

Recommendations in Response to Proposed Changes to Neighborhood Improvement District Draft Legislation

Proposal : Allow for inclusion of **both business and residential** property owners in the NID. The existing BID language would not be revised and the new language would allow for any combination of business & residential, including an all-residential district.

Recommendation: Approve inclusion of both residential and business properties for the purpose of assessment and make other necessary revisions to accommodate the change.

Proposal : Add language prohibiting ownership of real property by the NID. .

Recommendation:

Add such language- By not specifically prohibiting this, it raises several legal issues—such as what happens to the property upon dissolution of the NID

OR

Add language requiring that any property to be owned by the NID be specified in the operating plan including provisions for how such property will be transferred if the NID terminates.

Proposal: Revise makeup of board of directors to require that a majority of the members own or occupy property in the district. The current language requires all members to be residential owners.

Recommendation: Accept this revision. The current language is inconsistent given the inclusion of businesses.

Proposal: Maintain the original language that would allow a group representing 40% of total owners **or** those owning 40% of total value to stop the creation of the NID. **Modify** language regarding termination of a NID to require a request for termination from **both** a group representing 50% of all property owners assessed under the plan **and** a group comprising 50% of the value of all real property assessed under the plan. (The current language would allow for termination of the NID if a group meeting either criteria requested a termination form)

Recommendation: Do not modify language. 50% is a significant representation based on either calculation and would indicate that the NID is not meeting its intended goal. It is possible to consider a district where businesses would comprise over 50% of the assessed value – leaving displeased residents with no recourse. Or where over 50% of owners are residential – leaving businesses without the ability to terminate.

Proposal: Change “near-by” for purposes of defining NID boundary to “located within the same block or in adjacent blocks separated only by a public street.”

Recommendation: Accept this revision. The current language may raise legal challenges.

Approve (16) & will come back for a final draft.
proposals outlined by Andrea