



CITY OF HARRISONBURG COMMUNITY DEVELOPMENT

409 SOUTH MAIN STREET, HARRISONBURG, VA 22801

OFFICE (540) 432-7700 • FAX (540) 432-7777

March 17, 2025

**TO THE MEMBERS OF CITY COUNCIL
CITY OF HARRISONBURG, VIRGINIA**

SUBJECT: *Consider the FY2025-2026 through 2029-2030 Capital Improvement Program*

**EXTRACT FROM THE MINUTES OF HARRISONBURG PLANNING COMMISSION
MEETING HELD ON: February 18, 2025**

Chair Baugh read the request and asked staff to review.

Mr. Fletcher said I will not be going over what I did last month, but I wanted to point out there was a clerical error on page 20, specifically here at the total available funds that needed to be removed from the total that would be needed. This should have been a little over 28 million. That was incorrectly input in. That effects the total which effects the total needed and effects that total. I was able to find that and was able to correct that. That sheet is what I gave to you earlier this evening, so the corrected version is there. The corrected version is online. Again, it was just a clerical error, and I can pinpoint exactly how this happened. A couple of weeks ago, when the Finance Director decided to demonstrate funds available for Fire Station 4 I had to go back and change a whole bunch of data. The difference between those two numbers is 4.6 million, which is the exact amount that it is listed in for Fire Station 4. That is where the error came from.

The other information I was just going to show is just in graphical form here, just showing the CIP's data, the total data in different formats. This is just showing the five-year totals across the different funds that are in the CIP, clearly the General Fund, it is making up quite a bit of all of the funds, almost 50 percent here of all the funds. Same data shown differently, so this is the same totals the five-year horizon and then it is broken up by department. You can see the totals from the departments, of course, Public Works and water making up significant amounts and then Transportation there coming in higher amounts than what we typically see from them, but those showing some public infrastructure needs for the transit facility itself, capturing a couple million dollars worth of improvements at the facility that we hope to be able to provide. Then, looking at the year-by-year totals, this is a very typical scenario where the upcoming fiscal year we really want to try to get those projects in. Oftentimes they are not able to be funded, and you usually see that tailing off as we hit the five-year horizon. This is not typical of a breakdown of each of the fiscal years in the five-year horizon. Then the sobering graphic here, showing the total that we need there in the orange and then in each year, what would be left to be able to meet those demands

which is the total that we have available in each of those fiscal years. It just shows the great need that we have across all of the different projects across the City. [Referring to the graphics on screen] I would be happy to put any of those back up, but we recommend in favor as is presented by staff. Again, I just want to thank all of our colleagues across all the different departments because it is a big, huge team effort.

Vice Chair Finnegan said would it possible to share those slides?

Mr. Fletcher said we will get it to you.

Vice Chair Finnegan said the visual representation is helpful.

Mr. Fletcher said this is the one that always kind of gets me every year when you see the demands of what we want and then what we actually can provide.

Vice Chair Finnegan said in terms of general funds, the property taxes is the number one source of revenue for the City, correct? I think it is easy for this body to say we only do yes, no, you can build an apartment, but I think it is important for us to understand what land uses bring in what kind of revenue.

Mr. Fletcher said it shows the demands from the results of those projects, but it also goes to show where we have projects planned and where projects are coming in adjacent to them and how we work together to be able to fund some of these projects or partially fund some of those projects. You might capture some proffers that might provide sidewalk or street improvements and things like that, that can reduce some of these costs. For the most part you are looking at the real demands of what the City would have to be providing.

Councilmember Dent said I almost hate to do this, but to bring up the elephant in the room that the federal government's funding priorities are in flux, to put it mildly, where, if any, does it affect our just guesstimates of what might be available in any given year?

Mr. Fletcher said I will be straightforward, I cannot really answer that question. A lot of the other funds that are represented in the CIP are bonds and grants that we might be receiving and a lot of times those are state grants for Smart Scale, for transportation projects. You might pick up a couple of grants here and there for Fire Department projects where they might pick up a couple hundred thousand dollars here and there. I do not really know how to answer your question.

Councilmember Dent said even state grants are often passed through as a federal. As you say, this is not a budgeting tool, but it is a planning tool. We have to look at where do we think the money is actually coming from if it is not from the federal government anymore.

Vice Chair Finnegan said I have similar questions about... because some of the projects that were in the CIP in years past have been taken out because they are funded, they are scheduled to be done, so they are no longer in there. My question is that federal funding that is no longer going to be available for the things that was were already funded. Is there going to be money clawed back or just not paid out? It is a huge concern.

Councilmember Dent said one example is, it seems likely that the direct pay essentially tax rebate from the IRA, Inflation Reduction Act, is probably going to be nixed. Keith Thomas, Sustainability Manager, said that would be a rebate. We have already planned on the budget to build the thing, and if we do not get the rebate, oh well, it was a bonus anyway. That is unfortunate, but I am more concerned about things like the EECBG [Energy Efficiency Conservation Block Grant], the matching funding we are counting on for the solar panels on the Turner Pavilion. Is that going to be blocked now? We do not know. I mean, that is one example of many things that could be in jeopardy. That is a good point that things that are already in the pipeline and planned and approved are not in the CIP. How many of those are in jeopardy?

Vice Chair Finnegan said as someone who on my day job works on federally grant funded projects, I will say I have never seen grants get pulled back the way they have. Normally it is just let it play out we are not going to renew that, but this is a completely different thing.

Councilmember Dent said it has ripple effects throughout the whole country, the whole economy.

Mr. Fletcher said if I could change topics to the questions that were answered, I hope those were sufficient. I do not know if you had any further questions beyond those questions that came up because of the responses.

Vice Chair Finnegan said I think the one that I was most confused about was where is the intersection of Ott Street and MLK [Avenue], but then I realized what I think of as a parking lot entrance is technically a little stub of it. Is that a public street?

Mr. Fletcher said that is absolutely correct.

Vice Chair Finnegan said the City plows that?

Mr. Fletcher said I do not know the answer to that, but it shows up as City right-of-way on the maps. and Before MLK [Avenue] before Cantrell [Avenue], I think you used to actually be able to turn from Ott [Street] before they did the stairs and the regrading and everything. I think you used to come out of Ott [Street].

Chair Baugh said the road used to end there. You got to that point and did not continue. The link continuing over to [Route] 33 did not exist. There were people who are still alive who were around when that was built.

Mr. Fletcher said two dimensionally there is an intersection, but is there really?

Chair Baugh asked if there were anymore questions for staff.

Councilmember Dent moved to approve the CIP as presented.

Vice Chair Finnegan seconded the motion.

Chair Baugh called for a roll call vote.

Vice Chair Finnegan	Aye
Councilmember Dent	Aye
Commissioner Alsindi	Aye
Commissioner Washington	Aye
Chair Baugh	Aye

The motion to recommend approval of the CIP passed (5-0).