

Mayor Anthony Foxx

Michael D. Barnes
Patrick D. Cannon
Nancy Carter
Warren Cooksey
Andy Dulin

Mayor Pro Tem Susan Burgess

David L. Howard
Patsy Kinsey
James Mitchell, Jr.
Edwin Peacock III
Warren Turner

CITY COUNCIL WORKSHOP

Monday, June 7, 2010

Room 267

1:30 p.m.	Continuation of Budget Straw Votes

5:00 p.m.	Dinner
5:15 p.m.	FY2011 Budget Adoption
6:15 p.m.	Transportation: 2009 Transportation Action Plan Annual Report
6:30 p.m.	City Manager's Evaluation of Utilities Customer Service
7:00 p.m.	Economic Development: 2011 Annexation
7:15 p.m.	Environment and Economic Development: Carolina Thread Trail
7:30 p.m.	Citizens' Forum Room 267

FY2011 Budget Retreat Straw Votes

City of Charlotte

June 7, 2010

1:30 p.m.

Room 267

- I. Continue consideration of amendments from the May 12th Budget Amendments and May 26th Straw Votes budget meetings

Mayor and Council

Question and Answer May 26th Straw Votes

Question 1: *What is the history of the Charlotte Mecklenburg Library system?*

Authority

- The Charlotte Mecklenburg Library is a corporate entity created by the General Assembly of the State of North Carolina.
- The Library is governed by a Board of Trustees. The Board is composed of 11 members, 10 appointed by the Board of County Commissioners and one by the Charlotte-Mecklenburg Board of Education.
- The Director of Libraries is appointed by the Board of Trustees, not the County Manager.

History of the Charlotte Mecklenburg Library

- In 1891, a group of prominent citizens organized the Charlotte Literary and Library Association. This subscription library operated in rooms above a bookstore on South Tryon Street for nine years.
- In 1901, directors of the Association transferred control of the Library to the City School Commissioners, so that the general public and students would have access to the collection. The Library was now the Charlotte Public School Library, located in two rooms in City Hall at the corner of North Tryon and East Fifth Street.
- In 1901, Charlotte philanthropist Andrew Carnegie agreed to donate \$25,000 for a library building, if the city would furnish a site and taxes to support operations. The tax was approved by vote of citizens on May 6, 1901. The building was dedicated and opened to the public on July 2, 1903 in the 300 block of North Tryon Street. The City furnished a site and operating funds of \$2,500 a year. **Note:** The City of Charlotte still contributes \$2,500 annually toward the Library's operation.
- In 1919, the Library Board and the City and County Boards of Education established school libraries as public library branches. In 1929, a grant from the Julius Rosenwald Fund established town branches in Cornelius, Davidson, Huntersville, Matthews and Pineville. However, progress was halted with the arrival of the Great Depression in 1931.
- In 1938, the North Carolina Supreme Court ruled that appropriating funds for the public libraries was unconstitutional without a vote of the people. A vote in 1939 to provide funding beyond the \$2,500 approved in 1901 failed by a small margin. The Library was closed June 30, 1939 and remained closed until July 1, 1940, after voters approved the funding.

- In 1948, the Library began receiving a percentage of profits from Alcoholic Beverage Control stores in Mecklenburg County.
- In 1952 Mecklenburg County voters approved a bond issue in the amount of \$1,600,000 for a new Main Library and nine branches.
- In 1956, new buildings replaced rented facilities for the five town libraries, and four new branches were opened: East, West, North and South. In the next two decades, additional branches were established: Mint Hill in 1958, Derita in 1960, Sharon in 1963, Northwest in 1964, Tryon Mall in 1968, Alexander Street in 1973, Independence in 1974 and Belmont Center in 1975.
- Additional history of the Charlotte Mecklenburg Library can be found at http://www.plcmc.org/about_us/history.asp

COUNCIL WORKSHOP AGENDA ITEM SUMMARY

TOPIC: FY2011 Budget Adoption

RESOURCES: Ruffin L. Hall, Budget & Evaluation Director

KEY POINTS:

- On May 3, 2010, the City Manager presented the recommended FY2011 Strategic Operating Plan and the FY2011-2015 Capital Investment Plan to the City Council. Since March 2010, the Mayor and City Council held three budget retreats, a budget adjustments meeting to consider changes, and the required public hearing to shape development of the budget.
- In addition to the budget retreats and public hearing, the Council met on May 26th for its Straw Votes meeting. The results from the Straw Votes meeting are incorporated into the Request for Council Action and the supporting documentation.

COUNCIL DECISION OR DIRECTION REQUESTED:

Adoption of the FY2011 Operating Budget and FY2011-FY2015 Capital Investment Plan and associated actions

ATTACHMENTS:

Budget Adoption Request for Council Action and supporting documents

FY2011 Operating Budget and FY2011-FY2015 Capital Investment Plan

- Action:** Approve FY2011 Appropriations and Tax Levy Ordinance, the Capital Investment Plan Resolution for Fiscal Years 2011-2015, the FY2011 Pay and Benefits Resolution, and other items related to the Annual Ordinance adoption:
- A. The FY2011 Appropriations and Tax Levy Ordinance (Ruffin Hall),
 - B. The FY2011-2015 Capital Investment Plan Resolution (Ruffin Hall),
 - C. The FY2011 Pay and Benefits Plan Resolution (Tim Mayes),
 - D. Outside Agencies Contracts (Ruffin Hall),
 - E. Municipal Service Districts Contracts (Ruffin Hall),
 - F. Job Training Contracts (Tom Flynn),
 - G. After-School Enrichment Contracts (Patrick Mumford),
 - H. Housing Development and Support Contracts (Patrick Mumford),
 - I. Charlotte-Mecklenburg Housing Partnership Contract (Patrick Mumford),
 - J. Other Budget Items (Ruffin Hall),
 - K. Storm Water Interlocal Agreement compliance (Jeb Blackwell), and
 - L. Other actions as appropriate taken at the 1:30 p.m. June 7th

Committee Chair: Michael Barnes

Staff Resources: Listed by each section above

Policy

As required by state law, the City of Charlotte adopts an annual appropriations and tax levy ordinance and considers related actions prior to July 1 of each fiscal year.

Background

- FY2011 marks the second straight year that the City has managed its budget with less revenue. A different budget process this year was used to address the challenges presented by the current economic climate. Specifically, the changes to the budget process included:
 - Earlier engagement of the Key Business Units to identify 48 budget reduction opportunities producing \$5.7 million in savings
 - Running salary projections multiple times and later in the process to maximize accuracy
 - Reduced operating budgets to 0% growth from last year without including funding for contract inflation
 - Proactive messaging and communication of budget recommendations to the Mayor and Council earlier than normal (prior to the May 3 budget recommendation)

A. Adopt the FY2011 Appropriations and Tax Levy Ordinance

Budget Overview

- On May 3, 2010, the City Manager presented the recommended FY2011 Strategic Operating Plan and the FY2011-2015 Capital Investment Plan to the City Council. Since March 2010, the Mayor and City Council held three budget retreats and the required public hearing to shape development of this budget.
- In addition to the budget retreats and public hearing, the Council met on May 12 and May 26 to ask questions and consider changes.
- The total budget for FY2011 is \$1.65 billion, with \$1.08 billion for operating expenses and \$574.2 million for capital expenditures (all funds). The General Fund operating budget totals \$445.5 million.
- The recommended budget includes the following key revenues:
 - A property tax rate maintained at 45.86¢ per \$100 valuation
 - An increase of 60 cents per month on the water and sewer fixed rate and a sewer volume increase from \$4.00 to \$4.31 per ccf (a 31 cent increase per 748 gallons) for Utilities
 - A 7% rate increase for Storm Water
 - A fare increase of 25 cents for CATS

Property Tax Rate

- The property tax rate for FY2011 is recommended for 45.86¢ per \$100 of assessed valuation. The FY2011 assessed value is estimated at \$77.5 billion, with an estimated collection rate of 97.20%.
- A Property Tax Rate Transfer of 0.15 cents is recommended, which results from decreased funding to Innovative Housing and Business Grants in Pay-As-You-Go (PAYG) capital program.

Purpose	Current FY2010 Tax Rate	Recommended FY2011 Tax Rate	Rate Difference	Revenue Difference
General Fund	37.58¢	37.73¢	0.15¢	\$1.13 million
Capital Debt Service	6.87¢	6.87¢	0.0¢	\$0.0 million
Pay-As-You-Go Capital	1.41¢	1.26¢	(0.15¢)	(\$1.13 million)
Total	45.86¢	45.86¢	0.00¢	\$0.0 million

Changes to the Manager’s Recommended Budget from Council Straw Votes

- On May 26, 2010, Council approved the following budget amendments for the operating and capital budget:
 - Restore budget reduction to ImaginOn (Children’s Theatre) - \$94,554 funded from Criminal Justice Technology Reserve and provide notice that the funding level will decrease by one third per year for three years beginning in FY2012
 - Restore Lakewood Community Development Corporation - \$60,000 funded from Pay-As-You-Go fund balance and provides notice that FY2011 is the final contract year
 - Increase Affordable Housing Bonds by \$5 million (from \$10 million to \$15 million) from unallocated General debt capacity
 - Add funding for a disparity study - \$310,000 study estimate funded from Criminal Justice Technology Reserve
- The Manager’s Recommended Budget left \$2.25 million in Criminal Justice

Technology Reserve. After the two Council budget amendments, the balance in the reserve is \$1,845,446.

- These budget amendments are incorporated in the Financial Partner contract approval, FY2011 Appropriations and Tax Levy Ordinance, and Capital Investment Plan resolution.

Attachment 1 Ordinance

B. Adopt the FY2011-2015 Capital Investment Plan (CIP) Resolution

- The resolution approves the five-year Capital Investment Plan expenditure and financing plan totaling \$2.6 billion (all funds), a 9.9% decrease compared to the current five-year capital program.
- Since presentation of the Preliminary Budget, the City was notified of the final allocations for the federal CDBG and HOME grants. These final grant amounts are included in the attached ordinance.
- The capital program is based on property tax rates as follows:
 - 6.87¢ for the Municipal Debt Service Fund
 - 1.26¢ for the Pay-As-You-Go Fund, following 0.15¢ transfer to the General Fund
- The General CIP includes a proposed \$203.6 million November 2010 bond referendum. There is no additional bond referendums currently contemplated in the five year plan after November 2010.
- The FY2011-2015 five-year General Capital Investment Plan totals \$444.7 million and includes the following key projects:
 - Affordable Housing Bond Program
 - Neighborhood Improvements Program (NIP)
 - Sidewalk projects
 - Boulevard Homes infrastructure improvements
 - Farm-to-market road improvements
 - Thoroughfare and street improvements
 - Intersection improvements
 - Non-system residential street program
 - NE Corridor Access Improvements
 - North Tryon Redevelopment
 - Consolidated Fire Headquarters and Emergency Operations Center
 - Eastway and Steele Creek Police Stations

Enterprise-Funded

- These programs are financially self-sustaining and do not rely on property tax or general government revenues.
- Storm Water totals \$236.7 million and includes \$69.0 million for Flood Control Projects in neighborhood water basins.
- Charlotte Area Transit System (CATS) totals \$314.5 million and includes \$175.1 million for the LYNX Blue Line Extension.
- Water and Sewer totals \$780.0 million which includes \$187.0 million for a new waste water treatment plant along Long Creek.
- Aviation totals \$800.0 million which includes \$250.0 million for a Terminal Lobby Expansion.

Attachment 2 Resolution

C. Adopt the FY2011 Employee Pay and Benefits Plan and Resolution

- The recommendations included in the FY2011 Pay and Benefits Report include the following:

Public Safety Pay Plan

- Public Safety employees will receive an increase of 2.5%, rather than 5% as included in the plan, for steps so that those employees who have not yet reached the maximum step of their pay range will receive a 2.5% step increase on their merit date.
- A 2.0% structural market adjustment for all steps in the Public Safety Pay Plan, effective September 4, 2010 is also included.

Broadbanding Pay Plan

- A 2.0% merit increase budget for all eligible employees in the Broadbanding Pay Plan.
- Merit increases may be awarded as base pay or lump sum on the employee's merit date. July 1 through September 3 merit dates will be moved to September 4, 2010 for FY2011.

Insurance Plan Design Changes

- The following medical plan design changes are effective January 1, 2011
 - A premium differential for employees participating in the Wellness program. Employees who choose not participate will have a higher premium of \$400 per calendar year.
 - Change the PPO low plan to a higher deductible plan.
 - A higher deductible for tobacco users not enrolled in a tobacco cessation program.
- The following prescription drug plan changes include the following
 - Effective September 1, 2010, a preferred drug optimization program which targets certain drug classes and encourages members to use generics will be in place.
 - Effective January 1, 2011 a \$100 front-end deductible for preferred brand and non-preferred drugs.
 - Effective January 1, 2011, an increase to the calendar year out-of-pocket maximum for drug copays from \$2,000 to \$2,500 will be instituted.
- Provide the City Manager or his designee the authority to renegotiate or rebid the prescription drug plan, select a vendor and execute the contract and future contract amendments with the selected vendor.
- Provide the City Manager or his designee the authority to select a single vendor for medical and/or dental coverage and execute the contract and future contract amendments with the selected vendor.
- Employee and retiree medical insurance premiums will increase beginning January 1, 2011. Employees participating in the wellness program will realize the following increases:
 - Employee-only premium increases will range from \$0.64 to \$1.63 per week, depending on the plan chosen.
 - Employee/dependent premium increases will range from \$2.73 to \$7.71 per week, depending on the plan and level of coverage chosen.
 - Retiree-only (non-Medicare) premium increases will range from \$4.47 to \$11.49 per month, depending on the plan chosen.
 - Retiree/dependent (non-Medicare) premium increases will range from \$15.18 to \$42.95 per month, depending on the plan and level of coverage chosen.

- Employees retiring on disability with an effective date on or after November 1, 2010 will be required to meet the same service guidelines as all other employees for retiree medical insurance. These guidelines specify that employees must have 10 years of City service and immediately begin drawing a monthly benefit to be eligible for retiree medical insurance. Cost sharing is based on years of service.
- Employee dental premium increases will range from \$0.04 to \$0.43 per week, depending on the level of coverage chosen.
- Provide the City Manager or his designee the authority to renegotiate or rebid the life insurance plan, select a vendor and execute the contract and future contract amendments with the selected vendor.
- Provide the City Manager or his designee the authority to modify current and future plan provisions and premiums as necessary to comply with changes necessitated by health care reform.

Attachment 3
Resolution

D. Approve Outside Agencies Contracts

Charlotte Regional Visitors Authority \$2,987,045

- City funding for the Authority is used to promote economic development in the Charlotte-Mecklenburg area by promoting the area as a destination for convention, leisure, and sports-related travel.
- Funding allocated to the Authority is derived from a portion of the proceeds of the prepared food and beverage tax and a portion of the countywide occupancy tax.

United Family Services (Victim Assistance) \$327,428

- The Victim Assistance Program provides crisis intervention, community counseling, education, and individual assistance to victims of violent crimes and to families of homicide victims.

Attachment 4
Scope of Services

Arts & Science Council (ASC) \$2,883,160

- The Arts & Science Council oversees community-wide cultural planning, fundraising, grant administration, technical assistance, facility review, and other responsibilities to advance the cultural life of Charlotte and Mecklenburg County.

Attachment 5
Scope of Services

Extend the Agreement with the Arts & Science Council and the Public Art Commission for administration of the Public Art Program and approval of the FY2010 Public Art Work Plan

- On May 27, 2003, the City Council adopted an ordinance pertaining to the allocation and administration of funds for public art. The ordinance directs that an amount equal to 1% of the construction costs of eligible capital projects be provided for public art.
- The agreement was updated to incorporate changes from the ordinance and approved by City Council in 2004.

- On January 10, 2005, City Council voted to improve communications between the Council and the Public Art Program. The Council also reaffirmed the 2003 ordinance of 1% of construction costs of eligible capital projects be provided for public art.
- On November 12, 2007, Council approved the Restructuring Government Committee’s recommendation to establish administrative guidelines for the City’s Public Art Ordinance.
- The FY2011 Allocations are:
 - General Government Total - \$307,000
 - Public Facilities - \$137,000
 - Business Corridors - \$170,000
 - Aviation - \$36,750
- The FY2011 Public Art Work Plan was scheduled for presentation to the City Council at the May 24, 2010 Dinner Briefing. Due to time constraints, the presentation was cancelled and the ASC sent information regarding the public art update and proposed FY11 Work Plan in the May 28th Council-Manager memo.
- In accordance with the Council approved policy, the Public Art Commission will present a mid-year update of projects and financials in November 2010. At that time, the Commission will provide additional information regarding the proposed process and types of projects contemplated for the FY2011 funding allocation.

Attachment 6

Proposed FY2011 Public Art Work Plan

Charlotte Regional Partnership \$146,053

- The Partnership is a regional economic development organization that works with local governments, the Chamber and others, to enhance economic activity in the region. The amount of City funding is derived on a per capita figure based on city population.

Attachment 7

Scope of Services

Charlotte International Cabinet \$151,473

- The Cabinet promotes Charlotte as an international city and serves as a resource to foster international relationships. City Council approved the merger of the Mayor’s International Cabinet and Charlotte Sister Cities on October 27, 2008.

Attachment 8

Scope of Services

ImaginOn (Children’s Theatre) \$283,662

- The Children’s Theatre formerly leased a City-owned facility at 1017 East Morehead Street for which the City paid general operation and maintenance costs.
- In October 2005, the Theatre relocated to ImaginOn: The Joe and Joan Martin Center.
- On September 24, 2003, the City approved a contribution of up to \$270,000 in FY2006 to defray a portion of the Theatre’s maintenance and

operating costs in the Center. Future funding contribution growth was linked to increases of City building maintenance expenditures.

- The City’s funding contribution for FY2011 is \$283,662. This contribution will be phased out over a three year period beginning in FY2012, with a reduction of \$94,554 from the FY2011 amount.

E. Approve the Municipal Service District Contracts with Charlotte Center City Partners (\$2,965,141) and University City Partners (\$669,226)

- The municipal service districts (MSDs) were created to enhance the economic viability and quality of life in select areas. Three MSDs are located in the Center City, the fourth is located in the South End area, and the fifth is located in the University City area. Revenues for these districts are generated through ad-valorem taxes paid by property owners in the districts in addition to the City’s regular property tax rate.
- In FY2011, the City will contract with Charlotte Center City Partners (CCCP) for services in the three Center City Municipal Service Districts as well as for services in the South End Municipal Service District. The City will also contract with University City Partners (UCP) for services in the University City Municipal Service District.
- The FY2011 tax rates in the five MSDs remain unchanged from the FY2010 rates.

Municipal Service Districts Summary		
District	FY2011 Tax Rate	FY2011 Contract Amount
District 1-Center City	1.74¢	\$951,880
District 2-Center City	2.39¢	\$488,882
District 3-Center City	3.86¢	\$964,217
District 4-South End	6.68¢	\$560,162
District 5-University City	3.00¢	\$669,226

Attachment 9

Scope of Services

F. Approve the FY2011 Job Training Contracts

Charlotte-Mecklenburg Workforce Development Board (WDB)

Job Training Contract up to \$7,976,300

Source of Funds

Workforce Investment Act Grants	\$6,042,368
Carry-over of unexpended FY2010 Grants	\$1,866,057
General Fund	67,875

- The WDB is responsible for implementing the federally funded Workforce Investment Act (WIA) that provides job training and assistance to unemployed and underemployed workers in Mecklenburg County.
- The City serves as the fiscal agent for the program and contracts with the WDB on an annual basis to implement WIA services.

- These funds will be used to provide job search and placement assistance, including career counseling assessment of skills and needs and training from eligible providers such as community colleges and universities.
- Achievements thus far in FY2010:
 - Served over 50,000 customers through five JobLink Career Centers
 - Assisted 65% of eligible adults and 80% of eligible dislocated workers transition to employment
 - Provided additional training funds to 12 local businesses to improve the skills of 415 existing workers
 - Served over 1,500 unemployed professional workers at the ProNet career center in Uptown since opening the facility in October
- The City’s FY2011 contract with the WDB includes the following scope of services for the use of these funds:
 - Approve and begin implementation of the recommendations of the JobLink System Analysis to better serve customers
 - Serve 55,000 customers at the five existing JobLink Career Centers and through the ProNet Charlotte program
 - Provide training vouchers to 400 eligible adults and dislocated workers
 - Provide job training and work experiences to 300 WIA eligible youth
 - Monitor contracts of agencies charged with delivering direct training services, including the Employment Securities Commission, Charlotte Enterprise Community, Goodwill Industries, Arbor Education & Training & the Q-Foundation

G. Approve the FY2011 After-School Enrichment Contracts

- The 2006-2010 Consolidated Action Plan for Housing and Community Development, approved by Council on June 13, 2005, identifies priorities for federal housing and community development resources including the Community Development Block Grant (CDBG) and Innovative Housing Funds. Contracts for After School Enrichment Programs are part of the projected FY2011 CDBG and Innovative Housing-funded activities.
- The contracts provide educational enrichment activities for elementary, middle, and high school students of families with low incomes who reside in the Housing and Neighborhood Development boundaries.
- The following contracts are funded by the human/public services component of the CDBG program:

– Bethlehem Center	\$199,207
– Greater Charlotte Enrichment Program	\$605,854
- The following contracts will be funded with Innovative Housing Funds:

– YWCA Central Carolinas After School	\$134,546
– Charlotte-Mecklenburg Schools After-School Enrichment	\$185,576
– Charlotte-Mecklenburg Schools Northwest After School Coalition	\$60,000
– St. Paul Enrichment Program	\$57,735
– YMCA Community Development	\$48,699

H. Approve the FY2011 Housing Development and Support Contracts

- The 2006-2010 Consolidated Action Plan for Housing and Community Development, approved by Council June 13, 2005, establishes strategies to provide affordable housing and supportive services for low- and moderate-income families and individuals as part of an overall community revitalization strategy.

Charlotte Housing Authority (City Relocation Services) \$567,867

- This contract includes funding to the CHA for the management of part of the City's Relocation Program (households displaced due to fire and code enforcement). The CHA will provide temporary and permanent housing, moving and storage, counseling, case management and capacity building. This contract is a performance based contract, therefore funding is up to \$567,867. The goal is to relocate 100% of families within 30 days of referral.

Regional HIV/AIDS Consortium 793,382

- The Consortium manages the City Housing Opportunities for Persons with HIV/AIDS (HOPWA) federal grant. Responsibilities include:
 - Awarding restricted-use grants to qualified organizations in the seven-county metropolitan statistical area (MSA) to provide housing and housing-related services for people living with HIV and AIDS. Servicing the seven-county metropolitan statistical area (MSA) is a requirement for the City to receive the funds.
 - Distributing funds available through the HOPWA program in compliance with 24 CFR Part 574 and other applicable HUD regulations
 - Ensuring that all HOPWA funds are expended to provide maximum access to housing for eligible people affected by HIV and AIDS, including family as defined by 24 CFR Part 574.3
 - Assist 450 persons with HIV/AIDS
 - Monitoring distribution and proper expenditure of funds distributed to grantee agencies in the region

Crisis Assistance Ministry \$380,000

- The Ministry programs provide critical assistance to low-income families.
- Crisis Assistance Energy Assistance (\$180,000) – These funds are used to directly pay utility companies for bills due from low-income families. This program serves approximately 1,350 families at an average of \$163.
- Crisis Assistance Emergency Rental Assistance (\$200,000) – These funds are targeted for low-income families living in specific areas of the City and address housing problems. This program assists approximately 1,122 families at an average cost of \$211 per family.

Community Link \$210,000

- Community Link provides housing counseling services with an emphasis in creating homeownership in CWAC and specifically the City's targeted neighborhoods.
- The pre-purchase housing contract will be re-bid in FY2011 for implementation in FY2012, in anticipation of achieving a lower annual cost.
- The contract is a performance-based contract therefore funding is up to \$210,000. The goal in FY2011 is for 100 new homeowners to receive loans.

Consumer Credit Counseling Services \$240,000

- Consumer Credit Counseling Service (CCCS) provides counseling associated with mortgage default and rental delinquency.
- The contract is a performance-based contract therefore funding is up to \$240,000. The goal in FY2011 is to serve 830 clients through the program.

Workforce Initiative for Supportive Housing \$200,000

- Workforce Initiative for Supportive Housing (WISH) provides supportive housing solutions for homeless working families with children.
- The contract is a performance-based contract therefore the funding is up to \$200,000. The goal in FY2011 is to serve 100 families through the program.

I. Approve the FY2011 Charlotte-Mecklenburg Housing Partnership Contract

Affordable Housing Contract \$1,960,000

- This contract includes funding to address planning for future multifamily and single-family housing development by:
 - Increase affordable homeownership opportunities. CMHP will assist 100 families to become homeowners.
 - Increase affordable rental opportunities. CMHP will acquire a new property to develop multi-family rental housing.

J. Other Budget Items

- The budget ordinance included is the City's annual budgetary operating ordinance. Sections 1 through 13 of this Ordinance reflect the items included in the Manager's Recommended Budget and all Council amendments that Council is approving with this action.
- The remainder of the Annual Ordinance (Sections 14 through 52) serves to make budgetary corrections to the current fiscal year for technical, accounting and other "wind-up" tasks necessary prior to the fiscal year's end.

Sections 14 through 21 General Capital Project Funds

- Section 14 reallocates sales tax receipts to rebalance the revenue distribution to pre-State legislative-action during FY2010.
- Section 15 provides additional funding to the City's Productivity Improvements account.
- Sections 16 through 20 appropriate and consolidate funding to prepare existing accounts for transactions presented in the FY2011-2015 CIP.
- Section 21 consolidates Business Grants and Equity Loan Programs.
- Section 22 appropriates funds for turn lanes and Johnston Road Extension from private and State of NC reimbursements.

Sections 23 through 26 Aviation Operating and Capital Projects Funds

- Sections 23 through 25 adjust projects within the Aviation Capital Project Funds to reflect revised appropriations from the fire facility-related Military Construction Cooperative Agreement, grants, and other sources.
- Section 26 provides funding for the operating costs associated with the new Aviation fire station opened mid-year FY2010.

Sections 27 through 29 CATS Capital Projects Funds

- Sections 27 through 29 adjust projects within the CATS Capital Project Funds to reflect revised funding amounts from grants and local resources.

Sections 30 and 31 Other Funds

- Section 30 appropriates a grant from Carolina RIMS for a Risk Management intern sponsorship.
- Section 31 reduces the Public Safety Grants Fund to reflect the actual

- amount of the UASI grants for FY2010.
- Sections 32 through 34 appropriate funding from various grants including federal (emergency shelter), Sisters of Mercy (Wingate Community), and Mecklenburg County Air Quality (ARRA for fuel-efficient diesel engines).

Sections 35 through 52

- Sections 35 and 36 include technical accounting changes necessary to clarify or correct FY2010 and other prior-year budgetary ordinances.
- Sections 37 through 52 give the Finance Director authority to make specific routine appropriations and transfers within the adopted budget.

K. Storm Water Interlocal Agreement compliance

- This action approves the Storm Water fee rates, effective July 1, 2010, for the Minor Drainage System in the City of Charlotte
- In accordance with the Interlocal Agreement on storm water services, this action will inform the County of the amount to be charged for the City's portion of the fee. The County Commission adopts their budget on June 15, 2010.
- The current long-range plan for the storm water program includes annual increases in the City's storm water fee, coupled with bond funding, in order to finance the ongoing response to new and backlogged citizen requests for service. The fees for FY2011 maintain the existing two-tier methodology and increase fees by 7% from FY2010 to FY2011:

	FY2010 Monthly Fee	FY2011 Monthly Fee
Detached homes with less than 2,000 sf impervious area	\$4.21	\$4.50
Detached homes with 2,000 sf or more impervious area	\$6.20	\$6.63
Other residential or non-residential development per acre of impervious area	\$103.27	\$110.50

- The 7% fee increase will result in additional revenue of \$2.8 million in FY2011, partially offset by a \$453,929 reduction in the City of Charlotte's impervious surface fee contribution from the General Fund. The additional revenue is reflected in the Pay-As-You-Go contribution to the capital program, which will increase the number of flood control projects started in FY2011 from three to six, and reduce the flood control project backlog from 19 to 14 years.
- In accordance with the Interlocal Agreement on storm water services, the Mecklenburg County Board of Commissioners conducted a public hearing on changes to the City's portion of the storm water fee on May 18, 2010. City Council also conducted a public hearing on storm water fees in conjunction with the FY2011 budget public hearing on May 24, 2010.
- The Charlotte-Mecklenburg Storm Water Advisory Committee has been presented the proposed FY2011 Storm Water program.

L. Other actions taken at the 1:30 p.m. June 7th Budget Straw Votes meeting

- At the May 26th Budget Straw Votes meeting, Council recessed and continued the meeting until June 7th at 1:30 p.m.
- Any additional actions approved by Council at 1:30 p.m. will be drafted by staff for a handout at the 5:00 p.m. June 7th Workshop meeting for consideration with the overall budget adoption agenda item.

**2010-2011 BUDGET ORDINANCE
ADOPTED JUNE 7, 2010**

BE IT ORDAINED by the City of Charlotte, North Carolina;

Section 1. The following amounts are hereby appropriated for the operation of the City government and its activities for the fiscal year beginning July 1, 2010 and ending June 30, 2011 according to the following schedules:

SCHEDULE A. GENERAL OPERATING FUND (0101)	511,633,901
SCHEDULE B. UTILITIES OPERATING FUND (7101)	266,932,617
SCHEDULE C. CHARLOTTE AREA TRANSIT SYSTEM OPERATING FUND (7801)	119,809,332
SCHEDULE D. AVIATION OPERATING FUNDS- CONSOLIDATED	155,687,606
SCHEDULE E. STORM WATER OPERATING FUND (7701)	52,087,809
SCHEDULE F. UTILITIES DEBT SERVICE FUNDS- CONSOLIDATED	136,011,339
SCHEDULE G. MUNICIPAL DEBT SERVICE FUND (5101)	80,580,869
SCHEDULE H. AVIATION DEBT SERVICE FUNDS - CONSOLIDATED	54,473,243
SCHEDULE I. CONVENTION CENTER DEBT SERVICE FUND (5104)	21,937,767
SCHEDULE J. STORM WATER DEBT SERVICE FUND (5201)	10,593,814
SCHEDULE K. CATS DEBT SERVICE FUND (5301)	15,666,368
SCHEDULE L. TOURISM DEBT SERVICE FUND (5106)	8,606,155
SCHEDULE M. POWELL BILL FUND (0120)	23,824,763
SCHEDULE N. CONVENTION CENTER TAX FUND (0132)	34,360,605
SCHEDULE O. INSURANCE AND RISK MANAGEMENT FUND (6302)	2,835,499
SCHEDULE P. TOURISM OPERATING FUND (0136)	8,508,943
SCHEDULE Q. CEMETERY TRUST FUND (6381)	96,000
SCHEDULE R. NASCAR HALL OF FAME TAX FUND (0138)	9,698,592
SCHEDULE S. NASCAR HALL OF FAME DEBT SERVICE FUND (5108)	9,698,592
SCHEDULE T. CULTURAL FACILITIES OPERATING FUND (0137)	6,643,313
SCHEDULE U. CULTURAL FACILITIES DEBT SERVICE FUND (5107)	6,643,313
SCHEDULE V. AVIATION DISCRETIONARY FUND (7408)	12,044,667

Section 2. The following amounts are hereby appropriated for capital projects by City Government and its activities for the fiscal year beginning July 1, 2010 according to the following Schedules:

SCHEDULE A. WORKFORCE INVESTMENT ACT FUND (6346)	6,042,368
SCHEDULE B. NEIGHBORHOOD DEVELOPMENT GRANTS FUND (6807)	1,003,408
SCHEDULE C. PUBLIC SAFETY GRANTS FUND (0413)	7,998,014
SCHEDULE D. PUBLIC SAFETY 911 SERVICES FUND (0911)	4,940,790
SCHEDULE E. HOME GRANT FUND (6910) PROJECTS	3,804,736
SCHEDULE F. COMMUNITY DEVELOPMENT FUND (6911) PROJECTS	5,395,468

SCHEDULE G. PAY AS YOU GO FUND (2011)

Contribution to Other Funds:	
General Capital Projects Fund	22,338,677
Charlotte Area Transit System Fund (MOE)	18,400,000
HOME Grant Fund	710,308
Cultural Facilities Operating Fund (Vehicle Rental Tax)	3,802,276
Cultural Facilities Operating Fund- Synthetic Tax Increment Financing	45,386
Contractual Services- County/Towns Vehicle Rental Tax	458,608
Contractual Services- Synthetic Tax Increment Financing	11,329
TOTAL PAY AS YOU GO FUND	45,766,584

SCHEDULE H. GENERAL CAPITAL PROJECTS FUND (2010)

Affordable Housing Program	10,100,000
Innovative Housing Program	4,198,108
Innovative Housing Program- Lakewood CDC	60,000
In Rem Remedy	550,000
Neighborhood Reinvestment Program	10,000,000
Neighborhood Reinvestment Program (Boulevard Homes)	7,000,000
Neighborhood Matching Grants	200,000
Area Plan Projects	2,500,000
Traffic Calming Program	1,000,000
Pedestrian and Traffic Safety Program	1,000,000
Sidewalk Program	7,500,000
Bridge Program	1,000,000
Rea Road Upgrade	13,200,000
Oakdale Road Farm-to-Market Road Improvements	8,000,000
Johnston-Oehler Farm-to-Market Road Improvements	3,100,000
Minor Roadway Improvement Program	750,000
Ballantyne Commons/Elm Lane Intersection Improvements	7,200,000
Scaleybar/South Boulevard Intersection Improvements	2,000,000
McKee Road/Providence Road Intersection Improvements	1,000,000
Public-Private Participation Program	1,500,000
Beatties Ford (Capps Hill Mine to Sunset)	3,900,000
Brevard and Eighth Street Improvements	5,500,000
Idlewild Rd (Piney Grove-Drifter)	8,000,000
Center City Transportation Plan	2,000,000
NE Corridor: Access Improvements	20,000,000
Non-System Residential Streets	1,000,000
State Highway Participation Program	1,500,000
Street Connectivity Program	2,000,000
Traffic Control Devices Upgrade Program	2,000,000
Traffic Flow Enhancement Program (arterial signal system coordination)	2,500,000
Bicycle Program	1,000,000
Sidewalk and Curb and Gutter Repairs	550,000
Road Planning/Design/ROW	950,569
Business Corridors/Pedscape Infrastructure	2,300,000
Business Corridor Revitalization Strategy	2,000,000
North Tryon Redevelopment	9,500,000
Disparity Study	310,000
Reserve for Economic Development Initiatives	6,000,000
Environmental Services Program	600,000
Tree Trimming & Removal Program	1,400,000
Tree Replacement Program	700,000
Building Maintenance Program	3,350,000
Roof Replacement Program	1,200,000
Parking Lot and Deck Repairs	300,000
Government Plaza Building Maintenance	600,000
Landscape Maintenance and Median Renovation	250,000
Consolidated Fire Headquarters	11,000,000
Providence Police Station	4,100,000
Eastway Police Station	2,800,000
Steele Creek Police Station	2,800,000
Sweden Road Equipment Maintenance Shop	410,000
Louise Avenue Equipment Maintenance Shop	195,000
CDOT Salt Shed Replacement	750,000
Technology Investments	2,000,000
Enterprise Resource Planning (ERP)	1,000,000
TOTAL GENERAL CAPITAL PROJECTS FUND	186,323,677

SCHEDULE I. TOURISM CAPITAL PROJECTS FUND (2036)

Arena Maintenance Reserve	607,439
Ovens/Cricket Maintenance	597,026
TOTAL TOURISM CAPITAL PROJECTS FUND	1,204,465

SCHEDULE J. STORM WATER CAPITAL PROJECTS FUND (2701)

Storm Water Repairs to Existing Drains	11,000,000
Storm Water Pollution Control	5,000,000
Storm Water Restoration/Mitigation	2,000,000
Post Construction Control Program	2,000,000
Storm Water Flood Control Projects	13,500,000
Storm Water Minor Capital Projects	2,000,000
Storm Water Mitigation Bank	2,000,000

TOTAL STORM WATER CAPITAL PROJECTS FUND 37,500,000

SCHEDULE K. UTILITIES CAPITAL PROJECTS FUND (2071)

Annexation	10,700,000
Support Growth and Development	39,536,600
Maintain Existing Infrastructure	38,700,000
Provide Service to Existing Residences	500,000
Support for Other Public Projects and for Utilities Operation	21,760,000
Regulatory Requirements	1,150,000

TOTAL UTILITIES CAPITAL PROJECTS FUND 112,346,600

SCHEDULE L. CHARLOTTE AREA TRANSIT CAPITAL PROJECTS FUNDS - CONSOLIDATED

(Note: CATS Capital Projects are to be appropriated according to timeline to be designated during FY11)

Buses - Replacement	8,252,884
STS Vans - Replacement	2,089,087
Vanpool Vans - Replacement	618,000
Davidson BOD Facility Renovation/Expansion	1,560,543
Park and Ride Lots	2,633,260
Bus Facility Improvements	717,984
Asset Maintenance	650,000
Preventive Maintenance (Bus)	4,640,632
Preventive Maintenance (Rail) (new)	500,000
Rail and Rail Facilities	500,000
Service Vehicles	226,600
Safety & Security Equipment	1,401,983
Technology Improvements	492,150
North Corridor Commuter Rail (Red Line)	468,157
LYNX Blue Line Extension (BLE)	24,615,616
Transit Bridge Program	100,000
Future corridor planning and construction	1,073,814

TOTAL CHARLOTTE AREA TRANSIT CAPITAL PROJECTS FUNDS 50,540,710

Section 3. It is estimated that the following revenues will be available during the fiscal year beginning on July 1, 2010 and ending on June 30, 2011 to meet the appropriations shown in Section 1 according to the following schedules:

SCHEDULE A. GENERAL OPERATING FUND (0101)

Taxes	
Property Tax	286,726,262
Property Tax - Synthetic TIF	1,887,004
Sales Tax	64,350,000
Utilities Franchise Tax	35,900,000
Tax Reimbursements	3,786,289
Police Services	15,067,721
Solid Waste Disposal Fees	12,400,000
Business Privilege Licenses	16,600,000
Other Revenues	
Licenses and Permits	15,317,264
Fines, Forfeits and Penalties	3,040,000
Interlocal Grants and Agreements	9,622,158
Federal Grants and State Shared Revenues	3,162,717
General Government	5,475,241

Public Safety	3,351,406
Cemeteries	502,539
Use of Money and Property	517,295
Other Revenues	1,810,488
Intragovernmental Revenues	24,555,986
Transferred Revenues	6,558,045
Transfers from Other Funds	1,003,486
TOTAL GENERAL FUND	511,633,901
SCHEDULE B. UTILITIES OPERATING FUND (7101)	
Variable Rate Revenues	240,179,790
Fixed Rate Revenues	13,335,314
Specific Service and Capacity Revenues	13,257,508
Industrial Waste Surcharge	3,273,092
Interest on Investments	3,262,801
Other Revenues	1,875,724
TOTAL UTILITIES OPERATING FUND	275,184,229
SCHEDULE C. CHARLOTTE AREA TRANSIT SYSTEM OPERATING FUND (7801)	
Half-Percent Sales Tax	59,376,743
Maintenance of Effort:	
Town of Huntersville	17,500
Mecklenburg County	181,866
City of Charlotte	18,400,000
Passenger Revenues and Service Reimbursements	25,115,706
State Operating Assistance Grants	13,384,672
Interest on Investments	3,500,000
Other Revenues	500,000
TOTAL CHARLOTTE AREA TRANSIT SYSTEM FUND	120,476,487
SCHEDULE D. AVIATION OPERATING FUNDS- CONSOLIDATED	
Concessions	33,656,168
Parking	34,835,664
Terminal	26,188,812
Airfield Usage	10,048,800
Cargo Area and Ground Rents	18,562,597
Other	3,433,870
Interest on Investments	3,507,967
Passenger Facility Charges	25,444,728
TOTAL AVIATION OPERATING FUND	155,678,606
SCHEDULE E. STORM WATER OPERATING FUND (7701)	
Storm Water Fees	47,652,875
Interest on Investments	406,865
Fund Balance- Unappropriated	4,028,069
TOTAL STORM WATER OPERATING FUND	52,087,809
SCHEDULE F. UTILITIES DEBT SERVICE FUNDS- CONSOLIDATED	
Contribution from Water and Sewer Operating Fund	136,011,339
Interest on Investments	830,000
Proceeds from Sale of Bonds	20,000
Premium from Sale of Bonds	120,000
Interest Transferred from Other Funds	1,980,000
TOTAL WATER AND SEWER DEBT SERVICE FUNDS	138,961,339

SCHEDULE G. MUNICIPAL DEBT SERVICE FUND (5101)

Property Tax	52,211,300
Property Tax - Synthetic TIF	343,592
Sales Tax	12,186,669
Interest on Investments	2,680,000
Interest Transferred from Other Funds	
General	1,250,000
Other	160,000
Contribution from Other Funds	
General - Equipment	17,125,223
General - Public Safety Communications	3,432,067
Powell Bill	1,301,000
County Share - CMGC and Park and Rec. L/P	688,482
Proceeds from the Sale of Debt	275,000
Premium on Sale of Debt	1,500,000
Other	1,164,815
TOTAL MUNICIPAL DEBT SERVICE FUND	94,318,148

SCHEDULE H. AVIATION DEBT SERVICE FUNDS - CONSOLIDATED

Contribution from Aviation Operating Fund	46,580,493
Contribution from Airlines	7,547,750
Proceeds from Sale of Debt	
Interest on Investments	154,650
Fund Balance- Unappropriated	205,350
TOTAL AVIATION DEBT SERVICE FUNDS	54,488,243

SCHEDULE I. CONVENTION CENTER DEBT SERVICE FUND (5104)

Contribution from Convention Center Tax Fund	21,937,767
TOTAL CONVENTION CENTER DEBT SERVICE FUND	21,937,767

SCHEDULE J. STORM WATER DEBT SERVICE FUND (5201)

Contribution from Storm Water Operating Fund	10,593,814
TOTAL STORM WATER DEBT SERVICE FUND	10,593,814

SCHEDULE K. CATS DEBT SERVICE FUND (5301)

Transfers from Other Funds	
CATS Operating	8,502,659
Municipal Debt Service	1,962
Federal Formula Grant	6,476,826
State Match for Federal Formula	684,921
TOTAL CATS DEBT SERVICE FUND	15,666,368

SCHEDULE L. TOURISM DEBT SERVICE FUND (5106)

Contribution from Tourism Operating Fund	7,204,478
Contribution from CRVA	1,281,677
Interest on Investments	120,000
TOTAL TOURISM DEBT SERVICE FUND	8,606,155

SCHEDULE M. POWELL BILL FUND (0120)

State Gas Tax Refund	17,422,763
Transfer from General Fund	4,261,000
Interest on Investments	391,000
Street Degradation Fee	750,000
Fund Balance- Unappropriated	1,000,000
TOTAL POWELL BILL FUND	23,824,763

SCHEDULE N. CONVENTION CENTER TAX FUND (0132)

Taxes	29,972,258
Interest on Investments	680,000
Fund Balance- Unappropriated	3,708,347

TOTAL CONVENTION CENTER TAX FUND 34,360,605

SCHEDULE O. INSURANCE AND RISK MANAGEMENT FUND (6302)

Intergovernmental Revenues	
City of Charlotte - General Fund	908,312
City of Charlotte - Other Funds	688,909
Mecklenburg County	706,810
Board of Education	490,768
Other Agencies and Misc revenues	40,700

TOTAL INSURANCE AND RISK MANAGEMENT FUND 2,835,499

SCHEDULE P. TOURISM OPERATING FUND (0136)

Occupancy Tax	4,735,475
Rental Car Tax	2,187,749
Interest on Investments	340,000
Contribution from Bobcats	303,876
Fund Balance- Unappropriated	941,843

TOTAL TOURISM OPERATING FUND 8,508,943

SCHEDULE Q. CEMETERY TRUST FUND (6381)

Fund Balance- Unappropriated	96,000
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TOTAL CEMETERY TRUST FUND 96,000

SCHEDULE R. NASCAR HALL OF FAME TAX FUND (0138)

Occupancy Tax	7,201,225
Interest on Investments	320,000

TOTAL NASCAR HALL OF FAME OPERATING FUND 7,521,225

SCHEDULE S. NASCAR HALL OF FAME DEBT SERVICE FUND (5108)

Contribution from NASCAR HOF Tax Fund	9,698,592
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TOTAL NASCAR HALL OF FAME DEBT SERVICE FUND 9,698,592

SCHEDULE T. CULTURAL FACILITIES OPERATING FUND (0137)

Transfer from Pay As You Go Fund (Vehicle Rental Tax)	3,802,276
Transfers for Synthetic TIF Agreements:	
General Fund	1,359,136
Municipal Debt Service	247,476
Pay-As-You-Go	45,389
Interest on Investments	240,000
Contribution from Mecklenburg County	2,948,040

TOTAL CULTURAL FACILITIES OPERATING FUND 8,642,317

SCHEDULE U. CULTURAL FACILITIES DEBT SERVICE FUND (5107)

Contribution from Cultural Facilities Operating Fund	6,643,313
Debt Proceeds	0

TOTAL CULTURAL FACILITIES DEBT SERVICE FUND 6,643,313

SCHEDULE V. AVIATION DISCRETIONARY FUND (7408)

Fund Balance- Unappropriated	12,044,667
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TOTAL AVIATION DISCRETIONARY FUND 12,044,667

Section 4. It is estimated that the following revenues will be available during the fiscal year beginning July 1, 2010 and ending on June 30, 2011 to meet the appropriations shown in Section 2 according to the following Schedules:

SCHEDULE A. WORKFORCE INVESTMENT ACT FUND (6346)

Workforce Investment Act (WIA) Grants 6,042,368

TOTAL WORKFORCE INVESTMENT ACT FUND 6,042,368

SCHEDULE B. NEIGHBORHOOD DEVELOPMENT GRANTS FUND (6807)

Federal-Housing Opportunities for People with Aids (HOPWA) Grant 793,382
Federal-Emergency Shelter Grant 210,026

TOTAL NEIGHBORHOOD DEVELOPMENT GRANTS FUND 1,003,408

SCHEDULE C. PUBLIC SAFETY GRANTS FUND (0413)

Federal and State Grants and Reimbursements 7,283,004
Assets Forfeiture Funds 130,010
Miscellaneous grants, donations, and other contributions 585,000

TOTAL PUBLIC SAFETY GRANTS FUND 7,998,014

SCHEDULE D. PUBLIC SAFETY 911 SERVICES FUND (0911)

NC 911 Fund Distributions 4,820,790
Interest on Investments 120,000

TOTAL PUBLIC SAFETY 911 SERVICES FUND 4,940,790

SCHEDULE E. HOME GRANT FUND (6910)

HUD HOME Grant Funds 2,819,428
Contribution from Pay As You Go Fund 710,308
HOME Grant Program Income 275,000

TOTAL HOME GRANT FUND 3,804,736

SCHEDULE F. COMMUNITY DEVELOPMENT FUND (6911)

Community Development Block Grant 5,195,468
Community Development Program Income 200,000

TOTAL COMMUNITY DEVELOPMENT FUND 5,395,468

SCHEDULE G. PAY AS YOU GO FUND (2011)

Property Tax 9,425,588
Property Tax - Synthetic TIF 63,017
Interest on Investments 713,000
Sales Tax 11,650,000
Auto Tax 12,750,000
Vehicle Rental Tax 5,211,453
Capital Reserve 1,000,000
Capital Fund Balance (transfer from 2010) 1,491,243
Capital Fund Balance (transfer from 2011) 1,392,283
Project Savings 1,760,000
Project Savings- Criminal Justice Study 310,000

TOTAL PAY AS YOU GO FUND 45,766,584

SCHEDULE H. GENERAL CAPITAL PROJECTS FUND (2010)

Contribution from Pay As You Go Fund 22,338,677
Contribution from Other Funds -
 Innovative Housing Program Income 125,000
 Affordable Housing Program Income 100,000
Street Bonds 110,950,000
Neighborhood Improvement Bonds 17,000,000
Affordable Housing Bonds 10,000,000
Certificates of Participation (Providence Police Station) 3,400,000
Certificates of Participation (Fire Consolidated HQ) 10,000,000
Prior Certificates of Participation from Eastland Fire Station (Fire Consolidated HQ) 400,000
Certificates of Participation (Eastway Police Station) 2,800,000

Certificates of Participation (Steele Creek Police Station)	2,800,000
Prior Certificates of Participation from NE Equipment Maintenance Yard (Sweden Road Maintenance Shop)	410,000
Certificates of Participation (Reserved for ED Initiatives)	6,000,000

TOTAL GENERAL CAPITAL PROJECTS FUND 186,323,677

SCHEDULE I. TOURISM CAPITAL PROJECTS FUND (2036)

Contribution from Tourism Operating Fund	1,204,465
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TOTAL TOURISM CAPITAL PROJECTS FUND 1,204,465

SCHEDULE J. STORM WATER CAPITAL PROJECTS FUND (2701)

Storm Water Revenue Bonds	1,500,000
Contribution from Storm Water Operating Fund	30,000,000
Program Income	4,000,000
Capital Fund Balance (transfer from 2701)	2,000,000

TOTAL STORM WATER CAPITAL PROJECTS FUND 37,500,000

SCHEDULE K. UTILITIES CAPITAL PROJECTS FUND (2071)

Water Revenue Bonds	17,834,000
Sewer Revenue Bonds	66,682,600
Contribution from Water and Sewer Operating Fund	27,830,000

TOTAL UTILITIES CAPITAL PROJECTS FUND 112,346,600

SCHEDULE L. CHARLOTTE AREA TRANSIT CAPITAL PROJECTS FUNDS - CONSOLIDATED

Federal and State Grants	41,087,131
Contribution from CATS Operating Fund	9,453,579

TOTAL CATS CAPITAL PROJECTS FUNDS 50,540,710

Section 5. That the sum of up to \$11,900,000 is estimated to be available from the proceeds of the FY11 Installment Payment Contract (Lease Purchase) and is hereby appropriated to the funds listed below. Interest earnings on these lease purchase proceeds are hereby appropriated to the respective funds' Control Centers for allocation for future capital equipment needs in the current and future years until the funds are depleted.

General Capital Equipment Fund	\$9,500,000
Water & Sewer Capital Equipment Fund	500,000
Powell Bill (Street Maintenance) Capital Equipment Fund	1,500,000
Issuance Expense	400,000
Total	\$11,900,000

Section 6. The following tax rates are hereby levied on each one hundred dollars (\$100) valuation of taxable property, as listed for taxes as of January 1, 2010, for the purpose of raising revenue from property taxes as set forth in the foregoing revenue estimates, and in order to finance the Funds' appropriations:

	Tax Rates
General Fund (for the general expenses incidental to the proper government of the City)	\$0.3773
Municipal Debt Service (for the payment of interest and principal on outstanding debt)	\$0.0687
Pay As You Go Fund (for dedication to the General Capital Projects Fund for capital improvements)	\$0.0126
TOTAL RATE PER \$100 VALUATION OF TAXABLE PROPERTY	\$0.4586

Such rates of tax are based on an estimated total appraised valuation of property for the purpose of taxation of \$77,475,706,457 and an estimated rate of collection of ninety-seven and two tenths percent (97.2%).

Section 7. That the sum of \$951,880 is hereby appropriated to the Municipal Service District 1; that the sum of \$488,882 is hereby appropriated to the Municipal Service District 2; and that the sum of \$964,217 is hereby appropriated to Municipal Service District 3. These funds will provide for planning, promotion, and revitalization activities within the designated center city Municipal Service Districts for the period beginning July 1, 2010 and ending June 30, 2011.

Section 8. That the sum of \$560,162 is hereby appropriated to the Municipal Service District 4. These funds will provide for planning, promotion, and revitalization activities within the designated South End Municipal Service District for the period beginning July 1, 2010 and ending June 30, 2011.

Section 9. That the sum of \$669,226 is hereby appropriated to the Municipal Service District 5. These funds will provide for planning, promotion, and revitalization activities within the designated University City Municipal Service District for the period beginning July 1, 2010 and ending June 30, 2011.

Section 10. That the following estimated revenues are hereby available from the following sources to finance the operations of the Municipal Service Districts:

SCHEDULE A. MUNICIPAL SERVICE DISTRICT 1 (0130)	
Property Taxes	\$951,880
TOTAL DISTRICT 1	\$951,880
SCHEDULE B. MUNICIPAL SERVICE DISTRICT 2 (0130)	
Property Taxes	\$488,882
TOTAL DISTRICT 2	\$488,882
SCHEDULE C. MUNICIPAL SERVICE DISTRICT 3 (0130)	
Property Taxes	\$964,217
TOTAL DISTRICT 3	\$964,217
SCHEDULE D. MUNICIPAL SERVICE DISTRICT 4 (0130)	
Property Taxes	\$560,162
TOTAL DISTRICT 4	\$560,162
SCHEDULE E. MUNICIPAL SERVICE DISTRICT 5 (0130)	
Property Taxes	\$669,226
TOTAL DISTRICT 5	\$669,226

Section 11. The following tax rates are hereby levied on each one hundred dollars (\$100) valuation of taxable property, as listed for taxes as of January 1, 2011, for the purpose of raising the revenue from property taxes to finance the foregoing appropriations in the Municipal Service Districts Funds. Such tax rates are based on estimated total appraised valuations at collection rates as follows.

	<u>Tax Rates</u>	<u>Valuation</u>	<u>Collection Rate (%)</u>
Municipal Service District 1	\$0.0174	\$5,628,161,298	97.20%
Municipal Service District 2	\$0.0239	\$2,104,454,397	97.20%
Municipal Service District 3	\$0.0386	\$2,569,930,576	97.20%
Municipal Service District 4	\$0.0668	\$862,722,333	97.20%
Municipal Service District 5	\$0.0300	\$2,295,012,951	97.20%

Section 12. That the sum of \$307,000 is available from the following projects for FY2011 art- eligible projects and is hereby appropriated to Fund General CIP Fund 2010; 246.10- Public Art.

<u>Projects</u>	<u>Source</u>	<u>1% Allocation</u>
47800 - Neighborhood Improvements - Streetscape	Neighborhood Bonds	17,000
47472 - Pedestrian & Traffic Safety	Street Bonds	10,000
25100 - Area Plan Projects	Street Bonds	25,000
49300 - Business Corridor/Pedscape Infrastructure	Street Bonds	23,000
00000 - North Tryon Redevelopment	Street Bonds	95,000
47787 - Consolidated Fire Headquarters	Certificates of Participation	100,000
47788 - Providence Police Station	Certificates of Participation	37,000
Total		\$307,000

Section 13. That the City Manager is hereby authorized to move appropriations between funds to implement reorganizations as identified in the City Manager's recommended budget. No fund's net bottom line will change. However, offsetting increases to both estimated revenues and appropriations may occur to accommodate the mid-year changes.

Section 14. That the sum of up to \$6 million is available in Municipal Debt Service Fund 5101 from Sales Tax collections and is hereby moved to General Fund 0101 to rebalance both funds to their intended allocations prior to the mid-FY2010 State legislative actions.

Section 15. That the sum of \$200,000 is available from PAYG fund balance and is hereby appropriated to Productivity Improvements.

Section 16. That the sum of \$1,195,149.26 is available from PAYG fund balance and is hereby appropriated to Smart Growth from land sales.

Section 17. That \$1,550,785.02 is available from the listed sources and is hereby appropriated to the indicated projects and Funds.

<u>Projects</u>	<u>Fund Center</u>	<u>Source</u>	<u>Amount</u>
Double Oaks Loan	6807 90083	Program Income	\$287,555.61
Villages of Hope Haven	6807 90080	Program Income	110,307.25
Interest to HUD	6902 90095	Interest on Investments	49,922.32
Scaleybark Property	2010 48105	Proceeds from Sale	55,470.00
City Within a City Loan Program	2010 36919	Program Income	378,083.79
African American Cultural Center	6911 92193	Proceeds from Sale	315,406.63
Duke Energy Help Program	6807	Grant Proceeds	10,000.00

Lead Assistance Program	6807	Grant Proceeds	15,400.00
Affordable Housing Program	2010 48101	Excess of Estimates	44,467.52
Affordable Housing Program	2010 48101	Premium on Sale	284,171.90
Total			\$1,550,785.02

Section 18. That the entire sum available within Fund 2010 Center 47439 is hereby transferred to Fund 2010 Center 47435 to consolidate the centers and combine funds:

	<u>Fund Center</u>	<u>Decrease</u>	<u>Increase</u>
Eastland Area Improvements	2010 47439	\$149,422.95	
Eastland Mall Area Improvements	2010 47435		\$149,422.95

Section 19. That the sum of \$700,000 within Fund 2010 Center 36700 is hereby transferred to Fund 2010 Center 36724 to consolidate the centers and combine funds:

	<u>Fund Center</u>	<u>Decrease</u>	<u>Increase</u>
Construction of Annexation Fire Stations	2010 36700	\$700,000.00	
Eastland Fire Station	2010 36724		\$700,000.00

Section 20. That the sum of \$988,359 is hereby transferred to Fund 2010 Center 37711 to fund building demolition from DARF (2010; 369.00).

Section 21. That any remaining funds within the following projects are hereby consolidated into Fund 2010 Center 37711 to combine N&S Business Grants & Equity Loan Programs.

	<u>Fund Center</u>	<u>Decrease</u>	<u>Increase</u>
Revitalization Loans	2010 36900	\$335,593.61	
Façade Grants	2010 36916	77,347.07	
Security Grants	2010 36917	4,926.98	
Business D. Org Grant	2010 36918	6,000.00	
CWC - Infrastructure	2010 36921	132,494.50	
Brownfield Assess Prg.	2010 47310	10,222.94	
Business Grant & Equity Loan Program	2010 36919		\$566,585.10
Total		\$566,585.10	\$566,585.10

Section 22. That the sum of \$185,545 is available from the following sources and is hereby appropriated to the following funds.

<u>Projects</u>	<u>Fund Center</u>	<u>Location/Type/Source</u>	<u>Amount</u>
Turn Lane	2010 0245010	Amber Leigh Subdivision	\$160,000.00
Johnston Road Extension	2010 0028805	State of NC	\$25,545.00
Total			\$185,545.00

Section 23. That the additional sum of \$180,000 is available from the Military Construction Cooperative Agreement (MICCA) with the National Guard Bureau and is hereby added to the Airport Capital Projects Fund 2091 for the New Airport Fire Facility, to correct Sections 1 & 2 of Ordinance 4238-X dated July 27, 2009.

Section 24. That Section 4, Schedule M Ordinance 3937-X dated June 9, 2008 is amended to reflect Aviation Capital Fund 2073 fund balance rather than Excluded Centers fund balance.

Section 25. That the following Airport Improvement Projects are hereby amended to reflect the final distribution for source of funding on FAA grants.

	<u>Amount</u>	<u>Transfer From</u>	<u>Transfer To</u>
AIP 48 Grant	\$36,292.58	2087; 52952	2090; 54001
AIP 52 Grant	\$31,496.00	2087; 52952	2091; 55412

Section 26. That the additional sum of \$606,449 is available from the Aviation Operating Fund 7402 and is hereby appropriated to the General Fund 0101 for reimbursing the cost of opening the new Airport Fire Station mid-year FY2010, including 21 positions.

Section 27. That \$564,300 is available from the following sources in association with an FY09 Bus Discretionary Grant and is hereby appropriated to Public Transit Capital Fund 2078; Eastland Transit Center (8020309)

<u>Sources</u>	
Federal Grant	\$451,440.00
State Grant	56,430.00
CATS Operating Fund Balance	56,430.00
Total	\$564,300.00

The following project expenses previously funded with CATS operating Fund 7801 fund balance are eligible for this grant and are hereby transferred to Public Transit Capital Fund 2078; Eastland Transit Center (8020309). These amounts should be returned to Fund 7801 fund balance.

<u>Projects</u>	
Transit Centers (2078.0053863)	\$415,456.41
Park and Ride Lots (2078.0053872)	8,599.98
FY06 Capital Projects CATS Funded (2078.0053860)	137,354.11
FY02 Transit Centers (2078.0087401)	2,889.50
Total	\$564,300.00

Section 28. That Sections 2 and 4 Schedule L of Ordinance 4187-X dated June 8, 2009 are hereby amended to reflect changes to the Charlotte Area Transit System Capital Projects Fund.

<u>Section 2 Schedule L</u>	<u>Original</u>	<u>Revised</u>
Buses - Replacement /Expansion	5,196,921	3,794,617
STS Vans - Replacement	531,563	445,000

Vanpool Vans - Expansion	284,090	284,090
Davidson BOD Facility Renovation/Expansion	6,442,578	8,400,028
Transit Centers	493,320	464,310
Park and Ride Lots	2,068,312	464,311
Bus Facility Improvements	2,523,749	557,914
Asset Maintenance	1,650,720	1,600,720
Preventive Maintenance	3,590,632	3,590,632
Rail and Rail Facilities	825,000	825,000
Safety & Security Equipment	909,050	725,000
Technology Improvements	608,050	355,500
Future corridor planning and construction	31,849,257	32,212,295
Charlotte Multimodal Station	2,166,511	2,166,511
Transit Bridge Program	200,000	200,000
Total	59,339,753	56,085,928

Section 4 Schedule L	Original	Revised
Federal and State Grants	47,706,162	43,948,941
Contribution from CATS Operating Fund	11,633,591	12,136,987
Total	59,339,753	56,085,928

Section 29. That Section 24 of Ordinance 4187-X dated June 8, 2009 is revised to reduce appropriations and revenues associated with CATS Safety and Security Equipment

	Original	Revised
Safety and Security Equipment	2,129,757	757,572
Total	2,129,757	757,572

Funding	Original	Revised
Federal and State Grants	1,852,889	659,088
Contribution from CATS Operating Fund	276,868	98,484
Total	2,129,757	757,572

Section 30. That the sum of \$3,000 is available from Carolina RIMS and is hereby appropriated to Fund 6302; 54900 for a Risk Management Intern sponsorship.

Section 31. That Sections 2 and 4, Schedule C of Ordinance 4187-X dated June 8, 2009 are hereby amended to reflect the following changes to the Public Safety Grants Fund 0413:

Source	Original	Revised
Federal and State Grant Reimbursements	\$7,379,669	\$5,834,274
Assets Forfeiture Funds	125,130	125,130
Miscellaneous Grants, Donations, and Other Contributions	601,725	601,725
Total	\$8,106,524	\$6,561,129

Section 32. That the additional sum of \$622 is available from the Federal Emergency Shelter grant in the Neighborhood and Business Services Grants Fund 6807 and is hereby added to the Emergency Shelter Program, to correct Sections 2 & 4, Schedule B of Ordinance 4187-X dated June 8, 2009.

Section 33. That the additional sum of \$29,000 is available from the Sisters of Mercy grant in the Neighborhood and Business Services Grants Fund 6807 and is hereby added to the Wingate Community employment assistance programs.

Section 34. That the sum of \$69,116 is estimated to be available from the ARRA Grade+ Project Mecklenburg County Air Quality Grant (\$51,837) and matching CMU funds (\$17,279) and is hereby appropriated to CMU ARRA Fund 2640 for fuel efficient diesel engines.

Section 35. That the following ordinances are hereby revised as follows:

Reference	Revised to:
Ordinance 4187-X dated June 8, 2009	
Section 2, Schedule H	Center 36780 instead of Center 36721
Section 12	Center 36724 instead of Center 36700
Section 27	\$2,245,000 instead of \$2,595,000; funded from \$1,445,000 Hall of Fame Capital Fund 2038 and \$800,000 Convention Center Capital Fund 2013
Ordinance 4226-X dated July 27, 2009, Section 2	Fund 6807 Center 90091 instead of Fund 0101 Center 53220
Ordinance 4244-X dated August 24, 2009	Center 53177 instead of Center 53777
Ordinance 4245-X dated August 24, 2009	Center 8137010 instead of Center 8137310
Ordinance 4291-X dated October 12, 2009, Section 2	Fund 6807 Center 90091 instead of Fund 0101 Center 53220

Section 36. That the additional sum of \$464,885 is available from fund balance in the Convention Center Tax Fund 0132 and is hereby added to the appropriation for Promotion and Marketing, to correct Sections 1 & 3, Schedule N of Ordinance 4187-X dated June 8, 2009.

Section 37. That any remaining encumbrances in operating funds are hereby authorized for reappropriation from which expenditures may be made during the year.

- Section 38.** That the entire sum available from MSD Fund 0130 fund balance as of June 30, 2010 for MSDs #1, #2, #3, and #4 is hereby appropriated for payment to Charlotte Center City Partners (CCCP).
- Section 39.** That the Finance Director or his designee is hereby authorized to carry forward the authorizations for any Federal, State, Local, other third party grants, or program- specific community contributions for the duration of the grants' or contributions' authorized performance periods; and that any appropriation of local funding required, such as a grant match, is authorized to be carried forward as well.
- Section 40.** Sections of this ordinance estimate federal and/or state grant participation. Upon receipt of the grant assistance, the sources and levels of funding for the project specified may be adjusted to reflect permanent financing. Until permanent financing is realized, the Finance Director or his designee is hereby authorized to advance funding from the appropriate fund's fund balance to cover the estimated grant revenue as specified in the above sections. Upon receipt of grant revenue, funds advanced to the project shall revert back to the source fund's fund balance. If grant funding is not realized, the advance may be designated as the permanent source of funding. The total project appropriation level shall not exceed the amounts specified unless amended by a subsequent ordinance.
- Section 41.** That the Finance Director or his designee is hereby authorized to appropriate interest earnings for any Federal, State, Local, or other third party grants for the duration of the grants' authorized performance periods.
- Section 42.** That the Finance Director or his designee is hereby authorized to appropriate interest on investments on HUD-related revolving loan funds as required by HUD to return related interest earnings to HUD at fiscal years' end.
- Section 43.** That the Finance Director or his designee is hereby authorized to advance cash from the General Capital Project equity of the City's cash pool account to general capital projects that are bond financed (unissued) and that have City Council authorized appropriations. Upon issuance of permanent financing, the funds will be repaid to the General Capital Project equity of the City's cash pool account.
- Section 44.** That the Finance Director or his designee is hereby authorized to advance cash from the Utilities equity of the City's cash pool account to water and sewer projects that are bond financed (unissued) and that have City Council authorized appropriations. Upon issuance of permanent financing, the funds will be repaid to the Utilities equity of the City's cash pool account.
- Section 45.** That the Finance Director or his designee is hereby authorized to transfer interest earnings from the City's various operating and capital funds to the appropriate debt service funds according to Council policy, except where specific exceptions have been authorized.
- Section 46.** That the Finance Director or his designee is hereby authorized to appropriate amounts needed to fund current fiscal year debt issues that have been approved by Council.
- Section 47.** That the Finance Director or his designee is hereby authorized to appropriate amounts needed to satisfy federal government regulations related to interest earnings on debt issues.
- Section 48.** That the Finance Director or his designee is hereby authorized to transfer revenues from the Tourism and Convention Center Tax Funds to the Charlotte Regional Visitors Authority as stipulated in State of North Carolina General Statutes, contractual or other required payments.
- Section 49.** That occupancy and prepared food and beverage tax revenues are hereby available and are authorized to be appropriated in the amounts needed to make payments to Charlotte Regional Visitors Authority as specified in the Council- authorized agreement.
- Section 50.** That prepared food and beverage tax revenues are hereby available and are authorized to be appropriated for transfer in the amounts needed to make payments to the Mecklenburg County towns (Cornelius, Davidson, Huntersville, Matthews, Mint Hill, and Pineville) as stipulated in House Bill 715, Session Law 2001 and interlocal agreement approved by Council resolution June 13, 2005.
- Section 51.** That 911 fees are hereby available and are authorized to be appropriated in the amounts needed to make payments on behalf of Mecklenburg County as specified in Council- authorized interlocal agreements. That the remaining sum of \$624.34 is authorized for transfer to General Fund 0101 from 911 fund as required by changes to the 911 fund state statute effective January 1, 2008.
- Section 52.** That as annual wireless communications user fees exceed annual debt service and other operating expenditures for wireless infrastructure system operations in General Fund 0101 the excess is hereby authorized to be appropriated for transfer to the General Capital Improvement Fund 2010 for future digital communications upgrades as specified in Council- authorized interlocal agreements. Any shortfall in collections from system user fees will be carried forward to the future fiscal year(s) and will be deducted from future transfers to the CIP until depleted.
- Section 53.** Copies of this ordinance shall be furnished to the Director of Finance, City Treasurer, and Chief Accountant to be kept on file by them for their direction in the disbursement of City funds.
- Section 54.** All ordinances or parts of ordinances in conflict herewith are hereby repealed.
- Section 55.** It is the intent of this ordinance to be effective July 1, 2010, except for Sections 14 through 54, which are to be effective upon adoption.

Approved as to form:

City Attorney

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE AMENDING THE FIVE-YEAR CAPITAL INVESTMENT PLAN FOR FISCAL YEARS 2011 TO 2015.

WHEREAS, the City of Charlotte recognizes the importance of developing long- range capital investment planning to maintain the growth and vitality of the community; and

WHEREAS, the City of Charlotte continuously develops and reviews the policy, financial and planning assumptions and impacts of capital investment projects for the City; and

WHEREAS, the City of Charlotte has a five-year Capital Investment Plan based on policy assumptions, so stated in the FY2011-2015 Capital Investment Plan that balances potential physical development with long-range financial capacity; and

WHEREAS, The Capital Investment Plan is amended from time to time to reflect changes in capital planning of the community,

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Charlotte, in its regular session duly assembled, that it hereby adopt the Capital Investment Plan for fiscal years 2011 to 2015.

This 7th day of June 2010

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE ADOPTING
CHANGES TO THE CITY PAY PLANS AND EMPLOYEE GROUP INSURANCE PLANS FOR
FISCAL YEAR 2011

WHEREAS, the City of Charlotte desires to provide its employees with a competitive pay package and recognizes the importance of rewarding employees for their performance; and

WHEREAS, the City of Charlotte desires to provide its employees with a competitive benefits package; and

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Charlotte, in its regular session duly assembled, that it hereby adopt the pay and benefits recommendations for fiscal year 2011.

This 7th day of June 2010

United Family Services – Victim Assistance FY2011 Scope of Services

Community Safety

- Crisis intervention and short-term counseling for victims of violent crime and their families, including families of homicide victims
- Assistance for crime victims in understanding and working with the criminal justice system
- Referral and follow-through with appropriate community services for victims
- Assistance for victims and their families in applying for North Carolina Victim Compensation to help defray the victim's medical expenses, loss of time from work, and burial expenses
- Rape Crisis Response Service to provide crisis services to sexual assault victims treated in the emergency rooms at the six hospitals in Charlotte-Mecklenburg and by phone 24 hours, 7 days a week
- Support victims during rape kit examinations
- Specialized services for child victims of sexual abuse and other violent crime
- Specialized services for teen rape victims
- Specialized services for victims of domestic violence and sexual assault, including assistance with filing for protective orders, court accompaniment, photo documentation of injury, education on domestic violence/sexual assault issues, and safety planning
- Collaboration with the police and other agencies involved in the community response to end violent crime (including sexual assault, domestic violence, homicide, child maltreatment) and other task forces
- Community outreach to educate citizens about sexual assault, domestic violence, homicide, and child maltreatment through the UFS Speakers Bureau, staff, and volunteers
- Training professionals in the community, including police recruits, on the issues involved in victimization
- Collaboration with the CMPD regarding sexual assault, domestic violence, homicide and child maltreatment

Arts and Science Council FY2011 Scope of Services

Housing & Neighborhood Development

- Support neighborhood cultural project grants and services (reflecting changing demographics and underserved populations) providing broad access to arts, science and history/heritage programs
- Strengthen implementation efforts associated with Public Art Master Plan
- Build the capacity of arts, science and history/heritage organizations and creative individuals to sustain themselves by providing professional and volunteer development, audience development and technical assistance

Economic Development

- Conduct an Annual Fund Drive to raise private sector support for Charlotte's cultural community
- Continue oversight of final new cultural facilities developed within the Center City area
- Continue resource development efforts throughout area to expand individual and corporate donor base
- Distribute direct investments to support Charlotte-Mecklenburg's arts, science and history/heritage organizations, creative individuals
- Coordinate and manage public art commissions
- Support cultural tourism in partnership with CRVA/CCCP
- Monitor and track results of ASC's Operating Grant recipients and project grantees
- Serve as local government liaison to cultural system
- Provide planning oversight for the cultural system including developing, monitoring and implementing cultural plans
- Support economic development initiatives requested by City, County, Chamber & Regional Partnership



ARTS & SCIENCE COUNCIL Building appreciation, participation and support for arts and culture in Charlotte-Mecklenburg

FY11 Proposed Public Art Work Plan

City of Charlotte

May 24, 2010



Overview of Presentation

- Artwork Completed during FY10
- Artworks in Progress
- Looking Forward – Preliminary Thoughts on FY11 Projects



Guidelines For Choosing Sites

- Highly Visible
- On City property
- On property of funding source & Association with specific facility / corridor
- Pooling of funds
- Geographic Distribution



Project: “Protect and Lift Up the People”
Location: Beatties Ford Road Metro Police Station
Artist: Chandra Cox
Budget: \$38,682
Media: Sculpture/Light
Category: Public Facilities
CIP: FY08, 09





Completed Projects – FY10

Project: “Branch Lines”
Location: Plaza, Camden Rd at Trolley Museum
Artist: Norie Sato
Budget: \$89,000
Media: Sculpture
Category: South Corridor
Infrastructure Project
CIP: FY04



Completed Projects – FY10

Project: “Reflections of Community”
Location: Rozzelles Ferry Rd at Idaho Drive
Artist: Jeff Hackney
Budget: \$56,440
Media: Sculpture
Category: Business Corridor
CIP: FY09





Projects in Progress – FY11

Project: Programs for Light Ribbon
Location: NASCAR Hall of Fame
Artists: Norman Coates, Erwin Redl
Budget: \$30,000 (\$15,000 each)
Media: Light
Category: City Facilities
Status: Design
CIP: FY 09



Projects in Progress – FY11

Project: Charlotte Douglas International Airport
Location: Wilkinson Blvd. at Little Rock Rd.
Artist: TBD
Budget: \$381,000
Media: Sculpture for new Wilkinson Blvd. entry
Category: Aviation
Status: Artist Selection
CIP: FY 09

Ed Carpenter, artist



Andrew Ginzel, Kristen Jones, artist



Barbara Grygutis, artist





Projects in Progress – FY11

Project: Eastland Fire Station #42
Location: 5620 Central Avenue
Artist: TBD
Budget: \$50,000
Media: Iron/ Gates
Category: Public Facilities
Status: Artist Selection
CIP: FY 10



Projects in Progress – FY11

Project: West Trade St/Beatties Ford Rd
Location: West Trade St/Beatties Ford Rd Underpass
Artist: TBD
Budget: \$125,000 (plus \$75,000 from Johnson C. Smith University)
Media: Light
Category: Business Corridor
Status: In development with NC DOT and City partners
CIP: FY 09, 10



West Trade St. at I-77



Bill Fitzgibbons, artist



Public Art Allocations – FY11

FY11 Proposed Pooling Opportunities	Public Art Allocation
Business Corridors	\$75,000
North Tryon	\$95,000
Fire Headquarters	\$100,000
Providence Station	\$37,000
Total General CIP-Public Art	\$307,000



Public Art Commission 2011

	Appointing Body	Professional Category
Class of 2011		
Susan Tompkins	City	Education
Dawn Blobaum	County	Business
David Furman	ASC	Art & Design
Class of 2012		
Richard Topping	City	Business
Katrina Streiner	County	Business
Brad Thomas	ASC	Art & Design
Class of 2013		
Sabrina Brown	City	Community
Arthur Oudmayer	County	Business
Jose Gamez	ASC	Art & Design

Charlotte Regional Partnership FY11 Scope of Services

The Charlotte Regional Partnership's business development program focuses on domestic and international companies and consultants in strategically targeted industries. Activities include advertising and creating collateral that brand Charlotte USA, organizing and executing business development trips to meet one-on-one with location decision makers, and attending and participating in trade shows and industry events in key markets.

The Charlotte Regional Partnership also initiates, participates in and helps fund regional economic development strategies that identify and develop resources that contribute to sustained and sustainable economic growth. These include:

- The NC Certified Sites Program
- Annual Charlotte Regional Workforce/Economic Development Summits that focus on innovative approaches to workforce training and retention.
- Legislators receptions that bring together regional elected officials and state leadership from both North Carolina and South Carolina to discuss issues that impact the region.
- Administration of Foreign Trade Zone #57 to promote this value-added regional asset.
- Quarterly Investors Forums that educate investors on the region's opportunities and challenges within our targeted industry sectors.
- Existing industry coordinators meetings to help our regional economic development organizations nurture and retain growing companies.
- Hosting site selectors' local visits to showcase the region.
- A rural community committee to provide a forum for our rural counties to share and address their specialized needs, and market their unique assets.
- A regional energy initiative to position Charlotte USA as a national energy capital.
- Charlotte USA Prospector, a one-stop business mapping and custom reporting portal on the Charlotte USA Web site.

The Charlotte Regional Partnership also provides:

- Site selection assistance to clients considering the Charlotte region
- Comprehensive and customized research for clients and investors
- Assistance to Charlotte USA counties and communities to enhance their global competitiveness.

Through the Charlotte Regional Film Commission, the Charlotte Regional Partnership provides site location, crew, equipment, stage and support service information for commercials, independent films, television series and still photography shoots.

Charlotte International Cabinet FY2011 Scope of Services

Economic Development Strategic Objectives are focused on:

- **Strengthening Global Competitiveness** by assisting economic development agencies in recruitment of foreign-owned firms; supporting existing businesses with a wide global reach and aiding in the retention of foreign owned firms; assisting expatriate employees and their families to adjust to their new community; effectively using technology to promote economic development; and celebrating corporate philanthropy of international players. A key component of this service will be CIC's development of *Global Charlotte*, a virtual portal that will represent a cohesive network of nonprofits all aimed at international audiences. *Global Charlotte* will benefit the business and general population by providing a single point of entry for information about the Charlotte international community.

Investments in technology and education are the keys to Global recruitment and retention. CIC continues to seek opportunities to promote exchange of technology, educational outreach and teacher exchanges and to strengthen business ties internationally.

- **Building Civic Capacity and Regional Cooperation** by providing information to critical partners (CIC maintains an on-line and printed up-to-date list of all international organizations and publishes/distributes international brochures); and networking to assure successful entry for businesses into Charlotte region, including tourism efforts. CIC serves as a single point of entry linking international leadership to economic development of the region and studies local international issues to advise the Mayor and City Council for priority setting and problem resolution.
- **Promoting Internationally-related Entrepreneurship** by recognizing an entrepreneur through the Mayor's International Community Awards celebration; by assisting in recruiting small international business to participate in city contracts; and encouraging second generation businesses to register as small businesses with the city during a workshop for second generation businesses in our area.
- **Strengthening our international ties** to better serve our growing community. Partnerships that support City economic development efforts are actively sought and are not limited to those areas of the world with existing sister city ties. New economic initiatives will be sought with all existing sister cities and their regions.

Community Safety Strategic Objectives are focused on:

- **Offering inter-cultural exchange opportunities for safety professionals.** CIC continues to offer opportunities for ethnic communities in Charlotte to be more involved with safety professionals, which will lead to increased support and interaction.
- **Offering a forum for citizens and international residents to voice their concerns.** The CIC will continue to listen to concerns about public safety brought forward by concerned residents of Charlotte at our public meetings throughout the year.

Housing and Neighborhood Development Strategic Objectives are focused on:

- **Working in cooperation with community organizations and international groups.** Ethnic and racial minorities are increasingly needed as volunteers, language facilitators and cultural experts as City programs expand. Closer interaction with international organizations with a visible presence in diverse neighborhoods offers new opportunities for

outreach and improves quality of life in those neighborhoods and throughout Charlotte. CIC has been sharing our contacts and collected community data with the Community Relations Committee as they look to identify what needs the city has to address in Charlotte's international community.

- **Partnering with Charlotte Mecklenburg Schools, CPCC and area universities** to offer opportunities for interaction with citizens of our sister cities and other communities around the world.

Environment Strategic Objectives are focused on:

- **Developing opportunities to support City efforts in the areas of energy efficiency and sustainability.** CIC is gathering information about energy initiatives and best practices in our partnered cities and regions. We continually do research to identify potential for information and technology exchanges with environmental, energy and sustainability leaders worldwide. CIC staff continues to implement energy conservation policies in to minimize our energy use and limit waste.

Charlotte Center City Partners (CCCP) FY11 Scope of Services

Community Safety

- **Public Safety** - Work with CMPD to monitor and continue to improve public safety.
- **Communicate Safety Messages** - Continue to promote the Uptown and South End as the City's safest districts.
- **Partnerships** - Continue to leverage CCCP relationships with City, County, CMS and Police for Uptown and South End.
- **CCPSC** – Actively participate in the Center City Public Safety Council, encourage attendance from Uptown and South End stakeholders and provide program support.

Housing & Neighborhood Development

- **Marketing and Brand Strategy** – Refresh and strengthen marketing strategy for the excitement of what Historic South End is becoming.
- **Green Market** – Produce Green Market at the Square while researching feasibility for expansion to a large, permanent public market. Work to expand "usability" of market with local restaurants and chefs.
- **Center City Park & Rec Vision Plan** - With County Parks and Recreation Department, complete the Center City Park & Rec Vision Plan as part of 2020 Vision Plan.
- **South End Event** – Evaluate new event for South End in support of the district's design and innovation brand.
- **Expansion Integration** - Continue integration of expansion areas of South End with Wayfinding signs, landscaping and connection of businesses through website and services.
- **Urban Living** – Build the Urban Living brand to drive interest in Center City living.
- **Residential Amenities** – Facilitate the development and expansion of residential amenities (parks, recreation, daycare, schools and activities/events).
- **Schools** - Advocate on behalf of Center City neighborhoods with CMS to help ensure quality schools as a residential amenity in Uptown Charlotte.

Transportation

- **Transportation Strategies** - Work with the City of Charlotte, CDOT and private partners to implement the Center City Transportation Council Work Program focusing on parking management and marketing strategies. Implement 21st Century Transportation Demand Management principles incorporating new bicycle, transit and commuting, and pedestrian access projects and initiatives.
- **CATS** – Study and advocate for accelerated implementation of 2030 Transportation Plan including the implementation of the Streetcar project.
- **Wayfinding System** - Work with consultant to complete 5-10 year Wayfinding plan for South End to include Gateway/vehicular/pedestrian signage.

CHARLOTTE CENTER CITY PARTNERS (CCCP) FY11 SCOPE OF SERVICES (continued)

Economic Development

- **2020 Vision Plan** - Partner with the Charlotte Mecklenburg Planning Department, City and County to finalize and adopt a 2020 Vision Plan for the Center City.
- **Collaboration for Economic Development** – Work with the City of Charlotte, Mecklenburg County, Chamber of Commerce, Property Owners, Office Brokerage Community and Charlotte Regional Partnership to jointly develop strategies and collateral materials to support active recruitment, retention of companies and the growth of our job base in Uptown and South End.
- **Retail** – Implement 2020 Retail Strategic Vision via 2020 Plan planning concepts and recommendations.
- **Research Tools** - Refine database and research tools to support planning, real estate and economic development efforts in Uptown and South End. Enhance data presence and functionality on the web site.
- **Proposed City Market Project** – Spearhead feasibility study regarding market location analysis, operational pro forma and funding strategy.
- **South Boulevard/South Tryon Vision Plan** – Develop planning strategy to create a vision for South Boulevard and South Tryon Street with wayfinding, street trees and pedestrian friendly environment (via 2020 Plan).
- **Hospitality Forum** - Grow strong partnerships with the Center City hospitality community through quarterly meetings of the Hospitality Forum; create community, share vital information, advocacy and marketing.
- **Programs & Events** – Enhance programs and events that build awareness of Uptown and Historic South End as destinations to work, live and play. Increase broad regional awareness and diverse community partnership structure.
- **Environmental Sustainability** – Have Center City become the most sustainable center in the southeast. Secure funding and partnerships to achieve this shared objective. Share this story through a deliberate communications strategy.
- **Marketing** – Build upon and express FYC and CCCP as destination, living and business brands.
- **Electronic Communications/FYC** – Continue and expand use of new media tools as proactive communications tools. Build FYC communications tools to support marketing initiatives and programs.
- **Video Strategy** – To create videos that build excitement and curiosity while informing.
- **National Media Strategy** – Engage PR/Communications partner to tell the story of Charlotte more intentionally and proactively.
- **Homelessness/Affordable Housing** – Advocate for the 10 Year Plan to End Homelessness.

University City Partners (UCP) FY11 Scope of Services

Transportation/Land Use

- Maintain advocacy for effective transportation solutions in University City through enhanced outreach activities (e.g., letter-writing and testimonials)
- Be a voice for the district at University City Station Area planning meetings
- Actively work with property owners and Planning staff to make rezoning petitions in University City more transit supportive

Economic Development

- Enhance the perception of University City among individuals and businesses as a valued place to live, work and learn through the use of targeted public relations and advertising initiatives
- Enhance University Research Park's (URP) website
- Redesign UCP's website to promote interactive list of area businesses
- Work with the Charlotte Regional Partnership and the Charlotte Chamber to actively market available land and buildings in the URP
- Maintain a comprehensive list of businesses in the MSD
- Develop an initiative to link companies in the UC/MSD to UNC Charlotte through internships, continuing education and certification programs, and specialized degree offerings
- Approval of the URP Master Plan
- Identify signage and way finding needs of URP

Public Safety

- Hold quarterly public safety meetings between property owners and the University City police district

COUNCIL WORKSHOP AGENDA ITEM SUMMARY

TOPIC: 2009 Transportation Action Plan Annual Report

COUNCIL FOCUS AREA: Transportation

RESOURCES: Danny Pleasant, CDOT

KEY POINTS:

- City Council adopted the Transportation Action Plan (TAP) in May, 2006.
- Each year staff develops the TAP Annual Report which documents the City's achievements, current activities and challenges in implementing the policies and projects adopted by City Council in the TAP.
- The TAP Annual Report is important in that it enables the City to highlight successes but to also identify possible changes in strategies or investments that could be considered in upcoming years.
- Staff made a presentation on this topic to the Transportation Committee on February 8.

COUNCIL DECISION OR DIRECTION REQUESTED:

None. This presentation is for informational purposes only.

ATTACHMENTS:

2009 TAP Annual Report

The City of Charlotte

TRANSPORTATION

Action Plan

2009 Annual Report



CHARLOTTE.



In May of 2006, the Charlotte City Council adopted the Transportation Action Plan (TAP) — the City's first comprehensive, multi-modal, long-range transportation plan. The TAP describes the City's policies, projects and programs that will be necessary over the next 25 years to accommodate projected growth and reduce existing transportation deficiencies.



When adopted, the TAP called for a 25-year investment of \$3.57 billion in 2006 dollars to build and maintain a network of local thoroughfares, streets, connectivity projects, traffic signal systems, pedestrian pathways and bicycle facilities. When costs were inflated about a year ago and adjusted to include all the farm-to-market road projects in the Charlotte sphere of influence, the total 25-year cost of the TAP was estimated to be \$7.26 billion.

Increases in the various types of transportation capacity defined in the TAP, in conjunction with increases in freeway and expressway capacities, and expanded bus and rapid transit services, will be necessary as Charlotte—one of the nation's largest cities—continues to grow during the next 25 years.

I am pleased to present the 2009 Annual Report for the Transportation Action Plan. This report describes the achievements and the challenges that occurred in 2009, our fourth year of implementing the goals, strategies and projects recommended in the TAP. I believe an annual report is important not just to highlight our successes, but also to identify possible changes in strategies or investments that we should consider in the upcoming years.

Council and staff have been implementing the TAP's policies and programs since its adoption. In the years ahead, City Council will continue to make difficult decisions about transportation priorities, revenues and growth management so that Charlotte can continue to be one of the most livable and economically attractive large cities in the nation.

Curt Walton,
City Manager

January 2010

Transportation Action Plan 2009 Annual Report

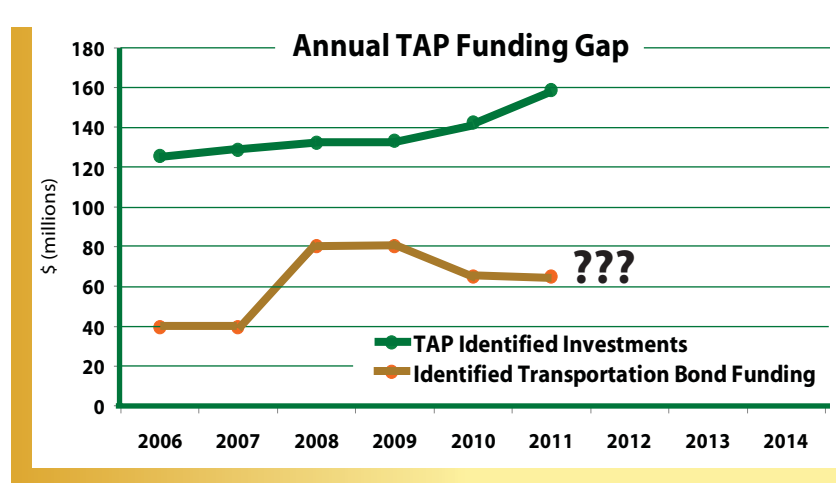
The Transportation Action Plan (TAP) describes the goals, objectives and policies that are necessary to make Charlotte one of the premier cities in the nation for providing land use and transportation choices. A full copy of the Transportation Action Plan is available at <http://cdot.charmeck.org>.

To achieve the City's goals, the TAP recommends a variety of investments in transportation, estimated in 2008 to require the expenditure of \$7.26 billion for construction and maintenance during the next 25 years. This level of investment—together with concurrent investments in State-maintained freeways and expressways and rapid transit lines—will be necessary to accommodate the City's ongoing growth, while protecting the high quality of life in Charlotte.

Each year's Annual Report describes the progress and challenges in implementing the TAP. These annual reviews enable City Council and staff to identify obstacles that must be overcome and determine changes in the resources or actions necessary to achieve the City's transportation-related goals.

Among the highlights in 2009:

- **The City continued to implement transportation projects in excess of \$160 million** for roadway, signalization, connectivity, traffic calming, bicycle and sidewalk facilities funded by the 2006 and 2008 Transportation Bond measures.
- **The Committee of 21 made recommendations** to City Council regarding state and local transportation funding and new revenue sources. While Charlotte has increased transportation funding since the TAP was adopted, a funding gap remains and funding beyond the 2010 Bond is uncertain.



- **Implementation of the Urban Street Design Guidelines (USDG)** continued in Capital Improvement Plan projects, area plans, and conditional rezonings.
- **The NC Board of Transportation adopted a Complete Streets policy**, in effect committing NCDOT to developing expectations for the design of streets similar to those described in the USDG.

*Continue implementation of the
Centers, Corridors and Wedges Strategy.*

Achievements

- **City Council adopted the TAP** in May 2006. The TAP underscores the importance of the Centers, Corridors and Wedges growth management strategy as a way to guide growth toward places where appropriate levels of transportation infrastructure, multimodal capacity and connectivity can be provided.
- **The Centers, Corridors and Wedges Map was adopted** as part of the TAP. This map (Figure 1 in the *TAP Policy Document*) will enable the City to monitor whether we are meeting the Centers, Corridors and Wedges land use targets. *(That map is on the inside back cover of this report.)*
- In compliance with TAP Policies 1.1.2 – 1.1.4, **the City monitors** the amount of residential and non-residential development occurring in Centers, Corridors and Wedges.
- City Council adopted **South Corridor Station Area Plans** for:
 - Arrowood Station Area
 - Sharon Road West Station Area
 - I-485 Station Area
- The **LYNX Blue Line** light rail has been in operation for two years, since November 2007. Ridership continues to exceed pre-service forecasts, with weekday ridership averaging almost 15,000 boardings.

Current Activities



Development approvals are now tracked to ensure the City meets land use targets.

- **Monthly rezoning review reports** indicate whether each rezoning request is located in a Center, Corridor or Wedge.
- The City's Traffic Impact Study Guidelines are being converted to **Transportation Impact Study Guidelines** to reflect multi-modal transportation factors and support the Centers, Corridors and Wedges Growth Framework.
- **Plans are underway for these areas:**
 - Independence Boulevard
 - Center City 2020
 - Catawba
 - Elizabeth
 - Steele Creek
 - University Research Park

Issues and Challenges

► The Centers, Corridors and Wedges growth framework has been discussed in Charlotte for over a decade. The TAP affirmed the value of this framework and prompted the Planning Department to begin **the transition of Centers, Corridors and Wedges from concept to implementation**. This transition will result in the need to revise some plans and policies to bring them into alignment with the refined Centers, Corridors and Wedges framework.

► **Adopted land use targets help monitor implementation** of the Centers, Corridors and Wedges growth management framework. Policies 1.1.2 and 1.1.3 state that the City will ensure at least 40% of new households, 70% of new multi-family units,

75% of new office development and 75% of new employment will be located within the centers and corridors.

► In FY 08, The City **met the office, employment and multi-family targets** (Table A below).

TABLE A

Percentage of Development Locating Within Centers and Corridors

	TARGET	FY 2008
TAP Policy 1.1.2		
Total New Households	40%	55.8%
New Multi-Family Households	70%	71.9%
TAP Policy 1.1.3		
Total New Office Development	75%	97.6%
New Employment	75%	91.4%

► **The City's integrated transportation and land use strategy encourages a greater percentage of households be located within ¼ mile of schools, parks, shopping and transit service.** Meeting this target can reduce vehicle miles of travel by shortening vehicle trips and by making it possible for people to walk, ride bicycles or take transit to more destinations. However, the latest analysis (Table B) shows trends in the wrong direction for two of the four categories when compared to the 2004 baseline. In order to reverse these trends, the City will need to more actively implement the Centers,

TABLE B

Percentage of City Population Living Within 1/4 Mile of Amenities and Services

Year	Shopping	Schools	Parks	Transit*
2004	45.6%	13.0%	16.9%	63.5%
2006	51.4%	11.8%	16.1%	61.2%
2007	52.5%	13.0%	15.7%	54.0%
2008	52.8%	12.2%	15.7%	57.0%
2009	52.7%	13.0%	15.7%	56.2%

* Local Transit Route

Corridors and Wedges Growth Framework through future plans and rezoning reviews.

*Prioritize, design, construct and maintain **convenient and efficient transportation facilities** to improve safety and neighborhood livability, foster economic development, promote transportation choices and meet land use objectives.*

Achievements

■ During FY 2009 CDOT **designed and/or implemented:**

- ▶ 9.7 miles of street projects
- ▶ 5 intersection projects
- ▶ 17.8 miles of sidewalk projects
- ▶ 18 miles of bicycle projects
- ▶ replacement of 78 obsolete traffic signal controllers
- ▶ re-timing of 254 traffic signals

■ By adopting and proceeding to implement the TAP and Urban Street Design Guidelines, the City Council demonstrated its **commitment to creating a multi-modal transportation system** with benefits for motorists, pedestrians, bicyclists, transit riders, employers or business owners, and neighborhood residents.

■ The U.S. Environmental Protection Agency selected Charlotte's **Urban Street Design Guidelines** for a **National Award for Smart Growth Achievement**.

■ **CATS began operation of the Sprinter Airport service.** The Sprinter is an "Enhanced/Premium" bus route that provides increased service and amenities in distinctly-branded buses and stops.



The intersection of Rozzelles Ferry and West Trade Street was retrofitted to improve safety for all travelers by removing a high-speed turn lane, providing dedicated turn lanes in all directions, and installing sidewalks, crosswalks, landscaped median islands, and bike lanes



The Sprinter line provides enhanced bus service between Center City and Charlotte-Douglas International Airport.

Current Activities

- In order to create more “complete streets,” the City is continuing to apply the **Urban Street Design Guidelines** on all City-sponsored transportation projects and through conditional rezonings.
- During the 2008-2010 bond cycles, CDOT expects to **plan, design and/or construct** the following:
 - ▶ 12 miles of street projects
 - ▶ 11 intersection projects
 - ▶ 39.8 miles of sidewalk projects
 - ▶ 10 miles of bicycle projects per year
 - ▶ replace 75 obsolete traffic signal controllers per year
 - ▶ re-time 200 traffic signals per year
- **A citywide Pedestrian Plan is being developed** and will be presented for City Council’s consideration in 2010.
- The City and County have implemented **over 100 miles of bicycle lanes, trails and signed routes in Charlotte.**
- **Four more light rail vehicles** are scheduled for delivery in early 2010.
- **A new 87-space parking lot adjacent to the I-485 LYNX Station** opened in April, 2009 to help alleviate overcrowding in the existing 1,120-space deck at the station. CATS also purchased land adjacent to the new lot for future expansion.
- The **Huntersville Gateway Park and Ride Lot’s expansion** is scheduled to be completed by Spring, 2010.
- Other increases in commuter parking supply is under consideration at **Mallard Creek Road** (expansion of the current lot) and the **Albemarle Road/Lawyers Road intersection** (construction of a new lot).

Figure 2 (back cover) shows the road and intersection projects advanced since the TAP was adopted.

Issues and Challenges

- ▶ **The TAP relies heavily on the implementation of the Urban Street Design Guidelines.** The USDG provide more route choices, connectivity and better streets for all users. Implementing the USDG through most private sector development depends on changing the subdivision and zoning ordinances. City staff are working on ordinance changes to be reviewed by the public and City Council in 2010.



New Calvine Street, a local street built in accordance with USDG, was made possible through the adjacent redevelopment.

Collaborate with local and regional partners on land use, transportation and air quality to enhance environmental quality and promote long-term regional sustainability.

Achievements

- The City actively fosters regional transportation, air quality and sustainability objectives through **participation in and technical support for the Mecklenburg Union Metropolitan Planning Organization (MUMPO)**. In 2009, City staff worked with MUMPO staff to develop the *2035 Long-Range Transportation Plan*.
- City, State and regional planning organizations identified a network of freeways recommended for **High Occupancy Vehicle (HOV), High Occupancy Toll (HOT) or other types of managed lanes**.
- Funding to advance the design and preliminary engineering of the **Streetcar project** was approved by City Council in September, 2009. The Streetcar project, as currently defined, would extend from Rosa Parks Transit Center on Beatties Ford Road through Center City and along Central Avenue to the Eastland Mall Transit Center.
- CATS staff working on the **LYNX Blue Line Extension** submitted an updated Federal New Starts Report that gained an improved “medium” rating for cost effectiveness.

Current Activities

- Staff from NCDOT and CDOT are analyzing **managed lane opportunities** on:
 - I-77 North (Uptown to Lake Norman)
 - I-77 South (Uptown to SC State Line)
 - US 74 East (Uptown to I-485).

Cost, design, revenue and usage forecasts are underway for potential implementation options.
- **CDOT and CATS are partnering with businesses** in the SouthPark and University areas to define enhancements for transit riders, pedestrians and bicyclists.
- CDOT worked with NCDOT to modify the design for the **Mallard Creek Road Extension** to better meet Charlotte’s design expectations.
- NCDOT awarded a **Safe Routes to School** infrastructure grant of \$235,000 to CDOT to install pedestrian travel enhancements near Sedgefield Elementary School.

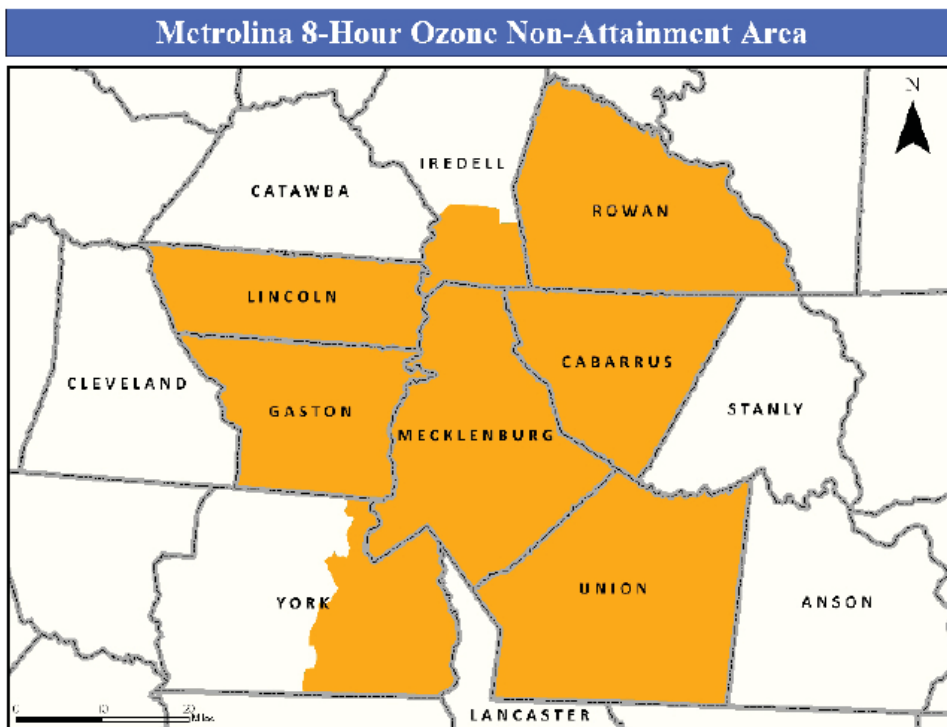


The Safe Route to Schools program will provide more opportunities for children to walk or bike to school.

- The Draft Environmental Impact Statement (DEIS) for the **LYNX Blue Line Extension (Northeast Corridor)** is scheduled to be finished by July, 2010.
- Preliminary engineering and design elements—such as track, crossings and bridges—has advanced to nearly 90% for the **Red Line (North Corridor)**.

Issues and Challenges

- ▶ While the City’s transportation projects are designed to meet the City’s transportation and land use objectives, NCDOT’s project designs have often not reflected Charlotte’s urban vision and multi-modal requirements. However, in 2009, the **North Carolina Board of Transportation passed a Complete Streets policy** and NCDOT started the process to change their designs for projects in urban areas.
- ▶ For the first time in over twenty years of measurements, ozone monitors in the Metrolina non-attainment area recorded **zero exceedances** of the 8-hour ozone standard during all of 2009.



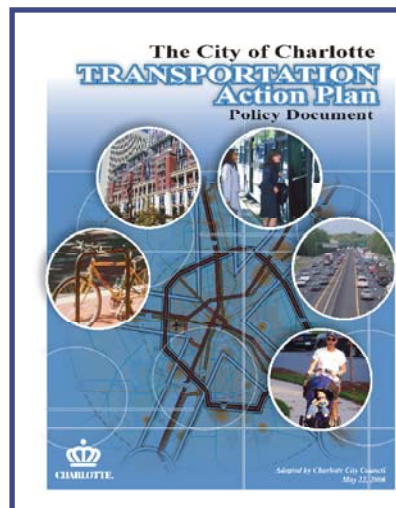
Mecklenburg County is part of an eight-county ozone non-attainment area. Despite a much “cleaner” ozone season in 2009, air quality continues to be a very important issue in our region.

TAP GOAL
4

Communicate *land use and transportation objectives and services* **to key stakeholders.**

Achievements

- Through the adoption of the TAP in 2006, the City clearly defined its **comprehensive set of transportation-related strategies.**
- The City's **transportation priorities** are updated annually in the 5-year Capital Investment Program and 10-year Capital Needs Assessment.
- CDOT sponsors an **annual survey** to assess the community's opinions on transportation issues and concerns.
- In an effort to better communicate the City's land use and transportation objectives, the City developed a Growth Strategy Communication Plan in 2008.
- The TAP Policy Document and Technical Document can be found **on the internet** at <http://cdot.charmeck.org>.



Current Activities

- The City is **tracking land development permits** monthly and annually to monitor the Centers, Corridors and Wedges growth management targets. That information is available to elected officials, staff and citizens to determine how well the City is fulfilling the growth management vision by meeting specific land use targets.
- The stakeholder review process for the **Centers, Corridors and Wedges Growth Framework** is nearing completion. Adoption is anticipated in early 2010.
- The City is re-launching the **www.charlottefuture.com** website to convey information to citizens regarding the City's growth and transportation strategies.
- The City will produce a video, similar to the focus area videos, that will present a **comprehensive overview of the City's Growth Strategy**, including an explanation of Charlotte's integrated land use and transportation strategies.



Issues and Challenges

- ▶ Successfully integrating land use and transportation decisions over time requires a **long-term vision and continued communication** with residents and stakeholders, or monthly or quarterly reports to the City Council and Planning Commission.
- ▶ Communicating the vision clearly and concisely can be difficult, however, and may require that the City develop **new tools** (such as a video and a speakers bureau) to enable citizens to better understand our land use and transportation challenges.



Continued growth in the Charlotte region will create increases in travel on the region's roadways. Continued implementation and funding of the TAP will help Charlotte address the City's transportation challenges.

Seek financial resources, external grants and funding partnerships necessary to implement transportation programs and services.

Achievements

- When City Council adopted the TAP in 2006, they acknowledged that the TAP recommended spending \$3.57 billion (\$7.26 billion when adjusted for inflation) to build, operate and maintain **locally-funded transportation projects** through 2030.
- CATS received over \$23 million from USDOT under the **American Recovery and Rein-**



The Shopton Road West re-alignment will address congestion and improve safety in the Steele Creek area.

- vestment Act of 2009** for renovation and expansion of the North Davidson Street Bus Garage and the acquisition of additional hybrid buses.
- City Council **increased funding for street maintenance by \$4.3 million in 2006 to shorten the resurfacing cycle** to allow CDOT to pave and rehabilitate additional roads. Initially, asphalt price increases limited the benefit, but now, in the FY09-10 paving season, prices have been at their lowest levels in three years, and this has resulted in resurfacing more miles. Applying the additional funding provided by City Council and the Powell Fund balance, CDOT is limiting the pavement condition's decline and reducing the overall paving schedule to the desired 12-14 year resurfacing cycle.
- In November of 2006 and 2008, Charlotte residents passed **bond measures** that included a total of almost \$240 million for roadway, signalization, connectivity, bicycle and sidewalk projects.

Current Activities

- In 2008, the **Committee of 21** was appointed by Mecklenburg County, the City of Charlotte and Charlotte Chamber, and tasked with identifying long-term funding options for building and maintaining road projects in Mecklenburg County.
- After convening in May, 2008, the Committee of 21 reviewed a wide array of transportation funding and governance options (see chart on next page), and made **recommendations** to the City and County in the Spring of 2009.

■ The Committee of 21 recommended an **additional vehicle registration fee** to be used for roadway maintenance and an **additional half-cent sales tax** to be used for construction of state and local

roadways in Mecklenburg County. The Committee also recommended charging **tolls on freeways** and applying a **Vehicle Miles of Travel fee**.

Transportation Revenue Sources Recommended by The Committee of 21			
Funding Source	Annual Revenues	Requires Legislative Approval	Used For
Vehicle Registration Fee	\$18 Million	State	Maintenance
Half-Cent Sales Tax*	\$81 Million	State	Construction
Toll Interstates	TBD	State and Federal	Construction and Maintenance
Vehicle Miles of Travel Fee	TBD	State and Federal	Construction and Maintenance
Other Revenue Sources Considered by The Committee of 21			
Payroll Tax	\$150 Million	State	Construction and Maintenance
5% Gas Tax	\$94 Million	State	Construction and Maintenance
Road Impact Fees	\$84 Million	State	Construction
Land Transfer Fee	\$51 Million	State	Construction and Maintenance

* In response to budget shortfalls, the State increased the sales tax by 1% in September, 2009, with an expiration date of July, 2011. Additional sales tax increases for transportation are unlikely until after this expiration.

Source: derived from <http://www.charmeck.org/Committeeof21/home.html>

Issues and Challenges

- ▶ **Federal and state gas tax collections continue to diminish as a viable transportation funding source** due to more fuel-efficient vehicles and decreases in vehicle miles of travel.
- ▶ **Without a dedicated transportation funding source, at levels consistent with the TAP**, Charlotte will struggle to keep pace with continued growth in population, employment and travel.
- ▶ **NCDOT continues to experience funding shortfalls, causing most state road projects to be delayed further.** NCDOT's

inability to advance projects not in the limelight is impacting Charlotte's ability to accommodate its growth.

- ▶ **MUMPO's 2035 Long-Range Transportation Plan is severely underfunded**, resulting in a very limited list of projects to be built in the next 25 years.
- ▶ **The ability of CATS to implement the 2030 Corridor System Plan is being impacted in the short and long term by the reduction in sales tax revenues** due to the local and national recession.

Conclusion

The TAP Annual Report provides an opportunity each year for Charlotte's residents, elected officials and staff to reflect on our transportation achievements, discuss our transportation challenges and identify better or new ways to meet our transportation goals.

Charlotte's City Council took a crucial first step in addressing the City's transportation challenges by adopting the 25-year Transportation Action Plan in 2006. The TAP calls for a series of policies, projects and programs that are necessary to accommodate ongoing growth, while protecting our quality of life.

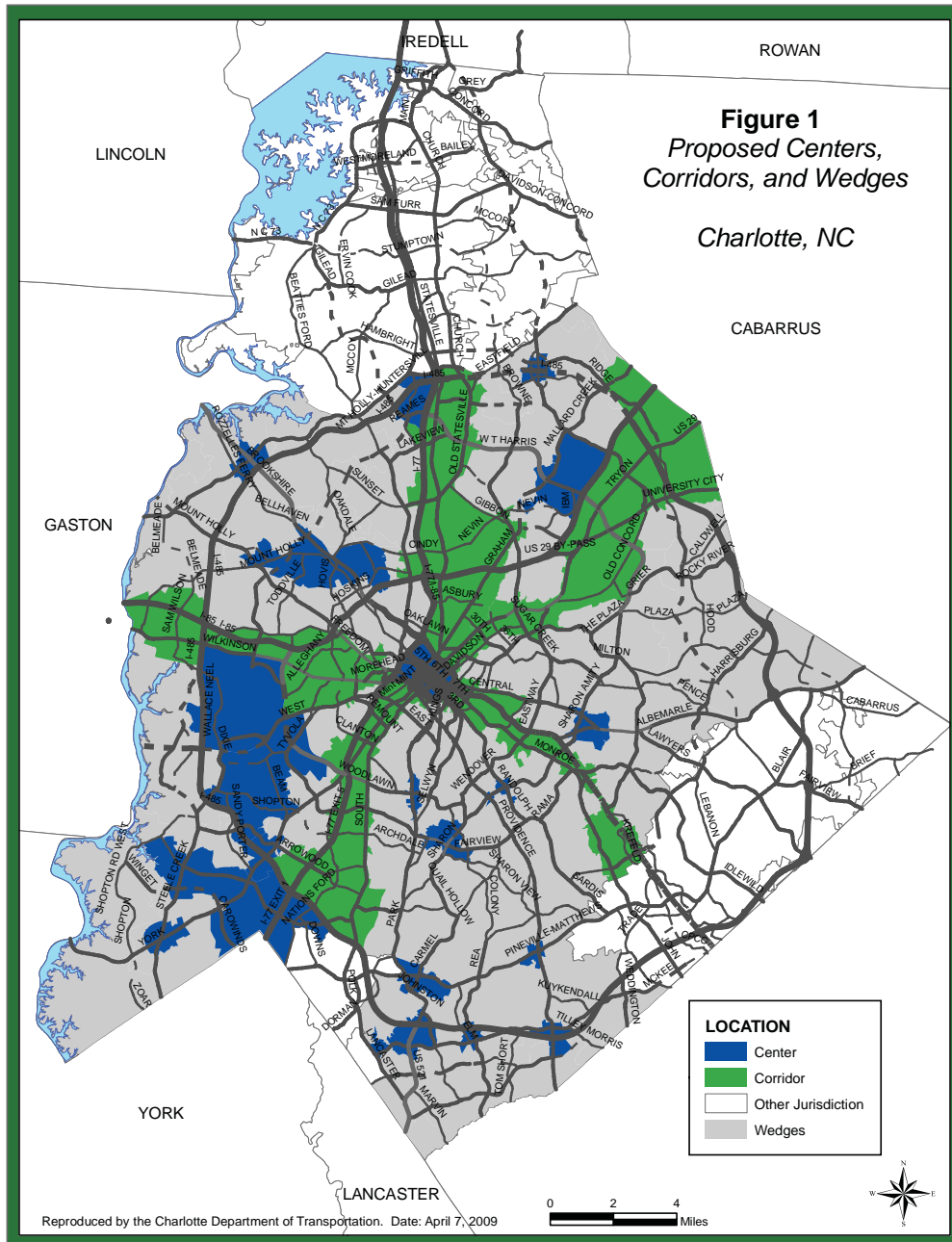
This report summarizes the achievements, current activities and challenges the City is now facing as Council and staff continue to implement the TAP. There have been many achievements since 2006 and a large variety of work is programmed for the year ahead, but there are also significant challenges to meeting our transportation goals.

Charlotte's TAP and the City's commitment to quality transportation designs and to integrate land use and transportation strategies received national and statewide recognition this year through the following awards:

- U.S. Environmental Protection Agency "National Award for Smart Growth Achievement" for the Urban Street Design Guidelines;
- North Carolina American Planning Association "Marvin Collins Award" for the South Corridor Station Area Plans;
- Conference of Minority Transportation Officials "Inter-Modal Innovation Award" for initiatives linking transportation services and quality of life; and
- NC Public Transportation Association "Safest Transit System in North Carolina."

Looking ahead to 2010, there are three key challenges facing the City Council:

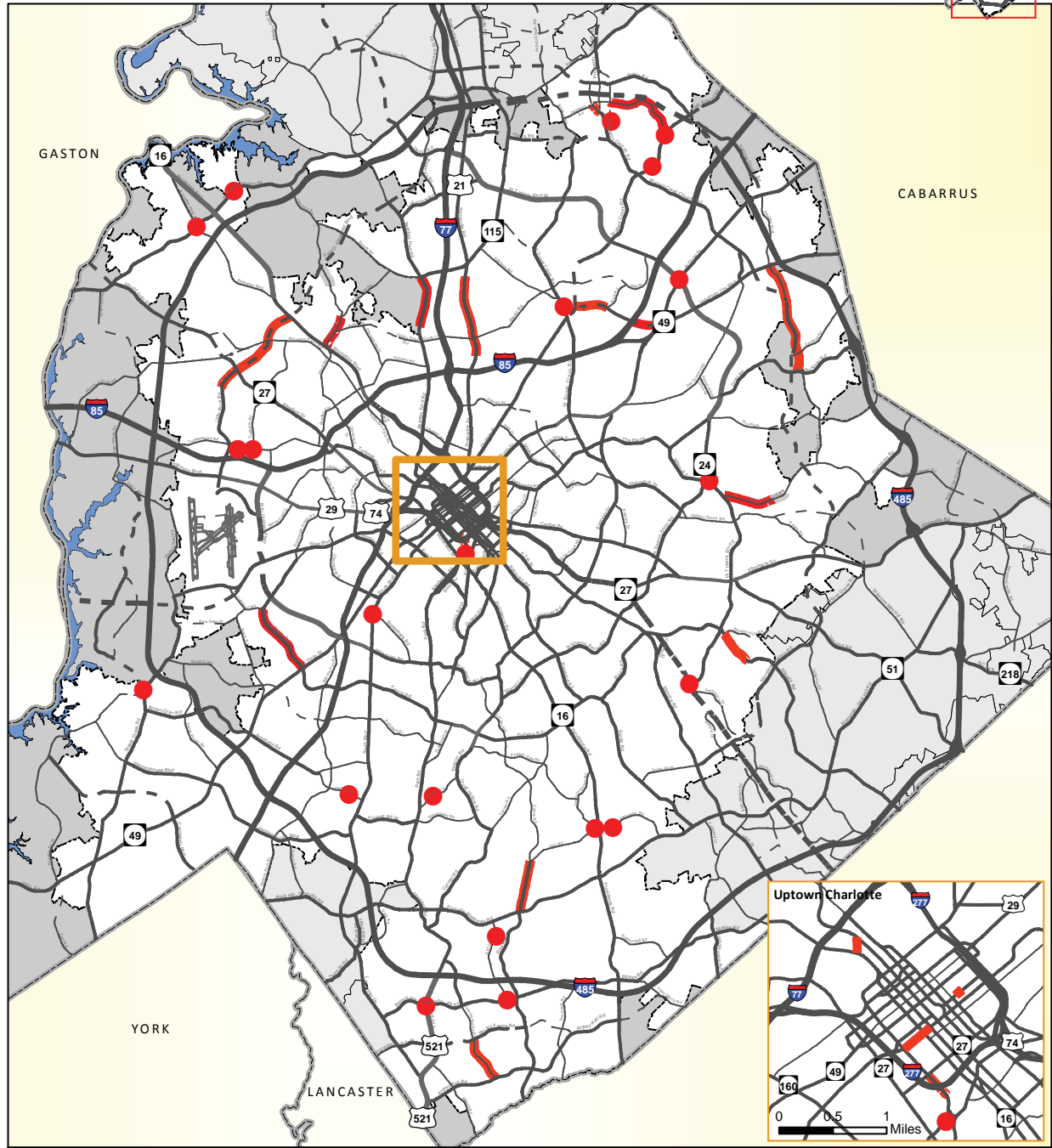
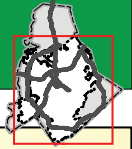
1. The first, ongoing challenge will be to ensure that Charlotte grows in a manner consistent with the Centers, Corridors and Wedges growth management framework.
 2. The second challenge continues to be the need to update city codes and ordinances to successfully implement the TAP and the Urban Street Design Guidelines.
 3. Third, and more long-term, will be to select permanent and reliable funding sources for transportation.
-



The Centers, Corridors and Wedges Map (adopted as part of the Transportation Action Plan) helps provide the framework for land use and transportation investment decisions in Charlotte.

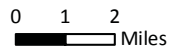


Figure 2 - Transportation Projects Programmed or Implemented By the City Since TAP Adoption



Programmed or Implemented Projects

- Intersection
- Roadway



Charlotte Department of Transportation
 Planning & Design - GIS
 January 8, 2010



Charlotte Department of Transportation
Charlotte-Mecklenburg Government Center
600 East Fourth Street
Charlotte, North Carolina 28202

<http://cdot.charmeck.org>

COUNCIL WORKSHOP AGENDA ITEM SUMMARY

TOPIC: City Manager's Evaluation of Utilities Customer Service

RESOURCES: Kim Eagle, Budget & Evaluation
Barry Gullet, Charlotte-Mecklenburg Utilities

KEY POINTS:

- In January, 2010 the City Manager initiated a comprehensive evaluation of Utilities Customer Service operations.
- City staff and industry consultants are working together to conduct the evaluation. There are nine initiatives progressing on varying schedules.
- At the May 3rd Council Workshop, staff presented an overview of the evaluation components, including a review of the Meter Reading Equipment Audit currently in progress.
- Staff will provide an update on achieved results thus far. The comprehensive results of the evaluation will be reported to Council in September.

COUNCIL DECISION OR DIRECTION REQUESTED:

None. This presentation is for informational purposes only.

ATTACHMENTS:

List & Description of Project Components
Charlotte-Mecklenburg Utilities Advisory Committee Report - (Response to Cornelius Water Solutions Task Force Recommendations)

City Sponsored Utilities Customer Service Evaluation

Project Components

- 1. Benchmarking** – A survey of 30 public and private utilities regarding policies and customer service practices related to payment delinquencies, payment arrangements, account holder requirements and bill adjustments.
- 2. Business Process Improvements** – A review of processes primarily focusing on meter-reading, pre-billing quality control, establishing performance targets for measuring billing accuracy, post-billing high bill investigations, bill adjustments, etc. Benchmarking project findings are integrated with this effort.
- 3. Interim Business Process Review** – Thirty-nine (39) customer contact processes transitioned from Utilities to CharMeck 311 in early 2010. Fifteen (15) customer contact processes are currently performed by Utilities staff. A business case will recommend where and how these remaining functions are best performed and the appropriate level of resources required to do this work.
- 4. Cornelius Citizen Task Force Recommendations/Charlotte-Mecklenburg Utilities Advisory Committee Review** – The Mayor of Cornelius appointed a 13 member citizen task force to report on recommendations associated with utility bill concerns. The Charlotte-Mecklenburg Utilities Advisory Committee has completed a review of the recommendations and a response to the recommendations is expected to be delivered to City Council in mid-May. The task force recommendations are among specific areas to be addressed in the various components of the evaluation project.
- 5. Meter Reading Equipment Audit** – An independent third party audit of 9,000 residential meter assemblies to ensure correct operation of meter-reading equipment. The audit will conclude in July 2010 and findings will lead to the implementation of an on-going audit program to ensure continuous monitoring of data and system operation. A replacement and upgrade plan for meter equipment will also be established based on the audit findings and analysis of best available technology.
- 6. Meter Routes/Billing Cycle Adjustment** –A project to complete a comprehensive adjustment of billing cycles and routes to better balance the number of customer accounts in each of the 19 billing cycles processed each month is being developed. The project will geographically re-align meter reading and service routes.
- 7. Utilities Customer Service Operations Enhancements** – An effort to enhance the training, business process streamlining, performance measurement and related efforts to address service level performance and customer satisfaction.
- 8. Project Communication** – Keeping citizens informed of the progress and impact of the customer service restructuring efforts. Each component is a project in itself, and the pieces are progressing on varying schedules with individualized communication plans. The City is committed to proactive communications and being responsive to residents and the media.
- 9. Billing System Audit** – A City Internal Audit review of internal controls related to billing processes. Auditors are examining high bill issues raised by citizens, along with classification and investigation of high bills by Utilities staff.

Date: June 2, 2010
To: Curt Walton, City Manager, and Mayor and City Council
From: David Jarrett, Charlotte-Mecklenburg Utilities Advisory Committee Chair
Subject: Utilities Advisory Review of Water Solution Task Force Recommendations

On behalf of the Charlotte-Mecklenburg Utilities Advisory Committee, I have attached our review of the Water Solution Task Force Recommendations that were released in March 2010.

The seven community representatives on the Utilities Advisory Committee deeply appreciate the efforts of the citizen Task Force, which was appointed by the Mayor of Cornelius in response to a number of public concerns expressed regarding high water bills and customer service. Representatives of the Task Force presented their recommendations to us shortly after publicly releasing their document, and the Cornelius Mayor disbanded the Task Force shortly thereafter.

In the following months, the Utilities Advisory Committee has carefully reviewed comments and recommendations in the Task Force report. The attached review goes into a fair degree of detail to address elements of the Task Force report, especially those areas where we agree there may be room for performance improvement.

We are proud to support Charlotte-Mecklenburg Utilities as a nationally-recognized operation for its top-notch financial management, protection of public health and environmental protection through outstanding tap water quality and effective wastewater treatment. A strong water and sewer system promotes quality of life and economic opportunity for our entire community. We fully agree there are opportunities to improve Utilities policies, its operation and its customer service.

We strongly support the City Manager's ongoing Utilities Customer Service Evaluation project, which began in January 2010, and the rate study proposed for this summer and fall. These two efforts by themselves will address several areas of concern raised by the Water Solution Task Force.

We respectfully include these additional comments and recommendations for your review and consideration.



Charlotte-Mecklenburg Utilities Advisory Committee

Review of Water Solution Task Force Recommendations

May 27, 2010

Executive Summary

The Charlotte-Mecklenburg Utilities Advisory Committee (Advisory Committee) has thoroughly reviewed and discussed the Water Solution Task Force's (Task Force) report and recommendations. We deeply appreciate the time and effort of Task Force members, and are grateful to all customers for expressing their concerns and making constructive recommendations to enhance the utility operation.

Whether you're a citizen, utility employee or member of a Task Force or committee, we all want the same outcomes: safe and sufficient water, competitive water and sewer rates, accurate meter readings, accurate billing and a prompt, pleasant experience with the City. Our system's water billing accuracy rate is very high but not perfect, and we understand that even a small percentage of billing issues in a large service area impacts a significant number of customers. Most folks can agree that humans make mistakes and equipment can sometimes break, but the success of any public operation depends on its earning and maintaining customer confidence. Utilities staff continue to evaluate meter technology to make sound decisions about when and how to replace current technology.

Operational improvements aside, it is clear that water customers have experienced frustration with what they felt was an unresponsive attitude from the utility department. As customers ourselves, Advisory Committee members never want that image—real or perceived—to be what represents Charlotte-Mecklenburg Utilities. We regularly work with Utilities leadership and staff, who have shown us their commitment to helping customers better identify the root cause of higher than expected bills, both on the public and private sides of the meter. To improve responsiveness, Utilities has increased training with field technicians, changed terminology, improved the pre-bill and post-bill meter inspection processes and enhanced communications materials to be more customer-centered.

The Utilities Advisory Committee takes great pride in this utility operation and the people who make it work. We want all customers and citizens to share that pride, and we agree there are opportunities to improve service.

All seven Advisory Committee members are fully confident that many improvements are already under way, and more are forthcoming. The combination of nine projects in the ongoing City-sponsored Utilities Customer Service Evaluation – along with the Utilities rate study scheduled for the summer and the fall of 2010 – have begun to address many of the Task Force's recommendations and will lead to further policy, rate and business process changes.

Additionally, we respectfully submit the following comments and recommendations for consideration.

- While the Water Solution Task Force recommends creating a new oversight board to advise City Council on budget, rates and management issues, we believe the current Utilities Advisory Committee – with ultimate oversight by Charlotte City Council – currently fulfills this role.
- The Advisory Committee recognizes that private leaks can be difficult to find, and acknowledges this makes both the customer and utility vulnerable to the risk of unresolved billing concerns.

While we do not advise utility employees inspecting or repairing private plumbing (outside of the currently offered free home water audits), Advisory Committee members recommend exploring an opt-in program for a more comprehensive audit with leak detection equipment from a third-party auditor. This differs from the Task Force's recommendation of adding \$0.25 to all customer bills to fund the program.

- While investigating high bill complaints, Utilities finds a variety of issues, including the impact irrigation has on bills, private plumbing leaks, metering or billing errors and an inability or reluctance to pay for water and sewer services. Occasionally there will continue to be cases when the customer does not agree with the amount billed. *This does not necessarily represent a billing error, but it does mean the utility should work to the best of its ability to assist the customer in finding the cause if there is one.* If a high bill is due to the meter equipment, the utility will continue to replace the equipment and adjust the customer's bill. If, in multiple inspections, the equipment is functioning properly and past water use does not reflect a pattern of high consumption, the customer may be eligible for a one-time partial account credit. Utilities is involving customers more fully in the post-bill inspection process and has extended the time before an unpaid bill under investigation goes into delinquency.
- The Advisory Committee will not waver in its continued support for building and maintaining water and sewer infrastructure through a well-planned capital improvement strategy. Employees, plants and pipes perform duties critical to public health, the environment and our economy. We support the ongoing transition to more Pay-As-You-Go (PAYGO) funding to reduce long-term borrowing and debt service. We are confident that rates can remain reasonable, equitable and competitive while encouraging water efficiency and conservation and adequately funding additional capacity needed to serve peak demands from higher water consumption. *The water and wastewater system is legally required to be built for peak capacity, but the system is not overbuilt.*

Meeting and exceeding customer expectations will continue to be a growing challenge for public utilities nationally as revenue sources decline. This Advisory Committee will help Utilities and City Council navigate these complex issues locally and will continue to keep our long-term commitment to customers and our water supply at the forefront of policy and business improvements.

Background

The Advisory Committee sincerely commends and thanks Cornelius Mayor Jeff Tarte for bringing together a talented group of citizens to serve on the Water Solution Task Force. We recognize the 13 Task Force members for their time and effort in researching and proposing recommendations related to rates, metering, billing and experiences with the utility. We also recognize the ongoing efforts of Utilities employees to cooperate with Task Force members and assist customers one-on-one by investigating and remedying billing concerns. The amicable relationship of all involved is appreciated and establishes a

good foundation for positive steps outlined in this report to be implemented and policy changes to be considered.

Scope of Billing Problem

In the Dec. 9, 2009, meeting with Peninsula homeowners and other interested citizens, Utilities staff summarized the findings of the initial 31 homeowners concerned about high water bills. Of those 31 field inspections, one electronic transmitter was under-reporting and was replaced. Four low-flow dials were moving, which indicated either water was currently in use at those residences or a private leak was occurring.

As news coverage of these homeowner concerns and the subsequent January Task Force meeting aired, customers countywide began calling Utilities and CharMeck 311 to question their own bill and to request an on-site *high bill inspection*. Utilities staff performed increasing numbers of high bill inspections—sometimes several at a single residence—and continued to find a trend consistent with past inspections.

Findings from high bill inspections (an established utility quality control process) have not shown any widespread or unusual billing problems:

- 2,563 high bill inspections were generated from customer complaints from February 1, 2010, to May 1, 2010. Of those disputed bills that were investigated, 94% were not the result of a problem with the water meter, meter register or electronic transmitter at the residence.
- Of the remaining 6% of cases where meter reading equipment did not pass inspection, less than 4% identified problems with the electronic transmitter. Problems ranged from temporarily not transmitting data, transmitting incorrect data, or not functioning at all either from cut/crimped wires or the unit itself not working. Utilities staff has been working with the transmitter manufacturer to improve transmitter functionality since the transition to automated meter reading (AMR) in 2002. The utility has continued to install newer AMR technology as it becomes available and as cost-benefit analysis demonstrates its prudence.
- 1.1% of total inspections found an error where the transmitter was reporting higher water use than the meter register. In all cases of either a City equipment or billing error, the staff corrected the problem and adjusted the customer's account, if the customer was over-billed. In 1.2% of inspections, staff found transmitters that were reporting lower water use than the meter register. In cases of under-reporting transmitters that led to a "catch-up" bill, staff has provided bill adjustments as appropriate.

It has been unfortunate that nearly all high bill complaints have been uniformly classified in news media coverage as "billing errors" – even when the cause(s) of these high bills included usage, irrigation, private plumbing leaks or meter/billing errors. In some circumstances, a few customers with clear histories of delinquency or seasonal irrigation were represented in the news as having erroneous high bills. Over time, this sustained, sensational coverage fueled an emerging countywide perception that

water metering and billing were inaccurate. Customers were angry, concerned and/or confused – and the public’s trust and confidence in its water utility suffered.

As part of its internal investigation of billing systems and customer concerns, Utilities:

- Increased pre-billing quality control through more thorough account review and increased site visits. The average number of *check-reads* increased from an average of 8,500 in the first six months of this fiscal year to an average of 12,300 per month since December. (A ‘check-read’ is a visual field verification of a water meter reading prior to issuing a bill.)
- Increased post-bill high bill inspections. Customer Service staff performed 2,563 on-site inspections of meter equipment from February 1, 2010, to May 1, 2010.
- Improved high bill inspections by making them more thorough, involving customers in the process and sharing findings more quickly afterward.
- Conducted a third-party accuracy test of mechanical water meters during January and February, which confirmed that meters were performing as expected. This means Utilities employees can rely on the reading on the meter register for accurate billing data, even if the transmitter malfunctions.
- Stepped up communications and education about the current rate structure and how to identify a private leak through its web site, media interviews, bill inserts, home water audits and community events/presentations.

Current Status

To date, the backlog of requested high bill inspections has been greatly reduced, and staff is generally able to perform high bill inspections within five to 10 working days. Fewer than 100 customers are waiting on a second site inspection with a supervisor. In some rare cases, the customer’s meter, register and electronic transmitter are functioning properly during at least two Utilities field inspections, but the customer continues to dispute the billed amount. In these situations, if the customer’s account history does not show a pattern of high usage trends, Utilities is providing a one-time, partial account credit to assist the customer and resolve the concern.

Staff continues to work with the Utilities Customer Service Evaluation project initiated by the City Manager in February 2010. The nine project components are defined in Appendix A. The Advisory Committee strongly supports these efforts and looks forward to weighing in on the policy and process improvements that will come from them. In addition, many of these projects address concerns and recommendations from the Water Solution Task Force.

Advisory Response to Task Force Findings & Recommendations

While the Water Solution Task Force recommends creating a new oversight board to advise City Council on budget, rates and management issues, the current Utilities Advisory Committee currently fulfills this role – with ultimate oversight by Charlotte City Council. *(Please see Appendix B for additional information about the Utilities Advisory Committee.)*

Advisory Committee members may not always agree with some of the subjective opinions and conclusions in the Water Solution Task Force report, but we will focus on productive actions or clarification for next steps. For purposes of this Advisory Committee review and response report, the Task Force recommendations were grouped into three categories:

- **Financial Management**
- **Customer Service;** and
- **Technical Measurement & Reporting**

Financial Management

Decisions about how and why Utilities charges customers as it does for water and sewer services is prescribed in a lengthy set of documents incorporated by references into Charlotte City Code. This rate methodology has evolved over time since the original financial study in 1977 conducted by Arthur Young & Co. As community needs and values about water resources have changed, the methodology was modified seven times. The increasing-block, conservation tier rate structure was adopted in 1995.

The most recent change was in 2008 in the midst of our region's drought. These brought on an urgent need to motivate customers to conserve and protect our water supply long-term, while recouping bond covenant-required revenue shortfalls from declining water sales and development. Safe-yield studies estimate Charlotte-Mecklenburg will reach the limits of its water supply by 2048 if it continues the projected population growth and usage patterns. This Advisory Committee spent significant time discussing the merits of the tier and rate changes in 2008 and endorsed the pricing signals it sent to curb current and future discretionary water use. Mandatory water restrictions were lifted in April 2009, and the fall planting season of 2009 was the first time some customers returned to regular irrigation patterns, prompting some of the high bill concerns.

A regional drought response plan was established prior to drought conditions and called for an increasing level of water use restrictions. The response plan was developed by a multi-jurisdictional group including other communities in the Catawba basin, businesses and Duke Energy. The plan called for increasing conservation measures by each group based on pre-established benchmarks, including groundwater levels, lake levels and stream flow. The exact measures taken by each jurisdiction or business were not identified in the plan, but as the drought conditions worsened, the participants in the plan communicated and attempted to present a uniform response with respect to restrictions. While not everyone agreed on the method of restrictions, there was widespread agreement that a severe drought was under way, and conservation was required. Media attention at the time centered primarily around historically low lake levels, the impact to water quality, water main breaks, leak response times and instances of non-compliance with restrictions. The Advisory Committee received regular updates on the drought conditions and the utility's response, including future response plans to promote conservation.

After the restrictions were in place, the financial impact was reviewed, including the impact of lower water revenues and increased costs due to drought response. The discussions of how to deal with the financial impact centered on a few points that the Advisory Committee felt should guide any changes to the rate structure.

1. Minimize the impact to Utilities customers who used a minimum amount of water for basic essentials.
2. Change the long-term behavior regarding non-essential water use by promoting conservation through the use of financial incentives.
3. More adequately recover the full costs of non-essential water use.

An adjustment to the tiered structure was proposed that attempted to accomplish these objectives, but it was generally understood that the changes would not be warmly received because of the current economic conditions.

The first point was based on a desire to limit the impact on families and customers who already conserve or who use water for only the most essential purposes. This group cannot reduce water significantly and may have fewer resources to pay for an increase.

The second point was intended to change the behavior of Utilities customers over a long period of time. On a yearly average, Utilities customers were using 100 million gallons per day. During peak spring and summer months, average daily demand rose to 170 million gallons per day, with a *one-hour peak flow rate* of 225 million gallons per day.

A water system must be built to accommodate its peak flow rate. Over the past 25 years, the use of irrigation systems has increased and has contributed to the increased peak demand. Without irrigation, the difference in peak and base demand would not be as pronounced. Considering future growth for the City and other areas in the Catawba basin, growth may be restricted by water availability without changes in non-essential use patterns. Changes to behavior are slow but essential for the area to continue to meet its potential for growth and withstand future droughts without implementing more punitive restrictions on businesses and residents.

The third point was intended to address the cost incurred by Utilities to meet the peak demand. The Utilities system has been built to accommodate these peak flows. Pipes are larger, treatment capacity is larger and the Utilities infrastructure is larger for all to keep pressure high enough to meet fire suppression and other needs during times of peak demand. This additional capital required is used to supply the incremental demand which is mostly irrigation related. While the cost of physically treating one gallon is the same as the next, the cost of providing peak demand flow is higher than base demand flow when the capital cost is considered. Utilities needs to recover the cost of its invested capital by charging customers based on the usage of the capital, and the incremental capital should be charged to the incremental users when possible. It is not possible to fully burden the peak demand users with the cost of providing the peak flow, but it is clear that incremental use during peak flow should bear a greater cost than base level flows.

Utility Work During City Projects

The Task Force commented on the utility's partnership with other City departments for water and sewer pipe repair and relocation work coinciding with improvement projects initiated by those departments. Charlotte-Mecklenburg Utilities only rehabilitates, relocates or replaces water and sewer infrastructure when there are physical conflicts with projects, when legally or contractually required or when it anticipates that work will be required in the near future. Working in conjunction with other City or County departments minimizes traffic and neighborhood interruptions for citizens, saves money and prevents disturbing streets or other infrastructure another department had recently finished.

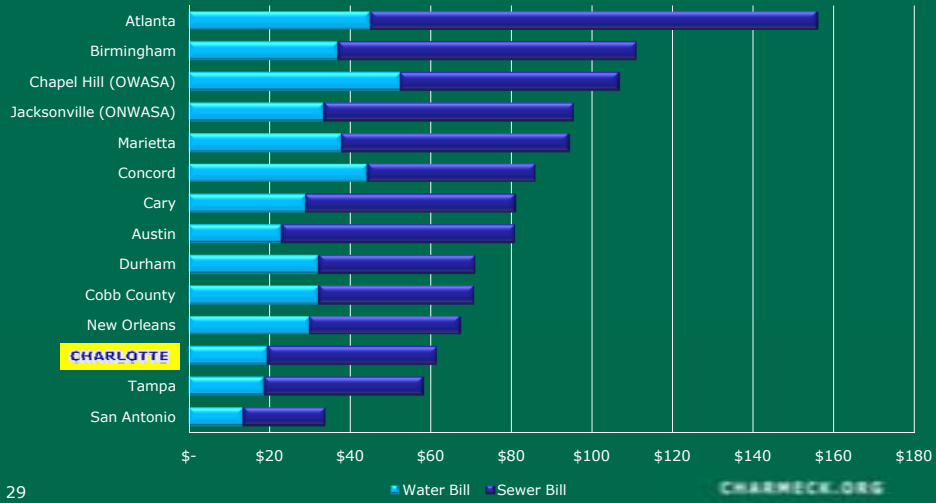
We agree with Task Force members regarding several financial issues, as do Utilities staff:

- Reducing volatility in revenue and weather dependency is needed to prevent unexpected shortfalls and higher-than-anticipated rate increases.
- Transitioning capital funding to more of a PAYGO model and reduce long-term debt obligations. Financial policies and plans established in the last few years have incorporated this as a strategic component. This process is under way but takes several years of diligence and community support to achieve those financial goals.
- Conducting a rate study that will examine methodology for setting rates and fees. More than three decades have passed since a comprehensive rate study has been performed. Interim Director Barry Gullet has recommended a rate methodology study for FY2011 that would include public input and would develop the best course for balancing revenue needs, protecting water supply and stabilizing the volatility the utility experiences from weather and economic fluctuations. This speaks to the Task Force's concerns about how tiers are divided, how charges are applied and connection/capacity fees. The Advisory Committee will be active in that process and would make recommendations to City Council for any policy or City Code modifications necessary. City Council's Restructuring Government Committee will be reviewing these findings, with Advisory Committee input.
- Being more descriptive about the impact of rate increases for a variety of water users. While 75% of residential customers use 8 ccfs (5,984 gallons) of water or less monthly, we agree that communicating averages can be confusing to higher residential water users. This change was implemented in presentations to City Council about the FY2011 budget and in materials for customers and media outlets.

We wish to reinforce that Charlotte-Mecklenburg water and sewer rates compare very favorably with other cities for customers at all levels of consumption.

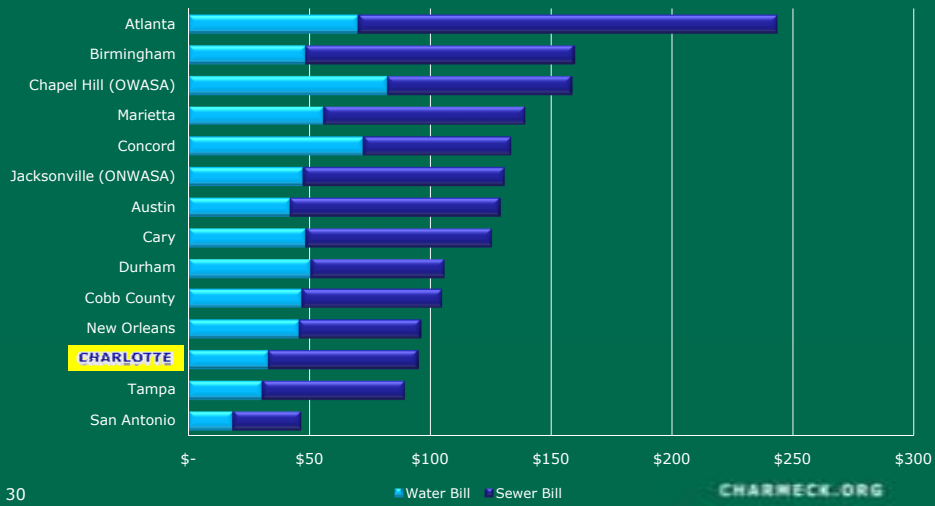
FY10 Comparison to Other Cities

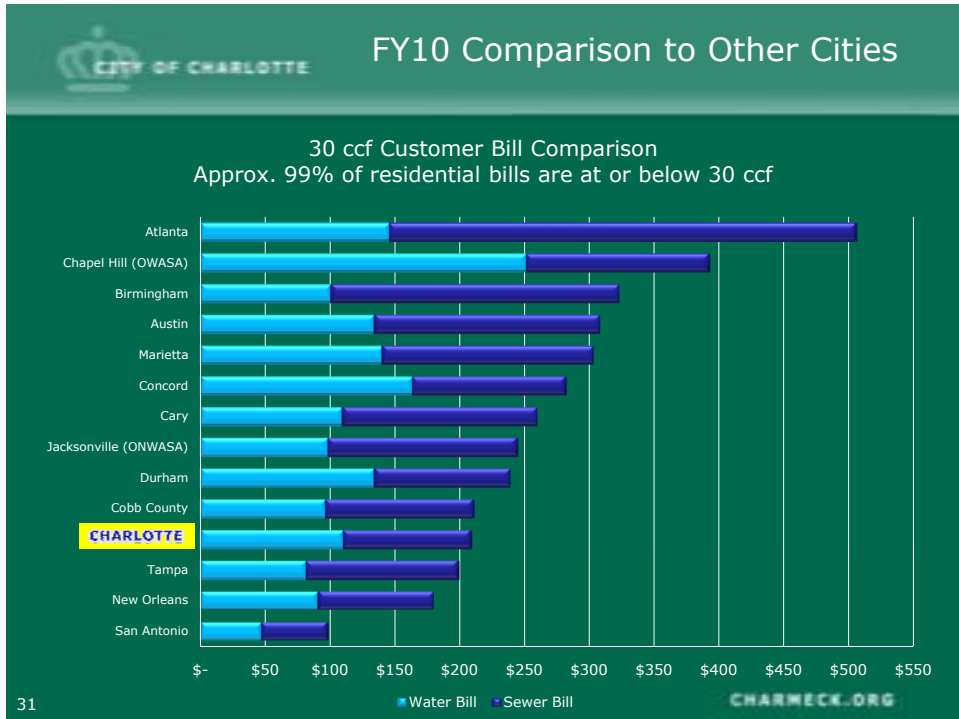
10 ccf Customer Bill Comparison
 Approx. 84% of residential bills are at or below 10 ccf



FY10 Comparison to Other Cities

15 ccf Customer Bill Comparison
 Approx. 94% of residential bills are at or below 15 ccf





The conundrum of being financially dependent on water sales but needing to encourage conservation is not unique to Charlotte. It also is no indicator of financial mismanagement. Other utilities nationally are faced with a similar dilemma to fund needed investments in existing and new infrastructure to maintain high quality drinking water and wastewater treatment. Charlotte-Mecklenburg Utilities has delayed and pared down its Capital Improvement Plan given the current economic climate. It has maintained superior bond ratings, saving customers millions of dollars in interest and demonstrating sound fiscal management. The utility was upgraded in early May 2010 to a AAA bond rating from Moody's, making it one of a handful of water utilities nationally with AAA's from all three rating agencies. Advisory Committee members recognize the importance of the utility's superior bond ratings and endorse taking the steps needed to maintain them.

Customer Service

As Mecklenburg County residents and Utilities customers ourselves, we expect City and County employees to be responsive and to provide the highest level of customer service. A three-year hiring freeze and a chronically underfunded Customer Service Division have impacted service levels. We support the enhancements to staff training, pre-bill check reads and post-bill inspections that will better prevent inaccurate bills, keep customers better informed during the process and promote positive interactions between customers and employees. The proposed FY2011 rate increase also increases the fixed fee for water by \$0.02 a day and \$0.02 a day for sewer. This is designed to more properly fund the Customer Service Division that oversees meter reading and billing.

Task Force members and other customers have expressed frustration in three areas, and summarized below are some of the actions taken to remedy these:

- Some customers feel Utilities employees should help them identify private plumbing leaks past the water meter.
 - Advisory Committee members discussed this at length and do not recommend any policy change. There needs to be a clear division of responsibility between the utility's infrastructure and homeowner's private property to minimize liability and to avoid even more complicated consequences. Utilities already offers a free home water audit, where an employee inspects plumbing fixtures, irrigation systems and water habits upon request and offers water efficiency suggestions. This service does not include leak detection, however, which seems to be the missing piece recommended by the Task Force. Rather than adding \$0.25 to each monthly bill for a third-party water audit, Advisory Committee members suggest the staff explores a voluntary, opt-in program for those added services.

- Some customers feel Utilities employees tend to assume a private leak when account usage shows an unexplained increase in water consumption.
 - The most common causes of sudden or gradual increases in usage in disputed bill situations are outright usage and private plumbing leaks. However, staff training in recent months has reinforced the importance of investigating all possibilities more comprehensively, maintaining a positive attitude and assisting customers with tips for determining if there are private leaks. The meter's low-flow dial (previously called a "leak detector") is a helpful tool in identifying private leaks. Having customers at home and involved in the high bill inspection can more efficiently determine if the dial is moving because of water use at the residence or because of a possible leak.
 - Enhancing pre-bill check reads allows for more aggressive quality control before bills are mailed.

- Utilities does not have an appeals board or other mechanism in place to hear and resolve disputes.
 - Through the benchmarking study completed in April of other utilities' payment and delinquency policies and practices, staff learned that external appeals boards are not a common practice. Two of the 32 utilities surveyed nationally had adjustment committees or appeals boards. These were internal town or county staff members that were not involved in customer billing.
 - Multiple reviews and courses of action exist for disputed bills. Utilities staff provides an initial functionality test of meter equipment and a second, supervisor-level inspection. If the equipment isn't functioning properly, it is repaired, and the customer receives an account adjustment if the problem affected their bill. If the equipment is functioning

- properly during both inspections and the customer has no history of past high usage, the customer may receive a one-time, partial account credit to resolve the matter.
- Charlotte-Mecklenburg Utilities offers payment arrangements as most of the other utilities benchmarked do and recently extended the number of days before an unpaid bill under investigation goes into delinquency. This will allow more time for Utilities and the customer to address the cause of the high bill before being in jeopardy of shut-off. Utilities staff and CharMeck 311 operators inform customers that *their average bill amount is still due during the investigation process*, while they are protected from delinquency on the amount in dispute. Some customers choose not to pay any part of the bill while it's being investigated, which puts them in danger of service interruptions.

Many of the Task Force's recommendations will be achieved through the nine-part Customer Service Evaluation project initiated by the City Manager that was described earlier.

Technical Measurement & Reporting

Charlotte-Mecklenburg Utilities began the transition to automated meter reading (AMR) in 2002. Even with the challenges AMR presents for a small percentage of bills, this technology continues to provide a significantly higher billing accuracy rate than manual meter reading. Utilities converted to AMR in phases, with suburban areas in the outskirts of Mecklenburg County transitioned first to allow the biggest return on investment. The initial transmitters were the model 40W. As AMR technology evolved and new equipment became available, Utilities has upgraded in a systematic manner that has minimized the cost to customers. In fact, the equipment manufacturer has provided new, upgraded replacements at no cost for equipment that has experienced problems. Utilities replaced model 40Ws with model 50Ws and now is in the process of gradually upgrading to model 60W transmitters. In eight years, the utility has employed three generations of this technology, demonstrating how quickly the industry has changed and improved. The latest generation of transmitters, 100Ws, are now coming into the market.

In addition, Utilities conducts routine meter change-outs as needed and is planning a more wide-scale replacement program in the next few years as meters reach their expected lifespan. Mechanical meters, while extremely reliable, have a tendency to slow down (underbill) over time and need routine replacement every 10 to 15 years.

The Advisory Committee supports the work Utilities is doing now as part of the City-sponsored Customer Service Evaluation project to explore the advantages and disadvantages of new types of meter reading technology. The utility currently employs pulse-generating transmitters—state-of-the-art at the time it converted to AMR. Task Force members recommended a change to digital-encoding transmitters; however, there are pros and cons to both, and industry experts are divided on their merits. We support the utility's plan to move ahead with replacing and upgrading transmitters, while continuing to assess both types of technology to determine which presents the most benefits in this community.

We also encourage due diligence to fully understand the possible unintended consequences of mixing technologies in the field. Continually upgrading to the newest technology likely will be cost-prohibitive for 250,000 installations and may not be necessary if the current version employed is performing well. The meter equipment audit under way now will give a true snapshot of how well the pulse-generating model 50W and model 60W transmitters are functioning and will inform future replacement strategies. It is the first of periodic meter audits to provide continual feedback on how equipment is performing in the field.

In addition to the equipment itself, Utilities also has a project coming in the near future to adjust meter reading routes. This will make that operation more efficient and will reduce for many the lag time between when the meter is read and when the customer receives the bill. For the utility, this will allow a more balanced number of customer accounts in each billing cycle. For customers, it will provide more immediate feedback on water use, and any pre- or post-bill meter inspections can be performed more closely to the time of the meter reading in question.

List of Actions & Conclusion

Actions Taken

- Improved pre-bill quality assurance, including a more thorough review of flagged accounts, enhanced check reads, etc. (addresses Task Force recommendation 10.)
- Improved high bill inspection process that involves customers more fully (addresses Task Force recommendation 10.)
- Conducted accuracy test of mechanical water meters.
- Improved customer education materials on rate structure, rates and high bill resources (web site, door tag, customer letters, bill inserts, etc.)
- Extended the number of days before an unpaid bill under investigation goes into delinquency to better protect customers from loss of service. In cases where meter reading equipment is functioning properly during at least two field inspections and the customer has no history of high usage, a one-time account credit is provided to resolve the matter (addresses Task Force recommendation 9.)
- Initiated nine-part City-sponsored Customer Service Evaluation project in February (addresses Task Force recommendations 9, 10, 12, 13, 18, 19, 21, 22, 23 and 24.)
- Strategy under way in recent years to transition more CIP funding to PAYGO and reduce debt service.
- Recommended rate increase for FY2011 includes increase of fixed fees for water and sewer to more adequately fund Customer Service Division (addresses Task Force recommendation 11.)
- Included qualifications for strong leadership and high level of experience in national search for new utility director (addresses Task Force recommendation 5.)
- Improved tracking of customer interactions, reported problems and notes recorded from field inspections (addresses Task Force recommendation 13.)
- The water meter equipment audit will yield informative baseline results about the functionality of meters, registers and transmitters. Findings of meter reading equipment audit can help

determine whether model 50W transmitters warrant faster replacement/upgrade. If any audit findings indicate more study is needed, utility staff will evaluate the best method for doing so.

Actions Planned

- Comprehensive rate methodology study planned for fall 2010 and work with City Council's Restructuring Government Committee on findings and implementation (addresses Task Force recommendations 1, 2, 3, 4 and 7.)
- Continue assessing pulse-generating and digital-encoding meter reading technologies (addresses Task Force recommendations 22, 23 and 24.)
- The new Utilities Director will have the benefit of reading the Task Force report and this response and can determine if he/she needs more background on the issues (addresses Task Force recommendation 16.)

Other Recommendations

- Explore opt-in program for comprehensive water audits providing leak detection (addresses part of Task Force recommendation 12 and recommendation 17.)

In recent months, the Utilities Advisory Committee has seen these actions lead to positive improvements. We are confident the Customer Service Evaluation, and the proposed Rate Study, will accelerate our progress. We will continue to support our skilled Utilities professionals in their dedicated pursuit of public service, and we'll continue to depend upon customer feedback to let us know how we're doing.

APPENDIX A

Utilities Customer Service Evaluation Project Components

1. **Benchmarking** – Survey of 32 public and private utilities across the nation regarding their policies and practices related to payment delinquencies and payment arrangements, account holder requirements and bill adjustments.
2. **Business Process Improvements** – A City team review of processes generally rooted in meter-reading, pre-billing quality control, defining targets for & measuring billing accuracy, post-bill high bill investigations, bill adjustments, etc. Benchmarking findings (Item #1) will be integrated with this effort.
3. **Interim Business Process Review** – Thirty-nine customer service processes transitioned from Utilities to CharMeck 311 in early 2010. Fifteen additional interim business processes – more complex ones – are still being performed by Utilities staff. A business case will recommend where/how those remaining functions are best performed and the appropriate level of resources required to do this work.
4. **Water Solution Task Force Recommendations** – The seven-member Advisory Committee review of the 13-member Water Solution Task Force report. The Advisory Committee's review will parallel, and may overlap with, the overall Customer Service Evaluation Project.
5. **Meter Reading Equipment Audit** – An independent third party audit by Vanguard Utility Services, Inc., of 9,000 residential customer accounts to collect additional data and further ensure correct operation of meter-reading equipment. This effort will wrap up by summer 2010, and findings will enhance data collection and business practices.
6. **Meter Routes/Billing Cycle Adjustment** – The City is planning a significant project to better balance the number of customer accounts in each of the 19 billing cycles processed each month, and to geographically re-align meter reading and service routes.
7. **Utilities Customer Service Operations Enhancements** – Training, business process streamlining, performance measurement and other related efforts to address service levels and customer satisfaction concerns.
8. **Project Communication** – Ongoing communications to keep citizens informed of customer service restructuring efforts.
9. **Billing System Audit** – City Internal Audit review of internal controls related to billing processes. Auditors are examining high bill issues raised by citizens, along with classification and investigation of high bills by Utilities staff.

APPENDIX B

The **Charlotte-Mecklenburg Utilities Advisory Committee** was created in June 1991. The City/County agreement forming the body outlines that three members will be appointed by the County Commission, three by City Council and one by the Charlotte city mayor. With the exception of the town representative, the members of the Committee must be actively involved in one of the following categories: real estate developer, water and/or sewer contractor, civil engineer specializing in water/sewer construction, financial expert and neighborhood leader. This composition of skill sets was suggested by a 13-member citizen committee that reviewed Utilities policies from April to November 1990, which recommended the five-member Community Facilities Committee be transitioned to seven members with these characteristics and qualifications.

The Advisory Committee has the following duties and responsibilities:

- Review all capital improvement programs and make recommendations to City Council.
- Review proposed changes in methodology for water and sewer rates and fees and make recommendations to City Council.
- Review proposed changes in the policy for water and sewer extensions and make recommendations to City Council.
- Sit with City Council in public hearings on any matter required.
- Review requests for one or more specific extensions of the water and sewer system that have not been approved within a reasonable time by the Director and make recommendations to City Council through the City Manager.
- Review proposed changes in the specifications for installing water and sewer facilities that have not been approved by the Director and make recommendations to City Council through the City Manager.
- Present an annual report on the operations of Charlotte-Mecklenburg Utilities and on the activities of the Committee to City Council and the County Commission.
- Review and report on any matter related to water and sewer service as requested by the Director, City Council or County Commission.

COUNCIL WORKSHOP AGENDA ITEM SUMMARY

TOPIC: 2011 Annexation

COUNCIL FOCUS AREA: Economic Development

RESOURCES: Jonathan Wells, Planning

KEY POINTS:

- On June 8, 2009 City Council approved study areas for the 2011 annexation process.
- Three areas from within these larger study areas have been identified that qualify for June 30, 2011 annexation.
- Qualifying areas collectively represent 3.8 square miles and estimated population of about 4,000.
- Staff will present a preliminary annexation report of these areas.

COUNCIL DECISION OR DIRECTION REQUESTED:

This presentation is for informational purposes only; however, City Council will be asked to take preliminary action on proceeding with the annexation process at their June 14th business meeting, with final Council approval to be requested in Fall, 2010.

ATTACHMENTS:

2011 Preliminary Annexation Report

2011 Preliminary Annexation Report

Proposed Annexation Areas:

- ✓ *Rhyne*
- ✓ *Whitehall*
- ✓ *Camp Stewart South*

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SUMMARY AND RECOMMENDATION

The 2011 Annexation Study has identified three (3) areas eligible for annexation. The three proposed annexation areas are Rhyne, Whitehall, and Camp Stewart South. The recommended effective date for annexation of these areas is June 30, 2011. These areas, with an estimated total population of 4,071 persons, meet the criteria set forth in the state annexation statutes (see page 15). Maps of the boundaries of these areas are shown on pages 10-13.

An analysis of revenues and costs (pages 16-23, and summarized on 24-31) indicates total projected operating revenues of \$1,392,023 and \$1,730,259 in the first and second years of annexation, respectively. The anticipated service costs are \$1,538,182 and \$1,319,352 in the first and second years, respectively. In addition, \$28,800,000 in capital improvements are recommended for water and sewer service extensions. The total real and personal property valuation represented in these three areas is approximately \$340 million.

IT IS RECOMMENDED that City Council proceed to annex the eligible areas in accordance with the procedures established by law (pages 5-6). Specifically, it is recommended that at the meeting of June 14, 2010, the City Council adopt the following annexation schedule:

COUNCIL ACTION	RECOMMENDED DATES
Adopt Resolution of Intent	June 14, 2010
Approve Final Plan & Annexation Reports	June 14, 2010
Hold Public Informational Meeting	August 5, 2010
Conduct Public Hearings	August 23, 2010 ⁽¹⁾
Pass Annexation Ordinances	November 22, 2010
Ordinance Becomes Effective	June 30, 2011

⁽¹⁾ Suggested date. Actual date must be at least 60 days, but not later than 90 days after Resolution of Intent. Hearings can be set on a single or multiple days.

I. THE ANNEXATION PROCESS

INTRODUCTION: THE BASIS FOR ANNEXATION

In 1955, the Charlotte City Council and the Mecklenburg Board of County Commissioners consolidated their separate planning boards into the Charlotte-Mecklenburg Planning Commission. In the ordinance of consolidation the Planning Commission was directed to recommend to City Council, from time to time, areas that should be annexed into the City.

Accordingly, City staff has recommended nineteen major annexations over the years, not including this current proposal. Timely annexations that keep the City abreast of the growth that takes place outside its corporate limits are a long-standing tradition for Charlotte. By successive annexations, Charlotte has grown from its original size of about one-half square mile to its present size of approximately 299 square miles.

In 1959, the State Legislature revised the statute that governs how cities may annex adjacent areas. The law stipulates that areas cannot be annexed unless they have certain characteristics of urbanization. It also stipulates that they cannot be annexed unless the City is prepared to provide the areas with all the facilities and services that are provided within the existing City. If these two requirements are met, in concert with other less significant requirements, the City is authorized to annex the area without a vote of the people.

The preamble to the State statute expresses clearly the objectives that the annexation statute is intended to serve:

Declaration of Policy -- It is hereby declared as a matter of State policy:

- (1) That sound urban development is essential to the continued economic development of North Carolina;
- (2) That municipalities are created to provide the governmental services essential for sound urban development and for the protection of health, safety and welfare in areas being intensively used for residential, commercial, industrial, institutional and governmental purposes or in areas undergoing such development;
- (3) That municipal boundaries should be extended in accordance with legislative standards applicable throughout the State, to include such areas and to provide the high quality of governmental services needed therein for the public health, safety and welfare; . . .

§ 160A-45

Annexation is considered to be a continual process. On a biennial basis (every other year), all areas adjacent to the City are evaluated for possible annexation under the requirements of State statute. (The City of Charlotte has a policy of completing the annexation cycle with an effective date of June 30th of every odd-numbered year.) For areas found to be eligible, plans are developed for the provision of all required municipal services and an estimate is made of the cost of providing such services. This enables a determination to be made of the financial feasibility of annexing eligible areas, and lays the foundation for prudent, specific annexations.

Progressive annexation has enabled Charlotte and surrounding urban areas to avoid many problems that other communities have experienced and have found difficult or impossible to solve. Many residents of newly annexed areas benefit from having improved fire protection, refuse collection, municipal traffic management, street lights, availability of basic water and sewer facilities, and other standard municipal services. If the City did not have the ability to expand its limits in response to adjacent urban growth, ultimately it would find itself surrounded by vast suburban areas that would not contribute financially in meeting the needs of the total urban community. Through annexation, the tax base of the entire urban area is available to meet the needs of that area. Furthermore, public services can be offered in a more efficient, consistent, equitable, and cost-effective manner.

STANDARDS FOR QUALIFICATION OF AREAS FOR ANNEXATION

In order to qualify for annexation, an area must meet several specific requirements set forth in the State statutes. The total area to be annexed must meet the following criteria. First, it must be contiguous to (adjacent to) Charlotte's city limits. Second, at least one-eighth (1/8) of the aggregate external boundaries of the area must coincide with the municipal boundary. Third, no part of the area can be within the boundary of another incorporated municipality.

An area that is to be certified for annexation must be developed for urban purposes. An area qualifies if it meets just one of the following development standards:

- (1) the area has a total resident population equal to at least two and three-tenth (2.3) persons per acre of land included within the proposed boundaries; or
- (2) the area has a resident population of one person per acre, and is subdivided into parcels such that at least 60% of the total acreage consists of lots and tracts three acres or less in size and such that at least 65% of the total number of lots and tracts are one acre or less in size; or
- (3) the area is so developed that at least 60% of the total number of lots and tracts are used for residential, commercial, industrial, institutional or governmental purposes; of the total residential and undeveloped acreage more than 60% consists of lots and tracts three acres or less in size; or
- (4) the area is developed such that all tracts in the area are used for commercial, industrial, governmental, or institutional purposes.

In addition to areas developed for urban purposes, the city may include in an annexation area certain areas which at the time of annexation are not developed for urban purposes, but which constitute “necessary land connections” between the current city boundaries and areas developed for urban purposes (and meeting annexation qualifications), or between two or more areas developed for urban purposes (and meeting annexation qualifications). However, these land connection areas may not exceed twenty-five percent (25%) of the total land area to be annexed. This provision is more fully described on page **15** of this report.

Prior to an area being annexed, the City of Charlotte must indicate how it intends to provide the area with public services, so that the area will receive services at substantially the same levels as

areas already within the present corporate limits. On the date of annexation, the City must begin to provide police and fire protection, garbage collection, and street maintenance services to the area. Garbage collection services at the time of annexation may be either provided in the annexed area by private solid waste collection firms under contract with the City, or by City solid waste crews and equipment. As an alternate to receiving service from the City Fire Department, a contract with a rural fire department to provide fire protection shall also be an acceptable method of providing fire protection in newly-annexed areas. If a water distribution system is not available within the area to be annexed, reasonably effective fire protection service must be provided until such time as water lines are made available under existing municipal policies for the extension of water lines.

The City must also provide for the extension of major trunk water mains and sewer outfall lines into the areas being annexed so that property owners may obtain water and sewer service. If the mains and outfalls are not in place at the time of annexation, the City must assure that plans are underway to provide these facilities. The plans shall call for water and sewer construction to be completed within two years of the effective date of annexation, in accordance with applicable state law. The law also stipulates that the City must indicate the method under which it intends to finance the extension of the above services.

STUDY PROCEDURE

Staff from the Charlotte-Mecklenburg Planning Department, under the local ordinance by which it was established, is given the responsibility of preparing annexation recommendations. As an ongoing function, the staff gathers data concerning land development and population growth which helps determine qualifying areas. The information on the three proposed areas is given in Part II of this report (pages 7-15).

Under state law, areas being considered for annexation must be identified at least one year prior to the beginning of formal annexation proceedings, or the effective date of annexation must be delayed for one year. Notice prior to annexation proceedings is accomplished through City Council adoption of a Resolution of Consideration which delineates the geographical area under consideration for annexation. City Council must then wait one full year (but no more than two years) before initiating formal annexation proceedings. On June 8, 2009, City Council passed

Resolutions of Consideration for areas which encompass the areas now being considered for annexation.

Once an area is determined to be eligible for annexation, municipal departments are asked to submit cost estimates on anticipated capital expenditures and operating expenses associated with serving the annexation areas, and, if applicable, anticipated revenues. As part of this process, meetings are held among the departments to discuss mutual concerns, problems, and policies. The cost/revenue estimates are presented in Part III of this report (pages 16-31).

ANNEXATION PROCEDURE

Under the North Carolina municipal annexation law, specific procedures are identified that must be followed by the local governing body that is initiating annexation. The following is a summary of those procedures:

- (a) Notice of Intent: The governing body must pass a resolution stating the intent of the municipality to consider annexation. The resolution should describe the boundaries of the area under consideration; fix a date for a public information meeting to be held between 45 and 55 days following passage of the resolution; and fix a date for a public hearing to be held between 60 and 90 days following passage of the resolution.
- (b) Action Before the Hearing: At least 30 days before the date of the hearing, the governing body shall approve a report concerning annexation and subsequently make the report available to the public at the office of the City Clerk.
- (c) Public Informational Meeting: A City official is required to explain the plans contained in the report, and then citizens from the areas proposed for annexation and also from the current City and larger community are given the opportunity to ask questions and receive answers regarding the proposed annexation.
- (d) Public Hearing: A City official shall present the annexation report after which all persons, both of the annexed area and the City, shall be given an opportunity to direct comments to City Council.
- (e) Passage of the Annexation Ordinance: The City Council, after considering the report and the facts presented at the public hearing, has the authority to make amendments to the report. No sooner than 10 days after the hearing and no later than 90 days after the hearing, the Council can adopt an ordinance extending the city limits. The ordinance shall fix the effective date of annexation.

The annexation effective date may be set any time, as long as it is not less than 70 days nor more than 400 days from the date of passage of the annexation ordinance. The timing, however, has a

significant effect on the collection of taxes. Under the present statute, taxes are to be pro-rated on the basis of the number of full months in the fiscal year in which annexation takes place. The statute also contains a provision relating to payment of taxes in annexed areas so that they are due and payable at the same time as other taxes.

If an annexation takes place between July 1 and September 1, taxes are due and payable on September 1 of that same year. However, if the annexation is after September 1, taxes are not due until the following September 1. Thus, if an annexation were to become effective after September 1, the City must provide the required services without securing any revenues from taxes until the following September 1.

II. DESCRIPTION OF AREAS PROPOSED FOR ANNEXATION

INTRODUCTION

The Charlotte urban area is increasing both in physical size and numbers of people. The U.S. Census Bureau established that the population of the Charlotte urban area increased by 66.6 percent during the 1990s, reaching a population of 758,927 by 2000 (including 540,828 within the city limits in 2000). This urban area encompasses 109 percent of the county's total year 2000 population. (Areas beyond the Mecklenburg County boundary meet the Census Bureau's definition of "urban area".)

In order to provide the services and facilities essential to sound urban development, Charlotte's municipal boundaries must keep pace with the expanding community. Charlotte's last major annexation occurred on June 30, 2009, when approximately 18,000 people residing in an area of 11 square miles became part of the City of Charlotte. However, development has continued in parts of the county at a steady pace since the last annexation study was conducted in 2008.

Therefore, an annexation study was undertaken in early 2010 to review areas along the periphery of the City to assess their potential for future annexation. A total of three (3) areas have been found eligible for annexation in accordance with the 1959 North Carolina Municipal Annexation Statutes, G. S. Chapter 160A, Article 4A, Part 3. These three (3) proposed annexation areas are shown in the maps on pages 10-13.

If these areas are annexed, they would add to the physical size of Charlotte and its total population. Together, they comprise 3.80 square miles, which would increase Charlotte's physical size (currently approximately 299.3 square miles) by slightly over one percent. An estimated 3,990 persons -- or the equivalent of 0.5 percent of Charlotte's current estimated population of 726,284 ⁽¹⁾ -- live within these areas. As a result of the proposed annexation, the population of Charlotte would increase to about 730,274 while its physical size would be approximately 303.1 square miles.

⁽¹⁾ estimated population of the City of Charlotte for 7/1/09 developed by Charlotte-Mecklenburg Planning Department

PROPOSED ANNEXATION AREAS

RHYNE

This area is located west of the current city boundaries, lying north of Mt. Holly Road, right at the Mt. Holly Road/I-485 interchange. The Cedar Mill residential community, as well as the interstate interchange, occupy the majority of the area, along with some older lower-density residential properties east of I-485. The area contains a total of 288.6 acres with an estimated population of 618.

This area qualified under Section c(1), as well as Subsection d of the North Carolina General Statutes (see Qualifying Criteria and General Annexation Eligibility Standards), as described on page 15.

WHITEHALL

Located west of the current City limits and northeast of I-485 between the South Tryon Street and Arrowood Road interchanges, this area consists of portions of the Whitehall and Renaissance Center business parks as well as the Villas at Laurel and Carrington Place residential communities. The area is a mix of residences and business parks, contains a total of 664.6 acres and has an estimated residential population of 1,272.

The area qualifies for annexation under Section c(1) as well as Subsection d of the North Carolina General Statutes (see Qualifying Criteria and General Annexation Eligibility Standards), as described on page 15.

CAMP STEWART SOUTH

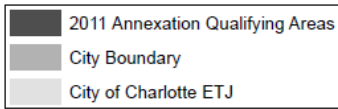
This area is situated to the east of the present city limits in the Albemarle Road/Harrisburg Road area, west of I-485. It contains the Lamplighter Village, J.H. Gunn, and Cedarbrook residential

communities as well as the developing Woodbury subdivision. It also includes the Wilgrove airport. The area contains 1,479.8 acres and has an estimated residential population of 2,181.

The area qualified for annexation under Sections c(2) and c(3), as well as under Subsection d of the North Carolina General Statutes (see Qualifying Criteria and General Annexation Eligibility Standards), as described on page 15.

2011 Annexation Qualifying Areas

City of Charlotte



Produced by the Charlotte-Mecklenburg Planning Department
 Data Source: City of Charlotte, Mecklenburg County






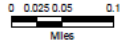
Data current as of February 15, 2010

Rhyne

2011 Annexation Qualifying Area



 Annexation Qualifying Area
 City of Charlotte, April 2010
 City of Charlotte ETJ






Produced by the Charlotte-Mecklenburg Planning Department
 Data Source: City of Charlotte, Mecklenburg County

Data current as of April 9, 2010

Whitehall

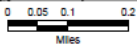
2011 Annexation Qualifying Area



 Annexation Qualifying Area
 City of Charlotte, April 2010
 City of Charlotte ETJ

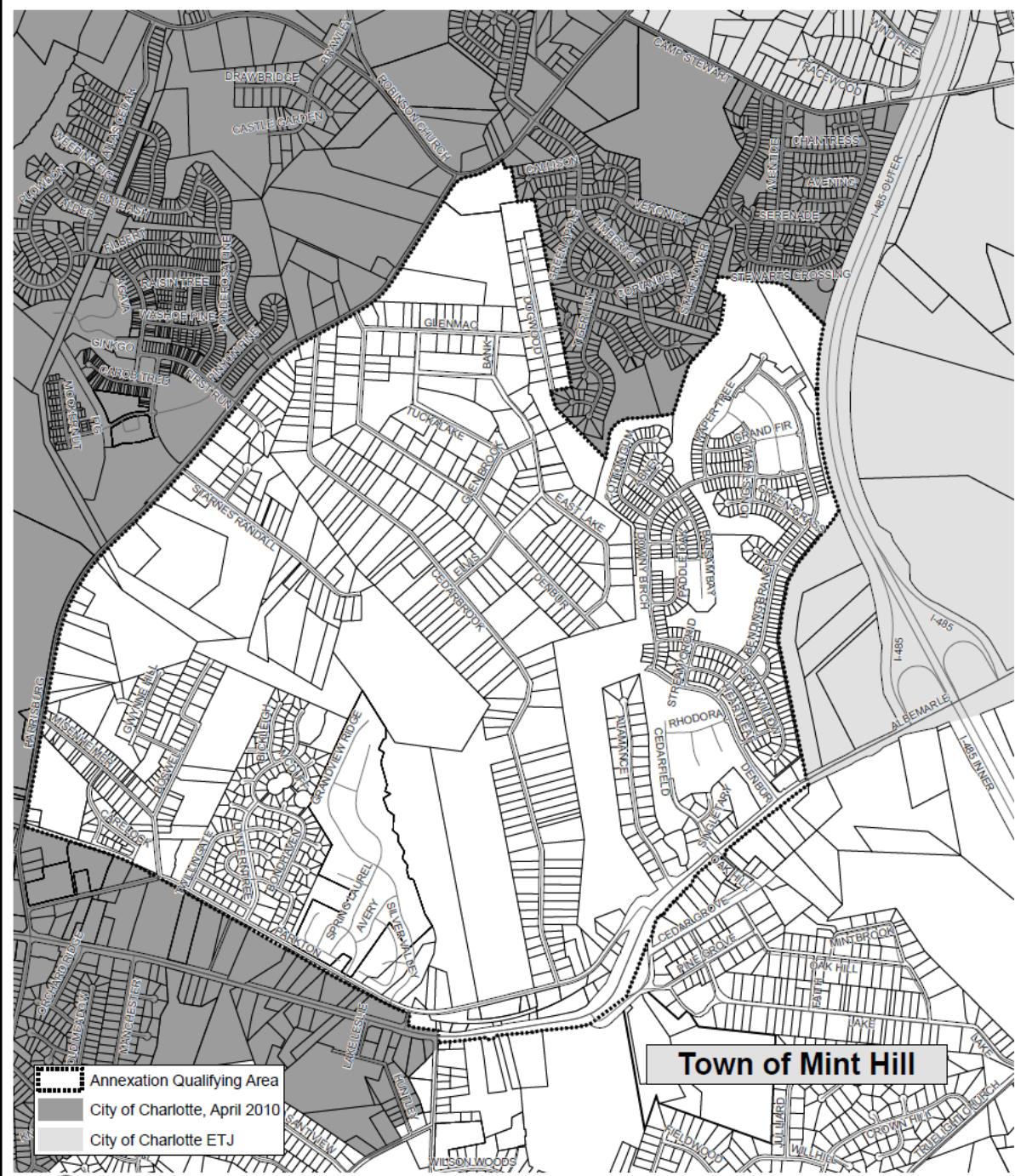


Produced by the Charlotte-Mecklenburg Planning Department
 Data Source: City of Charlotte, Mecklenburg County



Data current as of April 9, 2010

Camp Stewart South 2011 Annexation Qualifying Area



Produced by the Charlotte-Mecklenburg Planning Department
Data Source: City of Charlotte, Mecklenburg County

Data current as of April 9, 2010

QUALIFYING CRITERIA (2011 Annexation Qualifying Areas)

Name of Annexation Qualifying Area	Rhyne	Whitehall	Camp Stewart South	
Minimum Statutory Standard				
Statutory Requirements (Area must meet <u>one</u> of three below)				
“C-1”: 2.3 persons per acre	2.83	2.53	1.96	
“C-2”: 1.0 person/acre <u>plus</u> 60% acreage 3 acres or less & 65% lots 1 acre or less	46.2% 95.7%	22.0% 90.8%	61.8% 82.6%	
“C-3”: 60% lots in use & 60% acreage residential or vacant	50.5% 69.0%	28.1% 84.6%	67.0% 68.1%	
1/8 (12.5%) common boundary	75.1%	71.8%	68.1%	
Subsection “d”				
Maximum 25% of total area	24.3%	24.5%	24.8%	
60% minimum common boundary	100%	100%	100%	
Estimated population	618	1,272	2,181	4,071
Total acres	288.6	664.6	1,479.8	2,433.0
Number dwelling units	288	642	966	1,896

3.80 square miles

(Bold figures above indicate where statutory qualifying requirements have been met)

GENERAL ANNEXATION ELIGIBILITY STANDARDS

(160-48, General Statutes of North Carolina)*

A. BOUNDARY REQUIREMENT

- (b)(2). at least one-eighth (1/8) (or 12.5%) of the annexation area boundary must coincide with the current municipal boundary

B. DEVELOPMENT REQUIREMENT

The area must meet any one of the following three standards:

- (c)(1). Population density of at least two and three-tenths (2.3) persons per acre

- (c)(2). At least one person per acre subdivided into lots and tracts such that at least 60% of total acreage is lots three acres or less and at least 65% of total number of lots are one acre or less

- (c)(3). at least 60% of total number of lots are used for residential, commercial, industrial, institutional, or governmental purposes and at least 60% of total acreage (not counting nonresidential) consist of lots three acres or less

C. In addition to areas developed for urban purposes as above, the city may include in the annexed area any area which does not meet the above development requirements if such area does not exceed 25% of the total area to be annexed and either:

- (d)(1). lies between the municipal boundary and a developed area so that services must be extended through the area to reach the urban area, or
- (d)(2). at least 60% of external boundary of such area is adjacent to any combination of the municipal boundary and the boundary of an area or areas developed for urban purposes as defined in subsection (c).

(purpose of this provision – known as subsection (d) - is to provide for necessary land connection)

*NC Annexation Statutes may be found on-line at:

http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/ByArticle/Chapter_160A/Article_4A.html

III. ECONOMIC ANALYSIS

REVENUES

The City has prepared an analysis of forecasted revenues as part of an economic analysis for the three (3) prospective annexation areas. These revenues include property tax, sales tax, franchise tax, motor vehicle license fees, cable TV franchise tax, business privilege tax, animal licenses, beer and wine tax, solid waste disposal fees, and Powell Bill funds.

Real and Personal Property Tax (\$1,518,780). The appraised value of real property as of March, 2010 was provided by the City-County Land Records Office. Personal property values also were obtained from Land Records. Using this data, the total appraised value of all taxable real and personal property in the proposed annexation areas is estimated to be \$339,669,129 (\$291,797,598 of real property and \$47,871,531 of personal property). When escalated for growth, this value would generate approximately \$1.5 million in additional City property tax revenues during the first year of annexation (FY2012), assuming the current City tax rate of 45.86 cents per \$100 valuation.

Police Service District Tax (-\$1,002,760). As described below in the Police Services section, the impact of annexation on the funding of police services results in the shift of an estimated \$1,002,760 from the Police Service District tax to Personal Property tax.

Other Revenue Sources (\$876,003). Storm Water anticipates \$212,823 in total revenues to be generated from single-family homes and commercial properties and is calculated based on impervious surfaces. The City will receive approximately \$111,034 from Powell Bill funds, which are distributed to local municipalities from the State's gasoline tax. Commercial concerns such as utilities (Duke Energy, BellSouth, etc.) and other franchisees pay a utility franchise tax based on gross annual receipts within the city. This will return an estimated \$146,689 from the proposed annexation areas. The Solid Waste Disposal Fee, assessed at an annual rate of \$45 per single-family residence and \$27 per multi-family residence, is estimated to total \$70,542. Business Privilege License fees will generate \$15,188. About \$83,130 will be realized from the \$30 license fee collected on motor vehicles owned by City residents. Sales taxes will generate an additional \$28,797 in the first year and \$327,858 in the second year (FY2013). Cable TV franchise fees collected for new residents in the annexation areas will total \$185,333.

All other miscellaneous revenues - including Beer and Wine taxes, and Animal Control fees - are estimated to total \$22,467.

In summary, total revenue during the first year from these annexation areas is estimated to be \$1,392,023. Of this amount, \$893,332 is assigned to the City's General Fund, \$84,432 to Municipal Debt Service, \$90,402 to Pay-As-You-Go capital projects, \$111,034 to the Powell Bill Fund, and \$212,823 to the Storm Water Fund.

SERVICE COSTS

Under the North Carolina annexation statutes, municipal services must be extended to a newly annexed area. The following is an estimate of how much it will cost each affected Key Business Unit to furnish its respective services to the proposed annexation areas. The figures given in parentheses are the estimated first-year service costs for that Key Business. A summary of all costs and revenues is given at the end of this section.

The City of Charlotte has an extensive competition/privatization program. Many of the services included would be provided by the private sector and monitored by the City.

POLICE (\$0). As of October 1, 1993 police services were consolidated from two organizations (Mecklenburg County Police and City of Charlotte Police) into one (Charlotte-Mecklenburg Police Department). Across the entire service area police services are administered uniformly. Therefore, police service delivery in the proposed annexation areas would remain unchanged. The City's Police Services agreement with Mecklenburg County provides funding from the unincorporated areas in proportion to population. Funding of police services would shift from the collection of Mecklenburg County's Police Service District tax to the City of Charlotte's property tax effective June 30, 2011. The estimated amount of Police Service District tax that would shift to the property tax is \$1,002,760.

FIRE (\$107,044). The Fire Department provides residents of Charlotte with fire protection and fire prevention services, while maintaining standards consistent with the recommended requirements of the Insurance Service Office. To operate effectively during the first year, the Fire Department will incur expenditures of \$107,044.

The Fire Department can provide a level of service commensurate to that available city-wide in the areas proposed for annexation without adding fire stations. Emergency services can be provided to these areas within acceptable time limits by existing fire stations.

A contract with a Volunteer Fire Department (VFD) to provide fire protection also is an acceptable method of providing fire protection. If a volunteer fire department makes a written request for a good faith offer, the City is required to make a good faith effort to negotiate a five-year contract with the rural fire department to provide protection in the area to be annexed. If the existing department does not wish to enter into such a contract, the city offers to pay in lieu of a contract a sum equal to a determined economic loss. The estimated economic loss for the Volunteer Fire Departments affected by this annexation is approximately \$150,582.

This annexation will require the addition of two staff positions to enhance fire dispatching and fire code enforcement.

TRANSPORTATION (\$1,213,130). The City's Transportation Key Business has the general responsibility of developing and maintaining safe and efficient means of moving vehicular traffic and pedestrians on the streets and highways of Charlotte. This includes the construction and maintenance of facilities located within the City's right of way and the installation and maintenance of street markers and traffic control signs and signals.

Several streets in the proposed annexation areas will require repair and resurfacing. As a result, the operating budget for the department's Street Maintenance Division is expected to increase by \$997,793, to improve streets to City maintenance standards. The first year's cost to provide other CDOT services to the proposed areas is estimated to be \$215,337, which includes \$181,087 for street signage, signals, and markings, and \$34,250 to cover annual electricity costs for 46 existing neighborhood street lights.

ENGINEERING AND PROPERTY MANAGEMENT (\$9,260). The general objectives of the department are to plan, design, and control construction of new capital improvements to meet community needs; to develop programs for maintaining existing public facilities such as streets, sidewalks, bridges, curbs, gutters, and drainage facilities; and to ensure that private development

adheres to certain City regulations. The first year's cost to provide these services to the proposed areas is estimated to be \$9,260.

The Land Development Division is responsible for engineering services for other City businesses, and for administration of certain City regulations relative to development. The Landscape Management Division is the beautification arm of the City and is responsible for removing safety-obstructing vegetation. Its functions involve the mowing of street right of way, construction and maintenance of urban beautification projects, and maintaining median strips along major thoroughfares. The division also responds to public requests. A total of \$3,704 is needed to provide additional right of way mowing in the annexation areas.

The Survey/Mapping Division is responsible for providing survey and mapping services to transportation projects, sidewalk projects, storm water projects, and land development projects. An additional \$5,556 is required to obtain additional topographic maps of the annexation areas.

SOLID WASTE SERVICES (\$208,748). This key business offers a diverse range of services to City residents including collections of refuse, yard waste, and recyclables, as well as street cleaning. First year costs for the business totaling \$208,748 are detailed below according to its major divisions. Included in this total request is \$69,466 for landfill service charges.

Collections Division (\$139,282).

The objective of the Collections Division is to provide weekly residential garbage, yard waste, and recyclables pick-up and bulky item collection. The City also contracts with private haulers to provide services to some multi-family complexes and effective July 2010 for bi-weekly recycling pick-up for single family homes in the City. In order for the Collections Division to supply these services to the proposed annexation areas, its operations budget will increase by a total of \$139,282 for residential service in the following areas: \$99,838 for single-family garbage, yard waste and bulky item collection and \$34,663 for contract payments to Inland Service Corporation for recycling collection and Allied Waste for multi-family collection. New refuse and recycling roll-out containers will be purchased in FY11 for the additional annexation customers, and annual maintenance of these containers will be required at a cost of \$4,781.

A contract with a private solid waste collection firm to provide the collection service is an acceptable method of providing such service in the proposed annexation areas. If a private solid waste collection

firm of sufficient size is providing the collection service in one or more of the proposed annexation areas requests a contract, the City is required to either contract with such firm for a period of two years after the effective date of annexation or pay to such firm in lieu of a contract a sum equal to a determined economic loss. The written request for a contract must be delivered to the City Clerk at least 10 days before the annexation public hearing. The estimated economic loss for private solid waste collection firms affected by this annexation is \$315,755.

Customer and Public Services (\$0).

The Customer Services division serves as the first point of contact with Charlotte citizens with questions and requests for information related to the services provided by the Solid Waste Services Key Business. The Public Services division develops and implements public information programs, public education initiatives, and media-related services. The division also monitors daily field operations to ensure contract compliance and customer satisfaction. No additional funding will be needed in this proposed annexation to provide these customer and public services.

CHARLOTTE-MECKLENBURG UTILITIES (\$28,800,000 CAPITAL). This key business is responsible for the design and construction of water and sewer systems throughout the City and County. Capital cost of providing water and sewer services to the proposed annexation areas, in a manner consistent with the existing annexation laws and the Water/Sewer Extension Policy, is estimated to be \$28.8 million. The plans for construction of water and sewer extensions must be completed within two years of the effective date of annexation.

AREA	WATER	SEWER	TOTAL
Rhyne	\$300,000	\$1,200,000	\$1,500,000
Whitehall	\$0	\$0	\$0
Camp Stewart South	\$4,000,000	\$23,300,000	\$27,300,000
TOTALS	\$4,300,000	\$24,500,000	\$28,800,000

This method of providing water and sewer services to the proposed annexation areas offers the following:

- (1) Provision of a service level that is defined in the Water/Sewer Extension Policy as adopted by the Charlotte City Council allows uniform and consistent extensions and service connections whether in the newly annexed areas or in the existing City limits. All residents are provided the same basic level of service.

- (2) The Water/Sewer Extension Policy as adopted by the Charlotte City Council mandates that extension of water and sewer street mains from the basic system of fire hydrants and the basic system of outfalls will be financed by the user through the payment of tapping privilege fees. This makes possible the equitable uniform user charge for sewer service as required by the Environmental Protection Agency.
- (3) The basic system of fire hydrants and sewer outfalls to the street will be provided in accordance with the Water/Sewer Extension Policy as adopted by the Charlotte City Council. Water and sewer extensions will be made in streets to serve residents in the newly annexed areas at the time residents apply for the service, pay the tapping privilege fee, and when the total tapping privilege fees collected will pay for at least one-half of the estimated construction cost of the extension unless modified by a public health hazard.
- (4) The Water/Sewer Extension Policy as adopted by the Charlotte City Council provides a method for more timely installation of water/sewer street mains when residents need and request them. It minimizes a costly capital outlay that may not be used because owners have wells and septic tanks that are operating properly. The system of resident application, petition, and financing at the time of his need allows maximum customer participation in selecting when the improvements will be made.

ANNEXATION START-UP COSTS

In addition to the annual operating costs for provision of services to the annexation areas, it is necessary to provide funding prior to the effective annexation date to hire, train, and equip employees in certain departments. This funding will be necessary in December of 2010. For the June 30, 2011 annexation areas, the following start-up costs will be required:

<u>Key Business</u>	<u>Personnel</u>	<u>Operating Expenses</u>	<u>Capital Expenses</u>	<u>Total</u>
Fire	\$0	\$2,100	\$0	\$2,100
Solid Waste Services	\$9,086	\$89,733	\$0	\$98,819
Neighborhood Development	\$0	\$0	\$0	\$0
Corporate Communications	\$0	\$78,010	\$0	\$78,010
Economic Loss	\$0	\$466,337	\$0	\$466,337
Utilities	0	0	\$22,900,000	\$22,900,000
Total	\$9,086	\$636,180	\$22,900,000	\$23,545,266

Fire Department start-up costs of \$2,100 provide for recruitment and hiring expenses for one Fire Inspector position and one Telecommunicator position.

Solid Waste Services start-up costs of \$98,819 include \$89,733 for the purchase of refuse and recycle roll-out containers and \$9,086 for salaries for two new Equipment Operator positions.

Corporate Communications start-up costs of \$78,010 include advertising, printing and postage expenses related to the publishing of required public notices, newspaper ads, and public information.

Economic loss start-up costs of \$466,337 provide for a reserve for anticipated contracts for volunteer fire departments and private solid waste collection firms.

The cost of providing water and sewer services to the proposed annexation areas, in a manner consistent with the existing annexation laws and the Water/Sewer Extension Policy, is estimated to be \$28.8 million, of which \$22.9 million is appropriated in FY2011 in the approved capital program to begin construction of the McKee Creek Sewer Outfall and to provide basic water and sewer services within two years of the effective date of annexation.

Annexation Start-Up Funding Strategy

The start-up costs identified above will be needed in January 2011 to implement the proposed annexation of the six areas. Funding for these start-up costs is recommended to come from the following sources:

➤	<u>Contribution from General Fund Fund Balance</u>	\$645,266
➤	<u>FY2011-2015 Capital Investment Plan (Approved)</u>	\$22,900,000
	TOTAL	\$23,545,266

ANNEXATION ONE-TIME COSTS

One-time costs are for materials and equipment that would be included in the FY2012 budget, but would not be budgeted in subsequent years.

One-time costs for the proposed 2011 Annexation \$6,081,087. Included in these costs is \$5.9 million to be appropriated in FY2012 in the approved Water and Sewer capital program to provide water and sewer services in a manner consistent with the existing annexation laws and the Water/Sewer Extension Policy; and \$181,087 for pavement marking and street signage materials.

ANNEXATION RECURRING COSTS

Recurring costs are on-going operating expenses for the proposed annexation which will be included in the FY2012, FY2013, and subsequent years' budgets. Additional funds are needed to provide services to the proposed annexation areas commensurate with the service levels currently provided to existing areas of the City.

Recurring expenses for the proposed annexation areas in the 2011 Annexation total \$1,357,095. Included in these expenses is \$1,032,043 for street maintenance and street lighting, \$208,748 for garbage pick-up, \$107,044 for fire protection services, and \$9,260 for engineering survey, mapping, and landscape maintenance expenses.

2011 Annexation Area Economic Analysis: Consolidated

	FY11	FY12			FY13
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
EXPENDITURES					
TRANSPORTATION					
Street Lighting	0	0	34,250	34,250	34,250
Operations	0	141,087	0	141,087	0
Electronic Systems	0	40,000	0	40,000	0
FIRE					
Operations	2,100	0	107,044	107,044	110,033
SOLID WASTE					
	98,819	0	208,748	208,748	215,623
ENGINEERING					
Operations	0	0	9,260	9,260	9,260
CITY MANAGER'S OFFICE					
Corporate Communications	78,010	0	0	0	0
NEIGHBORHOOD & BUSINESS SERVICES					
	0	0	0	0	0
BUSINESS SUPPORT SERVICES					
	0	0	0	0	0
ECONOMIC LOSS					
Volunteer Fire Departments	150,582	0	0	0	0
Private Solid Waste Collection Firms	315,755	0	0	0	0
TOTAL GENERAL FUND	645,266	181,087	359,302	540,389	369,166
POWELL BILL FUND					
Street Maintenance	0	0	997,793	997,793	950,186
UTILITIES	0	0	0	0	0
STORM WATER FUND					
	0	0	0	0	0
TOTAL OPERATING EXPENDITURES	645,266	181,087	1,357,095	1,538,182	1,319,352
GENERAL CAPITAL					
Fire Stations	0	0	0	0	0
UTILITIES (Capital Expend)					
Water	2,150,000	2,150,000	0	2,150,000	0
Sewer	3,750,000	3,750,000	0	3,750,000	0
McKee Creek Sewer Interceptor	17,000,000	0	0	0	0
TOTAL EXPENDITURES	23,545,266	6,081,087	1,357,095	7,438,182	1,319,352

2011 Annexation Area Economic Analysis: Consolidated

	FY11	FY12			FY13
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
REVENUES					
TAXES AND FEES					
Property Taxes ⁽¹⁾	0	0	1,249,533	1,249,533	1,274,523
Police Service District Reduction ⁽¹⁾	0	0	(824,992)	(824,992)	(841,492)
Business Privilege	0	0	15,188	15,188	15,644
Cable TV Franchise	0	0	185,333	185,333	190,894
Animal Control	0	0	2,844	2,844	2,929
Utility Franchise	0	0	146,689	146,689	151,090
Sales Tax ⁽¹⁾	0	0	14,719	14,719	167,572
Beer and Wine Tax	0	0	19,622	19,622	20,211
Motor Vehicle License	0	0	13,855	13,855	14,132
Solid Waste Disposal	0	0	70,542	70,542	70,542
TOTAL GENERAL FUND	0	0	893,332	893,332	1,066,045
POWELL BILL FUND	0	0	111,034	111,034	114,365
WATER AND SEWER OPERATING	0	0	0	0	0
MUNICIPAL DEBT SERVICE FUND ⁽¹⁾	0	0	84,432	84,432	160,021
PAY-AS-YOU-GO FUND ⁽¹⁾	0	0	90,402	90,402	164,235
STORM WATER FUND	0	0	212,823	212,823	225,593
TOTAL OPERATING REVENUES	0	0	1,392,023	1,392,023	1,730,259
COPs – FIRE STATION	0	0	0	0	0
WATER AND SEWER REVENUE BONDS	22,900,000	5,900,000	0	5,900,000	0
TOTAL ALL REVENUES	22,900,000	5,900,000	1,392,023	7,292,023	1,730,259
REVENUES OVER EXPENDITURES	(645,266)	(181,087)	34,928	(146,159)	410,907
Net Impact to General Fund	(645,266)	(181,087)	534,030	352,943	696,879

Note:

⁽¹⁾ portions of the property tax, sales tax, and police service district reduction are allocated to the Pay-As-You-Go and Municipal Debt Service Funds.

2011 Annexation Area Economic Analysis: Rhyne

	FY11	FY12			FY13
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
EXPENDITURES					
TRANSPORTATION					
Street Lighting	0	0	5,459	5,459	5,459
Operations	0	10,822	0	10,822	0
Electronic Systems	0	0	0	0	0
FIRE					
Operations	350	0	14,963	14,963	15,389
SOLID WASTE	19,488	0	44,964	44,964	46,470
ENGINEERING					
Operations	0	0	2,689	2,689	2,689
CITY MANAGER'S OFFICE					
Corporate Communications	23,316	0	0	0	0
NEIGHBORHOOD & BUSINESS SERVICES	0	0	0	0	0
BUSINESS SUPPORT SERVICES	0	0	0	0	0
ECONOMIC LOSS					
Volunteer Fire Departments	8,519	0	0	0	0
Private Solid Waste Collection Firms	35,250	0	0	0	0
TOTAL GENERAL FUND	86,923	10,822	68,075	78,897	70,007
POWELL BILL FUND					
Street Maintenance	0	0	135,493	135,493	0
UTILITIES	0	0	0	0	0
STORM WATER FUND	0	0	0	0	0
TOTAL OPERATING EXPENDITURES	86,923	10,822	203,568	214,390	70,007
GENERAL CAPITAL					
Fire Stations	0	0	0	0	0
UTILITIES (Capital Expend)					
Water	150,000	150,000	0	150,000	0
Sewer	600,000	600,000	0	600,000	0
McKee Creek Sewer Interceptor	0	0	0	0	0
TOTAL EXPENDITURES	836,923	760,822	203,568	964,390	70,007

2011 Annexation Area Economic Analysis: Rhyne

	FY11	FY12			FY13
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
REVENUES					
TAXES AND FEES					
Property Taxes ⁽¹⁾	0	0	191,898	191,898	195,735
Police Service District Reduction ⁽¹⁾	0	0	(123,025)	(123,025)	(125,486)
Business Privilege	0	0	120	120	124
Cable TV Franchise	0	0	28,135	28,135	28,979
Animal Control	0	0	432	432	445
Utility Franchise	0	0	20,073	20,073	20,675
Sales Tax ⁽¹⁾	0	0	2,260	2,260	25,735
Beer and Wine Tax	0	0	2,979	2,979	3,068
Motor Vehicle License	0	0	4,230	4,230	4,315
Solid Waste Disposal	0	0	11,718	11,718	11,718
TOTAL GENERAL FUND	0	0	138,819	138,819	165,308
POWELL BILL FUND	0	0	16,616	16,616	17,115
WATER AND SEWER OPERATING	0	0	0	0	0
MUNICIPAL DEBT SERVICE FUND ⁽¹⁾	0	0	13,636	13,636	25,257
PAY-AS-YOU-GO FUND ⁽¹⁾	0	0	24,517	24,517	36,069
STORM WATER FUND	0	0	11,575	11,575	12,270
TOTAL OPERATING REVENUES	0	0	205,163	205,163	256,020
COPs – FIRE STATION	0	0	0	0	0
WATER AND SEWER REVENUE BONDS	750,000	750,000	0	750,000	0
TOTAL ALL REVENUES	750,000	750,000	205,163	955,163	256,020
REVENUES OVER EXPENDITURES	(86,923)	(10,822)	1,595	(9,227)	186,013
Net Impact to General Fund	(86,923)	(10,822)	70,744	59,922	95,301

Note:

⁽¹⁾ portions of the property tax, sales tax, and police service district reduction are allocated to the Pay-As-You-Go and Municipal Debt Service Funds.

2011 Annexation Area Economic Analysis: Whitehall

	FY11	FY12			FY13
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
EXPENDITURES					
TRANSPORTATION					
Street Lighting	0	0	8,664	8,664	8,664
Operations	0	59,764	0	59,764	0
Electronic Systems	0	0	0	0	0
FIRE					
Operations	612	0	30,503	30,503	31,355
SOLID WASTE					
	23,467	0	63,954	63,954	66,026
ENGINEERING					
Operations	0	0	3,071	3,071	3,071
CITY MANAGER'S OFFICE					
Corporate Communications	23,771	0	0	0	0
NEIGHBORHOOD & BUSINESS SERVICES					
	0	0	0	0	0
BUSINESS SUPPORT SERVICES					
	0	0	0	0	0
ECONOMIC LOSS					
Volunteer Fire Departments	71,273	0	0	0	0
Private Solid Waste Collection Firms	71,145	0	0	0	0
TOTAL GENERAL FUND	190,268	59,764	106,192	165,956	109,116
POWELL BILL FUND					
Street Maintenance	0	0	387,207	387,207	0
UTILITIES	0	0	0	0	0
STORM WATER FUND					
	0	0	0	0	0
TOTAL OPERATING EXPENDITURES	190,268	59,764	493,399	553,163	109,116
GENERAL CAPITAL					
Fire Stations	0	0	0	0	0
UTILITIES (Capital Expend)					
Water	0	0	0	0	0
Sewer	0	0	0	0	0
McKee Creek Sewer Interceptor	0	0	0	0	0
TOTAL EXPENDITURES	190,268	59,764	493,399	553,163	109,116

2011 Annexation Area Economic Analysis: Whitehall

	FY11	FY12			FY13
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
REVENUES					
TAXES AND FEES					
Property Taxes ⁽¹⁾	0	0	610,636	610,636	622,849
Police Service District Reduction ⁽¹⁾	0	0	(259,283)	(259,283)	(264,469)
Business Privilege	0	0	13,508	13,508	13,913
Cable TV Franchise	0	0	57,908	57,908	59,645
Animal Control	0	0	963	963	992
Utility Franchise	0	0	54,520	54,520	56,156
Sales Tax ⁽¹⁾	0	0	7,194	7,194	81,891
Beer and Wine Tax	0	0	6,131	6,131	6,315
Motor Vehicle License	0	0	4,970	4,970	5,069
Solid Waste Disposal	0	0	22,032	22,032	22,032
TOTAL GENERAL FUND	0	0	518,579	518,579	604,393
POWELL BILL FUND	0	0	34,412	34,412	35,444
WATER AND SEWER OPERATING	0	0	0	0	0
MUNICIPAL DEBT SERVICE FUND ⁽¹⁾	0	0	67,459	67,459	104,924
PAY-AS-YOU-GO FUND ⁽¹⁾	0	0	39,979	39,979	75,977
STORM WATER FUND	0	0	108,753	108,753	115,278
TOTAL OPERATING REVENUES	0	0	769,183	769,183	936,016
COPs – FIRE STATION	0	0	0	0	0
WATER AND SEWER REVENUE BONDS	0	0	0	0	0
TOTAL ALL REVENUES	0	0	769,183	769,183	936,016
REVENUES OVER EXPENDITURES	(190,268)	(59,764)	275,784	216,020	826,900
Net Impact to General Fund	(190,268)	(59,764)	412,387	352,623	495,277

Note:

⁽¹⁾ portions of the property tax, sales tax, and police service district reduction are allocated to the Pay-As-You-Go and Municipal Debt Service Funds.

2011 Annexation Area Economic Analysis: Camp Stewart South

	FY11	FY12			FY13
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
EXPENDITURES					
TRANSPORTATION					
Street Lighting	0	0	20,127	20,127	20,127
Operations	0	70,501	0	70,501	0
Electronic Systems	0	40,000	0	40,000	0
FIRE					
Operations	1,138	0	61,578	61,578	63,289
SOLID WASTE					
	55,864	0	99,830	99,830	103,127
ENGINEERING					
Operations	0	0	3,500	3,500	3,500
CITY MANAGER'S OFFICE					
Corporate Communications	30,923	0	0	0	0
NEIGHBORHOOD & BUSINESS SERVICES					
	0	0	0	0	0
BUSINESS SUPPORT SERVICES					
	0	0	0	0	0
ECONOMIC LOSS					
Volunteer Fire Departments	70,790	0	0	0	0
Private Solid Waste Collection Firms	209,360	0	0	0	0
TOTAL GENERAL FUND	368,075	110,501	185,035	295,536	190,043
POWELL BILL FUND					
Street Maintenance	0	0	475,093	475,093	950,186
UTILITIES					
	0	0	0	0	0
STORM WATER FUND					
	0	0	0	0	0
TOTAL OPERATING EXPENDITURES	368,075	110,501	660,128	770,629	1,140,229
GENERAL CAPITAL					
Fire Stations	0	0	0	0	0
UTILITIES (Capital Expend)					
Water	2,000,000	2,000,000	0	2,000,000	0
Sewer	3,150,000	3,150,000	0	3,150,000	0
McKee Creek Sewer Interceptor	17,000,000	0	0	0	0
TOTAL EXPENDITURES	22,518,075	5,260,501	660,128	5,920,629	1,140,229

2011 Annexation Area Economic Analysis: Camp Stewart South

	FY11	FY12			FY13
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
REVENUES					
TAXES AND FEES					
Property Taxes ⁽¹⁾	0	0	446,999	446,999	455,939
Police Service District Reduction ⁽¹⁾	0	0	(442,684)	(442,684)	(451,537)
Business Privilege	0	0	1,560	1,560	1,607
Cable TV Franchise	0	0	99,290	99,290	102,270
Animal Control	0	0	1,449	1,449	1,492
Utility Franchise	0	0	72,096	72,096	74,259
Sales Tax ⁽¹⁾	0	0	5,265	5,265	59,946
Beer and Wine Tax	0	0	10,512	10,512	10,828
Motor Vehicle License	0	0	4,655	4,655	4,748
Solid Waste Disposal	0	0	36,792	36,792	36,792
TOTAL GENERAL FUND	0	0	235,934	235,934	296,343
POWELL BILL FUND	0	0	60,006	60,006	61,806
WATER AND SEWER OPERATING	0	0	0	0	0
MUNICIPAL DEBT SERVICE FUND ⁽¹⁾	0	0	3,337	3,337	29,839
PAY-AS-YOU-GO FUND ⁽¹⁾	0	0	25,905	25,905	52,189
STORM WATER FUND	0	0	92,495	92,495	98,045
TOTAL OPERATING REVENUES	0	0	417,677	417,677	538,223
COPs – FIRE STATION	0	0	0	0	0
WATER AND SEWER REVENUE BONDS	22,150,000	5,150,000	0	5,150,000	0
TOTAL ALL REVENUES	22,150,000	5,150,000	417,677	5,567,677	538,223
REVENUES OVER EXPENDITURES	(368,075)	(110,501)	(242,451)	(352,952)	(602,006)
Net Impact to General Fund	(368,075)	(110,501)	50,899	(59,602)	106,300

Note:

⁽¹⁾ portions of the property tax, sales tax, and police service district reduction are allocated to the Pay-As-You-Go and Municipal Debt Service Funds.

COUNCIL WORKSHOP AGENDA ITEM SUMMARY

TOPIC: Carolina Thread Trail

COUNCIL FOCUS AREA: Environment and Economic Development

RESOURCES: Dave Cable, Executive Director,
Carolina Thread Trail
Jason Pauling, Mecklenburg County
Parks and Recreation

KEY POINTS:

- Carolina Thread Trail representatives and Mecklenburg County greenway staff will brief the Council on the status of the proposed development of a regional network of trails and greenways connecting fifteen counties, including Mecklenburg County and the City of Charlotte.
- The Thread Trail will connect many smaller trail systems throughout the Region and has been coordinated with the City of Charlotte Bicycle Plan. Ken Tippette, Charlotte's Bicycle Program Manager, participated on the Carolina Thread Trail Technical Advisory Team and members of the Bicycle Advisory Committee served on the Steering Committee.
- The Council adopted a resolution of support for the Carolina Thread Trail last September.
- Carolina Thread Trail representatives are now seeking a resolution to adopt the Carolina Thread Trail Master Plan. All jurisdictions within Mecklenburg County have approved adoption of the Master Plan.
- The Master Plan will serve as a guideline for developing future proposed trail segments and does not imply a commitment of funding by local governments. Adopting the Master Plan resolution will help to make Carolina Thread Trail grant applications to the state and federal government more competitive. The Carolina Thread Trail has raised approximately \$15M in private capital to advance trail segments.

COUNCIL DECISION OR DIRECTION REQUESTED:

The Carolina Thread Trail staff has requested that the Charlotte City Council consider adopting the attached resolution. City staff will place this item on a future business agenda for action if desired by Council.

ATTACHMENTS:

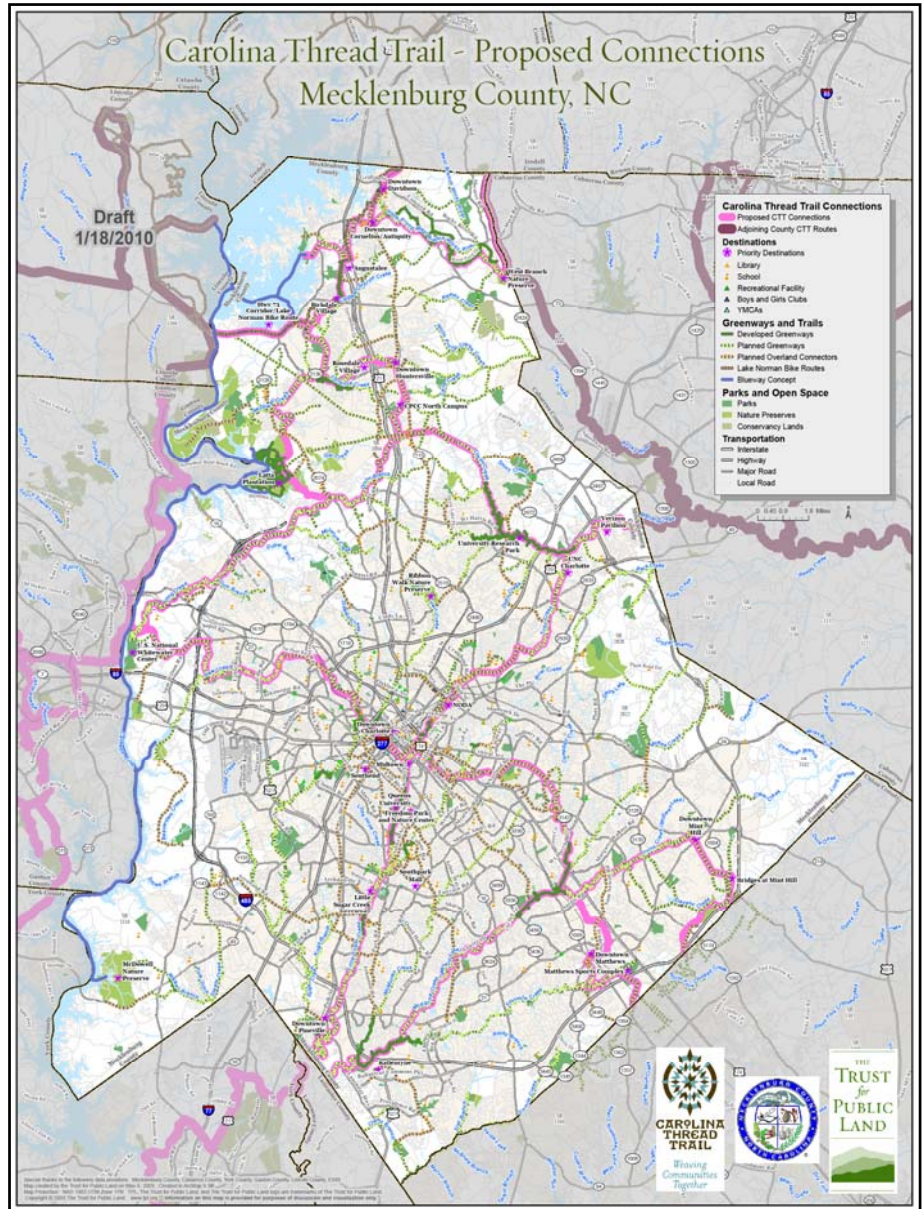
Carolina Thread Trail Master Plan – Executive Summary
Resolution to Adopt the Carolina Thread Trail Master Plan

Executive Summary

This summary outlines a means for long-term coordination of greenway and trail development within the county, city and towns in Mecklenburg County to help promote the preservation and continued improvement of the residents' quality of life. It presents a first-ever regional plan to integrate all existing and proposed municipal and county trails with additional greenway/trail segments that will together create a comprehensive multi-use network for connecting people, places and destinations to each other and surrounding counties.

This plan is the outcome of a year-long public process spearheaded by the Carolina Thread Trail initiative and supervised by a steering committee of representatives from municipal and county governments as well as interested organizations, businesses and individuals. The Carolina Thread Trail's mission is to bring resources to the 15 county region in the south-central piedmont of North Carolina and the north-central portion of South Carolina in order to create an interconnected trail system with major regional trails designated as The Carolina Thread Trail.

The **outcome** of the planning process is a map that includes all trails recommended to local governments for inclusion in their trail and greenway plans, as applicable (**See Figure A**). Trails displayed in purple are those recommended for the Carolina Thread Trail designation.



Together, this map includes 156 miles of existing and potential trails. The routes featured on these maps are ¼ mile wide because actual trail alignment will depend upon existing conditions, including the availability of land, rights-of-way, landowner interest and future opportunities. **Actual trails are likely to be between 6 – 12 feet wide.**

It is well understood that building a trail system of this scale is no small undertaking. Segments will likely be built one-by-one, and adjustments will be made to the proposed routes as circumstances change and more information becomes available. Similarly, trail development will follow through various arrangements with multiple funding partners. Nevertheless, the following actions are recommended to take this plan from concept to reality in an intentional, coordinated, fair and transparent way, consistent with the planning to date:

- 1) Adopt the plan.** Local governments can adopt this plan to serve as a guideline for developing future proposed connections without committing themselves to funding plan implementation themselves. The adoption procedures vary from community to community depending on existing plans and policies. In each jurisdiction, the planning board (as applicable) should review and recommend to the governing bodies, which in turn must consider, make additional adjustments as needed, and officially incorporate the trail into their land-use plans. It is recommended that regulations be amended to have developers set aside land for trails whenever a development proposal overlaps with the proposed routes, as adopted.
- 2) Build public support for trail implementation.** Advocacy from individuals with a personal and professional interest in these topics is essential. A Trail Advisory Committee should be formed for these leaders to discuss and celebrate progress with public events, share resources/tools, and otherwise coordinate trail planning and development activities. Other organizations can assist in identifying viable trail opportunities and working with willing landowners to build support and interest in trails and greenways. For example, early collaboration with the arts community as well as county schools and colleges will encourage more partners to become vested in local greenways and the Carolina Thread Trail project.
- 3) Complete top priority segments.** With an eye for “readiness,” the steering committee suggests Mecklenburg County communities work on acquiring and building segments of trail that will connect destinations identified by public with broad support, among other factors.
- 4) Knit together funding from a variety of public and private sources.** Trail networks are generally funded by piecing together funding from multiple sources, creating a “funding quilt.” This plan lists local, state, federal and other funding sources, many of which local communities will need to acquire land, construct trails, and operate and maintain these facilities and amenities. The Carolina Thread Trail organization, housed within the Catawba Lands Conservancy, can provide assistance with funding strategies, as well as potential catalytic seed funding for planning and implementation from its private capital campaign.
- 5) Evaluate land or right-of-way acquisition options.** Where public land is not already available or private developers are not already building trails along the planned trail route, conversations with private landowners are recommended to assess their interest in trails through their communities. This will assist with route feasibility and alignment.
- 6) Design, construct and maintain trails.** Communities should work through a public process to determine intended use of the particular segment at issue, and design with that in mind, as well as safety and affordable maintenance.

The University of North Carolina Charlotte Urban Institute recently found that the 15-county region surrounding Charlotte and including Mecklenburg County is losing open space at a rate of forty-one acres per day. There’s not only a risk but also a reality of losing public open space and recreational opportunities. The time is now to create trails that will provide recreational, educational and economic development opportunities, and promote healthy lifestyles while

engaging citizens in Mecklenburg County communities through public access and increasing the community's connection to the region's vital natural resources.



**RESOLUTION TO ADOPT THE
CAROLINA THREAD TRAIL MASTER PLAN FOR
MECKLENBURG COUNTY COMMUNITIES**

Whereas, the Carolina Thread Trail's mission is to bring resources to the 15-county region in the south-central piedmont of North Carolina and the north-central portion of South Carolina in order to create an interconnected trail system with major regional trails designated as the Carolina Thread Trail, and

Whereas, many communities in our region have taken a lead in planning and/or building local trails and greenways, and those efforts can be greatly enhanced by being connected to a larger regional network of trails; and

Whereas, this Master Plan outlines a means for long-term coordination of greenway and trail development within the county, cities and towns in Mecklenburg County to help promote the preservation and improvement of residents' quality of life; and

Whereas, it presents a first-ever plan to integrate all existing and proposed municipal and county trails with additional greenway/trail segments that will together create a comprehensive multi-use network for connecting people, places and destinations to each other and surrounding counties; and

Whereas, it is well understood that building a trail system of this scale is a long-term undertaking, and segments will emerge over time and grow together, and adjustments will be made to the proposed routes as circumstances change and more information becomes available; and

Whereas, adoption of this Master Plan means that it will serve as a guideline for developing future proposed connections and does not imply a commitment of funding by local governments for implementing the trails described therein; and

Now, Therefore, Be It Resolved the **City of Charlotte City Council in Mecklenburg County** hereby adopts the Carolina Thread Trail Master Plan for Mecklenburg County Communities; an outline for a system of trails that will connect our communities, people and special regional points of interest for years to come.

Adopted this the ____ day of _____, 2010.

Name and Title

Date