

The Transit 2001 action agenda charts a new course in:

- Service design and delivery;
- Community planning and development; and
- Funding.

Successful implementation will transform our state into a national leader in transit service and innovation.

### **Service design and delivery**

*The character of public transportation will change dramatically. A seamless network of new services will be introduced and existing services will be enhanced. New technologies will be combined in ways that will make public transportation a travel mode of choice.*

#### **Short-term (1 - 2 years)**

- Begin to expand and enhance coordination of rural and urban transit services in terms of coverage, frequency and integration.
- Complete design, funding and financing plans for new regional rail in the Research Triangle and busways in Charlotte.
- Begin first phase of intercity rail passenger service improvements to reduce travel time to two hours between Raleigh and Charlotte.
- Implement conventional rail passenger service to Hickory and Asheville and initiate studies of the need for eastern N.C. service.
- Implement demonstration programs for new service design, technology and private-sector initiatives.
- Pass enabling legislation for creation of regional authorities.
- Build improved partnerships with metropolitan planning organizations.
- Begin multimodal regional system plan updates.
- Preserve corridors necessary for future intercity rail passenger services.

#### **Mid to long-term (3 - 10 years)**

In the mid to long-term, the state should expand on demonstration initiatives for service design, technology and private-sector participation. It should conclude the updates of regional system plans and facilitate the creation of regional transit authorities and systems.

## Community planning and development

*Enhanced public transportation and new patterns of development will work together to provide North Carolinians with more choices in how they live and how they travel.*

### Short-term (1-2 years)

- Assemble a "tool kit" of new planning practices.
- Develop a program that provides incentives for "best practice" planning.
- Improve capacity to analyze key development impacts.
- Update planning processes to make them more responsive.
- Update legislation that authorizes key planning concepts such as "transportation demand management."

### Mid to long-term (3-10 years)

In the mid to long-term, the state should facilitate the application of new planning practices, update its planning "tool kit" and expand analyses of planning practices and transit impacts.

## Tomorrow's transit funding

*Total investment in public transportation from all sources should increase from the current level of \$108 million per year to \$265 million per year. State support should increase by \$75 million per year.*

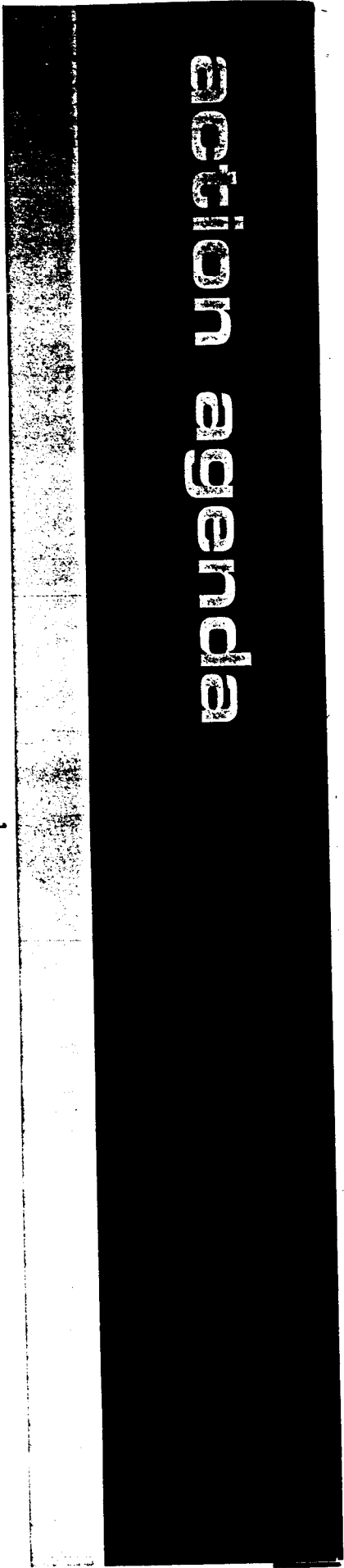
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### Short-term (1 - 2 years)

- Intensify advocacy for increased federal funds for rural and human service transportation, urban and regional transit and intercity rail.
- Increase percentage of the state's gas taxes that are returned to N.C. from the federal government (end N.C.'s "donor" status).
- Provide proposals to the General Assembly which increase state transit funding.
- Pass legislative proposals to expand local authority to raise and use revenue for transit.
- Form local/regional transit coalitions.
- Form multi-state, high-speed rail coalition.

### Mid to long-term (3 - 10 years)

- Obtain federal funding for regional rail and intercity rail.
- Enact local funding initiatives.



The need for transit funds greatly outstrips those sources traditionally available in the state. An additional \$75 million per year is required immediately for the state contribution, and those needs will grow to more than \$95 million in 10 years. Substantial additional funding at the local level also will be required.

The Commission has endorsed two primary funding options which produce the target revenue within a four-year time frame. Both exempt NCDOT from current payments to the state General Fund in lieu of sales taxes and end state Highway Fund responsibility for the driver education program. Both options call for more highway funds being used for transit and rail. One option suggests an increase in vehicle registration fees as a new source of revenue. The vehicle registration fee option is coupled with a proposal to return these new revenues to their "points-of-origin" to fund local transit systems.

Both funding options would produce roughly \$40 million in fiscal year 1998, increasing to the targeted additional \$75 million annually in four years.

Importantly, NCDOT must work with the North Carolina congressional delegation to aggressively seek federal funding for transit programs and for specific projects. It also must work to add intercity rail to the list of eligible uses for federal transportation funds.

After reviewing numerous options, the Transit 2001 Commission suggests the following local government transit funding approaches:

- Rental vehicle gross receipts tax
- Vehicle registration surcharge
- Parking tax
- Local option sales tax
- Land transfer fees

The state, local governments and other transit interests must work in partnership to secure authority from the General Assembly to use one or more of the above approaches at the discretion of local elected officials. Finally, ideas for private-sector financial participation must be explored. These include leveraging public and private assets and facilitating the borrowing of private funds.

