

FY2025

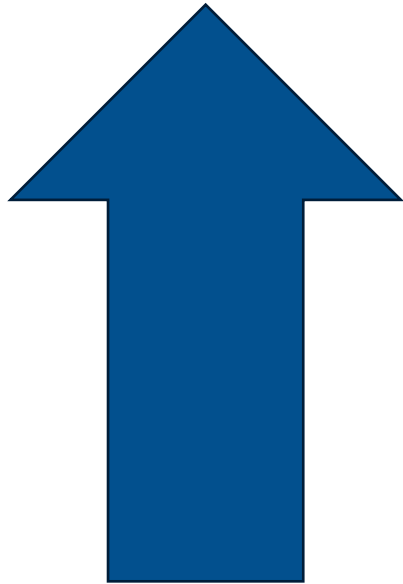
PROPOSED BUDGET

Advancing Opportunities for All



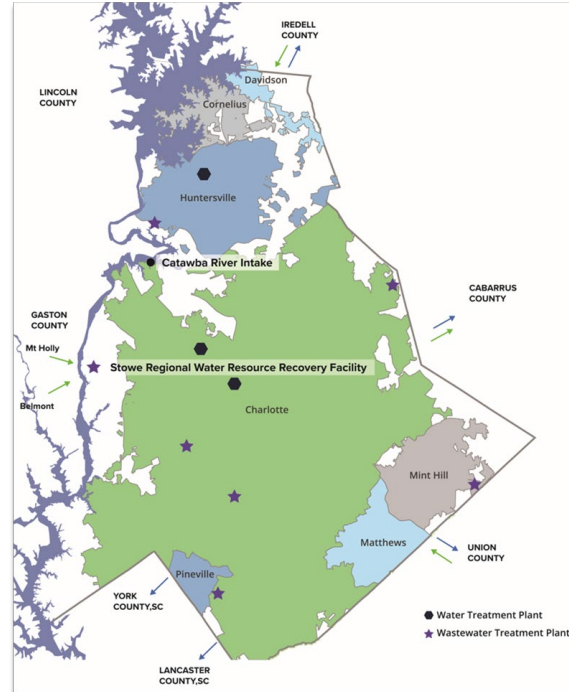
Charlotte Strong

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

Resource Pressures

Property Tax
Sales Tax

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

Stabilizing the Workforce
Inflation
Growth
Meeting Service Expectations

North Carolina Cities: Property Tax History

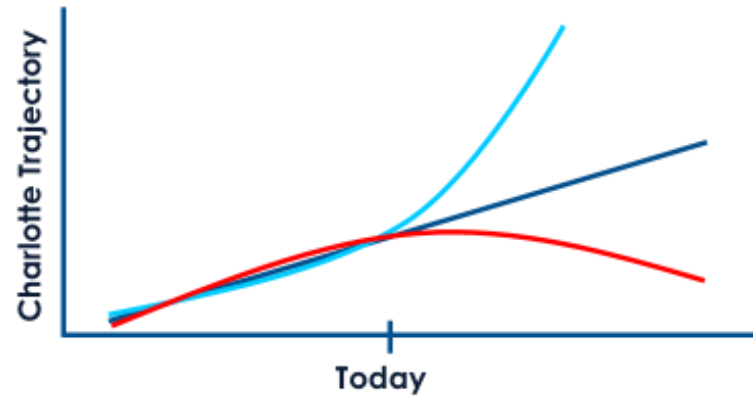
| City | FY 2024 Property Tax Rate | Property Tax Increases in the last 5 years | Difference from Charlotte |
|------------------|---------------------------|--|---------------------------|
| Greensboro | \$0.6725 | 3 | 2.6x |
| Winston-Salem | \$0.6610 | 4 | 2.5x |
| High Point | \$0.6175 | 1 | 2.4x |
| 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



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**

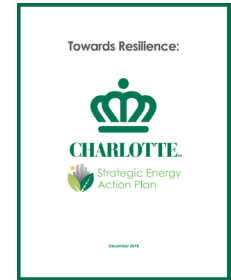


DIGITAL DIVIDE

We Have Been Preparing For These Initiatives

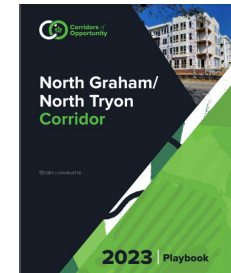
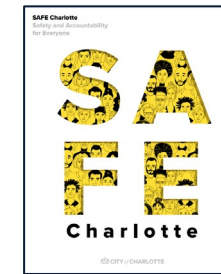
Workforce Development Strategy

Small Business Strategy



Purpose: City, County, Partners, and Community work together to reduce violence, increase economic opportunity, and build healthier, more resilient communities.

| | | | | |
|---------------------------------|---------------------------------|--------------------|---|-----------------------|
| Intergovernmental Collaboration | Invest in Community-Led Efforts | Interrupt Violence | Community Collaboration in Priority Areas | Use Data and Evidence |
| PROGRAMS | | POLICY | PRACTICE | |



Developing

Investing

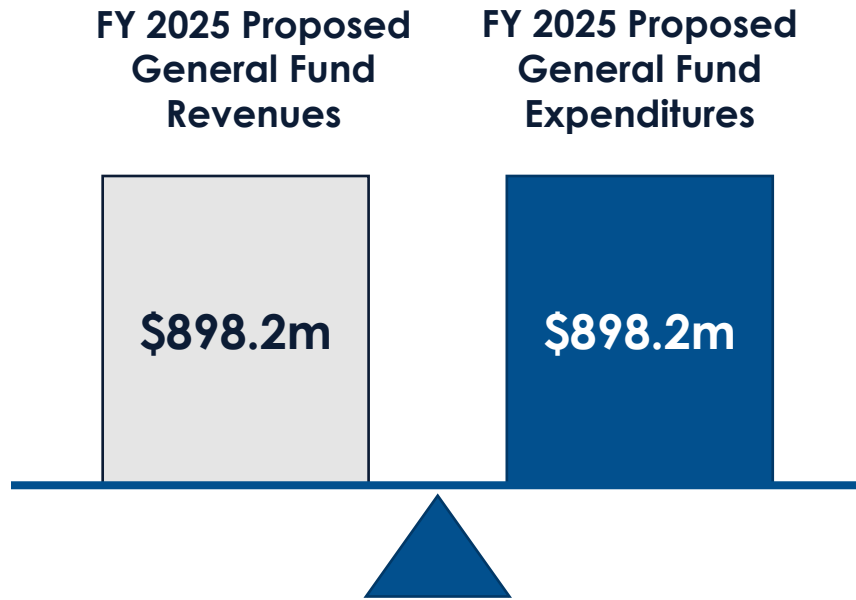
Implementing

FY 2025 Proposed Budget - \$4.2B

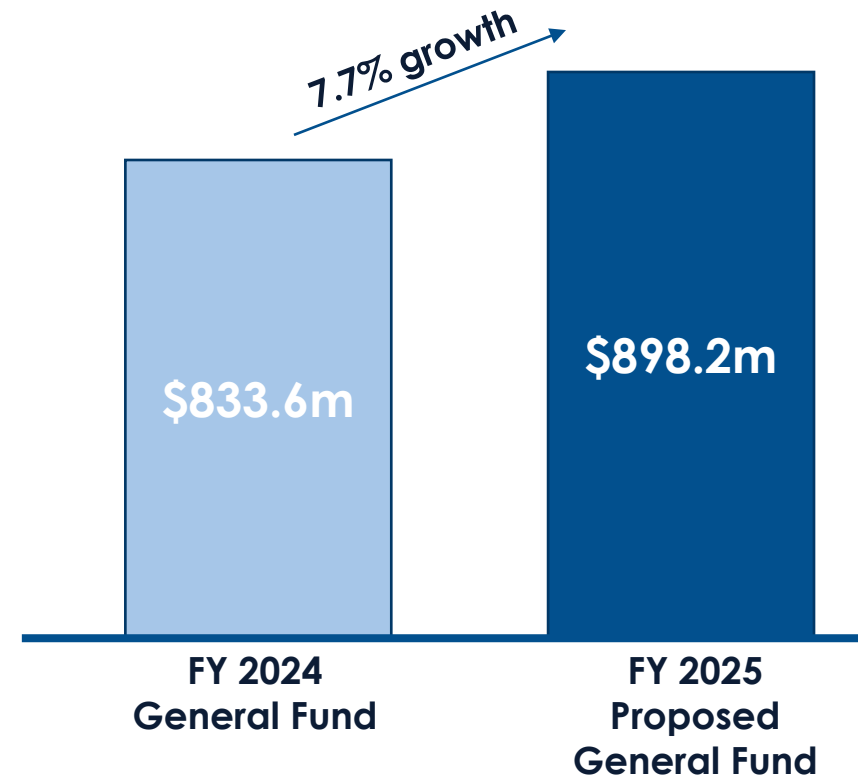


| Proposed FY 2025 Budget (Net of Transfers) | |
|---|----------------------|
| General Fund | 898,150,000 |
| Reimbursements and transfers to other Funds | (69,384,396) |
| Sub-total General Fund | 828,765,604 |
| Aviation | 1,221,189,723 |
| Charlotte Area Transit System (CATS) | 326,518,097 |
| Charlotte 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

Story of Attracting and Retaining Employees

Tailoring Approach to Work-Type

Public Safety

- Recruitment and Retention
- Pay Plan Structure changes
- New Incentives

Operations

- Compensation and increasing minimum pay
- New Incentives
- Career path opportunities

Administrative

- Flexible work options
- Career path opportunities

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

*2.5% in July
2.5% in November

Salary Employees

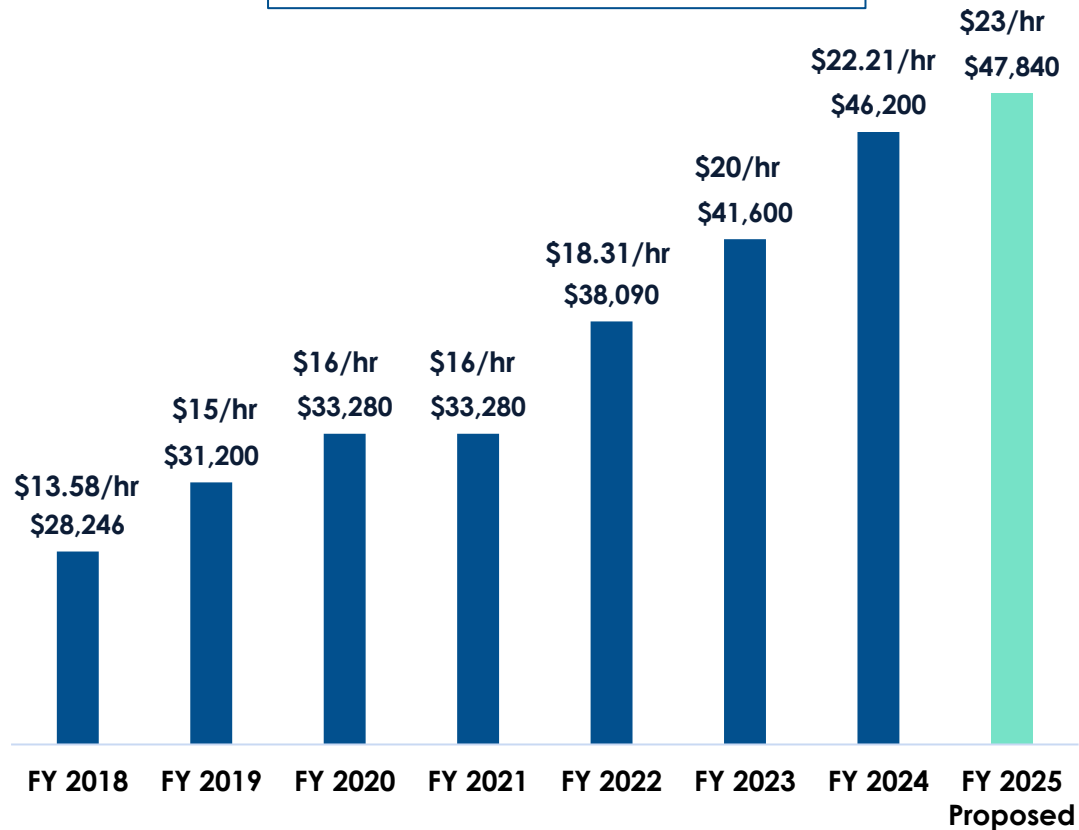
- 4% merit pool in FY 2025

Continuing Additional Incentives

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

Increasing Minimum pay to \$23/Hour*

70% increase in the last eight years



Minimum Salary

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



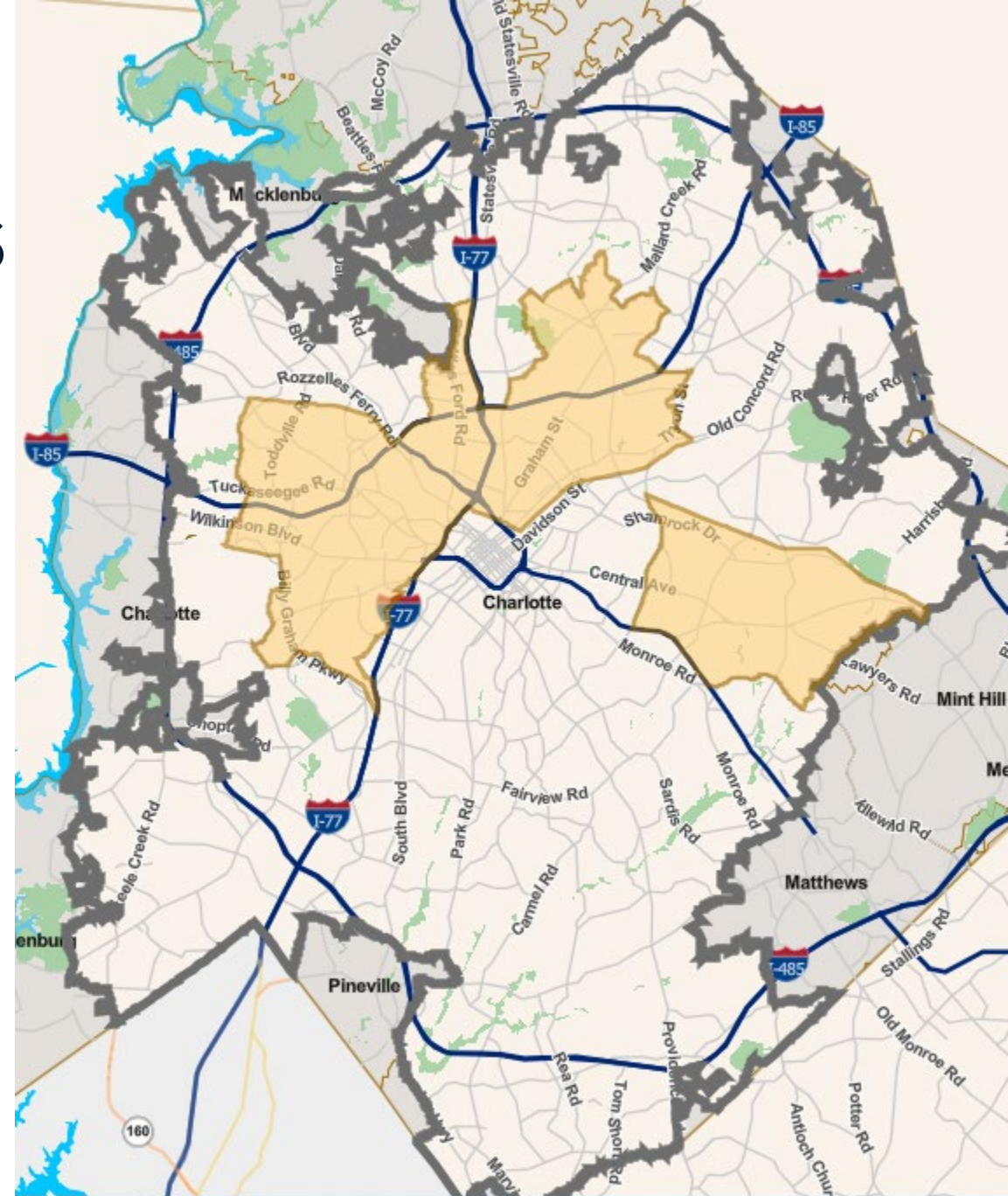
Enhancing Home Ownership Opportunities

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



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:

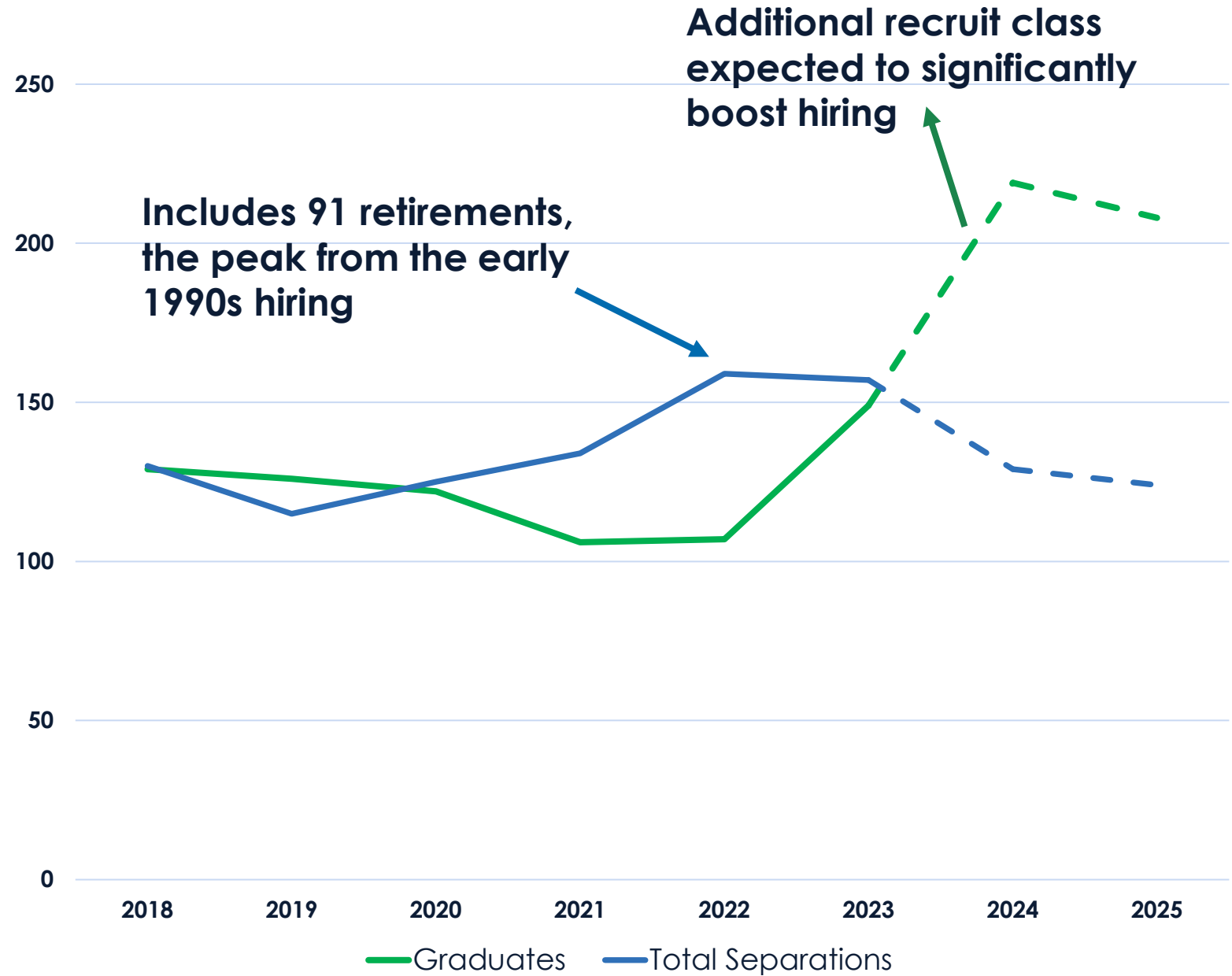
- Talent connector
- Essential Skills
- Job training in target industries

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

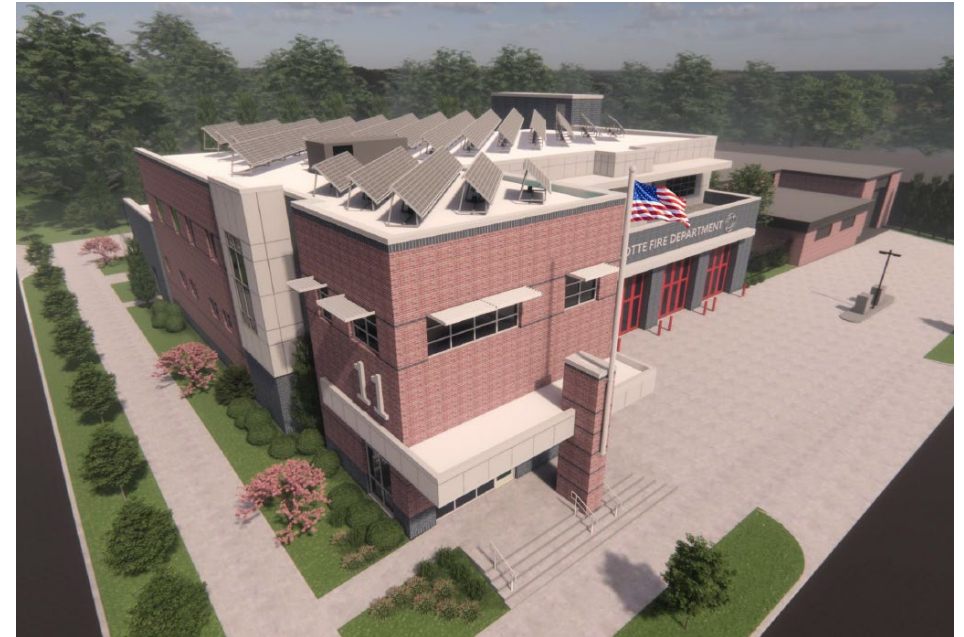
Addressing Fire Infrastructure

◀ 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

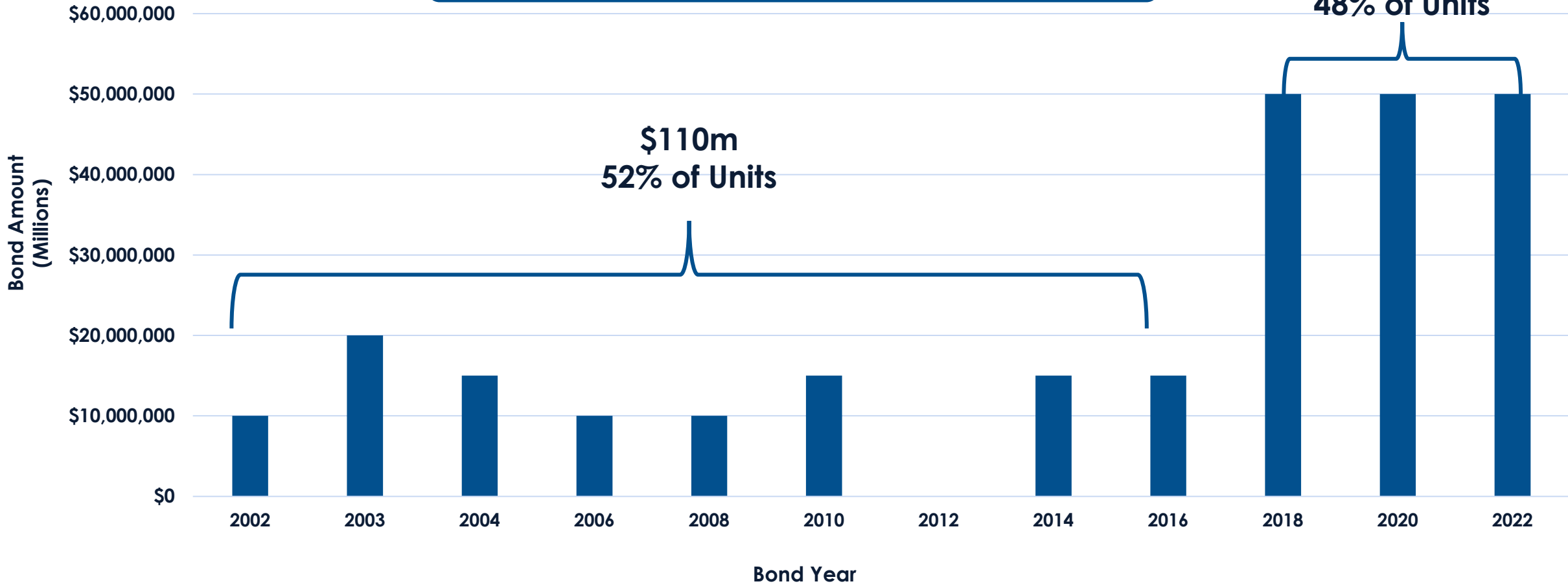
- Affordable Housing
- Arts and Culture
- Corridors of Opportunity
- Minority, Women, and Small Businesses
- Strategic Energy Action Plan (SEAP)
- SAFE Charlotte



Affordable Housing: What We've Accomplished

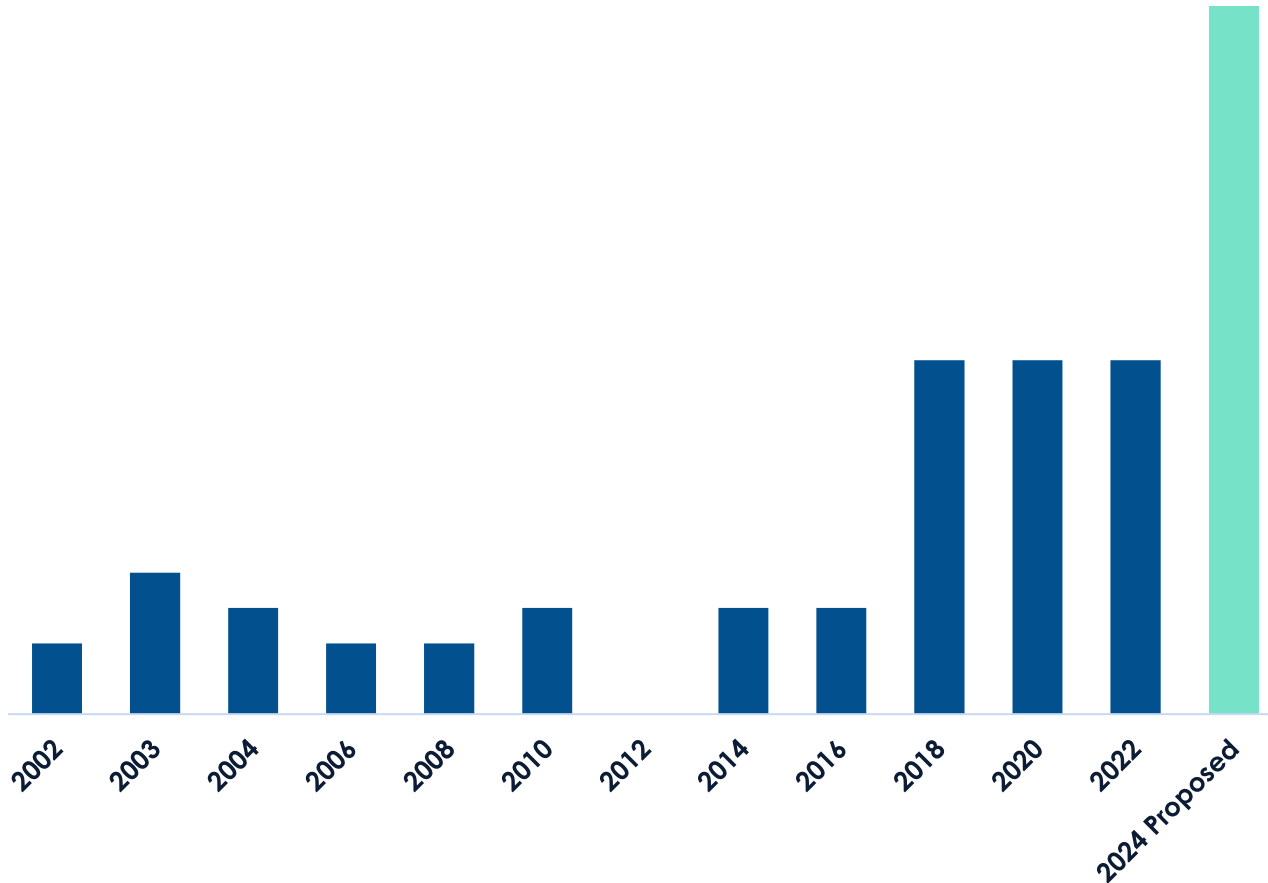
Key Initiative

History of Housing Trust Fund Investments



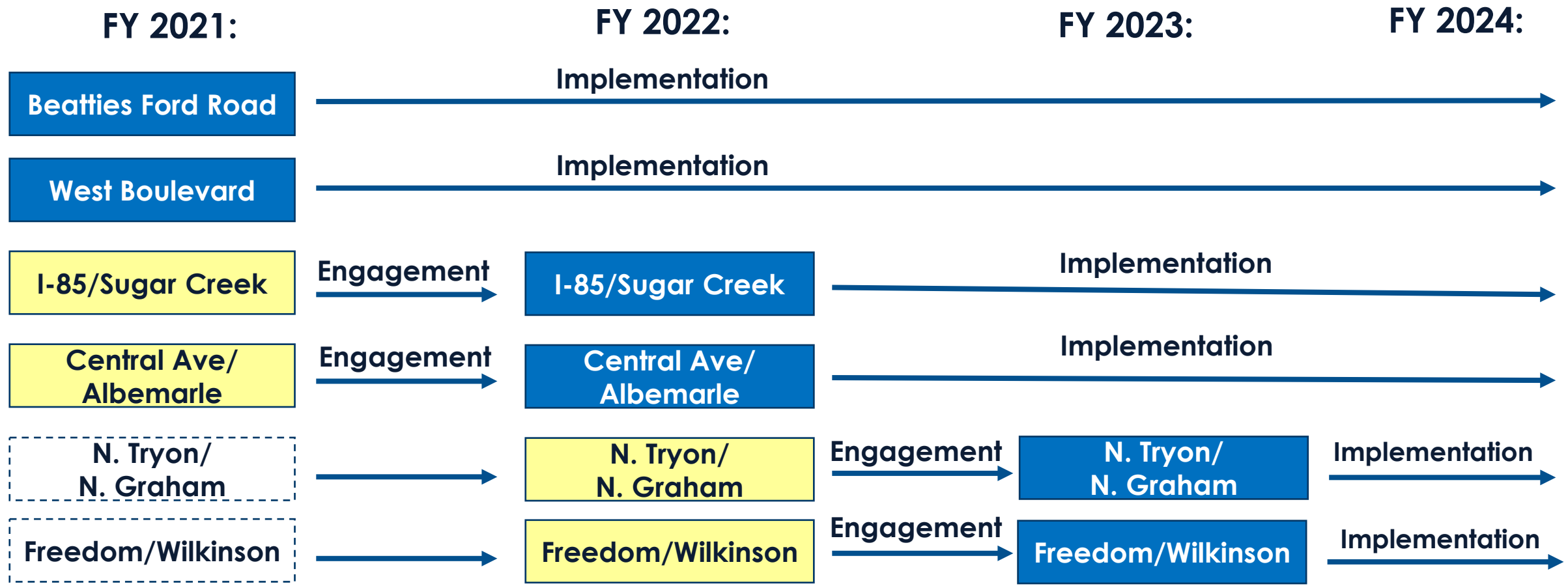
Generational Housing Investment

\$100m Housing Bond Proposed in 2024



- Homeownership
- New Multi-Family
- NOAHs
- Rehab and Repair
- Shelter and Supportive Housing
- Collaboration

Ready to Implement in all Six Corridors



Continuing Support to Address Community Priorities

Key Initiative

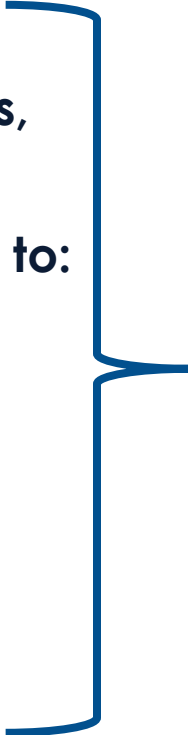
Building on FY 2024 Success in FY 2025

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

\$30m
FY 2025 Proposed



- 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

Supporting a Sustainable Arts Ecosystem

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

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

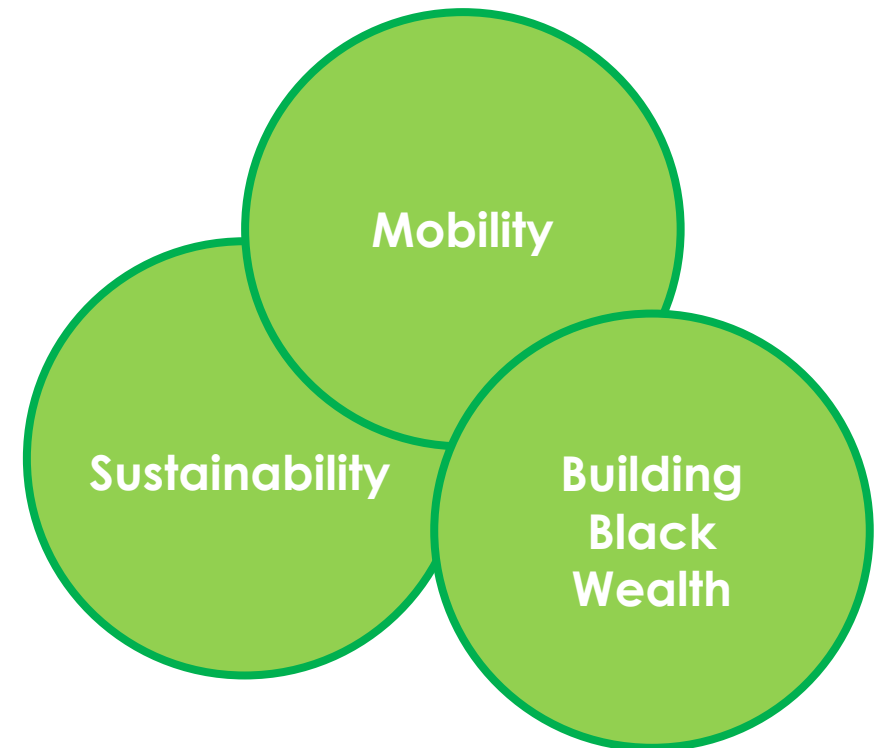
BLOOMBERG AMERICAN SUSTAINABLE CITIES

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



Small Business Strategy



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



Purpose: City, County, Partners, and Community work together to reduce violence, increase economic opportunity, and build healthier, more resilient communities.

| | | | | |
|---------------------------------|---------------------------------|--------------------|---|-----------------------|
| Intergovernmental Collaboration | Invest in Community-Led Efforts | Interrupt Violence | Community Collaboration in Priority Areas | Use Data and Evidence |
| PROGRAMS | | POLICY | PRACTICE | |

CITY OF CHARLOTTE

Policy Topic Referral to City Council Committee

Date of Referral: February 1, 2024

Policy Topic Area: Community Safety Framework

Referred by: Mayor Vi Lyles *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 in juvenile crime rates and the issue of repeat offenders.

Progress 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 polices need to be enhanced or implemented to fully leverage the community's data, stakeholders, and service providers to promote collaboration towards in 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 advancing collaboration across partners and stakeholders in more wholistically address current community safety needs.
- Review juvenile and repeat offender crime statistics and current community-wide programming/interventions, to enable data-driven strategies.
- Benchmark national best practices related to juvenile crime with a focus on prevention, diversion, and intervention.
- Leverage collaboration with applicable stakeholders including local elected officials, CMPD, Mecklenburg County (Office of Violence Prevention and Criminal Justice Services), District Attorney, Charlotte-Mecklenburg Schools, Judicial System, Charlotte Center City Partners, Sheriff's Office, State Legislature, local universities, and community stakeholders.
- Make any applicable policy recommendations to Council for consideration.

Mayor Issues City Message
 Patrick Baker, City Attorney
 Stephanie Kelly, City Clerk

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

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:

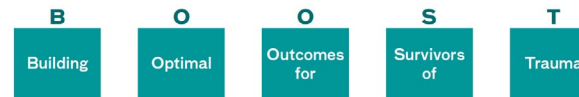
- Incorporate best practices into existing programs
- Increase participation of at-risk and justice involved youth in city programs
- Advance inter-governmental collaboration

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

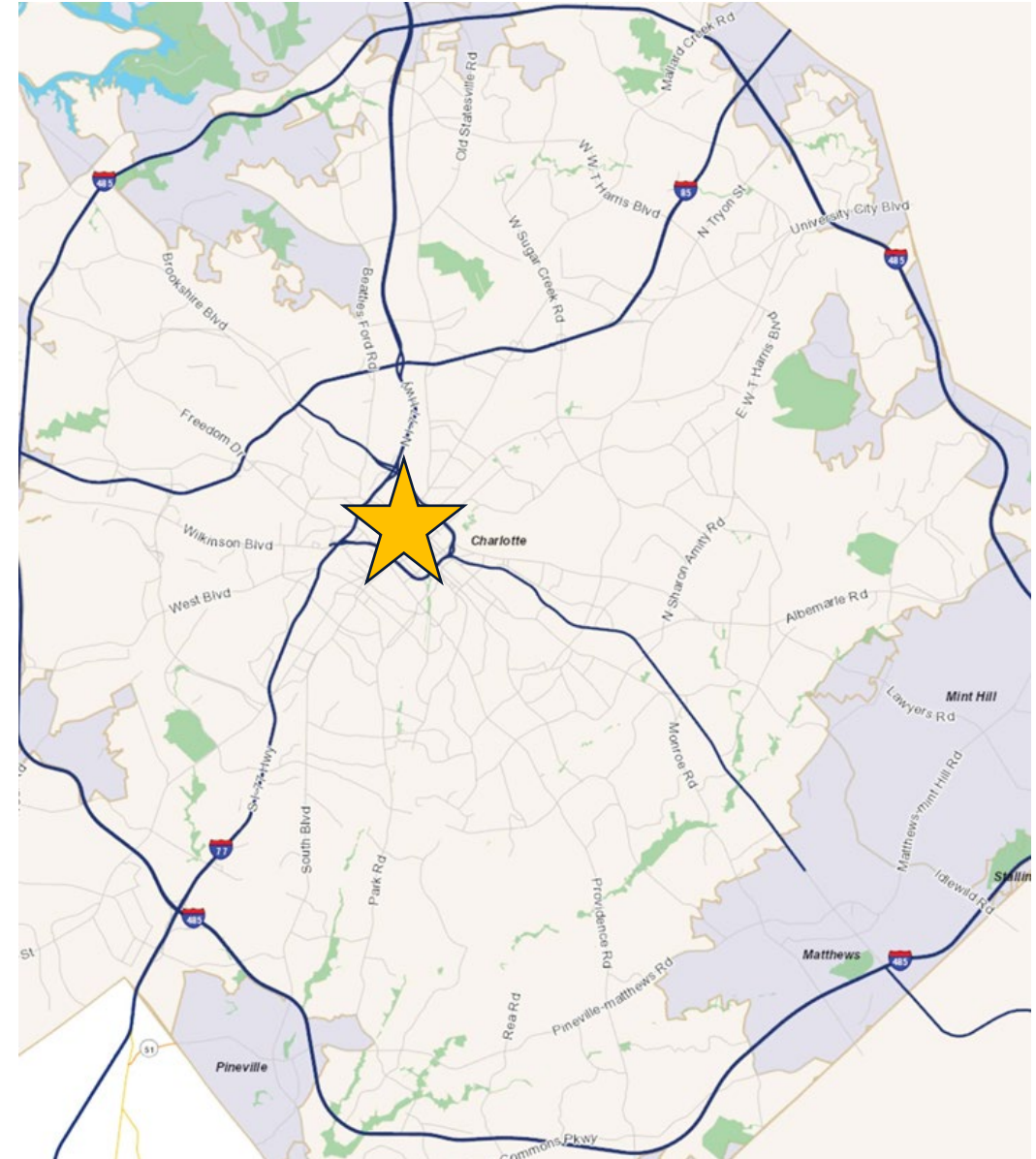


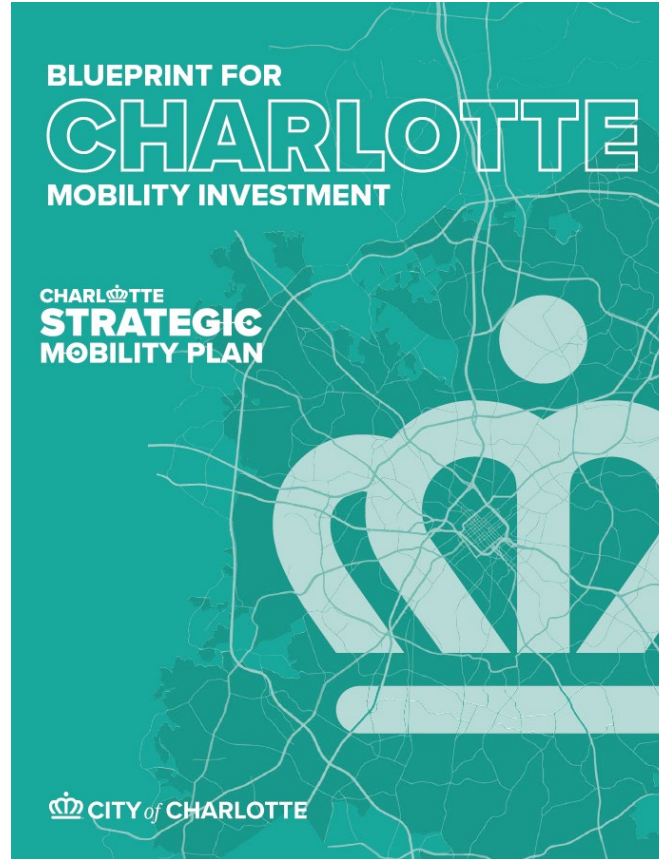
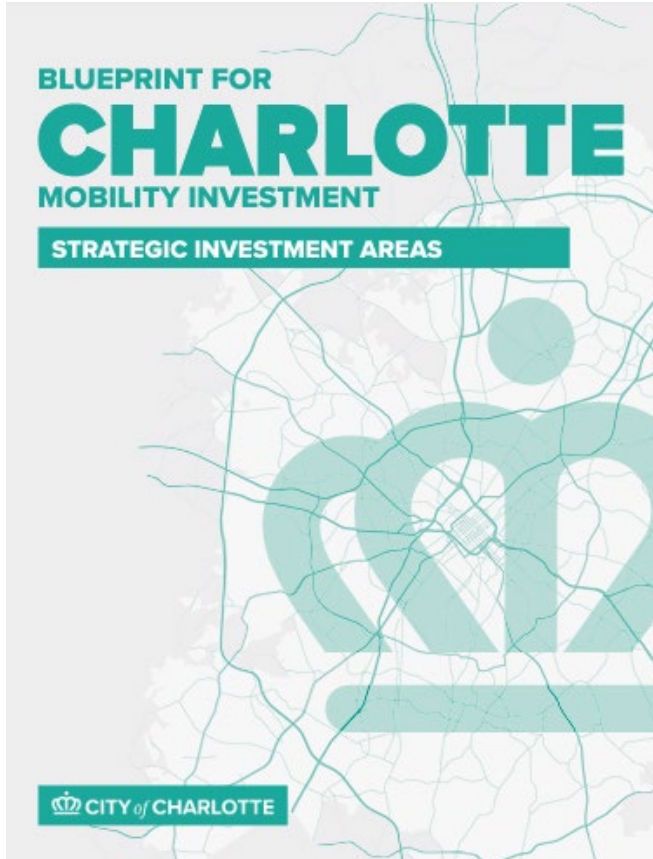
Atrium Health Project BOOST



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

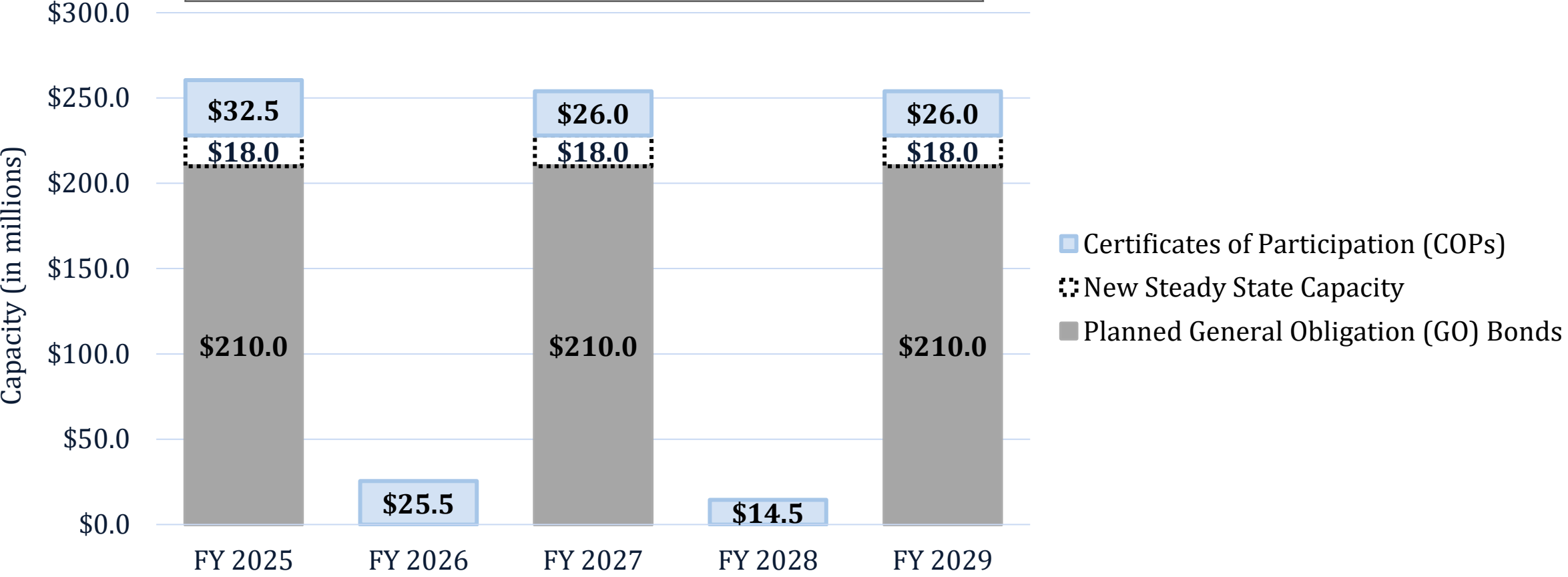




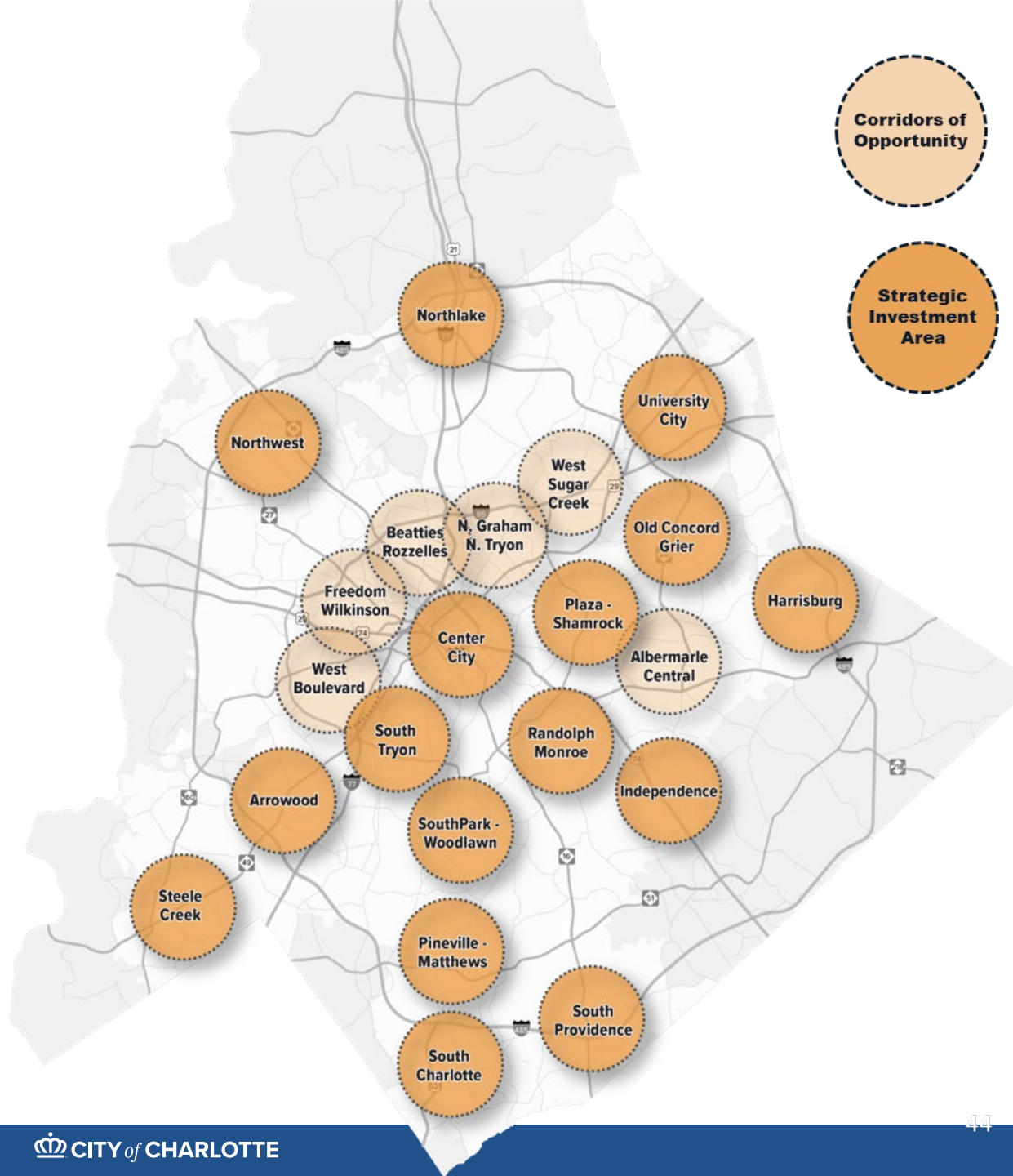
Starting to Execute on the Mobility Strategy

Reminder: February Budget Workshop

**Steady State Bond Capacity:
From \$210m to \$228m**

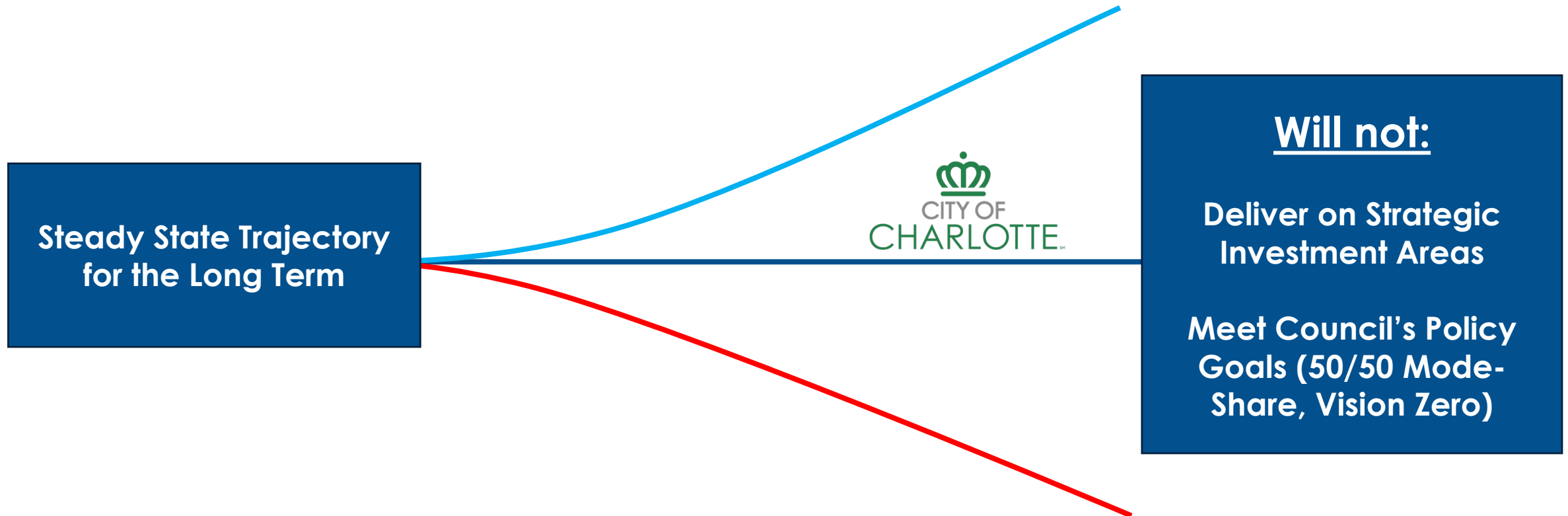


A New Approach to Maximize Impact

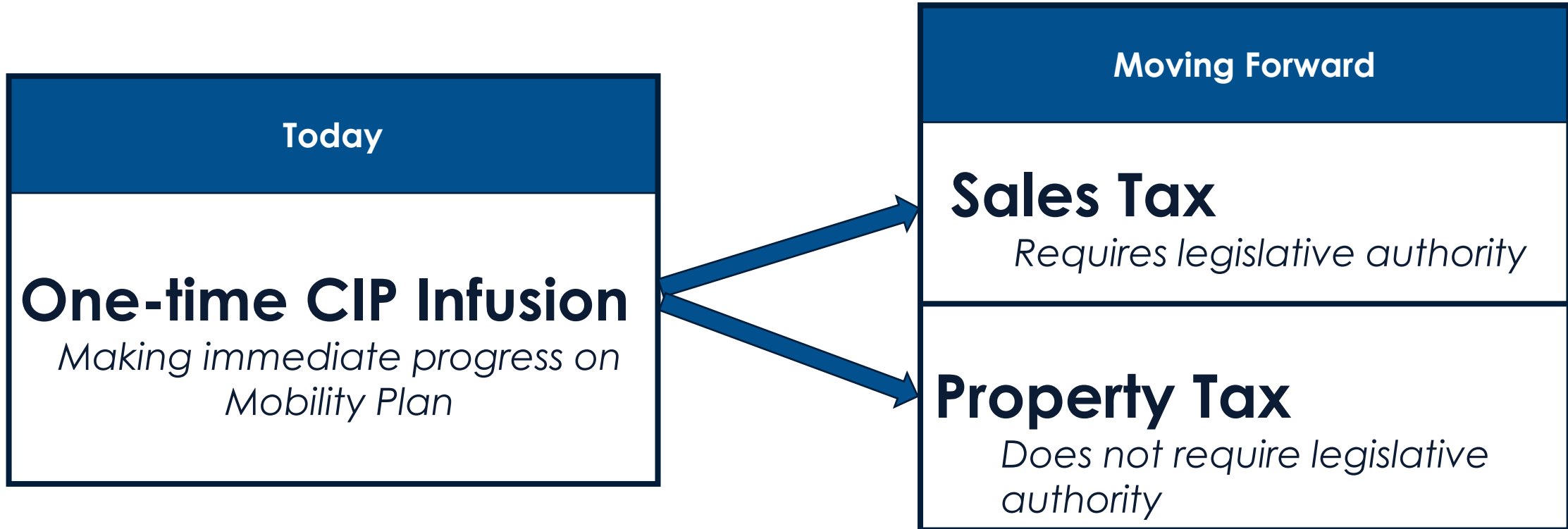


- **Strategic Investment Areas (SIAs):**
 - Focuses investments where they can have the greatest impact
 - Project Bundles – mix of project types and scale in one area
- **To Achieve This:**
 - New organizational structure to accelerate project delivery
 - Setting foundation to deliver on significant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

Looking ahead at the Steady State

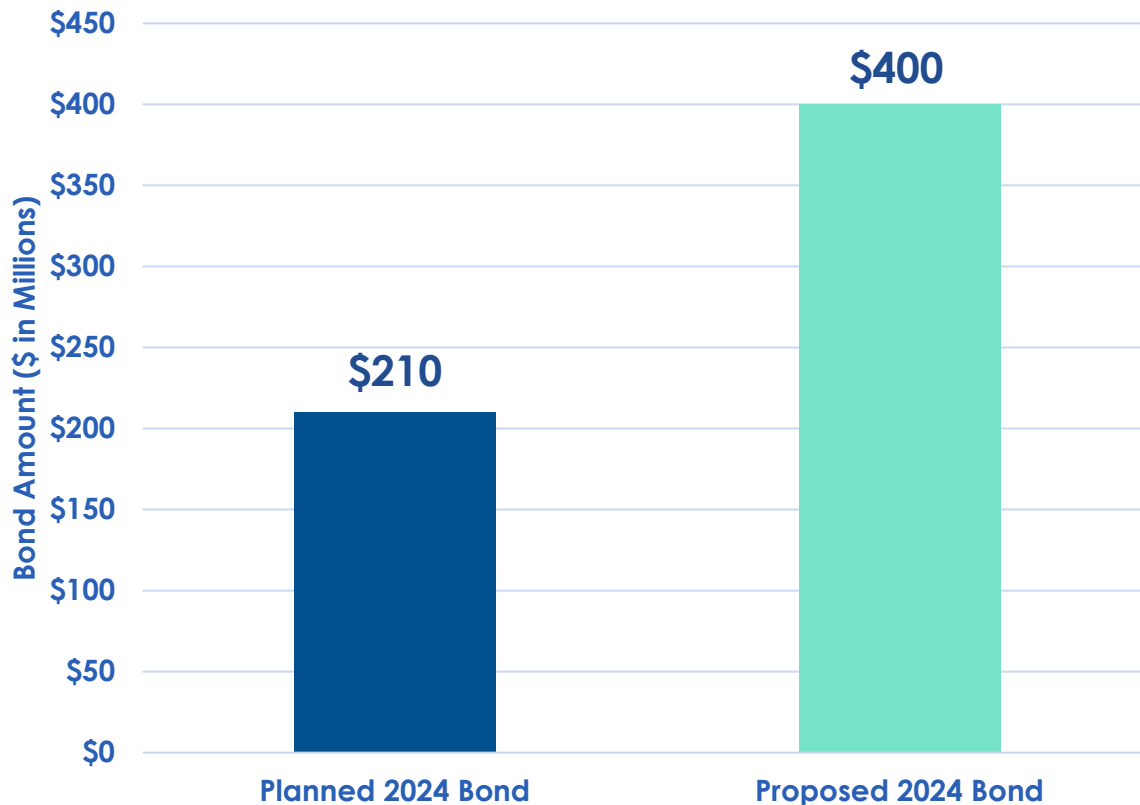


CIP Options Moving Forward



Proposed \$400m Bond in 2024

Nearly 2x Planned Bond



Accomplished this By:

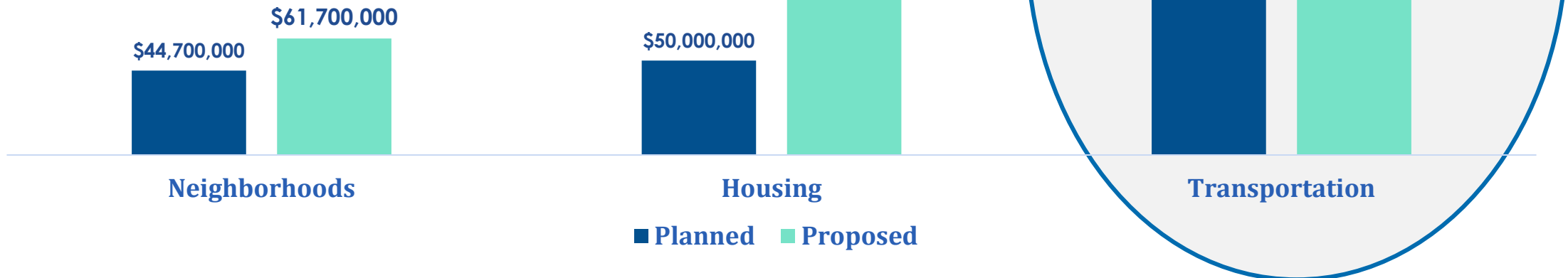
- ◁ Recalibrating Steady State for the next 3 bond cycles
- ◁ Returning to \$220m Steady State after next 3 bond cycles
- ◁ Increasing revenue

Snapshot of the 2024 Bond

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

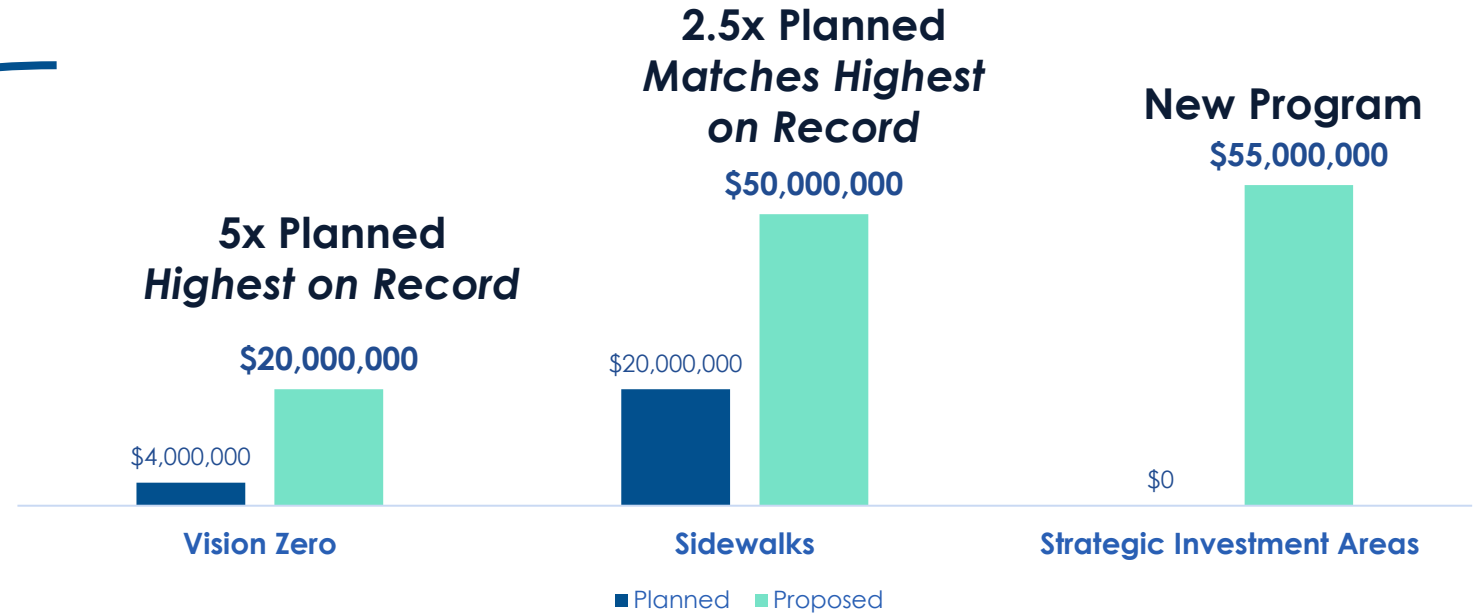
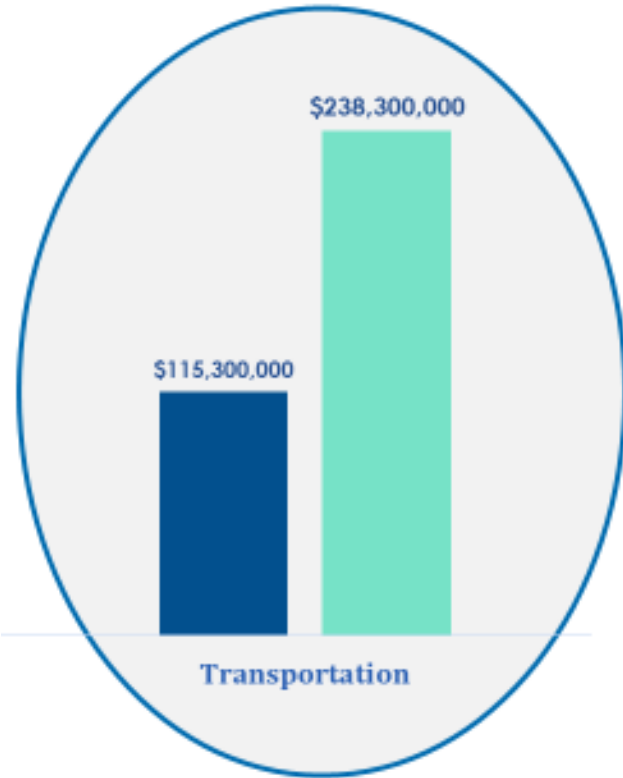
**\$25m for Corridors
+ \$15m from Planned
Highest on Record**

**\$100m for Housing
+ \$50m from Planned
Highest on Record**



Deep Dive: Transportation Bond

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



| | | | | |
|-------------------------|---------------------------------------|--------------------------------------|--|--|
| \$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





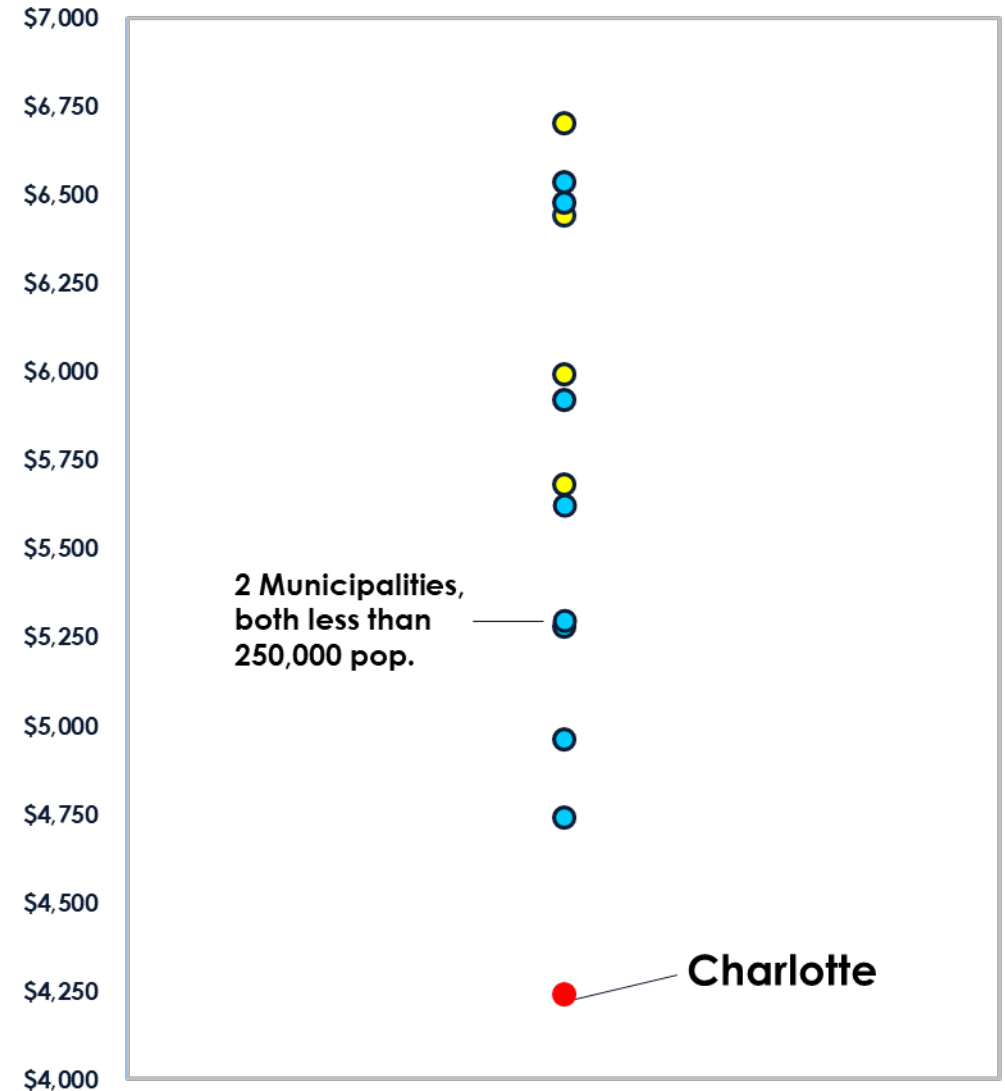
Implementing the Vision

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

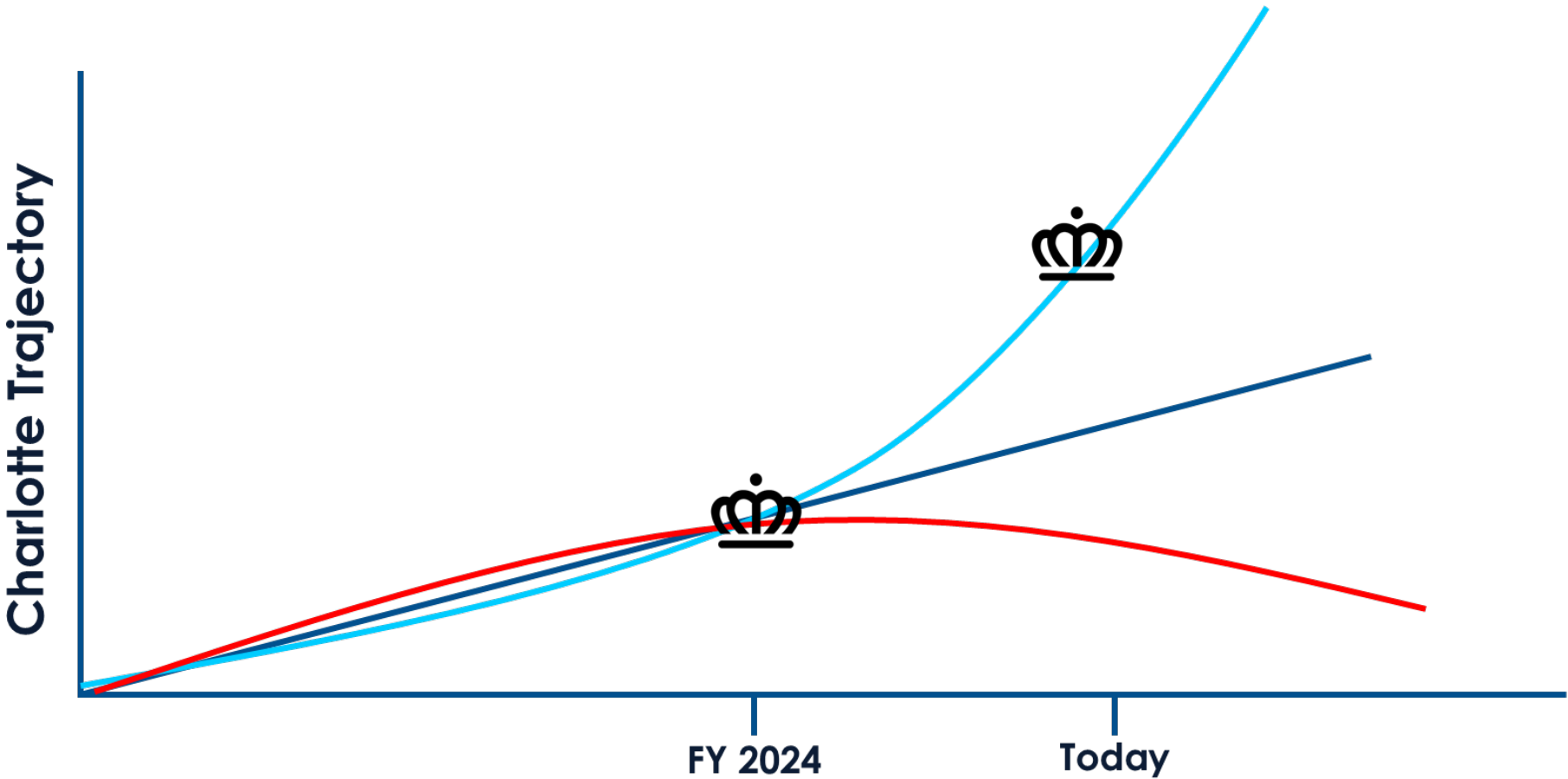


Increasing Fees to Maintain Service Levels



| | 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)