

Draft for review.

Jennifer Robinson,
Chair, GoTriangle Board of Trustees

Dear Jennifer:

I am writing to reiterate Durham County's support for the Durham-Orange Light Rail Transit Project and our ongoing commitment to satisfy obligations as outlined in the Interlocal Agreement for Cost-Sharing for the Project.

As you know, recent legislative action by the North Carolina General Assembly placed several limits on the Light Rail Project. The Project remains eligible for a maximum of \$190 million provided that all other non-federal funds for the project are committed by April 30, 2019, and that federal funds are committed no later than November 30, 2019. Given that the original financial plan for the Project contained a \$247.6 million contribution from the State of North Carolina, there is now a shortfall in the financial plan of \$57.6 million.

The Cost-Sharing Agreement states that if state funds to be used for the D-O LRT Project are cancelled, terminated, withdrawn, do not materialize, or otherwise become unavailable for the D-O LRT Project, the Parties shall meet within fifteen business days to determine how to address the situation. On June 21st, I met with Mark Dorosin, Chair of the Orange County Commissioners, Mark Marcoplos, Orange County Commissioner, and Ellen Reckhow, Durham County Commissioner, to satisfy this obligation, and we have had several additional meetings to discuss how we will address the \$57.6 million shortfall.

According to the Cost-Sharing Agreement, Durham County has committed \$738.4 million YOY to the Project from Dedicated Local Transit Revenues. Based on updated modeling with still conservative estimates, Durham County's dedicated transit revenues are robust and sufficient to cover the revenue shortfall. Durham County is committed to using these additional funds for this purpose.

We make these additional commitments with an understanding of the Project's schedule and specifically the anticipated execution of a New Starts Full-Funding Grant Agreement in September 2019. In addition to our funding commitment, we commit to updating any related documents in support of GoTriangle's application for the Full-Funding Grant Agreement. We also understand the significance of FTA's planned risk assessment for the Light Rail Project, and we recognize the importance of the capital campaign led by GoTransit Partners. We will continue to work together with our partners to ensure that both endeavors are successful.

The Durham-Orange Light Rail Transit Project connects 3 major universities, 3 major hospitals, and 3 of the top ten employers in North Carolina, but it does more than that. It will lay the foundation for the next century of progress in our region and it will play an essential role in North Carolina's continued success. For these reasons, Durham County maintains its unwavering support.

Sincerely,

Wendy Jacobs, Chair, Durham County Board of Commissioners