

FY2025

PROPOSED BUDGET

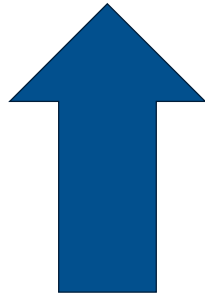
Advancing Opportunities for All

CITY OF CHARLOTTE
OFFICE of the CITY MANAGER

FY2025-2029
Capital Investment Plan

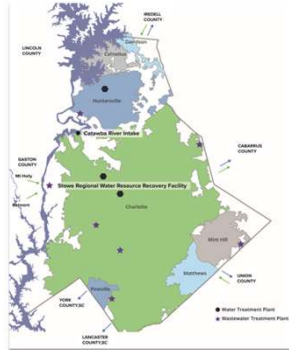
Charlotte Strong

Charlotte is Unique



2nd Fastest Growing City

ACS 2020-2022, Top 20 cities by population



Providing Regional Services



Financially Sound and Resilient

We Have Managed Through Challenges and Uncertainty

Options to Increase Available Resources

Property Tax
Sales Tax

Organizational Reductions and Realignments
One-Time Federal Funds (CARES/ARPA)

Resource Pressures

Stabilizing the Workforce
Inflation
Growth
Meeting Service Expectations



North Carolina Cities: Property Tax History


City	FY 2024 Property Tax Rate	Property Tax Increases in the last 5 years	Difference from Charlotte
Greensboro	\$0.6725	3	2.6x
Winston-Salem	\$0.6610	4	2.5x
High Point	\$0.6175	1	2.4x
Durham	\$0.5575	3	2.1x
Fayetteville	\$0.5395	1	2.1x
Greenville	\$0.4895	1	1.9x
Concord	\$0.4800	2	1.8x
Gastonia	\$0.4700	2	1.8x
Raleigh	\$0.4330	3	1.7x
Asheville	\$0.4030	1	1.5x
Wilmington	\$0.3950	2	1.5x
Cary	\$0.3450	1	1.3x
Charlotte	\$0.2604	0	

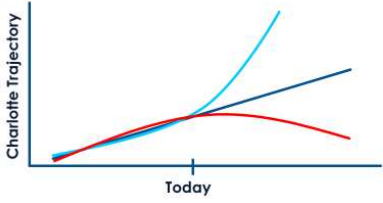
Population > 250,000

Information as of January 2024

Starting Where We Ended FY 2024

We are at An Inflection Point for Our Community





Charlotte Trajectory

Today

FY 2024 Proposed Budget Presentation

COUNCIL KEY INITIATIVES

AFFORDABLE HOUSING

CORRIDORS OF OPPORTUNITY
▶ **SAFE CHARLOTTE**

MOBILITY

CLT 2040/UDO
▶ **SEAP**

HIRE CHARLOTTE
▶ **ARTS & CULTURE/
WORKFORCE DEVELOPMENT**

**SMALL BUSINESS/
MINORITY BUSINESS
DEVELOPMENT**

DIGITAL DIVIDE

CITY OF CHARLOTTE 7

We Have Been Preparing For These Initiatives

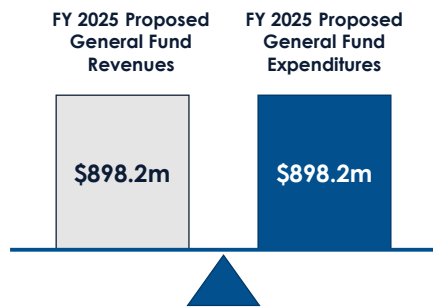


FY 2025 Proposed Budget - \$4.2B

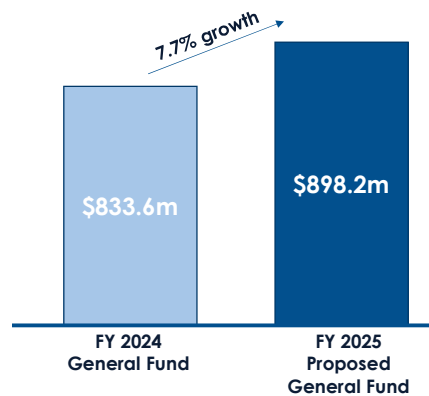


Proposed FY 2025 Budget (Net of Transfers)	
General Fund	898,150,000
Reimbursements and transfers to other Funds	(69,384,396)
Sub-total General Fund	828,765,604
Aviation	1,221,189,723
Charlotte Area Transit System (CATS)	326,518,097
Charlotte Water	785,496,991
Storm Water	122,461,103
Sub-total Enterprise Funds	2,455,665,914
General Capital Investment Plan	517,076,036
General Capital Debt Service	56,337,662
Pay-As-You-Go Funds	26,011,312
Sub-Total Capital Investments	599,425,010
Debt Service - Nongeneral Funds	31,544,342
Special Revenue and Internal Service Funds	257,874,257
Total All Funds	4,173,275,127

Structurally Balanced Budget with a 2-year Lens



FY 2026 is structurally balanced without policy-driven compensation increase






Foundation for Success Always Starts with Employees

 CITY OF CHARLOTTE 11

Story of Attracting and Retaining Employees

Tailoring Approach to Work-Type

Public Safety	Operations	Administrative
<ul style="list-style-type: none">• Recruitment and Retention• Pay Plan Structure changes• New Incentives	<ul style="list-style-type: none">• Compensation and increasing minimum pay• New Incentives• Career path opportunities	<ul style="list-style-type: none">• Flexible work options• Career path opportunities

 CITY OF CHARLOTTE 12

Supporting Career Growth with the City

Workforce Development Strategy

- **Continuing Pre-Paid Tuition Assistance and Career Coaching**
 - ~150 active participants across 15 departments enrolled at CPCC
 - ~175 employees utilized Career Coach
- **Almost 20 apprenticeships citywide**
 - Launching four new roles in FY 2025



Compensation Increase and Continuing Incentives

Hourly Employees

- 5% increase in FY 2025*
 - Minimum \$3,280 increase for lowest paid employees
 - ~7% for lowest paid employees

Salary Employees

- 4% merit pool in FY 2025

Continuing Additional Incentives

- ✓ 2.5% for CDL
- ✓ 2.5% for 2nd and 3rd shift (includes Police)
- ✓ All-Access Transit Pass

*2.5% in July
2.5% in November

Increasing Minimum pay to \$23/Hour*

70% increase in the last eight years



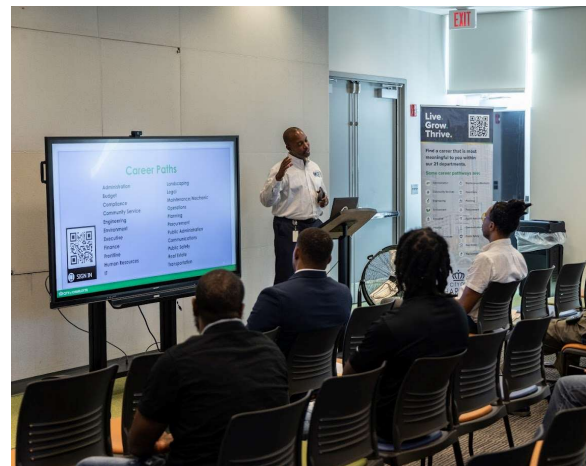
Proposed Minimum Salary for Full-Time Employees:
\$47,840



\$23/hour*
*For 40-hour employees

Meeting our Employees Where they Are

- +** **Financial Support Coordinator**
Help employees access city and community benefits
- +** **Adding new financial planning resources**
Providing employees access to individualized financial planning
- +** **Emergency Loan Program**
Up to \$1,000 0-interest loan for hardships
- +** **Employee Advocate**
Formalizing advocate role to support employees involved in workplace complaint resolution or pre-termination processes



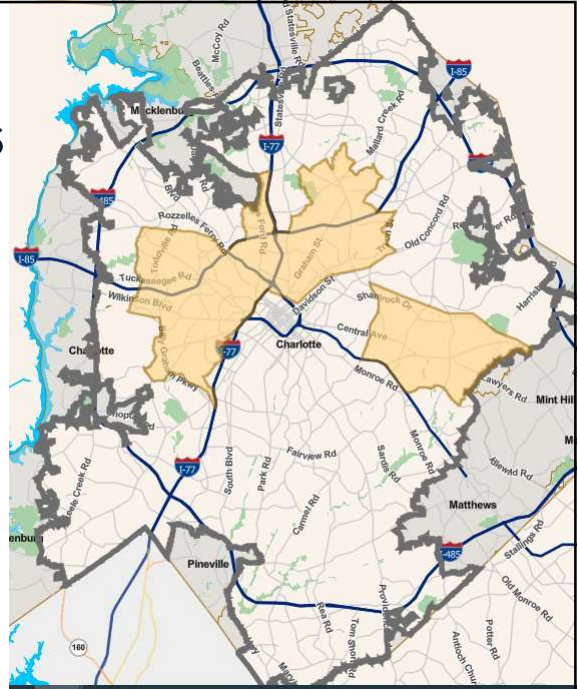
Enhancing Home Ownership Opportunities

House Charlotte

- \$30k in assistance
- Citywide

House Charlotte Plus

- +\$50k in assistance, \$80k total
- Must be in corridors
- Set aside for City, CMS, and County employees
- NEST Commission Recommendation



Launching New Opportunities and Supports

Workforce Development Strategy



Hiring 17 CMS High School Graduates into City Jobs with a starting salary of \$47,480

Leveraging ARPA in the Community

\$4.1m approved for:

- Career coaching
- Skills and job training
- Access to employment

\$5m Remaining:

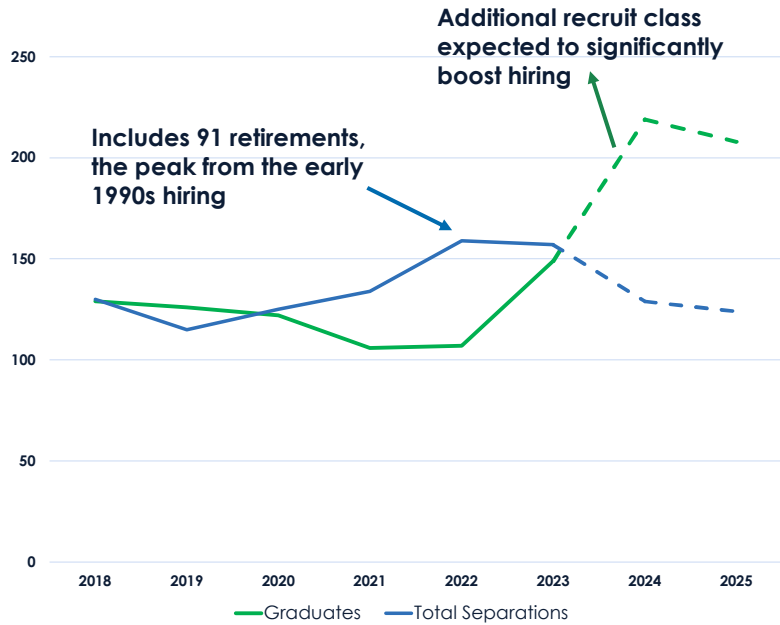
- Talent connector
- Essential Skills
- Job training in target industries

Looking Ahead:

- Workforce development strategic plan early fall 2024

Turning a Corner on Police Staffing

Separations include retirements, resignations and other instances of separation.



Following Through on The Plan

- **New Starting Pay:**
 - \$64,485 w/ 4-year degree
- **New Top Out Pay:**
 - \$104,801 w/ 4-year degree
- **5-7.5% increases (including step) in FY 2025 for most employees in police pay plan**
- **Reducing pay cycle from 28 days to 14 days**



Investing in Police Operations



Reducing Officer Workload

- ✓ Addresses Recommendation 4 of SAFE Charlotte
- + **16** Civilian Crash Investigators
- + **One** new CARES Team
 - Expanded hours
 - New geography

Expanding Telecommunications

- ✓ Adding resources to maintain expected service level
- + **15** Telecommunicators
- + **\$9m** to support 911 Call Center Renovations
 - \$7m in FY 2025
 - \$2m in FY 2026



Supporting Fire

- Up to 7.5% increase (incl. step) for employees in the fire pay plan
- Nearly 2.5x the planned increase in funding for the Firefighter's Retirement System (4.9%)
- Adding 72 positions
 - 57 Firefighters
 - 12 Inspectors
 - 3 Civilians
 - Includes additional staff for new ladder company at Station 20

Addressing Fire Infrastructure

- ◀ **New Infill Stations**
 - Station 45 (Hidden Valley)
 - Station 46 (Miranda Road)
 - River District
- ◀ **Replacement Stations**
 - Station 11 (North End)
 - Station 30 (Airport)



We Are An Exceptional Place to Work

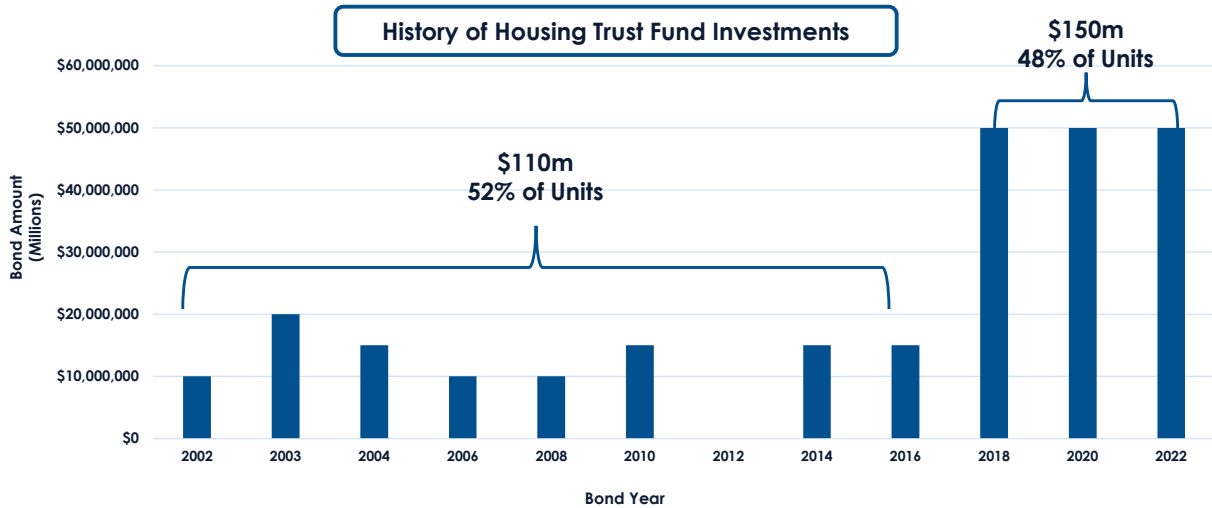
Making Investments for Charlotte's Future

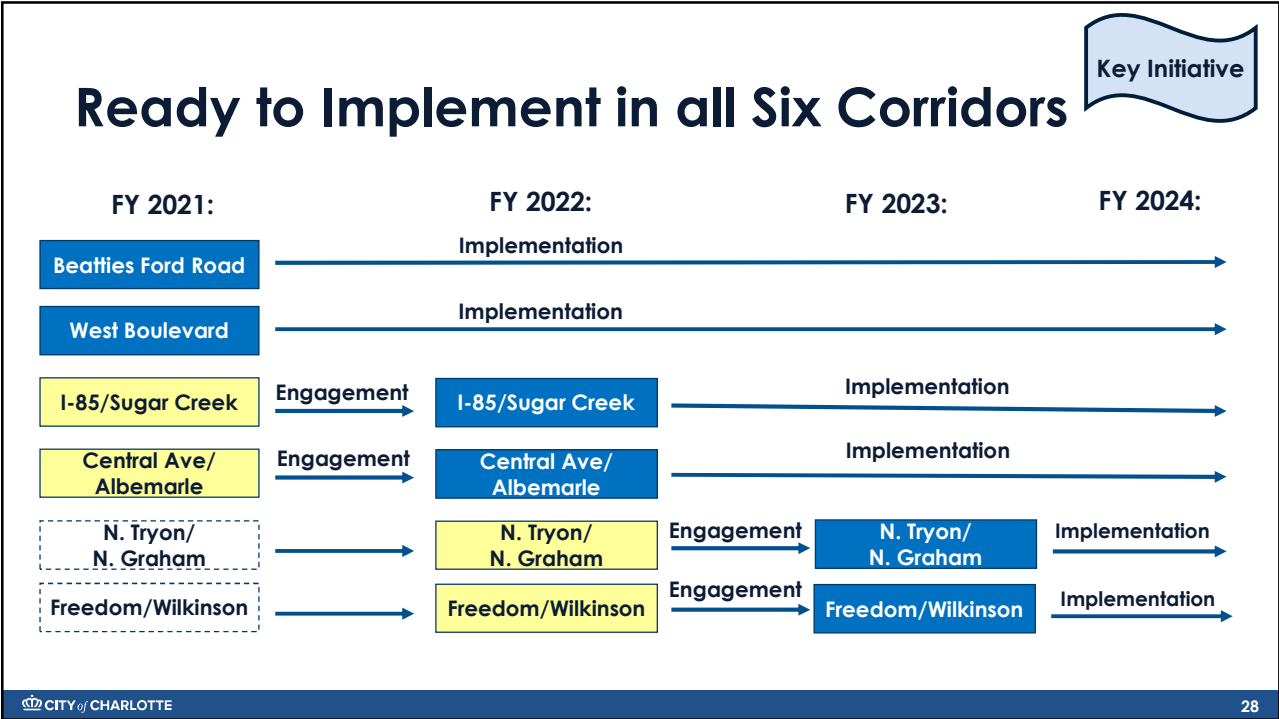
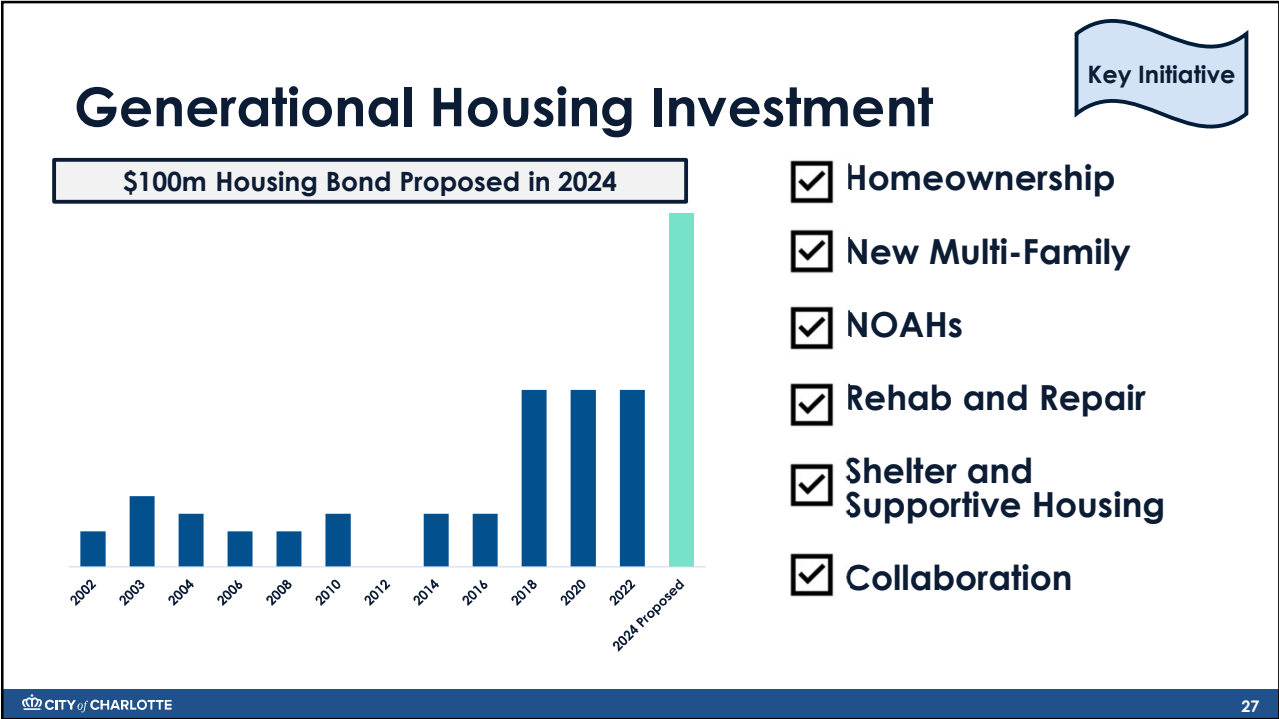
- Affordable Housing
- Arts and Culture
- Corridors of Opportunity
- Minority, Women, and Small Businesses
- Strategic Energy Action Plan (SEAP)
- SAFE Charlotte



Affordable Housing: What We've Accomplished

Key Initiative





Continuing Support to Address Community Priorities

Key Initiative

\$25m (CIP)
+ \$5m (PAYGO)

\$30m
FY 2025 Proposed

➔

Building on FY 2024 Success in FY 2025

- Leverage Opportunity Hub network
 - Programming to train talent, attract jobs, and support small businesses
- Further develop public-private partnerships to:
 - Address food insecurity
 - Invest in great places
 - Promote small business
 - Enhance community vitality
- Grow the SafeBiz program
- Continue and increase community engagement with Corridors Connect 2.0

}

Approach tailored to each corridor

CITY of CHARLOTTE
29

Supporting a Sustainable Arts Ecosystem

Key Initiative

Charlotte Arts and Culture Plan



- Priority 1:**
Sustainable Funding and Collaboration
- Priority 2:**
Public Sector Leadership

\$11m for Arts and Culture

- More than 3x pre-covid amount for arts and culture
- Support for Annually Funded Organizations, including organizations in City-owned Facilities
- Funds reserved for individual artists and arts organizations
- Collaboration with Mecklenburg County
- Continue participation in community-wide arts coordination

CITY of CHARLOTTE
30

Annually Funded Organizations – Proposed FY 2025 - \$9m

A Sign Of The Times of the Carolinas	Charlotte Symphony Orchestra	McColl Center for Art + Innovation
Arts+	Children's Theatre of Charlotte	Mint Museum of Art, Inc.
Bechtler Museum of Modern Art	Clayworks	One Voice Inc.
Blumenthal Performing Arts	Discovery Place, Inc.	Opera Carolina
BNS Productions	Gay Men's Chorus of Charlotte	Que-OS
Carolina Voices	Goodyear Arts	The Carolinas Latin Dance Company
Carolinas Aviation Museum	Harvey B. Gantt Center	The Light Factory
Charlotte Art League	Historic Rosedale Foundation	Theatre Charlotte
Charlotte Ballet	JazzArts Charlotte	Three Bone Theatre
Charlotte Center For Literary Arts Inc	Levine Museum of the New South	Tosco Music Parties, Inc.
Charlotte Folk Society	Martha Connerton/Kinetic Works, Inc.	Wing Haven

- Carrying forward previous ASC and Infusion Fund operating grantees
- Collaboration with Mecklenburg County:
 - County will provide annually operating support for organizations outside the city
 - Additional County support for educational programming @ annually funded organizations

**Indicates organizations who operate, or primarily perform in city-owned facilities.*



**Plus \$2m
to support
Individual Artists
and Organizations**

- Collaboration in the arts ecosystem
- Bringing opportunities into communities
- Supporting emerging artists and organizations



Capitalizing on Historic Investment

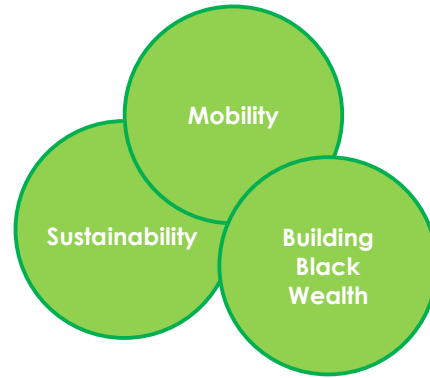
BLOOMBERG AMERICAN SUSTAINABLE CITIES

The initiative aims to ensure the participating cities - collectively representing over 10 million people - can **leverage and implement federal funds to advance local projects**, especially in disadvantaged communities historically overburdened by pollution.

Charlotte is 1 of 25 cities nationwide

- ✓ + Innovation Team (3 staff)
- ✓ Technical and Policy Assistance

Our Focus



Positioned To Implement MWSBE Programs and Policies

- **Wallet Hub** – 3rd best Large City to Start a Business
- **Public-Private Partnerships**
 - Launching Charlotte Small Business Growth Fund
- **Charlotte Business Inclusion**
 - Increasing reach across small business landscape
- **Business Development**
 - Continuing funding for NXT|CLT and AmpUp
- **Looking Ahead**
 - Developing comprehensive ecosystem strategy
 - Review CBI Policies and Processes

SEAP Is In our Fabric

- Ranked 14 out of 75 in local government operations by American Council for an Energy-Efficient Economy (2024)
- Scored an "A-" from Disclosure Insight Action for superior citywide sustainability efforts
 - National average for cities: "B"
- One of 10 cities selected for Cities for Smart Surfaces program
- Launched pilot with Duke Energy to conduct deep energy retrofits with critical home repair
- Anticipated approval of nearly \$800k to support solar infrastructure for low-income households
- +59% in city solar capacity since 2022
- Charlotte Convention Center – LEED Gold Certification (2023)



Implementing the Existing Plan while Adding a New Focus



SAFE Charlotte				
Programs	Policy	Practice		
Community Safety	Public Safety	Law Enforcement	Emergency Services	Public Works

Committee Charge

- Review Safe Communities strategies, goals and progress related to juvenile crime
- Review juvenile and repeat offender crime statistics
- Benchmark national best practices
- Leverage collaboration with applicable stake holders
- Make policy recommendations to Council for consideration

CITY OF CHARLOTTE

Policy Topic Referred to City Council Committee

Date of Referral: February 1, 2024

Policy Topic Area: Community Safety Framework

Referred by: Mayor Vi Lyles

Referred to: Housing, Safety & Community

Description/Background: While the city is making progress in addressing safety in many areas, there are concerning trends continuing to juvenile crime rates and the issue of repeat offenders.

Program in addressing safety is most successful when crime reduction strategies include the engagement of a broad range of stakeholders and service providers, evidence-based policies and interventions, and are supported by the community's participation.

Policy Question: What strategies and/or policies need to be enhanced or implemented to fully leverage the necessary data, stakeholders, and service providers to promote collaboration towards a unified approach to reducing juvenile crime with a focus on both prevention measures as well as targeted strategies focused on repeat offenders.

Committee Charge:

- Provide oversight of a review of the current Safe Communities strategies, goals and progress, and partnerships related to juvenile crime to provide strategic direction in addressing collaboration across partners and stakeholders to more substantially address current community safety needs.
- Review juvenile and repeat offender crime statistics and current community safety programming/interventions to assess their effectiveness.
- Benchmark national best practices related to juvenile crime with a focus on prevention, diversion, and law enforcement.
- Leverage collaboration with applicable stakeholders including local elected officials, CPD, Wake/Mecklenburg County (DPD of Violence Prevention and Criminal Justice Services), District Attorney Charlotte-Mecklenburg, District Judicial System, Charlotte Center City Partners, Sheriff's Office, State Legislators, local universities, and community stakeholders.
- Make any applicable policy recommendations to Council for consideration.

Patrick Baker, City Attorney
Stephanie Kelly, City Clerk

Enhanced Focus on Youth

In Progress Today

Corridors + MYEP

- **150 MYEP** youth from Corridors this summer
- **3X** increase from summer of 2023

New partnership with Teach For America in Corridors to mentor youth

CMPD launching the JADE Initiative and enhancing the 5th Element to address juvenile crime

Preparing For the Future

\$3.5m reserved in FY 2025 for Council Recommendations

Potential areas of focus:

- Incorporate best practices into existing programs
- Increase participation of at-risk and justice involved youth in city programs
- Advance inter-governmental collaboration

Every \$1 city invested in addressing violence, has returned \$3 in other public, private, and non-profit support

- **+\$500k for on-going support for ATV @ Beatties Ford Rd.**
- **Leveraging federal funds to continue:**
 - Project BOOST with Atrium Health
 - ATV @ West Blvd. and Nations Ford Rd.
- **All of this is done with County collaboration**

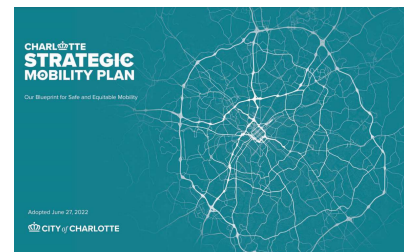
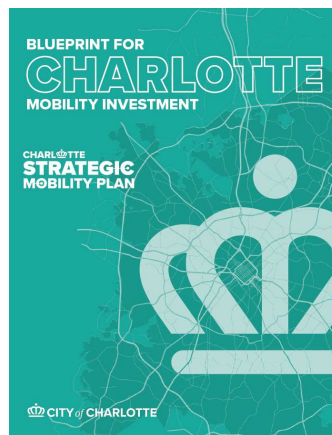
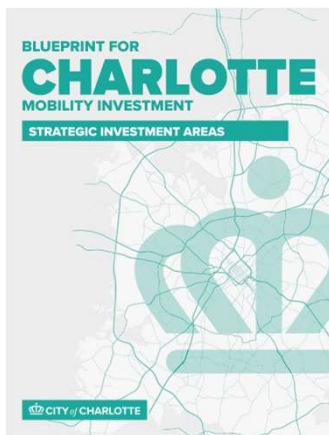
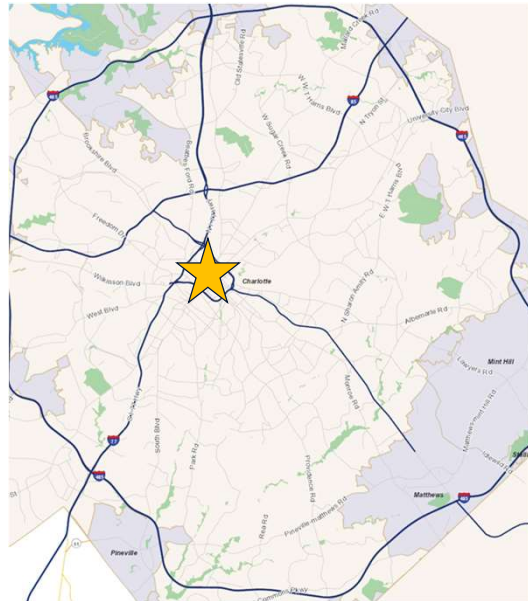


Atrium Health Project BOOST



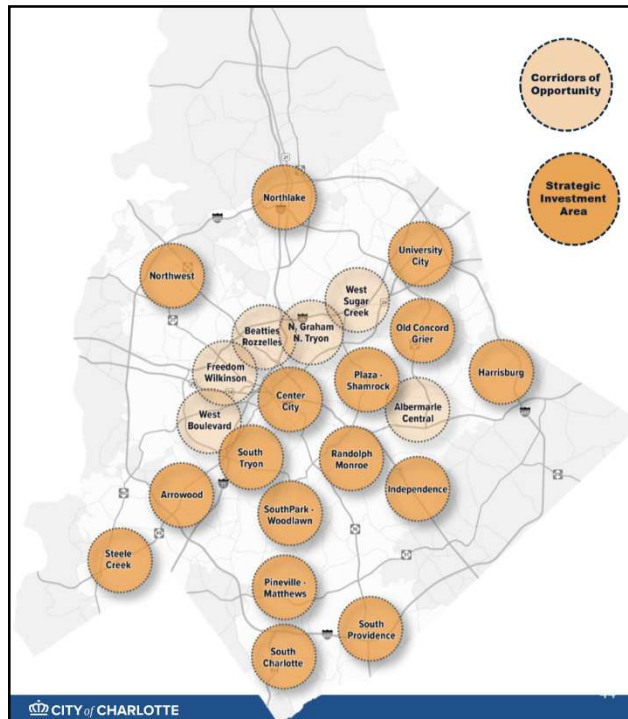
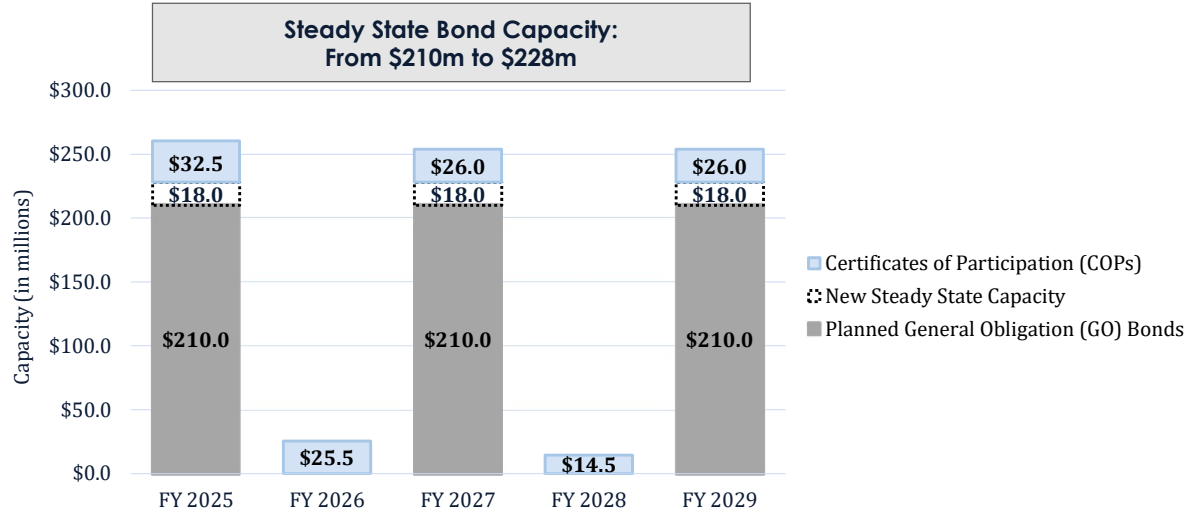
Advancing Collaborative Approach in Uptown

- **Working across sectors to ensure continued vibrancy of Uptown:**
 - Quality of Life
 - Public Realm
 - Economic Development
- **Taking new measures to enhance the public realm:**
 - \$5m in CIP for uptown mobility
- **Expanding Operation TRIO (Targeted Response for Intervention and Outreach):**
 - Broadening Officers geographical focus in Uptown



Starting to Execute on the Mobility Strategy

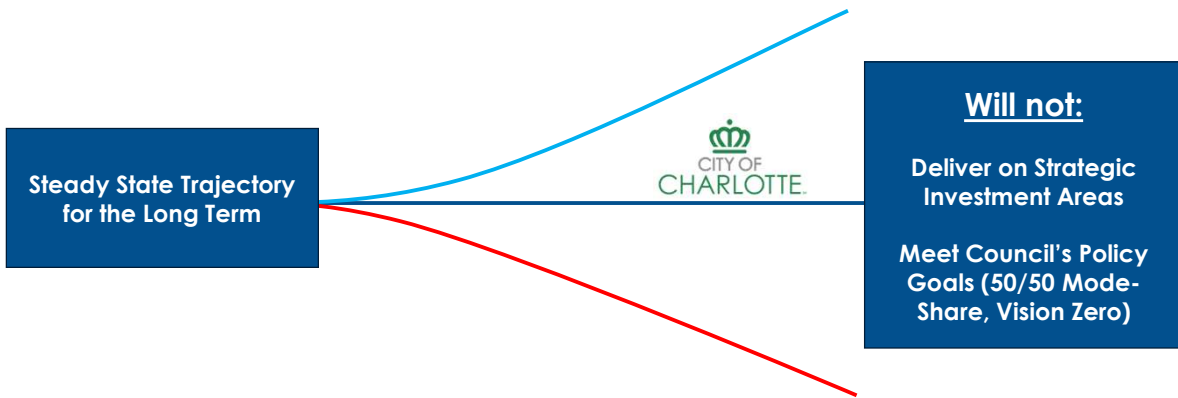
Reminder: February Budget Workshop



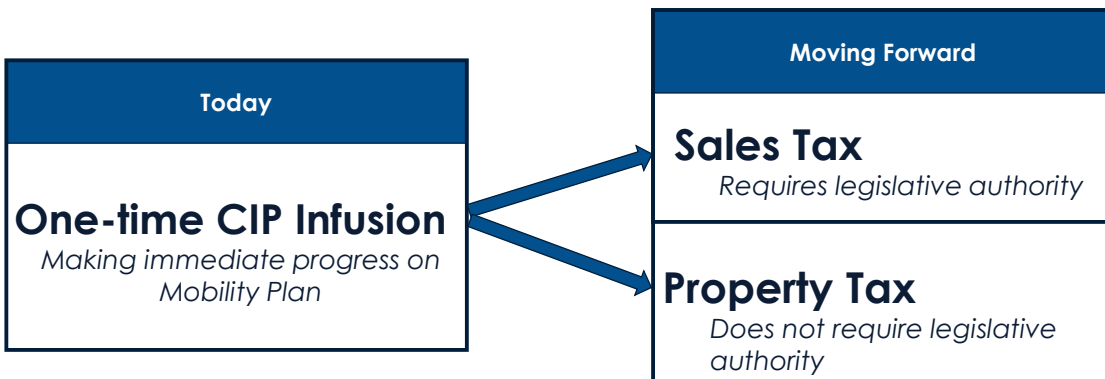
A New Approach to Maximize Impact

- **Strategic Investment Areas (SIAs):**
 - Focuses investments where they can have the greatest impact
 - Project Bundles – mix of project types and scale in one area
- **To Achieve This:**
 - New organizational structure to accelerate project delivery
 - Setting foundation to deliver on significant increase in capital funding
 - +\$2m for Mobility Innovation Pilot(s)

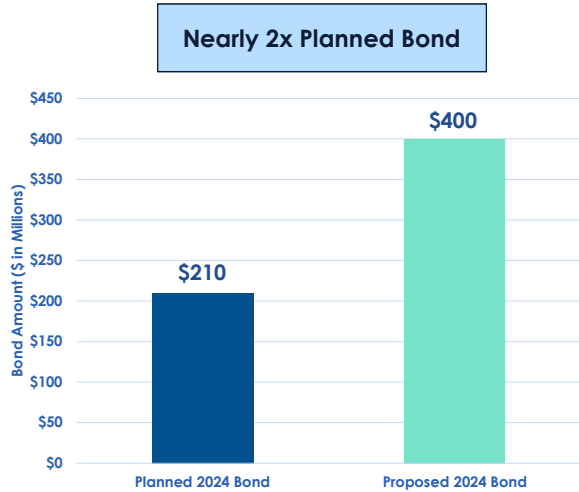
Looking ahead at the Steady State



CIP Options Moving Forward



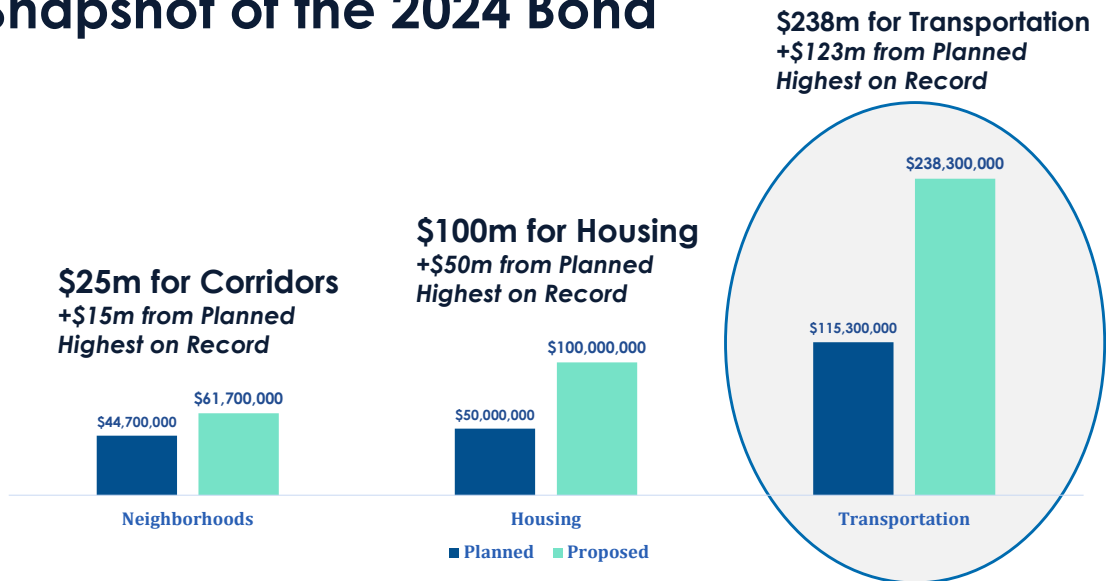
Proposed \$400m Bond in 2024



Accomplished this By:

- < Recalibrating Steady State for the next 3 bond cycles
- < Returning to \$220m Steady State after next 3 bond cycles
- < Increasing revenue

Snapshot of the 2024 Bond



Deep Dive: Transportation Bond

\$238m for Transportation
 +\$123m from Planned
 Highest on Record



5x Planned Highest on Record

\$20,000,000

Vision Zero

2.5x Planned Matches Highest on Record

\$50,000,000

Sidewalks

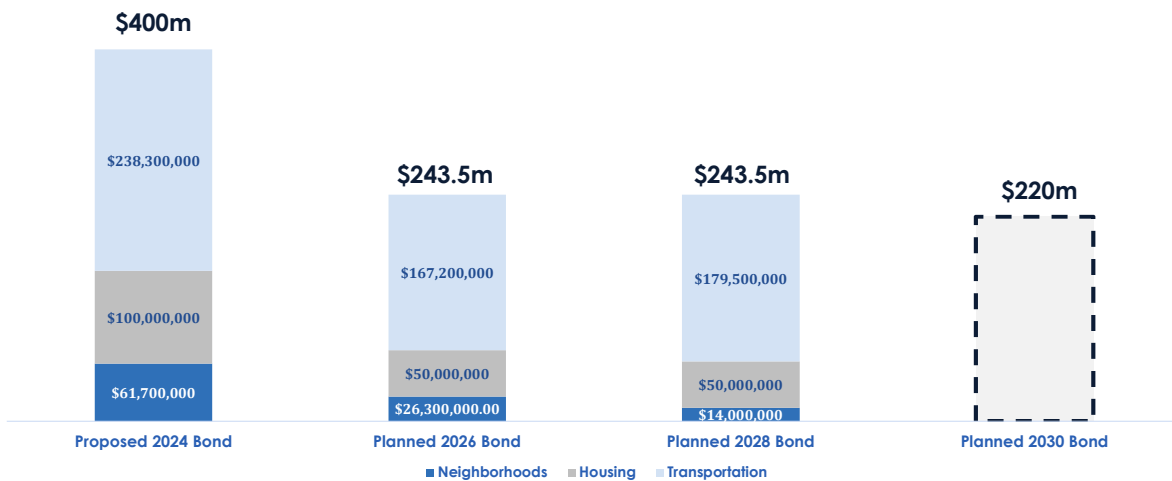
New Program
 \$55,000,000

Strategic Investment Areas

■ Planned ■ Proposed

\$8m Bicycles	\$10m Congestion Mitigation	\$24.6m Street Resurfacing	\$28.3m Roads + Intersections \$180m+ over next 3 bond cycles	\$42.4m Existing Projects + Programs
-------------------------	---------------------------------------	--------------------------------------	--	--

Looking at Future Bond Cycles



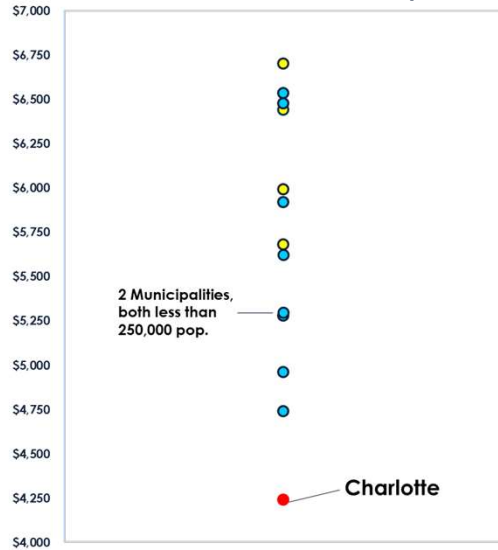


Providing Great Value to our Residents

Charlotte's cost of services is nearly \$1,500 less than the next large North Carolina municipality

- Population > 250,000
- Population < 250,000
- Charlotte

FY 2024 Cost of Service Comparison



Services captured include: City and county property taxes, sales tax, stormwater and water fees, solid waste, vehicle fees



Proposed 1.5c Property Tax Increase

- 0.9¢ – General Fund (Public Safety)
- 0.3¢ – Capital Investment Plan (CIP)
- 0.3¢ – Arts and Culture

- 1.5¢ - Total Increase

\$53.79/year, \$4.48/month increase for typical homeowner



Reserving ARPA Resources

\$6.9m*

No Restrictions

Setting aside interest earned on ARPA for additional, one-time investments that align with council priorities

*Estimated \$7.4m if no actions taken prior to July 1, 2024.

Serving Our Region

- **Aviation**
 - 5% of state's GDP
 - 7th busiest airport worldwide (aircraft movement)
 - 53m+ passengers in 2023
- **Charlotte Area Transit**
 - Manages the state's only light rail system
 - Serves a 5-county area
- **Water and Storm Water**
 - Serves more than 1 million customers per day in multiple jurisdictions
 - 42,000+ feet of pipe installed or rehabbed

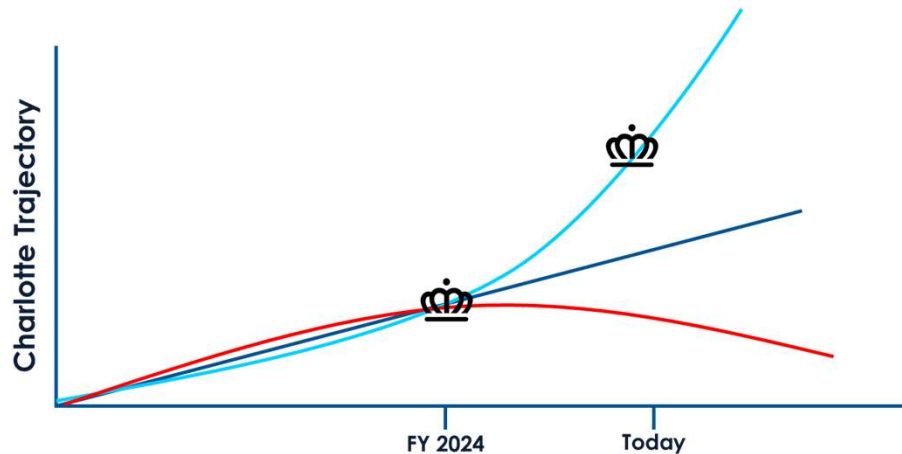


Increasing Fees to Maintain Service Levels



	Typical User Monthly Fee	Monthly Increase
Solid Waste	\$8.67	\$0.78
Water	\$80.35	\$4.37
Storm Water	\$10.15	\$0.47
Total	\$99.17	\$5.62

Putting Us on the Right Trajectory



Next Steps

- ◁ May 13 – Budget Public Hearing (@ Business Meeting)
- ◁ May 20 – Budget Adjustments (@ 1:30pm)
- ◁ May 30 – Budget Straw Votes (@1:30pm)
- ◁ June 10 – Budget Adoption (@ Business Meeting)

Watch each meeting livestream on Facebook (@cltgov) or
YouTube (@CharlotteGOVchannel)