

## Attachment:

# SouthPark Community Partners Preliminary MSD Work Plan

## 1. Description of SouthPark MSD

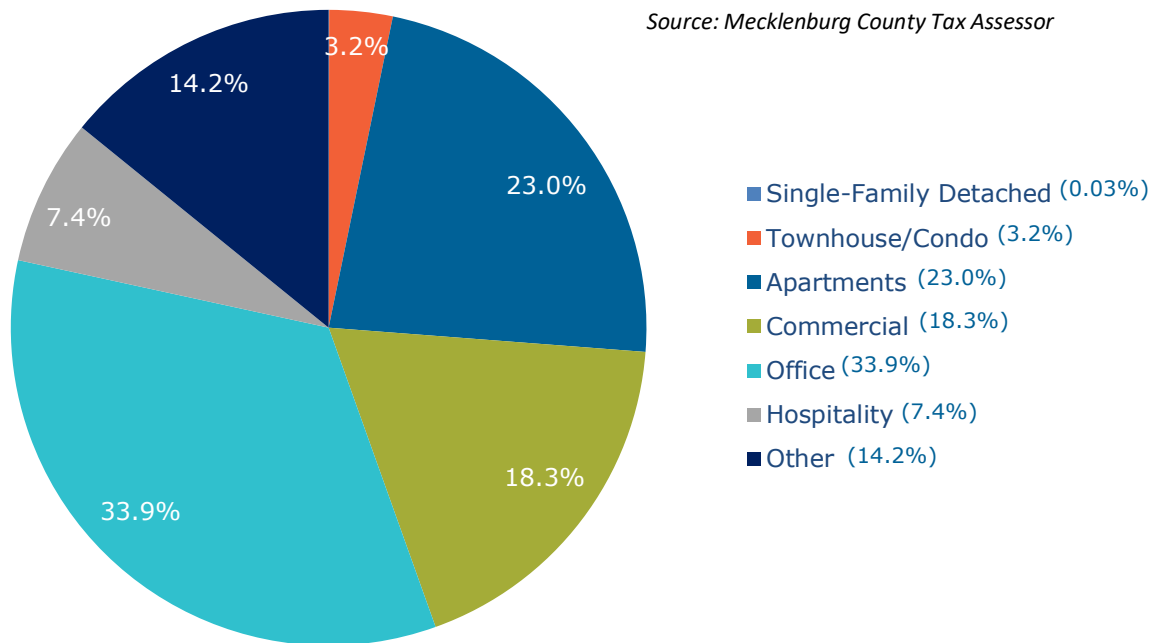
The SouthPark commercial core is a major activity center, hosting a significant concentration of jobs that contribute to the overall economic vibrancy of the City of Charlotte. Since 1970, the area has transitioned from a suburban commercial node to a premier mixed-use activity center serving residents and visitors from across the region as well as residents living in surrounding residential neighborhoods or in new residential developments within District.

### Land Uses and Business Mix

The proposed SouthPark MSD is a nearly one square mile area that includes over 15 million square feet of residential, commercial, and office space that generate over 25,000 jobs to the regional economy. Major occupational categories within the proposed District include Retail Trade, Accommodations and Food Services, and Finance, Insurance and Real Estate Services (FIRE) that together represent over 50% of the District's total employment base. As shown on the chart below, office space represents approximately 34% of the MSD's total building inventory, followed by apartments and retail/commercial space. Most of the District's retail space is concentrated within SouthPark Mall. The "Other" category, which comprises 14.2% of the total inventory, includes SouthPark Regional Library (formerly known as Morrison Regional), medical facilities and covered parking structures.

*Distribution of Building Square Footages by Land Use, Proposed SouthPark MSD, 2022*

*Source: Mecklenburg County Tax Assessor*



While there are approximately 5,224 residents living in the District, single-family detached homes represent only 0.03% of the total square footage, an amount so small that it does not show up on the graph below. The median household income is estimated at \$82,625. While the District's residential population has doubled over the past decade, most of these residents live in new multi-family apartments projects.

### Previous Planning Studies

Since 2000, several planning studies have been commissioned to evaluate the overall health of the SouthPark area as it evolves from traditional suburban retail center to a denser, mixed-use activity center. These studies identified the need for a more consistent and dedicated funding stream that could be leveraged to implement critical infrastructure improvements. Establishing a municipal service District

in SouthPark was consistently identified as the most effective and appropriate tool to support on-going efforts related to economic vitality and placemaking. Planning studies that were completed for the SouthPark community include:

- Charlotte City Council’s SouthPark Small Area Plan (2000)
- City of Charlotte’s Centers, Corridors, and Wedges Growth Framework (2010)
- Urban Land Institute’s (ULI) SouthPark: Envisioning a More Walkable, Multimodal, Future for SouthPark (2016)
- City of Charlotte’s Community Neighborhood Improvement Plan (CNIP) (2018)
- The Loop Framework Plan (2019)

## 2. Vision and Goals

### **Vision Statement**

SouthPark will continue to be one of the City of Charlotte’s premier mixed-use regional activity centers through the continued investment in public infrastructure that will improve walkability and connectivity and build more vibrant public places. Great streets, more parks and plazas, improved greenspace, and safer intersections that can be used by residents, employees and visitors of all ages and socio-economic backgrounds will be the foundation for future investment in the SouthPark activity center. Whether by the public or private sectors, these activities will ensure continued economic vibrancy and help to reinforce SouthPark’s unique identity and reputation within the region and within surrounding neighborhoods.

### **SouthPark MSD Goals**

The overarching goal of the SouthPark MSD is to strengthen SouthPark’s ability to attract and retain employment opportunities and generate new property and retail sales tax revenue for the City of Charlotte by implementing projects that enhances the area’s locational advantages for both employment and residential living. As the SouthPark area continues to urbanize, it is essential that there is a comprehensive plan to manage future growth and focus limited resources on projects that will ensure continued success and protect economic vitality.

1. Promotion, planning, advocacy, and funding of capital investment to enhance the economic vitality of SouthPark, including street lighting, street and sidewalk connections, and pedestrian and multi-modal paths.
2. Management of contracts to provide enhanced service needs for SouthPark, including enhancements in hospitality, safety, and security and beautification.
3. Branding, promotion, and marketing of SouthPark to increase tax base and maintain a unique identity for the area.
4. Creation of an advocacy group to represent area interests and coordinate with government and private agencies, business owners, and residents.

### **MSD Tax Rate**

To accomplish the goals identified above, the SouthPark Community Partners support a four-cent dedicated property tax rate levied on properties in the proposed MSD boundary. This tax will generate approximately \$1.38 million in the first fiscal year following adoption.

<b>Year 1 Following SouthPark MSD Adoption</b>	<b>Estimated Revenue</b>
Total Property Valuation <i>(less exempt properties)</i>	\$3.48 Billion
Proposed Tax Rate	\$0.0400/\$100
Total Potential Revenue	\$1.39 million
Expected Revenue with 99% Collection Rate	\$1.38 million

### **3. First Year Implementation Tasks**

Below is a summary of work plan activities that could be implemented during Year One. While the primary focus will be on building organizational capacity needed to implement future activities, additional marketing and promote the District.

#### **Build Organizational Capacity**

- **Establish a Board of Directors for SouthPark Community Partners**

A Board of Directors will be elected to set goals and objectives and oversee the allocation of MSD funds. The Board would be responsible for developing an annual workplan and maintaining regular communication with SouthPark stakeholders including property owners and their tenants. The Board would include representatives from SouthPark's major landowners including those representing SouthPark's office, retail, hospitality and housing sectors. Other key board members would include small business owners, as well as the SouthPark Association of Neighborhoods and the City of Charlotte.

Board terms and leadership responsibilities would be outlined in the organization's By Laws and Articles of Incorporation including the establishment of an Executive and other committees necessary to oversee proposed scope of work and reporting requirements.

- **Hire MSD Staff**

SouthPark Community Partners would be responsible for hiring professional staff to oversee day to day activities and translate the Board's goals into actions. In addition to a full-time Director, the organization also would hire an administrative assistant to manage office activities. It is expected that office space may be donated during the first year of operation.

Staff would be responsible for the following:

- Oversee administrative aspects involved with running the SouthPark organization including the preparation of an annual budget and workplan, overseeing committee activities and the execution of contracts.
- Advocate for the SouthPark area to prospective businesses or investors and elected officials.
- Act as the spokesperson for the SouthPark area, including coordinating with public and private entities.
- Help to build strong, productive relationships among Southpark's businesses, property owners and other key stakeholders that will translate into stronger economic vitality.

- **Oversee the Completion of Priority Projects**

SouthPark Community Partners will coordinate the public-private partnerships necessary to move priority projects forward within the MSD including the Loop Trail that will enhance multi-modal mobility within the District.

#### **Strengthen SouthPark's Brand**

- **Prepare Marketing Materials**

The organization would work with staff to update and prepare new marketing materials that could be used to build brand identity for the SouthPark District. Specific marketing products that would be developed include:

- Develop a logo and tagline that would tell "SouthPark's story."
- Develop a website that could highlight new projects, events and local businesses and information about the organization including vision, priorities and minutes of meetings.
- Wayfinding signage that would incorporate the new logo or brand.
- Fact sheets, videos or other marketing materials that provide reinvestment and employment information.

- **Implement a Marketing Campaign**

The organization would oversee an on-going marketing campaign to elevate SouthPark's image within the region through advertising, special events and image campaigns. Specific activities include:

- Hire consultants to develop a public relation or advertising campaign to promote the area to potential investors, residents and visitors.
- Work with partners to develop a SouthPark event that would attract visitors and residents from across Charlotte.
- Promote the District in local and regional publications, social media platforms, radio and television.

## **Economic Vitality**

- **Develop a SouthPark Data Base**

- The data base would be used to identify trends and opportunities for new business activity and areas for improvements including public infrastructure or transportation related improvements.
- The data base would include information on property ownership, use, rent, vacancy rates, traffic counts and other locational amenities or concerns.

- **Conduct a Market Assessment**

The assessment would compile background market information regarding customer's demographics, lifestyles and socio-economic characteristics that could be used to determine opportunities for new businesses in the area including opportunities for new hotels, offices, medical educational and civic or cultural uses.

- **Use Website to Promote Site Opportunities**

The organization's website can be used as a platform to promote available site opportunities as well as listing agents or companies.

- **Work with Partners to Strengthen businesses**

The organization would work with partners to develop educational training and networking opportunities for SouthPark businesses to help them increase sales or strengthen business operations.

- **Promote SouthPark with Local and State Economic Development Agencies**

- Meet regularly with representatives of the City of Charlotte's Economic Development Department regarding potential employer relocation or expansion opportunities.
- Meet with NC Dept. of Commerce to better understand possible funding opportunities.
- Advocate for financial incentives or tools that would encourage new investment or create jobs.

- **Advocate for Funding for SouthPark**

SouthPark Community Partners will actively advocate for capital investment program dollars, as well as seek other sources of funding, to move priority infrastructure projects forward within the MSD.

## **Place-Making**

The organization will work with the City of Charlotte and other partners to make improvements that will build a stronger sense of place and increase residents' connection with the built environment. These projects would include:

- **Oversee Image Activities**

The organization will work with volunteers to increase street-level activities that would encourage customers to linger longer in the District including live performances, public art installations and interactive games or events held around the District.

- **Implement Place-making Projects**

The organization would work with the City and partners to develop new projects that would reinforce the MSD image through new public art, more plazas or parklets and by activities that would accelerate the construction of the Loop.

- Seek additional funding to complete items outlined in the Loop framework including street furniture and activation and programming elements along the completed trail. The Loop is a planned three-mile bicycle and pedestrian path that connects shops, restaurants, hotels, and parks in the SouthPark activity. Possible funding includes federal, state, local and philanthropic donations as well as future MSD funds.
- Seek funding to complete the Backlot Trail, a greenway trail that would connect SouthPark residents to the Cross Charlotte Trail (X-CLT) when completed.

- **Enhance Safety, Security, and Hospitality in the District**

The organization would augment current safety measures through an Ambassador Program that could provide additional support for the area, including monitoring and reporting illegal activity to authorities, identifying conditions that are unsafe and could impact public safety, and providing hospitality assistance like providing directions, information, and assistance to visitors, workers, and residents.

#### 4. Proposed Budget Allocation

Based on a tax rate of four cents per \$100 valuation of property, the SouthPark MSD is projected to generate revenues of approximately \$1.38 million during Fiscal Year 2022-2023 based on current property valuations and a 99% collection rate. Expected program expenses are based on established budgets from the existing MSDs in Charlotte, as well as feedback on priorities based on planning sessions with SouthPark Community Partners. The revenue generated is expected to be expended in FY2022 as follows:

<b>Program Expenses</b>	<b>Expected Budget</b>	<b>Percent of Budget</b>
<b>Operating Expenses</b>	<b>\$395,000</b>	<b>28.6%</b>
Personnel	\$250,000	18.1%
Benefits, Travel and Training	\$110,000	8.0%
Office Space and Supplies	\$35,000	2.5%
<b>Events, Planning, Economic Development, and Capital Projects</b>	<b>\$936,800</b>	<b>67.9%</b>
Advertising / Marketing / Events	\$200,000	14.5%
Planning, Economic Development, Safety & Beautification	\$400,000	29.0%
Advanced Infrastructure Planning / Capital Projects	\$336,800	24.4%
<b>Unbudgeted Revenue / Fund Balance</b>	<b>\$48,000</b>	<b>3.5%</b>
<b>Total Budget</b>	<b>\$1,379,800</b>	<b>100.0%</b>

#### 5. Approval Timetable

##### **December 13, 2021:**

Council authorizes City Manager to direct staff to create supporting documentation for creation of a municipal service District in SouthPark.

##### **January 2022:**

Staff prepares a report documenting the map of the proposed District, statement that the area needs additional services, and a plan for providing those services.

**January 28, 2022:**

Notices mailed to all property owners within the proposed District with proposed boundary map.

**January 28, 2022:**

SouthPark Finding of Need Report is published for public review. The report was made available at the office of the City Clerk.

**February 8, 2022 & February 15, 2022:**

Public hearing advertised in local media outlets.

**February 28, 2022:**

City Council holds a public hearing.

**March 28, 2022 & April 11, 2022:**

City Council reviews MSD ordinance to establish the SouthPark MSD at two separate meetings following public hearing.

**April 2022:**

SouthPark Community Partners files Articles of Incorporation as a 501c4, establishes By-Laws and elects the Board of Directors, and begins the search for an executive director and support staff.

**April 2022:**

SouthPark Community Partners files a Procurement Waiver to partner with the City of Charlotte to provide oversight of the MSD in its first pilot year.

**May-June 2022:**

SouthPark Community Partners hires full-time staff and identifies office space and secures equipment.

**July 1, 2022:**

SouthPark MSD tax levy effective July 1 following establishment of District.