotte already has a policy in place that allows for such sponsorships.
- 3.0 PROCUREMENT BACKGROUND:** N/A
- 4.0 POLICY IMPACT:** The MTC's current Advertising policy, MTC-07, requires amendment in order to allow the sponsorship of CATS assets or services.
- 5.0 ECONOMIC IMPACT:** Allowing CATS assets and services to be sponsored is expected to have a positive economic impact. However, it is not possible to generate a reliable forecast at this time.
- 6.0 ALTERNATIVES:**
- (1) Adopt the proposed draft of the amended policy submitted by staff; or
 - (2) Adopt a revised draft of the amended policy submitted by staff, or
 - (3) Maintain the current policy as is.
- 7.0 RECOMMENDATIONS:** Adopt the proposed draft of the amended policy submitted by staff.
- 8.0 ATTACHMENT:** Draft of the proposed amendment to MTC-07

SUBMITTED AND RECOMMENDED BY:



**John M. Lewis Jr.
CEO, Charlotte Area Transit System
Director of Public Transit, City of Charlotte**

1.0 PURPOSE

This policy governs:

- Advertising on the Charlotte Area Transit System's (CATS') assets by external entities;
- Sponsorships and naming rights of CATS' assets, programs, and services by external entities; and
- The approval process for all of the above.

CATS is authorized to sell space in and/or on approved assets for the display of commercial or governmental advertising, sponsorships, and naming rights. The purpose is to raise revenues or in-kind support, supplementary to those from fares and other sources, to be used to finance, improve, or expand CATS' operations. The display of advertising, sponsorships, and naming rights is solely for this purpose. It is not intended to provide a general public forum of any nature for purposes of communication, but rather to make use of CATS property in order to finance, improve, or expand CATS' operations.

Transit advertising, sponsorships, and naming rights will be managed in a manner that generates as much revenue or in-kind support as practicable, while ensuring that the advertising, sponsorships, and naming rights are consistent with CATS' mission and vision to provide safe and efficient public transportation. Transit advertising, sponsorships, and naming rights should not discourage the use of the transit system, diminish CATS' reputation or image in the communities it serves, or diminish the goodwill of its patrons. To attain these objectives, the Metropolitan Transit Commission (MTC) has established the following policies regulating the display of advertising, sponsorships, and naming rights in and/or on the approved assets as outlined in this policy.

1.1 Compliance with Federal Requirements

The United States Department of Transportation (USDOT) provides CATS with funding for operational assistance and the procurement of CATS' assets. For that reason, federal law and guidance requirements apply to CATS' assets and any revenue generated utilizing those assets. The sale of all advertising, sponsorships, and naming rights pursuant to this policy shall fully comply with all applicable federal law and guidance requirements including, but not limited to, open competition to provide fair and equal access to federally assisted property.

1.2 City of Charlotte Sponsorship Policy

The City of Charlotte Sponsorship Policy, including any revisions or updates to it, is hereby incorporated by reference and made a part of this policy in regards to sponsorships.

2.0 POLICY ON USE OF CATS' ADVERTISING SPACE

Paid advertisements are allowed only in or upon approved CATS' assets.

2.1 Assets approved to display paid advertisements:

1. Exterior and interior of vehicles
 2. Fare Media
 3. Schedules
 4. Transit Stations
 5. Transit Centers
 6. Mobile Technology
 7. Shelters and benches
 8. Digital media
- 2.2** All advertising displayed in and/or on approved CATS' assets shall be commercial or governmental in nature and purpose.
- 2.3** **Commercial advertising** is defined as advertising the sole purpose of which is to sell, rent, or promote real estate, personal property, services, events, or entertainment for profit. It does not include advertising that also conveys information about matters of general interest, political issues, religious, moral, or environmental matters or issues, or other public matters or issues, or expresses or advocates opinions or positions upon any of the foregoing.
- 2.4** **Governmental advertising** is defined as advertising the sole purpose of which is to promote or inform the public of a service, program, event, or activity of, or sponsored by, the advertising federal, state or local governmental entity or agency.
- 2.5** CATS accommodates all persons without distinction of age. It is therefore necessary to exclude advertising unsuitable for exposure to persons of young age and immature judgment. The following kinds of commercial advertising therefore will not be permitted:
- a. Cigars, cigarettes, pipe tobacco, chewing tobacco, tobacco-derived products, vapor products, or components of vapor products.
 - b. Products or services related to human reproduction or sexuality including, but not limited to, contraceptive products or services, other products or services related to sexual hygiene, and counseling with regard to pregnancy, abortion, or other sexual matters.
 - c. Products, services, or entertainment directed to sexual stimulation.
- 2.6** No advertising shall be permitted that explicitly and directly promotes or encourages the use of means of transportation in direct competition with CATS.
- 2.7** No advertising shall be permitted that in any way denigrates CATS' organization, including its operation, officers, agents, or employees. This prohibition includes advertising copy and illustrations that state or imply, or could reasonably be expected to cause an inference, that CATS' services or operations are anything but safe, efficient, affordable, and convenient.

- 2.8** No advertising shall be permitted that is not truthful. Advertising copy and illustrations should not be exaggerated, distorted, or deceptive. Medical products or treatments are to be treated in a restrained and inoffensive manner. Testimonials are expected to be authentic, and advertisers using them will be required to indemnify CATS against any action brought in connection with them. Advertising that promotes contests or giveaways must comply with all applicable laws and regulations.
- 2.9** No advertising shall be derogatory of any person or group because of race, national origin, ethnic background, religion, or gender.
- 2.10** No advertising shall be permitted if the display thereof would violate any federal or State law or regulation, or any law, regulation, or ordinance of any county or municipality in or through which such vehicles are or may be operated.
- 2.11** No political advertising shall be permitted. For this purpose, political advertising is defined as any of the following:
- a. Any advertising that supports or opposes the election of any candidate or group of candidates for election to any federal, State, or local government office;
 - b. Any advertising that supports or opposes any referendum conducted by the federal or State government, or by any local government, such as referenda on constitutional amendments, on bond issues, or on local legislation; or
 - c. Any advertising that features any person whose prominence is based wholly or in part upon his or her past or present activity in political affairs, or that represents or implies any such person's approval or endorsement of the subject matter of the advertising.
- 2.12** Use of CATS' name, logo, slogans, or other graphic representations is subject to advance approval by CATS. CATS will not endorse or imply endorsement of any product or service.
- 2.13** If advertising space in and/or on approved assets is sold through one or more independent contractors, the contractors shall comply with the foregoing policies and shall review all advertising with reference to them. They shall refer all such advertising that falls or may fall into any of the categories defined above to the CATS' representative responsible for administering the advertising program, who shall determine whether the proposed advertising will be accepted. If the proposed advertising is rejected, the party or parties proposing it may request that this decision be reconsidered. Upon such request, CATS' representative shall consult with CATS' General Counsel and with the Chief Transit Official. The Chief Transit Official, on the basis of such consultation, shall determine whether the proposed advertising will be accepted or rejected.

CATS will cooperate with the party or parties proposing the advertising, and with the independent contractor through whom it has been proposed, in a reasonable

effort to revise it in order to produce advertising that can be accepted and displayed consistently with the foregoing policies.

- 2.14** CATS reserves the right to market and promote its own image and services, including co-promotions with for-profit and other non-profit entities.

3.0 POLICY ON SPONSORSHIPS

Sponsorships by external entities may be accepted only for, upon, or regarding approved CATS' assets, programs, and services.

- 3.1** Assets, programs, and services approved for use with sponsorships:

1. Vehicles
2. Fares and Fare media
3. Schedules
4. Transit Stations
5. Transit Centers
6. Shelters or Benches
7. Mobile Technology
8. All CATS' services
9. All transit industry related activities

All sponsorship related advertising displayed in and/or on CATS assets shall be commercial or governmental in nature and purpose.

- 3.2** A ***Sponsorship*** is defined as the contribution of monetary or in-kind support by an external entity (for-profit or not-for-profit) to CATS or for a CATS program or service, in exchange for which CATS:
- a) Acknowledges the sponsor and the sponsor's contribution; and
 - b) Grants to the sponsor the right to associate the sponsor's name, products, or services with CATS or the sponsored CATS program or service.

3.3 Criteria for Approval of Sponsorships

A sponsorship affiliation may affect the reputation of CATS, the parties to the Metropolitan Transit Commission (MTC), and the City of Charlotte (City). The reputation of local governments among the people they serve is critical to their ability to govern effectively. CATS and the City retain sole and final decision-making authority for determining the appropriateness of a sponsorship association and reserve the right to refuse any offer of sponsorship. Any proposal for sponsorship in which the involvement of an outside entity is likely to compromise the public's perception of CATS, the MTC, or the City's neutrality or its ability to act in the public interest will be rejected.

In considering whether to accept a proposed sponsorship, CATS shall consider the following non-exclusive criteria:

- The relationship and importance of the sponsorship to the mission of CATS, the MTC, and the City.
- Whether and the extent to which the sponsorship furthers one or more of the MTC's or City Council's adopted focus areas.
- The type and level of support provided by the sponsor.
- Whether and the extent to which the sponsorship will create financial or administrative burdens on CATS or the City, or require additional personnel.
- The extent and prominence of communications to the public regarding the sponsorship.
- Whether the sponsorship will establish, or will be perceived as establishing, an inappropriate association.
- Whether the sponsorship is, or will be perceived to be, politically oriented.
- Whether the sponsorship is, or will be perceived to be, offensive to segments of the area's populace.
- The aesthetic characteristics of communications to the public regarding the sponsorship.
- Whether the sponsor manufactures products, takes positions or otherwise engages in activity that is inconsistent with local, state, or federal law or with MTC/City policies or with CATS mission, the City's mission, or City Council's focus areas.
- Any other factors that might undermine public confidence in CATS', the MTC's, or the City's impartiality or interfere with the efficient delivery of services or operations, including, but not limited to, current or potential conflicts of interest between the sponsor and City employees, officials, or affiliates and the potential for the sponsorship to tarnish CATS', the MTC's or the City's standing among the area's populace or otherwise impair the ability of CATS, the MTC, or the City to serve the people (e.g., the prospective sponsor seeks to sponsor a program of a CATS' division that awards or administers contracts for goods or services that the sponsor provides).

Consistent with the foregoing criteria, the following are categorically excluded as potential sponsors:

- Entities that promote the sale or consumption of tobacco, tobacco-derived, and vapor products (including components thereof);
- Entities that promote the sale or consumption of illegal drugs;
- Entities that promote gambling (not including any State operated education lotteries);
- Sexually oriented businesses as defined in Chapter 6, Article IX of the City Code, and entities that promote the sale or dissemination of erotic materials or services; and
- Political parties or political advocacy groups.

3.4 CATS Acknowledgment and Recognition Messages

CATS will exercise full editorial control over the placement, content, appearance, and wording of sponsorship acknowledgment and recognition messages on CATS assets or through CATS communications medium. Such messages are intended to be government speech.

Sponsorship recognition messages may identify the sponsor but shall not promote or endorse the organization or its products or services. Statements shall not advocate, contain price information or an indication of associated savings or value, request a response, or contain comparative or qualitative descriptions of products, services, or organizations.

Only the following content will be deemed appropriate:

- the legally recognized name of the sponsor
- the sponsor's organizational slogan if it identifies rather than promotes the organization or its products or services
- the sponsor's product or service line, described in brief, generic, objective terms
 - only one product or service line may be identified per message
- brief contact information for the sponsor's organization, such as phone number, address, or Internet website - contact information must be stated in a manner that avoids an implication of urging the reader to action

CATS will not make any statements that directly or indirectly advocate or endorse a sponsor's organization, products, or services.

3.5 Sponsors' Rights to Publicize their Association with CATS

A sponsor shall not use CATS', the MTC's or its member organizations', or the City's name, marks, or logos in any materials or communications without the prior written approval of CATS and the named entity including, but not limited to, print, video, Internet, broadcast, or display items that promote or communicate the sponsorship. Under no circumstances shall a sponsor issue materials or communications that state or imply that CATS', the MTC or its member organizations or the City have endorsed the sponsor or the sponsor's products or services.

3.6 Sponsorship Agreement

Every approved sponsorship relationship shall be documented in a properly authorized Sponsorship Agreement. Sponsorship Agreements shall include provisions that:

- identify the benefits to be given by the sponsor to CATS;
- identify the benefits to be given by CATS to the sponsor;
- state that the sponsorship is nonexclusive;

- establish the term or duration of the sponsorship relationship, and grant CATS and the sponsor the right to terminate the sponsorship relationship at any time, with or without cause.

Notwithstanding the foregoing: (a) a sponsorship may be exclusive if the Chief Transit Official determines that there are compelling reasons for exclusivity; and (b) the CATS right to terminate a sponsorship relationship without cause may be limited if the Chief Transit Official determines that there are compelling reasons for such a limitation.

3.7 Approval Authority

The authority to approve sponsorship agreements is as follows:

- sponsorships projected to generate more than \$100,000 must be approved by the Charlotte City Council
- sponsorships projected to generate \$100,000 or less must be approved by the City Manager or the Deputy City Manager. Sponsorships approved by the City Manager or the Deputy City Manager must be reported to the Mayor and City Council within one month of approval.

Regardless of the projected monetary or in-kind value of a sponsorship, the City Manager and the Chief Transit Official shall have the discretion to refer a proposed sponsorship to the City Council for consideration and/or approval.

4.0 NAMING RIGHTS

Naming agreements for specifically approved CATS' assets, programs, or services may be entered into with external entities.

4.1 Assets, programs, and services approved for use regarding the transfer of naming rights to external entities are:

1. Transit Stations
2. Transit Buildings
3. Shelters or Benches
4. CATS services and routes
5. Rail vehicles

All naming rights related advertising displayed in and/or on CATS assets shall be commercial or governmental in nature and purpose.

4.2 A ***Naming Sponsorship*** is a specialized form of sponsorship that is further defined as the contribution of monetary or in-kind support by an external entity (for-profit or not-for-profit) to CATS for the right to name an approved CATS asset, program or service, in exchange for which CATS:

- a) acknowledges the naming sponsor and the sponsor's contribution; and

b) grants to the sponsor the right to name a specific CATS asset, program or service for a fixed length of time.

4.3 Criteria for Approval of a Naming Sponsorship

The criteria for approval of a naming sponsorship shall be the same as those for a sponsorship as set forth in Section 3.3, above.

4.4 City Acknowledgment and Recognition Messages

CATS will exercise full editorial control over the placement, content, appearance, and wording of the naming of any CATS assets, program, or services. Such naming is intended to be government speech.

Chosen names may identify the sponsor but shall not promote or endorse the organization or its products or services. Names shall not advocate or be political in nature, and must meet the criteria for advertising set forth in Sections 2.5, 2.6, 2.7, 2.9, and 2.11 of this policy, in addition to that of Section 3.3.

4.5 Sponsors' Rights to Publicize their Association with the City

A naming sponsor shall not use CATS', the MTC's or its member organizations', or the City's name, marks, or logos in any materials or communications without the prior written approval of CATS and the named entity including, but not limited to, print, video, Internet, broadcast, or display items that promote or communicate the sponsorship. Under no circumstances shall a sponsor issue materials or communications that state or imply that CATS', the MTC or its member organizations or the City have endorsed the sponsor or the sponsor's products or services.

4.6 Naming Agreement

Every approved naming sponsorship relationship shall be documented in a properly authorized Naming Agreement. Naming Agreements shall include provisions that:

- identify the benefits to be given by the sponsor to CATS;
- identify the naming benefits to be given by CATS to the sponsor;
- state the name(s) that have been selected by the sponsor and approved by CATS, or set forth the process for determining the name(s);
- establish the term or duration of the naming sponsorship relationship, and grant CATS and the sponsor the right to terminate the sponsorship relationship at any time, with or without cause.

4.7 Approval Authority

The naming of a CATS asset, program, or service must be approved by the MTC and City Council. However, the authority to name a room or area in, or a component of a building or facility shall be in accordance with the below-listed dollar thresholds.

The authority to approve naming sponsorship agreements is as follows:

- naming sponsorships projected to generate more than \$100,000 must be approved by the City Council
- naming sponsorships projected to generate \$100,000 or less must be approved by the City Manager or the Deputy City Manager. Sponsorships approved by the City Manager or the Deputy City Manager must be reported to the Mayor and City Council within one month of approval.

Regardless of the projected monetary or in-kind value of a naming sponsorship, the City Manager and the Chief Transit Official shall have the discretion to refer a proposed naming sponsorship to the City Council for consideration and/or approval.

Summary of Changes

To be completed

**METROPOLITAN TRANSIT COMMISSION
INFORMATION ITEM
STAFF SUMMARY**

SUBJECT: 2017-2018 Federal & State Legislative Agendas DATE: September 28, 2016

- 1.0 **PURPOSE/SCOPE:** Presentation of the proposed 2017-2018 Federal & State Legislative Agendas

- 2.0 **BACKGROUND/JUSTIFICATION:** Every year, the MTC prepares Federal & State legislative agendas to inform our Congressional and State delegations of the public transportation matters that are important to our region. In accordance with MTC guidance, the agendas are presented for MTC review. Staff will request the MTC to approve the agendas at its October 26, 2016 meeting.

- 3.0 **PROCUREMENT BACKGROUND:** Does not apply.

- 4.0 **POLICY IMPACT:** The 2017-2018 Federal & State Legislative Agendas propose advocacy on public transportation issues important to the completion of the 2030 Transit System Plan.

- 5.0 **ECONOMIC IMPACT:** Does not apply.

- 6.0 **ALTERNATIVES:** Not applicable.

- 7.0 **RECOMMENDATION:** This information is being presented for MTC review and discussion. The CEO requests input from MTC members prior to MTC consideration on October 26, 2016.

- 8.0 **ATTACHMENT(S):** Presentation – 2017-2018 Federal & State Legislative Agendas

SUBMITTED AND RECOMMENDED BY:



**John M. Lewis, Jr.
CEO, Charlotte Area Transit System
Director of Public Transit, City of Charlotte**

**METROPOLITAN TRANSIT COMMISSION
INFORMATION ITEM
STAFF SUMMARY**

**SUBJECT: CATS Financial Policies
2016 Proposed Amendments**

DATE: September 28, 2016

- 1.0 **PURPOSE/SCOPE:** The purpose of this item is to present CATS Chief Executive Officer's 2016 proposed amendments to CATS Financial Policies. These policies are subject to review and revision by the MTC at least every three years. The last amendments were approved by the MTC in April 2013.

- 2.0 **BACKGROUND/JUSTIFICATION:** On October 25, 2000, the MTC adopted CATS Financial Policies. Since that time there have been several amendments to the Financial Policies with the most recent amendment dated March 26, 2013. CATS Financial Policies provide guidance and a framework for management of the financial resources of the Charlotte Area Transit System.

The 2013 amendments focused on implementation of provisions that would secure critical capital financing for the Blue Line (Light Rail) Extension project. The changes also stabilized the level of sales tax available to maintain and grow the transit operation. In addition, a second reserve fund was created, i.e. Revenue Reserve Fund, which had to be maintained at \$30 million, and would serve to mitigate unusual activity in the financial markets which might impact the annual debt service costs and/or cost of transit operations.

Key policy revisions/additions that are being proposed for the MTC's consideration are:

Administrative Changes

Several sections in the document have been rearranged in order to offer an easier flow of information. In addition, a couple of new sections have been included in the document.

1. Section 2.0
Introduced a section on "Definitions".
2. Section 3.0
Introduced a section on "Flow of Funds"
3. Section 6.4
Clear identification of reports that will be submitted to the MTC

Performance Changes

1. Section 4.4
Update methodology for calculation of Net and Gross Debt coverage ratios to include all grant funds which are received as revenue for payment of debt service costs.
2. Section 5.6.A.
In order to manage costs required to subsidize direct services, implement a System Subsidy objective which will measure "the percentage of annual operating expense that is not offset by revenue generated from passengers

through ticket and pass sales and service and activity center reimbursements shall be budgeted at $\leq 80\%$ ”.

Policy Changes

1. **Section 3.3**
Introduce “CATS Control Account”. This account provides additional resources for use in CATS operating or capital programs which must be approved by the MTC through the regular annual budget process.
2. **Section 8.6**
Introduce a methodology for maintaining the \$100 million year-end fund balance.

Other changes include more specific definitions and organization of information.

- 3.0 **PROCUREMENT BACKGROUND:** Does not apply.
- 4.0 **POLICY IMPACT:** Revision of CATS Financial Policies will establish new standards for achievement of CATS Mission in implementing the 2030 Transit Corridor System Plan.
- 5.0 **ECONOMIC IMPACT:** The goal is long term financial stability and cost effectiveness of the transit program. The MTC will be carrying out its fiduciary responsibilities in utilizing the sales tax revenues approved by the voters of Mecklenburg County and the funds received from other government and private sources.
- 6.0 **ALTERNATIVES:** Not Applicable
- 7.0 **RECOMMENDATION:** Review and offer guidance to CATS CEO. Prepare for approval in October 2016.
- 8.0 **ATTACHMENT(S):** 2016 Proposed (revised) CATS Financial Policies.

SUBMITTED AND RECOMMENDED BY:



John M. Lewis, Jr.
CEO, Charlotte Area Transit System
Director of Public Transit, City of Charlotte

1.0 PURPOSE

These Financial Policies provide a comprehensive framework for the management of financial resources of the Charlotte Area Transit System (CATS). They provide guidelines for decision-making by the CATS governing board, the Metropolitan Transit Commission (MTC), and management on how financial resources shall be utilized to fulfill the mission of the transit system, meet obligations, and protect the public interest.

1.1 Objectives

- 1.1.A. Cost effective allocation and use of CATS financial resources in achieving the system's mission.
- 1.1.B. Compliance with applicable Federal, State, and Local laws, regulations, and guidelines governing transit funding.
- 1.1.C. Use of sound business and accounting practices in managing CATS financial affairs.

1.2 Legal Authority

- 1.2.A. Transit Governance Interlocal Agreement amended November 28, 2005, from *inter alia* the following:
 - Article 43 of Chapter 105 of the North Carolina General Statutes (Sessions Laws 1997, ch. 417, sec. 1) (Local Government Public Transportation Sales Tax Act)
 - N.C.G.S. 160A-460 *et seq.* (Interlocal joint exercise of powers)
 - N.C.G.S. 160A-311 *et seq.* (Municipal public enterprises)
 - N.C.G.S. 153A-274 *et seq.* (County public enterprises)
- 1.2.B. Federal Requirements (U.S. Department of Transportation, Federal Transit Administration (FTA))
 - OMB Super Circular 2 CFR 200
 - 49 CFR, Parts 18 (The Common Rule), 21, 23, 24, 663
 - FTA Circular 5010.1D (including References)

1.2.C State Requirements

- The Local Government Budget and Fiscal Control Act
- A compilation of laws, excerpted from the N.C. General Statutes that identify basic legal requirements under which local governments must operate.

1.3 Scope

These Financial Policies cover major categories of CATS financial activity. CATS Chief Executive Officer shall submit a proposed Transit Program to the MTC by January 31 of each year. The MTC shall approve the Program by April 30 of each year; after which the Charlotte City Council must approve the Transit Program Budget. If either of the dates fall on a weekend, the preceding Friday shall prevail. Upon approval, the Charlotte City Council shall fund the Transit Program through budget and/or project ordinances.

The annual Transit Program shall consist of the following:

- Transit Debt Service Fund delineating income and expenditures associated with the Transit Debt Service Program; and pass-through funds from the Transit Sales Tax revenues to other funds
- Transit Revenue Reserve Fund (RRF) delineating funds transferred from the Transit Debt Service Fund which are intended to act as a hedge against income fluctuations ensuring financial stability for optimal debt financing.
- Transit Operating Fund delineating operating income, reserves and operating expenditures for the provision of transit services
- Transit Capital Fund delineating income and expenditures for the Transit Community Investment Plan (CIP)

1.4 Fiscal Year

The City's Fiscal Year is July 1 through June 30.

2.0. DEFINITIONS

CATS is the Charlotte Area Transit System which is a Department of the City of Charlotte.

CATS Control Account created in 2016 is a control cost center in the Transit Capital Program which will receive revenue from sales tax funds, as described in Section 3.1.



CEO is the Chief Executive Officer of the Charlotte Area Transit System

Cost Allocation Plan (CAP), approved by the Federal Transit Administration in 2011 and updated annually in compliance with Federal regulations. CATS CAP provides the approved overhead rate that may be applied on direct project administration costs.

Finance Charge Reimbursements in any Fiscal Year is the amount of Federal or State grant reimbursements under a Full Funding Grant Agreement or other grant agreements which are eligible to pay a portion of annual debt service costs.

Fiscal Year-End Fund Balance is an unrestricted balance that must be available in the Transit Fund at the end of each fiscal year.

Metropolitan Transit Commission (MTC) is the transit governing board for the Charlotte Area Transit System (CATS) whose primary function is approval of transit policy and budgets.

Operating Allocation is the amount of Transit Sales Tax revenue derived from the Sales Tax Trend Line available for transfer to the Transit Operating Fund after deducting debt service payments.

Revenue Reserve Fund (RRF) was created in 2013 to capture annual Transit Sales Tax revenue in excess of the annual Sales Tax Trend Line. The maximum RRF fund balance is set at \$30 million. Funds from the RRF will be used by CATS in years when the annual Transit Sales Tax revenue is below the Sales Tax Trend Line.

Sales Tax Trend Line defines average long-term growth rate for the Transit Sales Tax. The sales tax trend line was established in 2013 and was calculated based on the trend of the one-cent Countywide sales tax revenue (with adjustments) for the period 1981-2011.

Transit Sales Tax is the Mecklenburg County voter approved ½% Sales & Use tax authorized by Sub Chapter VIII of Chapter 105 of the North Carolina General Statutes, Article 43 Local Government Public Transportation Sales & Use Tax Act. Proceeds from the tax must be used exclusively for the purpose of public transportation.

3.0. FLOW OF FUNDS

3.1. Transit Sales Tax

One half percent (1/2%) of local sales and use taxes approved for public transportation systems in Mecklenburg County by the General Assembly of North Carolina Sessions Law - 1997. The tax is distributed during the year to three eligible parties, i.e. City of Charlotte, Mecklenburg County and the Town of Huntersville. The Transit Governance Interlocal Agreement



requires each eligible party to transfer its sales tax receipts to the City of Charlotte/CATS within five business days of receipt of these funds from the State of North Carolina.

All Transit Sales Tax revenue is deposited into the CATS debt service fund for debt service payments. Revenue deposited into the Debt Service Fund is managed as follows:

- Annual amount budgeted for debt service payments and fees are retained in the Transit Debt Service Fund.
- Any actual sales tax revenues in excess of the Transit Sales Tax Trend Line is transferred to the Transit Revenue Reserve Fund (RRF) until the balance in the RRF reaches \$30 million. Once the RRF balance is at \$30 million, these funds are transferred to the "CATS Control Account" in the Transit Capital Fund.
- The balance, referred to as "Operating Allocation", is transferred to the Transit Operating Fund.

3.2. Sales Tax Trend Line

The 2013 Sales Tax Trend Line may be adjusted periodically, based on changes in source of revenues or any other significant changes that may impact the Transit ½% Sales & Use Tax.

3.3. CATS Control Account

Transit sales tax revenue that has been transferred into this control account based on Section 3.1. The Transit CEO may recommend use of such funds, for operating or capital programs, to the Metropolitan Transit Commission as a part of the CEO Recommended Budget in January of each year.

4.0 DEBT SERVICE PROGRAM

4.1 The Transit Debt Service Fund will receive all transit sales tax revenue. The distribution of these funds will conform to the Flow of Funds identified in Section 3.1.

4.2 The Debt Service program receives revenue from debt financing, loan proceeds, premiums, grant funds used to offset debt service payments and fees and local sales tax revenue; payments include principal and interest costs on short- or long-term debt (annual debt service costs) associated with financing of capital assets for the transit system, fees and other specialized costs associated with this program.

4.3 The main components of the Transit Debt Service Program will be:

- Bus & Rail Equipment/Amenities/Facilities Program: Debt service costs associated with the purchase of buses, rail cars, other rolling stock,



equipment, construction and real estate not associated with the development of the Rapid Transit Program.

- Rapid Transit New Starts Programs: Debt service costs associated with the development and build out of New Starts, Small Starts, Core Capacity, TIGER, or other rapid transit development and construction programs.
- Other: Any other transit related fees and programs as approved by the MTC.

4.4 Debt Service Program: Financial Performance Objectives

Debt service coverage ratios establish a guide for levels of annual operating costs relative to current and future debt service costs.

4.4.A Net Debt Service Coverage Ratio:

The Net Debt Service Coverage Ratio (NDSCR) requires debt service revenue to exceed debt service cost by 15% (1.15x). NDSCR is calculated as follows:

- i) Numerator: Operating Balance (as defined in Section 5.5) plus Finance Charge Reimbursements
- ii) Denominator: annual debt service cost less Federal Formula and State Matching Funds used to offset debt service.

4.4.B. Gross Debt Service Coverage Ratio

Gross Debt Service Cost Ratio (GDSCR) requires that the income from Transit Sales Tax + Maintenance of Effort + Finance Charge Reimbursements be 3.0 times (3.00x) the annual debt service cost net of Federal Formula and State Matching Funds used to offset debt service.

The maintenance of debt service coverage ratios together with other performance measures provide multiple measures for the soundness of CATS financial plans.

Note: The above financial performance measures are established as policy objectives for the MTC and CATS management to strive to achieve in managing the affairs of the transit system and may be temporarily suspended, temporarily modified or amended upon management review.

4.5 CATS Debt Policy

- Principal maturity for debt will be linked to asset life and will not exceed thirty-five (35) years.
- Variable rate or other short-term debt may be issued for capital purposes in anticipation of receipt of approved Federal and/or State grants, with the goal of repaying a portion or all of the debt issued upon receipt of funds.
- Issuance of debt must be linked to:
 - a) Adequate encumbrance capacity to let contracts for the capital program in the most cost effective sequence.
 - b) Cash flow requirements
 - c) Fund Balance (per Section 8.6) to guard against anticipated/ unanticipated risks.
- Sales Tax revenue and eligible grant funds will be used for the payment of annual debt service costs.

5.0 TRANSIT OPERATING PROGRAM

5.1 Purpose

The Transit Operating Fund is CATS' general operating fund, which will be used to account for all financial transactions required for the operation of the public transportation system. The two primary components of this fund will be:

- A. Operating Income (Income Sources)
- B. Operating Expense

Annually, the difference between Operating Income and Operating Expense is the **Operating Balance**. The Operating Balance is transferred to the Transit Capital Program for funding a portion of the Transit Capital Program.

5.2 CATS Comprehensive Financing Model

The CATS Comprehensive financing model allocates sales tax revenues according to the Flow of Funds in Section 3.1 of this document. The model will be reviewed annually and adjusted if necessary based on debt service changes, reserve requirements, sales tax trendline adjustments or financial performance. The review shall be conducted as part of the budget process.

5.3 Operating Income

Operating Income is defined as funding sources to be used for approved annual operating costs. The primary sources of operating income are as follows:

5.3.A. Maintenance-Of-Effort

Annual appropriation to the Transit Fund from governmental units within Mecklenburg County that engaged in public transportation in fiscal year 1998.

The initial amounts were equal to the units' net local expenditures for public transportation systems in fiscal year 1998. The amended amounts for each fiscal year as identified in CATS approved budget shall be received by the City of Charlotte's Finance Department by December 31 of each year from:

- City of Charlotte
- Mecklenburg County
- Town of Huntersville

5.3.B. Passenger Fares

Actual revenue received from riders and service sponsors on all modes of the public transportation system operated or paid for by CATS.

5.3.C. Service Reimbursement

Contractual reimbursement from public/private agencies for special public transportation services, and from governmental units outside of Mecklenburg County for extensions of CATS public transportation service into surrounding counties and/or communities.

5.3.D. Operating Allocation

Sales Tax revenue that is transferred to the Transit Operating Fund from Transit Debt Fund in accordance with Flow Of Funds described in Section 3.1. of this document.

5.3.E. Interest Income

Income from the investment of reserve funds and other unused fund balances in the CATS Transit Funds. Investment will be handled by the City of Charlotte's Finance Department in accordance with North Carolina G.S. 159-30. The City's investment policy for CATS funds shall minimize credit and market risks while maintaining a competitive yield.

5.3.F. Operating Assistance Income

Annual operating assistance funds received from the North Carolina Department of Transportation, the United States Department of

Transportation, the Federal Transit and/or Highway Administration, the United States Department of Homeland Security and/or other governmental agencies in support of operating expenses for new and ongoing direct transportation and/or transportation related services.

5.3.G. Other Operating Revenue

Any other sources of revenue for CATS approved by the Metropolitan Transit Commission and/or the Charlotte City Council. Examples include, but are not limited to, salvage from sale of assets, concessions, rents, advertising proceeds, joint development payments, value capture revenue and other types of payments and/or reimbursements.

5.4 Operating Expenses

Operating Expenses are defined as the day-to-day costs incurred for public transportation service delivery, administrative overhead, and other changes and/or adjustments. The Program for such expenditures shall be approved by the Metropolitan Transit Commission in accordance with section 1.3. The Charlotte City Council funds the programs through budget and/or project ordinances.

5.4.A. Transit Service Delivery Costs

This expense category shall include:

- Base Service: Services that have been previously approved by the MTC and are in effect at the time the annual Transit Program is presented each year.
- Expanded Service: Additional services to be implemented and funded in the ensuing fiscal year. Services in this category shall be included in a 5-Year Countywide Transit Services Plan and CATS Comprehensive Financing Plan, which will be periodically reviewed.

5.4.B. Administrative Overhead Costs

Direct and Indirect costs that are incurred for common or joint purposes in support of one or more Transit Service Delivery or capital programs. Costs are allocated to programs based on allocation methods that comply with Federal, State and local guidelines.

CATS CAP rates may be applied to project administration costs in accordance with Federal regulations.

5.4.C. Adjustments



This expense category may include transfers to other funds (i.e. Transit Capital Fund and/or other miscellaneous adjustments).

5.5 Operating Balance

Annually, the difference between Operating Income and Operating Expense is the Operating Balance. Subject to Section 3.1 (Transit Sales Tax), the Operating Balance may be utilized to fund a portion of the Capital Program.

5.6 Transit Operating Program: Financial Performance Objectives

The following Financial Performance Objectives are established to guide the development of the annual program and budget and to measure and/or control operating expenses and revenues.

5.6.A. System Subsidy

The percentage of annual operating expense that is not offset by revenue generated from passengers through ticket and pass sales and service and activity center reimbursements shall be budgeted at less than or equal to 80%.

5.6.B. Cost Growth per Vehicle Revenue Hour

The annual increase in the cost per revenue hour of service shall be equal to or less than the rate of inflation for Transportation as identified by the U.S. Department of Labor, Bureau of Labor Statistics Data or +3.6%, which is greater. A unit of service is defined as one vehicle revenue hour. Cost per vehicle revenue hour is derived by dividing annual service delivery cost by total annual revenue hours of service.

Rail cost growth should be calculated using rail car revenue hours.

5.6.C. Administrative/Overhead Cost

Administrative costs in support of direct services shall not be higher than 15% of Transit Service Delivery costs.

5.6.D Unlinked Passenger Trips per Vehicle Revenue Hour

The number of passengers per revenue hour on fixed route and demand response services is a measure of service effectiveness. System-wide passengers per revenue hour shall be maintained at a level greater than or equal to 20 passengers per hour for bus operations, 90 passengers per hour for rail operations and passengers per hour for streetcar operations.

6.0 GENERAL POLICIES : OPERATING PROGRAM

6.1 Interest Income

The City of Charlotte Finance Department shall invest the cash balances in CATS Transit Fund in accordance with North Carolina G.S. 159-30.

All investments shall be insured or registered or shall be securities held by the City and/or its agents in the City's name. The City's investment of CATS funds shall minimize credit and market risks while maintaining a competitive yield.

6.2 Reimbursements for Delivery of Service

- Outside Mecklenburg County

Governmental units outside of Mecklenburg County shall reimburse CATS for service delivery in those areas. Any such cost reimbursement will be determined on a case-by-case basis, considering the extent to which the service is designed to serve Mecklenburg County residents; the degree to which the service benefits a particular group or organization; and whether the service exceeds CATS service standards and/or fare policies. For services designed to serve residents outside Mecklenburg County, CATS will cover a portion of the incremental operating cost of the service up to a maximum of 50% in recognition of the reduction in vehicular traffic on Mecklenburg County roadways. The MTC shall approve any such service and its associated reimbursement requirement prior to CATS entering into any contractual agreement to provide the service.

- Activity Center Circulation Services

Transit services providing circulation and distribution within activity centers or specific geographic areas located within Mecklenburg County will be provided in accordance with the CATS Service Policy. Any cost reimbursement for such services will be determined on a case-by-case basis considering the degree to which the service is designed to benefit a specific group of stakeholders and whether the service exceeds CATS service standards and/or fare policies. Stakeholders may be required to reimburse CATS for up to 100% of the annual revenue service costs of the service. The MTC shall approve any such service and its associated reimbursement requirement prior to CATS entering into any contractual agreement with the stakeholders to provide the service.

CATS may elect to utilize a net cost calculation, taking into account future revenue generated, due to the expanded service.

- Special Service Requests

Non-routine requests for transportation services by public and/or private groups will be provided in accordance with CATS Service Policy and Federal, State, and Local regulations.

6.3 Fare Policy

The MTC approved Fare Policy provides for an increase in fare levels every two years to ensure that fare revenues keep pace with inflation and reflect a fair-share contribution by riders to the costs of operating the transit system.

An increase of either \$0.25 (twenty-five cents) or the average of 2-year inflation (whichever is higher) is recommended for the base cash fare every two years. Fares for all other services shall likewise be adjusted to maintain their relationship to the base cash fare.

The MTC may recommend changes in transit fares, outside of the two year cycle, in recognition of significant changes in transit costs.

Fare changes will be included in the Transit Operating Program, which must be approved by the MTC.

6.4 Management Reporting Requirements

The Chief Executive Officer of CATS shall provide the Metropolitan Transit Commission with the following reports:

1. An annual budget (operating and capital) recommendation by January 31 of each fiscal year
2. Annual financial statements as reported in the City's Comprehensive Annual Financial Report for the prior fiscal year
3. Monthly report on sales tax receipts
4. Monthly ridership report
5. Reports, as requested by the MTC, on any major events or trends that impact financial performance

7.0 REVENUE RESERVE FUND

The Transit Revenue Reserve Fund serves as a hedge against income fluctuations to ensure financial stability for CATS operations. It is funded from annual Transit Sales Tax in excess of the Sales Tax Trend Line. The maximum balance to be maintained in the RRF is \$30 million.

The Revenue Reserve Fund will be used to maintain a stable Operating Allocation.



8.0 TRANSIT CAPITAL PROGRAM

- 8.1 The Transit Capital/Community Investment Plan describes capital income and capital expenditures to be incurred to meet capital needs arising from long-term plans, asset maintenance or other capital needs. It sets forth each project in which CATS will be involved and specifies the resources estimated to be available to fund/finance the projected expenditures. The CATS CEO shall submit a proposed 5-year Capital/Community Investment Plan to the MTC by January 31 of each year. The MTC shall approve the Plan by April 30 of each year; after which time the capital program is submitted to the Charlotte City Council for approval. If either of the dates falls on a weekend, the preceding Friday shall prevail.

Upon approval of both boards, the Charlotte City Council shall fund the Program through budget and/or project ordinances.

- 8.2 The Transit Capital Program will be used to account for the procurement, planning/design, acquisition, construction and reconstruction/rehabilitation of major capital facilities and equipment. It may include Federal and State grants, debt financing as well as local funds to be used for capital acquisition and construction with and without the benefit of grant funding including transfers from the Operating Balance, project-related reimbursements, debt financing, public-private partnerships (3P) or other sources of capital funding.

8.3 Capital Income Sources

CATS will strive to obtain income for its capital program from the following sources:

8.3.A. Federal Grants

Contributions of funds from the Federal Government which can be used/expended for specified purposes. These types of grants are usually restricted by the grantor for the acquisition and/or construction of fixed assets, preventive maintenance and/or state of good repair of the assets and associated capitalized costs. There may be a local match required for this type of income.

8.3.B. Federal Loan Programs

Low interest loan/credit programs offered by the Federal Government to fund transit infrastructure. Examples of these programs are the Railroad Rehabilitation & Improvement Financing (RRIF) and the Transportation Infrastructure Finance and Innovation Act (TIFIA).

8.3.C. State Grants



Contributions of funds from the State of North Carolina. These types of grants may be utilized for capital improvement programs and operations purposes. The local match for this type of income varies depending on the type of grant award.

8.3.D. Public-Private Partnerships/Joint Development Proceeds/Contributions

Public-private partnerships that generate equity or other revenue utilized for projects contained in the Capital Investment Plan. Projects may qualify for alternative methods of financing that are offered in the financial markets if such financings are in compliance with criteria established by the debt issuing entity representing the request of the MTC. Special sale, lease, or other arrangements with project partners for the use of or construction of facilities; income from naming rights of transit facilities; etc., shall be included in this income category.

8.3.E. Operating Balance

Operating Income less Operating Cost is defined as Operating Balance and, subject to Section 3.1, may be utilized for the Capital Investment Program or transferred to the Transit Fund Balance.

8.3.F. Special Payments

Any other sources of income, which will be utilized for funding the CATS Capital Program.

8.3.G. Debt Financing

A specified sum of money (face value or principal amount) borrowed with a written promise to repay at a specified day/date in the future. All or a substantial portion of the interest on this money may be included in the face value of the security. This money shall be borrowed for the purposes of funding the acquisition and/or construction of fixed assets and for the expansion or preventive maintenance of assets.

8.4 Capital Expenditures

Capital Expenditures are defined as expenditures incurred to meet capital needs arising from the CATS long-term plan, asset capital maintenance or other capital needs. It sets forth each project in which CATS may be involved and specifies the resources estimated to be available to finance the projected expenditures.

8.4.A. Capital Investment Plan

There shall be four (4) main components in the CATS Capital Investment Plan:

- **Bus/Bus Amenities/Facilities.** Current and new equipment and facilities, e.g. Buses, Vans, Park-n-Ride Lots, Bus Facilities, Intelligent Transit Systems, etc., and capital maintenance of these assets shall be included in this category.
- **Rail/Amenities/Facilities**
Current and new rail equipment and facilities and maintenance of these assets shall be included in this category.
- **Other Capital**
Non-revenue equipment, Safety & Security, and Technology.
- **Rapid Transit: Major Investment/Environmental Studies, Project Development, Preliminary Engineering, Right-Of-Way Acquisition, Construction and Purchase of Revenue Equipment** for new rapid transit systems in the corridors and the future capital maintenance of these assets shall be included in this category of expense.

8.4.B. Capital Expenditure

Items/acquisitions that have a useful life in excess of one year and an acquisition cost of greater than or equal to \$5,000.

Direct and eligible indirect costs, which are related and add value to a capital project, shall also be defined as capital expenditures.

8.4.C. Debt Service Payments

The principal, interest, issuance costs, and other payments on short or long-term debt.

8.5 Transit Capital Fund: Performance Policy Objectives

8.5.A. Pursuit of Grant Financing

CATS shall seek to obtain maximum Federal and State financing by pursuing all appropriate funding available for public transportation systems.

8.5.B. Project Benefits Measurement

To determine the benefit and priorities of specific transit projects, Benefit Cost Analysis (in accordance with Federal Transit Administration guidelines) or similar methodologies, may be utilized to provide the MTC and CATS Management with an assessment of

the benefits provided by projects and alternatives that may be considered.

8.5.C. Maintenance of Assets (vs. System Expansion)

A portion of the annual Capital Investment Plan will be allocated to the proper maintenance of transit capital assets including regular replacement of revenue vehicles and equipment and the rehabilitation or replacement of facilities.

8.5.D. Capital Investment

The MTC shall review Operating Income each fiscal year and, subject to Section 5.3, determine the amount to be allocated to the Capital Programs.

8.6 Unrestricted Fund Balance

The unrestricted fund balance serves as a contingency fund to support maintaining services in case of substantial loss of revenue, such as repeal of the transit sales tax, or unforeseen increases in costs. Several factors dictate the maintenance of a significant fund balance, including cash flow for operating expenses, meeting debt service commitments and maintaining state of good repair on transit assets.

The unrestricted fund balance requirement at the end of the fiscal year will be the greater of \$100 million or the amount calculated as the sum equivalent to the following:

- i. Annual Debt Service Expense. This may be determined up to the maximum annual debt service (MADS)
- ii. Up to six (6) months of the annual Operating & Maintenance expense
- iii. Annual Operating Balance, i.e. annual contribution of sales tax revenue budgeted for transfer from the Operating to the Capital budget

The level of unrestricted fund balance will be evaluated annually and any changes below the minimum amount must be approved by the MTC prior to adoption of the annual transit program in March of each year. Operating and capital shortfalls can be covered by a loan from the unrestricted fund balance. The total loan during a fiscal year cannot exceed \$50 million.

The annual fiscal year end unrestricted fund balance will be reported when the annual audit is completed.

8.7 Capital Program Financing



Pursuant to current N.C. State Statutory authority, the City of Charlotte is the issuing entity for the debt and all financings will be issued in compliance with City debt policies, financial practices established by the City for management of its various credit entities and will require the approval of the North Carolina Local Government Commission.

8.7.A. Balanced Strategy

Funding of the Transit Capital Program shall be a balanced and will endeavor to fund capital needs for a combination of sources including:

- Pay-As-You-Go (PAYGO)
- Grants and/or Loans from Federal/State/Other Sources
- Debt Finance
- Special Loans (Public or Private)

8.7.B. Funding strategy will emphasize the use of PAYGO as a means to meet local program funding requirements with debt used as a secondary source. The level of PAYGO funding will be dependent on a number of factors including availability of funds from Sales Tax and other sources, the appropriate levels of retained fund balances, economic and other factors.

8.7.C. Federal Formula and State Matching Funds

Federal Formula type funds and State matching grants for these Federal grants will be utilized (1) first to pay annual debt service costs on eligible debt financing; (2) any balance will be utilized for payment of other capital projects.

8.7.D. Types of Debt Financing

- i) As of July 1, 2007 NC law provides for three borrowing methods for the funding of capital and grant anticipation needs:
- General Obligation Bonds: Authorized by voters who signify their willingness to pledge the taxing power of the debt issuing entity, e.g. City of Charlotte, to pay the debt service costs.
 - Certificates of Participation (COPS) in Installment Payment Contracts: Asset backed financings that pledge the asset as the only security if installment payments are not made. Used for acquisition of municipally owned assets.
 - Grant Anticipation Notes: Financing for project cash flow purposes backed by guaranteed funding from the Federal and/or State Governments.

ii) Federal and/or State Government Loan Programs

Railroad Rehabilitation & Improvement Financing Loans (RRIF)
Loans issued by the Federal Railroad Administration for rail line, facility, safety and equipment.

Transportation Infrastructure Finance and Innovation Act (TIFIA)
Loans issued by the U.S. Department of Transportation for surface transportation projects of national and regional significance.

Other types of Federal and/or State Loan programs offered by the Federal or State governments for the purposes of building or maintaining transit infrastructure.

iii) Public-Private Partnerships

Financing of the private sector that qualifies for funding under criteria by the debt issuing entity.

9.0 GENERAL POLICIES: CAPITAL PROGRAM

9.1. Reimbursements/Cost Sharing

9.1.A. Outside Mecklenburg County Service Improvements

CATS will not pay for any portion of the capital cost for the extension of any rapid transit service outside Mecklenburg County or any subsequent capital improvements to such a service. Counties outside Mecklenburg County must cover any capital costs incurred by CATS to extend service to such counties.

9.1.B. Cost Sharing

Capital improvements designed to benefit a specific stakeholder or organization that is in excess of CATS normal design standards and policies will be subject to cost sharing arrangements. Stakeholders and/or benefiting organizations may be required to reimburse CATS up to 100% of the incremental cost of the capital improvement.

10.0 PERIODIC REVIEW AND AMENDMENT

10.1 The Financial Policies delineated herein shall be subject to review and revision by the MTC at least every three (3) years. This does not preclude the MTC from revising specific policies included herein nor from adding policies should the MTC determine that the best interest of the public and/or CATS would be served by making such a revision.



Subject/Title: **Financial Policies**

Policy Number: **MTC-01
(Revised)**

Approved by: Metropolitan Transit Commission
Responsible Division: CATS Finance

Date Approved: xx/xx/2016
Page Number: 18 of 18

- 10.2 Amendments or revision to these financial policies may be initiated or proposed by any member of the Metropolitan Transit Commission or by the Chief Executive Officer of CATS.
- 10.3 Proposed amendments or revisions to these Financial Policies shall be subject to review and study by the Citizens Transit Advisory Committee.
- 10.4 CTAG shall make recommendation on any proposed amendment or revision to the MTC.
- 10.5 The MTC must approve any amendment or revision by majority vote before said amendment or revision shall become official policy of CATS.



**METROPOLITAN TRANSIT COMMISSION
INFORMATION ITEM
STAFF SUMMARY**

SUBJECT: LYNX Silver Line Transit Study

DATE: September 28, 2016

- 1.0 **PURPOSE/SCOPE:** In 2011 The Metropolitan Transit Commission (MTC) directed the Charlotte Area Transit System (CATS) to conduct an updated Alternatives Analysis (AA) for the Southeast Corridor (LYNX Silver Line), which is a heavily traveled corridor extending approximately 13.5 miles southeast from Center City Charlotte to the Mecklenburg / Union County border. Approximately 3.5 miles of the corridor near the county line is located within the Town of Matthews; the remainder of the corridor is located within the City of Charlotte. The primary purpose of the AA is to provide the necessary transportation and land use analysis, and public outreach to facilitate the MTC's selection of a rail-based technology and alignment for a Locally Preferred Alternative (LPA).

The project officially began in February 2015 with three overarching goals:

- Define a fixed rail guideway alignment that serves future transportation needs and promotes the land use plans/policies of both the Independence Boulevard Area Plan and the Town of Matthews.
- Provide an interim transit strategy that utilizes the future managed lanes proposed on Independence Boulevard.
- Coordinate with City of Charlotte Town of Matthews land development strategies to protect and preserve the fixed guideway alignment.

- 2.0 **BACKGROUND/JUSTIFICATION:** With the 2006 adoption of the 2030 Transit System Plan by the MTC, Bus Rapid Transit (BRT) was selected as the Locally Preferred Alternative (LPA) for the LYNX Silver Line with the following conditions:

- BRT be selected as the LPA with implementation of BRT delayed for at least five years to allow the future reconsideration of Light Rail. Additionally CATS' staff is directed to take the necessary steps in design and engineering with North Carolina Department of Transportation (NCDOT) on the US 74 Highway Project so that light rail could be considered in the future.

Between 2006 and 2011, concentrated land use and transportation planning efforts were directed at the segments of Independence Boulevard within the City Of Charlotte. The ULI Rose Center Fellowship Report proposed that rapid transit in the corridor should not be in the median of Independence Boulevard. A key finding of the Independence Boulevard Area Plan (2009) recommended that development in the corridor should be focused at key nodes. With the results of those studies, the MTC in 2011 passed the following actions that directed CATS staff to:

- Remove special provisions in the 2030 Transit System Plan that required preservation of Rapid Transit in the median of Independence Boulevard.
- Work closely with NCDOT and Charlotte Department of Transportation (CDOT) to incorporate bus services into the design of the Independence Boulevard Managed Lanes.

- Bring back a process and plan/schedule for an alignment study to evaluate a rail transit alignment in the Southeast Corridor that is not in the median of Independence Boulevard.
- Ensure that the alignment study will review the technologies of light rail, streetcar and commuter rail, and recommend a rail transit alignment, which will involve examining all potential rail alternatives in the corridor, including those previously studied.
- Study a connection between the CityLYNX Gold Line and the LYNX Silver Line
- Study up to the Mecklenburg County Line with the potential to extend into Union County

3.0 **PROCUREMENT BACKGROUND:** N/A

4.0 **POLICY IMPACT:** N/A

5.0 **ECONOMIC IMPACT:** N/A

6.0 **ALTERNATIVES:**

(A) Adopt a technology, alignment, station locations for the LYNX Silver Line LPA

7.0 **RECOMMENDATION:** This item is presented as information in preparation for action at the October 26, 2016 MTC meeting

8.0 **ATTACHMENT(S):**

(A) LYNX Silver Line Light Rail Staff Recommendation Map

(B) LYNX Silver Line possible Uptown Charlotte alignments

(C) LYNX Silver Line Rail Alignment Evaluation Process Summary

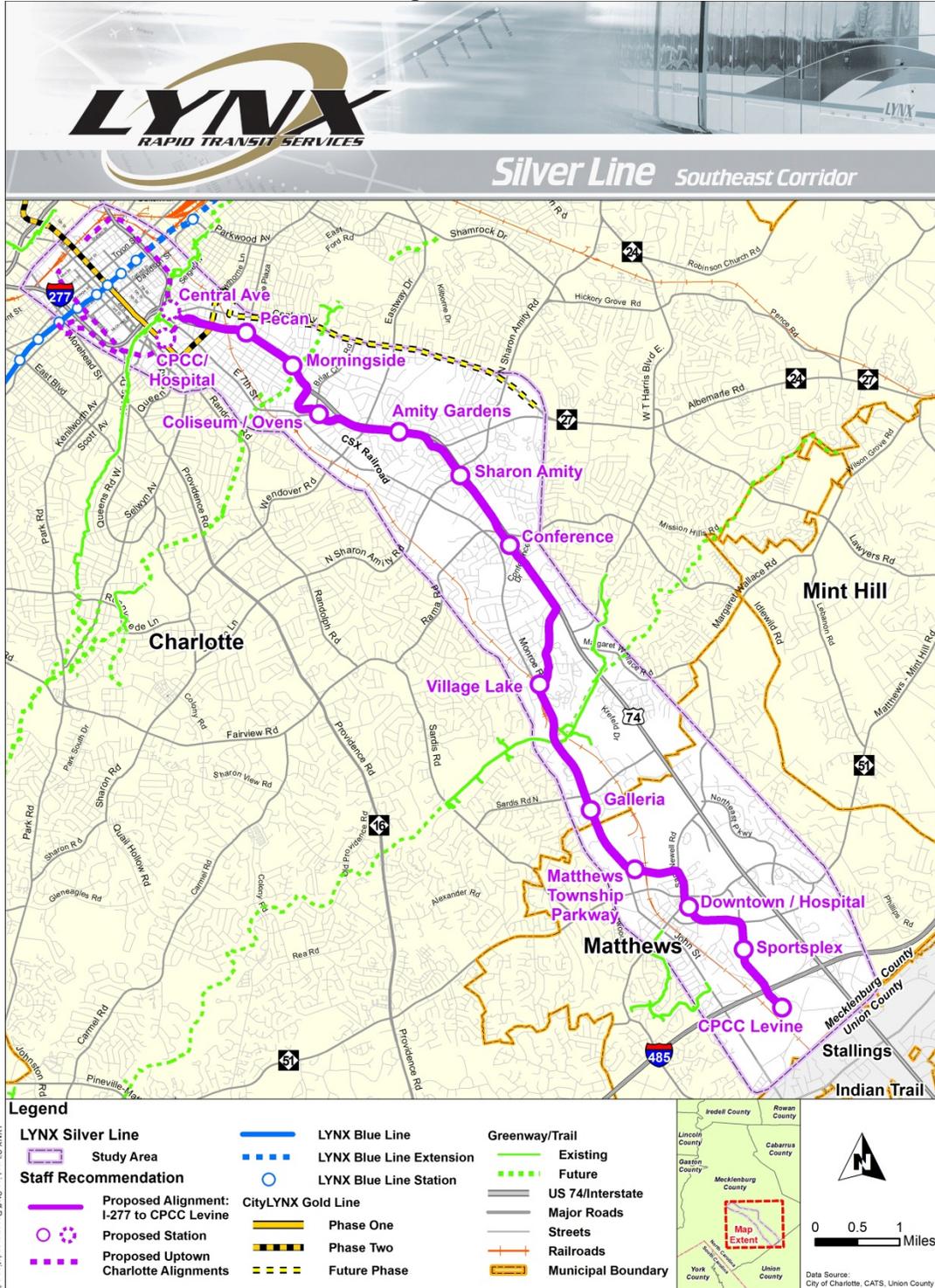
(D) Public Engagement Summary

SUBMITTED AND RECOMMENDED BY:



John M. Lewis, Jr
CEO, Charlotte Area Transit System
Director of Public Transit, City of Charlotte

LYNX Silver Line Light Rail Staff Recommendation



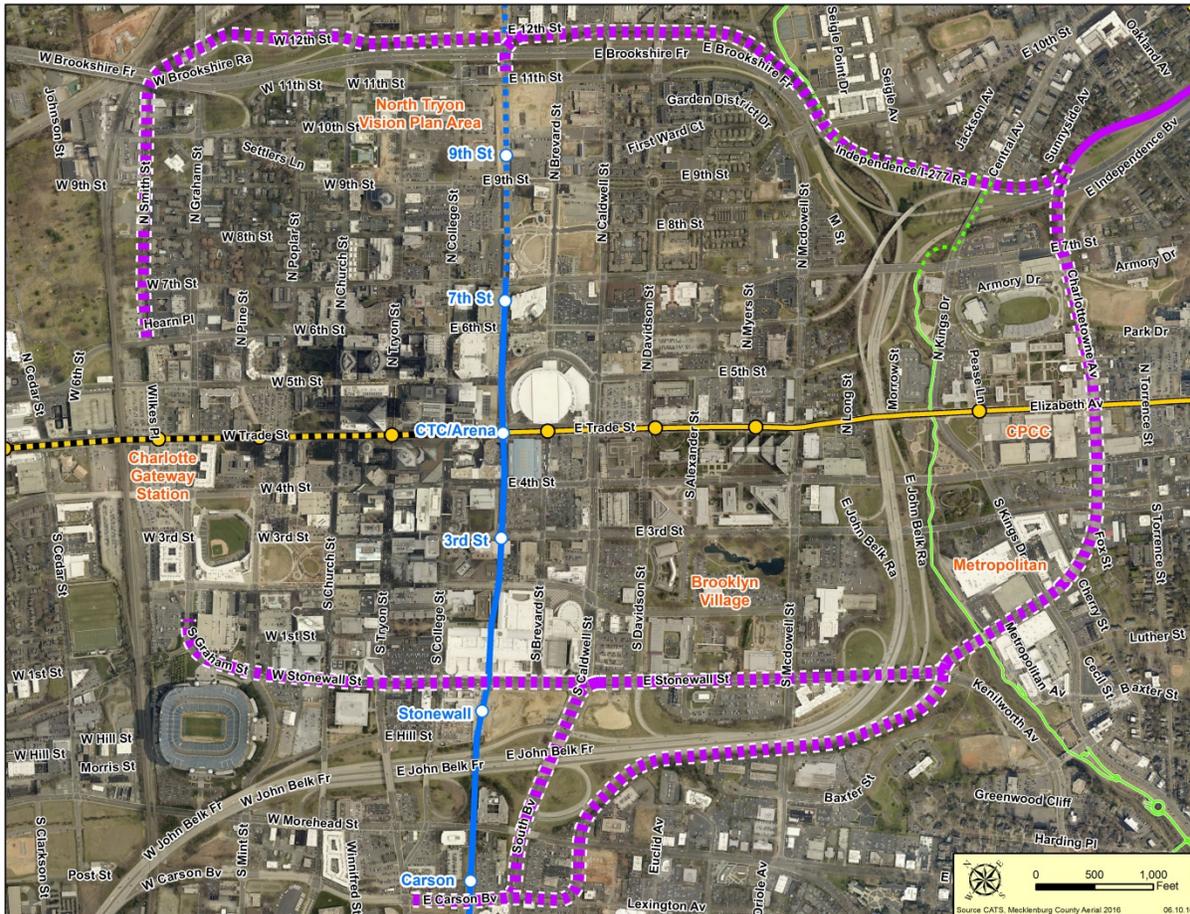
- 13 mile long alignment from I-277 to CPCC Levine that is side running along the north side of Independence Boulevard then transitioning around Briar Creek to the south side of Independence Boulevard with a continuation of running along the south side until the

Village Lake Drive Area then transitioning to median running Monroe Rd to Sam Newell Rd to Independence Pointe Parkway.

- 13 stations with 8-10 Park and Rides
- 7-10 miles of Rail Trails

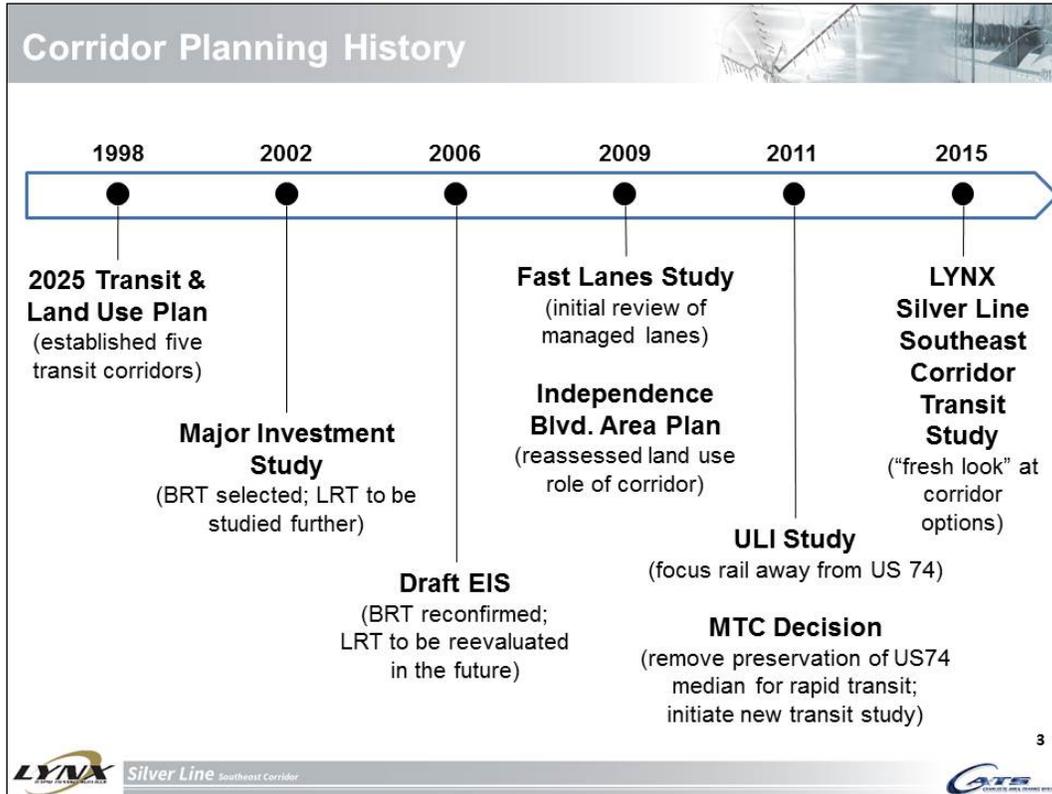
ATTACHMENT B

LYNX Silver Line Light Rail Uptown Charlotte Alignment Options



- All six of the Uptown Charlotte route options were advanced for further evaluation.
- Stakeholders were supportive of the concept of viewing the Silver Line as part of a longer east-west rail corridor across Mecklenburg County that would connect Uptown Charlotte, Matthews, and Charlotte-Douglas International Airport.
- Depending on the route through Uptown Charlotte, the Silver Line corridor has the opportunity to support other CATS initiatives and Center City Charlotte development projects such as the Charlotte Gateway Station, Metropolitan, Brooklyn Village, Central Piedmont Community College, Stonewall Corridor, and the Charlotte Transportation Center/Arena.
- It is difficult to select a single preferred option in Uptown without a more detailed analysis that takes into account what the maximum transit investment should be
- Given that a goal of this study is to support the vision for the overall CATS system, advancing the various options in Uptown Charlotte provides the greatest flexibility to compliment other initiatives as projects moves forward.
- Staff recommends the Silver Line Uptown Charlotte Alignments be studied as part of a System Integration/West Corridor Study

LYNX Silver Line Rail Alignment Evaluation Process Summary



Study Goals



Define a **rail fixed guideway alignment** (not in the median of Independence Blvd.)



Provide an interim **bus transit strategy** that utilizes the future express lanes



Develop strategies to **protect and preserve** the rail alignment

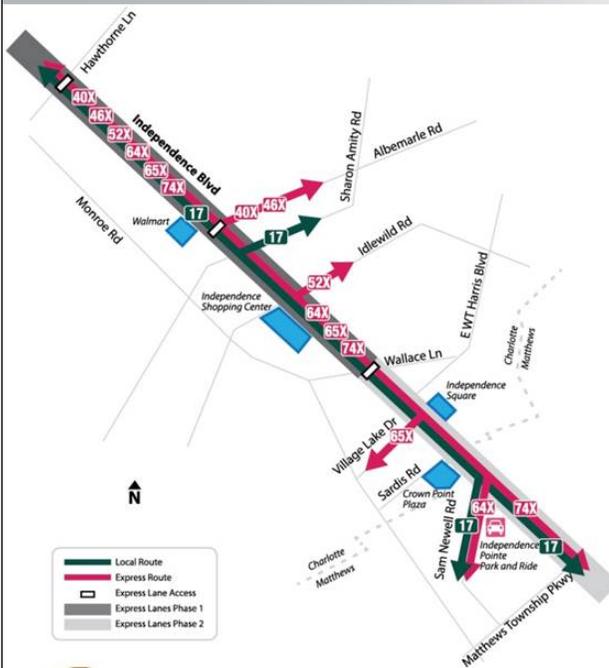
Where We Started:

Defined opportunities

Crafted the vision

Identified initial design options

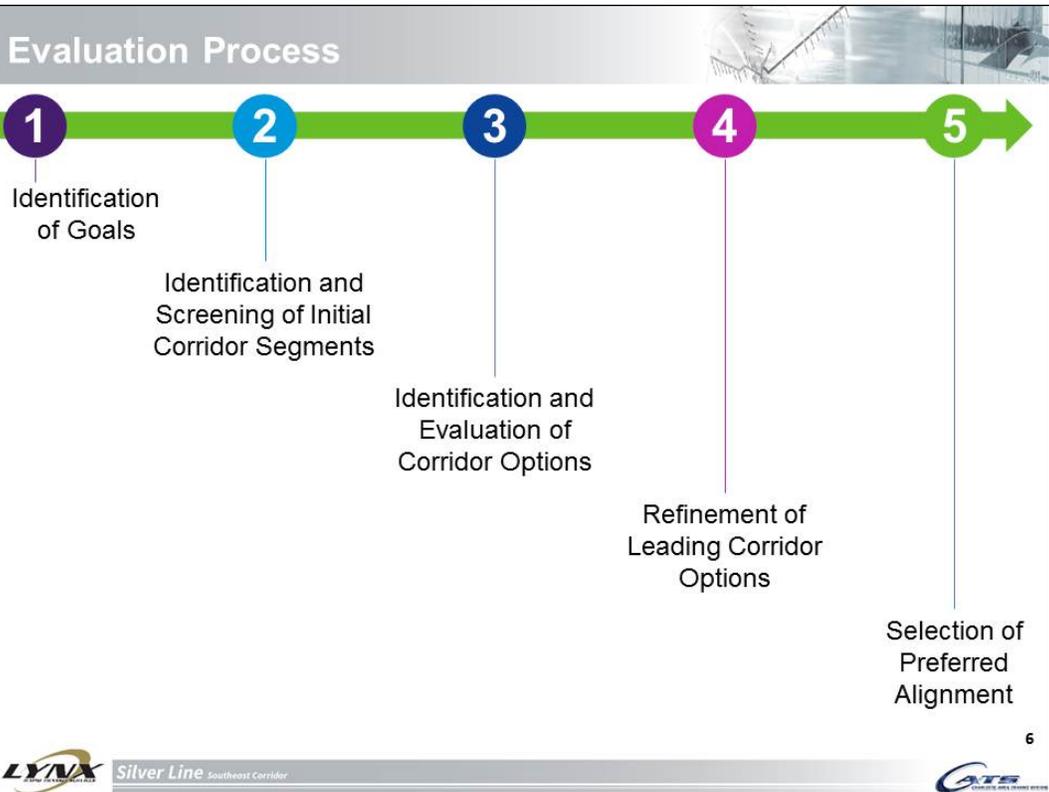
Bus Transit Strategy



CATS will provide an operations plan for all bus routes in the Southeast Corridor with a focus on the US 74 Express Routes.

Recommendation highlights:

- An express route plan for 40x, 46x, 52x, 64x, 65x, 74x that maximizes the existing and future express lane access points
- Future Park and Ride recommendations near Conference Dr and Sardis Rd N
- Enhanced bus service on Central Ave and Albemarle Rd
- Route recommendations to be used in upcoming CATS Comprehensive Operational Analysis



Trade Off Exercise

Please indicate your preference for each trade-off using the appropriate colored sticker

SPEED VS. NEIGHBORHOOD ACCESS?

I want a fast ride but, even if it means there are fewer stops along the line.
 Very Strong
Neutral
Very Strong
 I want to be able to get to lots of nearby destinations, even if it means a slower trip for some major stops are served.

RELIABILITY VS. PROPERTY IMPACTS?

I want an efficient and reliable service, even if it means significant property must be acquired for a dedicated right-of-way.
 Very Strong
Neutral
Very Strong
 I want to minimize property impacts, even if it results in less consistent transit times due to rail sharing travel lanes with cars.

WORK VS. NON-WORK TRIPS?

I want service that serves my work trips, with frequent service during peak hours to my work locations, even if it means less service at other times.
 Very Strong
Neutral
Very Strong

CAR ACCESS VS. TRANSIT & WALK ACCESS?

I want to drive to a rail transit station, even if it requires a longer station with more property impacts.
 Very Strong
Neutral
Very Strong

LYNX Silver Line Southeast Corridor

GATE

Interactive Map Activity



Evaluation Process



1 Identification of Goals

June 2015 – September 2015



- Provide **reliable and efficient connections** within the corridor including **the use of dedicated guideway**.
- Build upon efforts to **coordinate land use and transportation planning** in the corridor.
- Reflect varying land use characteristics through **responsive station siting and design elements**.
- Support the vision for the **overall CATS system**.

Evaluation Process

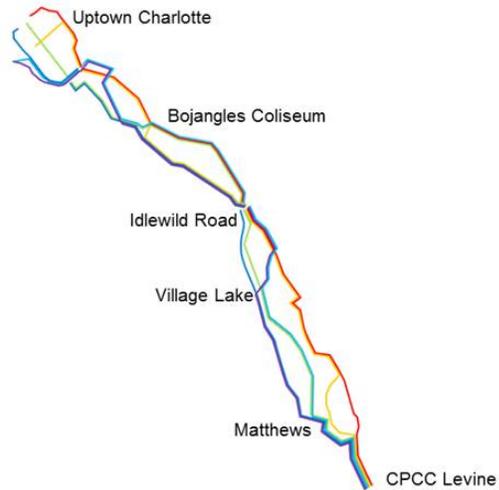


Identification and Screening of Initial Corridor Segments

October 2015 – January 2016

18 segment options

- Identification of a wide range of possible routes by segment
- Screening based on objective criteria linked to goals
- Segments eliminated that require shared lanes or CSX right-of-way; decision to further examine freight rail alignments as part of future regional commuter rail study



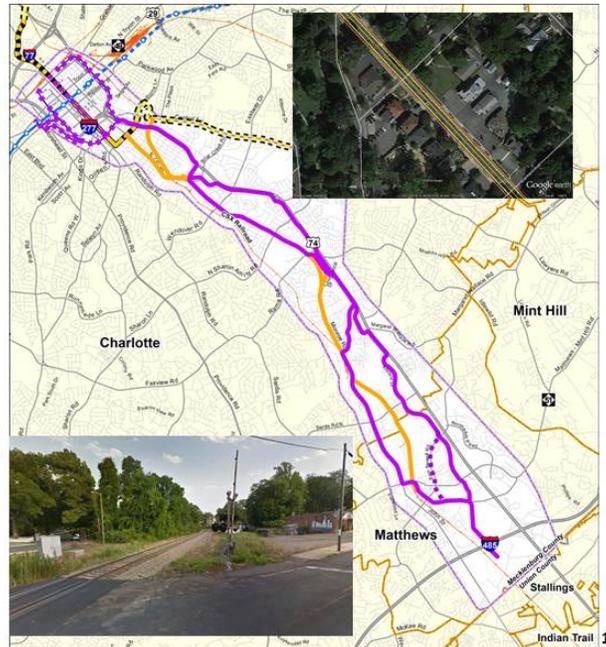
Streetcar and CSX

Options where required widening is inconsistent with neighborhood

- Widening on 7th Street through Elizabeth
- Monroe Rd. between Conference and Village Lake is single-family residential

CSX ROW

- Rail alignment along CSX ROW would be inconsistent with the land use and mobility goals of the study area
- Significant property and neighborhood impacts
- Future regional commuter rail study?



Evaluation Process



Identification and Evaluation of Corridor Options

February 2016 – April 2016

4 corridor options

- Identification of four corridor-wide options focusing on side-running along Independence Blvd. and median-running on Monroe Rd.
- Public feedback gathered on route preferences
- Two leading corridor options identified; "inner" portion of Monroe Road eliminated
- Viewed as part of longer Airport- Matthews rail transit corridor



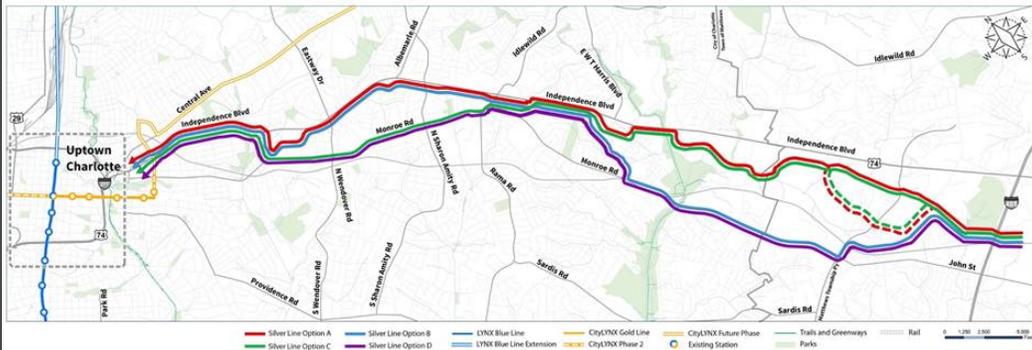
April 2016 Public Workshop Alignment Options

A. Along the side of Independence Blvd to Independence Pointe Parkway with Sam Newell Design Option

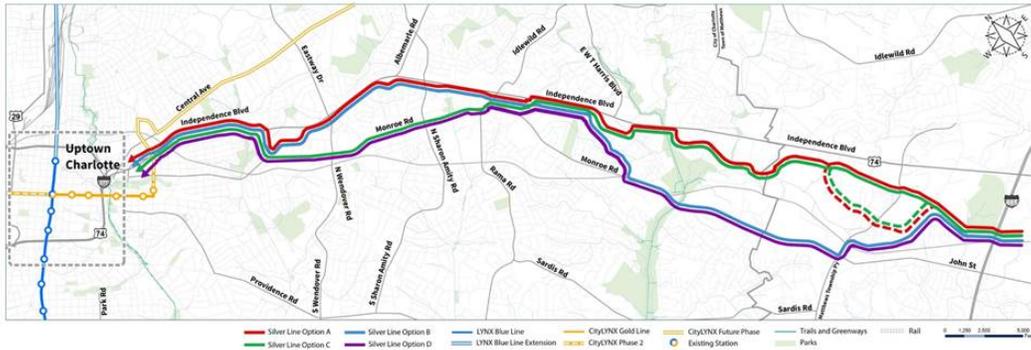
C. Independence Blvd and Monroe Road

B. Widened Monroe Road with segments along the side of Independence Blvd

D. Widened Monroe Road



Public Feedback



Option	First Choice	Second Choice
A: Along the side of Independence	53%	15%
B: Independence to Monroe	19%	41%
C: Monroe to Independence	9%	31%
D: Widened Monroe	19%	13%

Evaluation Process



Refinement of Leading Corridor Options

May 2016 – July 2016

2 leading options

- Both remaining options “score well” based on objective criteria
- Final decision based primarily on consistency with local corridor-level vision for land use and transit
- Main difference in options is route through Matthews; additional design options considered to blend the two leading options



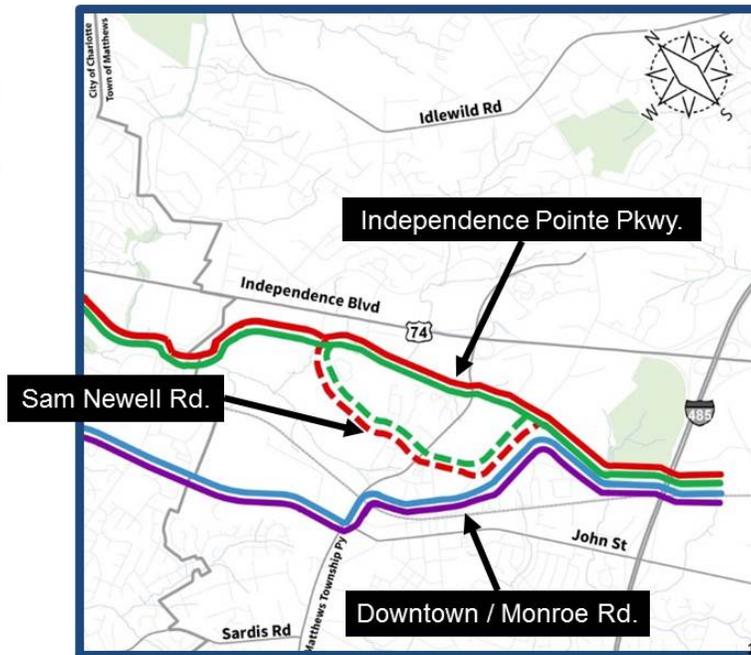
Charlotte-Matthews Connections

Commonalities:

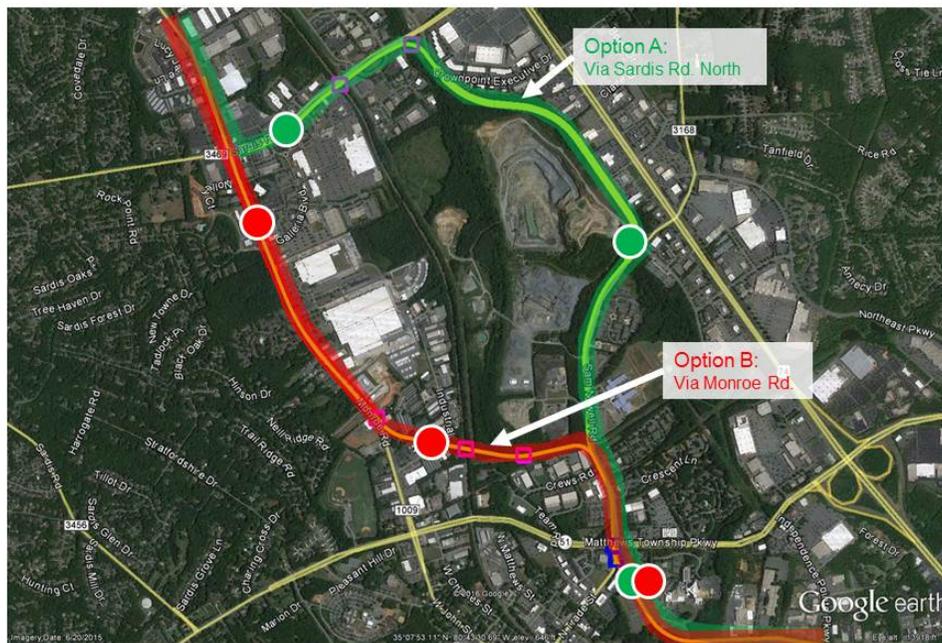
1. All end at CPCC Levine
2. All directly serve the Sportsplex

Differences:

1. Service to Downtown Matthews
2. Areas served from Matthews-Mint Hill Rd. to Charlotte city limits



Charlotte-Matthews Connections



Evaluation Process

1 Selection of Preferred Alignment

August 2016 – October 2016

1 preferred alignment

- Final alignment selected based on further consultation with Charlotte and Matthews
- Route blends access to existing and potential activity hubs along Independence Blvd. and Monroe Rd., with close-by access to Downtown Matthews
- Uptown options connecting to West Corridor to be evaluated in future study; Trade St. option eliminated

Uptown Charlotte
Bojangles Coliseum
Idlewild Road
Village Lake
Matthews
CPCC Levine

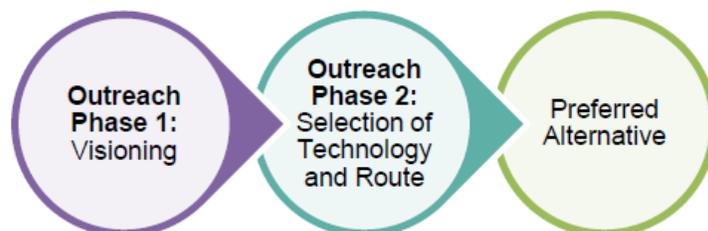
19

LYNX Silver Line Southeast Corridor **CATS**

ATTACHMENT D

Public Engagement Summary

Over the past 18 months, this project has worked to develop a strategy between the City of Charlotte and the Town of Matthews to link their communities through a major transit line consistent with the region’s long-range transit vision plan. As part of the study, CATS completed a significant public involvement program to ensure that the effort to define a transit mode and project right of way was inclusive and visible to residents, visitors, businesses, civic organizations and community organizations along the defined Silver Line corridor. This effort was advanced through two major outreach phases designed to collect public comment and incorporate that feedback into primary recommendations for the project. The first phase of the public involvement effort involved a visioning program to determine what types of rail and bus alternatives the public would like to see along the corridor. The second phase of the program focused directly on the selection of a defined rail transit mode for the corridor and a preferred alignment that would guide the next stage of the planning



process. To coordinate with the public in an effective and robust manner, several strategies were used over the course of the study to ensure the community involvement was inclusive and far-reaching. These involvement tools included the following:

- Stakeholder Meetings;
- Interactive Public Workshops;
- Community Based Focus Groups; and
- Online Engagement

The project team aggressively promoted each phase of outreach through a variety of traditional and new marketing tools: a press release, mailers, bus notices, print, radio, and television advertisements, email blasts, the Nextdoor community web application, and CATS' social media platform portfolio. The marketing campaign leveraged already existing relationships that CATS has with local and regional media, community organizations and visibility of their fixed route bus service in the City of Charlotte. Additionally, the project team made a concerted effort to reach underserved minority communities, translating outreach materials into multiple languages and placing advertisements in local newspapers that are widely read in the Latino and Asian American communities.

In addition to the two rounds of public meetings (seven total meetings) held between June 2015 and September 2016, over fifty additional stakeholder meetings were held to present on the progress of the project and receive feedback. Over 1,000 meeting attendees were a part of the LYNX Silver Line public outreach. Locations and dates are detailed in the table on the following page.

Meeting	Date
Town of Matthews Board of Commissioners	June 22, 2015
Land Acquisitions / Street Connections Public Meeting	June 23, 2015
Metropolitan Transit Commission (MTC) Meeting	June 25, 2015
East CIP Team Meeting	July 8, 2015
TSAC Meeting	July 9, 2015
NCDOT/CDOT Stakeholder Meeting	July 23, 2015
Charlotte City Council Briefing	July 27, 2015
Metropolitan Transit Commission (MTC) Meeting	August 25, 2015
Oakhurst Neighborhood Festival	August 27, 2015
Chantilly Neighborhood Meeting	September 17, 2015
Matthews Transportation Advisory Committee	September 17, 2015
Charlotte Chamber of Commerce - East Chapter	September 22, 2015
Oakhurst Neighborhood Meeting	September 23, 2015
Monroe Road Community Association	October 7, 2015
Joint Independence Boulevard Area Meeting	October 27, 2015
CRTPO Technical Coordinating Committee Meeting	November 5, 2015
Metropolitan Transit Commission (MTC) Meeting	November 18, 2015
CRTPO Progress Update	November 18, 2015
Eastway Park - Sheffield Park Neighborhood	November 19, 2015
Matthews Small Area Plan for John St / 485	December 1, 2015
Citizen Transit Advisory Group (CTAG)	December 15, 2015
Focus Group - Central Avenue	February 10, 2016
Matthews Stakeholder Alignment Workshop	February 10, 2016
Focus Group - Monroe Road	February 17, 2016
Charlotte Center City Partners	March 16, 2016
Matthews Transportation Advisory Committee	March 17, 2016

Charlotte MOVES: Transportation Plan Updates 2016	March 22, 2016
Metropolitan Transit Commission (MTC)	March 23, 2016
Matthews Rotary Club	April 4, 2016
CRTPO Technical Coordinating Committee Meeting	April 7, 2016
Transit Services Advisory Committee (TSAC) Meeting	April 14, 2016
Eastway Park / Sheffield Park	April 21, 2016
CPCC Stakeholder Meeting	April 22, 2016
Metropolitan Transit Commission (MTC) Meeting	April 27, 2016
Sustain Charlotte	April 27, 2016
UNCC Transportation Class Presentation	May 2, 2016
EPIC Energy Seminar - UNCC	May 3, 2016
Novant Health Stakeholder Meeting	May 9, 2016
Monroe Road Advocates (MORA)	May 19, 2016
Coliseum Station Area Planning Workshop	May 23, 2016
Metropolitan Transit Commission (MTC) Meeting	May 25, 2016
Eastern Hills Baptist Church	June 7, 2016
Matthews Leadership Workshop	June 7, 2016
Matthews Chamber of Commerce	June 8, 2016
Coventry Wood Neighborhood Board	June 11, 2016
Matthews Route Workshop	June 14, 2016
Amity Gardens Neighborhood Meeting	July 12, 2016
Matthews Transportation Advisory Committee	July 20, 2016
Amity Gardens, Eastway Sheffield Community Meeting	August 16, 2016
Matthews Board of Commissioners	August 22, 2016
"Quad" Meeting	September 7, 2016
Charlotte City Council	September 12, 2016
MoRA Town Hall Meeting	September 15, 2016
Charlotte EAST Board meeting	September 20, 2016
WTS Charlotte Metro Chapter	September 21, 2016
Metropolitan Transit Commission (MTC) Meeting Information	September 28, 2016
Charlotte City Council Transportation Committee	October 10, 2016
Metropolitan Transit Commission (MTC) Meeting Action	October 26, 2016

Metropolitan Transit Commission
Charlotte Area Transit System Ridership Report
Aug-16

Mode / Service	Percent			YTD		Percent Increase/Decrease	Avg Daily Ridership per Month		
	Aug-16	Aug-15	Increase/Decrease	FY 2017	FY 2016		WeekDay	Saturday	Sunday
Local									
BOD Local	1,244,377	1,327,546	-6.3 %	2,423,935	2,652,874	-8.6 %	45,514	30,771	18,591
Subtotal	1,244,377	1,327,546	-6.3 %	2,423,935	2,652,874	-8.6 %	45,514	30,771	18,591
Local Express									
Arboretum Express	5,697	5,371	6.1 %	10,711	10,897	-1.7 %	248	-	-
Carmel Road Express	1,786	1,489	19.9 %	3,279	3,110	5.4 %	78	-	-
Harrisburg Road Express	4,233	3,847	10.0 %	7,709	8,152	-5.4 %	184	-	-
Huntersville Express	9,190	9,401	-2.2 %	17,388	18,069	-3.8 %	400	-	-
Idlewild Road Express	2,914	2,709	7.6 %	5,603	5,675	-1.3 %	127	-	-
Independence Blvd Express	5,628	5,205	8.1 %	10,207	10,689	-4.5 %	245	-	-
Lawyers Road Express	4,179	3,820	9.4 %	7,831	7,502	4.4 %	182	-	-
Matthews Express	4,829	4,843	-0.3 %	9,014	9,491	-5.0 %	210	-	-
Mountain Island Express	1,691	1,612	4.9 %	3,183	3,337	-4.6 %	74	-	-
Northlake Express	5,866	3,132	87.3 %	10,163	6,346	60.1 %	255	-	-
North Mecklenburg Express	16,265	14,449	12.6 %	29,083	28,789	1.0 %	708	-	-
Rea Road Express	3,399	3,126	8.7 %	6,260	6,457	-3.1 %	148	-	-
Steele Creek Express	2,921	2,516	16.1 %	5,448	5,179	5.2 %	127	-	-
University Research Park Express	13,361	12,001	11.3 %	24,746	24,388	1.5 %	581	-	-
Airport Connector - Northlake	6,069	5,167	17.5 %	12,652	10,365	22.1 %	201	189	172
Airport Connector - Archdale	5,306	4,716	12.5 %	10,282	9,714	5.8 %	184	130	139
Subtotal	93,334	83,404	11.9 %	173,559	168,160	3.2 %	3,952	319	311
Regional Express									
Concord Express	2,714	3,512	-22.7 %	4,831	7,030	-31.3 %	118	-	-
Gastonia Express	3,571	3,597	-0.7 %	6,545	7,058	-7.3 %	155	-	-
Rock Hill Express	3,270	3,238	1.0 %	6,169	6,281	-1.8 %	142	-	-
Union County Express	2,670	2,742	-2.6 %	5,011	5,981	-16.2 %	116	-	-
Subtotal	12,225	13,089	-6.6 %	22,556	26,350	-14.4 %	531	-	-
Community Circulator									
Neighborhood Shuttles	82,578	82,186	0.5 %	146,331	143,344	2.1 %	5,216	1,356	717
North Meck Village Rider	8,694	9,612	-9.6 %	19,976	18,882	5.8 %	309	223	170
Beatties Ford Neighborhood Shuttle	14,862	15,737	-5.6 %	29,239	31,782	-8.0 %	581	298	77
Eastland Neighborhood Shuttle	19,632	24,438	-19.7 %	40,739	49,471	-17.7 %	684	585	388
Pineville-Matthews Road	4,249	4,641	-8.4 %	8,238	8,616	-4.4 %	166	109	1
Subtotal	130,015	136,614	-4.8 %	244,523	252,095	-3.0 %	6,956	2,571	1,353
Activity Center Circulators									
Gold Rush	23,598	29,518	-20.1 %	42,250	65,242	-35.2 %	1,026	-	-
Subtotal	23,598	29,518	-20.1 %	42,250	65,242	-35.2 %	1,026	-	-



**Metropolitan Transit Commission
Charlotte Area Transit System Ridership Report**

Aug-16

Mode / Service

Mode / Service	Percent			YTD		Avg Daily Ridership per Month			
	Aug-16	Aug-15	Increase/Decrease	FY 2017	FY 2016	Increase/Decrease	WeekDay	Saturday	Sunday
Human Services Transportation									
Special Transportation Services	25,341	23,973	5.7 %	47,670	46,829	1.8 %	988	362	289
DSS	617	767	-19.6 %	1,129	1,580	-28.5 %	26	-	-
Subtotal	25,958	24,740	4.9 %	48,799	48,409	0.8 %	1,014	362	289
Rideshare Services									
Vanpool	14,628	17,941	-18.5 %	28,236	36,430	-22.5 %	636	-	-
Subtotal	14,628	17,941	-18.5 %	28,236	36,430	-22.5 %	636	-	-
Rail									
LYNX Blue Line	439,948	401,555	9.6 %	844,202	831,228	1.6 %	16,314	10,114	6,065
CityLynx Gold Line	34,137	44,747	-23.7 %	67,062	70,653	-5.1 %	1,297	763	342
Subtotal	474,085	446,302	6.2 %	911,264	901,881	1.0 %	17,611	10,877	6,407
Total	2,018,220	2,079,154	-2.9 %	3,895,122	4,151,441	-6.2 %	77,240	44,900	26,951



Month Receiving: September 2016
 Month Reported: July 2016
 Retail Sales for: June 2016

Local Government Sales and Use Tax
 for Public Transportation
 Article 43

Cash Basis Report as of: 9/15/2016

FY2017	Population	% of Total	Calendar Year 2016						Calendar Year 2017						FY2017	
			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total	
Charlotte	803,392	40.68%	3,234,824.41	3,165,359.56	3,565,748.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,965,932.64
Cornelius	28,540	1.45%	114,915.12	112,447.43	126,671.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	354,033.54
Davidson	12,000	0.61%	48,317.50	47,279.93	53,260.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	148,857.83
Huntersville	53,821	2.73%	216,708.01	212,054.41	238,877.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	667,639.78
Matthews	30,010	1.52%	120,834.01	118,239.22	133,195.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	372,268.63
Mint Hill	25,454	1.29%	102,489.47	100,288.60	112,974.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	315,752.27
Pineville	8,526	0.43%	34,329.58	33,592.39	37,841.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	105,763.49
Mecklenburg County	1,013,199	51.30%	4,079,603.55	3,991,997.85	4,496,949.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,568,550.57
Total	1,974,942	100.00%	7,952,021.67	7,781,259.38	8,765,517.71											24,498,798.76

FY2017 Budget **85,203,921**

% of Budget Achieved	9.3%	18.5%	28.8%													28.8%
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Monthly Variance - Current Year vs Prior Year	31.3%	3.4%	12.9%													
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FY2016	6,057,389.20	7,522,357.00	7,762,100.76	7,470,371.00	6,971,746.44	7,551,676.98	6,188,499.27	6,607,520.25	9,383,261.20	6,142,552.22	6,944,203.67	7,858,189.28	86,459,867.27
FY2015	5,451,931.53	6,786,194.26	8,266,179.57	6,087,773.72	6,938,944.86	5,932,063.05	7,114,002.61	6,853,208.62	8,378,347.26	5,947,800.63	5,641,898.28	6,914,522.80	80,312,867.19