

Citizens' Capital Needs Committee Final Report to City Council

December 2017

Background

The Citizens' Capital Needs Committee was established by Resolution of the City Council to evaluate currently identified unfunded capital needs, prioritize the projects within six bond funding categories, review the City's debt issuing capacity, and make a final recommendation to the Mayor and City Council regarding which projects the committee feels should be included in a potential bond referendum. The bond funding categories are: Economic Development, Public Safety, Housing, Recreation, Streets and Sidewalks, and General Government.

Members and Committee Work

The committee was composed of 11 diverse citizens who brought significant personal experience and knowledge to the committee's work. Meetings were chaired by Glenn Orr, Jr., and Mark Dunnagan served as Vice Chair. Committee membership reflected the race and gender composition of the Winston-Salem community. All members are listed in the table below.

Glenn Orr, Jr., Chair	Mark Dunnagan, Vice Chair	April Ruffin-Adams
Gayle Anderson	Charles Fernandez	Jimmy Flythe
Nicole Little	Amy Taylor North	Walter "Wrennie" Pitt, Jr.
Billy Rich	Malishai Woodbury	

From September 21 to November 16, the committee met every other Thursday at 4:00 for one to two hours to do their work. Meeting agendas and minutes are attached in Appendix 11. Members dedicated many hours during and outside meetings to study provided information, consider it in light of their respective experience, and complete project scoring forms used to rank projects based on need.

Committee members were provided information on over 40 projects identified as unfunded capital needs by City staff. This information was initially provided in the Capital Needs Resource Document (Appendix 5), with supplemental information provided in two response packets (Appendix 6). The committee was also presented an overview of general obligation bond financing for capital projects, including the City's debt-related financial indicators and background on previous bond referenda (Appendix 4). All of this was considered by the committee in making their final recommendation to the Mayor and City Council.

Ranking Process

Recognizing the challenges inherent in ranking projects representing diverse services, departments, and strategic plan focus areas, the committee sought out a framework for evaluating projects. Committee members were presented and approved for use the same ranking system used by the 2011 Citizens' Capital Needs Committee. This system first asked members to rank projects within the bond funding categories using six weighted criteria:

- Improves service quality/quantity (30%)
- Reduces service cost (10%)

- Enhances or improves innovation (10%)
- Supports community partnership (10%)
- Improves the economic, social, or natural environment (20%)
- Urgency of need (20%)

Indicators for each criterion listed above varied based on funding category. See Appendix 9 for a full listing of indicators by funding category. Using the criteria and indicators as a guide, committee members gave each project a score of 0-5 in each of the six weighted criteria. The 0-5 ratings were multiplied by the weight for that criteria, totaled, and averaged across committee members, giving each project a final score on the 0-5 scale. These calculations were completed by staff using the method approved by the committee. This system allowed each committee member to have equal input into the results and provided a way to mathematically compare the “value” of projects in different funding categories. An example of this ranking method is provided in Appendix 7, and the committee’s initial rankings using this method can be found in Appendix 10.

The committee requested that staff also prepare a ranked project list using the same scoring criteria. The staff ranking was not shared with the committee until after they completed their initial ranking independent of staff input. Discussion of a final recommendation then proceeded using both staff and committee initial rankings as a starting point. Understanding that every \$30 million in additional funding represented a \$0.01 tax increase, the committee voted to cap their recommendation at \$120 million, or a \$0.04 tax increase. The committee also prioritized funding for buildings and programs already in existence, adopting a “fix what you have” philosophy. A final constraint the committee placed on their recommendation was to only consider projects with a cost greater than \$500,000, because they felt the funding required for these lower-cost projects could be sought from other sources.

Recommendation

Based on the process and criteria outlined above, the Citizens’ Capital Needs Committee recommends the bond package outlined below. Specific project recommendations can be found on the next page.

CITIZENS' CAPITAL NEEDS COMMITTEE RECOMMENDED BOND PACKAGE	
BOND CATEGORY	AMOUNT
ECONOMIC DEVELOPMENT	\$12,000,000
HOUSING DEVELOPMENT	\$9,667,000
PUBLIC SAFETY	\$18,500,000
PARKS AND RECREATION	\$24,250,000
STREETS AND SIDEWALKS	\$55,858,000
GRAND TOTAL:	\$120,275,000

Conclusion

The committee believes the bond package recommended above would garner community support and would address critical infrastructure needs in each of the City’s strategic plan focus areas. Committee members thank the Mayor and City Council for their consideration of the recommendations and for the opportunity to serve the City in this important decision-making process.