

MINUTES OF MECKLENBURG COUNTY, NORTH CAROLINA
BOARD OF COUNTY COMMISSIONERS

The Board of Commissioners of Mecklenburg County, North Carolina, met in Special Session to discuss the One-Cent County Sales and Use Tax Referendum in the Meeting Chamber of the Charlotte-Mecklenburg Government Center located at 600 East Fourth Street, Charlotte, North Carolina at 2:01 p.m. on Wednesday, July 30, 2025.

ATTENDANCE

Present: Chair Mark Jerrell, Vice-Chair Leigh Altman
and Commissioners Arthur Griffin,
Vilma D. Leake, Laura J. Meier, Elaine Powell,
Susan Rodriguez-McDowell, George Dunlap
Yvette Townsend-Ingram
County Manager Michael A. Bryant
County Attorney Tyrone C. Wade
Clerk to the Board Kristine M. Smith
Deputy Clerk to the Board Arlissa Eason

Absent:

-INFORMAL SESSION-

CALL TO ORDER

The meeting was called to order by Chair Mark Jerrell, followed by introductions and the Pledge of Allegiance to the Flag.

25-0331 FY2025 THIRD QUARTER (Q3) BOARD BUDGET PRIORITIES UPDATE

The Board took action to approve a resolution containing recommended language to be included in an advisory referendum on whether to levy an additional one cent sales and use tax for transportation use to be placed on the November 4, 2025 ballot; and receive public comments at the August 6, 2025 public hearing, previously announced on July 1, 2025, on the resolution and thereafter vote on whether to direct the Director of Board of Elections to add the referendum to the November 4, 2025 ballot.

Background: Article 43 of Chapter 105 of the North Carolina General Statutes, a copy of which is attached hereto as Exhibit A, outlines the laws that relate to local governments sales and use taxes for the purpose of public transportation funding, which includes definitions, adoption procedures, distribution requirements, etc.

H.B. 948 aka “The P.A.V.E. Act”, attached hereto as Exhibit B, amended Article 43 of Chapter 105 to authorize Mecklenburg County, among other things, to levy an additional sales and use tax, outlining the use criteria to be for roadway systems and public transportation systems.

MECKLENBURG COUNTY

BOARD OF COMMISSIONERS RESOLUTION APPROVING LANGUAGE TO BE
INCLUDED ON AN ADVISORY REFERENDUM FOR VOTER APPROVAL OF AN
ADDITIONAL ONE-CENT SALES AND USE TAX FOR TRANSPORTATION
PURPOSES IN MECKLENBURG COUNTY.

WHEREAS, Article 43 of Chapter 105 of the North Carolina General Statutes outlines the laws that relate to local government sales and use taxes for the purposes of public transportation funding, which includes definitions, adoption procedures, distribution requirements, etc.; and

WHEREAS, House Bill 948 (Session Law 2025-39) "The PAVE Act," ("The Act"), amended Chapter 105 and authorized Mecklenburg County to levy an additional sales and use tax, and outlined use criteria for roadway systems and public transportation systems; and

WHEREAS, under section 4.4(a) of The Act - Advisory Referendum. – The Mecklenburg County Board of Commissioners may direct the County Board of Elections to conduct an advisory referendum within the County on the question of whether a local sales and use tax at the rate of one percent (1%) may be levied in accordance with the Act. The election shall be held in accordance with the procedures of G.S. 163-287; and

WHEREAS, The Board of Commissioners shall hold a public hearing on the question at least 30 days before the date the election is to be held, which hearing is scheduled for August 6, 2025, at the Board's regular scheduled board meeting at the Charlotte Mecklenburg Government Center at 6:30 p.m. or shortly thereafter; and

WHEREAS, Mecklenburg County is a regional economic engine with over 1.2 million residents. It is one of the fastest-growing metro areas in the country, attracting new businesses, jobs, tourism, and people every day, which creates regional transportation needs that include managing the inevitable increase in vehicle trips, maintaining healthy air quality, reducing emissions and congestion; and

WHEREAS, pursuant to section 4.8 of The Act - Roadway Distribution and Use. – Mecklenburg County must distribute forty percent (40%) of the net proceeds of the tax levied under the Act among the eligible municipalities as provided in the Act; and

WHEREAS, pursuant to section 4.8A of The Act, each eligible municipality shall use the net proceeds distributed to it under Section 4.8 to supplement and not to supplant or replace existing local expenditures for roadway systems; and

WHEREAS, The Act, among other things, authorizes the establishment of a Metropolitan Public Transportation Authority ("The Authority") which would have jurisdiction over certain public transportation; and

WHEREAS, pursuant to section 4.9 of The Act - Public Transportation Distribution and Use. – Mecklenburg County must distribute sixty percent (60%) of the net proceeds of the tax levied under the Act to the Authority.

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WHEREAS, the Authority shall use the net proceeds distributed to it under The Act only for costs associated with financing, acquiring, constructing, operating, and maintaining any combination of real and personal property for a public transportation system, and

WHEREAS, the Board will consider on August 6, 2025, whether to direct the Director of the County Board of Elections to place the advisory referendum on the November 4, 2025 ballot.

NOW THEREFORE, BE IT RESOLVED, that pursuant to section 4.4.(b) of The PAVE Act, – The form of the question to be presented on the ballot concerning the levy of the tax shall be:

"[] FOR [] AGAINST

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

APPROVED the _____ day of _____, 2025

Approved as to Form:

County Attorney

Clerk to the Board

Comments

County Manager Bryant gave an overview of the resolution.

County Manager Bryant said it was the start of a multi-step process to authorize transportation investments and establish a new authority in the event that the resolution under discussion was to pass. He said the resolution gives voters the opportunity to decide for themselves whether they want to support the historic investment of nearly \$20 billion for the community and establish a new authority to guide the investments. He also discussed the MOU with the County and City of Charlotte.

County Manager Bryant said if the referendum were approved by the voters, 40% would be spent on roads, 40% on transit, and 20% on buses. He said 60% of the money spent on transit and buses would be managed by a newly created 27-member authority. He said the County would have 12 appointments, with six coming from the towns. He said the City would have 12 appointments, with three coming from the business community. He said the governor, speaker, and president protium would all have one appointment.

County Manager Bryant said they would receive public comments at the August 6, 2025, hearing and a vote to place it on the ballot.

Chair Jerrell said he had sent out a proposed resolution to the Board in the previous week so that they had time to provide input. He said the discussion at hand was not to discuss advocacy for the tax increase but simply for the wording of the resolution. He said the items in the "Whereas" clauses were designed for the August 6, 2025, for public feedback and were

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reviewed with the county attorney and manager, with approximately 90% of their feedback included.

Commissioner Powell suggested they explained why they had a resolution to begin with. *County Attorney Wade said it was to direct the Board of Elections to put the vote on the ballot and supported what they were asking the Board of Elections to do, per statute.*

Commissioner Powell asked for clarification on what they could not include in the resolution. *County Attorney Wade said it would depend on the resolution. He said they would use the statute as a baseline, and the purpose of the resolution was to direct the Board of Elections to do something.*

Commissioner Powell said the language was not easy to read. *County Attorney Wade said the resolution would not be what appeared on the ballot.*

Chair Jerrell said he wanted to recognize the attendance of Tiawana Brown and Councilman Malcolm Graham in attendance.

Commissioner Townsend-Ingram requested a distinction between the language of the resolution and what would appear on the ballot. *County Attorney Wade said the referendum question was dictated by the general assembly, and the resolution would be the Board's resolution.*

Commissioner Townsend-Ingram asked if they had input into the language other than what was there in the resolution. *County Attorney Wade said they had input on the recitals.*

Commissioner Meier said they could not adjust, change, or alter anything regarding the “for” or “against” of what was going to be on the ballot.

Commissioner Rodriguez-McDowell said she did not see the 30-year duration for the 40-40-20 terms or breakdown of the tax and said she would like clarification of that wording and how it would be on the bill.

Chair Jerrell said they were trying to include everything the Commissioners were asking for that was within bounds. He thought they had managed to include everything, but he believed they may have mistakenly overlooked that one bullet point regarding Commissioner Rodriguez-McDowell's last comment.

Commissioner Rodriguez-McDowell said she did not have the bill language before her, but asked what was included in the language. *County Attorney Wade said what she was referring to would be included in the resolution.*

Commissioner Rodriguez-McDowell asked them to explain how everything would flow. Chair Jerrell said he wanted everyone to understand what was going to be done. He said they had the original mockup, and they would go line by line, making motions as they went along to alter the document, and then vote on the full document.

Commissioner Leake said she would like to change the language of the resolution and asked if it would appear on the ballot once it was approved.

Chair Jerrell said the “Whereas” clauses were to give the public a chance to react, and the “for or against” would be on the ballot.

Commissioner Leake asked if they would only be dealing with transportation. Chair Jerrell said that was correct.

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Commissioner Dunlap said they felt they were drifting away from the purpose of the conversation. He said they were only discussing whether the public would have a say relative to transportation, and the ballot would only say “for or against” in addition to the current sales and use tax.

Commissioner Griffin said, as the Attorney stated, those were the County’s recitals, governed by statute, and the other items were items of concern that individuals had as Commissioners or citizens. He said there were many issues to campaign on, but they should go through the process and would subsequently move on August 6, 2025.

County Attorney Wade said they felt it was important to inform the public about the recitals and the whole document.

Chair Jerrell said the recitals would be tweaked, but the question would be how long it would take them to do that. He said they had taken everyone’s feedback and incorporated it into the document.

Chair Jerrell addressed concerns raised in the correspondence received from Commissioner Rodriguez-McDowell and said the words “sales tax increase” were not intended to be used on the ballot and that was not something in their purview, as it came from the general assembly. He said, because it was an advocacy position in which the resolution should reflect, Commissioner Rodriguez-McDowell's concern that the document did not mention the total cost to voters. He said the Board members were not permitted to take an advocacy position.

Commissioner Rodriguez-McDowell said they should clarify to the voters that a 1% additional increase would result in a 14% overall increase. She said it was misleading in the language and felt it should be included.

Motion was made by Commissioner Rodriguez-McDowell, seconded by Powell to include a “Whereas” stating that it constituted a 14% increase.

Commissioner Dunlap said, in full transparency, that the additional tax was added to what was already there. He said the resolution only addressed the additional tax without considering the current tax.

Commissioner Powell said she would like the County Attorney's opinion. *County Attorney Wade said he felt it would not be appropriate to add that in and that it was not entirely correct, as the tax itself was 1%.*

Commissioner Rodriguez-McDowell said she did not understand how that could not be considered a mathematical fact.

Commissioner Leake asked if that would change the actual voting on the bill. *Chair Jerrell said it would not.*

Commissioner Rodriguez-McDowell said it was their opportunity to let the voters know what they were actually voting on. She said their resolution needed to have as much information as possible and give them the whole picture.

Commissioner Leake said it was not in the resolution, and she should discuss it with her constituents.

Commissioner Townsend-Ingram said she understood Commissioner Rodriguez-McDowell's opinion but felt they had a different opinion on what transparency and accountability meant.

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She said that whether they said 1% or 14% it did not change the outcome. She said the language she herself recommended was not included, but she understood why after receiving feedback. She said the resolution was not the place for them to provide complete explanations, as it was a legal document and a tool for the Board.

Commissioner Griffin said they could discuss the pros and cons, but felt they should just move on.

Commissioner Altman said, when they make public statements, they should not misinform the public. She said the current tax was \$0.0725 and would move to \$0.0825.

Motion was made by Commissioner Rodriguez-McDowell and failed to pass 1-8, with Commissioner Rodriguez-McDowell voting yes and Chair Jerrell and Commissioners Dunlap, Griffin, Powell, Altman, Townsend-Ingram, Leake, and Meier voting no to include a "Whereas" stating that it constituted a 14% increase.

Commissioner Rodriguez-McDowell requested that a correction be made in the "Whereas" statement to change "20% for rail projects" to "20% for bus projects". *County Attorney Wade made note of the correction. He said the language regarding a 30-year term was not included in the document because the tax did not expire after 30 years.*

Commissioner Rodriguez-McDowell said if it were a permanent tax increase, she would prefer that language be added to state such. She said she understood the 40-40-20 could not be changed for 30 years and requested clarification. *Charlotte Alliance Foundation Transportation Attorney Larry Shaheen said the tax did not expire after 30 years, and the 40-40-20 was permanent. He said the projected cost was a 30-year projection, but it was structured so there would be possibilities for additional investments.*

Commissioner Meier asked if it included orphan roads and if they should be specific. *County Attorney Wade said it was consistent with the language in the statute, and they could not get more specific.*

Motion was made by Commissioner Altman and carried 8-1 with Chair Jerrell and Commissioners Altman, Dunlap, Griffin, Leake, Powell, Townsend-Ingram, and Meier voting yes and Commissioner Rodriguez-McDowell voting no to move the adoption of the document up through the 4th "Whereas" paragraph.

Motion was made by Commissioner Altman and carried unanimously to approve the fifth paragraph as amended to read as follows: "Whereas, pursuant to section 4.8 of The Act – Roadway Distribution and Use. -Mecklenburg County must distribute forty percent (40%) of the net proceeds of the tax levied under the Act among the eligible municipalities as provided in the Act to be allocated to road projects within the towns and cities across the County; and"

Motion was made by Commissioner Altman to approve the sixth paragraph as amended to read as follows: "Whereas 40% of the net proceeds of the tax levied under The Act allocated for transit (excluding bus) to expand non-rail; transit; and". *County Attorney Wade said excluding bus could be an incorrect exclusion.*

Commissioner Altman asked if it would work if they removed the part that excluded bus. Mr. Shaheen said the specific language on there should state that 40% of the proceeds would be distributed to rail projects, not non-rail. He said *if they excluded the parentheses and said rail, it would be accurate, but they would need to edit the following whereas clause to remove rail and add bus.*

Motion was made by Commissioner Altman, seconded by Commissioner Dunlap to amend the

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sixth paragraph to read as follows: "Whereas 40% of the net proceeds of the tax levied under The Act allocated for transit to expand transit."

Commissioner Meier requested confirmation of what the motion was working toward. *Kristine Smith, Clerk to the Board, provided the motion.*

Commissioner Altman requested clarification regarding the terminology of "Transit," which was provided by Mr. Shaheen.

Commissioner Powell asked Mr. Shaheen if it included sidewalks. *Mr. Shaheen said it did not. He said section 4.9 of the bill stated 60% of the net proceeds fell under that part of the authority and only for costs associated with financing, acquiring, constructing, operating, and maintaining any combination of real and personal property for a public transportation system, specifically, including micro-transit services. He said the carve-out for that was in subsection one, stating no more than 2/3 of the funds may be used for capital and operating costs of rail projects over any period of 30 calendar years combined. He said there was language there on compliance, but, from an operating standpoint, meaning of the 60% used for the actual operations of that system, no more than 40% may be used for rail, and the remainder must be used for the bus services.*

Chair Jerrell said they always said 40% roads, 40% rail, and 20% bus, so when they said transit, that meant they could pull out the rail projects, which appeared to be important to many of the people in the community. He said if the community had said rail was important and they knew a specific amount was allocated for rail, and if the Board expanded that definition, they would put the ability to maximize rail in jeopardy. He said they should be cautious because the wordsmithing muddled the waters.

Commissioner Dunlap said they should go back to the original language, as it would allow them to do micro-transit and other modes of transportation.

The Board took a recess at 2:55 PM and returned at 3:02 PM.

Motion was made by Commissioner Altman, seconded by Commissioner Leake, to amend her previous motion, as regards the sixth Whereas clause to read as follows: "Whereas 40% of the net proceeds of the tax levied under The Act allocated for transit to include rail."

Commissioner Rodriguez-McDowell said it meant they were not committed to rail because they were using the amended language to provide them wiggle room elsewhere. *County Attorney Wade said it was transit, and transit included rail.*

Commissioner Rodriguez-McDowell said she felt they lacked certainty. She asked if they were looking for a little wiggle room by changing that wording.

The question was called by Commissioner Dunlap.

Motion was made by Commissioner Altman, seconded by Commissioner Leake, and carried 8-1 with Chair Jerrell and Commissioners Altman, Dunlap, Griffin, Leake, Powell, Townsend-Ingram, and Meier voting yes and Commissioner Rodriguez-McDowell voting no to amend the sixth paragraph to read as follows: "Whereas 40% of the net proceeds of the tax levied under The Act allocated for transit to include rail."

Motion was made by Commissioner Altman and seconded by Commissioner Leake to approve the 8th paragraph to read as follows: "Whereas, pursuant to section 4.8A of The Act, each eligible municipality shall use the net proceeds distributed to it, under section 4.8 to supplement and not to supplant or replace existing local expenditures for roadway systems

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under its jurisdiction; and”

Commissioner Powell expressed concern about the orphan roads and requested that Commissioner Griffin explain why he included them.

Commissioner Griffin said, when they spoke about municipal roads, they were referring to roads in the City of Charlotte, but there was a considerable number of roads outside of city limits. He said there was no relationship to the City maintaining those roads, as they were only made when the City required developers to build them. He said, because of how the City and County had interlocal agreements on planning, the City did all of the planning as well as zoning for their extraterritorial jurisdiction, and he said he would like for them to include “under each jurisdiction” because it included orphaned roads, or roads in the extraterritorial jurisdiction.

Commissioner Dunlap said he wanted to ensure that it was clear that, where it said they could not supplant, they *could* supplement but could *not* supplant. He said he understood that a town spent a certain amount of dollars on roads, they could not then spend less than that simply because they were receiving the additional dollars.

Motion was made by Commissioner Altman, seconded by Commissioner Leake, and unanimously carried to approve the 8th paragraph to read as follows: “Whereas, pursuant to section 4.8A of The Act, each eligible municipality shall use the net proceeds distributed to it, under section 4.8 to supplement and not to supplant or replace existing local expenditures for roadway systems under its jurisdiction; and”

Motion was made by Commissioner Altman, seconded by Commissioner Dunlap, and unanimously carried, to approve paragraph 9 to read as follows: “Whereas, there is currently in place a ½ cent pass-through transportation tax to CATS; and”.

Motion was made by Commissioner Altman and seconded by Commissioner Leake to approve paragraph 10 to read as follows: “Whereas, all exemptions as provided in section 4.3 of The Act shall apply; and”

Commissioner Rodriguez-McDowell requested clarification regarding the reference to section 4.3. *County Attorney Wade said the statute spelled out certain exemptions and, rather than spell them out individually, he simply referred to that statute of which laid out things related to food and that nature.*

Commissioner Rodriguez-McDowell asked if that was in the original resolution.

Chair Jerrell said it was not in the original, but it was one of the items that came from Commissioner Townsend-Ingram. He said she wanted the inclusions to be included, so rather than spelling them out, it was a reference to the statute for the exclusions.

Commissioner Rodriguez-McDowell said she would prefer more transparency there.

The question was called by Commissioner Dunlap.

Motion was made by Commissioner Altman, seconded by Commissioner Leake, and carried 8-1 with Chair Jerrell and Commissioners Altman, Dunlap, Griffin, Leake, Powell, Townsend-Ingram, and Meier voting yes and Commissioner Rodriguez-McDowell voting no to approve paragraph 10 to read as follows: “Whereas, all exemptions as provided in section 4.3 of The Act shall apply; and”

Commissioner Altman stated that the 11th, 12th, 13th, and 14th “Whereas” clauses, as well as the “Now therefore, be it resolved” clause, had not been changed as originally published by the

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clerk.

Motion was made by Commissioner Altman, seconded by Commissioner Griffin, and carried unanimously to approve the 11th, 12th, 13th, and 14th Whereas clauses as is.

Motion was made by Commissioner Altman, seconded by Commissioner Leake, and carried 7-2 with Chair Jerrell and Commissioners Altman, Dunlap, Griffin, Leake, Powell, and Townsend-Ingram, voting yes and Commissioners Rodriguez-McDowell and Meier voting no to approve the “Now therefore, be it resolved” clause as is.

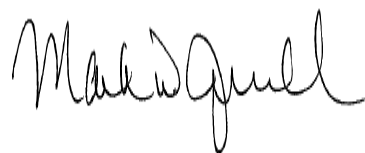
ADJOURNMENT

Motion was made by Commissioner Altman, seconded by Commissioner Leake, and unanimously carried to adjourn.

With no further business to come before the Board, Chair Jerrell declared the meeting adjourned at 3:21 p.m.



Kristine M. Smith, Clerk to the Board



Mark Jerrell, Chair