

# Review and oversight of business and neighborhood improvement district operating plans

Community and Economic  
Development Committee

November 17, 2014

# City interaction with BIDs and NIDs

- Approve creation of BID or NID.
- Approve BID/NID board appointments.
- Approve annual operating plan.
- Collect special charges that fund BID/NID through property tax bill.
- Pass through special charges collected through property tax bill to BID/NID.

# Operating plan framework

- What does State law require? What does State law allow?
  - Operating plan template
- What does City of Milwaukee require?
  - Appearance before CED
  - Annual audit
- What does BID or NID board hope to accomplish?

# Operating plan minimum elements (BID & NID)

- Special assessment method (e.g., \$ per \$1000 of assessed valuation, flat fee per property, etc.)
- Kind, number and location of proposed expenditures
- Methods of financing proposed expenditures/ when costs will be incurred
- How do BID/NID activities promote city development?
- Legal opinion indicating the plan includes these elements

# Assessment rules (NIDs)

Assessor's property classification	Yes	No	Maybe
Residential	X		
Local mercantile	X		
Manufacturing	X		
Special mercantile	X		
Condominium	X		
Mercantile apartments	X		
Tax-exempt		X	

# Assessment rules (BIDs)

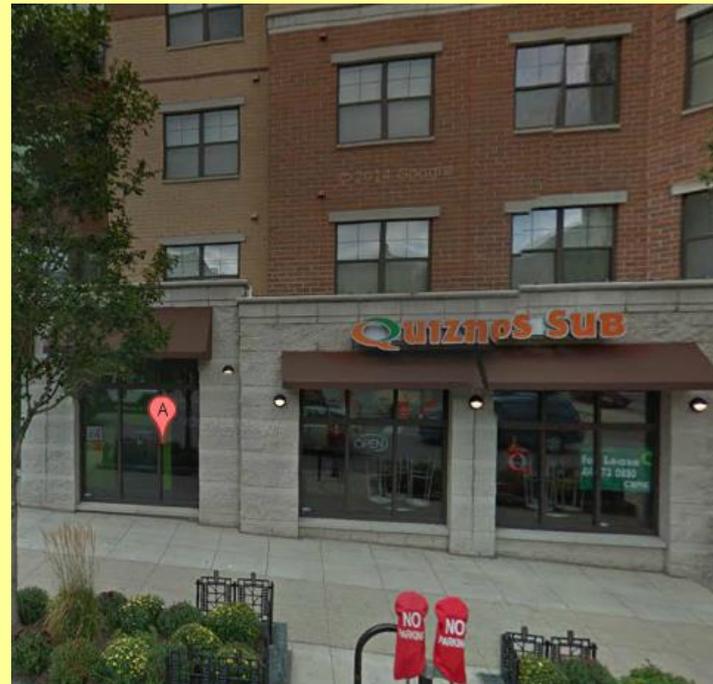
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Mercantile apartments			X
Tax-exempt		x	

# Mercantile apartments

“Exclusively residential” units –  
**Do not assess**



Mixed residential and commercial units  
**Assess**



# New assessment verification procedure (piloted in 2014)

- DCD gives BID addresses of all properties within the BID boundary.
- BID provides DCD with list of all properties it plans to assess.
- DCD contacts BID regarding properties that:
  - May not be assessed and must be removed from list.
  - Require more explanation as to why they may be assessed.
- If BID explanation does not support assessment of special charge, DCD would remove property from list.

# Next steps

- Provide refresher training to BIDs and NIDs re: assessment rules.
  - DCD
  - City Attorney
  - Assessor's Office
- Share assessment verification procedure with BIDs and NIDs.
- Add procedure to BID and NID handbooks.