

Policy Referral: I-77 South Express Lanes

TRANSPORTATION, PLANNING & DEVELOPMENT COMMITTEE

AUGUST 3, 2026



Policy Referral: I-77 South Express Lanes

Council Priority Alignment

- ◀ Mobility, Transportation and Planning

Purpose

- ◀ To discuss I-77 project updates and potential impacts of newly enacted state legislation and provide options for Council to receive additional information and community input if desired.

Key Takeaways

- ◀ State legislation passed on July 7, 2026 allows time for Council to receive additional information if desired.
- ◀ There is an opportunity to conduct an independent, third-party analysis of transportation alternatives for the I-77 South Corridor but limited information would be available in the current timeframe.
- ◀ Engagement opportunities include neighborhood-led engagement sessions, an in-person engagement/community planning center, and digital engagement activities (survey and public input site).

I-77 South Express Lanes Project

◀ July 7 – State passed budget legislation

- Creates new statutory mechanism allowing NCDOT to recover project costs from jurisdictions that remove support for projects after predevelopment has begun
- Applies to CRTPO decision to rescind support for P3 project delivery for I-77 South Express Lanes Project
- Enacted a 90-day window before this takes effect on October 6
- Creates new requirement for the Board of Transportation to provide 90 days' notice to the General Assembly before removing a statewide project from the State Transportation Improvement Plan (STIP)

◀ July 16 – CRTPO scheduled a vote for September 23

- Scheduled vote responds to requests from several member jurisdictions to reconsider the vote taken in May

◀ July 28 – NCDOT sent letter affirming commitments and timeline for STIP notice

Legislative Provisions

- ◀ **Requires a local government to reimburse NCDOT for preliminary costs incurred by NCDOT under certain circumstances.**
 - The reimbursement may be triggered for any local government that votes in favor of an action by a Metropolitan Planning Organization to:
 - *Take a unilateral action to remove a statewide project from its Metropolitan Transportation Improvement Program (MTIP); or*
 - *Prevent the project from being delivered or funded in the manner originally programmed in the MTIP; and*
 - The Board of Transportation approves the removal or cancellation of the statewide project.
- ◀ **The Reimbursement amount is based on a weighted vote among those voting to remove**
- ◀ **Withholds the following until NCDOT is fully reimbursed:**
 - Powell Bill funding
 - New STIP projects, including predevelopment activities, within the local government boundaries
- ◀ **Specifically exempts local governments that vote in favor of reinstating the October 16, 2024 resolution no later than October 5, 2026**

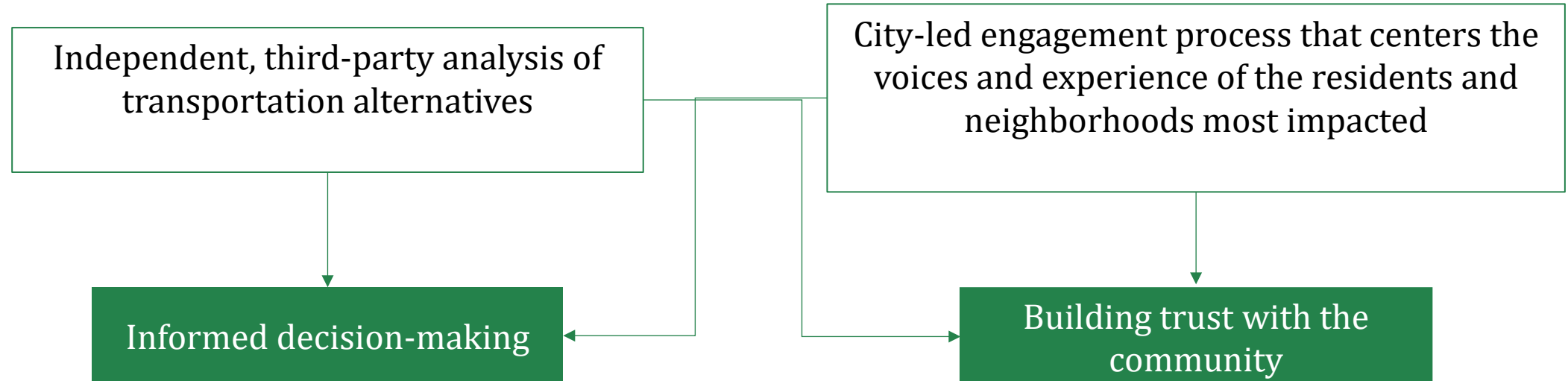
NCDOT Letter

- ◀ In a letter sent to community stakeholders on July 28, 2026, NCDOT Secretary affirmed a commitment to advance shared priorities if the project were to resume
- ◀ The project's funding and delivery model allows for up to \$300 million in additional community investment
- ◀ NCDOT outlined opportunities to invest in the community under the pillars of Economic Mobility, Neighborhood Stability & Housing, Reconnecting the Corridor, Environment, Health & Greenspace, and Quality of Life

Explore options for Council to receive additional input and information

INFORMATION

ENGAGEMENT



Independent Alternatives Analysis

- ◀ **Direction:** Conduct an independent, third-party alternative analysis of the I-77 South corridor, including multimodal, non-highway and transportation demand management strategies
 - Very limited information would be available in the current timeframe
 - Time and costs increase as the scope increases
- ◀ **Scope options (increasing cost and complexity):**
 - Evaluate the work done to compare transportation alternatives for the corridor
 - Provide a clear, side-by-side comparison of the current proposal and the range of alternatives evaluated including relative benefits, costs, risks, implementation requirements, and funding feasibility
 - Audit and validate, include additional alternatives if warranted

Alternatives Analysis Scope

◀ Corridor Alternatives Evaluated

- No-Build Alternative
- Existing Express Lanes Proposal
- General Purpose Lane Expansion
- Transportation Demand Management strategies
- Shoulder-Running Bus Operations
- Enhanced Express Bus / Bus Rapid Transit
- Rail Transit Alternative
- Express Lanes Tunnel Alternative
- Regional Traffic Diversion Strategy Utilizing I-485
- Hybrid Alternative combining Transit, Operational, and Roadway Improvements

Community Engagement

◀ Impacted Residents and Neighborhoods

- Neighborhood-led engagement sessions
- In-person engagement / community planning center (Wilmore Center)
- City-led canvassing – postcards, door-knocking, pop-up outreach

◀ Other Key Stakeholders

- Focus group(s)

◀ Digital Engagement – Broad audience

- Online engagement hub (Public Input)
- Pulse survey (ZenCity)

Reconnecting Communities: Neighborhood-Led Engagement Sessions

- ◀ Tell the story of historic harms caused by highway construction, displacement, disinvestment, and physical separation.
- ◀ Document current quality-of-life impacts from the highway, including noise, air pollution, safety, stormwater, visual impacts, traffic, and disconnection from parks, schools, businesses, and neighbors.
- ◀ Define what Reconnecting Communities means to them, for different neighborhoods in different places along the corridor.
- ◀ Identify priorities for community benefits and infrastructure investment aligned with reconnecting communities.

Next Steps

- ◀ **City Council discussion at upcoming Business Meeting**
- ◀ **Staff continue to explore engagement activities and alternatives analysis scope to be ready to advance options if Council desires**
- ◀ **CRTPO has scheduled a vote for reconsideration of P3 funding mechanism at their September 23rd meeting**

Discussion