

Fiscal Estimate Narratives

DOR 12/26/2013

LRB Number	13-3506/1	Introduction Number	SB-412	Estimate Type	Original
Description Creation of a neighborhood improvement district					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, upon petition of a property owner within the affected area, any town, village, or city may create a neighborhood improvement district (NID) after certain procedures (such as notifying affected property owners and holding public hearings) are followed. A NID is an area consisting of nearby, but not necessarily contiguous, parcels, some of which are used for residential purposes. Each NID is administered its own board. This board is responsible for developing an operating plan for the development, redevelopment, maintenance, operation, and promotion of the district.

Under the bill, the petition to form a NID must be signed by owners of at least 50% of the value of all property to be assessed under the district's initial operating plan.

By effectively increasing the number of property owners who need to agree to the formation of a NID in the process of petitioning for the creation of a NID, the bill may reduce the number of these districts that are created.

Based on data from the Statement of Taxes filed with the Department of Revenue (DOR) for the 2012/13 property tax year, only one municipality – the City of Milwaukee – has created a NID. The total special assessment for the NIDs was \$235,290.

Long-Range Fiscal Implications