

---

---

# Financial Partners

---

---

**Page Intentionally Left Blank**



Financial Partner Funding Considerations

Council Budget Workshop

April 8, 2015



Financial Partners Funding Considerations:  
Funding Categories

Categories of Financial Partners:

- General Fund Discretionary
- PAYGO/Federal Share
- 100% PAYGO Funding
- Out of School Time Partners (Federal & PAYGO funds)
- General Fund Dedicated Revenue (Municipal Services Districts; Food & Beverage Tax; Occupancy Tax)
- 100% Federal Funding

1



## Areas of Decision Making: General Fund Discretionary/PAYGO

2



## Financial Partners Funding Considerations

### General Fund Discretionary/PAYGO

- FY16 Savings from Partners not receiving/requesting FY16 funds = -\$198,699
- Potential Funding Options:
  1. Flat General Fund/PAYGO funding from FY15
    - \$0 savings
    - \$4,843,558 contribution from General Fund/PAYGO
  2. 4% Reduction to General Fund/PAYGO funding below FY15 level
    - -\$193,742 savings to General Fund/PAYGO
    - \$4,649,816 contribution from General Fund/PAYGO
- Value of each 1% incremental General Fund/PAYGO reduction below FY15 = -\$48,436

3



### Financial Partners Funding Considerations: No FY16 General Fund/PAYGO funding

#### Financial Partners Not Receiving/Requesting FY16 General Fund/PAYGO funding

Agency	FY15 Budget	FY15 General Fund & PAYGO	FY16 Request	FY16 Proposal	General Fund/PAYGO Difference from FY15 to FY16
Charlotte Regional Visitors Authority – Film Commission	\$150,000	\$150,000	\$150,000	\$0 from General Fund (\$150,000 from Tourism Fund)	-\$150,000
YMCA Community Development	48,699	48,699	0	\$0	-48,699
<b>TOTAL</b>	<b>\$198,699</b>	<b>198,699</b>	<b>150,000</b>	<b>\$0</b>	<b>-\$198,699</b>

- Film Commission proposed funding transfer from General Fund to Tourism Funding in total amount of \$150,000
- YMCA Community Development did not request FY16 funds

4



### Financial Partners Funding Considerations: General Fund Discretionary

Agency	FY15 Budget	FY16 Request	Option 1: Flat from FY15	Option 2: 4% reduction below FY15	Value of each 1% incremental reduction below FY15*
Arts & Science Council	\$2,940,823	\$3,980,823	\$2,940,823	\$2,823,190	-\$29,408
Charlotte Regional Partnership	141,008	148,780	141,008	135,368	-1,410
Community Building Initiative	50,000	50,000	50,000	48,000	-500
Safe Alliance	333,977	343,996	333,977	320,618	-3,340
<b>TOTAL</b>	<b>\$3,465,808</b>	<b>\$4,523,599</b>	<b>\$3,465,808</b>	<b>\$3,327,176</b>	<b>-\$34,658</b>
<b>Total \$ Change from FY15</b>			<b>\$0</b>	<b>-\$138,632</b>	<b>-\$34,658</b>
<b>Total % Change from FY15</b>			<b>0%</b>	<b>-4%</b>	<b>-1%</b>

\*This number represents the value of each 1% reduction from the FY15 General Fund funding level

5



### Financial Partners Funding Considerations: Shared Federal/PAYGO Funded

**75% Federal Share / 25% PAYGO Share**

Agency	FY15 Budget	FY15 PAYGO	FY16 Request	Option 1: 100% Fed; PAYGO Flat	Option 2: Total allocation at 100% Fed; 4% PAYGO reduction	Option 2: PAYGO contrib. at 4% reduction	Value of each 1% incremental PAYGO reduction below FY15*
CMHP - Affordable Housing	\$1,960,000	\$490,000	\$1,960,000	\$1,960,000	\$1,940,400	\$470,400	-\$4,900
CMHP - House Charlotte	231,000	57,750	231,000	231,000	228,690	55,440	-578
<b>TOTAL</b>	<b>\$2,191,000</b>	<b>\$547,750</b>	<b>\$2,191,000</b>	<b>\$2,191,000</b>	<b>\$2,169,090</b>	<b>\$525,840</b>	<b>-\$5,478</b>
Total \$ Change from FY15			\$0	\$0		-\$21,910	-\$5,478
Total % Change from FY15			0%	0%		-1%	-0.25%
PAYGO \$ Change from FY15			\$0	\$0		-\$21,910	-\$5,478
PAYGO % Change from FY15			0%	0%		-4%	-1%

CMHP = Charlotte-Mecklenburg Housing Partnership

\*This number represents the value of each 1% reduction from the FY15 PAYGO funding level

6



### Financial Partners Funding Considerations: 100% PAYGO Funded

Agency	FY15 Budget	FY15 PAYGO Contribution	FY16 Request	Option 1: PAYGO Flat	Option 2: 4% PAYGO reduction	Value of each 1% incremental PAYGO reduction below FY15*
Community Link	\$450,000	\$450,000	\$450,205	\$450,000	\$432,000	-\$4,320
Crisis Assistance Ministry	380,000	380,000	500,000	380,000	364,800	-3,648
<b>TOTAL</b>	<b>\$830,000</b>	<b>\$830,000</b>	<b>\$950,205</b>	<b>\$830,000</b>	<b>\$796,800</b>	<b>-\$8,300</b>
Total PAYGO \$ Change from FY15			\$120,205	\$0	-\$33,200	-\$8,300
Total PAYGO % Change from FY15			14%	0%	-4%	-1%

\*This number represents the value of each 1% reduction from the FY15 PAYGO funding level

7



## Financial Partners Funding Considerations: Scopes of Services

### **Scopes of Services for General Fund Discretionary Financial Partners**

- Arts & Science Council - Building appreciation, participation and support for the arts, sciences, history and heritage throughout Charlotte-Mecklenburg
- Charlotte Regional Partnership - markets the region to develop short and long term business prospects and develop assets to provide sustainable economic growth for the 15-county, two-state area
- Community Building Initiative - advances access, inclusion, and equity in Charlotte-Mecklenburg
- Safe Alliance - partners with the Charlotte-Mecklenburg Police Department to support victims of violent crimes and their families

8



## Financial Partners Funding Considerations: Scopes of Services

### **Scopes of Services for Federal/PAYGO Share Partners**

- Charlotte-Mecklenburg Housing Partnership – Affordable Housing supports affordable housing program activities including mortgage delinquency prevention counseling and foreclosure counseling
- Charlotte-Mecklenburg Housing Partnership – House Charlotte Supports homeownership counseling, mortgage assistance, and the development, financing, and management of affordable apartments

### **Scopes of Services for 100% PAYGO Partners**

- Community Link – provides homeownership training and counseling to obtain and sustain safe, affordable housing
- Crisis Assistance Ministry – provides funding for the City Energy Assistance Program and the Emergency Rental Assistance Program
- YMCA Community Development – did not request funding in FY16

9



## New General Fund Financial Partner Requests

10



### Financial Partners Funding Considerations: New Financial Partner Requests

Agency	FY15 Budget	FY16 Request	Funding Frequency
Foundation for the Carolinas: Third Grade Reading Initiative	\$0	\$100,000	Ongoing
Foundation for the Carolinas: Economic Opportunity Task Force	0	100,000	Time-limited
<b>TOTAL</b>	<b>\$0</b>	<b>\$200,000</b>	
		<b>\$ Change from FY15</b>	
		<b>100%</b>	

- The Third Grade Reading Initiative is a new collaborative initiative to double the percentage of third grade students reading at grade level
- The Economic Opportunity Task Force is a new initiative to identify solutions for increasing economic opportunity in Mecklenburg County in response to a Harvard University study ranking Charlotte at the bottom among the country's 50 largest cities; this request was received outside the standard Financial Partner application process

11



## Out of School Time Partners

12



### Financial Partners Funding Considerations: Out of School Time Partners

Agency	FY15 Budget	FY15 Federal/ PAYGO share	FY16 & FY17 Request	Evaluation Cmte Rec	FY16&17 Federal/ PAYGO share		
<b>Current Financial Partner Requests</b>							
Above and Beyond Students	\$110,358	60% federal (\$785,261) / 40% PAYGO (\$522,385)	\$0	\$0	83% federal (\$815,007) / 17% PAYGO (\$164,927)		
Citizen Schools	306,342		200,000	\$200,000			
Greater Enrichment Program	350,000		200,000	\$200,000			
Police Activities League	287,410		200,000	\$200,000			
Youth Development Initiative	94,710		0	\$0			
YWCA Central Carolinas After School Enrichment	158,826		200,000	\$200,000			
<b>New Financial Partner Requests</b>							
Behailu Academy	n/a		66,000	\$66,000			
Bethlehem Center	n/a		113,934	\$113,934			
Genesis Project	n/a		192,000	\$0			
MGR Youth Empowerment	n/a	156,000	\$0				
<b>TOTAL</b>	<b>\$1,307,646</b>		<b>\$1,327,934</b>	<b>\$979,934</b>			
<b>Total \$ Change from FY15</b>				<b>-\$327,712</b>			
<b>Total % Change from FY15</b>				<b>-25%</b>			
<b>PAYGO \$ Change from FY15</b>				<b>-\$357,458</b>			
<b>PAYGO % Change from FY15</b>				<b>-68%</b>			



### PAYGO Funded Out of School Time Partners

- The Out of School Time Evaluation Committee recommended funding for eight agencies at a total of \$979,934 (two-year contract)
- Per Council direction, the full eligible amount of CDBG funds is allocated to recommended agencies at a total of \$815,007
- The remaining \$164,927 to achieve full funding for the recommended agencies is funded by PAYGO (this is a reduction of \$357,458 below FY15 PAYGO)
- Staff recommends allocating the remaining \$164,927 in PAYGO between two partners based upon years of receiving federal funds (not evaluation ratings): Citizen Schools (49% PAYGO) and Behailu (100% PAYGO)

Agency	FY15 Budget	FY16 Request	FY16 Federal/ PAYGO % Share	FY16 Federal/ PAYGO \$ Share	Option 1: Evaluate Cmte Rec	Option 2: 100% CDBG; 4% PAYGO reduction below FY16 Eval Rec	Value of each 1% incremental PAYGO reduction below FY16 Eval Rec*
Citizen Schools	\$306,342	\$200,000	51%/49%	\$101,073/ \$98,927	\$200,000	\$196,043	-\$989
Behailu Academy	0	\$66,000	0%/100%	\$0/ \$66,000	66,000	\$63,360	-\$660
<b>TOTAL</b>	<b>\$306,342</b>	<b>\$266,000</b>		<b>\$101,073/ \$164,927</b>	<b>\$266,000</b>	<b>\$259,403</b>	<b>-\$1,649</b>
Total \$ Change from FY16 Evaluation Cmte Recommend					\$0	-\$6,597	-\$1,649
Total % Change from FY16 Evaluation Cmte Recommend					0%	-.25%	-1%



### Dedicated Revenue and Federal Grant Funding Partner Requests



**Financial Partners Funding Considerations:  
General Fund – Dedicated Revenue**

<b>Agency: Charlotte Center City Partners (CCCP)</b>	<b>FY15 Budget</b>	<b>FY16 Request</b>	<b>New FY16 Revenue Projection</b>	<b>Revenue \$ Change from FY15</b>
Center City – MSD 1	\$1,465,916	\$1,539,212	\$1,257,608	-\$208,308
Center City – MSD 2	791,263	830,826	750,059	-41,204
Center City – MSD 3	1,582,889	1,662,034	1,197,654	-385,235
South End – MSD 4	715,402	751,172	794,701	79,299
<b>TOTAL</b>	<b>\$4,555,470</b>	<b>\$4,783,244</b>	<b>\$4,000,022</b>	<b>-\$555,448</b>
<b>% Change from FY15</b>			<b>-12%</b>	

  

<b>Agency: University City Partners (UCP)</b>	<b>FY15 Budget</b>	<b>FY16 Request</b>	<b>New FY16 Revenue Projection</b>	<b>Revenue \$ Change from FY15</b>
University City-MSD 5	\$734,123	\$752,476	\$643,792	-\$90,331
<b>% Change from FY15</b>			<b>-12%</b>	

A Municipal Service District is a defined area for which an additional property tax is levied in order to provide extra services. Final Municipal Service District funding is calculated based on actual property tax revenues.

16



**Financial Partners Funding Considerations:  
General Fund – Dedicated Revenue**

<b>Agency</b>	<b>FY15 Budget</b>	<b>FY16 Request</b>	<b>New FY16 Revenue Projection</b>	<b>Revenue \$ Change from FY15</b>
Charlotte Regional Visitors Authority (CRVA)	\$12,467,298	\$13,597,941	\$13,597,941	\$1,130,643
<b>% Change from FY15</b>			<b>9%</b>	

- Final funding depends on countywide occupancy tax and prepared food and beverage tax proceeds as calculated at year end.
- The CRVA manages and promotes Charlotte's publicly owned assembly facilities (e.g. Convention Center, Bojangles Coliseum, NASCAR Hall of Fame) and specific contracted services with Time Warner Cable Arena and Charlotte Douglas International Airport. CRVA also markets Charlotte as a travel and tourism destination.

17



### Financial Partners Funding Considerations: 100% Federal Funding

Agency	FY15 Budget	Federal/ PAYGO Share	FY16 Request	FY16 Revenue Projection	Revenue \$ Change from FY15
Carolinas Care Partnership	\$1,060,917	100% / 0%	\$1,311,713	\$1,640,862	\$579,945
Charlotte Family Housing	330,000	100% / 0%	411,000	330,000	\$0
<b>TOTAL</b>	<b>\$1,390,917</b>		<b>\$1,722,713</b>	<b>\$1,970,862</b>	<b>\$579,945</b>
<b>Total % Change from FY15</b>			<b>24%</b>	<b>29%</b>	

- Carolinas Care Partnership serves persons with HIV and AIDS in the Charlotte region; the FY16 revenue projection for Carolinas Care Partnership is above the FY15 budget and FY16 request due to an increased allocation of federal "Housing Opportunities for Persons With AIDS" funds
- Charlotte Family Housing addresses family homelessness through housing (e.g. temporary shelters), building partnerships (e.g. faith groups, businesses), and empowering change (e.g. rental units and "Good Neighbor Training")

18



### Financial Partners Funding Considerations: Next Steps

#### Next Steps

- April 17<sup>th</sup> – potential additional Budget Workshop meeting
- May 4<sup>th</sup> – City Manager's Budget Recommendation
- May 11<sup>th</sup> – Budget Public Hearing
- May 13<sup>th</sup> – Council Budget Adjustments
- May 27<sup>th</sup> – Council Straw Votes
- June 8<sup>th</sup> – Council Budget Adoption

19



Discussion

20