



WORK SESSION
TOWN HALL COUNCIL CHAMBERS
MONDAY, AUGUST 26, 2024 AT 6:00 PM

<https://us02web.zoom.us/j/83650994802>

AGENDA

CALL TO ORDER

DISCUSSION ITEMS

- [1.](#) Davenport Presentation
 - a. Debt issuance for Fire Department
 - b. Fund balance policies for General Fund
- [2.](#) Review of letter to HighLine Partners
- [3.](#) Discussion of Resolution and MOU for the Penny Sales Tax Legislation
- [4.](#) Dorman Road Townhome Rezoning
- [5.](#) Cone Mill PSA
- [6.](#) Location of Hawk Signal on Main Street

ADJOURN

If you require any type of reasonable accommodation as a result of physical, sensory, or mental disability in order to participate in this meeting, please contact Lisa Snyder, Clerk of Council, at 704-889-2291 or lsnyder@pinevillenc.gov. Three days' notice is required.

Discussion Materials

Town of Pineville, North Carolina



August 26, 2024

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B Existing Tax Supported Debt

C Peer Policies

D Draft Financial Policies

Tax Supported Credit and Financial Policy Overview

Credit Rating Overview and Peer Comparatives

Town of Pineville, NC Credit Ratings

- The Town is currently not rated by Moody's, S&P and Fitch.
 - The Town has not needed a credit rating since they do not have any outstanding public debt.

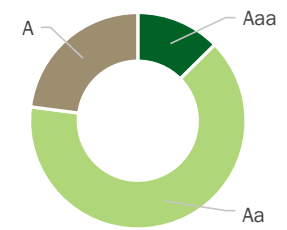
Moody's Investor Services	Standard & Poor's	Fitch Ratings
Aaa	AAA	AAA
Aa1	AA+	AA+
Aa2	AA	AA
Aa3	AA-	AA-
A1	A+	A+
A2	A	A
A3	A-	A-
Baa1	BB+	BB+
Baa2	BBB	BBB
Baa3	BBB-	BBB-
Non Investment Grade		

Peer Comparatives

- The following pages contain peer comparatives based on the below Moody's rating categories as shown below:

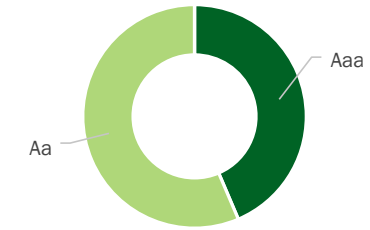
National Moody's Rated Cities and Towns

	Number of Credits	Percentage of Credits
Aaa	240	13%
Aa	1227	64%
A	437	23%
Total	1,904	100%



North Carolina Moody's Rated Cities and Towns

	Number of Credits	Percentage of Credits
Aaa	17	44%
Aa	22	56%
A	0	0%
Total	39	100%



- NC 'Aaa': Apex, Asheville, Cary, Chapel Hill, Charlotte, Concord, Davidson, Durham, Fuquay-Varina, Greensboro, Huntersville, Mooresville, Morrisville, Raleigh, Wake Forest, Wilmington, Winston-Salem
- NC 'Aa': Carrboro, Clayton, Fayetteville, Garner, Gastonia, Greenville, Hickory, High Point, Holly Springs, Indian Trail, Jacksonville, Kannapolis, Matthews, Monroe, Mount Holly, Nags Head, River Bend, Rocky Mount, Sanford, Thomasville, Wilson, Zebulon
- NC 'A': None.

Note: The data shown in the peer comparatives is from Moody's Municipal Financial Ratio Analysis database. The figures in the chart above are from September 2023. The peer comparison data is derived from FY 2021 figures in most cases.

Rating Agency Methodologies

Moody's Rating Methodology

Category	Rating Percentage	Short Term Control	Long Term Control
Economy	30%		✓
Financial Performance	30%	✓	✓
Institutional Framework	10%		✓
Leverage	30%	✓	✓

- On November 2, 2022, Moody's updated its US Local Governments General Obligation Debt methodology and assumptions.
- Under the new methodology, an initial indicative rating is calculated from a weighted average of four key factors.
- 5 defined below the line qualitative adjustments can be made based upon certain factors not included in the quantitative score.
- While the defined notching factors have been reduced, a new category for other considerations will allow for any other factor deemed appropriate by the rating analysts and committee to be considered in the rating outcome.

S&P Rating Methodology

Category	Rating Percentage	Short Term Control	Long Term Control
Institutional Framework	10%		✓
Economy	30%		✓
Management	20%	✓	✓
Budget Flexibility	10%	✓	✓
Budgetary Performance	10%	✓	✓
Liquidity	10%	✓	✓
Debt and Contingent Liabilities	10%	✓	✓

- On September 12, 2013, Standard & Poor's updated its US Local Governments General Obligation Ratings methodology and assumptions.
- Under the new methodology, an initial indicative rating is calculated from a weighted average of seven key factors.
- Up to a one-notch adjustment can be made from the indicative rating based on other qualitative factors not included in the quantitative score.

Financial Policy Review and Development

Financial Policy Overview

- Financial Policies that are adopted, adhered to, and regularly reviewed are recognized as a cornerstone of sound financial management.
- Effective Financial Policies:
 - Contribute to the Town’s ability to insulate itself from fiscal crisis;
 - Enhance access to short term and long term financial credit by helping to achieve the highest credit ratings possible;
 - Promote long-term financial stability by establishing clear and consistent guidelines;
 - Direct attention to the total financial picture of the Town rather than single issue areas;
 - Promote the view of linking long-run financial planning with day-to-day operations, and;
 - Provide the Town Staff, the Town Council and the Town citizens a framework for measuring the fiscal impact of government services against established fiscal parameters and guidelines.
- Financial Policies should be reviewed periodically by Town staff and any recommended changes should be presented to the Governing Body for formal approval / adoption.
- Policy areas to consider:
 - Reserve Policies.
 - Debt / Contingent Liabilities Policies.
 - Cash Management / Investment Policies.
 - Reporting / Continuing Disclosure Policies.
 - Capital Improvement Policies.
 - Budget Development Policies.

GFOA Financial Policy Recommendations

General Fund Balance

- “GFOA recommends that governments establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund for GAAP and budgetary purposes.”
- “Such a guideline should be set by the appropriate policy body and articulate a framework and process for how the government would increase or decrease the level of unrestricted fund balance over a specific time period.”
- “Governments should provide broad guidance in the policy for how resources will be directed to replenish fund balance should the balance fall below the level prescribed.”

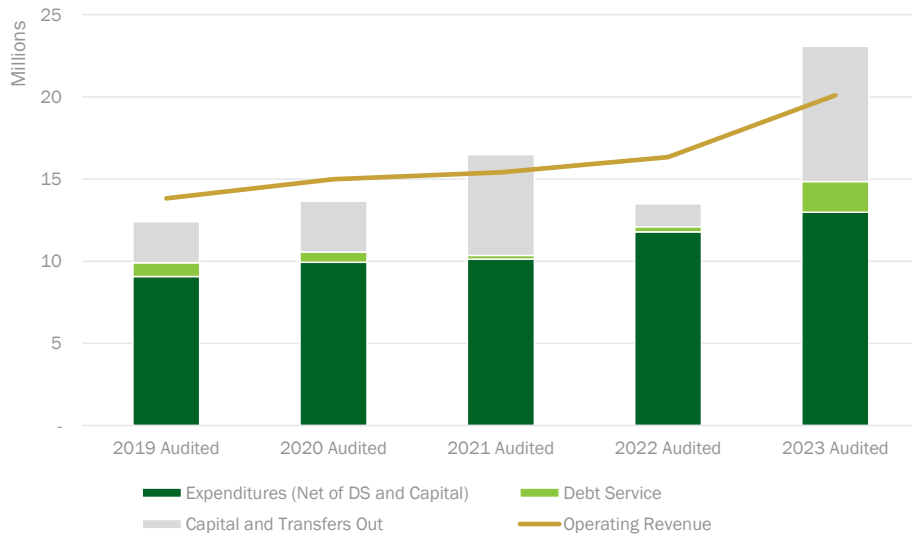
Debt Management

- Key policy factors include (but are not limited to):
 - Debt limits: “Governments should consider criteria for evaluating when debt should be issued and set limits or ranges for each type of debt in their debt policies. Limits generally are set for legal, public policy, financial restrictions, and planning considerations.”
 - Debt structuring practices: “The policy should include specific guidelines regarding the debt structuring practices for each type of bond”.
 - Debt Issuance Practices: “The policy should provide guidance regarding the issuance process, which may differ for each type of debt”.
 - Debt Management Practices: “The policy should provide guidance for ongoing administrative activities.”

General Fund Operations and Fund Balance

General Fund Financial Performance

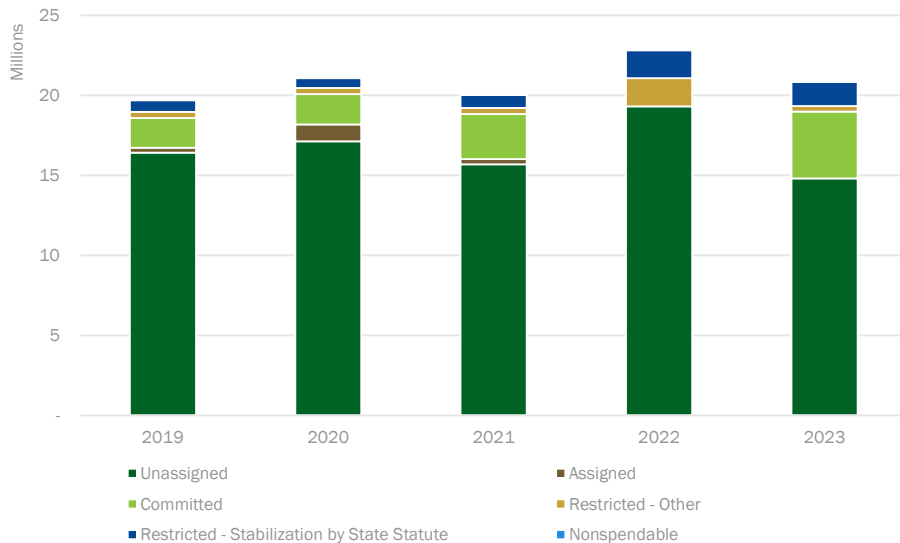
General Fund Revenues vs. Expenditures



Observations

- Historically, the Town's operating revenues have exceeded operating and debt service expenditures, resulting in a structurally balanced budget and annual operating surpluses.
- The Town has invested in capital expenditures utilizing current year revenue and excess fund balance.
 - In FY 2023, the Town funded capital expenditures of approximately \$7 million. Of this amount, approximately \$3.7 million is expected to be reimbursed from land sale proceeds.

General Fund Balance



- The Town has maintained a healthy general fund balance, with total reserves at or in excess of \$20 million over the last four years.
 - A portion of the Town's fund balance is committed for tourism and storm water related expenses.
 - The majority of the Town's general fund balance is unassigned.

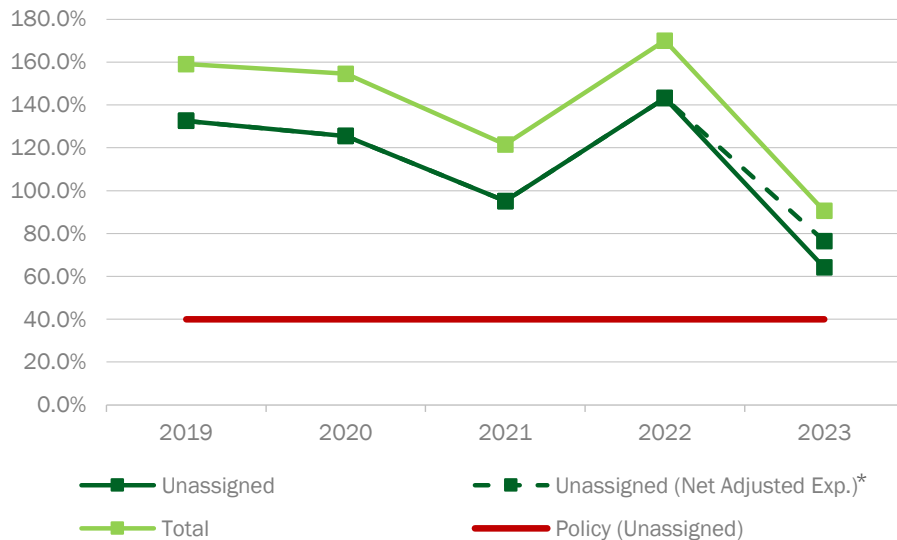
Current General Fund Balance Policy (Unassigned)

General Fund Balance Policy

The Town has an adopted Fund Balance Policy, stating:

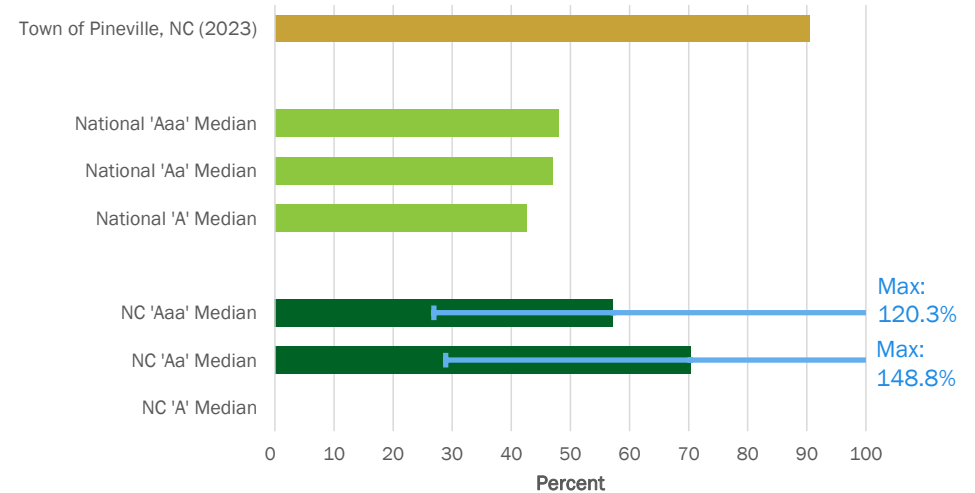
- “The governing body of the Town of Pineville has adopted a fund balance policy that states all revenues in excess of expenditures realized at the end of any given fiscal year will be credited to unassigned fund balance until a minimum goal of 40% for the general fund is realized (per FY 2023 Audit).”
 - Historically, the Town’s policy has been calculated using adjusted expenditures which include expenditures plus transfers out.

General Fund Balance as a % of Expenditures and Transfers Out

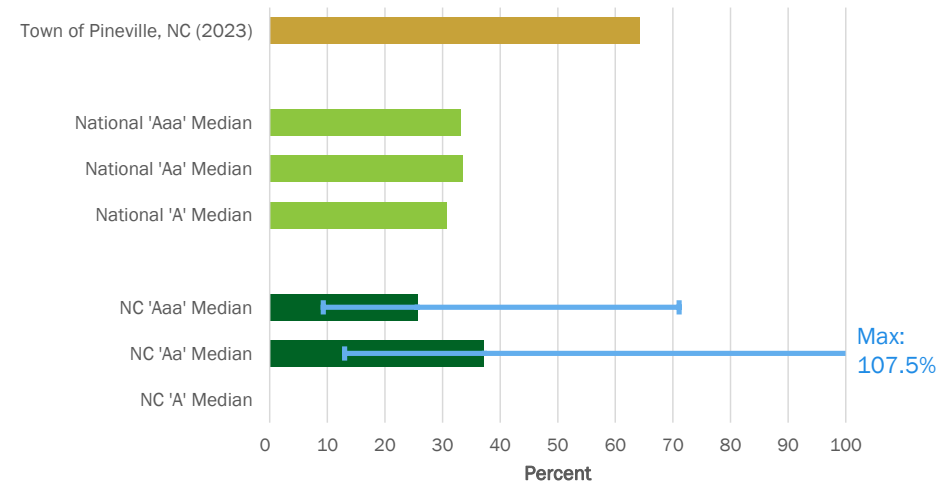


General Fund Balance as a % of Budget

Total General Fund Balance as % of Budget



Unassigned Fund Balance as % of Budget



Gold – Reflects Town of Pineville Value
Dark Green – Reflects NC (Aaa, Aa, A) Median Values
Light Green – Reflects National (Aaa, Aa, A) Median Values
Blue Line – Reflects Min/Max Values

Source: Town Audits / Mood

*Note: Net Adjusted Expenditures is adjusted for \$3.7 million of capital expenditures that will be reimbursed.

General Fund Balance Policy Considerations

FY23 Unassigned GF Balance Sample Policy

A	B	C	D	E	F
Policy Level - Months of Expenditures	Policy Level - % of Expenditures ¹	Policy Level Expenditures ¹	Policy Requirement (\$)	Unassigned Fund Balance	Excess Fund Balance (E - D)
1	8%	19,374,635	1,549,971	14,806,886	13,256,915
2	16%	19,374,635	3,099,942	14,806,886	11,706,944
3	24%	19,374,635	4,649,912	14,806,886	10,156,974
4	32%	19,374,635	6,199,883	14,806,886	8,607,003
5	40%	19,374,635	7,749,854	14,806,886	7,057,032
6	48%	19,374,635	9,299,825	14,806,886	5,507,061
7	56%	19,374,635	10,849,796	14,806,886	3,957,090
8	64%	19,374,635	12,399,766	14,806,886	2,407,120

¹ For purposes of this policy calculation, expenditures utilized are equal to General Fund expenditures plus transfers out and capital excluding \$3.7 million land purchase to be reimbursed.

- Currently, as of FY 2023, the Town has a strong Unassigned General Fund Balance well in excess of the current policy level of 40%. The Town may consider utilizing excess Unassigned Fund Balance for one-time purposes such as capital expenditures / or transfers to a capital reserve.
- In conjunction with the use of excess Unassigned Fund Balance, the Town may consider potential revisions / enhancements to the existing General Fund Balance Policy.

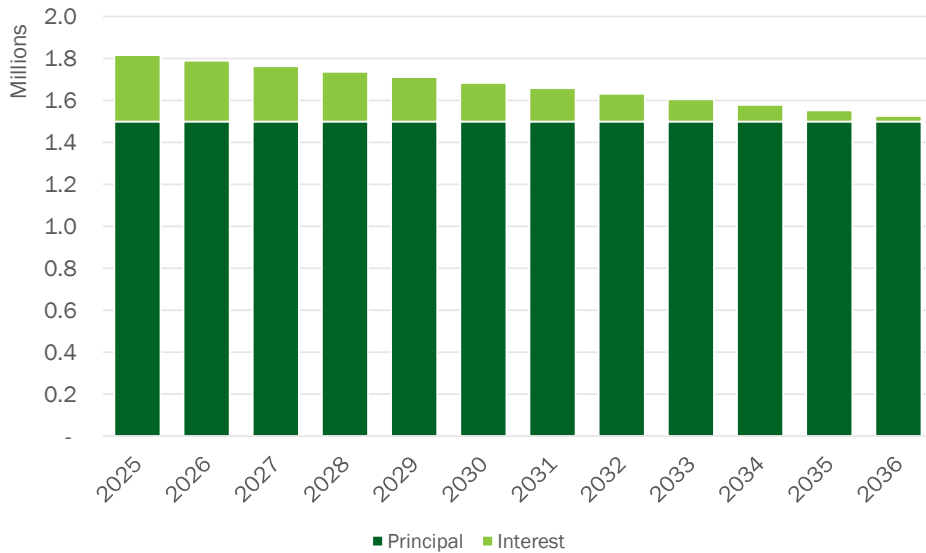
Potential General Fund Balance Policy Considerations

- Key Considerations:
 - Establish a minimum reserve level that provides ample liquidity based on historical expenditure levels and cash flows and that provides an allowance for unforeseen one time events.
 - Provide flexibility for the use of reserves in excess of the policy level, if justified. Provide flexibility for the use of reserves that may result in a breach of the policy limit provided that a plan is established to restore compliance within a specified period of time.
- Potential Policy Language:
 - The Town will target Unassigned Fund Balance, as defined by the Governmental Accounting Standards Board, equal to **[32% (4 months)]** of the General Fund Budget and maintain a minimum Unassigned Fund Balance at the close of each fiscal year equal to **[24% (3 months)]** of the General Fund Budget.
 - In the event that funds are available over and beyond the targeted amount, those funds may be appropriated for one-time expenditures (such as capital) or transferred to capital reserve funds or capital projects funds at the Town Council’s discretion.
 - The Town Council may, from time-to-time, utilize fund balances that will reduce Unassigned Fund Balance below the **[24%]** minimum for the purposes of a declared fiscal emergency or other such purpose as to protect or enhance the long-term fiscal security of the Town. In such circumstances, the Town Council will adopt a plan to restore the Unassigned Fund Balance to the minimum policy level within [a reasonable period of time].

Existing Tax Supported Debt Profile

Existing Tax Supported Debt

Tax Supported Debt Service



Tax Supported Debt Service

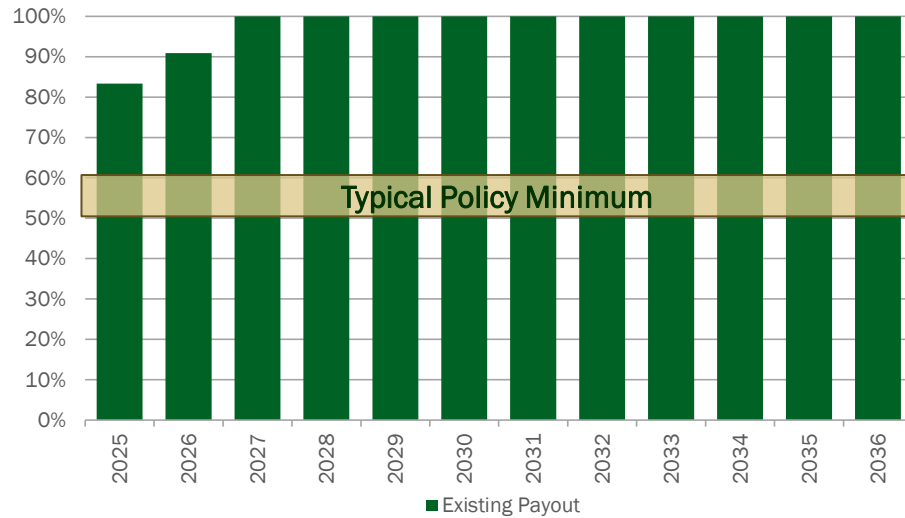
FY	Principal	Interest	Total	10-yr Payout
Total	18,000,000	2,053,943	20,053,943	
2025	1,500,000	316,590	1,816,590	83.33%
2026	1,500,000	289,415	1,789,415	90.91%
2027	1,500,000	263,104	1,763,104	100.00%
2028	1,500,000	236,794	1,736,794	100.00%
2029	1,500,000	211,060	1,711,060	100.00%
2030	1,500,000	184,173	1,684,173	100.00%
2031	1,500,000	157,863	1,657,863	100.00%
2032	1,500,000	131,552	1,631,552	100.00%
2033	1,500,000	105,530	1,605,530	100.00%
2034	1,500,000	78,931	1,578,931	100.00%
2035	1,500,000	52,621	1,552,621	100.00%
2036	1,500,000	26,310	1,526,310	100.00%

Par Outstanding – Estimated as of 6/30/2024

Type	Par Outstanding
2021 IFC	\$18,000,000
Total	\$18,000,000

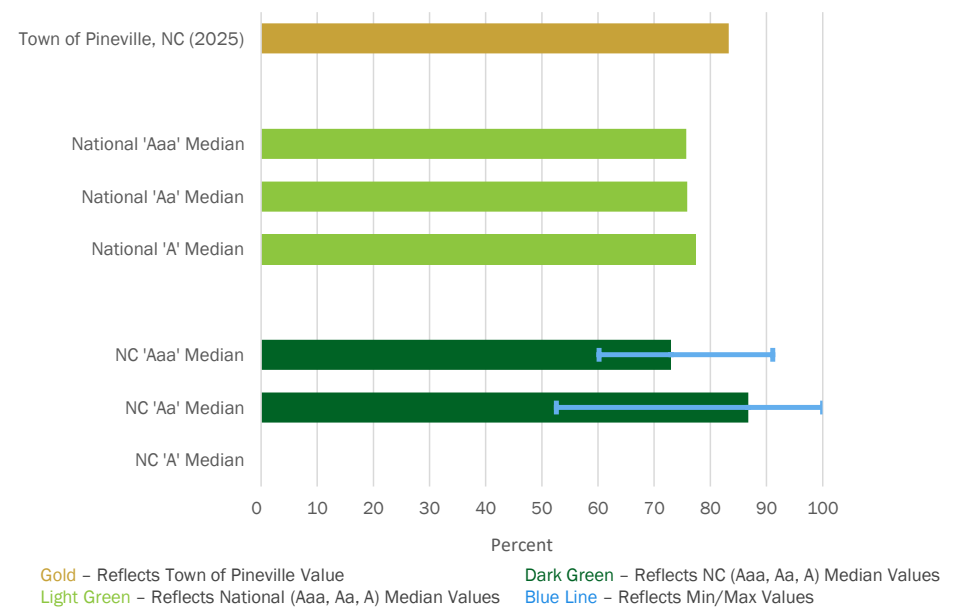
Key Debt Ratio: Tax Supported Payout Ratio

10-Year Payout Ratio



- Existing 10-year Payout Ratio
 - FY 2025: 83.3%
- The 10-Year Payout Ratio measures the amount of principal to be retired in the next 10 years.
- This ratio is an important metric that indicates whether or not a locality is back-loading its debt.
- The Town may want to consider establishing a minimum aggregate 10-Year Payout Ratio.

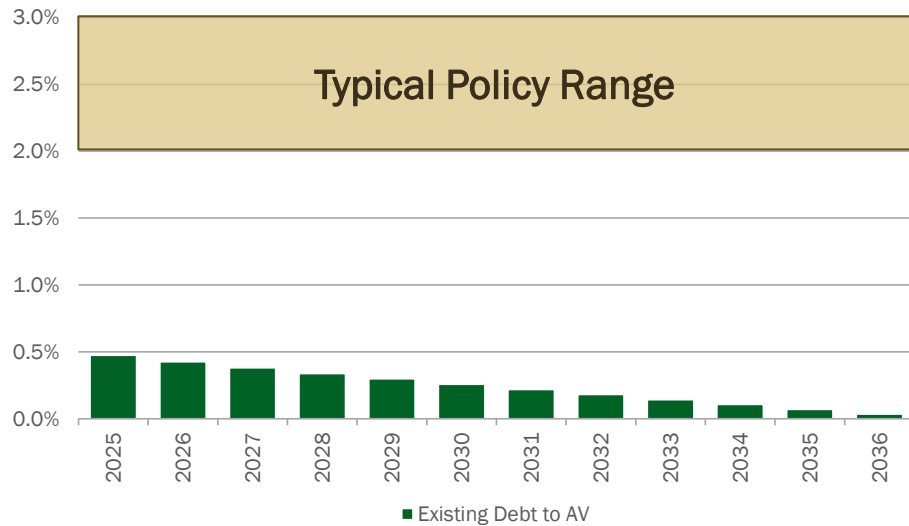
10-year Payout Ratio Peer Comparative



- Rating Considerations:
 - S&P: A payout ratio greater than 65% results in a one point positive qualitative adjustment to the Debt & Contingent Liabilities section of S&P's General Obligation rating methodology.

Key Debt Ratio: Debt to Assessed Value

Debt to Assessed Value



- Existing Debt to Assessed Value

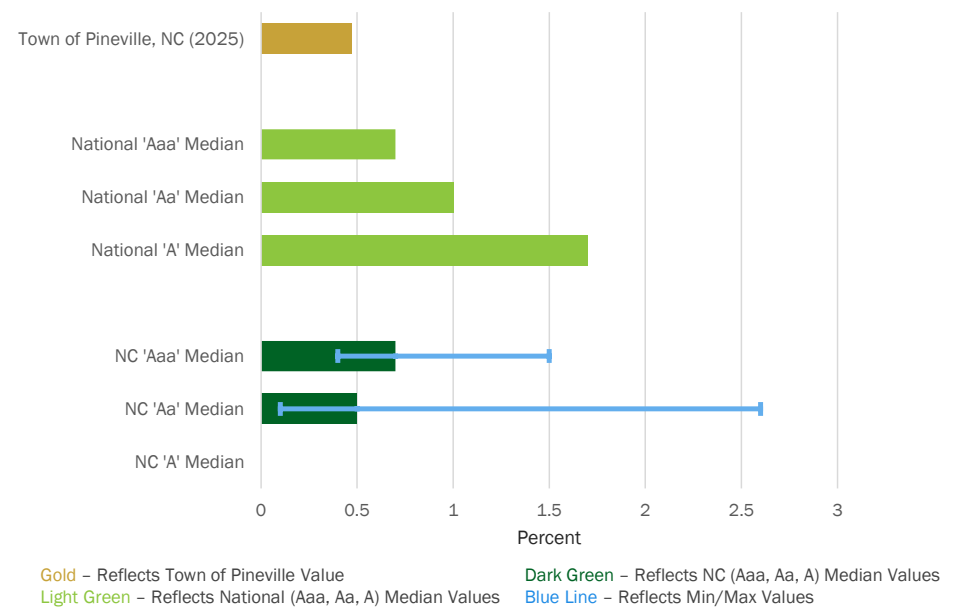
- FY 2025: 0.47%

- Assumed Future Growth Rates

- 2025 Assessed Value: 3,791,902,902
 - 2026 - 2027: 2.00%
 - 2028 & Beyond: 1.00%

- The Town may want to consider establishing a maximum Debt to Assessed Value Ratio.

Debt to Assessed Value Peer Comparative

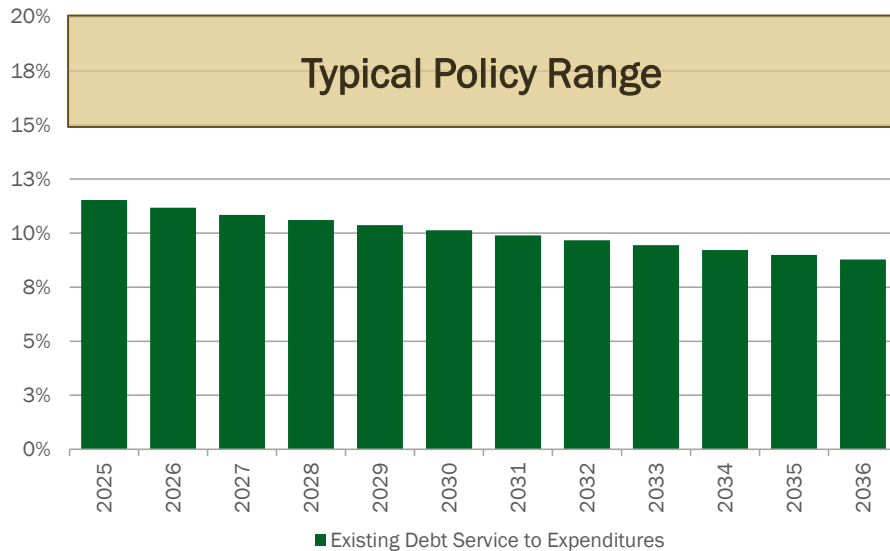


- Rating Considerations:

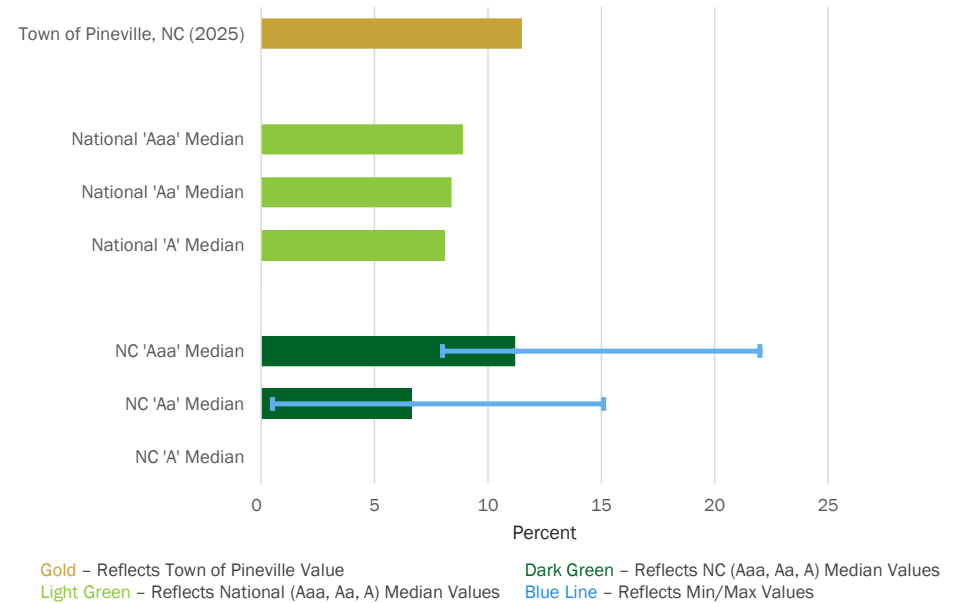
- S&P: A positive qualitative adjustment is made to the Debt and Contingent Liabilities score for a debt to market value ratio below 3.00%, while a negative adjustment is made for a ratio above 10.00%.

Key Debt Ratio: Debt Service vs. Expenditures

Debt Service vs. Governmental Expenditures



Debt Service vs. Expenditures Peer Comparative



Existing Debt Service vs. Expenditures

– FY 2025: 11.53%

Assumed Future Growth Rates

– 2023 Adjusted Expenditures: \$13,397,576
 – 2024 - 2027: 2.00%
 – 2028 & Beyond: 1.00%

■ The Town may want to consider establishing a policy that sets a maximum Debt Service to Expenditures.

Rating Considerations:

– S&P: The Debt and Contingent Liabilities section defines categories of Net Direct Debt as a % of Total Governmental Funds Expenditures as follows:

- Very Strong: <8%
- **Strong: 8% to 15%**
- Adequate: 15% - 25%
- Weak: 25% - 35%
- Very Weak: > 35%

Note: Governmental Expenditures represent the ongoing operating expenditures of the Town. In this analysis, debt service and capital outlay expenditures are excluded.

Debt Affordability Analysis

Existing Tax Supported Debt

A	B Capital Funding Requirements					G Revenue Available for DS							N Cash Flow Surplus (Deficit) ^A	
Fiscal Year	Existing Debt Service - 2021 IFA	Proposed Debt Service	Annual CIP Pay-Go Cash	Additional CIP Pay-Go Cash	Total Requirements	General Fund Budgeted Debt Service	General Fund Pay-Go Budget	1¢ Dedicated to Debt Service	Library Rent Revenue	Radio System Maintenance Savings	Other Revenues	Total Revenues Available	Annual Surplus/ (Deficit)	Capital Reserve (Unadjusted)
2024														\$0
2025	\$ 1,816,590	\$ -	\$ 1,400,000	\$ -	\$ 3,216,590	\$ 1,170,602	\$ 1,400,000	\$ 375,398	\$ 672,000	\$ 250,000	\$ 1,700,000	\$ 5,568,000	\$2,351,410	2,351,410
2026	1,789,415	-	1,400,000	-	3,189,415	1,170,602	1,400,000	-	672,000	250,000	5,000,000	8,492,602	5,303,187	7,654,598
2027	1,763,104	-	1,400,000	-	3,163,104	1,170,602	1,400,000	-	672,000	250,000	-	3,492,602	329,498	7,984,096
2028	1,736,794	-	1,400,000	-	3,136,794	1,170,602	1,400,000	-	672,000	250,000	-	3,492,602	355,808	8,339,904
2029	1,711,060	-	1,400,000	-	3,111,060	1,170,602	1,400,000	-	672,000	250,000	-	3,492,602	381,542	8,721,446
2030	1,684,173	-	1,400,000	-	3,084,173	1,170,602	1,400,000	-	672,000	-	-	3,242,602	158,429	8,879,875
2031	1,657,863	-	1,400,000	-	3,057,863	1,170,602	1,400,000	-	672,000	-	-	3,242,602	184,740	9,064,614
2032	1,631,552	-	1,400,000	-	3,031,552	1,170,602	1,400,000	-	672,000	-	-	3,242,602	211,050	9,275,664
2033	1,605,530	-	1,400,000	-	3,005,530	1,170,602	1,400,000	-	672,000	-	-	3,242,602	237,072	9,512,736
2034	1,578,931	-	1,400,000	-	2,978,931	1,170,602	1,400,000	-	672,000	-	-	3,242,602	263,671	9,776,407
2035	1,552,621	-	1,400,000	-	2,952,621	1,170,602	1,400,000	-	672,000	-	-	3,242,602	289,981	10,066,388
2036	1,526,310	-	1,400,000	-	2,926,310	1,170,602	1,400,000	-	672,000	-	-	3,242,602	316,292	10,382,680
2037	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	11,553,282
2038	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	12,723,884
2039	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	13,894,486
2040	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	15,065,088
2041	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	16,235,690
2042	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	17,406,292
2043	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	18,576,894
2044	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	19,747,496
2045	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	20,918,098
2046	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	22,088,700
2047	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	23,259,302
2048	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	24,429,904
2049	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	25,600,506
Totals	\$ 20,053,943	\$ -		\$ -										

Note 1: Based upon discussions with Town Staff, a minimum annual pay-go allowance of \$1.4 million is incorporated into the general fund budget for ongoing capital maintenance and equipment expenditures. Additional funding may be available through prior year excess. The Town's goal is to increase to \$2 million of annual CIP Pay-Go cash over time, as needed.

Note 2: Reflects General Fund Debt Service budget appropriation. of \$2,318,000 less the additional FY 2025 funds available equal to 1¢ (\$375,398), Library Rent Revenue (\$672,000), and \$100,000 Budget Contingency (is not assumed to be available for debt service).

Note 3: Per Town Staff, the Town identified \$375,398 (the equivalent of 1¢) of additional funding available for debt service/capital in the FY 2025 budget. This additional funding is not anticipated to be available on a recurring basis for future years.

Note 4: Per Town Staff, the Town receives \$56,000 per month in rent from the library that is utilized to cover a portion of the debt service cost on the 2021 IFA.

Note 5: The Town currently budgets \$250,000 for an annual radio system maintenance contract. If a new system is purchased, a 5-year maintenance contract will be included and the current budget can be utilized to offset the cost of the new system/supplement debt service.

Note 6: It is assumed that the Town will receive land sale proceeds of \$1.7 million in FY 2025 and \$5 million in FY 2026 which will be available for upfront project costs and/or debt service payments.

- Note: Does not include future impacts associated with the Town's operating budget.

In addition to the sources above, the Town could consider leveraging existing Unassigned Fund Balance above policy levels to reduce the impact of future projects.

Tax Supported Capital Funding Analysis

Scenario Overview and Assumptions

Key Assumptions

- In order to provide perspective related to the Town’s Debt Capacity and related cash flow impacts (i.e. Debt Affordability) the following capital projects under consideration for funding have been analyzed:
 - Fire Station (FY 2025): \$16,000,000 (Debt Financing)
 - Radio System (FY 2025): \$5,000,000 (Pay-Go Cash)
 - Park Project (FY 2028): \$14,000,000 (Debt Financing)
- For purposes of this analysis, land sale proceeds of \$ \$1.7 million in FY 2025 and \$5 million in FY 2026 is assumed to be deposited into the capital reserve and available for the upfront project costs and/or debt service payments.
- The Town’s FY 2023 Unassigned General Fund Balance is \$14,806,886, which equates to 76.4% of net adjusted General Fund Expenditures.
 - If the Town were to use \$5.55 million of Unassigned Fund Balance to fund either upfront project costs or debt service, the remaining Unassigned Fund Balance would equate to 48% of net adjusted General Fund Expenditures, which remains above the Town’s 40% policy level.

Scenarios Analyzed

- **Scenario 1:**
 - \$5 million of Unassigned General Fund Balance applied to upfront project costs for the Radio System.
 - \$550,000 of Unassigned General Fund Balance used for debt service.
 - Borrow for full Fire Station project cost.
- **Scenario 2:**
 - Borrow for \$14 million Park Project in FY 2028.
 - Borrow for full Fire Station project cost.
 - \$5 million of Unassigned General Fund Balance applied to upfront project costs for the Radio System.
 - \$550,000 of Unassigned General Fund Balance used for debt service.
- For purposes of this analysis, the following debt assumptions were utilized:
 - Rate: 5.00%
 - Amortization Structure: Level Principal
 - Term (Fire Station/Park Project): 20-Years
 - FY of Issuance: FY 2025
 - First Principal Payment: FY 2026
 - First Interest Payment: FY 2026

Summary of Scenarios Analyzed

A	B	C	D	E	F
Scenario:		Scenario 1		Scenario 2	
1	Debt Issued (FY Issued)				
2	Fire Station (FY25)		16,000,000		16,000,000
4	Park Project (FY28)		-		14,000,000
5	Total		16,000,000		30,000,000
6	Unassigned Fund Balance Utilized				
7	Project Costs (Radio System FY25)		5,000,000		5,000,000
8	Debt Service		550,000		550,000
9	Total		5,550,000		5,550,000
10	Key Debt Ratios	Recommended Policy Level	Worst Shown		Worst Shown
11	Projected 10-year Payout	Min 50%	65.29%		65.29%
12	Projected Debt to Assessed Value	Max 2%	0.90%		1.03%
13	Projected Debt Service vs. Expenditures	Target 20%	19.25%		23.68%
14	Debt Affordability - Cash Flow Impact		Revenue Requirement	Incremental Tax Equivalent	Revenue Requirement
15	FY 2025		-	-	-
16	FY 2026		-	1.00¢	-
17	FY 2027		-	-	-
18	FY 2028		-	-	-
19	FY 2029		-	-	-
20	FY 2030		-	-	935,125
21	FY 2031		-	-	2,545,261
22	FY 2032		534,336	-	2,443,950
23	FY 2033		1,082,928	-	2,342,928
24	FY 2034		1,016,329	-	2,241,329
25	FY 2035		950,019	-	2,140,019
26	FY 2036 - FY 2045		883,708	-	9,323,290
27	Total		\$4,467,320	1.00¢	\$21,971,902
28	Upfront Tax Equivalent Impact				
29	FY 2026		1.00¢		1.00¢
30	FY 2028 (Reval Year)		-		2.76¢
31	Total		1.00¢		3.76¢

Note: Does not include future impacts associated with the Town's operating budget.

Tax Supported Debt Policies

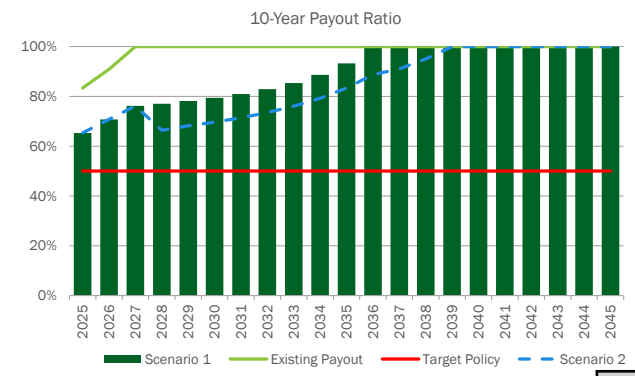
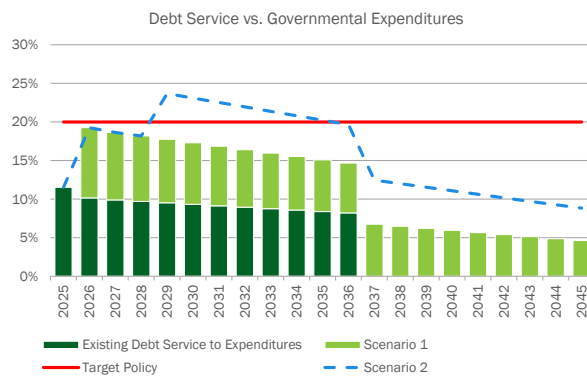
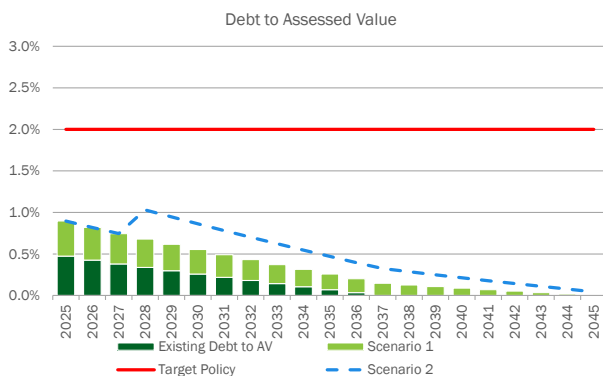
Potential Policy Considerations

General:

1. The Town will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues except where approved justification is provided.
2. The Town will take a balanced approach to capital funding utilizing debt financing, Capital Reserves and pay-as-you go funding.
3. When the Town finances capital improvements or other projects by issuing bonds or entering into capital leases, it will repay the debt within a period not to exceed the expected useful life of the project.
4. The Town will monitor existing debt obligations for potential refinancing and/or pre-payments options to reduce total interest costs when possible.
5. Target debt ratios will be calculated at least annually and included in a review of financial trends.
6. The Finance Director shall maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirements for the federal tax code.
7. The Finance Director will be responsible for continuing disclosure obligations under 15c2-12 as required under Continuing Disclosure Agreements and / or bank loan documents associated with existing debt outstanding.

Tax Supported Debt:






8. Net debt as a percentage of estimated market value of taxable property shall not exceed **[2.0%]**. Net debt is defined as any and all debt that is tax-supported.
9. The Town will strive to maintain a ratio of tax-supported debt service expenditures as a percent of total governmental fund expenditures at **[20.0% or less]**. With a minimum aggregate ten-year tax-supported principal payout ratio of **[50%]**.
10. In the event that the Town anticipates exceeding the policy requirements stated in items 8 and 9 above, Staff may request an exception from the Governing Body stating the reason and length of time.



Fire Station Capital Funding Options




Capital Funding Options

Credit Options

Credit Option	Security Overview	Considerations
 Pay-Go	N/A	<ul style="list-style-type: none"> - No Interest Cost. - Requires upfront funding of whole project. - Could be utilized in conjunction with a reimbursement resolution.
 General Obligation Bonds	Pledge of the taxing power and full faith and credit of the Issuer.	<ul style="list-style-type: none"> - Lowest Cost of Funds. - No pledge of assets required. - Failed referendum can hinder project funding. - Timing for referenda.
 Installment Financing, LOBs, COPs	Pledge of an asset and subject to annual appropriation by the Governing Body.	<ul style="list-style-type: none"> - Does not require referendum. - Collateral Requirements - Ability to utilize a master indenture.
 Revenue Bonds	Pledge of a specific enterprise revenue stream.	<ul style="list-style-type: none"> - Does not require referendum. - No collateral requirements. - Requires financial covenants.
 Special Obligation Bonds	Pledge of any available sources of revenues, to the extent the generation of the revenues does not constitute a pledge of taxing power.	<ul style="list-style-type: none"> - Does not require referendum. - Limitations on revenue sources and project eligibility.

Financing Considerations

Methods of Sale

Issuance Approach	Overview	Potential Advantages	Potential Disadvantages
Direct Bank Loan 	Direct Loan through and held by one or more Financial Institutions.	<ul style="list-style-type: none"> – Streamlined financing process. – Lower Cost of Issuance. – Flexible Prepayment Terms. – Interest Rate established at beginning of financing process. 	<ul style="list-style-type: none"> – Limitations on borrowing amount, term and structure. – Typically higher interest rates, subject to market conditions.
Public Sale 	Issuance of Securities through a Broker Dealer.	<ul style="list-style-type: none"> – Flexible terms of borrowing (amount and term). – Typically lower interest rates, subject to market conditions. 	<ul style="list-style-type: none"> – Higher cost of issuance. – Ratings generally required. – More stringent financing requirements / documentation. – Interest Rate established late in the financing process.
State / Federal Programs (e.g. USDA, SRF, WIFIA) 	Direct Loan through and held by a State or Federal Agency / Department.	<ul style="list-style-type: none"> – Potential for longer term amortization (30-40 years) and/or alternative structuring, depending upon program. – Low / subsidized interest rates may be available. – Maximum Interest rate established upon approval and can be reduced at project completion under certain programs. – Potential grant funding / principal forgiveness. 	<ul style="list-style-type: none"> – Application process with limited funds available. – Minimum eligibility qualifications may apply. – Limited structuring flexibility, depending upon program. – Detailed application requirements can result in longer process. – May require a construction loan or Interim Financing. – May Require a Debt Service Reserve Fund.

Local Government Commission Overview

North Carolina
Department of State Treasurer
Local Government Commission



Upcoming LGC Meeting Schedules	December Meeting	January Meeting*
FY 2024 Audit Due:	10/1/2024	11/5/2024
JLC Letter Due:	10/18/2024	11/22/2024
Application Due:	11/5/2024	12/3/2024
Commission Meeting	12/3/2024	1/7/2025

*LGC deadlines and meeting dates subject to confirmation once the 2025 meeting schedule is finalized.

- The Local Government Commission (“LGC”) oversees and approves debt issuance for North Carolina localities. As part of their approval process, the LGC must find that:
 - The proposed bond issue is necessary or expedient.
 - The amount proposed is adequate and not excessive for the proposed purpose of the issue.
 - The unit’s debt management procedures and policies are good, or that reasonable assurances have been given that its debt will henceforth be managed in strict compliance with the law.
 - The increase in taxes, if any, necessary to service the proposed debt will not be excessive.
 - The proposed bonds can be marketed at reasonable rates of interest.

- In order to support these findings, the LGC traditionally requires:
 - Construction bids and major permits in hand by the application deadline.
 - Conservative amortization structures – Level Principal is preferred and no longer than 20 year terms for governmental projects.
 - A demonstrated ability to repay the debt obligation.
 - The Audit for the most recently completed Fiscal Year submitted to the LGC for any debt related approvals after October.

- To assist in achieving the necessary approvals in a timely fashion, the LGC requests that:
 - A Pre-application meeting typically occurs at least 2-3 months prior to approval. This informs the LGC of the City’s desire to move forward with a Financing or Referendum and also provides the LGC with preliminary information on the project(s) being considered.
 - Responses to Financial Performance Indicators of Concern by Fiscal Management (if applicable) are received approximately 2 months prior to Requested LGC Meeting.
 - A complete application is submitted by the published deadline, typically 4 weeks prior to the Requested LGC Meeting.

Potential Financing Schedule – Key Dates

Dual Track Approach

Date	Direct Bank Loan	Public Sale
Late August	<ul style="list-style-type: none"> LGC Pre-application call Distribute Direct Bank Loan RFP 	LGC Pre-application Call
Week of September 16 th	<ul style="list-style-type: none"> Direct Bank Loan Proposals Due Develop Recommended Plan of Finance 	Develop Recommended Plan of Finance
September 23 rd	Council Meeting: Present Plan of Finance	
October 1 st	LGC Draft Audit Deadline (Dec. Meeting)	LGC Draft Audit Deadline (Dec. Meeting)
October 8 th	Council Meeting: Public Hearing and Findings Resolution	
Mid / Late Oct.	N/A	<ul style="list-style-type: none"> Draft Bond Documents developed / Distributed Credit Rating Interactions
October 31 st	LGC Audit deadline (Dec. meeting)	LGC Audit deadline (Dec. meeting)
November 4 th	Final GMP delivered to the Town	Final GMP delivered to the Town
November 5 th	LGC Application deadline (Dec. meeting)	LGC Application deadline (Dec. meeting)
November 12 th	Council Meeting: Final Resolution and Public Hearing (if not done previously)	
December 3 rd	LGC considers approval of the financing	LGC considers approval of the financing
Early December	Close on Direct Bank Loan	Bond Sale Date (Interest Rates Finalized)
Mid December	N/A	Close on Public Sale

Appendix A

Capital Funding Scenarios Detail

Scenario 1 Detail

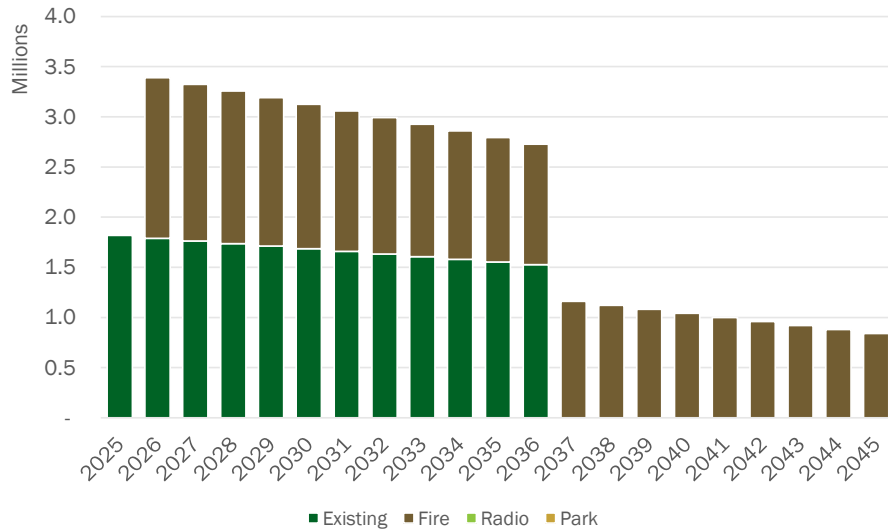
\$5 million of Unassigned General Fund Balance applied to upfront project costs for the Radio System

\$550,000 of Unassigned General Fund Balance used for debt service

Borrow for full Fire Station project cost

Existing and Proposed Debt Service

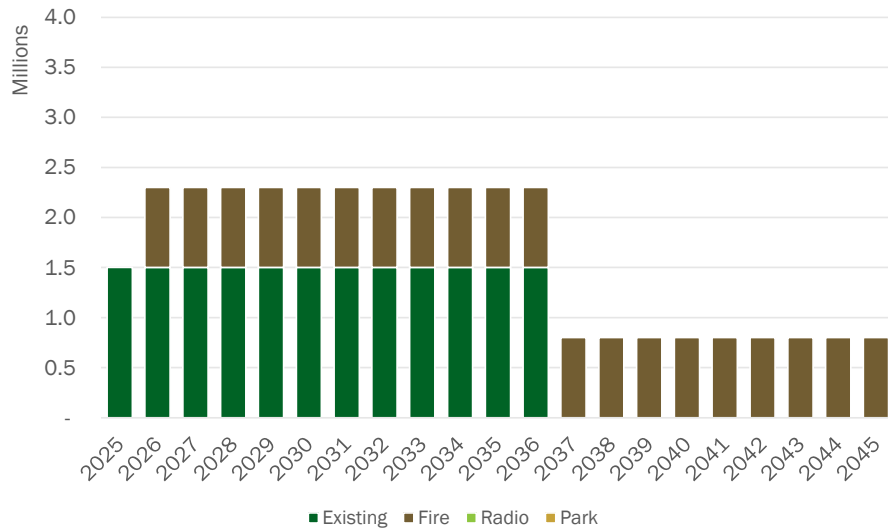
Proposed Tax Supported Debt Service



Summary

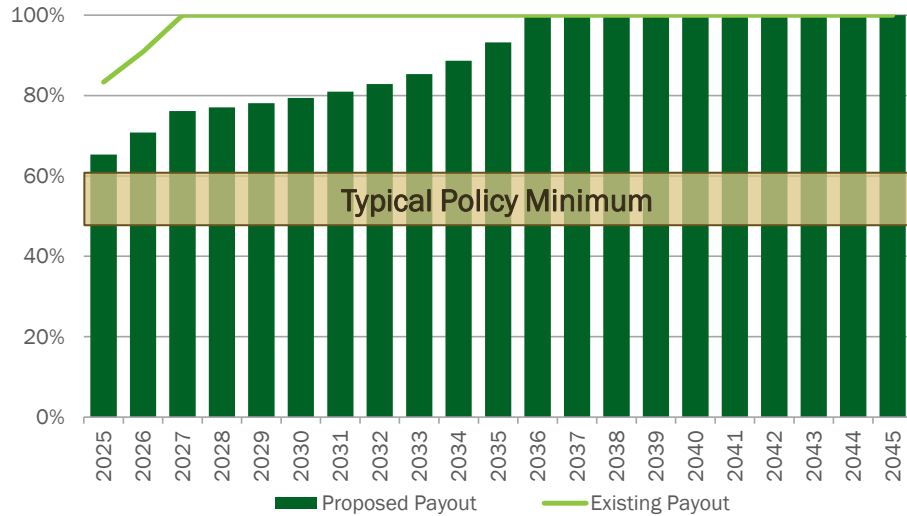
■ Financing Assumptions	See Page 19
■ Par Amount:	
— FY 2024	\$0
— FY 2025	\$16,000,000
— FY 2026	\$0
— FY 2027	\$0
— FY 2027	\$0
— Total	\$16,000,000
■ Total Debt Service:	\$24,400,000

Proposed Principal

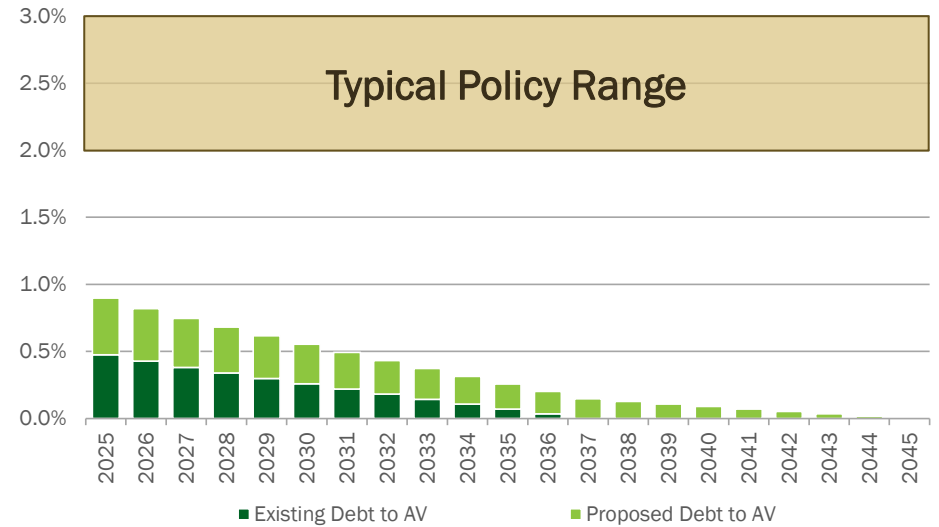


Key Debt Ratios

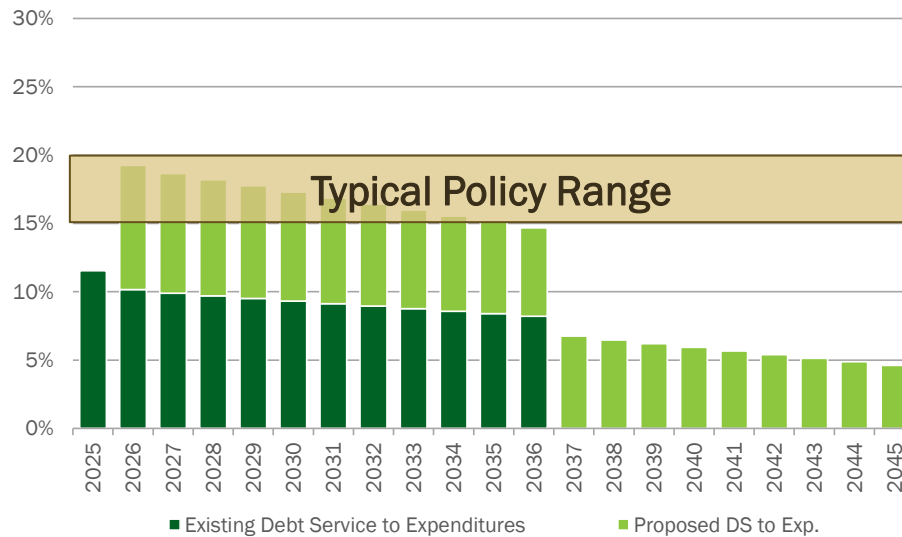
10-Year Payout



Debt to Assessed Value



Debt Service to Expenditures



Debt Affordability Analysis

Existing and Proposed Debt

Fiscal Year	Capital Funding Requirements					Revenue Available for DS							Cash Flow Surplus (Deficit)		Additional Revenues		Adj. Surplus/ (Deficit)	
	Existing Debt Service - 2021 IFA	Proposed Debt Service	Annual CIP Pay-Go Cash	Additional CIP Pay-Go Cash	Total Requirements	General Fund Budgeted Debt Service	General Fund Pay-Go Budget	1¢ Dedicated to Debt Service	Library Rent Revenue	Radio System Maintenance Savings	Other Revenues	Total Revenues Available	Annual Surplus/ (Deficit)	Capital Reserve (Unadjusted)	Equivalent Tax Impact	Equivalent Tax Impact Revenue	Adjusted Surplus/ (Deficit)	Adjusted Capital Reserve
2024													\$0				\$0	
2025	\$ 1,816,590	\$ -	\$ 1,400,000	\$ 5,000,000	\$ 8,216,590	\$ 1,170,602	\$ 1,400,000	\$ 375,398	\$ 672,000	\$ 250,000	\$ 7,250,000	\$ 11,118,000	\$2,901,410	2,901,410	1.00¢	-	\$2,901,410	2,901,410
2026	1,789,415	1,600,000	1,400,000	-	4,789,415	1,170,602	1,400,000	-	672,000	250,000	5,000,000	8,492,602	3,703,187	6,604,598	1.00¢	382,906	4,086,094	6,987,504
2027	1,763,104	1,560,000	1,400,000	-	4,723,104	1,170,602	1,400,000	-	672,000	250,000	-	3,492,602	(1,230,502)	5,374,096	1.00¢	390,564	(839,938)	6,147,566
2028	1,736,794	1,520,000	1,400,000	-	4,656,794	1,170,602	1,400,000	-	672,000	250,000	-	3,492,602	(1,164,192)	4,209,904	1.00¢	394,470	(769,722)	5,377,845
2029	1,711,060	1,480,000	1,400,000	-	4,591,060	1,170,602	1,400,000	-	672,000	250,000	-	3,492,602	(1,098,458)	3,111,446	1.00¢	398,415	(700,043)	4,677,802
2030	1,684,173	1,440,000	1,400,000	-	4,524,173	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(1,281,571)	1,829,875	1.00¢	402,399	(879,172)	3,798,630
2031	1,657,863	1,400,000	1,400,000	-	4,457,863	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(1,215,261)	614,614	1.00¢	406,423	(808,838)	2,989,792
2032	1,631,552	1,360,000	1,400,000	-	4,391,552	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(1,148,950)	(534,336)	1.00¢	410,487	(738,463)	2,251,329
2033	1,605,530	1,320,000	1,400,000	-	4,325,530	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(1,082,928)	(1,617,264)	1.00¢	414,592	(668,336)	1,582,993
2034	1,578,931	1,280,000	1,400,000	-	4,258,931	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(1,016,329)	(2,633,593)	1.00¢	418,738	(597,591)	985,402
2035	1,552,621	1,240,000	1,400,000	-	4,192,621	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(950,019)	(3,583,612)	1.00¢	422,925	(527,093)	458,309
2036	1,526,310	1,200,000	1,400,000	-	4,126,310	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(883,708)	(4,467,320)	1.00¢	427,155	(456,554)	1,755
2037	-	1,160,000	1,400,000	-	2,560,000	1,170,602	1,400,000	-	-	-	-	2,570,602	10,602	(4,456,718)	1.00¢	431,426	442,028	443,783
2038	-	1,120,000	1,400,000	-	2,520,000	1,170,602	1,400,000	-	-	-	-	2,570,602	50,602	(4,406,116)	1.00¢	435,740	486,342	930,125
2039	-	1,080,000	1,400,000	-	2,480,000	1,170,602	1,400,000	-	-	-	-	2,570,602	90,602	(4,315,514)	1.00¢	440,098	530,700	1,460,825
2040	-	1,040,000	1,400,000	-	2,440,000	1,170,602	1,400,000	-	-	-	-	2,570,602	130,602	(4,184,912)	1.00¢	444,499	575,101	2,035,926
2041	-	1,000,000	1,400,000	-	2,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	170,602	(4,014,310)	1.00¢	448,944	619,546	2,655,472
2042	-	960,000	1,400,000	-	2,360,000	1,170,602	1,400,000	-	-	-	-	2,570,602	210,602	(3,803,708)	1.00¢	453,433	664,035	3,319,507
2043	-	920,000	1,400,000	-	2,320,000	1,170,602	1,400,000	-	-	-	-	2,570,602	250,602	(3,553,106)	1.00¢	457,968	708,570	4,028,077
2044	-	880,000	1,400,000	-	2,280,000	1,170,602	1,400,000	-	-	-	-	2,570,602	290,602	(3,262,504)	1.00¢	462,547	753,149	4,781,226
2045	-	840,000	1,400,000	-	2,240,000	1,170,602	1,400,000	-	-	-	-	2,570,602	330,602	(2,931,902)	1.00¢	467,173	797,775	5,579,001
2046	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	(1,761,300)	1.00¢	471,844	1,642,446	7,221,447
2047	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	(590,698)	1.00¢	476,563	1,647,165	8,868,612
2048	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	579,904	1.00¢	481,329	1,651,931	10,520,543
2049	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	1,750,506	1.00¢	486,142	1,656,744	12,177,266
Totals	\$ 20,053,943	\$ 24,400,000		\$ 5,000,000														

- Note 1: Based upon discussions with Town Staff, a minimum annual pay-go allowance of \$1.4 million is incorporated into the general fund budget for ongoing capital maintenance and equipment expenditures. Additional funding may be available through prior year excess. The Town's goal is to increase to \$2 million of annual CIP Pay-Go cash over time, as needed.
- Note 2: Reflects General Fund Debt Service budget appropriation. of \$2,318,000 less the additional FY 2025 funds available equal to 1¢ (\$375,398), Library Rent Revenue (\$672,000), and \$100,000 Budget Contingency (is not assumed to be available for debt service).
- Note 3: Per Town Staff, the Town identified \$375,398 (the equivalent of 1¢) of additional funding available for debt service/capital in the FY 2025 budget. This additional funding is not anticipated to be available on a recurring basis for future years.
- Note 4: Per Town Staff, the Town receives \$56,000 per month in rent from the library that is utilized to cover a portion of the debt service cost on the 2021 IFA.
- Note 5: The Town currently budgets \$250,000 for an annual radio system maintenance contract. If a new system is purchased, a 5-year maintenance contract will be included and the current budget can be utilized to offset the cost of the new system/supplement debt service.
- Note 6: It is assumed that the Town will receive land sale proceeds of \$1.7 million in FY 2025 and \$5 million in FY 2026 which will be available for upfront project costs and/or debt service payments.
- Note 7: The FY 2025 value of a Penny is \$375,398. Assumed to grow 2% in FY 2026 & 2027 and 1% annually thereafter.

■ Note: Does not include future impacts associated with the Town's operating budget.

Scenario 2 Detail

Borrow for \$14 million Park Project in FY 2028.

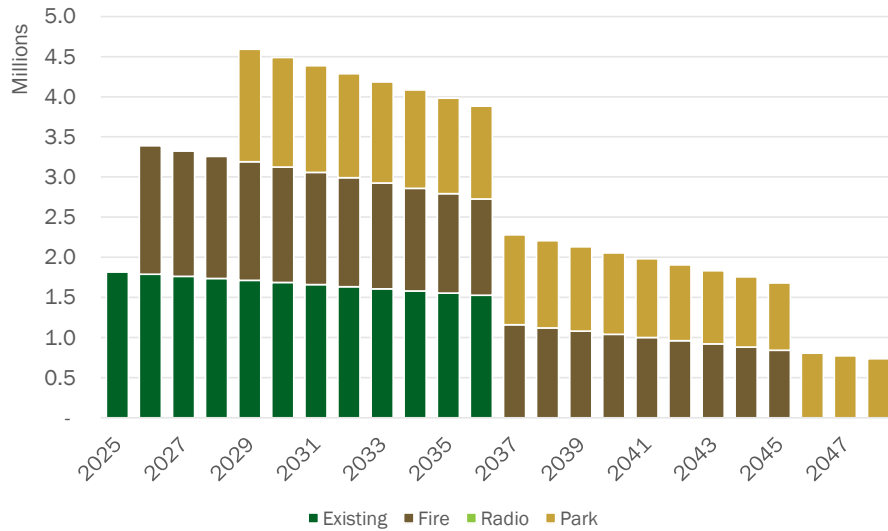
\$5 million of Unassigned General Fund Balance applied to upfront project costs for the Radio System

\$550,000 of Unassigned General Fund Balance used for debt service

Borrow for full Fire Station project cost

Existing and Proposed Debt Service

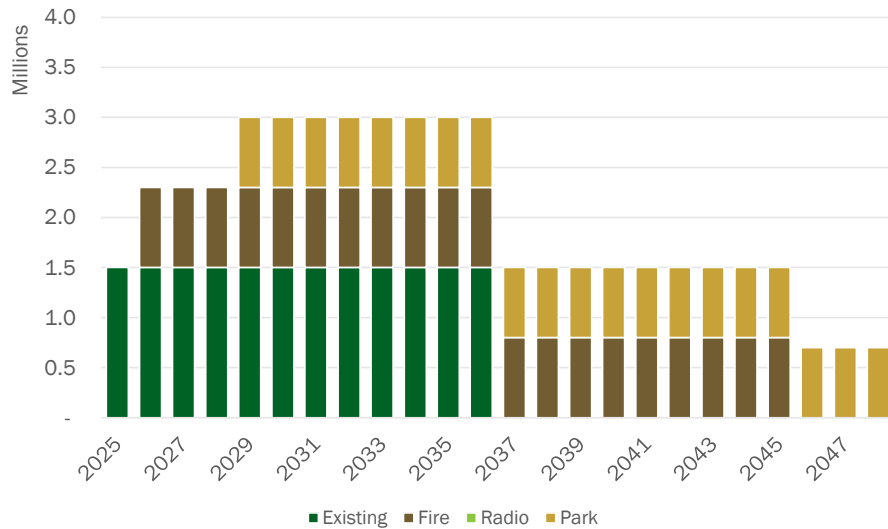
Proposed Tax Supported Debt Service



Summary

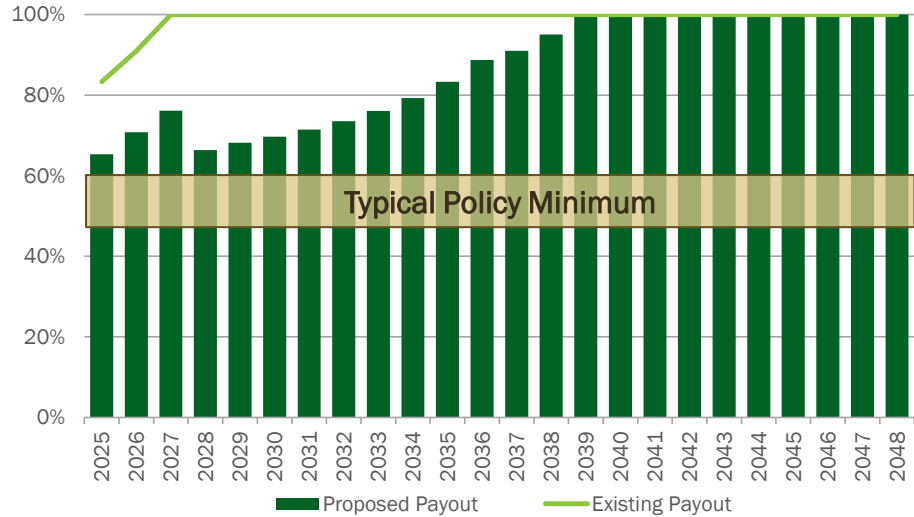
■ Financing Assumptions	See Page 19
■ Par Amount:	
— FY 2024	\$0
— FY 2025	\$16,000,000
— FY 2026	\$0
— FY 2027	\$0
— FY 2028	\$14,000,000
— Total	\$30,000,000
■ Total Debt Service:	\$45,750,000

Proposed Principal

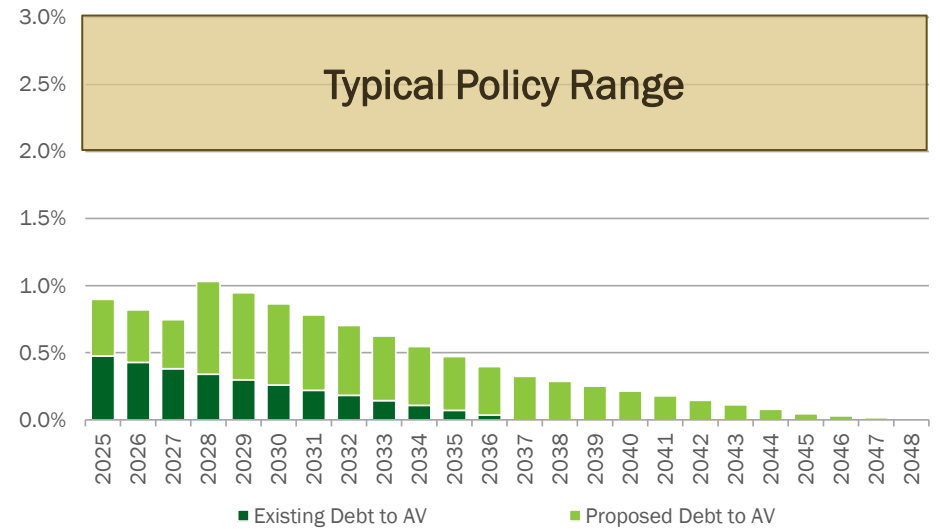


Key Debt Ratios

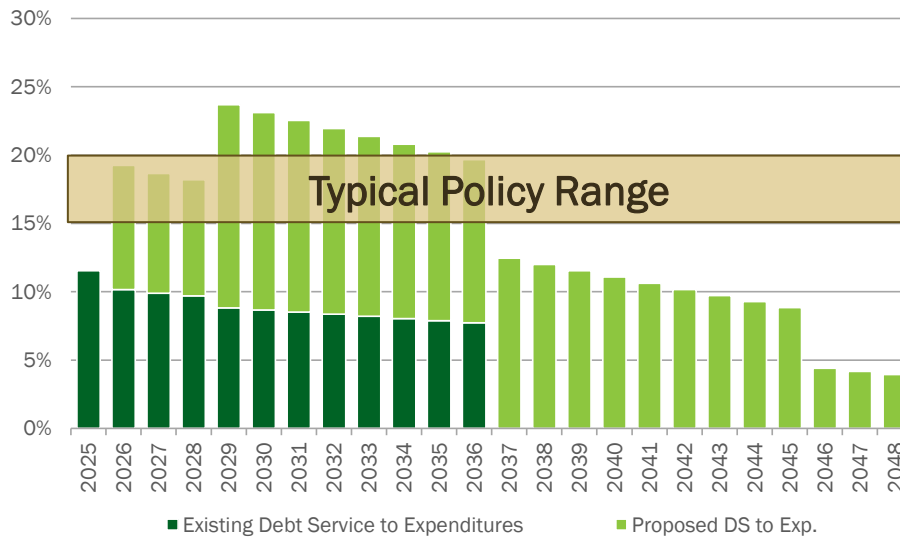
10-Year Payout



Debt to Assessed Value



Debt Service to Expenditures



Debt Affordability Analysis

Existing and Proposed Debt

Scenario 2

Equivalent Natural Tax Impact

A Fiscal Year	B, C, D, E, F Capital Funding Requirements					G, H, I, J, K, L, M Revenue Available for DS								N, O Cash Flow Surplus (Deficit) (M - F)		P, Q Additional Revenue		R, S Adj. Surplus/ (Deficit) (N + Q)	
	Existing Debt Service - 2021 IFA	Proposed Debt Service	Annual CIP Pay-Go Cash	Additional CIP Pay-Go Cash	Total Requirements	General Fund Budgeted Debt Service	General Fund Pay-Go Budget	1¢ Dedicated to Debt Service	Library Rent Revenue	Radio System Maintenance Savings	Other Revenues	Total Revenues Available	Annual Surplus/ (Deficit)	Capital Reserve (Unadjusted)	Equivalent Incremental Tax Impact	Equivalent Tax Impact Revenue	Adjusted Surplus/ (Deficit)	Adjusted Capital Reserve	
2024													\$0	\$0			\$0	\$0	
2025	\$ 1,816,590	\$ -	\$ 1,400,000	\$ 5,000,000	\$ 8,216,590	\$ 1,170,602	\$ 1,400,000	\$ 375,398	\$ 672,000	\$ 250,000	\$ 7,250,000	\$ 11,118,000	\$2,901,410	2,901,410	-	-	\$2,901,410	2,901,410	
2026	1,789,415	1,600,000	1,400,000	-	4,789,415	1,170,602	1,400,000	-	672,000	250,000	5,000,000	8,492,602	3,703,187	6,604,598	1.00¢	382,906	4,086,094	6,987,504	
2027	1,763,104	1,560,000	1,400,000	-	4,723,104	1,170,602	1,400,000	-	672,000	250,000	-	3,492,602	(1,230,502)	5,374,096	-	390,564	(839,938)	6,147,566	
2028	1,736,794	1,520,000	1,400,000	-	4,656,794	1,170,602	1,400,000	-	672,000	250,000	-	3,492,602	(1,164,192)	4,209,904	-	394,470	(769,722)	5,377,845	
2029	1,711,060	2,880,000	1,400,000	-	5,991,060	1,170,602	1,400,000	-	672,000	250,000	-	3,492,602	(2,498,458)	1,711,446	-	398,415	(2,100,043)	3,277,802	
2030	1,684,173	2,805,000	1,400,000	-	5,889,173	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,646,571)	(935,125)	-	402,399	(2,244,172)	1,033,630	
2031	1,657,863	2,730,000	1,400,000	-	5,787,863	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,545,261)	(3,480,386)	2.72¢	1,511,631	(1,033,630)	0	
2032	1,631,552	2,655,000	1,400,000	-	5,686,552	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,443,950)	(5,924,336)	2.23¢	2,443,950	0	0	
2033	1,605,530	2,580,000	1,400,000	-	5,585,530	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,342,928)	(8,267,264)	-	2,468,390	125,462	125,462	
2034	1,578,931	2,505,000	1,400,000	-	5,483,931	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,241,329)	(10,508,593)	-	2,493,073	251,744	377,206	
2035	1,552,621	2,430,000	1,400,000	-	5,382,621	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,140,019)	(12,648,612)	-	2,518,004	377,985	755,191	
2036	1,526,310	2,355,000	1,400,000	-	5,281,310	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,038,708)	(14,687,320)	-	2,543,184	504,476	1,259,667	
2037	-	2,280,000	1,400,000	-	3,680,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(1,109,398)	(15,796,718)	-	2,568,616	1,459,218	2,718,885	
2038	-	2,205,000	1,400,000	-	3,605,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(1,034,398)	(16,831,116)	-	2,594,302	1,559,904	4,278,789	
2039	-	2,130,000	1,400,000	-	3,530,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(959,398)	(17,790,514)	-	2,620,245	1,660,847	5,939,637	
2040	-	2,055,000	1,400,000	-	3,455,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(884,398)	(18,674,912)	-	2,646,448	1,762,050	7,701,686	
2041	-	1,980,000	1,400,000	-	3,380,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(809,398)	(19,484,310)	-	2,672,912	1,863,514	9,565,201	
2042	-	1,905,000	1,400,000	-	3,305,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(734,398)	(20,218,708)	-	2,699,641	1,965,243	11,530,444	
2043	-	1,830,000	1,400,000	-	3,230,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(659,398)	(20,878,106)	-	2,726,638	2,067,240	13,597,684	
2044	-	1,755,000	1,400,000	-	3,155,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(584,398)	(21,462,504)	-	2,753,904	2,169,506	15,767,190	
2045	-	1,680,000	1,400,000	-	3,080,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(509,398)	(21,971,902)	-	2,781,443	2,272,045	18,039,235	
2046	-	805,000	1,400,000	-	2,205,000	1,170,602	1,400,000	-	-	-	-	2,570,602	365,602	(21,606,300)	-	2,809,258	3,174,860	21,214,095	
2047	-	770,000	1,400,000	-	2,170,000	1,170,602	1,400,000	-	-	-	-	2,570,602	400,602	(21,205,698)	-	2,837,350	3,237,952	24,452,047	
2048	-	735,000	1,400,000	-	2,135,000	1,170,602	1,400,000	-	-	-	-	2,570,602	435,602	(20,770,096)	-	2,865,724	3,301,326	27,753,373	
2049	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	(19,599,494)	-	2,894,381	4,064,983	31,818,355	
Totals	\$ 20,053,943	\$ 45,750,000		\$ 5,000,000											5.95¢				

(Note 1)

(Note 2)

(Note 2 & 3)

(Note 2 & 4)

(Note 5)

(Note 6)

(Note 7)

Note 1: Based upon discussions with Town Staff, a minimum annual pay-go allowance of \$1.4 million is incorporated into the general fund budget for ongoing capital maintenance and equipment expenditures. Additional funding may be available through prior year excess. The Town's goal is to increase to \$2 million of annual CIP Pay-Go cash over time, as needed.

Note 2: Reflects General Fund Debt Service budget appropriation. of \$2,318,000 less the additional FY 2025 funds available equal to 1¢ (\$375,398), Library Rent Revenue (\$672,000), and \$100,000 Budget Contingency (is not assumed to be available for debt service).

Note 3: Per Town Staff, the Town identified \$375,398 (the equivalent of 1¢) of additional funding available for debt service/capital in the FY 2025 budget. This additional funding is not anticipated to be available on a recurring basis for future years.

Note 4: Per Town Staff, the Town receives \$56,000 per month in rent from the library that is utilized to cover a portion of the debt service cost on the 2021 IFA.

Note 5: The Town currently budgets \$250,000 for an annual radio system maintenance contract. If a new system is purchased, a 5-year maintenance contract will be included and the current budget can be utilized to offset the cost of the new system/supplement debt service.

Note 6: It is assumed that the Town will receive land sale proceeds of \$1.7 million in FY 2025 and \$5 million in FY 2026 which will be available for upfront project costs and/or debt service payments.

Note 7: The FY 2025 value of a Penny is \$375,398. Assumed to grow 2% in FY 2026 & 2027 and 1% annually thereafter.

- Note: Does not include future impacts associated with the Town's operating budget.

Debt Affordability Analysis

Existing and Proposed Debt

Scenario 2

FY 2028 Upfront Tax Impact

A Fiscal Year	B Capital Funding Requirements					G Revenue Available for DS								N Cash Flow Surplus (Deficit)		P Additional Revenues		R Adj. Surplus/ (Deficit)	
	C Existing Debt Service - 2021 IFA	D Proposed Debt Service	E Annual CIP Pay-Go Cash	F Additional CIP Pay-Go Cash	F Total Requirements	G General Fund Budgeted Debt Service	H General Fund Pay-Go Budget	I 1¢ Dedicated to Debt Service	J Library Rent Revenue	K Radio System Maintenance Savings	L Other Revenues	M Total Revenues Available	N Annual Surplus/ (Deficit)	O Capital Reserve (Unadjusted)	P Equivalent Tax Impact	Q Equivalent Tax Impact Revenue	R Adjusted Surplus/ (Deficit)	S Adjusted Capital Reserve	
2024													\$0	\$0				\$0	
2025	\$ 1,816,590	\$ -	\$ 1,400,000	\$ 5,000,000	\$ 8,216,590	\$ 1,170,602	\$ 1,400,000	\$ 375,398	\$ 672,000	\$ 250,000	\$ 7,250,000	\$ 11,118,000	\$2,901,410	2,901,410		-	\$2,901,410	2,901,410	
2026	1,789,415	1,600,000	1,400,000	-	4,789,415	1,170,602	1,400,000	-	672,000	250,000	5,000,000	8,492,602	3,703,187	6,604,598	1.00¢	382,906	4,086,094	6,987,504	
2027	1,763,104	1,560,000	1,400,000	-	4,723,104	1,170,602	1,400,000	-	672,000	250,000	-	3,492,602	(1,230,502)	5,374,096	2.76¢	390,564	(839,938)	6,147,566	
2028	1,736,794	1,520,000	1,400,000	-	4,656,794	1,170,602	1,400,000	-	672,000	250,000	-	3,492,602	(1,164,192)	4,209,904		1,485,176	320,984	6,468,551	
2029	1,711,060	2,880,000	1,400,000	-	5,991,060	1,170,602	1,400,000	-	672,000	250,000	-	3,492,602	(2,498,458)	1,711,446		1,500,028	(998,430)	5,470,121	
2030	1,684,173	2,805,000	1,400,000	-	5,889,173	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,646,571)	(935,125)		1,515,028	(1,131,543)	4,338,578	
2031	1,657,863	2,730,000	1,400,000	-	5,787,863	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,545,261)	(3,480,386)		1,530,178	(1,015,082)	3,323,496	
2032	1,631,552	2,655,000	1,400,000	-	5,686,552	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,443,950)	(5,924,336)		1,545,480	(898,470)	2,425,026	
2033	1,605,530	2,580,000	1,400,000	-	5,585,530	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,342,928)	(8,267,264)		1,560,935	(781,993)	1,643,033	
2034	1,578,931	2,505,000	1,400,000	-	5,483,931	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,241,329)	(10,508,593)		1,576,544	(664,785)	978,248	
2035	1,552,621	2,430,000	1,400,000	-	5,382,621	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,140,019)	(12,648,612)		1,592,310	(547,709)	430,539	
2036	1,526,310	2,355,000	1,400,000	-	5,281,310	1,170,602	1,400,000	-	672,000	-	-	3,242,602	(2,038,708)	(14,687,320)		1,608,233	(430,476)	63	
2037	-	2,280,000	1,400,000	-	3,680,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(1,109,398)	(15,796,718)		1,624,315	514,917	514,981	
2038	-	2,205,000	1,400,000	-	3,605,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(1,034,398)	(16,831,116)		1,640,558	606,160	1,121,141	
2039	-	2,130,000	1,400,000	-	3,530,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(959,398)	(17,790,514)		1,656,964	697,566	1,818,707	
2040	-	2,055,000	1,400,000	-	3,455,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(884,398)	(18,674,912)		1,673,534	789,136	2,607,842	
2041	-	1,980,000	1,400,000	-	3,380,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(809,398)	(19,484,310)		1,690,269	880,871	3,488,713	
2042	-	1,905,000	1,400,000	-	3,305,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(734,398)	(20,218,708)		1,707,172	972,774	4,461,487	
2043	-	1,830,000	1,400,000	-	3,230,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(659,398)	(20,878,106)		1,724,243	1,064,845	5,526,332	
2044	-	1,755,000	1,400,000	-	3,155,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(584,398)	(21,462,504)		1,741,486	1,157,088	6,683,420	
2045	-	1,680,000	1,400,000	-	3,080,000	1,170,602	1,400,000	-	-	-	-	2,570,602	(509,398)	(21,971,902)		1,758,901	1,249,503	7,932,923	
2046	-	805,000	1,400,000	-	2,205,000	1,170,602	1,400,000	-	-	-	-	2,570,602	365,602	(21,606,300)		1,776,490	2,142,092	10,075,014	
2047	-	770,000	1,400,000	-	2,170,000	1,170,602	1,400,000	-	-	-	-	2,570,602	400,602	(21,205,698)		1,794,255	2,194,857	12,269,871	
2048	-	735,000	1,400,000	-	2,135,000	1,170,602	1,400,000	-	-	-	-	2,570,602	435,602	(20,770,096)		1,812,197	2,247,799	14,517,670	
2049	-	-	1,400,000	-	1,400,000	1,170,602	1,400,000	-	-	-	-	2,570,602	1,170,602	(19,599,494)		1,830,319	3,000,921	17,518,591	
Totals	\$ 20,053,943	\$ 45,750,000		\$ 5,000,000											3.76¢				

- Note 1: Based upon discussions with Town Staff, a minimum annual pay-go allowance of \$1.4 million is incorporated into the general fund budget for ongoing capital maintenance and equipment expenditures. Additional funding may be available through prior year excess. The Town's goal is to increase to \$2 million of annual CIP Pay-Go cash over time, as needed.
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- Note 7: The FY 2025 value of a Penny is \$375,398. Assumed to grow 2% in FY 2026 & 2027 and 1% annually thereafter.

■ Note: Does not include future impacts associated with the Town's operating budget.

Appendix B

Existing Tax Supported Debt

Existing Tax-Supported Debt

\$ 21,000,000

2021 Installment Financing Contract (STI Institutional & Government)

Year (6/30)	Coupon	Principal	Interest	Total
2024	1.730%	\$ 1,500,000	\$ 342,035	\$ 1,842,035
2025	1.730%	1,500,000	316,590	1,816,590
2026	1.730%	1,500,000	289,415	1,789,415
2027	1.730%	1,500,000	263,104	1,763,104
2028	1.730%	1,500,000	236,794	1,736,794
2029	1.730%	1,500,000	211,060	1,711,060
2030	1.730%	1,500,000	184,173	1,684,173
2031	1.730%	1,500,000	157,863	1,657,863
2032	1.730%	1,500,000	131,552	1,631,552
2033	1.730%	1,500,000	105,530	1,605,530
2034	1.730%	1,500,000	78,931	1,578,931
2035	1.730%	1,500,000	52,621	1,552,621
2036	1.730%	1,500,000	26,310	1,526,310
Total		\$ 19,500,000	\$ 2,395,978	\$ 21,895,978

Series Detail

Original Issue Amount	\$ 21,000,000
Detailed Series Name	2021 Installment Financing Contract
Underwriter/Bank	STI Institutional & Government
Dated Date	February 1, 2021
Principal Payment Date	January 1st
Interest Payment Date(s)	January 1st and July 1st
Call Date	Unknown
Call Price	Unknown
Tax Status	Tax-Exempt
Purpose	Town Hall / Library Facility
Collateral Package	Deed of Trust

Appendix C

Peer Policies

Peer Financial Policy Summary

Select NC Cities and Towns

A	B	C	D	E	F
Peer City/Town	General Fund ("GF") Balance Policy Amount	10-Year Payout	Debt to Assessed Value	Debt Service to Expenditures	Source
1 Cornelius	At least 40% of [Unassigned] GF Balance as a % of GF Budget	n/a	n/a	n/a	FY 2023 Audit
2 Davidson	At least 25% Unassigned GF balance as a % of GF Budget.	n/a	<4.00%	n/a	FY 2024 Budget
3 Gastonia	Target: 25% Unassigned GF Balance as a % of GF Budget.	n/a	n/a	n/a	FY 2023 Budget
4 Indian Trail	At least 30% Unassigned GF balance as a % of GF Budget.	> 50%	< 2.00%	n/a	Adopted Fiscal Policies as of 9/13/2011
5 Kannapolis	Target: 25%-33% [Unassigned] GF balance as a % of the GF Budget.	> 60%	< 2.00%	< 15%	Adopted Fiscal Policies as of 6/25/2012
6 Matthews	Target: At least 34% Unassigned GF Balance as a % of GF Budget.	n/a	n/a	n/a	Town Website; Finance Department
7 Monroe	At least 25% Unassigned GF balance as a % of GF Budget.	n/a	n/a	n/a	FY 2022 Audit
8 Clayton	At least 30% Unassigned GF balance as a % of GF Budget.	> 55%	< 2.50%	< 15%	Adopted/Amended Fiscal Policies as of 11/4/2013
9 Fuquay-Varina	At least 25% [Unassigned] GF balance as a % of GF Budget.	> 55%	< 2.50%	< 15%	Adopted Fiscal Policies as of 5/3/2010
10 Garner	Target: 30% [Unassigned] GF balance as a % of the GF Budget. Minimum: 25% [Unassigned] GF balance as a % of the GF Budget.	> 50%	< 2.00%	< 15%	Adopted Fiscal Policies as of 5/6/2010
11 Goldsboro	Target: 15% [Unassigned] GF balance as a % of the GF Budget. Minimum: 10% [Unassigned] GF balance as a % of the GF Budget.	> 55%	< 2.50%	< 15%	Adopted Fiscal Policies as of 4/19/2010
12 Hickory	Target: 25% Unassigned GF Balance as a % of GF Budget.	> 50%	< 2.00%	< 15%	Adopted Fiscal Policies as of 6/12/2018
13 Holly Springs	Target: 20%-25% [Unassigned] GF balance as a % of the GF Budget. Minimum: 20% [Unassigned] GF balance as a % of the GF Budget.	> 55%	< 2.50%	< 15%	Adopted Fiscal Policies as of 7/1/2019
14 Lexington	At least 30% Unassigned GF balance as a % of GF Budget. (informal)	n/a	n/a	n/a	5/24/16 Moody's Credit Opinion
15 Sanford	At least 30% Unassigned GF balance as a % of GF Budget.	n/a	n/a	n/a	FY 2023 Budget
16 Thomasville	At least 24% Unassigned GF balance as a % of GF Budget.	n/a	n/a	n/a	Adopted/Amended Fiscal Policies as of 2/21/22
17 Wilson	At least 25% Unassigned GF balance as a % of GF Budget.	n/a	< 2.50%	< 15%	Adopted Fiscal Policies as of 4/21/22

Centrolina
COG
Examples

Other NC
City /
Town
Examples

Appendix D

Draft Financial Policies

Financial Policy Guidelines



For:

Pineville, North Carolina

Proposed on _____

Adopted on _____

Table of Contents

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Objectives	3
Capital Improvement Budget Policies	4
Debt Policies	5
Reserve Policies	6
Budget Development Policies	7
Cash Management	8-9

Financial Policy Guidelines

Town of Pineville, North Carolina

Financial Policy Guidelines – Adopted _____



Item 1.

FINANCIAL POLICY GUIDELINES - OBJECTIVES

This financial policy is a statement of the guidelines and goals that will influence and guide the financial management practice of the Town of Pineville, North Carolina (the “Town” or “Pineville”). A financial policy that is adopted, adhered to, and regularly reviewed is recognized as the cornerstone of sound financial management. Effective financial policy:

- Contributes significantly to the Unit’s ability to insulate itself from fiscal crisis,
- Enhances short term and long-term financial credit ability by helping to achieve the highest credit and bond ratings possible,
- Promotes long-term financial stability by establishing clear and consistent guidelines,
- Directs attention to the total financial picture of the Unit rather than single issue areas,
- Promotes the view of linking long-run financial planning with day-to-day operations, and
- Provides the Staff, the Town Council and citizens a framework for measuring the fiscal impact of government services against established fiscal parameters and guidelines.
- To these ends, the following financial policy statements are presented.

To these ends, the following financial policy statements are presented.

CAPITAL IMPROVEMENT BUDGET POLICIES

1. The Town will consider all capital improvements in accordance with an adopted capital improvement program.
2. The Town, will develop a five-year Capital Improvement Program and review and update the plan annually.
3. The Town will enact an annual capital budget based on the five-year capital improvement plan. Future capital expenditures necessitated by changes in population, changes in real estate development, or changes in economic base will be calculated and included in capital budget projections.
4. The Town, will coordinate development of the capital improvement budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.
5. The Town will use intergovernmental assistance to finance only those capital improvements that are consistent with the capital improvement plan and Town priorities, and whose operating and maintenance costs have been included in operating budget forecasts.
6. The Capital Improvement Program will include the estimated costs for the Town to maintain all assets at a level adequate to protect the Town's capital investment and to minimize future maintenance and replacement costs.
7. The Capital Improvement Program will include a projection of the Town's equipment replacement and maintenance needs for the next several years and will update this projection each year. From this projection a maintenance and replacement schedule will be developed and followed.
8. The Town, will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted for approval.
9. The Town will attempt to determine the least costly and most flexible financing method for all new projects.

DEBT POLICIES

General

1. The Town will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues except where approved justification is provided.
2. The Town will take a balanced approach to capital funding utilizing debt financing, Capital Reserves and pay-as-you go funding.
3. When the Town finances capital improvements or other projects by issuing bonds or entering into capital leases, it will repay the debt within a period not to exceed the expected useful life of the project.
4. The Town will monitor existing debt obligations for potential refinancing and/or pre-payments options to reduce total interest costs when possible.
5. Target debt ratios will be calculated at least annually and included in a review of financial trends.
6. The Finance Director shall maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirements for the federal tax code.
7. The Finance Director will be responsible for continuing disclosure obligations under 15c2-12 as required under Continuing Disclosure Agreements and / or bank loan documents associated with existing debt outstanding.

Tax Supported Debt

8. Net debt as a percentage of estimated market value of taxable property shall not exceed **[2.0%]**. Net debt is defined as any and all debt that is tax-supported.
9. The Town will strive to maintain a ratio of tax-supported debt service expenditures as a percent of total governmental fund expenditures of **[20.0% or less]** with a minimum aggregate ten-year tax-supported principal payout ratio of **[50%]**.
10. In the event that the Town anticipates exceeding the policy requirements stated in items 8 and 9 above, Staff may request an exception from the Town Council stating the reason and length of time.

Financial Policy Guidelines

Town of Pineville, North Carolina

Financial Policy Guidelines – Adopted _____



Item 1.

GENERAL FUND RESERVE POLICIES

1. The Town will target Unassigned Fund Balance, as defined by the Governmental Accounting Standards Board, equal to [32% (4 months)] of the General Fund Budget and maintain a minimum Unassigned Fund Balance at the close of each fiscal year equal to [24% (3 months)] of the General Fund Budget.
2. In the event that funds are available over and beyond the targeted amount, those funds may be appropriated for one-time expenditures (such as capital) or transferred to capital reserve funds or capital projects funds at the Town Council's discretion.
3. The Town Council may, from time-to-time, utilize fund balances that will reduce Unassigned Fund Balance below the [24%] minimum for the purposes of a declared fiscal emergency or other such purpose as to protect or enhance the long-term fiscal security of the Town. In such circumstances, the Town Council will adopt a plan to restore the Unassigned Fund Balance to the minimum policy level within [a reasonable period of time].

Financial Policy Guidelines

Town of Pineville, North Carolina

Financial Policy Guidelines – Adopted _____



Item 1.

BUDGET DEVELOPMENT POLICIES

1. The Budget Process will be compliant with the North Carolina Local Government Budget and Fiscal Control Act.
2. One-time or other special revenues will not be used to finance continuing Town operations but instead will be used for funding special projects.
3. The Town will pursue an aggressive policy seeking the collection of current and delinquent property taxes, utility, license, permit and other fees due to the Town.
4. Budget amendments will be brought to the Town Council for consideration as needed.
5. The Town Council will receive a financial report at least [quarterly] showing year-to-date revenues and expenditures and comparing each amount to the budget as amended.

CASH MANAGEMENT/INVESTMENT POLICIES

1. It is the intent of the Town that public funds shall be invested to the extent possible to reduce the need for property tax revenues. Funds shall be invested with the emphasis on safety and liquidity. Yield shall be a secondary consideration. All deposits and investments of Town funds shall be in accordance with NCGS 159.
2. The Finance Director will establish a Cash Management Program that maximizes the amount of cash available for investment.
3. The Town will use a Central Depository to maximize the availability and mobility of cash for all funds that can be legally and practically combined.
4. Liquidity: No less than [20%] of funds available for investment will be maintained in liquid investments at any point in time.
5. Maturity: All investments will mature in no more than [sixty (60)] months from their purchase date.
6. Custody: All investments will be purchased “payment-verses-delivery” and if certificated will be held by the Finance Officer in the name of the Town. All non-certificated investment will be held in book-entry form in the name of the Town with the Town’s third party Custodian (Safekeeping Agent).
7. Authorized Investments: The Town may deposit Town Funds into: Any Town Council approved Official Depository, if such funds are secured in accordance with NCGS-159 (31). The Town may invest Town Funds in: the North Carolina Capital Management Trust, US Treasury Securities, US Agency Securities specifically authorized in GS-159 and rated no lower than “AAA”, and Commercial Paper meeting the requirements of NCGS-159 plus having a national bond rating.
8. Diversification: No more than [5%] of the Town’s investment funds may be invested in a specific company’s commercial paper and no more than [20%] of the Town’s investment funds may be invested in commercial paper. No more than [25%] of the Town’s investments may be invested in any one US Agency’s Securities.
9. Allocation: Investment income will be allocated to each participating fund or account based on a fair and equitable formula determined by the Finance Director.
10. Reporting: Not less than [twice per year] the Finance Director will provide an investment report to the Manager and Town Council including the interest earned in the past six months and on the current investment portfolio including: type of investment, purchase date, price, par amount, maturity date, coupon rate, and any special features.

Municipal Advisor Disclosure

The enclosed information relates to an existing or potential municipal advisor engagement.

The U.S. Securities and Exchange Commission (the “SEC”) has clarified that a broker, dealer or municipal securities dealer engaging in municipal advisory activities outside the scope of underwriting a particular issuance of municipal securities should be subject to municipal advisor registration. Davenport & Company LLC (“Davenport”) has registered as a municipal advisor with the SEC. As a registered municipal advisor Davenport may provide advice to a municipal entity or obligated person. An obligated person is an entity other than a municipal entity, such as a not for profit corporation, that has commenced an application or negotiation with an entity to issue municipal securities on its behalf and for which it will provide support. If and when an issuer engages Davenport to provide financial advisory or consultant services with respect to the issuance of municipal securities, Davenport is obligated to evidence such a financial advisory relationship with a written agreement.

When acting as a registered municipal advisor Davenport is a fiduciary required by federal law to act in the best interest of a municipal entity without regard to its own financial or other interests. Davenport is not a fiduciary when it acts as a registered investment advisor, when advising an obligated person, or when acting as an underwriter, though it is required to deal fairly with such persons.

This material was prepared by public finance, or other non-research personnel of Davenport. This material was not produced by a research analyst, although it may refer to a Davenport research analyst or research report. Unless otherwise indicated, these views (if any) are the author’s and may differ from those of the Davenport fixed income or research department or others in the firm. Davenport may perform or seek to perform financial advisory services for the issuers of the securities and instruments mentioned herein.

This material has been prepared for information purposes only and is not a solicitation of any offer to buy or sell any security/instrument or to participate in any trading strategy. Any such offer would be made only after a prospective participant had completed its own independent investigation of the securities, instruments or transactions and received all information it required to make its own investment decision, including, where applicable, a review of any offering circular or memorandum describing such security or instrument. That information would contain material information not contained herein and to which prospective participants are referred. This material is based on public information as of the specified date, and may be stale thereafter. We have no obligation to tell you when information herein may change. We make no representation or warranty with respect to the completeness of this material. Davenport has no obligation to continue to publish information on the securities/instruments mentioned herein. Recipients are required to comply with any legal or contractual restrictions on their purchase, holding, sale, exercise of rights or performance of obligations under any securities/instruments transaction.

The securities/instruments discussed in this material may not be suitable for all investors or issuers. Recipients should seek independent financial advice prior to making any investment decision based on this material. This material does not provide individually tailored investment advice or offer tax, regulatory, accounting or legal advice. Prior to entering into any proposed transaction, recipients should determine, in consultation with their own investment, legal, tax, regulatory and accounting advisors, the economic risks and merits, as well as the legal, tax, regulatory and accounting characteristics and consequences, of the transaction. You should consider this material as only a single factor in making an investment decision.

The value of and income from investments and the cost of borrowing may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities/instruments prices, market indexes, operational or financial conditions or companies or other factors. There may be time limitations on the exercise of options or other rights in securities/instruments transactions. Past performance is not necessarily a guide to future performance and estimates of future performance are based on assumptions that may not be realized. Actual events may differ from those assumed and changes to any assumptions may have a material impact on any projections or estimates. Other events not taken into account may occur and may significantly affect the projections or estimates. Certain assumptions may have been made for modeling purposes or to simplify the presentation and/or calculation of any projections or estimates, and Davenport does not represent that any such assumptions will reflect actual future events. Accordingly, there can be no assurance that estimated returns or projections will be realized or that actual returns or performance results will not materially differ from those estimated herein. This material may not be sold or redistributed without the prior written consent of Davenport.



TOWN COUNCIL AGENDA ITEM

MEETING DATE:

Agenda Title/Category:	Downtown Development Summary Letter for College St and Church St			
Staff Contact/Presenter:	Ryan Spitzer			
Meets Strategic Initiative or Approved Plan:	Yes	No	If yes, list:	Comprehensive Plan
	x			
Background:	A new company is looking at developing the mixed-use development on College and Church Streets. The developer wanted a letter from the Town stating what the scope of the project is and what is allowed. A letter has been prepared for Council's review.			
Discussion:	Town Council needs to review the letter and discuss if what the letter states is what their intention was for the development. The developer is questioning the 1200 sq ft in building 2.			
Fiscal impact:				
Attachments:	<ol style="list-style-type: none"> 1. Memo 2. Development Letter to Highline 			
Recommended Motion to be made by Council:				

Memorandum



To: Mayor and Town Council

From: Ryan Spitzer

Date: 8/23/2024

Re: Development Summary Letter for College and Church St.

Overview:

Highline is looking to take over the development of the mixed-use buildings on College and Church St. They wanted a letter from the town on what has been approved on this site. Prior to sending the letter to Highline, Town Council wanted a chance to discuss the contents of the letter.

(Date)

VIA EMAIL

Highline Partners

Attn: Mark Miller, Jr.

markmiller@highline-nc.com

Re: Summary of Development Approvals for Economic Development Project located on approximately 6 acres in the Town of Pineville, NC and more particularly described as Mecklenburg County Tax Parcels: 20501311, 20501203, 20501204, 20501205, 20501417, 20501202, 20501215, 20501206, and 20501207.

Dear Mr. Miller

Pursuant to North Carolina Gen. Stat. §158-7.1, on February 9, 2021, the Town of Pineville as Seller (“Town”), entered into a Purchase and Sale Agreement (as amended, the “PSA”) with US Developments, LLC as Buyer (which PSA was assigned to Downtown Pineville Properties, LLC) for the purchase and sale of approximately 6 acres of property more particularly described as Mecklenburg County Tax Parcels: 20501311, 20501203, 20501204, 20501205, 20501417, 20501202, 20501215, 20501206, and 20501207 (collectively, the “Property”) for development as a mixed-use, economic development project (the “Project”).

The Property is zoned Downtown Core- Conditional (“DC(CD)”) and has been approved for development of maximum 240 multi-family residential units, minimum 5,000sf and maximum of 20,000sf commercial space, and 6,200sf of mixed use space. Parking lot use is allowed in both DC and B3 zoning districts.

The Project is described on that concept plan dated January 20, 2022, prepared by LandDesign, and approved as Exhibit H to the PSA (the “Concept Plan”), and on that site plan dated August 4, 2022, prepared by McAdams entitled “*Overall Site Plan- Alternate*” that shows 237 Multifamily Residential Units and 496 parking spaces, and related architectural renderings approved by Town Council. A copy of the Concept Plan is attached hereto as **Exhibit A** incorporated herein by reference; a copy of the site plan is attached hereto as **Exhibit B** and incorporated herein by reference, and the architectural renderings for Buildings 1, 2, 3 and 5 as identified on the Concept Plan are attached hereto as **Exhibit C1-C3** and are incorporated herein by reference (collectively, the “Approved Concept Plans”).

Parcel 20501311 (the “Original Property”) is approved for a 5 story (stepped back) mixed use building with a maximum of 75 multi-family units and minimum of 5,000sf of commercial space on the ground floor.

Parcel 20501417 (the “Fire Station Property”) is approved for a two story, 6,200sf mixed use building, proposed for office/food and beverage uses, subject to Town Council approval of building elevations.

Parcels 20501203, 20501204, 20501205, 20501202, 20501215, 20501206, and 20501207 (collectively, the “Additional Property”) are approved for the balance of the multi-family residential units and commercial space; provided, however, Building 2 as shown on the Approved Concept Plans shall have 1,200sf of ground floor commercial use. Approval is conditioned on (a) purchase by developer of the property identified as Parcel #4 on **Exhibit D** hereto for the provision of parking; (b). requirement that parking spaces shall be standard size (i.e. not compact parking spaces) and must adhere to the Town ordinances and codes; and (c) requirement that developer develop Town owned Tax Parcels 20501415 and 20501414 for public parking and no overnight parking; all conditions more fully set out in the motion approved by Town Council on July 11, 2023 and as set forth in that September 5, 2023 Verification letter attached hereto as **Exhibit E** and incorporated herein by reference.

Parking for the Project shall be provided within the Property, and on Mecklenburg County Tax Parcels 20501317 and 20501316, as generally shown on **Exhibit B**, and on a +/- .50 acre portion of Tax Parcel 20501212 shown on **Exhibit D**, attached hereto and incorporated herein by reference, pursuant to the terms, conditions, obligations and restrictions approved by Town Council and/or as set forth in the various documents associated with this Project, including but not limited to the PSA, the Parking Easement Agreement, Town Council Minutes, Resolutions and any applicable deeds. Development of the Property and related improvements (including, but not limited to, parking for the Project) is subject to standard administrative review and approval of civil/construction drawings for zoning and land development compliance; including, but not limited to, adherence to the Downtown Overlay District Guidelines, accommodations for parking, streetscape, road access, dedication of right of way, water and sewer, storm water, etc. and the issuance of associated permits as necessary for development of the Project.

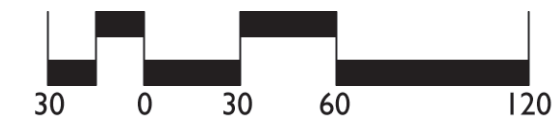
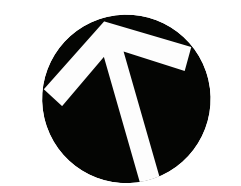
Development of the Project is subject to terms, conditions, obligations and restrictions as set forth in the PSA, Parking Easement Agreement, Town Council approvals, property deed requirements and restrictions, Approved Concept Plans, elevations and architectural renderings and other applicable documents related to this Project, including previously Town issued Zoning Verification letters previously issued by the Town. This letter does not modify, alter, amend, or waver any of the Parties rights and obligations under the PSA.

Development of the Property is subject to the Town’s rights to repurchase as set forth in the Property deeds, per PSA and as otherwise allowed by law.

Please let me know if you have any questions.

Sincerely,

DEVELOPMENT SUMMARY	
BUILDING 1 - MIXED USE	
MULTI-FAMILY (15 UNITS/ 5 FL)	± 74 UNITS
COMMERCIAL SPACE (GROUND FLOOR GF)	± 5000 SF
TOTAL PARKING PROVIDED FOR BUILDING 1 (INCLUDING ON STREET)	± 166 SPACES
BUILDING 2	
MULTI-FAMILY (14 UNITS/ 6 FL)	± 70 UNITS
BUILDING 3	
MULTI-FAMILY (12 UNITS/ 4 FL)	± 48 UNITS
BUILDING 4	
MULTI-FAMILY (12 UNITS/ 4 FL)	± 48 UNITS
TOTAL MULTI-FAMILY UNITS FOR BUILDINGS 2-4	± 240 UNITS
TOTAL PARKING PROVIDED FOR BUILDINGS 2-4 (1.6 PER UNIT, INCLUDING ON STREET)	± 274 SPACES
BUILDING 5 - MIXED USE	
(2 STORY) (OFFICE / FOOD AND BEVERAGE)	± 6190 SF
TOTAL PARKING PROVIDED FOR BUILDING 5 (4.2 PER 1000SF INCLUDING ON STREET)	± 26 SPACES



McADAMS

The John R. McAdams Company, Inc.
3430 Toringdon Way
Suite 110
Charlotte, NC 28277
phone 704. 527. 0800
fax 919. 361. 2269
license number: C-0293, C-187

CLIENT

MR. ROBERT ADAMS
LIV DEVELOPMENT
2204 LAKESHORE DRIVE, SUITE 250
BIRMINGHAM, ALABAMA 35209

**MAIN & COLLEGE STREET
CONSTRUCTION DRAWINGS**
PINEVILLE, NORTH CAROLINA



REVISIONS

NO. DATE

PLAN INFORMATION

PROJECT NO. SPEC22587
FILENAME SPEC22587-OAS1
CHECKED BY JBW
DRAWN BY SRM
SCALE 1"=50'
DATE 08.04.2022

SHEET

**OVERALL SITE PLAN
-ALTERNATE**

C2.00 56

Approved July 11, 2023

SITE DATA

DEVELOPER/APPLICANT: LIV DEVELOPMENT
PREPARED BY: MCADAMS COMPANY (JONATHAN WOODARD)
3430 Toringdon Way, Suite 110
Charlotte, NC 28277
704-527-0800
JWOODARD@MCADAMSCO.COM

TAX ID NUMBERS: 20501317, 20501316, 20501315, 20501311, 20501202, 20501417, 20501203, 20501215, 20501204, 20501205, 20501206, 20501207

TOTAL SITE ACREAGE:	27.6 AC
ZONING:	DOWNTOWN CORE (DC) DISTRICT
CURRENT USE:	OTHER MUNICIPAL
PROPOSED USE:	MULTI-FAMILY RESIDENTIAL

SETBACKS:

MINIMUM REQUIRED FRONT YARD:	14' FROM BOC
MINIMUM REQUIRED SIDE YARD:	NONE (BUFFER REQUIREMENTS STILL APPLY)
MINIMUM REQUIRED REAR YARD:	NONE (BUFFER REQUIREMENTS STILL APPLY)

RESIDENTIAL UNITS PROPOSED

1 BEDROOM UNITS	125 UNITS
2 BEDROOM UNITS	84 UNITS
3 BEDROOM UNITS	28 UNITS

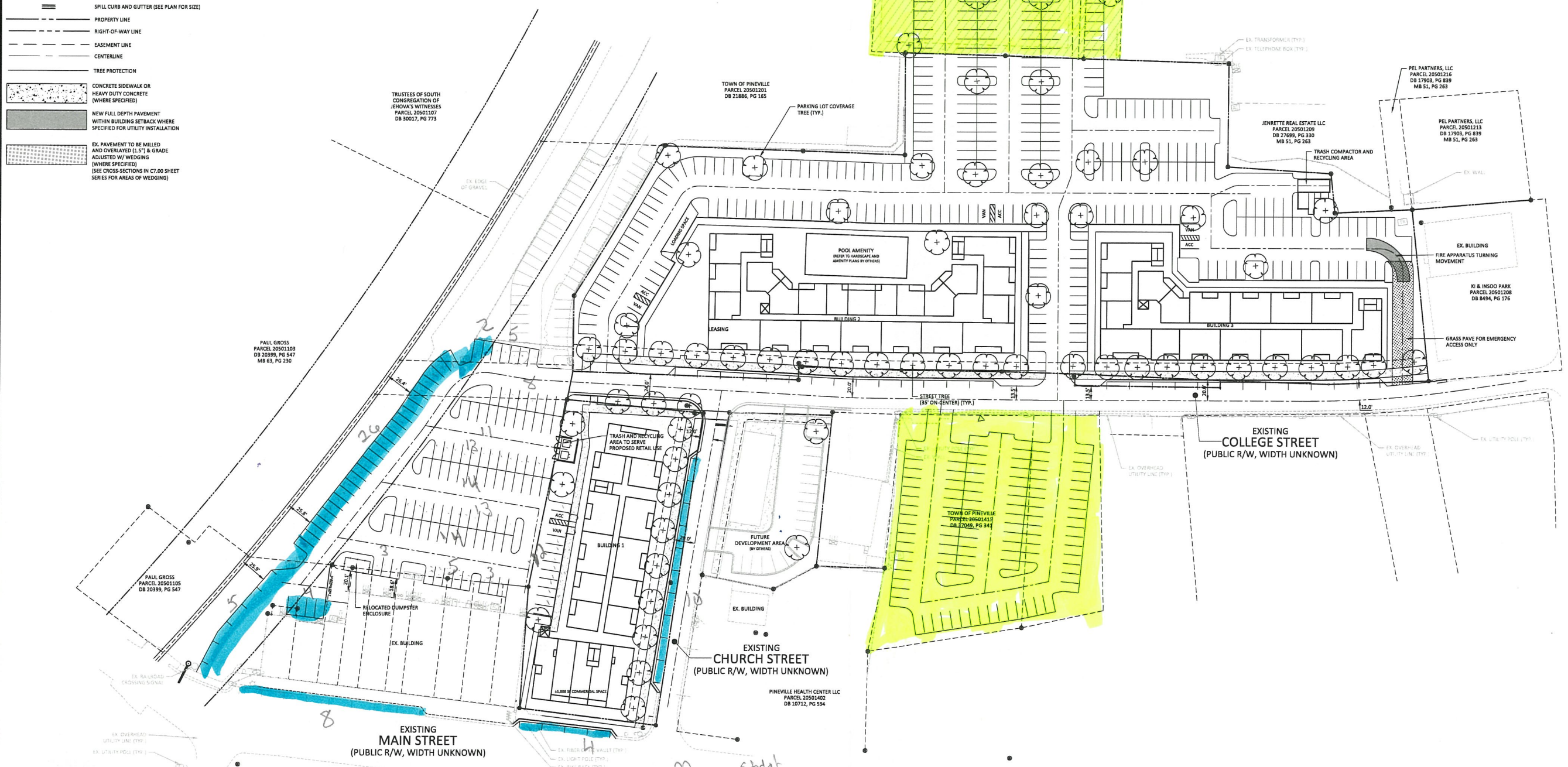
PROPOSED TOTAL PARKING SPACES: 496 SPACES*
*INCLUDES 95 SPACES FOR EXISTING RETAIL ALONG MAIN STREET

SITE LEGEND

—	SIGNAGE
ACC	ACCESSIBLE PARKING STALL
○	PARKING SPACE COUNT
—	STANDARD CURB AND GUTTER (SEE PLAN FOR SIZE)
—	SPILL CURB AND GUTTER (SEE PLAN FOR SIZE)
—	PROPERTY LINE
—	RIGHT-OF-WAY LINE
—	EASEMENT LINE
—	CENTERLINE
—	TREE PROTECTION
—	CONCRETE SIDEWALK OR HEAVY DUTY CONCRETE (WHERE SPECIFIED)
—	NEW FULL DEPTH PAVEMENT WITHIN BUILDING SETBACK WHERE SPECIFIED FOR UTILITY INSTALLATION
—	EX. PAVEMENT TO BE MILLED AND OVERLAYED (1.5") & GRADE ADJUSTED W/ WEDGING (WHERE SPECIFIED) (SEE CROSS-SECTIONS IN C7.00 SHEET SERIES FOR AREAS OF WEDGING)

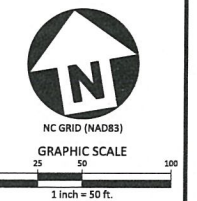
EXISTING LEGEND

○	EXISTING IRON PIPE/REBAR	⊠	TRANSFORMER	—	RAILROAD TRACKS
○	IRON PIPE SET	⊠	LIGHT POLE	—	GUARD RAIL
■	EXISTING CONCRETE MONUMENT	⊠	POWER POLE WITH GUY ANCHOR	—	STORM DRAIN
□	CONCRETE MONUMENT SET	⊠	CATCH BASIN	—	OVERHEAD UTILITY LINE
▲	CALCULATED POINT	⊠	STORM DRAINAGE MANHOLE	—	UNDERGROUND ELECTRIC
○	SANITARY SEWER MANHOLE	⊠	DROP INLET	—	UNDERGROUND COMMUNICATIONS LINE
○	SANITARY SEWER CLEANOUT	⊠	FLARED END SECTION	—	WATER LINE
○	BOLLARD	⊠	SIGN	—	SANITARY SEWER LINE
○	MAILBOX	⊠	RAILROAD TRACKS	—	GAS LINE
○	WATER VALVE	⊠	PROPERTY LINE NOT SURVEYED	—	PROPERTY LINE NOT SURVEYED



CONTRACTOR SHALL NOTIFY "811" (811) OR (1-800-632-4949) AT LEAST 3 FULL BUSINESS DAYS PRIOR TO BEGINNING CONSTRUCTION OR EXCAVATION TO HAVE EXISTING UTILITIES LOCATED. CONTRACTOR SHALL CONTACT ANY LOCAL UTILITIES THAT PROVIDE THEIR OWN LOCATOR SERVICES INDEPENDENT OF "811". REPORT ANY DISCREPANCIES TO THE ENGINEER IMMEDIATELY.

SEE SHEET C0.00 FOR ALL PROJECT, SITE, DEMOLITION, GRADING, STORM DRAINAGE, UTILITY, AND EROSION CONTROL NOTES. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE CURRENT CITY OF CHARLOTTE LAND DEVELOPMENT STANDARDS MANUAL.





02 MAIN STREET



01 CHURCH STREET





02 BLDG 3 COLLEGE STREET

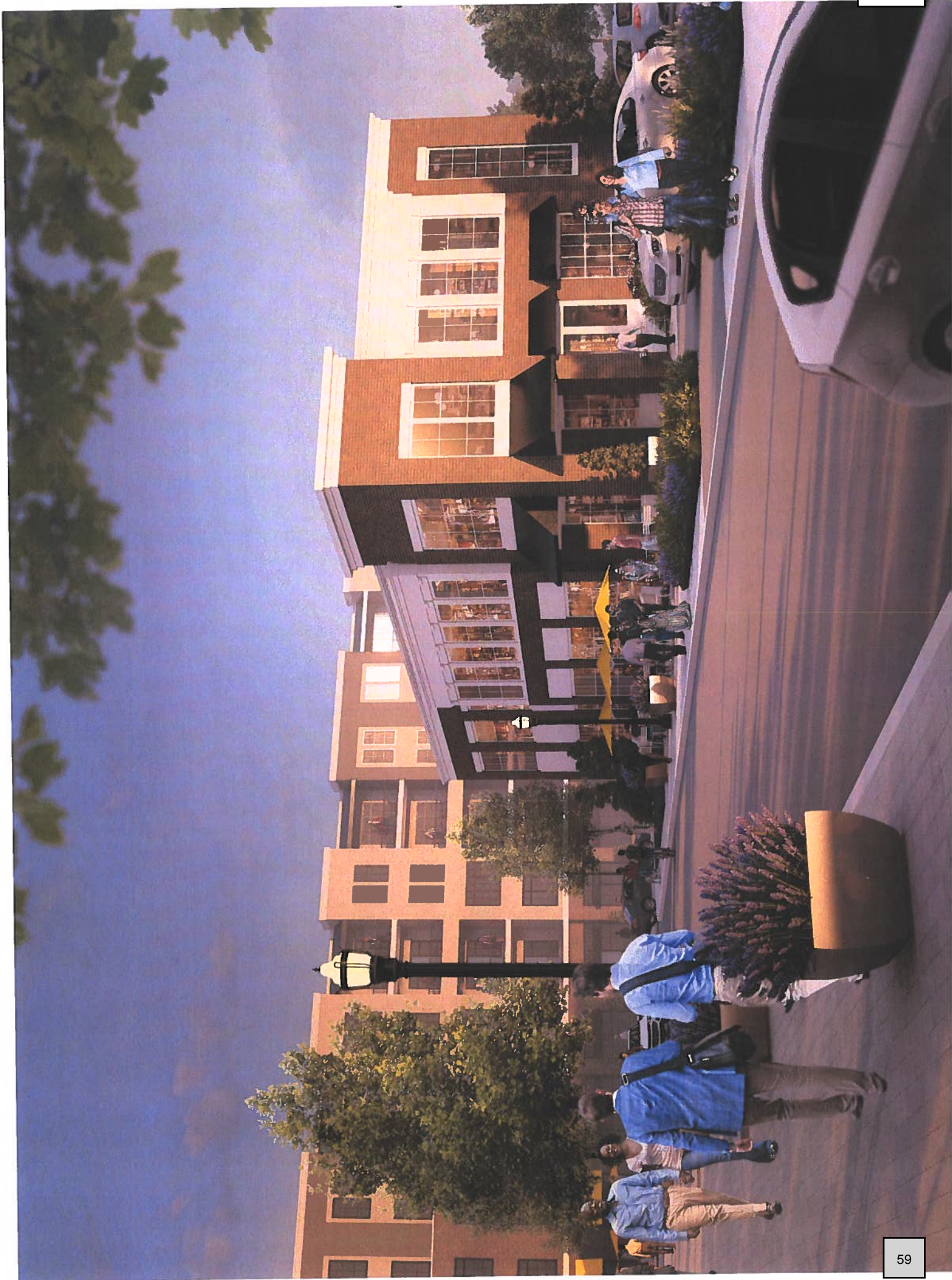


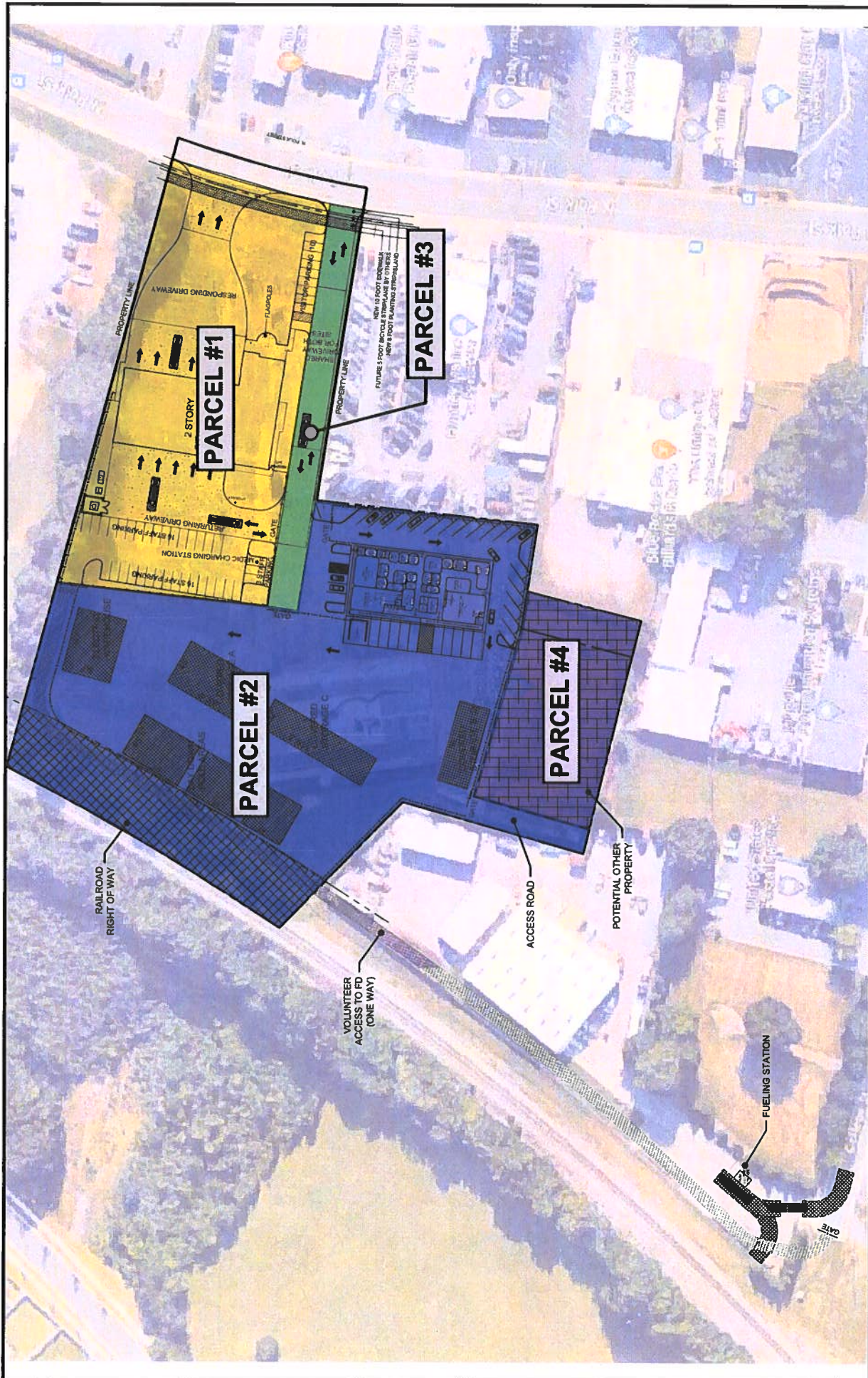
01 BLDG 2 COLLEGE STREET



Item 2.

LIVANO PINEVILLE
Main & Church, Pineville, NC
4/4/2023 | 1/8" = 1'-0"





PINEVILLE ELECTRIC & COMMUNICATION SITE PLAN
 PINEVILLE, NC

PRELIMINARY SITE PLAN LAYOUT - FOR REFERENCE
 SCALE: 1/8" = 1'-0"

STEWART COOPER NEWELL
 ARCHITECTS



September 5, 2023

Robert Adams
LIV Development
2204 Lakeshore Drive Suite 450
Birmingham, AL 35209

RE: Verification For Tax Parcel Numbers 20501202, 20501203, 20501215, 20501204, 20501205, 20501206, 20501207

As of the date of this letter:

This is to confirm that above referenced tax parcels also identified as 210, 206, 118, and 108 College Street Pineville, NC 28134 gained site-specific zoning approval from the Town of Pineville at the July 11, 2023 Pineville Town Council meeting. This approval is vested for a period of two years from the date of this approval. The proposal was approved A) as proposed, B) In accordance with Pineville Zoning unless otherwise specified and discussed, and C) with the below additional requirements:

The proposed site plan and architectural renderings for the development by LIV/US Developments subject to compliance with the following conditions, which conditions are revised from the previous motion made at the May 9, 2023, Town Council meeting:

1. The parking ratio for Buildings 2 and 3 must be revised to provide for a minimum of 2.0 parking spaces per unit to be located within both (i) the parcels on which the buildings will be constructed, and (ii) an approximate 0.6 acre portion (to be surveyed and further identified) of the adjacent parcels located at 313 North Polk Street, and identified by Parcel #20501212 and Parcel #20501217, which portion will be sold from the Town to LIV/US Developments for a purchase price of \$500,000 (subject to compliance with all applicable laws and ordinances). In the event the Town is unable to identify and sell LIV/US Developments any or all of the 0.6 acre portion of the adjacent parcels, then in lieu of having a minimum of 2.0 parking spaces per unit, LIV/US Developments must provide as many parking spaces as possible that can be located (using sound design and engineering principles) within both (iii) the parcels on which the buildings will be constructed, and (iv) within the portion of the adjacent parcel(s) sold to LIV/US Developments (if any), with a minimum ratio of 1.65 parking spaces per unit (but also achieving as close to a 2.0 parking space per unit ratio as possible taking into consideration the actual acreage within the adjacent parcel purchased, if any, without being required to decrease the currently contemplated footprint of buildings 2 and 3), and

pay to the Town a total of \$500,000 to be allocated first towards the purchase price of the adjacent parcel (if any portion is sold to LIV/US Developments) and the remaining amount being deemed sufficient to compensate the Town for non-compliance with the Town's regular parking-ratio ordinances. The approved parking ratio can be accomplished by reducing the number of units in the buildings, or increasing the number of parking spaces within the parcels on which Building 2 and 3 are located, or on the portion of land sold to LIV/US Developments, if any, or a combination of the above,

2. Parking spaces shall not be compact parking spaces and must adhere to the Town's ordinances and codes.
3. The developer will pave, stripe for as many spaces as possible or as close to 117 parking spaces given final engineering documentation to maximize parking and install curb and gutter on Parcels 20501415 and 20501414, for use as public parking. These parcels will remain owed by, and in control of the Town of Pineville, and not used for overnight parking.

If you have any questions, please feel free to call me at (704) 889-2202.

Sincerely,

Travis Morgan
Planning Director
Town of Pineville
PO Box 249
Pineville, NC 28134



MCADAMS
 The Robert McAdams Company, Inc.
 3430 South 11th Way
 Charlotte, NC 28217
 Phone: 704.537.0800
 Fax: 704.537.0801
 License Number: C-0293, C-187
 www.mcadams.com

CLIENT
 MR. ROBERT ADAMS
 IN DEVELOPMENT
 1000 UNIVERSITY BLVD, SUITE 210
 BIRMINGHAM, ALABAMA 35202

**MAIN & COLLEGE STREET
 CONSTRUCTION DRAWINGS**
 PINEVILLE, NORTH CAROLINA



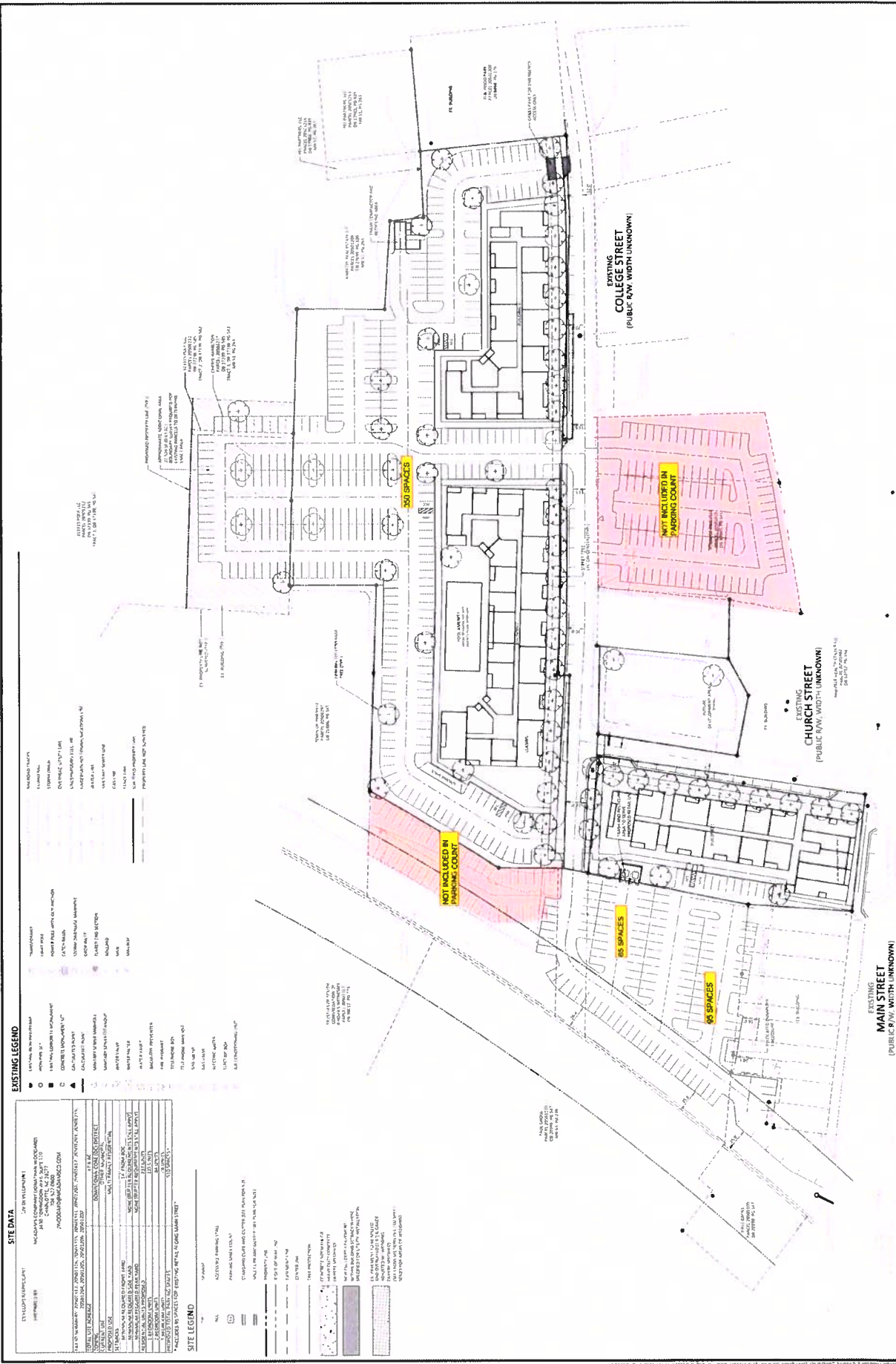
REVISIONS
 NO. DATE

PLAN INFORMATION
 PROJECT NO: SPEC12561
 FILENAME: SPEC12561-0451.dwg
 CHECKED BY: JHM
 DRAWN BY: JHM
 SCALE: 1"=50'
 DATE: 08.19.2021
SHEET

**OVERALL SITE PLAN
 -ALTERNATE
 C2-**
 Item 2.



PRELIMINARY DRAWING - NOT RELEASED FOR CONSTRUCTION



EXISTING LEGEND

- 1.0 EXISTING BUILDING FOOTPRINT
- 2.0 EXISTING PARKING SPACES
- 3.0 EXISTING DRIVEWAYS
- 4.0 EXISTING SIDEWALKS
- 5.0 EXISTING CURBS
- 6.0 EXISTING STREETS
- 7.0 EXISTING UTILITIES
- 8.0 EXISTING TREES
- 9.0 EXISTING LANDSCAPE
- 10.0 EXISTING FENCES
- 11.0 EXISTING SIGNAGE
- 12.0 EXISTING LIGHTING
- 13.0 EXISTING EROSION CONTROL
- 14.0 EXISTING DRAINAGE
- 15.0 EXISTING UTILITIES
- 16.0 EXISTING TREES
- 17.0 EXISTING LANDSCAPE
- 18.0 EXISTING FENCES
- 19.0 EXISTING SIGNAGE
- 20.0 EXISTING LIGHTING
- 21.0 EXISTING EROSION CONTROL
- 22.0 EXISTING DRAINAGE

SITE LEGEND

- 1.0 PROPOSED BUILDING FOOTPRINT
- 2.0 PROPOSED PARKING SPACES
- 3.0 PROPOSED DRIVEWAYS
- 4.0 PROPOSED SIDEWALKS
- 5.0 PROPOSED CURBS
- 6.0 PROPOSED STREETS
- 7.0 PROPOSED UTILITIES
- 8.0 PROPOSED TREES
- 9.0 PROPOSED LANDSCAPE
- 10.0 PROPOSED FENCES
- 11.0 PROPOSED SIGNAGE
- 12.0 PROPOSED LIGHTING
- 13.0 PROPOSED EROSION CONTROL
- 14.0 PROPOSED DRAINAGE
- 15.0 PROPOSED UTILITIES
- 16.0 PROPOSED TREES
- 17.0 PROPOSED LANDSCAPE
- 18.0 PROPOSED FENCES
- 19.0 PROPOSED SIGNAGE
- 20.0 PROPOSED LIGHTING
- 21.0 PROPOSED EROSION CONTROL
- 22.0 PROPOSED DRAINAGE

SEE SHEET C2.00 FOR ALL PROJECT SITE DETAILS ON GRADING, STORM DRAINAGE, UTILITY, AND EROSION CONTROL NOTES. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LOCAL ORDINANCES AND DEVELOPMENT STANDARDS MANUAL.

CONTRACTOR SHALL NOTIFY NC811 (811 OR 1-800-453-4869) AT LEAST 3 FULL BUSINESS DAYS PRIOR TO BEGINNING CONSTRUCTION OR EXCAVATION TO HAVE EXISTING UTILITIES LOCATED. CONTRACTOR SHALL CONTACT LOCAL PUBLIC UTILITIES PROVIDE FOR ANY DISCREPANCIES TO THE ENGINEER IMMEDIATELY. REPORT ANY DISCREPANCIES TO THE ENGINEER IMMEDIATELY.





02 MAIN STREET



01 CHURCH STREET

LIVANO PINEVILLE

Man & Church, Pineville, NC
3/15/2023 | 1/8" = 1'-0"



02 MAXXVILLE



01 CANTON STIBEL

LIVANO PINEVILLE

Main & Church, Pineville, NC
3/15/2023 | 1/8" = 1'-0"



TOWN COUNCIL AGENDA ITEM

MEETING DATE:

Agenda Title/Category:	Penny Sales Tax Legislation			
Staff Contact/Presenter:	Ryan Spitzer			
Meets Strategic Initiative or Approved Plan:	Yes	No	If yes, list:	Council Strategic Pillar – Blue Line Extension
	x			
Background:	Charlotte, Mecklenburg, and 5 of the 6 towns have come to an agreement on the legislation that will be presented to the General Assembly to allow for a referendum for voters to decide if they would like an additional penny added to the sales tax for transportation (roads, rail, bus).			
Discussion:	Town Council needs to decide if they are comfortable with the proposed Resolution and Legislation. A vote needs to be taken at the September Town Council Meeting. Staff is still working on a MOU with Charlotte.			
Fiscal impact:	Under the current agreement, Pineville will received approximately \$1.72M for twenty years for road infrastructure.			
Attachments:	Memo Resolution Legislation			
Recommended Motion to be made by Council:				

Memorandum



To: Mayor and Town Council
From: Ryan Spitzer
Date: 8/23/2024
Re: Penny Sales Tax Legislation

Overview:

Draft legislation has been developed that will authorize a countywide referendum for a sales tax that will fund road and transit projects. Staff will review the legislation with Town Council in preparation for a vote on a Resolution to support the legislation in September.

The town is still working on an MOU with Charlotte for additional funding so residents will realize the “full penny” spent by Pineville residents for funding of road projects within town. Under the current legislation the town would not receive the “full penny.”

Executive Summary
Draft legislation – Mecklenburg County Sales Tax 08-05-24
 August 5, 2024

PART I. LEGISLATIVE FINDINGS

This Part includes findings about the benefits of investments in transportation infrastructure including public transportation, the costs of traffic congestion, and specific impacts on the Charlotte metropolitan area. Most statements include citations to reference material. These citations will be removed from the final draft that goes before the General Assembly and are included here for reference only.

PART II. REVISIONS TO CURRENT MECKLENBURG COUNTY SALES TAX FOR PUBLIC TRANSPORTATION

- Section 2.1. Changes to definitions.
 - The definition of “public transportation” is amended so that it is clear it could include tunneling technology.
 - The definition of “transportation authority” is amended to incorporate this concept with respect to the existing sales tax. The definition references the type of authority that would be created in Mecklenburg County under the provisions of Part V of this bill.
- Section 2.2. Limitation on repeal of existing tax.
 - Requires that any repeal of the tax by the County may only become effective once there is no debt outstanding that is associated with the tax. This also allows an entity to refinance any existing debt after a resolution of repeal is adopted so long as the refinancing does not extend the maturity date of the debt.
- Section 2.3. Distribution and use of proceeds.
 - Clarifies that a unit of local government that receives tax proceeds, other than the County that levies the tax, may use the proceeds of this tax to support revenue bonds.
- Section 2.4. Distribution and use of proceeds.
 - The amendment in G.S. 105-507.3(a) would shift the distribution of the existing tax proceeds from the City of Charlotte to the new Authority once the new tax is levied and becomes effective.
 - The amendments in G.S. 105-507.3(b) would:
 - Remove references to the financial plan.
 - Remove the maintenance of effort requirements currently imposed on the County, the City of Charlotte, and the Town of Huntersville.
- Section 2.5. Effective date.
 - Section 2.4, which shifts the proceeds of the existing tax from the City of Charlotte to the new Authority, would become effective only if the new tax is levied, and it would become effective on the effective date of that levy. The remainder of the changes in this Part would become effective when the bill becomes law.

PART III. REVISIONS TO CURRENT MECKLENBURG COUNTY U-DRIVE-IT TAX

Under current law, the following entities may levy a tax on the short-term rental of motor vehicles:

- All municipalities are allowed to levy a tax on these rentals of up to 1.5%, the proceeds of which may be used for any legitimate purpose. G.S. 160A-215.1.
- All counties are allowed to levy a tax on these rentals of up to 1.5%, the proceeds of which may be used for any legitimate purpose. G.S. 153A-156.
- Mecklenburg County has been given special authority to levy an additional tax on rental vehicles, usually referred to as the U-drive-it tax, of up to 5%, the proceeds of which must be given to the largest city in the County operating a public transportation system. S.L. 1997-417, as added by Section 30 of S.L. 2006-162 and amended by Section 2.(h) of S.L. 2009-527.

The change in this Part affects only the 5% tax levied by Mecklenburg County – it does not affect the 1.5% tax levied by the County or a 1.5% tax levied by any municipality. It would shift the distribution of these tax proceeds (for public transportation purposes) from the City of Charlotte to the Authority when the new sales tax becomes effective.

PART IV. ADDITIONAL MECKLENBURG COUNTY ROADWAY SYSTEMS AND PUBLIC TRANSPORTATION SYSTEMS SALES TAX

This Part authorizes Mecklenburg County to levy an additional sales and use tax for public transportation.

- Section 4.1 Title of the Part.
- Section 4.2 Definitions.
 - Applies existing definitions with respect to sales taxes in general and the existing 0.5% sales tax for public transportation.
 - Creates definitions of:
 - A new type of public transportation authority described more in Part V.
 - An eligible municipality – the municipalities of Charlotte, Cornelius, Davidson, Huntersville, Matthews, Mint Hill, and Pineville.
 - The Red Line – a rail line running from the center of Charlotte through the northern towns and terminating north of Davidson.
 - Roadway system.
- Section 4.3 Exemption of food.
 - As with the current 0.5% sales tax for transportation, this tax would not apply to sales of most food.
- Section 4.4. Referendum
 - Section 4.4(a) provides that before the tax could be levied, the Mecklenburg County Board of Commissioners would have to adopt a resolution to put a referendum authorizing the tax on the ballot. The Board would also be required to hold a public hearing on the issue at least 30 days before the election.
 - Section 4.4(b) provides the exact question that must appear on the ballot.
- Section 4.5. Levy of tax.

- Provides that the Board of Commissioners may levy the tax by resolution only after the following have occurred:
 - The referendum passes.
 - An Authority has been created.
 - At least one municipality or an Authority operates a public transportation system.
- Section 4.6. Administration.
 - This is standard language that provides that, except as otherwise provided in this Part, this new tax will be administered in the same manner as other local sales and use taxes.
- Section 4.7. Distribution.
 - This Section sets out the distribution of the proceeds of the new tax. Forty percent (40%) of the net proceeds of the new tax must be used for roadway systems as provided in Section 4.8 and sixty percent (60%) must be used for public transportation as provided in Section 4.9.
- Section 4.8. Roadway distribution.
 - 40% of the proceeds would be distributed to the seven eligible municipalities and could be used for roadway systems only. The proceeds would be divided between the City of Charlotte and the Towns based on a formula. This formula seeks to ensure that all municipalities share in the pain when there is an overall decrease in tax proceeds (e.g., during a severe recession) AND in the bounty when a rising tide is lifting all ships (e.g., during a strong economy). There is an adjustment that comes into play when overall tax receipts are growing, but something about the distribution formula causes the amount to be distributed to one or more Towns to decrease. There would a multistep process to determine the amount to be distributed to each municipality each year.
 - First, the following amounts would be calculated for each municipality.
 - The monthly amount. This is equal to the amount determined by a formula that uses the most recent annual population estimates and the most recent figures with respect to street miles as submitted to the Department of Transportation with respect to Powell Bill funds.
 - For the Towns, this is equal to 125% of the greater of two formulas – one based solely on street miles and one using the Powell Bill methodology (which is based off street miles and population).
 - For Charlotte, this would be the remainder of the funds after the distribution to the Towns.
 - The annual amount. This is the sum of the 12 monthly amounts in a fiscal year without adjustment.
 - The baseline amount.
 - For the Towns, this amount would initially be equal to the annual amount for the first full fiscal year that

the tax is in effect. The amount would then be adjusted after each decennial census.

- For Charlotte, there is no baseline amount.
- Next, the distribution of the proceeds would then proceed as follows:
 - For the first 11 months of the fiscal year, each municipality would receive its monthly amount.
 - For the 12th month there is a mechanism to ensure that a Town does not fall below its baseline amount in some circumstances. The distribution for the 12th month would be as follows:
 - For years in which the total net proceeds received by the County as compared to the previous year decline, each municipality would receive its monthly amount. This would likely result in some, or even all, Towns falling below their baseline amounts. This means that all municipalities would bear some of the pain during years in which the total pot of money shrinks (e.g., during a severe recession.).
 - For years in which the total net proceeds received by the County as compared to the previous year increase, the distribution for the 12th month would be as follows:
 - If the annual amount for each Town is greater than the baseline amount for that Town, then each municipality would receive its monthly amount.
 - If the annual amount for at least one Town is less than the baseline amount, then the following:
 - The Town(s) that fell below its baseline amount would receive a distribution in the final month that would ensure that the total amount distributed to the Town for the fiscal year would equal the baseline amount for that Town. The cost of this supplement to that Town would be borne by all the other municipalities in proportion to their relative populations, UNLESS
 - If the redistribution required by the calculation immediately preceding this bullet would result in an additional Town(s) falling below its

baseline amount, then all municipalities would receive their monthly amounts without adjustment.

- Section 4.9. Public Transportation Distribution.
 - This Section requires that 60% of the proceeds be distributed to the Authority to be used for public transportation purposes. This Section imposes the following additional restrictions on the use of these funds:
 - No more than two-thirds of this amount (40% of the net tax proceeds overall) could be used for rail projects.
 - The Authority must complete at least 50% of the Red Line before any other rail project is completed, absent the existence of an event beyond the control of the Authority that delays completion or makes completion impossible. Once the event that caused the delay no longer exists, the Authority must resume work on the Red Line.
 - The Authority must solicit input from the Towns of Cornelius, Davidson, Huntersville, and, in some cases, Mooresville on all aspects of the Red Line.
 - The Authority must reimburse the City of Charlotte for the purchase of the O-Line.
- Section 4.10. Provides that the Mecklenburg County Board of Commissioners may repeal the tax by resolution, but the repeal may not become effective until the latest of the following:
 - The end of the current fiscal year (this is standard language for all local sales and use taxes).
 - All debt that is supported by the tax revenues have been satisfied.
 - The Authority has reimbursed the City for the purchase of the O-line

PART V. METROPOLITAN PUBLIC TRANSPORTATION AUTHORITY

This Part creates a new type of public transportation authority that would have responsibility for running the public transportation system once the new tax becomes effective.

The North Carolina Constitution requires that the General Assembly enact general laws with respect to the regulation of local government debt financing. This new authority would be authorized to issue debt, therefore, it must be created by general law. This means that the General Assembly cannot simply create a new authority for Mecklenburg County. That is why this draft does not specifically name Mecklenburg County but instead describes it in general terms in a way that could only refer to Mecklenburg County for the foreseeable future.

Section 5.1 establishes a new type of entity called a metropolitan public transportation authority. The authority would include the territory of a single county that satisfies certain conditions – a population of at least 1 million, bordering another state, and has at least one unit of local government that operates a light rail system. Mecklenburg County is the only county that would satisfy these conditions for the foreseeable future.

The structure of the new authority is based on existing law that provides the basis for the Research Triangle Public Transportation Authority (a.k.a. GoTriangle).

The new Authority would:

- Be created by a resolution of the Mecklenburg County Board of Commissioners
- Have territorial jurisdiction that includes the entire county.
- Have a service area that includes the entire county and could extend outside of the county with the agreement of other units of government.
- Have authority to finance, provide, operate, and maintain a public transportation system for the service area of the Authority
- Be granted numerous powers to carry out these purposes, including the power to acquire and dispose of property, to issue debt, and to hire employees and contractors and the power of eminent domain.

The Authority would be governed by a board of trustees as specified in the authorizing legislation. The board would comprise:

- 12 members appointed by the county.
 - One appointment must be made on the recommendation of each of the six Towns (for a total of six appointments). Any or all of these six appointments may be elected officials.
 - Six appointments in the discretion of the County. No more than one of these six appointments may be an elected official of the County.
- 12 members appointed by the City of Charlotte:
 - At least three of these appointments must be recommended by an entity representing the local business community.
 - Of the nine remaining appointments, no more than two may be elected officials of the City.
- Two members appointed by the General Assembly – one upon the recommendation of the Speaker of the House of Representatives and one upon the recommendation of the President Pro Tem of the Senate.
- One member appointed by the Governor.

This Part includes a provision allowing for the expansion of the Authority to include one more additional whole counties. Any expansion would require the affirmative vote of at least 75% of the members of the Authority's board of trustees and of the board of commissioners of the county to be added. The expansion resolution would contain provisions with respect to financial, legal, and operational commitments by the entities with respect to the expansion and changes to the Authority's board of trustees, if any. An expansion resolution could not alter the number or appointment requirements with respect to existing members of the board of trustees.

PART VI. REQUIREMENTS IF MECKLENBURG COUNTY CREATES A METROPOLITAN PUBLIC TRANSPORTATION AUTHORITY

This Part provides for additional requirements if an Authority is created by Mecklenburg County.

- Section 6.1 states that the provisions in this Part apply if Mecklenburg County creates an Authority.

- Section 6.2. Studies.
 - This Section would direct the Authority to study numerous issues related to the legal and financial considerations of a transfer of the assets, liabilities, and operations of CATS from the City of Charlotte to the the new Authority. It requires that these studies be completed by July 1, 2025, and that a report on the studies be published and provided to the County Board of Commissioners, the governing boards of the seven eligible municipalities in the County and the Town of Mooresville, and the General Assembly.
- Section 6.3 General Assembly appointments.
 - This Section is a placeholder that allows for appointments to the board of trustees to be made by the General Assembly.
- Section 6.4. This Section lists additional actions that must be taken by the Authority prior to July 1, 2025. They include items related to board governance, human resources, financial policies, operational policies, and information technology. The Authority is also responsible for drafting agreements related to the transfer of the existing public transportation system from the City to the Authority.
- Section 6.5. This Section lists items that occur when the new sales tax becomes effective (there is a working assumption that this will not be earlier than July 1, 2026). These items include:
 - The Authority will begin receiving all tax proceeds from the existing 0.5% sales tax, the new sales tax, and the U-drive-it tax as of the date the new tax becomes effective.
 - Operational control of public transportation systems are transferred from the City to the Authority.
 - The City retains ownership of any assets that are pledged as security for any outstanding indebtedness and begins transferring ownership of other assets to the Authority.
 - The City retains the CATS Revenue Reserve Fund.
 - The Authority begins making payments to the City to pay off any outstanding debt and reimburse the City for the purchase of the O-Line.
 - CATS employees become employees of the Authority.
- Section 6.6. Interlocal agreements and MTC.
 - This Section provides that any interlocal agreements between the County, City, and Towns with respect to the public transportation system are terminated as of the date the new tax becomes effective, and the MTC is dissolved.
- Section 6.7. This Section provides that existing service offered by CATS outside of Mecklenburg County may continue after the Authority assumes operational control of the system without requiring the consent of the applicable jurisdiction.

PART VII. REVENUE BONDS

This Part clarifies that the City of Charlotte and the Authority may use the proceeds of this new tax to support revenue bonds. As discussed above, the General Assembly must enact general

laws with respect to the regulation of local government debt financing, which is why Section 7.4 refers to cities of a certain size or this type of Authority.

PART VIII. CONFORMING CHANGES

This Part makes conforming changes throughout the General Statutes to ensure that the Authority is treated like public transportation authorities in the Triangle and Triad with respect to eminent domain, sales tax refunds, eligibility for certain funds from the North Carolina Department of Transportation, purchasing and contracting requirements, tax secrecy, and debt financing.

PART IX. MISCELLANEOUS PROVISIONS

Section 9.1 of this draft provides that it is the intent of the General Assembly not to reduce transportation funding to local governments in Mecklenburg County or funding for State transportation projects in Mecklenburg County as the result of a levy of a tax under this act. In addition, it prohibits the Department of Transportation from reducing funding for these projects absent specific authorization from the General Assembly.

Section 9.2 provides that the act is effective when it becomes law unless otherwise specified in the act.

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE SUPPLEMENTAL SOURCES OF REVENUE FOR LOCAL
3 GOVERNMENT TRANSPORTATION SYSTEM FINANCING.

4 The General Assembly of North Carolina enacts:

5
6 **PART I. LEGISLATIVE FINDINGS**

7 **SECTION 1.1.** The General Assembly makes the following findings:

- 8 (1) Transportation plays a vital role in the State’s economy; it makes economic
9 activity possible (e.g., connecting producers to raw materials, workers, and
10 customers) and is a major economic activity in its own right.ⁱ
 - 11 (2) Increased investment in public transportation can lead to significant economic
12 growth as a result of both the short-term stimulus impact of public transportation
13 outlays and a longer-term, cumulative impact on economic productivity.ⁱⁱ
 - 14 (3) Multiple research studies show a link between access to transportation and
15 economic mobility.ⁱⁱⁱ
 - 16 (4) Sound transportation investments lower the costs of moving people and goods,
17 thereby increasing economic productivity and improving standards of living.^{iv}
 - 18 (5) Some studies have suggested that traffic congestion costs the United States
19 economy over \$120 billion annually.^v
 - 20 (6) Potential costs of congestion include those related to increased travel time, added
21 fuel costs, increased unreliability, emissions and environmental damage, excess
22 vehicle operating costs, loss of productivity, increased inventory costs, and higher
23 frequency of cargo delays.^{vi}
 - 24 (7) Research studies have linked traffic congestion to higher rates of depression and
25 anxiety, lower job and overall satisfaction, and even increased rates of domestic
26 violence.^{vii}
 - 27 (8) Traffic congestion is typically a bigger problem in more urbanized and rapidly
28 growing areas.
 - 29 (9) North Carolina is home to urbanized and rapidly growing areas that are
30 experiencing the negative effects of traffic congestion.
 - 31 (10) According to a February 2024 Forbes article, Charlotte, North Carolina scored
32 second in a “hardest commute report.”^{viii}
 - 33 (11) Congestion begins slowing the employment growth rate in a region at
34 approximately 37 annual hours of commuter delay and halts growth altogether at
35 180 annual hours of commuter delay.^{ix}
 - 36 (12) According to the Texas A&M Transportation Institute, the Charlotte-Concord-
37 Gastonia MSA reached 38 annual hours of commuter delay in 2000 and climbed
38 to 53 hours in 2019.^x
 - 39 (13) In 20 years, the Charlotte region’s population will grow by 50% from 2.6 million
40 today to 4.1 million in 2045.^{xi}
 - 41 (14) As congestion continues to increase, it’s estimated that up to 126,100 jobs and
42 \$3.0 billion in tax receipts could go unrealized by the end of 2050 in the
43 Charlotte-Concord-Gastonia MSA.^{xii}
 - 44 (15) Additional sources of transportation funding are needed to help these areas
45 address congestion so as not to impede future economic growth.
- 46

1 **PART II. REVISIONS TO CURRENT MECKLENBURG COUNTY SALES TAX FOR**
2 **PUBLIC TRANSPORTATION**

3 **SECTION 2.1.** G.S. 105-506.1 reads as rewritten:

4 **“§ 105-506.1. Definitions.**

5 The definitions in G.S. 105-164.3 and the following definitions apply in this Article:

- 6 ...
- 7 (3) Public transportation system. – Any combination of real and personal property
- 8 established for purposes of public transportation. The systems may include one or
- 9 more of the following: structures, improvements, buildings, equipment, vehicle
- 10 parking or passenger transfer facilities, railroads and railroad rights-of-way,
- 11 rights-of-way, bus services, shared-ride services, high-occupancy vehicle
- 12 facilities, car-pool and vanpool programs, voucher programs, telecommunications
- 13 and information systems, integrated fare systems, and the interconnected bicycle
- 14 and pedestrian infrastructure that supports public transportation, bus lanes, and
- 15 busways. The term includes tunnels and other infrastructure designed to rapidly
- 16 transport people, freight, or vehicles through automated means. The term does
- 17 not include, however, streets, roads, or highways except to the extent they are
- 18 dedicated to public transportation vehicles or to the extent they are necessary for
- 19 access to vehicle parking or passenger transfer facilities.
- 20 (4) Transportation authority. – For the purposes of Part 2 of this Article, a
- 21 metropolitan public transportation authority created pursuant to Article 33 of
- 22 Chapter 160A. For the purposes of Parts 3 and 4 of this Article, a regional public
- 23 transportation authority created pursuant to Article 26 of Chapter 160A of the
- 24 General Statutes; and for the purposes of Parts 3 and 5 of this Article, a regional
- 25 transportation authority created pursuant to Article 27 of Chapter 160A of the
- 26 General Statutes.”

27 **SECTION 2.2.** G.S. 105-507.2 reads as rewritten:

28 **“§ 105-507.2. ~~Levy and collection~~ Levy, collection, and repeal of sales and use tax.**

29 (a) If the majority of those voting in a referendum held pursuant to G.S. 105-507.1 vote for

30 the levy of the tax, the board of commissioners of the county may, by resolution, levy one-half

31 percent (½%) local sales and use taxes in addition to any other State and local sales and use taxes

32 levied pursuant to law. Except as provided in this Part, the adoption, levy, collection,

33 administration, and repeal of these additional taxes shall be in accordance with Article 39 of this

34 Chapter. In applying the provisions of Article 39 of this Chapter to this Part, references to ‘this

35 Article’ mean ‘Part 1 of Article 43 of Chapter 105 of the General Statutes’.

36 (b) No action by a county to repeal a tax levied under this Part may become effective while

37 previously issued or, as provided in this subsection, refinanced, bonds, notes, or other financing

38 secured or payable by receipts derived from the tax allocated to a municipality or a transportation

39 authority by the county remain outstanding. Nothing in this Part obligates a county to exercise

40 any power of taxation or restricts the ability of the county to repeal the tax previously levied. If a

41 county repeals a tax levied under this Part, a municipality or transportation authority may

42 refinance previously issued bonds, notes, or other financing that are secured or payable by

43 receipts for the tax revenue under this Part to reduce debt service as allowed under the law so

44 long as the refinancing does not extend the date of maturity for the previously issued bonds,

45 notes, or other financing.”

46 **SECTION 2.3.** G.S. 105-507.3(b) reads as rewritten:

1 “(b) Use. - A county must allocate the net proceeds distributed to it in accordance with
2 its financial plan adopted pursuant to G.S. 105-507 and use the net proceeds only for financing,
3 constructing, operating, and maintaining local public transportation systems. Any other unit of
4 local government may use the net proceeds distributed to it under this Part only for financing,
5 constructing, operating, and maintaining local public transportation systems. Every unit of
6 government shall use the net proceeds to supplement and not to supplant or replace existing
7 funds or other resources for public transportation systems. The net proceeds distributed to any
8 unit of local government, other than the county that levies the tax, pursuant to this Part may be
9 included as revenues within the meaning of G.S. 159-81(4), including any modifications of that
10 statute.”

11 **SECTION 2.4.** G.S. 105-507.3, as amended by Section 2.3 of this act, reads as
12 rewritten:

13 “**§ 105-507.3. Distribution and use of taxes.**

14 (a) Distribution. – The Secretary shall, on a monthly basis, allocate to each taxing county the
15 net proceeds of the tax levied under this Part by that county. If the Secretary collects taxes under
16 this Part in a month and the taxes cannot be identified as being attributable to a particular taxing
17 county, the Secretary shall allocate these taxes among the taxing counties, in proportion to the
18 amount of taxes collected in each county under this Part in that month and shall include them in
19 the monthly distribution.

20 The Secretary shall distribute the net proceeds of the tax levied by a county ~~on a per capita~~
21 ~~basis among the county and the units of local government in the county that operate public~~
22 ~~transportation systems to the largest transportation authority that includes the county.~~ No
23 proceeds shall be distributed to a ~~county that does not operate a public transportation system or~~
24 ~~to a unit of local government~~ transportation authority that does not operate a public
25 transportation system.

26 (b) Use. - A ~~county must allocate the net proceeds distributed to it in accordance with its~~
27 ~~financial plan adopted pursuant to G.S. 105-507 and use the net proceeds only for financing,~~
28 ~~constructing, operating, and maintaining local public transportation systems. Any other unit of~~
29 ~~local government~~ transportation authority may use the net proceeds distributed to it under this
30 Part only for financing, constructing, operating, and maintaining local public transportation
31 systems. ~~Every unit of government shall use the net proceeds to supplement and not to supplant~~
32 ~~or replace existing funds or other resources for public transportation systems.~~ The net proceeds
33 distributed to any unit of local government, other than the county that levies the tax, pursuant to
34 this Part may be included as revenues within the meaning of G.S. 159-81(4), including any
35 modifications of that statute.”

36 **SECTION 2.5.** Section 2.4 of this act becomes effective only if Mecklenburg County
37 levies a tax authorized under Part IV of this act. If Mecklenburg County levies a tax authorized
38 under Part IV of this act, then Section 2.4 becomes effective on the same date that the tax levied
39 under that Part becomes effective. The remainder of this Part is effective when it becomes law.
40

41 **PART III. REVISIONS TO CURRENT MECKLENBURG COUNTY U-DRIVE-IT TAX**

42 **SECTION 3.1.** Section 3.1 of S.L. 1997-417, as added by Section 30 of S.L. 2006-162
43 and amended by Section 2.(h) of S.L. 2009-527, reads as rewritten:

44 "**SECTION 3.1.** A county authorized to impose a tax under Part 2 of Article 43 of
45 Chapter 105 of the General Statutes is considered an authority under Article 50 of Chapter 105 of
46 the General Statutes, as enacted by Section 3 of this act, and the board of commissioners of that

1 county is considered the board of trustees of the authority under Article 50. G.S. 105-554 of
2 Article 50 does not apply to the proceeds of a tax imposed by a county considered an authority
3 under this section. The proceeds of a tax imposed by a county considered an authority under this
4 section must be transferred to the largest city in metropolitan public transportation authority
5 including that county operating a public transportation system and used only for financing,
6 constructing, operating, and maintaining a public transportation system. The proceeds may
7 supplant existing funds allocated for a public transportation system. The term 'public
8 transportation system' has the same meaning as defined in G.S. 105-506.1."

9 **SECTION 3.2.** This Part act becomes effective only if Mecklenburg County levies a tax
10 authorized under Part IV of this act. If Mecklenburg County levies a tax authorized under Part
11 IV of this act, then this Part becomes effective on the same date that the tax levied under that Part
12 becomes effective.

13
14 **PART IV. ADDITIONAL MECKLENBURG COUNTY ROADWAY SYSTEMS AND**
15 **PUBLIC TRANSPORTATION SYSTEMS SALES TAX**

16 **SECTION 4.1.** Title. – This Part is the Mecklenburg County Roadway Systems and
17 Public Transportation Systems Sales Tax Act and may be cited by that name. This Part gives
18 Mecklenburg County an opportunity to obtain an additional source of revenue with which to
19 meet its needs for financing roadway systems and public transportation systems. It provides the
20 County with authority to levy sales and use taxes. All such taxes must be approved in a
21 referendum.

22 **SECTION 4.2.** Definitions. – The definitions in G.S. 105-164.3, G.S. 105-506.1, and the
23 following definitions apply in this Part:

- 24 (1) Authority. – A metropolitan public transportation authority created under Article
25 33 of Chapter 160A, as enacted by Part V of this act.
- 26 (2) Eligible municipality. – Any of the following municipalities in Mecklenburg
27 County: the City of Charlotte and the Towns of Cornelius, Davidson,
28 Huntersville, Matthews, Mint Hill, and Pineville.
- 29 (3) Red Line. – A rail project that includes, at a minimum, service from the center of
30 the City of Charlotte through the towns of Cornelius, Davidson, and Huntersville
31 and, provided that agreement is obtained from applicable local governments
32 outside of Mecklenburg County, continues to a point north of the jurisdiction of
33 the Town of Davidson, and in no event shall the terminus be in the Town of
34 Davidson’s jurisdiction unless approved by the Town of Davidson.
- 35 (4) Roadway system. – A roadway together with appurtenances to a roadway which
36 includes, but is not limited to plans, designs, and related studies; rights-of-way,
37 whether conveyed by deed or easement; construction, maintenance, and
38 improvements to streets and highways, intersections, streetscapes and
39 landscaping, pedestrian facilities, bicycle facilities, parking lots, curbs, gutters,
40 storm drainage, bridges, overpasses, grade crossings, street lighting, and traffic
41 control devices; utility relocations; publicly accessible electric vehicle charging
42 infrastructure, hydrogen fueling infrastructure, propane fueling infrastructure,
43 natural gas fueling infrastructure, and vehicle-to-grid infrastructure; current and
44 emerging intelligent transportation technologies, including the ability of vehicles
45 to communicate with infrastructure, buildings, and other road users; projects that
46 facilitate intermodal connections between emerging transportation technologies,

1 such as magnetic levitation and hyperloop; protective features, including natural
2 infrastructure, to enhance the resilience of a transportation facility; and measures
3 to protect a roadway system from cybersecurity threats.

4 **SECTION 4.3.** Exemption of Food. – A tax levied under this Part does not apply to the
5 sales price of food that is exempt from tax pursuant to G.S. 105-164.13B or to the sales price of a
6 bundled transaction taxable pursuant to G.S. 105-467(a)(5a).

7 **SECTION 4.4.(a)** Advisory Referendum. – The Mecklenburg County Board of
8 Commissioners may direct the county board of elections to conduct an advisory referendum
9 within the County on the question of whether a local sales and use tax at the rate of one percent
10 (1%) may be levied in accordance with this Part. The election shall be held in accordance with
11 the procedures of G.S. 163-287. The Board of Commissioners shall hold a public hearing on the
12 question at least 30 days before the date the election is to be held.

13 **SECTION 4.4.(b)** Ballot Question. – The form of the question to be presented on a
14 ballot for a special election concerning the levy of a tax authorized by this Part shall be:

15 “[] FOR [] AGAINST

16 One percent (1%) local sales and use taxes, in addition to the current local sales and use
17 taxes, to be used only for roadway systems and public transportation systems.”

18 **SECTION 4.5.** Levy of Tax. –The Board of Commissioners may, by resolution, levy
19 one percent (1%) local sales and use taxes in addition to any other State and local sales and use
20 taxes levied pursuant to law only if all the following conditions are satisfied:

- 21 (1) The majority of those voting in a referendum held pursuant to Section 4.4(a) of
22 this Part vote for the levy of the tax.
- 23 (2) An Authority that includes Mecklenburg County has been established.
- 24 (3) At least one eligible municipality or an Authority maintains a public
25 transportation system in the County.

26 **SECTION 4.6.** Administration. – Except as otherwise provided in this Part, the
27 adoption, levy, collection, administration, and repeal of these additional taxes shall be in
28 accordance with Article 39 of Chapter 105 of the General Statutes. Nothing in this Part obligates
29 Mecklenburg County to exercise any power of taxation or restricts the ability of the County to
30 repeal the tax previously levied.

31 **SECTION 4.7.** Distribution. – The Secretary of Revenue shall, on a monthly basis,
32 distribute to Mecklenburg County the net proceeds of the tax levied under this Part.
33 Mecklenburg County must distribute forty percent (40%) of the net proceeds of a tax levied
34 under this Part as provided in Section 4.8 of this act and sixty percent (60%) of the net proceeds
35 of a tax levied under this Part as provided in Section 4.9 of this act.

36 **SECTION 4.8.** Roadway Distribution and Use. – Mecklenburg County must distribute
37 forty percent (40%) of the net proceeds of a tax levied under this Part among the eligible
38 municipalities as provided in this section. Each eligible municipality shall annually submit to the
39 County a copy of the statement certified by a registered engineer or surveyor that is submitted to
40 the Department of Transportation under G.S. 136.41.1(a) of the total number of miles of streets
41 in that municipality that are not part of the State highway system. The word “street” as used
42 under this subdivision has the same definition as provided in G.S. 136-41.1(a). Each eligible
43 municipality shall use the net proceeds distributed to it under this subdivision only for costs
44 associated with financing, constructing, operating, or maintaining roadway systems.

45 (1) Procedure. The following amounts must be computed before the distribution of
46 any tax proceeds under this subsection.

- 1 a. The monthly amount for each eligible municipality other than the City of
2 Charlotte is equal to one hundred twenty-five percent (125%) of the
3 greater of the following two amounts:
 - 4 1. The amount generated by multiplying the net proceeds distributed
5 under this section during a month by the percentage proportion that
6 the mileage of streets in the eligible municipality that do not form a
7 part of the State highway system bears to the total mileage of the
8 streets that do not constitute a part of the State highway system in
9 all eligible municipalities combined.
 - 10 2. The sum of the following:
 - 11 I. The amount generated by multiplying seventy-five percent
12 (75%) of the net proceeds distributed under this section
13 during a month by the percentage proportion that the
14 population of the eligible municipality bears to the total
15 population of all eligible municipalities according to the
16 most recent annual estimates of population as certified to
17 the Secretary of Revenue by the State Budget Officer.
 - 18 II. The amount generated by multiplying twenty-five percent
19 (25%) of the net proceeds distributed under this section
20 during a month in the percentage proportion that the
21 mileage of streets in each eligible municipality that do not
22 form a part of the State highway system bears to the total
23 mileage of the streets that do not constitute a part of the
24 State highway system in all eligible municipalities
25 combined.
- 26 b. The monthly amount for the City of Charlotte is the remainder of net
27 proceeds to be distributed under this section during a month after the
28 amounts for the other eligible municipalities are determined under Section
29 4.8(1)a. of this act.
- 30 c. The annual amount for an eligible municipality is equal to the sum of the
31 12 monthly amounts for that municipality.
- 32 d. The baseline amount for an eligible municipality other than the City of
33 Charlotte is equal to the following:
 - 34 1. For fiscal years beginning on or after the effective date of the levy
35 of the tax but prior to the first full fiscal year beginning on or after
36 one year after the effective date of the levy of the tax, the baseline
37 amount is zero.
 - 38 2. For fiscal years beginning on or after at least one full fiscal year
39 after the effective date of the levy of the tax but before the release
40 of census data by the U.S. Census Bureau for the next decennial
41 census, the annual amount as calculated under Section 4.8(1)c. of
42 this act for the first full fiscal year beginning on or after the
43 effective date of the levy of the tax.
 - 44 3. For later fiscal years, the annual amount as calculated under
45 Section 4.8(1)c. of this act for the first fiscal year beginning on or

- 1 after the release of census data by the U.S. Census Bureau for the
- 2 most recent decennial census.
- 3 e. The baseline amount for the City of Charlotte is zero.
- 4 (2) Distribution. The distribution of net proceeds under this subdivision is as follows:
- 5 a. For the first 11 months of the fiscal year, the County shall distribute the
- 6 monthly amount to each eligible municipality.
- 7 b. For the final month of the of the fiscal year, the distribution is as follows:
- 8 1. If the total net proceeds distributed to the County for the fiscal year
- 9 are less than the total net proceeds distributed to the County for the
- 10 preceding fiscal year, the County shall distribute the monthly
- 11 amount to each eligible municipality.
- 12 2. If the total net proceeds distributed to the County for the fiscal year
- 13 are greater than the total net proceeds distributed to the County for
- 14 the preceding fiscal year, the County shall distribute the proceeds
- 15 as follows:
- 16 I. If the annual amount for each municipality is greater than
- 17 the baseline amount for that municipality, the monthly
- 18 amount.
- 19 II. Except as provided in Section 4.8(2)b.2.III. of this act, if
- 20 the annual amount for any municipality is less than the
- 21 baseline amount for that municipality, then the following:
- 22 A. The amount to be distributed to each eligible
- 23 municipality whose annual amount is less than the
- 24 baseline amount is the amount needed so that the
- 25 total amount distributed to that municipality for the
- 26 fiscal year is equal to the baseline amount.
- 27 B. The amount to be distributed to the other eligible
- 28 municipalities is the monthly amount as reduced by
- 29 this sub-sub-sub-sub-subdivision. The amount of
- 30 the reduction is equal to the difference between the
- 31 annual amount and the baseline amount for all
- 32 eligible municipalities combined that receive a
- 33 distribution under Section 4.8(2)b.2.II.A. of this act
- 34 multiplied by a percentage. The percentage is equal
- 35 to the percentage proportion that the population of
- 36 the eligible municipality bears to the total
- 37 population of all eligible municipalities subject to
- 38 distribution under this sub-sub-sub-sub-subdivision
- 39 according to the most recent annual estimates of
- 40 population as certified to the Secretary of Revenue
- 41 by the State Budget Officer.
- 42 III. If the calculation required in Section 4.8(2)b.2.II.B. would
- 43 result in the annual amount for any of those eligible
- 44 municipalities to be lower than that municipality’s baseline
- 45 amount, then the county shall distribute to each eligible
- 46 municipality the monthly amount.

1 **SECTION 4.9.** Public Transportation Distribution and Use. – Mecklenburg County must
2 distribute sixty percent (60%) of the net proceeds of the tax levied under this Part to the
3 Authority. The Authority shall use the net proceeds distributed to it under this section only for
4 costs associated with financing, acquiring, constructing, operating, and maintaining any
5 combination of real and personal property for a public transportation system. The Authority may
6 accomplish these purposes by undertaking these activities itself or by entering an interlocal
7 agreement with a municipality in Mecklenburg County that operates a public transportation
8 system to use funds allocated under this subdivision for those purposes as directed by the
9 Authority in the interlocal agreement. An interlocal agreement entered under this section may
10 include a binding commitment on the part of the Authority to allocate all or a portion of these
11 proceeds to the municipality for a defined number of years or until a defined condition is met,
12 such as the satisfaction of any debt that was issued for public transportation systems. In addition,
13 the Authority may enter an agreement with a private entity whereby that entity uses these funds
14 for this purpose as directed by the Authority in the agreement. The net proceeds of a tax levied
15 under this Part that are distributed to the Authority may be included as revenues within the
16 meaning of G.S. 159-81(4), including any modifications of that statute. The following conditions
17 apply to the use of funds distributed under this section.

- 18 (1) No more than two-thirds of these funds may be used for the capital construction
19 costs of new or expanded rail projects over any period of 30 calendar years
20 combined. Compliance with this section is first determined at the end of the first
21 30-year period, and then annually thereafter based on the previous 30-year period.
22 Nothing in this subsection will be interpreted to adversely impact the rights of
23 bondholders to any funds distributed or pledged to secure bonds, notes or other
24 obligations used to finance or refinance real and personal property for a public
25 transportation system.
- 26 (2) The Authority shall complete at least fifty percent (50%) of the Red Line as
27 evidenced by a scope of work schedule created and submitted by the general
28 contractor or construction manager on the project before the completion of any
29 other rail project, absent the existence or occurrence of force majeure events that
30 delay completion of the Red Line or make completion of the Red Line
31 impracticable. For the purposes of this Section, a scope of work schedule is
32 defined as a listing of project tasks associated with a project timeline that is
33 updated as the Red Line construction project progresses. For the purposes of this
34 Section, force majeure events include fire, flood, earthquakes, other elements of
35 nature, acts of war, terrorism, riots, civil disorders, rebellions or revolutions,
36 nuclear or chemical contamination, epidemics, quarantines, acts of the federal or
37 State government, a declared state of emergency, strikes or labor disruptions other
38 than those specific to the Authority, or other conditions beyond its reasonable
39 control and which, by reasonable diligence, the Authority is unable to prevent.
40 Should a force majeure event delay or halt the Red Line project, the Authority
41 shall resume the original Red Line schedule as soon as practicable when the force
42 majeure event has ceased or subsided. Planning, design, and construction work
43 may occur simultaneously on other rail projects, but only to the extent that those
44 activities do not interfere with or delay the completion of the Red Line.
- 45 (3) The Authority shall solicit input from the Towns of Cornelius, Davidson, and
46 Huntersville on all aspects of the Red Line design, including conceptual design,

1 construction drawings, and station location. If the Red Line extends to the Town
2 of Mooresville, the Authority shall also solicit input from that Town.

- 3 (4) The Authority shall reimburse the City of Charlotte for the acquisition of the
4 Norfolk Southern O-Line and related property. The amount to be reimbursed may
5 not be more than the cost to the City of Charlotte to acquire the property from
6 Norfolk Southern, including any costs for indebtedness incurred by the City with
7 respect to the acquisition. The Authority and the City of Charlotte shall jointly
8 agree to a schedule for reimbursement of these costs.

9 **SECTION 4.10.** Repeal of Tax – The Mecklenburg County Board of Commissioners
10 may by resolution repeal the levy and imposition of the tax in the County as provided in G.S.
11 105-473(c). The Board of Commissioners, upon adoption of a repeal resolution, shall cause a
12 certified copy of the resolution to be delivered immediately to the Secretary of Revenue. No
13 liability for any tax levied under this Part that attached prior to the effective date on which a levy
14 is repealed shall be discharged as a result of such repeal, and no right to a refund of tax or
15 otherwise that accrued prior to the effective date on which a levy is repealed shall be denied as a
16 result of such repeal. If a county repeals a tax levied under this Part, the Authority or a
17 municipality may refinance previously issued bonds, notes, or other financing that are secured or
18 payable by receipts for the tax revenue under this Part to reduce debt service as allowed under
19 the law so long as the refinancing does not extend the date of maturity for the previously issued
20 bonds, notes, or other financing. No repeal of taxes levied and imposed under this Part shall be
21 effective until the latest of the following:

- 22 (1) The end of the fiscal year in which the repeal resolution was adopted.
- 23 (2) The date by which all previously issued or, as provided in this section, refinanced,
24 bonds, notes, or other financing obtained by the Authority or a municipality
25 secured or payable by receipts from the tax levied under this Part have been
26 satisfied.
- 27 (3) The date by which the Authority has fully reimbursed the City for the purchase of
28 the O-Line as required by Section 4.9(4) of this act.

29
30 **PART V. METROPOLITAN PUBLIC TRANSPORTATION AUTHORITY**

31 **SECTION 5.1.** Chapter 160A of the General Statutes is amended by adding a new
32 Article to read:

33 “Article 33.

34 “Metropolitan Public Transportation Authority.

35 “§ 160A-880. Title.

36 This Article shall be known and may be cited as the "Metropolitan Public Transportation
37 Authority Act."

38 “§ 160A-881. Definitions.

39 As used in this Article, unless the context otherwise requires:

- 40 (1) Authority. – A metropolitan public transportation authority as defined by
41 subdivision (5) of this section.
- 42 (2) Board of trustees. – The governing board of the authority, in which the general
43 legislative powers of the authority are vested.
- 44 (3) Population. – The number of persons residing in respective areas as defined and
45 enumerated in the most recent decennial federal census.
- 46 (4) Public transportation system. – Defined in G.S. 105-506.1.

(5) Metropolitan public transportation authority. – A body corporate and politic organized in accordance with the provisions of this Article for the purposes, with the powers and subject to the restrictions hereinafter set forth.

(6) Unit of local government. – Any county, city, town or municipality of this State, and any other political subdivision, public corporation, authority, or district in this State, which is or may be authorized by law to acquire, establish, construct, enlarge, improve, maintain, own, and operate public transportation systems.

(7) Unit of local government's chief administrative official. – The county manager, city manager, town manager, or other person by whatever title, in whom the responsibility for the unit of local government's administrative duties is vested.

“§ 160A-882. Definition of territorial jurisdiction of authority.

An authority may be created for any area of the State that, at the time of creation of the authority, meets all the following criteria:

(1) The area consists of a single county that has a population greater than 1 million.

(2) The county borders another state.

(3) The county includes at least one unit of local government that operates a light rail system.

“§ 160A-883. Creation of authority.

(a) The Board of Commissioners of a county for which an authority may be created as defined in G.S. 160A-882 may by resolution signify its determination to organize an authority under the provisions of this Article. The resolution shall be adopted after a public hearing thereon, notice of which hearing shall be given by publication at least once, not less than 10 days prior to the date fixed for such hearing, in a newspaper having a general circulation in the county. The notice shall contain a brief statement of the substance of the proposed resolution, shall set forth the proposed articles of incorporation of the authority and shall state the time and place of the public hearing to be held thereof. No county shall be required to make any other publication of such resolution under the provisions of any other law.

(b) Each such resolution shall include articles of incorporation which shall set forth all the following:

(1) The name of the authority.

(2) A statement that the authority is organized under this Article.

(3) The name of the organizing county.

(4) A provision stating that an affirmative vote equal to at least seventy-five percent (75%) of the membership of the board trustees is required to amend the articles of incorporation or to adopt or amend the bylaws of the authority.

(c) A certified copy of the resolutions signifying the determination to organize an authority under the provisions of this Article shall be filed with the Secretary of State, together with proof of publication of the notice of hearing on each of such resolutions. If the Secretary of State finds that the resolution, including the articles of incorporation, conform to the provisions of this Article and that the notices of hearing were properly published, the Secretary shall file the resolutions and proofs of publication and shall issue a certificate of incorporation under the seal of the State and shall record the same in an appropriate book of record. The issuance of a certificate of incorporation by the Secretary of State constitutes the authority a public body and body politic and corporate of the State of North Carolina. The certificate of incorporation is conclusive evidence of the fact that the authority has been duly created and established under the provisions of this Article.

1 (d) When the authority has been duly organized and its officers elected as provided in this
2 Article, the secretary of the authority shall certify to the Secretary of State the names and
3 addresses of officers as well as the address of the principal office of the authority.

4 (e) The authority may become a Designated Recipient pursuant to the Urban Mass
5 Transportation Act of 1964, as amended.

6 **“§ 160A-884. Territorial jurisdiction of the authority.**

7 (a) The initial territorial jurisdiction of an authority created pursuant to this Article shall be
8 coterminous with the boundaries of the county that organized it.

9 (b) Except as provided by this Article, the jurisdiction of the authority may include all local
10 public passenger transportation operating within the territorial jurisdiction of the authority, but
11 the authority may not take over the operation of any existing public transportation without the
12 consent of the owner.

13 (c) The authority shall not have jurisdiction over public transportation subject to the
14 jurisdiction of and regulated by the Interstate Commerce Commission, nor shall it have
15 jurisdiction over intrastate public transportation classified as common carriers of passengers by
16 the North Carolina Utilities Commission.

17 **“§ 160A-885. Membership; officers; compensation.**

18 (a) The governing body of an authority is the board of trustees. The initial board of trustees
19 shall consist of 27 members, appointed as provided in this section. For each appointment below,
20 the appointing authority may appoint an alternate that may act in the absence of the primary
21 person appointed. The appointments are as follows:

22 (1) 12 members appointed by the board of commissioners of the county that created
23 the authority as follows:

24 a. The board of commissioners shall appoint one member as recommended
25 by the governing body of the municipality that has the second largest
26 population of residents that reside in the county.

27 b. The board of commissioners shall appoint one member as recommended
28 by the governing body of the municipality that has the third largest
29 population of residents that reside in the county.

30 c. The board of commissioners shall appoint one member as recommended
31 by the governing body of the municipality that has the fourth largest
32 population of residents that reside in the county.

33 d. The board of commissioners shall appoint one member as recommended
34 by the governing body of the municipality that has the fifth largest
35 population of residents that reside in the county.

36 e. The board of commissioners shall appoint one member as recommended
37 by the governing body of the municipality that has the sixth largest
38 population of residents that reside in the county.

39 f. The board of commissioners shall appoint one member as recommended
40 by the governing body of the municipality that has the seventh largest
41 population of residents that reside in the county.

42 g. The board of commissioners shall appoint six members in its discretion.
43 No more than one of these members may be an elected official of the
44 county.

45 (2) 12 members appointed by the governing body of the largest municipality in the
46 county that created the authority as follows:

1 a. At least three of these appointments must be made upon the
2 recommendation of an entity that represents business interests in the
3 county. The municipality may reject a recommendation from the entity
4 that represents business interests. If the municipality rejects a
5 recommendation, then the entity that represents business interests shall
6 make another recommendation to the municipality with respect to the
7 appointment. This process shall continue until the municipality accepts
8 the recommendation of the entity that represents business interests.

9 b. The governing body shall appoint nine members in its discretion. No
10 more than two of these members may be an elected official of the
11 municipality.

12 (3) Two members appointed by the General Assembly, one upon the recommendation
13 of the President Pro Tem of the Senate and one upon the recommendation of the
14 Speaker of the House of Representatives.

15 (4) One member appointed by the Governor.

16 (b) Members of the board of trustees shall serve for terms of four years, provided that one-
17 half of the initial appointments shall be for two-year terms, to be determined by lot at the first
18 meeting of the board of trustees. Initial terms of office shall commence upon approval by the
19 Secretary of State of the articles of incorporation.

20 (c) An appointing authority may appoint one or more of its members to the board of trustees,
21 subject to the limitations of subsection (a) of this section. Service on the board of trustees may be
22 in addition to any other office which a person is entitled to hold. Each voting member of the
23 board of trustees may hold elective public office as defined by G.S. 128-1.1(d).

24 (d) Members of the board of trustees shall have demonstrated experience or qualifications in
25 the areas of law, finance, engineering, public transportation, urban planning, logistics,
26 government, architecture, or economic development.

27 (e) Members of the board of trustees shall reside within the territorial jurisdiction of the
28 authority as defined by G.S160A-884.

29 (f) Every two years, the board of trustees shall elect from its membership a group of officers,
30 which shall include a Chairperson, Vice-Chairperson, Secretary, and Treasurer. An election of an
31 officer must be by a majority vote at a meeting where a quorum is present.

32 (g) No trustee may serve for more than two consecutive terms on the board of trustees, but a
33 person who has been a member for two consecutive terms may be reappointed after being off the
34 board of trustees for a period of at least two years. An initial term that is two years or less shall
35 not be counted in determining the limitation on consecutive terms. This limitation applies
36 regardless of whether the appointments are made by the same appointing authority.

37 **“§ 160A-886. Expansion of authority.**

38 Upon approval of authorizing resolutions by the board of trustees and the board of
39 commissioners of the affected county, the territorial jurisdiction and service area of an authority
40 may be expanded to include a whole county within this State that is contiguous to the then
41 existing territorial jurisdiction of the authority. Each of the authorizing resolutions must receive
42 an affirmative vote equal to at least seventy-five percent (75%) of the membership of the
43 applicable board. The authorizing resolutions shall contain provisions with respect to the
44 following:

45 (1) The date on which the territorial jurisdiction is to be expanded to include the
46 county.

- (2) The extent to which the composition of the board of trustees may be amended, if at all, due to the addition of the county to the territorial jurisdiction of the authority. The authorizing resolutions shall not eliminate or amend the requirements with respect to appointments to the board of trustees that are provided in G.S. 160A-885. Subsections (b) through (g) of G.S. 160A-885 shall apply to any additional appointments to the board of trustees.
- (3) Financial, legal, or operational commitments with respect to the county that is to be added to the territorial jurisdiction of the authority.
- (4) Any other matter determined to be relevant by the board of trustees and the board of commissioners of the affected county.

“§ 160A-887. Voting; removal.

(a) A majority of the board of trustees constitutes a quorum for the transaction of business. Each member shall have one vote.

(b) Each member of the board of trustees may be removed with or without cause by the appointing authority.

(c) Appointments to fill vacancies shall be made for the remainder of the unexpired term by the respective appointing authority charged with the responsibility for making such appointments pursuant to G.S. 160A-885. All members shall serve until their successors are appointed and qualified, unless removed from office.

“§ 160A-888. Advisory committees.

The board of trustees may provide for the selection of such advisory committees as it may find appropriate, which may or may not include members of the board of trustees.

“§ 160A-889. Purpose of the authority.

The purpose of the authority shall be to finance, provide, operate, and maintain for a safe, clean, reliable, adequate, convenient, energy efficient, economically and environmentally sound public transportation system for the service area of the authority through the granting of franchises, ownership and leasing of terminals, buses and other transportation facilities and equipment, and otherwise through the exercise of the powers and duties conferred upon it, in order to enhance mobility in the region and encourage sound growth patterns. Such a service, facility, or function shall be financed, provided, operated, or maintained in the service area of the authority either in addition to or to a greater or lesser extent than services, facilities, or functions are financed, provided, operated, or maintained for the entirety of the respective units of local government. An authority may take direct action to accomplish these purposes or may enter agreements with another unit of local government in the service area of the authority or a private entity to accomplish these purposes.

“§ 160A-890. Service area of the authority.

The service area of the authority shall be as determined by the board of trustees consistent with its purpose but shall not exceed the sum of the following:

- (1) The territorial jurisdiction of the authority.
- (2) An area outside of the territorial jurisdiction of the authority provided that one of the following conditions is satisfied:
 - a. If the area is within this State, the governing bodies of the political subdivisions to which service is to be extended approve by majority vote of their governing boards the extension of service into the political subdivision or the purchase of real property within the political subdivision for the extension of service.

b. If the area is in another state, the extension of service is approved by any applicable federal or State agency and in accordance with the other state’s laws.

“§ 160A-891. General powers of the authority.

The general powers of the authority include all the following:

- (1) To sue and be sued.
- (2) To have a seal.
- (3) To make rules and regulations, not inconsistent with this Article, for its organization and internal management.
- (4) To employ persons deemed necessary to carry out the functions and duties assigned to them by the authority and to fix their compensation, within the limit of available funds.
- (5) With the approval of the unit of local government's chief administrative official, to use officers, employees, agents, and facilities of the unit of local government for such purposes and upon such terms as may be mutually agreeable.
- (6) To retain and employ counsel, auditors, engineers and private consultants on an annual salary, contract basis, or otherwise for rendering professional or technical services and advice.
- (7) To acquire, lease as lessee with or without option to purchase, hold, own, and use any franchise, property, real or personal, tangible or intangible, or any interest therein and to sell, lease as lessor with or without option to purchase, transfer (or dispose thereof) whenever the same is no longer required for purposes of the authority, or exchange same for other property or rights which are useful for the authority purposes, including but not necessarily limited to parking facilities.
- (8) To acquire by gift, purchase, lease as lessee with or without option to purchase or otherwise to construct, improve, maintain, repair, operate, or administer any component parts of a public transportation system or to contract for the maintenance, operation, or administration thereof or to lease as lessor the same for maintenance, operation, or administration by private parties, including parking facilities.
- (9) To make or enter into contracts, agreements, deeds, leases with or without option to purchase, conveyances or other instruments, including contracts and agreements with the United States, the State of North Carolina, and units of local government.
- (10) To purchase or finance real or personal property in the manner provided for cities and counties under G.S. 160A-20.
- (11) To surrender to the State of North Carolina or a unit of local government any property no longer required by the authority.
- (12) To develop and make data, plans, information, surveys, and studies of public transportation facilities within the territorial jurisdiction of the authority and to prepare and make recommendations in regard thereto.
- (13) To enter in a reasonable manner lands, waters, or premises for the purpose of making surveys, soundings, drillings, and examinations whereby such entry shall not be deemed a trespass except that the authority shall be liable for any actual and consequential damages resulting from such entries.
- (14) To develop and carry out demonstration projects.

- 1 (15) To make, enter into, and perform contracts with private parties, and public
2 transportation companies with respect to the management and operation of public
3 passenger transportation.
- 4 (16) To make, enter into, and perform contracts with any public utility, railroad, or
5 transportation company for the joint use of property or rights, for the
6 establishment of through routes, joint fares, or transfer of passengers.
- 7 (17) To make, enter into, and perform agreements with governmental entities for
8 payments to the authority for the transportation of persons for whom the
9 governmental entities desire transportation.
- 10 (18) With the consent of the unit of local government which would otherwise have
11 jurisdiction to exercise the powers enumerated in this subdivision: to issue
12 certificates of public convenience and necessity; and to grant franchises and enter
13 into franchise agreements and in all respects to regulate the operation of buses and
14 other methods of public passenger transportation which originate and terminate
15 within the territorial jurisdiction of the authority as fully as the unit of local
16 government is now or hereafter empowered to do within the territorial jurisdiction
17 of the unit of local government.
- 18 (19) To operate public transportation systems, to enter into and perform contracts to
19 operate public transportation services and facilities, and to own or lease property,
20 facilities, and equipment necessary or convenient therefor, and to rent, lease or
21 otherwise sell the right to do so to any person, public or private; further, to obtain
22 grants, loans and assistance from the United States, the State of North Carolina,
23 any public body, or any private source whatsoever, but may not operate or
24 contract for the operation of public transportation systems outside the territorial
25 jurisdiction of the authority except as provided by subdivision (21) of this section.
- 26 (20) To enter into and perform contracts and agreements with other metropolitan
27 public transportation authorities, public transportation authorities, regional public
28 transportation authorities, or units of local government pursuant to the provisions
29 of G.S. 160A-460 through 160A-464 (Part 1 of Article 20 of Chapter 160A of the
30 General Statutes); further to enter into contracts and agreements with private
31 transportation companies, but this subdivision does not authorize the operation of,
32 or contracting for the operation of, service of a public transportation system
33 outside the service area of the authority.
- 34 (21) To operate public transportation systems extending service into any political
35 subdivision of the State of North Carolina unless a particular unit of local
36 government operating its own public transportation system or franchising the
37 operation of a public transportation system by majority vote of its governing
38 board, shall deny consent.
- 39 (22) To operate public transportation systems extending service into another state, but
40 only if the extension of service is authorized by any applicable federal or State
41 agency and in accordance with the other state’s laws.
- 42 (23) Except as restricted by covenants in bonds, notes, or equipment trust certificates,
43 to set in its sole discretion rates, fees and charges for use of its public
44 transportation system.
- 45 (24) To do all things necessary or convenient to carry out its purpose and to exercise
46 the powers granted to the authority.

1 (25) To issue bonds or other obligations of the authority as provided by law and apply
2 the proceeds thereof to the financing of any public transportation system or any
3 part thereof and to refund, whether or not in advance of maturity or the earliest
4 redemption date, any such bonds or other obligations of the authority or another
5 municipality that financed or refinanced real and personal property for a public
6 transportation system to be owned or operated by the authority.

7 (26) To contract for, or to provide and maintain, with respect to the facilities and
8 property owned, leased with or without option to purchase, operated or under the
9 control of the authority, and within the territory thereof, a security force to protect
10 persons and property, dispense unlawful or dangerous assemblages and
11 assemblages which obstruct full and free passage, control pedestrian and
12 vehicular traffic, and otherwise preserve and protect the public peace, health, and
13 safety; for these purposes a member of such force shall be a peace officer and, as
14 such, shall have authority equivalent to the authority of a police officer of the city
15 or county in which said member of such force is discharging such duties.

16 (27) To contract for the purchase, lease, or other acquisition of any apparatus, supplies,
17 materials, or equipment for public transit purposes with any person or entity that,
18 within the previous 60 months, after having completed a public formal bid
19 process substantially similar to that required by Article 8 of Chapter 143 of the
20 General Statutes or through the competitive proposal method provided in G.S.
21 143-129(h), has contracted to furnish the apparatus, supplies, materials, or
22 equipment to any unit or agency approved in G.S. 143-129(g) if the person or
23 entity is willing to furnish the items at the same or more favorable prices, terms,
24 and conditions as those provided under the contract with the other unit or agency.
25 Any purchase made under this section shall be approved by the board of trustees
26 as provided in G.S. 143-129(g).

27 **“§ 160A-892. Authority of Utilities Commission not affected.**

28 (a) Except as otherwise provided in this Article, nothing in this Article shall be construed to
29 limit or otherwise affect the power or authority of the North Carolina Utilities Commission or the
30 right of appeal to the North Carolina Utilities Commission as provided by law.

31 (b) The North Carolina Utilities Commission shall not have jurisdiction over rates, fees,
32 charges, routes, and schedules of an authority for service within its territorial jurisdiction.

33 **“§ 160A-893. Fiscal accountability.**

34 An authority is a public authority subject to the provisions of Chapter 159 of the General
35 Statutes.

36 **“§ 160A-894. Funds.**

37 The establishment and operation of an authority are governmental functions and constitute a
38 public purpose, and the State of North Carolina and any unit of local government may
39 appropriate funds to support the establishment and operation of the authority. The State of North
40 Carolina and any unit of local government may also dedicate, sell, convey, donate, or lease any
41 of their interests in any property to the authority. An authority may apply for grants from the
42 State of North Carolina, or from the United States or any department, agency, or instrumentality
43 thereof. The Department of Transportation may allocate to an authority any funds appropriated
44 for public transportation, or any funds whose use is not restricted by law.

45 **“§ 160A-895. Competition.**

1 No equipment of the authority may be used for charter, tour, or sight-seeing service except as
2 allowed under regulations adopted by the Federal Transit Administration.

3 **“§ 160A-896. Effect on existing franchises and operations.**

4 Creation of the authority shall not have an effect on any existing franchises granted by any
5 unit of local government; such existing franchises shall continue in full force and effect until
6 legally terminated; further, all ordinances and resolutions of the unit of local government
7 regulating local public transportation systems, bus operations, and taxicabs shall continue in full
8 force and effect now and in the future, unless superseded by regulations of the authority; such
9 superseding, if any, may occur only on the basis of prior mutual agreement between the authority
10 and the respective unit of local government.

11 **“§ 160A-897. Termination.**

12 The board of trustees may terminate the existence of the authority by adopting a resolution
13 by majority vote to do so at any time when it has no outstanding indebtedness. The resolution to
14 terminate the existence of the authority does not become effective unless and until ratified by
15 majority vote of the board of commissioners of the county that created the authority. In the event
16 of such termination, all property and assets of the authority not otherwise encumbered shall
17 become the property of a unit of local government within the territorial jurisdiction of the
18 authority as specified in the termination resolution and, if accepted by the unit of local
19 government, the unit of local government shall succeed to all rights, obligations, and liabilities of
20 the authority.

21 **“§ 160A-898. Controlling provisions.**

22 Insofar as the provisions of this Article are not consistent with the provisions of any other
23 law, public or private, the provisions of this Article shall be controlling.

24 **“§ 160A-899. Bonds and notes authorized.**

25 In addition to the powers granted by this Article, the authority may issue bonds and notes
26 pursuant to the provisions of The State and Local Government Revenue Bond Act, Article 5 of
27 Chapter 159 of the General Statutes, for the purpose of financing public transportation systems
28 or any part thereof and to refund such bonds and notes and to refund any bonds, notes or other
29 obligations of another municipality used to finance or refinance real and personal property for a
30 public transportation system to be owned or operated by the authority, whether or not in advance
31 of their maturity or earliest redemption date

32 **“§ 160A-900. Equipment trust certificates.**

33 In addition to the powers here and before granted, the authority shall have continuing power
34 to purchase equipment, and in connection therewith execute agreements, leases with or without
35 option to purchase, or equipment trust certificates. All money required to be paid by the authority
36 under the provisions of such agreements, leases with or without option to purchase, and
37 equipment trust certificates shall be payable solely from the fares, fees, rentals, charges,
38 revenues, and earnings of the authority, monies derived from the sale of any surplus property of
39 the authority, and gifts, grants, and contributions from any source whatever. Payment for such
40 equipment or rentals may be made in installments; the deferred installments may be evidenced
41 by equipment trust certificates payable solely from the aforesaid revenues or receipts and title to
42 such equipment may or may not vest in the authority until the equipment trust certificates are
43 paid.

44 **“§ 160A-901. Power of eminent domain.**

45 (a) The authority shall have continuing power to acquire, by gift, grant, devise, exchange,
46 purchase, lease with or without option to purchase, or any other lawful method, including the

1 power of eminent domain, the fee or any lesser interest in real or personal property for use by the
2 authority.

3 (b) Exercise of the power of eminent domain by the authority shall be in accordance with
4 Chapters 40A and 136 of the General Statutes.

5 **“§ 160A-902. Tax exemption.**

6 The property of the authority, both real and personal, its acts, activities and income shall be
7 exempt from any tax or tax obligation; in the event of any lease of authority property, or other
8 arrangement which amounts to a leasehold interest, to a private party, this exemption shall not
9 apply to the value of such leasehold interest nor shall it apply to the income of the lessee.

10 Otherwise, however, for the purpose of taxation, when property of the authority is leased to
11 private parties solely for the purpose of the authority, the acts and activities of the lessee shall be
12 considered as the acts and activities of the authority and the exemption. The interest on bonds or
13 obligations issued by the authority shall be exempt from State taxes.

14 **“§ 160A-903. Removal and relocation of utility structures.**

15 (a) The authority shall have the power to require any public utility, railroad, or other public
16 service corporation owning or operating any installations, structures, equipment, apparatus,
17 appliances or facilities in, upon, under, over, across or along any ways on which the authority has
18 the right to own, construct, operate or maintain its public transportation system, to relocate such
19 installation, structures, equipment, apparatus, appliances or facilities from their locations, or, in
20 the sole discretion of the affected public utility, railroad, or other public service corporation, to
21 remove such installations, structures, equipment, apparatus, appliances or facilities from their
22 locations.

23 (b) If the owner or operator thereof fails or refuses to relocate them, the authority may
24 proceed to do so.

25 (c) Except as otherwise agreed, the authority shall provide any necessary new locations and
26 necessary real estate interests for such relocation, and for that purpose the power of eminent
27 domain as provided in G.S. 160A-901 may be exercised provided the new locations shall not be
28 in, on or above, a public highway; the authority may also acquire the necessary new locations by
29 purchase or otherwise.

30 (d) Except as otherwise agreed, any affected public utility, railroad or other public service
31 corporation shall be compensated for any real estate interest taken in a manner consistent with
32 G.S. 160A-901, subject to the right of the authority to reduce the compensation due by the value
33 of any property exchanged under this section.

34 (e) The method and procedures of a particular adjustment to the facilities of a public utility,
35 railroad or other public service corporation shall be covered by an agreement between the
36 authority and the affected party or parties.

37 (f) Except as otherwise agreed, the authority shall reimburse the public utility, railroad or
38 other public service corporation, for the cost of relocations or removals which shall be the entire
39 amount paid or incurred by the utility properly attributable thereto after deducting the cost of any
40 increase in the service capacity of the new installations, structures, equipment, apparatus,
41 appliances or facilities and any salvage value derived from the old installations, structures,
42 equipment, apparatus or appliances.

43 **“§ 160A-904. Reports to the General Assembly.**

44 The authority shall annually submit to the General Assembly, on or before February 1, its
45 annual operating report, including a report of its administrative expenditures, and its audited
46 financial report. In odd-numbered years, the report shall be submitted to the Senate and House

1 Transportation Committees. In even-numbered years, the report shall be submitted to the Joint
2 Legislative Transportation Oversight Committee.

3 **“§ 160A-905. Limitations on rail transportation liability.**

4 (a) As used in this section:

5 (1) Claim. – A claim, action, suit, or request for damages, whether compensatory,
6 punitive, or otherwise, made by any person or entity against:

7 a. The authority, a railroad, or an operating rights railroad; or

8 b. An officer, director, trustee, employee, parent, subsidiary, or affiliated
9 corporation as defined in G.S. 105-130.2, or agent of: the authority, a
10 railroad, or an operating rights railroad.

11 (2) Operating rights railroad. – A railroad corporation or railroad company that, prior
12 to January 1, 2001, was granted operating rights by a State-Owned Railroad
13 Company or operated over the property of a State-Owned Railroad Company
14 under a claim of right over or adjacent to facilities used by or on behalf of the
15 authority.

16 (3) Passenger rail services. – The transportation of rail passengers by or on behalf of
17 the authority and all services performed by a railroad pursuant to a contract with
18 the authority in connection with the transportation of rail passengers, including,
19 but not limited to, the operation of trains; the use of right of way, trackage, public
20 or private roadway and rail crossings, equipment, or station areas or appurtenant
21 facilities; the design, construction, reconstruction, operation, or maintenance of
22 rail related equipment, tracks, and any appurtenant facilities; or the provision of
23 access rights over or adjacent to lines owned by the authority or a railroad, or
24 otherwise occupied by the authority or a railroad, pursuant to charter grant, fee
25 simple deed, lease, easement, license, trackage rights, or other form of ownership
26 or authorized use.

27 (4) Railroad. – A railroad corporation or railroad company, including a State-Owned
28 Railroad Company as defined in G.S. 124-11, that has entered into any contracts
29 or operating agreements of any kind with the authority concerning passenger rail
30 services.

31 (b) Contracts Allocating Financial Responsibility Authorized. – The authority may contract
32 with any railroad to allocate financial responsibility for passenger rail services claims, including,
33 but not limited to, the execution of indemnity agreements, notwithstanding any other statutory,
34 common law, public policy, or other prohibition against same, and regardless of the nature of the
35 claim or the conduct giving rise to such claim.

36 (c) Insurance Required. –

37 (1) If the authority enters into any contract authorized by subsection (b) of this
38 section, the contract shall require the authority to secure and maintain, upon and
39 after the commencement of the operation of trains by or on behalf of the
40 authority, a liability insurance policy covering the liability of the parties to the
41 contract, a State-Owned Railroad Company as defined in G.S. 124-11 that owns
42 or claims an interest in any real property subject to the contract, and any operating
43 rights railroad for all claims for property damage, personal injury, bodily injury,
44 and death arising out of or related to passenger rail services. The policy shall
45 name the parties to the contract, a State-Owned Railroad Company as defined in
46 G.S. 124-11 that owns or claims an interest in any real property subject to the

contract, and any operating rights railroad as named insureds and shall have policy limits of not less than two hundred million dollars (\$200,000,000) per single accident or incident, and may include a self-insured retention in an amount of not more than five million dollars (\$5,000,000).

(2) If the authority does not enter into any contract authorized by subsection (b) of this section, upon and after the commencement of the operation of trains by or on behalf of the authority, the authority shall secure and maintain a liability insurance policy, with policy limits and a self-insured retention consistent with subdivision (1) of this subsection, for all claims for property damage, personal injury, bodily injury, and death arising out of or related to passenger rail services.

(d) Liability Limit. – The aggregate liability of the authority, the parties to the contract or contracts authorized by subsection (b) of this section, a State-Owned Railroad Company as defined in G.S. 124-11, and any operating rights railroad for all claims arising from a single accident or incident related to passenger rail services for property damage, personal injury, bodily injury, and death is limited to two hundred million dollars (\$200,000,000) per single accident or incident or to any proceeds available under any insurance policy secured pursuant to subsection (c) of this section, whichever is greater.

(e) Effect on Other Laws. – This section shall not affect the damages that may be recovered under the Federal Employers' Liability Act, 45 U.S.C. § 51, et seq., (1908); or under Article 1 of Chapter 97 of the General Statutes.

“§ 160A-906. Civil liability.

Except as provided in G.S. 160A-905, the authority shall be deemed a city for purposes of civil liability pursuant to G.S. 160A-485. Governmental immunity of the authority is waived to a minimum of twenty million dollars (\$20,000,000) per single accident or incident. The authority shall maintain a minimum of twenty million dollars (\$20,000,000) per single accident or incident of liability insurance. Participation in a local government risk pool pursuant to Article 23 of Chapter 58 of the General Statutes shall be deemed to be the purchase of insurance for the purpose of this section.”

PART VI. REQUIREMENTS IF MECKLENBURG COUNTY CREATES A METROPOLITAN PUBLIC TRANSPORTATION AUTHORITY

SECTION 6.1. If Mecklenburg County creates a metropolitan public transportation authority under Article 33 of Chapter 160A, as enacted by Part V of this act, then that Authority is subject to all the provisions of this Part.

SECTION 6.2. The Authority shall conduct a study of the issues listed in this Section. The Authority may use any source of funding available to it to conduct the studies required by this Section. This specifically includes funds provided to the Authority by another unit of government and funds that the Authority receives as a donation or grant from any other public or private source. The Authority shall complete the study required under this Section and publish a report no later than July 1, 2025. The Authority shall publish the report and submit copies of the report to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Legislative Library, the Mecklenburg County Board of Commissioners, the Charlotte City Council, the Town of Cornelius Board of Commissioners, the Town of Davidson Board of Commissioners, the Town of Huntersville Board of Commissioners, the Town of Matthews Board of Commissioners, the Town of Mint Hill Board of Commissioners, the Town of

1 Mooresville Board of Commissioners, and the Pineville Town Council. The Authority shall
2 study the following issues:

- 3 (1) Legal and financial considerations with respect to the transfer or use of assets
4 from the City of Charlotte or the Charlotte Area Transportation System (CATS) to
5 the Authority.
- 6 (2) Legal and financial considerations with respect to outstanding indebtedness issued
7 by the City of Charlotte with respect to CATS to ensure no adverse impacts in
8 relation to the outstanding indebtedness.
- 9 (3) Legal and financial considerations with respect to agreements and recognitions by
10 the City of Charlotte or CATS with respect to the public transportation system
11 with any federal, state, regional, or local governmental entities.
- 12 (4) Legal and financial considerations with respect to human resources of a transfer
13 of assets, liabilities, and operations of the public transportation system from the
14 City of Charlotte or CATS to the Authority, including issues related, but not
15 limited, to employee pensions, retirement plans, and benefits.
- 16 (5) A recommendation as to whether the transfer of assets, liabilities, and operations
17 of the existing public transportation system to the Authority is feasible and
18 advisable.
- 19 (6) Any other issue determined to be relevant by the Authority.

20 **SECTION 6.3.** If Mecklenburg County creates a metropolitan public transportation
21 authority under the provisions of Article 33 of Chapter 160A of the General Statutes, as enacted
22 by Part V of this act, before the convening of the 2025 Regular Session of the 2025 General
23 Assembly, then as of the date of the issuance of a certificate of incorporation by the Secretary of
24 State under G.S. 160A-883(c), as enacted by Part V of this act, the General Assembly makes the
25 following appointments to the Board of Trustees of that Authority:

- 26 (1) [President Pro Tem’s appointee].
- 27 (2) [Speaker’s appointee].

28 **SECTION 6.4.** The Authority shall do the following no later than one year after
29 enactment of this act:

- 30 (1) Adopt bylaws that are consistent with the provisions of Article 33 of Chapter
31 160A of the General Statutes.
- 32 (2) Establish policies with respect to Board governance, including the adoption of a
33 Code of Ethics for Trustees and key employees and the adoption of a Conflicts of
34 Interest policy.
- 35 (3) Create a human resources plan. This includes, at a minimum:
 - 36 a. Creating an organizational chart that specifies positions that report directly
37 to the Authority’s Board of Trustees.
 - 38 b. Completing the search for direct reports to the Board of Trustees.
 - 39 c. Creating personnel policies and procedures including those related to
40 employee recruitment and retention, compensation and benefit policies
41 and plans, and an employee code of conduct.
 - 42 d. Taking all steps necessary to ensure participation by the Authority in the
43 Local Government Employees’ Retirement System under Article 3 of
44 Chapter 128 of the General Statutes.
 - 45 e. Creating a plan, including a timeline, to implement a transfer of
46 employees of CATS from the City of Charlotte to the Authority.

- 1 f. Developing or acquiring information technology and other assets needed
- 2 to implement the human resources plan.
- 3 (4) Develop financial policies for the Authority.
- 4 (5) Develop operational policies for the Authority including policies related to
- 5 business continuity, system operation, maintenance of the system and system
- 6 assets, fares, purchasing and contracts, transit rules and regulations, travel
- 7 markets, transit service, and advertising and sponsorships.
- 8 (6) Develop an information technology plan for the operation and administration of
- 9 the public transportation system. The plan shall include provisions related to
- 10 cybersecurity, data privacy, and the use of websites and mobile applications.
- 11 (7) Create a plan, including a timeline, for the acquisition of the assets of CATS from
- 12 the City of Charlotte. This includes:
- 13 a. Drafting agreements to be entered into with the City of Charlotte with
- 14 respect to the use, control, and acquisition of assets of CATS. With
- 15 respect to assets of CATS that were procured with funds available to the
- 16 City other than federal or State funds received by the City with respect to
- 17 CATS and funds generated by a tax levied under Article 43 of Chapter
- 18 105 of the General Statutes or a tax levied under Section 3.1 of S.L. 1997-
- 19 417, as added by Section 30 of S.L. 2006-162 and amended by Section
- 20 2.(h) of S.L. 2009-527 and this act, the agreements shall provide that the
- 21 City has a right of reverter with respect to the property if the property is no
- 22 longer used for a purpose supporting the operation of a public
- 23 transportation system.
- 24 b. Negotiating an agreement with the City of Charlotte to reimburse the City
- 25 for the acquisition of the Norfolk Southern O-Line as provided in Section
- 26 4.9(4) of this act.
- 27 c. Drafting agreements with the City of Charlotte with respect to any
- 28 outstanding bonds, notes, or other financing secured or payable by receipts
- 29 from the taxes levied under Article 43 of Chapter 105 of the General
- 30 Statutes or under Section 3.1 of S.L. 1997-417, as added by Section 30 of
- 31 S.L. 2006-162 and amended by Section 2.(h) of S.L. 2009-527 and this
- 32 act.
- 33 d. Notwithstanding the agreements above, any agreements entered into
- 34 between the City and the Authority will require that the Authority
- 35 undertake all obligations necessary to ensure that the City will remain in
- 36 compliance with and will not have an adverse impact on the City’s
- 37 outstanding bonds, notes on other financing obligations for the public
- 38 transportation system.
- 39 (8) Take all steps necessary to ensure approval by the Federal Transit Administration
- 40 and any other applicable federal or State agency of the use, control, and
- 41 acquisition of CATS assets.
- 42 (9) Draft amendments to the interlocal agreement between Mecklenburg County, the
- 43 City of Charlotte, the Town of Cornelius, the Town of Davidson, the Town of
- 44 Huntersville, the Town of Matthews, the Town of Mint Hill, and the Town of
- 45 Pineville dated February 16, 1999, as amended, to provide for the termination of
- 46 that agreement at the time a tax levied under Part IV of this act becomes effective,

subject to any continuing obligations agreed to by the parties to the agreement. The agreement shall contain provisions dissolving the Metropolitan Transit Commission created under that interlocal agreement and repealing all maintenance-of-effort requirements.

- (10) Draft agreements or amendments to agreements with third parties to ensure that the Authority may be substituted for the City as a party to any ongoing contracts, agreements, rights, responsibilities, or liabilities with respect to CATS once the Authority assumes operational control of CATS.

SECTION 6.5. If Mecklenburg County enacts a tax authorized by Part IV of this act, then the Authority and the City of Charlotte shall do all the following effective as of the date the tax levied under that Part becomes effective:

- (1) The Authority shall begin receiving the proceeds of all the following:
 - a. Taxes levied under Part IV of this act as provided in that Part.
 - b. Taxes levied under Article 43 of Chapter 105 of the General Statutes as provided in G.S. 105-507.3
 - c. Taxes levied under Section 3.1 of S.L. 1997-417, as added by Section 30 of S.L. 2006-162 and amended by Section 2.(h) of S.L. 2009-527 and this act, as provided in that act.
- (2) The City shall transfer control of the operational assets of CATS to the Authority subject to use agreements between the City and Authority.
- (3) The City shall retain ownership of any assets that are pledged as security for any outstanding indebtedness. Once any outstanding indebtedness is satisfied, the City shall begin transferring ownership of these assets of CATS to the Authority as provided in the agreements.
- (4) The City shall begin transferring ownership of other physical assets of CATS to the Authority as provided in the agreements.
- (5) The City shall retain the \$30 million required fund balance from the existing CATS Revenue Reserve Fund. If these reserves must be used by the City to cover any debt service payments due within the current fiscal year, the Authority shall provide an amount sufficient to return the fund balance to the \$30 million required balance. Once all applicable debt obligations have been satisfied, any amount remaining in the Fund shall revert to the Authority.
- (6) The Authority shall begin making payments to the City in accordance with agreements between the Authority and City for the following:
 - a. An amount to the City that is, at a minimum, sufficient to cover any debt service payments due within the current fiscal year. Amounts must be provided according to a schedule that ensures the funds are available prior to the required payment dates.
 - b. An amount to reimburse the City for the acquisition of the Norfolk Southern O-Line as provided in the agreements.
- (7) Except as provided with specifically identified positions or individuals, employees of CATS shall be transferred from the City to the Authority.

SECTION 6.6. If Mecklenburg County enacts a tax authorized by Part IV of this act, then as of the date the tax levied under that Part becomes effective the interlocal agreement between Mecklenburg County, the City of Charlotte, the Town of Cornelius, the Town of Davidson, the Town of Huntersville, the Town of Matthews, the Town of Mint Hill, and the

1 Town of Pineville dated February 16, 1999, as amended, and any other interlocal agreement with
2 respect to the tax levied under Article 43 of Chapter 105 of the General Statutes or a tax levied
3 under Section 3.1 of S.L. 1997-417, as added by Section 30 of S.L. 2006-162 and amended by
4 Section 2.(h) of S.L. 2009-527 and this act, is terminated subject to any continuing obligations
5 agreed to by the parties to that agreement. In addition, the Metropolitan Transit Commission is
6 dissolved as of that date.

7 **SECTION 6.7.** If Mecklenburg County creates a metropolitan public transportation
8 authority under Article 33 of Chapter 160A, as enacted by Part V of this act, then,
9 notwithstanding G.S. 160A-890 as enacted by that Part, any service outside of the territorial
10 jurisdiction of the Authority that is offered as of the date that the Authority assumes operational
11 control of the assets of CATS may continue without the governing bodies of the applicable
12 political subdivisions granting approval by majority vote for the continuation of service.
13

14 **PART VII. REVENUE BONDS**

15 **SECTION 7.1.** The definitions in G.S. 159-81 apply in this Part.

16 **SECTION 7.2.** In addition to the revenues included in G.S. 159-81(4), a municipality
17 may include as revenues the receipts from any sales and use tax or other local tax received by a
18 municipality in connection with its ownership and operation of a revenue bond project or a utility
19 or public service enterprise facility or system of which a revenue bond project is a part as long as
20 the pledge of such receipts does not constitute a pledge of the municipality's taxing power.

21 **SECTION 7.3.** In addition to the powers provided in G.S. 159-83, a municipality has the
22 authority to finance and refinance the cost of public transportation systems, facilities, or
23 equipment with bonds or notes secured in one or more of the following ways: (1) By the
24 revenues of the public transportation systems, facilities, or equipment, (2) By pledge, mortgage,
25 or grant of a security interest in all or a portion of the real and personal property, whether owned
26 or leased, comprising the public transportation systems, facilities, or equipment, and (3) as
27 otherwise provided in Article 5 of Chapter 159 of the General Statutes. Notwithstanding
28 anything in G.S. 159-83(a) or otherwise in Article 5 of Chapter 159 of the General Statutes to the
29 contrary, each municipality may secure bonds or notes by a pledge of all or any portion of the
30 revenues of public transportation systems, facilities, or equipment without regard to meeting the
31 expense and maintenance and operation of and renewals and replacements with respect to the
32 revenue bond project.

33 **SECTION 7.4.** This Part applies only to cities with a population of greater than 870,000
34 according to the 2020 federal decennial census or any subsequent federal decennial census and
35 metropolitan public transportation authorities created under Article 33 of Chapter 160A of the
36 General Statutes, as enacted by Part V of this act.
37

38 **PART VIII. CONFORMING CHANGES**

39 **SECTION 8.1.** G.S. 40A-3(c) reads as rewritten:

40 “(c) Other Public Condemnors. – For the public use or benefit, the following political
41 entities shall possess the power of eminent domain and may acquire property by purchase, gift,
42 or condemnation for the stated purposes.

43 ...
44 (14) A metropolitan public transportation authority established under Article 33 of
45 Chapter 160A of the General Statutes for the purposes of that Article.”

46 **SECTION 8.2.** G.S. 105-164.14(c) reads as rewritten:

1 “(c) Certain Governmental Entities. – A governmental entity listed in this subsection is
2 allowed an annual refund of sales and use taxes paid by it under this Article on direct purchases
3 of items. Sales and use tax liability indirectly incurred by a governmental entity on building
4 materials, supplies, fixtures, and equipment that become a part of or annexed to any building or
5 structure that is owned or leased by the governmental entity and is being erected, altered, or
6 repaired for use by the governmental entity is considered a sales or use tax liability incurred on
7 direct purchases by the governmental entity for the purpose of this subsection. The refund
8 allowed under this subsection does not apply to purchases of electricity, telecommunications
9 service, ancillary service, piped natural gas, video programming, or a prepaid meal plan. A
10 request for a refund must be in writing and must include any information and documentation
11 required by the Secretary. A request for a refund is due within six months after the end of the
12 governmental entity's fiscal year.

13 This subsection applies only to the following governmental entities:

- 14 ...
- 15 (15) A regional public transportation authority created pursuant to Article 26 of
16 Chapter 160A of the General Statutes, a metropolitan public transportation
17 authority created pursuant to Article 33 of Chapter 160A of the General Statutes,
18 or a regional transportation authority created pursuant to Article 27 of Chapter
19 160A of the General Statutes.

20 ...”

21 **SECTION 8.3.** G.S. 136-44.20(b1) reads as rewritten:

22 “(b1) The Secretary may, subject to the appropriations made by the General Assembly
23 for any fiscal year, enter into State Full Funding Grant Agreements with a Regional Public
24 Transportation Authority (RPTA) duly created and existing pursuant to Article 26 of Chapter
25 ~~160A,~~ 160A of the General Statutes, a Regional Transportation Authority (RTA) duly created
26 and existing pursuant to Article 27 of Chapter ~~160A,~~ 160A of the General Statutes, a
27 Metropolitan Public Transportation Authority (MPTA) duly created and existing pursuant to
28 Article 33 of Chapter 160A of the General Statutes, or a city organized under the laws of this
29 State as defined in G.S. 160A-1(2), to provide State matching funds for "new start" fixed
30 guideway projects in development by any entity pursuant to 49 U.S.C. § 5309. These grant
31 agreements shall be executable only upon an Authority's or city's completion of and the Federal
32 Transit Administration (FTA) approval of Preliminary Engineering and Environmental Impact
33 Studies in anticipation of federal funding pursuant to 49 U.S.C. § 5309.

34 Prior to executing State Full Funding Grant Agreements, the Secretary shall submit proposed
35 grant agreements or amendments to the Joint Legislative Transportation Oversight Committee
36 for review. The agreements, consistent with federal guidance, shall define the limits of the "new
37 starts" projects within the State, commit maximum levels of State financial participation, and
38 establish terms and conditions of State financial participation.

39 State Full Funding Grant Agreements may provide for contribution of State funds in
40 multiyear allotments. The multiyear allotments shall be based upon the Department's estimates,
41 made in conjunction with an Authority or city, of the grant amount required for "new start"
42 project work to be performed in the appropriation fiscal year.

43 State funds may be used to fund fixed guideway projects developed without federal funding
44 by the Department, a Regional Public Transportation Authority (RPTA) duly created and
45 existing pursuant to Article 26 of Chapter 160A of the General Statutes, a Regional
46 Transportation Authority (RTA) duly created and existing pursuant to Article 27 of Chapter

1 160A of the General Statutes, a Metropolitan Public Transportation Authority (MPTA) duly
 2 created and existing pursuant to Article 33 of Chapter 160A of the General Statutes, or a unit of
 3 local government. In addition, State funds may be used to pay administrative costs incurred by
 4 the Department while participating in such fixed guideway projects.”

5 **SECTION 8.4.** G.S. 136-44.27(e) and (f) read as rewritten:

6 “(e) Funds distributed by the Department under this section shall be used by counties,
 7 public transportation authorities, metropolitan public transportation authorities, or regional
 8 public transportation authorities in a manner consistent with transportation development plans
 9 which have been approved by the Department and the Board of County Commissioners. To
 10 receive funds apportioned for a given fiscal year, a county shall have an approved transportation
 11 development plan. Funds that are not obligated in a given fiscal year due to the lack of such a
 12 plan will be distributed to the eligible counties based upon the distribution formula prescribed by
 13 subsection (d) of this section.

14 (f) A regional public transportation authority created pursuant to Article 25 or Article 26 of
 15 Chapter 160A of the General Statutes and a metropolitan public transportation authority created
 16 under Article 33 of Chapter 160A of the General Statutes may, upon written agreement with the
 17 municipalities served by a public transportation authority, county served by the metropolitan
 18 public transportation authority, or counties served by the regional public transportation authority,
 19 apply for and receive any funds to which the member municipality or counties are entitled to
 20 receive based on the distribution formula set out in subsection (d) of this section.”

21 **SECTION 8.5.** G.S. 143-129(h) reads as rewritten:

22 “(h) Transportation Authority Purchases. – Notwithstanding any other provision of this
 23 section, any board or governing body of any regional public transportation authority, hereafter
 24 referred to as a "RPTA," created pursuant to Article 26 of Chapter 160A of the General Statutes,
 25 ~~or~~ a regional transportation authority, hereafter referred to as a "RTA," created pursuant to
 26 Article 27 of Chapter 160A of the General Statutes, or a metropolitan public transportation
 27 authority, hereafter referred to as a “MPTA”, created pursuant to Article 33 of Chapter 160A of
 28 the General Statutes may approve the entering into of any contract for the purchase, lease, or
 29 other acquisition of any apparatus, supplies, materials, or equipment without competitive bidding
 30 and without meeting the requirements of subsection (b) of this section if the following
 31 procurement by competitive proposal (Request for Proposal) method is followed.

32 The competitive proposal method of procurement is normally conducted with more than one
 33 source submitting an offer or proposal. Either a fixed price or cost reimbursement type contract
 34 is awarded. This method of procurement is generally used when conditions are not appropriate
 35 for the use of sealed bids. If this procurement method is used, all of the following requirements
 36 apply:

- 37 (1) Requests for proposals shall be publicized. All evaluation factors shall be
 38 identified along with their relative importance.
- 39 (2) Proposals shall be solicited from an adequate number of qualified sources.
- 40 (3) ~~RPTAs or RTAs~~ RPTAs, RTAs, or MTPAs shall have a method in place for
 41 conducting technical evaluations of proposals received and selecting awardees,
 42 with the goal of promoting fairness and competition without requiring strict
 43 adherence to specifications or price in determining the most advantageous
 44 proposal.
- 45 (4) The award may be based upon initial proposals without further discussion or
 46 negotiation or, in the discretion of the evaluators, discussions or negotiations may

1 be conducted either with all offerors or with those offerors determined to be
2 within the competitive range, and one or more revised proposals or a best and
3 final offer may be requested of all remaining offerors. The details and deficiencies
4 of an offeror's proposal may not be disclosed to other offerors during any period
5 of negotiation or discussion.

6 (5) The award shall be made to the responsible firm whose proposal is most
7 advantageous to the ~~RPTA's or the RTA's~~ RPTA's, RTA's, or MPTA's program
8 with price and other factors considered.

9 The contents of the proposals shall not be public records until 14 days before the award of
10 the contract.

11 The board or governing body of the ~~RPTA or the RTA~~ RPTA, the RTA, or the MPTA shall,
12 at the regularly scheduled meeting, by formal motion make findings of fact that the procurement
13 by competitive proposal (Request for Proposals) method of procuring the particular apparatus,
14 supplies, materials, or equipment is the most appropriate acquisition method prior to the issuance
15 of the requests for proposals and shall by formal motion certify that the requirements of this
16 subsection have been followed before approving the contract.

17 Nothing in this subsection subjects a procurement by competitive proposal under this
18 subsection to G.S. 143-49, 143-52, or 143-53.”

19 ~~RPTAs and RTAs~~ RPTAs, RTAs, and MPTAs may adopt regulations to implement this
20 subsection.”

21 **SECTION 8.6.** G.S. 143-157.1(d) reads as rewritten:

22 “(d) Reporting by Local Units of Government. – By September 1 of each year and
23 with regard to each local board listed in this subsection, the information required by subsection
24 (b) of this section shall be submitted on behalf of the appointing authority to the Secretary of
25 State by the clerk of that appointing authority. Appointments to each of the following local
26 boards, whether established by State law or local decision, or appointments to those local boards
27 having equivalent functions, however named or denominated, must be reported:

28 ...
29 (26) A public transportation authority created pursuant to Article 25 of Chapter 160A
30 of the General Statutes, a regional public transportation authority created pursuant
31 to Article 26 of Chapter 160A of the General Statutes, ~~or~~ a regional transportation
32 authority created pursuant to Article 27 of Chapter 160A of the General
33 ~~Statutes-Statutes~~, or a metropolitan public transportation authority created
34 pursuant to Article 33 of Chapter 160A of the General Statutes.

35 ...”

36 **SECTION 8.7.** G.S. 153A-148.1(a) reads as rewritten:

37 “(a) Disclosure Prohibited. – Notwithstanding Chapter 132 of the General Statutes or
38 any other law regarding access to public records, local tax records that contain information about
39 a taxpayer's income or receipts are not public records. A current or former officer, employee, or
40 agent of a county who in the course of service to or employment by the county has access to
41 information about the amount of a taxpayer's income or receipts may not disclose the
42 information to any other person unless the disclosure is made for one of the following purposes:

43 ...
44 (4) To exchange information with a regional public transportation ~~authority or~~
45 authority, a regional transportation authority, or a metropolitan public
46 transportation authority, created pursuant to Article ~~26 or~~ 26, Article 27, or 33 of

1 Chapter 160A of the General Statutes, when the information is needed to fulfill a
2 duty imposed on the authority or on the county.

3 ...”

4 **SECTION 8.8.** G.S. 159-48(e) reads as rewritten:

5 “(e) Each sanitary district, mosquito control district, hospital district, merged school
6 administrative unit described in G.S. 115C-513, metropolitan sewerage district, metropolitan
7 water district, metropolitan water and sewerage district, county water and sewer district, regional
8 public transportation authority, metropolitan public transportation authority, and special airport
9 district may borrow money and issue its bonds under this Article in evidence thereof for the
10 purpose of paying any capital costs of any one or more of the purposes for which it is authorized,
11 by general laws uniformly applicable throughout the State, to raise or appropriate money, except
12 for current expenses.”

13 **SECTION 8.9.** G.S. 159-81 reads as rewritten:

14 **“§ 159-81. Definitions.**

15 The words and phrases defined in this section shall have the meanings indicated when used
16 in this Article:

17 (1) "Municipality" means a county, city, town, incorporated village, sanitary district,
18 metropolitan sewerage district, metropolitan water district, metropolitan water and
19 sewerage district, county water and sewer district, water and sewer authority,
20 hospital authority, hospital district, parking authority, special airport district,
21 special district created under Article 43 of Chapter 105 of the General Statutes,
22 regional public transportation authority, regional transportation authority,
23 metropolitan public transportation authority, regional natural gas district, regional
24 sports authority, airport authority, joint agency created pursuant to Part 1 of
25 Article 20 of Chapter 160A of the General Statutes, a joint agency authorized by
26 agreement between two cities to operate an airport pursuant to G.S. 63-56, the
27 North Carolina Turnpike Authority described in Article 6H of Chapter 136 of the
28 General Statutes and transferred to the Department of Transportation pursuant to
29 G.S. 136-89.182(b), and a Ferry Transportation Authority created pursuant to
30 Article 29 of Chapter 160A of the General Statutes, but not any other forms of
31 State or local government.

32 ...”

33 **SECTION 8.10.** G.S. 160A-20(h) reads as rewritten:

34 “(h) Local Government Defined. – As used in this section, the term "unit of local
35 government" means any of the following:

36 ...

37 (11) A regional public transportation ~~authority or authority~~, a regional transportation
38 authority, or a metropolitan public transportation authority created pursuant to
39 Article ~~26 or 26~~, Article 27, or Article 33 of this Chapter.

40 ...”

41

42 **PART IX. MISCELLANEOUS PROVISIONS**

43 **SECTION 9.1.** It is the intent of the General Assembly not to reduce transportation
44 funding allocations for any municipality in Mecklenburg County as a result of the enactment of
45 this act or the levy of a tax under the provisions of this act. In addition, it is the intent of the
46 General Assembly not to reduce State transportation funding for State projects located in

1 Mecklenburg County as a result of the enactment of this act or the levy of a tax under the
2 provisions of this act. Without specific authorization from the General Assembly, the
3 Department of Transportation may not reduce funding for any transportation projects as a result
4 of this act or the levy of a tax pursuant to Parts II, III, or IV of this act.

5 **SECTION 9.2.** Except as otherwise provided, this act is effective when it becomes law.
6

ⁱ https://www.bts.gov/archive/publications/transportation_statistics_annual_report/2016/chapter_5 (Last viewed 5/21/24).

ⁱⁱ <https://www.apta.com/research-technical-resources/economic-impact-of-public-transit/> (Last viewed 5/21/24).

ⁱⁱⁱ <https://www.nlc.org/article/2023/06/29/how-transportation-can-drive-economic-mobility/> (Last viewed 5/21/24).

^{iv} <https://www.accessmagazine.org/spring-2011/transportation-jobs-economic-growth/#:~:text=Sound%20transportation%20investments%20lower%20the.a%20higher%20standard%20of%20living.> (Last viewed 5/21/24).

^v https://finance.yahoo.com/news/traffic-congestion-costs-commuters-valuable-122500799.html?guccounter=1&guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2x1LmNvbS8&guce_referrer_sig=AQAAANYNhNFd61P_p2v-I3GMJ_-e-xAme693kJLr_dWKxa7P-DIBezlOlYQ0UgfyU87Dg3yzSEzEz-ENS7K1mnLn7uKB525R_TBAmUuwCJ_nOYHIHPG2fByyCYrVQXlaussIMlnJU96aJLMtUn4qQzOcMyyk_kmPQhaxxBWwwCamuX (Last viewed 5/21/24).

^{vi} <https://www.transportation.gov/sites/dot.gov/files/docs/Costs%20of%20Surface%20Transportation%20Congestion.pdf> (Last viewed 5/21/24).

^{vii} <https://www.theswaddle.com/traffic-mental-health-problems> (Last viewed 5/21/24).

^{viii} <https://www.forbes.com/home-improvement/moving-services/hardest-commutes-in-us/#:~:text=The%20top%20five%20hardest%20commutes,the%20top%2010%2C%20along%20with.> (Last viewed 5/21/24).

^{ix} <https://mobility.tamu.edu/umr/congestion-data/> (Last viewed 5/21/24).

^x *Id.*

^{xi} CLT Alliance, Population and Demographic Changes in the Charlotte Region, September 2021

^{xii} CLT Alliance Economic Impacts of Mobility Investments in Mecklenburg County and the Benefits to the Charlotte Region (Executive Summary)



**RESOLUTION 2024-13
TOWN OF PINEVILLE TOWN COUNCIL
IN SUPPORT OF LEGISLATION AUTHORIZING REFERENDUM**

WHEREAS, the Town of Pineville is a member of the Metropolitan Transit Commission established in 1999 between Mecklenburg County, the City of Charlotte, and six surrounding towns, and is supportive of providing a diverse roadway infrastructure and public transportation options to its residents; and

WHEREAS, Mecklenburg County is a regional economic engine with over 1.2M residents and one of the fastest-growing metro areas in the country, attracting new businesses, jobs, tourism, and people every day; and

WHEREAS, our regional growth creates regional transportation needs that include managing the inevitable increase in vehicle trips, maintaining healthy air quality, reducing emissions and congestion; and

WHEREAS, Mecklenburg County is the center of the Piedmont region with roughly half of our collective employment base commuting from outside the county; and

WHEREAS, the transportation decisions we make today will shape the future of our municipalities, county, region, and state; and

WHEREAS, the substantial federal grant funding is available for investment in transportation network infrastructure, which requires a percentage match of local funding to utilize; and

WHEREAS, the Town of Pineville desires that the North Carolina General Assembly pass legislation authorizing the citizens of Mecklenburg County to decide by referendum whether they will approve and additional sales tax for investment in roadway and public transportation systems.

NOW THEREFORE, BE IT RESOLVED, that the Town of Pineville Town Council:

1. Hereby supports the coalition of local jurisdictions in Mecklenburg County (including Mecklenburg County, City of Charlotte, and a majority of towns) to seek authorization from the North Carolina General Assembly authorizing the voters of Mecklenburg County to determine by referendum whether they will approve an additional sales tax for further investment in roadway and public transportation systems.
2. This Resolution shall be effective as the day of its adoption.

Adopted this _____ day of September 2024.

Mayor David Phillips

SEAL

ATTEST:

APPROVED AS TO FORM:

Lisa Snyder, Town Clerk

Town Attorney

Workshop Meeting

Pineville

PLANNING & ZONING

To: Town Council

From: Travis Morgan

Date: 8/26/2024

Re: **Blue Heel Dorman Road Townhomes** (*Informational Item*)

REQUEST:

Blue Heel Development seeks your consideration on a site plan specific conditional rezoning. The proposal seeks to rezone the Melinda Earnheart property from R-44 to RMX(CD) to allow for 75 townhome units.

DEVELOPMENT SUMMARY:

Parcel number:	22110102
Acreage:	+/-15.28
Units:	75
Density:	4.91 units/acre
Min. Parking:	244 (3.25/unit)
Parking Provided:	327
Trash:	Public rollouts

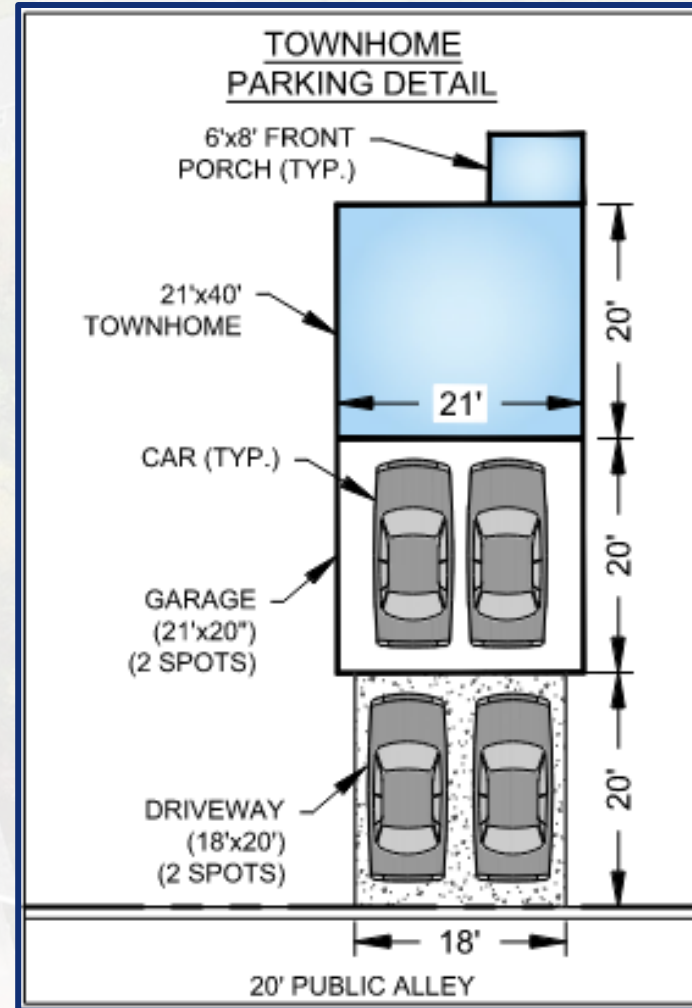
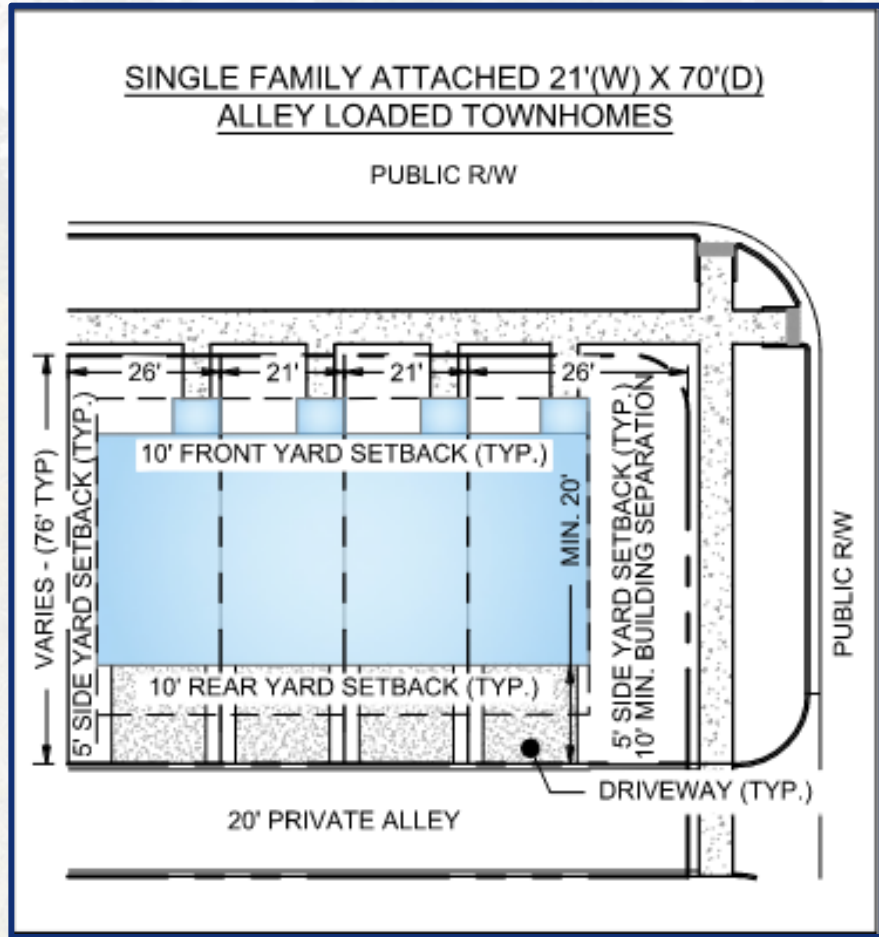
STAFF COMMENT:

A rezoning with site specific plan is needed for this type development. This follows conditional zoning standards. Property does have challenging topography and powerlines running through it. The proposal is clustered along Dorman because of site topography and grading to gravity drain septic service. Development falls below the unit count required for a Town traffic study. Will still need NCDOT driveway permit. Will need to discuss with NCDOT about the driveway and possible turn lanes. Sidewalks are provided for walkability throughout and product is rear loaded. Some units have a 6x8 'usable' front porch and parking is met. The roll out trash service noted does not have a clear storage location and appears to not fit in the garage with two cars. In that case that would remove a parking space from the garage reducing the parking count by 75 spaces if the rollouts are stored in the garage.

ACTION:

This is a workshop meeting to hear the initial request and to offer feedback or clarifications.

Dimensional Standards



Elevations

ELEVATIONS ARE REPRESENTATIONAL ONLY AND ARE NOT FINAL DESIGNS. FINAL HOME ELEVATION DESIGNS ARE SUBJECT TO CHANGE. Item 4.



Elevations

ELEVATIONS ARE REPRESENTATIONAL ONLY AND ARE NOT FINAL DESIGNS. FINAL HOME ELEVATION DESIGNS ARE SUBJECT TO CHANGE.

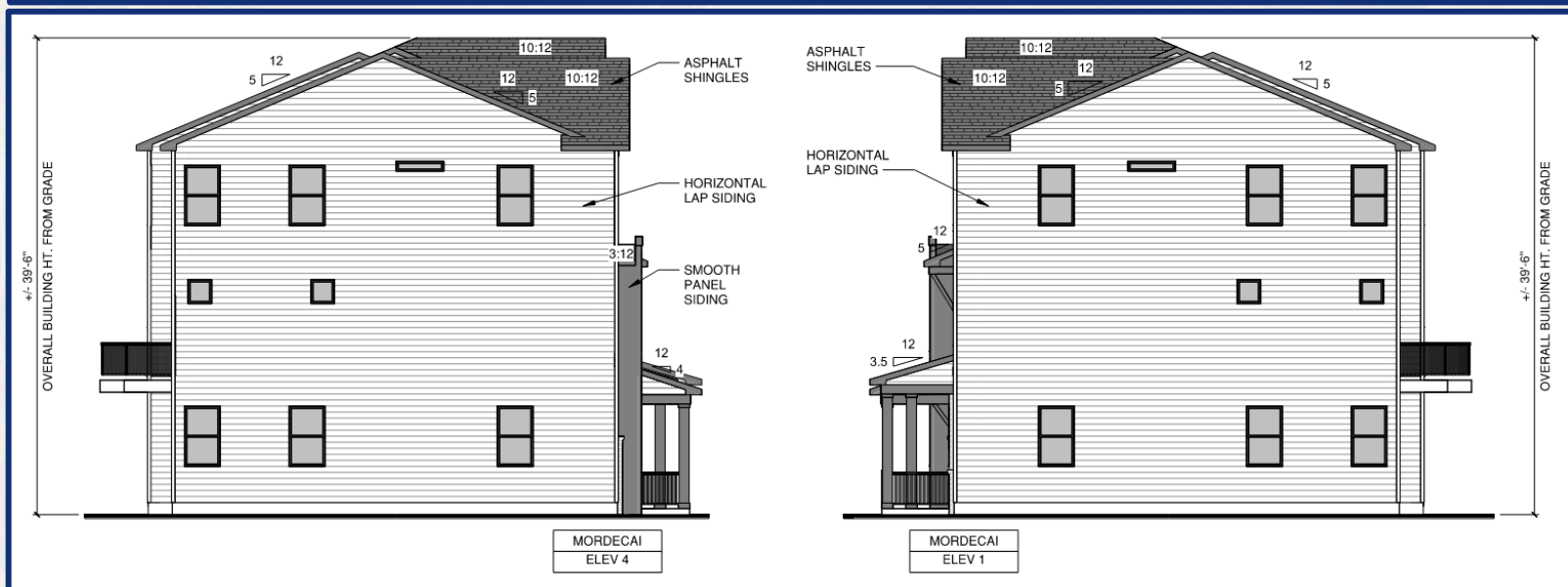
Item 4.



Elevations

ELEVATIONS ARE REPRESENTATIONAL ONLY AND ARE NOT FINAL DESIGNS. FINAL HOE ELEVATION DESIGNS ARE SUBJECT TO CHANGE.

Item 4.





Submit to Planning Department, 200 Dover St, Pineville, NC 28134
Phone (704) 889-2291 Fax (704) 889-2293

Office Use Only:

Application #:

Payment Method: Cash Check Credit Card Amount \$ _____ Date Paid _____

Zoning Application

Note: Application will not be considered until all required submittal components listed have been completed

Applicant's Name: BLUE HEEL DEVELOPMENT (MATT GALLAGHER) Phone: 704-634-514
Applicant's Mailing Address: 9606 BAILEY ROAD, STE 265 CORNELIUS, NC 28031

Property Information:

Property Location: UNASSIGNED DORMAN ROAD
Property Owner's Mailing Address: 960 HALSEVILLE RD CHESTER SC 29706
Property Owner Name: MELINDA EARNHEART & GILLIAM HOOPAUGH Phone: _____
Tax Map and Parcel Number: 22110102 Existing Zoning: R-44

Which are you applying (Check all that apply):

Rezoning by Right _____ Conditional Zoning _____ Conditional Rezoning Text Amendment _____

Fill out section(s) that apply:

Rezoning by Right:
Proposed Rezoning Designation _____

Conditional Zoning:
Proposed Conditional Use SINGLE FAMILY ATTACHED (TOWNHOMES)
Acreage 15.28 Square Feet _____ Approximate Height 3 STORY # of Rooms _____
Parking Spaces Required 244 Parking Spaces Provided 327 ****Please Attach Site Specific Conditional Plan**

Conditional Rezoning:
Proposed Conditional Rezoning Designation RMX

Text Amendment:
Section _____ Reason _____
Proposed Text Change (Attach if needed) _____

I do hereby certify that all information which I have provided for this application is, to the best of my knowledge, correct.

DocuSigned by:
Matthew Gallagher
Signature of Applicant
Melinda Earnheart Hoopangh
Signature of Property Owner (If not Applicant)

7/31/2024
Date
8/1/2024 | 17:18 CDT
Date

Signature of Town Official

Date



ELEV 'A'

3/16" = 1'-0"



ELEV 'B'

3/16" = 1'-0"



ELEV 'C'

3/16" = 1'-0"

MORDECAI
FARMHOUSE ELEVATIONS

07.31.2024



www.gmdesigngroup.com

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The drawings presented are illustrative of character and design intent only, and are subject to change based upon final design considerations (i.e., applicable codes, structural, and MEP design requirements, unit plan / floor plan changes, etc.) © 2024 gmdesigngroup carolinas, inc.



ELEV 'D'

3/16" = 1'-0"

MORDECAI
FARMHOUSE ELEVATIONS

07.31.2024



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TOWN COUNCIL AGENDA ITEM

MEETING DATE:

Agenda Title/Category:	PSA for Cone Mill			
Staff Contact/Presenter:	Ryan Spitzer			
Meets Strategic Initiative or Approved Plan:	Yes	No	If yes, list:	Comprehensive Plan
	x			
Background:	Town staff has finalized a draft PSA with the potential buyer. This will be Council’s first look at the PSA and the terms described.			
Discussion:	Discuss the terms of the PSA and if Town Council would like anything changed or amended.			
Fiscal impact:				
Attachments:	<ol style="list-style-type: none"> 1. Memo 2. PSA 3. Development Plan 			
Recommended Motion to be made by Council:				

Memorandum



To: Mayor and Town Council

From: Ryan Spitzer

Date: 8/23/2024

Re: PSA for Cone Mill

Overview:

Town Council directed staff to begin working with a buyer on a Purchase and Sale Agreement (PSA) for the Cone Mill property that will redevelop the property for a mix of commercial and townhome uses. Staff have completed a draft PSA with the buyer for Council's approval. The terms of the PSA are outlined below.

Typically, when the Town holds a Public Hearing for a third-party developer looking to develop on a private property in town the following are required by the town at the time of the Public Hearing: site plan, landscape plan, elevations, parking count, unit count, and a traffic study.

Time Periods

Purchase Price: \$5,000,000 due at Closing

Effective Date: Signing of the PSA

Brownfields Period: 270 days (9 months) after Effective Date with the option of 3, sixty-day extensions (6 months).

Examination Period: Initial period of 90 days (3 months) with two 30-day extensions (2 months) after the Effective Date

Permitting Period: 90 days (3 months) after the Examination Period

Closing Date: The earlier of 30 days after the receipt of all required permits or 30 months after the Effective Date. The Closing Date gets extended on a day for day basis if the Brownfields period extends past the initial 270 days.

Section 33 – Brownfields

A new Brownfields Agreement has to applied for due to the addition of townhomes. The buyer is paying for the application and additional work and will also pay for up to portion of the town's attorney fees. The town will remain the applicant in case the buyer does not complete the project to make transfer of the information easier. If the town defaults and causes the buyer to terminate the project the town has to pay the buyer up to \$100,000 for work completed on the Brownfield

Agreement. A new brownfields agreement will take between 9-15 months. If the buyer does not obtain the Brownfield Agreement prior to the end of 15 months, the town can terminate the PSA.

Section 6 – Examination of Property (Examination Period)

1. The Buyer can terminate the agreement for any reason during this time with a penalty.
2. Buyer and Town must agree to a Public-Private Joint Development Agreement that outline the public improvements that will be made to the property and the dedication of property to the Town.
3. If not already done the Buyer must schedule a Public Hearing within this period and get approval from Town Council for the project.

Section 28 – Permitting Period

The Buyer must use commercially responsible efforts to get approvals on the site plan, utility, transportation, zoning, and permitting.

PINEVILLE CONE MILL

@ DOVER STREET

Town of Pineville Council Meeting
February 26th, 2024



TEAM INTRODUCTIONS

Jon Visconti – Gvest/Cone Mill Development Ventures, LLC
John Holcomb – Kimley-Horn



MEETING AGENDA

- **Cone Mill Concept Plan**
 - **Cone Mill Walking Loop**
 - **Residential Portion**
 - **Town Home Elevations**
 - **Commercial Portion**
 - **Parking Separation**
 - **Parking Counts**

CONE MILL CONCEPTUAL PLAN





KEY:

- 1 EXISTING COMMERCIAL BUILDING
- 2 SEMI-PERMANENT
- 3 COMMERCIAL BUILDING (UP TO TWO STORY)
- 4 KIOSK RENTAL
- 5 PARKING
- 6 TOWN GREEN
- 7 LINEAR PARK
- 8 POCKET PARK
- 9 RETAIL PLAZA/OUTDOOR DINING
- 10 STORMWATER MANAGEMENT
- 11 FRONT LOADED TOWNHOUSE
- 12 REAR LOADED TOWNHOUSE
- 13 EXISTING BOILER ROOM REPURPOSED AS POSSIBLE COMMUNITY CENTER

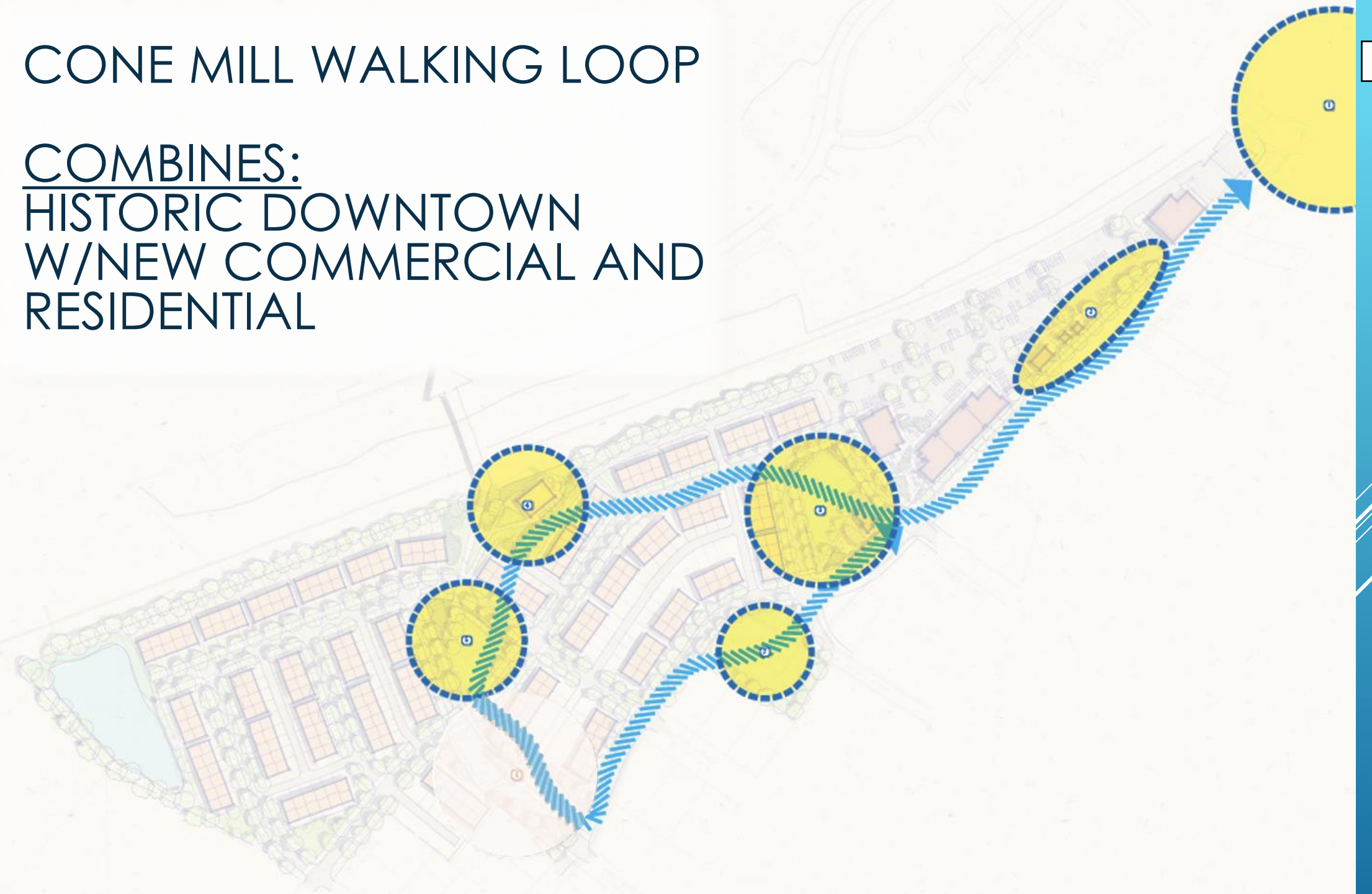
Item 5.

DEVELOPMENT INFORMATION:

- COMMERCIAL AREA
 MINIMUM COMMERCIAL AREA: APPROX. 24,000 (SF)
 MAXIMUM COMMERCIAL AREA: APPROX. 44,000 (SF)
- REAR LOAD TOWNHOUSE
- FRONT LOAD TOWNHOUSE

CONE MILL WALKING LOOP

COMBINES:
HISTORIC DOWNTOWN
W/NEW COMMERCIAL AND
RESIDENTIAL



CONE MILL RESIDENTIAL USE SUMMARY

- **Maximum - 162 Town Home Lots**
 - **Two Story**
 - **41 Front Loaded**
 - **121 Rear Loaded**
- **Residential integrated with commercial via**
 - **Parks**
 - **Walking Loop**
 - **Cone Mill Boiler Room and Smokestack**



REAR LOAD ELEVATIONS



FRONT LOAD ELEVATIONS

SUBJECT TO TOWN COMMENTS/REVISIONS



CONE MILL COMMERCIAL USE SUMMARY

- **Catalyst - Number 1 – Existing Old Town Hall Building- upfitted for retail food/drink use – restaurant/brewery/Common Market**
- **Number 2 – designated area for food trucks and occasional outdoor vendor sales –97 overflow parking spots to support downtown**
- **Numbers 3/4/5 – New commercial buildings**
 - **Examples of future uses**
 - **Restaurant/Smokehouse**
 - **Brewery**
 - **Office**
 - **Mixed Use**



- KEY:
- ① RETAIL PLAZA AREA
 - ② SEMI-PERMANENT
 - ③ COMMERCIAL BLDG
 - ④ OUTDOOR DINING/ PLAZA AREA
 - ⑤ PEDESTRIAN CROSSING
 - ⑥ KIOSK / JEWELBOX RETAIL
 - ⑦ SHADE STRUCTURE
 - ⑧ PLAYGROUND!
 - ⑨ TOWN GREEN



SEMI-PERMANENT



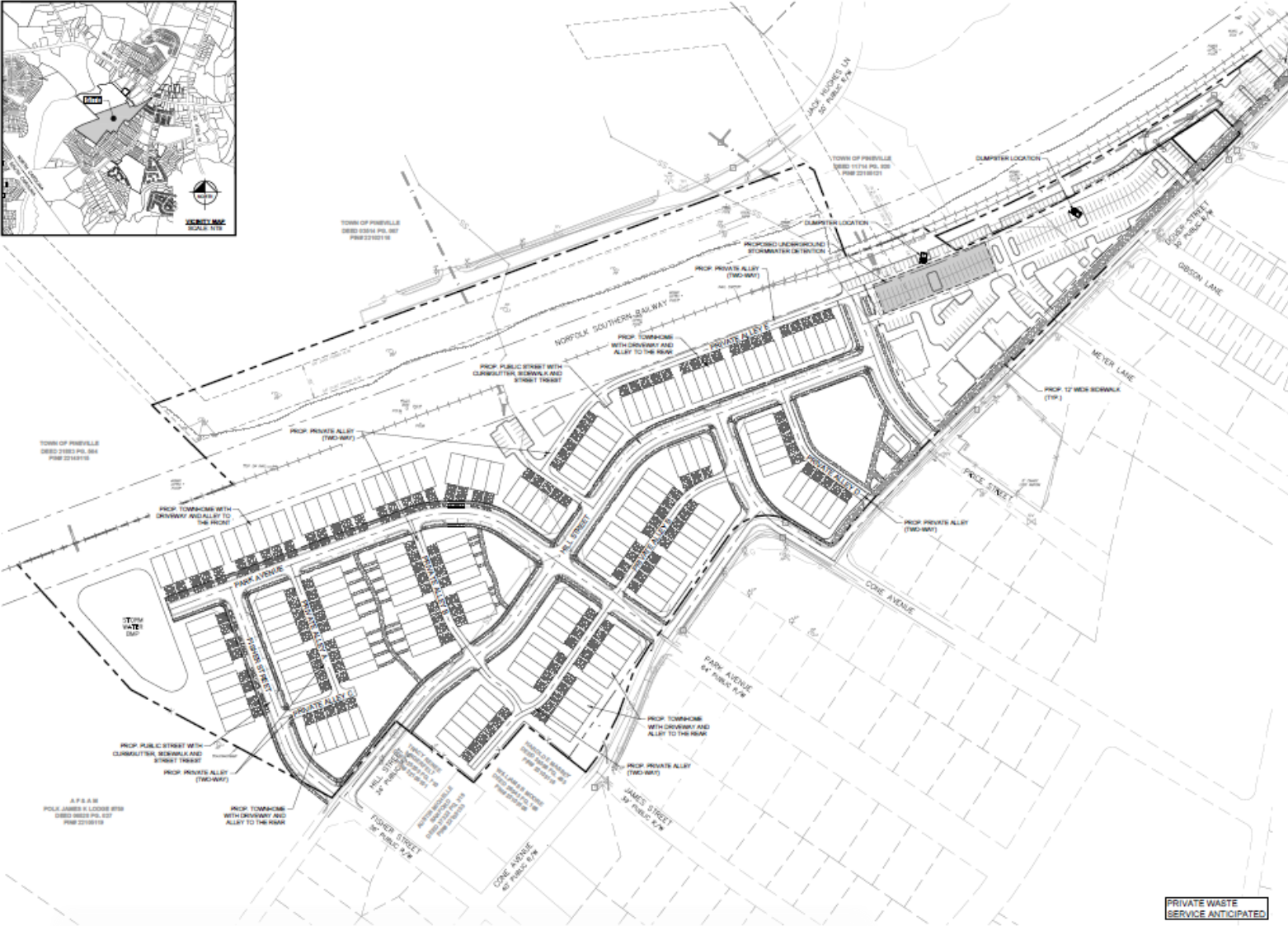
TOWN GREEN



RETAIL + PLAZA



COMMERCIAL MAP



SITE DATA TABLE

DEVELOPMENT DATA:

TAX PARCEL ID:	22105107, 22105117 & 22105111
LAND USE:	VACANT
TOTAL SITE AREA:	±29.79 ACRES
TOTAL TOWNHOME AREA:	±17.58 ACRES
TOTAL DISTURBED AREA:	±29.79 ACRES

ZONING DATA:

FEMA FLOOD PANEL:	3710443900L
WATERSHED:	SUGAR

ZONING DISTRICT:

CURRENT: DC (DOWNTOWN CORE DISTRICT)
 PROPOSED: RMX (RESIDENTIAL MIXED-USE)

MULTI FAMILY AREA

TOWNHOMES	MAX. 162 UNITS
RESIDENTIAL GARAGE:	324
DRIVEWAY PAD PARKING:	324
OFFSTREET PARKING:	15
DEDICATED ON STREET PARKING:	74
PROPOSED DENSITY:	9.22 DUA
FRONT LOAD TOWNHOUSE MIN LOT SIZE:	2,300 SF
REAR LOAD TOWNHOUSE MIN LOT SIZE:	1,800 SF

COMMERCIAL AREA

MINIMUM COMMERCIAL AREA	±24,000 SF
MAXIMUM COMMERCIAL AREA	±44,000 SF
TOTAL PARKING REQUIRED:	
MINIMUM PARKING REQUIRED	48
MAXIMUM PARKING REQUIRED	88
(1 PER 500 SF FOR GENERAL COMMERCIAL)	
TOTAL PARKING PROVIDED:	266

PARKING MAP

LEGEND:

---	EXISTING PROPERTY LINE
- - - -	EXISTING ADJACENT PROPERTY LINE
---	EXISTING EASEMENT LINE
---	EXISTING EASEMENT BOUNDARY LINE
---	EXISTING STORM LINE
---	EXISTING WATER MAIN
---	EXISTING OVERHEAD POWER
---	EXISTING UNDERGROUND POWER
---	EXISTING FIBER OPTIC LINE
---	EXISTING GROUND FENCE
---	EXISTING CHAIN LINK FENCE
---	EXISTING TROUBLE LINE
---	EXISTING RAILROAD TRACK

GRAPHIC SCALE IN FEET
 0 50 100 200

NORTH

811
 Know what's below,
 Call before you dig.

CONE MILL PARKING BREAKDOWNS PER USE

- ▶ **RESIDENTIAL PARKING -**
 - ▶ +/- 737 SPACES 4.6 SPACES / UNIT
 - ▶ Residential garage (2 spaces / d/u) - 324 spaces
 - ▶ Driveway/parking pad parking (2 spaces / d/u) - 324 spaces
 - ▶ Off-street parking - 15 spaces
 - ▶ Dedicated on-street parking for residents and guests - 74 spaces
 - ▶ **266 commercial parking/shared downtown overflow**
 - ▶ 22 Existing parking spots in front of old town hall
 - ▶ 244 new total commercial parking/shared downtown overflow parking
 - ▶ 147 new commercial parking spaces
 - ▶ **97 new shared overflow spots for downtown (in addition to the 22 spots in front of old town hall)**
 - ▶ Assumed an average of 1 per 300 SF for 147 new shared downtown overflow parking spaces – $300/44,000 \text{ SF} = 147 - 244 = 97$ overflow spots

THANK YOU!



**AGREEMENT FOR PURCHASE AND SALE
OF REAL PROPERTY**

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY (this “**Agreement**”) is made as of _____, 2024 (the “**Effective Date**”), by and between **CONE MILL DEVELOPMENT VENTURES, LLC**, a North Carolina limited liability company (“**Buyer**”), **THE TOWN OF PINEVILLE**, a North Carolina municipal corporation (“**Town**”), and **PINEVILLE REDEVELOPMENT AND INVESTMENT, INC.**, a North Carolina nonprofit corporation (“**Pineville Redevelopment**”), and collectively with the Town, “**Seller**”. Buyer and Seller are each referred to herein as a “**Party**”, and collectively, the “**Parties**”.

FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES SET FORTH HEREIN AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

Section 1. Terms and Definitions:

(a) “**Broker**” shall mean N/A.

(b) “**Closing**” shall mean the consummation of the transaction contemplated in this Agreement, which shall occur on a date selected by Buyer and reasonably acceptable to Seller, but in no event later than the earlier to occur of (i) thirty (30) days after receipt of all Required Permits (as hereinafter defined), and (ii) the date that is thirty (30) months after the Effective Date. “**Closing Date**” shall mean the date of Closing.

(c) “**Earnest Money**” shall mean One Hundred Thousand and No/100 Dollars (\$100,000.00), together with all interest accrued thereon. The Earnest Money shall be delivered by Buyer to Title Insurer, within three (3) business days following the Effective Date. The Title Insurer shall hold the Earnest Money in escrow, to be applied as a credit towards the Purchase Price at Closing, or disbursed as agreed upon in accordance with the terms of this Agreement. Within three (3) business days after receipt thereof, Title Insurer shall release to Seller a portion of the Earnest Money in the amount of Twenty Thousand and No/100 Dollars (\$20,000.00) (the “**Non-refundable EMD**”), which shall be non-refundable to Buyer except as set forth in Section 6(e), Section 7, Section 9(b), Section 13, and Section 31 hereof, but shall be applicable to the Purchase Price at Closing.

(d) “**Examination Period**” shall mean the period beginning on the Effective Date and extending until 5:00 p.m. (Eastern time) on the date that is ninety (90) days thereafter. Notwithstanding the foregoing, Buyer shall have the option to extend the Examination for two (2) additional periods of thirty (30) days each by providing written notice thereof to Seller prior to the expiration of the then-current Examination Period and depositing an additional amount of Five Thousand and No/100 Dollars (\$5,000.00) with Title Insurer in connection with each extension (each such deposit being the “**Extension EMD**”), which shall be deemed additional Earnest Money for all purposes hereunder, and which shall be non-refundable to Buyer upon expiration of the Examination Period except as set forth in Section 6(e), Section 7, Section 9(b), and Section 13 hereof, but shall be applicable to the Purchase Price at Closing.

(e) “**Permitting Period**” shall mean the period beginning on the first day following the expiration of the Examination Period and extending until 11:59 on the date that is ninety (90) days after the expiration of the Examination period, as may be extended.

(f) “**Property**” shall mean: (a) all of (i) that certain real property located at 200 Dover Street and 306 Dover Street in Pineville, North Carolina, owned by the Town and having Mecklenburg County Tax Parcel Numbers 221-051-11 and 221-051-17 and being more particularly described on Exhibit A,

attached hereto, and (ii) a portion of that certain real property located at 436 Cone Avenue in Pineville, North Carolina, owned by Pineville Redevelopment and having Mecklenburg County Tax Parcel Numbers 221-051-07 and being more particularly depicted on Exhibit A-1 (the “Cone Mill Property”) attached hereto, which portion of the Cone Mill Property shall be legally subdivided by the Town and described pursuant to the terms of Section 34 herein as the Conveyed Cone Mill Property, and (b) all right, title and interest of Seller in and to easements, licenses, rights and appurtenances relating to any of the foregoing.

(g) **“Purchase Price”** shall mean Five Million and No/100 Dollars (\$5,000,000.00). The Parties acknowledge and agree that the Purchase Price is an amount comprised of the fair market value for the Seller’s interest in the Property, or, in the alternative, consideration calculated pursuant to N.C.G.S. §160D-1315 (which value or consideration has been, or will be, determined by the Seller and approved at the Hearing) together with an amount allocable to the performance of some or all of the development contemplated by this Agreement.

(h) **“Seller’s Notice Address”** shall be as follows, except as same may be changed pursuant to Section 15:

The Town of Pineville
200 Dover Street
Pineville, NC 28134
Attn: Town Manager
Email: rspitzer@pinevillenc.gov

With copy to:

Johnston, Allison & Hord, P.A.
Attn: John Buben
1065 East Morehead Street
Charlotte, NC 28204
Email: jbuben@jahlaw.com

(i) **“Buyer’s Notice Address”** shall be as follows, except as same may be changed pursuant to Section 15:

Cone Mill Development Ventures , LLC
3315 Springbank Lane, Suite 308
Charlotte, NC 28226
Attn: Kirk Broadbooks
Email: kirk.broadbooks@gmail.com

With copy to:

Alexander Ricks PLLC
1420 E. 7th Street, Suite 100
Charlotte, North Carolina 28204
Attn: Jim McLeod
Email: jim.mcleod@alexanderricks.com

(j) **“Title Insurer”** shall mean Stewart Title Guaranty Company, Charlotte, NC.

Section 2. Property Prorations and Transaction Costs.

(a) **Proration of Expenses.** All real estate taxes, assessments (municipal or under a private association governing the Property) and impositions (collectively "**Taxes**") concerning the Property shall be prorated on a calendar-year basis as of the Closing Date. If Closing occurs before the actual Taxes payable during such year are known, the apportionment of Taxes shall be upon the basis of Taxes for the Property payable during the immediately preceding year; provided, that, if the Taxes payable during the year in which Closing occurs are thereafter determined to be more or less than the Taxes payable during the preceding year, Seller and Buyer promptly shall adjust the proration of such Taxes, and Seller or Buyer, as the case may be, shall pay to the other any amount required as a result of such adjustment and this covenant shall not merge with the Deed (as defined herein) delivered hereunder but shall survive the Closing. Notwithstanding the foregoing, and for avoidance of doubt, Buyer shall be responsible for all Taxes now owed, or hereafter accruing with respect to the Property for all periods following Closing.

(b) **Payment of Costs and Recording Fees.** At Closing, Seller shall pay any transfer tax, documentary stamps and sales tax imposed in connection with the sale of the Property. At Closing, Buyer shall pay: (A) any recording fees necessary to record the Deed; (B) the cost of the Title Report (as defined below in Section 6(a)), the cost of obtaining the Survey, and the cost of the owner's title insurance policy (the "**Title Policy**"); and (C) all costs and expenses incurred by Buyer in connection with Buyer's due diligence review of the Property. Buyer shall also pay for the cost of Title Insurer's escrow fees. Unless otherwise expressly set forth herein, all other costs and expenses shall be allocated between the Seller and Buyer in accordance with applicable local custom for similar transactions.

Section 3. Purchase and Sale of Property. Subject to the terms of this Agreement, Seller agrees to sell, and Buyer agrees to buy, the Property for the Purchase Price.

Section 4. Payment of Purchase Price. At Closing, Buyer shall pay the Purchase Price (less the Earnest Money, Non-refundable EMD, Extension EMD (if made), and as adjusted pursuant to Section 2), in accordance with this Agreement.

Section 5. Title. At Closing, Seller shall convey to Buyer fee simple marketable title to the Property by special warranty deed, free and clear of all liens, defects of title, and encumbrances, except for taxes for the current year and subsequent years not yet due and payable, and other exceptions set forth in the Title Report which Seller does not agree to cure or cause to be insured over under Section 6(a) herein and as to which Buyer waives an Objection pursuant to said Section 6(a) (collectively, the "**Permitted Exceptions**").

Section 6. Examination of Property. Seller and Buyer hereby agree as follows:

(a) **Title Examination.** Buyer shall order a commitment for the issuance of the Title Policy (the "**Title Report**") and may also obtain a current ALTA plat of survey of the Property (the "**Survey**"). Buyer may furnish to Seller within ten (10) days prior to the expiration of the Examination Period (the period between the Effective Date and the tenth (10th) day preceding the expiration of the Examination Period being the "**Title Review Period**"), a statement specifying any objections to the Title Report and/or the Survey, which are unacceptable to Buyer (the "**Objections**"). Seller shall notify Buyer within five (5) business days after receipt of the Objections whether Seller elects to cure the Objections. If Seller does not respond within such five (5) business day period, Seller shall be deemed to have elected not to cure the Objections. If Seller does not agree (or is deemed to not agree) to cure the Objections, Buyer shall have the right, by notice given to Seller on or prior to the expiration of the Examination Period either to: (a) waive the Objections and proceed to Closing; or (b) terminate this Agreement, in which case the Earnest Money shall immediately be returned to Buyer (less the Non-refundable EMD and Extension EMD (if made)), whereupon (except as expressly provided herein), this Agreement and all rights and obligations of the respective Parties shall be null and void. Notwithstanding the foregoing, Seller shall be

required to cause the removal of: (i) any judgments, monetary liens or monetary encumbrances against the Property; and (ii) any liens or encumbrances created by or through Seller after the effective date of the Title Report. In the event any new matters affect title to the Property from and after the Effective Date that Seller cannot or will not cure after notice thereof, Buyer may either waive such new matters and proceed to Closing or elect to terminate this Agreement and receive a return of the Earnest Money (less the Non-refundable EMD and Extension EMD (if made)).

(b) **Examination.** Within three (3) business days following the Effective Date, Seller shall provide to Buyer copies of the following documents and materials pertaining to the Property to the extent within Seller's possession or readily obtainable by Seller, including, without limitation: title commitment/policy, title exceptions, ALTA, boundary and topographic surveys, environmental/hazardous material reports, soils reports, governmental permits/approvals, zoning information, tax information and utility letters and copies of all correspondence related to the Property, leases and contracts affecting the Property (if any) and any other documents relating to the Property reasonably requested by Buyer. Additionally, commencing on the Effective Date, Buyer and its designees, may enter the Property to inspect the Property, conduct soil tests, and make surveys, engineering studies, and conduct any other inspections as Buyer may reasonably require to assess the condition of the Property; provided, however, that Buyer shall indemnify and hold Seller harmless from and against any and all physical damage to the extent resulting from the activities of Buyer and its designees on the Property, and Buyer shall return the Property to substantially the condition which existed prior to such damage, which obligation shall survive Closing or any termination of this Agreement. For avoidance of doubt, the foregoing indemnity obligations shall not extend to, and Seller hereby releases Buyer from liability for, any claims, damages or other liability resulting from or related to any existing environmental contamination with respect to the Property, or other deficiencies in the Property, that may be merely discovered by Buyer as a result of its investigations.

(c) **Termination Right.** Buyer shall have the right, for any reason or no reason, to terminate this Agreement by giving written notice to Seller on or prior to the expiration of the Examination Period, in which event this Agreement shall become null and void, Title Insurer shall deliver the Earnest Money (less the Non-refundable EMD and Extension EMD (if made)) to Buyer (with no further notification by Seller necessary), and all rights, liabilities and obligations of the Parties under this Agreement shall expire, except as otherwise set forth herein. If Buyer does not so terminate this Agreement on or prior to the expiration of the Examination Period, Buyer conclusively shall be deemed to have waived its right to terminate this Agreement pursuant to this Section 6(b), and the entire Earnest Money shall become non-refundable to Buyer except as set forth in Section 6(e), Section 7, Section 9(b), Section 13, Section 28, Section 30, and Section 31. In the event that Buyer terminates this Agreement in accordance with this Section 6(c), within five (5) business days of such termination, Buyer shall deliver to Seller all reports, studies and other due diligence materials obtained by Buyer in connection with its due diligence pertaining to the Property (but specifically excluding Buyer's construction documents), without any representation whatsoever as to the completeness or accuracy thereof.

(d) **Public-Private Joint Development Agreement.** If the Parties have not already otherwise agreed to a Public-Private Joint Development Agreement setting forth the terms of the Buyer's development of the Property (the "**Joint Development Agreement**"), the Parties shall continue in good faith to do so before the expiration of the Examination Period. Such Joint Development Agreement will, among other things, impose upon Buyer the obligation to (i) complete development of Phase I and Phase II of the Property, as defined in such Joint Development Agreement, in accordance with the development timelines set forth in Section 32 herein (the "**Development Timelines**"), such construction of the Property to include: the widening of Dover Street, installation of sidewalks bordering Dover Street, construction of a public park, construction of public parking spaces, and construction of related and ancillary public infrastructure systems (collectively, the "**Buyer's Work**"), as well as Buyer's obligation

to dedicate such portions of Property subject to Buyer's Work to the Seller upon completion of such construction for the benefit of the Seller. If the Parties are unable to negotiate and execute the Joint Development Agreement before the expiration of the Examination Period, the Seller or Buyer may terminate this Agreement in accordance with Section 6(c) herein.

(e) Hearing and Approval. Buyer acknowledges and agrees that this Agreement, and Seller's obligations hereunder, are subject to certain requirements set forth in N.C.G.S. §160D-1315, which include the holding of a public hearing (and publishing notice thereof at least ten (10) days in advance) (the "Hearing"); and thereafter approval by the Town Council for Pineville (the "Approval"), and that this Agreement is conditioned upon the Approval. If the Hearing and Approval has not occurred and been obtained prior to the Effective Date, Seller shall, within thirty (30) days following the Effective Date, schedule the Hearing and attempt to obtain the Approval. The "Hearing Approval Date" shall mean the date that the Approval occurs. If the Approval does not occur, this Agreement shall automatically terminate, in which event Buyer shall receive a return of all Earnest Money, Non-refundable EMD, and Extension EMD (if made). Notwithstanding anything to the contrary herein, if (i) the Hearing and/or terms of the Approval require any changes to this Agreement; and/or (ii) N.C.G.S. §160D-1315 and/or any other applicable statute, rule or regulation requires any changes be made to this Agreement, the Parties agree to use commercially reasonable efforts to enter into an amendment to this Agreement, within fifteen (15) days after Hearing and Approval; provided, however, Buyer may not terminate this Agreement if any such changes do not materially increase any obligation of Buyer or materially decrease or eliminate any right of Buyer. If the Parties cannot agree within such fifteen (15) day period, or such other period as approved by Seller and Buyer, then either Party may terminate this Agreement upon written notice to the other Party.

Section 7. Risk of Loss/Condemnation. If the Property (or a portion thereof) is damaged in any casualty such that it substantially impacts Buyer's ability to develop the Property pursuant to the Joint Development Agreement, or if the Property (or a portion thereof) is condemned or taken (or notice of such condemnation or taking is issued) such that it substantially impacts Buyer's ability to develop the Property pursuant to the Joint Development Agreement, Buyer may terminate this Agreement by providing written notice to Seller within ten (10) business days after Buyer's receipt of notice of such condemnation, taking or damage, in which event the Earnest Money, Non-refundable EMD, and Extension EMD (if made) shall be returned to Buyer and neither Party shall have any further rights, obligations or liabilities under this Agreement, except as otherwise set forth herein. Except as specifically set forth above, Buyer shall have no right to terminate this Agreement with respect to a casualty or condemnation. With respect to any condemnation or taking (of any notice thereof), if Buyer does not terminate this Agreement or does not have the right to terminate this Agreement as provided above, there shall be no abatement of the Purchase Price and Seller shall assign to Buyer at the Closing the rights of Seller to the awards, if any, for the condemnation or taking, and Buyer may receive and keep all such awards. With respect to a casualty, if Buyer does not terminate this Agreement or does not have the right to terminate this Agreement as provided above, there shall be no abatement of the Purchase Price and Seller shall assign to Buyer at the Closing the rights of Seller to the proceeds under Seller's insurance policies covering such Property with respect to such damage or destruction (or pay to Buyer any such proceeds received prior to Closing) minus the amount of any deductible with respect thereto, and Buyer shall be entitled to receive and keep any monies received from such insurance policies. The terms of this Section 7 shall survive Closing.

Section 8. Earnest Money Disbursement.

The Earnest Money shall be held by the Title Insurer, in escrow on Buyer's behalf, and disbursed only in accordance with this Agreement, including, without limitation, the following provisions:

(a) The Title Insurer shall deposit the Earnest Money in the normal course of Title Insurer's business and shall promptly provide Buyer and Seller with confirmation of receipt of the Earnest Money and the investment thereof in accordance with this Section 8(a).

(b) Title Insurer's notice address for all purposes under this Agreement is:

Stewart Title Guaranty Company
5935 Carnegie Boulevard, Suite 301
Charlotte, NC 28209
Attn: Danielle Howell

Section 9. Default.

(a) In the event that Buyer defaults in its obligation to close under this Agreement, and fails to cure the same within ten (10) business days following receipt of written notice, Seller may, as its sole and exclusive remedy, terminate this Agreement by providing written notice to Buyer, in which event Seller shall be entitled to a disbursement of the Earnest Money (including the Non-refundable EMD) and Extension EMD (if made) as liquidated damages. Upon such termination, neither Buyer nor Seller shall have any further rights, obligations or liabilities under this Agreement, except as otherwise expressly provided herein. The Parties acknowledge that the Earnest Money is fair and equitable and that it would be impossible to accurately determine Seller's damages in the event of Buyer's default. Seller waives the right to exercise any and all other rights or remedies available at law or in equity, except in connection with Buyer's indemnification obligations as set forth in Sections 6 and 21 herein, or to any obligations that survive Closing or termination of this Agreement, which may be enforced by any remedy available at law or in equity.

(b) In the event of Seller's default of any of its obligations in this Agreement which Seller fails to cure within ten (10) business days following receipt of written notice, Buyer may: (i) waive such default and proceed to Closing without any reduction in or setoff against the Purchase Price; (ii) seek to enforce specific performance of Seller's obligations under this Agreement; or (iii) terminate this Agreement by providing written notice to Seller and receive back the full amount of Earnest Money, including the Non-refundable EMD, and Extension EMD (if made), in which event Buyer may pursue any and all rights and remedies available at law or in equity. Upon such termination, neither Buyer nor Seller shall have any further rights, obligations or liabilities hereunder, except as otherwise expressly provided herein. Notwithstanding the foregoing, in the event of a willful or intentional default of Seller hereunder, and provided specific performance is not an available remedy, Buyer may pursue any and all rights and remedies available at law or in equity.

Section 10. Closing. The Closing shall consist of the execution and delivery of documents by Seller and Buyer, as set forth below, and delivery by Buyer to Title Insurer of the outstanding balance of the Purchase Price in accordance with this Agreement. Seller shall deliver to Buyer at Closing, the following executed documents:

(a) a special warranty deed conveying the Property to Buyer subject only to the Permitted Exceptions and the Purchase Option (the "**Deed**"). The legal description of the Property to be used in the Deed shall be (i) derived from the Town's vesting deed with respect to the portion of the Property owned by the Town and (ii) derived from the Subdivision Plat (as hereinafter defined) with respect to the portion Conveyed Cone Mill Property; provided, however, at Buyer's request, Seller also shall deliver to Buyer at Closing a non-warranty deed with a legal description which is derived from the Survey;

(b) a general assignment of any governmental permits, licenses and approvals;

(c) a settlement statement setting forth the Purchase Price, all prorations and other adjustments to be made pursuant to the terms of this Agreement, and the funds required for Closing as contemplated in this Agreement;

(d) good standing certificates and corporate resolutions or member or partner consents, as applicable;

(e) a “bring-down” certificate stating that Seller’s representations and warranties are true and correct as of the date of Closing;

(f) satisfactions, cancellations or releases of all deeds of trust and other monetary encumbrances on the Property; provided, however, that any such satisfactions, cancellations or releases may be provided post-Closing provided that any such lender provides a so-called “payoff letter” and Title Insurer is willing to issue a title insurance policy to Buyer without exception to any such monetary encumbrances;

(g) an affidavit affirming that Seller is not a “foreign person” under the Foreign Investment in Real Property Tax Act of 1980 and upon consummation of the transaction contemplated hereby, Buyer will not be required to withhold from the Purchase Price any withholding tax

(h) a fully executed Joint Development Agreement; and

(i) such other documents as may be reasonably required by Title Insurer in order to effectuate the Closing (including, without limitation, an owner’s affidavit).

At Closing, Buyer shall: (i) instruct Title Insurer to deliver the Earnest Money to Seller which shall be applied to the Purchase Price; (ii) deliver the balance of the Purchase Price to Title Insurer; and (iii) execute and deliver execution counterparts of the closing documents referenced in clauses (c) and (d) above. The Closing shall be held through the mail by delivery of the closing documents to the Title Insurer on or prior to the Closing or such other place or manner as the Parties may mutually agree.

Section 11. Representations by Seller. Seller, to the best of Seller’s actual knowledge, represents and warrants to Buyer as follows:

(a) Seller is duly organized (or formed), validly existing and in good standing under the laws of its state of organization, and to the extent required by law, the State in which the Property is located. Seller is authorized to consummate the transaction set forth herein and fulfill all of its obligations under this Agreement and under all closing documents to be executed by Seller, and has all necessary power to execute and deliver this Agreement and all closing documents to be executed by Seller, and to perform all of Seller’s obligations hereunder and thereunder;

(b) Seller has not received any written notice of any current or pending litigation, violation of law, zoning or land-use change, condemnation, tax appeals or environmental investigations against Seller or the Property and Seller does not have any knowledge of any pending litigation, legal violation, zoning or land-use change, condemnation, tax appeal or environmental investigations against Seller or the Property;

(c) Except as may appear of record or as otherwise agreed to pursuant to the terms of this Agreement, Seller has not entered into any agreements affecting the Property which will be binding upon Buyer after the Closing;

(d) There are no occupancy agreements, leases, or other occupancy agreements affecting the Property except as may appear of record or those that will be terminated at or prior to Closing; and

(e) To Seller's knowledge, except as set forth in the environmental reports previously delivered by Seller to Buyer, no hazardous substances have been generated, stored, released, or disposed of on or about the Property. Seller has not received any notice from (nor delivered any notice to) any federal, state, county, municipal or other governmental department, agency or authority concerning any petroleum product or other hazardous substance discharge or seepage.

The representations and warranties of Seller shall survive Closing for a period of twelve (12) months.

Section 12. Buyer's Representations. Buyer represents and warrants to, and covenants with, Seller as follows:

(a) Buyer is duly formed, validly existing and in good standing under the laws of its state of organization, is authorized to consummate the transaction set forth in this Agreement and fulfill all of its obligations in this Agreement and under all closing documents to be executed by Buyer, and has all necessary power to execute and deliver this Agreement and all closing documents to be executed by Buyer, and to perform all of Buyer's obligations hereunder and thereunder. This Agreement and all closing documents to be executed by Buyer have been or will be (with respect to closing documents) duly authorized by all requisite corporate or other required action on the part of Buyer and are or will be (with respect to closing documents) the valid and legally binding obligation of Buyer, enforceable in accordance with their respective terms.

(b) No petition has been filed by or against Buyer under the Federal Bankruptcy Code or any similar State or Federal Law.

The representations and warranties of Buyer shall survive Closing for a period of twelve (12) months.

Section 13. Conditions to Buyer's Obligations. Buyer's obligation to pay the Purchase Price, and to accept title to the Property, shall be subject to satisfaction of the following conditions as of the Closing:

(a) Exclusive possession of the Property shall be delivered to Buyer free and clear of all leases and other occupancy agreements;

(b) Seller shall deliver to Title Insurer on or before the Closing the items set forth in Section 10 above;

(c) Title Insurer shall have irrevocably committed to delivering the Title Policy to Buyer, with extended coverage for the Property in the amount of the Purchase Price, dated, or updated to, the date of the Closing, insuring, or committing to insure, at its ordinary premium rates, Buyer's good and marketable title in fee simple to the Property and otherwise in such form and with such endorsements as provided in the title commitment approved by Buyer pursuant to Section 6 hereof and subject only to the Permitted Exceptions;

(d) The representations and warranties of Seller contained in this Agreement shall have been true when made and shall be true in all material respects at and as of the date of Closing as if such representations and warranties were made at and as of the Closing, and Seller shall have performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed or complied with by Seller prior to or at the Closing;

(e) Since the Effective Date, and subject to Section 7 hereof, no new material and adverse condition exists on the Property that prevents Buyer from developing the Property pursuant to the terms of the Joint Development Agreement;

(f) The Rezoning Contingency shall have been satisfied (if applicable), all Required Permits shall have been obtained from the applicable governmental authorities, and all Required Easements shall have been obtained; and

(g) The Subdivision Plat shall have been recorded in the Mecklenburg County Public Registry.

In the event that one (1) or more of the foregoing conditions are not satisfied as of the Closing Date, Buyer may (i) extend Closing for two (2) periods of thirty (30) days each by providing written notice thereof to Seller prior to the initial Closing Date or such extension period and, only in the event the unsatisfied condition is as set forth in subsections (c) or (f) above, paying an additional Extension EMD in the amount of Ten Thousand No/100 Dollars (\$10,000.00) directly to Seller in connection with each extension, which amounts shall be earned by Seller and non-refundable to Buyer, but shall be deemed to be a credit toward payment of the Purchase Price upon completion of Closing, or (ii) terminate this Agreement by providing written notice thereof to Seller, in which case the entire Earnest Money (including the Non-refundable EMD and Extension EMD (if made)) shall immediately be returned to Buyer and (except as expressly provided herein), this Agreement and all rights and obligations of the respective Parties hereunder shall be null and void. Notwithstanding the foregoing or anything contained herein to the contrary, in the event that the unsatisfied condition is as set forth in subsections (c) and/or (f) above and Buyer terminates this Agreement in accordance with the preceding sentence, Seller shall be entitled to the disbursement of and/or to retain the entire Earnest Money, including the Non-refundable EMD, and the Extension EMD (if made).

Section 14. Conditions to Seller's Obligations. Seller's obligation to deliver title to the Property shall be subject to compliance by Buyer with the following conditions precedent on and as of the date of Closing:

(a) Buyer shall deliver to Title Insurer on the Closing Date the remainder of the Purchase Price, subject to adjustment of such amount pursuant to Section 2 hereof;

(b) The representations and warranties of Buyer contained in this Agreement shall have been true when made and shall be true in all material respects at and as of the date of Closing as if such representations and warranties were made at and as of the Closing, and Buyer shall have performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed or complied with by Buyer prior to or at the Closing;

(c) Execution of the Joint Development Agreement between the Parties; and

(d) Buyer shall deliver to Seller a Declaration of Covenants, Conditions, Restrictions, and Easements, the terms of which shall limit the quantity of townhome units that can be leased at any given time to no more than ten percent (10%) of the total townhomes located on the Property, which Declaration shall be recorded at Closing.

Section 15. Notices. Unless otherwise provided herein, all notices and other communications which may be or are required to be given or made by any Party to the other in connection herewith shall be in writing and sent by: (i) e-mail to the addresses set out in Section 1; or (ii) overnight delivery via a nationally recognized overnight courier, to the addresses set out in Section 1, or at such other addresses as

specified by written notice delivered in accordance herewith. Notice shall be deemed given on the date such notice was sent by way of e-mail or on the date delivered in person by such nationally recognized overnight courier.

Section 16. Seller Covenants. Seller agrees that it: (a) shall continue to operate the Property in the same manner in which Seller has previously operated the Property; (b) shall cooperate with Buyer in connection with Buyer's pursuit of all applicable approvals associated with Buyer's development (including, without limitation, executing such petitions and applications as may be necessary from Seller (as current fee owner of the Property)); and (c) shall not, without Buyer's prior written consent, enter into any agreements affecting the Property which cannot be terminated at Closing without penalty or cost. Seller shall promptly inform Buyer in writing of any material event adversely affecting the Property.

Section 17. Entire Agreement. This Agreement constitutes the entire agreement among the Parties and no modification of this Agreement shall be binding unless in writing and signed by all Parties. No prior agreement pertaining to the subject matter of this Agreement (including, without limitation, any letter of intent) shall be valid or of any force or effect from and after the Effective Date.

Section 18. No Representations or Warranties. Buyer hereby acknowledges, understands and agrees that it has an opportunity to inspect the Property as set forth in Section 6 herein, and except as set forth in this Agreement, the Property shall be conveyed at Closing to Buyer in "as-is" condition with no representations or warranties whatsoever.

Section 19. Applicable Law. This Agreement shall be construed under the laws of the State in which the Property is located.

Section 20. Tax-Deferred Exchange. If Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, the Parties shall cooperate in effecting such exchange; provided, however, that (i) the exchanging Party shall be responsible for all costs associated with such exchange, (ii) a non-exchanging Party shall not assume any liability with respect to such tax deferred exchange, (iii) notice of such tax-deferred exchange shall be delivered not less than ten (10) business days prior to Closing and (iv) such exchange shall not delay Closing. The Parties shall execute such additional documents, at no cost to the non-exchanging Party, as shall be required to give effect to this provision.

Section 21. Broker's Commissions. Buyer and Seller each hereby represent that there are no brokers that have a right to proceeds in this transaction. Seller and Buyer each agree to indemnify, defend and hold the other harmless from all loss, cost, damage or expense (including reasonable attorneys' fees) incurred by the other as a result of any claim arising out of the acts of the indemnifying Party (or others on its behalf) for a commission or similar compensation made by any broker or any party who claims to have dealt with such Party. The representations, warranties and indemnity obligations contained in this section shall survive the Closing or the earlier termination of this Agreement.

Section 22. Assignment. Buyer may assign this Agreement without Seller's consent, provided that no such assignment shall relieve Buyer of any of its obligations under this Agreement.

Section 23. Attorneys' Fees. In any action between Buyer and Seller as a result of a default under this Agreement, the prevailing Party shall be entitled to recover from the other Party, and the other Party shall pay to the prevailing Party, the prevailing Party's attorneys' fees and court costs incurred in such action. The terms of this Section 23 shall survive Closing and the earlier termination of this Agreement.

Section 24. Exclusivity. Commencing on the Effective Date and continuing through the Closing or earlier termination of this Agreement, Seller shall not solicit or entertain offers from, negotiate with or accept or consider any proposal of any other person relating to the acquisition of the Property. Further,

Buyer may, at Buyer's expense, record a memorandum of this Agreement in the applicable local land records, provided that Buyer shall remove same of record if this Agreement terminates other than as a result of a Seller default of this Agreement.

Section 25. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become a binding agreement when one or more counterparts have been signed by each of the Parties and delivered to the other Party. Any signatures delivered either by email, or other electronic transmission or digital format (including but not limited to an Adobe file format or PDF) will be deemed to be original signatures under this Agreement.

Section 26. Weekends/Holidays. If the final day of any period of time set out in this Agreement falls on a Saturday, Sunday or federal holiday, such period shall be deemed extended to the next day which is not a Saturday, Sunday or federal holiday.

Section 27. Confidentiality. Intentionally deleted.

Section 28. Permitting Period. At any time after the Effective Date but prior to the expiration of the Permitting Period, Buyer shall, at its sole cost and expense, use commercially reasonable efforts to obtain all: (a) site plan, utility, transportation, department of transportation, zoning, New Brownfields Agreement (as hereinafter defined), permitting and other governmental approvals (including, without limitation, a building permit) that Buyer deems reasonably necessary to develop the Property for its intended use, all beyond the expiration of any applicable appeal period (collectively, the "**Required Permits**"); and (b) right-of-way and off-site construction easements that Buyer and Seller both deem reasonably necessary to develop the Property for Buyer's intended use (collectively, the "**Required Easements**"). If necessary, Seller shall reasonably cooperate with Buyer in Buyer's efforts to obtain the Required Permits and/or the Required Easements at no cost to Seller. If Buyer determines at any time after it has applied for the Required Permits and/or attempted to obtain the Required Easements that such Required Permits and/or Required Easements will not be obtained (in Buyer's reasonable discretion) or, in order to obtain the Required Permits and/or Required Easements, Buyer will have to agree to such provisions or make such commitments that Buyer deems to be unreasonable or which might result in a material, adverse economic impact on the development of the Property or its operation, then Buyer may terminate this Agreement prior to its receipt of the Required Permits and/or Required Easements by providing written notice thereof to Seller prior to the expiration of the Permitting Period, whereupon the Earnest Money shall be returned to Buyer (less the Non-refundable EMD and less the Extension EMD (if made)) and this Agreement and all rights and obligations of the respective parties shall be null and void except as set forth herein. Further, in the event that, despite Buyer's commercially reasonable efforts, Buyer has not obtained all of the Required Permits and/or Required Easements before Closing but does not terminate this Agreement prior to the expiration of the Permitting Period, then Buyer may terminate this Agreement for failure to obtain such Required Permits and/or Required Easements by providing written notice thereof to Seller, in which case all Earnest Money (including the Non-Refundable EMD and the Extension EMD (if made)) shall be immediately disbursed to and/or retained by Seller, whereupon (except as expressly provided herein), this Agreement and all rights and obligations of the respective Parties hereunder shall be null and void.

Section 29. Force Majeure. Notwithstanding anything in this Agreement to the contrary, all dates and deadlines in this Agreement shall be extended one (1) business day for each business day that Buyer's pursuit of its due diligence, the Rezoning Contingency, Required Permits and/or Closing is delayed due to Force Majeure Matters, so long as Buyer notifies Seller of the occurrence of such Force Majeure Matters within fifteen (15) days of the occurrence thereof. As used herein "**Force Majeure Matters**" means all of the following, whether foreseen or unforeseen: area-wide strikes or other labor disputes; acts of God; materially adverse weather; inability or delay to obtain labor or materials despite the employment of

commercially reasonable efforts; cyber-attack; delays or restrictions imposed or mandated by governmental authorities; enemy action; terrorism; civil commotion; disease (including, without limitation, COVID-19); fire; flood; earthquake and any other event, whether similar or dissimilar to the foregoing, that is beyond the reasonable control of Buyer.

Section 30. Rezoning Contingency. Seller acknowledges and agrees that Buyer intends to pursue a rezoning of the Property at Buyer's expense for Buyer's intended use of the Property for townhome and commercial development (the "**Buyer Rezoning**"). The Parties acknowledge and agree that Buyer's obligation to purchase the Property as contemplated by this Agreement shall be contingent on Buyer achieving the Buyer Rezoning (the "**Rezoning Contingency**") on or before expiration of the Examination Period, and that if despite Buyer's good faith efforts, Buyer is unable to achieve the Buyer Rezoning prior to expiration of the Examination Period, Buyer shall have the option to terminate this Agreement upon written notice thereof to Seller prior to the end of the Examination Period, in which case Buyer shall receive a return of the Earnest Money (less the Non-refundable EMD and Extension EMD (if made)) and have no further obligation or liability hereunder except for those obligations that expressly survive a termination of this Agreement. Buyer shall use good faith efforts to submit its application for the Buyer Rezoning prior to expiration of the Examination Period. Notwithstanding the foregoing and for the avoidance of doubt, Buyer understands and acknowledges that (i) the Buyer Rezoning is subject to a separate and independent approval process than the Approval, and (ii) that Buyer will have to satisfy all applicable Town of Pineville and/or Mecklenburg County zoning ordinances, conditions and approval processes in order to obtain the Buyer Rezoning.

Section 31. Moratorium. The term "**Moratorium**" means a moratorium, similar prohibition, or material limitation on development or construction approvals or capacity, including limitations on the issuance of building permits, certificates of occupancy, electric, gas, telephone, sanitary sewer, or water line connections, or limitations on the provision of fire protection or similar services, imposed by any governmental authority, that adversely affects the ability of Buyer to perform land development work or construct improvements within the Property. If a Moratorium comes into effect during the term of this Agreement, the time frames under this Agreement will be extended for a number of days equal to the length of the Moratorium. If a Moratorium is in effect on a date established as the Closing Date, the Closing will be delayed until 15 days after the Moratorium has been lifted. If a Moratorium continues for more than 6 months ("**Extended Moratorium**"), Buyer will have the right to terminate this Agreement by written notice to Seller and receive a refund of the Earnest Money (including the Non-refundable EMD), less the Extension EMD (if made).

Section 32. Option to Purchase. Notwithstanding anything contained herein to the contrary, Seller shall have the option to re-purchase (i) the portion of the Property designated for residential development, as shown on Exhibit B attached hereto and incorporated herein by this reference ("**Phase I**"), in the event that the residential development contemplated in Phase I has not been commenced on or before the date that is twelve (12) months after the Closing Date; and/or (ii) the portion of the Property designated for retail development, as shown on Exhibit B attached hereto and incorporated herein by reference "**Phase II**"), in the event that the retail development contemplated in Phase II has not been commenced on or before the date that is thirty-six (36) months after the Closing Date; and/or (iii) the Phase I and/or Phase II portions of the Property (as applicable), in the event that following commencement of construction thereon, the entity developing such applicable phase abandons its construction activities for either (A) a total period of ninety (90) consecutive days, or (B) a total period of one hundred twenty (120) cumulative days in any consecutive six (6) month period, in each case subject, however, to force majeure. In the event that Seller exercises its right to re-purchase either the Phase I portion of the Property, and/or the Phase II portion of the Property from Buyer in accordance with this Section 32, the purchase price thereof shall be the appraised value of the Property at the time Seller exercises its right to repurchase, as determined by an appraiser selected by Seller that has at least 10 years experience of appraising

commercial properties in Mecklenburg County (“**Experience Qualifications**”). If Buyer does not agree with the appraised value, it can hire its own appraiser (at Buyer’s cost) that meets the Experience Qualifications, and the average of the two appraisals shall be used. The option to re-purchase contemplated in this Section 32 shall be more particularly set forth in a written instrument (the “**Purchase Option**”), in recordable form, to be signed by Seller and Buyer at Closing, the form of which shall be negotiated in using commercially reasonable efforts and agreed upon prior to expiration of the Examination Period. Notwithstanding the foregoing, the Parties agree to execute and record (x) a partial release of the Purchase Option upon the completion of the last townhome with respect to the development contemplated in Phase I, as evidenced by Buyer’s receipt of a certificate of occupancy issued by the applicable governmental agency, and (y) a termination of the Purchase Option upon the completion of development of Phase II, as evidenced by Buyer’s receipt of a certificate of occupancy issued by the applicable governmental agency. If the parties are unable to agree on the Purchase Option prior to expiration of the Examination Period, then either party shall be entitled to terminate this Agreement by providing written notice to the other prior to the end of the Examination Period, in which event the Earnest Money (less the Non-refundable EMD and Extension EMD (if made)) shall be immediately released to Buyer.

Section 33. Brownfields Agreement. Buyer acknowledges that (a) there is a Brownfields Agreement (the “**Existing Brownfields Agreement**”) recorded with the Mecklenburg County Register of Deeds at Book 33549, Pages 835-879 applicable to the Property, and (b) the Existing Brownfields Agreement must be replaced with a new Brownfields Agreement through the North Carolina Department of Environmental Quality (“**NCDEQ**”) rules and procedures and other laws in order to accomplish Buyer’s intended development (the “**New Brownfields Agreement**”). Buyer agrees to diligently pursue and use commercially reasonable efforts to obtain the New Brownfields Agreement with NCDEQ as soon as reasonably practicable, with Seller named as the applicant Prospective Developer for the New Brownfields Agreement. Buyer makes no representations and/or warranties in connection with the New Brownfields Agreement or that Buyer will be able to obtain the New Brownfields Agreement, and Buyer’s failure to obtain the New Brownfields Agreement shall not be a default hereunder provided Buyer diligently pursues and uses commercially reasonable efforts to obtain the New Brownfields Agreement. Seller hereby agrees to fully cooperate with Buyer in Buyer’s efforts to obtain the New Brownfields Agreement at no out-of-pocket expense to Seller (subject to Seller’s responsibility for the reimbursing the Brownfields Costs (as defined and outlined below), if applicable). Prior to their submittal to NCDEQ, Buyer shall provide to Seller copies of all material proposed submittals to NCDEQ relating to the New Brownfields Agreement and obtain Seller’s prior written approval thereof, which approval shall not be unreasonably withheld, conditioned or delayed. Seller shall respond promptly with any reasonable comments, and Buyer agrees to incorporate same into such submittals prior to their submittal to NCDEQ. In furtherance and not in limitation of the preceding sentence, Buyer shall provide a ¹proposed Brownfields Property Application to Seller for comment and approval within seven (7) days of the execution of this Agreement, Seller shall respond with any reasonable comments to same within ten (10) days of Seller’s receipt of the Brownfields Property Application, and Buyer shall submit same to NCDEQ within five (5) days of Buyer receiving either Seller’s comments or Seller’s written confirmation that it has no comments. Further, prior to Closing, Seller and Buyer agree to promptly provide the other with copies of any materials or correspondence submitted to or received by NCDEQ in connection with the New Brownfields Agreement or the Property, and Buyer agrees to keep Seller reasonably apprised of the status of the New Brownfields Agreement. Notwithstanding the foregoing or anything contained herein to the contrary, Buyer agrees to pay for all costs and expenses incurred in connection with obtaining the New Brownfields Agreement, including Buyer’s legal fees and expenses, that are reasonable and

¹ Note to Seller – We removed “complete” since Buyer will not have all of the information needed to prepare the application. We’ll take it as far as we can and Seller can fill in any remaining holes.

necessary to obtain the New Brownfields Agreement and actually incurred by Buyer and documented by invoices (collectively, the “**Brownfields Costs**”), subject to Seller’s reimbursement obligation outlined below, if applicable. Buyer agrees to reimburse Seller for Seller’s legal fees and expenses for its review and comment of documents related to the New Brownfields Agreement as described above in this Section 33 up to and including the amount of \$15,000.00, and Seller shall be responsible for any of its legal fees and expenses above that amount. Buyer’s reimbursement to Seller of such legal fees and expenses shall occur at Closing, the same shall not be a credit towards the Purchase Price at Closing, and no such reimbursement shall be required if Closing does not occur. Notwithstanding the foregoing or anything contained herein to the contrary, in the event that Buyer terminates this Agreement due to Seller’s default hereunder, then Seller shall reimburse Buyer for any and all Brownfields Costs up to and including One Hundred Thousand and No/100 Dollars (\$100,000.00) within thirty (30) days after any such termination. In the event Buyer terminates this Agreement and the New Brownfields Agreement has not yet been obtained, Buyer shall have no further responsibilities to Seller regarding the New Brownfields Agreement or the costs and expenses to obtain same; provided, however, that in such event, Buyer agrees to reasonably cooperate with Seller and NCDEQ, at no out-of-pocket cost to Buyer, to transfer all work conducted by Buyer in regards to the New Brownfields Agreement to Seller.

Notwithstanding anything contained herein to the contrary, in the event that the New Brownfields Agreement is not obtained on or before the date that is two hundred seventy (270) days after the Effective Date (the “**Brownfields Period**”), then Buyer shall have the right to extend the Brownfields Period for up to three (3) successive sixty (60) day periods (each, a “**Brownfields Extension Period**”), in which event the Closing Date shall be automatically extended on a day-for-day basis equal to the number of days included in any Brownfields Extension Period(s) exercised by Buyer. In the event the New Brownfields Agreement is not obtained following Buyer’s exercise of three (3) Brownfields Extension Periods despite Buyer satisfying its obligations regarding the New Brownfields Agreement as provided in this Agreement, then either Buyer or Seller may terminate this Agreement by providing written notice to the other party, whereupon (except as expressly provided herein), this Agreement and all rights and obligations of the respective Parties shall be null and void, and Buyer shall receive a return of the Earnest Money, less the Non-Refundable EMD. Notwithstanding the foregoing, Buyer’s right to terminate this Agreement pursuant to this Section 33 shall cease and be null and void upon the recordation of the New Brownfields Agreement, and in no event shall Buyer’s right to extend the Brownfields Period extend beyond a total of one hundred eighty (180) additional days.

Section 34. Subdivision Plat. The obligations of the Parties to close the transaction contemplated in this Agreement shall be subject to approval from the appropriate governmental authorities for the recording of a subdivision plat prepared by a surveyor licensed in the State of North Carolina (the “**Subdivision Plat**”) that, subdivides the Cone Mill Property and establishes the boundaries of the portion of the Cone Mill Property to be conveyed to Buyer herein (the “**Conveyed Cone Mill Property**”) and the portion of the Cone Mill Property being retained by Pineville Redevelopment (such property being retained by Pineville Redevelopment being the “**Residual Property**”). The boundary line between the Conveyed Cone Mill Property and the Residual Property is shown and set forth on Exhibit A-1 herein. Seller shall have prepared and shall record the Subdivision Plat in the Mecklenburg County Public Registry, at its sole cost and expense, at or prior to Closing, and Buyer shall cooperate with Seller to ensure that the Subdivision Plat is obtained and recorded at or prior to Closing.

[Remainder of Page Intentionally Left Blank;
Signature Page Follows.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

BUYER:

CONE MILL DEVELOPMENT VENTURES, LLC

By: _____
Name: _____
Title: _____

SELLER:

TOWN OF PINEVILLE

By: _____
Name: _____
Title: _____

PINEVILLE REDEVELOPMENT AND INVESTMENT, INC.

By: _____
Name: _____
Title: _____

JOINDER BY TITLE INSURER:

Title Insurer joins in the execution of this Agreement to evidence its agreement to receive, hold and disburse funds and documents in accordance with the terms and provisions of the Agreement.

TITLE INSURER:

STEWART TITLE GUARANTY COMPANY

By: _____
Name: _____
Title: _____

EXHIBIT A

Commencing at a point in the centerline of Norfolk Southern railroad, Station 555+00, said point having N.C.S.P.C. coordinates of N:491,249.20 E:1,433,597.49 (CF:0.99985432); thence with a line normal to said railroad with a bearing of S 23°38'26" E and a distance of 65.00' to a point; thence parallel to said railroad with a curve to the left having a radius of 2929.76' and an arc length of 70.50', and being chorded by a bearing of N 65°40'12" E and a distance of 70.50' to a set rebar, being the point of BEGINNING said point having N.C.S.P.C. coordinates of N:491,218.71 E:1,433,687.78, thence parallel to said railroad with a curve to the left having a radius of 2929.76' and an arc length of 612.80', and being chorded by a bearing of N 58°59'19" E and a distance of 611.68' to a point on the southwesterly margin of the right-of-way of N.C. Highway 51 (a.k.a. Main Street), said point having N.C.S.P.C. coordinates of N:491,533.81 E:1,434,211.95; thence following the margin of said right-of-way with a curve to the left having a radius of 170.10' and an arc length of 43.69', and being chorded by a bearing of S 63°08'53" E and a distance of 43.57' to a point on the northwesterly margin of the right-of-way of Dover Street; thence following the margin of said right-of-way four (4) calls: (1) with a bearing of S 44°57'21" W and a distance of 159.93' to a point; (2) with a bearing of S 44°57'21" W and a distance of 100.00' to a point; (3) with a bearing of S 44°57'41" W and a distance of 50.00' to a point; (4) with a bearing of S 45°21'39" W and a distance of 212.80' to an existing rebar, being the easterlymost corner of the property of the Town of Pineville (now or formerly) recorded as Tract 7 on Map Book 64, Page 414; thence following the common line thereof two (2) calls: (1) with a bearing of N 53°27'21" W and a distance of 129.10' to an existing rebar; (2) with a bearing of S 87°44'58" W and a distance of 89.07' to a set rebar; being the point of BEGINNING, having an area of 1.159 acres, more or less, as shown on a survey by Carolina Surveyors, Inc.

AND

BEGINNING at an iron pin in the northerly right of way of Dover Street, a common corner of this tract and the tract conveyed to R.E. Smith (now or formerly) by deeds recorded in book 4604, at page 623 and book 3547, at page 509 in the Mecklenburg County, North Carolina Public Registry, and running thence with the northern margin of Dover Street S. 50-34-13 W. 157.77 feet to an iron pin; thence N. 26-02-17 W. 242.08 feet to an existing iron pin in the southerly right of way of the Southern Railway Co. ; thence, along the arc of a curve to the left, subtended by a chord bearing N. 72-25-06 E., and having a radius of 2,929.13 feet, an arc distance of 79.15 feet to an iron pin; thence, S. 11-41-30 E. 77.32 feet to an iron pin; thence, S. 44-44-06 E. 23.43 feet to an iron pin; thence, along the arc of a curve to the left, subtended by a chord bearing N. 69-38-26 E. 44.64 feet, and having a radius of 3,113.93 feet, an arc distance of 44.64 feet to the point and place of beginning and containing approximately .424 acres, all as shown on a survey by Keith R. Meon, N.C.R.L.S., dated January 22, 1990.

Being in all respects the same property conveyed to Michael Dean Eury and wife, Tammy Clark Eury, borrowers herein, by Robert E. Smith and wife, Molly J. Smith by deed dated 1st day of July, 1998, recorded in said Registry contemporaneously herewith.

EXHIBIT A-1

The portion of the Property to be conveyed by Pineville Redevelopment to Buyer is labeled below as “PROPERTY TO BE CONVEYED” and the Residual Property is shown below as the hatched area.

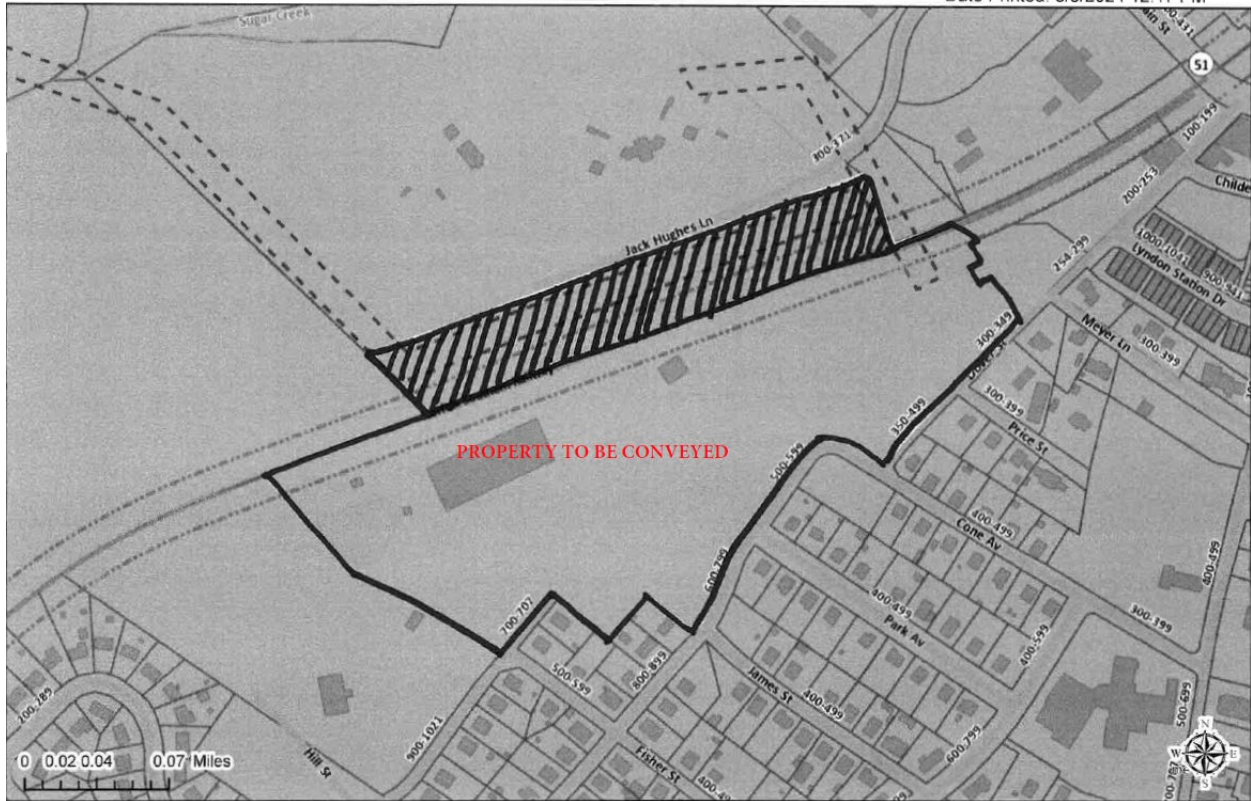


EXHIBIT B

[to be inserted]



KEY:

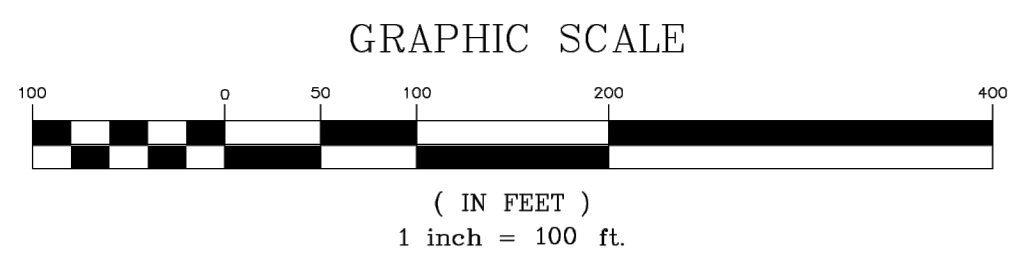
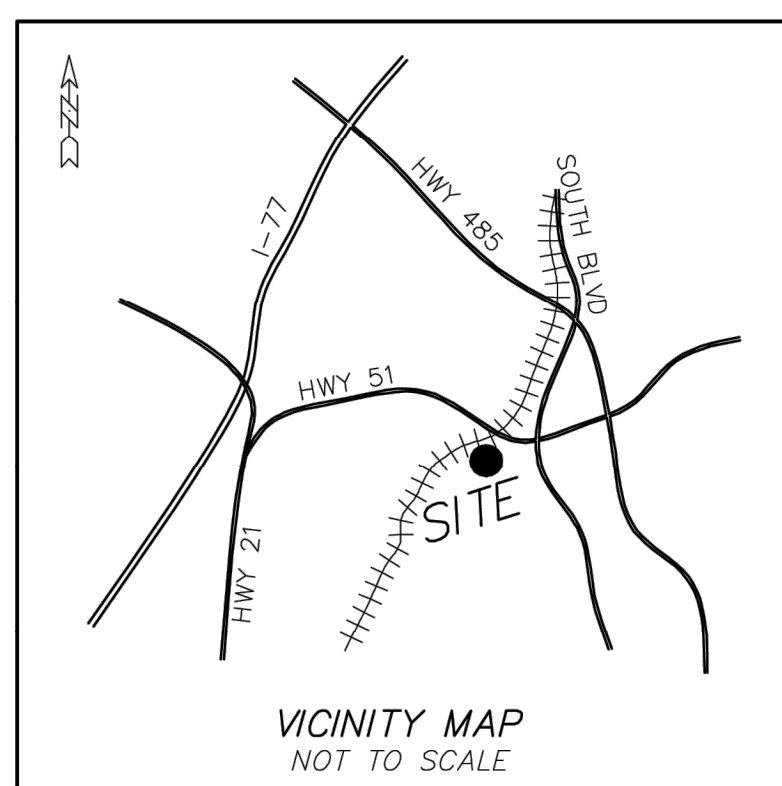
- 1 EXISTING COMMERCIAL BUILDING
- 2 SEMI-PERMANENT
- 3 COMMERCIAL BUILDING (UP TO TWO STORY)
- 4 KIOSK RENTAL
- 5 PARKING
- 6 TOWN GREEN
- 7 LINEAR PARK
- 8 POCKET PARK
- 9 RETAIL PLAZA/OUTDOOR DINING
- 10 STORMWATER MANAGEMENT
- 11 FRONT LOADED TOWNHOUSE
- 12 REAR LOADED TOWNHOUSE
- 13 EXISTING BOILER ROOM REPURPOSED AS POSSIBLE COMMUNITY CENTER

DEVELOPMENT INFORMATION:

	COMMERCIAL AREA MINIMUM COMMERCIAL AREA: APPROX. 24,000 (SF) MAXIMUM COMMERCIAL AREA: APPROX. 44,000 (SF)
	REAR LOAD TOWNHOUSE
	FRONT LOAD TOWNHOUSE

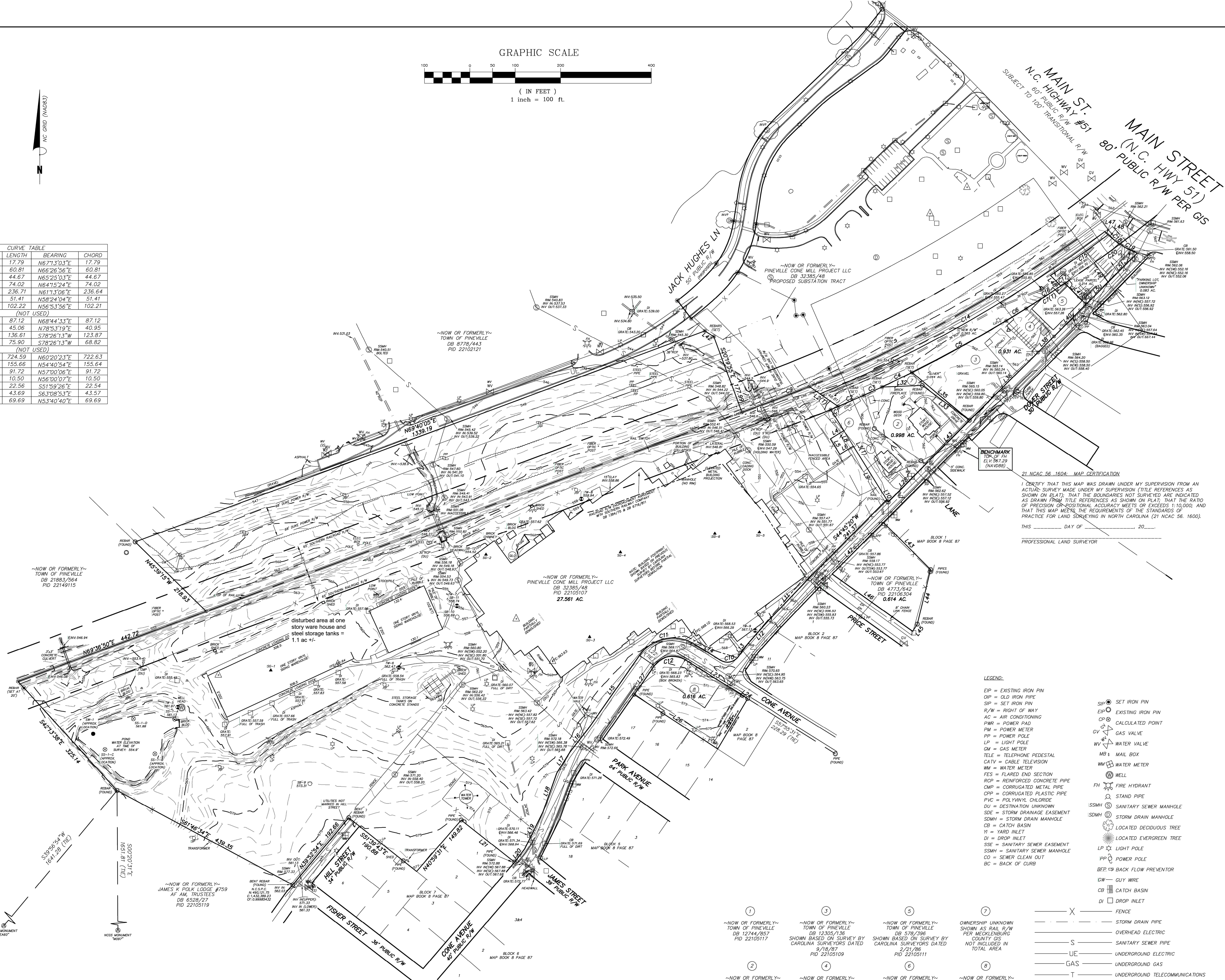
CONE MILL SITE - CONCEPT PLAN

FEBRUARY 2024



LINE	BEARING	LENGTH
L1	N69°36'50"E	72.00
L2	S55°19'49"E	77.32
L3	S31°52'32"E	239.80
L4	N58°07'28"E	35.00
L5	N31°52'32"W	40.00
L6	N58°07'28"E	35.00
L7	S31°52'32"E	54.38
L8	S31°52'32"E	40.00
L9	S31°52'32"E	139.51
L10	S31°52'32"E	5.91
L11	S43°40'20"W	137.19
L12	S41°49'58"W	62.54
L13	S35°51'19"W	35.12
L14	N58°04'41"W	66.75
L15	S34°57'07"E	196.58
L16	S36°01'40"W	63.11
L17	S32°03'22"W	55.37
L18	S19°36'27"W	90.79
L19	S26°18'27"W	90.84
L20	S37°06'27"W	37.07
L21	S51°43'36"E	149.79
L22	S55°03'17"E	40.00
L23	N58°04'41"W	148.98
L24	N57°16'45"W	13.97
L25	N30°45'14"E	128.79
L26	S57°01'15"E	219.65
L27	S34°57'07"E	77.66
L28	S44°48'39"W	151.22
L29	(NOT USED)	
L30	(NOT USED)	
L31	(NOT USED)	
L32	N87°44'58"E	89.07
L33	S52°7'21"E	129.10
L34	(NOT USED)	
L35	S50°03'48"E	164.38
L36	N45°21'39"E	212.80
L37	(NOT USED)	
L38	N44°57'41"E	50.00
L39	(NOT USED)	
L40	N44°57'21"E	100.00
L41	S45°02'39"E	65.89
L42	S57°20'01"E	23.43
L43	S44°48'39"W	102.55
L44	S1°41'46"W	123.85
L45	S33°57'46"W	18.97
L46	S54°33'14"W	217.29
L47	S48°11'27"W	9.81
L48	S45°02'39"E	32.55
L49	S32°38'27"W	52.69
L50	N44°37'21"E	68.91
L51	S44°57'21"W	91.03

CURVE	RADIUS	LENGTH	BEARING	CHORD
C1	2929.76	17.79	N67°13'03"E	17.79
C2	2929.76	60.81	N66°26'56"E	60.81
C3	2929.76	44.67	N65°23'03"E	44.67
C4	2929.76	74.02	N64°15'24"E	74.02
C5	2929.76	236.71	N61°13'06"E	236.64
C6	2944.08	51.41	N58°24'04"E	51.41
C7	2929.76	102.22	N56°53'56"E	102.21
C8	(NOT USED)			
C9	2864.76	87.12	N68°44'33"E	87.12
C10	30.00	45.06	N78°53'19"E	40.95
C11	90.00	136.61	S78°26'13"W	123.87
C12	50.00	75.90	S78°26'13"W	68.82
C13	(NOT USED)			
C14	2845.87	724.59	N60°20'23"E	722.63
C15	2968.88	155.66	N54°40'54"E	155.64
C16	2929.76	91.72	N57°00'06"E	91.72
C17	2929.76	10.50	N56°00'07"E	10.50
C18	170.10	22.56	S51°59'26"E	22.54
C19	170.10	43.69	S63°08'53"E	43.57
C20	2929.76	69.69	N53°40'40"E	69.69



- ① TEMPORARY WELL
- SOIL SAMPLE
- ⊗ SEDIMENT SAMPLE
- ▲ SOIL GAS SAMPLE (APPROX. LOCATIONS, NOT SURVEYED)
- SURFACE WATER SAMPLE

- NOTES:
- IRON PINS SET AT ALL CORNERS UNLESS OTHERWISE NOTED.
 - PROPERTY ZONED: DC (SETBACKS & ZONING MATTERS ARE SUBJECT TO INTERPRETATION BY LOCAL MUNICIPALITIES).
 - TAX PARCEL NUMBERS AS SHOWN.
 - DEED REFERENCES AS SHOWN.
 - BOUNDARY SURVEY ONLY THROUGH POINTS AS SHOWN.
 - THIS PROPERTY IS LOCATED WITHIN AN AREA HAVING A ZONE DESIGNATION X BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA), ON FLOOD INSURANCE RATE MAP (FIRM) NO. 3710443900L, WITH A DATE OF IDENTIFICATION OF 09/02/2015.
 - THIS PROPERTY MAY BE SUBJECT TO ADDITIONAL RECORDED OR UNRECORDED EASEMENTS, RIGHTS-OF-WAY, OR RESTRICTIVE COVENANTS, OTHER THAN SHOWN, SURVEY MADE WITHOUT THE BENEFIT OF A TITLE EXAMINATION.
 - AREA COMPUTED BY COORDINATED METHOD.
 - UTILITY LOCATIONS SHOWN ARE LOCATED BASED ON SITE CONDITIONS AND MARKINGS AT THE TIME OF SURVEY. CONTRACTORS ARE TO HAVE ALL UTILITIES ACCURATELY MARKED PRIOR TO CONSTRUCTION.
 - AT THE TIME OF SURVEY DECONSTRUCTION OF POWER INFRASTRUCTURE OBSERVED.
 - AT THE TIME OF SURVEY SITE PARTIALLY DEMOLISHED.

THE FOLLOWING WAS USED TO ESTABLISH N.C.S.P.C. INFORMATION:

- CLASS OF SURVEY: A-URBAN LAND SURVEY
- POSITIONAL ACCURACY: 0.2"
- TYPE OF GPS FIELD PROCEDURE: STATIC, ONLINE POSITION SURVEY
- DATE OF SURVEY: 7/4/18
- DATE/TIME/EPOCH: NAD 83 (2011), EPOCH 2010
- PUBLISHED FIXED-CONTROL USE: CORS SITES DH3838, DG7402, DK7758
- GEOD MODEL: GEOID 12B; NAVD 83
- COMBINED GRID FACTOR(S): 0.99985432
- UNITS: US SURVEY FEET

UNDERGROUND UTILITIES MARKED BY:
RDL PRIVATE UTILITY LOCATING
6015 BAYFIELD PARKWAY
CONCORD, NC 28027
(704) 492-4841
RDLLOCATING@GMAIL.COM

- LEGEND:
- EIP = EXISTING IRON PIN
 - OIP = OLD IRON PIPE
 - SIP = SET IRON PIN
 - R/W = RIGHT OF WAY
 - AC = AIR CONDITIONING
 - PHR = POWER PAD
 - PM = POWER METER
 - PP = POWER POLE
 - LP = LIGHT POLE
 - GM = GAS METER
 - TELE = TELEPHONE PEDESTAL
 - CATV = CABLE TELEVISION
 - WM = WATER METER
 - FES = FLARED END SECTION
 - RCP = REINFORCED CONCRETE PIPE
 - CMP = CORRUGATED METAL PIPE
 - CPP = CORRUGATED PLASTIC PIPE
 - PVC = POLYVINYL CHLORIDE
 - DUI = DESTINATION UNKNOWN
 - SDE = STORM DRAINAGE EASEMENT
 - SDMH = STORM DRAIN MANHOLE
 - CB = CATCH BASIN
 - TI = TIE
 - SSE = SANITARY SEWER EASEMENT
 - SSMH = SANITARY SEWER MANHOLE
 - CS = SEWER CLEAN OUT
 - BC = BACK OF CURB
 - SIP = SET IRON PIN
 - EIP = EXISTING IRON PIN
 - CP = CALCULATED POINT
 - GV = GAS VALVE
 - WV = WATER VALVE
 - MB = MAIL BOX
 - WM = WATER METER
 - WELL
 - FH = FIRE HYDRANT
 - STAND PIPE
 - SSMH = SANITARY SEWER MANHOLE
 - SDMH = STORM DRAIN MANHOLE
 - LOCATED DEODOURING TREE
 - LOCATED EVERGREEN TREE
 - LP = LIGHT POLE
 - PP = POWER POLE
 - BEF = BACK FLOW PREVENTOR
 - GW = GUY WIRE
 - CB = CATCH BASIN
 - DI = DROP INLET
 - FENCE
 - STORM DRAIN PIPE
 - OVERHEAD ELECTRIC
 - SANITARY SEWER PIPE
 - UNDERGROUND ELECTRIC
 - UNDERGROUND GAS
 - UNDERGROUND TELECOMMUNICATIONS
 - UNDERGROUND WATER
 - BOUNDARY LINE
 - TIE LINE
 - RIGHT OF WAY
 - ADJOINING LINE (NOT SURVEYED)

REVISIONS:	SCALE: 1" = 100'
BOUNDARY LINES	2018/11/18
BOUNDARY CALLS	2018/11/18
TEMPORARY MONITORING WELLS	11/14/18
TEMPORARY MONITORING WELLS	11/29/18
PROPOSED AREAS	6/12/19

DATE:	BY:
8/7/18	MB
8/20/18	MB
11/14/18	TW
11/29/18	TW
6/12/19	BG/AS

CERTIFY THAT THIS MAP WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION (TITLE REFERENCES AS SHOWN ON PLAT), THAT THE BOUNDARIES NOT SURVEYED ARE INDICATED AS DRAWN FROM TITLE REFERENCES AS SHOWN ON PLAT, THAT THE RATIO OF PRECISION OR ACCURACY MEETS OR EXCEEDS 1:10,000, AND THAT THIS MAP MEETS THE REQUIREMENTS OF THE STANDARDS OF PRACTICE FOR LAND SURVEYING IN NORTH CAROLINA (21 NCAC 56.1600).

THIS DAY OF _____ 20__

PROFESSIONAL LAND SURVEYOR

CAROLINA SURVEYORS, INC.
P.O. BOX 267 PINEVILLE, N.C. 28134 - 0267
THOMAS E. WHITE, N.C.P.L.S. & S.C.P.L.S. 704-889-7801
CERTIFICATE OF AUTHORIZATION NCIC-1248 SC-886

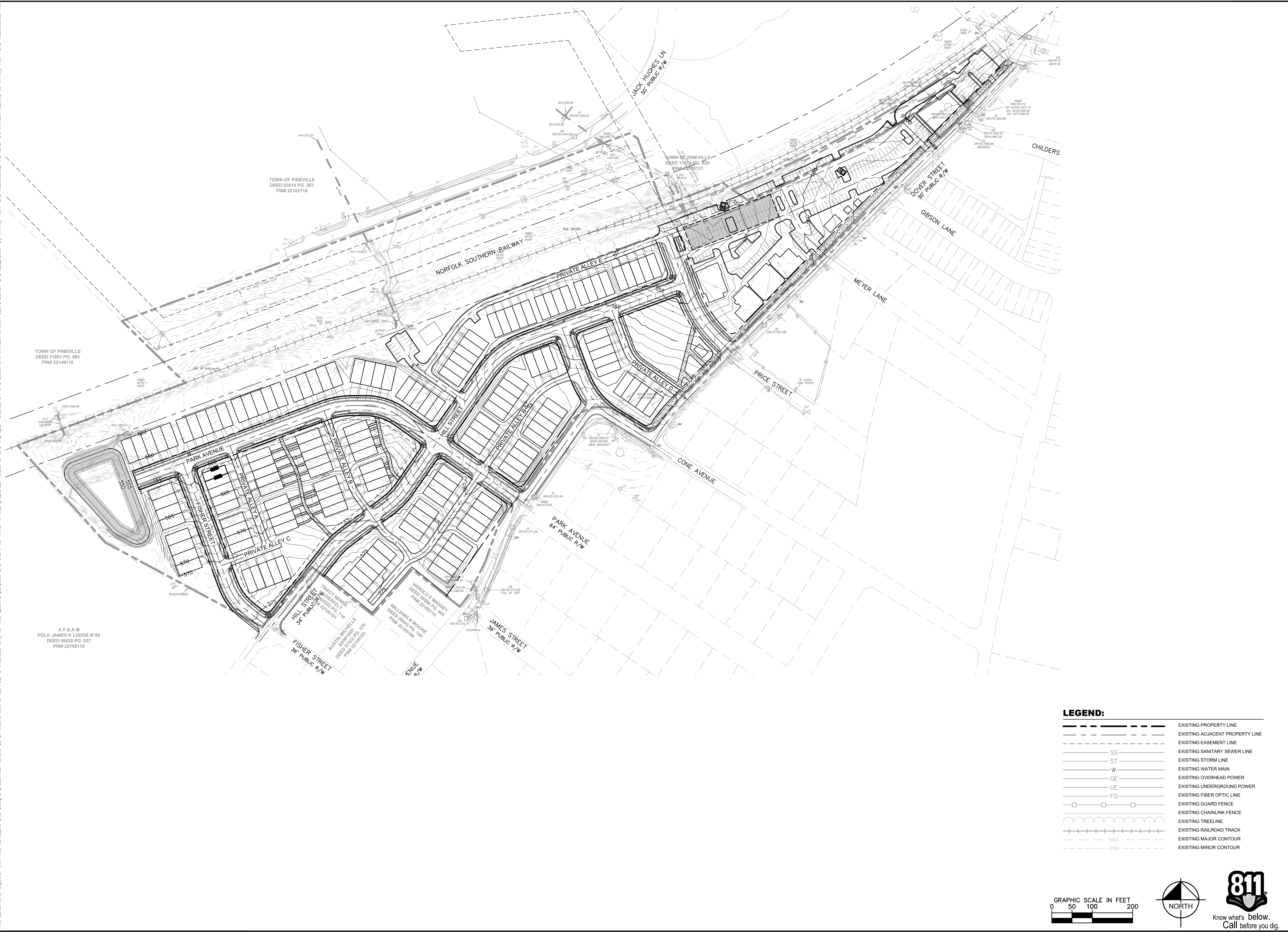
A BOUNDARY, ASBUILT & TOPOGRAPHICAL SURVEY SHOWING

CONE MILL

SURVEYED FOR: CM LT HOLDINGS, LLC
AREA: 30.720 ACRES
TOWN OF PINEVILLE, MCGUIRE COUNTY, NORTH CAROLINA

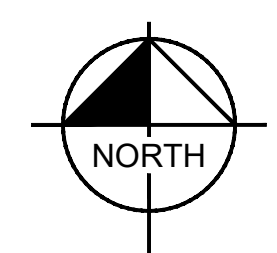
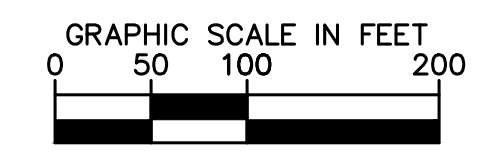
C-02

Plotted By: Atuncer, Corios Date: February 26, 2024 11:39:02am File Path: K:\FOM_Plan\014242_Gvest_Capital\006_Pineville_Cone Mill MXA\02 - DWG\PlanSheets\Resizing_C-Grading_Plan.dwg
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LEGEND:

	EXISTING PROPERTY LINE
	EXISTING ADJACENT PROPERTY LINE
	EXISTING EASEMENT LINE
	EXISTING SANITARY SEWER LINE
	EXISTING STORM LINE
	EXISTING WATER MAIN
	EXISTING OVERHEAD POWER
	EXISTING UNDERGROUND POWER
	EXISTING FIBER OPTIC LINE
	EXISTING GUARD FENCE
	EXISTING CHAINLINK FENCE
	EXISTING TREELINE
	EXISTING RAILROAD TRACK
	EXISTING MAJOR CONTOUR
	EXISTING MINOR CONTOUR



Item 5.	B
REVISIONS	DATE
No.	

Kimley-Horn
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 580 KINGSLEY PARK, SUITE 125, FORT WILM, SC 29715
 WWW.KIMLEY-HORN.COM
 NC LICENSE # F-0102

FOR REFERENCE ONLY

KHA PROJECT	014242006
DATE	
MONTH	
YEAR	
SCALE	AS SHOWN
DESIGNED BY:	AUG
DRAWN BY:	CDA
CHECKED BY:	JEH

GRADING PLAN

PINEVILLE CONE MILL
 PREPARED FOR
CONE MILL DEVELOPMENT
VENTURES, LLC.
 PINEVILLE, NORTH CAROLINA

SHEET NUMBER
C-04

Plotted By: Atuncer, Corios Date: February 26, 2024 11:39:25am File Path: K:\FOM_PRA\014242 West Capital\006 Pineville Cone Mill NX\02 - DWG\PlanSheets\Resizing\C-Architectural Elevations.dwg
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Rear-Load Townhomes



Front-Load Townhomes



Streetscape and Open Space



Commercial and Mixed Use Buildings



Know what's below.
Call before you dig.

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 WWW.KIMLEY-HORN.COM
 NC LICENSE #F-0102

FOR REFERENCE ONLY

KHA PROJECT	DATE
014242006	MONTH YEAR
SCALE: AS SHOWN	DESIGNED BY: AUG
DRAWN BY: CDA	CHECKED BY: JEH

GO-BY ARCHITECTURAL ELEVATIONS

**PINEVILLE CONE MILL
 PREPARED FOR
 CONE MILL DEVELOPMENT
 VENTURES, LLC.**

PINEVILLE NORTH CAROLINA

SHEET NUMBER
C-06

No.	REVISIONS	DATE



TOWN COUNCIL AGENDA ITEM

MEETING DATE:

Agenda Title/Category:	Hawk Signal		
Staff Contact/Presenter:	Ryan Spitzer		
Meets Strategic Initiative or Approved Plan:	Yes	No x	If yes, list:
Background:	Town Council approved the placement of a Hawk Signal on Main St to aid pedestrians getting across the road. This funding was from the remaining ARPA funds.		
Discussion:	Staff had a discussion with NCDOT and the project engineers on August 23, 2024. NCDOT wanted to recommend an alternative placement. The decision on placement is ultimately up to the Town Council.		
Fiscal impact:			
Attachments:	<ol style="list-style-type: none"> 1. Memo 2. Map of location of Hawk Signal 		
Recommended Motion to be made by Council:			

Memorandum



To: Mayor and Town Council

From: Ryan Spitzer

Date: 8/23/2024

Re: Main Street Hawk Signal

Overview:

Staff spoke with NCDOT on the location of the Hawk Signal. Town Council had originally stated they would like it at the intersection of Cranford and Main St. However, after discussion with NCDOT they are recommending that the Town consider placing the Hawk Signal between Cranford and Jack Hughes Lane on the attached map. Ultimately it is up to Town Council on its placement.

Alt 2A Pedestrian Hybrid Beacon
NC 51 (Main Street) at Cranford Drive

SIGNAGE INDEX

SIGNAL FACE I.D.

All Heads L.E.D.

LEGEND

PROPOSED	EXISTING

PRELIMINARY PLANS
DO NOT USE FOR CONSTRUCTION



PREPARED IN THE OFFICE OF:
Accelerate Engineering, PLLC
875 Walnut Street, Suite 316
Cary, NC 27511
Tel: 919.263.5678 Fax: 919.263.5687
NC License No. P-1442

