

HIGH POINT PROSPERITY, LIVABILITY, & SAFETY COMMITTEE MEETING
Thursday, February 5, 2026 - 9:00 AM
Municipal Office Building
211 S. Hamilton Street
High Point, NC 27260

Prosperity and Livability Committee - Mayor Pro Tempore Monica Peters, Chair

CALL TO ORDER

Mayor Pro Tem Monica Peters, Chair of the Prosperity, Livability and Safety Committee, called the meeting to order on Thursday, February 5, 2026, at 9:04 a.m. and stated all Committee Members were present.

Present: Chair Monica Peters, Council Member Dr. Patrick Harman, Council Member Vickie McKiver, and Council Member Tyrone Johnson

Chair Peters announced a change in the order of presentation and indicated the committee would begin with Item 2026-26, a Status Update on Major Strategic Projects.

PRESENTATION OF ITEMS

2026-26

Status Update on Major Strategic Projects

Staff will provide an status and funding updates on select major strategic projects.

Stephen M. Hawryluk, Budget and Performance Director, presented the status update on select major strategic projects. He explained that these projects are identified through the City Council Strategic Plan and assigned to major goal areas. Mr. Hawryluk reported that the City is currently tracking 44 strategic and capital projects, with 88% of those projects on schedule. He noted that while many of the projects are capital in nature, some represent major strategic initiatives such as employee pay and development, which are included due to their overall importance.

Mr. Hawryluk stated that all projects are updated quarterly in alignment with the Strategic Plan update cycle and that detailed project information is publicly available on the City's Strategic Plan Dashboard accessible through the City's website. He explained that the dashboard provides a summary view of all projects and allows users to click into individual projects to view updates, maps, timelines, and any noted disruptions.

He discussed the City's approach to project disruptions, explaining that delays may occur due to factors outside of the City's control, such as coordination with external utilities. When disruptions are identified, they are reported in project updates, and once the issue is resolved and timelines are adjusted if necessary, the project may be returned to an on-track status.

Mr. Hawryluk provided a brief overview of the 2019 General Obligation Bond Program, noting that voters approved \$50,000,000 in November 2019 for housing, parks and recreation, and streets and sidewalks. He reported that 3 bond projects have been

completed, including the Legacy Ridge Redevelopment, City Lake Park, and Washington Street Realignment.

He then reviewed the remaining active 2019 bond projects. In Parks and Recreation, the Center for Active Adults has a total project budget of \$12,500,000, with \$12,000,000 funded through the bond referendum. The project is currently under construction and on track, with an anticipated completion date of November 2026. Mr. Hawryluk noted that while winter weather could pose potential challenges, staff does not currently anticipate an impact to the completion schedule.

In Streets and Sidewalks, the Burton Avenue Reconstruction project has a total budget of \$6,827,209 and is currently under construction and on track. Water and sewer construction is ongoing, grading for road widening has begun, and the estimated completion date is winter 2026. Mr. Hawryluk explained that while the project previously experienced disruption related to external utility coordination, it has since returned to an on-track status.

The Triangle Lake Road Reconstruction project has a total budget of \$12,000,000 and is currently in the design phase and on track. Right of way acquisition is planned to begin in February 2026, with construction anticipated to start in spring 2027 and an estimated completion date of spring 2028. Mr. Hawryluk reported that staff has identified a need for additional funding in the amount of \$11,045,000 to fully complete the project.

Mr. Hawryluk then reviewed several additional major projects outside the 2019 bond program. The 300 Oak project has a current budget of \$9,000,000 funded through ARPA enabled funds and a federal grant. The project is in the design phase and on track, with design build selection anticipated in spring 2026 and Phase I priorities, including roof replacement and building envelope improvements, scheduled to begin in fall 2026. The estimated completion date is summer 2027, and staff has identified an additional funding need of approximately \$13,000,000.

The Commercial Shared Use Kitchen project located at 1661 Westchester Drive has a current budget of \$4,700,000 supported by annual CIP funds, ARPA enabled funds, and a federal grant. The project is in design and on track, with staff completing facility clean up, finalizing architectural plans, and reviewing a request for qualifications for an operator. The estimated completion date is winter 2026. Mr. Hawryluk stated that the need for additional funding is still to be determined pending updated cost estimates.

Mr. Hawryluk also provided an update on the BUILD Grant project known as High Point On The Rise. The total project budget is \$28,489,089. The project is in pre-construction and on track, with right of-way acquisition planned for early spring 2026, construction expected to begin in late summer 2027, and an estimated completion date of December 2028. He noted that while the need for additional funding is currently listed as to be determined, early estimates suggest the potential for additional City investment as design progresses.

Finally, Mr. Hawryluk reviewed the New Electric Operations Center project located at 205 Model Farm Road. The project has a current budget of \$23,637,806 and is in the pre-construction phase and on track. Demolition of the existing building is planned for

June, followed by site preparation and grading. The estimated completion date is December 2027.

Following the presentation, committee members asked questions regarding the increased cost estimates associated with the Triangle Lake Road project, the 300 Oak project, and the BUILD Grant project. Mr. Hawryluk explained that many of the higher costs are attributable to inflation and rising construction costs since original estimates were developed in approximately 2018 and 2019, particularly in the post pandemic environment.

Mayor Pro Tem Peters thanked Mr. Hawryluk for the presentation.

2026-27

Capital Financing Update

Davenport & Company, LLC, the City's Financial Advisor, will give an update on the City's multi-year bond strategy.

Bobby Fitzjohn, Financial Services Director, explained that the presentation provided an update to the City's debt model, which was last presented to Council in March 2024. He stated that the model is updated periodically, particularly as new debt authorizations are anticipated for Council consideration, and that the timing of this update was intended to inform both the upcoming Council planning retreat and the annual budget process. He noted that several projects discussed earlier in the meeting included additional projected costs that would also be reflected in the financing scenarios presented. Mr. Fitzjohn further explained that references in the presentation to the value of a penny in the tax rate are based on the current assessed valuation, acknowledging that Guilford County is undergoing a revaluation process and that updated figures will be incorporated later in the budget cycle when available.

Mr. Fitzjohn introduced Mitch Bergoglio of Davenport and Company to provide the presentation and address questions.

Mr. Bergoglio began by explaining that the purpose of the presentation was to update the City's capital financing outlook using current data and to compare the updated projections to those presented in 2024. He stated that overall assumptions remain largely consistent with the prior plan, with several major projects deferred approximately 1.5 to 2 years from earlier schedules.

Mr. Bergoglio reviewed the City's credit rating profile, explaining that credit ratings are a primary driver of borrowing costs in the municipal market. He reported that the City of High Point holds a AAA rating from Standard and Poor's, an Aa1 rating from Moody's Investors Service, and an AA+ rating from Fitch Ratings. He noted that these represent the highest or second highest ratings available from each agency and position the City favorably to access capital markets at competitive interest rates. He added that historically the City has improved its ratings over time and currently ranks within the top approximately 30 percent of rated municipalities nationally.

Mr. Bergoglio then reviewed the City's existing tax-supported debt profile as of June 30, 2025. He reported total tax-supported debt outstanding of \$105,728,118, consisting primarily of \$53,381,135 in general obligation bonds and \$46,942,000 in limited obligation bonds paid from the General Debt Service Fund, with the remaining balance

associated with capital leases paid from other funds. He stated that total interest on this debt is \$25,138,863, resulting in a total repayment amount of \$130,866,981, with final maturity in 2042. He explained that annual debt service payments decline over time, with \$15,616,989 scheduled in fiscal year 2026, decreasing in subsequent years.

Mr. Bergoglio discussed the City's key debt policies and ratios. He reported that the City's 10-year payout ratio is 73.99 percent, exceeding the City's minimum policy threshold of 60 percent. He stated that debt to assessed value for fiscal year 2026 is 0.75 percent based on an assessed value of \$14,079,860,274, which is well below the City's maximum policy limit of 2.50 percent. He further reported that debt service to governmental expenditures is 9.66 percent, compared to the City's policy maximum of 15 percent. He noted that peer comparisons show the City is generally in line with or below state and national medians for similarly rated municipalities.

Mr. Bergoglio explained that while the City has debt capacity under its adopted policies, affordability is evaluated separately by comparing debt service requirements to dedicated revenue sources. He reviewed the revenue sources supporting the General Debt Service Fund, including a 3.4-cent property tax rate, an annual General Fund transfer of \$4,753,550, investment earnings assumed at \$500,000 in fiscal year 2026, downtown stadium related revenues including lease payments, naming rights, and CVB contributions, and tax increment revenues from the Catalyst Project Area beginning at \$1,613,350 in fiscal year 2026. He reported that the Debt Service Fund is projected to have a cash balance of \$12,622,018 at the end of fiscal year 2025 and that the City maintains a policy target of retaining a balance equal to at least 50 percent of maximum annual debt service.

Mr. Bergoglio summarized the future financing assumptions included in the model. He reported that \$24,000,000 in remaining voter-authorized general obligation bonds from the 2019 referendum are assumed to be issued, including \$12,000,000 for the Center for Active Adults in fiscal year 2026 and \$12,000,000 for the Triangle Lake Road project in fiscal year 2028. He explained that additional funding for the Triangle Lake Road project is proposed through two thirds general obligation bonds totaling \$11,045,000, with \$5,555,000 issued in fiscal year 2026 and \$5,490,000 issued in fiscal year 2028. He further reported that limited obligation bonds totaling \$113,000,000 are assumed for other major capital projects, including \$13,000,000 for 300 Oak Street in fiscal year 2027, \$30,000,000 for a downtown parking project in fiscal year 2028, and \$70,000,000 for a new City Hall in fiscal year 2029. Mr. Bergoglio stated that total assumed debt issuance under the model is \$148,045,000.

Mr. Bergoglio reported that all projected debt ratios remain within adopted policy limits under this financing scenario. He explained that while the existing debt service structure supports the voter approved general obligation bonds, additional revenues would be required to support the full financing plan. He stated that if the City were to address the revenue need beginning in fiscal year 2027, the equivalent upfront tax impact would be approximately 4.35 cents, generating approximately \$6,174,369 in additional annual revenue at current valuations. He further stated that incremental impacts projected in later years total approximately 8.00 cents if implemented over time.

Mr. Bergoglio noted that the Triangle Lake Road general obligation bond authorization from 2019 has an initial 7-year issuance period and will require Council action to extend the authorization by up to 3 additional years in order to issue bonds in fiscal year 2028.

He stated that staff anticipates bringing forward a request for authorization extension and bond issuance approvals in spring 2026, with a targeted bond sale date of May 12, 2026, which would include the Parks and Recreation bonds and the initial two thirds bonds.

During discussion, Council Member Tyrone Johnson asked for clarification regarding the extension of the Triangle Lake Road bond authorization. Mr. Bergoglio explained that extensions are a standard process for general obligation bonds when project timelines extend beyond the initial 7-year authorization period due to factors such as engineering complexity or inflationary impacts.

Additional questions were raised regarding whether the financing model included potential cost increases associated with the BUILD Grant project or the Commercial Shared Use Kitchen. Staff explained that the Commercial Shared Use Kitchen does not currently include assumptions for additional debt financing and may be addressed through other funding mechanisms. Staff further explained that the BUILD Grant project cost estimates are still preliminary and that alternative funding strategies would be evaluated once more definitive cost information is available.

Mayor Pro Tem Peters thanked Mr. Bergoglio for the presentation.

2026-33

Human Relation Commission's 2026 Work Plan

City Council is requested to consider the Human Relation Commission's proposed 2026 Work Plan.

Rase McCray, Human Relations Manager, addressed the committee and stated that he serves as the Human Relations Manager for the City and as the staff liaison to the Human Relations Commission. Mr. McCray provided an overview of the commission's role, reviewed previously completed work plan items, and presented the proposed work plan items for 2026.

Mr. McCray stated that the Human Relations Commission is an advisory body to City Council and is comprised of 9 members who are residents of High Point and appointed by City Council. He explained that the commission advises Council on the establishment of human relations goals, objectives, policies, and standards, promotes community understanding and respect, develops plans and analyses for human relations needs, conducts Council approved programs and community events, and encourages youth to become better trained and qualified for employment.

Mr. McCray explained that because the commission serves in an advisory role, its work plan items are developed within the scope of those duties and submitted to City Council for approval prior to implementation. He stated that work plan items may be proposed by individual commissioners or by the commission's subcommittees, which include the International Advisory Committee and the Social Justice Committee. He noted that all proposed items are reviewed, refined, and adopted by the full commission, regardless of origin, and that new work plan items are adopted at the commission's annual retreat before being forwarded to Council for consideration.

Mr. McCray reviewed several completed work plan items that had previously been approved by Council. He stated that the commission explored the feasibility of High Point becoming a Fair Housing Assistance Program, which resulted in City Council adopting

a Fair Housing Ordinance. He also noted that efforts to expand outreach to High Point's Latinx communities resulted in the development and implementation of a citywide Language Access Plan. He explained that implementation efforts include translation of vital documents into strategic languages and the use of a telephonic interpretation service available to City staff for residents who speak languages other than English.

Mr. McCray stated that the commission also completed a work plan item focused on promoting collaboration among boards and commissions, which led to an information sharing session bringing together Council members and board and commission members to learn about each group's work. He stated that the session was well received and generated enthusiasm for continued collaboration. He also reviewed the commission's support of the OK High Point mental health initiative, which included distributing a bill insert highlighting local mental health resources.

Mr. McCray then presented the proposed 2026 work plan items. The first proposed item was to increase opportunities for the City to support High Point families. He explained that this item aligns with the commission's responsibility to promote education and employment readiness for youth and to advise Council on human relations priorities. He stated that potential actions discussed by the commission include surveying residents to better understand awareness of City services, programs, and events, and exploring additional opportunities to support student readiness and back to school efforts through outreach and education for families.

The second proposed work plan item was to explore how the Human Relations Commission can better support the City's new Strategic Plan. Mr. McCray stated that the commission is interested in aligning its work more closely with Council's strategic priorities. He explained that potential actions include discussing ways to share information about human relations initiatives with local nonprofit organizations and developing a template to guide future commission work plan items so they are more directly aligned with the Strategic Plan.

The Chair opened the floor for questions and comments. A committee member requested that Mr. McCray provide information for the public regarding the teen job fair that has been held in recent years. Mr. McCray explained that the City hosts an annual teen job fair focused on connecting students with immediate employment opportunities such as summer and part-time jobs. He stated that the event emphasizes resume preparation, interview skills, workplace etiquette, and direct engagement with employers. He noted that the program has been successful in preparing students and supporting employer hiring.

Mr. McCray further stated that the event will expand in 2026 through a larger partnership with Guilford County Schools. He explained that the school system will assume a greater role in coordinating participation and transportation and that the event will include additional schools across the county. He stated that the event has been renamed the Future Forward Job Expo and will be held at the stadium in March. He also noted that a financial literacy component will be added this year through participation by a banking institution.

A committee member asked how the proposed surveys referenced in the work plan might be conducted. Mr. McCray stated that the survey concept represents a general framework rather than a finalized plan and that no specific timeline or survey questions

have been developed. He explained that potential approaches discussed include distributing surveys during community outreach events attended by the Human Relations division and partnering with schools to engage families during school events such as open houses.

Another committee member asked whether the commission engages with Human Relations Commissions in other municipalities to share best practices. Mr. McCray stated that the commission previously completed a work plan item focused on learning from other Human Relations Commissions across the state, with commissioners reaching out to peer commissions to learn about their programs and structure. He stated that insights from that work informed local initiatives, including collaboration efforts. He also noted past discussions regarding joint meetings with neighboring Human Relations Commissions in the Triad region to promote regional collaboration.

The Chair thanked Mr. McCray for the presentation and expressed appreciation for the work of the Human Relations Commission.

A motion was made by Chair Peters, seconded by Council Member Johnson, to approve agenda item 2026-33.

Motion passed with the following vote:

Aye: Chair Peters, Council Member Harman, Council Member McKiver, Council Member Johnson

Nay: None

ADJOURNMENT

The Committee commended staff for their hard work removing snow and ice during the recent weather events.

There being no further questions to come before the Prosperity, Livability, and Safety Committee, the meeting adjourned at 9:55 a.m.

Respectfully Submitted,

Monica Peters, Chair

Attest:

Sandra Keeney, City Clerk