

## 05-05-2021 Town Council Meeting Responses to Council Questions

### **ITEM #16: Open a Public Hearing for Downtown Municipal Service District Services**

**Council Question:**

Do the three specific performance measures on p. 343 of the meeting packet in response to question #19 reflect all of the annual reporting requirements under the contract or are there others?

**Staff Response:**

*There are other performance measures, as well. The ones listed in response to #19 pertain to the Communications & Organization section of the proposal. There are also proposed performance measures for:*

- *Economic Development (#10 on page 337 of the packet)*
- *Marketing (#13 on page 339)*
- *Programming (#16 on page 341)*

**Council Question:**

How much is the MSD tax estimated to bring in in FY 22 and what percentage of it would go to the CHDP?

**Staff Response:**

*The Downtown Service District is projected to bring in \$391,000 in property taxes in FY 2021-22. This is an increase of \$9,000 over the FY 21 amount and is based on a tax rate of 6.4 cents. The budget for the Chapel Hill Downtown Partnership is roughly \$150,000 or 38.4% of the property tax amount. The remainder of the CHDP performance agreement of \$70,000 is budgeted in the General Fund.*

**Council Question:**

What proportion of the CHDP's funding does this represent? What are their other funding sources?

**Staff Response:**

*Based on information provided by CHDP, their projected funding for FY 22 is about \$450,000. \$120,000 of this total is dedicated to the Campus & Community Coalition to Reduce Negative Impacts of High Risk Drinking, which is funded by grant awards and contributions from the Town, UNC-Chapel Hill, and the Orange County Health Department under a separate agreement.*

## **05-05-2021 Town Council Meeting**

### **Responses to Council Questions**

*Therefore, the \$150,000 from the Town's Downtown Service District represents about one-third of their total funding and about 45% of the funding for downtown services. The total amount from the Town as part of this agreement (\$220,000) would be about 49% of their total funding and about two-thirds of the funding for downtown services.*

*UNC-Chapel Hill is CHDP's other major funding source. Some funding also comes from donations and event revenues.*

#### **Council Question:**

Is there a specific CHDP budget for the CH funds?

#### **Staff Response:**

*No, there is not. As mentioned above, the Campus & Community Coalition funding is kept separate. All other funding is combined to support CHDP's general operations.*

#### **Council Question:**

Who on the Town staff oversees administration of the funding and reviews CHDP's performance?

#### **Staff Response:**

*The Town Manager's Office administers the performance agreement. CHDP is invited to provide updates to the Council on a regular basis, typically at Council Committee on Economic Sustainability meetings.*