



Juneau Park / Cathedral Square  
Neighborhood Improvement District

NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 2: TWO PARKS NID  
PROPOSED INITIAL OPERATING PLAN

October, 2012

**DRAFT**  
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## I. INTRODUCTION

Under Wisconsin Statutes section 66.1110, municipalities are authorized to create Neighborhood Improvement Districts ("NIDs") upon the petition of at least one property owner within the proposed district. Similar to the statute governing Business Improvement Districts (Wisconsin Statutes section 66.1109), the purpose of the NID statute is to allow owners of real property, at least some of which is used for residential purposes, within the districts ". . . to develop, to manage and promote the districts and to establish an assessment method to fund these activities." 1983 Wis. Act 184, Section 1, legislative declaration. See Appendix A.

The City of Milwaukee (the "City") has received petitions from property owners which request creation of a NID to be known as Two Parks Neighborhood Improvement District (the "District"). See Appendix B. The purpose of the District shall be to promote and sustain Cathedral Square and Juneau Parks (the "Parks"). In this regard, the District shall be authorized to enter into a cooperative, access and maintenance agreement for the Parks with Milwaukee County (the "County") and to improve, manage, maintain and contract for services which supplement services currently provided by the City and the County (the "County") at the Parks.

Pursuant to the NID statute, this initial Operating Plan (the "Operating Plan") for the District has been prepared to outline proposed expenditures by the District, the special assessment method applicable to properties within the District and services intended to be provided by the District. This Plan has been developed by the District proponents with technical assistance from the City's Department of City Development and the County Parks Department.

## II. DISTRICT BOUNDARIES

The District boundaries, as proposed, generally cover the east side of Downtown Milwaukee and the Lake Michigan lakefront, focusing on the areas nearest to the Parks. The proposed District boundaries include the Milwaukee River to the west, Ogden Avenue to the north, Lake Michigan to the east and Clybourn Avenue to the south. Boundaries of the District are shown in Appendix C of this Operating Plan. A narrative listing of the properties included in the District is set forth in Appendix D.

### III. PROPOSED OPERATING PLAN

#### A. Plan Objectives.

The objectives of the District are to promote and sustain the Parks as a thriving, clean, safe and friendly environment in which to recreate. The District proposes to achieve its objectives by entering into an agreement with the County that will allow the District to improve the Parks and provide maintenance to the Parks in order to enhance their aesthetics, safety, cleanliness and usability. At its inception, the District intends to upgrade and improve the physical environment and aesthetics of the Parks. On an ongoing basis, the District will actively provide maintenance to the Parks to maintain an attractive, welcoming and vibrant atmosphere. At all times, the Parks shall be used for park purposes, and public access to the Parks shall be preserved.

#### B. Proposed Activities.

The following are the activities proposed by the District for calendar year 2013. The District may, from time to time and as it deems necessary, adjust the size and scope of the activities described below, but only so long as such adjustments in activities are consistent with the activities identified in this or a subsequently approved or amended Operating Plan. The District may not undertake new activities except as included in duly approved operating plans for future years.

1. Proposed Activities for Cathedral Square Park. The District shall enter into a cooperative access and maintenance agreement for Cathedral Square Park with the County. At the outset, the District shall implement certain capital upgrades to Cathedral Square Park, including, but not limited to, installation of a permanent park pavilion, including areas to accommodate events, rest rooms and other park service facilities. On an ongoing basis, the District shall maintain, clean and improve Cathedral Square as appropriate for the District's purposes under this Operating Plan and for general park purposes. The District also shall sponsor or allow others to sponsor events in Cathedral Square, such as Jazz in the Park and Bastille Days.
2. Proposed Activities for Juneau Park. The District shall enter into a cooperative access and maintenance agreement for Juneau Park (as well as Burns Park and Burns Triangle) with the County. At the outset, the District shall implement certain capital upgrades to

Juneau Park, including, but not limited to, improved pedestrian and bike access and amenities and various aesthetic amenities such as enhanced landscaping and public art on top of the Juneau Park bluff. The District may also replant sections of the bluff. On an ongoing basis, the District shall perform specified maintenance to clean and improve the top of the Juneau Park bluff as appropriate for the District's purposes under this Operating Plan and for general park purposes. The District also may sponsor or allow others to sponsor events in Juneau Park, but events in Juneau Park are not anticipated to occur as frequently as events occurring in Cathedral Square.

3. Public Access. Notwithstanding anything herein to the contrary, Cathedral Square Park and Juneau Park are acknowledged to be public parks, intended to remain open and accessible to the public in a manner compatible with both the historical uses of such parks and the uses contemplated in this Operating Plan.
4. Proposed Capital Improvements. Prior to installing the initial capital improvements in the Parks contemplated in this initial operating plan, the District shall obtain approval with respect to the design of such improvements from the City Common Council. Prior to installing any capital improvements costing \$25,000 or more in the Parks (whether in the first or subsequent years of operation), the District shall obtain approval with respect to the design of such improvements from the City Plan Commission and the County Parks Department. No approval shall be unreasonably withheld, delayed or conditioned. Failure of the Common Council, City Plan Commission or the County Parks Department to raise objections to the design of any capital improvements within 30 days following their receipt of plans shall be deemed approval of the plans.

C. Proposed Expenditures and Financing Method.

In years following the year in which the District is created, the annual operating budget for the District will be approximately \$475,000. Of this amount, approximately \$140,000 will finance debt service on capital improvements at Cathedral Square. Approximately \$140,000 will finance capital improvements at Juneau Park. Approximately \$97,500 will pay for ongoing management, administration, maintenance and events at Cathedral Square. Approximately \$97,500 will pay for ongoing management, administration, maintenance and events at Juneau Park. In addition, third parties, including but not limited to the County, may provide grants or other funding for additional capital improvements in the Parks. Any monies

obtained from third parties to fund improvements specifically contemplated in any District operating plan shall be applied to offset District assessments.

The Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds actually available, provided that at all times significant funds shall be spent on each of Cathedral Square and Juneau Park.

The Board shall approve an annual operating budget for the District each year. Such operating budget shall distinguish expenditures proposed in each of the Parks. In no event will the District levy property assessments that exceed \$.25 per \$1,000 of assessed value. **This \$.25 per \$1,000 of assessed value cap shall be included in all future District operating plans unless the following owners affirmatively vote to raise the cap: 1) the owners of commercial property assessed by the District having a valuation equal to 60% of the valuation of all commercial property assessed by the District and 2) the owners of residential property assessed by the District having a valuation equal to 90% of the valuation of all residential property assessed by the District. If only the owners of 60% of the District's commercial property (but not the owners of 90% of the District's residential property) affirmatively vote to raise the assessment cap, then all assessments that exceed \$.25 per \$1,000 of assessed value shall be borne solely by the owners of the District's commercial property. If only the owners of 90% of the District's residential property (but not the owners of 60% of the District's commercial property) affirmatively vote to raise the assessment cap, then all assessments that exceed \$.25 per \$1,000 of assessed value shall be borne solely by the owners of the District's residential property.**

**In addition, if any year's annual operating budget exceeds the prior year's annual operating budget by 4% or more, such budget must be unanimously approved by the entire District Board.** After the District Board has approved the annual operating plan and budget, they will be sent to the City for approval, adoption and inclusion in the City's annual budget for that year. Each District annual operating plan also shall be sent to Milwaukee County's Director of Parks, Recreation and Culture: Milwaukee County may object to any annual operating plan within 10 days following receipt thereof if the operating plan is inconsistent with this initial operating plan or the cooperative access and maintenance agreement between the District and Milwaukee County, in which case the operating plan shall be modified accordingly.

The 2012 assessed valuation of all property subject to assessment within the proposed District boundaries was \$1,928,722,400. The method of assessing annual operating expenses against properties located within the District is set forth in Article IV of this Operating Plan. **Any change in the method of assessing annual operating expenses against properties located within the District must be unanimously approved by the entire District Board, a majority of the Common Council of the City and owners of property assessed by the District having a valuation equal to 60% of the valuation of all property assessed by the District.**

Subsequent revisions to this Operating Plan will specify any additional assessment methodologies and amounts for operating expenses. However, in no event may the District levy assessments in excess of \$.25 per \$1,000 of assessed value, except as specifically set forth above.

**Notwithstanding the foregoing, if the County fails to enter into a cooperative access and maintenance agreement with the District prior to November 15, 2013, the District shall automatically terminate as of January 1, 2014--without any District assessments having been levied.**

In addition, organizers of the District acknowledge that the Milwaukee County voters passed an advisory referendum to create an additional sales tax to fund parks and transit. Organizers also acknowledge that property owners in the District should not be assessed twice to improve and maintain the Parks. In the event that the Wisconsin Legislature passes enabling legislation and Milwaukee County levies and/or creates a dedicated funding source for the improvement and maintenance of the parks, the District will terminate on the date on which the obligation with the latest completion date entered into to implement the then-current operating plan expires.

D. Organization of the District Board.

Upon creation of the District, the District shall hold annual meetings to elect members to the District Board (the "Board") consistent with the terms of this subsection. The Board shall be responsible for implementation of this Operating Plan. This requires the Board to negotiate with the County, the City and providers of services and materials to carry out the Operating Plan; to enter into various leases and contracts; to monitor the effectiveness of the District's activities; to ensure compliance with the provisions of applicable statutes and regulations; and to make reimbursements for any overpayments of District assessments.

Wisconsin Statutes section 66.1110(4)(a)(1) requires that the Board be composed of at least five members, all of whom shall own or occupy real property within the District.

The Board shall be structured and operate as follows:

1. Board Size. The Board shall consist of nine (9) voting members elected by the District property owners and occupiers, and up to four (4) nonvoting members. Two (2) of the nonvoting members shall be the elected County Supervisors representing the District. The additional nonvoting member(s) shall be the two (2) elected City Aldermen representing the District. The Board shall appoint two subboards—one to manage Cathedral Square and a second to manage Juneau Park.

2. Composition.

(a) The voting Board shall consist of:

(i) Five individuals who own or occupy commercial property elected by all commercial property owners/occupiers in the District, as follows:

- One Board member shall be the owner or occupant of a commercial office space of 100,000 square feet or larger; and
- Four Board members shall be at large.

At least one of the five individuals representing commercial property owners/occupiers in the District also shall be a member of the East Town Association, Inc. Board.

(ii) Three individuals who own or occupy residential property elected by all residential property owners/occupiers in the District as follows:

- At least one Board member shall be a member of the Board of Juneau Park Friends; and
- Two Board members shall be at large.

- (iii) One representative of Northwestern Mutual Life Insurance Company, an owner of some of the largest commercial properties by assessed value, also a member of both the East Town Association, Inc. and the Friends of Juneau Park and elected by all commercial property owners/occupiers in the District.

No two Board members may own or occupy property at the same property, building or site.

Each year, the Board shall reconfirm the assessed valuations, ownerships and occupancies of all properties located within the District. If the assessed valuation, ownership or occupancy of any particular building or site in any year ceases to satisfy the criteria set forth above, the Board shall rearrange such building or site in the appropriate category and consistent with Wisconsin Statutes section 66.1110(4).

Notwithstanding anything herein to the contrary, the number of Board members who represent commercial and residential property, respectively, shall be set, as closely as possible, in the same proportion as is the aggregate valuation of commercial property in the District to the total assessed value of all property in the District, and the aggregate valuation of residential property in the District to the total assessed value of all property in the District.

- (b) The nine-member elected voting Board shall, by majority vote, appoint one five member subboard to manage Cathedral Square and a second five member subboard to manage Juneau Park. The Cathedral Square subboard may or may not include the five board members elected pursuant to II.D.2.(a)(i) above, and the Juneau Park subboard may or may not include the three board members elected pursuant to III.D.2.(a)(ii). However, the board member designated under subsection 2(a)(iii) above shall serve on both subboards.
- (c) The four (4) nonvoting members who shall be the elected County Supervisors representing the District and the elected City Aldermen representing the District shall be invited to attend and provide input (but not vote) at all meetings of the Board and subboards.

3. Term. All members elected to the Board shall serve for a period of one year provided that members shall continue to serve until the annual election subsequent to their initial election and except that members may be re-elected.
4. Compensation. None.
5. Meetings. All meetings of the Board shall be governed by the Wisconsin Open Meetings Law if and as legally required.
6. Record Keeping. Files and records of the Board's affairs shall be kept pursuant to public records requirements.
7. Staffing and Office. The Board does not expect to employ staff but may contract for services pursuant to this Operating Plan and subsequent modifications thereof. The Board also does not contemplate maintaining an office for the District.
8. Meetings. The Board shall meet regularly, at least once every six months. The Board shall adopt rules of order (by-laws) to govern the conduct of its meetings.
9. Method of Electing Members to District Board. The date and time for the initial annual meeting shall be on January 8th, 2013 at 1:00 p.m. at the O'Donnell Park Pavilion. Thereafter, an annual meeting at which members of the Board will be elected shall be held at 1:00 p.m. on the first Tuesday of December of each year of the District's existence. Prior to the meeting, the City shall publish a Class 2 notice that contains the time and place of the annual meeting. The notice shall specify that all individuals who either own or occupy real property within the District are eligible to serve on the Board and vote at the election. Individuals must provide evidence of their ownership or occupancy of real property within the District consistent with applicable Wisconsin election laws.

At the meeting, the individuals who own or occupy real property within the District shall be divided in 2 groups. One group shall consist of those individuals who own or occupy commercial property, and one group shall consist of those individuals who own or occupy residential property. Each group shall elect from among its members the number of Board members set to represent its group pursuant to this or a subsequent operating plan. Elected Board members must be confirmed by the City Common Council.

10. Changes. Any change in the Board size, composition or election methodology must be approved by the entire District Board.

#### IV. METHOD OF ASSESSMENT

##### A. Annual Assessment Rate and Method.

Except as specifically provided in Section III(C) above, the annual assessment for District operating expenses will be levied against each property within the District in direct proportion to the current assessed value of each property for real property tax purposes. Thus, the amount of a special assessment against a particular property may change from year to year if that property's assessed value changes relative to other properties within the District.

Appendix D identifies each property included in the District and shows the proposed District assessment for each property for the initial year of operation. Such proposed assessments are based on the assessed value and classification estimated in 2012 pursuant to the foregoing formula.

##### B. Exempt Property; District-Owned Property.

The NID statute requires explicit consideration of certain classes of property. In compliance with the law, the following statements are provided.

1. In accordance with the interpretation of the City Attorney regarding Wisconsin Statutes section 66.1110(7)(a), property exempt from general real estate taxes has been excluded from the District. Owners of tax exempt property adjoining the District and expected to benefit from District activities will be asked to make a financial contribution to the District on a voluntary basis. Funds collected in this manner in any given year shall be used to reduce the assessment against taxable property in the District for the following year. In addition, those tax exempt properties adjoining the District which are later determined no longer to be exempt from general property taxes shall automatically become included within the District and subject to assessment under any current operating plan without necessity to undertake any other act.
2. The Board may not own real property unless otherwise provided in a subsequent operating plan and approved consistent with Wisconsin Statutes section 66.1110(2)(e).

## V. PROMOTION OF ORDERLY DEVELOPMENT OF THE CITY

### A. Enhanced Aesthetics and Usability of the Parks.

Under Wisconsin Statutes section 66.1110(2)(d), this Operating Plan is required to specify how the creation of the District promotes the orderly development of the City. The District will enhance the aesthetics and usability of the Parks. Increased aesthetics and usability of the Parks will increase property tax base and quality of life in the City.

### B. City Role in District Operation.

The City has committed to assisting owners and occupants in the District to promote its objectives. To this end, the City has played a significant role in creation of the District and in the implementation of the initial Operating Plan. In furtherance of its commitment, the City shall:

1. Provide technical assistance to the District in the adoption of this and subsequent operating plans and provide such other assistance as may be appropriate.
2. Collect assessments, maintain the same in a segregated account and disburse monies to the Board.
3. Receive annual audits as required per Wisconsin Statutes section 66.1110(4)(c).
4. Provide the Board, through the Office of Assessment, on or before June 1 of each year, with the official City records on the assessed value of each tax key number within the District as of January 1 of each year for purposes of calculating the District assessments.

## VI. PLAN APPROVAL PROCESS

### A. Public Review Process.

The NID statute establishes a specific process for reviewing and approving proposed districts. Pursuant to the statutory requirements, the following process will be followed:

1. The City Plan Commission will send, by certified mail, a public hearing notice, a copy of the proposed Operating Plan and a detail map showing the proposed District boundaries to all owners of real property within the proposed district. In addition, a Class 2 notice of

the public hearing will be published in a local newspaper of general circulation.

2. At least 30 days before creation of the District, the City Plan Commission will hold a public hearing, will approve or disapprove this Operating Plan and will report its action to the Common Council.
3. The Community and Economic Development Committee of the Common Council will review the proposed Operating Plan at a public meeting and will make a recommendation to the full Common Council.
4. The Common Council will act on the proposed Operating Plan at a meeting which has been preceded by publication of a Class 2 notice of the meeting and mailing a notice of the meeting by certified mail to all owners of real property within the proposed District.
5. If adopted by the Common Council, the proposed Operating Plan is sent to the Mayor for his approval.
6. Additional actions requiring City Common Council approval under this Operating Plan shall first be considered by the Community and Economic Development Committee of the Common Council.

B. Petition Against Creation of the District.

The City may not create the District if, within 30 days of the City Plan Commission's public hearing, a petition is filed with the City containing signatures of:

1. Owners of property to be assessed under the proposed initial Operating Plan having a valuation equal to more than 40% of the valuation of all property to be assessed under the proposed initial Operating Plan, using the method of valuation specified in the proposed initial Operating Plan; or
2. Owners of property to be assessed under the proposed initial Operating Plan having an assessed valuation equal to more than 40% of the assessed valuation of all property to be assessed under the proposed initial Operating Plan.

## VII. FUTURE YEAR OPERATING PLANS

### A. Changes.

It is anticipated that the District will continue to revise and develop this Operating Plan annually, in response to changing needs and opportunities in the District, in accordance with the purposes and objectives defined in this Operating Plan.

Wisconsin Statutes section 66.1110(4)(b) requires the Board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms proposed activities, information on specific assessed values, budget amounts and assessment amounts are based solely upon current conditions. Greater detail about subsequent years' activities will be provided in the required annual plan updates, and approval by the Common Council of such plan updates shall be conclusive evidence of compliance with this Operating Plan and the NID statute.

In later years, the District Operating Plan will continue to apply the assessment formula, as adjusted, to raise funds to meet the next annual budget.

### B. Amendment, Severability and Expansion.

This District has been created under authority of Wisconsin Statutes section 66.1110. Except as set forth in the next sentence, should any court find any portion of this statute invalid or unconstitutional its decision will not invalidate or terminate the District and this Operating Plan shall be amended to conform to the law without need of re-establishment. Should any court find invalid or unconstitutional the organization of the District Board or any requirement for a vote of the entire District Board or a vote of owners of a majority of property assessed by the District, the District shall automatically terminate and this Operating Plan shall be of no further force and effect.

**Notwithstanding anything herein to the contrary, if the County fails to enter into a cooperative access and maintenance agreement with the District prior to November 15, 2013, the District shall automatically terminate as of January 1, 2014--without any District assessments having been levied.**

## APPENDIX A

### Wisconsin Statutes section 66.1110

09-10 Wis. Stats. 636

(h) "Planning commission" means a plan commission under s. 62.23 or, if none exists, a board of public land commissioners or, if none exists, a planning committee of the local legislative body.

(2) An operating plan shall include at least all of the following elements:

(a) The special assessment method applicable to the neighborhood improvement district.

(b) The kind, number, and location of all proposed expenditures within the neighborhood improvement district.

(c) A description of the methods of financing all estimated expenditures and the time when related costs will be incurred.

(d) A description of how the creation of the neighborhood improvement district promotes the orderly development of the municipality, including its relationship to any municipal master plan.

(e) A statement as to whether the local legislative body authorizes the board to own real property and, if so, a description of the real property to be owned, the purpose of the ownership, and a statement of to whom the real property will be transferred if the neighborhood improvement district is terminated.

(f) A legal opinion that pars. (a) to (e) have been complied with.

(3) A municipality may create a neighborhood improvement district and adopt its operating plan if all of the following conditions are met:

(a) An owner of real property subject to general real estate taxes and located in the proposed neighborhood improvement district designated under par. (b) has petitioned the municipality for creation of a neighborhood improvement district.

(b) The planning commission has designated a proposed neighborhood improvement district and adopted its proposed initial operating plan.

(c) At least 30 days before creation of the neighborhood improvement district and adoption of its initial operating plan by the municipality, the planning commission has held a public hearing on its proposed neighborhood improvement district and initial operating plan. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice, together with a copy of the proposed initial operating plan and a copy of a detail map showing the boundaries of the proposed neighborhood improvement district, shall be sent by certified mail to all owners of real property within the proposed neighborhood improvement district. The notice shall state the boundaries of the proposed neighborhood improvement district and shall indicate that copies of the proposed initial operating plan are available from the planning commission on request.

(d) Within 30 days after the hearing under par. (c), one of the following has not filed a petition with the planning commission protesting the proposed neighborhood improvement district or its proposed initial operating plan:

1. The owners of property to be assessed under the proposed initial operating plan having a valuation equal to more than 40 percent of the valuation of all property to be assessed under the proposed initial operating plan, using the method of valuation specified in the proposed initial operating plan.

2. The owners of property to be assessed under the proposed initial operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property to be assessed under the proposed initial operating plan.

(e) The local legislative body has voted to adopt the proposed initial operating plan for the neighborhood improvement district. The local legislative body shall publish a class 2 notice under ch. 985 regarding the meeting at which the local legislative body will vote on whether to adopt the proposed initial operating plan for the neighborhood improvement district. Before publication, a copy of the notice shall be sent by certified mail to all owners of real property within the proposed neighborhood improvement district.

**66.1110 Neighborhood improvement districts.** (1) In this section:

(a) "Board" means a neighborhood improvement district board elected under sub. (4) (a).

(b) "Chief executive officer" means a mayor, city manager, village president, or town chairperson.

(c) "Local legislative body" means a common council, village board of trustees, or town board of supervisors.

(d) "Municipality" means a city, village, or town.

(e) "Neighborhood improvement district" means an area within a municipality consisting of nearby but not necessarily contiguous parcels, at least some of which are used for residential purposes and are subject to general real estate taxes, and property that is acquired and owned by the board if the local legislative body approved acquisition of the property under sub. (4) (d) as part of its approval of the initial operating plan under sub. (3) (c).

(f) "Operating plan" means a plan adopted or amended under this section for the development, redevelopment, maintenance, operation, and promotion of a neighborhood improvement district.

(g) "Owner" means the owner of real property that is located within the boundaries, or the proposed boundaries, of a neighborhood improvement district.

(4) (a) 1. If the local legislative body adopts the proposed initial operating plan under sub. (3) (c), it shall determine the size of board, which shall consist of at least 5 members, all of whom shall own or occupy real property in the neighborhood improvement district.

2. The number of board members who represent commercial and residential property, respectively, shall be set by the local legislative body, as closely as possible, in the same proportion as is the aggregate valuation of commercial property in the neighborhood improvement district to the total assessed value of all property in the district, and the aggregate valuation of residential property in the district to the total assessed value of all property in the district.

3. The local legislative body shall set the time and place for a meeting at which members of the board will be elected, and shall publish a class 2 notice under ch. 985 that contains this information. The notice shall specify that all individuals who either own or occupy real property within the neighborhood improvement district are eligible to serve on the board and vote at the election.

4. At the meeting, the individuals who own or occupy real property shall be divided into 2 groups. One group shall consist of those individuals who own or occupy commercial property, and one group shall consist of those individuals who own or occupy residential property. Each group shall elect from among its members the number of board members set to represent its group by the local legislative body under subd. 2.

5. Board members elected under subd. 4. shall serve a one year term, and may be reelected. Annually, the number of board members who represent commercial and residential properties, based on the calculation described in subd. 2., may be reallocated by the local legislative body to the greatest extent possible to be consistent with the proportion described under subd. 2.

6. Annually, board members shall be elected under the procedures contained in this paragraph. If a vacancy occurs during the term of a board member, an individual shall be elected to fill the unexpired term of the member under the procedures contained in this paragraph.

(b) The board shall annually consider and may make changes to the operating plan, which may include termination of the plan, for the neighborhood improvement district. The board shall then submit the operating plan to the local legislative body for its approval. If the local legislative body disapproves the operating plan, the board shall consider and may make changes to the operating plan and may continue to resubmit the operating plan until local legislative body approval is obtained. Any change to the special assessment method applicable to the neighborhood improvement district shall be approved by the local legislative body.

(c) The board shall prepare and make available to the public annual reports describing the current status of the neighborhood improvement district, including expenditures and revenues. The report shall include an independent certified audit of the implementation of the operating plan obtained by the municipality. The municipality shall obtain an additional independent certified audit upon termination of the neighborhood improvement district.

(d) Either the board or the municipality, as specified in the operating plan as adopted, or amended and approved under this section, has all of the powers necessary or convenient to implement the operating plan, including the power to contract.

(5) All special assessments received from a neighborhood improvement district and all other appropriations by the municipality or other moneys received for the benefit of the neighborhood improvement district shall be placed in a segregated account in the municipal treasury. No disbursements from the account may be made except to reimburse the municipality for appropriations other than special assessments, to pay the costs of audits required under sub. (4) (c) or on order of the board for the purpose of implementing the operating plan. On termination of the neighborhood improvement district by the municipality, all moneys

collected by special assessment remaining in the account shall be disbursed to the owners of specially assessed property in the neighborhood improvement district, in the same proportion as the last collected special assessment.

(6) (a) Subject to pars. (b) and (c), a municipality shall terminate a neighborhood improvement district if one of the following occurs:

1. The owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, file a petition with the planning commission requesting termination of the neighborhood improvement district.

2. The owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, file a petition with the planning commission requesting termination of the neighborhood improvement district.

3. The owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan fail to file a petition with the planning commission to continue the neighborhood improvement district within one year of the date on which the membership of the board changes from a majority which represents commercial properties to a majority that represents residential properties, or vice versa, as described under sub. (4) (a) 3.

(b) 1. A petition may not be filed under this subsection earlier than one year after the date on which the municipality first adopts the operating plan for the neighborhood improvement district.

2. On and after the date on which a petition is filed under par. (a) 1. or 2., or on and after the date on which a petition must be filed under par. (a) 3., neither the board nor the municipality may enter into any new obligations by contract or otherwise to implement the operating plan until the expiration of 30 days after the date of the hearing under subd. 3. and unless the neighborhood improvement district is not terminated under par. (c).

3. Within 30 days after the filing of a petition under par. (a) 1. or 2., the planning commission shall hold a public hearing on the proposed termination. Within 30 days after the deadline for filing a petition under par. (a) 3. passes, the planning commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice, together with a copy of a detail map showing the boundaries of the neighborhood improvement district, shall be sent by certified mail to all owners of real property within the neighborhood improvement district. The notice shall state the boundaries of the neighborhood improvement district and shall indicate that copies of the operating plan are available from the planning commission on request and are posted in the building in which the municipality's governing body regularly holds its meetings.

4. Within 30 days after the date of the hearing under subd. 3., every owner of property assessed under the operating plan may send written notice to the planning commission indicating, if the owner signed a petition under par. (a) 1. or 2., that the owner retracts the owner's request to terminate the neighborhood improvement district, or, if the owner did not file or sign a petition under par. (a) 1. or 2., that the owner requests termination of the neighborhood improvement district under par. (a) 1. or 2.

5. Within 30 days after the date of the hearing under subd. 3., every owner of property assessed under the operating plan may send written notice to the planning commission indicating, if the owner signed a petition under par. (a) 3., that the owner retracts the owner's request to continue the neighborhood improvement district, or, if the owner did not file or sign a petition under par. (a) 3., that the owner requests continuation of the neighborhood improvement district under subd. 3.

(c) After the expiration of 30 days after the date of the hearing under par. (b) 3., and after adding any additions and subtracting

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any retractions under par. (b) 4. and 5., the municipality shall terminate the neighborhood improvement district on the date on which the obligation with the latest completion date entered into to implement the operating plan expires if the owners who have signed the petition requesting the termination of the neighborhood improvement district under par. (a) 1. or 2. constitute the required groups specified in par. (a) 1. or 2., or if an insufficient representation of owners, as described under par. (a) 3., petition to continue the neighborhood improvement district under par. (a) 3.

(7) (a) 1. Except as provided in subd. 2., any parcel of real property used exclusively for less than 8 residential dwelling units and real property that is exempted from general property taxes under s. 70.11 may not be specially assessed for purposes of this section.

2. In a 1st class city, real property that is exempted from general property taxes under s. 70.11 may not be specially assessed for purposes of this section.

(b) A municipality may terminate a neighborhood improvement district at any time.

(c) This section does not limit the power of a municipality under other law to regulate the use of or specially assess real property.

**History:** 2005 a. 186; 2009 a. 147.

## APPENDIX B

### Petitions

APPENDIX C

Proposed District Boundaries

APPENDIX D

Listing of Properties Included in the District

APPENDIX E

Sample Annual Budget

Income:

NID Assessments	\$475,000
Additional County Funding	?
	_____
TOTAL	\$475,000

Expenses:

Debt service on capital improvements Cathedral Square	\$140,000
Debt service on capital improvements Juneau Park	\$140,000
On-going maintenance at Cathedral Square	\$ 97,500
On-going maintenance at Juneau Park	<u>\$ 97,500</u>
TOTAL	\$475,000

\* The above budget is a SAMPLE annual budget only. This budget and District assessments will first apply in the year following the year in which the District is created. If Milwaukee County fails to enter into a cooperative access and maintenance agreement with the District prior to November 15, 2013, the District shall automatically terminate without any District assessments having been levied.

APPENDIX F

City Attorney's Opinion