



## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting Date:	Dec. 9, 2024
Department:	Administrative Services
Agenda Section:	Regular
Public hearing:	No
Date of public hearing:	N/A

#### PRESENTER/INFORMATION CONTACT

Emily Bradford, Budget Director

#### ITEM TO BE CONSIDERED

**Subject:** Community Re-Investment Program Review

**Attachments:**

Draft Community Re-Investment Policy

**Summary:**

The town board asked staff to review the Community Re-Investment program. A draft policy has been included as a means to starting the conversation and obtaining board feedback on what the program will look like going forward.

A summary of initiatives, services, and programs funded by the town over the last five years has been included below. Some of these were funded via Community Re-Investment funds, while others were funded outside of that process. Ideally, the new policy would roll all outside agency funding into one process to ensure transparency and fairness in the funding process. Tourism Board and Tourism Development Authority allocations have also been included as a reference as to which agencies and programs have been funded via those programs. Note that these are budgeted amounts and may not reflect actual amount paid out.

In addition, as we review the existing program, it may also be a good time to evaluate how we're funding various agencies/programs, to ensure we're following best practices. For example, the School of Government has recommended that local governments not pay dues to civic or community organizations such as chambers, because it can be difficult to ensure that the funds are expended for purposes that local governments can directly fund. Instead, they suggest entering into a contract with the organization to fund a specific project, service or activity. The town is currently paying annual dues to the Hillsborough and Chapel Hill Chambers, which have been included in the chart as a reference.

Direction from the town board would be helpful for those items listed in the section near the end of this abstract titled: "Key Eligibility/Funding Considerations."

<b>Town of Hillsborough Funding</b>					
<b>Agency</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>
Chamber – Chapel Hill	\$1,350	\$1,350	\$1,350	\$1,375	\$1,400
Chamber – Hillsborough	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Exchange Club Park	\$7,500	\$7,500	\$7,633	\$7,189	\$7,599
Fairview Community Watch	\$0	\$10,000	\$35,000	\$40,000	\$55,000
Fairview Live	\$1,500	\$0	\$1,500	\$0	\$1,500
Hillsborough Arts Council	\$13,200	\$14,520	\$16,000	\$18,000	\$21,000
Hillsborough Merchant’s Assoc.	\$0	\$0	\$0	\$0	\$15,000
Orange Congregations in Ministry	\$0	\$0	\$0	\$0	\$10,000
Orange County Food Council	\$3,631	\$3,657	\$0	\$0	\$0
Veteran’s Memorial	\$0	\$7,500	\$7,500	\$0	\$7,500
<b>TOTAL</b>	<b>\$33,181</b>	<b>\$50,527</b>	<b>\$74,983</b>	<b>\$72,564</b>	<b>\$124,999</b>
Per Capita Allocation	\$3.32	\$5.19	\$7.60	\$7.26	\$12.50
% of Budget GF Expenditures	0.32%	0.38%	0.54%	0.44%	0.62%
Tax Rate Equivalent	\$0.30	\$0.36	\$0.47	\$0.45	\$0.78

<b>Tourism Board Funding</b>					
<b>Agency</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>
Hillsborough Arts Council – Last Fridays, Solstice Lantern Walk, & Bi-annual Handmade Parade	\$18,518	\$18,158	\$23,518	\$28,500	\$43,500
Orange County Historical Museum Services – Visitor Services	\$26,100	\$26,100	\$46,100	\$56,100	\$57,600
Burwell School – Visitor Services	\$26,139	\$26,139	\$40,574	\$85,000	\$70,000
Kings Highway Biodock Sign	\$0	\$4,500	\$3,500	\$0	\$0
Art on the Hill (Uproar Festival of Public Art)	\$0	\$0	\$7,500	\$0	\$0
Hillsborough Arts Council – Solstice Walk	\$0	\$0	\$7,000	\$10,000	\$0
Chamber Holiday Parade	\$0	\$0	\$0	\$10,000	\$10,000
Historic Eagle Lodge	\$0	\$0	\$0	\$3,500	\$0
Historical Foundation	\$0	\$0	\$0	\$1,000`	\$0
Orange County Arts Alliance – Paint it Orange	\$0	\$0	\$0	\$1,000	\$0
Kings Highway Kayak Rental Pilot Program	\$0	\$0	\$0	\$0	\$9,000
A250/Rev. War Interpretive Signs (2)	\$0	\$0	\$0	\$0	\$6,000
Parking Study Cost-Share	\$0	\$0	\$0	\$0	\$2,500
Chamber Holiday Tree Lighting/Shop Small Saturday	\$0	\$0	\$0	\$0	\$4,600
<b>TOTAL</b>	<b>\$70,757</b>	<b>\$74,897</b>	<b>\$128,192</b>	<b>\$195,100</b>	<b>\$203,200</b>

<b>Tourism Development Board Funding</b>					
<b>Agency</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>
Cultural/Performing Arts Center Idea Development	\$40,000	\$40,000	\$30,000	\$0	\$25,000
Mobile Stage Project Idea	\$40,000	\$0	\$0	\$0	\$0
Chamber- Sundays in Hillsborough Concert Series	\$10,000	\$0	\$0	\$0	\$0
Colonial Inn- King St. Sidewalk Cost Share	\$20,000	\$0	\$0	\$0	\$0
News of Orange Mural Project	\$0	\$6,975	\$0	\$0	\$0
Wooden Nickel Mural Project	\$0	\$0	\$0	\$8,000	\$0
FlushFest World Music Festival	\$0	\$0	\$0	\$10,000	\$0
River Park Concert	\$0	\$0	\$0	\$9,000	\$0
Sleepy Fest Music Festival	\$0	\$0	\$0	\$1,500	\$0
General Requests	\$0	\$0	\$12,000	\$10,000	\$15,000
New Holiday Décor	\$0	\$0	\$0	\$0	\$12,000
Visitor Kiosk Signs (2)	\$0	\$0	\$0	\$0	\$10,000
Parking Study Cost-Share	\$0	\$0	\$0	\$0	\$2,500
<b>TOTAL</b>	<b>\$110,000</b>	<b>\$46,975</b>	<b>\$42,000</b>	<b>\$38,500</b>	<b>\$64,500</b>

#### **Key Eligibility/Funding Considerations**

- Location/service area of agency
- Funding allocation method (i.e. penny on tax rate, % of General Fund budget, per capita, etc.)
  - Example Funding Policies
    - Apex – policy of \$1/capita
    - Carrboro – policy of 2.0% of general fund budget
    - Guildford County – policy of 0.2% of general fund budget
    - High Point – policy of one-third of a cent on tax rate
  - Other Examples (Couldn't find formal policies, so calculated % of general fund budget, per capita and tax rate equivalent as an FYI. Note that due to limited information, these may not be apples to apples in terms of funding sources and/or types of agencies/services/programs funded)
    - Brevard – 0.62% of GF budget / \$10.37 per capita / 0.61 cents on tax rate
    - Chapel Hill – 0.72% of GF budget / \$10.39 per capita / 0.66 cents on tax rate
    - Davidson – 0.23% of GF budget / \$3.27 per capita / 0.11 cents on tax rate
    - Mebane – 0.54% of GF budget / \$8.81 per capita / 0.39 cents on tax rate
- Follow UNC SOG guidelines and not pay dues to civic or community organization, such as a chamber of commerce, but rather enter into contracts for service?
- Funding priorities – does the board want to establish priorities/focus areas?
- Funding decision process – rubric, guiding questions, framework?
- Other?

#### **Financial impacts:**

The financial impacts will depend on the allocation method selected by the board.

#### **Staff recommendation and comments:**

Provide staff with feedback/direction as it relates to the draft Community Re-Investment Policy.

#### **Action requested:**

Provide staff with feedback/direction as it relates to the draft Community Re-Investment Policy.