I. INTRODUCTION
Under Wisconsin Statute Section 66.1109, (the “BID Law”) cities are authorized to create Business Improvement Districts (“BIDs”) upon the petition of at least one owner of property used for commercial purposes within the District. The purpose of the BID Law is “…to allow businesses within those districts to develop, to manage and promote the districts and to establish an assessment method to fund these activities.”

BID assessments are similar to traditional special assessments wherein property owners are assessed for improvements or services that benefit them. Unlike the traditional special assessments, however, BID assessments can be used to finance a wider range of activities, services and improvements such as business retention, expansion and recruitment; ambassadors; promotion and marketing; seasonal street decorations; and information centers.

On April 13, 1988 the City of Shawano created Business Improvement District No. 1. Pursuant to BID Law, this is the operating plan (“Operating Plan”) for the District for the calendar year 2019, which has been prepared to establish the services to be offered by the District, expenditures made by the District, the special assessment method applicable to properties within the District for the thirty-first (31st) year of the BID, and other requirements of the BID Law.

II. DISTRICT BOUNDARIES
The Business Improvement District is the area shown on the map under Appendix A, attached hereto and incorporated herein by this reference (“District”). The District includes the area in the City of Shawano that comprises Shawano’s Central Business District. The entire area represents the heart of Shawano’s downtown, linking Main Street business with businesses on East Green Bay Street. A listing of the properties included in the District is set forth in Appendix B, attached hereto and incorporated herein.

III. OPERATING PLAN
A. Plan Objectives:
The objective of the District is to further promote the development, redevelopment, operation and promotion of Downtown Shawano for the economic benefit of all businesses and property owners within the BID. The District will focus on advocacy for the property/business owners with the District functioning as one unified voice.

B. Proposed Activities:
The Shawano BID is planning in 2019 the following programs, either directly, or through hired independent contractors, based on resources, time and BID Board discretion, some of these programs may not be fully implemented in 2019.

1. Promotions/Marketing: The downtown businesses, along with the BID Coordinator, will coordinate a public relations campaign to retain and expand the District’s customer and business base, and support annual special events within the District.
2. Business Recruitment, Expansion and Retention: The BID Board and their Property Committee will work with Shawano County Economic Progress, Inc. (“SCEPI”), the Industrial and Commercial Development Commission, or other economic development firms to retain, expand and recruit businesses within the District.

3. BID Business Improvement Grant: Promote the Business Improvement Grant by continuing to offer up to $5000 grants to improve and revitalize the interior and/or exteriors of commercial properties.

4. Capital Improvement Projects: Fund capital improvement projects that promote the aesthetics, safety and access to the District.

5. Downtown Master Plan: Initiate mural plan for downtown buildings; place an additional sixteen flower planters in addition to those purchased in 2018; add Witches Night Out as a BID supported event; hang banners from cable across Main Street; promote grant application for property development of upper level of buildings; encourage businesses to participate and/or collaborate with Thursdayz in Franklin events; and maintain an online directory of properties, buildings and spaces available.

6. Office and Miscellaneous Expense.

C. Expenditures and Financing Method:

The 2019 operating budget for the District is funded by collections through the BID assessments and surplus funds from prior year collections. The expenditures for 2019 are identified on Appendix C, attached hereto and incorporated herein. The Board is also authorized to receive and spend additional income if available from other sources, including voluntary contributions and grants. The Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds actually available, and to adjust line items in the budget to maximize the impact of the expenditures. Expenditures will be made in a fair and equitable basis throughout and for the benefit of the entire District. In the event that a surplus exists at the end of any fiscal year, the monies may be carried over for expenditures in subsequent years.

Although the operating budget for the District is subject to the annual approval of the City of Shawano, as set forth in the BID Law, the Board agrees it shall prepare an annual operating budget for the District each year for the City of Shawano Common Council’s approval. Said budgets shall be submitted by October 1st of each year for the following year’s operations. The District may, when it deems necessary, borrow funds to supplement its budget, but must obtain a 2/3-majority vote of the entire District Board.

D. Organization of the District Board:

The BID Board shall consist of nine persons appointed by the Mayor of the City of Shawano, subject to confirmation of the Shawano Common Council, and one Council representative. The members shall serve for staggered terms of three years, with the exception of the initial term, which shall be established by the Council by resolution. A majority of the Board members shall own or occupy real property in the BID. The Board shall have the powers and duties necessary and convenient to implement the Operating Plan, including the power to contract and as provided in Wisconsin Statutes s. 66.1109(3) and City Municipal Code 1.211.

IV. METHOD OF ASSESSMENT
The assessment for District operating expenses for 2019 shall be $2.75 per $1,000 of assessed value of all real estate within the BID (with a $2.5 million cap on property value) except residential property and such properties as are exempt from property taxes as required by Wisconsin Statutes s. 66.1109. The BID assessment is hereby levied by the City of Shawano, which shall be a lien against each of the tax parcels of real property contained in the District, unless exempted as identified herein, under the power of Wisconsin Statutes s. 66.0717. Such special assessments are hereby levied by the City of Shawano by adoption of this BID Plan. With adoption of the BID plan for the year 1989, and subsequent years, the City Clerk-Treasurer is authorized to include the BID assessment on bills for properties subject to the assessment within the designated Business Improvement District.

The City of Shawano shall collect such BID assessments, and place them in the BID Fund for disbursement as authorized by the BID Board. The BID Fund is a segregated account in which all interest earned by virtue of temporary investment of these assessments, shall remain in the account for activities delineated in the approved BID Operating Plan.

Properties specifically exempt from a BID assessment include:

1. Wisconsin Statutes s.66.1109(1)(f)(1m): Property used exclusively for manufacturing purposes will not be assessed.
2. Wisconsin Statutes s.66.1109(5)(a): Property used exclusively for residential purposes will not be assessed.
3. Wisconsin Statutes s.66.1109(1)(b): Property exempt from general real estate taxes, for the calendar year in which the BID Operating Plan is adopted, are excluded from the District by definition, even though the boundaries of the District would otherwise include them.

Those manufacturing, residential and tax exempt properties adjoining the District which are later determined no longer to be exempt from general property taxes, and residential or manufacturing properties that are no longer used exclusively for residential or manufacturing purposes, shall automatically become included within the District and subject to assessment under any current operating plan without necessity to undertake any other act.

V. PROMOTION OF ORDERLY DEVELOPMENT OF THE CITY

Under Wisconsin Statutes section 66.1109(1)(f)(4), this Operating Plan is required to specify how the creation of the District promotes the orderly development of the City. The District will increase the vitality of the Shawano Central Business District and, consequently, encourage commerce in the City. Increased business activity in the City will increase sales tax revenues and property tax base.

The creation of the BID is in compliance with the City’s Comprehensive Development Plan. To that end, the City has played a significant role in creation of the District and in the implementation of the Operating Plan. In furtherance of its commitment, the City shall:

1. Maintain staff support services to the District.
2. Maintain accounting services through the BID Fund.
3. Handle the billing and collection of BID assessments as provided herein.
4. Authorize the City Attorney to make a legal opinion, attached hereto as Appendix D, that the BID Operating Plan complies with the requirements of the BID Law.
The BID promotes the Business Improvement Grant which encourages businesses to improve and revitalize the interior and/or exteriors of their commercial properties. Grant funds are awarded up to 50% of the eligible costs, with a maximum grant of $5000.

VI. PLAN APPROVAL PROCESS

The BID Law establishes a specific process for reviewing and approving Operating Plans. The statutory requirements were followed for the creation of the original Operating Plan in 1988.

VII. FUTURE YEAR OPERATING PLANS

This Operating Plan is designed to authorize and control the BID for its 2019 activities. It is anticipated that the District will continue to be renewed by the City of Shawano after 2019 and in such renewals the District will revise and develop this Operating Plan annually, in response to changing needs and opportunities in the District, in accordance with the purposes and objectives defined in the Operating Plan.

Wisconsin Statutes section 66.1109(3)(b) requires the Board and City to annually review, approve, and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms proposed activities, information on specific properties, budget amounts and expenditures are based solely upon current conditions. Subsequent years’ activities, budget, and assessments will be provided in the required annual plan updates, and approval by the Common Council of such plan updates shall be conclusive evidence of compliance with this Operating Plan and the BID Law.

Plan amendments shall also include the following process:

1. The District will submit its proposed operating plan to the City of Shawano by October 1st of each year.
2. The City of Shawano will review the proposed Operating Plan at a public hearing and meeting established for the adoption of City’s annual budgets.
3. The Common Council will adopt the proposed Operating Plan at said public hearing and meeting for the following year.

VIII. GENERAL

All exhibits referenced herein are incorporated herein by reference. After the first year of the BID, the Operating Plan need not include the legal opinion, or a map of the BID District, unless there is a change in them.