

Funding Concepts Workshop Summary

The purpose of this memorandum is to summarize the discussions from the Funding Concepts Workshops held on July 22nd & 28th, 2021 through virtual presentation and conference call (via Zoom) for the Beyond 77 Study.

7/22 Participants

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Agustin Rodriguez, CRTPO
Bill Coxe, Planner Emeritus
Bob Cook, CRTPO
Brian Nadolny, CATS
Curtis Bridges, CRTPO
Dominique Boyd, NCDOT-Planning
Gene Conti, Conti & Associates
James Parkhill, Atkins
Jason Lawrence, CATS
Jorge Luna, HDR
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Travis Johnson, CRTPO
Warren Cooksey, NCDOT-NCTA

7/28 Participants

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Summary of Workshop Discussions

- Progress Overview Summary

Mr. Howell provided a brief overview of the study since prior Advisory Committee meetings (March 2021). The update included Phase III Engagement successes, finalization of recommendations, and development of an implementation framework. Part of the framework includes funding alternative strategies for future consideration.

- Funding Alternatives & Regional Investment Strategies

Mr. Howell provided initial context to shape the conversation. This includes defining aspects of cost, acknowledgment of existing funding mechanisms, and the desired capacity for potential changes in funding. He also acknowledged three key initiatives that informed Beyond 77 funding alternative recommendations based on historical context. These initiatives are the NC First Commission Final Report (2021), the Charlotte Moves Task Force Report (2020), and the Committee of 21, Road Solutions for Now and the Future (2008).

Mr. Howell noted 5 baseline assumptions to further inform critical dialogues for realizing any form of regional funding alternative approaches. These are:

- Near-term availability - options that are largely considered to be existing traditional methods/strategies (sales tax, property tax, and registration fees) for local governments in NC.
- Prioritization - finding consensus regionally on how to prioritize the regional systems' essential elements into a single plan for execution.
- Time - Near-term (2022-2027), medium-term (2027-2037) and longer-term (2037-2050+)
- Sustainability - the ability of a funding source (or set of funding sources) to reliably deliver substantial and predictable revenues year after year.
- Geography - NC focused – 10 county area. Regional perspective for the Charlotte metro area.

Near-Term Recommendations are stated as:

- Regional **Sales Tax**
 - On current items subject to sales tax
 - On motor fuel sales
 - On the sale of Motor Vehicles
- Regional **Property Tax**, ALL Property
- Regional Property Tax, Vehicles ONLY
- Regional **Motor Vehicle Registration Fee**

Mr. Howell highlighted the Task 6 report on funding alternatives is structured to provide a background on each type of alternative, potential revenue generation estimates, as well as a series of advantages and disadvantages.

Mid- to Long-Term Recommendations are stated as:

- Regional Mileage-Based User Fee – user fee charge based on miles driven within a specific geography.

- Regional Business Improvement District – a defined area within which businesses are required to pay an additional tax or fee to fund projects within the district’s boundaries – which typically are beyond those performed by the government.
- Regionally Established Transportation as a Utility – users would pay fees for the use of the transportation system with rates set through a formal rate setting process reflective of the cost of constructing, operating, and replacing it.

Mr. Howell also highlighted a set of funding alternatives that are not viewed as sustainable or enough for broad, continuous applications to meet growing local/regional needs. They are:

- Additional Federal Funding
- Additional Funding from NCDOT/State of NC
- Tolls: Tolled Express Lanes/Tolled Highways
- Tolls: Cordon/Congestion Pricing

Members representing parties in South Carolina made it clear that the Pennies for Progress program works well for them. Participants also asked what the ‘target’ or the total amount of money needed for improvements was. A perspective was offered that Beyond 77 is creating a starting point – the recommended funding alternative strategies help to define how much money could be available first, and then fitting needs within that realized constraint. It was noted by participants that while the corridor was initially isolated at the start of this study, the identification of strategies and solutions have led the process to understand their applicability to the entire region (i.e., issues crossing I-77, for example, are related to other freeways and corridors within the region as well). Feedback was also provided to specifically note that those items documented as ‘not sustainable or sufficient...’ should be clarified. The report and associated materials should acknowledge the role those mechanisms play but also acknowledge that the roles are limited to specific needs or issues – not broad-based as the recommended strategies aim to provide.

- Connections with Parallel Planning Initiatives

Mr. Howell highlighted that efforts to produce funding alternative strategies for Beyond 77 were greatly informed by other critical planning initiatives that were occurring in parallel. They are:

- NC First Commission
- Charlotte Moves Task Force
- Charlotte Regional Business Alliance – Transformational Mobility Network’s Economic Impact
- CRTPO’s 2050 MTP
- CONNECT Beyond (funding & partnerships portion)

- Funding Alternatives Tool Demo

Mr. Howell highlighted that an interactive tool is being developed to help those involved with planning for future mobility needs can be informed with estimated revenue projects for the near-term funding alternatives. This tool should be available to use by the end of the summer.

- Post Study Expectations

Mentimeter was used to ask participants a series of questions for what to expect after the completion of this study. Questions asked included:

- Level of support regarding near-term funding alternative strategies
- What level of action is appropriate/necessary and by whom? (i.e., Adoption, Endorsement, and/or Acceptance)
- Could a NEW program be formed and sustainable into the future to allow for the implementation of Beyond 77 & other related initiatives
- Could social media be leveraged to raise awareness with multiple stakeholders on the existence/purpose of a new program?
- What could the name of such a new program be, and what could an official 'hashtag' be for social media trend needs?

Please contact Adam Howell at adam.howell@atkinsglobal.com if any changes to this document are needed.