

City of Charlotte

*Charlotte-Mecklenburg Government Center
600 East 4th Street
Charlotte, NC 28202*



Meeting Agenda

Wednesday, February 3, 2021

Electronic Regular Meeting Hosted from Room 267

City Council Budget Workshop

*Mayor Vi Lyles
Mayor Pro Tem Julie Eiselt
Council Member Dimple Ajmera
Council Member Tariq Bokhari
Council Member Ed Driggs
Council Member Larken Egleston
Council Member Malcolm Graham
Council Member Reneé Johnson
Council Member Greg Phipps
Council Member Matt Newton
Council Member Victoria Watlington
Council Member Braxton Winston II*

**1:30 P.M. CITY COUNCIL BUDGET WORKSHOP,
CHARLOTTE-MECKLENBURG GOVERNMENT CENTER,
ELECTRONIC REGULAR MEETING HOSTED FROM ROOM
267**

1. Workshop Overview

Staff Resource(s):

Marcus Jones, City Manager

2. General Fund Revenue Update

Staff Resource(s):

Ryan Bergman, Strategy and Budget

3. Introduction to Five-Year Capital Investment Plan

Staff Resource(s):

Marcus Jones, City Manager

4. Advanced Planning Program

Staff Resource(s):

Phil Reiger, General Services

Jennifer Smith, General Services

Liz Babson, Transportation

5. Summary of Bond Programs

Staff Resource(s):

Hannah Bromberger, Strategy and Budget

6. Five-Year Capital Investment Plan Scenarios

Staff Resource(s):

Ryan Bergman, Strategy and Budget

Kelly Flannery, Finance

ADJOURNMENT

General Fund Revenue Update



FY 2022 General Fund Revenue Update

FEBRUARY 3, 2021 BUDGET WORKSHOP

FY21 Property Tax Valuation Growth is slightly higher than anticipated

| Property Type | FY21 Budget (billions) | FY21 Actuals (billions) |
|----------------------|------------------------|-------------------------|
| Real Property | \$125.37 | \$125.71 |
| Personal Property | \$9.95 | \$10.85 |
| Vehicles | \$7.94 | \$7.98 |
| State Certifications | \$3.25 | \$3.41 |
| Total | \$146.51 | \$147.95 |

Courtesy: Mecklenburg County Assessor January 2021 Update

+1.0% increase over Budgeted

The Property Tax Collection Rate Is Stable Thus Far

LAST YEAR
Collection Rate through 1/31/20
96.45%

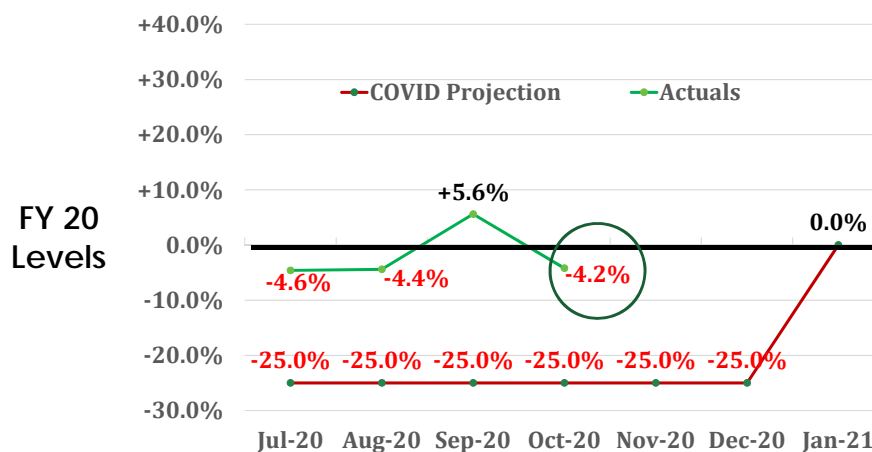
LAST YEAR
Final Collection Rate
98.9%

THIS YEAR
Collection Rate through 1/31/21
96.37%

THIS YEAR
Final Collection Rate
TBD

Courtesy: Mecklenburg County Collector January 2021 Update

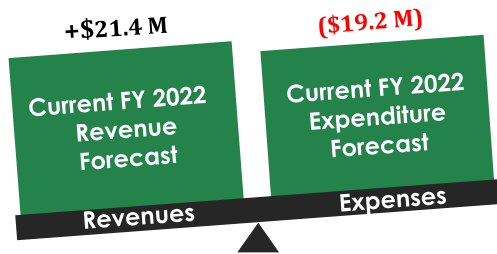
Updated General Fund Sales Tax Performance



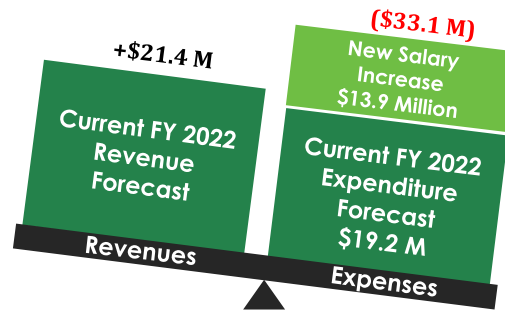
The new month of actuals since the strategy session does not change the current forecast.

Revised FY 2022 General Fund Budget Forecast \$2.1 M Better than Last Month

Without FY 2022 Salary Increase
+ \$2.2 M



With FY 2022 Salary Increase
(\$11.7 M)



Introduction to Five- Year Capital Investment Plan

Capital Investment Plan (CIP) Introduction

BUDGET WORKSHOP

FEBRUARY 3, 2020

1

What goes into the Capital Investment Plan?

Other Debt
(Certificates of
Participation)

Example:
New Facilities

Affordable
Housing
Bonds

Example:
Housing Trust
Fund

Neighborhood
Bonds

Example:
-Corridors of
Opportunity

Transportation
Bonds

Examples:
-Sidewalks
-Bike Facilities
-Traffic Signals

Advanced
Planning
Program

How the 2006-2010 CIP Program Was Funded

FY 2007: A 2.67¢ property tax increase was approved to support the planned bond program

| Original and Final Bond Funding (2006-2010) | | | | | |
|---|----------------------|----------------------|----------------------|------------------|--------------------|
| Description | 2006 Bond (millions) | 2008 Bond (millions) | 2010 Bond (millions) | Total (millions) | Average (millions) |
| Original Plan | \$120.2 | \$145.0 | \$126.1 | \$391.3 | \$130.4 |
| Actual Bond | \$120.2 | \$227.2 | \$203.6 | \$551.0 | \$183.7 |

How the “Big Ideas” CIP Program Was Funded

FY 2014: A 3.17¢ property tax increase was approved to support the Big Ideas bond program

| Original and Final Big Ideas Bond Funding (2014-2020) | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|------------------|--------------------|
| Description | 2014 Bond (millions) | 2016 Bond (millions) | 2018 Bond (millions) | 2020 Bond (millions) | Total (millions) | Average (millions) |
| Original Plan | \$140.9 | \$224.5 | \$164.4 | \$97.5 | \$627.3 | \$156.8 |
| Actual Bond | \$145.9 | \$218.4 | \$223.1* | \$197.2 | \$784.7 | \$196.2 |

*FY19 included a 0.25¢ tax increase to raise the Affordable Housing Bond from \$15 million to \$50 million

Capacity Exists for Ongoing Bonds in the Steady State

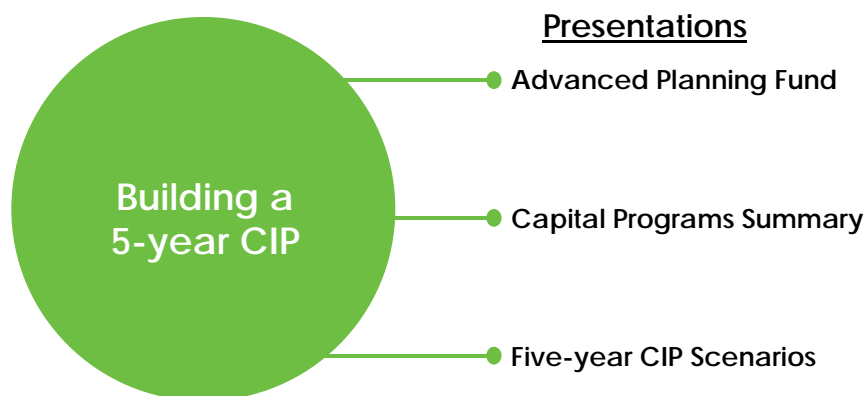
FY 2022: No property tax increase is required to maintain a similar level of bond funding as the Big Ideas

| Steady State Capacity for Next 4 Bond Cycles | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|------------------|
| | 2022 Bond (millions) | 2024 Bond (millions) | 2026 Bond (millions) | 2028 Bond (millions) | Total (millions) |
| Bond Capacity | \$198 | \$198 | \$198 | \$198 | \$792 |

Big Ideas
Average Bond
\$196.2 M

Steady State
Bond Capacity
\$198 M

Today's Workshop Helps Us Build the Proposed Five- Year CIP



Advanced Planning Program



Advanced Planning and Design

FEBRUARY 3, 2021 BUDGET WORKSHOP

Creation of the Advanced Planning and Design Program

The Big Ideas Capital Investment Plan changed the traditional project planning process

Increased public engagement led to adjustments in scopes and cost estimates

In FY 2020, the Advanced Planning and Design Program was established to return to project planning discipline

Advanced Planning Process

1. Projects proposed based on prioritization
2. City Council adopts projects with annual budget
3. Projects move through planning and early design with benchmarks to evaluate viability
4. Cost estimates determined around 30% design
5. Projects proposed for future funding and adopted by City Council

Costs incurred during Advanced Planning and Design are reimbursed by debt funding

Project Identification

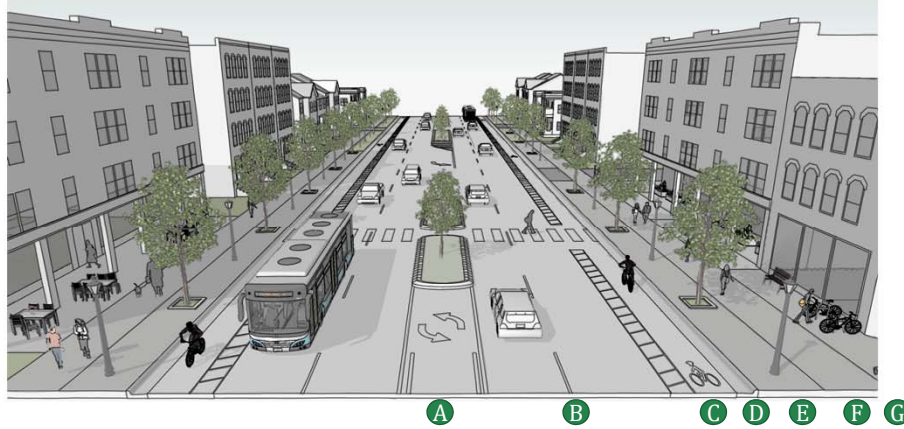
Policies and master plans are foundation of prioritization



Prioritization criteria

- *Safety*: Crashes per mile (High Injury Network)
- *Congestion*: Traffic delay during peak times
- *Connectivity*: Access to employment, transit, sidewalk and bike facilities
- *Leverage*: Public/private partnership opportunities

What Makes a Complete Street?



- A. Center Space
- B. Travel Lanes
- C. Bicycle Facilities
- D. Curb and Gutter – and sometimes Parking*

- E. Amenity Zone/Planting Strip
- F. Pedestrian Facilities
- G. Semi-Public Realm

Why Are Complete Streets Important?



- Safety for all users
- Equitable mobility options
- Livable neighborhoods
- Ongoing growth
- Economic development
- A high quality public realm

Rea Road - Before



Rea Road - After



Advanced Planning Transportation Projects Added in FY 2020

Roads

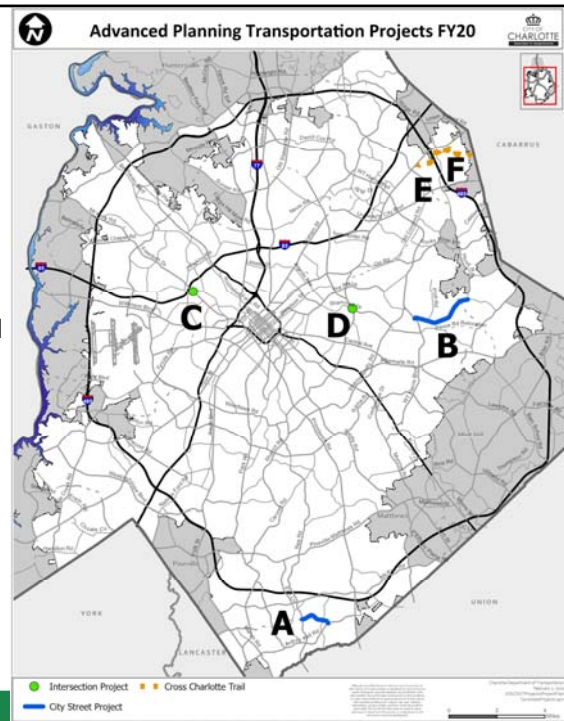
- A. Bryant Farms Road Extension (Rea Road to Ardrey Kell Road)
- B. Robinson Church Road (Harris Boulevard to Hood Road)

Intersections

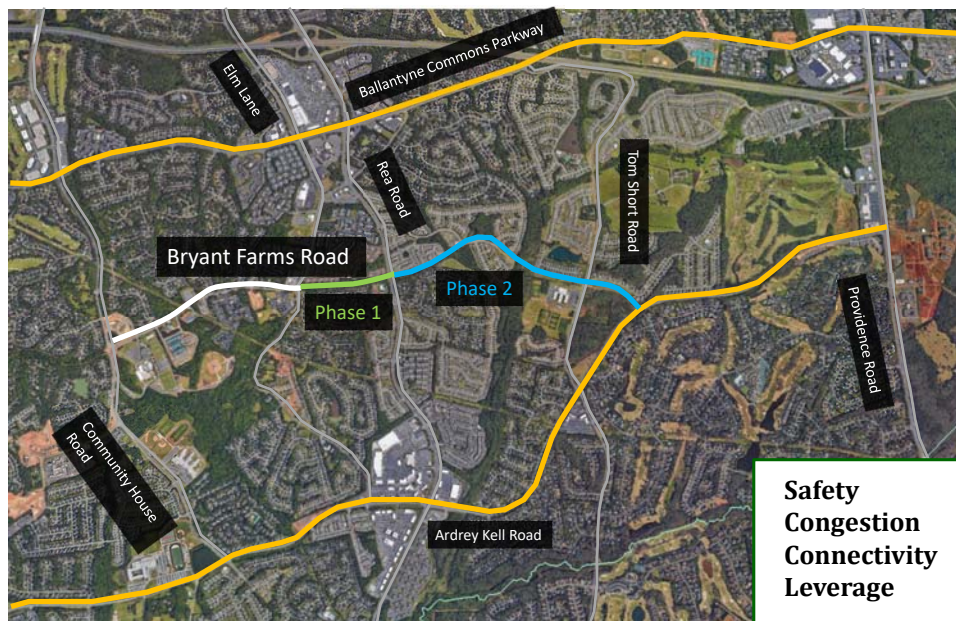
- C. Ashley Road/Tuckaseegee Road/Freedom Drive
- D. Eastway Drive/Shamrock Drive

Cross Charlotte Trail

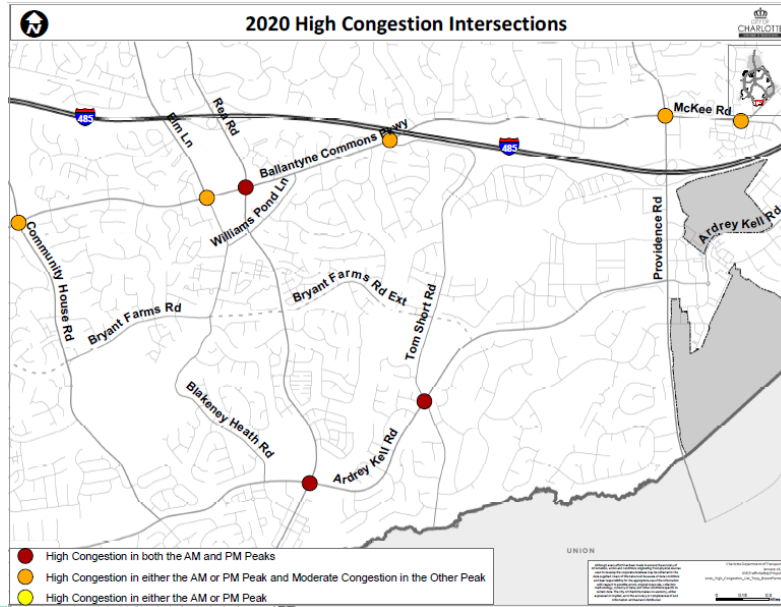
- E. Segment 10
- F. Segment 11



Bryant Farms Road Extension Phase 2



Bryant Farms Road Extension Phase 2



Bryant Farms Road Extension Phase 2

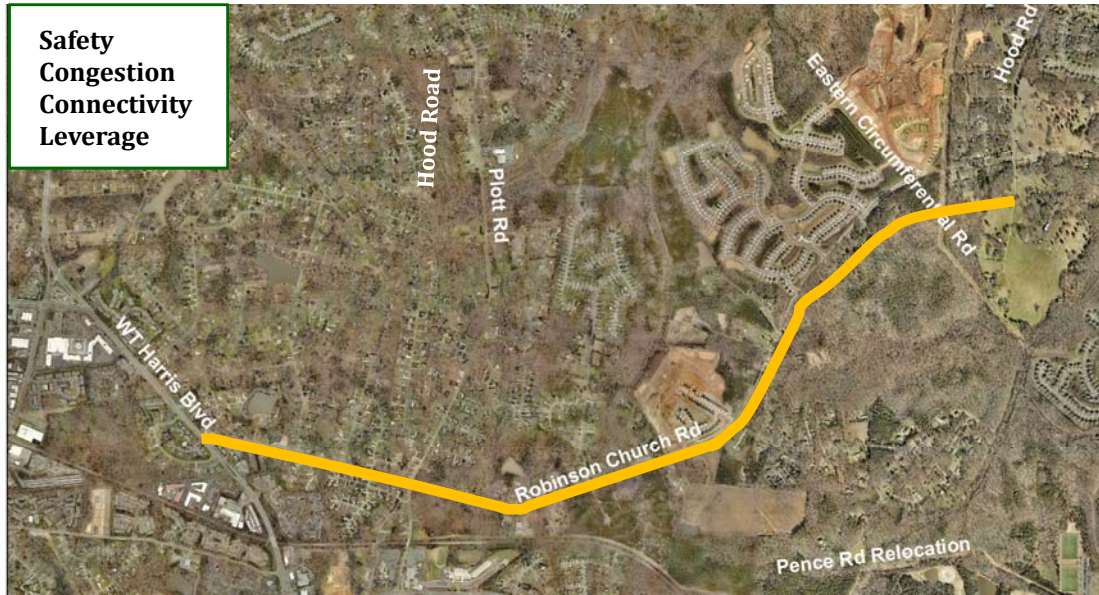


30% Design Estimate
September 2021

Current Cost Projection
\$65 - \$75 M

Robinson Church Road (Harris to Hood)

Safety
Congestion
Connectivity
Leverage



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12

Robinson Church Road (Harris to Hood)

January 2014 – November 2020

Crash Summary

| | |
|-----------------------|-----|
| Total: | 273 |
| Fatal: | 3 |
| Pedestrian Related: | 2 |
| Bicycle Involved: | 1 |
| Intersection Related: | 41% |



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13

Robinson Church Road (Harris to Hood)



30% Design Estimate
September 2021

Current Cost Projection
\$55 - \$65 M

Ashley Rd/Tuckaseegee Rd/Freedom Dr Intersection

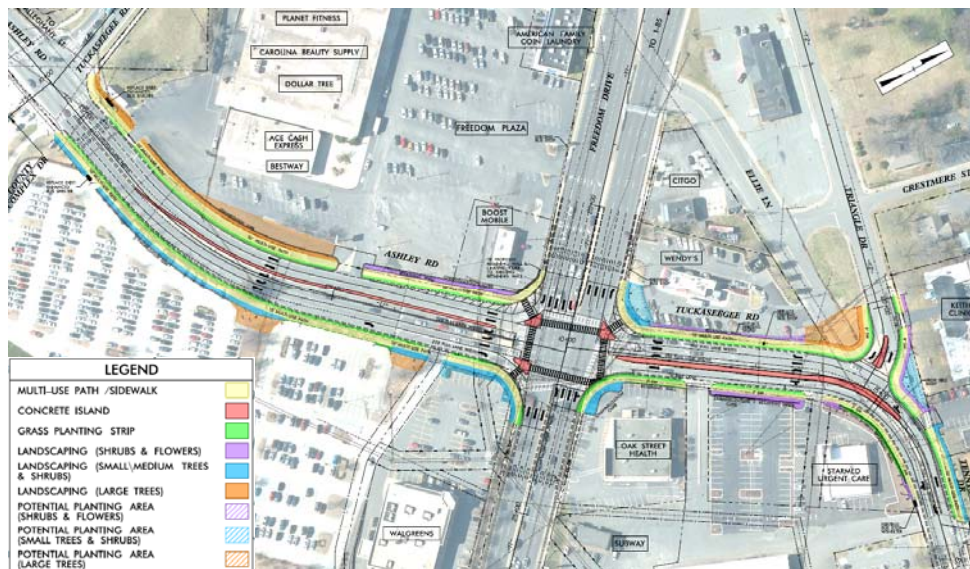


Ashley Rd/Tuckaseegee Rd/Freedom Dr Intersection



Tuckaseegee Rd/4th St
Bike Lanes Continue
to Uptown Charlotte
(Approx. 3.0 miles)

Ashley Rd/Tuckaseegee Rd/Freedom Dr Intersection



30% Design Estimate
December 2021

Current Cost Projection
\$13 - \$17 M

Eastway Dr / Shamrock Dr Intersection



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Eastway Dr / Shamrock Dr Intersection Leverages Other Projects

LYNX Blue Line

The Cross Charlotte Trail (XCLT)

The Plaza Street Conversion

Shamrock Drive Upgrades/Beckwith-Meadow SDIP

Matheson Avenue Streetscape

Matheson Avenue Street Conversion

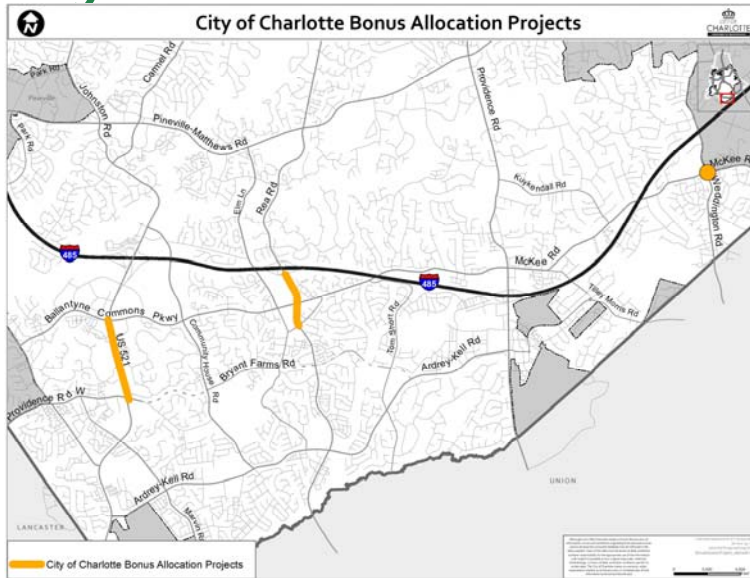
Eastway/Peace Pedestrian Beacon

Briar Creek Greenway



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City of Charlotte Bonus Allocation Projects



Rea Road widening – city led

US 521 widening – NCDOT led

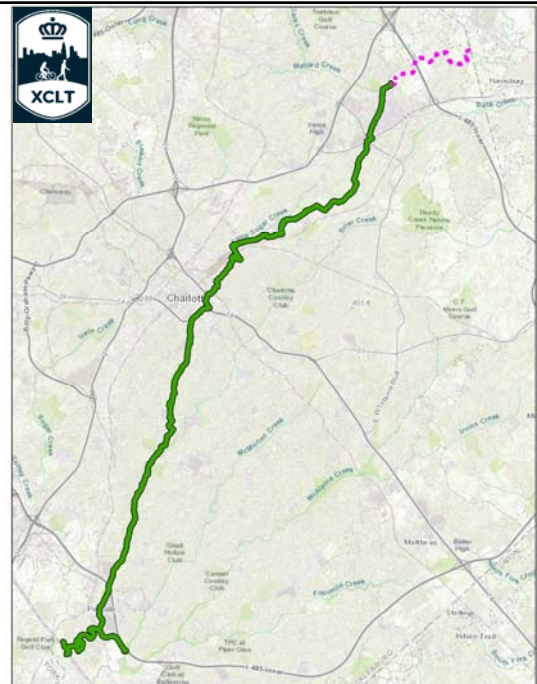
Weddington Road & McKee Road – NCDOT led

XCLT Overview

Fully funded Segments 1-9 in FY 20

By end of 2024/early 2025 will have over 22.5 miles of XCLT completed

FY 2020, Two northern segments were placed in the Advance Planning and Design Program



XCLT Segment 10



30% Design Estimate Completed

Current Cost Projection \$9.5 M

XCLT Segment 11 – Original Plan



Considerations

- Creates dead end
- Required bridges for stream crossings
- Requires boardwalks through wetlands
- Challenged by the WWTP outfall
- Topographically Challenged
- Connects 610 homes

XCLT Segment 11 – Recommended Alternative



30% Design Estimate
September 2021

Current Cost Projection
\$8 - \$11 M

Considerations

- Still allows for future connection to Carolina Thread Trail
- connects 605 homes

Summary of Bond Programs

Summary of Bond Programs

BUDGET WORKSHOP

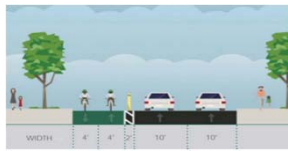
FEBRUARY 3, 2021

From January 2021 Annual Strategy Meeting

Sidewalk Program \$15 - \$30 M Bike Program and Vision Zero \$6 M



Traffic Control Devices \$4 - \$7 M



Bridge Repairs \$3 - \$4 M



Street Resurfacing \$8 M



Traffic Signal Coordination \$3 - \$4 M



Other Considerations

- Affordable Housing
- Advanced Planning and Design transportation projects
- Neighborhood projects (Corridors of Opportunity)
- Economic Development projects
- Americans with Disabilities Act (ADA) improvements

Purpose

- ◀ Provide information that will help inform discussions about future bonds
- ◀ Review traditional bond programs funded during the Big Ideas from 2014 through 2020
- ◀ Collect questions

Sidewalks and Pedestrian Safety

| Big Ideas Funding Summary | | | | |
|---------------------------|-----------|-----------|-----------|----------|
| 2014 Bond | 2016 Bond | 2018 Bond | 2020 Bond | Total |
| \$15.0 M | \$15.0 M | \$30.0 M | \$15.0 M | \$75.0 M |

- ◀ Aims to improve walkability and provide an experience that is safe, useful, and inviting
- ◀ Funding is used to:
 - Construct new sidewalks
 - Fill gaps in existing sidewalks
 - Provide safe crossings
- ◀ 713 Miles of thoroughfare sidewalks
- ◀ 367 Miles of thoroughfares without sidewalks
- ◀ Prioritized by Charlotte WALKS Plan



Transportation Safety

| Big Ideas Funding Summary | | | | |
|---------------------------|-----------|-----------|-----------|---------|
| 2014 Bond | 2016 Bond | 2018 Bond | 2020 Bond | Total |
| - | - | \$2.0 M | \$2.0 M | \$4.0 M |

- ◀ Supports Vision Zero philosophy by making the transportation system safer for all modes
- ◀ Funding is used to implement:
 - Traffic calming
 - Street lighting
 - Spot safety projects
- ◀ Prioritized using data, High Injury Network, Vision Zero Action Plan
- ◀ Supported by the Vision Zero Task Force



Bicycle Facilities

| Big Ideas Funding Summary | | | | |
|---------------------------|-----------|-----------|-----------|---------|
| 2014 Bond | 2016 Bond | 2018 Bond | 2020 Bond | Total |
| - | - | \$4.0 M | \$4.0 M | \$8.0 M |

- ◀ Funding supports the build-out of a bicycle network by connecting gaps between existing facilities
- ◀ Helps connect 201 miles of bikeways through:
 - Pavement markings
 - Wayfinding signage
 - Redesign of existing infrastructure
- ◀ Prioritized by Charlotte BIKES Plan
- ◀ Supported by the Bicycle Advisory Committee



Repair and Replace Bridges

| Big Ideas Funding Summary | | | | |
|---------------------------|-----------|-----------|-----------|----------|
| 2014 Bond | 2016 Bond | 2018 Bond | 2020 Bond | Total |
| \$4.0 M | \$3.0 M | \$3.0 M | \$4.0 M | \$14.0 M |

- ◀ Ensures all bridges are safe and well-maintained
- ◀ 218 Bridges
- ◀ Funding is used to:
 - Inspect bridges every two years
 - Complete required repairs
 - Replace bridges
- ◀ Federally-mandated work
- ◀ Prioritized by the state's inspection program



Traffic Control Devices

| Big Ideas Funding Summary | | | | |
|---------------------------|-----------|-----------|-----------|----------|
| 2014 Bond | 2016 Bond | 2018 Bond | 2020 Bond | Total |
| \$7.0 M | \$4.0 M | \$4.0 M | \$4.0 M | \$19.0 M |

- ◀ Ensures traffic control devices are performing properly
- ◀ Funding is used to:
 - Install, maintain, and replace 883 traffic signals
 - Install leading pedestrian intervals and Accessibility Pedestrian Signal devices
- ◀ Federally-mandated work
- ◀ Prioritized by age of equipment



Traffic Signal System Coordination

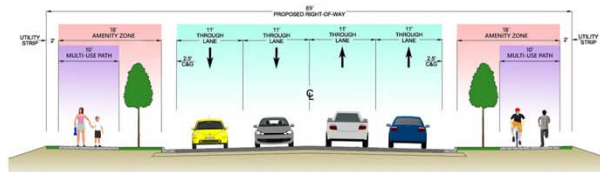
| Big Ideas Funding Summary | | | | |
|---------------------------|-----------|-----------|-----------|----------|
| 2014 Bond | 2016 Bond | 2018 Bond | 2020 Bond | Total |
| \$3.0 M | \$3.0 M | \$3.0 M | \$4.0 M | \$13.0 M |

- ◀ Maximizes the capacity of existing streets through a coordinated communications network
- ◀ Funding is used to install and maintain:
 - 330 miles of fiber-optic cable
 - 458 traffic management cameras
 - Traffic signal priority
- ◀ Prioritized by the Intelligent Transportation Systems Master Plan



Economic Development Initiatives

- ◀ Promote job creation by guiding redevelopment and supporting new development opportunities
- ◀ Funding is used to:
 - Construct improvements
 - Partner with private developers for infrastructure reimbursements
- ◀ Prioritized by planning documents and leverage opportunities



Program Additions in 2020 Bond

Congestion Mitigation

*\$7.6 Million
(+\$6.7 Million in PAYGO)*

- ◀ Improve traffic flow in targeted areas
- ◀ Small-scale, quick infrastructure projects
- ◀ Prioritized using intersection congestion data

Street Resurfacing

*\$8.0 Million
(+\$1.3 Million in PAYGO)*

- ◀ Repave city-maintained streets
- ◀ Prioritized by pavement condition rating and resurfacing cycle
- ◀ Ongoing program moved into CIP in 2020

Corridors of Opportunity

*\$14.5 Million
(+\$10.0 Million in PAYGO)*

- ◀ Builds capacity and capitalizes on momentum in targeted communities
- ◀ Connecting infrastructure gaps and creating mobility options
- ◀ Prioritized by corridor Playbooks

Programming a Bond

Transportation Programs

- Sidewalks
- Vision Zero
- Bike Facilities
- Bridges
- Traffic Signals

Economic Development Initiatives

Public/Private Opportunities

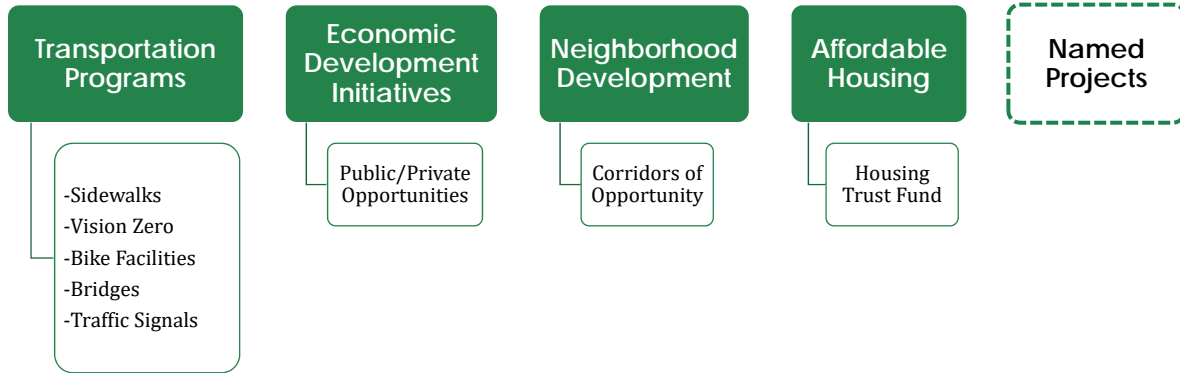
Neighborhood Development

Corridors of Opportunity

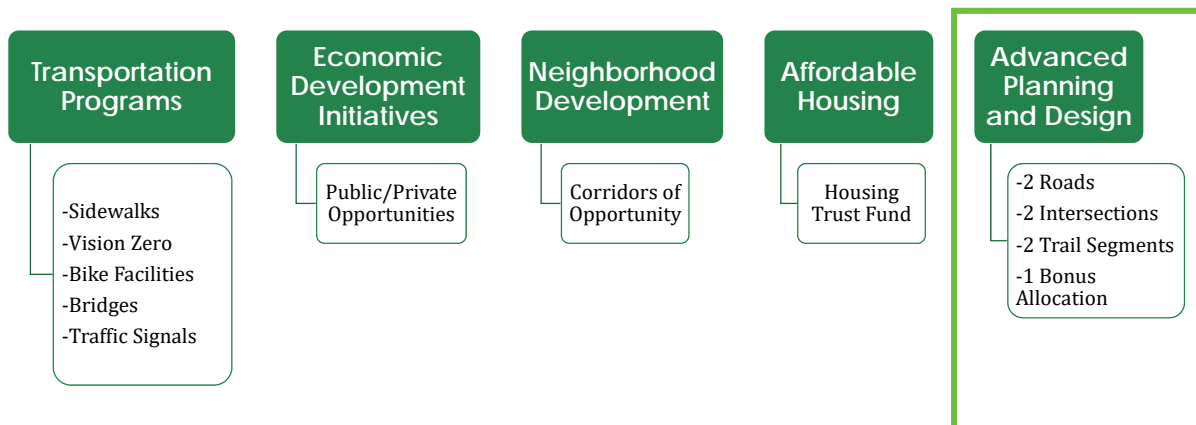
Affordable Housing

Housing Trust Fund

Programming a Bond



Programming a Bond



Questions?

Five-Year Capital Investment Plan Scenarios

Five-Year Capital Investment Plan (CIP) Scenarios

FEBRUARY 3, 2021 BUDGET WORKSHOP

What makes up the Steady State?

\$28 Million COPs

Other Debt
(Certificates of
Participation)

Example:
New Facilities

\$198 Million General Obligation Bonds

Affordable
Housing
Bonds

Example:
Housing Trust
Fund

Neighborhood
Bonds

Example:
Corridors of
Opportunity

Transportation
Bonds

Examples:
-Sidewalks
-Bike Facilities
-Traffic Signals

Advanced
Planning
Program

Other Debt: Certificates of Participation (COPs)

Existing Facility Projects

Government Center HVAC
Building improvements/renovations
Sustainability Improvements

New Facilities/Infrastructure

Hidden Valley Fire Station
Vehicle charging infrastructure

Future Needs for COPs Funding

Americans with Disabilities Act (ADA) Consultant Report
☐ Presentation planned for March Budget Workshop
 Future Police and Fire Stations

Opportunity to Pivot on Two COPs Projects

Innovation & Technology Relocation

Building on 5516 Central Avenue purchased in 2018

Shifting situation allows for I&T to remain in Government Center

- CARES Act Infrastructure Funding
- Work-from-Home Philosophy

\$4.8 million in appropriation available

Joint Communication Center (JCC)

17.25 acres adjacent to Fire Headquarters

Project has been on hold and under review

- Only land acquisition and planning have occurred

Short-term needs can be met in existing facilities

\$71.8 million in appropriation available

Opportunity for \$15 million increase to Steady State

Three Five-Year Bond Scenarios

| Scenario A | Scenario B | Scenario C |
|--|---|---|
| No Road or Intersection Projects from Advance Planning Program | One Road and One Intersection Project from Advance Planning Program | Two Roads and Two Intersection Projects from Advance Planning Program |

How would each scenario impact available bond dollars for other CIP Projects and Programs?

\$198 Million Per-Bond Capacity

Scenario A:

No Roads or Intersection Projects in 5-Year CIP

| Project Description | 2022 Bond (millions) | 2024 Bond (millions) |
|--|----------------------|----------------------|
| Traffic Devices 🔒 | 4 | 4 |
| Traffic Signal Coordination 🔒 | 4 | 4 |
| Bridge Program 🔒 | 4 | 4 |
| Northeastern Corridor Initiative 🔒 | 6 | 0 |
| Ballantyne Reimagined 🔒 | 8.75 | 8.75 |
| Street Resurfacing 🔒 | 8 | 8 |
| Sidewalk Program 🔒 | 18 | 18 |
| Bike Program 🔒 | 4 | 4 |
| Vision Zero 🔒 | 2 | 2 |
| Sub-Total | 58.75 | 52.75 |
| No Advanced Planning Road Projects | 0 | 0 |
| No Advanced Planning Intersection Projects | 0 | 0 |
| Sub-Total Including Roads and Intersections | 58.75 | 52.75 |
| Affordable Housing | 50 | 50 |
| Corridors of Opportunity- Transportation | 14.5 | 14.5 |
| Congestion Mitigation | 7.6 | 7.6 |
| Public Private Partnerships/ED | 15 | 15 |
| Scenario A Total | 145.85 | 139.85 |
| Remaining Capacity In Steady State | 52.15 | 58.15 |

| \$198 Million Per-Bond Capacity Scenario B: One Road and One Intersection Project in 5-Year CIP | Project Description | 2022 Bond (millions) | 2024 Bond (millions) |
|--|--|----------------------|----------------------|
| | Traffic Devices 🔒 | 4 | 4 |
| | Traffic Signal Coordination 🔒 | 4 | 4 |
| | Bridge Program 🔒 | 4 | 4 |
| | Northeastern Corridor Initiative 🔒 | 6 | 0 |
| | Ballantyne Reimagined 🔒 | 8.75 | 8.75 |
| | Street Resurfacing 🔒 | 8 | 8 |
| | Sidewalk Program 🔒 | 18 | 18 |
| | Bike Program 🔒 | 4 | 4 |
| | Vision Zero 🔒 | 2 | 2 |
| | Sub-Total | 58.75 | 52.75 |
| | One Advanced Planning Road Project | 35 | 35 |
| | One Advanced Planning Intersection Project | 12 | 12 |
| | Sub-Total Including Roads and Intersections | 105.75 | 99.75 |
| | Affordable Housing | 50 | 50 |
| | Corridors of Opportunity- Transportation | 14.5 | 14.5 |
| | Congestion Mitigation | 7.6 | 7.6 |
| | Public Private Partnerships/ED | 15 | 15 |
| | Scenario B Total | 192.85 | 186.85 |
| | Remaining Capacity In Steady State | 5.15 | 11.15 |

| \$198 Million Per-Bond Capacity Scenario C: Two Road and Two Intersection Projects in 5-Year CIP | Project Description | 2022 Bond (millions) | 2024 Bond (millions) |
|---|--|----------------------|----------------------|
| | Traffic Devices 🔒 | 4 | 4 |
| | Traffic Signal Coordination 🔒 | 4 | 4 |
| | Bridge Program 🔒 | 4 | 4 |
| | Northeastern Corridor Initiative 🔒 | 6 | 0 |
| | Ballantyne Reimagined 🔒 | 8.75 | 8.75 |
| | Street Resurfacing 🔒 | 8 | 8 |
| | Sidewalk Program 🔒 | 18 | 18 |
| | Bike Program 🔒 | 4 | 4 |
| | Vision Zero 🔒 | 2 | 2 |
| | Sub-Total | 58.75 | 52.75 |
| | Two Advanced Planning Road Projects | 70 | 70 |
| | Two Advanced Planning Intersection Projects | 24 | 24 |
| | Sub-Total Including Roads and Intersections | 152.75 | 146.75 |
| | Affordable Housing | 50 | 50 |
| | Corridors of Opportunity- Transportation | 14.5 | 14.5 |
| | Congestion Mitigation | 7.6 | 7.6 |
| | Public Private Partnerships/ED | 15 | 15 |
| | Scenario C Total | 239.85 | 233.85 |
| | Remaining Capacity In Steady State | (41.85) | (35.85) |

Discussion/Questions on City Council Priorities for Proposed Five-Year CIP