



TOWN OF CHAPEL HILL

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

Legislation Text

File #: [TMP-1549], Version: 1

Approve the Miscellaneous Budget Ordinance Amendments to Adjust Various Fund Budgets for FY 2018-19.

Staff:

Amy Oland, Director
Matt Brinkley, Budget Manager

Department:

Business Management

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



Recommendation(s):

That the Council:

- Enact the attached budget ordinance amendments to adjust the General Fund, Parking Fund, Vehicle Replacement Fund, and the Capital Improvement Projects Fund; and
- Enact the attached project ordinance amendments to adjust the 2015 Parks and Recreation Facilities Bond Fund, Capital Projects Ordinance Fund, Transit Capital Grants Fund, and the Affordable Housing Fund.

Key Issues:

- **General Fund**

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 2018, the Town received \$1,281,711 in occupancy tax receipts. The amount above the \$1,000,000 is \$281,711. Thus, the total additional funding due to the Visitors Bureau is \$140,856. Enactment of the attached budget ordinance amendment would reflect the additional payment of \$140,856 to be made to the Visitors Bureau from appropriated fund balance from the General Fund.

- **Off Street Parking Fund**

On March 27, 2018, the Town executed a lease for property located at 125 East Rosemary Street with 137 E. Franklin, LP, for the purpose of managing an established parking deck to expand the Town's public parking capacity. The Town identifies this parking space as the Rosemary Deck. Beginning on May 1, 2018, the Town began management operations for the parking deck (identified as Orange County PIN# 9788374748). The parking deck is used for public hourly parking, as well as parking leased by month and semester.

From the beginning of the property lease, the Town agreed to make the following improvements: installation and maintenance of the pay stations (\$27,600), signs and marketing (\$5,000), video security system (\$17,000), ADA upgrades (\$4,000). The Town installed four pay stations to collect the hourly fees.

For the first five months of the agreement, the Town retained \$8,920 per month to reimburse the purchase and installation of the four pay stations. The Town retains \$3,166 per month for staffing

and maintenance, \$2,083.33 per month for pressure washing, and \$240 per month after the first year of the agreement for pay station maintenance. All hourly and monthly parking fees in excess of the above are distributed monthly to 137 E. Franklin, LP, as rent for the property.

Enactment of the attached budget ordinance amendment would recognize the amount of parking revenues collected at the Rosemary Deck for leased spaces by \$65,000 annually and hourly spaces by \$145,000 annually and appropriate the ongoing related expenditures noted above to operate the parking deck in the Off Street Parking Fund

- **Vehicle Replacement Fund**

The Town has received \$38,087 in insurance proceeds to account for three separate total loss vehicles involved in accidents. The three vehicles were all Ford Escapes and Public Works intends to replace each vehicle with the same model and drive train. The total cost for replacement of the three vehicles and up fit costs is \$88,087. The Town has received funds in excess of the anticipated budgeted amount from the sale of vehicles. We are requesting that this additional revenue be recognized to make up the difference between the insurance proceeds and the purchase cost of the replacement vehicles. Enactment of the attached budget ordinance would recognize \$38,087 in insurance proceeds and appropriate \$50,000 in fund balance in the Vehicle Replacement Fund for the purchase of the three replacement vehicles.

- **Capital Improvement Projects Fund**

Due to budget overages for the Fire Station 2 project, which involved additional groundwork, civil engineering and infrastructure due to unexpected soil conditions, the amount needed to complete the project is \$315,369.

In November of 2017, Council authorized that the funds acquired from the sale of the Town's retired ladder truck be applied to the Station 2 project. The net proceeds for the sale of this apparatus were \$199,500. An additional appropriation of fund balance is needed for the balance of \$105,369. Enactment of the attached budget ordinance would recognize \$210,500 from the sale of a fire apparatus and appropriate \$105,369 in fund balance in the Capital Improvement Projects Fund.

- **2015 Parks and Recreation Facilities Bond Fund**

Southern Community Park - A \$10,680 payment in lieu of Recreation Space from the McCauley Street Apartments development will be used to repair drainage issues at Southern Community Park. Currently water collects in front of the restroom building, adjacent to the playground, and along the Fan Branch Greenway. Funds would be used to install new inlets and pipes to drain water away from the improved areas of the park. Enactment of the attached project ordinance amendment would recognize \$10,680 in payment in lieu for use at Southern Community Park.

Ephesus Park - The Town has persistent problems of cracking on the six pickleball courts at Ephesus Park. The Parks & Recreation department intends to install a specialty product that should significantly reduce the issues of water filtration and subsequent cracking. Enactment of the attached project ordinance amendment would move \$74,000 from the Cedar Falls Tennis Court project to make the repairs at Ephesus Park.

- **Capital Projects Ordinance Fund**

In 2018 repairs were made to trail bridges in Meadowmont Park. At the conclusion of the project \$5,996 remained in the project account. These funds would be moved to the Ephesus Park project account. Funds would be used to install ADA compliant access paths and parking lot improvements to benefit park patrons, especially pickleball and tennis players. Enactment of the attached project ordinance amendment would move \$5,996 from the Meadowmont Park project to the Ephesus Park project.

- **Transit Capital Grants Fund**

In January 2017, the FTA (Federal Transit Administration) awarded the Town \$1,120,000 for the FY 2017 CMAQ (Congestion Mitigation and Air Quality) Bus grant for the purchase of three clean diesel buses. Originally, the Town's match was \$280,000 (20% of grant award). The Town has received a grant from the NCDOT (North Carolina Department of Transportation) equivalent to 10% of the grant award, which will reduce the Town's local match to \$140,000. Enactment of the attached project ordinance would recognize the state grant match of \$140,000 and reduce the local match by \$140,000.

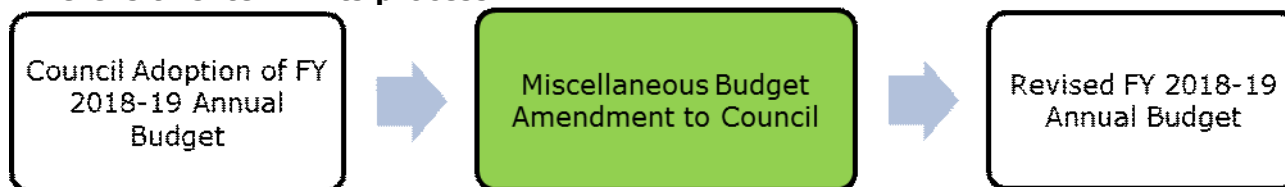
- **Affordable Housing Fund**

The Town received a payment in lieu of providing affordable housing, approved by the Council, for the Courtyards at Homestead development (\$38,250).







As stipulated in the Special Use Permit approved for this project, funds are directed to the Town's Affordable Housing Fund. This fund was established to provide local funding support for affordable housing projects. The Council established eligible activities for the use of these funds.

Housing and Community staff propose to allocate the funds (\$38,250) to a general category of grants and deferred loans for projects not yet identified. This line item allows us some flexibility to respond to unanticipated affordable housing requests. Enactment of the attached project ordinance amendment would recognize the payment in lieu of \$38,250.

Where is this item in its process?



Council Goals:

<input checked="" type="checkbox"/>		Create a Place for Everyone	<input checked="" type="checkbox"/>		Develop Good Places, New Spaces
<input checked="" type="checkbox"/>		Support Community Prosperity	<input checked="" type="checkbox"/>		Nurture Our Community
<input checked="" type="checkbox"/>		Facilitate Getting Around	<input type="checkbox"/>		Grow Town and Gown Collaboration



Attachments:

- Budget Ordinance
- Project Ordinance - 2015 Parks and Recreation Facilities Bond Fund
- Project Ordinance - Capital Projects Ordinance Fund
- Project Ordinance - Transit Capital Grants Fund
- Project Ordinance - Affordable Housing Fund

AN ORDINANCE TO AMEND "THE ORDINANCE CONCERNING APPROPRIATIONS AND THE RAISING OF REVENUE FOR THE FISCAL YEAR BEGINNING JULY 1, 2018" (2019-04-10/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, 2018" as duly adopted on June 13, 2018, be and the same is hereby amended as follows:

APPROPRIATIONS	Current Budget	Increase	Decrease	Revised Budget
GENERAL FUND				
Mayor/Council	\$ 427,218	\$ -	\$ -	\$ 427,218
Town Manager/CaPA	2,669,970	-	-	2,669,970
Human Resource Dev't	1,981,352	-	-	1,981,352
Business Management	2,254,949	-	-	2,254,949
Technology Solutions	2,401,121	-	-	2,401,121
Attorney	351,379	-	-	351,379
Planning & Sustainability	2,432,516	-	-	2,432,516
Inspections	1,755,245	-	-	1,755,245
Housing and Community	843,548	-	-	843,548
Public Works	12,712,904	-	-	12,712,904
Police	13,471,302	-	-	13,471,302
Fire	9,412,341	-	-	9,412,341
Parks and Recreation	7,103,116	-	-	7,103,116
Library	3,716,049	-	-	3,716,049
Non-Departmental	6,264,640	140,856	-	6,405,496
	<u>\$67,797,650</u>	<u>\$ 140,856</u>	<u>\$ -</u>	<u>\$67,938,506</u>
	Current Budget	Increase	Decrease	Revised Budget
OFF-STREET PARKING FUND				
Other Expenses	\$ 2,420,985	\$ -	\$ -	\$ 2,420,985
125 East Rosemary	-	210,000	-	210,000
	<u>\$ 2,420,985</u>	<u>\$ 210,000</u>	<u>\$ -</u>	<u>\$ 2,630,985</u>
	Current Budget	Increase	Decrease	Revised Budget
CIP FUND				
Other Projects	\$ 1,150,943	\$ -	\$ -	\$ 1,150,943
Hamilton Road Fire Station	-	315,369	-	315,369
	<u>\$ 1,150,943</u>	<u>\$ 315,369</u>	<u>\$ -</u>	<u>\$ 1,466,312</u>
	Current Budget	Increase	Decrease	Revised Budget
REVENUES				
GENERAL FUND				
Other Revenues	\$63,323,017	\$ -	\$ -	\$63,323,017
Appropriated Fund Balance	4,474,633	140,856	-	4,615,489
	<u>\$67,797,650</u>	<u>\$ 140,856</u>	<u>\$ -</u>	<u>\$67,938,506</u>

	Current Budget	Increase	Decrease	Revised Budget
OFF-STREET PARKING FUND				
Other Revenues	\$ 2,420,985	\$ -	\$ -	\$ 2,420,985
125 East Rosemary	-	210,000	-	210,000
	<u>\$ 2,420,985</u>	<u>\$ 210,000</u>	<u>\$ -</u>	<u>\$ 2,630,985</u>
	Current Budget	Increase	Decrease	Revised Budget
CIP FUND				
Other Revenues	\$ 651,751	\$ -	\$ -	\$ 651,751
Sale of Fire Truck	499,192	210,000	-	709,192
Appropriated Fund Balance	-	105,369	-	105,369
	<u>\$ 1,150,943</u>	<u>\$ 315,369</u>	<u>\$ -</u>	<u>\$ 1,466,312</u>

This the 10th day of April, 2019.

AN ORDINANCE TO AMEND THE 2015 PARKS AND RECREATION IMPROVEMENTS BOND FUND FOR CAPITAL IMPROVEMENT PROJECTS (2019-04-10/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 Parks and Recreation 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 park and recreation facility 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	\$ 5,300,000	\$ 5,300,000
Bond Premium	206,327	206,327
Friends of Parks & Recreation	800,000	800,000
Revenue in Lieu	<u>-</u>	<u>10,680</u>
Total Revenues	\$ 6,306,327	\$ 6,317,007

Amounts appropriated for capital projects are hereby amended as follows:

	Current Budget	Revised Budget
Homestead Soccer Fields	\$ 1,103,522	\$ 1,103,522
Southern Community Park	72,000	82,680
Cedar Falls Park Tennis Courts	439,478	365,478
Cedar Falls Park Inclusive Playground	135,000	135,000
Cochrane Property Match	50,000	50,000
American Legion Property	4,449,137	4,449,137
Ephesus Park	-	74,000
Bond Issuance Costs	<u>57,190</u>	<u>57,190</u>
	\$ 6,306,327	\$ 6,317,007

SECTION V

The 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 10th day of April, 2019.

AN ORDINANCE TO AMEND THE CAPITAL PROJECTS ORDINANCE FOR VARIOUS CAPITAL PROJECTS (2019-04-10/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, the capital project ordinance for various capital projects funded from a variety of sources is hereby amended as follows:

"SECTION I

The capital projects as authorized by the Town Council include various capital projects funded from grants, the Capital Improvements Program funds, and other miscellaneous sources of revenue for a variety of projects extending beyond one year.

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
Other Revenues	<u>\$ 38,933,904</u>	<u>\$ 38,933,904</u>
Total Revenues	\$ 38,933,904	\$ 38,933,904

SECTION IV

Amounts appropriated for capital projects are hereby amended as follows:

	Current Budget	Revised Budget
Other Projects	\$ 38,714,425	\$ 38,714,425
Meadowmont Bridge	82,808	76,812
Ephesus Park	<u>136,671</u>	<u>142,667</u>
Total Expenditures	\$ 38,933,904	\$ 38,933,904

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 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 10th day of April, 2019.

AN ORDINANCE TO AMEND A TRANSIT CAPITAL PROJECT ORDINANCE (2019-04-10/O-4)

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 transit capital projects ordinance for various capital projects funded from a variety of sources is hereby amended to read as follows:

"SECTION I

Transit capital projects as authorized by the Town Council are capital projects funded from Federal Transit Administration (FTA) grants and grants from the State of North Carolina.

SECTION II

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

SECTION III

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

	Current Budget	Revised Budget
Federal Transit Administration	\$ 5,359,581	\$ 5,499,581
North Carolina Department of Transportation	139,913	139,913
Active Living By Design Grant	260,000	260,000
GO Triangle	2,290,000	2,290,000
UNC Contributions	4,535	4,535
Program Income	606	606
Transfer from Transit Fund	680,255	680,255
Transfer from Capital Reserve	<u>1,272,060</u>	<u>1,132,060</u>
Total Revenues	\$ 10,006,950	\$ 10,006,950

SECTION IV

Amounts appropriated for capital projects are as follows:

	Current Budget	Revised Budget
Active Living By Design Grant	265,141	265,141
FY11 Section 5307 Radio System Grant	1,505,000	1,505,000
FY13 & FY14 Section 5339 Grant	579,696	579,696
FY17 STP-DA Flex Fund Grant	1,373,586	1,373,586
FY17 CMAQ Bus Grant	1,400,000	1,400,000
FY18 GO Triangle Grant	2,838,894	2,838,894
FY16 Section 5339 Grant	534,037	534,037
FY18 Section 5339 Grant	592,708	592,708
FY18 STP-DA Flex Fund Grant	<u>917,888</u>	<u>917,888</u>
Total Expenditures	\$ 10,006,950	\$ 10,006,950

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

Funds may be advanced from General funds for the purpose of making payments as due. Reimbursement requests should be made to FTA in an orderly and timely manner.

SECTION VII

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 10th day of April, 2019.

AN ORDINANCE TO AMEND THE AFFORDABLE HOUSING FUND ORDINANCE (2019-04-10/O-5)

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, the Affordable Housing Fund Ordinance to provide funds to support affordable homeownership opportunities is hereby amended as follows:

"SECTION I

The Affordable Housing Fund Ordinance as authorized by the Town Council provides funds to purchase properties to create permanently affordable homeownership opportunities.

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 are hereby amended as follows:

	Current Budget	Revised Budget
Transfer from Housing Loan Trust Fund	\$ 155,778	\$ 155,778
Loan Repayment	650,799	650,799
Payment in lieu - Affordable Housing	3,004,560	3,042,810
Interest Income	<u>44,740</u>	<u>44,740</u>
Total Revenues	\$ 3,855,877	\$ 3,894,127

SECTION IV

Amounts appropriated to create permanently affordable homeownership opportunities are hereby amended as follows:

	Current Budget	Revised Budget
Grants/Deferred Loans	\$ 991,568	\$ 1,029,818
Revolving Loan Fund	650,800	650,800
Rehabilitation & Refurbishment	106,511	106,511
Contributions to HOME Program	306,659	306,659
Contributions to Affordable Housing agencies	165,000	165,000
Contributions to Community Home Trust	394,242	394,242
Contributions to Affordable Housing	632,100	632,100
Homestead Road project	100,000	100,000
Professional Services	50,000	50,000
Miscellaneous Contracted Services	75,000	75,000
Legal Fees	380,000	380,000
Other Expenditures	<u>3,997</u>	<u>3,997</u>
Total Expenditures	\$ 3,855,877	\$ 3,894,127

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 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 10th day of April, 2019.

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

By enacting the ordinances, the Council adjusts the General Fund, Parking Fund, Vehicle Replacement Fund, and the Capital Improvement Projects Fund; and adjusts the 2015 Parks and Recreation Facilities Bond Fund, Capital Projects Ordinance Fund, Transit Capital Grants Fund, and the Affordable Housing Fund.