



# 2023 Revaluation Update

**Mecklenburg County Assessor's Office**

K E N   J O Y N E R   A S S E S S O R



# Mecklenburg Behind The Numbers

- 400,477 Parcels in Mecklenburg County
- Median Sales Price:  
\$ 434,140
- Median Sales Ratio 95.2%





# HOW MUCH CHANGE? COUNTY



**51% Total Increase**

**58% Residential  
Average Increase**

**41% Commercial  
Average Increase**



# CITY CHANGE

**51% Total Increase**

**58% Residential  
Average Increase**

**42% Commercial  
Average Increase**

**CITY OF CHARLOTTE**  
**2023**

	FY23 Projected	FY23 Actuals
Real Property	\$ 131,438,760,882	\$ 131,553,322,294
Personal Property	\$ 11,538,302,324	\$ 11,930,330,237
Vehicles	\$ 8,958,000,333	\$ 9,345,592,125
State Certifications	\$ 3,243,688,254	\$ 3,298,274,382
Total	\$ 155,178,751,793	\$ 156,127,519,038

# CITY OF CHARLOTTE

## 2024 Projected

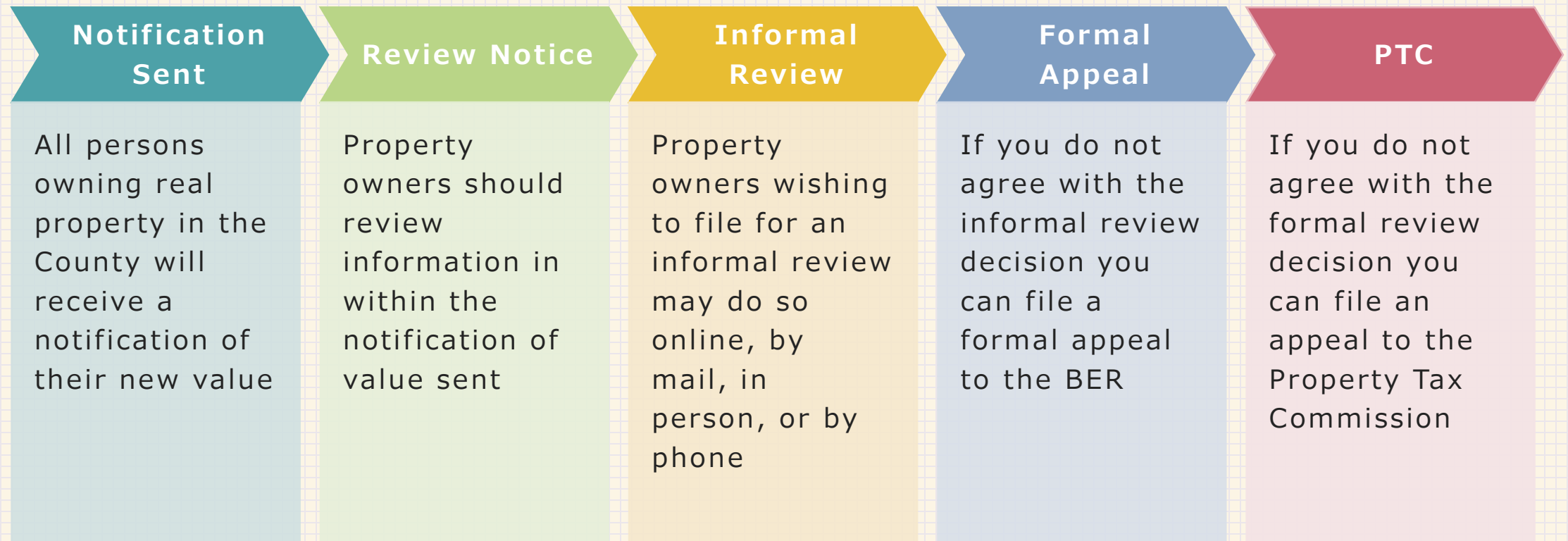
FY24 Projected	With 3% Appeal loss	With 3.6% Appeal Loss	With 4% Appeal Loss
\$ 197,855,296,062	\$ 191,919,637,180	\$ 190,732,505,404	\$ 189,941,084,220
\$ 12,069,386,106	\$ 12,069,386,106	\$ 12,069,386,106	\$ 12,069,386,106
\$ 9,719,415,810	\$ 9,719,415,810	\$ 9,719,415,810	\$ 9,719,415,810
\$ 3,298,274,382	\$ 3,298,274,382	\$ 3,298,274,382	\$ 3,298,274,382
\$ 222,942,372,360	<b>\$ 217,006,713,478</b>	<b>\$ 215,819,581,702</b>	<b>\$ 215,028,160,518</b>

# Notification Review And Appeal Process

**2023 Revaluation**



# What Does The Process Look Like?





# 2023 REVALUATION UPDATE

*"We Value Mecklenburg County"*

- \* **Nov. 2021-March 2023**      **Community Engagement**
- \* **February-December 2022** **Citizens Review Committee**
- \* **Dec. 22-Feb 23**      **CAO Value Finalization**
- \* **March 2023**      **Notices of Value Mailing to Property Owners**
- \* **March 2023**      **Informal Appeals Period Begins**
- \* **April 2023**      **Board of Equalization and Review Convenes**
- \* **June 2023**      **BER Appeal Period Ends**
- \* **July 2023**      **FY24 - Tax Bill Mailing to Property Owners**





# Thank you

REVAL.MECKNC.GOV

# Revaluation Impacts and Staying in Place Strategies

**BUDGET WORKSHOP**

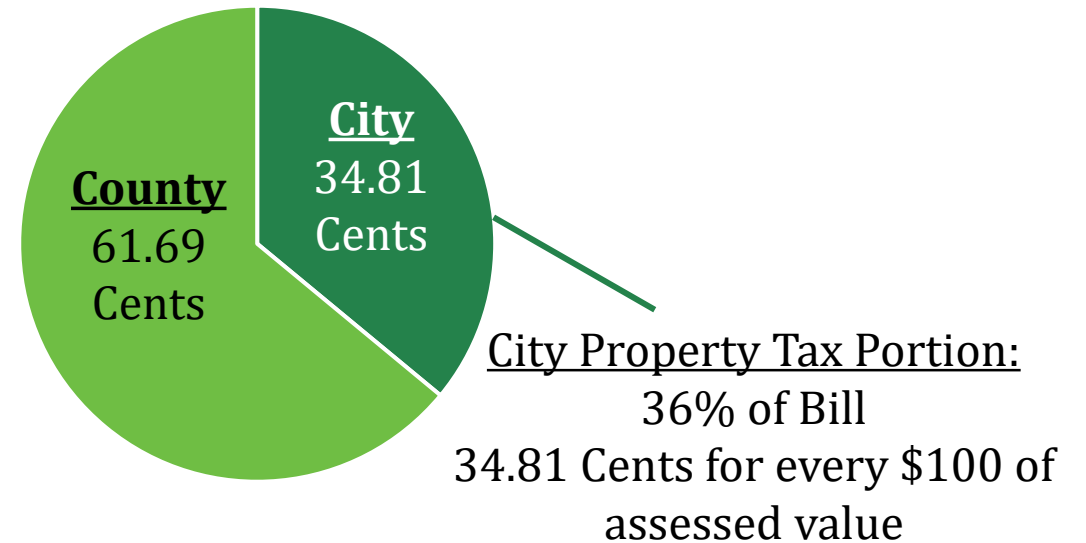
APRIL 6, 2023



# The Impacts of Revaluation on Property Taxes

- Revaluation is a state-mandated county action. Subsequent to the action, the city must publish a revenue neutral tax rate.
- A revenue neutral tax rate has the effect of redistributing the same tax levy based on updated values.
- Revaluation is not advantageous for the city's budget. It is not a tax increase and does not provide any additional revenue beyond a typical year.

Charlotte Resident's Property Taxes








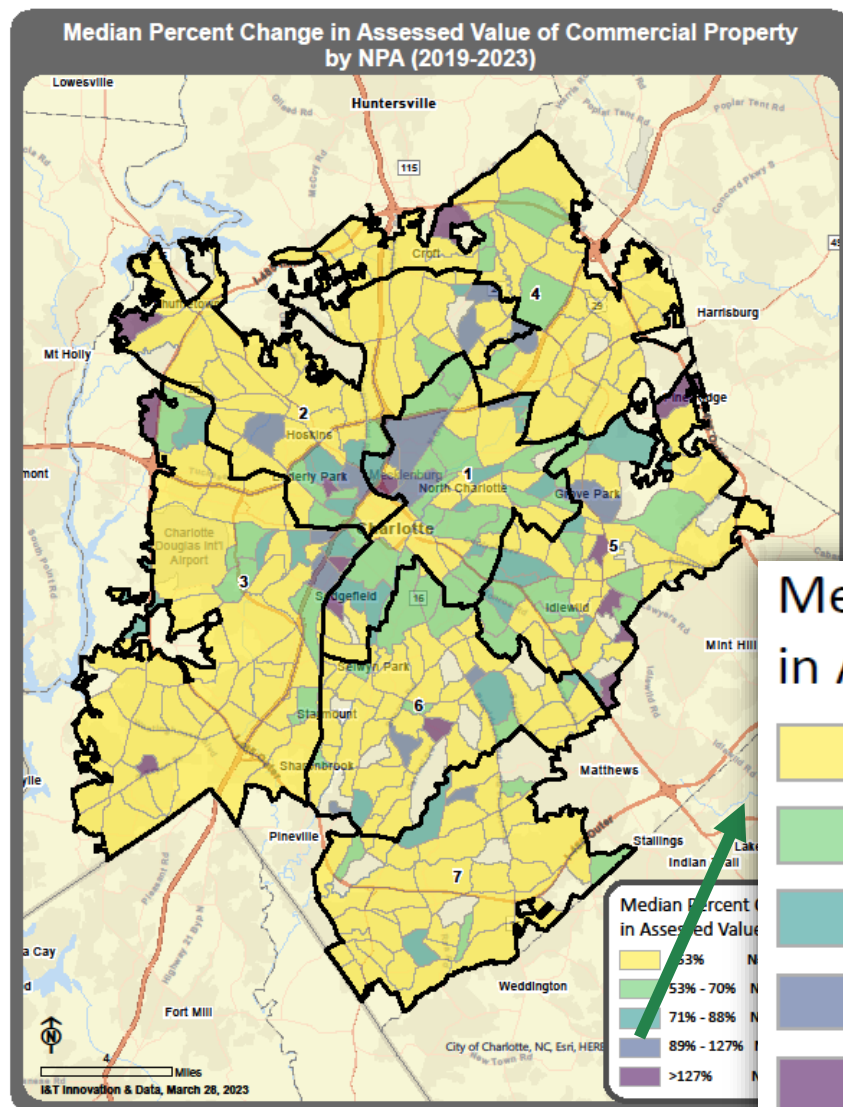
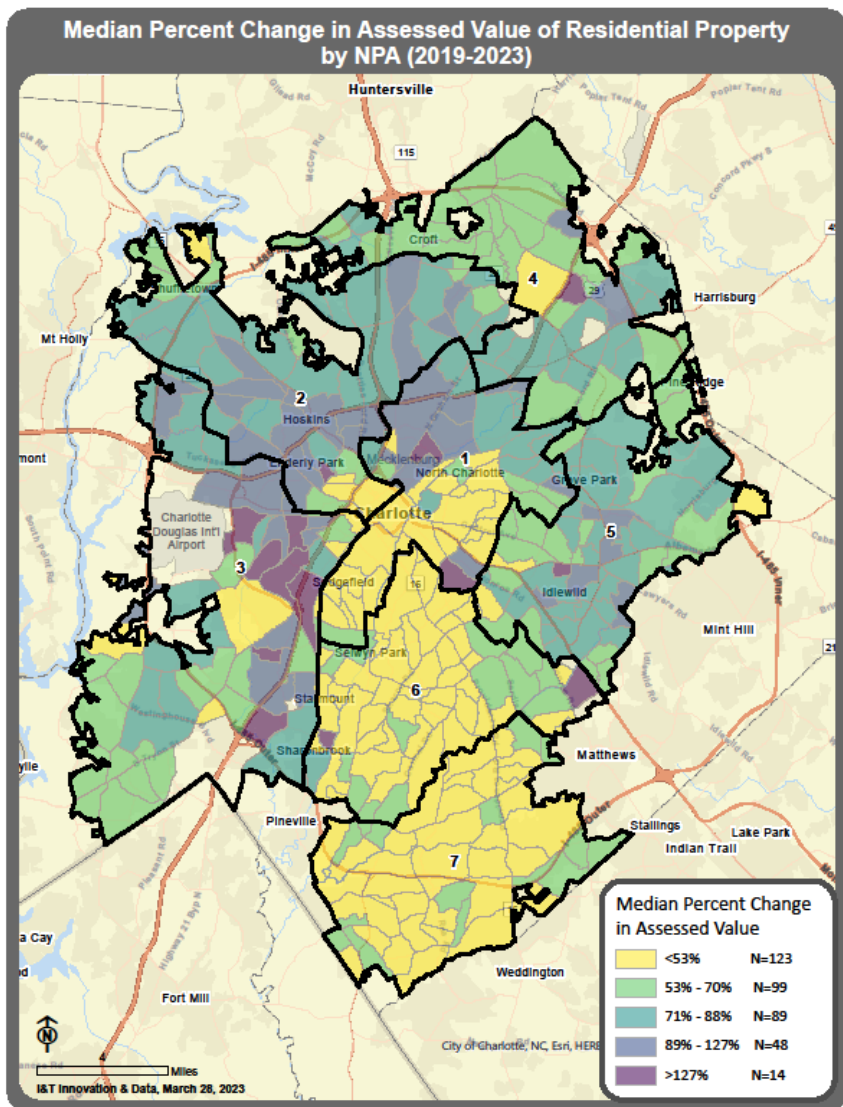
# How a Revenue Neutral Tax Rate is Calculated

<b>Current Year Projected Property Tax Levy</b>		<b>Assessed Value After Revaluation (including projected appeals rate)</b>		<b>2.95% Average Annual Growth Rate Since Last Revaluation</b>		<b>Example Revenue Neutral Tax Rate</b>
<b>\$543.5 M</b>	<b>÷</b>	<b>\$214.8 B</b>	<b>×</b>	<b>1.0295</b>	<b>=</b>	<b>26.05¢</b>
What Property Tax Revenue we can Generate at our Current Rate		Value of land in Charlotte after recent assessment		Typical annual growth from new properties/buildings		Tax rate needed to support the same revenue as if there wasn't a revaluation

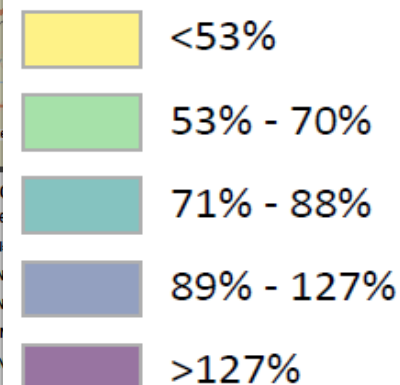
# Examples of Annual Impacts on City Tax Bill

	Current City Tax Rate at Previous Value 34.81¢	Current City Tax Rate at New Value 34.81¢	Revenue Neutral Tax Rate at New Value 26.05¢	Each Additional Cent Above Revenue Neutral
 Was: \$218,700 Now: \$349,800 % Growth: 60%	\$761	\$1,218 +\$457	\$911 +\$150	+\$35
 Was: \$135,900 Now: \$271,700 % Growth: 100%	\$473	\$946 +\$473	\$708 +\$235	+\$27
 Was: \$886,600 Now: \$1,069,300 % Growth: 20%	\$3,086	\$3,722 +\$636	\$2,786 (\$300)	+\$107

# Median Percent Change - Commercial & Residential



## Median Percent Change in Assessed Value



# Value Change Details by Council District

District Map

Explore Online

<https://arcg.is/1La48a0>

Neighborhood Info		Revaluation Info		Population & Housing Info			
NPA	Number of Parcels	Median % Change in Assessed Value	Median \$ Change in Assessed Value	Poverty	Seniors	Rental Houses	Rental Costs
386	901	53%	\$207,900	15%	10%	43%	\$1,283
22	420	52%	\$130,100	6%	5%	42%	\$1,338
87	380	49%	\$137,300	21%			
126	355	48%	\$160,500	35%			
2	683	47%	\$102,800	18%			
24	319	47%	\$160,700	6%			
315	324	47%	\$175,050	3%			

Neighborhood-level  
Detail

Neighborhood Profile Area: 314

Number of parcels: 415  
Median Value Changes: \$121,700  
Median Percent Changes: 44%  
Poverty: 29%  
Seniors: 2%  
Rental Houses: 26%  
Rental Costs: \$961

Visit the [Quality of Life Explorer](#) for more information about this neighborhood

Find parcel-specific information at [Mecklenburg County - Property Record Card Property Search \(spatialst.com\)](#)

Zoom to



# Snapshot of Anti-Displacement Efforts

## Current/Ongoing

1. NOAH investments
2. Emergency repair and home rehab
3. House Charlotte down payment assistance
4. Staying in Place pilot program
5. Large-scale displacement event protocol

## Under Evaluation

1. Property tax assistance grant
2. Expand the Acquire, Rehab, Resell program
3. Auxiliary Dwelling Unit (ADU) pilot program
4. Wrap-around services in city-supported housing
5. Sustainable emergency rental assistance program

## Upcoming Efforts

1. HTF tune-up (e.g., land acquisition)
2. UDO affordable housing bonuses/allowances
3. HIRE Charlotte framework to create/fill good paying jobs
4. NEST recommendations and anti-displacement strategy

# Primary Existing Tax Relief Programs

- State-Authorized Programs
- 5,774 approved FY2023 applications across all three programs in city limits

## Elderly Homestead Exemption

- Reduces taxable value by greater of \$25,000 or 50%
- 65 years and older or totally disabled
- Income limit of \$33,800

## Circuit Breaker Deferral

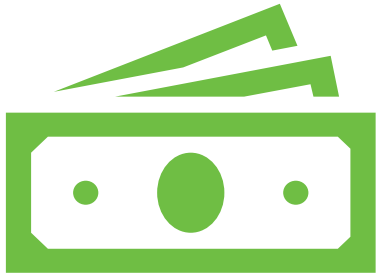
- Caps property taxes at 4 or 5% of income and defers payment of remaining balance
- 65 years and older or totally disabled
- Income limit of \$50,700

## Disabled Veteran Exemption

- Reduces taxable value of home by \$45,000
- No age or income limit

*Program eligibility determined by the State*

# Potential to Model Tax Assistance Program After Mecklenburg County HOMES Program

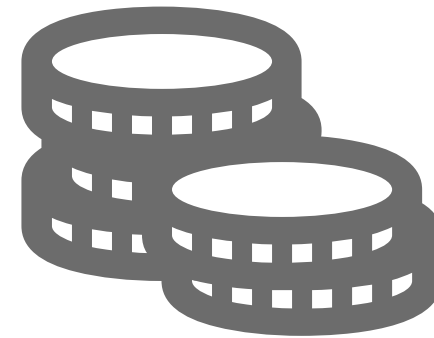


**Provides tax assistance up to 25% of County tax bill**

Capped at 25% of median home tax bill



**For owners in their home at least 3 years and earning less than 80% Area Median Income**



**Reduces bill rather than providing reimbursement**

# ARPA Status: Housing & Anti-Displacement

- In 2021/2022, Council earmarked **\$47 million** of ARPA funds for affordable housing initiatives that support strategic partnerships, reduce displacement risk, and advance staying in place
  - Over the past year, Council has approved approximately **\$24 million** of housing-related ARPA expenditures, with RCAs planned in April for an additional **\$2.5 million**
  - The remaining housing-related ARPA balance of approximately **\$20 million** of funds is available to support a range of Council priorities, such as:
    - *Large NOAH projects*
    - *NEST Commission recommendations*
    - *A Home for All Recommendations*





# Questions

# FY 2024 Preliminary Operating Budget & FY 2024 – FY 2028 Capital Improvement Plan

Presentation to City Council

April 6, 2023

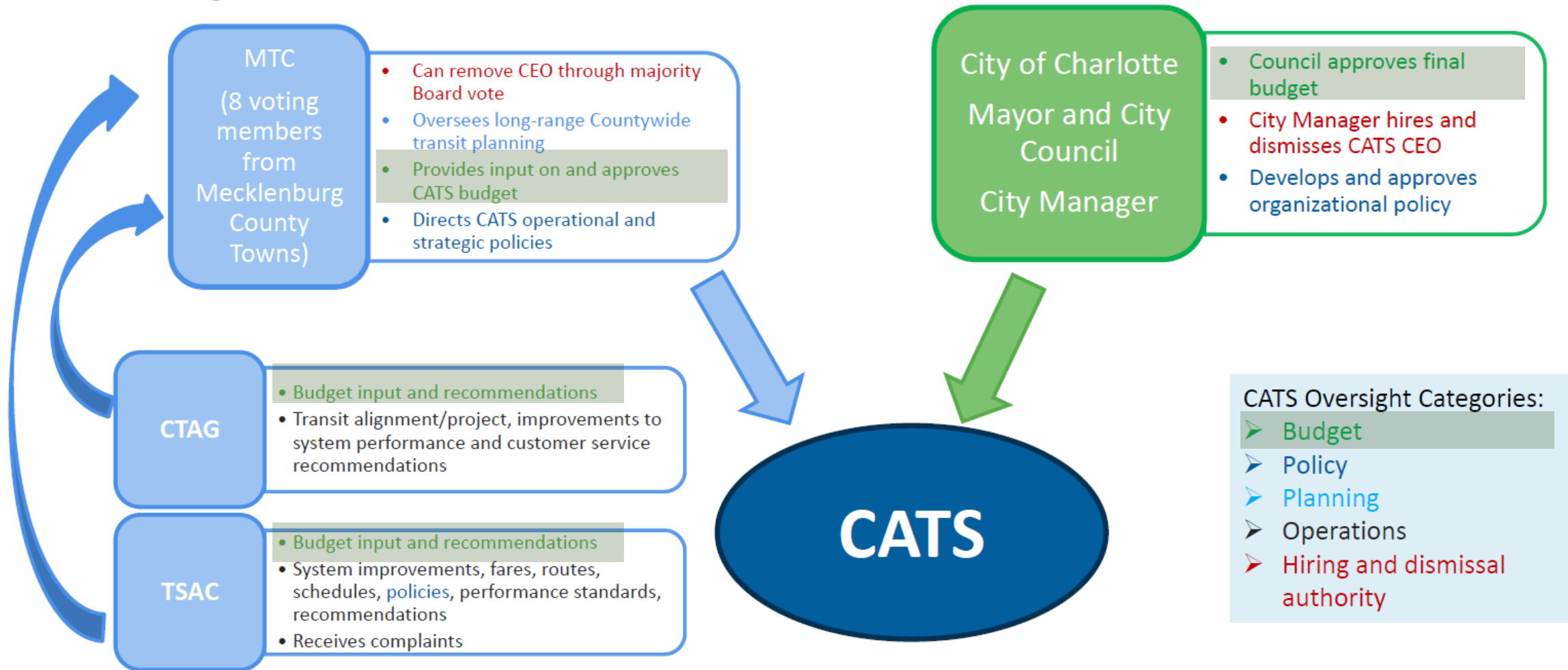


# Discussion

- ▶ Budget Process
- ▶ CEO Focus Areas
- ▶ Operating Budget
- ▶ Debt Service Budget
- ▶ Capital Investment Program



# Budget Review & Approval Process



Source: Management Partners CATS Management Roadmap



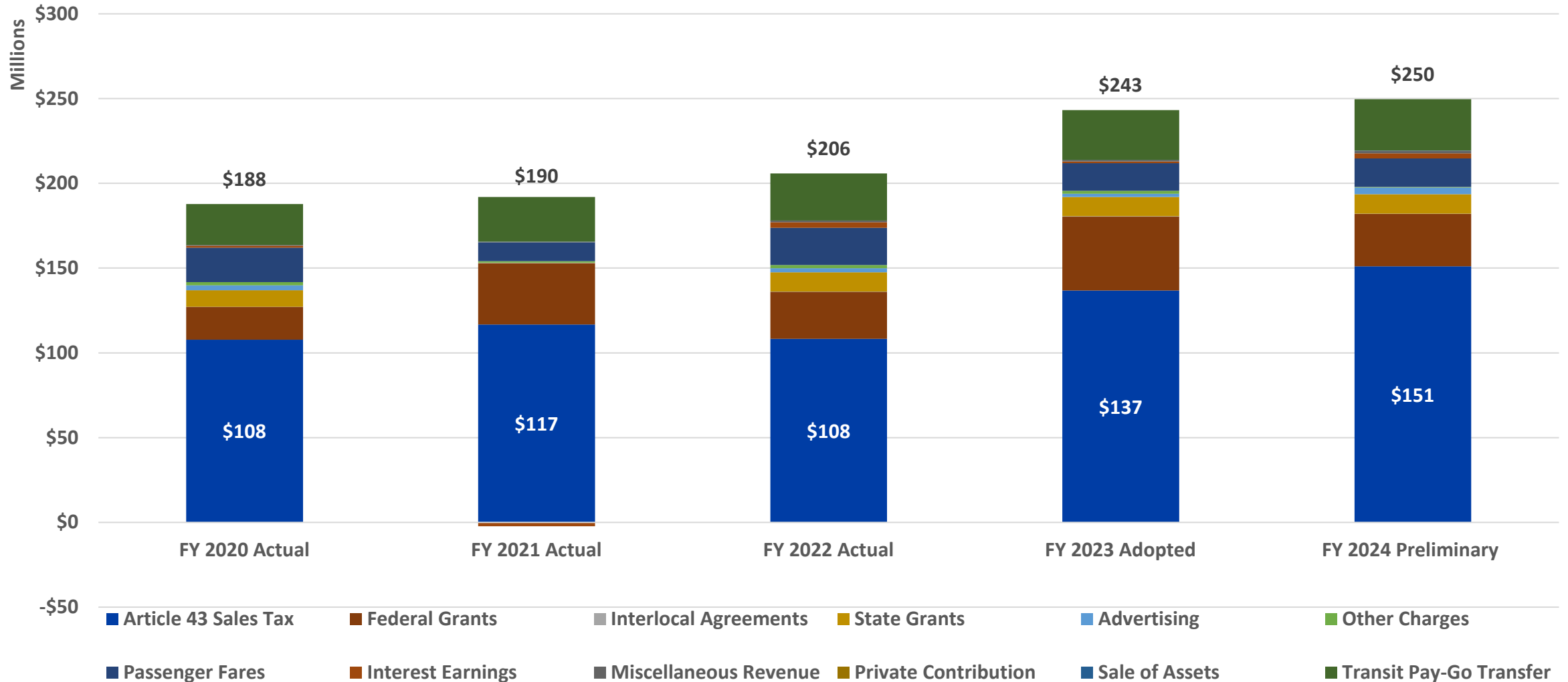
# CEO Focus Areas

- ▶ Balanced Budget
- ▶ Safety and Security
- ▶ Valuing Employees
- ▶ Maintenance & Asset Preservation

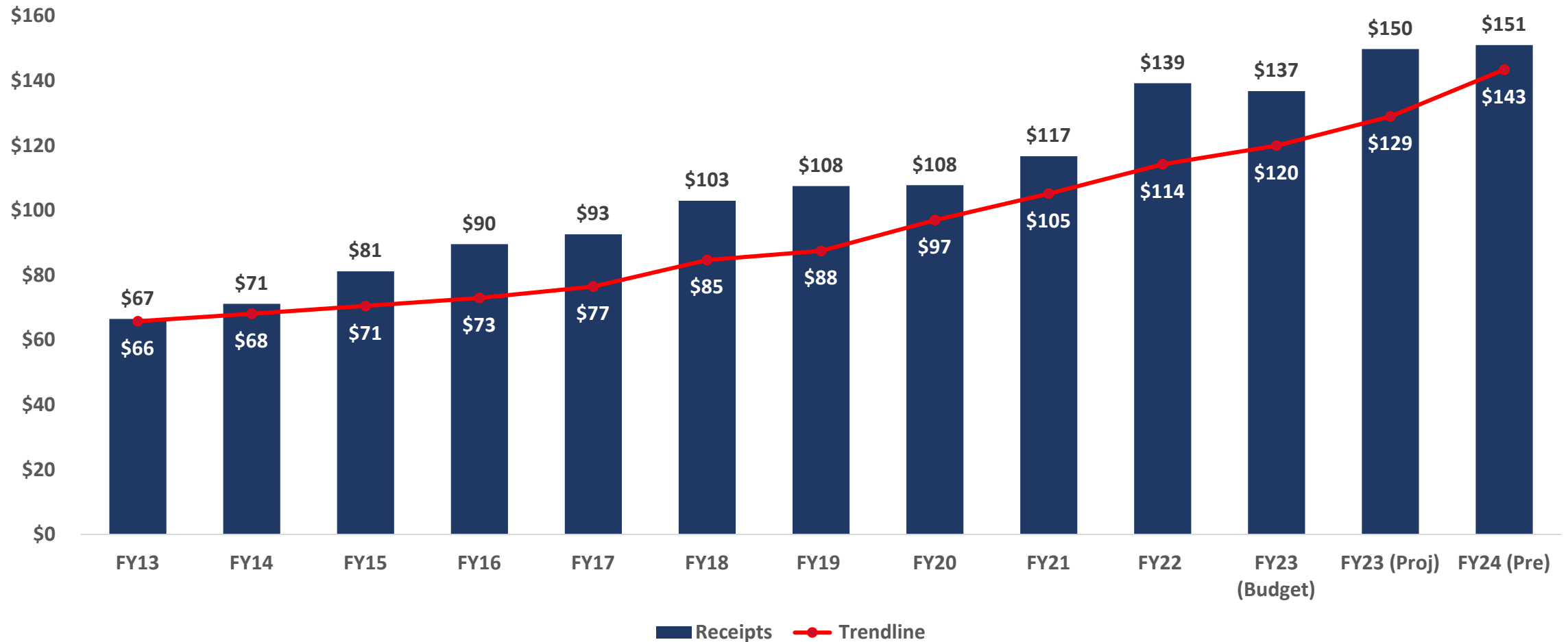


# Preliminary Operating & Debt Service

# Preliminary Operating Revenues

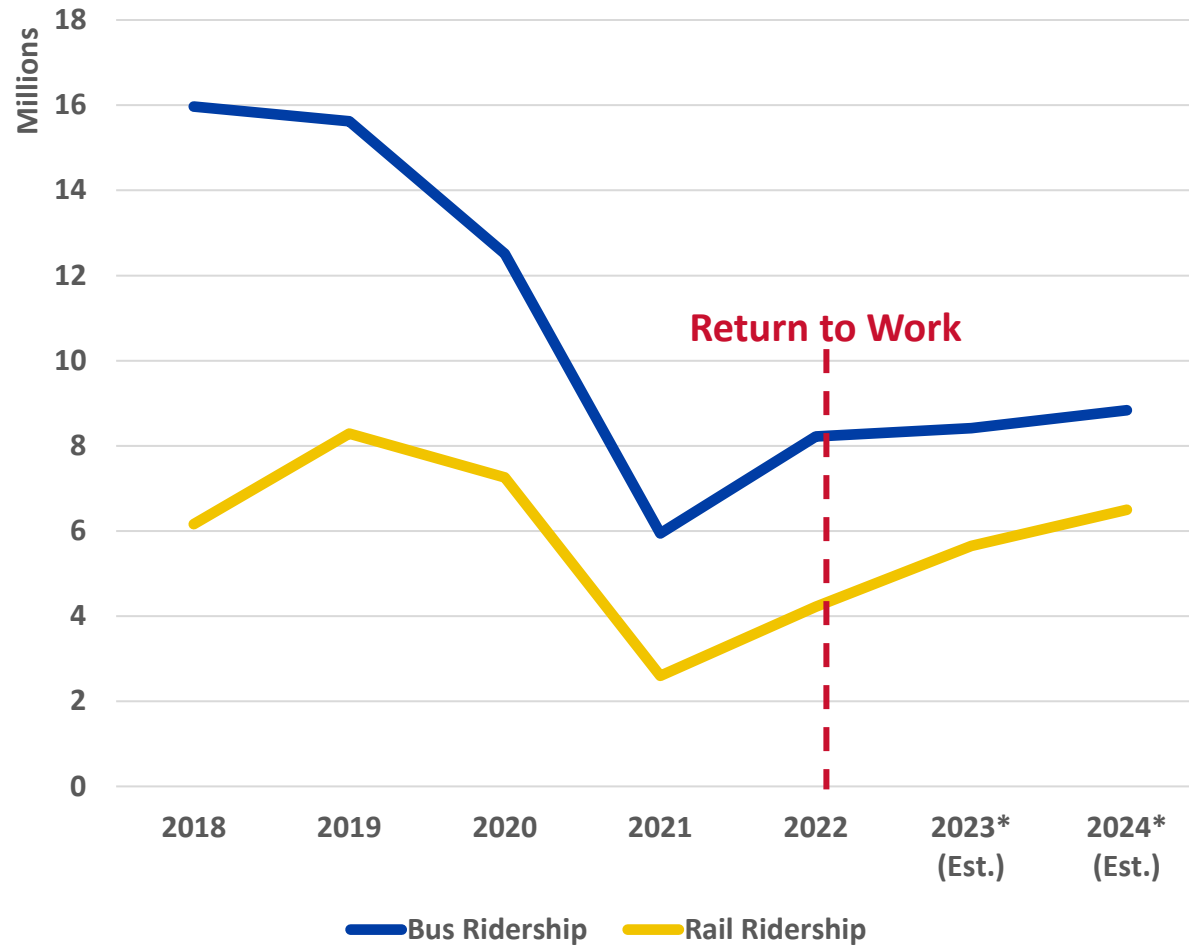


# 1/2% Sales Tax FY 2013 – FY 2024





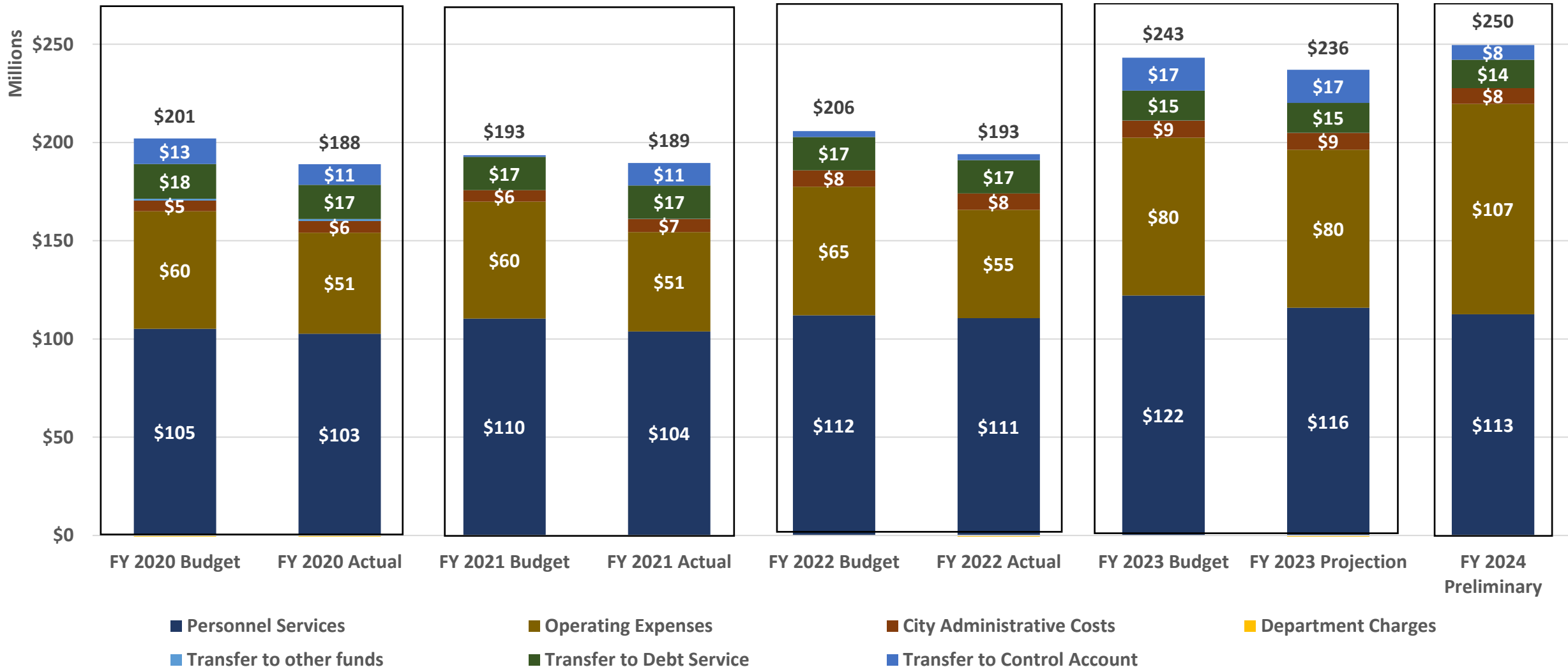
# Ridership Trends



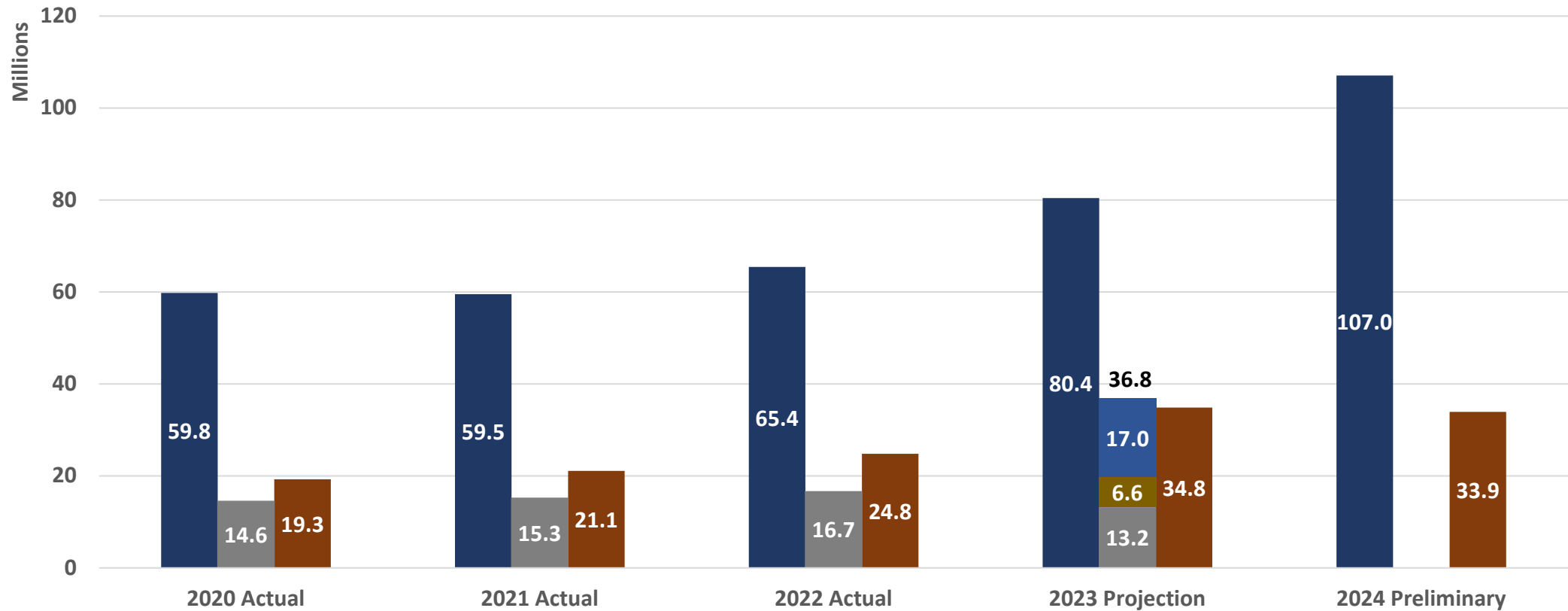
- ▶ Based on current trends:
  - Nationally ridership recovery was initially faster than CATS
  - Since widespread return to work in Spring of 2022, ridership has steadily increased
  - Ridership is estimated to continue a positive trend into FY24

Source: 2018-2022 National Transit Database Report

# Preliminary Operating Expenses



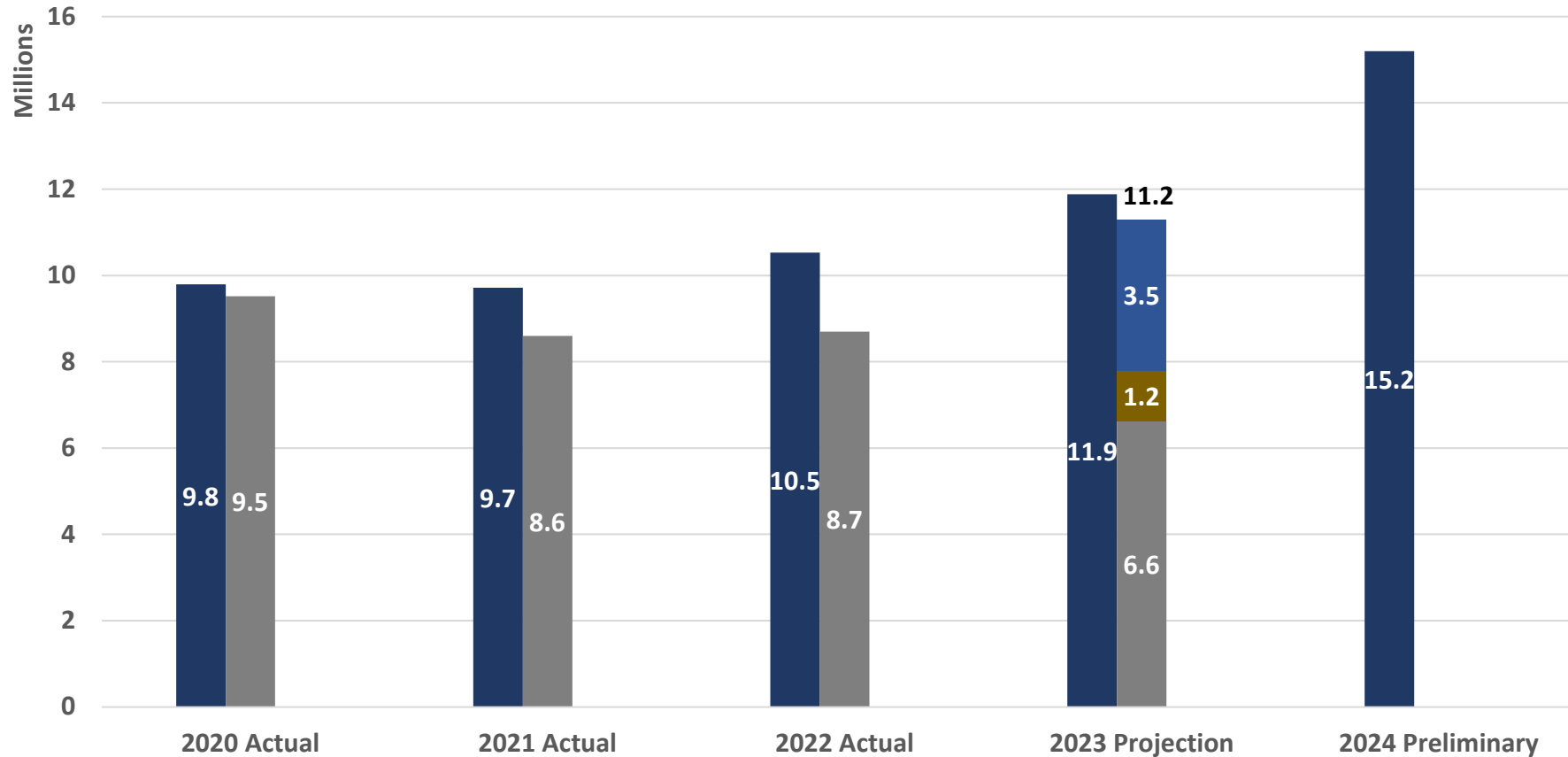
# Operating Maintenance Analysis



Source: Departmentwide maintenance object codes.  
FY 2024 excludes \$35 million transferred in the CIP

■ Op. Budget ■ Maint Budget ■ Maint Actual ■ Encumbrance ■ Procurement Underway

# Operating Safety & Security Analysis



Source: Section 4170 Personal Services and Operating Expenses

■ S&S Budget ■ S&S Actual ■ Encumbrance ■ Projected Expenditures



# Enhancements

## ► Safety and Security

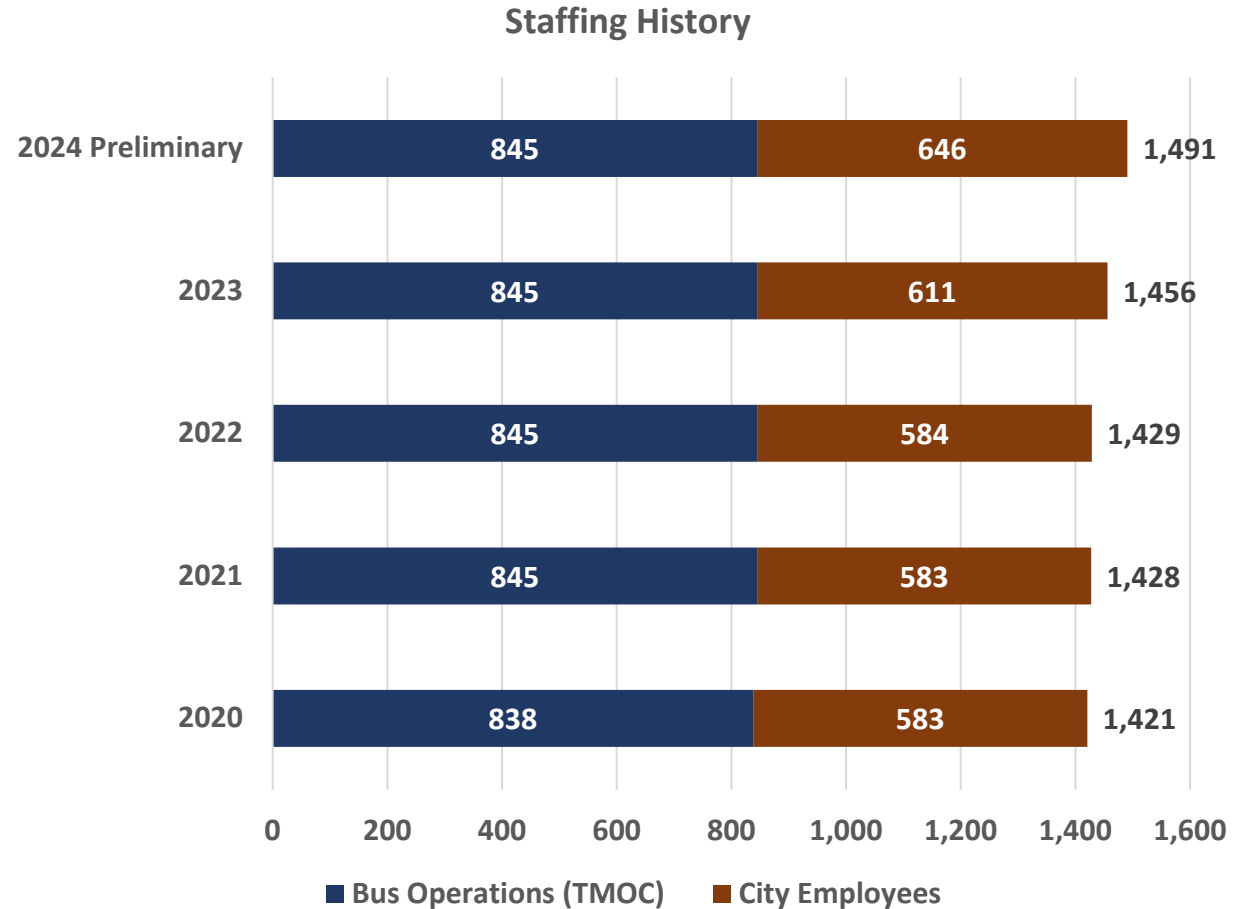
- Funding for expanded security contract
- Funding for operators and employee training
- Expand the transit ambassador program

## ► Valuing Employees

- eServe Academy – 4 program staff plus funding for 14 apprentices and 10 interns
- Rate & Compensation Study
- Right sizing workforce based on operational tempo and current needs – 30 FTEs

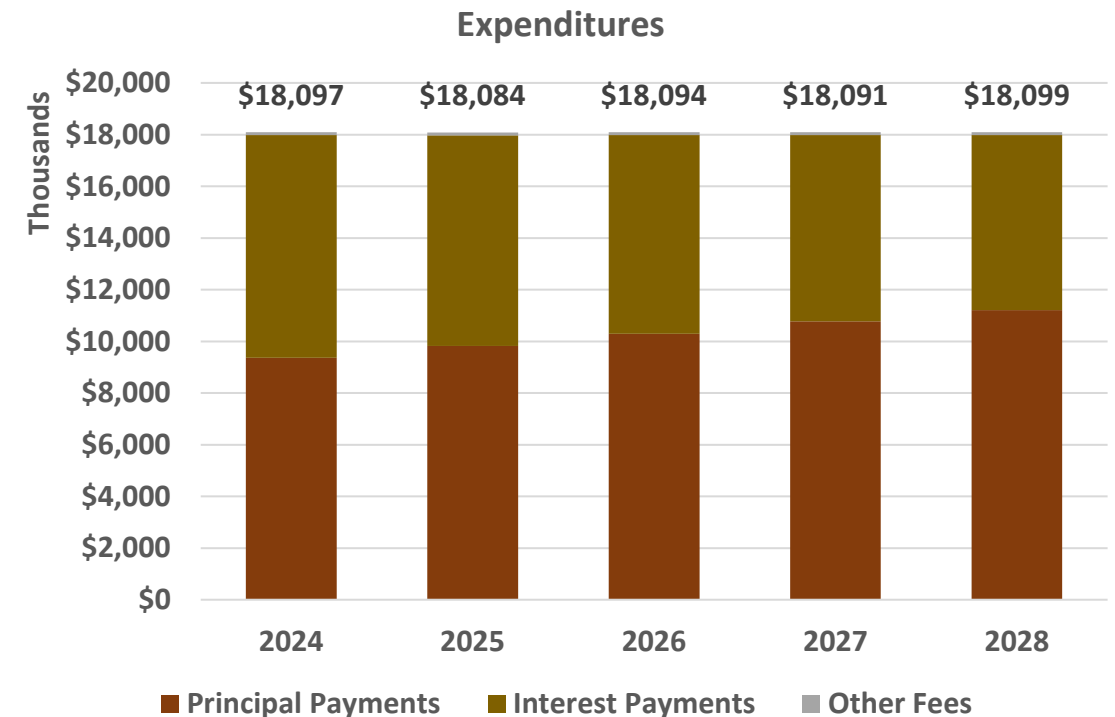
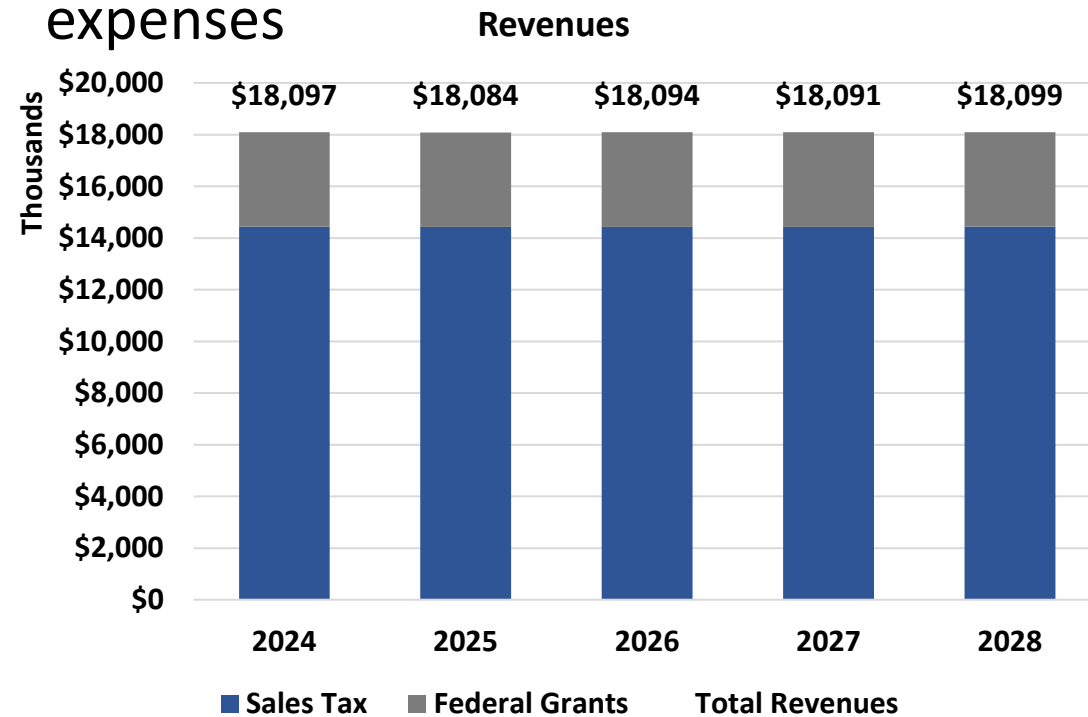
## ► Maintenance & Asset Preservation

- Increased preventative maintenance for facilities, bus, and rail



# FY 2024 Debt Service

- ▶ FY2024 Debt Service Budget ~\$18.1 million
- ▶ Transit Sales Tax, Federal and State grant funds pay annual principal and interest expenses



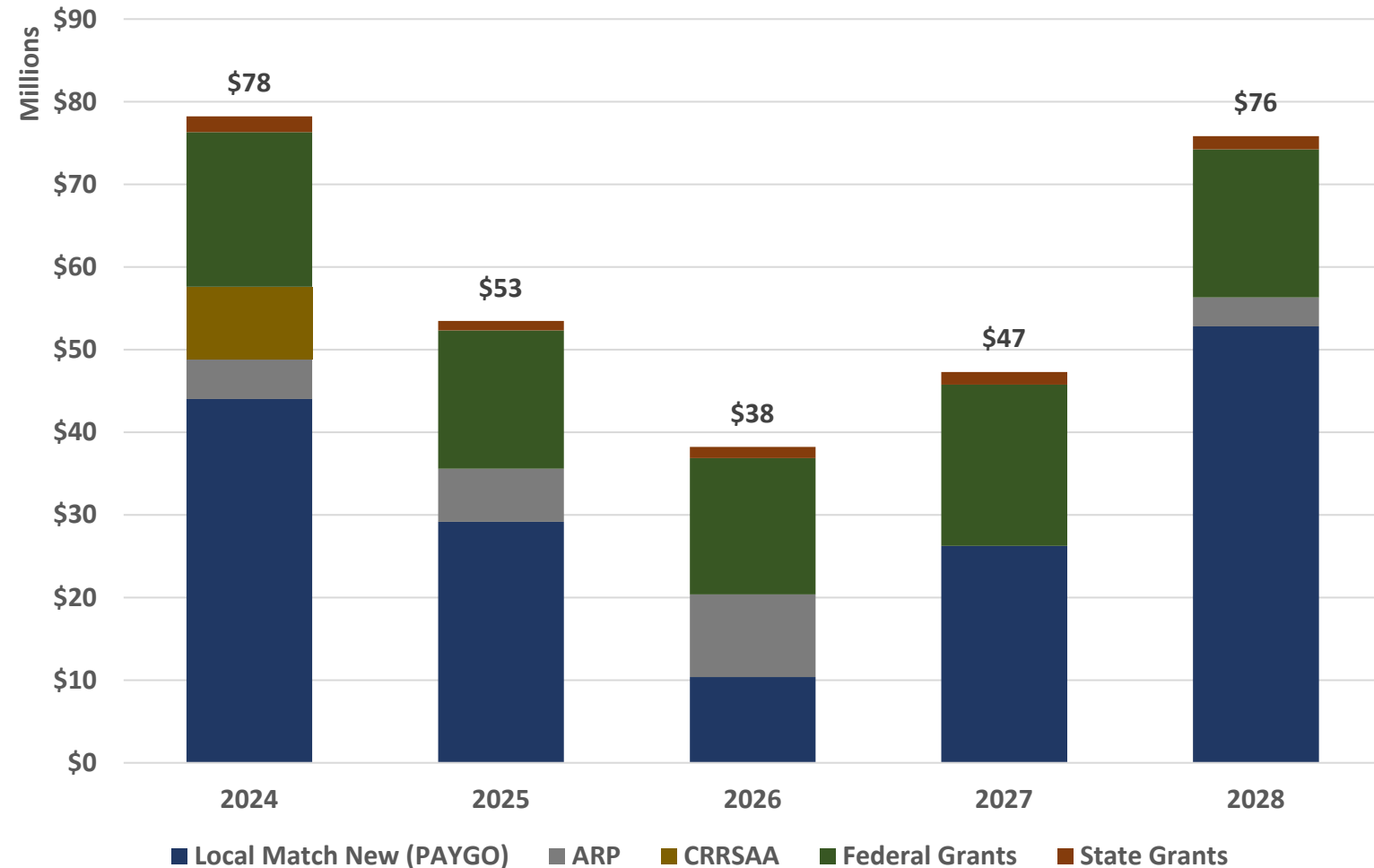
- ▶ No new debt issuance programed for FY 2024

# Preliminary Capital Investment Plan

# FY 2024 – FY 2028 CIP Sources of Funds

## FY 2024 Highlights

- ▶ Utilizes ~\$27 million in reserve funds to increase bus purchases
- ▶ Utilizes ~\$10 million in reserve funds for other projects and equipment purchases
- ▶ Working with City Finance to develop a long-term funding strategy for future revenue vehicle purchases



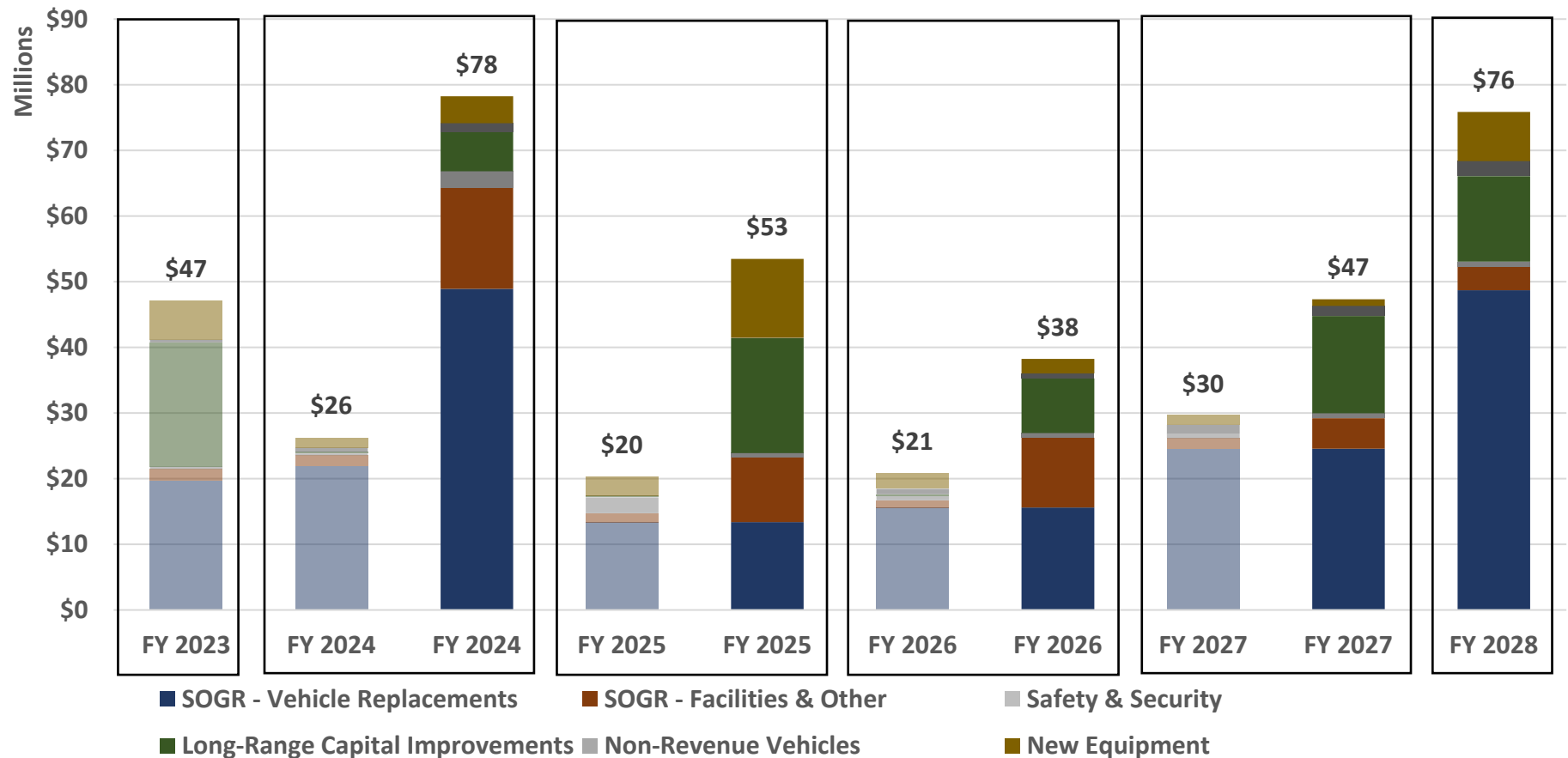
# FY 2024 – FY 2028 CIP Expenditures

## FY 2024 Highlights

- ▶ 37 Replacement Buses
- ▶ 19 Replacement STS Vehicles
- ▶ Transit Planning
- ▶ ADA Improvements
- ▶ Security Improvements
- ▶ Continues prior-year initiatives

### Notes:

1. Shaded columns represent FY 2023 to FY 2027 CIP
2. FY2024 Preliminary Capital Budget excludes carry over amounts
3. Excludes Grant-Funded Operating Projects





# Questions

# FY 2024 Budget Presentation



**#onewaterstrong**

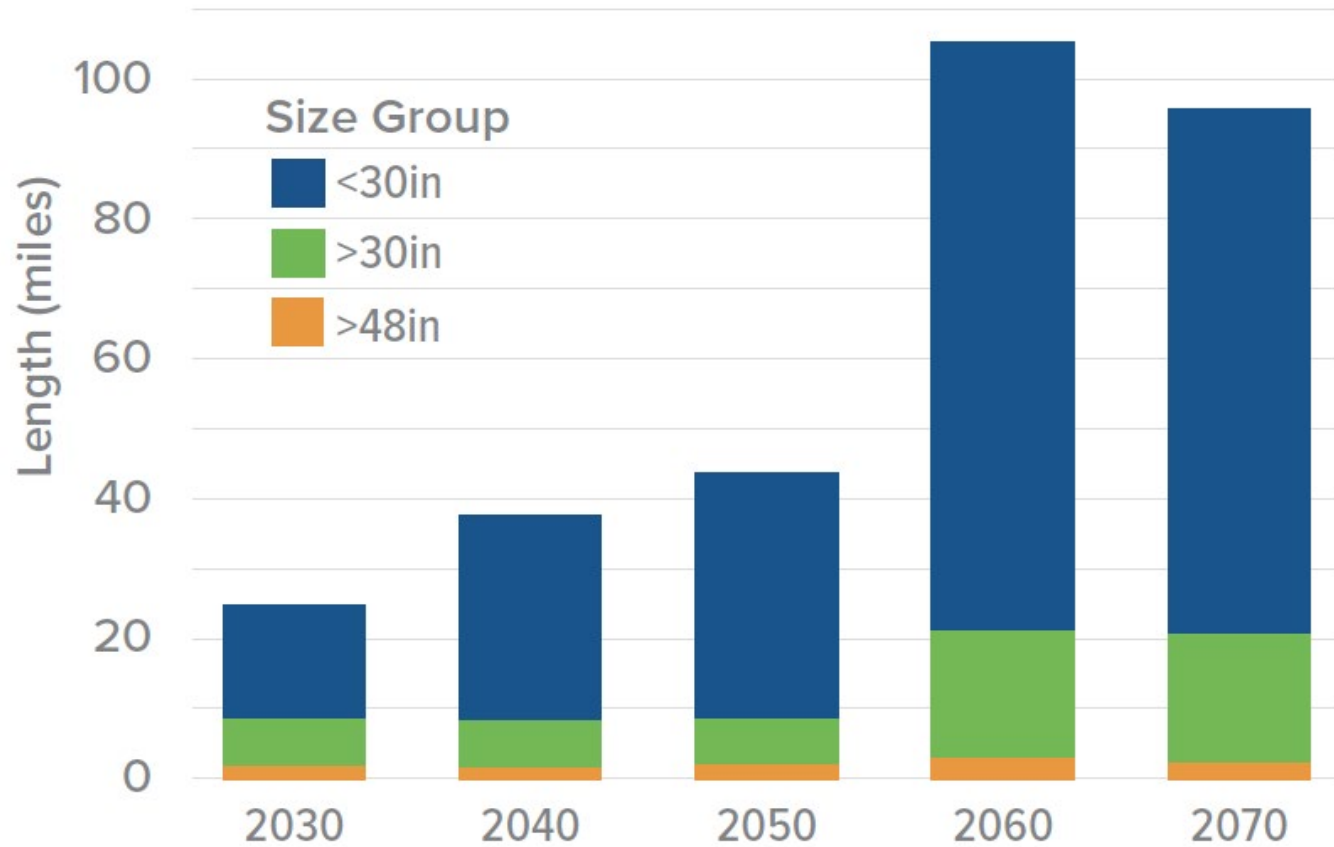
April 6, 2023





# Taking Care of the Drainage System

Initial Projected End of Useful Life of Storm Drainage Pipes

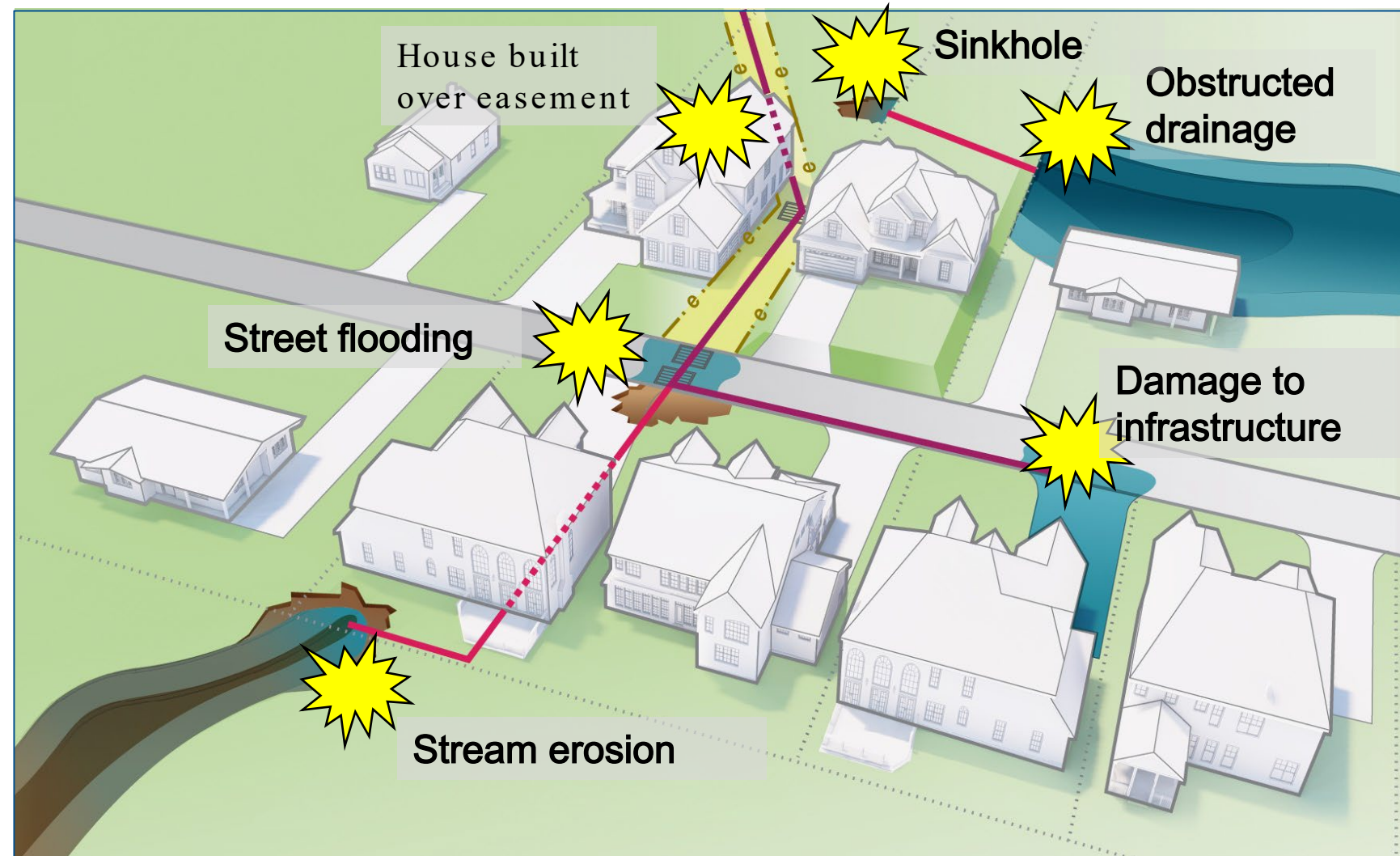


Preventative maintenance activities as shown here help extend the life of the drainage system



# Addressing Impacts of New Growth

- The Unified Development Ordinance (UDO) will allow for regulation of drainage on infill development
- FY 2024 will be a critical year to integrate new development review processes while sustaining a high level of service to permit applicants.





# FY 2024 – FY 2028 Proposed STW CIP

- Five-year budget basis CIP = \$470 million
- Supports Storm Water Services' mission to improve waterways & convey rainwater safely
- Supports City Council's Strategic Priorities

~70% Transportation



~10% Environment



~20% Private Property Assistance



# Charlotte Water #onewaterstrong

**Vision:** To be a leading water utility, recognized for excellence and dedicated to our people, community, region and environment

## Achievements:

- NACWA Awards at all Wastewater Treatment Plants
- Regulatory Compliance – no drinking water violations
- Completed Reimagine Water Service Delivery Study
- Embedded water team member with Meck DSS
- More than \$6.2M in financial assistance to customers
- Total water pumped in FY22: 42.9 Billion Gallons
- Total FY22 wastewater treated: 29.1 Billion Gallons





# Charlotte Water Capital Program – FY24 to FY28

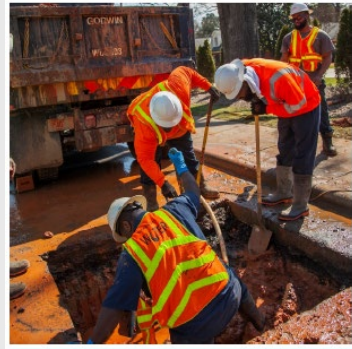
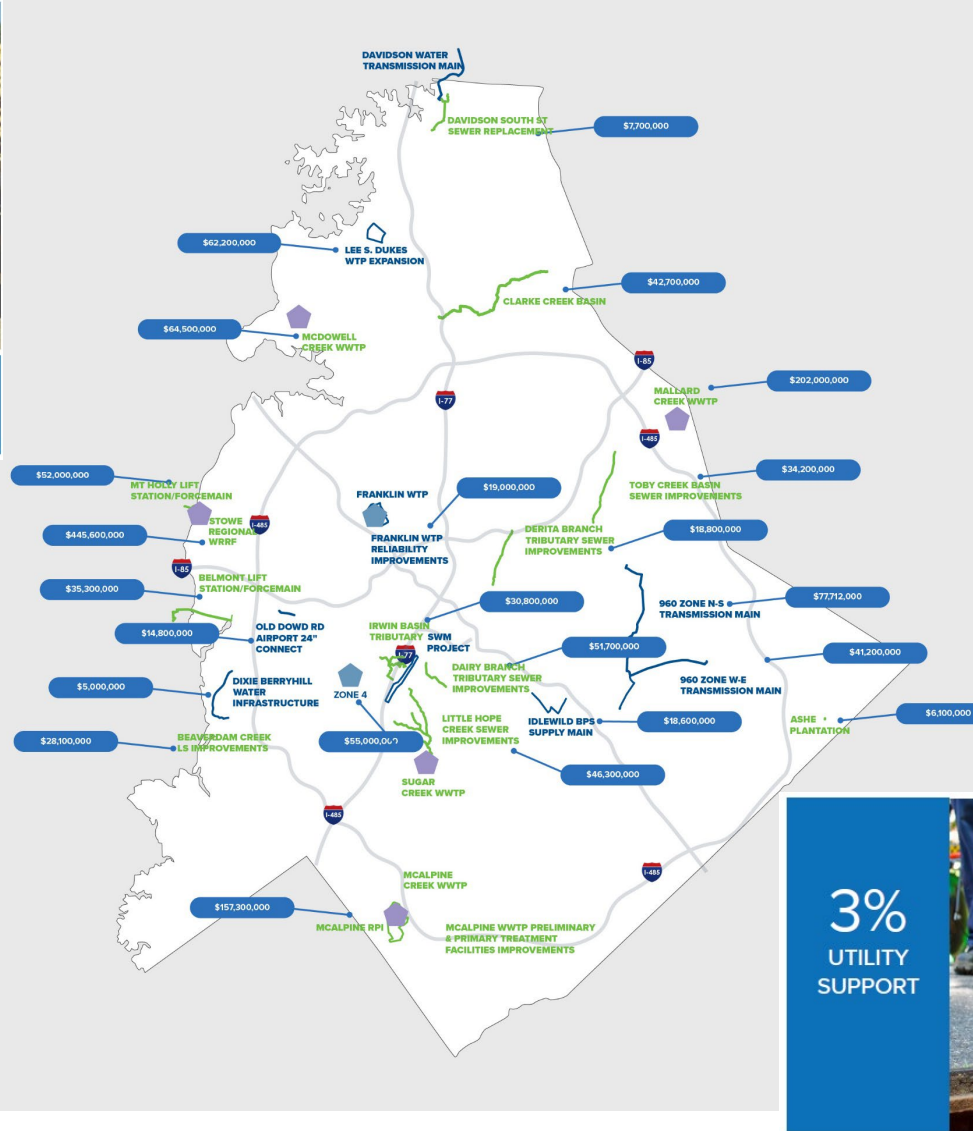


58% CAPACITY FOR GROWTH

Five-year budget basis  
CIP = \$2.6 B



11% REGULATORY REQUIREMENTS



24% REHABILITATION & REPLACEMENT

Expanded due to growth & development

Increases in rehabilitation & regulatory requirements



3% UTILITY SUPPORT



4% COMMITMENT TO PUBLIC PROJECTS

# Over \$260M Invested in Corridors of Opportunity

## Beatties Ford / Rozzelles Ferry

Charlotte Water: 1 Project  
Storm Water Services: 1 Project  
Combined Capital Investment: \$47M

## Sugar Creek / I-85

Charlotte Water: 5 Projects  
Storm Water Services: 2 Projects  
Combined Capital Investment: \$53M

## Freedom Drive / Wilkinson

Charlotte Water: 5 Projects  
Storm Water Services: 12 Projects  
Combined Capital Investment: \$32M

## Graham Street / N. Tryon

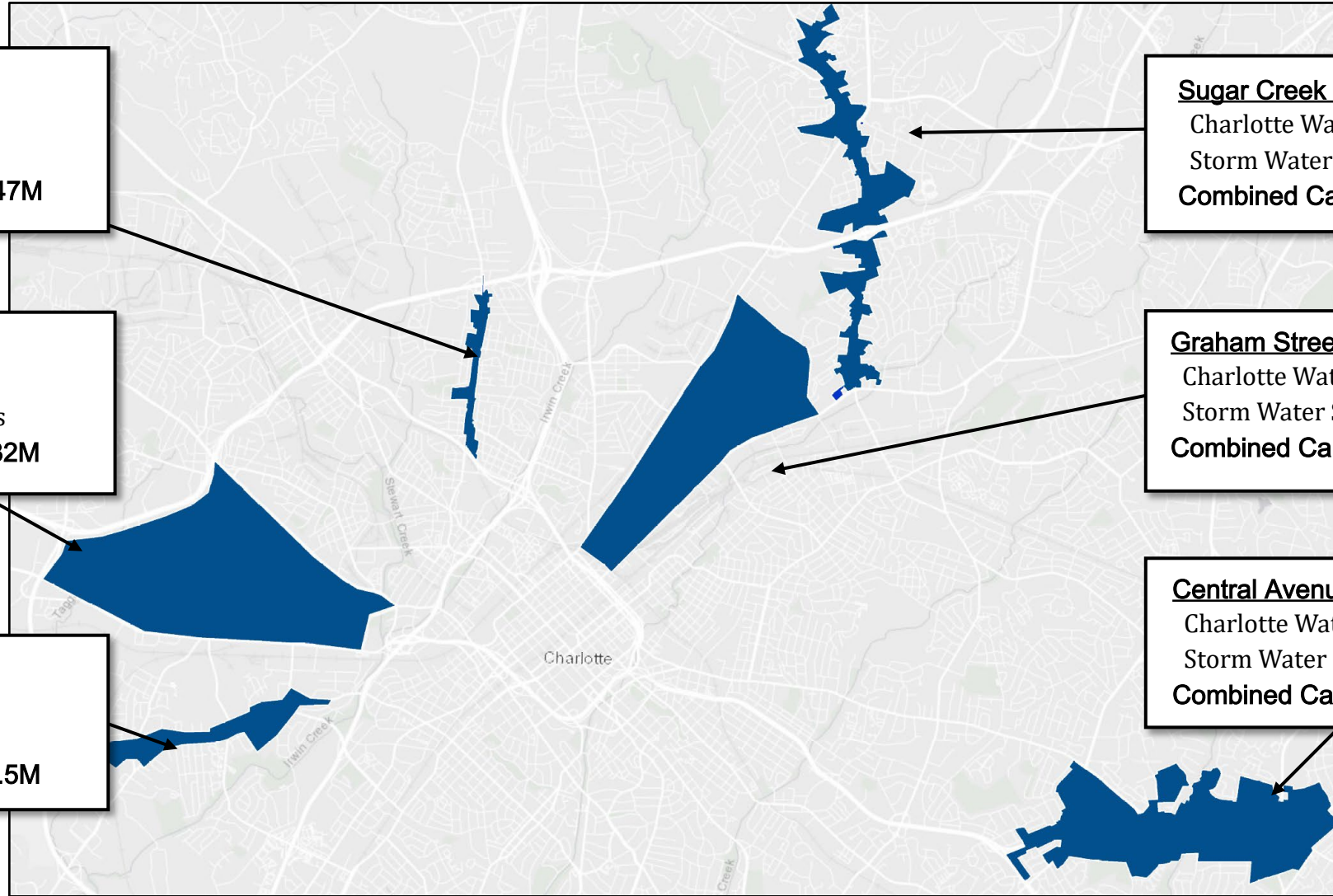
Charlotte Water: 2 Projects  
Storm Water Services: 10 Projects  
Combined Capital Investment: \$24M

## West Boulevard

Charlotte Water: 3 Projects  
Storm Water Services: 4 Projects  
Combined Capital Investment: \$7.5M

## Central Avenue / Albemarle Rd.

Charlotte Water: 3 Projects  
Storm Water Services: 7 Projects  
Combined Capital Investment: \$104M



# FY 2024 One Water Challenges

- Expense Pressures
  - Material and Equipment increasing costs
  - Architecture, Engineering, and Construction (AEC) services – significant cost escalation
  - Chemicals for Treatment – increased costs and volatile market
  - Electric Power and Natural Gas – double digit increases
  
- Contracts
  - Water construction firms have more work than ever
  - Bidding environment coupled with material/equipment costs yielding much higher bids
  
- Water Internal Positions
  - Experiencing improvement in operational positions
  - Significant challenges recruiting many salaried roles (especially engineering and technology)



# FY 2024 One Water Financial Planning

- ☐ Support strategic priorities
- ☐ Moderate annual fee increases to address inflation and system growth
- ☐ Ensure equity among rate payers
- ☐ Sustain AAA credit ratings from all subscribed agencies
- ☐ Meet financial targets
  - >250 Days Cash on Hand
  - >2.0x Debt Service Coverage Ratio
  - >40% Pay-Go as a % of Total CIP

## Charlotte Water

	FY 2022	FY 2023	FY 2024
Fee Increases	3.42%	<b>3.54%</b>	4.25% (Current Forecast)

FY24 increase for average ratepayer is \$3.10 / month.

## Storm Water Services

	FY 2022	FY 2023	FY 2024
Fee Increases	3.2%	3.8%	4.6% (Current Forecast)

FY24 increase for median ratepayer is 42 cents / month.

# Charlotte Water Affordability Index

## AMI CALCULATOR

2022 Median Family Income for Charlotte, NC  
City of Charlotte Housing & Neighborhood Services

Assumptions	
Family Size	4
AMI	\$96,300

Customer CCFs		1		2		3		4		5		6		7	
% of AMI	Income	Bill	Percent	Bill	Percent	Bill	Percent	Bill	Percent	Bill	Percent	Bill	Percent	Bill	Percent
20%	\$19,260	\$348.36	1.81%	\$438.96	2.28%	\$529.56	2.75%	\$620.16	3.22%	\$717.36	3.72%	\$814.56	4.23%	\$911.76	4.73%
30%	\$28,890	\$348.60	1.21%	\$438.96	1.52%	\$529.56	1.83%	\$620.16	2.15%	\$717.36	2.48%	\$814.56	2.82%	\$912.00	3.16%
40%	\$38,520	\$348.60	0.90%	\$438.96	1.14%	\$529.56	1.37%	\$620.16	1.61%	\$717.36	1.86%	\$814.56	2.11%	\$912.00	2.37%
50%	\$48,150	\$348.60	0.72%	\$438.96	0.91%	\$529.56	1.10%	\$620.16	1.29%	\$717.36	1.49%	\$814.56	1.69%	\$912.00	1.89%
60%	\$57,780	\$348.60	0.60%	\$438.96	0.76%	\$529.56	0.92%	\$620.16	1.07%	\$717.36	1.24%	\$814.56	1.41%	\$912.00	1.58%
70%	\$67,410	\$348.60	0.52%	\$438.96	0.65%	\$529.56	0.79%	\$620.16	0.92%	\$717.36	1.06%	\$814.56	1.21%	\$912.00	1.35%
80%	\$77,040	\$348.60	0.45%	\$438.96	0.57%	\$529.56	0.69%	\$620.16	0.80%	\$717.36	0.93%	\$814.56	1.06%	\$912.00	1.18%
90%	\$86,670	\$348.60	0.40%	\$438.96	0.51%	\$529.56	0.61%	\$620.16	0.72%	\$717.36	0.83%	\$814.56	0.94%	\$912.00	1.05%
100%	\$96,300	\$348.60	0.36%	\$438.96	0.46%	\$529.56	0.55%	\$620.16	0.64%	\$717.36	0.74%	\$814.56	0.85%	\$912.00	0.95%

Water & Wastewater Bill (Potential Rate Increase Scenario of 4.25%)

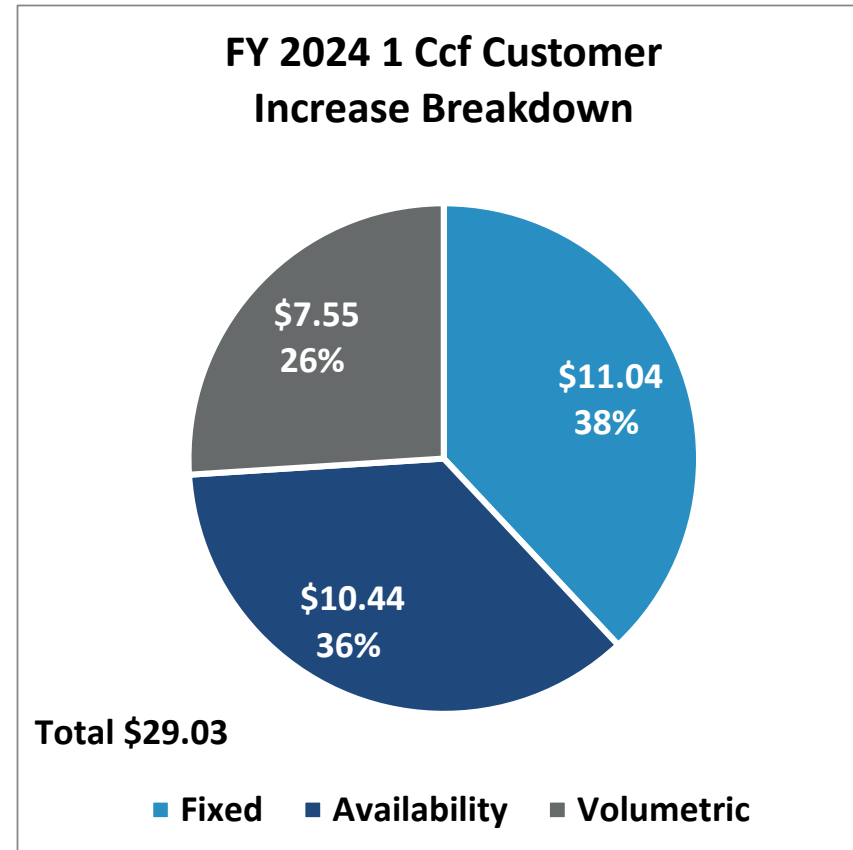
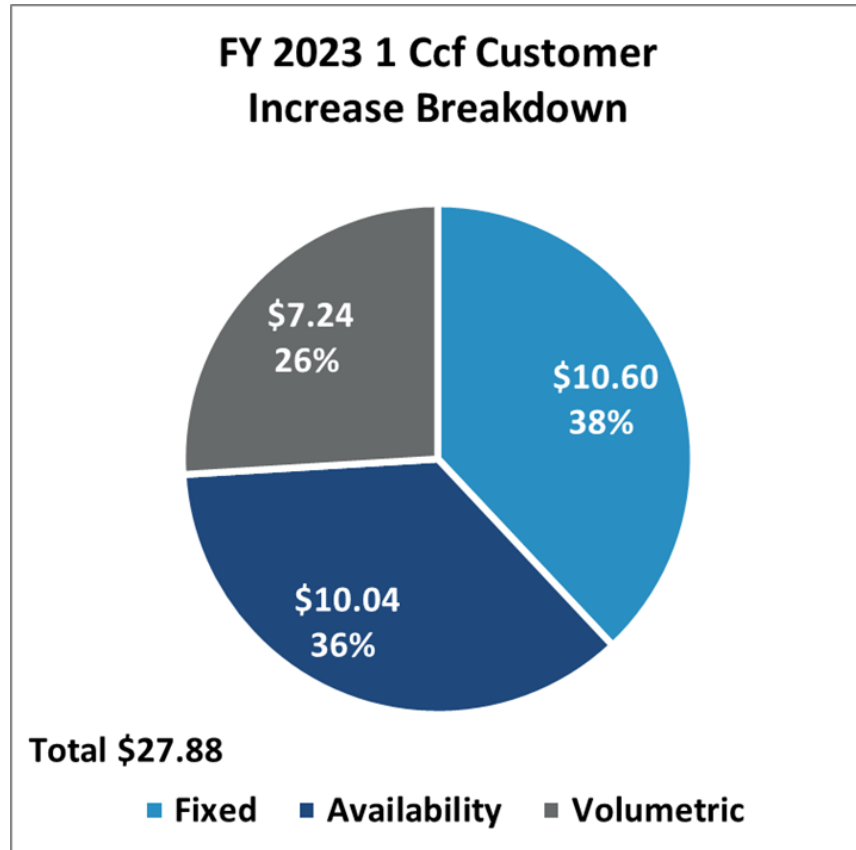
### Assessing the Affordability of Federal Water Mandates<sup>1</sup>

EPA's stated view on potable water—that it is affordable if it costs less than 2.5% of small community MHI—influences the perceived affordability of combined water and wastewater bills. Specifically, it is inferred that EPA would consider a combined annual water and wastewater bill of less than 4.5% of MHI to be affordable

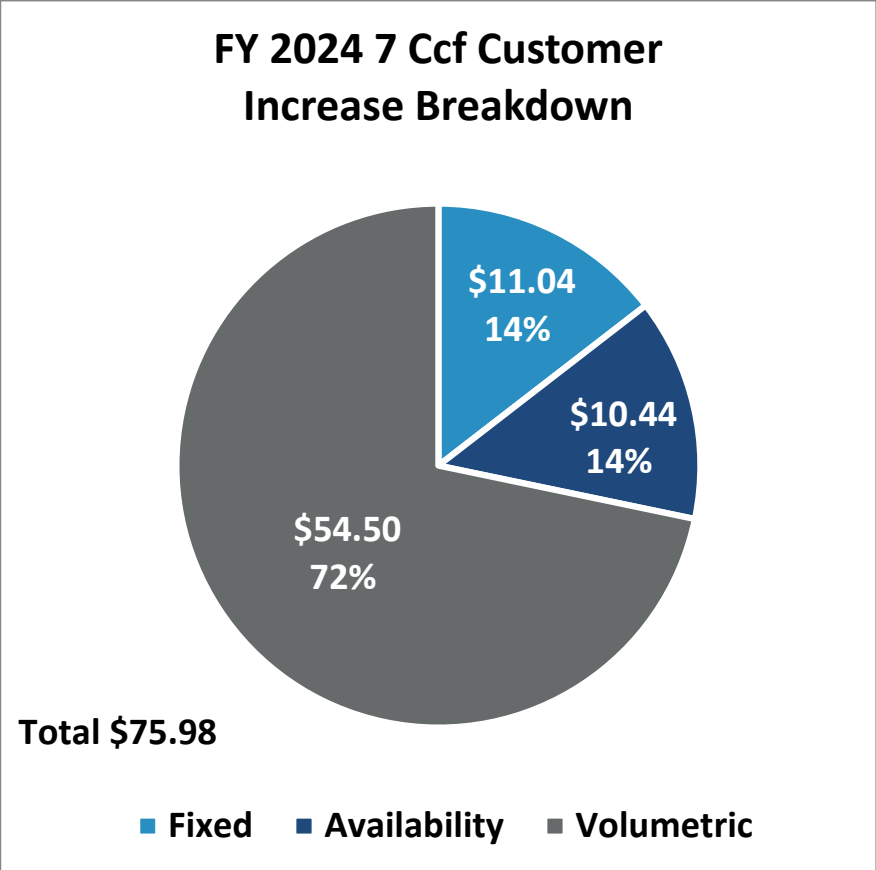
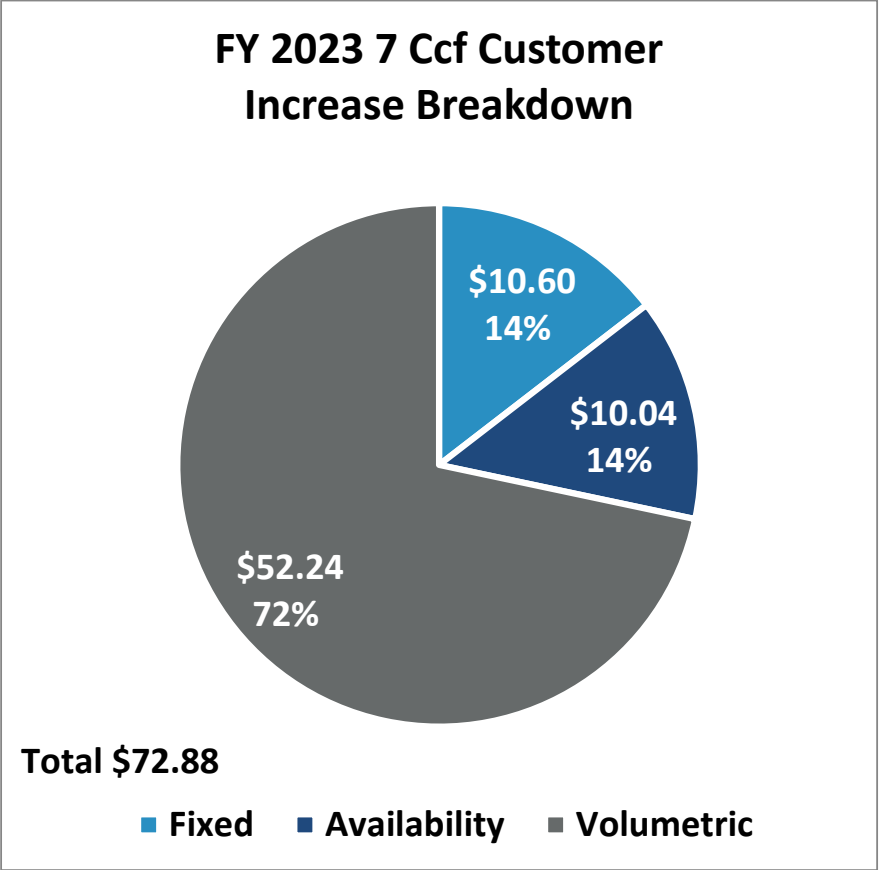
<sup>1</sup> AWWA Accessing the Affordability of Federal Water Mandates (<https://www.awwa.org/Portals/0/awwa/government/Affordability-IssueBrief.pdf>)

# Resource Slides

# 1 Ccf Customer Comparison FY23 to FY24 (4.25%)

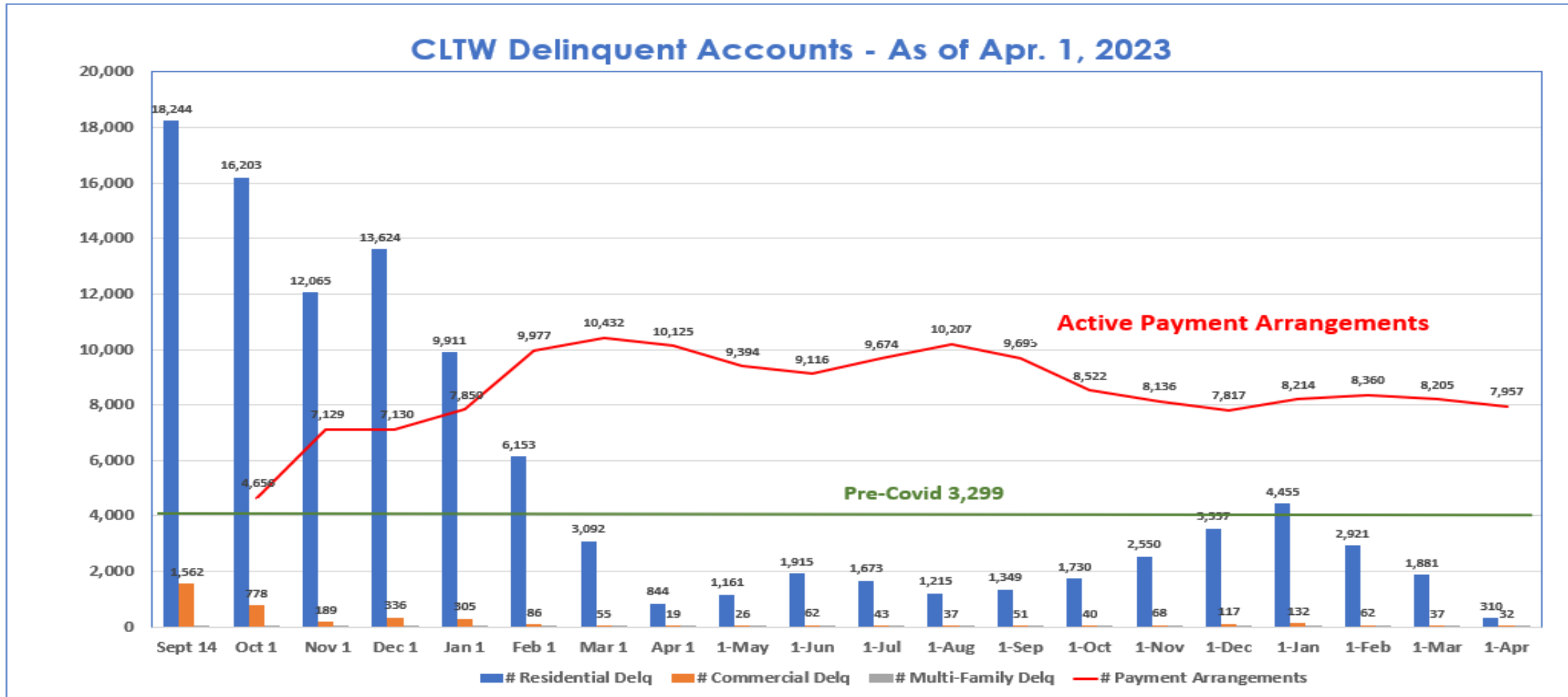


# 7 Ccf Customer Comparison FY23 to FY24 (4.25%)





# Trending Data





# AVIATION FY 2024 BUDGET

Council Budget Workshop

# CLT FAST FACTS



## ABOUT CLT AIRPORT

TERMINAL OPENED

**MAY 2, 1982**

**114**

GATES



**1,400**

DAILY AIRCRAFT MOVEMENTS

**118,000**

DAILY PASSENGERS

**21,000**

PARKING SPACES

**6,000**

ACRES OF LAND

**1.8M Sq. Ft.**

TERMINAL WITH 5 CONCOURSES

**3**

TOTAL RUNWAYS

**100+**

CONCESSIONS



## NUMBERS & RANKINGS

2022

**NUMBERS**

**47,758,605**

PASSENGERS



**505,589**

ARRIVALS & DEPARTURES



**207,608**

TONS OF CARGO



2021

**ACI RANKINGS\***

**5<sup>th</sup>**

IN AIRCRAFT  
MOVEMENTS

**6<sup>th</sup>**

IN TOTAL  
PASSENGERS

**34<sup>th</sup>**

IN TOTAL \*\*  
CARGO

\* Worldwide ACI rankings

\*\* Nationwide ACI rankings



## ECONOMIC IMPACT

**\$32B**



ANNUAL ECONOMIC IMPACT

**5%**

OF STATE GROSS PRODUCT



**\$1.82B**

STATE & LOCAL TAXES



Source: NC Department of Transportation Division of Aviation



## AIRLINES

**182**

NONSTOP DESTINATIONS



**37**

INTERNATIONAL DESTINATIONS

**3**

US TERRITORIES



**8**

DOMESTIC AIRLINES



**3**

FOREIGN FLAG AIRLINES



@CLTAirport



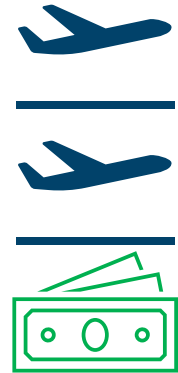
CITY OF CHARLOTTE DEPARTMENT

cltairport.com



# FY 2024 Net Revenue Estimate

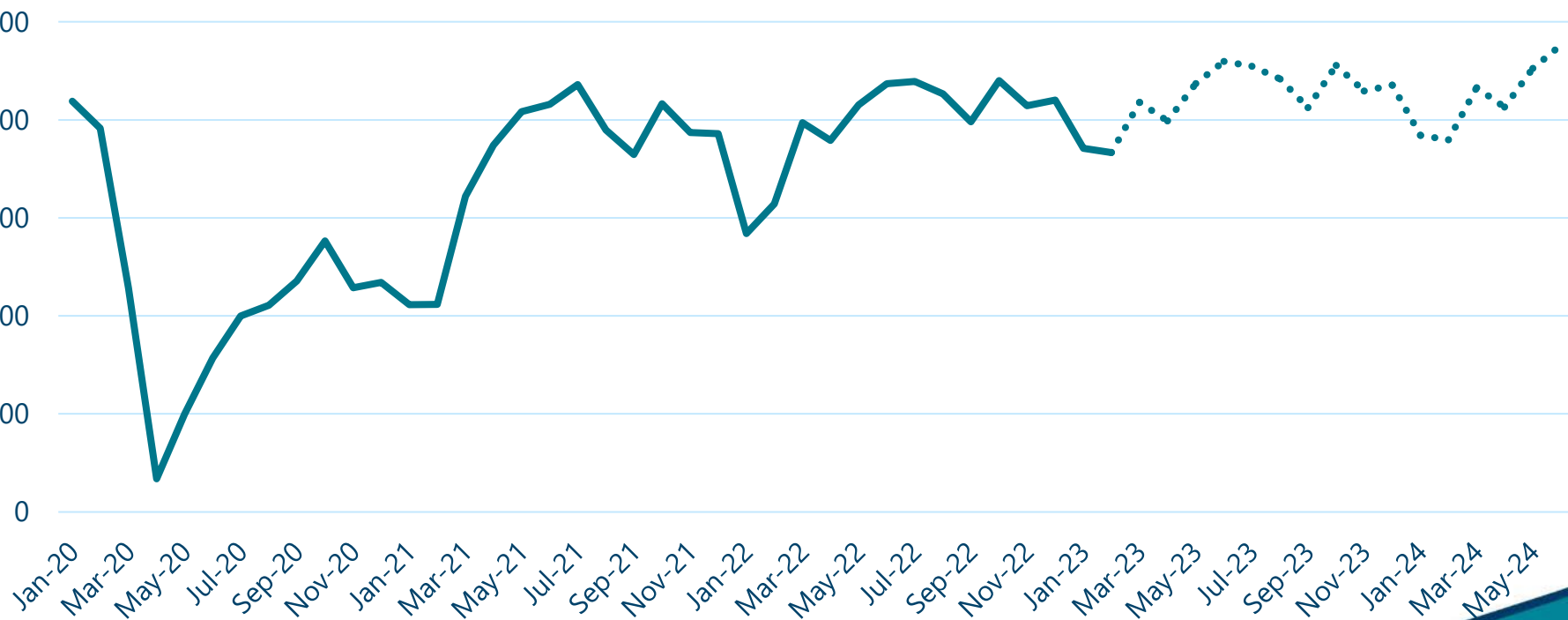
Total Operating Revenues	\$391 M
Total Operating Expenditures	\$258 M
<b>Net Revenues</b>	<b>\$133 M</b>



- Outstanding financial performance
- Tremendous value to airlines



# Enplaned Jan '20 – Feb '23; Forecasted Mar '23 – Jun '24

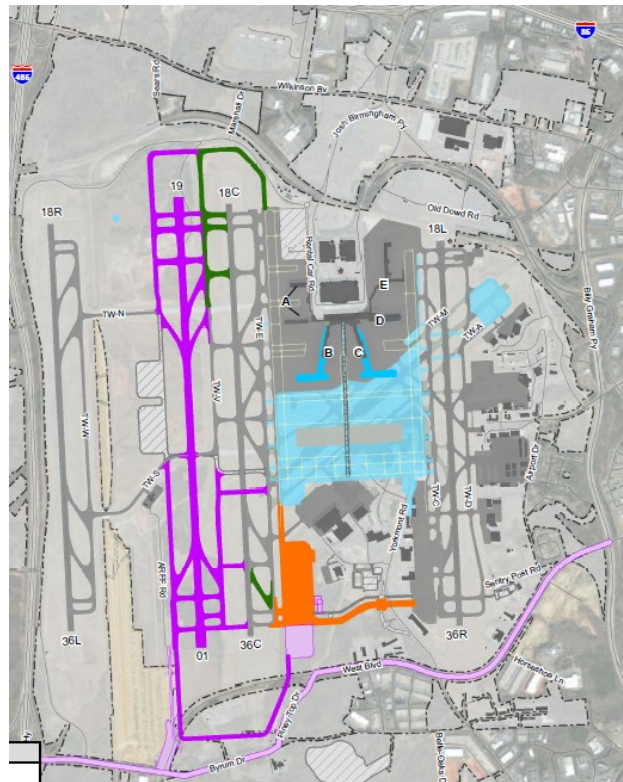


*Calendar Year 2022 closed approx. 7% above 2021, and 5% below record-breaking 2019*

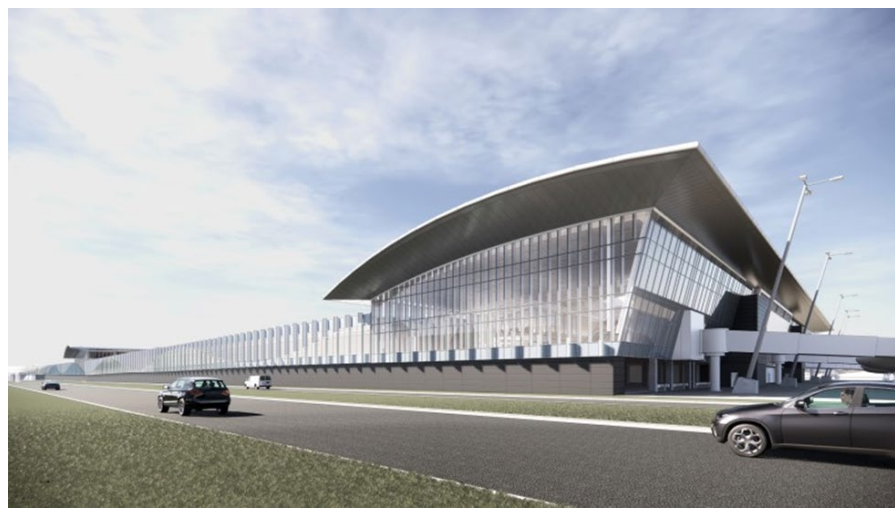


# CIP Shifting to Airfield Focus Following Much-Needed Terminal Capacity Projects

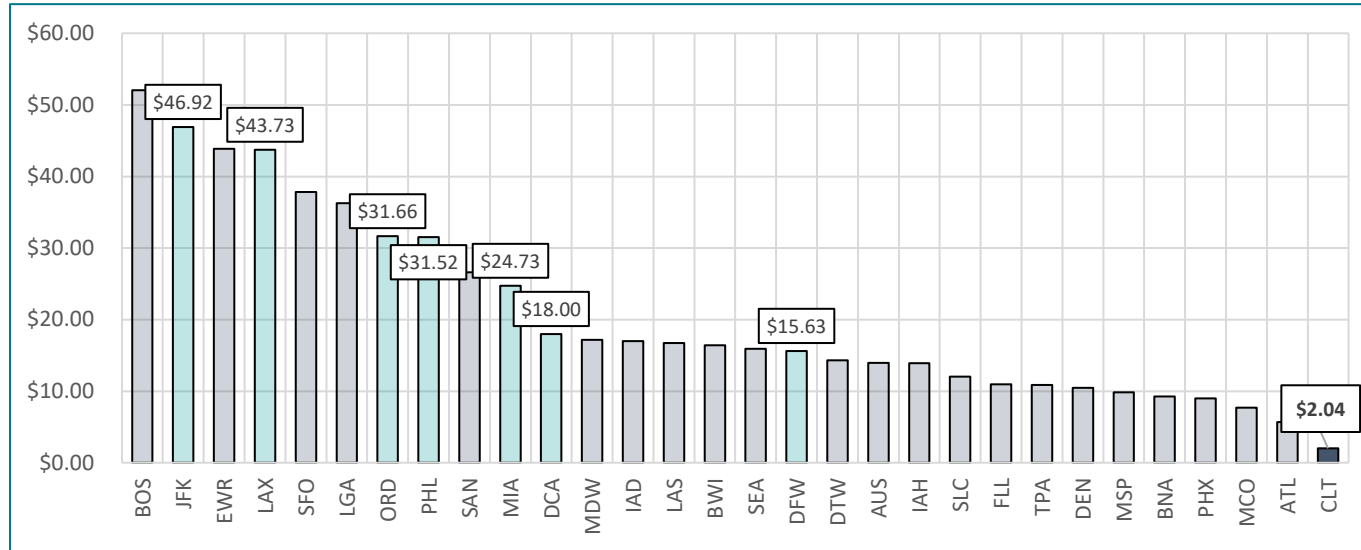
- **\$2.26 billion** program for FY 2024-FY 2028







# Cost Per Enplaned Passenger



Note: CPE=Cost per enplaned passenger. Light green airports are other AA hubs. CLT is Budget FY 2024  
Source(s): CLT—Airport records. Net of airline revenue sharing. Other airports—FAA Form 127 data for FY 2021.

# Questions?