



Business Improvement Districts in Wisconsin

An Overview

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City of Merrill Committee of the Whole

What is a BID? (Business Improvement District)

***A non-governmental vehicle to promote,
maintain, manage, and develop a defined
commercial area.***

Legal Authority

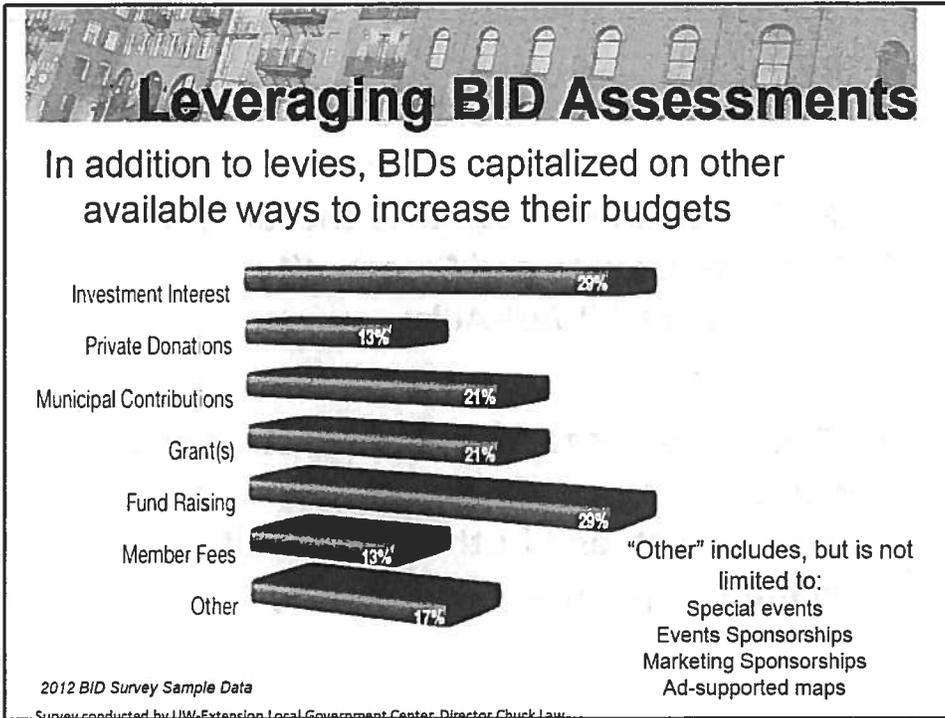
Wisconsin Act 184 (1984); 66.1109 of Wisconsin Statutes

- Declining public revenues is mentioned as a specific justification for the creation of a BID
- "Contiguous" parcels
- Operating Plan
- Special assessment (Operating Plan must disclose formula in relation in annual budget; usually something per \$1,000 of valuation)
- Cities, town, villages (not counties)

Creation Process

- Owner of real property used for commercial purposes in the proposed district has petitioned municipality for creation of BID (usually BID planning committee members make the petition)
- Local plan commission has designated the BID area and adopted BID operating plan
- Public Hearing: 30 days prior to designation of district and adopting of initial operating plan by municipality (copy of initial operating plan, map of BID boundaries, and notice of hearing sent directly to property owners)
- 30 day waiting period: A petition rejecting BID from owners of properties representing more than 40% of the value of property to be assessed in the proposed BID or using the same method of valuation proposed in the operating plan is not filed
- Final approval of local legislative body (usually Council)
- Mayor or municipality's chief executive officer appoints BID Board (minimum of five members; majority shall own property in designated district)
- Annual review of operating plan and changes made if necessary (to be approved by local legislative body)
- BID annual reports made available to public (audits required; segregated account required)

Sources: Wisconsin Act 184; Statute 66.1109; BID Creation Process, UW-Extension Local Government Center.



Local Example: Tomahawk Main Street BID



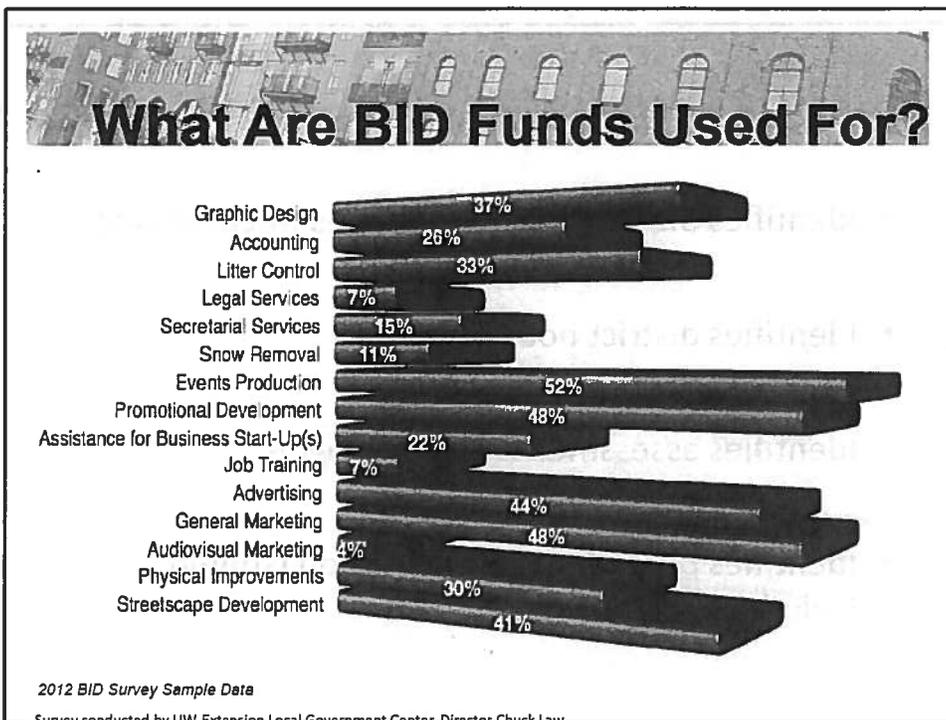
Missions

- **“Build a positive image that encourages Customer Growth and Community Involvement.” (West Allis)**
- **“The BID works to market the district as a whole, create a welcoming downtown environment, and further community relations.” (Madison Central BID)**

Wisconsin Averages

- Average assessment = \$3.10/\$1,000 in valuation
- On average statewide BIDs encompass about \$500,000 in property value each
- Average operating budget is \$217,000
- 85% of BIDS hire full or part-time staff

Source: CCED and Shawano BID Website



Websites

DOWNTOWN WEST ALLIS
BUSINESS & IMPROVEMENT DISTRICT

Village of Wauwatosa
Business Improvement District

DOWNTOWN MADISON

Hartford BID

Historic Downtown Waukesha & Riverwalk

Operating Plan

- Identifies BID goals and objectives (focus areas)
- Identifies district boundaries
- Identifies assessment methodologies
- Identifies procedures for collection (should include a budget)

BIDS in Wisconsin General Purpose

- Facade improvements
- Provide funding for Main Street programs
- Develop and promote events
- Signage
- Streetscape improvements/beautification
- Business retention and recruitment
- Property inventory (online)
- Business directories
- Volunteer recruitment

- \$2.50 per \$1,000 (just raised for 2012 budget from \$2.00)
- City of Tomahawk incorporates BID assessments into the property tax assessments at no charge to the BID organization (city pays Main Street program each February)
- There are currently 66 businesses in the Tomahawk BID
- Main Street budget is about \$79,000
- BID revenues are a substantial portion of the Main Street budget (about 31%); Donations are about 24% of revenues and proceeds from events are about 30% of revenues
- BID through the Main Street program promotes historic downtown, cultural heritage, increases community pride, and diversifies the economic base
- Six member board (one ex officio member from City Council)



Sources: Tomahawk BID Operation Plan for 2012 and 2012 Main Street budget

Activities

- Main Street Memories Car Show & Expanded Kid's Day Events
- North for the 4th T-Shirts
- Adopt – a – Flower – Basket
- Music on Main Street (with Chamber)
- Win the Windows
- "All trails lead to downtown Tomahawk"

Best Practices

- Get well over the majority of businesses on board
- Need a critical mass of businesses to generate enough revenue
- Must have local government support
- BIDs are used to promote a fairly large, unified business area
- Prioritize BID goals and objectives (limited revenue and capacity)
- Create a vision for the BID and a plan for well into the future
- Communication vehicle
- Volunteer base

BID Termination Process

- Property owners of over 50% of total assessed value must issue a petition calling for termination (has to be at least one year after official start of BID)
- Public hearing within 30 days of petition being filed
- Another 30 days after hearing for public to weigh in by letter, etc.
- Municipality then votes to terminate

Contact

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