Agenda

1. Welcome (5 min) (Mayor Gantt)
2. CRTPO Update (15 min) (Bob Cook)
3. Task Force Recommendation Work Session (45 min) (Stephen)
4. Public Comment (15 min) (Mayor Gantt)
5. Next Steps (5 min) (Mayor Gantt/Taiwo)
The Task Force Summary Report will be organized around:

- **Why** is this important – State of Mobility
- **What** is a transportation response – TMN Program
- **How** to support it – Financial Strategy
Tonight we’ll affirm our shared efforts and refine our recommendations.
Why

This section of the report will establish the need for a transformational investment in transportation.
Why...

This section of the report will establish the need for a transformational investment in transportation.
Invest in **MOBILITY** as a response to our changing needs:

a) **Endorse** the Transformational Mobility Network.

b) **Identify** a mode-share target.
   - To achieve our Strategic Energy Action Plan
   - To support our 10-minute neighborhoods described in the Charlotte Future 2040 Comprehensive Plan
   - Prioritize mobility investments that connect support upward mobility, equity, and economic vibrancy.

c) **Adopt** a Strategic Mobility Plan in 2021 that establishes the TMN as the policy of the City.
Community & Partner Engagement

- Establish a Community Advisory Committee for SMP – ongoing role after plan to monitor projects and process?
- Need continued engagement, citizens, businesses, etc… keep the “why” in front of the community, on a regular basis
- Region – engage our regional partners and communities, deliberate coordination and communication…
Identify Targets

- **Equity** - demonstrate how these investments impact community
- Implement the vision of the 2040 Plan!.... Multiple goals that the TMN will help achieve

Defining the Why

- **We have no choice** but to move forward if we care about... economic mobility, climate, etc....
- Define the Opportunity **Costs of doing nothing** - quantify business effects, lost wages, etc.
- Need to keep up with our peer cities...
What

The Transformational Mobility Network will be described as our transportation response to our changing and increasing needs.
Hold ourselves ACCOUNTABLE for successfully implementing the program:

a) **Commit** to more and on-going communication | build community trust and understanding.

b) **Align** related initiatives | example: housing, SEAP, and economic development

c) **Measure** Progress

- Define and report metrics that support the goals of the 2040 Comprehensive Plan
- Communicate progress - (i.e. community dashboard)
Hold ourselves ACCOUNTABLE... Summary of Task Force Discussion:

Align Related Initiatives

- **Schools and Education**...future of connecting children to education opportunities... as important as “getting to work”, bike, scooters, other...future technology (electric vehicles)

- **Upward Economic Mobility** - Identify how this system helps people

- **Gentrification and Displacement** - Affordable housing in transit station areas, do not force out the population that can benefit from the mobility options we are providing... Need a companion policy that mandates an affordable housing response to our mobility investment (e.g. Austin) our solutions should not create new problems... challenge is the different pots of money used to fund...

- **Comp Plan & Strategic Mobility Plan Nexus** - Ensure these plans are aligned and connected...key related issues: affordable housing, gentrification, displacement, access to job opportunities
Hold ourselves ACCOUNTABLE... Summary of Task Force Discussion:

Measure Progress:

- Community board to advise and measure progress?
- **Focus on Outcomes** - what’s improved? What answers can we give? Need to connect transportation to land use (2040 Comp Plan!!) Equitable Growth Framework... (e.g. commute times, mode share, etc.)
- Demonstrate what the plan does... In their neighborhood! Need to understand what they are getting before they will support funding it... explain if clearly
How

The Financial Strategy will demonstrate how we financially support the creation of new Charlotte Moves transportation investment program.
<table>
<thead>
<tr>
<th>TIME &amp; DURATION</th>
<th>PROGRAM SCALE &amp; AMOUNT</th>
<th>FUNDING SOURCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction: 10+ Years</td>
<td>Total Program: $8 to $12 Billion</td>
<td>Primary New Sources: Transit Sales Tax Dedicated Property Tax</td>
</tr>
<tr>
<td>Financing: 30 Years</td>
<td>Local Portion: $4 to $6 Billion</td>
<td>Partnerships: State &amp; Federal Grants</td>
</tr>
<tr>
<td>Exact duration influenced by an agreed upon Financial Plan and construction program</td>
<td>Program Includes design, construction, operation, maintenance &amp; financing</td>
<td>Existing Sources: Planned Capital Investment</td>
</tr>
</tbody>
</table>
Recommended Funding Strategy
Funding Source - Transit Sales Tax

**FUNDING SOURCES**

**TRANSIT SALES TAX**

### Potential Additional Revenue

<table>
<thead>
<tr>
<th>Rate Increase</th>
<th>Annual Revenue*</th>
<th>Example Tax Increase**</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.25%</td>
<td>$55 Mil</td>
<td>$45</td>
</tr>
<tr>
<td>0.50%</td>
<td>$110 Mil</td>
<td>$90</td>
</tr>
<tr>
<td>1.00%</td>
<td>$220 Mil</td>
<td>$180</td>
</tr>
</tbody>
</table>

*Actual influenced by volume and value of total transactions

Assuming a household income of $60,000 with 30% ($18,000) spent on taxable goods & services and a current sales tax 7.25% * $18,000 = ~$1,305 annually
**Recommended Funding Strategy**

**Funding Source - Property Tax**

<table>
<thead>
<tr>
<th>Rate Increase</th>
<th>Annual City Revenue</th>
<th>Example Tax Increase*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1¢</td>
<td>$14 Mil</td>
<td>$21.48</td>
</tr>
<tr>
<td>2¢</td>
<td>$28 Mil</td>
<td>$42.96</td>
</tr>
<tr>
<td>3¢</td>
<td>$42 Mil</td>
<td>$64.44</td>
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<tr>
<td>4¢</td>
<td>$57 Mil</td>
<td>$85.92</td>
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</table>

*Example Annual Property Tax Bill Increase:

City portion calculated on the 2020 Median Home Value of $214k with a $2,072.82/year property tax bill (combined City/County)
## Tax & Fee Comparison

(Largest cities in North Carolina)

<table>
<thead>
<tr>
<th>Property Tax*</th>
<th>Charlotte</th>
<th>Raleigh</th>
<th>Cary</th>
<th>Wilmington</th>
<th>Concord</th>
<th>Greensboro</th>
<th>Durham</th>
<th>Winston-Salem</th>
<th>Greenville</th>
<th>Fayetteville</th>
<th>High Point</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax Rate (City)</td>
<td>0.3481</td>
<td>0.3552</td>
<td>0.3500</td>
<td>0.4984</td>
<td>0.4800</td>
<td>0.6625</td>
<td>0.5317</td>
<td>0.6374</td>
<td>0.5200</td>
<td>0.4995</td>
<td>0.6475</td>
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<tr>
<td>Property Tax Rate (County)</td>
<td>0.6169</td>
<td>0.6000</td>
<td>0.6000</td>
<td>0.5550</td>
<td>0.7400</td>
<td>0.7305</td>
<td>0.7122</td>
<td>0.7435</td>
<td>0.6797</td>
<td>0.7990</td>
<td>0.7305</td>
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<tr>
<td>Combined Tax Rate</td>
<td>0.9650</td>
<td>0.9552</td>
<td>0.9500</td>
<td>1.0534</td>
<td>1.2200</td>
<td>1.3930</td>
<td>1.2439</td>
<td>1.3809</td>
<td>1.1997</td>
<td>1.2985</td>
<td>1.3780</td>
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<tr>
<td>Combined Property Tax Bill</td>
<td>$2,073</td>
<td>$2,052</td>
<td>$2,041</td>
<td>$2,263</td>
<td>$2,621</td>
<td>$2,992</td>
<td>$2,672</td>
<td>$2,966</td>
<td>$2,577</td>
<td>$2,789</td>
<td>$2,960</td>
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<tr>
<td>Sales Tax</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Sales Tax Rate (local portion)</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.25%</td>
<td>2.25%</td>
<td>2.25%</td>
<td>2.00%</td>
<td>2.75%</td>
<td>2.25%</td>
<td>2.25%</td>
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<tr>
<td>Average Sales Taxes</td>
<td>$450</td>
<td>$450</td>
<td>$450</td>
<td>$405</td>
<td>$405</td>
<td>$360</td>
<td>$495</td>
<td>$405</td>
<td>$405</td>
<td>$405</td>
<td>$360</td>
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<td>Fees</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>County Fees (Waste &amp; Vehicle)</td>
<td>$40</td>
<td>$20</td>
<td>$35</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$15</td>
<td>$0</td>
<td>$120</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>City Average Annual Water/Sewer Bill</td>
<td>$817</td>
<td>$887</td>
<td>$1,016</td>
<td>$883</td>
<td>$779</td>
<td>$603</td>
<td>$806</td>
<td>$772</td>
<td>$907</td>
<td>$907</td>
<td>$967</td>
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<td>Storm Water</td>
<td>$129</td>
<td>$66</td>
<td>$0</td>
<td>$100</td>
<td>$62</td>
<td>$47</td>
<td>$87</td>
<td>$54</td>
<td>$80</td>
<td>$72</td>
<td>$48</td>
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<tr>
<td>Vehicle</td>
<td>$60</td>
<td>$60</td>
<td>$60</td>
<td>$0</td>
<td>$60</td>
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<td>$0</td>
<td>$0</td>
<td>$60</td>
<td>$0</td>
<td>$10</td>
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<tr>
<td>Waste</td>
<td>$68</td>
<td>$173</td>
<td>$234</td>
<td>$256</td>
<td>$27</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$192</td>
<td>$190</td>
<td>$168</td>
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<tr>
<td>Recycling</td>
<td>$0</td>
<td>$55</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>Total Fees</td>
<td>$1,113</td>
<td>$1,262</td>
<td>$1,345</td>
<td>$1,240</td>
<td>$928</td>
<td>$710</td>
<td>$908</td>
<td>$826</td>
<td>$1,359</td>
<td>$1,179</td>
<td>$1,223</td>
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</table>

**Total Taxes and Fees**

- Charlotte: $3,636
- Raleigh: $3,764
- Cary: $3,835
- Wilmington: $3,908
- Concord: $3,953
- Greensboro: $4,062
- Durham: $4,074
- Winston-Salem: $4,197
- Greenville: $4,341
- Fayetteville: $4,373
- High Point: $4,543

*estimate based on a median home assessed value of $214,800
Commit the RESOURCES necessary to achieve the vision:

a) Endorse a fully funded TMN ($8-12B) with 50% local funding and 50% partnership with NCDOT and Federal Transit Administration.

b) Establish a 10-year investment period.

c) Develop a detailed Financial Plan
   - Pursue a new transit sales tax to support the program (1/2 – 1 Cent)
   - Pursue a property tax increase to support the program.
   - Commit to a Fall 2021 Charlotte Moves Funding Referendum
Commit the RESOURCES... Summary of Task Force Discussion:

**Timeframe** – be clear that not all the projects will be done in 10 years

**Financial Plan**
- Be clear about who is doing this (Council) & a Timeline?
- Maintain Flexibility for Council on funding specifics, table with options/ranges?, pros and cons (regressive, city ratings) related to property tax vs. sales tax...
- Consider other sources (e.g. vehicle fees), but stay focused on supporting the local match.
- Explore Fare Free Ridership – Make ridership free (maybe a fee for premium) local service covered by “mobility tax” – make the system free. Reduces the regressive nature of sales tax.
Commit the RESOURCES… Summary of Task Force Discussion:

Sales Tax

- Need county wide support – just a transit focused tax may not sell (include other multimodal projects?)
- Call it a “transportation tax” or “mobility tax” not just a “transit” tax - will strengthen our legislative partnership building
- Define a range to consider (½ cent to 1 cent?), define how much for transit vs non-transit projects

Property Tax

- Need to include, not regressive, cannot rely only on sales tax
- Define a range to consider
Commit the RESOURCES... Summary of Task Force Discussion:

CIP Funding Integration & Strategic Mobility Plan

- Emphasis on this as a “source of funding” not just new taxes
- Use our existing resources first! (currently planned $500M in CIP transportation investment over 10 years).

Run an Effective Campaign - Message is critical to make this successful.

- Will need public support and votes, how do you bundle different packages of investment? Equity, make the community better for everyone!
- Keep the message simple, go big!
- Make it relevant to the community
- This is about “Mobility” - is not just transportation - upward... financial, social, economic mobility...quality of life - “a way of life”
Commit the RESOURCES... Summary of Task Force Discussion:

Other Considerations

- Be mindful of other funding obligations of the city, we are in a unique time (Covid-19 financial impacts). Do we need input from City Manager on budget outlook?

- State Transportation Funding – State does not currently have the funding designated for transit – will need legislative support

- County as a Partner - Encourage County to participate...CIP, etc.

- Focus recommendation on “local share” – while continuing to build relationship with State/Fed partners
Public Comment
Next Steps

November 18 | Task Force
- Review of Task Force Recommendations
- Discuss revisions

December 3 | Task Force
- Review & Input on Task Force Recommendations and Report
- Invited Public Comment & Input

December 14 | Council Briefing
Delivery to Mayor & City Council
Summary of Task Force Recommendations & Council Discussion