

Manager's Update

raleighnc.gov



Issue 2023-20

May 26, 2023

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Please note City administrative offices will be **closed** on **Monday, May 29** in observance of the **Memorial Day** holiday.

INFORMATION:

[Financial Report – Quarter 3 FY2022-23](#)

Staff Resources: Sadia Sattar, Budget & Management Services, 996-4270, sadia.sattar@raleighnc.gov

Allison Bradsher, Finance, 996-3215, allison.bradsher@raleighnc.gov

The FY2022-23 Quarter 3 Financial Report, developed to track financial metrics and the performance of key operating funds, is included with the Update materials this week. To better summarize financial results for

City operations, this report has been further enhanced to provide additional detail and improved graphics. Overall, the FY2022-23 Quarter 1 General Fund performance is within expectations. Staff continues to monitor key operating funds for post-pandemic revenue recovery, including the Convention and Performing Arts Complex and Transit Operations. Staff also continues to monitor grant funding, property and sales taxes, and Development fees, for notably increased activity.

Additionally, the report provides an overview of federal funding received through the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the American Rescue Plan Act. This report was developed in conjunction with City departments to provide an overview of financial performance.

(Attachment)

Weekly Digest of Special Events

Staff Resource: Sarah Heinsohn, Office of Special Events, 996-2200, sarah.heinsohn@raleighnc.gov

Included with the *Update* materials is the special events digest for the upcoming week.

(Attachment)

Council Member Follow Up Items

General Follow Up Item

Neighborhood Traffic Circles – Oakwood Avenue at N. State Street (Councilmember Patton)

Staff Resource: William Shumaker, RDOT, 996-4175, william.shumaker@raleighnc.gov

Council has received several inquiries about recently installed neighborhood traffic circles throughout Raleigh as part of the Neighborhood Traffic Management Program (NTMP), and Councilmember Patton requested information/education surrounding the recently installed traffic calming project along Oakwood Avenue and more specifically the neighborhood traffic circle at the intersection of Oakwood Avenue at N. State Street. Included with the *Update* materials is a staff memorandum prepared in response to this request.

(Attachment)

Follow Up from the March 21 City Council Meeting

Homeless Encampment Waste Facilities (Councilmember Forte)

Staff Resource: John Niffenegger, Housing and Neighborhoods, 996-6961, john.niffenegger@raleighnc.gov

During the meeting, Council requested staff report on the viability of placing waste management facilities on site at homeless encampments. Included with the *Update* materials is a staff memorandum prepared in response to the request.

(Attachment)

Follow Up from the May 2 City Council Meeting

Public Comment - Harps Mill Traffic Calming and Rainwater Road All-Way Stops (Mayor Baldwin)

Staff Resource: William Shumaker, RDOT, 996-4175, william.shumaker@raleighnc.gov

During the meeting, Mr. Suzanne Zorn (7305 Rainwater Road), Mr. Tom Slater (7909 Audubon Drive) and Mr. Joseph Hoying (7909 Harps Mill Road) provided public comment to their concerns and opposition to the Harps Mill Road traffic calming projects that are under construction and the history of the multi-way stops along Rainwater Road. In response to this, Council requested that staff provide information related to these concerns and the history of the multi-way stops along Rainwater Road. Included with the *Update* materials is a staff memorandum prepared in response to these concerns. Previous information regarding this item may be found in *Update Issue 2023-16* (April 28).

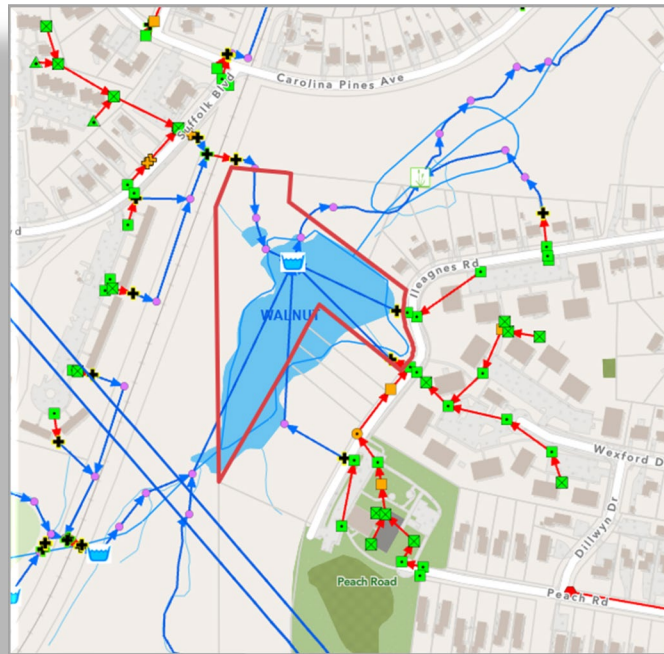
(Attachment)

Follow Up from the May 16 City Council Meeting

Public Hearing - Rezoning Case Z-91-22, Illeagnes Road Assemblage

Staff Resource: Wayne Miles, Engineering Services, 996-3964, wayne.miles@raleighnc.gov

During the public hearing for rezoning case Z-91-22 reference was made to the lake associated with the rezoning case, with the applicant referring to the lake as “Raleigh Municipal Lake” during their presentation. It is unclear why this name was used as reference to the lake located on this property. Below is a graphic denoting the location:



To clarify for Council, the referenced lake is privately owned and operated, and the City has no ownership or maintenance responsibilities for the lake. Any modifications to the lake or to the dam which impounds the water would require permit approvals from State (NCDEQ, NCDEMLR) and Federal (USACE) government agencies, in addition to development permits from the City.

(No attachment)

Public Comment - Follow-up with Ricky Wilson (Councilmember Harrison)

Staff Resource: John Niffenegger, Housing and Neighborhoods, 996-6961, john.niffenegger@raleighnc.gov

During the meeting, Council requested staff to follow-up with public commenter, Ricky Wilson, who spoke of a friend who is currently living in a hotel.

Staff spoke with Mr. Wilson and provided him with contact information for agencies (The Access Hub, Passage Home, Triangle Family Services) that may be able to assist his friend who is currently residing in a hotel.

(No attachment)

GoRaleigh Route 70X Brier Creek Express Update (Councilmember Jones)

Staff Resource: David Walker, Transportation-Transit, 996-3942, david.walker@raleighnc.gov

During the meeting, Council requested information on the bus service along Brier Creek Parkway.

GoRaleigh route 70X Brier Creek Express operates seven days a week with four peak period trips (morning & late afternoon/evening) Monday through Friday and three peak trips (morning & late afternoon/evening) on Saturday and Sunday.

The route serves shopping centers on both sides of Hwy 70 at Brier Creek and provides a transfer opportunity to the GoDurham system. On the outbound trip it first serves the shopping centers on the north side of Hwy 70 (near Wal-Mart) and next travels back across Hwy 70 to the south side to serve Brier Creek Commons. Then the route proceeds to Crabtree Valley Mall. The route currently starts and ends at Crabtree Valley Mall connecting to six additional GoRaleigh routes.

This service was originally developed to primarily serve commuters working in the Brier Creek area. In FY2021 the Wake Transit Plan provided funding to expand the route to an all-day hourly service. The Glenwood package includes route 6: Crabtree becoming GoRaleigh's next high frequency network route from downtown Raleigh to Duraleigh Road, operating every 15 minutes and route 70X: Brier Creek Express will begin all-day service. The new connection location will be at Pleasant Valley Shopping Center. This route will no longer serve Crabtree Valley Mall directly.

Unfortunately, due to a bus operator shortage and current labor market GoRaleigh has been unable to implement this new service. GoRaleigh's new operating management company is committed to a high level of recruiting and hopes to return GoRaleigh to preexisting service levels by the end of the calendar year. The company will then turn their focus to implementing new services that are funded by the ½ cent Wake Transit sales tax but have been delayed due to the driver shortage.

(No attachment)

Surplus Property Sale 411 Morson St.

Staff Resource: Ralph Recchie, Planning and Development, 996-4286, ralph.recchie@raleighnc.gov

During the meeting, Council requested to follow up with the buyer of 411 Morson Street and provide next steps. The City-owned lot located at 411 Morson Street is an approximately 0.16-acre tract. The lot was acquired by the City via deed in 1984. The lot is vacant and formerly served as a parking lot. Housing and Neighborhoods staff recommended at the June 21, 2022, Council meeting that the lot be declared surplus and sold through the Upset Bid process because the maximizing the sale proceeds could help create a significantly greater number of affordable housing units elsewhere than could be accommodated via on-site redevelopment.

On June 21, 2022, Council declared the lot surplus and authorized the acceptance of bids for the lot subject to the Upset Bid process. Staff recommended a minimum starting bid of \$405,000 based on an outside appraisal.

Several rounds of upset bid openings were conducted as required by law, with the final successful bid made on February 27, 2023, by Regensburger Properties, LLC with a bid of \$585,000.

The final bid was accepted by Council on March 21, 2023. Additional details of the timeline are available upon request.

(No attachment)

FY 2022-2023 FINANCIAL REPORT

Q3

MAY 19, 2023



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Executive Summary

The following summarizes highlights included in this report. Additional details can be found on subsequent pages.

Economic Factors

- In March, the Consumer Price Index for All Urban Consumers increased 0.1 percent, seasonally adjusted (SA), and rose 5.0 percent over the last 12 months, not seasonally adjusted. The index for all items less food and energy increased 0.4 percent in March (SA); up 5.6 percent over the year.
- The economy continues to be volatile and staff will continue to review economic trends and metrics as we approach year-end. There remains general commentary about a potential slow down in spending, federal reserve interest rate hikes continue, large company layoffs have occurred as well as bank failures to name a few examples of the volatility. Overall, Raleigh's revenue streams remain stable and staff considered the larger economic factors in the projections contained in the report.

General Fund

- During FY22-23 Q3, the City's General Fund revenues remained strong. Driven primarily by high sales tax growth (\$7.3 million more than the same time last year), the City's General Fund revenues continue to surpass expectations. Due to the price of goods and services continuing to remain higher than pre-pandemic levels and with one more quarter left, the City anticipates ending the year with higher than previously projected sales tax revenues.
- FY23 property taxes were budgeted at an approximately \$20 million increase over prior year to accommodate additional revenue from the City raising property tax rates by two (2.0) cents. Property Taxes have exceeded expectations, and collections are at 100.4% of the budget in Q3.
- It is anticipated that favorable revenue and expense variances will add to excess fund balance for FY24. Due to increased revenues, continued expense management, and Citywide vacancies, the General Fund actuals to date continue to outperform the budget. Staff anticipates an increase to fund balance. Revenue and expense projections can be found throughout the report.

Enterprise Funds

Overall Enterprise Fund highlights include:

- Raleigh Water, Stormwater, and Solid Waste are performing within expectations with no major changes to report.
- Vehicle Fleet Services (VFS) continues to monitor fuel and maintenance and operation costs as supply chain and inflationary pressures remain. Transit will continue to suspend fares through the duration of FY23 and a direct CARES allocation continues to support operations.
- Parking revenues through Q3 continue to show improvement as compared to prior year. However, parking revenues are not back to pre-pandemic levels associated with reduced downtown on-street parking and special event parking. Staff continue to monitor the operations closely.
- RCC Operations continue to successfully host events and programming and has demonstrated improvement in revenues. Expenses are also trending higher as a result of increased staffing and costs associated with hosting events and programming. Staff continue to monitor this fund and operations.

Status At-A-Glance

The following summarizes the status of the City's various funds, grants, and capital projects in Fiscal Year 2022-23. Summaries are provided for areas performing under "Watch" or "Warning." Additional details can be found on subsequent pages.



WARNING: Identified Concerns that Require Attention

There are currently no funds, grants, or capital projects that are labeled under warning.



WATCH: Staff Closely Monitoring

- **Parking Operations:** Parking revenues continue to be monitored as levels have not yet returned to pre-pandemic levels. Staff will continue to monitor the fund to ensure spending levels are in alignment with revenue collections.
- **Transit Operations:** Bus fares continue to be suspended for FY2022-2023. The fund will utilize available federal grants to offset losses incurred by suspended fares.
- **Grants:** Due to an unprecedented amount of grant funding, staff continue to monitor grant activities to ensure continued grant management and compliance.



ON TRACK: Performing As Expected

- General Fund
- Convention Center
- Raleigh Water
- Solid Waste Operations
- Stormwater Operation
- Vehicle Fleet Services

General Fund (Fund 100) Revenues - FY2022-2023 Quarter 3

Fiscal Year 2022-2023				
Revenue Categories:	Amended Budget	Q3 Actuals	% of Budget Collected	Projected Revenue
Operating	\$564,400,391	\$473,761,407	83.9%	\$594,363,000
Property Tax	\$292,396,000	\$293,701,085	100.4%	\$294,641,000
Sales Tax	\$130,000,000	\$77,228,120	59.4%	\$149,000,000
Franchise Tax	\$28,300,000	\$15,143,132	53.5%	\$29,300,000
Motor Vehicle Tax	\$20,640,000	\$13,356,935	64.7%	\$20,660,000
Other Taxes	\$16,250,000	\$10,045,065	61.8%	\$16,339,000
Intergovernmental Fees	\$13,245,392	\$8,672,665	65.5%	\$14,232,000
Powell Bill	\$7,156,000	\$7,160,857	100.1%	\$7,161,000
Development Fees	\$16,677,295	\$16,645,752	99.8%	\$21,500,000
PRCR User Fees	\$5,943,561	\$4,498,708	75.7%	\$5,998,000
Other Fees & Miscellaneous	\$31,292,143	\$23,824,133	76.1%	\$31,532,000
Interest Income	\$2,500,000	\$3,484,954	139.4%	\$4,000,000
Transfers	\$5,419,512	\$314,634	5.8%	\$420,000
Transfers from Other Funds	\$5,419,512	\$314,634	5.8%	\$420,000
Fund Balance & Special Reserves	\$50,648,548	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$50,648,548	\$0	0.0%	\$0
Total	\$620,468,451	\$474,076,041	76.4%	\$594,783,000

Fiscal Year 2021-2022				
Revenue Categories:	Amended Budget	Q3 Actuals	Q3 % of Budget Collected	Year-End Actuals
Operating	\$522,090,048	\$438,747,824	84.0%	\$558,916,911
Property Tax	\$273,041,010	\$272,241,034	99.7%	\$273,306,330
Sales Tax	\$113,837,600	\$69,984,445	61.5%	\$139,531,718
Franchise Tax	\$28,300,000	\$14,321,268	50.6%	\$28,605,517
Motor Vehicle Tax	\$16,965,000	\$11,818,579	69.7%	\$18,402,092
Other Taxes	\$16,500,000	\$9,873,612	59.8%	\$16,058,775
Intergovernmental Fees	\$12,673,501	\$9,059,436	71.5%	\$13,667,389
Powell Bill	\$10,000,000	\$7,160,857	71.6%	\$7,160,857
Development Fees	\$15,475,840	\$16,131,637	104.2%	\$21,860,391
PRCR User Fees	\$4,025,750	\$3,574,907	88.8%	\$4,979,619
Other Fees & Miscellaneous	\$28,971,347	\$22,007,672	76.0%	\$30,728,145
Interest Income	\$2,300,000	\$2,574,379	111.9%	\$4,616,077
Transfers	\$319,635	\$239,726	75.0%	\$319,635
Transfers from Other Funds	\$319,635	\$239,726	75.0%	\$319,635
Fund Balance & Special Reserves	\$42,637,751	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$42,637,751	\$0	0.0%	\$0
Total	\$565,047,434	\$438,987,551	77.7%	\$559,236,546

Staff Analysis:

Overall, General Fund revenues are improved as compared to Q3 FY21-22. The FY22-23 budget's primary increases are due to an approved increase to property tax (2 pennies for operations) and anticipated increases in sales tax revenue. Year-over-year highlights for other accounts are below. Revenues continue to trend positively and are estimated to exceed budget by approximately \$25 million primarily from unprecedented sales tax collections and strong development user fees.

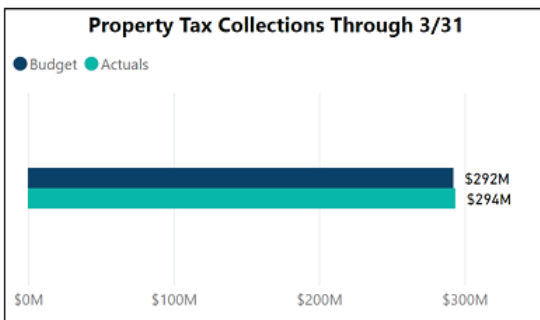
Revenue meeting or exceeding budget year to date:

- FY22-23 Q2 real property collections are above budget and prior year collection levels.
- Sales Tax collections to date (received on a 3-month lag) continue to outpace expectations and are 10% or \$7.3 million higher than prior year.
- Parks programs continue to improve toward pre-pandemic levels with user fees up over \$0.9 million as compared to prior year.
- Development user fees have almost achieved the FY23 budget (with 3 months remaining) and are up year-over-year by 3%. Staff expect that despite revenues cooling in Q4, FY23 will exceed budget.
- The City receives vehicle revenues in arrears. There is a one-month lag for revenue receipt with the above table reflecting taxpayer activity through February 2023. Vehicle tax revenue is expected to meet budget.
- A future budget action in the amount of \$5 million will amend the transfers from other funds budget to maintain all ARPA eligible expenditures within the special revenue fund.

Other revenues:

- The report subsequently includes further highlights on property taxes, sales taxes, user fees and other key revenues.

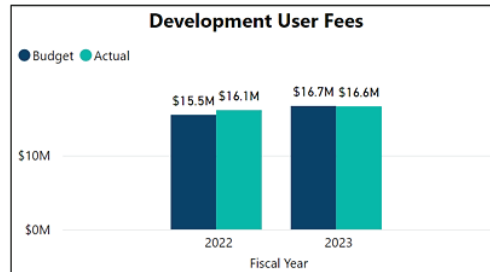
Property Tax



Staff Analysis:

- Through 3/31 property tax collections are at \$293.7 million which is 100.4% of the budget.
- The property tax budget was based on an assessed value of \$73.5 billion. Wake County has increased the assessed value by \$200 million when compared to budget due to continued construction activity.
- Property Tax collection rates have exceeded budgeted collection rates and continue to improve to pre-pandemic levels while delinquencies decline.

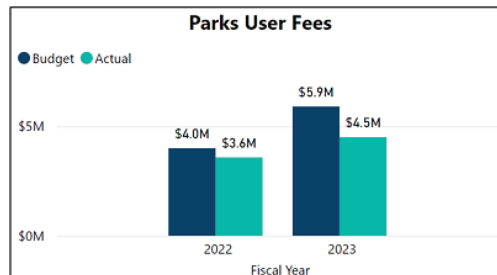
User Fees



Staff Analysis:

- Development user fee collections through FY22-23 Q3 are \$16.6 million or 99.8% of the budget, indicating continued strength in the development community.

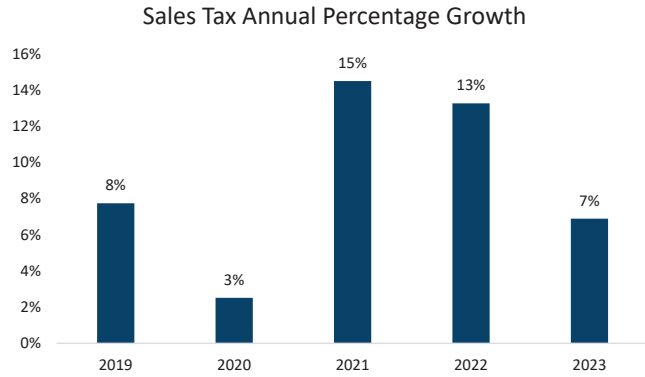
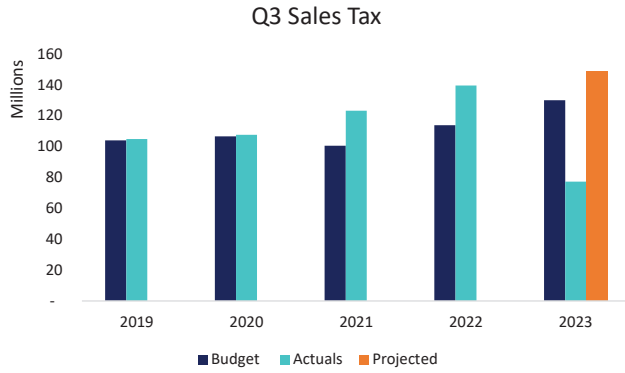
Parks User Fees



Staff Analysis:

- PRCR user fees continue to rebound with residents resuming use of parks facilities and programs. \$4.5 million in parks fees collected through FY2022-23 Q3.

Sales Tax



Staff Analysis:

- FY23 actuals represent collections through December, as sales tax is collected three months in arrears.
- Even though inflationary pressures have begun to ease, prices of goods and services remain higher than pre-pandemic levels. This has led to record growth in the City's sales tax revenues, which are projected to be \$149 million at year-end. The Federal Reserve remains laser focused on combating inflation with interest hikes, raising interest rates a quarter point in March and May 2023.
- Staff monitors national sales tax growth which has slowed over the past 12 months to under 11%. Staff are also seeing that Raleigh's collections are slowing when compared to prior year growth rates.
- Sales tax growth has started to normalize after the peak 15% growth during the pandemic.
- Economist expect slower spending as consumer savings balances decrease.

General Fund (Fund 100) Expenditures - FY2022-2023 Quarter 3

Expenditure Categories	Fiscal Year 2022-2023			
	Amended Budget	Q3 Actuals	Q3 % Spend	Projected Spend
Operating	\$457,194,908	\$313,489,757	68.6%	\$420,145,259
Personnel	\$233,060,070	\$158,589,999	68.0%	\$213,926,310
Employee Benefits	\$106,555,725	\$77,509,321	72.7%	\$101,690,699
Operating Expenditures	\$114,676,188	\$75,535,281	65.9%	\$101,783,817
Operating Capital	\$1,348,974	\$722,620	53.6%	\$1,323,894
Interfund Expenditures	\$1,553,952	\$1,132,536	72.9%	\$1,420,539
Transfers	\$163,273,543	\$126,442,342	77.4%	\$163,268,997
Transfer to Debt Service	\$67,539,691	\$50,654,768	75.0%	\$67,539,691
Transfer to Capital Funds	\$62,575,230	\$50,709,083	81.0%	\$62,575,230
Transfer to Other Funds	\$33,158,622	\$25,078,491	75.6%	\$33,154,076
Total	\$620,468,451	\$439,932,099	70.9%	\$583,414,256

Expenditure Categories	Fiscal Year 2021-2022			
	Amended Budget	Q3 Actuals	Q3 % Spend	Actuals
Operating	\$417,925,141	\$279,465,664	66.9%	\$380,932,204
Personnel	\$211,453,105	\$145,195,344	68.7%	\$199,087,930
Employee Benefits	\$97,097,676	\$70,132,270	72.2%	\$90,662,945
Operating Expenditures	\$106,188,109	\$62,338,861	58.7%	\$88,568,019
Operating Capital	\$1,637,313	\$722,028	44.1%	\$1,218,809
Interfund Expenditures	\$1,548,938	\$1,077,161	69.5%	\$1,394,502
Transfers	\$147,122,293	\$114,148,055	77.6%	\$147,793,643
Transfer to Debt Service	\$64,960,480	\$48,720,360	75.0%	\$64,960,480
Transfer to Capital Funds	\$46,241,643	\$37,397,858	80.9%	\$46,241,643
Transfer to Other Funds	\$35,920,170	\$28,029,837	78.0%	\$36,591,520
Total	\$565,047,434	\$393,613,719	69.7%	\$528,725,847

Staff Analysis:

Actual FY22-23 Q3 expenses are higher than FY21-22 actuals as the City continues to see increases in operating and personnel costs. The following expense pages detail key cost drivers and areas staff is monitoring during FY22-23.

General Fund (Fund 100) Expenditures by Department – FY2022-2023 Quarter 3

Fiscal Year 2022-2023				
Department	Amended Budget	Q3 Actuals	Q3 % Spend	Projected Spend
Police	\$125,877,854	\$87,439,096	69.5%	\$115,686,301
Fire	\$74,516,546	\$56,751,520	76.2%	\$76,348,697
Parks, Recreation and Cultural Resources	\$62,820,113	\$41,074,013	65.4%	\$55,577,814
Transportation Services	\$35,015,157	\$23,775,418	67.9%	\$32,462,431
Information Technology	\$25,239,857	\$16,312,726	64.6%	\$24,158,355
Engineering Services	\$25,840,638	\$15,538,017	60.1%	\$22,985,875
Planning and Development Services	\$22,104,444	\$14,634,555	66.2%	\$20,061,368
Emergency Communications	\$13,214,002	\$7,828,853	59.2%	\$10,870,357
Finance	\$7,338,169	\$4,755,551	64.8%	\$6,402,964
Housing & Neighborhood	\$6,775,793	\$4,139,530	61.1%	\$5,684,408
City Manager	\$6,587,159	\$4,326,656	65.7%	\$6,042,308
Human Resources	\$5,350,614	\$3,462,646	64.7%	\$4,739,779
City Attorney	\$5,192,636	\$3,672,538	70.7%	\$4,994,301
Communications	\$3,840,021	\$2,274,078	59.2%	\$3,224,347
Equity and Inclusion	\$1,797,301	\$1,026,693	57.1%	\$1,583,329
Budget and Management Services	\$1,682,860	\$951,246	56.5%	\$1,267,222
City Clerk	\$868,883	\$523,328	60.2%	\$712,576
City Council	\$454,775	\$287,482	63.2%	\$399,116
Special Appropriations	\$195,951,628	\$151,158,154	77.1%	\$190,212,708
Total	\$620,468,451	\$439,932,099	70.9%	\$583,414,256

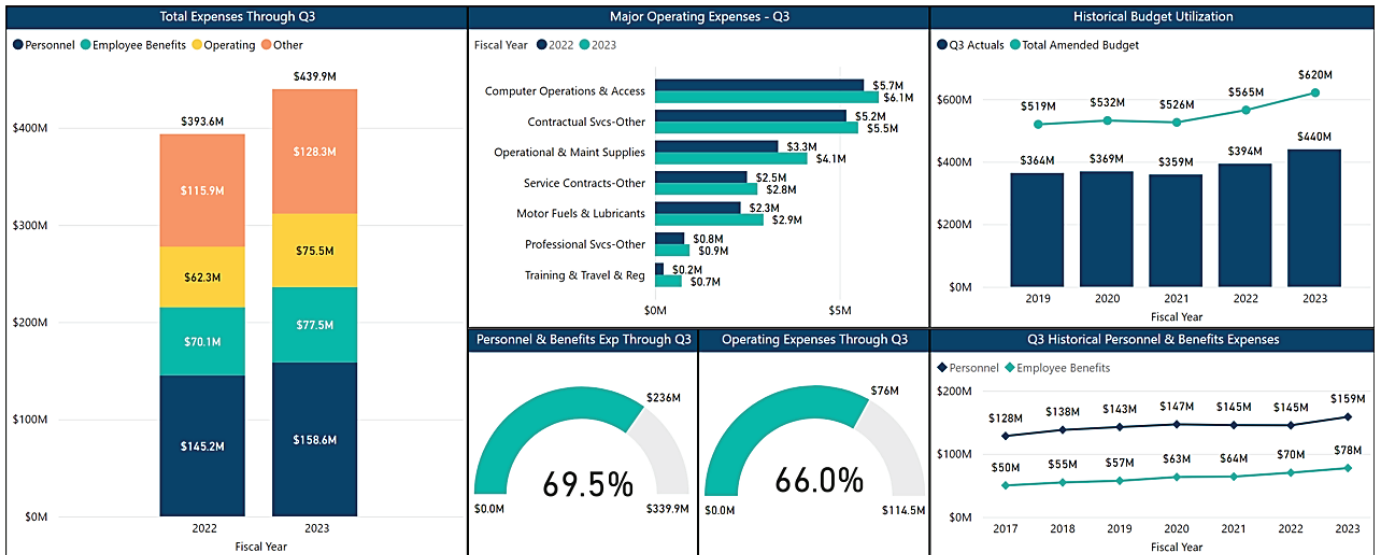
Fiscal Year 2021-2022				
Department	Amended Budget	Q3 Actuals	Q3 % Spend	Actuals
Police	\$117,204,024	\$81,723,969	69.7%	\$107,833,417
Fire	\$71,908,393	\$51,564,029	71.7%	\$70,634,301
Parks, Recreation and Cultural Resources	\$56,065,522	\$35,276,450	62.9%	\$49,013,852
Transportation Services	\$32,120,477	\$19,541,360	60.8%	\$28,787,519
Information Technology	\$23,821,987	\$15,497,213	65.1%	\$22,101,357
Engineering Services	\$23,308,306	\$14,312,765	61.4%	\$19,493,516
Planning and Development Services	\$20,888,297	\$14,115,721	67.6%	\$19,124,154
Emergency Communications	\$11,924,743	\$7,251,536	60.8%	\$10,403,038
Finance	\$6,742,800	\$4,770,352	70.7%	\$6,315,327
Housing & Neighborhood	\$6,442,832	\$4,049,154	62.8%	\$5,517,557
City Manager	\$5,629,677	\$3,463,895	61.5%	\$4,890,237
Human Resources	\$4,901,814	\$3,265,896	66.6%	\$4,512,703
City Attorney	\$4,649,959	\$3,278,849	70.5%	\$4,491,211
Communications	\$3,398,397	\$2,338,409	68.8%	\$3,166,478
Equity and Inclusion	\$1,472,493	\$690,689	46.9%	\$1,071,951
Budget and Management Services	\$1,502,969	\$1,032,293	68.7%	\$1,357,042
City Clerk	\$796,355	\$452,514	56.8%	\$629,418
City Council	\$444,709	\$228,865	51.5%	\$324,306
Special Appropriations	\$171,823,681	\$130,759,760	76.1%	\$169,058,463
Total	\$565,047,434	\$393,613,719	69.7%	\$528,725,847

Staff Analysis:

- Several Departments are outstanding prior year actuals in FY23 Q3:
 - Raleigh Fire – The department’s overall budget has increases in expenses due to population growth and increased calls for service. Additionally, operational needs have been magnified by supply chain and inflationary pressures seen across all sectors. This departmental budget has outpaced the prior year in several areas; notably, Training Supplies are up 55% while Motor Fuels and Lubricants are up 83% from FY22 Q3.
 - Parks, Recreation and Cultural Resources – PRCR’s budget has increased from prior year as the department brings back programming and services back to pre-pandemic levels
 - Transportation Services actuals increased year-over-year is due to street lighting costs. Duke Energy Power had a significant increase which affects the monthly lease rate for the City’s approximately 35,000 street lights.
 - Special Appropriations – Increases in year over year expenses in this area are tied to transfers out of the general fund to support critical capital improvements that are priorities for the Council and community.

General Fund (Fund 100) – FY2022-2023 Quarter 3 Expense Overview

This page outlines key cost drivers within the General Fund. Personnel, benefits, and operating expenses are consistently the largest cost drivers.

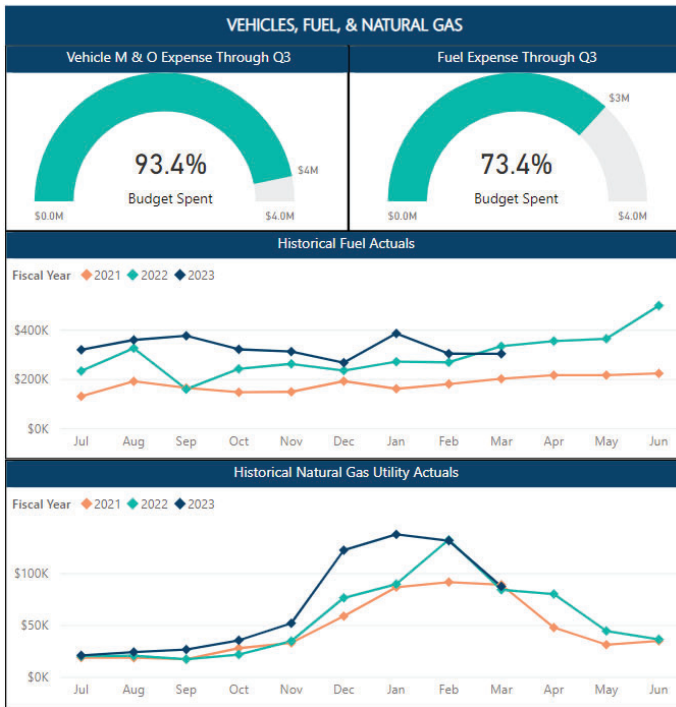


Staff Analysis:

- General Fund expenses are performing as expected for FY22-23 Q3.
- Personnel and employee benefits are above prior year actuals due to increased salaries and cost of benefits. Operating expenses are also higher due to increased contractual services, operational & maintenance supplies, and fuel costs.
- Staff continue to monitor key operating accounts, which are illustrated in more detail on the following pages.

General Fund (Fund 100) – FY2022-2023 Quarter 3 Expense Highlights: Vehicles, Fuel, and Natural Gas

This page outlines specific General Fund expenses staff are monitoring during the FY2022-2023 Fiscal Year.



Vehicle Analysis:

Staff continue to monitor vehicle maintenance and operations expenses as fuel, vehicle parts and sublet repairs continue to rise due to continued volatility in the fuel market and supply chain.

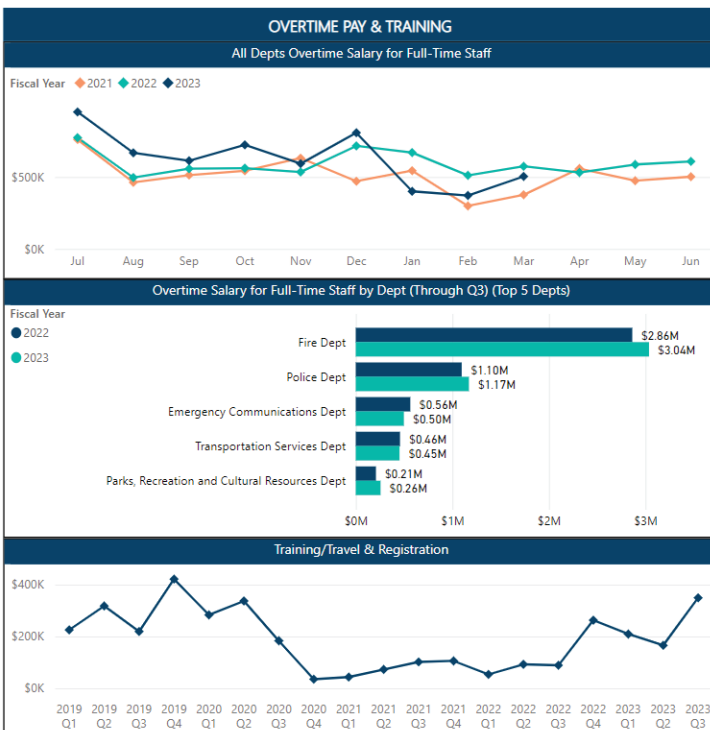
Fuel Analysis:

Staff continue to monitor fuel expenses, as the average price per gallon continues to fluctuate. Prices are lowering over prior year, but are trending higher due to seasonal increases. The average price of FY23 Q3 (\$3.31) is 29 cents less than the average price of FY22 Q3 (\$3.60), but is higher than the average price of FY23 Q2 (\$3.28). Based on current projections, the City's operating budget should have sufficient budget to absorb the increase in cost.

Natural Gas Utilities Analysis: Staff continue to monitor the effects of inflation on the costs of utility services, notably in natural gas. CPI indicates a 5% increase in March 2023 from March 2022.

General Fund (Fund 100) – FY2022-2023 Quarter 3 Expense Highlights: Overtime and Training

This page outlines specific General Fund expenses staff are monitoring during the FY2022-2023 Fiscal Year.



Overtime Pay Analysis:

Staff continue to monitor overtime salary due to vacancies in key operating departments.

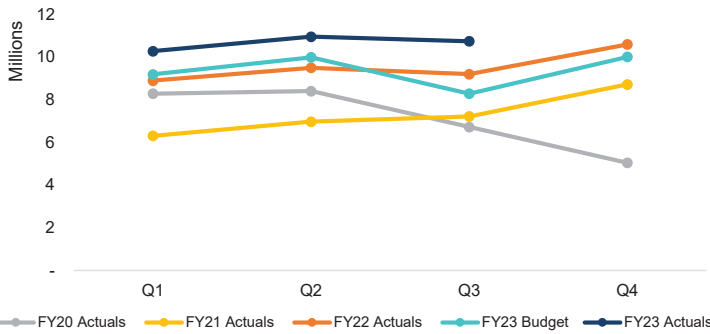
- FY22-23 Q3 finds the Fire Department still spending more on overtime than in prior years, but at a slower rate than previous quarters. Overtime is outpacing prior years on a month-to-month basis, despite increased recruitment numbers. The 49th Training Academy were activated as FTE in January, and the department has seen decreases in overtime since that time. Staff anticipates that with further recruitment and retention improvements, overtime overages will slow.
- The Police Department is a significant contributor to overtime costs in FY22-23 due to an uptick in City Events requiring additional police presence, such as the Dreamville Music Festival and the NHL Outdoor Hockey Stadium Series. Staff will continue to monitor whether the budget for Police overtime will need to be adjusted to accommodate both the resumption of City events and increased economic activity post pandemic.
- Parks, Recreation and Cultural Resources overtime has increased from prior year due to staff vacancies and increased special events in FY23 like the revival of the Holiday Express in FY23.

Training and Travel Analysis:

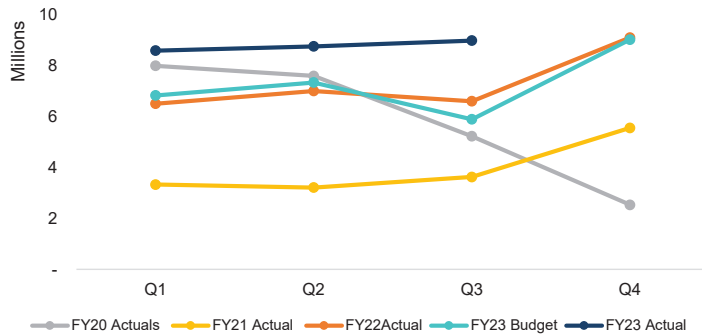
Staff Continue to monitor costs for Training/Travel and Registration as opportunities for training or travel reopen and costs increase.

Interlocal – Occupancy and Food & Beverage Tax Revenues

Prepared Food Revenue



Occupancy Tax Revenues



Staff Analysis:

- FY22-23 Prepared food tax collections as of March 2023 are near historic monthly peaks, are approximately 16% above prior year and are currently \$4.5 million above budget.
- FY2022-23 Occupancy tax collections as of March 2023 are also near historic monthly peaks, are approximately 31% above prior year and are currently \$6.3 million above budget.
- City staff continue to meet with the County, other local Wake jurisdictions, and members of the hospitality industry to discuss trends.

Convention Center Operations (Fund 642) – FY2022-2023 Quarter 3

The Convention Center Operations Fund represents the Raleigh Convention Center, Duke Energy Center for the Performing Arts, and the Red Hat Amphitheater. This is also referred to as the Raleigh Convention and Performing Arts Complex (RCC/PAC).

Fiscal Year 2022-2023			
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected
Operating	\$18,593,632	\$13,730,840	73.8%
RCC/PAC Revenue	\$16,021,762	\$12,150,066	75.8%
Other Fees & Miscellaneous	\$2,554,340	\$1,566,679	61.3%
Interest Income	\$17,530	\$14,095	80.4%
Transfers	\$6,005,731	\$4,504,298	75.0%
Transfers from Other Funds	\$6,005,731	\$4,504,298	75.0%
Fund Balance & Special Reserves	\$5,175,008	\$0	0.0%
Fund Balance & Special Reserves	\$5,175,008	\$0	0.0%
Total	\$29,774,371	\$18,235,138	61.2%

Fiscal Year 2021-2022				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY22 Actuals
Operating	\$10,731,543	\$7,490,545	69.8%	\$12,265,955
RCC/PAC Revenue	\$6,773,133	\$6,364,627	94.0%	\$10,634,747
Other Fees & Miscellaneous	\$3,946,441	\$1,115,516	28.3%	\$1,611,619
Interest Income	\$11,969	\$10,402	86.9%	\$19,589
Transfers	\$11,488,614	\$4,357,014	37.9%	\$11,488,614
Transfers from Other Funds	\$11,488,614	\$4,357,014	37.9%	\$11,488,614
Fund Balance & Special Reserves	\$7,472,444	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$7,472,444	\$0	0.0%	\$0
Total	\$29,692,601	\$11,847,559	39.9%	\$23,754,569

Fiscal Year 2022-2023			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$25,856,230	\$15,662,749	60.6%
Personnel	\$8,546,638	\$5,586,861	65.4%
Employee Benefits	\$3,261,779	\$2,391,777	73.3%
Operating Expenditures	\$12,422,889	\$6,469,236	52.1%
Operating Capital	\$3,288	\$0	0.0%
Interfund Expenditures	\$1,621,635	\$1,214,875	74.9%
Transfers	\$3,918,141	\$2,938,606	75.0%
Transfer to Other Funds	\$3,918,141	\$2,938,606	75.0%
Total	\$29,774,371	\$18,601,355	62.5%

Fiscal Year 2021-2022				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY22 Actuals
Operating	\$29,692,601	\$12,503,191	42.1%	\$17,732,408
Personnel	\$10,966,867	\$4,489,058	40.9%	\$6,464,657
Employee Benefits	\$3,047,992	\$1,907,961	62.6%	\$2,586,308
Operating Expenditures	\$13,853,938	\$4,794,249	34.6%	\$7,108,399
Operating Capital	\$0	\$0	0.0%	(\$168,479)
Interfund Expenditures	\$1,823,804	\$1,311,923	71.9%	\$1,741,522
Total	\$29,692,601	\$12,503,191	42.1%	\$17,732,408

Expenses vs. Revenues - Quarter 3



Staff Analysis:

- Revenues for FY22-23 Q3 are at 61% of the budget. FY23 operating revenues are up 28% vs. pre-pandemic FY19 revenues.
- Expenses are currently exceeding revenues by \$0.4million. Convention Center staff expect Q4 to be a busy time, as the convention center experiences some seasonality with the winter being a slower time for the industry and events ramping up in the spring. Staff expects a strong last quarter.
- Staff will continue to closely monitor revenues and expenses.

Parking Operations (Fund 442) – FY2022-2023 Quarter 3

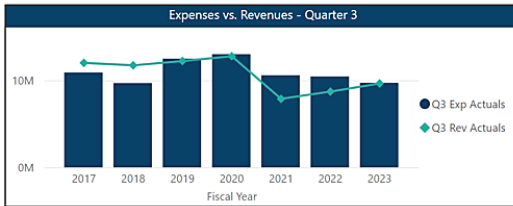
The Parking Operations fund supports Raleigh Parking, which operates on-street and off-street parking downtown and throughout the city.

Fiscal Year 2022-2023			
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected
Operating	\$15,012,232	\$9,642,505	64.2%
Parking Fees	\$14,908,224	\$9,588,958	64.3%
Other Fees & Miscellaneous	\$39,887	\$35,693	89.5%
Interest Income	\$64,121	\$17,854	27.8%
Fund Balance & Special Reserves	\$422,183	\$0	0.0%
Fund Balance & Special Reserves	\$422,183	\$0	0.0%
Total	\$15,434,415	\$9,642,505	62.5%

Fiscal Year 2021-2022				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY22 Actuals
Operating	\$12,439,620	\$8,709,497	70.0%	\$13,482,901
Parking Fees	\$12,170,499	\$8,476,581	69.6%	\$12,997,244
Other Fees & Miscellaneous	\$205,000	\$219,741	107.2%	\$460,844
Interest Income	\$64,121	\$13,175	20.5%	\$24,812
Fund Balance & Special Reserves	\$4,000,000	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$4,000,000	\$0	0.0%	\$0
Total	\$16,439,620	\$8,709,497	53.0%	\$13,482,901

Fiscal Year 2022-2023			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$10,122,042	\$5,731,411	56.6%
Personnel	\$1,991,258	\$1,196,325	60.1%
Employee Benefits	\$976,810	\$636,442	65.2%
Operating Expenditures	\$6,403,173	\$3,343,247	52.2%
Operating Capital	\$1,500	\$0	0.0%
Interfund Expenditures	\$749,301	\$555,397	74.1%
Transfers	\$5,312,373	\$3,984,280	75.0%
Transfer to Debt Service	\$5,312,373	\$3,984,280	75.0%
Total	\$15,434,415	\$9,715,691	62.9%

Fiscal Year 2021-2022				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY22 Actuals
Operating	\$9,776,104	\$5,592,694	57.2%	\$7,923,468
Personnel	\$1,970,365	\$1,202,564	61.0%	\$1,668,345
Employee Benefits	\$937,672	\$620,525	66.2%	\$822,414
Operating Expenditures	\$6,098,481	\$3,197,426	52.4%	\$4,706,640
Operating Capital	\$1,500	\$0	0.0%	(\$36,169)
Interfund Expenditures	\$768,086	\$572,178	74.5%	\$762,238
Transfers	\$6,663,516	\$4,858,887	72.9%	\$6,085,110
Transfer to Debt Service	\$6,098,516	\$4,573,887	75.0%	\$5,520,110
Transfer to Capital Funds	\$185,000	\$0	0.0%	\$185,000
Transfer to Other Funds	\$380,000	\$285,000	75.0%	\$380,000
Total	\$16,439,620	\$10,451,581	63.6%	\$14,008,578



Staff Analysis:

- Parking revenues are higher overall from FY22 Q3 to FY23 Q3 and the expectation is a 95% revenue collection by year-end.
- FY23 expenditures are lower from FY22 Q3 but with a similar expense rate utilization as compared to budget.
- The FY23 budget included no approved increases to parking rates.
- Staff will continue to monitor parking operations.

Raleigh Water (Fund 310) – FY2022-2023 Quarter 3

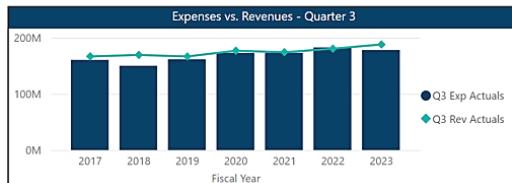
The Raleigh Water operating fund supports the regional utility that provides drinking water, sanitary sewer, and reuse water services to Raleigh and six neighboring towns: Garner, Knightdale, Rolesville, Wake Forest, Wendell, and Zebulon. In total, Raleigh Water serves more than 190,000 metered water and sewer customers and a service population of approximately 600,000 people.

Fiscal Year 2022-2023			
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected
Operating	\$241,742,000	\$187,935,500	77.7%
Inspection Fees	\$2,122,991	\$2,478,071	116.7%
Interest Income	\$3,400,000	\$3,749,303	110.3%
Other Fees & Miscellaneous	\$5,726,349	\$3,953,125	69.0%
Utility Sales	\$230,492,660	\$177,755,000	77.1%
Fund Balance & Special Reserves	\$27,138,430	\$0	0.0%
Fund Balance & Special Reserves	\$27,138,430	\$0	0.0%
Total	\$268,880,430	\$187,935,500	69.9%

Fiscal Year 2021-2022				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY22 Actuals
Operating	\$239,407,357	\$180,384,076	75.3%	\$242,340,477
Inspection Fees	\$1,490,000	\$1,989,313	133.5%	\$2,891,352
Interest Income	\$2,937,763	\$2,786,779	94.9%	\$5,104,020
Other Fees & Miscellaneous	\$5,885,435	\$4,162,835	70.7%	\$6,976,786
Utility Sales	\$229,094,159	\$171,445,148	74.8%	\$227,368,319
Transfers	\$90,000	\$67,500	75.0%	\$90,000
Transfers from Other Funds	\$90,000	\$67,500	75.0%	\$90,000
Fund Balance & Special Reserves	\$30,381,854	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$30,381,854	\$0	0.0%	\$0
Total	\$269,879,211	\$180,451,576	66.9%	\$242,430,477

Fiscal Year 2022-2023			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$155,380,430	\$92,904,134	59.8%
Personnel	\$43,380,184	\$28,446,706	65.6%
Employee Benefits	\$19,732,385	\$13,319,274	67.5%
Operating Expenditures	\$77,153,570	\$40,972,932	53.1%
Operating Capital	\$1,441,180	\$748,462	51.9%
Interfund Expenditures	\$13,673,112	\$9,416,760	68.9%
Transfers	\$113,500,000	\$85,125,000	75.0%
Transfer to Debt Service	\$38,500,000	\$28,875,000	75.0%
Transfer to Capital Funds	\$75,000,000	\$56,250,000	75.0%
Total	\$268,880,430	\$178,029,134	66.2%

Fiscal Year 2021-2022				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY22 Actuals
Operating	\$140,969,211	\$85,969,183	61.0%	\$118,065,884
Personnel	\$39,493,850	\$27,615,399	69.9%	\$37,325,970
Employee Benefits	\$18,293,036	\$12,879,497	70.4%	\$16,839,448
Operating Expenditures	\$68,424,551	\$36,324,951	53.1%	\$51,152,257
Operating Capital	\$1,354,296	\$483,825	35.7%	\$185,565
Interfund Expenditures	\$13,403,478	\$8,665,511	64.7%	\$12,562,643
Transfers	\$128,910,000	\$96,682,500	75.0%	\$128,910,000
Transfer to Debt Service	\$43,910,000	\$32,932,500	75.0%	\$43,910,000
Transfer to Capital Funds	\$85,000,000	\$63,750,000	75.0%	\$85,000,000
Total	\$269,879,211	\$182,651,683	67.7%	\$246,975,884



Staff Analysis:

- The FY22-23 budget included an approved rate increase of 1.5% for water and sewer charges.
- Through Q3, utility sales revenues are trending slightly higher than prior year.
- Operating costs are trending comparably to the prior year.
- The fund is performing within expectations.

Solid Waste (Fund 360) – FY2022-2023 Quarter 3

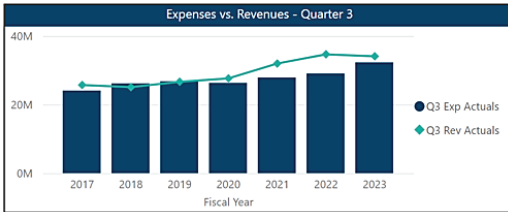
The Solid Waste operations fund supports safe and efficient residential curbside garbage, recycling, yard waste, special/bulky, and e-waste collection, as well as disposal services across the City, including specialized services in the Central Business District and during City-sponsored special events.

Fiscal Year 2022-2023			
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected
Operating	\$37,429,193	\$28,262,025	75.5%
Residential Solid Waste Fees	\$35,189,880	\$26,287,893	74.7%
Yardwaste Revenue	\$894,474	\$736,848	82.4%
Other Fees & Miscellaneous	\$1,344,839	\$1,237,285	92.0%
Transfers	\$7,730,000	\$5,797,500	75.0%
Transfers from Other Funds	\$7,730,000	\$5,797,500	75.0%
Fund Balance & Special Reserves	\$6,254,062	\$0	0.0%
Fund Balance & Special Reserves	\$6,254,062	\$0	0.0%
Total	\$51,413,255	\$34,059,525	66.2%

Fiscal Year 2021-2022				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY22 Actuals
Operating	\$35,775,062	\$28,837,583	80.6%	\$37,804,850
Residential Solid Waste Fees	\$33,679,862	\$25,899,128	76.9%	\$34,244,638
Yardwaste Revenue	\$650,000	\$601,447	92.5%	\$869,936
Other Fees & Miscellaneous	\$1,445,200	\$2,337,007	161.7%	\$2,690,275
Transfers	\$7,730,000	\$5,797,500	75.0%	\$7,730,000
Transfers from Other Funds	\$7,730,000	\$5,797,500	75.0%	\$7,730,000
Fund Balance & Special Reserves	\$5,581,772	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$5,581,772	\$0	0.0%	\$0
Total	\$49,086,834	\$34,635,083	70.6%	\$45,534,850

Fiscal Year 2022-2023			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$50,249,200	\$31,415,131	62.5%
Personnel	\$11,531,103	\$7,722,852	67.0%
Employee Benefits	\$5,501,852	\$3,644,274	66.2%
Operating Expenditures	\$26,905,332	\$15,485,968	57.6%
Operating Capital	\$565,860	\$379,234	67.0%
Interfund Expenditures	\$5,745,053	\$4,182,803	72.8%
Transfers	\$1,164,055	\$884,257	76.0%
Transfer to Debt Service	\$1,119,191	\$839,393	75.0%
Transfer to Other Funds	\$44,864	\$44,864	100.0%
Total	\$51,413,255	\$32,299,388	62.8%

Fiscal Year 2021-2022				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY22 Actuals
Operating	\$47,834,192	\$28,148,157	58.8%	\$39,271,651
Personnel	\$10,477,249	\$7,045,320	67.2%	\$9,692,785
Employee Benefits	\$5,161,196	\$3,453,631	66.9%	\$4,567,224
Operating Expenditures	\$26,113,908	\$13,350,063	51.1%	\$19,414,474
Operating Capital	\$614,434	\$397,276	64.7%	\$327,356
Interfund Expenditures	\$5,467,405	\$3,901,868	71.4%	\$5,269,812
Transfers	\$1,252,642	\$915,311	73.1%	\$1,252,642
Transfer to Debt Service	\$1,130,414	\$847,811	75.0%	\$1,130,414
Transfer to Other Funds	\$122,228	\$67,500	55.2%	\$122,228
Total	\$49,086,834	\$29,063,467	59.2%	\$40,524,293



Staff Analysis:

- Solid Waste revenues are performing within expectations.
- The FY22-23 budget included a \$0.25 increase to the monthly Solid Waste Collection fee from \$15.45 to \$15.70. Solid waste revenues and yard waste revenues are slightly up from prior year due to the FY23 rate increase for residential solid waste collection and increased volumes at the Yard Waste Center.
- Other Fees & Miscellaneous revenues are down from the prior year due to the decrease in Sonoco revenues associated with the recycling market.
- Expenses have increased due to the growing cost of fuel and vehicle maintenance and operations.

Stormwater Operations (Fund 460) – FY2022-2023 Quarter 3

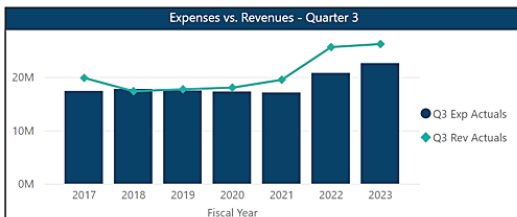
The Stormwater Operations fund supports the City's Stormwater Utility, including drainage and water quality assistance programs, major capital improvement projects, public drainage system operation and maintenance.

Fiscal Year 2022-2023			
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected
Operating	\$34,175,004	\$26,196,112	76.7%
Stormwater Fees	\$33,292,794	\$25,954,671	78.0%
Other Fees & Miscellaneous	\$582,210	\$2,762	0.5%
Interest Income	\$300,000	\$238,679	79.6%
Fund Balance & Special Reserves	\$1,066,431	\$0	0.0%
Fund Balance & Special Reserves	\$1,066,431	\$0	0.0%
Total	\$35,241,435	\$26,196,112	74.3%

Fiscal Year 2021-2022				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY22 Actuals
Operating	\$32,442,313	\$25,631,048	79.0%	\$34,025,453
Stormwater Fees	\$31,684,703	\$25,429,655	80.3%	\$33,561,997
Other Fees & Miscellaneous	\$573,426	\$25,262	4.4%	\$131,753
Interest Income	\$184,184	\$176,132	95.6%	\$331,702
Fund Balance & Special Reserves	\$332,739	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$332,739	\$0	0.0%	\$0
Total	\$32,775,052	\$25,631,048	78.2%	\$34,025,453

Fiscal Year 2022-2023			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$23,540,249	\$13,844,449	58.8%
Personnel	\$9,019,907	\$5,817,344	64.5%
Employee Benefits	\$3,989,020	\$2,693,080	67.5%
Operating Expenditures	\$6,439,558	\$2,407,095	37.4%
Operating Capital	\$101,738	\$0	0.0%
Interfund Expenditures	\$3,990,026	\$2,926,930	73.4%
Transfers	\$11,701,186	\$8,775,890	75.0%
Transfer to Capital Funds	\$11,393,950	\$8,545,463	75.0%
Transfer to Other Funds	\$307,236	\$230,427	75.0%
Total	\$35,241,435	\$22,620,339	64.2%

Fiscal Year 2021-2022				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY22 Actuals
Operating	\$22,045,384	\$12,748,762	57.8%	\$17,673,035
Personnel	\$8,020,860	\$5,087,307	63.4%	\$7,036,768
Employee Benefits	\$3,542,243	\$2,338,413	66.0%	\$3,109,872
Operating Expenditures	\$6,733,906	\$2,780,894	41.3%	\$4,044,631
Operating Capital	\$103,518	\$1,685	1.6%	\$57,690
Interfund Expenditures	\$3,644,857	\$2,540,463	69.7%	\$3,424,074
Transfers	\$10,729,668	\$8,047,251	75.0%	\$10,729,668
Transfer to Capital Funds	\$10,493,000	\$7,869,750	75.0%	\$10,493,000
Transfer to Other Funds	\$236,668	\$177,501	75.0%	\$236,668
Total	\$32,775,052	\$20,796,013	63.5%	\$28,402,703



Staff Analysis:

- FY22-23 Q3 Stormwater Fee revenues are exceeding prior year revenues associated with the approved FY22-23 rate increase of 2.5% and are in line with last year's collections for Q3.
- Current year transfers to Capital Funds are higher in budget and actuals over Q3 FY22. Staff continue to work on critical stormwater capital projects that ensure water quality and flood control measures.
- The fund is performing within expectations

Transit (Fund 410) – FY2022-2023 Quarter 3

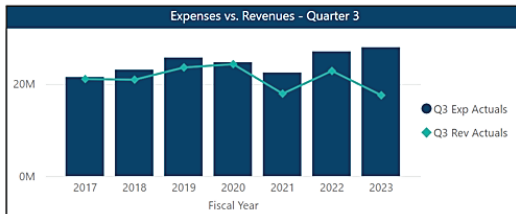
This fund supports the operation of GoRaleigh, the City's public transportation system, and the City's program for residents with disabilities called GoRaleigh Access.

Fiscal Year 2022-2023			
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected
Operating	\$29,422,554	\$4,608,783	15.7%
Transit Revenues	\$1,969,463	\$1,247,481	63.3%
Intergovernmental	\$15,069,813	\$19,812	0.1%
Grants & Matching Funds	\$12,178,278	\$3,041,187	25.0%
Other Fees & Miscellaneous	\$205,000	\$300,303	146.5%
Transfers	\$17,251,944	\$12,938,958	75.0%
Transfers from Other Funds	\$17,251,944	\$12,938,958	75.0%
Fund Balance & Special Reserves	\$1,126,883	\$0	0.0%
Fund Balance & Special Reserves	\$1,126,883	\$0	0.0%
Total	\$47,801,381	\$17,547,741	36.7%

Fiscal Year 2021-2022				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY22 Actuals
Operating	\$23,066,276	\$10,154,072	44.0%	\$21,518,062
Transit Revenues	\$1,560,057	\$1,415,475	90.7%	\$1,846,041
Intergovernmental	\$12,930,219	\$5,506,133	42.6%	\$10,954,576
Grants & Matching Funds	\$8,371,000	\$3,041,187	36.3%	\$8,371,000
Other Fees & Miscellaneous	\$205,000	\$191,277	93.3%	\$346,446
Transfers	\$16,913,671	\$12,685,253	75.0%	\$16,913,671
Transfers from Other Funds	\$16,913,671	\$12,685,253	75.0%	\$16,913,671
Fund Balance & Special Reserves	\$1,218,904	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$1,218,904	\$0	0.0%	\$0
Total	\$41,198,851	\$22,839,325	55.4%	\$38,431,733

Fiscal Year 2022-2023			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$47,699,448	\$27,879,754	58.4%
Personnel	\$1,544,970	\$996,383	64.5%
Employee Benefits	\$652,869	\$440,931	67.5%
Operating Expenditures	\$44,688,507	\$25,852,944	57.9%
Interfund Expenditures	\$813,102	\$589,497	72.5%
Transfers	\$101,933	\$101,933	100.0%
Transfer to Capital Funds	\$101,933	\$101,933	100.0%
Total	\$47,801,381	\$27,981,687	58.5%

Fiscal Year 2021-2022				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY22 Actuals
Operating	\$40,820,113	\$26,700,032	65.4%	\$37,243,096
Personnel	\$1,328,166	\$877,750	66.1%	\$1,188,441
Employee Benefits	\$625,526	\$440,810	70.5%	\$575,854
Operating Expenditures	\$38,030,971	\$24,754,965	65.1%	\$34,692,916
Operating Capital	\$0	\$0		(\$43,060)
Interfund Expenditures	\$835,450	\$626,507	75.0%	\$828,946
Transfers	\$378,738	\$378,738	100.0%	\$378,738
Transfer to Other Funds	\$378,738	\$378,738	100.0%	\$378,738
Total	\$41,198,851	\$27,078,770	65.7%	\$37,621,834



Staff Analysis:

- Transit fares continue to be suspended as a strategy to reduce the financial burden on community members in FY23. Transit operations is using federal funds as a form of revenue replacement in the FY23 budget.
- Due to the timing of key grant reimbursements, overall Q3 revenue collection appears low however, will be back in line with the year-end report.
- FY23 Q3 expenses are slightly lower than FY22 Q3 expenses but are within staff expectations.
- Staff will continue to monitor this fund.

Vehicle Fleet Services (Fund 260) – FY2022-2023 Quarter 3

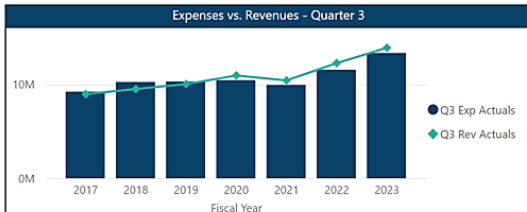
The Vehicle Fleet Service Fund is an internal service fund that tracks the City's fleet program, including associated equipment, salaries, maintenance, and operations needed for fleet preservation.

Fiscal Year 2022-2023			
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected
Operating	\$18,768,203	\$13,920,089	74.2%
Other Fees & Miscellaneous	\$18,768,203	\$13,920,089	74.2%
Fund Balance & Special Reserves	\$864,465	\$0	0.0%
Fund Balance & Special Reserves	\$864,465	\$0	0.0%
Total	\$19,632,668	\$13,920,089	70.9%

Fiscal Year 2021-2022				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY22 Actuals
Operating	\$17,936,032	\$12,286,219	68.5%	\$17,134,866
Other Fees & Miscellaneous	\$17,936,032	\$12,286,219	68.5%	\$17,134,866
Fund Balance & Special Reserves	\$102,045	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$102,045	\$0	0.0%	\$0
Total	\$18,038,077	\$12,286,219	68.1%	\$17,134,866

Fiscal Year 2022-2023			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$19,632,668	\$13,362,934	68.1%
Personnel	\$4,156,940	\$2,741,666	66.0%
Employee Benefits	\$2,252,941	\$1,474,086	65.4%
Operating Expenditures	\$13,015,007	\$9,053,323	69.6%
Operating Capital	\$192,649	\$84,715	44.0%
Interfund Expenditures	\$15,130	\$9,144	60.4%
Total	\$19,632,668	\$13,362,934	68.1%

Fiscal Year 2021-2022				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY22 Actuals
Operating	\$18,038,077	\$11,581,354	64.2%	\$16,463,237
Personnel	\$3,698,139	\$2,692,979	72.8%	\$3,667,260
Employee Benefits	\$1,871,762	\$1,407,329	75.2%	\$1,855,474
Operating Expenditures	\$12,397,723	\$7,436,369	60.0%	\$10,904,665
Operating Capital	\$55,453	\$35,705	64.4%	\$23,889
Interfund Expenditures	\$15,000	\$8,971	59.8%	\$11,950
Total	\$18,038,077	\$11,581,354	64.2%	\$16,463,237



Staff Analysis:

- Revenue is within expectations and is trending higher than FY22 Q3 collections. Fees charged to Departments for vehicle maintenance and repairs and fuel have steadily increased year over year to account for rising costs.
- Fuel, vehicle parts and sublet repairs continue to be higher expenses for the division due to continued volatility in the fuel market and supply chain.
- Staff are monitoring these critical accounts over the next quarter.

COVID Stimulus Funding Grant Report

This report provides an overview of federal funding received through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Consolidated Appropriations Act and the American Rescue Plan Act. All funding was directly allocated to the City of Raleigh.

Title of Grant	Grant Purpose	Department	Grant Award	Total Amount Expended	Total Encumbered	Balance Remaining	Grant Expiration
Coronavirus Emergency Supplemental Funding Program	To prevent, prepare for, and respond to the coronavirus (COVID-19).	Police	\$399,140	\$386,305	\$4,188	\$8,647	1/31/2023
ESG-CV1 CARES Act	Emergency shelter, homelessness prevention, Homeless Management Information System (HMIS), and rapid re-housing.	Housing & Neighborhoods	\$950,338	\$950,338	-	-	9/30/2023
ESG-CV2 CARES Act	Emergency shelter, homelessness prevention, HMIS, rapid re-housing, and street outreach.	Housing & Neighborhoods	\$3,503,113	\$3,300,339	\$202,774	-	9/30/2023
Emergency Rental Assistance 2 (ARPA)	Emergency rental and utility assistance, including arrears, for households impacted by COVID-19.	Housing & Neighborhoods	\$11,313,787	\$11,313,787	-	-	9/30/2025
CDBG-CV1 CARES Act	Rental and mortgage assistance for households impacted by COVID-19.	Housing & Neighborhoods	\$1,878,051	\$1,853,069	-	\$24,982	5/25/2026
CDBG-CV3 CARES Act	Rental and mortgage assistance for households impacted by COVID-19 and emergency shelter expansion/renovation.	Housing & Neighborhoods	\$2,672,436	\$1,199,226	\$1,423,096	\$50,115	5/25/2026
Transit Section 5307 - CARES Act 2020	Supports capital, operating, and other expenses generally eligible under those programs to prevent, prepare for, and respond to COVID-19.	Transportation	\$28,715,156	\$10,733,140	\$3,347,971	\$14,634,044	N/A
Transit Section 5307 - ARPA	Supports operating, and other expenses generally eligible under those programs to prevent, prepare for, and respond to COVID-19.	Transportation	\$21,000,000	\$9,250,332	\$724,717	\$11,024,951	9/30/24 – deadline to program funds
Wake City Bus Rapid Transit – ARPA	Funds the purchase of 60-foot articulated transit vehicles for the BRT New Bern corridor.	Transportation	\$5,404,048	-	\$5,403,573	\$475	9/30/2029
HOME – ARP	Funds may be used for housing assistance activities that benefit individuals and families from qualifying populations.	Housing & Neighborhoods	\$5,248,796	\$54,846	\$64,574	\$5,129,376	9/30/2030

Note: This table is listed in order of grant expiration date.

Staff Analysis is on the following page.

COVID Stimulus Grant Funding Report

This report provides an overview of federal funding received through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Consolidated Appropriations Act and the American Rescue Plan Act (ARPA). All funding was directly allocated to the City of Raleigh.

Staff Analysis:

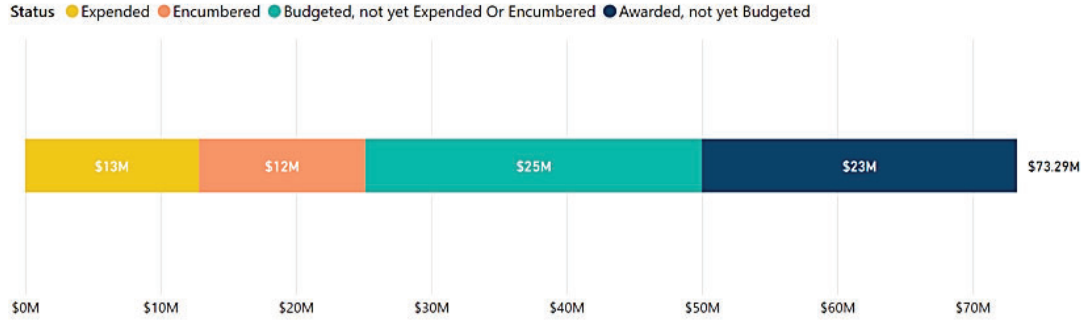
- Emergency Solutions Grant (ESG-CV1 and ESG-CV2): Housing & Urban Development (HUD) ESG-CV funds support Emergency Shelter, Street Outreach, Rapid Rehousing, and Homelessness Prevention. As of March 31, 2023, only one outstanding contract remains, which is expected to be completed by 6/30/23, ahead of the 9/30/23 grant deadline.
- Emergency Rental Assistance (ERA2): Through the HouseWake! Program, Telamon approved 5,369 applications for rental and utility assistance, which includes both city and county applicants. Telamon staff received 10,520 applications in total and approved 51% of the applications. Staff projects remaining ERA2 funding will be reallocated to another eligible use.
- Community Development Block Grant (CDBG-CV1 and CDBG-CV3): All non-profit agencies to whom the City awarded CDBG-CV1 and CDBG-CV3 funds under the public services category (primarily emergency rental and mortgage assistance) are under contract, with only two remaining open. Three agencies were awarded CDBG-CV3 funds under the public facilities category (emergency shelter and public facilities improvements), and two of the agencies are under contract. The third public facilities contract is being finalized.
- Transit Section 5307 CARES Act: Funding is used to cover FY23 operating expenditures due to the loss of farebox revenue. Plans for the funding include the Wake County subrecipient portion, a construction contract for the GoRaleigh park and ride project on Poole Road, and Transit planning studies.
- Transit Section 5307 ARPA: Funding is projected to be used for future operating expenditures.
- HOME – ARP: The City was awarded a one-time allocation of \$5,248,796 of HOME-ARP funding, appropriated under the American Rescue Plan Act (ARP) from HUD. The funding can be used to assist residents who are homeless, at risk of homelessness, and those who are otherwise vulnerable to housing instability. It can be used for a range of activities including affordable rental housing and non-congregate shelter development/ acquisition. To access these funds, the City must create a HOME-ARP Allocation plan, which was submitted to HUD for review in September with approval expected in April 2023.

American Rescue Plan Act Stimulus Funding Grant Report

This report provides an overview of federal funding received through the American Rescue Plan Act (ARPA). ARPA funding was directly allocated to the City of Raleigh.

Title of Grant	Grant Purpose	Department	Grant Award	Grant Expiration
American Rescue Plan Act (ARPA) - Coronavirus Local Fiscal Recovery Funds (CLFRF)	To improve community health readiness, address negative economic impacts caused by the COVID-19 pandemic, including small businesses support, aid the communities and populations hardest hit by the crisis, alleviate systemic challenges that face our community, and invest in water, sewer, and broadband infrastructure.	Budget & Mgt Services / Finance	\$73,292,365	SLFRF funding is required to be obligated by December 31, 2024 and jurisdictions have until December 31, 2026 to fully expend their funds.

Status of ARPA Funds

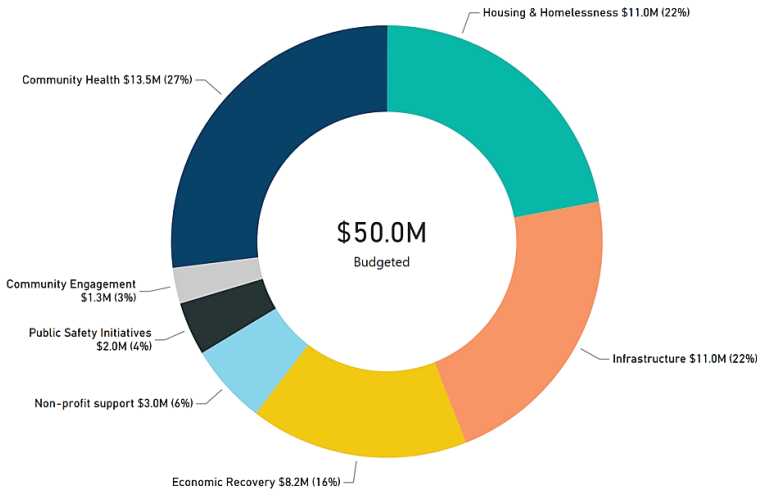


Staff Analysis: Of the \$50 million ARPA Funds that have been budgeted, \$12.8 million has been expended and another \$12.3 million are encumbered. There is an additional \$23 million in Funds remaining to be budgeted

American Rescue Plan Act Stimulus Funding Grant Report

This report provides an overview of federal funding received through the American Rescue Plan Act (ARPA). ARPA funding was directly allocated to the City of Raleigh.

ARPA Budget by Category



Q3 Project Highlights:

- Community Engagement Mobile Bus- Funding for a Mobile Community Engagement bus allows staff to meet our community where they are available and continuing to advance City Council’s commitment to reaching those that are traditionally underserved and underrepresented in our city.
- Nonprofit technical assistance and capacity building Support program- Raleigh supports nonprofits through ARPA Funding. The \$1 million in funding provides technical and capacity-building training for local nonprofit organizations to prepare for, apply and properly manage federal grant funding thereby strengthening their presence in the community, supporting their mission, building collaborative networks, and fostering non-profit sustainability within the City.
- ARPA Housing Justice Project- Through a contractual relationship with Campbell Law School for eviction legal representation. The City of Raleigh is in partnership with Blanchard Community Law Clinic to serve low-income residents who are facing eviction and homelessness. The “City of Raleigh Housing Justice Project with Campbell Law School” will be a legal clinic run by lawyers and law students.
- ARPA Social Services Ambassador- The Social Service Ambassador is responsible for circulating throughout the Downtown District identifying and building positive relationships with persons on the street in need of services.

Weekly Events Digest

Friday, May 26 – Thursday, June 1

City of Raleigh Office of Emergency Management and Special Events
specialevents@raleighnc.gov | 919-996-2200 | raleighnc.gov/special-events-office

Permitted Special Events

[Animazement](#)

Raleigh Convention Center & Cabarrus Street

Friday, May 26 – Sunday, May 28

Event Times: 11:00am - 7:00pm on 5-26-23 & 5-27-23; 11:00am - 5:00pm on 5-28-23

Associated Road Closures: Cabarrus Street between Salisbury Street and Gale Street will be closed from 10:00am until 8:00pm on 5-26-23 and 5-27-23, and from 10:00am until 6:00pm on 5-28-23.

[Race to Bridge the Gap 5K](#)

Newton Road & E. Fork Mine Creek Trail

Saturday, May 27

Event Time: 9:00am - 11:00am

Associated Road Closures: Roads will be closed and the greenway will be used from 8:50am until 10:30am for the 5K. [View route here](#) and see below for turn-by-turn details:

Start at 400 Newton Road; Left onto Newton Road; Right onto the E. Fork Mine Creek Trail; Left onto Clear Brook Drive; Left onto Mourning Dove Road; Right onto Apple Orchard Way; Left onto Old Deer Trail; Right onto E. Fork Mine Creek Trail; Left onto Newton Road to finish

[NC Sugar Rush](#)

City Plaza

Sunday, May 28

Event Time: 12:00pm - 5:00pm

Associated Road Closures: Fayetteville Street between Davie Street and the south end of City Plaza will be closed from 9:00am until 8:00pm.

[Black Flea Market](#)

Raleigh Union Station Plaza

Sunday, May 28

Event Time: 1:00pm - 5:00pm

Associated Road Closures: No roads will be closed for the event. Union Station Plaza will be used from 12:00pm until 6:00pm every Sunday through 10-29-23.

Other Upcoming Events

[Vintage Market](#)

Saturday, May 27

Moore Square

[Sunrise Birding Walk](#)

Saturday, May 27

Thomas G. Crowder Woodland Center

[Artist Reception: Claire Kiester](#)

Saturday, May 27

Sertoma Arts Center

[Ryan Adams & The Cardinals](#)

Sunday, May 28
Red Hat Amphitheater

[The North Carolina Heritage Awards – PineCone](#)

Wednesday, May 31
Fletcher Opera Theater

[Dead & Company](#)

Thursday, June 1
Coastal Credit Union Music Park at Walnut Creek

Public Resources

[Pilot Text Alert Program](#): Sometimes spontaneous events happen downtown and in other areas that could affect local businesses. If you'd like to receive notifications when those events happen, including unpermitted ones, sign up for text alerts.

[Event Feedback Form](#): Tell us what you think about Raleigh events! We welcome citizen and participant feedback and encourage you to provide comments or concerns about any events regulated by the Office of Emergency Management and Special Events. We will use this helpful information in future planning.

[Road Closure and Road Race Map](#): A resource providing current information on street closures in Raleigh.

[Online Events Calendar](#): View all currently scheduled events that impact city streets, public plazas, and Dorothea Dix Park.

Council Member Follow Up

To	Marchell Adams-David, City Manager
Thru	Michael Moore, Assistant City Manager
From	Will Shumaker, Mobility Development Supervisor
Department	Transportation
Date	May 26, 2023
Subject	Neighborhood Traffic Circles – Oakwood Avenue at N. State Street

The installation and proposal of neighborhood traffic circles has developed through research, best practices and evaluations and the core desires and feedback we receive from the community regarding intersection traffic calming treatments.

All-way stops are one of the most requested treatments from residents with the majority reason for the request being a remedy for speed compliance concerns. All-way stops are federally regulated by the adopted Manual for Uniform Traffic Control Devices (MUTCD) which dictates when and where all-way stop conversions are appropriate. The MUTCD states that all-way stops are a tool to increase intersection safety and not a tool to address speed compliance concerns. They are specifically not used for speed compliance reasons because they are not effective at slowing drivers down along the entirety of a street.

All-way stops have an influence over driver behavior for around 100'-150', but outside of that range, there is little to no impact on normal driving behavior. Improperly installed all-way stops can actually make safety and speeding conditions worse along a street. Drivers can feel unjustly stopped and there is a tendency for them to work to make up for the perceived lost time at the all-way stop, and typical driver speeds can actually increase along a street when compared to the prior non-stop condition. Also, stop compliance can become an issue with drivers rolling or blowing through stop signs if they feel they are not warranted. This creates intersection safety concerns with pedestrians attempting to cross the street and for drivers attempting to turn onto the main street from a side street. Although all-way stops are not a tool we can deploy to address every request, staff has researched and identified other intersection treatments that we have the authority deploy that works to meet the core needs of the residents.

Staff researched other programs throughout the country and identified Seattle's neighborhood traffic circle program as an effective program and one that we could explore further in Raleigh. Seattle's neighborhood traffic circle program began in the early 1970s and as of around 5 years ago more than 1,200 neighborhood traffic circles have been installed throughout the city. This program was initiated to address intersection collisions and to help with speed compliance concerns. A 1997 study by Seattle found that neighborhood traffic circles have reduced collisions causing injury by 97% and all collisions by 90%. Seattle's neighborhood traffic circle program is a standalone program that intakes approximately 100 annual requests.

Through this research and best practices across the country, RDOT identified neighborhood traffic circles as a tool that met the safety and traffic calming needs that residents have requested through the NTMP. As it exists in Raleigh today, our neighborhood traffic circles are installed in association with larger traffic calming project initiatives that are presented to, commented on, and approved by the residents along the street and the surrounding neighborhood. The installations in Raleigh have the same core goals as Seattle's program with a focus on reducing/eliminating intersection crashes, reducing driver speeds, and making streets safer for all road users.

Designing and implementing neighborhood traffic circles that are effective at reducing driver's speed and increasing intersection safety, while retaining access to all vehicle types including emergency vehicles is a core factor in the design process. Wider streets with a large turning radius at intersections may be beneficial for larger vehicles, such as fire engines and buses, but these streets are considered to be over designed and built for everyday use by normal vehicles. The over designing of streets is a major factor that leads to the speed compliance issues that the Neighborhood Traffic Management Program is working to address.

When researching neighborhood traffic circles, we met with internal stakeholders (fire & transit) to find out their needs and limitations so that anything we placed on the ground did not restrict access. The first conflict point we identified was having anything vertical (i.e. signage or plantings) in the center of the circle. When running tests to measure the turning needs of larger vehicles like fire engines, city buses, or drivers pulling trailers, we found that anything vertical in the center of the circle would eliminate the vehicles' ability to make left turns. The design remedy for this is to pour a monolithic concrete island that is mountable for drivers. A typical vehicle will need to slow down to drive around the circle but should have little to no issues traversing the circle for all vehicular movements. Larger vehicles will be able to drive around the neighborhood traffic circle when going straight through the intersection but will be able to drive over and mount the traffic circle when making left turns. The larger roundabouts along Hillsborough Street have a similar apron meant to be mountable by larger vehicles, but in a neighborhood setting with smaller circles, we made the entire treatment mountable to ensure we have retained access.

Another limitation that we identified was the travel path width around the traffic circle which is from the edge of the neighborhood traffic circle to the corner of the intersection. There is a direct correlation between that distance and the overall effectiveness of the treatment as a traffic calming element. The greater that distance, the greater the speeds that drivers can drive through the intersection with the treatment. We work to find a balance to have effective traffic calming projects without over burdening larger vehicles and forcing them to fully mount the neighborhood traffic circles. In working with our partners in the Transit Division, we performed field tests and ran turning template calculations and were able to find that a 17'-18' travel path width through this area met the needs of everyone. From a larger vehicle perspective, they can drive through the intersection without needing to mount the neighborhood traffic circle and will only need to partially mount with their rear tires when turning left. No conflicts were identified with vehicles turning right. This distance also works very well to slow drivers down with typical driver speeds being in the mid to upper 20's based on past evaluations.

All streets are unique with different limitations and different needs. Traffic calming projects do not move the existing curb lines and all traffic calming treatments fit fully within the existing roadway footprint. All neighborhood traffic circles, and all traffic calming treatments are

designed to fit the unique geometry of the street itself. The 17'-18' travel path widths around the circle are minimum distances we have identified, meaning we work to not make any distances tighter than this without further evaluation and discussion. Each neighborhood traffic circle is designed to fit specifically in each unique intersection.

Through the traffic calming engagement and design process, staff looks for crash patterns along streets and work to propose treatments that work to resolve any crash patterns identified. Our evaluation of the intersection of Oakwood Avenue at N. State Street identified:

- 9 intersection crashes in the previous 5 years
 - o 3 of the intersection crashes occurred in 2022
- 2 speed related crashes in the immediate area in the previous 5 years

Based on this persistent and frequent crash pattern identified at this intersection, it was determined that a neighborhood traffic circle was an appropriate treatment for this location. Since the construction of the neighborhood traffic circle in this location in mid-March, there have been zero reported intersection crashes, nor any speed related crashes along the entirety of the project which runs from N. Raleigh Boulevard to Elm Street.

Traffic calming projects introduce changes to roadways where there is consistent and habitual speed, crash, and aggressive driving behavior issues identified. These projects are designed to encourage slower speeds and work to reduce/eliminate any persistent crash issues that have been identified. Although we wish any change would generate immediate behavioral changes from drivers, all projects go through a transitional period. The first few weeks after installation can be the most turbulent, with the new normal beginning to settle in over the next 3-6 months. All traffic calming projects are monitored to ensure issues haven't been created by these changes, but official after studies aren't performed until the approximate 6-month mark. This enables us to evaluate project effectiveness after drivers have gotten accustomed to the changes and fully formed their new driving habits. Past project after study evaluations have found:

- Average speed reduction of 8.29 mph on traffic calmed streets
- Average traffic flow within approximately 1 mph of the posted speed limit
- On one street with an abnormally high historical crash pattern, speed related crashes were reduced by 75% when comparing 1 year periods leading up to and immediately after project installation. This specific project used neighborhood traffic circles and other horizontal traffic calming treatments.

The larger Oakwood Avenue traffic calming project has a mixture of vertical traffic calming elements and two neighborhood traffic circles at key locations along the scope of the project. Similar best practice treatment selection and spacing was used for the Oakwood Avenue traffic calming project. Staff expects to see similar long-term project results for this street. With every project, staff inspects the new treatments once installed, observes driver behaviors to ensure no tweaks are necessary, and evaluates project effectiveness at the approximate 6-month mark after completion of the project. Observations are actively occurring and will continue to occur while we work towards the after-study evaluation.

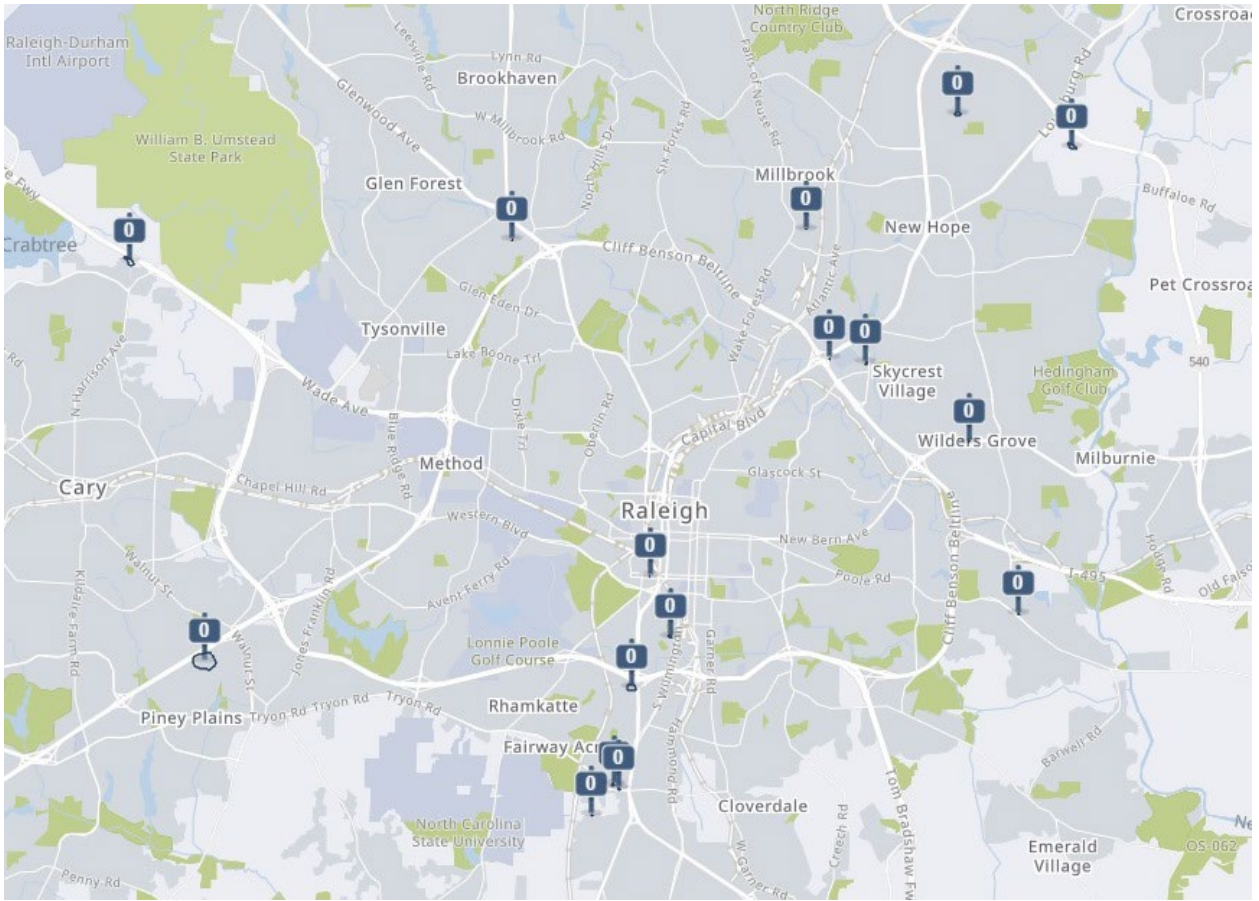
To	Marchell Adams-David, City Manager
Thru	Raleigh Evan, Assistant City Manager
From	John Niffenegger, Federal Programs Manager
Department	Housing & Neighborhoods
Date	May 22, 2023
Subject	Manager’s Update Homeless Encampment Waste Facilities Follow-up

What are Encampments?

Encampments are places not intended for human habitation where individuals experiencing homelessness reside often consisting of tents, wooden pallets, or lean-to shacks constructed from scavenged materials. They can vary in size and are most prevalent in areas with convenient access to amenities.

In recent years, there has been a significant increase in the number of reported encampments nationwide according to a recent report published by the National League of Cities. This report also notes that between 2007 and 2017, there was a 1,342 percent increase in the number of unique homeless encampments nationwide including all fifty states.

Most of what is currently known about the number and scale of encampment sites in Wake County is informed by the work of street outreach efforts to support the unsheltered homeless population. According to reported community data, most large-scale encampments in Wake County exist on or adjacent to NC Department of Transportation (NCDOT) right-of-way. The map below indicates the locations where known active encampment sites exist as of May 2023 based on Homeless Management Information System data.



Community Response to Identified Encampments

Reported encampments are referred to Wake County Continuum of Care street outreach partners including ACORNS, Triangle Family Services, Haven House, WakeMed Heart Team, and The Hope Center at Pullen. Once referred, the partners provide onsite outreach with the goal of connecting residents to support services and housing.

Encampments on NCDOT Property

Since most large-scale encampments in the County currently exist on or adjacent to NCDOT right-of-way, Housing & Neighborhoods recently met with a NCDOT representative to learn more about how encampment sites are handled by the agency. Based on this conversation, it is our understanding that the agency is passively tolerant of encampment sites unless deemed to be an immediate threat to public safety. Due to the significant threat to motorists, dumpsters and sanitary equipment (portable toilets, handwashing stations, etc.) are not generally permitted on NCDOT right-of-way.

If a site is deemed to pose an immediate threat to public safety, the agency requests approval from the Office of the Secretary to proceed with trespass notice action. Upon approval, the agency works with law enforcement (including ACORNS) and street outreach partners to ensure residents are notified to vacate and connected to support

services. Once vacated, the site is cleaned and cleared. Depending on the size, location, conditions, and level of biohazard and safety risks present, firms who specialize in encampment site cleanup may provide these services under contract with NCDOT.

To	Marchell Adams-David, City Manager
Thru	Michael Moore, Assistant City Manager
From	Will Shumaker, Mobility Development Supervisor
Department	Transportation
Date	May 19, 2023
Subject	Harps Mill Road Traffic Calming Projects

City Council adopted the Neighborhood Traffic Management Program (NTMP) to address the widespread traffic calming need in Raleigh. This program is the avenue for residents to alert the city to potential areas of need and it provides the tools to address the issues when identified.

NTMP Background

The NTMP policy is a city approved process with steps and approval thresholds that City Council has assigned staff the authority to administer. During the process, a huge part of staff’s work is gathering feedback from the neighborhood and working to build consensus with those that live in the area that are directly impacted by identified speeding and crash issues and will be impacted by any project that is constructed. Through the engagement process, staff presents evaluation data to residents to show them what conditions were identified, staff shares the concepts and principles of traffic calming for those who are unaware of what it is, staff presents best practice design layouts based on the review of the conditions identified, and we gather project feedback from the residents so we can update designs to best reflect each unique neighborhood’s needs.

Council has authorized staff to administer this process and move projects forward based on meeting or exceeding certain predetermined approval thresholds. If all approval thresholds are met, projects move forward through administrative action. As this is a Council-adopted policy, there are touchpoints between Council and staff after the ballot periods to provide status updates. During this time, Council reviews the information and may waive threshold limits if they deem it is appropriate.

When the NTMP was first adopted, neighborhood support was gauged by a resident circulated petition that required 75% of the homeowners to sign in support of a project before any design work began. Staff did not engage the greater neighborhood at that time. A group of residents in the greater neighborhood came to Council in 2014 and voiced their concerns that they were being impacted by these projects but not being given an opportunity to participate in the engagement and design process. Based on these concerns, Council directed staff to re-evaluate the city’s traffic calming project process and it was discussed in the Transportation & Transit Committee for approximately 2.5 years.

The updated NTMP policy was adopted in 2017. The policy changed from being a front-end approval process to a multi-ballot process wherein neighborhoods were balloted in the beginning to ask if they want to explore traffic calming before design work began. A second ballot was presented to neighborhoods at the end of the design process asking if they want the project constructed. Engagement also expanded to include all properties living within an approximate 2-block radius of the street being offered a project. (Formerly engagement only included property owners that live directly on the street.) Engaging residents that physically live in the area, regardless of being a renter or owner, became a priority direction given to staff. As project timelines are currently around 1.5 years from initial neighborhood touchpoint to project construction, people living on the street now are very likely to still be living in the same location throughout the whole process.

Harps Mill Road Traffic Calming Projects – Approval Process

Harps Mill Road is nearly 2 miles in length and is designated as a collector street. Its intended purpose is to collect all the surrounding residential vehicular traffic and function as a conduit for that traffic to thoroughfares like Falls of Neuse Road and Litchford Road. This traffic calming effort sought to engage all residents in the over 600 properties that live along the street and in the approximately 2-block radius surrounding Harps Mill Road. Per NTMP policy, project lengths are capped at approximately 1 mile in length per project. Due to the total length of Harps Mill Road, it was split into two separate evaluations and project scopes.

Evaluations were performed in December of 2019 and January of 2020. Both evaluations resulted in the streets meeting the minimum qualifying thresholds to receive a future project offering. Along the approximately 2 mile stretch of roadway, typical traffic speeds were recorded at approximately 38 mph in the 30-mph zone, with 15% of drivers going faster than 38 mph. There were also 5 reported speed related crashes in the 3 years leading up to the evaluations. These conditions, plus other unique characteristics such as the proximity of the North Ridge Elementary School, resulted in the two projects along Harps Mill Road being in the top 20 ranked streets throughout Raleigh based on the severity of issues identified.

Council approved the top 20 ranked streets, including the 2 sections of Harps Mill Road, to begin public engagement and design in late 2020. Staff began public engagement touchpoints in 2021. Those touchpoints included:

- An Introduction Meeting, where staff notified residents along the street that they were eligible for a project, talked about traffic calming as a concept, and answered questions and comments from the residents. This was a joint meeting across all 20 eligible streets. This period lasted from January 11, 2021 – February 5, 2021. Participation was as follows:
 - 1,082 properties viewed our presentations and resources posted online
 - 308 comments or questions were made from the residents
 - 209 unique individuals participated in this multi-street introductory discussion
- A First Ballot for the 2 Harps Mill Road projects, where staff asked the question “Do you want to further explore traffic calming for your street?”. This ballot was held in February – March 2021. Participation was as follows:
 - 234 properties (1 vote per property) cast their ballots in the First Ballot
- A Preliminary Design Meeting for the 2 Harps Mill Road projects, where staff presented initial designs based on feedback from the Introduction Meeting and gathered resident

feedback based on how well the neighborhood liked the first design proposal. These meetings were held between June 14, 2021 – July 9, 2021. Participation was as follows:

- 302 properties viewed our presentations and resources posted online
- 93 comments or questions were made from the residents
- 52 unique individuals participated in this neighborhood wide discussion

- A Final Design Meeting for the 2 Harps Mill Road projects, where staff brought back updated designs based on the feedback received from residents from the Preliminary Design Meeting. (Harps Mill Road West (Falls of Neuse Road to Haymarket Lane) - <https://raleighnc.gov/transit-streets-and-sidewalks/services/neighborhood-traffic-management/final-traffic-calming>, Harps Mill Road Middle (Haymarket Lane to Litchford Road) - <https://raleighnc.gov/transit-streets-and-sidewalks/services/neighborhood-traffic-management/final-traffic-calming>) These meetings were held between September 27, 2021 – October 24, 2021. Participation was as follows:
 - 371 properties viewed our presentations and resources posted online
 - 154 comments or questions were made from the residents
 - 81 unique individuals participated in this neighborhood wide discussion

- A Final Ballot for the 2 Harps Mill Road projects, where staff asked the question “Do you want this project constructed?” This ballot was held in October – November 2021, and participation was as follows:
 - 221 properties (1 vote per property) cast their ballots in the Final Ballot

Relative to the 2 Harps Mill Road traffic calming projects, both projects failed one or more of the administrative approval thresholds in the NTMP policy. The final ballots were as follows:

Harps Mill Rd. – West: between Falls of Neuse Rd. and Haymarket Ln.	
On-Street Participation (min 50%)	40.98% participation
On-Street Approval Rating (min 70%)	80.00% approval
Neighborhood Participation (min 25%)	30.52% participation
Neighborhood Approval Rating (min 60%)	55.26% approval

The Harps Mill Road – West project failed to meet the minimum participation threshold for the On-street Participation and the Neighborhood Approval Rating.

Harps Mill Rd. –Middle: between Litchford Rd. and Haymarket Ln.	
On-Street Participation (min 50%)	53.23% participation
On-Street Approval Rating (min 70%)	60.61% approval
Neighborhood Participation (min 25%)	41.46% participation
Neighborhood Approval Rating (min 60%)	56.47% approval

The Harps Mill Road – Middle project failed to meet the minimum approval threshold for the On-street Approval Rating and the Neighborhood Approval Rating.

Staff presented the ballot results for the overall NTMP, including the 2 Harps Mill Road projects, to Council at the January 18, 2022, City Council work session. Council discussed their concerns surrounding neighborhood safety based on existing conditions along Harps Mill Road, as well as their observation that a majority of the residents that participated were in favor of this project. Based on this discussion, Council communicated to staff that they desired to move these projects move forward to construction. This action was reported out of the work session at the

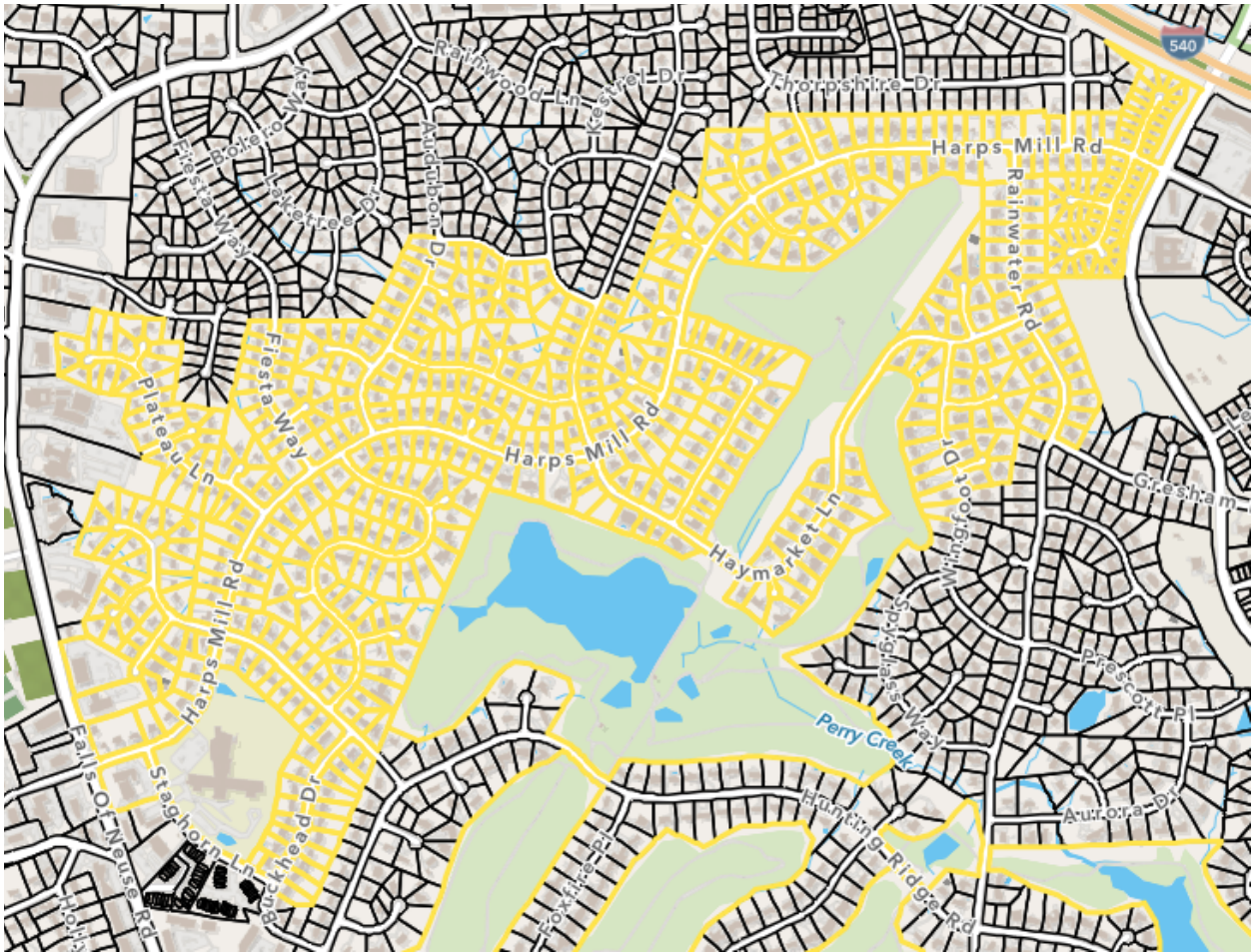
February 1, 2022, Council meeting, where a motion to waive the NTMP's policy thresholds for participation and approval for the Harps Mill Road projects was made, seconded, and approved. Since that approval, staff has been working to make these projects go from concept to reality.

The Notice to Proceed with construction activities for all 19 projects, including the 2 Harps Mill Road projects, was issued on February 10, 2023. Construction started on the 2 Harps Mill Road traffic calming projects the week of March 27, 2023, with the contractor focusing on the horizontal traffic calming treatments that include split/pinch intersection treatments, neighborhood traffic circles, and chicanes. As of this update, all horizontal and vertical treatments have been installed, and permanent pavement markings have been completed for the 2 Harps Mill Road projects.

Harps Mill Road Traffic Calming Projects – Notifications

The NTMP policy dictates that all properties within an approximate 2-block radius or along streets where the only access is the street receiving the traffic calming project offering are to be engaged in the City's traffic calming project processes. The map below highlights the 600+ properties that were notified of the project offering for the 2 Harps Mill Road projects. The individuals that live in these properties were invited to engage and cast their ballots on the project opportunity. (As a side note, Thorpshire Drive and the surrounding neighborhood directly north of Harps Mill Road was not included in this outreach as they have their own traffic calming project. The project was approved by the neighborhood and is currently working toward construction on a separate timeline.)

Per Council's past direction, Staff directly engages with those physically living along the street and in the approximate 2-block radius of the street, regardless of home ownership status. Mailings are sent to "Resident" at the property's street address, including apartment building and units. (The process to engage apartment residents is not 100% perfect given available data, but Staff will often reformat mailings to engage as many apartment residents as possible.) Given the relatively short timeline for traffic calming projects (resident engagement and design to completed construction within 1.5 – 2 years typically), it was recommended to directly engage with those living in the area as traffic calming projects have quality of life and safety impacts to those physically living along a street.



Harps Mill Road Traffic Calming Projects – Follow-up

With this new project, new changes to the roadway that alter drivers' previous behaviors are being introduced. These changes can feel more pronounced on streets where drivers routinely travel above the speed limit, as all traffic calming projects are designed to encourage speed-compliant driving behavior. Traffic calming projects work best when all treatments are in place and completed. When a project is not complete and there are treatment gaps, the spacing can lead to pockets of non-compliance where drivers attempt to make up for the perceived lost time, resulting in higher driving speeds and more aggressive driving behavior. Infrastructure projects take time, and staff has worked to complete work as quickly as possible to minimize the possibility for this type of behavior to occur.

Staff is aware of the reported crash that took place near the intersection of Harps Mill Road and Bridgewater Court while the project was still under construction. At the time of the crash, the neighborhood traffic circle had been recently installed. The two sets of chicanes immediately to the east were under construction and the three proposed speed humps had not been installed at this time. Since that time, staff has worked with the contractors to increase signage and work zone safety for all the remaining traffic calming projects that are under construction.

With every traffic calming project, staff inspects, observes, and evaluates the project. Currently, each treatment is being inspected to ensure it meets the design layout and standards in the construction documents. Staff is also observing project performance and driver behaviors as people in the area adjust to the new traffic patterns. As projects progress, we observe to ensure

no adjustments need to be made to the project. More in-depth evaluations will be performed at the approximate 6-month mark to ensure the project is effective in slowing drivers down to the posted speed limit and improving safety, and to also ensure other traffic calming measures are being met.

Staff believes the 2 Harps Mill Road traffic calming projects will meet their goals to reduce driver speeds and increase safety for all users. Past projects have resulted in an average decrease of driver speeds of 8.29 mph with a typical traffic speed within 1 mph of the posted speed limit on average. The same best practice designs, spacing, and layout were used with these projects, so similar results are expected based on historical trends.

Rainwater Road

Residents at the Public Comment period also referenced a past effort along Rainwater Road and questioned why the city didn't use this approach again. In 2012, the City of Raleigh offered the residents around Rainwater Road a traffic calming project to address the identified speed and crash issues. At that time, the offering was met with neighborhood opposition, and Council elected to discontinue the work on the project. In lieu of the project, Council directed Staff to install all-way stops at many intersections along this stretch of the street. Staff followed the Council approval, discontinued the project effort, and converted 5 intersections to all-way stops.

The fully adopted Manual for Uniform Traffic Control Devices (MUTCD) regulates all-way stops, including when and where they are appropriate. The MUTCD states that all-way stops are a tool to increase intersection safety and that they are not a tool to address speed compliance concerns. They are not used for speed compliance because they are not effective at slowing drivers along the whole of a street. All-way stops have an influence over driver behavior for around 100'-150', but outside of that range, there is little to no impact on driving behavior. Improperly applied, all-way stops can make safety and speeding conditions worse along a street as drivers "race" between stops to make up for the perceived lost time. Stop compliance can also become an issue with drivers rolling through or ignoring stop signs if they feel they are not warranted. This creates intersection safety concerns for pedestrians and for drivers attempting to turn onto the main street from a side street.

Installing all-way stops along Rainwater Road between Spring Forest Road and Hunting Ridge Road did not resolve the speed compliance and speed related crash issues the original traffic calming project was designed to alleviate. An after-study was performed to evaluate the overall effectiveness of the all-way stop installations. The average 85th percentile speed was 35.63 mph in the 30-mph zone and in the three years leading to today, 2 speed related crashes have been reported along this section of Rainwater Road.

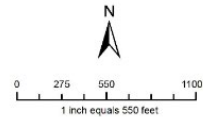
Based on the after-study evaluation, this street still meets warrants for a future traffic calming project offering if requested by the neighborhood, and Rainwater is eligible for a re-evaluation request if staff is requested to do so. At this time, no new requests have been made for this section of Rainwater Road and there are no current plans for any future project offerings.

The map below shows the typical traffic speeds along each section of Rainwater Road:



Rainwater Rd - S

2 Speed related crashes in the previous 3 years



Traffic calming for the section of Rainwater Road to the north between Hunting Ridge Road and Harps Mill Road has been requested by the neighborhood, with the most recent evaluation taking place in January of 2020. This evaluation resulted in a qualifying score with typical driver speeds at approximately 38 mph in the 30-mph zone and 1 reported speed related crash in the three years leading up to this most recent evaluation. These conditions have been quantified and the street ranks 22nd on the Traffic Calming Project list. The estimated timeline for this project offering for engagement and design is in 2025 with construction expected to start in 2026 if the project is approved by the neighborhood.

Based on the experience of converting most intersections along Rainwater Road into all-way stops, Staff would not recommend taking that approach on the two recent Harps Mill Road projects or on any of the surrounding streets in this area. Follow-up evaluations have found that speed compliance and crash issues have persisted on Rainwater Road in its entirety, and it surpasses the minimum qualifications for future project eligibility.