

Public Policy Workshop

April 9, 2024

TODAY'S AGENDA

- CIP Funding Capacity
- FY2029 Project Requests
- FY2029 Projects Recommended for Funding

CIP Funding Capacity

Updates to the Long Range Planning Model:

- 6/30/2023 year end results
- Updated projected project cashflows
- Sizing and timing of debt issuance
- Revenue Assumptions
- Establish Baseline Capacity

FY2029 CIP Capacity

Projected spending- projects currently approved/underway

Projected CIP Spend by Fiscal Year											
Department	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	Total
AFM	77,112,439	159,202,344	262,391,883	105,466,969	32,532,019	146,329,231	82,629,395	-	-	-	865,664,280
CPC	9,875,923	64,979,047	44,024,407	17,320,028	1,130,248	9,853,700	25,246,643	-	-	-	172,429,995
LIB	90,942,427	125,841,034	41,470,127	28,192,100	30,681,697	8,647,096	-	-	-	-	325,774,481
PRK	80,872,719	104,958,184	76,403,958	88,973,606	85,920,987	45,967,948	42,694,304	11,272,063	-	-	537,063,767
Non-CMS total	258,803,507	454,980,608	424,290,375	239,952,703	150,264,950	210,797,974	150,570,342	11,272,063	-		1,900,932,522
CMS	200,410,422	114,892,493	154,297,667	365,641,498	505,589,313	503,774,485	480,371,341	305,046,552	83,753,723	1,005,968	2,714,783,463
Total including CMS	459,213,929	569,873,102	578,588,042	605,594,201	655,854,264	714,572,460	630,941,683	316,318,615	83,753,723	1,005,968	4,615,715,985

FY2029 Funding Capacity- Baseline Assumptions



No additional tax increases

Tax increases are anticipated to fund the FY2024-2028 CIP:

- 1 cent in FY2025
- 2 cents in FY2028
- 1 cent in FY2029



No use of fund balance

Requested Revisions to FY2024-2028 Projects

Dept	Project	Original Cost	New Cost	Net change
AFM	East - Community Resource Center	\$ 222,985,577	\$ 151,292,425	\$ (71,693,152)
AFM	David Taylor Drive - Lease Upfit	\$ -	\$ 866,543	\$ 866,543
AFM	Kuralt - Renovation	\$ -	\$ 76,187,187	\$ 76,187,187
AFM	New Lease Upfit Kuralt Staff Temporary Relocation	\$ -	\$ 3,409,539	\$ 3,409,539
AFM	VCW - Suite 1800 Upfit	\$ -	\$ 918,992	\$ 918,992
AFM	7th & Tryon Re-development Project Design and Site work	\$ -	\$ 16,516,730	\$ 16,516,730
AFM	7th and College Parking Structure-	\$ -	\$ 21,170,882	\$ 21,170,882
Total AFM				\$ 47,376,721
LIB	Nations Ford Community Library	\$ 21,906,130	\$ 23,506,670	\$ 1,600,540
LIB	Sugar Creek Community Library (relocation/expansion)	\$ 20,222,484	\$ 20,918,051	\$ 695,567
LIB	West Boulevard Community Library (relocation/expansion)	\$ 21,603,142	\$ 22,327,770	\$ 724,628
LIB	ImaginOn Library Renovation	\$ 29,922,587	\$ 31,345,523	\$ 1,422,936
Total LIB				\$ 4,443,672
PRK	McDowell Creek Greenway - Gilead Rd to Beatties Ford Rd/Pamela St	\$ 19,085,860	\$ 18,386,700	\$ (699,160)
Total PRK				\$ (699,160)
Total				\$ 51,121,233

“NEW” BASELINE CAPACITY

- Capacity for future capital is not just a FY2029 consideration
- Need to maintain capacity for capital beyond FY2029 for future needs
- The FY2024–2028 plan used much of the County’s future debt capacity. Spending at FY2024–2028 levels is not sustainable over the long term



“NEW” BASELINE CAPACITY

- The new baseline assumes GO Bond funding for CMS needs and Cash/PayGo funding for non-CMS projects beginning with FY2029
- This minimizes the increase in future debt while preserving capacity for unforeseen needs and/or opportunities
- Future capacity will be evaluated annually as part of the 5-Year Rolling CIP process

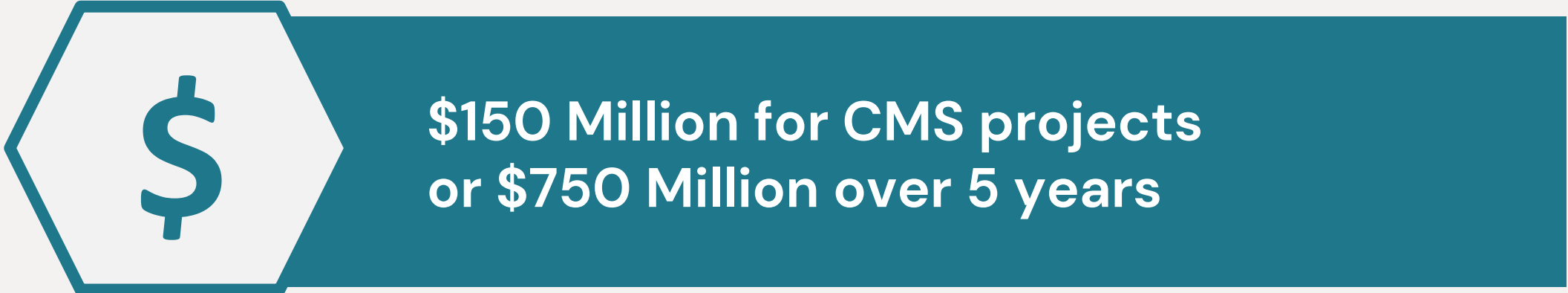


“NEW” BASELINE CAPACITY

Sustainable average annual levels for projections beginning in FY2029 and beyond were determined to be:



\$150 Million for non-CMS projects
or \$750 Million over 5 years



\$150 Million for CMS projects
or \$750 Million over 5 years

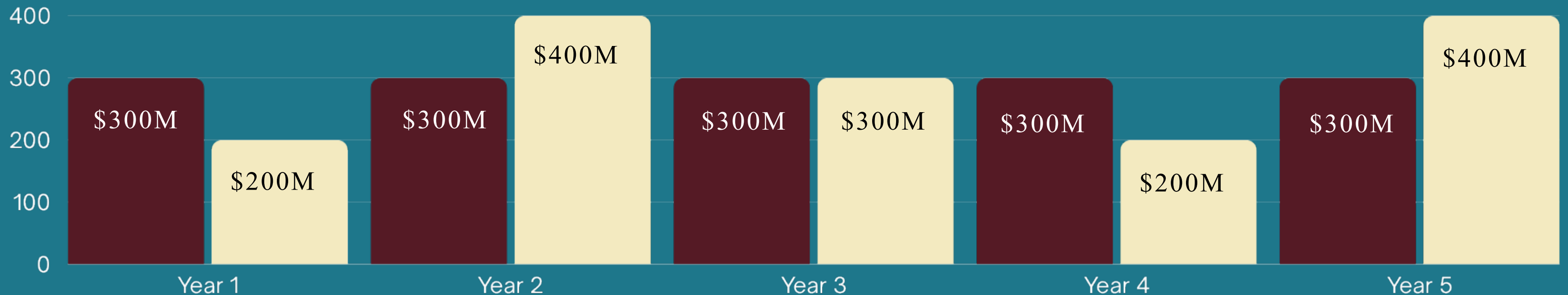


Total: \$300 Million average annually
or \$1.5 Billion over 5 years

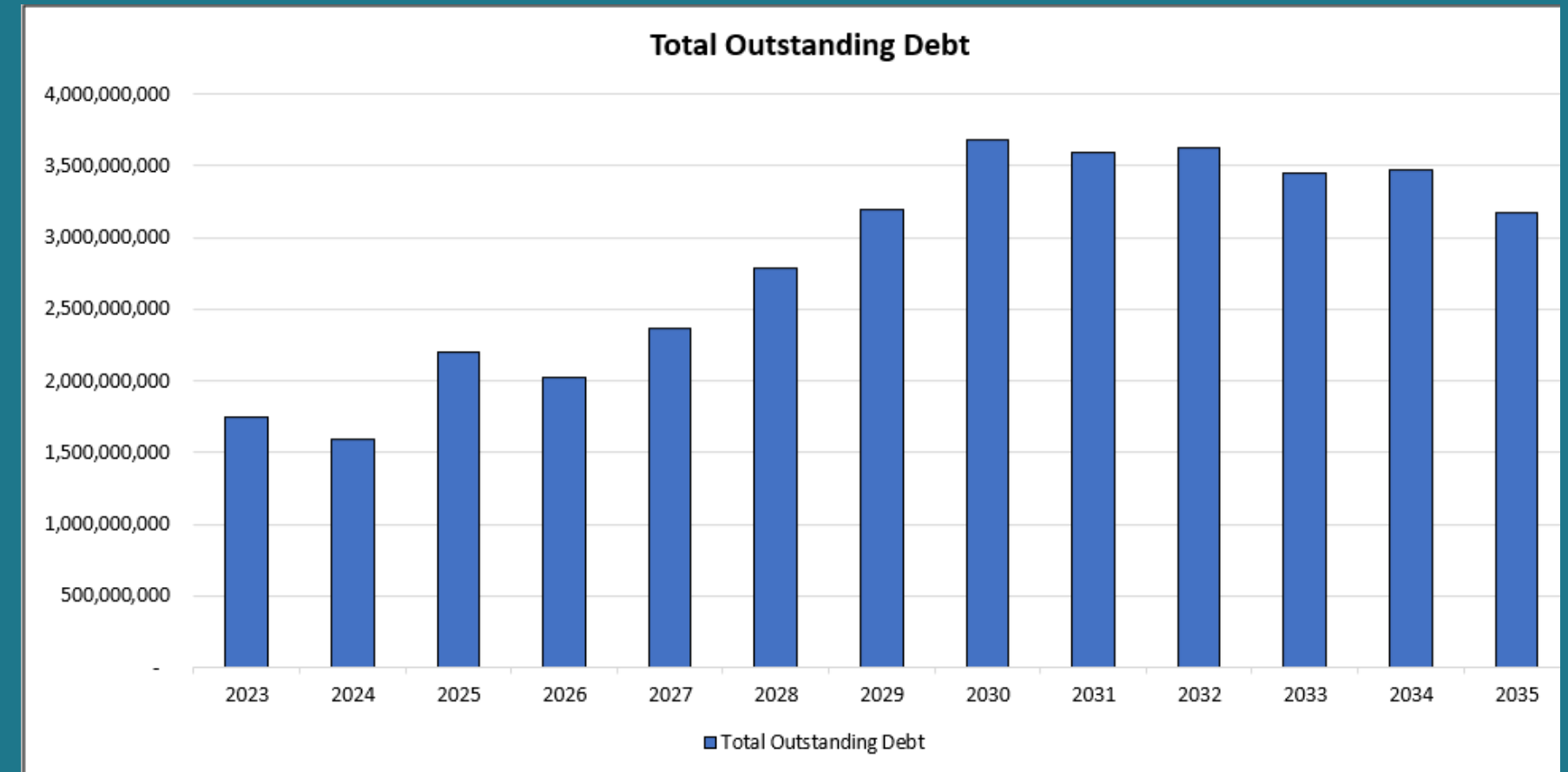
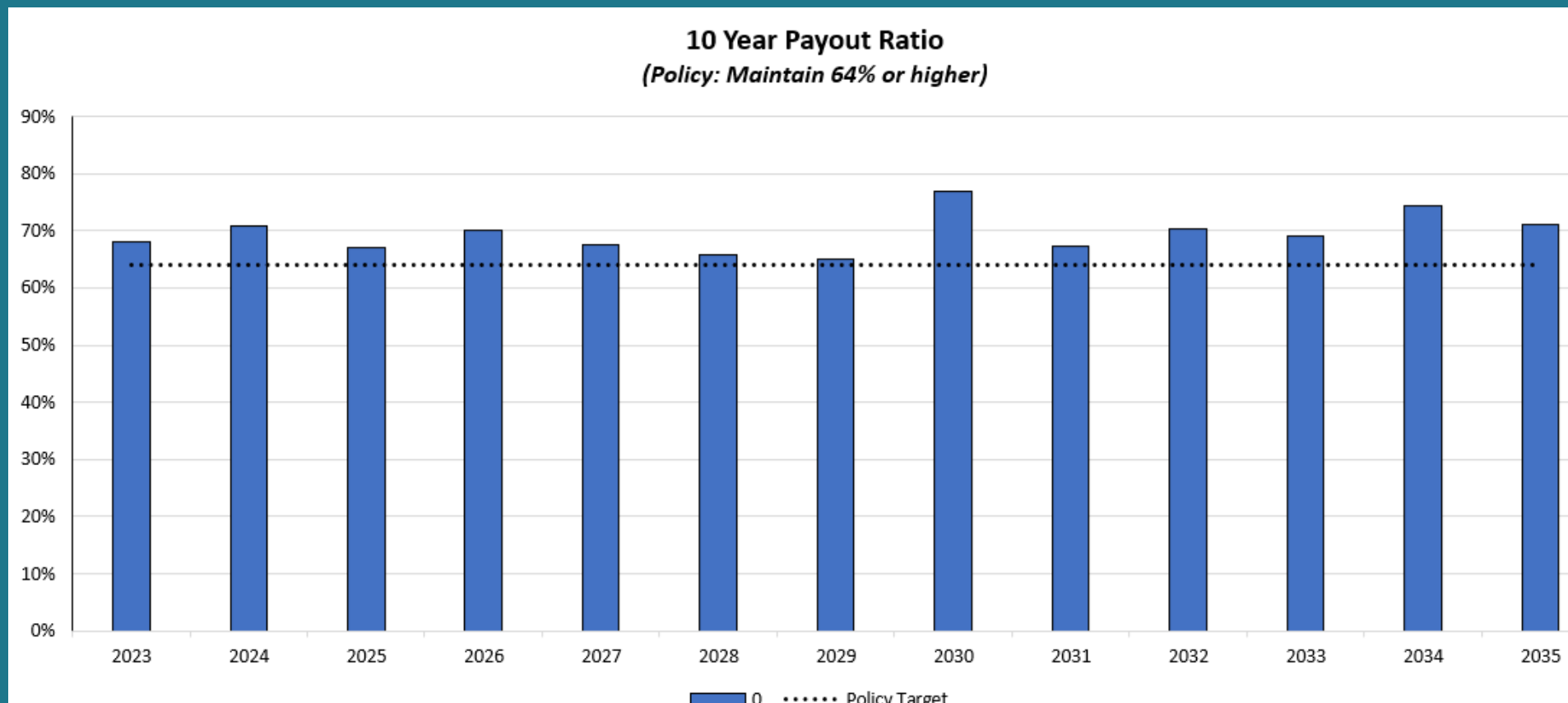
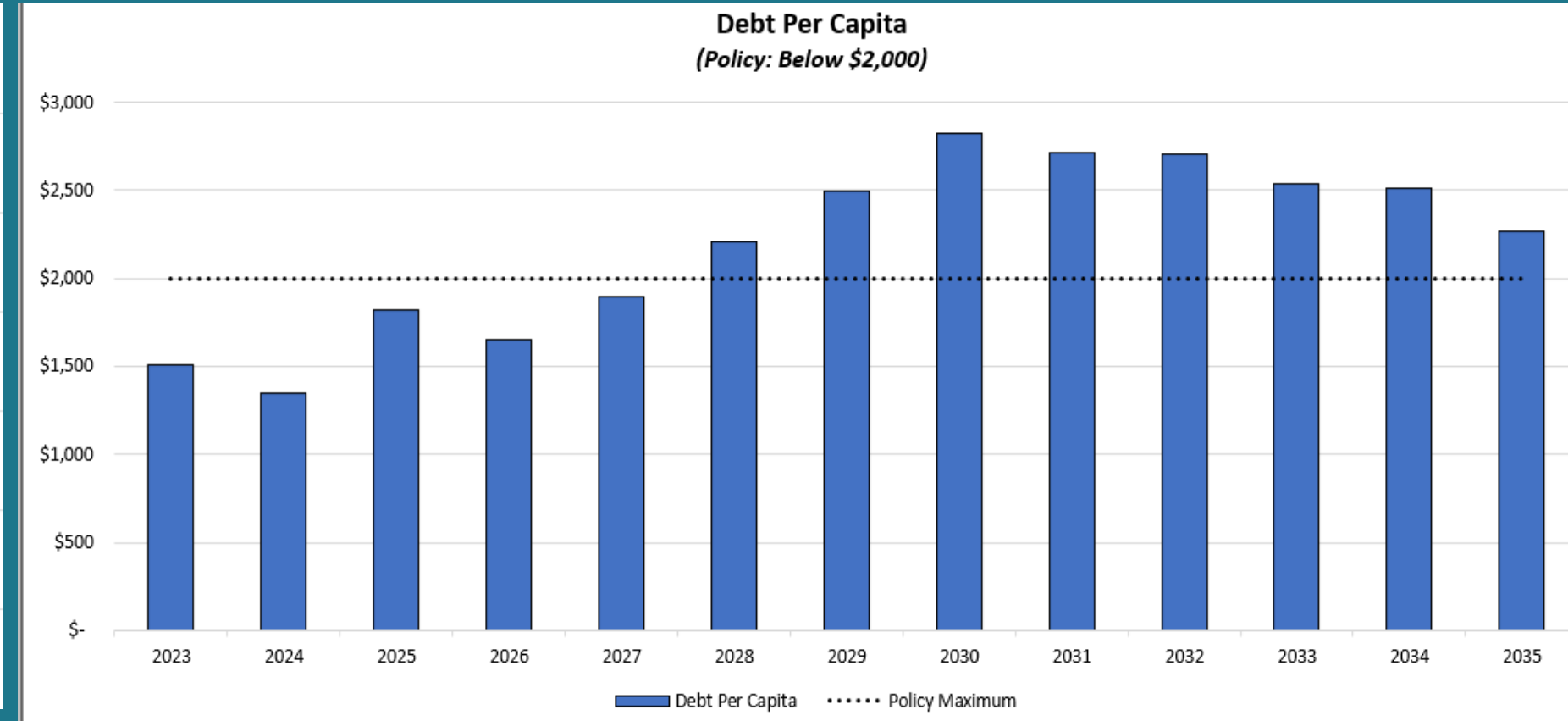
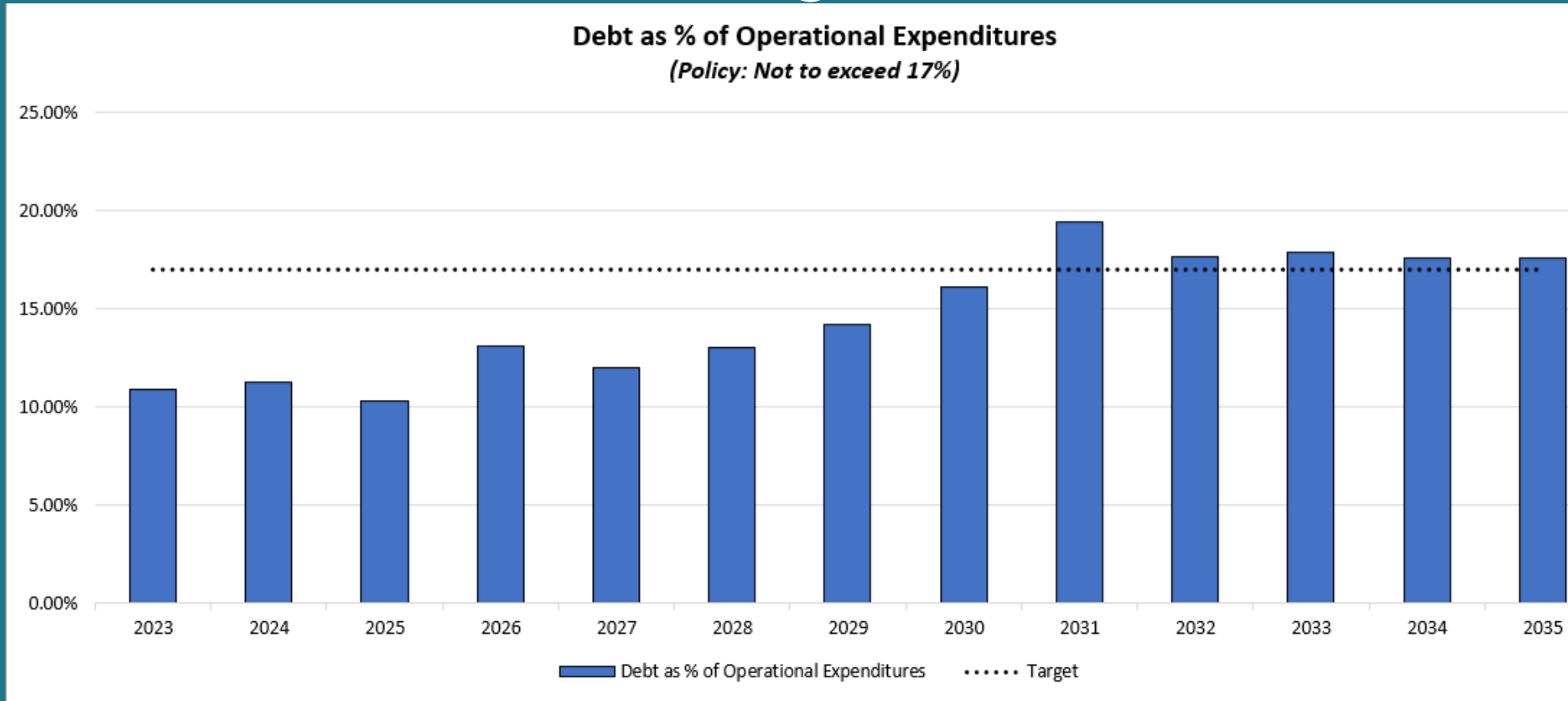
Current Decisions Affect Future Capacity

Capital needs in future years may exceed \$300M. By funding less than \$300M in a given year, the County will have the capacity to fund larger projects in future years.

- Scenario 1: \$1.5 Billion over 5 years, \$300M annual funding
- Scenario 2: \$1.5 Billion over 5 years, fluctuating annual funding



Debt Policy Constraints



FY2029 Project Selection

01

Received project funding requests

- AFM
- CPCC
- Library
- Park
- CMS

02

Evaluated through multiple lenses

- Department rankings
- Citizen's Capital Budget Advisory Committee
- Executive Team
- Financial model review

03

Developed recommendation for funding

Summary: FY2029 New Project Requests

	Number of	Total Funds
Asset & Facility Management	2	\$ 117,994,152
Charlotte Mecklenburg Library	2	\$ 37,763,319
Central Piedmont Community College	26	\$ 274,565,669
Park and Recreation	12	\$ 75,023,086
Totals	42	505,346,226

FY2029 CIP Requests

Asset & Facility Management

Identifier	Dept	Project	Escalated Cost
1	AFM	Mecklenburg County Courthouse - 7th Floor Partial Courtroom Upfit	\$ 23,429,615
2	AFM	Sheriff's Office Jail North Field Ops, Training Academy, & Firing Range	\$ 94,564,537
		Total AFM FY29 Requests	\$ 117,994,152

FY2029 CIP Requests

Charlotte Mecklenburg Library

Identifier	Dept	Project	Escalated Cost
3	LIB	Independence Regional Library renovation	\$ 7,901,919
4	LIB	Prosperity Village Community Library	\$ 29,861,401
		Total LIB FY29 Requests	\$ 37,763,319

FY2029 CIP Requests Park & Recreation

Identifier	Dept	Project	Escalated Cost
5	PRK	Little Sugar Creek Greenway - Parkwood Underpass	\$ 267,446
6	PRK	Irwin Creek Greenway- Clanton Road to Crestridge Drive	\$ 10,173,675
7	PRK	Irwin Creek Gway- Crestridge Drive to Yorkmont Road	\$ 8,658,168
8	PRK	Campbell Creek Park	\$ 5,001,243
9	PRK	Derita Park	\$ 4,690,228
10	PRK	Julian Underwood Park	\$ 2,865,859
11	PRK	Springfield Park	\$ 6,718,522
12	PRK	Yorkmont Park	\$ 2,545,174
13	PRK	McDowell Creek Gway - Catawba Ave (Smithville Park) to Westmoreland Rd	\$ 14,149,445
14	PRK	Wayfinding	\$ 832,233
15	PRK	Sugar Creek Greenway- Mounting Rock Road to Arrowood Road- Design Only	\$ 4,121,093
16	PRK	Sugar Creek Greenway- Mounting Rock Road to Arrowood Road- Construction	\$ 15,000,000
		Total PRK FY29 Requests	\$ 75,023,086

FY2029 CIP Requests

Central Piedmont Community College

Identifier	Dept	Project	Escalated Cost
17	CPC	Cato I	\$ 6,132,611
18	CPC	Levine I	\$ 10,230,738
19	CPC	Claytor	\$ 1,570,977
20	CPC	Harper IV	\$ 1,110,869
21	CPC	Hall Building	\$ 21,860,217
22	CPC	Harper V	\$ 141,399,285
23	CPC	Belk Health Careers	\$ 5,528,820
24	CPC	Belk Criminal Justice	\$ 3,570,412
25	CPC	Overcash	\$ 7,540,956
26	CPC	Giles	\$ 12,121,450
27	CPC	Van Every Culinary Arts	\$ 23,991,137
28	CPC	Campus Arrival Sequence	\$ 10,139,962
29	CPC	Citizen Center	\$ 2,142,321
30	CPC	Harris II	\$ 391,719
31	CPC	Campus-wide	\$ 712,098
32	CPC	Campus-wide	\$ 712,098
33	CPC	Campus-wide	\$ 5,822,473
34	CPC	Campus-wide	\$ 1,402,884
35	CPC	Campus Core	\$ 1,402,884
36	CPC	Campus Core	\$ 1,008,333
37	CPC	Lake Loop	\$ 4,523,438
38	CPC	Campus Improvements	\$ 1,182,117
39	CPC	Harris I + II Courtyard	\$ 3,276,184
40	CPC	Worrell	\$ 2,778,054
41	CPC	Transportation Building	\$ 1,899,954
42	CPC	Levine III	\$ 2,113,678
		Total CPC FY29 Requests	\$ 274,565,669

FY2029 Recommended Projects

	Projects	Total Funds
Asset & Facility Management	1	\$ 23,429,615
Charlotte Mecklenburg Library	2	\$ 37,763,319
Central Piedmont Community College	4	\$ 19,045,195
Park and Recreation	11	\$ 60,023,086
Totals	18	140,261,215

FY2029 CIP Requests Charlotte Mecklenburg Schools

CMS	E.E.Waddell	\$	20,471,098
CMS	South Charlotte Middle	\$	98,547,433
CMS	Cochrane	\$	98,635,560
CMS	Starmount Academy of Excellence	\$	76,613,073
CMS	Piney Grove Elementary	\$	83,350,953
CMS	Rama Road Elementary	\$	77,977,446
CMS	Old Providence Elementary	\$	78,011,473
CMS	Hidden Valley Elementary	\$	79,365,623
Total CMS FY29 Requests			\$ 612,972,658

FY2029 Recommendation

Charlotte Mecklenburg Schools

- Reserving dollar amount of capacity vs. approving specific projects
- Constrained certainty: \$150 Million for FY2029 and beyond
- Future referendums: smaller and more frequent

FY2029 Final Recommendation

	Total Funds
Revisions to Existing Projects	\$ 51,121,233
New FY2029 Projects:	
Asset & Facility Management	\$ 23,429,615
Charlotte Mecklenburg Library	\$ 37,763,319
Central Piedmont Community College	\$ 19,045,195
Park and Recreation	\$ 60,023,086
Total	140,261,215
Charlotte Mecklenburg Schools	\$ 150,000,000



Questions?