



Legislation Details (With Text)

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File created:	11/28/2022	In control:		City Council Business Meeting	
On agenda:	12/12/2022	Final action:			
Title:	Public Hearing for MSD Reduction by Owner				
Attachments:	1. Southpark MSD Ordinance, 2. Finding of Need Report, 3. Exhibit A - SouthPark MSD Map, 4. Exhibit B - SouthPark MSD Request for Reduction				

Date	Ver.	Action By	Action	Result
12/12/2022	1	City Council Business Meeting	Close the Public Hearing	Pass

Public Hearing for MSD Reduction by Owner

Action:

Conduct a public hearing for consideration of a request for reduction of the SouthPark Municipal Service District by an owner residing within the district.

Staff Resource(s):

Tracy Dodson, City Manager’s Office
Christina Thigpen, Economic Development

Policy

- State law allows cities to create municipal service districts (MSDs) to promote economic development and/or provide services at a higher level in the district than provided for the entire city.
- Urban development/redevelopment areas are one of the municipal services for which a district can be created.
- MSDs are funded through an assessment on all property owners within the district boundaries. All the money raised by the MSD assessment must be spent on district enhancement programs.
- In accordance with NCGS Sec. 160A-536, projects funded through MSD revenue may include (but are not limited to): expansions/improvements to support utility provision, street lighting, streets and sidewalks; construction of pedestrian and bicycle paths, construction of public buildings, improvements to relieve traffic congestion, improvements to reduce the incidence of crime, providing city services or functions in addition to or to a greater extent than those provided for the entire city, sponsoring events, promoting business investment and economic vitality, coordinating public private partnerships, and marketing support.

Explanation

- NCGS Sec. 160A-537(f) provides that, “no ordinance defining a service district as provided for in this section shall be finally adopted until it has been passed at two meetings of the city council by majority vote of the voting members present, and no service district shall be defined except by ordinance.”
- City Council reviewed and adopted the ordinance for the SouthPark MSD, MSD 6, on March 28, 2022, and April 11, 2022, by an 11-0 vote each time.
- The MSD was adopted with an effective date of July 1, 2022.
- NCGS Sec. 160A-538.1(a1) states that “a property owner may submit a written request to the City Council to remove the owner's tract or parcel of land from a service district. The owner shall specify the tract or parcel, state with particularity the reasons why the tract or parcel is not in need

of the services, facilities, or functions of the proposed district to a demonstrably greater extent than the remainder of the city, and provide any other additional information the owner deems relevant. Upon receipt of the request, the City Council shall hold a public hearing as required by subsection (a) of this section. If the City Council finds that the tract or parcel is not in need of the services, facilities, or functions of the district to a demonstrably greater extent than the remainder of the city, the City Council may, by ordinance, redefine the service district by removing therefrom the tract or parcel.”

- On August 20, 2022, the City Clerk’s office received a formal request from Adam Oravec, owner of 3920 Sharon Road, Unit 202 for reduction of MSD 6 to exclude his property.
- If after conducting this public hearing, City Council determines that MSD 6 shall remain as currently set forth in the ordinance, no further action is necessary.
- Should City Council wish to consider amending its MSD 6 ordinance, then the amended ordinance will need to be adopted in the same manner as the original ordinance.

Boundaries

- The SouthPark MSD boundary follows property lines and includes properties south of Scofield Road and Wickersham Road, west of Sharon Road and Cameron Valley Parkway, north of Sharon View Road, and east of Park South Drive.
- State law outlines several guidelines for determining boundaries of municipal service districts. Properties within the SouthPark MSD boundaries must satisfy at least one of the following guidelines:
 - Location in or surrounding existing or redeveloping concentrations of retail, office, or significant employment-generating uses,
 - Surrounding major institutional uses, such as a university or hospital, and
 - Location within 1,500 feet of major transportation and transit corridors, except for residential parcels which must be within 150 feet.

Community Input

- SouthPark Community Partners recommended the proposed boundaries, tax rate, and preliminary work plan for a SouthPark MSD, following engagement and support during several planning initiatives focusing on the SouthPark neighborhood that have been completed since 2016.
- In March 2021, SouthPark Community Partners began a four-week process to gauge local appetite. SouthPark Community Partners received letters of support for the creation of the MSD from both large and small property owners, as well as South Park Association of Neighborhoods (SPAN), a non-profit organization established in 2017 to advocate on the area’s residential neighborhoods.
- As part of the public notification process, nearly 750 letters were sent in late-January 2022 to property owners within the district notifying them of the proposed MSD and the date, time, and location of the public hearing.
- The Finding of Need (FON) report documenting the MSD proposal is also available in the City Clerk’s office and digitally.
- A legal notice about the public hearing and map of the area was published in The Mecklenburg Times on February 8, 2022, and February 15, 2022.
- A public hearing on the proposed SouthPark MSD was held on February 28, 2022. Three members of the public spoke in favor of the proposed MSD. One member of the public spoke against the proposed MSD.
- Following engagement with residential property owners, the Piedmont Row condominium community was excluded from the MSD.
- The Clerk’s office received three other requests for exemption from individual property owners, including two owners from the Morrison 721 condominium community and one owner from the Trianon condominium community. Requests for exclusion were not approved.
- Staff and the board for SouthPark Community Partners recommend not approving Adam Oravec’s request for exclusion.
- There continues to be communication and collaboration with SouthPark community residents, developers, business owners, and tenants. The existing Loop website (<https://www.theloopclt.org/>) is being expanded to include a page dedicated to the MSD. The

webpage will be used to share the latest information and provide a central location to gather input until the SouthPark Community Partners website has been built out.

Attachment(s)

Ordinance

Finding of Need (FON) report on SouthPark MSD

Exhibit A - MSD Map

Exhibit B - Request for Reduction