

Council Budget Questions and Requests for Information
2023-24 Manager’s Recommended Budget

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Question 1: Can you please confirm that the criminal justice debt program funding is included? What has been the demand to date for that funding? Is there a need to increase funding levels?

Respondent: Celisa Lehew, Chief of Police

Response: The criminal justice debt program funding (\$20,000) is included in the proposed budget. The amounts spent so far in FY23 are CH - \$2,460.23, Carrboro - \$1,375.25, OC/BB - \$2,728.25. Staff recognizes that applications are lower than expected and are working on an educational campaign with partner agencies to ensure that program information is effectively getting to people that will benefit from it. If we need to increase funding in the future, we will make that request.

Question 2: Can you share what is covered by the PEH (Orange County Partnership to End Homelessness) line?

Respondent: Sarah Viñas, Director of Affordable Housing and Community Connections

Response: The budget line includes funding for 7.15 positions, including the Homeless Programs Manager, Homeless Programs Coordinator, Housing Access Coordinator, 4 Street Outreach, Harm Reduction and Deflection positions, and a Rapid Rehousing Case Manager. The budget also includes funding for operational support. Based on the population-based formula outlined in the Memorandum of Understanding, the Town provides funding for 39.7% of the Partnership's budget.

Question 3: Where are we with working on a longer-term agreement with IFC?

Respondent: Sarah Viñas, Director of Affordable Housing and Community Connections

Response: The Manager's Recommended Budget for FY24 includes funding to support IFC's emergency shelter operations, consistent with the request the Town received from IFC (\$265,792). The Mayors-Managers-Chair discussions about the longer-term agreement for funding for IFC are ongoing.

Question 4: Can staff please share an update on the tax relief fund petition recommendation & funding options?

Respondent: Ann Anderson, Town Attorney & Sarah Viñas, Director of Affordable Housing and Community Connections

Response: The Town Attorney has advised staff that there are legal concerns about the statutory authority a municipality has to operate or even support a tax relief program.

The Housing Advisory Board recommended that Council investigate methods to assist eligible, low-income, longtime Chapel Hill homeowners with Town-related property tax bills and participate in the County’s Longtime Homeowner Assistance (LHA) program. Council also discussed this initiative at their May 10 Council meeting. Staff have researched program models, including Orange County’s LHA program. The Town could explore setting aside funding to support this interest while it continues to determine the best method of assistance for homeowners facing increasing property taxes.

Information about Orange County Tax Relief Program:

Orange County allocated \$16,364 in FY21 and \$251,038 in FY22 to the Longtime Homeowners Assistance Program. They have allocated another \$250,000 for the program in FY23. In FY22, the program served 474 households, 37% of whom lived in Chapel Hill. In FY22, 95% of those that applied for assistance received it. The eligibility for the program has been revised slightly for FY23 to include property value limits in addition to households earning less than 80% of AMI. For additional details about the program, please see the chart below.

Orange County Longtime Homeowner Assistance Program Overview

	FY21	FY22	FY23
Funding (ARPA for FY21-22)	\$16,364	\$251,038	\$250,000 (anticipated)
Households Served	91	474 (174, 37% in CH)	
Households Applied	130	500	
Households Applied but not served	39 (30%)	26 (5%) (13 from Chapel Hill)	
AMI Distribution	Data not available	100 (21%) at 30% AMI or below 270 (57%) between 31 50% AMI 104 (22%) at 51-80% AMI	
Avg/Median Award Amount per Household	\$96.98/\$179.83	\$529.62/\$338.56	
Eligibility	Own and Live in County for 10+ years Experienced increase in property taxes due to 2021 tax evaluation	Own and live in County for 5+ years 80% AMI or below	Orange County Homeowner House must be registered as real property

	80% AMI or less		<p>Applicant has lived in home for 5 years or more by the end of 2023</p> <p>Meets HUD homeownership value limits</p> <p>80% AMI and below</p>
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Question 5: Where does re-imagining community safety efforts sit in terms in staff leadership? What is the budget for these ongoing efforts?

Respondent: Alysha Phanord, DEI Program Analyst

Response: Tracking the efforts and implementing the recommendations of the Re-Imagining Community Safety Task Force is led by DEI Program Analyst, Alysha Phanord. Funding is nonrecurring, however, there is currently \$44,220 remaining, with \$34,000 of this earmarked for DEI and One Orange efforts. The next RICS update to Council is set for September 2023.

Question 6: The tenants of 140 West have expressed interest in a buy-out that would save the Town from the annual expenses related to 140 - are we interested in pursuing this?

Respondent: Dwight Bassett, Director of Economic Development and Parking Services

Response: The Town should explore this option, although it might not eliminate all Town expenses as it is a condominium association, and the Town is a member. The contract calls for a \$2 million dollar price for acquisition that could help offset the East Rosemary Deck cost overruns, or other items as Council deemed appropriate.

Question 7: What is the difference between the funding identified as everywhere to everywhere greenways and the one for greenways? How will coordination happen if funding is split between departments?

Respondent: Britany Waddell, Planning Director

Response: The Everywhere to Everywhere Greenways funding would be administered by the Transportation Planning team in the Planning Department to identify and design new greenways to support the E2E plan. The funds in the Parks and Recreation budget would be for maintenance and upkeep of existing greenways and potentially for construction costs of new greenways and supporting infrastructure, although we intend to continue pursuing grant funding and state and federal funding for most of the construction. Our departments already coordinate on greenways, with Planning generally overseeing design and administration and Parks and Recreation

generally overseeing operations and maintenance, so the proposed allocations fit within our existing structure.

Question 8: Are there any outstanding grants for everywhere to everywhere greenways?

Respondent: Bergen Watterson, Transportation Planning Manager

Response: Staff submitted a RAISE grant application in February 2023 for an Everywhere-to-Everywhere Greenways feasibility study; we expect to hear the outcome of the application by the end of June. The NCDOT SPOT 7.0 process (the funding prioritization process) is underway, and staff have submitted several greenway projects for scoring; we should have a better idea about funding in the next 6 months to a year. The Campus to Campus Greenway recently received \$200,000 of public participatory ARPA funding for design. Finally, staff continue to look for grant and other funding opportunities for greenways, but there are no others currently on the radar.

Question 9: Could you please share the list of parks maintenance needs and associated costs?

Respondent: Atuya Cornwell, Parks and Recreation Director

Response: Staff maintains a Parks and Recreation Capital Improvement Program Projects List, included as a separate attachment to this document. Specific repair projects are noted on this list. Staff is updating and adding information related to athletic facilities to the project listing this spring as well.

Question 10: Could staff please share the plan/strategy for ped and bike safety/vision zero needs (not what is currently budgeted, but what is needed) and then also what the amount budgeted would be used for?

Respondent: Bergen Watterson, Transportation Planning Manager

Response: There is extensive need for bike and pedestrian safety and Vision Zero funding. Staff has a list of specific projects and types of improvements that are needed across Town to improve safety at intersections and along corridors. Examples include RRFB crosswalks on MLK, streetlighting improvements, green paint for bike lane conflict zones, ADA improvements at high volume intersections, accessible pedestrian signals, filling small sidewalk gaps, bike loop detector installation and repair, and neighborhood traffic calming and slow zones. Staff has not developed solid cost estimates for these improvements, but \$250,000-\$350,000 to start would be a good guess.

The amount budgeted for next year - \$75,000 for bike and pedestrian safety and \$50,000 for Vision Zero – will be used for some of the projects listed above, as well as other needs that arise throughout the year. Staff is working on several tools that can be used to help prioritize needs

and requests from the public, so we are able to spend the available budget where it is needed most.

Question 11: I note there is currently a decrease of 14.2% in Affordable Housing Operating Costs - what are we not doing that we were? What can't we do because of that decrease?

Respondent: Sarah Viñas, Director of Affordable Housing and Community Connections

Response: The recommended budget includes a 29.5% increase to the Affordable Housing and Community Connections overall budget. The operating costs are recommended to decrease by ~\$12,000 from last year's budget, or 14.2%. The \$12,000 Operating Cost decrease reflects shifting \$12,000 from Operating Costs to Personnel to be used for salaries for temporary positions such as program support staff and interns. Departmental supplies and contracted services are the main Operating Cost line items showing a decrease.

Question 12: How long has the grant writer position been filled? How many applications have been submitted and what has our win rate been so far?

Respondent: Ross Tompkins, Strategic Operations Manager

Response: The position remains vacant after multiple recruitment efforts. In lieu of having a staff person dedicated to this effort, we have been exploring how to use outside assistance for targeted applications. For example, the Town recently contracted with a professional services firm to assist with writing a RAISE grant application for an Everywhere to Everywhere Greenway feasibility study. Current staff continue to team up on grant applications, with positive results such as the recent news on our Community Project Funding requests. We will have more good news to share about grant awards soon. Staff are also in the process of conducting an internal grants administration needs assessment, with the goal of using what is learned from these different initiatives to inform our longer-term approach to the grant-writing position.

Question 13: Can you give us specifics on the new positions you're proposing to add to staff?

Respondent: Sally Shader, Budget Analyst

Response:

- Engineer I-III (split 50/50 between PW Engineering and Stormwater)
 - This position supports staff's ability to meet maintenance requirements and to timely complete permit-required activities, including development review, illicit discharge detection and elimination, monitoring and inspections, ordinance revisions, and policy development. The General Fund cost will be largely offset

due to a reduction in temporary salaries, and the Stormwater cost will be largely offset due to a reduction in professional services contractors.

- 2 Apprentices (Building & Development Services) ***NOT FTEs***
 - Two temporary apprentices will be given the opportunity to enter this field at a very low level of knowledge and be trained up by our experienced staff over the next 2-3 years, with the intent that they be hired into FTE positions that are open and take the lead in specialized inspection areas.
- 3 Firefighters (Fire)
 - These new positions would give CHFD relief staffing to cover vacancies created by staff on leave. They would also offset the overtime usage of the department while also allowing for decreased vacancies, due to more staff being progression- and promotion-eligible.
- Special Projects Planning Technician (Planning)
 - Council priorities to bring all Town policy documents into compliance with guiding objectives laid out in Complete Communities, including but not limited to the LUMO, Comprehensive Plan, and Design Manuals, will require increased staff time and necessitate the need for additional plan evaluation. Rewrite efforts will be multi-year projects requiring additional staffing for project management and ordinance drafting.
- Greenways and Mobility Planner/Project Manager II (Planning)
 - This position will be instrumental to managing E2E Greenways and other mobility projects. Transportation Planning staff is currently unable to initiate new funded projects due to limited capacity, and the grant writing, feasibility studies, design/engineering, and construction management of this magnitude of projects will need additional staff.
- Commercial Plans Reviewer (Building & Development Services)
 - This position will assist the department and Town in keeping up with the increased demand for development in the area, especially as the number and complexity of projects increases with more diverse commercial buildings and project types. There is currently one main Commercial Reviewer juggling the workload while the Residential Reviewer is training up. Having this additional reviewer will allow staff to attend necessary coordination meetings and better communicate with applicants and designers to move development forward.
- Crisis Counselor (Police)
 - The addition of one Crisis Counselor will increase the ability for staff to respond to calls for individuals experiencing a crisis. This particular staff member will be part of a county-wide Mobile Crisis Team. This team is a 2-year pilot program, and includes a peer support specialist, a crisis counselor, a dispatcher, and an EMT. The purpose of this unit is to respond to lower-risk emergency calls to 911 that are related to addiction, mental health crisis, and/or community members living unsheltered who don't pose a danger to others.
- Municipal Arborist (Parks & Rec)

- Parks & Rec currently does not have a dedicated employee who manages the Town's urban forest, due to a medical hardship and needed reclassification. By adding this position back, the Municipal Arborist will continue to lead the Town's tree protection, tree maintenance, and future investments in the urban forest for those who are currently here and for those to come.
- Maintenance Mechanic (split 50/50 between AH&CC and Public Housing)
 - This added position is the beginning of a staffing model that will support Affordable Housing and Community Connections having a dedicated Maintenance Mechanic for the Transitional Housing portfolio. Given the growing maintenance needs of this portfolio, as well as the increased needs of Public Housing, these departments are proposing a shared position that would be jointly funded by both departments. This position's primary work would be that of Transitional Housing needs and then supplemented by Public Housing needs.
- Affordable Housing Manager (AH&CC)
 - This position would be responsible for managing the Town's affordable housing activities, including identifying opportunities and methods to create innovative affordable housing consistent with the Council's goals. It would serve as a supervisor for the Town's Affordable Housing team and manage the day-to-day implementation of the Town's Affordable Housing Plan.
- Information Tech Analyst (Transit)
 - This position will be used to support ongoing Transit needs in relation to technology, as the department continues to have additional needs for computer and email support. This position would be a part of the Technology Solutions staff, funded through the Transit Budget.
- Safety & Training Coordinator (Transit)
 - The Safety and Training Audit completed in 2021 strongly recommended adding two Safety and Training Coordinator positions to help meet training needs and reduce the need to pull Operations Supervisors from daily tasks to assist with training/re-training. The department is recommending adding one of these positions in FY24 and will evaluate the need for additional trainers as they see how this investment addresses safety and training needs.
- Service Attendant (Transit)
 - Based on the termination of an outsourced cleaning contract, Transit wants to utilize that funding to fill a critical need for the position of Service Attendant. This position is necessary for the daily servicing and maintenance of the Transit fleet.

Question 14: Are transit increases (annual bus purchase debt service, BRT operations increases) and public housing investment (major property renovations) part of the five-year strategy numbers you've given us?

Respondent: Brian Litchfield, Transit Director

Response: Estimates for Transit related costs, including bus replacements, operating, and BRT are included in the Five-Year Budget Strategy in Theme 5: Transportation (pages 89-111) - <https://www.townofchapelhill.org/home/showpublisheddocument/52402/638011832373900000>. These costs are not included in the facilities, fleet, staffing, etc. in FY24 Budget Focus Areas and would be in addition to the General Fund funding scenarios that were presented during the March 15, 2023 Budget Work Session.

Respondent: Faith Brodie, Public Housing Director

Response: The concept of proposed public housing investments is included as part of the five-year strategy. However, it is difficult to assign actual numbers yet (tax credits, cost of development, and design specifications are hard to speculate two years out).

Question 15: Can you furnish us with a comparison of what neighboring municipalities are doing in terms of real estate tax increases and salary increases?

Respondent: Greg Reger, Data & Analytics Coordinator

Response: Using publicly available FY24 recommended budgets, staff benchmarked 12 local governments regarding increases to tax rates, tax bases, and salary increases (note: two of the twelve communities did not have available recommended budgets as of May 17th). The 5% of market salary increase is in line with the benchmarked communities. A 5-cent property tax increase is the highest of the benchmarked communities, though tax base growth for municipalities within Orange County is lower than those within Durham County or Wake County. The table below displays staff’s findings.

Municipality	Current Tax Rate (cents)	Tax Rate Increase (cents)	Tax Base Increase	Recommended Salary Increase
Apex	41.00	3.00	3.51%	2% salary structure + 4% merit
Burlington	FY24 Recommended Budget not yet public			
Carrboro	FY24 Recommended Budget not yet public			
Cary	34.50	No recommended change	2.09%	5% salary structure increase
Chapel Hill	52.20	5.00	1.18%	5% midpoint-based increase
Durham City	55.77	No recommended change	4.25%	2% salary structure + 4.8% merit
Durham County	72.22	3.00	4.73%	3-4% merit + 7% pay study implementation (COLA-like)
Hillsborough	58.70	No recommended change	1.64%	3.25% merit + \$1,000 COLA
Morrisville	39.00	No recommended change	5.50%	2% COLA + 4.5% merit

Orange County	83.12	0.46	2.06%	6% COLA
Raleigh	39.30	4.00	2.51%	3.5% merit for broadband and 5% for public safety/general pay structure
Wake County	61.95	3.25	2.66%	2.5% salary structure + 5% merit
Wake Forest	49.50	1.00	2.83%	Merit increase, unstated percentage

Question 16: Can we receive a chart/table showing all the departmental staffing changes including new positions, transfers, and eliminations?

Respondent: Matt Brinkley, Assistant Director of Business Management

Response: The Manager’s Recommended Budget document includes staffing summaries for each department. These summaries display the 2 prior fiscal years and the FY24 Recommended Budget. The staffing summaries are combined for the entire organization on page 4.

Question 17: Is there any way in which the two tenants of the old Post Office can contribute to the cost of the HVAC replacements?

Respondent: Lance Norris, Public Works Director

Response: The current tenants of the Post Office/Courthouse are the Orange County District Court, the Office of the District Attorney, the U.S. Postal Service, and the Franklin Street Teen Center. The Town uses part of the lower level for storing old records and some building maintenance materials.

The Town has a lease agreement in place with the United States Postal Office (USPO). Under the lease agreement with the USPO, the lease requires the Town to provide utilities, including an HVAC system, maintenance, custodial services and three parking spaces for postal employees.

Based on a memo from 1998, there is no lease associated with the judicial functions in the Post Office/Courthouse and very little information in Town files regarding the Town’s responsibilities to the District Court. Based on this limited information, the Town is responsible to provide and maintain court facilities and the Court is responsible to pay a portion of court costs to the Town. The Town is under no legal obligation to provide court space.

We believe that the District Court in Chapel Hill was established in response to a petition from the Town to the State. By having local court facilities, it allows police officers to remain in their working jurisdictions and is advantageous for residents and students.

The Franklin Street Teen Center, Inc. has been leasing a part of the Post Office/Courthouse Building basement since April 1984 although we have not officially executed a lease since May 31, 1997. The Town receives no payment from the Teen Center.

Question 18: How were the priorities for the vehicle replacements determined?

Respondent: Lance Norris, Public Works Director

Response: There are several factors considered in the fleet management software in determining when a vehicle or piece of construction equipment should be replaced, including age, mileage, usage, maintenance history, current overall condition, etc. Points are assigned with a maximum number of points of fifteen, indicating that the vehicle/equipment is at or beyond its useful life. This information is considered each fiscal year in making budget recommendations for fleet replacement. In addition, given the limited funding and significant needs, Fleet Management weighs the purchase of less expensive vehicles (i.e., sedans or SUVs) given the needs instead of purchasing larger and more expensive vehicles (i.e., motor grader and refuse trucks).

Fleet Management also has conversations with departments to discuss their interests to help identify appropriate vehicles and priorities based on their operational needs.

Question 19: The budget package indicates that vehicles used to be financed (a practice that was stopped in 2014). Would going back to financing allow us to meet critical needs sooner?

Respondent: Matt Brinkley, Assistant Director of Business Management

Response: Reverting back to financing vehicles would allow the Town to buy more vehicles immediately but would force the Town to pay increased costs for the vehicles due to interest costs. Financing vehicles also goes against our debt capacity. We moved to a pay as you go approach and stretch the funds further by saving on interest costs.

Question 20: What is the reason that the campus-to-campus greenway was selected as the next greenway for design?

Respondent: Bergen Watterson, Transportation Planning Manager

Response: The Campus-to-Campus Greenway has always been a priority project for the Town – staff has submitted it to the last few rounds of the state’s SPOT process without success. The greenway project has become more important now that the Jay Street affordable housing development is moving forward, as it would provide easy access for residents to travel on foot or on bike to downtown, campus, and to destinations farther north and east via the Bolin Creek Greenway and/or Estes Drive improvements. The greenway recently received \$200,000 of public participatory ARPA funding for design, and funds from next year’s new greenway allocation will allow staff to fully design and acquire necessary rights-of-way to make the project shovel ready.

Question 21: If the Council were to request a decrease in the tax rate increase, say to four percent, can you provide us with scenarios as to how such a decrease would be accommodated?

Respondent: Matt Brinkley, Assistant Director of Business Management

Response: At the Work Session on May 17, Town Staff presented an option for bringing the tax increase down to 4 cents for Town Council to consider.

Question 22: Page 16 states that there are 11 new positions, but page 4 indicates that there are 12. Which is correct?

Respondent: Sally Shader, Budget Analyst

Response: The 11 positions referred to on page 16 specifically affect the General Fund (see the response to Question 13 – omit the temporary apprentices and Transit positions). Two of these are split between General and Enterprise Funds (the Engineer for PW/Stormwater and Mechanic for AH&CC/Public Housing). 14 new FTE positions are being recommended in total (including Transit), but since the Building & Development Services shifted multiple positions around (see Question 31) there is a decrease of 2, resulting in a net gain of 12 positions organization-wide.

Question 23: What is the reason for the increase in investment income over the past two years?

Respondent: Matt Brinkley, Assistant Director of Business Management

Response: The increase to the budgeted amount for investment income is directly attributable to the increase in interest rates. Fiscal years 2020-21 & 2021-22 saw a sharp decline in interest income in the General Fund. The current fiscal year has seen a sharp increase in interest income, and we expect that to continue into FY24.

Question 24: Charges for services are expected to increase. Is that due solely to volume or are we also increasing rates/fees?

Respondent: Sally Shader, Budget Analyst

Response: Both an increase in volume and increased fees are causing this. Volume is increasing across the board as we return to what could be considered normal operations post-pandemic, especially in the Parks & Rec and Planning departments. Increased fees are at play with Planning, as the Recommended Budget includes changes to the HDC-COA fees, raising base and price-per-square-foot fees by 5%, and raising/removing the cap on development fees.

Question 25: We now have a grants administrator. Why are grants for the coming year forecast to decline?

Respondent: Ross Tompkins, Strategic Operations Manager

Response: The position remains vacant after multiple recruitment efforts. In lieu of having a staff person in this role, we are taking a multi-pronged approach to grant administration, with the goal of using what is learned from these different initiatives to inform our longer-term approach to the grant-writing position. In the meantime, we have kept the budgeted General Fund revenues for grants relatively flat compared to what was originally budgeted for the current year.

Question 26: The staffing for the Manager's office is projected to increase by four for the coming year and a total of nine since 2021-22. How many of these are transfers and how many are new? What are the functions/roles of the new positions for the coming year?

Respondent: Ross Tompkins, Strategic Operations Manager

Response: The increase of four positions in the coming year are all transfers based on a consolidation of the Emergency Management and Risk Management functions for the Town inside the Manager's Office. In 2022-23, two Emergency Management positions were in the Fire Department and two Risk Management positions were in Human Resource Development.

The five positions from 2021-22 to 2022-23 were new positions:

- DEI Program Analyst
 - Economic Development Administrative Coordinator
 - Grants Administrator
 - Sustainability Program Analyst*
 - Sustainability Outreach Coordinator*
- *funded through the Climate Action Fund

Question 27: The Planning Dept. budget eliminates the LUMO project manager position. How will the LUMO rewrite be managed? Will this affect our timelines?

Respondent: Britany Waddell, Planning Director

Response: Although this working title is shown as eliminated in the proposed budget, the Planning Department is not losing an FTE. This position is being counted as a Principal Planner. The function of project manager for the LUMO rewrite is being handled by a current Principal Planner position. There are no impacts to the LUMO timeline or schedule.

Question 28: Which of the Planning Dept. positions are grant funded for the coming year. How will those positions be funded in years ahead?

Respondent: Bergen Watterson, Transportation Planning Manager

Response: 10 positions in the Planning Department are funded through grants next fiscal year. One of the MPO grants (STBG) will not be available for staffing after FY24 and Town staff are working out how to fill that gap for FY25. The other MPO grant, the TDM grant, and the GHSP grant must all be reapplied for annually. The SRTS grant is for 3 years of funding with a likely renewal at that point.

Transportation Planning Manager	80%-90	MPO grants
Transportation Planner	80%-90	MPO grants
TDM Community Manager	50%	TDM grant
Complete Streets Specialist/ Vision Zero	100%	GHSP grant - part-time position
2 Transportation Planning Assistants	90%-100%	MPO grants/GHSP grant
Safe Routes to School Coordinator	80%	New SRTS grant
Administrative Coordinator	15%	MPO grants
Principal Planner	15%	MPO grants
Planning Manager	40%	MPO grants

Question 29: The Public Works budget includes a significant increase in Construction. To what is this increase attributable?

Respondent: Lance Norris, Public Works Director

Response: The recommended budget for the Construction Division of the Public Works Department reflects a 15.8% increase from the 2022-23 budget. Personnel expenses increased by 6.9% due to a 0.75% retirement increase and a salary increase. Operating expenses increased by 33.1% due to the replacement of a crew truck, and an increase in vehicle maintenance and fuel costs.

Question 30: Could we receive additional information on the role/duties of the new Affordable Housing Manager? Also, what will the Maintenance Mechanic do?

Respondent: Faith M. Brodie, Director of Public Housing and Sarah Viñas, Director of Affordable Housing and Community Connections

Response: The proposed Affordable Housing Manager position would be responsible for managing the Town's affordable housing activities, including identifying opportunities and methods to create innovative affordable housing consistent with the Council's goals. It would serve as supervisor for the Town's Affordable Housing team, including the Affordable Housing Development Officer and Community Development Programs Manager. This position would

also oversee the day-to-day implementation of the Town's new Affordable Housing Plan, anticipated to be approved by Council in June.

The new Maintenance Mechanic position is the beginning of a staffing model that will support Affordable Housing and Community Connections having a dedicated Maintenance Mechanic for the Transitional Housing portfolio. The Town's portfolio of Transitional Housing has doubled over the last several years and the Town now owns and manages 21 units of scattered site housing. Given the growing maintenance needs of that portfolio, as well as the increased needs of public housing, the budget proposes a shared position that would be jointly funded by both departments. This position's work would be focused on addressing Transitional Housing and Public Housing maintenance needs.

Question 31: There are a number of shifts – and an overall staffing reduction – in Building and Development Services. Can we receive an explanation of these?

Respondent: Chelsea Laws, Building & Development Services Director

Response: To get the necessary positions to meet the needs of the department, it was essential to shift several positions around. One shift done to secure and fund the much-needed Assistant Director position involved combining a position that wasn't being used effectively in the Permit Center. Additionally, the funding from a vacant manager level position within the department was repurposed to fund another manager position within a sister dept. However, the overall decrease reflected in the budget is likely because the shared Code Enforcement staff member that used to be counted within the department was officially shifted to Police after the BDS split from Police.

Original Position(s)	New Position	Notes
Systems Administrator Permit Technician	Assistant Director, Permit Center	Part of two positions combined to fund this position
Planning Manager	Community Safety Planner	Position used to create position in PD
Sr. Permit Tech Code Enforcement Officer	Permit Center Coordinator	Two positions combined to fund this reclassification
Sr. Code Enforcement Officer	Sr. Code Enforcement Officer	Reflects in PD FTE count following BDS split from PD

Question 32: There are a number of staffing changes in Parks and Rec. Could we receive an explanation of them?

Respondent: Atuya Cornwell, Parks and Recreation Director

Response: Staffing levels overall have remained the same over the previous two adopted budgets. The department has a couple of positions which were reclassified over the last year:

Original Position	Reclassified To	Notes
Municipal Arborist	Parks Outreach Specialist	Reclassified due to medical hardship
Recreation Supervisor	Senior Recreation Supervisor	Position leads Athletics unit
Senior Planner	Principal Planner	Reclassified due to personnel meeting qualifications for Principal Planner
Project Manager (within Landscape Services and Park Maintenance)	Park Maintenance Supervisor	Provides similar supervisor position model to the Recreation Division
Aquatics Specialist	Senior Recreation Supervisor (C.A.R.E)	Position leads Community and Recreation Experiences unit

Question 33: When is the Wallace Deck projected to close? Does the budget revenue accurately reflect this?

Respondent: Dwight Bassett, Director of Economic Development and Parking Services

Response: The Wallace Deck is proposed to close with the opening of the East Rosemary Parking Deck, which is scheduled for March 2024. The Town has a right to continue to lease the Wallace Deck if there is a parking demand unmet by the new Parking Deck. The proposed budget reflects income from the Wallace Deck until March 2024, and income from the East Rosemary Parking Deck from March to June 2024.

Question 34: Why does the budget for off-street parking show expenditures of about \$250,000 for on-street parking?

Respondent: Dwight Bassett, Director of Economic Development and Parking Services

Response: Parking has had an excessive number of accounts that took many decades to create. We have been working to simplify and flatten our budget structure for the ease of management. What you are seeing is combining some accounts without negatively impacting our ability to know where we are spending money. Expenditures for parking maintenance are simple enough that we can pull them out by lot or deck if needed, so we combined those accounts.

Question 35: Does the Town contribute any funds to Public Housing or is the funding entirely derived from HUD and rentals? Are there any prohibitions on the Town providing funding if it wished to?

Respondent: Faith M. Brodie, Director of Public Housing

Response: The Town doesn't contribute any funds to Public Housing. The Town does provide services through our internal service departments for support such as finance, human resources, technology support, and overall Town management. The revenue is derived from HUD contributions and rentals. I am unaware of any prohibitions to funding the Public Housing function with Town resources. However, the Public Housing Fund is an enterprise fund, and the nature of enterprise funds is that the revenues generated by the program will pay for the service.

Question 36: The estimated actual expenditures in the Capital Improvements Fund for 2022-23 are \$3,551,601. The budget for 2023-24 is \$2,386,104. Why does this show as an increase of 222 percent?

Respondent: Matt Brinkley, Assistant Director of Business Management

Response: The estimated total of Capital Improvement Fund expenditures for the current year (\$3,551,601) reflects the adopted allocation for FY23, the amount carried over from projects that started in previous fiscal year(s), as well as excess fund balance that was allocated in the current year for capital projects. The reason for the 222% increase is due to the way that we display % change from year to year in the budget. The percentage change is a comparison of the previous year's adopted budget to the upcoming year's recommended budget.

Question 37: Why have we spent so little of the 2015 Bonds allocated to streets and sidewalks?

Respondent: Lance Norris, Public Works Director

Response: Several large projects are underway, including the Estes Drive Connectivity Project, Homestead Road and Seawell School Road Sidewalk Project, and Fordham Sidepath Project. A couple of these projects were awaiting NCDOT approval, and it took several months before the Town received approval to bid and construct. Some of these projects were also awaiting additional funding from bond funds based on recent cost escalation.

The Town Council recently approved the issuance of the remaining available bond funds in the amount of \$7.7M in the 2015 Streets and Sidewalk Bond Funds. These funds were allocated to 10 projects at the March 22nd Council meeting, allowing projects to proceed with design and/or construction.

Question 38: Can we receive a breakout of the capital expenditures from the 2022-23 Climate Action Fund? Why were operating costs so much lower than budgeted?

Respondent: John Richardson, Community Sustainability Manager

Response: The table below shows a breakout of FY22-23 capital expenditures to date.

Description	Amount
Cedar Falls LED Light Upgrade	\$207,268
(2) Nissan LEAFs for Inspections	73,348
EV Charging Station, Eubanks P&R Lot	6,262
Total	\$286,878

*Grant funded

Operating costs were lower than budgeted because we held matching funds for an EV refuse grant up until the time that Council decided to fund a majority of the match with fund balance. The held funds were originally budgeted for operating because we envisioned using them for professional services rather than direct capital outlays. With funds carrying over to FY24, we are now moving forward and planning to spend these funds on some of the projects that were temporarily put on hold (e.g., pilot program to enhance weatherization for low-to-moderate income housing upgrades, LED lighting upgrade at Public Works Fleet Maintenance and Field Operations buildings, water level sensors to support an early warning system for flood conditions).

Question 39: How much of the Downtown Service District Fund was allocated to the Downtown Partnership in the current year and is an increase proposed for the 2023-24 budget?

Respondent: Ross Tompkins, Strategic Operations Manager

Response: The Recommended Budget includes \$250,000 for the Downtown Partnership. This does not represent an increase over the current year’s allocation. \$220,000 funds the Municipal Service District Services performance agreement awarded through a competitive bid process. \$30,000 is for the Town’s contribution to the Campus & Community Coalition to Reduce Negative Impacts of High-Risk Drinking.

Question 40: Why are we decreasing the funding for the Vehicle Replacement fund for the coming year (and why are we showing this as a 211 percent increase)?

Respondent: Matt Brinkley, Assistant Director of Business Management

Response: The increase in investment for the 2023-24 Recommended Budget is \$750K over the adopted FY23 budget of \$355K, which represents a 211% increase. The “decrease” from the current year, when looking at the 2022-23 Revised Budget, is due to the one-time funding that was allocated with excess fund balance. The efforts through the 5-year budget strategy were to work towards “right-sizing” the annual allocation to vehicle replacement.

Question 41: Why is the funding for the Community Home Trust increased by nearly ten percent?

Respondent: Sarah Viñas, Director of Affordable Housing and Community Connections

Response: Community Home Trust is requesting \$402,503 in operating funding from the Town, \$35,330 more than the allocation for FY22-23. CHT continues to use the funding formula outlined in the Inter-local Agreement to determine their funding request. Most of the increase is due to the addition of a staff member dedicated to Education and Outreach activities at CHT and operational cost increases due to inflation. In FY 2021-2022, CHT's funding amount was reduced by 2% and in FY 22-23 they received a 4% increase.

Question 42: When do the current economic development incentives expire and how much money would be freed up for other purposes as a result?

Respondent: Dwight Bassett, Director of Economic Development and Parking Services

Response: Based on existing performance of our outstanding incentives, it is fair to expect around \$750,000 in new income once those incentive payments are completed. This estimation is based around most incentive payouts being completed by the 2026 budget year.

Question 43: What do we plan to accomplish with the Vision Zero funding for next fiscal year, and can we get funding from elsewhere, such as NC DOT?

Respondent: Bergen Watterson, Transportation Planning Manager

Response: Staff anticipates using funding on safety improvements to the MLK corridor, as well as changes related to neighborhood slow zones and safe routes to school. Additional needs will also arise as the Vision Zero program is built out and next year's workplan is developed. Staff has formed a small, interdepartmental Vision Zero team that includes Planning, Police, Transit, and Transportation Engineering to discuss concerns and plans for improvement projects, and the community Vision Zero Task Force proposes ideas throughout the year.