
FY 2021 Budget Workshop

City of Charlotte

**March 4, 2020
1:30 p.m.
Room 267**

I.	Workshop Overview	Marcus Jones
II.	Employer of Choice (Compensation and Benefits)	Sheila Simpson
III.	Public Safety Enhanced Compensation: Year 2	Ryan Bergman
IV.	Strategic Energy Action Plan	Sarah Hazel
V.	Water Budget Overview	David Czerr
VI.	Storm Water Budget Overview	Mike Davis

Distribution: Mayor and City Council
Marcus Jones, City Manager
City Manager's Executive Team
City Manager's Senior Leadership Team
Strategy & Budget Staff



EMPLOYER OF CHOICE
COUNCIL WORKSHOP
MARCH 4, 2020

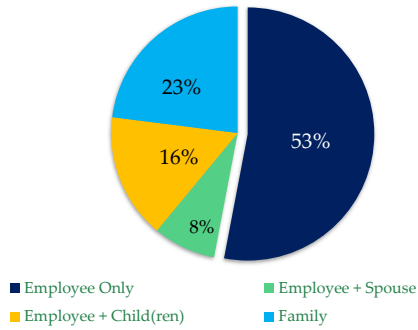
TODAY'S OBJECTIVE

Share updates regarding 2019 and 2020 Employer of Choice initiatives and provide insight regarding preliminary 2020 and 2021 initiatives.

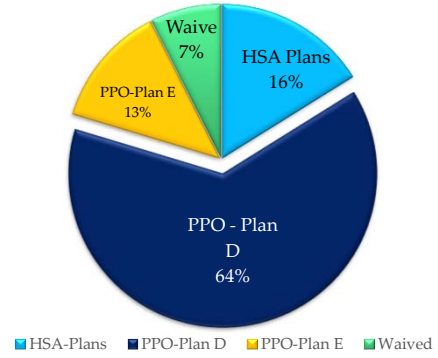
- Benefits & Wellness
- Compensation
- Charlotte Career Training Academy
- 2020-2021 HR Initiatives

2020 MEDICAL PLAN ENROLLMENT

2020 Medical Plan Designation by Tier



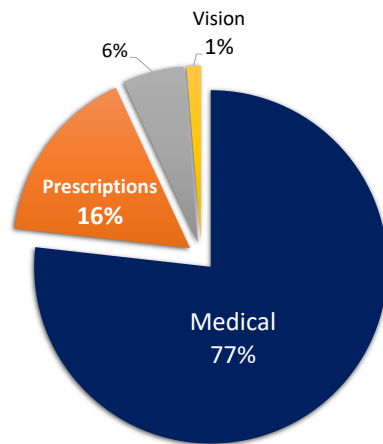
2020 Medical Plan Selection



Average Cost Share

Employee Premiums	City Of Charlotte
27%	73%

2019 BENEFIT SPEND

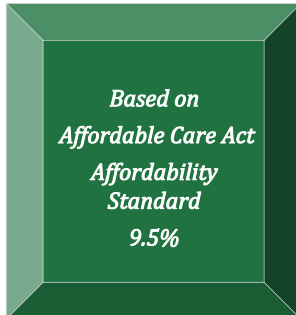


Annual Spend
\$94.7M

More than
18,000
covered lives

■ Medical ■ Prescriptions ■ Dental ■ Vision

HEALTHCARE PREMIUM RELIEF PROGRAM 2019



Provide premium savings to employees with low income.

Goal:

Improve the upward mobility of employees with annual salary under \$55,000.

2019 RESULTS

- ❖ 71 hourly employees received a refund
- ❖ Total Amount Refunded \$63,180
- ❖ 246 employees identified for 2020 program

BENEFITS INITIATIVES

Benefits & Wellness

- Manage 25 benefit programs for 7600 employees
- 71 employees received healthcare premium relief
- No increase in medical plan premiums for all enrolled employees
- 250 wellness programs implemented
- \$6M savings resulting from OurHealth-My Clinic



Deferred Compensation

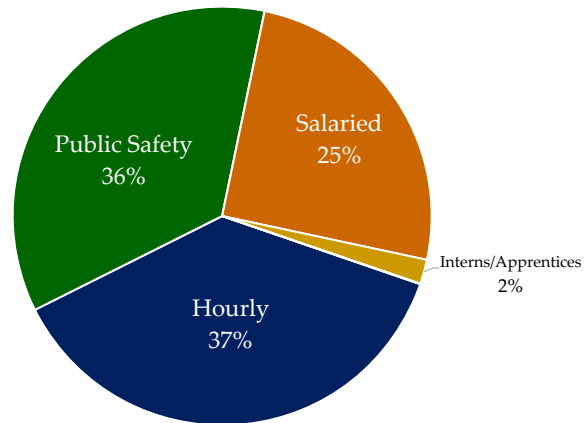
- Two legacy, employee only contributing 457 products existed
- Decision to establish a new deferred compensation product to solidify our procurement relationship
- Retiree Health Savings (RHS) for post 2009 hired, public safety employees added to the new 457 product Contracting negotiations, in final stages
- Accounts expected to be operational in second quarter (calendar year)

COMPENSATION STRUCTURE

Five Pay Plans

- Public Safety
- General Employees
 - Hourly
 - Salaried
 - Interns
 - Apprentices

Percentage of Employees by Pay Plan



COMPENSATION INITIATIVES

2019 Pay Practices Survey Results:

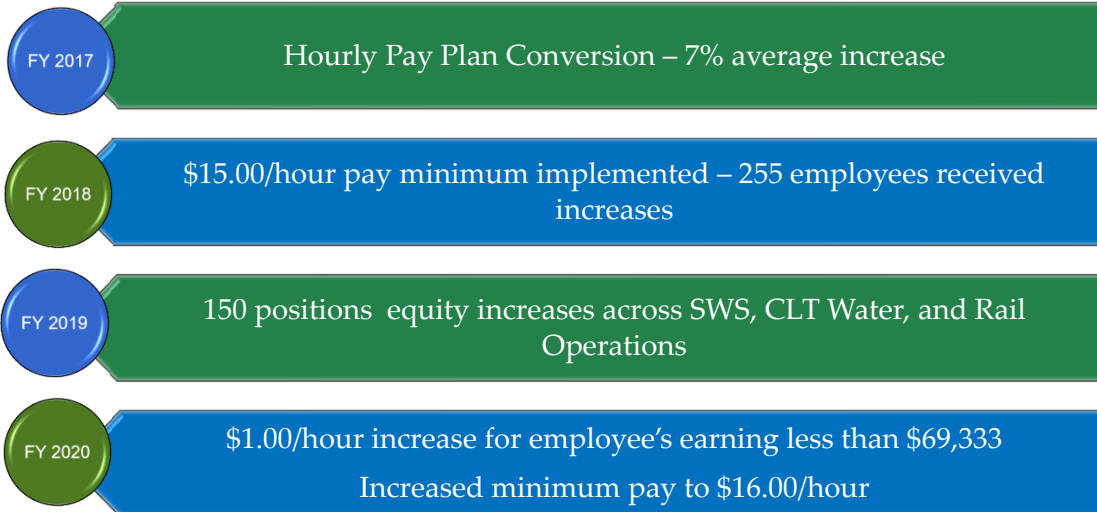
- Charlotte's voluntary turnover rate lower than 73% of responding peer cities
- Median three-year average increase for hourly employees in peer cities 2.3%
- Charlotte three-year (FY2017-2019) average increase for hourly employees is 4.5%

FY 2020 Compensation Actions

- 68% of non-public safety employees receiving \$1.00 per hour increase
- 2,379 employees received 4%-6% increase
- \$16.00 per hour minimum pay established

Pay Range Beginning of Fiscal Year	Number Employees	Average Percent Increase
\$31,200 - \$39,999	509	6%
\$40,000 - \$49,999	1,162	5%
\$50,000 - \$59,999	708	4%

COMPENSATION RESULTS



FY 2021 GENERAL FUND COMPENSATION OUTLOOK

"Base" Compensation Included in Budget Outlook at Retreat:

- 3 percent increase for hourly and salaried employees
- 1.5 – 6.5 percent increase for Public Safety employees (dependent on step)

\$13.0 Million additional General Fund Cost in FY 2021 included in Budget Outlook

Annual General Fund cost of each additional 1 percent increase

- All employees **\$4.7 Million**
- Only sworn employees **\$2.4 Million**
- Only salaried employees **\$1.4 Million**
- Only hourly employees **\$0.9 Million**

CHARLOTTE TRAINING ACADEMY

- ❖ Career Pathways
- ❖ 50 Entry-level job opportunities
- ❖ Including soft skills training
- ❖ Administrative, Technical, Skilled Trades Occupations



\$16.00
City of
Charlotte
Minimum Pay

88% Program Completion Rate



**GET PAID TO
LEARN
A NEW
CAREER!**



2020-2021 EMPLOYEE FINANCIAL EMPOWERMENT

PILOT IN SOLID WASTE SERVICES

- **Partnership with Commonwealth bank**
 - provide financial education to employees earning under \$35,000
 - One on One Financial Counseling,
 - Assistance with Community Resources (food, housing, domestic violence, etc.)
- **Program Participation**
 - 46 attended the Financial Education and Credit Seminar
 - 34 completed one on one Financial Counseling session
 - 173 employees identified in other departments for pilot expansion

HOME OWNERSHIP

- **Partnership with Housing & Neighborhood Services**
 - The basics of the home purchase process & homeownership responsibilities.
 - Participants may qualify for a 5-year deferred forgivable loan toward the purchase of a home in the City of Charlotte.
- **Participants:**
 - FY19 – FY20 present: 221
 - FY20 to date: 128 participants, 88 of whom were city employees



QUESTIONS & ANSWERS

QUESTIONS

Benefits

Human Resources administers benefits for 18,000 covered lives with \$180+ million in benefit expenses paid by employee and city contributions.



Health

- Medical & Prescription Drug
- Stop Loss Insurance
- Near-site Health Clinics
- Health Savings Accounts
- Health Advocacy
- Dental
- Vision
- Employee Assistance Program
- Hospital Indemnity Insurance
- Critical Illness Insurance
- Accident Insurance
- Wellness Works Employee Wellness Program
- Fitness Facility Administration



Financial Security

- Health Savings Accounts
- Flexible Spending Accounts
- Basic, Supplemental, Dependent Term Life Insurance
- Whole life Insurance
- Short-Term Disability Insurance
- Long-Term Disability Insurance
- Retirement Education & Counseling
- 401(k) Plan
- 457 Plans
- Group Legal & Identity Theft
- Home & Auto Insurance

2019 Benefits Initiatives

Health

- No medical, dental or vision plan employee premium increases
- Enhanced deductible and out-of-pocket maximum in Plan D
- Reduced PPO Plan E family premiums by 10%
- Added behavioral health services at MyClinic
- Added Clinical Health Advocate at MyClinic
- Implemented Premium Relief Program
- Implemented comprehensive firefighter medical exams
- Launched year-long fitness challenge and worksite gardens

Financial Security

- Increased Short-Term Disability to 60% of earnings
- Increased Basic Life Insurance benefit maximum
- Added All Access Transit Pass
- Added additional week of paid military training
- Piloted the Commonwealth Program for employees earning <\$35,000
- Approved Retiree Health Savings Plan for sworn public safety

2020 Benefits Initiatives

Health

- No medical plan employee premium increases
- Reduced HSA Plan B premiums by 5%
- Enhanced deductible and out-of-pocket maximum in Plan A
- Enhanced specialty drug benefit
- Enhanced emergency room copay in Plan D & Plan E
- Provided city-paid Hospital Indemnity coverage for all employees enrolled in city medical
- Added Health Advocate benefit
- Added adult orthodontia coverage
- No vision premium increase
- Continue the Premium Relief Program
- Add sixth MyClinic location (Matthews)

Voluntary Benefits

- Added Group Legal & Identity Theft
- Added Home & Auto Insurance

Financial Security

- Expand Commonwealth Program for employees earning <\$35,000
- Add 1% city contribution to a deferred compensation plan for employees in Charlotte Firefighters' Retirement System
- Expand financial wellness benefits
- Launch Benefits University





Public Safety Enhanced Compensation- Year 2

CITY COUNCIL BUDGET WORKSHOP

MARCH 4, 2020

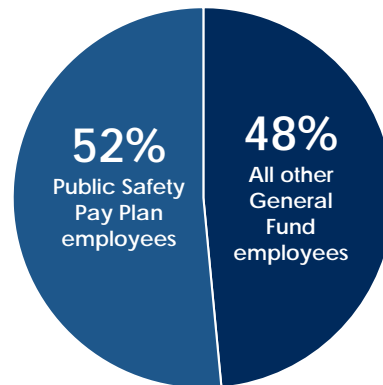
Purpose of Presentation

- ◁ Provide context for how public safety officers are paid
- ◁ Explain the current multi-year plan for increasing top pay
- ◁ Understand how the plan impacts FY 2021 budget planning
- ◁ Provide initial data on the impact of pay actions
- ◁ Discuss the ten year forecast for retirements in Police and Fire

Public Safety Pay Plan Employees Drive General Fund Costs

Number of Positions in FY 2020	
Firefighter (I and II)	595
Fire Engineer	201
Fire Captain	257
Subtotal Fire	1,053 positions
Police Officer	1,725
Police Sergeant	157
Subtotal Police	1,882 positions
Total	2,935 positions

General Fund Personnel Costs



Example of How the Public Safety Pay Plan Works

Current Police Officer Pay Scale											
Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	SPO 1
\$45,081	\$47,335	\$49,702	\$52,187	\$54,796	\$57,536	\$60,413	\$63,433	\$65,019	\$66,644	\$69,977	\$73,476

New Hire

2.5% to 5% difference between steps

Top Step

- Employees are paid an extra 5% for a 2-year degree or an extra 10% for a 4-year degree
- Steps are also increased by a market adjustment up to two percent each year
- Once employees reach the top step, they only receive the market adjustment each year

Public Safety Pay Committee

14 Members Selected in Each Department

Recent Recommendations on Pay

- Compare to national cities similar to Charlotte
- Help reach top pay sooner
- **Increase top pay**



Few top step adjustments were made prior to FY 2019

Does not include the up to 2% annual market adjustment that all public safety pay plan employees receive

Fire Public Safety Pay Plan Top Step Increases from FY 2010-FY 2018

Description	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Firefighter II	0%	0%	0%	7.5%	0%	0%	0%	0%	2.5%
Fire Engineer	0%	0%	0%	0%	0%	0%	0%	0%	2.5%
Fire Captain	0%	0%	0%	0%	0%	0%	0%	0%	2.5%

Police Public Safety Pay Plan Top Step Increases from FY 2010-FY 2018

Description	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Police Officer	0%	0%	0%	0%	0%	0%	0%	0%	0%
Police Sergeant	0%	0%	0%	0%	0%	0%	0%	0%	0%

Adjustments to Fire Pay Plan Through Planned FY 2022



National
Benchmarking

Three Year Plan for Fire

FY 2019

Top Pay Increases:

2.5% Firefighter II
2.5% Fire Engineer
2.5% Fire Captain

FY 2020

Top Pay Increases:

2.5% Fire Engineer
2.5% Fire Captain

**Planned
FY 2021**

Top Pay Increases:

2.5% Firefighter II
5% Fire Engineer
3.75% Fire Captain

**Planned
FY 2022**

Top Pay Increases:

2.5% Firefighter II
2.5% Fire Engineer
3.75% Fire Captain

Other Pay Actions in Plan:

Reduce the number of steps in the Firefighter and Fire Engineer pay plans (to reach top pay sooner)

Adjustments to Police Pay Plan Through Planned FY 2021



National
Benchmarking

Two Year Plan for Police

FY 2019

- Police Officer top pay increased by 2.5%
- Police Officers and Police Sergeants received two steps in FY 2019

FY 2020

- Police Officer and Police Sergeant top pay increased by 5%
- Police Officer step 8 and above step dates moved up to July

Planned FY 2021

Police Officer and Police Sergeant top pay to increase by 5% in December

Other Pay Actions in Plan:

Reduce the number of steps in the Police Officer pay plan (to reach top pay sooner)

FY 2021 Budget Impact of Enhanced Compensation

		<u>FY 2021</u>		
		<u>General Fund Increase</u>		
\$9.7 Million	+	\$3.8 Million	=	\$13.5 Million
Current General Fund cost of past two years of enhanced compensation		Projected increase to budget for FY 2021 public safety enhanced compensation actions		Cumulative budget impact of enhanced compensation actions

Three-Year Top Pay Impact of Enhanced Compensation

The table below includes 10% incentive pay for a 4 year degree (Firefighters, Engineers, and Officers)

	<u>FY 2018</u>	<u>Planned FY 2021</u>	<u>Change¹</u>
Firefighter II	\$69,124	\$76,224	10%
Fire Engineer	\$70,852	\$82,037	16%
Fire Captain	\$83,934	\$96,140	15%
Police Officer	\$72,580	\$86,086	19%
Police Sergeant	\$86,064	\$99,709	16%

¹Includes 5% total in market adjustments from FY 2019-FY 2021.

Top Step Pay Adjustments Through Planned FY 2021

Does not include the up to 2% annual market adjustment that all employees receive

Fire Public Safety Pay Plan Top Step Increases from FY 2010-FY 2021

Description	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Firefighter II	0%	0%	0%	7.5%	0%	0%	0%	0%	2.5%	2.5%	0%	2.5%
Fire Engineer	0%	0%	0%	0%	0%	0%	0%	0%	2.5%	2.5%	2.5%	5%
Fire Captain	0%	0%	0%	0%	0%	0%	0%	0%	2.5%	2.5%	2.5%	3.75%

Police Public Safety Pay Plan Top Step Increases from FY 2010-FY 2021

Description	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Police Officer	0%	0%	0%	0%	0%	0%	0%	0%	0%	2.5%	5%	5%
Police Sergeant	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	5%	5%

Initial Results Are Positive: Calendar year 2018 to 2019



CHARLOTTE-MECKLENBURG

Voluntary Resignations
(Reasons unrelated to performance)

Down 25%

New Recruit Applications

Up 24%



Voluntary Resignations
(Reasons unrelated to performance)

Down 50%¹

New Recruit Applications

Up 7%

¹Charlotte Firefighters have an independent retirement system, resulting in low turnover. The 2018 to 2019 change was from 6 voluntary resignations to 3.

Projecting for Retirement: Fire



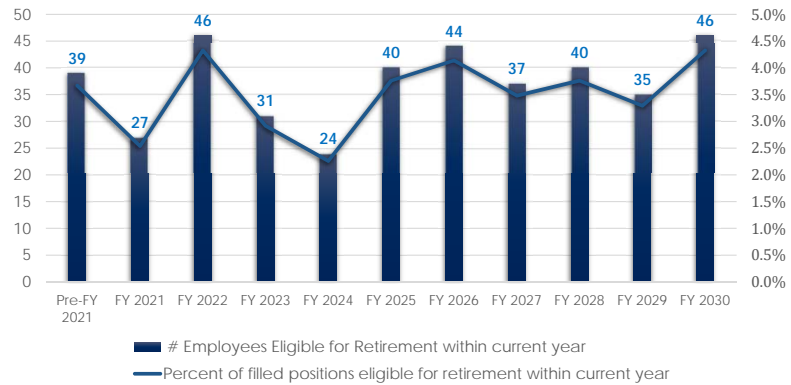
Firefighter Retirement System

Calendar Year Retirements:

2013: 31
2014: 48
2015: 35
2016: 49
2017: 35
2018: 41
2019: 33

Average:
39

Employees Eligible for Retirement Within Current Year –
(1,063 Employees)



Charlotte Firefighters Retirement System (CFRS)



Current Funded Ratio: 82.7 percent

Annual
Contribution
Rate

12.65% employer
12.65% employee



25.3% of payroll
contributed to CFRS

Same employer and employee contribution rate since 1990

FY 2021 Fire Retirement Board Request

Increase the employer contribution permanently from 12.65% to 14.0% as a first step of a multi-year collaborative process

Projecting for Retirement: Police



Law Enforcement Officers

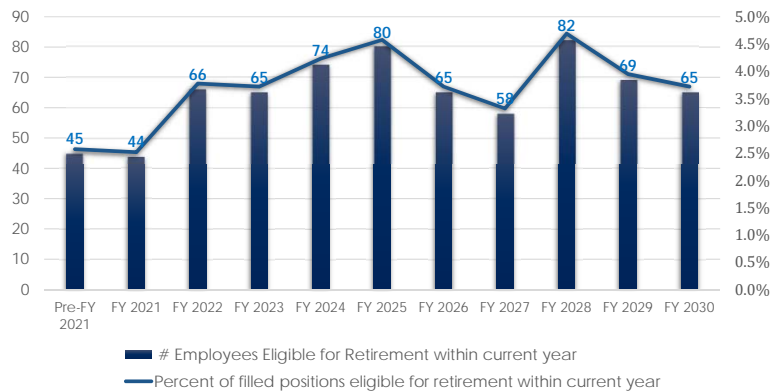
Calendar Year Retirements:

2013:	37
2014:	27
2015:	44
2016:	70
2017:	72
2018:	76
2019:	75

Average:
36

Average:
73

Employees Eligible for Retirement Within Current Year -
(1,748 Employees)



Importance of Lateral Police Officer Recruitment

Current Police Officer Pay Scale

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	SPO
\$45,081	\$47,335	\$49,702	\$52,187	\$54,796	\$57,536	\$60,413	\$63,433	\$65,019	\$66,644	\$69,977	\$73,476

Lateral Officers can enter CMPD service
anywhere up to step 8 (based on relevant police
officer experience)

2016/2017 Lateral Police Officers: **26 total**

2018/2019 Lateral Police Officers: **85 total**

Questions?




SEAP

STRATEGIC ENERGY ACTION PLAN
CITY of CHARLOTTE

Budget Workshop, March 4

City of Charlotte



GOALS OF TODAY'S PRESENTATION

Cover SEAP policy and investments in the areas of...

- 1. Energy Generation**
 - *Green Source Advantage Program*
- 2. Buildings**
 - *Energy Efficiency and Solar Readiness*
- 3. Workforce Development & Equity**
 - *Green Workforce*
- 4. Transportation**
 - *Policies and Light-Duty Fleet*
 - *CATS Buses*
 - *Aviation*
- 5. Engagement**
 - *SEAP Engagement*

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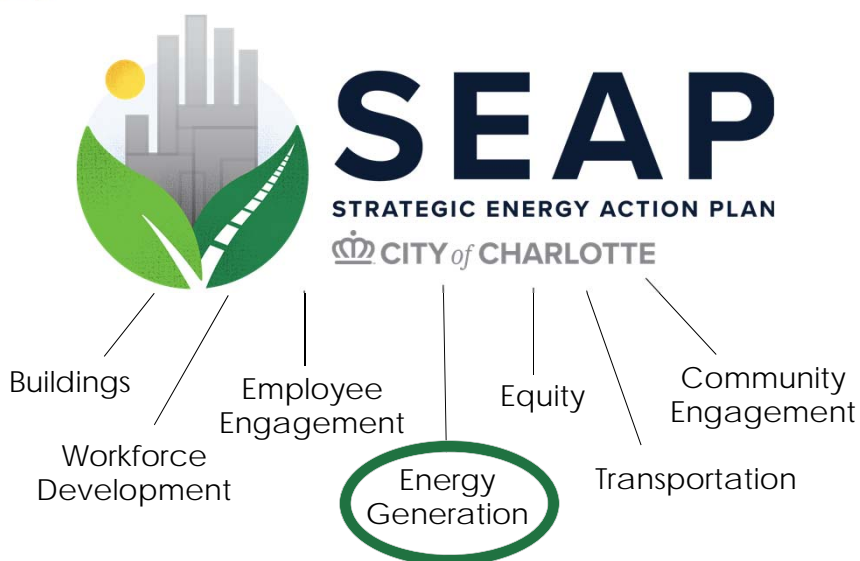
GUIDING PRINCIPLES – SEAP WORK

SEAP Goal: By 2030, we will strive to source 100% of City's energy use in our buildings and fleet from zero carbon sources.

1. Spend current resources strategically to maximize impact
2. Make investments for the long term (e.g. total cost of ownership)
3. Focus on policy work in addition to actions
4. Use data and available technology to drive investments
5. Focus on alignment and opportunities across departments (including enterprise funds)
6. Seek out grant funded opportunities as well as private sector partnerships to make our \$ go further



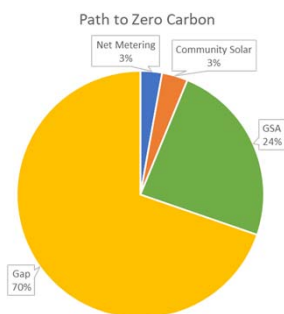
ENERGY GENERATION





PATH TO ZERO CARBON

- By participating in Duke Energy's GSA Program, the City reaches 24% of the 100% zero carbon energy SEAP goal
- Continue to explore onsite and community solar opportunities
 - Currently have 7 City-owned buildings with solar roofs



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GREEN SOURCE ADVANTAGE PROGRAM

- The term of the GSA Service Agreement is 20 years
 - *Years 1-5: ~\$350K annual premium
 - Years 6-10: ~\$135K annual premium
 - Years 11-15: ~\$250K annual savings
 - Years 16-20: ~\$625 annual savings
- Projected Cumulative Savings: **\$2.0 million (\$415K NPV)**

Out-year cost/savings values based on modeled projections



- City's current annual electricity spend: \$35M

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GREEN SOURCE ADVANTAGE PROGRAM

The Charlotte Observer

**Charlotte helping build new solar farm big enough
to power 10,000 homes per year**



**Charlotte, NC's green tariff solar deal
could spark wider trend in cities**



WORLD
RESOURCES
INSTITUTE

**Charlotte Is the Largest US City to Purchase
Renewable Energy Through a Green Tariff**

**Duke Energy solar contract, grant for electric-vehicle chargers
approved**

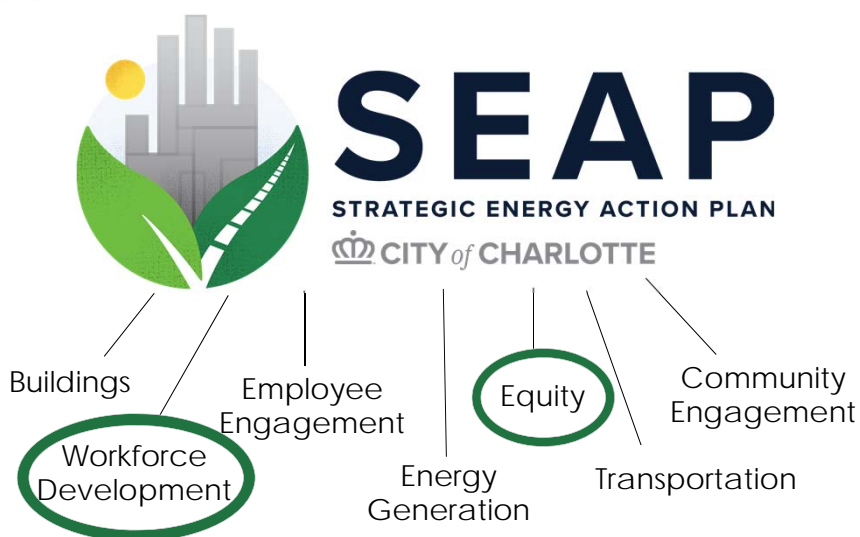
CHARLOTTE
BUSINESS JOURNAL

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WORKFORCE DEVELOPMENT & EQUITY



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WORKFORCE DEVELOPMENT

Support training individuals with barriers to employment in targeted careers in clean energy and energy efficiency occupations.

- Commercial and residential energy efficiency and building performance
- Solar energy system installers
- HVAC maintenance
- Electricians

**Investment of \$300,000 in workforce training, including work-based learning opportunities*



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BUILDINGS



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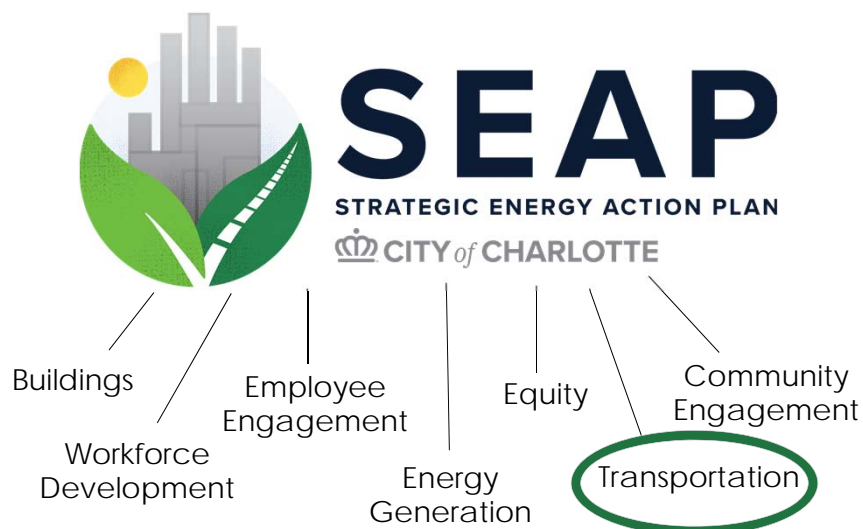
BUILDINGS

Strategy: Smart investments that reduce energy consumption and support the generation of on-site energy where possible.

- ✓ Design new facilities to LEED Standards
- ✓ Strive to include on-site solar installations or ensure "solar-readiness"
 - ✓ Five new police stations, two with solar (117kW) and 3 solar ready; One solar ready fire station capable of achieving net-zero energy usage.
- ✓ Maintain and operate existing facilities aligning with energy efficient and sustainable best practices
 - ✓ Numerous equipment replacement projects, such as LED lighting upgrades, HVAC systems, and roofs
- ✓ Earn ENERGY STAR® certification
 - ✓ Three certified facilities: Old City Hall, CMPD LEC, and CLT Water Brookshire



TRANSPORTATION





SUSTAINABLE FLEET POLICIES

Draft Automatic Vehicle Locator (AVL) Policy (new)

Requires AVL device installation on most City-owned vehicles. Data will drive the City to make smarter vehicle and transportation decisions by identifying opportunities to reduce carbon through:

1. determining electric vehicle (EV) suitability,
2. fleet right-sizing,
3. and idle reduction

Draft Sustainable and Resilient Fleet Policy (new)

Directs City to engage in vehicle purchase and operating behaviors consistent with the SEAP by directing departments to purchase the lowest-emitting vehicle depending on vehicle class, usage, and available technology



AVL - SEAP ALIGNMENT

Why invest in AVLs?

Drive the data collection needed to inform decisions directed by the Strategic Energy Action Plan including:

- ✓ Promotion of fleet right-sizing
- ✓ Assessment of electric vehicle readiness and projected placement of charging infrastructure
- ✓ Analysis of vehicle idle times and engine hours to show which vehicles are good candidates for managed idle technology
- ✓ Improves City operations

* Results of a 10 device, 90-day pilot program from Sawatch Labs, which used real time drive data to help determine electric vehicle (EV) suitability, included a recommendation that all ten vehicles tested were candidates for EVs.



AVL CITYWIDE DEPLOYMENT

Installations to Date

- **617** devices for Charlotte Water
- **49** devices for Charlotte Fire Department
- **200** devices for Charlotte Department of Transportation

June 30, 2020 Goal

- **1,100** AVLs installed

June 30, 2021 Goal

- **2,447** AVLs installed for total of **3,547** (citywide deployment)

AVL Cost

- Investment to date: \$60,620 for 866 devices
- City-wide deployment: \$248,290 for 3,547 devices and annual operating cost of \$766,152 (monthly monitoring fees)

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ELECTRIC VEHICLE INVESTMENTS

Strategy

- ✓ Prioritize sedans as we wait for improved SUV/Truck technology to improve
- ✓ Evaluate, align and maximize infrastructure investments to support electrification
- ✓ Use our AVL data to support decision-making
- ✓ Look at bridge opportunities



Existing Fleet:
15 Electric
Vehicles

**Existing
Infrastructure:**
48 Electric Vehicle
Charging Stations

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ELECTRIC VEHICLE INVESTMENTS

Chevrolet Equinox vs. Bolt EV

Capital Purchase

- ❖ Equinox: \$20,755
- ❖ Bolt (Electric Vehicle): \$33,197

Assumptions:

- ❖ 10 year ownership
- ❖ 10,000 miles per year

Fuel Consumption

- ❖ Equinox: 5,281 gallons X \$2.31/gallon = \$12,200 (life of vehicle)
- ❖ Bolt: 28,020 kw X \$0.122 = \$3,418.44 (life of vehicle)
- ❖ Resulting in a reduction of 10,337.69 tons of CO2 over life of vehicle

TCO Summary

- ❖ Over ten years, the total cost of ownership of the Bolt EV is \$933(1.64%) less expensive than Equinox



ELECTRIC BUSES



CATS' electric bus consultant (STV) provided recommendations on the path to electrification:

- **Initiating BEB test fleet project (2-5 buses)**
- **Develop plan for full fleet electrification**
- BEB bus and battery costs continue to decline
- Demand continues to increase
- Transit Agencies are moving towards electric, phasing implementation over time
 - (e.g. Seattle by 2040, NYC - 25% by 2025)





ELECTRIC BUSES



- Transition Airport bus fleet to electric within 10 years
- Benefits Include:
 - Decreased tailpipe emissions
 - Greater availability / fewer buses
 - Decreased maintenance cost
 - Lower total cost of ownership

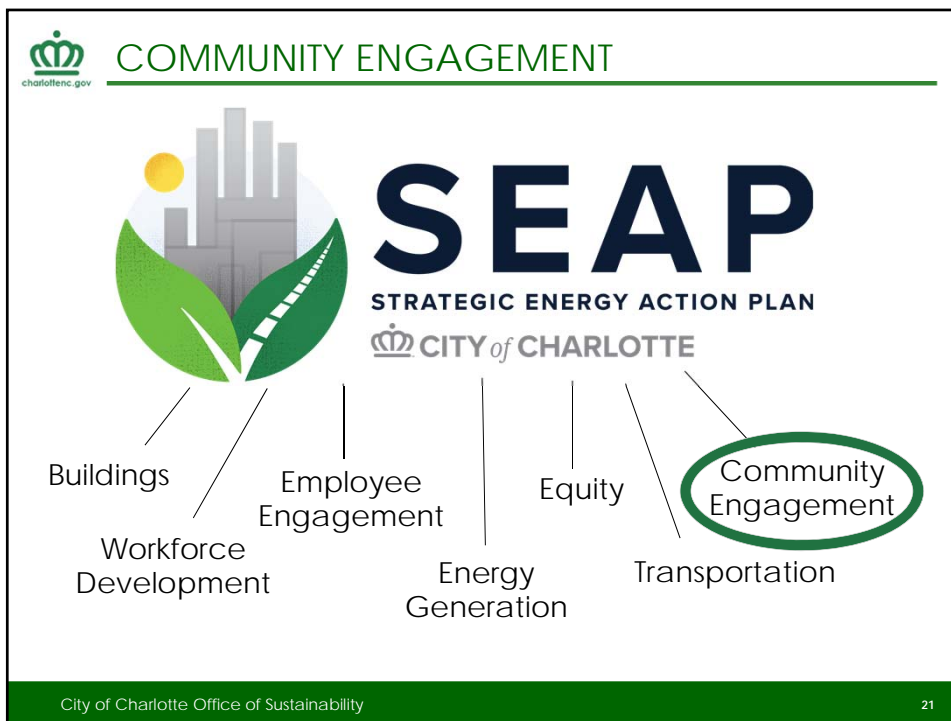


AVIATION SEAP ALIGNMENT



COMPREHENSIVE SUSTAINABILITY PLAN (CSP)

- Intended to guide CLT to deliver on sustainability targets over the next 20 years
- Provides framework for future Aviation Dept. policy and procedures
- Developed in consultation with internal staff, external stakeholders and community members
- Aligns with City of Charlotte's goals, including the SEAP
- Provides foundation for pursuing Airports Council International's Carbon Accreditation Program



 **COMMUNITY ENGAGEMENT**

We Need the Community to Hit the 2050 GOAL

Strive to become a low carbon city by **2050**, emitting less than 2 tons of carbon dioxide equivalent per person



1,385+ community members engaged in 2019



12 SEAP External Content Group Meetings held to date focused on community goals

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SEAP

STRATEGIC ENERGY ACTION PLAN

 CITY of CHARLOTTE

DECEMBER 2019

SEAP: YEAR ONE

**The City of
Charlotte Office of
Sustainability**

INTRODUCTION

Charlotte is a leader in sustainability and resiliency. In December of 2018, Charlotte City Council unanimously adopted the Strategic Energy Action Plan. That same week, Charlotte was named one of the winners of the American Cities Climate Challenge, an award to help strengthen and accelerate the City's goals. 2019 was the Year of Preparedness as we set ourselves up for success in the years ahead through data analysis and internal organization.

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MISSION, VISION, & VALUES

THE OFFICE OF SUSTAINABILITY

OUR MISSION

Charlotte is America's Queen City, opening her arms to a diverse and inclusive community of residents, businesses, and visitors alike; a safe family-oriented city where people work together to help everyone thrive. Embedded in this vision is creating a livable city, with comprehensive and convenient transportation options and sustainable, distinct, and diverse neighborhoods for all. The City of Charlotte recognizes that protecting our natural resources, promoting conservation, and improving the environment are fundamentally important to the public's quality of life and essential to maintaining a vibrant economy.

Charlotte will lead, as a global city, by continuously improving, protecting, and preserving the environment, its community, and economy, while ensuring equity and resilience - for today's and future generations.

BRIEF HISTORY

THE STRATEGIC ENERGY ACTION PLAN

In June 2018, the Sustainable and Resilient Charlotte by 2050 Resolution was unanimously passed by City Council. This resolution set aggressive and aspirational municipal and community-wide greenhouse gas emissions reduction goals for the City of Charlotte. Specifically, it strives to have City fleet and facilities fueled by 100% zero-carbon sources by 2030. It also sets a community-wide goal for Charlotte to become a low carbon city by 2050 by reducing greenhouse gas emissions to below 2 tons of CO2 equivalent per person annually. Lastly, it called for a Strategic Energy Action Plan to determine how Charlotte can reach its goals.

In December of 2018, City Council unanimously adopted the Strategic Energy Action Plan. Sustainability staff developed the SEAP in partnership with community stakeholders and City departments participating in greenhouse gas emission reduction scenario sessions and continuous engagement on the specific areas of the SEAP. This resulted in a comprehensive framework of 11 linked Action Areas containing internal and external actions, focused on transportation, buildings, energy generation, and workforce development & equity with steps on how to reach the goals set by the resolution. The Office of Sustainability, in the General Services department, is tasked with carrying out the vision of the SEAP and guiding its implementation. The SEAP is an ambitious, aggressive action plan that is dependent on many factors, including technological advancements, operational compatibility and risk management, and the availability of appropriate resources and funding.



MEANING BEHIND THE LOGO

The gray area represents the Buildings pillar of the SEAP, and the energy efficiency goals. It is also the shape of a hand, signifying the Workforce Development & Equity pillar, as every community member's commitment to the SEAP is critical to its success. The City is committed to equity and inclusion in the process of striving to become a low-carbon city.

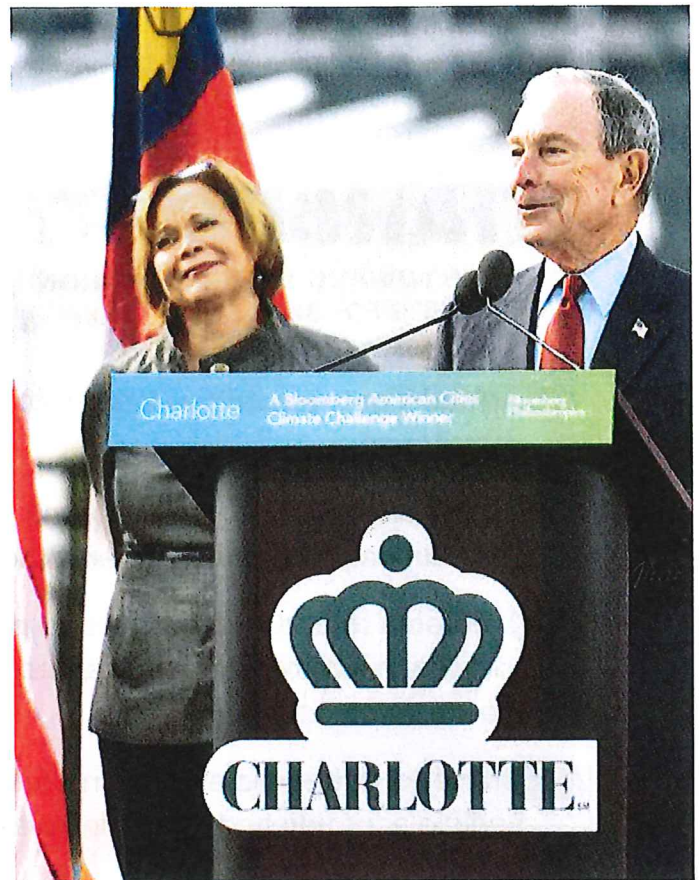
The yellow sun represents the Energy Generation pillar, including solar and renewable energy goals.

The dark green leaf is illustrative of a road and represents the Transportation pillar.

The light green leaf, when put together with the dark green leaf, creates a check mark which represents the commitment to achieve the SEAP goals to create a cleaner future for all Charlotteans.

BLOOMBERG PHILANTHROPIES AMERICAN CITIES CLIMATE CHALLENGE

The American Cities Climate Challenge is a Bloomberg Philanthropies' initiative that aims to accelerate and deepen U.S. cities' efforts to create the greatest climate impact through 2020 and showcase the benefits – good jobs, cleaner air, and cost savings – that climate solutions bring. Charlotte applied and was selected as one of the 25 cities in December of 2018.



CLIMATE CHALLENGE

by the numbers

2 Full-time
Climate Advisors

8 Action Areas that support
our SEAP goals

100+ City staff engaged on
these Action Areas

25 Technical assistance
partners

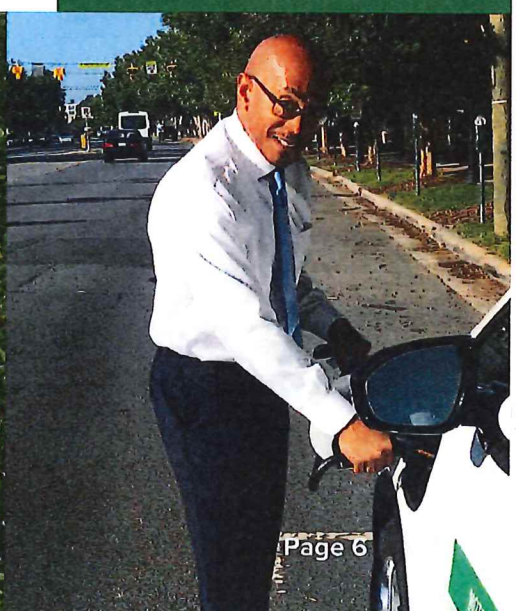
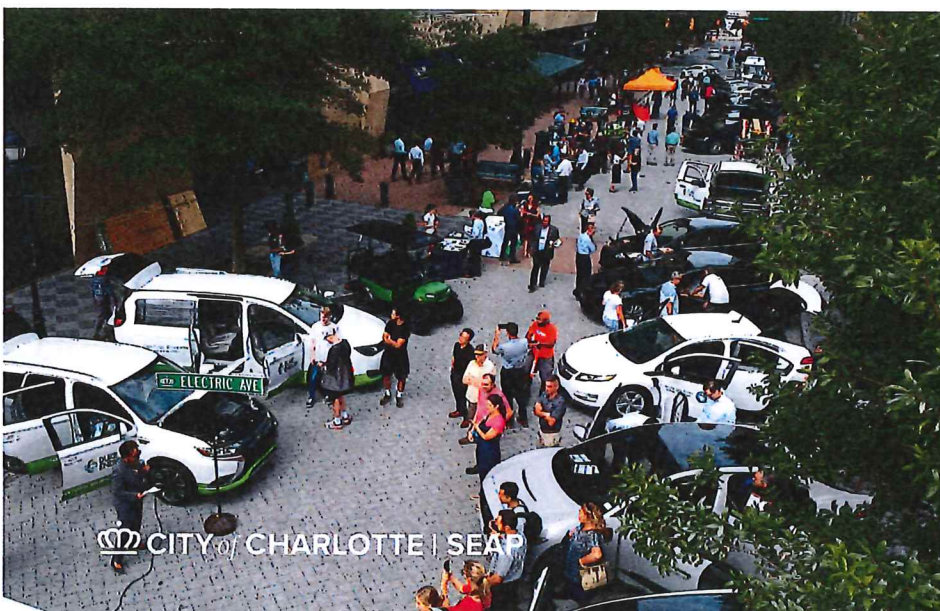
7 City Departments
working on these
Action Areas

TRANSPORTATION

**STRIVE TOWARD 100% ZERO CARBON
CITY FLEET BY 2030**

- ✓ Added 3 new electric vehicles to the City's motor pool
- ✓ Purchased 5 electric buses for the Aviation department's circular routes
- ✓ Created a total cost of ownership model to make improved decisions about vehicle life-cycle costs
- ✓ Drafted 2 fleet policies to promote electric vehicle adoption and inform infrastructure needs
- ✓ Hosted a National Drive Electric Week Event with over 300 attendees in order for the public to learn about electric vehicles
- ✓ Installed over 630 Automatic Vehicle Locators across City department vehicles to collect data that can be used to transform our City fleet to be low carbon
- ✓ Facilitated Scooter Safety workshops to promote safe and alternative low carbon transit options

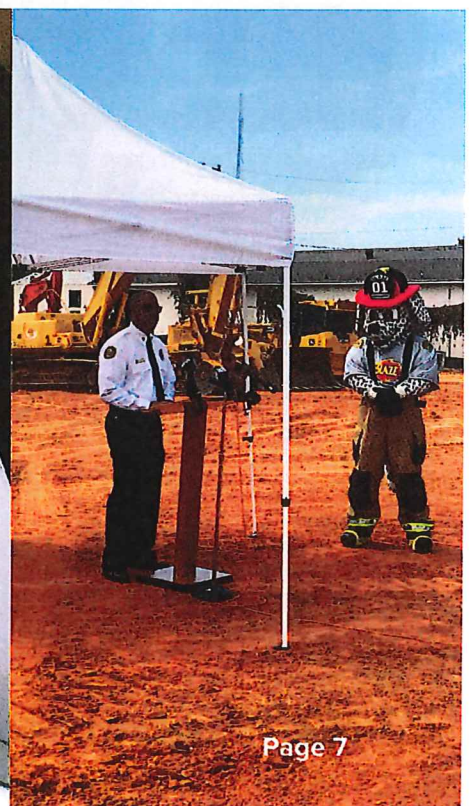
As called for in the SEAP, the Office of Sustainability created four SEAP External Content Groups around the four SEAP pillars. They work to help push the SEAP community goals forward and engage the community on the 2050 low carbon city goal.



BUILDINGS

**STRIVE TOWARD 100% ZERO CARBON
MUNICIPAL BUILDINGS BY 2030**

- ✓ Began revising the Policy for Sustainable Facilities to align with the Sustainable and Resilient Charlotte by 2050 Resolution
- ✓ Completed energy audits at 7 Cultural Facilities in order to prioritize energy efficiency retrofits
- ✓ Designed 5 new police stations to LEED standards; 2 with solar photovoltaics and 3 designed "solar-ready"
- ✓ Designed 1 new fire station to LEED standards and will be "net-zero ready"





ENERGY GENERATION

**STRIVE TOWARD 100 %
ZERO CARBON ENERGY FOR
ALL MUNICIPAL BUILDINGS
AND FLEET BY 2030**



The City applied and was awarded capacity in Duke Energy's Green Source Advantage Program. Participation in the program provides the City with 35 MW of solar energy and moves the City 25% of the way to the 2030 Zero Carbon Energy Goal. For full details of this program, please see the GSA page at: charlottenc.gov/sustainability/seap.



The NC Department of Commerce predicts that local jobs in the Energy Efficiency Industry will grow by 25.6% in the next 5 years.

Source: Clean Energy & Clean Transportation in NC: A Workforce Assessment

WORKFORCE DEVELOPMENT & EQUITY

DEVELOP AN EQUITABLE GREEN WORKFORCE
PIPELINE IN SUPPORT OF ENERGY TRANSITION

- ✓ Partnered with Economic Development to provide job training for careers in commercial and residential energy efficiency for those with barriers to employment
- ✓ Formed a Corporate Advisory Council with representatives from 7 local companies to support workforce development initiatives

OFFICE OF SUSTAINABILITY PROGRAMS & INITIATIVES

GREEN CROWN

The City of Charlotte Green Crown Program is a citywide program that shines a spotlight on establishments in the restaurant industry implementing environmentally sustainable practices. This voluntary and free program currently recognizes 23 eating and drinking establishments that actively minimize waste and maximize sustainability through 4 categories: Waste Management, Energy and Water Conservation, Pollution Reduction, & Commitment to the Community.



OFFICE OF SUSTAINABILITY PROGRAMS & INITIATIVES

NORTH END SMART DISTRICT

Charlotte's North End Smart District (NESD) is a smart cities initiative leveraging technology, data, and partnerships to deliver city services more efficiently and improve quality of life for residents of eight neighborhoods north of Uptown. This year, participating residents in the NESD completed the Smart Homes project which sought to maximize energy efficiency across participating homes. The residents realized an aggregate 6.93% energy savings through the installation of smart homes technologies.

FRESHLIST

The Office of Sustainability organized a pilot program to bring locally-sourced groceries to the Government Center through a local start-up called Freshlist. This program allowed City employees to purchase groceries online and pick them up weekly at the Charlotte Mecklenburg Government Center Plaza. People walking by could also purchase seasonal items directly from the stand. Freshlist is a small, Charlotte business that works with over 21 local, family farms and food artisans that are implementing sustainable practices.



ENGAGEMENT

COMMUNITY & EMPLOYEE

COMMUNITY



1,385
attendees

Various SEAP education & engagement events including schools, universities, places of worship, & other organizations



400
attendees

Earth Day event



1,100
followers

Office of Sustainability
social media



300
attendees

National Drive
Electric Week



23
**establish-
ments**

Green Crown
Certifications

EMPLOYEE



88
users

Freshlist users during
6 week pilot



90
attendees

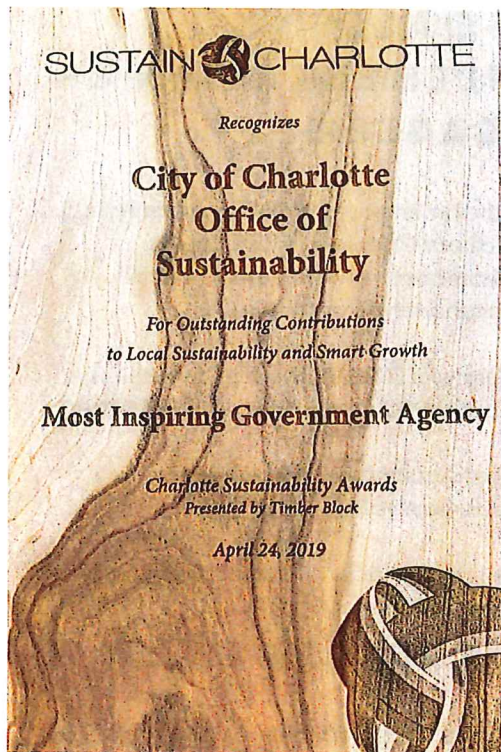
Three Sustainable Transportation Lunch & Learns in
partnership with CATS



17
**City De-
partments**

Represented on the SEAP Operations Team, an
internal leadership team dedicated to striving to reach
SEAP goals through collaboration

2019 AWARDS



SUSTAIN CHARLOTTE'S MOST INSPIRING GOVERNMENT AGENCY



2019 SMART FLEET CHAMPION



2020: YEAR OF MOMENTUM

A FEW OF OUR UPCOMING GOALS

BUILDINGS

- Analyze 7 Cultural Facility energy audits to prioritize deep energy efficiency retrofits
- Partner to bring Cool Globes art exhibit to Charlotte to educate and engage community on the impacts of climate change

ENERGY GENERATION

- Continue to analyze municipal rooftops for on-site solar opportunities
- Explore Utility Green Tariff opportunities for large-scale off-site solar

WORKFORCE DEVELOPMENT & EQUITY

- Enroll students in workforce development program for careers in building energy efficiency
- Provide students with additional wraparound services to support career success

IMPLEMENTATION & ENGAGEMENT

- Further leverage the SEAP Operations Team structure with leadership from all City departments to advance goals and work collaboratively across the City
- Engage with SEAP External Content Groups focused on community-wide 2050 SEAP goals
- Embed sustainability and resiliency into Comprehensive Plan and UDO
- Maximize American Cities Climate Challenge technical resources

TRANSPORTATION

- Advance the installation of Automatic Vehicle Locators across City's entire vehicle fleet with a goal of over 1,000 AVLs
- Educate and engage community around alternative transportation options
- Implement sustainable fleet policies to support the transition to a low-carbon City fleet

American Cities
Climate Challenge

CHARLOTTE
FUTURE

2040
COMPREHENSIVE
PLAN





SEAP

STRATEGIC ENERGY ACTION PLAN

 CITY *of* CHARLOTTE



FY 2021 Budget Presentation

Charlotte Water – A Regional Utility

Largest municipal water and wastewater service provider in the Southeast

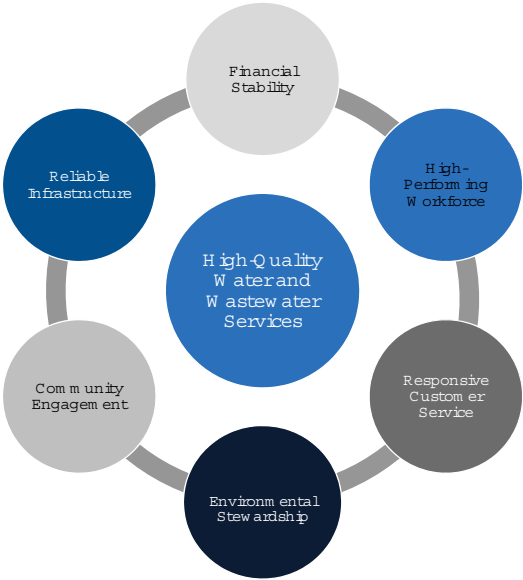
Serve more than 1M people 24 hours a day with more than 300K active meters/accounts

Pipe system of more than 8,600 miles

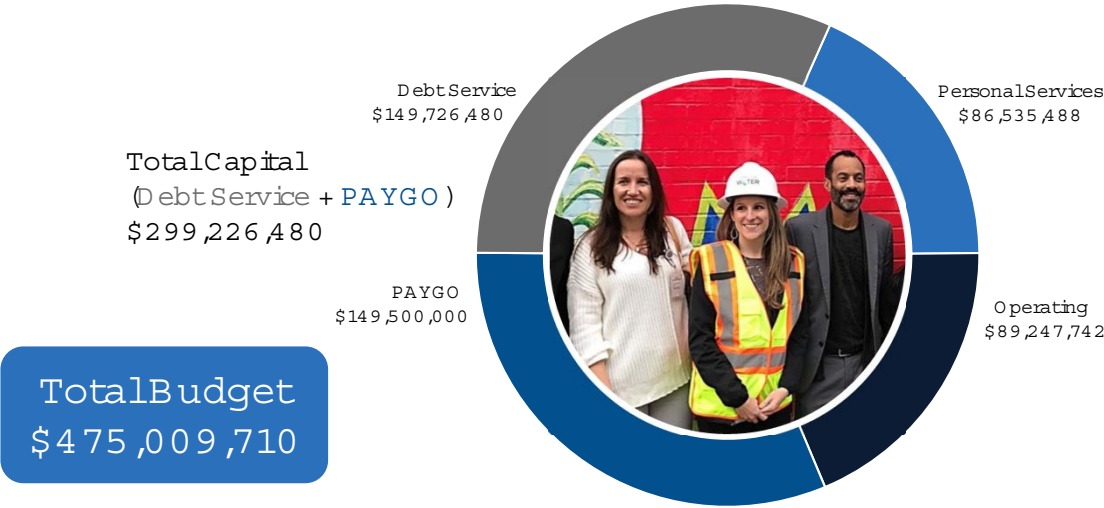
Today's typical customer monthly bill ~\$67



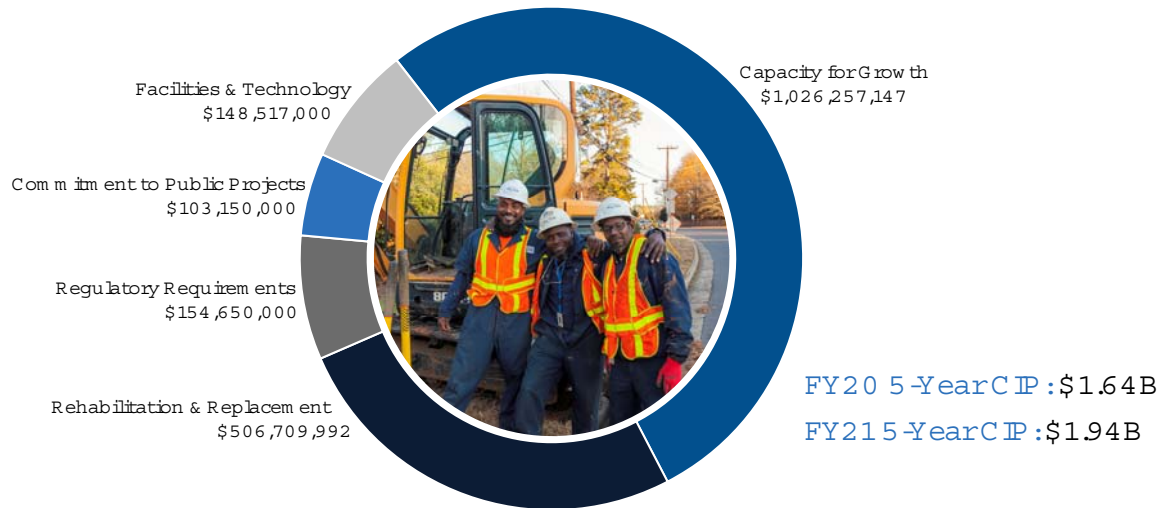
Charlotte Water Supporting the Community



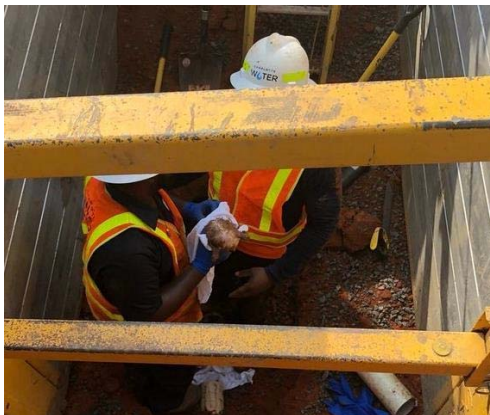
Operating Expenditures



Infrastructure Investments



Questions?



Puppy rescue by Charlotte Water and Charlotte Fire staff members



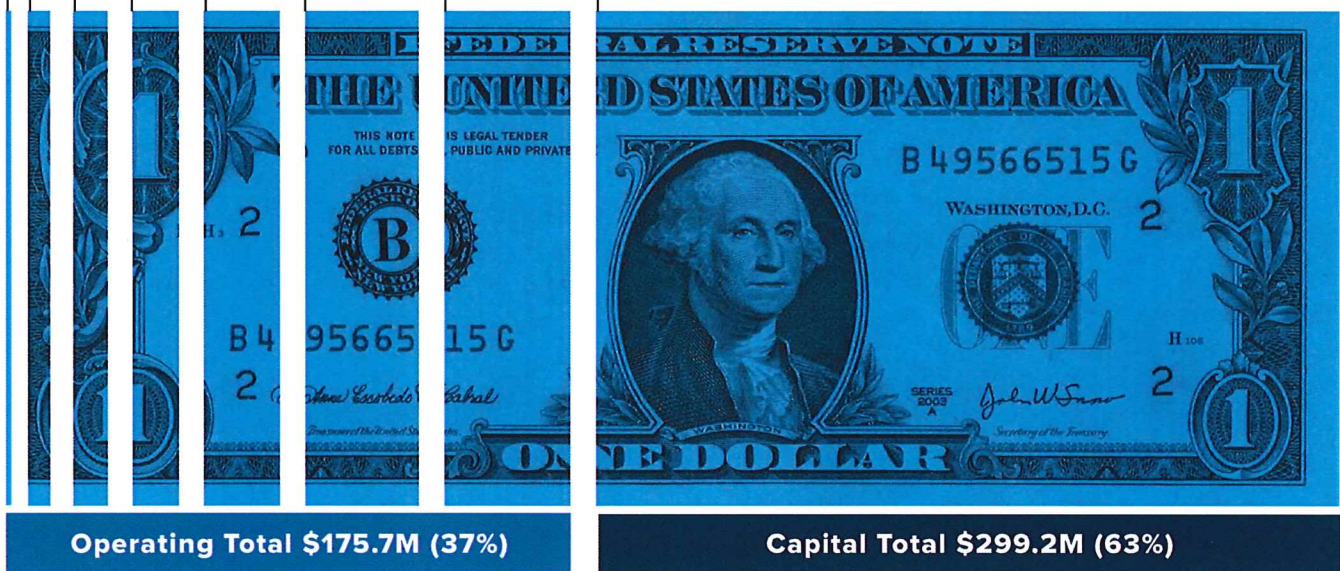
Charlotte Water Spirit of Giving at Hidden Valley Elementary



Charlotte Water FY2021 Budget

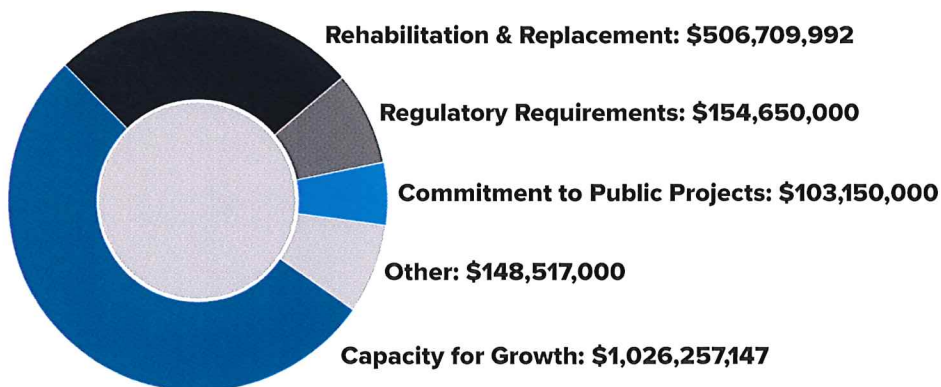


Laboratory Services \$6.1M
 Customer Service \$10.8M
 Admin, Management, IT & Engineering \$15.8M
 Water Treatment \$14.9M
 Department-Wide Support \$32.6M
 Environmental Management \$38.9M
 Field Operations & Maintenance \$56.6M
 Debt Service \$149.7M, PAYGO \$149.5M



FY 20 & FY 21 Residential Fee Comparisons

Fee Type	FY20 Adopted	FY21 Proposed	Change \$	Change %
Water Connection	\$3,197	\$2,933	-\$264	-8.30%
Sewer Connection	\$5,035	\$4,005	-\$1,030	-20.50%
Water SDF	\$809	\$846	\$37	4.60%
Sewer SDF	\$2,541	\$2,618	\$77	3.00%
Total	\$11,582	\$10,402	-\$1,180	-10.19%



FY20 5-Year CIP
\$1.64B

FY21 5-Year CIP
\$1.94B

Financial Stability & Viability

ON-GOING EFFORTS & ACCOMPLISHMENTS

- Triple, AAA bond ratings
- Long-term financial planning
- Lean operations through ISO implementation
- HomeServe & Service Line Replacement programs

FY2021 INITIATIVES & PLANS

- Grant opportunities
- Operational efficiencies
- Near-level operational budget to dedicate more revenue to projects

High-performing Workforce

ON-GOING EFFORTS & ACCOMPLISHMENTS

- Internships
- Mentorships
- Skill matrix pathway to promotions
- Continuing education and internal conferences
- Workforce development manager
- New employee orientation
- Pipeline Academy graduation

FY2021 INITIATIVES & PLANS

- More Pipeline Academy graduates
- Skill-building workshops
- Ongoing leadership training

Responsive Customer Service

ON-GOING EFFORTS & ACCOMPLISHMENTS

- Decreased leak repair response time & increased leak repairs per year, fixing more than 4,000 leaks
- Streamlined development plan review
- Enhanced online billing options

FY2021 INITIATIVES & PLANS

- More crews, inspectors - more robust service delivery
- Update billing system and bill design
- Proposed decrease in residential connection fee

Engagement with the Community

ON-GOING EFFORTS & ACCOMPLISHMENTS

- School-age education
- Award-winning Flow Free outreach campaign
- Expanded social media presence
- Civic Leadership Academy

FY2021 INITIATIVES & PLANS

- More Water Wagon events
- Enhance foreign language offerings
- Update project communication protocols

Reliable Infrastructure

ON-GOING EFFORTS & ACCOMPLISHMENTS

- Project planning including water system master planning
- Proactive repair and rehabilitation projects to rehabilitate or replace nearly 30 miles of pipe
- Facility resiliency
- Flood engineering and construction markets with projects generating 15.5 jobs per million dollars spent
- Contributed to the citywide certification or renewal of 541 MWSBE firms in FY 2019.

FY2021 INITIATIVES & PLANS

- Create more than 23,000 new jobs in engineering & construction markets through project initiation
- Initiate work on the wastewater master plan
- Create new vendor opportunities
- Modernize the design manual
- Build facilities with growth and partnerships in mind

Environmental Stewardship

ON-GOING EFFORTS & ACCOMPLISHMENTS

- Drive down sanitary sewer overflows
- Treat 99.98% of wastewater generated
- Completed pilot programs examining transitioning fleet to renewable diesel and AutoGas (Propane)
- Installed additional EV stations at CLT Water Facilities
- Planned facilities designed with multi-fuel option approach

FY2021 INITIATIVES & PLANS

- Reduce vehicle emissions
- Pilot energy reducing technologies



CHARLOTTE-MECKLENBURG
STORM WATER SERVICES

FY 2021 BUDGET OUTLOOK

CITY COUNCIL BUDGET WORKSHOP

March 4, 2020

PURPOSE & OUTLINE

Purpose

Review the Storm Water Services Program for the FY 2021 budget.

Outline

- Overview of Storm Water Services
- Progress of FY 2020 Initiatives
- Look Ahead to FY 2021



CHARLOTTE-MECKLENBURG
STORM WATER SERVICES

OVERVIEW OF STORM WATER SERVICES

OUR MISSION

Infrastructure to support Mobility, Accessibility and Connectivity for a thriving city

Water Quantity

- Ensure runoff from rain drains safely to streams
- Protect the traveling public by reducing the risk of flooding and improving storm drainage systems throughout the city



Surface Water Quality

- Ensure runoff is as clean as possible
- Improve and protect surface waters through compliance with Federal Clean Water Act



STORM WATER SERVICES OVERVIEW



JOINT UTILITY
City of Charlotte &
Mecklenburg County



CLEAN WATER ACT
compliance to protect
waterways



ASSET MANAGEMENT
stormwater asset
inspection & inventory



RESIDENT RESPONSE
drainage & pollution
investigations



ENGAGEMENT
outreach, education
& volunteers



ENGINEERING
design & collaborative
City projects

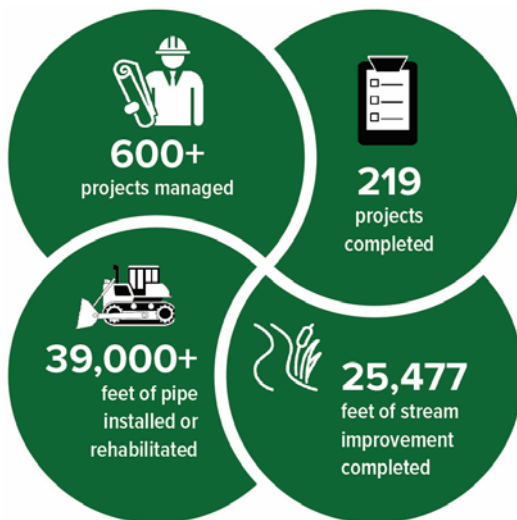


CONSTRUCTION
contractor management
& project inspections



HURRICANE RESPONSE
support citywide
emergency activities

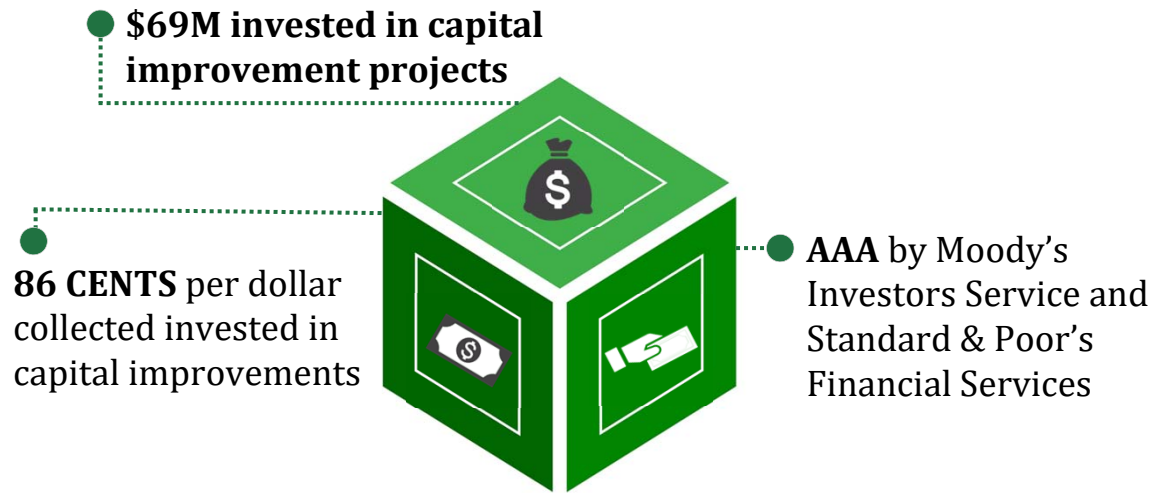
PRODUCTIVITY - FY2019



170+
staff including
trainees and
apprentice



FINANCIAL EFFICIENCY



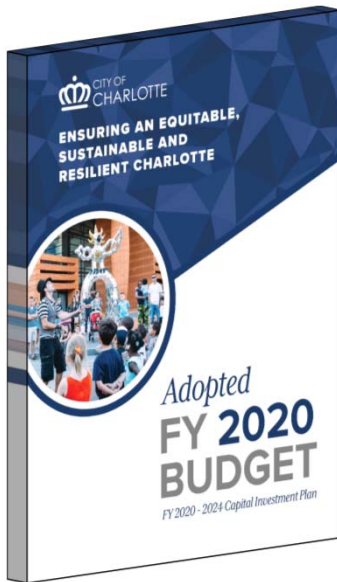
FY 2019



CHARLOTTE-MECKLENBURG
STORM WATER SERVICES

PROGRESS OF FY 2020 INITIATIVES

FY 2020 BUDGET INITIATIVES



Refining Project Categorization

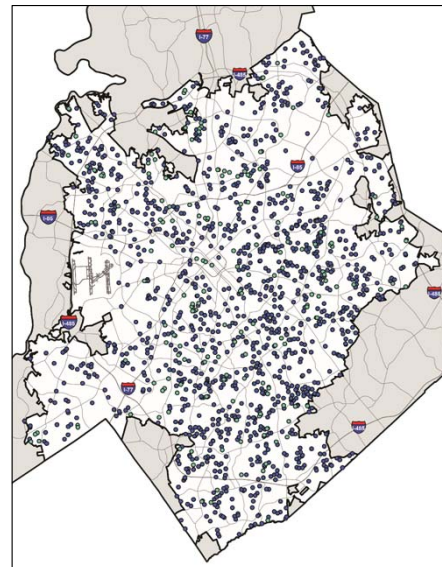
- Shifted to asset management approach
- Focused work on City-maintained drainage system
- Reprioritized work to address higher risk projects first

RESOLVING OUTSTANDING REPAIR REQUESTS

PRODUCTION – Resolve all outstanding repair requests identified through FY 2019 within 5 years.

- Complete ~1,700 projects in 5 years*
- ~30% increase in projected output for FY 2020
- Rate of output increases each of the following 4 years

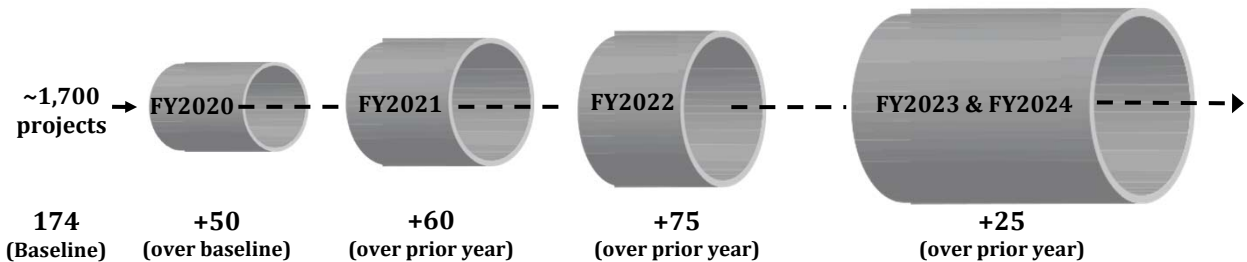
*based on FY 2019 projection of 1,690 projects



FY 2020 BUDGET INITIATIVES (CONTINUED)

Opening up the project pipeline

- ✓ Increased production resources including additional staff, consultants and an innovative co-location approach
- ✓ Executed contracts for survey, geotechnical, structural, real estate, and utility services
- ✓ Made internal adjustments to enhance workflow

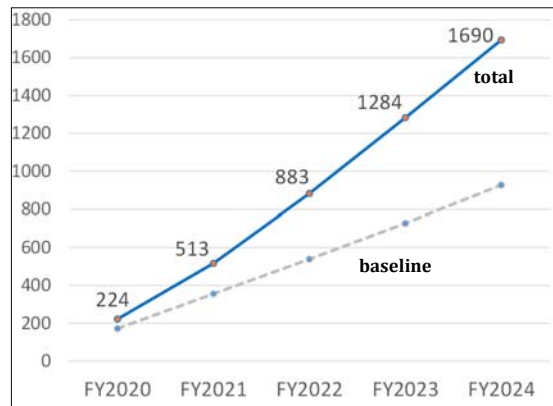


FY 2021 BUDGET LOOK AHEAD

FINANCIAL PLAN

- Collaborative review with City Manager's Office, Strategy & Budget, Finance and consultants in March 2019
 - Refined financial assumptions
 - Revised production goals
 - Updated resource requirements
 - Revised model used no fee increase in FY 2020 and projected level fee increases in subsequent years
- FY 2021 fee recommendation will be finalized as part of continuing budget process and included in City Manager's recommended budget

REPAIR PROJECTS PLANNED FOR COMPLETION
FY2020 – FY2024



QUESTIONS & ANSWERS

THANK YOU FOR YOUR TIME

***Questions and Answers from
Budget Workshop Meeting
February 05, 2020***

Published on February 29, 2020

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Questions and Answers from Budget Workshop Meeting

Questions included in this packet were asked by Council at the City Manager's Budget Workshop Meeting.

The materials from budget workshops may be found [here](#).

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City of Charlotte Arts Support

Question 1: (Lyles) **How does the city fund the seven city-owned facilities?**

The seven city-owned art facilities are funded with a transfer from the Pay-As-You-Go Fund (PAYGO), using sales tax, to the Tourism Fund where it is used for the facilities' debt service and maintenance. In FY 2020 the transfer amount from PAYGO is \$9,744,955. An annual subsidy from Mecklenburg County in the amount of \$2.9 million also helps pay for the cultural arts facilities' debt service. This subsidy ends in 2036.

Question 2: (Driggs) **Provide a breakdown or table of funding provided for the Arts and Science Council; highlight city, county, and private sector contributions.**

The table below provides total and projected revenue by funding year for the Arts & Science Council (ASC). Funding sources are also listed for city, county, and private sector contributions.

Arts & Science Council Revenue by Funding Source					
Funding Source	FY 2017	FY 2018	FY 2019	Projected FY 2020	Projected FY 2021
Annual Fund Drive & Other Contributions	6,021,259	3,637,085	4,393,113	3,257,000	2,400,000*
City Government Grants	2,940,823	3,190,823	3,190,823	3,216,000	3,216,000
County Government Grants	1,600,000	1,725,718	1,900,000	2,050,000	2,050,000
Other Government Grants	406,447	403,444	382,112	379,000	350,000
City - Public Art	616,512	3,747,239	1,915,018	1,994,000	2,500,000
County - Public Art	285,110	574,023	548,591	1,898,000	1,000,000
Other - Public Art	120,278	884,756	257,655	-	-
Endowment Income (inc. one-time infusion)	1,572,525	1,623,675	2,640,330	3,579,000	750,000*
Other	137,584	129,038	346,100	137,000	105,000
TOTAL	\$13,700,537	\$15,915,801	\$15,573,742	\$16,510,000	\$12,371,000

Source: Arts & Science Council, February 2020

*Updated from Original Submission

Question 3: (Egleston) **What contributed to the decrease of \$2.6 million in foundation funding to the Arts and Science Council?**

According to ASC, the decrease in foundation funding is due to an additional \$1 million taken from the earnings over endowment to keep awards consistent for fiscal year (FY) 2019. In FY 2020 an additional one-time (final) draw of \$3.58 million was taken from the endowment to maintain award levels for the current year.

Question 4: (Ajmera) **Provide a breakdown of the FY 2021 ASC funding request. Are personnel and operating costs increasing in FY 2021? How will funds be administered?**

Per ASC, there was an error in their original application. Personnel costs will actually be lower in FY 2021. Additional headcount reductions are likely if funding remains at current levels. The below table shows the updated personnel projection:

Arts & Science Council Personnel Expenses				
Personnel Category	FY 2019	Projected FY 2020	Projected FY 2021	Notes
Salaries	2,779,721	2,452,000	2,433,650	Assumes cost of living increase (3%) and reduced salary/employee count for entire year
Merit	41,056	-	-	
Benefits	532,221	590,000	590,000	Assumes any increase in healthcare will be borne by employee or decrease in headcount
TOTAL	\$ 3,352,998	\$ 3,042,000	\$ 3,023,650	

Source: Arts & Science Council, February 2020

The original application also reflected capital expenditures in FY 2021 to be \$1.2 million. This was an error and the correct amount for FY 2021 should be zero. Capital expenditures for FY 2020 are \$1.215 million. The original submission showed \$14,556,500 for non-personnel expenses in FY 2021. The corrected figure should be \$13,356,500 as capital expenditures were eliminated.

Question 5: (Ajmera) **What is the model for the ASC Board and management?**

ASC's Board currently includes one City Council member and one member of city staff. Per ASC, the Board is open to having additional representation from public officials in light of increased funding requested from both the city and county. In addition, ASC is pursuing discussions of spinning-off its one remaining program (Studio 345) in response to requests that ASC avoid any potential conflicts between its grant-making role and program management. The city's funding supports ASC's operating grants to arts, science, and history organizations. The funds will be administered through a panel review process that includes national experts in grant making and finance and will be directed by ASC's Community Investment Committee.

Question 6: (Ajmera) **Does the ASC have an estimate for the total number of tickets sold in a given year for the organizations it helps support?**

ASC collects the number of cultural experiences from organizations receiving funding, which includes ticket sales, number of participants, and individuals attending free events. In FY 2019, ASC-funded programs delivered a combined 2,610,327 participant experiences.

Question 7: (Ajmera) **How much funding has the city provided for minority and women artists?**

Currently, there are 31 active City of Charlotte public art projects. Of those, \$1.7 million have been award to 17 women or minority artists.

Question 8: (Ajmera) **What kind of equity framework will be implemented, if any, on the distribution of ASC funds?**

In 2019, the ASC Board approved a Cultural Equity Statement that is unique to the Charlotte-Mecklenburg region and includes a definition of cultural equity. The formal statement establishes a framework for ASC to expand upon ongoing work in the community, emphasizing equitable access and expression, such as Culture Blocks, Connect with Culture Days, Cultural Vision Grants, and the Catalyst for Cultural Equity program.

Question 9: (Graham) **How much does the city spend on transit-oriented arts?**

The Art-In-Transit program is managed by the Charlotte Area Transit System (CATS) and promotes the inclusion of public art in capital projects, temporary art installations around transit, and education about transit public art. The program commits one percent of eligible design and construction costs to the integration of art into capital projects; however, the program is guided by the Metropolitan Transit Commission rather than the city's Public Art Ordinance.

Art-In-Transit funding allocations are tracked by multi-year projects instead of by fiscal year. Recently-completed CATS capital projects that integrated public art include the Blue Line Extension with a \$5,000,000 public art allocation, the Cornelius Park and Ride with a \$20,000 allocation, and the Gold Line Phase I project with a \$92,000 allocation. Gold Line Phase II, which is currently in construction, has a \$400,000 public art allocation. In FY 2019, Art-In-Transit actual costs totaled \$175,268, and from FY 2015 through FY 2019, Art-In-Transit actuals totaled \$4,134,299.

Financial Partners

Question 10: (Bokhari) **Historically, what has the city contributed to the Charlotte Regional Business Alliance's budget, and what has it been programmed for?**

A history of Charlotte Regional Business Alliance (CRBA) funding can be found in the table below. Funds have been programmed for communications (non-personnel costs). Examples of what funds are used for is publishing and marketing to the community. The amount requested by CRBA is based on a rate of 30 cents per resident of Mecklenburg County which the county and city split evenly. Please refer to question 11 for additional context.

CRBA Funding History	
Fiscal Year	City Funding
2016	\$ 141,008
2017	\$ 151,881
2018	\$ 155,111
2019	\$ 158,250
2020	\$ 161,526

Question 11: (Driggs) **How do other municipalities fund CRBA? How does economic development fund CRBA?**

The Charlotte Regional Business Alliance (CRBA) represents a 15-county region. Each county funds CRBA by the total population base multiplied by .30. Per the 2018 Census Bureau, the population of Mecklenburg County is 1,093,901. Mecklenburg County and the City of Charlotte split the contribution 50/50 (each with a total funding request of \$164,085 in FY 2021). Charlotte is the only city in the region to provide funding.

Additionally, economic development funds the CRBA with 7 percent public and 93 percent private investors dollars. The CRBA serves Charlotte economic development efforts through Business pillars (marketing, business, talent, and advocacy). For every dollar in funding the CRBA received from the City of Charlotte, CRBA estimates \$1,019.65 in earnings in the Charlotte economy. The CLT Alliance assisted in locating 11 projects in the city in 2019 and supported four others, generating capital investments of \$230 million and 3,414 jobs.

Question 12: (Ajmera) **Provide additional context around not receiving an FY 2021 Financial Partners application from TreesCharlotte.**

TreesCharlotte did not submit an FY 2021 Financial Partners application by the submission deadline. Strategy and Budget reached out to TreesCharlotte to confirm that they would not be participating in the FY 2021 Financial Partners funding process prior to the February 5 Council Budget Workshop. TreesCharlotte confirmed that they would not be participating in the FY 2021 Financial Partner Process.

According to an email sent by TreesCharlotte after the February 5, 2020, Council Budget Workshop, TreesCharlotte explained that they had misunderstood. TreesCharlotte has two contracts with the City of Charlotte; Tree Canopy Preservation and Financial

Partners. TreesCharlotte mistakenly declined to apply to be a Financial Partners in FY 2021 assuming the Financial Partners process was only related to the Tree Canopy Preservation partnership. TreesCharlotte has requested that the city consider a new application of \$150,000, an increase of \$50,000 from FY 2020. Due to the confusion, and the complexity of the multiple funding streams for TreesCharlotte, the Strategy and Budget Department recommends accepting TreesCharlotte as a Financial Partners application.

Question 13: (Eiselt) **What progress has been made to address “food desert” issues since the Farmers Market Study in 2018?**

The Karen Karp & Partners (KK&P) Study commissioned by the city in 2018, *Unlocking the Potential of Charlotte’s Food System and Farmers’ Markets*, had four major recommendations, each including portions that addressed the ‘food desert’ issue and each with its own recommendations:

a. Support the formation of a Charlotte Farmers’ Market Association.

One role of the Farmers’ Market Association is improving food access through increasing the utilization of Supplemental Nutrition Assistance Program (SNAP) at markets and establishing a fund to double the value of SNAP benefits. The KK&P Study found that Charlotte was behind peer cities in the number of markets accepting SNAP. As a result, the city now has seven markets accepting SNAP, an increase from two, including a mobile market. The Charlotte Mecklenburg Food Policy Council (CMFPC), Mecklenburg County, and the city also applied to Blue Cross Blue Shield of NC Foundation (BCBS) for funding of a Double Bucks Program for SNAP users at Charlotte markets. BCBS has funded half the three-year proposal (\$102,000 of \$204,000). The Charlotte Farmers’ Market Association plans on applying to other funding sources for the remaining funding. Additionally, Novant, Atrium, and the Health Alliance are examining food prescriptions, mobile markets, and other programs to improve food access.

b. Pursue improvements to the Charlotte Regional Farmers’ Market.

Increasing the utility of farmers’ markets supports food access as well as regional farmers. Some needed improvements at the market directly impact food access, enhancing the ability of farmers to provide fresh produce to food pantries and kitchens.

c. Support careers in agriculture in Charlotte and the region.

Food access is partly driven by demand, and that can be enhanced through education. African Americans and immigrants are increasing participation in agricultural careers, both in urban and rural farms. CMS is utilizing the Mayor’s Youth Employment Program (MYEP) internship slots for participants in Garinger High Schools’s Urban Farm Learning Center program. Additionally, some of the feeder schools have community gardens that were funded through the Neighborhood Matching Grants Program.

d. Develop a plan for a Charlotte Market System.

The existing market infrastructure of walk up and regional markets will be further developed as the Farmers’ Market Association develops a vision, incorporating the importance of transportation options and placemaking sites throughout the city. Farmers’ Market’s initial estimate to study and develop a plan for the Charlotte Market System is approximately \$100,000.

Question 14: (Lyles) **Provide additional information about the FY 2021 request for Farmers' Market. What are the eligibility requirements for who the Farmers' Market Management group can work with?**

A key recommendation in the 2018 study was the establishment of an association of farmers market managers that could jointly and efficiently advertise markets, provide advocacy, and host programs such as cooking demonstrations, ethnic foodways, healthy living, and activities to engage children, youth, seniors, and different ethnic groups. The city will continue to explore partnerships and funding models to address the recommendations of the study including the establishment of an association of farmers market managers.

Question 15: (Eiselt) **What would the FY 2021 requested increase fund for Safe Alliance? What was FY 2020 funding programmed for?**

Safe Alliance prepared its FY 2021 financial request to the City of Charlotte based on maintaining funding for the Victim Assistance Court Program. Safe Alliance applied for staff salaries and benefits, including a three percent cost of living increase for historically funded staff. Safe Alliance also requested \$5,000 in funding under 'Facilities'. The Victim Assistance office space is provided by Mecklenburg County, and the county will be moving Victim Assistance to a different floor in the current building. Safe Alliance plans to prepare the space for client and administrative needs, which may include expenses not covered by the county.

The FY 2020 City of Charlotte funding supported the Safe Alliance Victim Assistance Court Program (VACP), which assists victims of domestic violence who seek Domestic Violence Protective Orders (DVPO). In FY 2019, Safe Alliance court advocates completed over 1,000 DVPOs, and attorneys represented victims 423 times with 55 percent of clients reporting incomes below \$25,000. Safe Alliance anticipates meeting or exceeding these results in FY 2020.

Court Advocates provide victims with basic crisis intervention services such as safety planning, photo documentation of injuries, and needs-based community referrals. Court Advocates also help victims complete paperwork for protective orders and provide assistance with the State Victims' Compensation Program and Address Confidentiality Program. Court Advocates provide emotional support during court proceedings. In FY 2019, Court Advocates accompanied victims to court 4,750 times. FY 2020 funding allowed VACP to make two client-centered service delivery enhancements: electronic filing and attorney complaint reviews.

Electronic filing provides a safe way for victims to get protective orders through the new eCourts Civil Domestic Violence System. E-filing provides victims with access to the district courts through live video feeds in a secure remote location at VACP.

Clients are now required by law to provide the complaint to a judge to grant a protective order. Due to this new requirement, all complaints filed through Safe Alliance are now reviewed by a staff attorney prior to submittal, which improves the likelihood of obtaining a protective order.

FY 2020 funding was also utilized to provide free limited advice on family law matters to

125 clients and their children.

Question 16: (Ajmera) **What metrics are in place that Financial Partners must submit throughout the year?**

Financial Partners must first submit an application with the City of Charlotte for funding eligibility. Each Financial Partner must provide a list of all current board of directors; which includes name and title and an accompanying agency organization chart. The salary disclosure of all employees is also required prior to receiving funding. A 501(c)3 letter from the Internal Revenue Service, two years of comparative financials, and an annual audit are also required. Federal Tax Returns must be submitted for the previous two years. Financial Partners' financial policies and human resources policies are essential documents for eligibility. Finally, the agency's record and retention schedule finalizes the list of supplemental items required to receive eligibility.

Once City Council has agreed on the award amount, the following metrics are required throughout the year via mid-year performance reports, year-end performance reports, and quarterly utilization reports. Mid-year and year-end performance reports provide an update on agency objectives and achievement levels reached during the year. In some instances, the identified objectives need to be updated mid-year. When this happens, agencies can reassess and identify new objectives by notifying the city of performance issues. Quarterly utilization reports highlight the total amount of dollars paid to each minority-owned, women-owned, and small business enterprise. Financial Partners are also required to provide quarterly invoices to receive funding.

Out of School Time Partners

Question 17: (Ajmera) **What can CDBG, Home, and HOPWA grants be used for? Are there any restrictions or conditions in place for each type of funding? Please provide a breakdown.**

Community Development Block Grant (CDBG)

The mission of the Federal CDBG program is to promote development of viable urban communities by providing decent housing, a suitable living environment, and expanded economic opportunities, principally for persons of low- and moderate-incomes. The CDBG program accomplishes this mission through three national objectives:

1. Benefit to low- and moderate-income persons (80 percent and below the area median income)
 - a. Grantees must spend at least 70 percent of CDBG funds on this objective
 - b. CDBG funds can be used to provide programs or services to:
 - An entire low- and moderate-income area,
 - Low- and moderate-income clientele citywide (e.g., Out-of-School-Time Partners), or
 - Provide housing or create/retain jobs for persons of low- and moderate-income;
2. Prevention and elimination of slums and blight; and
3. Urgent need, such as response to a natural disaster.

There are 23 broad categories of activities that can be undertaken with CDBG funds (see below table). There are some activities that are specifically ineligible, such as funding ongoing general government expenditures, funding for political activity, or income/subsistence payments. In addition, CDBG generally cannot be used for new

housing construction. Other CDBG restrictions include a 15 percent cap on spending for public service activities (e.g., Out-of-School-Time Partners) and a 20 percent cap for CDBG program administration.

CDBG funding is restricted to projects located within the City of Charlotte.

Community Development Block Grant (CDBG) Funding Categories	
CDBG Eligible Program Category	City of Charlotte CDBG Utilization FY 2020 Budget
Acquisition of Real Property	--
Disposition of Real Property	--
Clearance & Demolition/Cleanup of Contaminated Sites	--
Relocation Assistance	150,000
Public Facilities & Improvements (e.g., senior centers, youth centers)	--
Public Services (e.g., youth services, employment training, substance abuse services, food banks)	815,007
Rehabilitation (e.g., housing, publicly- or privately-owned facilities/buildings)	3,989,739
Code Enforcement	--
In Rem Activities	--
Economic Development: Property & Infrastructure Improvements	--
Economic Development: Direct Financial & Technical Assistance to for-profit businesses	--
Housing Counseling & Homeownership Assistance	--
Construction of Housing (limited applicability)	--
Loss of Rental Income	--
Historic Preservation	--
Tornado Shelters Serving Private Mobile Home Parks	--
Privately-Owned Utilities	--
Interim Assistance (temporary assistance to arrest further physical deterioration of infrastructure until permanent funding is in place)	--
Planning	--
Administration	1,257,382
Urban Renewal Projects (limited applicability)	--
Miscellaneous (e.g., Non-profit capacity building, operation & repair of foreclosed property, Section 108 loan repayments)	--
Other Section 108 Loan Activity	--
Total	\$ 6,212,128¹

¹Includes \$385,000 in program revenue that can be used for additional CDBG activities.

HOME Investment Partnerships Program (HOME)

The HOME Investment Partnerships Program provides formula grants to states and localities that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. It is the largest federal block grant to state and local governments designed exclusively to create affordable housing for low-income households. HOME funds require a 25 percent match from the city, which is provided from the city's PAYGO funds.

Funds may be used for a broad range of eligible activities, including providing home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers; building or rehabilitating housing for rent or ownership; or for "other reasonable and necessary expenses related to the development of non-luxury housing," including site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development, and payment of relocation expenses. If justified by local market conditions, HOME funds can also be used to provide tenant-based rental assistance. Up to 10 percent of the city's annual allocation may be used for program planning and administration.

The Department of Housing and Urban Development (HUD) requires that at least 15 percent of the HOME allocation be used to fund housing to be owned, developed, or sponsored by experienced, community-driven nonprofit groups designated as Community Housing Development Organizations (CHDOs).

HOME-assisted rental housing must comply with certain rent limitations and HUD also establishes maximum per unit subsidy limits and homeownership value limits. HOME-funded housing units must remain affordable in the long term (20 years for new construction of rental housing; five to 15 years for construction of homeownership housing and housing rehabilitation, depending on the amount of HOME subsidy). The eligibility of households for HOME assistance varies with the nature of the funded activity. For rental housing and rental assistance, at least 90 percent of benefiting families must have incomes that are no more than 60 percent of the HUD-adjusted median family income for the area. In rental projects with five or more assisted units, at least 20 percent of the units must be occupied by families with incomes that do not exceed 50 percent of the HUD-adjusted median. The incomes of households receiving HUD assistance must not exceed 80 percent of the area median.

These funds have a service geography of the City of Charlotte and Mecklenburg County.

HOME Investment Partnership Program Funding Activities	
HOME Activity	City of Charlotte FY 2020 Budget
HOME Consortium (funds that can be accessed by other jurisdictions in Mecklenburg County for HOME-eligible activities)	157,442
Administration	173,250
CHDO set-aside	557,271
HouseCharlotte Down Payment Assistance Program	2,062,741
Housing Rehabilitation (e.g., Safe Home, TLC for CLT)	1,334,436
Tenant Based Rental Assistance (TBRA)	430,000
Total	\$4,715,140¹

¹Includes \$1,000,000 in program revenue that can be used for additional HOME activities and \$743,028 in local PAYGO match.

Housing Opportunities for Persons with AIDS (HOPWA)

HOPWA is the only Federal program dedicated to the housing needs of people living with HIV/AIDS. Under the HOPWA Program, HUD issues grants for projects that benefit persons living with HIV/AIDS who are at or below 80 percent of area median income.

HOPWA funds may be used for a wide range of housing, social services, program planning, and development costs. These include, but are not limited to, the acquisition;

rehabilitation, or new construction of housing units; costs for facility operations; rental assistance; and short-term payments to prevent homelessness. HOPWA funds also may be used for services including (but not limited to) assessment and case management, substance abuse treatment, mental health treatment, nutritional services, job training and placement assistance, and assistance with daily living.

The city appropriates HOPWA funds to Carolinas Care Partnership to administer HOPWA funding to a network of HIV/AIDS service providers who provide the eligible activities described above.

This HOPWA allocation serves a ten-county region that includes Cabarrus, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Union, Chester (SC), Lancaster (SC) and York (SC).

Housing Opportunities for Persons with AIDS (HOPWA) Funding	
HOPWA Activity	City of Charlotte FY 2020 Budget
Carolinas CARE Partnership	2,725,653
Total	\$ 2,725,653

Question 18: (Ajmera) **How much funding is programmed from PAYGO for the housing partnership and HouseCharlotte?**

In addition to Federal funds, the city allocates local funding (i.e., PAYGO) to fund additional housing programs, including but not limited to, the CMHP and HouseCharlotte Down Payment Assistance program.

PAYGO Funded Activities: Housing Partnership and House Charlotte	
Activity	FY 2020 Budget
Affordable Housing Development (CMHP)	\$ 390,000
HouseCharlotte	\$ 331,887
HouseCharlotte HOME Match	\$ 743,028
HouseCharlotte Program Administration (CMHP)	\$ 57,750
HouseCharlotte Pre / Post Purchase Counseling (CMHP)	\$ 316,300
House Charlotte Pre / Post Purchase Counseling (Prosperity Unlimited)	\$ 133,700
House Charlotte Inspections	\$ 106,365

Question 19: (Lyles) **Of the \$17.5 million provided to the Charlotte Regional Visitors Alliance (CRVA), how much is spent on marketing and are there restrictions in place for how funds can be designated? How does CRVA work with other organizations?**

The Charlotte Regional Visitors Alliance (CRVA) responsibilities include destination marketing through Visit Charlotte. Visit Charlotte markets and promotes new or expanded convention center facilities and engages in activities and programs aiding and encouraging convention and visitor promotion. In addition, Visit Charlotte engages in business development activities associated with tourism and organizations that sponsor or hold events, meetings, or conventions in the Charlotte area which have a direct economic impact on Charlotte's travel and tourism industry.

Mandatory marketing provided within the CRVA contract is approximately \$9.0 million, which is equal to 15 percent of the total Convention Center Fund Revenues for the fiscal year. Additional funding is provided for activities and programs that aid and encourage convention and visitor promotions. Visit Charlotte generates \$1.0 million in operating revenue through the Partners in Tours program and additional revenue-generating streams, with the remaining coming from CRVA's fund balance. Partners in Tourism provides education and exposure to 600+ regional hospitality partners who invest in the program. Business Development funds totaling \$2,270,000 are restricted for use to attract conventions and special events to the city. An allocation method based on the number of hotel room nights is used to determine amount of business development funds awarded.

For FY 2020, the expense budget for Visit Charlotte totals \$18,946,112, inclusive of salaries/wages and benefits for Sales and Marketing. As outlined in the chart below, Sales are inclusive of Convention Services and the Visitor Info Center. Of the total \$18,946,112 budget, 39 percent represents people costs while 61 percent represents program costs.

Charlotte Regional Visitors Alliance (CRVA) Operating Expenses FY 2020			
Expenses	Sales (\$)	Marketing (\$)	Total (\$)
Salaries/Wages	3,363,301	2,045,808	5,409,109
Contract Services	399,511	121,000	520,511
Benefits	1,252,822	807,558	2,060,380
Supplies	44,691	24,000	68,691
Insurance	130,608	-	130,608
Communications	86,668	23,500	110,168
Advertising	73,535	6,490,500	6,564,035
Business Development	2,270,000	-	2,270,000
Rentals	394,292	-	394,292
Utilities	275	-	275
Repairs and Maintenance	12,138	-	12,138
Travel and Entertainment	1,022,445	126,129	1,148,574
Professional Fees	49,685	-	49,685
Dues and Licenses	125,846	73,750	199,596
Miscellaneous	8,050	-	8,050
Total Operating Expenses	\$ 9,233,867	\$ 9,712,245	\$ 18,946,112

Capital – Street Lighting

Question 20: (Driggs) **What is the North Carolina Department of Transportation’s annual budget for lighting interstates within the City of Charlotte?**

The North Carolina Department of Transportation (NCDOT) does not have an annual budget for new interstate lighting projects. NCDOT monitors a list of potential interstate projects and allocates funding for new lighting based on safety and crash history. However, NCDOT typically allocates about \$50,000 per year to roadway lighting maintenance for Division 10, which includes the Charlotte area.

Question 21: (Winston) **How does the city reconcile the cost for street lighting on state-maintained roads?**

The North Carolina Department of Transportation (NCDOT) does not typically install new street lighting on state-maintained streets except for interstates; therefore, the city is typically responsible for installing new street lighting along state- and city-maintained streets. The city is always responsible for utility costs associated with street lighting along state- and city-maintained streets. There is currently no mechanism to reconcile city-funded costs of new lighting infrastructure along state-maintained streets.

Question 22: (Winston) **Is there another street lighting project planned on a major thoroughfare that improves walkability conditions for pedestrians?**

The table below outlines eight street lighting projects on major thoroughfares that are in progress and will improve lighting conditions for pedestrians.

Improving Lighting Conditions for Pedestrians - Thoroughfares			
Thoroughfare	Council District	Location Description	Estimated Completion Date
Back Creek Church Road	4	Hanberry Boulevard to Back Creek	2020
Billy Graham Parkway	3	I-85 to South Tryon Street	2020
Ridge Road	4	Highland Creek Parkway to Beard Road	2020
South Tryon Street	3	Arrowood Road to Carowinds Boulevard	2020
Grier Road	4	Newell Hickory Grove Road to Seven Oaks Drive	2021
Idlewild Road	5	Connection Point Boulevard to Cedars East Court	2021
North Sharon Amity Road	5	Kipling Drive to Buena Vista Avenue	2021

Capital

Question 23: (Lyles) **Provide clarification on how community spaces are currently being used, if at all, within Police Stations.**

The following divisions use designated community spaces at varying frequencies:

CMPD Community Space Use	
CMPD Division	Community Activity
Steele Creek	1 to 2 meetings per quarter
Independence	Court Watch and Special Needs Bingo in the roll call room
Westover	Not typically used
North Tryon	Not typically used
South	Community meetings and Court Watch meetings
Freedom	Community room used regularly for community meetings
North	3 communities use conference room regularly
Providence	Conference room used for Teen Court, Landlord/Tenant Meetings, and Anthem Neighborhood Meetings

The following divisions do not provide facilities for community meetings:

- Eastway, University City, Metro, Hickory Grove, and Central divisions.

Question 24: (Lyles) **Provide a landscaping update for the Beatties Ford Road Widening project and next steps that are planned for this thoroughfare.**

The Beatties Ford Road Widening project landscaping was designed as a holistic streetscape that provides planting strips, medians, and reforestation areas. Once complete, the landscaping investment will total approximately \$285,000 and will add more than 1,000 trees in the project area.

The streetscape runs the length of Beatties Ford Road from Capps Hill Mine Road to Pauline Lane and includes trees and shrubs in planting strips between the curb and sidewalk along both sides of the corridor and in the median. Large maturing trees will be planted in the median while colorful, small maturing trees will be installed in the planting strips in accordance with powerline height restriction guidelines. The design provides the maximum tree coverage that is feasible, in consideration of sight-distance and utility compliance criteria. Trees are 12 to 14 feet tall at the time of planting to give the best probability of survival while balancing the goal of immediate visual impact. Over time, the trees will grow together to create the tree-lined streetscape aesthetic.

Phase I landscape installation was completed during the 2018-2019 planting season and is growing well as planned. There were some trees and shrubs damaged and removed after being struck by a vehicle. Those trees and shrubs will be replaced in a future planting season. Phase II installations will occur in the planting season following construction, which is anticipated to be complete during the second quarter of 2020.

Question 25: (Lyles) **Are there opportunities to incorporate NCDOT requests into the rezoning near Hornets' Nest Park to leverage current and future capital improvement needs?**

Rezoning requests often create impacts on state or local infrastructure. The city works collaboratively with NCDOT throughout the rezoning process, including monthly meetings and multiple reviews, to appropriately mitigate impacts. The city also encourages developers to connect directly with NCDOT to ensure requests are addressed throughout the process.

The rezoning request along Beatties Ford Road is adjacent to the Beatties Ford / Sunset Road Pedestrian Improvements project (part of the Sunset/Beatties Ford Comprehensive Neighborhood Improvement Program) but is not located near the culvert that NCDOT has requested to be lengthened or replaced.