



**WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO**

2005 Assembly Bill 366

**Assembly Substitute
Amendment 1**

Memo published: August 18, 2005

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In general, the substitute amendment revises the bill by:

1. Specifying notice requirements for a meeting of a local legislative body at which that body will vote on whether to adopt a proposed initial operating plan for a neighborhood improvement district (NID). See, generally, page 5, lines 12 to 17 of the amendment.
2. Revising the selection method and term of members of a NID board and clarifying the role of the local legislative body concerning the size of the board and the proportionate representation of commercial and residential property owners. See, generally, page 5, lines 18 to 25, and page 6, lines 1 to 22 of the amendment.

These differences are described more fully below.

NOTICE OF MEETING OF LOCAL LEGISLATIVE BODY

Under the bill, one of the conditions for a municipality to create a NID is adoption of the proposed initial operating plan for the district by vote of the local legislative body (common council, village board, or town board).

The substitute amendment requires the local legislative body to publish a Class 2 notice of the meeting at which a vote will be taken on whether to adopt the proposed initial operating plan for the NID. In addition, before publication of the notice, a copy of the notice must be sent by certified mail to all owners of real property within the proposed NID.

NID BOARD MEMBERS

Under the bill, members of a NID board are appointed by the municipality's chief executive officer (mayor, city manager, village president, or town chair) for staggered terms designated by the local legislative body. Under the bill, NID board members are elected by owners or occupiers of property within the NID. The substitute amendment provides that board members serve one-year terms. No provision is made for staggered terms.

Under the substitute amendment, the local legislative body sets the time and place for the meeting at which new board members will be elected and requires publication of a Class 2 notice containing this information. The notice must specify that all individuals who either own or occupy real property in the NID are eligible to serve on the board and vote at the election. At the meeting for election of board members, individuals who own or occupy commercial property elect the number of board members on the board representing commercial property. Similarly, individuals who own or occupy residential property elect the number of board members representing residential property. If a vacancy occurs during the term of a board member, an individual is elected to fill the unexpired term.

Under the bill, a NID board must have at least five members. The substitute amendment expressly provides that the local legislative body determines the size of the board (which still must consist of at least five members).

The bill provides that the proportion of board members who represent commercial and residential property, respectively, is to be determined based on the proportionate value of commercial property in the district to the total assessed value of all property in the district and the value of residential property in the district to the total assessed value of all property in the district. The substitute amendment expressly provides that the number of board members representing commercial and residential property, respectively, is to be set by the local legislative body, based on the same formula that is contained in the bill. The substitute amendment authorizes the local legislative body to reallocate the number of board members representing commercial and residential properties for consistency with the formula for determining the proportion of their representation on the board.

Legislative History

Assembly Substitute Amendment 1 was offered by the Assembly Committee on Urban and Local Affairs, which recommended adoption of the amendment by a vote of Ayes, 6; Noes, 1. The committee recommended passage of Assembly Bill 366, as amended, by a vote of Ayes, 6; Noes, 1.

DD:ksm:jal