



TOWN OF CHAPEL HILL

Town Hall
405 Martin Luther King Jr.
Boulevard
Chapel Hill, NC 27514

Legislation Text

File #: [24-0335], Version: 1

Approve the Miscellaneous Budget Ordinance Amendment to Adjust Various Fund Budgets for FY 2023-24.

Staff:

Amy Oland, Director
Matt Brinkley, Assistant Director

Department:

Business Management

Overview: After the Council approves the annual budget, periodic changes require the Town Council to amend the current budget.



Recommendation(s):

That the Council:

- Enact the attached budget ordinance amendment to adjust the General Fund and Vehicle Maintenance Fund.
- Enact the attached project ordinance amendment to adjust the 2015 Streets and Sidewalks Bond Fund, the American Rescue Plan Act Fund, and 2018 Affordable Housing Bond Fund.

Key Issues:

- **General Fund**

Occupancy Tax - The performance agreement between the Town of Chapel Hill and the Chapel Hill/Orange County Visitors Bureau states that the Town will pay the Visitors Bureau 50% of any occupancy tax revenues received greater than \$1,000,000. In FY 2023, the Town received \$1,514,877 in occupancy tax receipts. Fifty percent of \$514,877, or \$257,439, is therefore due to the Visitors Bureau. Enactment of the attached budget ordinance amendment would reflect the additional payment of \$257,437 to be made to the Visitors Bureau from appropriated fund balance from the General Fund.

Durham Technical Community College (DTCC) partnership - The Chapel Hill Fire Department has recently engaged in discussions with Durham Technical Community College (DTCC) to explore innovative ways of mitigating the costs associated with basic firefighter training. DTCC receives funding from the state based on a per-hour-per-student rate for the training provided. Through strategic partnership discussions, DTCC has expressed their commitment to contributing a portion of these funds toward the cost of our academy training. This initial contribution from DTCC for this program is \$8,000. Enactment of the attached budget ordinance amendment would recognize the contribution of \$8,000 from DTCC and allocate those funds towards training needs.

Parks Donations - The Town received a donation of \$3,000 from Dick's Sporting Goods for the purchase of athletics supplies that would be used for the Extreme Sports Summer Camp as well as youth baseball and softball equipment. Enactment of the attached budget ordinance amendment would recognize the \$3,000 donation from Dick's Sporting Goods and allocate those funds for athletic supplies.

- **Vehicle Maintenance Fund**

The anticipated costs for fleet maintenance in the current year are anticipated to exceed the budget allocation for FY 2024. The aging fleet along with the increased cost of parts and outsourcing repairs have contributed to the overall budget shortfall. End of year projections are that the Vehicle Maintenance Fund will need an additional \$140,500 in order to adequately maintain the fleet. Enactment of the attached budget ordinance amendment appropriate \$140,500 in Vehicle Maintenance Fund balance towards the cost of fleet maintenance.

- **2015 Streets and Sidewalks Bond Fund**

Payment-in-lieu - Public Works and Planning staff determined the best course of action concerning the Bridgepoint developer's requirement to provide pedestrian signals and crosswalk improvements at the intersection of Weaver Dairy Road and Homestead Road was to accept an in-lieu-of payment due to the Town's ongoing Homestead Road Improvements project interfering with the timing of the aforementioned requirements installation. The developer's payment of \$75,000 will be used to pay the Town's general contractor to install these NCDOT approved pedestrian signals and crosswalk improvements at the intersection of Weaver Dairy Road and Homestead Road. Enactment of the attached project ordinance amendment to the 2015 Streets and Sidewalks Bond Fund recognizes the \$75,000 payment in lieu and allocates those funds to the Homestead Road Project.

Community Project Funding - The Town was awarded \$2,000,000 in federal funds from the Community Project Funding for the Downtown Mast Arms project. These reimbursable funds will be used to design, permit, and undertake the construction of new mast arms, curbing, and sidewalk improvements on Franklin Street and Rosemary Street, and the streets in between from Merritt Mill Road to Henderson Street in downtown Chapel Hill. To be able to receive these funds a Municipal Agreement with NCDOT will be executed. Enactment of the attached project ordinance amendment to the 2015 Streets and Sidewalks Bond Fund recognizes the \$2,000,000 in Community Project Funding and allocates those funds to the Downtown Mast Arms project.

- **American Rescue Plan Act (ARPA) Fund**

Tanyard Branch Trace received \$1.5M Community Project Funding award from the federal government in 2024. The Community Project Funding allows the Town to reallocate affordable housing funding. An additional \$500,000 in ARPA funding was set aside for a 2023 LIHTC project. Staff selected Weavers Grove for the \$2,000,000 in available funds because the ARPA funding has a tight spending deadline and we are about to execute a funding agreement with Habitat for Humanity and the project is already under construction. Enactment of the attached project ordinance amendment would repurpose \$2,000,000 in ARPA funding for the Weavers Grove Project.

- **2018 Affordable Housing Bond Fund**

In April 2024 Town Council allocated \$1,550,000 in bond funding from the 2018 Affordable Housing Bond Fund for the Weavers Grove project. The movement of ARPA funds to the Weavers Grove

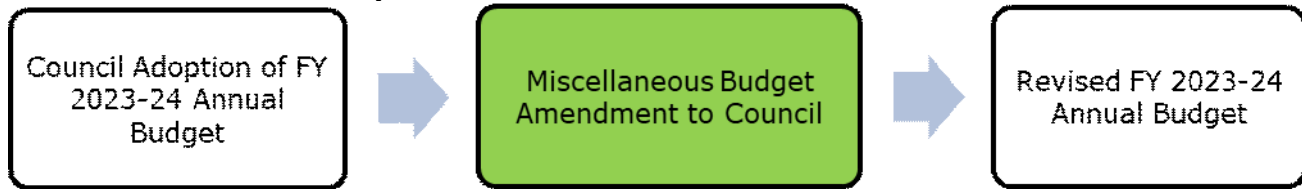
project frees up \$1.55M in bond funding for other affordable housing projects. Council approved the allocation of that funding to the following projects in April 2024.

FY 2024 AH Bond Funding Award Recommendation

Organization	Project	Bond Funding Amount
Taft -Mills Group	Longleaf Trace LIHTC Project	\$950,000
EmPOWERment, Inc.	Davie Circle Acquisition	\$200,000
Residential Services Inc.	Cedar Hills Home Renovation	\$25,000
Habitat for Humanity of Orange County	Carver Street Acquisition	\$375,000
	Total	\$1,550,000

Enactment of the attached project ordinance amendment would repurpose \$1,550,000 in 2018 Affordable Housing Bond funds for the projects in the projects listed above.

Where is this item in its process?



Attachments:

- Budget Ordinance
- Project Ordinance - 2015 Streets and Sidewalks Bond Fund
- Project Ordinance - American Rescue Plan Act Fund
- Project Ordinance - 2018 Affordable Housing Bond Fund

AN ORDINANCE TO AMEND "THE ORDINANCE CONCERNING APPROPRIATIONS AND THE RAISING OF REVENUE FOR THE FISCAL YEAR BEGINNING JULY 1, 2023" (2024-06-12/O-1)

BE IT ORDAINED by the Council of the Town of Chapel Hill that the Budget Ordinance entitled "An Ordinance Concerning Appropriations and the Raising of Revenue for the Fiscal Year Beginning July 1, 2023" as duly adopted on June 7, 2023, be and the same is hereby amended as follows:

ARTICLE I

REVENUES	Current Budget	Increase	Decrease	Revised Budget
GENERAL FUND				
Other Revenues	\$ 82,755,514	\$ -	\$ -	\$ 82,755,514
DTCC Contribution	-	8,000	-	8,000
Parks and Recreation Donations	19,568	3,000	-	22,568
Appropriated Fund Balance	<u>5,185,087</u>	<u>257,437</u>	<u>-</u>	<u>5,442,524</u>
	\$ 87,960,169	\$ 268,437	\$ -	\$ 88,228,606
VEHICLE MAINTENANCE FUND				
Other Revenues	\$ 1,830,846	\$ -	\$ -	\$ 1,830,846
Appropriated Fund Balance	<u>34,730</u>	<u>140,500</u>	<u>-</u>	<u>175,230</u>
	\$ 1,865,576	\$ 140,500	\$ -	\$ 2,006,076

ARTICLE II

APPROPRIATIONS	Current Budget	Increase	Decrease	Revised Budget
GENERAL FUND				
Mayor/Council	\$ 593,776	\$ -	\$ -	\$ 593,776
Town Manager/CaPA	5,001,021	-	-	5,001,021
Human Resource Dev't	1,662,377	-	-	1,662,377
Business Management	2,866,436	-	-	2,866,436
Technology Solutions	2,864,466	-	-	2,864,466
Attorney	600,992	-	-	600,992
Planning	2,809,201	-	-	2,809,201
Building and Development Services	2,800,188	-	-	2,800,188
Afford Hsg & Community Connections	1,358,287	-	-	1,358,287
Public Works	15,020,405	-	-	15,020,405
Police	16,536,299	-	-	16,536,299
Fire	11,407,707	8,000	-	11,415,707
Parks and Recreation	8,607,679	3,000	-	8,610,679
Library	4,663,563	-	-	4,663,563
Non-Departmental	11,167,772	257,437	-	11,425,209
	<u>\$ 87,960,169</u>	<u>\$ 268,437</u>	<u>\$ -</u>	<u>\$ 88,228,606</u>
 VEHICLE MAINTENANCE FUND	 \$ 1,865,576	 \$ 140,500	 \$ -	 \$ 2,006,076

This the 12th day of June, 2024.

AN ORDINANCE TO AMEND THE 2015 STREETS AND SIDEWALKS BOND FUND FOR CAPITAL IMPROVEMENT PROJECTS (2024-01-24/O-2)

BE IT ORDAINED by the Council of the Town of Chapel Hill that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, that the following capital project is hereby amended for Streets and Sidewalk Improvements funded from 2015 General Obligation bonds approved by the voters in November 2015:

SECTION I

The capital projects as authorized by bond referenda approved in November 2015, and as determined by the Town Council, includes streets and sidewalks capital improvements extending beyond one year.

SECTION II

The Manager of the Town of Chapel Hill is hereby directed to proceed with implementation of these projects within terms of funds appropriated here.

SECTION III

Revenues anticipated to be available to the Town to complete the project are hereby amended as follows:

	Current Budget	Revised Budget
Bond Proceeds - Series 2017	\$ 3,000,000	\$ 3,000,000
Bond Proceeds - Series 2018	5,500,000	5,500,000
Bond Proceeds - Series 2023	7,700,000	7,700,000
Premium on Bonds	2,236,085	2,236,085
NCDOT Grant - Sidepath Along Fordham	1,256,400	1,256,400
NCDOT Grant - Estes Drive	213,471	213,471
STBGDA Grant - Homestead Road	1,600,000	1,600,000
STBGDA Grant - W Cameron Ave	720,000	720,000
Community Waste Recycling Grant	14,768	14,768
Transfer from General Fund	1,025	1,025
OWASA Contribution	234,269	234,269
Payment in Lieu - Estes Drive	107,237	107,237
Interest on Bonds - Estes Drive	43,018	43,018
COVID Relief - Estes Drive	429,455	429,455
CMAQ Grant - Estes Drive	3,686,618	3,686,618
STPGDA Grant - Estes Drive	737,284	737,284
Vendor Reimbursement	661,407	736,407
Community Project Funding	-	2,000,000
TAP Grant	3,601,000	3,601,000
Total Revenues	\$ 31,742,037	\$ 33,817,037

SECTION IV

Amounts appropriated for capital projects are hereby amended as follows:

	Current Budget	Revised Budget
Bond Issuance Costs	\$ 361,060	\$ 361,060
Capital Project Management & Faciliation	451,852	451,852
Martin Luther King Jr Blvd Crosswalks	193,581	193,581
S Columbia St Pavement Marking Plan	11,400	11,400
Market St Crosswalks	47,120	47,120
Longview Drive Traffic Signal	156,933	156,933
Street Resurfacing - 2017	404,424	404,424
Rosemary Street Lighting	336,030	336,030
Rosemary Street Resurfacing	395,576	395,576
Rosemary Street Pavement Markings	54,100	54,100
Amber Alley Lighting	13,970	13,970
Downtown Streetscape - 2017	61,599	61,599
Friday Center Drive Reconstruction	200,000	200,000
Ephesus Fordham Traffic Impact Analysis	190,000	190,000
Traffic Calming	113,000	113,000
Pavement Markings	74,000	74,000
Audible Pedestrian Signals	20,000	20,000
Sidewalks	774,000	774,000
Sidepath Along Fordham	2,018,000	2,018,000
Recycling Receptacles	18,460	18,460
1% for Art - 2017	30,000	30,000
Estes Drive Bike/Ped MLK to Caswell	9,936,231	9,936,231
Homestead & Seawell School Sidewalks	4,051,002	4,126,002
Ephesus Church Road Sidewalk	17,796	17,796
Street Resurfacing - 2018	775,000	775,000
Varsity&Post Office Alley Improvements	300,000	300,000
Downtown Streetscape - 2018	500,000	500,000
Estes Drive Bike/Ped MLK to Carrboro	70,000	70,000
Old Durham Chapel Hill Road Bike/Ped	1,822,504	1,822,504
1% for Art - 2018	55,000	55,000
Bolinwood Drive Bridge	1,183,598	1,183,598
Cameron Protected Bike Lane	900,000	900,000
Estes Drive Bike/Ped Carrboro to MLK	901,000	901,000
Fordham Willow to Old Durham	496,100	496,100
Elliott Road Extension	1,915,528	1,915,528
Street Resurfacing - 2023	910,000	910,000
North Street Construction	750,000	750,000
Downtown Mast Arms	-	2,000,000
Streets & Sidewalks Project Reserve	1,233,173	1,233,173
Total Expenditures	\$ 31,742,037	\$ 33,817,037

SECTION V

The Town Manager is hereby directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget, and shall keep the council informed of any unusual occurrences.

SECTION VI

Copies of this amended projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk.”

This the 12th day of June, 2024.

AN ORDINANCE TO AMEND THE AMERICAN RESCUE PLAN ACT FUND (2024-06-12/O-3)

BE IT ORDAINED by the Council of the Town of Chapel Hill that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, that the American Rescue Plan Fund Ordinance provide funding for projects related to recovery from the COVID-19 pandemic funded from the U.S. Treasury is hereby amended to read as follows:

SECTION I

The projects as authorized by the Town Council include various recovery and economic projects funded from the American Rescue Plan Act, for a variety of projects related to recovery from the COVID-19 pandemic.

SECTION II

The Manager of the Town of Chapel Hill is hereby directed to proceed with implementation of these projects within terms of funds appropriated here.

SECTION III

Revenues anticipated to be available to the Town to complete the project are hereby amended as follows:

	Current Budget	Revised Budget
American Rescue Plan Act	<u>\$ 10,668,497</u>	<u>\$ 10,668,497</u>
Total Revenues	\$ 10,668,497	\$ 10,668,497

SECTION IV

Amounts appropriated for capital projects are hereby amended as follows:

	Current Budget	Revised Budget
American Rescue Plan Act Reserve	\$ 12,828	\$ 12,828
ReVive	650,000	650,000
Trinity Court	500,000	500,000
9% LIHTC Project	2,000,000	450,000
Weavers Grove Development	-	1,550,000
Cedar Falls Artificial Turf	1,150,000	1,150,000
Inclusive Playground Equipment	500,000	500,000
System Wide Playground Accessibility	285,000	285,000
Teen Center Study	65,000	65,000
Skate Park Replacement	500,000	500,000
East Morgan Creek Phase 3 Design	500,000	500,000
Bolin Creek Greenway Ext Design	500,000	500,000
Homestead Aquatics Center HVAC	1,200,000	1,200,000
Library Meeting Room AV System	300,000	300,000
Community Partner Funding	941,669	941,669
Community Based Budgeting	514,000	514,000
Bikeshare Program	50,000	50,000
Streetscape Enhancement Mobility Plan	500,000	500,000
Clean & Green	300,000	300,000
Old Town Hall Planning	50,000	50,000
Peace & Justice Plaza Planning	50,000	50,000
Downtown Together Projects	<u>100,000</u>	<u>100,000</u>
Total Expenditures	\$ 10,668,497	\$ 10,668,497

SECTION V

The Manager is directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget, and shall keep the council informed of any unusual occurrences.

SECTION VI

Copies of this amended projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director, and Town Clerk.”

This the 12th day of June, 2024.

AN ORDINANCE TO AMEND THE 2018 AFFORDABLE HOUSING BOND FUND FOR CAPITAL IMPROVEMENT PROJECTS (2024-06-12/O-4)

BE IT ORDAINED by the Council of the Town of Chapel Hill that, pursuant to Section 49 of Chapter 159 of the General Statutes of North Carolina, the following capital project is hereby established for affordable housing projects funded from the 2018 General Obligation Bonds approved by the voters in November 2018.

SECTION I

The capital projects as authorized by bond referenda approved in November 2018, and as determined by the Town Council, includes affordable housing projects.

SECTION II

The Manager of the Town of Chapel Hill is hereby directed to proceed with the implementation of these projects within terms of funds appropriated here.

SECTION III

Revenues anticipated to be available to the Town to complete the project are hereby amended as follows:

	Current Budget	Revised Budget
Bond Proceeds - Series 2021	\$ 4,755,000	\$ 4,755,000
Bond Proceeds - Series 2023	5,245,000	5,245,000
Premium on Bonds	<u>541,576</u>	<u>541,576</u>
	\$ 10,541,576	\$ 10,541,576

SECTION IV

Amounts appropriated for capital projects are amended as follows:

	Current Budget	Revised Budget
Weavers Grove Development	\$ 3,105,692	\$ 1,555,692
Johnson Street Apartments	200,000	200,000
Perry Place	246,913	246,913
2200 Homestead Road	6,220,204	6,220,204
Trinity Court	474,796	474,796
Affordable Housing Project Reserve	107,944	107,944
Longleaf Trace LIHTC Project	-	950,000
Davie Circle Acquisition	-	200,000
Cedar Hills Home Renovation	-	25,000
Carver Street Acquisition	-	375,000
Financing Costs	<u>186,027</u>	<u>186,027</u>
	\$ 10,541,576	\$ 10,541,576

SECTION V

The Town Manager is directed to report annually on the financial status of the projects in an informational section to be included in the Annual Budget, and shall keep the Council informed of any unusual occurrences.

SECTION VI

Copies of this projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk.”

This the 12th day of June, 2024.

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

By enacting the budget ordinance amendment, the Council adjusts the General Fund and Vehicle Maintenance Fund. By enacting the project ordinance amendments, the Council adjusts 2015 Streets and Sidewalks Bond Fund, American Rescue Plan Act Fund, and 2018 Affordable Housingq Bond Fund.