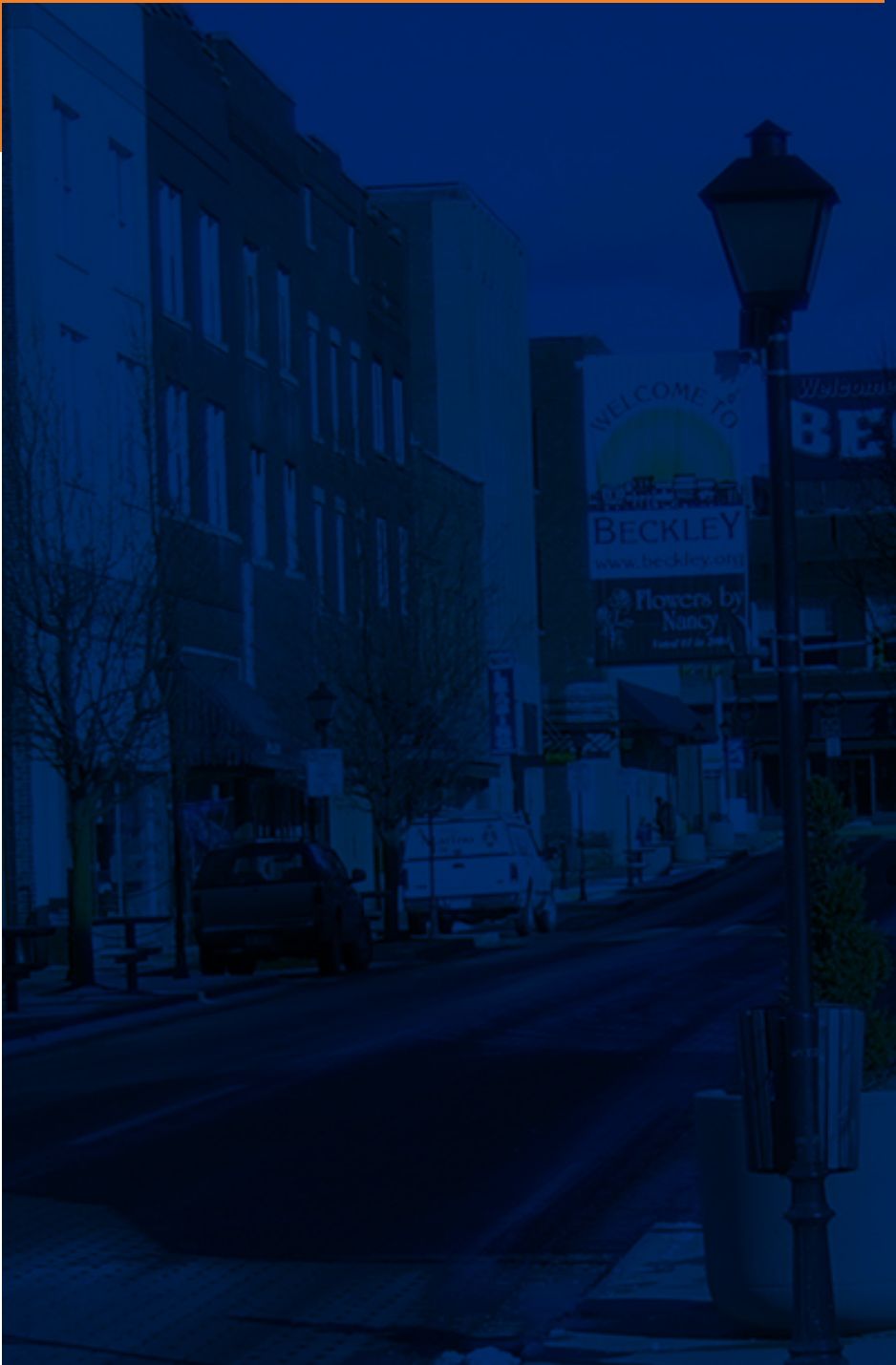




FINANCING

17



FINANCING

This chapter recommends short- and long-term financing plans to meet the goals, objectives of this comprehensive plan. It considers both future capital expenditures, selected operational expenditures and potential grants from state, federal and local governments and private foundations.

“Gold and silver, like other commodities, have an intrinsic value, which is not arbitrary, but is dependent on their scarcity, the quantity of labour bestowed in procuring them, and the value of the capital employed in the mines that produce them.”

—David Ricardo

17.1

INTRODUCTION

Comprehensive Plans generally recommend a number of capital projects and specific initiatives that are necessary for implementation. Because these projects and initiatives are generally large, costly and long-term propositions, the logical issue

that follows is the identification of funding sources. This Chapter identifies potential sources of funding as they pertain to capital improvements and the funding of various initiatives. More specific discussion on this issue, along with a sense of priority is presented in Chapter 19.





17.2

PROGRAMS

The State of West Virginia has many programs available for projects such as water and wastewater improvements, recycling, youth and families, community development, roadways, and bridges, as well as projects to assist businesses wishing to locate or expand within the State. Several websites that can provide this general information include:

- www.business4wv.com
programs for businesses
- www.dep.wv.gov
water, wastewater and other environmental programs
- www.wvdhhr.org
children and family services
- www.wvpass.org
youth and community development
- www.transportation.wv.gov
transportation, roadways, bridges, transit, etc.

A major recommendation to help implement the recommendations of this Comprehensive Plan Update is to create a Planning Department. A City Planning Department could be tasked with aggressively pursuing grants and low-interest loans provided by the State and federal governments on a regular basis.

Of greater concern for this comprehensive planning process are more innovative programs and initiatives that could help the City develop or acquire more permanent funding streams for significant Plan objectives. These are discussed below.



CDBG ENTITLEMENT FUNDS

A key funding opportunity will evolve when the City becomes a CDBG Entitlement Community in 2014. The City will be receiving an entitlement each year from HUD, and will not have to compete for these funds through a State process, as it has in the past. Some of the CDBG funds may be used to develop the administrative capacity to implement the housing and community development objectives identified in the City's Consolidated Plan and its annual Action Plans (which will need to be completed prior to receiving the CDBG funds). Funds can also be used for all CDBG-eligible programs and projects, and should be able to augment and expand programs currently offered through the City's Housing and Community Development Department. (Refer to Chapter 7.)

MPO AND TRANSPORTATION FUNDING

The newly created Metropolitan Planning Organization (MPO) will provide a source of transportation funding for the City and MPO's key transportation projects, which would be prioritized in the Transportation Improvement Plan (TIP) (Refer to Chapter 8.) The City and its partners in the MPO will have more direct access to funding than they have had in the past for eligible projects and programs.

ANNEXATION

Another key initiative that could potentially generate additional funds is for the City to annex the donut holes within the corporate limits. A detailed Cost-Benefit Analysis is recommended to quantify the actual costs and the benefits of this annexation, and to address concerns from all parties. The decision whether or not to annex or to be annexed should be based on facts, not emotions. In addition to the obvious benefits of having a consistent boundary under the auspices of one local governmental entity, there could be additional costs related to updated water and sanitary sewer lines, police and fire protection, etc. Those should all be identified in the Cost-Benefit Analysis. (Refer to Chapter 13.)

As part of this annexation study, the B&O tax should be reviewed and clearly understood and explained to concerned parties. If changes to the tax structure are warranted, the City should work with the WV Municipal League to make appropriate changes happen.

CAPITAL IMPROVEMENTS PLAN AND PROGRAM (CIP)

The City of Beckley does not now have a formal 5-year Capital Improvements Plan that is related to an annual Capital Improvements Program. Documents such as these define a 5-year plan for capital improvements that should align with the priorities of this Comprehensive Plan. Projects should be specifically identified in terms of project costs, potential sources and other criteria. The CIP should be updated annually (in terms of both the annual plan and the 5-year plan). To accomplish this, the City should request that each department submit its prioritized lists of projects to the City so that the City can compile a comprehensive list and prioritize projects. Then, the appropriate funds can be allocated to the highest priority projects. This CIP would also help the City determine what grant and loan funds it should pursue each year.

SPECIAL IMPROVEMENT DISTRICT (SID)/BUSINESS IMPROVEMENT DISTRICT (BID)

A Special Improvement District or Business Improvement District should be considered for the Downtown and/or for key commercial districts. If State enabling legislation does not exist to allow this, then the City and the State Municipal League should work to create such legislation. SID or BID funds could be used for a variety of purposes (as defined by the enabling legislation and the local legislation) such as marketing, management, and/or public improvements.

FOUNDATIONS AND PRIVATE SOURCES OF FUNDS

There are many private sources of funds available to eligible projects and applicants, but it takes a lot of energy and enthusiasm to pursue them. This could be another job tasked to a City Planning Department.

STATE DEVELOPMENT FINANCING PROGRAM

As discussed in Chapter 7, there are a myriad of grants and technical assistance programs for housing projects under the State Development Financing Program.

IN-FILL DEVELOPMENT

Less obvious to the average citizen is the fact that demolition of housing (or other structures) removes sewer and water users from the revenue stream of the departments providing those services. The water and sanitary sewer lines are still in the ground and need to be paid for, while the number of users paying for that infrastructure decreases with each demolition. To maintain the required revenue streams, in-fill development should be encouraged on the lots of demolished structures. This is more cost-effective than greenfield development, where new water and sewer lines would need to be constructed.