

Creating a SouthPark

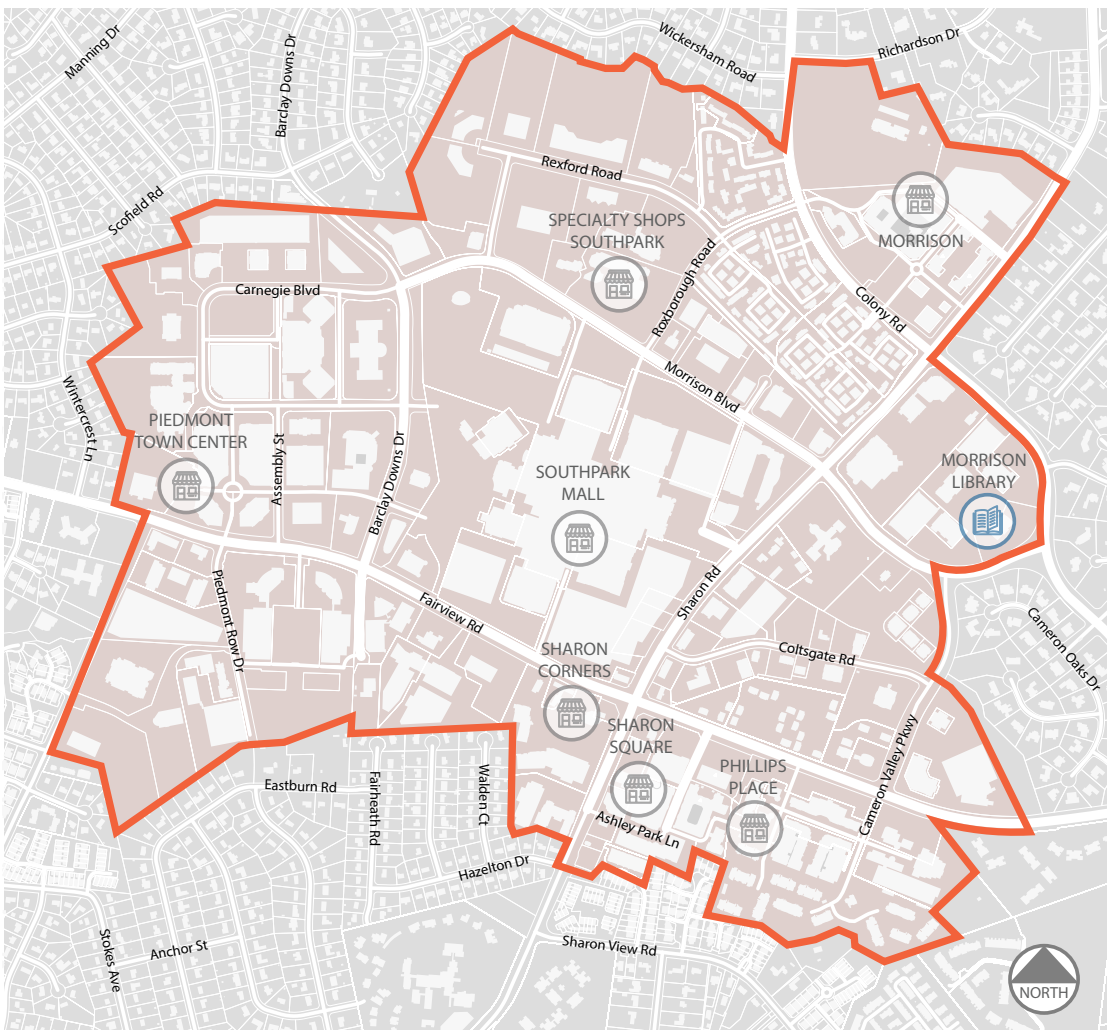
Municipal Service District (MSD)

PURPOSE

SouthPark is a premier, mixed-use activity center in Charlotte, supporting a significant concentration of jobs and contributing to the overall economic vibrancy of the City. However, to maintain competitiveness, SouthPark will need focused and continuous infrastructure investment. Previous planning initiatives for the SouthPark area, including the SouthPark Urban Land Institute Advisory Services Panel Report, the SouthPark Comprehensive Neighborhood Improvement Plan, and The Loop Framework Plan, all recommend the establishment of a dedicated funding stream to address the specific needs of the area.

In March 2021, a group of business owners and residents began a four-week process to determine the local appetite to establish a Municipal Service District (MSD) in SouthPark. North Carolina General Statutes allow cities to create special service districts to address strategic priorities. An additional property tax is levied in order to provide projects or extra services that benefit the properties in the district. The City of Charlotte currently has five established MSDs across the Uptown, South End, and University City neighborhoods.

PROPOSED MSD BOUNDARY



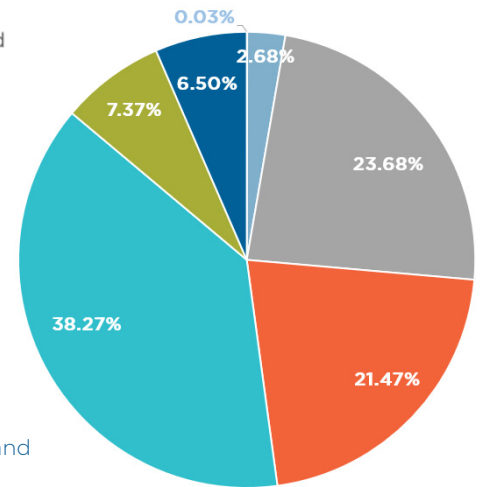
LEGEND

-  Retail and Dining
-  School or Library
-  Commercial MSD Boundary Line

Creating a SouthPark Municipal Service District (MSD)

The proposed SouthPark MSD district has a total property valuation of nearly \$3.5 million, representing 1.7% of the total for all of Mecklenburg County. By property valuation, office and commercial properties, anchored by SouthPark Mall, comprise approximately 60% of the total. Multifamily residential communities make up another 2.37% of the total. Single-family detached, townhouse, and condominium properties represent only 2.7% of the total valuation in the MSD. SouthPark Mall has the highest individual valuation in the proposed district. Six of the top 10 individual properties in the proposed district are multifamily communities.

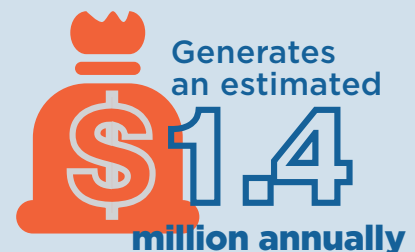
- Single-Family Detached
- Townhouse/Condo
- Apartments
- Commercial
- Office
- Hospitality
- Other



Property Valuation by Land Use, SouthPark, 2022

POTENTIAL ANNUAL REVENUE

Existing MSD's in Charlotte have a wide range of tax rates, which are established based on the specific needs of each area. Initial projections for SouthPark assume a potential rate of \$0.04 per \$100 in property valuation, in line the rate established for South End. At this assumed rate, a proposed SouthPark MSD would generate approximately \$1.4 million in annual revenue to be used for projects and services within the district.



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|---------------------------------|-------------------------------|
| ADVOCACY | CAPITAL IMPROVEMENTS |
| MARKETING & BRANDING | SECURITY |
| PLACEMAKING | ORGANIZATION |
| BUSINESS RECRUITMENT | PROMOTION & EVENTS |

Priorities for spending must be clearly defined prior to establishing as part of the adoption process. Revenue generated by the MSD could be used to fund a variety of services that enhance, not replace, existing services in the area. The services should reflect the specific needs of the SouthPark neighborhood. Given that the service needs of high-density mixed-use employment centers are often greater than those generally provided throughout the city, MSDs can be an effective tool for enhancing and revitalizing these districts and increasing their long-term economic viability.

MOVING FORWARD

A public hearing regarding the creation of a new MSD in SouthPark will be held at the Charlotte-Mecklenburg Government Center at 600 East Fourth Street, Charlotte, North Carolina, at 7:00 p.m. on February 28th, 2022. All questions about the adoption of the proposed SouthPark Municipal Service District should be directed to Christina Thigpen in the Charlotte Economic Development Office at 704-336-3857 or Christina.Thigpen@charlottenc.gov.