

# Riverwalk

## Municipal Improvement District (MID)

### What is a Municipal Improvement District (MID) and how was the Riverwalk MID created?

A MID is a special assessment district that assesses fees to property owners in a specific area to fund public improvements that provide a benefit to the properties in the district. In a public process established by state law, the Riverwalk MID was approved by City Council at the request of the developer in 2009.

### Why is the Riverwalk MID necessary?

As you can imagine, redeveloping 1,000 acres is a big project, requiring numerous public improvements and a variety of funding sources to execute the development plan. Before a single structure could be built, the initial tasks included making improvements to the roads and intersections leading into the development, building certain collector roads within the development, and delivering utility infrastructure to serve the planned commercial and residential buildings. The vision for Riverwalk also included many recreational amenities, making the development one of the most desirable communities in the Charlotte region.

The Riverwalk MID was created to expand the number of funding sources, and help bridge the financial gap between what the developer could afford to invest and what the infrastructure would cost. Without the MID, the project was not financially feasible and would not have moved forward as proposed.

### How does the Riverwalk Improvement District work?

The MID established three distinct assessments: Assessment Part A--the annual assessment paid by the property owner based on the type of property; Assessment Part B--which may apply to first-year homeowners in Riverwalk depending on when the home is completed (the developer pays annual Assessments Part B for all undeveloped parcels); and Assessment Part C--paid solely by the developer.

Parcels in Riverwalk, including ones owned by the developer, but

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Riverwalk is a very unique community in many ways. The 1,008-acre mixed-use development includes residential, hospitality, retail and office space highlighted by a variety of recreational amenities along the Catawba River. It also includes the thriving Riverwalk Business Park, located across Cel-River Road on Paragon Way.

In 2005, an experienced real estate development company bought a former industrial plant site with visions of building a community focused on river views, walkable spaces, outdoor recreation opportunities and a live/work/play atmosphere. After spending millions of dollars to demolish the plant and clean up the site, the developer, the Assured Group, approached the City about partnering to develop the property. As part of a public/private partnership, the developer and City determined how much money was needed to build out the site, and how much the developer could afford to invest and earn a market rate of return. This analysis identified a sizable gap between economic viability and what it would cost to fulfill the vision for the project.

The solution to closing this financial gap, which ultimately ensured that a quality project like Riverwalk could be built, was to use an existing Tax Increment Financing (TIF) District and establish a Municipal Improvement District (MID).

River Views

Walkable Spaces

Outdoor Recreation

Hospitality

Live/Work/Play





excluding parcels in the business park across Cel-River Road, are billed an Assessment Part A fee based on the type of property (single family, apartment, town home, hotel, office and retail) and quantity of development expected on the parcel. The annual rates increase by 2% each year for an expected term of 30 years. The assessment is billed on the annual York County real property tax bill and due at the same time as the real property taxes.

#### **How would I know about the assessment?**

When you buy property in Riverwalk, you verify receiving information about the assessments by signing the “Riverwalk Improvement District Home Buyers’ Acknowledgement of Assessments” during the real estate closing.

#### **What do assessments pay for?**

The assessments and all of the funding sources work together to pay for all the public improvements at Riverwalk. Over the term of the MID, the funds collected from Assessment Part A help to pay debt associated with creating the public infrastructure, including collector roads, sidewalks, curb and gutter, and some public recreation facilities.

#### **Why do I have to help pay for things that people who don’t live in Riverwalk can also use?**

The MID is just one of the funding sources used by the developer to build the public improvements that serve the overall Riverwalk development and provide a special benefit to its property owners. Without the funding from the MID, the public infrastructure couldn’t have been built, and Riverwalk likely wouldn’t exist. Since they are public improvements, they have to be made available to any member of the public to use. The City isn’t able to build things for the private use of a particular neighborhood or group of people. However, the residents and businesses in Riverwalk receive the special benefit of having these amenities and infrastructure directly in their neighborhood within easy access, contributing to the appeal of living and working in the Riverwalk community.

#### **What is the difference between the MID Assessment and my HOA dues?**

While HOA dues fund landscaping, maintenance and operations in the privately-owned common areas designed by the developer, the Part A assessment amount goes toward paying for the public infrastructure.

#### **What do I need to do if I sell my home?**

There is nothing special you need to do if you sell your home in Riverwalk. Since the assessments are recorded on the parcel’s deed and the amount is on the tax bill, it is a matter of public record and the buyer’s closing attorney will be able to advise the buyer of the assessment.

#### **How do I find out more?**

Visit the City of Rock Hill website at [cityofrockhill.com/RiverwalkMID](http://cityofrockhill.com/RiverwalkMID) to view the “Annual Assessment Report,” “Rate and Method of Apportionment of Assessment,” and a sample of the “Riverwalk Assessment Homeowner Disclosure.”