

Municipal Service District (MSD):

**RAISING
THE
BAR**

**For a Better Downtown
Wilmington**

February 2, 2016

Chicken or the Egg

We all want a
better
downtown!

How do we
add services
to make
downtown
better?

MSDs are an Answer

We all want a
better
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MSD

How do we
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How Did We Get Here

- **Vision 2020 Plan (2004)**
- **Water Street Deck Consultant Recommendation (3/14)**
- **City Council asked WDI to examine (9/14)**
- **Created and Convened Representative Task Force**

- **Clark Hipp**, Hipp Architecture
- **Christie Brogan**, 128 Events Center, Bakery 105
- **Nancy Bullock**, Cotton Exchange, Chandler's Wharf, Front St. Centre
- **Trip Coyne**, Resident
- **Brian Eckel**, Cape Fear Commercial Properties,
- **Marcia Frelke**, Downtown Darlings

- **Tom Harris**, Front Street Brewery
- **Cathey Luna**, Luna | Ad
- **Tom Morgan**, Resident
- **Justin Smith**, The Husk
- **Colin Tarrant**, Smith Moore Leatherwood

Ex Officio

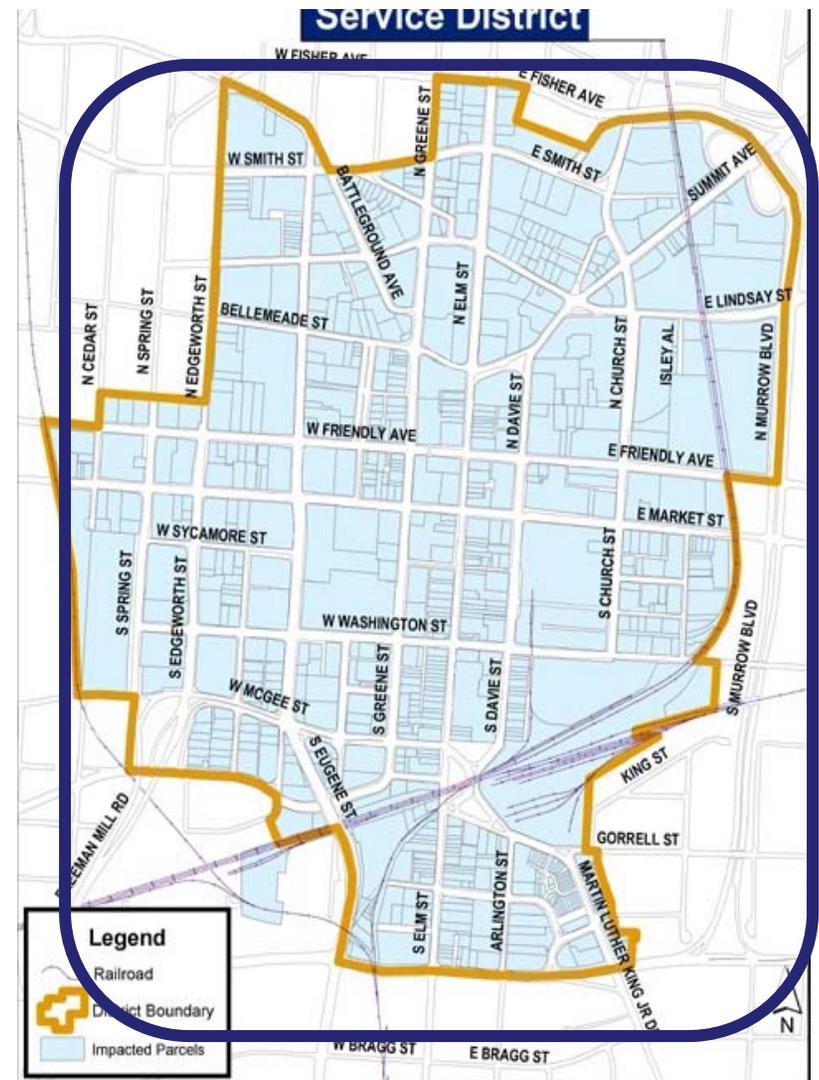
- **Glenn Harbeck**, City of Wilmington
- **Chris O'Keefe**, New Hanover County

How Did We Get Here

- **Deliberate, Transparent and Thoughtful Process**
- **Mailed Brochure With Background Information**
- **Property & Business Owner Input on Priority Issues**
- **Public Meeting #1 – Priority Issues Result - 12/11/14**
- **Site Visit – Winston Salem, Durham, Raleigh**
- **Meetings with Individuals and Groups**
- **Public Meeting #2 – Reviewed Concerns Heard & Outlined Remaining Challenges – 4/12/15**
- **Report to City Council – Suggested Continuation 5/5/15**
- **Extension Approved by Council – 10/15**
- **Affinity Group Meetings**
- **Public Meeting #3 – 1/20/16**

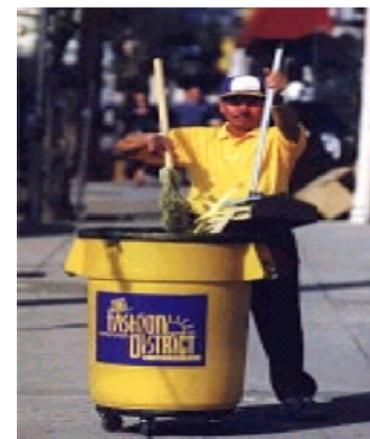
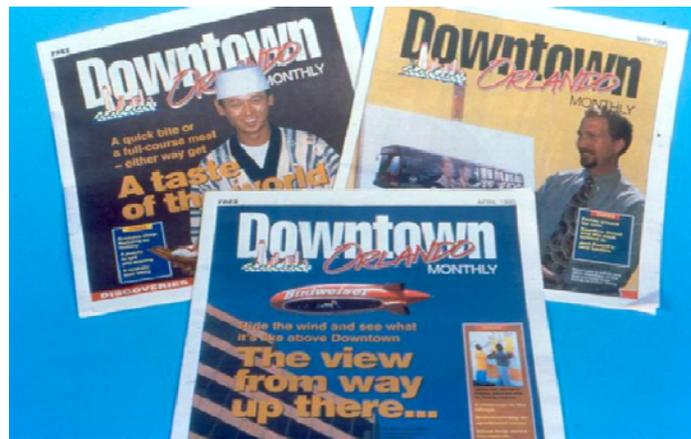
What is an MSD

- Based on the benefit district concept
- State Law Requirements
- Assessment on real and personal property within a defined area
- Extra, not replace, services
- Funds must stay in district for extra services
- Ratepayer input
- City is taxing entity



Why an MSD

- **Downtown requires a greater level of services than most local governments can deliver**
 - Frequency of service may be inadequate
 - Some services are inappropriate for local government to provide
 - Must balance service needs with other neighborhoods
- **Volunteer groups often lack the organizational capacity to sustain efforts**
- **MSD's are a proven, long term tool**



56 MSD's in NC

per \$100 of valuation

<u>City</u>	<u>Rate</u>
Albemarle	.10
Burlington	.16
Chapel Hill	.0710
Charlotte: D #1	.0168
District #2	.0233
District #3	.0358
Chimney Rock	.06
Clinton	.18
Concord	.23
Davidson	.05
Dunn	.12
Durham (BID)	.07
Elizabeth City	.06
Elkin	.10
Fayetteville	.10
Gastonia	.20
Goldsboro	.2350
Greensboro	.08

<u>City</u>	<u>Rate</u>
Kinston	.17
Laurinburg	.21
Lexington	.20
Morganton	.14
Mount Airy	.21
New Bern	.12
Oxford	.20
Pinehurst	.05
Raleigh: Dtwon	.0786
H'borough St	.10
Reidsville	.25
Rocky Mount	.20
Salisbury	.1750
Sanford	.13
Shelby	.22
Smithfield	.19
Statesville	.10
Winston Salem	.09

The Task Force Heard Concerns

- **Is it Really Needed**
- **Financial Impact**
- **Residential Impact**
- **The City Should Do More**
- **Could the City Fund a 1-year Demonstration Project**
- **Who Decides How Funds Are Spent**
- **Will this Add Value**



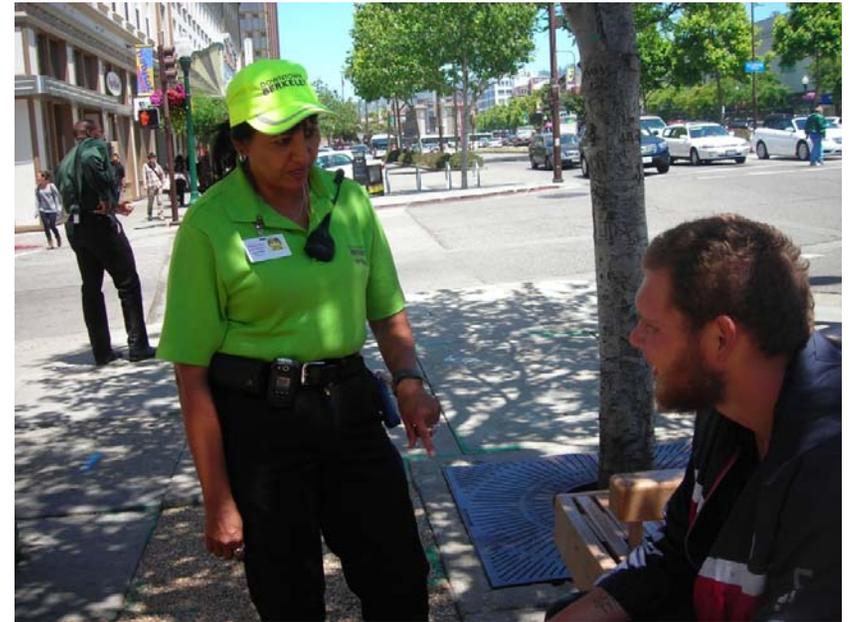
Priority Services Issues

1. Public Safety
2. Economic Development
3. Maintenance
4. Street Beautification
5. Special Events
6. Marketing & Promotions
7. District Identity
8. Transportation
9. Communications/ Advocacy



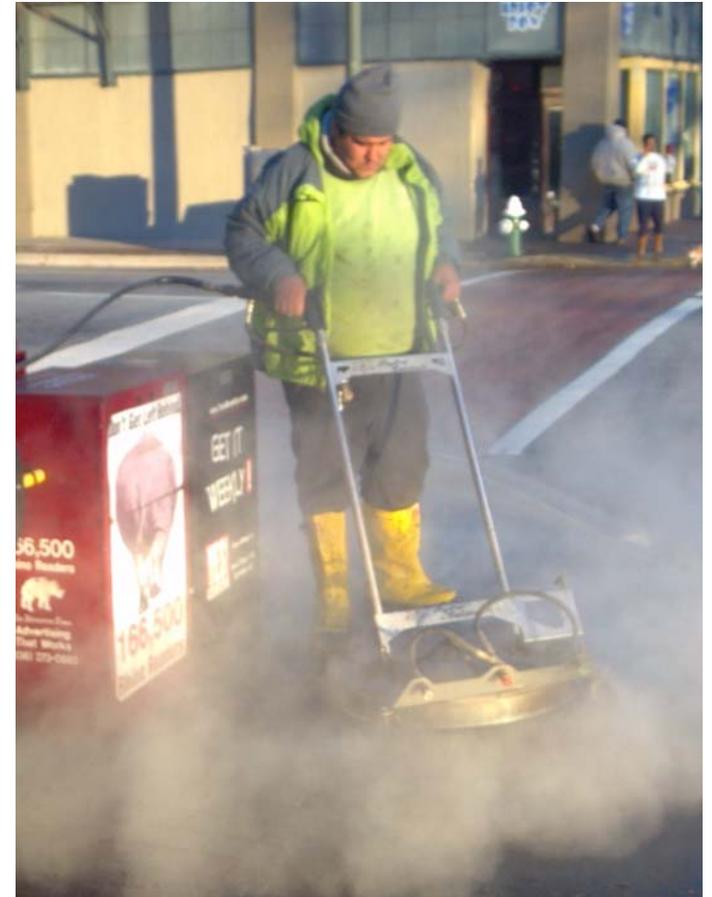
Service: Better Public Safety

- Daytime and early evening patrols (until 11pm) team of 5 FTE (*50% increase day*)
- Target areas that WPD does not regularly and routinely patrol, discourage any low level crimes
- Escort residents, workers or customers to destinations
- Help people in need to shelters or other services
- Public relation checks with businesses and homeowners
- Deliver hospitality, directions or recommendations



Service: Better Cleanliness

- 7 day a week - hand broom and pan sweep
- Graffiti identification and removal
- Deep clean/power wash sidewalks, trash cans
- Remove illegal handbills, flyers and stickers
- Damp wipe benches, newsracks, trash cans and utility boxes
- Straighten newsracks, mail boxes, trash cans and movable fixtures
- Weed removal that city crews miss
- Touch up paint
- Remove pedestrian impediments



Service: Better Economic Development

- Publish business recruitment packets, market studies, demographics
- Attend national or regional trade shows to attract new investors
- Matching grant programs to spur private investment
- Report on residential amenities and growth and promote living options to real estate brokers and the community



Service: Better Public Space

- **Install, maintain and expand the street banner program**
- **Install and maintain additional cigarette waste disposal units**
- **Identify and report street light outages**
- **Monitor pet waste stations**
- **Install and maintain new landscaping such as flowers in tree wells, containers, etc.**
- **Install and maintain additional holiday decorations**



Service: Better Marketing

- Publish annual shopping, dining and entertainment guide
- Direct a sustained advertising campaign
- Add messages to include quality of life amenities for residents and consumers
- Create and direct co-operative marketing campaigns to attract commercial and residential consumers
- Promote donations to charitable agencies instead of giving money directly to panhandlers



WANT TO HELP?

YES to charities	NO to panhandling
<ul style="list-style-type: none">• Food• Clothing• Services	<ul style="list-style-type: none">• Drugs• Alcohol• Perpetuates problem

NOT TO PANHANDLERS

Find Out How to Help

cityofventura.net/panhandling CITY OF VENTURA

Proposed Rate

- **Minimize financial impact/
Maximize public benefits**
- **7 cents per \$100 of valuation (*state average is 13c per \$100*)**
- **Mid-point: \$112 year**
- **Average: \$246 year**
- **New MSDs Winston, Durham:
*Investment Still Coming &
Nationals Too***



31 South Front

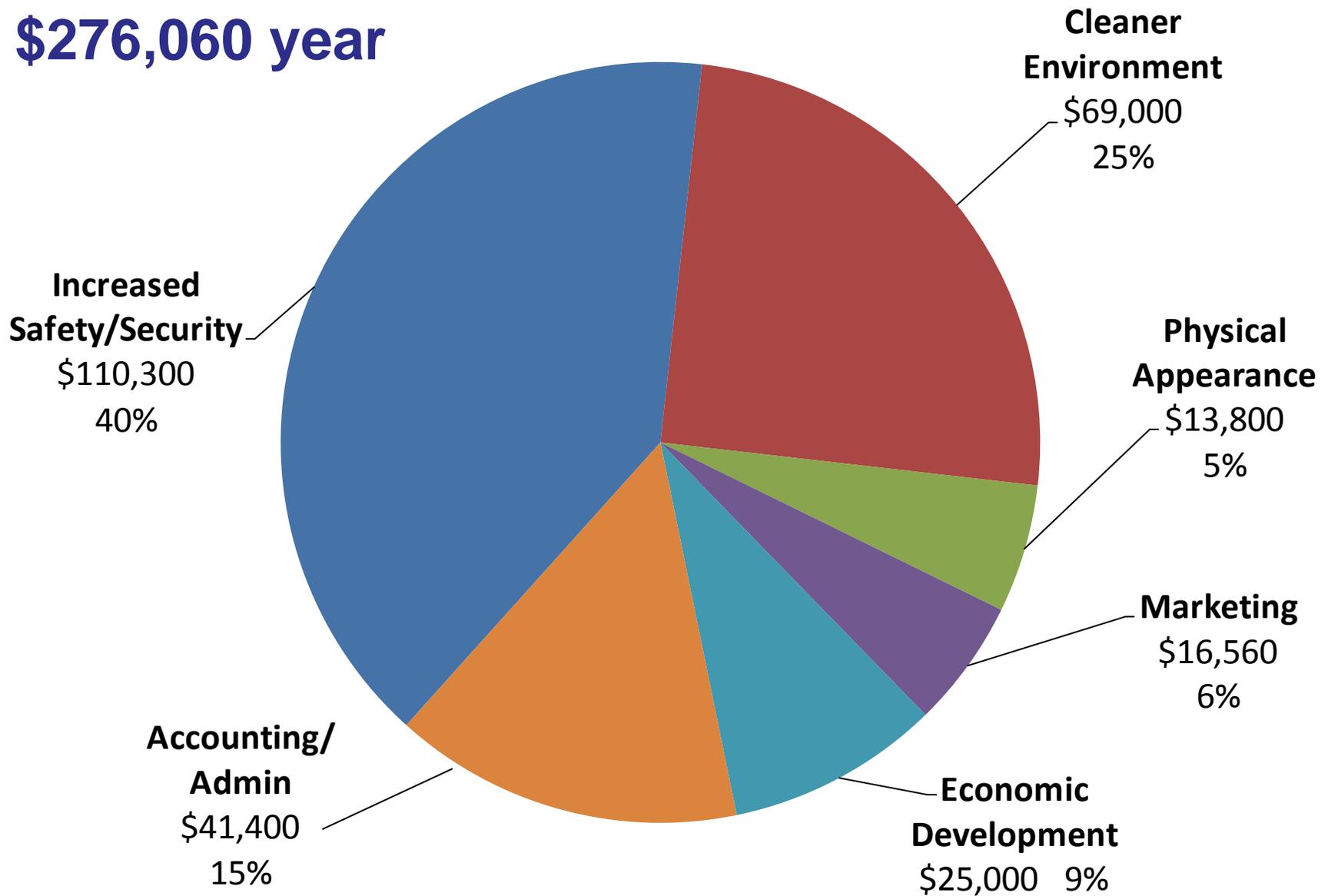
Proposed Rate Impact

<u>Tax Value</u>	<u>Annual</u>	<u>Monthly</u>	<u>Daily</u>
\$100,000	\$70	\$5.83	\$0.19
\$250,000	\$175	\$14.58	\$0.48
\$1,000,000	\$700	\$58.33	\$1.92

Note: New Hanover County public records list the value for all real and personal property and the information is on-line

Draft Budget @ 7 cents per \$100

\$276,060 year



Management Structure

- **Property Owner Oversight**
 - Not City Department/Staff
 - More than only WDI
- **New MSD Advisory Commission**
 - Specific Categories
 - Appointed by City Council
 - Set Priorities and Programs
 - Quarterly Reviews
- **Budget Reviewed and Set Annually by City Council**

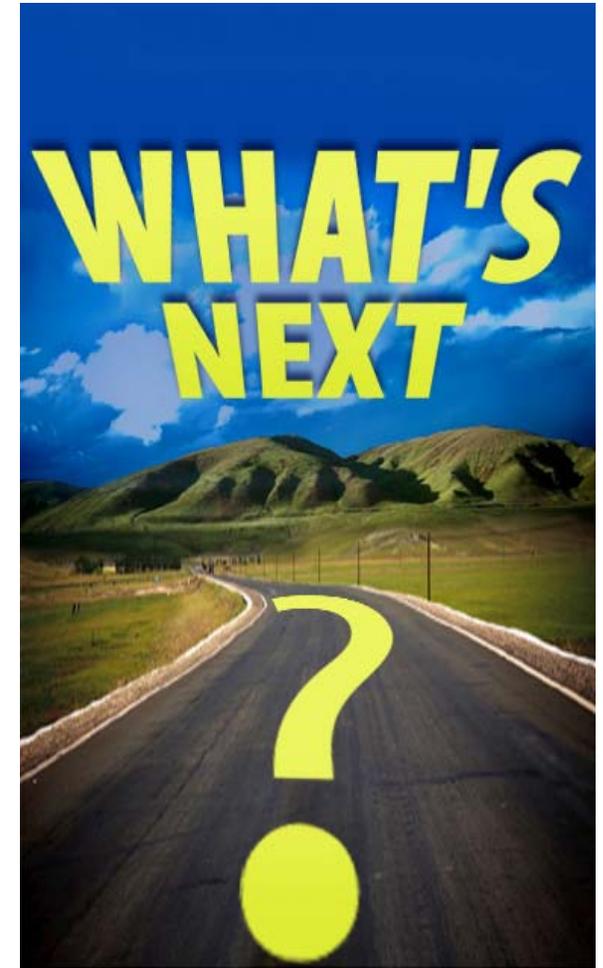


Downtown Wilmington MSD Advisory Committee Structure

1	Resident	Owns a dwelling within the service district that is his or her primary place of residence.
2	Resident	
3	Resident	
4	Owner of a Large Property	Property owner or owner rep (individual, company, or corporation) whose combined assessed value is over \$2 million.
5	Owner of a Large Property	
6	Hospitality Representative	Hotel or event facility property owner or rep located in the district.
7	Real Estate Developer	Real estate developer owner or owner's representative located in the district.
8	Restaurant Representative	Owner or manager of a restaurant located in the district.
9	Retail Representative	Owner or manager of a retail establishment located in the district.
10	WDI Board Member	WDI Board member and a property owner or owner's rep located in the district.
11	Professional Service Representative	Owner or owner's rep of an office business located within the district.
12	Night Life Representative	Owner or owner's rep of a bar or nightclub located in the district.
13	At Large Representative	Owner of real or personal property within the district.
Ex-Officio - Non-Voting Member – City Manager or Designee		

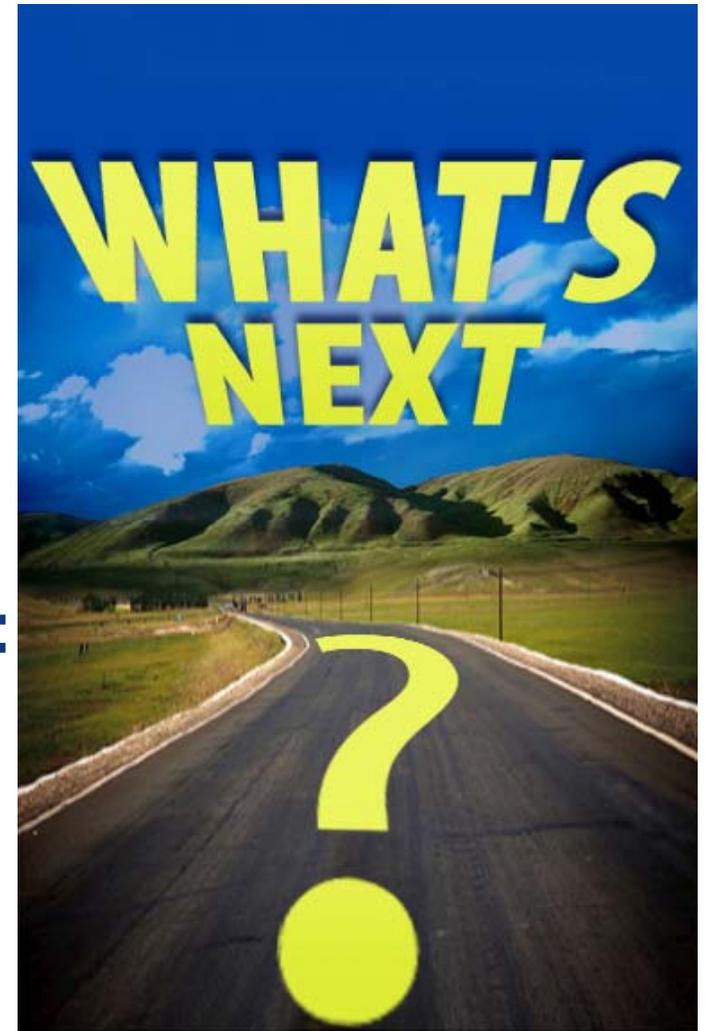
What's Next

- **City Council to Consider WDI Recommendation:**
 - Reject/Modify/Defer
 - Move Forward – if so:
- **Call for Public Hearing – 30 days:**
 - Publish Plan for Public Review
 - Mail Notice to Property Owners
 - Publish Legal Notice
- **Public Hearing at City Council:**
 - Comments
 - Reject/Modify/Defer the Plan



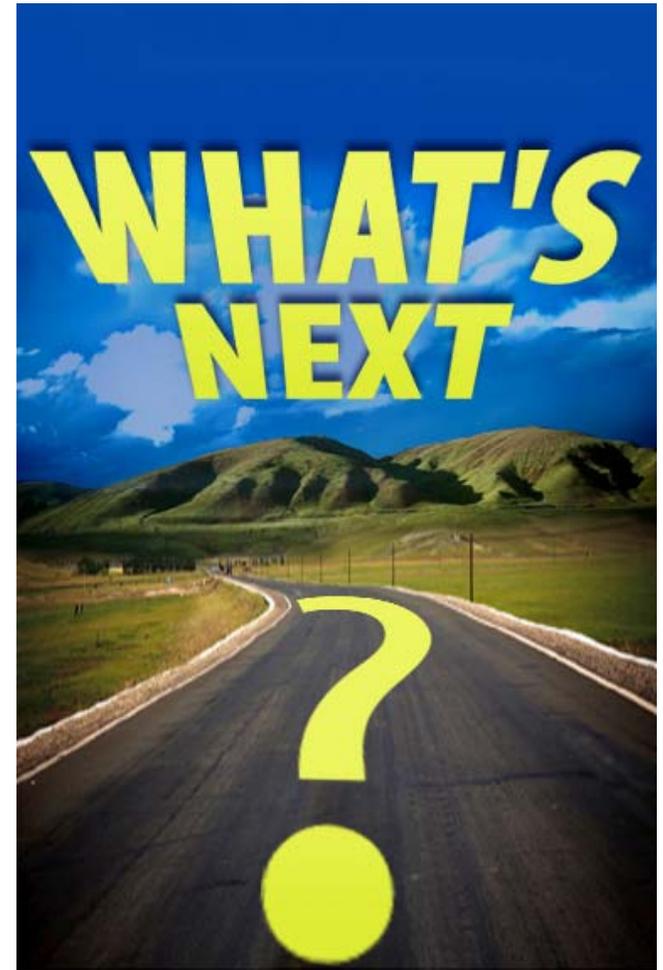
What's Next

- **If Approved at Public Hearing:**
- **Create Oversight Committee**
- **Bid the MSD Management:**
 - **Develop Specifications**
 - **Advertise and Accept Bids**
 - **Review Submissions**
- **Public Hearing at City Council:
MSD Management**
 - **Select Vendor**
- **MSD Starts July 1, 2016**



What's Next – If Moving Ahead

- **Outreach So Far:**
 - Previous mailings above and beyond State minimum
 - Dozens of reviews with individuals and organizations
 - 3 Public meetings
- **Connect with More Property Owners**
 - Anyone and anytime
 - Visit with merchants
- **Details on WDI website**
www.wilmingtondowntown.com



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