



# City of CHARLOTTE

## MEMORNADUM

TO: Mayor Lewis and City Council Members

FROM: Gregg Guetschow, City Manager

SUBJECT: Street Improvement Program

DATE: March 10, 2017

At the previous Council meeting, a resolution was passed identifying the 100 block of E. Lovett Street as the reconstruction project to be undertaken during the 2017 construction season. Council has not yet settled on a plan for the remainder of the six-year period on which we have been focused.

In an effort to help move Council closer to consensus on the matter, Mayor Lewis asked that I prepare resolutions for each of the three plans that have been under consideration. These resolutions are attached. As you will see, they all have identical resolution numbers, on the assumption that Council will adopt only one. Following the resolution number is an identifier that is unique to each that relates to a particular Major Street Fund cash flow scenario. These resolutions are described below.

**Resolution 2017- 27 (v. 1a).** This resolution is based on the cash flow scenario developed by the administrative staff. It was modified to reflect that decision of Council to undertake E. Lovett Street this year. Under this scenario, as you recall, the reconstruction of State Street falls near the end of the period for which we are planning.

**Resolution 2017-27 (v. 3).** This resolution is based on Council member Bahmer's proposal. In brief, it accelerates the construction of State Street by borrowing \$400,000 from the Local Development Finance Authority and foregoing two years of rehabilitation projects.

**Resolution 2017-27 (v. 6).** This resolution is based on a plan proposed by Mayor Lewis. Like Mr. Bahmer's plan, it moves State Street to 2018 along with Lincoln Street but retains the rehabilitation projects. It accomplishes this by utilizing \$1.2 million in general obligation debt. The resolution includes directing staff to prepare ballot language for a bond issue and also for a Charter amendment that would establish restrictions on the use of the Owens-Brockway settlement funds.

**RESOLUTION NO. 2017-27 (v. 1a)**

**A RESOLUTION TO APPROVE A PROGRAM OF STREET IMPROVEMENT PROJECTS IN THE CITY OF CHARLOTTE FOR 2017 THROUGH 2022**

**WHEREAS**, Council has received a schedule of proposed street reconstruction and rehabilitation projects for the 2017 through 2022 construction seasons which formed the basis for the document entitled “Major Street Cash Flow v.1a”; and

**WHEREAS**, Council has approved Resolution 2017-15 authorizing staff to proceed with plans for the reconstruction in 2017 of E. Lovett Street from Cochran Avenue to Washington Street; and

**WHEREAS**, the schedule of projects in Major Street Cash Flow v. 1a provides for reconstruction of the following streets during the associated construction seasons:

Lincoln Street from Lawrence Avenue to Seminary Street...2018

West Lovett Street from Cochran Avenue to Sheldon Street...2019

State Street from Seminary Street to Shepherd Street...2021

West Harris Street from Cochran Avenue to Sheldon Street...2022

; and

**WHEREAS**, City staff has proposed the following rehabilitation projects for 2017:

East McClure Street from Cochran Avenue to Washington Street

South Sheldon Street from Lawrence Avenue to Seminary Street

Independence Boulevard from Beech Street to Courthouse Drive

; and

**WHEREAS**, additional rehabilitation projects will be proposed for subsequent years passed on an annual survey of street conditions;

**THEREFORE, BE IT RESOLVED** that the City Council does hereby approve the proposed program of street reconstruction and rehabilitation projects and authorizes staff to commence actions necessary to undertaking said projects.

## MAJOR STREET FUND CASH FLOW v. 1a

<b>Cash-on-Hand 6/30/17</b>			<b>\$1,200,000</b>
	2017-18 Revenues:		
	Act 51	\$534,000	
	County Millage	310,000	
	Total Revenues		844,000
	2017-18 Expenditures:		
	Routine Maint.	(350,000)	
	E. Lovett Street (2017)	(340,000)	
	Rehab. Projects	(250,000)	
	Total Expenditures		(940,000)
<b>Cash-on-Hand 6/30/18</b>			<b>\$1,104,000</b>
	2018-19 Revenues:		
	Act 51	570,000	
	County Millage	310,000	
	Total Revenues		880,000
	2018-19 Expenditures:		
	Routine Maint.	(350,000)	
	Lincoln Street (2018)	(970,000)	
	Rehab. Projects	(250,000)	
	Total Expenditures		(1,570,000)
<b>Cash-on-Hand 6/30/19</b>			<b>\$414,000</b>
	2019-20 Revenues:		
	Act 51	612,000	
	County Millage	310,000	
	TIP – W. Lovett	375,000	
	Total Revenues		1,297,000
	2019-20 Expenditures:		
	Routine Maint.	(350,000)	
	W. Lovett (2019)	(585,000)	
	Rehab. Projects	(250,000)	
	Total Expenditures		(1,185,000)
<b>Cash-on-Hand 6/30/20</b>			<b>\$526,000</b>
	2020-21 Revenues:		
	Act 51	677,000	
	County Millage	310,000	
	Total Revenues		987,000
	2020-21 Expenditures:		
	Routine Maint.	(350,000)	
	Rehab. Projects	(250,000)	
	Total Expenditures		(600,000)
<b>Cash-on-Hand 6/30/21</b>			<b>\$913,000</b>

**MAJOR STREET FUND CASH FLOW (cont.)**

<b>Cash-on-Hand 6/30/21</b>			<b>\$913,000</b>
	2021-22 Revenues:		
	Act 51	\$677,000	
	County Millage	310,000	
	Interfund Loan	800,000	
	Total Revenues		1,787,000
	2021-22 Expenditures:		
	Routine Maint.	(350,000)	
	State St. (2021)	(2,000,000)	
	Rehab. Projects	(250,000)	
	Total Expenditures		(2,600,000)
<b>Cash-on-Hand 6/30/22</b>			<b>\$100,000</b>
	2022-23 Revenues:		
	Act 51	677,000	
	County Millage	310,000	
	TIP—W. Harris	375,000	
	Total Revenues		1,362,000
	2018-19 Expenditures:		
	Routine Maint.	(350,000)	
	W. Harris (2022)	(580,000)	
	Rehab. Projects	(250,000)	
	Interfund Loan Repay.	(100,000)	
	Total Expenditures		(1,280,000)
<b>Cash-on-Hand 6/30/23</b>			<b>\$182,000</b>

**RESOLUTION NO. 2017-27 (v. 3)**  
**A RESOLUTION TO APPROVE A PROGRAM OF STREET IMPROVEMENT**  
**PROJECTS IN THE CITY OF CHARLOTTE FOR 2017 THROUGH 2022**

**WHEREAS**, Council has received a schedule of proposed street reconstruction and rehabilitation projects for the 2017 through 2022 construction seasons which formed the basis for the document entitled “Major Street Cash Flow v.3”; and

**WHEREAS**, Council has approved Resolution 2017-15 authorizing staff to proceed with plans for the reconstruction in 2017 of E. Lovett Street from Cochran Avenue to Washington Street; and

**WHEREAS**, the schedule of projects in Major Street Cash Flow v. 3 provides for reconstruction of the following streets during the associated construction seasons:

Lincoln Street from Lawrence Avenue to Seminary Street...2018

State Street from Seminary Street to Shepherd Street...2018

West Lovett Street from Cochran Avenue to Sheldon Street...2019

West Harris Street from Cochran Avenue to Sheldon Street...2022

; and

**WHEREAS**, City staff has proposed the following rehabilitation projects for 2017:

East McClure Street from Cochran Avenue to Washington Street

South Sheldon Street from Lawrence Avenue to Seminary Street

Independence Boulevard from Beech Street to Courthouse Drive

; and

**WHEREAS**, additional rehabilitation projects will be proposed for subsequent years passed on an annual survey of street conditions;

**THEREFORE, BE IT RESOLVED** that the City Council does hereby approve the proposed program of street reconstruction and rehabilitation projects and authorizes staff to commence actions necessary to undertaking said projects and to pursue borrowing \$400,000 from the Local Development Finance Authority in the 2018-19 fiscal year.

### MAJOR STREET FUND CASH FLOW V3

<b>Cash-on-Hand 6/30/17</b>			<b>\$1,200,000</b>
	2017-18 Revenues:		
	Act 51	\$534,000	
	County Millage	310,000	
	Total Revenues		844,000
	2017-18 Expenditures:		
	Routine Maint.	(350,000)	
	E. Lovett Street (2017)	(340,000)	
	Rehab. Projects	(0)	
	Total Expenditures		(690,000)
<b>Cash-on-Hand 6/30/18</b>			<b>\$1,354,000</b>
	2018-19 Revenues:		
	Act 51	570,000	
	County Millage	310,000	
	Interfund Loan – O-I	800,000	
	Interfund Loan – LDFA	400,000	
	Total Revenues		2,080,000
	2018-19 Expenditures:		
	Routine Maint.	(350,000)	
	S. Lincoln Street (2018)	(970,000)	
	State Street (2018)	(2,000,000)	
	Rehab. Projects	(0)	
	Total Expenditures		(3,320,000)
<b>Cash-on-Hand 6/30/19</b>			<b>\$114,000</b>
	2019-20 Revenues:		
	Act 51	612,000	
	County Millage	310,000	
	TIP – W. Lovett	375,000	
	Total Revenues		1,297,000
	2019-20 Expenditures:		
	Routine Maint.	(350,000)	
	W. Lovett Street (2019)	(585,000)	
	Rehab. Projects	(250,000)	
	Loan Repayment	(150,000)	
	Total Expenditures		(1,335,000)
<b>Cash-on-Hand 6/30/20</b>			<b>\$76,000</b>
	2020-21 Revenues:		
	Act 51	677,000	
	County Millage	310,000	
	Total Revenues		987,000
	2020-21 Expenditures:		
	Routine Maint.	(350,000)	
	Rehab. Projects	(250,000)	
	Loan Repayment	(150,000)	
	Total Expenditures		(750,000)
<b>Cash-on-Hand 6/30/21</b>			<b>\$313,000</b>

**MAJOR STREET FUND CASH FLOW (cont.)**

<b>Cash-on-Hand 6/30/21</b>			<b>\$313,000</b>
	2021-22 Revenues:		
	Act 51	\$677,000	
	County Millage	310,000	
	Total Revenues		987,000
	2021-22 Expenditures:		
	Routine Maint.	(350,000)	
	Rehab. Projects	(250,000)	
	Loan Repayment	(150,000)	
	Total Expenditures		(750,000)
<b>Cash-on-Hand 6/30/22</b>			<b>\$550,000</b>
	2022-23 Revenues:		
	Act 51	677,000	
	County Millage	310,000	
	TIP—W. Harris	375,000	
	Total Revenues		1,362,000
	2018-19 Expenditures:		
	Routine Maint.	(350,000)	
	W. Harris (2022)	(580,000)	
	Rehab. Projects	(250,000)	
	Interfund Loan Repay.	(150,000)	
	Total Expenditures		(1,330,000)
<b>Cash-on-Hand 6/30/23</b>			<b>\$582,000</b>

**RESOLUTION NO. 2017-27 (v. 6)**  
**A RESOLUTION TO APPROVE A PROGRAM OF STREET IMPROVEMENT**  
**PROJECTS IN THE CITY OF CHARLOTTE FOR 2017 THROUGH 2022**

**WHEREAS**, Council has received a schedule of proposed street reconstruction and rehabilitation projects for the 2017 through 2022 construction seasons which formed the basis for the document entitled “Major Street Cash Flow v. 6”; and

**WHEREAS**, Council has approved Resolution 2017-15 authorizing staff to proceed with plans for the reconstruction in 2017 of E. Lovett Street from Cochran Avenue to Washington Street; and

**WHEREAS**, the schedule of projects in Major Street Cash Flow v. 6 provides for reconstruction of the following streets during the associated construction seasons:

Lincoln Street from Lawrence Avenue to Seminary Street...2018

State Street from Seminary Street to Shepherd Street...2018

West Lovett Street from Cochran Avenue to Sheldon Street...2019

West Harris Street from Cochran Avenue to Sheldon Street...2021

East Harris Street from Cochran Avenue to Lansing Road...2022

; and

**WHEREAS**, City staff has proposed the following rehabilitation projects for 2017:

East McClure Street from Cochran Avenue to Washington Street

South Sheldon Street from Lawrence Avenue to Seminary Street

Independence Boulevard from Beech Street to Courthouse Drive

; and

**WHEREAS**, additional rehabilitation projects will be proposed for subsequent years passed on an annual survey of street conditions;

**THEREFORE, BE IT RESOLVED** that the City Council does hereby approve the proposed program of street reconstruction and rehabilitation projects and authorizes staff to commence actions necessary to undertaking said projects and to pursue the development of ballot proposals to 1) amend the Charter to establish a revolving loan fund with \$800,000 remaining from the Owens-Brockway settlement and 2) request voter approval for the issuance of \$1.2 million in



unlimited tax general obligation bonds to be used for the Lincoln-State street reconstruction project in 2018.

## MAJOR STREET FUND CASH FLOW v6

<b>Cash-on-Hand 6/30/17</b>			<b>\$1,200,000</b>
	2017-18 Revenues:		
	Act 51	\$534,000	
	County Millage	310,000	
	Total Revenues		844,000
	2017-18 Expenditures:		
	Routine Maint.	(350,000)	
	E. Lovett Street (2017	(340,000)	
	Rehab. Projects	(250,000)	
	Total Expenditures		(940,000)
<b>Cash-on-Hand 6/30/18</b>			<b>\$1,104,000</b>
<b>O-I Revolving Fund Balance</b>			<b>\$800,000</b>
	2018-19 Revenues:		
	Act 51	570,000	
	County Millage	310,000	
	Interfund Loan (O-I)	800,000	
	Bond Proceeds	1,200,000	
	Total Revenues		2,880,000
	2018-19 Expenditures:		
	Routine Maint.	(350,000)	
	Lincoln Street (2018)	(970,000)	
	State St. (2018)	2,000,000	
	Rehab. Projects	(250,000)	
	Total Expenditures		(3,570,000)
<b>Cash-on-Hand 6/30/19</b>			<b>\$414,000</b>
<b>O-I Revolving Fund Balance</b>			<b>\$0</b>
	2019-20 Revenues:		
	Act 51	612,000	
	County Millage	310,000	
	TIP – W. Lovett	375,000	
	Total Revenues		1,297,000
	2019-20 Expenditures:		
	Routine Maint.	(350,000)	
	W. Lovett (2019)	(585,000)	
	Rehab. Projects	(250,000)	
	Interfund Loan Repay	(100,000)	
	Total Expenditures		(1,285,000)
<b>Cash-on-Hand 6/30/20</b>			<b>\$426,000</b>
<b>O-I Revolving Fund Balance</b>			<b>\$100,000</b>
	2020-21 Revenues:		
	Act 51	677,000	
	County Millage	310,000	
	Total Revenues		987,000
	2020-21 Expenditures:		
	Routine Maint.	(350,000)	
	Rehab. Projects	(250,000)	
	Interfund Loan Repay	(100,000)	
	Total Expenditures		(700,000)

**MAJOR STREET FUND CASH FLOW v6 (cont.)**

<b>Cash-on-Hand 6/30/21</b>			<b>\$813,000</b>
<b>O-I Revolving Fund Balance</b>			<b>\$200,000</b>
	2021-22 Revenues:		
	Act 51	\$677,000	
	County Millage	310,000	
	Total Revenues		987,000
	2021-22 Expenditures:		
	Routine Maint.	(350,000)	
	Rehab. Projects	(250,000)	
	W. Harris (2021)	(580,000)	
	Interfund Loan Repay	(100,000)	
	Total Expenditures		(1,280,000)
<b>Cash-on-Hand 6/30/22</b>			<b>\$520,000</b>
<b>O-I Revolving Fund Balance</b>			<b>\$300,000</b>
	2022-23 Revenues:		
	Act 51	677,000	
	County Millage	310,000	
	TIP—E. Harris	375,000	
	Total Revenues		1,362,000
	2018-19 Expenditures:		
	Routine Maint.	(350,000)	
	E. Harris (2022)	(960,000)	
	Rehab. Projects	(250,000)	
	Interfund Loan Repay.	(100,000)	
	Total Expenditures		(1,660,000)
<b>Cash-on-Hand 6/30/23</b>			<b>\$222,000</b>
<b>O-I Revolving Fund Balance</b>			<b>\$400,000</b>