# 2030 Plan Updated

<table>
<thead>
<tr>
<th>2006 Plan</th>
<th>2013 Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Corridor - LRT</td>
<td>Opened in 2007</td>
</tr>
<tr>
<td>Northeast Corridor – LRT</td>
<td>In progress, estimated opening in 2017</td>
</tr>
<tr>
<td>North Corridor – Commuter Rail</td>
<td>NS Rail Capacity Study</td>
</tr>
<tr>
<td>Streetcar – Rosa Parks TC to Eastland TC</td>
<td>1.5 mile Streetcar Starter Project under construction (City funded)</td>
</tr>
<tr>
<td>Southeast Corridor – BRT on Independence Blvd.</td>
<td>Study pending for new LRT alignment or Streetcar on Monroe</td>
</tr>
<tr>
<td>West – Wilkinson Streetcar</td>
<td>Sprinter Service (enhanced bus) to Airport implemented</td>
</tr>
<tr>
<td>Charlotte Gateway Station</td>
<td>NCDOT procured master developer</td>
</tr>
<tr>
<td>Bus System Expansion</td>
<td>Implemented per county-wide transit services plan (limited growth)</td>
</tr>
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## Cost of Remaining 2030 Transit Corridors

<table>
<thead>
<tr>
<th>Corridor</th>
<th>Capital</th>
<th>Annual O&amp;M Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>North Corridor – Commuter Rail</strong></td>
<td>$660 millions</td>
<td>$15 millions</td>
</tr>
<tr>
<td><strong>Streetcar – Rosa Parks TC to Eastland TC</strong></td>
<td>$450 millions</td>
<td>$23 millions</td>
</tr>
<tr>
<td><strong>Southeast Corridor</strong></td>
<td>$800 (Streetcar)</td>
<td>$22 (Streetcar)</td>
</tr>
<tr>
<td></td>
<td>$1,510 (LRT)</td>
<td>$16 (LRT)</td>
</tr>
<tr>
<td><strong>West – Wilkinson Streetcar</strong></td>
<td>$415 millions</td>
<td>$9 millions</td>
</tr>
</tbody>
</table>

*millions of 2013 dollars*
Federal capital grants increasingly difficult to achieve
- FTA New Starts
- Earmarks
- FTA formula funds

Very limited potential for future state match

Reduced local funding from transit-dedicated sales tax due to Great Recession
BLE Finance Plan Limits Capacity for New Investment

- Blue Line Extension finance plan (including existing operations) requires all currently available local revenues, including ½-cent sales tax

- Any new capital investment and associated operating costs would require new revenue sources
Innovative Financing Options

- Federal Loan Programs – TIFIA and RRIF
  - Low, fixed interest rates equivalent to Treasury rates
  - Interest accrual during operations, first 5 years of operations
  - Long-term debt with flexible repayment terms, subordinated position
- Tax-exempt Private Activity Bonds issued as part of PPP
  - Allocation of the $15B would be needed
- EB-5 conditional residency visa program
  - Requires $1m investment ($500k in targeted employment area)
  - $2.2 billion in investments to date
- New Market Tax Credits
  - 39% federal tax credit for private investments in low-income urban areas
  - Generated >$20 billion in private investment from 2003-2010
- Others proposed by Administration in State of the Union, including a variation of Build America Bonds for infrastructure
Public-Private Partnerships ("PPP" or "P3")

- Degree of private sector responsibility and risk increase with each of the following:
  - DBB (Design-Bid-Build)
  - DB (Design-Build)
  - DBF (Design-Build-Finance)
  - DBOM (Design-Build-Operate-Maintain)
  - DBFOM (Design-Build-Finance-Operate-Maintain, or "concession")
    - Private debt and equity non-recourse to public owner
    - Availability payments suited for transit concessions
    - Availability payments may be subordinated to public sector debt
    - Availability payments typically only begin after start of operations
Possible Local Funding Sources for Evaluation

► Regional (County, State)
  ► Vehicle registration fees
  ► Alternative fuel vehicle fees
  ► Car rental tax
  ► Hotel/motel tax
  ► Expansion of items covered under current sales tax
  ► Sales tax rate increase
  ► Motor vehicle fuel tax

► Corridor Specific
  ► Value Capture - Tax Increment Financing (TIF) and special assessments
  ► Parking fees
  ► Ancillary revenues (naming rights, sponsorships, advertising, air rights, etc.)
  ► Reinvestment of existing bus service
Moving Forward

► Is a comprehensive new long-range planning effort needed to see if these are still the projects to move forward?

► Is the current structure whereby CATS plans and develops projects still workable going forward, or should a new implementation framework be part of the conversation?

► Sample project delivery possibilities:
  ► Norfolk Southern as private partner in a DBOM on North Corridor
  ► Procurement of entire streetcar system as DBFOM

► Adopt basket of new local/regional funding sources both to reduce volatility from dependence on sales and use tax and to facilitate corridor-specific solutions
  ► Pay-as-you-go capital
  ► Operating and capital renewal/replacement
  ► Debt service/availability payment
Next Steps

► Advance analysis on corridors for March 22 meeting
  ► Evaluate year-of-expenditure costs on a baseline schedule for each corridor
  ► Estimate order-of-magnitude revenues available from possible new sources based on available data

► Continue discussions on structuring projects, possible corridor-level financing options and CATS governance / implementation framework
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