

# ***DOWNTOWN SERVICE DISTRICT FUND***

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## ***Major Revenue Sources – Descriptions and Estimates***

The revenue source for the Downtown Service District is the special district property tax on the assessed value of \$644,500,000. The tax rate of 6.4 cents is unchanged from FY 2023-24 and is expected to yield a total of about \$412,000 in FY 2024-25. This represents an increase of \$4,000 from the current year estimates, due to the increase in value from new development in the downtown area.

FY25 continues funding from Orange County in the amount of \$73,500 for the “Launch” initiative, which is a partnership between Orange County, the University, and the Town of Chapel Hill with the goal of providing incentives to assist in small and local business development.

The FY 2024-25 budget also includes a transfer of \$100,000 from the General Fund to further support downtown initiatives.

Adjustments to the Downtown Service District border were last made for the 2006-07 fiscal year to account for changes in business status between commercial and residential uses.

## ***Major Expenditures and Estimates***

The budget provides for continued funding for the Chapel Hill Downtown Partnership of \$150,000. The Chapel Hill Downtown Partnership brings the resources of the Town, University, and downtown community together to maintain, enhance, and promote downtown as the social, cultural, and spiritual center of Chapel Hill through economic development. An additional \$100,000 in funding is provided to the Chapel Hill Downtown Partnership for programming and marketing efforts.

Additionally, there are expenses related to the “Launch” initiative (\$147,000) along with 140 West expenses (\$110,000). The FY25 budget continues funding for a groundskeeper (\$66,915) dedicated to the downtown area.

## **DOWNTOWN SERVICE DISTRICT FUND BUDGET SUMMARY**

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The adopted Downtown Service District Fund tax rate of 6.4 cents for 2024-25 provides for continued funding of the groundskeeper position dedicated to the downtown area. The adopted budget includes an allocation of about \$500,000 for services related to the district, and includes expenses related to the "Launch" initiative (\$147,000) along with 140 West expenses (\$110,000).

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### **EXPENDITURES**

	<b>2022-23 Actual</b>	<b>2023-24 Original Budget</b>	<b>2023-24 Revised Budget</b>	<b>2023-24 Estimated</b>	<b>2024-25 Adopted Budget</b>	<b>% Change from 2023-24</b>
Personnel	\$ 65,440	\$ 70,817	\$ 70,817	\$ 70,779	\$ 66,915	-5.5%
CH DWTN Partnership	250,000	250,000	250,000	250,000	250,000	0.0%
140 West Expenses	106,648	110,000	110,000	110,000	110,000	0.0%
Launch	147,000	147,000	147,000	147,000	147,000	0.0%
Reserve	11,916	4,683	4,683	8,324	12,585	168.7%
<b>Total</b>	<b>\$ 581,004</b>	<b>\$ 582,500</b>	<b>\$ 582,500</b>	<b>\$ 586,103</b>	<b>\$ 586,500</b>	<b>0.7%</b>

### **REVENUES**

	<b>2022-23 Actual</b>	<b>2023-24 Original Budget</b>	<b>2023-24 Revised Budget</b>	<b>2023-24 Estimated</b>	<b>2024-25 Adopted Budget</b>	<b>% Change from 2023-24</b>
Property Taxes	\$ 405,733	\$ 408,000	\$ 408,000	\$ 408,000	\$ 412,000	1.0%
Interest Income	1,007	-	-	3,603	-	N/A
Orange County Launch Contribution	73,500	73,500	73,500	73,500	73,500	0.0%
Interest on Receivable	764	1,000	1,000	1,000	1,000	0.0%
Transfer from General Fund	100,000	100,000	100,000	100,000	100,000	0.0%
<b>Total</b>	<b>\$ 581,004</b>	<b>\$ 582,500</b>	<b>\$ 582,500</b>	<b>\$ 586,103</b>	<b>\$ 586,500</b>	<b>0.7%</b>