

*****ATTACHMENTS*****

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: R. O. No. 91-21-22, submitting the 2022 Business Improvement District (BID) Statement of Purpose, dated October 12, 2021 and the BID's 2022 Operating Budget.

REPORT PREPARED BY: Chad Pelishek, Director of Planning & Development

REPORT DATE: October 21, 2021

MEETING DATE: October 25, 2021

FISCAL SUMMARY:

STATUTORY REFERENCE:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

Per State Statute, the city collects assessments for buildings within the Business Improvement District (BID) for betterment of the downtown. Per State Statute, the BID is required to submit their annual Statement of Purpose to the City to be included in the City's yearly budget. For 2022, the BID plans to continue to operate as a granting and funding organization. Green Bicycle Co. has been contracted for district management, administration, development and planning. The BID's 2022 work plan will focus on four areas: structure, communication, partnerships, and placemaking. The assessment is staying the same as previous years at \$2.78 per \$1,000 of assessed valuation. The BID has a minimum of \$250 and a maximum of \$8,000.

The City of Sheboygan collected these assessments as part of the property tax payments and then in March releases the funds to the BID for their yearly operating budget. The City has historically collected as in-kind contribution to the District.

STAFF COMMENTS:

None at this time.

ACTION REQUESTED:

Motion to recommend the Common Council accept and file R.O. No. 91-21-22 submitting the 2022 Business Improvement District (BID) Statement of Purpose, dated October 12, 2021 and the BID's 2022 Operating Budget.

ATTACHMENT

- I. R.O. No. 91-21-22

II

R. O. No. 91 - 21 - 22. By DIRECTOR OF PLANNING AND DEVELOPMENT.
October 18, 2021

Submitting the 2022 Business Improvement District (BID) Statement of Purpose, dated October 12, 2021, and the BID's 2022 Operating Budget.

F+P.

Director of Planning & Development



2022 Statement of Purpose & Budget

Presented to the Executive Committee
October 12, 2021

Approved by the Board of Directors
October 12, 2021

Submitted to the City of Sheboygan
October 13, 2021

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BID STATEMENT OF PURPOSE (10/12/2021)

Wisconsin State Statute 66.1109 creates a financial tool that allows a municipality to levy a special assessment on property owners within a defined Business Improvement District (BID) upon petition of those property owners. The property owners in the BID district then use the assessment resources to maintain and enhance their business environment.

Property owners join with a municipality to create a BID in order to establish a strong organizational structure where individual concerns, as well as group goals can be addressed. Property owners maintain a direct role within the district, coordinating the use of funds from the pooled assessment, and implementing plans for the development, operation, maintenance and promotion of the BID area.

The Harbor Centre concept formed in 1990 was developed to utilize the historic strengths of the City - the lakefront, riverfront, and downtown. The concept recognizes the need for a coordinated development and marketing approach for the central part of Sheboygan. The concept coordinates and integrates public and private development, traffic and pedestrian circulation, parking, signage, lighting, and landscaping.

The Harbor Centre concept recognizes the individual identity of the downtown, riverfront, and lakefront and builds on the assets of each area. The BID is an important tool that will assist in the implementation of the Harbor Centre Master Plan, Sheboygan's Downtown Districts Plan, and any subsequent plans that impact or include the BID. Further, the BID will foster a positive image for the businesses within Harbor Centre and for the businesses within Harbor Centre and for the community as a whole. A prosperous central area (Harbor Centre) is as important as good schools, good parks and good roads.

The BID funds will be used to support community and member-driven events and activities taking place in the district, provide streetscape beautification and enhancement, and support investments in the infrastructure and functionality of the district.

BID BOARD OF DIRECTORS

The Board of Directors will manage the Business Improvement District. The Board will meet on a regular basis and will establish an executive committee to oversee the day-to-day activities of the BID. The Board will implement the operating plan and prepare annual reports on the district. The Board will also conduct an annual review and make necessary changes

The Board shall consist of 12 members in size for two year staggered terms and are composed of five business agents, representing owners of commercial businesses in the district; six property owners, one at large member and one government member, representing the City of Sheboygan, all of whom are appointed by the Mayor and confirmed by the Common Council of the City of Sheboygan.

Board members should be representative of different areas within the district, including representation from a mix of business types. In addition, the Board may choose to have non-voting members representing co-beneficial partner organizations such as the Visit Sheboygan and Sheboygan County Economic Development Corporation.

BID BENEFICIARIES

The BID program is designed so that it benefits all business interests within the district.

RETAILERS: Money generated through the BID assessment is used to support programs that enhance the business climate in the Harbor Centre.

A comprehensive support program reinforces the existing promotional programs and supports members in creating new programs. Retailers benefit from promotions, traffic and a feeling of vitality created in the central area.

Retail establishments located in the Harbor Centre benefit from the improvements to the physical environment made possible through the organization of the BID. The overall effect of an attractive, clean, active district reflects positively on the businesses, and improves each customer's experience.

SERVICES PROVIDERS: Service providers benefit from the proposed promotional activities as some of these events enhance the service industry as well.

Service providers located in the Harbor Centre benefit from the improvements to the physical environment made possible through the organization of the BID. The overall effect of an attractive, clean, active district reflects positively on the businesses, and improves each customer's experience.

INDUSTRIAL FIRMS: Industrial firms located in the Harbor Centre benefit from the improvements to the physical environment made possible through the organization of the BID. The overall effect of an attractive, clean, active business reflects positively on a corporate image.

In addition, BID promotional events will provide a source of recreation and entertainment for employees before and after work and during lunch breaks.

PROPERTY OWNERS: Property owners benefit from the BID. Promotional and design programs increase the vitality in the area which, in turn, results in increased property values. Programs that bring increased interest and traffic to the area that are created and supported by the BID impact owners of vacant properties by increasing desirability of the district, and exposing the public to available properties.

BID GOALS AND OBJECTIVES

To continue promotion and development of the Business Improvement District, in 2022 the Board of Directors has decided to proceed with contracting Green Bicycle Co. for district management, administration, development, and planning. The Harbor Centre Business Improvement District created a simple strategic plan to direct its efforts in 2021 and 2022. The BID's work in 2022 will support the goals and objectives outlined in that plan:

1. **STRUCTURE.** The BID is establishing a relevant purpose and identity as a granting and funding organization that supports projects, events, and programs that improve the physical appearance, functionality, and vibrancy of the District. The BID will work to increase understanding of their purpose throughout the district and the community. The BID aims to improve operational structure through increased transparency and member representation, and improved meeting productivity.
2. **COMMUNICATION.** The BID is creating transparent operation and communication with BID members, which will increase member engagement and improve two-way communication between BID members and the Board of Directors and its committees. Through this focus on communication the BID will expand awareness and create a welcoming atmosphere for new and existing members.
3. **PARTNERSHIPS.** The BID aims to create synergy and efficiency through the enhancement of mutually beneficial connections with key local organizations, such as Visit Sheboygan, the City of Sheboygan, the Sheboygan County Chamber of Commerce, and others. These partnerships will bring operational efficiency and effectiveness, and will connect BID members to external opportunities to learn and grow.
4. **PLACEMAKING.** The BID works to create a beautiful and enticing business district through supporting infrastructure and beautification efforts, and continuing to develop plans to improve the physical appearance and function of the BID. Placemaking efforts will increase vibrancy by supporting events that connect locals and visitors to the BID, and creating a welcoming atmosphere for all.

BID SPECIAL ASSESSMENT AND EXEMPTIONS

The activities proposed in this operating plan will be funded through annual special assessments. Assessments to meet the BID budget will be levied against each property within the district based on its most recent assessed value. Those properties which are used for commercial purposes and those used exclusively for manufacturing will be eligible for assessment.

The proposed BID assessment is \$2.78 per \$1,000 of assessed valuation. The property owners on leased City land will be assessed on the basis of the assessed value of their improvements on the property. In addition, the following minimums and maximums will apply

- a.) BID fee would be a minimum of \$250.00
- b.) BID fee would be a maximum of \$8,000.00

Real property used exclusively for residential purposes will not be assessed as required by Wisconsin Statute 66.1109. Properties which are exempt for paying property taxes such as public utilities, non-profit organizations, religious institutions, and governmental bodies are also exempt from the special assessment.

BID OPERATING BUDGET

January - December 2022		
Income		
Income	Special Assessments; Interest	\$150,025.00
Total Income		\$150,025.00
Expenses		
Operations	Subcontractor; Rent; Insurance; Accounting; Website; Printing	\$60,025.00
Event/Marketing Support	Spring/Summer and Fall/Winter Grants	\$35,000.00
Miscellaneous	Miscellaneous	\$1,000.00
Major District Investments/Enhancements	Major District Projects; Summer Decorations; Winter Decorations	\$54,000.00
Total Expenses		\$150,025.00

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 77-21-22

REPORT PREPARED BY: Finance Director Kaitlyn Krueger

REPORT DATE: October 20, 2021

MEETING DATE: October 25, 2021

FISCAL SUMMARY:

STATUTORY REFERENCE:

Budget Line Item: 40015100-411100
Budget Summary: N/A
Budgeted Expenditure: N/A

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

During the 2022 budget development process, it was discovered that the 2020 tax levy, payable in 2021, was submitted incorrectly to both the State of Wisconsin Department of Revenue and Sheboygan County. This miscalculation resulted in \$375,000 of additional tax levy being imposed on the December 2020 tax bills, which exceeded the amount approved by the Common Council.

The attached resolution amends the 2021 budget to appropriate the additional revenue recognized during the 2020 tax bill process. The amendment also corrects the levy amount to reflect the total amount reported to the other government agencies.

STAFF COMMENTS:

The Finance Department and City Administrator's office will be coming forward at the beginning of 2022 with a proposal on amending the capital project plan to expend the additional funds.

ACTION REQUESTED:

Motion to recommend the Common Council adopt Res. No. 77-21-22 by Alderperson Felde and Filicky-Peneski amending the 2021 City of Sheboygan capital budget and the corresponding tax levy.

ATTACHMENTS:

- I. Res. No. 77-21-22

III

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Res. No. 77 - 21 - 22. By Alderpersons Mitchell and Filicky-Peneski.
October 18, 2021.

A RESOLUTION amending Res. No. 103-20-21 to correct the 2020 property tax levy, and authorizing the Finance Director to make a necessary budget adjustment and appropriation in the 2021 budget.

WHEREAS, the Common Council approves the annual property tax levy through the budget review process; and

WHEREAS, as part of the budget review process, the Common Council approved Res. No. 103-20-21, which indicated that "the property tax levy required to finance the 2021 Budget is \$25,021,842"; and

WHEREAS, the Finance Department incorrectly submitted a different amount - \$25,396,842 - to the State of Wisconsin's Department of Revenue and Sheboygan County; and

WHEREAS, as such, the property tax levy actually imposed on taxpayers of the City of Sheboygan was \$25,396,842.

NOW, THEREFORE, BE IT RESOLVED: That the Finance Director is authorized to increase the previously budgeted appropriation for the Capital Fund (Account No. 40015100-411100) by \$375,000, to reflect the difference between the original property tax levy indicated in Res. 103-20-21 and the property tax levy actually imposed.

BE IT FURTHER RESOLVED: That Res. No. 103-20-21 is amended to read "that the property tax levy required to finance the 2021 budget is \$25,396,842."

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Roberta Filicky-Peneski

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

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