

# Omro BID's Annual Operating Plan 2014



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## **I. Introduction**

The program presented in this proposal became law in Wisconsin in April 1984. This concept, called Business Improvement District (BID), provides a method through which businesses within certain areas may develop and promote revitalization of the area using an assessment method of funding.

Prior to the BID legislation, special assessments could only be used to finance physical improvements such as curb and gutter, sewers, water, streets, and sidewalks. The BID law authorizes cities to create a business improvement district, which allows businesses within that district to develop, manage, and promote their district and to establish an assessment method to fund these activities. A Business Improvement District must be a geographic area within a municipality consisting of contiguous parcels, which are subject to real estate taxes.

In 1988, the City of Omro created a Business Improvement District, in accordance with Wisconsin State Statute §66.1109.

## **II. District Boundaries**

Omro's Business Improvement District extends along both the north and south sides of the Fox River. This district includes what is considered Downtown Omro and extends throughout most of the C-1 Central Commercial zoning along the south side of the Fox River (from Cleveland Street on the east side to Industrial Drive on the west side). To the north of the Fox River, the BID is found on North Webster Street, extending to East River Driver, and ends at the north end of Willow Street.

The BID Board and BID Director will approach new businesses and home-based businesses within the City of Omro who are not currently in the BID district to join the BID. If agreed to join, the business would be added to the assessment based on their current assessed property value. If an agreement is not made, the BID Board and BID Director will make a request of funds to the new business or home-based business to help support the BID goals and objectives.

## **III. Operating Plan**

### **A. Business Improvement District Mission Statement**

The creation of an organization dedicated to supporting, marketing, and developing the Omro Business District. A Business Improvement District is the best source of funds that will allow the business people themselves to coordinate promotion, management, and maintenance programs for the entire district. An improved business district will create a positive image for not only those businesses within the district, but for the community as a whole.

## **B. Business Improvement District Objectives and Activities**

- To market Omro Businesses by establishing a sufficiently funded and coordinated promotional and advertising program.
- To continue to support and build upon programs and activities which encourage people of all ages to come to Omro.
- To develop informational and professional assistance to aid existing businesses, and to seek and promote new business opportunities.
- To work with the City and private agencies in supporting new programs and projects aimed at strengthening the Omro business community.

## **C. Financing, Assessment Method and Assessment Rate**

Omro's Business Improvement District was established through consideration of properties that would benefit from the program.

Assessments to meet the BID Budget will be levied against each property within the district based on its assessed valuation. Those properties, which are used for commercial purposes and mixed-use purposes will be eligible for assessment. Real property used exclusively for manufacturing purposes will not be assessed. Real property used exclusively for residential purposes will not be assessed as required by Wisconsin Statute 66.608. Notwithstanding other provisions of this section, real property classified residential on the assessment roll will not be assessed.

The assessment is based on the individual's property percentage of the total assessed value of all properties' assessments combined in the business improvement district. Once the BID board determines the budget, the percentage is applied toward the budget to determine each individual property's contribution into the BID. Special assessments for the Omro Business Improvement District shall be capped at \$800.00.

Per §66.1109 (4), all special assessments must be put in a segregated account in the municipal treasury. In the case of Omro, City Hall collects all special assessments and other moneys received for the purposes of the business improvement district. The city of Omro, City Hall, will provide a monthly financial account to the BID. At the end of the year, any amount not used will be carried over into the BID's account.

## **D. Excluded and Exempt Property**

Wisconsin law specifies certain properties which are exempt from the assessment, and allows for the municipality to determine whether or not businesses operating specifically for manufacturing purposes are exempt.

1. Wisconsin Statutes § 66.1109(1)(f) 1m: *This section details what must be included in a Standard Operating Plan. “Whether real property used exclusively for manufacturing purposes will be specially assessed.”* Property used exclusively for manufacturing purposes will not be assessed.

2. Wisconsin Statutes §66.1109(5)(a): “Property used exclusively for residential purposes will not be assessed.”

3. Wisconsin Statutes § 66.1109(5)(a): “Real property that is exempted from general property taxes under §70.11 will not be assessed.”

Owners of property that is exempt from the special assessment may not receive the direct financial benefits of the Business Improvement District, such as in the case of a façade improvement grant or any other grant.

#### **E. Organization of the Board**

The Omro Business Improvement District has established a Board of Directors in conformance with Wisconsin Act 184. This board will be responsible for the management of the Business Improvement District. Responsibilities of the board, with assistance from the BID Director, include implementing the operating plan and preparing annual reports on the district. The board will also annually consider and make changes to the operating plan and submit the operating plan to the City Council for approval.

The board will consist of seven members appointed for a two-year term by the Mayor and approved by the City Council. The majority of the board members shall be property owners or occupants within the district, pursuant to §66.1109 (3) (a) of Wisconsin State Statute. The board will also include one representative of each of the following: the Omro Area Development Corporation, the Omro Area Chamber of Commerce now known as Future Omro, and City Council. In addition to the seven-member board the Community Development Director will act as the BID Director in carrying out the directives of the board on a day-to-day basis. Annually, a member of the board will be elected to fill the role of the Chairman.

The BID board will operate as follows:

1. All meetings of the BID board will be in compliance of Wisconsin’s Open Meeting Law as legally required.

2. Files and records of meeting minutes, agendas, budgets and any other items pertaining to the BID board's affairs will be kept in accordance with Wisconsin's Public Records Law.
3. The BID board will meet at least once on a quarterly basis, with at least four voting members present in order to vote.
4. The BID board shall have all the powers necessary or convenient to implement the operating plan, including the power to contract.
5. If a Board member no longer complies with the requirements to sit at on the Board, he or she shall be eligible to remain on the Board until a new Board member is appointed by the mayor. In the case that a board member is no longer willing to serve on the Board, the mayor shall make a timely appointment of a new board member. All board appointments made by the mayor shall be approved by City Council.

**F. Annual Reporting**

Wisconsin laws regulating business improvement districts require that the BID board prepares annual reports, including the status of the District, expenditures and revenues. These reports must be made available to the public. This report shall include an independent certified audit of the implementation of the operating plan obtained by the municipality.

**G. Future Omro**

The Omro BID board will work with Future Omro to designate how and where BID funds are used where common objectives overlap. Receipts will be given by Future Omro to the BID Board for payment of joint projects.

**H. Budget**

<b>2014 Budget</b>	
BID Revenues	\$15,789.53
Community Development Position	-\$5,000.00
Façade Grants	-\$3,000.00
Funds to be Used Toward BID Objectives and Activities (as stated in B.)	-\$7789.53

#### **IV. Promotion of Orderly Development of the City**

Under §66.1109 (1)(f) 4, the Operating Plan must specify how the business improvement district promotes the orderly development of the municipality, including its relationship to any municipal master plan.

The Omro Business Improvement District is created through private sector initiative to further city goals. The creation of the Business Improvement District is consistent with the City's plans and promotes the orderly development of the City in general and the business district in particular. This proposal is consistent with the City's Comprehensive Plan and all other City Ordinances and Plans. Furthermore, the *City of Omro Comprehensive Plan 2005-2025* states the importance of the business improvement district's façade improvement program in enhancing the appearance of the Downtown Business District.

Additionally, the BID provides a vehicle to fund and coordinate marketing and community events through a board of directors assisted by professional staff so that these efforts can be channeled effectively to promote orderly development.

#### **V. Plan Approval Process**

Wisconsin State Statute spells out the process for approval and review of the Operating Plan. The following process complies with §66.1109 (3)(b):

1. The BID board will meet annually to review the proposed operating plan, and make a consensus on any changes, additions or modifications
2. The operating plan will then be submitted to Omro City Council for approval
3. If Omro City Council disapproves of the operating plan, the BID board will make the necessary changes and will continue to submit the operating plan to City Council until the plan is approved.
4. Any changes made to the special assessment method of the business improvement district will be approved by the Omro City Council prior to implementing the new special assessment.
5. This plan shall be considered and amended, as necessary, on an annual basis prior to the commencement of the next calendar year. Every year, the plan shall be brought to Omro City Council for approval.

Board Members for 2013

Rick Christl (Chair, Term Expires April 2015)

Robert McKay (Term Expires April 2015)

Jennifer Jordan (Term Expires April 2016)

Kimberly Anderson (Term Expires April 2016)

Steve Jungwirth (Council Rep., Term Expires April 2014)

John Sullivan (Term Expires April 2014)

Brett Bork (Term Expires April 2014)