City/County Collaboration

Capital Investment Planning

September 27, 2011
Overview

- Functional Consolidation

- Capital Investment Plan (CIP)
  - City Capital Budget Model
  - County Capital Budget Model
  - City-County Collaboration

- Joint Use
  - Task Force
  - Facilities
  - Real Estate Ledger

- Opportunities
Functional Consolidation

History & Overview:

• 1960 – Started with City/County Schools
• 1983 - Completed two at once (County-Bldg. inspections & City-Animal Care)
• 1984 – Water & sewer agreements reached with 6 towns
• 1993 – Largest consolidation (City took over Police & County took over Park & Recreation)
• 1998 – City had bus system/laid groundwork to expand
• 2001 – Radio Communications (City was growing and County was phasing out)
• 2005 – 311 created as a consolidated agency
• 2008 – Fleet Maintenance
Functional Consolidation

Consolidated or Non-Duplicated Services

City
- Housing
- Cable TV
- Community Relations
- Emergency Management
- Insurance & Risk Management
- Planning Commission
- Procurement
- Storm Water (minor streams)
- Transit
- Police Patrol of Unincorporated County

County
- Building Permitting & Inspection
- Elections
- Historic Landmarks
- Solid Waste Disposal
- Tax Collection
- Tax Listing
- Veteran Services
- Storm Water (major streams)
City & County Coordination Efforts

- City/County/Schools admin. co-located to Gov’t Center
- Meeting Chamber utilized by all 3 elected boards
- Joint website for City and County
- Print Shop
- GIS database
- City staff cabinets include County staff
- Land use planning (sell, develop, co-locate)
- Joint economic development projects
- Real Estate Ledger
## Capital Investment Plan (CIP)

### City

**General CIP**
- Neighborhood improvements
- Housing
- Roads
- Economic Development
- Environment
- Government Facilities.

**Enterprise CIP**
- Transit (bus and light rail)
- Water and Sewer
- Storm Water
- Airport.

### County

- Government facilities
- Court facilities
- Law Enforcement facilities
- Parks and Recreational facilities
- Libraries
- Open Space
- Schools
- Community College
City - Projects evaluated according to the following priorities:
- 1st priority: Maintain/retrofit existing infrastructure
- 2nd priority: Replace existing infrastructure
- 3rd priority: Expand existing infrastructure
- 4th priority: New infrastructure

County – Projects are prioritized based on 7 criteria.
Each criteria has a point value and based on total points, projects are ranked across categories (parks, schools, government facilities)
- Building Safety
- Economic Outlook
- Board Priority
- Joint Use Savings
- Mandated/Contractual
- Funding Source
- Operating Budget Outcome
### City Debt Model and Tax Rates

**Property Tax Distribution**

<table>
<thead>
<tr>
<th>Fund</th>
<th>FY2012</th>
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<tbody>
<tr>
<td>General Fund</td>
<td>36.00¢</td>
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<tr>
<td>Debt Service</td>
<td>6.50¢</td>
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<tr>
<td>Pay-As-You-Go</td>
<td>1.20¢</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>43.70¢</strong></td>
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Note: Property tax rate based on cents per $100 valuation

- Debt Service funds General Obligation Bonds and Certificates of Participation (COPs)
- Pay-As-You-Go provides cash for smaller capital investments such as roof replacement, technology, or tree replacement
Approved 2010 Bond Referendum

- Neighborhood Improvements: $32 million (16%)
- Affordable Housing: $15 million (7%)
- Transportation: $156.6 million (77%)
  (including sidewalks, area plans, pedestrian safety and traffic calming)

Total: $203.6 million
Pre-FY2012
- Departments submit proposed projects
- Approve projects
- Identify means of financing projects
- Pay off debt service through general fund

FY2012 and Beyond
- Cap debt to 22 cents of the general fund tax rate + other sources of funding
- Departments submit proposed projects
- Prioritize projects based on approved criteria
- Start projects within the cap
County Debt Service Fund

- Dedicated revenues go into the fund
- No appropriation of fund balance for debt service
- Annual amount available for capital expenditures is known
- Debt issuance is managed based on available capacity
- Continue to reduce outstanding debt
- Accumulate fund balance equal to 2 years other revenue
- Excess fund balance diverts to pay-as-you-go
## Bond Referenda

### City and County Bond History 1998 – 2010 ($ millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>City</th>
<th>County</th>
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<tr>
<td>1998</td>
<td>$98.3</td>
<td></td>
</tr>
<tr>
<td>1999</td>
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<td>2002</td>
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<td>2004</td>
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<td>2009</td>
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<tr>
<td>2010</td>
<td>$203.6</td>
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Joint Use Task Force

City membership
- Engineering
- Real Estate
- Budget & Evaluation
- Fire
- Police
- CATS
- Housing Authority
- Neighborhood & Business Services
- Utilities
- Stormwater
- DOT
- Planning

County membership
- Real Estate
- Finance
- Park & Recreation
- Libraries
- CMS
- CPCC
- Management & Budget

6 Mecklenburg towns

Not-for-profits
Joint Use Task Force

Purpose and roles:

• Seek collaborative facilities opportunities to:
  - reduce development cost
  - reduce operational cost
  - create superior product for community

• Explore means to better align projects in capital plans & facilities needs assessments

• I.D. potential public re-use of public properties

• Single source for “all things capital” in Charlotte-Mecklenburg
Joint Use Examples

Philip O. Berry High School/Branch Library
Joint Use Examples

Sugar Creek Service Center (Police/Job Link/Library)
Joint Use Examples

Sterling Elementary School/CATS parking structure
• City-County Real Estate Transfer System, or “Real Estate Ledger” was created in October 2001

• Allows for certain real estate transactions between City of Charlotte and Mecklenburg County without the need for monetary reimbursement or compensation

• Eight transactions completed and entered into the Ledger since 2001, including:
  - City cemetery land to County for Park
  - County land to City for Affordable Housing
  - County land to City for community transit center
  - City land to County for new park and parking deck

• Currently, County owes City $3.0 million
Opportunity – Siloed Decision-Making
City/County Opportunities

- Use the City’s Quality of Life survey as the basis for the County’s capital investments
  - County typically invests in people – health, social services, mental health, jails, park and recreation
  - County is looking at investing in neighborhoods as a means of improving the quality of life for everyone
  - Extending the City’s survey beyond the City’s boundaries into the rest of the County
Contact Information

- City Budget Web site:  http://citybudget.charmeck.org
- County Budget Web site:  http://countybudget.charmeck.org
- City Budget & Evaluation  Office:  704-336-2306
- County Management & Budget  Office:  704-336-2472
Questions?