

### CARY MAYOR & COUNCILMEMBERS

THANK YOU FOR YOUR CONTINUED LEADERSHIP, VISION, AND SETTING THE CULTURE OF EXCELLENCE FOR OUR ORGANIZATION AND COMMUNITY. WE LOOK FORWARD TO WORKING WITH EACH OF YOU TO KEEP CARY CARY.



Mayor

Harold Weinbrecht



Mayor Pro Tem **Don Frantz** 



Councilmember
Lori Bush



Councilmember **Ryan Eades** 



Councilmember

Jennifer Bryson Robinson



Councilmember

Jack Smith



Councilmember

Carissa Kohn-Johnson

On the cover: After several years of planning, the Ivey-Ellington House made its 12-hour, ¼-mile trip from its original site on Chatham Street to its new home on Academy Street on Feb. 20. Now that the house is settled at the new site, the rehabilitation process will begin.

WE KICKED OFF 2023 WITH THE COUNCIL-STAFF RETREAT, WHERE WE DISCUSSED COUNCIL'S PRIORITIES FOR THE COMING YEAR AND HOW WE CAN CONTINUE TO FURTHER THE VISION SET OUT IN THE IMAGINE CARY COMMUNITY PLAN.

We reached a major milestone in support of that vision when Northwoods Jordan Building LLC and First Baptist Church closed on property for the redevelopment of the southeast corner of Harrison Avenue and Chatham Street. This project, which is more than 10 years in the making, will bring a vibrant mixed-use development with office, retail, multifamily, and a parking deck with more than 200 public spaces to a corner of a key downtown intersection.

To facilitate the reimagining of a crucial space, Cary relocated the historic Ivey-Ellington House ¼-mile from Chatham Street to its new home on South Academy Street at the old library site. Cary plans to preserve the house, which will only add to the rich history of the downtown historic district.

And in support of another Council priority, Cary kicked off its inaugural Nonprofit Capacity Building Program a year after Council approved the Cary Housing Plan. In partnership with the North Carolina Center for Nonprofits, this program supports area nonprofits with valuable information, such as board governance, strategic communications, fundraising, and financial management.

Finally, Cary is joined by 37 new public safety employees. This quarter, 25 new firefighters graduated an eight-month fire academy, and police swore in 12 new officers — the largest number of officers sworn collectively in recent years. Welcome to the Cary team!

After such an encouraging start to 2023, we look forward to providing further updates at our next Quarterly Meeting at the Courtyard by Marriott on May 11.

Live Inspired,

Sean R. Stegall
Sean R. Stegall

Town Manager





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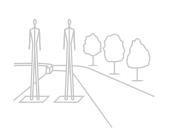
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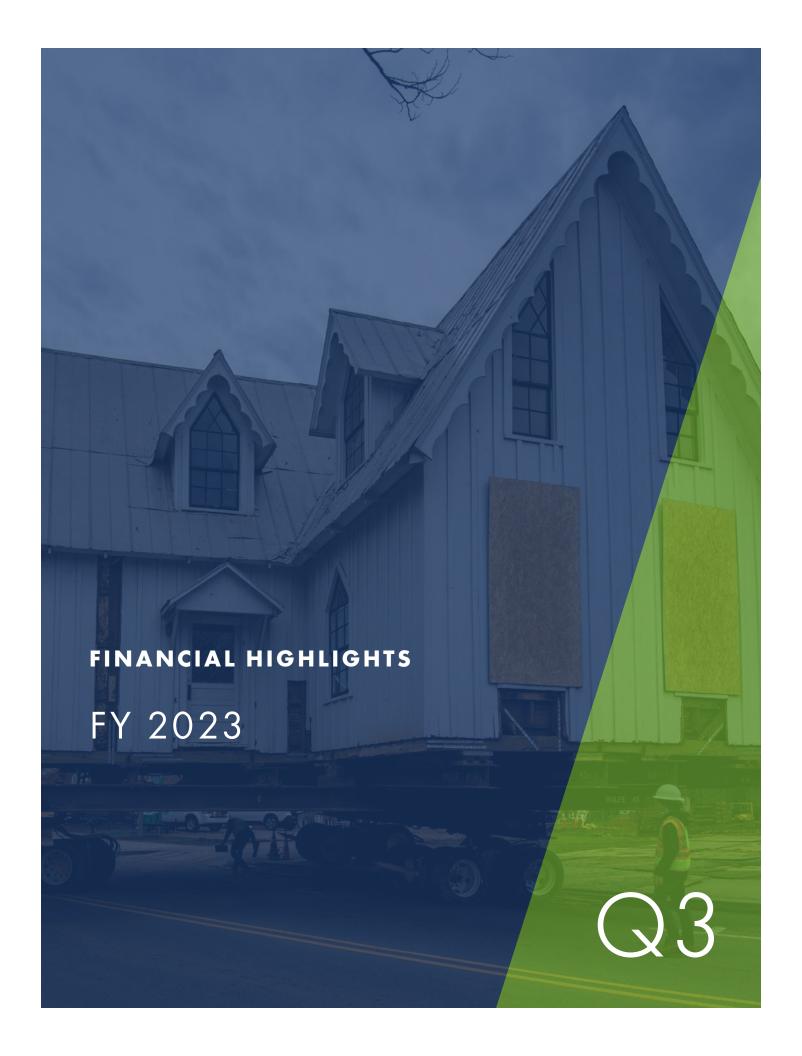
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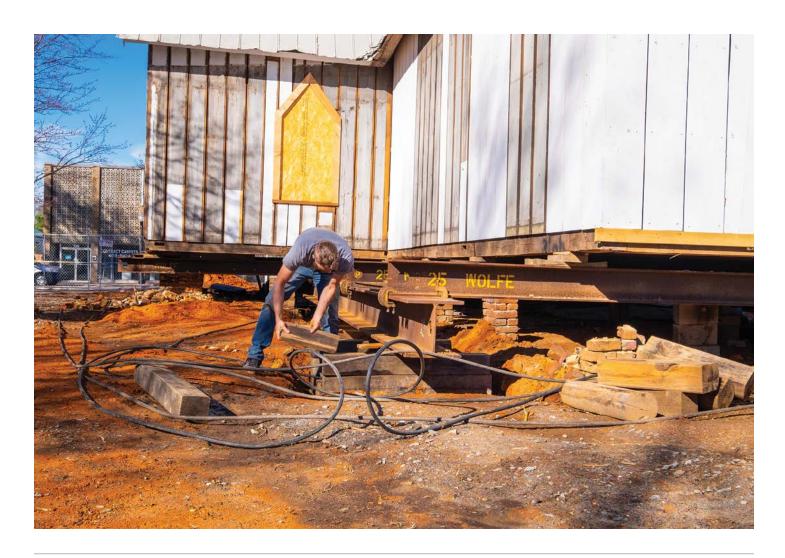
### **EXECUTIVE SUMMARY**

This financial snapshot presents a general overview of the financial operations through Q3 ending March 31, 2023, which is 75% of FY 2023. The financial summaries provide comparative data for revenues and expenditures for the General and Utility Funds. The data shows year-to-date information as compared with the same period of the prior year.

Revenues continue to trend in a positive direction, as most revenue categories have increased from the prior year. Expenditures have also increased from the previous year due to planned factors, such as inflation and personnel costs, but they are being managed and are within budget.

During Q3, staff focused on the creation of the FY 2024 budget. A team of directors, making up the Financial Foundations
Team, analyzed budget requests and evaluated revenue projections. This team reviewed and approved the requests for the town manager.

As in the past, the town manager will provide a recommended FY 2024 budget to Council in May. Following a public hearing, Council is scheduled to adopt the budget on June 22, 2023. State law requires local governments to adopt a balanced budget by June 30 of each year.



### **FY 2023 THIRD QUARTER FINANCIAL RESULTS**

### **GENERAL FUND**

#### **FY 2023 Q3 GENERAL FUND SUMMARY**

	FY 2023 YTD ADJ BUDGET	FY 2023 YTD ACTUAL	% OF BUDGET	FY 2022 YTD ACTUAL	FY 2022 VARIANCE	VARIANCE %
REVENUES	\$ 270.8	\$ 179.7	66%	\$ 171.6	\$ 8.1	5%
EXPENDITURES	270.8	186.3	69%	148.4	37.9	26%
TOTAL REVENUE OVER/(UNDER) EXPENDITURES	\$ -	\$ (6.6)	-	\$ 23.2	\$ (29.8)	-128%

<sup>\*</sup> The above and following tables are represented in millions. Revenues, authorized expenditures, and transfers between funds are classified and summarized differently for the Council budget ordinance and for accounting and reporting purposes. Individual line items are consistent. The annual budgets referred to throughout this report reflect the budget as of the quarter end as adjusted (ADJ) by Council action or staff action where authorized.

Overall net results for Q3 decreased by more than 100% compared with the prior year's third quarter. This variance is larger due to expenditures increasing at a faster rate than the change in revenues. The following sections discuss significant changes in General Fund revenues and expenses.



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#### **FY 2023 Q3 GENERAL FUND REVENUES**

	FY 2023 YTD ADJ BUDGET	FY 2023 YTD ACTUAL	% OF BUDGET	FY 2022 YTD ACTUAL	FY 2022 VARIANCE	VARIANCE %
PROPERTY TAX	\$ 119.4	\$ 117.2	98%	\$ 114.3	\$ 2.9	3%
SALES TAX	53.0	29.3	55%	26.1	3.2	12%
OTHER TAXES & LICENSES	3.1	2.1	68%	2.0	0.1	5%
UNRESTRICTED INTERGOVERNMENTAL	10.8	5.4	50%	5.2	0.2	4%
RESTRICTED INTERGOVERNMENTAL	0.3	0.5	167%	0.4	0.1	25%
PERMITS & FEES	5.9	3.4	58%	4.3	(0.9)	-21%
PRCR SALES & SERVICES	8.5	6.6	78%	5.5	1.1	20%
SOLID WASTE SALES & SERVICES	13.9	10.5	76%	9.7	0.8	8%
OTHER SALES & SERVICES	1.9	1.9	100%	1.2	0.7	58%
MISCELLANEOUS	2.2	1.6	73%	1.4	0.2	14%
OPERATING REVENUES	219.0	178.5	82%	170.1	8.4	5%
NONOPERATING	51.8	1.2	2%	1.5	(0.3)	-20%
TOTAL GENERAL FUND REVENUES	\$ 270.8	\$ 179.7	66%	\$ 171.6	\$ 8.1	5%

FY 2023 operating revenues changed nominally by \$8.4 million, or 5%. Nonoperating revenues decreased due to bond premium revenue received in the previous year.

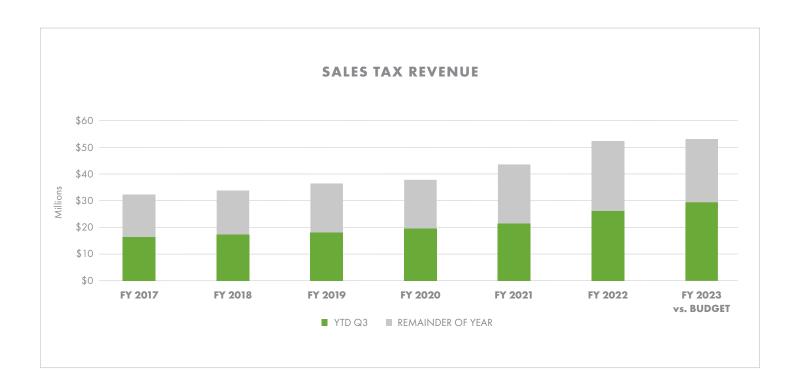
#### **OPERATING REVENUES**

Property Tax revenue is 44% of total budgeted revenue and is the largest revenue source for the General Fund. Taxes are based on an ad valorem tax levy on real and personal property. Real property is items such as land and buildings, while personal property are items such as vehicles and commercial business equipment. Real property taxes were billed in July and were due no later than Jan. 5, 2023. Personal property tax revenue, however, is collected throughout the year based on the state of North Carolina's Tax and Tag program, which combines the vehicle ad valorem tax collection with the state's vehicle license renewal process.

The FY 2023 budget for real property tax is \$111.7 million and for personal property tax is \$7.7 million. Based on historical trends and collections received so far, the 5% increase year over year for total property taxes is in line with budget expectations.

Sales Tax revenue is 20% of budgeted General Fund revenue and is the second largest revenue source for the General Fund. Sales tax revenue through Q3 is 12%, or \$3.2 million, more than last year. This revenue stream is distributed to municipalities by the N.C. Department of Revenue about two and a half months after the month when sales occurred. Through Q3, Cary received six distributions for July through December sales. During FY 2023 Cary has received some of the largest sales tax distributions in Cary's history. This growth in sales tax revenue continues to reflect significant retail sales and rising prices in some sectors.

Collectively, **Permits and Fees** revenue decreased 21% compared with last year. A significant reason for this was a 20% decrease in permit fees relative to the same period last year. However, despite the reduction in revenue, Cary issued permits for notable projects, several of which are highlighted in the Shape section.



 $\bigcirc 3$ 

**PRCR Sales and Services** revenue increased 20% compared with the same time last year. As of Q3, PRCR facilities are continuing to ramp back up to normal levels of programming.

Other Sales and Services revenue increased 58% compared with the same time last year. This increase is primarily due to the sale of vehicles. The supply chain shortage delayed the purchase of many new vehicles until FY 2023. The purchase of the new vehicles allowed Cary to sell the older vehicles that had outlived their useful life.

#### **FY 2023 Q3 GENERAL FUND EXPENDITURES**

	FY 2023 YTD ADJ BUDGET	FY 2023 YTD ACTUAL	% OF BUDGET	FY 2022 YTD ACTUAL	FY 2022 VARIANCE	VARIANCE %
GENERAL GOVERNMENT	\$ 54.6	\$ 34.7	64%	\$ 25.9	\$ 8.8	34%
PUBLIC SAFETY	68.0	48.8	72%	39.2	9.6	24%
OPERATIONS (PW & PRCR)	64.6	41.5	64%	33.9	7.6	22%
DEVELOPMENT & INFRASTRUCTURE	20.8	11.6	56%	10.4	1.2	12%
OPERATING EXPENDITURES	208.0	136.6	66%	109.4	27.2	25%
NONOPERATING	62.8	49.7	79%	39.0	10.7	27%
TOTAL GENERAL FUND EXPENDITURES	\$ 270.8	\$ 186.3	69%	\$ 148.4	\$ 37.9	26%

General Fund expenditures increased by 26% compared with last year's Q3 results. Operational increases within the PRCR function are due to the resumption of festivals and outdoor programs, as well as the ramping up of Downtown Cary Park activities. Operational increases in the General Government function are primarily due to new Cary initiatives related to R&D and Marketing as well as increased IT costs.

Public Safety and Public Works also experienced increases primarily due to higher costs in normal operating activities. The increase in nonoperating expenditures is from increased debt service payments, which include the first payment on bonds issued in FY 2021.

Encumbrances represent funds that have been reserved in Cary's financial system to satisfy a commitment to make a purchase. The following table shows the total outstanding encumbrances in the financial system that remain at the end of Q3. When including these encumbrance amounts with year-to-date spending, the General Fund has nearly \$55 million of budgeted funds available for the remainder of the fiscal year.

### GENERAL FUND OPERATIONS -FY 2023 REMAINING ENCUMBRANCES (Q3)

TOTAL ENCUMBRANCES \$	29,472,094
CONTINGENCIES & RESERVES	488,796
DEBT SERVICE	54,158
DEVELOPMENT & INFRASTRUCTURE	1,401,033
OPERATIONS (PW & PRCR)	11,042,475
PUBLIC SAFETY	6,628,099
GENERAL GOVERNMENT \$	9,85 <i>7</i> ,533



Q3

### **UTILITY FUND**

### **FY 2023 Q3 UTILITY FUND SUMMARY**

	FY 2023 YTD ADJ BUDGET	FY 2023 YTD ACTUAL	% OF BUDGET	FY 2022 YTD ACTUAL	FY 2022 VARIANCE	VARIANCE %
REVENUES	\$ 103.2	\$ 62.4	60%	\$ 60.2	\$ 2.2	4%
EXPENDITURES	103.2	67.2	65%	64.3	2.9	5%
TOTAL REVENUE OVER/(UNDER) EXPENDITURES	\$ -	\$ (4.8)	-	\$ (4.1)	\$ (0.7)	-17%

<sup>\*</sup> The above table is in millions. Revenues, authorized expenditures, and transfers between funds are classified and summarized differently for the Council budget ordinance and for accounting and reporting purposes. Individual line items are consistent. The annual budgets referred to throughout this report reflect the budget as of the quarter end as adjusted (ADJ) by Council action or staff action where authorized.

Utility Fund net results through Q3 declined by \$700,000, or 17%, compared with FY 2022, and the increase in expenditures is marginally greater than the increase in revenues.



### **FY 2023 Q3 UTILITY FUND REVENUES**

	FY 2023 YTD ADJ BUDGET	FY 2023 YTD ACTUAL	% OF BUDGET	FY 2022 YTD ACTUAL	FY 2022 VARIANCE	VARIANCE %
WATER SERVICE	\$ 33.2	\$ 23.8	72%	\$ 22.7	\$ 1.1	5%
SEWER SERVICE	51.2	36.1	71%	34.9	1.2	3%
PERMITS & FEES	2.2	1.6	73%	1.9	(0.3)	-16%
OPERATING REVENUES	86.6	61.5	<b>71</b> %	59.5	2.0	3%
NONOPERATING	16.6	0.9	5%	0.7	0.2	29%
TOTAL UTILITY FUND REVENUES	\$ 103.2	\$ 62.4	60%	\$ 60.2	\$ 2.2	4%

Utility Fund revenues increased \$2.2 million, or 4%, through Q3 compared with the same period in FY 2022. The increase in revenue is due in part to the 3% increase in water and sewer rates in the FY 2023 budget. The remaining increase is due to a slight increase in consumption. Consumption changes are directly linked to the weather and new meter installations resulting from development.



### **FY 2023 Q3 UTILITY FUND EXPENDITURES**

	FY 2023 YTD ADJ BUDGET	FY 2023 YTD ACTUAL	% OF BUDGET	FY 2022 YTD ACTUAL	FY 2022 VARIANCE	VARIANCE %
ADMINISTRATION	\$ 11.6	\$ 7.7	66%	\$ 6.3	\$ 1.4	22%
FIELD OPERATIONS	21.1	12.9	61%	11.9	1.0	8%
WASTEWATER (NET OF APEX)	15.3	8.2	54%	7.3	0.9	12%
WATER TREATMENT FACILITY (NET OF APEX)	11.4	7.7	68%	6.3	1.4	22%
OPERATING EXPENDITURES	59.4	36.5	61%	31.8	4.7	15%
NONOPERATING	43.8	30.7	70%	32.5	(1.8)	-6%
TOTAL UTILITY FUND EXPENDITURES	\$ 103.2	\$ 67.2	65%	\$ 64.3	\$ 2.9	5%

Overall, Utility Fund expenditures increased 5% when compared with the same period last year. The 15% increase in operating expenditures is largely the result of inflationary pressures, including chemical inflation. The 6% decrease in nonoperating expenditures is the result of a decline in debt service payments.

The following table shows total outstanding encumbrances for the Utility Fund at the end of Q3. Including these encumbrance amounts, the Utility Fund has roughly \$30 million left in the budget for the remainder of the year.

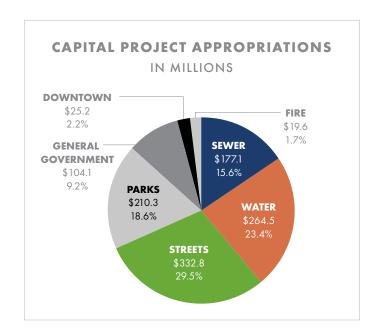
### UTILITY FUND OPERATIONS -FY 2023 REMAINING ENCUMBRANCES (Q3)

TOTAL ENCUMBRANCES	\$ 5,728,330
CONTINGENCIES & RESERVES	253,517
DEBT SERVICE	3,325
WATER TREATMENT PLANT (NET OF APEX)	1,985,734
WASTEWATER (NET OF APEX)	1,591,329
FIELD OPERATIONS	1,060,119
ADMINISTRATION	\$ 548,174

### CAPITAL PROJECTS

Cary has 565 active capital projects. General capital projects, with a total budget of \$690.3 million, constitute 61% of the \$1.1 billion capital budget authorization. Utility capital projects total \$441.6 million, or 39%, of the capital budget authorization.

Capital project spending totaled \$93.9 million through Q3. Capital spending trends are affected by both the timing and the mix of capital projects in process. Among the projects with the highest levels of spending through Q3 were parks projects, \$35.7 million; street improvements, \$6 million; and sewer projects, \$10.3 million.



### **CAPITAL PROJECT SPENDING THROUGH Q3**

(IN MILLIONS)

	FY 2019	FY 2020	FY 2021		FY 2022	FY 2023
DOWNTOWN	\$ 7.2	\$ 0.6	\$ 1.0	\$	0.4	\$ 4.4
FIRE	3.6	5.1	1.6		1.6	0.1
GENERAL GOVERNMENT	6.6	4.6	5.4		2.9	8.6
PARKS	4.2	13.2	21.4		20.7	40.5
STREETS	14.1	16.7	13.8		13.3	19.1
SEWER	4.8	7.6	15.7		7.8	16.6
WATER	22.4	10.7	10.9	_	8.9	4.6
TOTAL	\$ 62.9	\$ 58.5	\$ 69.8	\$	55.5	\$ 93.9

### **BUDGET**

### **MIDYEAR APPROPRIATIONS**

The FY 2023 operating budget includes \$1 million to support emerging or unforeseen program needs during the fiscal year. These funds have not been used as of the end of Q3. The following General Government Midyear Appropriations table identifies all fund balance appropriations approved during the year for the General Fund.

### Q3 GENERAL GOVERNMENT MIDYEAR APPROPRIATIONS GENERAL FUND

FUNDING SOURCE	QUARTER	FUNDING USE	AMOUNT
AVAILABLE FOR MIDYEAR APPROPRIATIONS			\$ 1,000,000
		REMAINING AVAILABLE FOR MIDYEAR APPROPRIATIONS	\$ 1,000,000
APPROPRIATIONS FROM GENERAL FUND FUND BALANCE	Q2	Advance Purchase of Solid Waste Trucks	\$ 2,032,060
		TOTAL MIDYEAR GENERAL FUND FUND BALANCE APPROPRIATIONS	\$ 2,032,060

### CAPITAL PROJECT FUND

FUNDING SOURCE	QUARTER	FUNDING USE	AMOUNT
UTILITY FUND FUND BALANCE	Q2	Maynard Mixed-Income Development	\$ 420,945
GENERAL CAPITAL RESERVE INTEREST INCOME	Q3	Fire Station 4 Renovation	\$ 319,608
		TOTAL MIDYEAR CAPITAL PROJECT FUND APPROPRIATIONS	\$ 740,553

The Capital Project Funds table notes year-to-date midyear appropriations related to general and utility capital projects. These appropriations were approved by Council and reflect both Cary funds and funds received from outside agencies for specific uses.

Q3

### Q3 DELEGATED BUDGET AUTHORITY ACTION

Throughout the fiscal year, challenges and opportunities develop that warrant financial resources not included in the original budget. Often staff can repurpose existing resources to address the highest-priority initiatives. The budget ordinance authorizes the town manager to approve inter-functional budget adjustments and requires reporting to Council. No inter-functional budget adjustments were approved during Q3 of FY 2023.

### BUDGET PUBLIC INPUT AND RECOMMENDATIONS

CHART BELOW

Citizens are invited to share their budget priorities throughout the year specifically via social media, phone, and email. Q3 yielded one budget public input comment.

### CASH AND INVESTMENTS

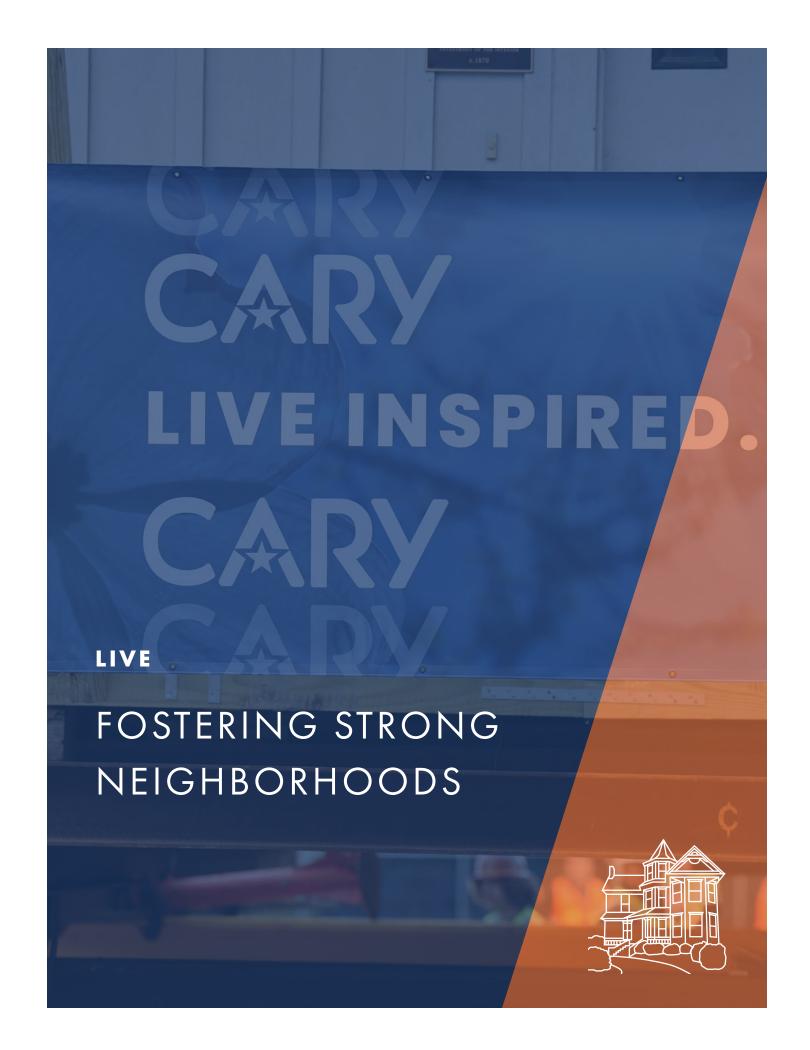
At the end of Q3, Cary's cash and investments totaled \$579 million. Consistent with prior year patterns, cash balances peaked in Q3 due to the influx of property tax receipts, which were due in early January. The Federal Reserve increased the federal fund rate by 0.25% twice in Q3, resulting in higher rates on new investments as well as cash held for liquidity purposes in bank accounts.

Due to the numerous increases in the federal fund rate during FY 2023, actual interest earnings are projected to be about \$2.5 million over the FY 2023 budget. These revenues over budget will benefit all of the operating and capital funds relative to the cash balances in each fund.

#### **BUDGET PUBLIC INPUT AND RECOMMENDATIONS**

CATEGORY	COMMENTS RECEIVED	PLATFORM RECEIVED	TYPE OF COMMENT
GREENWAYS	1	Email	Batchelor Branch Greenway connection to Highcroft area
TOTAL	1		









### **RESIDENTIAL PERMITS**

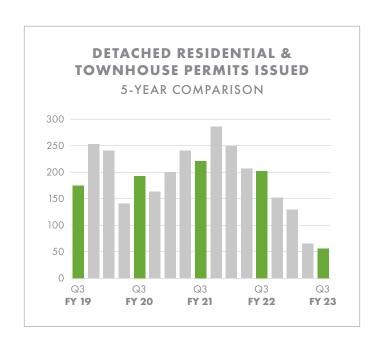
Cary issued 56 permits for new detached residential and townhouses in Q3. The top three subdivisions permitted were Carpenters Pointe Townhomes (14), Pipers Grove (10), and Southwest Zone (9). Overall, permits for new detached and townhouses decreased 72% in comparison with Q3 of FY 2022.

Cary issued 160 detached and townhouse certificates of occupancy (COs), an average of 2.5 certificates per workday. This is fewer in comparison with the COs issued in Q3 of FY 2022, which was 188. The subdivisions receiving the most COs were James Grove (22), Carpenter (19), and Cornerstone Townes (19).

Cary also issued nine building permits for a total of 474 multifamily units. Projects included Meridian East Chatham, Preston Ridge, Franklin Park Condominiums, and Weatherstone Creek Condominiums.

### RESIDENTIAL ALTERATION AND ADDITION PERMITS

In Q3, Cary issued 403 permits for residential alterations and additions. This is a 16% decrease from the same period last year and a 14% increase from last quarter.









### TAKING CARE OF EMPLOYEES

Cary continues to prioritize people first by supporting and investing in employees' physical, mental, and financial health. More than 200 employees participated in a variety of internal Cary programs in Q3, including the popular Choose to Lose wellness challenge, on-site and virtual guided meditation sessions, wellness walks across various Cary campus locations, and retirement/financial planning meetings.

### **NEW EMPLOYEE ID BADGES**

Cary staff and partners received new ID badges featuring "inspiring" designs and sporting Cary's updated branding. Partners include contractors, volunteers, and other Caryaffiliated organizations.



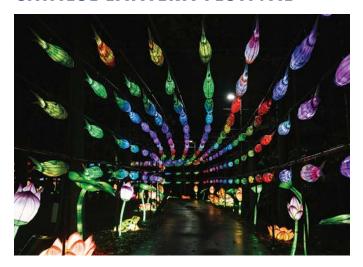




## OPEN SPACE AND PRCR MASTER PLAN

Cary is collecting crucial input for a new Open Space Plan and an updated Parks, Recreation, and Cultural Resources Master Plan as part its Imagine Cary update. Mailings went out in January 2023 to randomly selected citizens to participate in an important survey, and a link for a survey was provided to the general public to provide their input on the future of Cary's open space, parks, greenways, recreation, and cultural resources. This is the first step in a process that will guide recommendations for years to come, and additional public input will be sought over the coming months.

#### CHINESE LANTERN FESTIVAL



The numbers are in, and the North Carolina Chinese Lantern Festival again set new records. This year the event welcomed more than 216,000 visitors and generated more than \$7.36 million in direct economic impact, according to figures released by the Greater Raleigh Convention and Visitors Bureau. For a seventh year, Cary's Koka Booth Amphitheatre was home to the festival, which was open daily from Nov. 18, 2022, to Jan. 8, 2023. The festival drew visitors from all 100 counties in North Carolina, plus from 50 U.S. states and territories and six foreign countries.

#### MLK DREAMFEST



Cary celebrated the Martin Luther King Jr. holiday with a weekend filled with programs to honor his legacy, focus on the issue of civil rights, and provide opportunities for community service. The celebration included an interfaith prayer service, film screenings at The Cary Theater, and the main Dreamfest program at the Cary Arts Center. Former N.C. Supreme Court Chief Justice Cheri Beasley and Councilmember Carissa Kohn-Johnson attended the event, and the keynote address was presented by Dr. Harry L. White Jr., pastor of Watts Chapel Baptist Church. Pure Life Theater Company and the North Carolina Central University Repertory Dance Company gave soul-stirring performances. The Sigma Rho Zeta Chapter of Zeta Phi Beta Sorority Inc. conducted a winter clothing and backpack drive for Reedy Creek Magnet Middle School students. Additionally, more than 200 volunteers gathered at Good Hope Farm for an annual day of service. In the spirit of building food security, the event also acted as a host site for the Dreamfest Food Drive, inspiring volunteers to donate 500 pounds of canned food to Dorcas Ministries.



### TASTE OF BLACK HISTORY



On Feb. 22, the Cary Senior Center hosted its second annual "Taste of Black History" luncheon. People of African descent have played a significant role in shaping a unique American style of eating. "A Taste of Black History" merges African American history with African American inspired cuisine and staple menu items. More than 60 attended and discussed the background of some of their favorite foods, enjoyed traditional soul food, and were challenged with trivia that focused on modern-day contributions of African Americans.

### **HUM SUB BASANT BAHAR 2023**

PHOTOGRAPHED BELOW

On March 12, the Cary Arts Center came alive with Hum Sub's annual Basant Bahar celebration. The focus of Basant Bahar is showcasing classical Indian traditions in music and dance. Mayor Harold Weinbrecht, Apex Mayor Jacques Gilbert, and Morrisville Mayor T.J. Cawley, along with several Councilmembers, attended. This year the event was marked by a choral collaboration with the Concert Singers of Cary and the Hum Sub orchestra, who together performed "Sadbhavana," a tribute to peace and harmony. In the second part of the show, four dance schools performed a variety of ancient and more modern adaptations of classical Indian dance dramas based on stories from Indian mythology. In all, more than 200 performers demonstrated their unique and artistic talents for the more than 400 attendees.





# INPUT GATHERED FOR COMMUNITY CENTERS



Early this year, nearly 3,800 people weighed in via an online survey on the future of Cary's two proposed community centers. Cary also conducted three public meetings and presented to Cary's boards and commissions. To wrap up this phase, 250 teens from Cary Teen Council participated in a dot exercise to gather their feedback. Next steps will be developing scenarios based on the feedback.

# MID-EASTERN ATHLETIC CONFERENCE

PHOTOGRAPHED BELOW

For the second year in a row, the Mid-Eastern Athletic Conference hosted its tennis roundup event at Cary Tennis Park. The roundup took place March 16–18. The MEAC is a Division I athletic conference made up of eight historically black institutions located along the Atlantic coast from South Carolina to Delaware. Teams play regular-season conference matches over the three days of the event to help cut down on extra travel between the schools in the conference.





### VETERANS BENEFITS LIVE



Herb Young Community Center and staff hosted the Veterans Benefits Live Event in March. A willingness by Cary staff to put in long hours and jump in and help where needed certainly helped make this three-day event run smoothly to serve 1,006 total veterans.

### INTRO TO PICKLEBALL

Pickleball is the fastest growing sport in the country, and Cary has seen massive growth at indoor and outdoor locations over the past year. With the help of Cary's Marga Beasley, Wake County Pickleball Ambassador, and Heather Jackson, an international pickleball teaching professional, Cary has facilitated four "Intro to Pickleball" clinics. These clinics introduce citizens to the game and help those new to the sport learn techniques to take their game to the next level. Each session of the exciting new programs filled quickly. With the support of these two amazing instructors, Cary continues to add additional clinics to meet the demand.





### **BOND PARK CHALLENGE COURSE**

The Bond Park Challenge Course experienced a busy winter season, providing adventure and leadership development programs despite the weather. Cary is excited to continue collaborating with corporations, schools, and youth development programs to share Cary's passion for leadership.

### A few notable groups include:

- Relias Data Leadership Executive Team
- Relias Leadership Development Teams
- North Carolina State University Poole College of Management
- North Carolina State University Outdoor Leadership Department
- WithersRavenel Corp.
- Boy Scouts and Girl Scouts groups
- High school athletic teams
- Homeschool Adventure Program Series
- Cary Specialized Recreation & Inclusion
- Cary Track Out Camps
- Adventure Course Family Days
- Couples Adventure Day

# CARY ARCHERY TAKES MEDALS AT INDOOR NATIONALS

Cary Archery, a USA Archery-registered Olympic Development Archery Team of participants ages 7 to 67, continues to impress on the national stage. Eight of Cary's stunning shooters traveled to Harrisonburg, Va., for a weekend of fierce competition, podium finishes, and personal bests at the USA Archery Indoor Nationals. They left the competition claiming both gold and silver medals. One young archer thrived while competing against shooters several years her senior. Another earned his black Junior Olympic Archery Development pin, an impressive feat at any age, at just 7 years old.





# COMMUNITY ENGAGEMENT AND ENVIRONMENTAL SERVICES

PHOTOGRAPHED BOTTOM RIGHT

Annual results are in, and staff are excited to report that 1,820 people participated in Spruce program activities last calendar year. Serving a grand total of 4,234 hours, volunteers performed 136 projects planting native plants, removing invasive species, and collecting almost 18,000 pounds of litter. Community engagement continues to shine, as 444 volunteers already signed up and served in the first quarter of 2023.

Year after year, program interest grows in part due to Cary's annual call to action that invites the community to "March into Earth Day" with dozens of environmental events and workshops. A highlight of the outreach campaign, the annual Arbor Day event brought 800 people together to celebrate Cary's 40th year as a Tree City USA community. Mayor Pro Tem Don Frantz and Councilmembers Ryan Eades and Carissa Kohn-Johnson commemorated this milestone with a ceremony that also honored Hometown Spirit Award winners with the annual Arbor Day Tree. Guests enjoyed free tree saplings distributed from the Ask an Arborist booth and additional environmental engagement via 24 education stations covering topics such as composting native plants, and climate action.

As composting interest continues to grow in Cary, more than 200 residents participated in the biannual Compost Giveaway Workshops this quarter. Participants were able to see how the scraps they take to the Food Waste Recycling Drop-off site contribute to the soil regeneration at Good Hope Farm and learned more about creating compost at home in their own backyard bins.

## SUSTAINABILITY AND CLIMATE ACTION STRATEGIES

In addition to Arbor Day festivities, March featured the soft launch of Count Me In, Cary! Stewardship Strategies for a Sustainable Future. This campaign will guide Cary and its community partners toward equitable collective action for a sustainable and resilient future. Staff, consultants, and volunteers continue to elevate feedback and engagement efforts that will culminate and be ready to fly at Cary's Spring Daze Earth Day celebration and beyond. Keep an eye out, as the coming six months will feature topics to learn about and engage with, including community resilience, energy, water infrastructure, transportation and mobility, solid waste, and natural resources.





### **ECOSYSTEM RESTORATION**



Cary is making strides to restore and support native ecosystems across town with continued citizen and staff assistance. While opportunities and projects will continue to grow throughout spring, work performed this winter at locations like Jack Smith Park, Bond Park, Ritter Park, and Good Hope Farm set the stage for regeneration. In addition to 2022 plantings, Jack Smith Park now features more oaks, cypress, gingko, native holly bushes, blueberries, and another round of sunflowers already popping up. At Bond Lake, staff recently added multiple varieties of native grasses to stabilize areas near the water's edge in addition to a new generation of native trees and shrubs, including hibiscus, swamp cyrilla, button bush, and bald cypress. Ritter Park will see new blooms this spring from the recent plantings of heliopsis (false sunflower), sage, rosemary, coneflowers, native grasses, yarrows, silver Artemisia, and more.

Last, but not least, this quarter welcomed more than 100 volunteers to plant native wildflowers and grasses at Cary's Good Hope Farm, with an additional 200 volunteers joining the MLK Day of Service to restore soil health by adding over 20 cubic yards of municipally sourced leaf mulch and compost. While this work supports biological partnerships, regional partnerships were also maintained as the volunteers consisted of citizens, local experts, and even college students from the University of Georgia, who temporarily joined the community as a part of their Alternative Spring Break Service Project.

# FOOD SECURITY AND URBAN AGRICULTURE

Cary continues to support food security in the region through community gardens, urban agriculture programs, and innovative facility upgrades. In an effort to increase awareness and education about the interconnectedness of food, flowers, and beneficial insects, staff launched a honeybee hive trial at select fire stations this quarter. Staff and citizen beekeepers are buzzing with excitement as they work collaboratively to better understand the important role bees can play at established fire station gardens as well as how they contribute to urban regenerative agriculture programs and healthy ecosystems. Another exciting area of growth for food security in Cary has been the completion of the Carpenter Park Community Garden renovation. Not only does the new design accommodate more families in the annual plot rental program, the site now includes innovative educational eco features such as a rain garden that will assist with stormwater mitigation and be utilized as a teaching tool for homeowners. This year, 53 families are excited to break ground on their plots April 1 to grow food for their households, 11 more families than were served in 2022.







## IVEY-ELLINGTON HOUSE ON THE MOVE

PHOTOGRAPHED BELOW

Built in the 1870s, the Ivey-Ellington House is historically significant as a rare example of the Carpenter Gothic architectural style and demonstrates the diffusion of styles and ideas from urban to rural areas. In 2019, Cary entered into a development agreement that required the relocation of the Ivey-Ellington House. Coinciding with this agreement, Council adopted a resolution to ensure every effort was made to preserve the house. After several years of planning, constant communication, and collaboration among various departments and organizations, the historic house finally made the 12-hour, 1/4-mile trip from its original site on Chatham Street to its new home on Academy Street on Feb. 20. Now that the house is settled at the new site, the rehabilitation process will begin.

# MIXED-USE PROJECT DOWNTOWN HITS MILESTONE

A downtown project more than 10 years in the making crossed another milestone this quarter when Cary, Northwoods Jordan Building LLC, and First Baptist Church closed on several property and other transactions necessary for the redevelopment of the southeast corner of Harrison Avenue and Chatham Street into a vibrant mixed-use development with office, retail, and multifamily uses. Significant public infrastructure will be created or enhanced, including stormwater facilities, sidewalks, and a parking deck with more than 200 public parking spaces. Council originally approved the development agreement for this project in 2019. Construction of the parking deck and multifamily building is expected to begin this spring.





### NONRESIDENTIAL PERMITS

In Q3, Cary issued permits for six new nonresidential projects for a total of 169,738 square feet. The largest projects included a new medical office building at Preston Ridge and at McCrimmon Parkway, as well as the parking garage for Meridian Fast Chatham.

## NONRESIDENTIAL ALTERATION AND ADDITION PERMITS

Cary issued 98 nonresidential alterations and additions permits. Highlighted projects are:

- Ivey-Ellington House Foundation, 308 S. Academy St.: Permit issued for Phase 1 of the relocation to construct a new foundation and enclosure structure with new windows, siding, and paint.
- Mayton Inn Shade Trellis: Permit to construct a new shade structure on the existing patio of the hotel.
- Several new-tenant permits for Fenton, including Boardroom Salon, Face Foundrie, HHHunt Homes, and Warby Parker.







### REZONING

During Q3, 29 cases were in the rezoning process; one case was approved.

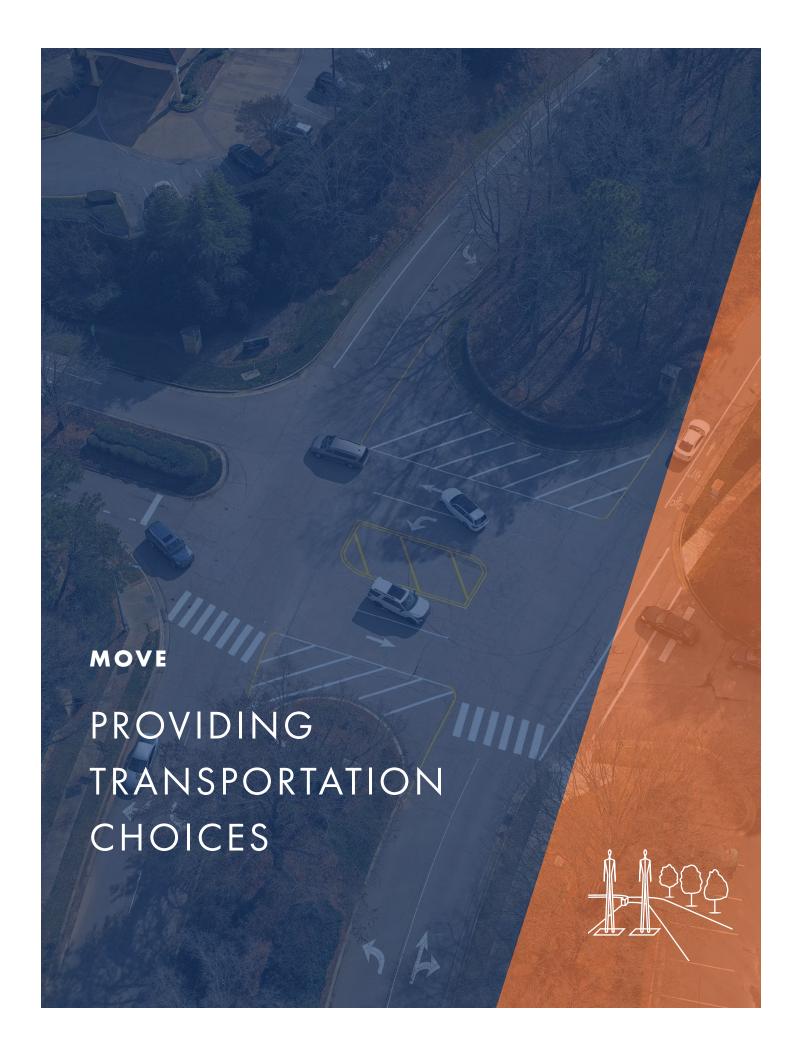
22-REZ-15, Swift Creek Elementary School Renovation/ Replacement, 5701 and 5714 Tryon Road: Annexes and rezones 27.77 acres to Office Institutional-Conditional Use (OI-CU) for rebuilding the existing Swift Creek Elementary School and adding education support facilities.

### **DEVELOPMENT PLANS**

In Q3, Cary approved 39 development plans. Notable plans approved this quarter were:

- Meridian Cary-Northwoods Jordan Mixed-Use and First Baptist Church Parking Lot: New mixed-use development with 195 multifamily units, an 82,052-square-foot nonresidential building, and a 478-space parking deck.
- Islamic Activity Center (IAC), 1155 W. Chatham St.:
   New 10,019-square-foot religious activity building.
- Sri Venkateswara Religious Hall, 121 Balaji Place: New 40,000-square-foot assembly hall and administration building.







### SHAPING CARY'S **TOMORROW BOND PROJECTS**

This section offers Cary citizens an update on the projects funded by the Shaping Cary's Tomorrow Parks and Transportation Bonds overwhelmingly approved in a 2019 referendum.



#### STREET IMPROVEMENTS PROJECT

PHOTOGRAPHED BELOW

Cary has substantially completed its 2022 street improvements work. Along with street repaving, this project incorporated trafficcalming measures along Castalia Drive, including installation of speed humps and a raised crosswalk on the Black Creek Greenway crossing to reduce vehicle speeds. In addition, staff presented at the 2023 N.C. GIS Conference on Cary's efforts to use GIS technology to increase efficiency and improve decision-making within the street improvements process. Construction on the \$6 million 2023 street improvements project is scheduled to begin this spring and to be completed this winter.

#### **GRANT FUNDING**

Cary received federal grant funding for six transportation projects:

- \$2.2 million for Crabtree Creek Greenway crossing under Weston Parkway
- \$2.5 million for Higgins Greenway Phase III from Union Street to Kildaire Farm Road
- \$1.3 million for Crabtree Creek Greenway from Bond Park to High House Road
- \$4.9 million for Black Creek Greenway renovation from Old Reedy Creek Road to Dynasty Drive
- \$2.4 million for Cary Parkway sidewalk, including the pedestrian bridge over Black Creek
- \$6.1 million for Carpenter Fire Station Road widening from N.C. 55 to N.C. 540

This federal funding allows Cary to deliver projects that enhance the quality of life for citizens at a significant savings. With funding secured and the necessary N.C. Department of Transportation approvals in place, these projects are ready to move closer to construction, and work should start as soon as the next 12 months. In addition, Cary also received \$1.9 million in federal grant funding for Higgins Greenway Phase IV, and design efforts are currently underway.





#### ARPA-FUNDED SIDEWALKS

Data collection and design are underway for the 14 sidewalks funded by the American Rescue Plan Act. Natural resource investigations and historical preservation outreach have begun, and surveys are in progress. Preliminary design has begun for the locations with completed surveys.

### CARY CONNECTED VEHICLE PROJECT WRAP-UP

This quarter, Cary installed devices on five GoCary buses to test the ability to give them priority at traffic signals. With this installation, the Cary Connected Vehicle Project is complete. For two years, Cary installed more than 350 devices throughout town, including at intersections, schools, crosswalks, and on emergency vehicles and transit buses. Whether using the Glance TravelSafely app or Waze, citizens can take advantage of alerts and notifications that can make their commute — on foot, bike, or in a vehicle — safer and more efficient.

In the future, additional features like work zone notifications, stop sign warnings, and curve ahead warnings will be available, furthering safety enhancements for citizens. To reach even more people, the alerts and notifications from the connected vehicle system will be made available directly to vehicles through partnerships with vehicle manufacturers. These additional features require no new devices and come at little to no cost to Cary. The Cary Connected Vehicle project has a budget of \$2 million. Financed in part by federal funds through the Local Assistance Project Program, Cary will be reimbursed 80% of the total cost of the project.

### CARPENTER FIRE STATION BRIDGE FENCING



In response to safety concerns a father brought to staff attention, Cary and NCDOT worked together to install pedestrian fencing across the Carpenter Fire Station Road bridge over N.C. 540. In addition to helping to make the bridge safer for all users, staff was able to learn more about this family and provide additional resources and opportunities through Cary's Share and Care program.

#### NCDOT PROJECTS

NCDOT is expected to adopt the 2024-2033 State Transportation Improvement Plan (STIP) this summer. This plan identifies the construction funding and schedules for NCDOT projects over a 10-year period from 2024-2033. For the past several months, the draft STIP has been available for public review and comment. As a result of the STIP process, Cary expects two major projects to move forward.

- Crossroads Junction, or the I-40/I-440/U.S. 1/U.S. 64 interchange: NCDOT held a public meeting in March to show its preferred alternative, and Cary staff were on hand to answer citizen questions. Concerns centered on minimizing the time that noise walls will be removed during construction adjacent to the Wellington Park area. Design and build are expected to proceed in 2026.
- Trinity Road Railroad Grade Separation: This project has been on hold for several years. Cary anticipates NCDOT funds to free up due to the delay in another Triangle project. NCDOT is expected to make a decision later this spring.



#### STREET SAFETY

PHOTOGRAPHED BELOW

This quarter brought a number of enhancements to pavement markings, signage, and pedestrian mobility around Cary as work wrapped on a package of traffic safety upgrades.

Improvements included:

- Bicycle lane markings on Laura Duncan Road.
- Pavement markings and curb ramps at Crescent Green and Crescent Commons.
- Signs, crosswalks, and other markings throughout Cary.

As part of the Spot Safety program, this project highlights Cary's commitment to continuous improvement and ability to be nimble with resources in a way that directly impacts citizens' daily lives. This work originated from a combination of citizen feedback, often via 311, and staff observations. The Spot Safety program continues to be a dependable instrument by which staff are able to effect tangible advancements in traffic safety throughout Cary.

Also this quarter, Cary installed new types of traffic calming through projects on Loch Highlands Drive and Summerwinds Drive in the Lochmere area. A series of speed humps constructed on Loch Highlands Drive is the result of several years of community collaboration and incorporates a first-in-Cary installation of offset speed humps. These devices were selected in response to concerns of potential impacts to emergency vehicle response times. The offset design encourages drivers to moderate their speed just as a standard speed hump does but provides a bypass for emergency vehicles so they don't have to slow to navigate multiple undulations.

Along Summerwinds Drive, radar-activated LED sign rings were installed as a pilot study to determine if the relatively low-cost devices can produce measurable change similar to a more traditional speed hump. Particularly on Summerwinds Drive, citizens have been very supportive and have reacted positively to the LED sign rings. Additional data on vehicle speeds will be collected in the coming months and used to reach a conclusion on the success of these devices and their applicability to other projects around Cary.











#### **BLACK CREEK SEWER REHAB**

PHOTOGRAPHED BELOW

Cary completed sewer rehabilitation work on the 30-inch sewer main between North Cary Park and Crabtree Creek Greenway at Lake Crabtree. Ongoing work along this corridor includes replacement of two aerial sewer crossings, manhole repair, cleanup, and final restoration before reopening this section of greenway later this summer.

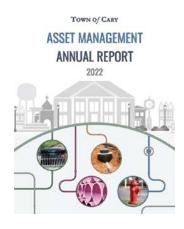
Additionally, sewer rehabilitation work is underway near the Old Reedy Creek Trailhead. Temporary aboveground bypass piping has been installed on this half-mile section that conveys to the North Cary Water Reclamation Facility. The aboveground bypass piping is visible from the trail but will not shut down greenway access. This work will be completed this fall.



## ANNUAL DISINFECTION PROCESS CHANGE

The Cary/Apex Water Treatment Facility began its annual disinfection process change on March 1. In accordance with state and federal recommendations, each year the treatment facility temporarily stops adding the normal disinfection mixture of chlorine and ammonia and switches to free chlorine. This change, combined with flushing Cary's water mains, cleanses the system and helps ensure high-quality water throughout the year. During this time, residents and customers may notice a minor increase in chlorine odor, and in some cases the water may appear slightly discolored. This activity is part of the normal water system maintenance process and occurs in tandem with several neighboring municipalities.

### ASSET MANAGEMENT ANNUAL REPORT



Cary completed its 2022
Asset Management Annual
Report, which provides a
dashboard view of the state of
Cary's linear assets. Cary
continued to build on the
success of previous years, this
being its fifth year with a
formal asset management
program. The report identifies
key performance indicators,
such as number of water main

breaks, sanitary sewer overflows, and miles of pipe replaced. These KPIs are then correlated with Cary's ability to achieve or prevent such incidents over time. Highlights of the report include continued work on risk-based capital planning, implementation of a decision-support software system, and GIS improvements for utility and stormwater infrastructure. As always, the report includes a list of Cary's buried assets. In FY 2022, Cary had 1,141 miles of water main, 915 miles of sewer main, and 83 miles of reclaimed water main.



#### ANNUAL BIOSOLIDS REPORT

Cary's water reclamation facilities utilize thermal drying at the South Cary and the Western Wake Regional water reclamation facilities for managing and treating biosolids, nutrient-rich byproducts of wastewater treatment. Cary produces EPA-certified, Class A Exceptional Quality biosolids by recovering valuable nutrients from the wastewater for beneficial reuse in a natural fertilizer and soil amendment product. In 2022, the North Cary and South Cary water reclamation facilities together produced 3,825 dry tons and the Western Wake Regional WRF produced 2,697 dry tons of biosolids. Cary's high-quality dried biosolids, known as Enviro-Gems, are marketed to a vendor for use in the agribusiness industry. The full report is available at bit.ly/2022biosolids.

### RENEWABLE ENERGY CERTIFICATES



Cary has secured Renewable Energy Certificates through the North Carolina Utility Commission for the solar facility at the South Cary Water Reclamation Facility. The RECs represent the greenhouse gas, or carbon, offset achieved through the site's solar energy production. Securing the RECs, which provide an offset of about 1,500 tons of greenhouse gas emissions annually, is key to supporting Cary's current and long-term carbon reduction goals. Additional solar array production information is available at carync.gov/solarfacility.





#### **NEW CARY POLICE OFFICERS**



On Jan. 25, the police department administered the oath of office to 12 new officers — the largest number of officers sworn collectively in recent years. Cary welcomes officers Caleb Russell, Harper Spell, Nick Beltz, Thomas Scott, Damian Rodriguez, Sean Luddley, Raul Garcia, Nick James, Lexi Crisostomo, Wyatt Godwin, Colin Everett, and David DiBiase.

#### FIRE GRADUATES 25 RECRUITS

PHOTOGRAPHED BELOW

Fire celebrated the graduation of 25 new firefighters in February. It marked the end of an intensive eight-month academy during which the recruits earned all their required fire, rescue, hazardous materials, and rescue certifications. The 21 members of the previous graduating class were also honored, as the pandemic prevented them from having their own ceremony when they completed their training in January 2022. Graduates had their badges pinned and received their shift assignments at the celebration. Both classes presented a leadership award to a deserving classmate, and family and friends were treated to a screening of the class videos, which were produced by one of the graduates.





### REPAIR CAFÉ

PHOTOGRAPHED RIGHT

Cary hosted its second Repair Café, welcoming 78 residents who brought in items to repair and keep out of the landfill. Through this event, local "fix-it coaches" provide free repair services for a variety of objects to support the community's waste reduction efforts. In all, 54 items were fixed, resulting in a 70% repair rate. Two more events have been scheduled for summer and fall 2023.

### AWARD-WINNING COMPOST PILOT

PHOTOGRAPHED BELOW

In March, the Carolina Recycling Association presented Cary with the Recycling Award for its food waste recycling drop-off pilot. The annual award recognizes impactful and innovative projects across the Carolinas that successfully address current waste diversion challenges and demonstrate creative promotions and education.

Established in February 2022, the one-year pilot's initial goal of collecting a minimum of 16 tons of food scraps resulted in an actual collection of 40 tons, exceeding the goal by 150%. Having surpassed its pilot goals, Cary's food waste drop-off was deemed a success and is here to stay.







# STORMWATER AND FLOODPLAIN MANAGEMENT IN DOWNTOWN CARY

PHOTOGRAPHED BELOW

Infill and redevelopment continue to provide Cary with the opportunity to improve stormwater and floodplain management downtown. This quarter, the Meridian development project, in coordination with Cary's Parkthrough Street project, joined the stream of stormwater capital improvement projects at Cedar Street, South Walker Street, and Waldo Street that are addressing legacy issues.

Using public-private partnerships with Northwoods Jordan and First Baptist Church, this regional stormwater management project is simultaneously easing the financial and permitting burdens for the private sector and accelerating project completion at a lower cost to the public. The collaborative effort also allows Cary to run multiple projects in parallel with the private sector as opposed to working on them in a series, engaging one project only after another is completed.

Like the other stormwater initiatives downtown, the Meridian-Parkthrough Street combination enables Cary to improve stormwater and floodplain management by redirecting stormwater to a regional stormwater control measure that mitigates structural flooding, meets water quality requirements, replaces aging stormwater infrastructure, and upgrades infrastructure to support the removal of nutrients in local waterways. Collectively, these upper Swift Creek basin projects address existing conditions holistically and meet or exceed new development standards.

### ASSISTANT FIRE CHIEF TALKS CREDENTIALING

Assistant Fire Chief Matt Jacoby presented at the 2023 Excellence conference, which is sponsored by the Center for Public Safety Excellence. Chief Jacoby's talk, titled Credentialing Process Explained, walked interested fire service personnel from all over the country through how to prepare their application for professional credentialing. He also served on a panel of credentialing experts to answer questions about the process.







### NONPROFIT CAPACITY BUILDING PROGRAM KICKOFF

PHOTOGRAPHED BELOW AND RIGHT

In February, Cary kicked off its inaugural Nonprofit Capacity Building Program. In partnership with the North Carolina Center for Nonprofits, this program covers topics including board governance, strategic communications, fundraising, partnerships and collaboration, and financial management. Additionally, individuals who complete the program may apply the credit hours toward the Duke University Certificate in Nonprofit Management. At the kickoff, Assistant Town Manager Danna Widmar and Councilmembers Lori Bush and Carissa Kohn-Johnson welcomed the group. Organizations represented in the nonprofit cohort include Dorcas Ministries, The Carying Place, HOPE North Carolina, Heart of Cary Association, Bridge II Sports, Kiran, Communities in Schools, and White Oak Foundation.









**KEEPING CARY CARY** 

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