



# CITY of WILMINGTON North Carolina

ITEM PH5a

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28402

OFFICE OF THE CITY MANAGER  
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6/6/2017

City Council  
City Hall  
Wilmington, North Carolina 28401

Dear Mayor and Councilmembers:

Attached for your consideration is a budget ordinance to provide professional services for the Municipal Services District. The budget is in the amount of \$377,000 in revenues and \$377,000 in expenditures.

On December 6, 2016 City Council established the Municipal Services District along with a tax rate of \$0.07 per \$100. The total value of the district is \$545.3Million. The services to be provided include increased safety, cleaning, and marketing. In addition, there will be a focus on physical appearance and economic development in the area.

Wilmington Downtown Incorporated was the sole solicitor for the contract. They currently provide other economic development and marketing services to our downtown.

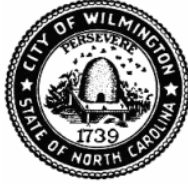
Passage of the attached Ordinance is recommended.

Respectfully submitted,

Sterling B. Cheatham,  
City Manager

PH5a-1

# Ordinance



City Council  
City of Wilmington  
North Carolina

**Introduced By:** Sterling B. Cheatham, City Manager

**Date:** 6/6/2017

**Ordinance Making Appropriations to the Downtown Municipal Service District Special Revenue Fund in the Amount of \$377,000 for Fiscal Year Beginning July 1, 2017**

**LEGISLATIVE INTENT/PURPOSE:**

Article 23 of North Carolina General Statute 160A defines the services provided in the Municipal Services District. Article 23 of North Carolina General Statute 160A sets forth the plan for providing the services in the district including the necessary budget to provide the services.

**THEREFORE, BE IT ORDAINED:**

**SECTION I:** That the following appropriations are hereby made to the Special Tax District Fund, and that following revenues are anticipated to be available during the fiscal year to meet these appropriations.

**SPECIAL TAX DISTRICT**

**REVENUE:**

Ad Valorem/CBD-Municipal Service District \$377,000  
029-0000-311.03-00

**APPROPRIATIONS:**

Other Professional Services \$377,000  
029-3815-463.31-60

**SECTION II:** Revenues to support the Municipal Services District are levied based on a values of the district. These values are assessed at \$545.3 million. On December 6, 2016 City Council set a tax rate of \$0.07 per hundred dollars of assessed value.

**SECTION III:** That there is hereby levied tax rate of \$0.07 per \$100 valuation of taxable property as listed for taxes as of January 1, 2017 for the Wilmington's Central Business District for the purpose of raising revenue from current property tax as set forth in the foregoing estimate of revenues. The potential revenues will be \$377,000.

**SECTION IV:** Expenditures to support the services of the Municipal Service District:

**Proposed Municipal Services District Budget**

**Safety**

Contracted Services	\$140, 110	4.6 Fulltime employee equivalent
Equipment	\$2, 225	Transportation
Communications	<u>\$1,800</u>	Cycop units/activity tracking
<b>Total Safety</b>	<b>\$ 144, 135</b>	<b>184 hour per week</b>

**Clean**

Contracted Services	\$82,935	2.5 Fulltime employee equivalent
Equipment	\$11, 705	Transportation, cleaning tools, pressure washer
Communications	<u>\$1,800</u>	Cycop units/activity tracking
<b>Total Clean</b>	<b>\$96,440</b>	<b>100 hours per week</b>

**Physical Appearance**

Banners	\$5,000	40 to 50 banner and Installation
Landscape/beautification	\$7,500	Installations and locations tbd
Holiday decorations	<u>\$7,500</u>	Displays and locations tbd
<b>Total Physical Appearance</b>	<b>\$20,000</b>	

**Marketing**

Print Materials	\$10,000	Brochures, rack cards, flyers, poster, tbd
Advertising buys	\$11,880	Outlets and frequency tbd
Outreach	<u>\$20,000</u>	Content creation and distribution
<b>Total Marketing</b>	<b>\$41,880</b>	

**Economic Development**

Facade Matching Grants	\$15,000	6 projects at \$2,500 per
Landscaping Matching Grants	<u>\$3,000</u>	2 projects at \$1,500 per
<b>Total Economic Development</b>	<b>\$18,000</b>	

**Overhead**

Accounting and audit	\$5,000	Independent service provider
Warehouse and office	\$7,000	Equipment storage and staff
Office and supplies	\$5,000	Telecommunications, website, copier, etc.
	<u>\$39,545</u>	MSD Advisory committee, subcontractor oversight, committee operations, reception, public meeting, City report, etc.
<b>Total Overhead</b>	<b>\$56,545</b>	15% flat fee recommended by MSD Task Force

**Projected Budget \$377,000**

Adopted at a \_\_\_\_\_ meeting  
on \_\_\_\_\_ 2017

ATTEST:

\_\_\_\_\_  
Penelope Spicer-Sidbury, City Clerk

\_\_\_\_\_  
Bill Saffo, Mayor  
APPROVED AS TO  
AVAILABILITY OF FUNDS:

\_\_\_\_\_  
Finance Director