

## Legislation Details (With Text)

<b>File #:</b>	15-17380	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Public Hearing Item	<b>Status:</b>		Filed	
<b>File created:</b>	2/8/2022	<b>In control:</b>		City Council Business Meeting	
<b>On agenda:</b>	2/28/2022	<b>Final action:</b>		2/28/2022	
<b>Title:</b>	Public Hearing on SouthPark Municipal Service District				
<b>Attachments:</b>	1. SouthPark District Map, 2. FON Report on SouthPark MSD, 3. South Park MSD WorkPlan				

Date	Ver.	Action By	Action	Result
2/28/2022	1	City Council Business Meeting	Close the Public Hearing	Pass

## Public Hearing on SouthPark Municipal Service District

### Action:

**Conduct a public hearing to receive comments on the proposed SouthPark Municipal Service District.**

### **Staff Resource(s):**

Tracy Dodson, City Manager's Office

### **Policy**

- State law allows cities to create municipal service districts (MSDs) to promote economic development and provide services at a higher level in the district than provided for the entire city.
- Urban development and 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.
- The City of Charlotte currently has MSDs in Center City, South End, and University City.

### **Explanation**

- In 2016, members of SouthPark's business community began discussions to create an MSD in the SouthPark area to enhance the economic vitality of the area.
- SouthPark Community Partners is the leading business and community advocacy group for the creation of the SouthPark MSD. This group of business and community leaders have participated in SouthPark studies and intend to lead efforts to enhance the SouthPark community. City of Charlotte staff have served as support to the group as they explore the establishment of an MSD.
- Since 2000, there have been several studies completed to address the future of SouthPark. The creation of an MSD would be an action towards implementing recommendations from the various studies. Beginning with the 2016 Urban Land Institute's (ULI) SouthPark: Envisioning a More Walkable, Multimodal, Future for SouthPark, implementation strategies in each plan have recommended the use of an MSD as an effective and appropriate tool to support a successful vision for SouthPark. Completed SouthPark Studies include:
  - 2000: Charlotte City Council's SouthPark Small Area Plan,
  - 2010: City of Charlotte's Centers, Corridors, and Wedges Growth Framework,
  - 2016: ULI SouthPark: Envisioning a More Walkable, Multimodal, Future for SouthPark,
  - 2018: City of Charlotte's Comprehensive Neighborhood Improvement Program (CNIP), and
  - 2019: The Loop Framework Plan.
- Following a review of several options, the proposed boundaries of the SouthPark MSD are focused on the commercial core of the area. The boundary follows along the edge of the commercial core,

excluding the single-family neighborhoods.

- The proposed MSD tax rate would be 4 cents per \$100 in valuation, which would generate an estimated \$1,350,000 annually. This funding would be used to hire administrative personnel; provide advocacy, marketing, and promotion efforts; enhance safety; fund capital investments; and support other economic development initiatives identified through the previously completed SouthPark studies.
- The SouthPark Community Partners has requested that the SouthPark MSD be effective beginning on July 1, 2022. To meet this request and enable the City to follow required statutory guidelines, staff proposed the following process for considering creation of this district:
  - December 13, 2021 - City Council authorized staff to prepare the MSD report,
  - January 28, 2022 - The City notified affected property owners,
  - January 28, 2022 - The City finalized and distributed the MSD report,
  - February 28, 2022 - City Council conducts a public hearing on proposed MSD,
  - March 28, 2022 - City Council reviews proposed MSD, and
  - April 11, 2022 - City Council conducts its second review of the proposed MSD and action is requested on proposed MSD.
- The timing of this process is also designed to coincide with the Fiscal Year 2023 budget process as the MSD tax rates and revenues must be included in the total City budget estimates. This process is similar to the process for creating the University City MSD in 2003.
- The City is required to prepare an MSD finding of need (FON) report before conducting the public hearing. This report documents proposed district boundaries, tax rate, and plan for providing services. The report was completed and made available through the City Clerk's Office beginning on January 28, 2022. It was also distributed to Council and key stakeholders.

## **Boundaries**

- The SouthPark MSD boundary follows property lines and includes commercial 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.
- The MSD boundaries generally exclude individually owned residential properties in the SouthPark area. However, a small number of residential properties are included, primarily in cases where residential units are incorporated into upper floors of mixed-use projects. The individually owned residential properties proposed to be included in the SouthPark MSD are Lofts at Morrison, Morrison 721, Penthouse at Phillips Place, Piedmont Row, and Trianon. Combined, these residential properties contain 421 units and comprise 2.7 percent of the total property valuation of the proposed MSD area. The MSDs in Center City, South End, and University City contain residential properties within their boundaries.

## **Future Actions**

- To provide short-term organizational support for the establishment of the SouthPark MSD, the City intends to partner with SouthPark Community Partners during the "pilot year" to provide the outlined services via a Procurement Waiver.
- SouthPark Community Partners is a non-profit organization that has been created to administer these services pending Council approval of the district.
- A formal RFP process to select a contract provider will be issued in a timely manner to be completed prior to the start of year two.

## **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 interest.
- SouthPark Community Partners has 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, 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 all property owners within the district notifying them of the proposed MSD and the date, time, and location of the public hearing.
- 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.
- The FON report documenting the MSD proposal is also available in the City Clerk's office and digitally.

**Attachment(s)**

Municipal Service District Map  
FON Report on SouthPark MSD  
SouthPark MSD Workplan