

# Manager's Update

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## INFORMATION:

### **Convention Center *Share Your Meal* Program**

*Staff Resource: Kerry Painter, Conv. and Performing Arts Centers, 996-8503, [kerry.painter@raleighnc.gov](mailto:kerry.painter@raleighnc.gov)*

In 2019 staff launched a program whereby clients ordering meals are asked if there is a desire to purchase extra meals that will in turn be locally donated. With some initial launch success, the pandemic brought this program to a halt for some time. Now that the Convention Center is back to welcoming guests and conferences, this week The Heart Ball's matched donation resulted in over 6,000 lbs. of donated food that will be delivered to the Food Bank of Central and Eastern North Carolina by Freshpoint on Monday.

This donation will allow the Food Bank to feed over 500 families (not individual people) on April 1. Included in the food items donated were 30 cases of local sweet potatoes (2250 potatoes); 30 cases of Large Local Cabbage (480-500 heads); 20 cases of tomatillos (about 1800); 30 cases of Roma tomatoes (2250 tomatoes); five cases of jalapenos (1800 peppers); and 60 cases of Local Strawberries (480 plastic clam shells). Fresh food for healthy families!

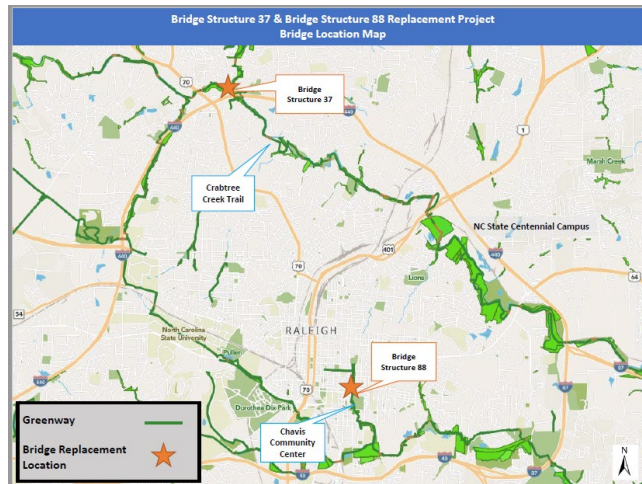
Staff at the Convention Center is honored and proud to partner with the Heart Ball in giving back to the local community through engaged client events.

*(No attachment)*

### **Greenway Bridge Structures 37 and 88 Closure with Detours**

Staff Resource: David Bender, Parks, 996-4798, [david.bender@raleighnc.gov](mailto:david.bender@raleighnc.gov)

Greenway bridge #37, located on the Crabtree Creek Trail between mile markers 11 and 12, and bridge #88, located on the Little Rock Trail, between E. Lenoir St and Worth St and adjacent to Chavis Way, will be closed for replacement beginning in late March 2022 and will re-open in the Fall of 2022.



Bridge #37 is currently a narrow, sharp-turning, timber bridge attached to a sewer crossing over Mine Creek, just upstream of the confluence with Crabtree Creek. This timber structure will be replaced with a 12-foot-wide prefabricated bridge. Bridge #88 is a 64-foot-long timber structure that will be replaced with a 10-foot-wide steel and concrete bridge.

Detours will be available during the construction and replacement of both bridges. For more information on this project, please visit the [project website](#).

(No attachment)

### **Weekly Digest of Special Events**

Staff Resource: Sarah Heinsohn, Special Events Office, 996-2200, [sarah.heinsohn@raleighnc.gov](mailto:sarah.heinsohn@raleighnc.gov)

Included with the *Update* materials is the special events digest for the upcoming week.

(Attachment)

## Council Member Follow Up Items

### Follow Up from the Council Retreat

#### **CARES Act Funding – Affordable Housing (Mayor Pro Tem Stewart)**

*Staff Resource: Mary Vigue, Budget & Management Services, 996-4273, [mary.vigue@raleighnc.gov](mailto:mary.vigue@raleighnc.gov)  
Larry Jarvis, Housing & Neighborhoods, 996-6947, [larry.jarvis@raleighnc.gov](mailto:larry.jarvis@raleighnc.gov)*

During the retreat Council inquired about the spend rate of CARES Act funding for homelessness prevention, emergency shelter and other housing activities. Included with the *Update* materials is a memorandum in response to the inquiry.

*(Attachment)*

### Follow Up from the March 15 Work Session

#### **Convention Center Priority Bookings**

*Staff Resource: Kerry Painter, Conv. and Performing Arts Centers, 996-8503, [kerry.painter@raleighnc.gov](mailto:kerry.painter@raleighnc.gov)*

During the work session Council received information on the Greater Raleigh Visitors Bureau Destination Strategic Plan Refresh. The presentation highlighted progress that has been made to optimize the Convention Center, stressing the need for sales teams to focus on Priority One bookings to fully attain optimization goals. Council requested further clarification on the booking policy and priority strategy. Included with the *Update* materials is a staff memorandum in response to the request.

*(Attachment)*

#### **Blue Ridge Corridor Municipal Service District Study**

*Staff Resource: Mary Vigue, Budget & Management Services, 996-4273, [mary.vigue@raleighnc.gov](mailto:mary.vigue@raleighnc.gov)*

During the work session discussion of the feasibility of establishing a Midtown Municipal Service District (MSD), Council inquired about the status of the Blue Ridge Corridor Municipal Service District study. Staff completed the original Blue Ridge Corridor study in February of 2020. The Blue Ridge Corridor Alliance is completing a report to evaluate the viability of an MSD for the community and recently requested a copy of the staff study.

Budget & Management Services staff recently updated the original report to reflect 2021 property tax information. Included with the *Update* materials is a copy of the revised staff report.

*(Attachment)*

## Weekly Events Digest

Friday, March 25 – Thursday, March 31

City of Raleigh Office of Emergency Management and Special Events  
[specialevents@raleighnc.gov](mailto:specialevents@raleighnc.gov) | 919-996-2200 | [raleighnc.gov/special-events-office](http://raleighnc.gov/special-events-office)

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### Permitted Special Events

#### National MPS Society Raleigh Run for Rare

Dorothea Dix Park, Harvey Hill & Route

Saturday, March 26

Event Time: 8:00am - 1:00pm

Associated Road Closures: Umstead Drive between Cranmer Drive and Middleton Drive will be closed and Harvey Hill will be used from 5:30am until 1:00pm. The following route will be closed from 7:50am until 10:00am:

Start on Umstead Drive at Middleton Drive; Right to stay on Umstead Drive; Right onto S. Boylan Avenue; Left onto Tate Drive; Right onto Richardson Drive; Left onto Umstead Drive; Right onto Middleton Drive; Left onto Palmer Drive; Right onto Biggs Drive; Right onto Whiteside Drive; U-turn on Whiteside Drive at turn-around point; Right onto Biggs Drive; Right onto Ruggles Drive; Left onto Umstead Drive; Right onto Dawkins Drive; Left onto Umstead Drive; Right onto Ruggles Drive; Left onto Biggs Drive; Right onto Palmer Drive; Left onto Cranmer Drive; Left onto Umstead Drive to finish

#### St. Paddy's 4 Miler

Glenwood South & Cameron Park

Saturday, March 26

Event Time: 8:00am - 1:00pm

Associated Road Closures: Johnson Street between Boylan Avenue and Glenwood Avenue will be closed from 8:00am until 1:00pm. Boylan Avenue between Peace Street and Tucker Street will be closed from 10:00am until 12:00pm. Roads along the route will be closed from 10:20am until 12:00pm. [View route here](#) for more details. Note that local traffic will have access to the Hampton Inn & Suites parking deck on Johnson Street, and all cross-streets one block in each direction will be detoured during the event.

#### Spring Health Fling

Raleigh Union Station Plaza

Saturday, March 26

Event Time: 1:00pm - 5:00pm

Associated Road Closures: No roads will be closed for the event. Union Station Plaza will be used from 11:00am until 6:00pm.

### **Plan Ahead**

#### Dreamville Festival

Dorothea Dix Park

Saturday, April 2 & Sunday, April 3

Event Time: 12:00pm - 11:00pm on 4-2-22 & 4-3-22

Associated Road Closures: Construction will be taking place on the Big Field only, however, increased traffic accompanied by large equipment throughout Dix Park is to be expected in advance. Please see details below for more information:

- March 26: Construction of the festival site begins
- March 27 – April 7:
  - The Big Field is closed to the public
  - Biggs Drive will be closed from Blair Drive to Goode Street
- April 1 at 10:00pm – April 4 at 6:00am: All of Dix Park property is closed to the public

For all festival-related information, including tickets, parking, accessibility, entry rules, and safety guidelines, visit the [Dreamville Festival website FAQs](#).

## Other Events This Weekend

### [Lúnasa - PineCone](#)

Friday, March 25  
Fletcher Opera Theater

### [All Mozart – North Carolina Symphony](#)

Friday, March 25 & Saturday, March 26  
Meymandi Concert Hall

### [Vintage Market](#)

Saturday, March 26  
Moore Square

### [Explore Dix Park: Birdwatching](#)

Saturday, March 26  
Dorothea Dix Park, Flower Cottage

### [Rodney Carrington: Let Me In!](#)

Saturday, March 26  
Memorial Auditorium

### [Snow White – Carolina Ballet](#)

Saturday, March 26 & Sunday, March 27  
Fletcher Opera Theater

### [Black Flea Market](#)

Sunday, March 27  
Moore Square

### [Harlem Globetrotters](#)

Sunday, March 27  
PNC Arena

## Public Resources

[Pilot Text Alert Program](#): Sometimes spontaneous events happen downtown and in other areas that could affect local businesses. If you'd like to receive notifications when those events happen, including unpermitted ones, sign up for text alerts.

[Event Feedback Form](#): Tell us what you think about Raleigh events! We welcome citizen and participant feedback and encourage you to provide comments or concerns about any events regulated by the Office of Emergency Management and Special Events. We will use this helpful information in future planning.

[Road Closure and Road Race Map](#): A resource providing current information on street closures in Raleigh.

[Online Events Calendar](#): View all currently scheduled events that impact City streets, public plazas, and Dorothea Dix Park.

# Council Member Follow Up

To	Marchell Adams-David, City Manager
From	Mary Vigue, Budget & Management Services Director Larry Jarvis, Housing & Neighborhoods Director
Department	Budget & Management Services Housing & Neighborhoods
Date	March 18, 2022
Subject	Council Follow-up Item: March Retreat Affordable Housing – CARES Act Funding

At the Council Retreat, Council Member Stewart inquired about the spend rate of CARES Act funding for homelessness prevention, emergency shelter and other housing activities. In response to this inquiry, the table from the Quarter 2 Financial Report is updated with information through March 8, 2022. Also included in the table are the partner non-profits; those agencies assisting the City in providing the services listed under the grant purpose.

Title of Grant	Grant Purpose	Grant Award	Total Amount Expended	Total Encumbered	Balance Remaining	Partner Non-Profits
CDBG-CV1 CARES Act (5/25/2026)	Rental and mortgage assistance for households impacted by COVID-19.	\$1,878,051	\$1,602,604	\$275,447	-	1. DHIC 2. Legal Aid 3. Oxford House 4. Raleigh/Wake Partnership 5. Passage Home 6. Telamon Corp. 7. Triangle Family Services
CDBG-CV3 CARES Act (5/25/2026)	Public Service programs for households impacted by COVID-19 and Public Facility improvements for agencies using their facilities to respond to COVID-19.	\$2,672,436	-	\$1,554,048	\$1,118,388	1. Families Together 2. Green Chair 3. InterAct 4. Oak City Cares 5. Oxford House 6. Passage Home 7. Telamon Corp. 8. Triangle Family Services 9. WakeMed
ESG-CV1 CARES Act (9/30/2022)	Emergency shelter, homelessness prevention, Homeless Management Information System (HMIS), and rapid re-housing.	\$950,338	\$845,178	\$105,160	-	1. Catholic Charities 2. Families Together 3. Legal Aid 4. Raleigh/Wake Partnership 5. USCRI



Title of Grant	Grant Purpose	Grant Award	Total Amount Expended	Total Encumbered	Balance Remaining	Partner Non-Profits
ESG-CV2 CARES Act (9/30/2022)	Emergency shelter, homelessness prevention, HMIS, rapid re-housing, and street outreach.	\$3,503,113	\$643,455	\$2,859,658	-	1. Families Together 2. Healing Transitions 3. InterAct 4. Raleigh/Wake Partnership 5. Passage Home 6. Salvation Army 7. Triangle Family Services 8. Urban Ministries
Emergency Rental Assistance 1 (COVID-19 Relief) (9/30/2025)	Emergency rental and utility assistance, including arrears, for households impacted by COVID-19.	\$14,298,567	\$14,298,567	-	-	1. Telamon Corp.
Emergency Rental Assistance 2 (COVID-19 Relief) (9/30/2025)	Emergency rental and utility assistance, including arrears, for households impacted by COVID-19.	\$11,313,787	-	\$11,313,787	-	1. Telamon Corp.

The City has faced several barriers in spending this funding. Those barriers include:

- **Nonprofit Capacity:** Many of the nonprofit partners funded by the City also received large funding awards from Wake County Government (who received ESG-CV, CDBG-CV, Treasury funds, ARP, etc.) and the NC ESG office (who received ESG-CV funds). Agencies have struggled to expand their capacity to administer the funding awards they received. Given the large influx of funds, grantors such as the City were encouraged by HUD to recruit new partners. Some of the agencies funded had not previously received these specific federal funds, which meant having to learn and manage the various compliance requirements and spending deadlines for each grantor (City, County, State) and specific grant program (CDBG-CV, ESG-CV, Treasury, ARP, etc.). In addition, some of our nonprofit partners focused their efforts during the Fall of 2020 on expending Treasury funds they were awarded by the County that expired December 31, 2020. The Treasury funds initially had a short expenditure deadline, so expenditure of these funds was prioritized. The expenditure deadline was subsequently extended to meet the ongoing needs of renters facing eviction.
- **Duplicative Programs:** While funded by different sources, many of the programs have shared a similar purpose: helping ensure that people remain housed and/or are quickly housed. While the overarching goals are similar, each program funding source has its own unique requirements (i.e., qualifying criteria and maximum period of assistance), which has made coordinating efforts a challenge.
- **Eviction Moratorium:** The City allocated ~43% (\$410,547 of \$950,000) of ESG-CV1 funds to Homelessness Prevention, given that there was no eviction moratorium yet in place, and this was identified as a need by our Continuum of Care (CoC). ESG-CV requires that in order to be eligible for homelessness prevention a household must be at imminent risk of becoming homeless. This requirement coupled with the eviction moratorium, which was extended multiple times, provided tenants with protection from becoming






homeless. This resulted in slower than anticipated spend down for those agencies awarded ESG-CV to administer homelessness prevention.

- **Delayed Awarding of ESG-CV2 and CDBG-CV3 Funds:** The City did not award ESG-CV2 funds until Spring 2021 and CDBG-CV3 funds until Winter 2021. The primary reasons for this delay were the nonprofit capacity challenges mentioned above, as well as the desire to best allocate the funds to fill any funding gaps identified in consultation with our CoC. Now that funding has been awarded, the City anticipates that spend down rates will increase. The remaining \$1,118,388 in CDBG-CV3 funds has been awarded to three agencies to provide public facilities improvements and will be encumbered after the completion of HUD required environmental reviews.
- **Rapid Area Growth and Increased Housing Costs:** Raleigh is one of the fastest growing cities in the country. The rapid growth has resulted in rising housing costs and a limited supply of affordable housing options. In order to be served by ESG-CV, a household must be at or below 50% AMI. Finding housing that is affordable at this income level is extremely difficult. In addition, many of the household served by ESG-CV face other barriers such as prior evictions, poor credit, etc. There is little incentive for landlords to rent to tenants with high barriers given the high demand for housing. This has impacted ESG-CV spending for homeless prevention and rapid re-housing programs.

To	Marchell Adams-David, City Manager
Thru	Jim Green, Assistant City Manager
From	Kerry Painter, Director / General Manager, Raleigh Convention & Performing Arts Complex
Department	Raleigh Convention + Performing Arts Complex
Date	March 23, 2022
Subject	Raleigh Convention Center Booking Priorities

## Raleigh Convention Center Booking Policy Summary

On March 15, JLL and the Greater Raleigh Visitors Bureau (GRCVB) presented to Council about the Destination Strategic Plan Refresh. This presentation highlighted the progress that has been made to optimize the Raleigh Convention Center (RCC). It also stressed the need for the RCC and GRCVB teams to focus on Priority One bookings to fully attain optimization goals. City Council requested further clarification on the booking policy and priority strategy which has been outlined below.

Booking Priority	Food + Beverage Spend	Hotel Rooms on Busiest Night	Amount of Time Booked in Advance	Rental Spend
1	Highest Spend	Highest Spend	Farthest out	Negotiable depending on revenue generated by event
2				
3				
4				
5				
6+	Lowest Spend	Lowest Spend	Closest in	

The RCC Booking Policy is based on three primary criteria: the amount of money spent in food and beverage (F&B) sales, the amount of rental income generated by an event and, most importantly, the highest number of room nights generated by an event on a single night.

The number of hotel room nights on peak (“peak” meaning the event’s busiest night) is the most significant criteria assessed because hotel room nights generate a multitude of economic impact for the region. All hotel room nights are subject to the Wake County Room Occupancy and Prepared Food & Beverage Tax. Generated tax goes into the Interlocal Fund, which is intended to “supports arts, culture, sports and convention

facilities in Wake County<sup>1</sup>.” The convention center’s ability to bring room night-generating events is critical to the success of the Interlocal Fund as this tax funds Wake County amenities, which include the RCC, PNC Arena, and Marbles Kids Museum, all of which drive more visitation to the county.

Priority One bookings are events which have more than 700 room nights on peak – meaning at least 700 hotel room nights have been guaranteed on the busiest night of their event – *and* have at least \$70,000 in food and beverage sales. Priority one business includes National association, International corporate, and some sporting events. Lower rated bookings have fewer or no F&B spending, fewer or no hotel room nights, and/or generate minimal rental revenue. Priority one bookings are booked the farthest in advance and the remaining priorities are booked in shorter time periods in order to maximize the ability to book higher priority high impact events first.

Due to the size of the convention center and the limited hotel inventory, Priority Two is our most prevalent and revenue-generating bookings. Priority Two business includes state associations, smaller corporate meetings, and smaller sporting events. Booking this high priority business years in advance allows us to infill any of their unused space with lower priority events, such as one-day events, consumer shows, and banquets, essentially “layering” business for maximum revenue generation on a rolling basis. Based on available space and dates, we layer lower priority business as the event date approaches and this allows us to successfully optimize our available space.

Our challenge is as Priority One and Priority Two events grow, they leave Raleigh for destinations with larger venues and higher hotel inventory. As you saw in the JLL and CVB presentation to Council from March 15, comparable convention centers have 65% more hotel rooms available than the RCC within walking distance (0.25 miles) of the center. Our size – another serious challenge shared in the JLL and CVB presentation – also greatly hinders our ability to attract and be considered by Priority One events. While our competitors continue to expand our building has remained at 500,000 square feet.

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<sup>1</sup> <https://www.wakegov.com/wake-county-room-occupancy-and-prepared-food-beverage-taxes>



# Blue Ridge Corridor Municipal Service District (MSD) Feasibility Study

**Prepared by:**  
**Budget and Management Services Department**

City of Raleigh

**February 2022**

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## Background

On August 20, 2019, City Council directed the Budget and Management Services Department to complete a study evaluating the feasibility of establishing a municipal service district (MSD) along the Blue Ridge Road Corridor. City Council requested staff include the process to establish an MSD; the eligibility of the area to be converted to an MSD; impact on members of the residential and business communities, and boundary options for an MSD.

This report has been updated to reflect 2021 property tax information. Property tax information utilized for the 2020 report was based on preliminary revaluation data, which had subsequent changes through an appeal process. The 2022 data has been verified against property tax bills and staff worked with GIS to pull data directly from County sources, improving the validity of the data.

## Introduction

A municipal service district is a defined area within a city in which the City Council authorizes a special property tax, in addition to property taxes levied throughout the city, to fund extra services or projects exclusively benefiting the properties in the district. N.C.G.S. Ch. 160A, Art. 23 regulates the establishment of municipal service districts and types of eligible services Council may authorize. A service district is not a separate entity, instead it may be used to raise money from the property owners who most directly benefit from the provision of additional services or projects. A city may define a service district for any of the following functions:

- Beach erosion control and flood and hurricane protection works
- Downtown revitalization projects
- Urban revitalization projects
- Transit-oriented development projects
- Drainage projects
- Sewage collection and disposal systems
- Off-street parking facilities or watershed improvement, drainage, and water resources development projects

The City of Raleigh has established two municipal service districts: Downtown Business District and the Hillsborough Street District. The Downtown Business District is defined as a downtown revitalization district, while Hillsborough Street is defined as an urban revitalization district. The Blue Ridge Road Corridor would be defined as an urban revitalization district because the potential district satisfactorily meets the following conditions:

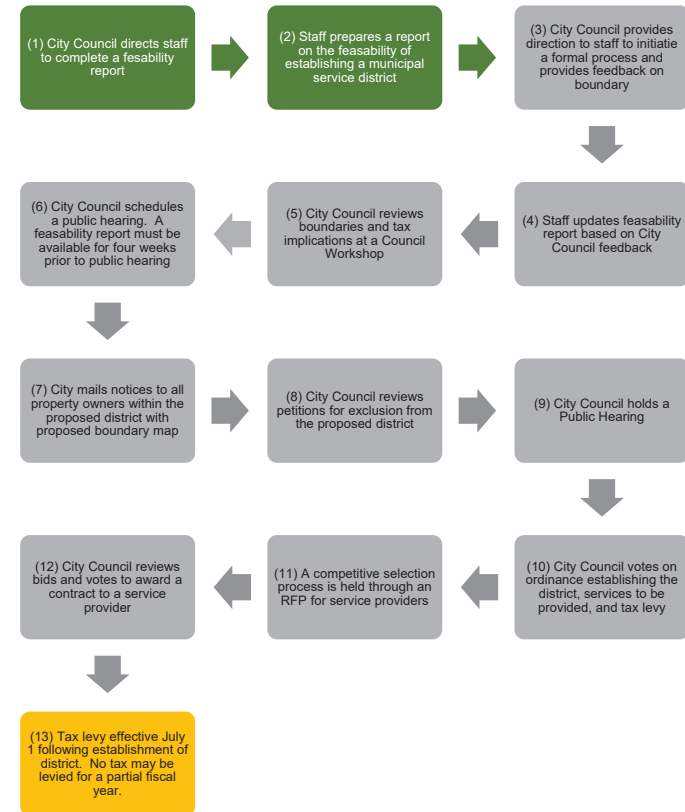
- It consists primarily of existing or redeveloping concentrations of industrial, retail, wholesale, office, or significant employment-generating uses, or any combination of these uses.
- It has as its center and focus a major concentration of public or institutional uses, such as colleges or universities, hospitals and health care facilities, or governmental facilities.

The Downtown Business District and the Hillsborough Street District were established following a public engagement process. City Council approved a service boundary and contracted service provision to a service provider through a competitive selection process. Those services include street and sidewalk cleaning, a safety ambassador program, economic development assistance, project development, business retention and recruitment, marketing, promotions, and hosting festivals.

- Downtown Business District: \$0.0440 per \$100 of assessed valuation
- Hillsborough Street District: \$0.0965 per \$100 of assessed valuation



North Carolina General Statutes (N.C.G.S. 160A-537) establish the legal steps required to establish a new municipal service district, including components related to public engagement and the competitive selection process (a competitive selection process is not required if the City provides the services). The following process chart highlights the major steps to establish a new service district. These steps do not include non-mandatory steps such as public engagement workshops. The green boxes highlight current progress.



## Identifying a Need for Additional Services

As part of the process to establish a municipal service district, City Council selects services to provide within a district to a greater extent than services provided citywide. This section provides examples of common services provided with municipal service districts, including the Downtown Business District and Hillsborough Street District.

Service	Options for Additional Service
Promoting Business Investment	<ul style="list-style-type: none"> <li>Coordination of public and private actions, including point of contract for development activity</li> <li>Developing and issuing publications</li> <li>Sponsoring festivals and markets</li> </ul>
City Services or Functions	<ul style="list-style-type: none"> <li>Providing city service to a greater extent than those provided for the entire city including landscaping, clean teams, or extra trash pick-ups</li> </ul>
Safe Environment	<ul style="list-style-type: none"> <li>Improvements to reduce the incidence of crime including additional police patrols or ambassador programs</li> </ul>
Capital Improvements	<ul style="list-style-type: none"> <li>Improvements to water mains, sanitary sewer mains, stormwater mains, street lighting, or street improvements</li> <li>Construction of bicycle paths, sidewalks, and parking facilities</li> <li>Improvements to relieve traffic congestion and improve pedestrian and vehicular access</li> </ul>

The chart on the following pages includes a summary of potential eligible services related to the establishment of an MSD for the Blue Ridge Road Corridor. For each category of potential services, the table identifies:

- The current level of service provided city-wide
- If the additional service is provided in the Downtown or Hillsborough Street MSDs
- Options for additional service(s)
- Estimated cost range to provide the service

Additional services may be identified through public engagement and final cost estimates would be determined through the competitive selection process.



## Examples of Common Municipal Service District Services

Service Category	Level of Service Provided City-Wide	Service Provided in Existing MSD	Options for Additional Service(s)	Estimated Cost Range of Service
Promoting Business Investment	Office of Economic Development + Innovation and the Real Estate Office assists with business inquiries and offer grant assistance	Yes – Downtown Business District and Hillsborough Street District promote business activity in corridors	<ul style="list-style-type: none"> <li>Staff support to facilitate conversations and central coordination around economic development, urban planning, and future transit plans</li> <li>Staff support to facilitate conversations with Developers, NCDOT, State of North Carolina, City of Raleigh, and other regional partners.</li> <li>Retail recruitment and retention activities</li> <li>Actively engage in growing and enhancing the Blue Ridge Corridor area's retail sector through efforts to attract new retail businesses.</li> <li>Invest in research, data, and programs to support the attraction of additional retail tenants and diversifying the merchant mix. Including coordination with City's MWBE program.</li> <li>Contract support to model potential build outs based on current and future land use</li> <li>Hosting festivals or events</li> <li>Supporting events through sponsorships</li> <li>Administrative overhead for services listed above</li> </ul>	\$150,000 - \$200,000
Clean Environment	<p>Transportation Department mows and maintains rights-of-way on a biannual basis</p> <p>Current street or sidewalk cleaning occur on an as-needed basis or are complaint driven</p> <p>Solid waste completes a weekly collection route</p> <p>Bulky waste collection city-wide</p>	Yes – A clean team is assigned to the Downtown Business District and Hillsborough Street District	<p>Manage contracts to:</p> <ul style="list-style-type: none"> <li>Install and maintain new landscaping such as flowers in tree wells and containers</li> <li>Weed removal that city crews miss</li> <li>Install, maintain and expand the street banner program</li> <li>Identify and report street light outages in accordance with appropriate authority and policy.</li> <li>Install and maintain additional holiday decorations</li> <li>Ensure an orderly environment by straightening newspaper boxes, mail boxes, trash cans and any other movable fixtures</li> <li>Touch up paint bike racks, poles, street furniture</li> <li>Remove rocks, debris, leave, pebbles and other pedestrian impediments</li> </ul> <p>Clean Team Crews to:</p> <ul style="list-style-type: none"> <li>Hand broom and pan sweep sidewalks and gutters when time allows</li> <li>Graffiti identification and removal (w/ property owner permission)</li> <li>Deep clean/power wash sidewalks, trash cans</li> </ul> <p>Remove illegal handbills, flyers and stickers</p>	\$100,000 - \$400,000



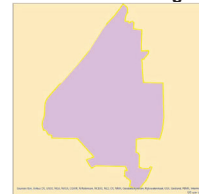
Service Category	Level of Service Provided City-Wide	Service Provided in Existing MSD	Options for Additional Service(s)	Estimated Cost Range of Service
Safe Environment	General police and fire coverage of the entire City of Raleigh 365 days, 24/7. Specialized services may be provided on an as needed basis for discrete periods of time for special events	Yes – Ambassador program provided in the Downtown Business and Hillsborough Street District	<ul style="list-style-type: none"> <li>Ambassador program to patrol corridor and provide hospitality assistance <ul style="list-style-type: none"> <li>Monitor district and report illegal behaviors to authorities</li> <li>Identify and report conditions and incidents that may impact public safety</li> <li>Provide directions, information and assistance to visitors, workers and residents</li> <li>Provide deliberate Clean and Safe Ambassador presence in MSD during active hours</li> </ul> </li> <li>Install additional safety lighting</li> </ul>	\$300,000 - \$500,000
Capital Investment	Projects are programmed through the annual Capital Improvement Program. Blue Ridge Road is under design to widen the existing two-lane section from Duraleigh Road to Crabtree Valley Avenue to three-lanes with curb and gutter, sidewalks, and bicycle facilities (\$11.1M)	No	Identified projects through public engagement effort or from citywide planning documents	Variable based on project



## Boundaries of Potential Service Districts

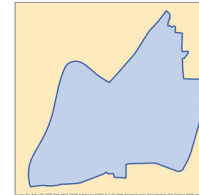
Upon establishing a need to provide an enhanced level of service, a service boundary must be defined. Defining a boundary for a municipal service district is not an exact science. A district can be defined by natural borders, such as roads and interstates, or conceptual borders, such as zoning classifications as defined in citywide plans. Three (3) potential areas are provided for consideration based on established area plans or based on land use within the corridor. As part of deliberations, City Council may direct staff to amend the perimeter of the boundaries to exclude certain land uses; however, the selected boundary must remain contiguous. City Council may also exclude certain parcels, by property owner request, should the parcel not need the services outlined in the proposed district. Parcel and land use information is provided for each potential area, including parcels within the area but not annexed into city limits. Should Council establish an MSD, an additional property tax would be applied on taxable parcels based on values established by the Wake County Department of Tax Administration. Values presented for each boundary are approximate net billable tax values (rounded to nearest thousand) based on January 2020 property tax data. This data was selected to reflect the property re-valuation completed by Wake County. Similar to Downtown and Hillsborough Street MSDs, if City Council establishes an MSD, staff would finalize taxable values with Wake County Department of Tax Administration.

### Area One – Blue Ridge Road Area



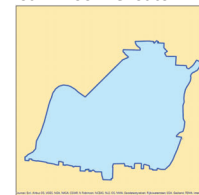
Defines the district based on the 2012 Blue Ridge Road District Study. Boundaries include Edwards Mills Road and Interstate 440. Area includes destinations including Rex Hospital, NC State Fair Grounds, PNC Arena, Carter Finley Stadium and the NC Museum of Art.

### Area Two – Broader Blue Ridge Road Area



Includes the parcels defined in Area One but is expanded over to Corporate Center Way down to Western Boulevard. This area includes more commercial uses than Area One, but also includes more residential parcels.

### Area Three – Greater Blue Ridge Road Area



Includes the parcels in Area One but excludes parcels between Western Blvd and Hillsborough, as defined in Area Two. The Greater Blue Ridge Road Area also expands down Lake Boone at the north end of the boundary and across Edwards Mills on the west side of the boundary.





## Area One - Blue Ridge Road Area

Area One - Blue Ridge Road Area is defined by the City of Raleigh's Planning Department in the 2012 Blue Ridge Road District Study. The map of the area is presented below. The study examined land use planning, transportation, housing, public and private open space, public health, and economic development.

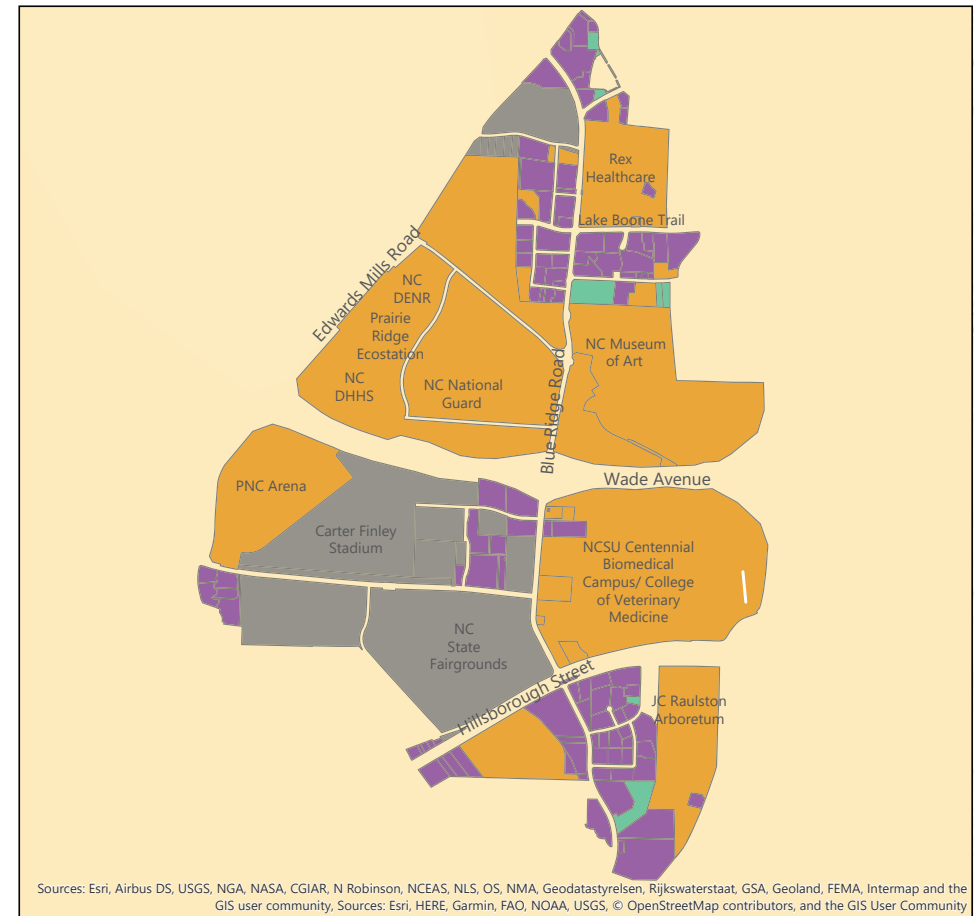
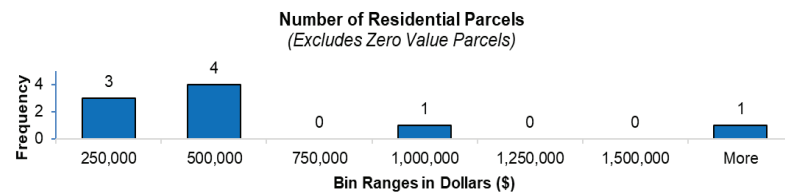
Existing conditions in Area One include a major concentration of public uses including the North Carolina Museum of Art, the PNC Arena, Carter-Finley Stadium, and the North Carolina State Fairgrounds and an additional concentration of healthcare and governmental facilities including the NC State University Centennial Biomedical Campus and Rex UNC Health Care. The State of North Carolina owns significant holdings of property along this corridor.

The map presented on the next page shows commercial, residential, and exempt parcels. These classifications are categorizations of official land use types as defined by Wake County's Department of Tax Administration. One item to note, in this categorization, 'apartments' may be defined as a commercial use and shown in the tables and maps as commercial uses. This categorization may understate the impact to renters as increased taxes may impact monthly rents.

Land Use	% by Acreage	# of Parcels	Assessed Value*	Taxable Value*	% of Taxable Value
Commercial	14%	108	\$448,224,000	\$447,991,000	91%
Residential	1%	11	\$3,970,000	\$3,970,000	1%
Exempt	85%	24	\$1,227,364,000	\$39,068,000	8%
<b>Total</b>		<b>143</b>	<b>\$1,679,558,000</b>	<b>\$491,029,000</b>	

\*Approximate value based on data available in November 2021.

Tax Levy Assessed	\$0.01	\$0.02	\$0.03	\$0.05	\$0.10
Revenue Generated	\$49,100	\$98,200	\$147,300	\$245,500	\$491,000
Impact per \$100,000 in Value	\$10	\$20	\$30	\$50	\$100
Avg. Commercial (Mean: \$4.1M; Median: \$2.2M)	\$415	\$830	\$1,244	\$2,074	\$4,148
Avg. Residential (Mean: \$361K; Median: \$377K)	\$36	\$72	\$108	\$180	\$361



## Blue Ridge Area

### Land Code

- Commercial
- Residential
- Exempt
- Parcels Outside City Limits

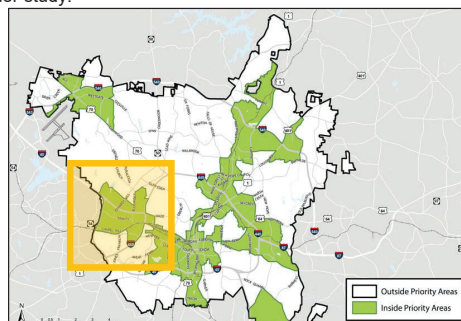


## Area Two – Broader Blue Ridge Road Area

Area Two – Broader Blue Ridge Road Area is an expanded version of Area One. This area is included in the City of Raleigh's Economic Development Priority Areas. A portion of the area was studied as part of the 2011 Jones Franklin/Western/Hillsborough Small Area Plan and the area is included in the Wake Bus Rapid Transit: Western Boulevard corridor study.

In addition to the concentration of public uses outlined in Area One, Area Two includes significant commercial concentrations along Wade Park Boulevard and Corporate Center Drive. However, this broader area also captures additional residential concentrations and includes parcels not annexed into city limits. The additional property tax would not apply to these parcels.

The map presented on the next page shows commercial, residential, and exempt parcels based on land use classifications as defined by Wake County's Department of Tax Administration.

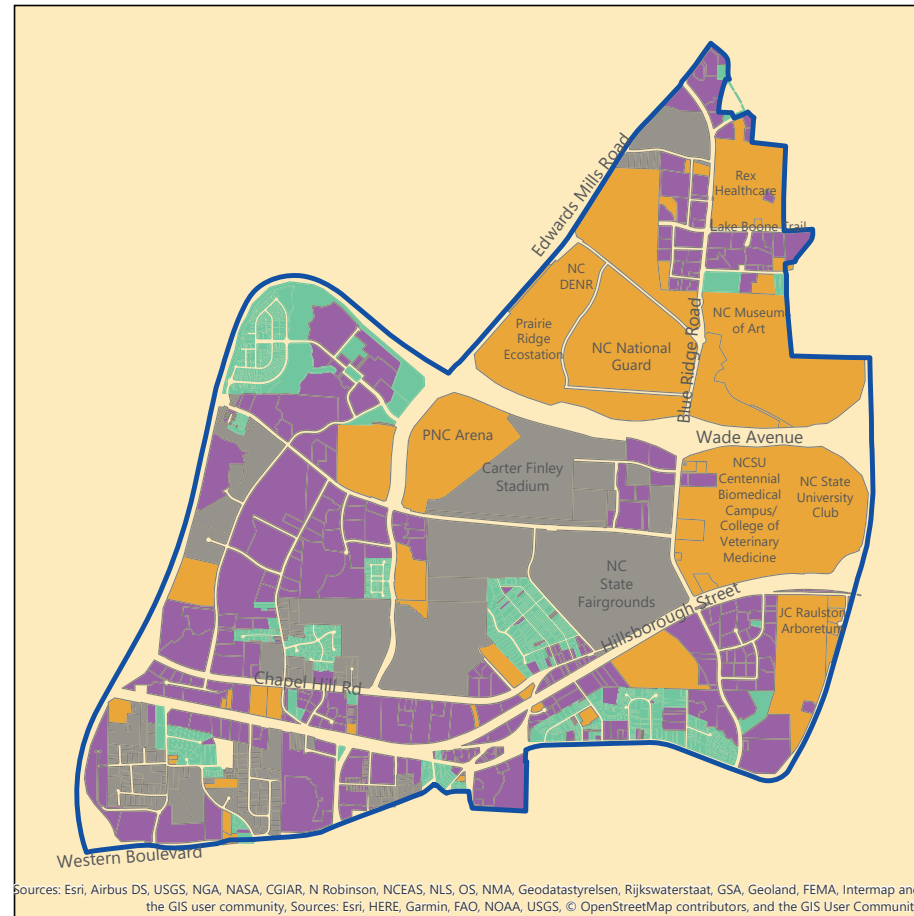
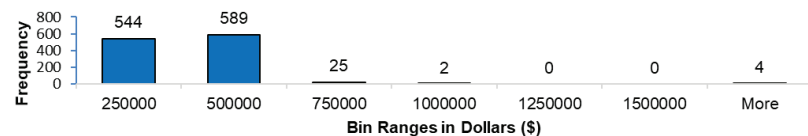


Land Use	% by Acreage	# of Parcels	Assessed Value*	Taxable Value*	% of Taxable Value
Commercial	33%	460	\$1,708,648,000	\$1,704,685,000	81%
Residential	11%	1221	\$342,572,000	\$342,572,000	16%
Exempt	56%	61	\$1,470,123,000	\$55,148,000	3%
<b>Total</b>		<b>1,742</b>	<b>\$3,521,343,000</b>	<b>\$2,102,405,000</b>	

\*Approximate value based on data available in November 2021.

Tax Levy Assessed	\$0.01	\$0.02	\$0.03	\$0.05	\$0.10
Revenue Generated	\$210,200	\$420,400	\$630,600	\$1,051,000	\$2,102,000
Impact per \$100,000 in Value	\$10	\$20	\$30	\$50	\$100
Avg. Commercial (Mean: \$3.7M; Median: \$1M)	\$371	\$741	\$1,112	\$1,853	\$3,706
Avg. Residential (Mean: \$281k; Median: \$282k)	\$28	\$56	\$84	\$140	\$281

Number of Residential Parcels  
(Excludes Zero Value Parcels)



## Broader Blue Ridge Area

### Land Code

- Commercial
- Residential
- Exempt
- Parcels Outside City Limits
- Broader Blue Ridge Corridor Boundary



### Area Three – Greater Blue Ridge Road Area

Area Three – Greater Blue Ridge Road Area is an expanded version of Area One and Area Two. This area includes parcels identified as a priority area for economic development discussed in Area Two and areas previously studied as part of area plans.

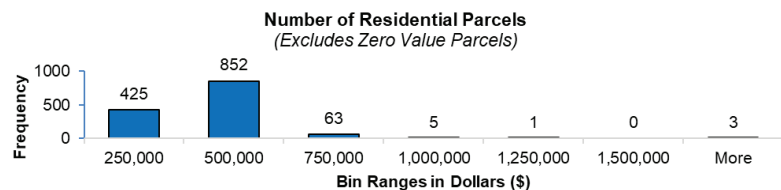
Area Three excludes parcels south of Hillsborough Street, which excludes clusters of residential uses. The area is expanded further north than Area One and Area Two, including parcels adjacent to the intersection of Duraleigh and Edwards Mills Rd. This area does include additional residential parcels, especially around Harden Rd and townhomes north of Blue Ridge Road.

The map presented on the next page shows commercial, residential, and exempt parcels based on land use classifications as defined by Wake County's Department of Tax Administration.

Land Use	% by Acreage	# of Parcels	Assessed Value*	Taxable Value*	% of Taxable Value
Commercial	37%	444	\$1,889,620,000	\$1,889,620,000	79%
Residential	11%	1,407	\$449,571,000	\$449,571,000	19%
Exempt	53%	47	\$1,435,432,000	\$54,524,000	2%
<b>Total</b>		<b>1,898</b>	<b>\$3,774,623,000</b>	<b>\$2,393,715,000</b>	

\*Approximate value based on data available in January 2020.

Tax Levy Assessed	\$0.01	\$0.02	\$0.03	\$0.05	\$0.10
Revenue Generated	\$239,400	\$478,800	\$718,200	\$1,197,000	\$2,394,000
Impact per \$100,000 in Value	\$10	\$20	\$30	\$50	\$100
Avg. Commercial (Mean: \$4.3M; Median: \$1.3M)	\$426	\$851	\$1,277	\$2,128	\$4,256
Avg. Residential (Mean: \$320k; Median: \$355k)	\$32	\$64	\$96	\$160	\$320



### Greater Blue Ridge Area

#### Land Code

- Commercial
- Residential
- Exempt
- Parcels Outside City Limits
- Greater Blue Ridge Area

## Public Engagement Process

If City Council establishes there is a need to provide an enhanced level of service, North Carolina General Statutes provide minimum requirements for public engagement prior to the establishment of a municipal service district. Specifically, N.C.G.S. 160A-537(c) and (d) lay out notice and hearing requirements to ensure those impacted by the additional property tax have an opportunity to provide feedback. The City Council would be required to hold a public hearing before defining a new service district. Prior to the public hearing, the finalized feasibility report would need to be available for public inspection. The notice for the public hearing is required to be published at least once before the date of the hearing. The notice must also be mailed at least four weeks before the date of the hearing by U.S. Mail to all property owners located within the proposed district.

These activities represent the minimum public engagement required by state law. City Council could direct staff to hold additional public hearings, community engagement, or other forms of events to solicit public feedback. City Council could also form a temporary advisory group comprised of community stakeholders and residents to evaluate options and provide a recommendation back to City Council.

## Competitive Selection Process to Contract Service Provision

If City Council decides to provide an enhanced level of service within a defined boundary, Council may:

- Direct the City Manager to instruct City departments to provide these services by enhancing service levels through a supplemental request offset by revenues generated from the MSD
- Contract with another governmental agency to provide services
- Contract with a service provider to provide services through a competitive selection process
- Any combination of these methods

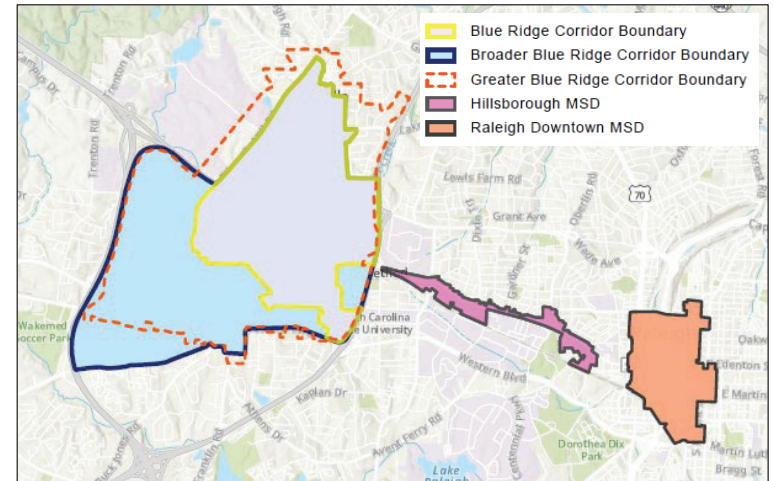
A common approach is to contract with a service provider to coordinate and provide identified services. If City Council desires to contract with a service provider, the process must comply with the following:

- Prior to entering into a contract, the City must:
  - Solicit input from the residents and property owners as to the needs of the service district.
  - Use a bid process to determine which service provider is best suited to achieve the needs of the service district. The City must determine criteria for selection of the service provider and must select a service provider in accordance with those criteria. If the City determines that a multiyear contract with a service provider is in the best interest of the city and the service district, the city may enter into a multiyear contract not to exceed five years in length.
  - The contract must specify the scope of services to be provided by the service provider. Any changes to the scope of services shall be approved by the City Council.
  - Hold a public hearing, which must be noticed by publication in a newspaper of general circulation, for at least two successive weeks prior to the public hearing, in the service district.
  - The contract must specify the purposes for which city moneys are to be used for that service district.
  - The contract must require an appropriate accounting for the funds spent at the end of each fiscal year
- The service provider must report annually to the city, by presentation in a City Council meeting and in a written report, regarding the needs of the service district, completed projects, and pending projects. Prior to the annual report, the service provider must seek input of the property owners and residents of the service district regarding needs for the upcoming year.



## Overview

The map below illustrates potential areas in relationship to the prior established municipal service districts.



The following tables provide an overview of the tax generated per penny of ad-valorem tax and the tax rate necessary to generate a specific revenue threshold, should City Council decide to proceed with the process to establish a municipal service district for the Blue Ridge Road Corridor.

Study Area	Assessed Value	Taxable Value	Value of 1 Penny of Tax Levy
Area 1 – Blue Ridge Area	\$1,679,558,000	\$491,029,000	\$49,100
Area 2 – Broader Blue Ridge Area	\$3,521,343,000	\$2,102,405,000	\$210,200
Area 3 – Greater Blue Ridge Area	\$3,774,623,000	\$2,393,715,000	\$239,400

Revenue Generated from Additional Tax Levy:	Potential Tax Rate per \$100 in Property Value		
	Area 1 – Blue Ridge Area	Area 2 – Broader Blue Ridge Area	Area 3 – Greater Blue Ridge Area
\$100,000	\$0.020 (2.0¢)	\$0.005 (0.5¢)	\$0.004 (0.4¢)
\$200,000	\$0.041 (4.1¢)	\$0.010 (1.0¢)	\$0.008 (0.8¢)
\$300,000	\$0.061 (6.1¢)	\$0.014 (1.4¢)	\$0.013 (1.3¢)
\$400,000	\$0.081 (8.1¢)	\$0.019 (1.9¢)	\$0.017 (1.7¢)
\$500,000	\$0.102 (10.2¢)	\$0.024 (2.4¢)	\$0.021 (2.1¢)
\$1,000,000	\$0.204 (20.4¢)	\$0.048 (4.8¢)	\$0.042 (4.2¢)

