



Legislation Details (With Text)

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Title:	Work Session: FY23 Budget Discussion		

PURPOSE: The purpose of this agenda item is for the Town Council to discuss additional information regarding FY23 budget requests.

Indexes:

Code sections:

Attachments: 1. Attachment A - IFC Request for InterLocal Agreement FY23, 2. Attachment B - Follow-up Questions & Answers, 3. Attachment C - Memo - Additional IFC Information, 4. Attachment D - OCPEH Request Budget FY23, 5. Attachment E - OCPEH 2021 Annual Report, 6. Attachment F - Memo - Additional OCPEH Information, 7. Attachment G - Climate Budget Resolution Memo, 8. Attachment H - GHG Model and 10-Year Climate Emerg Cost Est Projection, 9. Attachment I - Weatherization of Carrboro Homes

Date	Ver.	Action By	Action	Result
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TITLE:

Work Session: FY23 Budget Discussion

PURPOSE: The purpose of this agenda item is for the Town Council to discuss additional information regarding FY23 budget requests.

DEPARTMENT: Town Manager, Finance, Planning, Zoning & Inspections, and Housing & Community Services

CONTACT INFORMATION: Richard J. White III, Town Manager, 918-7315; Arche McAdoo, Finance Director, 918-7439; Trish McGuire, Planning Director, 918-7327; Rebecca Buzzard, Housing & Community Services Director, 918-7438; Laura Janway, Environmental Sustainability Coordinator, 918-7326

INFORMATION: On May 24, 2022, Town Manager Richard White presented the [FY23 Town Manager Recommended Budget](#) to the Carrboro Town Council. During the Town Council discussion on the Manager’s proposed budget, additional information was requested to facilitate the Council’s decisions on a few topics. This agenda item provides additional materials on the expansion funding request from the Orange County Partnership to End Homelessness (OCPEH) and the town’s Climate Action Plan. During the June 7, 2022 [public hearing](https://carrboro.legistar.com/LegislationDetail.aspx?ID=5668133&GUID=89D45BEF-BCDF-40DC-84B8-D4968361E9F4&Options=&Search=) on the proposed budget, the Council moved to fund the Inter-faith Council for Social Services (IFC) request for FY23. The motion by Council specified that the funding approval is for one year, therefore, this item also provides background information on the request to inform future decisions surrounding the possible development of an interlocal agreement.

The IFC requested that Carrboro, Chapel Hill, Hillsborough, and Orange County provide \$650,000 annually through an interlocal agreement for their emergency housing programs. The formal request dated March 14, 2022 is included as Attachment A. IFC staff and community members spoke in support of this request during the May budget presentation, as well as during the June 7th public hearing. Town Council Members and staff asked follow-up questions that are addressed in answers provided from the IFC and are included as Attachment B. Additional information on historical funding through the established Outside Agencies process is available as Attachment C. The IFC application through the Human Services process for FY23 included costs for food and shelter. Considering the Council's action during the public hearing, the Human Services Commission will revisit their initial recommendation to fund \$24,000 of the \$150,000 request on June 15, 2022. Their final funding recommendation allocating \$274,000 to local non-profits will be presented to the Town Council for approval on June 21, 2022.

The OCPEH, via the County Manager and the OCPEH Executive Team, requested funding to expand their programs and services. The funding request is included as Attachment D and is in addition to the \$34,733 already in the Manager's recommended budget, located in the Affordable Housing Special Revenue Fund (AHSRF). The current budget amount includes 15% of the funding for the existing 2.65 positions and is guided by a Memorandum of Understanding that is included in tonight's agenda for approval. The OCPEH 2021 Annual Report is included as Attachment E. Additional details on the current funding level and information on the expansion request is included as Attachment F.

On June 25, 2019, the Town Council approved a [Resolution](#) <http://www.townofcarrboro.org/DocumentCenter/View/6833/Resolution---Climate-Action-Goals-and-Budget-Plan-2019> regarding climate action goals and a budget plan. A memo detailing actions taken by staff and the Environmental Advisory Board (EAB) to address the resolution is included as Attachment G.

As Attachment H, staff have provided a greenhouse gas (GHG) emissions reduction model and 10-year climate emergency cost estimate projection. The emissions reduction model details estimated emissions reductions from [Community Climate Action Plan \(CCAP\)](#) <http://townofcarrboro.org/DocumentCenter/View/8961/Community-Climate-Action-Plan---Updated-Oct-2020> and [Energy and Climate Protection Plan \(ECPP\)](#) <https://www.townofcarrboro.org/DocumentCenter/View/8962/Energy-and-Climate-Protection-Plan---Updated-Oct-2020> implementation through FY30.

To create the model, staff calculated emissions reduction estimates for each CCAP and ECPP initiative planned for FY23, then projected these emissions reductions for the next eight years, adjusting the scale of each initiative and adding new projects to reach the Town's GHG emissions reduction goals:

- An 80% reduction in 2010 levels of community emissions by 2030
- An 80% reduction in 2010 levels of municipal emissions by 2030

Staff next calculated the 10-year emergency cost estimate projection by determining the cost necessary to meet these goals by FY30. The emissions reductions can be reached by using multiple pathways; costs and emissions reduction projections will be refined annually based on the results of Town initiatives and grassroots efforts of community members to reduce their carbon footprints.

The Town's solar RFP received proposals from two respondents, Southern Energy Management and Eagle Solar. The costs for these solar projects were not included in the cost estimate projection as staff are currently working to assess solar in relation to other capital projects.

In response to Council direction during the May 24th Town Council meeting, staff has also provided an

estimated summary of the cost necessary to meet the goal to weatherize all low-income homes in Carrboro (Attachment I). If homes within the weatherization program achieved the same 15% energy usage reduction as demonstrated by the Town's WISE program, it is estimated that each home's greenhouse gas emissions footprint would be reduced by 10.52 metric tons CO₂e.

FISCAL & STAFF IMPACT: There are no fiscal or staff impacts associated with the Town Council conducting this work session.

RECOMMENDATION: Staff recommends that the Town Council receive the included information and provide feedback to Town staff on how to proceed with budget development for adoption on June 21, 2022.