

## Legislation Text

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### Process to Create SouthPark Municipal Service District

**Action:**

- A. Approve the process for considering creation of a SouthPark Municipal Service District, and**
- B. Authorize the City Manager to direct staff to prepare reports documenting district boundaries, tax rate and revenue, and plan for providing services.**

**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/or provide services at a higher level in the district than provided for the entire city.
- 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 currently has MSDs in Center City, South End, and University City.

**Explanation**

- In 2016, members of SouthPark's business community began discussions to create a municipal service district (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 will serve 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: Urban Land Institute's (ULI) SouthPark: Envisioning a More Walkable, Multimodal, Future for SouthPark;
  - 2018: City of Charlotte's Community Neighborhood Improvement Plan (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 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.
- The proposed MSD tax rate would be four 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 South Park studies.

- The SouthPark Coalition 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 proposes the following process for considering creation of this district:
  - December 13, 2021 - Council action to prepare MSD report,
  - January 2022 - City notifies affected property owners about MSD,
  - January 2022 - City staff finalize and distributes MSD report,
  - February 28, 2022 - Council conducts a public hearing,
  - March 14, 2022 - Council resolution to create 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 the MSD finding of need report before conducting the public hearing. This report will document proposed district boundaries, tax rate, and plan for providing services. Upon completion, this report will be distributed to Council and key stakeholders. It will also be available through the City Clerk's Office and the City's Internet site.

**Attachment(s)**

Proposed SouthPark Municipal Service District Map