AGENDA

Meeting Type:	W
Date:	03-04-1991
SUBJECT	

City of Charlotte, City Clerk's Office

MAYOR AND CITY COUNCIL
WORKSHOP AGENDA
March 4, 1991

5:00 pm	Independence Arena
6:00 pm	Dinner
6:15 pm	Cultural Arts Commission Report
6:45 pm	FY92-93 Operating Budget Update Preliminary Capital Improvement Program Policies and Issues
8:00 pm	Discussion of Metropolitan Planning Organization

INDEPENDENCE ARENA

Attached is the agenda item from the February 25, 1991 Council meeting regarding a revised letter of intent to lease the Independence Arena. Steve Camp has advised us that some revisions to the letter of intent may be agreed upon by Thursday between the Authority and Spectacor Management. Any revisions will be sent to Council in the Friday memo.

Recommend approval of a revised Letter of Intent to lease the "Independence Arena".

City Manager's Office

Background

On December 11, 1990, City Council approved a "Letter of Intent" to lease the "old Coliseum" (now Independence Arena) to Mr. William G. Allen, Jr. Since that time, Mr. Allen has explored the possibility of bringing into the venture additional investors or partners to help raise money for the $3 million rehabilitation program and to manage the building. Mr. Allen has been quite successful at bringing in two respective partners who will each own 1/3 of the joint venture. Mr. Tom Phillips, representing the Merchandise Mart, brings to the project an amount of parking necessary to make the Independence Arena a success. He also has vested interest in protecting his investment in the adjoining Merchandise Mart, the Coliseum Inn, and additional adjacent property. Spectacor Management Group is one of the most successful arena management companies in the country. They bring to the venture expertise in arena management and should enhance the success of the venture.

In the absence of the Coliseum Authority's willingness to open the Independence Arena, Council directed staff to seek a public/private venture which would allow the building to be opened without City financial contributions. The previously approved Letter of Intent, with the attached revisions, provides for the best case scenario for the Independence Arena to succeed. However, the very ingredients which will enhance the success of the arena may also negatively impact the financial viability of the new Coliseum. If the private venture manages the Independence Arena with the enthusiasm and zeal that they have displayed to date, there is high probability that some events that would play at the new Coliseum may be redirected to the Independence Arena. The number of events is impossible to currently quantify.

As is the case with all public/private ventures, the public sector gives concessions to the private sector which are necessary to enable the venture to succeed. In the case of the Independence Arena, there is a possibility that in addition to competition with the new Coliseum, other potentially negative issues may surface:

1. Although the City, as lessor, is adequately protected from any outside business ventures in which members of the lessee group might be involved, we still may experience negative feedback from citizens or others involved in failed business dealings with any of the partners in the joint venture.

2. Upon execution of the lease, the City will no longer have any

responsibility for the operation of the building. It will be awkward, if not impossible, to respond to citizen's complaints directed at the building or its operations.

3. Council is committing to a 35 year lease with an option to buy the building back after ten years. Although we do not anticipate ever needing to execute this option, it should be noted that the buy-back would be expensive in order to guarantee investors a "reasonable" return for their risky investment.

4. Finally, because of the long-term nature of all public/private ventures, there is no way to legally anticipate all possible situations which might occur that could negatively impact the City. This is a risk we always consciously accept with public/private ventures

With these cautionary comments in mind, we feel we have negotiated a good Letter of Intent with the proposed Independence Arena lessee. The subject Letter of Intent is the product of months of meetings, negotiations, and discussions. Although the Letter of Intent does not legally bind Council to execute a formal lease, if the revised Letter of Intent is approved, the lease will be finalized over the next two to three weeks and brought back to Council on the March 25 agenda.

<u>Explanation of Request</u>

Council is requested to amend a Letter of Intent dated December 11, 1990 between the City of Charlotte and William G. Allen, Jr. to lease the Independence Arena. The modifications in the original Letter of Intent are summarized as follows:

a) The tenant will be Independence Arena Management Group, a joint venture composed of Phillips Parking Services, Inc. (a subsidiary of D. L. Phillips Investment Builders, Inc., the owner of the Merchandise Mart and adjoining parking facilities), Arena Associates, Inc. (a corporation owned and controlled by Bill Allen and his family) and a subsidiary corporation of Spectacor Management Group. The joint venture will be owned one-third by each of the parties. Spectacor Management Group will be responsible for all day-to-day operations and management of the Independence Arena.

b) The term of the lease will be fixed at 35 years as opposed to the original 20-year lease with two 5-year options. This will permit the joint venture to take advantage of certain favorable tax treatment available to historic structures.

c) The City retains the right to buy out the lease agreement. The purchase price at buy-out has been modified and will now be determined as follows: (i) the appraised value of the leasehold will be determined and will be given a weight of 50% and (ii) a 50% weight will be attributed to tenant's capital investment in the

Independence Arena plus a cumulative and compounded return thereon equal to prime plus two percent.

d) The term of the lease will begin as of April 1, 1991. The joint venture would have until March 31, 1992 to provide the $3,000,000 originally required by the Letter of Intent. Provided that $2,000,000 has been raised and deposited in escrow by March 31, 1992, this time period may be extended for an additional 12 months. Notwithstanding these changes the tenant is obligated to complete the capital improvement program and open the Independence Arena no later than September 30, 1992.

e) Various dates in the Letter of Intent have been revised consistent with the above modifications.

The new lessee group has requested the above modifications to the Letter of Intent be approved as soon as possible so they may begin immediately raising funds to make the necessary improvements to the Independence Arena in order to open for Ice Hockey in the fall of 1991. Although they face a tight schedule for 1991, the lessee group is confident they will meet the scheduled opening barring any unforeseen changes in the economy due to the Gulf War or other negative economic conditions.

<u>Source of Funding</u>

No local funding required.

Clearances

City Manager's Office, City Attorney's Office, and the Finance Department.

WILLIAM G. ALLEN, JR.
Charlotte, North Carolina

February 21, 1991

City of Charlotte
600 East Fourth Street
Charlotte, North Carolina 28202-2865

Attention: Mr. Boyd Cauble

Re: Amendment to Letter of Intent dated December 11, 1990
Lease of "Old Charlotte Coliseum"

Gentlemen:

The City of Charlotte (the "City") and William G. Allen, Jr. ("Allen") have heretofore entered into a Letter of Intent (the "Letter of Intent") dated December 11, 1990 setting forth the business terms of a proposed Lease Agreement ("Lease Agreement") between the City, as Landlord, and Allen or his permitted assigns, as Tenant, with reference to the facility known generally as the Old Charlotte Coliseum (now the "Independence Arena").

There have been substantial changes in the economy and the world situation since the date of the Letter of Intent. In order to be responsive to the realities of the economy and the uncertainty in the Middle East and consistent with our mutual desire that the Independence Arena be a successful project, Allen sought to bring into the venture several highly qualified and financially stable partners. It is now proposed that the Tenant under the Lease Agreement be a joint venture composed of Phillips Parking Services, Inc. (a subsidiary of D.L. Phillips Investment Builders, Inc.), Arena Associates, Inc. (a corporation owned and controlled by Allen and his family) and a subsidiary corporation of Spectacor Management Group.

With the inclusion of Phillips Parking and Spectacor as equity participants in this arrangement it is requested that the Letter of Intent be modified in the following respects:

1. Lease Term. The Lease Agreement would provide for a term of approximately thirty-five (35) years. There would be no options to extend. This will permit the joint venture to take advantage of certain benefits that may flow from the designation of the Independence Arena as an historic property. The City would continue to have the right to terminate the Lease Agreement, as of March 31 of calendar years 2001, 2006, 2011, 2016, 2021 and 2025 upon not less than twelve (12) months' prior written notice to Tenant and upon payment to Tenant of an amount computed as follows:

(i) The appraised value of Tenant's leasehold estate would be determined by three (3) appraisers (one appointed by Tenant, one appointed by City, and one appointed by the two appraisers). Such appraised value as so determined by the appraisers would be given a weight of fifty (50) percent; and

(ii) The amount of Tenant's Capital Investment (as defined in the Letter of Intent) in the Demised Premises plus a cumulative and compounded return thereon computed from the date of each such investment based upon an interest factor of prime plus two (2) (as adjusted from time to time), with such calculation to be given a weight of fifty (50) percent.

2. Tenant. Tenant under the Lease Agreement will be "Independence Arena Management Group", a joint venture to be composed of Phillips Parking Services, Inc., Arena Associates, Inc. and a wholly owned subsidiary corporation of Spectacor Manager Group. Spectacor Management Group will serve as the manager of Independence Arena.

3. Commencement Date of the Lease. The Lease Agreement will have a commencement date of April 1, 1991. References to the date January 1, 1991 appearing in Paragraph 4 of the Letter of Intent and in Paragraph 7 of the Letter of Intent shall be changed to April 1, 1991.

4. Opening for Business; Option to Terminate Lease. Tenant is obligated to raise the capital or financing sufficient to permit completion of the Capital Improvement Program but in no event shall such amount be less than Three Million Dollars ($3,000,000). To the extent that such $3,000,000 is not fully utilized in connection with completion of the Capital Improvement Program such excess funds are required to be added to a Capital Improvement Fund as outlined in Paragraph 10 of the Letter of Intent. Tenant shall have until March 31, 1992 to raise a minimum of $3,000,000 of capital and/or financing in order to assure the City of Tenant's capacity to comply with the provisions of the Lease Agreement; provided, however, if Tenant shall have deposited in a special escrow account (or has otherwise provided an irrevocable sight letter of credit issued by a national bank collectible in Charlotte, North Carolina and containing such other terms and conditions as City shall reasonably request) the sum of Two Million Dollars ($2,000,000) less any amounts actually expended by Tenant in connection with the Capital Improvement Program, then, in such event, Tenant shall have an additional twelve (12) months within which to provide the remaining One Million Dollars ($1,000,000).

Tenant shall be entitled to open the Independence Arena for business at any time after it has fully completed the Capital

Improvement Program. Tenant must open the Independence Arena no later than September 30, 1992.

5. Conforming Dates. All references to March 31, 1991 as contained in the Letter of Intent shall be deemed to read "June 30, 1991".

Following approval of this modification to the original Letter of Intent a formal definitive Lease Agreement embodying the terms and provisions hereof shall be submitted to City Council for its approval at its March 25, 1991 meeting or at such other date as shall be feasible.

Very truly yours,

William G. Allen, Jr.

AGREED TO:

CITY OF CHARLOTTE

By: _____
(Title)

CULTURAL STUDY COMMITTEE REPORT

Pat Phillips, Chairman of the Cultural Study Committee, will present the Committee's recommendations and suggested action steps to Council.

DISCUSSION OF
FY92-FY93 OPERATING BUDGET
AND
FY92-FY96 CAPITAL IMPROVEMENT PROGRAM

Council Workshop
March 4, 1991

MARCH 4, 1991 COUNCIL WORKSHOP

OPERATING BUDGET UPDATE

TOPIC	HANDOUT	ACTION
I. **General Fund**	Workshop Book	Discussion and Direction
A. Overview of Revenues and Expenditures		
B. Status of Agency Requests		
C. Arts Organization Support		
D. New Programs and Positions	Separate Book	Information
II. **Utility Fund**	Workshop Book	Discussion
III. **Transit Fund**	Workshop Book	Discussion and Direction

CAPITAL BUDGET UPDATE

I. **Capital Program Issues**	Workshop Book	Discussion and Direction
A. Slower Capital Program		
B. Road Savings		
C. Road Priorities		
D. Pay-As-You-Go Tax Levy		
II. **Review of Policy Assumptions**	Workshop Book	Information
A. Current Policies		
B. Proposed Changes		
III. **Requested Projects**	Separate Book	Information

FY92 BUDGET INFORMATION SHEET

GENERAL FUND

I. FY92 Revenues

A.	Anticipated New Revenue	$ 5.7 m
B.	Potential Revenue Losses	
	Sales Tax	(0.3) m
	Utility Franchise	(0.5) m
C.	Potential State Revenue Losses	
	Governor's Recommendation*	(9.4) m
	Other State Revenue Pass-Throughs	(21.4) m
	Total Revenue Range	+$5.7 m to (25.9) m

II. FY92 Expenditures

A.	To continue current services:	
	Employee Pay	$ 3.5 m
	Health Insurance	1.5 m
	Liability Insurance	2.5 m
	Opening New Facilities	0.8 m
B.	New Programs and Positions	
	Crime and Drugs Task Force	Available March 8
	Economic Development Task Force	Available March 8
	Growth and Regionalism	Within Current Dollars
C.	Current Level Reductions	(5.4) m
	Total New Expenditure Range	$2.9 m + Task Forces

III. Balance Sheet

Range of Revenues to Expenditures	$2.8 m to (25.9) m
Tax Increase to Balance	0 cents to 13 cents

*Governor's recommended 1/4 cents Sales Tax increase would yield $6 million to offset $9.4 million

ISSUE PAPER NO. 1:
SUPPORT FOR CULTURAL AND COMMUNITY SUPPORT AGENCIES

ISSUE: Funding levels for cultural and community support agencies.

BACKGROUND: In the discussion leading to the adoption of the FY90 Budget, City Council approved a plan to phase out City funding for selected cultural and community support agencies. According to the plan, FY90 funding for these agencies was to be frozen at the FY89 level or lower, and subsequent funding was to be reduced by one-third each year, beginning with the FY91 Budget.

CURRENT STATUS: To date, the Council has taken the following actions on the funding of the selected agencies.

1. Currently receive no City funding:

   Carolinas' Carrousel
   Air National Guard
   Army National Guard
   Senior Center
   Festival-In-The-Park

2. Currently scheduled for phase-out:

	Received In FY91
Youth Involvement Council	$ 22,500
YWCA Scattered Sites	40,476
Crime Prevention Program	142,903
Crisis Fuel Assistance	85,030
United Family Services	186,719
Sister Cities	30,662

RECOMMENDATIONS: A number of the remaining agencies are directly associated with Council's FY91 Retreat Initiatives. Council is asked to review the funding policy for the following agencies:

Victim Assistance (United Family Services) - The Victim Assistance Program is one which relates to the Crime and Drugs initiative in the Council's focus points. The concentration of the program is on reducing trauma of criminal victimization by providing counselling, support, and assistance in dealing with the law enforcement/criminal justice system. The program is a support service to the Charlotte Police Department (where it is located) with the

majority of its referrals coming from law enforcement and local hospitals. The City funds approximately 60% of this program. The remainder of the program is supported by the United Way and carryover funds.

YWCA (Scattered Site Housing Project) - The YWCA Scattered Site Housing Project relates to the Council's education initiative. The purpose of the program is to provide educational and recreational services to the residents of the Cedar Knoll, Leafcrest, Savanna Woods, and Gladedale public housing sites. The United Way and YWCA provide 50% of the funding for the project. The agency seeks help from the City to further its goals because they have no advocacy group to promote its fundraising efforts.

Crime Prevention Program - The Safe Neighborhood Awareness Program (SNAP) of the Charlotte Housing Authority relates to the Crime and Drugs initiative. This program is designed to develop successful crime prevention and safety projects within Charlotte's public housing sites. The City funds approximately 90% of the SNAP program. The remainder of the funds are from the Charlotte Housing Authority Operating Budget. The funding supports staff persons who provide crime prevention and victim assistance services to the residents.

Sister Cities - The purpose of the Charlotte Sister Cities Committee is to promote international cooperation and understanding by providing opportunities for cross-cultural exchanges through establishing and maintaining relationships with cities abroad. Once funded (along with the International House) under the Mayor's Office, this program is now assuming responsibility for its own administration. The City's support pays the balance for the administrative cost of the organization (which is more cost effective than having this organization a part of City staff).

Council is asked to consider leaving the following agencies on their reduction schedule:

Youth Involvement Council - The Youth Involvement Council works to increase the awareness and connection of, and to foster a positive experience for, youth in regards to issues and programs concerning the community. Under the one-third reduction strategy imposed in FY90, this program would

receive no further funding. At last year's budget hearing, Youth Involvement Council leaders stated that with proper lead time, private donations could be secured to replace City funding.

Crisis Fuel Assistance - The purpose of the Crisis Fuel Assistance Program is to assist low income households with emergency situations which cannot be resolved by the clients themselves. Other supporters include Duke Power, Federal Emergency Management Agency Funds, and Crisis Assistance Ministry. The Mecklenburg County Department of Social Services has an Emergency Assistance Program which has a $1,867,726 budget designed to issue benefits to eligible families in need of emergency assistance to relieve a crisis situation.

ISSUE PAPER NO. 2: UTILITY RATE

ISSUE: What is the affect of FY92 requested water and sewer operating and FY92-96 capital expenditures on the rate?

BACKGROUND: The utility rate is determined by two related analyses:

1. The Utility Fund debt model is based on forecasted revenues and expenditures (capital and operating) for a five year period. It projects gradual water and sewer rate increases over a specific time period and avoids erratic increases or decreases in the rates.

2. The annual utility rate study establishes the actual rate structure for the fiscal year based on that fiscal year's budgeted debt service and operating expenses.

There are three general expenditure components that affect water and sewer rates:

1 Debt Service payments on bonds made from the Utility Debt Service Fund balance.

2. Contributions to the Capital Improvement Program *from the Utility operating budget.*

3. Operating Expenditures: including salaries, capital outlay, etc...

The FY91-FY95 debt model projected annual rate increases of between 7% and 8% from FY92-FY95 to accommodate increases in capital and operating expenditures.

The operating and capital assumptions for the FY92-96 debt model and the FY92 rate study will include:

1. An estimated 6% increase in operating expenditures

2. $50 million addition to the 5-Year CIP for the revised Street Main Extension Program as recommended by the CMUD Advisory Committee

3. $72 million addition to the 5-Year CIP including:

   - $27.2 million for North Mecklenburg Water Treatment Plant

   - $20.2 million for water/sewer mains to serve future annexation

- $10.9 million to construct sewer outfalls to the existing Rocky River Plant in Cabarrus County.

Staff estimates that the $50 million Street Main Extension Program will require an additional 2% annual water and sewer rate increase. The 6% increase in operating expenditures and the additional capital program will be factored into the rate analysis and debt model in April of this year.

ISSUE PAPER NO. 3: TRANSPORTATION FUND

ISSUE: What level of service to provide in Transportation Fund?

BACKGROUND: On January 9, 1989 Council adopted a Five-Year Financial Management Plan (FYFMP) for Charlotte Transit, FY90-FY94. The plan has been followed with one exception, the planned fare increase was not implemented in FY91.

With existing dedicated revenues, the Transportation Fund will exhaust its fund balance in FY92 and begin to run a deficit.

The Transportation Fund will exhaust its fund balance in FY92 and begin to run a deficit.

Recently, Council requested legislation to increase the Auto Privilege Tax The local delegation has indicated that this legislation will not be introduced.

OPTIONS: The following options have been developed for Council's consideration (see attached charts). All of these options assume the transfer of $7.50 of Auto Privilege Tax in FY93 from the CIP Transportation System Management Intersection Program to the Transportation Fund (or approximately $2.3 million). Adding a fare increase ($0.10) yields approximately $400,000 in additional revenue for all options shown. Each of these options also assumes exhausting the $2.3 million fund balance in FY92.

1 Reduce Charlotte Transit service by 15% in FY92 and no change in service or fare in FY93 and FY94. This option provides a balanced budget - revenues cover expenses for FY92. However, additional revenues of $1 6 million are needed in FY93 and $3 million in FY94 to balance the budget.

2. Continue FY91 Current Level of service for FY92, FY93, and FY94. No change in service or fare. The total deficit for FY92 would be $2.2 million; the FY93 deficit would be $3.9 million.

3. Expand service each year (FY92 and FY93 expansions are approximately $650,000) and no fare increase. This is current policy per FYFMP. Using all of fund balance, the net deficit for FY92 is $2.6 million and the FY93 deficit is $4.8 million.

4. Expand service in each year and increase fares in FY92. The net deficit for FY91 could be $2.2 million and the FY93 deficit would be $4.4 million. Service expansions are $650,000 annually.

OPTION 1

TRANSPORTATION FUND
COST AND REVENUE PROJECTIONS
15% Service Decrease in FY92
No Changes in Service or Fare in FY93 and FY94

	FY90 TOTAL	FY91 TOTAL	% INCREASE	FY92 TOTAL	% INCREASE	FY93 TOTAL	% INCREASE	FY94 TOTAL
OPERATING EXPENDITURES	15,004,200	18,732,495	-5%	17,859,202	+8%	19,337,813	+9%	21,008,031
CAPITAL MATCH		200,000		200,000		200,000		200,000
TOTAL EXPENDITURES		18,932,495		18,059,202		19,537,813		21,208,031
REVENUES	15,357,605	16,189,611		15,639,013		18,013,330 *		18,181,866 *
SURPLUS (DEFICIT)	353,405	(2,742,884)		(2,420,189)		(1,524,483)		(3,026,165)

NOTE Option 1 reflects a 15% decrease in service in FY92 and thereafter no change in service or fare in FY93 and FY94 The total expenditures from FY91 to FY92 are reduced 5% The cost of this reduced level of service increases by 8% in FY93 and 9% in FY94

* All options assume the transfer of $7 50 of Auto Privilege Tax in FY93 from the CIP Transportation System Management Program to the Transportation Fund ($2 3 million annually)

OPTION 2

TRANSPORTATION FUND
COST AND REVENUE PROJECTIONS
Current Level: No Change in Service or Fare
FY92 - FY93

	FY90 TOTAL	FY91 TOTAL	% INCREASE	FY92 TOTAL	% INCREASE	FY93 TOTAL	% INCREASE	FY94 TOTAL
OPERATING EXPENDITURES	15,004,200	18,732,495	+10%	20,615,326	+8%	22,259,304	+8%	24,104,811
CAPITAL MATCH		200,000		200,000		200,000		200,000
TOTAL EXPENDITURES		18,932,495		20,815,326		22,459,304		24,304,811
REVENUES	15,357,605	16,189,611		16,214,742		18,498,568 *		18,661,599 *
SURPLUS (DEFICIT)	353,405	(2,742,884)		(4,600,584)		(3,960,736)		(5,643,212)

NOTE Option 2 illustrates continuing FY91 Current Level Service for FY92–FY94 No service expansion or fare increase is included The cost of current level increases 10% from FY91 to FY92 and 8% for FY93 and FY94

* All options assume the transfer of $7 50 of Auto Privilege Tax in FY93 from the CIP Transportation System Management Program to the Transportation Fund ($2 3 million annually)

OPTION 3

TRANSPORTATION FUND
COST AND REVENUE PROJECTIONS
Service Increase in Each Year
No Fare Increase

	FY90 TOTAL	FY91 TOTAL	% INCREASE	FY92 TOTAL	% INCREASE	FY93 TOTAL	% INCREASE	FY94 TOTAL
OPERATING EXPENDITURES	15,004,200	18,732,495	+14%	21,265,496	+11%	23,599,484	+10%	25,866,653
CAPITAL MATCH		200,000		200,000		200,000		200,000
TOTAL EXPENDITURES		18,932,495		21,465,496		23,799,484		26,066,653
REVENUES	15,357,605	16,189,611		16,475,374		18,907,350 *		19,176,893 *
SURPLUS (DEFICIT)	353,405	(2,742,884)		(4,990,122)		(4,892,134)		(6,889,760)

NOTE Option 3 shows a service increase each year and no fare increase The expenditures increase 14% in FY92 and 11% and 10% thereafter

* All options assume the transfer of $7 50 of Auto Privilege Tax in FY93 from the CIP Transportation System Management Program to the Transportation Fund ($2 3 million annually)

OPTION 4

TRANSPORTATION FUND
COST AND REVENUE PROJECTIONS
Service Increase in Each Year
Fare Increase: $0.80 & $1.25

	FY90 TOTAL	FY91 TOTAL	% INCREASE	FY92 TOTAL	% INCREASE	FY93 TOTAL	% INCREASE	FY94 TOTAL
OPERATING EXPENDITURES	15,004,200	18,732,495	+14%	21,265,496	+11%	23,599,484	+10%	25,866,653
CAPITAL MATCH		200,000		200,000		200,000		200,000
TOTAL EXPENDITURES		18,932,495		21,465,496		23,799,484		26,066,653
REVENUES	15,357,605	16,189,611		16,921,407		19,377,543 *		19,643,751 *
SURPLUS (DEFICIT)	353,405	(2,742,884)		(4,544,089)		(4,421,941)		(6,422,902)

NOTE Option 4 illustrates a service increase for FY92, FY93 and FY94 and a fare increase in FY92
A fare increase yields approximately $400,000 in revenue

* All options assume the transfer of $7 50 of Auto Privilege Tax in FY93 from the CIP Transportation System Management Program to the Transportation Fund ($2 3 million annually)

ISSUE PAPER NO. 4: SLOWER CAPITAL PROGRAM

ISSUE: General Government Capital Improvement Program project budgets could be reduced in scope or consolidated in order to transfer funds to the General Fund.

OPTIONS: The following options have been developed for Council's consideration:

1. Transfer a portion or all of the road project savings from the Municipal Debt Service Fund to the General Fund.

   Impacts: Slows down the City's road building program; transfers up to $1.5 million (about three quarters of a cent) from Municipal Debt Service to the Operating Budget.

2. Reduce Innovative Housing appropriations from $4.5 million to $4.0 million annually.

   Impacts: Maintains current level for Housing Partnership, but reduces local RFP initiatives; transfers one-quarter cent ($500,000) from Debt Service Fund in FY92 and FY93 and one-quarter cent from Pay-As-You-Go Tax Levy beginning in FY94.

3. Consolidate two capital projects: Improvements to Existing Parks and Freedom Park Reconstruction (current total annual budget: $1.5 million); leverage bond financing totalling $10 million for both projects; transfer $500,000 to Operating Budget beginning in FY93.

   Impacts: The short-term (i.e., five years) impact is positive in that high priority park needs are accelerated; the long-term (i.e., after five years) impact is that Pay-As-You-Go funds are committed for 20 years to debt service bonds; transfer $500,000 (one quarter cent) from Pay-As-You-Go Tax Levy to the Operating Budget.

4. Consolidate two capital projects: Area Plan Improvements and Neighborhood Reinvestment; reduce total funding from $2.5 million to $2 million and transfer $500,000 to the Operating Budget.

   Impacts: Reduces neighborhood revitalization efforts; transfers $500,000 (one quarter cent) from the Pay-As-You-Go Tax Levy to the Operating Budget.

ISSUE PAPER NO. 5: ROAD SAVINGS

ISSUE: How should road project savings of $14.7 million be used?

BACKGROUND: On February 6, 1991, the Capital Project Status/Closeout Report was forwarded to Council. The report indicated that $13.7 million in 1987 and 1988 Street Bonds would be realized as savings from various road projects. Since that time, an additional $1 million has been identified in saving in the Park Road project due to competitive bid pricing.

OPTIONS: The following options have been developed for Council's consideration:

1. Reprogram the savings for additional road and/or intersection projects.
2. Reprioritize bond capacity for other needs in the capital program (for example, storm drainage).
3. Develop a combination of Options 1 and 2.
4. Transfer the debt service funds of $1.5 million annually to the Operating Budget. (See Issue Paper #1)
5. Reserve bond capacity for future needs.

Attached is a memo from Bob Pressley.

M E M O R A N D U M

DATE: February 27, 1991

TO: Vi Alexander, Director
Department of Transportation

FROM: R. N. Pressley, Jr., Director
Department of Transportation

SUBJECT: Issue Paper Number 5 - Road Savings

Attached is information for Council that we have prepared concerning the recommendation on the estimated $14 million savings in 1987 and 1988 Street Bond funds. While I certainly understand the other needs within the Capital Improvement Program, I am strongly opposed to any redirection of street bond capacity to fund these programs because of the ever-increasing problems that we have in the transportation system.

We have already demonstrated, in our submittal of the CIP and in the recent Council adoption of our proposed transportation policy document, that the demands on the transportation system are continuing to increase and the availability of State and Federal funding to assist us is diminishing at a rapid rate. In the decade of the 80's, we put into place an ongoing program to address transportation needs that is just now geared up to where real benefits are accruing to the community. In other words, the transportation pendulum has finally been stabilized to a significant degree. If we now begin to divert these badly needed funds to other Capital programs, then in just a short period of time, we will be back to the point of where congestion and air quality problems are increasing at a rate that we will never be able to deal with. I strongly urge you to recommend option Number 1 and would remind you that only one 1988 Bond project is under construction and that in the action that Council took on February 11, 1991, an additional $80 million worth of 1997 needed projects was identified.

RNPjr:pbb

cc: O. Wendell White
Julie Burch

TRANSPORTATION PROGRAM BACKGROUND INFORMATION

In 1981 and again in 1983, the citizens of Charlotte passed major road bond referenda. Although these bonds funded many important projects, such as: McDowell Street Widening and Harris Boulevard Extension (from Idlewild to Independence), and gave us a start on important projects like Highway 51 widening and Park Road relocation, they were not adequate to meet the needs of the '80's. As the projects funded in the '81 and '83 bond referenda moved forward, and were completed, traffic congestion and traffic safety worsened so rapidly that by 1987 there was growing demand for a major commitment to respond to our road problems. The result was a $46,000,000 road bond referendum in 1987 and a $100,000,000 road bond referendum in 1988. The 1988 bonds provided all of the funding necessary for major roadway widening and extension projects needed by 1995 on the City's road system only. It proposed no funding of improvements to State roads other than our normal participation in State projects (25% of right-of-way costs, additional funds for landscaping, and construction of sidewalks where none exists).

Since 1988 several important changes have occurred with respect to the need for road improvement projects:

1. Traffic volumes and levels of congestion have continued to grow in many areas of Charlotte.

2. A 2005 Transportation Plan has been completed which identified projects needed by 1997. Some of these projects were not on the 1995 need list which was funded by the 1988 Bond Program.

3. Although NCDOT has made a major step in funding roadways in this State (which includes a commitment to fully fund the Outer Belt Freeway and the US 74 project), several major roadway needs on State System roads in our City were not addressed by the State's new highway program.

4. The cost of major intersection improvement projects (which provide the greatest benefit to cost ratios of all transportation improvement projects) have risen more rapidly than the funding level such that the funding level in the last CIP would only be adequate for funding one new project in most years.

Even with the '88 bond program we continue to be in a situation where the need for projects is all too obvious long before construction can begin. If the FY92-96 Capital Improvement Program does not 1) retain the Fairview and Sharon Road Widening Project, the Beatties Ford Road left-turn lane project, 2) provide sufficient funding for the Major Intersection Improvement Program to continue progress on projects already under way and begin new projects in FY92, and 3) provide continued funding for public/private joint ventures; then the progress started with the '87 and '88 road bonds will begin to stall. The levels of traffic congestion and safety will once again cause a growing demand for another major commitment to our road problems. However, if

we can continue an ongoing program of two or three major intersection improvement projects beginning each year, and one major roadway project each year or two (Westinghouse Boulevard Widening beginning in FY93 and Fairview Road Widening beginning in FY95) along with an ongoing commitment to the public/private joint venture program, we can make meaningful progress towards improving traffic congestion and safety problems in Charlotte.

CDOT
2/27/91

ISSUE PAPER NO. 6: ROAD PRIORITIES

ISSUE: What policy should be used to prioritize transportation project construction?

BACKGROUND: For the upcoming FY92-96 Capital Improvement Program, the Transportation Department has integrated the 1997 Road List with intersection projects. This was necessary because of the benefits and escalating costs of intersection projects. Also, the Auto Privilege Tax is being proposed to be transferred from the Capital Improvement Program to the Transit Fund.

In the current Capital Improvement Program, road savings of $8.25 million were identified in FY90 and several road projects were added to the program with the objective of completing the 1997 Road List. These projects and budgeted amounts are as follows:

Project Title	Amount
Fairview and Sharon	$4.60 million
Beatties Ford Fifth Lane	1.55 million
Fairview	1.30 million
Sharon Amity Median	.40 million
Hoskins	.40 million
Total	$8.25 million

Under the integrated priority listing of both roads and intersections, the above five projects do not rank highly. In fact, Fairview, Sharon Amity Median and Hoskins are not included in the top 26 priorities. Fairview and Sharon and Beatties Ford Fifth Lane are ranked lower than eight intersection projects, but are still higher than any new road project.

No matter what funding is available, a policy needs to determine which list of projects should be the guideline.

OPTIONS: Two options have been developed for Council's consideration .

1. Fund local roads, non-numbered state roads on a case-by-case basis, and participate in State road projects.

2. Fund local roads, high priority intersections, non-numbered State roads on a case-by-case basis, and participate in State road projects.

   Attached are detailed listings of projects under each option.

OPTION NUMBER 1

Fund local roads, non-numbered state roads on a case-by-case basis, and participate in state road projects

PROJECT PRIORITY AND TITLE	AMOUNT INCLUDED IN FY1991-95 CIP	TOTAL COST
1 Park Road Widening	19,450,000	19 450,000
2 State Road Participation - Harris Boulevard East	700,000	700,000
3 State Road Participation - Albemarle Road	350 000	350,000
4 State Road Participation - Future Projects	0	3 672,000
5 Sardis Road Widening	8 550 000	8 550 000
6 Carmel Road Widening	13,000,000	13 000,000
7 Milton Road Widening	4,660 000	4,660 000
8 Fairview and Sharon Roads Widening	4,600,000	8 070,000
9 Beatties Ford Road Five Lanes	1,550 000	1 550,000
10 Westinghouse Boulevard Widening	0	6,798,000
11 Private Sector Leveraging	600,000	4,460,000
TOTAL	53,460,000	71,260,000

NOTE The project priorities are based on the Transportation Department's Capital Improvement Program project requests as identified in the 1997 Road List and TSM Intersection rankings

OPTION NUMBER 2

Fund local roads, high priority intersections and non-numbered state roads on a case-by-case basis, and participate in state road projects

PROJECT PRIORITY AND TITLE	AMOUNT INCLUDED IN FY91-95 CIP	TOTAL COST
1 Park Road Widening	19,450,000	19,450,000
2 State Road Participation - Harris Boulevard	700,000	700 000
3 State Road Participation - Albemarle Road	350,000	350,000
4 State Road Participation - Future Projects	0	3 672 000
5 TSM Landscaping and Supplemental Construction	0	457 000
6 Seventh/Caswell/Pecan Intersection	0	190 000
7 Fourth/Hawthorne/Caswell Intersection	0	960,000
8 Eastway/Monroe/Wendover Intersection	0	5 700 000
9 Sardis Road Widening	8 550,000	8,550,000
10 Providence/Sharon/Sharon Amity Intersection	0	2,197,000
11 Randolph/Wendover Intersection	0	2,017,000
12 Archdale/South Blvd Intersection	0	2,217,000
13 Carmel Rd Widening	13,000,000	13,000,000
14 Milton Rd Widening	4,660,000	4,660,000

15	Fourth/Kings/Third Intersection	0	2 407,000
16	Fairview and Sharon Roads Widening	4,600,000	8,070,000
17	Beatties Ford Road Five Lanes	1,550,000	1,550,000
18	Seventh/Central/Kings Intersection	0	2,407,000
19	Runnymede/Selwyn/ Woodlawn Intersection	0	2,407 000
20	Third/McDowell Inter-section	0	2,490,000
21	Central/Kilborne/Norland Intersection	0	135,000
22	Brier Creek/Central Intersection	0	2 490,000
23	Westinghouse Blvd Widening	0	6,798,000
24	South Blvd /Woodlawn Intersection	0	990 000
25	Monroe/Sharon Amity Intersection	0	990,000
26	Private Sector Leveraging	600,000	7 500,000
TOTAL		53,460,000	102,354,000

NOTE The project priorities are based on the Transportation Department's Capital Improvement Program project requests as identified in the 1997 Road List and TSM Intersection rankings

Post 1992-96 funding requirements estimated to complete the above program are $3 7 million

ISSUE PAPER NO. 7: PAY-AS-YOU-GO

ISSUE: Pay-As-You-Go Tax Levy revenue projections are lower than projected in the FY91-95 Capital Improvement Program. Lower revenues will require that capital projects financed by Pay-As-You-Go Tax Levy revenues be reconsidered.

BACKGROUND: Below is a chart which highlights the fiscal year differences in the current Capital Improvement Program (CIP) and revised revenue projections. The current CIP includes all funded general government projects. The revised revenue projections are preliminary and include projected annexation revenues.

	FY92	FY93	FY94	FY95
Current CIP	11,060,000	10,865,000	12,259,000	11,084,920
Projections	10,916,122	11,219,224	11,998,383	12,310,494
Difference	(143,878)	354,224	(260,617)	1,225,574

Beginning in FY94, $2 million per year must be budgeted annually from the Pay-As-You-Go Tax Levy for Two Thirds Bonds debt service. General government projects financed with the Pay-As-You-Go Tax Levy were substituted with Two-Thirds Bonds because the football stadium project was not eligible for tax exempt debt financing while general government projects were eligible for tax exempt debt financing.

IMPACT: The slower revenue growth will require careful consideration of this fund on an annual basis to react to the revenue forecasts.

In the discussions of the football stadium financing, Council indicated a potential use of the sale of the Coliseum land as a source of financing for the City's obligation. In FY92, Tract No. 2 is scheduled for sale for an estimated $1.5 to $2.5 million. Tract No. 4 may also be sold. These revenues could be used in the financing plan for the stadium. Staff can develop a revised financing plan if Council dedicates the sale proceeds to the stadium project.

REVIEW OF CURRENT AND PROPOSED CHANGES

TO

CAPITAL IMPROVEMENT PROGRAM POLICY ASSUMPTIONS

Prepared by:

BUDGET AND EVALUATION
March 4, 1991

CAPITAL IMPROVEMENT PROGRAM POLICIES

CURRENT

I. POLICY ASSUMPTIONS

1. To evaluate capital project requests according to the following priority ranking system:

   1st Priority: Rehabilitation or Maintenance of Existing Facilities
   2nd Priority: Replacement of Existing Facilities
   3rd Priority. Expansion of Existing Facilities
   4th Priority: New Facilities

2. To continue a capital program which meets the highest priority needs as identified in the ten-year Capital Needs Assessment.

3. To ensure that existing infrastructure is maintained and replaced as needed.

4. To provide for some new capital projects to help meet the highest priority growth needs in the community.

5 To provide a balanced capital program which will not fund all identified needs, but will fund projects in a variety of program areas.

6. To pursue and dedicate new sources of revenue to address unfunded capital needs.

II. FINANCING ASSUMPTIONS

1. The dedication of 6.50 cents of the property tax rate to the capital program will be maintained in the Municipal Debt Service Fund.

2. Pay-As-You-Go Tax Fund will be used in conjunction with a long-term debt financing to finance capital projects. The revenues generated by a levy of 4.5¢ and the investment (interest) income earned will be dedicated to this fund.

PROPOSED CHANGES

No changes are proposed for current policy assumptions; options selected on the issue papers may impact the financial assumptions.

TRANSPORTATION

CURRENT

I. POLICY ASSUMPTIONS

1. Construct local roads as identified in the 2005 Road List, with construction scheduling planned for the least disruption of traffic flow.

2. a) Where feasible, improvements to the local thoroughfare system should be pursued through public/private cooperative efforts.

   b) Continue to encourage public/private cooperative efforts in the development and construction of the Westinghouse Boulevard system.

3. Continue to participate in State road projects by providing up to 25 percent of the right-of-way costs, and, ensure that sidewalk and landscaping conform to City standards.

4. Continue to emphasize cost effective transportation system management intersection improvements.

5. Provide City funding to meet the local match requirements for an Independence Boulevard High Occupancy Vehicle (HOV) Lane.

PROPOSED CHANGES

Maintain policy assumptions Number 2a, 2b and 3; delete policy assumptions Number 4 and 5; and, add a new policy assumption addressing priorities for road and intersection funding.

The options for road and intersection funding are outlined in a separate Issue Paper and summarized below:

Option No. 1

Fund local road, non-numbered state roads on a case-by-case basis, and participate in State road projects.

Option No. 2

Fund local road, high priority intersections, non-numbered State roads on a case-by-base basis, and participate in State road projects.

HOUSING

CURRENT

I. POLICY ASSUMPTIONS

1. To reduce the number of households in substandard, overcrowded or unaffordable housing through a program of code enforcement, rehabilitation and through partnership efforts to stimulate production of housing.

2. To provide funding for innovative housing programs.

3. To emphasize housing rehabilitation as the focus of Community Development Programs

4. To continue traditionally funded programs funded through the Community Development Block Grant for economic development loan funds, human services contracts and program delivery.

PROPOSED CHANGES

None

GOVERNMENT FACILITIES

CURRENT

I. POLICY ASSUMPTIONS

1. To rehabilitate and renovate facilities where cost-effective results would be obtained over the construction of new facilities.

2. To implement the Government Center Open Space Plan.

3. To construct new and expanded facilities to meet service requirements for annexation areas.

PROPOSED CHANGES

Maintain the existing policy assumptions and add the following:

1. To ensure that City properties conform with Environmental Protection Agency regulations (mandated by Federal Regulations).

ECONOMIC DEVELOPMENT

CURRENT

I. POLICY ASSUMPTIONS

1. To stimulate economic growth in depressed areas through leveraging public investment and improvements to encourage private development.

2. To provide public resources to invest in partnerships for the purpose of promoting economic development.

PROPOSED CHANGES

Maintain the existing policy assumptions and add the following:

1. To create jobs and economic opportunities through promoting business expansions (Staff Recommended).

PARKS AND RECREATION

CURRENT

I. POLICY ASSUMPTIONS

1. To identify and acquire open space for future park development before land becomes too expensive.

2. To maintain and upgrade existing park lands and recreation facilities.

3. To provide for the development of new parks.

PROPOSED CHANGES

None

NEIGHBORHOOD IMPROVEMENTS

CURRENT

I. POLICY ASSUMPTIONS

1. To maintain, preserve, and enhance the quality of life in Charlotte neighborhoods by providing a continued program of public improvements as identified in community development and small area plans.

2. To address storm drainage problems in the public right-of-way and on private property; to proceed with the processes necessary to establish a storm water utility.

3. To implement a Neighborhood Reinvestment Program.

PROPOSED CHANGES

Maintain policy assumptions Number 1 and 3; modify policy assumption Number 2 by adding the following.

1. To address storm drainage and dam structural stability problems in the public right-of-way and on private property. (Public Works Committee)

2. To meet Environmental Protection Agency standards relating to water quality, and; to proceed with the processes necessary to establish a storm water utility. (Council Action on Storm Water Utility)

CULTURAL FACILITIES

CURRENT

I. POLICY ASSUMPTIONS

1. To provide public participation for cultural facility capital program expansions or rehabilitation on a 50/50 matching basis.

2. To maintain the basic structural soundness of City facilities leased by cultural organizations.

PROPOSED CHANGES

Maintain the existing policy assumptions and add the following:

1. To implement the Cultural Action Plan as recommended by the Cultural Action Plan Committee. *(Cultural Action Plan Committee)*

SEWER

CURRENT

I. POLICY ASSUMPTIONS

1. To continue to meet Environmental Protection Agency wastewater treatment standards by ensuring adequate treatment capacity for all treatment plants.

2. To service developing areas of the County by providing sewer collection facilities and sewer infrastructure where financially feasible.

3. To continue to maintain and upgrade the existing sewer infrastructure.

4. To provide sewer facilities to the newly annexed areas within two years according to annexation laws.

5. To redirect growth to the Northeast and Northwest sections of Charlotte and Mecklenburg County by providing necessary wastewater collection infrastructure as an incentive for development.

6. To place additional emphasis on construction of wastewater collection trunks to developed areas currently supplied by private sewer systems.

7. To design and construct wastewater collection systems to interface in an efficient and logical manner with existing and/or planned facilities in surrounding counties.

PROPOSED CHANGES

Maintain the existing policy assumptions and add the following:

1. To install requested street main extensions up to 1,000 feet at the Utility Department's expense for single-family residential dwellings previously served by other water and sewer systems. Extensions will be installed up to the annual funding level approved by Council. (CMUD Advisory Committee Report).

WATER

CURRENT

I. POLICY ASSUMPTIONS

1. To continue to meet Environmental Protection Agency water treatment and quality standards by ensuring adequate water system capacity and treatment capability.

2. To service developing areas of the County by providing water distribution systems and water infrastructure where financially feasible.

3. To continue to maintain and upgrade existing water system infrastructure.

4. To provide water services to the newly annexed areas within two years according to annexation laws.

5. To redirect growth to the Northeast and Northwest sections of Charlotte and Mecklenburg County by providing necessary water distribution infrastructure as an incentive for development.

6. To place additional emphasis on construction of transmission mains to developed areas currently supplied by private water systems.

7. To design and construct the distribution system to interface in an efficient and logical manner with existing and/or planned facilities in surrounding counties.

PROPOSED CHANGES

Maintain the existing policy assumptions and add the following:

1. To install requested street main extensions up to 1,000 feet at the Utility Department's expense for single-family residential dwellings previously served by other water and sewer systems. Extensions will be installed up to the annual funding level approved by Council. (CMUD Citizen Advisory Committee)

TRANSIT

CURRENT

I. POLICY ASSUMPTIONS

1. Continue expansion of transit service to meet the needs of increased population and employment and the geographically expanding City.

2. Provide mobility for transportation-handicapped citizens of the City through provision of demand-responsive, special transportation service.

PROPOSED CHANGES

Substitute the above policy assumptions with the following and add policy assumption Number 3.

1. To ensure transit service availability to the transit dependent population and, where feasible, expand transit service to reduce road congestion. (Policy determined by Transit Fund Option)

2. To provide special transportation service to transportation handicapped citizens and to comply with federal regulations stipulating levels of service to this population. (Staff Recommended)

3. To lay the foundation of a light rail system by assessing implementation opportunities and facilitating on-going efforts. (Council Transportation Committee)

AVIATION

CURRENT

I POLICY ASSUMPTION

1. To use the Airport Master Plan Update as the guide for future capital project development.

PROPOSED CHANGES

None

THE CHARLOTTE-MECKLENBURG METROPOLITAN PLANNING ORGANIZATION AND REGIONAL TRANSPORTATION PLANNING

EXECUTIVE SUMMARY

Origin of the MPO

The designation of a Metropolitan Planning Organization (MPO) for each urbanized area began in 1973 following passage of the Federal-Aid Highway Act. The Governor is responsible for naming the agency in each metropolitan area (areas with a population over 50,000 persons) to receive federal funds for transportation planning.

Four MPOs have been designated in the immediate Charlotte area:

- Charlotte-Mecklenburg
- Gastonia-Gaston
- Concord-Kannapolis
- Rock Hill-York

The present composition of the Charlotte-Mecklenburg MPO was established in a 1981 Memorandum of Understanding. The MPO consists of the Chief Elected Official or appointee from Charlotte, Mecklenburg County, and the six towns in the County. It also includes a representative of the N.C. Department of Transportation. The 1981 Memorandum included a weighted vote system whereby Charlotte receives six votes, Mecklenburg County has two votes, and the remaining seven members have one vote apiece. The N.C. Department of Transportation considers that the weighted vote for the City of Charlotte is justified because:

- Charlotte represents a major portion of the population in the planning area (77 percent according to the 1990 Census).

- City of Charlotte is the primary recipient of discretionary funds from the Federal Highway Administration and the Urban Mass Transportation Administration.

Federal Regulations Concerning MPOs

Designation of the MPO shall be made by agreement among the units of general purpose local government and the Governor. To the extent possible, only one MPO should be designated for each urban area or group of contiguous urban areas.

Principal elected officials of general purpose local governments within the jurisdiction of the MPO shall have adequate representation on the MPO. The MPO shall be the forum for cooperative decision making by these elected officials.

The transportation planning process shall, as a minimum, cover the urbanized area and the area likely to be urbanized in the period covered by the long-range element of the transportation plan.

Options for Ensuring a Regional Perspective for Area Transportation Planning

Centralina Council of Governments (COG)

- Identified in local planning documents as the agency responsible for coordinating planning activities between adjacent counties.
- Covers an eight-county planning area which includes Mecklenburg (North Carolina counties only).
- As regional A-95 clearinghouse, coordinates the review of federally-funded activities by affected local governments.
- Board of Directors includes 57 representatives of local governments within the planning area.

Carolinas Transportation Compact (CTC)

- Formed in 1989, covers thirteen North Carolina counties and two South Carolina counties.
- CTC consists of 32 members (two representatives from each county and a representative from each state department of transportation).
- Objectives include planning, constructing, operating, and maintaining adequate regional transportation facilities. Current projects include feasibility studies of Outer-Outer Loop, Regional Transportation Authority, and Railroad Right-of-Way Preservation.

Regional Transportation Authority(RTA)

- Proposed Charlotte RTA prompted by 1989 passage of state legislation creating a RTA for Research Triangle area.
- Primary role of Triangle RTA involves operation of regional bus services and ridesharing; secondary role includes examination of land use/transportation relationships in order to develop possible corridors for fixed-guideway transit service.
- No funding source approved to date by General Assembly for Triangle RTA operation. Possible local option revenue source involves a new fee on auto rentals.

THE CHARLOTTE-MECKLENBURG METROPOLITAN PLANNING ORGANIZATION AND REGIONAL TRANSPORTATION PLANNING

1.0 INTRODUCTION

Growth/regionalism was one of the topics discussed by City Council at a retreat held on November 16 and 17, 1990. At this retreat, Council began a process to clarify the community's vision and to relate that vision to the region as a whole.

An action step resulting from Council's discussion on implementing a regional vision involved preparation of a policy paper outlining options for regional representation in transportation planning for the multi-county, bi-state Charlotte area. This policy paper reviews the history of transportation planning in Charlotte-Mecklenburg, the Federal regulations governing the creation of and changes to metropolitan planning organizations (MPO), and alternative structures for achieving a regional perspective to transportation planning issues.

2.0 HISTORY OF TRANSPORTATION PLANNING IN CHARLOTTE-MECKLENBURG

In 1962, Section 134 of Title 23 (1962 Highway Act) was enacted. This legislation required the establishment of a continuing, cooperative, and comprehensive transportation planning process in urban areas over 50,000 population as a prerequisite for continued Federal funding of highway projects.

Following passage of the 1962 Highway Act, the Bureau of Public Roads (now the Federal Highway Administration) required state highway departments to develop formal working relationships with local jurisdictions to carry out the transportation planning requirements of the 1962 Act. This led to the first formal Memorandum of Understanding defining a transportation planning process for Charlotte-Mecklenburg, adopted by the City of Charlotte, Mecklenburg County, and the State Highway Commission in June 1965. The 1965 Memorandum established a Technical Coordinating Committee (TCC) with responsibility for general review, guidance, and coordination of the continuing planning process.

By the early 1970's, there were increasing demands by local governments for more responsibility in the transportation planning process as well as Federal financial assistance to carry out this responsibility.

The Federal-Aid Highway Act of 1973 provided this funding support. The act specified that a portion of highway planning funds be passed through to a single Metropolitan Planning Organization (MPO) in each urbanized area. The Governor was asked to designate an agency in each metropolitan area to be responsible for transportation planning and receiving Federal planning funds.

The 1973 Act specified increased cooperation with, and involvement of, local officials in the transportation planning process. This led in 1975 to the development of a new Memorandum of Understanding in Charlotte-Mecklenburg. The new agreement expanded the planning process to include all of the incorporated communities of Mecklenburg County, bringing Mint Hill, Pineville, Matthews, Davidson, Cornelius, and Huntersville into the local transportation planning process as full participants. The 1975 Memorandum of Understanding also established a Transportation Advisory Committee (TAC)... "with the responsibility of serving as an intermediary in keeping the policy boards informed of the status and needs of the continuing transportation process and to assist in the dissemination and clarification of the issues, inclinations, and policies of the Policy Boards." The TAC consisted of one member of each of the policy boards or their representatives (including the State Board of Transportation).

Although the TAC role as described in the 1975 Memorandum was essentially one of coordination, the TAC became viewed as the MPO. The Federal Highway Administration (FHWA) and the Urban Mass Transportation Administration (UMTA) interpreted the TAC's role more broadly when they informally recognized the TAC as the MPO during the annual planning certification process in the late 1970's.

In 1979, the City of Charlotte sought increased representation on the TAC because the City felt that the TAC's one vote per jurisdiction arrangement failed to provide Charlotte with an equitable voice in area decision making. Over the next two years, there was extensive discussion among local and State officials as to what might constitute "adequate representation" for Charlotte on the TAC. The discussion generally focused on development of a weighted vote arrangement designed to increase the City's voting strength in TAC deliberations.

In March 1981, Barton-Aschman Associates completed a report entitled, An Update of the Transportation Planning Process for Charlotte-Mecklenburg. The consultant provided recommendations or alternative approaches for MPO designation, composition, and responsibilities.

Following completion of Barton-Aschman's report, a new Memorandum of Understanding was drafted which was acceptable to all parties except for the voting system. At the request of local governments, Governor Hunt issued on August 14, 1981 the weighted vote system which is currently in effect. The TAC unanimously approved the new Memorandum, including the weighted vote system, on November 14, 1981.

Under the revised Memorandum, the MPO consists of the Chief Elected Official or appointee from Charlotte, Mecklenburg County, and the six other towns in Mecklenburg County. The MPO also includes a representative of the North Carolina Department of Transportation (NCDOT). The weighted vote prescribed by Governor Hunt provides six votes for Charlotte, two for Mecklenburg County, and one vote apiece for the remaining seven members. According to Governor Hunt, the weighted vote for the City of Charlotte was justified because:

- Charlotte is the urbanized area that represents the major portion of the population in the planning area. (Population ratios have not changed significantly since 1981).

- Municipalities in conjunction with State government have historically provided for transportation systems in North Carolina.

- Charlotte is the primary recipient of UMTA and FHWA discretionary funds for which the planning program is designed.

The 1981 Memorandum states that the MPO will function as a TAC in conformance with the North Carolina Highway Action Plan and provides for a subscribing agency's termination of participation in the Continuing Transportation Planning process upon thirty days written notice to the other parties to the agreement. The new Memorandum also reorganized the TCC and set the responsibility for overall coordination of the transportation planning process within the staff of the Charlotte-Mecklenburg Planning Commission, through the creation of the position of Transportation Coordinator.

3.0 FEDERAL REGULATIONS CONCERNING MPOS

3.1 Designations

a. A MPO must be designated for each urbanized area. The U.S. Census Bureau defines an urbanized area as the central city and contiguous surrounding areas of closely-settled territory having a total population of 50,000 or more. "Closely-settled" is defined as 1,000 persons per square mile.

b. The MPO is the organization designated as being responsible, together with the State, for carrying out the provisions of 23 U.S.C. 134, as provided in 23 U.S.C. 104 (f)(3), and capable of meeting the requirements of Sections 3(e)(1), 5(1), 8(a) and (c) and 9 (e)(3)(g) of the Urban Mass Transportation Act of 1964, as amended.

c. Designation of the MPO shall be made by agreement among the units of general purpose local governments and the Governor. To the extent possible, only one MPO should be designated for each urban area or group of contiguous urban areas.

d. Principal elected officials of general purpose local governments within the jurisdiction of the MPO shall have adequate representation on the MPO.

e. To the extent possible, the MPO designated shall be established under specific State legislation, State enabling legislation, or by Interstate compact, with authority to carry out metropolitan transportation planning.

3.2 Agreements

a. The responsibilities for cooperatively carrying out transportation planning and programming shall be clearly identified in an agreement or memorandum of understanding between the State and the MPO.

b. Where the MPO is different from the A-95 agency, there shall be an agreement between the two organizations which prescribes the means by which their activities shall be coordinated, as required by Part IV of OMB Circular A-95. This agreement shall specify how transportation planning and programming will be part of the comprehensively planned development of the urbanized area.

3.3 Geographic Scope

a. The transportation planning process shall, as a minimum, cover the urbanized area and the area likely to be urbanized in the period covered by the long-range element of the transportation plan.

3.4 Responsibilities

a. The MPO in cooperation with the State, and in cooperation with publicly owned operators of mass transportation services, shall be responsible for carrying out the urban transportation planning process and shall develop the planning work programs, transportation plan, and transportation improvement program specified by Federal regulations. The MPO shall be the forum for cooperative decision making by principal elected officials of general purpose local government.

b. The MPO shall annually endorse the plans and programs required by Federal regulations including:

- The Unified Planning Work Program and a Prospectus
- The Transportation Plan (short-range and long-range elements)
- Transportation Improvement Program including an annual element

4.0 CHANGES TO THE CHARLOTTE-MECKLENBURG MPO STRUCTURE

Federal regulations require the MPO to include, as a minimum, the entire urbanized area and the area likely to be urbanized in the period covered by the long-range element of the transportation plan. Currently, four MPOs have been designated in the Charlotte region:

1) Charlotte-Mecklenburg
2) Gastonia
3) Concord-Kannapolis
4) Rock Hill-Fort Mill

Barton-Aschman's 1981 report discussed the issue of the MPO's geographic coverage when the consultant examined possible organizations to carry out MPO functions. The Centralina Council of Governments (COG) was mentioned by Barton-Aschman as a candidate agency to serve as the MPO. The Centralina COG is composed of elected officials, and the organization more than covers the geographic area where the transportation planning process should be conducted. The COG's Board of Delegates includes elected officials from most, but not all, general purpose local governments in the Charlotte region. The general scope of the COG's activities is so broad because of its eight-county coverage that transportation planning issues

and concerns within Mecklenburg County are likely to be of limited concern to most COG members. It is unlikely that the MPOs in the North Carolina portion of the Charlotte region would be willing to yield decision-making responsibility for local transportation issues to a regional organization. Finally, the Centralina COG does not include representation for South Carolina towns or counties.

Even in 1981, Barton-Aschman recognized the possibility of reconsidering the MPO's structure once urban development in Charlotte-Mecklenburg and adjacent counties expanded to create a continuous urbanized area. The consultant suggested that the Charlotte-Mecklenburg MPO may simply be enlarged to provide representation from the directly affected counties or communities.

According to information obtained from the Census Bureau's district office, urbanized areas may be merged if they abut and are in the same Metropolitan Statistical Area. Preliminary indications from the 1990 Census are that the Charlotte and Rock Hill urbanized areas may now be contiguous, possibly resulting in designation of a single, larger Charlotte urbanized area. The NCDOT expects to receive this information in mid-1992, and possible changes in MPO composition will need to be discussed at that time. A revised MPO structure will require preparation of a new Memorandum of Understanding to signify cooperation of both old and new MPO members and to re-visit the issue of adequate representation for Charlotte in an expanded MPO.

Staff from NCDOT's Statewide Planning section, who are responsible for ensuring that federal planning requirements are satisfied in order to received FHWA and UMTA funds, recommend waiting until the 1990 urbanized area designations have been issued before making changes to the 1981 Memorandum. Issues such as the weighted vote system or membership of Mecklenburg town officials on the TCC, which have recently surfaced following the MPO's decision on the Sardis-Weddington Connector, will have to be discussed again in 1992 if the MPO expands to include Rock Hill, Fort Mill, and York County.

5.0 OPTIONS FOR ENSURING A REGIONAL PERSPECTIVE FOR AREA TRANSPORTATION PLANNING

While discussions about changing certain provisions of the 1981 Memorandum of Understanding seem most appropriate in the late 1992, there remains considerable interest in making transportation decisions within a regional context. Two existing organizations and a proposed agency may offer opportunities to achieve this regional perspective:

5.1 Centralina COG

As discussed in the previous section, the Centralina COG is a regional planning agency created by municipalities and counties in an eight-county planning area which includes Mecklenburg. The eight counties included in the COG are Mecklenburg, Gaston, Cabarrus, Stanley, Union, Lincoln, Iredell, and Rowan. The COG Board of Delegates is composed of 57 representatives of cities, towns, and counties within the area.

The Centralina COG is identified in the 1983 Prospectus for Continuing Transportation Planning for the Charlotte-Mecklenburg Urban Area as the coordinating agency of planning activities between adjacent counties. It also serves as the A-95 review agency. As the regional A-95 clearinghouse, Centralina COG coordinates the review of federally-funded activities by affected local units of government.

If Centralina COG is to be more active in regional transportation planning, there needs to be more interaction between COG leadership and the local MPOs . Over the past five years, a representative of the Centralina COG or its staff has not regularly attended meetings of the Charlotte-Mecklenburg MPO.

5.2 Carolinas Transportation Compact

The Carolinas Transportation Compact (CTC) was formed in December 1989 to establish a coordinated, continuing, comprehensive, and proactive effort to acquire federal, state, and local resources for planning, constructing, operating, and maintaining adequate regional transportation facilities that enhance the quality of life in each county and the region's economic opportunity.

The CTC includes thirteen North Carolina counties (Anson, Cabarrus, Catawba, Cleveland, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Stanley, and Union) and two South Carolina counties (Lancaster and York). Representation consists of two elected officials from each of the fifteen counties and one from each state department of transportation. Voting is proportional to the county's population.

The CTC recently hired an Executive Director and is involved with the following projects:

- Carolinas Parkway (Outer-Outer Loop) Feasibility Study
- Feasibility of a Regional Transportation Authority
- Railroad Right-of-Way Preservation Study

5.3 Regional Transportation Authority

The CTC and NCDOT's Public Transportation and Rail Division have led discussions regarding the need and possible roles for a Regional Transportation Authority (RTA) in the Charlotte area. This discussion has been prompted, in part, by the North Carolina General Assembly's passage in 1989 of an act authorizing creation of an RTA for the Research Triangle area of the North Carolina.

Although the primary role of the Research Triangle RTA is the operation of regional transit services, it also will examine land use/transportation relationships within Wake, Durham, and Orange Counties in a long-range effort of developing corridors for fixed-guideway transit service.

The most recent discussion on the possibility of creating a Metrolina RTA occurred on October 15, 1990 at a forum sponsored by the CTC. Approximately 100 people from thirteen counties attended the meeting which was held to increase awareness among local officials of the need, functions, organization, and possible funding of a Charlotte RTA.

A final option for consideration involves initiating joint meetings of the various MPOs and TCCs within the Charlotte region. The scheduling of joint meetings between MPOs and TCCs for the Raleigh urbanized area(including Cary, Garner, Morrisville, and Apex) and the Durham urbanized area (including Chapel Hill and Carrboro) is regarded as a historic step in improved regional cooperation and communication in the Research Triangle. Similar actions taken in the Charlotte area may produce equally successful results.

11-6-81

Executed
12-21-81

MEMORANDUM OF UNDERSTANDING

for

TRANSPORTATION PLANNING - CHARLOTTE URBANIZED AREA

between

THE CITY OF CHARLOTTE, TOWN OF CORNELIUS, TOWN OF DAVIDSON, TOWN OF HUNTERSVILLE, TOWN OF MATTHEWS, TOWN OF MINT HILL, TOWN OF PINEVILLE, MECKLENBURG COUNTY AND THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION IN COOPERATION WITH THE UNITED STATES DEPARTMENT OF TRANSPORTATION

WITNESSETH

THAT WHEREAS, Chapter 136, Article 3A, Section 136-66.2(a) of the General Statutes of North Carolina require that: "Each municipality with the cooperation of the Department of Transportation; shall develop a comprehensive plan for a street system that will serve present and anticipated volumes of vehicular traffic in and around the municipality. The plan shall be based on the best information available including, but not limited to, population growth, economic conditions and prospects, and patterns of land development in and around the municipality, and shall provide for the safe and effective use of streets and highways through such means as parking regulations, signal systems, and traffic signs, markings, and other devices. The Department of Transportation may provide financial and technical assistance in the preparation of such plans."; and,

WHEREAS, the said Chapter 136, Article 3A, Section 136-66.2(b) provides that: "After completion and analysis of the plan, the plan may be adopted by both the governing body of the municipality and the Department of Transportation as the basis for future street and highway improvements in and around the municipality As part of the plan, the governing body of the municipality and the Department of Transportation shall reach an agreement as to which of the existing and proposed streets and highways included in the plan will be a part of the State Highway System and which streets will be a part of the Municipal street system. As used in this article, the State Highway System shall mean both the primary highway system of the State and the secondary road system of the State within municipalities."; and,

WHEREAS, the said Chapter 136A, Article 3A, Section 136 66.2(d) provides that: "Either the municipality or the Department of Transportation may propose changes in the plan at any time by giving notice to the other party, but no change shall be effective until it is adopted by both the Department of Transportation and the municipal governing board.", and,

WHEREAS, Section 134 (a) of Title 23 United States Code states: "It is declared to be in the national interest to encourage and promote the development of transportation systems, embracing various modes of transportation in a manner that will serve the States and local communities efficiently and effectively. To accomplish this objective the Secretary shall cooperate with the State and local officials in the development of transportation plans and programs which are formulated on the basis of transportation needs with due consideration to comprehensive long-range land use plans, development objectives, and overall social, economic, environmental, system performance, and energy conservation goals and objectives, and with due consideration to their probable effect on the future development of urban areas of more than fifty thousand population. The planning process shall include an analysis of alternative transportation system management and investment strategies to make more efficient use of existing transportation facilities. The process shall consider all modes of transportation and shall be continuing, cooperative, and comprehensive to the degree appropriate based on the complexity of the transportation problems. After July 1, 1965, the Secretary shall not approve under section 105 of this title any program for projects in any urban area of more than fifty thousand population unless he finds that such projects are based on a continuing comprehensive transportation planning process carried on cooperatively by States and local communities in conformance with the objectives stated in this section. No highway project may be constructed in any urban area of fifty thousand population or more unless the responsible public officials of such urban area in which the project is located have been consulted and their views considered with respect to the corridor, the location and the design of the project."; and,

WHEREAS, a transportation planning process includes the operational procedures and working arrangements by which short and long-range transportation plans are soundly conceived and developed and continuously evaluated in a manner that will

1. Assist governing bodies and official agencies in determining courses of action and in formulating attainable capital improvement programs in anticipation of community needs; and,

2. Guide private individuals and groups in planning their decisions which can be important factors in the pattern of future development and redevelopment, and,

WHEREAS, various sections of the Federal-Aid Highway Act of 1973, Public Law 93-87 provides for new transportation programs and modifies some existing programs, and,

WHEREAS, it is the desire of these agencies that the previously established continuing, comprehensive, cooperative transportation planning process, as set forth in the Memoranda of Understanding dated June 24, 1965 and April 8, 1975 be revised

and updated to comply with 23 U.S.C. 134; Sections 3, 4(a), and 5 of the Urban Mass Transportation Act of 1964, as amended, (UMT Act) (49 U.S.C. 1602, 1603(a), and 1604); and 49 CFR 1.48(b) and 1.50(f), the following Memorandum of Understanding is made:

Section 1. It is hereby agreed that the CITY OF CHARLOTTE, TOWNS OF CORNELIUS, DAVIDSON, HUNTERSVILLE, MATTHEWS, MINT HILL, PINEVILLE; MECKLENBURG COUNTY; and THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION in cooperation with THE UNITED STATES DEPARTMENT OF TRANSPORTATION, will participate in a continuing transportation planning process with the responsibilities and undertakings as related in the following paragraphs:

1. The area involved, the Charlotte Urban Transportation Planning Area, will be the Charlotte Urbanized Area as defined by the United State Department of Commerce, Bureau of the Census, plus that area beyond the existing urbanized area boundary that is expected to become urbanized within a twenty-year planning period. This area is Mecklenburg County and is hereinafter referred to as the Planning Area. The projected Planning Area boundary will be periodically reassessed and revised in the light of new developments and basic data projections for the current planning period.

2. The continuing transportation planning process will be a cooperative one and all planning discussions will be reflective of and responsive to the comprehensive plans for growth and development of the Planning Area.

3. The continuing transportation planning process will be in accordance with the intent, procedures, and programs of Title VI of the Civil Rights Act of 1964.

4 A Charlotte-Mecklenburg Metropolitan Planning Organization hereinafter referred to as the CMMPO, is hereby established with responsibility for coordinating transportation policy of member local governments within the Planning Area and will consist of the Chief Elected Official or a single representative appointed by the Chief Elected Official from the following Boards of General Purpose Local Government and a representative of the North Carolina Department of Transportation

Charlotte City Council
Cornelius Town Board of Commissioners
Davidson Board of Commissioners
Huntersville Board of Commissioners
Matthews Town Board
Mint Hill Board of Commissioners
Pineville Town Council
Mecklenburg County Board of Commissioners
North Carolina Department of Transportation

The vote for each General Purpose Local Government and the North Carolina Department of Transportation shall be as follows:

Governmental Body	
Charlotte	6
Mecklenburg County	2
Huntersville	1
Mint Hill	1
Pineville	1
Davidson	1
Cornelius	1
Matthews	1
Department of Transportation	1
TOTAL	15

Members will vote on matters pursuant to the authority granted by their respective governmental body.

In addition, representatives from each of the following bodies will serve as non-voting members:

-Charlotte-Mecklenburg Planning Commission.
-U. S. Department of Transportation.
-Other Local, State, or Federal agencies impacting transportation in the Planning Area at the invitation of the CMMPO.

5. The term of any designated representative shall be one calendar year.

6. The CMMPO shall have a Chairman and Vice-Chairman and meet as often as it is deemed appropriate and advisable

7 The duties and responsibilities of the CMMPO are as follows:

a. The CMMPO in cooperation with the State, and in cooperation with publicly owned operators of mass transportation services, shall be responsible for carrying out the urban transportation planning process specified in the U. S. Department of Transportation Program Manuals and shall develop the planning work programs, transportation plan, and transportation improvement program specified in such manuals.

b. The CMMPO shall be the forum for cooperative decision-making by principal elected officials of general purpose local government and therefore shall function as a Transportation Advisory Committee in conformance with the North Carolina Highway Action

Plan. However, this shall not limit the CMMPO's local responsibility for (1) insuring that the Transportation Planning Process and the plans and improvement projects which emerge from that process are consistent with the policies and desires of local government; nor, (2) serving as a forum for the resolution of conflicts which arise during the course of developing the Transportation Plan and the Transportation Improvement Program.

c. The CMMPO shall not set policy for the planning area but shall establish goals and objectives for the transportation planning process reflective of and responsive to comprehensive plans for growth and development in the planning area adopted by Boards of General Purpose Local Government.

d. The CMMPO shall annually review and approve the Unified Planning Work Programs, Transportation Plan and Transportation Improvement Program.

e. The CMMPO as required shall review, approve, and endorse amendments to Unified Planning Work Program, Transportation Plan and Transportation Improvement Program.

f. The CMMPO shall have the responsibility for keeping boards of general purpose local government informed of the status and requirements of the transportation planning process; assisting in the dissemination and clarification of the decisions, inclinations, and policies of these boards; and ensuring meaningful citizen participation in the transportation planning process.

g. The CMMPO shall review, approve and endorse changes to the Federal-Aid Highway System and Federal-Aid Urbanized Area boundary

h. The CMMPO shall review, approve, and endorse a Prospectus for transportation planning which defines work tasks and responsibilities for the various agencies participating in the transportation planning process; and

i. The CMMPO shall review and approve related air quality planning in conformance with federal regulations.

j. The CMMPO shall review and approve energy conservation planning and energy contingency planning for the transportation system in conformance with federal regulations.

k. Any other duties identified as necessary to facilitate the transportation planning process further.

8. The CMMPO shall have the primary responsibility for citizen input to the continuing transportation planning process. During transportation plan reevaluation, citizen involvement in the planning process shall be encouraged during reanalysis of goals and objectives and plan formation. This citizen involvement will be obtained through goals and objectives surveys, neighborhood forums, and public hearings in accordance with procedures outlined in the "North Carolina Highway Action Plan."

9. A Technical Coordinating Committee, hereinafter referred to as the TCC, shall be established with the responsibility of general review, guidance, and coordination of the transportation planning process for the planning area and with the responsibility for making recommendations to the respective local and State governmental agencies and the CMMPO regarding any necessary actions relating to the continuing transportation planning process. The TCC shall be responsible for development, review, and recommendation for approval of the Prospectus, Unified Planning Work Program, Transportation Improvement Program, Federal-Aid Urban Systems and Boundaries, revisions to the transportation plan, planning citizen participation, and documentation reports of the transportation study.

Membership of the TCC shall include technical representatives from all local and State governmental agencies directly related to and concerned with the transportation planning process for the planning area. Initially, the membership shall include the following or their official designee:

a. Charlotte Department of Transportation Director

b. Charlotte Engineering Department Director

c. Charlotte-Mecklenburg Planning Commission Director

d. Mecklenburg County Engineering Department Director

e. North Carolina Department of Transportation, Public Transportation Division Director

f. North Carolina Department of Transportation, Highway Division, Manager of Planning and Research Branch

g. U. S. Department of Transportation, Federal Highway Administration, North Carolina Division Administrator

h. U. S. Department of Transportation, Urban Mass Transportation Administration, Region IV, Office of Planning Assistance Director

Other local agencies, upon filing a request, will be informed of all meetings of the TCC and may attend meetings. Such agencies would include:

- Town Manager Offices
- Charlotte-Mecklenburg Schools
- Various City and County Departments/Offices
- Centralina Council of Governments

The TCC shall meet when it is deemed appropriate and advisable and at least once quarterly. The Committee may select a member of the Committee or ask the Coordinator for Transportation Planning to act as Chairperson.

10. Administrative coordination for the CMMPO and the TCC will be performed by a Coordinator for Transportation Planning who shall report to the Director of the Charlotte-Mecklenburg Planning Commission. The coordinator will serve as the secretary for the CMMPO and TCC with the responsibility for such functions as follows:

- Arranging meetings and agendas
- Maintaining minutes and records
- Prepare a Prospectus and Unified Planning Work Program
- Assembling and publishing the Transportation Improvement Program
- Serve as custodian of the Transportation Plan
- Monitor the Transportation Planning Process to insure its execution is in accordance with goals and objectives
- Prepare an Annual Report on transportation planning process for public consumation
- Perform other coordinating functions as assigned by the CMMPO from time to time
- Lead responsibility for structuring public involvement in the transportation planning process

The Coordinator for Transportation Planning shall be hired by the Director of the Charlotte-Mecklenburg Planning Commission. The Planning Director shall report to the Charlotte-Mecklenburg Planning Commission at its regular monthly meeting on the administrative coordination activities; and further shall provide notice to the Planning Commission of actions scheduled for consideration by the TCC and CMMPO

11. All transportation and related Federal Aid planning grant funds available to promote the cooperative transportation planning process will be expended in accordance with the Unified Planning Work Program adopted by CMMPO. Administration of funding in support of the Transportation Planning Process on behalf of the CMMPO will be conducted by the City of Charlotte who will execute appropriate agreements with funding agencies as provided by the Unified Planning Work Program.

Section 2. Subscribing agencies to this Memorandum of Understanding may terminate their participation in the Continuing Transportation Planning process by giving thirty days written notice to other parties prior to the dates of termination. After two (2) years from the date of adoption of this document, the terms of this agreement will be evaluated by the participating members. It is further agreed that these agencies will assist in the transportation planning process by providing planning assistance, data, and inventories in accordance with the Prospectus. Additionally, these agencies shall coordinate zoning and subdivision approval in accordance with the adopted Transportation Plan.

Section 3. IN WITNESS WHEREOF, the parties to this Memorandum of understanding have been authorized by appropriate and proper resolutions to sign the same, the City of Charlotte by its Mayor, the Town of Cornelius by its Mayor, the Town of Davidson by its Mayor, the Town of Huntersville by its Mayor, the Town of Matthews by its Mayor, the Town of Mint Hill by its Mayor, the Town of Pineville by its Mayor, the County of Mecklenburg by its Commission Chairman and the Department of Transportation by the State Highway Administrator this 21 day of December, 19 81.

ATTEST

(Seal)

Clerk

CITY OF CHARLOTTE

By

Mayor

Resolution Date 11/16/81

(Seal)

Clerk

TOWN OF MATTHEWS

By

Mayor

Resolution Date 12-14-81

(Seal)

Asst Clerk

Resolution Date 12-16-81

TOWN OF MINT HILL

By _____ Mayor

(Seal)

Clerk

Resolution Date 12-7-81

TOWN OF PINEVILLE

By _____ Mayor

(Seal)

Clerk

Resolution Date 7-9-81

TOWN OF DAVIDSON

By _____ Mayor

(Seal)

Clerk

Resolution Date 9-21-81

TOWN OF CORNELIUS

By _____ Mayor

(Seal)

Clerk

Resolution Date Jan 11 1981

TOWN OF HUNTERSVILLE

By _____ Mayor

(Seal)

Clerk

Resolution Date Oct 7, 1981

MECKLENBURG COUNTY

By _____ Chairman

DEPARTMENT OF TRANSPORTATION

By _____
State Highway Administrator

Approved as to Form and Legality
for Rufus Edminsten
Attorney General

By _____
Asst. Attorney General

APPROVED BY FEDERAL HIGHWAY ADMINISTRATION

12/21/81 _____
DATE

FOR RONALD E. PENZ
DIVISION ADMINISTRATOR

STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR
RALEIGH 27611

JAMES B HUNT, JR.
GOVERNOR

August 14, 1981

Mayor Troy Pollard, Chairman
Transportation Advisory Committee
for Charlotte-Mecklenburg County
Mint Hill, North Carolina 28212

Dear Mr. Pollard:

I have reviewed the status of the Transportation Planning Program for the Charlotte Urbanized Area and the possible loss of federal funds due to a conditional certification. The U. S. Department of Transportation regulations require that I designate a Metropolitan Planning Organization (MPO) to be responsible, together with the State of North Carolina, for carrying out urban transportation planning in the Charlotte urbanized area.

At the request of the members of the Transportation Advisory Committee (TAC) and in accordance with the provisions of the federal regulations, notably 23 CFR 450.106 et seq., I am designating the members of the existing TAC as the Charlotte-Mecklenburg Metropolitan Planning Organization (MPO) for the Charlotte Urbanized Area and providing the following voting structure:

City of Charlotte	6
Mecklenburg County	2
Town of Pineville	1
Town of Matthews	1
Town of Mint Hill	1
Town of Cornelius	1
Town of Huntersville	1
Town of Davidson	1
N. C. Board of Transportation	1

I feel the weighted vote for the City of Charlotte is justified because (1) Charlotte is the urbanized area that represents the major portion of the population in the planning area, (2) municipalities in conjunction with State government have historically provided for transportation systems in North Carolina and (3) Charlotte is the primary recipient of UMTA and FHWA discretionary funds for which the planning program is designed.

I feel that the county should have a weighted vote because of its responsibility for comprehensive planning for the entire area and because the county commissioners are elected by all voters in the planning area.

I also feel the representation of a member of the North Carolina Board of Transportation is appropriate to provide better coordination between the MPO and the Board of Transportation, and this is in accordance with other planning bodies in the State.

In making this designation, I am advising the members of the TAC to prepare and adopt a Memorandum of Understanding which carries forth this designation and voting arrangement and defines all duties and responsibilities in accordance with federal regulations.

The MPO shall serve as the policy body and forum for managing the urban transportation planning process in the Charlotte urbanized area. As specified in the written agreement among the participating governmental agencies, the Charlotte-Mecklenburg Planning Commission shall be responsible for furnishing or contracting for staff services for urban transportation planning and the City of Charlotte shall be the recipient of USDOT and other related planning funds.

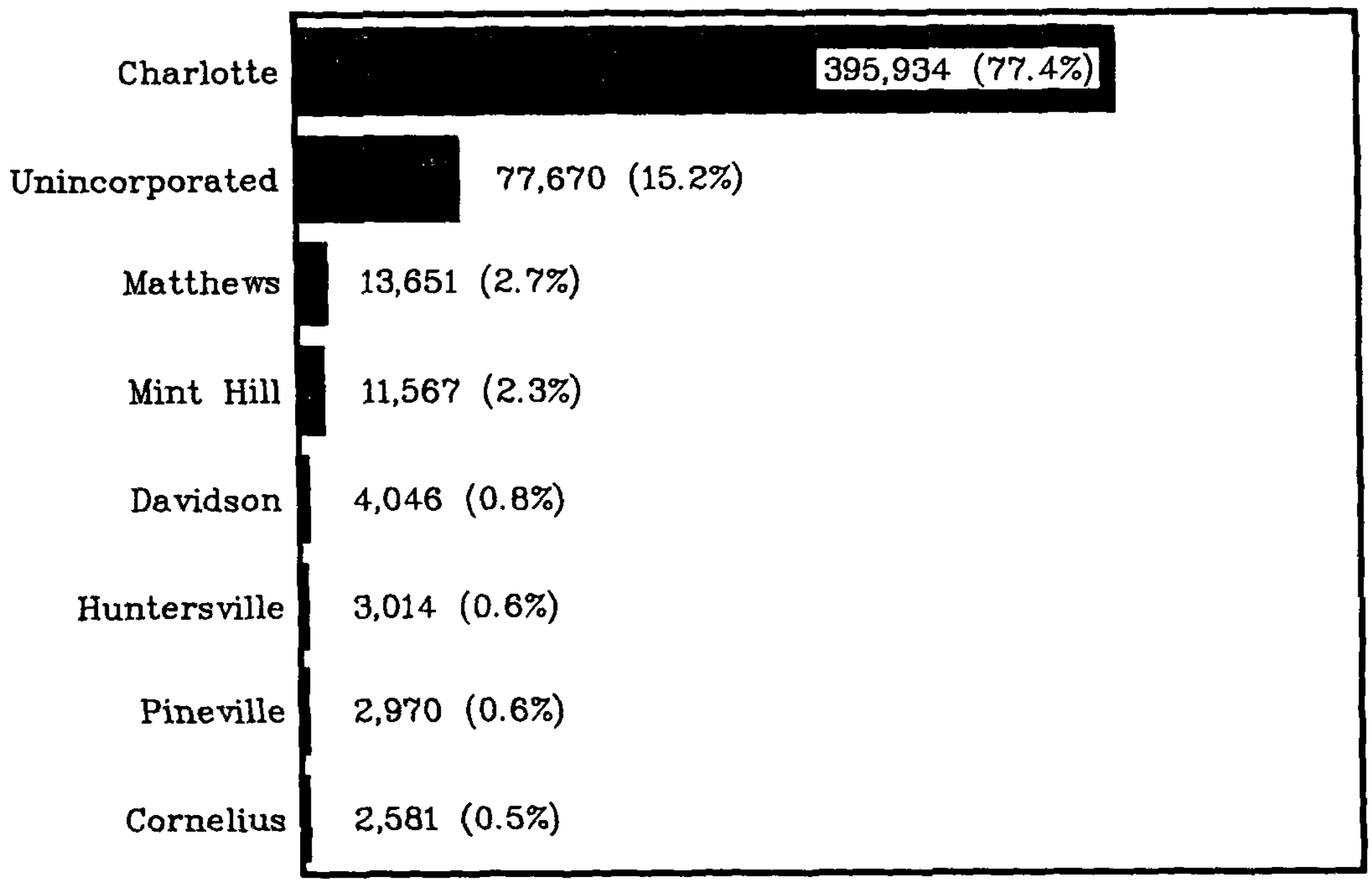
I am grateful for your continuing interest and assistance.

Warmest personal regards.

Sincerely,

Mecklenburg County

Population, 1990



Source: U.S. Census

OTHER NORTH CAROLINA URBANIZED AREAS WITH WEIGHTED VOTE STRUCTURES

RALEIGH URBANIZED AREA

	Votes
Raleigh	7
Wake County	3
Cary	3
Garner	3
Apex	1
Morrisville	1
Department of Transportation	1
TOTAL	19

DURHAM URBANIZED AREA

	Votes
Durham	6 (2 representatives with 3 votes each)
Chapel Hill	2
Durham County	2
Carrboro	1
Orange County	1
Department of Transportation	1
TOTAL	13

WILMINGTON URBANIZED AREA

Discussions are underway on developing a weighted vote structure. Presently, the MPO consists of 6 persons with Wilmington having 2 representatives.

MPO STRUCTURES IN SELECTED NORTH CAROLINA URBANIZED AREAS

WINSTON-SALEM URBANIZED AREA

	Representatives
Winston-Salem	3
Forsythe County	3
King	1
Kernersville	1
Department of Transportation	1
Winston-Salem Transit Authority	1
Forsythe County Planning Board	1
Triad Airport	1
TOTAL	12

GREENSBORO URBANIZED AREA

	Representatives
Greensboro	2
Guilford County	1
Department of Transportation	1
TOTAL	4