

JANUARY 10, 2012

MINUTES OF MECKLENBURG COUNTY BOARD OF COMMISSIONERS

**NORTH CAROLINA
MECKLENBURG COUNTY**

The Board of Commissioners of Mecklenburg County, North Carolina, met in Budget/Public Policy Session in Conference Center Room 267 of the Charlotte-Mecklenburg Government Center located at 600 East Fourth Street at 3:00 p.m. on Tuesday, January 10, 2012.

ATTENDANCE

Present: Chairman Harold Cogdell, Jr. and Commissioners Karen Bentley, Dumont Clarke, Neil Cooksey, George Dunlap, Bill James, Vilma Leake, Jim Pendergraph and Jennifer Roberts
County Manager Harry L. Jones, Sr.
County Attorney Marvin A. Bethune
Clerk to the Board Janice S. Paige

Absent: None

Commissioner Cooksey was absent when the meeting was called to order and until noted in the minutes.

The meeting was called to order by Chairman Cogdell, after which the matters below were addressed.

(1) RED LINE REGIONAL RAIL PROJECT

Note: The Red Line Regional Rail Project is an initiative to upgrade an existing 25-mile section of Norfolk Southern "O" Line in the North Corridor of the Metrolina region. The capital construction cost has been set at \$452 million based on 90% design plans. The full cost of Construction, Operation and Maintenance is proposed to be funded through a partnership among the State of North Carolina, Charlotte Area Transit System and the seven north corridor jurisdictions (Charlotte, Mooresville, Davidson, Cornelius, Huntersville, Iredell County and Mecklenburg County). The proposed funding is Pay-as-you-go and bonds to be issued by a Joint Powers Authority using revenue from the State, CATS and the seven jurisdictions.

Mark Briggs with Parsons Brinckerhoff and Katherine Henderson with KKH Consulting addressed the Red Line Regional Rail Project. The presentation covered the following:

- Project Introduction

Commissioner Cooksey entered the meeting.

- Policy Framework
- Governance: Joint Powers Authority
- Funding and Finance Plan
- Recommendations
- Process/Next Steps

A copy of the report is on file with the Clerk to the Board.

Comments

Commissioner Cooksey asked about the 75-25 split on the TIF portion and how was it arrived at, which was addressed.

Commissioner Cooksey asked was it essential that all jurisdictions sign up for the same percentage. *The response was yes.*

Commissioner Cooksey asked for clarification of the term, Availability Payments, which was addressed.

Commissioner Cooksey asked what if the project doesn't get off the ground, how could the County get out of the agreement and get its tax revenue back, which was addressed. *Mr. Briggs said one thing that had been suggested was that local governments may want to transfer that risk to the private sector and say to the private sector that they do their underwriting, look at the numbers, look at the projects, look at the structure, look at the commitments from the various taxing entities and anyone else and at that point in time, you are responsible to design, build, operate and maintain this project and you may not come back to the County or anyone else; and say to them, you took that risk.*

Commissioner Cooksey asked about the Special Assessment District and what's the incentive to participate, which was addressed.

Commissioner Cooksey asked why build a new transit center on Graham street, when you have one downtown already, which was addressed by someone from CATS.

Commissioner Cooksey asked for clarification regarding the Guggenheim Securities Approach which was addressed.

Commissioner Cooksey asked about CATS and the City of Charlotte's participation which was addressed.

Commissioner Bentley asked about Lowes participation financially in the build out. *The response was that they would be members of the assessment districts, and would likewise make assessment payments exactly equal to all the others.*

Commissioner Bentley asked about the east/west connector which was addressed.

Commissioner Bentley asked about Norfolk Southern's participation. *The response was that they're just being engaged.*

Commissioner Bentley asked about ridership which was addressed.

Commissioner Bentley asked about the state's commitment to backstop the debt, which was addressed by Jack Flarity with the NC DOT.

Commissioner James asked about CATS and the City of Charlotte's voting percentages, which was addressed.

Commissioner James asked was it true that if CATS had the amount of money they projected that today's conversation would not be taking place. *There was no one present to accurately respond.*

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Commissioner James said there needed to be a vote to say whether or not the County, as well as the towns, want to proceed with this type of taxing scheme.

Commissioner Roberts said CATS could do the Red Line 20 years from now with financing, but the reason this was coming forward was because the towns on that line were excited about the development opportunities, transit oriented development and what it would mean for future businesses, that they want to “jump start it” and were willing to explore these type of assessment districts.

Commissioner Pendergraph left the meeting and was absent for the remainder of the meeting.

Commissioner Roberts asked about the tax increment financing and was it indefinitely the future for additional revenues. *The response was that the tax increment district would have a 30 year life.*

Commissioner Dunlap asked for clarification regarding Fund Operation and Maintenance Costs, which was addressed.

Commissioner Bentley left the meeting and was absent for the remainder of the meeting.

This concluded the presentation. No action was taken or required at this time.

Chairman Cogdell thanked the presenters for the report.

Note: The above is not inclusive of every comment but is a summary.

(2) NOMINATIONS/APPOINTMENTS-PLANNING COMMISSION

Commissioner Dunlap nominated the following persons for appointment consideration to the Charlotte-Mecklenburg Planning Commission: Raymond Eschert, Susan Lindsay, Gray Newman, and Nancy Wiggins.

Appointments will occur at the January 18, 2012 meeting.

ADJOURNMENT

There being no further business to come before the Board the meeting was declared adjourned at 5:25 p.m.

Janice S. Paige, Clerk

Harold Cogdell, Jr., Chairman