

VOTING FOR INFRASTRUCTURE IN RALEIGH-DURHAM, NORTH CAROLINA

Mobilizing for the Future of Transit in the Research Triangle



The November 2011 ballot in Durham County, North Carolina, is a success story: a solid majority of 60 percent of voters approved a sales tax increase to meet local transportation needs. But the ballot also illustrates the political complexity of developing a regional transit system that spans multiple jurisdictions. To move forward on the region's transportation plan, Orange and Wake counties also must pass their own sales tax referendums.

The Research Triangle (also known as Raleigh-Durham) is a region in north-central North Carolina anchored by leading technology firms, government, world-class universities and medical centers, and three important cities. The region includes Durham, Wake, and Orange counties and is home to a combined population of 1.5 million people that is projected to grow to 2.5 million by 2040.

LONG-RANGE TRANSPORTATION PLANNING

The region is served by two metropolitan planning organizations that, in an unusual collaboration, adopted a Joint 2035 Long Range Transportation Plan in 2009. The plan identified greatly expanded local and regional bus service, light rail, and commuter rail as priorities for the region. The plan, however, also noted the need for new sources of revenue to support its \$3.5 billion three-county bus and train network ambitions.

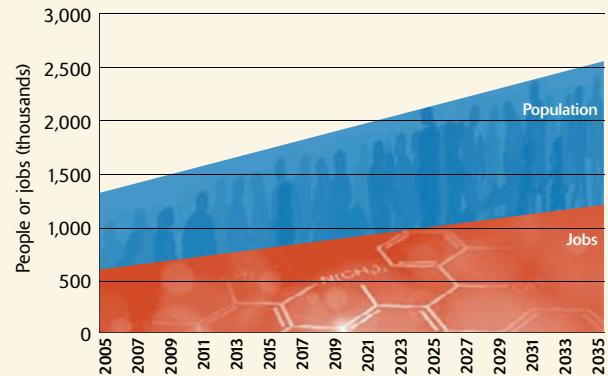
The Bull City Connector runs between downtown Durham and the Duke University campus and medical facilities. (Photo courtesy of Durham Convention & Visitors Bureau)

As transportation planners reviewed options for funding new transit investment, a sales tax stood out as the most feasible and attractive option. "Over the last five years, we have analyzed what we ought to do as a region, looked at the demographic projections, considered the volume of money needed, and surveyed national examples," explained David King, chief executive officer for Triangle Transit, the regional public transportation authority serving Durham, Orange, and Wake counties. In addition, nearby Charlotte successfully launched a new light-rail system in the 2000s, funded by a sales tax increase approved by voters in 1998.

But the Research Triangle faced two obstacles: the need for state legislation and the coordination of votes across three counties. By state law, only Charlotte's Mecklenburg County was permitted to submit sales tax increases to voters. In an effort to obtain the same opportunity in other parts of the state, a coalition of transit, transportation, and environmental groups advocated for State House Bill 148, which permitted other counties to vote on sales tax increases for transit. The bill was signed into law in August 2009.

High Growth Is Predicted for the Research Triangle

Estimated 2005 and forecast 2035 population and jobs in the Research Triangle



Source: Capital Area Metropolitan Planning Organization and Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, 2035 Long Range Transportation Plan, 2009.

Planned Transit Investments Will Span Three Counties

Investments depend on outcome of upcoming votes



Source: Triangle Transit.

DURHAM COUNTY LEADS THE WAY

In June 2011, Durham County Commissioners scheduled a November 2011 referendum on a half-cent sales tax, ahead of action by Wake and Orange county officials. With the Durham ballot on the calendar, the campaign began in earnest. Strong supporters included Mayor Bill Bell, other local officials, and Triangle Transit. The campaign also enlisted prominent spokespersons to cheerlead the effort. The ballot received endorsements from three of the county's major political-action groups—the Durham Committee on the Affairs of Black People, the People's Alliance, and Friends of Durham. The strong economic development potential of the measure earned an unexpected endorsement from the Friends of Durham—a conservative group that has traditionally opposed tax increases—and helped establish a broad base of support for the measure.

On November 8, 2011, a strong showing of 60 percent of the voters in Durham County approved the half-cent sales tax for transit. The half-cent sales tax is projected to generate \$18.4 million annually over the next 30 years. With its revenue, Durham County seeks to expand bus service by 25 percent within the first three years, open a light-rail line between downtown Durham and University of North Carolina Hospitals by 2018, and build a commuter-rail line from downtown Durham to eastern Wake County by way of the Research Triangle Park by 2025. A half-cent sales tax in Orange County would generate \$5.1 million each year, with the Wake County tax bringing in \$54 million each year.

Projected Revenue and Expenditures for Transit in Durham County

	U.S. dollars (millions)	Percent of total
PROJECTED REVENUE (2012)		
One-half cent sales tax	18.4	85
\$7 vehicle registration fee	1.58	7.3
\$3 vehicle registration fee increase	0.677	3
Rental car tax revenue (Durham)	1	4.7
Total	21.66	100
EXPENDITURES (TOTAL SPENDING OVER LIFE OF 23-YEAR PLAN)^a		
Project		
Rail capital	1,669	73
Rail operations	283	12
Bus capital	47	2
Bus operations	151	7
Debt	136	6
Total	2,286	100

Source: Durham County Bus and Rail Investment Plan, June 2011.

Note: The plan includes a 25 percent capital cost contribution by the North Carolina Department of Transportation and a 50 percent capital cost contribution for light rail and commuter rail from the federal government.

a. A cost-sharing understanding was reached by officials from both Durham and Orange counties that identifies how costs would be allocated for the light-rail project that crosses county borders.

PLANNING FOR THE FUTURE

Regional transit achieved a crucial step with Durham County's approval of the sales tax increase, and supporters hope that Durham's success will generate similar enthusiasm in the region's other counties. Durham officials, however, have indicated that they will not levy the new tax passed in Wake and Orange counties. Wake and Orange counties have not yet scheduled referendums for 2012, as they confront caution from conservative leaders and negotiate over transit routes and revenue issues.

The Research Triangle area demonstrates the challenges associated with trying to plan and fund transit investments across multiple jurisdictions. Triangle Transit's David King observed, "We must acknowledge that we live in a region, and sink or swim as a region. Transportation crosses boundaries without regard as to who is elected where." He added, "When we get this done on a three-county basis, it will be a victory for the political community, that they've gone beyond parochial boundaries and see themselves as a leader of a region."