

BLUEPRINT FOR  
**CHARLOTTE**  
MOBILITY INVESTMENT

CHARLOTTE  
**STRATEGIC**  
MOBILITY PLAN

 CITY of CHARLOTTE

Charlotte City Council  
Transportation, Planning & Development Committee

# Mobility Update

August 13, 2024

Advancing Council's  
Mobility Priorities

 CITY of CHARLOTTE

# Core Principles

## Safeguard:

- 1) **Charlotte & City Council's Interests**
- 2) **CATS employees**
- 3) **Public Transit customers**  
(90% of them live in Charlotte)

# The Pieces Are Coming Together:

## Charlotte Moves (2021)

- A **Transit AND Roads** Plan
- Directed develop a funding, financing and legislative strategy to move forward a one cent sales tax

## Charlotte 2040 Plan (2021)

## Strategic Mobility Plan (2022)

## Red Line Negotiations (2023)

## Annual Council Strategy Meeting: (2024)

### Reaffirmed Council Priorities:

- Mobility
- Housing
- Jobs

Establishing the Council Working Group on Transportation (February)

# Mobility

More... Ways to Move  
Less ... time, distance, Cost

Narrow the gap



## Housing

More  
affordable  
places to live



## Jobs

More  
attainable  
opportunities  
to work

# Charlotte's Mobility Plan

A Transportation Investment Strategy  
to create a city where...

Everyone  
has access to a  
good paying job,  
safe place to live and a  
way to get there

Advancing Safe & Equitable Mobility



Today's  
Committee  
Agenda

1. Update on Red Line
2. Review Sales Tax Legislation

---

Proposed  
Council Action  
on Sept 3:

- 1. Authorize the purchase of the Red Line Property**
- 2. Adopt a resolution of support for Sales Tax Legislation**

# Schedule

## July/August

- Council Small Group briefings

## August

Today

- **August 13** – Transportation, Planning & Design Committee
- **August 19** – Council Closed Session Briefing (Red Line Purchase)
- **August 26** – Council Action Review presentation

## September

Council  
Actions

- **September 3** – Council Meeting
  - Authorize purchase of Red Line property
  - Adopt resolution supporting sales tax legislation
- **September 9** – Close/purchase Red Line

## November

- General Assembly considers legislation to authorize sales tax

RED LINE:  
A 20+ YEAR PURSUIT



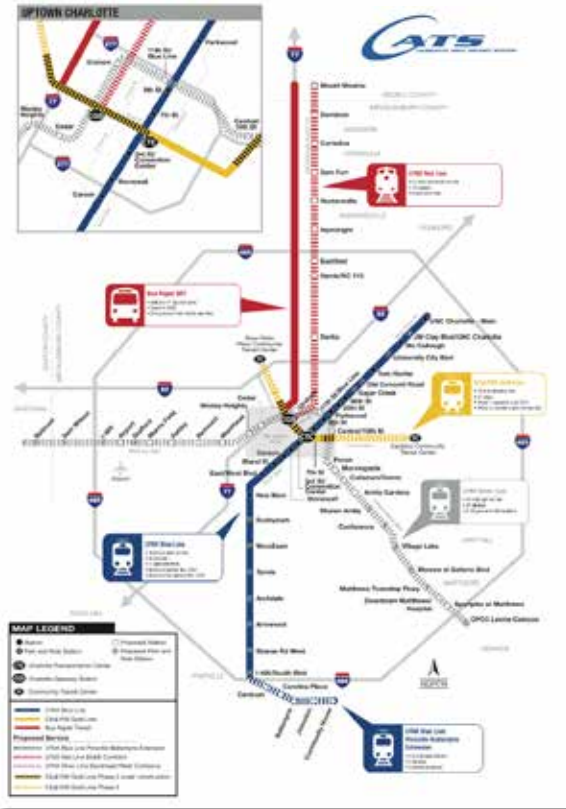
# The Red Line & the 2030 Transit Plan

A 20+ Year Pursuit

The Red Line



2030  
Transit System Plan



High-Capacity  
Transit  
Corridors: **Red Line**  
**Gold Line**  
**Silver Line**  
**Blue Line**

## Fundamental to Our Transit Plan:

- Since 2002 the MTC's adopted transit plans have recommended the Red Line commuter rail from Uptown Charlotte to the towns of Huntersville, Cornelius, Davidson, and Mooresville
- The Red Line was anticipated to be funded through the 1998 transit tax

## Critical to the Sales Tax:

- Northern Mecklenburg County towns said there must be a solution to deliver the Red Line to get their support for a sales tax

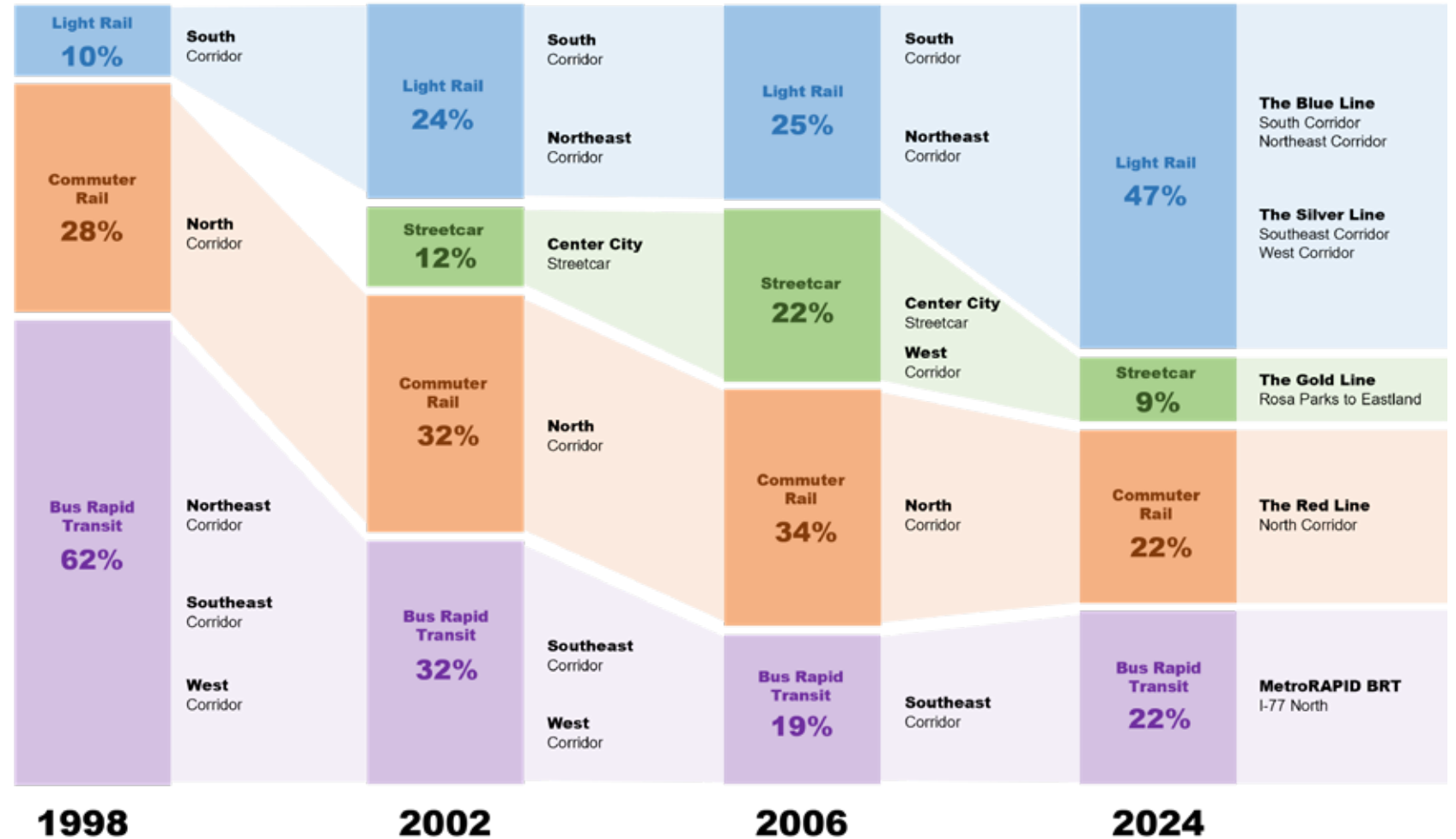


# The Red Line & the 2030 Transit Plan

A 20+ Year Pursuit

The Red Line has always been part of the Plan

Evolution of the CATS Transit System Plan (Total corridor miles)



# The Red Line & the 2030 Transit Plan

A 20+ Year Pursuit

Access to the  
corridor has  
always been the  
obstacle

The Time is Now:

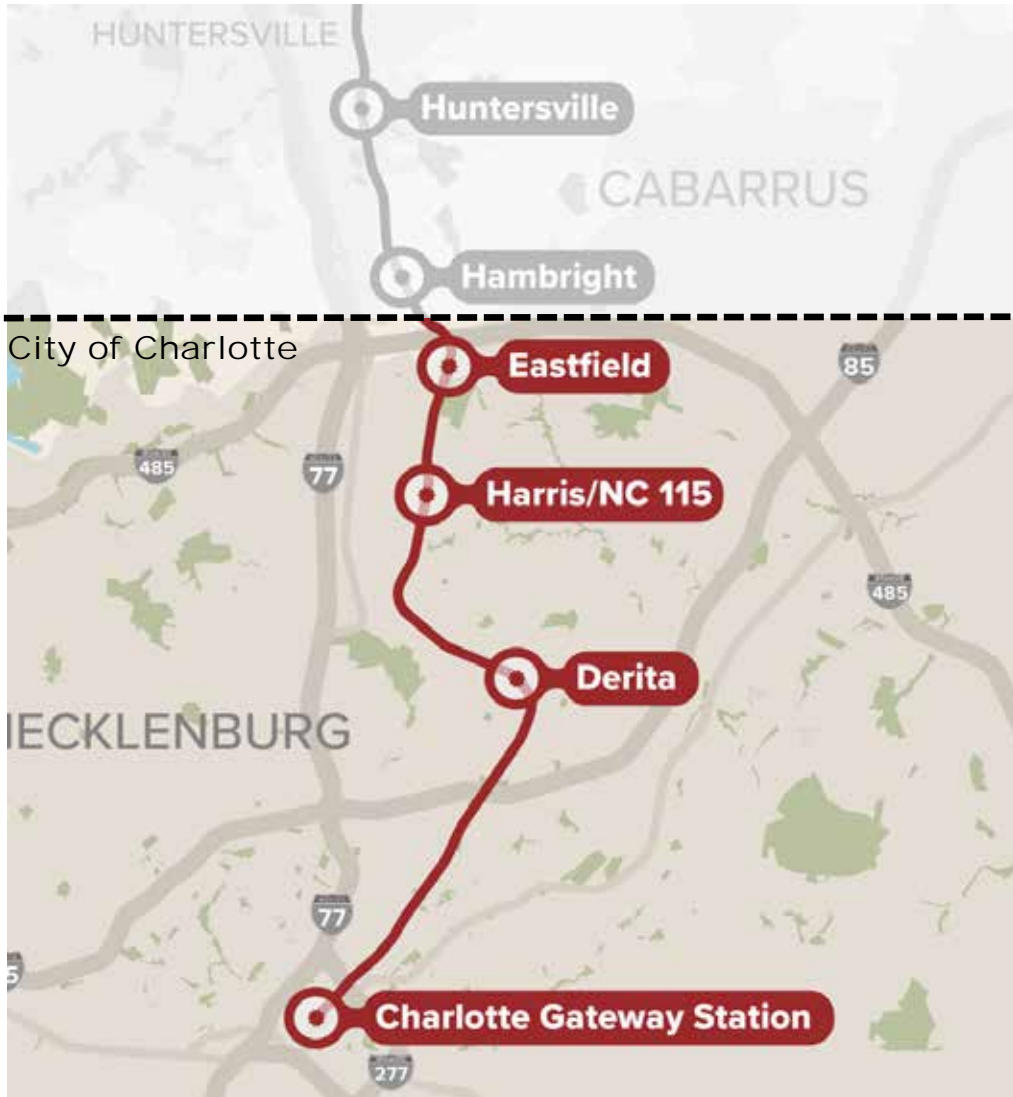
- Norfolk Southern (NS) has not been willing to share the corridor with passenger rail operation for more than two decades
- In 2013 NS adopted a nationwide policy they would not share tracks with passenger rail
- With access to the corridor unattainable the MTC used available funding for the Blue Line Extension

What Changed?

- Since 2021 Charlotte has maintained a dialog with NS
- In 2023 the City and NS began negotiations for the purchase of the O Line
- **This is an opportunity that has been unachievable for over 20 years**

# The Red Line & the 2030 Transit Plan

A 20+ Year Pursuit



## It's Important to Charlotte

- 11.5 miles of the corridor falls within Charlotte city limits
- 4 transit stations with equitable TOD opportunity
- Connects Uptown's regional employment base and cultural destinations to the regional growth north of Charlotte along the I-77 corridor
- Links into Charlotte Gateway Station which will be a critical multi-modal and economic hub for the city, region, state and the rapidly growing economy of the Southeast and East Coast

# The Red Line: Draft Legislation

A 20+ Year Pursuit

The Red Line



## The Red Line

### Project Definition

- Terminating in Davidson only with their approval.
- Extending outside Mecklenburg County only with approval from applicable local governments (Iredell County and the Town of Mooresville).

### City of Charlotte Reimbursement

- The Authority shall reimburse Charlotte for purchase, limited to the cost to acquire and indebtedness (debt service/financing).

### Project Prioritization & Design

- 50% of the Red Line shall be complete before the completion of any other rail project.
- The Authority shall solicit input from the Towns of Cornelius, Davidson and Huntersville on all aspects of the design.

# The Red Line: Norfolk Southern Negotiations

A 20+ Year Pursuit

## 2 Properties 2 Transactions

### 1. O-Line (rail corridor)

- **Funding:** City General Credit
- **Plan of Finance** is modeled as a short-term note and/or variable rate financing
- **Steady State Affordability** is maintained in the short term (5 years)

### 2. Uptown Property

- **Funding:** City General Credit
- **Plan of finance** is modeled as a short-term note and/or variable rate financing
- Utilizes CIP funds already ear-marked for Charlotte Gateway Station (CGS)
- Adjacent to CGS
- Necessary to align O-Line with CGS

# The Red Line: Norfolk Southern Negotiations

A 20+ Year Pursuit

## The Goal of This Transaction is Corridor Preservation

FTA recognized activity

City has done this before in advance of project funding (Blue Line)

### Corridor Preservation:

- City is negotiating a purchase of the O Line corridor in Mecklenburg County with an option for extending into Mooresville/Iredell County with their approval

### City Protections

- Red Line reimbursement language is in the draft legislation
- If project does not advance, NS has requested ability to counter any offer the City would receive



# The Red Line: Norfolk Southern Negotiations

A 20+ Year Pursuit

## Red Line Closing Schedule

August 19<sup>th</sup>

- Council Closed Session

August 26<sup>th</sup>

- Council Action Review

September 3<sup>rd</sup>

- Council consideration to approve purchase

September 9<sup>th</sup>

- Close by September 9<sup>th</sup>
- Closing by this date is a requirement of Norfolk Southern

DRAFT LEGISLATION:  
OPPORTUNITY FOR A  
GENERATIONAL INVESTMENT  
IN OUR COMMUNITY

# Draft Legislation

Asking NCGA to authorize Mecklenburg  
County to hold a referendum to:

Allow county voters to decide on a  
1% sales tax for transit and  
transportation

## A Choice for Voters

**Referendum:** (for/against)

“One percent (1%) local sales and use taxes,  
in addition to the current local sales and use  
taxes, to be used only for roadway systems  
and public transportation systems.”

# Draft Legislation: Key Components

Opportunity for a generational investment in our community

# Draft Legislation

## Key Components

### The Red Line

- Establishes project definition, City reimbursement, and prioritization.

### Transportation Revenue

- Road (40%) revenue distributed directly to Towns and City.
- Transit revenue split between Rail (40% limit) and Bus (20% minimum), unused rail funding can be used for bus.

### New Authority

- One governing board that combines the dual roles of the MTC and the City of Charlotte.

# Draft Legislation: Transportation Revenue

Opportunity for a generational investment in our community

Asking NCGA to authorize Mecklenburg County to hold a referendum to:

Allow county voters to decide on a 1% sales tax for transit and transportation

**\$19.4B**

Over 30 Years

**Sales Tax**

1-cent

Mecklenburg County

First year (estimated to grow by 4.2%)

**\$345M** Year 1

30% of revenue comes from people outside of the county

# Draft Legislation: Transportation Revenue

Opportunity for a generational investment in our community

**\$19.4B** One Cent - Mecklenburg County Sales Tax  
30-year Revenue  
(based on current tax revenue projections)

## — Transportation Investment Program: 30-Year —



- Charlotte Transportation Projects
  - Strategic Mobility Plan
  - Strategic Investment Areas
  - Bike/Pedestrian Safety
- Mecklenburg Towns Transportation Projects
  - Cornelius
  - Davidson
  - Huntersville
  - Mathews
  - Mint Hill
  - Pineville

Bus Program  
Better Bus

Rail Program\*  
2030 Transit Plan  
*\*Future action by MTC to prioritize corridors and determine mode based on funding availability as set forth in future legislation*



- Additional Transit Funding
- Federal Capital Investment Grants
- FTA Formula Funds
- Fare Revenue

**\$17.5B**

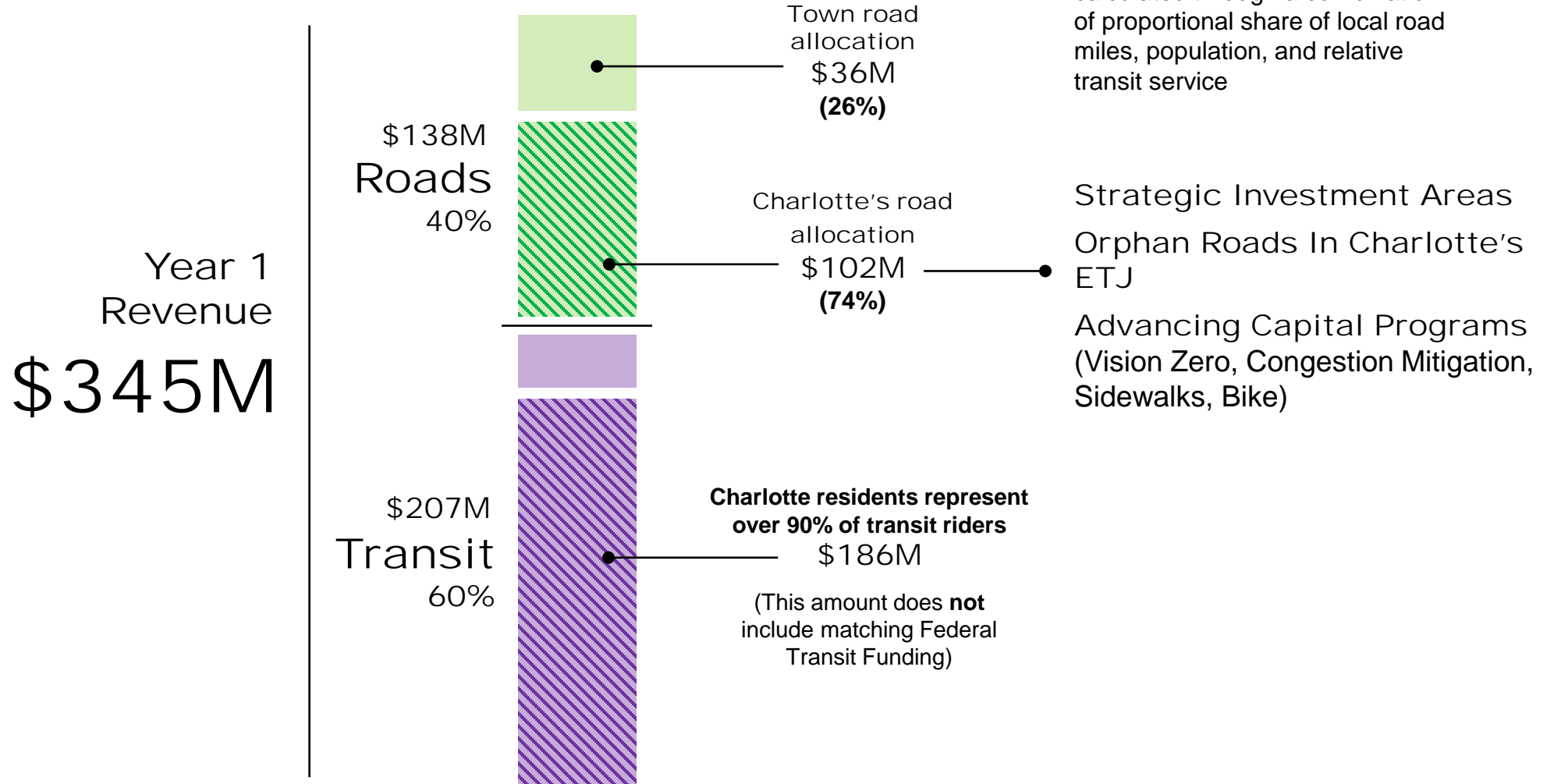
Total Potential Transit Funding & Revenue

## — 2030 Transit Program: 30-Year Implementation —



# What does this mean for Charlotte:

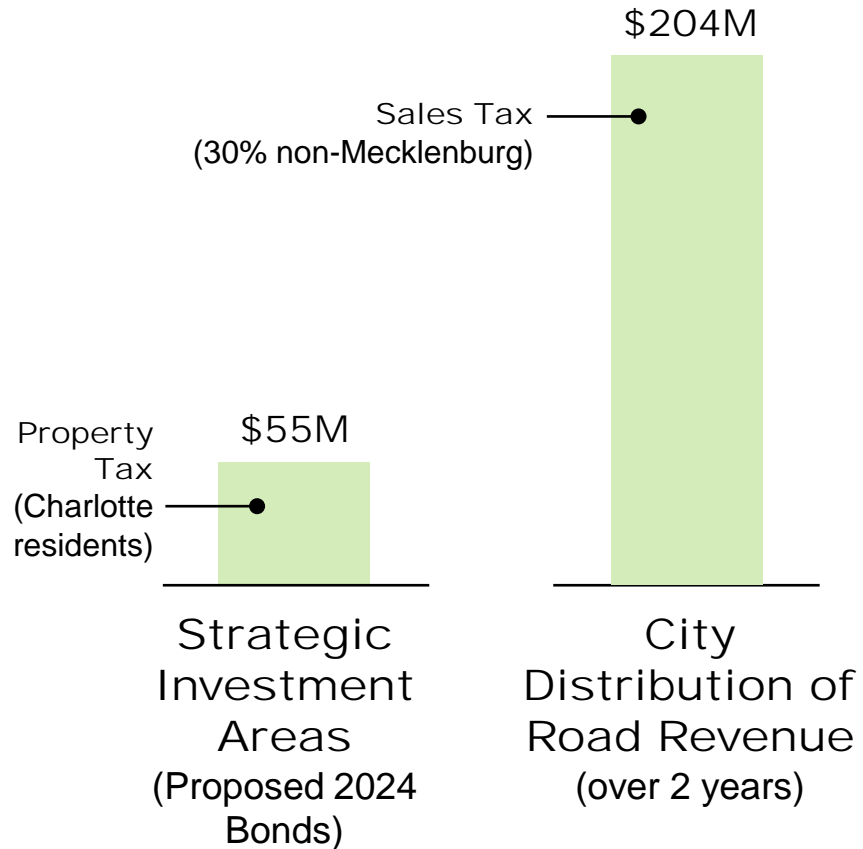
Opportunity for a generational investment in our community



# What does this mean for Charlotte:

Opportunity for a generational investment in our community

## Opportunity for Road Funding is Unprecedented

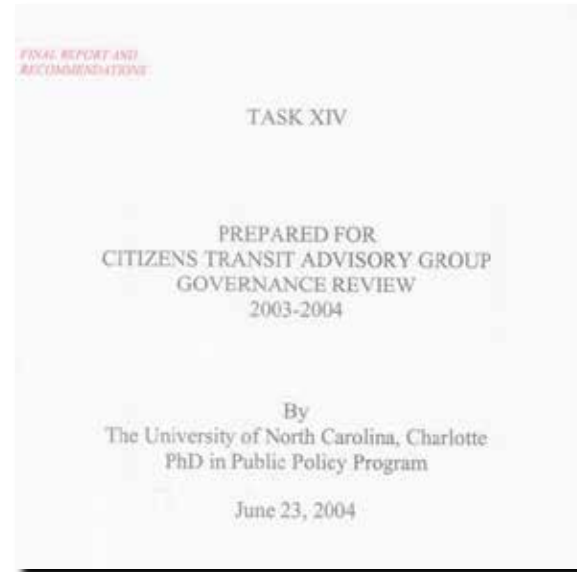


# Draft Legislation: New Authority

An Authority  
is not a new concept:

- **Governance Review Study**  
(prepared by UNCC - 2004)
- **CONNECT Beyond: Advancing the Plan**
- **CATS Management Roadmap**  
(Prepared by Management Partners - 2022)

Governance Review Study: UNCC



CONNECT Beyond :  
Advancing the Plan



And we are in a new place:

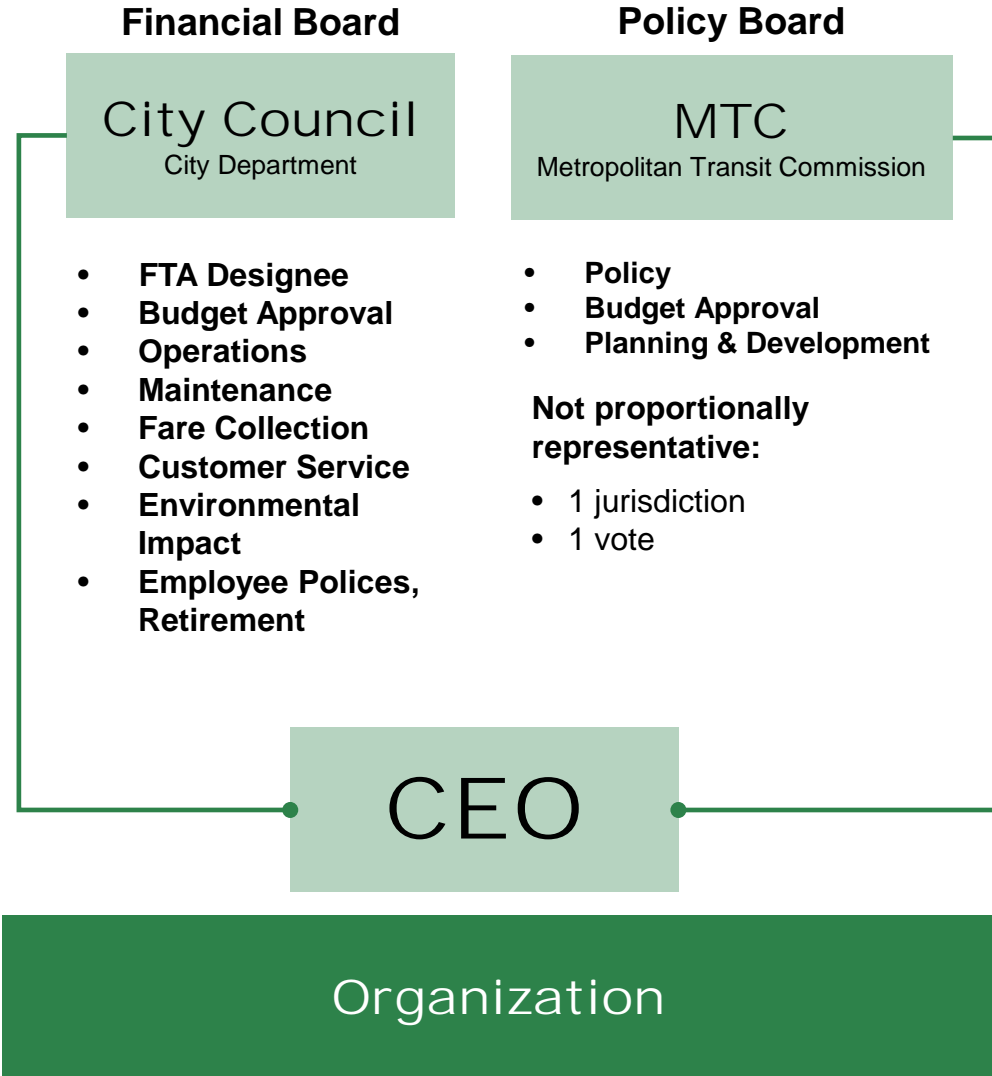
- **Growing system (1998 – Today)**
- **Potential for significant new funding**
- **Clarity of roles necessary**



CATS Management  
Roadmap

# Draft Legislation: New Authority

## Charlotte Area Transit System (CATS)



## Proposed New Authority



# Draft Legislation: New Authority

## One Governing Board

Board

**12 City** Appointments  
(3 representing business interests)  
**12 County** Appointments  
(6 representing the towns)  
**2 State Legislator** Appointments  
**1 Governor** Appointment

Board Representation:  
27 members

All Activities:

- **FTA Designee**
- **Budget Approval**
- **Policy**
- **Planning & Development**
- **Operations**
- **Maintenance**
- **Fare Collection**
- **Customer Service**
- **Environmental Impact**
- **Employee Polices, Retirement**

CEO

Organization

## Board

- Clarity with one Board administering revenue (existing .5 cent + new .6 cent = 1.1 Cent) to implement 2030 Transit Plan
- Regional expansion upon Board approval and contributing funds
- Comparable nationally with authorities around the country
- More equitable than what exists today

## Creation

- Draft legislation defines the transition and creation of the new Authority including the transfer of City and CATS assets to the new authority (protecting City bond rating).

## City Protection

- Authority ultimately assumes all financial responsibility, liability and risk
- Draft legislation protects CATS staff (Charlotte employees) ensuring pension benefits carry over to new Authority
- Supermajority vote required for expansion and amendment of articles of incorporation and bylaws

# Schedule

## July/August

- Council Small Group briefings

## August

Today

- **August 13** – Transportation, Planning & Design Committee
- **August 19** – Council Closed Session Briefing (Red Line Purchase)
- **August 26** – Council Action Review presentation

## September

Council  
Actions

- **September 3** – Council Meeting
  - Authorize purchase of Red Line property
  - Adopt resolution supporting sales tax legislation
- **September 9** – Close/purchase Red Line

## November

- General Assembly considers legislation to authorize sales tax



