



Morrisville Town Council

Regular Meeting

May 12, 2026, 6:00 PM

Town of Morrisville Mission Statement: Connecting our diverse community to an enhanced quality of life through innovative programs and services.

1. **Call to Order**
2. **Recognition of Sergeant at Arms**
3. **Invocation**
4. **Pledge of Allegiance**
5. **Adoption of Regular Agenda**
Call for any conflicts of interest in relation to the proposed agenda.
6. **Consent Agenda**
 - 6.a [Resolution and Budget Ordinance Amendment for Phase 1 of the Design Build for the Gables Roadway Reconstruction Project](#)
Mark Spanioli, P.E., Director of Engineering
[2025-169-0 RES DB Phase 1 for Gables Roadway Recon Project.pdf](#)
[2026-169-0 BOA Gables.pdf](#)
 - 6.b [Resolution Authorizing Street Acceptance for The Parc at Town Center Subdivision](#)
Mark Spanioli, Town Engineer
[2026-177-0 RES The Parc at Town Center Street Acceptance.pdf](#)
[2026-177-0 ATTHO1 The Parc at Town Center - Description of Streets.pdf](#)
[2026-177-0 ATTHO2 The Parc at Town Center - Exhibit.pdf](#)
[2026-177-0 ATTHO3 The Parc at Town Center - Exhibit.pdf](#)
7. **Items Pulled from Consent (if any)**
8. **Proclamations**
 - 8.a [Proclamation Recognizing May as National Tennis Month](#)
[2026-166-0 PROC National Tennis Month.pdf](#)

- 8.b Proclamation Recognizing May as National Foster Care Month *(for reference only)*
2026-163-0 PROC National Foster Care Month.pdf
- 8.c Proclamation Recognizing May as Asian American & Pacific Islander Heritage Month *(for reference only)*
2026-165-0 PROC Asian American and Pacific Islander Heritage Month.pdf
- 8.d Proclamation Recognizing Peace Officers' Memorial Day and Police Week *(for reference only)*
2026-164-0 PROC Peace Officers' Memorial Day and Police Week.pdf
- 8.e Proclamation Recognizing National Public Works Week *(for reference only)*
2026-167-0 PROC National Public Works Week Proclamation.pdf
- 8.f Proclamation Recognizing Building Safety Month *(for reference only)*
2026-129-0 PROC Recognizing Building Safety Month.pdf
- 8.g Proclamation Recognizing National Senior Health & Fitness Day *(for reference only)*
2026-168-0 PROC National Senior Health Fitness Day.pdf

9. Morrisville Speaks: Public Comment

10. Presentations

- 10.a FY2027 Recommended Budget
Brandon Zuidema, Town Manager
Budget Presentation - May 12, 2026
Work Session - May 14, 2026
Budget Public Hearing - May 26, 2026
Work Session (Tentative) - May 28, 2026
Proposed Budget Adoption - June 9, 2026
2026-181-0 PRES FY2027 Recommended Budget CIP.pdf
2026-181-0 ATTH01 Budget Message.pdf
2026-181-0 ATTH02 FY27 Budget Abbreviated Report.pdf

11. Public Hearings

- 11.a Economic Development Policy Recommended Updates
Tiffany McNeill, Economic Development Director
Presentation - April 28
Public Hearing and Action - May 12
2026-146-0 RES Approving Economic Development Incentive Policy.pdf
2026-146-0 ATTH01 Proposed Economic Incentives Policy.pdf
2026-146-0 ATTH02 Economic Incentives Policy Work Session Follow Up.pdf

2026-146-0 PRES Economic Incentives Policy Update.pdf

- 11.b Public Hearing and Resolution on 2nd Financing of Public Works Facility and 260 Town Hall Drive
Byron Hayes, Chief Financial Officer
2026-152-B RES Findings-Morrisville 2026 LOB PW_260A Town Hall Dr.pdf

12. Action Items

- 12.a Proposed Amendment of the Zoning Map for 10212 Chapel Hill Road (REZ-26-0020)
Josh Michael, Planner III
Brief & Public Hearing - April 28
Action - May 12
2026-139-0 ORD - Approving a Zoning Map Amendment - REZ 10212 Chapel Hill Rd - THIS ITEM HAS BEEN UPDATED
2026-139-0 ATTH 01 - Maps - REZ 10212 Chapel Hill Rd
2026-139-0 ATTH 02 - Application Packet - REZ 10212 Chapel Hill Rd - THIS ITEM HAS BEEN UPDATED
2026-139-0 ATTH 03 - Principal Use Table - REZ 10212 Chapel Hill Rd
2026-139-0 ATTH 04 - PZB Consistency Statement - REZ 10212 Chapel Hill Rd
2026-139-0 ATTH 05 - PZB Draft Minutes - REZ 10212 Chapel Hill Rd
2026-139-0 ATTH 06 - FAQ - Evergreen -THIS ITEM HAS BEEN ADDED
2026-139-0 ATTH 07 - Traffic Generation Memo - Evergreen -THIS ITEM HAS BEEN ADDED
2026-139-0 ATTH 08 - LIHTC and Home Values -THIS ITEM HAS BEEN ADDED
2026-139-0 PRES Staff - REZ 10212 Chapel Hill Rd - THIS ITEM HAS BEEN UPDATED
2026-139-0 PRES Applicant - REZ 10212 Chapel Hill Rd - THIS ITEM HAS BEEN UPDATED

13. **Future Meetings, Events and Resident Involvement Opportunities** For a full listing of events, please see the Town Calendar at www.MorrisvilleNC.gov

14. Council and Manager Comments

15. Adjournment

Thank you for attending this meeting of the Morrisville Town Council. We hope you plan to join us again! Please feel free to email your Town Council members at TownCouncil@morrisvillenc.gov or visit www.MorrisvilleNC.gov/Council for additional contact information.

Town Council Agenda Item Report

Agenda Item No. 6.a

Submitted by: Mark Spanioli

Submitting Department Engineering

Meeting Date: May 12, 2026

SUBJECT

Resolution and Budget Ordinance Amendment for Phase 1 of the Design Build for the Gables Roadway Reconstruction Project

Mark Spanioli, P.E., Director of Engineering

Recommendation:

Approve

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

The Gables at Town Hall Commons (Gables) neighborhood was identified as part of the Municipal Service Taxing District (MSD) as adopted by the Town Council in 2012. This adoption converted certain private streets to become part of the Town roadway network and be maintained by the Town. The Gables is the last remaining neighborhood in the district that has not been repaved and requires roadway rehabilitation to reconstruct the roadway system within the neighborhood to meet Town standards and elevate the pavement condition index for future long-term maintenance by the Town. For FY25, Council budgeted funds to study options for the Gables MSD project. Town staff, working with a consulting team, surveyed the neighborhood and performed exploratory testing as well as construction scoping and cost estimating. Based on this study, the estimated project cost is \$2.6 million. At the January 2025 Council retreat, Town Council directed staff to prioritize this project and in April of 2025, Council adopted a capital project budget amendment to include the Gables MSD project. Town staff have evaluated the project for implementation and determined that a Design-Build would be the preferred method for project delivery of the Gables MSD. For the Town to be able to complete the project with appropriate contractor input during the design phase based on the complexities of the roadway condition and the funds allocated, a design-build method of project delivery was recommended and authorized by Town Council in May of 2025 (Item #2025-199-0).

Following Town procurement requirements, the Town has advertised a Design-Build solicitation, ranked responses and is recommending to contract with the most responsive and responsible qualified team, Falconer Construction Company, inc. Pursuant to negotiations

with the top ranked team, Town staff are recommending to enter into a Phase 1 (the design phase) of a Progressive Design Build Agreement with Faulconer Construction Company, Inc. in an amount not to exceed of \$350,000.

Advisory Board/Committee Review:

None

Insert Date of Advisory Board/Committee Review:

Advisory Board/Committee Recommendation and/or Vote:

None

Potential Options:

Approve the resolution and BOA for phase 1 (design phase) of the Design-Build delivery method for the Gables Roadway Reconstruction Project

Do not approve the resolution and BOA for phase 1 (design phase) of the Design-Build delivery method for the Gables Roadway Reconstruction Project

Staff Recommendation:

None

ATTACHMENTS

- [2025-169-0 RES DB Phase 1 for Gables Roadway Recon Project.pdf](#)
- [2026-169-0 BOA Gables.pdf](#)



**RESOLUTION AND CAPITAL PROJECT ORDINANCE
AMENDMENT 2026-169-0 OF THE MORRISVILLE TOWN
COUNCIL AUTHORIZING PHASE 1 OF THE DESIGN-BUILD
DELIVERY METHOD FOR THE GABLES ROADWAY
RECONSTRUCTION PROJECT**

WHEREAS, the Gables at Town Hall Commons (Gables) was identified as part of the Municipal Service Taxing District as adopted by the Town Council in 2012; and

WHEREAS, this adoption converted the private streets within this neighborhood to become part of the Town roadway network and be maintained by the Town; and

WHEREAS, the streets within the Gables neighborhood are in need of reconstruction based on a poor rating identified in the Town's Pavement Condition Index report; and

WHEREAS, Town Council prioritized the need to reconstruct the streets in the Gables neighborhood at the annual retreat in January of 2025; and

WHEREAS, Town staff, working with a consulting team, surveyed the neighborhood and performed exploratory testing as well as construction scoping and cost estimating to determine the extent of the necessary reconstruction efforts; and

WHEREAS, the design and construction costs for the reconstruction efforts were estimated at \$2.6 million; and

WHEREAS, a design-build method of project delivery was recommended and authorized by Town Council in May of 2025; and

WHEREAS, following Town procurement requirements, the Town has advertised a Design-Build solicitation, ranked responses and has negotiated a Phase 1 (the design phase) Design-Build Agreement with the most responsive and responsible firm, Faulconer Construction Company, Inc. in an amount not to exceed of \$350,000.

NOW, THEREFORE, BE IT RESOLVED THAT THE MORRISVILLE TOWN COUNCIL hereby authorizes the Town Manager to execute a contract with Faulconer Construction Company, Inc. in an amount not to exceed \$350,000, within available budgeted appropriations in the Capital Project Fund for the Gables Roadway Reconstruction Project.

Adopted this 12th day of May 2026.

TJ Cawley, Mayor

ATTEST:

Kayla Bertling, Town Clerk



TOWN OF MORRISVILLE
BUDGET ORDINANCE AMENDMENT 2026-169-0

BE IT ORDAINED, by the Town Council of the Town of Morrisville that the Fiscal Year 2025-2026 Annual Operating Budget Ordinance be amended as follows:

SECTION 1. The following Fund revenues & expenditures are to be changed as identified below:

Municipal Service District (MSD) Fund

SECTION 2: The revenues anticipated are:

	<u>Increase/ (Decrease)</u>	<u>Revised Budget</u>
Fund Balance Appropriated	1,700,000	1,700,000
Transfer from General Fund	900,000	900,000
Total Revenues	\$2,600,000	\$2,600,000

SECTION 3: The expenditures anticipated are:

Capital Outlay - Infrastructure	2,600,000	2,600,000
Total Expenditures	\$2,600,000	\$2,600,000

SECTION 4: Copies of this ordinance shall be furnished to the Town Clerk, Budget Officer (Town Manager) and the Finance Officer (Chief Financial Officer) for direction in carrying out this project within five (5) days after adoption.

SECTION 5: The Finance Officer (Chief Financial Officer) is hereby directed to maintain within the fund detailed accounting records.

SECTION 6: The Budget Officer (Town Manager) is directed to include a detailed analysis of the past and future costs and revenues on this fund in every budget submission made to the Town Council.

SECTION 7: The Budget Officer (Town Manager) is authorized to amend expenditures within the fund for expenditures that are authorized per Section 1 of this ordinance, that do not change the total appropriation within the fund. The Town Manager may make Interfund Loans as necessary for cash flow needs pending receipt of debt proceeds and/or reimbursement grants or agreements. Such transactions will comply with financial reporting requirements.

SECTION 8: Copies of this ordinance shall be furnished to the Town Clerk, Budget Officer (Town Manager) and the Finance Officer (Chief Financial Officer) for direction in carrying out this project within five (5) days after adoption.

SECTION 9: All ordinances in conflict with this ordinance are hereby repealed or superseded to reflect the controlling nature of this Ordinance.

Adopted this the 12th day of May 2026.

Attest:

TJ Cawley, Mayor

Kayla Bertling, Town Clerk

Town Council Agenda Item Report

Agenda Item No. 6.b

Submitted by: Levi Henry

Submitting Department Engineering

Meeting Date: May 12, 2026

SUBJECT

Resolution Authorizing Street Acceptance for The Parc at Town Center Subdivision
Mark Spanioli, Town Engineer

Recommendation:

Approve Resolution Authorizing Street Acceptance for The Parc at Town Center.

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

The Parc at Town Center Subdivision was developed as a residential subdivision having 41 townhomes. The project was originally designed by Peak Engineering & Design, PLLC., and developed by Baker Residential between 2023 and 2026. The Engineering Department was responsible for the inspection of the proposed public streets during construction and along with the Public Works Department, conducted a final walk-through inspection in February of 2026 to confirm that the conditions of the streets were in acceptable condition prior to initiating this request for formal public acceptance of Carolina Street and Myers Point Drive.

Staff recommends initiating an extended warranty period where the developer is still responsible for all defects in materials and/or workmanship or damage (streets, sidewalks, curb and gutter or associated infrastructure damage caused by the use of the facilities) for a one-year period from the date that this resolution is adopted. Prior to expiration of the warranty period, the Owner/Developer must request a final inspection from the Engineering Department so a letter of final acceptance or a punch list letter can be provided.

Advisory Board/Committee Review:

None

Insert Date of Advisory Board/Committee Review:

Advisory Board/Committee Recommendation and/or Vote:

None

Potential Options:

Approve Resolution Authorizing Street Acceptance for The Parc at Town Center.

Do Not Approve Resolution Authorizing Street Acceptance for The Parc at Town Center.

Staff Recommendation:

None

ATTACHMENTS

- [2026-177-0 RES The Parc at Town Center Street Acceptance.pdf](#)
- [2026-177-0 ATTHO1 The Parc at Town Center - Description of Streets.pdf](#)
- [2026-177-0 ATTHO2 The Parc at Town Center - Exhibit.pdf](#)
- [2026-177-0 ATTHO3 The Parc at Town Center - Exhibit.pdf](#)



RESOLUTION 2026-177-0 AUTHORIZING STREET ACCEPTANCE FOR THE PARC AT TOWN CENTER SUBDIVISION

WHEREAS, North Carolina General Statute 160A-296 and related case law grants municipalities general authority and control over all public streets, sidewalks, alleys, bridges, and other ways of public passage within its corporate limits except to the extent that authority and control over certain streets and bridges is vested in the Board of Transportation; and

WHEREAS, including a street on a town map does not provide any evidence of intent to accept the street for public use; and

WHEREAS, to accept a street for public use, the proper authorities must accept the offer in some recognized legal manner; and

WHEREAS, Baker Residential (the Developer) has offered the following corresponding right-of-ways width, length, area, and length of sidewalk within The Parc at Town Center Subdivision to be accepted for Town maintenance as identified in the following table; and

The Parc at Town Center Subdivision					
	Right-of-Way				Sidewalk
Street Name	Width (ft.)	Length (ft.)	Length (mi)	Area (ac)	Length (ft.)
Myers Point Drive	52	537	0.10	0.64	1200
Carolina Street	52	225	0.04	0.27	415
TOTALS	762	762	0.14	0.91	1615

WHEREAS, the Engineering Department recommends that the dedicated right-of-ways, as referenced above, be formally accepted and typical maintenance responsibilities be initiated by the Town; upon the posting of the required warranty period guarantee equivalent to 20% of the estimated cost of construction, the remaining performance guarantee(s) will be released, initiating an extended warranty period where the developer is still responsible for all defects in materials and/or workmanship or damage; and

WHEREAS, the extended warranty period shall continue for a minimum of one year from the date of acceptance by Town Council; and

WHEREAS, no more than 30 days prior to expiration of the warranty period, the Owner/Developer in writing must request a final inspection from the Engineering Department so a letter of final acceptance or a punch list letter can be provided; and

WHEREAS, upon the expiration of the warranty period the 20% cost of warranty period guarantee shall be released and the Developer will have no further obligation to the Town with respect to the streets, except for any hidden defects or deficiencies which could not have been identified by a reasonable walk-through inspection.

NOW, THEREFORE, BE IT RESOLVED THAT THE MORRISVILLE TOWN COUNCIL hereby accepts the dedicated rights-of-way and improvements within The Parc at Town Center Subdivision on the following streets for public Town maintenance:

- Myers Point Drive
- Carolina Street

Adopted this, the 12th day of May 2026.

TJ Cawley, Mayor

ATTEST:

Kayla Bertling, Town Clerk

2026-177-0 ATTH 01

EXHIBIT A – DESCRIPTION OF STREETS

The following streets, or portions thereof, in The Parc at Town Center Subdivision in the Town of Morrisville, Wake County, North Carolina, as shown on one or more of the plats listed below, all of which plats are recorded in the Wake County, North Carolina registry:

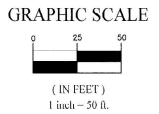
Streets:

1. Myers Point Drive
Map Book **Page(s)**
2024 00263, 00264

2. Carolina Street
Map Book **Page(s)**
2024 00263

2026-177-0 ATTHO2

WAKE COUNTY, NC 36
 TANNY L. BRUNNER
 REGISTER OF DEEDS
 PRESENTED & RECORDED ON
 01/26/2024 10:52:43
 BOOK:BM2024 PAGE:00264

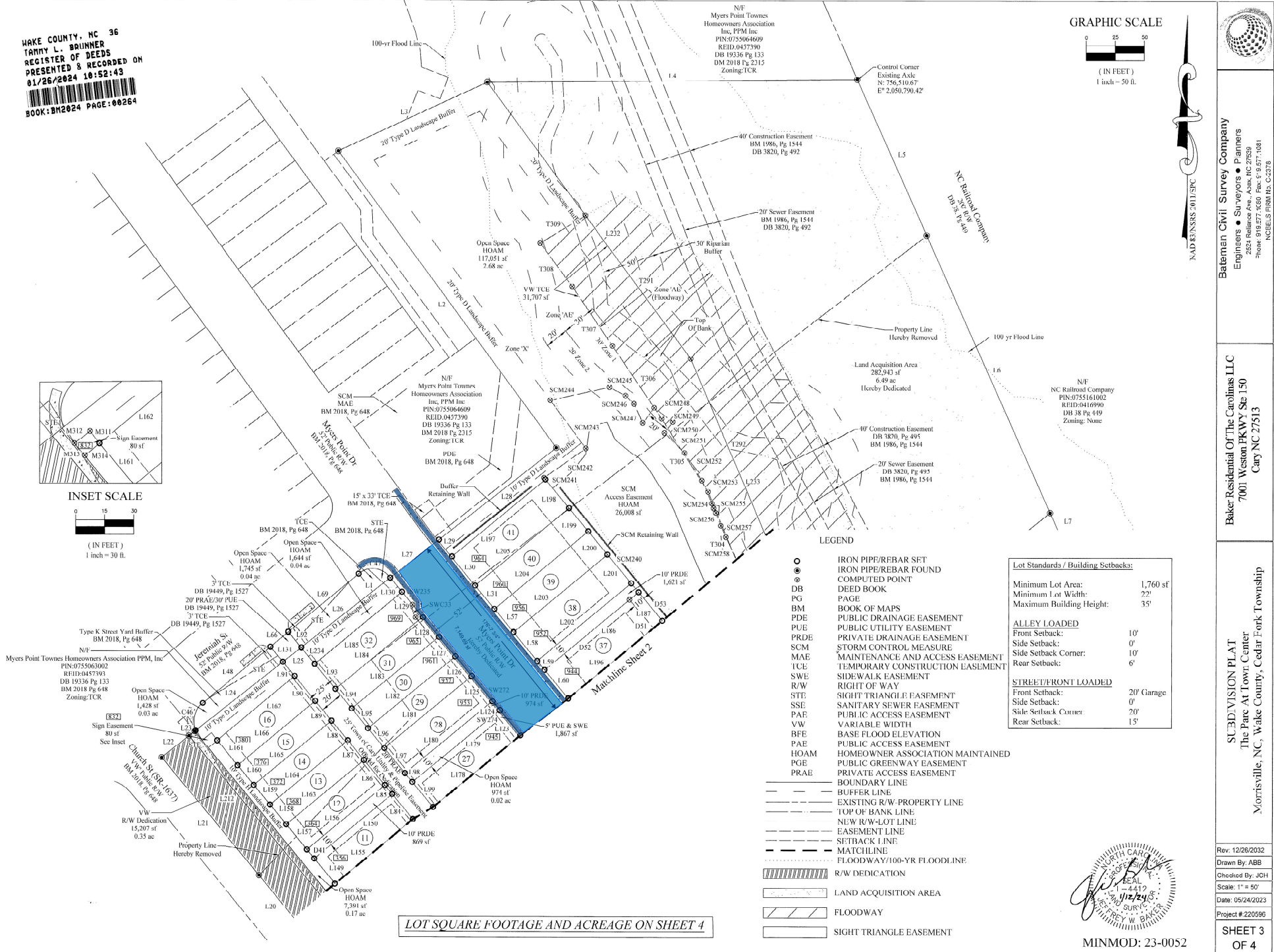
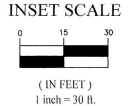
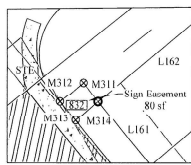


Bateman Civil Survey Company
 Engineers • Surveyors • Planners
 2525 S. GARDNER ST., SUITE 200
 MORRISVILLE, NC 27560
 PHONE: 703.677.1081
 NGCELS FIRM NO. C24378

Baker Residential Of The Carolinas LLC
 7000 Weston PKWY Ste 150
 Cary NC 27513

SC3D DIVISION PLAT
 The Parc At Town Center
 Morrisville, NC, Wake County, Cedar Fork Township

Rev: 12/26/2032
 Drawn By: ABB
 Checked By: JCH
 Date: 05/24/2023
 Scale: 1" = 50'
 Project #: 220596
SHEET 3
 OF 4



- LEGEND**
- IRON PIPE/REBAR SET
 - ⊙ IRON PIPE/REBAR FOUND
 - ⊙ COMPUTED POINT
 - DB DEED BOOK
 - PG PAGE
 - BM BOOK OF MAPS
 - PDE PUBLIC DRAINAGE EASEMENT
 - PUE PUBLIC UTILITY EASEMENT
 - PRDE PRIVATE DRAINAGE EASEMENT
 - SCM STORM CONTROL MEASURE
 - MAE MAINTENANCE AND ACCESS EASEMENT
 - TCE TEMPORARY CONSTRUCTION EASEMENT
 - SWE SIDEWALK EASEMENT
 - R/W RIGHT OF WAY
 - SITE SIGHT TRIANGLE EASEMENT
 - SSE SANITARY SEWER EASEMENT
 - PAE PUBLIC ACCESS EASEMENT
 - VW VARIABLE WIDTH
 - BFE BASE FLOOD ELEVATION
 - PAE PUBLIC ACCESS EASEMENT
 - HOAM HOMEOWNER ASSOCIATION MAINTAINED
 - PGE PUBLIC GREENWAY EASEMENT
 - PRAE PRIVATE ACCESS EASEMENT
 - BOUNDARY LINE
 - BUFFER LINE
 - EXISTING R/W-PROPERTY LINE
 - TOP OF BANK LINE
 - NEW R/W-LOT LINE
 - EASEMENT LINE
 - SETBACK LINE
 - MATCHLINE
 - FLOODWAY/100-YR FLOODLINE
 - /// R/W DEDICATION
 - /// LAND ACQUISITION AREA
 - /// FLOODWAY
 - SIGHT TRIANGLE EASEMENT

Lot Standards / Building Setbacks:

Minimum Lot Area:	1,760 sf
Minimum Lot Width:	22'
Maximum Building Height:	35'
ALLEY LOADED	
Front Setback:	10'
Side Setback:	0'
Side Setback Corner:	10'
Rear Setback:	6'
STREET/FRONT LOADED	
Front Setback:	20' Garage
Side Setback:	0'
Side Setback Corner:	20'
Rear Setback:	15'

LOT SQUARE FOOTAGE AND ACREAGE ON SHEET 4



MINMOD: 23-0052

LEGEND

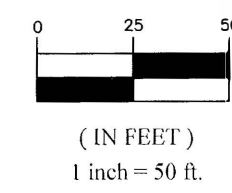
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- PRDE PRIVATE DRAINAGE EASEMENT
- SCM STORM CONTROL MEASURE
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- VW VARIABLE WIDTH
- BFE BASE FLOOD ELEVATION
- PAE PUBLIC ACCESS EASEMENT
- HOAM HOMEOWNER ASSOCIATION MAINTAINED
- PGE PUBLIC GREENWAY EASEMENT
- PRAE PRIVATE ACCESS EASEMENT

- R/W DEDICATION
- LAND ACQUISITION AREA
- FLOODWAY
- SIGHT TRIANGLE EASEMENT

WAKE COUNTY, NC 35
 TAMMY L. BRUNNER
 REGISTER OF DEEDS
 PRESENTED & RECORDED ON
 01/26/2024 10:52:43

 BOOK: BM2024 PAGE: 00263

GRAPHIC SCALE



Lot Standards / Building Setbacks:

Minimum Lot Area:	1,760 sf
Minimum Lot Width:	22'
Maximum Building Height:	35'

ALLEY LOADED

Front Setback:	10'
Side Setback:	0'
Side Setback Corner:	10'
Rear Setback:	6'

STREET/FRONT LOADED

Front Setback:	20' Garage
Side Setback:	0'
Side Setback Corner:	20'
Rear Setback:	15'

NAD 83/NSRS 2011/SPC

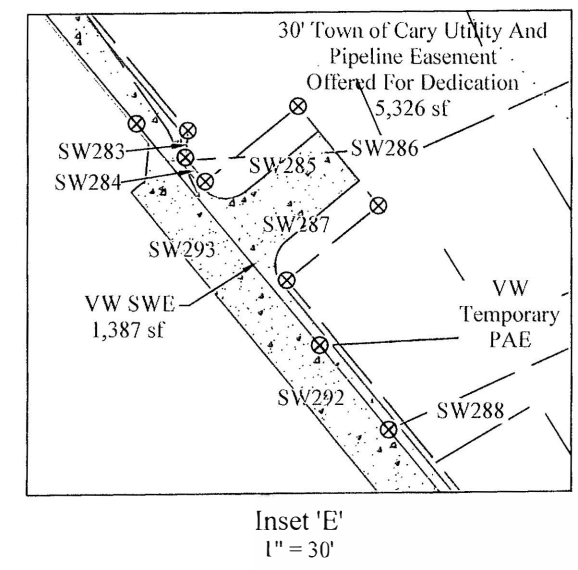
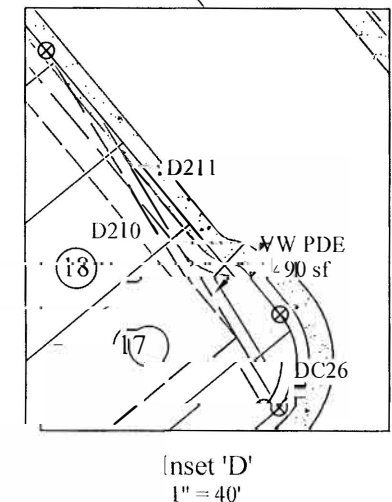
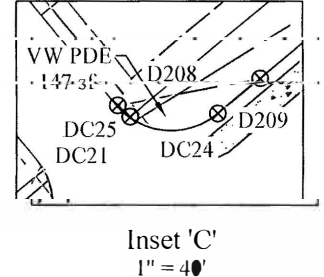
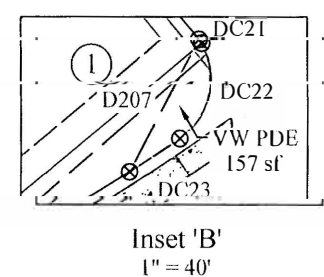
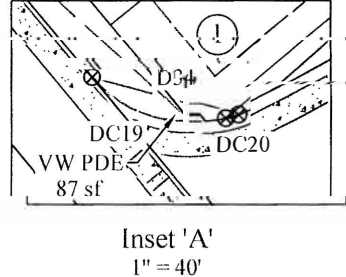
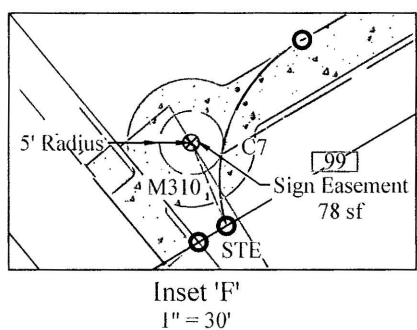
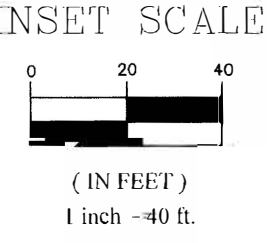
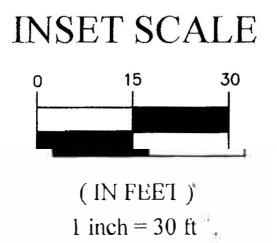
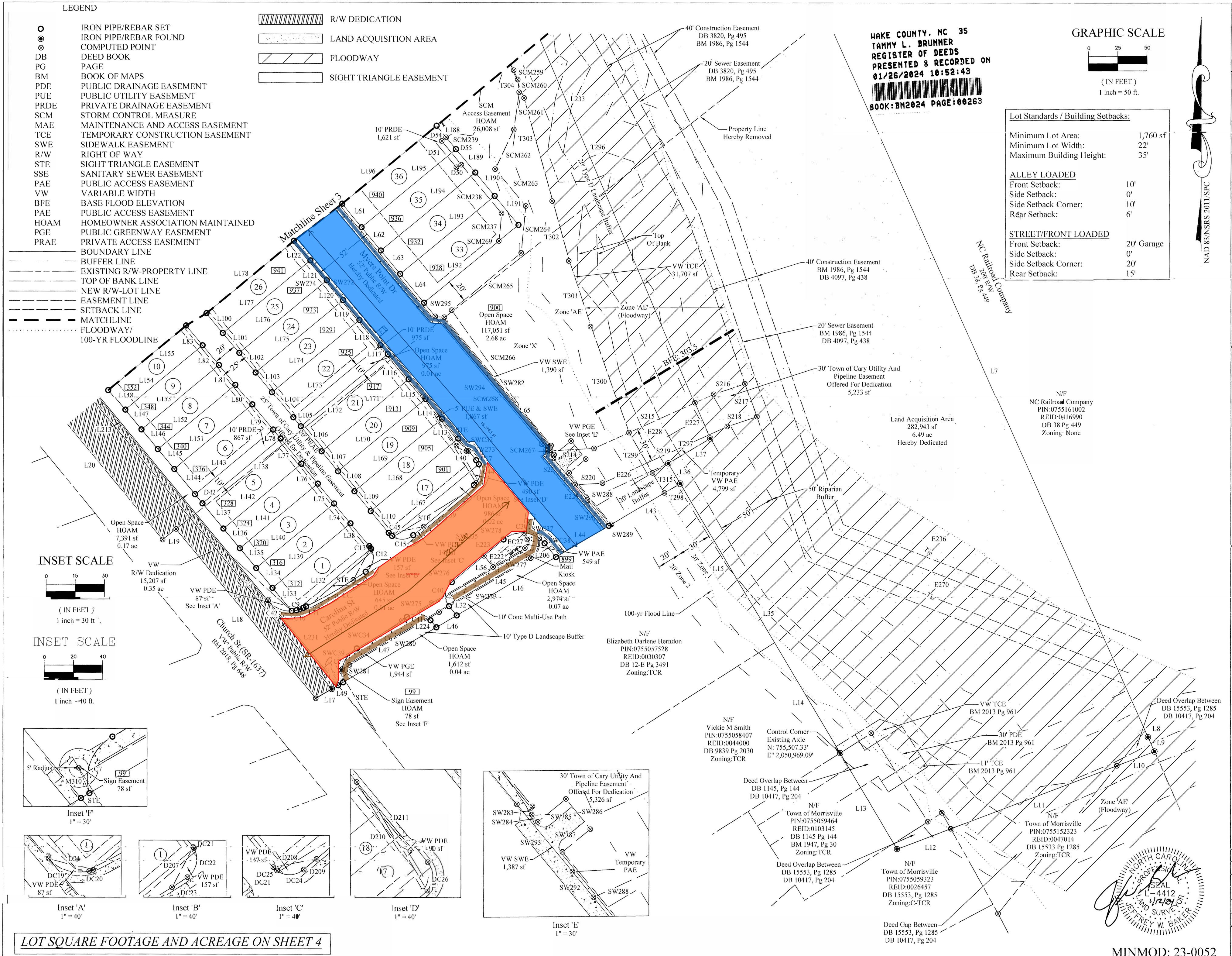
Bateman Civil Survey Company
 Engineers • Surveyors • Planners
 2524 Reliance Ave., Apex, NC 27539
 Phone: 919.577.1080 Fax: 919.577.1081
 NCBELS FIRRI No. C-2378

Baker Residential Of The Carolinas LLC
 7001 Weston PKWY Ste 150
 Cary NC 27513

SUBDIVISION PLAT
 The Parc At Town Center
 Morrisville, NC, Wake County, Cedar Fork Township

Rev: 12/26/2032
 Drawn By: ABB
 Checked By: JCH
 Scale: 1" = 50'
 Date: 05/24/2023
 Project #: 220596

SHEET 2 OF 4



LOT SQUARE FOOTAGE AND ACREAGE ON SHEET 4

MINMOD: 23-0052

Town Council Agenda Item Report

Agenda Item No. 8.a

Submitted by: Kimberly Kowanick

Submitting Department Administration

Meeting Date: May 12, 2026

SUBJECT

Proclamation Recognizing May as National Tennis Month

Recommendation:

None

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

National Tennis Month is celebrated annually in May.

Advisory Board/Committee Review:

None

Insert Date of Advisory Board/Committee Review:

Advisory Board/Committee Recommendation and/or Vote:

None

Potential Options:

None

Staff Recommendation:

None

ATTACHMENTS

- [2026-166-0 PROC National Tennis Month.pdf](#)



Proclamation

Recognizing May as National Tennis Month

WHEREAS, On May 21, 1881, the United States Tennis Association (USTA), originally known as the United States National Lawn Tennis Association, was founded in New York City, New York, to create rules and standards for the emerging game of lawn tennis; and

WHEREAS, the USTA is the nonprofit, national governing body for tennis in the United States with over 550,000 members, is the largest tennis organization in the world, and leads the promotion and growth of the sport at every level of play, from beginners to professionals at the US Open; and

WHEREAS, the USTA proudly partners with local tennis programs to showcase the important health, social, and educational benefits of tennis, and make the sport available to everyone, regardless of age, environment, condition, or ability, through its USTA Adaptive grants; and

WHEREAS, the latest research by the Physical Activity Council (PAC) shows that more than 27 million Americans played tennis in 2025, an unprecedented increase in participation over 2019 and the highest number of players since the PAC study began in 2007; and

WHEREAS, by increasing the accessibility of tennis for residents of the Town of Morrisville of all ages and ability, the USTA has contributed to making our community happier and healthier; and

WHEREAS, USTA has declared the month of May as National Tennis Month to encourage players, organizations, facilities, retailers, tennis manufacturers and more to promote local programs and activities, at parks and facilities to showcase tennis and spread the word about the sport and its benefits, and to help players and non-players alike find courts and play opportunities in their communities.

NOW, THEREFORE, the Town Council of the Town of Morrisville, does hereby recognize May as National Tennis Month and urges the residents of Morrisville to become aware of and support National Tennis Month.

This the 12th day of May, 2026,

TJ Cawley, Mayor

Kayla Bertling, Town Clerk

Town Council Agenda Item Report

Agenda Item No. 8.b

Submitted by: Kimberly Kowanick

Submitting Department Administration

Meeting Date: May 12, 2026

SUBJECT

Proclamation Recognizing May as National Foster Care Month (*for reference only*)

Recommendation:

None

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

Foster Care Month is recognized annually in May.

Advisory Board/Committee Review:

None

Insert Date of Advisory Board/Committee Review:

Advisory Board/Committee Recommendation and/or Vote:

None

Potential Options:

None

Staff Recommendation:

None

ATTACHMENTS

- [2026-163-0 PROC National Foster Care Month.pdf](#)



Proclamation

Recognizing May as National Foster Care Month

WHEREAS, May is National Foster Care Month and every child deserves to grow up in a supportive, loving home where they can thrive and prosper; and

WHEREAS, In the United States, there are over 328,000 children and youth in foster care, and 39 percent were placed with relatives or kin. In North Carolina, more than 10,000 children are waiting for their "forever home". In Wake County, more than 427 more beds are needed to care for foster children and there are only 67 homes that foster children; and

WHEREAS, Most of the children waiting to be adopted are school-age children, teenagers, groups of siblings who want to stay together, children with special needs and children of color. Relational permanency is fundamental to the well-being of children and youth; and

WHEREAS, Maintaining relationships with relatives and kin can help provide a sense of belonging for young people in care. Supporting foster care children, their foster families, biological families, and services that support foster children can change generations, break cycles of abuse, prevent exploitation, and give children the opportunity to thrive.

NOW, THEREFORE, the Town Council of the Town of Morrisville does hereby proclaim May 2026 as National Foster Care Month and urges all residents to volunteer their time and talents on behalf of children in foster care and to support and recognize the commitment of foster families and professional staff who work with these children and youth.

TJ Cawley, Mayor

Kayla Bertling, Town Clerk

Town Council Agenda Item Report

Agenda Item No. 8.c

Submitted by: Kimberly Kowanick

Submitting Department Administration

Meeting Date: May 12, 2026

SUBJECT

Proclamation Recognizing May as Asian American & Pacific Islander Heritage Month (*for reference only*)

Recommendation:

None

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

Asian American & Pacific Islander Heritage Month is recognized annually in May.

Advisory Board/Committee Review:

None

Insert Date of Advisory Board/Committee Review:

Advisory Board/Committee Recommendation and/or Vote:

None

Potential Options:

None

Staff Recommendation:

None

ATTACHMENTS

- [2026-165-0 PROC Asian American and Pacific Islander Heritage Month.pdf](#)



Proclamation

Recognizing May as Asian American & Pacific Islander Heritage Month

WHEREAS, The U.S. Congress enacted Public Law 95-419, establishing Asian Pacific American Heritage Week, in 1978. They selected early May for this observance because of two important milestones in the history of Asians in America: the arrival of Manjiro, the first Japanese citizen to settle in our country, on May 7, 1843; and the completion of the Transcontinental Railroad, using a largely Chinese labor force, on May 10, 1869; and

WHEREAS, in 1990, reflecting the growing numbers and diversity of Asian American and Pacific Islanders (AAPI), Congress expanded the observance from one week to the entire month of May; and

WHEREAS, Asian American and Pacific Islander Heritage Month offers us an opportunity to celebrate the vast contributions Asian Americans and Pacific Islanders have made to our Nation, reflect on the challenges still faced by AAPI communities, and recommit to making the American dream a reality for all; and

WHEREAS, Asian Americans and Pacific Islanders comprise many ethnicities and languages, and their myriad of achievements embody the American experience. Asian Americans and Pacific Islanders have started businesses, including some of our Nation's most successful and dynamic enterprises. AAPI members of our community are leaders in every aspect of American life -- in government and industry, science and medicine, the arts and our Armed Forces, education, and sports.

NOW, THEREFORE, the Town Council of the Town of Morrisville, does hereby recognize May as Asian Pacific American Heritage Month. This month, we encourage residents to reflect on the indelible ways AAPI communities have shaped our national life. As we celebrate centuries of trial and triumph, let us rededicate ourselves to making Morrisville a place that welcomes the contributions of all people, all colors, and all creeds, and ensures the American dream is within reach for all who seek it.

This the 12th day of May, 2026,

TJ Cawley, Mayor

Kayla Bertling, Town Clerk

Town Council Agenda Item Report

Agenda Item No. 8.d

Submitted by: Kimberly Kowanick

Submitting Department Administration

Meeting Date: May 12, 2026

SUBJECT

Proclamation Recognizing Peace Officers' Memorial Day and Police Week *(for reference only)*

Recommendation:

None

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

Peace Officers Memorial Day is observed annually on May 15 during National Police Week.

Advisory Board/Committee Review:

None

Insert Date of Advisory Board/Committee Review:

Advisory Board/Committee Recommendation and/or Vote:

None

Potential Options:

None

Staff Recommendation:

None

ATTACHMENTS

- [2026-164-0 PROC Peace Officers' Memorial Day and Police Week.pdf](#)



Proclamation

*Recognizing Peace Officers' Memorial Day and
Police Week in the Town of Morrisville*

WHEREAS, the Congress and President of the United States, through Public Law 87-726 signed by President John F. Kennedy in 1962, proclaimed May 15 as National Peace Officers Memorial Day and the calendar week in which May 15 falls, as National Police Week; and

WHEREAS, Public Law 103-322, signed by President William Clinton in 1994, directs that the flag of the United States on all Government buildings be displayed at half-staff on May 15 of each year; and

WHEREAS, it is important that all people know and understand the duties, responsibilities, hazards, and sacrifices of their law enforcement agency, and that members of our law enforcement agency recognize their duty to serve the people by safeguarding life and property, by protecting them against violence and disorder, and by protecting the innocent against deception and the weak against oppression; and

WHEREAS, the members of the Morrisville Police Department play an essential role in safeguarding the rights and freedoms of the Town of Morrisville residents, visitors, and stakeholders and unceasingly provide a vital public service.

NOW, THEREFORE, the Town Council of the Town of Morrisville does hereby recognize the Week of May 10-16, 2026, as National Police Week and urges residents to observe in commemorating law enforcement officers, past and present, who by their faithful and loyal devotion to their responsibilities, have rendered a dedicated service to their community and, in so doing, have established for themselves an enviable and enduring reputation for preserving the rights and security of all people.

BE IT FURTHER PROCLAIMED, the Town Council of the Town of Morrisville does hereby recognize May 15, 2026, as Peace Officers' Memorial Day in honor of those law enforcement officers who, through their courageous deeds, have made the ultimate sacrifice in service to their community or have become disabled in the performance of duty, and let us recognize and pay respect to the survivors of our fallen officers.

TJ Cawley, Mayor

Kayla Bertling, Town Clerk

Town Council Agenda Item Report

Agenda Item No. 8.e

Submitted by: Matt Wetherell

Submitting Department Public Works

Meeting Date: May 12, 2026

SUBJECT

Proclamation Recognizing National Public Works Week *(for reference only)*

Recommendation:

None

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

May 17-23, 2026, is National Public Works Week.

Advisory Board/Committee Review:

None

Insert Date of Advisory Board/Committee Review:

Advisory Board/Committee Recommendation and/or Vote:

None

Potential Options:

None

Staff Recommendation:

None

ATTACHMENTS

- [2026-167-0 PROC National Public Works Week Proclamation.pdf](#)



Proclamation

*Recognizing May 17-23, 2026, as
National Public Works Week*

“Rooted in Service. Powered by Community”

WHEREAS, public works professionals focus on infrastructure, facilities, and services that are of vital importance to sustainable and resilient communities and to public health, high quality of life, and well-being of the people of Morrisville; and

WHEREAS, these infrastructure, facilities, and services could not be provided without the dedicated efforts of public works professionals, who are engineers, managers, and employees at all levels of government and the private sector, who are responsible for rebuilding, improving, and protecting our nation’s transportation, water supply, water treatment and solid waste systems, public buildings, and other structures and facilities essential for our residents; and

WHEREAS, it is in the public interest for the residents, civic leaders, and children in Morrisville to gain knowledge of and maintain an ongoing interest and understanding of the importance of public works and public works programs in their respective communities; and

WHEREAS, the year 2026 marks the 66th annual National Public Works Week sponsored by the American Public Works Association.

NOW, THEREFORE The Morrisville Town Council does hereby recognize the week of May 17-23, 2026, as National Public Works Week and urges all residents to join with representatives of the American Public Works Association and government agencies in activities, events, and ceremonies designed to pay tribute to our public works professionals, engineers, managers, and employees and to recognize the substantial contributions they make to protecting our national health, safety, and advancing quality of life for all.

TJ Cawley, Mayor

Kayla Bertling, Town Clerk

Town Council Agenda Item Report

Agenda Item No. 8.f

Submitted by: Shandy Padgett

Submitting Department Inspections

Meeting Date: May 12, 2026

SUBJECT

Proclamation Recognizing Building Safety Month *(for reference only)*

Recommendation:

None

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

Building Safety Month is recognized annually in the month of May.

Advisory Board/Committee Review:

None

Insert Date of Advisory Board/Committee Review:

Advisory Board/Committee Recommendation and/or Vote:

None

Potential Options:

None

Staff Recommendation:

None

ATTACHMENTS

- [2026-129-0 PROC Recognizing Building Safety Month.pdf](#)



Proclamation

Recognizing Building Safety Month

WHEREAS, the Town of Morrisville is committed to recognizing that our growth and strength depends on the safety of and essential role our homes, buildings and infrastructure play, both in everyday life and when disasters strike; and

WHEREAS, our confidence in the resilience of these buildings that make up our community is achieved through the devotion of vigilant guardians—building safety and fire prevention officials, architects, engineers, builders, design professionals, tradespeople, laborers, plumbers and others in the construction industry—who work year-round to ensure the safe construction of buildings; and

WHEREAS, modern building codes include safeguards to protect the public from hazards such as hurricanes, snowstorms, tornadoes, wildland fires, floods and earthquakes; and

WHEREAS, Building Safety Month is to remind the public about the critical role of our communities' largely unknown protectors of public safety—our code officials— who assure us of safe, sustainable and affordable buildings that are essential to our prosperity; and

WHEREAS, “Built to Last” the theme for Building Safety Month 2026, encourages us all to get involved and raise awareness about building safety on a personal, local and global scale; and

WHEREAS, each year, in observance of Building Safety Month, people all over the world are asked to consider the commitment to improve building safety, resilience and economic investment at home and in the community, and to acknowledge the essential service provided to all of us by local, state, tribal, territorial, and federal building safety and fire prevention departments, in protecting lives and property.

NOW THEREFORE, the Town Council of the Town of Morrisville does hereby recognize the month of May as Building Safety Month in the Town of Morrisville. We extend our appreciation to all code officials and permit technician staff serving the community through our core values of dedication, integrity, courtesy, and innovation.

TJ Cawley, Mayor

Kayla Bertling, Town Clerk

Town Council Agenda Item Report

Agenda Item No. 8.g

Submitted by: Cindi King

Submitting Department Parks, Recreation and Cultural Resources

Meeting Date: May 12, 2026

SUBJECT

Proclamation Recognizing National Senior Health & Fitness Day *(for reference only)*

Recommendation:

None

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

National Senior Health & Fitness Day is celebrated annually on the last Wednesday in May.

Advisory Board/Committee Review:

None

Insert Date of Advisory Board/Committee Review:

Advisory Board/Committee Recommendation and/or Vote:

None

Potential Options:

None

Staff Recommendation:

None

ATTACHMENTS

- [2026-168-0 PROC National Senior Health Fitness Day.pdf](#)



Proclamation

In Recognition of National Senior Health & Fitness Day

WHEREAS, National Senior Health & Fitness Day was initiated in 1993 as an annual day of celebrating senior health and wellness, encouraging seniors to exercise and remain fit; and

WHEREAS, the goals of National Senior Health & Fitness Day are to promote the importance of regular physical activity and to show what local organizations are doing to improve the health of older adults in their communities; and

WHEREAS, Morrisville understands the importance of seniors remaining active and exercising regularly to prevent complications and ensure a higher quality of day-to-day living; and

WHEREAS, Morrisville is dedicated to providing programming, classes, and facilities, both indoors and outdoors, for physical fitness and exercise to people of all ages.

NOW, THEREFORE, the Town Council of the Town of Morrisville does hereby recognize May 27, 2026, as National Senior Health & Fitness Day, and encourages all residents and seniors to focus on fitness and their overall health.

TJ Cawley, Mayor

Kayla Bertling, Town Clerk

Town Council Agenda Item Report

Agenda Item No. 10.a

Submitted by: Byron Hayes

Submitting Department Finance

Meeting Date: May 12, 2026

SUBJECT

FY2027 Recommended Budget

Brandon Zuidema, Town Manager

Budget Presentation - May 12, 2026

Work Session - May 14, 2026

Budget Public Hearing - May 26, 2026

Work Session (Tentative) - May 28, 2026

Proposed Budget Adoption - June 9, 2026

Recommendation:

Adopt the recommended FY2027 budget.

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

The Town Manager presented his recommended budget to Town Council for FY2027. This recommended budget is the result of collaboration between staff, Council, and the community over the past four months and represents a continuing commitment to the Town's seven strategic plan goals as well as priorities created by Council and prioritized by our community members. The recommended FY2027 General Fund Operating Budget is balanced at \$60,410,000 and the Stormwater Fund is balanced at \$1,380,000. This holds the property tax rate at 35 cents per \$100 of valuation for the General Fund and the Stormwater. This budget represents a practical yet conservative approach that invests in our staff, our programs, and our community amidst uncertainties that are largely beyond our control. The FY2027 recommended budget is designed to "Maintain a Connected, Resilient, and Safe Community."

This presentation will be followed by the Budget Public Hearing on May 26, 2026. Budget Work Sessions are scheduled for May 14, 2026, and tentatively May 28, 2026. It is proposed that Council will then adopt the FY2026 budget at the June 9, 2026, Council meeting (at Council's request).

Advisory Board/Committee Review:

None

Insert Date of Advisory Board/Committee Review:

Advisory Board/Committee Recommendation and/or Vote:

None

Potential Options:

Adopt the recommended FY2027 budget or direct changes.

Staff Recommendation:

None

ATTACHMENTS

- [2026-181-0 PRES FY2027 Recommended Budget CIP.pdf](#)
- [2026-181-0 ATTH01 Budget Message.pdf](#)
- [2026-181-0 ATTH02 FY27 Budget Abbreviated Report.pdf](#)

FY2027 Annual Operating Budget & CIP

“Maintaining a Connected, Resilient, & Safe Community”

Presented by
Brandon Zuidema
Town Manager / Budget Officer
Town Council Meeting
May 12, 2026



Courtesy



Dedication



Integrity



Innovation

Introduction & Agenda

FY2027 Recommended Annual Operating Budget & CIP

Reviewing FY2026 Successes

Recommended Budget Review Process

Annual Operating Budget Detailed Overview

Capital Budget (CIP) Highlights

Key Factors Looking Ahead

Council's Review & Next Steps

FY2026 Current Budget Review

Focused On Our Community's Perspective In A Conservative Year



• Impact of Property Revaluation Appeals

Strong fiscal management, sales tax growth, and conservative budgeting buffered emerging appeals impact



• Necessary Recurring Cost Added in FY26

New services and resources added to expand programming & meet new facility needs = \$3.5M



• Assertive Grants Approach

Awarded \$3M to date in state/federal resources



• Future Investment

Investment of \$3,760,000 in future reserves



• Positive Economic Development Outcomes

Town Center, Spark, & Pathways will continue to contribute – an estimated \$4M over the next 3-years to the Town's Tax Base

Celebrating our FY2026 Successes

Advancing Capital Investments

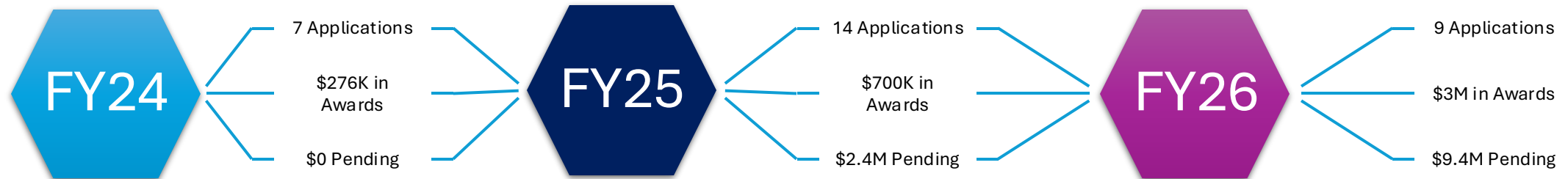
- Grand Opening of the Morrisville Dog Park – Realizing an Investment Outcome for the Community
- Town Center Groundbreaking - Building a Vibrant Gathering Space for our Community
- Public Works Facility - Cost Savings Opportunity with Purchase/Renovation of an Existing Property rather than Constructing New
- Leveraging \$2M in Hospitality Tax Award - Church St Park Lighting Upgrades keep Morrisville Cricket competitive; FY2027 will bring a new field with drainage upgrades and additional pitches
- 260A Town Hall Drive – former Chamber building purchased to bring the Parks Department to the Town Hall campus and to own rather than lease the space

Celebrating our FY2026 Successes

Leveraging Grant Funding & Other Resources

- Grant funding further extends the impact of tax dollars invested in our community and often expedites work on meaningful projects.

- Grants Activity:



- Community Projects Impacted Include: Town Center, Sawmill Creek Greenway Development, Technology Advances, Church Street Park, Various Sidewalks & Intersection Projects, Police, and Fire.
- Staff is working on completing the “Safe Streets 4 All” Grant to provide funding for the Morrisville Parkway Access Improvements.

Celebrating our FY2026 Successes

Core Services & Initiatives

- Improved retention and recruitment with the addition of an HR Analyst position
- Shifted FD replacement apparatus model to better leverage reserve funds
- Advanced AI & smart sensor tools to increase service and efficiency
- Equipped Public Safety with essential tools to enhance readiness and service
- Expanded community education and fire prevention through an Assistant Fire Marshal position
- Strengthened accounting efficiency with the addition of an Accounting Generalist
- Improved information access with publication in 5 languages with the addition of a Communication Specialist position
- Strengthened our digital environment security posture to protect from ever evolving and aggressive cyber threats

Celebrating our FY2026 Successes

Enhanced Programs

- Launched the first Rental Assistance program in collaboration with NeighborUp
- Advanced public art initiatives through the Butterfly Icon project
- Expanded rider capacity for Smart Shuttle
- Sustainability program advanced with solar panel installation at the Connector building and pending installation at MAFC, including the first parking lot solar canopy
- Established a Sponsorship program to generate revenue opportunities supporting operations & capital costs

Celebrating our FY2026 Successes

Engaging Connections

- Transitioned the Smart Cities Steering Committee into a Community Innovation Group, increasing community engagement and interest in smart technology
- Expanded community policing engagement & outreach resulting in improved community collaboration
- Added a seventh goal, Organizational Resiliency, to the Town's Strategic Plan
- Implemented an expanded Data Dashboard improving transparency in government performance metrics
- Relunched the Town Website & Morris the Cricket search engine



Morrisville

Live connected. Live well.

Community Strategic Planning Dashboard

Last Updated 4/8/2026

Welcome! Thanks for taking the time to visit.

Click on a symbol to learn more about how to use and interpret the dashboard, or, when you're ready, click any of the seven town goals to dive into Morrisville's performance data!

What is all this?



How to use a dashboard



Important terminology



Goal 1:
Sustainable,
Livable
Community Growth



Goal 2:
Public Safety
Readiness



Goal 3:
Engaged, Inclusive
Community



Goal 4:
Community
Mobility



Goal 5:
Economic
Prosperity



Goal 6:
Operational
Excellence



Goal 7:
Organizational
Resiliency



Celebrating our FY2026 Successes

Elevating our Brand

- Received the Tree City USA designation through the dedication of the Public Works and Sustainability Team
- Town recently became a finalist for All America City 2026
- Niche.com highlighted Morrisville as the 2nd Best Places to Live in NC
- WalletHub announced Morrisville as 24th in the nation for Best Small Town to Start a Business in 2026
- One of Top Two finalists for the National League of Cities 2026 City Cultural Diversity Awards
- Selected to host an International IT Leadership Delegation on cybersecurity and IoT

FY2027

Recommended
Budget

FY2027 Recommended Budget/CIP Review Plan



Town Manager Formal
Presentation of
Recommended
Budget/CIP



Public Hearing & Other
Outreach Provides
Feedback



Work Session Allows
for Q&A and Discussion



Budget Report
Presentation

FAQ Document

Final Guidance &
Prepare for Adoption

FY2027 Opportunities & Challenges Looking Ahead



Opportunities

Community & Council Perspective– Staff will continue to focus on the community’s perspective and interests while aligning to Council’s Strategic Plan Goals and Budget Priorities.

Tax Base Growth – Future opportunities from developing projects like Spark, Pathway Triangle, & Town Center.

Conservative Projections – The Town has and will continue to be conservative in revenue estimates to safeguard the Town’s fiscal solvency. We follow guidance provided annually by NCLM and our financial advisors.

Creative Solutions to Advance Work – Staff continues to seek out innovative and creative solutions to getting the work done efficiently and effectively. *(ex. Comms re-alignment and an IT Data Fellow to avoid staffing requests)*

Sponsorships – As the Town works with our consultant, both operational and capital funding opportunities are expected to emerge.



Challenges

Revaluation Higher Appeals – Reset Ad Valorem Projections.

Limited New Revenue – Naturally occurring revenue growth has slowed since pre-Covid. From FY 2023 to FY 2027, revenue average growth was 5.8%.

Expanding Service Investment Expectations – As community programming interests change and expand so does the need to add resources to provide the service.

Balancing Capital and Operational Needs – As the Town continues to grow with limited new revenues, it becomes more challenging to fund core operations while also planning for future operational and capital needs.

Prioritizing Existing Obligations vs New Community-Based Programming – There may come a time when adding something new directly relates to reducing existing investment elsewhere.

FY2027 Budget Process Overview

Focus on *“Maintaining a
Connected, Resilient, and Safe
Community”*

At Council Retreat, staff provided a high-level update on current conditions, identifying key challenges and areas for opportunity.

Outreach began to gauge perspective & insight from the community.

Council collaboratively developed SOAR budget priorities to inform budget development.

An early budget preview was developed to facilitate Council discussion and produced critical feedback on acceptable approaches to creating capacity and developing a budget.

Staff prepared scenario options to further gain insight and to ensure budget alignment with Council’s shared priorities and strategic goals.

This was a challenging, yet thoughtful process to produce a recommended budget that aligns Council and Community perspectives with organizational needs and available resources.

FY27 SOAR Budget Priorities & Strategic Plan Goals

Note: Slide is for illustrative purposes. Budget priorities may and will align with more than one Strategic Plan goal.



Budget Priority

Sustainability & Environment Focus

- Leverage Cutting-Edge Ideas
- Reduce Carbon Emissions in Town-Owned Buildings
- Create Community Sustainable Programming for Residents & Businesses
- Enhance Sustainable Development Options



Livable Community Options

- Housing Options, all Income Levels & Life Stages
- Advance Education Advocacy - Strengthens Community
- Livability & Well-being - Programs & Amenities
- Promote Healthy Community Initiatives
- AgingWell & Senior Support



Safe Community

- Preserve Morrisville's Image as a Safe Place
- Ensure Strong Emergency Responsiveness - Staffing Standards, Continuous Training, Modern Equipment & Strong Regional Coordination
- Ensure Community-Centered Public Safety Services



Innovative Connections

- Arts & Cultural Initiatives
- Provide Welcoming Connections for Residents & Businesses
- Create Entrepreneurship & Innovation Programs
- Expanded Partnerships with Community and Regional Stakeholders



Budget Priority

Resilient Fiscal Management

- Maintain AAA Bond Rating & Robust Financial Foundation
- Conservative Budgeting
- Retaining Tax Base Strength
- Focus on long-term resilience



Optimization of Operations

- Enhance Civic Trust & Transparent Governance
- Use AI to Ease Staff Time & Enhance Training
- Technology for Operational Efficiencies
- Resourceful Use of Facilities & Equipment.



Building Our Future

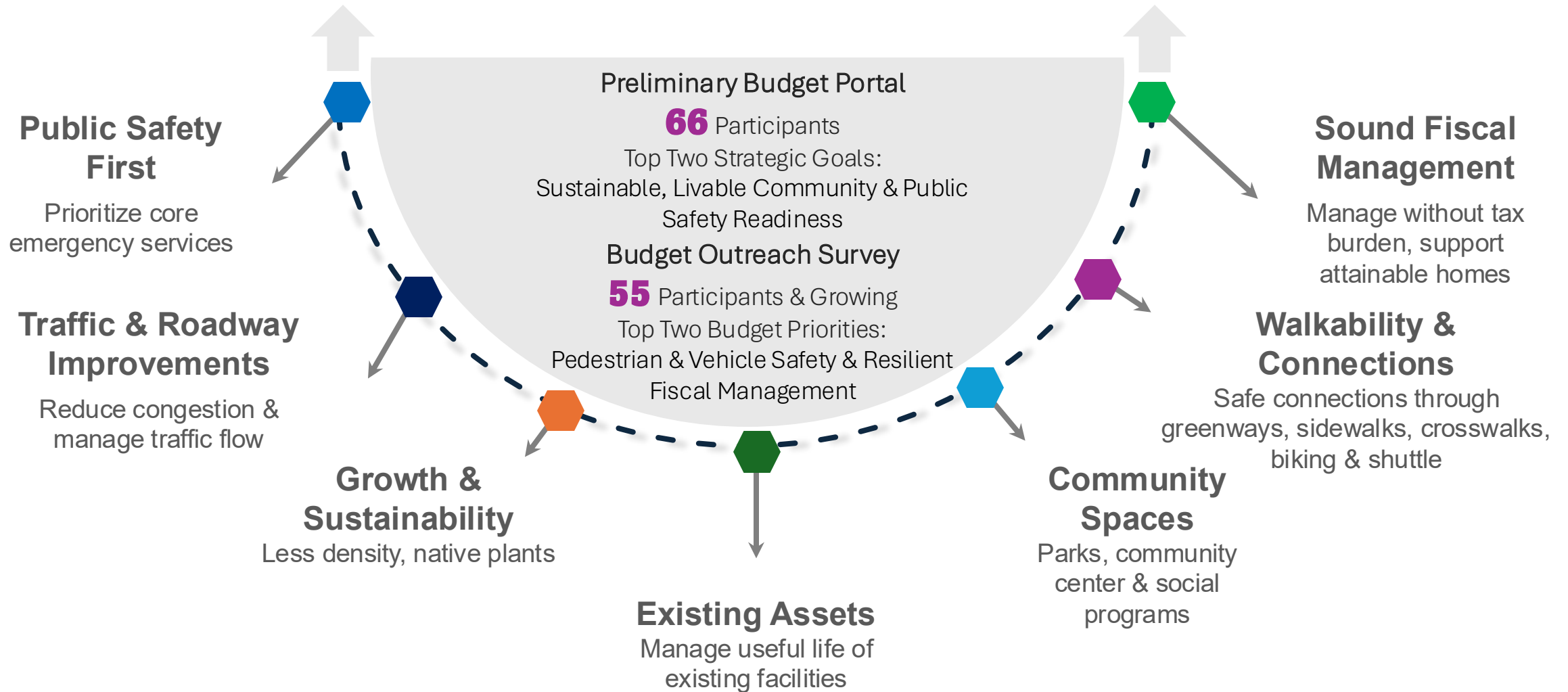
- Build Reserves
- Activate Town Center
- Identify Redevelopment Revenue Potential
- Build Community Accolades & Recognition Opportunities



Pedestrian & Vehicle Safety

- Expand Public Transportation to Enhance Reliability
- Address Congestion Across Town
- Emphasize Education & Enforcement
- Enhance Safe Ways to Travel in Town

The Community Perspective



Note: Above is a summary of common themes and top-rated priorities from different community outreach portals.

Base Revenue Impacts



Shifts in market conditions



Changes in land use and zoning regulations



Fee Changes



Pace of real estate development and construction cycles



Effects of weather patterns and population increases



State or federal policy changes

Base Expenditure Impacts +



Addition of new facilities, services, or programs



New debt commitments resulting in yearly payments



Yearly inflation adjustments for service agreements



Rising costs of materials and equipment

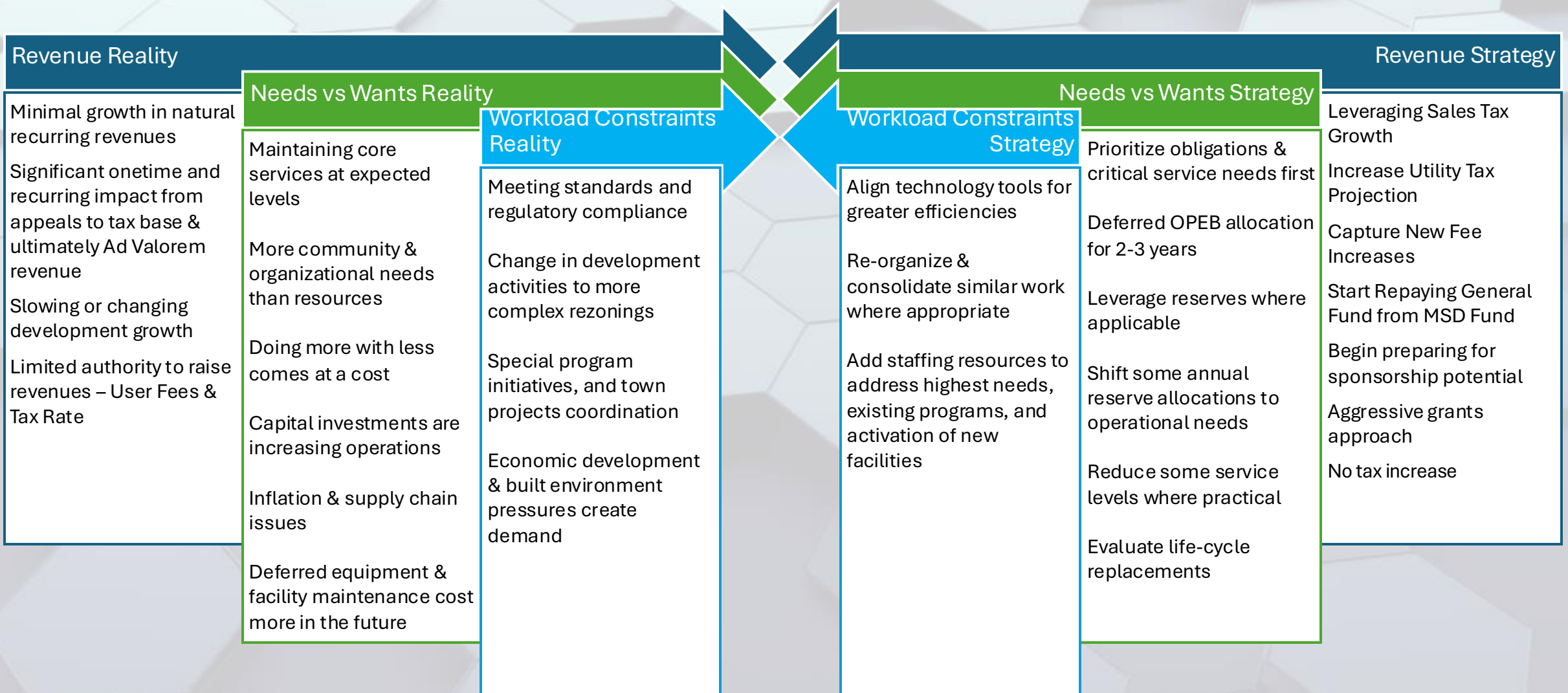


Valuing current employees



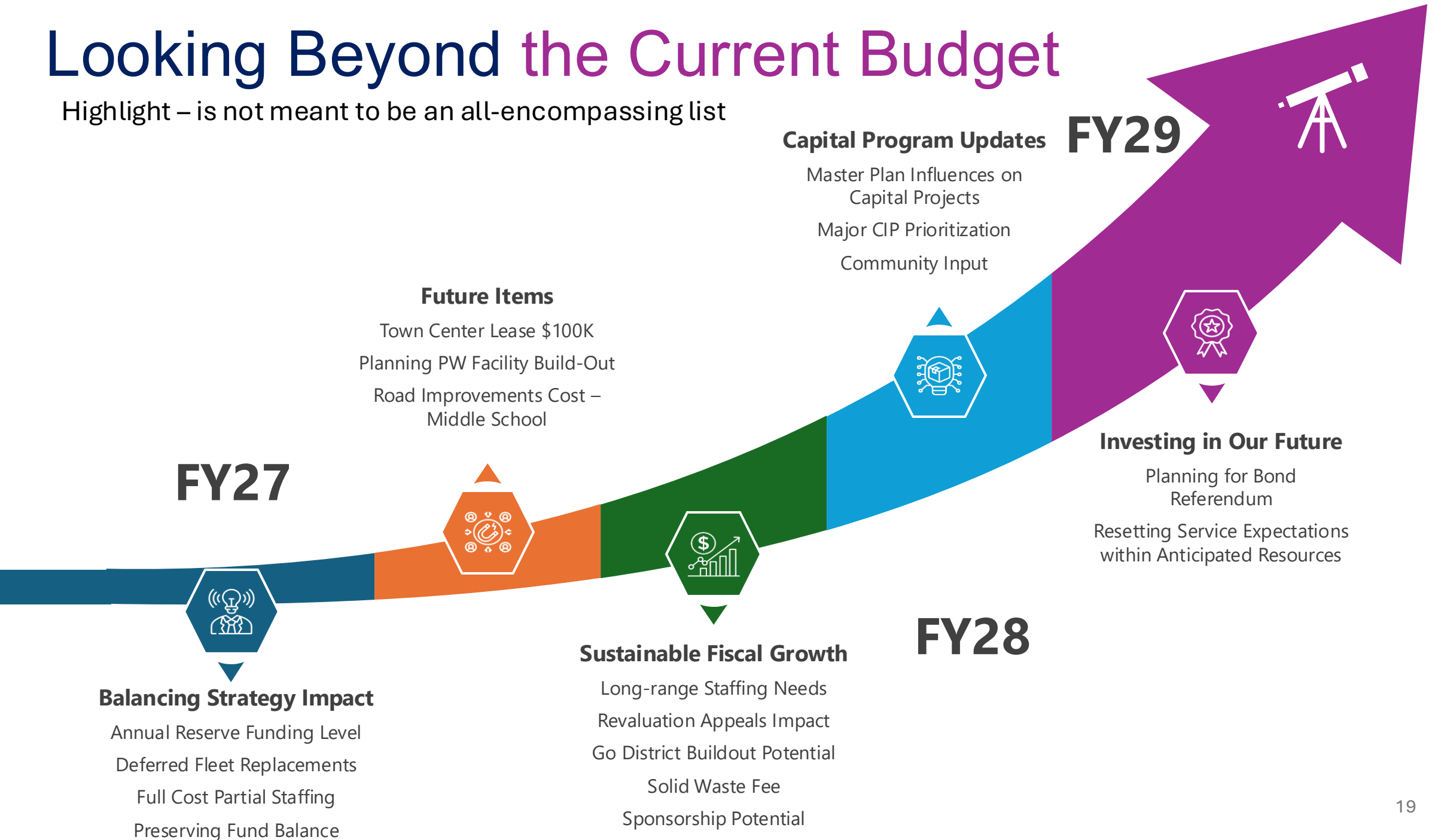
Population growth & changing built environment

Current Realities & Applied Strategies



Looking Beyond the Current Budget

Highlight – is not meant to be an all-encompassing list



FY2027 Budget at a Glance

General Fund New Investment Breakdown	
Base Budget Expenditures	\$ 54,180,678
Reduction of Base Budget Items	(\$463,500)
Committed Transfers Capital Reserves (Future Investments)	\$2,413,000
New Community Investments	\$1,657,793
Pay & Classification/COLA/ Performance Merit Pay	\$1,560,240
Ten New Positions to Enhance Services (5 Full-Year, 4 Half-Year, and 1 Quarter-Year)	\$1,061,789
Current Projected General Fund Investment	\$60,410,000

General Fund Revenue Breakdown	
Projected Base Revenues	\$ 58,462,427
Reduction of Ad Valorem Tax	(\$500,000)
Use of Capital Reserves	\$312,000
New Program Revenues	\$705,609
Use of Fund Balance (2.4% of total revenues)	\$1,429,964
Current Projected General Fund Revenues	\$60,410,000

The recommended budget invests \$6.2 million to support new budget requests, emphasizing a balanced budget based on conservative revenue estimates, prudent spending, and a careful approach to reserves.

FY2027 Budget Fact Sheet

\$ 58.5M

Ad Valorem	Sales Tax
\$34.2M	\$11.5M
↓4%	↑ 7.2%

Trends ▲

Major Revenue

FY27 \$57.2M

New GF Base Budget

Beginning	% Change
\$53.7M	+6.5% or
	\$3.5M

Trends ▲

Base Budget

\$0.35 per \$100

Value

Tax Rate Unchanged

No Change ◆

Tax Rate

54%/46%

Commercial / Residential

\$5.2B	\$4.4B
--------	--------

No Change ◆

Tax Base Components

■ Ad Valorem	■ Sales Tax
■ Other Revenues	

Overall Revenue

Year	Overtime Expenses (Millions)	Recurring Expenses (Millions)	Total (Millions)
FY24	3.0	3.2	6.2
FY25	7.4	7.2	14.6
FY26	7.9	3.8	11.7
FY27	3.5	3.2	6.7

New Investments 47% less than Prior Year

\$655K	\$685K	\$950K	\$970K	\$971K
FY23	FY24	FY25	FY26	FY27

Penny on Tax Rate

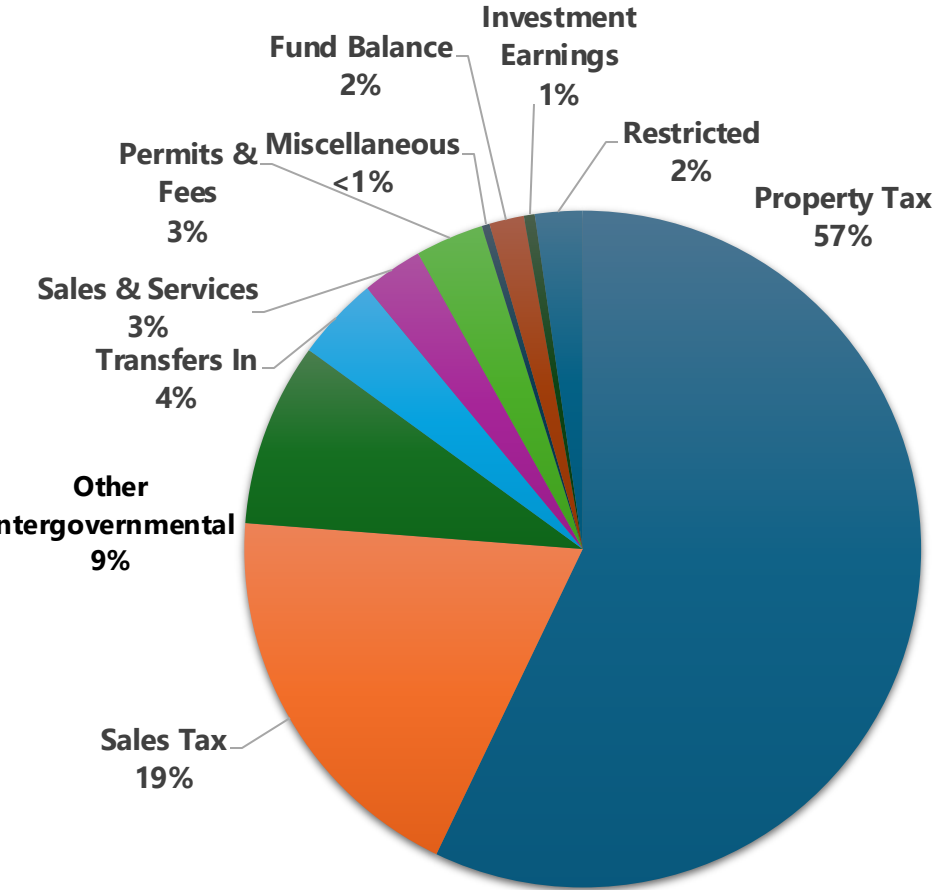
Year	Assessed Value (Billions)
FY24	\$6.9
FY25	\$9.5
FY26	\$9.7
FY27	\$9.8

Collection @ 99.8%

Assessed Value Wake & Durham

Budget Overview – General Fund

TOTAL BUDGET BY SOURCE

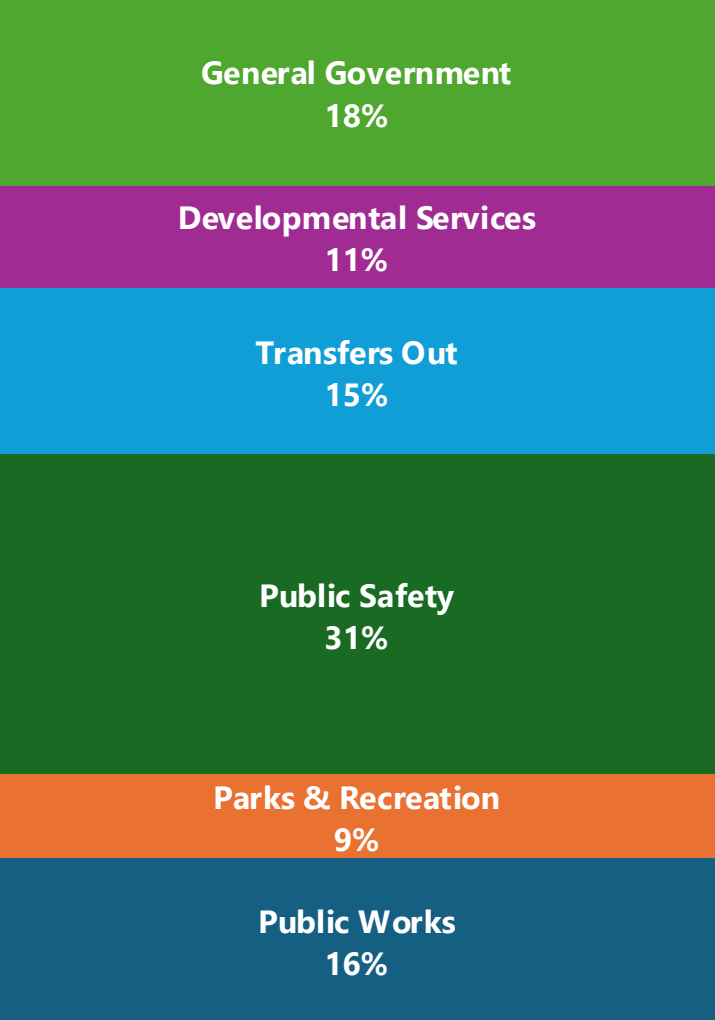


Revenues	FY 2026	FY2027	% Change
Ad Valorem Taxes	\$ 36,087,370	\$ 34,469,800	-4.5%
Sales Tax	10,755,450	11,530,727	7.2%
Other Intergovernmental	4,916,447	5,298,600	7.8%
Restricted	1,726,200	2,419,009	40.1%
Permit & Fees	1,796,100	1,751,000	-2.5%
Sales & Services	1,932,102	1,972,400	2.1%
Miscellaneous	508,431	226,500	-55.5%
Investment Earnings	850,000	1,000,000	17.6%
Transfers (In)	2,674,000	312,000	-88.3%
Fund Balance	1,393,200	1,429,964	2.4%
Total General Fund Revenues	\$ 62,639,300	\$ 60,410,000	-3.6%

Note: Percentage growth comparison is based on projected FY2027 budget to estimated actuals in FY2026.

Budget Overview – General Fund

TOTAL BUDGET BY FUNCTION



Expenditures

	FY 2026	FY2027	% Change
General Government*	\$ 11,318,609	\$ 11,036,848	-2.5%
Development Services	6,025,906	6,796,492	12.8%
Public Works & Facility Management	10,337,488	9,429,656	-8.8%
Public Safety	19,923,937	19,032,171	-4.5%
Parks, Recreation & Cultural Resources	5,088,312	5,196,833	2.1%
Transfers Out**	9,945,048	8,918,000	-10.3%
Total General Fund Expenditures	\$ 62,639,300	\$ 60,410,000	-3.6%

*General Government includes Administration, HR, IT, Financial Services, Communications & Economic Development Departments.

** Transfers Out includes commitments to Reserves, & Debt Service Fund.

(Note: Percentage growth comparison is based on projected FY2027 budget to estimated actuals in FY2026).

New Community Investments at a Glance

Operational Requests

Comms – National Community Survey	\$35,000	Unfunded
FD – Tablets – CAD & FF Safety	\$15,000	Funded
HR – Personnel Software (reduced from \$82.5K)	\$60,000	Funded
IT – Alarm System Upgrade	\$35,000	Funded
IT – Upgraded A/V	\$27,500	Unfunded
PD – AOMP Training	\$6,000	Funded
PD – Taser Replacements	\$33,000	Funded
PRCR – Special Event Expansion	\$15,000	Unfunded
PW – CSP Verticutter Mower	\$12,000	Funded
PW – Fleet Replacements (was 500K)	\$180,000	Partial
PW – MAFC Building Repairs	\$20,000	Unfunded
PW – Mower Replacement – EV Mowers	\$60,000	Unfunded
PW – New Facility Forklift	\$45,000	Unfunded
PW – Pedestrian Bridge Repairs	\$35,000	Funded
Town Hall – Building Automation System	\$100,000	Unfunded
Positions (3 Firefighters, IT Specialist, Parks for TC, PD Detective, PD Patrol, PD SRO, PW for TC)	\$622,000	Partial

Original Recommended Investment Priorities

Reserves (Parks, PS, Transpo – reduced amt)	\$2,413,000	O
Staff Benefits (COLA, Merit, etc.)	\$1,560,240	R
Healthcare (Funded through Health Fund)	\$144,271	O
Debt Service (Funded through Debt Fund)	\$189,789	O
Public Safety Equipment	\$252,000	O
Smart Shuttle Expansion	\$704,400	O/R
IT Specialist (CPCOG Funded)	\$126,000	R
Master Sustainability Plan Update	\$25,000	O
Police Interview Room Cameras	\$13,000	O
Fitness Instructors Programming	\$14,000	R
IT Hardware Replacement	\$92,500	O
Personnel (Planner, Data Fellow)	\$189,815	R
Town Center Activation	\$277,157	O/R
Total Operations Funded	\$4,210,189	
Total Personnel Funded	\$2,816,511	
Total New Investments	\$7,026,700	

Community Investment Benefits

Maintaining a Connected, Resilient, & Safe Community

Sustainable, Livable Community Growth
\$996K Investment



Greenway Trails

\$971K

Parks Reserves allows better smart growth planning to create desired recreational and open gathering spaces in a proactive pay-as-you-go method - saving debt capacity for capital project needs.



Solar

\$25K

Updating the Master Sustainability Plan guides efficient use of public resources to deliver meaningful environmental benefits.

Community Investment Benefits

Maintaining a Connected, Resilient, & Safe Community

Public Safety Readiness \$1.9M Investment



Proud to Serve You!



Police/Fire Outreach



Keeping us Safe

\$971K

Public Safety Reserves allow better planning for critical equipment replacements (Fire & Police) in a proactive pay-as-you-go method - saving debt capacity for capital project needs.

\$622K

Including 3 Firefighters, a Detective (1/2 yr), a Patrol Officer (1/2 yr), and a School Resource Officer (1/4 yr) to meet accreditation standards, align staffing with call volume and complexity, and establish an SRO program at the new Morrisville High School.

\$193K

Essential public safety equipment replacements and new technology and tools to support readiness, responsiveness, and effectiveness of staff in both Fire & Police.

\$127K

Traffic Pre-emption clears intersections for faster, safer, and more reliable emergency response by reducing traffic delays.

Community Investment Benefits

Maintaining a Connected, Resilient, & Safe Community

Engaged, Inclusive Community

\$278K Investment



Gathering Spaces

\$174K

The addition of a Grounds Technician III and Town Center Program Specialist are vital for planning, launching, and sustaining vibrant town center spaces that drive community engagement and attract private investment.



Town Center Opening

\$104K

Preparing to launch Town Center will require additional tools and maintenance resources to work in tandem with the necessary staff additions to support this new community amenity.

Community Investment Benefits

Maintaining a Connected, Resilient, & Safe Community

Community Mobility \$1.2M Investment



Intersections & Crossings

\$471K

Building Transportation Capital Reserves empowers the Town to plan for and fund needed improvements that benefit our roadway network, pedestrian access, & other multi-modal connections to ease congestion concerns.



Greenway Bridge

\$35K

Pedestrian safety bridge replacement promote sustainable practices through ongoing maintenance of walking pathways for connectivity.



Smart Shuttle

\$704K

Continued service and amenity enhancements with the Smart Shuttle program to better connect to alternative modes while leveraging additional grant opportunities (grant funding supports these efforts).

Community Investment Benefits

Maintaining a Connected, Resilient, & Safe Community

Economic Prosperity
\$350K Investment



Public Works Facility

\$189K

Public Works debt service supports a modernized facility that strengthens roadway and facility maintenance, while providing essential service infrastructure that attracts private investment.

(Note – this project preserved approximately \$10M in CIP capacity by renovating vs building new).



Economic Outcomes

\$160K

The Planner position is essential to supporting affordable housing and to ensure the Town can meet growing “speed-to-market” planning expectations to effectively recruit additional projects that will positively impact revenues and prosperity for the Town.

Community Investment Benefits

Maintaining a Connected, Resilient, & Safe Community

Operational Excellence \$396K Investment



Team IT

\$60K

HRIS will replace outdated software, to enhance recruitment efforts, personnel file management, and enhancing processing, tracking, and collaboration across Town stakeholders.



Fitness Programs

\$154K

Technology replacements and upgrades – maintaining modern equipment support efficient processes and service giving Staff the best tools to do the work.



Hardware Replacements

\$26K

Equipment replacements to support athletic programming & contracted fitness instructors for expanded programming.

\$156K

The IT Support Technician adds support for the Central Pines Regional Council and Town operations, and the Data Fellow strengthens our data-driven processes and outcomes.

Community Investment Benefits

Maintaining a Connected, Resilient, & Safe Community

Organizational Resiliency

\$1.9M Investment



Talent Infrastructure

\$1.7M

Valuing existing employees, retaining talent and knowledge maintains continuity of operations. (Merit, COLA, Pay Classification Adjustments, Benefits)



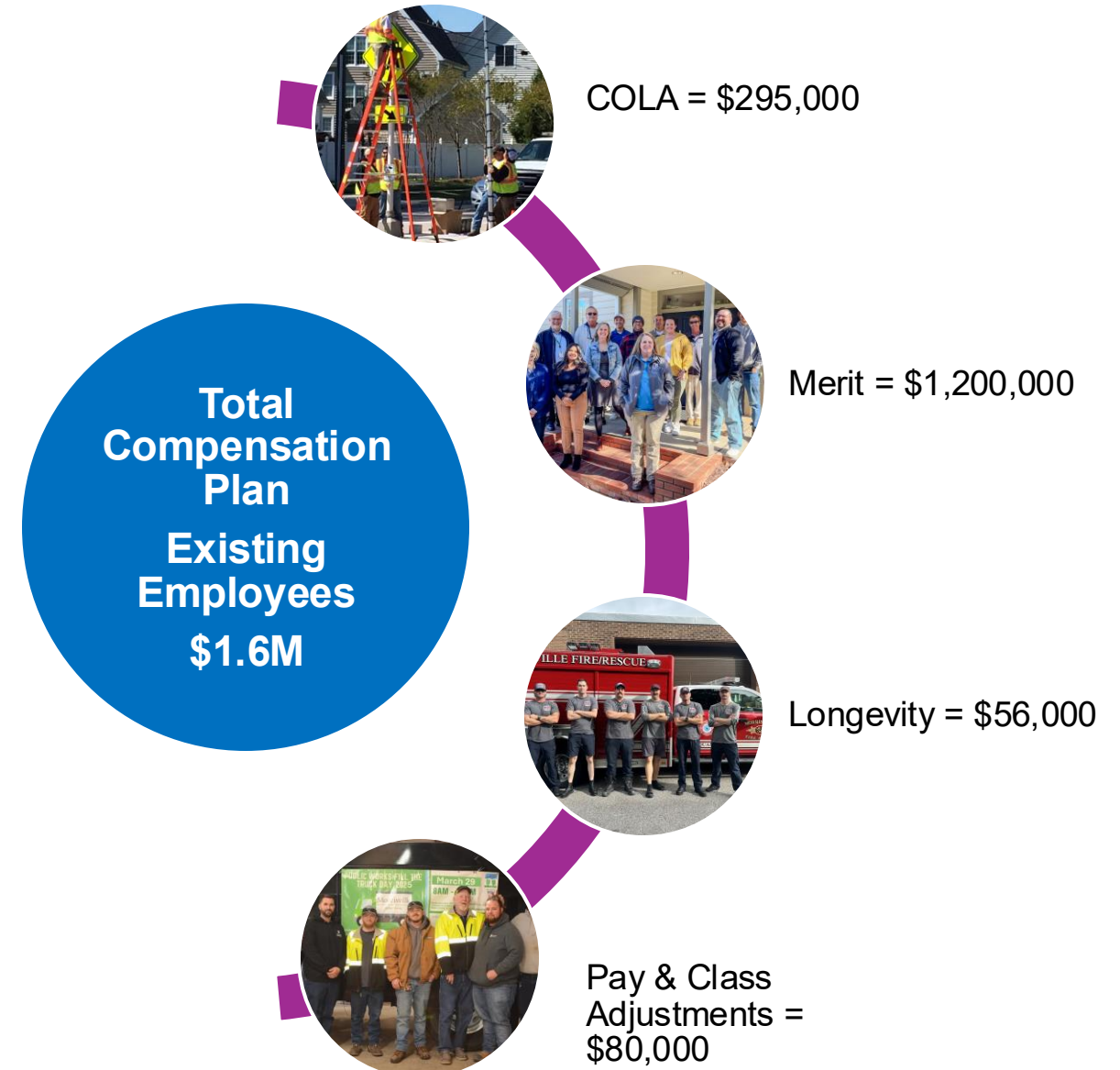
\$180K

Fleet replacements include planned replacement of first responder vehicles that have reached end-of-life cycle and other replacement criteria thresholds.

(Note - this is reduced from the normal \$500K allotment)

Valuing Existing Employees

Recognizing Employee Success with COLA (Market Adjustment), Merit (for individual performance), Longevity (for experience and dedication), and Pay & Class (to ensure fair compensation).



Council Expenditures - Rule 36



Ensures fiscal responsibility, equity, and transparency in Council spending of training & travel funds.

Applies to all Morrisville elected officials; expenditures must serve a public purpose.

Annual Council Member compensation covers incidental costs (phone, internet, supplies, routine local travel).

Travel/training over \$500 requires budget or Council approval; spending cannot exceed annual allocation.

Equal annual training/travel allowance.
Exceptions (e.g., ethics training, group events) do not count against allowance.

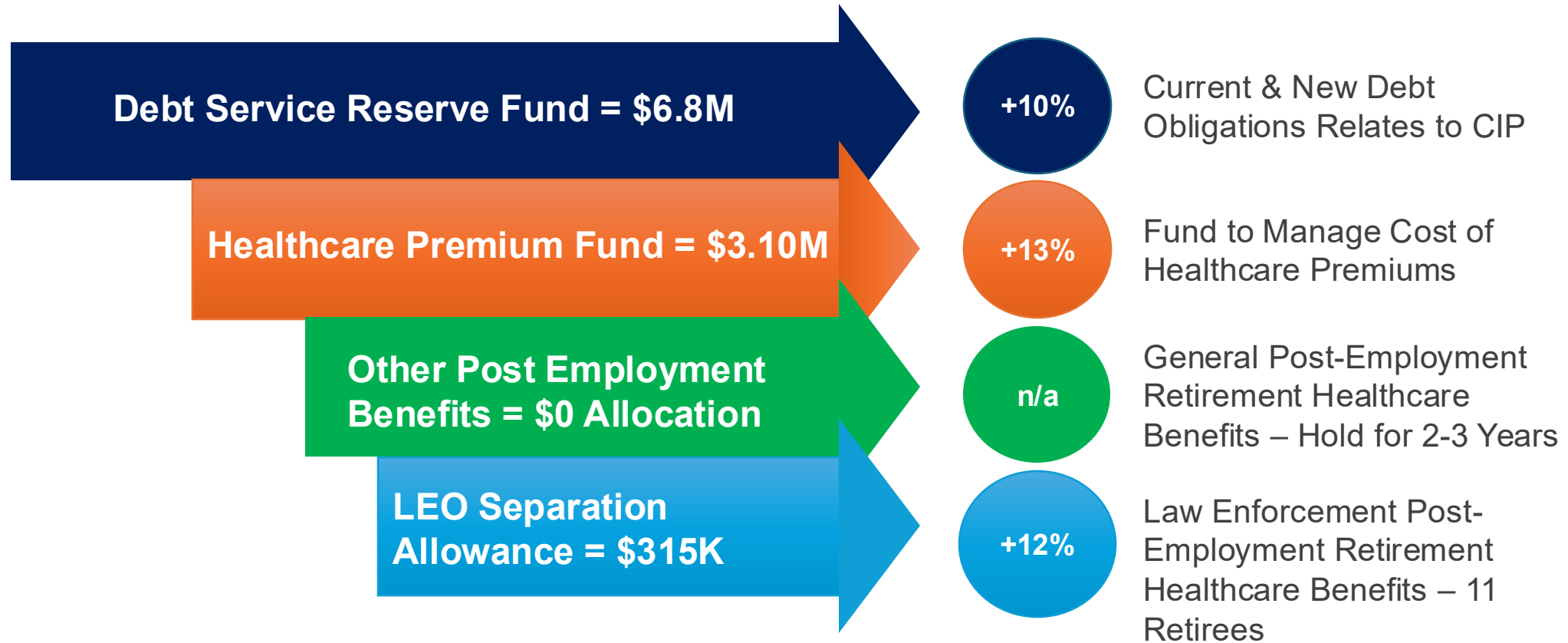
Reservations made through Town Clerk; expense reports due in 30 days; no P-Cards issued.

Allowable: pre-approved travel, lodging, meals, transportation, parking, professional memberships, approved training.

Not allowed: personal items, unrelated expenses, tuition/degree expenses.

Quarterly reports, public disclosure, and annual audit ensure accountability.

Budget Overview – Other Annual Funds

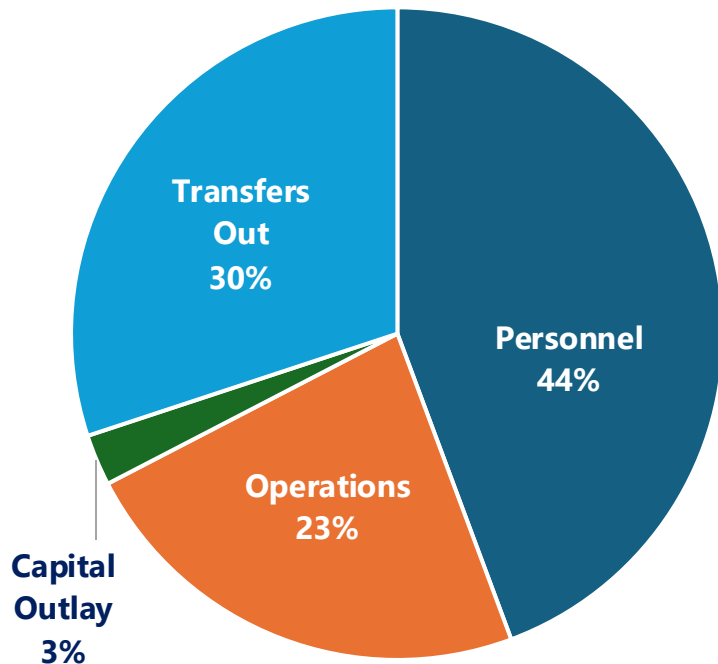


Note: Other Funds as Outlined in the Annual Budget Ordinance. Percentage indicate how much the fund increased as compared to prior year.

Budget Overview - Stormwater

Revenues/Expenditures

Stormwater Expenditures by Category



Revenue	FY2026	FY2027	% +/-
Stormwater ERU	1,246,837	1,255,000	0.7%
Permits, Sales & Fees	25,000	40,000	60%
Interest Income	90,000	85,000	-5.6%
Total Anticipated Revenues	\$1,361,837	\$1,380,000	1.3%

Expenditures	FY2026	FY2027	% +/-
Personnel	573,538	611,700	6.7%
Operations	249,550	318,300	27.5%
Capital Outlay	38,759	35,000	-9.7%
Transfers Out	500,000	415,000	-17%
Total Anticipated Expenditures	\$1,361,837	\$1,380,000	1.3%

Notes:

- Percentage growth comparison is based on projected FY2027 budget to estimated actuals in FY2026.
- The increase in personnel costs is inclusive of merit, market, and healthcare adjustments.

Proposed 5-Year CIP= \$62.3M (General Fund & Stormwater)

General Capital Budget	Planning Year 2028	Planning Year 2029	Planning Year 2030	Planning Year 2031
<ul style="list-style-type: none"> • Aviation Parkway Pedestrian Access • Cedar Fork Elementary Athletic Facility • Fire Station 2 Relocation (Design) • McCrimmon Parkway Betterments • Sidewalks Connectivity • Wake Tech Park (Design) 	<ul style="list-style-type: none"> • Fire Station 2 Relocation (Construction) • Morrisville Parkway Access Design • Sidewalks Connectivity • Wake Tech Park (Construction) 	<ul style="list-style-type: none"> • Intersection Improvements Phase III • Morrisville Parkway Access Construction • NC-54 Betterments • McCrimmon Betterments • Sidewalks Connectivity 	<ul style="list-style-type: none"> • Aviation Parkway Sidewalk & Widening NCDOT (Design Share) • Recreation & Multipurpose Center (Design) • Marcom Park (Design) • Cedar Fork District Park Improvements 	<ul style="list-style-type: none"> • Aviation Parkway Sidewalk & Widening NCDOT (Construction Share) • Marcom Park (Construction)
Stormwater Capital Budget				
<ul style="list-style-type: none"> • SW Savannah Subdivision & MCR (Design) 	<ul style="list-style-type: none"> • SW Savannah Subdivision & MCR (Construction) • SW Garden Square Lane & Greenway (Design) 	<ul style="list-style-type: none"> • SW Garden Square Lane & Greenway (Construction) 	<ul style="list-style-type: none"> • SW Morrisville Carpenter Road (West Millet Dr. Design/Construction) • SW Chessway Dr. Culvert (Design/Construction) 	<ul style="list-style-type: none"> • SW Town Hall Drive Culvert
\$6.5M	\$28.5M	\$12.8M	\$8.1M	\$6.4M
Cash/Reserves Grants/Other SW Reserves	Debt Cash/Reserves Grants/Other SW Reserves	Cash/Reserves Grants/Other SW Reserves	Future GO Bond/Debt Cash/Reserves SW Reserves	Future GO Bond/Debt Cash/Reserves SW Reserves

Note: Investment figures above are escalated rounded cost estimates. Items are illustrated in the fiscal year that debt and/or other resource planning is anticipated to begin. This is subject to change as project scopes, timing, and resources become more refined.

CIP Updates & Influences

The current CIP accounts for cost projection & timing updates for the following projects:

- NCDOT Cost Share Projects – New Information:
 - Aviation Parkway Sidewalk & Widening (scheduled to let July 1, 2029)
 - NC54 Widening Project Betterments (scheduled to let July 1, 2027)
 - McCrimmon Parkway Widening and Bridge Over NC54 Betterments (scheduled to let July 1, 2027)
- Fire Station 2 Relocation (funded by debt/NCDOT taking of current structure/lot)
- Watkins Road Park (Wake Tech Site) (timing aligned with Fire Station 2)
- Morrisville Parkway Access Improvements (grant application in progress)
- Cedar Fork Community Center Athletic Fields (Joint Use Agreement WCPSS) moved up to FY2027
- Stormwater - Town Hall Drive Culvert (rolled into FY2031)
- Marcom Park Construction (pending additional acquisition – tentatively rolled into FY2031)

Wrap-up & Closing Remarks

Staff has presented a recommended balanced operating budget in alignment with Council guidance given from April 30th

Outlined minor updates proposing a funded 5-Year Capital Investment Program accounting for cost and timing updates

Provided varying levels of detail to identify the community benefit

Provided an overview of Council's schedule for deliberation and additional planned outreach

During Work Sessions We Will Explore:

- What, if anything, needs to change in the recommended Budget/CIP and is there consensus?
- What is Council's overall guidance as Staff prepares for Budget/CIP adoption?

Budget Review Calendar

**April 30th
Work
Session**

Budget Development

Council met to discuss preliminary budget information and provide guidance.

Recommended Budget

Staff formally presents the recommended FY2027 Annual Operating Budget & CIP & will conduct a public hearing.

**May 12th
Presentation
& May 26th
Public
Hearing**

**May 14th
& May 28th
Work
Sessions**

Review & Deliberation

Council & Staff will hold work sessions to review and discuss the proposed budget. (Note: the May 28th work session is tentative.)

Adoption

Proposed adoption of the FY2027 Annual Operating Budget & CIP. (Note: Council may choose to adopt sooner.)

**June
9th**

Advisory Committee Visits

Information Tables:

- MAFC – TBA
- Morrisville Senior Center – May 13 @ 8:30 – 9:30a; May 15 @ 11a – 12p

Special Event Info Tents:

- SpringFest – Held April 18th
- Music in the Park – June 5th

Listening Sessions:

- May 26th & 28th @ 4:30 – 5:30 just prior to Council Meetings



Please visit the Town of Morrisville FY 2027 Budget Dashboard for Additional Information

Next Steps



Work Session - May 14, 2026

Determine Need for Tentative
Work Session May 28, 2026



Public Hearing – May 26, 2026



Adoption – Tentative June 9,
2026



Town of Morrisville, North Carolina FY2027 Annual Budget Message

May 12, 2026

Dear Mayor Cawley, Mayor Pro-Tem Robotti, and Council Members Garimella, Johnson, Kesling, Patel, and Scroggins–Johnson, Town Staff, and our Community Members and Stakeholders:

Each year, the budget process provides an opportunity to reaffirm Council and community priorities, wisely invest our revenues and reserves, and plan for Morrisville’s future. This recommended budget presents unique opportunities and challenges. The process is being guided by a clear purpose and a commitment to serving Morrisville’s residents and stakeholders. This year’s theme, *“Maintaining a Connected, Resilient, and Safe Community,”* reflects that focus.

In accordance with the Local Government Budget and Fiscal Control Act and NC General Statute 159-11, the recommended Annual Budget for FY2027 is submitted as a balanced budget for your consideration. This recommendation reflects guidance from Town Council, Town staff, and of course our community. It is also constructed based on financial guidance received from the North Carolina League of Municipalities, the Wake County Tax Assessor’s Office, and Davenport & Co. (the Town’s financial advisors). Staff have once again made a concerted effort to seek out and rely on community feedback to help determine budget priorities and revenue capacity.

FY2027 brings some unique challenges for the Town of Morrisville (and many of our peer communities across North Carolina); these challenges are also expected to continue into FY2028. I commend Town Council and our staff for their willingness to make difficult decisions that ultimately support the best interests of our community now and in the future given the totality of our circumstances. Despite external economic pressures, the recommended budget supports the Town’s obligations, advances our strategic goals, and maintains fiscal stability in a time of external instability, all without a tax increase. Town Council emphasized the need to listen to residents and other stakeholders and has focused on “living within our means” in FY2027.

Although there are financial challenges due to slower growth compared to what our community typically saw pre-COVID, our region is still expected to grow and develop faster than many other areas around the country, supported by strong economic development. The Town’s investment in an Economic Development Director and a proactive approach to development has quickly become an asset. Our Planning Department is an important part of this approach, particularly by bringing projects to Morrisville with a focus on “speed to market” as evidenced by the recent Novartis recruitment. To support this effort, this recommended budget includes a new Planner position.

Wake County continues to demonstrate strong economic stability, supported by sustained investment activity and a diverse industry base. Morrisville is contributing to this with continued growth in life sciences and related projects. Although the Town has limited land available for new development, there are a number of new opportunities that will benefit the Town in the future. These include the Town Center, Transit Oriented Development (TOD) on three corners of Chapel Hill Rd. at McCrimmon Pkwy., as well as other parcels on Church St., Louis Stephens Dr., and McCrimmon Pkwy. Additionally, there are a number of opportunities for redevelopment for commercial and residential parcels that are anticipated to increase property values in the coming years.

Unfortunately, this optimism around growth must be tempered with revenue challenges primarily related to the FY2025 property revaluation, pending legislation, and the FY2028 revaluation. As the result of a significantly higher number of property valuation assessment appeals, the Town's revenues for FY2026 were reduced by approximately \$1,000,000. Based on the number of appeals still pending at the time of this recommended budget, there is the potential for additional lost revenue in FY2027. There is also legislation being considered in the North Carolina General Assembly that could further limit revaluation and property tax revenue in the future. With that, the Town must be prepared to effectively manage revenue challenges in both FY2027 and FY2028. This recommended budget is designed with that in mind.

Regardless, the Town remains committed to delivering high-quality services in support of the seven goals found in our Strategic Plan. That commitment is possible based on sound decisions to create capacity to invest in personnel and other resources to support development, public safety, and the quality of life and level of service our community expects and deserves. The recommended budget includes three firefighters to support consistent four-firefighter staffing on all apparatus in accordance with national standards, and three police officers to support patrol, investigations, and the establishment of a School Resource Officer program at the new Morrisville High School opening in fall of 2027. The recommended budget also includes two positions and equipment necessary to support the opening of the Town Center in summer 2027.

Additionally, the recommended budget includes expansion of the Smart Shuttle in response to community feedback, invests in public safety equipment and vehicles, and continues to ensure our staff are compensated fairly based on market and their individual performance. Although there is not capacity for significant program expansion beyond the Town Center in the recommended budget, there is a focus on maintaining core services to ensure residents and other stakeholders have what they need from the Town.

The recommended FY2027 budget is an intentional balance of prudently and conservatively utilizing our available revenues, reserves, and other resources to invest in our community in a manner that will allow Council and staff to navigate challenges while still providing the level of service expected.

Our Values



DEDICATION



INTEGRITY



COURTESY



INNOVATION

Our Mission

Connecting our **diverse** community to an **enhanced** quality of life through **innovative** programs and services.

Our Vision

A **sustainable** and **thriving** community that celebrates **diversity** and **inclusion** while enhancing the **well-being** of people who live, work, and play in **Morrisville**.

Connect Morrisville – Strategic Plan Goals



The Town of Morrisville’s Strategic Plan focuses on seven overarching goals, each with examples of actionable initiatives underneath it. These initiatives, and their associated metrics, help provide valuable insights into the progress of the Town’s key focus areas and speak to whether our processes have us on track to meet our goals.

While the Strategic Plan and its associated goals, objectives, and initiatives do not encompass the totality of Town operations, they speak to priorities identified by leadership as key areas that the Town must focus on to be successful over the next five years. This is the first year featuring the newly refreshed Strategic Plan and its seventh goal, Organizational Resiliency, which focuses on efforts to insulate the Town (and our residents) from unforeseen circumstances and challenges.

What follows is a sampling from our Strategic Plan, featuring key initiatives and metrics that illustrate how our data supports budget decisions. While no single metric stands alone, these indicators are used for evaluations, connecting the value and application of data metrics to budget development. For complete information, please refer to the [Strategic Plan Dashboard](#).



Goal: *Sustainable, Livable Community Growth*
Initiative: *Continue to promote & implement environmental sustainability opportunities*

KPI	Value	Meaning
% of monthly inspections related to building permits scheduled on or before the requested date	July 2025: 96% March 2026: 98%	Assessing inspection timeliness and accuracy leads to safer, more efficient building processes, fewer delays, and higher quality standards. This streamlines development, builds trust in local services, and supports a more sustainable, livable community.



Goal: *Public Safety Readiness*
Initiative: *Departments with first responders will meet or exceed minimum standards for accreditation, staffing, & technology to ensure operational readiness.*

KPI	Value	Meaning
Fire total response time 90 th percentile target of 6 minutes or less Average Apparatus Staffing	Q1 FY26: 7:05 Q3 FY26: 7:06 CY2023-2025: 3.4 staff Target: 4 staff	Quicker arrival after an incident is dispatched helps protect lives, reduces injuries, and limits property loss. By improving response times, we show our dedication to residents’ safety and ensure timely assistance. To enhance this, we plan to leverage cutting-edge technology and maintain optimal staffing, allowing us to respond faster and strengthen community confidence.
Police clearance rates	CY2024: 36.7% CY2025: 40.7%	Studies show that detectives handling over 12–18 active cases at once see lower closure rates. By adding resources, we can keep caseloads manageable and help investigators resolve

		cases efficiently. This results in enhanced customer service.
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Goal: *Engaged, Inclusive Community*

Initiative: *Seek community input and feedback through regular program interactions.*

KPI	Value	Meaning
Average # of social media engagements	July 2025: 25,906 Mar 2026: 36,651	The Town of Morrisville values keeping our community informed and responding in a timely fashion to feedback. Social media engagement rate demonstrates the effects of our outreach efforts in keeping our residents and stakeholders aware of current happenings, while the % of Concern Reporter requests completed within 10 business days speaks to our ability to respond to feedback quickly and efficiently.
% of Concern Reporter requests completed within 10 business days of receipt	July 2025: 82% Feb 2026: 100%	



Goal: *Community Mobility*

Initiative: *Implementation of prioritized mobility options recommended via study and/or comprehensive plan*

KPI	Value	Meaning
Average disparity between Smart Shuttle scheduled and actual arrival time	July 2025: 2:12 Mar 2026: 1:48	Community connectivity requires reliable and available transit options. Morrisville’s Smart Shuttle provides our residents with easy transportation to a variety of destinations within Town borders. On time performance and the percentage of ride requests with seats unavailable can help demonstrate the need for additional support within the program.
% of Ride Requests with Seats Unavailable	July 2025: 7.6% Apr 2026: 8.6%	



Goal: *Economic Prosperity*

Initiative: *Facilitate new jobs & capital investment by supporting the retention & expansion of existing businesses & promoting commercial developments & redevelopments in alignment with the Town's vision*

KPI	Value	Meaning
% of permit reviews that meet or exceed the target time threshold	Jun 2025: 94% Feb 26: 91% Target: 95%	Tracking private investment and building permit activity gives essential data for staffing and resource planning. New investment announcements signal future projects that may require additional review and coordination. Year-over-year analysis helps management adjust personnel and resources as needed; rising permits may justify hiring, while decreases prompt a reassessment. This ensures initiatives like affordable housing, shuttle programs, and capital projects have adequate support for efficient execution.
\$ in new private investment announced annually	FY 2024: \$797 Mil FY 2025: \$1.25 Bil	



Goal: *Operational Excellence*

Initiative: *Leverage technology & implement systems to improve operational processes & outcomes*

KPI	Value	Meaning
Average # of Days to Fill Vacancy	FY 2025: 61 FY 2026: 41	Efficient service depends on the hard work of Town staff, and Town staff need to be on board before they can perform that work. Year-over-year analysis of time to fill positions and turnover percentage speaks to the Town's ability to staff itself well and may justify additional investment in hiring technologies or job marketing.
Townwide Turnover %	FY 2025: 13% FY 2026: 14%(est.)	



Goal: Organizational Resiliency

Initiatives: Ensure equitable access, programming, engagement, and collaboration opportunities across all community demographics

Create and engage in environmental preservation efforts

KPI	Value	Meaning
Cumulative dollars saved from Sustainability Projects	2024: \$76,844 2025: \$127,549	A key component of resiliency is finding innovative ways to bring in and conserve financial resources where possible. The funding saved from our sustainability projects and brought in by our grants team play a key role in our ability to provide services to our community even in challenging financial situations.
Grant Dollars Received per Fiscal Year	FY 25: \$2,928,967 FY 26: \$2,662,615	

Note: This sample shows how metrics support resource planning and process improvements. Metrics are not used alone; when an indicator is flagged, staff conducts thorough analysis before making recommendations.

Opportunities & Challenges:

This year’s budget development process has been unique both in terms of opportunities and challenges for today, tomorrow, and the future in Morrisville. The opportunities include continuing to support our staff as our most valuable asset, investing in current and future amenities and infrastructure, and preparing for the opening of the Town Center. The challenges include slower revenue growth, ongoing inflation, and uncertainty related to the economy and legislative changes impacting our revenues.

There are a number of specific opportunities presented with this year’s budget:

- **Creative Solutions to Advance Work:** Staff continues to seek out innovative and creative solutions to getting the work done efficiently and effectively. This is evidenced through a number of examples:
 - Recent re-organization of the Communications & Outreach Department balancing staff responsibilities and avoiding a request for an additional position.
 - Lead for NC Fellow in Information Technology that will support efforts to expand the Town’s creation, analysis, and use of data without adding a full-time position.
 - Interns in various roles supporting needed projects and assessments bring fresh ideas and a reduced reliance on additional positions.
 - Leveraging AI and system solutions to improve processes makes our staff more efficient, helps to balance workload, and supports enhanced customer experience.

- **Economic Development:**

- Current budget conditions, including limited revenue growth, rising costs, and increasing service demands, influence the Town's ability to support economic development activities. Maintaining timely permitting, inspections, and infrastructure readiness remains essential to supporting business recruitment, expansion, and day-to-day operations. Maintaining capacity is a key factor in ensuring projects move forward efficiently.
- Investments in parks, amenities, and community programming also contribute to quality of place, which plays an important role in talent attraction, business retention, and local economic activity.
- Funding levels and resource allocation decisions may impact service delivery timelines, infrastructure investments, and overall responsiveness, which are important to business confidence and the Town's competitiveness. Continued focus on aligning resources with growth will be important to support both existing businesses and future investment.

- **Grants:** Grant opportunities ease the strain in the budget, freeing up funds for other priorities, promoting creative approaches to completing projects, and increasing recognition for the Town. Our staff continues to work with our Central Pines Regional Council partners with proactively identify grants that will, if awarded, provide additional revenues to support programming and projects.

- In FY2026 current awards total approximately \$3M in various grants with minimal Town matching requirements of \$130K. This level of return extends the Town's capacity and allows us to deliver major projects and improvements at minimal cost to taxpayers. \$2M of that comes from the Wake County Hospitality Tax Community Project award for Church Street Park Upgrades.
- The Town has submitted (and is awaiting award notice) on another \$300K for emergency preparedness, Senior programs, native planting, safety equipment, and a Traffic Safety Officer. Currently, staff are working on a "Safe Streets 4 All" grant for intersection safety relating to Morrisville Parkway.
- The Town has applied for \$9.2M in federal earmarks through Federal Community Project Funding applications for Pugh House renovation, future Town Center phases, Police space in new Fire Station 2, Public Works warehouse upfits, the Traffic Pre-emption program, and Police evidence storage and forensic lab equipment.

Congresswoman Ross's office has stated an intent to fund \$300K for the Public Safety Mobile Command Post.

- **Sponsorships:** The Town has launched a sponsorship program that should bring recurring sponsorship revenue to the Town beginning in FY2027. This approach supplements smaller sponsorship opportunities that already exist for our special events. Revenues from this sponsorship campaign are not accounted for in the budget recommendation, providing an opportunity for additional revenues over the course of the year.
- **Tax Base Growth:** Although there are some concerns with property tax revenue (see below), future opportunities from developing projects like Pathway Triangle, the Spark campus, and Town Center will continue to expand the Town's tax base and revenues.

There are also a number of challenges as we develop the FY2027 budget (and as we look to future years):

- **Inflationary Impacts:**
 - The Town is continually faced with inflationary impacts to our base operating budget. For FY2027, that increase is anticipated to be approximately \$252,000, primarily related to contractual and insurance increases.
 - There are also ongoing inflationary impacts to Town capital projects resulting from increases in labor and materials as well as concerns with the impacts of tariffs.
- **Limited New Revenue:**

Naturally occurring revenue growth has slowed since pre-Covid. From FY2023 to FY2027, average revenue growth has been 5.8%. To ensure resiliency, the recommended budget is intentionally more conservative than it has been in prior years to allow us to adapt to this uncertainty. In many cases, this includes reductions in anticipated FY2027 revenues versus projected FY2026 revenues.
- **Property Tax Assessment Revaluation, Appeals, and Exemptions:** *See more in the "Ad Valorem" portion of the Revenues section of this document.*
 - **Conservative Projections:** One way the Town is preparing for any potential impact on property tax revenues is that staff continue to be conservative in revenue estimates to safeguard our fiscal solvency. Staff follow guidance provided annually by the North Carolina League of Municipalities (NCLM) and our financial advisors.
- **Recruitment and Retention:** Staff have transitioned to a more proactive approach for recruitment since the addition of the Human Resources Analyst position. Additionally, the Town has adopted a compensation spreadsheet that serves as a tool for department and HR staff to be more consistent in making offers to potential employees that acknowledge

their experience and the current market conditions. This has been particularly helpful in being more consistent in compensation and in supporting public safety recruitment.

The Town continues to focus on staff compensation and benefits in order to ensure our staff are compensated fairly in line with the market, their skillset, and their performance. The FY2027 budget includes a 1% market adjustment (COLA) for all staff, merit compensation at an anticipated average of 4.5%, and funding minor adjustments and longevity incentives, the recommended budget includes approximately \$1,561,199 in investment in our current staff. This represents approximately 23% of our available revenue capacity.

This recommended budget ensures that every full-time employee with the Town is earning at least \$55,244, which is the FY2027 Wake County “Living Wage.”

- **Service Expectations:**

- **Balancing Needs:** As the Town continues to grow with limited new revenues, it becomes more challenging to fund core operations while also planning for future operational and capital needs.
- **Expanding Expectations:** As community programming interests change and expand, so does the need to add resources to invest in the anticipated amenities and services.
- **Existing Obligations vs New Community-Based Programming:** We have reached a time when investing in new amenities and/or programming may have to directly relate to reducing existing investments elsewhere without additional revenues.

Partnerships Supporting Town Operations

Staff continue to collaborate with other governmental entities seeking efficiencies and synergy with our neighbors and other partners. These partnerships further support the Town’s pursuit of strategic plan goals and Council and community priorities while also maximizing the efficiency of Town revenue. Examples include (but are not limited to) the following:

- Capital Area Metropolitan Planning Organization (CAMPO) – working with regional partners, the Town benefits from support for transportation projects by having Morrisville projects included in regional and state plans and by receiving funding support for the projects.
- Cary/Apex/Morrisville (CAM) Fire Response Model – working with the Towns of Apex and Cary, the three fire departments essentially serve as one combined department for the purpose of enhancing the quality and timeliness of response to emergencies in all three

communities. The three departments train together, respond together, and work closely together during emergencies.

- Central Pines Regional Council (CPRC) – the Town has a long history of membership in and collaboration with CPRC in addressing issues of interest throughout our region. Most recently, the Town partnered with CRPC to get support for identifying and applying for grant opportunities to support Town operations and projects.
- North Carolina Department of Transportation (NCDOT) – with responsibility for the majority of major roadways in Morrisville, NCDOT is a critical partner for the Town. The Town often provides betterments to NCDOT projects to ensure that Town requirements and expectations are met. This includes lighting, sidewalks, and other amenities.
- Town of Cary – the Town has a number of valuable partnerships and collaborative efforts with the Town of Cary. The Town of Cary provides water and sewer services for the Town, provides 9-1-1 call-taking and dispatching services for Morrisville Fire and Police, and supports traffic signal maintenance in the Town. Their services are typically more economical than other options used in the past.
- Wake County Economic Development - the Town continuously pursues new opportunities through our partnership with Wake County Economic Development. Wake County continues to demonstrate strong economic stability, supported by sustained investment activity and a diverse industry base. The ongoing level of investment signals sustained confidence in the region’s long-term growth and overall economic strength.

Budget Planning & Development Process

Preparation for the FY2027 budget process began in fall 2025 through the discussion of emerging interests from staff and through the Leadership Team preparing their mid-year budget submittals and updates. Staff subsequently worked with Council at the 2026 Council Retreat and through a series of work sessions through the spring.

During the January 2026 retreat, Council members shared their individual thoughts and ideas and visualized ways to align unique perspectives and opinions into their budget priorities for the FY2027 budget. Those priorities produced focus areas that layer into and align with our Strategic Plan Goals.

Resilient Fiscal Management

- Maintain AAA Bond Rating & Robust Financial Foundation
- Conservative Budgeting
- Retaining Tax Base Strength
- Focus on long-term resilience

Pedestrian & Vehicle Safety

- Expand Public Transportation to Enhance Reliability
- Address Congestion Across Town
- Emphasize Education & Enforcement
- Enhance Safe Ways to Travel in Town

Optimization of Operations

- Enhance Civic Trust & Transparent Governance
- Use AI to Ease Staff Time & Enhance Training
- Technology for Operational Efficiencies
- Resourceful Use of Facilities & Equipment

Sustainability & Environment Focus

- Leverage Cutting-Edge Ideas
- Reduce Carbon Emissions in Town-Owned Buildings
- Create Community Sustainable Programming for Residents & Businesses
- Enhance Sustainable Development Options

Building Our Future

- Build Reserves
- Activate Town Center
- Identify Revenue Potential from Redevelopment
- Build Community Accolades & Recognition Opportunities

Innovative Connections

- Arts & Cultural Initiatives
- Provide Welcoming Connections for Residents & Businesses
- Create Entrepreneurship & Innovation Programs
- Expanded Partnerships with Community and Regional Stakeholders

Livable Community Options

- Provide Housing Options for all Income Levels & Life Stages.
- Advance Education Advocacy that Strengthens Community.
- Focus on Livability & Well-being through Programs and Amenities
- Promote Healthy Community Initiatives
- Aging Well & Senior Support

Public Safety

- Preserve Morrisville's Image as a Safe Place
- Ensure Strong Emergency Responsiveness through Staffing Standards, Continuous Training, Modern Equipment & Strong Regional Coordination
- Ensure Community-Centered Public Safety Services

Council also reviewed the 5-Year CIP through project updates. Following the CIP refresh completed in FY2025, the CIP only required minor updates to project costs, phasing, and other influences. No new projects were proposed.

Following the retreat, budget preparation continued with all Town departments required to present their progress on implementing their FY2026 budgets, considering their needs for FY2027-FY2029, and aligning their budget requests, including staffing, with those needs.

Listening to the community's perspective during the budget planning process allows the Town to address our residents' most pressing concerns and to develop initiatives that reflect their values and priorities. Therefore, the Town's budget is not just a financial plan but also serves as a strategic tool to maintain a resilient, inclusive, and thriving community.

A preliminary budget portal tool opened in December 2025 to provide Town Council initial perspectives from the public to consider during budget brainstorming discussions post-retreat.

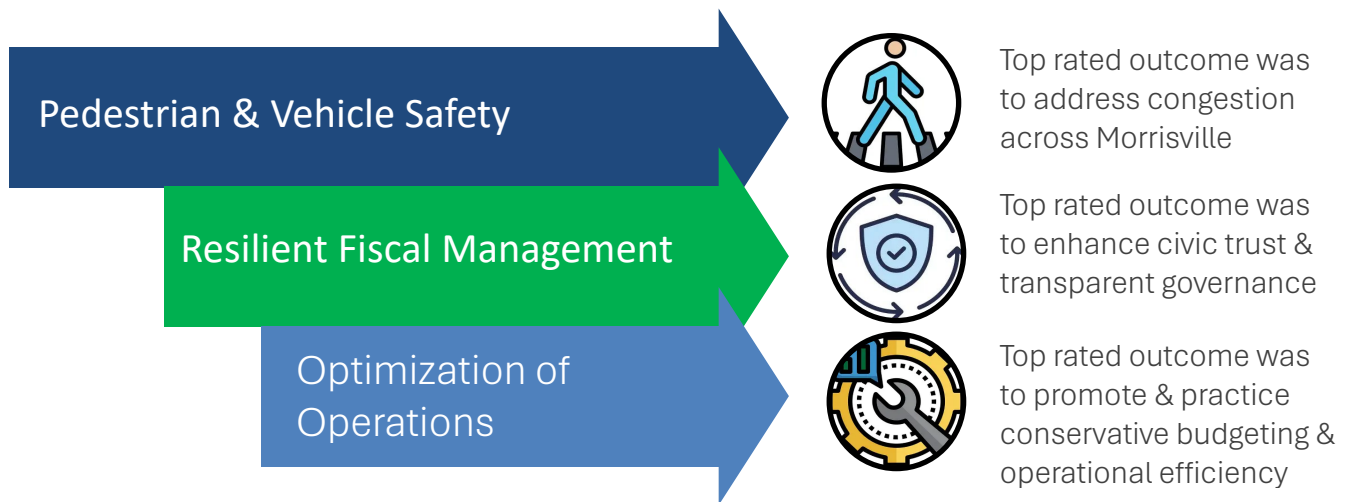
During March, Council finalized the SOAR Budget Priorities, marking a significant step in aligning municipal goals with both immediate and future needs. Staff conducted a review of the upcoming budget outlook, which allowed Council to examine both short-term long-term objectives. This outlook session provided the Council with a forward-looking perspective, enabling a comprehensive understanding of how current decisions can influence future impacts, challenges, and opportunities.

Additionally, the Communications and Outreach Department launched “Budget in Bloom” engagement campaign, encouraging community members to complete a “Spring Survey” that opened in March to share feedback on the Council budget priorities.

This collection of Council, community, and staff feedback has significantly contributed to the development of this recommended budget. Additionally, there are also several community outreach sessions and other opportunities planned in both May and June to build awareness that the Town is focused on “Maintaining a Connected, Resilient, and Safe Community.” More information is available on the Town’s [Budget Development Dashboard](#).

A budget preview was provided for the Town Council at the April Council work sessions as staff evaluated budget submittals. The preview provided Town Council with an early glimpse into budget development and demonstrated how staff was working to align budget submittals to Council’s eight priority areas. The discussion more definitively outlined available resources and available capacity for existing and new requests. The discussion was focused on Council priorities, community perspective, and resource needs vs available capacity.

The results of early budget outreach were also shared with Town Council, including the three highest-ranked community priorities and outcomes in each category as shown below:



At the April 30 Council Work Session, staff presented recommended scenarios for the FY2027 budget. This presentation enabled staff to gather final guidance from Council, which informed the preparation of the recommended FY2027 Budget and Capital Improvement Plan (CIP). Below is a summary of all budget development discussions and planned review sessions.

New Investment - The Community Perspective

By “*Maintaining a Connected, Resilient, and Safe Community,*” the Town is reinforcing our commitment to our community members and other stakeholders by investing in the following key areas organized by the seven Strategic Plan goals (details are available in the Budget Priorities section of the budget report):

Sustainable, Livable Community Growth

The proposed investment strengthens the Town’s commitment to creating a connected community by adding staffing capacity to advance development reviews to maintain an economic development edge and support programs like rental assistance and public art. It also focuses capital investments to continue connectivity improvements through sidewalk and intersection improvements. Additionally, the Master Sustainability Plan will be updated to focus on a balance of internal and external sustainability efforts moving forward.

Council Budget Priority Alignment: Livable Community Options, Building Our Future, Innovative Connections, & Optimization of Operations

Public Safety Readiness:

The Town is prioritizing the adjustment of public safety staffing and equipment to address rising call volumes and the increasing complexity of incidents handled by both the police and fire departments. This approach is intended to ensure that response capabilities remain effective and that resources are aligned with the community’s evolving safety needs. By focusing on right-sizing personnel and equipment, the Town aims to maintain service levels that meet resident expectations and support a safe, resilient community. This also includes funding to advance traffic pre-emption that allows a quicker, safer response by first responders to emergency calls.

Council Budget Priority Alignment: Public Safety, Operational Resiliency, Optimization of Operations

Engaged, Inclusive Community:

The recommended budget provides resources that enable the organization to enhance community gathering spaces through the thoughtful activation of Town Center in the summer of 2027 that will help neighbors connect and enjoy shared social experiences. It allows staff to shape current programming and rebalance special event programs to benefit all age groups, creating valuable community experiences.

Council Budget Priority Alignment: Innovative Connections, Optimization of Operations, Building Our Future, Livable Community Options

Community Mobility:

Here, the budget is focused on enhancing pedestrian safety and promoting sustainable practices by increasing mobility options and ensuring the ongoing maintenance of bridges and walking paths. Efforts include improvements to the Smart Shuttle service and the addition of new nodes to better connect the community. The Town is continuing improvements for walkability and safety of pedestrians through continued sidewalk gap projects to create a more continuous and accessible pedestrian network.

Council Budget Priority Alignment: Pedestrian & Vehicle Safety, Optimization of Operations

Economic Prosperity:

This initiative focuses on improving infrastructure and public safety technology to attract private investment and offer amenities residents want. By making the Town Center a hub for events and community interaction, it aims to boost small local businesses, foster economic growth, and strengthen our community identity.

Council Budget Priority Alignment: Resilient Fiscal Management, Building Our Future

Operational Excellence:

From a community perspective, the Town is committed to strengthening both communication and transparency by staying current with technology infrastructure and other planned equipment replacements. This initiative focuses on the implementation and replacement of essential hardware to ensure reliable operations, as well as the enhancement of management software that supports daily functions. These upgraded systems facilitate more efficient operations and ensure that the community remains well-informed and engaged. This also accounts for maintenance needs to extend the useful lives of Town facilities and equipment.

Council Budget Priority Alignment: Optimization of Operations, Resilient Fiscal Management

Organizational Resiliency:

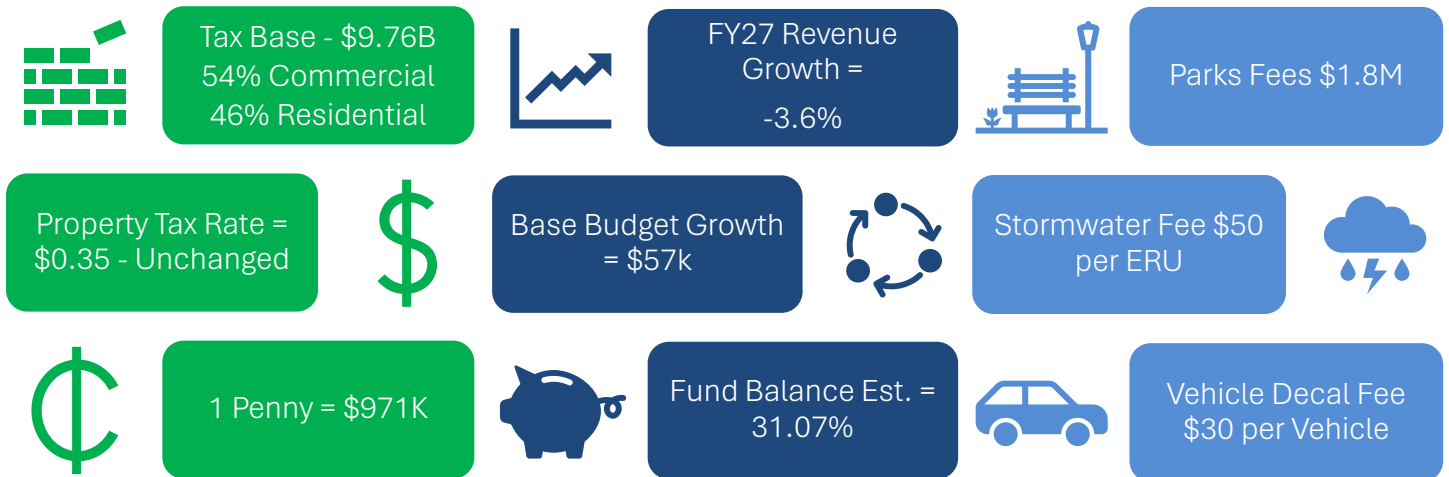
A key focus area for the Town is ensuring that essential community services and amenities are consistently delivered at the service level our residents expect. This priority is addressed through several strategies. An essential ingredient to resiliency is the Town's dedication to retaining a skilled workforce, recognizing that knowledgeable and committed employees are crucial to maintaining service quality. Through these combined actions, the Town aims to strengthen its ability to respond to challenges and adapt to changing circumstances, reinforcing operational stability for the long term.

Council Budget Priority Alignment: Resilient Fiscal Management, Optimization of Operations, Sustainability & Environment Focus, Building Our Future

Recommended Budget Overview

The FY2027 Recommended Budget totals \$60,410,000 for all Town operations, capital improvements, and debt service requirements. This is 3.6% less than the FY2026 Original Budget. The budget is balanced with a tax rate of \$0.35. The tax rate remains flat, reflecting Town Council’s ongoing commitment to minimizing economic impacts on our residents.

Budget Snapshot



General Fund

The General Fund accounts for resources not required legally or are required by sound financial management procedures to be accounted for in another fund. The General Fund includes services that cannot be operated as a business enterprise and rely on tax dollars as their primary source of revenue. The FY2027 Recommended Budget for the General Fund totals \$ 60,410,000

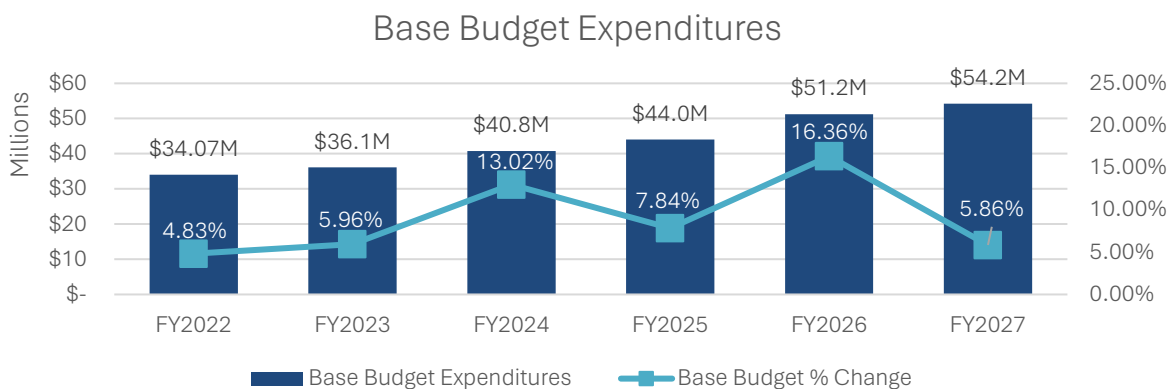
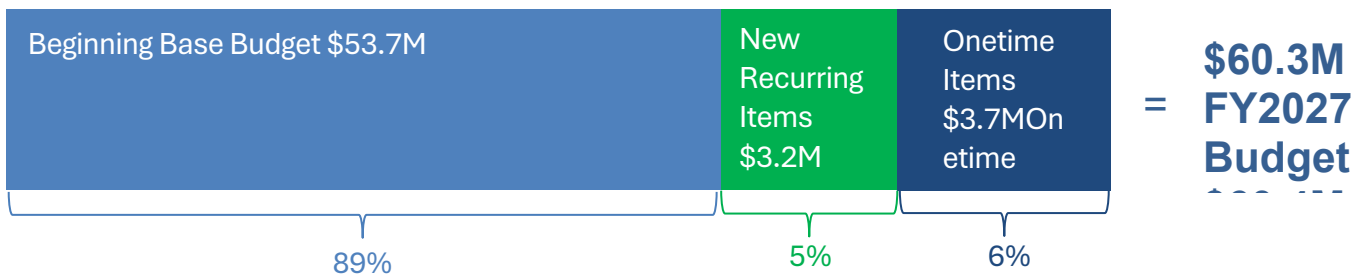
Expenditures and Investment:

Comparing the FY2027 Recommended Budget to the FY2026 Original Budget reflects a decrease of 13% in operating capital expenditures and operating expenditures due to the funding of two fire apparatus in FY2026, while increases in personnel costs are driven mainly by salary and benefit increases from merit and market adjustments provided in the FY2026 Budget, as well as the addition of four new full-time and two new part-time positions in the organization.

Base Budget Additions and Adjustments:

Additions to the base budget resulting from changes in programs, services, and personnel are specifically identified to illustrate both their immediate (one-time) and ongoing (recurring) impact on the Town’s financial plan. Once new programs and services are incorporated into the base budget, they create continuing obligations in future years unless offset by corresponding reductions elsewhere. The FY2027 recommended budget includes some expansion of recurring expenditures, which is crucial for maintaining stable core service levels. At the same time, it also enhances programming and provides additional support for achieving Town goals. These adjustments are made with careful consideration of current and future economic conditions.

The FY2026 Base Budget was \$54.2M. A thorough review and evaluation were conducted to validate investment in core services. This process identified approximately \$1M to be repurposed, allowing those resources to absorb other base budget needs. Additional efficiencies and cost savings totaling \$252K were also realized, which serve as a capacity element for balancing the current budget. For FY2027, the Base Budget is proposed to increase by \$3.2M, resulting in a new total of \$57M due to the addition of recurring expenses.



Based budget increases most typically result from recurring program and service expenditures, including contractual obligations, and personnel-related adjustments to support service delivery.

Debt Service and Reserve Fund Management

Debt service costs are managed through the Town's Debt Reserve Fund. This fund is designed to anticipate and plan for upcoming debt issuances, including those scheduled to come online for FY2027. Debt service for the second financing for the Public Works Facility renovation is expected along with other pay-go projects such as Cedar Fork Elementary Athletic Fields as well as continued intersection and sidewalk gap improvement projects (refer to the Capital Investment Program section for more information). For FY2027, debt service obligations amount to \$6,694,789 and are expected to increase by 8%.

The Town works closely with its financial advisors to monitor debt affordability and proactively plan for the capacity to pay for projects outlined in the Capital Investment Program (CIP). This ongoing collaboration supports responsible fiscal management and helps ensure that debt commitments remain sustainable within the Town's broader financial strategy.

Personnel:

While personnel remain the Town's largest expense, our staff is also our greatest asset. Our staff remains at the core of all that we do for and with our community. We are very fortunate to have such dedicated, hard-working, and knowledgeable staff that consistently demonstrate the Town's core values of Dedication, Integrity, Courtesy, and Innovation.

Additional Positions:

The FY2027 Recommended Budget includes ten new full-time positions and one UNC Fellow in the General Fund; there are no new positions recommended in the Stormwater Fund. New positions will bring the total approved full and part-time benefited positions to 261, and will increase annual personnel costs by \$871,000 (total compensation less equipment). Below is a summary of positions by Council Budget Priority:

Public Safety: Adjusting Police and Fire staffing levels is necessary to maintain readiness and safe deployment, enhance community partnerships, and preserve Morrisville's status as a safe community.

- 3 Firefighters (full-year allocation) – to support the full staffing model for four apparatus to consistently deploy with four firefighters.
- 1 Police Detective (half-year allocation with vehicle) – to address increasing and more complicated criminal investigations and to ensure residents receive an appropriate level of service.
- 1 Police Officer (half-year allocation with vehicle) – to ensure minimum staffing and an appropriate level of service as calls for service and responsibilities increase.
- 1 School Resource Officer (quarter of the year allocation with no vehicle) – to complete SRO training to be ready for assignment to the new Morrisville High School in fall 2027.

Town Center Activation: Planning for and launching the Town Center requires staff be in place by spring of 2027 to begin planning for events and programs for all ages, and to assume the maintenance of green spaces once complete.

- 1 Town Center Event Specialist in the Parks, Recreation and Cultural Resources Department (half-year allocation) to address event and program planning.
- 1 Town Center Ground Technician III in the Public Works Department (half-year allocation) to address maintenance needs.

Development and Market Readiness: Necessary to address essential workload shifts to optimize economic and capital planning support, along with efforts to manage ongoing affordable housing and public art initiatives.

- 1 Senior Planner (full-year allocation) in the Planning Department to support the balancing and prioritization of responsibilities.

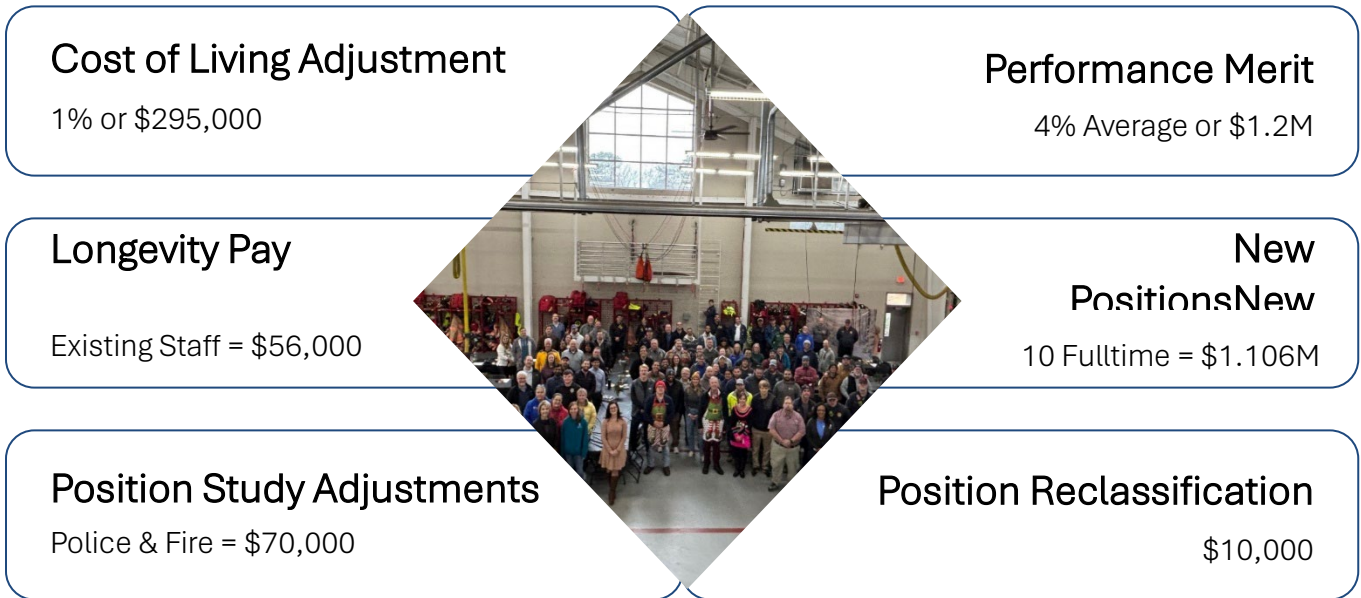
Technology Support: This position offers supplementary resources to the overall IT support services division while delivering external IT service assistance to a community partner that is fully funded through a service agreement.

- 1 IT Support Technician (full-year allocation) in the Information Technology Department to provide support services via agreement to the Central Pines Regional Council.

Data Fellow: Morrisville will host a Lead for North Carolina Fellow from UNC's School of Government for 10 months. The fellow will work in the Information Technology Department and will support open data, GIS, and records digitization projects, and is funded by a contract with the School of Government, not through Town position authorization.



Compensation and Benefits



Employee Performance Evaluation and Compensation:

The Town’s performance evaluation and compensation system is structured around Connect Morrisville, the Town’s values, and the establishment of clear performance goals and objectives for each employee. For FY2027, the Town will provide two compensation adjustments to all employees. Town salaries will increase by 1% to ensure compensation remains competitive in the current labor market (“Cost of Living Adjustment”). The second will be merit pay based on the annual employee performance reviews. The FY2027 Recommended Budget includes merit adjustments ranging from 3% to 6% depending on each employee’s performance evaluation. The total estimated compensation cost for FY2027 market and merit adjustments combined is \$1,561,199 across all funds when all benefits (taxes, retirement, and health benefits) are applied.

Group Health Insurance:

The Town of Morrisville was one of the founding members of the North Carolina Health Insurance Pool (NCHIP). Participation in the pool has allowed the Town to stabilize health care costs and manage budget impact. While the Town has been able to minimize rate increases the past few years, the Town will experience a 7.7% healthcare premium increase in FY2027. The FY2027 Recommended Budget includes \$144,127 for healthcare premiums across all funds. This increase will be funded by the Town’s Healthcare Reserve, preserving new revenues for other priorities.

As the result of industry adjustments, the Town was facing significant increases for dental and vision coverage in FY2027. However, as the result of staff and research and subsequently moving to new providers, the Town’s dental plan cost will only increase 16%, an increase of \$19,700. Costs for Vision plan benefits will decrease approximately 5%, or around \$900, and will provide enhanced employee benefits.

Living Wage:

The Living Wage [calculation](#) for Wake County as of February 2026 for an individual is \$26.56 hourly or \$55,244.80 annually based on 2,080 hours per year for full-time work. This calculation represents the value of income one working adult requires to meet basic needs. The living wage should not be confused with the minimum wage, which is the lowest amount of money someone can earn as mandated by law. There are currently seven employees falling below this total, who will see their annual wage increase to the living wage total prior to the application of COLA or merit increases for FY 2027.

Longevity:

Longevity pay rewards employees for their sustained years of service, demonstrating the Town's commitment to recognizing dedication, institutional knowledge, and stability. By offering financial incentives, the Town encourages long-term retention and values ongoing contributions from staff. Longevity is paid in \$500 increments per 5-year work milestones increasing with each milestone. The total cost for providing this benefit for full-time employees is \$31,500. Part-time employees are eligible for the same longevity benefit, resulting in a total cost for eligible part-time staff being \$11,500. The total cost for providing longevity to Town staff is \$56,000, including benefits. This is anticipated to be covered in the year by accrued lapse salary budget experienced within the year.

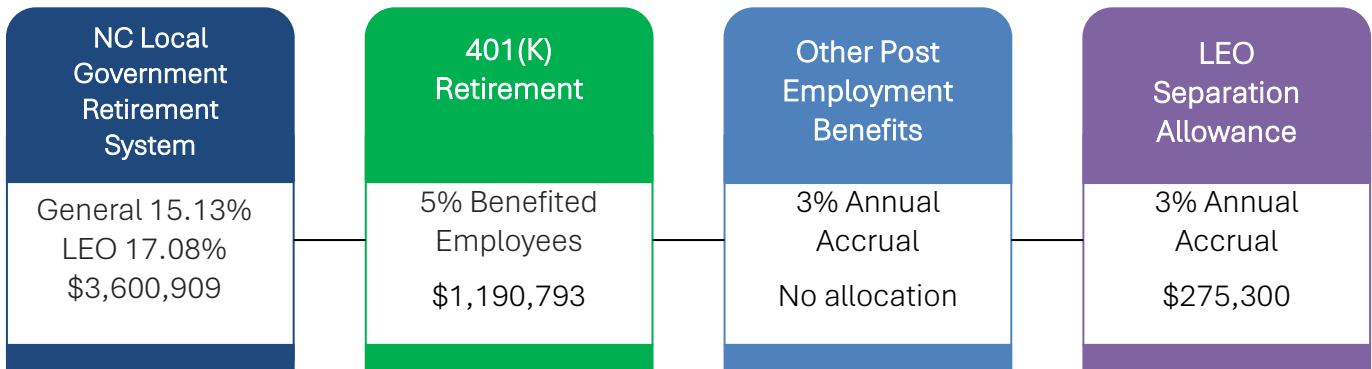
Position Reclassifications:

To ensure roles remain accurately classified and compensated, the Town annually studies approximately one-third of the Town's positions, in addition to starting pay for Public Safety positions. This fiscal year, the study included Engineering, Financial Services, Fire, Human Resources, and Information Technology. The study found that the majority of these roles were appropriately graded to stay at or near market average for the region. Therefore, only minimal adjustments of approximately \$10,000 were needed in the Town's compensation plan.

Previous Years of Service Adjustments:

An equity review of both Police and Fire positions was performed using criteria developed reflecting how credit is given for previous career experience in compensation offers for potential new employees. Adjustments made to Police salaries for officers with previous career experience totaled \$24,947 and adjustments to Fire salaries for firefighters with previous career experience totaled \$29,534. These adjustments, including benefits, total \$70,000 and are part of an overall plan for incentivizing experienced police officers and firefighters to join the Town. This is a one-time correction to ensure equity and will not need to be repeated in future years.

Employer Retirement Contribution



North Carolina Local Government Employee Retirement System:

The North Carolina Local Government Retirement System (LGERS) Annual Contribution Rate (ACR) will increase in FY2027. The employer contribution will increase from 14.38 to 15.13 percent for regular employees and from 16.08 to 17.08 percent for law enforcement officers. Local government employees currently contribute six percent of their salary. The Town's retirement contributions represent \$3.6M in FY2027, an overall increase of \$450k (14.5%) which includes retirement costs for salary adjustments and new positions.

401(k) Contribution:

The Town provides a five percent 401(k) contribution for all full-time employees. North Carolina General Statutes mandate these 401(k) contributions for sworn law enforcement; the majority of North Carolina municipalities extend this benefit to all full-time employees. Contributions represent \$1.2M in FY2027.

Other Post Employment Benefit - Retiree Medical Insurance:

The Town offers qualifying retired employees a medical insurance benefit until they qualify for the Federal Medicare Insurance Program. This retiree insurance is classified as an Other Post-Employment Benefit (OPEB). The Recommended Budget does not include additional funds for the OPEB fund. To prevent long-term financial stress and to follow sound financial practices, the Town previously allocated additional funds (3% of salaries) for long-term OPEB costs annually. Currently, the Fund has sufficient reserves to cover this liability. Therefore, no additional allocation is recommended at this time.

Police Special Separation Allowance:

North Carolina General Statutes provide for special compensation to retired law enforcement officers meeting specified criteria. The statutes require the Town to compensate the officer until they reach age 62. Recent statutory changes to the benefit have made future planning for the expense challenging. The Special Separation Allowance budget in FY2027 is \$275,300 to cover 11 retirees currently receiving this benefit.

Special Topics

Council Training & Travel:

In the interest of transparency, Town Council worked with staff to clearly define expectations and requirements for their individual and collective use of Town funds to attend (and in some cases travel to) training to support their roles as Council members and community leaders. For FY2027, each Council Member is allotted \$2,000 toward training and travel. The budget separately includes funding for all Council Members to attend the North Carolina League of Municipalities' "CityVision" annual conference; it also includes funding for the Mayor to participate in local and regional Mayor events.

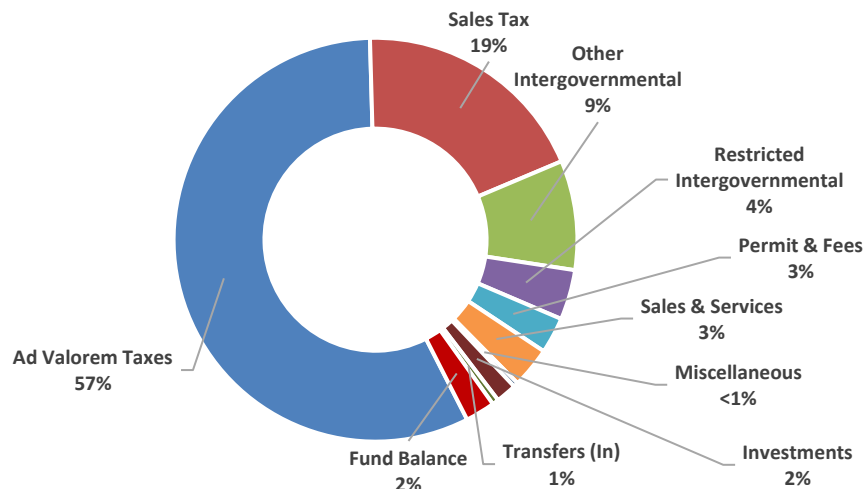
(The full policy is available for review on the Town's [website](#)).

Smart Shuttle Program:

The Morrisville Smart Shuttle is currently operated using one (1) vehicle seven (7) days per week – Weekdays from 7am-9pm, Saturdays from 8am-8pm, and Sundays from 8am-7pm. A second vehicle currently operates Monday-Saturday from 1pm to 7pm. The FY 2027 Recommended Budget includes the expansion of the number of vehicles to two (2) for seven (7) days per week for the full operating time of the service during the same weekday and weekend operating hours. Also included is the construction of 4 additional nodes (locations TBD), providing additional pickup and drop-off locations for the node-based microtransit service. The total cost of the program expansion, including the construction of additional smart shuttle nodes, is \$704,400, with the direct cost to the Town after grant revenue being \$446,405.

Revenues

General Fund Revenues by Source FY2027



Overall, the FY2027 Budget reflects a 3.6 percent decrease in revenues when compared to the FY2026 Original Budget.

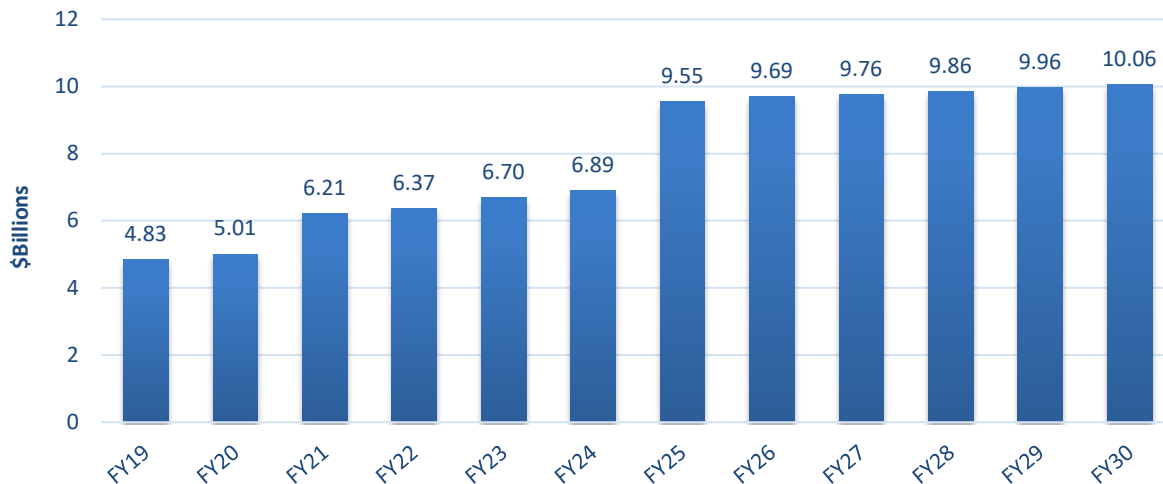
Ad Valorem:

The General Fund Ad Valorem revenue for FY2027 is estimated at \$34,469,800, a 4.5% decrease from FY2026; this represents 57% of the total budget (consistent with FY2026). This estimate is based on a 99.8% collection rate, lower than the FY2025 Annual Comprehensive Financial Report identified at 99.9%. The tax rate is proposed to remain at \$0.35 per \$100 valuation (no change from FY2026).

Year Range	Assessed Value	% Growth in Tax Base	Impact
FY2023	\$6.70B	5.1%	Typical annual growth
FY2024	\$6.89B	3.0%	Moderate increase
FY2025	\$9.55B	38.5%	Revaluation Year (significant increase)
FY2026	\$9.69B	2.4%	Post-revaluation stabilization
FY2027 Est.	\$9.76B	0.5%	Revaluation appeals impact

Morrisville’s FY2027 tax base is projected to grow by only 0.5% from \$9.69 billion to \$9.76 billion with each penny on the tax rate equivalent to \$971,000 in revenue (vs. \$970,000 in FY2026).

Assessed Value by Year



The Town has been impacted by property tax assessment appeals following the 2024 Wake County revaluation that resulted in significant property tax value increases and an increase in property tax assessment appeals. The Town lost approximately \$1 million in FY2026 revenue resulting from approved appeals. The Town could lose an additional \$500k in FY2027, given there are currently 22 commercial appeals pending. As a component of conservative budgeting, the recommended budget does not include this \$500k as anticipated revenue.

The NC House of Representatives is exploring limits on property tax rate increases, changes to exemptions, and a potential Constitutional Amendment authorizing the General Assembly to restrict property tax levies. Additionally, the NC Senate is considering a bill to pause all revaluations. Although no changes are final, any reform affecting FY2027 could reduce local revenue flexibility and limit the Town's ability to manage rising costs or growth-related demands. Staff is working with legislators and the North Carolina League of Municipalities to share concerns and to limit any negative impact on local governments.

Morrisville also currently has \$37.56 million in tax levy under review for potential low income exemptions for 2026, largely stemming from a 2013 NC Court of Appeals ruling commonly referred to as the "2013 Blue Ridge Housing" case that allows for-profit developers to claim 100% property tax exemptions by partnering with a nonprofit, even if the nonprofit has a negligible ownership stake (e.g., 0.1%). The NC House Committee on Property Tax is considering an amendment to address unintended consequences from this ruling.

[FY2028 Property Tax Revaluation:](#) Wake County has elected to move to an every-other-year revaluation of property tax assessments. This results in a three-year revaluation occurring in 2027 that will impact FY2028 and a two-year revaluation that will impact FY2030 and every two years thereafter. It is currently unknown what the impact of that revaluation will be in terms of property tax revenue for the Town.

Parks, Recreation and Cultural Resources Cost Recovery:

Recreation Fees aid in funding the Parks, Recreation and Cultural Resources (PRCR) Department. FY2026 saw the inception of a cost recovery model to align recreation fees to a classification of services ranging from basic (collecting 15% above direct costs of programming) to specialized (collecting 50% above direct costs of programming). In FY2027, recreation fees are budgeted at \$1,819,800, a 1.3% increase from the FY2026 Original Budget.

Sales Tax:

Sales tax represents the Town's second largest revenue source in the General Fund at \$11.53 million (19%). Sales tax revenues are distributed on a proportional population basis in Wake County. The population growth in Morrisville has allowed the Town to increase its share of sales tax revenue; however, as other municipalities are now growing at a faster pace, Morrisville's percentage of total population in Wake County is decreasing. This will negatively impact distributed revenues which rely on population as a component of calculating distribution over time. The impacts of inflation and other economic pressures have also tempered sales tax projections for the coming year. Considering these factors, the FY2027 sales tax estimates reflect a growth rate of 7% percent over FY2026 Original Budget.

Utility Sales Tax:

Utilities Franchise Tax is another significant tax revenue for the Town, consisting of sales tax on electricity, piped natural gas, telecommunications and video programming. Sensitive to weather changes and energy consumption patterns, the Town has seen this revenue source increase in recent years due to colder winters and warmer summers than in years past. For FY2027, Utilities Franchise Tax is projected to be \$3,000,000, a 1.6% increase compared to FY2026 projected actuals.

Wake County Fire Tax Distribution:

Wake County collects a fire district tax on property not within municipal corporate limits. The County distributes revenues from the fire district tax based on a weighted formula that includes service demand, population, property value, heated square footage, and land area. Morrisville receives a portion of the fire tax revenues for the delivery of fire protection services to residents within the Morrisville Fire District who do not live within the Town's corporate limits. The Town has budgeted \$1,551,400 from Wake County for extraterritorial fire protection services in FY2027, compared to \$1,288,347 in FY2026. This increase is tied to increased allocation of operating expenses and additional funds for Fire Station #3 debt service, which came online in FY2024.

Fund Balance Appropriation:

Fund balance, in essence, is the amount of funds remaining after all expenses are paid and obligations are met. Use of these funds enables the Town to meet financial obligations without interruptions due to cash flow, generate investment income, eliminate the need for short-term borrowing, and provide a reserve of funds to respond to emergencies or opportunities. The Town of Morrisville has adopted a formal policy of maintaining a fund balance for the General Fund between 25 and 45 percent of expenditures. The estimated uncommitted or unrestricted fund balance for the General Fund is \$16.51 million or 31.07% as of June 30, 2025. (An update will be available in November 2026 following the release of the Town's annual audit).

To ensure financial stability while addressing community needs, the FY2027 budget incorporates a fund balance appropriation strategy similar to past years. This approach allows for operational flexibility by accounting for potential staffing vacancies, cost savings, and increased revenues. By capping the use of fund balance at no greater than 2.4% of expenditures, the Town responsibly safeguards its overall fiscal position.

Enterprise Fund - Stormwater

The Town of Morrisville operates one Enterprise Fund – the Stormwater Fund. Enterprise Funds provide governmental services that can operate like a business and are self-sustaining with user rates that generate all revenues to cover expenditures.

The Town established a self-supporting Stormwater Fund in 2013, which includes all revenues and expenditures related to the Town’s stormwater operations. Stormwater fees are set in a manner to generate enough revenue to support the fund completely. The FY2027 Recommended Budget for the Stormwater Fund totals \$1.38 million, a 1.3% increase from the FY2026 Original Budget of \$1.36 million.

Stormwater Fund Expenditures and Investments

The FY2027 Stormwater Fund budget shows an increase in personnel and operating expenditures. This increase is tied to increases in retirement and retiree health insurance, as well as additional costs for compensation adjustments for market rate and merit. The primary reason for the increase in operating expense is the planned purchase of a street sweeper attachment to be used for annual curb and gutter maintenance.

Stormwater Fund Revenues

The FY2027 Recommended Budget includes \$1.26M million in revenues from stormwater fees, which reflects a 0.7% increase. Most revenue for this fund is stormwater fees, making up 91% of revenues. Permits and fees are projected to contribute \$40K to this fund in FY2027 and the remaining revenue consists of interest income, projected to be \$85K. The Stormwater Fund continues to be self-sufficient and financially stable, providing the ability to fund future Stormwater capital improvements and repairs identified through the Stormwater Utility Condition Assessment.

Stormwater Utility Fee:

The stormwater fee structure uses impervious surface area based on equivalent residential units (ERUs). The FY2027 Recommended Budget does not include any changes in structure or fees. The ERU fee remains \$50.

Capital Investment Program

FY2027 Capital Budget Projects Overview

The Capital Investment Program (CIP) for FY2027-FY2031 continues to emphasize the Town’s commitment to Council and community priorities. The CIP investment strategy includes \$13.3 million in anticipated debt financing, approximately \$21.4 million from grants and other resources, \$23.3 million from accrual of cash and reserves and \$4.3M in stormwater resources.



The CIP is a long-range planning tool which remains flexible while providing an essential roadmap for the development and delivery of projects desired and expected by the community.

The following chart provides a brief summary of the Town’s capital projects that are in various stages of design or construction.

Title/ Cost/Status	Description
Airport Blvd. Extension Phase 1	This NCDOT project will enhance east-west connectivity for residents, creating a new 0.44-mile roadway segment from Garden Square Lane to Church Street. The four-lane divided road will feature a landscaped median, streetlights, sidewalks, pedestrian crossings, and new traffic signals, improving community connectivity, walkability, and traffic flow for the community. This connection also lays the groundwork for future upgrades at the Airport Boulevard/NC 54 intersection
\$7,200,000	
Construction Commenced Spring 2026	
Cedar Fork Community Center Athletic Fields	This project represents a partnership between the Town, the Wake County Public School System and Wake Technical Community College. The partnership supports bringing the first middle school and high school to Morrisville, including shared recreational amenities. The project will provide new, enhanced multi-purpose athletic facilities, six tennis courts (three of which will be striped for pickleball), lighting, and a playground.
\$1,500,000	
Construction FY2027	
Fire Station 2 Relocation	The design and construction of a new (replacement) fire station is being advanced in response to NCDOT’s widening of NC-54, which will limit the operational use of the existing Fire Station 2. As a result of proactive work
\$16,000,000	

Estimate	by Fire Department staff, the Town previously purchased land along Paramount Parkway from Wake Technical Community College, a key location for the Fire Department response model.
Design Fall 2027	
Church Street Park Field Upgrades	The sports facility upgrades will enhance the programming potential by improving lighting, expanding cricket pitches, and upgrading field drainage. New lighting will meet professional nighttime broadcast standards, creating more opportunities for evening play and events. Improved drainage will help fields recover more quickly after storms, reducing downtime, while expanded pitches will increase programming capacity and support the growing interest in cricket.
\$5,000,000 (\$2M Grant Funded)	
Lighting – Spring 2027	
Gables Neighborhood Street Reconstruction & Paving \$2,600,000 Design Fall 2027	As the final Municipal Service District project, this includes the design and reconstruction of the streets, curb & gutter, and associated right of way work to bring the roadway system up to Town standards. Construction will commence in FY2027. This project is being funded in part by residents in neighborhoods where similar projects have occurred.
McCrimmon Parkway Widening Betterments	NCDOT's widening of McCrimmon Parkway from two to four lanes between Davis Drive and Perimeter Park Drive includes a new flyover bridge over the railroad tracks and NC 54 and redesigned intersections. The Town will be investing in betterments including upgraded lighting, on-street bike lanes, and a wider north-side sidewalk and multi-use path, all of which enhance connectivity and accessibility.
\$2,318,000	
Construction July 2027	
Morrisville Community Park	The Town is partnering with NCDOT to fully fund the installation of permeable pavement in select areas of the parking lot adjacent to the baseball fields. The project is intended to improve water quality and reduce flooding at Hatcher Creek.
\$787,000 (Grant Funded)	
Design FY2027	
Morrisville Parkway Intersection Improvements	Planned intersection improvements along Morrisville Parkway from Davis Drive to NC 54 will enhance safety, traffic flow, and pedestrian access for residents. Guided by the Access Management Plan, the project includes new traffic signals, turn lanes, median adjustments, updated striping, and pedestrian safety enhancements at key crossings.
\$9,100,000 (Seeking Grant Funding)	
Design FY2028	
Morrisville Senior Center Expansion	The planned expansion will increase the center to 5,500 square feet, creating much-needed space to support the growing interests of our senior community. This additional space will allow for more aging-well programs, improved layout and accessibility, and a more welcoming environment that better meets the needs of seniors who rely on the center for connection, activity, and support.
\$850,000	
Construction FY2027	
NC 54 Widening Betterments (Chapel Hill Rd.)	In coordination with NCDOT's widening of NC-54 from Perimeter Park Drive to Shiloh Glen Drive, the Town will deliver several betterments that enhance safety, mobility, and pedestrian access for the community. These improvements include a 10-foot multi-use path on the east side, upgraded lighting, extended medians, and enhanced traffic signal and pedestrian crossings.
\$600,000	
Construction July 2027	
Public Works Facility	This project will provide the community with a modern, more efficient Public Works facility to replace the aging site on Aviation Parkway. In FY 2026, the Town purchased a building at 125 International Drive and is now renovating
\$20,500,000	

Design CY2027	it to serve as the new facility. This shift in approach away from new construction created significant savings and future growth flexibility.
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Sawmill Creek Stream Restoration & Greenway	This water-quality project will stabilize an eroding stream, improve local habitat, and enhance environmental health for the community. The design also incorporates a segment of the future Sawmill Creek Greenway, located west of the railroad right-of-way along NC-54 between Page Street and Downing Glenn Drive.
\$2,300,000	
Construction FY2027	
Sidewalk Gap Projects	This includes Church Street sidewalk from Morrisville Carpenter Road to the Wake/Durham County line, International Drive from Aviation Parkway to the roadway's north end Louis Stephens Road sidewalk extension, and Sorrell Grove Church Road from Airport Boulevard to Slater Road. Collectively, these projects close critical gaps in the pedestrian network and will be funded through Transportation Reserves, NCDOT grants, and developer funds.
\$1,595,000	
Status Varies by Project	
Town Center Phase 1A	This public-private partnership project with Singh Development LLC is under construction and will create a vibrant community destination through a mix of public spaces and amenities. Town Center includes a mixed-use building with a parking deck, a new town green with an outdoor stage, cottage-style retail, public restrooms, sculptures, water features, and inviting plazas and walkways. Together, these features will provide a unique gathering place that strengthens community connection, supports events and local businesses, and enhances the overall quality of life for residents.
\$20,936,716	
Construction FY2027	
Watkins Road Park (Wake Tech Site)	This project will develop 17 acres of leased, wooded land next to the Wake Tech RTP Campus into park space that supports passive recreation. Amenities could include nature trails, a disc golf course, and supporting facilities, serving as the permanent replacement for the Dragonfly course.
\$6,050,000	
Design FY2027	

It is important to note that many of these capital projects will also require additional costs once activated. This includes recurring costs for maintenance and personnel as well as one-time costs for new equipment and project activation.

Studies and Master Plans

Investing in master plans and study evaluations provides the Town with a clear picture of what our community needs and desires now and in the future. These efforts let staff prioritize projects, understand the real costs, and make sure the Town is investing resources where they will have the biggest impact. By taking the time to study and plan ahead, staff can make smarter decisions, improve services, and deliver projects that truly support our residents' quality of life. The following is a summary of current ongoing plan work:

- Comprehensive Transportation Plan (CTP) Update - The CTP is in the process of being updated to ensure that the plan remains current and is in line with Council's vision for the future of transportation infrastructure in Morrisville. The results will influence future CIP investment prioritizations.

- *Parks Master Plan Update* – The update to the 2018 Parks, Recreation and Cultural Resources Master Plan is intended to reflect current and future community needs while meeting Commission for Accreditation of Park and Recreation Agencies (CAPRA) standards and modern recreation expectations. This update will help ensure the Town is investing in the appropriate facilities, programs, and spaces so residents have access to high-quality parks, cultural experiences, and recreation opportunities that support a healthy, active, and connected community. Completion is anticipated in late CY2026.
- *Sidewalk Gap Assessment* – Staff is conducting an updated survey and inventory of sidewalks along all Town and NCDOT-maintained roads to better understand where gaps still exist. Working with a consultant, this effort will provide accurate, up-to-date data and establish a clear, criteria-based process for prioritizing future sidewalk projects. This survey will help ensure a safer, more connected pedestrian network that supports residents’ daily mobility and long-term community growth.
- *Town Center District Branding, Wayfinding, and Signage Plan* – As Phase 1A progresses, staff is developing a master plan to establish a distinct brand identity for Town Center and its surrounding amenities, including the dog park, the future Veterans’ Memorial, historic sites, the Morrisville Community Library, playgrounds, and retail areas. The plan aims to create a lively social district and center where residents, visitors, and businesses can connect and thrive.

FY2026 – Recap

As we prepare for FY2027, it is important to also look back and celebrate the success of FY2026 and the manner in which this year’s investments have benefited our community. The following summary does this in the context of the Town’s seven strategic goals.

1) Sustainable, Livable Community Growth

Rental Assistance	In collaboration with NeighborUp (formerly Dorcas Ministries), the Town launched its first Rental Assistance Program to enhance affordability for our staff and others.
Solar Installation	Solar panels have been installed on the Connector Building and a subsequent installation is being planned at the MAFC facility, including the Town’s first parking lot solar canopy. The Connector solar panels have already generated over 19,000 kWh, saving \$3,500 since July 2025.
Sustainability Intern	The Sustainability Division welcomed its first intern, providing an additional resource at an efficient cost. The intern focused primarily on the Town’s efforts to grow its tree canopy.

Town Center	Groundbreaking for the Town Center Phase 1A occurred in September 2025 and construction began prior to the end of CY2025. A grand opening is expected in summer 2027.
Tree City Designation	As the result of ongoing efforts by Council and the Public Works/Sustainability team, Morrisville now has the Tree City USA designation. This includes a five-year tree canopy implementation plan. This effort was supported by Town investment as well as a grants from Duke Energy and the NC Forest Service.

2) Public Safety Readiness

Assistant Fire Marshal	The addition of an Assistant Fire Marshal position has expanded the Fire Department’s capacity to provide educational sessions for youth, adults, and seniors across our community. In no small part due to this, over 4500 attendees have attended Fire related events this Fiscal Year.
Digital Forensics Lab	The Police Department invested in the start of an internal digital forensics lab. This equipment greatly expands the capacity of the department to conduct investigations where technology plays a role; it also expedites investigations given the Department no longer needs to rely on external partners.
Drone Program Expansion	The Police Department expanded its drone program to expand their ability to support criminal investigations, search and rescue, and monitoring at special events.
Fire Engines	The Town purchased two, new Pierce Fire Engines to support the Fire Department’s transition to the traditional engine-ladder response model. This approach reduced cost and wait time for the new equipment to support effective emergency response.

3) Engaged, Inclusive Community

All America City	Morrisville has been selected as a finalist for the All America City designation in 2026. This year’s theme is “Strengthening Civic Health and Building Trust. The Town was selected as a result of our consistent and collaborative efforts to work with, educate, and listen to our diverse community to strengthen our community and maintain our high quality of life.
Communications Specialist	The conversion of a Lead for NC Fellow to a full-time position supported the continued expansion of the Town’s Language Access Plan and associated programs and initiatives. This enhanced our ability to community with our diverse

	community; the Town now publishes information in five different languages and has reliable access to translation services.
Community Innovation Group	Council authorized the Smart Cities Steering Committee to transition to a Community Innovation Group to expand and enhance opportunities for community-based innovation. This has resulted in greater opportunities for community participation in their areas of interest and expanded the ability for positive impact by the Innovation Group.
Community Policing	The Police Department expanded its community policing and engagement efforts to better educate, understand, and collaborate with our community. Programs include Coffee with a Cop, Faith & Blue Weekend, and Shop with a Cop, and a renewed focus on outreach to community groups.
Dragonfly Disc Golf	The Public Works and Engineering Departments collaborated to relocate the temporary Dragonfly disc golf course (at minimal cost) to ensure community access during Town Center construction.
Parks Programming Expansion	The Parks, Recreation and Cultural Resources Department made a concerted effort to expand their programs to offer “something for everyone.” Athletics, CFCC, MAFC, and the Senior Center all significantly expanded programming and the Events/Cultural Resources group added seven new events.
Special Events	The Special Events team in the Parks, Recreation & Cultural Resources Department continued to add opportunities and diversity to its programming. New programs included Brushes, Beverages & Blooms, Espresso Reads, and a Senior Prom at the Senior Center.
Website Relaunch	The Communications Department launched a new Town website (www.morrisvillenc.gov) with an enhanced search engine, a wealth of information, and “Morris the Cricket”, the Town’s chatbot. Residents and visitors now have a more user-friendly and ADA-accessible website experience with the Town.

4) Community Mobility

Accessibility Improvements	Public Works staff completed work on removing sidewalk trip hazards in several neighborhoods and enhanced accessibility at several sidewalk access points.
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	<p>Greenway paving is being conducted to ensure safe and fully ADA accessible to our greenways.</p> <p>Public Works staff will be implementing Phase II of the ADA Transition Plan to make additional improvements to support full accessibility for all residents and visitors.</p> <p>Engineering and Public Works collaborated to enhance pedestrian safety with improvements adjacent to Church Street Park and the Dog Park, on International Dr., on Parkside Valley Ln., and at the intersection of McCrimmon Pkwy. and Davis Dr.</p>
Airport Blvd Extension	The Town is partnering with NCDOT on the the construction of Phase 1 of the Airport Blvd extension, ultimately providing additional “east-west” mobility in the Town.
Intersection Improvements and Sidewalk Gaps <i>(Additional Detail is available in the CIP section of this document)</i>	<p>The Engineering Department has continued its efforts to address nintersection improvements and sidewalk gaps. Staff have particularly focused on intersection improvements along Morrisville Parkway, including obtaining grant funding for right-of-way acquisition and applying for additional funds for project construction.</p> <p>Staff have addressed sidewalk additions and repairs at Town facilities to enhance community access and are working on significant projects on Church Street and Louis Stephens Drive.</p>
Sawmill Creek Greenway	The Town received approximately \$1,000,000 in grant funds to support the Sawmill Creek stream restoration that includes development of the start of the Sawmill Creek Greenway near the Town Center.

5) Economic Prosperity

Community Earmark	The Town received \$250,000 through Congresswoman Ross’ office to support the construction of the Town Center. The Town has also requested funds that would be available in FY2027 to support a variety of projects that have funding gaps.
Hospitality Tax Award	The Town recived \$2,000,000 from Wake County and the City of Raleigh for Hospitality Tax funds to support renovations at Church Street Park. The grant will fund 40% of renovations, including additional lighting and a major field renovation.
Spark	The Town collaborated with developers to bring economic development partners to the Spark campus on McCrimmon

	Parkway. This project is leasing approximately 1,300,000 square feet of space and will be making a significant investment at the site.
Novartis	As a result of proactive recruitment and collaboration with King Street Properties, Wake County, and the state, Novartis has announced more than \$400,000,000 in investments in two phases of projects at the Pathway Triangle Advanced Manufacturing campus. This investment will bring more than 400 jobs to the Town.
Sponsorship Program	The Town established a sponsorship program and contracted with a vendor who is currently recruiting sponsors for facilities such as the Church Street Park, the Dog Park, and various athletic facilities. These revenues will be used to balance increasing operational costs in Town.

6) Operational Excellence

Artificial Intelligence	The Town has implemented an artificial intelligence policy and is continuing to expand the intentional use of artificial intelligence to support and expedite the work of Town staff. Our Communications and Information Technology Departments have also collaborated to add an artificial intelligence chatbot to our website to better assist visitors.
Data Dashboard	The Town implemented an expanded data dashboard designed to provide our community with access to data that reflects our ongoing efforts and our progress toward goal achievement. This dashboard will expand over time and will be a tool for the community and our staff. With the implementation of the new Open Data Portal, there has been a 100% increase in usage of Morrisville’s public facing data.
Accounting Generalist	This position has provided an additional resource to the Financial Services Department to allow greater support for core services being accomplished in a timely manner. This position has enhanced our accounts receivable processes and has provided support for accounts payable, two critical roles for the Town.

7) Organizational Resiliency

260A Town Hall Drive (PSMS Building)	The Town purchased the former Chamber of Commerce building located on the Town Hall campus to serve as the administration building for the Parks, Recreation and Cultural Resources Department. This purchase allows the Town to
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	invest in ownership rather than continuing to lease space. It also provides greater accessibility to residents and park users given its central location.
Church Street Properties	The Town is purchasing two properties adjacent to Shiloh Park on Church Street to preserve the opportunity for future expansion of the park and to provide a secondary means of egress to the park.
Credit Rating	The Town has again maintained a AAA/Aaa rating, the highest rating available from the three primary credit rating agencies. This ensures that the Town can continue to invest in its capital improvement plan while borrowing at the lowest interest rates available, further expanding the Town's capacity for current and future projects.
Human Resources Analyst – Recruitment and Retention	This position has provided a resource to bring greater consistency and support to Town-wide efforts to recruit and retain staff.
Parks, Recreation and Cultural Resources Master Plan	The Town has kicked off the process to develop a new Parks, Recreation and Cultural Resources Master Plan, which will be an update to the 2018 Maaster Plan and will guide development for the future. This process will include an analysis of existing assets and amenities, public outreach to identify priorities, and recommendations for investment.
Strategic Plan Update	FY2026 saw the first significant update to the Town's Strategic Plan since its adoption in 2017. This update clarified the six existing goals and added a seventh goal, Organizational Resiliency, formally acknowledging the Town's commitment to being prepared for known and unknown challenges.

FY2028 – On the Horizon

At this time, I do not expect significant change to the Town's fiscal position in FY2028. With the unknown of property tax impacts and the revaluation, staff is planning a conservative approach that will again focus on core services and balancing current and future needs to the best of our ability.



Looking Out for the Future

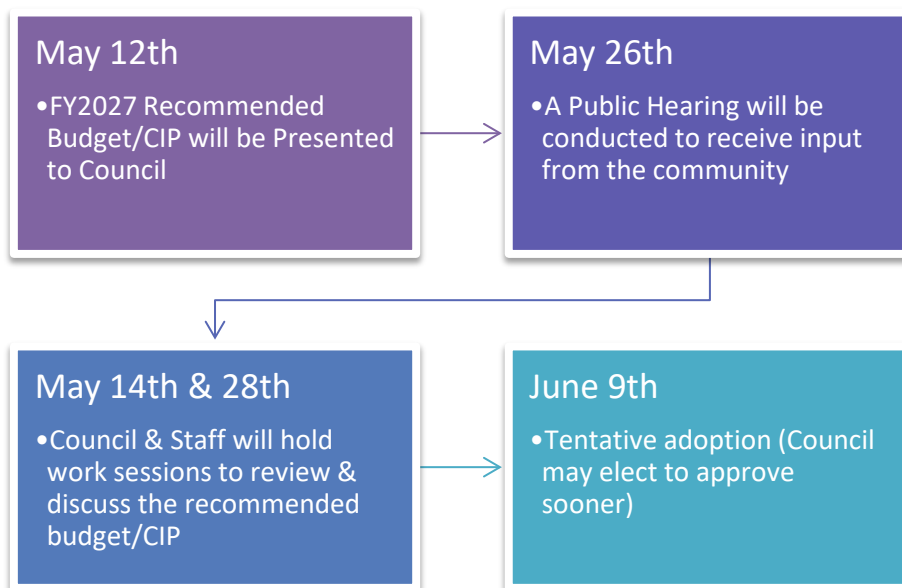


Innovative Engagements



Maximizing Our Assets

Budget Deliberation and Implementation Timeline:



Closing Remarks:

The FY2027 recommended budget is a balanced budget without including a tax increase; the recommended property tax rate remains at 35 cents per \$100 of valuation. I am proud to recognize this budget as another collaborative effort between Town Council, staff, and the community that focuses on our Strategic Plan and identified priorities while balancing them with limited revenues. This budget represents a practical yet conservative approach that invests in our staff, our programs, and our community amidst uncertainties that are largely beyond our control. The FY2027 recommended budget is designed to “Maintain a Connected, Resilient, and Safe Community.”

This budget is also representative of an ongoing commitment by Town Council and Senior Leadership to ensure we value our greatest asset, our staff. My message to staff is consistently that every employee is equally important to our success; this budget demonstrates that through investment in both merit and COLA adjustments as well as the Town providing quality health insurance and related benefits for employees, retirees, and qualifying family members.

As you can imagine, this recommended budget does not exist without significant contributions from Town staff. I must first and foremost thank Director of Management Services Jeanne Hooks and Chief Financial Officer Byron Hayes for their never-ending dedication to the creation of this balanced budget. Their efforts have been immeasurable in this process. I am also appreciative of Deputy Town Manager Giselle Rodriguez, Assistant Town Manager John Letteney, and the entire Leadership Team for their support and their efforts to ensure we could provide an informed and measured budget.

Thank you as well to our residents and stakeholders who have completed the budget survey, spoken at Council meetings, and otherwise shared their perspective regarding their priorities and their concerns with how this budget impacts them individually and collectively. The Town's focus on resilience is about ensuring we can continue to provide services that our community values while supporting our community now and in the future.

Lastly, thank you to our Town Council for sharing their perspective, providing specific feedback and guidance, and demonstrating flexibility in balancing the desire for effective and efficient operations, a respected and well-trained staff, and a commitment to the future of the Town. Thank you as well for your trust in me and our staff to deliver this recommended budget and to execute it over the next year.

A handwritten signature in black ink, appearing to be 'BZ' with a long horizontal stroke extending to the right.

Brandon Zuidema
Town Manager/Budget Officer

FY2027 Annual Operating Budget & CIP

“Maintaining a Connected, Resilient, & Safe Community”

Dedication



Courtesy



Presented by
Brandon Zuidema
Town Manager / Budget Officer
Town Council Meeting
May 12, 2026



Integrity



Innovation



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Morrisville

Live connected. Live well.

To Our Readers:

We appreciate your support and interest in the Town of Morrisville’s proposed annual operating budget & capital plan for continuing to provide quality core services to the community, as well as leveraging your tax dollars for future investments that improve and enhance your quality of life and safety.

This document serves as a condensed version of the proposed budget report for the purposes of facilitating an efficient presentation, focusing on key budget highlights and discussion topics.

The full version containing other sections such as the organizational chart, elected officials, budget snapshot, fund details, department profiles, policies, budget controls, and glossary of terms, will be published following adoption of the budget.

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Town of Morrisville, North Carolina
FY 2026 – 2027 Annual Budget

Town Officials

Mayor
TJ Cawley



Mayor Pro-Tem
Anne Robotti



Council Member
Satish Garimella



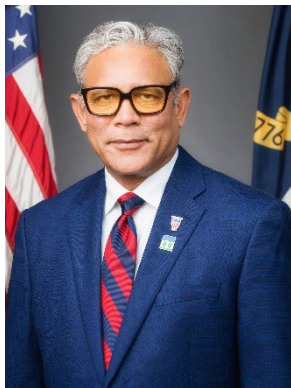
Council Member
Harrison Kesling



Council Member
Liz Johnson



Council Member
Ashit Patel



Council Member
Vicki Scroggins-Johnson





Town of Morrisville, North Carolina FY2027 Annual Budget Message

May 12, 2026

Dear Mayor Cawley, Mayor Pro-Tem Robotti, and Council Members Garimella, Johnson, Kesling, Patel, and Scroggins–Johnson, Town Staff, and our Community Members and Stakeholders:

Each year, the budget process provides an opportunity to reaffirm Council and community priorities, wisely invest our revenues and reserves, and plan for Morrisville’s future. This recommended budget presents unique opportunities and challenges. The process is being guided by a clear purpose and a commitment to serving Morrisville’s residents and stakeholders. This year’s theme, *“Maintaining a Connected, Resilient, and Safe Community,”* reflects that focus.

In accordance with the Local Government Budget and Fiscal Control Act and NC General Statute 159-11, the recommended Annual Budget for FY2027 is submitted as a balanced budget for your consideration. This recommendation reflects guidance from Town Council, Town staff, and of course our community. It is also constructed based on financial guidance received from the North Carolina League of Municipalities, the Wake County Tax Assessor’s Office, and Davenport & Co. (the Town’s financial advisors). Staff have once again made a concerted effort to seek out and rely on community feedback to help determine budget priorities and revenue capacity.

FY2027 brings some unique challenges for the Town of Morrisville (and many of our peer communities across North Carolina); these challenges are also expected to continue into FY2028. I commend Town Council and our staff for their willingness to make difficult decisions that ultimately support the best interests of our community now and in the future given the totality of our circumstances. Despite external economic pressures, the recommended budget supports the Town’s obligations, advances our strategic goals, and maintains fiscal stability in a time of external instability, all without a tax increase. Town Council emphasized the need to listen to residents and other stakeholders and has focused on “living within our means” in FY2027.

Although there are financial challenges due to slower growth compared to what our community typically saw pre-COVID, our region is still expected to grow and develop faster than many other areas around the country, supported by strong economic development. The Town’s investment in an Economic Development Director and a proactive approach to development has quickly become an asset. Our Planning Department is an important part of this approach, particularly by bringing projects to

Morrisville with a focus on “speed to market” as evidenced by the recent Novartis recruitment. To support this effort, this recommended budget includes a new Planner position.

Wake County continues to demonstrate strong economic stability, supported by sustained investment activity and a diverse industry base. Morrisville is contributing to this with continued growth in life sciences and related projects. Although the Town has limited land available for new development, there are a number of new opportunities that will benefit the Town in the future. These include the Town Center, Transit Oriented Development (TOD) on three corners of Chapel Hill Rd. at McCrimmon Pkwy., as well as other parcels on Church St., Louis Stephens Dr., and McCrimmon Pkwy. Additionally, there are a number of opportunities for redevelopment for commercial and residential parcels that are anticipated to increase property values in the coming years.

Unfortunately, this optimism around growth must be tempered with revenue challenges primarily related to the FY2025 property revaluation, pending legislation, and the FY2028 revaluation. As the result of a significantly higher number of property valuation assessment appeals, the Town’s revenues for FY2026 were reduced by approximately \$1,000,000. Based on the number of appeals still pending at the time of this recommended budget, there is the potential for additional lost revenue in FY2027. There is also legislation being considered in the North Carolina General Assembly that could further limit revaluation and property tax revenue in the future. With that, the Town must be prepared to effectively manage revenue challenges in both FY2027 and FY2028. This recommended budget is designed with that in mind.

Regardless, the Town remains committed to delivering high-quality services in support of the seven goals found in our Strategic Plan. That commitment is possible based on sound decisions to create capacity to invest in personnel and other resources to support development, public safety, and the quality of life and level of service our community expects and deserves. The recommended budget includes three firefighters to support consistent four-firefighter staffing on all apparatus in accordance with national standards, and three police officers to support patrol, investigations, and the establishment of a School Resource Officer program at the new Morrisville High School opening in fall of 2027. The recommended budget also includes two positions and equipment necessary to support the opening of the Town Center in summer 2027.

Additionally, the recommended budget includes expansion of the Smart Shuttle in response to community feedback, invests in public safety equipment and vehicles, and continues to ensure our staff are compensated fairly based on market and their individual performance. Although there is not capacity for significant program expansion beyond the Town Center in the recommended budget, there is a focus on maintaining core services to ensure residents and other stakeholders have what they need from the Town.

The recommended FY2027 budget is an intentional balance of prudently and conservatively utilizing our available revenues, reserves, and other resources to invest in our community in a manner that will allow Council and staff to navigate challenges while still providing the level of service expected.

Our Values



DEDICATION



INTEGRITY



COURTESY



INNOVATION

Our Mission

Connecting our **diverse** community to an **enhanced** quality of life through **innovative** programs and services.

Our Vision

A **sustainable** and **thriving** community that celebrates **diversity** and **inclusion** while enhancing the **well-being** of people who live, work, and play in **Morrisville**.

Connect Morrisville – Strategic Plan Goals



The Town of Morrisville’s Strategic Plan focuses on seven overarching goals, each with examples of actionable initiatives underneath it. These initiatives, and their associated metrics, help provide valuable insights into the progress of the Town’s key focus areas and speak to whether our processes have us on track to meet our goals.

While the Strategic Plan and its associated goals, objectives, and initiatives do not encompass the totality of Town operations, they speak to priorities identified by leadership as key areas that the Town must focus on to be successful over the next five years. This is the first year featuring the newly refreshed Strategic Plan and its seventh goal, Organizational Resiliency, which focuses on efforts to insulate the Town (and our residents) from unforeseen circumstances and challenges.

What follows is a sampling from our Strategic Plan, featuring key initiatives and metrics that illustrate how our data supports budget decisions. While no single metric stands alone, these indicators are used for evaluations, connecting the value and application of data metrics to budget development. For complete information, please refer to the [Strategic Plan Dashboard](#).



Goal: *Sustainable, Livable Community Growth*

Initiative: *Continue to promote & implement environmental sustainability opportunities*

KPI	Value	Meaning
% of monthly inspections related to building permits scheduled on or before the requested date	July 2025: 96% March 2026: 98%	Assessing inspection timeliness and accuracy leads to safer, more efficient building processes, fewer delays, and higher quality standards. This streamlines development, builds trust in local services, and supports a more sustainable, livable community.



Goal: *Public Safety Readiness*

Initiative: *Departments with first responders will meet or exceed minimum standards for accreditation, staffing, & technology to ensure operational readiness.*

KPI	Value	Meaning
Fire total response time 90 th percentile target of 6 minutes or less	Q1 FY26: 7:05 Q3 FY26: 7:06	Quicker arrival after an incident is dispatched helps protect lives, reduces injuries, and limits property loss. By improving response times, we show our dedication to residents’ safety and ensure timely assistance. To enhance this, we plan to leverage cutting-edge technology and maintain optimal staffing,
Average Apparatus Staffing	CY2023-2025: 3.4 staff Target: 4 staff	

		allowing us to respond faster and strengthen community confidence.
Police clearance rates	CY2024: 36.7% CY2025: 40.7%	Studies show that detectives handling over 12–18 active cases at once see lower closure rates. By adding resources, we can keep caseloads manageable and help investigators resolve cases efficiently. This results in enhanced customer service.



Goal: *Engaged, Inclusive Community*

Initiative: *Seek community input and feedback through regular program interactions.*

KPI	Value	Meaning
Average # of social media engagements	July 2025: 25,906 Mar 2026: 36,651	The Town of Morrisville values keeping our community informed and responding in a timely fashion to feedback. Social media engagement rate demonstrates the effects of our outreach efforts in keeping our residents and stakeholders aware of current happenings, while the % of Concern Reporter requests completed within 10 business days speaks to our ability to respond to feedback quickly and efficiently.
% of Concern Reporter requests completed within 10 business days of receipt	July 2025: 82% Feb 2026: 100%	



Goal: *Community Mobility*

Initiative: *Implementation of prioritized mobility options recommended via study and/or comprehensive plan*

KPI	Value	Meaning
Average disparity between Smart Shuttle scheduled and actual arrival time	July 2025: 2:12 Mar 2026: 1:48	Community connectivity requires reliable and available transit options. Morrisville’s Smart Shuttle provides our residents with easy transportation to a variety of destinations within Town borders. On time performance and the percentage of ride requests with seats unavailable can help demonstrate the need for additional support within the program.
% of Ride Requests with Seats Unavailable	July 2025: 7.6% Apr 2026: 8.6%	



Goal: *Economic Prosperity*

Initiative: *Facilitate new jobs & capital investment by supporting the retention & expansion of existing businesses & promoting commercial developments & redevelopments in alignment with the Town's vision*

KPI	Value	Meaning
% of permit reviews that meet or exceed the target time threshold	Jun 2025: 94% Feb 26: 91% Target: 95%	Tracking private investment and building permit activity gives essential data for staffing and resource planning. New investment announcements signal future projects that may require additional review and coordination. Year-over-year analysis helps management adjust personnel and resources as needed; rising permits may justify hiring, while decreases prompt a reassessment. This ensures initiatives like affordable housing, shuttle programs, and capital projects have adequate support for efficient execution.
\$ in new private investment announced annually	FY 2024: \$797 Mil FY 2025: \$1.25 Bil	



Goal: *Operational Excellence*

Initiative: *Leverage technology & implement systems to improve operational processes & outcomes*

KPI	Value	Meaning
Average # of Days to Fill Vacancy	FY 2025: 61 FY 2026: 41	Efficient service depends on the hard work of Town staff, and Town staff need to be on board before they can perform that work. Year-over-year analysis of time to fill positions and turnover percentage speaks to the Town's ability to staff itself well and may justify additional investment in hiring technologies or job marketing.
Townwide Turnover %	FY 2025: 13% FY 2026: 14%(est.)	



Goal: *Organizational Resiliency*

Initiatives: *Ensure equitable access, programming, engagement, and collaboration opportunities across all community demographics
Create and engage in environmental preservation efforts*

KPI	Value	Meaning
Cumulative dollars saved from Sustainability Projects	2024: \$76,844 2025: \$127,549	A key component of resiliency is finding innovative ways to bring in and conserve financial resources where possible. The funding

Grant Dollars Received per Fiscal Year	FY 25: \$2,928,967 FY 26: \$2,662,615	saved from our sustainability projects and brought in by our grants team play a key role in our ability to provide services to our community even in challenging financial situations.
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Note: This sample shows how metrics support resource planning and process improvements. Metrics are not used alone; when an indicator is flagged, staff conducts thorough analysis before making recommendations.

Opportunities & Challenges:

This year’s budget development process has been unique both in terms of opportunities and challenges for today, tomorrow, and the future in Morrisville. The opportunities include continuing to support our staff as our most valuable asset, investing in current and future amenities and infrastructure, and preparing for the opening of the Town Center. The challenges include slower revenue growth, ongoing inflation, and uncertainty related to the economy and legislative changes impacting our revenues.

There are a number of specific opportunities presented with this year’s budget:

- **Creative Solutions to Advance Work:** Staff continues to seek out innovative and creative solutions to getting the work done efficiently and effectively. This is evidenced through a number of examples:
 - Recent re-organization of the Communications & Outreach Department balancing staff responsibilities and avoiding a request for an additional position.
 - Lead for NC Fellow in Information Technology that will support efforts to expand the Town’s creation, analysis, and use of data without adding a full-time position.
 - Interns in various roles supporting needed projects and assessments bring fresh ideas and a reduced reliance on additional positions.
 - Leveraging AI and system solutions to improve processes makes our staff more efficient, helps to balance workload, and supports enhanced customer experience.
- **Economic Development:**
 - Current budget conditions, including limited revenue growth, rising costs, and increasing service demands, influence the Town’s ability to support economic development activities. Maintaining timely permitting, inspections, and infrastructure readiness remains essential to supporting business recruitment,

expansion, and day-to-day operations. Maintaining capacity is a key factor in ensuring projects move forward efficiently.

- Investments in parks, amenities, and community programming also contribute to quality of place, which plays an important role in talent attraction, business retention, and local economic activity.
- Funding levels and resource allocation decisions may impact service delivery timelines, infrastructure investments, and overall responsiveness, which are important to business confidence and the Town's competitiveness. Continued focus on aligning resources with growth will be important to support both existing businesses and future investment.
- **Grants:** Grant opportunities ease the strain in the budget, freeing up funds for other priorities, promoting creative approaches to completing projects, and increasing recognition for the Town. Our staff continues to work with our Central Pines Regional Council partners with proactively identify grants that will, if awarded, provide additional revenues to support programming and projects.
 - In FY2026 current awards total approximately \$3M in various grants with minimal Town matching requirements of \$130K. This level of return extends the Town's capacity and allows us to deliver major projects and improvements at minimal cost to taxpayers. \$2M of that comes from the Wake County Hospitality Tax Community Project award for Church Street Park Upgrades.
 - The Town has submitted (and is awaiting award notice) on another \$300K for emergency preparedness, Senior programs, native planting, safety equipment, and a Traffic Safety Officer. Currently, staff are working on a "Safe Streets 4 All" grant for intersection safety relating to Morrisville Parkway.
 - The Town has applied for \$9.2M in federal earmarks through Federal Community Project Funding applications for Pugh House renovation, future Town Center phases, Police space in new Fire Station 2, Public Works warehouse upfits, the Traffic Pre-emption program, and Police evidence storage and forensic lab equipment.

Congresswoman Ross's office has stated an intent to fund \$300K for the Public Safety Mobile Command Post.

- **Sponsorships:** The Town has launched a sponsorship program that should bring recurring sponsorship revenue to the Town beginning in FY2027. This approach supplements smaller sponsorship opportunities that already exist for our special events. Revenues from this sponsorship campaign are not accounted for in the budget recommendation, providing an opportunity for additional revenues over the course of the year.

- **Tax Base Growth:** Although there are some concerns with property tax revenue (see below), future opportunities from developing projects like Pathway Triangle, the Spark campus, and Town Center will continue to expand the Town’s tax base and revenues.

There are also a number of challenges as we develop the FY2027 budget (and as we look to future years):

- **Inflationary Impacts:**

- The Town is continually faced with inflationary impacts to our base operating budget. For FY2027, that increase is anticipated to be approximately \$252,000, primarily related to contractual and insurance increases.
- There are also ongoing inflationary impacts to Town capital projects resulting from increases in labor and materials as well as concerns with the impacts of tariffs.

- **Limited New Revenue:**

Naturally occurring revenue growth has slowed since pre-Covid. From FY2023 to FY2027, average revenue growth has been 5.8%. To ensure resiliency, the recommended budget is intentionally more conservative than it has been in prior years to allow us to adapt to this uncertainty. In many cases, this includes reductions in anticipated FY2027 revenues versus projected FY2026 revenues.

- **Property Tax Assessment Revaluation, Appeals, and Exemptions:** *See more in the “Ad Valorem” portion of the Revenues section of this document.*

- **Conservative Projections:** One way the Town is preparing for any potential impact on property tax revenues is that staff continue to be conservative in revenue estimates to safeguard our fiscal solvency. Staff follow guidance provided annually by the North Carolina League of Municipalities (NCLM) and our financial advisors.

- **Recruitment and Retention:** Staff have transitioned to a more proactive approach for recruitment since the addition of the Human Resources Analyst position. Additionally, the Town has adopted a compensation spreadsheet that serves as a tool for department and HR staff to be more consistent in making offers to potential employees that acknowledge their experience and the current market conditions. This has been particularly helpful in being more consistent in compensation and in supporting public safety recruitment.

The Town continues to focus on staff compensation and benefits in order to ensure our staff are compensated fairly in line with the market, their skillset, and their performance. The FY2027 budget includes a 1% market adjustment (COLA) for all staff, merit compensation at an anticipated average of 4.5%, and funding minor adjustments and longevity incentives, the recommended budget includes approximately \$1,561,199 in investment in our current staff. This represents approximately 23% of our available revenue capacity.

This recommended budget ensures that every full-time employee with the Town is earning at least \$55,244, which is the FY2027 Wake County “Living Wage.”

- **Service Expectations:**

- **Balancing Needs:** As the Town continues to grow with limited new revenues, it becomes more challenging to fund core operations while also planning for future operational and capital needs.
- **Expanding Expectations:** As community programming interests change and expand, so does the need to add resources to invest in the anticipated amenities and services.
- **Existing Obligations vs New Community-Based Programming:** We have reached a time when investing in new amenities and/or programming may have to directly relate to reducing existing investments elsewhere without additional revenues.

Partnerships Supporting Town Operations

Staff continue to collaborate with other governmental entities seeking efficiencies and synergy with our neighbors and other partners. These partnerships further support the Town’s pursuit of strategic plan goals and Council and community priorities while also maximizing the efficiency of Town revenue. Examples include (but are not limited to) the following:

- Capital Area Metropolitan Planning Organization (CAMPO) – working with regional partners, the Town benefits from support for transportation projects by having Morrisville projects included in regional and state plans and by receiving funding support for the projects.
- Cary/Apex/Morrisville (CAM) Fire Response Model – working with the Towns of Apex and Cary, the three fire departments essentially serve as one combined department for the purpose of enhancing the quality and timeliness of response to

emergencies in all three communities. The three departments train together, respond together, and work closely together during emergencies.

- Central Pines Regional Council (CPRC) – the Town has a long history of membership in and collaboration with CPRC in addressing issues of interest throughout our region. Most recently, the Town partnered with CRPC to get support for identifying and applying for grant opportunities to support Town operations and projects.
- North Carolina Department of Transportation (NCDOT) – with responsibility for the majority of major roadways in Morrisville, NCDOT is a critical partner for the Town. The Town often provides betterments to NCDOT projects to ensure that Town requirements and expectations are met. This includes lighting, sidewalks, and other amenities.
- Town of Cary – the Town has a number of valuable partnerships and collaborative efforts with the Town of Cary. The Town of Cary provides water and sewer services for the Town, provides 9-1-1 call-taking and dispatching services for Morrisville Fire and Police, and supports traffic signal maintenance in the Town. Their services are typically more economical than other options used in the past.
- Wake County Economic Development - the Town continuously pursues new opportunities through our partnership with Wake County Economic Development. Wake County continues to demonstrate strong economic stability, supported by sustained investment activity and a diverse industry base. The ongoing level of investment signals sustained confidence in the region's long-term growth and overall economic strength.

Budget Planning & Development Process

Preparation for the FY2027 budget process began in fall 2025 through the discussion of emerging interests from staff and through the Leadership Team preparing their mid-year budget submittals and updates. Staff subsequently worked with Council at the 2026 Council Retreat and through a series of work sessions through the spring.

During the January 2026 retreat, Council members shared their individual thoughts and ideas and visualized ways to align unique perspectives and opinions into their budget priorities for the FY2027 budget. Those priorities produced focus areas that layer into and align with our Strategic Plan Goals.

Resilient Fiscal Management

- Maintain AAA Bond Rating & Robust Financial Foundation
- Conservative Budgeting
- Retaining Tax Base Strength
- Focus on long-term resilience

Pedestrian & Vehicle Safety

- Expand Public Transportation to Enhance Reliability
- Address Congestion Across Town
- Emphasize Education & Enforcement
- Enhance Safe Ways to Travel in Town

Optimization of Operations

- Enhance Civic Trust & Transparent Governance
- Use AI to Ease Staff Time & Enhance Training
- Technology for Operational Efficiencies
- Resourceful Use of Facilities & Equipment

Sustainability & Environment Focus

- Leverage Cutting-Edge Ideas
- Reduce Carbon Emissions in Town-Owned Buildings
- Create Community Sustainable Programming for Residents & Businesses
- Enhance Sustainable Development Options

Building Our Future

- Build Reserves
- Activate Town Center
- Identify Revenue Potential from Redevelopment
- Build Community Accolades & Recognition Opportunities

Innovative Connections

- Arts & Cultural Initiatives
- Provide Welcoming Connections for Residents & Businesses
- Create Entrepreneurship & Innovation Programs
- Expanded Partnerships with Community and Regional Stakeholders

Livable Community Options

- Provide Housing Options for all Income Levels & Life Stages.
- Advance Education Advocacy that Strengthens Community.
- Focus on Livability & Well-being through Programs and Amenities
- Promote Healthy Community Initiatives
- Aging Well & Senior Support

Public Safety

- Preserve Morrisville's Image as a Safe Place
- Ensure Strong Emergency Responsiveness through Staffing Standards, Continuous Training, Modern Equipment & Strong Regional Coordination
- Ensure Community-Centered Public Safety Services

Council also reviewed the 5-Year CIP through project updates. Following the CIP refresh completed in FY2025, the CIP only required minor updates to project costs, phasing, and other influences. No new projects were proposed.

Following the retreat, budget preparation continued with all Town departments required to present their progress on implementing their FY2026 budgets, considering their needs for FY2027-FY2029, and aligning their budget requests, including staffing, with those needs.

Listening to the community's perspective during the budget planning process allows the Town to address our residents' most pressing concerns and to develop initiatives that reflect their values and priorities. Therefore, the Town's budget is not just a financial plan but also serves as a strategic tool to maintain a resilient, inclusive, and thriving community.

A preliminary budget portal tool opened in December 2025 to provide Town Council initial perspectives from the public to consider during budget brainstorming discussions post-retreat.

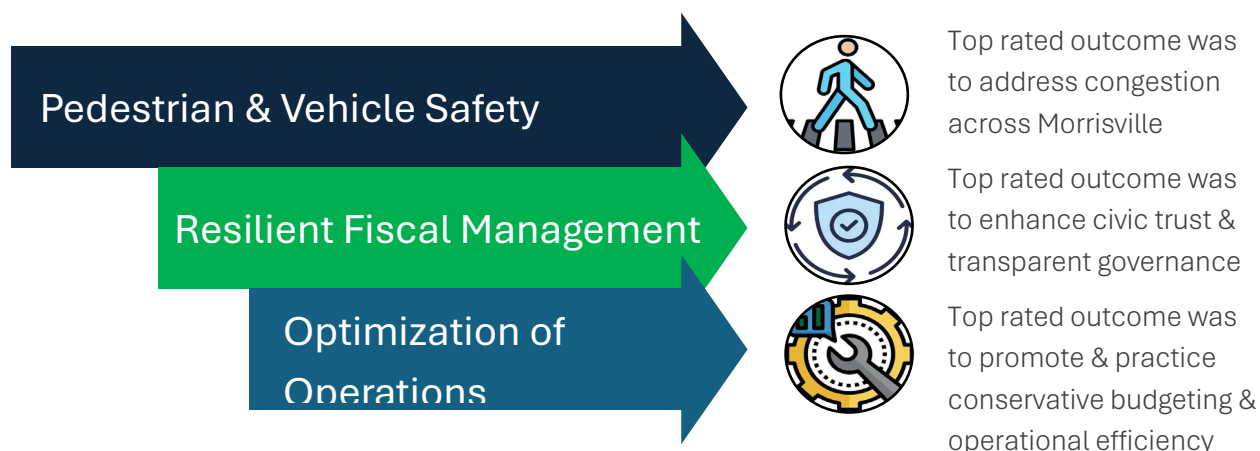
During March, Council finalized the SOAR Budget Priorities, marking a significant step in aligning municipal goals with both immediate and future needs. Staff conducted a review of the upcoming budget outlook, which allowed Council to examine both short-term long-term objectives. This outlook session provided the Council with a forward-looking perspective, enabling a comprehensive understanding of how current decisions can influence future impacts, challenges, and opportunities.

Additionally, the Communications and Outreach Department launched “Budget in Bloom” engagement campaign, encouraging community members to complete a “Spring Survey” that opened in March to share feedback on the Council budget priorities.

This collection of Council, community, and staff feedback has significantly contributed to the development of this recommended budget. Additionally, there are also several community outreach sessions and other opportunities planned in both May and June to build awareness that the Town is focused on “Maintaining a Connected, Resilient, and Safe Community.” More information is available on the Town’s [Budget Development Dashboard](#).

A budget preview was provided for the Town Council at the April Council work sessions as staff evaluated budget submittals. The preview provided Town Council with an early glimpse into budget development and demonstrated how staff was working to align budget submittals to Council’s eight priority areas. The discussion more definitively outlined available resources and available capacity for existing and new requests. The discussion was focused on Council priorities, community perspective, and resource needs vs available capacity.

The results of early budget outreach were also shared with Town Council, including the three highest-ranked community priorities and outcomes in each category as shown below:



At the April 30 Council Work Session, staff presented recommended scenarios for the FY2027 budget. This presentation enabled staff to gather final guidance from Council, which informed the preparation of the recommended FY2027 Budget and Capital Improvement Plan (CIP). Below is a summary of all budget development discussions and planned review sessions.

New Investment - The Community Perspective

By “*Maintaining a Connected, Resilient, and Safe Community*,” the Town is reinforcing our commitment to our community members and other stakeholders by investing in the following key areas organized by the seven Strategic Plan goals (details are available in the Budget Priorities section of the budget report):

Sustainable, Livable Community Growth

The proposed investment strengthens the Town’s commitment to creating a connected community by adding staffing capacity to advance development reviews to maintain an economic development edge and support programs like rental assistance and public art. It also focuses capital investments to continue connectivity improvements through sidewalk and intersection improvements. Additionally, the Master Sustainability Plan will be updated to focus on a balance of internal and external sustainability efforts moving forward.

Council Budget Priority Alignment: Livable Community Options, Building Our Future, Innovative Connections, & Optimization of Operations

Public Safety Readiness:

The Town is prioritizing the adjustment of public safety staffing and equipment to address rising call volumes and the increasing complexity of incidents handled by both the police and fire departments. This approach is intended to ensure that response capabilities remain effective and that resources are aligned with the community’s evolving safety needs. By focusing on right-sizing personnel and equipment, the Town aims to maintain service levels that meet resident expectations and support a safe, resilient community. This also includes funding to advance traffic pre-emption that allows a quicker, safer response by first responders to emergency calls.

Council Budget Priority Alignment: Public Safety, Operational Resiliency, Optimization of Operations

Engaged, Inclusive Community:

The recommended budget provides resources that enable the organization to enhance community gathering spaces through the thoughtful activation of Town Center in the summer of 2027 that will help neighbors connect and enjoy shared social experiences. It allows staff to shape current programming and rebalance special event programs to benefit all age groups, creating valuable community experiences.

Council Budget Priority Alignment: Innovative Connections, Optimization of Operations, Building Our Future, Livable Community Options

Community Mobility:

Here, the budget is focused on enhancing pedestrian safety and promoting sustainable practices by increasing mobility options and ensuring the ongoing maintenance of bridges and walking paths. Efforts include improvements to the Smart Shuttle service and the addition of new nodes to better connect the community. The Town is continuing improvements for walkability and safety of pedestrians through continued sidewalk gap projects to create a more continuous and accessible pedestrian network.

Council Budget Priority Alignment: Pedestrian & Vehicle Safety, Optimization of Operations

Economic Prosperity:

This initiative focuses on improving infrastructure and public safety technology to attract private investment and offer amenities residents want. By making the Town Center a hub for events and community interaction, it aims to boost small local businesses, foster economic growth, and strengthen our community identity.

Council Budget Priority Alignment: Resilient Fiscal Management, Building Our Future

Operational Excellence:

From a community perspective, the Town is committed to strengthening both communication and transparency by staying current with technology infrastructure and other planned equipment replacements. This initiative focuses on the implementation and replacement of essential hardware to ensure reliable operations, as well as the enhancement of management software that supports daily functions. These upgraded systems facilitate more efficient operations and ensure that the community remains well-

informed and engaged. This also accounts for maintenance needs to extend the useful lives of Town facilities and equipment.

Council Budget Priority Alignment: Optimization of Operations, Resilient Fiscal Management

Organizational Resiliency:

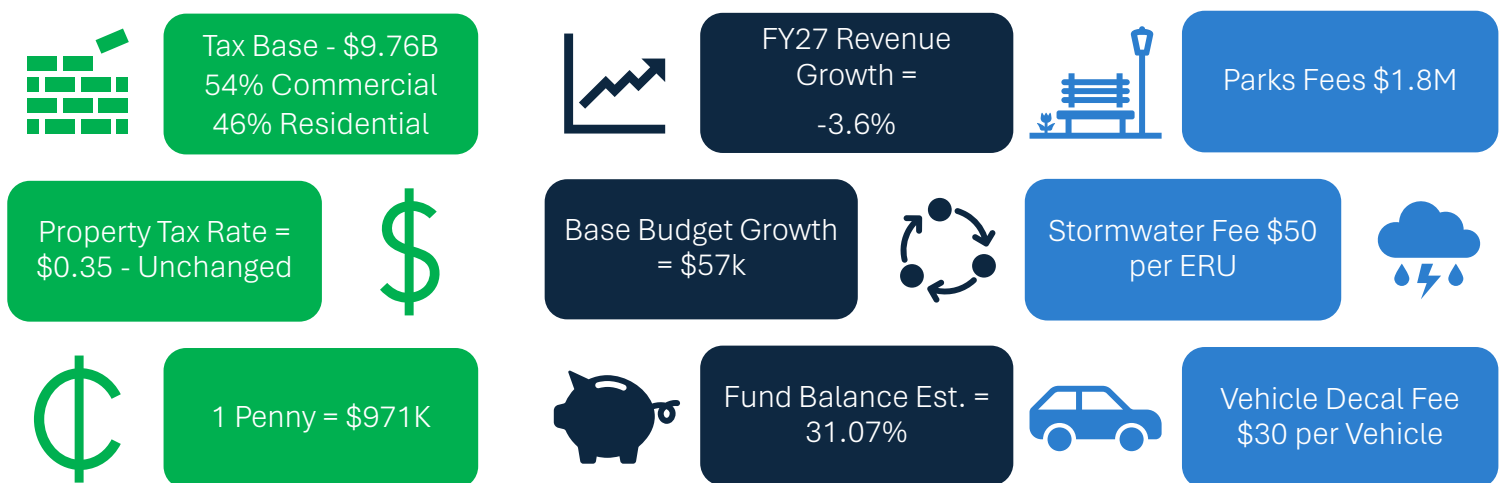
A key focus area for the Town is ensuring that essential community services and amenities are consistently delivered at the service level our residents expect. This priority is addressed through several strategies. An essential ingredient to resiliency is the Town’s dedication to retaining a skilled workforce, recognizing that knowledgeable and committed employees are crucial to maintaining service quality. Through these combined actions, the Town aims to strengthen its ability to respond to challenges and adapt to changing circumstances, reinforcing operational stability for the long term.

Council Budget Priority Alignment: Resilient Fiscal Management, Optimization of Operations, Sustainability & Environment Focus, Building Our Future

Recommended Budget Overview

The FY2027 Recommended Budget totals \$60,410,000 for all Town operations, capital improvements, and debt service requirements. This is 3.6% less than the FY2026 Original Budget. The budget is balanced with a tax rate of \$0.35. The tax rate remains flat, reflecting Town Council’s ongoing commitment to minimizing economic impacts on our residents.

Budget Snapshot



General Fund

The General Fund accounts for resources not required legally or are required by sound financial management procedures to be accounted for in another fund. The General Fund includes services that cannot be operated as a business enterprise and rely on tax dollars as their primary source of revenue. The FY2027 Recommended Budget for the General Fund totals \$ 60,410,000

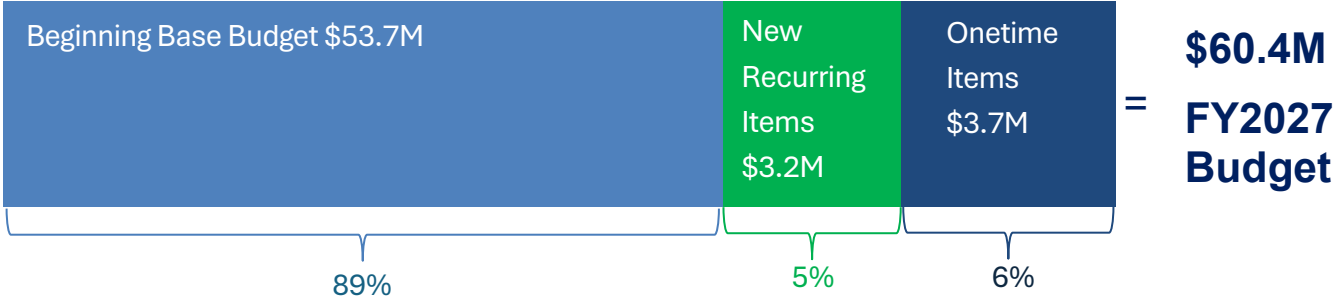
Expenditures and Investment

Comparing the FY2027 Recommended Budget to the FY2026 Original Budget reflects a decrease of 13% in operating capital expenditures and operating expenditures due to the funding of two fire apparatus in FY2026, while increases in personnel costs are driven mainly by salary and benefit increases from merit and market adjustments provided in the FY2026 Budget, as well as the addition of four new full-time and two new part-time positions in the organization.

Base Budget Additions and Adjustments:

Additions to the base budget resulting from changes in programs, services, and personnel are specifically identified to illustrate both their immediate (one-time) and ongoing (recurring) impact on the Town’s financial plan. Once new programs and services are incorporated into the base budget, they create continuing obligations in future years unless offset by corresponding reductions elsewhere. The FY2027 recommended budget includes some expansion of recurring expenditures, which is crucial for maintaining stable core service levels. At the same time, it also enhances programming and provides additional support for achieving Town goals. These adjustments are made with careful consideration of current and future economic conditions.

The FY2026 Base Budget was \$54.2M. A thorough review and evaluation were conducted to validate investment in core services. This process identified approximately \$1M to be repurposed, allowing those resources to absorb other base budget needs. Additional

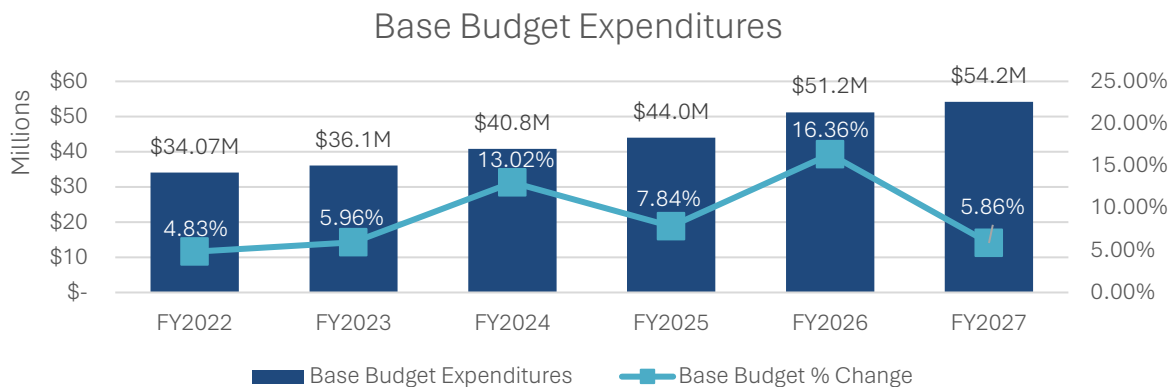


efficiencies and cost savings totaling \$252K were also realized, which serve as a capacity element for balancing the current budget. For FY2027, the Base Budget is proposed to increase by \$3.2M, resulting in a new total of \$57M due to the addition of recurring expenses.

Based budget increases most typically result from recurring program and service expenditures, including contractual obligations, and personnel-related adjustments to support service delivery.

Debt Service and Reserve Fund Management:

Debt service costs are managed through the Town's Debt Reserve Fund. This fund is designed to anticipate and plan for upcoming debt issuances, including those scheduled to come online for FY2027. Debt service for the second financing for the Public Works Facility renovation is expected along with other pay-go projects such as Cedar Fork Elementary Athletic Fields as well as continued intersection and sidewalk gap improvement projects (refer to the Capital Investment Program section for more information). For FY2027, debt service obligations amount to \$6,694,789 and are



expected to increase by 8%.

The Town works closely with its financial advisors to monitor debt affordability and proactively plan for the capacity to pay for projects outlined in the Capital Investment Program (CIP). This ongoing collaboration supports responsible fiscal management and helps ensure that debt commitments remain sustainable within the Town's broader financial strategy.

Personnel:

While personnel remain the Town's largest expense, our staff is also our greatest asset. Our staff remains at the core of all that we do for and with our community. We are very fortunate to have such dedicated, hard-working, and knowledgeable staff that consistently demonstrate the Town's core values of Dedication, Integrity, Courtesy, and Innovation.

Additional Positions:

The FY2027 Recommended Budget includes ten new full-time positions and one UNC Fellow in the General Fund; there are no new positions recommended in the Stormwater Fund. New positions will bring the total approved full and part-time benefited positions to 261, and will increase annual personnel costs by \$871,000 (total compensation less equipment). Below is a summary of positions by Council Budget Priority:

Public Safety: Adjusting Police and Fire staffing levels is necessary to maintain readiness and safe deployment, enhance community partnerships, and preserve Morrisville's status as a safe community.

- 3 Firefighters (full-year allocation) – to support the full staffing model for four apparatus to consistently deploy with four firefighters.
- 1 Police Detective (half-year allocation with vehicle) – to address increasing and more complicated criminal investigations and to ensure residents receive an appropriate level of service.
- 1 Police Officer (half-year allocation with vehicle) – to ensure minimum staffing and an appropriate level of service as calls for service and responsibilities increase.
- 1 School Resource Officer (quarter of the year allocation with no vehicle) – to complete SRO training to be ready for assignment to the new Morrisville High School in fall 2027.

Town Center Activation: Planning for and launching the Town Center requires staff be in place by spring of 2027 to begin planning for events and programs for all ages, and to assume the maintenance of green spaces once complete.

- 1 Town Center Event Specialist in the Parks, Recreation and Cultural Resources Department (half-year allocation) to address event and program planning.
- 1 Town Center Ground Technician III in the Public Works Department (half-year allocation) to address maintenance needs.

Development and Market Readiness: Necessary to address essential workload shifts to optimize economic and capital planning support, along with efforts to manage ongoing affordable housing and public art initiatives.

- 1 Senior Planner (full-year allocation) in the Planning Department to support the balancing and prioritization of responsibilities.

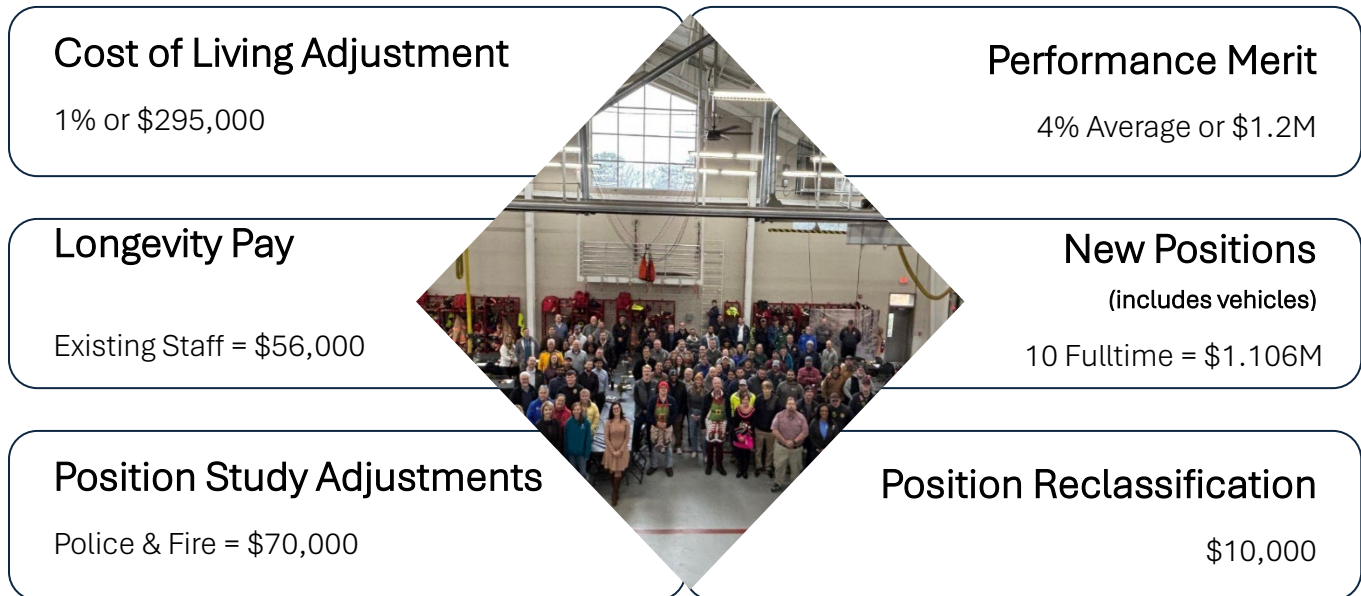
Technology Support: This position offers supplementary resources to the overall IT support services division while delivering external IT service assistance to a community partner that is fully funded through a service agreement.

- 1 IT Support Technician (full-year allocation) in the Information Technology Department to provide support services via agreement to the Central Pines Regional Council.

Data Fellow: Morrisville will host a Lead for North Carolina Fellow from UNC's School of Government for 10 months. The fellow will work in the Information Technology Department and will support open data, GIS, and records digitization projects, and is funded by a contract with the School of Government, not through Town position authorization.



Compensation and Benefits:



Employee Performance Evaluation and Compensation:

The Town’s performance evaluation and compensation system is structured around Connect Morrisville, the Town’s values, and the establishment of clear performance goals and objectives for each employee. For FY2027, the Town will provide two compensation adjustments to all employees. Town salaries will increase by 1% to ensure compensation remains competitive in the current labor market (“Cost of Living Adjustment”). The second will be merit pay based on the annual employee performance reviews. The FY2027 Recommended Budget includes merit adjustments ranging from 3% to 6% depending on each employee’s performance evaluation. The total estimated compensation cost for FY2027 market and merit adjustments combined is \$1,561,199 across all funds when all benefits (taxes, retirement, and health benefits) are applied.

Group Health Insurance:

The Town of Morrisville was one of the founding members of the North Carolina Health Insurance Pool (NCHIP). Participation in the pool has allowed the Town to stabilize health care costs and manage budget impact. While the Town has been able to minimize rate increases the past few years, the Town will experience a 7.7% healthcare premium increase in FY2027. The FY2027 Recommended Budget includes \$144,127 for healthcare premiums across all funds. This increase will be funded by the Town’s Healthcare Reserve, preserving new revenues for other priorities.

As the result of industry adjustments, the Town was facing significant increases for dental and vision coverage in FY2027. However, as the result of staff and research and subsequently moving to new providers, the Town’s dental plan cost will only increase

16%, an increase of \$19,700. Costs for Vision plan benefits will decrease approximately 5%, or around \$900, and will provide enhanced employee benefits.

Living Wage:

The Living Wage [calculation](#) for Wake County as of February 2026 for an individual is \$26.56 hourly or \$55,244.80 annually based on 2,080 hours per year for full-time work. This calculation represents the value of income one working adult requires to meet basic needs. The living wage should not be confused with the minimum wage, which is the lowest amount of money someone can earn as mandated by law. There are currently seven employees falling below this total, who will see their annual wage increase to the living wage total prior to the application of COLA or merit increases for FY 2027.

Longevity:

Longevity pay rewards employees for their sustained years of service, demonstrating the Town's commitment to recognizing dedication, institutional knowledge, and stability. By offering financial incentives, the Town encourages long-term retention and values ongoing contributions from staff. Longevity is paid in \$500 increments per 5-year work milestones increasing with each milestone. The total cost for providing this benefit for full-time employees is \$31,500. Part-time employees are eligible for the same longevity benefit, resulting in a total cost for eligible part-time staff being \$11,500. The total cost for providing longevity to Town staff is \$56,000, including benefits. This is anticipated to be covered in the year by accrued lapse salary budget experienced within the year.

Position Reclassifications:

To ensure roles remain accurately classified and compensated, the Town annually studies approximately one-third of the Town's positions, in addition to starting pay for Public Safety positions. This fiscal year, the study included Engineering, Financial Services, Fire, Human Resources, and Information Technology. The study found that the majority of these roles were appropriately graded to stay at or near market average for the region. Therefore, only minimal adjustments of approximately \$10,000 were needed in the Town's compensation plan.

Previous Years of Service Adjustments:

An equity review of both Police and Fire positions was performed using criteria developed reflecting how credit is given for previous career experience in compensation offers for potential new employees. Adjustments made to Police salaries for officers with previous career experience totaled \$24,947 and adjustments to Fire salaries for firefighters with previous career experience totaled \$29,534. These adjustments, including benefits, total \$70,000 and are part of an overall plan for incentivizing experienced police officers and firefighters to join the Town. This is a one-time correction to ensure equity and will not need to be repeated in future years.

Employer Retirement Contribution:

NC Local Government Retirement System	401(K) Retirement	Other Post Employment Benefits	LEO Separation Allowance
General 15.13% LEO 17.08% \$3,600,909	5% Benefited Employees \$1,190,793	3% Annual Accrual No allocation	3% Annual Accrual \$275,300

North Carolina Local Government Employee Retirement System:

The North Carolina Local Government Retirement System (LGERS) Annual Contribution Rate (ACR) will increase in FY2027. The employer contribution will increase from 14.38 to 15.13 percent for regular employees and from 16.08 to 17.08 percent for law enforcement officers. Local government employees currently contribute six percent of their salary. The Town's retirement contributions represent \$3.6M in FY2027, an overall increase of \$450k (14.5%) which includes retirement costs for salary adjustments and new positions.

401(k) Contribution:

The Town provides a five percent 401(k) contribution for all full-time employees. North Carolina General Statutes mandate these 401(k) contributions for sworn law enforcement; the majority of North Carolina municipalities extend this benefit to all full-time employees. Contributions represent \$1.2M in FY2027.

Other Post Employment Benefit - Retiree Medical Insurance:

The Town offers qualifying retired employees a medical insurance benefit until they qualify for the Federal Medicare Insurance Program. This retiree insurance is classified as an Other Post-Employment Benefit (OPEB). The Recommended Budget does not include additional funds for the OPEB fund. To prevent long-term financial stress and to follow sound financial practices, the Town previously allocated additional funds (3% of salaries) for long-term OPEB costs annually. Currently, the Fund has sufficient reserves to cover this liability. Therefore, no additional allocation is recommended at this time.

Police Special Separation Allowance:

North Carolina General Statutes provide for special compensation to retired law enforcement officers meeting specified criteria. The statutes require the Town to compensate the officer until they reach age 62. Recent statutory changes to the benefit have made future planning for the expense challenging. The Special Separation

Allowance budget in FY2027 is \$275,300 to cover 11 retirees currently receiving this benefit.

Special Topics:

Council Training & Travel:

In the interest of transparency, Town Council worked with staff to clearly define expectations and requirements for their individual and collective use of Town funds to attend (and in some cases travel to) training to support their roles as Council members and community leaders. For FY2027, each Council Member is allotted \$2,000 toward training and travel. The budget separately includes funding for all Council Members to attend the North Carolina League of Municipalities’ “CityVision” annual conference; it also includes funding for the Mayor to participate in local and regional Mayor events.

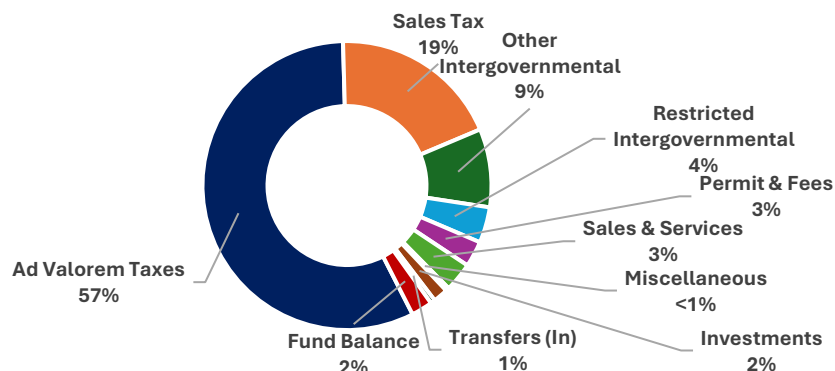
(The full policy is available for review on the Town’s [website](#)).

Smart Shuttle Program:

The Morrisville Smart Shuttle is currently operated using one (1) vehicle seven (7) days per week – Weekdays from 7am-9pm, Saturdays from 8am-8pm, and Sundays from 8am-7pm. A second vehicle currently operates Monday-Saturday from 1pm to 7pm. The FY 2027 Recommended Budget includes the expansion of the number of vehicles to two (2) for seven (7) days per week for the full operating time of the service during the same weekday and weekend operating hours Also included is the construction of 4 additional nodes (locations TBD), providing additional pickup and drop-off locations for the node-based microtransit service. The total cost of the program expansion, including the construction of additional smart shuttle nodes, is \$704,400, with the direct cost to the Town after grant revenue being \$446,405.

Revenues

General Fund Revenues by Source FY2027



Overall, the FY2027 Budget reflects a 3.6 percent decrease in revenues when compared to the FY2026 Original Budget.

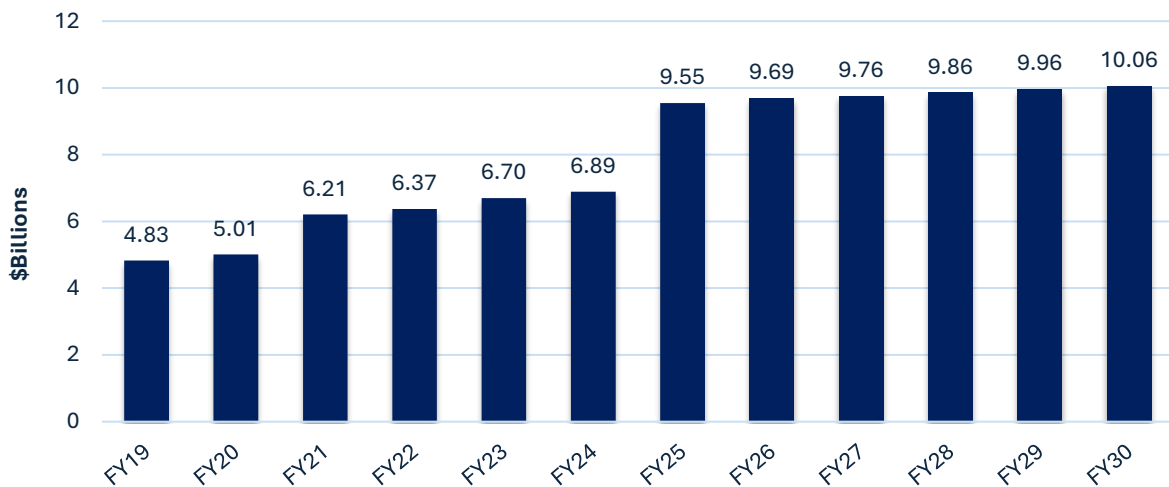
Ad Valorem:

The General Fund Ad Valorem revenue for FY2027 is estimated at \$34,469,800, a 4.5% decrease from FY2026; this represents 57% of the total budget (consistent with FY2026). This estimate is based on a 99.8% collection rate, lower than the FY2025 Annual Comprehensive Financial Report identified at 99.9%. The tax rate is proposed to remain at \$0.35 per \$100 valuation (no change from FY2026).

Year Range	Assessed Value	% Growth in Tax Base	Impact
FY2023	\$6.70B	5.1%	Typical annual growth
FY2024	\$6.89B	3.0%	Moderate increase
FY2025	\$9.55B	38.5%	Revaluation Year (significant increase)
FY2026	\$9.69B	2.4%	Post-revaluation stabilization
FY2027 Est.	\$9.76B	0.5%	Revaluation appeals impact

Morrisville’s FY2027 tax base is projected to grow by only 0.5% from \$9.69 billion to \$9.76 billion with each penny on the tax rate equivalent to \$971,000 in revenue (vs. \$970,000 in FY2026).

Assessed Value by Year



The Town has been impacted by property tax assessment appeals following the 2024 Wake County revaluation that resulted in significant property tax value increases and an increase in property tax assessment appeals. The Town lost approximately \$1 million in FY2026 revenue resulting from approved appeals. The Town could lose an additional \$500k in FY2027, given there are currently 22 commercial appeals pending. As a component of conservative budgeting, the recommended budget does not include this \$500k as anticipated revenue.

The NC House of Representatives is exploring limits on property tax rate increases, changes to exemptions, and a potential Constitutional Amendment authorizing the General Assembly to restrict property tax levies. Additionally, the NC Senate is considering a bill to pause all revaluations. Although no changes are final, any reform affecting FY2027 could reduce local revenue flexibility and limit the Town's ability to manage rising costs or growth-related demands. Staff is working with legislators and the North Carolina League of Municipalities to share concerns and to limit any negative impact on local governments.

Morrisville also currently has \$37.56 million in tax levy under review for potential low income exemptions for 2026, largely stemming from a 2013 NC Court of Appeals ruling commonly referred to as the "2013 Blue Ridge Housing" case that allows for-profit developers to claim 100% property tax exemptions by partnering with a nonprofit, even if the nonprofit has a negligible ownership stake (e.g., 0.1%). The NC House Committee on Property Tax is considering an amendment to address unintended consequences from this ruling.

[FY2028 Property Tax Revaluation](#): Wake County has elected to move to an every-other-year revaluation of property tax assessments. This results in a three-year revaluation occurring in 2027 that will impact FY2028 and a two-year revaluation that will impact FY2030 and every two years thereafter. It is currently unknown what the impact of that revaluation will be in terms of property tax revenue for the Town.

Parks, Recreation and Cultural Resources Cost Recovery:

Recreation Fees aid in funding the Parks, Recreation and Cultural Resources (PRCR) Department. FY2026 saw the inception of a cost recovery model to align recreation fees to a classification of services ranging from basic (collecting 15% above direct costs of programming) to specialized (collecting 50% above direct costs of programming). In FY2027, recreation fees are budgeted at \$1,819,800, a 1.3% increase from the FY2026 Original Budget.

Sales Tax:

Sales tax represents the Town's second largest revenue source in the General Fund at \$11.53 million (19%). Sales tax revenues are distributed on a proportional population basis in Wake County. The population growth in Morrisville has allowed the Town to increase its share of sales tax revenue; however, as other municipalities are now growing at a faster pace, Morrisville's percentage of total population in Wake County is decreasing. This will negatively impact distributed revenues which rely on population as a component of calculating distribution over time. The impacts of inflation and other economic pressures have also tempered sales tax projections for the coming year. Considering these factors, the FY2027 sales tax estimates reflect a growth rate of 7% percent over FY2026 Original Budget.

Utility Sales Tax:

Utilities Franchise Tax is another significant tax revenue for the Town, consisting of sales tax on electricity, piped natural gas, telecommunications and video programming. Sensitive to weather changes and energy consumption patterns, the Town has seen this revenue source increase in recent years due to colder winters and warmer summers than in years past. For FY2027, Utilities Franchise Tax is projected to be \$3,000,000, a 1.6% increase compared to FY2026 projected actuals.

Wake County Fire Tax Distribution:

Wake County collects a fire district tax on property not within municipal corporate limits. The County distributes revenues from the fire district tax based on a weighted formula that includes service demand, population, property value, heated square footage, and land area. Morrisville receives a portion of the fire tax revenues for the delivery of fire protection services to residents within the Morrisville Fire District who do not live within the Town's corporate limits. The Town has budgeted \$1,551,400 from Wake County for extraterritorial fire protection services in FY2027, compared to \$1,288,347 in FY2026. This increase is tied to increased allocation of operating expenses and additional funds for Fire Station #3 debt service, which came online in FY2024.

Fund.Balance.Appropriation

Fund balance, in essence, is the amount of funds remaining after all expenses are paid and obligations are met. Use of these funds enables the Town to meet financial obligations without interruptions due to cash flow, generate investment income, eliminate the need for short-term borrowing, and provide a reserve of funds to respond to emergencies or opportunities. The Town of Morrisville has adopted a formal policy of maintaining a fund

balance for the General Fund between 25 and 45 percent of expenditures. The estimated uncommitted or unrestricted fund balance for the General Fund is \$16.51 million or 31.07% as of June 30, 2025. (An update will be available in November 2026 following the release of the Town's annual audit).

To ensure financial stability while addressing community needs, the FY2027 budget incorporates a fund balance appropriation strategy similar to past years. This approach allows for operational flexibility by accounting for potential staffing vacancies, cost savings, and increased revenues. By capping the use of fund balance at no greater than 2.4% of expenditures, the Town responsibly safeguards its overall fiscal position.

Enterprise Fund - Stormwater

The Town of Morrisville operates one Enterprise Fund – the Stormwater Fund. Enterprise Funds provide governmental services that can operate like a business and are self-sustaining with user rates that generate all revenues to cover expenditures.

The Town established a self-supporting Stormwater Fund in 2013, which includes all revenues and expenditures related to the Town's stormwater operations. Stormwater fees are set in a manner to generate enough revenue to support the fund completely. The FY2027 Recommended Budget for the Stormwater Fund totals \$1.38 million, a 1.3% increase from the FY2026 Original Budget of \$1.36 million.

Stormwater.Fund.Expenditures.and.Investments

The FY2027 Stormwater Fund budget shows an increase in personnel and operating expenditures. This increase is tied to increases in retirement and retiree health insurance, as well as additional costs for compensation adjustments for market rate and merit. The primary reason for the increase in operating expense is the planned purchase of a street sweeper attachment to be used for annual curb and gutter maintenance.

Stormwater.Fund.Revenues

The FY2027 Recommended Budget includes \$1.26M million in revenues from stormwater fees, which reflects a 0.7% increase. Most revenue for this fund is stormwater fees, making up 91% of revenues. Permits and fees are projected to contribute \$40K to this fund in FY2027 and the remaining revenue consists of interest income, projected to be \$85K. The Stormwater Fund continues to be self-sufficient and financially stable,

providing the ability to fund future Stormwater capital improvements and repairs identified through the Stormwater Utility Condition Assessment.

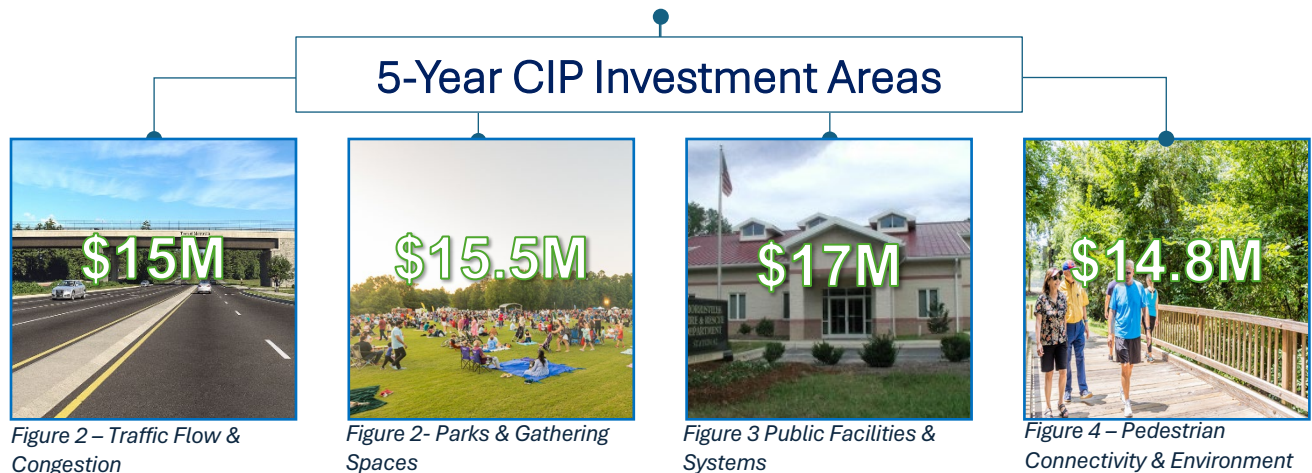
Stormwater Utility Fee:

The stormwater fee structure uses impervious surface area based on equivalent residential units (ERUs). The FY2027 Recommended Budget does not include any changes in structure or fees. The ERU fee remains \$50.

Capital Investment Program

Capital Budget Projects Overview:

The Capital Investment Program (CIP) for FY2027-FY2031 continues to emphasize the Town’s commitment to Council and community priorities. The CIP investment strategy includes \$13.3 million in anticipated debt financing, approximately \$21.4 million from grants and other resources, \$23.3 million from accrual of cash and reserves and \$4.3M in stormwater resources. The CIP is a long-range planning tool which remains flexible while providing an essential roadmap for the development and delivery of projects desired and expected by the community.



The following chart provides a brief summary of the Town’s capital projects that are in various stages of design or construction.

Title/ Cost/Status	Description
Airport Blvd. Extension Phase 1	This NCDOT project will enhance east-west connectivity for residents, creating a new 0.44-mile roadway segment from Garden Square Lane to Church Street. The four-lane divided road will feature a landscaped median, streetlights, sidewalks, pedestrian crossings, and new traffic signals, improving community connectivity, walkability, and traffic flow for the community. This connection also lays the groundwork for future upgrades at the Airport Boulevard/NC 54 intersection
\$7,200,000	
Construction Commenced Spring 2026	

Cedar Fork Community Center Athletic Fields	This project represents a partnership between the Town, the Wake County Public School System and Wake Technical Community College. The partnership supports bringing the first middle school and high school to Morrisville, including shared recreational amenities. The project will provide new, enhanced multi-purpose athletic facilities, six tennis courts (three of which will be striped for pickleball), lighting, and a playground.
\$1,500,000	
Construction FY2027	
Fire Station 2 Relocation	The design and construction of a new (replacement) fire station is being advanced in response to NCDOT's widening of NC-54, which will limit the operational use of the existing Fire Station 2. As a result of proactive work by Fire Department staff, the Town previously purchased land along Paramount Parkway from Wake Technical Community College, a key location for the Fire Department response model.
\$16,000,000 Estimate	
Design Fall 2027	
Church Street Park Field Upgrades	The sports facility upgrades will enhance the programming potential by improving lighting, expanding cricket pitches, and upgrading field drainage. New lighting will meet professional nighttime broadcast standards, creating more opportunities for evening play and events. Improved drainage will help fields recover more quickly after storms, reducing downtime, while expanded pitches will increase programming capacity and support the growing interest in cricket.
\$5,000,000 (\$2M Grant Funded)	
Lighting – Spring 2027	
Gables Neighborhood Street Reconstruction & Paving	As the final Municipal Service District project, this includes the design and reconstruction of the streets, curb & gutter, and associated right of way work to bring the roadway system up to Town standards. Construction will commence in FY2027. This project is being funded in part by residents in neighborhoods where similar projects have occurred.
\$2,600,000 Design Fall 2027	
McCrimmon Parkway Widening Betterments	NCDOT's widening of McCrimmon Parkway from two to four lanes between Davis Drive and Perimeter Park Drive includes a new flyover bridge over the railroad tracks and NC 54 and redesigned intersections. The Town will be investing in betterments including upgraded lighting, on-street bike lanes, and a wider north-side sidewalk and multi-use path, all of which enhance connectivity and accessibility.
\$2,318,000	
Construction July 2027	
Morrisville Community Park	The Town is partnering with NCDOT to fully fund the installation of permeable pavement in select areas of the parking lot adjacent to the baseball fields. The project is intended to improve water quality and reduce flooding at Hatcher Creek.
\$787,000 (Grant Funded)	
Design FY2027	
Morrisville Parkway Intersection Improvements	Planned intersection improvements along Morrisville Parkway from Davis Drive to NC 54 will enhance safety, traffic flow, and pedestrian access for residents. Guided by the Access Management Plan, the project includes new traffic signals, turn lanes, median adjustments, updated striping, and pedestrian safety enhancements at key crossings.
\$9,100,000 (Seeking Grant Funding)	
Design FY2028	
Morrisville Senior Center Expansion	The planned expansion will increase the center to 5,500 square feet, creating much-needed space to support the growing interests of our senior community. This additional space will allow for more aging-well programs, improved layout and accessibility, and a more welcoming environment that better meets the needs of seniors who rely on the center for connection, activity, and support.
\$850,000	
Construction FY2027	

NC 54 Widening Betterments (Chapel Hill Rd.)	In coordination with NCDOT's widening of NC-54 from Perimeter Park Drive to Shiloh Glen Drive, the Town will deliver several betterments that enhance safety, mobility, and pedestrian access for the community. These improvements include a 10-foot multi-use path on the east side, upgraded lighting, extended medians, and enhanced traffic signal and pedestrian crossings.
\$600,000	
Construction July 2027	
Public Works Facility	This project will provide the community with a modern, more efficient Public Works facility to replace the aging site on Aviation Parkway. In FY 2026, the Town purchased a building at 125 International Drive and is now renovating it to serve as the new facility. This shift in approach away from new construction created significant savings and future growth flexibility.
\$20,500,000	
Design CY2027	
Sawmill Creek Stream Restoration & Greenway	This water-quality project will stabilize an eroding stream, improve local habitat, and enhance environmental health for the community. The design also incorporates a segment of the future Sawmill Creek Greenway, located west of the railroad right-of-way along NC-54 between Page Street and Downing Glenn Drive.
\$2,300,000	
Construction FY2027	
Sidewalk Gap Projects	This includes Church Street sidewalk from Morrisville Carpenter Road to the Wake/Durham County line, International Drive from Aviation Parkway to the roadway's north end Louis Stephens Road sidewalk extension, and Sorrell Grove Church Road from Airport Boulevard to Slater Road. Collectively, these projects close critical gaps in the pedestrian network and will be funded through Transportation Reserves, NCDOT grants, and developer funds.
\$1,595,000	
Status Varies by Project	
Town Center Phase 1A	This public-private partnership project with Singh Development LLC is under construction and will create a vibrant community destination through a mix of public spaces and amenities. Town Center includes a mixed-use building with a parking deck, a new town green with an outdoor stage, cottage-style retail, public restrooms, sculptures, water features, and inviting plazas and walkways. Together, these features will provide a unique gathering place that strengthens community connection, supports events and local businesses, and enhances the overall quality of life for residents.
\$20,936,716	
Construction FY2027	
Watkins Road Park (Wake Tech Site)	This project will develop 17 acres of leased, wooded land next to the Wake Tech RTP Campus into park space that supports passive recreation. Amenities could include nature trails, a disc golf course, and supporting facilities, serving as the permanent replacement for the Dragonfly course.
\$6,050,000	
Design FY2027	

It is important to note that many of these capital projects will also require additional costs once activated. This includes recurring costs for maintenance and personnel as well as one-time costs for new equipment and project activation.

Studies and Master Plans:

Investing in master plans and study evaluations provides the Town with a clear picture of what our community needs and desires now and in the future. These efforts let staff prioritize projects, understand the real costs, and make sure the Town is investing resources where they will have the biggest impact. By taking the time to study and plan ahead, staff can make smarter decisions, improve services, and deliver projects that truly

support our residents' quality of life. The following is a summary of current ongoing plan work:

- Comprehensive Transportation Plan (CTP) Update - The CTP is in the process of being updated to ensure that the plan remains current and is in line with Council's vision for the future of transportation infrastructure in Morrisville. The results will influence future CIP investment prioritizations.
- Parks Master Plan Update – The update to the 2018 Parks, Recreation and Cultural Resources Master Plan is intended to reflect current and future community needs while meeting Commission for Accreditation of Park and Recreation Agencies (CAPRA) standards and modern recreation expectations. This update will help ensure the Town is investing in the appropriate facilities, programs, and spaces so residents have access to high-quality parks, cultural experiences, and recreation opportunities that support a healthy, active, and connected community. Completion is anticipated in late CY2026.
- Sidewalk Gap Assessment – Staff is conducting an updated survey and inventory of sidewalks along all Town and NCDOT-maintained roads to better understand where gaps still exist. Working with a consultant, this effort will provide accurate, up-to-date data and establish a clear, criteria-based process for prioritizing future sidewalk projects. This survey will help ensure a safer, more connected pedestrian network that supports residents' daily mobility and long-term community growth.
- Town Center District Branding, Wayfinding, and Signage Plan – As Phase 1A progresses, staff is developing a master plan to establish a distinct brand identity for Town Center and its surrounding amenities, including the dog park, the future Veterans' Memorial, historic sites, the Morrisville Community Library, playgrounds, and retail areas. The plan aims to create a lively social district and center where residents, visitors, and businesses can connect and thrive.

FY2026 – Recap

As we prepare for FY2027, it is important to also look back and celebrate the success of FY2026 and the manner in which this year's investments have benefited our community. The following summary does this in the context of the Town's seven strategic goals.

1) Sustainable, Livable Community Growth

Rental Assistance	In collaboration with NeighborUp (formerly Dorcas Ministries), the Town launched its first Rental Assistance Program to enhance affordability for our staff and others.
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Solar Installation	Solar panels have been installed on the Connector Building and a subsequent installation is being planned at the MAFC facility, including the Town's first parking lot solar canopy. The Connector solar panels have already generated over 19,000 kWh, saving \$3,500 since July 2025.
Sustainability Intern	The Sustainability Division welcomed its first intern, providing an additional resource at an efficient cost. The intern focused primarily on the Town's efforts to grow its tree canopy.
Town Center	Groundbreaking for the Town Center Phase 1A occurred in September 2025 and construction began prior to the end of CY2025. A grand opening is expected in summer 2027.
Tree City Designation	As the result of ongoing efforts by Council and the Public Works/Sustainability team, Morrisville now has the Tree City USA designation. This includes a five-year tree canopy implementation plan. This effort was supported by Town investment as well as a grants from Duke Energy and the NC Forest Service.

2) Public Safety Readiness

Assistant Fire Marshal	The addition of an Assistant Fire Marshal position has expanded the Fire Department's capacity to provide educational sessions for youth, adults, and seniors across our community. In no small part due to this, over 4500 attendees have attended Fire related events this Fiscal Year.
Digital Forensics Lab	The Police Department invested in the start of an internal digital forensics lab. This equipment greatly expands the capacity of the department to conduct investigations where technology plays a role; it also expedites investigations given the Department no longer needs to rely on external partners.
Drone Program Expansion	The Police Department expanded its drone program to expand their ability to support criminal investigations, search and rescue, and monitoring at special events.

Fire Engines	The Town purchased two, new Pierce Fire Engines to support the Fire Department’s transition to the traditional engine-ladder response model. This approach reduced cost and wait time for the new equipment to support effective emergency response.
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3) Engaged, Inclusive Community

All America City	Morrisville has been selected as a finalist for the All America City designation in 2026. This year’s theme is “Strengthening Civic Health and Building Trust. The Town was selected as a result of our consistent and collaborative efforts to work with, educate, and listen to our diverse community to strengthen our community and maintain our high quality of life.
Communications Specialist	The conversion of a Lead for NC Fellow to a full-time position supported the continued expansion of the Town’s Language Access Plan and associated programs and initiatives. This enhanced our ability to community with our diverse community; the Town now publishes information in five different languages and has reliable access to translation services.
Community Innovation Group	Council authorized the Smart Cities Steering Committee to transition to a Community Innovation Group to expand and enhance opportunities for community-based innovation. This has resulted in greater opportunities for community participation in their areas of interest and expanded the ability for positive impact by the Innovation Group.
Community Policing	The Police Department expanded its community policing and engagement efforts to better educate, understand, and collaborate with our community. Programs include Coffee with a Cop, Faith & Blue Weekend, and Shop with a Cop, and a renewed focus on outreach to community groups.
Dragonfly Disc Golf	The Public Works and Engineering Departments collaborated to relocate the temporary Dragonfly disc golf

	course (at minimal cost) to ensure community access during Town Center construction.
Parks Programming Expansion	The Parks, Recreation and Cultural Resources Department made a concerted effort to expand their programs to offer “something for everyone.” Athletics, CFCC, MAFC, and the Senior Center all significantly expanded programming and the Events/Cultural Resources group added seven new events.
Special Events	The Special Events team in the Parks, Recreation & Cultural Resources Department continued to add opportunities and diversity to its programming. New programs included Brushes, Beverages & Blooms, Espresso Reads, and a Senior Prom at the Senior Center.
Website Relaunch	The Communications Department launched a new Town website (www.morrisvillenc.gov) with an enhanced search engine, a wealth of information, and “Morris the Cricket”, the Town’s chatbot. Residents and visitors now have a more user-friendly and ADA-accessible website experience with the Town.

4) Community Mobility

Accessibility Improvements	<p>Public Works staff completed work on removing sidewalk trip hazards in several neighborhoods and enhanced accessibility at several sidewalk access points.</p> <p>Greenway paving is being conducted to ensure safe and fully ADA accessible to our greenways.</p> <p>Public Works staff will be implementing Phase II of the ADA Transition Plan to make additional improvements to support full accessibility for all residents and visitors.</p> <p>Engineering and Public Works collaborated to enhance pedestrian safety with improvements adjacent to Church Street Park and the Dog Park, on International Dr., on Parkside Valley Ln., and at the intersection of McCrimmon Pkwy. and Davis Dr.</p>
Airport Blvd Extension	The Town is partnering with NCDOT on the the construction of Phase 1 of the Airport Blvd extension,

	ultimately providing additional “east-west” mobility in the Town.
Intersection Improvements and Sidewalk Gaps <i>(Additional Detail is available in the CIP section of this document)</i>	The Engineering Department has continued its efforts to address nintersection improvements and sidewalk gaps. Staff have particularly focused on intersection improvements along Morrisville Parkway, including obtaining grant funding for right-of-way acquisition and applying for additional funds for project construction. Staff have addressed sidewalk additions and repairs at Town facilities to enhance community access and are working on significant projects on Church Street and Louis Stephens Drive.
Sawmill Creek Greenway	The Town received approximately \$1,000,000 in grant funds to support the Sawmill Creek stream restoration that includes development of the start of the Sawmill Creek Greenway near the Town Center.

5) Economic Prosperity

Community Earmark	The Town received \$250,000 through Congresswoman Ross’ office to support the construction of the Town Center. The Town has also requested funds that would be available in FY2027 to support a variety of projects that have funding gaps.
Hospitality Tax Award	The Town recived \$2,000,000 from Wake County and the City of Raleigh for Hospitality Tax funds to support renovations at Church Street Park. The grant will fund 40% of renovations, including additional lighting and a major field renovation.
Spark	The Town collaborated with developers to bring economic development partners to the Spark campus on McCrimmon Parkway. This project is leasing approximately 1,300,000 square feet of space and will be making a significant investment at the site.
Novartis	As a result of proactive recruitment and collaboration with King Street Properties, Wake County, and the state, Novartis has announced more than \$400,000,000 in investments in two phases of projects at the Pathway

	Triangle Advanced Manufacturing campus. This investment will bring more than 400 jobs to the Town.
Sponsorship Program	The Town established a sponsorship program and contracted with a vendor who is currently recruiting sponsors for facilities such as the Church Street Park, the Dog Park, and various athletic facilities. These revenues will be used to balance increasing operational costs in Town.

6) Operational Excellence

Artificial Intelligence	The Town has implemented an artificial intelligence policy and is continuing to expand the intentional use of artificial intelligence to support and expedite the work of Town staff. Our Communications and Information Technology Departments have also collaborated to add an artificial intelligence chatbot to our website to better assist visitors.
Data Dashboard	The Town implemented an expanded data dashboard designed to provide our community with access to data that reflects our ongoing efforts and our progress toward goal achievement. This dashboard will expand over time and will be a tool for the community and our staff. With the implementation of the new Open Data Portal, there has been a 100% increase in usage of Morrisville's public facing data.
Accounting Generalist	This position has provided an additional resource to the Financial Services Department to allow greater support for core services being accomplished in a timely manner. This position has enhanced our accounts receivable processes and has provided support for accounts payable, two critical roles for the Town.

7) Organizational Resiliency

260A Town Hall Drive (PSMS Building)	The Town purchased the former Chamber of Commerce building located on the Town Hall campus to serve as the administration building for the Parks, Recreation and Cultural Resources Department. This purchase allows the Town to invest in ownership rather than continuing to
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	lease space. It also provides greater accessibility to residents and park users given its central location.
Church Street Properties	The Town is purchasing two properties adjacent to Shiloh Park on Church Street to preserve the opportunity for future expansion of the park and to provide a secondary means of egress to the park.
Credit Rating	The Town has again maintained a AAA/Aaa rating, the highest rating available from the three primary credit rating agencies. This ensures that the Town can continue to invest in its capital improvement plan while borrowing at the lowest interest rates available, further expanding the Town's capacity for current and future projects.
Human Resources Analyst – Recruitment and Retention	This position has provided a resource to bring greater consistency and support to Town-wide efforts to recruit and retain staff.
Parks, Recreation and Cultural Resources Master Plan	The Town has kicked off the process to develop a new Parks, Recreation and Cultural Resources Master Plan, which will be an update to the 2018 Maaster Plan and will guide development for the future. This process will include an analysis of existing assets and amenities, public outreach to identify priorities, and recommendations for investment.
Strategic Plan Update	FY2026 saw the first significant update to the Town's Strategic Plan since its adoption in 2017. This update clarified the six existing goals and added a seventh goal, Organizational Resiliency, formally acknowledging the Town's commitment to being prepared for known and unknown challenges.

FY2028 – On the Horizon

At this time, I do not expect significant change to the Town's fiscal position in FY2028. With the unknown of property tax impacts and the revaluation, staff is planning a conservative approach that will again focus on core services and balancing current and future needs to the best of our ability.



Looking Out for the Future

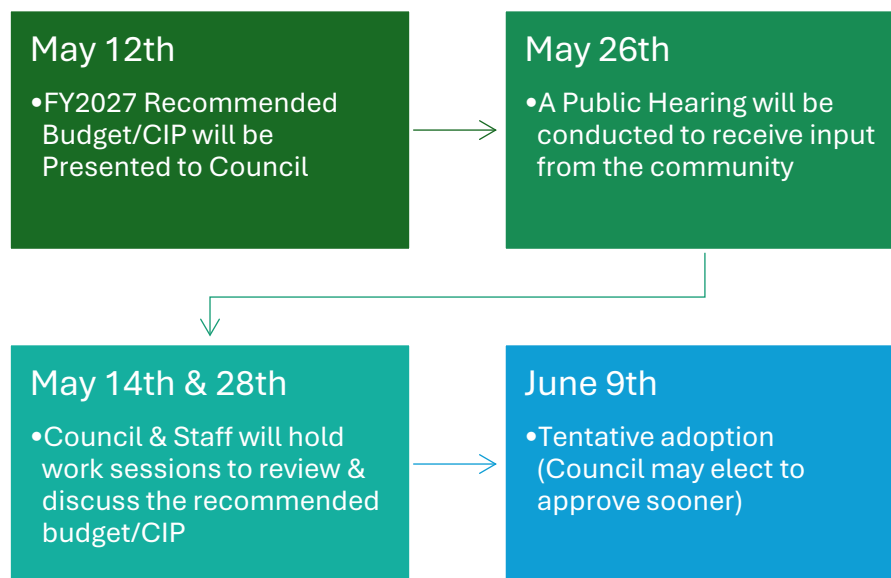


Innovative Engagements



Maximizing Our Assets

Budget Deliberation and Implementation Timeline:



Closing Remarks:

The FY2027 recommended budget is a balanced budget without including a tax increase; the recommended property tax rate remains at 35 cents per \$100 of valuation. I am proud to recognize this budget as another collaborative effort between Town Council, staff, and the community that focuses on our Strategic Plan and identified priorities while balancing them with limited revenues. This budget represents a practical yet conservative approach that invests in our staff, our programs, and our community amidst uncertainties that are largely beyond our control. The FY2027 recommended budget is designed to “Maintain a Connected, Resilient, and Safe Community.”

This budget is also representative of an ongoing commitment by Town Council and Senior Leadership to ensure we value our greatest asset, our staff. My message to staff is consistently that every employee is equally important to our success; this budget demonstrates that through investment in both merit and COLA adjustments as well as the

Town providing quality health insurance and related benefits for employees, retirees, and qualifying family members.

As you can imagine, this recommended budget does not exist without significant contributions from Town staff. I must first and foremost thank Director of Management Services Jeanne Hooks and Chief Financial Officer Byron Hayes for their never-ending dedication to the creation of this balanced budget. Their efforts have been immeasurable in this process. I am also appreciative of Deputy Town Manager Giselle Rodriguez, Assistant Town Manager John Letteney, and the entire Leadership Team for their support and their efforts to ensure we could provide an informed and measured budget.

Thank you as well to our residents and stakeholders who have completed the budget survey, spoken at Council meetings, and otherwise shared their perspective regarding their priorities and their concerns with how this budget impacts them individually and collectively. The Town's focus on resilience is about ensuring we can continue to provide services that our community values while supporting our community now and in the future.

Lastly, thank you to our Town Council for sharing their perspective, providing specific feedback and guidance, and demonstrating flexibility in balancing the desire for effective and efficient operations, a respected and well-trained staff, and a commitment to the future of the Town. Thank you as well for your trust in me and our staff to deliver this recommended budget and to execute it over the next year.



Brandon Zuidema

Town Manager/Budget Officer

Community Investment Summary

The Community Investment Summary connects the requested budget additions, items over and above a base budget, to the value provided for that investment and how it benefits the community. These investments are organized below first by the best suited Town's Strategic Goals and then by the Council's Budget Priorities defined during the Council's Retreat. The requested budget additions are aligned with the most appropriate Strategic Goal, though they may correspond to multiple priorities or goals.

Strategic Goal 1: Sustainable, Livable Community Growth			
New Investments	Community Benefits	Recurring	Onetime
Parks Capital Reserve Allocation	Utilizing a proactive pay-go method to build Parks Capital Reserves supports effective long-range planning, prevents excessive debt, and ensures financial sustainability. This approach leads to the creation of shovel-ready Parks & Open Space projects that positively impact the community's quality of life. (Currently allocated as 1-Cent equivalent.)	-	\$971,000
Master Sustainability Plan Update	Funding will be used to collaborate with a consultant to update the Master Sustainability Plan, effective in FY28. This update will include engagement and dashboard improvements. (Partial costs to be offset with EV Charger revenue.)	-	\$25,000
Totals		\$ -	\$996,000
Strategic Goal 2: Public Safety Readiness			
New Investments	Community Benefits	Recurring	Onetime
Public Safety Reserve Allocation	The Public Safety Reserve facilitates better planning for life-saving equipment replacements for Police & Fire through a proactive pay-go method, effectively preserving debt capacity for capital project needs. (Currently allocated as 1-Cent equivalent.)	-	\$971,000
School Resource Officer (SRO) - 1	A SRO will be added to the new high school to ensure a safe environment for students, teachers, and faculty, and to provide safety development plans to the school boards. (Partially funded by state funds beginning in FY28.)	\$48,000	-
Patrol Officer - 1	A new Patrol Officer will conduct patrols within town limits, enforce laws, complete incident and crash reports, and assist with community policing efforts and directed patrols. (Funded for ½ Year, with a new vehicle; full-year cost in FY28 not expected to exceed \$126K.)	\$71,000	\$55,000
Detective - 1	This position will handle criminal investigations, follow up on case leads, prepare case files, and conduct time-intensive investigations. (Funded for half a year with a new vehicle; full-year cost in FY28 is not expected to exceed \$126K.)	\$71,000	\$55,000

Firefighter - 3	This addition will align the Fire Department with other CAM fire departments and industry standards (NFPA 1710) and Wake County standards to staff 4 personnel on trucks.	\$322,000	-
Public Safety Equipment & Training	This includes essential public safety equipment replacements and new technology, and tools will support readiness, responsiveness, and effectiveness of Fire & Police staff (tasers, tablet command, radios, interview room cameras, & mobile command). (Some items funded with Public Safety Reserves.)	\$43,000	\$150,000
Traffic Pre-emption	Traffic pre-emption improves response times by alerting intersections to allow safe passage. This request renews cellular services and partners with the Public Works request below. (Funded with Public Safety Reserves.)	-	\$127,000
Totals		\$555,000	\$1,358,000

Strategic Goal 3: Engaged, Inclusive Community

New Investments Community Benefits		Recurring	Onetime
Town Center Staffing	Town Center Program Specialist & Ground Technician are necessary for expanding services & programming at Town Center. A half year start is recommended to plan future programming & establish a framework before the center opens.	\$124,000	\$50,000
Town Center Equipment & Upfit	Onboarding a new facility like Town Center requires dedicated equipment for grounds maintenance and onsite maintenance building tools.	-	\$103,500
Totals		\$124,000	\$153,500

Strategic Goal 4: Community Mobility

New Investments Community Benefits		Recurring	Onetime
Transportation Reserve Allocation	The Capital Reserve funds transportation initiatives outlined in the CIP, improving community infrastructure, roadway networks, pedestrian access, & multi-modal connections to address congestion concerns. (Reduced to an approx. ½ Cent allocation with no negative impact on CIP.)	-	\$471,000
Smart Shuttle Service & Amenity Expansion	Continued service and amenity enhancements with the Smart Shuttle program will better connect to alternative modes while leveraging additional grant opportunities. This also accounts for service contract inflation. (Grant funding supports these efforts, and reserves will cover the Town's share of node additions.)	\$584,400	\$120,000
Pedestrian Bridge Repairs	Replacing pedestrian safety bridges promotes sustainable practices through ongoing maintenance of walking pathways for connectivity.	-	\$35,000
Totals		\$584,400	\$626,000

Strategic Goal 5: Economic Prosperity

New Investments	Community Benefits	Recurring	Onetime
Public Works Facility Improvements Debt Service	Public Works debt service supports a modernized facility that strengthens roadway and facility maintenance, while providing essential service infrastructure that attracts private investment Funding provided directly through the Debt Fund.)	\$189,789	-
Planner II Position	The Planner position supports affordable housing & public art, ensuring the Town meets growing “speed-to-market” planning expectations.	\$160,000	-
Totals		\$349,789	\$ -

Strategic Goal 6: Operational Excellence

New Investment	Community Benefits	Recurring	Onetime
HR Software Upgrade	Replacement of this outdated software will enhance recruitment efforts, personnel file management, & processing, tracking, & collaboration. The existing software's performance limitations create inefficiencies across all stakeholders.	\$60,000	-
Hardware Replacement (planned)	Computer replacements & related technology upgrades will ensure staff have modern, reliable equipment that supports efficient work processes & high-quality service delivery. This includes updates to alarm systems as well as replacements for computers, monitors, & docking stations.	\$11,000	\$142,500
(MAFC Fitness Instructors)	The addition of instructors improves programming capacity & allows full-time staff capacity for other department needs. (Offset with growth in Fitness Revenue.)	\$14,000	-
Verticutter Athletics Equipment	The addition of this equipment will be used to remove excessive thatch improving & maintaining a healthier turf condition for play & drainage.	-	\$12,000
IT Support Technician	A new role is proposed to provide technical support to the Central Pines Council of Governments (COG) & collaborate as a community partner. This position will enhance the Town's technology capacity while meeting the COG's service needs. (The position will be fully funded through a service contract agreement with the COG.)	\$126,000	-
Data Analyst UNC Fellow	This role will support initiatives that strengthen the organization's data infrastructure, improving the accessibility, usability, & reliability of information. Work will focus on enhancing operational efficiency & decision-making through automation, AI integration & improved data sharing & visualization structured as a short term service agreement rather than a permanent position.	\$30,000	-
Totals		\$241,000	\$154,500

Strategic Goal 7: Organization Resiliency

New Investments	Community Benefits	Recurring	Onetime
Staff Competitive Compensation Program	Valuing existing employees, retaining talent & knowledge maintains continuity of operations. (Merit:4.5% average, COLA: 1%, Pay Classification Adjustments, Benefits) (includes Healthcare Fund Balance allocation of \$144K)	\$1,704,511	-
Fleet Replacements	Fleet replacements include planned replacement of first responder vehicles that have reached end-of-life cycle & other replacement criteria thresholds. This is a reduction from prior year annual allocations of \$500,000.	-	\$180,000
Totals		\$1,704,511	\$180,000
		Total Community Investment	\$3,558,700
			\$3,468,000



**CAPITAL PROJECT ORDINANCE 2026-181-A OF THE
MORRISVILLE TOWN COUNCIL HEREBY ADOPTS THE FISCAL
YEAR 2026 ANNUAL OPERATING BUDGET & CAPITAL
INVESTMENT PROGRAM**

Be It Ordained by the Town Council of the Town of Morrisville, North Carolina that the following anticipated fund revenues and expenditures by function, together with a financial plan, certain Fee and Charge Schedules, and certain restrictions and authorizations are hereby appropriated and approved for the operation of the Town Government and its activities for the Fiscal Year beginning July 01, 2026, and ending June 30, 2027.

Section 1: General Fund

ANTICIPATED REVENUES/TRANSFERS IN

Ad Valorem Taxes	34,469,800
Intergovernmental	15,519,327
Restricted Intergovernmental	3,729,009
Permit & Fees	1,751,000
Sales & Services	1,972,400
Miscellaneous	226,500
Investment Earnings	1,000,000
<i>Transfers (In)</i>	312,000
Appropriation of Fund Balance	1,429,964
Total General Fund Revenues	\$60,410,000

ANTICIPATED EXPENDITURES/TRANSFERS OUT

General Government

Governing Body	9,549,050
Administration	2,497,576
Economic Development	499,059
Communications & Outreach	897,827
Human Resources	1,082,360
Financial Services	1,920,874
Information Technology	3,508,102
Total	\$ 19,954,848

Development Services

Engineering	1,598,377
Inspections	1,422,740
Planning	3,775,375
Total	\$ 6,796,492

Public Works & Facility Management

Public Works & Facility Management	8,119,656
Powell Bill	900,000
Fleet	410,000
Total	\$ 9,429,656

Public Safety

Fire	10,578,861
Police	8,453,310
Total	\$ 19,032,171

Recreation & Cultural Resources

Parks & Recreation	
Total	\$ 5,196,833
Total Expenditures	\$ 60,410,000

Section 2. Healthcare Premium Fund

ANTICIPATED REVENUES

Transfer from General Fund	2,860,029
Appropriation of Fund Balance	244,741
Total Anticipated Revenues	\$ 3,104,770

AUTHORIZED EXPENDITURES

Operations – Healthcare Premiums	3,104,770
Total Anticipated Expenditures	\$ 3,104,770

Section 3. Municipal Service District Fund

ANTICIPATED REVENUES

Ad Valorem Special District Tax	195,000
Total Anticipated Revenues	\$ 195,000

AUTHORIZED EXPENDITURES

Transfer to General Fund	195,000
Total Anticipated Expenditures	\$ 195,000

Section 4. Debt Service Fund

ANTICIPATED REVENUES

Transfer from General Fund	6,505,000
Interest Income	119,976
Appropriated Fund Balance	189,789
Total Anticipated Revenues	\$ 6,814,765

AUTHORIZED EXPENDITURES

Debt Service Principal	4,335,000
Debt Service Interest	2,479,800
Total Anticipated Expenditures	\$ 6,814,765

Section 5. Stormwater Fund

ANTICIPATED REVENUES

Stormwater ERU	1,255,000
Permits, Sales and Fees	40,000
Interest Income	85,000
Total Anticipated Revenues	\$ 1,380,000

AUTHORIZED EXPENDITURES

Personnel	611,700
Operations	318,500
Capital Outlay	35,000
Transfer-out to Capital Project	415,000
Total Anticipated Expenditures	\$ 1,380,000

Section 6. Other Post-Employment Benefits (OPEB) Fund

ANTICIPATED REVENUES

Appropriated Fund Balance	35,000
Interest Income	200,000
Total Anticipated Revenues	\$ 235,000

AUTHORIZED EXPENDITURES

Retiree Health Insurance	235,000
Total Anticipated Expenditures	\$ 235,000

Section 7. Law Enforcement Separation Allowance Fund

ANTICIPATED REVENUES

Transfer from General Fund	275,300
Interest	15,000
Fund Balance Appropriation	25,000
Total Anticipated Revenues	\$ 315,300

AUTHORIZED EXPENDITURES

Law Enforcement Benefits Paid	315,300
Total Expenditures	\$ 315,300

Section 8. Levy of Taxes and Fees General Fund

- A. Under authority of GS 160A-209 there is hereby levied for Fiscal Year 2027 an Ad Valorem Tax Rate of \$0.35 per one hundred dollars (\$100.00) valuation of taxable property as listed for taxes as of January 01, 2026, based on an estimated assessed valuation of \$9,762,071,682, for the purpose of raising the revenue from current taxes as set forth in the foregoing estimates of revenues, and in order to finance the foregoing applicable appropriations.
- B. Under the authority of GS 20-97, there is hereby levied an annual License Tax of thirty dollars (\$30.00) on each vehicle within the Town of Morrisville.
- C. Under authority of GS 160A-314, Session Law 2005-441 and Session Law 2011-109 the Town of Morrisville levies a Stormwater Equivalent Residential Unit (ERU) Fee at \$50.00 per Equivalent Residential Unit and hereby authorizes Wake County Revenue Department & Durham County Revenue Department to collect the ERU Fee as prescribed by the Fiscal Year 2027 Fee Schedule on behalf of the Town of Morrisville as a contracted billing service. The fee shall appear on the Annual Tax Bills. The ERU Fee is considered a restricted revenue source for the purpose of stormwater activities as prescribed by mandates. The Financial Services Department is hereby authorized to collect the ERU Fee from all qualifying property owners who do not otherwise receive an annual Wake County or Durham County Property Tax Statement.
- D. Under authority of GS 160A-215.1 there is hereby levied for Fiscal Year 2027 a Tax on Gross Receipts derived from retail short-term motor vehicle leases or rentals of one and one-half percent (1 ½%) of the gross receipts from the short-term lease or rental of vehicles at retail to the public as defined in Section 105.871.1 of the North Carolina General Statutes.

- E. Wake County Tax Administration charges 0.80% of taxes processing fee annually.

Section 9. Levy of Taxes Municipal Service District

Under authority of GS 160A-536(a)(6), Session Law 2011-072 there is hereby levied for Fiscal Year 2027 a special service district Ad Valorem Tax Rate of \$0.10 per one hundred dollars (\$100.00) valuation of taxable property located within the service district (residential subdivisions – Carpenter Park Townhomes , Carpenter Park Condominiums, Gables, Huntington Park Townhomes, Kelton II, Kelton Square Condos) as listed for taxes as of January 01, 2026, for the purpose of raising the revenue from current taxes as set forth in the foregoing estimates of revenues and in order to finance the foregoing applicable appropriations to pay the cost related to the transfer of ownership of private streets, evaluation of condition of private streets and the design/construction cost related to improving those specific private streets to public street standards to assume maintenance.

Section 10. Fee Schedule

There are hereby established for Fiscal Year 2027 various fees as contained in the Town of Morrisville’s User Fee Schedule located in the Additional Information Section.

Section 11. Authorized Positions

- A. There are hereby 10 new full-time authorized positions, necessary to improve core service delivery are approved for Fiscal Year 2027. The Authorized Positions Profile will increase from 251 authorized positions to a total of 261 authorized positions.
- B. Full and three-quarter-time position authorizations are established by the annual budget ordinance. Changes to this schedule may occur during the fiscal year, as authorized by the Town Manager for reclassifications necessary to meet the changing needs of the organization so long as the changes do not exceed the total number of positions authorized. Temporary part-time positions are seasonal in nature unlike full and three quarter-time positions and are strictly a budgetary amount provided for the purposes of maximum flexibility in service delivery throughout the year as authorized by the Town Manager.

Section 12. Pay & Merit Plans

- A. Fiscal Year 2027 includes a merit pay benefit for all Staff. Merit awards for FY2027 Performance Evaluations remain the same at 3%, 4.5% and 6% for Meets Expectations, Exceeds Expectations and Far Exceeds Expectations, accordingly. The average anticipated merit is projected at 4.5% overall.

- B. Job Classification adjustments resulting from the one-third annual review of positions include recognized market condition adjustments to classification. Some of the positions in these departments will be upgraded by 1-2 pay grades to remain current within the regional market.
- C. Provides for 1% market conditions pay adjustment (cost of living adjustment) for all full-time and part-time regular 30-hour employees to reflect inflationary changes in the economy and to retain market competitiveness within the regional employee market.
- D. Longevity pay is provided to eligible full-time and part-time employees as a recognition of continued service to the Town. Employees receive a longevity payment of \$500 upon reaching five years of service and an additional \$500 for each subsequent five-year milestone. This benefit is included in the Town of Morrisville Pay Plan and is awarded based on the employee's verified years of service.
- E. There is hereby established an authorized Fiscal Year 2027 Pay Grade Classification Schedule describing the approved positions, classifications, grades, and pay ranges as referenced in the Additional Information Section. The schedule includes an overall adjustment to the grade pay ranges of 2%. Salaries for existing employees that fall below the new minimum for their designated pay grade will be automatically adjusted to the minimum prior to adjustments to other changes and/or merit awards.
- F. The existing Town of Morrisville Part-time Pay Plan describing the approved position classifications, grades, and pay rates ranges as referenced in the Additional Information Section aligns rates for various positions within programs based on a comprehensive review of peer communities and market conditions in efforts to improve recruitment.
- G. Stipends for Town Council will be adjusted annually at the average actual percentage increase as the Town's full-time employees.

Section 13. Federally Forfeited Property (DAG-71)

As it is the intent of any Federally Forfeited Property to enhance law enforcement, these funds have increased and not supplemented the departmental budget and all interest earned on said funds will also be utilized for law enforcement purposes. All forfeiture funds are hereby appropriated when received and any remaining audit identified funds at the fiscal year-end may be re-appropriated back to the Police Department's budget.

Section 14. Purchase Orders & Capital Outlay Thresholds

All purchase orders will be pre-audited in accordance with the Local Government Budget and Fiscal Control Act.

- A. All purchases over five-thousand dollars (\$5,000) including capital outlay purchases.
- B. Micro-purchase order self-certified thresholds (2 C.F.R. § 200.320(a)(1)(iv)(A)):
 - 1. \$30,000, for the purchase of apparatus, supplies, materials, or equipment and construction or repair work; and
 - 2. \$50,000, for the purchase of services not subject to competitive bidding under North Carolina law and the purchase of services subject to the qualifications-based selection process in the Mini-Brooks Act when exempted in writing (for projects pursuant to G.S. 143-64.32). If the exemption is not authorized, the micro-purchase threshold shall be \$0.

Section 15. Retirement Funds

As it is the intent of the Town to maintain and keep current the liability of both the LEO Separation Allowance Fund and the Retirement Healthcare Fund (OPEB), these funds will be transferred monthly from the General Fund as accumulated within the payroll accrual database.

Section 16. Healthcare Premium Fund

As it is the intent of the Town to maintain and manage the cost of rising healthcare and dental premiums, the Town will transfer anticipated employer healthcare and dental cost annually from the General Fund and direct accumulated employee contributions from the payroll system to a sub-fund of the General Fund to pay monthly premiums and retain any unused balances that may be used to offset future premium increases.

Section 17. Legal Services

There is hereby authorized for Fiscal Year 2027, an agreement with the Town Attorney for legal services establishing a monthly general legal retainer rate of \$1,236 to cover attendance at Town Meetings, work sessions, retreats, general consultation, advice, and the like. Charges on an hourly basis for work on specific cases and projects will be at a rate of \$257.50 per hour. When appropriate, assignment of legal matters to associate attorneys will occur and charges applied per hour based on a rate range of \$226.60 per hour for associates and \$118.45 per hour for paralegals. In addition, other reimbursements will include certain annual dues to professional organizations and registration/hotel fees for attending specific annual conferences.

Section 18. Special Authorization – Town Manager/Budget Officer or Designee

A. Budget Transfer Authority

1. May reallocate appropriations within or across functions and/or major categories as deemed necessary and in accordance with Budget Transfer Policy. All budget transfers will be reviewed and approved by the Budget Officer or designee.
2. May process interfund transfers as anticipated by the Budget Ordinance without additional approval by the Town Council.
3. May reallocate funds accrued because of personnel lapse salary for the purposes of providing the Town Manager with reasonable flexibility to mitigate unforeseen circumstances or effectively advance priorities operationally without unnecessarily appropriating from fund balance and for staff professional development and training opportunities to promote and advance employee knowledge, skills and abilities, and/or to address recruitment and retention issues within job classifications. The Town Manager will provide quarterly reports on the usage to Town Council. Use is subject to the Town Manager/Budget Officer's approval. This authority may not be designated.

B. Contract and/or Grants as Authority

1. May execute the following types of contracts within budgeted appropriations and that do not otherwise require Town Council approval by general statute: a. construction or repair contracts that do not require formal competitive bid procedures, b. contracts for the purchase of apparatus, supplies, materials, or equipment, c. service agreements, and d. equipment and rental agreements.
2. May execute contracts as the lessor or lessee of real property for a maximum duration of 59 months or less.
3. May approve any application, award, or execution of any grant agreement that may or may not require a local match within existing resource authority to advance strategic goals unless a grantor requires Town Council approval, or when expected match requirements are not appropriated within the annual budget.

C. Special Appropriation Authorization

1. May recognize and appropriate cost share reimbursements, rebates, or other reimbursement grants and direct said funds back to the appropriate Departmental Budget.

2. May recognize and appropriate donations and sponsorships received for restricted or special designations, in accordance with the Sponsorship & Facility Naming Rights Policy.
3. May recognize and appropriate all insurance claim reimbursements received along with fees for the disposal of assets and direct said funds back to the affected department.

D. Inter-fund Loan Authorization

1. May make inter-fund loans necessary to meet cash flow needs for approved capital project ordinances for working capital purposes pending receipt of debt proceeds, awarded grant reimbursements or other agreements.

Section 19. Utilization of Budget Ordinance

- A. This ordinance shall be the basis of the financial plan for the Morrisville Municipal Government during Fiscal Year 2027. The Town Manager/Budget Officer or designee shall administer the Budget and ensure that operating officials are provided with guidance and sufficient details to implement their appropriate portion of the Budget.
- B. The Financial Services Department shall establish and maintain all records, which are in consonance with this Budget Ordinance and the appropriate Statutes of the State of North Carolina.

Section 20. Re-appropriation of Funds Encumbered in FY 2026

Operating funds encumbered on the financial records as of June 30, 2026, are hereby re-appropriated to Fiscal Year 2027.

Adopted this on the 9th day of June 2026.

TJ Cawley, Mayor

ATTEST:

Kayla Bertling, Town Clerk



RESOLUTION 2026-181-B OF THE MORRISVILLE TOWN COUNCIL HEREBY AUTHORIZES BOTH WAKE & DURHAM COUNTY REVENUE ADMINISTRATORS TO LEVY & COLLECT SPECIFIED TAXES & FEES ON BEHALF OF THE TOWN OF MORRISVILLE

Whereas, the Town of Morrisville is authorized under G.S. 160A-209 to levy taxes set forth in the tax records filed in the Office of the Wake County Revenue Administrator and the Durham County Revenue Administrator in the amounts and from the taxpayers likewise; and

Whereas, the Town of Morrisville is authorized under G.S. 20-97 to levy an annual license tax on each vehicle; and

Whereas, the Town of Morrisville is authorized under G.S. 160A-314 to charge a Stormwater ERU Fee; and

Whereas, the Town of Morrisville is authorized under G.S. 160A-215.1 to levy a tax on gross receipts from retail short-term motor vehicle leases or rentals; and

Whereas, the Town of Morrisville is authorized under G.S.160A-536(a)(6) to establish and levy a tax in a specified Municipal Service District for the purpose of converting those private residential streets to public streets for only the affected neighborhoods that by majority petition have agreed to join the district; and

Whereas, the Town of Morrisville adopted Fiscal Year 2027 Annual Budget Ordinance prescribes and establishes such taxes and fees.

Now, Therefore, Be It Resolved That The Morrisville Town Council bestows the Wake County Revenue Administrator and the Durham County Revenue Administrator with full and sufficient authority to levy and collect any real or personal property taxes and/or special district tax, annual license vehicle taxes, Stormwater ERU Fee where Session Laws 2005-441 and 2011-109 authorizes collection of fee on property tax bill, and retail short-term vehicle lease or rental fee on behalf of the Town of Morrisville as prescribed and ordered in Fiscal Year 2027 Adopted Annual Budget Ordinance.

Adopted this on the 9th day of June 2026.

TJ Cawley, Mayor

ATTEST:

Kayla Bertling, Town Clerk



**CAPITAL PROJECT ORDINANCE 2026-181-C OF THE
MORRISVILLE TOWN COUNCIL HEREBY ADOPTS THE CAPITAL
BUDGET AS OUTLINED BY THE FY2027 – FY2031 CAPITAL
INVESTMENT PROGRAM**

Be It Ordained by the Town Council of the Town of Morrisville, North Carolina that the following anticipated Capital Investment revenues and project appropriations are hereby adopted for the operation of the Town government and its activities relating to the specified capital projects for the Fiscal Year beginning July 1, 2026.

Section 1: The capital projects authorized by this ordinance are for the purpose designated by each project scope provided within and relate to advancing the Capital Investment Program projects and other capital needs that are not included in the Annual Operating Budget Ordinance.

Section 2: The Town Manager is hereby directed to proceed with the capital projects within the terms of the budgets contained herein.

Section 3: The following amounts are anticipated and appropriated for the capital projects identified below:

- a. Aviation Parkway Pedestrian Access – to amend the Transportation Project Fund by establishing a new sub-division project within that fund for the purpose of design, construction, and installation of an Aviation Parkway cross access and connecting trail to Cedar Fork District Park and greenway trail to improve pedestrian safety in the area.

<i>Capital Revenues</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Transfer from Transportation Reserves	-	250,000	250,000
Total		\$250,000	\$250,000
<i>Capital Expenditures</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Design, Rights-of-Way, & Construction	-	\$250,000	\$250,000
Total		\$250,000	\$250,000

- b. Sidewalk Gap – Sorrells Grove Church Road – to amend the Transportation Project Fund by establishing a new sub-division project within that fund for the purpose of design, construction, and installation of a prioritized sidewalk gap segment to improve pedestrian safety in the area along NCDOT roadways.

<i>Capital Revenues</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Transfer from Transportation Reserve	-	1,595,000	1,595,000

Total	-	\$1,595,000	\$1,595,000
<i>Capital Expenditures</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Design, Rights-of-Way, & Construction		\$1,595,000	\$1,595,000
Total	-	\$1,595,000	\$1,595,000

- c. McCrimmon Parkway Widening Betterments – to amend the Transportation Project Fund by establishing a new sub-division project within that fund for the purpose of design, construction, and installation of support betterments for NCDOT McCrimmon Parkway Widening project. The Town’s portion will include increased sidewalk width on the north side, streetlight conduit, intersection improvements, and flyover aesthetics. (Note: the budget appropriation needed at this time is only for engineering cost. The remainder of the project appropriation will occur in FY2030 when the Town will be required to reimburse NCDOT.)

<i>Capital Revenues</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Transfer from Transportation Reserve	-	160,000	160,000
Total	-	\$160,000	\$160,000
<i>Capital Expenditures</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Design, ROW, & Construction		160,000	160,000
Total	-	\$160,000	\$160,000

- d. Cedar Fork Elementary Athletics – to amend the Parks Project Fund by establishing a new sub-division project within that fund for the purpose of design, construction, and installation of lighting and other amenities to support and in partnership with the athletic facilities that will be constructed by Wake County Public School System and in conjunction with construction of the new Wake County Public High School. The planned facilities include 1 multi-purpose field, and 6 tennis courts.

<i>Capital Revenues</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Transfer from Parks Reserve	-	1,500,000	1,500,000
Total	-	\$1,500,000	\$1,500,000
<i>Capital Expenditures</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Design & Construction		\$1,500,000	\$1,500,000
Total	-	\$1,500,000	\$1,500,000

- e. Watkins Road Park (Wake Tech Site) – to amend the Parks Project Fund by establishing a new sub-division project within that fund for the purpose of design to begin developing a shovel-ready project for a 17-acre park adjacent to the Wake Tech Community College campus. The project design will coincide and be informed by the active Parks Master Plan update currently in progress. The facility concept includes consideration of passive and active recreational uses allowed

within the Airport Overlay such as trails, disc-golf, basketball and other support amenities.

<i>Capital Revenues</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Transfer from Parks Reserve	-	450,000	450,000
Total	-	\$450,000	\$450,000
<i>Capital Expenditures</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Design		450,000	450,000
Total	-	\$450,000	\$450,000

Section 4: The Town Manager may make Interfund Loans as necessary for cash flow needs pending receipt of debt proceeds or reimbursement grants or agreements. Such transactions will comply with financial reporting requirements.

Section 5: The Town Manager has the authority to transfer funds; both expenditures and revenues, between accounts within the same fund as listed in Section 3 as may be necessary, provided however that the total expenditures may not exceed the project total without amendment by this Council.

Section 6: The Chief Financial Officer (Finance Officer) is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the financing agreement(s).

Section 7: All purchasing policies and laws, as related to the acquisition, design and construction or purchase of the above capital investment projects, remain in full force and effect.

Section 8: Utilization of Capital Investment Budget Ordinance – This ordinance shall be the basis of the financial plan for established/amended capital investments projects for the Morrisville municipal government.

Section 9: Statutory Definition of Project Ordinance – This Capital Investment Budget Ordinance is adopted in conformance with Section 159-13.2 of the Local Government Budget and Fiscal Control Act.

Section 10: Other Transfers and Adjustments – The following special transfers and/or adjustments are occurring through approval of the Fiscal Year 2027 capital budget. Additional resources as identified within the FY27 Capital Budget will be appropriated when they can be reasonably anticipated, preliminary work is required, or project bids are in hand.

Section 11: Copies of this capital project ordinance shall be furnished to the Town Clerk, Chief Financial Officer (Finance Officer), and the Town Manager (Budget Officer) for direction in carrying out the project.

Adopted this the 9th day of June 2026.

TJ Cawley, Mayor

ATTEST:

Kayla Bertling, Town Clerk

Fund Summaries Revenue/Expenditures

General Fund Revenues

OPERATIONAL FUNDS

General Government

	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Ad Valorem				
Curent & Prior Years	\$ 27,272,076	\$ 33,725,358	\$ 36,002,370	\$ 34,429,800
Penalty & Interest	77,394	64,791	85,000	40,000
Total Ad Valorem	\$ 27,349,470	\$ 33,790,149	\$ 36,087,370	\$ 34,469,800
Year Over Year % Change Total	-6%	24%	7%	-4%
Year Over Year \$ Change Total	\$ (1,614,602)	\$ 6,440,679	\$ 2,297,221	\$ (1,617,570)
Intergovernmental				
Utility Sales Tax/Telecommunications	\$ 2,809,430	\$ 2,319,713	\$ 2,787,500	\$ 3,000,000
Vehicle Decal Fees	639,570	648,842	640,000	638,600
ABC Revenue	226,876	134,382	277,340	180,000
Fire Reimbursements	43,309	-	40,000	-
Beer & Wine	156,696	129,346	156,800	130,000
Sales Tax Distribution	10,382,570	9,536,790	10,755,450	11,530,727
Rental Vehicle Tax	26,515	15,205	18,000	15,000
Solid Waste Disposal Tax	18,627	32,526	25,800	25,000
Total Intergovernmental	\$ 14,303,593	\$ 12,816,804	\$ 14,700,890	\$ 15,519,327
Year Over Year % Change Total	5%	-10%	15%	6%
Year Over Year \$ Change Total	\$ 706,223	\$ (1,486,789)	\$ 1,884,086	\$ 818,437
Restricted Intergovernmental				
Powell Bill	\$ 871,341	\$ 955,062	\$ 955,000	\$ 972,400
Wake County Fire Tax	887,461	1,175,642	1,248,347	1,490,000
Fines & Forfeitures	7,500	2,499	-	13,000
Grants	647,829	1,303,181	771,200	1,253,609
Total Restricted Intergovernmental	\$ 2,414,131	\$ 3,436,384	\$ 2,974,547	\$ 3,729,009
Year Over Year % Change Total			100%	25%
Year Over Year \$ Change Total			\$ (461,837)	\$ 754,462
Permits & Fees				
Fire Department Fees	\$ 138,235	\$ 137,020	\$ 150,000	\$ 200,000
Building Permits	1,034,663	1,214,205	1,380,100	1,186,000
Engineering Fees	50,815	110,367	100,000	100,000
Planning Fees	87,356	320,833	120,000	240,000
Officer/Civil Fines	44,191	24,697	46,000	25,000
Total Permits & Fees	\$ 1,355,260	\$ 1,807,122	\$ 1,796,100	\$ 1,751,000
Year Over Year % Change Total	-42%	33%	-1%	-3%
Year Over Year \$ Change Total	\$ (967,834)	\$ 451,862	\$ (11,022)	\$ (45,100)
Sales & Services				
Recreation	\$ 1,067,222	\$ 1,254,225	\$ 1,360,000	\$ 1,349,600
EV Charging Fees	-	-	-	32,500
Rental Agreements	479,500	656,554	572,102	590,300
Total Sales & Services	\$ 1,546,722	\$ 1,910,779	\$ 1,932,102	\$ 1,972,400
Year Over Year % Change Total	20%	24%	1%	2%
Year Over Year \$ Change Total	\$ 254,537	\$ 364,057	\$ 21,323	\$ 40,298

	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Miscellaneous Revenue				
Miscellaneous Revenue	\$ 130,000	\$ 294,697	\$ 70,091	\$ 136,500
Surplus Property	7,587	53,409	40,000	40,000
Wake County Landfill	102,781	34,144	50,000	50,000
Sponsorships	-	-	71,000	-
Total Miscellaneous Revenue	\$ 240,368	\$ 382,250	\$ 231,091	\$ 226,500
Year Over Year % Change Total	24%	59%	-40%	-2%
Year Over Year \$ Change Total	\$ 46,902	\$ 141,882	\$ (151,159)	\$ (4,591)
Investment Earnings				
Total Investment Earnings	\$ 680,000	\$ 847,925	\$ 850,000	\$ 1,000,000
Year Over Year % Change Total	28%	25%	100%	18%
Year Over Year \$ Change Total	\$ 150,065	\$ 167,925	\$ 2,075	\$ 150,000
Transfers In				
Transfers from Capital Reserves	\$ -	\$ 2,317,675	\$ 2,674,000	\$ 312,000
Transfers from Other Funds	763,100	-	-	-
Total Transfers In	\$ 763,100	\$ 2,317,675	\$ 2,674,000	\$ 312,000
Year Over Year % Change Total	4%	204%	15%	-88%
Year Over Year \$ Change Total	\$ 28,534	\$ 1,554,575	\$ 356,325	\$ (2,362,000)
Fund Balance				
Total Fund Balance	\$ -	\$ -	\$ 1,393,200	\$ 1,429,964
Year Over Year % Change Total			100%	3%
Year Over Year \$ Change Total			\$ 1,393,200	\$ 36,764
General Fund Total	\$ 48,652,644	\$ 57,309,088	\$ 62,639,300	\$ 60,410,000

General Fund Expenditures

Fund summary is showing comparative to original budgets in FY26 and FY27 to demonstrate growth.

OPERATIONAL FUNDS

GENERAL FUND

General Government

Governing Body	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Total Salary and Benefits	\$ 142,391	\$ 150,233	\$ 155,090	\$ 142,200
Operations	356,036	341,619	458,991	388,850
Capital Outlay	-	-	-	-
Transfers out of General Fund	7,900,450	12,883,800	9,945,048	9,018,000
Total Expenditures	\$ 8,398,877	\$ 13,375,652	\$ 10,559,129	\$ 9,549,050
Year Over Year % Change Total	1%	59%	-21%	-10%
Year Over Year \$ Change Total	\$ 105,586	\$ 4,976,775	\$ (2,816,523)	\$ (1,010,079)

FY27 Budget Priorities

Allocation to Parks Capital Reserve Fund	One Time	\$ 971,000
Allocation to Public Safety Capital Reserve Fund	One Time	971,000
Allocation to Transportation Capital Reserve Fund (\$500K Reduction)	One Time	471,000
		\$ 2,413,000

Administration	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Total Salary and Benefits	\$ 1,042,784	\$ 1,607,392	\$ 1,714,508	\$ 1,662,746
Operations	890,086	1,095,726	1,151,611	834,830
Capital Outlay	-	-	-	-
Total Expenditures	\$ 1,932,870	\$ 2,703,118	\$ 2,866,119	\$ 2,497,576
Year Over Year % Change Total	11%	40%	6%	-13%
Year Over Year \$ Change Total	\$ 186,807	\$ 770,248	\$ 163,001	\$ (368,543)

Economic Development	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Total Salary and Benefits	N/A	N/A	\$ 305,581	\$ 333,169
Operations	N/A	N/A	181,160	165,890
Capital Outlay	N/A	N/A	-	-
Total Expenditures	\$ -	\$ -	\$ 486,741	\$ 499,059
Year Over Year % Change Total			100%	3%
Year Over Year \$ Change Total			\$ 486,741	\$ 12,318

Communications	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Total Salary and Benefits	\$ 515,897	\$ 513,203	\$ 655,344	\$ 670,908
Operations	232,434	199,788	271,100	226,919
Capital Outlay	-	-	-	-
Total Expenditures	\$ 748,331	\$ 712,991	\$ 926,444	\$ 897,827
Year Over Year % Change Total	-6%	-5%	30%	-3%
Year Over Year \$ Change Total	\$ (50,632)	\$ (35,340)	\$ 213,453	\$ (28,617)

	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Human Resources				
Total Salary and Benefits	\$ 482,576	\$ 591,080	\$ 878,924	\$ 820,665
Operations	193,994	156,267	208,995	261,695
Capital Outlay	-	-	-	-
Total Expenditures	\$ 676,570	\$ 747,347	\$ 1,087,919	\$ 1,082,360
Year Over Year % Change Total	-11%	10%	46%	-1%
Year Over Year \$ Change Total	\$ (83,999)	\$ 70,777	\$ 340,572	\$ (5,559)

FY27 Budget Priorities

HRIS System			Recurring	\$ 60,000
				\$ 60,000

	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Finance				
Total Salary and Benefits	\$ 1,250,617	\$ 1,038,854	\$ 1,405,245	\$ 1,431,099
Operations	584,610	513,368	469,025	489,775
Capital Outlay	-	-	-	-
Total Expenditures	\$ 1,835,227	\$ 1,552,222	\$ 1,874,270	\$ 1,920,874
Year Over Year % Change Total	12%	-15%	21%	2%
Year Over Year \$ Change Total	\$ 195,501	\$ (283,005)	\$ 322,048	\$ 46,604

	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Information Technology				
Total Salary and Benefits	\$ 1,176,790	\$ 1,322,300	\$ 1,415,335	\$ 1,577,050
Operations	1,606,756	1,562,411	2,047,700	1,931,052
Capital Outlay	-	84,965	-	-
Total Expenditures	\$ 2,783,546	\$ 2,969,676	\$ 3,463,035	\$ 3,508,102
Year Over Year % Change Total	3%	7%	17%	1%
Year Over Year \$ Change Total	\$ 93,997	\$ 186,130	\$ 493,359	\$ 45,067

FY27 Budget Priorities

Hardware Replacements (Alarm Upgrades)			One Time	\$ 61,000
Hardware Replacements (Computer Equipment)			One Time	81,500
UNC Data Fellow Program (1 Year Intern Position)			Recurring	30,000
IT Support Technician (Funded by Central Pines COG)			Recurring	126,000
				\$ 298,500

General Government Total \$ **16,375,421** \$ **22,061,006** \$ **21,263,657** \$ **19,954,848**

Development

	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Engineering				
Total Salary and Benefits	\$ 1,144,674	\$ 1,331,375	\$ 1,409,183	\$ 1,463,212
Operations	88,702	101,796	131,960	135,165
Capital Outlay	-	-	-	-
Total Expenditures	\$ 1,233,376	\$ 1,433,171	\$ 1,541,143	\$ 1,598,377
Year Over Year % Change Total	16%	16%	8%	4%
Year Over Year \$ Change Total	\$ 168,063	\$ 199,795	\$ 107,972	\$ 57,234

	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Powell Bill				
Operations	\$ 508,935	\$ 1,112,606	\$ 955,000	\$ 900,000
Capital Outlay	-	-	-	-
Total Expenditures	\$ 508,935	\$ 1,112,606	\$ 955,000	\$ 900,000
Year Over Year % Change Total	-35%	119%	-14%	-6%
Year Over Year \$ Change Total	\$ (274,083)	\$ 603,671	\$ (157,606)	\$ (55,000)

	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Fleet				
Operations	\$ -	\$ 231,970	\$ 288,000	\$ 230,000
Capital Outlay	588,627	1,074,557	505,000	180,000
Total Expenditures	\$ 588,627	\$ 1,306,527	\$ 793,000	\$ 410,000
Year Over Year % Change Total	8%	122%	-39%	-48%
Year Over Year \$ Change Total	\$ 44,306	\$ 717,900	\$ (513,527)	\$ (383,000)

FY27 Budget Priorities

Vehicle Replacements (Emergency Police Vehicles)		One Time	\$ 180,000
			\$ 180,000

Public Works Total \$ **7,828,386** \$ **10,322,928** \$ **10,337,488** \$ **9,429,656**

Public Safety

	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Fire				
Total Salary and Benefits	\$ 7,326,630	\$ 8,187,399	\$ 8,685,625	\$ 9,471,531
Operations	957,760	1,019,384	1,141,400	1,107,330
Capital Outlay	-	1,459,466	2,445,000	-
Total Expenditures	\$ 8,284,390	\$ 10,666,249	\$ 12,272,025	\$ 10,578,861
Year Over Year % Change Total	8%	29%	15%	-14%
Year Over Year \$ Change Total	\$ 648,660	\$ 2,381,859	\$ 1,605,776	\$ (1,693,164)

FY27 Budget Priorities

3 Firefighter Positions		Recurring	\$ 322,000
Traffic Pre-emption Software		One Time	27,000
Mobile Command Post		One Time	41,000
Tablet Command		One Time	15,000
			\$ 405,000

	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Police				
Total Salary and Benefits	\$ 5,624,668	\$ 6,232,700	\$ 6,662,757	\$ 7,093,366
Operations	642,271	1,033,173	966,655	1,007,944
Capital Outlay	21,902	-	22,500	352,000
Total Expenditures	\$ 6,288,841	\$ 7,265,873	\$ 7,651,912	\$ 8,453,310
Year Over Year % Change Total	7%	16%	5%	10%
Year Over Year \$ Change Total	\$ 427,805	\$ 977,032	\$ 386,039	\$ 801,398

FY27 Budget Priorities

NC AOMP Training		Recurring	\$ 6,000
Radio Replacements		One Time	85,000
Taser Replacements		Recurring	33,000
School Resource Officer (1/4 Year Funded; Future Funded through WCPSS)		Recurring	48,000
Axon Interview Room Cameras		One Time	13,000
Patrol Officer (1/2 Year Funded, Includes Vehicle)		Recurring	126,000
Detective (1/2 Year Funded, Includes Vehicle)		Recurring	126,000
			\$ 437,000

Public Safety Total **\$ 14,573,231** **\$ 17,932,122** **\$ 19,923,937** **\$ 19,032,171**

Parks & Recreation

	2024 Actual	2025 Actual	2026 Original Budget	2027 Recommended Budget
Parks				
Total Salary and Benefits	\$ 2,431,351	\$ 3,434,889	\$ 3,613,962	\$ 3,807,925
Operations	874,091	989,258	1,219,350	1,358,908
Capital Outlay	-	12,400	255,000	30,000
Total Expenditures	\$ 3,305,442	\$ 4,436,547	\$ 5,088,312	\$ 5,196,833
Year Over Year % Change Total	19%	34%	15%	2%
Year Over Year \$ Change Total	\$ 516,679	\$ 1,131,105	\$ 651,765	\$ 108,521

FY27 Budget Priorities

Contracted Fitness Instructors		Recurring	\$ 14,000
Town Center Program Specialist (1/2 Year Funded)		One Time	65,000
			\$ 79,000

Parks & Recreation Total **\$ 3,305,442** **\$ 4,436,547** **\$ 5,088,312** **\$ 5,196,833**

General Fund Total **\$ 46,481,913** **\$ 59,576,790** **\$ 62,639,300** **\$ 60,410,000**

GENERAL FUND SUMMARY

	2026 Base Budget	2027 Base Budget	2027 Base Budget	2027 Base Budget
General Fund Expenditures				
General Government	\$ 16,375,421	\$ 22,061,006	\$ 21,263,657	\$ 19,954,848
Economic & Physical Development	4,399,433	4,824,187	6,025,906	6,796,492
Public Works	7,828,386	10,322,928	10,337,488	9,429,656
Public Safety	14,573,231	17,932,122	19,923,937	19,032,171
Parks & Recreation	3,305,442	4,436,547	5,088,312	5,196,833
Total Expenditures	\$ 46,481,913	\$ 59,576,790	\$ 62,639,300	\$ 60,410,000
		28%	5%	-4%

Capital Investment Program (CIP) – General Fund

The CIP is a long-range planning tool that provides strategic guidance to effectively align potential resources and financing illustrating how priority projects may be implemented within a 5-year period. The tables shown are abbreviated and will be expanded in the final budget report. Projects are aligned in the CIP based on the when debt or cash payments are anticipated to occur.

General Fund CIP Projects	FY2027	FY2028	FY2029	FY2030	FY2031	
	1.05	1.1	1.15	1.2	1.25	
Aviation Parkway (Sidewalk/Widening)				\$ 86,500	\$ 865,000	\$ 951,500
Aviation Parkway Pedestrian Access	\$ 250,000					\$ 250,000
Sawmill Creek Greenway (connected with SW Tributary Restoration)	\$ 1,600,000					\$ 1,600,000
Cedar Fork District Park Improvements				\$ 2,000,000		\$ 2,000,000
Cedar Fork Elementary Athletic Facilities	\$ 1,500,000					\$ 1,500,000
FS 2 Construction and Relocation	\$ 756,250	\$ 15,275,000				\$ 16,031,250
Intersection Improvements Phase III			\$ 2,200,000			\$ 2,200,000
Marcom Drive Park				\$ 1,000,000	\$ 5,000,000	\$ 6,000,000
McCrimmon Parkway Widening Betterments	\$ 160,000			\$ 2,158,900		\$ 2,318,900
Morrisville Parkway Access (Intersection Improvements Phase II)		\$ 350,000	\$ 8,750,000			\$ 9,100,000
NC-54 Widening Betterments				\$ 600,000		\$ 600,000
Recreation Multi-Use Center - Town Center Ph 2				\$ 1,000,000		\$ 1,000,000
Sidewalks Future - Church Street		\$ 5,900,000				\$ 5,900,000
Sidewalks Future - International Drive			\$ 1,000,000			\$ 1,000,000
Sidewalks Future - Louis Stephens						\$ -
Sidewalks Future - Sorrells Grove	\$ 1,595,000					\$ 1,595,000
Watkins Road Park (Wake Tech Site)	\$ 450,000	\$ 5,600,000				\$ 6,050,000
Total Capital Investment Program	\$ 6,311,250	\$ 27,125,000	\$ 11,950,000	\$ 6,845,400	\$ 5,865,000	\$ 58,096,650

General Fund CIP Projected Funding Sources	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
Transportation Reserve	\$ 1,845,000	\$ 1,350,000	\$ 4,950,000	\$ 1,245,400	\$ 865,000	\$ 10,255,400
P & R Reserve	\$ 2,750,000	\$ 3,364,000		\$ 3,000,000		\$ 9,114,000
CIP Reserve	\$ 160,000	\$ 2,236,000		\$ 1,000,000		\$ 3,396,000
Cash Reserves (Fund Balance)				\$ 600,000		\$ 600,000
Grants/Other	\$ 1,556,250	\$ 12,900,000	\$ 7,000,000			\$ 21,456,250
Future Bond/Installment Financing		\$ 7,275,000		\$ 1,000,000	\$ 5,000,000	\$ 13,275,000
Total Sources	\$ 6,311,250	\$ 27,125,000	\$ 11,950,000	\$ 6,845,400	\$ 5,865,000	\$ 58,096,650

Assumptions:

- ✓ Submitted cost estimates include a 25% contingency modifier on projected cost.
- ✓ Inflationary adjustments are applied at 5% annual increments depending on the start date.
- ✓ Project cost estimating services validated CIP modifiers and project concept preliminary estimates.
- ✓ Funding plan anticipates continued annual allocations and projected restricted source receipts in long-range assumptions. Any change or discontinuation of these anticipated annual allocations/receipts will have significant impacts to the long-range projected plan.

Top Prioritized CIP Projects in 5-Year Planning Period

The project concepts are shown in alphabetical order with a brief summary of the projects. Estimated project costs reflect amounts anticipated to be funded within the FY27 – FY31 CIP including cost escalating factors in the planning period.

Aviation Parkway Sidewalk & Widening Betterments (NCDOT)

\$951K

The Aviation Parkway sidewalk and widening project is intended to improve pedestrian safety, reduce traffic congestion, and address capacity deficiencies at the Aviation Parkway and NC-54 intersection. The project will bring the corridor up to current Town standards and may include installation of streetlight conduit to maximize construction efficiency. Overall, these improvements will enhance east–west mobility through Morrisville and help alleviate congestion. The Town’s share reflects the estimated cost of betterments beyond the STIP project, with construction anticipated to begin in FY2030.

Aviation Parkway Pedestrian Access

\$250K

This project, expected to begin in FY2030, will address pedestrian safety concerns between HSNC, Cedar Fork District Park, and nearby greenway trails. Worn footpaths and safety issues observed during area events highlight the need for safer pedestrian crossings and improved connectivity. The project aims to enhance pedestrian access while supporting broader corridor mobility and safety goals.

Cedar Fork District Park Improvements

\$2 million

This project aims to add new irrigation lines and lighting poles at Cedar Fork District Park. Currently, all 8 fields are heavily used for pickup games, event rentals, and soccer practice, leading to frequent turf maintenance and closures. The first phase will install irrigation on 3 fields and lay infrastructure for future connections to other fields. Additionally, the project plans to install field lighting after completing irrigation improvements, allowing extended playtime into late afternoon and evening and be able to impact program expansion. This project has been part of the CIP for many years.

Cedar Fork Elementary Athletic Facilities

\$1.5 million

This project is for lighting to support athletic facilities, including a multipurpose field and 6 tennis courts, constructed by the Wake County Public School System during construction of the new Wake County Public High School. The timing for the lighting will depend on Wake County finalizing their design.

Fire Station 2 Relocation

\$16 million

This project funds the design and construction planning for relocating Fire Station 2 to the Wake Tech site. The proposed facility will be a 12,000- to 15,000-square-foot, two-bay station with an optional EMS component to meet growing service demands in the area. Planning for this project is influenced by NCDOT right-of-way constraints along NC-54, which affect site access and other operational needs.

Intersection Improvements Phase III

\$2.2 million

This project includes targeted upgrades at intersections identified in the 2021 Intersection Improvements Study as having future level-of-service deficiencies. Improvements include a new roundabout and high-visibility crosswalks at Downing Glen Drive and Town Hall Drive, and a new roundabout with sidewalks on both sides of Church Street at Jeremiah Street. The project schedule has been adjusted to align with Town Center.

Marcom Park**\$6 million**

This project includes the design and construction of recreation amenities along Marcom Drive, Wake County property, and Sorrell Grove Church Road. The concept envisions a passive park that may accommodate features such as disc golf, nature trails, canoe launches, a ropes course, and other passive amenities with supporting structures. Additional site control is required to advance the project. The ongoing Parks and Recreation Master Plan update will help refine and guide the final project scope.

Morrisville Parkway Access Improvements**\$9.1 million**

This project includes the design and construction of multiple intersections identified as priority locations in the Intersection Improvements Phase II study. Planned improvements include new traffic signals, turn lanes, median modifications, pavement striping, and pedestrian safety enhancements. The project is currently in the design phase in FY26. The Town is pursuing CAMPO LAPP funding for right-of-way acquisition and utilities, and is preparing an additional LAPP application to support construction.

McCrimmon Parkway Widening Betterments**\$2.3 million**

This project includes Town-funded betterments associated with the NCDOT-managed widening of McCrimmon Parkway from Davis Drive to NC-54. Enhancements include a wider sidewalk on the north side, installation of streetlight conduit, intersection improvements at Davis Drive and Parkside Valley Drive, and aesthetic upgrades to the flyover structure.

NC-54 Widening Betterments**\$600k**

This project includes Town-funded betterments associated with the NCDOT-managed widening of NC-54 between Perimeter Park Drive and Shiloh Glen Drive. The improvements include construction of a 10-foot-wide multi-use path on the north side of the corridor, installation of streetlight conduit, and extension of the median along Perimeter Park Drive. The project also upgrades the traffic signal at Carrington Mill Boulevard and Lichtin Boulevard by replacing wood poles with mast arms and adding a pedestrian crossing. Additionally, irrigation will be installed to support landscaping within the medians.

Recreation Multi-Use Center Design - Town Center Area**\$1 million**

The Town Center vision includes the future development of a Recreation and Multi-Use Center to support the community's growing recreational needs. Conceptual planning will explore a range of civic amenities that could be incorporated into the facility. The ongoing Parks Master Plan update will guide program requirements and inform the project's overall direction. Funding the design phase will support future bond referendum planning.

Sawmill Creek Greenway Projects**\$1.6 million**

This project is located near the Town Center and the Historic Church site and is coordinated with the Stormwater Stream Restoration initiative to improve water quality in Sawmill Creek and enhance habitat conditions. Constructing the greenway concurrently increases efficiency and utilizes existing easements and land dedicated through nearby development. The project also provides an opportunity to showcase the Town's historic significance along the adjacent railroad corridor.

Sidewalk Gap - Future Projects**\$8.5 million**

This project involves completing missing sidewalk segments, including those located within NCDOT rights-of-way. The Comprehensive Transportation Plan identifies sidewalks as a critical element of all major Town corridors. Planned future segments include portions of Church Street, Sorrell Grove Church Road, and two sections of International Drive.

Wake Tech Park

\$6 million

This project will develop approximately 17 acres of leased land adjacent to the Wake Tech RTP Campus into parkland that supports a range of passive and active recreational uses permitted within the Airport Overlay, such as nature trails, a disc-golf course, basketball courts, and related amenities. The site, which is wooded with varied slopes and potential stream areas, will serve as the permanent replacement for the Dragonfly course. Because the Airport Overlay restricts certain activities, the project will emphasize passive recreational features. The ongoing update to the Parks and Recreation Master Plan will further guide the project's scope and programming needs.

Capital Investment Program (CIP) – Stormwater Fund

Top Prioritized Stormwater CIP Projects in 5-Year Planning Period

The project concepts are shown in alphabetical order. More information may be provided during the CIP work session. The 5-Year Stormwater CIP (SWCIP) plans for \$4.3M in project funding based on the stormwater prioritization study conducted in FY2021. Many projects are susceptible to potential grant opportunities. The SWCIP is shown in manner that demonstrates the transparency of the dedicated portion of annual proceeds from the Stormwater ERU fee annually. The allocations accumulate, allowing designated projects to advance when funding and/or grant opportunities occur.

Stormwater Fund CIP	FY2027	FY2028	FY2029	FY2030	FY2031
	1.05	1.1	1.15	1.2	1.25
Projects	Savannah Subdivision & MCR (Design)	Savannah Subdivision & MCR (Construction) Garden Square Lane & Greenway (Design)	Garden Square Lane & Greenway (Construction)	Morrisville Carpenter Road (West Millet Drive - Design) Chessway Drive Culvert (Design)	Morrisville Carpenter Road (West Millet Drive - Construction) Chessway Drive Culvert (Construction) Town Hall Drive Culvert
Funding Plan					
Beginning Balance	\$ 1,055,301	\$ 1,305,301	\$ 424,601	\$ 178,051	\$ 48,309
Stormwater ERU Fee Annual Allocation to CIP	\$ 500,000	\$ 520,000	\$ 530,400	\$ 541,008	\$ 551,828
Stormwater Operating Fund Balance Appropriation			\$ 200,000	\$ 600,000	\$ 600,000
Project Totals	\$ 250,000	\$ 1,400,700	\$ 976,950	\$ 1,270,750	\$ 500,000
Ending Balance	\$ 1,305,301	\$ 424,601	\$ 178,051	\$ 48,309	\$ 700,137

Chessway Drive Culvert

\$2 million

Construction of a meandering channel incised approximately 2' deeper than the existing channel at the upstream end while maintaining the current culvert inlet invert at Chessway Drive. In addition to the deeper channel, the conceptual design includes the excavation of a relatively flat floodplain 50' on either side of the new channel. Located within the Town maintained ROW of Chessway Drive approximately 150 feet south of the intersection with Chessridge Way (Just off of Davis Drive).

Garden Square Lane Culvert and Greenway

\$1 million

This project replaces and upgrades the existing pipe and culvert infrastructure located approximately 150 feet west of the Garden Square Lane and Councilman Court intersection. Improvements encompass stormwater facilities within the Town-maintained right-of-way and the easement along the Indian Creek Greenway. The upgrades are intended to mitigate road overtopping and reduce flooding risks to adjacent residential properties.

Morrisville Carpenter Road Culvert (West of Millet Drive)**\$1 million**

This project replaces and upgrades the existing pipe and culvert infrastructure located approximately 150 feet west of the Garden Square Lane and Councilman Court intersection. Improvements encompass stormwater facilities within the Town-maintained right-of-way and the easement along the Indian Creek Greenway. The upgrades are intended to mitigate road overtopping and reduce flooding risks to adjacent residential properties.

Morrisville Tributary Stream Restoration/Greenway (Sawmill Creek)**\$2.3 million**

Located behind Page Street and parallel to the railroad tracks and Church Street, this project focuses on restoring an unstable stream and improving water quality along the planned Sawmill Creek Greenway. Work includes stabilizing eroded banks, enhancing the riparian buffer through invasive species removal and native plantings, and adding pocket wetlands to improve habitat and water quality. The project also includes constructing a greenway connection to nearby development and the Historic Christian Church.

Savannah Subdivision & Morrisville Carpenter Road Culvert**\$1.5 million**

This project replaces and upsizes existing stormwater pipes within the NCDOT right-of-way on Morrisville Carpenter Road and within the Town-maintained rights-of-way on Star Magnolia Drive and Low Country Court in the Savannah subdivision. The improvements aim to mitigate road overtopping and reduce flooding impacts to adjacent residential properties.

Town Hall Drive Culvert**\$500k**

This project includes the upsizing and replacement of existing stormwater pipe infrastructure within both the NCDOT and Town-maintained rights-of-way along Town Hall Drive. The improvements are intended to reduce road overtopping and decrease flooding risks for nearby residential structures.

Other Information:

General Fund Projects

Completed Projects	Future Projects
Mcrimmon Parkway Culvert will finish with NCDOT flyover project Wolfsnare Lane Culvert	Morrisville Carpenter Road Culvert (West of Davis Drive) Morrisville Carpenter Road (West of Madres Lane) Morrisville Community Park Phase III

Position & Pay Grade Classification

Positions Change Summary					
Full-Time & Three-Quarter Time	2024	2025	2026	FY 27 Changes Proposed	Proposed FY 2027
General Government					
Administration	5	7	7		7
Communications	4	4	5		5
Economic Development		2	2		2
Human Resources	4	4	5		5
Financial Services	6	9	10		10
Information Technology	8	8	9	1	10
	30	34	38	4	38
Public Safety					
Police	50	52	52	3	55
Fire	61	65	66	3	69
	111	117	118	1	118
Development					
Inspections	10	10	10		10
Planning	12	12	12	1	13
Engineering	10	10	10		10
Stormwater	4	4	4		4
	36	36	36		36
Public Works					
	26	28	28	1	29
Parks & Recreation					
	25	24	24	1	25
TOTAL FULL-TIME	228	239	244	10	254
Three-Quarter Time	6	8	7		7
GRAND TOTAL AUTHORIZED	234	247	251	10	261

Full-time positions are based on 40 hours full-time and 30-hour three-quarter time positions. Part-time temporary and seasonal positions are flexible in nature and are not shown in this illustration.

Pay & Grade Classification

Grade	Beginning	End	Classification Title
11	35,281	56,449	For Future Use
12	37,044	59,269	For Future Use
13	38,898	62,233	For Future Use
14	40,814	65,346	For Future Use
15	42,884	68,613	ATHLETIC FACILITIES MAINTENANCE TECHNICIAN I COMMUNITY CENTER CUSTOMER SERVICE REPRESENTATIVE I GROUNDS MAINTENANCE TECHNICIAN I STREET MAINTENANCE TECHNICIAN I
16	45,026	72,043	COMMUNITY CENTER CUSTOMER SERVICE REPRESENTATIVE II
17	47,279	75,646	ACCOUNTING GENERALIST AQUATICS SPECIALIST (30-hour and Full-time) ATHLETIC FACILITIES MAINTENANCE TECHNICIAN II GROUNDS MAINTENANCE TECHNICIAN II PARKS FACILITY AIDE (30-hour) STREET MAINTENANCE TECHNICIAN II
18	49,643	79,427	FACILITIES MAINTENANCE TECHNICIAN I PERMIT TECHNICIAN
19	52,124	83,399	ACCOUNTING TECHNICIAN ATHLETICS FACILITIES MAINTENANCE TECHNICIAN III GROUNDS MAINTENANCE TECHNICIAN III MECHANIC PAYROLL ADMINISTRATOR SENIOR ADMINISTRATIVE ASSISTANT STREETS MAINTENANCE TECHNICIAN III
20	54,731	87,294	DEVELOPMENT SERVICES COORDINATOR - ENGINEERING FIREFIGHTER SMALL BUSINESS SPECIALIST
21	57,468	91,947	ATHLETICS PROGRAM SPECIALIST DEVELOPMENT SERVICES COORDINATOR - PLANNING MEMBER SERVICES SUPERVISOR - MAFC PROPERTY AND EVIDENCE TECHNICIAN - QUARTERMASTER SENIOR ADULT PROGRAM SPECIALIST YOUTH PROGRAM SPECIALIST
22	60,340	96,544	ADMINISTRATIVE COORDINATOR - DEPUTY TOWN CLERK AQUATICS COORDINATOR - LIFEGUARD TRAINING AQUATICS COORDINATOR - WATER SAFETY INSTRUCTOR CODE ENFORCEMENT OFFICER COMMUNICATIONS SPECIALIST FACILITIES MAINTENANCE TECHNICIAN III FITNESS PROGRAM COORDINATOR MASTER FIREFIGHTER PLANNING TECHNICIAN

<i>Grade</i>	<i>Beginning</i>	<i>End</i>	<i>Classification Title</i>
23	63,357	101,371	BUILDING CODES INSPECTOR I CULTURAL RESOURCES SPECIALIST DIGITAL MEDIA AND WEBSITE SPECIALIST HUMAN RESOURCES ANALYST MULTIMEDIA DESIGN SPECIALIST PERMIT SUPERVISOR POLICE CRIME AND ACCREDITATION ANALYST POLICE OFFICER I SPECIAL EVENTS SPECIALIST
24	66,524	106,440	AQUATICS MANAGER ATHLETICS FACILITIES MAINTENANCE SUPERVISOR FIRE ENGINEER FLEET SUPERVISOR GROUNDS MAINTENANCE SUPERVISOR MANAGEMENT AND BUDGET ANALYST MASTER POLICE OFFICER PLANNER I PRCR MARKETING COORDINATOR PURCHASING AND PROCUREMENT ANALYST STREET MAINTENANCE SUPERVISOR
25	69,852	111,762	ATHLETICS PROGRAM MANAGER BUILDING CODES INSPECTOR II ENGINEERING TECHNICIAN ENVIRONMENTAL SPECIALIST FACILITIES SUPERVISOR PUBLIC WORKS OPERATIONS ANALYST SENIOR CENTER MANAGER SUSTAINABILITY PROGRAMS COORDINATOR TOWN CLERK
26	73,343	117,349	COMMUNITY CENTER MANAGER - CFCC IT SUPPORT ANALYST I PRCR OPERATIONS ANALYST PRCR SPECIAL EVENTS SUPERVISOR PLANNER II SENIOR POLICE OFFICER STRATEGIC PERFORMANCE MANAGER
27	77,012	123,218	ASSISTANT FIRE MARSHAL COMMUNITY CENTER MANAGER - MAFC DEVELOPMENT SERVICES SUPERVISOR FIRE CAPTAIN PLANNER III SENIOR BUILDING CODES INSPECTOR
28	80,861	129,380	BUSINESS SYSTEMS ANALYST DEPUTY FIRE MARSHAL IT SUPPORT ANALYST II POLICE CORPORAL SENIOR PLANNER RISK MANAGER STORMWATER ENGINEER COMMUNICATIONS MANAGER

Grade	Beginning	End	Classification Title
29	84,905	135,847	CAPITAL PROJECTS MANAGER GIS MANAGER INNOVATIONS ANALYST INSPECTIONS OPERATIONS MANAGER NETWORK AND SECURITY ADMINISTRATOR POLICE SERGEANT SENIOR IT ANALYST
30	89,149	142,641	BATTALION CHIEF FIRE MARSHAL TRANSPORTATION PROJECT MANAGER
31	93,607	149,772	BUDGET OPERATIONS MANAGER INNOVATIONS MANAGER FINANCIAL OPERATIONS MANAGER POLICE LIEUTENANT SENIOR CAPITAL PROJECTS MANAGER STORMWATER ENGINEERING MANAGER
32	98,288	157,262	ASSISTANT HUMAN RESOURCES DIRECTOR IT OPERATIONS MANAGER PLANNING MANAGER
33	103,202	165,124	ASSISTANT PARKS, RECREATION AND CULTURAL RESOURCES DIRECTOR ASSISTANT PUBLIC WORKS DIRECTOR DEPUTY FIRE CHIEF POLICE CAPTAIN
NG	MARKET	BASED	ASSISTANT TOWN MANAGER CHIEF FINANCIAL OFFICER CHIEF INFORMATION OFFICER COMMUNICATIONS & OUTREACH DIRECTOR DEPUTY TOWN MANAGER DIRECTOR OF ENGINEERING DIRECTOR OF MANAGEMENT SERVICES ECONOMIC DEVELOPMENT DIRECTOR FIRE CHIEF HUMAN RESOURCES DIRECTOR INSPECTIONS DIRECTOR PARKS, RECREATION AND CULTURAL RESOURCES DIRECTOR PLANNING DIRECTOR POLICE CHIEF PUBLIC WORKS DIRECTOR

Note: The grade table above includes a 2% grade range adjustment, market range adjustments/reclassifications based on annual position study. There is a 5% spread between each grade and a 60% spread within each range (minimum to maximum).

Part-time Pay Grade Classification FY2027

To remain flexible to evolving market conditions and recruitment issues, the below pay table rate designations will remain flexible to allow the Town Manager the authority throughout the performance year to make rate changes as needed within the appropriate resources. All other part-time position types, the rates will vary depending on job assignment and market.

Grade	Position Control Level	Hourly Rate	Classification Title
1	Recreation Aide I	\$13.00	Scorekeeper I
2	Recreation Aide II	\$14.00	Scorekeeper II
3	Recreation Aide III	\$15.00	Athletic Site Supervisor Counselor I (<i>Before School*, After School, Summer Camp, RSG</i>) Center Aide I Senior Program Aide I Mini-Bus Driver
4	Recreation Aide IV	\$16.00	Duty Officer I
5	Recreation Aide V	\$17.00	Athletic Site Supervisor II Lifeguard I Center Aide II Counselor II (<i>Before School*, After School, Summer Camp, RSG</i>) Senior Program Aide II
6	Recreation Aide VI	\$18.00	Duty Officer II
7	Recreation Aide VII	\$19.00	Lifeguard II Swim Instructor I
8	Recreation Aide VIII	\$21.00	Swim Instructor II
9	Recreation Aide IX	\$26.00	Fitness Instructor I
10	Recreation Aide X	\$28.00	Fitness Instructor II

User Fee Schedule for FY2027

Town of Morrisville, North Carolina

Fee Schedule - Effective 7/1/2026

Schedule subject to change upon approval by Town Council

TAXES & FEES			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Tax Rate	\$0.35/\$100 valuation of property	\$0.35/\$100 valuation of property	No change
Municipal Service District Tax	\$0.10/\$100 valuation of property	\$0.10/\$100 valuation of property	No change
Vehicle Fee (NCGS 20-97 (b1))	\$30/vehicle	\$30/vehicle	No change
DEVELOPMENT FEES			
For New Residential Developments - Collected by the Planning Department			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Comprehensive Plan Amendments			
Consultant Peer Review Fee	At cost	At cost	No change
Comprehensive Plan Map or Text Amendment	\$1,000	\$1,000	No change
Conceptual Master Plan			
(Includes First 3 Reviews)			
- Major Modifications	\$750+\$30/acre	\$750+\$30/acre	No change
- Minor Modification	\$600	\$601	No change
- 4th & subsequent reviews	\$250/each	\$250/each	No change
Landscaping & Tree Preservation			
Alternative Landscape Plan (per request)		\$250/alternative	
Tree, Payment in Lieu of Replacement	\$305/caliper in.	\$305/caliper in.	No change
Tree Damage Report	At cost	At cost	No change
Ordinance/Zoning Map Amendment			
Conditional	\$1,000+\$30/acre	\$1,000+\$30/acre	No change
Public notice fees also required			
General use	\$750+\$30/acre	\$750+\$30/acre	No change
Public notice fees also required			
Planned Development	\$2,000+\$30/acre	\$2,000+\$30/acre	No change
Planned Development Minor Modification	\$800	\$800	No change
Parking Requirements			
Parking, Alternative Plan	\$250	\$250	No change
Parking, Loading Space Waiver	\$250/application	\$250/application	No change
Parking, Master Payment-in-Lieu	\$2,030/space	\$2,030/space	No change
Signage Requirements			
Sign, Master Plan	\$200	\$200	No change
Sign, Master Plan – Minor Modification	\$100	\$100	No change
Sign, Permanent			
Ground Signs A & B, Wall Mounted Fascia Sign, Projection Fascia Sign, Awning -Mounted Sign & Marquee Sign (30 sq ft or less; greater than 30 sq ft \$6 per sq ft)	\$135	\$135	No change
Signs identified above (over 30 sq ft)	\$135	\$135	No change
Bracket mounted or Ground sign C	\$6/sq foot	\$6/sq foot	No change

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Sign, Temporary			
Banner, sock, light pole banner (onetime fee required for initial installation. This is necessary to ensure sign/brackets/location comply with UDO.)	\$25/each	\$25/each	No change
Yard sign A	\$5/sq foot	\$5/sq foot	No change
Yard sign B	\$25	\$26	No change
Site Plan			
Site Plan (includes first 3 reviews)			
- Nonresidential use & Mixed Use	\$800+\$30/acre	\$800+\$30/acre	No change
- Single Family Attached & Multi-family	\$800 +\$25/unit	\$800 +\$25/unit	No change
- Minor Modification: where nonconforming code compliance triggers are not met As identified in Nonconforming Use: (UDO Section 9.7) New development; accessory structures; other modifications to existing buildings/ sites where nonconforming code compliance triggers are not met	\$600	\$600	No change
- Minor Modification: where nonconforming triggers are met requiring site to be brought into conformance with Code Where nonconforming triggers in UDO Section 9.7 are met requiring site to be brought into conformance with Code (exception for accessory structures: see 3)	\$800+\$30/acre	\$800+\$30/acre	No change
- Site Plan: 4th & subsequent reviews	\$600/each	\$600/each	No change
- Minor Modification: 4th & subsequent reviews	\$300/each	\$300/each	No change
Site-Specific Development Plan Designation	\$1,015	\$1,015	No change
Special Use			
Special Use Permit	\$1,000+\$30/acre	\$1,000+\$30/acre	No change
Special Use Permit, Minor Amendment	\$750	\$750	No change
Stockpiling Permit	\$105	\$105	No change
Structure in Right-of-Way See UDO Section 2.5.25 RoW Encroachment Agreement Approval	\$510	\$510	No change
Subdivision Approval			
Subdivision, Preliminary (includes first 3 & mylar reviews)			
- Type 1 Major Modifications Fee not required for single-family attached; see Site Plan fees	\$1000+\$25/lot	\$1000+\$25/lot	No change
- Type 2 Major Modifications Fee not required for single-family attached; see Site Plan fees	\$800+\$25/lot	\$800+\$25/lot	No change

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
- Types 1 & 2 Minor Modifications	\$600	\$600	No change
- Types 1 & 2; 4 th & subsequent reviews	\$600/each	\$600/each	No change
Subdivision, Final Plat (includes first 3 & mylar reviews)			
- Types 1 & 2	\$250+\$15/lot	\$250+\$15/lot	No change
- Types 1 & 2 with residential mixed use	Add \$25/unit	Add \$25/unit	No change
- Determination of Subdivision Exclusion	\$200	\$200	No change
- Determination of Subdivision Exclusion and subsequent reviews	\$105		Remove
- Right-of-Way or Easement Dedication	\$200	\$200	No change
- All Final Plats; 4th & subsequent reviews	\$150/each	\$150/each	No change
- All Final Plats; 4th & subsequent reviews			
Telecommunications, New Facility	\$4,500	\$4,500	No change
Telecommunications, Colocation	\$1,000	\$1,000	No change
Telecommunications, Small Cell Antenna	\$100/each Up to 5 \$50/each Next 20	\$100/each Up to 5 \$50/each Next 21	No change
Telecommunications, Consultant Review May require additional Consultant Review fees; do not apply to those in the right-of-way. Pursuant to NCGS 160A 400.3E Wireless Telecommunication 8. Projects inactive for 1 year require new TIA & full submittal fee.	\$500/application	\$500/application	No change
Temporary Use - Special Events			
Temporary Use Permit, General/Food Truck	\$50	\$50	No change
Temporary Use Permit, Street Vendor	\$50	\$50	No change
Temporary Use Permits, Special Events:			
- Tier I / Late Fee Tier I	\$100/\$250	\$100/\$250	No change
- Tier II / Late Fee Tier II	\$50/\$50	\$50/\$50	No change
Transportation			
Transportation Impact Analysis Town Review Where nonconforming triggers in UDO Section 9.7 are met requiring site to be brought into conformance with Code (exception for accessory structures: see 3)	\$700+\$15/acre	\$700+\$15/acre	No change
Traffic Signal Review-Town	\$385	\$385	No change
Traffic Impact Analysis Consultant Review Fee	Actual Cost	Actual Cost	

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
All Other Fees			
Administrative Adjustment	\$250/request	\$250/request	No change
Administrative Appeal, UDO	\$610	\$610	No change
Administrative Appeal. Accessory Structure	\$155	\$155	No change
Alternative Equivalent of Compliance	\$750 +\$30/acre	\$750 +\$30/acre	No change
Annexation Petition	\$360	\$360	No change
Cross Access Waiver (per cross/access point)	\$250	\$250	No change
Development Agreement	\$1,250	\$1,250	No change
Development Name Change	\$560	\$560	No change
Fence, Security Fence Plan	\$250	\$250	No change
Grave Removal Request	\$230	\$230	No change
Home Occupation Fee	\$50	\$50	No change
Interpretation (UDO)	\$250	\$250	No change
Mural	\$135	\$135	No change
Plot Plan Review (not associated with a building permit)	\$75	\$75	No change
Presubmittal Expedited (5 or less business days)	N/A	\$250	New fee – to accommodate process change requiring submittal at least 5 business days before requested meeting date
Public Notice, Mailing Fee	\$1.50/notice	\$1.50/notice	No change
Public Notice, Sign	\$30/sign	\$30/sign	No change
Re-Inspections (Reinspections include site, transportation, tree fencing, landscape, other planning items)	\$80	\$80	No change
Road Closure	\$500	\$500	No change
Road Name Change	\$560	\$560	No change
Same Day Inspection (if capacity exists)		\$80 See Building permit fees	Proposed fee aligns with Inspection Department Same Day Inspection Fee
Variance General UDO (see also Riparian Buffer)	\$600	\$600	No change
Vesting Determination	\$300	\$300	No change
Waiver, request Limitation on Subsequent similar Applications	\$255	\$255	No change
Waivers, UDO requirements	\$250 per request	\$250 per request	No change

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Zoning Compliance Letter	\$200	\$200	No change
PARK LAND PAYMENT IN LIEU FEES			
For New Residential Developments - Collected by the Planning Department			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Single Family Attached, Detached, Duplex & Manufactured Home Dwellings (predevelopment cost)	1/35 of an acre per unit	1/35 of an acre per unit	No change
Multi-Family	\$3,214.52/unit	\$3,278.81/unit	Adjusted for equivalent single-family 2% property value increase
Appraisal	At cost	At cost	No change
ENGINEERING FEES/BONDS			
Calculated and collected by Engineering Services			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Bond Administration Fee:	N/A	- Cash/check: \$100	Standard to cover administrative costs of managing performance bonds
		- Surety Bond/Letter of Credit \$300	
		-Reduction/Amendment \$100	
Construction Site Plan Review Fees			
- Construction Plan Review (includes first 3 reviews)	\$750 + \$30/acre	\$750 + \$30/acre	No change
- Construction Plan Re-submittal (4th & subsequent submittals)	\$560	\$560	No change
- Construction Plan Revisions / Minor Modification (after initial approval)	\$600	\$600	No change
Encroachment Plan Review			
- Irrigation & Drainage	\$50	\$50	No change
- Utility Plan Review	\$200	\$200	No change
Encroachment agreement preparation and recording	N/A	\$510+ eRecording Fee	New Fee to cover the cost of preparing and recording encroachment agreement
Project Close Out Fees – Due at Project Completion			
- Record Drawing Review (includes 2 reviews)	\$250	\$250	No change
- Record Drawing Re-submittal (3rd & subsequent submittals)	\$150	\$150	No change
Miscellaneous Fees			
Administrative Appeal (EDCM)	\$610	\$610	No change
Alternative Standard (EDCM) - Request	\$250/request standard	\$250/request standard	No change
Bulletin Drawing Review (includes 2 reviews)	\$150/review	\$150/review	No change
Interpretation (EDCM)	\$205	\$205	No change
Retaining Wall/Other Structure (RW/OS)–	\$200/first review		
RW/OS (2nd & subsequent reviews)–	\$100/each		

INFRASTRUCTURE FEES			
Public Right-Of-Way (ROW)			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Apartments, commercial, office, institutional & industrial lots			
- First inspection & one re-inspection	\$400/building	\$400/building	No change
- Re-inspection (includes 2 re-inspections)	\$400/building	\$400/building	No change
Dwelling Unit, Single Family Detached			
- First inspection & one re-inspection	\$150/lot	\$150/lot	No change
- Re-inspection (includes 2 re-inspections)	\$150/lot	\$150/lot	No change
Dwelling Unit, Town Home Attached			
- First inspection & one re-inspection	\$75/lot	\$75/lot	No change
- Re-inspection (includes 2 re-inspections)	\$75/lot	\$75/lot	No change
Driveway (Driveway curb cut includes excavation, forming, and concrete placement)	\$100/opening	\$100/opening	No change
Driveway, reinspection (Driveway curb cut includes excavation, forming, and concrete placement)	\$75/opening	\$75/opening	No change
Encroachment, ROW (Encroachment includes excavation, backfill and work relating to the installation, repair, replacement, and removal of utilities, structure, or other encumbrances within Town right-of-way.)	\$2.00/linear foot	\$2.00/linear foot	No change
Greenway (Public & Private)	\$1.50/linear foot	\$1.50/linear foot	No change
Infrastructure Re-Inspection	\$150/ re-inspection	\$150/ re-inspection	No change
Roadway improvements (in or adjacent to ROW4)	\$6.00/linear foot	\$6.00/linear foot	No change
Roadway improvements & Fire Lanes (outside ROW4)	\$2.50/linear foot	\$2.50/linear foot	No change
Roadway Improvements Reinspection	\$75/inspection	\$75/inspection	No change
Sidewalk improvements (outside ROW)	\$1.50/linear foot	\$1.50/linear foot	No change
Street Acceptance Walkthrough (Punch-Storm Drains / Drainage Swale / Ditch Improvement (outside ROW)	\$50/street + \$0.50/linear	\$50/street + \$0.50/linear	No change
Performance Bonds	125% of cost of uninstalled Improvements	125% of cost of uninstalled Improvements	No change

STORMWATER PLAN REVIEW & INSPECTION FEES/BONDS			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Floodplain Development Permit – Elevation Certificate	\$150	\$150	No change
Floodplain Development Permit – FEMA Map Revision	\$1,000	\$1,000	No change
Riparian Buffer No Practical Alternatives Determination (includes 2 reviews)	\$500/determination	\$500/determination	No change

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Riparian Buffer No Practical Alternatives Determination (3 rd & subsequent reviews)	\$75/review	\$75/review	No change
Riparian Buffer Variance	\$500	\$500	No change
SCM Annual Inspection / Reinspection	\$250 per SCM	\$250 per SCM	No change
SCM As-Built Review (includes 2 reviews)	\$1,000 per SCM	\$1,000 per SCM	No change
SCM As-Built Review (3 rd & subsequent reviews)	\$125	\$126	No change
Stream Buffer Determination	\$250 per stream	\$250 per stream	No change
Storm Drains / Drainage Swale / Ditch Improvement (outside ROW)	See "Infrastructure Fees"	See "Infrastructure Fees"	No change
Stormwater Facility Inspection			
- First inspection & one re-inspection	\$250/facility	\$250/facility	No change
- Re-inspection	\$100/inspection	\$100/inspection	No change
Stormwater Plan Review			
- 3 reviews or if submitted concurrent with Site Plan includes first 4 reviews	\$550 + \$55/acre per disturbed acre	\$550 + \$55/acre per disturbed acre	No change
- Resubmittal (4th & subsequent reviews)	\$350	\$350	No change
Stormwater Variance	\$500	\$500	No change
Rain Barrel	\$67/each	\$67/each	No change

STORMWATER FEES

Stormwater utility fees are based on the total amount of impervious surface on an individual lot or parcel and billed by Wake County.

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Residential - Detached single-family homes, attached single family homes, duplex, or a manufactured home located on an individual lot or parcel	\$50 per ERU (0.5 or 1)/year	\$50 per ERU (0.5 or 1)/year	No change
Non-Residential - Parcels that contain more than two residential units, public/private institutional buildings, commercial buildings, parking lots, churches, etc.	\$50 per ERU/year	\$50 per ERU/year	No change

*ERU (Equivalent Residential Unit) is the GIS analysis of average impervious surface (rooftops, driveways, sidewalks, parking lots) per residential property. The ERU for Morrisville was calculated at 2,800ft². Fee calculation: Total Impervious Area/2,800ft² * \$50

COMMERCIAL BUILDING PERMIT FEES			
Calculated and collected by Inspections and Permitting: Includes all buildings or structures constructed in accordance with the NC Building Code (excludes buildings/structures constructed in accordance with the NC Residential Code).			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
NEW STRUCTURES, ADDITIONS AND ALTERATIONS₁			
Total Construction Cost:			
\$0 – \$5,000	\$100	\$100	No change
\$5,001 - \$7,500	\$200	\$200	No change
\$7,501 - \$15,000	\$400	\$400	No change
\$15,001 - \$25,000	\$600	\$600	No change
\$25,001 - \$50,000	\$850	\$850	No change
\$50,001 - \$100,000	\$1,500	\$1,500	No change
\$100,001 - \$200,000	\$3,000	\$3,000	No change
\$200,001 - \$350,000	\$5,000	\$5,000	No change
\$350,001 - \$500,000	\$6,500	\$6,500	No change
\$500,001 - \$750,000	\$8,500	\$8,500	No change
\$750,001 - \$1,000,000	\$10,500	\$10,500	No change
Over 1,000,000	\$10,500 + .2% exceeding 1M	\$10,500 + .2% exceeding 1M	No change
Single dwelling unit change out: individual dwelling unit in a multi-family dwelling	\$80	\$80	No change
Multi-Family Dwelling	\$600/unit	\$600/unit	No change
1. Based on total construction cost of all trades (Building, plumbing, mechanical, electrical, BDA, fire alarm, fire suppression, etc.) including both labor and materials. Permits limited in project scope to change outs are based off of the cost of construction of the highest single trade only. Additional Miscellaneous Fees, listed below, will be added to the permit fees as applicable. 2. Same as residential change out			
COMMERCIAL MISCELLANEOUS FEES			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Application Re-processing	\$80	\$80	No change
Change of Contractor	\$50	\$50	No change
Construction Trailer	\$250	\$250	No change
Demolition (All Trades)			
For demo work where a concurrent building permit is in review for alteration or upfit. All other commercial demolitions based on cost of construction.	\$200	\$200	No change
Expired Permit	Original Permit Fee		Remove; not needed with refund policy update below
Irrigation System Permit only, Commercial	\$200	\$200	No change
Record Retrieval (Pulling closed files, plans, etc.)	\$60	\$60	No change
Safe to Stock Request	\$150	\$150	No change
Temporary Electrical Power	\$80	\$80	No change

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Temporary Structure (erected for less than 180 days)	\$80/structure	\$80/structure	No change
Temporary Occupancy Request	\$250	\$250	No change
Temporary Occupancy Request – Same Day	\$500	\$500	No change
Work Without a Permit	Double Permit Fees	Double Permit Fees	No change
Stop Work Order	\$150	\$150	No change

Refund Policy: No refunds after permit issued. Refunds minus \$80 application processing fee after permit is issued. The permit must be active and within the first 6 months of issuance (not expired and not reopened after expiring). Written documentation required from the permit holder that work did not commence. If work has commenced, no refund will be provided. Credit cards fees are not refundable. Expired permits, forfeit all fees paid.

1. For demo work where a concurrent building permit is in review for alteration or upfit. All other commercial demolitions based on cost of construction. 2. Accepted at the discretion of the Inspections Director and subject to staff availability

COMMERCIAL PLAN REVIEW FEES (Non-refundable)

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
New Construction Commercial Plan Review	\$200	\$200	No change
Alterations/Upfit/Single Trade Commercial	\$100	\$100	No change
Shop Drawing Addition added to Permit Commercial	\$50/drawing/ type	\$50/drawing/ type	No change
Plan Modification – New Construction (Not applied toward cost of permit)	\$100	\$100	No change
Plan Modification – Alterations/Upfit/Single Trade	\$50	\$50	No change
Plan Modification – Shop Drawing Addition added to Permit	\$25/drawing	\$25/drawing	No change
Re-review fee (5 th & subsequent reviews)	\$150	\$150	No change

COMMERCIAL EXPRESS PLAN REVIEW (when available)

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
First Hour	\$600 + \$150 each additional 15 minutes	\$600 + \$150 each additional 15 minutes	No change
Cancellation Fee (without 3 days prior notice)	\$200	\$200	No change

COMMERCIAL INSPECTION FEES

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Re-inspection fee	\$80/Trade	\$80/Trade	No change
Cancelled Inspection fee	\$80	\$80	No change

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Miscellaneous Inspection	\$80/Trade	\$80/Trade	No change
By prior request			
Same day inspection (subject to staff availability)	\$125/inspection	\$125/inspection	No change
Weekend or Holiday Inspection (3 hour min.)	\$125/hour	\$125/hour	No change
After Hours Inspection Mon-Fri (2 hour min.)	\$75/hour	\$75/hour	No change

1. If inspection is not cancelled by 8am day of inspection. 2. By prior request 3. After Hours Inspections excludes holidays. Holidays are charged at weekend rate.

RESIDENTIAL - SINGLE FAMILY DWELLING /TOWNHOME PERMIT FEES

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
NEW STRUCTURES (Single Family/Duplex/Townhomes)			
1,200 square feet or less per dwelling	\$600	\$600	No change
Over 1,200 square feet per dwelling	\$600 + \$0.25/sq foot	\$600 + \$0.25/sq foot	No change
RESIDENTIAL ADDITIONS/ALTERATIONS			
Additions (bedrooms, bathrooms, sunrooms, etc.): 0' - 400 sq. ft. If the work also includes an alteration, the alteration square footage is factored into the total square footage for the permit fee. A separate alteration fee will not be assessed	\$250	\$250	No change
Additions (bedrooms, bathrooms, sunrooms, etc.): Over 400 sq. ft.	See New Single Family Structures	See New Single Family Structures	No change
Multi-Family Dwelling-	\$600/unit		
Manufactured home or construction trailer includes piers, tie-downs, steps, decks, electrical, plumbing & mechanical	\$250	\$250	No change
SINGLE TRADE FEE SCHEDULE			No change
Building	\$80	\$80	No change
Electrical	\$80	\$80	No change
Plumbing	\$80	\$80	No change
Mechanical	\$80	\$80	No change
ACCESSORY STRUCTURES			
Attached (decks, garage, open porch)	\$80 each trade + \$0.25/square ft	\$80 each trade + \$0.25/square ft	No change
Detached: (shed, garage of 144 sq ft or more)	\$80 each trade + \$0.25/square ft	\$80 each trade + \$0.25/square ft	No change

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
MISCELLANEOUS			
Alteration, Change Out , or Individual Trade	See Single Trade Fee Schedule above	See Single Trade Fee Schedule above	Minor change to separate Change out for clarification
Application Re-processing	\$80	\$80	No change
Change of Contractor	\$50	\$50	No change
Change Out	N/A	\$80	Per GS, we can only charge for one trade on a change out. We have only been charging that, but the language appears to read that they would pay for multiple trades. Separating out from above line
Demolition (All Trades)	\$200	\$200	No change
Electrical Service or Gas Utility - Conditional Power and /or Conditional Mechanical	\$80/per trade	\$80/per trade	No change
Expired Permit- See Refund Policy Below	Original Permit Fee		
Homeowner Recovery Fee (NCGS 87-15.6)	\$10	\$10	No change
Irrigation System Permit only, Residential	\$80	\$80	No change
Modular Home / Dwelling Moved to lot	\$80 each trade + \$0.25/square ft	\$80 each trade + \$0.25/square ft	No change
Record Retrieval (Pulling closed files, plans, etc.)	\$60	\$60	No change
Stop Work Order	\$150	\$150	No change
Temporary Electrical Power	\$80	\$80	No change
Work Without Permit	Double Permit Fees	Double Permit Fees	No change
<p>Refund Policy: No refunds after permit issued. Refunds minus \$80 application processing fee after permit is issued. The permit must be active and within the first 6 months of issuance (not expired and not reopened after expiring). Written documentation required from the permit holder that work did not commence. If work has commenced, no refund will be provided. Credit cards fees are not refundable. Expired permits, forfeit all fees paid.</p>			
<p>1. If the work also includes an alteration, the alteration square footage is factored into the total square footage for the permit fee. A separate alteration fee will not be assessed 2. includes piers, tie-downs, steps, decks, electrical, plumbing & mechanical</p>			
<p>*Gross floor area served by either mechanical, plumbing, or electrical systems and suitable for occupant's use within the inside perimeter of the exterior walls to include garages, corridors, stairs, closets decks, porches, or bonus rooms, etc.</p>			

RESIDENTIAL PLAN REVIEW FEES (Non-refundable)			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Initial Fee for New Single Family and Townhome Construction (Not applied to cost of permit)	\$100	\$100	No change
Application Fee - Reprocessing for Expired Permits	\$80	\$80	No change
Re-review Fee (Not applied toward cost of permit; 5 th and subsequent reviews)	\$80	\$80	No change
Residential Plan Modification Fee - New or Existing (Not applied toward cost of permit)	\$50	\$50	No change
EXPRESS PLAN REVIEW (2 Hour Min.) - When Service is Available			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
First Hour	\$600 + \$150 each additional 15 minutes	\$600 + \$150 each additional 15 minutes	
Cancellation Fee (without 3 days prior notice)	\$200	\$200	
RESIDENTIAL INSPECTION FEES			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Re-inspection fee	\$80/Trade	\$80/Trade	No change
Cancelled Inspection Fee			
If inspection not cancelled by 8am day of inspection.	\$75	\$75	No change
Miscellaneous Inspection			
By prior request	\$80/Trade	\$80/Trade	No change
Same day inspection	\$80/inspection	\$80/inspection	No change
Weekend or Holiday Inspection (3 hour min.)	\$125/hour	\$125/hour	No change
After Hours Inspection Mon-Fri (2 hour min.)	\$75/hour	\$75/hour	No change
<i>1. If inspection not cancelled by 8am day of inspection. 2. By prior request 3. After Hours Inspections excludes holidays 3. Subject to staff availability</i>			
MISCELLANEOUS			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Credit Card Convenience Fees	3%/Transaction	3%/Transaction	No change
Electronic Check Processing	0.5%/Transaction	0.5%/Transaction	No change
Returned Check Fee ₁	N/A	\$25	Fee to recoup costs associated with returned checks and closed accounts
Electric Vehicle (EV) Charging	\$0.20/kWh	\$0.20/kWh	No change
Dwell Fee for EV Chargers (after 3 hour allotment)	\$10 /hour (Max \$100)	\$10 /hour (Max \$100)	No change

DOCUMENT / COPY FEES₂			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Copying 8 ½ x 11 (black and white)	\$0.15/sheet	\$0.15/sheet	No change
Copying 11 x 17 (black and white)	\$0.25/sheet	\$0.25/sheet	No change
Copying (color)	Double fees	Double fees	No change
Site plans & construction drawings (full size)	\$8 +\$1.50 per addtl sheet	\$8 +\$1.50 per addtl sheet	No change
Site plans & construction drawings (11" x 17)	\$5+\$1.00 per addtl sheet	\$5+\$1.00 per addtl sheet	No change
Printed 17" x 22" maps	\$7+\$1.50 per addtl sheet	\$7+\$1.50 per addtl sheet	No change
Printed 22" x 34" maps	\$9+\$1.50 per addtl sheet	\$9+\$1.50 per addtl sheet	No change
Printed 34" x 44" maps	\$13+\$1.50 per addtl sheet	\$13+\$1.50 per addtl sheet	No change
Custom Map (digital & hard copy provided)	Base map fee + \$130/hr	Base map fee + \$130/hr	No change
Document Recording	At cost	At cost	No change
Land Use Plan	\$20	\$20	No change
Town Center	\$40	\$40	No change
Unified Development Ordinance	\$40	\$40	No change
Transportation Plan	\$40	\$40	No change
Other Plans not listed above	\$40	\$40	No change
USB flash drive	\$6	\$6	No change
Off-site file retrieval (per record/file)	\$60	\$60	No change

1. Includes NSF and closed accounts 2. NCGS § 132-6.2. Provisions for copies of public records; fees: A reasonable "service fee" may be charged for defined extreme cases requiring "extensive use of IT Sources or labor costs of personnel."

POLICE FEES			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
4 – 5 false alarms	\$80/ false alarm	\$80/ false alarm	No change
6 – 8 false alarms	\$150/ false alarm	\$150/ false alarm	No change
9 – 10 false alarms	\$200/ false alarm	\$200/ false alarm	No change
11 + false alarms	\$300/ false alarm	\$300/ false alarm	No change

FIRE DEPT FEES

Submit requests and fees to Fire Department			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
FIRE INSPECTION SERVICE FEES			
Single Family, Commercial, Industrial			
0 – 2,500 sq ft	\$75	\$75	No change
2,501 - 5,000 sq ft	\$100	\$100	No change
5,001 - 10,000 sq ft	\$150	\$150	No change
10,001 - 25,000 sq ft	\$200	\$200	No change
25,001 - 50,000 sq ft	\$250	\$250	No change
50,001 – 100,000 sq ft	\$300	\$300	No change
100,001 – 500,000 sq ft	\$350	\$350	No change
Over 500,000 sq ft	\$500	\$500	No change

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
2 nd Reinspection If violations still exist after 1st reinspection, assessed fee included with initial fire inspection	\$150	\$150	No change
3 rd Reinspection	\$200	\$200	No change
4 th Reinspection If violations are corrected, no fee. If violations remain, fees are assessed from the date of 2nd reinspection.	\$25/day per violation	\$25/day per violation	No change
ABC License Application Inspection	\$75/inspection	\$75/inspection	No change
After Hours Commercial Fire Inspection	\$250/hour (3 hr min.)	\$250/hour (3 hr min.)	No change
Initial Inspection: Apartments, Hotel /Motel and Condominiums			
Each Building: 3-10 Units	\$25	\$25	No change
Each Building: 11-20 Units	\$75	\$75	No change
Each Building: 21-30 Units	\$100	\$100	No change
Each Building: 31-50 Units	\$125	\$125	No change
Each Building: 51-100 Units	\$150	\$150	No change
Each Building: 100+ Units	\$200	\$200	No change
2 nd & 3 rd subsequent reinspection	\$150/building	\$150/building	No change
Expedited Fire Plan Review Fee			
- First 2 hours	\$800	\$800	No change
- Each additional 15 minutes	\$200	\$200	No change
Life Safety Violation, Subsequent Offenses & unsafe conditions			
- 1 st offense	\$250	\$250	No change
- 2 nd offense	\$500	\$500	No change
- 3 rd offense	\$1,000	\$1,000	No change
Private Fire Hydrant - Maintaining			
1st - Compliance	\$250	\$250	No change
2nd - Compliance	\$500	\$500	No change
3rd - Compliance	\$1,000	\$1,000	No change
Misc. Test	\$50	\$50	No change
Public Ed. Employer Mandated Training	\$75/0.5 hr (2hr. min)	\$75/0.5 hr (2hr. min)	No change
Violations (No parking, fire hydrant, fire lane)	\$75	\$75	No change
Violations, Pine Straw	\$500	\$500	No change
Work Without Approval Work & modification without plan submittal & approval (Fire Alarms & Sprinklers and/or alternate detection suppression systems)	\$500	\$500	No change

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
False Alarm Fines (per Calendar Year)			
- 5 th false alarms	\$150	\$150	No change
- 6 th false alarms	\$300	\$300	No change
- 7+ false alarms	\$500 each	\$500 each	No change
Fire Alarm System Reset			
- 2 nd offense	\$250	\$250	No change
- 3 rd offense	\$500	\$500	No change
- 4 th and subsequent offenses	\$1,000/occurrence	\$1,000/occurrence	No change
Fire Service Fees	\$100	\$100	No change
- Flow Testing, Water	\$200	\$200	No change
- Flow Testing, Witness	\$100	\$100	No change

FIRE PERMIT FEES

Fire Permit Fees are pursuant to NC State Building Code: Fire Prevention Code; International Fire Code (IFC). Fee includes initial inspection & one additional inspection. Permit fee cap of \$500 is applied to any customer with more than 7 permits applied for within 365 days

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
No changes to Fire Permit Fees for FY 27			
Aerosol Products (Aerosol cooking spray products, Manufacture, store or handle an aggregate quantity of Level 2 or 3.)	\$100	Lumber Yards/ Woodworking Plants	\$100
Amusement Buildings	\$100	Liquid or gas vehicles inside an Assembly building ₆	\$100
Blasting	\$100	Magnesium	\$100
Blasting – 30 day extension (max of 120 total days)	\$100	Misc. Combustible storage	\$100
Carnival & Fairs	\$100	Motor Fuel-Dispensing Facilities ₇	\$100
Combustible Dust Producing Operations (Ch. 2)	\$100	Non-resident Camp Fee	\$200
Combustible Fibers (use or storage greater than 100 cu ft)	\$100	Open Burning ₈	\$100
Company Stand By Fee (per Fire Unit for every 2 hours)	\$100	Open Flames & Torches	\$100
Compressed Gas (Storage, use, handling, produce, transport & or disperse exceeding amounts listed in table 105.5)	\$100	Organic Coatings	\$100

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Covered Mall Building'- Certain Indoor Activities	\$100	Outdoor assembly event^	\$100
Cutting & Welding (An operational permit is required to conduct cutting or welding operations within the jurisdiction.)	\$100	Places of assembly^	\$100
Cryogenic Fluids (Storage, use, handling, produce, transport & or disperse exceeding amounts listed in table 105.5)	\$100	Place of assembly, Nightclubs^	\$100
Dry Cleaning Plants	\$100	Plant extraction systems^	\$100
Energy storage systems (stationary & mobile energy storage systems regulated by Section 1207)	\$200	Pit Burning	\$100
Exhibits & Trade Shows (Operations of such shows)	\$100	Private Fire Hydrants	\$100
Explosive Materials (Manufacture, storage, handling, sale of explosives materials, fireworks or pyrotechnic special effects.)	\$100	Public Fireworks Display	\$100
Flammable & Combustible Liquids	\$100	Pyrotechnic Special Effects Material	\$100
Floor Finishing	\$100	Pyroxylin Plastics	\$100
Fruit/Crop Ripening Facility or conduct fruit ripening process using ethylene gas	\$100	Refrigeration Equipment	\$100
Fogging Hazardous Chemicals	\$100	Repair Garages	\$100
Fumigation & Insecticidal Fogging	\$100	Rooftop Heliports	\$100
Fumigation & Thermal Insecticide	\$100	Spraying or Dipping ¹⁰	\$100
Hazardous Materials (Storage, use, handling, produce, transport & or disperse exceeding amounts listed in table 105.5)	\$100	Storage of Scrap Tire & Tire By-products ¹¹	\$100
High-piled storage An operational permit is required to use more than 500 square feet (46 m2), including aisles, of high-piled combustible storage	\$100	Tank Installation/Removal	\$180/tank
Hot work operations '- operational permit is required	\$100	Temporary sleeping units for disaster relief workers ¹²	\$0
HPM Facilities (to store, handle, or use hazardous production materials)	\$100	Tents/Membrane Structure/ Temporary Stage Canopies	\$100
Hot Works (any nature of cutting/welding operations)	\$100	Tire Rebuilding Plants	\$100
Industrial Ovens (for operations regulated by Ch 30)	\$100		
<i>^mandatory permit; Operational permit is required</i>			

PARKS & RECREATION			
Fees are paid to Parks, Recreation & Cultural Resources			
Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Lost Card (Gym, Dog, Exercise, Fitness)	\$10R \$10NR	\$10R \$10NR	No change
Dog Park Passes			No change
- Single Dog	\$30R \$45 NR	\$30R \$45 NR	No change
- Multiple Dogs	\$45R \$63 NR	\$45R \$63 NR	No change
- Day pass	\$5/pass R \$7/pass NR	\$5/pass R \$7/pass NR	No change
Rental Late Fee	N/A	25% of outstanding rental balance	A late fee of 25% of the total outstanding rental balance will be assessed for any payment not received by the established due date.
Program Cancellation Fee ₁	\$10R \$10NR	\$10R \$10NR	No change
1. A full refund, minus this fee, will be given if written notice of cancellation is given at least 14 days before the start of a program			
Athletics			
Baseball, Youth	\$65R \$91NR	\$65R \$91NR	No change
Basketball, Youth or Junior	\$72R \$103NR	\$72R \$103NR	No change
Basketball, Corporate Adult	\$600/team R +\$30 each NR	\$600/team R +\$30 each NR	No change
Baseball, Youth	\$65R \$91NR	\$65R \$91NR	No change
Flag Football	\$55R \$77NR	\$55R \$77NR	No change
Clinics (various)	\$5/clinic R \$14/clinic NR	\$10/clinic R \$14/clinic NR	Staff ran, adjust for increased costs; Basic classification of 3% recovery of direct costs
Morrisville Aquatics & Fitness Center Passes			
Daily Pass	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Children (ages 3-14)	\$4/day R \$6/day NR	\$4/day R \$6/day NR	No change
Youth (ages 15 – 22)	\$5/day R \$7/day NR	\$5/day R \$7/day NR	No change
Adult (ages 23-54)	\$7/day R \$10/day NR	\$7/day R \$10/day NR	No change
Seniors (55+)	\$5/day R \$7/day NR	\$5/day R \$7/day NR	No change
Punch Card Pass			
Children (ages 3-14)	\$30 R \$42 NR	\$30 R \$42 NR	No change
Youth (ages 15 – 22)	\$40 R \$56 NR	\$40 R \$56 NR	No change
Adult (ages 23-54)	\$60 R \$84 NR	\$60 R \$84 NR	No change
Seniors (55+)	\$40 R \$56 NR	\$40 R \$56 NR	No change
Monthly Pass			
Children (ages 3-14)	\$20/mo. R \$28/mo. NR	\$20/mo. R \$28/mo. NR	No change
Youth (ages 15 – 22)	\$36/mo. R \$50/mo. NR	\$36/mo. R \$50/mo. NR	No change
Adult (ages 23-54)	\$45/mo. R \$63/mo. NR	\$45/mo. R \$63/mo. NR	No change
Seniors (55+)	\$36/mo. R \$50/mo. NR	\$36/mo. R \$50/mo. NR	No change
Draft (4 month min.)			
Children (ages 3-14)	\$18/mo. R \$25/mo. NR	\$18/mo. R \$25/mo. NR	No change
Youth (ages 15 – 22)	\$32/mo. R \$45/mo. NR	\$32/mo. R \$45/mo. NR	No change
Adult (ages 23-54)	\$40/mo. R \$56/mo. NR	\$40/mo. R \$56/mo. NR	No change
Seniors (55+)	\$32/mo. R \$45/mo. NR	\$32/mo. R \$45/mo. NR	No change

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Annual (PIF)			
Children (ages 3-14)	\$180/yr R \$234/yr NR	\$180/yr R \$234/yr NR	No change
Youth (ages 15 – 22)	\$288/yr R \$403/yr NR	\$288/yr R \$403/yr NR	No change
Adult (ages 23-54)	\$360/yr R \$504/yr NR	\$360/yr R \$504/yr NR	No change
Seniors (55+)	\$288/yr R \$403/yr NR	\$288/yr R \$403/yr NR	No change
Facility Rentals			
Deposits (Refundable)	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Facility /Shelter Deposit	\$100R \$100NR	\$25R \$25NR	Comps show that shelter deposits are much lower and facilities are higher i.e. Apex, Cary, Holly Springs \$25
Facility Deposit	\$100R \$100NR	\$300R \$300NR	It has been determined that if any damages were to occur, the \$200 would not cover. i.e. Apex, Cary, Holly Springs \$250-\$350
After Hours Facility Deposit	\$200 R \$300 NR	\$200 R \$300 NR	Propose creating standard facility deposit; no need for after hours fee
<i>Applies to all rentals unless otherwise noted. Deposits will be refunded minus additional charges for Damage or Repairs, Cleaning Charges or Extended Usage. Refer to "Deposit Policy for Facility and Field Rental."</i>			
Cedar Fork Community Center (CFCC) – 2 hour minimum			
Classroom	\$60/hr R \$90/hr NR	\$60/hr R \$90/hr NR	No change
Classroom – After Hours	\$90/hr R \$135/hr NR	\$90/hr R \$135/hr NR	No change
Conference Room	\$60/hr R \$90/hr NR	\$60/hr R \$90/hr NR	No change
Kitchen	\$32/hr R \$32/hr NR	\$32/hr R \$32/hr NR	No change
Gym (half court)	\$65/hr R \$97/hr NR	\$65/hr R \$97/hr NR	No change
- Non-operating hours	\$85/hr R \$127/hr NR	\$85/hr R \$127/hr NR	No change
Gym (full court)	\$92/hr R \$138/hr NR	\$92/hr R \$138/hr NR	No change
- Non-operating hours	\$120/hr R \$180/hr NR	\$120/hr R \$180/hr NR	No change
Gym Floor Covering ₁	\$225R \$225NR	\$225R \$225NR	No change
Volleyball Standards	\$60R \$60NR	\$60R \$60NR	No change

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Morrisville Aquatics & Fitness Center (MAFC)			
Aerobic Room	\$40/hr R \$60/hr NR	\$40/hr R \$60/hr NR	No change
Program Pool/Splash Pad	\$275/hr R \$385/hr NR	\$275/hr R \$385/hr NR	No change
Lap Lane Rentals - non operating hours	N/A	\$25/hr R \$25/hr NR	New fee due to requests outside normal hours rental.
Tennis /Pickleball Court	\$25/hr R \$37/hr NR	\$7/hr R \$10/hr NR	Adjustment to align with neighboring comparables i.e. Holly Springs \$8/hour
Other Amenity Rentals			
Church St basketball court	\$30/hr R \$45 /hr NR	\$30/hr R \$45 /hr NR	No change
Church St Sand Volleyball court	\$45/hr R \$67/hr NR	\$45/hr R \$67/hr NR	No change
Church Street Sport court	\$15/hr R \$22/hr NR	\$15/hr R \$22/hr NR	No change
Shiloh Park basketball court	\$15/hr R \$22/hr NR	\$15/hr R \$22/hr NR	No change
Field Rentals (per field)			
Deposit (whichever is greater)	\$200 or 25% of rental	\$200 or 25% of rental	No change
Cedar Fork Community Park (Multipurpose)	\$50/hr R \$75/hr NR	\$50/hr R \$75/hr NR	No change
Cedar Fork District Park (Multipurpose)	\$50/hr R \$75/hr NR	\$50/hr R \$75/hr NR	No change
Crabtree Creek Nature Park (Multipurpose)	\$50/hr R \$75/hr NR	\$50/hr R \$75/hr NR	No change
Church Street Cricket Practice Pitch	\$20/hr R \$30/hr NR	\$20/hr R \$30/hr NR	
Church Street Cricket Field	\$62/hr R \$93/hr NR	\$62/hr R \$93/hr NR	No change
Church St Cricket Batting Cages-natural	\$20/hr R \$30/hr NR	\$30/hr R \$45/hr NR	Natural turf maintenance is increasing in time and cost due to the wear and tear
Church St Cricket Batting Cages-synthetic	\$20/hr R \$30/hr NR	\$20/hr R \$30/hr NR	No change
Church Street Cricket Complex	Contact for estimate	Contact for estimate	No change
Morrisville Community Park – (Baseball/softball)	\$50/hr R \$75/hr NR	\$50/hr R \$75/hr NR	
Morrisville Community Park (Multipurpose)	\$50/hr R \$75/hr NR	\$50/hr R \$75/hr NR	No change
Shiloh Park (softball)	\$50/hr R \$75/hr NR	\$50/hr R \$75/hr NR	
Shiloh Park (Multipurpose)	\$50/hr R \$75/hr NR	\$50/hr R \$75/hr NR	No change
Other Field Fees & Add-Ons:			
Staff Fee (Cricket Pitch prep)	At cost	At cost	No change
Light Fee (Cricket Field)	\$68/hr R \$68/hr NR	\$68/hr R \$68/hr NR	No change
Light Fee (all other fields)	\$45/hr R \$45/hr NR	\$45/hr R \$45/hr NR	No change
Field prep (soccer / baseball fields)	\$45/hr R \$45/hr NR	\$45/hr R \$45/hr NR	No change
Cricket Event Support: CSP	N/A	\$450/day	No change

Fee	FY 26 Fee	Proposed FY27 Fee	Notes/Justification
Shelter Rentals - 1/2 Day or Full Day			
Church Street Park – Shelter A or B	\$125 or \$250 R \$175 or \$350 NR	\$125 or \$250 R \$175 or \$350 NR	No change
Church Street Park – Southern Lot	\$150 or \$300 R \$210 or \$420 NR	\$150 or \$300 R \$210 or \$420 NR	No change
Indian Creek – Shelter A or B	\$90 or \$180 \$117 or \$234 NR	\$90 or \$180 \$117 or \$234 NR	No change
Nathaniel Mayo Shelter	\$125 or \$250 R \$175 or \$350 NR	\$125 or \$250 R \$175 or \$350 NR	No change
Northwest Park Shelter	\$125 or \$250 R \$175 or \$350 NR	\$125 or \$250 R \$175 or \$350 NR	No change
Morrisville Community Park Shelter	\$125 or \$250 R \$175 or \$350 NR	\$150 or \$300 R \$210 or \$420 NR	Update to match fee for similar capacity based on table QTY; Proposed fee update matches existing Church St Southern Lot Shelter fees (similar capacity).
Other Facility Rentals - 2 hour minimum			
Historic Christian Church	\$60/hr R \$75/hr NR	\$60/hr R \$75/hr NR	No change
Luther Green Community Center	\$60/hour	\$60/hour	No change
Vendor Fees			
Small Event (299 or less)		\$50 each	
Medium Event (300-2,000)		\$75 each	
Large Event (2,001+)		\$100 each	
Rental Withdrawal			
Cancellation: Less than 14 days prior to rental	No credit or refund in any amount excluding rental deposit ₁		
Cancellation: 15 or more days prior to rental	50% refund		
<i>Field rentals are subject to cancellation for inclement weather. If the Department cancels your rental reservation due to inclement weather, the renter does have the ability to receive a full refund or transfer to another date within 30 days of the rental. Please call our Field Weather Hotline at 919-463-6929 for updates.</i>			
Date Change Request: Less than 14 days prior to rental	No date change requests accepted ₁ ; damage deposit refund only		
Date Change Request: 15 or more days prior to rental₂	All fees and deposits may be transferred; \$10 transfer fee		
<i>1. Available during operating hours only 2. All requests for transfer of reservation date must be made in writing and submitted 14 days prior to the beginning of facility rental and is subject to availability.</i>			
Special Use Cancellation: 60 days or more prior to the event: 25% of the total payment will be retained as a non-refundable deposit; 31–59 days prior to the event: 50% of the total payment will be retained; 30 days or less prior to the event: The full payment is non-refundable. If Town cancels/closes the facility, the deposit and payment is fully refundable. A full refund is given if the Parks, Recreation & Cultural Resources Department cancels a program, facility rental or athletics league.			



Morrisville

100 Town Hall Drive * Morrisville, NC 27560
www.morrisvillenc.gov

Dedication



Courtesy



Integrity



Innovation

Town Council Agenda Item Report

Agenda Item No. 11.a

Submitted by: Tiffany McNeill

Submitting Department Economic Development

Meeting Date: May 12, 2026

SUBJECT

Economic Development Policy Recommended Updates

Tiffany McNeill, Economic Development Director

Presentation - April 28

Public Hearing and Action - May 12

Recommendation:

Staff recommends that Town Council conduct the required public hearing and approve the Resolution adopting the updated Economic Development Incentives Policy.

Updates/History of Briefing:

Council had no major revisions for policy at the April 28, 2026, public meeting.

Executive Summary and Background Information:

The Town of Morrisville's existing Economic Incentives Policy has been in place since 2006. During the February 26, 2026, Town Council Work Session, Council reviewed the current policy structure, discussed challenges with implementation, and identified key areas for improvement. Staff was directed to bring back a revised policy that addresses Council feedback, strengthens clarity and accountability, and ensures the Town remains competitive for high-impact business attraction and expansion projects.

Following the February work session, staff clarified additional questions related to wage quality, taxable value-based payments, job creation and investment thresholds, depreciation impacts, and overall alignment with industry and project types. A compilation of Council's questions and staff responses is included in the agenda packet to confirm the full record.

Economic Incentives Policy refinements:

- Establishes clearly defined, mutually exclusive project categories (Innovation, New Industry, Existing Industry, and Corporate Headquarters)
- Aligns minimum investment and job creation thresholds with each project category
- Maintains the Town's Wake County Average Wage requirement

- Maintains 8-year grant payment terms
- Introduced payment safeguards by limiting annual payments to the lesser of the installment or actual tax revenue generated
- Clarifies that normal fluctuation of taxable value of new investment does not constitute non-compliance once investment commitments are met as long as other requirements are met
- Improves transparency, predictability, and consistency for applicants and Town decision-making
- The recommended policy reflects Council's direction, staff recommendations, consultation with the Town attorney and observed best practices

Advisory Board/Committee Review:

None

Insert Date of Advisory Board/Committee Review:

Advisory Board/Committee Recommendation and/or Vote:

None

Potential Options:

Approve the Resolution adopting the updated Economic Development Incentives Policy.

Direct changes and approve the Resolution adopting the updated Economic Development Incentives Policy.

Do not adopt the Resolution adopting the updated Economic Development Incentives Policy.

Staff Recommendation:

None

ATTACHMENTS

- [2026-146-0 RES Approving Economic Development Incentive Policy.pdf](#)
- [2026-146-0 ATTH01 Proposed Economic Incentives Policy.pdf](#)
- [2026-146-0 ATTH02 Economic Incentives Policy Work Session Follow Up.pdf](#)
- [2026-146-0 PRES Economic Incentives Policy Update.pdf](#)



**RESOLUTION 2026-146-0 OF THE MORRISVILLE TOWN
COUNCIL ADOPTING THE ECONOMIC DEVELOPMENT
INCENTIVE POLICY**

WHEREAS, the Town Council of Morrisville recognizes the importance of supporting economic development efforts that expand and diversify the tax base, promote private investment, support the creation and retention of quality jobs; and

WHEREAS, the Town of Morrisville seeks to encourage private investment and strengthen the local economy by attracting new businesses and supporting the expansion of existing employers within its corporate limits; and

WHEREAS, the Town Council desires to establish a clear, consistent, and fiscally responsible framework for evaluating and awarding economic development incentives; and

WHEREAS, the Economic Development Incentive Policy provides guidelines for eligibility, evaluation criteria, and performance-based incentive structures to ensure accountability and alignment with the Town's economic goals; and

WHEREAS, the Policy establishes safeguards to ensure that incentive payments are tied to verified investment, job creation and applicable tax revenue generated by the project, thereby protecting the Town's financial interests; and

WHEREAS, the Policy supports the Town of Morrisville Economic Development Strategy by aligning incentive decisions with targeted industries and long-term economic objectives; and

WHEREAS, the Town Council has conducted a public hearing in accordance with North Carolina General Statute 158-7.1 and has considered public input regarding the proposed Economic Development Incentive Policy.


NOW, THEREFORE, BE IT RESOLVED THAT THE MORRISVILLE TOWN COUNCIL hereby adopts the Economic Development Incentive Policy, as attached to this resolution as Exhibit A.

Adopted this the 12th day of May 2026.

TJ Cawley, Mayor

ATTEST:

Kayla Bertling, Town Clerk

 Morrisville Live connected. Live well.	ECONOMIC DEVELOPMENT POLICY	
	Economic Development	Effective: May 12, 2026
Name Town of Morrisville Economic Development Incentive Policy Version # 2	Supersedes: Version # 1	
	Prepared By: Tiffany H. McNeill, Economic Development Director	
	Approved By: Brandon Zuidema, Town Manager	

I. Purpose

The Town of Morrisville (“Town”) establishes this Economic Development Policy (“Policy”) to support the Town’s long-term economic vitality by diversifying and strengthening the tax base, enhancing employment opportunities for residents, and fostering the growth of the business and industrial community. This Policy provides the framework through which the Town Council may consider and award economic development incentives to encourage the location of new industries within the Town and to support the expansion of existing businesses. The purpose of this Policy is to expand and diversify the tax base, promote private investment, support the creation and retention of quality jobs, align incentive decisions with the Town’s strategic economic goals as identified in the Town of Morrisville Economic Development Strategy (2023), and ensure accountability through measurable performance outcomes.

II. Authority and General Provisions

This Policy is adopted pursuant to North Carolina G.S. 158-7.1 and other applicable laws. All incentives provided under this Policy are performance-based and require a formal written agreement between the Town and the company.

The Town requires that all companies be current in the payment of any and all Town taxes, fees, and charges prior to the disbursement of any incentive funds. Each agreement shall include provisions requiring repayment of incentives if the company fails to meet the terms of the agreement.

The Town Council retains sole discretion to approve, modify, or deny any incentive request. All approvals must occur at a duly noticed public meeting following a public hearing, as required by statute.

The Town may amend or terminate this Policy at any time, provided that any previously executed agreements remain in effect in accordance with their terms. All incentive decisions are subject to the availability of funds.

III. Program Administration

The Town of Morrisville Incentive Program is implemented through contractual agreements between the Town and eligible new or existing industries. Each project shall be evaluated on an individual basis, taking into consideration the specific economic and community benefits associated with the proposed investment.

Incentives shall be considered only when it is determined that the project would not occur within the Town, or would occur in the Town at a reduced scale, but for the provision of an incentive. Town staff will negotiate incentive terms in accordance with this Policy and applicable guidelines and will provide recommendations to the Town Council. Final approval of any incentive agreement shall be made by the Town Council in a public meeting prior to execution.

All agreements shall require compliance with applicable laws, policy provisions, and contractual terms. Failure to meet agreed upon performance obligations may result in modification, suspension, or repayment of incentive funds, as outlined in the agreement.

IV. Incentive Policy Criteria & Considerations

A. The opportunity to apply for the Incentive Program will be available to new and existing industries planning to locate or located within the Town's municipal limits. Existing industries qualify only for that portion of expansion that represents "new" investment.

B. In reviewing incentive requests, the Town will take into consideration the following criteria:

1. Alignment with key sectors such as advanced manufacturing, business/financial services, clean technology, life sciences, and technology. Consideration may be given to projects outside these areas if they demonstrate substantial community and economic impact.
2. Number of new full-time jobs being created
3. Average wage rate
4. Amount of new investment in the community
5. Whether the company provides benefits to its employees
6. Whether there is State or County participation in the project
7. Competitive nature of the project
8. Alignment with Town plans
9. Timeframe for investment/job creation

C. Project Categories:

For purposes of eligibility and evaluation, projects are classified into one of the following mutually exclusive categories, as determined by the Town based on the primary characteristics of the project:

1. **Innovation:** Defined as projects that include businesses engaged in technology, life sciences, research and development (R&D), and professional services, or other similar employment-generating uses aligned with the Town's targeted industries. Projects in this category must commit to investing at least \$2,000,000 in real and tangible personal property and to creating at least 20 new full-time jobs.
 2. **New:** Defined as new business establishments or significant new investment activities that expand the Town's tax base and contribute to long-term economic growth. Projects in this category must commit to investing at least \$5,000,000 in real and tangible personal property and to creating at least 30 new full-time jobs.
 3. **Existing industry:** Defined as expansions or reinvestment by existing employers that increase total employment at the project site and enhance the Town's economic stability. Projects in this category must commit to investing at least \$3,000,000 in real and tangible personal property and must retain its existing full-time workforce and demonstrate a substantial net increase in employment at the project site. Projects that result in a net reduction in employment at the project site are not eligible for incentives under this category.
 4. **Corporate HQ:** Defined as projects where a company locates or expands its principal corporate, regional, or divisional headquarters, hosting executive leadership and strategic operations as described in North Carolina G.S. 55-1-40 (17). The Town will consider a one-half percent (.5%) higher incentive to corporate headquarters. Projects in this category must commit to investing at least \$5,000,000 in real and tangible personal property. The Town requires that the corporate headquarters have at least fifty (50) or more full-time employees who are located in that building or buildings. If the project is an expansion, the expansion must employ fifty (50) or more new full-time employees.
- D. The project must not have started prior to formal incentive approval.
- E. Collectively, all new full-time project jobs must pay an average wage rate equal to or greater than the most recent Wake County Average Wage, as reported by the North Carolina Department of Commerce using Quarterly Census of Employment and Wages (QCEW) data.
- F. All new jobs must be full-time (at least 35 hours per week and wages subject to withholding) and employers must offer health insurance to full-time employees, paying at least 50% of employee premium.
- G. The timeframe to meet performance criteria shall typically be no longer than five (5) years and the timeline for the incentive to be paid shall be no longer than eight (8) years.
- H. No incentives are recommended for businesses that are exclusively retail or exclusively warehouse/distribution.
- I. A payment schedule will be outlined in the contractual agreement. Incentives will be paid after the current year's ad valorem taxes are paid by the project requested.

- J. Other criteria for consideration may include but are not limited to: site specific issues that have an impact upon local infrastructure responsibilities, site specific issues that have an impact upon other local resources such as public safety, public works, etc.
- K. Industries that meet the established criteria and wish to receive the incentive must submit a written request to the Town's Economic Development Director or coordinate their request through an economic development partner.
- L. Upon request by an applicant industry, and subject to approval by the Town Council, the Town may modify or waive the established criteria when the proposed investment is determined to be of significant importance to the local economy. Such consideration may be granted when the applicant provides documentation demonstrating that the project will create a substantial number of permanent jobs and that additional significant investment, beyond the initial proposal, and is scheduled for implementation in the immediate future.
- M. The industry must enter into a binding contractual agreement with the Town of Morrisville and is therefore subject to any reporting or repayment ("clawback" provision) requirements contained therein.
- N. The Town Council will hold the necessary public hearing as required under statute G.S. 158-7.1 to consider approval of the contract between the Town and the requesting industry.
- O. The project addresses stewardship of the natural environment, including incorporation of alternative energy technologies, use of recycled materials in construction, as well as other "green" building concepts.
- P. The project demonstrates innovation in design concept and plan.
- Q. The project supports Town planning goals, including downtown growth, greenways, recreation, alternative transportation, and mixed-use development.


V. Incentives

- A. A standard of one per cent (1%) of the total committed project investment in real and tangible property shall be used by staff to guide discussions and make total incentive recommendations to the Town Council. For qualifying corporate headquarters projects, the Town may consider a total incentive of one and one-half percent (1.5%) of the total committed project investment in real and tangible property. The total approved incentive amount shall represent the maximum financial obligation of the Town.
- B. Other incentives could be considered in the form of public infrastructure improvements.

VI. Incentive Calculation and Payment Terms

- A. The total incentive amount shall be established at the time of Town Council approval based on the committed taxable investment in real and personal property. This approved amount shall represent the maximum incentive obligation of the Town.

- B. The total approved incentive shall be distributed in equal annual installments over the term of the agreement. The annual installment shall be calculated by dividing the total approved incentive by the number of years in the agreement term.
- C. Prior to the issuance of any annual incentive payment, the Town shall verify the continued presence of the investment through review of assessed taxable values as reported by Wake County property tax records.
- D. For purposes of determining the annual incentive payment, the amount of the ad valorem tax revenue attributable to the project shall be calculated by applying the Town's adopted property tax rate to the assessed taxable value of the project, as reported by Wake County.
- E. The annual incentive payment shall be equal to the lesser of:
 - 1. The fixed annual installment amount; or
 - 2. The amount of ad valorem tax revenue attributable to the project for that year.
- F. Any adjustments to assessed taxable value as determined by Wake County shall be reflected in the calculation of subsequent annual payments, as applicable.
- G. Once investment commitments are met, normal fluctuations in assessed taxable value, shall not, in and of themselves, constitute non-compliance, provided all other requirements of this policy and any associated agreement are satisfied.
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	Economic Development	Effective: May 12, 2026
Name Town of Morrisville Economic Development Incentive Policy Version # 2	Supersedes: Version # 1	
	Prepared By: Tiffany H. McNeill, Economic Development Director	
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- M. The industry must enter into a binding contractual agreement with the Town of Morrisville and is therefore subject to any reporting or repayment ("clawback" provision) requirements contained therein.
- N. The Town Council will hold the necessary public hearing as required under statute G.S. 158-7.1 to consider approval of the contract between the Town and the requesting industry.
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- D. For purposes of determining the annual incentive payment, the amount of the ad valorem tax revenue attributable to the project shall be calculated by applying the Town's adopted property tax rate to the assessed taxable value of the project, as reported by Wake County.
- E. The annual incentive payment shall be equal to the lesser of:
 - 1. The fixed annual installment amount; or
 - 2. The amount of ad valorem tax revenue attributable to the project for that year.
- F. Any adjustments to assessed taxable value as determined by Wake County shall be reflected in the calculation of subsequent annual payments, as applicable.
- G. Once investment commitments are met, normal fluctuations in assessed taxable value, shall not, in and of themselves, constitute non-compliance, provided all other requirements of this policy and any associated agreement are satisfied.
- H. All incentive payments are performance-based and require verification of job creation, wage levels, and investment, and be in continued good standing with the Town, Wake County or State of North Carolina (if receiving State incentives) prior to payment.

Town Council Work Session: Economic Development Incentives Follow- Up Questions & Responses

Presented below is a summary of the inquiries discussed at the February 26, 2026, Town Council Work Session regarding the evaluation of the Town's economic development policy. Please note that duplicate topics have been consolidated and incorporated into related questions.

1. How much does it cost to live in Morrisville?

- The estimated cost of living for the Raleigh-Cary metro area is approximately \$77,088 annually, is based on consumer expenditure data adjusted using Regional Price Parities (RPP) from .US Government Bureau of Economic Analysis. This estimate reflects average household spending patterns and regional price differences.
- The Wake County Average wage is approximately \$80,616, and Morrisville's mean earnings for full-time, year-round workers are approximately \$99,002 (Source: U.S. Census Bureau, American Community Survey, 2019-2025 5-Year Estimates)
- For illustrative purposes, an annual salary of \$80,616 exceeds the estimated cost-of-living threshold and would allow a single employee to live in Morrisville; however, it remains below both county and local average earnings.

2. Provide a scenario where depreciation goes under new tax growth model and explain the benefit the Town receives. *Please note this question pertains to a model previously discussed, not the staff-proposed incentive model.*

Assumptions

- Total Investment: \$200,000,000 (\$100,000,000 real property, \$100,000,000 tangible property)
- Tax Rate: \$0.35 per \$100 valuation
- Incentive: 50% of actual new tax generated annually
- Term: 5 years

Expected

Year	Real Property	Tangible Property	Total Assessed Value	Tax Revenue	Incentive (50%)	Net to Town
1	\$100,000,000	\$100,000,000	\$200,000,000	\$700,000	\$350,000	\$350,000
2	\$100,000,000	\$100,000,000	\$200,000,000	\$700,000	\$350,000	\$350,000
3	\$100,000,000	\$75,000,000	\$175,000,000	\$612,500	\$306,250	\$306,250
4	\$100,000,000	\$56,250,000	\$56,250,000	\$546,875	\$273,437	\$273,437
5	\$100,000,000	\$42,187,500	\$142,187,500	\$497,656	\$248,828	\$248,828

- Modeling incorporates accelerated depreciation assumptions consistent with NC DOR schedules, particularly for machinery and equipment, where early-year value declines can approach 20-30%, and average about 25%.
- Net to Town represents the portion of new tax revenue generated by the project that is retained by the Town after incentive payments.
- Using the % of new tax growth model, the depreciation here reduces the Town’s financial obligation over time. Over 5 years, the Town receives approximately \$1.5M+ in net new revenue.

3. Provide an example of the current incentive structure vs. the new tax growth model. Please note this question pertains to a model previously discussed, not the staff-proposed incentive model.

Existing Policy – Assuming 1% of Investment Model (\$2.31M) /Proposed Policy Refinement							
Year	Expected Value - Real Property	Expected Value - Tangible Property (Depreciation Begins Year 2)	Total Assessed Value	Tax Revenue (0.0035)	Existing Policy (Fixed Amount)	Net to Town	Meets Commitment
1	\$73,000,000	\$158,000,000	\$231,000,000	\$808,500	\$288,750	\$519,750	Yes
2	\$73,000,000	\$118,500,000	\$191,500,000	\$670,250	\$288,750	\$381,500	No
3	\$73,000,000	\$88,875,000	\$161,875,000	\$566,563	\$288,750	\$277,813	No
4	\$73,000,000	\$66,656,250	\$139,656,250	\$488,797	\$288,750	\$200,047	No
5	\$73,000,000	\$49,992,188	\$122,992,188	\$430,473	\$288,750	\$141,723	No
6	\$73,000,000	\$37,494,141	\$110,494,141	\$386,729	\$288,750	\$97,979	No
7	\$73,000,000	\$28,120,605	\$101,494,141	\$353,922	\$288,750	\$65,172	No
8	\$73,000,000	\$21,090,454	\$94,090,454	\$329,317	\$288,750	\$40,566	No

Total Town Revenue: \$4,034,551

Total Incentive Paid: \$2,306,160

Total Net to Town: \$1,728,391

The Town maintains a positive return each year.

Assuming % of New Tax Growth Model							
Year	Expected Value – Real Property	Expected Value - Tangible Property (Depreciation Begins Year 2)	Total Assessed Value	Tax Revenue (0.0035)	Incentive (50%)	Net to Town	Running Incentive
1	\$73,000,000	\$158,000,000	\$231,000,000	\$808,500	\$404,250	\$404,250	\$404,250
2	\$73,000,000	\$118,500,000	\$191,500,000	\$670,250	\$335,125	\$335,125	\$739,375
3	\$73,000,000	\$88,875,000	\$161,875,000	\$566,563	\$283,281	\$283,281	\$1,022,656
4	\$73,000,000	\$66,656,250	\$139,656,250	\$488,797	\$244,398	\$244,398	\$1,267,055
5	\$73,000,000	\$49,992,188	\$122,992,188	\$430,473	\$215,236	\$215,236	\$1,482,291
6	\$73,000,000	\$37,494,141	\$110,494,141	\$386,729	\$193,365	\$193,365	\$1,675,656
7	\$73,000,000	\$28,120,605	\$101,120,605	\$353,922	\$176,961	\$176,961	\$1,852,617
8	\$73,000,000	\$21,090,454	\$94,090,454	\$329,317	\$164,658	\$164,658	\$2,017,275

Total Town Revenue: \$4,034,550

Total Incentive Paid: \$2,017,275

Total Net to Town: \$2,017,275

Note: A 50% participation rate is conservative relative to peer communities, which provide higher ranges.

While a tax growth model can be a competitive tool, even at a conservative participation rate it can result in higher total payments and lower net return over time. The 1% model provides greater predictability and long-term fiscal consistency while continuing to deliver a positive return.

- 4. How can the Town be considerate of projects where most employees earn less than the county wage standard, yet a few high salaries raise the annual average? Conversely, how do we ensure job opportunities**

for those below the average, so the Town does not overlook projects that help employees advance career ladders?

Potential to add language that indicates:

- To ensure alignment with community wage goals, projects must demonstrate that job creation meets both average wage thresholds and minimum distribution standards.
- In addition to meeting the required average wage, projects shall be evaluated based on the distribution of wages across all proposed positions.
- The Town may require that a defined percentage of jobs meet or exceed the applicable wage threshold, ensuring that incentive-supported projects provide broad-based economic benefit.
- Projects that rely on a limited number of high-wage positions to meet average wage requirements, while a significant portion of jobs fall below the thresholds, may receive reduced consideration or be deemed ineligible.
- We are not eliminating projects that include lower wage entry-level roles, we are ensuring that those roles are part of a broader structure that supports upward mobility and overall wage quality.

5. What is the average job creation per industry?

2025 – Present - Project Announcements - Morrisville	
Industries	Avg New Jobs Announced
Advanced Manufacturing	641
Life Sciences	574

2025 – Present - Project Announcements - Wake County (As reported by WCED based on WCED assisted projects)	
Industries	Avg New Jobs Announced
Advanced Manufacturing, Biotech, and Pharma	170

Advanced Manufacturing	155
Software/IT/HQ	235

6. How can we create incentives for B Corporations?

A B-Corp is not a legal entity type in North Carolina. It is a certification by B Lab. Companies are still structured as LLCs, C-Corps, S-Corps. From a policy standpoint, a B-Corp is a company with verified social/environmental standards, not a different legal structure. The question doesn't become can we incentivize but should we treat companies with verified social/environmental impact differently within our incentive frameworks? Neither the existing nor current policy include the community impact modifier. This is not the staff-proposed incentive model. Below are two potential approaches to incentivizing B corporations:

1) Use Baseline Approach

- a. B Corps qualify under:
 - i. Job thresholds
 - ii. Wage thresholds
 - iii. Investment thresholds
- b. No special treatment

2) Community Impact Modifier

- a. Add a scoring or bonus factor tied to:
 - i. Workforce practices
 - ii. Environmental sustainability
 - iii. Community investment
- b. B Corps would naturally qualify, as well as many others.
- c. Example Structure:
 - i. Base Incentive: % of a committed capital investment (payout % of assessed value)
 - ii. + .5% bonus eligibility for:
 - 1. Third-party verified ESG practices (B Corp)
 - 2. Local hiring pipelines
 - 3. Sustainability benchmarks

7. Is there potential to adjust thresholds based on different industries/ or project types?

Yes. The updated incentive policy directly addresses this by establishing four clearly defined project types, each with its own minimum investment and job creation requirements. This structure allows the Town to differentiate thresholds based on the nature of the project.

8. How many projects are we aware of where incentives played a role in the company not locating in the Town?

The Town's economic development department was established in October 2024, with formal tracking of projects commencing in November 2025. To date, there have been no instances where a project declined to locate in the community due to incentives. It is important to note, however, that comprehensive data on this metric is limited, as such outcomes were not systematically measured prior to the department's formation. As tracking protocols are now in place, future reporting will offer more complete insights into the impact of incentives on project decisions.

ECONOMIC DEVELOPMENT INCENTIVES POLICY

Staff Recommended Policy Updates

April 28, 2026

Tiffany Hall McNeill, MPA, CEcD
Economic Development Director



Morrisville
Economic Development

Purpose

- Present the refined Economic Incentives Policy based on Council feedback
- Outline the staff-recommended policy structure, thresholds, and performance standards
- Prepare Council for consideration and adoption at the May 12 meeting



Work Session Review

The February work session addressed:

- The Town's existing economic incentive policy
- Challenges in implementation
- Regional benchmark comparisons
- Areas requiring refinement



Policy Intent

- Expand and diversify the tax base
- Promote private investment
- Support the creation and retention of quality jobs
- Align incentive decisions with the Town's economic goals as identified in the Town of Morrisville Economic Development Strategy (2023)
- Ensure accountability through measurable performance outcomes



Current Policy

Component	Current Policy
Incentive Structure	% of Capital Investment
Standard %	1.0% (Industry) / 1.5% (HQ)
Minimum Investment	\$10 Million (New) \$ 5 Million (Existing)
Minimum Jobs	50 Jobs (New)
Payout Term	8 Years
Value Consideration	Fixed at time of agreement



Policy Refinement Goal

- Maintain Morrisville's competitiveness in business attraction and retention.
- Improve alignment with current market conditions.
- Establish clear project categories, thresholds, and performance standards.
- Strengthen fiscal safeguards and accountability.



Key Refinements



Defined clear project categories (Innovation, New, Existing Industry and Corporate HQ)



Updated minimum investment and job thresholds by project type



Refined existing industry eligibility to support reinvestment and retention

Key Refinements



Established a defined incentive structure with fixed total value and annual installments



Introduced payment safeguards by limiting annual payments to the lesser of the installment or ad valorem tax revenue attributable to the project for that year



Clarified that normal fluctuations in taxable value of new investment does not constitute non-compliance once investment commitments are met, provided all other requirements are met

Proposed Policy

Component	Proposed Policy
Incentive Structure	% of New Taxable Investment
Standard %	1.0% (industry) / 1.5% (HQ)
Minimum Investment	\$ 2 Million (Innovation Industry) \$ 3 Million (Existing Industry) \$ 5 Million (New) \$ 5 Million (Corporate HQ)
Minimum Full-Time Jobs	20 created (Innovation Industry) Substantial Net New Jobs (Existing Industry) 30 created (New) 50 created (Corporate HQ)
Payout Term	8 Years
Value Consideration	Fixed at time of agreement; annual payments structured as installments and limited to actual tax revenue generated
Verification	Annual verification of investment through Wake County property tax records

Project Categories

Project Type	Definition
Innovation	Projects engaged in technology, life sciences, research and development (R&D), and professional services, or other similar employment-generating uses aligned with the Town's targeted industries
Existing Industry	An existing company expanding or reinvesting
New	Location of a new operation within the Town
Corporate HQ	Locating or expanding principal corporate, regional, or divisional headquarters, hosting executive leadership and strategic operations

Target Industries

- Priority given to industries aligned with the Town's economic development strategy, including:
 - Advanced Manufacturing
 - Business & Financial Services
 - Clean Energy
 - Life Sciences
 - Technology
- Retail, warehousing, and distribution uses are not eligible under this policy



Retention Safeguards

- Minimum \$3M reinvestment required
- Must retain existing full-time workforce
- Must demonstrate a substantial net increase in employment at project site
- Projects with net job loss are not eligible
- Ensures incentives support stability and growth, not downsizing



Incentive Payment

- Incentive amount is established at approval as a percentage of total investment and represents the maximum obligation of the Town
- Annual payments are structured as fixed installments over the term of the agreement
- Actual annual payments are calculated as the lesser of:
 - The fixed annual installment
 - The amount of ad valorem tax revenue attributable to the project for that year
- Payments are issued only after annual verification of investment, as confirmed through Wake County property tax records, along with job creation and wage compliance



How the Incentive Policy Applies

Proposed Policy							
Yr	Expected Value - Real Property	Expected Value - Tangible Property (Depreciation Begins Yr 2)	Total Assessed Value	Tax Revenue (0.0035)	Scheduled Installment Payment	Actual Payment (Lesser of Installment or Applicable Tax Revenue)	Net to Town
1	75,000,000	\$125,000,000	\$200,000,000	\$700,000	\$250,000	\$250,000	\$450,000
2	75,000,000	\$93,750,000	\$168,750,000	\$590,625	\$250,000	\$250,000	\$340,625
3	75,000,000	\$70,312,500	\$145,312,500	\$508,594	\$250,000	\$250,000	\$258,625
4	75,000,000	\$52,734,375	\$127,734,375	\$447,070	\$250,000	\$250,000	\$197,070
5	75,000,000	\$39,550,781	\$114,550,781	\$400,928	\$250,000	\$250,000	\$150,928
6	75,000,000	\$29,663,086	\$104,663,086	\$366,321	\$250,000	\$250,000	\$116,321
7	75,000,000	\$22,247,314	\$97,247,314	\$340,365	\$250,000	\$250,000	\$90,365
8	75,000,000	\$16,685,486	\$91,685,486	\$320,899	\$250,000	\$250,000	\$70,899



Incentive Payment

- Normal fluctuation in taxable value of new investment (e.g., machinery/equipment depreciation) does not constitute non-compliance once investment commitments are met
- Total incentive payments cannot exceed the approved maximum incentive amount
- Annual payments are limited to the actual tax revenue generated by the project



Policy Refinement Outcomes

- Establishes a clear and consistent incentive framework
- Aligns incentives with verified investment, job outcomes, and fiscal performance
- Provides fiscal predictability through defined maximums and annual payment controls
- Supports the Town's ability to compete for high-impact projects
- Maintains flexibility to evaluate unique opportunities



Staff Recommendation

- Staff recommends the policy as presented
- Requests Council feedback on any major revisions
- Pending Council direction, return for a public hearing and potential adoption on May 12, 2026



Questions & Discussion



Town Council Agenda Item Report

Agenda Item No. 11.b

Submitted by: Jeanne Hooks

Submitting Department Finance

Meeting Date: May 12, 2026

SUBJECT

Public Hearing and Resolution on 2nd Financing of Public Works Facility and 260 Town Hall Drive

Byron Hayes, Chief Financial Officer

Recommendation:

Approve Resolution 2026-152-B making certain findings and determinations regarding the proposed financing, approving the purchaser and requesting the Local Government Commission to approve the financing arrangement.

Updates/History of Briefing:

April 28, 2026, Council set a public hearing required for the issuance of a Limited Obligation Bond financing.

May 12, 2026, Council will conduct a public hearing and take action to approve the first reading of the Resolution of Findings. The resolution recognizes that the Town has solicited and received proposals from financing institutions and determined that TD Public Finance LLC offering 15-year terms at a rate of 4.02% is the most responsive proposal. This is the same bank/interest rate received from the 1st borrowing associated with the Public Works Facility and provides overall interest savings in comparison to the original debt model expectations. Given the current volatile economic conditions, and in consultation with our financial advisors, staff has proceeded to lock in the terms/rate.

The Resolution of Findings prepared by bond counsel will require two readings, the second will occur on May 26, 2026. The financing according to North Carolina Treasurer requirements will proceed to the Local Government Commission (LGC) for approval on June 2, 2026. The Town has previously adopted a Resolution of Reimbursement for any expenses incurred prior to this formal approval process related to the purchase and renovation of the Public Works/260A Town Hall Drive facilities. This financing is expected to close in mid-June and be reported with FY2026 finances.

Executive Summary and Background Information:

The Town proposes to issue the 2nd round of Limited Obligation Bonds (the "Bonds") for the upfit of the Public Works Facility located at 125 International Drive and to purchase an existing

facility at 260 Town Hall Drive. The Town will enter into a Trust Agreement in order to carry out the installment financing in the amount of \$12,000,000.

This Resolution calls for a required Public Hearing to be held on May 12, 2026, and to be properly noticed. Once the Public Hearing is complete, Council will be asked to approve the first reading of the Resolution just following the hearing.

Advisory Board/Committee Review:

None

Insert Date of Advisory Board/Committee Review:

Advisory Board/Committee Recommendation and/or Vote:

None

Potential Options:

Approve Resolution as prepared by Bond Counsel.

Staff Recommendation:

None

ATTACHMENTS

- [2026-152-B RES Findings-Morrisville 2026 LOB PW_260A Town Hall Dr.pdf](#)



**RESOLUTION 2026-152-B OF THE MORRISVILLE TOWN COUNCIL
MAKING THE FINDINGS AND DETERMINATIONS ON THE
PROPOSED FINANCING OF THE PUBLIC WORKS FACILITY
RENOVATION AND THE ACQUISITION OF 260 TOWN HALL
DRIVE**

The Town Council of the Town of Morrisville, North Carolina met in a regular meeting in the Council Chambers at the Town Hall located at 100 Town Hall Drive in Morrisville, North Carolina, the regular place of meeting, at 6:00 p.m. on May 12, 2026.

Present: Mayor TJ Cawley, presiding, and Council Members

Absent: Council Members

Also Present: _____

* * * * *

The Mayor announced that this was the hour and day of the public hearing on whether the Town of Morrisville, North Carolina (the "Town") should enter into an installment financing arrangement under Section 160A-20 of the General Statutes of North Carolina for the purpose of providing funds, together with any other available funds, to (a) finance the renovation, improvement and equipping of a new Public Works Facility and the acquisition of an existing building and certain renovations and improvements thereto to be used for governmental purposes (collectively the "Project") and (b) pay certain financing costs relating thereto.

The Town has heretofore entered into a Trust Agreement (the "Trust Agreement") pursuant to which it will issue its limited obligation bonds (the "Bonds") thereunder to carry out the installment financing. The Town expects to issue limited obligation bonds at one time or from time to time in an aggregate principal amount not to exceed \$12,000,000 for the purposes described above. The Town has reserved in the Trust Agreement the right to issue additional limited obligation bonds from time to time for the purpose of providing additional funds to finance the cost of acquiring and constructing additional improvements for the Town, refund other limited obligation bonds and refinance other installment financing obligations of the Town. If the Town issues the Bonds pursuant to the Trust Agreement, it will secure its obligations thereunder by an existing deed of trust granting a lien of record on the site of the Public Works Facility, which constitutes a portion of the Project, together with all improvements and fixtures located and to be located thereon.

Section 160A-20 of the General Statutes of North Carolina requires that the Town hold a public hearing prior to entering into the Trust Agreement and issuing the Bonds.

The Chief Financial Officer of the Town acknowledged due publication of the notice of public hearing in a newspaper with a general circulation in the Town and directed the Town Clerk to attach the affidavit showing publication in said newspaper on a date at least ten (10) days prior to the date hereof as Exhibit A.

The Mayor then announced that the Town Council would immediately hear anyone who might wish to be heard on the proposed plan of finance and issuance of the Bonds as described above.

A list of all persons making comments and a summary of such comments are attached as Exhibit B.

The public hearing was closed.

All statements and comments by participants of the public hearing were duly considered by the Town Council.

Thereupon, Council Member _____ introduced the following resolution the title of which was read and a copy of which had been previously distributed to each Council Member:

**RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS
REGARDING THE PROPOSED FINANCING, APPROVING THE
PURCHASER AND REQUESTING THE LOCAL GOVERNMENT
COMMISSION TO APPROVE THE FINANCING ARRANGEMENT**

BE IT RESOLVED by the Town Council (the "Town Council") of the Town of Morrisville, North Carolina (the "Town") as follows:

Section 1. The Town Council does hereby find and determine as follows:

(a) The Town has determined to (i) finance the renovation, improvement and equipping of a new Public Works Facility and the acquisition of an existing building and certain renovations and improvements thereto to be used for governmental purposes (collectively, the "Project") and (ii) pay certain financing costs relating thereto.

(b) After a public hearing and due consideration, the Town has determined to enter into a Second Supplemental Trust Agreement, to be dated as of June 1, 2026 (the "Second Supplemental Trust Agreement"), supplementing the Master Trust Agreement, dated as of August 1, 2025 (the "Master Trust Agreement" and, together with the Second Supplemental Trust Agreement, the "Trust Agreement"), each between the Town and Trust Bank, as trustee (the "Trustee"), pursuant to which the Town will issue a limited obligation bond (the "Bond") thereunder in an aggregate principal amount not to exceed \$12,000,000 to provide funds, together with any other available funds, to (i) pay the costs

of the Project and (ii) pay the fees and expenses incurred in connection with the sale and issuance of the Bond.

(c) In order to secure its obligations under the Trust Agreement, the Town has heretofore executed and delivered a Deed of Trust (the "Deed of Trust"), for the benefit of the Trustee, granting a lien of record on the site of the Public Works Facility, which constitutes a portion of the Project, together with all improvements and fixtures located and to be located thereon.

(d) It is in the best interest of the Town to enter into the Second Supplemental Trust Agreement and issue its Bond thereunder in that such plan of finance will result in the financing of the Project in an efficient and cost-effective manner.

(e) Entering into the Second Supplemental Trust Agreement and issuing the Bond is preferable to a general obligation bond and revenue bond issue in that (i) the cost of financing the Project exceeds the amount to be prudently provided from currently available appropriations and unappropriated fund balances; (ii) the existing circumstances require that funds be available to finance the Project as soon as practicable, the Town does not have sufficient constitutional authority to issue non-voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution and the time required for holding an election for the issuance of voted general obligation bonds will delay the commencement of the financing of the Project by several months; (iii) the nature of the financing does not allow for the issuance of revenue bonds to finance the Project; and (iv) the utilization of an installment financing agreement for financing the Project and securing the same with a lien on the site of the Public Works Facility, which constitutes a portion of the Project, is prudent and in the best interests of the Town.

(f) Based upon information provided to the Town Council, the costs of the financing described above is reasonably comparable to the costs associated with other alternative means of financing and is acceptable to the Town Council.

(g) Bond counsel to the Town will render an opinion to the effect that the proposed undertaking as described above is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina.

(h) The debt management policies of the Town have been carried out in strict compliance with law, and the Town is not in default under any obligation for repayment of borrowed money.

(i) Any increase in taxes necessary to pay principal of and interest on the Bond will not be excessive.

Section 2. The Town Council hereby authorizes and approves the filing of an application with the Local Government Commission for approval of the Second Supplemental Trust Agreement and the issuance of the Bond thereunder and under the Master Trust Agreement in an aggregate principal amount not to exceed \$12,000,000 to (i) pay the

costs of the Project and (ii) pay the fees and expenses incurred in connection with the sale and issuance of the Bond and requests the Local Government Commission to approve the Second Supplemental Trust Agreement and the proposed financing in connection therewith.

Section 3. The Town has solicited and received proposals from various financial institutions to purchase of the Bond to provide funds to finance the Project. Following review and consideration of such proposals, the Town desires to accept the 15-year proposal of TD Public Finance LLC (the "Purchaser"). The proposal of the Purchaser to purchase the Bond is hereby accepted, subject to further approval of the particular documentation related thereto by the Town Council. The Town Manager and the Chief Financial Officer of the Town are each hereby authorized and directed to execute and deliver such documentation as may be necessary to accept the proposal of the Purchaser, and any actions heretofore taken with respect to such matters are hereby authorized, ratified and approved.

Section 4. This resolution shall take effect immediately upon its adoption.

Upon motion of Council Member _____, seconded by Council Member _____, the foregoing resolution was adopted by the following vote:

Ayes: _____

Noes: _____

* * * * *

I, Kayla Bertling, Town Clerk of the Town of Morrisville, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of Town Council of said Town at a regular meeting held on May 12, 2026, as it relates in any way to the holding of a public hearing and the adoption of the foregoing resolution and that said proceedings are to be recorded in the minutes of said Town Council.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said Town this 12th day of May, 2026.

Town Clerk

[SEAL]

EXHIBIT A

[Attach publisher's affidavit evidencing publication of the Notice of Public Hearing]

EXHIBIT B

[A list of any persons making comments and a summary of such comments to be attached. If no comments are made, please insert "None".]

Town Council Agenda Item Report

Agenda Item No. 12.a

Submitted by: Josh Michael

Submitting Department Planning

Meeting Date: May 12, 2026

SUBJECT

Proposed Amendment of the Zoning Map for 10212 Chapel Hill Road (REZ-26-0020)

Josh Michael, Planner III

Brief & Public Hearing - April 28

Action - May 12

Recommendation:

Staff recommends approval of the requested zoning map amendment from Town Center Commercial to Conditional – Town Center Commercial for the following reasons:

- 1.The proposed rezoning supports objectives and goals outlined in the Town’s adopted Strategic Plan, Land Use Plan, and Affordable Housing Plan.
- 2.The proposed rezoning aligns with the Strategic Plan Initiative to identify and expand housing options to meet current and future needs of the community.
- 3.The proposed rezoning creates housing in Morrisville that would preserve and enhance the diversity, quality, character, safety, affordability, and appeal of Morrisville’s housing and neighborhoods to strengthen the Town’s desirability as a great place to live, as recommended by the Land Use Plan.
- 4.The proposed rezoning adheres to the goal of encouraging development of affordable housing, guided by the Affordable Housing Plan, which states the Town should seek to develop a balance of housing that provides a diverse range of housing types, price points, and styles.

Updates/History of Briefing:

The Town Council conducted the public hearing for this rezoning request at its April 28 meeting. The hearing was opened and subsequently closed at that session. During the discussion, the Town Council requested additional clarification regarding project conditions, the proposed site design, and impacts on the surrounding community.

Following the April 28 hearing, the applicant submitted revised conditions in response to Town Council feedback. These revisions include the removal of the previously proposed parking reduction, with the

applicant now committing to meet all applicable UDO parking requirements, and the addition of a Transit Node condition.

Since the closure of the public hearing, staff have provided the Town Council with supplemental materials intended to support further deliberation. This information includes a Frequently Asked Questions (ATTH-06) document addressing commonly raised inquiries, a Traffic Generation Memo (ATTH-07), and a staff report on home value impacts (ATTH-08).

On May 7, 2026, the applicant held a neighborhood meeting with nearby residents to review the updated proposal and discuss outstanding concerns. In addition, the applicant has updated the site plan to more accurately reflect required and proposed cross sections, including pedestrian improvements and roadway elements, and to clearly identify the proposed 45% lot coverage.

Finally, the Town Attorney has confirmed that a supermajority vote is not required for this rezoning request. Consistent with standard rezoning procedures, action by a simple majority of the Town Council is sufficient to approve or deny the request.

Executive Summary and Background Information:

Ordinance 2026-139-0 of the Morrisville Town Council Approving a Zoning Map Amendment for 10212 Chapel Hill Road, a property located at the intersection of Chapel Hill Road and Sunset Avenue, to the Conditional - Town Center Commercial Zoning District (REZ-26-0020). MK Property Holding LLC requests approval of a zoning map amendment for 10212 Chapel Hill Road, which totals approximately 3.24 acres and is located north of the intersection of Chapel Hill Road and Sunset Avenue, identified by Wake County PIN 0755-16-5771. The property is currently zoned Town Center Commercial (TCC), and the 2021 Land Use Plan designates it as General Commercial (see ATTH 01 - Maps).

The requested rezoning is to the Conditional Town Center Commercial (C-TCC) zoning district with specific conditions outlined in the Petitioner's Application Packet (see ATTH 02). The anticipated use for the site is "Multifamily" specifically for age restricted individuals (55+) at or below 60% of the Area Median Income (AMI). This request is specific to the 10212 Chapel Hill Road property and is not part of any larger development. If the rezoning is approved, any uses permitted in the TCC zoning district would be allowed on the property (see ATTH 03 - Use Table and Zoning District Standards).

The Planning and Zoning Board recommended approval by a 4-1 vote at the April 16 meeting. The signed consistency statement (see ATTH 04) and draft minutes (see ATTH 05) from the April 16 meeting are attached.

Advisory Board/Committee Review:

Planning and Zoning Board

Insert Date of Advisory Board/Committee Review:

Advisory Board/Committee Recommendation and/or Vote:

None

Potential Options:

The Town Council should review the Zoning Map Amendment request and may choose to either:

1. Approve the proposed amendment;
2. Approve the proposed amendment with changes; or
3. Do not approve the proposed amendment.

In reviewing the requested Zoning Map Amendment, the Town Council may wish to consider the items identified in Section 2.4.19 of the Administrative Manual. A Zoning Map Amendment is a legislative decision and is generally discretionary.

Staff Recommendation:

None

ATTACHMENTS

- 2026-139-0 ORD - Approving a Zoning Map Amendment - REZ 10212 Chapel Hill Rd - THIS ITEM HAS BEEN UPDATED
- 2026-139-0 ATTH 01 - Maps - REZ 10212 Chapel Hill Rd
- 2026-139-0 ATTH 02 - Application Packet - REZ 10212 Chapel Hill Rd - THIS ITEM HAS BEEN UPDATED
- 2026-139-0 ATTH 03 - Principal Use Table - REZ 10212 Chapel Hill Rd
- 2026-139-0 ATTH 04 - PZB Consistency Statement - REZ 10212 Chapel Hill Rd
- 2026-139-0 ATTH 05 - PZB Draft Minutes - REZ 10212 Chapel Hill Rd
- 2026-139-0 ATTH 06 - FAQ - Evergreen -THIS ITEM HAS BEEN ADDED
- 2026-139-0 ATTH 07 - Traffic Generation Memo - Evergreen -THIS ITEM HAS BEEN ADDED
- 2026-139-0 ATTH 08 - LIHTC and Home Values -THIS ITEM HAS BEEN ADDED
- 2026-139-0 PRES Staff - REZ 10212 Chapel Hill Rd - THIS ITEM HAS BEEN UPDATED
- 2026-139-0 PRES Applicant - REZ 10212 Chapel Hill Rd - THIS ITEM HAS BEEN UPDATED



**ORDINANCE 2026-139-0 OF THE MORRISVILLE TOWN COUNCIL
APPROVING A ZONING MAP AMENDMENT FOR 10212 CHAPEL
HILL ROAD, A PROPERTY LOCATED AT THE INTERSECTION OF
CHAPEL HILL ROAD AND SUNSET AVENUE, TO THE
CONDITIONAL – TOWN CENTER COMMERCIAL ZONING
DISTRICT (REZ-26-0020)**

WHEREAS, on March 31, 2026, MK Property Holding LLC submitted a request to rezone 10212 Chapel Hill Road, approximately 3.24 acres of property located north of the intersection of Chapel Hill Road and Sunset Avenue from the Town Center Commercial (TCC) zoning district to the Conditional – Town Center Commercial (C-TCC) zoning district; and

WHEREAS, the property subject to the requested Zoning Map Amendment is depicted on Exhibit “A” attached hereto and specifically identified by Wake County PIN 0755-16-5771; and

WHEREAS, the rezoning request was the subject of a public comment session by the Planning and Zoning Board of the Town of Morrisville on April 16, 2026; and

WHEREAS, at the April 16, 2026 meeting, the Planning and Zoning Board, by a vote of 4 “Yes” and 1 “No,” forwarded a recommendation of “approval” on the requested Zoning Map Amendment to the Town Council; and

WHEREAS, the rezoning request and Planning and Zoning Board’s recommendation were presented to the Morrisville Town Council on April 28, 2026; and

WHEREAS, the Town Council held a public hearing on April 28, 2026 on the requested Zoning Map Amendment; and

WHEREAS, the requested Zoning Map Amendment was duly advertised in accordance with all requirements of law.

NOW, THEREFORE, BE IT ORDAINED BY THE MORRISVILLE TOWN COUNCIL THAT:

The Town of Morrisville Zoning Map is hereby amended by rezoning the following Wake County PIN to the C-TCC zoning district: 0755-16-5771 as depicted on Exhibit “A” attached hereto, subject to the following:

1. Electric vehicle (EV) parking requirements, including the minimum percentage of EV spaces and the standards outlined in Table 5.10.3.F.2 of the UDO, shall not apply to this project. No EV-designated parking spaces, EV-Ready spaces, or EV charging infrastructure are required or will be installed.
2. The height for any building on the property shall not exceed three (3) stories and forty-five (45) feet, measured in accordance with Town of Morrisville standards.
3. The building will be constructed to ENERGY STAR Multifamily New Construction Version 1.2 standards and certified as such by a third-party firm.
4. The site plan (Exhibit “B”) shall be in general conformance with the application entitled “Rezoning of 10212 Chapel Hill Road” that is submitted with this rezoning.
5. The development will commit to serving households at or below 60% AMI, meet the definition of serving only elderly households as defined by the federal 55-year age definition, and for a 50-year affordability period.
6. If, as part of the Town’s Smart Shuttle program, the Town identifies a stop at or adjacent to the development site as a preferred or prioritized location, the developer shall dedicate or convey an easement necessary for the transit stop, at no cost to the Town and that is mutually agreed to by both the Town and developer.

Ordained this the 12th day of May 2026.

TJ Cawley, Mayor

ATTEST:

Kayla Bertling, Town Clerk

Exhibit A

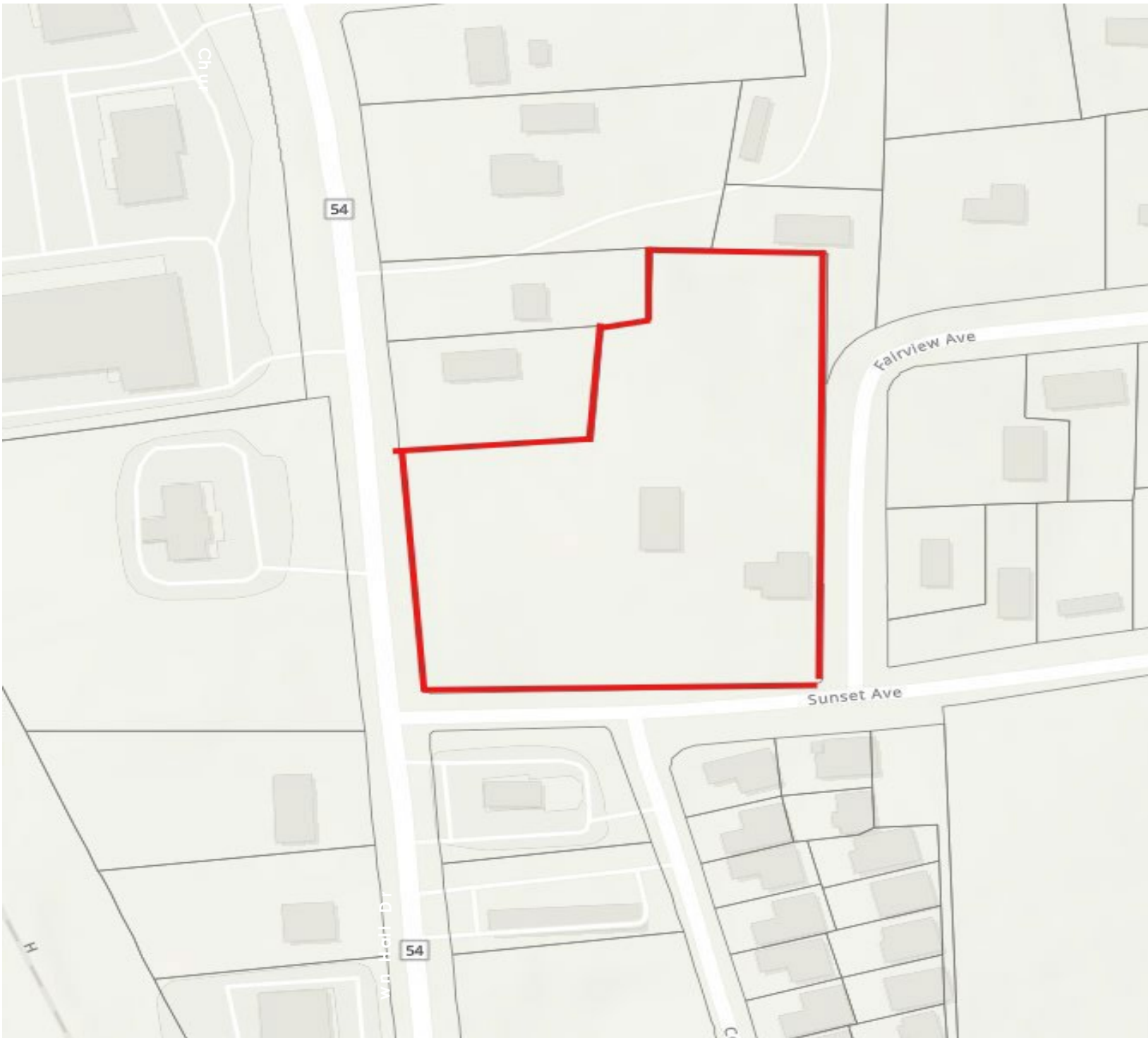


Image Created 2021
Map Generated April 2026
Morrisville Planning Department



0 400 800 1,600 ft



1 inch equals 800 feet



Disclaimer

*iMaps makes every effort to produce and publish the most current and accurate information possible. However, the maps are produced for information purposes and are **NOT** surveys. No warranties, expressed or implied, are provided for the data therein, its use or its interpretation.*



VICINITY MAP
NTS

Exhibit B

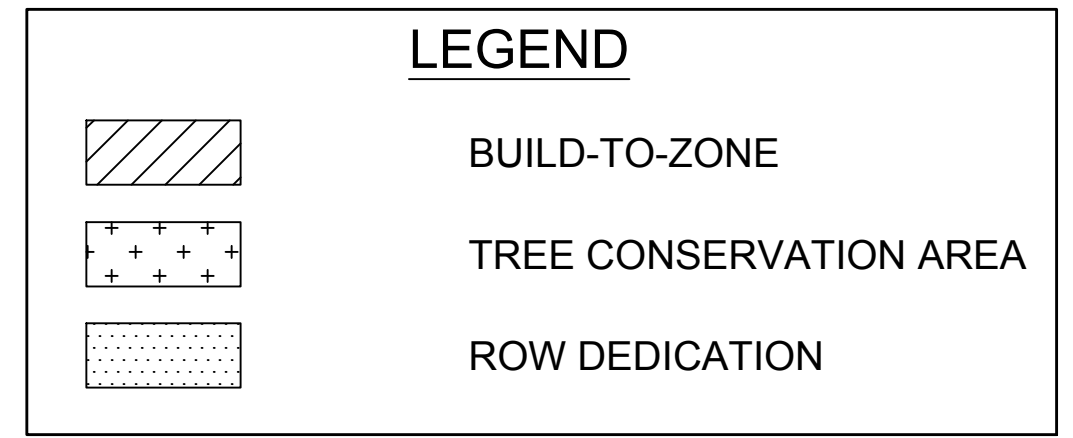
FAIRVIEW SPRING PRELIMINARY SITE PLAN

SITE DATA TABLE	
PROJECT NAME:	FAIRVIEW SPRING
PROPERTY OWNER:	MK PROPERTY HOLDING LLC, 140 W FRANKLIN ST UNIT 705 CHAPEL HILL, NC 27516-2588
PIN(S):	0755-16-5771
REAL ID(S):	0063059
DEED REFERENCE:	DB 015836 PG 02520
PROPERTY ADDRESS:	10212 CHAPEL HILL RD, MORRISVILLE, NC 27560
JURISDICTION:	TOWN OF MORRISVILLE
EXISTING ZONING:	TOWN CENTER COMMERCIAL (TCC)
EXISTING USE:	VACANT
PROPOSED LAND USE:	60 SENIOR LIVING APARTMENTS 30 - 1 BEDROOM UNITS 30 - 2 BEDROOM UNITS
MINIMUM LOT SIZE:	20,000 SF
MINIMUM / MAXIMUM NUMBER OF DWELLING UNITS:	N/A
MAXIMUM LOT COVERAGE:	65%
PROPOSED LOT COVERAGE:	IMPERVIOUS AREA: 63,902 SF = 1.47 AC LOT COVERAGE: IMPERVIOUS AREA / EX. SITE AREA LOT COVERAGE: 1.47 AC / 3.24 AC = 45%
BUILDING SETBACKS:	FRONT BUILD-TO-ZONE: MIN: 10 FT. MAX: 25 FT. MINIMUM FRONTAGE OCCUPIED BY BUILDINGS: 60% CORNER SIDE: 20 FT. SIDE: 15 FT. REAR: 30 FT.
EXISTING SITE AREA:	3.24 AC
PARKING SUMMARY:	
MINIMUM REQUIRED PARKING:	0-1 BEDROOM UNITS: 1 PER DU 2 BEDROOM UNITS: 1.5 PER DU 30 1-BEDROOM = 30 SPACES 30 2-BEDROOM = 45 SPACES TOTAL = 75 SPACES REQUIRED
PROPOSED PARKING:	75 SPACES PROVIDED (INCLUDING 9 ADA 75 SPACES / 60 UNITS = 1.25 SPACES PER UNIT
MINIMUM REQUIRED BICYCLE PARKING:	2 SPACES
PROPOSED BICYCLE PARKING:	4 SPACES



NCHFA Parking Calculations Morrisville (4/30/2026)	
Spaces Required =	75
H/C Spaces Required for Type A Units =	6
Additional 2% HC Spaces Required =	2
1 Van Accessible H/C Space for Visitors Office =	1
Required Standard H/C Spaces =	6
Required VAC H/C Spaces =	3

- SITE AMENITIES**
- INDOOR AND OUTDOOR SITTING AREAS (MIN 3)
 - GAZEBO
 - COVERED DRIVE THRU ENTRY
 - EXERCISE ROOM
 - RESIDENT COMPUTER CENTER



- NOTES**
- STORMWATER DETENTION WILL BE PLACED UNDERGROUND.
 - STREETLIGHTS ARE TO BE INSTALLED PER TOWN OF MORRISVILLE STANDARDS IN THE RIGHT OF WAY.

PRELIMINARY - NOT RELEASED FOR CONSTRUCTION

PRELIMINARY
NOT FOR
CONSTRUCTION

THIS DRAWING PREPARED AT THE
RALEIGH OFFICE
5410 Trinity Road, Suite 102 | Raleigh, NC 27607
TEL 919.866.4951 FAX 919.833.8124 www.timmons.com

DATE	REVISION DESCRIPTION
03/17/26	REVISIONS PER TOWN OF MORRISVILLE COMMENTS
04/08/26	PRELIMINARY GRADING PLAN EXHIBIT
05/04/26	REVISIONS PER TOWN OF MORRISVILLE COMMENTS

YOUR VISION ACHIEVED THROUGH OURS.

DATE: 01/21/2026
DRAWN BY: 332
DESIGNED BY: P. BARBEAU
CHECKED BY: P. BARBEAU
SCALE: AS SHOWN

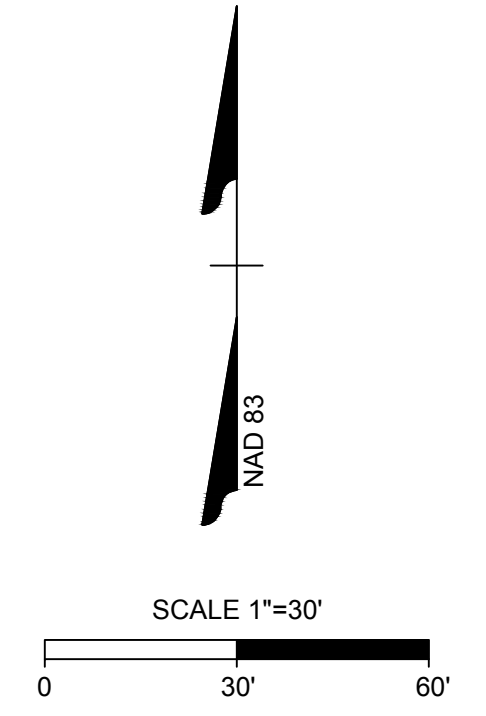
TIMMONS GROUP
NORTH CAROLINA LICENSE NO. C-1652

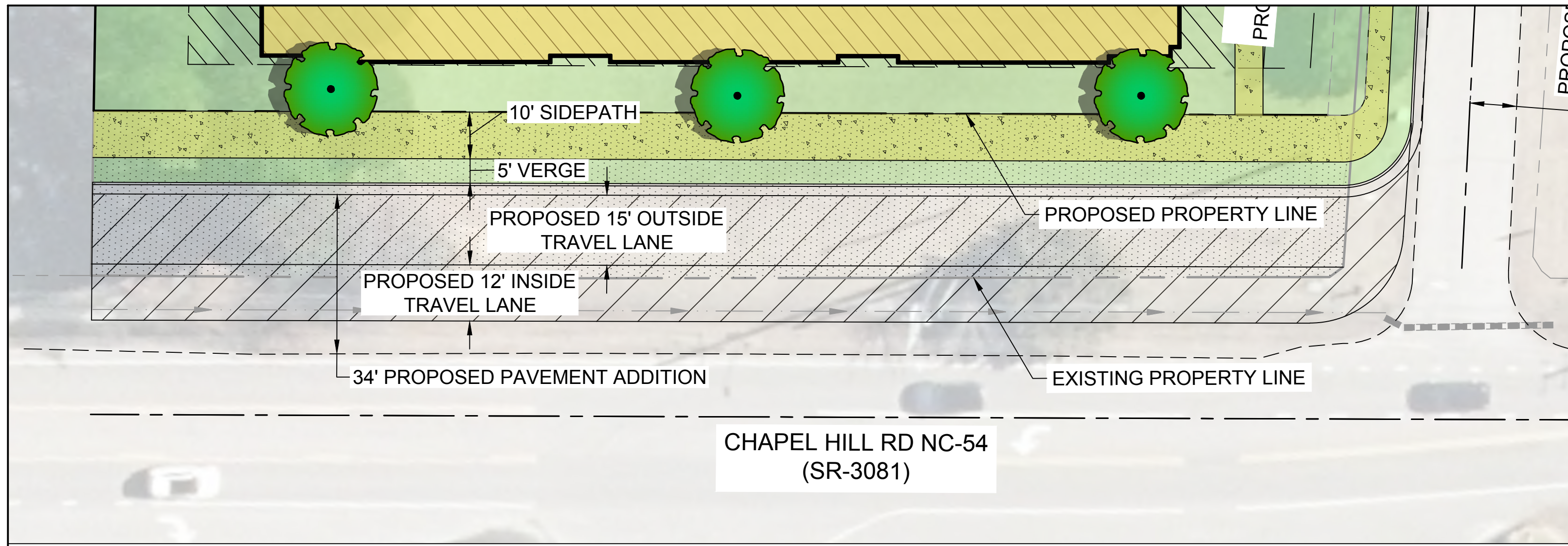
FAIRVIEW SPRING
MORRISVILLE - WAKE COUNTY - NORTH CAROLINA
PRELIMINARY SITE PLAN

JOB NO. 42601.021
SHEET NO. EX1.0

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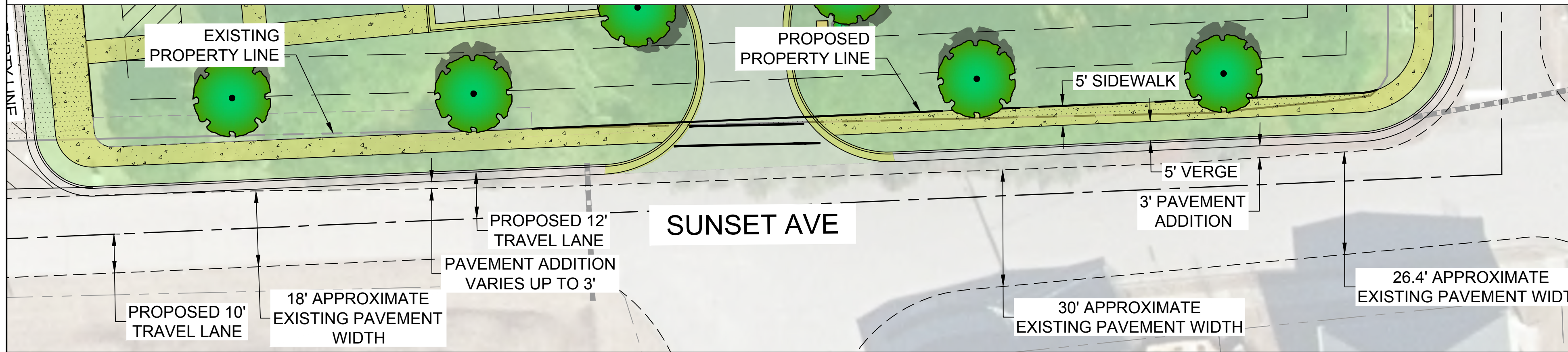
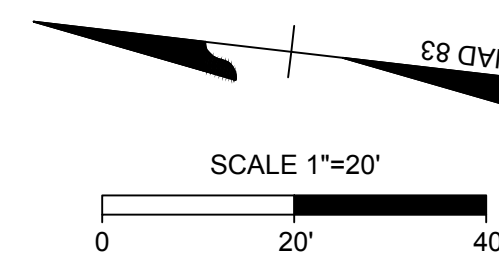
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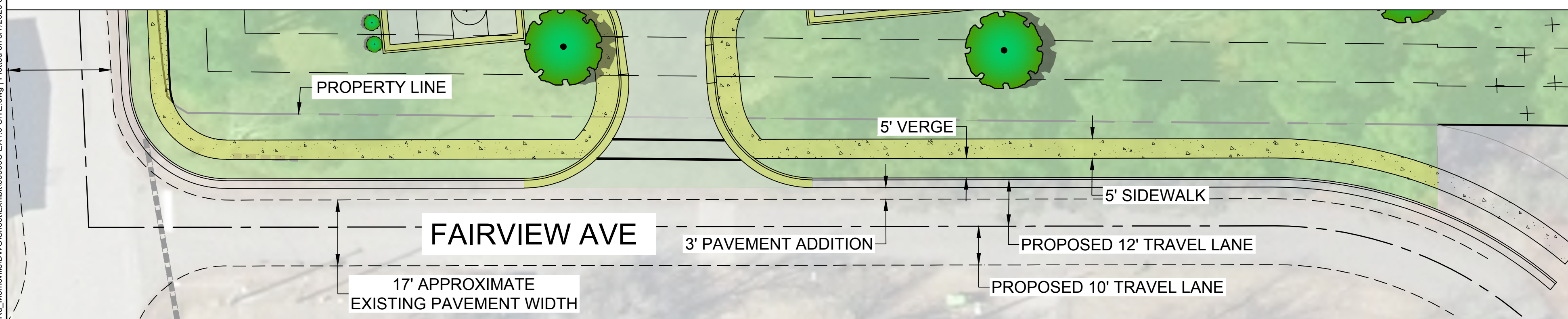
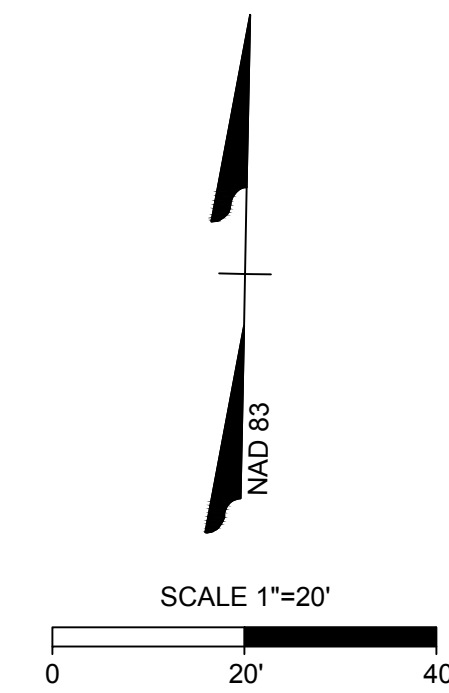
CHAPEL HILL RD NC-54
(SR-3081)

CHAPEL HILL RD (NC-54) PROPOSED WIDENING



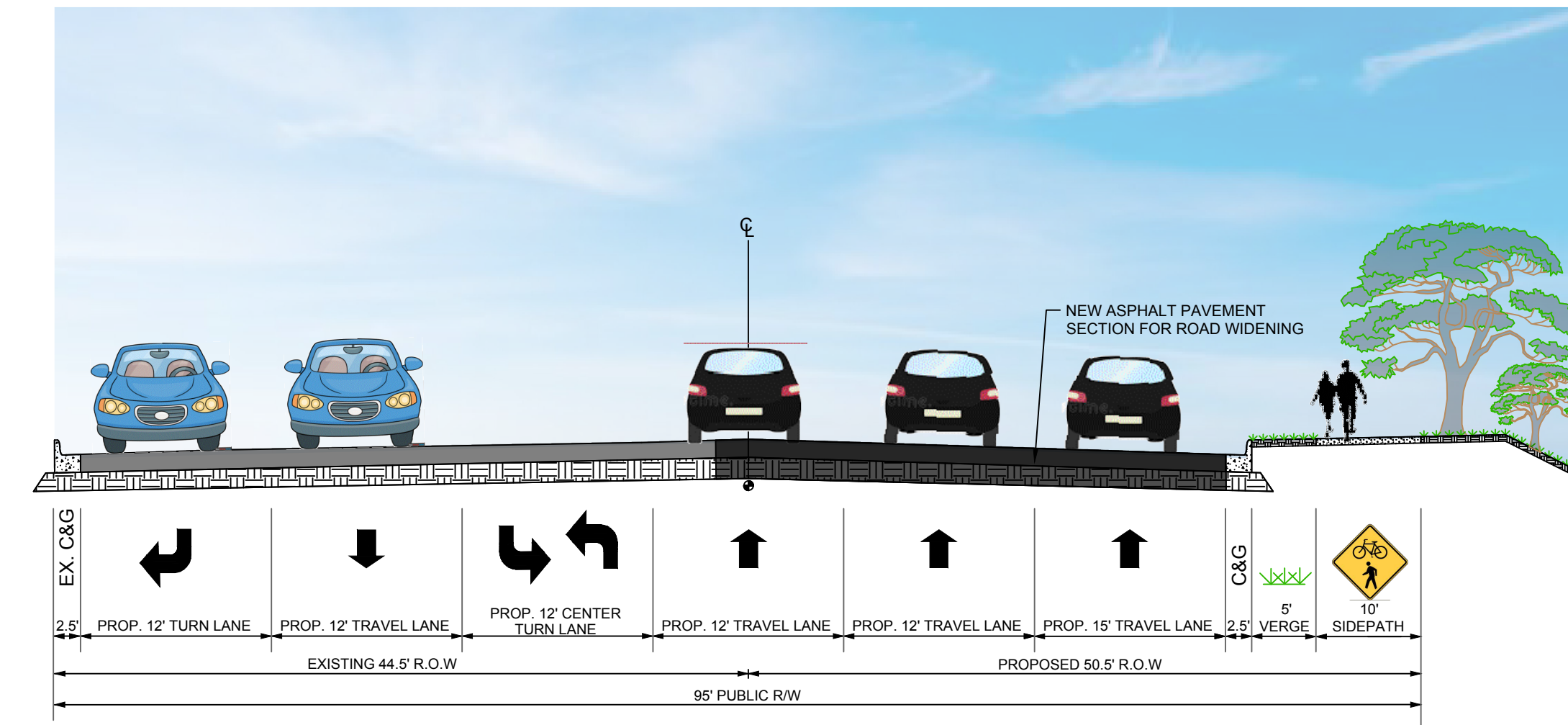
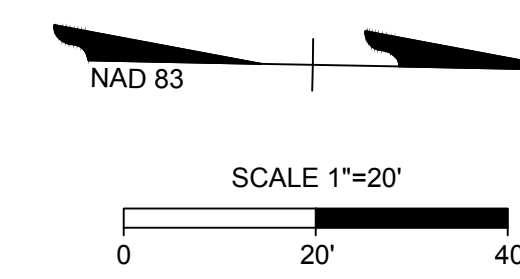
SUNSET AVE

SUNSET AVE PROPOSED WIDENING

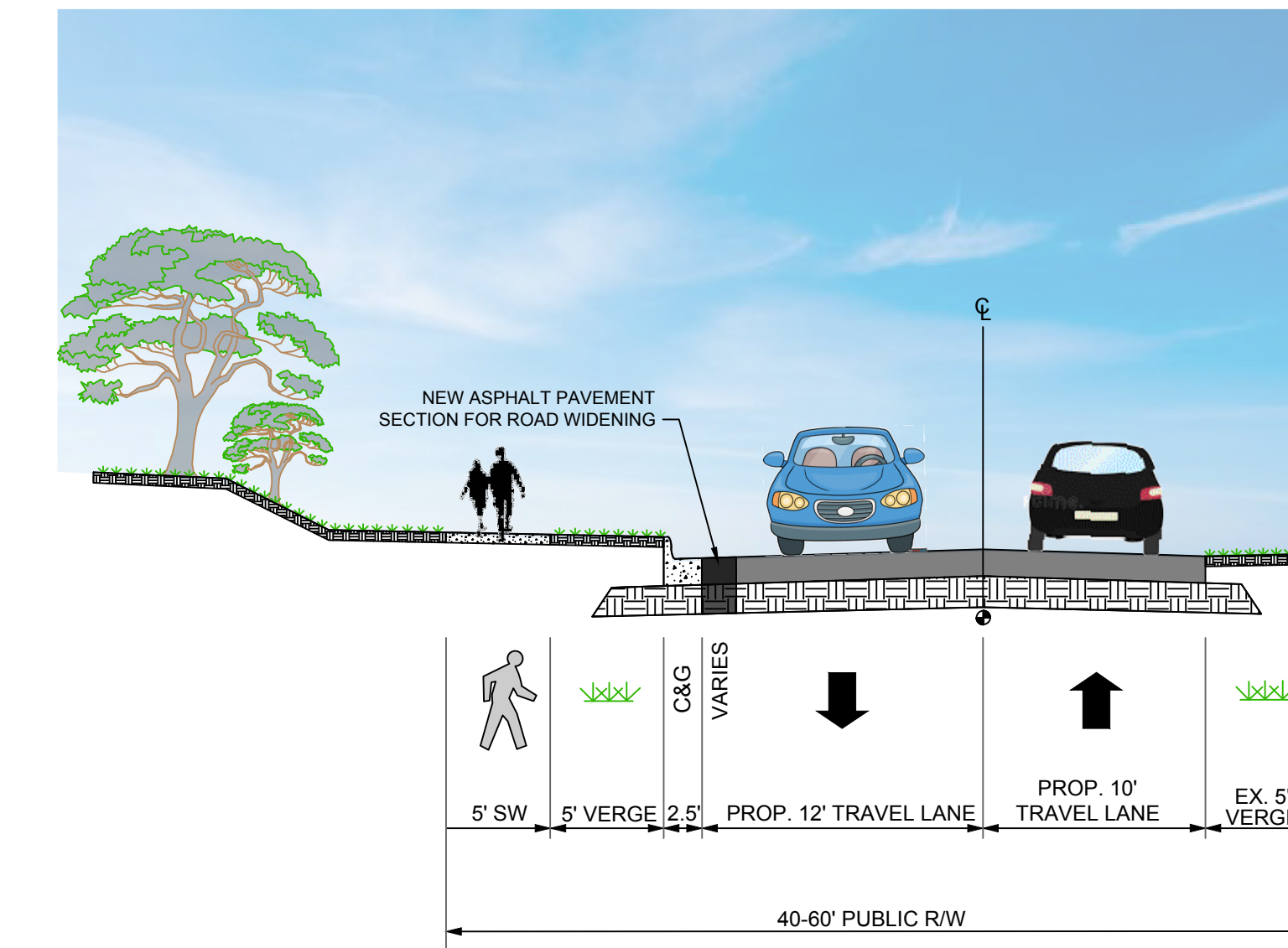


FAIRVIEW AVE

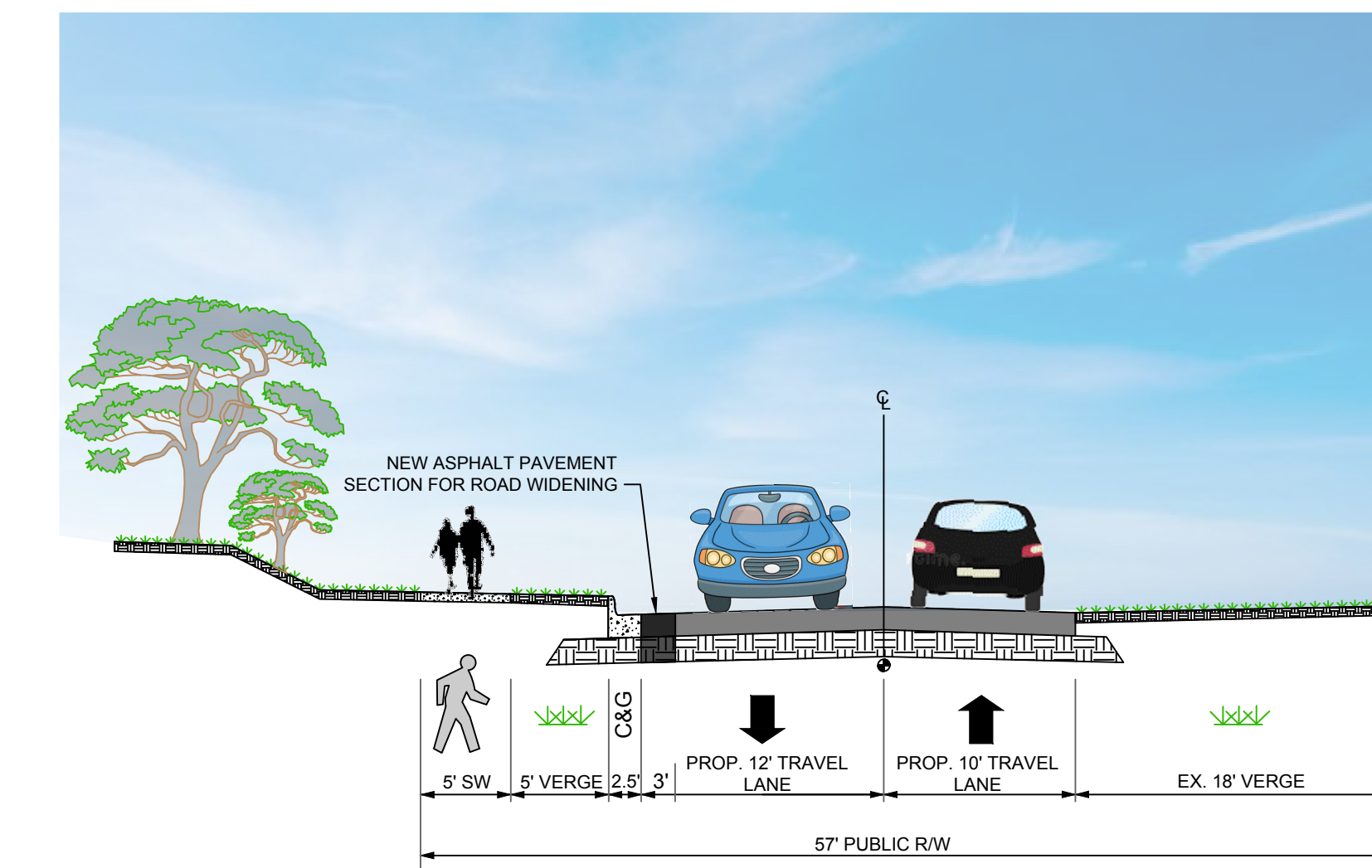
FAIRVIEW AVE PROPOSED WIDENING



CHAPEL HILL RD. PROPOSED UNDIVIDED ROADWAY SECTION



SUNSET AVE. PROPOSED 2-LANE UNDIVIDED ROADWAY SECTION



FAIRVIEW AVE. PROPOSED 2-LANE UNDIVIDED ROADWAY SECTION

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TIMMONS GROUP
NORTH CAROLINA LICENSE NO. C-1652
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STREET CROSS SECTIONS

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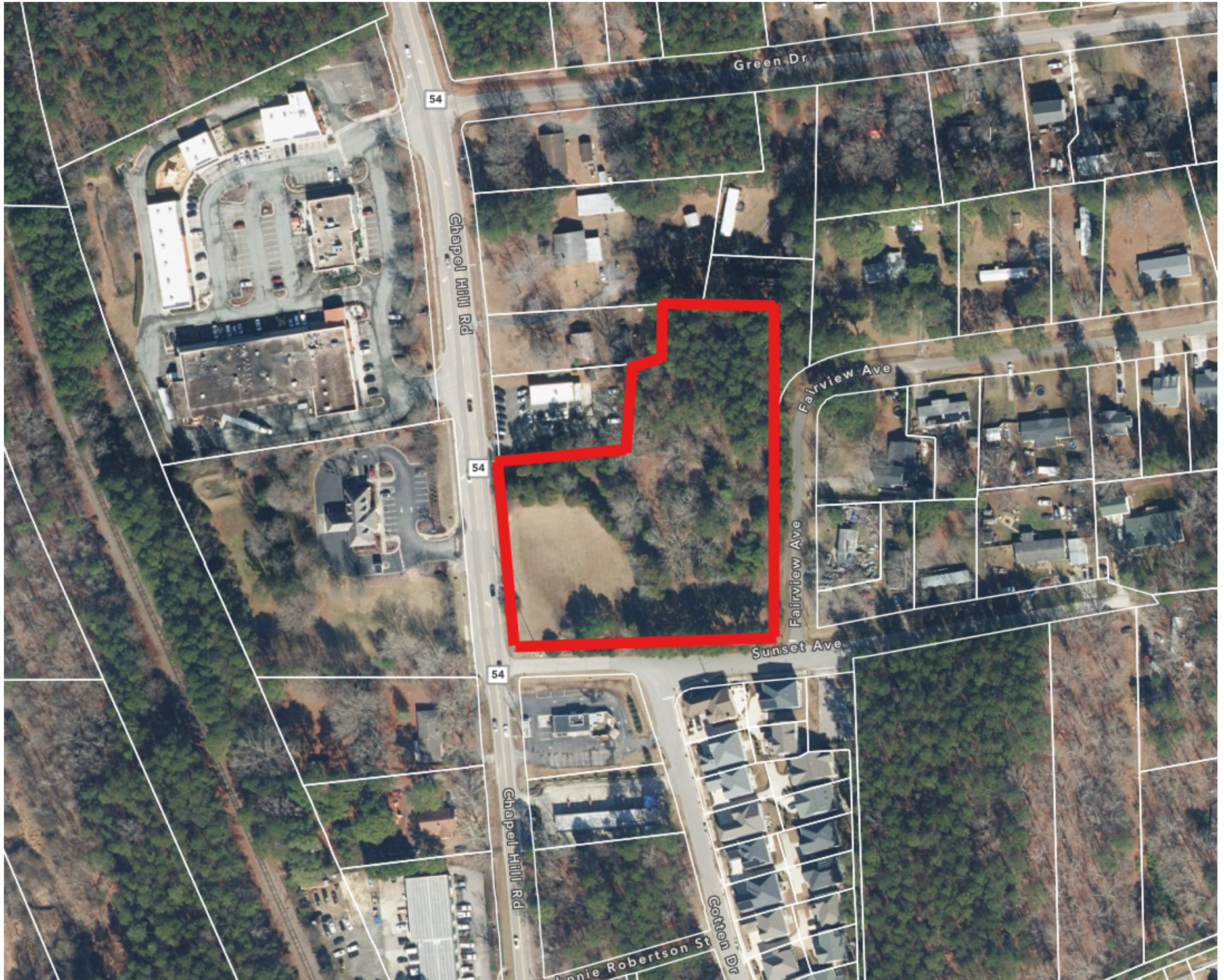


Image Created 2025
Map Generated April 2026
Morrisville Planning Department



0 400 800 1,600 ft



1 inch equals 800 feet



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Map B - Zoning Map

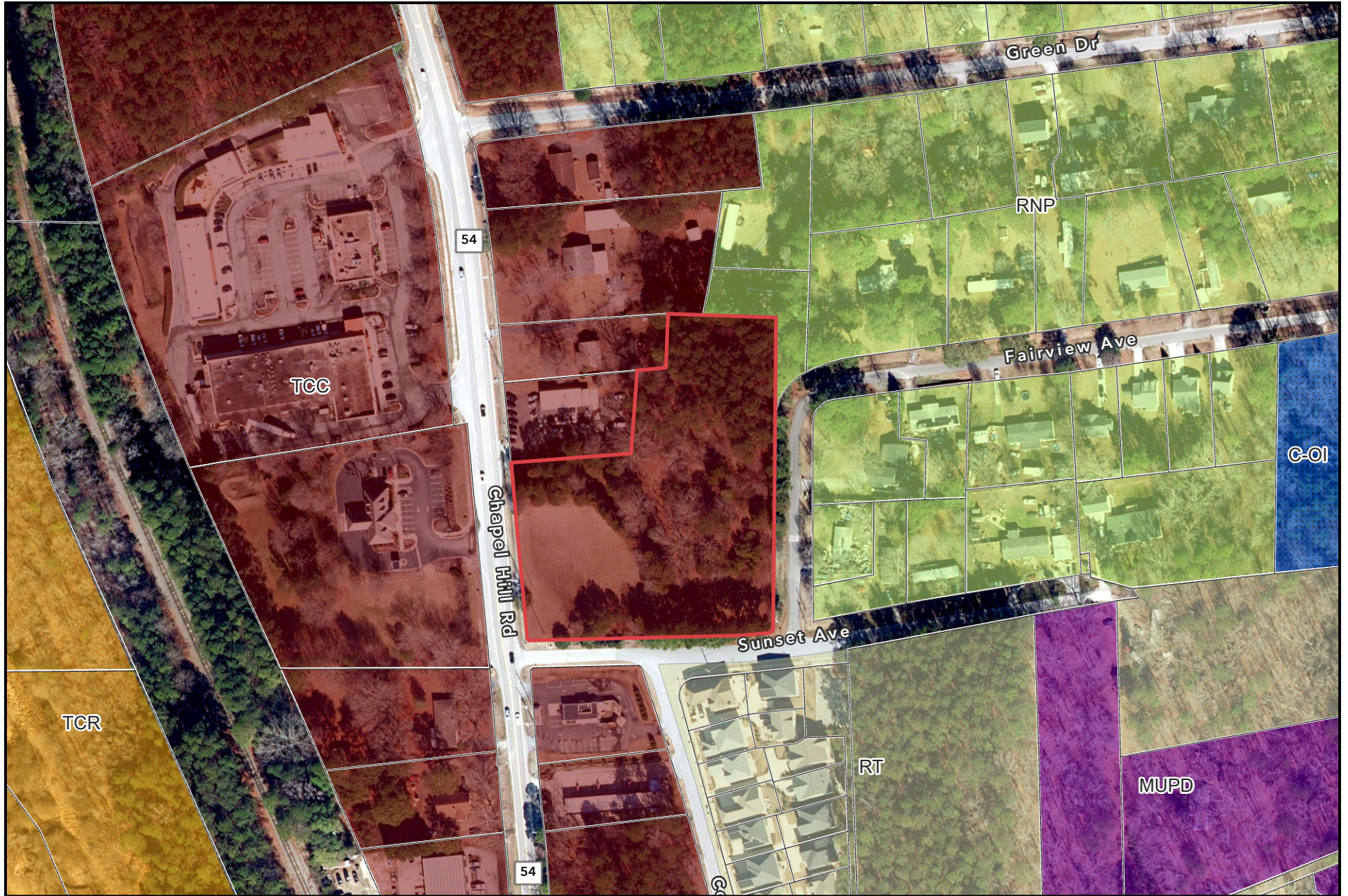
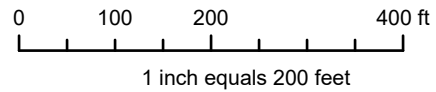


Image Created 2025
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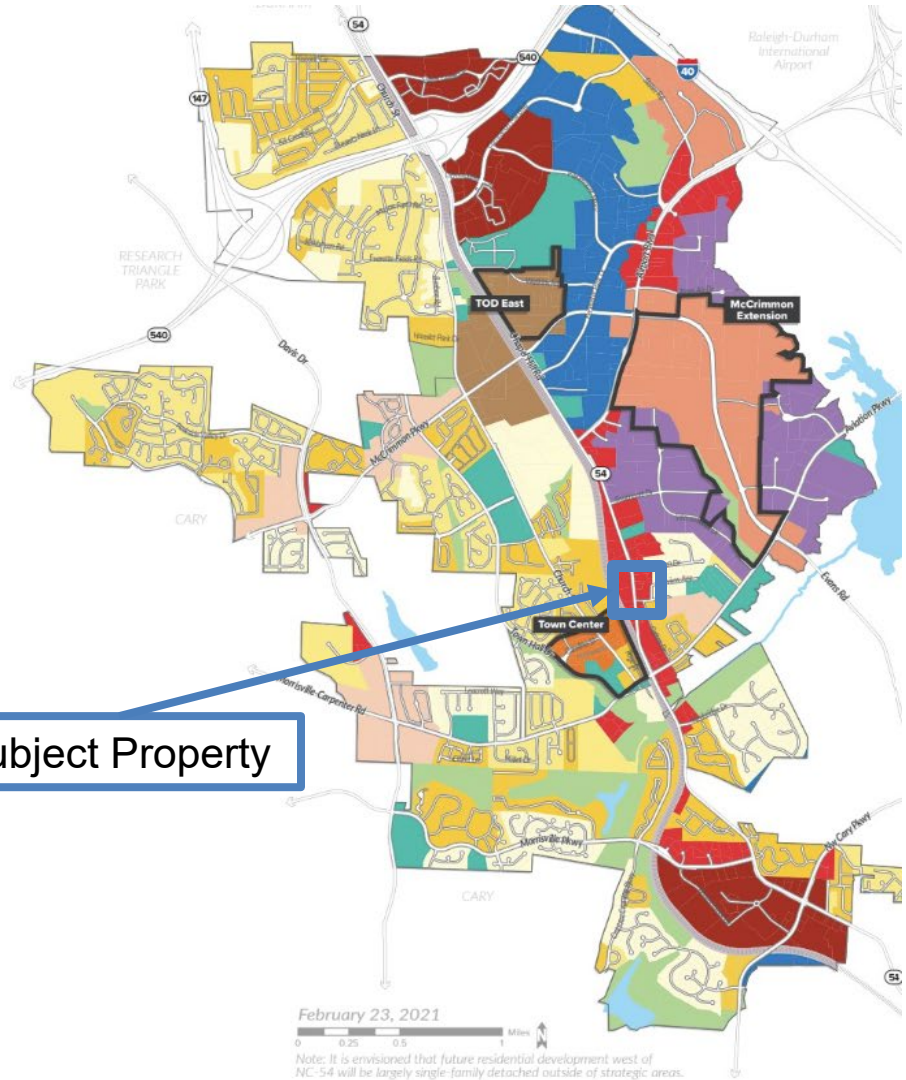
2021 Future Land Use Map

Map C - FLUM

Future Land Use Map

The Future Land Use Map establishes the foundation for the use and development of land within the Town of Morrisville over the next 10 to 20 years. All land parcels within the Town's planning jurisdiction are assigned one of 13 future land use designations, each defining preferred uses, a desired density and character of development. Elements such as future streets, landscape buffers, private open spaces, tree preservation areas and other important considerations, though not illustrated here, are discussed in this and subsequent chapters.

- Low Density Residential**
 Low Density Residential includes neighborhoods of single-family detached homes, typically 4.5 or less dwelling units per acre. These areas are characterized by large lots and the lowest residential density in Morrisville.
- Medium Density Residential**
 Medium Density Residential includes neighborhoods of single-family attached and detached homes, typically between 4.5 and 7.5 dwelling units per acre. These areas are characterized by medium-sized lots and a moderate density of development.
- High Density Residential**
 High Density Residential includes neighborhoods of single-family attached and detached homes as well as multi-family developments, typically 7.5 or greater dwelling units per acre. These areas are characterized by small lots and the highest residential density in Morrisville.
- Neighborhood Activity Center**
 Neighborhood Activity Center features a mix of uses that provide convenient, walkable retail and service options for adjacent neighborhoods. These areas include commercial, residential, entertainment, and office uses that are compatible with the scale and intensity of adjacent areas.
- Business Activity Center**
 Business Activity Center features a mix of uses that provide convenient, walkable retail and service options for adjacent offices and employment centers. These areas include commercial, residential, and office uses in mixed-use centers that are compatible with the scale and intensity of adjacent areas.
- Regional Activity Center**
 Regional Activity Center features a mix of uses that create regional destinations, typically located at key intersections along major transportation corridors. These areas include concentrations of large regional employers, commercial, entertainment, and high density residential along with education and healthcare facilities.
- General Commercial**
 General Commercial includes commercial centers that provide a variety of goods and services to meet local and regional needs, typically located along primary transportation corridors.
- Town Center**
 Town Center features a vibrant mix of uses near Morrisville's historic crossroads that create a destination and focal point for the community. This includes a dense, urban concentration of uses, including residential, commercial, office, entertainment, cultural, and institutional uses with a focus on mixed-use development.
- Office**
 Office includes a broad spectrum of local and regional employment centers in high quality and desirable environments.
- Industrial**
 Industrial includes light- and heavy-industrial uses that contribute to employment opportunities and Morrisville's tax base. Location, visibility, and compatibility with adjacent areas are critical to industrial uses.
- Institutional**
 Institutional accommodates public and semi-public activities such as government buildings, schools, and places of worship.
- Parks & Open Space**
 Parks, Greenways, and Open Space includes all parcels of land exclusively used for outdoor green spaces, recreational areas, and environmental amenities. These provide recreational opportunities to residents and enhance the Town's character. This category does not include private parks and open spaces that are incorporated as supporting uses on larger properties or developments or greenways.
- Transit Oriented Development**
 Transit Oriented Development features a critical mass of development and mix of uses necessary to support nearby transit options. Uses include commercial, residential, institutional, and employment concentrated in pedestrian-scaled environments, with a focus on mixed-use development.



ATTH 02 - Application Packet

Justification Statement

10212 Chapel Hill Road

The proposed rezoning of the property located at 10212 Chapel Hill Road is justified based on (1) the property location; (2) the provision of much needed senior affordable housing; and (3) consistency with the Morrisville adopted plans.

The location of the property is on Chapel Hill Road, a busy thoroughfare, providing public transit, accessibility to a good road network as well as to many goods and services (such as grocery stores, pharmacies and restaurants) within walking or easy driving distance. The property also abuts two other public streets which will enhance access, including emergency vehicle access. The subject property is a relatively small site dictating the need for a rezoning to allow a three-story building in order to gain the desired 60 affordable apartment units.

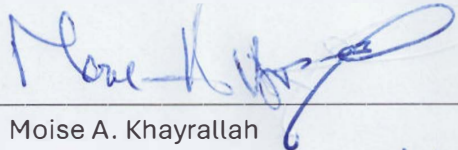
The objective of this proposal is to facilitate a LIHTC affordable senior apartment development. These units are proposed to be affordable for people with incomes of 60% of the area median income or less. Morrisville is a highly desirable retirement destination but as the cost of housing continues to increase, the Town should give favorable consideration for a proposal which will control rent costs for older people on fixed incomes.

The property is in an area designated as General Commercial on the Future Land Use Map. A small multifamily development in this area will enhance the overall walkability of the area by placing residents close to public transit and goods and service. The development also advances the goals of the Morrisville Affordable Housing Plan adopted in 2019.

Property Owner Authorization

I, Moise A. Khayrallah, authorized signatory for MK Property Holding, LLC, authorize Evergreen Construction Company, to represent the property owner, MK Property Holding, LLC, in the request to rezone 10212 Chapel Hill Road (Wake County PIN 0755165771). This includes, but is not limited to, authorization to submit a rezoning application on behalf of MK Property Holding, LLC.

MK Property Holding, LLC
a North Carolina limited liability company



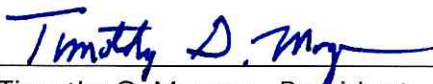
(SEAL)

By: Moise A. Khayrallah
Title: Manager

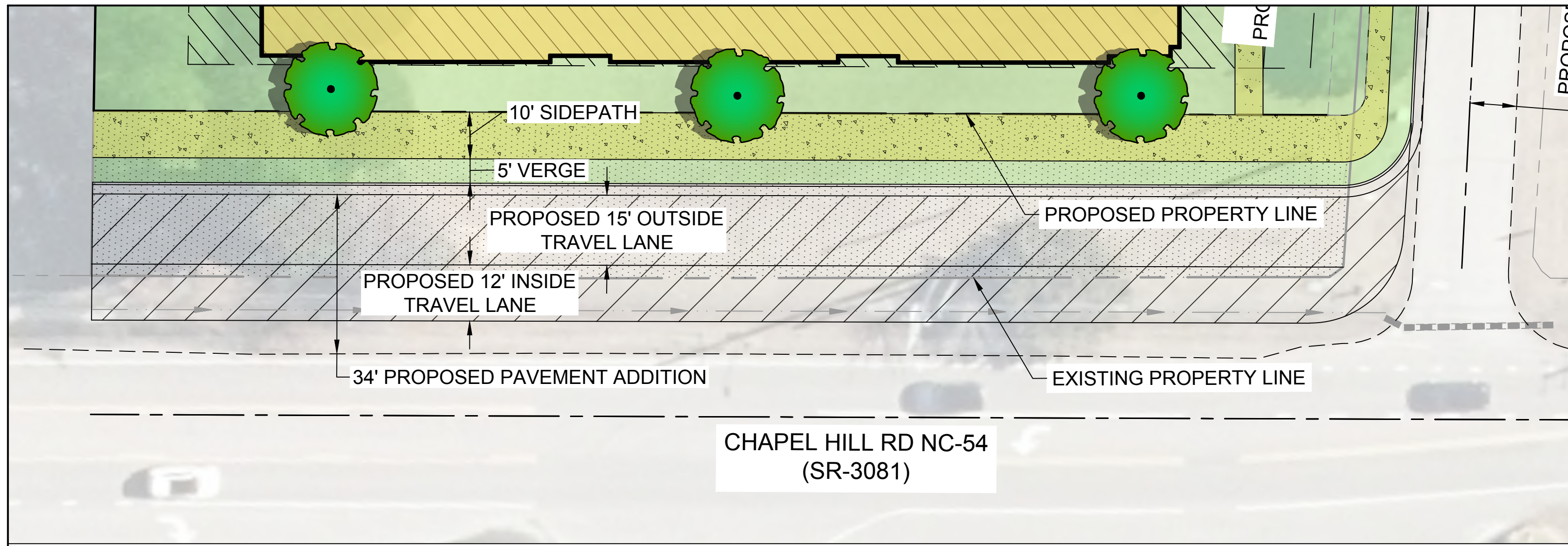
4/15/2026

10212 Chapel Hill Road – Proposed Conditions
(May 7, 2026)

1. Electric vehicle (EV) parking requirements, including the minimum percentage of EV spaces and the standards outlined in Table 5.10.3.F.2 of the UDO, shall not apply to this project. No EV-designated parking spaces, EV-Ready spaces, or EV charging infrastructure are required or will be installed
2. The height for any building on the property shall not exceed three (3) stories and forty-five (45) feet, measured in accordance with Town of Morrisville standards.
3. The building will be constructed to ENERGY STAR Multifamily New Construction Version 1.2 standards and certified as such by a third-party firm.
4. The site plan shall be in general conformance with the application entitled “Rezoning of 10212 Chapel Hill Road” that is submitted with this rezoning.
5. The development will commit to serving households at or below 60% AMI, meet the definition of serving only elderly households as defined by the federal 55-year age definition, and for a 50-year affordability period.
6. If, as part of the Town’s Smart Shuttle program, the Town identifies a stop at or adjacent to the development site as a preferred or prioritized location, the developer shall dedicate or convey an easement necessary for the transit stop, at no cost to the Town and that is mutually agreed to by both Town and developer.

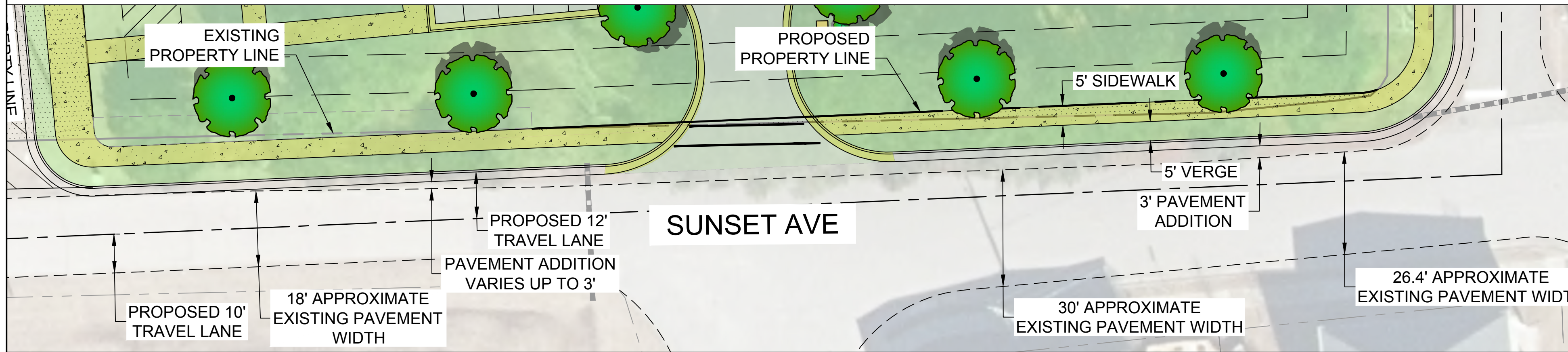
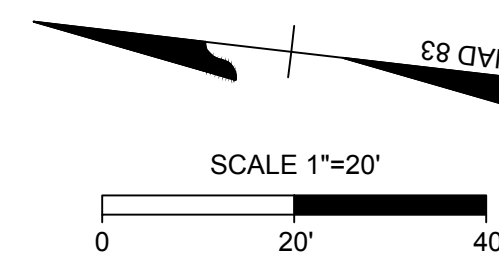


Timothy G. Morgan - President
Evergreen Construction Co.



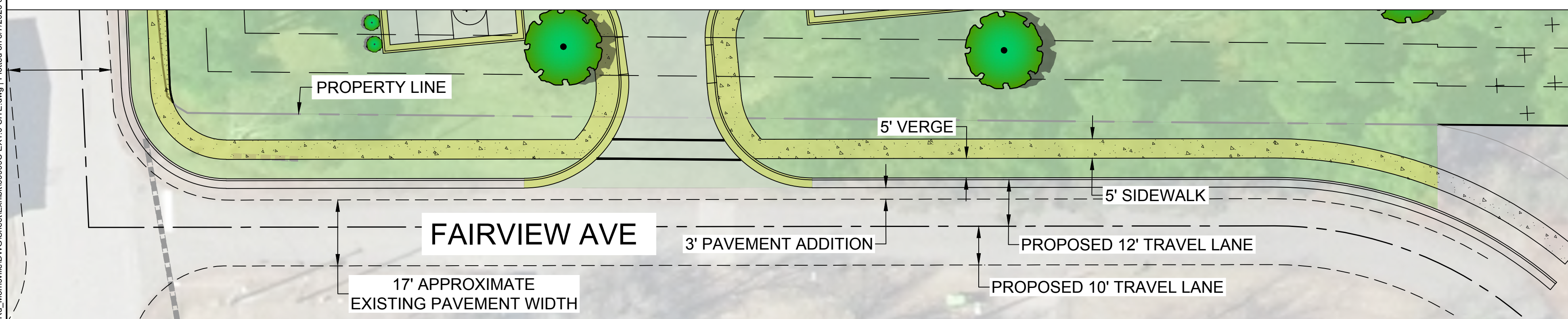
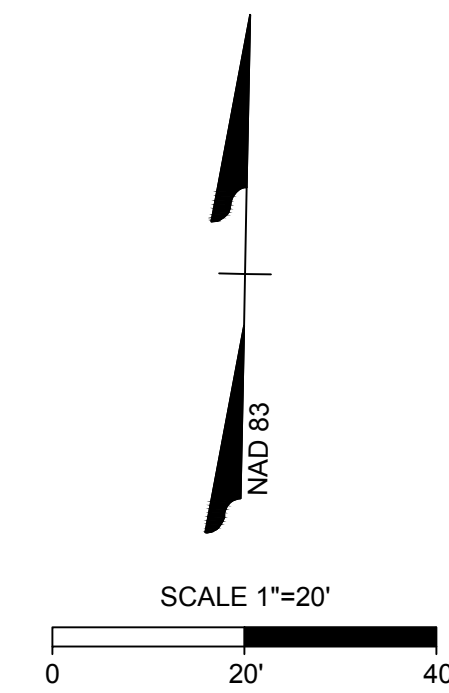
CHAPEL HILL RD NC-54
(SR-3081)

CHAPEL HILL RD (NC-54) PROPOSED WIDENING



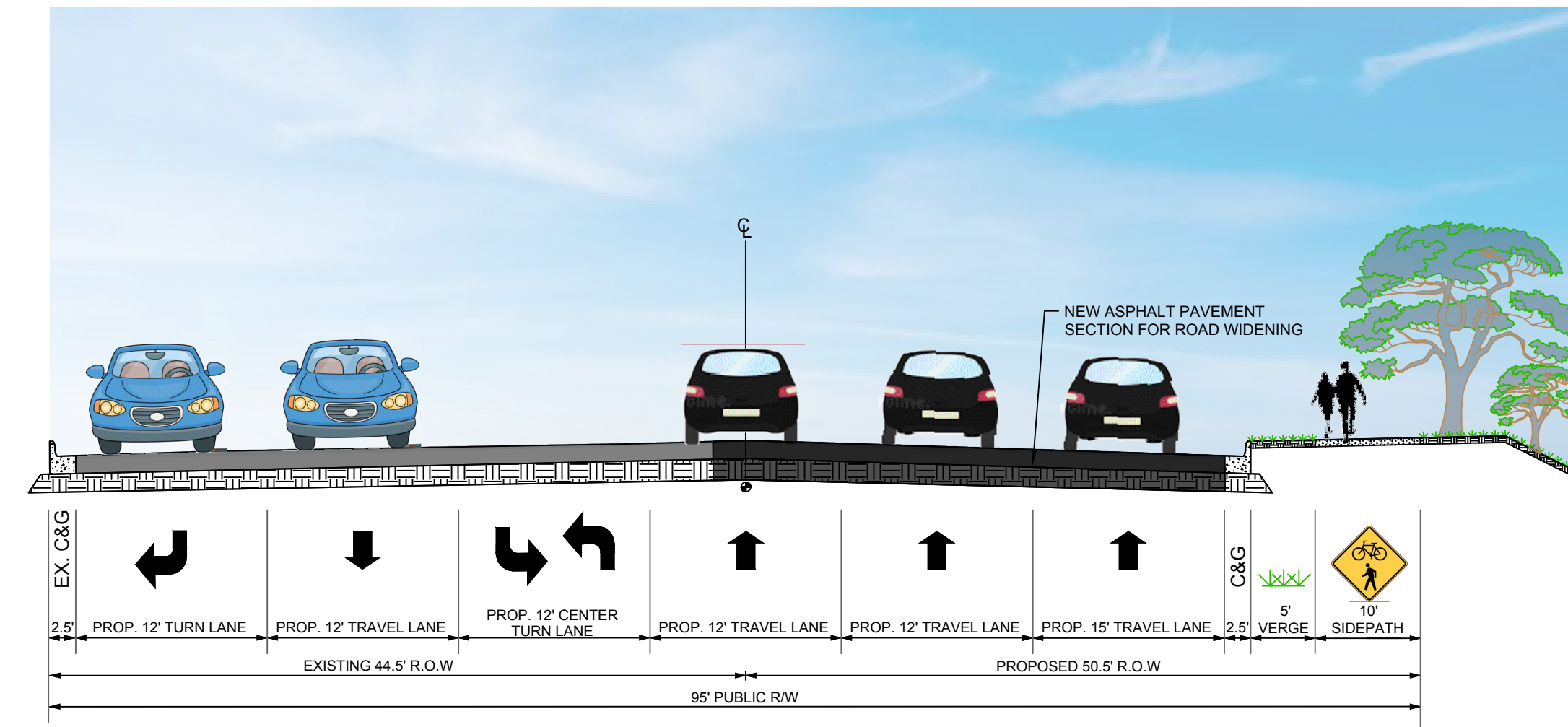
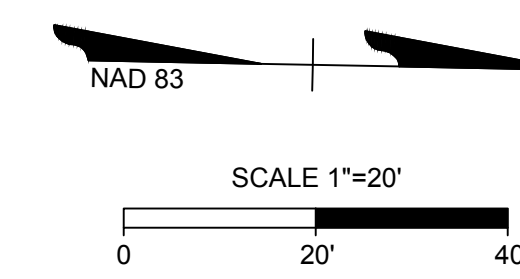
SUNSET AVE

SUNSET AVE PROPOSED WIDENING

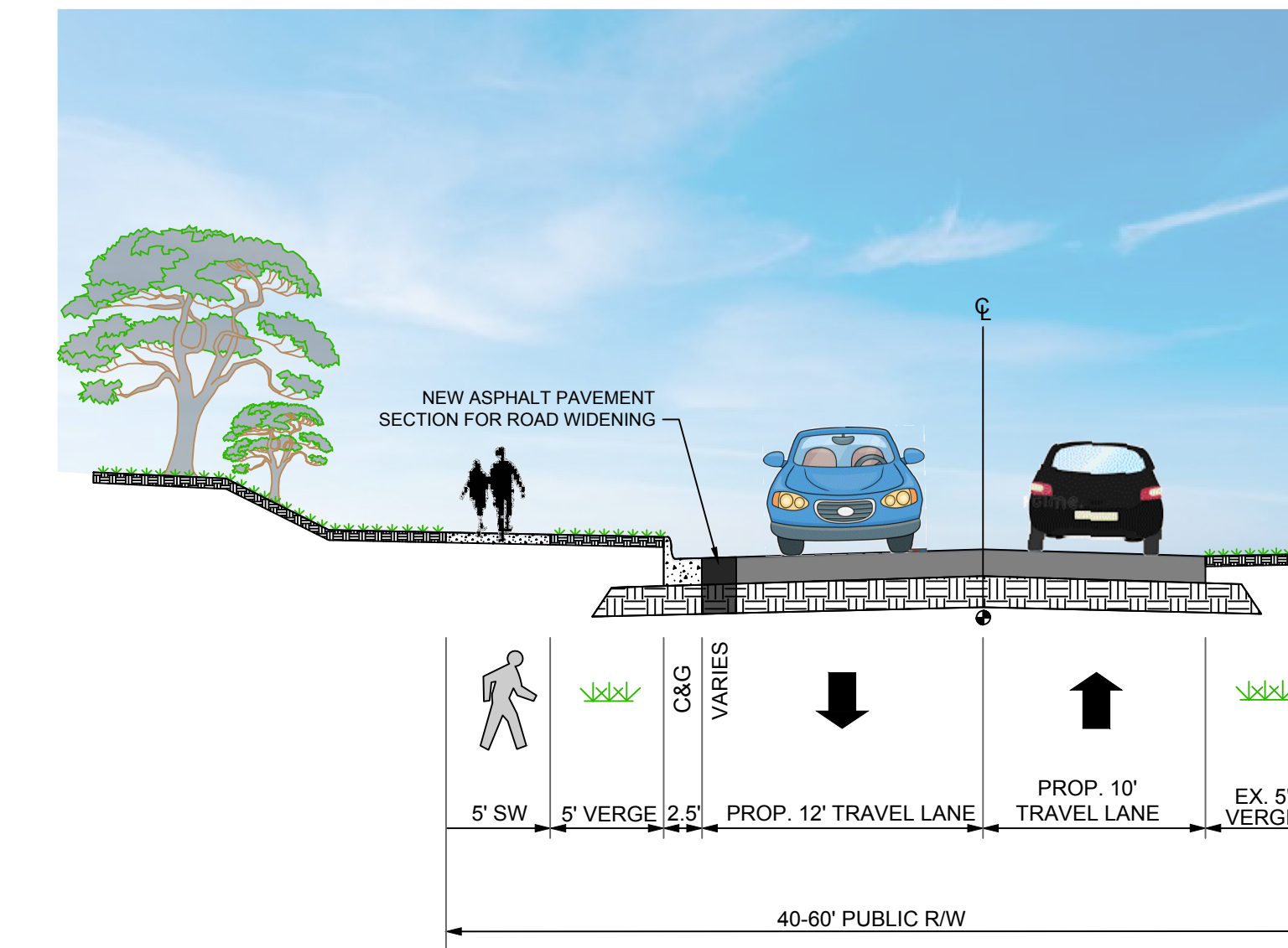


FAIRVIEW AVE

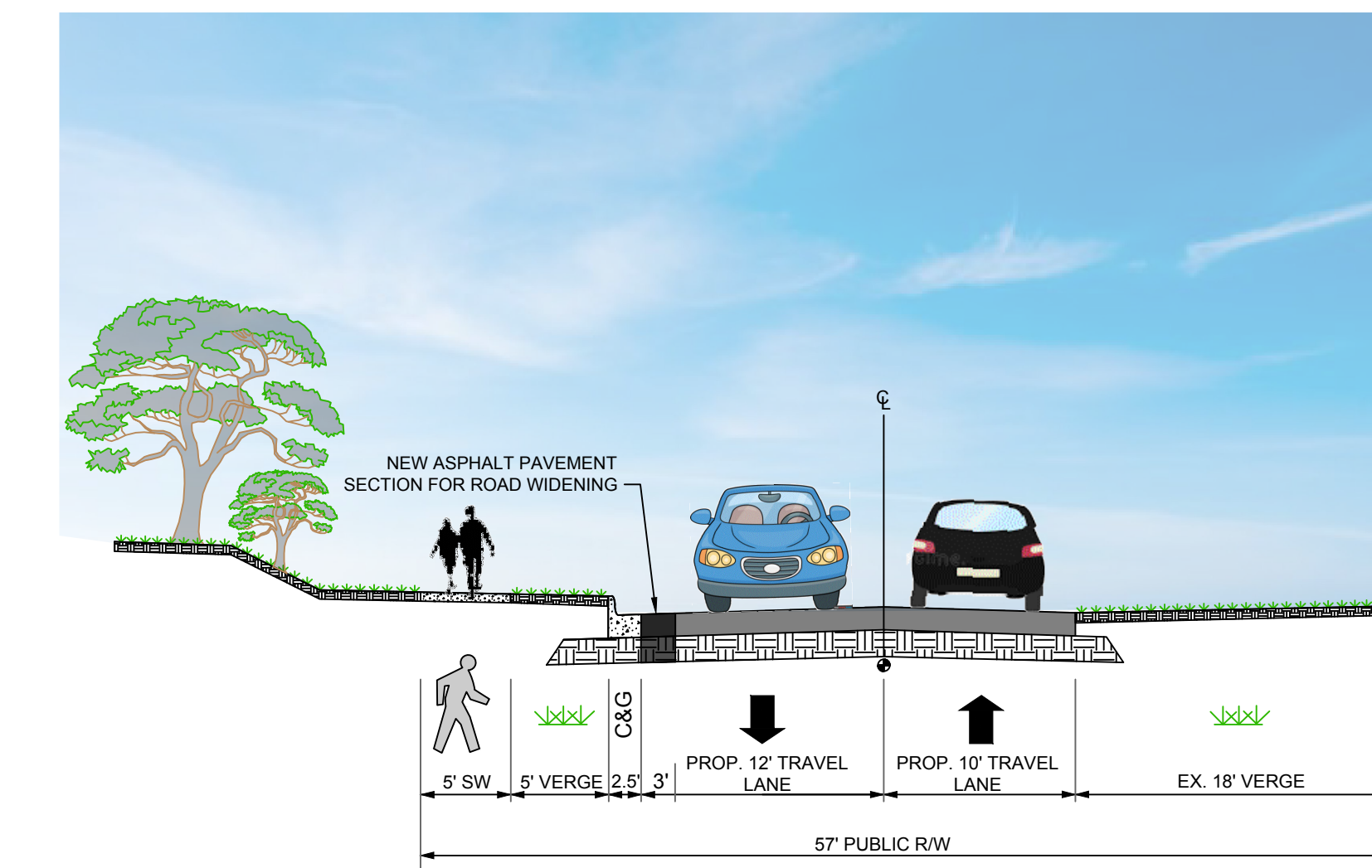
FAIRVIEW AVE PROPOSED WIDENING



CHAPEL HILL RD. PROPOSED UNDIVIDED ROADWAY SECTION



SUNSET AVE. PROPOSED 2-LANE UNDIVIDED ROADWAY SECTION



FAIRVIEW AVE. PROPOSED 2-LANE UNDIVIDED ROADWAY SECTION

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C. Principal Use Table

Table 4.2.4: Principal Use Table																											
P = Permitted as exempt from Site Plan Approval or with Site Plan Approval by Town staff																											
S = Allowed as a Special Use																											
A = Allowed subject to a PD Plan/Agreement																											
Blank Cell = Prohibited (except Overlay Districts) X = Prohibited (Overlay Districts only)																											
Use Category	Use Type	Base/Conditional Districts																		PD District		Overlay Districts			Use-Specific Standard		
		B&O	MLDR	LDR	MDR	HDR	NAC	BAC	CAC	RAC	TOD	HCV	MS	TCC	TCR	RT	RNP	CC	OI	IM	MUPD	MSPD	AO-A	AO-B		FO	GO
Agricultural and Animal Related Uses																											
Agricultural Uses	Community Garden	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	A	A					4.2.5.B.1.a
	Farm, Small		P	P							P										P	A					4.2.5.B.1.b
	Farm, Large																				P	A					
	Forestry	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	A					4.2.5.B.1.c
	Garden Center													P				P	P	P	A						
Animal Related Uses	Greenhouse/Nursery										P							P		P	A						4.2.5.B.1.d
	Kennel, Indoor						P	P	P	P	P		P					P	P	P	A						4.2.5.B.2.a
	Kennel, Outdoor																			P	A						4.2.5.B.2.b
	Stables	P	P																	P	A						
Animal Related Uses	Veterinary Clinic/Hospital						P	P	P	P	P		P					P	P	P	A						4.2.5.B.2.c
Residential Uses																											
Household Living Uses	Bungalow Court																										4.2.5.C.1.a
	Dwelling, Duplex			P	P	P															A		X				
	Dwelling, Live/Work				P	P	P	P	P	P	P		P	P	P			P			A		X				4.2.5.C.1.b
	Dwelling, Manufactured Home																P						X				4.2.5.C.1.c
	Dwelling, Multi-family	≤50 du					P	P	P	P	P		P	P	P						A	A	X				
		>50 du					P	P	P	P	P		P	P							A	A	X				4.2.5.C.1.d
	Dwelling, Single-Family Attached				P	P	P	P	P	P		P	P	P						A	A	X			X		4.2.5.C.f
	Dwelling, Single-Family Detached		P	P	P	P								P	P	P					A		X			X	
	Family Care Home		P	P	P	P	P				P	P			P	P	P				A		X			X	4.2.5.C.1.e
Pocket Neighborhood																	P									4.2.5.C.1.f	
Group Living Uses	Congregate Living Facility					P	P	P	P	P								P	P		A		X		X		4.2.5.C.2.a
	Continuing Care Retirement Community					S	S	S										P	P		A		X		X		4.2.5.C.2.b
	Dormitory						P	P	P	P			P					P	P	P	A						
	Rooming House																	P			A		X				

Use Category		Table 4.2.4: Principal Use Table																				Use-Specific Standard					
		P = Permitted as exempt from Site Plan Approval or with Site Plan Approval by Town staff S = Allowed as a Special Use A = Allowed subject to a PD Plan/Agreement Blank Cell = Prohibited (except Overlay Districts) X = Prohibited (Overlay Districts only)																									
		Use Type	Base/Conditional Districts																PD District		Overlay Districts						
PGO	MLDR		LDR	MDR	HDR	NAC	BAC	CAC	RAC	TOD	HCV	MS	TCC	TCR	RT	RNP	CC	OI	IM	MUPD	MSPD	AO-A	AO-B	FO	GO		
		Institutional Uses																									
Community and Government Service Uses	Club or Lodge				P	P	P				P			P	P	P	P	P	P	A		X					
	College or University						P	P	P	P	P			P				P	P	P	A						4.2.5.D.1.a
	Community Center					P	P	P	P	P	P		P	P	P		P	P	P	A	A						
	Cultural Facility						P	P	P	P	P	P	P	P	P		P	P	P	A	A	X					
	Day Care Center				P	P	P	P	P	P	P			P			P	P		A	A	X					4.2.5.D.1.b
	Emergency Services					P	P	P	P	P	P	P	P	P	P		P	P	P	A	A						
	Government Services, Administrative					P	P	P	P	P	P	P	P	P			P	P	P	A	A						
	Government Maintenance, Storage, or Distribution Facility																	P	P	P	A		X				4.2.5.D.1.c
	Place of Worship, Community					P	P	P			P	P					P	P	P	A		X					4.2.5.D.1.d
	Place of Worship, Neighborhood		P	P	P	P	P	P			P	P					P	P	P	A		X					4.2.5.D.1.e
	Public Park or Recreation Facility	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	A	A						
	School, Elementary			P	P	P	P	P	P	P	P	P			P	P	P		P		A		X				
	School, Middle				P	P	P	P	P	P	P				P	P	P		P		A		X	[1]			
	School, High					P	P	P	P	P	P				P	P	P		P		A		X	[1]			
	School, Business or Vocational						P	P	P	P	P	P					P	P	P	A							
Sports Academy							P											P	P	A							
Health Care Uses	Hospital						P	P	P								P	P	P	A		X					
	Nursing Home					P	P	P	P	P				P			P	P		A		X					4.2.5.D.2.a
	Office, Medical/ Dental						P	P	P	P	P	P	P				P	P	P	A	A						
	Office Park, Medical/ Dental							P	P	P								P	P	P	A						
	Urgent Care Facility						P	P	P	P	P			P			P	P	P	A	A						
	Wellness Center						P	P	P	P	P			P			P	P	P	A	A						
Transportation and Utility Uses	Bus Station						P	P	P	P								P	P	A							
	Central Utility Plant						P	P	P	P							P	P	P	A							4.2.5.D.3.a
	Heliport																		S								
	Office, Utility						P	P	P	P	P						P	P	P	A							
	Park and Ride Terminal							P	P	P							P	P	P	A							

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	Parking Deck or Lot (as a principal use)	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	A	A					4.2.5.D.3.b
	Railroad Yard																			S							
Transportation and Utility Uses	Solar Energy Collection System (as a principal use)																			P	A						4.2.5.D.3.c
	Transit Station						P	P	P	P				P				P	P	P	A						
	Utility Facility, Major				S	S	S	S	S	S				S				S	S	S	A						
	Utility Facility, Minor		P	P	P	P	P	P	P	P	P			P	P	P	P	P	P	P	A						
Telecommunication Uses	Antenna collocation or combination on existing tower	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	A	A						4.2.5.D.4.a

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Use Category	Use Type	Base/Conditional Districts																	PD District		Overlay Districts				Use-Specific Standard		
		PGO	VDDR	LDR	MDR	HDR	NAC	BAC	CAC	RAC	TOD	HCV	MS	TCC	TCR	RT	RNP	CC	OI	IM	MUPD	MSPD	AO-A	AO-B		FO	GO
	Broadcasting Station																	P	P	P	A						
	Broadcast Studio						P	P	P	P		P	P					P	P	P	A	A					
	Concealed attached antenna				S	P	P	P	P	P		S	P					P	P	P	A	A					4.2.5.D.4.b
	Non-concealed attached antenna (private utility easement)	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	A	A					4.2.5.D.4.c
	Non-concealed dual-function tower (private utility easement)				P	P	P	P	P	P		P						P	P	P	A						4.2.5.D.4.d
	Concealed towers (town-owned property)	S	S	S	S	P	P	P	P	P	S	S	P	S	S	S	P	P	P	A	A						4.2.5.D.4.e
	Non-concealed towers (town-owned property)				S	S	S	S	S	S		S						S	S	S	A						4.2.5.D.4.e
	Antenna collocation or combination on existing tower				P	P	P	P	P	P		S	P					P	P	P	A	A					4.2.5.D.4.e
	Non-concealed towers (private property)					S	S	S	S	S		S						S	S	S	A						4.2.5.D.4.e
	DAS Node		P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	A	A					4.2.5.D.4.f
	DAS Wired Hub		P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	A	A					4.2.5.D.4.g
Commercial Uses																											
Eating and Drinking Establishment Uses	Restaurant						P	P	P	P	P	P	P	P				P	P	P	A	A					4.2.5.E.1.a
	Specialty Eating or Drinking Establishment						P	P	P	P	P	P	P	P				P	P	P	A	A					
	Bar or Lounge						P	P	P	P	P	P	P	P				P	P		A	A					
Off ice Use	Office Building						P	P	P	P	P		P	P				P	P	P	A	A					

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Use Category	Use Type	Base/Conditional Districts																PD District		Overlay Districts		Use-Specific Standard					
		PGO	VLDL	LDR	MDR	HDR	NAC	BAC	CAC	RAC	TOD	HCV	MS	TCC	TCR	RT	RNP	CC	OI	IM	MUPD		MSPD	AO-A	AO-B	FO	GO
	Office Park							P	P	P									P	P	A						
Recreation Uses	Country Club		P	P	P	P															A						
	Golf Course	P	P	P	P	P															A						4.2.5.E.3.a
	Private Recreation Facility, Indoor					P	P	P	P	P	P		P	P				P	P	P	A	A					
	Private Recreation Facility, Outdoor						P	P	P	P								P	P	P	A						4.2.5.E.3.b
	Sports Training Facility, Indoor							P											P	P	A						
	Sports Training Facility, Outdoor							P												P	P	A					
Entertainment Uses	Adult Establishment																			S							4.2.5.E.4.a
	Banquet Hall						P	P	P	P	P							P	P	P	A						
	Private Entertainment Facility, Indoor					P	P	P	P	P	P		P	P				P	P	P	A	A					
	Private Entertainment Facility, Outdoor						P	P	P	P								P	P	P	A						
Funeral Related Uses	Funeral Home						P											P		P	A						
	Cemetery		P															P	P	P	A						
	Crematorium																			P	A						
	Stonecutting/Monument Sales																			P	A						

Use Category		Table 4.2.4: Principal Use Table																				Use-Specific Standard					
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PGO	VLDLDR		LDR	MDR	HDR	NAC	BAC	CAC	RAC	TOD	HCV	MS	TCC	TCR	RT	RNP	CC	OI	IM	MUPD	MSPD	AO-A	AO-B	FO	GO		
Retail Sales and Service Uses	Convenience Store					P	P	S	S	P							P	P	P	A							
	Farmers' Market							P	P	P	P	P	P				P	P	P	A	A					4.2.5.E.6.a	
	Retail Store	< 3,000 sf					P	P	P	P	P	P	P	P				P	P	P	A	A					
		3,000 to < 20,000 sf					P	P	P	P	P	P	P	P				P	P	P	A	A					
		20,000 to < 50,000 sf					P	P	P	P	P	P	P	P				P	P	P	A	A					
		50,000 to < 75,000 sf							P	P								P		P	A						
		≥ 75,000 sf							P	P								P		P	A						
	Tobacco and/or Hemp								P																	4.2.5.E.6.b	
	Service Establishment					P	P	P	P	P	P	P	P				P	P	P	A	A						
	Service Establishment, Personal					P	P	P	P	P	P	P	P				P	P	P	A	A					4.2.5.E.6.c	
Shopping Center, Major							P	P									P		P	A							
Shopping Center, Neighborhood					P	P	P	P	P								P		P	A							
Vehicle/ Equipment Sales and Service Uses	Automobile Repair, Major																		P	A						4.2.5.E.7.a	
	Automobile Repair, Minor							P	P								P		P	A						4.2.5.E.7.b	
	Automobile Sales or Rental																P		P	A						4.2.5.E.7.c	
	Automobile Service Station							S	S								P		P	A						4.2.5.E.7.d	
	Car Wash/Detailing					P											P	P	P	A						4.2.5.E.7.e	
	Recreational Vehicle Sales, Rental, or Service																		P	A						4.2.5.E.7.f	
	Taxi or Limousine Service																P		P	A						4.2.5.E.7.g	
	Tire Capping and Retreading																		P	A						4.2.5.E.7.h	
	Vehicle Fleet Storage																		P	A						4.2.5.E.7.i	
	Vehicle Towing Service																		P	A						4.2.5.E.7.j	
Visitor Accommodation	Bed and Breakfast									P	P		P		P					A						4.2.5.E.8.a	
	Hotel/Motel						P	P	P	P		P	P			P	P	P	A	A							

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Industrial Uses																																					
Industrial and Service Uses	Construction-Related Activities																											P								4.2.5.F.1.a	
	Data Center							S																					S								
	Flex Space, Major																												P								
	Flex Space, Minor														P				P	P									P								
	Industrial Park																												P								
	Industrial Equipment Sales and Rental																												P							4.2.5.F.1.b	
	Mini-Storage														P														P							4.2.5.F.1.c	
	Motor Freight Terminal, Small																													P							
	Motor Freight Terminal, Large																													S							
	Outdoor Equipment Performance Testing Facility																													P							4.2.5.F.1.d
	Research Laboratory								P			P																	P	P							4.2.5.F.1.f
	Tank Farm																												S			X					
	Warehousing/Distribution																													P							
	Wholesale Food Preparation																																				4.2.5.F.1.e
Wholesale Establishment																													P								
Manufacturing Uses	Brewery/Distillery							P										P	P																		
	Industrial Assembly, Light																																				
	Industrial Assembly, Heavy																													P							4.2.5.F.2.a
	Manufacturing, Custom							P	P																												
	Manufacturing, Light							P																													4.2.5.F.2.c
	Manufacturing, Medium																																				
	Manufacturing, Heavy																																				4.2.5.F.2.a
	Bio-manufacturing							P																													
	Micro-Brewery							P	P	P	P																										A
	Micro-Winery							P	P	P	P																										A
Winery							P																														

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		PGO	MLDR	LDR	MDR	HDR	NAC	BAC	CAC	RAC	TOD	HCV	MS	TCC	TCR	RT	RNP	CC	OI	IM	MUPD	MSPD	AO-A		AO-B	FO
Extraction and Landfill Uses	Composting Facility																			S						4.2.5.F.3.a
	Extraction of Earth Products																			S						4.2.5.F.3.b
	Hydraulic Fracturing																			S						4.2.5.F.3.c
	Junkyard or Recycling Facility																			S						4.2.5.F.3.d
	Landfill, Construction and Demolition Debris																			S						4.2.5.F.3.e
	Landfill, Municipal Solid Waste																			S		X				4.2.5.F.3.f
	Landfill, Land Clearing and Inert Debris																			S						4.2.5.F.3.g

Notes:
 [1] Existing and new public college and university facilities used for public school students in joint or cooperative programs such as middle or early college programs and dual enrollment programs, in accordance with G.S. 115D- 41, are not prohibited.
 (Ord. No. 2014-016, 06/24/2014; Ord. No. 2014-022, 06/24/2014; Ord. No. 2014-051, 11/10/2014; Ord. No. 2015-002, 04/29/2015, Ord. No. 2015-083, 01/26/2016; Ord. No. 2016-001, 05/10/2016)

4.2.5. Principal Use-Specific Standards

A. General

Standards for a specific principal use shall apply to the particular individual principal use regardless of the zoning district in which it is located or the review procedure by which it is approved, unless otherwise specified in this Ordinance. This section sets forth and consolidates the standards for all principal uses for which a reference to this section is provided in the “Use-Specific Standards” column of the principal use table in Section 4.2.4.C, Principal Use Table, and in the same order as they are listed in the table. These standards may be modified by other applicable standards or requirements in this Ordinance.

B. Standards for Specific Agricultural and Animal Related Uses

1. Agricultural Uses

a. Community Garden

- (1) Overhead lighting is prohibited.
- (2) Accessory buildings shall be limited to sheds for the storage of tools, greenhouses, and seasonal farm stands. The combined area of all buildings and other structures shall not exceed 15 percent of the area of the parcel.

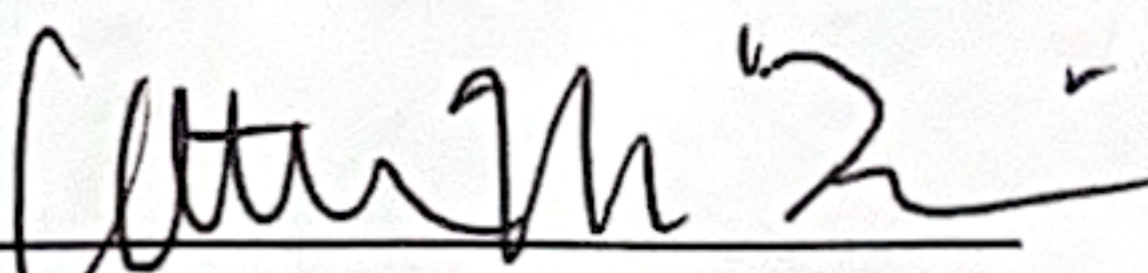


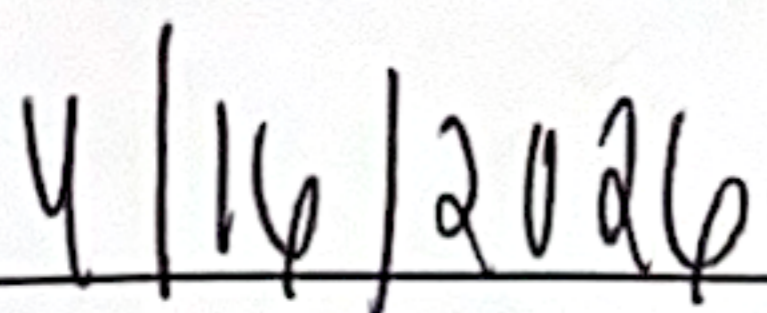
Town of Morrisville Planning and Zoning Board Statement of Plan Consistency and Reasonableness of Action Item 2026-139-0 Proposed Amendment to the Zoning Map for 10212 Chapel Hill Road (REZ-26-0020)


In accordance with NC GS 160D-604, the Town of Morrisville Planning and Zoning Board finds the proposed Major Amendment to the Zoning Maps for 10212 Chapel Hill Road to be consistent with the Town of Morrisville's Comprehensive Plan and hereby recommends approval of Ordinance 2026-139-0 of the Morrisville Town Council approving an amendment to the Zoning Map for 10212 Chapel Hill Road, approximately 3.24 acres of property located north of the intersection of Chapel Hill Road and Sunset Avenue subject to the conditions proposed in the petitioner's application.

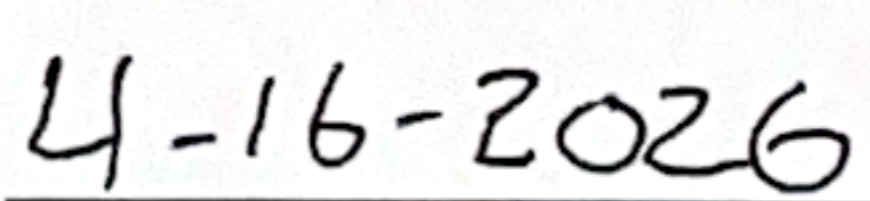
The proposed Amendment to the Zoning Map for 10212 Chapel Hill Road is reasonable, consistent with the Comprehensive Plan, and in the public interest because:

1. The proposed rezoning supports objectives and goals outlined in the Town's adopted Strategic Plan, Land Use Plan, and Affordable Housing Plan.
2. The proposed rezoning aligns with the Strategic Plan Initiative to identify and expand housing options to meet current and future needs of the community.
3. The proposed rezoning creates housing in Morrisville that would preserve and enhance the diversity, quality, character, safety, affordability, and appeal of Morrisville's housing and neighborhoods to strengthen the Town's desirability as a great place to live, as recommended by the Land Use Plan.
4. The proposed rezoning adheres to the goal of encouraging development of affordable housing, guided by the Affordable Housing Plan, which states the Town should seek to develop a balance of housing that provides a diverse range of housing types, price points, and styles.


Cathy Lewis, Secretary to the Board


Date


Lee Langston, Chairperson


Date

ATTH 05

1. New Business with Public Comment

6a. Staff Presentation

Planner III Josh Michael introduced a proposed amendment to the Zoning Map for 10212 Chapel Hill Road. Ordinance 2026-139-0 of the Morrisville Town Council Approving a Zoning Map Amendment for 10212 Chapel Hill Road, from Town Center Commercial to the Conditional – Town Center Commercial (*REZ-26-0020*).

Tim Morgan from Evergreen Construction and Patrick Barbeau from the Timmons Group were in attendance and available for questions but did not prepare a formal presentation.

Planner III Michael summarized and described the background information, which is that the applicant MK Property Holding LLC, requests approval of a zoning map amendment for 10212 Chapel Hill Road, which totals approximately 3.24 acres and is located north of the intersection of Chapel Hill Road and Sunset Avenue, identified by Wake County PIN 0755-16-5771. The current land use is vacant, and the proposed use is affordable housing for age-restricted individuals (55+).

The property is located within the corporate limits. It is mainly residential neighborhoods with single-family homes that surround the property. There is also a used car dealership, an empty building that used to be a restaurant, and Fidelity Bank. It is currently zoned Town Center Commercial (TCC), and the 2021 Land Use Plan designates it as General Commercial.

The applicant proposes to develop a 60-unit affordable rental multifamily community utilizing Low-Income Housing Tax Credit (LIHTC) financing. All units will be reserved for households earning at or below 60% of the Area Median Income and will be age-restricted to individuals 55 years and older.

The rezoning request is necessary to allow the project to qualify for the Town's Affordable Housing Incentive Policy, which is currently only available through the rezoning process. The Town of Morrisville has established a policy goal of expanding affordable and mixed-income housing opportunities by offering regulatory flexibility and other incentives. The Town's stated objective is to encourage development partners to bring projects that help advance these goals.

This project would represent the first LIHTC-supported senior affordable community within the Town of Morrisville. The development team, Evergreen Construction, has completed several comparable affordable housing projects across the Triangle region.

Planner III Michael shared a preliminary site plan for 60 proposed units, with half being one-bedroom and the other half being two-bedroom. The rezoning request conditions, intended to create flexibility for the builder in residence size and layout are:

1. Parking shall be provided at a minimum ratio of 1.1 space per dwelling unit. A minimum of 68 parking spaces shall be provided. This requirement reflects the minimum required spaces, with a 10% reduction.
2. Electric vehicle (EV) parking requirements, including the minimum percentage of EV spaces and the standards outlined in Table 5.10.3.F.2 of the UDO, shall not apply to this project.
3. The height for any building on the property shall not exceed three (3) stories and forty-five (45) feet, measured in accordance with Town of Morrisville standards.
4. The building will be constructed to ENERGY STAR Multifamily New Construction Version 1.2 standards and certified as such by a third-party firm.
5. The site plan shall be in general conformance with the application entitled "Rezoning of 10212 Chapel Hill Road" that is submitted with this rezoning.
6. The development will commit to serving households at or below 60% AMI, meet the definition of serving only elderly households as defined by the federal 55-year age definition, and for a 50-year affordability period.

Planner III Michael shared that Staff recommends approval of the requested zoning map amendment from Town Center Commercial to Conditional – Town Center Commercial for the following reasons:

1. The proposed rezoning supports objectives and goals outlined in the Town's adopted Strategic Plan, Land Use Plan, and Affordable Housing Plan.
2. The proposed rezoning aligns with the Strategic Plan Initiative to identify and expand housing options to meet current and future needs of the community.
3. The proposed rezoning creates housing in Morrisville that would preserve and enhance the diversity, quality, character, safety, affordability, and appeal of Morrisville's housing and neighborhoods to strengthen the Town's desirability as a great place to live, as recommended by the Land Use Plan.
4. The proposed rezoning adheres to the goal of encouraging development of affordable housing, guided by the Affordable Housing Plan, which states the Town should seek to develop a balance of housing that provides a diverse range of housing types, price points, and styles.

There were no general public comments.

6b. Board Discussion and Questions

Chairman Langston opened the floor to questions and comments from the Board to the Town planners as well as the corporate representatives.

Member Blue asked how past Evergreen projects have performed as far as being leased up. *Mr. Tim Morgan* clarified that there are 41 properties in the portfolio which are just under 2,000 units. The overall portfolio has 96% occupancy year to date. He added that they just opened another senior community off Buck Jones Road in Raleigh near the Cary border. They got temporary COs on 10/29 of last year [2025] and were 100% as of January so they lease up fast. *Member Blue* asked if there is any risk associated with the project. *Mr. Morgan* stated that he does have investors and must meet their timelines and schedules or there are financial penalties. He added that he has done this several times in communities across Wake County and would be excited to do this in Morrisville. Evergreen has been around since 1978 and is located locally here in Raleigh and only develops, builds, and manages in North Carolina so they're invested for the long haul.

Member Langston asked if this is like the Willow Creek community by the park on Davis Drive near the Hunter Grove Baptist Church which he believed was also an income-limited senior apartment. He acknowledges this may have a Cary address. *Mr. Morgan* was not sure about and stated it may be DHIC which is a non-profit based in Raleigh, but Evergreen does have some communities in Cary, including Weatherstone Springs which is 72 units, and Ryan Springs which is 42 units.

Vice-Chairman Robuck wanted clarification on the zoning, that the current maximum is 35 feet and this would make it possible for three stories. She asked why it needs to be so large and why the applicant was proposing two-bedroom units for a low-income senior. She inquired if the project could be one or two stories. *Mr. Morgan* shared that the three-story design meets the height requirements right now as it's measured. The 45-feet here is measured to the top of the cupula which is not how height in Morrisville is measured. They need the flexibility to go into three stories to be able to get the units in there. He stated that they are proposing half one and half two-bedroom units because there is a large demand for the two-bedroom units because people have a lot of stuff even when downsizing and the two-bedrooms usually go first. *Vice-Chairman Robuck* asked what price points these would be. *Mr. Morgan* said there would be a range, and some units would be set aside at 30%, some at 40%, some at 50%, and some at 60% AMI (adjusted area median income). Rent-wise the range would be from around \$450 to \$1,100 a month. He clarified that each income bracket will have set aside one and two-bedroom units. *Vice-Chairman Robuck* asked if people downsize their materials and move into all one-bedroom units if the project could be two stories. *Mr. Morgan* replied that to get the lay-out like it needs to be, that they need to do three stories. A typical resident profile for their resident senior population is someone that is 67-years of age, single, female with about \$25,000 of annual income and about 75% do not have a car. *Vice-Chairman Robuck* inquired again why two bedrooms were needed. *Mr. Morgan* said that the residents like two-

bedrooms. *Vice-Chairman Robuck* repeated that this is low-income housing. She said her other question related to a previous presentation that made a point that Morrisville is about ten square miles and about four percent seniors, so of those four percent, what percentage of that is low income and what number is that? To get a 96% occupancy, she inquired if the applicant expected people outside of Morrisville to inhabit the units. *Mr. Morgan* said he expected residents to be both from within Morrisville and from outside areas.

Alternate Member Sushama Pradhan had no comments or questions

Member Sanjay Acharya asked if the project would take the future expansion of NC54 into the design. *Planner Michael III* stated yes, it does; and that the right of way dedication has been allocated appropriately. *Member Acharya* asked if given the building orientation, if the homes along NC54 would experience sound problems and questioned if it was the best orientation and if the building should be rotated. *Planner Michael III* replied that the reason was not to have an entryway off NC54. *Mr. Morgan* stated that this building will provide a sound buffer to current residents on Fairview and be a benefit to them.

Vice-Chairman Robuck asked if the project was reviewed regarding expected EMS calls and impacts. She stated the elderly population typically generates a larger volume of calls and questioned that impact it could have on firehouse staffing levels. *Planner Michael III* indicated that EMS had not been consulted but that the Fire Marshall had reviewed and no comments were made expressly about EMS. He indicated that it was something that could be looked at further during the site development process.

Chairman Langston asked if anyone wanted to make a motion to be willing to approve or disprove. *Vice-Chairman Robuck* said personally, she feels that the Board has turned down other developments for mixed use and the Town's goals have been around mixed-use properties, not additional high density. The Town has placed additional demands on Park West and Town Center to get the right amount of low-income housing and questioned why the Town would continue to add at this rate.

Chairman Langston replied that on the other hand, the Town has a goal of increasing affordable housing. This project is doing affordable housing by going down to 30%. He noted that other projects that came before the Board were affordable but only just slightly. On that aspect, this is somewhat meritorious. *Vice-Chairman Robuck* was concerned that the applicant is coming from Raleigh and that Morrisville is a very small town and that it will create additional significant service demands. *Planner Michael III* added that people move to Morrisville from everywhere. *Vice-Chairman Robuck* said that she lives in a high-density development and EMS shows up all the time.. She indicated that she thought two stories or one story would be fine for incremental housing, but she could not support three stories. She also questioned what would become of the development in 50 years.

Alternate Member Narkie Nartey commented that she is happy to know that the Town is doing something for low-income inhabitants and those who are older. She noted that this is the first project of this type, and she believes it is a step in the right direction and something the Town has indicated they would like see.

Motion: *Member Blue* motioned to approve Ordinance 2026-139-0 of the Morrisville Town Council Approving a Zoning Map Amendment for 10212 Chapel Hill Road, a property located at the intersection of Chapel Hill Road and Sunset Avenue, to the Conditional - Town Center Commercial Zoning District (REZ-26-0020).

Second: *Member Sanjay Acharya* seconded the motion

Vote: The motion passed by a vote of 4-1 Members Acharya, Blue, Langston and Nartey voted "yes". Vice-Chairman Robuck voted "no".

Alternate Member Sushama Pradhan did not vote as alternate



The information provided is supplemental information and responses to questions and requests captured through the public hearing concerning the Senior Affordable Housing project at 10212 Chapel Hill Rd.

Questions/Requests from – Town Council Meeting April 28th

1. What is the difference between Low Income Housing Tax Credit and Section 8?

Low-Income Housing Tax Credit (LIHTC)

- LIHTC is a federal financing program that helps developers build or preserve affordable rental housing.
- It does not provide rental subsidies for tenants.
- In North Carolina, developers apply directly to the North Carolina Housing Finance Agency (NCHFA) for tax credits, which are then sold to investors to raise equity. This helps keep rents lower but does not guarantee rental assistance.
- LIHTC units typically serve households earning 60% of Area Median Income (AMI) or below.
- Rent is restricted based on income levels, not tied to individual tenant circumstances.

Section 8 (Housing Choice Voucher Program)

- Section 8 is a tenant-based rental assistance program administered by local Public Housing Authorities.
- A qualifying household receives a voucher that covers part of their rent. The tenant pays approximately 30% of their income; the voucher covers the rest.
- Section 8 families can use their voucher in any qualifying private rental unit, not just LIHTC buildings.
- Section 8 does not build housing; it helps tenants afford existing housing.

The Low-Income Housing Tax Credit (LIHTC) program and Section 8 serve different purposes. LIHTC is a financing tool that helps build high-quality, long-term affordable housing by reducing development costs upfront, resulting in stable, income-restricted units for decades. Section 8, by contrast, provides rental vouchers directly to households, who then seek housing on the private market. While Section 8 assists individual tenants, it does not create new affordable units or guarantee long-term affordability in a community. LIHTC developments therefore tend to offer more predictable, well-managed, and lasting affordable housing options for towns like Morrisville.

2. Why is a rezoning necessary for this project?

The 2019 Affordable Housing Plan recommended that Morrisville create a formal “affordable housing toolkit” to actively attract and “expand the supply of income restricted apartments”. In 2023, the Town Council implemented that recommendation by adopting the Affordable Housing Incentive Policy (table below), which provides targeted development flexibility (such as additional height and reduced parking) to make high-quality affordable housing financially feasible in Morrisville. Rather than adopting a UDO text amendment to create staff-administered flexibility intended to encourage future development proposals, Town

Council chose to move forward with this rezoning approach. This request reflects the application of that chosen pathway. It applies the exact policy mechanisms Town Council created for this purpose, and the project aligns with the type of development the Town set out to encourage

The rezoning is also a practical requirement due to the economics of affordable multifamily construction. LIHTC developments operate within exceptionally tight financial constraints, making construction efficiency essential. Allowing a three-story building height significantly reduces project costs by minimizing the building footprint and reducing site-related expenses such as grading, slab preparation, utilities, and foundation work. These kinds of efficiencies directly determine whether a project remains viable at the affordability levels Morrisville seeks to support. In short, the rezoning is consistent with the Town’s policy framework and a critical step in enabling the outcomes the policy was crafted to achieve.

Regulatory Incentives and Affordability Mechanisms

Category	Details
Eligible Projects	<ul style="list-style-type: none">• Mixed-income rental developments with an initial target of at least 20% of units affordable to households at or below 60% AMI.• 100% affordable rental developments, including Low-Income Housing Tax Credit (LIHTC) properties.
Rental Opportunities Targeted	Rental opportunities for households with incomes at or below 60% of AMI .
Example Incentives	<ul style="list-style-type: none">• Density bonus• Height bonus• Reduced tree protection requirements• Reduced parking minimums

3. Do LIHTC developments reduce surrounding home values?

No. Multiple studies (including research specific to NC) show that LIHTC developments do not reduce nearby home values. A statewide analysis conducted by the North Carolina Housing Finance Agency examined 181 urban neighborhoods and 14 rural towns and found no negative impact on surrounding median home values in areas with LIHTC developments; home value trends were consistent with neighborhoods without them.

National evidence reinforces these findings. A peer-reviewed study of more than 602,000 home sales near 430 LIHTC properties found neutral to positive effects, including modest value increases within ¼ mile and no declines even when multiple LIHTC developments were clustered.

A suburban case study in Alexandria, Virginia (an environment comparable to Morrisville) showed a small but statistically significant increase in nearby property values around affordable housing over a 20-year period.

Across all sources, the conclusion is consistent: LIHTC developments do not lower home values and often contribute to stable or slightly improving housing markets.

4. What could be built by right, and how does this project compare?

Under the current zoning, the property can be developed by right with a wide range of higher-intensity residential and commercial uses that do not require a rezoning. These uses include multifamily housing, bars, office buildings, banquet halls, auto repair shops, mini-storage facilities, and even light industrial assembly. Several of these uses (particularly auto repair or commercial service uses) may create noise or operational impacts that would be more disruptive to surrounding neighbors than the proposed senior housing.

All of these by-right uses can also be built with up to 65% lot coverage, allowing significantly more impervious surface and reducing tree canopy. By comparison, the proposed affordable senior housing project uses only about 45% lot coverage, retaining considerably more open space and preserving more tree canopy than a typical by-right development. The smaller footprint also reduces stormwater impacts and hardscape.

Traffic generation is also substantially lower than most by-right alternatives. According to the Trip Generation Memorandum provided by Evergreen, the proposed 60-unit senior housing building would generate 201 daily trips, 12 AM peak trips, and 15 PM peak trips, well below both NCDOT and Town thresholds for requiring a Traffic Impact Analysis (TIA). For comparison, a by-right two-story multifamily development with the same number of units would generate significantly more traffic (458 daily trips). Several by-right alternatives (general retail, restaurants, or other commercial uses) would generate far more traffic as well. Mott MacDonald, the Town's third-party reviewer, independently confirmed these findings and noted that of all the alternative by-right scenarios considered, only a strip retail use would generate enough traffic to require a TIA.

It is important to note that this request does not change the zoning district or add any new uses; it only adds conditions to the existing zoning through a Conditional TCC, applying the flexibility provisions already adopted for affordable housing.

In summary, the existing zoning already allows more intensive uses with higher traffic volumes and greater impervious surface. The proposed rezoning enables an option that generates less traffic, preserves more tree canopy, and creates long-term affordable housing, a substantially lower-impact outcome compared to what could be built today without Town Council approval. All of these by-right developments would be reviewed at staff level and would not come before Town Council.

5. How do traffic calming, No Parking signs, and sidewalk planning relate to this rezoning?

These topics are separate operational decisions. While they may relate to neighborhood concerns, they fall under the Town's ongoing transportation, engineering, and public safety responsibilities. The applicant has withdrawn the condition requesting parking reduction and will fully comply with all UDO parking requirements. This change was made in response to concerns raised during the public hearing.

Traffic calming

Public Works and Engineering will evaluate potential traffic calming measures in the surrounding area.

These types of requests typically involve review by the Public Safety Advisory Committee with input from Police and Fire. Traffic calming is a Town-managed operational decision evaluated across multiple neighborhoods and it is recommended that the normal process be followed if desired.

No Parking signs on nearby streets

Public Works, in coordination with the Public Safety Advisory Committee, could evaluate whether “No Parking” restrictions are appropriate on adjacent streets. These signs can be installed at any time, regardless of whether the rezoning is approved, based on Town safety criteria and enforcement needs. This is consistent with the HSNC rezoning, and how concerns were raised regarding parking on adjacent streets.

Sidewalk planning and long-range connectivity

Town Engineering and Transportation could review whether the sidewalk segment around the site could be part of future long-range pedestrian planning. Sidewalk extensions and connectivity improvements are evaluated through Town capital planning processes and sidewalk gap criteria.

These three items are Town-controlled infrastructure decisions. They do not depend on the rezoning. Staff will continue evaluating all three items separately through normal Town processes.

6. How does a possible transit node relate to this rezoning?

The Town’s Smart Shuttle program is expanding through a structured, multi-year process based on system capacity, funding availability, and a future prioritization framework. Transit node locations go through the Town’s broader transit planning and service-expansion process. Transit programming decisions are made by the Town and occur independently of rezoning cases.

The Alternative Transit Study identified a potential future node in the general vicinity of this site, but the Town cannot program or commit to any new stop until the Smart Shuttle prioritization criteria are finalized and funding for additional nodes and service increases are secured. Town Council will participate in a node prioritization exercise this summer as part of the CTP update.

While the transit node is not part of the rezoning requirements, the applicant has offered a condition to dedicate the necessary easement for a future transit node if the Town ultimately selects this area as a priority location. This removes a potential physical barrier and cost for the Town if a node is programmed here in the future, but it does not obligate the Town to establish a stop or accelerate the prioritization process. Any decision on a new node would still follow the Town’s transit planning, funding, and service criteria.

7. Quantifying improvements to the Town.

Nearly \$1 million in off-site roadway and pedestrian improvements

The applicant is funding extensive improvements along Chapel Hill Road, Sunset Avenue, and Fairview Avenue, with a combined estimated construction value of **\$990,710.92**. The project includes facilities built to Town and CTP standards, including 5-foot sidewalks, a 10-foot multi-purpose path, and asphalt upgrades required for the wider CTP cross-section.

- New curb and gutter: approx. 298 LF on Chapel Hill Road, 357 LF on Sunset Avenue, and 307 LF on Fairview Avenue.
- Sidewalk installation: approx. 296 LF each on Sunset Avenue and Fairview Avenue (5-foot width).
- Multi-purpose path: approx. 280 LF along Chapel Hill Road (10-foot width).
- Storm drainage improvements: approx. \$153,750 collectively.
- Utility pole relocations on Chapel Hill Road: approx. \$38,000.
- Asphalt base, binder, and surface upgrades to meet CTP wider cross-section requirements.
- Traffic control, pavement markings, erosion control, and grading.

Easement dedication for potential future Smart Shuttle node



May 5, 2026

Tim Morgan
 Evergreen Construction Company
 5711 Six Forks Rd. Suite 300
 Raleigh, NC 27609
 (919) 848-2041 ext 201
tim@eccmgt.com

RE: 10212 Chapel Hill Road Trip Generation Memorandum

Dear Mr. Morgan,

Timmons Group is providing traffic engineering services for the proposed senior adult housing facility to be constructed in Morrisville, NC. The proposed development will consist of 60 age restricted residential units. Per NCDOT standards, a Traffic Impact Analysis (TIA) is required when average daily traffic (ADT) volumes exceed 3,000 vehicles per day (VPD). Per Town of Morrisville standards, a TIA is required when peak hour trips exceed 100 vehicles per hour (VPH) or 1,000 VPD.

The site-generated trips shown in **Table 1** are based on trip generation information provided in the 12th Edition of the Institute of Transportation Engineers' (ITE's) *Trip Generation Manual* and the anticipated development size. The trip generation was calculated using the proposed square-footage as the independent variable and the provided regression equation.

Table 1: Trip Generation Summary

ITE Land Use Code	Independent Variable	ADT	AM Peak Hour			PM Peak Hour		
			In	Out	Total	In	Out	Total
252 – Senior Adult Housing- Multifamily	60 Units	201	4	8	12	8	7	15

SOURCE: Institute of Transportation Engineers' *Trip Generation Manual* 12th Edition (2025)

Per **Table 1**, AM peak hour trips totaled 12 (4 incoming and 8 outgoing) where PM peak hour trips totaled 15 (8 incoming and 7 outgoing). ADT volumes generated by the development totaled 201 VPD. No trip reductions were included due to internal capture or pass-by trips.

As shown, projected trips do not meet the NCDOT's established daily trip threshold (3,000 VPD) or the Town of Morrisville's established hourly / daily trip thresholds (100 VPH / 1,000 VPD respectively); therefore, a TIA is not required.

Table 2 shows the trip generation of other potential by-right land uses based on trip generation information provided in the 12th Edition of the Institute of Transportation Engineers' (ITE's) *Trip Generation Manual* and the anticipated development size. The trip generation was calculated using the proposed square-footage as the independent variable and the provided regression equation.

Table 2: Trip Generation Summary (Alternative Land Uses)

ITE Land Use Code	Independent Variable	ADT	AM Peak Hour			PM Peak Hour		
			In	Out	Total	In	Out	Total
220 – Multifamily Housing (Low-Rise)	60 Units	458	8	26	34	22	14	36
710 – General Office Building	27,200 SF*	376	44	6	50	9	49	58
822 – Strip Retail Plaza	20,400 SF*	1,111 [^]	44	36	80	62	62	124 [^]

SOURCE: Institute of Transportation Engineers' *Trip Generation Manual* 12th Edition (2025)

*Square Footages based on allowable usage with 68 parking spaces

[^]Meets Town TIA Thresholds

As shown in **Table 2**, other by-right land uses have a higher trip generation than the proposed Senior Adult Housing trip generation.

Should you have any questions regarding this memorandum, do not hesitate to contact me.

Sincerely,




5/05/26

Jeffrey P. Hochanadel, PE, PTOE
Principal | North Carolina Transportation Group Leader



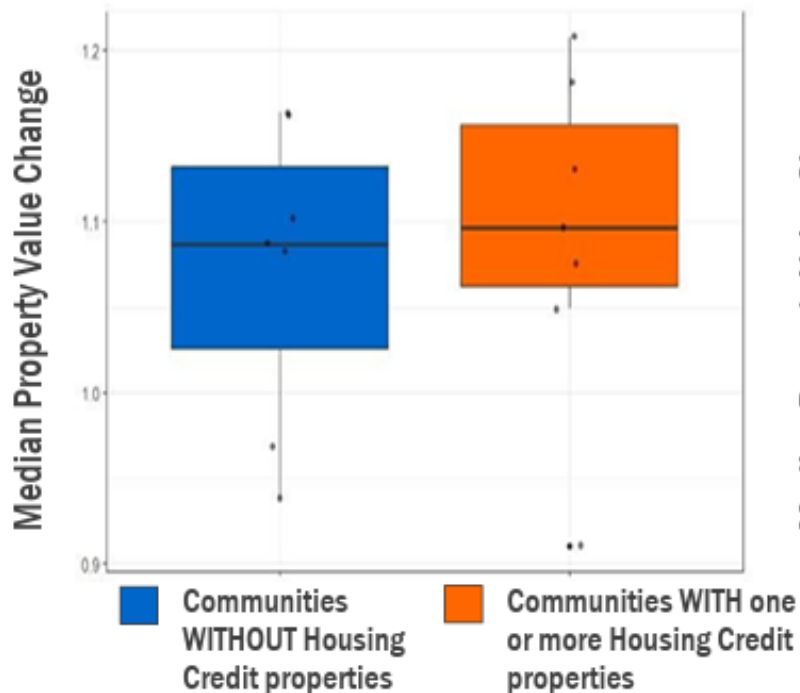
Morrisville
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Low Income Housing Tax Credit (LIHTC) and Home Values

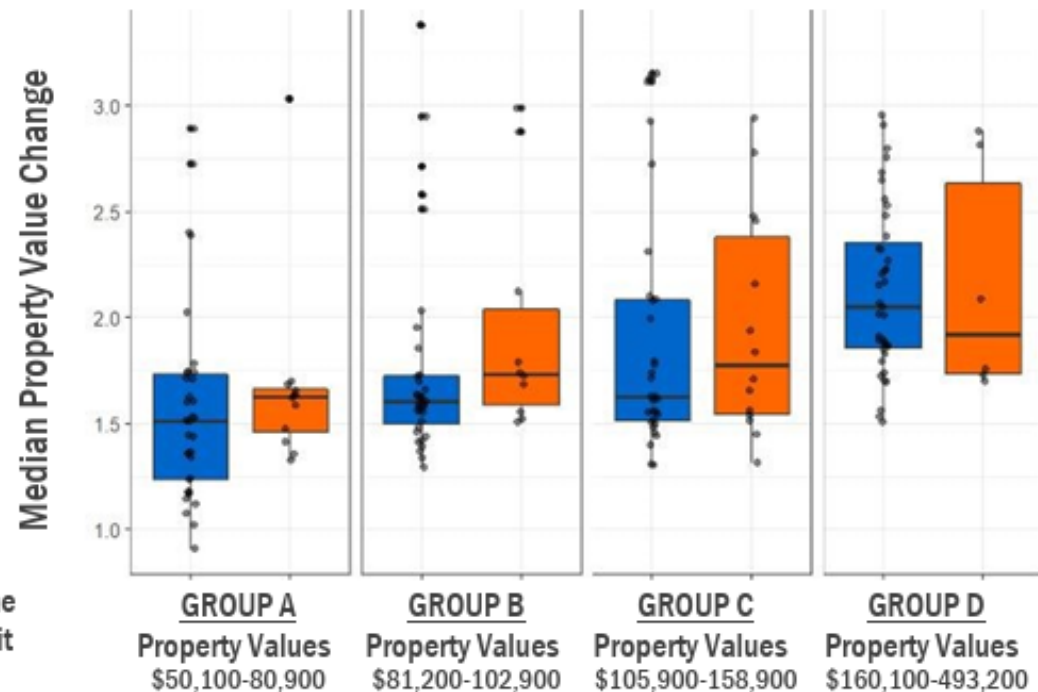
NC Findings for Home Values

- Large statewide analysis of 181 NC urban neighborhoods and 14 rural towns
- Compared home value trends in areas with vs. without LIHTC developments
- Conclusion: LIHTC developments have no negative impact on surrounding home values
- Holds true in both urban and rural areas
- [Link to NCHFA study](#)

RURAL AREAS. 2008-2017



METRO AREAS. 1997-2017



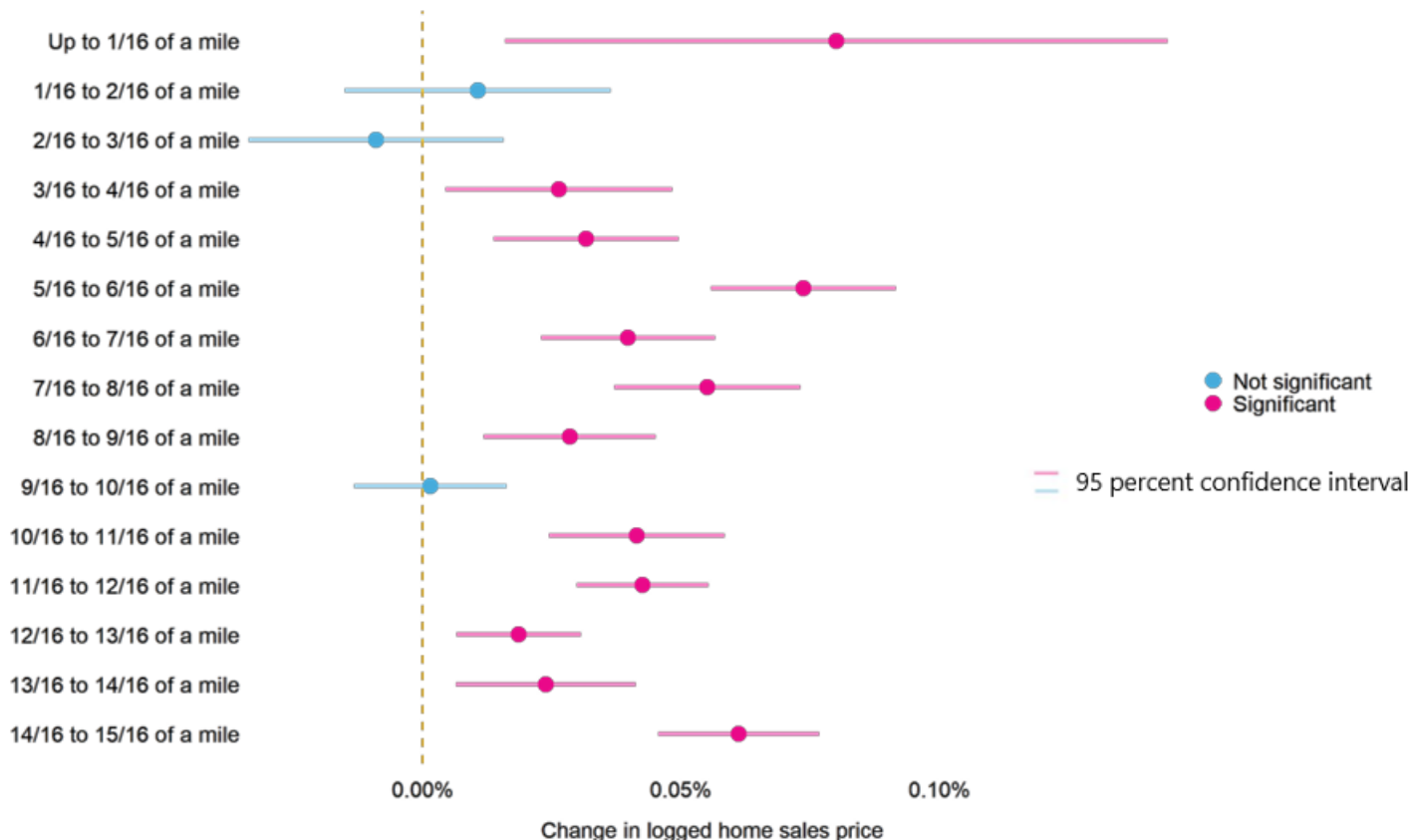
Alexandria, Virginia Case Study

- Alexandria, like Morrisville, is a growing, high-opportunity suburban community facing rapid loss of naturally affordable units and rising housing costs
- The city conducted a 20-year empirical analysis (2000–2020) of 40 multifamily affordable housing developments, directly addressing claims that new affordable housing lowers property values
- The study found that affordable housing was associated with a small but statistically significant increase in nearby property values (0.09% on average within 1/16 mile)
- Results remained positive across both higher-income and lower-income neighborhoods, directly countering the common belief that affordable housing depresses values in affluent areas
- Alexandria’s success is tied to strong local oversight, partnerships with established developers, and clear design standards (an approach similar to Morrisville’s review process)
- Together, these parallels make Alexandria a highly relevant and credible case, demonstrating that well-managed affordable housing can be integrated into thriving suburban communities without negative impacts on surrounding homes
- [Link to Study](#)

Alexandria, Virginia Case Study

The Relationship between Affordable Housing Units and Property Values over Space

Distance to affordable housing development



Source: Authors' calculations from ZTRAX (Zillow 2021) and city of Alexandria administrative data.

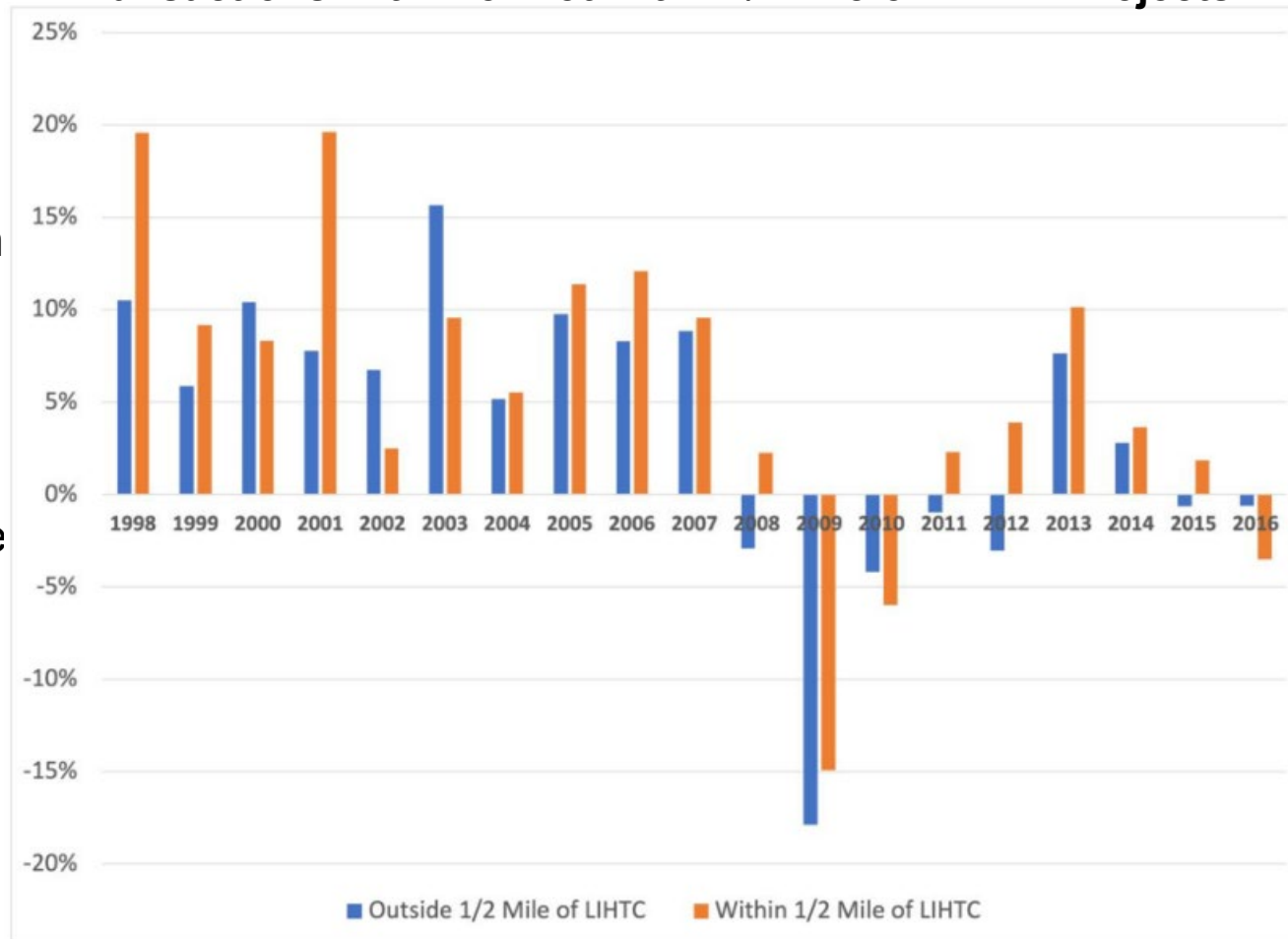
Notes: Impact estimates show the effect of affordable housing units and developments on nearby property values. We estimate changes in sales prices using a repeat sales model over all property sales within 1 mile of an affordable housing development.

Dollars are adjusted to inflation for 2021. Confidence intervals at the 95 percent level (shown as lines) are heteroskedastic robust and are clustered at the property level. All regressions include property and quarter fixed effects. Coefficients shown in red are statistically significant at the 5 percent level, and coefficients shown in blue are not significant.

National Evidence for Home Values

- LIHTC developments produced positive or neutral spillover effects on nearby property values
- Values increased within $\frac{1}{4}$ mile of new LIHTC properties
- Even with clusters of LIHTC developments, values did not decrease
- Strongest positive effects in lower-income areas; no sustained negative effects in higher-income areas.
- [Link to Journal of Housing Economics study](#)

Annual Price Growth Rates for Single-Family Residential Transactions within or not within $\frac{1}{2}$ Mile of LIHTC Projects





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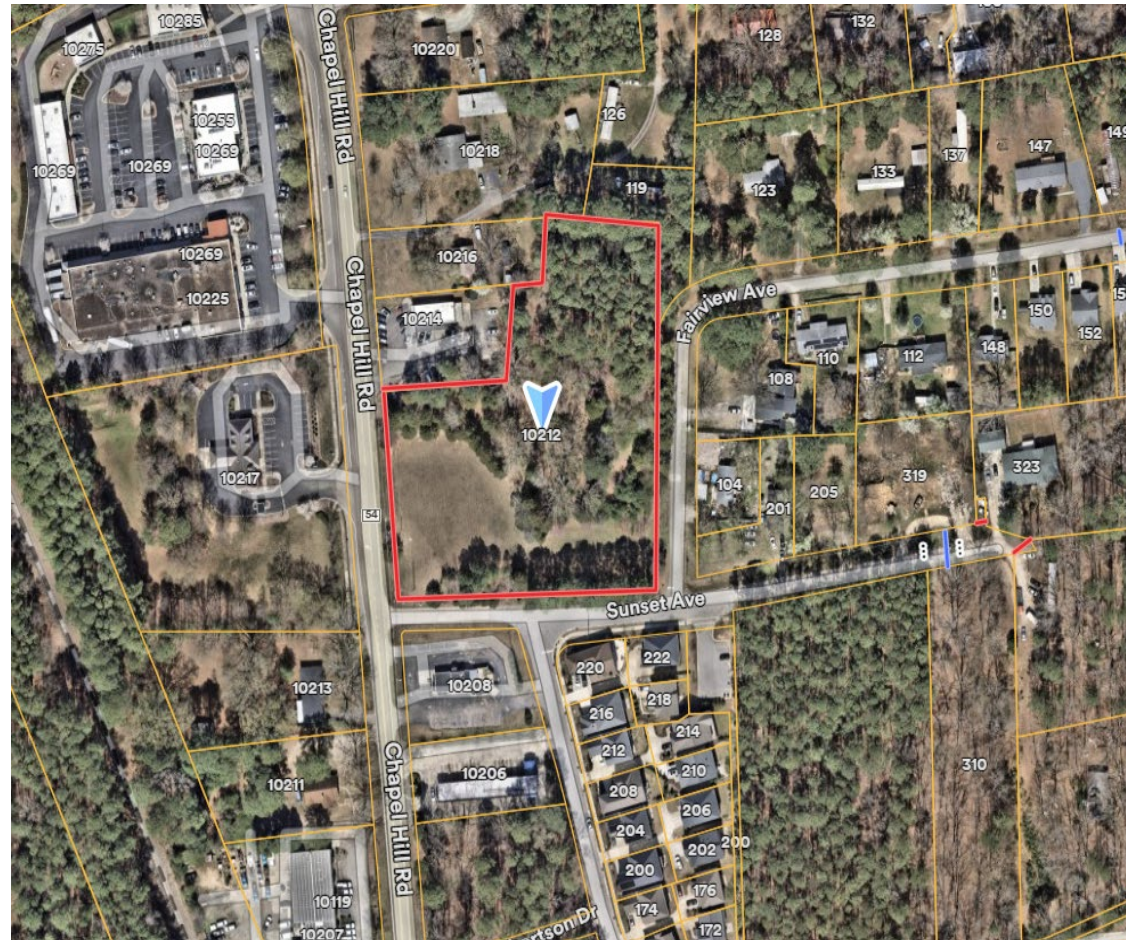
2026-139-0

**Consideration of Items to Amend the Zoning Map for
10212 Chapel Hill Road to the Conditional – Town Center
Commercial Zoning District**

Josh Michael – Planner III

Applicant Request

- Amendment Request:
 - Zoning Map: Conditional – Town Center Commercial
- Applicant:
 - MK Property Holding LLC
- Current Zoning:
 - Town Center Commercial
- Current Land Use:
 - Vacant
- Proposed Use:
 - Affordable Housing for age restricted individuals (55+)
- Site Acreage:
 - 3.24 acres



Property Information

Property Owner:	MK Property Holding LLC
Petitioner:	MK Property Holding LLC
Wake County PIN:	10212 Chapel Hill Rd - 0755-16-5771
Site Acreage (total):	Approximately 3.24 acres
Land Use Plan Designation:	General Commercial
Zoning:	Town Center Commercial (TCC)
Proposed Zoning:	Conditional – Town Center Commercial (C-TCC)
Current Use:	Vacant
Town Limits:	Inside corporate limits

Background - Surrounding Area

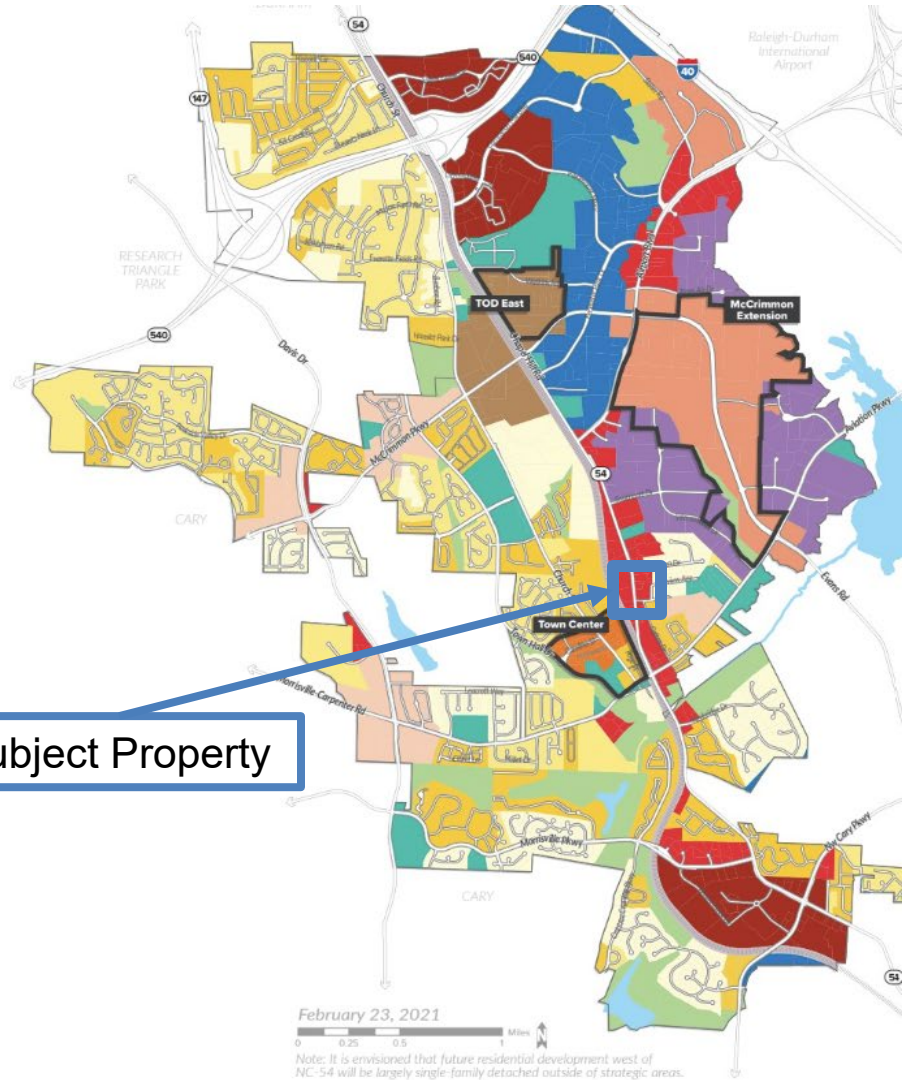
North	Town Center Commercial and Residential Neighborhood Preservation – Single-Family Homes and Used Car Dealership	
East	Residential Neighborhood Preservation – Single-Family Homes	
South	Town Center Commercial and Residential Transition – Empty Building and Single-Family Homes	
West	Town Center Commercial - Bank	

2021 Future Land Use Map

Future Land Use Map

The Future Land Use Map establishes the foundation for the use and development of land within the Town of Morrisville over the next 10 to 20 years. All land parcels within the Town's planning jurisdiction are assigned one of 13 future land use designations, each defining preferred uses, a desired density and character of development. Elements such as future streets, landscape buffers, private open spaces, tree preservation areas and other important considerations, though not illustrated here, are discussed in this and subsequent chapters.

- Low Density Residential**
Low Density Residential includes neighborhoods of single-family detached homes, typically 4.5 or less dwelling units per acre. These areas are characterized by large lots and the lowest residential density in Morrisville.
- Medium Density Residential**
Medium Density Residential includes neighborhoods of single-family attached and detached homes, typically between 4.5 and 7.5 dwelling units per acre. These areas are characterized by medium-sized lots and a moderate density of development.
- High Density Residential**
High Density Residential includes neighborhoods of single-family attached and detached homes as well as multi-family developments, typically 7.5 or greater dwelling units per acre. These areas are characterized by small lots and the highest residential density in Morrisville.
- Neighborhood Activity Center**
Neighborhood Activity Center features a mix of uses that provide convenient, walkable retail and service options for adjacent neighborhoods. These areas include commercial, residential, entertainment, and office uses that are compatible with the scale and intensity of adjacent areas.
- Business Activity Center**
Business Activity Center features a mix of uses that provide convenient, walkable retail and service options for adjacent offices and employment centers. These areas include commercial, residential, and office uses in mixed-use centers that are compatible with the scale and intensity of adjacent areas.
- Regional Activity Center**
Regional Activity Center features a mix of uses that create regional destinations, typically located at key intersections along major transportation corridors. These areas include concentrations of large regional employers, commercial, entertainment, and high density residential along with education and healthcare facilities.
- General Commercial**
General Commercial includes commercial centers that provide a variety of goods and services to meet local and regional needs, typically located along primary transportation corridors.
- Town Center**
Town Center features a vibrant mix of uses near Morrisville's historic crossroads that create a destination and focal point for the community. This includes a dense, urban concentration of uses, including residential, commercial, office, entertainment, cultural, and institutional uses with a focus on mixed-use development.
- Office**
Office includes a broad spectrum of local and regional employment centers in high quality and desirable environments.
- Industrial**
Industrial includes light- and heavy-industrial uses that contribute to employment opportunities and Morrisville's tax base. Location, visibility, and compatibility with adjacent areas are critical to industrial uses.
- Institutional**
Institutional accommodates public and semi-public activities such as government buildings, schools, and places of worship.
- Parks & Open Space**
Parks, Greenways, and Open Space includes all parcels of land exclusively used for outdoor green spaces, recreational areas, and environmental amenities. These provide recreational opportunities to residents and enhance the Town's character. This category does not include private parks and open spaces that are incorporated as supporting uses on larger properties or developments or greenways.
- Transit Oriented Development**
Transit Oriented Development features a critical mass of development and mix of uses necessary to support nearby transit options. Uses include commercial, residential, institutional, and employment concentrated in pedestrian-scaled environments, with a focus on mixed-use development.



Project Profile

The applicant proposes to develop a 60-unit affordable rental multifamily community utilizing Low-Income Housing Tax Credit (LIHTC) financing. All units will be reserved for households earning at or below 60% of the Area Median Income and will be age-restricted to individuals 55 years and older.

The rezoning request is necessary to allow the project to qualify for the Town's Affordable Housing Incentive Policy, which is currently only available through the rezoning process. The Town of Morrisville has established a policy goal of expanding affordable and mixed-income housing opportunities by offering regulatory flexibility and other incentives. The Town's stated objective is to encourage development partners to bring projects that help advance these goals.

This project would represent the first LIHTC-supported senior affordable community within the Town of Morrisville. The development team, Evergreen Construction, has completed several comparable affordable housing projects across the Triangle region.

How LIHTC Works- Updated

What is LIHTC

- LIHTC is the primary federal tool for financing affordable rental housing
- Developers receive federal tax credits if they build and maintain income-restricted units for at least 30 years
- Credits are sold to investors, generating equity and reducing project debt, which keeps rents affordable
- LIHTC is not a grant; it is a financing mechanism that leverages private investment

How LIHTC Funding Works in NC

- LIHTC is federally created, but credits are awarded by the North Carolina Housing Finance Agency (NCHFA) through its statewide competitive scoring system. NCHFA will determine recipients of those awards in August this year
- Developers apply directly to NCHFA; neither Wake County nor Morrisville award tax credits
- In 2026, NCHFA received 15 new LIHTC proposals for Wake County, and 1 gap-financing request for evaluation

Why Wake County Provides Gap-Financing Loans

- Wake County operates the Affordable Housing Development Program (AHDP), which offers low-interest gap-financing loans to close remaining funding needs after LIHTC equity and other sources are maximized
- These County loans are optional local support tools and do not influence NCHFA's award decisions

Local Funding Patterns- Updated

How Other Wake County Municipalities Support LIHTC Projects (2025–2026)

- Many Wake County municipalities provide direct local funding to support LIHTC developments in their jurisdiction
- In 2025, Raleigh, Cary, and Apex all contributed local funds to their LIHTC projects
- In 2026, Raleigh again provided local financing to every Raleigh-based LIHTC development

Local Funding in Other Municipalities (2025–2026)

- Raleigh: \$26M
- Cary: \$550k
- Apex: \$1.47M

What Makes Morrisville's Situation Unique

- Fairview Spring (2026) is the only LIHTC project in the 2025–2026 cycles to receive no municipal funding
- Wake County is covering the entire local gap through its \$1.35M AHDP loan
- This means Morrisville can secure a deeply affordable, high-quality senior housing community without committing Town funds

Why This Matters for Decision-Making

- Approving Fairview Spring allows Morrisville to benefit from a competitive LIHTC award and major County investment at no local cost
- Other municipalities routinely invest financially in LIHTC; Morrisville is receiving comparable benefits through zoning approvals alone

Incentive Policy



Town of Morrisville Affordable Housing Development Incentive Policy | Policy Overview (August 22, 2023)

About the Policy

The Town of Morrisville (The Town) has identified the need to support the development of affordable housing opportunities for renters and homeowners through partnerships with developers. The Town has set a goal to increase the development of affordable and mixed-income housing throughout Morrisville by providing regulatory easement or other incentives and invites developers active in and around Morrisville to bring proposals for projects that advance this goal.

What is Affordable Housing?

To meet the needs of Morrisville Residents, the Town is primarily interested in advancing two objectives for affordable housing:

- Increase rental opportunities for households with incomes at or below 60% of the Area Median Income (AMI). The Town will provide regulatory incentives or other considerations for rental developments in which at least a portion of units are affordable to households with incomes up to 60% of AMI.
- Increase homeownership opportunities for households with incomes at or below 80% of the Area Median Income (AMI). The Town will provide regulatory incentives or other considerations for housing developments that dedicate land or homes for affordable homeownership. This objective can be met through the provision of townhomes or other smaller housing types that can be offered at market rates that are affordable to these households.

How Can Developers Participate?

Interested developers should contact the Town of Morrisville Planning Department at (919) 463-6210.

Development Options

The Town is interested in attracting development that supports housing affordability in addition to other local policy goals. Below is initial guidance about the types of affordable housing development which might be eligible for the Town's Affordable Housing Development Incentive Policy and the types of incentives the Town may be able to provide. The Town welcomes all reasonable proposals and invites developers to explore other ways to provide affordable housing.

Regulatory Incentives and Affordability Mechanisms

	Rental opportunities for households with incomes at or below 60% of AMI	Homeownership opportunities for households with incomes at or below 80% of AMI
Eligible Projects	<ul style="list-style-type: none"> • Mixed-income rental developments, with an initial target of 20% of units affordable to households at or below 60% of AMI. • 100% affordable rental developments, such as Low-Income Housing Tax Credit developments. 	<ul style="list-style-type: none"> • Single family developments that donate a portion of lots or developable land to affordable homeownership developers (preferred) • Single family developments (or condominiums) that provide some homes at prices affordable to households at or below 80% of AMI and restrict the income of first buyers of those homes, with or without public subsidy.

Example Incentives

- Density bonus
- Height bonus
- Reduced tree protection requirements
- Reduced parking minimums
- Reduction in minimum lot sizes
- Density bonus
- Allowances for a percentage of subdivision for attached single-family housing such as townhomes where otherwise not permitted

Supplemental Information

Wake County Area Median Income Limits, 2023

	60% AMI	80% AMI
1 Person	\$47,640	\$63,520
2 Person	\$54,420	\$72,560
3 Person	\$61,200	\$81,600
4 Person	\$67,980	\$90,640
5 Person	\$73,440	\$97,920
6 Person	\$78,900	\$105,200

Source: Novogradac & Company LLP

Wake County Affordable Rent Limits, 2023

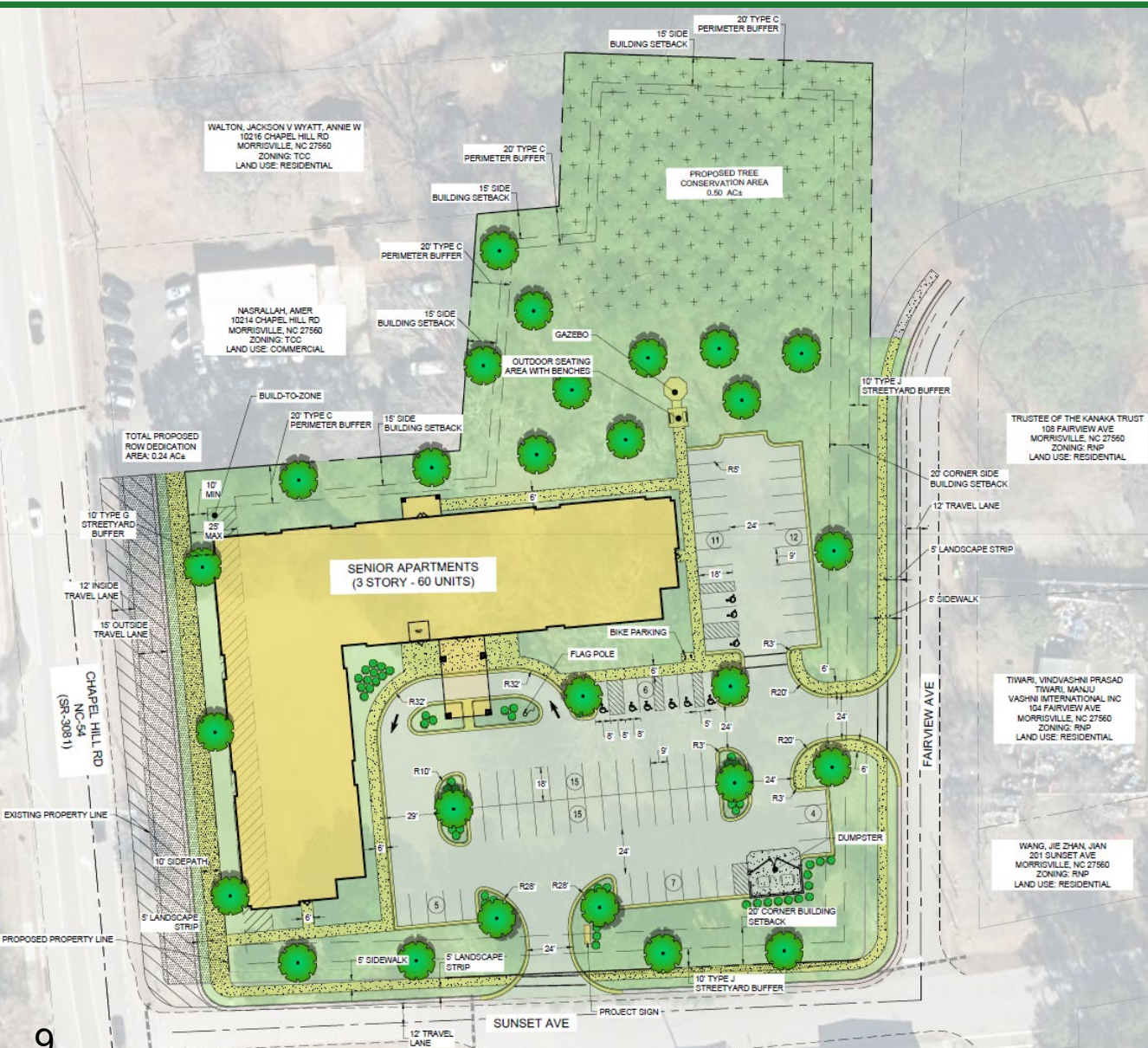
	Affordable Monthly Rent for a 60% AMI Household
0 bedroom	\$1,191
1 bedroom	\$1,360
2 bedroom	\$1,530
3 bedroom	\$1,699
4 bedroom	\$1,972

Source: Novogradac & Company LLP, rents inclusive of all utilities.

Affordable Homeownership Pricing

Based on current mortgage terms and market conditions in Morrisville, a 4-person household with income at 80% of the median income can afford a total mortgage amount of \$320,413, assuming they are not paying any Private Mortgage Insurance (PMI). This would translate to a total affordable home purchase price of \$ 400,516 assuming an 80% Loan-to-Value (LTV) ratio. (Sources: HUD, NCHFA, State of North Carolina, HR&A Analysis)

Preliminary Site Plan- Updated

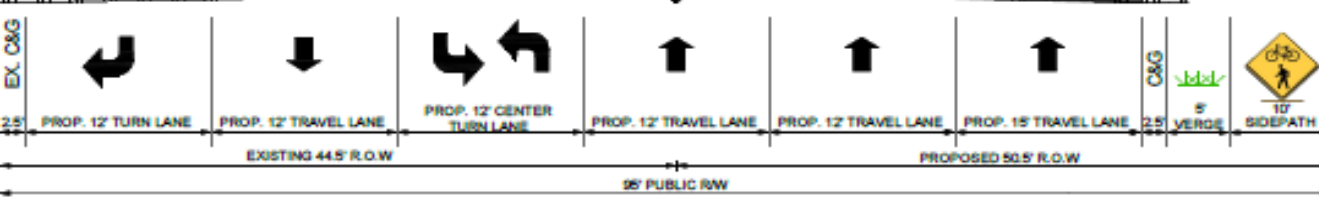
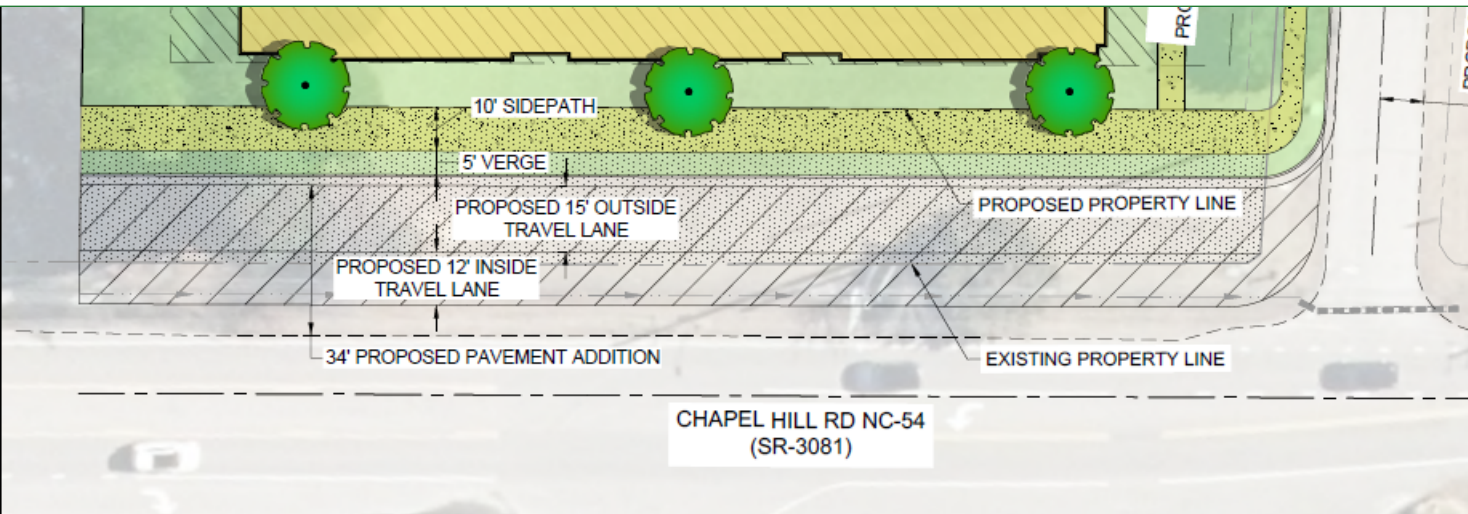


SITE DATA TABLE	
PROJECT NAME:	FAIRVIEW SPRING
PROPERTY OWNER:	MK PROPERTY HOLDING LLC. 140 W FRANKLIN ST UNIT 705 CHAPEL HILL, NC 27516-2588
PI(N)(S):	0755-16-5771
REAL ID(S):	0063059
DEED REFERENCE:	DB 015836 PG 02520
PROPERTY ADDRESS:	10212 CHAPEL HILL RD, MORRISVILLE, NC 27560
JURISDICTION:	TOWN OF MORRISVILLE
EXISTING ZONING:	TOWN CENTER COMMERCIAL (TCC)
EXISTING USE:	VACANT
PROPOSED LAND USE:	60 SENIOR LIVING APARTMENTS 30 - 1 BEDROOM UNITS 30 - 2 BEDROOM UNITS
MINIMUM LOT SIZE:	20,000 SF
MINIMUM / MAXIMUM NUMBER OF DWELLING UNITS:	N/A
MAXIMUM LOT COVERAGE:	65%
PROPOSED LOT COVERAGE:	IMPERVIOUS AREA: 63,902 SF = 1.47 AC LOT COVERAGE: IMPERVIOUS AREA / EX. SITE AREA LOT COVERAGE: 1.47 AC / 3.24 AC = 45%
BUILDING SETBACKS:	FRONT BUILD-TO-ZONE: MIN: 10 FT. MAX: 25 FT. MINIMUM FRONTAGE OCCUPIED BY BUILDINGS: 60% CORNER SIDE: 20 FT. SIDE: 15 FT. REAR: 30 FT.
EXISTING SITE AREA:	3.24 AC
PARKING SUMMARY:	
MINIMUM REQUIRED PARKING:	0-1 BEDROOM UNITS: 1 PER DU 2 BEDROOM UNITS: 1.5 PER DU 30 1-BEDROOM = 30 SPACES 30 2-BEDROOM = 45 SPACES TOTAL = 75 SPACES REQUIRED
PROPOSED PARKING:	75 SPACES PROVIDED (INCLUDING 9 ADA 75 SPACES / 60 UNITS = 1.25 SPACES PER UNIT
MINIMUM REQUIRED BICYCLE PARKING:	2 SPACES
PROPOSED BICYCLE PARKING:	4 SPACES

NCHFA Parking Calculations Morrisville (4/30/2026)	
Spaces Required =	75
H/C Spaces Required for Type A Units =	6
Additional 2% HC Spaces Required =	2
1 Van Accessible H/C Space for Visitors Office =	1
Required Standard H/C Spaces =	6
Required VAC H/C Spaces =	3

- SITE AMENITIES**
- INDOOR AND OUTDOOR SITTING AREAS (MIN 3)
 - GAZEBO
 - COVERED DRIVE THRU ENTRY
 - EXERCISE ROOM
 - RESIDENT COMPUTER CENTER

Chapel Hill Road- Updated



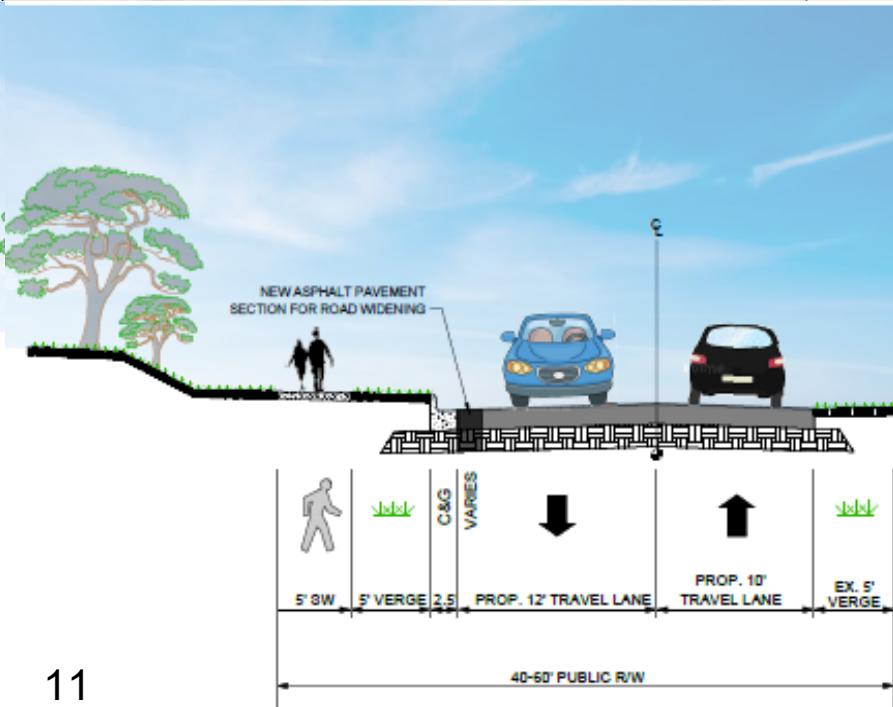
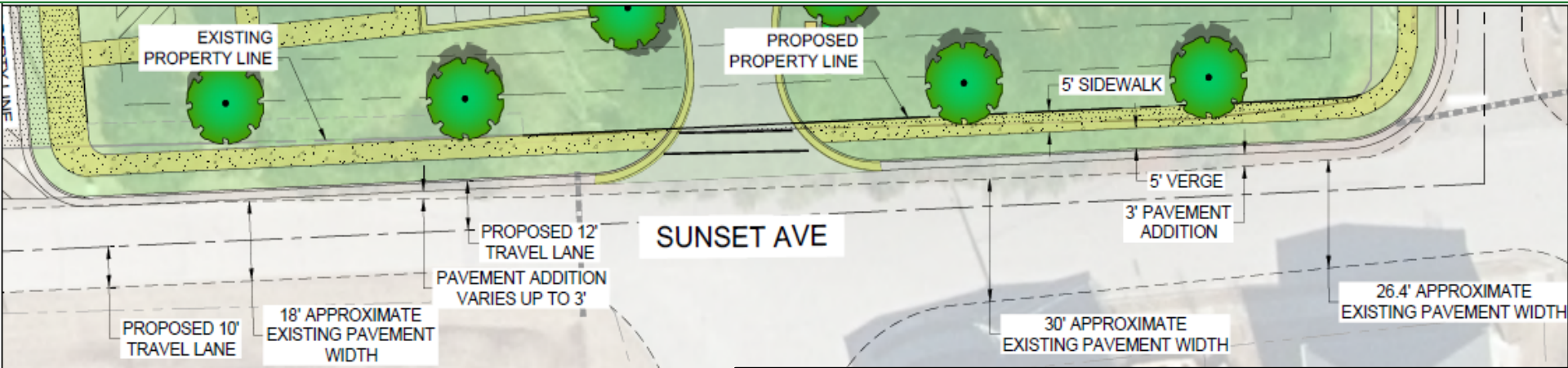
CHAPEL HILL RD. PROPOSED UNDIVIDED ROADWAY SECTION

Improvements

- 298 LF concrete curb & gutter
- 334 tons aggregate base course
- 280 LF multi-use path
- 2 utility poles relocated

Total estimated cost: **\$431,478**

Sunset Avenue- Updated

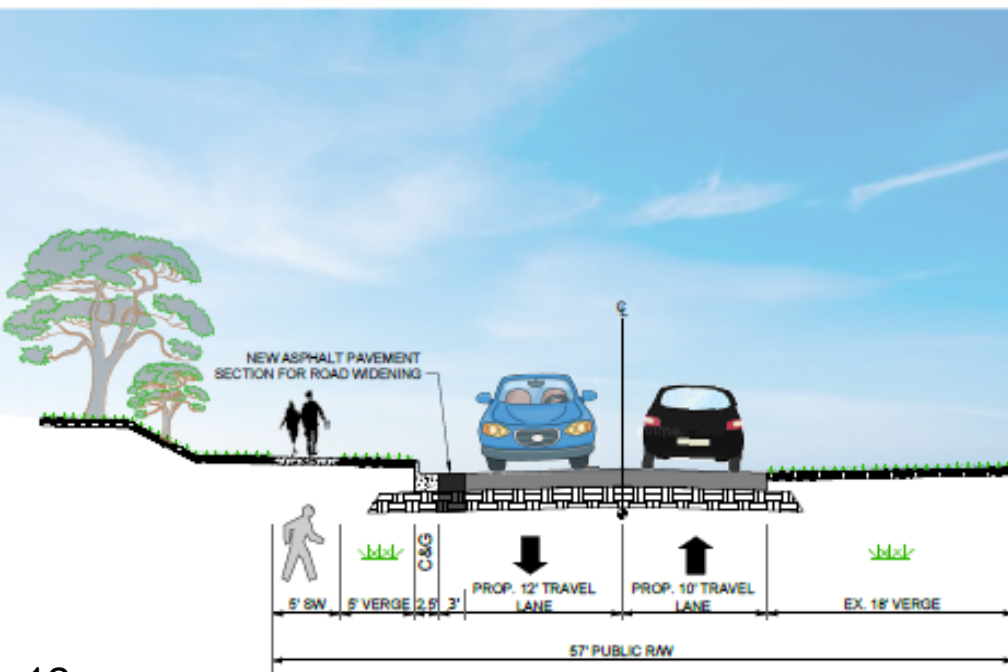
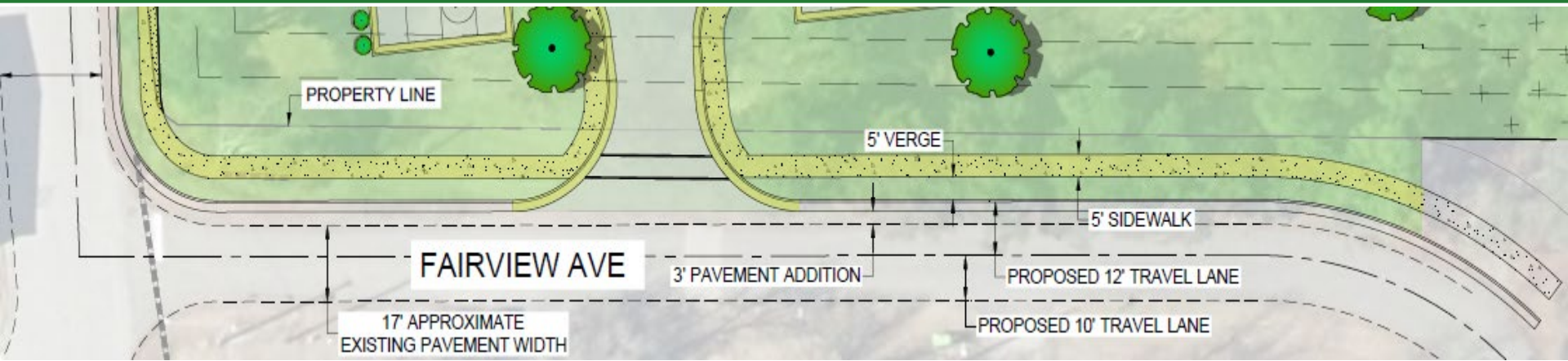


Improvements

- 357 LF concrete curb & gutter
- 42 tons aggregate base course
- 296 sidewalk + 2 curb ramps

Total estimated cost: **\$280,308**

Fairview Avenue- Updated



Improvements

- 307 LF concrete curb & gutter
- 37 tons aggregate base course
- 296 sidewalk + 2 curb ramps

Total estimated cost: **\$278,924**

Proposed Conditions- Updated

~~Parking shall be provided at a minimum ratio of 1.1 space per dwelling unit. A minimum of 68 parking spaces shall be provided. This requirement reflects the minimum required spaces, with a 10% reduction.~~

1. Electric vehicle (EV) parking requirements, including the minimum percentage of EV spaces and the standards outlined in Table 5.10.3.F.2 of the UDO, shall not apply to this project. No EV-designated parking spaces, EV-Ready spaces, or EV charging infrastructure are required or will be installed.
2. The height for any building on the property shall not exceed three (3) stories and forty-five (45) feet, measured in accordance with Town of Morrisville standards.
3. The building will be constructed to ENERGY STAR Multifamily New Construction Version 1.2 standards and certified as such by a third-party firm.
4. The site plan shall be in general conformance with the application entitled “Rezoning of 10212 Chapel Hill Road” that is submitted with this rezoning.
5. The development will commit to serving households at or below 60% AMI, meet the definition of serving only elderly households as defined by the federal 55-year age definition, and for a 50-year affordability period.
6. If, as part of the Town’s Smart Shuttle program, the Town identifies a stop at or adjacent to the development site as a preferred or prioritized location, the developer shall dedicate or convey an easement necessary for the transit stop, at no cost to the Town and that is mutually agreed to by both the Town and developer.

PZB's Recommendation

The Planning and Zoning Board recommended approval of the requested Zoning Map amendment from Town Center Commercial to Conditional–Town Center Commercial by a vote of 4-1.

Staff Recommendation

Staff recommends approval of the requested zoning map amendment from Town Center Commercial to Conditional – Town Center Commercial for the following reasons:

1. The proposed rezoning supports objectives and goals outlined in the Town's adopted Strategic Plan, Land Use Plan, and Affordable Housing Plan.
2. The proposed rezoning aligns with the Strategic Plan Initiative to identify and expand housing options to meet current and future needs of the community.
3. The proposed rezoning creates housing in Morrisville that would preserve and enhance the diversity, quality, character, safety, affordability, and appeal of Morrisville's housing and neighborhoods to strengthen the Town's desirability as a great place to live, as recommended by the Land Use Plan.
4. The proposed rezoning adheres to the goal of encouraging development of affordable housing, guided by the Affordable Housing Plan, which states the Town should seek to develop a balance of housing that provides a diverse range of housing types, price points, and styles.

Action Item

Ordinance 2026-139-0 of the Morrisville Town Council Approving a Zoning Map Amendment for 10212 Chapel Hill Road, a Property Located at the Intersection of Chapel Hill Road and Sunset Avenue, to the Conditional - Town Center Commercial Zoning District (REZ-26-0020).

Fairview Spring



Evergreen Construction Co.

Project Overview

Fairview Spring – A Senior Living Community is a proposed new construction development that is to be located at 10212 Chapel Hill Road. The project will consist of (30) one bedroom, one bath units and (30) two-bedroom, one bath units for persons 55 years of age and older. The building will be a 3-story design, served by one elevator with all residential units opening into an interior hallway. The main entrance will have a call panel system with all exterior doors self-locking. On-site amenities will include a main lobby, a TV lounge area, a computer center, a fitness center, a multi-purpose room with kitchen, coin- op laundry facilities and tenant storage areas.

All 60 units will be affordable to seniors at or below 60% of the area median income with 43% of the apartments set aside for seniors at or below 30%, 40% and 50% of the area median income. The set asides will remain for 50 years through a recorded land use restrictive agreement.

All applicants will go through a thorough screening process that includes credit, criminal and prior landlord references being reviewed.

Evergreen Construction Company was formed in 1978 for the purpose of developing, constructing and managing affordable housing communities across North Carolina. Current owner and president, Tim Morgan, joined in 1994. We currently have 41 communities in our portfolio, comprising 1920 units. The overall portfolio occupancy rate is 96%. Once a community is built, they typically lease up in 4 to 6 months.

Evergreen has a long history partnering with Wake County and currently has 19 communities with loans from the county.



EVERGREEN
CONSTRUCTION COMPANY

— Other Evergreen Communities



**Weatherstone Spring
200 Weather Ridge Lane
Cary**

— Other Evergreen Communities



Ryan Spring
616 Ryan Road
Cary

— Other Evergreen Communities



**Amber Spring
5000 Spring Forest Road
Raleigh**

— Other Evergreen Communities



**Aspen Spring
5706 Rock Quarry Road
Raleigh**

— Other Evergreen Communities



**Hampton Spring
216 Buck Jones Road
Raleigh**

Proposed Rents

AMI Level	Bedroom Size	# Units	★ Proposed Rent
30% AMI	1 BR	4	\$550
30% AMI	2 BR	5	\$650
30% AMI	1 BR	4	\$550
30% AMI	2 BR	3	\$650
40% AMI	1 BR	2	\$750
40% AMI	2 BR	2	\$850
50% AMI	1 BR	3	\$975
50% AMI	2 BR	3	\$1,075
60% AMI	1 BR	17	\$1,075
60% AMI	2 BR	17	\$1,175

★ These rents reflect the current HUD income limits for the Raleigh–Cary metropolitan area. Actual rents at the time of lease-up may vary due to annual HUD updates, but the income-restricted set-aside requirements will not change.

Any rent adjustments must be approved by the North Carolina Housing Finance Agency (NCHFA).

— Average Household Size-Updated

#	Property	Property Code	Total Units	Total Occupied Units	Total Vacants	Total Occupants	Avg Occupants / Unit
1	Amber Spring	AMS	42	41	1	43	1.05
2	Aspen Spring	ASP	84	82	2	91	1.11
3	Autumn Spring	ATS	48	45	3	49	1.09
4	Berkeley Spring	BS	36	36	0	41	1.14
5	Cedar Spring	CS	20	18	2	20	1.11
6	Garden Spring	GS	33	30	3	30	1.00
7	Hampton Spring	HMS	56	56	0	64	1.14
8	Huntington Spring	HS	84	80	4	89	1.11
9	Meadow Spring	MS	33	30	3	32	1.07
10	Poyner Spring	PNS	42	41	1	43	1.05
11	Ryan Spring	RS	42	41	1	47	1.15
12	Silver Spring	SS	33	30	3	32	1.07
13	Timber Spring	TBS	48	44	4	46	1.05
14	Wakefield Spring	WFS	80	77	3	87	1.13
15	Weatherstone Spring	WSS	72	71	1	77	1.08
16	Windsor Spring	WNS	39	39	0	41	1.05
17	Wood Spring	WDS	48	48	0	50	1.04
TOTAL / AVERAGE			840	809	31	882	1.09

— What is LIHTC

Created by Congress as part of the Tax Reform Act of 1986, the Low-Income Housing Tax Credit (LIHTC) generates private capital investment used to finance the construction and rehabilitation of affordable rental housing for households earning on average 60 percent or less of the area median income. According to the Joint Center for Housing Studies at Harvard University, the housing tax credit is "widely regarded as the most successful housing production and preservation program in the nation's history." Since being enacted, the LIHTC program has helped develop more than 3.5 million affordable housing units.

Questions?

