

BEACH NOURISHMENT PROPOSED MSD DISCUSSION

Town of Nags Head Board of Commissioners

February 2020

PROPOSED MSD DISCUSSION

Considerations:

- **The town is in the process of obtaining perpetual easements from 2/3 of oceanfront properties.**
- **The Town is in the process of hiring an engineer and surveyor to assist with future planning. These costs could be paid for either partially or wholly by new MSDs. Tax rates would likely be nominal initially based on anticipated project planning and design costs.**
- **New MSDs may be created at any time for future purposes provided contracts are let within a year. These may overlap with existing MSDs.**
- **Creating a new MSD west of NC 12 and SR 1243 would offset rising costs for future projects and better align tax rates with project benefits. This would require that oceanfront properties also be within the west MSD.**

PROPOSED MSD DISCUSSION

Review of process for creating/amending municipal service districts

What is an MSD? – A defined area within a city, town or village in which the unit's governing body levies an additional property tax in order to provide projects or extra services that benefit the properties in that district N.C.G.S. Ch. 160A, Article 23.

PROPOSED MSD DISCUSSION

Review of process for creating/amending municipal service districts

The town adopts new MSDs by ordinance.

A public hearing is required.

Prior to the public hearing, the town must prepare a report to include:

- A map of the district(s) and the proposed boundaries
- A statement identifying the services needed in the district. The statement must detail why the services needed in that district are greater than those needed in other parts of the town.
- A plan for providing services in the district.

PROPOSED MSD DISCUSSION

Review of process for creating/amending municipal service districts

- Notice of hearing is required stating the date, hour and place of the hearing and its subject. The notice shall include a map of the district and a statement that the report required for the public hearing is available for public review in the office of the town clerk.
- Published notice once at least one week prior to the hearing.
- Notice is also mailed at least four weeks before the date of the hearing to all owners of property in the proposed district.
- Owners may request exclusion from the district by submitting a written request to the Board no later than five days after the public hearing. Board may exclude the property after making a finding that it is not in need of the service.

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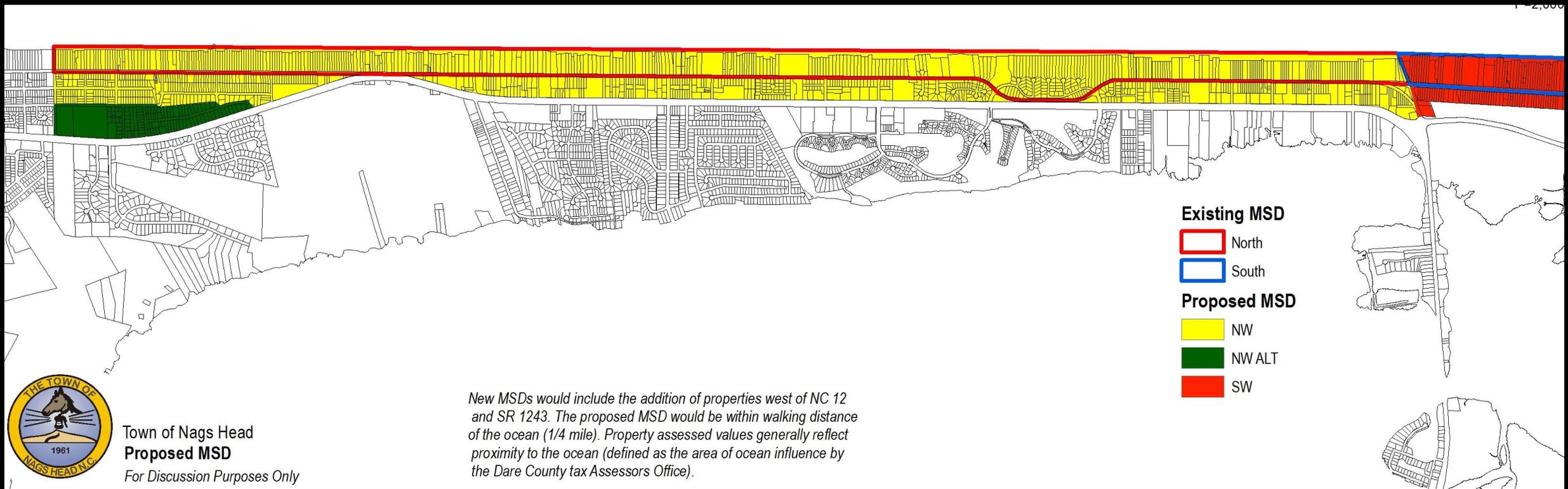
- Generally, the ordinance defining an MSD takes effect at the beginning of the next fiscal year after passage.
- Ordinance must be adopted by a majority vote of the board at two separate meetings.

PROPOSED MSD DISCUSSION

Review of process for creating/amending municipal service districts

Timeline

- Wed, Feb 5, 2020 BOC mtg – Board directs staff to prepare Report (map, statement, plan)
- Wed, Mar 4, 2020 BOC mtg – Report to the Board (map, statement, plan); made available for public inspection; Four (4) weeks before PH
- Notice of PH mailed to all prop owners in proposed district four (4) weeks before PH; notice of PH published at least one (1) week before PH
- Wed, May 6, 2020 BOC mtg – PH held – Adopt ordinance creating MSD at two meetings by majority vote
- Wed, Jun 3, 2020 BOC mtg – Adopt ordinance creating MSD – second reading



Existing MSD

- North
- South

Proposed MSD

- NW
- NW ALT
- SW



Town of Nags Head
Proposed MSD
 For Discussion Purposes Only

New MSDs would include the addition of properties west of NC 12 and SR 1243. The proposed MSD would be within walking distance of the ocean (1/4 mile). Property assessed values generally reflect proximity to the ocean (defined as the area of ocean influence by the Dare County tax Assessors Office).

