

Item Title: Public Hearing and Authorization of a \$3 Increase in the Regional Transit Authority Registration Tax for Funding of Public Transportation Systems

Specific Action Requested:

That the Board of Commissioners, after a public hearing, adopts the attached resolution to:

- 1. Authorize a \$3 Increase in the Regional Transit Authority Registration Tax by GoTriangle for the purpose of funding public transportation systems in accordance with the Wake County Transit Plan and Wake County Transit Financial Plan; and**
- 2. Authorize the GoTriangle Special Tax Board and Board of Trustees, after issuing notice and holding a public hearing, to increase the Regional Transit Authority Registration Tax by \$3 for the purpose of funding public transportation systems in accordance with the Wake County Transit Plan and Wake County Transit Financial Plan.**

Item Summary:

On June 6, 2016, the Wake County Board of Commissioners officially adopted the Wake County Transit Plan, including the Wake County Transit Financial Plan, and the Transit Governance Interlocal Agreement which guides the ongoing planning, funding, expansion and construction of the Plan. The Board of Commissioners also authorized an advisory referendum for a ½ percent sales tax for transit, a key source for funding implementation of the Plan. The governing boards of GoTriangle and CAMPO also adopted the Wake County Transit Plan, including the Wake County Transit Financial Plan. The Wake County Transit Plan and Financial Plan clearly identifies all planned revenue sources, and was distributed to all Wake County municipalities in the tax district and shared with the public as supporting documentation for the referendum. The advisory referendum was held November 8, 2016. The Board of Elections has certified that the results of the advisory for the one-half percent local sales and use tax was 262,626 (52.65%) “For” approval and 236,203 (47.35%) “Against” approval of the advisory referendum.

A \$3 increase in the Regional Transit Authority Registration Tax was included as a local funding source in the Wake County Transit Plan and Wake County Transit Financial Plan. Since 1991, a \$5 regional transit authority registration tax has been assessed on qualifying motor vehicles registered in Durham, Orange, and Wake counties and is remitted by the NC Department of Motor Vehicles (NC DMV) to GoTriangle. It is used for regional transportation services provided in Durham, Orange, and Wake counties. The \$3 increase in this registration tax would only be used to fund the Wake County Transit Work Plan. Per the Wake Transit Governance ILA and Financial Plan Agreement, the \$3 increase in the Regional Transit Authority Registration Tax must be used solely and explicitly for the implementation of the Wake County Transit Plan. Additionally, per the Wake Transit Governance ILA and Financial Plan Agreement, the \$3 increase in the Regional Transit Authority Registration tax will be accounted for

separately from the \$3 increase previously approved in Durham and Orange counties used towards the Durham and Orange Bus and Rail Investment Plans. It is estimated that a full year of funding will result in approximately \$2.5 million of new revenue for the Wake County Transit Work Plan.

A public hearing regarding whether the Board of Commissioners authorize a \$3 increase in the Regional Transit Authority Registration Tax by GoTriangle for the purpose of funding public transportation systems in accordance with the Wake County Transit Plan and Wake County Transit Financial Plan was duly noticed on November 22, 2016. Per NCGS 105-561, the Wake County Board of Commissioners must approve any increase in taxes by the Regional Transit Authority assessed in Wake County.

The Board of Commissioners, after a public hearing, is asked to approve a \$3 increase in the existing Regional Transit Authority Registration Tax. The Board of Commissioners is also asked to request that the GoTriangle Special Tax Board and Board of Trustees, after issuing notice and holding a public hearing, increase the Regional Transit Authority Registration Tax from \$5 to \$8 in Wake County to fund the Wake County Transit Work Plan in accordance with the Wake County Transit Plan and Wake County Transit Financial Plan. It is anticipated that the GoTriangle Special Tax Board and Board of Trustees will meet in January. Accordingly, per NCGS 105-562, the \$3 increase will be effective for vehicle registration renewal offers that will be mailed in July 2017, subject to NC DMV implementation.

Attachments:

1. Resolution